AGENDA
ORO VALLEY TOWN COUNCIL
REGULAR SESSION
April 2, 2014
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CAÑADA DRIVE

REGULAR SESSION AT OR AFTER 5:00 PM

CALL TO ORDER

ROLL CALL

EXECUTIVE SESSION - Pursuant to A.R.S. Sections 38-431.03(A)(1) and (A)(3) for discussion or consideration of appointment of an elected official and for discussion or consultation with the Town Attorney for legal advice regarding same and regarding potential liabilities to the Town for private acts of public officers

REGULAR SESSION AT OR AFTER 6:00 PM

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

UPCOMING MEETING ANNOUNCEMENTS

COUNCIL REPORTS

DEPARTMENT REPORTS

The Mayor and Council may consider and/or take action on the items listed below:

ORDER OF BUSINESS: MAYOR WILL REVIEW THE ORDER OF THE MEETING

INFORMATIONAL ITEMS

1. Letters of Appreciation - William Vicens

2. Councilmember Zinkin NLC Congressional City Conference Trip Report

CALL TO AUDIENCE – At this time, any member of the public is allowed to address the Mayor and Town Council on any issue ***not listed on today's agenda.*** Pursuant to the Arizona Open Meeting Law, individual Council Members may ask Town Staff to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during "Call to Audience." In order to speak during "Call to Audience" please specify what you wish to discuss when completing the blue speaker card.

CONSENT AGENDA
(Consideration and/or possible action)

A. Minutes - March 5, 2014

B. Fiscal Year 2013/14 Financial Update through January 2014

C. Resolution No. (R)14-16, approving an amendment to the general consultant contract for Town Attorney services

REGULAR AGENDA

1. AMENDMENT TO THE ORO VALLEY TOWN CODE, CHAPTER 13, DEVELOPMENT IMPACT FEES

   a. RESOLUTION NO. (R)14-17, DECLARING THE PROPOSED AMENDMENT TO THE ORO VALLEY TOWN CODE CHAPTER 13, DEVELOPMENT IMPACT FEES, AS EXHIBIT "A" AND FILED WITH THE TOWN CLERK, A PUBLIC RECORD

   b. PUBLIC HEARING: ORDINANCE NO. (O)14-04, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 13, DEVELOPMENT IMPACT FEES, BY REPEALING CHAPTER 13 IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 13 AS PROVIDED IN EXHIBIT "A"

2. AMENDMENT TO THE ORO VALLEY TOWN CODE, CHAPTER 15, ARTICLE 17, WATER RATES, FEES AND CHARGES

   a. RESOLUTION NO. (R)14-18, DECLARING THE PROPOSED AMENDMENT TO THE ORO VALLEY TOWN CODE CHAPTER 15, ARTICLE 17, WATER RATES, FEES AND CHARGES, AS EXHIBIT "A" AND FILED WITH THE TOWN CLERK, A PUBLIC RECORD

   b. PUBLIC HEARING: ORDINANCE NO. (O)14-05, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 15 ARTICLE 17, WATER RATES, FEES AND CHARGES TO COMPLY WITH NEW CHANGES MADE TO CHAPTER 13, DEVELOPMENT IMPACT FEES

3. PUBLIC HEARING: ORDINANCE NO. (O)14-06, AMENDING SECTIONS 15-5-2 AND 15-5-3 OF CHAPTER 15, WATER CODE, OF THE ORO VALLEY TOWN CODE

4. PUBLIC HEARING: ORDINANCE NO. (O)14-07, REZONING THE 45 ACRE KAI NARANJA PROPERTY FROM R1-144 TO R1-7, LOCATED IMMEDIATELY EAST OF IRONWOOD RIDGE HIGH SCHOOL ON THE SOUTH SIDE OF NARANJA DRIVE

5. CONSIDERATION AND ACCEPTANCE OF THE ORO VALLEY WATER UTILITY COMMISSION ANNUAL REPORT DATED APRIL 2014

6. PUBLIC HEARING: LOCAL ALTERNATIVE EXPENDITURE LIMITATION ELECTION (HOME RULE OPTION)

7. RESOLUTION NO. (R)14-19, TO CONSIDER IN WHOLE OR IN PART THESE ITEMS, REPEALING AND REPLACING PERSONNEL POLICIES 2, DEFINITIONS OF TERMS; 9, PROBATIONARY PERIODS; 10, ATTENDANCE AND LEAVES; 11, DISCIPLINE; 16, NEPOTISM; 23, DRUG FREE WORKPLACE; 26, COMPUTER USAGE; E-MAIL USE, RETENTION, & STORAGE; AND INTERNET POLICY; AND, 29, CONFLICT OF INTEREST (Agenda item title and communication updated on 3/27/14 at 9:00 a.m.)

8. PRESENTATION OF TOWN MANAGER'S RECOMMENDED BUDGET FOR FISCAL YEAR 2014/15
(Recommended Budget added on 4/1/14 at 3:00 p.m.)

FUTURE AGENDA ITEMS (The Council may bring forth general topics for future meeting agendas. Council may not discuss, deliberate or take any action on the topics presented pursuant to ARS 38-431.02H)

CALL TO AUDIENCE – At this time, any member of the public is allowed to address the Mayor and Town Council on any issue ***not listed on today's agenda.*** Pursuant to the Arizona Open Meeting Law, individual Council Members may ask Town Staff to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during "Call to Audience." In order to speak during "Call to Audience" please specify what you wish to discuss when completing the blue speaker card.

ADJOURNMENT

POSTED: 3/26/14 at 5:00 p.m. by mrs
UPDATED AGENDA POSTED: 3/27/14 at 5:00 p.m. by mrs

When possible, a packet of agenda materials as listed above is available for public inspection at least 24 hours prior to the Council meeting in the office of the Town Clerk between the hours of 8:00 a.m. – 5:00p.m.

The Town of Oro Valley complies with the Americans with Disabilities Act (ADA). If any person with a disability needs any type of accommodation, please notify the Town Clerk's Office at least five days prior to the Council meeting at 229-4700.

INSTRUCTIONS TO SPEAKERS

Members of the public have the right to speak during any posted public hearing. However, those items not listed as a public hearing are for consideration and action by the Town Council during the course of their business meeting. Members of the public may be allowed to speak on these topics at the discretion of the Chair.

If you wish to address the Town Council on any item(s) on this agenda, please complete a speaker card located on the Agenda table at the back of the room and give it to the Town Clerk. **Please indicate on the speaker card which item number and topic you wish to speak on, or if you wish to speak during "Call to Audience", please specify what you wish to discuss when completing the blue speaker card.**

Please step forward to the podium when the Mayor announces the item(s) on the agenda which you are interested in addressing.

1. For the record, please state your name and whether or not you are a Town resident.
2. Speak only on the issue currently being discussed by Council. Please organize your speech, you will only be allowed to address the Council once regarding the topic being discussed.
3. Please limit your comments to 3 minutes.
4. During "Call to Audience" you may address the Council on any issue you wish.
5. Any member of the public speaking must speak in a courteous and respectful manner to those present.

Thank you for your cooperation.

Town Council Regular Session **Item # 1.**

Meeting Date: 04/02/2014

Submitted By: Julie Bower, Town Clerk's Office

Information

Subject

Letters of Appreciation - William Vicens

Attachments

Letter

Letter of Appreciation

Bower, Julie

Subject: FW: William Vicens

-----Original Message-----
From: Sandi Talbot
Sent: Monday, March 10, 2014 10:59 AM
To: Caton, Greg
Cc: Vicens,William
Subject: William Vicens

Dear Mr, Caton,

I would like you to know about a wonderful art tour that William Vicens conducted for our Red Hat group of approximately 20 ladies on March 5th. We started at the Oro Valley Hospital and he showed us the many and varied medium pieces therein. We then caravaned to Innovation Park to see a number of outdoor pieces in the area, many of which we would never have occasion to discover on our own. The tour took about an hour and a half and everyone was delighted both with the art and William's enthusiastic commentary.

He was so helpful to me in planning the event for two months prior and following through on the details. We trust he is a very valued staff person and recognized as a gifted promoter of Oro Valley.

Kind regards,

Sandra D. Talbot

From: Bob Ferriday
Sent: Friday, March 21, 2014 10:34 AM
To: Caton, Greg
Cc: Vicens,William
Subject: Our Public Art Tour with William Vicens

Good morning Greg:

Yesterday, my wife and I had the pleasure to go on a tour of the public art within Oro Valley. William was our leader and guide. He is certainly a fine representative of Oro Valley and your office. He was very gracious and so enthusastic about his subject matter. I believe all of us on the two plus hour tour felt we had the best guide possible. I congratulate Oro Valley for investing in quality staff and in public art. We feel your town has its priorities right on! We wish you and your office continued success and hope to spend more time here for many years to come.

Sincerely Bob Ferriday and Barbara McMath, your new friends from Wisconsin

Town Council Regular Session **Item # 2.**

Meeting Date: 04/02/2014

Submitted By: Arinda Asper, Town Manager's Office

Information

Subject

Councilmember Zinkin NLC Congressional City Conference Trip Report

Attachments

Zinkin NLC Congressional City Conference Trip Report 3-17-2014

Office of the Town Council

Trip Report

Purpose: 2014 National League of Cities Congressional City Conference

Date: March 8 – 12, 2014

Location: Marriott Wardman Park Hotel
Washington, D.C.

Attendees: Councilmember Mike Zinkin

Summary:

The National League of Cities (NLC) 2014 Congressional City Conference is an annual legislative forum that brings together more than 2,000 elected and appointed city leaders to focus on the federal policy issues that are important to local governments. In addition to providing opportunities to learn about innovative practices implemented at the local level, the conference connected city leaders from across the country with NLC - the organization that members of Congress, the White House, and federal agencies look to for solutions to addressing the nation's most pressing challenges. The Conference offered city leaders from across the country a unique opportunity to gain valuable insights into and influence actions in Washington that impact local communities, and to learn of available federal programs, funding opportunities and resources.

Key federal policy issues addressed at the conference included:

- Federal budget proposals
- Federal strategies on job creation and economic development
- Comprehensive tax code reform and municipal finance
- Education and job training programs
- Immigration Reform
- Water and transportation infrastructure investments
- Public safety and cyber-security
- Regulatory reform and streamlining

Councilmember Zinkin has been appointed to the NLC 2014 Community and Economic Development Steering Committee. Letter of appointment, additional notes and conference schedule are attached.

Report submitted to the Town Clerk on March 17, 2014

Mike Zinkin
Councilmember

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11000 N. La Cañada Drive • Oro Valley, Arizona 85737
phone: (520) 229-4700 • fax: (520) 229-0428

NATIONAL LEAGUE of CITIES

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January 3, 2014

Dear Community and Economic Development Steering Committee member:

On behalf of the National League of Cities (NLC), I am writing to congratulate you on your appointment to the 2014 Community and Economic Development Steering Committee. Your experience and commitment will bring great value to NLC, communities around the country and the efforts of the committee.
Your term begins with the receipt of this notification and concludes at the adjournment of the 2014 Congress of Cities in Austin, TX, in November.

This year's committee leadership team consists of Chair Lavonta Williams, council member, Wichita, KS, and Vice Chair(s) Mike Wojcik, council member, Rochester, NY, and Craig Thurmond, mayor, Broken Arrow, OK, The NLC staff contact for your committee is Michael Wallace. Mike can be reached directly at 202-626-3025 or by e-mail at Wallace@nlc.org. All of us at NLC look forward to working with you in this capacity this year.

I hope you are already planning to attend NLC's Congressional City Conference March 8-12, 2014, at the Marriott Wardman Park Hotel in Washington, D.C., and to join us for important committee meetings that will take place during the conference. Your participation at these meetings is important as the committee will begin developing a work plan for the year. To assist you in preparing for the meetings, NLC will e-mail meeting materials and room locations in early March. Optional events may take place before the committee meetings, and we will send you that information as soon as it is available.

To register for the Congressional City Conference, click here.

Finally, attached is a hometown press release, which I encourage you to personalize and share with your local media. If you have any questions regarding media relations, please contact Thomas Martin at martin@nlc.org.

Again, congratulations on your appointment and I look forward to working with you next year.

Sincerely,

Christopher B. Coleman
President
National League of Cities

NATIONAL LEAGUE OF CITIES
TRIP REPORT 3/8/14 – 3/11/14

3/8/14
Upon arriving in DC on 3/8/14 I immediately went to the NLCU Seminar on "Advanced Priority Based Budgeting: Applied Learning Seminar". As a Leadership Fellow, I am allowed to attend any NLC University function in order to monitor the course, at no cost to the Town. Priority Based Budgeting (PBB) is endorsed by the ICMA, taught at the ICMA Conventions, and utilized more and more by cities throughout the United States.

PBB attempts to prioritize resources and measure the outcomes. All Town programs are identified with their associated costs. Within all departments there are programs and not all the programs can be of the upmost priority. The Council decides on the program priority and funds it accordingly. Does the program achieve the desired goals it is trying to achieve? The Council matches the goals with the expectations.

In Arizona, Queen Creek, Goodyear, and Chandler are starting to utilize PBB. PBB has a website www.pbbcenter.org I would encourage all to visit this site. I am going to attempt to see if we can get a breakout session on this at the next Arizona League of Cities and Towns Conference. I have the workbook/handout in my office should anybody be interested.

3/9/14

The morning was spent networking with Marianna Marysheva-Martinez. Marianna now works for FTI Counseling but in the early 2000's was the City Manager of Oakland, CA, under Jerry Brown. We discussed Priority Based Budgeting and its benefits. She provided me with a 100+ page PDF file about setting departmental performance measures. Again, if anybody is interested in this report, please advise and I will email the PDF.

After the Leadership Luncheon, the Advocacy Groups met. The Community and Economic Development Advocacy Committee, followed by the Steering Committee discussed the National Agenda. NLC advocates for cities non-partisan issues that will affect communities.

Like last year, Immigration Reform, The Marketplace Fairness Act, and the protection of the tax free status of Municipal Bonds are on the list. In addition, the NLC will advocate strengthening the Nation's education pipeline, and advocating for the investment in local transportation priorities.

The authorization for the Elementary and Secondary Education Act (ESEA), better known as No Child Left Behind, ends this year. Congress must reauthorize and address the problems with ESEA.

Moving Ahead for Progress in the 21st Century (MAP-21) will lose its monies and authorization before the end of 2014. Investment in local infrastructure should be a no brainer, but EVERYBODY…REGARDLESS OF PARTY told us Washington is broken and that if anything happens it will be a surprise.

We all know the ramifications if either of these acts don't get reauthorization.

3/10/14

In the morning I sat in with the First Tier Suburbs Council Meeting. These are cities, like Oro Valley, that are suburbs of larger communications, and usually do not have a "downtown". I sat at the table that was concerned with the aging population. Problems like we have discussed, such as, adding to the home for the sick relative, independent living codes, assisted living codes, skilled nursing codes, and hospice are problems in many cities. As we progress through this process, I will network with people from across the country to see how they are dealing with the issues.

The opening general session included a panel discussion headed by Andrea Mitchell concerning economic development. There were remarks by Arne Duncan, Secretary of Education. Mr. Duncan announced a partnership with the NLC regarding Education and its future.

The Arizona League of Cities and Towns had a reception which afforded me an opportunity to network with elected officials from around Arizona. I talked with Ken Strobeck to get the Leagues position on the proposed Arizona Bill that allows towns to bill for services of the clerk in providing FOIA material.

3/11/14

Tuesday morning I attended the session "How Cities are Working With the Federal Government to Come Together Around Education." This session discussed, through a panel discussion followed by comments from the audience, how cities can assist local school districts in helping to provide quality education. Of interest was the discussion of after school activities.

When we keep children busy, they are not wandering around getting into trouble. Cities can offer alternatives to doing nothing through their/our Parks and Rec. Depts. Is is possible we can partner with Amphi/Pima County (library) to offer quality after school activities?

The delegate lunch on 3/11/14 offered a talk by Gwen Ifill, the PBS personality and moderator of the last Vice Presidential debates.

Following lunch the Leadership Fellows met. I have been advocating for a way that the NLC University could provide online courses for us to take. Towns cannot afford to send their entire Council to these meetings, and cannot afford to pay the $120.00 + a course costs. An online course could only cost about $25.00 and could be taken at the leisure of the elected official.

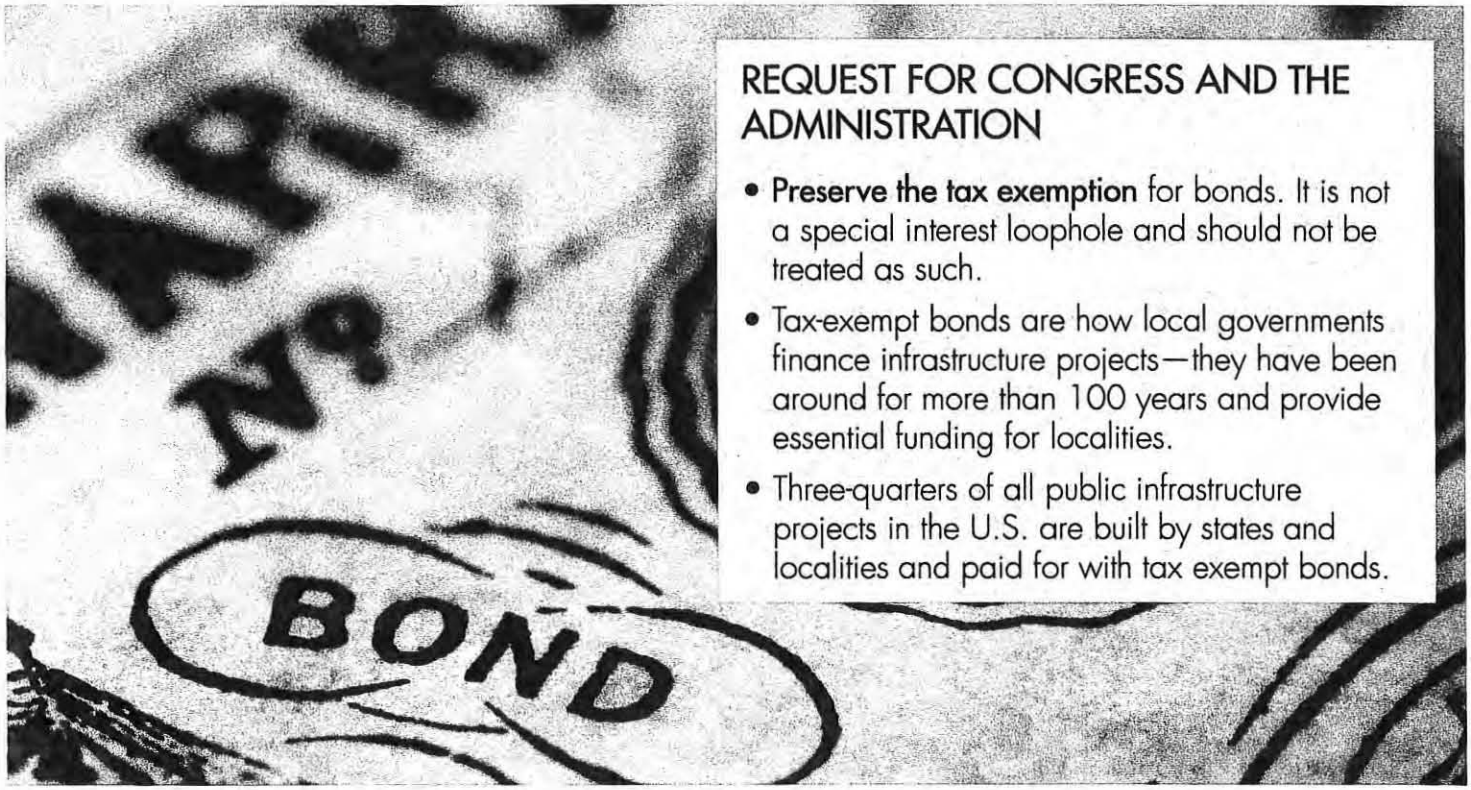
We previewed an online course with the draft title "Understanding Foreclosure: The City Leader's Guide" The premise is that if a home goes into foreclosure what can the City do to insure that it does not totally go into disrepair. Although this course might not be entirely applicable to Oro Valley, it is to many communities. This will be a trial course and when completed WILL COST NOTHING to take. I will keep all advised as to the progress of this course and when it will be available.

NATIONAL LEAGUE of CITIES

ISSUE BRIEF

PROTECT MUNICIPAL BONDS

NLC calls on the federal government to not limit in any way the income tax exemption for municipal bonds.



REQUEST FOR CONGRESS AND THE ADMINISTRATION

- **Preserve the tax exemption** for bonds. It is not a special interest loophole and should not be treated as such.
- Tax-exempt bonds are how local governments finance infrastructure projects—they have been around for more than 100 years and provide essential funding for localities.
- Three-quarters of all public infrastructure projects in the U.S. are built by states and localities and paid for with tax exempt bonds.

BACKGROUND

NLC opposes any attempt to eliminate or limit the traditional tax exemption for municipal bonds, whether as a part of a deficit reduction plan, a push for comprehensive tax reform or as an offset for new spending. As the Administration and Congress look for revenue to reduce the deficit and still fund programs, the federal income tax exemption provided to interest paid on state and municipal bonds (debt) is under threat.

If the federal income tax exemption is eliminated or limited, states and localities will pay more to finance projects, **leading to less infrastructure investment, fewer jobs, and greater burdens on citizens** who will have to pay higher taxes and fees.

This exemption has been in place since the federal income tax was instituted in 1913. **It is the primary financing mechanism for state and local infrastructure projects**, with three-quarters of the infrastructure projects in the U.S. built by state and local governments, and with over $3.7 trillion in outstanding tax-exempt bonds issued by 30,000 separate government units. Local governments save an average of 25 to 30 percent on interest costs with tax-exempt municipal bonds as compared to taxable bonds. These savings arise because investors are willing to accept a lower interest rate on tax-exempt bonds because of the tax advantages they receive.

The need for infrastructure investment—and the jobs that come with it—is acute. Much of this need must be met by states, counties and cities. Tax-exempt municipal bonds are one of the primary tools local governments use to address these pressing infrastructure needs.

www.nlc.org for additional resources

NATIONAL LEAGUE of CITIES | ISSUE BRIEF

FIX THE NATION'S BROKEN IMMIGRATION SYSTEM

NLC calls on Congress and the Administration to pass a comprehensive immigration reform bill that balances national security needs with renewed efforts to grow the nation's workforce, stimulate economy prosperity and remain competitive in the 21st century global marketplace.

REQUEST FOR CONGRESS AND THE ADMINISTRATION

- **Pass a comprehensive immigration reform bill.**
- Provide cities with a plan that includes **a path to citizenship, strong border enforcement, and support for cities and towns to integrate immigrants** into their communities and allow them to make both cultural and economic contributions to the nation.

BACKGROUND

The nation's broken immigration system hurts families, communities and our economy. It is time for Congress to acknowledge the economic vitality that immigrants bring to this nation and adopt a reform policy that supports secure borders and a path to citizenship for the millions of immigrants currently contributing to our local and national economies.

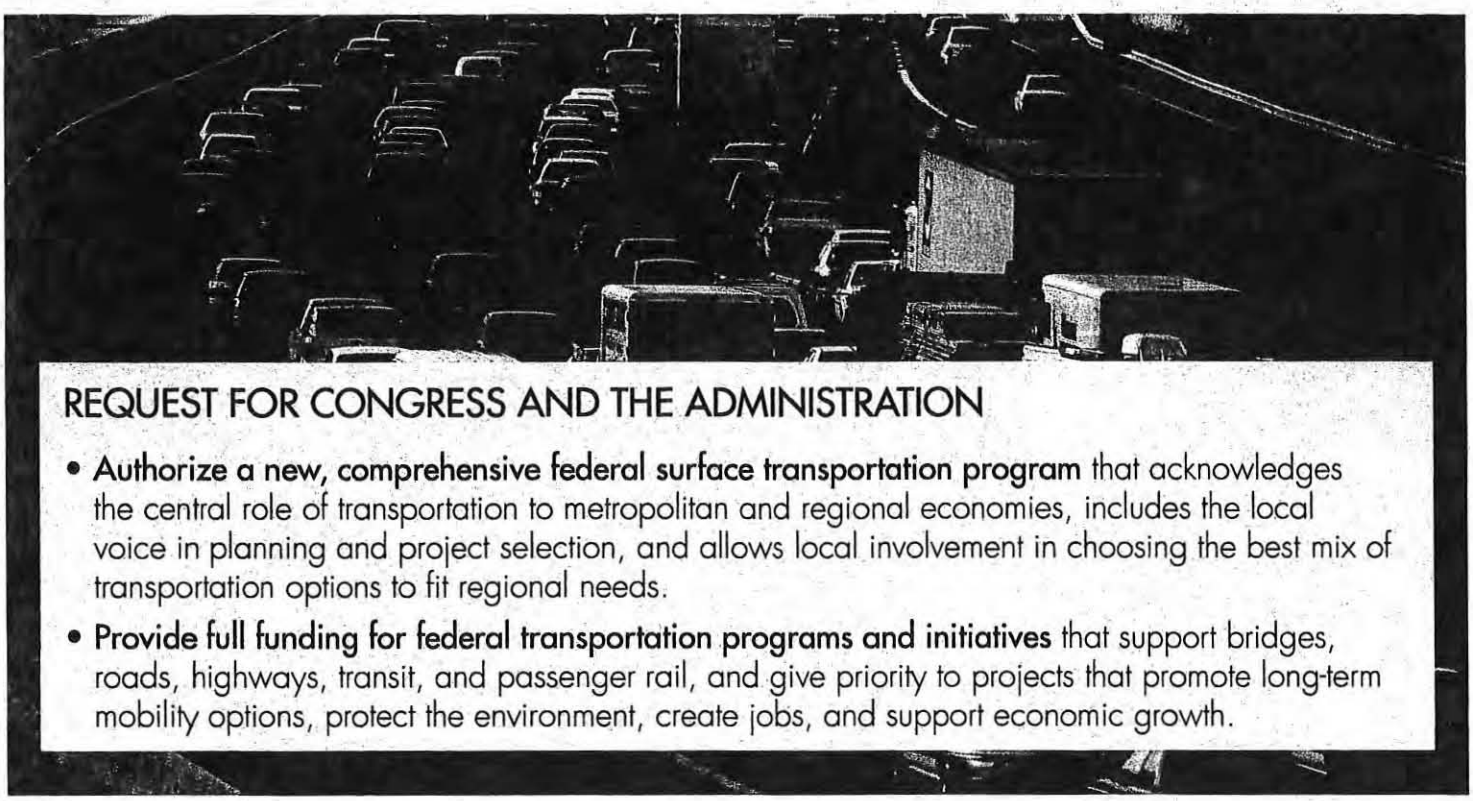
For far too long, our immigration system has torn apart families, allowed cultural misunderstandings to threaten our communities and held back economic growth by **keeping a substantial population from being able to fully participate**. Local governments are caught in the middle of the national debate with no control over the regulation of immigration, but with the responsibility for integrating immigrants into our communities and providing the services necessary for stable neighborhoods. Congressional reform should not include new mandates on local governments to enforce federal immigration laws nor interfere with community policing.

Immigrants are also taxpayers and consumers. They pay taxes on their wages and spend their earnings on the purchase of goods and services including food, clothing and homes. This increased consumption boosts business sales, expands the economy, generates new jobs and increases the earnings of all Americans. Recognizing this, civic and business leaders across the country have joined with municipal leaders to highlight the economic necessity of comprehensive immigration reform.

NATIONAL LEAGUE of CITIES | ISSUE BRIEF

INVEST IN LOCAL TRANSPORTATION PRIORITIES

NLC urges Congress to authorize a new, long-term multi-modal federal surface transportation program that supports the central role of transportation to metropolitan and regional economies and puts local voices at the forefront of transportation policy, funding and programs.



REQUEST FOR CONGRESS AND THE ADMINISTRATION

- **Authorize a new, comprehensive federal surface transportation program** that acknowledges the central role of transportation to metropolitan and regional economies, includes the local voice in planning and project selection, and allows local involvement in choosing the best mix of transportation options to fit regional needs.
- **Provide full funding for federal transportation programs and initiatives** that support bridges, roads, highways, transit, and passenger rail, and give priority to projects that promote long-term mobility options, protect the environment, create jobs, and support economic growth.

BACKGROUND

The current federal surface transportation program authorization, Moving Ahead for Progress in the 21st Century (MAP-21), signed in 2012, funds highway, transit, and other surface transportation programs through the end of FY2014. However, the law did not address long-term funding challenges facing federal surface transportation funding. **The Highway Account of the Highway Trust Fund is expected to encounter a shortfall before the end of FY2014**, coinciding with the expiration of the current transportation spending program.

Any delay in solving the funding shortfall will be harmful to local economies. The time has come for Congress and the Administration to authorize a new, lasting transportation plan that includes local decision making authority, invests in long term equitable transportation solutions , supports sustainable multimodal choices, and maintains a strong federal role.

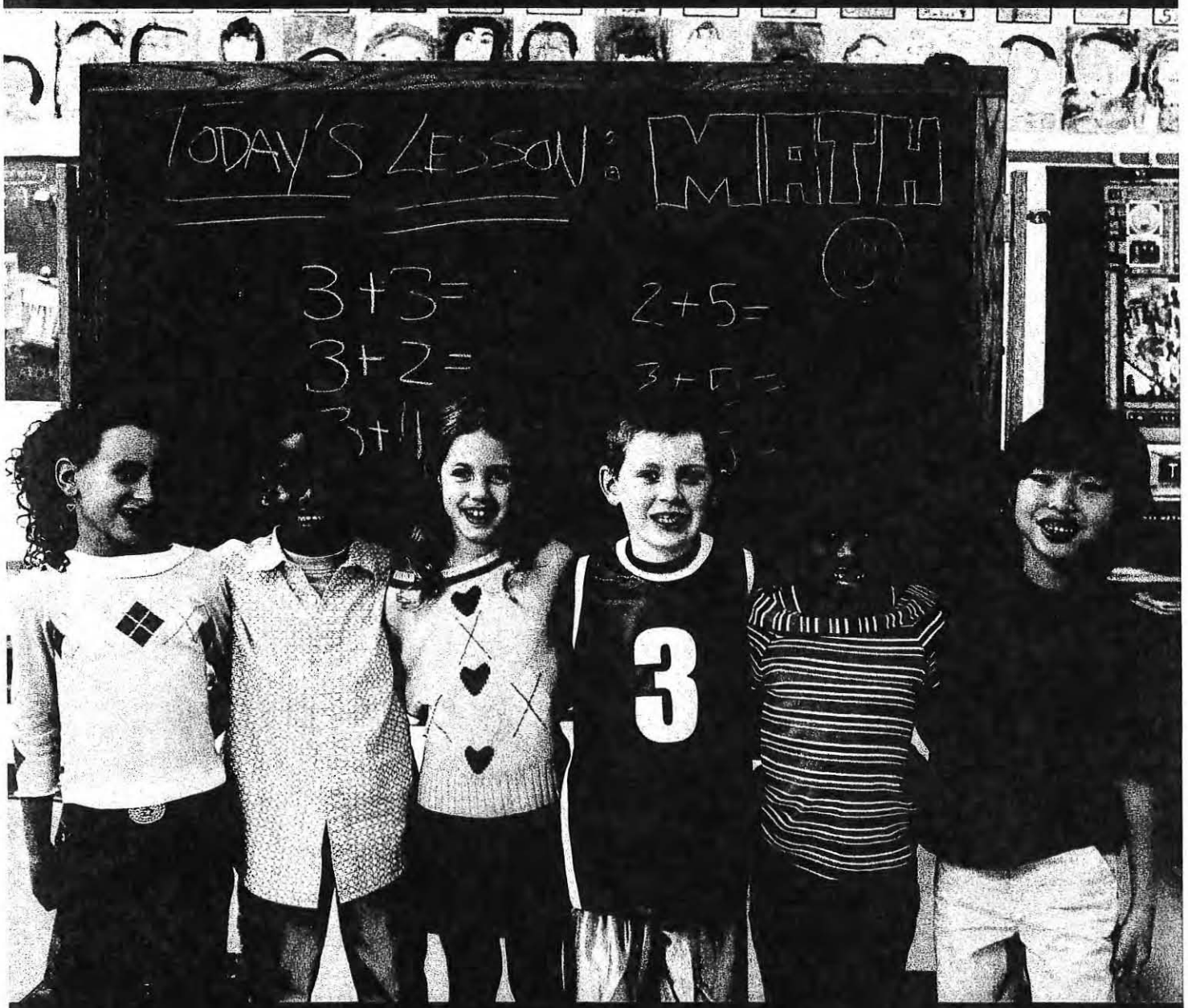
The federal government must continue its role in shaping the nation's transportation goals and priorities. A national program needs focus on sustainable solutions to mobility and safety, maintain the national role as leader in data, adapting successful technological approaches, and promote innovative transportation solutions.

Investment in local infrastructure creates jobs and boosts local economies. With adequate funding and innovative financing solutions, local leaders can train and hire thousands of workers to carry out both immediate fixes and long-term road, bridge, transit, and rail projects. A comprehensive funding solution will **allow local leaders to make the long-term investments and planning decisions** their communities need.

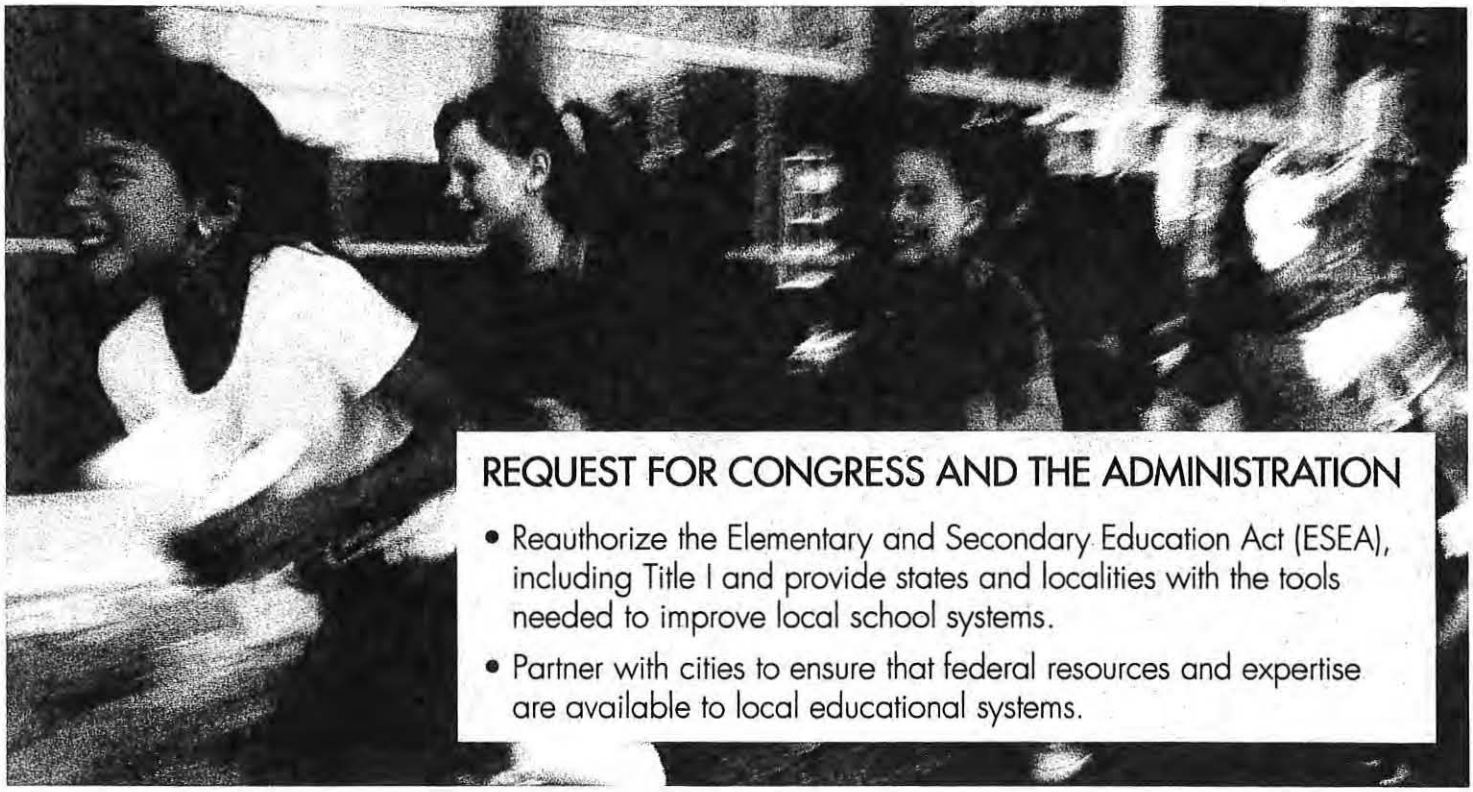
NATIONAL LEAGUE of CITIES

ISSUE BRIEF

STRENGTHEN THE NATION'S EDUCATION PIPELINE



NLC asks Congress and the Administration to partner with cities to improve local education systems and outcomes, and to reauthorize the Elementary and Secondary Education Act (ESEA).



REQUEST FOR CONGRESS AND THE ADMINISTRATION

- Reauthorize the Elementary and Secondary Education Act (ESEA), including Title I and provide states and localities with the tools needed to improve local school systems.
- Partner with cities to ensure that federal resources and expertise are available to local educational systems.

BACKGROUND

High quality education and job training programs strengthen our communities by developing a skilled workforce prepared to meet the demands of the new economy. NLC needs Congress to reauthorize the Elementary and Secondary Education Act (ESEA), including Title I, so that states and localities will have the tools they need to improve their local education systems. Reauthorization must also address problems in ESEA.

Failure to reauthorize ESEA has prevented local governments from making critical improvements to their education systems that will provide young people with the tools they need to compete. The U.S. Department of Education's state waiver program to address the problems in current law is not a satisfactory alternative to ESEA reauthorization. These waivers are temporary, and subject to change depending on the Administration.

A strong federal-local partnership will acknowledge that the best education decisions are made at the local level, and leverage the expertise of the federal government. In collaboration with the U.S. Department of Education, NLC is focusing on strengthening the education pipeline to ensure that all young people have access to an appropriate education that includes early childhood opportunities as well as postsecondary success. That means increasing the visibility, understanding, and appreciation of the role that cities can play in leading educational change by advancing strong early childhood opportunities, citywide high-quality afterschool programs, and strategies to improve postsecondary success rates.

Now is the time for Congress and the Administration to modernize the federal education system with strong intergovernmental partnerships between federal and local partners. Federal action should place emphasis on learning and skills acquisition; provide students with a wide range of academic resources to help them continue their education and enter the world of work; and offer adults access to job skills training that is responsive to the current economic environment.

www.nlc.org for additional resources

NATIONAL LEAGUE of CITIES

DATE: March 8, 2014 - March 12, 2014

LOCATION: Marriott Wardman Park, Washington, D.C.

CATEGORY: Annual Conference

Schedule

Day All

Type All

Search

SATURDAY, MARCH 08, 2014

9:00 am	**NLC University:The Economic Development Financing Toolbox** (Show details)
9:00 am	**NLC University: Securing and Managing Federal Grants for Small and Mid-Size Cities** (Show details)
9:00 am	**NLC University: Introduction to Priority-Based Budgeting** (Show details)
12:15 pm	**Afterschool Policy Advisor's Network (APAN) Luncheon**
1:30 pm	**NLC University: Fostering Positive Police-Community Relations** (Show details)
1:30 pm	**NLC University: Performance Management: A Sustainability Case Study** (Show details)
1:30 pm	**NLC University: Utilizing Tax Increment Financing (TIF)** (Show details)
1:30 pm	**NLC University: Advanced Priority Based Budgeting: Applied Learning Seminar** (Show details)
5:15 pm	**NLC University Happy Hour**

5:30 pm	**State League and Special Group Events**

SUNDAY, MARCH 09, 2014

8:30 am	**NLC Board of Directors Meeting**
9:00 am	**NLC University: Strengthening Families and Cities: Connecting Residents to Federal and State Benefits** (Show details)
9:00 am	**NLC University: Leading Your City through the Pension Fund Challenge** (Show details)
9:00 am	**NLC University: Downtown Re-Development** (Show details)
9:00 am	**NLC University: Public Leadership in the Information Age** (Show details)
12:00 pm	**Gay, Lesbian, Bisexual, and Transgender Local Officials (GLBTO) Business Meeting**
12:00 pm	**Leadership Luncheon**
1:30 pm	**NLC Advisory Council**
1:30 pm	**Joint TIS-EENR Policy and Advocacy Committee Meeting**
1:30 pm	**Public Safety and Crime Prevention (PSCP) Policy and Advocacy Committee Meeting**
1:30 pm	**Finance, Administration and Intergovernmental Relations (FAIR) Policy and Advocacy Committee Meeting**
1:30 pm	**Human Development (HD) Policy and Advocacy Committee Meeting**
1:30 pm	**Energy, Environment and Natural Resources (EENR) Policy and Advocacy Committee Meeting**
1:30 pm	**Transportation Infrastructure and Services (TIS) Policy and Advocacy Committee Meeting**
1:30 pm	**Information Technology and Communications (ITC) Policy and Advocacy Committee Meeting**
1:30 pm	**Community and Economic Development (CED) Policy and Advocacy Committee Meeting**
2:00 pm	**Youth Delegates Orientation**
3:30 pm	**Hispanic Elected Local Officials (HELO) Business Meeting**
4:00 pm	**Community and Economic Development (CED) Steering Committee Meeting**
4:00 pm	**Public Safety and Crime Prevention (PSCP) Steering Committee Meeting**

4:00 pm	**Human Development (HD) Steering Committee Meeting**
4:00 pm	**Transportation Infrastructure and Services (TIS) Steering Committee Meeting**
4:00 pm	**National Black Caucus of Local Elected Officials (NBC-LEO) Member Networking Open House**
4:00 pm	**Energy, Environment and Natural Resources (EENR) Steering Committee Meeting**
4:00 pm	**Finance, Administration and Intergovernmental Relations (FAIR) Steering Committee Meeting**
4:00 pm	**Information Technology and Communications (ITC) Steering Committee Meeting**
4:30 pm	**Alabama League of Municipalities Reception and Caucus**
4:30 pm	**Louisiana Municipal Association Caucus**
5:15 pm	**Orientation for New Member and First-Time Attendees**
5:45 pm	**National Black Caucus of Local Elected Officials (NBC-LEO) Board of Directors**

MONDAY, MARCH 10, 2014

7:30 am	**Celebrate Diversity Breakfast**
9:00 am	**Opening General Session**
10:45 am	**What Does Immigration Reform Mean for Cities?** (Show details)
10:45 am	**Building Resilient Communities in the Face of Climate Change** (Show details)
10:45 am	**Local Impacts from the Federal Budget** (Show details)
10:45 am	**Funding Critical Infrastructure Systems** (Show details)
10:45 am	**Preventing Juvenile Violence for Safer Communities** (Show details)
11:30 am	**Women in Municipal Government (WIMG) Membership Luncheon**
12:15 pm	**Large City Council Meeting**
12:15 pm	**International Council Meeting**
12:15 pm	**Military Communities Council Meeting**
12:15 pm	**Afterschool Policy Advisor's Network Luncheon**
12:15 pm	**Delegates Lunch on their own**

12:15 pm	**Small Cities Council Meeting**
12:15 pm	**First Tier Suburbs Steering Committee Meeting**
12:15 pm	**University Communities Council Meeting**
12:30 pm	**State League Executive Directors Luncheon**
12:30 pm	**Youth Delegates Forum**
1:45 pm	**That Other Branch of Government** (Show details)
1:45 pm	**Federal Agency Round Robin** (Show details)
1:45 pm	**Advocating for Hometown Priorities** (Show details)
2:00 pm	**Asian Pacific American Municipal Officials (APAMO) Business Meeting**
3:30 pm	**Monday Afternoon General Session**
5:00 pm	**Colorado Issues Briefing**
5:00 pm	**League of Kansas Municipalities Briefing**
5:15 pm	**Youth and Elected Officials Event**
5:15 pm	**National Black Caucus of Local Elected Officials (NBC-LEO) General Membership Meeting**
5:30 pm	**Texas Municipal League Reception**
5:30 pm	**Association of Washington Cities Reception**
5:30 pm	**League of Arizona Cities and Towns**
6:00 pm	**League of California Cities**
6:30 pm	**Joint Constituency Group Reception APAMO-HELO - GLBTLO**
7:00 pm	**Connecticut Conference of Municipalities Dutch Treat Dinner**

TUESDAY, MARCH 11, 2014

7:00 am	**State Municipal League Legislative Briefing**
7:30 am	**Breakfast Solutions Sessions**
7:30 am	**Breakfast Solutions Sessions**
7:30 am	**Council on Youth, Education and Families Meeting**
7:30 am	**Women in Municipal Government (WIMG) Board of Directors Meeting**
7:30 am	**Breakfast Solutions Sessions**
7:30 am	**Breakfast Solutions Sessions**
7:45 am	**Small Cities Council Steering Committee Meeting**

9:00 am	9:00 am	**Understanding Environmental Regulatory Implications for Local Governments** (Show details) **What the Affordable Care Act Means to Your City** (Show details)
9:00 am		**Federal Partners for Consumer Financial Protection** (Show details)
9:00 am		**Renewing the Nation's Transportation Program** (Show details)
9:00 am		**How Cities are Working with the Federal Government to Come Together Around Education** (Show details)
10:45 am		**Transit Oriented Economic Development** (Show details)
10:45 am		**Using Technology to Improve Public Safety** (Show details)
10:45 am		**Creating a Federal Job Training Program for the Future** (Show details)
10:45 am		**Encouraging Healthier Children for a Healthier Community** (Show details)
10:45 am		**Youth Delegates Wrap Up**
12:30 pm		**Closing Delegates Luncheon**
1:30 pm		**Caucus for Maine Municipal Officials**
2:00 pm		**Western Municipal Association Meeting**
2:15 pm		**Capitol Hill Visits**
6:30 pm		**Louisiana Municipal Association Dinner**
6:30 pm		**Capitol Steps Performance**

WEDNESDAY, MARCH 12, 2014

8:00 am	**Delegates Visits with their Members of Congress on Capitol Hill**
8:00 am	**Connecticut Conference of Municipalities Congressional Delegation Breakfast**
11:30 am	**National Black Caucus of Local Elected Officials (NBC-LEO) Leadership on the Hill**

Town Council Regular Session **Item # A.**

Meeting Date: 04/02/2014

Requested by: Julie Bower **Submitted By:** Mike Standish, Town Clerk's Office

Department: Town Clerk's Office

Information

SUBJECT:

Minutes - March 5, 2014

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

N/A

BACKGROUND OR DETAILED INFORMATION:

N/A

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to (approve, approve with the following changes) the March 5, 2014 minutes.

Attachments

3/5/14 Draft Minutes

MINUTES
ORO VALLEY TOWN COUNCIL
REGULAR SESSION
March 5, 2014
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CANADA DRIVE

REGULAR SESSION AT OR AFTER 5:00 PM

CALL TO ORDER

Mayor Hiremath called the meeting to order at 5:00 p.m.

ROLL CALL

PRESENT: Satish Hiremath, Mayor
Lou Waters, Vice Mayor
Brendan Burns, Councilmember
Bill Garner, Councilmember
Joe Hornat, Councilmember
Mary Snider, Councilmember
Mike Zinkin, Councilmember

EXECUTIVE SESSION

MOTION: A motion was made by Councilmember Zinkin and seconded by Councilmember Snider to go into Executive Session at 5:01 p.m. pursuant to A.R.S. Section 38-431.03(A)(4) for discussion or consultation with the Town Attorneys in order to consider its position and instruct its attorneys regarding the Town's position regarding pre-annexation development agreements for annexation of certain properties that are the subject of negotiations and pursuant to A.R.S. Sections 38-431.03(A)(1) for discussion or consideration of appointment of an elected official and for discussion or consultation with the Town Attorney for legal advice regarding same and regarding potential liabilities to the Town for private acts of public officers.

MOTION carried, 7-0.

Mayor Hiremath stated that the following staff members would join Council in both Executive Sessions: Town Manager Greg Caton, Town Attorney Kelly Schwab and Town Clerk Julie Bower. The following staff member would join Council in the annexation Executive Session: Economic Development Manager Amanda Jacobs.

REGULAR SESSION AT OR AFTER 6:00 PM

CALL TO ORDER

DRAFT

Mayor Hiremath called the meeting to order at 6:00 p.m.

ROLL CALL

PRESENT: Satish Hiremath, Mayor
Lou Waters, Vice Mayor
Brendan Burns, Councilmember
Bill Garner, Councilmember
Joe Hornat, Councilmember
Mary Snider, Councilmember
Mike Zinkin, Councilmember

PLEDGE OF ALLEGIANCE

Mayor Hiremath led the audience in the Pledge of Allegiance.

UPCOMING MEETING ANNOUNCEMENTS

Communications Administrator Misti Nowak announced the upcoming Town meetings and events.

COUNCIL REPORTS

Vice Mayor Waters reported that the Town had recently been named one of "America's 10 Safest Suburbs" by Movoto Real Estate.

Councilmember Snider attended a farewell ceremony for retiring Officer Ed Holdinsky at Copper Creek Elementary School.

DEPARTMENT REPORTS

Town Clerk Julie Bower announced that new artwork was on display in the Council Chambers by artist Alexandra Terleckyj.

ORDER OF BUSINESS

Mayor Hiremath stated that the agenda would stand as posted.

INFORMATIONAL ITEMS

1. Letter of Appreciation - Development Infrastructure Services

CALL TO AUDIENCE

DRAFT

Oro Valley resident Donna Levy spoke about the upcoming Copper Creek Elementary School 25th anniversary of the first public school in Oro Valley and requested funding for playground equipment and new tablets.

Oro Valley resident John Musolf spoke about House Bill 2419 which would allow government agencies to charge $20.00/hour after the first eight hours of staff time used to process a public records request.

PRESENTATIONS

1. Elizabeth Kempshall, Director - Arizona High Intensity Drug Trafficking Area (HIDTA)

Ms. Kempshall spoke about the HIDTA Task Force and discussed the following:

-HIDTA Task Force Operations
-Sinaloa Cartel
-Drug Distribution Networks
-Border Crossing Methods
-Drug Seizures in Arizona
-DEA Strategy and Collaboration
-Map of High Intensity Drug Trafficking Areas

CONSENT AGENDA

Councilmember Hornat requested that item (E) be removed from the Consent Agenda for discussion.

Councilmember Garner requested that item (D) be removed from the Consent Agenda for discussion.

A. Minutes - February 19, 2014

B. Reappointment of Stephen Dean as the Town's citizen representative on the Pima Association of Governments (PAG) Environmental Planning Advisory Committee (EPAC)

C. Cancellation of the March 19, 2014 Regular Town Council Meeting

F. Request for approval of Conceptual Public Art for the Catalina Springs Memory Care Facility, located on the Southwest corner of Oracle Road and Desert Sky Road

MOTION: A motion was made by Councilmember Snider and seconded by Vice Mayor Waters to approve Consent Agenda items (A-C) and (F).

DRAFT

MOTION carried, 7-0.

D. Resolution No. (R)14-11, authorizing and approving an Intergovernmental Agreement (IGA) between Pima County and the Town of Oro Valley for the Pima County Wireless Integrated Network (PCWIN) subscriber services

Councilmember Garner inquired as to whether the inventory of spare parts was included in the overall dollar amount of the contract.

Deputy Chief Stevens said that the required spare parts were for radios and they were included in the dollar amount outlined in the contract.

MOTION: A motion was made by Councilmember Garner and seconded by Councilmember Snider to approve Resolution No. (R)14-11, authorizing and approving an intergovernmental agreement between Pima County and the Town of Oro Valley for the Pima County Wireless Integrated Network (PCWIN) subscriber services.

MOTION carried, 7-0.

E. Resolution No. (R)14-12, approval of Steam Pump Ranch Fee Schedule

Councilmember Hornat said that the fees were too low and recommended that they be increased.

Parks and Recreation Director Kristy Diaz-Trahan stated that the Town would have to adhere to the Pima County fee schedule since Steam Pump Ranch was purchased with Pima County bond funds.

Discussion ensued amongst Council and staff regarding the proposed Steam Pump Ranch fee schedule.

MOTION: A motion was made by Councilmember Hornat and seconded by Vice Mayor Waters to approve tripling the proposed Steam Pump Ranch fee schedule and request Pima County approval of the tripled fees prior to the effective date of the new fee schedule.

MOTION carried, 5-2 with Councilmember Burns and Councilmember Garner opposed.

REGULAR AGENDA

1. COURTESY REVIEW OF CONCEPTUAL ARCHITECTURE FOR BASIS PRIMARY SCHOOL LOCATED AT STEAM PUMP VILLAGE, NORTHWEST OF STEAM PUMP WAY AND ORACLE ROAD

Mark Cueva, representative for Carhuff-Cueva Architects, gave a brief overview of the Conceptual Architecture for Basis School.

DRAFT

Discussion ensued amongst Council and Mr. Queva regarding the Conceptual Architecture for Basis School.

2. CONCEPTUAL ARCHITECTURE FOR COXCO PROPERTY RETAIL BUILDING LOCATED ON THE NORTHWEST CORNER OF ORACLE ROAD AND INA ROAD

Senior Planner Matt Michels gave an overview of the proposed Conceptual Architecture for the Coxco property and discussed the following:

-Location
-Conceptual Site Plan
-Existing Context
-CDRB recommended approval

Ricardo Enriquez, representative for SBBL Architecture and Planning of Tucson, spoke on the proposed Conceptual Architecture.

MOTION: A motion was made by Councilmember Zinkin and seconded by Vice Mayor Waters to approve the Conceptual Architecture for the Coxco property retail building, finding that the proposed design meets applicable Design Principles and Standards with the condition that should the mechanical be mounted on the rooftop, the ladder accessing the mechanical shall be located in the interior of the building.

MOTION carried, 7-0.

3. RESOLUTION NO. (R)14-13, REPEALING RESOLUTION NO. (R)04-14, AUTHORIZING AND APPROVING THE DISTRIBUTION OF THE TWO (2) PERCENT INCREASE IN THE LOCAL TAX ON CONSTRUCTION CONTRACTING ACTIVITIES

Finance Director Stacey Lemos gave an overview of item #3.

MOTION: A motion was made by Councilmember Snider and seconded by Vice Mayor Waters to approve Resolution No. (R)14-13.

MOTION carried, 7-0.

Mayor Hiremath recessed the meeting at 7:37 p.m.

Mayor Hiremath reconvened the meeting at 7:45 p.m.

4. DISCUSSION AND POSSIBLE DIRECTION TO INITIATE A ZONING CODE AMENDMENT RELATED TO GUEST HOUSES IN SINGLE-FAMILY RESIDENTIAL ZONING DISTRICTS

DRAFT

Councilmember Garner gave an overview of item #4.

The following individual spoke in favor of item #4.

Oro Valley resident Gil Alexander

The following individual spoke in opposition to item #4.

Oro Valley resident Bill Adler

Discussion ensued amongst Council and staff regarding guest houses.

Council directed staff not to initiate a Zoning Code amendment related to guest houses in single-family residential zoning districts.

5. ORDINANCE NO. (O)14-03, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 4, PUBLIC SAFETY, ARTICLE 4-1, POLICE DEPARTMENT, SECTION 4-1-8, PUBLIC SAFETY EMPLOYEE RELATIONS AND PROCESSES

Human Resources Director Ron Corbin gave an overview of item #5.

Mayor Hiremath opened the public hearing.

No comments were received.

Mayor Hiremath closed the public hearing.

MOTION: A motion was made by Vice Mayor Waters and seconded by Councilmember Snider to approve Ordinance No. (O)14-03, amending the Oro Valley Town Code Chapter 4, Public Safety, Article 4-1, Police Department, Section 4-1-8, Public Safety Employee Relations and Processes.

MOTION carried, 6-1 with Councilmember Garner opposed.

6. RESOLUTION NO. (R)14-14, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN PUBLIC SAFETY EMPLOYEES AND THE TOWN OF ORO VALLEY PURSUANT TO CHAPTER 4, SECTION 4-1-8 OF THE TOWN CODE, PUBLIC SAFETY EMPLOYEE RELATIONS AND PROCESSES

Mr. Corbin gave an overview of item #6.

Discussion ensued amongst Council and staff regarding the proposed public safety MOU.

DRAFT

MOTION: A motion was made by Councilmember Snider and seconded by Vice Mayor Waters to approve Resolution No. (R)14-14, approving a Memorandum of Understanding between public safety employees and the Town of Oro Valley pursuant to Chapter 4, Section 4-1-8 of the Town Code, Public Safety Employee Relations and Processes.

MOTION carried, 5-2 with Councilmember Garner and Councilmember Zinkin opposed.

7. RESOLUTION NO. (R)14-15, REPEALING AND REPLACING PERSONNEL POLICY NUMBER 28, ON-CALL AND EMERGENCY CALL-OUT PAY, OF THE TOWN OF ORO VALLEY PERSONNEL POLICIES AND PROCEDURES MANUAL

Mr. Corbin gave an overview of item #7.

MOTION: A motion was made by Councilmember Burns and seconded by Councilmember Snider to approve Resolution No. (R)14-15, repealing and replacing Personnel Policy 28, On-Call and Emergency Call-Out Pay.

MOTION carried, 7-0.

8. REQUEST FOR COUNCIL APPROVAL OF $60,000 IN ADDITIONAL FUNDS TO FULLY IMPLEMENT THE TOWN-WIDE UPGRADE OF MICROSOFT (MS) OFFICE SUITE PROJECT

Ms. Lemos gave an overview of item #8.

MOTION: A motion was made by Councilmember Zinkin and seconded by Vice Mayor Waters to approve the use of the $30,000 originally budgeted for a community survey and the use of $30,000 in General Fund contingency reserves to fully fund the implementation of the Microsoft Office Suite upgrade project in FY 2013/14.

Councilmember Hornat requested an amendment to the motion to stipulate that any department budget surpluses from FY 2013/14 would be refunded to the General Fund contingency reserves. This amendment was agreed to by Councilmember Zinkin and Vice Mayor Waters.

MOTION AS AMENDED carried, 7-0.

9. DISCUSSION AND POSSIBLE DIRECTION REGARDING PRACTICES THAT PERTAIN TO ADOPTING AND/OR AMENDING THE TOWN BUDGET

Councilmember Zinkin gave an overview of item #9 and recommended that every program be placed in the Town budget for proper review and approval by Council.

Discussion ensued amongst Council regarding item #9.

DRAFT

No action was taken on item #9.

FUTURE AGENDA ITEMS

No future agenda items were requested.

CALL TO AUDIENCE

No comments were received.

ADJOURNMENT

MOTION: A motion was made by Councilmember Snider and seconded by Vice Mayor Waters to adjourn the meeting at 8:54 p.m.

MOTION carried, 7-0.

Prepared by:

_____
Michael Standish, CMC
Deputy Town Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular session of the Town of Oro Valley Council of Oro Valley, Arizona held on the 5th day of March 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2014.

_____
Julie K. Bower, MMC
Town Clerk

DRAFT

Town Council Regular Session **Item # B.**

Meeting Date: 04/02/2014

Requested by: Stacey Lemos **Submitted By:** Wendy Gomez, Finance

Department: Finance

Information

SUBJECT:

Fiscal Year 2013/14 Financial Update through January 2014

RECOMMENDATION:

This item is for information only.

EXECUTIVE SUMMARY:

In the General Fund (see attachment A), revenues collected through January totaled $16.9 million or 59.6% of the budget amount of $28.4 million. Year-to-date expenditures through January totaled $17.1 million or 57.1% of the budget amount of $29.9 million.

In the Highway Fund (see attachment B), revenues collected through January totaled $2,415,575 or 63.5% of the budget amount of $3.8 million. Year-to-date expenditures through January totaled $1,648,548 or 44.3% of the budget amount of $3.7 million.

In the Bed Tax Fund (see attachment C), revenues collected through January totaled $405,137 or 51.1% of the budget amount of $793,000. Year-to-date expenditures through January totaled $839,962 or 65.0% of the budget amount of $1,292,000.

BACKGROUND OR DETAILED INFORMATION:

GENERAL FUND

Attachment A shows General Fund revenues and expenditures through January, as well as year-end estimates for each category. The estimated year-end projections in the General Fund are as follows:

Revenues	$29,204,210
Less:	
Expenditures	($29,467,946) (A)
Less:	
Approved Use of Contingency Reserves	($ 2,100,000) **
Est. Decrease in Fund Balance	($ 2,363,736)

(A) Includes Council-approved Naranja Park improvements of $1.6 million from the General Fund

** Council-approved payment to Tucson Electric Power for undergrounding of utility lines

General Fund Revenues

- Local sales tax collections in the General Fund total $7.8 million or 59.1% of the budget amount of $13.1 million. Sales tax collections in the General Fund are estimated to come in over budget by approximately $571,000 or 4.4%, due to higher than anticipated construction activity and retail collections across several business activities and industry groups.
- License and Permit revenues are estimated to come in over budget by $303,545 or 20.3%, due to higher than anticipated residential and commercial building permit fees, as well as grading permit fees.
- Charges for Services revenues are estimated to come in over budget by $159,463 or 11.0%, due primarily to zoning & subdivision fees, Aquatic Center revenue, and grading review fees.
- Interest Income revenue is estimated to come in over budget by $37,725 or 60.6%, based on observed actuals through January.

Staff will continue to monitor revenue collections and may adjust the year-end estimates based on actual trends.

General Fund Expenditures

- Expenditures are estimated to come in under budget by $480,296 or 1.6%. This is due to capacity for capital projects that are not yet complete and will roll over into FY 14/15, as well as budgeted grant capacity that will not be utilized. Note that these figures are estimates and are subject to change.
- The General Fund expenditures reflect the Council-approved authorization to use $1,403,000 in General Fund contingency reserves and $197,000 in Council-designated reserves to fund the Naranja Park improvements. This total amount of $1.6 million is included as a transfer out to the Naranja Park Fund in the Expenditures section of Attachment A.

HIGHWAY FUND

Highway Fund Revenues

- Construction tax revenues in the Highway Fund total $807,686 or 75.0% of the budget amount of $1.1 million. Construction tax revenues in the Highway Fund are estimated to come in over budget by $141,623 or 13.1%, due to higher than anticipated construction activity.
- State shared highway user funds total $1,466,107 or 58.6% of the budget amount of $2.5 million and are expected to come in on budget at year-end.

Highway Fund Expenditures

- Expenditures are estimated to come in under budget by $118,882 or 3.2%, due to projected vacancy savings. Note that these savings are estimates and are subject to change.

BED TAX FUND

Bed Tax Revenues

- Bed tax revenues total $399,520 or 50.6% of the budget amount of $789,000 and are expected to come in over budget by $78,898, or 10.0%, based on observed collections through January.

Bed Tax Fund Expenditures

- Expenditures are estimated to come in under budget by $7,356 or 0.6%, due to projected vacancy savings. Note that these savings are estimates and are subject to change.
- The Bed Tax Fund expenditures reflect the Council-authorized use of Bed Tax Fund contingency

reserves of $400,000 to fund the Naranja Park improvements. This amount is included as a transfer out to the Naranja Park Fund in the Expenditures section of Attachment C.

Please see Attachments A, B, and C for additional details on the General Fund, Highway Fund and Bed Tax Fund. See Attachment D for a fiscal year-to-date consolidated summary of all Town Funds.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

This item is for information only.

Attachments

Attachment A - Gen Fund

Attachment B - HW Fund

Attachment C - Bed Tax Fund

Attachment D - Summary All Funds

ATTACHMENT A

January YTD Financial Status

FY 2013/2014

General Fund

% Budget Completion through January --- 58.3%

	Actuals thru 1/2014	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
REVENUES:					
LOCAL SALES TAX	7,752,063	13,123,382	59.1%	13,694,864	4.4%
LICENSES & PERMITS	1,347,935	1,493,455	90.3%	1,797,000	20.3%
FEDERAL GRANTS	386,398	576,490	67.0%	592,689	2.8%
STATE GRANTS	620,545	1,509,700	41.1%	1,226,590	-18.8%
STATE/COUNTY SHARED	5,615,633	9,659,167	58.1%	9,659,167	0.0%
OTHER INTERGOVERNMENTAL	17,492	30,000	58.3%	25,000	-16.7%
CHARGES FOR SERVICES	964,133	1,443,437	66.8%	1,602,900	11.0%
FINES	104,666	190,000	55.1%	180,000	-5.3%
INTEREST INCOME	80,512	62,275	129.3%	100,000	60.6%
MISCELLANEOUS	39,801	114,000	34.9%	141,000	23.7%
TRANSFERS IN	-	185,000	0.0%	185,000	0.0%
TOTAL REVENUES	**16,929,177**	**28,386,906**	**59.6%**	**29,204,210**	**2.9%**

	Actuals thru 1/2014	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
EXPENDITURES:					
COUNCIL	145,899	225,853	64.6%	225,853	0.0%
CLERK	186,461	345,118	54.0%	345,118	0.0%
MANAGER	367,112	700,989	52.4%	691,219	-1.4%
HUMAN RESOURCES	295,994	523,821	56.5%	471,207	-10.0%
FINANCE	363,324	709,242	51.2%	695,830	-1.9%
INFORMATION TECHNOLOGY	738,270	1,482,173	49.8%	1,482,173	0.0%
GENERAL ADMINISTRATION	971,253	1,840,730	52.8%	1,840,730	0.0%
LEGAL	352,903	804,344	43.9%	729,344	-9.3%
COURT	413,733	761,430	54.3%	756,968	-0.6%
DEV & INFRASTRUCTURE SVCS	2,131,436	4,031,561	52.9%	4,026,147	-0.1%
PARKS & RECREATION	1,497,059	2,536,955	59.0%	2,536,955	0.0%
POLICE	7,875,415	14,223,297	55.4%	13,903,673	-2.2%
TRANSFERS OUT (A)	1,760,729	1,762,729	99.9%	1,762,729	0.0%
TOTAL EXPENDITURES	**17,099,587**	**29,948,242**	**57.1%**	**29,467,946**	**-1.6%**
SURPLUS / (DEFICIT)	**(170,409)**	**(1,561,336)**		**(263,736)**	

BEGINNING FUND BALANCE	***13,137,105***
Plus: Surplus / (Deficit)	***(263,736)***
Less: Approved Use of Contingency Reserves during FY 13/14 TEP undergrounding	***(2,100,000)***
ENDING FUND BALANCE **	***10,773,369***

(A) Includes Council-approved Naranja Park improvements of $1.6 million from the General Fund

* Year-end estimates are subject to further revision

** Ending fund balance amounts are estimates and are subject to further revision

ATTACHMENT B

January YTD Financial Status *FY 2013/2014*

Highway Fund

% Budget Completion through January --- 58.3%

	Actuals thru 1/2014	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
REVENUES:					
LOCAL SALES TAX	807,686	1,077,197	75.0%	1,218,820	13.1%
LICENSES & PERMITS	25,079	48,000	52.2%	42,000	-12.5%
STATE GRANTS	-	35,000	0.0%	35,000	0.0%
STATE/COUNTY SHARED	1,466,107	2,500,000	58.6%	2,500,000	0.0%
CHARGES FOR SERVICES	75,537	129,493	58.3%	129,493	0.0%
INTEREST INCOME	23,790	7,000	339.9%	25,000	257.1%
MISCELLANEOUS	17,375	10,000	173.7%	20,750	107.5%
TRANSFERS IN	-	-	0.0%	-	0.0%
TOTAL REVENUES	**2,415,575**	**3,806,690**	**63.5%**	**3,971,063**	**4.3%**

	Actuals thru 1/2014	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
EXPENDITURES:					
ADMINISTRATION	342,397	657,860	52.0%	574,037	-12.7%
TRANSPORTATION ENGINEERING	452,005	1,547,739	29.2%	1,504,748	-2.8%
PAVEMENT MANAGEMENT	43,984	111,022	39.6%	111,022	0.0%
STREET MAINTENANCE	521,672	888,033	58.7%	892,297	0.5%
TRAFFIC ENGINEERING	288,489	516,327	55.9%	519,995	0.7%
TRANSFERS OUT	-	-	0.0%	-	0.0%
TOTAL EXPENDITURES	**1,648,548**	**3,720,981**	**44.3%**	**3,602,099**	**-3.2%**
SURPLUS / (DEFICIT)	**767,027**	**85,709**		**368,964**	

BEGINNING FUND BALANCE	***3,517,765***
Plus: Surplus / (Deficit)	***368,964***
ENDING FUND BALANCE **	***3,886,729***

* Year-end estimates are subject to further revision

** Ending fund balance amounts are estimates and are subject to further revision

ATTACHMENT C

January YTD Financial Status *FY 2013/2014*

Bed Tax Fund

% Budget Completion through January --- 58.3%

	Actuals thru 1/2014	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
REVENUES:					
BED TAXES	399,520	789,000	50.6%	867,898	10.0%
INTEREST INCOME	5,617	3,975	141.3%	8,000	101.3%
TOTAL REVENUES	**405,137**	**792,975**	**51.1%**	**875,898**	**10.5%**

	Actuals thru 1/2014	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
EXPENDITURES:					
ECONOMIC DEVELOPMENT	234,293	501,762	46.7%	494,406	-1.5%
TRANSFERS OUT (A)	605,669	790,669	76.6%	790,669	0.0%
TOTAL EXPENDITURES	**839,962**	**1,292,431**	**65.0%**	**1,285,075**	**-0.6%**

SURPLUS / (DEFICIT)	**(434,825)**	**(499,456)**	**(409,177)**

BEGINNING FUND BALANCE	***649,053***
Plus: Surplus / (Deficit)	***(409,177)***
ENDING FUND BALANCE **	***239,876***

(A) Includes Council-approved Naranja Park improvements of $400,000 from the Bed Tax Fund

* Year-end estimates are subject to further revision

** Ending fund balance amounts are estimates and are subject to further revision

CONSOLIDATED YEAR-TO-DATE FINANCIAL REPORT THROUGH JANUARY, 2014

ATTACHMENT D

Fund	FY 13/14 Begin Bal.	Revenue	Other Fin Sources/Tfrs	Total In	Capital Leases/ Transfer Out	Personnel	O&M	Capital	Contingency	Debt Service	Total Out	Left in Accounts Thru Jan 2014
General Fund - Unassigned	11,529,070	16,929,177	-	16,929,177	1,762,203	11,276,800	3,754,803	305,781	-	-	17,099,587	11,358,660
General Fund - Assigned	1,608,035											1,608,035
Highway Fund - Restricted	3,517,765	2,415,575	-	2,415,575	-	940,430	445,762	262,356	-	-	1,648,548	4,284,792
Seizure & Forfeiture - State	494,837	32,795	-	32,795	-	-	13,355	30,543	-	-	43,898	483,734
Seizure & Forfeiture - Justice	519,653	316,430	-	316,430	-	40,384	6,720	197,327	-	-	244,431	591,651
Bed Tax Fund - Committed	649,053	405,137	-	405,137	605,669	103,729	130,564	-	-	-	839,962	214,228
Impound Fee Fund	-	16,350	-	16,350	-	13,844	-	-	-	-	13,844	2,506
Municipal Debt Service Fund	774,914	103,479	369,576	473,055	-	-	2,800	-	-	826,641	829,441	418,528
Oracle Road Debt Service Fund	149	1,489,517	-	1,489,517	-	-	-	-	-	1,435,664	1,435,664	54,003
Alternative Water Resources Dev Impact Fee Fund	3,402,954	2,545,733	-	2,545,733	400,000	-	158,084	117,399	-	224,404	899,886	5,048,801
Potable Water System Dev Impact Fee Fund	3,544,937	697,716	-	697,716	-	-	-	-	-	50,522	50,522	4,192,131
Townwide Roadway Development Impact Fee Fund	1,461,437	389,751	-	389,751	-	-	8,733	960,023	-	-	968,757	882,431
Parks & Recreation Impact Fee Fund	182,110	90,539	-	90,539	-	-	8,733	-	-	-	8,733	263,916
Library Impact Fee Fund	114,798	-	-	-	-	-	-	-	-	-	-	114,798
Police Impact Fee Fund	99,478	51,007	-	51,007	-	-	8,859	-	-	-	8,859	141,626
General Government Impact Fee Fund	1,288	2,212	-	2,212	-	-	-	-	-	-	-	3,500
Naranja Park Fund	8,821	-	2,000,000	2,000,000	-	-	-	13,877	-	-	13,877	1,994,944
Aquatic Center Project Fund	66,638	-	-	-	-	-	-	-	-	-	-	66,638
Water Utility	9,783,839	7,433,760		7,433,760	3,178	1,497,209	2,819,294	325,216	-	530,746	5,175,643	12,041,957
Stormwater Utility	490,794	379,506	-	379,506	3,799	170,017	180,403	15,491	-	-	369,710	500,590
Fleet Fund	-	834,993	-	834,993	-	43,472	336,375	406,011	-	-	785,858	49,135
Benefit Self Insurance Fund	567,402	1,244,883	-	1,244,883	-	-	1,207,228	-	-	-	1,207,228	605,057
Recreation In-Lieu Fee Fund	6,190	-	-	-	-	-	-	-	-	-	-	6,190
					-				-	-		
Total	**38,824,161**	**35,378,561**	**2,369,576**	**37,748,137**	**2,774,849**	**14,085,886**	**9,081,713**	**2,634,024**	**-**	**3,067,976**	**31,644,448**	**44,927,850**

Town Council Regular Session **Item # C.**

Meeting Date: 04/02/2014

Requested by: Tobin Sidles **Submitted By:** Caroline Standiford, Legal

Department: Legal

Information

SUBJECT:

Resolution No. (R)14-16, approving an amendment to the general consultant contract for Town Attorney services

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

This item addresses the renewal for Contract Town Attorney Kelly Schwab. The resolution is to approve the amendment to the contract for a new term cycle.

BACKGROUND OR DETAILED INFORMATION:

Curtis, Goodwin, Sullivan, Udall and Schwab, PLC., were contracted on April 17, 2013, to perform basic Town Attorney duties, such as attend Council meetings and research particular topics of interest.

FISCAL IMPACT:

The fiscal impact has not changed from the original contract. Attendance at regular Town Council meetings for the fiscal year will be provided for a sum of $20,000. If further services are required, the billable time for attorneys remains at a maximum of $175.00/hour and paralegals will bill at a maximum of $125.00/ hour. Those costs are included in the Legal Services Department budget under the outside legal counsel line item.

SUGGESTED MOTION:

I MOVE to (approve of deny) Resolution No. (R)14-16, approving an amendment to the general consultant contract for Town Attorney services.

Attachments

R14-16 Amendment to Town Attorney Contract

Amendment Extension

RESOLUTION NO. (R)14-16

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING AN AMENDMENT EXTENDING THE GENERAL CONSULTANT CONTRACT FOR TOWN ATTORNEY SERVICES

WHEREAS, the General Consultant Contract for Town Attorney Services with Curtis, Goodwin, Sullivan, Udall, and Schwab, PLC., became effective on April 17, 2013; and

WHEREAS, Section III of the Contract allows the parties to amend the Contract annually to extend it one year at a time for five years, this would be the first of such Contract extensions; and

WHEREAS, it is the desire of the Mayor and Council to secure and retain the services of Kelly Schwab of Curtis, Goodwin, Sullivan, Udall, and Schwab for Town Attorney Services for another year the new contract term dates being April 17, 2014 thru April 17, 2015; and

WHEREAS, it is in the best interest of the Town to approve this amendment to the Contract, attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, that:

1. The Amendment extending the Contract under Section III between the Town of Oro Valley and Curtis, Goodwin, Sullivan, Udall, and Schwab, PLC., attached hereto as Exhibit "A", is hereby authorized and approved.

2. The Mayor and other administrative officials are hereby authorized to take such steps as necessary to execute and implement the terms of the Contract.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Julie K. Bower, Town Clerk

_____
Date

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

_____
Date

EXHIBIT “A”

GENERAL CONSULTANT CONTRACT
NO 13019
TOWN ATTORNEY SERVICES
PERIOD OF SERVICE AMENDMENT

THIS AGREEMENT, effective as of April 17, 2014, between Oro Valley, Arizona (the "Town"), and Curtis, Goodwin, Sullivan, Udall, and Schwab, PLC., ("Consultant").

WHEREAS, Pursuant to Section III – Period Service, of The General Consultant Contract, the Town and Consultant may agree by written amendment to renew this contract for five (5) additional one-year periods; and

WHEREAS, this amendment stands as one of those five (5) additional one-year periods; and

WHEREAS, this amendment will renew the contract between the Town and Consultant for a period of one year; and

WHEREAS, the parties desire to renew the current Contract term from April17, 2014 to April 17, 2015;

Section 1

Pursuant to Section III this contract is hereby amended by extending the term of such Contract through and including April 17, 2015.

Section 2

Except as specifically modified hereby, the Contract shall remain in full force and effect.

Section 3

Neither party waives any right which it enjoys under law as a result of agreeing to this Contract amendment.

TOWN OF ORO VALLEY, ARIZONA

_____
Greg Caton, Town Manager

ATTEST:

_____
Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

Curtis, Goodwin, Sullivan, Udall & Schwab, PLC

_____
Kelly Schwab

Date: _____

Town Council Regular Session **Item # 1. a.**

Meeting Date: 04/02/2014

Requested by: Julie Bower **Submitted By:** Julie Bower, Town Clerk's Office

Department: Town Clerk's Office

Information

SUBJECT:

RESOLUTION NO. (R)14-17, DECLARING THE PROPOSED AMENDMENT TO THE ORO VALLEY TOWN CODE CHAPTER 13, DEVELOPMENT IMPACT FEES, AS EXHIBIT "A" AND FILED WITH THE TOWN CLERK, A PUBLIC RECORD

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

This is a procedural item to declare the draft ordinance a matter of public record. The draft ordinance has been posted online and made available in the Town Clerk's Office. If the final version is adopted, it will be made available in the same manner.

BACKGROUND OR DETAILED INFORMATION:

Once adopted by the Town Council, this proposed resolution will become a public record and will reduce the Town's publishing costs by forgoing publication of the entire draft ordinance (Exhibit A) in print form. The current draft version of the ordinance has been posted on the Town's website and a printed copy is available for public review in the Town Clerk's Office. Once adopted, the final version will be published on the Town's website.

FISCAL IMPACT:

The Town will reduce publishing costs by meeting publishing requirements by reference.

SUGGESTED MOTION:

I MOVE to (adopt or deny) Resolution No. (R)14-17, declaring the proposed amendment to the Oro Valley Town Code Chapter 13, Development Impact Fees, attached hereto as Exhibit "A" and filed with the Town Clerk, a public record.

Attachments

R14-17 Amending Chapter 13 Development Fees

Exhibit "A"

RESOLUTION NO. (R)14-17

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, DECLARING THAT THE PROPOSED AMENDMENTS TO CHAPTER 13, DEVELOPMENT FEES, OF THE ORO VALLEY TOWN CODE ATTACHED HERETO AS EXHIBIT "A" AND FILED WITH THE TOWN CLERK, A PUBLIC RECORD

BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, that the proposed amendments to Chapter 13, Development Fees of the Oro Valley Town, three copies of the proposed amendments which are on file in the office of the Town Clerk, are hereby declared to be a public record, and said copies are ordered to remain on file with the Town Clerk.

PASSED AND ADOPTED BY THE Mayor and Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____

Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____

Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT "A"

ORDINANCE NO. (O) 14-_____

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 13, DEVELOPMENT FEES BY REPEALING CHAPTER 13 IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 13 AS PROVIDED IN EXHIBIT "A", AND REPEALING ALL RESOLUTIONS, ORDINANCES, AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH

WHEREAS, pursuant to A.R.S. § 9-463.05 the Town has the requisite statutory authority to assess development fees to offset costs to the municipality associated with providing necessary public services to a development; and

WHEREAS, the Arizona State Legislature made sweeping changes to ARS § 9-463.05 forcing all Arizona municipalities to revamp their Development Impact Fees in compliance with those changes; and

WHEREAS, on January 15, 2014 the Town approved Resolution (R) 14-01, providing notice of intent to increase certain development impact fees in the areas of parks and recreation, police, transportation, potable water system and alternative water resources; and

WHEREAS, on October 4, 2013 the Town released reports outlining the method by which these development impact fees were calculated, (See Exhibit "B"); and

WHEREAS, on December 4, 2013 and February 19, 2014 the Town held public hearings on each of the proposed land use assumptions, infrastructure improvement plans and development impact fees for each proposed development impact fee category; and

WHEREAS, no less than thirty (30) days have passed since the time of the public hearings on the proposed fees and infrastructure improvement plans; and

WHEREAS, the Mayor and Council have determined that it is in the best interest of the Town to amend the Town's development impact fees to conform to the changes made by the Arizona Legislature.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Oro Valley, Arizona, that:

SECTION 1. Repealing the existing Oro Valley Town Code Chapter 13, Development Fees and replacing it with a new Oro Valley Town Code Chapter 13, Development Fees as provided in Exhibit "A", and repealing all resolutions, ordinances, and rules of the Town of Oro Valley in conflict therewith.

SECTION 2. This Ordinance shall become effective on July 1, 2014.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, this __ day of _____, 2014

TOWN OF ORO VALLEY

_____
Dr. Satish Hiremath, Mayor

ATTEST:

_____
Julie Bowers, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT "A"

Chapter 13 –DEVELOPMENT FEES

13-1. Title
13-2. Legislative Intent and Purpose
13-3. Definitions
13-4. Applicability
13-5. Authority and Requirements
13-6. Administration
13-7. Land Use Assumptions
13-8. Infrastructure Improvements Plan
13-9. Adoption Procedures
13-10. Timing for Updates
13-11. Collection of Fees
13-12. Credits
13-13. Appeals
13-14. Refunds
13-15. Oversight of Program
13-16 Fee Schedule

13-1: Title.

This chapter shall be known as the "Oro Valley Development Fee Ordinance," and will be referred to in this chapter as "this chapter."

13-2: Legislative Intent and Purpose.

This chapter is adopted for the purpose of promoting the health, safety and general welfare of the residents of Oro Valley by:

A. Requiring new development to pay its proportionate share of the costs incurred by the Town that are associated with providing Necessary Public Services to new development;

B. Setting forth standards and procedures for creating and assessing development fees consistent with the requirements of Arizona Revised Statutes ("A.R.S.") § 9-463.05, including requirements pursuant to A.R.S. § 9-463.05, Subsection K, that on or before August 1, 2014, the Town replace its development fees that were adopted prior to January 1, 2012 with development fees adopted pursuant to the requirements of A.R.S. § 9-463.05 as amended by the state legislature in SB 1525, Fiftieth Legislature, First Regular Session;

C. Setting forth procedures for administering the development fee program, including Offsets, Credits, and refunds of development fees. All development fee assessments, Offsets, Credits, or refunds must be administered in accordance with the provisions of this Chapter.

This Chapter shall not affect the Town's zoning authority or its authority to adopt or amend its General Plan, provided that planning and zoning activities by the Town may require amendments to development fees as provided in Section 13-7 of this Chapter.

13-3: Definitions.

When used in this Chapter, the terms listed below shall have the following meanings unless the context requires otherwise. Singular terms shall include their plural.

Applicant: A person who applies to the Town for a Building Permit or a Credit.

Appurtenance: Any fixed machinery or equipment, structure or other fixture, including integrated hardware, software or other components, associated with a Capital Facility that is necessary or convenient to the operation, use, or maintenance of a Capital Facility.

Aquatic Center: A facility primarily designed to host non-recreational competitive functions generally occurring within water, including, but not limited to, water polo games, swimming meets and diving events. Such facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities, including but not limited to, locker rooms, offices, snack bars, bleacher seating and shade structures.

Building Permit: The permit required for construction as determined pursuant to Article 6-1 (Building Code) of the Oro Valley Town Code. For purposes of this chapter only, the term "building permit" shall include the approval of the site plan for a Mobile Home Park, the purchase of a new water meter, or the purchase of a larger water meter to replace an existing water meter.

Capital Facility: An asset having a Useful Life of three or more years that is a component of one or more Categories of Necessary Public Service provided by the Town. A Capital Facility may include any associated purchase of real property, architectural and engineering services leading to the design and construction of buildings and facilities, improvements to existing facilities, improvements to or expansions of existing facilities and associated financing and professional services.

Category of Necessary Public Service: A specific type of Necessary Public Services for which the Town is authorized to assess development fees pursuant to A.R.S. § 9-463.05.T.5.

Category of Development: A specific type of residential, commercial, irrigation or industrial development against which a development fee is calculated and assessed. The Town assesses development fees against the following types of development within each of the three broader categories of development: (i) for residential development, Single-Family Detached, Multi-Family and Mobile Home Park; (ii) for commercial development, Retail/Commercial, Hotel/Motel, Office and Public/Institutional; (iii) for irrigation, Irrigation and (iv) for industrial, Industrial and Warehouse.

Credit: A reduction in an assessed development fee resulting from Developer contributions to, payments for, construction of, or dedications for Capital Facilities included in

an Infrastructure Improvements Plan pursuant to Section 13-12 of this Chapter (or as otherwise permitted by this Chapter).

Credit Agreement: A written agreement between the Town and the Developer(s) of a Subject Development that allocates Credits to the Subject Development pursuant to Section 13-12 of this Chapter.

Credit Allocation: A term used to describe when Credits are distributed to a particular development or parcel of land after execution of a Credit Agreement, but are not yet issued.

Credit Issuance: A term used to describe when the amount of an assessed development fee attributable to a particular development or parcel of land is reduced by applying a Credit allocation.

Developer: An individual, group of individuals, partnership, corporation, limited liability company, association, municipal corporation, state agency, or other person or entity undertaking land development activity, and their respective successors and assigns.

Direct Benefit: A benefit to a development resulting from a Capital Facility that: (a) addresses the need for a Necessary Public Service created in whole or in part by the development; and that (b) meets either of the following criteria: (i) the Capital Facility is located in the immediate area of the development and is needed in the immediate area of the development to maintain the Level of Service; or (ii) the Capital Facility substitutes for, or eliminates the need for a Capital Facility that would have otherwise have been needed in the immediate area of the development to maintain the Town's Level of Service.

Dwelling Unit: One or more rooms in a building designed or intended to be used for occupancy by one family, with living, sleeping and food preparation facilities, excluding hotel or motel rooms or suites.

Equipment: Machinery, tools, materials, and other supplies, not including vehicles, that are needed by a Capital Facility to provide the applicable service.

Excluded Park Facility: Park and recreational improvements for which development fees may not be charged pursuant to A.R.S. § 9-463.05.T.7.(g), including amusement parks, aquariums, Aquatic Centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than 3,000 square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, or zoo facilities.

Financing or Debt: Any debt, bond, note, loan, interfund loan, fund transfer, or other debt service obligation used to finance the development or expansion of a Capital Facility or associated Appurtenances, Vehicles or Equipment.

General Plan: Refers to the overall land-use plan for the Town establishing areas of the Town for different purposes, zones and activities adopted by the Town as may be amended from time to time.

Gross Floor Area: The sum of the gross horizontal areas of each story of a building measured from the exterior faces of the exterior walls or from the center line of walls separating two buildings or different uses, including attic space with headroom of seven feet or greater and served by a permanent, fixed stair, but not including enclosed off-street parking or loading areas. Gross Floor Area shall also include areas of buildings within the horizontal projection of the roof or floor above, which do not have surrounding exterior walls but exceed three feet in horizontal dimension.

Gross Development Fee: The total development fee to be assessed on a per unit basis, prior to subtraction of any Credits.

Hotel/Motel: Establishments offering temporary lodging in rooms or suites for less than one (1) month or thirty (30) days.

Industrial: Establishments primarily engaged in the fabrication, assembly or processing of goods.

Infrastructure Improvements Plan: A document or series of documents that meet the requirements set forth in A.R.S. § 9-463.05, including those adopted pursuant to Section 13-9 of this Chapter to cover any Category or combination of Categories of Necessary Public Services.

Interim Fee Schedule: Any development fee schedule established prior to January 1, 2012 in accordance with then-applicable law, and which shall expire not later than August 1, 2014 pursuant to Section 13-11 of this Chapter.

Irrigation: Outdoor use of water with a separate water meter for landscaping of property for, but not limited to, commercial, homeowners associations, parks, schools and/or golf courses.

Land Use Assumptions: Projections of changes in land uses, densities, intensities and population for a Service Area over a period of at least ten years as specified in Section 13-7 of this Chapter.

Level of Service: A quantitative and/or qualitative measure of a Necessary Public Service that is to be provided by the Town to development in a particular Service Area, defined in terms of the relationship between service capacity and service demand, accessibility, response times, comfort or convenience of use, or other similar measures or combinations of measures. Level of Service may be measured differently for different Categories of Necessary Public Services, as identified in the applicable Infrastructure Improvements Plan.

Lot: As defined in Chapter 31 of the Oro Valley Town Code.

Multi-Family: A building or buildings containing multiple dwelling units.

Necessary Public Services: Shall have the meaning prescribed in A.R.S. § 9-463.05, Subsection T, Paragraph 7.

Non-Residential: All land uses, except Single-Family Detached and Multi-Family.

Office: A building not located in a shopping center and exclusively containing establishments providing executive, management, administrative or professional services. An office use may include ancillary services for office workers, such as a restaurant, coffee shop, newspaper or candy stand, or child care facilities. Ground floor retail uses may also be included, but that space shall be assessed at the retail/commercial rate. Typical uses include real estate, insurance, property management, investment, employment, travel, advertising, secretarial, data processing, telephone answering, telephone marketing, music, radio and television recording and broadcasting studios; banks excluding drive-through only facilities; professional or consulting services in the fields of law, architecture, design, engineering, accounting and similar professions; interior decorating consulting services; medical and dental offices and clinics, including veterinarian clinics and kennels; and business offices of private companies, utility companies, trade associations, unions and nonprofit organizations.

Offset: An amount that is subtracted from the overall costs of providing Necessary Public Services to account for those Capital Facilities or associated debt that will be paid for by a development through taxes, fees (except for development fees), and other revenue sources, as determined by the Town pursuant to Section 13-8 of this Chapter.

Park Facilities: A Category of Necessary Public Services including but not limited to parks, Swimming Pools and related facilities and Equipment located on real property not larger than 30 acres in area, as well as park facilities larger than 30 acres where such facilities provide a Direct Benefit. Park Facilities do not include Excluded Park Facilities, although Park Facilities may contain, provide access to, or otherwise support an Excluded Park Facility.

Plan-Based Cost per Service Unit: The total future capital costs identified in the Infrastructure Improvements Plan for a Category of Necessary Public Services as attributable to new development over a specified time period divided by the total new Service Units projected in a particular Service Area for that Category of Necessary Public Services over the same time period, less the Offset per Service Unit.

Police Facilities: A Category of Necessary Public Services, including Vehicles and Equipment, that are used by law enforcement agencies to preserve the public peace, prevent crime, detect and arrest criminal offenders, protect the rights of persons and property, regulate and control motorized and pedestrian traffic, train sworn personnel, and/or provide and maintain police records, vehicles, equipment and communications systems. Police Facilities do not include Vehicles and Equipment used to provide administrative services, or helicopters or airplanes. Police Facilities do not include any facility that is used for training officers from more than one station or substation.

Qualified Professional: Any one of the following: (a) a professional engineer, surveyor, financial analyst or planner, or other licensed professional providing services within the scope of that person's education or experience related to city planning, zoning, or development fees and holding a license issued by an agency or political subdivision of the State of Arizona; (b) a financial analyst, planner, or other non-licensed professional who is providing services within the scope of the person's education or experience related to city planning, zoning, or development fees; or (c) any other person operating under the supervision of one or more of the above.

Residential Land Use: A Single-Family Detached, Multi-Family or Mobile Home development.

Retail/Commercial: An establishment engaged in the selling or rental of goods, services or entertainment to the general public. Such uses include, but are not limited to, shopping centers, discount stores, supermarkets, home improvement stores, pharmacies, restaurants, bars, nightclubs, automobile sales and service, drive-through banks, movie theaters, amusement arcades, bowling alleys, barber shops, laundromats, funeral homes, private vocational or technical schools, dance studios, health clubs and banquet halls.

Service Area: Any specified area within the boundaries of the Town within which: (a) the Town will provide a Category of Necessary Public Services to development at a planned Level of Service; and (b) within which (i) a Substantial Nexus exists between the Capital Facilities to be provided and the development to be served, or (ii) in the case of a Park Facility larger than 30 acres, a Direct Benefit exists between the Park Facilities and the development to be served, each as prescribed in the Infrastructure Improvements Plan. Some or all of the Capital Facilities providing service to a Service Area may be physically located outside of that Service Area provided that the required Substantial Nexus or Direct Benefit is demonstrated to exist. The water service area may include areas within or outside of Town boundaries.

Service Unit: A unit of demand within a particular Category of Necessary Public Services, defined in terms of a standardized measure of the demand that a unit of development in a Category of Development generates for Necessary Public Services. For water service the service unit is the 5/8-inch water meter size. For larger water meter sizes the total number of service units is based upon the AWWA capacity ratio.

Single-Family Detached: A lot containing one dwelling unit that is not attached to any other dwelling unit.

Subject Development: A contiguous land area linked by a unified plan of development, in furtherance of which the developer has made a capital improvement or other contribution for which credit is requested.

Substantial Nexus: A substantial nexus exists where the demand for Necessary Public Services that will be generated by a development can be reasonably quantified in terms of the burden it will impose on the available capacity of existing Capital Facilities, the need it will create for new or expanded Capital Facilities, and/or the benefit to the development from those Capital Facilities.

Swimming Pool: A public facility primarily designed and/or utilized for recreational non-competitive functions generally occurring within water, including, but not limited to, swimming classes, open public swimming sessions and recreational league swimming/diving events. The facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities.

Town: The Town of Oro Valley, Arizona.

Transportation Facilities: A Category of Necessary Public Services consisting of Town-owned arterial and major collector streets; and also includes traffic signals, rights-of-way, and improvements thereon; culverts, irrigation tiling, and storm drains serving such streets.

Useful Life: The period of time in which an asset can reasonably be expected to be used under normal conditions, whether or not the asset will continue to be owned and operated by the Town over the entirety of such period.

Vehicle: Any device, structure, or conveyance utilized for transportation in the course of providing a particular Category of Necessary Public Services, excluding helicopters and other aircraft.

Warehouse: Establishments primarily engaged in the display, storage and sale of goods to other firms for resale; activities involving movement and storage of products or equipment; or an enclosed storage facility containing independent, fully enclosed bays that are leased to persons for storage of their household goods or personal property.

Water Facilities: A Category of Necessary Public Services including but not limited to those facilities necessary to provide for water services to development, including the acquisition, supply, transportation, treatment, purification and distribution of water, and any appurtenances to those facilities.

13-4: Applicability

A. The provisions of this Chapter shall apply to all of the territory within the corporate limits of the Town and its water service area, as follows:

1. Development fees for Transportation, Parks and Police Facilities shall be assessed on all new development within the Town's corporate limits, as those may be amended from time to time.

2. Development fees for Water Facilities shall be assessed for any new connection to the Town's water system or any upgrade of an existing connection to a larger meter size.

B. The Development Infrastructure Services Director or his/her designee is authorized to make determinations regarding the application, administration and enforcement of the provisions of this Chapter, except in cases where another Town official has specifically been given such authority pursuant to this Chapter.

C. The Water Utility Director or his/her designee is authorized to make determinations regarding the application, administration and enforcement of the provisions of this Chapter and Chapter 15- Section 17 pertaining to the water development impact fees.

13-5: Authority and Requirements

A. *Authority*. The Town may assess and collect a development fee for costs of Necessary Public Services, including all professional services required for the preparation or revision of an Infrastructure Improvements Plan, development fee, and required reports or audits conducted pursuant to this Chapter.

B. *Requirements*. Development fees shall be subject to the following requirements:

1. The Town shall develop and adopt a written report of the Land Use Assumptions and Infrastructure Improvements Plan that analyzes and defines the development fees that may be charged in each Service Area for each Category of Necessary Public Service.

2. Development fees shall be assessed against all new single family residential, multi family residential, commercial, irrigation and industrial developments, provided that the Town may assess different amounts of development fees against specific Categories of Development based on the actual burdens and costs that are associated with providing Necessary Public Services to that Category of Development. No development fee shall exceed the Plan-Based Cost per Service Unit for any Category of Development.

3. No development fees shall be charged, or Credits issued, for any Capital Facility that does not fall within one of the Categories of Necessary Public Services for which development fees may be assessed as identified in Section 13-8.A.1 of this Chapter.

4. Costs for Necessary Public Services made necessary by new development shall be based on the same Level of Service provided to existing development in the same Service Area. Development fees may not be used to provide a higher Level of Service to existing development or to meet stricter safety, efficiency, environmental, or other regulatory standards to the extent that these are applied to existing Capital Facilities that are serving existing development.

5. Development fees may not be used to pay the Town's administrative, maintenance, or other operating costs.

6. Projected interest charges and financing costs can only be included in development fees to the extent they represent principal and/or interest on the portion of any Financing or Debt used to finance the construction or expansion of a Capital Facility identified in the Infrastructure Improvements Plan.

7. Except for any fees included on Interim Fee Schedules, all development fees charged by the Town must be included in a "Fee Schedule" prepared and adopted pursuant to this Chapter.

8. All development fees shall meet the requirements of A.R.S. § 9-463.05.

9. If the Town agrees to waive any development fees assessed on a development, the Town shall reimburse the appropriate development fee account for the amount that was waived.

10. The actual development fees to be assessed shall be disclosed and adopted in the form of development fee schedules in Appendix A to this Chapter.

13-6: Administration

A. *Separate Accounts.* Development fees collected pursuant to this Chapter shall be placed in separate, interest-bearing accounts for each Category of Necessary Public Services within each Service Area.

B. *Limitations on Use of Fees.* Development fees and any interest thereon collected pursuant to this Chapter shall be spent to provide Capital Facilities associated with the same Category of Necessary Public Services in the same Service Area for which they were collected, including costs of Financing or Debt used by the Town to finance such Capital Facilities and other costs authorized by this Chapter that are included in the Infrastructure Improvements Plan.

C. *Time Limit.* Development fees collected after July 31, 2014 shall be used within ten (10) years of the date upon which they were collected for all Categories of Necessary Public Services except for Water Facilities. Development fees for Water Facilities collected after July 31, 2014 shall be used within fifteen (15) years of the date upon which they were collected.

13-7: Land Use Assumptions

The Infrastructure Improvements Plan shall be consistent with the Town's current Land Use Assumptions for each Service Area and each Category of Necessary Public Services as adopted by the Town pursuant to A.R.S. § 463.05.

A. *Reviewing the Land Use Assumptions.* Prior to the adoption or amendment of an Infrastructure Improvements Plan, the Town shall review and evaluate the Land Use Assumptions on which the Infrastructure Improvements Plan is to be based to ensure that the Land Use Assumptions within each Service Area conform to the General Plan.

B. *Evaluating Necessary Changes.* If the Land Use Assumptions upon which an Infrastructure Improvements Plan is based have not been updated within the last five (5) years, the Town shall evaluate the Land Use Assumptions to determine whether changes are necessary. If, after general evaluation, the Town determines that the Land Use Assumptions are still valid, the Town shall issue the notice required in Section 13-10 of this Chapter.

C. *Required Modifications to Land Use Assumptions.* If the Town determines that changes to the Land Use Assumptions are necessary in order to adopt or amend an Infrastructure Improvements Plan, it shall make such changes as necessary to the

Land Use Assumptions prior to or in conjunction with the review and approval of the Infrastructure Improvements Plan pursuant to Section 13-9 of this Chapter.

13-8: Infrastructure Improvements Plan

A. *Infrastructure Improvements Plan Contents.* The Infrastructure Improvements Plan shall be developed by Qualified Professionals and may be based upon or incorporated within the Town's Capital Improvements Plan. The Infrastructure Improvements Plan shall:

1. Specify the Categories of Necessary Public Services for which the Town will impose a development fee.

2. Define and provide a map of one or more Service Areas within which the Town will provide each Category of Necessary Public Services for which development fees will be charged. Each Service Area must be defined in a manner that demonstrates a Substantial Nexus between the Capital Facilities to be provided in the Service Area and the Service Units to be served by those Capital Facilities. For Libraries and for Parks larger than 30 acres, each Service Area must be defined in a manner that demonstrates a Direct Benefit between the Capital Facilities and the Service Units to be served by those Capital Facilities. The Town may cover more than one category of Capital Facilities in the same Service Area provided that there is an independent Substantial Nexus or Direct Benefit, as applicable, between each Category of Necessary Public Services and the Service Units to be served.

3. Identify and describe the Land Use Assumptions upon which the Infrastructure Improvements Plan is based in each Service Area.

4. Analyze and identify the existing Level of Service provided by the Town to existing Service Units for each Category of Necessary Public Services in each Service Area.

5. Identify the Level of Service to be provided by the Town for each Category of Necessary Public Services in each Service Area based on the relevant Land Use Assumptions and any established Town standards or policies related to required Levels of Service. If the Town provides the same Category of Necessary Public Services in more than one Service Area, the Infrastructure Improvements Plan shall include a comparison of the Levels of Service to be provided in each Service Area.

6. For each Category of Necessary Public Services, analyze and identify the existing capacity of the Capital Facilities in each Service Area, the utilization of those Capital Facilities by existing Service Units and the available excess capacity of those Capital Facilities to serve new Service Units including any existing or planned commitments or agreements for the usage of such capacity.

7. Estimate the total number of existing and future Service Units within each Service Area based on the Town's Land Use Assumptions.

8. Based on the analysis in Paragraphs 3-6 above, provide a summary table or tables describing the Level of Service for each Category of Necessary Public Services by relating the required Capital Facilities to Service Units in each Service Area, and identifying the applicable Service Unit factor associated with each Category of Development.

9. For each Category of Necessary Public Services, analyze and identify the projected utilization of any available excess capacity in existing Capital Facilities, and all new or expanded Capital Facilities that will be required to provide and maintain the planned Level of Service in each Service Area as a result of the new projected Service Units in that Service Area, for a period not to exceed ten (10) years. Nothing in this Subsection shall prohibit the Town from additionally including in its Infrastructure Improvements Plan projected utilization of, or needs for, Capital Facilities for a period longer than ten (10) years, provided that the costs of such Capital Facilities are excluded from the calculation of the Plan-Based Cost per Service Unit.

10. For each Category of Necessary Public Services, estimate the total cost of any available excess capacity and/or new or expanded Capital Facilities that will be required to serve new Service Units, including costs of land acquisition, improvements, engineering and architectural services, studies leading to design, design, construction, financing, and administrative costs. Such total costs shall not include costs for ongoing operation and maintenance of Capital Facilities, nor for replacement of Capital Facilities to the extent that such replacement is necessary to serve existing Service Units. If the Infrastructure Improvements Plan includes changes or upgrades to existing Capital Facilities that will be needed to achieve or maintain the planned Level of Service to existing Service Units, or to meet new regulatory requirements for services provided to existing Service Units, such costs shall be identified and distinguished in the Infrastructure Improvements Plan.

11. Forecast the revenues from taxes, fees, assessments or other sources that will be available to fund the new or expanded Capital Facilities identified in the Infrastructure Improvements Plan, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved Land Use Assumptions.

12. Calculate required Offsets as follows:

(a) Identify those sources of revenue that: (i) are attributable to new development, and (ii) will contribute to paying for the capital costs of Necessary Public Services.

(b) For each source of revenue identified pursuant to paragraph (a) of this Subsection, calculate the relative contribution of new development paying for the capital costs of Necessary Public Services in each Service Area.

(c) Based on the relative contributions identified pursuant to paragraph (b) of this Subsection, for each Category of Necessary Public Services, calculate the total Offset per Service Unit to be provided in each Service Area.

(d) Beginning August 1, 2014, for purposes of calculating the required Offset, if the Town imposes a construction, contracting, or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate that is imposed on the majority of other transaction privilege tax classifications in the Town, the entire excess portion of the construction, contracting, or similar excise tax shall be treated as a contribution to the capital costs of Necessary Public Services provided to new development unless the excess portion is already utilized for such purpose pursuant to this Section.

13. Calculate the Plan-Based Cost per Service Unit by:

(a) Dividing the total projected costs to provide Capital Facilities to new Service Units for each Category of Necessary Public Services in each Service Area as determined pursuant to Subsections 1 through 11 of this Section by the total number of new Service Units projected for that Service Area over a period not to exceed ten (10) years for each Category of Necessary Public Services.

(b) Subtracting the required Offset per Service Unit calculated pursuant to Subsection 13 of this Section.

B. *Multiple Plans.* An Infrastructure Improvements Plan adopted pursuant to this Subsection may address one or more of the Town's Categories of Necessary Public Services in any or all of the Town's Service Areas. Each Capital Facility shall be subject to no more than one Infrastructure Improvements Plan at any given time.

C. *Reserved Capacity.* The Town may reserve capacity in an Infrastructure Improvements Plan to serve one or more planned future developments. All reservations of existing capacity must be disclosed in the Infrastructure Improvements Plan at the time it is adopted.

13-9: Adoption Procedures

A. *Adopting or Amending the Infrastructure Improvements Plan.* The Infrastructure Improvements Plan shall be adopted or amended subject to the following procedures:

1. *Major Amendments to the Infrastructure Improvements Plan.* Except as provided in paragraph 2 of this Subsection, the adoption or amendment of an Infrastructure Improvements Plan shall occur at one or more public hearings according to the following schedule, and may occur concurrently with the adoption of an update of the Town's Land Use Assumptions as provided in Section 13-7 of this Chapter:

   (a) Sixty days before the first public hearing regarding a new or updated Infrastructure Improvements Plan, the Town shall provide public notice of the hearing and post the Infrastructure Improvements Plan and the underlying Land Use Assumptions on its website; the Town shall additionally make available to the public the documents used to prepare the Infrastructure Improvements Plan and underlying Land Use Assumptions and the amount of any proposed changes to the Plan-Based Cost per Service Unit.

   (b) The Town shall conduct a public hearing on the Infrastructure Improvements Plan and underlying Land Use Assumptions.

   (c) The Town shall approve or disapprove the Infrastructure Improvements Plan within 60 days, but no sooner than 30 days, after the public hearing. If the document was amended as a result of the public hearing, the revised Infrastructure Improvements Plan shall be posted on the Town's public website at least 15 days prior to the meeting.

2. *Minor Amendments to the Infrastructure Improvements Plan.* Notwithstanding the other requirements of this Section, the Town may update the Infrastructure Improvements Plan and/or its underlying Land Use Assumptions without a public hearing if all of the following apply:

   (a) The changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions will not add any new Category of Necessary Public Services to any Service Area.

   (b) The changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions will not increase the Level of Service to be provided in any Service Area.

(c) Based on a written analysis, the changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions would not, individually or cumulatively with other amendments undertaken pursuant to this Subsection, have caused a development fee in any Service Area to have been increased by more than five (5) per cent above the development fee that is provided in the current development fee schedule.

(d) At least 30 days prior to the date that the any amendment pursuant to this Section is adopted, the Town shall post the proposed amendments on the Town website.

B. *Adopting or Amending the Fees.* Any adoption or amendment of a fee schedule shall occur at one or more public hearings according to the following schedule:

1. The first public hearing on the fee schedule must be held at least 30 days after the adoption or approval of the Infrastructure Improvements Plan as provided in Subsection A of this Section. The Town must give at least 30 days' notice prior to the hearing, provided that this notice may be given on the same day as the approval or disapproval of the Infrastructure Improvements Plan.

2. The Town shall make the fee schedule available to the public on the Town's website 30 days prior to the public hearing described in Paragraph 1 of this Subsection.

3. The fee schedule may be adopted by the Town no sooner than 30 days, and no later than 60 days, after the hearing described in Paragraph 1 of this Subsection. If the fee schedule was amended as a result of the public hearing, the revised fee schedule shall be posted on the Town's public website at least 15 days prior to the meeting.

4. The development fee schedule adopted pursuant to this Subsection shall become effective no earlier than 75 days after adoption of the fee schedule by the Town.

13-10: Timing for Updates

A. *Updating the Infrastructure Improvements Plan.* Except as provided in Subsection B of this Section, not later than every five (5) years the Town shall update the applicable Infrastructure Improvements Plan related to each Category of Necessary Public Services pursuant to Section 13-9 of this Chapter. Such five-year period shall be calculated from the date of the adoption of the Infrastructure Improvements Plan.

B. *Determination of No Changes.* Notwithstanding Subsection A of this Section, if the Town determines that no changes to an Infrastructure Improvements Plan, underlying Land Use Assumptions, or fee schedules are needed, the Town may elect to continue the existing Infrastructure Improvements Plan without amendment by providing notice as follows:

1. Notice of the determination shall be published at least 180 days prior to the end of the five-year period described in Subsection A of this Section.

2. The notice shall identify the Infrastructure Improvements Plan and fee schedule that shall continue in force without amendment.

3. The notice shall provide a map and description of the Service Area(s) covered by such Infrastructure Improvements Plan and fee schedule.

4. The notice shall identify an address to which any resident of the Town may submit, within 60 days, a written request that the Town update the Infrastructure Improvements Plan, underlying Land Use Assumptions, and/or fee schedule and the reasons and basis for the request.

C. *Response to Comments.* The Town shall consider and respond within 30 days to any timely requests submitted pursuant to Paragraph 4 of Subsection B of this Section.

13-11: Collection of Fees

A. *Collection.* Development fees, together with any administrative charges assessed to defray the costs of administering this Chapter, shall be calculated and collected at issuance of permission to commence development; specifically:

1. Development fees shall be paid no sooner than the time of issuance of a Building Permit but prior to the issuance of a Certificate of Occupancy according to the current development fee schedule for the applicable Service Area(s) as adopted pursuant to this Chapter, or according to any other applicable development fee schedule as authorized in this Chapter. All water development impact fees will be collected after the issuance of a Building Permit and/or at the time a water meter is purchased.

(a) The Town shall determine the amount of each required development fee through the use of the applicable fee schedule.

(b) The Town shall determine the Category of Development for each development based on overall, long-term impact of the development. In general, impact fees shall be assessed based on the principal use of a building or lot. For example, a warehouse that contains an administrative office would be assessed at the warehouse rate for all of the square footage. Shopping centers shall be assessed at the retail/commercial rate, regardless of the type of tenants. For a true mixed-use development, such as one that includes both residential and nonresidential development, the fee shall be determined by adding up the fees that would be payable for each use as if it was a free-standing land use type pursuant to the fee schedule. For uses that cannot readily be designated under a particular Category of Development, the Development & Infrastructure Services Director or designee shall determine the category the particular use will be assigned based on which category has a daily trip generation rate most similar to the proposed use. Determinations of the Category of Development may be appealed to the Town Manager or his/her designee.

(c) The Town shall determine the water meter size for each lot based on the actual meter size installed on each lot. If the exact meter size is not listed in a table, then the Town shall use the next largest meter size in such table. If a lot consists of two (2) or more separate areas with separate meters in each separate area, then the development fee shall be determined by adding up all the fees that would be applicable for each meter size in each separate area.

(d) In assessing the development fees for Non-Residential land use types, square footage shall be measured in terms of Gross Floor Area, and any determination of square footage shall be in whole units, with any fractions thereof being rounded up to the next square foot.

(e) Development fees for development projects involving an addition to or remodeling of an existing facility, change of use, change of housing type, change of meter size or other modification or redevelopment of a previously developed lot or building with a valid certificate of occupancy shall be calculated as follows: only the new portion of development for the current project will be subject to the current development fee schedule.

2. If a Building Permit is not required for the development, but water connections are required, any and all development fees due shall be paid at the time the water meter (service connection) is purchased. If no Building

Permit or water connection is required, all development fees shall be paid prior to development approval.

3. In determining the amount of fees required for land included in a community facilities district established under A.R.S. Title 48, Chapter 4, Article 6, the Town shall take into account any Capital Facilities provided by the district that are included in the Infrastructure Improvements Plan and the capital costs paid by the district for such Capital Facilities, and shall reduce development fees assessed within the community facilities district proportionally.

4. No certificate of occupancy shall be issued if a development fee is not paid as directed in the previous paragraphs.

5. If the Building Permit is for a change in the type of building use, an increase in square footage, a change to land use, or an additional or upgraded point of demand to the water system, the development fee shall be assessed on the additional service units resulting from the expansion or change, and following the development fee schedule applicable to any new use type.

6. For issued permits that expire or are voided, development fees and administrative charges shall be as follows:

   (a) If the original permittee is seeking to renew an expired or voided permit, and the development fees paid for such development have not been refunded, then the permittee shall pay the difference between any development fees paid at the time the permit was issued and those in the fee schedule at the time the permit is reissued or renewed.

   (b) If a new or renewed permit for the same development is being sought by someone other than the original permittee, the new permit Applicant shall pay the full development fees specified in the fee schedule in effect at the time that the permits are reissued or renewed. If the original permittee has assigned its rights under the permits to the new permit Applicant, the new permit Applicant shall pay development fees as if it were the original permittee.

B. *Exceptions*. Development fees shall not be owed under any of the following conditions.

1. Development fees have been paid for the development and the permit(s) which triggered the collection of the development fees have not expired or been voided.

2. The approval(s) that trigger the collection of development fees involve modifications to existing development that do not: (a) add new Service

Units, (b) increase the impact of existing Service Units on existing or future Capital Facilities, or (c) change the land-use type of the existing development to a different Category of Development for which a higher development fee would have been due. To the extent that any modification does not meet the requirements of this paragraph, the development fee due shall be the difference between the development fee that was or would have been due on the existing development and the development fee that is due on the development as modified.

3. Notwithstanding any other law, a city or town shall not assess or collect any fees or costs from a school district or charter school for fees pursuant to A.R.S. Section 9-463.05. This prohibition does not include fees assessed or collected for streets and water and sewer utility functions pursuant to A.R.S. Section 9-500.18.

4. Temporary structures for which an administrative use permit is secured for use as a sales office and not for residential or other purposes and intended to be removed within the two-year period granted under the use permit shall be exempt from development fees. This exemption shall not apply where the temporary building is erected on a parcel of land upon which a permanent building with permanent facilities is to be constructed.

C. *Temporary Exemptions from Development Fee Schedules.* New developments in the Town shall be temporarily exempt from increases in development fees that result from the adoption of new or modified development fee schedules as follows:

1. *Single-Family Uses.* On or after the day that the first building permit is issued for a Single-Family development, the Town shall, at the permittee's request, provide the permittee with an applicable development fee schedule that shall be in force for a period of 24 months beginning on the day that the first building permit is issued, and which shall expire at the end of the first business day of the 25th month thereafter. During the effective period of the applicable development fee schedule, any building permit issued for the same Single-Family development shall not be subject to any new or modified development fee schedule, provided that if the Town reduces the amount of an applicable development fee during the period that a grandfathered development fee schedule is in force, the Town shall assess the lower development fee.

2. *Non-Residential and Multi-Family Uses.* On or after the day that the final approval is issued for a Non-Residential or Multi-Family development, the Town shall provide an applicable development fee schedule that shall be in force for a period of 24 months beginning on the day that final development approval of a site plan or final subdivision plat is given, and which shall expire at the end of the first business day of the 25th month thereafter. For the purpose of this paragraph, final approval shall mean the approval of a site plan or, if no site plan is submitted for the development,

the approval of a final subdivision plat. During the effective period of the applicable development fee schedule, any building permit issued for the same development shall not be subject to any new or modified development fee schedule, provided that if the Town reduces the amount of an applicable development fee during the period that a grandfathered development fee schedule is in force, the Town shall assess the lower development fee.

3. *Other Development.* Any development not covered under paragraphs 1 and 2 of this Subsection shall pay development fees according to the fee schedule that is current at the time of collection as specified in Subsection A of this Section.

4. *Changes to Site Plans and Subdivision Plats.* Notwithstanding the other requirements of this Subsection, if changes are made to a development's final site plan or subdivision plat that will increase the number of service units after the issuance of a grandfathered development fee schedule, the Town may assess any new or modified development fees against the additional service units.

13-12: Credits

A. *Eligibility of Capital Facility.* All development fee Credits must meet the following requirements:

1. One of the following is true:

(a) The Capital Facility or the financial contribution toward a Capital Facility that will be provided by the Developer and for which a Credit will be issued must be identified in an adopted Infrastructure Improvements Plan as a Capital Facility for which a development fee was assessed; or

(b) The Applicant must demonstrate to the satisfaction of the Town that, given the class and type of improvement, the subject Capital Facility should have been included in the Infrastructure Improvements Plan in lieu of a different Capital Facility that was included in the Infrastructure Improvements Plan and for which a development fee was assessed. If the subject Capital Facility is determined to be eligible for a Credit in this manner, the Town shall amend the Infrastructure Improvements Plan to (i) include the subject replacement facility and (ii) delete the facility that will be replaced.

2. Credits shall not be available for any Capital Facility provided by a Developer if the cost of such Capital Facility will be repaid to the Developer by the Town through another agreement or mechanism. To the extent that the Developer will be paid or reimbursed by the Town for any

contribution, payment, construction, or dedication from any Town funding source, any Credits claimed by the Developer shall be: (a) deducted from any amounts to be paid or reimbursed by the Town; or (b) reduced by the amount of such payment or reimbursement.

B. *Eligibility of Subject Development.* To be eligible for a Credit, the Subject Development must be located within the Service Area of the eligible Capital Facility.

C. *Calculation of Credits.* Credits will be based on that portion of the costs for an eligible Capital Facility identified in the adopted Infrastructure Improvements Plan for which a development fee was assessed. If the Gross Development Fee for a particular Category of Necessary Public Service is adopted at an amount lower than the Plan-Based Cost per Service Unit, the amount of any Credit shall be reduced in proportion to the difference between the Plan-Based Cost per Service Unit and the Gross Development Fee adopted. A Credit shall not exceed the actual costs the Applicant incurred in providing the eligible Capital Facility, nor shall it exceed the amount of the applicable development fee for the Subject Development.

D. *Allocation of Credits.* Before any Credit can be issued to a Subject Development (or portion thereof), the Credit must be allocated to that development as follows:

1. The Developer and the Town must execute a Credit Agreement including all of the following:

   (a) The total amount of the Credits resulting from provision of an eligible Capital Facility.

   (b) The estimated number of Service Units to be served within the Subject Development.

   (c) The method by which the Credit values will be distributed within the Subject Development.

2. It is the responsibility of the Developer to request allocation of development fee Credits through an application for a Credit Agreement.

3. If a building permit is issued or a water connection is purchased, and a development fee is paid prior to execution of a Credit Agreement for the Subject Development, no Credits may be allocated retroactively to that permit or connection. Credits may be allocated to any remaining permits for the Subject Development in accordance with this Chapter.

4. If the entity that provides an eligible Capital Facility sells or relinquishes a development (or portion thereof) that it owns or controls prior to execution of a Credit Agreement, Credits will only be allocated to the development

if the entity legally assigns such rights and responsibilities to its successor(s) in interest for the Subject Development.

5. If multiple entities jointly provide an eligible Capital Facility, both entities must enter into a single Credit Agreement with the Town, and any request for the allocation of Credit within the Subject Development(s) must be made jointly by the entities that provided the eligible Capital Facility.

E. *Credit Agreement.* Credits shall only be issued pursuant to a Credit Agreement executed in accordance with Subsection D of this Section. The Development & Infrastructure Services Director or authorized designee is authorized by this Chapter to enter into a Credit Agreement with the controlling entity of a Subject Development, subject to the following:

1. The Developer requesting the Credit Agreement shall provide all information requested by the Town to allow it to determine the value of the Credit to be applied.

2. An application for a Credit Agreement shall be submitted to the Town by the Developer within one year of the date on which ownership or control of the Capital Facility passes to the Town.

3. The Developer shall submit a draft Credit Agreement to the Development & Infrastructure Services Director or authorized designee(s) for review in the form provided to the Applicant by the Town. The draft Credit Agreement shall include, at a minimum, all of the following information and supporting documentation:

(a) A legal description and map depicting the location of the Subject Development for which Credit is being applied. The map shall depict the location of the Capital Facilities that have been or will be provided.

(b) An estimate of the total Service Units that will be developed within the Subject Development depicted on the map and described in the legal description.

(c) A list of the Capital Facilities, associated physical attributes and the related costs as stated in the Infrastructure Improvements Plan.

(d) Documentation showing the date(s) of acceptance by the Town, if the Capital Facilities have already been provided.

(e) The total amount of Credit to be applied within the Subject Development and the calculations leading to the total amount of Credit.

(f) The Credit amount to be applied to each Service Unit within the Subject Development for each Category of Necessary Public Services.

4. The applicant shall pay the cost incurred by the Town in making the determination. The Town as a condition of proceeding with the application will require a deposit of the reasonably estimated cost. The Town's determination of the Credit to be allocated is final.

5. Upon execution of the Credit Agreement by the Town and the Applicant, Credits shall be deemed allocated to the Subject Development.

6. Any amendment to a previously approved Credit Agreement must be initiated within two (2) years of the Town's final acceptance of the eligible Capital Facility for which the amendment is requested.

7. Development credits must be used within ten (10) years from the date of Credit Agreement.

F. *Issuance of Credits*. Credits allocated pursuant to Subsection D of this Section may be issued and applied toward the Gross Development Fees due from a development, subject to the following conditions:

1. Credits issued for an eligible Capital Facility may only be applied to the development fee due for the applicable Category of Necessary Public Services, and may not be applied to any fee due for another Category of Necessary Public Services.

2. Credits shall only be issued when the eligible Capital Facility from which the Credits were derived has been accepted by the Town.

3. Where Credits have been issued pursuant to paragraph 2 of this Subsection, a development fee due at the time a building permit is issued shall be reduced by the Credit amount stated in or calculated from the executed Credit Agreement. Where Credits have not yet been issued, the Gross Development Fee shall be paid in full.

4. Credits, once issued, may not be rescinded or reallocated to another permit or parcel, except that Credits may be released for reuse on the same Subject Development if a building permit for which the Credits were issued has expired or been voided and is otherwise eligible for a refund under Section 13-14.A.2(a) of this Chapter.

13-13: Appeals

A development fee determination by Town staff may be appealed in accordance with the following procedures:

A. *Limited Scope.* An appeal shall be limited to disputes regarding the calculation of the development fees for a specific development and/or permit and calculation of Service Units for the development.

B. *Form of Appeal.* An appeal shall be initiated on such written form as the Town may prescribe and submitted to the Development & Infrastructure Services Director or designee. The Applicant shall submit a written notice of appeal with a full statement of the grounds and an appeal fee of two hundred dollars ($200.00) or such other amount as may be fixed from time to time by ordinance adopted by the Town Council.

C. *Action by Manager.* The Town Manager or authorized designee shall act upon the appeal within 14 calendar days of receipt of the appeal and the Applicant shall be notified of the Town Manager or authorized designee's decision in writing.

D. *Final Decision.* The Town Manager or authorized designee's decision regarding the appeal is final.

E. *Fees During Pendency.* Building permits may be issued during the pendency of an appeal if the Applicant (1) pays the full development fee calculated by the Town at the time the appeal is filed or (2) provides the Town with financial assurances in the form acceptable to the Town Manager or authorized designee equal to the full amount of the development fee. Upon final disposition of an appeal, the fee shall be adjusted in accordance with the decision rendered, and a refund paid if warranted. If the appeal is denied by the Town Manager or authorized designee, and the Applicant has provided the Town with financial assurances as set forth in clause (2) above, the Applicant shall deliver the full amount of the development fee to the Town within ten days of the Town Manager or designee's final decision on the appeal. If the Applicant fails to deliver the full amount of the development fees when required by this Subsection, the Town may draw upon such financial assurance instrument(s) as necessary to recover the full amount of the development fees due from the Applicant.

13-14: Refunds

A. *Refunds.* A refund (or partial refund) will be paid to any current owner of property within the Town who submits a written request to the Town and demonstrates that:

1. The permit(s) that triggered the collection of the development fee have expired or been voided prior to the commencement of the development for which the permits were issued and the development fees collected have not been expended, encumbered, or Pledged for the repayment of Financing or Debt; or

2. The owner of the subject real property or its predecessor in interest paid a development fee for the applicable Category of Necessary Public Services on or after August 1, 2014, and one of the following conditions exists:

   (a) The Capital Facility designed to serve the subject real property has been constructed, has the capacity to serve the subject real property and any development for which there is reserved capacity and the service which was to be provided by that Capital Facility has not been provided to the subject real property from that Capital Facility or from any other Capital Facility.

   (b) After collecting the fee to construct a Capital Facility, the Town fails to complete construction of the Capital Facility within the time period identified in the Infrastructure Improvements Plan, as it may be amended, and the corresponding service is otherwise unavailable to the subject real property from that Capital Facility or any other Capital Facility.

   (c) For a Category of Necessary Public Services other than Water Facilities, any part of a development fee is not spent within ten (10) years of the Town's receipt of the development fee.

   (d) Any part of a development fee for Water Facilities is not spent within fifteen (15) years of the Town's receipt of the development fee.

   (e) The development fee was calculated and collected for the construction cost to provide all or a portion of a specific Capital Facility serving the subject real property and the actual construction costs for the Capital Facility are less than the construction costs projected in the Infrastructure Improvements Plan by a factor of 10% or more. In such event, the current owner of the subject real property shall, upon request as set forth in this Section A, be entitled to a refund for the difference between the amounts of the development fee charged for and attributable to such construction cost and the amount the development fee would have been calculated to be if the actual construction cost had been included in the Infrastructure Improvements Plan. In performing the recalculation, the Town may take into consideration actual construction costs for other improvements serving the subject real property that were included in the Infrastructure Improvements Plan for the same Category of Necessary Public Facilities. The refund contemplated by this Subsection shall relate only to the costs specific to the construction of the applicable Capital Facility and shall not include any related design, administrative, or other costs not directly incurred for construction of the Capital Facility

that are included in the development fee as permitted by A.R.S. § 9-463.05.

B. *Earned Interest.* A refund of a development fee shall include any interest actually earned on the refunded portion of the development fee by the Town from the date of collection to the date of refund. All refunds shall be made to the record owner of the property at the time the refund is paid.

C. *Refund to Government.* If a development fee was paid by a governmental entity, any refund shall be paid to that governmental entity.

D. *Correction of Errors.* The Development & Infrastructure Services Director or designee is hereby authorized and directed to correct any error in the assessment and collection of development fees detected within twenty-four (24) months of the date of the payment of the development fees, including assessing additional development fee amounts or issuing a refund from the appropriate development fee fund(s).

E. *No Refund for Change of Development.* After a development fee has been paid pursuant to this Chapter, no refund of any part of such development fee shall be made if the development for which the development fee was paid is later demolished, destroyed, or is altered, reconstructed, or reconfigured so as to reduce the size of the development, the number of units in the development, or the number of Service Units.

13-15: Oversight of Program

A. *Annual Report.* Within 90 days of the end of each fiscal year, the Town shall file with the Town Clerk an unaudited annual report accounting for the collection and use of the fees for each service area and shall post the report on its website in accordance with A.R.S. § 9-463.05, Subsections N and O, as amended.

B. *Biennial Audit.* In addition to the Annual Report described in Subsection A of this Section, the Town shall provide for a biennial, certified audit of the Town's Land Use Assumptions, Infrastructure Improvements Plan and development fees.

1. An audit pursuant to this Subsection shall be conducted by one or more Qualified Professionals who are not employees or officials of the Town and who did not prepare the Infrastructure Improvements Plan.

2. The audit shall review the collection and expenditures of development fees for each project in the plan and provide written comments describing the amount of development fees assessed, collected and spent on capital facilities.

3. The audit shall describe the Level of Service in each Service Area and evaluate any inequities in implementing the Infrastructure Improvements Plan or imposing the development fee.

4. The Town shall post the findings of the audit on the Town's website and shall conduct a public hearing on the audit within 60 days of the release of the audit to the public.

5. For purposes of this Section a certified audit shall mean any audit authenticated by one or more of the Qualified Professionals conducting the audit pursuant to paragraph 1 of this Subsection.

13-16: Fee Schedule

A. Transportation, Parks and Police Development Fees

Land Use Type	Unit	Transportation	Parks	Police	Total
Single-Family Detached	Dwelling	$1,990	$856	$310	$3,156
Multi-Family	Dwelling	$1,231	$599	$215	$2,045
Mobile Home Park	Space	$649	$651	$234	$1,534
Hotel/Motel	Room	$758	$0	$200	$958
Retail/Commercial	1,000 sq. ft.	$2,412	$0	$447	$2,859
Office	1,000 sq. ft.	$1,822	$0	$156	$1,978
Industrial	1,000 sq. ft.	$983	$0	$65	$1,048
Warehouse	1,000 sq. ft.	$915	$0	$63	$978
Public/Institutional	1,000 sq. ft.	$1,379	$0	$118	$1,497

B. Water Development Fees – Refer to Town Code Chapter 15- Article 17.

EXHIBIT "B"

Transportation, Park and Police Impact Fee Study

for the

Town of Oro Valley, Arizona

duncan | associates

March 2014

FINAL DRAFT

prepared by

Duncan Associates

Clancy Mullen, Vice President, Project Manager

for the

Town of Oro Valley, Arizona

Stacey Lemos, Finance Director, Project Manager

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EXECUTIVE SUMMARY

Duncan Associates has been retained by the Town of Oro Valley to update the Town's development impact fees for transportation, parks and police facilities in compliance with the new State impact fee enabling act. The Town's water impact fees are being updated separately. This report provides all of the analysis required by the new State act prior to the adoption of new or updated impact fees, including land use assumptions, infrastructure improvements plan and impact fee calculations.

Background

In 2011, the legislature passed SB 1525, which was signed by the governor on April 26, 2011. SB 1525 constituted a major overhaul of Arizona's impact fee enabling act for municipalities. Among other things, SB 1525 restricts the types of facilities for which impact fees may be charged and mandates the preparation of land use assumptions and an infrastructure improvements plan.

The last comprehensive update of the Town's impact fees was based on a 2008 study.[1] On January 1, 2012, the Town reduced its park and police fees to remove unauthorized components in compliance with the January 1, 2012 requirements of SB 1525. The current non-utility impact fees that have been effective since January 1, 2012 are summarized in Table 1.

Table 1. Current Non-Utility Impact Fee Schedule

Land Use Type	Unit	Roads	Parks	Police	Total
Single-Family*	Dwelling	$1,933	$555	$296	$2,784
All Other Housing	Dwelling	$1,331	$336	$176	$1,843
Lodging	Room	$556	n/a	$14	$570
Commercial 25,000 sf or less	1,000 sf	$5,533	n/a	$146	$5,679
Commercial, 25,001-50,000 sf	1,000 sf	$4,807	n/a	$126	$4,933
Commercial, 50,001-100,000 sf	1,000 sf	$4,014	n/a	$105	$4,119
Commercial, 100,001-200,000 sf	1,000 sf	$3,436	n/a	$91	$3,527
Commercial, >200,000 sf	1,000 sf	$2,921	n/a	$76	$2,997
Office/Institutional, 25,000 sf or less	1,000 sf	$1,812	n/a	$43	$1,855
Office/Institutional, 25,001-50,000 sf	1,000 sf	$1,547	n/a	$37	$1,584
Office/Institutional, 50,001-100,000 sf	1,000 sf	$1,318	n/a	$32	$1,350
Office/Institutional, 100,000 sf+	1,000 sf	$1,123	n/a	$27	$1,150
Business Park	1,000 sf	$1,260	n/a	$30	$1,290
Light Industrial	1,000 sf	$689	n/a	$16	$705
Manufacturing	1,000 sf	$378	n/a	$9	$387
Warehousing	1,000 sf	$490	n/a	$12	$502

* includes single-family attached

Source: Town of Oro Valley, Development Fee Summary, July 1, 2012.

The Town must now update its fees to be in full compliance with all provisions of the new enabling act by August 1, 2014. Assisting the Town in this endeavor for the non-utility fees is the purpose of this project.

[1] TischlerBise, *Development Fee Study and Infrastructure Improvements Plan prepared for Town of Oro Valley, Arizona*, April 7, 2008.

Summary of Findings

One of the recommendations of this study is to combine some of the current land use categories. Specifically, the current five commercial size categories are recommended to be combined, as well as the current four office/institutional size categories. In addition, business park, light industrial and manufacturing are proposed to be combined into a single industrial category. These consolidations are consistent with available demand data (e.g., higher trip generation size categories also tend to have shorter trip lengths and more pass-by traffic) and will simplify impact fee administration.

The updated transportation, park and police impact fees are summarized in Table 2, along with a comparison to current fees. The combined total of the three non-utility fees would be about 12% higher for residential uses, lower for most retail/commercial uses, and higher for most office and industrial/warehouse uses.

Table 2. Updated and Current Non-Utility Impact Fees

Land Use Type	Unit	Roads	Parks	Police	Total
Updated Fees					
Single-Family Detached	Dwelling	$1,990	$856	$310	$3,156
Multi-Family	Dwelling	$1,231	$599	$215	$2,045
Mobile Home Park	Space	$649	$651	$234	$1,534
Hotel/Motel	Room	$758	$0	$200	$958
Retail/Commercial	1,000 sq ft	$2,412	$0	$447	$2,859
Office	1,000 sq ft	$1,822	$0	$156	$1,978
Industrial	1,000 sq ft	$983	$0	$65	$1,048
Warehouse	1,000 sq ft	$915	$0	$63	$978
Public/Institutional	1,000 sq ft	$1,379	$0	$118	$1,497
Current Fees					
Single-Family Detached	Dwelling	$1,933	$555	$296	$2,784
Multi-Family	Dwelling	$1,331	$336	$176	$1,843
Mobile Home Park	Space	$1,331	$336	$176	$1,843
Hotel/Motel	Room	$556	$0	$14	$570
Retail/Commercial	1,000 sq ft	$3,436	$0	$91	$3,527
Office	1,000 sq ft	$1,318	$0	$32	$1,350
Industrial	1,000 sq ft	$689	$0	$16	$705
Warehouse	1,000 sq ft	$490	$0	$12	$502
Public/Institutional	1,000 sq ft	$1,318	$0	$32	$1,350
Percent Change					
Single-Family Detached	Dwelling	3%	54%	5%	13%
Multi-Family	Dwelling	-8%	78%	22%	11%
Mobile Home Park	Space	-51%	94%	33%	-17%
Hotel/Motel	Room	36%	n/a	1329%	68%
Retail/Commercial	1,000 sq ft	-30%	n/a	391%	-19%
Office	1,000 sq ft	38%	n/a	388%	47%
Industrial	1,000 sq ft	43%	n/a	306%	49%
Warehouse	1,000 sq ft	87%	n/a	425%	95%
Public/Institutional	1,000 sq ft	5%	n/a	269%	11%

Source: Updated fees from Table 21 (transportation), Table 29 (parks), and Table 37 (police); current fees from Table 1 (retail/commercial based on 100,001-200,000 sq. ft., office and institutional based on 50,001-100,000 sq. ft., industrial based on light industrial).

Average annual revenues anticipated over the next ten years, assuming the updated fees are adopted at 100%, are compared to actual revenues in recent years in Table 3.

Table 3. Historical and Projected Annual Impact Fee Revenues

Year	Roads	Parks	Police	Total
FY 07-08	$910,741	n/a	n/a	$910,741
FY 08-09	$316,954	$43,186	$8,206	$368,346
FY 09-10	$341,034	$162,756	$37,044	$540,834
FY 10-11	$263,302	$117,584	$28,061	$408,947
FY 11-12	$238,733	$99,542	$30,618	$368,893
Avg. 2013-2023	$494,909	$109,654	$72,770	$677,333

Source: Historical revenues from Town of Oro Valley Finance Department, March 19, 2013; average annual revenues for 2013-2023 from Table 23 (transportation), Table 31 (parks) and Table 39 (police).

Anticipated impact fee revenues are compared with the costs of planned capital improvements in Table 4. The updated impact fees will cover approximately one-fifth of the Town costs for planned transportation, park and police capital improvements over the next ten years.

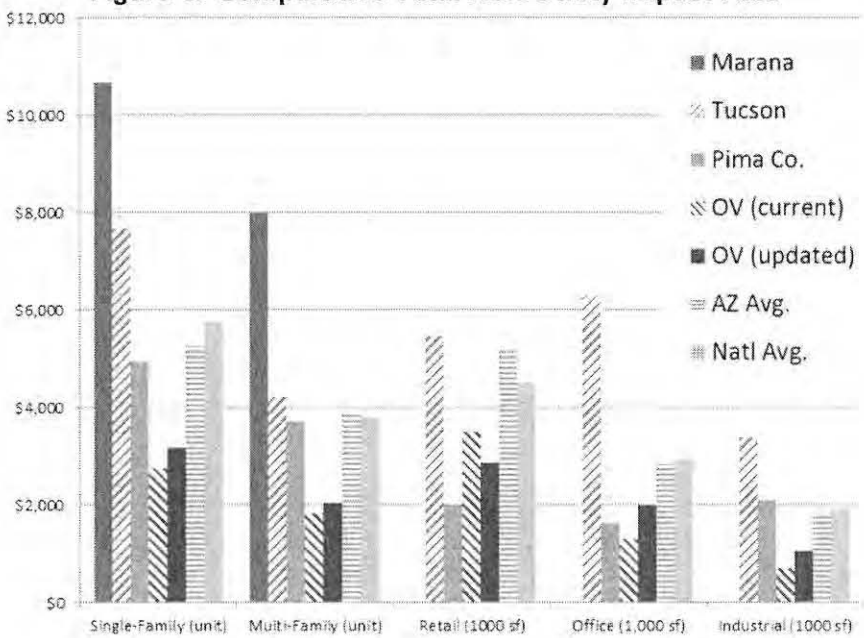
Table 4. Planned Costs and Fee Revenue, 2013-2023

Fee Type	Planned Costs	Potential Revenue	Share of Costs
Transportation	$27,189,600	$4,949,094	18.2%
Parks	$5,025,000	$1,096,536	21.8%
Police	$2,225,000	$727,700	32.7%
Total	$34,439,600	$6,773,330	19.7%

Source: Transportation costs and revenues from Table 24 and Table 23, respectively; parks from Table 32 and Table 31; police from Table 40 and Table 39.

The Town's current and proposed total non-utility fees are compared with those currently charged by Marana, Tucson and Pima County, as well as the Arizona average, in Figure 1. This comparison shows that the Town's current and updated fees are relatively low compared to nearby communities and the state and national averages.

Figure 1. Comparative Total Non-Utility Impact Fees



Source: Duncan Associates survey, May 2013 (national average excludes California)

LEGAL FRAMEWORK

Impact fees are a way for local governments to require new developments to pay a proportionate share of the infrastructure costs they impose on the community. In contrast to traditional "negotiated" developer exactions, impact fees are charges that are assessed on new development using a standard formula based on objective characteristics, such as the number and type of dwelling units constructed. The fees are one-time, up-front charges, with the payment usually made at the time of building permit issuance. Impact fees require each new development project to pay its pro-rata share of the cost of new capital facilities required to serve that development.

Arizona's enabling act for municipalities is codified in Sec. 9-463.05, Arizona Revised Statutes (ARS). In 2011, the legislature passed SB 1525, which was signed by the governor on April 26, 2011. SB 1525 constituted a major overhaul of Arizona's enabling act for municipalities. This section summarizes some of the major provisions of the new state act.

Eligible Facilities

Prior to SB 1525, municipalities could assess impact fees for any "necessary public services" (which was not defined) that constituted "costs to the municipality." SB 1525 amended the statute to limit the types of facilities for which impact fees can be assessed. Authorized facilities for which impact fees can be assessed, after January 1, 2012, are limited to the following defined "necessary public services:"

> *"Necessary public service" means any of the following facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:*
>
> *(a) Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.*
>
> *(b) Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.*
>
> *(c) Storm water, drainage and flood control facilities, including any appurtenances for those facilities.*
>
> *(d) Library facilities of up to ten thousand square feet that provide a direct benefit to development, not including equipment, vehicles or appurtenances.*
>
> *(e) Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.*
>
> *(f) Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.*

> *(g) Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.*
>
> *(h) Any facility that was financed and that meets all of the requirements prescribed in subsection* R *of this section.* (Sec. 9-463.05.S.5, ARS)

No longer authorized are fees for general government facilities, sanitation facilities, library buildings larger than 10,000 square feet and library books or equipment, fire and police administrative and training facilities and aircraft, parks larger than 30 acres and community centers larger than 3,000 square feet. No changes were made to authorized improvements for road, stormwater drainage, water or wastewater facilities, other than the new requirement that eligible facilities must have a life expectancy of at least three years.

Compliance Deadlines

Municipalities may continue to collect fees for unauthorized facilities after January 1, 2012 if the fees were pledged to retire debt for such facilities prior to June 1, 2011. However, the Town of Oro Valley had not pledged fee revenue in this sense for any of its development impact fees.

SB 1525 added numerous new requirements related to how impact fees are calculated. Land use assumptions (growth projections) must be prepared for each service area, covering at least a ten-year period. Many new requirements were added for the infrastructure improvements plan (IIP) and the impact fee analysis. However, compliance with these is not required until August 1, 2014:

> *A development fee that was adopted before January 1, 2012 may continue to be assessed only to the extent that it will be used to provide a necessary public service for which development fees can be assessed pursuant to this section and shall be replaced by a development fee imposed under this section on or before August 1, 2014. (9-463.05K, ARS)*

Significant changes were made to the requirements for adopting updated infrastructure improvements plans and fee schedules. These requirements are effective as of January 1, 2012, but only apply to the updated IIP and impact fee schedules that must be in place by August 1, 2014.

Provisions were also added relating to refunds. However, these provisions only apply to fees collected after August 1, 2014.

Other changes, however, are effective as of January 1, 2012. These include new provisions or amendments related to developer credits, the locking-in of fee schedules for 24 months following development approval, and annual reporting requirements. In addition, the expenditure of impact fees collected after January 1 is restricted to facilities authorized by SB 1525 (and repayment of pledged debt for unauthorized facilities, although this is not an option for Oro Valley).

Service Areas

Service areas are a key requirement for impact fees under SB 1525. A service area is defined as "any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan." Land use assumptions (growth projections) and an infrastructure improvements plan (list of capital improvements and impact fee analysis) must be prepared for each service area.

It should be noted that multiple service areas are not mandated by SB 1525. A service area may include all of the area within the Town limits, as long as it can be shown that developments located anywhere within the service area will be served by or benefit from improvements located in the service area.

Service Units

In impact fee analysis, demand for facilities must be expressed in terms of a common unit of measurement, called a "service unit." SB 1525 defines a service unit as "a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services or facility expansions." The recommended service units are described in the individual facility sections of this report.

Methodologies

SB 1525 is sometimes misunderstood to dictate a particular methodology for calculating impact fees. Because cities must forecast anticipated growth over a fixed time period and identify improvements over the same time period, some are lead to think that a "plan-based" methodology is required, where the cost per service unit is calculated by dividing planned costs by anticipated new service units. In fact, however, SB 1525 does not dictate this methodology, and most impact fees in the state have not been calculated in this way. The reason is that, to support a plan-based methodology, the list of planned improvements must be developed using a rigorous analysis, such as the modeling used to develop a transportation master plan, in order to establish the required nexus between the anticipated growth and the specific list of improvements required to serve that growth. In many cases, such a master plan is not available.

The principal alternative to the plan-based methodology is "standards-based." The key difference is that the plan-based approach is based on a complex level of service (LOS) standard, such as "every road shall function at LOS D or better," or "the average fire response time shall not exceed three minutes," that requires projecting growth by small areas and using sophisticated modeling or analysis to determine the specific improvements needed to maintain the desired LOS. In contrast, a standards-based approach uses a generalized LOS standard, such as the ratio of park acres to population, which does not require an extensive master planning effort in order to determine the improvements and costs that are attributable to a specific quantity of growth.

There are advantages and disadvantages to the two methodologies. The major advantage of a standards-based methodology is that it is more flexible, since the fees are not dependent on the

specific projects included in the list of improvements, only on the average cost to construct a unit of capacity. Changing the list of planned projects typically does not require recalculation of standards-based impact fees, since a single project is likely to have an insignificant impact on the average cost of capacity added by all of the improvements. This allows the capital plan to change in response to unforeseen development without triggering the need for an impact fee update.

Level of Service (LOS) Standards

SB 1525 does not define the term "level of service" (LOS), nor does it require the formal adoption of LOS standards. It does require, however, that impact fees be based on the same LOS provided to existing development in the service area. This reflects a basic principle of impact fees, which is that new development should not be charged for a higher LOS than existing development. This does not mean that impact fees cannot be based on a higher standard than is currently actually provided to existing development in a service area. If the fees are based on a higher-than-existing LOS, however, there must be a plan to use non-impact fee funds to remedy the existing deficiency.

Land Use Assumptions

An impact fee update must now include the development of land use assumptions (growth projections) for each service area. SB 1525 defines land use assumptions as "projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality." Since the infrastructure improvements plan (IIP) that must be prepared for each service area must identify improvement needs for a period not to exceed 10 years, a 10-year time-frame would seem to be the most appropriate for both the land use assumptions and the IIP.

Infrastructure Improvements Plan

SB 1525 requires that an infrastructure improvements plan (IIP) be prepared for facility type for each service area. Impact fees may only be collected to pay for improvements identified in the IIP. By implication, impact fees can only be spent on improvements listed in the IIP.

The IIP is often confused with a list of planned capital improvements. While the IIP must include such a list, it must also contain much more analysis. The IIP is basically the impact fee study. To avoid confusion, we suggest referring to the list of improvements that must be included in the IIP as the "capital plan." The consultant proposes to prepare a single, consolidated document that includes land use assumptions, infrastructure improvement plans and impact fee analyses for the Town's transportation, parks and police impact fees.

As noted above, the IIP must identify planned projects over a period of not more than 10 years, and it is suggested that the Town's IIPs and capital plans cover a 10-year period. Of course, the impact fee analysis could cover a longer period, such as to build-out, which may be required if the fees are based on build-out master plans.

The cost of the projects listed in the capital plan will not necessarily determine the impact fee amounts. As described earlier, there are two basic methodologies. Under a plan-based approach, the fee will be determined by the projects listed in the applicable master plan, some but not all of which will be listed in the impact fee capital plan. Under the standards-based approach, the fees will

be based on the existing level of service and the average cost per unit of capacity. Consequently, under the standards-based approach, the impact fee capital plan is primarily a list of improvements that are eligible to be funded with impact fees.

Eligible improvements are those that add capacity to accommodate future growth. Replacing an existing police patrol vehicle or remodeling or repairing an existing building are examples of improvements that do not add capacity. Some projects may be partially eligible. In addition, existing facilities that have outstanding debt that is to be repaid with impact fees should be listed in the capital plan.

Refunds

A common and understandable misinterpretation of SB 1525 is that a municipality may be required to refund fees collected if any improvement listed in the IIP is not completed within the timeframe of the IIP. Section 9-463.05.B.7 provides that collection of impact fees is allowed only to pay for a project that is identified in the IIP, "and the municipality plans to complete construction and have the service available within the time period established in the infrastructure improvements plan, but in no event longer than the time period provided in subsection H, paragraph 3 of this section [i.e., 15 years for water and wastewater, and 10 years for other facilities]." The key terms in this section are "plans to complete" and "have the service available." No community has a crystal ball that allows them to know with certainty how much development is going to occur over a 10-15 year period in the future. While the Town may plan to complete an improvement in this time period in order to serve anticipated growth, if the anticipated growth does not materialize and the need for the improvement is not required to serve the growth that does occur, it is highly unlikely that a court would find that the Town is compelled to refund the fees that it did collect.

The refund provisions in the referenced refund subsection (H) reinforce this interpretation. Section 9-463.05.B.7 directly references only the final paragraph of subsection H (H.3), which simply requires that the impact fees be spent within a certain time period (15 years for water and wastewater, and 10 years for other facilities) from the date they were collected. It is reasonable to conclude that this is the only refund provision that will likely be applicable, as long as the Town does not collect impact fees and deny access to services. However, there is always the possibility that refunds could be required if a construction project comes in significantly lower than its estimated cost.

Offsets

A fundamental principle of impact fees is that new development should not be required to pay twice for the cost of new facilities – once through impact fees and again through other taxes or fees that are used to fund the same facilities. To avoid such potential double-payment, impact fees may be reduced, and such a reduction is referred to as an "offset." Typically, offsets are incorporated into the impact fee calculation, although they can also be addressed through an independent fee study for an individual development project. While this has long been a part of impact fee practice in Arizona, SB 1525 amended the state enabling act to add the following provision (Section 9-463.05.B.12):

> *The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public*

service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.

The revenue forecast required by Section 9-463.05.B.12 is provided in Appendix C.

In general, offsets are only required for funding that is dedicated for capacity-expanding improvements of the type addressed by the impact fee. A municipality is not required to use general fund revenue to pay for growth-related improvements. If, for example, a municipality decides that the existing level of service on which impact fees are based is insufficient, and opts to use general revenue to raise the level of service for both existing and new development, no offset would be required.

The clearest situation that requires an offset is when there is outstanding debt on the facilities that are providing existing development with the level of service that new development will be expected to pay for through impact fees. In this case, new development will be paying for the facilities that will serve them, while also paying for a portion of the cost of facilities serving existing development through property or other taxes. Consequently, the impact fees should be reduced to avoid this potential double-payment.

Another clear case requiring offsets is when the impact fees have been adopted based on a level of service that is higher than what is currently provided to existing development in the service area. In such a case, the cost of remedying the existing deficiency will almost always be funded by future revenue sources to which new development will contribute. To the extent that this is the case, an offset is required.

As noted above, an offset will generally be warranted when new development will be contributing toward a funding source that is dedicated to fund the same growth-related improvements addressed by the impact fee. Offsets are also often provided for anticipated grant funding that may be available to help fund growth-related improvements, although the uncertainty of such funding and the fact that it is not paid for by property owners make this type of offset discretionary.

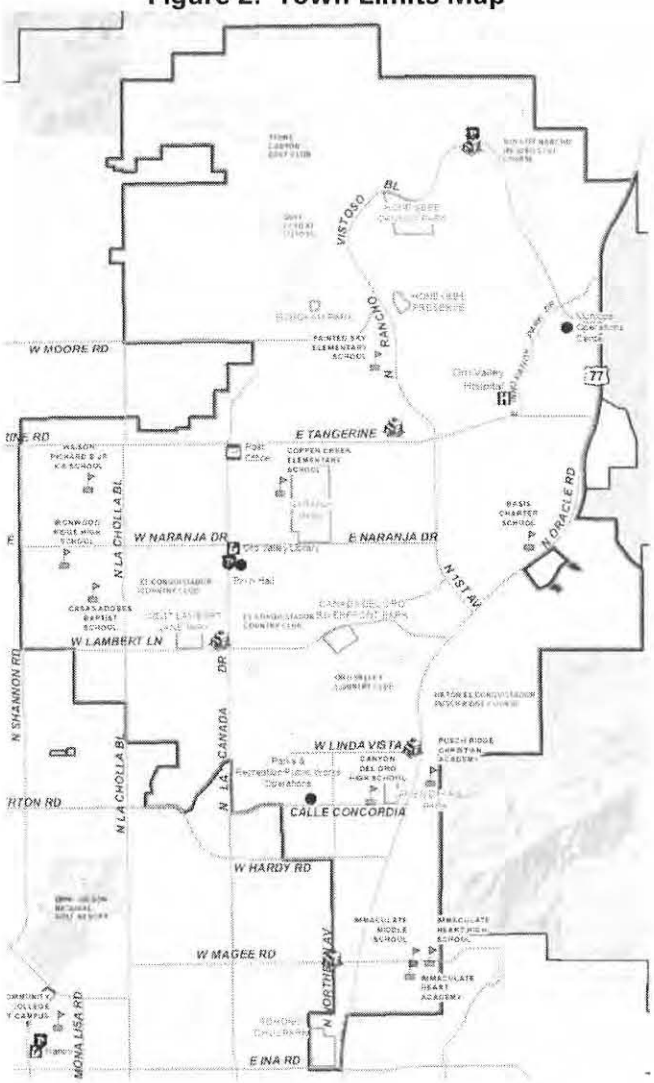
Finally, the new language inserted in the state enabling act by SB 1525, cited above, now requires municipalities to provide offsets for the excess portion of any construction contracting excise tax. Oro Valley has five classifications: Privilege Tax (2%), Hotel/Motel (6%), Construction Contracting (4%), Utilities (4%) and Pre-Existing Contracts (2%). Construction is higher than two of the other four categories, but two is not a majority of four. However, the Town has received a legal opinion that the word "classification" in the statute refers to the "taxable activities" on the Arizona Department of Revenue ("ADOR") chart. This includes all taxable activities, such as bars/restaurants, transportation, commercial lease, amusement, job printing etc. Based on this interpretation, the transaction privilege tax on most of the Oro Valley classifications (taxable activities) is 2%. Consequently, an offset is provided for half of the construction sales tax against the transportation impact fees.

SERVICE AREAS

As noted in the Legal Framework section, service areas are a key requirement for impact fees under SB 1525. Land use assumptions (growth projections) and an infrastructure improvements plan (list of capital improvements and impact fee analysis) must be prepared for each service area. Multiple service areas are not mandated by SB 1525, as long as it can be shown that developments located anywhere within the service area will be served by or benefit from improvements anywhere in the service area – which is another way of saying that a "substantial nexus" can be demonstrated.

Oro Valley currently charges non-utility impact fees for transportation, parks and police facilities. The Town currently has a single, town-wide service area for all three fee types. The current Oro Valley town limits are shown in Figure 2 below.

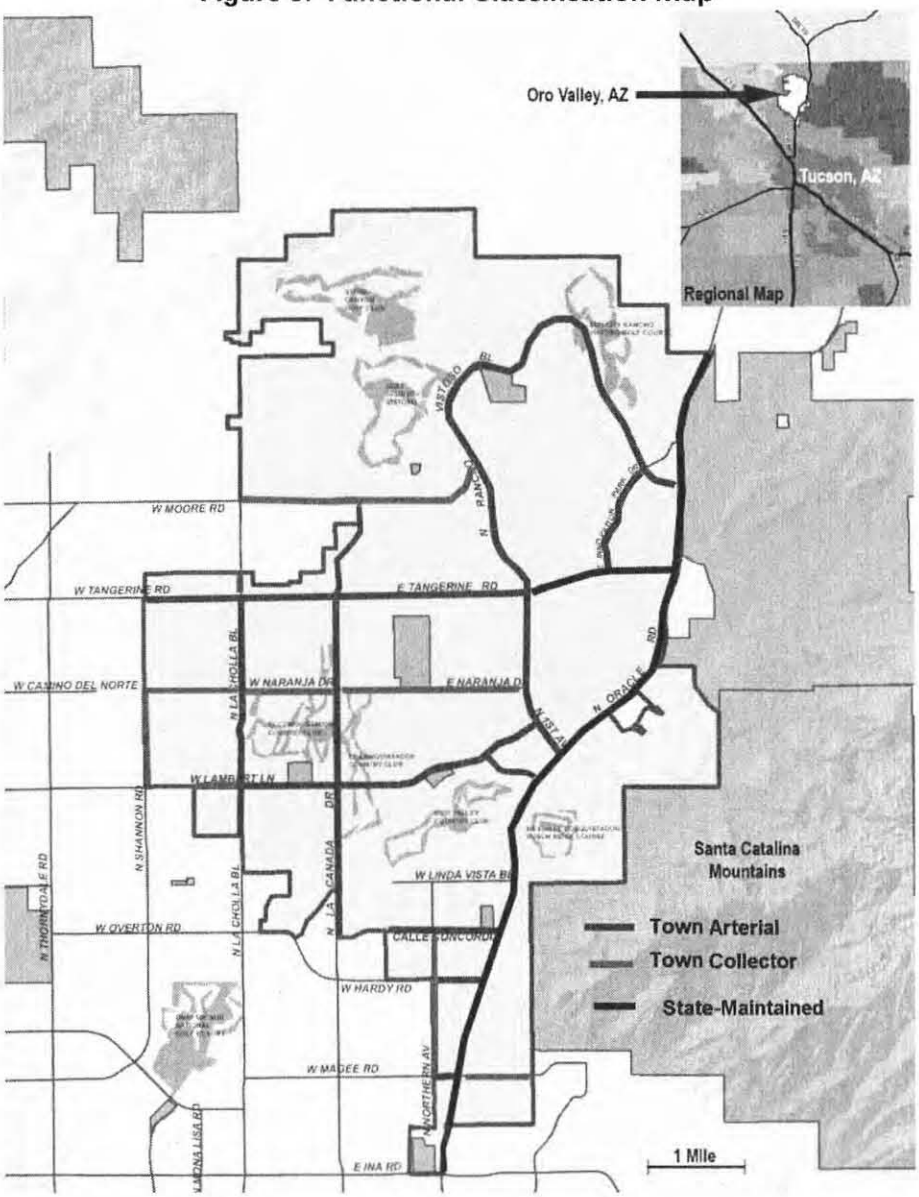
Figure 2. Town Limits Map



Transportation

Transportation planners classify roadways according to function. Local streets primarily function to provide access to adjacent development. Collector roads serve a dual function, providing both access and a way for traffic to get to the arterial. Arterial roadways also provide some access to adjacent properties, but their primary function is to move traffic long distances with a community. The functional classifications of the Town's existing major roadways are shown in Figure 3.

Figure 3. Functional Classification Map



The Town's transportation impact fees are limited to arterials and major collectors. Since these roadway classifications are designed to move traffic throughout the community, a town-wide service area continues to be appropriate.

Parks

SB 1525 authorizes fees for "neighborhood parks," although the term is undefined except for certain restrictions. The most important restriction is that neighborhood parks cannot not exceed 30 acres, unless a "direct benefit" (another undefined term) can be demonstrated.

While the Town's does not have a park master plan, typical standards are that a neighborhood park should be 5-10 acres and have a service area of about a one-half mile radius, while a community park should be 30-80 acres in size and have a service area of about a three-mile radius. The 30-acre park size authorized for impact fees falls somewhere between a neighborhood and community park.

Park impact fee service areas can reasonably be larger than the service area of a single park. Residents do not always use the park closest to them. A park impact fee system where each existing or potential park has its own service area would be unworkable. The entire town limits is roughly the size of two community park areas, and is recommended for the park impact fees.

Police

The current and recommended service area for police impact fees is town-wide. Most police facilities are centralized in the Main Police Station, and police protection is provided throughout the city from roving patrol cars.

LAND USE ASSUMPTIONS

This section presents land use assumptions covering a ten-year period (2013-2023) to serve as the basis for the infrastructure improvements plan and impact fee calculations for the Town of Oro Valley's transportation, park and police impact fees.

SB 1525 requires that land use assumptions be developed for each service area. All of the Town's impact fees will continue to be based on a single town-wide service area.

SB 1525 requires that land use assumptions be developed "pursuant to the general plan." The *Oro Valley General Plan*, adopted in 2005, does not include projections of future population or land use. Consequently, other data sources will be used to develop projections.

The 2010 U.S. Census provides a total count of housing units, but no information on units by housing type. Information on housing type is available from sample data collected by the Census Bureau as part of the annual American Housing Survey. The most recent available data is a weighted 5% sample, which consist of five annual 1% samples taken in 2007 through 2011. These figures are adjusted to match the 2010 total housing count from the 2010 Census. Adding the number of units for which building permits were issued by the Town over the last three years yields an estimate of existing housing units by type for 2013, as shown in Table 5.

Table 5. Existing Housing Units by Type, 2013

	2007-11 ACS	2010 Census	2010-12 Permits	2013 Est.
Single-Family Detached	14,677	15,285	264	15,549
Multi-Family	4,486	4,672	757	5,429
Mobile Home	368	383	0	383
Total Housing Units	19,531	20,340	1,021	21,361

Source: 2007-2011 ACS data is from the U.S. Census Bureau's American Community Survey, based on a 5% sample taken over five years; 2010 total units from 2010 U.S. Census, SF1 100% count data; 2010 units by type based on distribution of units from ACS data; building permits issued in calendar years 2010 through 2012 from Town of Oro Valley Development and Infrastructure Services Department, March 22, 2013 (includes an additional 750 multi-family units per Town, August 20, 2013).

The best available source of information on growth projections for Oro Valley is the small area population, housing and employment estimates and projections prepared by the Pima Association of Governments (PAG). The boundaries of these small areas, called Traffic Analysis Zones (TAZ), coincide very closely with the Town's boundaries, and can be aggregated to the Town limits. Current PAG data sets are available for 2005 estimates and 2040 projections. 2013 estimates for housing and population are based on current housing unit estimates derived in Table 5 above. Employment estimates for 2013 are derived from 2005 PAG employment estimates, which are adjusted upward by the 2005-2013 growth in housing units. 2023 population, housing and employment estimates are based on a straight-line interpolation between 2013 estimates and 2040 PAG projections. The resulting 2013-2023 forecasts are presented in Table 6.

Table 6. Population, Housing and Employment, 2013-2023

	2005	2013	2023	2040
Total Population	39,028	43,070	47,735	55,666
Total Housing Units	18,509	21,361	22,749	25,109
Retail/Commercial Employment	3,367	3,886	4,941	6,736
Office Employment	2,487	2,870	4,083	6,145
Industrial Employment	2,405	2,776	3,042	3,493
Warehouse Employment	130	150	121	71
Public Employment	1,016	1,173	1,787	2,832

Source: 2005 estimates and 2040 projections for Traffic Analysis Zones consistent with Town of Oro Valley town limits from Pima Association of Governments; 2013 housing units from Table 5; 2013 population based on 2013 housing and 2010 ratio of population to housing from 2010 U.S. Census; 2013 employment based on 2005 estimates and 2013 to 2005 housing unit ratio; 2023 population, housing and employment is straight-line interpolation between 2013 and 2040.

The number of employees can be converted to building square footage estimates using the employee density ratios shown in Table 7.

Table 7. Employee Density Ratios

Land Use Type	Sq. Feet/ Employee	Employees/ 1,000 Sq. Ft.
Retail/Commercial	487	2.05
Office	205	4.88
Industrial	460	2.17
Warehouse	1,236	0.81
Public	800	1.25

Source: Sample survey data collected by City of Chandler, Arizona, Economic Development Department, 2005.

Land use assumptions for 2013-2023 are summarized in Table 8 below for population, housing units by type and nonresidential building square footage by land use type.

Table 8. Population, Housing and Nonresidential Sq. Ft., 2013-2023

	2013	2023
Total Population	43,070	47,735
Single-Family Detached Units	15,549	16,578
Multi-Family Units	5,429	5,788
Mobile Home Units	383	383
Total Housing Units	21,361	22,749
Retail/Commercial Sq. Ft. (1,000s)	1,892	2,406
Office Sq. Ft. (1,000s)	588	837
Industrial Sq. Ft. (1,000s)	1,277	1,399
Warehouse Sq. Ft. (1,000s)	185	150
Public Sq. Ft. (1,000s)	938	1,430
Total Nonresidential Sq. Ft. (1,000s)	4,880	6,222

Source: 2013 and 2023 population and total housing units from Table 6; 2013 housing units by type from Table 5; 2023 housing units by type assumes no growth in mobile homes and new units distributed according to 2013 distribution of non-mobile home units; nonresidential square fee based on employment from Table 6 and employee density ratios from Table 7.

TRANSPORTATION

This section updates the Town's transportation impact fees in compliance with the new Arizona impact fee enabling act for municipalities.

There are two basic transportation impact fee methodologies: consumption-based and plan-based. In the standard consumption-based approach, the total cost of a representative set of improvements is divided by the capacity added by those improvements in order to determine an average cost per vehicle-mile of capacity (VMC). This cost per VMC is then multiplied by the vehicle-miles of travel (VMT) generated by a unit of development of a particular land use type to determine the gross impact fee. A variant is the modified consumption-based approach, which uses a system-wide VMC/VMT ratio higher than the 1:1 ratio implicit in the standard approach.

The alternative is the plan-based approach. The key to a defensible plan-based methodology is a well-designed transportation master plan that establishes a strong nexus between anticipated growth over a 10-20 year period and the improvements that will be required to accommodate growth over that planning horizon. The cost per VMT (or per trip) is determined by dividing the cost of the planned improvements by the growth in VMT. The cost per VMT is then multiplied by the vehicle-miles of travel (VMT) generated by a unit of development of a particular land use type to determine the gross impact fee. The level of service standard under the plan-based approach is facility-specific (e.g., "all major road segments and intersections shall function at LOS D or better").

There are advantages and disadvantages to the two methodologies. The consumption-based approach, at least in its standard form, tends to be conservative and generally results in lower impact fees than the plan-based approach. This is because most roadway systems need more than one unit of capacity (VMC) for each unit of travel demand (VMT) in order to function at an acceptable level of service (the modified consumption-based approach addresses this issue and is less conservative). Plan-based fees using a transportation plan that identifies all of the improvements needed to provide acceptable levels of service on all roadways will almost always result in higher fees.

The major advantage of a consumption-based methodology is that it is more flexible, since the fees are not dependent on the specific projects included in the list of improvements, only on the average cost to construct a vehicle-mile of capacity. Changing the list of planned projects typically does not require recalculation of consumption-based road impact fees, since a single project is likely to have an insignificant impact on the average cost of capacity added by all of the improvements. This allows the capital plan to change in response to unforeseen development without triggering the need for an impact fee update. This update uses the consumption-based methodology.

Existing Level of Service

As described above, the level of service used in the consumption-based methodology is a system-wide capacity/demand (VMC/VMT) ratio of one. This section demonstrates that the existing level of service exceeds this standard.

An inventory of the existing arterial/major collector road network is summarized in Table 9 below. For each roadway segment, information was gathered on segment length in miles, number of through lanes, and current traffic volumes (annualized average daily trips or AADT). The number

of vehicle-miles of travel (VMT) is the product of segment miles and AADT. The number of vehicle-miles of capacity (VMC) is the product of segment miles and roadway capacity.

Table 9. Existing Major Road Inventory

Street	From	To	Class	Miles	Lns.	AADT	VMT	VMC
1st Ave	Oracle Rd	Lambert Ln	Minor Art	0.414	4	24,340	10,077	10,350
1st Ave	Lambert Ln	Naranja Dr	Minor Art	0.365	4	15,746	5,747	9,125
1st Ave	Naranja Dr	Tangerine Rd	Minor Art	0.997	4	15,746	15,699	24,925
Calle Buena Vista	Calle Concordia	Hardy	Collector	1.000	2	3,533	3,533	10,000
Calle Concordia	Calle Loma Linda	Calle Buena Vista	Minor Art	0.499	2	4,300	2,146	4,990
Calle Concordia	Calle Buena Vista	Overlook	Minor Art	0.708	2	4,300	3,044	7,080
Calle Concordia	Overlook	Hwy 77	Minor Art	0.708	2	4,300	3,044	7,080
Hardy Rd	Calle Loma Linda	Calle Buena Vista	Minor Art	0.501	2	5,384	2,697	5,010
Hardy Rd	Calle Buena Vista	Oracle Rd	Minor Art	0.534	2	5,384	2,875	5,340
Innovation Park	SR -989	Rancho Vistoso	Minor Art	1.248	2	6,000	7,488	12,480
La Canada Dr	Oro Valley TB	Calle Concordia	Minor Art	0.505	4	11,749	5,933	12,625
La Canada Dr	Oro Valley TB	Rancho Sonora	Minor Art	0.647	4	11,750	7,602	16,175
La Canada Dr	Rancho Sonora Dr	Lambert lane	Minor Art	0.414	4	11,750	4,865	10,350
La Canada Dr	Lambert Ln	Naranja Dr	Minor Art	0.997	4	14,658	14,614	24,925
La Canada Dr	Naranja Dr	Tangerine Rd	Minor Art	0.971	4	10,382	10,081	24,275
La Canada Dr	Tangerine Rd	Moore Rd	Minor Art	1.000	4	5,058	5,058	25,000
La Cholla Blvd	0.5 mi. S of Lambert	Lambert Ln	Minor Art	0.500	2	14,246	7,123	5,000
La Cholla Blvd	Lambert Ln	Naranja Dr	Minor Art	1.007	2	10,669	10,744	10,070
La Cholla Blvd	Naranja Dr	Tangerine Rd	Minor Art	0.966	2	9,870	9,534	9,660
La Cholla Blvd	Tangerine Rd	Oro Valley TB	Collector	0.258	2	2,798	722	2,580
Lambert Ln	0.5 mi. E of Shannon	La Cholla Blvd	Collector	0.496	2	7,178	3,560	4,960
Lambert Ln	La Cholla Blvd	Rancho Sonora	Minor Art	0.625	2	9,437	5,898	6,250
Lambert Ln	Rancho Sonora Dr	La Canada Dr	Minor Art	0.369	2	9,437	3,482	3,690
Lambert Ln	La Canada Dr	Highlands Dr	Minor Art	1.290	2	11,938	15,400	12,900
Lambert Ln	Pusch View	1st Ave	Minor Art	1.017	2	11,931	12,134	10,170
Magee Road	Northern Ave	Oracle Rd	Minor Art	0.219	2	14,146	3,098	2,190
Magee Road	Oracle Rd	Town Limits	Collector	0.787	2	1,888	1,486	7,870
Moore Road	La Cholla Blvd	Copper Spring Trl	Collector	1.558	2	3,621	5,642	15,580
Moore Road	Copper Spring Trl	Woodburne Ave.	Collector	0.804	2	3,621	2,911	8,040
Moore Road	Woodburne Ave.	Rancho Vistoso Bd	Collector	0.286	2	3,621	1,036	2,860
Naranja Dr	Shannon Road	La Cholla Blvd	Collector	1.000	2	2,000	2,000	10,000
Naranja Dr	La Cholla Blvd	La Canada Dr	Collector	0.998	2	7,883	7,867	9,980
Naranja Dr	La Canada Dr	1st Ave	Collector	2.020	2	3,977	8,034	20,200
Northern Ave.	Magee Road	Camino Cortaro	Collector	0.496	2	8,440	4,186	4,960
Northern Ave.	Camino Cortaro	Hardy Road	Collector	0.507	2	8,440	4,279	5,070
Pusch View Lane	Lambert Lane	Oracle Road	Minor Art	0.644	4	5,926	3,816	16,098
Rancho Vistoso	Tangerine Rd	Moore Rd	Minor Art	1.466	4	18,566	27,218	36,650
Rancho Vistoso	Moore Rd	Sun City Blvd	Minor Art	2.447	4	3,481	8,518	61,175
Rancho Vistoso	Sun City Blvd	Del webb Blvd	Minor Art	1.117	4	8,209	9,169	27,925
Rancho Vistoso	Del webb Blvd	Innovation Park	Minor Art	0.815	4	12,938	10,544	20,375
Rancho Vistoso	Innovation Park Dr	SR-77	Minor Art	0.414	4	12,932	5,354	10,350
Shannon Rd	Lambert Ln	Naranja	Collector	0.985	2	2,582	2,543	9,850
Tangerine Rd	Shannon Rd	La Cholla Blvd	Prin Art	0.981	2	11,242	11,028	9,810
Tangerine Rd	La Cholla Blvd	La Canada Dr	Prin Art	1.007	2	13,316	13,409	10,070
Tangerine Rd	La Canada Dr	Mandarin Ln	Prin Art	1.580	4	18,640	29,451	39,500
Vistoso Comm Lp	Rancho Vistoso Bd	Oracle Road	Collector	0.444	4	1,538	682	11,094
Total Vehicle-Miles							335,371	614,657

Source: Segment descriptions, miles, lanes and AADT from Town of Oro Valley, March 27, 2013; VMT is product of miles and AADT; VMC is product of miles and 25,000 vehicles per day for 4-lane and 10,000 for 2-lane.

The results of the existing level of service analysis are shown in Table 10. While some individual road segments are operating at a level of service worse than LOS D, the appropriate level of service measurement for a consumption-based road fee is the overall ratio of capacity to demand for the service area. As shown below, existing level of service exceeds the minimum VMC/VMT ratio of one.

Table 10. Existing Transportation Level of Service

Total Vehicle-Miles of Capacity (VMC)	614,657
÷ Total Vehicle-Miles of Travel (VMT)	335,371
Existing VMC/VMT Ratio	1.83

Source: Vehicle-miles of capacity (VMC) and vehicle-miles of travel (VMT) from Table 9.

Service Units

A service unit creates the link between supply (roadway capacity) and demand (traffic generated by new development). An appropriate service unit basis for road impact fees is vehicle-miles of travel (VMT). Vehicle-miles is a combination of the number of vehicles traveling during a given time period and the distance (in miles) that these vehicles travel.

The two time periods most often used in traffic analysis are the 24-hour day (average daily trips or ADT) and the single hour of the day with the highest traffic volume (peak hour trips or PHT). Due to the fact that available traffic counts are in terms of ADT and to be consistent with the Town's current fees, which are based on ADT, daily VMT will be used as the service unit for the transportation impact fees.

Transportation service units are defined in terms of vehicle travel. The travel demand generated by a specific land use is a product of three factors: 1) trip generation, 2) percent primary trips and 3) average trip length.

Trip Generation

Trip generation rates are based on information published in the most recent edition of the Institute of Transportation Engineers' (ITE) Trip Generation manual. Trip generation rates represent trip ends, or driveway crossings at the site of a land use. Thus, a single-one way trip from home to work counts as one trip end for the residence and one trip end for the work place, for a total of two trip ends. To avoid over counting, all trip rates have been divided by two. This places the burden of travel equally between the origin and destination of the trip and eliminates double charging for any particular trip.

Primary Trip Factor

Trip rates must also be adjusted by a "primary trip factor" to exclude pass by and diverted-linked trips. This adjustment is intended to reduce the possibility of over-counting by only including primary trips generated by the development. Pass by trips are those trips that are already on a particular route for a different purpose and simply stop at a development on that route. For example, a stop at a convenience store on the way home from the office is a pass by trip for the convenience store. A pass by trip does not create an additional burden on the street system and therefore should not be counted in the assessment of impact fees. A diverted-linked trip is similar

to a pass by trip, but a diversion is made from the regular route to make an interim stop. The reduction for pass by and diverted-linked trips was drawn from ITE and other published information.

Average Trip Length

In the context of a transportation impact fee based on a consumption-based methodology, it is necessary to determine the average length of a trip on the major roadway system within Oro Valley. The point of departure in developing local trip lengths is to utilize national data. The U.S. Department of Transportation's 2009 National Household Travel Survey identifies average trips lengths for specific trip purposes. However, these trip lengths are unlikely to be representative of travel on the major roadway system in Oro Valley, since the national data includes travel on Federal and State highways, minor collectors and local streets, as well as travel outside any one jurisdiction. An adjustment factor for local trip lengths can be derived by dividing the vehicle-miles of travel (VMT) that is actually observed on the major roadway system by the VMT that would be expected using national average trip lengths and trip generation rates.

The first step is to estimate the total VMT that would be expected to be generated by existing development in Oro Valley based on national travel demand characteristics. This can be accomplished by multiplying existing development in each land use category by the appropriate national trip generation rate, primary trip factor and trip length, and summing for all land use types, as shown in Table 11. The expected VMT is considerably higher than the actual estimated VMT on the Town's major roadway system. This is not surprising, since the major roadway system does not include State roads, minor collectors, local streets or any portion of a trip that occurs outside the Town limits. Consequently, it is necessary to develop an adjustment factor to account for this variation. The local adjustment factor is the ratio of actual to projected VMT on the major roadway system. The national average trip length for each land use type should be multiplied by a local adjustment factor of 0.311.

Table 11. Local Trip Length Adjustment Factor

Land Use Type	ITE Code	Unit	2013 Units	Trip Rate	Primary Trips	Daily Trips	Length (miles)	Daily VMT
Single-Family Detached	210	Dwelling	15,549	4.76	100%	74,013	9.75	721,627
Multi-Family	220	Dwelling	5,429	3.33	100%	18,079	8.62	155,841
Mobile Home Park	240	Space	383	2.50	100%	958	6.03	5,777
Retail/Commercial	820	1,000 sq ft	1,892	21.35	42%	16,966	6.27	106,377
Office	710	1,000 sq ft	588	5.52	80%	2,597	9.61	24,957
Industrial	140	1,000 sq ft	1,277	1.91	100%	2,439	11.98	29,219
Warehouse	150	1,000 sq ft	185	1.78	100%	329	11.98	3,941
Public/Institutional	620	1,000 sq ft	938	3.80	100%	3,564	8.47	30,187
Total Expected VMT								1,077,926
÷ Total Actual VMT								335,371
Ratio of Actual to Expected VMT								0.311

Source: Existing 2013 units from Table 8; trip rates are one-half daily trip ends during a weekday from Institute of Transportation Engineers (ITE), *Trip Generation*, 9th ed., 2012 (commercial based on shopping center, office on general office, industrial on manufacturing, public/institutional on nursing home); primary trip percentage from ITE, *Trip Generation Handbook*, June 2004; daily trips is product of units, trip rate and primary trip percentage; national average trip lengths from Table 12; daily VMT is product of daily trips and average trip length; actual city-wide VMT from Table 9.

National average trip lengths derived from the U.S. Department of Transportation's 2009 National Household Travel Survey are available for a variety of trip types and purposes. These have been

adjusted downward by the local adjustment factor to determine local trip lengths, as shown in Table 12 below.

Table 12. Average Trip Lengths

Land Use	Trip Type	National Trip Length	Local Adjustment Factor	Local Trip Length
Single-Family Detached	Single-Family	9.75	0.311	3.03
Multi-Family	Multi-Family	8.62	0.311	2.68
Mobile Home	Mobile Home	6.03	0.311	1.88
Retail/Commercial	Shopping	6.27	0.311	1.95
Office	Medical/Dental	9.61	0.311	2.99
Industrial/Warehouse	To or From Work	11.98	0.311	3.73
Public/Institutional	School/Church	8.47	0.311	2.63

Source: National average trip lengths from U.S. Department of Transportation, National Household Travel Survey, 2009; local adjustment factor from Table 11; local trip length is product of national trip length and local adjustment factor.

Service Unit Summary

The result of combining trip generation rates, primary trip factors and localized average trip lengths is a travel demand schedule that establishes the daily VMT during the average weekday on the major roadway system generated by various land use types per unit of development for Oro Valley. The recommended travel demand schedule is presented in Table 13.

Table 13. Transportation Service Unit Multipliers

Land Use Type	ITE Code	Unit	Trip Rate	Primary Trips	Length (miles)	VMT/ Unit
Single-Family Detached	210	Dwelling	4.76	100%	3.03	14.42
Multi-Family	220	Dwelling	3.33	100%	2.68	8.92
Mobile Home Park	240	Space	2.50	100%	1.88	4.70
Hotel/Motel	320	Room	2.82	100%	1.95	5.49
Retail/Commercial	820	1,000 sq ft	21.35	42%	1.95	17.48
Office	710	1,000 sq ft	5.52	80%	2.99	13.20
Industrial	140	1,000 sq ft	1.91	100%	3.73	7.12
Warehouse	150	1,000 sq ft	1.78	100%	3.73	6.63
Public/Institutional	620	1,000 sq ft	3.80	100%	2.63	9.99

Source: Trip rates are one-half daily trip ends during a weekday from Institute of Transportation Engineers (ITE), *Trip Generation*, 9th ed., 2012; retail primary trip percentage from ITE, *Trip Generation Handbook*, June 2004 (office estimated); average trip lengths from Table 12; daily VMT per unit is product of trip rate, primary trip percentage and average trip length.

Transportation service units are expressed in terms of vehicle-miles of travel (VMT). VMT projections for the 2013-2023 planning period are shown in Table 14 below. Note that using existing land uses and the transportation service unit multipliers under-estimates actual town-wide VMT by about three-tenths of a percent. This indicates that the calibration worked well and that the multipliers are slightly conservative in terms of reflecting actual demand.

Table 14. Transportation Service Units, 2013-2023

Land Use Type	Unit	Units 2013	Units 2023	VMT/ Unit	VMT 2013	VMT 2023
Single-Family Detached	Dwelling	15,549	16,578	14.42	224,217	239,055
Multi-Family	Dwelling	5,429	5,788	8.92	48,427	51,629
Mobile Home Park	Space	383	383	4.70	1,800	1,800
Retail/Commercial	1,000 sq ft	1,892	2,406	17.48	33,072	42,057
Office	1,000 sq ft	588	837	13.20	7,762	11,048
Industrial	1,000 sq ft	1,277	1,399	7.12	9,092	9,961
Warehouse	1,000 sq ft	185	150	6.63	1,227	995
Public/Institutional	1,000 sq ft	938	1,430	9.99	9,371	14,286
Total Service Units (VMT)					334,968	370,831

Source: 2013 and 2023 units from Table 8; VMT per unit from Table 13; VMT is product of units and VMT per unit.

Cost per Service Unit

The cost per service unit is derived from the actual cost of one soon-to-be-completed project and three planned major road projects in Oro Valley. The descriptions and costs of these projects are summarized in Table 15. The average cost per new lane-mile added by these projects is $4.29 million.

Table 15. Cost of Planned Major Road Projects

Project Description	Lanes Ex	Lanes Fut	Lanes New	Miles	New Ln-Mi.	Total Cost	Cost per Lane-Mile
Tangerine Rd, Shannon to La Canada	2	4	2	2.0	4.0	$19,896,770	$4,974,193
Naranja Drive, La Cholla to Shannon	2	3	1	1.0	1.0	$4,187,000	$4,187,000
Lambert Lane, La Canada-Rancho Sonora	2	4	2	0.5	1.0	$4,700,000	$4,700,000
Lambert Lane, Pusch View Ln-La Canada	2	4	2	1.6	3.2	$10,700,000	$3,343,750
Total					9.2	$39,483,770	$4,291,714

Source: Town of Oro Valley, April 15, 2013.

To determine the cost per service unit, it is necessary to divide the cost by the capacity added by the improvements. As shown in Table 16, the four projects will add 69,000 vehicle-miles of capacity.

Table 16. Capacity Added by Planned Major Road Projects

Project Description	Daily Capacity (LOS D) Before	After	New	Miles	New VMC
Tangerine Rd, Shannon to La Canada	10,000	25,000	15,000	2.0	30,000
Naranja Drive, La Cholla to Shannon	10,000	17,500	7,500	1.0	7,500
Lambert Lane, La Canada-Rancho Sonora	10,000	25,000	15,000	0.5	7,500
Lambert Lane, Pusch View Ln-La Canada	10,000	25,000	15,000	1.6	24,000
Total Vehicle-Miles of Capacity (VMC) Added					69,000

Source: Project descriptions and miles from Table 15; daily capacities at LOS D assumed; new VMC is product of new capacity and miles.

The cost per service unit is the product of the cost per VMC and the level of service (LOS). The standard consumption-based approach is based on a 1.00 ratio of capacity to demand. Under the standard consumption-based approach, the cost per VMT is the same as the cost per VMC, as shown in Table 17.

Table 17. Transportation Cost per Service Unit

Total Cost of Planned Improvements	$39,483,770
÷ Total Vehicle-Miles of Capacity (VMC) Added	69,000
Average Cost per Vehicle-Mile of Capacity (VMC)	$572
x VMC/VMT Ratio	1.00
Average Cost per Vehicle-Mile of Travel (VMT)	$572

Source: Total cost from Table 15; new VMC added from Table 16; average cost per VMC is ratio of total cost to VMC added.

Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or "offset") in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The transportation impact fees calculated in this report are based on a system-wide level of service that is lower than the existing level of service, so there are no existing deficiencies. The Town has no debt associated with previous capacity-expanding major road system improvements. Other than impact fees, the Town has no dedicated source of revenue to fund growth-related road capacity improvements. Non-local revenues sources, such as Highway User Revenue Funds, are used solely for road maintenance.

The draft FY 2014-2018 Transportation Improvement Program (TIP) shows $15.04 million in regional transportation funding programmed for major road improvements in Oro Valley. While not necessarily generated locally, this funding comes at least partially from motor fuel taxes, some of which will be generated by new development. The amount that is attributable to new development in Oro Valley over the next 25 years equates to a net present value of $166 per daily VMT, as shown in Table 18. This represents an appropriate offset to account for new development's contribution to regional funding for major road improvements in Oro Valley.

Table 18. Transportation Outside Funding Offset per Service Unit

5-Year TIP Capacity Funding for Town Major Roads	$15,037,000
÷ Number of Years	5
Annual TIP Capacity Funding	$3,007,400
÷ Existing Vehicle-Miles of Travel (VMT)	335,371
Annual TIP Capacity Funding per VMT	$8.97
x Present Value Factor, 25 Years	18.47
Outside Funding Offset per VMT	$166

Source: Five-year TIP funding from Pima Association of Governments, 2014-2018 TIP, 5-Year Regional Transportation Improvement Program, March 2013 draft; existing VMT from Table 9; 25-year present value factor based on 2.48% discount rate, which is the average inflation rate over the last ten years, from U.S Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers (average annual change in annual index for 2002-2012).

As noted in the Legal Framework section, SB 1525 requires that an offset be provided for any "excess" construction sales tax, and it has been determined that one-half of the 4% construction sales tax meets the description of an excess tax. Even though the Town's construction sales tax revenues are not earmarked to be used for any specific purpose, SB 1525 apparently requires that an offset be provided against one or more of the Town's impact fees. It has been determined that the offset will be provided against the transportation impact fee. The excess construction sales tax offset is calculated in Table 19.

Table 19. Excess Construction Sales Tax Offset per Service Unit

Average Construction Sales Tax per Single-Family Unit	$7,800
x Percent Excess	50%
Excess Construction Sales Tax per Single-Family Unit	$3,900
÷ Daily VMT per Single-Family Detached Unit	14.42
Excess Construction Sales Tax Offset per VMT	$270

Source: Average tax per single-family unit based on a $300,000 home from Town of Oro Valley Finance Department, March 16, 2013; daily VMT per single-family unit from Table 13.

The net cost per service unit (VMT), after deducting the offsets for outside funding and excess construction sales tax and adding the cost of impact fee updates, is $138 per VMT, as shown in Table 20.

Table 20. Transportation Net Cost per Service Unit

Cost per VMT	$572
– Outside Funding Offset per VMT	-$166
– Excess Construction Sales Tax Offset per VMT	-$270
Impact Fee Study Cost per VMT	$2
Net Cost per VMT	$138

Source: Cost per VMT from Table 17; outside funding offset from Table 18; excess construction sales tax offset from Table 19; study cost from Table 47.

Potential Impact Fees

The maximum transportation impact fees that may be adopted by the Town based on this study is the product of the number of vehicle-miles of travel (VMT) generated by a unit of development and the net cost per VMT calculated above. The resulting fee schedule is presented in Table 21.

Table 21. Transportation Net Cost Schedule

Land Use Type	Unit	VMT/ Unit	Net Cost/ VMT	Net Cost/ Unit
Single-Family Detached	Dwelling	14.42	$138	$1,990
Multi-Family	Dwelling	8.92	$138	$1,231
Mobile Home Park	Space	4.70	$138	$649
Hotel/Motel	Room	5.49	$138	$758
Retail/Commercial	1,000 sq ft	17.48	$138	$2,412
Office	1,000 sq ft	13.20	$138	$1,822
Industrial	1,000 sq ft	7.12	$138	$983
Warehouse	1,000 sq ft	6.63	$138	$915
Public/Institutional	1,000 sq ft	9.99	$138	$1,379

Source: VMT per unit from Table 13; net cost per VMT from Table 20.

The updated transportation impact fees are compared to the Town's current fees in Table 22. Note that the current land use categories differ from the proposed land use categories in that the proposed land use categories (a) separate office and institutional uses, and (b) do not vary commercial, office and institutional fees by the size of the development. The updated fees are higher for single-family, office, industrial/warehouse and larger institutional uses, and lower for multi-family, commercial and smaller institutional uses.

Table 22. Current and Updated Transportation Impact Fees

Current Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family	Dwelling	$1,933	$1,990	3%
All Other Housing	Dwelling	$1,331	$1,231	-8%
Lodging	Room	$556	$758	36%
Commercial, 25,000 sf or less	1,000 sq. ft	$5,533	$2,412	-56%
Commercial, 25,001-50,000 sf	1,000 sq. ft	$4,807	$2,412	-50%
Commercial, 50,001-100,000 sf	1,000 sq. ft	$4,014	$2,412	-40%
Commercial, 100,001-200,000 sf	1,000 sq. ft	$3,436	$2,412	-30%
Commercial, >200,000 sf	1,000 sq. ft	$2,921	$2,412	-17%
Office, 25,000 sf or less	1,000 sq. ft	$1,812	$1,822	1%
Office, 25,001-50,000 sf	1,000 sq. ft	$1,547	$1,822	18%
Office, 50,001-100,000 sf	1,000 sq. ft	$1,318	$1,822	38%
Office, 100,000 sf+	1,000 sq. ft	$1,123	$1,822	62%
Institutional, 25,000 sf or less	1,000 sq. ft	$1,812	$1,379	-24%
Institutional, 25,001-50,000 sf	1,000 sq. ft	$1,547	$1,379	-11%
Institutional, 50,001-100,000 sf	1,000 sq. ft	$1,318	$1,379	5%
Institutional, 100,000 sf+	1,000 sq. ft	$1,123	$1,379	23%
Business Park	1,000 sq. ft	$1,260	$983	-22%
Light Industrial	1,000 sq. ft	$689	$983	43%
Manufacturing	1,000 sq. ft	$378	$983	160%
Warehousing	1,000 sq. ft	$490	$915	87%

Source: Current fees from Town of Oro Valley, Development Fee Summary, July 1, 2012; updated fees from Table 21.

Capital Plan

Assuming that the updated fees are adopted at 100%, potential transportation impact fee revenue over the next ten years, based on new development anticipated by the land use assumptions, could be as much as $4.9 million, as shown in Table 23. This revenue projection also includes the value of developer-constructed improvements, for which developers are given credit against their transportation impact fees.

Table 23. Potential Transportation Impact Fee Revenue

New Vehicle-Miles of Travel (VMT), 2013-2023	35,863
x Net Cost per Vehicle-Mile of Travel (VMT)	$138
Potential Revenue at 100%, 2013-2023	$4,949,094

Source: New VMT from Table 14; net cost per VMT from Table 20.

Assuming that growth occurs as projected in the land use assumption, the Town plans to complete approximately $27.2 million in growth-related improvement to the major road system over the next ten years, as summarized in Table 24. Anticipated transportation impact fee revenues will cover

approximately 18% of the Town's cost of planned improvements if adopted at 100%. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some portions of the improvements may be constructed by developers in return for credits against their impact fees.

Table 24. Transportation Capital Plan, 2013-2023

Improvement Location	Planned Improvement	Town Cost
Tangerine Rd, Shannon Rd-La Canada Dr	Widen to four lanes, drainage facilities, & landscaping	$1,000,000
La Cholla Blvd, Tangerine Rd-Lambert Ln	Widen to 4 lanes, drainage, landscaping, retaining walls	$800,000
Shannon Rd, Tangerine Rd-Naranja Dr	New three lane road	$4,200,000
Lambert Ln, 0.5 mi. E of Shannon-Rancho Sonora	Widen to four lanes, drainage facilities, & landscaping	$17,280,000
Moore Rd, Yellow Orchard-Mystic View	Construct two lanes of new road (north side)	$1,440,000
Rancho Vistoso & Woodburne Intersection	Traffic Signal	$750,000
Oracle Rd & Rams Field Intersection	Traffic Signal	$750,000
Moore Rd La Cholla Blvd Intersection	Traffic Signal	$900,000
Transportation Fee Update Study Costs (2)	Impact Fee Study	$69,600
Total		$27,189,600

Source: Planned improvements from Town of Oro Valley, July 3, 2013; study cost from Table 47.

PARKS

This section updates the Town's park impact fees in compliance with the new Arizona impact fee enabling act for municipalities.

Service Units

The demand for Town park facilities is generated by people. While all the people who use Town parks may not be residents, it is likely that the majority of them are. On the other hand, it is likely that some users of Town parks are non-residents – people who work in the Town but are not residents, visitors, and people passing through the Town on the way to somewhere else. Visitors to the Town and people passing through the Town are likely to have an insignificant impact, as they may stop for a picnic in a park, but will not likely be using athletic fields and similar facilities. Non-resident workers may visit Town parks on lunch breaks or after work, and may participate in company-sponsored events, such as sports leagues or picnics, in Town parks. However, Town residents who work outside of the Town will have similar small impacts on parks in other jurisdictions. These spill-over effects, to the extent that they exist, will tend to balance out. Consequently, the Town's residential population is a reasonable measure of the demand for Town park facilities.

The use of resident population directly as the service unit poses some issues, because a community's total population includes people in group quarters (primarily nursing homes), who do not typically generate much demand for public park facilities, and because occupancy rates may be volatile over time. A preferable service unit, for the purposes of park impact fees, is the single-family Equivalent Dwelling Unit, or EDU. A single-family detached unit is by definition one park service unit (equivalent dwelling unit or EDU). The numbers of service units associated with other housing types are determined by dividing the average household size associated with that housing type by the average household size of a single-family unit. Average household size (the ratio of household population to occupied units) is preferable as the basis of the service unit to persons per unit (the ratio of household population to total units), because it eliminates the volatile factor of occupancy rates. The resulting service unit multipliers are presented in Table 25.

Table 25. Park Service Unit Multipliers

Housing Type	Avg. HH Size	EDUs/ Unit
Single-Family Detached	2.43	1.00
Multi-Family	1.69	0.70
Mobile Home	1.84	0.76

Source: Average household size (AHHS) from Table 43; EDUs per unit is ratio of AHHS to single-family detached AHHS.

The number of service units in Oro Valley can be determined by multiplying the number of housing units by the service unit multipliers for each housing type and summing for all housing types. Existing and projected service units (EDUs) are calculated in Table 26.

Table 26. Park Service Units, 2013-2023

Housing Type	Housing Units	EDUs/ Unit	EDUs
Single-Family Detached	15,549	1.00	15,549
Multi-Family	5,429	0.70	3,800
Mobile Home	383	0.76	291
Total EDUs, 2013	21,361		19,640
Single-Family Detached	16,578	1.00	16,578
Multi-Family	5,788	0.70	4,052
Mobile Home	383	0.76	291
Total EDUs, 2023	22,749		20,921

Source: 2013 and 2023 units from Table 8; EDUs per unit from Table 25.

Cost per Service Unit

SB 1525 limits park impact fees to "neighborhood parks," an undefined term that excludes parks larger than 30 acres in size, unless a larger park can be shown to provide a "direct benefit" to development. SB 1525 also excludes a number of park improvements from being funded with park impact fees, including "that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools."

In general, impact fees should be based on the current level of service being provided to existing development. The inventory of existing eligible park facilities is provided below. The replacement cost of existing facilities in the park service area can be determined based on current unit costs. The total replacement value of eligible land and facilities is estimated to be about $16 million, as shown in Table 27 below.

Table 27. Existing Park Facilities

Park Name	Canada del Oro	Jame D. Kriegh	West Lambert Lane	Naranja	Honey Bee Canyon	Total	Unit Cost	Total Cost
Total Acres	30.0	20.0	40.0	213.0	77.0	380.0	n/a	n/a
Eligible Acres	30.0	20.0	30.0	30.0	30.0	140.0	$49,000	$6,860,000
Eligible Developed Acres	30.0	20.0	0.2		8.0	58.2	$68,769	$4,002,356
Restrooms (lighted)	2	2			1	5	$215,000	$1,075,000
Playground (shaded)	1	1				2	$150,000	$300,000
Accessible Playground (shaded)		1				1	$150,000	$150,000
Covered Ramada (lighted)	3	1				4	$90,000	$360,000
Covered Ramada					2	2	$50,000	$100,000
Soccer Fields (lighted)	2					2	$210,000	$420,000
Softball Fields (lighted)	2	2				4	$250,000	$1,000,000
Baseball Fields (lighted)		3				3	$250,000	$750,000
Sand Volleyball	1	1				2	$25,000	$50,000
Horseshoe Pits	2					2	$1,000	$2,000
Concession Stand	1	1				2	$150,000	$300,000
Tennis Court (lighted)	1					1	$140,000	$140,000
Basketball Court (lighted)	1					1	$100,000	$100,000
Performance Stage	1					1	$50,000	$50,000
Walking Path	1					1	$54,400	$43,520
Raquetball Courts (lighted)		4				4	$50,000	$200,000
Dog Park		1				1	$150,000	$150,000
Archery Range (fixed)				1		1	$150,000	$150,000
Archery Range (walk around)				1		1	$75,000	$75,000
Total Replacement Cost								$16,277,876

Source: Town of Oro Valley, March 25, 2013; eligible park acres limited to 30 acres of larger parks.

The existing level of service in the park service area can be expressed in terms of current cost per service unit. Including the cost of impact fee update studies that will be required over the next ten years, the park cost per service unit is $856 per EDU, as shown in Table 28.

Table 28. Existing Park Cost per Service Unit

Total Existing Eligible Park Capital Cost	$16,277,876
÷ Total Existing Park Service Units	19,640
Direct Park Cost per Service Unit	$829
Impact Fee Study Cost per Service Unit	$27
Existing Park Cost per Service Unit	$856

Source: Total park cost from Table 27; existing (2013) EDUs from Table 26; study cost from Table 47.

Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or "offset") in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding

debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The park impact fees calculated in this report are based on the existing level of service, so there are no existing deficiencies. There is no outstanding debt for existing park facilities. Other than impact fees, the Town has no dedicated source of revenue to fund growth-related park improvements. The Town has not received any grant funding for park improvements in recent years, and does not anticipate any grants over the next ten years. Consequently, no offsets against the park impact fees are warranted, and the net cost per service unit is the same as the cost per service unit calculated above.

Potential Impact Fees

The maximum park impact fees that may be adopted by the Town based on this study are the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 29.

Table 29. Park Net Cost Schedule

Housing Type	Unit	EDUs/ Unit	Net Cost/ EDU	Net Cost/ Unit
Single-Family Detached	Dwelling	1.00	$856	$856
Multi-Family	Dwelling	0.70	$856	$599
Mobile Home Park	Space	0.76	$856	$651

Source: EDUs per unit from Table 25; net cost per EDU is cost per EDU from Table 28.

The updated park fees are compared to current fees in Table 30. The updated park fees are significantly higher than the current fees.

Table 30. Current and Updated Park Impact Fees

Current Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family Detached	Dwelling	$555	$856	54%
Multi-Family	Dwelling	$336	$599	78%
Mobile Home Park	Space	$336	$651	94%

Source: Current fees from Town of Oro Valley, Development Fee Summary, July 1, 2012; updated fees from Table 29.

Capital Plan

Assuming that the updated fees are adopted at 100%, potential park impact fee revenue over the next ten years, based on new development anticipated by the land use assumptions, could be as much as $1.1 million, as shown in Table 31.

Table 31. Potential Park Impact Fee Revenue, 2013-2023

New Park EDUs, 2013-2023	1,281
x Net Cost per EDU	$856
Potential Revenue, 2013-2023	$1,096,536

Source: New EDUs from Table 26; net cost per EDU is cost per EDU from Table 28.

Assuming that growth occurs as projected in the land use assumption, the Town plans to complete approximately $5 million in growth-related improvement to the park system over the next ten years, as summarized in Table 32. Anticipated park impact fee revenues will cover approximately 22% of the total cost of planned improvements. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years.

Table 32. Park Capital Plan, 2013-2023

Naranja Park Development - 30 acres	$4,000,000
James D. Kriegh Park Expansion	$1,000,000
Impact Fee Update Studies (2)	$34,800
Total	$5,025,000

Source: Planned park improvements, Town of Oro Valley, July 1, 2013; study cost from Table 47.

POLICE

This section updates the Town's police impact fees in compliance with the new Arizona impact fee enabling act for municipalities.

Service Units

Disparate types of development must be translated into a common unit of measurement that reflects the impact of new development on the demand for police facilities. This unit of measurement is called a "service unit." The 2008 study used population as the residential service unit and vehicle trips as the nonresidential service unit, while allocating costs between residential and nonresidential land uses based on call volumes. A problem with relying on call data is that it is unstable over time. This means that fees can go up or down significantly for individual land uses each time the fees are updated.

The most commonly-used alternative to call data in police impact fees is based on a concept called "functional population." Similar to the concept of full-time equivalent employees, functional population represents the number of "full-time equivalent" people present at the site of a land use. Functional population represents the average number of equivalent persons present at the site of a land use for an entire 24-hour day. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that includes square foot per employee ratios, trip generation rates, average vehicle occupancy and average number of hours spent by employees and visitors at a land use. These all tend to be stable characteristics that do not change significantly over short periods of time. Functional population multipliers by land use are calculated in Appendix B.

The number of police service units can be determined by multiplying the amount of existing development by the service unit multipliers for each land use type and summing for the area. Existing and projected service units (functional population) are calculated in Table 33 for the 2013-2023 planning horizon.

Table 33. Police Service Units, 2013-2023

		Units		Func. Pop.	Func. Population	
Land Use Type	Unit	2013	2023	per Unit	2013	2023
Single-Family Detached	Dwelling	15,549	16,578	1.63	25,345	27,022
Multi-Family	Dwelling	5,429	5,788	1.13	6,135	6,540
Mobile Home Park	Space	383	383	1.23	471	471
Retail/Commercial	1,000 sq ft	1,892	2,406	2.35	4,446	5,654
Office	1,000 sq ft	588	837	0.82	482	686
Industrial	1,000 sq ft	1,277	1,399	0.34	434	476
Warehouse	1,000 sq ft	185	150	0.33	61	50
Public/Institutional	1,000 sq ft	938	1,430	0.62	582	887
Total Service Units (VMT)					37,956	41,786

Source: 2013 and 2023 units from Table 8; functional population per unit from Table 44 (residential) and Table 45 (nonresidential) in Appendix B.

Cost per Service Unit

The cost per service unit to provide police protection to new development is based on the existing level of service provided to existing development. The level of service is quantified as the ratio of the replacement cost of existing police capital facilities to existing police service units. The inventory of the Town's existing police facilities is provided in Table 34.

Table 34. Existing Police Facilities

	Building Sq. Feet	Acres
Main Police Station	15,165	1.58
Impound Facility	n/a	0.55
Total	15,165	2.13

Source: Main police station data from Town of Oro Valley, April 10, 2013 and Deutsch Associates, *Town-Wide Space Needs Study, Phase I*, May 16, 2007; impound facility acres from Town Police Department, April 2, 2013..

In addition to land and buildings, police services require vehicles and equipment. The Town's current police vehicles have a total replacement cost, based on current unit costs, of $4.21 million, as summarized in Table 35 on the following page.

Table 35. Existing Police Vehicles

Make	Model	Year	Life	Repl. Cost
Police Department - Field Operations				
Ford	Crown Vic	2007	10	$49,500
Ford	Crown Vic	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Toyota	Tacoma	2007	8	$24,000
Ford	Crown Vic	2007	6	$48,000
Ford	Expedition	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Dodge	Magnum	2007	8	$51,000
Ford	Crown Vic	2005	7	$48,000
Ford	F250 4x4	2006	8	$48,000
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	6	$49,500
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	6	$49,500
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	5	$48,000
Ford	F350 4x4	2008	10	$52,000
Ford	Crown Vic	2008	5	$48,000
Toyota	Camry	2007	7	$27,000
Nissan	Altima	2005	8	$25,500
Toyota	Camry	2006	7	$25,500
Ford	Crown Vic	2009	7	$51,000
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	5	$49,500
Ford	Crown Vic	2009	5	$49,500
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	6	$51,000
Toyota	Camry	2009	8	$32,000
Ford	Expedition	2008	6	$52,000
Ford	Crown Vic	2011	6	$52,500
Ford	Crown Vic	2011	6	$52,500
Ford	Crown Vic	2011	6	$52,500
Nissan	Maxima	2005	10	$31,000
Ford	Crown Vic	2011	6	$52,500
Chevrolet	Silverado	2007	10	$30,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe 4x4	2012	6	$57,500
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Toyota	Camry	2012	6	$33,000
Police Department - Motorcycle				
BMW	R1150RT-P	2006	10	$26,000
BMW	R1150RT-P	2006	10	$26,000
BMW	R1200RT-P	2007	10	$27,000
BMW	R1200RT-P	2007	10	$27,000
BMW	R1200RT-P	2007	10	$27,000
BMW	R1150RT-P	2004	9	$25,000
BMW	R1150RT-P	2004	9	$25,000
BMW	R1200RT-P	2009	8	$27,000
BMW	R1200RT-P	2009	8	$27,000
BMW	R1200RT-P	2009	10	$28,000
Police Department - Support Services				
Toyota	Camry	2007	8	$30,000
Ford	Taurus	2004	9	$25,500
Dodge	Van	2007	10	$34,000
Ford	Crown Vic	2005	12	$52,500
Ford	Crown Vic	2005	8	$48,000
Ford	Crown Vic	2005	8	$48,000
Ford	Crown Vic	2006	7	$48,000
Ford	Crown Vic	2006	8	$49,500
Ford	Crown Vic	2006	9	$51,000
Ford	Crown Vic	2006	9	$51,000
Ford	Crown Vic	2006	7	$48,000
Ford	Crown Vic	2006	8	$49,500
Toyota	Camry	2006	10	$31,000
Toyota	Camry	2006	10	$31,000
Ford	E250 Van	2006	8	$34,000
Dodge	Peace Keeper	1986	40	$100,000
Toyota	Camry	2003	13	$31,000
Toyota	Camry	2003	10	$25,500
Nissan	Altima	2004	10	$30,000
Ford	E150 8 Pass	2001	15	$38,000
Ford	E150 8 Pass	2001	15	$38,000
Ford	Motor Home	1999	20	$200,000
Toyota	Camry	2008	7	$31,000
Ford	F250 4x4	2008	10	$53,000
Chevrolet	Silverado	2007	8	$25,000
Ford	Crown Vic	2009	6	$51,000
Chrysler	Chrysler 300	2006	7	$25,500
Pontiac	Van LUX	2003	12	$32,000
Police Department - Courts				
Ford	E250 Cargo	2001	15	$35,000
Police Department - Professional Development				
Dodge	Van	2007	12	$35,000
Total				$4,210,000

Source: Town of Oro Valley Fleet Management Schedule, March 19, 2013.

The replacement cost of existing facilities can be determined based on current unit costs. The total replacement value of existing police land and facilities is estimated to be about $6.9 million, as shown in Table 36. The resulting police cost per service unit is $190 per functional population.

Table 36. Police Cost per Service Unit

	Units	Cost/Unit	Total Cost
Building Square Feet	15,165	$143	$2,166,429
Acres of Land	2.13	$199,367	$424,652
Vehicles	n/a	n/a	$4,210,000
Impound Facility Improvements	n/a	n/a	$84,000
Total Replacement Cost			$6,885,081
– Outstanding Debt on MOC Impound Facility Land			-$106,256
Net Replacement Cost			$6,778,825
÷ Existing Functional Population			37,956
Direct Cost per Functional Population			$181
Study Cost per Functional Population			$9
Total Cost per Functional Population			$190

Source: Building sq. ft. and acres from Table 34; cost per square foot from Town of Oro Valley Police Department, March 14, 2013 based on cost of planned property and evidence facility; cost per acre is actual cost per acre for 2005 MOC land purchase from Town of Oro Valley, March 19, 2013; outstanding debt on police MOC land is ratio of acres for police impound facility from Table 34 to total 23.7 acre purchase times outstanding debt of $4,580,000 prior to July 1, 2013 payment from Town of Oro Valley, March 20, 2013; existing (2013) functional population from Table 33; study cost per service unit from Table 47.

Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or "offset") in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The police impact fees calculated in this report are based on the existing level of service, so there are no existing deficiencies. The Town's only outstanding debt for existing police facilities is the small portion of the Municipal Operations Center land that was purchased with 2006 bonds. The outstanding debt related to that land used for the existing impound facility has already been excluded from the cost per service unit, and no further offset is warranted. Other than impact fees, the Town has no dedicated source of revenue to fund growth-related police improvements. The Town has not received any grant funding for police improvements in recent years, and does not anticipate any grants over the next ten years. Given that no offsets against the police impact fees are required, the net cost per service unit is the same as the cost per service unit calculated above.

Potential Impact Fees

The maximum police impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 37.

Table 37. Police Net Cost Schedule

Land Use Type	Unit	Func. Pop./ Unit	Net Cost/ Func. Pop.	Net Cost/ Unit
Single-Family Detached	Dwelling	1.63	$190	$310
Multi-Family	Dwelling	1.13	$190	$215
Mobile Home Park	Space	1.23	$190	$234
Hotel/Motel	Room	1.05	$190	$200
Retail/Commercial	1,000 sq. ft.	2.35	$190	$447
Office	1,000 sq. ft.	0.82	$190	$156
Industrial	1,000 sq. ft.	0.34	$190	$65
Warehouse	1,000 sq. ft.	0.33	$190	$63
Public/Instititional	1,000 sq. ft.	0.62	$190	$118

Source: Functional population per unit from Table 44 and Table 45 in Appendix B; net cost per functional population is cost per functional population from Table 36.

The updated police fees are compared to current fees in Table 38. The updated fees are slightly higher than current fees for residential uses, and are significantly higher for nonresidential uses.

Table 38. Current and Updated Police Impact Fees

Current Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family	Dwelling	$296	$310	5%
All Other Housing	Dwelling	$176	$215	22%
Lodging	Room	$14	$200	1329%
Commercial, 25,000 sf or less	1,000 sq. ft.	$146	$447	206%
Commercial, 25,001-50,000 sf	1,000 sq. ft.	$126	$447	255%
Commercial, 50,001-100,000 sf	1,000 sq. ft.	$105	$447	326%
Commercial, 100,001-200,000 sf	1,000 sq. ft.	$91	$447	391%
Commercial, >200,000 sf	1,000 sq. ft.	$76	$447	488%
Office/Institutional, 25,000 sf or less	1,000 sq. ft.	$43	$156	263%
Office/Institutional, 25,001-50,000 sf	1,000 sq. ft.	$37	$156	322%
Office/Institutional, 50,001-100,000 sf	1,000 sq. ft.	$32	$156	388%
Office/Institutional, 100,000 sf+	1,000 sq. ft.	$27	$156	478%
Business Park	1,000 sq. ft.	$30	$156	420%
Light Industrial	1,000 sq. ft.	$16	$65	306%
Manufacturing	1,000 sq. ft.	$9	$65	622%
Warehousing	1,000 sq. ft.	$12	$63	425%

Source: Current fees from Town of Oro Valley, *Development Fee Utilization Report*, FY 2011-2012, September 25, 2012; updated fees from Table 37.

Capital Plan

Assuming that the updated fees are adopted at 100%, potential police impact fee revenue over the next ten years, based on new development anticipated by the land use assumptions, could be as much as $0.7 million, as shown in Table 39.

Table 39. Potential Police Impact Fee Revenue, 2013-2023

New Functional Population, 2013-2023	3,830
x Net Cost per Functional Population	$190
Potential Revenue, 2013-2023	$727,700

Source: New functional population from Table 33; net cost per functional population is total cost per functional population from Table 36.

Assuming that growth occurs as projected in the land use assumption, the Town plans to complete approximately $2.2 million in growth-related police improvements over the next ten years, as summarized in Table 40. Anticipated police impact fee revenues would cover approximately 33% of the total cost of planned improvements. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some of the improvements may be constructed by developers in return for credits against their impact fees.

Table 40. Police Capital Plan, 2013-2023

Property and Evidence Facility	$1,000,000
South Police Substation	$1,200,000
Impact Fee Update Studies (2)	$34,800
Total	$2,225,000

Source: Planned projects and estimated costs from Town Police Department, July 3, 2013; study cost from Table 47.

APPENDIX A: AVERAGE HOUSEHOLD SIZE

A key input into impact fee analysis is the average number of people residing in different types of dwelling units. This statistic, known as average household size, is the ratio of household population to households (which is the same as occupied dwelling units).

The most reliable data on average household size comes from the decennial census counts. Unfortunately, these 100%-count data are only available for all housing units, with no distinction by housing type. Overall, there was a 4.6% decline in Oro Valley between the 2000 and 2010 census in the average size of a household (ratio of household population to occupied units), as shown in Table 41.

Table 41. Average Household Size, 2000 and 2010

	Household Population	Occupied Units	Avg. HH Size
2010 Census	40,943	17,804	2.30
2000 Census	29,541	12,249	2.41
AHHS Ratio: 2010/2000			0.954

Source: 2000 and 2010 U.S. Census for Oro Valley, AZ, SF1 data (100% counts).

The 2000 census provided data on average household size by housing type for a 1-in-6 sample (about 17%). Those data are shown in Table 42. Household population and occupied units are weighted estimates designed to approximate the 100% counts.

Table 42. Average Household Size by Housing Type, 2000

Housing Type	Household Population	Occupied Units	Avg. HH Size
Single-Family Detached	25,025	9,814	2.55
Multi-Family	4,064	2,298	1.77
Mobile Home	435	225	1.93
Total	29,524	12,337	2.39

Source: 2000 U.S. Census for Oro Valley, AZ, SF3 data (1-in-6 sample)

An estimate of current average household size by housing type starts with the data from the 2000 census. The average household sizes from the 2000 census are adjusted downward for all housing types by the overall decline, as shown in Table 43.

Table 43. Current Average Household Size by Housing Type

Housing Type	2000 AHHS	2010/2000 Ratio	2010 AHHS
Single-Family Detached	2.55	0.954	2.43
Multi-Family	1.77	0.954	1.69
Mobile Home	1.93	0.954	1.84

Source: 2000 average household size (AHHS) by housing type from Table 42; 2010/2000 ratio from Table 41; 2010 AHHS by housing type is product of 2000 AHHS and ratio.

APPENDIX B: FUNCTIONAL POPULATION

The two most common methodologies used in calculating public safety service units and impact fees are the "calls-for-service" approach and the "functional population" approach. This update utilizes the "functional population" approach to calculate and assess the police impact fees. This approach is a generally-accepted methodology for these impact fee types and is based on the observation that demand for public safety facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of "full-time equivalent" employees. It represents the number of "full-time equivalent" people present at the site of a land use, and it is used for the purpose of determining the impact of a particular development on the need for facilities. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that factors in trip generation rates, average vehicle occupancy, employee density and average number of hours spent by employees and visitors at a land use.

Residential Functional Population

For residential land uses, the impact of a dwelling unit on the need for police capital facilities is generally proportional to the number of persons residing in the dwelling unit. This can be measured for different housing types in terms of either average household size (average number of persons per occupied dwelling unit) or persons per unit (average number of persons per dwelling unit, including vacant as well as occupied units). In this analysis, average household size is used to develop the functional population multipliers, as it avoids the need to make assumptions about occupancy rates.

Determining residential functional population multipliers is considerably simpler than the nonresidential component. It is estimated that people, on average, spend 16 hours, or 67 percent, of each 24-hour day at their place of residence and the other 33 percent away from home. A similar approach is used for the hotel/motel category. The functional population per unit for these uses is shown in Table 44.

Table 44. Functional Population per Unit for Residential Uses

Housing Type	Unit	Average HH Size	Occupancy Factor	Func. Pop. per Unit
Single-Family Detached	Dwelling	2.43	0.67	1.63
Multi-Family	Dwelling	1.69	0.67	1.13
Mobile Home	Dwelling	1.84	0.67	1.23
Hotel/Motel	Room	1.57	0.67	1.05

Source: Average household size for dwelling units from Table 43; hotel/motel room occupancy based on one-half of average vehicle occupancy on vacation trips from U.S. Department of Transportation, National Household Travel Survey, 2009.

Nonresidential Functional Population

The functional population methodology for nonresidential land uses is based on trip generation data utilized in developing the transportation demand schedule prepared for the updated transportation impact fees. Functional population per 1,000 square feet is derived by dividing the total number of

hours spent by employees and visitors during a weekday by 24 hours. Employees are estimated to spend 8 hours per day at their place of employment, and visitors are estimated to spend one hour per visit. The formula used to derive the nonresidential functional population estimates is summarized in Figure 4.

Figure 4. Nonresidential Functional Population Formula

FUNCPOP/UNIT = (employee hours/1000 sf + visitor hours/1000 sf) ÷ 24 hours/day

Where:

Employee hours/1000 sf = employees/1000 sf x 8 hours/day

Visitor hours/1000 sf = visitors/1000 sf x 1 hour/visit

Visitors/1000 sf = weekday ADT/1000 sf x avg. vehicle occupancy – employees/1000 sf

Weekday ADT/1000 sf = one-way avg. daily trips (total trip ends ÷ 2)

Using this formula and information on trip generation rates, vehicle occupancy rates from the National Household Travel Survey and other sources and assumptions, nonresidential functional population estimates per 1,000 square feet of gross floor area are calculated in Table 45.

Table 45. Functional Population per Unit for Nonresidential Uses

Land Use	Unit	Trip Rate	Persons/ Trip	Employee/ Unit	Visitors/ Unit	Func. Pop./ Unit
Retail/Commercial	1,000 sq. ft.	21.47	1.96	2.04	40.04	2.35
Office	1,000 sq. ft.	5.51	1.24	1.82	5.01	0.82
Industrial	1,000 sq. ft.	1.91	1.24	0.82	1.55	0.34
Warehouse	1,000 sq. ft.	1.78	1.24	0.82	1.39	0.33
Public/Institutional	1,000 sq. ft.	3.79	1.86	1.11	5.94	0.62

Source: Trip rates from Table 13; persons/trip is average vehicle occupancy from Federal Highway Administration, Nationwide Household Travel Survey, 2009; employees/unit from Table 7; visitors/unit is trips times persons/trip minus employees/unit; functional population/unit calculated based on formula in Figure 4.

APPENDIX C: REVENUE FORECAST

SB 1525 requires that the infrastructure improvements plan include (Section 9-463.05.E.7):

> *A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.*

The total revenues from these sources that can be attributed to new development over the next ten years are summarized in Table 46. However, most of this revenue will be used for ongoing operations and maintenance purposes.

Only revenue generated by new development that is dedicated to growth-related capital improvements needs to be considered in determining the extent of the burden imposed by new development. As discussed in greater detail in the Legal Framework section, offsets against impact fees are warranted in the following cases: (a) new development will be paying taxes or fees used to retire debt on existing facilities serving existing development; (b) new development will be paying taxes or fees used to fund an existing deficiency, (c) new development will be paying taxes or fees that are dedicated to be used for growth-related improvements, or (d) excess construction sales tax.

The analyses provided in the legal framework, transportation, parks and police sections of this report have identified that the only need for offsets is against the transportation impact fees for future Federal and State funding for major road improvements and excess construction sales tax. The reasons for this conclusion are, in the order listed above, as follows.

(a) The Town has no debt for past capacity-expanding transportation or park facilities. The only Town debt for police facilities is for the portion of the Municipal Operations Center that is used for the new police impound facility. That debt has been excluded from the value of existing police facilities on which the existing level of service and the impact fees are based; consequently, no additional offsets for future contributions from new development to retire that debt are warranted.

(b) The transportation, parks and police impact fees are all calculated on the basis of the existing, system-wide level of service (actually, a lower level of service in the case of transportation impact fees). Consequently, there are no existing deficiencies, and no offsets for deficiencies are warranted.

(c) The only funding the Town has that is dedicated to capacity-expanding capital improvements is future regional funding for major road improvements. An offset against the transportation impact fees is provided for anticipated future regional funding.

(d) The Town appears to assess an excess construction sales tax as defined by State law, and the offset is provided against the transportation impact fee.

Revenues that will be generated by new development and dedicated for eligible capital improvements are identified in Table 46.

Table 46. Revenue Attributable to New Development, 2013-2023

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Local Sales Tax	$1,096,969	$1,231,211	$1,358,745	$1,490,825	$1,623,419
Licenses & Permits	$15,819	$35,468	$44,929	$56,419	$64,464
State & Federal Grants	$22,097	$39,419	$65,679	$87,949	$110,447
State Shared Revenues	$102,311	$211,659	$329,397	$446,438	$567,336
Other Intergovernmental	$318	$629	$934	$1,232	$1,524
Charges for Services	$15,289	$30,290	$44,964	$59,337	$73,417
Fines	$2,013	$3,983	$5,912	$7,802	$9,653
Interest Income	$660	$1,363	$2,063	$2,777	$3,505
Miscellaneous	$1,208	$2,411	$3,578	$4,722	$5,843
Bed Tax General Fund Alloc.	$1,960	$3,878	$5,757	$7,597	$9,399
Total Growth Revenues	$1,258,644	$1,560,311	$1,861,958	$2,165,098	$2,469,007
State/Federal Highway Funds	$22,097	$39,419	$65,679	$87,949	$110,447
Excess Construction Sales Tax	$968,220	$968,220	$968,220	$968,220	$968,220
Total Dedicated Growth Revenues	$990,317	$1,007,639	$1,033,899	$1,056,169	$1,078,667

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Local Sales Tax	$1,106,623	$1,245,753	$1,385,654	$1,526,368	$1,667,939	$13,733,506
Licenses & Permits	$70,718	$75,430	$78,822	$81,088	$82,404	$605,561
State & Federal Grants	$133,165	$156,112	$179,296	$202,725	$226,425	$1,223,314
State Shared Revenues	$692,206	$821,183	$954,405	$1,092,015	$1,234,250	$6,451,200
Other Intergovernmental	$1,811	$2,091	$2,367	$2,636	$2,901	$16,443
Charges for Services	$87,215	$100,737	$113,993	$126,990	$139,746	$791,978
Fines	$11,468	$13,246	$14,989	$16,698	$18,375	$104,139
Interest Income	$4,247	$5,003	$5,775	$6,562	$7,365	$39,320
Miscellaneous	$6,941	$8,017	$9,072	$10,106	$11,122	$63,020
Bed Tax General Fund Alloc.	$11,166	$12,897	$14,594	$16,258	$17,891	$101,397
Total Growth Revenues	$2,125,560	$2,440,469	$2,758,967	$3,081,446	$3,408,418	$23,129,878
State/Federal Highway Funds	$133,165	$156,112	$179,296	$202,725	$226,425	$1,223,314
Excess Construction Sales Tax	$968,220	$968,220	$968,220	$968,220	$968,220	$9,682,200
Total Dedicated Growth Revenues	$1,101,385	$1,124,332	$1,147,516	$1,170,945	$1,194,645	$10,905,514

Source: Based on FY 2014-FY 2018 revenue forecasts from Town of Oro Valley Finance Department, April 24, 2013, with revenue forecasts for FY 2019-FY 2023 based on FY 2017-FY 2018 revenue growth; total growth revenues based on growth share of total transportation service units from Table 14 (assuming linear growth in VMT between 2013 and 2023); sales tax based on annual growth in transportation service units and construction sales tax per service unit estimated at $270 per VMT; excess construction sales tax based on annual growth in transportation service units and excess construction sales tax per service unit from Table 19.

APPENDIX D: UPDATE STUDY COST

According to State law, impact fees may be used to pay for the costs of "professional services required for the preparation or revision of a development fee" (Sec. 9-463.05.A, ARS). This impact fee study cost the Town $69,600 for the update of the transportation, park and police impact fees. Since SB 1525 requires impact fees to be updated every five years, two additional studies will be required over the next ten years. Dividing the 10-year cost of the required update studies for each facility by the new EDUs projected over the next ten years results in the following study costs per service unit.

Table 47. Update Study Cost per Service Unit

Type of Fee	Share	Cost/ Update	Updates Required	10-Year Cost	New Service Units	Cost per Serv. Unit
Transportation	50%	$34,800	2	$69,600	35,863	$2
Park	25%	$17,400	2	$34,800	1,281	$27
Police	25%	$17,400	2	$34,800	3,830	$9
Total	100%	$69,600		$139,200	na	na

Source: Shares estimated by Duncan Associates; total update cost is actual cost of this impact fee study update; other update costs based on shares; updates required based on State law requirement that fees be updated at least every five years; new service units from Table 14 (transportation), Table 26 (parks) and Table 33 (police); cost per service unit is 10-year cost times new service units.

Town Council Regular Session **Item # 1. b.**

Meeting Date: 04/02/2014

Requested by: Stacey Lemos **Submitted By:** Stacey Lemos, Finance

Department: Finance

Information

SUBJECT:

PUBLIC HEARING: ORDINANCE NO. (O)14-04, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 13, DEVELOPMENT IMPACT FEES, BY REPEALING CHAPTER 13 IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 13 AS PROVIDED IN EXHIBIT "A"

RECOMMENDATION:

Staff recommends approval of Ordinance No. (O)14-04.

EXECUTIVE SUMMARY:

At the February 19, 2014, regular Town Council meeting, a public hearing was held to receive public input on the proposed development impact fees for parks, police, transportation, potable water system and alternative water resources. In addition, revised Town Code Chapter 13 - Development Impact Fees and revised Town Code Chapter 15, Article 17 - Water Rates, Fees and Charges were also presented for review and comment.

This agenda item is the final step in the Town's development impact fee update process in adopting new impact fees prior to the statutory deadline of August 1, 2014. Approval of this ordinance will repeal and replace the current Town Code Chapter 13 - Development Impact Fees with a new Chapter 13 - Development Impact Fees that captures the new standards and procedures for assessing and administering development impact fees consistent with the requirements of the impact fee legislation. The new Chapter 13 also includes the updated fee schedule with the new development impact fees for parks, police and transportation. A separate agenda item updates Town Code Chapter 15, Article 17 - Water Rates, Fees and Charges with the new development impact fees for the potable water system and alternative water resources.

If this ordinance is approved tonight, the new development impact fees will become effective July 1, 2014.

BACKGROUND OR DETAILED INFORMATION:

In order to comply with the requirements of the new impact fee legislation as prescribed in A.R.S. Section 9-463.05, the Town hired Duncan Associates to prepare an updated impact fee study for its parks, police and transportation impact fees. The Oro Valley Water Utility hired CH2M HILL to prepare an updated impact fee study for its potable water system and alternative water resources development impact fees.

In accordance with the statute, the following milestones have been completed:

October 4, 2013 - Public review drafts of both development impact fee studies were posted on the Town's website
December 4, 2012 - Public hearing held on land use assumptions and infrastructure improvement plans (IIPs) included in both studies

January 15, 2014 - Town Council approved Resolution No. (R)14-07, adopting the 2013-2023 land use assumptions and IIPs dated October 4, 2013
January 15, 2014 - Town Council approved Resolution No. (R)14-01, notice of intent to increase development impact fees
February 19, 2014 - Public Hearing held on updated development impact fees

As part of the outreach and education effort associated with this update process, Town staff provided copies of the impact fee studies to both the Southern Arizona Home Builders Association (SAHBA) and the Metropolitan Pima Alliance (MPA) last fall. We have met to discuss the details of the studies on several occasions and provided written clarification on a number of issues in our studies relating specifically to the cost per lane-mile of our roads in comparison to the costs per lane-mile cited in impact fee studies for other jurisdictions, and the fact that the Town charges park impact fees only to residential development, and not to commercial development.

With regard to the per lane-mile road costs, staff explained that the costs used to calculate our per lane-mile cost for roadways is based on the actual completed cost of recent projects, including the Lambert Lane widening project and the fact that only a small percentage of the total construction cost is actually paid for with transportation impact fees, while the majority of the cost is paid with regional funds from the Pima Association of Governments (PAG). Appropriate offsets have been made to the transportation impact fee calculation to account for the outside funding the Town receives to expand its roadways and for the excess construction sales tax that the Town collects. We also explained that it is difficult to compare our per lane-mile costs to those in other jurisdictions simply due to the topography differences that exist in our community that require additional bridge and drainage facilities which add to the cost of roadway expansion.

In regard to the park impact fees, the Town has historically charged only residential uses for park impact fees due to the clear demand that residential development places on the need for new park infrastructure. The new impact fee legislation clearly states that a "substantial nexus" must exist between the necessary public service (parks) and the demands of new growth. It is our consultant's opinion that a substantial nexus does not exist between commercial growth and the demand for new parks. As such, the updated impact fees for parks will continue to apply only to residential land uses.

FISCAL IMPACT:

Based on the Duncan Associates study (please see Final Duncan Study attached), the combined total of the three non-utility impact fees would be approximately 12% higher for residential uses, approximately 19% lower for most retail/commercial uses, and range from 47% to 95% higher for most office and industrial/warehouse uses, depending on the specific use.

However, when the updated non-utility fees are combined with the updated utility impact fees, the resulting total impact fees charged are lower in most land use categories. Table 2 on page 2 of the Duncan Associates study compares the Town's current impact fees to the proposed updated fees for parks, police and transportation. The updated non-utility impact fees are also shown on the last page of the revised Town Code Chapter 13 - Development Impact Fees.

SUGGESTED MOTION:

I MOVE to approve Ordinance No. (O)14-04, amending the Oro Valley Town Code Chapter 13, Development Impact Fees by repealing Chapter 13 in its entirety and replacing it with a new Chapter 13 as provided in Exhibit "A," and repealing all resolutions, ordinances and rules of the Town of Oro Valley in conflict therewith.

or

I MOVE...

Attachments

O14-04 Amending Ch 13 Development Impact Fees

Town Code Chapter 13-Dev Impact Fees

Final Duncan Study

ORDINANCE NO. (O)14-04

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 13, DEVELOPMENT FEES BY REPEALING CHAPTER 13 IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 13 AS PROVIDED IN EXHIBIT "A", AND REPEALING ALL RESOLUTIONS, ORDINANCES, AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH

WHEREAS, pursuant to A.R.S. § 9-463.05 the Town has the requisite statutory authority to assess development fees to offset costs to the municipality associated with providing necessary public services to a development; and

WHEREAS, the Arizona State Legislature made sweeping changes to ARS § 9-463.05 forcing all Arizona municipalities to revamp their Development Impact Fees in compliance with those changes; and

WHEREAS, on January 15, 2014 the Town approved Resolution (R) 14-01, providing notice of intent to increase certain development impact fees in the areas of parks and recreation, police, transportation, potable water system and alternative water resources; and

WHEREAS, on October 4, 2013 the Town released reports outlining the method by which these development impact fees were calculated, (See Exhibit "B"); and

WHEREAS, on December 4, 2013 and February 19, 2014 the Town held public hearings on each of the proposed land use assumptions, infrastructure improvement plans and development impact fees for each proposed development impact fee category; and

WHEREAS, no less than thirty (30) days have passed since the time of the public hearings on the proposed fees and infrastructure improvement plans; and

WHEREAS, the Mayor and Council have determined that it is in the best interest of the Town to amend the Town's development impact fees to conform to the changes made by the Arizona Legislature.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Oro Valley, Arizona, that:

SECTION 1. Repealing the existing Oro Valley Town Code Chapter 13, Development Fees and replacing it with a new Oro Valley Town Code Chapter 13, Development Fees as provided in Exhibit "A", and repealing all resolutions, ordinances, and rules of the Town of Oro Valley in conflict therewith.

SECTION 2. This Ordinance shall become effective on July 1, 2014.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT “A”

EXHIBIT “B”

Chapter 13 –DEVELOPMENT FEES

13-1. Title
13-2. Legislative Intent and Purpose
13-3. Definitions
13-4. Applicability
13-5. Authority and Requirements
13-6. Administration
13-7. Land Use Assumptions
13-8. Infrastructure Improvements Plan
13-9. Adoption Procedures
13-10. Timing for Updates
13-11. Collection of Fees
13-12. Credits
13-13. Appeals
13-14. Refunds
13-15. Oversight of Program
13-16 Fee Schedule

13-1: Title.

This chapter shall be known as the "Oro Valley Development Fee Ordinance," and will be referred to in this chapter as "this chapter."

13-2: Legislative Intent and Purpose.

This chapter is adopted for the purpose of promoting the health, safety and general welfare of the residents of Oro Valley by:

A. Requiring new development to pay its proportionate share of the costs incurred by the Town that are associated with providing Necessary Public Services to new development;

B. Setting forth standards and procedures for creating and assessing development fees consistent with the requirements of Arizona Revised Statutes ("A.R.S.") § 9-463.05, including requirements pursuant to A.R.S. § 9-463.05, Subsection K, that on or before August 1, 2014, the Town replace its development fees that were adopted prior to January 1, 2012 with development fees adopted pursuant to the requirements of A.R.S. § 9-463.05 as amended by the state legislature in SB 1525, Fiftieth Legislature, First Regular Session;

C. Setting forth procedures for administering the development fee program, including Offsets, Credits, and refunds of development fees. All development fee assessments, Offsets, Credits, or refunds must be administered in accordance with the provisions of this Chapter.

This Chapter shall not affect the Town's zoning authority or its authority to adopt or amend its General Plan, provided that planning and zoning activities by the Town may require amendments to development fees as provided in Section 13-7 of this Chapter.

13-3: Definitions.

When used in this Chapter, the terms listed below shall have the following meanings unless the context requires otherwise. Singular terms shall include their plural.

Applicant: A person who applies to the Town for a Building Permit or a Credit.

Appurtenance: Any fixed machinery or equipment, structure or other fixture, including integrated hardware, software or other components, associated with a Capital Facility that is necessary or convenient to the operation, use, or maintenance of a Capital Facility.

Aquatic Center: A facility primarily designed to host non-recreational competitive functions generally occurring within water, including, but not limited to, water polo games, swimming meets and diving events. Such facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities, including but not limited to, locker rooms, offices, snack bars, bleacher seating and shade structures.

Building Permit: The permit required for construction as determined pursuant to Article 6-1 (Building Code) of the Oro Valley Town Code. For purposes of this chapter only, the term "building permit" shall include the approval of the site plan for a Mobile Home Park, the purchase of a new water meter, or the purchase of a larger water meter to replace an existing water meter.

Capital Facility: An asset having a Useful Life of three or more years that is a component of one or more Categories of Necessary Public Service provided by the Town. A Capital Facility may include any associated purchase of real property, architectural and engineering services leading to the design and construction of buildings and facilities, improvements to existing facilities, improvements to or expansions of existing facilities and associated financing and professional services.

Category of Necessary Public Service: A specific type of Necessary Public Services for which the Town is authorized to assess development fees pursuant to A.R.S. § 9-463.05.T.5.

Category of Development: A specific type of residential, commercial, irrigation or industrial development against which a development fee is calculated and assessed. The Town assesses development fees against the following types of development within each of the three broader categories of development: (i) for residential development, Single-Family Detached, Multi-Family and Mobile Home Park; (ii) for commercial development, Retail/Commercial, Hotel/Motel, Office and Public/Institutional; (iii) for irrigation, Irrigation and (iv) for industrial, Industrial and Warehouse.

Credit: A reduction in an assessed development fee resulting from Developer contributions to, payments for, construction of, or dedications for Capital Facilities included in

an Infrastructure Improvements Plan pursuant to Section 13-12 of this Chapter (or as otherwise permitted by this Chapter).

Credit Agreement: A written agreement between the Town and the Developer(s) of a Subject Development that allocates Credits to the Subject Development pursuant to Section 13-12 of this Chapter.

Credit Allocation: A term used to describe when Credits are distributed to a particular development or parcel of land after execution of a Credit Agreement, but are not yet issued.

Credit Issuance: A term used to describe when the amount of an assessed development fee attributable to a particular development or parcel of land is reduced by applying a Credit allocation.

Developer: An individual, group of individuals, partnership, corporation, limited liability company, association, municipal corporation, state agency, or other person or entity undertaking land development activity, and their respective successors and assigns.

Direct Benefit: A benefit to a development resulting from a Capital Facility that: (a) addresses the need for a Necessary Public Service created in whole or in part by the development; and that (b) meets either of the following criteria: (i) the Capital Facility is located in the immediate area of the development and is needed in the immediate area of the development to maintain the Level of Service; or (ii) the Capital Facility substitutes for, or eliminates the need for a Capital Facility that would have otherwise have been needed in the immediate area of the development to maintain the Town's Level of Service.

Dwelling Unit: One or more rooms in a building designed or intended to be used for occupancy by one family, with living, sleeping and food preparation facilities, excluding hotel or motel rooms or suites.

Equipment: Machinery, tools, materials, and other supplies, not including vehicles, that are needed by a Capital Facility to provide the applicable service.

Excluded Park Facility: Park and recreational improvements for which development fees may not be charged pursuant to A.R.S. § 9-463.05.T.7.(g), including amusement parks, aquariums, Aquatic Centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than 3,000 square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, or zoo facilities.

Financing or Debt: Any debt, bond, note, loan, interfund loan, fund transfer, or other debt service obligation used to finance the development or expansion of a Capital Facility or associated Appurtenances, Vehicles or Equipment.

General Plan: Refers to the overall land-use plan for the Town establishing areas of the Town for different purposes, zones and activities adopted by the Town as may be amended from time to time.

Gross Floor Area: The sum of the gross horizontal areas of each story of a building measured from the exterior faces of the exterior walls or from the center line of walls separating two buildings or different uses, including attic space with headroom of seven feet or greater and served by a permanent, fixed stair, but not including enclosed off-street parking or loading areas. Gross Floor Area shall also include areas of buildings within the horizontal projection of the roof or floor above, which do not have surrounding exterior walls but exceed three feet in horizontal dimension.

Gross Development Fee: The total development fee to be assessed on a per unit basis, prior to subtraction of any Credits.

Hotel/Motel: Establishments offering temporary lodging in rooms or suites for less than one (1) month or thirty (30) days.

Industrial: Establishments primarily engaged in the fabrication, assembly or processing of goods.

Infrastructure Improvements Plan: A document or series of documents that meet the requirements set forth in A.R.S. § 9-463.05, including those adopted pursuant to Section 13-9 of this Chapter to cover any Category or combination of Categories of Necessary Public Services.

Interim Fee Schedule: Any development fee schedule established prior to January 1, 2012 in accordance with then-applicable law, and which shall expire not later than August 1, 2014 pursuant to Section 13-11 of this Chapter.

Irrigation: Outdoor use of water with a separate water meter for landscaping of property for, but not limited to, commercial, homeowners associations, parks, schools and/or golf courses.

Land Use Assumptions: Projections of changes in land uses, densities, intensities and population for a Service Area over a period of at least ten years as specified in Section 13-7 of this Chapter.

Level of Service: A quantitative and/or qualitative measure of a Necessary Public Service that is to be provided by the Town to development in a particular Service Area, defined in terms of the relationship between service capacity and service demand, accessibility, response times, comfort or convenience of use, or other similar measures or combinations of measures. Level of Service may be measured differently for different Categories of Necessary Public Services, as identified in the applicable Infrastructure Improvements Plan.

Lot: As defined in Chapter 31 of the Oro Valley Town Code.

Multi-Family: A building or buildings containing multiple dwelling units.

Necessary Public Services: Shall have the meaning prescribed in A.R.S. § 9-463.05, Subsection T, Paragraph 7.

Non-Residential: All land uses, except Single-Family Detached and Multi-Family.

Office: A building not located in a shopping center and exclusively containing establishments providing executive, management, administrative or professional services. An office use may include ancillary services for office workers, such as a restaurant, coffee shop, newspaper or candy stand, or child care facilities. Ground floor retail uses may also be included, but that space shall be assessed at the retail/commercial rate. Typical uses include real estate, insurance, property management, investment, employment, travel, advertising, secretarial, data processing, telephone answering, telephone marketing, music, radio and television recording and broadcasting studios; banks excluding drive-through only facilities; professional or consulting services in the fields of law, architecture, design, engineering, accounting and similar professions; interior decorating consulting services; medical and dental offices and clinics, including veterinarian clinics and kennels; and business offices of private companies, utility companies, trade associations, unions and nonprofit organizations.

Offset: An amount that is subtracted from the overall costs of providing Necessary Public Services to account for those Capital Facilities or associated debt that will be paid for by a development through taxes, fees (except for development fees), and other revenue sources, as determined by the Town pursuant to Section 13-8 of this Chapter.

Park Facilities: A Category of Necessary Public Services including but not limited to parks, Swimming Pools and related facilities and Equipment located on real property not larger than 30 acres in area, as well as park facilities larger than 30 acres where such facilities provide a Direct Benefit. Park Facilities do not include Excluded Park Facilities, although Park Facilities may contain, provide access to, or otherwise support an Excluded Park Facility.

Plan-Based Cost per Service Unit: The total future capital costs identified in the Infrastructure Improvements Plan for a Category of Necessary Public Services as attributable to new development over a specified time period divided by the total new Service Units projected in a particular Service Area for that Category of Necessary Public Services over the same time period, less the Offset per Service Unit.

Police Facilities: A Category of Necessary Public Services, including Vehicles and Equipment, that are used by law enforcement agencies to preserve the public peace, prevent crime, detect and arrest criminal offenders, protect the rights of persons and property, regulate and control motorized and pedestrian traffic, train sworn personnel, and/or provide and maintain police records, vehicles, equipment and communications systems. Police Facilities do not include Vehicles and Equipment used to provide administrative services, or helicopters or airplanes. Police Facilities do not include any facility that is used for training officers from more than one station or substation.

Qualified Professional: Any one of the following: (a) a professional engineer, surveyor, financial analyst or planner, or other licensed professional providing services within the scope of that person's education or experience related to city planning, zoning, or development fees and holding a license issued by an agency or political subdivision of the State of Arizona; (b) a financial analyst, planner, or other non-licensed professional who is providing services within the scope of the person's education or experience related to city planning, zoning, or development fees; or (c) any other person operating under the supervision of one or more of the above.

Residential Land Use: A Single-Family Detached, Multi-Family or Mobile Home development.

Retail/Commercial: An establishment engaged in the selling or rental of goods, services or entertainment to the general public. Such uses include, but are not limited to, shopping centers, discount stores, supermarkets, home improvement stores, pharmacies, restaurants, bars, nightclubs, automobile sales and service, drive-through banks, movie theaters, amusement arcades, bowling alleys, barber shops, laundromats, funeral homes, private vocational or technical schools, dance studios, health clubs and banquet halls.

Service Area: Any specified area within the boundaries of the Town within which: (a) the Town will provide a Category of Necessary Public Services to development at a planned Level of Service; and (b) within which (i) a Substantial Nexus exists between the Capital Facilities to be provided and the development to be served, or (ii) in the case of a Park Facility larger than 30 acres, a Direct Benefit exists between the Park Facilities and the development to be served, each as prescribed in the Infrastructure Improvements Plan. Some or all of the Capital Facilities providing service to a Service Area may be physically located outside of that Service Area provided that the required Substantial Nexus or Direct Benefit is demonstrated to exist. The water service area may include areas within or outside of Town boundaries.

Service Unit: A unit of demand within a particular Category of Necessary Public Services, defined in terms of a standardized measure of the demand that a unit of development in a Category of Development generates for Necessary Public Services. For water service the service unit is the 5/8-inch water meter size. For larger water meter sizes the total number of service units is based upon the AWWA capacity ratio.

Single-Family Detached: A lot containing one dwelling unit that is not attached to any other dwelling unit.

Subject Development: A contiguous land area linked by a unified plan of development, in furtherance of which the developer has made a capital improvement or other contribution for which credit is requested.

Substantial Nexus: A substantial nexus exists where the demand for Necessary Public Services that will be generated by a development can be reasonably quantified in terms of the burden it will impose on the available capacity of existing Capital Facilities, the need it will create for new or expanded Capital Facilities, and/or the benefit to the development from those Capital Facilities.

Swimming Pool: A public facility primarily designed and/or utilized for recreational non-competitive functions generally occurring within water, including, but not limited to, swimming classes, open public swimming sessions and recreational league swimming/diving events. The facility may be indoors, outdoors, or any combination thereof, and includes all necessary supporting amenities.

Town: The Town of Oro Valley, Arizona.

Transportation Facilities: A Category of Necessary Public Services consisting of Town-owned arterial and major collector streets; and also includes traffic signals, rights-of-way, and improvements thereon; culverts, irrigation tiling, and storm drains serving such streets.

Useful Life: The period of time in which an asset can reasonably be expected to be used under normal conditions, whether or not the asset will continue to be owned and operated by the Town over the entirety of such period.

Vehicle: Any device, structure, or conveyance utilized for transportation in the course of providing a particular Category of Necessary Public Services, excluding helicopters and other aircraft.

Warehouse: Establishments primarily engaged in the display, storage and sale of goods to other firms for resale; activities involving movement and storage of products or equipment; or an enclosed storage facility containing independent, fully enclosed bays that are leased to persons for storage of their household goods or personal property.

Water Facilities: A Category of Necessary Public Services including but not limited to those facilities necessary to provide for water services to development, including the acquisition, supply, transportation, treatment, purification and distribution of water, and any appurtenances to those facilities.

13-4: Applicability

A. The provisions of this Chapter shall apply to all of the territory within the corporate limits of the Town and its water service area, as follows:

1. Development fees for Transportation, Parks and Police Facilities shall be assessed on all new development within the Town's corporate limits, as those may be amended from time to time.

2. Development fees for Water Facilities shall be assessed for any new connection to the Town's water system or any upgrade of an existing connection to a larger meter size.

B. The Development Infrastructure Services Director or his/her designee is authorized to make determinations regarding the application, administration and enforcement of the provisions of this Chapter, except in cases where another Town official has specifically been given such authority pursuant to this Chapter.

C. The Water Utility Director or his/her designee is authorized to make determinations regarding the application, administration and enforcement of the provisions of this Chapter and Chapter 15- Section 17 pertaining to the water development impact fees.

13-5: Authority and Requirements

A. *Authority*. The Town may assess and collect a development fee for costs of Necessary Public Services, including all professional services required for the preparation or revision of an Infrastructure Improvements Plan, development fee, and required reports or audits conducted pursuant to this Chapter.

B. *Requirements*. Development fees shall be subject to the following requirements:

1. The Town shall develop and adopt a written report of the Land Use Assumptions and Infrastructure Improvements Plan that analyzes and defines the development fees that may be charged in each Service Area for each Category of Necessary Public Service.

2. Development fees shall be assessed against all new single family residential, multi family residential, commercial, irrigation and industrial developments, provided that the Town may assess different amounts of development fees against specific Categories of Development based on the actual burdens and costs that are associated with providing Necessary Public Services to that Category of Development. No development fee shall exceed the Plan-Based Cost per Service Unit for any Category of Development.

3. No development fees shall be charged, or Credits issued, for any Capital Facility that does not fall within one of the Categories of Necessary Public Services for which development fees may be assessed as identified in Section 13-8.A.1 of this Chapter.

4. Costs for Necessary Public Services made necessary by new development shall be based on the same Level of Service provided to existing development in the same Service Area. Development fees may not be used to provide a higher Level of Service to existing development or to meet stricter safety, efficiency, environmental, or other regulatory standards to the extent that these are applied to existing Capital Facilities that are serving existing development.

5. Development fees may not be used to pay the Town's administrative, maintenance, or other operating costs.

6. Projected interest charges and financing costs can only be included in development fees to the extent they represent principal and/or interest on the portion of any Financing or Debt used to finance the construction or expansion of a Capital Facility identified in the Infrastructure Improvements Plan.

7. Except for any fees included on Interim Fee Schedules, all development fees charged by the Town must be included in a "Fee Schedule" prepared and adopted pursuant to this Chapter.

8. All development fees shall meet the requirements of A.R.S. § 9-463.05.

9. If the Town agrees to waive any development fees assessed on a development, the Town shall reimburse the appropriate development fee account for the amount that was waived.

10. The actual development fees to be assessed shall be disclosed and adopted in the form of development fee schedules in Appendix A to this Chapter.

13-6: Administration

A. *Separate Accounts.* Development fees collected pursuant to this Chapter shall be placed in separate, interest-bearing accounts for each Category of Necessary Public Services within each Service Area.

B. *Limitations on Use of Fees.* Development fees and any interest thereon collected pursuant to this Chapter shall be spent to provide Capital Facilities associated with the same Category of Necessary Public Services in the same Service Area for which they were collected, including costs of Financing or Debt used by the Town to finance such Capital Facilities and other costs authorized by this Chapter that are included in the Infrastructure Improvements Plan.

C. *Time Limit.* Development fees collected after July 31, 2014 shall be used within ten (10) years of the date upon which they were collected for all Categories of Necessary Public Services except for Water Facilities. Development fees for Water Facilities collected after July 31, 2014 shall be used within fifteen (15) years of the date upon which they were collected.

13-7: Land Use Assumptions

The Infrastructure Improvements Plan shall be consistent with the Town's current Land Use Assumptions for each Service Area and each Category of Necessary Public Services as adopted by the Town pursuant to A.R.S. § 463.05.

A. *Reviewing the Land Use Assumptions.* Prior to the adoption or amendment of an Infrastructure Improvements Plan, the Town shall review and evaluate the Land Use Assumptions on which the Infrastructure Improvements Plan is to be based to ensure that the Land Use Assumptions within each Service Area conform to the General Plan.

B. *Evaluating Necessary Changes.* If the Land Use Assumptions upon which an Infrastructure Improvements Plan is based have not been updated within the last five (5) years, the Town shall evaluate the Land Use Assumptions to determine whether changes are necessary. If, after general evaluation, the Town determines that the Land Use Assumptions are still valid, the Town shall issue the notice required in Section 13-10 of this Chapter.

C. *Required Modifications to Land Use Assumptions.* If the Town determines that changes to the Land Use Assumptions are necessary in order to adopt or amend an Infrastructure Improvements Plan, it shall make such changes as necessary to the

Land Use Assumptions prior to or in conjunction with the review and approval of the Infrastructure Improvements Plan pursuant to Section 13-9 of this Chapter.

13-8: Infrastructure Improvements Plan

A. *Infrastructure Improvements Plan Contents*. The Infrastructure Improvements Plan shall be developed by Qualified Professionals and may be based upon or incorporated within the Town's Capital Improvements Plan. The Infrastructure Improvements Plan shall:

1. Specify the Categories of Necessary Public Services for which the Town will impose a development fee.

2. Define and provide a map of one or more Service Areas within which the Town will provide each Category of Necessary Public Services for which development fees will be charged. Each Service Area must be defined in a manner that demonstrates a Substantial Nexus between the Capital Facilities to be provided in the Service Area and the Service Units to be served by those Capital Facilities. For Libraries and for Parks larger than 30 acres, each Service Area must be defined in a manner that demonstrates a Direct Benefit between the Capital Facilities and the Service Units to be served by those Capital Facilities. The Town may cover more than one category of Capital Facilities in the same Service Area provided that there is an independent Substantial Nexus or Direct Benefit, as applicable, between each Category of Necessary Public Services and the Service Units to be served.

3. Identify and describe the Land Use Assumptions upon which the Infrastructure Improvements Plan is based in each Service Area.

4. Analyze and identify the existing Level of Service provided by the Town to existing Service Units for each Category of Necessary Public Services in each Service Area.

5. Identify the Level of Service to be provided by the Town for each Category of Necessary Public Services in each Service Area based on the relevant Land Use Assumptions and any established Town standards or policies related to required Levels of Service. If the Town provides the same Category of Necessary Public Services in more than one Service Area, the Infrastructure Improvements Plan shall include a comparison of the Levels of Service to be provided in each Service Area.

6. For each Category of Necessary Public Services, analyze and identify the existing capacity of the Capital Facilities in each Service Area, the utilization of those Capital Facilities by existing Service Units and the available excess capacity of those Capital Facilities to serve new Service Units including any existing or planned commitments or agreements for the usage of such capacity.

7. Estimate the total number of existing and future Service Units within each Service Area based on the Town's Land Use Assumptions.

8. Based on the analysis in Paragraphs 3-6 above, provide a summary table or tables describing the Level of Service for each Category of Necessary Public Services by relating the required Capital Facilities to Service Units in each Service Area, and identifying the applicable Service Unit factor associated with each Category of Development.

9. For each Category of Necessary Public Services, analyze and identify the projected utilization of any available excess capacity in existing Capital Facilities, and all new or expanded Capital Facilities that will be required to provide and maintain the planned Level of Service in each Service Area as a result of the new projected Service Units in that Service Area, for a period not to exceed ten (10) years. Nothing in this Subsection shall prohibit the Town from additionally including in its Infrastructure Improvements Plan projected utilization of, or needs for, Capital Facilities for a period longer than ten (10) years, provided that the costs of such Capital Facilities are excluded from the calculation of the Plan-Based Cost per Service Unit.

10. For each Category of Necessary Public Services, estimate the total cost of any available excess capacity and/or new or expanded Capital Facilities that will be required to serve new Service Units, including costs of land acquisition, improvements, engineering and architectural services, studies leading to design, design, construction, financing, and administrative costs. Such total costs shall not include costs for ongoing operation and maintenance of Capital Facilities, nor for replacement of Capital Facilities to the extent that such replacement is necessary to serve existing Service Units. If the Infrastructure Improvements Plan includes changes or upgrades to existing Capital Facilities that will be needed to achieve or maintain the planned Level of Service to existing Service Units, or to meet new regulatory requirements for services provided to existing Service Units, such costs shall be identified and distinguished in the Infrastructure Improvements Plan.

11. Forecast the revenues from taxes, fees, assessments or other sources that will be available to fund the new or expanded Capital Facilities identified in the Infrastructure Improvements Plan, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved Land Use Assumptions.

12. Calculate required Offsets as follows:

(a) Identify those sources of revenue that: (i) are attributable to new development, and (ii) will contribute to paying for the capital costs of Necessary Public Services.

(b) For each source of revenue identified pursuant to paragraph (a) of this Subsection, calculate the relative contribution of new development paying for the capital costs of Necessary Public Services in each Service Area.

(c) Based on the relative contributions identified pursuant to paragraph (b) of this Subsection, for each Category of Necessary Public Services, calculate the total Offset per Service Unit to be provided in each Service Area.

(d) Beginning August 1, 2014, for purposes of calculating the required Offset, if the Town imposes a construction, contracting, or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate that is imposed on the majority of other transaction privilege tax classifications in the Town, the entire excess portion of the construction, contracting, or similar excise tax shall be treated as a contribution to the capital costs of Necessary Public Services provided to new development unless the excess portion is already utilized for such purpose pursuant to this Section.

13. Calculate the Plan-Based Cost per Service Unit by:

(a) Dividing the total projected costs to provide Capital Facilities to new Service Units for each Category of Necessary Public Services in each Service Area as determined pursuant to Subsections 1 through 11 of this Section by the total number of new Service Units projected for that Service Area over a period not to exceed ten (10) years for each Category of Necessary Public Services.

(b) Subtracting the required Offset per Service Unit calculated pursuant to Subsection 13 of this Section.

B. *Multiple Plans.* An Infrastructure Improvements Plan adopted pursuant to this Subsection may address one or more of the Town's Categories of Necessary Public Services in any or all of the Town's Service Areas. Each Capital Facility shall be subject to no more than one Infrastructure Improvements Plan at any given time.

C. *Reserved Capacity.* The Town may reserve capacity in an Infrastructure Improvements Plan to serve one or more planned future developments. All reservations of existing capacity must be disclosed in the Infrastructure Improvements Plan at the time it is adopted.

13-9: Adoption Procedures

A. *Adopting or Amending the Infrastructure Improvements Plan.* The Infrastructure Improvements Plan shall be adopted or amended subject to the following procedures:

1. *Major Amendments to the Infrastructure Improvements Plan.* Except as provided in paragraph 2 of this Subsection, the adoption or amendment of an Infrastructure Improvements Plan shall occur at one or more public hearings according to the following schedule, and may occur concurrently with the adoption of an update of the Town's Land Use Assumptions as provided in Section 13-7 of this Chapter:

   (a) Sixty days before the first public hearing regarding a new or updated Infrastructure Improvements Plan, the Town shall provide public notice of the hearing and post the Infrastructure Improvements Plan and the underlying Land Use Assumptions on its website; the Town shall additionally make available to the public the documents used to prepare the Infrastructure Improvements Plan and underlying Land Use Assumptions and the amount of any proposed changes to the Plan-Based Cost per Service Unit.

   (b) The Town shall conduct a public hearing on the Infrastructure Improvements Plan and underlying Land Use Assumptions.

   (c) The Town shall approve or disapprove the Infrastructure Improvements Plan within 60 days, but no sooner than 30 days, after the public hearing. If the document was amended as a result of the public hearing, the revised Infrastructure Improvements Plan shall be posted on the Town's public website at least 15 days prior to the meeting.

2. *Minor Amendments to the Infrastructure Improvements Plan.* Notwithstanding the other requirements of this Section, the Town may update the Infrastructure Improvements Plan and/or its underlying Land Use Assumptions without a public hearing if all of the following apply:

   (a) The changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions will not add any new Category of Necessary Public Services to any Service Area.

   (b) The changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions will not increase the Level of Service to be provided in any Service Area.

(c) Based on a written analysis, the changes in the Infrastructure Improvements Plan and/or the underlying Land Use Assumptions would not, individually or cumulatively with other amendments undertaken pursuant to this Subsection, have caused a development fee in any Service Area to have been increased by more than five (5) per cent above the development fee that is provided in the current development fee schedule.

(d) At least 30 days prior to the date that the any amendment pursuant to this Section is adopted, the Town shall post the proposed amendments on the Town website.

B. *Adopting or Amending the Fees.* Any adoption or amendment of a fee schedule shall occur at one or more public hearings according to the following schedule:

1. The first public hearing on the fee schedule must be held at least 30 days after the adoption or approval of the Infrastructure Improvements Plan as provided in Subsection A of this Section. The Town must give at least 30 days' notice prior to the hearing, provided that this notice may be given on the same day as the approval or disapproval of the Infrastructure Improvements Plan.

2. The Town shall make the fee schedule available to the public on the Town's website 30 days prior to the public hearing described in Paragraph 1 of this Subsection.

3. The fee schedule may be adopted by the Town no sooner than 30 days, and no later than 60 days, after the hearing described in Paragraph 1 of this Subsection. If the fee schedule was amended as a result of the public hearing, the revised fee schedule shall be posted on the Town's public website at least 15 days prior to the meeting.

4. The development fee schedule adopted pursuant to this Subsection shall become effective no earlier than 75 days after adoption of the fee schedule by the Town.

13-10: Timing for Updates

A. *Updating the Infrastructure Improvements Plan.* Except as provided in Subsection B of this Section, not later than every five (5) years the Town shall update the applicable Infrastructure Improvements Plan related to each Category of Necessary Public Services pursuant to Section 13-9 of this Chapter. Such five-year period shall be calculated from the date of the adoption of the Infrastructure Improvements Plan.

B. *Determination of No Changes.* Notwithstanding Subsection A of this Section, if the Town determines that no changes to an Infrastructure Improvements Plan, underlying Land Use Assumptions, or fee schedules are needed, the Town may elect to continue the existing Infrastructure Improvements Plan without amendment by providing notice as follows:

1. Notice of the determination shall be published at least 180 days prior to the end of the five-year period described in Subsection A of this Section.

2. The notice shall identify the Infrastructure Improvements Plan and fee schedule that shall continue in force without amendment.

3. The notice shall provide a map and description of the Service Area(s) covered by such Infrastructure Improvements Plan and fee schedule.

4. The notice shall identify an address to which any resident of the Town may submit, within 60 days, a written request that the Town update the Infrastructure Improvements Plan, underlying Land Use Assumptions, and/or fee schedule and the reasons and basis for the request.

C. *Response to Comments.* The Town shall consider and respond within 30 days to any timely requests submitted pursuant to Paragraph 4 of Subsection B of this Section.

13-11: Collection of Fees

A. *Collection*. Development fees, together with any administrative charges assessed to defray the costs of administering this Chapter, shall be calculated and collected at issuance of permission to commence development; specifically:

1. Development fees shall be paid no sooner than the time of issuance of a Building Permit but prior to the issuance of a Certificate of Occupancy according to the current development fee schedule for the applicable Service Area(s) as adopted pursuant to this Chapter, or according to any other applicable development fee schedule as authorized in this Chapter. All water development impact fees will be collected after the issuance of a Building Permit and/or at the time a water meter is purchased.

(a) The Town shall determine the amount of each required development fee through the use of the applicable fee schedule.

(b) The Town shall determine the Category of Development for each development based on overall, long-term impact of the development. In general, impact fees shall be assessed based on the principal use of a building or lot. For example, a warehouse that contains an administrative office would be assessed at the warehouse rate for all of the square footage. Shopping centers shall be assessed at the retail/commercial rate, regardless of the type of tenants. For a true mixed-use development, such as one that includes both residential and nonresidential development, the fee shall be determined by adding up the fees that would be payable for each use as if it was a free-standing land use type pursuant to the fee schedule. For uses that cannot readily be designated under a particular Category of Development, the Development & Infrastructure Services Director or designee shall determine the category the particular use will be assigned based on which category has a daily trip generation rate most similar to the proposed use. Determinations of the Category of Development may be appealed to the Town Manager or his/her designee.

(c) The Town shall determine the water meter size for each lot based on the actual meter size installed on each lot. If the exact meter size is not listed in a table, then the Town shall use the next largest meter size in such table. If a lot consists of two (2) or more separate areas with separate meters in each separate area, then the development fee shall be determined by adding up all the fees that would be applicable for each meter size in each separate area.

(d) In assessing the development fees for Non-Residential land use types, square footage shall be measured in terms of Gross Floor Area, and any determination of square footage shall be in whole units, with any fractions thereof being rounded up to the next square foot.

(e) Development fees for development projects involving an addition to or remodeling of an existing facility, change of use, change of housing type, change of meter size or other modification or redevelopment of a previously developed lot or building with a valid certificate of occupancy shall be calculated as follows: only the new portion of development for the current project will be subject to the current development fee schedule.

2. If a Building Permit is not required for the development, but water connections are required, any and all development fees due shall be paid at the time the water meter (service connection) is purchased. If no Building

Permit or water connection is required, all development fees shall be paid prior to development approval.

3. In determining the amount of fees required for land included in a community facilities district established under A.R.S. Title 48, Chapter 4, Article 6, the Town shall take into account any Capital Facilities provided by the district that are included in the Infrastructure Improvements Plan and the capital costs paid by the district for such Capital Facilities, and shall reduce development fees assessed within the community facilities district proportionally.

4. No certificate of occupancy shall be issued if a development fee is not paid as directed in the previous paragraphs.

5. If the Building Permit is for a change in the type of building use, an increase in square footage, a change to land use, or an additional or upgraded point of demand to the water system, the development fee shall be assessed on the additional service units resulting from the expansion or change, and following the development fee schedule applicable to any new use type.

6. For issued permits that expire or are voided, development fees and administrative charges shall be as follows:

   (a) If the original permittee is seeking to renew an expired or voided permit, and the development fees paid for such development have not been refunded, then the permittee shall pay the difference between any development fees paid at the time the permit was issued and those in the fee schedule at the time the permit is reissued or renewed.

   (b) If a new or renewed permit for the same development is being sought by someone other than the original permittee, the new permit Applicant shall pay the full development fees specified in the fee schedule in effect at the time that the permits are reissued or renewed. If the original permittee has assigned its rights under the permits to the new permit Applicant, the new permit Applicant shall pay development fees as if it were the original permittee.

B. *Exceptions*. Development fees shall not be owed under any of the following conditions.

1. Development fees have been paid for the development and the permit(s) which triggered the collection of the development fees have not expired or been voided.

2. The approval(s) that trigger the collection of development fees involve modifications to existing development that do not: (a) add new Service

Units, (b) increase the impact of existing Service Units on existing or future Capital Facilities, or (c) change the land-use type of the existing development to a different Category of Development for which a higher development fee would have been due. To the extent that any modification does not meet the requirements of this paragraph, the development fee due shall be the difference between the development fee that was or would have been due on the existing development and the development fee that is due on the development as modified.

3. Notwithstanding any other law, a city or town shall not assess or collect any fees or costs from a school district or charter school for fees pursuant to A.R.S. Section 9-463.05. This prohibition does not include fees assessed or collected for streets and water and sewer utility functions pursuant to A.R.S. Section 9-500.18.

4. Temporary structures for which an administrative use permit is secured for use as a sales office and not for residential or other purposes and intended to be removed within the two-year period granted under the use permit shall be exempt from development fees. This exemption shall not apply where the temporary building is erected on a parcel of land upon which a permanent building with permanent facilities is to be constructed.

C. *Temporary Exemptions from Development Fee Schedules.* New developments in the Town shall be temporarily exempt from increases in development fees that result from the adoption of new or modified development fee schedules as follows:

1. *Single-Family Uses.* On or after the day that the first building permit is issued for a Single-Family development, the Town shall, at the permittee's request, provide the permittee with an applicable development fee schedule that shall be in force for a period of 24 months beginning on the day that the first building permit is issued, and which shall expire at the end of the first business day of the 25th month thereafter. During the effective period of the applicable development fee schedule, any building permit issued for the same Single-Family development shall not be subject to any new or modified development fee schedule, provided that if the Town reduces the amount of an applicable development fee during the period that a grandfathered development fee schedule is in force, the Town shall assess the lower development fee.

2. *Non-Residential and Multi-Family Uses.* On or after the day that the final approval is issued for a Non-Residential or Multi-Family development, the Town shall provide an applicable development fee schedule that shall be in force for a period of 24 months beginning on the day that final development approval of a site plan or final subdivision plat is given, and which shall expire at the end of the first business day of the 25th month thereafter. For the purpose of this paragraph, final approval shall mean the approval of a site plan or, if no site plan is submitted for the development,

the approval of a final subdivision plat. During the effective period of the applicable development fee schedule, any building permit issued for the same development shall not be subject to any new or modified development fee schedule, provided that if the Town reduces the amount of an applicable development fee during the period that a grandfathered development fee schedule is in force, the Town shall assess the lower development fee.

3. *Other Development.* Any development not covered under paragraphs 1 and 2 of this Subsection shall pay development fees according to the fee schedule that is current at the time of collection as specified in Subsection A of this Section.

4. *Changes to Site Plans and Subdivision Plats.* Notwithstanding the other requirements of this Subsection, if changes are made to a development's final site plan or subdivision plat that will increase the number of service units after the issuance of a grandfathered development fee schedule, the Town may assess any new or modified development fees against the additional service units.

13-12: Credits

A. *Eligibility of Capital Facility.* All development fee Credits must meet the following requirements:

1. One of the following is true:

(a) The Capital Facility or the financial contribution toward a Capital Facility that will be provided by the Developer and for which a Credit will be issued must be identified in an adopted Infrastructure Improvements Plan as a Capital Facility for which a development fee was assessed; or

(b) The Applicant must demonstrate to the satisfaction of the Town that, given the class and type of improvement, the subject Capital Facility should have been included in the Infrastructure Improvements Plan in lieu of a different Capital Facility that was included in the Infrastructure Improvements Plan and for which a development fee was assessed. If the subject Capital Facility is determined to be eligible for a Credit in this manner, the Town shall amend the Infrastructure Improvements Plan to (i) include the subject replacement facility and (ii) delete the facility that will be replaced.

2. Credits shall not be available for any Capital Facility provided by a Developer if the cost of such Capital Facility will be repaid to the Developer by the Town through another agreement or mechanism. To the extent that the Developer will be paid or reimbursed by the Town for any

contribution, payment, construction, or dedication from any Town funding source, any Credits claimed by the Developer shall be: (a) deducted from any amounts to be paid or reimbursed by the Town; or (b) reduced by the amount of such payment or reimbursement.

B. *Eligibility of Subject Development*. To be eligible for a Credit, the Subject Development must be located within the Service Area of the eligible Capital Facility.

C. *Calculation of Credits*. Credits will be based on that portion of the costs for an eligible Capital Facility identified in the adopted Infrastructure Improvements Plan for which a development fee was assessed. If the Gross Development Fee for a particular Category of Necessary Public Service is adopted at an amount lower than the Plan-Based Cost per Service Unit, the amount of any Credit shall be reduced in proportion to the difference between the Plan-Based Cost per Service Unit and the Gross Development Fee adopted. A Credit shall not exceed the actual costs the Applicant incurred in providing the eligible Capital Facility, nor shall it exceed the amount of the applicable development fee for the Subject Development.

D. *Allocation of Credits*. Before any Credit can be issued to a Subject Development (or portion thereof), the Credit must be allocated to that development as follows:

1. The Developer and the Town must execute a Credit Agreement including all of the following:

   (a) The total amount of the Credits resulting from provision of an eligible Capital Facility.

   (b) The estimated number of Service Units to be served within the Subject Development.

   (c) The method by which the Credit values will be distributed within the Subject Development.

2. It is the responsibility of the Developer to request allocation of development fee Credits through an application for a Credit Agreement.

3. If a building permit is issued or a water connection is purchased, and a development fee is paid prior to execution of a Credit Agreement for the Subject Development, no Credits may be allocated retroactively to that permit or connection. Credits may be allocated to any remaining permits for the Subject Development in accordance with this Chapter.

4. If the entity that provides an eligible Capital Facility sells or relinquishes a development (or portion thereof) that it owns or controls prior to execution of a Credit Agreement, Credits will only be allocated to the development

if the entity legally assigns such rights and responsibilities to its successor(s) in interest for the Subject Development.

5. If multiple entities jointly provide an eligible Capital Facility, both entities must enter into a single Credit Agreement with the Town, and any request for the allocation of Credit within the Subject Development(s) must be made jointly by the entities that provided the eligible Capital Facility.

E. *Credit Agreement*. Credits shall only be issued pursuant to a Credit Agreement executed in accordance with Subsection D of this Section. The Development & Infrastructure Services Director or authorized designee is authorized by this Chapter to enter into a Credit Agreement with the controlling entity of a Subject Development, subject to the following:

1. The Developer requesting the Credit Agreement shall provide all information requested by the Town to allow it to determine the value of the Credit to be applied.

2. An application for a Credit Agreement shall be submitted to the Town by the Developer within one year of the date on which ownership or control of the Capital Facility passes to the Town.

3. The Developer shall submit a draft Credit Agreement to the Development & Infrastructure Services Director or authorized designee(s) for review in the form provided to the Applicant by the Town. The draft Credit Agreement shall include, at a minimum, all of the following information and supporting documentation:

(a) A legal description and map depicting the location of the Subject Development for which Credit is being applied. The map shall depict the location of the Capital Facilities that have been or will be provided.

(b) An estimate of the total Service Units that will be developed within the Subject Development depicted on the map and described in the legal description.

(c) A list of the Capital Facilities, associated physical attributes and the related costs as stated in the Infrastructure Improvements Plan.

(d) Documentation showing the date(s) of acceptance by the Town, if the Capital Facilities have already been provided.

(e) The total amount of Credit to be applied within the Subject Development and the calculations leading to the total amount of Credit.

(f) The Credit amount to be applied to each Service Unit within the Subject Development for each Category of Necessary Public Services.

4. The applicant shall pay the cost incurred by the Town in making the determination. The Town as a condition of proceeding with the application will require a deposit of the reasonably estimated cost. The Town's determination of the Credit to be allocated is final.

5. Upon execution of the Credit Agreement by the Town and the Applicant, Credits shall be deemed allocated to the Subject Development.

6. Any amendment to a previously approved Credit Agreement must be initiated within two (2) years of the Town's final acceptance of the eligible Capital Facility for which the amendment is requested.

7. Development credits must be used within ten (10) years from the date of Credit Agreement.

F. *Issuance of Credits*. Credits allocated pursuant to Subsection D of this Section may be issued and applied toward the Gross Development Fees due from a development, subject to the following conditions:

1. Credits issued for an eligible Capital Facility may only be applied to the development fee due for the applicable Category of Necessary Public Services, and may not be applied to any fee due for another Category of Necessary Public Services.

2. Credits shall only be issued when the eligible Capital Facility from which the Credits were derived has been accepted by the Town.

3. Where Credits have been issued pursuant to paragraph 2 of this Subsection, a development fee due at the time a building permit is issued shall be reduced by the Credit amount stated in or calculated from the executed Credit Agreement. Where Credits have not yet been issued, the Gross Development Fee shall be paid in full.

4. Credits, once issued, may not be rescinded or reallocated to another permit or parcel, except that Credits may be released for reuse on the same Subject Development if a building permit for which the Credits were issued has expired or been voided and is otherwise eligible for a refund under Section 13-14.A.2(a) of this Chapter.

13-13: Appeals

A development fee determination by Town staff may be appealed in accordance with the following procedures:

A. *Limited Scope.* An appeal shall be limited to disputes regarding the calculation of the development fees for a specific development and/or permit and calculation of Service Units for the development.

B. *Form of Appeal.* An appeal shall be initiated on such written form as the Town may prescribe and submitted to the Development & Infrastructure Services Director or designee. The Applicant shall submit a written notice of appeal with a full statement of the grounds and an appeal fee of two hundred dollars ($200.00) or such other amount as may be fixed from time to time by ordinance adopted by the Town Council.

C. *Action by Manager.* The Town Manager or authorized designee shall act upon the appeal within 14 calendar days of receipt of the appeal and the Applicant shall be notified of the Town Manager or authorized designee's decision in writing.

D. *Final Decision.* The Town Manager or authorized designee's decision regarding the appeal is final.

E. *Fees During Pendency.* Building permits may be issued during the pendency of an appeal if the Applicant (1) pays the full development fee calculated by the Town at the time the appeal is filed or (2) provides the Town with financial assurances in the form acceptable to the Town Manager or authorized designee equal to the full amount of the development fee. Upon final disposition of an appeal, the fee shall be adjusted in accordance with the decision rendered, and a refund paid if warranted. If the appeal is denied by the Town Manager or authorized designee, and the Applicant has provided the Town with financial assurances as set forth in clause (2) above, the Applicant shall deliver the full amount of the development fee to the Town within ten days of the Town Manager or designee's final decision on the appeal. If the Applicant fails to deliver the full amount of the development fees when required by this Subsection, the Town may draw upon such financial assurance instrument(s) as necessary to recover the full amount of the development fees due from the Applicant.

13-14: Refunds

A. *Refunds.* A refund (or partial refund) will be paid to any current owner of property within the Town who submits a written request to the Town and demonstrates that:

1. The permit(s) that triggered the collection of the development fee have expired or been voided prior to the commencement of the development for which the permits were issued and the development fees collected have not been expended, encumbered, or Pledged for the repayment of Financing or Debt; or

2. The owner of the subject real property or its predecessor in interest paid a development fee for the applicable Category of Necessary Public Services on or after August 1, 2014, and one of the following conditions exists:

(a) The Capital Facility designed to serve the subject real property has been constructed, has the capacity to serve the subject real property and any development for which there is reserved capacity and the service which was to be provided by that Capital Facility has not been provided to the subject real property from that Capital Facility or from any other Capital Facility.

(b) After collecting the fee to construct a Capital Facility, the Town fails to complete construction of the Capital Facility within the time period identified in the Infrastructure Improvements Plan, as it may be amended, and the corresponding service is otherwise unavailable to the subject real property from that Capital Facility or any other Capital Facility.

(c) For a Category of Necessary Public Services other than Water Facilities, any part of a development fee is not spent within ten (10) years of the Town's receipt of the development fee.

(d) Any part of a development fee for Water Facilities is not spent within fifteen (15) years of the Town's receipt of the development fee.

(e) The development fee was calculated and collected for the construction cost to provide all or a portion of a specific Capital Facility serving the subject real property and the actual construction costs for the Capital Facility are less than the construction costs projected in the Infrastructure Improvements Plan by a factor of 10% or more. In such event, the current owner of the subject real property shall, upon request as set forth in this Section A, be entitled to a refund for the difference between the amounts of the development fee charged for and attributable to such construction cost and the amount the development fee would have been calculated to be if the actual construction cost had been included in the Infrastructure Improvements Plan. In performing the recalculation, the Town may take into consideration actual construction costs for other improvements serving the subject real property that were included in the Infrastructure Improvements Plan for the same Category of Necessary Public Facilities. The refund contemplated by this Subsection shall relate only to the costs specific to the construction of the applicable Capital Facility and shall not include any related design, administrative, or other costs not directly incurred for construction of the Capital Facility

that are included in the development fee as permitted by A.R.S. § 9-463.05.

B. *Earned Interest.* A refund of a development fee shall include any interest actually earned on the refunded portion of the development fee by the Town from the date of collection to the date of refund. All refunds shall be made to the record owner of the property at the time the refund is paid.

C. *Refund to Government.* If a development fee was paid by a governmental entity, any refund shall be paid to that governmental entity.

D. *Correction of Errors.* The Development & Infrastructure Services Director or designee is hereby authorized and directed to correct any error in the assessment and collection of development fees detected within twenty-four (24) months of the date of the payment of the development fees, including assessing additional development fee amounts or issuing a refund from the appropriate development fee fund(s).

E. *No Refund for Change of Development.* After a development fee has been paid pursuant to this Chapter, no refund of any part of such development fee shall be made if the development for which the development fee was paid is later demolished, destroyed, or is altered, reconstructed, or reconfigured so as to reduce the size of the development, the number of units in the development, or the number of Service Units.

13-15: Oversight of Program

A. *Annual Report.* Within 90 days of the end of each fiscal year, the Town shall file with the Town Clerk an unaudited annual report accounting for the collection and use of the fees for each service area and shall post the report on its website in accordance with A.R.S. § 9-463.05, Subsections N and O, as amended.

B. *Biennial Audit.* In addition to the Annual Report described in Subsection A of this Section, the Town shall provide for a biennial, certified audit of the Town's Land Use Assumptions, Infrastructure Improvements Plan and development fees.

1. An audit pursuant to this Subsection shall be conducted by one or more Qualified Professionals who are not employees or officials of the Town and who did not prepare the Infrastructure Improvements Plan.

2. The audit shall review the collection and expenditures of development fees for each project in the plan and provide written comments describing the amount of development fees assessed, collected and spent on capital facilities.

3. The audit shall describe the Level of Service in each Service Area and evaluate any inequities in implementing the Infrastructure Improvements Plan or imposing the development fee.

4. The Town shall post the findings of the audit on the Town's website and shall conduct a public hearing on the audit within 60 days of the release of the audit to the public.

5. For purposes of this Section a certified audit shall mean any audit authenticated by one or more of the Qualified Professionals conducting the audit pursuant to paragraph 1 of this Subsection.

13-16: Fee Schedule

A. Transportation, Parks and Police Development Fees

Land Use Type	Unit	Transportation	Parks	Police	Total
Single-Family Detached	Dwelling	$1,990	$856	$310	$3,156
Multi-Family	Dwelling	$1,231	$599	$215	$2,045
Mobile Home Park	Space	$649	$651	$234	$1,534
Hotel/Motel	Room	$758	$0	$200	$958
Retail/Commercial	1,000 sq. ft.	$2,412	$0	$447	$2,859
Office	1,000 sq. ft.	$1,822	$0	$156	$1,978
Industrial	1,000 sq. ft.	$983	$0	$65	$1,048
Warehouse	1,000 sq. ft.	$915	$0	$63	$978
Public/Institutional	1,000 sq. ft.	$1,379	$0	$118	$1,497

B. Water Development Fees – Refer to Town Code Chapter 15- Article 17.

Transportation, Park and Police Impact Fee Study

for the

Town of Oro Valley, Arizona

duncan | associates

March 2014

FINAL DRAFT

prepared by

Duncan Associates

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for the

Town of Oro Valley, Arizona

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EXECUTIVE SUMMARY

Duncan Associates has been retained by the Town of Oro Valley to update the Town's development impact fees for transportation, parks and police facilities in compliance with the new State impact fee enabling act. The Town's water impact fees are being updated separately. This report provides all of the analysis required by the new State act prior to the adoption of new or updated impact fees, including land use assumptions, infrastructure improvements plan and impact fee calculations.

Background

In 2011, the legislature passed SB 1525, which was signed by the governor on April 26, 2011. SB 1525 constituted a major overhaul of Arizona's impact fee enabling act for municipalities. Among other things, SB 1525 restricts the types of facilities for which impact fees may be charged and mandates the preparation of land use assumptions and an infrastructure improvements plan.

The last comprehensive update of the Town's impact fees was based on a 2008 study.[1] On January 1, 2012, the Town reduced its park and police fees to remove unauthorized components in compliance with the January 1, 2012 requirements of SB 1525. The current non-utility impact fees that have been effective since January 1, 2012 are summarized in Table 1.

Table 1. Current Non-Utility Impact Fee Schedule

Land Use Type	Unit	Roads	Parks	Police	Total
Single-Family*	Dwelling	$1,933	$555	$296	$2,784
All Other Housing	Dwelling	$1,331	$336	$176	$1,843
Lodging	Room	$556	n/a	$14	$570
Commercial 25,000 sf or less	1,000 sf	$5,533	n/a	$146	$5,679
Commercial, 25,001-50,000 sf	1,000 sf	$4,807	n/a	$126	$4,933
Commercial, 50,001-100,000 sf	1,000 sf	$4,014	n/a	$105	$4,119
Commercial, 100,001-200,000 sf	1,000 sf	$3,436	n/a	$91	$3,527
Commercial, >200,000 sf	1,000 sf	$2,921	n/a	$76	$2,997
Office/Institutional, 25,000 sf or less	1,000 sf	$1,812	n/a	$43	$1,855
Office/Institutional, 25,001-50,000 sf	1,000 sf	$1,547	n/a	$37	$1,584
Office/Institutional, 50,001-100,000 sf	1,000 sf	$1,318	n/a	$32	$1,350
Office/Institutional, 100,000 sf+	1,000 sf	$1,123	n/a	$27	$1,150
Business Park	1,000 sf	$1,260	n/a	$30	$1,290
Light Industrial	1,000 sf	$689	n/a	$16	$705
Manufacturing	1,000 sf	$378	n/a	$9	$387
Warehousing	1,000 sf	$490	n/a	$12	$502

* includes single-family attached
Source: Town of Oro Valley, Development Fee Summary, July 1, 2012.

The Town must now update its fees to be in full compliance with all provisions of the new enabling act by August 1, 2014. Assisting the Town in this endeavor for the non-utility fees is the purpose of this project.

[1] TischlerBise, *Development Fee Study and Infrastructure Improvements Plan prepared for Town of Oro Valley, Arizona*, April 7, 2008.

Summary of Findings

One of the recommendations of this study is to combine some of the current land use categories. Specifically, the current five commercial size categories are recommended to be combined, as well as the current four office/institutional size categories. In addition, business park, light industrial and manufacturing are proposed to be combined into a single industrial category. These consolidations are consistent with available demand data (e.g., higher trip generation size categories also tend to have shorter trip lengths and more pass-by traffic) and will simplify impact fee administration.

The updated transportation, park and police impact fees are summarized in Table 2, along with a comparison to current fees. The combined total of the three non-utility fees would be about 12% higher for residential uses, lower for most retail/commercial uses, and higher for most office and industrial/warehouse uses.

Table 2. Updated and Current Non-Utility Impact Fees

Land Use Type	Unit	Roads	Parks	Police	Total
Updated Fees					
Single-Family Detached	Dwelling	$1,990	$856	$310	$3,156
Multi-Family	Dwelling	$1,231	$599	$215	$2,045
Mobile Home Park	Space	$649	$651	$234	$1,534
Hotel/Motel	Room	$758	$0	$200	$958
Retail/Commercial	1,000 sq ft	$2,412	$0	$447	$2,859
Office	1,000 sq ft	$1,822	$0	$156	$1,978
Industrial	1,000 sq ft	$983	$0	$65	$1,048
Warehouse	1,000 sq ft	$915	$0	$63	$978
Public/Institutional	1,000 sq ft	$1,379	$0	$118	$1,497
Current Fees					
Single-Family Detached	Dwelling	$1,933	$555	$296	$2,784
Multi-Family	Dwelling	$1,331	$336	$176	$1,843
Mobile Home Park	Space	$1,331	$336	$176	$1,843
Hotel/Motel	Room	$556	$0	$14	$570
Retail/Commercial	1,000 sq ft	$3,436	$0	$91	$3,527
Office	1,000 sq ft	$1,318	$0	$32	$1,350
Industrial	1,000 sq ft	$689	$0	$16	$705
Warehouse	1,000 sq ft	$490	$0	$12	$502
Public/Institutional	1,000 sq ft	$1,318	$0	$32	$1,350
Percent Change					
Single-Family Detached	Dwelling	3%	54%	5%	13%
Multi-Family	Dwelling	-8%	78%	22%	11%
Mobile Home Park	Space	-51%	94%	33%	-17%
Hotel/Motel	Room	36%	n/a	1329%	68%
Retail/Commercial	1,000 sq ft	-30%	n/a	391%	-19%
Office	1,000 sq ft	38%	n/a	388%	47%
Industrial	1,000 sq ft	43%	n/a	306%	49%
Warehouse	1,000 sq ft	87%	n/a	425%	95%
Public/Institutional	1,000 sq ft	5%	n/a	269%	11%

Source: Updated fees from Table 21 (transportation), Table 29 (parks), and Table 37 (police); current fees from Table 1 (retail/commercial based on 100,001-200,000 sq. ft., office and institutional based on 50,001-100,000 sq. ft., industrial based on light industrial).

Average annual revenues anticipated over the next ten years, assuming the updated fees are adopted at 100%, are compared to actual revenues in recent years in Table 3.

Table 3. Historical and Projected Annual Impact Fee Revenues

Year	Roads	Parks	Police	Total
FY 07-08	$910,741	n/a	n/a	$910,741
FY 08-09	$316,954	$43,186	$8,206	$368,346
FY 09-10	$341,034	$162,756	$37,044	$540,834
FY 10-11	$263,302	$117,584	$28,061	$408,947
FY 11-12	$238,733	$99,542	$30,618	$368,893
Avg. 2013-2023	$494,909	$109,654	$72,770	$677,333

Source: Historical revenues from Town of Oro Valley Finance Department, March 19, 2013; average annual revenues for 2013-2023 from Table 23 (transportation), Table 31 (parks) and Table 39 (police).

Anticipated impact fee revenues are compared with the costs of planned capital improvements in Table 4. The updated impact fees will cover approximately one-fifth of the Town costs for planned transportation, park and police capital improvements over the next ten years.

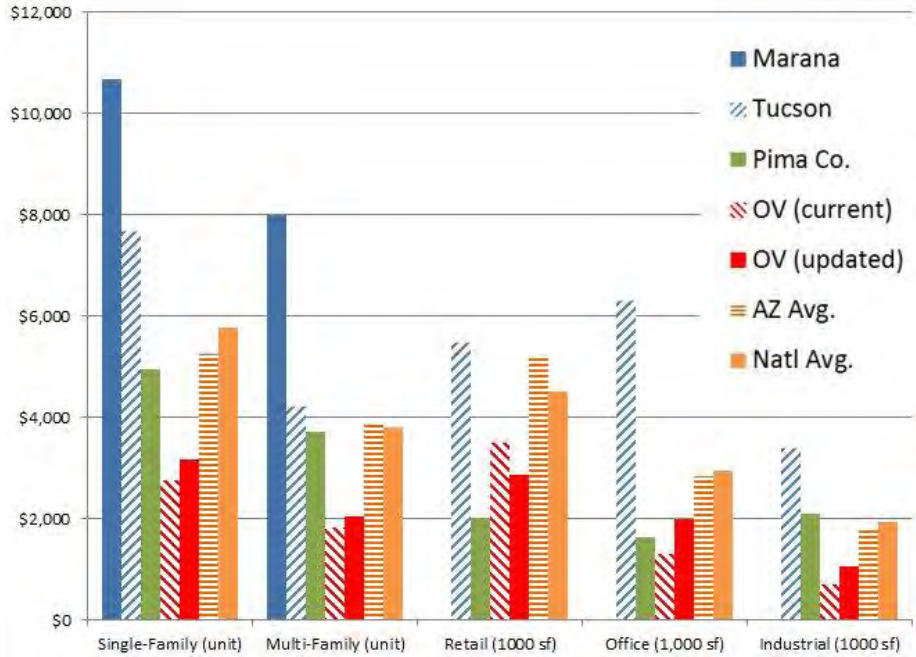
Table 4. Planned Costs and Fee Revenue, 2013-2023

Fee Type	Planned Costs	Potential Revenue	Share of Costs
Transportation	$27,189,600	$4,949,094	18.2%
Parks	$5,025,000	$1,096,536	21.8%
Police	$2,225,000	$727,700	32.7%
Total	$34,439,600	$6,773,330	19.7%

Source: Transportation costs and revenues from Table 24 and Table 23, respectively; parks from Table 32 and Table 31; police from Table 40 and Table 39.

The Town's current and proposed total non-utility fees are compared with those currently charged by Marana, Tucson and Pima County, as well as the Arizona average, in Figure 1. This comparison shows that the Town's current and updated fees are relatively low compared to nearby communities and the state and national averages.

Figure 1. Comparative Total Non-Utility Impact Fees



Source: Duncan Associates survey, May 2013 (national average excludes California)

LEGAL FRAMEWORK

Impact fees are a way for local governments to require new developments to pay a proportionate share of the infrastructure costs they impose on the community. In contrast to traditional "negotiated" developer exactions, impact fees are charges that are assessed on new development using a standard formula based on objective characteristics, such as the number and type of dwelling units constructed. The fees are one-time, up-front charges, with the payment usually made at the time of building permit issuance. Impact fees require each new development project to pay its pro-rata share of the cost of new capital facilities required to serve that development.

Arizona's enabling act for municipalities is codified in Sec. 9-463.05, Arizona Revised Statutes (ARS). In 2011, the legislature passed SB 1525, which was signed by the governor on April 26, 2011. SB 1525 constituted a major overhaul of Arizona's enabling act for municipalities. This section summarizes some of the major provisions of the new state act.

Eligible Facilities

Prior to SB 1525, municipalities could assess impact fees for any "necessary public services" (which was not defined) that constituted "costs to the municipality." SB 1525 amended the statute to limit the types of facilities for which impact fees can be assessed. Authorized facilities for which impact fees can be assessed, after January 1, 2012, are limited to the following defined "necessary public services:"

> *"Necessary public service" means any of the following facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:*
>
> *(a) Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.*
>
> *(b) Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.*
>
> *(c) Storm water, drainage and flood control facilities, including any appurtenances for those facilities.*
>
> *(d) Library facilities of up to ten thousand square feet that provide a direct benefit to development, not including equipment, vehicles or appurtenances.*
>
> *(e) Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.*
>
> *(f) Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.*

> *(g) Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.*
>
> *(h) Any facility that was financed and that meets all of the requirements prescribed in subsection* R *of this section.* (Sec. 9-463.05.S.5, ARS)

No longer authorized are fees for general government facilities, sanitation facilities, library buildings larger than 10,000 square feet and library books or equipment, fire and police administrative and training facilities and aircraft, parks larger than 30 acres and community centers larger than 3,000 square feet. No changes were made to authorized improvements for road, stormwater drainage, water or wastewater facilities, other than the new requirement that eligible facilities must have a life expectancy of at least three years.

Compliance Deadlines

Municipalities may continue to collect fees for unauthorized facilities after January 1, 2012 if the fees were pledged to retire debt for such facilities prior to June 1, 2011. However, the Town of Oro Valley had not pledged fee revenue in this sense for any of its development impact fees.

SB 1525 added numerous new requirements related to how impact fees are calculated. Land use assumptions (growth projections) must be prepared for each service area, covering at least a ten-year period. Many new requirements were added for the infrastructure improvements plan (IIP) and the impact fee analysis. However, compliance with these is not required until August 1, 2014:

> *A development fee that was adopted before January 1, 2012 may continue to be assessed only to the extent that it will be used to provide a necessary public service for which development fees can be assessed pursuant to this section and shall be replaced by a development fee imposed under this section on or before August 1, 2014. (9-463.05K, ARS)*

Significant changes were made to the requirements for adopting updated infrastructure improvements plans and fee schedules. These requirements are effective as of January 1, 2012, but only apply to the updated IIP and impact fee schedules that must be in place by August 1, 2014.

Provisions were also added relating to refunds. However, these provisions only apply to fees collected after August 1, 2014.

Other changes, however, are effective as of January 1, 2012. These include new provisions or amendments related to developer credits, the locking-in of fee schedules for 24 months following development approval, and annual reporting requirements. In addition, the expenditure of impact fees collected after January 1 is restricted to facilities authorized by SB 1525 (and repayment of pledged debt for unauthorized facilities, although this is not an option for Oro Valley).

Service Areas

Service areas are a key requirement for impact fees under SB 1525. A service area is defined as "any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan." Land use assumptions (growth projections) and an infrastructure improvements plan (list of capital improvements and impact fee analysis) must be prepared for each service area.

It should be noted that multiple service areas are not mandated by SB 1525. A service area may include all of the area within the Town limits, as long as it can be shown that developments located anywhere within the service area will be served by or benefit from improvements located in the service area.

Service Units

In impact fee analysis, demand for facilities must be expressed in terms of a common unit of measurement, called a "service unit." SB 1525 defines a service unit as "a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services or facility expansions." The recommended service units are described in the individual facility sections of this report.

Methodologies

SB 1525 is sometimes misunderstood to dictate a particular methodology for calculating impact fees. Because cities must forecast anticipated growth over a fixed time period and identify improvements over the same time period, some are lead to think that a "plan-based" methodology is required, where the cost per service unit is calculated by dividing planned costs by anticipated new service units. In fact, however, SB 1525 does not dictate this methodology, and most impact fees in the state have not been calculated in this way. The reason is that, to support a plan-based methodology, the list of planned improvements must be developed using a rigorous analysis, such as the modeling used to develop a transportation master plan, in order to establish the required nexus between the anticipated growth and the specific list of improvements required to serve that growth. In many cases, such a master plan is not available.

The principal alternative to the plan-based methodology is "standards-based." The key difference is that the plan-based approach is based on a complex level of service (LOS) standard, such as "every road shall function at LOS D or better," or "the average fire response time shall not exceed three minutes," that requires projecting growth by small areas and using sophisticated modeling or analysis to determine the specific improvements needed to maintain the desired LOS. In contrast, a standards-based approach uses a generalized LOS standard, such as the ratio of park acres to population, which does not require an extensive master planning effort in order to determine the improvements and costs that are attributable to a specific quantity of growth.

There are advantages and disadvantages to the two methodologies. The major advantage of a standards-based methodology is that it is more flexible, since the fees are not dependent on the

specific projects included in the list of improvements, only on the average cost to construct a unit of capacity. Changing the list of planned projects typically does not require recalculation of standards-based impact fees, since a single project is likely to have an insignificant impact on the average cost of capacity added by all of the improvements. This allows the capital plan to change in response to unforeseen development without triggering the need for an impact fee update.

Level of Service (LOS) Standards

SB 1525 does not define the term "level of service" (LOS), nor does it require the formal adoption of LOS standards. It does require, however, that impact fees be based on the same LOS provided to existing development in the service area. This reflects a basic principle of impact fees, which is that new development should not be charged for a higher LOS than existing development. This does not mean that impact fees cannot be based on a higher standard than is currently actually provided to existing development in a service area. If the fees are based on a higher-than-existing LOS, however, there must be a plan to use non-impact fee funds to remedy the existing deficiency.

Land Use Assumptions

An impact fee update must now include the development of land use assumptions (growth projections) for each service area. SB 1525 defines land use assumptions as "projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality." Since the infrastructure improvements plan (IIP) that must be prepared for each service area must identify improvement needs for a period not to exceed 10 years, a 10-year time-frame would seem to be the most appropriate for both the land use assumptions and the IIP.

Infrastructure Improvements Plan

SB 1525 requires that an infrastructure improvements plan (IIP) be prepared for facility type for each service area. Impact fees may only be collected to pay for improvements identified in the IIP. By implication, impact fees can only be spent on improvements listed in the IIP.

The IIP is often confused with a list of planned capital improvements. While the IIP must include such a list, it must also contain much more analysis. The IIP is basically the impact fee study. To avoid confusion, we suggest referring to the list of improvements that must be included in the IIP as the "capital plan." The consultant proposes to prepare a single, consolidated document that includes land use assumptions, infrastructure improvement plans and impact fee analyses for the Town's transportation, parks and police impact fees.

As noted above, the IIP must identify planned projects over a period of not more than 10 years, and it is suggested that the Town's IIPs and capital plans cover a 10-year period. Of course, the impact fee analysis could cover a longer period, such as to build-out, which may be required if the fees are based on build-out master plans.

The cost of the projects listed in the capital plan will not necessarily determine the impact fee amounts. As described earlier, there are two basic methodologies. Under a plan-based approach, the fee will be determined by the projects listed in the applicable master plan, some but not all of which will be listed in the impact fee capital plan. Under the standards-based approach, the fees will

be based on the existing level of service and the average cost per unit of capacity. Consequently, under the standards-based approach, the impact fee capital plan is primarily a list of improvements that are eligible to be funded with impact fees.

Eligible improvements are those that add capacity to accommodate future growth. Replacing an existing police patrol vehicle or remodeling or repairing an existing building are examples of improvements that do not add capacity. Some projects may be partially eligible. In addition, existing facilities that have outstanding debt that is to be repaid with impact fees should be listed in the capital plan.

Refunds

A common and understandable misinterpretation of SB 1525 is that a municipality may be required to refund fees collected if any improvement listed in the IIP is not completed within the timeframe of the IIP. Section 9-463.05.B.7 provides that collection of impact fees is allowed only to pay for a project that is identified in the IIP, "and the municipality plans to complete construction and have the service available within the time period established in the infrastructure improvements plan, but in no event longer than the time period provided in subsection H, paragraph 3 of this section [i.e., 15 years for water and wastewater, and 10 years for other facilities]." The key terms in this section are "plans to complete" and "have the service available." No community has a crystal ball that allows them to know with certainty how much development is going to occur over a 10-15 year period in the future. While the Town may plan to complete an improvement in this time period in order to serve anticipated growth, if the anticipated growth does not materialize and the need for the improvement is not required to serve the growth that does occur, it is highly unlikely that a court would find that the Town is compelled to refund the fees that it did collect.

The refund provisions in the referenced refund subsection (H) reinforce this interpretation. Section 9-463.05.B.7 directly references only the final paragraph of subsection H (H.3), which simply requires that the impact fees be spent within a certain time period (15 years for water and wastewater, and 10 years for other facilities) from the date they were collected. It is reasonable to conclude that this is the only refund provision that will likely be applicable, as long as the Town does not collect impact fees and deny access to services. However, there is always the possibility that refunds could be required if a construction project comes in significantly lower than its estimated cost.

Offsets

A fundamental principle of impact fees is that new development should not be required to pay twice for the cost of new facilities – once through impact fees and again through other taxes or fees that are used to fund the same facilities. To avoid such potential double-payment, impact fees may be reduced, and such a reduction is referred to as an "offset." Typically, offsets are incorporated into the impact fee calculation, although they can also be addressed through an independent fee study for an individual development project. While this has long been a part of impact fee practice in Arizona, SB 1525 amended the state enabling act to add the following provision (Section 9-463.05.B.12):

> *The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public*

> *service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.*

The revenue forecast required by Section 9-463.05.B.12 is provided in Appendix C.

In general, offsets are only required for funding that is dedicated for capacity-expanding improvements of the type addressed by the impact fee. A municipality is not required to use general fund revenue to pay for growth-related improvements. If, for example, a municipality decides that the existing level of service on which impact fees are based is insufficient, and opts to use general revenue to raise the level of service for both existing and new development, no offset would be required.

The clearest situation that requires an offset is when there is outstanding debt on the facilities that are providing existing development with the level of service that new development will be expected to pay for through impact fees. In this case, new development will be paying for the facilities that will serve them, while also paying for a portion of the cost of facilities serving existing development through property or other taxes. Consequently, the impact fees should be reduced to avoid this potential double-payment.

Another clear case requiring offsets is when the impact fees have been adopted based on a level of service that is higher than what is currently provided to existing development in the service area. In such a case, the cost of remedying the existing deficiency will almost always be funded by future revenue sources to which new development will contribute. To the extent that this is the case, an offset is required.

As noted above, an offset will generally be warranted when new development will be contributing toward a funding source that is dedicated to fund the same growth-related improvements addressed by the impact fee. Offsets are also often provided for anticipated grant funding that may be available to help fund growth-related improvements, although the uncertainty of such funding and the fact that it is not paid for by property owners make this type of offset discretionary.

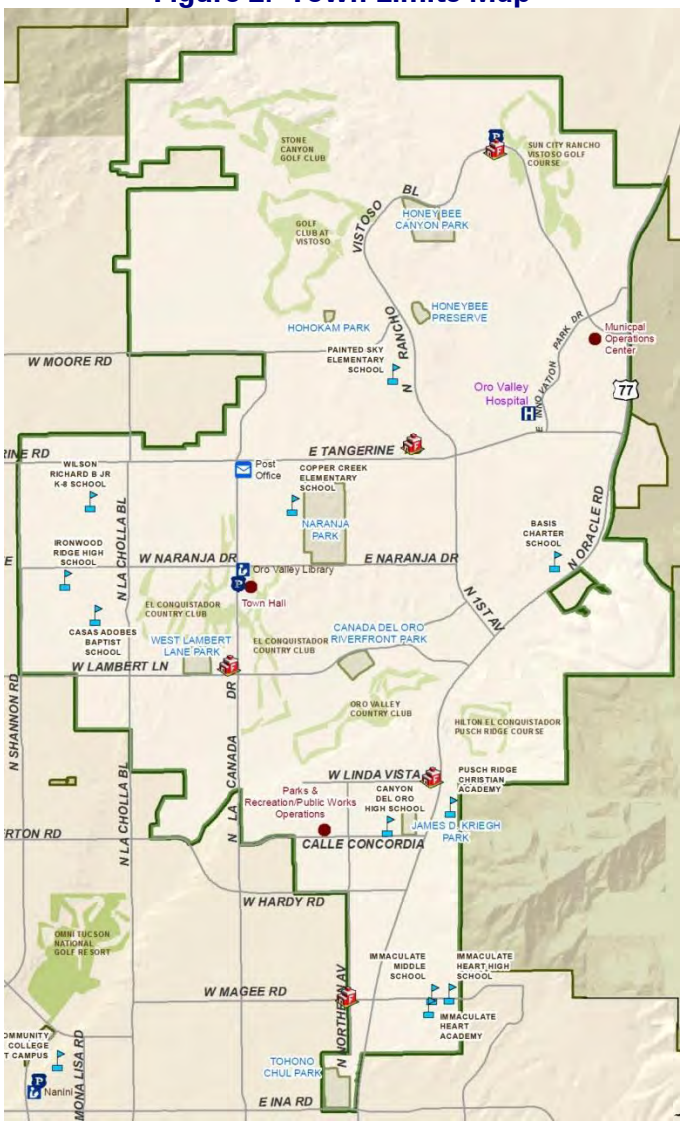
Finally, the new language inserted in the state enabling act by SB 1525, cited above, now requires municipalities to provide offsets for the excess portion of any construction contracting excise tax. Oro Valley has five classifications: Privilege Tax (2%), Hotel/Motel (6%), Construction Contracting (4%), Utilities (4%) and Pre-Existing Contracts (2%). Construction is higher than two of the other four categories, but two is not a majority of four. However, the Town has received a legal opinion that the word "classification" in the statute refers to the "taxable activities" on the Arizona Department of Revenue ("ADOR") chart. This includes all taxable activities, such as bars/restaurants, transportation, commercial lease, amusement, job printing etc. Based on this interpretation, the transaction privilege tax on most of the Oro Valley classifications (taxable activities) is 2%. Consequently, an offset is provided for half of the construction sales tax against the transportation impact fees.

SERVICE AREAS

As noted in the Legal Framework section, service areas are a key requirement for impact fees under SB 1525. Land use assumptions (growth projections) and an infrastructure improvements plan (list of capital improvements and impact fee analysis) must be prepared for each service area. Multiple service areas are not mandated by SB 1525, as long as it can be shown that developments located anywhere within the service area will be served by or benefit from improvements anywhere in the service area – which is another way of saying that a "substantial nexus" can be demonstrated.

Oro Valley currently charges non-utility impact fees for transportation, parks and police facilities. The Town currently has a single, town-wide service area for all three fee types. The current Oro Valley town limits are shown in Figure 2 below.

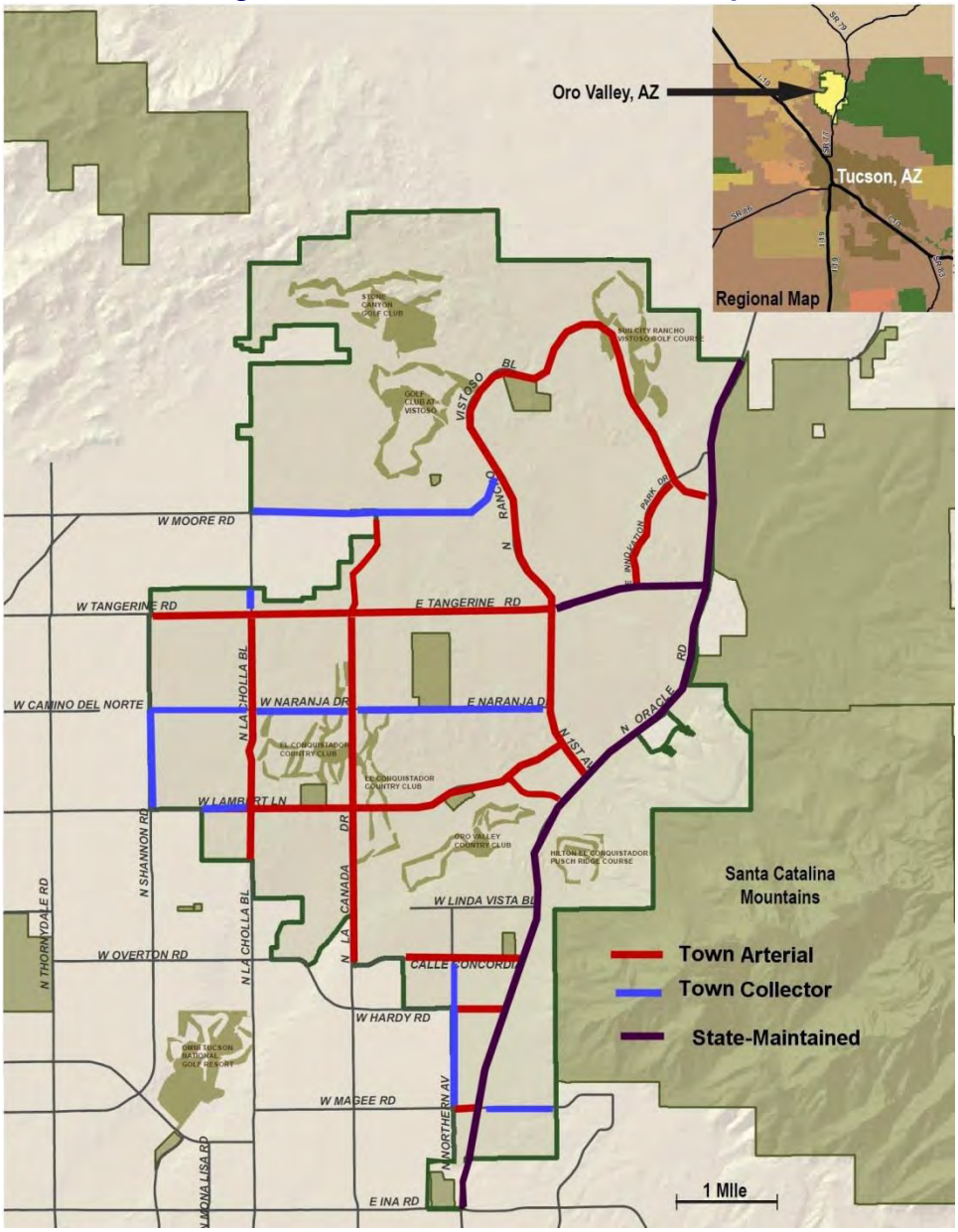
Figure 2. Town Limits Map



Transportation

Transportation planners classify roadways according to function. Local streets primarily function to provide access to adjacent development. Collector roads serve a dual function, providing both access and a way for traffic to get to the arterial. Arterial roadways also provide some access to adjacent properties, but their primary function is to move traffic long distances with a community. The functional classifications of the Town's existing major roadways are shown in Figure 3.

Figure 3. Functional Classification Map



The Town's transportation impact fees are limited to arterials and major collectors. Since these roadway classifications are designed to move traffic throughout the community, a town-wide service area continues to be appropriate.

Parks

SB 1525 authorizes fees for "neighborhood parks," although the term is undefined except for certain restrictions. The most important restriction is that neighborhood parks cannot not exceed 30 acres, unless a "direct benefit" (another undefined term) can be demonstrated.

While the Town's does not have a park master plan, typical standards are that a neighborhood park should be 5-10 acres and have a service area of about a one-half mile radius, while a community park should be 30-80 acres in size and have a service area of about a three-mile radius. The 30-acre park size authorized for impact fees falls somewhere between a neighborhood and community park.

Park impact fee service areas can reasonably be larger than the service area of a single park. Residents do not always use the park closest to them. A park impact fee system where each existing or potential park has its own service area would be unworkable. The entire town limits is roughly the size of two community park areas, and is recommended for the park impact fees.

Police

The current and recommended service area for police impact fees is town-wide. Most police facilities are centralized in the Main Police Station, and police protection is provided throughout the city from roving patrol cars.

LAND USE ASSUMPTIONS

This section presents land use assumptions covering a ten-year period (2013-2023) to serve as the basis for the infrastructure improvements plan and impact fee calculations for the Town of Oro Valley's transportation, park and police impact fees.

SB 1525 requires that land use assumptions be developed for each service area. All of the Town's impact fees will continue to be based on a single town-wide service area.

SB 1525 requires that land use assumptions be developed "pursuant to the general plan." The *Oro Valley General Plan*, adopted in 2005, does not include projections of future population or land use. Consequently, other data sources will be used to develop projections.

The 2010 U.S. Census provides a total count of housing units, but no information on units by housing type. Information on housing type is available from sample data collected by the Census Bureau as part of the annual American Housing Survey. The most recent available data is a weighted 5% sample, which consist of five annual 1% samples taken in 2007 through 2011. These figures are adjusted to match the 2010 total housing count from the 2010 Census. Adding the number of units for which building permits were issued by the Town over the last three years yields an estimate of existing housing units by type for 2013, as shown in Table 5.

Table 5. Existing Housing Units by Type, 2013

	2007-11 ACS	2010 Census	2010-12 Permits	2013 Est.
Single-Family Detached	14,677	15,285	264	15,549
Multi-Family	4,486	4,672	757	5,429
Mobile Home	368	383	0	383
Total Housing Units	19,531	20,340	1,021	21,361

Source: 2007-2011 ACS data is from the U.S. Census Bureau's American Community Survey, based on a 5% sample taken over five years; 2010 total units from 2010 U.S. Census, SF1 100% count data; 2010 units by type based on distribution of units from ACS data; building permits issued in calendar years 2010 through 2012 from Town of Oro Valley Development and Infrastructure Services Department, March 22, 2013 (includes an additional 750 multi-family units per Town, August 20, 2013).

The best available source of information on growth projections for Oro Valley is the small area population, housing and employment estimates and projections prepared by the Pima Association of Governments (PAG). The boundaries of these small areas, called Traffic Analysis Zones (TAZ), coincide very closely with the Town's boundaries, and can be aggregated to the Town limits. Current PAG data sets are available for 2005 estimates and 2040 projections. 2013 estimates for housing and population are based on current housing unit estimates derived in Table 5 above. Employment estimates for 2013 are derived from 2005 PAG employment estimates, which are adjusted upward by the 2005-2013 growth in housing units. 2023 population, housing and employment estimates are based on a straight-line interpolation between 2013 estimates and 2040 PAG projections. The resulting 2013-2023 forecasts are presented in Table 6.

Table 6. Population, Housing and Employment, 2013-2023

	2005	2013	2023	2040
Total Population	39,028	43,070	47,735	55,666
Total Housing Units	18,509	21,361	22,749	25,109
Retail/Commercial Employment	3,367	3,886	4,941	6,736
Office Employment	2,487	2,870	4,083	6,145
Industrial Employment	2,405	2,776	3,042	3,493
Warehouse Employment	130	150	121	71
Public Employment	1,016	1,173	1,787	2,832

Source: 2005 estimates and 2040 projections for Traffic Analysis Zones consistent with Town of Oro Valley town limits from Pima Association of Governments; 2013 housing units from Table 5; 2013 population based on 2013 housing and 2010 ratio of population to housing from 2010 U.S. Census; 2013 employment based on 2005 estimates and 2013 to 2005 housing unit ratio; 2023 population, housing and employment is straight-line interpolation between 2013 and 2040.

The number of employees can be converted to building square footage estimates using the employee density ratios shown in Table 7.

Table 7. Employee Density Ratios

Land Use Type	Sq. Feet/ Employee	Employees/ 1,000 Sq. Ft.
Retail/Commercial	487	2.05
Office	205	4.88
Industrial	460	2.17
Warehouse	1,236	0.81
Public	800	1.25

Source: Sample survey data collected by City of Chandler, Arizona, Economic Development Department, 2005.

Land use assumptions for 2013-2023 are summarized in Table 8 below for population, housing units by type and nonresidential building square footage by land use type.

Table 8. Population, Housing and Nonresidential Sq. Ft., 2013-2023

	2013	2023
Total Population	43,070	47,735
Single-Family Detached Units	15,549	16,578
Multi-Family Units	5,429	5,788
Mobile Home Units	383	383
Total Housing Units	21,361	22,749
Retail/Commercial Sq. Ft. (1,000s)	1,892	2,406
Office Sq. Ft. (1,000s)	588	837
Industrial Sq. Ft. (1,000s)	1,277	1,399
Warehouse Sq. Ft. (1,000s)	185	150
Public Sq. Ft. (1,000s)	938	1,430
Total Nonresidential Sq. Ft. (1,000s)	4,880	6,222

Source: 2013 and 2023 population and total housing units from Table 6; 2013 housing units by type from Table 5; 2023 housing units by type assumes no growth in mobile homes and new units distributed according to 2013 distribution of non-mobile home units; nonresidential square fee based on employment from Table 6 and employee density ratios from Table 7.

TRANSPORTATION

This section updates the Town's transportation impact fees in compliance with the new Arizona impact fee enabling act for municipalities.

There are two basic transportation impact fee methodologies: consumption-based and plan-based. In the standard consumption-based approach, the total cost of a representative set of improvements is divided by the capacity added by those improvements in order to determine an average cost per vehicle-mile of capacity (VMC). This cost per VMC is then multiplied by the vehicle-miles of travel (VMT) generated by a unit of development of a particular land use type to determine the gross impact fee. A variant is the modified consumption-based approach, which uses a system-wide VMC/VMT ratio higher than the 1:1 ratio implicit in the standard approach.

The alternative is the plan-based approach. The key to a defensible plan-based methodology is a well-designed transportation master plan that establishes a strong nexus between anticipated growth over a 10-20 year period and the improvements that will be required to accommodate growth over that planning horizon. The cost per VMT (or per trip) is determined by dividing the cost of the planned improvements by the growth in VMT. The cost per VMT is then multiplied by the vehicle-miles of travel (VMT) generated by a unit of development of a particular land use type to determine the gross impact fee. The level of service standard under the plan-based approach is facility-specific (e.g., "all major road segments and intersections shall function at LOS D or better").

There are advantages and disadvantages to the two methodologies. The consumption-based approach, at least in its standard form, tends to be conservative and generally results in lower impact fees than the plan-based approach. This is because most roadway systems need more than one unit of capacity (VMC) for each unit of travel demand (VMT) in order to function at an acceptable level of service (the modified consumption-based approach addresses this issue and is less conservative). Plan-based fees using a transportation plan that identifies all of the improvements needed to provide acceptable levels of service on all roadways will almost always result in higher fees.

The major advantage of a consumption-based methodology is that it is more flexible, since the fees are not dependent on the specific projects included in the list of improvements, only on the average cost to construct a vehicle-mile of capacity. Changing the list of planned projects typically does not require recalculation of consumption-based road impact fees, since a single project is likely to have an insignificant impact on the average cost of capacity added by all of the improvements. This allows the capital plan to change in response to unforeseen development without triggering the need for an impact fee update. This update uses the consumption-based methodology.

Existing Level of Service

As described above, the level of service used in the consumption-based methodology is a system-wide capacity/demand (VMC/VMT) ratio of one. This section demonstrates that the existing level of service exceeds this standard.

An inventory of the existing arterial/major collector road network is summarized in Table 9 below. For each roadway segment, information was gathered on segment length in miles, number of through lanes, and current traffic volumes (annualized average daily trips or AADT). The number

of vehicle-miles of travel (VMT) is the product of segment miles and AADT. The number of vehicle-miles of capacity (VMC) is the product of segment miles and roadway capacity.

Table 9. Existing Major Road Inventory

Street	From	To	Class	Miles	Lns.	AADT	VMT	VMC
1st Ave	Oracle Rd	Lambert Ln	Minor Art	0.414	4	24,340	10,077	10,350
1st Ave	Lambert Ln	Naranja Dr	Minor Art	0.365	4	15,746	5,747	9,125
1st Ave	Naranja Dr	Tangerine Rd	Minor Art	0.997	4	15,746	15,699	24,925
Calle Buena Vista	Calle Concordia	Hardy	Collector	1.000	2	3,533	3,533	10,000
Calle Concordia	Calle Loma Linda	Calle Buena Vista	Minor Art	0.499	2	4,300	2,146	4,990
Calle Concordia	Calle Buena Vista	Overlook	Minor Art	0.708	2	4,300	3,044	7,080
Calle Concordia	Overlook	Hwy 77	Minor Art	0.708	2	4,300	3,044	7,080
Hardy Rd	Calle Loma Linda	Calle Buena Vista	Minor Art	0.501	2	5,384	2,697	5,010
Hardy Rd	Calle Buena Vista	Oracle Rd	Minor Art	0.534	2	5,384	2,875	5,340
Innovation Park	SR -989	Rancho Vistoso	Minor Art	1.248	2	6,000	7,488	12,480
La Canada Dr	Oro Valley TB	Calle Concordia	Minor Art	0.505	4	11,749	5,933	12,625
La Canada Dr	Oro Valley TB	Rancho Sonora	Minor Art	0.647	4	11,750	7,602	16,175
La Canada Dr	Rancho Sonora Dr	Lambert lane	Minor Art	0.414	4	11,750	4,865	10,350
La Canada Dr	Lambert Ln	Naranja Dr	Minor Art	0.997	4	14,658	14,614	24,925
La Canada Dr	Naranja Dr	Tangerine Rd	Minor Art	0.971	4	10,382	10,081	24,275
La Canada Dr	Tangerine Rd	Moore Rd	Minor Art	1.000	4	5,058	5,058	25,000
La Cholla Blvd	0.5 mi. S of Lambert	Lambert Ln	Minor Art	0.500	2	14,246	7,123	5,000
La Cholla Blvd	Lambert Ln	Naranja Dr	Minor Art	1.007	2	10,669	10,744	10,070
La Cholla Blvd	Naranja Dr	Tangerine Rd	Minor Art	0.966	2	9,870	9,534	9,660
La Cholla Blvd	Tangerine Rd	Oro Valley TB	Collector	0.258	2	2,798	722	2,580
Lambert Ln	0.5 mi. E of Shannon	La Cholla Blvd	Collector	0.496	2	7,178	3,560	4,960
Lambert Ln	La Cholla Blvd	Rancho Sonora	Minor Art	0.625	2	9,437	5,898	6,250
Lambert Ln	Rancho Sonora Dr	La Canada Dr	Minor Art	0.369	2	9,437	3,482	3,690
Lambert Ln	La Canada Dr	Highlands Dr	Minor Art	1.290	2	11,938	15,400	12,900
Lambert Ln	Pusch View	1st Ave	Minor Art	1.017	2	11,931	12,134	10,170
Magee Road	Northern Ave	Oracle Rd	Minor Art	0.219	2	14,146	3,098	2,190
Magee Road	Oracle Rd	Town Limits	Collector	0.787	2	1,888	1,486	7,870
Moore Road	La Cholla Blvd	Copper Spring Trl	Collector	1.558	2	3,621	5,642	15,580
Moore Road	Copper Spring Trl	Woodburne Ave.	Collector	0.804	2	3,621	2,911	8,040
Moore Road	Woodburne Ave.	Rancho Vistoso Bd	Collector	0.286	2	3,621	1,036	2,860
Naranja Dr	Shannon Road	La Cholla Blvd	Collector	1.000	2	2,000	2,000	10,000
Naranja Dr	La Cholla Blvd	La Canada Dr	Collector	0.998	2	7,883	7,867	9,980
Naranja Dr	La Canada Dr	1st Ave	Collector	2.020	2	3,977	8,034	20,200
Northern Ave.	Magee Road	Camino Cortaro	Collector	0.496	2	8,440	4,186	4,960
Northern Ave.	Camino Cortaro	Hardy Road	Collector	0.507	2	8,440	4,279	5,070
Pusch View Lane	Lambert Lane	Oracle Road	Minor Art	0.644	4	5,926	3,816	16,098
Rancho Vistoso	Tangerine Rd	Moore Rd	Minor Art	1.466	4	18,566	27,218	36,650
Rancho Vistoso	Moore Rd	Sun City Blvd	Minor Art	2.447	4	3,481	8,518	61,175
Rancho Vistoso	Sun City Blvd	Del webb Blvd	Minor Art	1.117	4	8,209	9,169	27,925
Rancho Vistoso	Del webb Blvd	Innovation Park	Minor Art	0.815	4	12,938	10,544	20,375
Rancho Vistoso	Innovation Park Dr	SR-77	Minor Art	0.414	4	12,932	5,354	10,350
Shannon Rd	Lambert Ln	Naranja	Collector	0.985	2	2,582	2,543	9,850
Tangerine Rd	Shannon Rd	La Cholla Blvd	Prin Art	0.981	2	11,242	11,028	9,810
Tangerine Rd	La Cholla Blvd	La Canada Dr	Prin Art	1.007	2	13,316	13,409	10,070
Tangerine Rd	La Canada Dr	Mandarin Ln	Prin Art	1.580	4	18,640	29,451	39,500
Vistoso Comm Lp	Rancho Vistoso Bd	Oracle Road	Collector	0.444	4	1,538	682	11,094
Total Vehicle-Miles							335,371	614,657

Source: Segment descriptions, miles, lanes and AADT from Town of Oro Valley, March 27, 2013; VMT is product of miles and AADT; VMC is product of miles and 25,000 vehicles per day for 4-lane and 10,000 for 2-lane.

The results of the existing level of service analysis are shown in Table 10. While some individual road segments are operating at a level of service worse than LOS D, the appropriate level of service measurement for a consumption-based road fee is the overall ratio of capacity to demand for the service area. As shown below, existing level of service exceeds the minimum VMC/VMT ratio of one.

Table 10. Existing Transportation Level of Service

Total Vehicle-Miles of Capacity (VMC)	614,657
÷ Total Vehicle-Miles of Travel (VMT)	335,371
Existing VMC/VMT Ratio	1.83

Source: Vehicle-miles of capacity (VMC) and vehicle-miles of travel (VMT) from Table 9.

Service Units

A service unit creates the link between supply (roadway capacity) and demand (traffic generated by new development). An appropriate service unit basis for road impact fees is vehicle-miles of travel (VMT). Vehicle-miles is a combination of the number of vehicles traveling during a given time period and the distance (in miles) that these vehicles travel.

The two time periods most often used in traffic analysis are the 24-hour day (average daily trips or ADT) and the single hour of the day with the highest traffic volume (peak hour trips or PHT). Due to the fact that available traffic counts are in terms of ADT and to be consistent with the Town's current fees, which are based on ADT, daily VMT will be used as the service unit for the transportation impact fees.

Transportation service units are defined in terms of vehicle travel. The travel demand generated by a specific land use is a product of three factors: 1) trip generation, 2) percent primary trips and 3) average trip length.

Trip Generation

Trip generation rates are based on information published in the most recent edition of the Institute of Transportation Engineers' (ITE) Trip Generation manual. Trip generation rates represent trip ends, or driveway crossings at the site of a land use. Thus, a single-one way trip from home to work counts as one trip end for the residence and one trip end for the work place, for a total of two trip ends. To avoid over counting, all trip rates have been divided by two. This places the burden of travel equally between the origin and destination of the trip and eliminates double charging for any particular trip.

Primary Trip Factor

Trip rates must also be adjusted by a "primary trip factor" to exclude pass by and diverted-linked trips. This adjustment is intended to reduce the possibility of over-counting by only including primary trips generated by the development. Pass by trips are those trips that are already on a particular route for a different purpose and simply stop at a development on that route. For example, a stop at a convenience store on the way home from the office is a pass by trip for the convenience store. A pass by trip does not create an additional burden on the street system and therefore should not be counted in the assessment of impact fees. A diverted-linked trip is similar

to a pass by trip, but a diversion is made from the regular route to make an interim stop. The reduction for pass by and diverted-linked trips was drawn from ITE and other published information.

Average Trip Length

In the context of a transportation impact fee based on a consumption-based methodology, it is necessary to determine the average length of a trip on the major roadway system within Oro Valley. The point of departure in developing local trip lengths is to utilize national data. The U.S. Department of Transportation's 2009 National Household Travel Survey identifies average trips lengths for specific trip purposes. However, these trip lengths are unlikely to be representative of travel on the major roadway system in Oro Valley, since the national data includes travel on Federal and State highways, minor collectors and local streets, as well as travel outside any one jurisdiction. An adjustment factor for local trip lengths can be derived by dividing the vehicle-miles of travel (VMT) that is actually observed on the major roadway system by the VMT that would be expected using national average trip lengths and trip generation rates.

The first step is to estimate the total VMT that would be expected to be generated by existing development in Oro Valley based on national travel demand characteristics. This can be accomplished by multiplying existing development in each land use category by the appropriate national trip generation rate, primary trip factor and trip length, and summing for all land use types, as shown in Table 11. The expected VMT is considerably higher than the actual estimated VMT on the Town's major roadway system. This is not surprising, since the major roadway system does not include State roads, minor collectors, local streets or any portion of a trip that occurs outside the Town limits. Consequently, it is necessary to develop an adjustment factor to account for this variation. The local adjustment factor is the ratio of actual to projected VMT on the major roadway system. The national average trip length for each land use type should be multiplied by a local adjustment factor of 0.311.

Table 11. Local Trip Length Adjustment Factor

Land Use Type	ITE Code	Unit	2013 Units	Trip Rate	Primary Trips	Daily Trips	Length (miles)	Daily VMT
Single-Family Detached	210	Dwelling	15,549	4.76	100%	74,013	9.75	721,627
Multi-Family	220	Dwelling	5,429	3.33	100%	18,079	8.62	155,841
Mobile Home Park	240	Space	383	2.50	100%	958	6.03	5,777
Retail/Commercial	820	1,000 sq ft	1,892	21.35	42%	16,966	6.27	106,377
Office	710	1,000 sq ft	588	5.52	80%	2,597	9.61	24,957
Industrial	140	1,000 sq ft	1,277	1.91	100%	2,439	11.98	29,219
Warehouse	150	1,000 sq ft	185	1.78	100%	329	11.98	3,941
Public/Institutional	620	1,000 sq ft	938	3.80	100%	3,564	8.47	30,187
Total Expected VMT								1,077,926
÷ Total Actual VMT								335,371
Ratio of Actual to Expected VMT								0.311

Source: Existing 2013 units from Table 8; trip rates are one-half daily trip ends during a weekday from Institute of Transportation Engineers (ITE), *Trip Generation*, 9th ed., 2012 (commercial based on shopping center, office on general office, industrial on manufacturing, public/institutional on nursing home); primary trip percentage from ITE, *Trip Generation Handbook*, June 2004; daily trips is product of units, trip rate and primary trip percentage; national average trip lengths from Table 12; daily VMT is product of daily trips and average trip length; actual city-wide VMT from Table 9.

National average trip lengths derived from the U.S. Department of Transportation's 2009 National Household Travel Survey are available for a variety of trip types and purposes. These have been

adjusted downward by the local adjustment factor to determine local trip lengths, as shown in Table 12 below.

Table 12. Average Trip Lengths

Land Use	Trip Type	National Trip Length	Local Adjustment Factor	Local Trip Length
Single-Family Detached	Single-Family	9.75	0.311	3.03
Multi-Family	Multi-Family	8.62	0.311	2.68
Mobile Home	Mobile Home	6.03	0.311	1.88
Retail/Commercial	Shopping	6.27	0.311	1.95
Office	Medical/Dental	9.61	0.311	2.99
Industrial/Warehouse	To or From Work	11.98	0.311	3.73
Public/Institutional	School/Church	8.47	0.311	2.63

Source: National average trip lengths from U.S. Department of Transportation, National Household Travel Survey, 2009; local adjustment factor from Table 11; local trip length is product of national trip length and local adjustment factor.

Service Unit Summary

The result of combining trip generation rates, primary trip factors and localized average trip lengths is a travel demand schedule that establishes the daily VMT during the average weekday on the major roadway system generated by various land use types per unit of development for Oro Valley. The recommended travel demand schedule is presented in Table 13.

Table 13. Transportation Service Unit Multipliers

Land Use Type	ITE Code	Unit	Trip Rate	Primary Trips	Length (miles)	VMT/ Unit
Single-Family Detached	210	Dwelling	4.76	100%	3.03	14.42
Multi-Family	220	Dwelling	3.33	100%	2.68	8.92
Mobile Home Park	240	Space	2.50	100%	1.88	4.70
Hotel/Motel	320	Room	2.82	100%	1.95	5.49
Retail/Commercial	820	1,000 sq ft	21.35	42%	1.95	17.48
Office	710	1,000 sq ft	5.52	80%	2.99	13.20
Industrial	140	1,000 sq ft	1.91	100%	3.73	7.12
Warehouse	150	1,000 sq ft	1.78	100%	3.73	6.63
Public/Institutional	620	1,000 sq ft	3.80	100%	2.63	9.99

Source: Trip rates are one-half daily trip ends during a weekday from Institute of Transportation Engineers (ITE), *Trip Generation*, 9th ed., 2012; retail primary trip percentage from ITE, *Trip Generation Handbook*, June 2004 (office estimated); average trip lengths from Table 12; daily VMT per unit is product of trip rate, primary trip percentage and average trip length.

Transportation service units are expressed in terms of vehicle-miles of travel (VMT). VMT projections for the 2013-2023 planning period are shown in Table 14 below. Note that using existing land uses and the transportation service unit multipliers under-estimates actual town-wide VMT by about three-tenths of a percent. This indicates that the calibration worked well and that the multipliers are slightly conservative in terms of reflecting actual demand.

Table 14. Transportation Service Units, 2013-2023

Land Use Type	Unit	Units 2013	Units 2023	VMT/ Unit	VMT 2013	VMT 2023
Single-Family Detached	Dwelling	15,549	16,578	14.42	224,217	239,055
Multi-Family	Dwelling	5,429	5,788	8.92	48,427	51,629
Mobile Home Park	Space	383	383	4.70	1,800	1,800
Retail/Commercial	1,000 sq ft	1,892	2,406	17.48	33,072	42,057
Office	1,000 sq ft	588	837	13.20	7,762	11,048
Industrial	1,000 sq ft	1,277	1,399	7.12	9,092	9,961
Warehouse	1,000 sq ft	185	150	6.63	1,227	995
Public/Institutional	1,000 sq ft	938	1,430	9.99	9,371	14,286
Total Service Units (VMT)					334,968	370,831

Source: 2013 and 2023 units from Table 8; VMT per unit from Table 13; VMT is product of units and VMT per unit.

Cost per Service Unit

The cost per service unit is derived from the actual cost of one soon-to-be-completed project and three planned major road projects in Oro Valley. The descriptions and costs of these projects are summarized in Table 15. The average cost per new lane-mile added by these projects is $4.29 million.

Table 15. Cost of Planned Major Road Projects

Project Description	Lanes Ex	Lanes Fut	Lanes New	Miles	New Ln-Mi.	Total Cost	Cost per Lane-Mile
Tangerine Rd, Shannon to La Canada	2	4	2	2.0	4.0	$19,896,770	$4,974,193
Naranja Drive, La Cholla to Shannon	2	3	1	1.0	1.0	$4,187,000	$4,187,000
Lambert Lane, La Canada-Rancho Sonora	2	4	2	0.5	1.0	$4,700,000	$4,700,000
Lambert Lane, Pusch View Ln-La Canada	2	4	2	1.6	3.2	$10,700,000	$3,343,750
Total					9.2	$39,483,770	$4,291,714

Source: Town of Oro Valley, April 15, 2013.

To determine the cost per service unit, it is necessary to divide the cost by the capacity added by the improvements. As shown in Table 16, the four projects will add 69,000 vehicle-miles of capacity.

Table 16. Capacity Added by Planned Major Road Projects

Project Description	Daily Capacity (LOS D) Before	After	New	Miles	New VMC
Tangerine Rd, Shannon to La Canada	10,000	25,000	15,000	2.0	30,000
Naranja Drive, La Cholla to Shannon	10,000	17,500	7,500	1.0	7,500
Lambert Lane, La Canada-Rancho Sonora	10,000	25,000	15,000	0.5	7,500
Lambert Lane, Pusch View Ln-La Canada	10,000	25,000	15,000	1.6	24,000
Total Vehicle-Miles of Capacity (VMC) Added					69,000

Source: Project descriptions and miles from Table 15; daily capacities at LOS D assumed; new VMC is product of new capacity and miles.

The cost per service unit is the product of the cost per VMC and the level of service (LOS). The standard consumption-based approach is based on a 1.00 ratio of capacity to demand. Under the standard consumption-based approach, the cost per VMT is the same as the cost per VMC, as shown in Table 17.

Table 17. Transportation Cost per Service Unit

Total Cost of Planned Improvements	$39,483,770
÷ Total Vehicle-Miles of Capacity (VMC) Added	69,000
Average Cost per Vehicle-Mile of Capacity (VMC)	$572
x VMC/VMT Ratio	1.00
Average Cost per Vehicle-Mile of Travel (VMT)	$572

Source: Total cost from Table 15; new VMC added from Table 16; average cost per VMC is ratio of total cost to VMC added.

Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or "offset") in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The transportation impact fees calculated in this report are based on a system-wide level of service that is lower than the existing level of service, so there are no existing deficiencies. The Town has no debt associated with previous capacity-expanding major road system improvements. Other than impact fees, the Town has no dedicated source of revenue to fund growth-related road capacity improvements. Non-local revenues sources, such as Highway User Revenue Funds, are used solely for road maintenance.

The draft FY 2014-2018 Transportation Improvement Program (TIP) shows $15.04 million in regional transportation funding programmed for major road improvements in Oro Valley. While not necessarily generated locally, this funding comes at least partially from motor fuel taxes, some of which will be generated by new development. The amount that is attributable to new development in Oro Valley over the next 25 years equates to a net present value of $166 per daily VMT, as shown in Table 18. This represents an appropriate offset to account for new development's contribution to regional funding for major road improvements in Oro Valley.

Table 18. Transportation Outside Funding Offset per Service Unit

5-Year TIP Capacity Funding for Town Major Roads	$15,037,000
÷ Number of Years	5
Annual TIP Capacity Funding	$3,007,400
÷ Existing Vehicle-Miles of Travel (VMT)	335,371
Annual TIP Capacity Funding per VMT	$8.97
x Present Value Factor, 25 Years	18.47
Outside Funding Offset per VMT	$166

Source: Five-year TIP funding from Pima Association of Governments, 2014-2018 TIP, 5-Year Regional Transportation Improvement Program, March 2013 draft; existing VMT from Table 9; 25-year present value factor based on 2.48% discount rate, which is the average inflation rate over the last ten years, from U.S Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers (average annual change in annual index for 2002-2012).

As noted in the Legal Framework section, SB 1525 requires that an offset be provided for any "excess" construction sales tax, and it has been determined that one-half of the 4% construction sales tax meets the description of an excess tax. Even though the Town's construction sales tax revenues are not earmarked to be used for any specific purpose, SB 1525 apparently requires that an offset be provided against one or more of the Town's impact fees. It has been determined that the offset will be provided against the transportation impact fee. The excess construction sales tax offset is calculated in Table 19.

Table 19. Excess Construction Sales Tax Offset per Service Unit

Average Construction Sales Tax per Single-Family Unit	$7,800
x Percent Excess	50%
Excess Construction Sales Tax per Single-Family Unit	$3,900
÷ Daily VMT per Single-Family Detached Unit	14.42
Excess Construction Sales Tax Offset per VMT	$270

Source: Average tax per single-family unit based on a $300,000 home from Town of Oro Valley Finance Department, March 16, 2013; daily VMT per single-family unit from Table 13.

The net cost per service unit (VMT), after deducting the offsets for outside funding and excess construction sales tax and adding the cost of impact fee updates, is $138 per VMT, as shown in Table 20.

Table 20. Transportation Net Cost per Service Unit

Cost per VMT	$572
– Outside Funding Offset per VMT	-$166
– Excess Construction Sales Tax Offset per VMT	-$270
Impact Fee Study Cost per VMT	$2
Net Cost per VMT	$138

Source: Cost per VMT from Table 17; outside funding offset from Table 18; excess construction sales tax offset from Table 19; study cost from Table 47.

Potential Impact Fees

The maximum transportation impact fees that may be adopted by the Town based on this study is the product of the number of vehicle-miles of travel (VMT) generated by a unit of development and the net cost per VMT calculated above. The resulting fee schedule is presented in Table 21.

Table 21. Transportation Net Cost Schedule

Land Use Type	Unit	VMT/ Unit	Net Cost/ VMT	Net Cost/ Unit
Single-Family Detached	Dwelling	14.42	$138	$1,990
Multi-Family	Dwelling	8.92	$138	$1,231
Mobile Home Park	Space	4.70	$138	$649
Hotel/Motel	Room	5.49	$138	$758
Retail/Commercial	1,000 sq ft	17.48	$138	$2,412
Office	1,000 sq ft	13.20	$138	$1,822
Industrial	1,000 sq ft	7.12	$138	$983
Warehouse	1,000 sq ft	6.63	$138	$915
Public/Institutional	1,000 sq ft	9.99	$138	$1,379

Source: VMT per unit from Table 13; net cost per VMT from Table 20.

The updated transportation impact fees are compared to the Town's current fees in Table 22. Note that the current land use categories differ from the proposed land use categories in that the proposed land use categories (a) separate office and institutional uses, and (b) do not vary commercial, office and institutional fees by the size of the development. The updated fees are higher for single-family, office, industrial/warehouse and larger institutional uses, and lower for multi-family, commercial and smaller institutional uses.

Table 22. Current and Updated Transportation Impact Fees

Current Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family	Dwelling	$1,933	$1,990	3%
All Other Housing	Dwelling	$1,331	$1,231	-8%
Lodging	Room	$556	$758	36%
Commercial, 25,000 sf or less	1,000 sq. ft	$5,533	$2,412	-56%
Commercial, 25,001-50,000 sf	1,000 sq. ft	$4,807	$2,412	-50%
Commercial, 50,001-100,000 sf	1,000 sq. ft	$4,014	$2,412	-40%
Commercial, 100,001-200,000 sf	1,000 sq. ft	$3,436	$2,412	-30%
Commercial, >200,000 sf	1,000 sq. ft	$2,921	$2,412	-17%
Office, 25,000 sf or less	1,000 sq. ft	$1,812	$1,822	1%
Office, 25,001-50,000 sf	1,000 sq. ft	$1,547	$1,822	18%
Office, 50,001-100,000 sf	1,000 sq. ft	$1,318	$1,822	38%
Office, 100,000 sf+	1,000 sq. ft	$1,123	$1,822	62%
Institutional, 25,000 sf or less	1,000 sq. ft	$1,812	$1,379	-24%
Institutional, 25,001-50,000 sf	1,000 sq. ft	$1,547	$1,379	-11%
Institutional, 50,001-100,000 sf	1,000 sq. ft	$1,318	$1,379	5%
Institutional, 100,000 sf+	1,000 sq. ft	$1,123	$1,379	23%
Business Park	1,000 sq. ft	$1,260	$983	-22%
Light Industrial	1,000 sq. ft	$689	$983	43%
Manufacturing	1,000 sq. ft	$378	$983	160%
Warehousing	1,000 sq. ft	$490	$915	87%

Source: Current fees from Town of Oro Valley, Development Fee Summary, July 1, 2012; updated fees from Table 21.

Capital Plan

Assuming that the updated fees are adopted at 100%, potential transportation impact fee revenue over the next ten years, based on new development anticipated by the land use assumptions, could be as much as $4.9 million, as shown in Table 23. This revenue projection also includes the value of developer-constructed improvements, for which developers are given credit against their transportation impact fees.

Table 23. Potential Transportation Impact Fee Revenue

New Vehicle-Miles of Travel (VMT), 2013-2023	35,863
x Net Cost per Vehicle-Mile of Travel (VMT)	$138
Potential Revenue at 100%, 2013-2023	$4,949,094

Source: New VMT from Table 14; net cost per VMT from Table 20.

Assuming that growth occurs as projected in the land use assumption, the Town plans to complete approximately $27.2 million in growth-related improvement to the major road system over the next ten years, as summarized in Table 24. Anticipated transportation impact fee revenues will cover

approximately 18% of the Town's cost of planned improvements if adopted at 100%. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some portions of the improvements may be constructed by developers in return for credits against their impact fees.

Table 24. Transportation Capital Plan, 2013-2023

Improvement Location	Planned Improvement	Town Cost
Tangerine Rd, Shannon Rd-La Canada Dr	Widen to four lanes, drainage facilities, & landscaping	$1,000,000
La Cholla Blvd, Tangerine Rd-Lambert Ln	Widen to 4 lanes, drainage, landscaping, retaining walls	$800,000
Shannon Rd, Tangerine Rd-Naranja Dr	New three lane road	$4,200,000
Lambert Ln, 0.5 mi. E of Shannon-Rancho Sonora	Widen to four lanes, drainage facilities, & landscaping	$17,280,000
Moore Rd, Yellow Orchard-Mystic View	Construct two lanes of new road (north side)	$1,440,000
Rancho Vistoso & Woodburne Intersection	Traffic Signal	$750,000
Oracle Rd & Rams Field Intersection	Traffic Signal	$750,000
Moore Rd La Cholla Blvd Intersection	Traffic Signal	$900,000
Transportation Fee Update Study Costs (2)	Impact Fee Study	$69,600
Total		$27,189,600

Source: Planned improvements from Town of Oro Valley, July 3, 2013; study cost from Table 47.

PARKS

This section updates the Town's park impact fees in compliance with the new Arizona impact fee enabling act for municipalities.

Service Units

The demand for Town park facilities is generated by people. While all the people who use Town parks may not be residents, it is likely that the majority of them are. On the other hand, it is likely that some users of Town parks are non-residents – people who work in the Town but are not residents, visitors, and people passing through the Town on the way to somewhere else. Visitors to the Town and people passing through the Town are likely to have an insignificant impact, as they may stop for a picnic in a park, but will not likely be using athletic fields and similar facilities. Non-resident workers may visit Town parks on lunch breaks or after work, and may participate in company-sponsored events, such as sports leagues or picnics, in Town parks. However, Town residents who work outside of the Town will have similar small impacts on parks in other jurisdictions. These spill-over effects, to the extent that they exist, will tend to balance out. Consequently, the Town's residential population is a reasonable measure of the demand for Town park facilities.

The use of resident population directly as the service unit poses some issues, because a community's total population includes people in group quarters (primarily nursing homes), who do not typically generate much demand for public park facilities, and because occupancy rates may be volatile over time. A preferable service unit, for the purposes of park impact fees, is the single-family Equivalent Dwelling Unit, or EDU. A single-family detached unit is by definition one park service unit (equivalent dwelling unit or EDU). The numbers of service units associated with other housing types are determined by dividing the average household size associated with that housing type by the average household size of a single-family unit. Average household size (the ratio of household population to occupied units) is preferable as the basis of the service unit to persons per unit (the ratio of household population to total units), because it eliminates the volatile factor of occupancy rates. The resulting service unit multipliers are presented in Table 25.

Table 25. Park Service Unit Multipliers

Housing Type	Avg. HH Size	EDUs/ Unit
Single-Family Detached	2.43	1.00
Multi-Family	1.69	0.70
Mobile Home	1.84	0.76

Source: Average household size (AHHS) from Table 43; EDUs per unit is ratio of AHHS to single-family detached AHHS.

The number of service units in Oro Valley can be determined by multiplying the number of housing units by the service unit multipliers for each housing type and summing for all housing types. Existing and projected service units (EDUs) are calculated in Table 26.

Table 26. Park Service Units, 2013-2023

Housing Type	Housing Units	EDUs/ Unit	EDUs
Single-Family Detached	15,549	1.00	15,549
Multi-Family	5,429	0.70	3,800
Mobile Home	383	0.76	291
Total EDUs, 2013	21,361		19,640
Single-Family Detached	16,578	1.00	16,578
Multi-Family	5,788	0.70	4,052
Mobile Home	383	0.76	291
Total EDUs, 2023	22,749		20,921

Source: 2013 and 2023 units from Table 8; EDUs per unit from Table 25.

Cost per Service Unit

SB 1525 limits park impact fees to "neighborhood parks," an undefined term that excludes parks larger than 30 acres in size, unless a larger park can be shown to provide a "direct benefit" to development. SB 1525 also excludes a number of park improvements from being funded with park impact fees, including "that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools."

In general, impact fees should be based on the current level of service being provided to existing development. The inventory of existing eligible park facilities is provided below. The replacement cost of existing facilities in the park service area can be determined based on current unit costs. The total replacement value of eligible land and facilities is estimated to be about $16 million, as shown in Table 27 below.

Table 27. Existing Park Facilities

Park Name	Canada del Oro	Jame D. Kriegh	West Lambert Lane	Naranja	Honey Bee Canyon	Total	Unit Cost	Total Cost
Total Acres	30.0	20.0	40.0	213.0	77.0	380.0	n/a	n/a
Eligible Acres	30.0	20.0	30.0	30.0	30.0	140.0	$49,000	$6,860,000
Eligible Developed Acres	30.0	20.0	0.2		8.0	58.2	$68,769	$4,002,356
Restrooms (lighted)	2	2			1	5	$215,000	$1,075,000
Playground (shaded)	1	1				2	$150,000	$300,000
Accessible Playground (shaded)		1				1	$150,000	$150,000
Covered Ramada (lighted)	3	1				4	$90,000	$360,000
Covered Ramada					2	2	$50,000	$100,000
Soccer Fields (lighted)	2					2	$210,000	$420,000
Softball Fields (lighted)	2	2				4	$250,000	$1,000,000
Baseball Fields (lighted)		3				3	$250,000	$750,000
Sand Volleyball	1	1				2	$25,000	$50,000
Horseshoe Pits	2					2	$1,000	$2,000
Concession Stand	1	1				2	$150,000	$300,000
Tennis Court (lighted)	1					1	$140,000	$140,000
Basketball Court (lighted)	1					1	$100,000	$100,000
Performance Stage	1					1	$50,000	$50,000
Walking Path	1					1	$54,400	$43,520
Raquetball Courts (lighted)		4				4	$50,000	$200,000
Dog Park		1				1	$150,000	$150,000
Archery Range (fixed)				1		1	$150,000	$150,000
Archery Range (walk around)				1		1	$75,000	$75,000
Total Replacement Cost								$16,277,876

Source: Town of Oro Valley, March 25, 2013; eligible park acres limited to 30 acres of larger parks.

The existing level of service in the park service area can be expressed in terms of current cost per service unit. Including the cost of impact fee update studies that will be required over the next ten years, the park cost per service unit is $856 per EDU, as shown in Table 28.

Table 28. Existing Park Cost per Service Unit

Total Existing Eligible Park Capital Cost	$16,277,876
÷ Total Existing Park Service Units	19,640
Direct Park Cost per Service Unit	$829
Impact Fee Study Cost per Service Unit	$27
Existing Park Cost per Service Unit	$856

Source: Total park cost from Table 27; existing (2013) EDUs from Table 26; study cost from Table 47.

Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or "offset") in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding

debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The park impact fees calculated in this report are based on the existing level of service, so there are no existing deficiencies. There is no outstanding debt for existing park facilities. Other than impact fees, the Town has no dedicated source of revenue to fund growth-related park improvements. The Town has not received any grant funding for park improvements in recent years, and does not anticipate any grants over the next ten years. Consequently, no offsets against the park impact fees are warranted, and the net cost per service unit is the same as the cost per service unit calculated above.

Potential Impact Fees

The maximum park impact fees that may be adopted by the Town based on this study are the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 29.

Table 29. Park Net Cost Schedule

Housing Type	Unit	EDUs/ Unit	Net Cost/ EDU	Net Cost/ Unit
Single-Family Detached	Dwelling	1.00	$856	$856
Multi-Family	Dwelling	0.70	$856	$599
Mobile Home Park	Space	0.76	$856	$651

Source: EDUs per unit from Table 25; net cost per EDU is cost per EDU from Table 28.

The updated park fees are compared to current fees in Table 30. The updated park fees are significantly higher than the current fees.

Table 30. Current and Updated Park Impact Fees

Current Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family Detached	Dwelling	$555	$856	54%
Multi-Family	Dwelling	$336	$599	78%
Mobile Home Park	Space	$336	$651	94%

Source: Current fees from Town of Oro Valley, Development Fee Summary, July 1, 2012; updated fees from Table 29.

Capital Plan

Assuming that the updated fees are adopted at 100%, potential park impact fee revenue over the next ten years, based on new development anticipated by the land use assumptions, could be as much as $1.1 million, as shown in Table 31.

Table 31. Potential Park Impact Fee Revenue, 2013-2023

New Park EDUs, 2013-2023	1,281
x Net Cost per EDU	$856
Potential Revenue, 2013-2023	$1,096,536

Source: New EDUs from Table 26; net cost per EDU is cost per EDU from Table 28.

Assuming that growth occurs as projected in the land use assumption, the Town plans to complete approximately $5 million in growth-related improvement to the park system over the next ten years, as summarized in Table 32. Anticipated park impact fee revenues will cover approximately 22% of the total cost of planned improvements. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years.

Table 32. Park Capital Plan, 2013-2023

Naranja Park Development - 30 acres	$4,000,000
James D. Kriegh Park Expansion	$1,000,000
Impact Fee Update Studies (2)	$34,800
Total	$5,025,000

Source: Planned park improvements, Town of Oro Valley, July 1, 2013; study cost from Table 47.

POLICE

This section updates the Town's police impact fees in compliance with the new Arizona impact fee enabling act for municipalities.

Service Units

Disparate types of development must be translated into a common unit of measurement that reflects the impact of new development on the demand for police facilities. This unit of measurement is called a "service unit." The 2008 study used population as the residential service unit and vehicle trips as the nonresidential service unit, while allocating costs between residential and nonresidential land uses based on call volumes. A problem with relying on call data is that it is unstable over time. This means that fees can go up or down significantly for individual land uses each time the fees are updated.

The most commonly-used alternative to call data in police impact fees is based on a concept called "functional population." Similar to the concept of full-time equivalent employees, functional population represents the number of "full-time equivalent" people present at the site of a land use. Functional population represents the average number of equivalent persons present at the site of a land use for an entire 24-hour day. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that includes square foot per employee ratios, trip generation rates, average vehicle occupancy and average number of hours spent by employees and visitors at a land use. These all tend to be stable characteristics that do not change significantly over short periods of time. Functional population multipliers by land use are calculated in Appendix B.

The number of police service units can be determined by multiplying the amount of existing development by the service unit multipliers for each land use type and summing for the area. Existing and projected service units (functional population) are calculated in Table 33 for the 2013-2023 planning horizon.

Table 33. Police Service Units, 2013-2023

		Units		Func. Pop.	Func. Population	
Land Use Type	Unit	2013	2023	per Unit	2013	2023
Single-Family Detached	Dwelling	15,549	16,578	1.63	25,345	27,022
Multi-Family	Dwelling	5,429	5,788	1.13	6,135	6,540
Mobile Home Park	Space	383	383	1.23	471	471
Retail/Commercial	1,000 sq ft	1,892	2,406	2.35	4,446	5,654
Office	1,000 sq ft	588	837	0.82	482	686
Industrial	1,000 sq ft	1,277	1,399	0.34	434	476
Warehouse	1,000 sq ft	185	150	0.33	61	50
Public/Institutional	1,000 sq ft	938	1,430	0.62	582	887
Total Service Units (VMT)					37,956	41,786

Source: 2013 and 2023 units from Table 8; functional population per unit from Table 44 (residential) and Table 45 (nonresidential) in Appendix B.

Cost per Service Unit

The cost per service unit to provide police protection to new development is based on the existing level of service provided to existing development. The level of service is quantified as the ratio of the replacement cost of existing police capital facilities to existing police service units. The inventory of the Town's existing police facilities is provided in Table 34.

Table 34. Existing Police Facilities

	Building Sq. Feet	Acres
Main Police Station	15,165	1.58
Impound Facility	n/a	0.55
Total	15,165	2.13

Source: Main police station data from Town of Oro Valley, April 10, 2013 and Deutsch Associates, *Town-Wide Space Needs Study, Phase I*, May 16, 2007; impound facility acres from Town Police Department, April 2, 2013..

In addition to land and buildings, police services require vehicles and equipment. The Town's current police vehicles have a total replacement cost, based on current unit costs, of $4.21 million, as summarized in Table 35 on the following page.

Table 35. Existing Police Vehicles

Make	Model	Year	Life	Repl. Cost
Police Department - Field Operations				
Ford	Crown Vic	2007	10	$49,500
Ford	Crown Vic	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Toyota	Tacoma	2007	8	$24,000
Ford	Crown Vic	2007	6	$48,000
Ford	Expedition	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Ford	Crown Vic	2007	6	$48,000
Dodge	Magnum	2007	8	$51,000
Ford	Crown Vic	2005	7	$48,000
Ford	F250 4x4	2006	8	$48,000
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	6	$49,500
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	6	$49,500
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	5	$48,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	8	$51,000
Ford	Crown Vic	2008	5	$48,000
Ford	F350 4x4	2008	10	$52,000
Ford	Crown Vic	2008	5	$48,000
Toyota	Camry	2007	7	$27,000
Nissan	Altima	2005	8	$25,500
Toyota	Camry	2006	7	$25,500
Ford	Crown Vic	2009	7	$51,000
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	5	$49,500
Ford	Crown Vic	2009	5	$49,500
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	6	$51,000
Ford	Crown Vic	2009	6	$51,000
Toyota	Camry	2009	8	$32,000
Ford	Expedition	2008	6	$52,000
Ford	Crown Vic	2011	6	$52,500
Ford	Crown Vic	2011	6	$52,500
Ford	Crown Vic	2011	6	$52,500
Nissan	Maxima	2005	10	$31,000
Ford	Crown Vic	2011	6	$52,500
Chevrolet	Silverado	2007	10	$30,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe 4x4	2012	6	$57,500
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Chevrolet	Tahoe	2012	6	$55,000
Toyota	Camry	2012	6	$33,000
Police Department - Motorcycle				
BMW	R1150RT-P	2006	10	$26,000
BMW	R1150RT-P	2006	10	$26,000
BMW	R1200RT-P	2007	10	$27,000
BMW	R1200RT-P	2007	10	$27,000
BMW	R1200RT-P	2007	10	$27,000
BMW	R1150RT-P	2004	9	$25,000
BMW	R1150RT-P	2004	9	$25,000
BMW	R1200RT-P	2009	8	$27,000
BMW	R1200RT-P	2009	8	$27,000
BMW	R1200RT-P	2009	10	$28,000
Police Department - Support Services				
Toyota	Camry	2007	8	$30,000
Ford	Taurus	2004	9	$25,500
Dodge	Van	2007	10	$34,000
Ford	Crown Vic	2005	12	$52,500
Ford	Crown Vic	2005	8	$48,000
Ford	Crown Vic	2005	8	$48,000
Ford	Crown Vic	2006	7	$48,000
Ford	Crown Vic	2006	8	$49,500
Ford	Crown Vic	2006	9	$51,000
Ford	Crown Vic	2006	9	$51,000
Ford	Crown Vic	2006	7	$48,000
Ford	Crown Vic	2006	8	$49,500
Toyota	Camry	2006	10	$31,000
Toyota	Camry	2006	10	$31,000
Ford	E250 Van	2006	8	$34,000
Dodge	Peace Keeper	1986	40	$100,000
Toyota	Camry	2003	13	$31,000
Toyota	Camry	2003	10	$25,500
Nissan	Altima	2004	10	$30,000
Ford	E150 8 Pass	2001	15	$38,000
Ford	E150 8 Pass	2001	15	$38,000
Ford	Motor Home	1999	20	$200,000
Toyota	Camry	2008	7	$31,000
Ford	F250 4x4	2008	10	$53,000
Chevrolet	Silverado	2007	8	$25,000
Ford	Crown Vic	2009	6	$51,000
Chrysler	Chrysler 300	2006	7	$25,500
Pontiac	Van LUX	2003	12	$32,000
Police Department - Courts				
Ford	E250 Cargo	2001	15	$35,000
Police Department - Professional Development				
Dodge	Van	2007	12	$35,000
Total				$4,210,000

Source: Town of Oro Valley Fleet Management Schedule, March 19, 2013.

The replacement cost of existing facilities can be determined based on current unit costs. The total replacement value of existing police land and facilities is estimated to be about $6.9 million, as shown in Table 36. The resulting police cost per service unit is $190 per functional population.

Table 36. Police Cost per Service Unit

	Units	Cost/Unit	Total Cost
Building Square Feet	15,165	$143	$2,166,429
Acres of Land	2.13	$199,367	$424,652
Vehicles	n/a	n/a	$4,210,000
Impound Facility Improvements	n/a	n/a	$84,000
Total Replacement Cost			$6,885,081
– Outstanding Debt on MOC Impound Facility Land			-$106,256
Net Replacement Cost			$6,778,825
÷ Existing Functional Population			37,956
Direct Cost per Functional Population			$181
Study Cost per Functional Population			$9
Total Cost per Functional Population			$190

Source: Building sq. ft. and acres from Table 34; cost per square foot from Town of Oro Valley Police Department, March 14, 2013 based on cost of planned property and evidence facility; cost per acre is actual cost per acre for 2005 MOC land purchase from Town of Oro Valley, March 19, 2013; outstanding debt on police MOC land is ratio of acres for police impound facility from Table 34 to total 23.7 acre purchase times outstanding debt of $4,580,000 prior to July 1, 2013 payment from Town of Oro Valley, March 20, 2013; existing (2013) functional population from Table 33; study cost per service unit from Table 47.

Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or "offset") in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The police impact fees calculated in this report are based on the existing level of service, so there are no existing deficiencies. The Town's only outstanding debt for existing police facilities is the small portion of the Municipal Operations Center land that was purchased with 2006 bonds. The outstanding debt related to that land used for the existing impound facility has already been excluded from the cost per service unit, and no further offset is warranted. Other than impact fees, the Town has no dedicated source of revenue to fund growth-related police improvements. The Town has not received any grant funding for police improvements in recent years, and does not anticipate any grants over the next ten years. Given that no offsets against the police impact fees are required, the net cost per service unit is the same as the cost per service unit calculated above.

Potential Impact Fees

The maximum police impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 37.

Table 37. Police Net Cost Schedule

Land Use Type	Unit	Func. Pop./ Unit	Net Cost/ Func. Pop.	Net Cost/ Unit
Single-Family Detached	Dwelling	1.63	$190	$310
Multi-Family	Dwelling	1.13	$190	$215
Mobile Home Park	Space	1.23	$190	$234
Hotel/Motel	Room	1.05	$190	$200
Retail/Commercial	1,000 sq. ft.	2.35	$190	$447
Office	1,000 sq. ft.	0.82	$190	$156
Industrial	1,000 sq. ft.	0.34	$190	$65
Warehouse	1,000 sq. ft.	0.33	$190	$63
Public/Instititional	1,000 sq. ft.	0.62	$190	$118

Source: Functional population per unit from Table 44 and Table 45 in Appendix B; net cost per functional population is cost per functional population from Table 36.

The updated police fees are compared to current fees in Table 38. The updated fees are slightly higher than current fees for residential uses, and are significantly higher for nonresidential uses.

Table 38. Current and Updated Police Impact Fees

Current Land Use Type	Unit	Current Fee	Updated Fee	Percent Change
Single-Family	Dwelling	$296	$310	5%
All Other Housing	Dwelling	$176	$215	22%
Lodging	Room	$14	$200	1329%
Commercial, 25,000 sf or less	1,000 sq. ft.	$146	$447	206%
Commercial, 25,001-50,000 sf	1,000 sq. ft.	$126	$447	255%
Commercial, 50,001-100,000 sf	1,000 sq. ft.	$105	$447	326%
Commercial, 100,001-200,000 sf	1,000 sq. ft.	$91	$447	391%
Commercial, >200,000 sf	1,000 sq. ft.	$76	$447	488%
Office/Institutional, 25,000 sf or less	1,000 sq. ft.	$43	$156	263%
Office/Institutional, 25,001-50,000 sf	1,000 sq. ft.	$37	$156	322%
Office/Institutional, 50,001-100,000 sf	1,000 sq. ft.	$32	$156	388%
Office/Institutional, 100,000 sf+	1,000 sq. ft.	$27	$156	478%
Business Park	1,000 sq. ft.	$30	$156	420%
Light Industrial	1,000 sq. ft.	$16	$65	306%
Manufacturing	1,000 sq. ft.	$9	$65	622%
Warehousing	1,000 sq. ft.	$12	$63	425%

Source: Current fees from Town of Oro Valley, *Development Fee Utilization Report*, FY 2011-2012, September 25, 2012; updated fees from Table 37.

Capital Plan

Assuming that the updated fees are adopted at 100%, potential police impact fee revenue over the next ten years, based on new development anticipated by the land use assumptions, could be as much as $0.7 million, as shown in Table 39.

Table 39. Potential Police Impact Fee Revenue, 2013-2023

New Functional Population, 2013-2023	3,830
x Net Cost per Functional Population	$190
Potential Revenue, 2013-2023	$727,700

Source: New functional population from Table 33; net cost per functional population is total cost per functional population from Table 36.

Assuming that growth occurs as projected in the land use assumption, the Town plans to complete approximately $2.2 million in growth-related police improvements over the next ten years, as summarized in Table 40. Anticipated police impact fee revenues would cover approximately 33% of the total cost of planned improvements. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some of the improvements may be constructed by developers in return for credits against their impact fees.

Table 40. Police Capital Plan, 2013-2023

Property and Evidence Facility	$1,000,000
South Police Substation	$1,200,000
Impact Fee Update Studies (2)	$34,800
Total	$2,225,000

Source: Planned projects and estimated costs from Town Police Department, July 3, 2013; study cost from Table 47.

APPENDIX A: AVERAGE HOUSEHOLD SIZE

A key input into impact fee analysis is the average number of people residing in different types of dwelling units. This statistic, known as average household size, is the ratio of household population to households (which is the same as occupied dwelling units).

The most reliable data on average household size comes from the decennial census counts. Unfortunately, these 100%-count data are only available for all housing units, with no distinction by housing type. Overall, there was a 4.6% decline in Oro Valley between the 2000 and 2010 census in the average size of a household (ratio of household population to occupied units), as shown in Table 41.

Table 41. Average Household Size, 2000 and 2010

	Household Population	Occupied Units	Avg. HH Size
2010 Census	40,943	17,804	2.30
2000 Census	29,541	12,249	2.41
AHHS Ratio: 2010/2000			0.954

Source: 2000 and 2010 U.S. Census for Oro Valley, AZ, SF1 data (100% counts).

The 2000 census provided data on average household size by housing type for a 1-in-6 sample (about 17%). Those data are shown in Table 42. Household population and occupied units are weighted estimates designed to approximate the 100% counts.

Table 42. Average Household Size by Housing Type, 2000

Housing Type	Household Population	Occupied Units	Avg. HH Size
Single-Family Detached	25,025	9,814	2.55
Multi-Family	4,064	2,298	1.77
Mobile Home	435	225	1.93
Total	29,524	12,337	2.39

Source: 2000 U.S. Census for Oro Valley, AZ, SF3 data (1-in-6 sample)

An estimate of current average household size by housing type starts with the data from the 2000 census. The average household sizes from the 2000 census are adjusted downward for all housing types by the overall decline, as shown in Table 43.

Table 43. Current Average Household Size by Housing Type

Housing Type	2000 AHHS	2010/2000 Ratio	2010 AHHS
Single-Family Detached	2.55	0.954	2.43
Multi-Family	1.77	0.954	1.69
Mobile Home	1.93	0.954	1.84

Source: 2000 average household size (AHHS) by housing type from Table 42; 2010/2000 ratio from Table 41; 2010 AHHS by housing type is product of 2000 AHHS and ratio.

APPENDIX B: FUNCTIONAL POPULATION

The two most common methodologies used in calculating public safety service units and impact fees are the "calls-for-service" approach and the "functional population" approach. This update utilizes the "functional population" approach to calculate and assess the police impact fees. This approach is a generally-accepted methodology for these impact fee types and is based on the observation that demand for public safety facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of "full-time equivalent" employees. It represents the number of "full-time equivalent" people present at the site of a land use, and it is used for the purpose of determining the impact of a particular development on the need for facilities. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that factors in trip generation rates, average vehicle occupancy, employee density and average number of hours spent by employees and visitors at a land use.

Residential Functional Population

For residential land uses, the impact of a dwelling unit on the need for police capital facilities is generally proportional to the number of persons residing in the dwelling unit. This can be measured for different housing types in terms of either average household size (average number of persons per occupied dwelling unit) or persons per unit (average number of persons per dwelling unit, including vacant as well as occupied units). In this analysis, average household size is used to develop the functional population multipliers, as it avoids the need to make assumptions about occupancy rates.

Determining residential functional population multipliers is considerably simpler than the nonresidential component. It is estimated that people, on average, spend 16 hours, or 67 percent, of each 24-hour day at their place of residence and the other 33 percent away from home. A similar approach is used for the hotel/motel category. The functional population per unit for these uses is shown in Table 44.

Table 44. Functional Population per Unit for Residential Uses

Housing Type	Unit	Average HH Size	Occupancy Factor	Func. Pop. per Unit
Single-Family Detached	Dwelling	2.43	0.67	1.63
Multi-Family	Dwelling	1.69	0.67	1.13
Mobile Home	Dwelling	1.84	0.67	1.23
Hotel/Motel	Room	1.57	0.67	1.05

Source: Average household size for dwelling units from Table 43; hotel/motel room occupancy based on one-half of average vehicle occupancy on vacation trips from U.S. Department of Transportation, National Household Travel Survey, 2009.

Nonresidential Functional Population

The functional population methodology for nonresidential land uses is based on trip generation data utilized in developing the transportation demand schedule prepared for the updated transportation impact fees. Functional population per 1,000 square feet is derived by dividing the total number of

hours spent by employees and visitors during a weekday by 24 hours. Employees are estimated to spend 8 hours per day at their place of employment, and visitors are estimated to spend one hour per visit. The formula used to derive the nonresidential functional population estimates is summarized in Figure 4.

Figure 4. Nonresidential Functional Population Formula

FUNCPOP/UNIT = (employee hours/1000 sf + visitor hours/1000 sf) ÷ 24 hours/day

Where:

Employee hours/1000 sf = employees/1000 sf x 8 hours/day

Visitor hours/1000 sf = visitors/1000 sf x 1 hour/visit

Visitors/1000 sf = weekday ADT/1000 sf x avg. vehicle occupancy – employees/1000 sf

Weekday ADT/1000 sf = one-way avg. daily trips (total trip ends ÷ 2)

Using this formula and information on trip generation rates, vehicle occupancy rates from the National Household Travel Survey and other sources and assumptions, nonresidential functional population estimates per 1,000 square feet of gross floor area are calculated in Table 45.

Table 45. Functional Population per Unit for Nonresidential Uses

Land Use	Unit	Trip Rate	Persons/ Trip	Employee/ Unit	Visitors/ Unit	Func. Pop./ Unit
Retail/Commercial	1,000 sq. ft.	21.47	1.96	2.04	40.04	2.35
Office	1,000 sq. ft.	5.51	1.24	1.82	5.01	0.82
Industrial	1,000 sq. ft.	1.91	1.24	0.82	1.55	0.34
Warehouse	1,000 sq. ft.	1.78	1.24	0.82	1.39	0.33
Public/Institutional	1,000 sq. ft.	3.79	1.86	1.11	5.94	0.62

Source: Trip rates from Table 13; persons/trip is average vehicle occupancy from Federal Highway Administration, Nationwide Household Travel Survey, 2009; employees/unit from Table 7; visitors/unit is trips times persons/trip minus employees/unit; functional population/unit calculated based on formula in Figure 4.

APPENDIX C: REVENUE FORECAST

SB 1525 requires that the infrastructure improvements plan include (Section 9-463.05.E.7):

> *A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.*

The total revenues from these sources that can be attributed to new development over the next ten years are summarized in Table 46. However, most of this revenue will be used for ongoing operations and maintenance purposes.

Only revenue generated by new development that is dedicated to growth-related capital improvements needs to be considered in determining the extent of the burden imposed by new development. As discussed in greater detail in the Legal Framework section, offsets against impact fees are warranted in the following cases: (a) new development will be paying taxes or fees used to retire debt on existing facilities serving existing development; (b) new development will be paying taxes or fees used to fund an existing deficiency, (c) new development will be paying taxes or fees that are dedicated to be used for growth-related improvements, or (d) excess construction sales tax.

The analyses provided in the legal framework, transportation, parks and police sections of this report have identified that the only need for offsets is against the transportation impact fees for future Federal and State funding for major road improvements and excess construction sales tax. The reasons for this conclusion are, in the order listed above, as follows.

(a) The Town has no debt for past capacity-expanding transportation or park facilities. The only Town debt for police facilities is for the portion of the Municipal Operations Center that is used for the new police impound facility. That debt has been excluded from the value of existing police facilities on which the existing level of service and the impact fees are based; consequently, no additional offsets for future contributions from new development to retire that debt are warranted.

(b) The transportation, parks and police impact fees are all calculated on the basis of the existing, system-wide level of service (actually, a lower level of service in the case of transportation impact fees). Consequently, there are no existing deficiencies, and no offsets for deficiencies are warranted.

(c) The only funding the Town has that is dedicated to capacity-expanding capital improvements is future regional funding for major road improvements. An offset against the transportation impact fees is provided for anticipated future regional funding.

(d) The Town appears to assess an excess construction sales tax as defined by State law, and the offset is provided against the transportation impact fee.

Revenues that will be generated by new development and dedicated for eligible capital improvements are identified in Table 46.

Table 46. Revenue Attributable to New Development, 2013-2023

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Local Sales Tax	$1,096,969	$1,231,211	$1,358,745	$1,490,825	$1,623,419
Licenses & Permits	$15,819	$35,468	$44,929	$56,419	$64,464
State & Federal Grants	$22,097	$39,419	$65,679	$87,949	$110,447
State Shared Revenues	$102,311	$211,659	$329,397	$446,438	$567,336
Other Intergovernmental	$318	$629	$934	$1,232	$1,524
Charges for Services	$15,289	$30,290	$44,964	$59,337	$73,417
Fines	$2,013	$3,983	$5,912	$7,802	$9,653
Interest Income	$660	$1,363	$2,063	$2,777	$3,505
Miscellaneous	$1,208	$2,411	$3,578	$4,722	$5,843
Bed Tax General Fund Alloc.	$1,960	$3,878	$5,757	$7,597	$9,399
Total Growth Revenues	$1,258,644	$1,560,311	$1,861,958	$2,165,098	$2,469,007
State/Federal Highway Funds	$22,097	$39,419	$65,679	$87,949	$110,447
Excess Construction Sales Tax	$968,220	$968,220	$968,220	$968,220	$968,220
Total Dedicated Growth Revenues	$990,317	$1,007,639	$1,033,899	$1,056,169	$1,078,667

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Local Sales Tax	$1,106,623	$1,245,753	$1,385,654	$1,526,368	$1,667,939	$13,733,506
Licenses & Permits	$70,718	$75,430	$78,822	$81,088	$82,404	$605,561
State & Federal Grants	$133,165	$156,112	$179,296	$202,725	$226,425	$1,223,314
State Shared Revenues	$692,206	$821,183	$954,405	$1,092,015	$1,234,250	$6,451,200
Other Intergovernmental	$1,811	$2,091	$2,367	$2,636	$2,901	$16,443
Charges for Services	$87,215	$100,737	$113,993	$126,990	$139,746	$791,978
Fines	$11,468	$13,246	$14,989	$16,698	$18,375	$104,139
Interest Income	$4,247	$5,003	$5,775	$6,562	$7,365	$39,320
Miscellaneous	$6,941	$8,017	$9,072	$10,106	$11,122	$63,020
Bed Tax General Fund Alloc.	$11,166	$12,897	$14,594	$16,258	$17,891	$101,397
Total Growth Revenues	$2,125,560	$2,440,469	$2,758,967	$3,081,446	$3,408,418	$23,129,878
State/Federal Highway Funds	$133,165	$156,112	$179,296	$202,725	$226,425	$1,223,314
Excess Construction Sales Tax	$968,220	$968,220	$968,220	$968,220	$968,220	$9,682,200
Total Dedicated Growth Revenues	$1,101,385	$1,124,332	$1,147,516	$1,170,945	$1,194,645	$10,905,514

Source: Based on FY 2014-FY 2018 revenue forecasts from Town of Oro Valley Finance Department, April 24, 2013, with revenue forecasts for FY 2019-FY 2023 based on FY 2017-FY 2018 revenue growth; total growth revenues based on growth share of total transportation service units from Table 14 (assuming linear growth in VMT between 2013 and 2023); sales tax based on annual growth in transportation service units and construction sales tax per service unit estimated at $270 per VMT; excess construction sales tax based on annual growth in transportation service units and excess construction sales tax per service unit from Table 19.

APPENDIX D: UPDATE STUDY COST

According to State law, impact fees may be used to pay for the costs of "professional services required for the preparation or revision of a development fee" (Sec. 9-463.05.A, ARS). This impact fee study cost the Town $69,600 for the update of the transportation, park and police impact fees. Since SB 1525 requires impact fees to be updated every five years, two additional studies will be required over the next ten years. Dividing the 10-year cost of the required update studies for each facility by the new EDUs projected over the next ten years results in the following study costs per service unit.

Table 47. Update Study Cost per Service Unit

Type of Fee	Share	Cost/ Update	Updates Required	10-Year Cost	New Service Units	Cost per Serv. Unit
Transportation	50%	$34,800	2	$69,600	35,863	$2
Park	25%	$17,400	2	$34,800	1,281	$27
Police	25%	$17,400	2	$34,800	3,830	$9
Total	100%	$69,600		$139,200	na	na

Source: Shares estimated by Duncan Associates; total update cost is actual cost of this impact fee study update; other update costs based on shares; updates required based on State law requirement that fees be updated at least every five years; new service units from Table 14 (transportation), Table 26 (parks) and Table 33 (police); cost per service unit is 10-year cost times new service units.

Town Council Regular Session **Item # 2. a.**

Meeting Date: 04/02/2014

Requested by: Julie Bower **Submitted By:** Julie Bower, Town Clerk's Office

Department: Town Clerk's Office

Information

SUBJECT:

RESOLUTION NO. (R)14-18, DECLARING THE PROPOSED AMENDMENT TO THE ORO VALLEY TOWN CODE CHAPTER 15, ARTICLE 17, WATER RATES, FEES AND CHARGES, AS EXHIBIT "A" AND FILED WITH THE TOWN CLERK, A PUBLIC RECORD

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

This is a procedural items to declare the draft ordinance a matter of public record. The draft ordinance has been posted online and made available in the Town Clerk's Office. If the final version is adopted, it will be made available in the same manner.

BACKGROUND OR DETAILED INFORMATION:

Once adopted by the Town Council, this proposed resolution will become a public record and will reduce the Town's publishing costs by forgoing the publication of the entire draft ordinance (Exhibit "A") in print form. The current draft version of the ordinance has been posted on the Town's website and a printed copy is available for public review in the Town Clerk's Office. The final version will be published on the Town's website.

FISCAL IMPACT:

The Town will reduce publishing costs by meeting publishing requirements by reference.

SUGGESTED MOTION:

I MOVE to (adopt or deny) Resolution No. (R)14-18, declaring the proposed amendment to the Oro Valley Town Code Chapter 15, Article 17, Water Rates, Fees and Charges, attached hereto as Exhibit "A" and filed with the Town Clerk, a public record.

Attachments

R14-18 Amending Ch 15 Water Rates, Fees & Charges

Exhibit "A"

RESOLUTION NO. (R)14-18

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, DECLARING THAT THE PROPOSED AMENDMENTS TO THE "WATER CODE", CHAPTER 15 OF THE ORO VALLEY TOWN CODE ARTICLE 17, WATER RATES, FEES AND CHARGES TO COMPLY WITH NEW CHANGES MADE TO CHAPTER 13, DEVELOPMENT FEES, ATTACHED HERETO AS EXHIBIT "A" AND FILED WITH THE TOWN CLERK, A PUBLIC RECORD

BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, that the proposed amendments to the "Water Code", Chapter 15 of the Oro Valley Town Code Article 17, Water Rates, Fees and Charge to comply with new changes made to chapter 13, development fees, three copies of the proposed amendments which are on file in the office of the Town Clerk, are hereby declared to be a public record, and said copies are ordered to remain on file with the Town Clerk.

PASSED AND ADOPTED BY THE Mayor and Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____

Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____

Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT "A"

ORDINANCE NO. (O) 14-_____

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 15, ARTICLE 17, WATER RATES, FEES AND CHARGES TO COMPLY WITH NEW CHANGES MADE TO CHAPTER 13, DEVELOPMENT FEES AS PROVIDED IN EXHIBIT "A", AND REPEALING ALL RESOLUTIONS, ORDINANCES, AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH

WHEREAS, pursuant to A.R.S. § 9-463.05 the Town has the requisite statutory authority to assess development fees to offset costs to the municipality associated with providing necessary public services to a development; and

WHEREAS, the Arizona State Legislature made sweeping changes to ARS § 9-463.05 forcing all Arizona municipalities to revamp their Development Impact Fees in compliance with those changes; and

WHEREAS, the changes to Oro Valley Town Code Chapter 13, Development Fees have facilitated the need for related changes to Oro Valley Town Code Chapter 15, Article 17, Water Rates Fees and Charges; and

WHEREAS, the Mayor and Council have determined that it is in the best interest of the Town to amend the Oro Valley Town Code Chapter 15, Article 17, Water Rates Fees and Charges to conform to the changes made to Oro Valley Town Code Chapter 13, Development Fees.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Oro Valley, Arizona, that:

SECTION 1. Repealing the existing Oro Valley Town Code Chapter 15, Article 17, Water Rates, Fees and Charges and replacing it with a new Oro Valley Town Code Chapter 15, Article 17 Water Rates, Fees and Charges as provided in Exhibit "A", and repealing all resolutions, ordinances, and rules of the Town of Oro Valley in conflict therewith.

SECTION 2. This Ordinance shall become effective on July 1, 2014.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, this __ day of _____, 2014.

TOWN OF ORO VALLEY

_____
Dr. Satish Hiremath, Mayor

ATTEST:

_____
Julie Bowers, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT "A"

Article 15-17
WATER RATES, FEES AND CHARGES

Sections:

15-17-1 Establishment of Water Rates, Fees and Service Charges

15-17-2 Alternative Water Resources Development Impact Fees

15-17-3 Potable Water System Development Impact Fees

15-17-1 Establishment of Water Rates, Fees and Service Charges

Water rates, fees and service charges for the Town of Oro Valley Water Utility shall be established by resolution of the Town Council. The Alternative Water Resources Development Impact Fees and the Potable Water System Development Impact Fees shall be established by ordinance in accordance with Chapter 13 of the Town Code.

15-17-2 Alternative Water Resources Development Impact Fees

Customer Class	AWRDIF Effective 7/1/2014
Single Family Residential (per meter size)	
5/8-inch	$4,045
3/4-inch	$6,067
1-inch	$10,111
1-1/2-inch	$20,223
2-inch	$32,356
Multifamily Residential (per unit)	
Per Unit*	$1,941

Commercial and Industrial (per meter size)	
5/8-inch	$5,258
3/4-inch	$7,887
1-inch	$13,145
1-1/2-inch	$26,289
2-inch	$42,063
3-inch	$84,126
4-inch	$131,447
6-inch	$262,894
8-inch	$420,631
Irrigation (per meter size)	
5/8-inch	$7,280
3/4-inch	$10,920
1-inch	$18,200
1-1/2-inch	$36,401
2-inch	$58,241
3-inch	$116,482
4-inch	$182,004
6-inch	$364,007
8-inch	$582,412

Individually metered residential units shall pay the single family residential fee for each meter.

*The meter component of the fee for master-metered multifamily residential uses is the higher of the total based upon one thousand nine hundred forty one dollars ($1,941) per unit or the commercial fee(s) for the size of the master meter(s).

A variance may be requested if a meter is required to be increased from a five-eighths (5/8) inch meter to a three-quarter (3/4) inch meter solely due to the installation of fire sprinkler systems. If the variance is granted, the AWRDIF that will be assessed will be the cost of a five-eighths (5/8) inch meter. The variance will have no impact on all other rates, fees and/or charges associated with a three-quarter (3/4) inch water meter.

Metered connections to the Town's reclaimed water system are not subject to the Alternative Water Resources Development Impact Fees.

15-17-3 Potable Water System Development Impact Fees

Customer Class	PWSDIF Effective 7/1/2014
Single Family Residential (per meter size)	
5/8-inch	$2,015
3/4-inch	$3,022
1-inch	$5,037
1 1/2-inch	$10,074
2-inch	$16,118
Multifamily Residential (per unit)	
Per Unit*	$967
Commercial and Industrial (per meter size)	
5/8-inch	$2,619
3/4-inch	$3,929
1-inch	$6,548
1 1/2-inch	$13,096
2-inch	$20,953
3-inch	$41,906
4-inch	$65,478

Customer Class	PWSDIF Effective 7/1/2014
6-inch	$130,956
8-inch	$209,530
Irrigation (per meter size)	
5/8-inch	$3,626
3/4-inch	$5,440
1-inch	$9,066
1 1/2-inch	$18,132
2-inch	$29,012
3-inch	$58,024
4-inch	$90,662
6-inch	$181,324
8-inch	$290,118

Individually metered residential units shall pay the single family residential fee for each meter.

*The meter component of the fee for master-metered multifamily residential uses is the higher of the total based upon nine hundred sixty seven dollars ($967) per unit or the commercial fee(s) for the size of the master meter(s).

A variance may be requested if a meter is required to be increased from a five-eighths (5/8) inch meter to a three-quarter (3/4) inch meter solely due to the installation of fire sprinkler systems. If the variance is granted, the PWSDIF that will be assessed will be the cost of a five-eighths (5/8) inch meter. The variance will have no impact on all other rates, fees and/or charges associated with a three-quarter (3/4) inch water meter.

Metered connections to the Town's reclaimed water system are not subject to the Potable Water System Development Impact Fees.

Town Council Regular Session **Item # 2. b.**

Meeting Date:	04/02/2014		
Requested by:	Philip Saletta	**Submitted By:**	Shirley Seng, Water
Department:	Water		

Information

SUBJECT:

PUBLIC HEARING: ORDINANCE NO. (O)14-05, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 15 ARTICLE 17, WATER RATES, FEES AND CHARGES TO COMPLY WITH NEW CHANGES MADE TO CHAPTER 13, DEVELOPMENT IMPACT FEES

RECOMMENDATION:

The Water Utility Commission and Staff recommend approval of Ordinance No. (O)14-05.

EXECUTIVE SUMMARY:

At the February 19, 2014, regular Town Council meeting, a public hearing was held to receive public input on the proposed development fees for parks, police, transportation, potable water system and alternative water resources. In addition, revised Town Code Chapter 13 - Development Impact Fees and revised Town Code Chapter 15, Article 17 - Water Rates, Fees and Charges were also presented for review and comment.

This agenda item is the final step in the Town's development impact fee update process to adopt new impact fees prior to the statutory deadline of August 1, 2014. Approval of this ordinance will repeal and replace the current Town Code Chapter 15, Article 17 - Water Rates, Fees and Charges with new development impact fees for the potable water system and alternative water resources.

A separate agenda item repeals and replaces the current Town Code Chapter 13 - Development Impact Fees that captures the new standards and procedures for assessing and administering development impact fees consistent with the requirements of the impact fee legislation.

The Water Utility Commission reviewed the proposed water impact fee(s) ordinance at their meeting on March 10, 2014, and unanimously recommended Council approval. If this ordinance is approved tonight, the new development impact fees will become effective July 1, 2014.

BACKGROUND OR DETAILED INFORMATION:

In order to comply with the requirements of the new impact fee legislation as prescribed in A.R.S. Section 9-463.05, the Oro Valley Water Utility hired CH2M HILL to prepare an updated impact fee study for its Potable Water System Development Impact Fees (PWSDIF) and its Alternative Water Resources Development Impact Fees (AWRDIF). The PWSDIF funds projects that need to be built for new growth within the water service area such as wells, booster pump stations and pipelines in order to produce and distribute our water supply to new customers. The AWRDIF is used to develop and deliver new sources of supply, specifically the development of our Central Arizona Project water, to protect and preserve our aquifer. In addition to the Water Utility hiring CH2M HILL, the Town hired Duncan Associates to prepare an updated impact fee study for its parks, police and transportation impact fees.

Water impact fees are charged only to new development based upon the meter size purchased. The purpose of the fees is for the new growth to pay its fair share of the costs in expanding the water delivery and distribution system to accommodate more water demand. As a result, existing customers are not paying for new water system expansion and development costs. Exhibit A of the proposed ordinance lists the new fees and the changes to the water code. Please also see Table 4-3 on page 4-3 and Table 4-4 on page 4-4 of the Oro Valley Water Utility Development Impact Fees Study.

In accordance with the statute, the following milestones have been completed:

October 4, 2013 - Public reviewed drafts of both development impact fee studies posted on the Town's website

December 4, 2013 - Public hearing held on land use assumptions and infrastructure improvement plans (IIPs) included in both studies

January 15, 2014 - Town Council approved Resolution No. (R)14-07, adopting the 2013-2023 land use assumptions and IIPs dated October 4, 2013

January 15, 2014 - Town Council approved Resolution No. (R)14-01, notice of intent to increase development impact fees

February 19, 2014 - Public hearing held on updated development impact fees

As part of the outreach and education effort associated with this update process, Town staff provided copies of the impact fee studies to both the Southern Arizona Home Builders Association (SAHBA) and the Metropolitan Pima Alliance (MPA) last fall. We have met with SAHBA and MPA to discuss the details of the studies on several occasions. We have also provided written responses to their comments and questions regarding our study. At a recent meeting with SAHBA and MPA on March 14, 2014, neither SAHBA nor MPA had any further comments or questions regarding the water utility impact fees.

If approved, the proposed water utility impact fees for Single Family Residential and Multifamily Residential would decrease 20%, the Commercial and Industrial impact fees would decrease 13%, and the fees for irrigation meters would increase 17%. Irrigation meters are purchased separately for commercial properties and home owners associations for landscaping uses. Irrigation meters are generally sized as small as possible, and the duty of use and water usage for the same meter size is greater than the typical residential meter of the same size. Please see Table 4-5 on page 4-5 of the attached report for a combined comparison of the existing and proposed water impact fees.

For larger meter sizes, there is more water usage which is why the fees are higher for the larger meters. For example, a 2-inch commercial meter equates to 8 service units compared to a 5/8-inch residential meter which equates to 1 service unit. Additionally, our historic water use records indicate that commercial and irrigation water use is higher than residential water use. As a result, the proposed impact fees for commercial have a demand adjustment factor of 1.3 and irrigation has a 1.8 demand adjustment factor compared to residential at 1.0.

The proposed ordinance no longer includes fire flow fees since this is now inherently incorporated into the Potable Water System Development Impact Fees. The exemption for payment of the Alternative Water Resources Development Impact Fees for schools is no longer included; however, Council can approve any exemption for schools on a case-by-case basis. The variance for fire sprinklers is unchanged and still remains in the code.

FISCAL IMPACT:

These proposed fees will pay for new water development, delivery and distribution projects to meet the demands for new growth. The revenues that will be collected from these proposed fees are commensurate with the project costs within the ten-year timeframe limit in accordance with the impact fee law. These fees are paid for when a new meter is purchased for new growth so that new development pays for itself. These impact fees do not apply to our existing customers unless a new additional meter is purchased or a larger meter size is purchase.

Based on the attached Oro Valley Water Utility Development Impact Fees Study prepared by CH2M HILL, the combined total of the two water utility impact fees would be 20% lower for residential customer class; 13% lower for the commercial class; and 17% higher for the irrigation customer class. Please see Table 4-5 on page 4-5 of the CH2M HILL study compares the current impact fees with the proposed updated impact fees.

SUGGESTED MOTION:

I MOVE to (approve or deny) Ordinance No. (O)14-05.

or

I MOVE....

Attachments

O14-05 Amending Ch 15 Water Rates, Fees & Charges

Chapter 15 Article 17

Final Impact Fee Study

ORDINANCE NO. (O)14-05

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING THE ORO VALLEY TOWN CODE CHAPTER 15, ARTICLE 17, WATER RATES, FEES AND CHARGES TO COMPLY WITH NEW CHANGES MADE TO CHAPTER 13, DEVELOPMENT FEES AS PROVIDED IN EXHIBIT "A", AND REPEALING ALL RESOLUTIONS, ORDINANCES, AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH

WHEREAS, pursuant to A.R.S. § 9-463.05 the Town has the requisite statutory authority to assess development fees to offset costs to the municipality associated with providing necessary public services to a development; and

WHEREAS, the Arizona State Legislature made sweeping changes to ARS § 9-463.05 forcing all Arizona municipalities to revamp their Development Impact Fees in compliance with those changes; and

WHEREAS, the changes to Oro Valley Town Code Chapter 13, Development Fees have facilitated the need for related changes to Oro Valley Town Code Chapter 15, Article 17, Water Rates Fees and Charges; and

WHEREAS, the Mayor and Council have determined that it is in the best interest of the Town to amend the Oro Valley Town Code Chapter 15, Article 17, Water Rates Fees and Charges to conform to the changes made to Oro Valley Town Code Chapter 13, Development Fees.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Oro Valley, Arizona, that:

SECTION 1. Repealing the existing Oro Valley Town Code Chapter 15, Article 17, Water Rates, Fees and Charges and replacing it with a new Oro Valley Town Code Chapter 15, Article 17 Water Rates, Fees and Charges as provided in Exhibit "A", and repealing all resolutions, ordinances, and rules of the Town of Oro Valley in conflict therewith.

SECTION 2. This Ordinance shall become effective on July 1, 2014.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT “A”

Article 15-17
WATER RATES, FEES AND CHARGES

Sections:

15-17-1 Establishment of Water Rates, Fees and Service Charges

15-17-2 Alternative Water Resources Development Impact Fees

15-17-3 Potable Water System Development Impact Fees

15-17-1 Establishment of Water Rates, Fees and Service Charges

Water rates, fees and service charges for the Town of Oro Valley Water Utility shall be established by resolution of the Town Council. The Alternative Water Resources Development Impact Fees and the Potable Water System Development Impact Fees shall be established by ordinance in accordance with Chapter 13 of the Town Code.

15-17-2 Alternative Water Resources Development Impact Fees

Customer Class	AWRDIF Effective 7/1/2014
Single Family Residential (per meter size)	
5/8-inch	$4,045
3/4-inch	$6,067
1-inch	$10,111
1-1/2-inch	$20,223
2-inch	$32,356
Multifamily Residential (per unit)	
Per Unit*	$1,941

Commercial and Industrial (per meter size)	
5/8-inch	$5,258
3/4-inch	$7,887
1-inch	$13,145
1-1/2-inch	$26,289
2-inch	$42,063
3-inch	$84,126
4-inch	$131,447
6-inch	$262,894
8-inch	$420,631
Irrigation (per meter size)	
5/8-inch	$7,280
3/4-inch	$10,920
1-inch	$18,200
1-1/2-inch	$36,401
2-inch	$58,241
3-inch	$116,482
4-inch	$182,004
6-inch	$364,007
8-inch	$582,412

Individually metered residential units shall pay the single family residential fee for each meter.

*The meter component of the fee for master-metered multifamily residential uses is the higher of the total based upon one thousand nine hundred forty one dollars ($1,941) per unit or the commercial fee(s) for the size of the master meter(s).

A variance may be requested if a meter is required to be increased from a five-eighths (5/8) inch meter to a three-quarter (3/4) inch meter solely due to the installation of fire sprinkler systems. If the variance is granted, the AWRDIF that will be assessed will be the cost of a five-eighths (5/8) inch meter. The variance will have no impact on all other rates, fees and/or charges associated with a three-quarter (3/4) inch water meter.

Metered connections to the Town's reclaimed water system are not subject to the Alternative Water Resources Development Impact Fees.

15-17-3 Potable Water System Development Impact Fees

Customer Class	PWSDIF Effective 7/1/2014
Single Family Residential (per meter size)	
5/8-inch	$2,015
3/4-inch	$3,022
1-inch	$5,037
1 1/2-inch	$10,074
2-inch	$16,118
Multifamily Residential (per unit)	
Per Unit*	$967
Commercial and Industrial (per meter size)	
5/8-inch	$2,619
3/4-inch	$3,929
1-inch	$6,548
1 1/2-inch	$13,096
2-inch	$20,953
3-inch	$41,906
4-inch	$65,478

Customer Class	PWSDIF Effective 7/1/2014
6-inch	$130,956
8-inch	$209,530
Irrigation (per meter size)	
5/8-inch	$3,626
3/4-inch	$5,440
1-inch	$9,066
1 1/2-inch	$18,132
2-inch	$29,012
3-inch	$58,024
4-inch	$90,662
6-inch	$181,324
8-inch	$290,118

Individually metered residential units shall pay the single family residential fee for each meter.

*The meter component of the fee for master-metered multifamily residential uses is the higher of the total based upon nine hundred sixty seven dollars ($967) per unit or the commercial fee(s) for the size of the master meter(s).

A variance may be requested if a meter is required to be increased from a five-eighths (5/8) inch meter to a three-quarter (3/4) inch meter solely due to the installation of fire sprinkler systems. If the variance is granted, the PWSDIF that will be assessed will be the cost of a five-eighths (5/8) inch meter. The variance will have no impact on all other rates, fees and/or charges associated with a three-quarter (3/4) inch water meter.

Metered connections to the Town's reclaimed water system are not subject to the Potable Water System Development Impact Fees.

FINAL

Oro Valley Water Utility Development Impact Fees Study

March 2014

Prepared for

Prepared by

CH2MHILL

1840 E. River Road, Suite 200
Tucson, Arizona

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Executive Summary

The Town of Oro Valley Water Utility (Water Utility) contracted with CH2M HILL to prepare this development impact fee study in order to comply with recent amendments to the Arizona Revised Statutes, which require existing impact fee programs in Arizona to be replaced with new fees prior to August 1, 2014.[1]

Based on CH2M HILL's review and analysis of the Water Utility's customer characteristics, growth projections, and capital improvements plan projects and costs, adjustments are proposed to the existing Alternative Water Resources Development Impact Fee (AWRDIF) and Potable Water System Development Impact Fee (PWSDIF). Adjustments to the Water Utility's existing development impact fees are provided in Table ES-1 for the base (5/8-inch) meter size and for a multifamily unit.

TABLE ES-1
Existing and Proposed Development Impact Fees

Customer Class	Existing AWRDIF	Proposed AWRDIF	Percent Variance	Existing PWSDIF	Proposed PWSDIF	Percent Variance	Net Change
Single Family (5/8-inch meter)	$4,982	$4,045	-19%	$2,567	$2,015	-22%	**-20%**
Multi-Family (per unit)	$2,390	$1,941	-19%	$1,230	$967	-21%	**-20%**
Commercial (5/8-inch meter)	$4,982	$5,258	6%	$4,110	$2,619	-36%	**-13%**
Irrigation (5/8-inch meter)	$4,982	$7,280	46%	$4,360	$3,626	-17%	**17%**

The proposed development impact fees would result in decreases across all customer classes with the exception of the commercial and industrial AWRDIF and the irrigation AWRDIF. On a combined basis, the net change in proposed Water Utility development impact fees would be a decrease for all customer classes except irrigation, which would increase 17 percent. The complete schedule of AWRDIF and PWSDIF fees is provided in Section 4 of this report.

[1] Arizona Revised Statutes §9-463.05(K)

1.0 Introduction

Recent amendments to ARS §9-463.05 require existing impact fee programs in Arizona to be replaced with fees adopted under the new statute by August 1, 2014.[2] The Town of Oro Valley Water Utility (Water Utility) retained CH2M HILL to assist with its update to the Alternative Water Resources Development Impact Fee (AWRDIF) and Potable Water System Development Impact Fee (PWSDIF) in order to meet the August 2014 deadline. This report contains CH2M HILL's findings and recommendations for both the AWRDIF and PWSDIF. The development impact fee analysis and the associated infrastructure improvements plan (IIP) span a 10-year period beginning in year 2014 and ending in year 2023 – hereinafter referred to as the study period.

Calculations throughout this report are based on analysis conducted using Microsoft Excel® software. Calculation results may use rounded figures, but the analysis itself uses figures carried to their ultimate decimal places. As such, the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report due to the rounding.

1.1 Objectives

The objectives of the analysis were to develop fair and equitable impact fees that recover the average cost to construct a unit of capacity for a customer connecting to the Water Utility system, and to comply with Town policies, Arizona State Statutes, and impact fee case law.

1.2 Background

Development impact fees in Arizona must meet the requirements of the Arizona Revised Statutes (ARS §9-463.05, as amended) and impact fee case law, namely the rational nexus criterion. The rational nexus criterion in essence means that development impact fees must be administered in a nondiscriminatory manner and must bear a reasonable and proportionate relationship to the burden imposed upon the municipality to provide additional necessary public facilities.

While the most recent changes in ARS §9-463.05 tightened the standards for demonstrating compliance with the rational nexus test, the underlying purpose and intent of the law remains the same - that development impact fees should reflect the average cost to construct a unit of capacity required to serve new development. Based on our review and analysis of the Water Utility's customer characteristics, growth projections, and capital improvements plan projects and costs, CH2M HILL designed the PWSDIF and AWRDIF to recover the average cost of Water Utility infrastructure required to serve a new customer.

[2] Arizona Revised Statutes §9-463.05(K)

This development impact fee report follows and makes frequent reference to the recently amended ARS §9-463.05. The requirements defined in this statute include a detailed analysis of the land use and growth assumptions, level of service, and infrastructure required to serve new growth.

1.2.1 Water Utility Policies

The Town of Oro Valley Water Policies establish "the Oro Valley Water Utility as a financially self-supporting enterprise."[3] As such, all costs associated with the operation of the Water Utility are funded from revenues derived from the sale of water and other water-related income sources, including development impact fees. Furthermore, "water revenues in excess of the operating needs of the Water Utility shall be carried forward for future operating or future bond funding requirements and shall not be transferred to the Town's General Fund."[4]

1.2.2 Structure of Funds

The Water Utility manages three separate funds; the Operating Fund, the AWRDIF Fund, and the PWSDIF Fund. Each fund is briefly discussed below:

- **Operating Fund** - The primary fund for the Utility which includes management of O&M and labor expenditures for the potable and reclaimed water systems, and non-growth capital expenditures related to the existing water system. Revenue for this fund is generated through potable and reclaimed water sales, service fees and charges, groundwater preservation fees, investment income, and other miscellaneous revenue.
- **AWRDIF Fund –** This fund includes capital expenditures related to alternative water resource projects such as Central Arizona Project (CAP), and the related debt service. Revenue for this fund is generated from impact fees collected at the time new water meters are purchased, and interest income on AWRDIF fund cash reserves.
- **PWSDIF Fund –** This fund includes capital expenditures related to expansion or growth projects for the potable water system and related debt service. Revenue for this fund is generated through impact fees collected when new water meters are purchased and through interest income on PWSDIF fund cash reserves.

Revenues and expenses from these funds are segregated and managed separately. The forecasted impact fee revenue generated for the AWRDIF and PWSDIF funds are based on the growth projections and the proposed impact fees described herein. Development impact fee revenue is restricted to pay for new infrastructure and water acquisitions to serve future customers only.

[3] Town of Oro Valley Mayor and Town Council Water Policies, Adopted October 23, 1996, as amended.

[4] Ibid, Section II, A.1.c.

1.3 Impact Fee Methodologies

For the purposes of the AWRDIF and PWSDIF development, CH2M HILL evaluated industry-standard impact fee calculation methodologies defined by the American Water Works Association (AWWA) M1 Manual "*Principles of Water Rates, Fees, and Charges*" These methods include:

- Equity Buy-In method
- Incremental Cost method
- Hybrid method

The goal of the **equity buy-in method** is to achieve an equity position between new and existing customers of the system. This approach is best suited for existing facilities that have been oversized and have excess capacity available. It utilizes the original cost of existing assets, escalated to current value using a standard cost index such as Engineering News-Record Construction Cost Index. Adjustments are made to account for outstanding debt, developer contributions, and accumulated depreciation. The resulting estimate of current system equity is divided by the number of system service units (SUs) connected to the system to compute an average cost per SU.

The **incremental cost method** assigns to new development the incremental cost of system expansion needed to serve new development. This approach is best suited for communities that have limited existing capacity, and have prepared detailed growth-related capital project plans and acquisition plans. The cost of recently completed and projects proposed over a specified time frame (i.e., 10 years per Arizona State Statutes) including interest and financing costs, is divided by the number of equivalent customers that will be served by the additional capital projects to compute an average cost per SU.

Incremental average costs per SU may be additive for separate infrastructure components or may be combined on a weighted-average basis for similar infrastructure components.

The **hybrid method** applies principles from both methods and is appropriate where some existing reserve capacity for growth is available and new capacity is planned.

CH2M HILL utilized the incremental cost method to compute both the AWRDIF and PWSDIF, and included both recently-completed and proposed infrastructure projects as the basis for the incremental average cost per SU calculation.

2.0 Legal Framework

2.1 Necessary Public Services

Recent amendments to ARS §9-463.05 include a new definition of "necessary public services" for which development impact fees may be assessed. "Necessary public service" means facilities that have a life expectancy of 3 or more years and that are owned and operated by or on behalf of the municipality. For the purpose of the Water Utility, necessary public services include:

> *"Water facilities, including the supply, transportation, treatment, purification, and distribution of water, and any appurtenances to those facilities."* [5]

CH2M HILL designed the PWSDIF and AWRDIF to include the infrastructure components defined in statute, as further described below:

- **Water Facilities**
  - Supply – means infrastructure related to sources of supply, including but not limited to groundwater and CAP water, and any appurtenances and engineering services related to such water supply facilities.
  - Transportation – means infrastructure related to the transportation, pumping, and storage of water, and any appurtenances to such facilities.
  - Treatment – means infrastructure related to water treatment and any appurtenances and engineering services related to such facilities. Oro Valley does not include any of its Water Utility assets in this category for the purposes of determining development impact fees.
  - Purification – means infrastructure related to purification of water and any appurtenances and engineering services related to such facilities. Oro Valley does not include any of its Water Utility assets in this category for the purposes of determining development impact fees.
  - Distribution – means local distribution pipelines (typically less than 12 inches diameter) and main extensions and any appurtenances and engineering services related to such facilities. Oro Valley does not include any of its Water Utility assets in this category for the purposes of determining development impact fees.
  - Appurtenances – appurtenances are included together with the categories described above for the purposes of determining development impact fees.

[5] ARS §9-463.05.T.7(a)

- **Real Property –** includes real property required for location of the infrastructure facilities described above.
- **Engineering Services –** engineering services are included together with the water infrastructure categories described above for the purposes of determining development impact fees.
- **Financing –** includes interest and other finance costs related to the portion of the bonds issued to finance construction of necessary public services and/or facility expansions identified in the IIP.
- **Development Impact Fee Study –** includes the cost of conducting the development impact fee study in accordance with ARS §9-463.05.

This impact fee analysis demonstrates that the required capital facilities are a consequence of new development and necessary for new development to occur, and that the AWRDIF and PWSDIF are proportionate to and a result of the additional demands of new development. These capital facilities as defined in the IIP will result in a beneficial use to new development.

In addition, CH2M HILL conducted an evaluation of credits for exactions or other dedications, as described in this report. This impact fee analysis also compares the new fees to Water Utility's current fee schedule, and recommends adjustments, where needed, to comply with ARS 9-463.05 and fulfill the rational nexus criterion.

2.2 Service Area

ARS 9-463.05 defines the service area as "the specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan."[6] The Water Utility chose to define its water service area for the AWRDIF and PWSDIF, as shown in Figure 1 below. This figure is also provided in 11x17 size in Appendix A: Water Utility Service Area Map.

[6] ARS 9-463.05.T.(9)

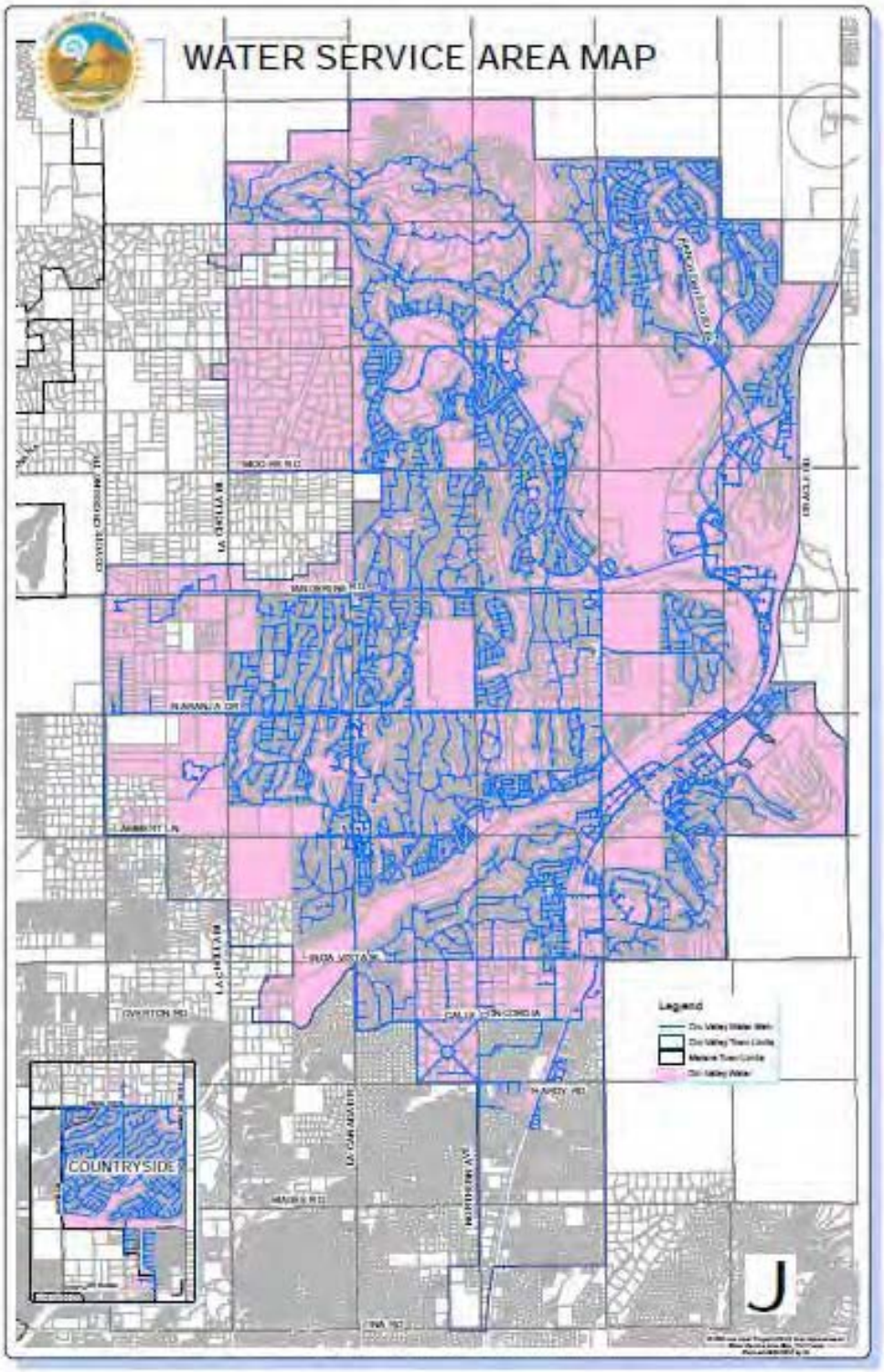


FIGURE 2-1
Water Service Area Map

If adopted, the Water Utility development impact fees would only apply to future growth and development within the Water Utility's defined service area and as it may change in the future due to annexations or other inclusions in the service area. Any development not located within, annexed into or included in the service area would not be entitled to or eligible to receive water service from the Water Utility.

2.3 Land Use Assumptions

The land use assumptions serve as the basis for the IIP and subsequent impact fee calculations for the Water Utility. ARS 9-463.05 defines "Land use assumptions" as the projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least 10 years and pursuant to the general plan of the municipality.[7] The *Oro Valley General Plan*, adopted in 2005, does not include projections of future population, land use, or Water Utility SUs. As such, land use assumptions were derived using GIS mapping according to current zoning and consistent with the Town's General Plan, as well as recent population growth forecasts submitted to the Arizona Department of Water Resources.[8]

When considering future Water Utility infrastructure investments (or utilization of existing capacity), it is difficult to provide an exact matching between the population and/or other measures of development growth and the necessary capital investment within a given timeframe due to such factors as:

- Water Utility infrastructure investments are made to serve long-term needs and require large, one-time financial commitments to serve growth over a period that may exceed the 10-year study period.
- Capacity utilization depends on the actual rate of development growth and new connections to the water system rather than the study period.
- Capacity must be available to serve new customers immediately upon connection to the Water Utility, requiring up-front investment and project construction prior to having exact certainty over the timing of those connections.

As such, the Water Utility performed an analysis of future land use using GIS based mapping to determine the SUs remaining in the existing water service area boundary depicted in Figure 1. The land use assumptions were based on current zoning for each remaining undeveloped and/or unserved parcel. The results of the analysis indicate a total of 4,131 new SUs in the Water Utility service area. These GIS land use maps are available electronically from the Water Utility upon request. The Water Utility service area land use assumptions are detailed in Table 2-1.

[7] ARS 9-463.05.T.(6)

[8] ADWR Annual Water Withdrawal and Use Report-Provider Summary 2012– March 25, 2013 – Schedule AWS – Part 2, page 7.

TABLE 2-1
Service Area Land Use Assumptions

	Current (2013)*	Future (2023)	Future Buildout	Increase
Single Family	18,710	NA	21,184	2,474
Multi-Family	1,860	NA	2,472	612
Commercial	830	NA	1,596	766
Irrigation	1,540	NA	1,819	279
Other	260	NA	-	-
Total SUs (Buildout)	**23,200**	**NA**	**27,331**	**4,131**
Total Population	43,062	47,182	NA	4,120

* Calendar year-end projection

Future growth within the service area in total SUs is anticipated at buildout - a period of at least 10 years and pursuant to the general plan of the Town. Future growth is comprised of single family, multi-family, commercial and irrigation SUs. The Water Utility anticipates an increase of 4,131 total SUs at buildout. The population is estimated to increase by 4,120 persons over the 10-year study period.

2.4 Changes in Growth and Development

ARS §9-463.05 requires that the municipality perform one of the following to monitor and respond to changes in growth and development over time:

- Appoint an infrastructure advisory committee to inform and monitor the municipality on a number of issues related to the land use assumptions and IIP, or
- Provide for a biennial certified audit of the municipality's land use assumptions, IIP, and development impact fees.

The Water Utility will conduct the biennial certified audit in order to comply with this requirement.

2.5 Credits

"If a municipality requires as a condition of development approval the construction or improvement of, contributions to or dedication of any facilities that were not included in a previously adopted IIP, the municipality shall cause the IIP to be amended to include the facilities and shall provide a credit toward the payment of a development impact fee for the construction, improvement, contribution or dedication of the facilities to the extent that the facilities will substitute for or otherwise reduce the need for other similar facilities in the IIP for which development impact fees were assessed."[9]

[9] §9-463.05, B 11.

The Water Utility expects to enter into line extension agreements with developers to provide for water system expansion through pipelines and local distribution infrastructure to meet future demands for their specific development. Since this infrastructure is not included in the IIP, it is therefore not eligible for a credit toward development impact fee payments. Because the Water Utility is a financially self-supporting enterprise, impact fee credits, if any, may not be transferred between Water Utility and non-Water Utility sources. Furthermore, Town water policy prohibits entering into a "development agreement for any purpose that permits the developer to pay reduced water rates and/or reduced development impact fees."[10]

Developers or other private parties may offer (but are not required as a condition of development approval) to provide or develop water infrastructure (transmission, distribution, storage, or pumping facilities) that may exceed the water demand and/or supply for proposed commercial or residential development. In these instances, it may be appropriate to offer an offset to the proposed PWSDIF, if such infrastructure is included in the IIP. Such offsets would depend upon the ability to integrate with the Town's existing water system and would be subject to review and acceptance by the Town. In addition, the developer and Water Utility could enter into an over-sizing agreement consistent with Town Water Code. In this case the Water utility would pay for the incremental cost of over sizing and there would be no eligible credits to offset impact fees.

[10] Town of Oro Valley Mayor and Town Council Water Policies, Section II, A.1.f, adopted October 23, 1996, as amended.

3.0 Infrastructure Improvements Plan

A written plan that identifies each necessary public service or facility expansion that is proposed to be the subject of the development impact fee and complies with the specific requirements of ARS 9-463.05.(E) is provided in the following sections. These sections follow and comply with the seven subchapters of ARS 9-463.05.(E), which define the infrastructure improvements requirements. Engineering analysis and capacity calculations in this report were prepared by qualified professionals licensed in the State of Arizona, as applicable.

3.1 Description of Existing Necessary Public Services

The Water Utility has approximately 18,800 customer connections serving a population of 43,000, which includes customers within the Town boundaries and the Countryside service area. The Water Utility currently delivers water from three sources of supply:

- Groundwater is pumped from wells in the aquifer below the Town and delivered through the potable water distribution system.
- CAP water is delivered to the Oro Valley potable water system through Tucson Water's distribution system. Oro Valley also uses its CAP water indirectly through groundwater storage credits.
- Reclaimed water is used for irrigation of turf, predominantly for golf courses, and is delivered through a separate reclaimed water distribution system.

In 2012, a total of 7,444 acre feet of potable water was produced to deliver water supply to Water Utility customers. The wells in the Oro Valley Water Service Area produced 5,415 acre feet (1.76 billion gallons) and the wells in the Countryside Water Service Area produced 746 acre feet (243 million gallons) to deliver water supply to Water Utility customers. In addition, 1,283 acre feet of CAP water was delivered to the potable water system in accordance with an intergovernmental agreement with the City of Tucson. The total pumped from Water Utility wells in 2012 was 1,573 acre feet (513 million gallons) less than in 2011 primarily due to the Water Utility's CAP deliveries and ongoing water conservation efforts.

In 2012, the Water Utility also stored CAP water to obtain groundwater storage credits within the Tucson Active Management Area. The use of groundwater storage credits for recovery wells reduces the Water Utility's financial obligations to the Central Arizona Groundwater Replenishment District.

Groundwater levels continue to decline in the Oro Valley aquifer but to a significantly lesser extent than in previous years due to reductions in groundwater pumping. Well water levels declined an average of 1.29 feet in the Oro Valley Water Service Area and declined 2.75 feet in the Countryside Water Service Area in 2012. Operation of the reclaimed water system and the delivery of CAP water have slowed the groundwater decline, thus conserving,

preserving and protecting the aquifer and groundwater supply. The Water Utility plans to continue to utilize a mix of source water, including its remaining CAP water allocation, in the foreseeable future.

The following are some of the Water Utility's existing resources and assets as of December 31, 2012:

- Water Resources:
  - Groundwater Supply (Assured Water Supply): 13,384 acre feet per year
  - Groundwater Supply (Sustainable Supply Target) 5,500 acre feet per year
  - Reclaimed Water: 2,300 acre feet per year
  - Effluent Water: 1,500 acre feet per year
  - CAP Water: 10,305 acre feet per year

- Assets:
  - Water Distribution Storage Reservoirs: 19
  - Potable Water Reservoir Capacity: 11,600,000 gallons
  - Reclaimed Water Reservoir Capacity: 1,500,000 gallons
  - Potable Water Mains: 343 miles
  - Reclaimed Water Mains 12 miles
  - Potable Water Booster Stations: 25
  - Reclaimed Water Booster Stations: 2
  - Operating Wells: 22

The Water Utility has budgeted capital expenditures to repair, replace, and upgrade existing water facilities. These non-growth-related capital expenditures are funded with Operating Fund revenue (predominantly from water rates) and therefore are not considered in the AWRDIF and PWSDIF analysis.

3.2 Service Unit Characteristics

In order to present water demands using a standardized measure of consumption, average consumption attributable to an individual unit of development (calculated pursuant to generally accepted engineering and planning standards) is expressed in terms of SUs. A Water Utility SU is represented by a residential customer with a 5/8-inch (or 5/8 x 3/4 inch) meter, which is the most common meter size in Oro Valley. Based on an examination of historic billing statistics and water system characteristics, the Water Utility's current SU demand characteristics are 110,790 gallons per year (9,232 gallons per month) or 0.34 AF annually.

If development impact fees are assessed, they must be assessed against commercial, industrial and residential development.[11] As such, the Water Utility will continue to charge proportionate fees across development categories based on the relative burdens imposed by and differential cost of providing water to specific categories of development. The level of consumption for each development category is provided in Table 3-1.

[11] ARS 9-463.05.B.(13)

TABLE 3-1
Oro Valley Water Utility Service Unit Characteristics and Capacity Factors

Development Category	Water Demand (gallons/year/SU)	Water Demand (acre feet/year/SU)	Service Unit Capacity Factor
Residential	110,790	0.34	1.00
Multifamily	53,180	0.16	0.48
Commercial and Industrial	144,000	0.44	1.30
Irrigation	199,400	0.61	1.80

The capacity factors express water demand on a SU basis and were determined based on an analysis of the Town's water billing data. Capacity factors indicate that commercial, industrial, and irrigation categories demand more water per SU than the residential category, while the multifamily SU demands less water than all other categories.

3.3 Projected Service Units

The Water Utility installed 171 new water connections in year 2012 (or 245 SUs), approximately a 1.0 percent growth rate, and expects to add 300 new SUs in 2013 and 2014. The projected number of SUs necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering criteria are provided in Table 3-2.

TABLE 3-2
Projected Annual Growth in Number of Service Units

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
2013 System SUs	23,200									
Projected Additional SUs	300	400	400	400	450	450	450	500	500	500
Total System SUs	**23,500**	**23,900**	**24,300**	**24,700**	**25,150**	**25,600**	**25,050**	**26,550**	**27,050**	**27,550**
Annual Growth (percent)	1.3%	1.7%	1.7%	1.6%	1.8%	1.8%	1.7%	1.9%	1.9%	1.8%

Annual growth is forecasted to increase from the current level of approximately 300 SUs in 2013 to 500 SUs annually by the end of the forecast period. The total number of additional SUs forecasted over the 10-year period is 4,050 SUs – just under the 4,131 SUs anticipated at buildout. The annual growth rate in SUs ranges from 1.3 to 1.9 percent, averaging 1.7 percent over the study period.

3.4 Projected Water Demands

The projected demand for water services required by new SUs over the 10-year forecast period is provided in Table 3-3.

TABLE 3-3
Projected Potable Water Demands

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
2013 System SUs	23,200									
Projected Additional SUs	300	400	400	400	450	450	450	500	500	500
Total System SUs	23,500	23,900	24,300	24,700	25,150	25,600	25,050	26,550	27,050	27,550
Potable Water System Demand (AF/year)	7,990	8,130	8,260	8,400	8,550	8,700	8,860	9,030	9,200	9,370

Annual growth in water demand is forecasted to increase from the current level of approximately 7,990 acre-feet to 9,370 acre-feet by the end of the study period. The annual growth rate in potable water system demand ranges from 1.3 to 1.9 percent, averaging 1.7 percent over the study period.

3.5 Analysis of Excess Available Capacity

3.5.1 Alternative Water Resources Excess Available Capacity

Since the 1940's groundwater levels have declined within the Water Utility's service area and it is anticipated that levels will continue to decline in the future without proactive measures. Based on the Town's *2002 Assured Water Supply Hydrology Report*[12] and *2004 Groundwater Action Plan*[13], the Town has established a target "sustainable groundwater supply" of 5,500 AF per year. In 2005, the Water Utility pumped 10,520 acre feet, which represents the Water Utility's highest groundwater pumpage. In 2012, the Water Utility's total deliveries dropped to 9,543 AF (potable and reclaimed combined). Of that amount, 6,160 AF was groundwater pumpage and 1,283 AF was CAP water delivered to the potable system. The remaining amount was reclaimed water deliveries of 2,100 AF.

Until year 2005 the Water Utility's only source of water supply was groundwater from existing wells. In October 2005, the Water Utility began operation of the first phase of its reclaimed water system. The Water Utility current water supplies include:

- Groundwater from Town wells – groundwater from Town wells is limited to a "sustainable groundwater supply" of approximately 5,500 AF per year.
- Reclaimed Water – reclaimed water includes the delivery of treated wastewater effluent to irrigation customers. The total capacity of reclaimed water is approximately 2,300 AF.
- Colorado River water delivered through the CAP - The Town currently has a subcontract with CAWCD for 10,305 AF of CAP water rights. Of this amount, 1,283 AF was delivered in 2012 through a wheeling agreement with Tucson Water. It is

[12] Assured Water Supply Hydrology Report for the Oro Valley Water Utility, Brown and Caldwell, June 2002.

[13] Groundwater Action Plan, Oro Valley Water Utility, Oro Valley, Arizona; Brown and Caldwell, August 2004.

anticipated that CAP water delivery capacity will increase to 3,500 AF annually over the 10-year study period.

The Town will increasingly rely on renewable reclaimed water and CAP water to meet its needs as existing groundwater production is reduced to approximately 5,500 AF per year in the future to protect and preserve the aquifer and minimize groundwater mining.

Existing customers use 6,160 AF per year of groundwater, which is 660 AF per year greater than the sustainable groundwater production flow rate of 5,500 AF per year. In early 2014, the Water Utility will complete its development of an additional 500 AF of the 660 AF of CAP water for existing customers. This leaves an additional amount of 160 AF needed for existing customers from the proposed infrastructure in the IIP for the AWRDIF projects.

Total water demand is expected to increase from the current 9,543 AF per year to approximately 11,760 AF by 2023. It is anticipated that this demand will be met via 5,870 AF of groundwater; 2,300 AF of reclaimed water; and 3,500 AF of CAP water. Of the 3,500 AF of CAP water, 2,000 AF has been developed for and paid by existing (current) customers. Of the remaining 1,500 (and the basis for this AWRDIF analysis), 1,340 AF will be allocated to and paid by new development and 160 AF will be allocated to and paid by existing customers. The 160 AF will be funded with revenue collected from existing customers through the Water Utility's groundwater preservation fee (GPF), which is included in the monthly bills to existing customers.

The source of supply for the AWRDIF is the Town's allocation of CAP water. In 2007, the Town acquired 3,557 acre feet of additional CAP water to meet the water demands for future growth and development. The total acquisition cost including finance charges was $2,607,471 for a cost of approximately $733 per acre foot (or $249 per SU). An analysis of the alternative water resources excess capacity available for new development is provided in Table 3-4.

TABLE 3-4
Water Facilities - Alternative Water Resources Excess Available Capacity

Project Category	Project Costs	Additional Capacity (acre-feet)	Service Units	Cost per Service Unit
Water Facilities				
Source of Supply	$ 2,362,129	3,557	10,462	$226
Financing	245,342	3,557	10,462	23
TOTAL	**$2,607,471**	**3,557**	**10,464**	**$249**

The Water Utility's investment in its source of supply water facilities results in an average cost per SU of $249, including financing expenses. Detailed calculations are provided in Appendix B: Excess Available Capacity Tables.

3.5.2 Potable Water System Excess Available Capacity

The potable water system consists of the resources and assets as described in Section 3.1. All of the Water Utility's resources and assets work together to provide consistent water

pressure and flow to approximately 18,800 customer accounts (or approximately 23,200 SUs). Estimating network system capacity is subjective, so the potable water system excess available capacity was estimated using:

- Pumping capacity
- Normalized pipe capacity per SU
- Hydraulic flow modeling

The results from all three estimates were consistent and demonstrated that the 2000 and 2003 bond projects were constructed with excess capacity of approximately 40 percent, or 4,300 SUs versus the 10,524 SUs designed to be served those projects. The excess available capacity analysis indicates that the current system therefore has sufficient capacity to serve a total of 27,500 SUs (or an additional 4,300 SUs more than the 2013 system SUs). However, it should be noted that capacity is determined based on a network basis for the entire water system, which does not preclude the need for additional capacity investments in certain portions of the system where capacity may be constrained.

An analysis of the potable water system excess available capacity to meet the water demands of future growth and development is provided in Table 3-5 below.

TABLE 3-5
Water Facilities - Potable Water System Excess Available Capacity

Project Category	Project Costs	Additional Capacity (acre-feet)	Service Units	Cost per Service Unit
Water Facilities				
Transportation and Appurtenances	$13,104,410	3,578	10,524	$1,245
Financing	4,688,669	3,578	10,524	446
TOTAL	**$17,793,079**	**3,578**	**10,524**	**$1,691**

The Water Utility's previous investment in its potable water system water transportation facilities provides excess available capacity with an average cost per SU of $1,691, including financing expenses. Detailed calculations are provided in Appendix B: Excess Available Capacity Tables.

3.6 Description of Infrastructure Attributable to New Development

The Water Utility provided a description of the necessary facility expansions and their costs necessitated by and attributable to new development in the service area based on the approved land use assumptions. These include the alternative water expansion projects funded via AWRDIF revenue, and the potable water expansion projects funded via PWSDIF revenue.

Necessary facility expansions are described in Appendix C: Alternative Water Resources Expansion Related Projects and Appendix D: Potable Water System Expansion Related Projects. Detailed calculations of the AWRDIF and PWSDIF are provided in Appendix E: Expansion Related Capital Improvements.

3.6.1 Alternative Water Resources Expansion Projects

A summary of the alternative water facilities expansion projects and their costs necessitated by and attributable to new development in the service area is provided in Table 3-6 below.

TABLE 3-6
Water Facilities - Alternative Water Resources Expansion Projects

Project Category	Project Costs	Additional Capacity (acre-feet)	Service Units	Cost per Service Unit
Water Facilities				
Transportation and Appurtenances	$12,660,000	1,500	4,412	$2,870
Financing	4,051,200	1,500	4,412	918
TOTAL	**$16,771,200**	**1,500**	**4,412**	**$3,788**

The Water Utility's future investment in its alternative water resources transportation projects will provide additional capacity with an average cost per SU of $3,788, including financing expenses.

3.6.2 Potable Water System Expansion Projects

A summary of the potable water facilities expansion projects and their costs necessitated by and attributable to new development in the service area is provided in Table 3-7 below.

TABLE 3-7
Water Facilities - Potable Water System Expansion Projects

Project Category	Project Costs	Additional Capacity (acre-feet)	Service Units	Cost per Service Unit
Water Facilities				
Transportation and Appurtenances	$3,750,000	386	1,135	$3,304
Real Property	500,000	386	1,135	581
Financing	1,360,000	386	1,135	1,198
TOTAL	**$5,610,000**	**386**	**1,135**	**$4,943**

The Water Utility's future investment in its potable water system transportation projects and real property will provide additional capacity with an average cost per SU of $4,943, including financing expenses.

3.7 Forecast of Non-Development Impact Fee Revenue

The Town of Oro Valley Water Policies establish the "the Oro Valley Water Utility as a financially self-supporting enterprise"[14] and therefore new SUs connecting to the Water Utility potable water system are subject to both the PWSDIF and AWRDIF will not generate any additional revenues through state-shared revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes that would inure to the benefit of the Water Utility. Construction sales taxes collected by the Town of Oro Valley are collected by and benefit the Town's general fund, not to the Water Utility. The Water Utility may collect certain taxes on behalf of the Town of Oro Valley or other taxing authorities, but the associated revenues are transferred to the Town or other authorities and the Water Utility does not receive any tax revenue. The capital recovery portion of the Water Utility's current rates and fees are recovered for repair and replacement capital costs, not new growth. As such, a forecast of non-development impact fee revenue is not applicable and associated non-development impact fee credits are not applicable to the Water Utility.

In addition, PWSDIF and AWRDIF-related debt is paid with impact fee revenue and therefore no debt-service credit is provided.

3.8 Interest Charges and Finance Costs

The Water Utility will fund all or a portion of the potable water system or alternative water resources projects by issuing revenue bonds. Projected interest charges and other finance costs may be included in determining the amount of development impact fees if the monies are used for the payment of principal and interest on the portion of the bonds issued to finance the construction of the necessary public services or facility expansions identified in the IIP.

For the purposes of this analysis, CH2M HILL assumed a 3.75 percent interest rate, 2 percent debt issuance expense, and 0.5 percent bond insurance expense. Based on these assumptions, interest and financing added approximately 32 percent to the cost of the future improvements. Actual interest charges and finance costs incurred (or to be incurred) were included for existing infrastructure with excess capacity.

3.9 Subfund Accounting

Monies received from the proposed AWRDIF and PWSDIF will be placed in separate funds (the AWRDIF Fund and PWSDIF Fund) and accounted for separately from the Water Utility Operating Fund. Interest earned on monies in these funds will be credited back to the respective fund.

[14] Town of Oro Valley Mayor and Town Council Water Policies, Adopted October 23, 1996, as amended.

3.10 Summary and Conclusions

CH2M HILL computed the infrastructure and finance cost per SU for the water utility's IIP using the project categories defined by ARS §9-463.05. Both excess available capacity and expansion projects were included in the calculation of an average cost to construct a new unit of capacity (or to utilize an existing unit of capacity). This methodology arrives at an average cost to construct a new unit of capacity (or utilize an existing unit of capacity) at the same level of service; it does not rely on the timing of new development, but applies the cost of new capacity across all SUs that will be served by that capacity regardless of when growth may occur. Minor changes to the list of projects (or existing infrastructure) that provide capacity for new development should not require recalculation of the development impact fee since a single project is likely to have an insignificant impact on the average cost of capacity across all necessary system infrastructure.

4.0 Determination of Development Impact Fees

Based on the foregoing analysis in the IIP presented in Section 3, the development impact fees were determined according to the project categories defined by ARS §9-463.05. The results of the analysis and cost per SU for both the AWRDIF and PWSDIF are summarized in Tables 4-1 and 4-2, respectively.

TABLE 4-1
Water Facilities - Alternative Water Resources Infrastructure Summary

Project Category	Project Costs	Additional Capacity (acre-feet)	Service Units	Cost per Service Unit
Water Facilities				
Source of Supply	$ 2,362,129	3,557	10,462	$ 226
Transportation and Appurtenances	12,660,000	1,500	4,412	2,870
Treatment	-	-	-	-
Purification	-	-	-	-
Distribution	-	-	-	-
Real Property	-	-	-	-
Engineering Services	Included above	Included above	Included above	Included above
Financing	245,342	3,557	10,462	23
	4,051,200	1,500	4,412	918
Development impact fee Study[1]	30,028	-	4,050	7
TOTAL	**$19,348,699**	**-**	**-**	**$4,045**

1. The Development Impact Fee Study was conducted for $60,056 in total and was evenly applied to the Water Utility's two impact fees.

The total cost per SU and the basis for the AWRDIF is $4,045.

TABLE 4-2
Water Facilities - Potable Water System Infrastructure Summary

Project Category	Project Costs	Additional Capacity (acre-feet)	Service Units	Capital Cost per Service Unit
Water Facilities				
Source of Supply	-	-	-	-
Transportation and Appurtenances	$16,854,410	3,964	11,659	$1,446
Treatment	-	-	-	-
Purification	-	-	-	-
Distribution	-	-	-	-
Real Property	500,000	-	11,659	43
Engineering Services	Included above	Included above	Included above	Included above
Financing	6,048,669	-	11,659	519
Development impact fee Study[1]	30,028	-	4,050	7
TOTAL	**$23,433,107**	**-**	**-**	**$2,015**

1. The Development Impact Fee Study was conducted for $60,056 in total and was evenly applied to the Water Utility's two impact fees.

The total cost per SU and the basis for the PWSDIF is $2,015.

4.1 Proposed Development Impact Fees Schedule

The Water Utility's development impact fees are a one-time payment by new customers to recover costs required to support growth. The proposed AWRDIF and PWSDIF are applicable to new single-family residential; multifamily residential; commercial and industrial; and irrigation meters. New connections with meter sizes larger than 5/8 inch are adjusted based on their relative meter capacities currently utilized by the Water Utility (originally derived from capacity ratios published by the AWWA) such that the fee assessment schedule is proportionate, fair and equitable. Tables 4-3 through 4-5 provide the proposed impact fee assessment schedules.

TABLE 4-3
Alternative Water System Development Impact Fee Schedule

ORO VALLEY WATER UTILITY ALTERNATIVE WATER RESOURCES DEVELOPMENT IMPACT FEES					
Customer Class	**Existing Demand Adjustment Factor**	**Proposed Demand Adjustment Factor**	**AWWA Meter Capacity Ratio**	**Existing AWRDIF**	**Proposed AWRDIF**
Single Family Residential (per meter)					
5/8-inch	1.0	1.0	1.0	$ 4,982	$ 4,045
3/4-inch	1.0	1.0	1.5	$ 7,470	$ 6,067
1-inch	1.0	1.0	2.5	$ 12,450	$ 10,111
1.5-inch	1.0	1.0	5.0	$ 24,910	$ 20,223
2-inch	1.0	1.0	8.0	$ 39,850	$ 32,356
Multifamily Residential (per unit)					
Per Unit	0.48	0.48	NA	$ 2,390	$ 1,941
Commercial and Industrial (per meter)					
5/8-inch	1.0	1.3	1.0	$ 4,982	$ 5,258
3/4-inch	1.0	1.3	1.5	$ 7,470	$ 7,887
1-inch	1.0	1.3	2.5	$ 12,450	$ 13,145
1.5-inch	1.0	1.3	5.0	$ 24,910	$ 26,289
2-inch	1.0	1.3	8.0	$ 39,850	$ 42,063
3-inch	1.0	1.3	16	$ 79,710	$ 84,126
4-inch	1.0	1.3	25	$ 124,550	$ 131,447
6-inch	1.0	1.3	50	$ 249,100	$ 262,894
8-inch	1.0	1.3	80	$ 398,560	$ 420,631
Irrigation (per meter)					
5/8-inch	1.0	1.8	1.0	$ 4,982	$ 7,280
3/4-inch	1.0	1.8	1.5	$ 7,470	$ 10,920
1-inch	1.0	1.8	2.5	$ 12,450	$ 18,200
1.5-inch	1.0	1.8	5.0	$ 24,910	$ 36,401
2-inch	1.0	1.8	8.0	$ 39,850	$ 58,241
3-inch	1.0	1.8	16	$ 79,710	$ 116,482
4-inch	1.0	1.8	25	$ 124,550	$ 182,004
6-inch	1.0	1.8	50	$ 249,100	$ 364,007
8-inch	1.0	1.8	80	$ 398,560	$ 582,412

TABLE 4-4
Potable Water System Development Impact Fee Schedule

ORO VALLEY WATER UTILITY POTABLE WATER SYSTEM DEVELOPMENT IMPACT FEES					
Customer Class	**Existing Demand Adjustment Factor**	**Proposed Demand Adjustment Factor**	**AWWA Meter Capacity Ratio**	**Existing PWSDIF**	**Proposed PWSDIF**
Single Family Residential (per meter)					
5/8-inch	1.0	1.0	1.0	$ 2,567	$ 2,015
3/4-inch	1.0	1.0	1.5	$ 3,850	$ 3,022
1-inch	1.0	1.0	2.5	$ 6,420	$ 5,037
1.5-inch	1.0	1.0	5.0	$ 12,840	$ 10,074
2-inch	1.0	1.0	8.0	$ 20,540	$ 16,118
Multifamily Residential (per unit)					
Per Unit	0.48	0.48	NA	$ 1,230	$ 967
Commercial and Industrial (per meter)					
5/8-inch	1.6	1.3	1.0	$ 4,110	$ 2,619
3/4-inch	1.6	1.3	1.5	$ 6,170	$ 3,929
1-inch	1.6	1.3	2.5	$ 10,280	$ 6,548
1.5-inch	1.6	1.3	5.0	$ 20,550	$ 13,096
2-inch	1.6	1.3	8.0	$ 32,880	$ 20,953
3-inch	1.6	1.3	16	$ 65,760	$ 41,906
4-inch	1.6	1.3	25	$ 102,750	$ 65,478
6-inch	1.6	1.3	50	$ 205,500	$ 130,956
8-inch	1.6	1.3	80	$ 328,800	$ 209,530
Irrigation (per meter)					
5/8-inch	1.7	1.8	1.0	$ 4,360	$ 3,626
3/4-inch	1.7	1.8	1.5	$ 6,540	$ 5,440
1-inch	1.7	1.8	2.5	$ 10,900	$ 9,066
1.5-inch	1.7	1.8	5.0	$ 21,800	$ 18,132
2-inch	1.7	1.8	8.0	$ 34,880	$ 29,012
3-inch	1.7	1.8	16	$ 69,760	$ 58,024
4-inch	1.7	1.8	25	$ 109,000	$ 90,662
6-inch	1.7	1.8	50	$ 218,000	$ 181,324
8-inch	1.7	1.8	80	$ 348,800	$ 290,118

TABLE 4-5

Comparison of Existing and Proposed AWRDIF and PWSDIF

ORO VALLEY WATER UTILITY

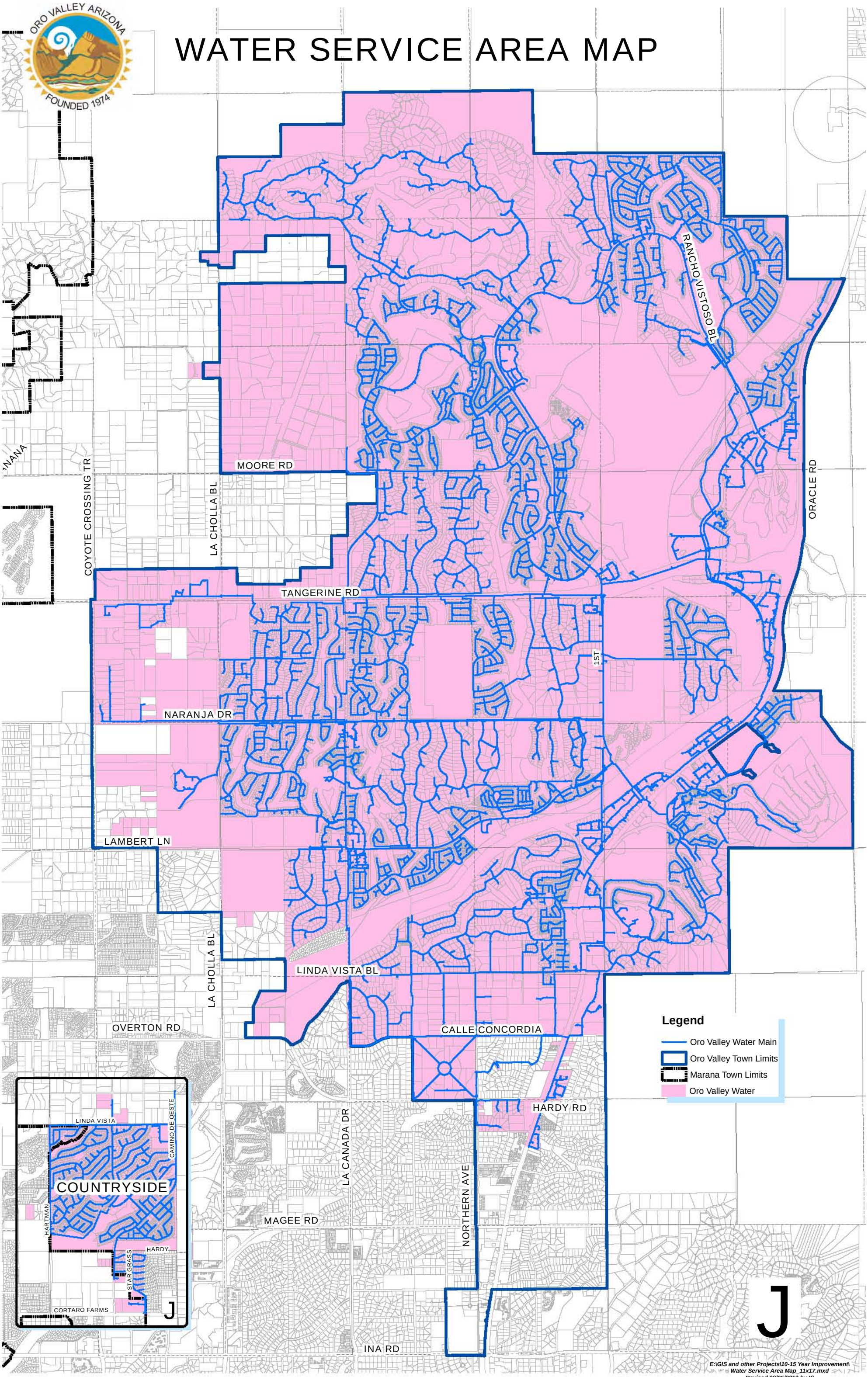
EXISTING AND PROPOSED DEVELOPMENT IMPACT FEES

Customer Class	Existing AWRDIF	Proposed AWRDIF	Percent Variance	Existing PWSDIF	Proposed PWSDIF	Percent Variance	Existing Fees (combined)	Proposed Fees (combined)	Net Change
Single Family Residential (per meter)									
5/8-inch	$ 4,982	$ 4,045	-19%	$ 2,567	$ 2,015	-22%	$ 7,549	$ 6,059	-20%
3/4-inch	$ 7,470	$ 6,067	-19%	$ 3,850	$ 3,022	-22%	$ 11,320	$ 9,089	-20%
1-inch	$ 12,450	$ 10,111	-19%	$ 6,420	$ 5,037	-22%	$ 18,870	$ 15,148	-20%
1.5-inch	$ 24,910	$ 20,223	-19%	$ 12,840	$ 10,074	-22%	$ 37,750	$ 30,296	-20%
2-inch	$ 39,850	$ 32,356	-19%	$ 20,540	$ 16,118	-22%	$ 60,390	$ 48,474	-20%
Multifamily Residential (per unit)									
Per Unit	$ 2,390	$ 1,941	-19%	$ 1,230	$ 967	-21%	$ 3,620	$ 2,908	-20%
Commercial and Industrial (per meter)									
5/8-inch	$ 4,982	$ 5,258	6%	$ 4,110	$ 2,619	-36%	$ 9,092	$ 7,877	-13%
3/4-inch	$ 7,470	$ 7,887	6%	$ 6,170	$ 3,929	-36%	$ 13,640	$ 11,816	-13%
1-inch	$ 12,450	$ 13,145	6%	$ 10,280	$ 6,548	-36%	$ 22,730	$ 19,693	-13%
1.5-inch	$ 24,910	$ 26,289	6%	$ 20,550	$ 13,096	-36%	$ 45,460	$ 39,385	-13%
2-inch	$ 39,850	$ 42,063	6%	$ 32,880	$ 20,953	-36%	$ 72,730	$ 63,016	-13%
3-inch	$ 79,710	$ 84,126	6%	$ 65,760	$ 41,906	-36%	$ 145,470	$ 126,032	-13%
4-inch	$ 124,550	$ 131,447	6%	$ 102,750	$ 65,478	-36%	$ 227,300	$ 196,925	-13%
6-inch	$ 249,100	$ 262,894	6%	$ 205,500	$ 130,956	-36%	$ 454,600	$ 393,850	-13%
8-inch	$ 398,560	$ 420,631	6%	$ 328,800	$ 209,530	-36%	$ 727,360	$ 630,161	-13%
Irrigation (per meter)									
5/8-inch	$ 4,982	$ 7,280	46%	$ 4,360	$ 3,626	-17%	$ 9,342	$ 10,907	17%
3/4-inch	$ 7,470	$ 10,920	46%	$ 6,540	$ 5,440	-17%	$ 14,010	$ 16,360	17%
1-inch	$ 12,450	$ 18,200	46%	$ 10,900	$ 9,066	-17%	$ 23,350	$ 27,267	17%
1.5-inch	$ 24,910	$ 36,401	46%	$ 21,800	$ 18,132	-17%	$ 46,710	$ 54,533	17%
2-inch	$ 39,850	$ 58,241	46%	$ 34,880	$ 29,012	-17%	$ 74,730	$ 87,253	17%
3-inch	$ 79,710	$ 116,482	46%	$ 69,760	$ 58,024	-17%	$ 149,470	$ 174,506	17%
4-inch	$ 124,550	$ 182,004	46%	$ 109,000	$ 90,662	-17%	$ 233,550	$ 272,666	17%
6-inch	$ 249,100	$ 364,007	46%	$ 218,000	$ 181,324	-17%	$ 467,100	$ 545,331	17%
8-inch	$ 398,560	$ 582,412	46%	$ 348,800	$ 290,118	-17%	$ 747,360	$ 872,530	17%

APPENDIX A

Water Utility Service Area Map

WATER SERVICE AREA MAP



APPENDIX B

Excess Available Capacity Tables

APPENDIX B

Town of Oro Valley Water Utility

Table B-1: Alternative Water Resources Excess Available Capacity

Project No.	Project Name	Project Type	Completion Year	Capital Cost	Interest and Financing Cost	Total Project Cost	Additional Capacity (acre-feet)	Additional Service Units	Development Impact Fee per Service Unit
	CAP Water Acquisition	Source of Supply	**2007**	$ 2,362,129	$ 245,342	**$ 2,607,471**	**3,557**	**10,462**	**$ 249**
	TOTAL			**$ 2,362,129**	**$ 245,342**	**$ 2,607,471**	**3,557**	**10,462**	**$ 249**

APPENDIX B

Town of Oro Valley Water Utility

Table B-2: Potable Water System Excess Available Capacity

Project No.	Project Name	Project Type	Completion Year	Capital Cost	Interest and Financing Cost	Total Project Cost	Additional Capacity (acre-feet)	Additional Service Units	Development Impact Fee per Service Unit
	Series 2000 Bond Expansion Related Projects								
1	WP 4 Well, Booster and Reservoir	Transportation	2003	$ 1,678,816	$ 698,937	$ 2,292,149			
2	WP1 D Zone Booster	Transportation	2003	415,587	173,020	567,416			
3	WP 14 "H & I" Zone Booster	Transportation	2002	1,155,169	480,928	1,577,194			
4	12 Inch Steam Pump Mains	Transportation	2001	467,196	194,506	637,879			
5	16" South "C" Zone Main	Transportation	2004	428,542	178,414	585,104			
6	CDO Crossing to WP1	Transportation	2004	596,023	248,141	813,772	3,578	10,524	$777
7	16" WP1 to WP4 Main	Transportation	2003	661,725	275,494	903,478			
8	12" El Con Main NO COSTS	Transportation	NA	NA	NA	NA			
9	12" Well Feed Main NO COSTS	Transportation	NA	NA	NA	NA			
10	16" Oracle Main (20%) Ventana	Transportation	2001	256,356	106,728	350,011			
11	12" Moore Rd Interconnect	Transportation	2003	113,297	47,169	154,688			
	Subtotal - Series 2000 Bond			**$ 5,772,710**	**$ 2,403,337**	**$ 8,176,047**			
	Series 2003 Bond - Expansion Related Projects								
12	South Oracle "D" Zone 16" Main	Transportation	2004	$ 741,245	$ 231,050	$ 943,996			
13	New Well - TW C-99	Transportation	2005	500,074	155,876	636,859			
14	North La Canada E-Zone 16" Main	Transportation	2004	413,284	128,823	526,329			
15	Shadow Mountain Estates 12" Main	Transportation	2005	505,001	157,412	643,133	3,578	10,524	$914
16	WP 15 Reservoir	Transportation	2007	1,828,736	570,027	2,328,947			
17	Stone Canyon H-Zone 12" Main	Transportation	2007	257,530	80,274	327,972			
18	La Canada E-Zone Reservoir 3.0 MG	Transportation	2011	2,792,137	870,325	3,555,866			
19	La Canada E-Zone 24" Main	Transportation	2011	293,693	91,546	374,026			
	Subtotal Series 2003 Bond			**$ 7,331,700**	**$ 2,285,332**	**$ 9,617,032**			
	TOTAL			**$ 13,104,410**	**$ 4,688,669**	**$ 17,793,079**	**3,578**	**10,524**	**$ 1,691**

APPENDIX C

Alternative Water Resources Expansion Related Projects

Appendix C-1
Town of Oro Valley Water Utility
Alternative Water Resources Development Impact Fee Project Descriptions

New water infrastructure is needed to meet demands in the water service area served by the Oro Valley Water Utility. These demands will be met by the development of the Town of Oro Valley's Central Arizona Project water. The Town of Oro Valley Water Utility is regulated by the Arizona Department of Water Resources (ADWR) and is a member of the Tucson Active Management Area (TAMA). The Town needs to develop and use alternative renewable water resources, including its CAP water, to reduce ground water mining and reach safe yield in TAMA in 2025.

The following projects are part of the Infrastructure Improvements Plan to be built over the next 10 years to develop and deliver water supply to meet future demands.

1- La Cholla D-E Blending Booster Station (Transportation)

Infrastructure improvements associated with blending groundwater with CAP water will be located on Naranja Drive near La Cholla Blvd. Blending is necessary for water quality and reducing total dissolved solids (TDS) in the water system prior to delivering additional CAP water to meet future demands. A new booster pump facility will deliver groundwater to mix with CAP water. The facility will consist of booster pumps, flow meters, valves, electrical controls, telemetry and security wall. Engineering services will be required and are included in the project cost.

Total cost: **$ 300,000**

2 – Wheeling of 1,000 Acre Feet of CAP Water to Oro Valley (Transportation)

This project will wheel (deliver) an additional 1,000 acre feet per year through the Tucson Water Naranja Reservoir facility to the Oro Valley water system. Construction of a booster station and associated pipelines at the Tucson Water Oasis reservoir site is required. This project is required to increase flow and provide adequate pressure to deliver additional CAP water. Engineering services will be required and are included in the project cost.

Total cost: **$ 930,000**

3 – 24-Inch Pipeline – Naranja to La Cholla to Tangerine. (Transportation)

The addition of a new 24-inch pipeline from the Tucson Water Naranja reservoir facility to La Cholla north to Tangerine Road is required to deliver Oro Valley CAP water into the Oro Valley Water Utility's distribution system. Engineering services will be required and are included in the project cost.

Total cost: **$ 2,800,000**

4 – Oro Valley Water Utility Naranja CAP Booster Station Upgrade. (Transportation)

Installation of a new pump at the Tucson Water Naranja facility and an upgrade of electrical service and controls is required to deliver Oro Valley CAP water into our distribution system.
Engineering services will be required and are included in the project cost.

Total cost: **$ 1,200,000**

5 – E to C PRV Naranja Reservoir (OV). (Transportation)

Installation of a new pressure reducing valve (PRV) at Naranja Reservoir on the Oro Valley system to efficiently deliver additional CAP water to meet future demands. Engineering services will be required and are included in the project cost.

Total cost: **$ 100,000**

6 – Oro Valley Water Utility CAP 12-Inch Pipeline. (Transportation)

Installation of a new 12-inch CAP water main located on W. Camino Alto. The new main will reduce water velocity and excessive pressure for the efficient delivery of additional CAP water. Engineering services will be required and are included in the project cost.

Total cost: $ **880,000**

7 – Oro Valley Water Utility CAP 16-Inch Pipeline. (Transportation)

Installation of a new 16-inch pipeline from the Tucson Water Oasis booster station to the Tucson Water Naranja reservoir facility for delivery of additional CAP water to the Oro Valley water system. Engineering services will be required and are included in the project cost.

Total cost: **$ 1,100,000**

8 – Wheeling of 500 Acre Feet of CAP Water to Oro Valley. (Transportation).

This project will wheel (deliver) an additional 500 acre feet per year of Oro Valley's CAP water through the Tucson Water Naranja reservoir facility to the Oro Valley water system. This project includes system improvements and the extension of a new 24-inch pipeline on Tangerine Road from La Cholla to La Canada. This is required to transport and convey the additional 500 acre feet per year of CAP water. On the west end, it will connect to the 24-inch pipeline that will be constructed to La Cholla and Tangerine. On

the east end, it will connect the existing main at the intersection of La Canada and Tangerine. Engineering services will be required and are included in the project cost.

Total cost: **$ 3,300,000**

9 – Steam Pump C-D Booster Station. (Transportation)

Installation of a new C to D zone Booster Station at Steam Pump Ranch. The new pump is required to efficiently deliver additional CAP water to meet future demmands. Engineering services will be required and are included in the project cost.

Total cost**: $ 1,200,000**

10– Big Wash D-E Booster Station. (Transportation)

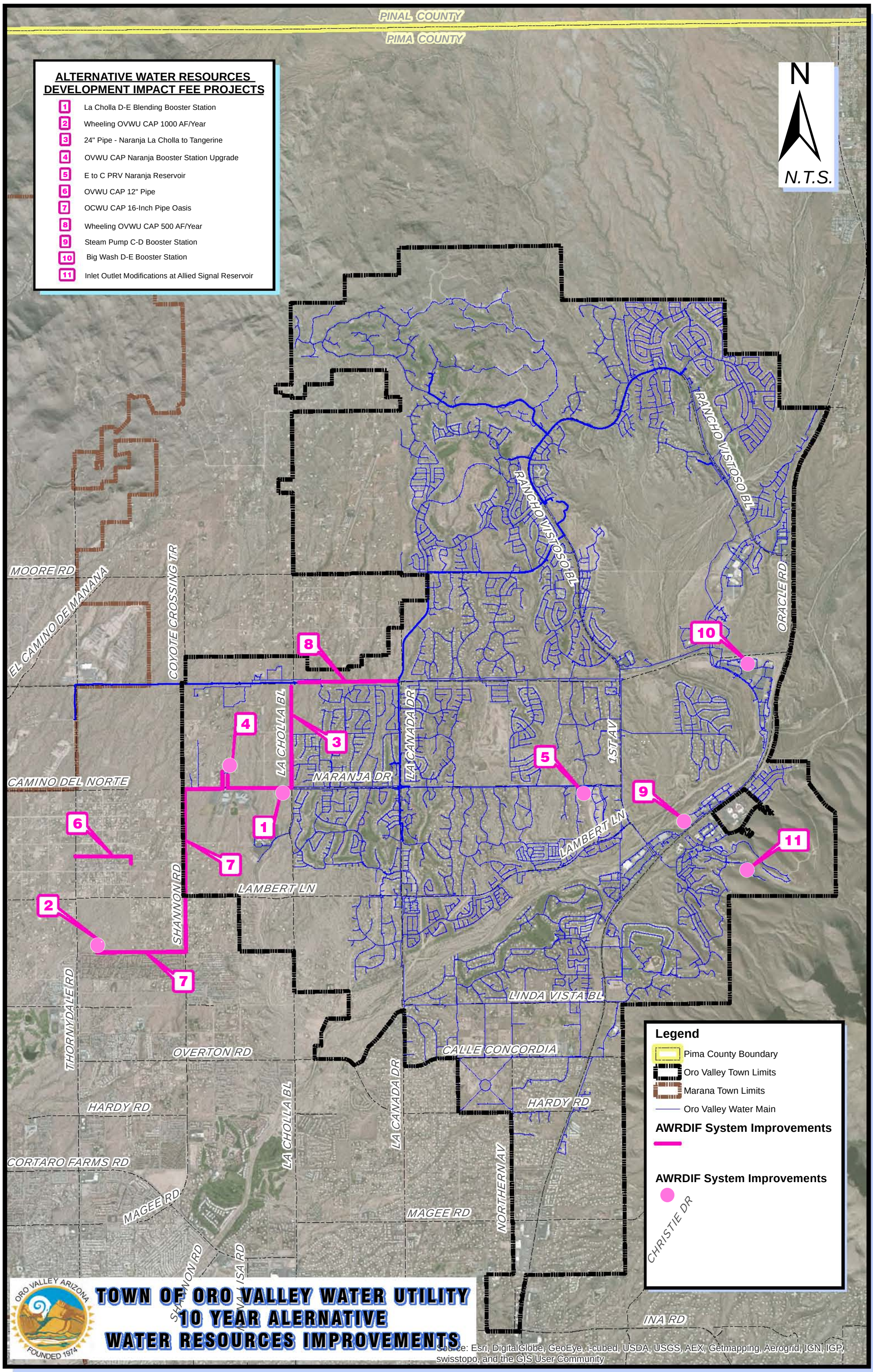
Installation of a new D to E zone Booster Station at the Big Wash reservoir facility located at the Oro Valley Marketplace. This new pump station will efficiently deliver CAP water to meet future demands**.** Engineering services will be required and are included in the project cost.

Total cost: **$ 800,000**

11 – Inlet/Outlet Modifications at Allied Signal Reservoir. (Transportation)

Installation of a new level control valve to prevent overfilling at the Oro Valley Allied Signal reservoir. This project is required as additional CAP water is delivered to meet future demands. Engineering services will be required and are included in the project cost.

Total cost: **$ 50,000**



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APPENDIX D

Potable Water System Expansion Related Projects

Appendix D-1
Town of Oro Valley Water Utility
Potable Water System Development Impact Fee Project Descriptions

1 – Property Acquisition. (Real Property)

Acquisition of property for a new Palisades Reservoir. The property is located in the vicinity of First Ave. and Palisades. The property is required for a new 1.0 million gallon reservoir and future booster station to meet future demands.

Total cost: **$ 500,000**

2 – Palisade Reservoir Facility C-E Booster Station. **(Transportation)**

Installation of a new C-E zone booster station at the Palisades reservoir site. This includes new electrical service, telemetry, controls and piping system to meet future demands. Engineering services will be required and are included in the project cost.

Total cost: **$ 450,000**

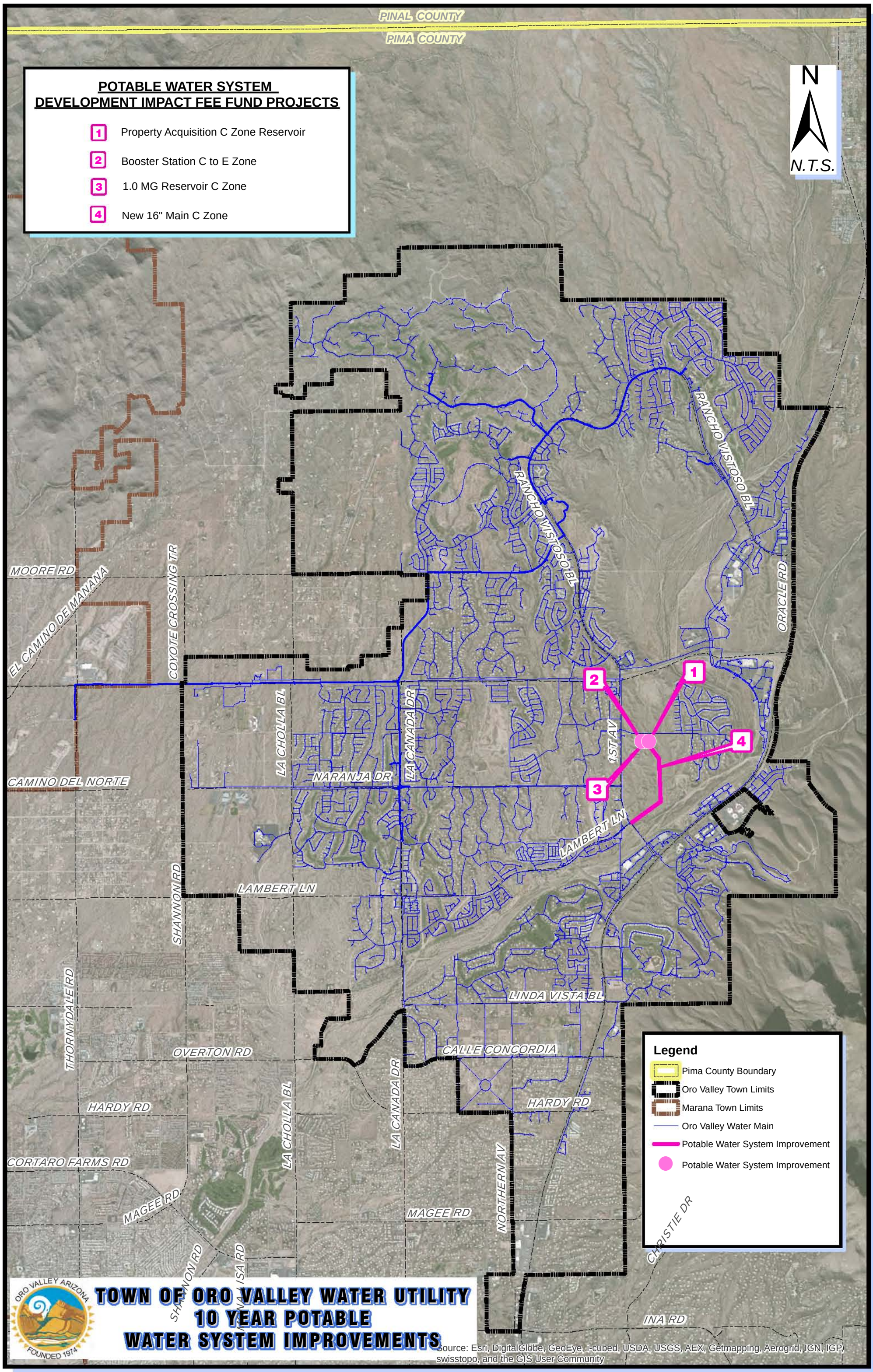
3 – 1.0 Million Gallon Palisades Reservoir. (Transportation)

Construct a new 1.0 million gallon potable water reservoir, control building and security wall at the new Palisades site to meet future demands. Engineering services will be required and are included in the project cost.
Total cost: **$ 1,650,000**

4 – New 16-Inch Pipeline. (Transportation)

Installation of a new 16-inch main from the Palisades reservoir site to First Ave. The main will connect to an existing C zone pipe to meet future demands. Engineering services will be required and are included in the project cost.

Total cost: **$ 1,650,000**



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APPENDIX E

Expansion Related Capital Improvements

APPENDIX E

Town of Oro Valley Water Utility

Table E-1: Alternative Water Resources Expansion Related Capital Improvements

Project No.	Project Name	Project Type	Completion Year	Capital Cost	Interest and Financing Cost	Total Project Cost	Additional Capacity (acre-feet)	Additional Service Units	Development Fee per Service Unit
	Phase 1 Projects (1,000 AF/Year)								
1	CAP La Cholla D-E Blending Booster Station	Transportation	2014	$ 300,000	$ 96,000	$ 396,000	1,000	2,941	3,281
2	Wheeling of 1000 Acre Feet CAP Water to Oro Valley	Transportation	2016	930,000	297,600	1,227,600			
3	24-Inch Pipeline - Naranja to La Cholla to Tangerine	Transportation	2018	2,800,000	896,000	3,696,000			
4	Oro Valley Water Utility Naranja CAP Booster Station Upgrade	Transportation	2018	1,200,000	384,000	1,584,000			
5	E to C PRV Naranja Reservoir	Transportation	2018	100,000	32,000	132,000			
6	Oro Valley Water Utility CAP 12-Inch Pipeline	Transportation	2018	880,000	281,600	1,161,600			
7	Oro Valley Water Utility CAP 16-inch Pipeline	Transportation	2019	1,100,000	352,000	1,452,000			
	Phase 2 Projects (500 AF/Year)								
8	Wheeling of 500 Acre Feet of CAP Water to Oro Valley	Transportation	2019	3,300,000	1,056,000	4,356,000	500	1,471	4,802
9	Steam Pump C-D Booster Station	Transportation	2021	1,200,000	384,000	1,584,000			
10	Big Wash D-E Booster Station	Transportation	2021	800,000	256,000	1,056,000			
11	Inlet/Outlet Mod. at Allied Signal Reservoir.	Transportation	2021	50,000	16,000	66,000			
	TOTAL			**$ 12,660,000**	**$ 4,051,200**	**$ 16,711,200**	**1,500**	**4,412**	**$ 3,788**

APPENDIX E
Town of Oro Valley Water Utility
Table E-2: Potable Water System Expansion Related Capital Improvements

Project No.	Project Name	Project Type	Completion Year	Capital Cost	Interest and Financing Cost	Total Project Cost	Additional Capacity (acre-feet)	Additional Service Units	Development Fee per Service Unit
1	Property Acquisition	Real Property	2019	$ 500,000	$ 160,000	$ 660,000			
2	Palisade Reservoir Facility C-E Booster Station	Transportation	2021	$ 450,000	$ 144,000	$ 594,000	386	1,135	$ 4,943
3	1.0 Million Gallon Palisades Reservoir	Transportation	2022	$ 1,650,000	$ 528,000	$ 2,178,000			
4	New 16-Inch Pipeline	Transportation	2022	$ 1,650,000	$ 528,000	$ 2,178,000			
	TOTAL			**$ 4,250,000**	**$ 1,360,000**	**$ 5,610,000**	**386**	**1,135**	**$ 4,943**

Town Council Regular Session **Item # 3.**

Meeting Date: 04/02/2014

Requested by: Philip Saletta **Submitted By:** Shirley Seng, Water

Department: Water

Information

SUBJECT:

PUBLIC HEARING: ORDINANCE NO. (O)14-06, AMENDING SECTIONS 15-5-2 AND 15-5-3 OF CHAPTER 15, WATER CODE, OF THE ORO VALLEY TOWN CODE

RECOMMENDATION:

Staff respectfully recommends adoption.

EXECUTIVE SUMMARY:

The Oro Valley Water Utility charges and retains a security deposit from new customers applying for water service. Under the current water code, these security deposits are automatically refunded after one year if the customer has not been delinquent during that time period.

When the economy was stable, this practice worked well for the Utility. However, in the recent more unstable economic times, some commercial and irrigation customers have filed bankruptcy leaving the Utility with no means to collect the outstanding water sales revenue. In addition, single family homes that are rented also have had a higher risk of non-payment. This becomes bad debt expense that all other customers bear.

The proposed water code change would retain security deposits on all accounts other than single family residential accounts until the account has been closed and all balances paid, including all new commercial accounts, multifamily accounts, irrigation accounts and single family accounts not in the homeowner's name. By not refunding these deposits after one year, the Utility will significantly reduce the potential for lost revenue and minimize the impact to other customers. Existing accounts in good standing would not be required to pay a security deposit.

If approved, the code change for refunding security deposits would apply to deposits collected after April 2, 2014.

BACKGROUND OR DETAILED INFORMATION:

The proposed code changes will allow the Utility to retain security deposits for new accounts until the accounts are closed and all balances have been paid. If approved, the proposed changes to the refund of security deposits would apply only to the new accounts described below:

- Commercial
- Multi-family
- Irrigation (reclaimed and potable water)
- Single family residential accounts not in the name of the homeowner

There is no proposed change regarding the refund of deposits for single family residential accounts that are in the name of the homeowner. Those deposits would be refunded to a customer that has not been

delinquent after one year or when the account is closed, whichever occurs first.

The amount of the required security deposits would not be changed, only the timing of the refunds. Currently, security deposits are as follows:

Residential-Owner:	$ 50.00
Residential-Tenant:	$100.00
Commercial and all other:	2 x the average monthly bill

The average commercial security deposit is $650.00 which is based on the Utility's typical commercial account with a 2-inch water meter using 60,000 gallons of water per month. The Utility researches new commercial accounts to find similar businesses to determine the amount of the security deposit. After 6 months, the account is reviewed to evaluate if the security deposit has been appropriately established and then revised if necessary.

The largest non-residential water users are golf courses. A security deposit for a new golf course account would be approximately $100,000.00 based upon typical irrigation water usage.

If approved, the proposed change would not apply to existing accounts but would apply to any new accounts and/or accounts with a change in name or ownership.

FISCAL IMPACT:

Adoption of this ordinance will allow the Water Utility to reduce the potential for lost revenue and minimize bad debt expense. By retaining security deposits on new accounts until the account is closed and all balances are paid in full, the Town will reduce its financial risk whould these entities go out of business and/or file bankruptcy. There are no proposed changes in the amount of the security deposits. The proposed changes would apply only to new accounts and or accounts with a change in name or ownership.

SUGGESTED MOTION:

I MOVE to (adopt or deny) Ordinance No. (O)14-06.

Attachments

O14-06 Amending Ch 15 Sections 15-5-2 & 15-5-3

ORDINANCE NO. (O)14-06

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA AMENDING SECTIONS TO CHAPTER 15, WATER CODE OF THE ORO VALLEY TOWN CODE AT SECTIONS 15-5-2 AND 15-5-3; AND REPEALING ALL RESOLUTIONS, ORDINANCES, AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH; AND PRESERVING THE RIGHTS AND DUTIES THAT HAVE ALREADY MATURED AND PROCEEDINGS THAT HAVE ALREADY BEGUN THEREUNDER

WHEREAS, pursuant to ARS § 9-511, *et seq.*, the Town has the requisite statutory authority to acquire, own and maintain a water utility for the benefit of the landowners within and without the Town's corporate boundaries; and

WHEREAS, on March 25, 1996, the Town Council approved Ordinance No. (O) 96-13, which adopted that certain document entitled, "Oro Valley Town Code, Chapter 15, Section 15-5-2, Requirement of Deposit, Amount"; and

WHEREAS, on March 25, 1996, the Town Council adopted Ordinance No. (O) 96-13, which adopted that certain document entitled "Oro Valley Town Code, Chapter 15, Section 15-5-3, Refund of Deposit"; and

WHEREAS, on November 7, 2007, the Town Council adopted Ordinance No. (O) 07-41, which adopted that certain document entitled "Oro Valley Town Code, Chapter 15, Section 15-5-3, Refund of Deposit"; and

WHEREAS, changes made to the "Refund of Deposit" include security deposits for all accounts other than single family residential shall not be refunded until the account is closed and the final bill is paid.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the Council of the Town of Oro Valley, Arizona that the amendments to the Oro Valley Town Code, Chapter 15, Sections 15-5-2 and 15-5-3, with amendments thereto, are hereby adopted.

NOW, THEREFORE, BE IT FURTHER ORDAINED, by the Mayor and Council of the Town of Oro Valley as follows:

Section 1. Oro Valley Town Code, Chapter 15, Sections 15-5-2 and 15-5-3, with amendments thereto, is attached hereto as Exhibit "A".

Section 2. All Oro Valley Ordinances, Resolutions, or Motions and parts of Ordinances, Resolutions or Motions of the Council in conflict with the provisions of this Ordinance are hereby repealed.

Section 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

Exhibit "A"

15-5-2 Requirement of Deposit, Amount

The Town of Oro Valley will require a deposit from an applicant for service not to exceed twice the average monthly bill for the account or in the case of a new account, twice the estimated monthly bill, as a condition of providing water service. A separate deposit may be required for each meter installed. The Town may review the customer's water usage after service has been connected and adjust the deposit amount either up or down based on the customer's actual water usage and/or a review of an account in regards to delinquency.

(96-13, Enacted, 03/25/1996)

15-5-3 Refund of Deposit

Deposits for all single family residential accounts that are in the homeowner's name will be refunded after one (1) year if the customer has not been delinquent in the payment of bills rendered during such period or the deposit shall be refundable upon closing the account after the final bill is paid, whichever occurs first. For all other accounts, the deposit will not be refunded until the account is closed and the final bill is paid. The individual and/or organization in whose name the deposit is made shall be responsible for the payment of all bills incurred in connection with the service furnished. Deposits may be transferable from an existing account to a new account. This section applies to all deposits collected after April 2, 2014.

((O)07-41, Amended, 11/07/2007; 96-13, Enacted, 03/25/1996)

Town Council Regular Session **Item # 4.**

Meeting Date: 04/02/2014
Requested by: David Williams
Submitted By: Michael Spaeth, Development Infrastructure Services
Department: Development Infrastructure Services

Information

SUBJECT:

PUBLIC HEARING: ORDINANCE NO. (O)14-07, REZONING THE 45 ACRE KAI NARANJA PROPERTY FROM R1-144 TO R1-7, LOCATED IMMEDIATELY EAST OF IRONWOOD RIDGE HIGH SCHOOL ON THE SOUTH SIDE OF NARANJA DRIVE

RECOMMENDATION:

The Planning and Zoning Commission recommends approval, subject to conditions in Attachment 2.

EXECUTIVE SUMMARY:

The applicant proposes to rezone 45 acres immediately east of Ironwood Ridge High School, located along the south side of Naranja Drive, from R1-144 to R1-7. The proposed rezoning will allow the applicant to develop a 120 lot, residential subdivision similar in character to subdivisions to the east and northeast. The rezoning is consistent with the adopted General Plan and to-date, no written objections have been submitted to the Town.

On March 4, 2014, the Planning and Zoning Commission (PZC) voted to recommend approval of the rezoning with conditions.

BACKGROUND OR DETAILED INFORMATION:

The applicant proposes to rezone the property from R1-144 to R1-7 and states the purpose of the request is to construct a medium density single-family residential development.

Current Site Conditions

- Zoning is R1-144 Single-Family Residential
- Vacant Property

Approvals-To-Date

- No approvals to date.

General Plan Conformance

The proposed rezoning conforms to the Medium Density Residential (MDR, 2.1 to 5.0 du/ac) land use designation in the General Plan. The request proposes detached single-family homes with a density of 2.6 du/ac.

The application has been evaluated against the vision, goals and policies of the General Plan and a detailed analysis regarding the application's conformance with the General Plan is provided in the PZC

staff report (Attachment 4).

Public Notification and Comment

Public notice has been provided to the following:

• Notification of all property owners within 600 feet and extended area
• Homeowners Association mailing
• Advertisement in the Daily Territorial newspaper
• Post on property
• Post at Town Hall and on website

A neighborhood meeting was held on July 24, 2013, with approximately fifteen (15) residents attending. At the meeting, the residents expressed no objections to the proposed subdivision and discussed a range of topics including traffic impacts, building heights, protection of open space and pedestrian connections to Ironwood Ridge High School. The summary notes from the meeting are provided as Attachment 6.

At the PZC meeting, one resident spoke and raised concerns with traffic in general, including existing traffic issues and cut through traffic in the neighborhood to the east, across from La Cholla Blvd.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to approve Ordinance No.(O)14-07, rezoning the Kai Naranja property totaling 45 acres from R1-144 to R1-7, subject to the conditions in Attachment 2, finding that the request is consistent with the General Plan.

OR

I MOVE to deny Ordinance No.(O)14-07, finding that the proposed rezoning is not consistent with the General Plan due to _____.

Attachments

ATTACHMENT 1 - O14-07 Kai Naranja Property Rezoning
ATTACHMENT 2 - Conditions of Approval
ATTACHMENT 3 - Site Analysis
ATTACHMENT 4 - PZC Report
ATTACHMENT 5 - PZC Draft Minutes
ATTACHMENT 6 - Neighborhood Meeting Summary

ORDINANCE NO. (O)14-07

AN ORDINANCE OF THE TOWN OF ORO VALLEY, ARIZONA, APPROVING A REZONING REQUEST BY THE WLB GROUP INC., FOR THE KAI NARANJA PROPERTY WHICH IS THE 45 ACRES IMMEDIATELY EAST OF IRONWOOD RIDGE HIGH SCHOOL, LOCATED SOUTHWEST OF THE INTERSECTION OF LA CHOLLA BLVD AND NARANAJA DRIVE, FROM R1-144 TO R1-7

WHEREAS, the WLB Group (the "Applicant"), applied for a rezoning from R1-144 to R1-7 for the property known as Kai Naranja Property, which is located southwest of the intersection of La Cholla Blvd and Naranja Drive, immediately east of Ironwood Ridge High School, see map of property as depicted on Exhibit "A" attached hereto; and

WHEREAS, the gross site of the requested rezoning is approximately 45 acres; and

WHEREAS, the current zoning of R1-144 allows one lot per 144,000 square feet; and

WHEREAS, the Applicant wishes to change the zoning to R1-7 which allows for medium density detached single-family residential development; and

WHEREAS, the property is traversed by two riparian corridors which are intended to be conserved; and

WHEREAS, the Applicant's request for rezoning complies with the OVZCR; and

WHEREAS, the Applicant's request for rezoning complies with the applicable General Plan requirements; and

WHEREAS, on March 4, 2014, the Planning & Zoning Commission recommended approval for rezoning the property from R1-144 to R1-7 with conditions; and

WHEREAS, the Town Council has duly considered the Applicant's request for rezoning of Kai Naranja Property, which is located on the south side of Naranja Drive immediately east of Ironwood Ridge High School.

NOW, THEREFORE BE IT ORDAINED by the Mayor and Council of the Town of Oro Valley, Arizona that the rezoning requested by the WLB Group who represents Line Trust & Kino West Investment Group, to rezone Kai Naranja Property, which is located southwest of the intersection of La Cholla Blvd and Naranja Drive, immediately east of Ironwood Ridge High School is hereby approved with the conditions attached hereto as Exhibit "B".

NOW THEREFORE BE IT FURTHER ORDAINED that:

1. All Oro Valley ordinances, resolutions or motions and parts of ordinances, resolutions or motions of the Council in conflict with the provision of this Ordinance are hereby repealed.

2. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

EXHIBIT "A"

MAP OF PROPERTY

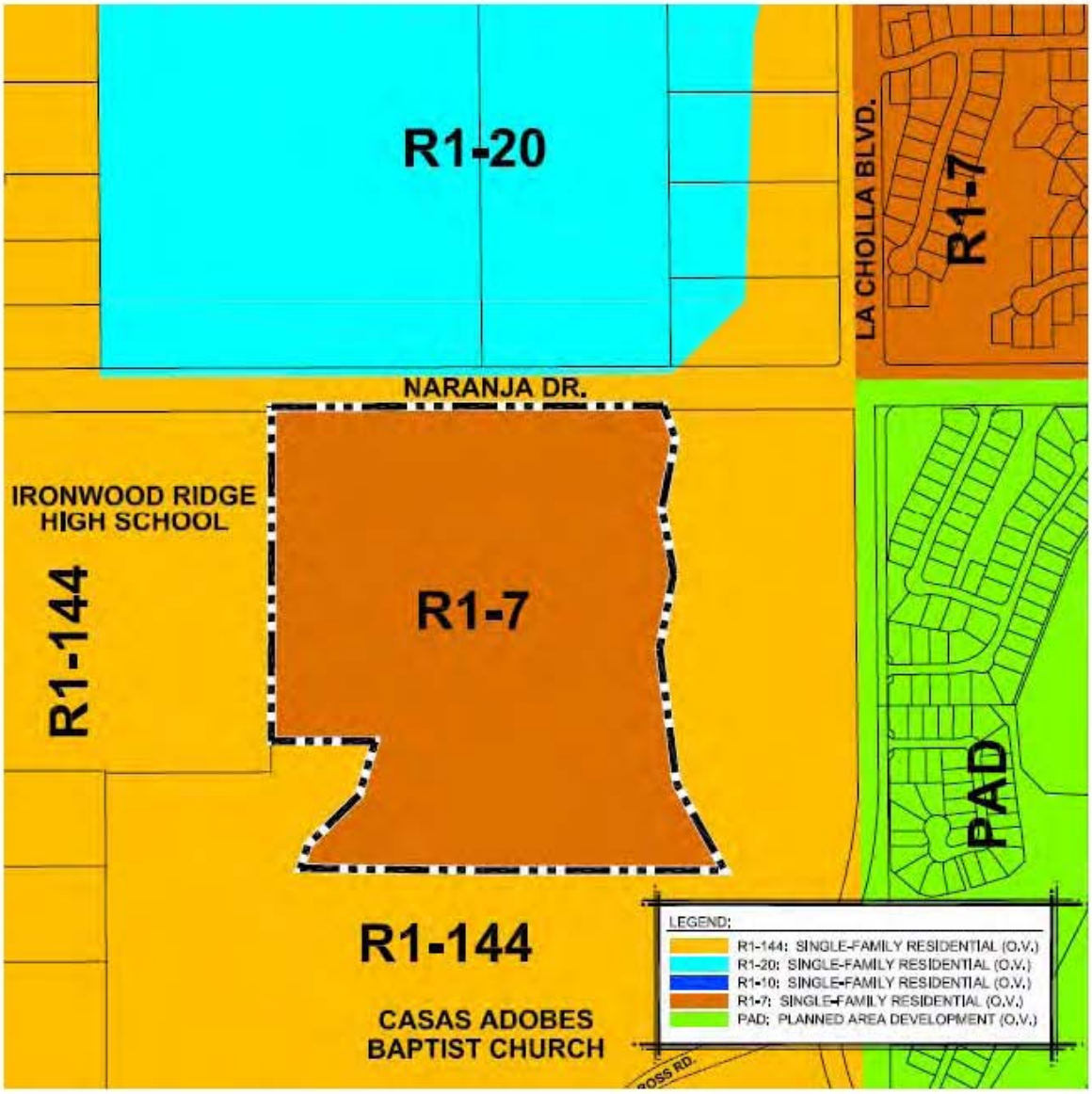

EXHIBIT "B"

CONDITIONS OF APPROVAL

1. An amended Tentative Development Plan in conformance with the Environmentally Sensitive Lands Open Space Requirements will be required prior to Conceptual Site Plan Submittal.
2. All improvements requiring ground disturbance shall be contained within development envelopes.

Conditions of Approval

1. An amended Tentative Development Plan in conformance with the Environmentally Sensitive Lands Open Space Requirements will be required prior to Conceptual Site Plan Submittal.
2. All improvements requiring ground disturbance shall be contained within development envelopes.

OV113-027

MERITAGE ON NARANJA

SITE ANALYSIS

03.10.2014

Property Owner
La Cholla 311 Property LLC
Contact: James Kai
2305 West Ruthrauff Road
Tucson, Arizona 85705-2060
(520) 721-6614

Prepared By
The WLB Group, Inc.
Contact: Paul Oland
4444 East Broadway Boulevard
Tucson, Arizona 85711
520.881.7480

WLB No. 110028-B-001

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Q. E.S.O.S. Map 36
R. Proposed Zoning 38
S. Proposed Grading 41
T. Pima Co. Regional Wastewater Reclamation Dept. Capacity Response Letter 44

L:\110028\B001 MDR Rezoning\Site Analysis\Meritage on Naranja Site Analysis Text.docx

PART I – INVENTORY AND ANALYSIS

INTRODUCTION

This site analysis has been prepared in support of a proposed rezoning of a 49± acre property located just east of Ironwood Ridge High School, southwest of the intersection of La Cholla Boulevard and Naranja Drive. The subject property is bounded on two sides by wash corridors, which will be preserved as open space and will serve as visual and spatial buffers between this project and nearby land uses. We propose to rezone the property from R1-144 to R1-7, medium density residential use, utilizing the conservation subdivision option. The Town's General Plan designates this property as Medium Density Residential, suggesting that this rezoning request is appropriate.

I-A. Existing Land Uses

1. Site Location

The subject property is located within Township 12 South, Range 13 East, Section 9, Town of Oro Valley, Pima County, Arizona. It is bounded by Naranja Drive to the north, a wash, undeveloped land and La Cholla Boulevard to the east, a wash and Ironwood Ridge High School to the west, and the Casas Adobes Baptist Church to the south. The Pima County Tax Assessor designates the subject property as a portion of parcels 224-20-001 & 224-20-002.

Refer to *Exhibit A: Location Map* for a location map of the subject property and to *Exhibit B* for an aerial photograph of the subject property.

2. Existing Land Uses

The subject property is currently undeveloped and vacant.

The subject property is currently zoned R1-144 (Single-Family Residential District). Please refer to *Exhibit D: Existing Zoning*. The Town of Oro Valley General Plan designates the subject property as Medium Density Residential (MDR) with a portion of the subject property also located within the General Plan Significant Resource Areas Overlay District.

3. Existing Adjacent Zoning and Land Uses

a/b. Please refer to *Exhibit C: Existing Land Uses and Exhibit D: Existing Zoning*. The subject property is surrounded by the following existing zonings and land uses:

N:	Existing zoning:	R1-20 (Single-Family Residential).
	Existing land use:	Vacant land.
NE:	Existing zoning:	R1-7 (Single-Family Residential).
	Existing land use:	La Cholla Estates Subdivision.
E:	Existing zoning:	PAD (Planned Area Development).
	Existing land use:	Catalina at Canada Hills Subdivision.
SE.	Existing zoning:	PAD (Planned Area Development).
	Existing land use:	Canada Hills Golf Course.
S:	Existing zoning:	R1-144 (Single-Family Residential).
	Existing land use:	Casas Adobes Baptist Church.
SW:	Existing zoning:	R1-144 (Single-Family Residential).
	Existing land use:	Vacant land and unplanned development.
W:	Existing zoning:	R1-144 (Single-Family Residential).
	Existing land use:	Ironwood Ridge High School.
NW:	Existing zoning:	R1-20 (Single-Family Residential).
	Existing land use:	Vacant land & Single Family Residences.

c. Surrounding Building Heights

There are many two-story homes within one-quarter mile of the subject property, most of which are to the east. See *Exhibit C: Existing Land Uses*. While the Casas Adobes Baptist Church, directly south of the subject property, is technically single story, the buildings are more massive and visually more prominent than a typical single story home. Ironwood Ridge High School, directly west of the subject property, has several very large two story buildings which are visually more prominent than any other nearby structures.

d/e. Surrounding Rezonings

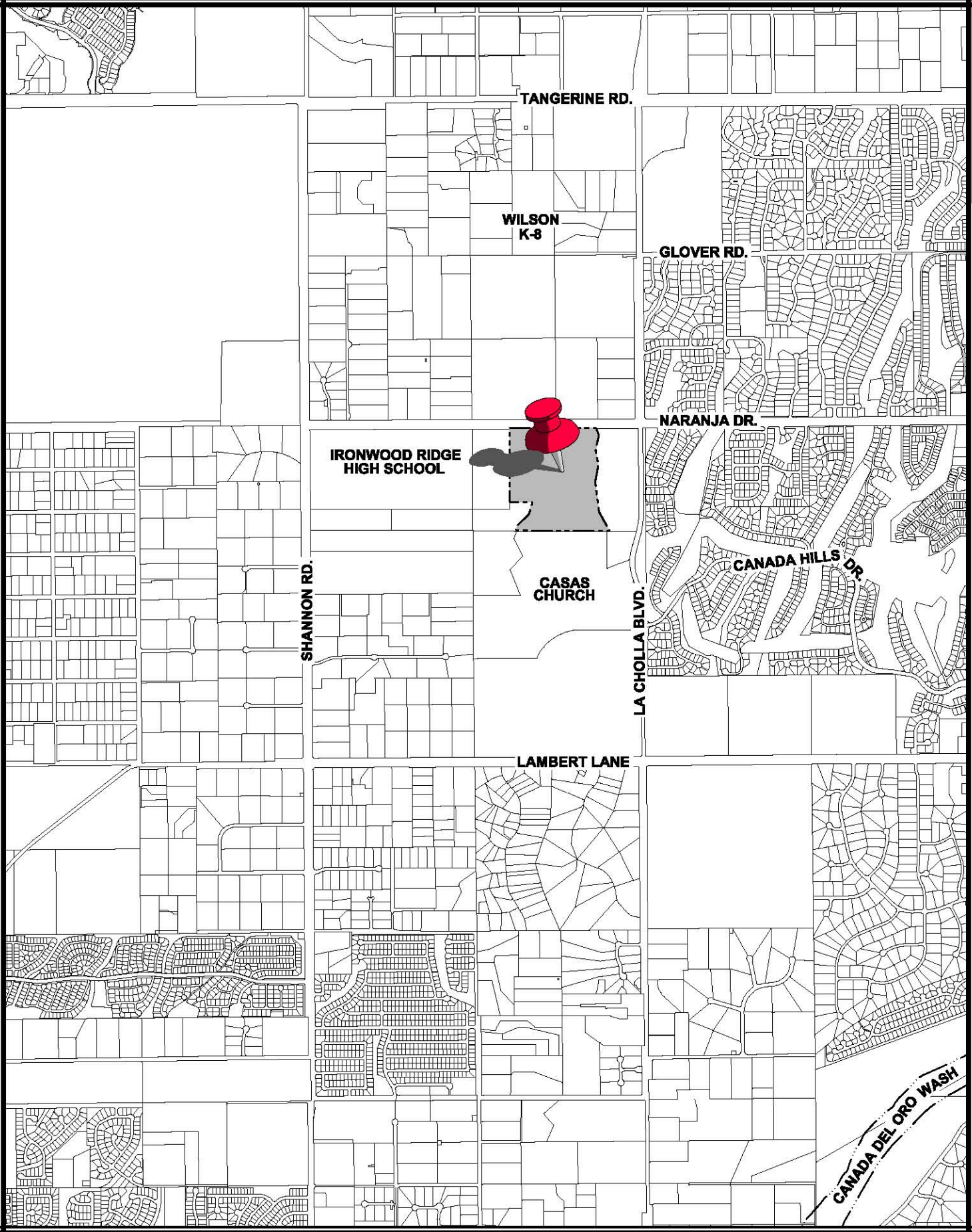
None.

f. Surrounding Subdivisions & Development Plans

La Cholla Estates Subdivision (Bk. 50 Pg. 12)
Catalina at Canada Hills Subdivision (Bk. 47 Pg. 21)
Canada Hills Subdivision (Bk. 46 Pg. 64)

4. Location and Ownership of Wells/Well Sites Within 100 Feet of Site

According to the Arizona Department of Water Resources, there are no wells located within 100 feet of the project site.



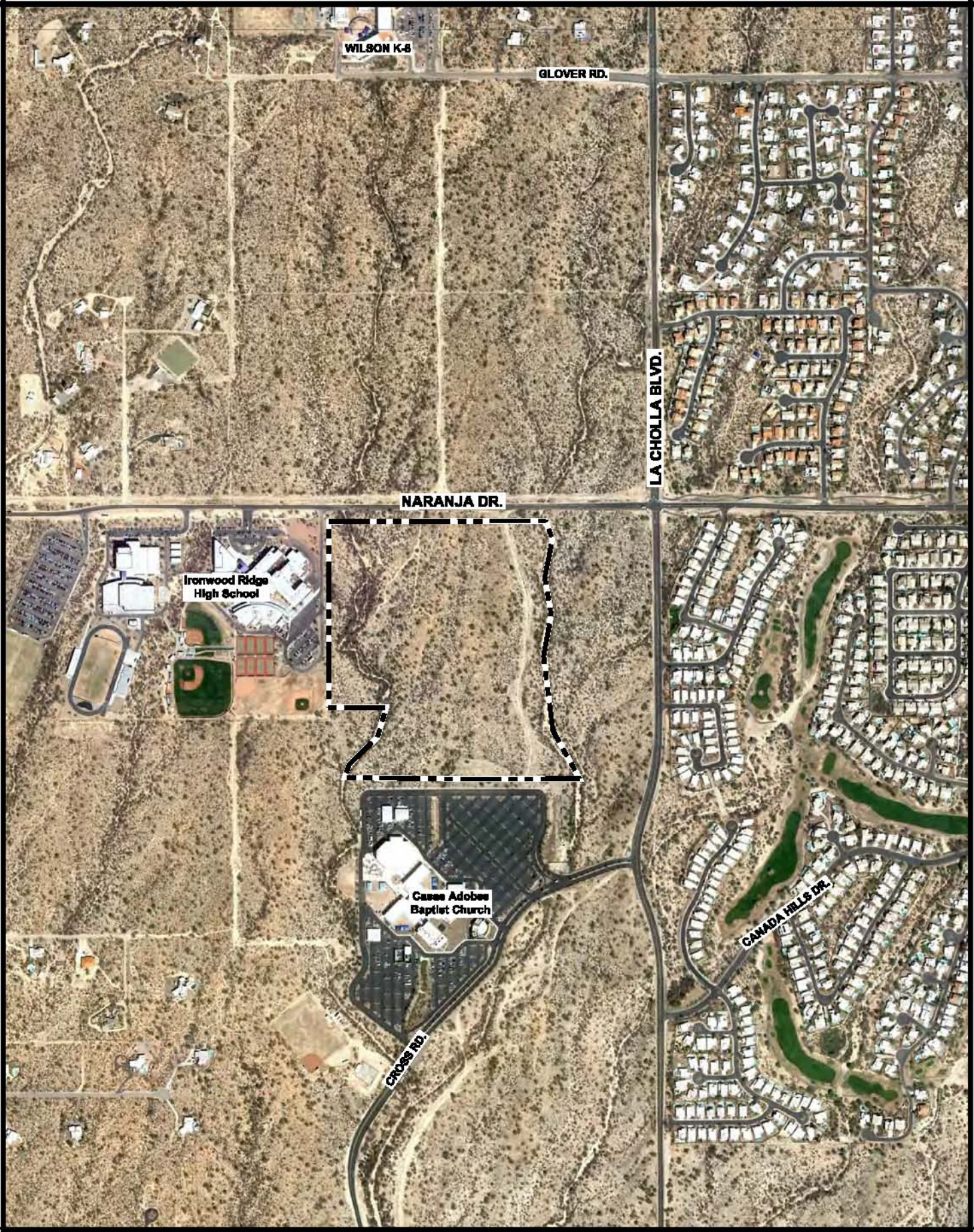
The WLB Group WLB

EXHIBIT A: LOCATION MAP

WLB No. 110028-B-001

0' 2000'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT A location map.dwg Plotted: Mar. 10, 2014



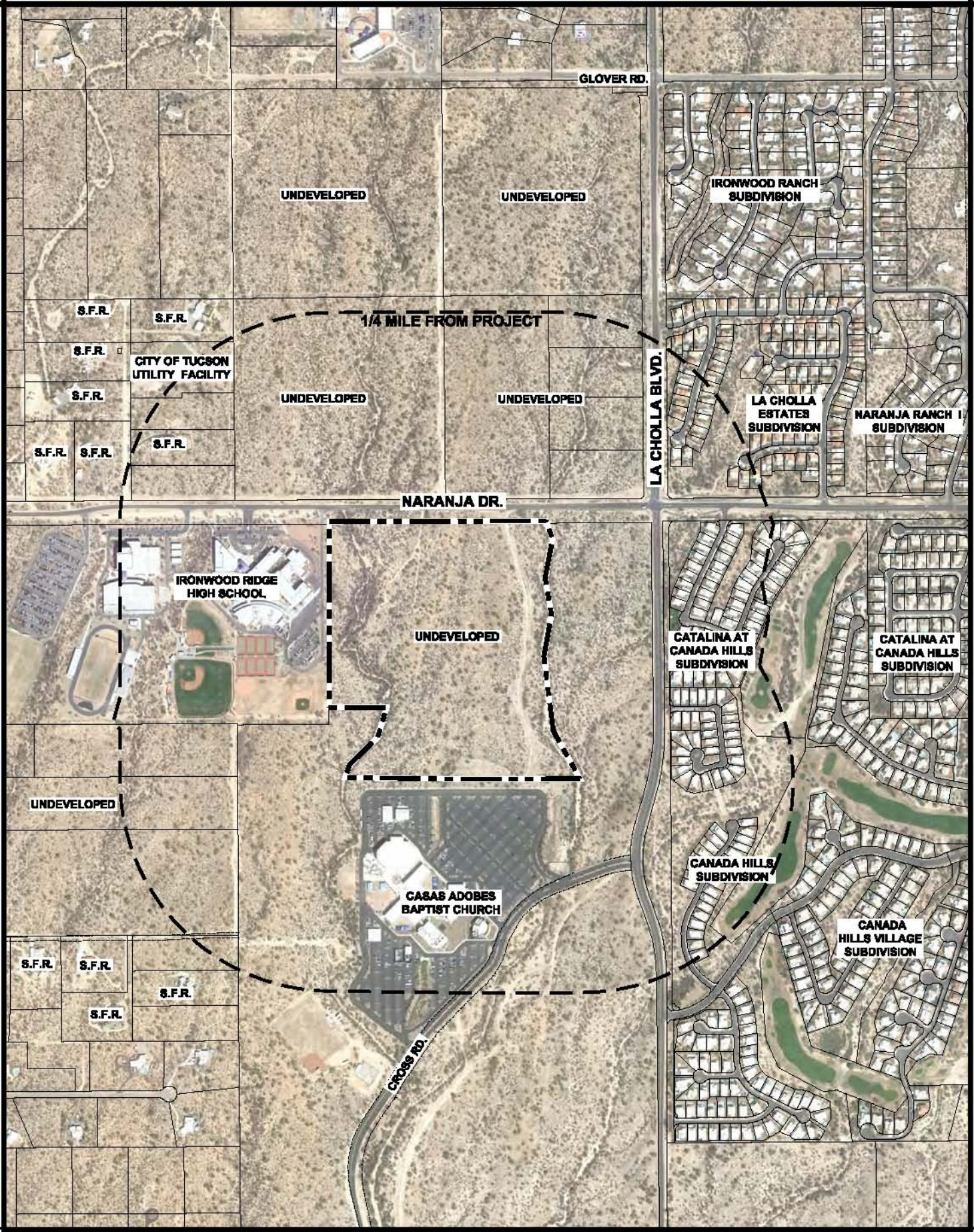
The WLB Group WLB

EXHIBIT B: AERIAL PHOTOGRAPH

WLB No. 110028-B-001

0' 800'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT B Aerial Photo.dwg Plotted: Mar. 10, 2014



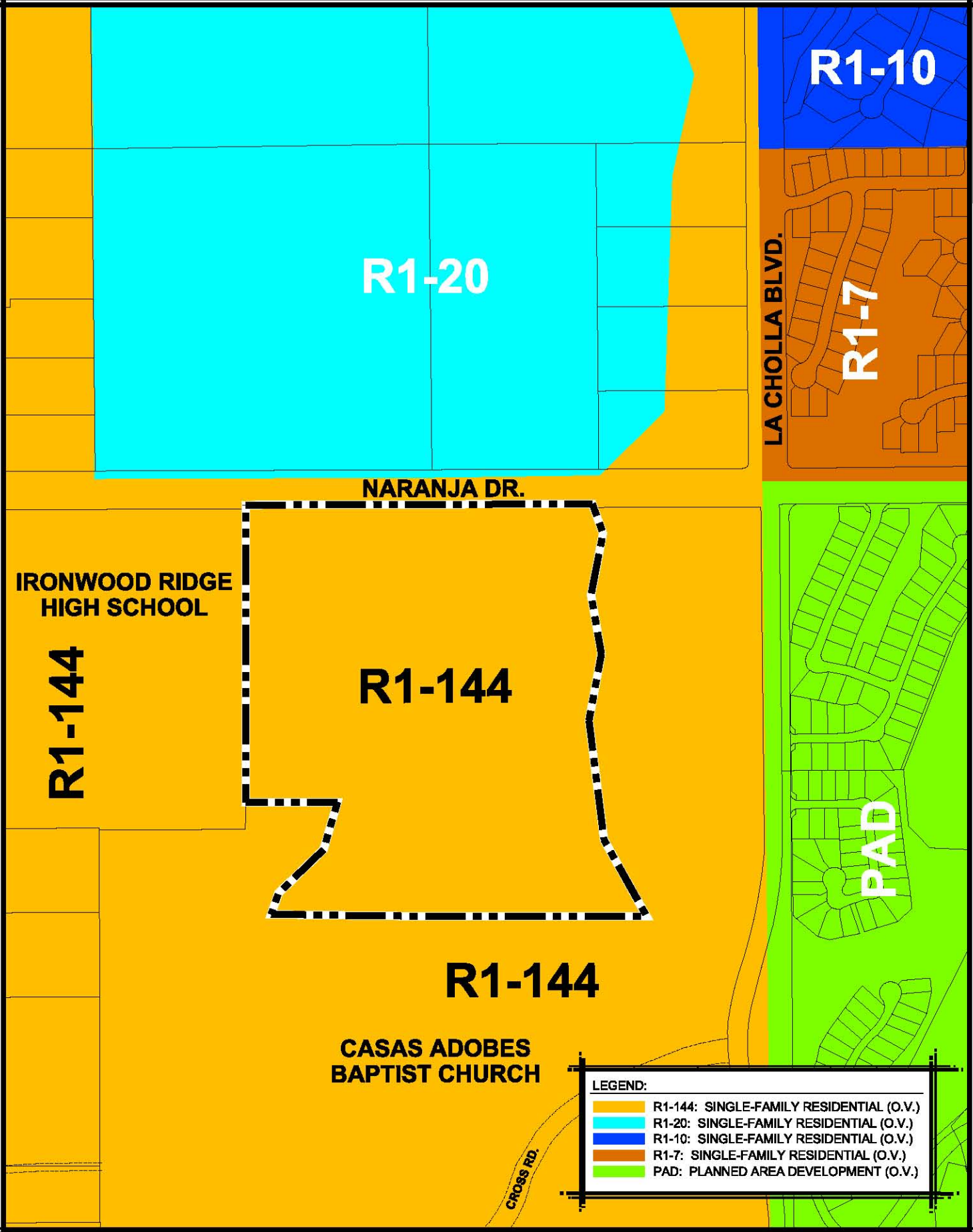
The WLB Group WLB

EXHIBIT C: EXISTING LAND USES

WLB No. 110028-B-001

0' 800'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT C existing land uses.dwg Plotted: Mar. 10, 2014



The WLB Group WLB

EXHIBIT D:
EXISTING ZONING

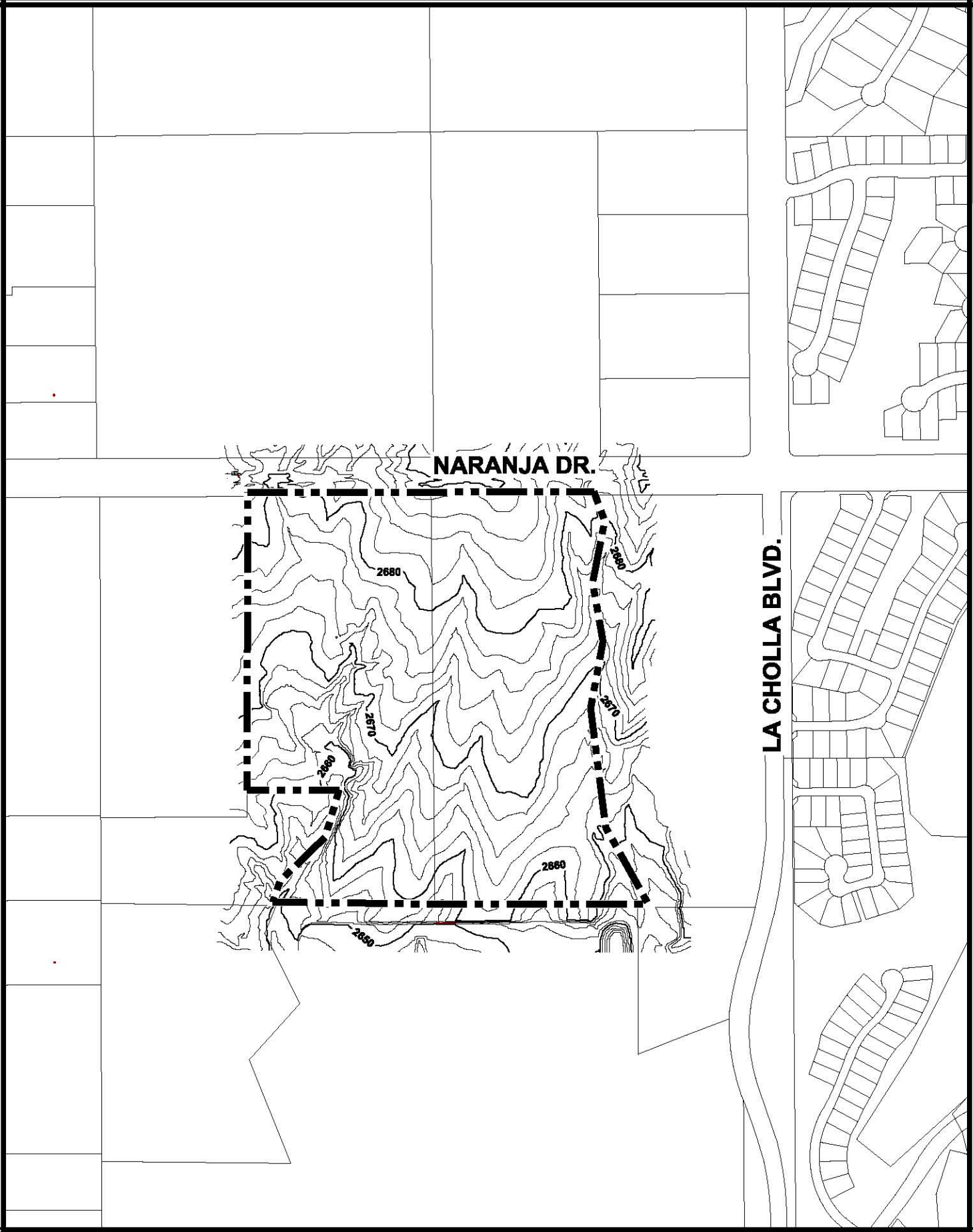
WLB No. 110028-B-001

0' 500'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT D existing zoning.dwg Plotted: Mar. 10, 2014

I-B. Topography

The topography of the subject property is characterized by relatively flat terrain and some undulating areas along the two onsite washes. The property generally slopes downward from north to south towards the Casas Adobes Baptist Church. Elevations range from approximately 2,688 feet at the highest point on the north side to 2,650 feet at the lowest point on the south side of the property. The site does not contain any regulated 15% slopes, restricted peaks/ridges, rock outcrops or other significant topographic features. No areas of this development are subject to the ESL Hillside Area Category. Refer to *Exhibit E: Topography* for a topographic map.



The WLB Group WLB

EXHIBIT E: TOPOGRAPHY

CONTOUR INTERVAL = 2 FT
WLB No. 110028-B-001

0' 500'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT E topography.dwg Plotted: Mar. 10, 2014

I-C. Hydrology

1. Description and map (aerial photograph) of perimeter of all off-site watersheds effecting, or affected by, the site, upstream and downstream. Please refer to *Exhibit F: Off-Site Watersheds*.

   The off-site watersheds impacting the project site are subwatersheds of the La Cholla Wash, which is a medium sized, braided wash typical of the broader Tortolita Fan area. Two tributaries of the La Cholla Wash impact the project site along the eastern and western property boundaries. This area is designated as Zone 'X' per the FEMA Flood Insurance Rate Map (FIRM), Panel 04019C1070L, Revised June 16, 2011. The off-site terrain of the upstream watersheds is mostly native desert vegetation, with a number of roadway crossings and some residential development. The development in the upstream area appears to provide little, or no, detention, which is typical of unplanned suburban ranch development.

   a. Notation of all balanced and critical basins.

      Per Town decree, the entire Town is classified as a critical basin.

2. Description of significant off-site features, natural or man-made, with above watersheds effected by, or affecting, the site.

   Upstream of the site, the low density nature of existing development allows most drainage to flow naturally. The site is impacted by approximately 540 cfs and 670 cfs from two tributaries of the La Cholla Wash, respectively.

3. Acreage of upstream off-site watersheds.

   The portion of the La Cholla Wash watershed that impacts the site is of approximately 790 acres. Please refer to *Exhibit F: Off-Site Watersheds.*

4. Description of characteristics of onsite hydrology.

   Shallow, braided washes run along the eastern and western edges of the subject property. The bulk of the subject property between the two washes is typical of the upland desert biome, featuring a mix of cactus, mesquites, palo verde, and other species. Pima County GIS data describes the soils as a mixed hydrological soil group.

   On-site hydrologic analysis has been performed with the Rational Method. The Runoff Coefficients were prepared using the Town of Oro Valley Drainage Criteria Manual, and are based on soil types noted in the National Resource Conservation Service soils study. The hydrologic soil type within the project boundary is comprised of 53% 'C' / 47% 'D'. The vegetative cover and density have been determined using recent aerial photographs and

field reconnaissance. The rainfall data was determined using the Generalized I-D-F Curves as found within Figure 3-3 of the TOV Drainage Criteria Manual.

a. Approximate 100-year floodplains with discharges greater than, or equal to 50 c.f.s.

The project site contains three sub-basins with greater than 50 cfs discharge.

b. Areas of sheet flooding and average depths.

The project site is not subject to sheet flooding based on the incised channel characteristics.

c. Federally mapped floodways and floodplains

The site is free of any federally mapped floodways and floodplains as illustrated within the FEMA FIRM Panel: 04019C1070L.

d. 100-year peak discharges exceeding 50 c.f.s.

The project site contains three sub-basins with greater than 50 cfs. discharge.

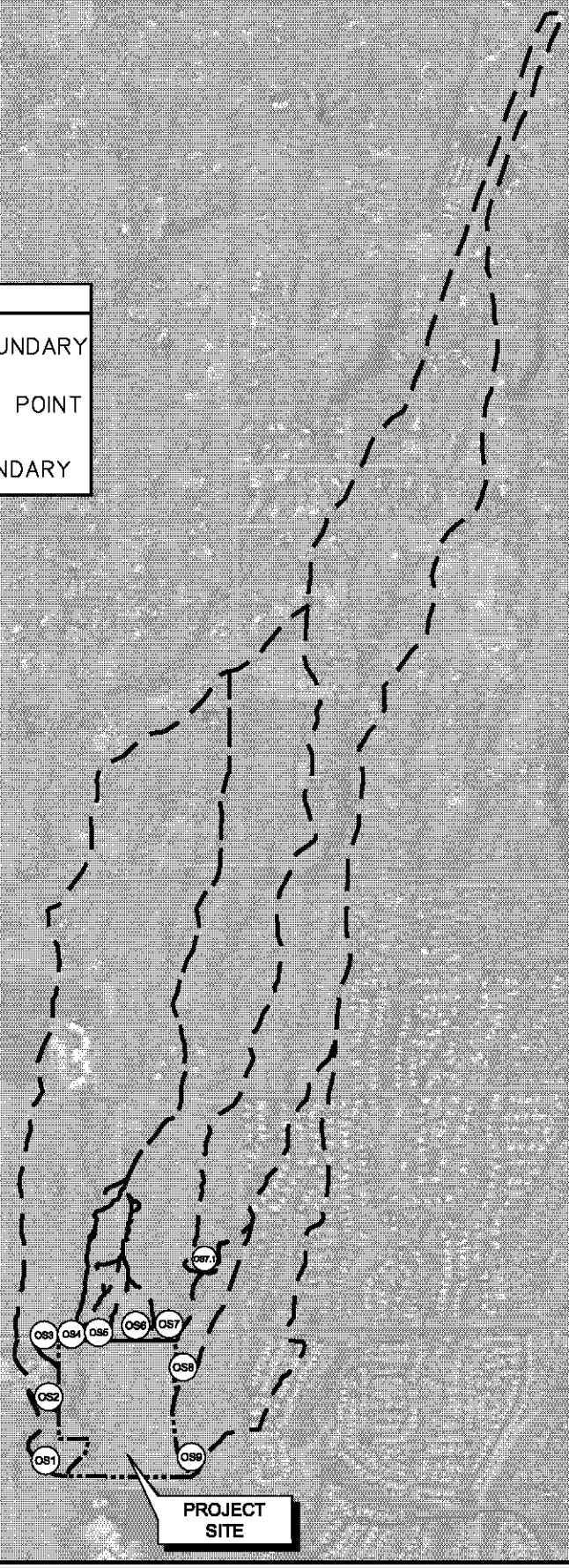
5. A qualitative description of existing drainage conditions along the downstream property boundary.

Existing drainage conditions along the downstream property boundary have been considered and handled appropriately by the landowner. Grading, culverts and channelization have been implemented to adequately protect the downstream property, the Casa Adobes Baptist Church, from the 100-year storm event.

SUMMARY OF EXISTING OFF-SITE PEAK DICHARGES		
CONC. PT	DRAINAGE AREA (ac)	Q100 (cfs)
OS-1	4.7	29
OS-2	6.0	39
OS-3	229.9	500
OS-4	11.1	50
OS-5	5.0	33
OS-6	6.1	40
OS-7	429.0	504
OS-8	13.1	63
OS-9	81.2	252

LEGEND

- WATERSHED BOUNDARY
- (1.0) CONCENTRATION POINT
- PROPERTY BOUNDARY



The WLB Group WLB

EXHIBIT F: OFF-SITE WATERSHED

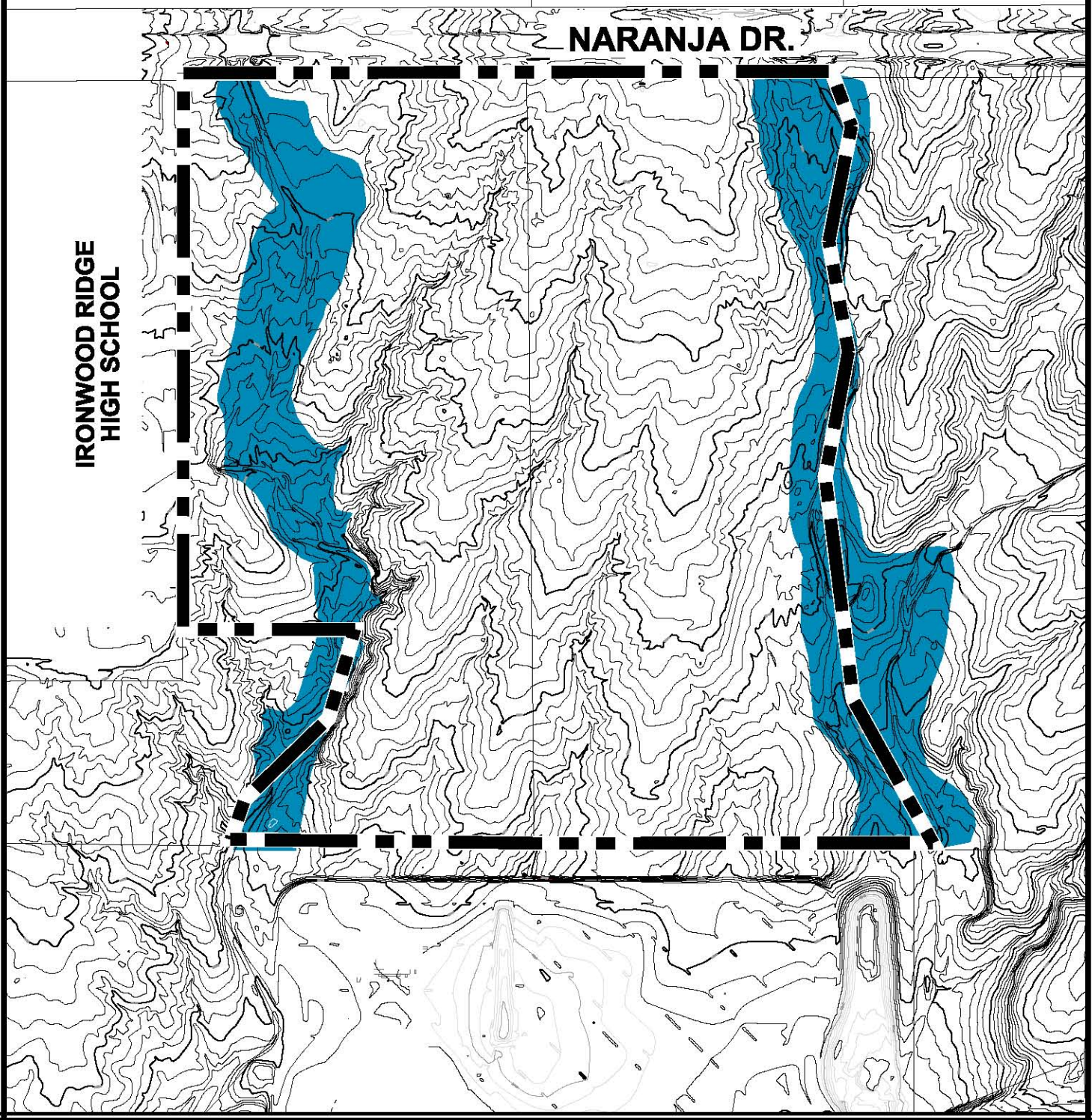
Aerial Photo Date = 2012
WLB No. 110028-B-001

0' 2000'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT F - Off-Site Hydrology.dwg Plotted: Mar. 10, 2014

LEGEND:

ESTIMATED 100-YEAR FLOODPLAIN



The WLB Group WLB

EXHIBIT G: ON-SITE HYDROLOGY

Contour Interval = 2 Ft.
WLB No. 110028-B-001

0' 300'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT G - On-Site Hydrology.dwg Plotted: Mar. 10, 2014

I-D. Vegetation

1. Vegetative Communities.

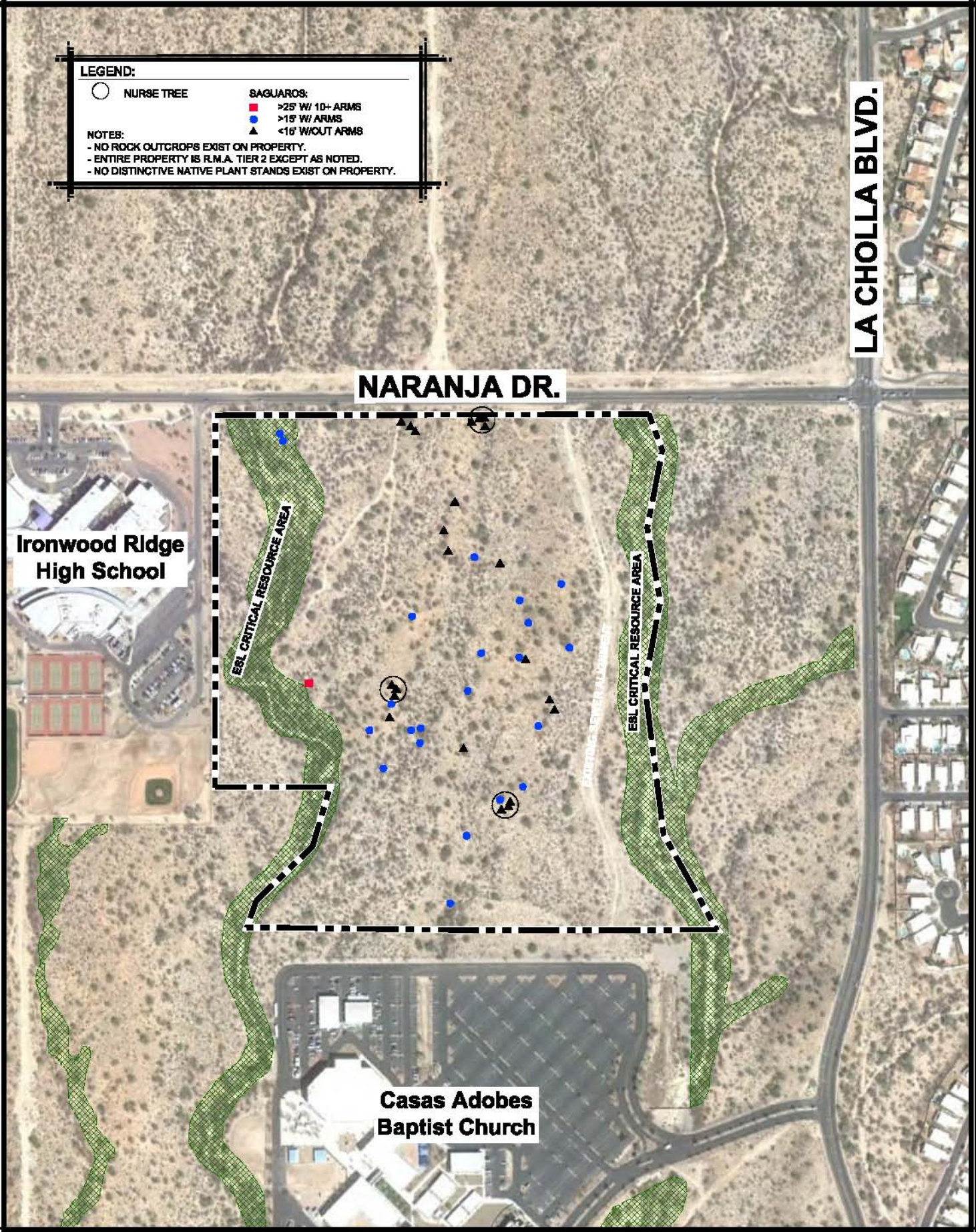
The vegetative community on the property is typical of the Sonoran Desert Scrub Region, Arizona Upland Subdivision, Palo verde-Cacti-Mixed Scrub Series (David E. Brown: Biotic Communities). Typical species found in this biome include Creosote (*Larrea tridentata*), White Bursage (*Ambrosia spp*.), Saguaro (*Carnegiea gigantea*), Foothills Palo Verde (*Cercidium microphylum*), Velvet Mesquite (*Prosopis velutina*), Desert Hackberry (*Celtis pallida*), Ocotillo (*Fouquieria splendens*), and Barrel Cactus (*Ferocactus wislizenii*).

2. Significant cacti and groups of trees and Federally-listed threatened or endangered species.

The site's significant vegetation has been analyzed according to the requirements of the Oro Valley Town Code (Section 27.6), please refer to *Exhibit H: Vegetation,* for results of the analysis. The following significant plant species were found on the project site: Barrel Cactus (*Ferocactus wislizenii*), Engelmann Prickly Pear (*O. p. var. discata*), Foothills Palo Verde (*Cercidium microphyllum*), Blue Palo Verde (*Cercidium floridum*), Velvet Mesquite (*Prosopis velutina*), Creosote (*Larrea tridentata*), and Saguaro (*Carnegiea gigantea*). More dense and diverse vegetation occurs along the minor washes crossing the subject property. According to the Arizona Game and Fish Department, Tumamoc globeberry (*Tumamoca macdougalii*) is federally listed as sensitive and salvage restricted species occurring in the area.

3. Vegetative densities by approximate percentage of plant cover.

As determined by field reconnaissance and analysis of aerial photographs, the subject property is characterized by undisturbed native scrub vegetation. Two washes traverse the site from north to south. In some areas these washes contain mature but stressed vegetation. The density of the vegetation diminishes with distance from the wash. Please refer to *Exhibit H: Vegetation*.



The WLB Group WLB

EXHIBIT H: VEGETATION

WLB No. 110028-B-001

0' 400'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT H vegetation.dwg Plotted: Nov. 10, 2014

I-E. Wildlife

Exhibit I: Arizona Game and Fish Department Letter

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

Project Location

Project Name: naranja 43
Submitted By: Clay Goodwin
On behalf of: CONSULTING
Project Search ID: 20130718020821
Date: 7/18/2013 1:18:23 PM
Project Category: Development Within Municipalities (Urban Growth),Residential subdivision and associated infrastructure,New construction
Project Coordinates (UTM Zone 12-NAD 83): 498455.657, 3585567.596 meter
Project Area: 93.809 acres
Project Perimeter: 2732.606 meter
County: PIMA
USGS 7.5 Minute Quadrangle ID: 1683
Quadrangle Name: RUELAS CANYON
Project locality is not anticipated to change

Location Accuracy Disclaimer
Project locations are assumed to be both precise and accurate for the purposes of environmental review. The creator/owner of the Project Review Receipt is solely responsible for the project location and thus the correctness of the Project Review Receipt content.

The Department appreciates the opportunity to provide in-depth comments and project review when additional information or environmental documentation becomes available.

Special Status Species Occurrences/Critical Habitat/Tribal Lands within 3 miles of Project Vicinity:

Name	Common Name	FWS	USFS	BLM	State
Aquila chrysaetos	Golden Eagle	BGA		S	
Glaucidium brasilianum cactorum	Cactus Ferruginous Pygmy-owl	SC	S	S	WSC
Leptonycteris curasoae yerbabuenae	Lesser Long-nosed Bat	LE			WSC
Tucson - Tortolita - Santa Catalina Mountains Linkage Design	Wildlife Corridor				
Turnamoca macdougalii	Turnamoc Globeberry		S	S	SR

Page 1 of 7 APPLICATION INITIALS: _____

Exhibit I: Arizona Game and Fish Department Letter (Continued)

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

Please review the entire receipt for project type recommendations and/or species or location information and retain a copy for future reference. If any of the information you provided did not accurately reflect this project, or if project plans change, another review should be conducted, as this determination may not be valid.

Arizona's On-line Environmental Review Tool:

1. This On-line Environmental Review Tool inquiry has generated recommendations regarding the potential impacts of your project on Special Status Species (SSS) and other wildlife of Arizona. SSS include all U.S. Fish and Wildlife Service federally listed, U.S. Bureau of Land Management sensitive, U.S. Forest Service sensitive, and Arizona Game and Fish Department (Department) recognized species of concern.
2. These recommendations have been made by the Department, under authority of Arizona Revised Statutes Title 5 (Amusements and Sports), 17 (Game and Fish), and 28 (Transportation). These recommendations are preliminary in scope, designed to provide early considerations for all species of wildlife, pertinent to the project type you entered.
3. This receipt, generated by the automated On-line Environmental Review Tool does not constitute an official project review by Department biologists and planners. Further coordination may be necessary as appropriate under the National Environmental Policy Act (NEPA) and/or the Endangered Species Act (ESA).

The U.S. Fish and Wildlife Service (USFWS) has regulatory authority over all federally listed species under the ESA. Contact USFWS Ecological Services Offices: http://arizonaes.fws.gov/.

Phoenix Main Office
2321 W. Royal Palm Road, Suite 103
Phoenix, AZ 85021
Phone 602-242-0210
Fax 602-242-2513

Tucson Sub-Office
201 North Bonita, Suite 141
Tucson, AZ 85745
Phone 520-670-6144
Fax 520-670-6154

Flagstaff Sub-Office
323 N. Leroux Street, Suite 101
Flagstaff, AZ 86001
Phone 928-226-0614
Fax 928-226-1099

Disclaimer:

1. This is a preliminary environmental screening tool. It is not a substitute for the potential knowledge gained by having a biologist conduct a field survey of the project area.
2. The Department's Heritage Data Management System (HDMS) data is not intended to include potential distribution of special status species. Arizona is large and diverse with plants, animals, and environmental conditions that are ever changing. Consequently, many areas may contain species that biologists do not know about or species previously noted in a particular area may no longer occur there.
3. Not all of Arizona has been surveyed for special status species, and surveys that have been conducted have varied greatly in scope and intensity. Such surveys may reveal previously undocumented population of species of special concern.
4. HDMS data contains information about species occurrences that have actually been reported to the Department.

Arizona Game and Fish Department Mission

To conserve, enhance, and restore Arizona's diverse wildlife resources and habitats through aggressive protection and

Page 2 of 7 APPLICATION INITIALS: _____

Exhibit I: Arizona Game and Fish Department Letter (Continued)

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

management programs, and to provide wildlife resources and safe watercraft and off-highway vehicle recreation for the enjoyment, appreciation, and use by present and future generations.

Project Category: Development Within Municipalities (Urban Growth),Residential subdivision and associated infrastructure,New construction

Project Type Recommendations:

All degraded and disturbed lands should be restored to their natural state. Vegetation restoration projects (including treatments of invasive or exotic species) should have a completed site-evaluation plan (identifying environmental conditions necessary to re-establish native vegetation), a revegetation plan (species, density, method of establishment), a short and long-term monitoring plan, including adaptive management guidelines to address needs for replacement vegetation.

Based on the project type entered; coordination with Arizona Department of Environmental Quality may be required (http://www.azdeq.gov/).

Based on the project type entered; coordination with Arizona Department of Water Resources may be required (http://www.water.az.gov/adwr/)

Based on the project type entered; coordination with County Flood Control districts may be required.

Based on the project type entered; coordination with State Historic Preservation Office may be required http://azstateparks.com/SHPO/index.html

Based on the project type entered; coordination with U.S. Army Corps of Engineers may be required (http://www.spl.usace.army.mil/regulatory/phonedir.html)

Communities can actively support the sustainability and mobility of wildlife by incorporating wildlife planning into their regional/comprehensive plans, their regional transportation plans, and their open space/conservation land system programs. An effective approach to wildlife planning begins with the identification of the wildlife resources in need of protection, an assessment of important habitat blocks and connective corridors, and the incorporation of these critical wildlife components into the community plans and programs. Community planners should identify open spaces and habitat blocks that can be maintained in their area, and the necessary connections between those blocks to be preserved or protected. Community planners should also work with State and local transportation planning entities, and planners from other communities, to foster coordination and cooperation in developing compatible development plans to ensure wildlife habitat connectivity. The Department's guidelines for incorporating wildlife considerations into community planning and developments can be found at http://www.azgfd.gov/hgis/guidelines.aspx.

Development plans should provide for open natural space for wildlife movement, while also minimizing the potential for wildlife-human interactions through design features. Please contact Project Evaluation Program for more information on living with urban wildlife.

During planning and construction, minimize potential introduction or spread of exotic invasive species. Invasive species can be plants,

Page 3 of 7 APPLICATION INITIALS: _____

Exhibit I: Arizona Game and Fish Department Letter (Continued)

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

animals (exotic snails), and other organisms (e.g. microbes), which may cause alteration to ecological functions or compete with or prey upon native species and can cause social impacts (e.g. livestock forage reduction, increase wildfire risk). The terms noxious weed or invasive plants are often used interchangeably. Precautions should be taken to wash all equipment utilized in the project activities before and after project activities to reduce the spread of invasive species. Arizona has noxious weed regulations (Arizona Revised Statutes, Rules R3-4-244 and R3-4-245). See Arizona Department of Agriculture website for restricted plants http://www.azda.gov/PSD/quarantine5.htm. Additionally, the U.S. Department of Agriculture has information regarding pest and invasive plant control methods including: pesticide, herbicide, biological control agents, and mechanical control: http://www.usda.gov/wps/portal/usdahome. The Department regulates the importation, purchasing, and transportation of wildlife and fish (Restricted Live Wildlife), please refer to the hunting regulations for further information http://www.azgfd.gov/h_f/hunting_rules.shtml.

During the planning stages of your project, please consider the local or regional needs of wildlife in regards to movement, connectivity, and access to habitat needs. Loss of this permeability prevents wildlife from accessing resources, finding mates, reduces gene flow, prevents wildlife from re-colonizing areas where local extirpations may have occurred, and ultimately prevents wildlife from contributing to ecosystem functions, such as pollination, seed dispersal, control of prey numbers, and resistance to invasive species. In many cases, streams and washes provide natural movement corridors for wildlife and should be maintained in their natural state. Uplands also support a large diversity of species, and should be contained within important wildlife movement corridors. In addition, maintaining biodiversity and ecosystem functions can be facilitated through improving designs of structures, fences, roadways, and culverts to promote passage for a variety of wildlife.

Hydrological considerations: design culverts to minimize impacts to channel geometry, or design channel geometry (low flow, overbank, floodplains) and substrates to carry expected discharge using local drainages of appropriate size as templates. Aquatic wildlife considerations: reduce/minimize barriers to migration of amphibians or fish (e.g. eliminate falls). Terrestrial wildlife: washes and stream corridors often provide important corridors for movement. Overall culvert width, height, and length should be optimized for movement of the greatest number and diversity of species expected to utilize the passage. Culvert designs should consider moisture, light, and noise, while providing clear views at both ends to maximize utilization. For many species, fencing is an important design feature that can be utilized with culverts to funnel wildlife into these areas and minimize the potential for roadway collisions. Guidelines for culvert designs to facilitate wildlife passage can be found at http://www.azgfd.gov/hgis/guidelines.aspx.

Minimization and mitigation of impacts to wildlife and fish species due to changes in water quality, quantity, chemistry, temperature, and alteration to flow regimes (timing, magnitude, duration, and frequency of floods) should be evaluated. Minimize impacts to springs, in-stream flow, and consider irrigation improvements to decrease water use. If dredging is a project component, consider timing of the project in order to minimize impacts to spawning fish and other aquatic species (including spawning seasons), and to reduce spread of exotic invasive species. We recommend early direct coordination with Project Evaluation Program for projects that could impact water resources, wetlands, streams, springs, and/or riparian habitats.

Planning: consider impacts of lighting intensity on mammals and birds and develop measures or alternatives that can be taken to increase human safety while minimizing potential impacts to wildlife. Conduct wildlife surveys to determine species within project area, and evaluate proposed activities based on species biology and natural history to determine if artificial lighting may disrupt behavior patterns or habitat use.

Page 4 of 7 APPLICATION INITIALS: _____

Exhibit I: Arizona Game and Fish Department Letter (Continued)

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

The Department recommends that wildlife surveys are conducted to determine if noise-sensitive species occur within the project area. Avoidance or minimization measures could include conducting project activities outside of breeding seasons.

The Department requests further coordination to provide project/species specific recommendations, please contact Project Evaluation Program directly.

The construction or maintenance of water developments should include: incorporation of aspects of the natural environment and the visual resources, maintaining the water for a variety of species, water surface area (e.g. bats require a greater area due to in-flight drinking), accessibility, year-round availability, minimizing potential for water quality problems, frequency of flushing, shading of natural features, regular clean-up of debris, escape ramps, minimizing obstacles, and minimizing accumulation of silt and mud.

Trenches should be covered or back-filled as soon as possible. Incorporate escape ramps in ditches or fencing along the perimeter to deter small mammals and herptefauna (snakes, lizards, tortoise) from entering ditches.

Project Location and/or Species recommendations:

Heritage Data Management System records indicate that one or more listed, proposed, or candidate species or Critical Habitat (Designated or Proposed) have been documented in the vicinity of your project (refer to page 1 of the receipt). Please contact:
Ecological Services Office
US Fish and Wildlife Service
2321 W. Royal Palm Rd.
Phoenix, AZ 85021-4951
Phone: 602-242-0210
Fax: 602-242-2513

Heritage Data Management System records indicate that one or more native plants listed on the Arizona Native Plant Law and Antiquities Act have been documented within the vicinity of your project area (refer to page 1 of the receipt). Please contact:
Arizona Department of Agriculture
1688 W Adams
Phoenix, AZ 85007
Phone: 602-542-4373

HDMS records indicate your project is in or near an identified wildlife habitat linkage corridor. Project planning and implementation efforts should focus on maintaining adequate opportunities for wildlife permeability. For information on the linkage assessment and wildlife species that may be affected refer to:
http://www.corridordesign.org/arizona. Contact your Arizona Game and Fish Department Regional Office for specific project recommendations:
http://www.azgfd.gov/inside_azgfd/agency_directory.shtml

Recommendations Disclaimer:

1. Potential impacts to fish and wildlife resources may be minimized or avoided by the recommendations generated from information submitted for your proposed project.
2. These recommendations are proposed actions or guidelines to be considered during **preliminary project development**.
3. Additional site specific recommendations may be proposed during further NEPA/ESA analysis or through coordination with affected agencies.
4. Making this information directly available does not substitute for the Department's review of project proposals, and should not decrease our opportunity to review and evaluate additional project information and/or new project proposals.
5. The Department is interested in the conservation of all fish and

Page 5 of 7 APPLICATION INITIALS: _____

Exhibit I: Arizona Game and Fish Department Letter (Continued)

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

wildlife resources, including those Special Status Species listed on this receipt, and those that may have not been documented within the project vicinity as well as other game and nongame wildlife.
6. **Further coordination requires the submittal of this initialed and signed Environmental Review Receipt with a cover letter and project plans or documentation that includes project narrative, acreage to be impacted, how construction or project activity(s) are to be accomplished, and project locality information (including site map).**
7. Upon receiving information by AZGFD, please allow 30 days for completion of project reviews. Mail requests to:

Project Evaluation Program, Habitat Branch
Arizona Game and Fish Department
5000 West Carefree Highway
Phoenix, Arizona 85086-5000
Phone Number: (623) 236-7600
Fax Number: (623) 236-7366

Terms of Use

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1. This Environmental Review and project planning website was developed and intended for the purpose of screening projects for potential impacts on resources of special concern. By indicating your agreement to the terms of use for this website, you warrant that you will not use this website for any other purpose.
2. Unauthorized attempts to upload information or change information on this website are strictly prohibited and may be punishable under the Computer Fraud and Abuse Act of 1986 and/or the National Information Infrastructure Protection Act.
3. The Department reserves the right at any time, without notice, to enhance, modify, alter, or suspend the website and to terminate or restrict your access to the website.
4. This Environmental Review is based on the project study area that was entered. The review must be redone if the project study area, location, or the type of project changes. If additional information becomes available, this review may need to be reconsidered.
5. A signed and initialed copy of the Environmental Review Receipt indicates that the entire receipt has been read by the signer of the Environmental Review Receipt.

Security:

The Environmental Review and project planning web application operates on a complex State computer system. This system is monitored to ensure proper operation, to verify the functioning of applicable security features, and for other like purposes. Anyone using this system expressly consents to such monitoring and is advised that if such monitoring reveals possible evidence of criminal activity, system personnel may provide the evidence of such monitoring to law enforcement officials. Unauthorized attempts to upload or change information; to defeat or circumvent security measures; or to utilize this system for other than its intended purposes are prohibited.

This website maintains a record of each environmental review search result as well as all contact information. This information is maintained for internal tracking purposes. Information collected in this application will not be shared outside of the purposes of the Department.

If the Environmental Review Receipt and supporting material are not mailed to the Department or other appropriate agencies within six (6) months of the Project Review Receipt date, the receipt is considered to be null and void, and a new review must be initiated.

Page 6 of 7 APPLICATION INITIALS: _____

Exhibit I: Arizona Game and Fish Department Letter (Continued)

Arizona's On-line Environmental Review Tool
Search ID: 20130718020821
Project Name: naranja 43
Date: 7/18/2013 1:18:28 PM

Print this Environmental Review Receipt using your Internet browser's print function and keep it for your records. Signature of this receipt indicates the signer has read and understands the information provided.

Signature: _____

Date: _____

Proposed Date of Implementation: _____

Please provide point of contact information regarding this Environmental Review.

Application or organization responsible for project implementation

Agency/organization: _____

Contact Name: _____

Address: _____

City, State, Zip: _____

Phone: _____

E-mail: _____

Person Conducting Search (if not applicant)

Agency/organization: _____

Contact Name: _____

Address: _____

City, State, Zip: _____

Phone: _____

E-mail: _____

Page 7 of 7 APPLICATION INITIALS: _____

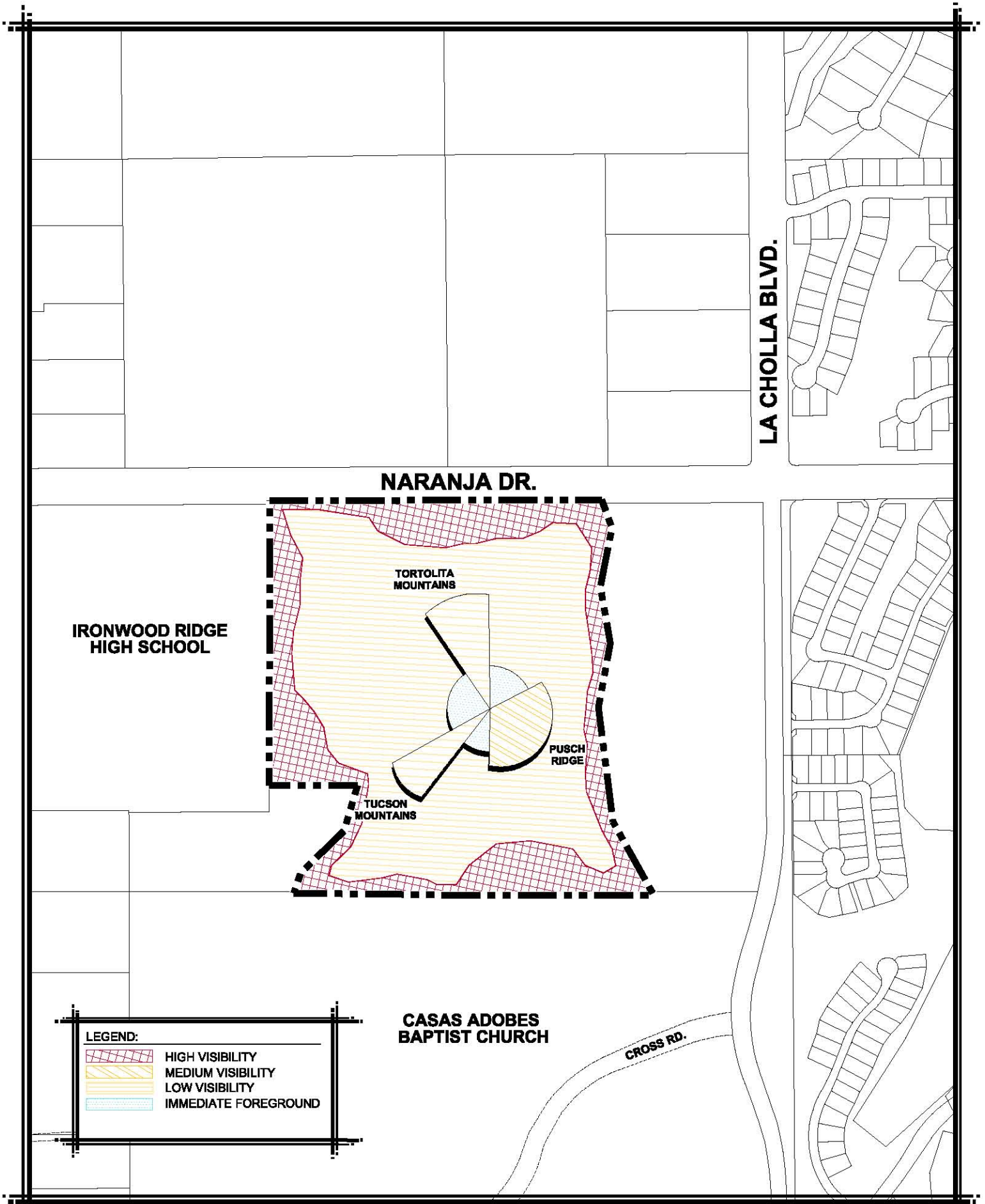
I-F. Viewsheds

1. Views onto and across the site from adjacent properties that may be blocked by development of the site.

   No mountain ranges are highly visible from or across the subject property. Please refer to *Exhibit J: Viewsheds and Site Visibility*.

2. Areas of high visibility from adjacent off-site locations.

   Due to the relatively flat character of the vicinity, the perimeter areas of the subject property are the only locations of high visibility from adjacent roadways and properties. Higher vegetation densities in the western and eastern portions of the site reduce visibility into and across the property. Lower vegetation densities in the southern portions of the site provide higher visibility from the Casas Adobes Baptist Church along the property's southern edge. Please refer to *Exhibit J: Viewsheds and Site Visibility*.



The WLB Group WLB

EXHIBIT J:
VIEWSHEDS & SITE VISIBILITY

WLB No. 110028-B-001

0' 500'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT J viewsheds.dwg Plotted: Mar. 10, 2014

I-G. Traffic

1. All existing and proposed off-site streets between the development and the nearest arterial streets.

   Access to the subject property will be from Naranja Drive and La Cholla Boulevard.

2. All arterial streets within one mile of the project site.

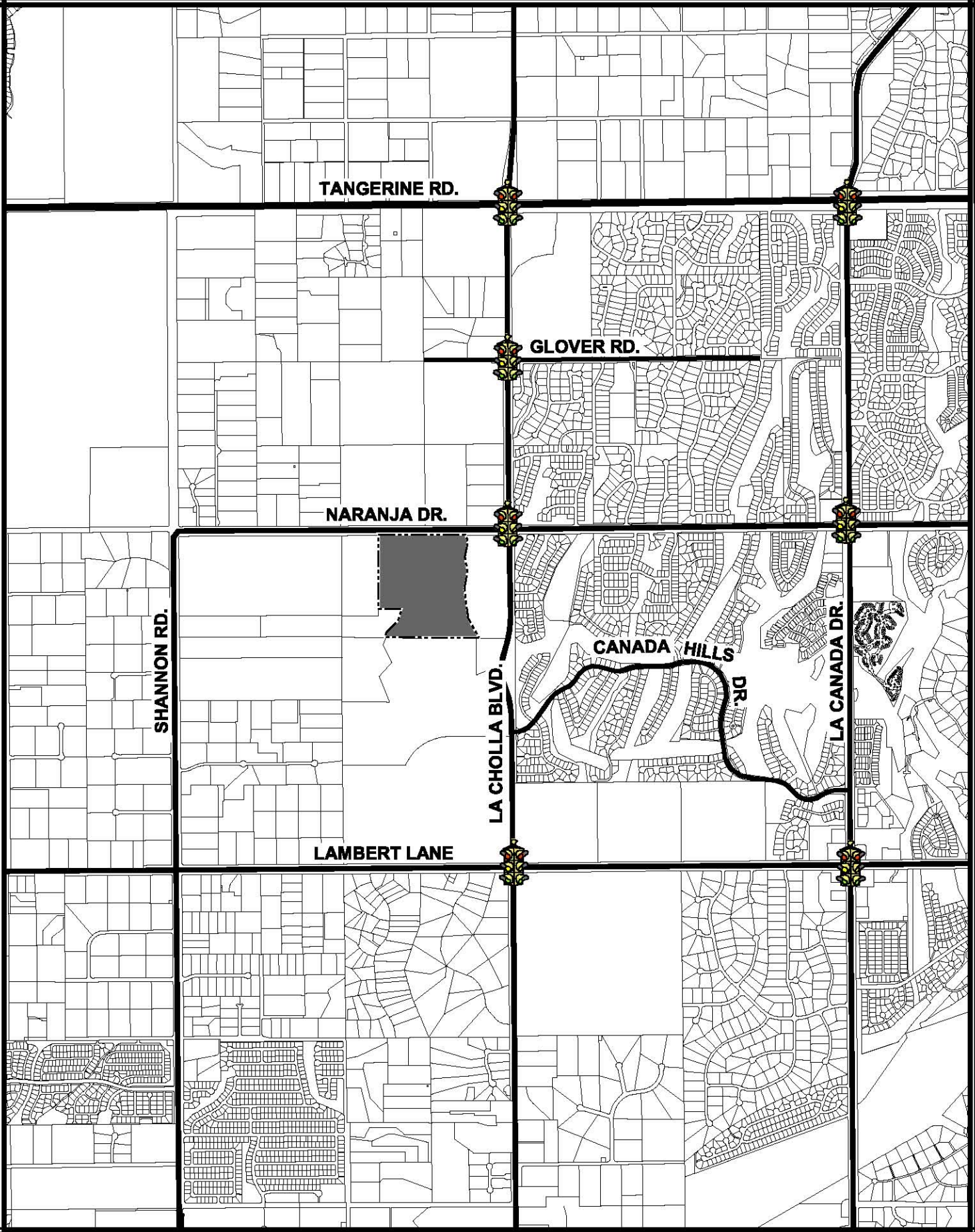
Road	Section	Existing ROW	Ultimate ROW	Travel Lanes	Capacity	Speed Limit	ADT (PAG)	Surface Conditions	Scheduled Improvements
Tangerine Rd.	Shannon to La Cholla	100'	300'	2	14,900	45	11,200	Paved	RTA 2nd Period
	La Cholla to La Canada	100' - 250'	300'	2	14,900	45	13,300	Paved	RTA 2nd Period
Glover Rd.	Shannon to La Cholla	0' - 45'	95'	2		25 - 35	Unknown	Paved w/ sidewalk	None
	La Cholla to La Canada	0' - 85'	Varies	2		35	Unknown	Paved w/ multi-use path	None
Naranja Dr.	Shannon to La Cholla	150'	150'	2	14,900	35	6,000	Paved	2014
	La Cholla to La Canada	150'	150'	3	14,900	45	7,900	Paved w/ multi-use path	None
Shannon Rd.	Tangerine to Naranja	150'	150'	0	0	n/a	n/a	n/a	None
	Naranja to Lambert	150'	150'	2		45	3,200	Paved	None
La Cholla Blvd.	Tangerine to Naranja	65' - 105'	150'	2	14,900	45	2,800	Paved	None
	Naranja to Lambert	60' - 105'	150'	2	14,900	45	10,000	Paved w/ bike lanes	RTA 2nd Period
La Canada Dr.	Tangerine to Naranja	150'	150'	4		40	5,100	Paved w/ bike lanes, sidewalk & multi-use path	None
	Naranja to Lambert	150'	150'	4		40	10,800	Paved w/ bike lanes, sidewalk & multi-use path	None

3. Existing and proposed intersections on arterials within one mile of the site, most likely to be used by traffic from this site.

   Arterial intersections within one mile of the site that will likely carry traffic generated by this development include Naranja Drive and La Cholla Boulevard, Glover Road and La Cholla Boulevard, Tangerine Road and La Cholla Boulevard, Naranja Drive and La Canada Drive, and Lambert Lane and La Cholla Boulevard. Please refer to *Exhibit K: Major Roads*.

4. Existing bicycle and pedestrian ways adjacent to the site and their connections with streets, parks, and schools.

   A signed bike route with on-street bike lane extends from Naranja Drive north along La Cholla Boulevard to Tangerine Road. A multi use bicycle-pedestrian path system and on-street bike lane extends along Naranja Drive from La Cholla to La Canada Drive. The Town of Oro Valley is planning improvements in mid 2014 to Naranja Drive what will include a sidewalk, multi-use bicycle-pedestrian path system and on-street bike lane, extending west from La Cholla Boulevard towards Ironwood Ridge High School. These routes provide connectivity to Wilson K-8 School, Ironwood Ridge High School, the Oro Valley Library and the greater Oro Valley/Pima County bicycle-pedestrian path system.



The WLB Group WLB

EXHIBIT K: MAJOR ROAD NETWORK

WLB No. 110028-B-001

0' 2000'

L:\110028\B001 MDR Rezone\Site Analysis\exhibits\EXHIBIT K major roads.dwg Plotted: Mar. 10, 2014

I-H. Recreation and Trails

1. Trails, parks and recreation areas within one mile of site.

   La Cholla Boulevard is shown as Trail #33 on the Oro Valley Trails Plan. Trail #33 (a.k.a. Poppy Trail) is located along the west side of La Cholla Blvd., and is described in the plan as being intended to eventually allow pedestrian, bicycle and equestrian use. The trail provides access to the Cañada del Oro Riverfront Park, James D. Kriegh Park, and the Honey Bee Canyon Trailhead. Other than the golf course, there are no parks or recreation areas within one mile of the property.

2. Size and type of the parks and recreation areas identified.

   Not applicable.

I-I. Cultural/Archaeological/Historic Resources

1. Determine whether the site has been field surveyed for cultural resources.

   The subject property was intensively field surveyed for cultural resources by professional archeologists in 1981. An archaeological records check was requested from the Arizona State Museum, and their response letter follows this section. Please refer to *Exhibit L: Arizona State Museum Records Check Letter*.

2. Identify any previously recorded archaeological or historic resources known to exist on the property.

   Pima County Cultural Resources notes that there are no archaeological sites located on the subject property. The Arizona State Museum recommends that the proposed development proceed as planned without any additional archaeological investigation.

3. State the probability that buried archaeological resources not visible from the surface would be discovered on the site.

   The Sonoran Desert Conservation Plan identifies nearly all of Oro Valley as likely to contain archaeological resources. It is possible, however unlikely, that cultural resources may be uncovered during construction. In that unlikely event, the ASM recommends that the professional archaeologist evaluate the exposed material before any work continues in the area of the discovery. Any resources identified or discovered on the property will be treated according to State and local antiquities laws.

I-I. Cultural/Archaeological/Historic Resources (Continued)

Exhibit L: Arizona State Museum Records Check Letter

THE UNIVERSITY OF ARIZONA.

Arizona State Museum

P.O. Box 210026
Tucson, AZ 85721-0026
Tel: (520) 621-6302
Fax: (520) 621-2976

ARCHAEOLOGICAL RECORDS SEARCH RESULTS

E-mail **Request Received:** 7/22/2013 **Records Search Completed:** 8/7/2013

Requester Name and Title: Clay Goodwin, Land Planner
Company: The WLB Group, Inc.
Address: 4444 East Broadway
City, State, Zip Code: Tucson, AZ 85711-3508
Phone/Fax/or E-mail: (520) 881-7480

Project Name and/or Number
Naranja 43 LET-P / 110028B001 / Parcels 21420-001B & -002E

Project Description
Residential development on 43 ac
w/in 78.8 ac parcels

Project Area Location: SWC Naranja & La Cholla, Oro Valley, Pima County, Arizona.

Legal Description: a portion of the NE, S9, T12S, R13E, G&SR B&M, Town of Oro Valley, Pima County, Arizona.

Search Results: A records search of the archaeological site files retained at the Arizona State Museum (ASM) found that the subject project area was intensively surveyed by professional archeologists in 1981. Twenty-eight additional archaeological inspections were completed within a mile of the proposed project between 1979 and 2011. No cultural resources are identified within the proposed project area. Six archaeological properties have been recorded within a mile of the project area. A 2012 color orthophotograph of the proposed project area, enclosed, depicts an undeveloped ground surface covered with native vegetation. Two dry washes cross the parcels south to north. A dirt two-track road also crosses north to south; recreational dirt trails are also noted. The property is bounded by paved roads, a school, and a church.

Sites in Project Area: None.

Recommendations: The subject project area was intensively inspected for cultural resources in 1981 with no evidence of historically significant properties being identified in the parcels. One prehistoric site is recorded outside the current project boundary in another part of the section. The ASM recommends that the proposed development proceed as planned without any additional archaeological investigation.

Because significant cultural resources do exist in the region, it is possible, however unlikely, that cultural resources may be uncovered during construction. In that unlikely event, the ASM recommends that a professional archaeologist evaluate the exposed material before any work continues in the area of the discovery. In the event that buried deposits are exposed, you will need to consult with one of the qualified archaeological contractors whose contact information is posted on the ASM website at the following address: http://www.statemuseum.arizona.edu/crservices/index.shtml.

Pursuant to *ARS* §41-865, if any human remains or funerary objects are uncovered at any time during the project work, all effort will stop within the area of the discovered remains and Dr. Todd Pitezel, ASM assistant curator of archaeology, will be contacted immediately at (520) 621-4795.

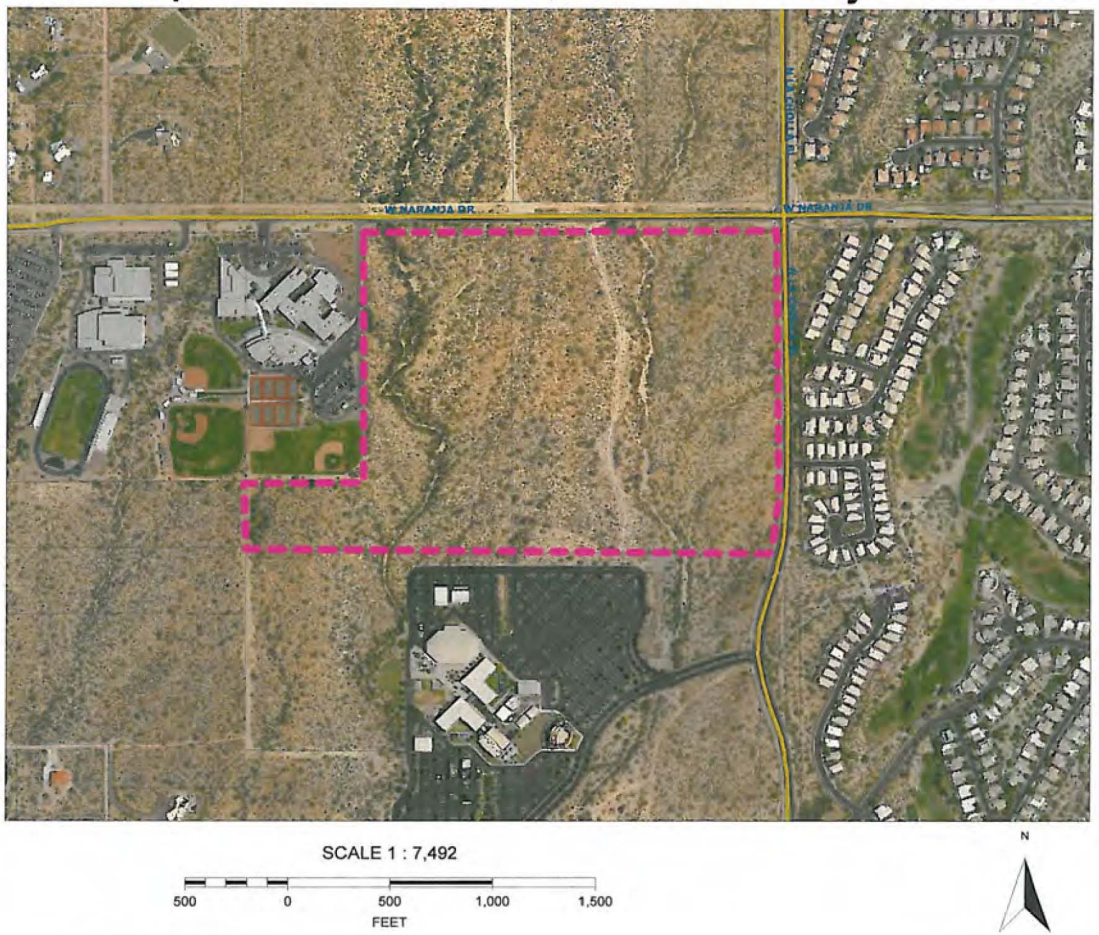
If you have any questions concerning the results of this records search, please contact me at the letterhead address or at the e-mail address or phone number as follows.

Sincerely,

Nancy E. Pearson

Nancy E. Pearson
Assistant Permits Administrator
(520) 621-2096
nepearso@email.arizona.edu

Exhibit L: Arizona State Museum Records Check Letter (Continued)



I-J. Schools

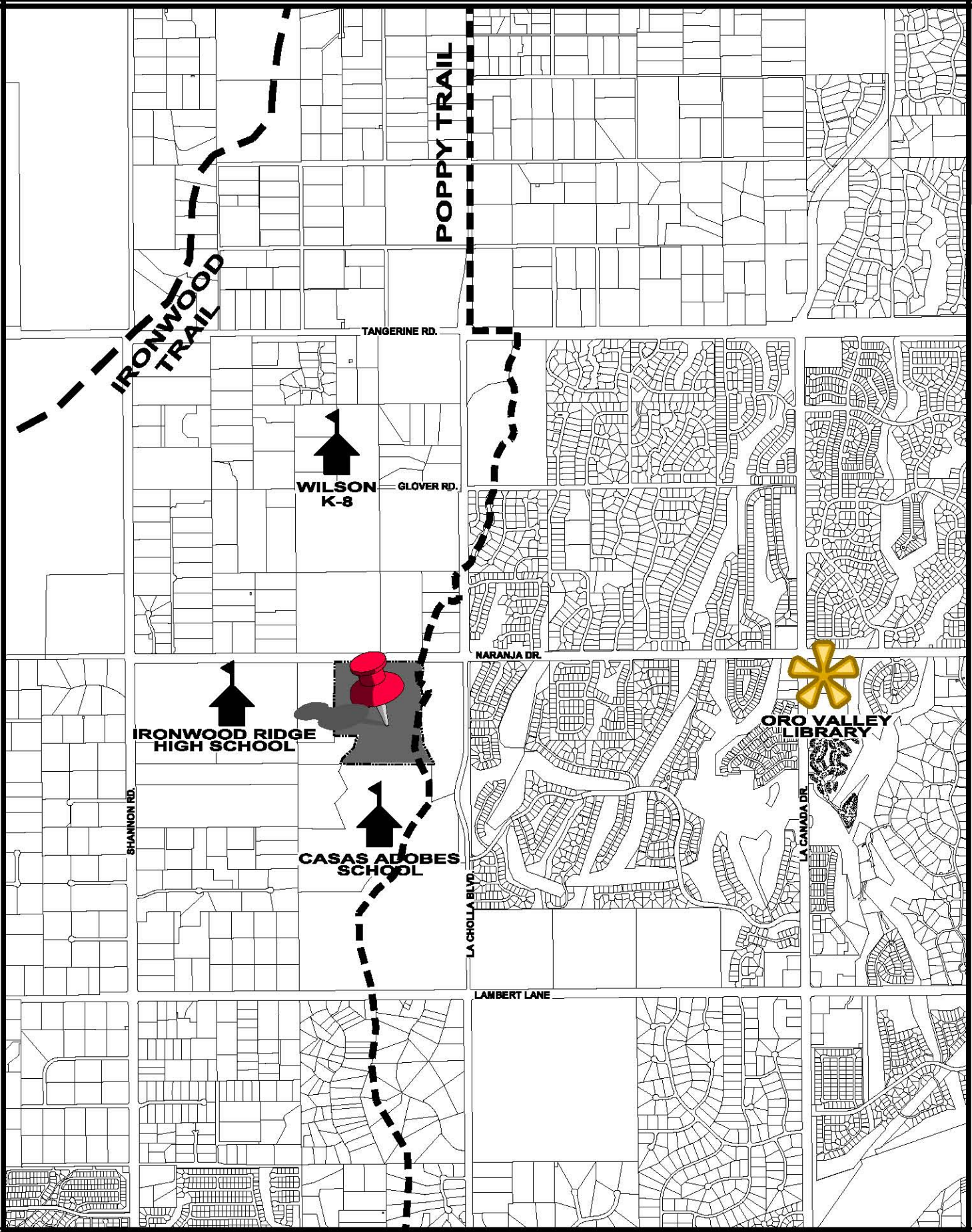
There are two schools within ½-mile of the proposed development. Wilson K-8 School is to the north and Ironwood Ridge High School is to the east of the site. Please refer to *Exhibit M: Schools, Trails, Etc.*

I-K. Water

Oro Valley Water is the service provider for this property. There is a 12" PVC water line that exists within the Naranja Drive R.O.W. Tucson Water is the service provider for Ironwood Ridge High School.

I-L. Sewers

A 12" sewer runs through the property. Please refer to *Exhibit N: Existing Sewer System* for a map of existing sewer alignments.



The WLB Group WLB

EXHIBIT M: SCHOOLS, TRAILS, ETC.

WLB No. 110028-B-001

0' 2000'

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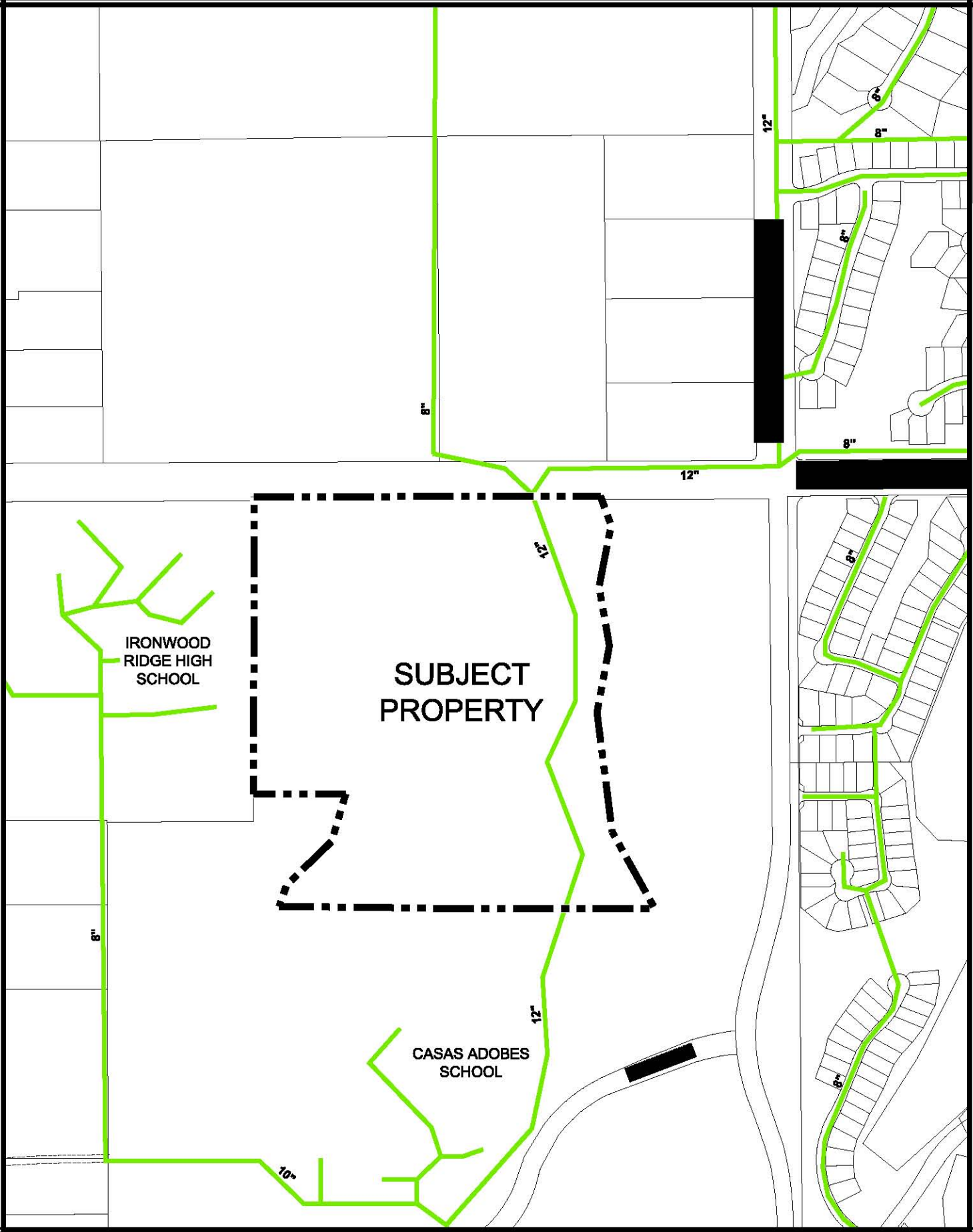

The WLB Group WLB

EXHIBIT N: EXISTING SEWER

WLB No. 110028-B-001

0' 500'

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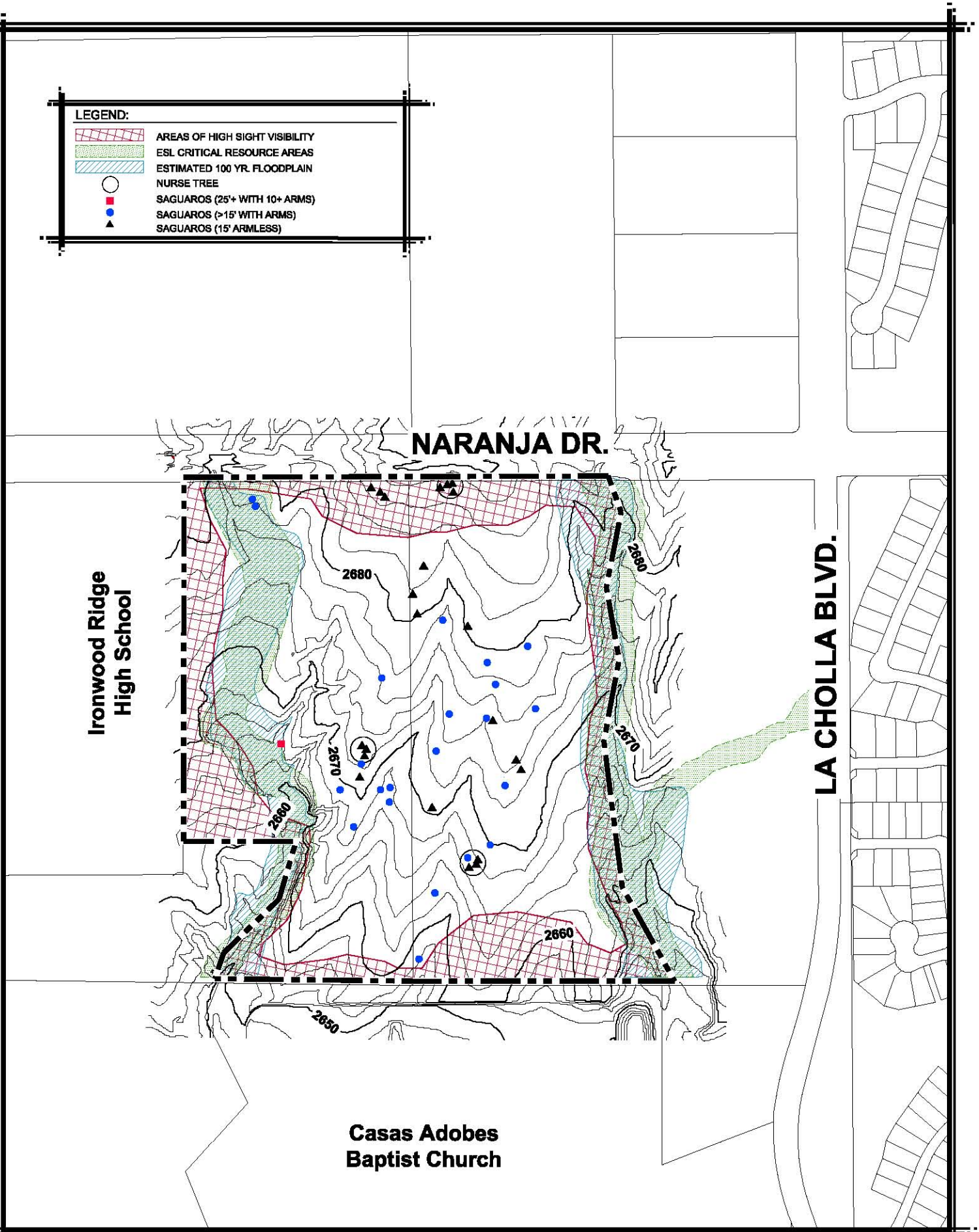
PART II – LAND USE PROPOSAL

PROJECT OVERVIEW

The proposed neighborhood will feature high quality single-family homes. Two minimum lot sizes are proposed, 6,600 square feet minimum for small lots, and 8,400 square feet for large lots. The 6,600 square foot lots are allowed within the R1-7 zone per lot reduction option, Table 27-10.6 of the Town of Oro Valley Zoning Code. This development will also provide active recreational areas of approximately 2.6 acres. Large portions of the site are preserved as open space common areas, including undisturbed riparian areas along the eastern and western boundaries of the site. The community has been designed to conform to Town development guidelines.

Landscaped buffers, both natural and enhanced, will provide a transition between the proposed development and surrounding properties. Large areas of undisturbed riparian areas on the eastern and western portions of the property will serve as excellent natural buffer areas between the proposed neighborhood and existing and future surrounding development.



The WLB Group WLB

EXHIBIT O: McHARG COMPOSITE MAP

CONTOUR INTERVAL = 2 FT
WLB No. 110028-B-001

0' 400'

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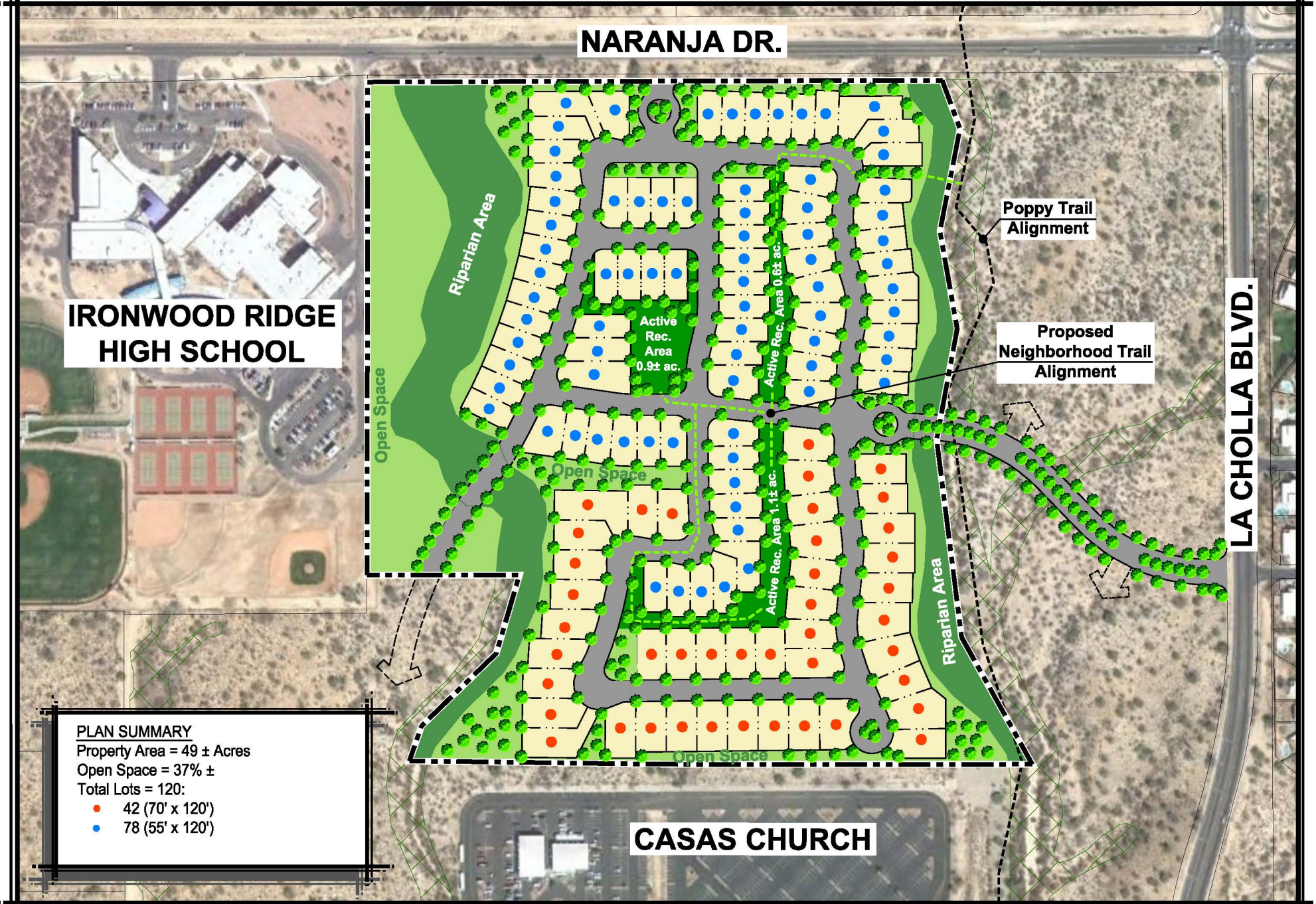

PLAN SUMMARY
Property Area = 49 ± Acres
Open Space = 37% ±
Total Lots = 120:
- 42 (70' x 120')
- 78 (55' x 120')

The WLB Group WLB

EXHIBIT P: TENTATIVE SITE PLAN

Aerial Photo Date = 2012
WLB No. 110028-B-001

0' 300'

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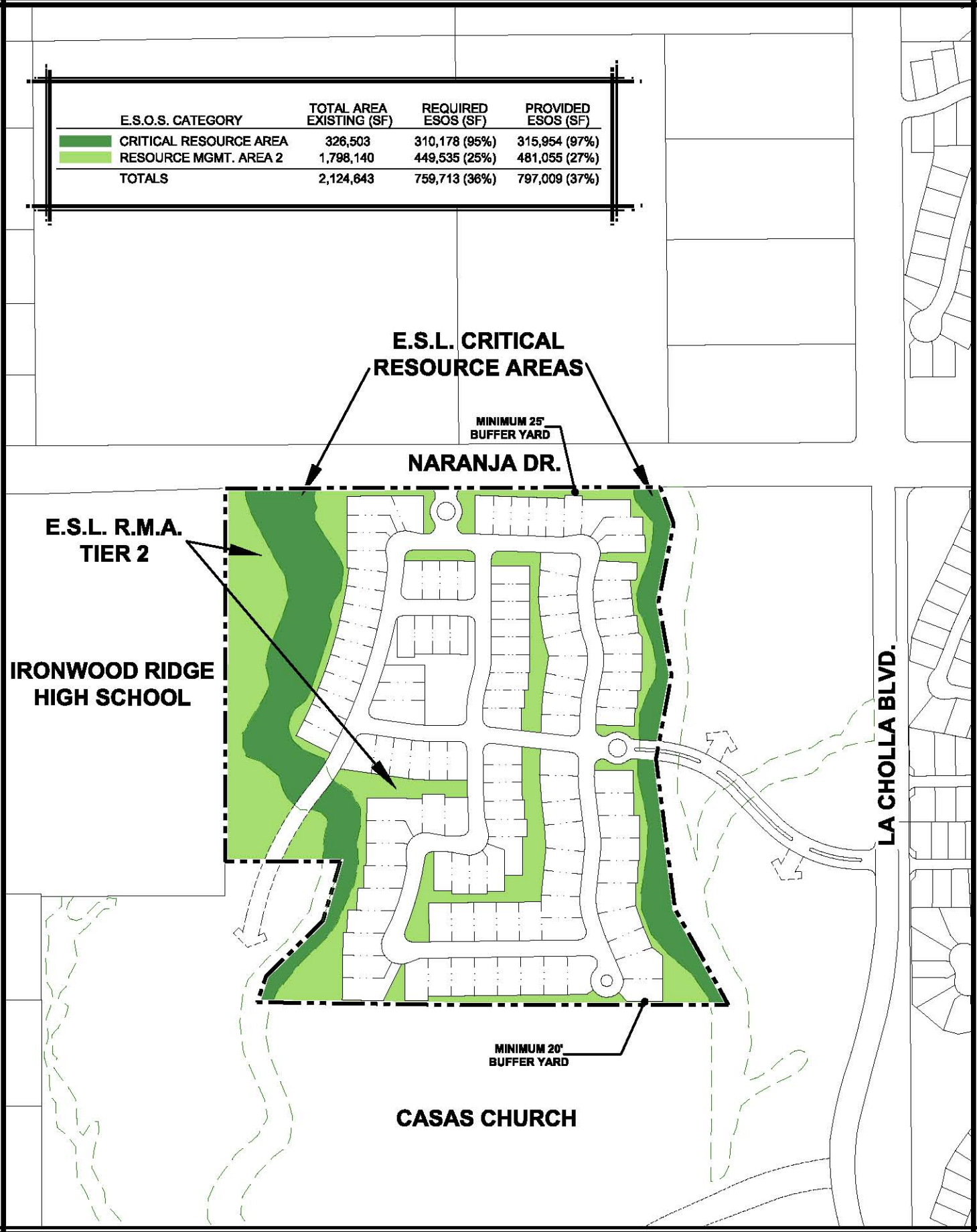
E.S.O.S. CATEGORY	TOTAL AREA EXISTING (SF)	REQUIRED ESOS (SF)	PROVIDED ESOS (SF)
CRITICAL RESOURCE AREA	326,503	310,178 (95%)	315,954 (97%)
RESOURCE MGMT. AREA 2	1,798,140	449,535 (25%)	481,055 (27%)
TOTALS	2,124,643	759,713 (36%)	797,009 (37%)



The WLB Group WLB

EXHIBIT Q: E.S.O.S. MAP

WLB No. 110028-B-001

0' 400'

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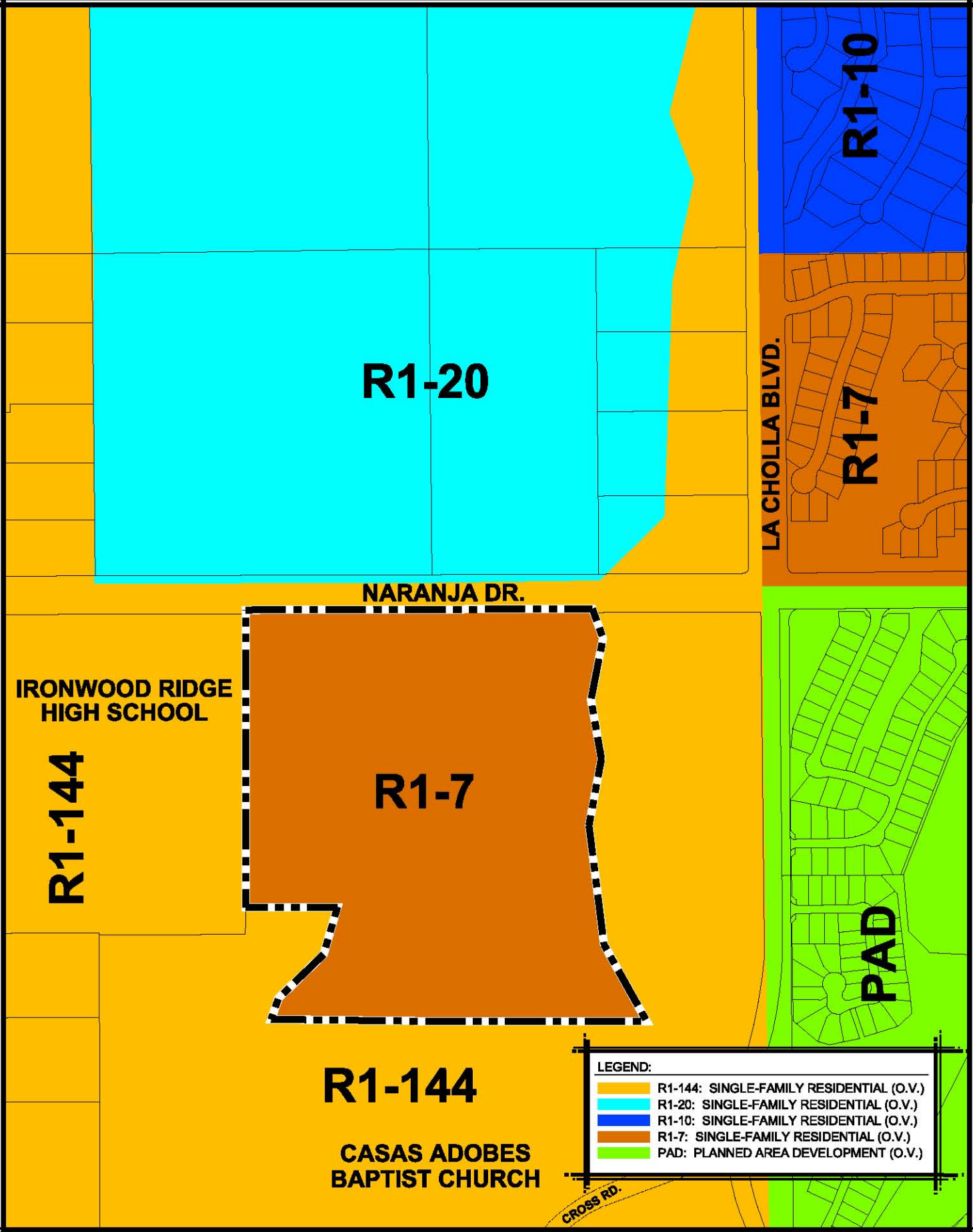
II-A. Land Uses

1. Refer to Exhibit R: Proposed Zoning.

2. The proposed development has no effect on existing onsite land uses since the land is currently vacant.



The WLB Group WLB

EXHIBIT R:
PROPOSED ZONING

WLB No. 110028-B-001

0' 500'

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II-B. Topography

The Tentative Site Plan avoids disturbance of on-site washes. Minor disturbance is proposed for utility/access crossings.

Approximately 75% of the site is proposed to be disturbed, graded and / or revegetated. Areas planned to remain as open space are located throughout the property, along Naranja Drive and within the two on-site washes. These areas can be seen on *Exhibit P: Tentative Site Plan* and *Exhibit S: Proposed Grading.*

II-C. Hydrology

1. A description of how the TDP responds to hydrologic characteristics described in Part I.

   Drainage infrastructure will be designed to convey off-site storm water through the site, maintaining the current outlet points. Runoff will remain largely within the existing channels, with the only negligible impact coming from a single roadway crossing from the La Cholla entry gate. Increased runoff produced by the proposed development will be collected within the streets and collected into detention basins provided to mitigate the runoff to pre-development levels. The reduced runoff with then be discharged into the existing, natural channels and ultimately off-property in the existing manner.

2. Information and substantiation for encroachment/modification of drainage patterns.

   There will be no significant change to the existing drainage patterns. The various off-site runoff will be accepted onto the site and conveyed south through the existing, natural channels to outlet at the property boundary, at the original historic location. Culverts will be required at several local crossings within the development.

3. Potential drainage impacts to off-site land uses upstream and downstream.

   The potential drainage impact caused by the proposed development of this property will be negligible. The design will provide proper mitigation to pre-development discharge levels, and the existing drainage paths moving off-site will not be affected.

4. Description of engineering and design features to be used to mitigate drainage and erosion problems.

   Drainage channels will be used as necessary throughout the development to accept increased development run-off from neighborhood streets. Erosion protection for any side slopes steeper than 3:1 and velocities greater than 5 fps will be dumped riprap and/or grouted riprap where flow velocities are erosive. Landscaping and revegetation will be required to reduce the amount of erosion and sediment displacement for any areas disturbed by the development. Any areas not impacted by the development will remain in their natural state.

5. Description of how the TDP conforms to area plans, basin management plans and Town policies.

   Small, landscaped detention basins will be utilized throughout the neighborhood as necessary to reduce post-development flows according to Town policies and standards. The site does not lie within any federally mapped floodway or floodplain, and is subject to local jurisdictional requirements only.

II-D. Vegetation

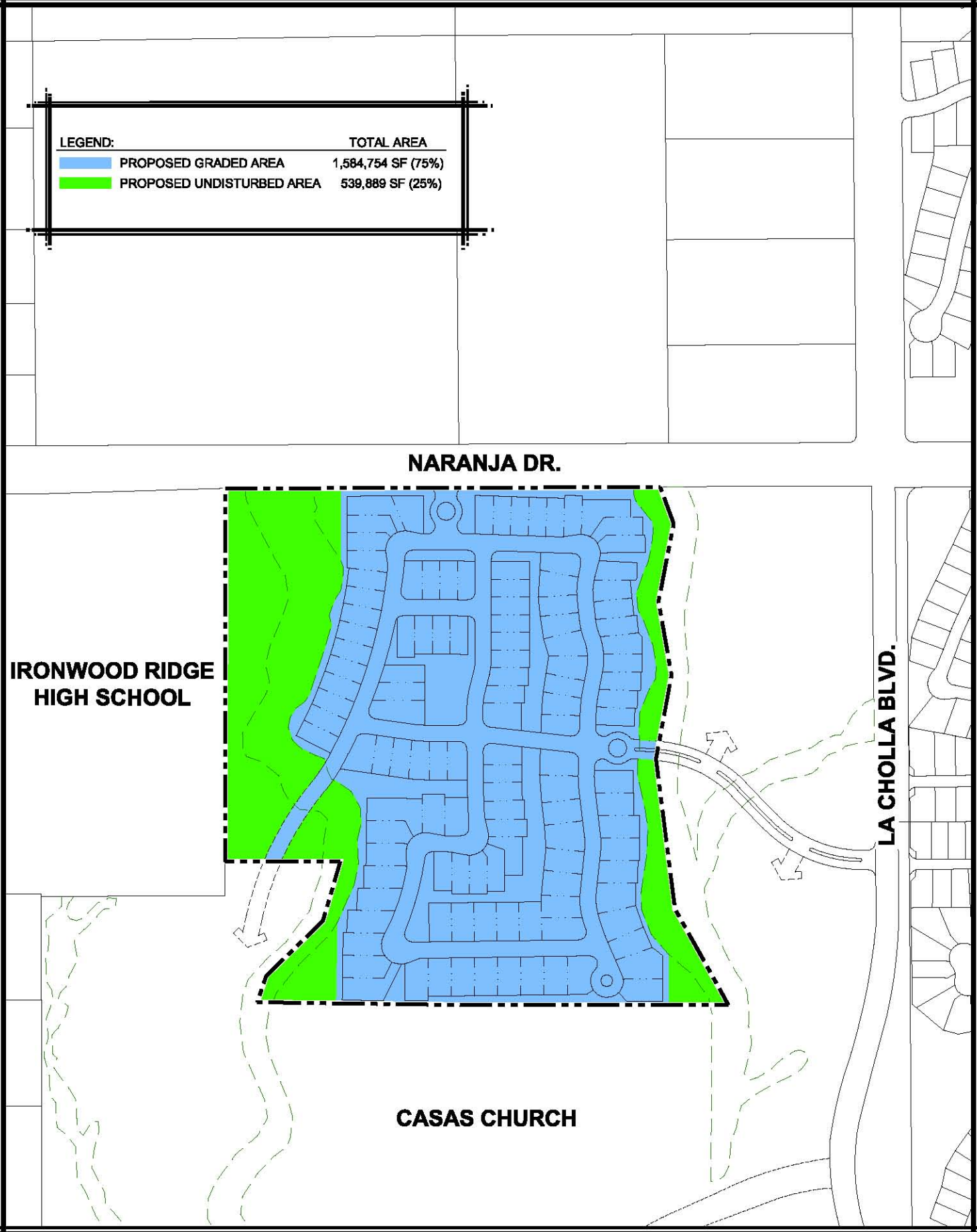
Vegetation within the two primary wash corridors onsite will be preserved as Environmentally Sensitive Open Space (ESOS). These two wash corridors will help maintain connectivity of open space within and beyond the project site. Where development is proposed, native plants will be inventoried and viable specimens will be transplanted per the Town's Native Plant Preservation Ordinance.

II-E. Wildlife

Wildlife movement is currently restricted upstream of the property by Naranja Drive. However, by preserving the two main onsite washes as open space, this project will not further restrict wildlife movement.

II-F. Buffers

A 25-foot minimum buffer yard will be provided along the northern edge of the property where the project is adjacent to Naranja Drive. A 20-foot minimum buffer yard will be provided along the southern edge of the property where the project is adjacent to the Casas Adobes Baptist Church. The riparian areas along the west and east sides of the property will be preserved and will act as natural buffer yards for Ironwood Ridge High School to the west and the existing subdivisions and future development to the east.



The WLB Group WLB

EXHIBIT S: PROPOSED GRADING

WLB No. 110028-B-001

0' 400'

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II-G. Viewsheds

The project's relatively flat topography and long distance to regional mountain ranges creates a situation not often encountered in Oro Valley wherein the primary visual concern is looking into the project rather than beyond it to existing mountain vistas. In keeping with the quality of development found throughout the Town, this project will be well landscaped both internally and along its perimeter, incorporating a variety of plant species and screen walls where appropriate.

II-H. Traffic

Primary access to the subject property will be from La Cholla Boulevard with secondary access from Naranja Drive. The traffic generated by this neighborhood can be accommodated once the upcoming improvements are made to Naranja Drive, although some turn-lane improvements are anticipated to be required for this development. A Traffic Impact Memo prepared by Southwest Traffic Engineering indicates that a westbound right-turn lane should be built on Naranja Drive at this projects northern entrance. This turn lane improvement will be constructed by the developer of this project, and will be coordinated with the Town's upcoming Naranja Drive improvements. La Cholla Boulevard is on the list of upcoming major RTA roadway improvements.

II-I. Recreation & Trails

Three active recreational areas are proposed near the center of this neighborhood. These areas are envisioned to provide the neighborhood with ramadas, playground equipment, benches and tables, linear trails, and open green space. Pedestrian connections will be placed through the open spaces on the property and will connect to the planned multi-use path along Naranja Drive, the riparian areas on the west and east sides of the property, and eventually to the 'Poppy Trail' alignment located in the east wash. A permanent public recreation easement for non-motorized modes of transportation will be provided for the wash along the eastern boundary of the property.

II-J. Cultural/Archaeological/Historic Resources

1. Determine whether the site has been field surveyed for cultural resources.

   The subject property was intensively field surveyed for cultural resources by professional archeologists in 1981. Twenty-eight additional archaeological inspections were completed within a mile of the proposed project between 1979 and 2011. No cultural resources are identified within the proposed project area.

2. Identify any previously recorded archaeological or historic resources known to exist on the property.

   Per the Arizona State Museum, no prehistoric resources are recorded onsite.

3. State the probability that buried archaeological resources not visible from the surface would be discovered on the site.

   Because significant cultural resources do exist in the region, it is possible, however unlikely, that cultural resources may be uncovered during construction. In that unlikely event, the ASM recommends that the professional archaeologist evaluate the exposed material before any work continues in the area of the discovery.

II-K. Schools

There are two schools within ½-mile of the proposed development, Wilson K-8 School is to the north and Ironwood Ridge High School is to the east of the site. We have met with representatives of Amphitheatre School District who indicated that sufficient capacity exists to serve this development. A letter has been requested, but has not yet been received.

II-L. Water

Oro Valley Water is the service provider for this property. This project will provide a looped connection to the 12' water line at the intersection of Naranja Drive and La Cholla Boulevard. The proposed looped water line for this project will also provide stub-outs for potential future loop connections to the east and southwest.

II-M. Sewers

Pima County Regional Wastewater Reclamation Department has indicated that this project can connect to the existing sanitary sewer system that runs through the proposed development. Please refer to *Exhibit T: Pima County Regional Wastewater Reclamation Department Capacity Response Letter*.

II-M. Sewers (Continued)

Exhibit S: Pima County Regional Wastewater Reclamation Dept. Capacity Response Letter

Pima County
Regional Wastewater Reclamation Department

Jackson Jenkins
Director

201 N. Stone Ave., 8th Floor
Tucson, Arizona 85701
(520) 724-6500

Website:
http://www.pima.gov/wwm

August 20, 2013

Linda Thompson
The WLB Group
4444 E. Broadway
Tucson, AZ 85711

Sewerage Capacity Investigation No. 13-166 Type I

RE: **Naranja 43, 121 Lots on Parcels # 224-20-001B & 224-20-002E.**
Projected Flow 26,136 gpd.

Greetings:

The above referenced project is tributary to the Ina Road Wastewater Reclamation Facility via the Cañada del Oro Interceptor.

Capacity is currently available for this project in the 12-inch public sewer G-90-033, downstream from manhole 5249-37.

This letter is not a reservation or commitment of treatment or conveyance capacity for this project. It is an analysis of the system as of this date and valid for one year. Allocation of capacity is made by the Type III response.

If further information is needed, please feel free to contact us at (520) 724-6642.

Respectfully,

Ben Fyock, P.E.
PCRWRD Planning Section

BF:ks

c: T12, R13, Sec. 09

Rezoning
Planning and Zoning Commission Staff Report

CASE NUMBER: OV 913-002 Kai Naranja

MEETING DATE: March 4, 2014

AGENDA ITEM: 3

STAFF CONTACT: Michael Spaeth, Senior Planner
mspaeth@orovalleyaz.gov (520) 229-4812

Applicant: The WLB Group Inc

Request: Rezoning from R1-144 to R1-7 for approximately 45 acres.

Location: West Naranja Drive and North La Cholla Boulevard

Recommendation: Conditionally Approve requested Rezoning from R1-144 to R1-7

SUMMARY:

The proposed rezoning is from R1-144 to R1-7 for an approximately 45-acre property located southwest of the intersection of La Cholla Boulevard and Naranja Drive, immediately east of Ironwood Ridge High School.

The subject property is traversed by two riparian corridors which are intended to be conserved. The Tentative Development Plan (TDP) depicts two access points, one from Naranja Drive and a second from the La Cholla Boulevard. The TDP includes active recreation areas throughout the subdivision providing convenient access to open space for all residents.

BACKGROUND:

Land Use Context

The Existing Land Use, General Plan and Zoning for the property and the surrounding area is discussed in detail in the Site Analysis (Attachment 2) and summarized in the table below.

	EXISTING LAND USE	GENERAL PLAN	ZONING
SUBJECT PROPERTY	Vacant	Low Density (0.4 – 1.2 du/ac) and Medium Density (2.1-5.0 du/ac)	Single-Family Residential R1-144
NORTH	Vacant	Low Density (0.4 – 1.2 du/ac) and Medium Density (2.1-5.0 du/ac)	Single-Family Residential R1-20 and R1-144
SOUTH	Casas Adobes Baptist Church	Public/Semi-Public	Single-Family Residential R1-144
EAST	El Conquistador PAD	Medium Density (2.1-5.0 du/ac) and Resort/Golf Course	Single-Family Residential R1-144
WEST	Ironwood Ridge High School	School	Single-Family Residential R1-144

Proposed Zoning District

The applicant proposes to rezone the property from R1-144 to R1-7. The purpose of the R1-7 zoning district is to provide for medium density detached single-family residential development.

Cultural Resources

The applicant conducted a Site Analysis, including a Cultural Resources Assessment of the property. No cultural resources have been identified on the site. See Section 1-I of the Site Analysis for further information regarding this cultural resources analysis.

Environmentally Sensitive Lands (ESL)

The subject property is designated Critical Resource Area (CRA) and Resource Management Area (RMA) Tier 2 on the ESL Planning Map. The property is traversed with two riparian corridors, which are designated CRA and must be conserved at 95% open space. The remainder of the property is categorized as Resource Management Area (RMA) Tier 2, requiring a conservation of at least 25% open space. The proposed TDP conserves 97% of the CRA and 24% of the RMA.

DISCUSSION / ANALYSIS:

General Plan Conformance Analysis

The applicant's proposal has been reviewed for conformance with the adopted Town of Oro Valley General Plan Goals and Policies. The most notable goals and policies, shown in italics followed by staff commentary, are discussed below:

The subject property is designated as Medium Density Residential on the General Plan with a density range of 2.1 du/ac to 5.0 du/ac. The rezoning proposes 2.6 du/ac, which is consistent with the Medium Density Residential land use category on the General Plan. The rezoning has also been reviewed against the following notable General Plan policies:

Policy 1.1.1 *The Town shall promote clustering of development to protect environmentally sensitive areas and to preserve significant, passive use, natural open space with residential neighborhoods.*

The proposed TDP utilizes the Conservation Subdivision Design incentive which promotes the clustering of development and the conservation of the washes. The applicant's proposal is in conformance with this General Plan policy.

Policy 1.1.3 *The Town shall continue to avoid development encroachment into washes, riparian areas, designated natural open space and environmentally sensitive lands.*

The proposed Tentative Development Plan includes comprehensive conservation of the most sensitive natural resources present on the property. The proposed TDP conserves the riparian corridors through the property and is in conformance with this General Plan policy.

Policy 1.3.6 *The Town shall encourage new developments to incorporate accommodations for non-motorized travel in their design.*

The proposed TDP has incorporated a linear park corridor into the active recreation area providing green space for residents and additional pedestrian connectivity opportunities. A trail incorporated into the linear park will encourage residents to use the space as an alternative means of travel throughout the subdivision.

Policy 8.2.2 *The Town shall utilize the development review and approval process as a means of securing and/or improving public access to natural resource areas and linear parks*

The proposed TDP incorporates a trail network into the design of the development with connection points to the Poppy Trail, a regional trail identified in the Oro Valley Trail Task Force report, along the eastern boundary of the site.

Policy 11.1.8 *The Town shall use natural open space preservation as one criterion in considering land use rezoning proposals. Developments shall utilize natural open space to comply with requirements for landscaped areas and buffer areas.*

The proposed TDP has conserved the two washes and has proposed landscape areas and buffer yards to provide additional open space areas. The applicant's proposal is in conformance with this General Plan policy.

R1-7 Zoning District Conformance

The proposed TDP conforms to the development standards of the R1-7 zoning district. Please note, additional zoning standards will be addressed during the Conceptual Site Plan review process. The following development standards are notable for this proposal:

1. *Minimum Lot Size:* The minimum lot size is 7,000 s.f. The proposed TDP conforms to this standard by utilizing the Conservation Subdivision Design Lot Reduction Incentive provided under ESL. This incentive is discussed in greater detail under the ESL Conformance section below.

2. *Building Heights:* Building height is limited to twenty-five (25) feet or two-stories in the R1-7 zoning district.

3. *Neighborhood Compatibility:* The subject property is bordered on the north by Naranja Drive and surround by vacant residential land to the east, a church to the south and a school to the west. The proposed R1-7 zoning is in compliance with the Medium Density Residential designation on the General Plan Map. The proposed TDP incorporates a significant open space on the western boundary of the property, further buffering future development from the High School to the west.

4. *Access/Circulation:* The property is accessed by two access points, one from Naranja Drive to the north and a second from La Cholla Boulevard to the east. The proposed driveways meet driveway spacing requirements and have been approved by Engineering. Additionally, the proposed TDP incorporates trails and pathways throughout the design and connects to larger regional trails in the surrounding area.

Environmentally Sensitive Lands (ESL) Conformance

This project is generally consistent with the provisions of ESL. An amended TDP, in conformance with the Zoning Code, will be required prior to Conceptual Site Plan submittal. Further detailed analysis will occur during the Conceptual Site Plan review. Following is an analysis of specific requirements:

1. Critical Resource Areas: These areas require ninety-five (95) percent Environmentally Sensitive Open Space (ESOS) conservation. Two Critical Resource Areas (CRA) are present on the site, bounding either side of the subject property. There will be no disturbance to these CRA's, except as necessary for roadway improvements across the washes. The project conserves ninety-seven (97) percent of the ESOS within this category, exceeding the required minimum.

2. Resource Management Areas: The remainder of the subject property not categorized as CRA is mapped as Resource Management Area Tier 2, which requires a minimum twenty-five (25) percent ESOS conservation. The proposal does not provide the minimum twenty-five (25) percent ESOS within this category (discussed in further detail below).

3. Cultural Resources: The applicant conducted a Cultural Resources Assessment and no Cultural Resources were discovered on the site. See Section 1-I of the Site Analysis for further information.

4. ESL Design Standards: Specific development envelopes and ESOS setbacks are required to be shown on the conceptual site plan subsequent to rezoning. The development envelopes will be designed to minimize, to the greatest extent possible, any disturbance of environmental resources on the property.

5. ESOS Selection Criteria: Section 27.10.E.3.c provides that Active Recreation Areas may be credited toward the minimum ESOS:

   "…open space created by recreation areas…may be credited to resource management area ESOS only when:

   ii. Open space abuts ESOS and/or creates functional habitat connectivity."

   The two open space areas on the interior of the project (see Attachment 3), do not serve to "create functional habitat connectivity". Therefore, the two open spaces do not count towards the project's minimum ESOS requirement for the RMA Tier 2 category and the project is deficient in meeting the 25% Resource Management Area ESOS requirement. A condition has been included in Attachment 1 to require an amended TDP in conformance with the Zoning Code.

6. Conservation Subdivision Design Lot Reduction Incentive: the ESL regulations provide a lot reduction incentive for applicants who choose to employ a Conservation Subdivision Design. The incentive allows for a reduction to 5500 s.f. lots in the R1-7 zoning district with a concomitant increase in ESOS. The proposed TDP reduces the lot size for seventy-eight (78) lots to 6600 s.f. The applicant's proposal, as discussed above, is deficient in meeting the 25% Resource Management Area ESOS. Staff has recommended a condition requiring additional ESOS to meet ESL requirements. Once the additional ESOS is included, the proposal will have provided the concomitant increase in ESOS.

<u>Engineering Comments</u>

The Site Analysis addresses issues related to drainage and traffic. The proposed rezoning request acknowledges that the development will be designed so that post-developed drainage conditions are consistent with pre-developed conditions in accordance with Town requirements.

Furthermore, a traffic impact analysis was provided with the Site Analysis to evaluate the effect of additional traffic on surrounding roadways. Two points of ingress/egress are proposed; one that connects onto Naranja Drive and the other that connects onto La Cholla Boulevard. The anticipated volume of traffic generated by a residential use of the proposed size and with direct access onto two separate roadways is relatively low and therefore would not have a large impact on the surrounding roadways. However, it should be noted that the Town is in the design phase of Naranja Drive improvements to increase capacity for greater levels of service at the Ironwood Ridge High School and La Cholla Boulevard intersections. The Town's project will incorporate the proposed subdivision design but the developer will be responsible for any necessary additional improvements such as turn lanes into the subdivision if warranted during the site plan review process.

If the rezoning request is successful, the final analysis of drainage and traffic impacts will be evaluated during the site plan review process.

PUBLIC PARTICIPATION:

Summary of Public Notice

Public notice has been provided:

- Notification of all property owners within 600 feet
- Homeowners Association mailing
- Advertisement in The Daily Territorial newspaper
- Post on property
- Post at Town Hall and on website

Neighborhood Meetings

A neighborhood meeting was held on July 24, 2013 at the Casas Church south of the subject property, with approximately 15 residents and interested parties in attendance. Notable discussion topics included density, neighborhood buffers, traffic, building height, pedestrian/bicycle connectivity and the environmental sensitivity of the land. A copy of the neighborhood meeting minutes has been included as an attachment (see Attachment 4).

SUMMARY / CONCLUSION

The proposed rezoning has been evaluated against applicable General Plan goals and policies, and the Town of Oro Valley Zoning Code. Following is a summary of the factors for and against the proposal:

Factors for:

1. The proposal is in general conformance with the General Plan.

2. The TDP proposes to develop at a density consistent (2.6 du/ac) with the density range proposed for the site on the General Plan Land Use map.

3. With the additional Resource Management Area ESOS discussed in the report, the proposal will be in conformance with Section 27.10 (ESL) of the Zoning Code.

4. A larger percentage (97%) of the site's Critical Resource Areas (CRA) will be permanently conserved, than the minimum (95%) required by Section 27.10 (ESL).

5. The proposed TDP incorporates active recreation space throughout the development, providing nearby access for all lots within the subdivision

Factors Against:

1. None

RECOMMENDATION:

Based on the following findings:

- The request is consistent with the General Plan;
- The request proposes to develop at a density consistent with the density range depicted on the General Plan Land Use map; and
- The request, with the additional Resource Management Area ESOS discussed in the report, is generally consistent with all applicable Zoning Code requirements.

It is recommended that the Planning and Zoning Commission take the following action:

Recommend approval to the Town Council of the requested Rezoning OV 913-002, subject to the conditions on Attachment 1

SUGGESTED MOTIONS:

I move to recommend approval of the Kai Naranja Rezoning from Single-family Residential R1-144 to Single-family Residential R1-7, based on the findings that the request is consistent with the General Plan and subject to the conditions in Attachment 1.

OR

I move to recommend denial of the Kai Naranja Rezoning from Single-family Residential R1-144 to Single-family Residential R1-7, based on the findings that the request is not consistent with the General Plan, specifically _____.

ATTACHMENTS:

1. Conditions of Approval
2. Site Analysis and TDP
3. ESOS Map
4. Neighborhood Meeting Summary Notes

_____
Chad Daines, Principal Planner

MINUTES
ORO VALLEY PLANNING AND ZONING COMMISSION
REGULAR SESSION
March 4, 2014
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CANADA DRIVE

CALL TO ORDER AT OR AFTER 6:00 PM

Vice Chairman Cox called the meeting to order at 6:00 P.M.

ROLL CALL

PRESENT:	Don Cox, Chairman John Buette, Vice-Chairman Tom Drazazgowski, Commissioner Greg Hitt, Commissioner Bill Leedy, Commissioner Bill Rodman, Commissioner

ABSENT:	Frank Pitts, Commissioner
ALSO PRESENT:	Vice Mayor, Lou Waters Councilmember, Joe Hornat

PLEDGE OF ALLEGIANCE

Vice Chairman Cox led the audience in the Pledge of Allegiance.

CALL TO AUDIENCE -

There were no speaker requests.

COUNCIL LIAISON COMMENTS

Councilmember Hornat addressed the Commission regarding the Miller Ranch General Plan approval by Town Council on January 15th and the upcoming 2014 Spring sessions for Community Academy Boards and Commission members.

1.	**ELECTION OF OFFICERS**

MOTION: A motion was made by Commissioner Leedy and seconded by Vice-Chairman Buette elect Vice Chairman Don Cox as the new Chairman of the Planning and Zoning Commission

MOTION carried, 6-0.

MOTION: A motion was made by Chairman Cox and seconded by Commissioner Rodman elect Commissioner John Buette as the new Vice Chairman of the Planning and Zoning Commission.

MOTION carried, 6-0.

2.	**REVIEW AND/OR APPROVAL OF THE DECEMBER 3, 2013 REGULAR SESSION MEETING MINUTES**

MOTION: A motion was made by Commissioner Rodman and seconded by Commissioner Leedy to approve the December 3, 2013 Regular Session Meeting Minutes.

MOTION carried, 5-0 with Greg Hitt, Commissioner abstained.

3.	**PUBLIC HEARING: KAI NARANJA REZONING OF APPROXIMATELY 45 ACRES LOCATED SOUTHWEST OF LA CHOLLA BOULEVARD AND NARANJA DRIVE, FROM R1-144 SINGLE-FAMILY RESIDENTIAL TO R1-7 SINGLE FAMILY RESIDENTIAL, OV913-002**

Michael Spaeth, Senior Planner, presented the following:
- Location
- Vicinity
- Existing Zoning
- General Plan Designation
- Request
- Proposed Zoning
- Neighborhood Meeting/Public Input
- Review Criteria
- ESL Designations
- Summary & Recommendation

Paul Oland of WLB presented the Tentative Site Plan.

David Laws, Permitting Manager, responded to the Commission's questions regarding the widening project on Naranja.

Chairman Cox opened the Public Hearing.

Betty Danker, Oro Valley Resident, voiced her concerns regarding the traffic and making a left hand turn out of their development and safety issues. Another concern is people traveling through the neighborhood to avoid the traffic light.

Chairman Cox closed the public hearing.

David Laws, Permitting Manager, responded to the Commission's questions regarding potential cut through traffic.

Michael Spaeth recommended amending the wording of Condition one to read, "An amended TDP in conformance with ESLO Open Space requirements will be required prior to Conceptual Site Plan Submittal."

MOTION: A motion was made by Commissioner Leedy and seconded by Commissioner Rodman to recommend approval of the Kai Naranja Rezoning from R1-144 to R1-7, based on the findings that the request is consistent with the General Plan and subject to the conditions in Attachment 1 and amend condition 1 as read by staff regarding conformance with ESL Requirements.

MOTION carried, 6-0.

PLANNING UPDATE (INFORMAITONAL ONLY)

David Williams, Planning Manager, presented the following updates:

- Welcome to Commissioner Hitt and Commissioner Pitts
- Updates on Town Councils approvals concerning the Planning Commission
- Application currently being taken for the Your Voice, Our Future Committee's
- Information sheet on Your Voice, Our Future
- Upcoming Neighborhood Meeting
- Cancellation of the April 1st Planning Commission meeting
- Special Session of the Planning Commission on April 10th

FUTURE AGENDA ITEMS

Chairman Cox would like to add extended care facilities on Innovation Drive as a future agenda item.

ADJOURNMENT

MOTION: A motion was made by Vice-Chairman Buette and seconded by Commissioner Drazazgowski to adjourn the Planning and Zoning Commission meeting.

MOTION carried, 6-0.

Neighborhood Meeting Summary
Naranja and La Cholla
July 24, 2013
6:00 – 7:30 PM
Casas Church

1. Introductions and Welcome

David Williams introduced the Oro Valley staff David Laws, Permitting Manager, Hillary Turby, Senior Planner, and Matt Michels, Senior Planner. Approximately 15 residents and interested parties attended the meeting, including Council Member Joe Hornat, Planning and Zoning Commissioners Bill Leedy, and Bill Rodman, as well as Board of Adjustment member Bill Adler.

2. Staff Presentation

Project Manager, Hillary Turby, provided a presentation that included:

- Rezoning Review Process
- Review Tools
- Public Participation Opportunities
- Next Steps

3. Applicant Presentation

The applicant Paul Oland, from the project team, provided a presentation that included:

- Proposed Tentative Site Plan

4. Public Comments and Questions

- A question was asked concerning the density range of the Medium Density General Plan designation.
    - Project Manager, Hillary Turby, answered that MDR proscribes 2.1-5 dwellings per acre.
- A question was asked about buffering between homes and Ironwood Ridge High School.
    - Staff answered that the washes would be preserved and would provide buffering in terms of space, but that additional buffering to mitigate lights and sounds from the high school would be looked into.
- A member of the public asked about the price range of the proposed homes.
    - The applicant responded that they would most likely be priced above $250,000.
- A member of the public had concerns about traffic, the entrance drive location, and flooding.
    - Town staff responded that a Traffic Impact Analysis would be required for the project. Results of that analysis would dictate the need for additional drives, access, turn lanes, signals, or other mitigation measures.
    - Additionally, La cholla widening may take place in 5-10 years, and improvements to Naranja are slated for Summer 2014 (dependent on regional funding)
- A member of the public asked about two story homes.
    - The applicant responded that there would be a mix of one and two story homes on the site.

Attachment 4

- Staff added that the Town's design guidelines provide further restrictions on two-story homes.
    - Two-story homes shall not be located on corner lots
    - No more that 2 two-story homes shall be located side by side on the same street
    - Two-story homes shall be limited to no more than 60% of the lots within the development

- A member of the public asked about the square footage of the proposed homes.
    - A representative from Meritage Homes responded that the size of the homes were yet to be determined, but would most likely be larger than 2,200 square feet.

- A member of the public asked about where they could see similar homes and lots of the same size produced by Meritage Homes.
    - A representative from Meritage Homes responded that they could visit Skyranch and Thornydale and Tangerine.

- A member of the public asked about if there were any major elevations changes on site.
    - The applicant responded that the site was generally sloped from North to South without any major elevation changes.

- A member of the public commented about including a pedestrian/bike path to Ironwood Ridge High School.

- A member of the public asked about how many new students the subdivision may produce for the surrounding schools.
    - The applicant responded that the number of students would depend on the demographic of the homeowners, but that most likely it would produce approximately 100 students.

- A member of the public asked about what was happening to the North of the site.
    - The applicant responded that the land north of the site is approximately 120 acres and zoned for ½ acre lots.

- A member of the public asked about if the environmentally sensitive lands to the east of the site.
    - The applicant responded that the land just east of the site, at the corner of Naranja and La Cholla, has both Resource Management Area Tier 2 (requiring 25% open space preservation) and Critical Resource Areas (requiring 95% preservation). *Oro Valley's environmentally sensitive lands provisions become applicable at the rezoning stage.

- A member of the public asked about if there was a need/market for new homes.
    - A representative from Meritage Homes replied that there was a market/need from new homes. In fact, their data showed a shortage of new homes in the area.

- A member of the public asked about rear yard amenities for homes on smaller lots.

- A member of the public asked about if the community would be controlled by an HOA.
    - The applicant responded that the community would be controlled by an HOA.

- A member of the public asked about the expected timeframe for a potential groundbreaking.
    - The applicant responded that they were hopeful for a 2015 groundbreaking. The Town processes for rezoning and plan review could take two or more years to complete.
- A member of the public asked who pays for street and infrastructure improvements.
    - Town staff responded that the applicant pays for all of the road and infrastructure improvements associated with the project.

5. Next Steps

- The next steps include:
    - Formal application
    - Staff review
    - Planning and Zoning Commission Public Hearing
    - Town Council Public Hearing

For more information, please contact Hillary Turby, Senior Planner, at (520) 229-4847 or hturby@orovalleyaz.gov.

Town Council Regular Session **Item # 5.**

Meeting Date: 04/02/2014
Submitted By: Philip Saletta, Water
Department: Water

Information

SUBJECT:

CONSIDERATION AND ACCEPTANCE OF THE ORO VALLEY WATER UTILITY COMMISSION ANNUAL REPORT DATED APRIL 2014

RECOMMENDATION:

The Water Utility Commission reviewed and approved the report at their March 10, 2014, meeting and unanimously made a recommendation to Council to accept the report. Water Utility staff also respectfully recommends Town Council approval.

EXECUTIVE SUMMARY:

Pursuant to Oro Valley Town Code Article 15-4-5, the Water Utility Commission is to render an annual report to the Town Council. As a result, the Water Utility Commission Annual Report dated April 2014 is attached for Council's review and consideration.

This report is the Commission's eighteenth Annual Report and includes information on the activities and accomplishments of the Water Utility, identifying water-related matters and issues facing the Town currently and in the future.

BACKGROUND OR DETAILED INFORMATION:

The Annual Report includes the following information:

-Delivered 2.33 billion gallons of potable water and 715 million gallons of reclaimed water

-Responded to 34,068 customer contacts

-Water Quality - Twelfth year in a row with no violations - Prepared Consumer Confidence Report

-Water Conservation Program - Water Audits conducted for 125 customers in 2013

-Recharged our Central Arizona Project water for groundwater storage credits

-A slight increase in water rates was recommended in 2013

-Refinanced debt to secure lower interest rates (1.45%) and reduce annual debt service

-Successful completion of the Tangerine Hills Valve and Hydrant Project

-Continued successful delivery of our Central Arizona Project water through the Tucson Water system

-Continued regional cooperation with the Northwest Water Providers and Tucson Water

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to (accept or not accept) the Water Utility Commission Annual Report dated April 2014.

Attachments

OVWU ANNUAL REPORT-APRIL 2014

WATER UTILITY COMMISSION
ANNUAL REPORT
APRIL 2014

ORO VALLEY CAP
WATER WHEELING

CONSERVATION Kids

WATER SYSTEM
OPERATIONS AND
MAINTENANCE

WATER CONSERVATION
AND EDUCATION

AquaHawk
ALERTING!

ADVANCED METERING
INFRASTRUCTURE

CUSTOMER
SERVICE

RECLAIMED WATER
RESOURCES

TOWN OF ORO VALLEY
WATER UTILITY COMMISSIONANNUAL REPORT
APRIL 2014

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B. Capital Improvement Program

TOWN OF ORO VALLEY
WATER UTILITY COMMISSION
ANNUAL REPORT 2014

ORO VALLEY TOWN COUNCIL

Satish I. Hiremath, D.D.S., Mayor
Lou Waters, Vice Mayor
Brendan Burns, Councilmember
William Garner, Councilmember
Joe Hornat, Councilmember
Mary Snider, Councilmember
Mike Zinkin, Councilmember

ORO VALLEY WATER UTILITY COMMISSION

Robert Milkey, Chair
Rick Davis, Vice Chair
Javier Arriaga, Commissioner
Anne Campbell, Commissioner
Rick Reynolds, Commissioner
Elizabeth Shapiro, Commissioner
Richard Verlaque, Commissioner

TOWN STAFF

Greg Caton, Town Manager
Philip C. Saletta, P.E., Water Utility Director
David Ruiz, Engineering Division Manager
Shirley Seng, Water Utility Administrator

Special recognition to OVWU staff that provided graphics, data, photos and their time to assist in the preparation of this report:

Karn Boyce
Jeff Kane
Skip Kyle
Charles Soper
Iris L. Chaparro
George Kendrick
Mark Moore
Robert Jacklitch
Mary C. Kobida
Carolyn Schneider

ABOUT THE WATER UTILITY COMMISSION

The Town of Oro Valley Water Utility Commission is a seven member commission that is appointed by the Town Council. The Commission meets the second Monday of each month to discuss and review matters pertaining to the Water Utility. The Commission serves in an advisory capacity to Council making recommendations on water policies, water rates and fees, renewable water supplies and water conservation.

In 2013, the Commission met nine times to conduct business. All meeting agendas were noticed in accordance with statutory requirements through the Town Clerk's Office and on the Town website. The meetings were broadcast over the internet through the Granicus System. Meeting minutes were taken, posted and then finalized after approval by the Commission.

In addition to the regular Commission meetings, there were several meetings conducted by the three Subcommittees. The three Subcommittees include the Finance Subcommittee, the Conservation Subcommittee and the Water Resources Subcommittee.

Some specific actions by the Water Utility Commission and recommendations to Council for 2013 include the following:

- Election of officers
- Review of Water Utility Commission agendas
- Recommendation for acceptance of the Annual Report
- Recommendation to approve refunding of the 2003 bonds
- Recommendation for an increase in water rates and fees
- Recommendation to approve a loan with the Water Infrastructure Finance Authority of Arizona for the Advanced Metering Infrastructure Project
- Review and approval of meeting minutes

There are numerous issues that will be addressed as we move forward in 2014. Some of the major issues include:

- Comprehensive planning for long-term CAP water delivery
- Review of water rates analysis and developing a Preferred Financial Scenario
- Review of water development impact fee studies
- Review of reclaimed water IGA
- Review possible acquisition of Groundwater Extinguishment Credits
- Review of cash reserve policy

The Water Utility Commission welcomes our customers, citizens and public to attend its meetings. The Commission and staff thank and acknowledge John Hoffmann and Winston Tustison for their dedication and service on the Water Utility Commission through December of 2013.

WATER UTILITY COMMISSION 2014

Robert Milkey, Chair
Residential (Town)
Finance Subcommittee

Richard Davis Vice Chair
Residential (Town)
Conservation Subcommittee

Anne Campbell, Commissioner
Residential (Town)
Conservation Subcommittee

Javier Arriaga, Commissioner
Residential (Town)
Water Resources Subcommittee

Richard Verlaque, Commissioner
Residential (Town)
Finance Subcommittee

Elizabeth Shapiro, Commissioner
Residential (Countryside)
Finance Subcommittee

Rick Reynolds, Commissioner
Commercial/Turf Representative
Water Resources Subcommittee

EXECUTIVE SUMMARY

TOWN OF ORO VALLEY
WATER UTILITY COMMISSION
ANNUAL REPORT
APRIL 2014

In October 1996 the Oro Valley Town Council (Mayor and Council) formed the Oro Valley Water Utility Commission (Commission) to act as the official advisory body to the Mayor and Council regarding water related issues. The Commission is required to prepare an annual report to the Mayor and Council each year. This report is the Commission's eighteenth Annual Report. It includes topics on customer service, water quality, water supply, water resource planning, conservation, and capital improvements. This report covers information and activities primarily for calendar year (CY) 2013 ending on December 31, 2013. However, some information is only as of fiscal year ending June 30, 2013 and is noted as such in the report.

CUSTOMER SERVICE

The Town of Oro Valley Water Utility (Water Utility or Utility) has 18,872 customer connections serving a population of 41,816. This includes both the customers within the Town boundaries and the Countryside area. The Utility installed 157 new water connections in CY 2013, a 0.84% growth rate. Approximately 2.33 billion gallons (7,141 acre feet) of potable water was delivered to our customers. In addition, approximately 715 million gallons (2,194 acre feet) of reclaimed water was delivered for golf course irrigation and other uses.

WATER QUALITY

For the twelfth consecutive year, the Utility is proud to report that it did not experience any water quality violations. The number of tests performed in CY 2013 was 4,021 and our water quality was in compliance with all standards established by federal and state agencies. In addition to testing for water quality, the Water Utility administers a backflow prevention program to protect our water system from potential contamination.

CURRENT WATER SUPPLY

Oro Valley currently delivers water from three sources of supply. Groundwater is pumped from wells in the aquifer below the Town and delivered through the potable water distribution system. Central Arizona Project (CAP) water is delivered to the Oro Valley potable water system through Tucson Water's Distribution System. Reclaimed water is used for turf irrigation and is delivered through a separate reclaimed water distribution system. Oro Valley also uses its CAP water indirectly through groundwater storage credits.

Groundwater levels continue to decline in the Oro Valley aquifer but to a significantly lesser extent than in previous years because of the decrease in groundwater pumping. Operation of the reclaimed water system and the delivery of CAP water have slowed the groundwater decline, thus conserving, preserving and protecting our aquifer and our groundwater supply. Plans for future use of an additional 500 acre feet of CAP water are complete with deliveries expected to start in April of 2014.

Planning also continues for the delivery of our remaining CAP water allocation. This will serve as the source of supply for new growth and development.

In CY 2013, the Utility pumped 5,993 acre feet (1.95 billion gallons) of groundwater from its wells. The wells in the Oro Valley Water Service Area produced 5,271 acre feet (1.72 billion gallons) and the wells in the Countryside Water Service Area produced 722 acre feet (235.26 million gallons). The total pumped from our wells was 168 acre feet (54.74 million gallons) less than in 2012. This reduction is due to the delivery of our CAP water for an entire calendar year and water conservation efforts in 2013. Well water levels declined an average of 2.76 feet in the Oro Valley Water Service Area and declined 2.21 feet in the Countryside Water Service Area in CY 2013.

In 2013, the Utility also delivered 1,530 acre feet (498.55 million gallons) of its CAP through a wheeling agreement with Tucson Water. The Utility also stored CAP water through an agreement with Kai Farms and through permits to store in Central Arizona Water Conservation District recharge projects to obtain groundwater storage credits within the Tucson Active Management Area. The use of our existing groundwater allowance account and groundwater storage credits reduces our obligations to the Central Arizona Groundwater Replenishment District.

The following are some of the Utility's resources and assets as of December 31, 2013:

Resources:

Employees:	36	
Groundwater Supply (Assured Water Supply):	13,384	acre feet per year
Reclaimed Water:	2,227	acre feet per year
Effluent Water:	1,773	acre feet per year
CAP Water Allocation:	10,305	acre feet per year
Long Term Storage Credits:	9,508	acre feet
Groundwater Allowance Account:	13,759	acre feet

Assets:

Water Distribution Storage Reservoirs:	19
Potable Water Reservoir Capacity:	11,600,000 gallons
Reclaimed Water Reservoir Capacity:	1,500,000 gallons
Potable Water Mains:	345.7 miles
Reclaimed Water Mains	12.8 miles
Potable Water Booster Stations:	25
Reclaimed Water Booster Stations:	2
Operating Wells:	22

WATER CONSERVATION

The Water Conservation Program continues to be a vital asset in assisting the Utility to achieve its overall water management goals. In 2013, 125 water audits were performed. Since the program's inception in 2003, participating customers received 1,752 free water audits, which saved our customers both water and money.

The Utility encourages water conservation by educating our customers. A Youth Water Conservation Education Program for elementary schools in Oro Valley has been developed and will be implemented in 2014.

FINANCIAL HIGHLIGHTS, WATER RATES AND FEES

The functions and duties of the Water Utility Commission and Staff include reviewing and developing recommendations for water revenue requirements, water rates and fee structures. In 2013, recommendations regarding water rates, fees and charges were provided in the Water Rates Analysis Report. A cost of service study was performed in 2013 which resulted in a change in the rate structure to eliminate tiers for commercial and master-metered multifamily customer classifications. There was also a recommendation for a slight increase in water rates and fees in 2013. There were no changes to the tiered rate structures for single family residential and irrigation classifications. The rate structure change and rate increase were approved by Council on January 15, 2014.

The Utility continues to be fiscally sound with cash reserves at 37% of the annual budget. Water rates include a Groundwater Preservation Fee which is used to fund the development of our renewable reclaimed and CAP water supplies. Water development impact fees, which fund expansion of the water delivery system, have been collected to ensure that growth pays its fair share. An impact fee study was completed in compliance with the new legislation. The new impact fee amounts are expected to be approved in April of 2014.

The Water Utility refinanced the 2003 Series bonds on June 26, 2013 at a significantly lower interest rate of 1.45% for a six-year term, which will save substantial financing costs.

The Water Utility applied for a loan with the Water Infrastructure Finance Authority of Arizona in 2013 to finance the Advanced Metering Infrastructure and Meter Replacement Project. The amount of the loan was for up to $5,000,000 at an interest rate of 2.652%. The loan was approved by Town Council on January 15, 2014 and closed on January 24, 2014.

CONCLUSION

The Oro Valley Water Utility Commission is proud to serve the Mayor and Council of the Town of Oro Valley and its residents and customers. We are pleased to present this Annual Report to the Mayor and Council for their consideration.

Any questions regarding this report should be directed to Philip Saletta, Director, Oro Valley Water Utility at 229-5010. Additional information for the Oro Valley Water Utility can also be found on the Town website at *www.orovalleyaz.gov/Town_Government/WaterUtility*

CUSTOMER SERVICE

Customer Service personnel include Customer Service Representatives (CSRs) and Utility Operators. This staff is responsible for meter reading, meter installation, billing and collection and customer service for 18,872 water service connections serving 41,816 people. The Utility has grown over the past year and in 2013 an additional 157 meters were installed for a growth rate of 0.84%. Over 5,591 customer accounts were changed in 2013, primarily due to opening and closing of accounts for new move-ins and winter residents. In 2013 the Utility delivered:

- 2.33 billion gallons (7,141 acre feet) of potable water
- 715 million gallons (2,194 acre feet) of reclaimed water for irrigation to five golf courses and a school athletic field.
- Combined total of 3.04 billion gallons (9,335 acre feet) of water delivered and billed to our customers.

The Customer Service Division mailed and processed 224,901 bills and 12,478 delinquent notices to our customers during calendar year 2013. The Customer Service Division responds to customer concerns that arise from the operation and management of the water system and in 2013 responded to 34,068 customer contacts averaging 137 contacts per day.

Customer contacts can range from handling a payment to responding to questions or problems related to billing, opening or closing an account, water quality or pressure and flow problems. CSRs work closely with field personnel to respond in a timely manner to customer concerns. CSRs are generally the first and sometimes the only contact our customers may have with the Utility. Providing professional and courteous service is paramount to the successful operations of the Water Utility.

Customer Service staff collected and posted $24.7 million in payments for the Water Utility, Pima County Regional Wastewater Reclamation Department and the Town's Storm Water Utility. The Customer Service Division bills the Town's Storm Water Utility charges to residents within the Town that are Oro Valley Water customers, Tucson Water customers and Metro Water customers. The Water Utility also collects taxes on water use that are imposed by the State of Arizona and the Town of Oro Valley. These payments and taxes are then distributed to the State, Pima County and the Town. The Water Utility receives all of its revenues from water rates and fees and does not receive any funding from taxes.

In 2013 the Utility updated the customer account information on the Water-on-the-Web site. This now includes the ability to view the current water bill and a two year history of billing, payment and water usage information and also pay their water bill online. The Utility provides convenient alternative payment methods for our customers. During 2013, the Utility received $1.9 million in credit card payments. Credit card and other payment options are listed below:

- Toll free telephone number via IVR (Interactive Voice Response) that accepts credit cards for payment
- Online credit card payments accepted at the Water-on-the-Web site.
- Credit card payments accepted at the Utility office.

- Automated Clearing House (ACH) which automatically pays the customer's water bill on the due date from their bank account.
- Electronic Funds Transfer – A "paperless" bank to bank transfer of payment funds, which are received faster than traditional paper checks.

The Utility also offers "paperless" e-billing feature which sends customers an electronic notification that their current water bill is ready to view on the Water-on-the-Web site. Utility customers may request e-billing online.

As part of the original 2011 AMI (Advanced Metering Infrastructure) project in Countryside, FlexNet software continues to enable Customer Service staff to view customer consumption data and accurately determine high water use on their computers while communicating directly with the customer in person or on the telephone.

Where AMI equipment is installed, FlexNet software facilitates the monitoring of leaks on a daily basis. Utility Operators provide early leak notification to our customers that conserves water by reducing the amount of water wasted by leaks and also saves our customer's money. This new technology monitors water use on an hourly basis, can trigger alerts and allows for better utilization of resources with the least amount of waste. Since the installation of AMI, the lost and unaccounted for water has decreased.

In 2013 the Utility launched AquaHawk, a customer web portal. This web portal utilizes the water usage data from FlexNet. Once a customer is enrolled in this on-line service, they will be able to view their individual water use on an hourly, daily, weekly or monthly basis. Customers can tailor personal notifications based on their individual needs and receive alerts by e-mail, text or telephone. Currently, the web portal is available for those customers that have had their meters replaced with AMI equipment.

As the Customer Service Division looks to the future they will continue to select new technology to streamline procedures and increase efficiencies. Utilizing computer tablets, staff is now electronically sending and distributing work orders, service requests, and new and closed account paperwork from CSRs to the Utility Operators. Employing this technology has reduced staff travel time, wear and tear on vehicles and gasoline and has resulted in higher efficiency and productivity.

Utility statistics including meter installations, the number of customer contacts, and water deliveries for CY 2013 may be found in **Appendix A**.

METERS DIVISION

Advanced Metering Infrastructure Project

The Meter Operations team started 2013 with excitement, and high expectations, to continue with the Advanced Metering Infrastructure (AMI) project and meter replacement program. The Meters Division team worked closely with external contractors and took the lead role in organizing, planning, and scheduling work. Phase I of the program continued in the Oro Valley Water service area and the project included the installation of a monopole and S50 base station, a Metro 50 base station, and installation of approximately 2,400 Sensus water meters and smartpoints. The remaining phases of the project will be completed over the next two years. It is anticipated that all the meters will be equipped with AMI by the end of FY 2016. A $5,000,000 loan from the Water Infrastructure Finance Authority of Arizona was acquired to finance this project.

Using AMI technology provides customers with accurate and complete water use information. With AMI software, staff can review water use history on an hourly, daily, weekly and/or monthly basis. This is extremely valuable in assisting our customers. Understanding the benefits and efficiencies gained by using AMI, the Meters Division is excited about expansion of this technology throughout the Oro Valley Water service area.

The AMI and meter replacement program provides for more accurate measurements of water usage and also assures that the volume of water billed is accurate. Additionally, the technology provides an opportunity to use existing resources more efficiently by eliminating the need for manual meter reading. The Meters team will be able to redirect their focus and capabilities to other responsibilities such as customer work orders, meter box cleaning, angle meter stop repairs, and meter testing procedures.

In 2013, 147 new residential meters were installed and 2,215 residential meters were replaced. In addition, 10 new commercial and irrigation meters were installed and 239 commercial and irrigation meters were replaced. All new meters are AMI compatible and the replaced meters are equipped with AMI technology.

In 2013, there were 224,901 meter readings for billing purposes.

Technological Advancements

In 2013, the Meters Division team members actively participated in the programming of the electronic meters using new Sensus AR5501 handheld units. These advanced handheld units are capable of data logging, scanning, troubleshooting, and programming that currently require multiple devices.

In addition, the technological advancement with the AMI project prompted the water utility to incorporate the use of computer tablets. These tablets allow the Meters Division team to generate or close work orders, receive and send reports, view real time customer usage, and verify delinquent account payments in the field. The team will operate more efficiently and increase productivity with these two technologies since there will no longer be a need to return to a central location to get the required equipment.

WATER QUALITY

There is a complex and extensive framework of regulatory requirements and sampling methodology in place to ensure clean, safe drinking water is served by every public water system in Arizona. Protection of drinking water quality starts with an assessment of the drinking water source quality and continues through regulations that govern water system design and construction. Finally, drinking water quality is assured through scheduled tests required of all public water systems for a wide variety of potential contaminants. As a result of these regulations and continued testing, drinking water supplies in Oro Valley and in many areas throughout the United States are among the cleanest and safest in the world.

Water Quality Testing

The Water Utility operates two separate potable water systems. The Oro Valley Water Service Area (OVWSA) that has a Public Water System Number of AZ0410164. It also operates a potable system that is not located within the Town boundaries, known as the Countryside Water Service Area (CSWSA) that has a Public Water System Number of AZ0410175.

In 2013 the Utility received 4,021 analytical results for required water sampling and operational data. Over the course of a year the Utility collects hundreds of water samples from approximately 19 "point of entry" sites. These sites include groundwater wells, reservoirs and pumping stations. The Utility also samples from 58 sampling stations required by ADEQ. These stations are located in neighborhoods throughout the water distribution system specifically selected to represent the water quality that is delivered to our customers. The Utility has an additional twenty-nine sampling stations that can be used during emergencies and to meet future testing requirements. Water samples are taken from 50 private residences within the Oro Valley area and tested for lead and copper. The Utility provides all water quality testing results to the Arizona Department of Environmental Quality (ADEQ) and works closely with that agency to ensure all Federal and State standards are met. The website for ADEQ is www.azdeq.gov The Town's water system is in full compliance with all State and Federal regulations.

The Utility's State certified water operators are responsible for the health and safety of our customers. The operators meet this responsibility by maintaining a daily vigilance over the system's production, distribution, and water quality. All of our 19 water operators are licensed by ADEQ and attend continuing education and training through Personal Development Hours required by ADEQ.

Drinking water standards are regulations that the Environmental Protection Agency (EPA) sets to control the level of contaminants in the nation's drinking water. These standards are part of the Safe Drinking Water Act's "multiple barrier" approach to drinking water protection which includes, assessing and protecting drinking water sources; protecting wells and collection systems; making sure water is treated by qualified operators; ensuring the integrity of distribution systems; and making information available to the public on the quality of their drinking water. Community water suppliers throughout the country are required to provide an annual water quality report to their customers. The OVWSA and the CSWSA Consumer Confidence Reports are annually distributed to all customers in June. The report is also available in the Utility's office and on the website.

Detection of a contaminant in drinking water does not necessarily represent a threat to public health. Due to current technology, water utilities are now able to detect extremely low levels of contaminants in drinking water. All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. Oro Valley's groundwater contains naturally occurring dissolved minerals and organic compounds, which have been leached from the rock, sediments, and plant materials through which the water traveled.

Other contaminants that may be present in source water are microbial contaminants, such as viruses and bacteria. The Utility disinfects its water source by adding sodium hypochlorite at a level of 0.2 to 0.8 parts per million (ppm), as a precaution against bacterial growth. The Total Coliform bacteria group is used as an indicator to more closely monitor the distribution system for possible unwanted bacteria. During 2013, the Utility collected 696 samples for analysis of Total Coliform bacteria, all samples were negative for bacteria. This is a direct result of a successful disinfection program, effective system monitoring, proficient sampling methods, and routine maintenance.

Water hardness is also tested and is a measurement of the concentration of calcium and magnesium. During CY 2013, the hardness levels in Oro Valley range from 1.8 to 12.0 grains per gallon. On average our water quality is in the soft to moderately hard range, which is considered acceptable.

In October of 2013, the utility was required to start sampling under the STAGE 2 Disinfectants and Disinfection By-Products Rule. This rule is an important component to EPA's multi-pronged strategy to reduce drinking water risks to human health through improved standards for pathogens as well as disinfection by-products. In compliance with the schedule, the utility began sampling under these new requirements in October of 2013.

Compliance with the new Groundwater Rule began on December 1, 2009, and is expected to require many small groundwater systems to add disinfection to their systems. The Utility's disinfection program was implemented for both systems in 2002 and presently meets the Ground Water Rule requirement. EPA's rule revisions for lead and copper were published in 2006

Proposed and Pending USEPA Regulations:

• Revised Total Coliform Rule	November 2012
• Third Unregulated Contaminant Monitoring Rule	March 2012
• Revised Long-Term Lead and Copper Rule	2014
• Carcinogenic Volatile Organic Chemicals Rule	2015
• Epichlorohydrin and Acrylamide	TBD

Oro Valley is a growing community in an arid environment. The future of drinking water quality will require continued attention by everyone involved with water supply for the community. Water quality compliance requirements will continue to increase in both complexity and cost, requiring the support and resources needed to ensure regulatory compliance and to provide a safe and reliable water supply to our customers.

BACKFLOW PREVENTION

Backflow prevention is an important component of water quality. The Town of Oro Valley Water Utility implemented the Backflow Prevention Program in response to requirements set forth in the Arizona State Drinking Water Regulations. The Backflow Prevention Section administers these requirements in accordance with the Town of Oro Valley Ordinance No. (O) 07-21, the Arizona Department of Environmental Quality Administrative Code, section R18-4-B115, the International Plumbing Code and the guidelines of the University of Southern California Foundation for Cross Connection Control and Hydraulic Research.

The Backflow Prevention Program is designed to protect the public water system from high risk service connections which include, but are not limited to, commercial, fire and irrigation. By state statute single family residences are exempt unless a known hazard exists on the premises.

The Backflow Prevention Section oversees 1,307 backflow prevention assemblies. The Utility is required to notify each customer on an annual basis to have each active assembly tested. An initial notification letter is mailed followed by a second and final letter. The backflow prevention assemblies must also be tested if they are replaced, relocated or repaired. Test data must be kept by the Water Utility for 3 years and all assemblies are surveyed on a 3 year cycle. The backflow assemblies that are owned by the Town and in service are maintained, tested and inspected by the Water Utility Backflow Prevention Section.

The following are some of the major activities and accomplishments that were performed by the Backflow Prevention Section in 2013:

- 190 backflow assemblies owned by the Town of Oro Valley were tested
- 58 repairs on in-ground and construction water backflow prevention assemblies
- 57 permits for new and replacement backflow prevention assemblies

The program works to keep the water supply safe from contaminants that could be introduced into the distribution system through backflow, backsiphonage or backpressure from our customers plumbing systems or internal processes.

CURRENT WATER SUPPLY

Developed Water Resources

- **Groundwater: 13,384 acre feet per year**
- **CAP Water: 1,500 acre feet per year**
- **Reclaimed water: 2,227 acre feet per year**

The Town of Oro Valley has a groundwater supply of 13,384 acre feet per year based on its Designation of Assured Water Supply (DAWS) from ADWR. Under our DAWS for each calendar year our groundwater pumping cannot exceed this amount. This amount is an upper limit of pumping and even though we pump less than this amount, we are required to replace or replenish the total amount pumped. In addition, our sustainable groundwater production is modeled to be 5,500 acre feet per year which we are currently exceeding and this has caused significant groundwater level declines over the years. Developing our renewable water supplies reduces our replacement requirements and decreases our ground water level declines protecting and preserving our aquifer.

On June 7, 2013, The Arizona Department of Water Resources renewed our Designation of Assured Water Supply for an additional ten years through December 31, 2023. This renewal allows the Town to grow since it has been demonstrated that it has an adequate water supply.

A requirement of our DAWS is that the Town must be a member of the Central Arizona Groundwater Replenishment District (CAGRD). The Town has a Member Service Area Agreement with CAGRD that was approved by Resolution (R) 97-06. All of our wells are now classified as recovery wells. That combined with the recent delivery of our CAP water has eliminated the need to rely on CAGRD to replenish groundwater on our behalf. Annual payments for replenishment to CAGRD are no longer required which saves a significant amount of money. We will still remain a member of CAGRD if replenishment is required in the future and to comply with our DAWS.

The Water Utility operates in two water service areas: the Oro Valley Water Service Area (OVWSA) and the Countryside Water Service Area (CSWSA). In 2013, Oro Valley pumped 5,993 acre feet of groundwater from our wells and aquifer. This total is 168 acre feet less groundwater pumping than 2012 due to our CAP water deliveries and water conservation. The wells in the Oro Valley Water Service Area produced 5,271 acre feet and the wells in the Countryside Water Service Area produced 722 acre feet.

The table below provides the total water delivery capacities and water demands for both water service areas. The maximum daily usage occurred on June 24, 2013 for the OVWSA and on June 4, 2013 for the CSWSA.

Water Service Area	Well Capacity (MGD)	CAP Capacity (MGD)	Average Demand (MGD)	Maximum Demand (MGD)
Oro Valley (OVWSA)	14.63	1.37	6.1	8.65
Countryside (CSWSA)	2.61	0	0.65	1.01

The following table lists all production wells, the amount of groundwater pumped and their water level changes as measured in January of 2014:

Well Water Level Change Summary

WELL #	Annual Pumped Acre - Feet	1 YEAR CHANGE 2014	5 YEAR CHANGE 2009 to 2014	5 YEAR AVERAGE 2009 to 2014
CS-1	374	-2.7	-9.7	-1.9
CS-2	348	-1.8	-16.6	-3.3
C-4	42	-3.3	-11.2	-2.2
C-5	246	-3.0	-8.3	-1.7
C-6	386	-3.2	-3.9	-0.8
C-7	319	-2.5	-19.0	-3.8
C-8	287	-2.3	-13.9	-2.8
C-9	385	-4.6	-16.3	-3.3
D-1	77	-1.3	1.5	0.3
D-4	87	-4.8	-15.7	-3.1
D-5	0	-0.9	-4.4	-0.9
D-6	182	-10.3	-11.6	-2.3
D-7	270	-1.6	-20.3	-4.1
D-8	332	-2.5	-27.5	-5.5
D-9	540	-0.1	-12.1	-2.4
E-1B	280	0.0	12.3	NA
E-2	190	-1.4	2.8	0.6
E-3	229	-1.5	-5.8	-1.2
E-5B	287	-1.8	8.9	1.8
E-6B	311	-2.6	-6.6	-1.3
E-7B	320	-4.2	-9.4	-1.9
F-1	502	-2.8	-7.3	-1.5

Footnote: Well E-1b has only 3 years of data

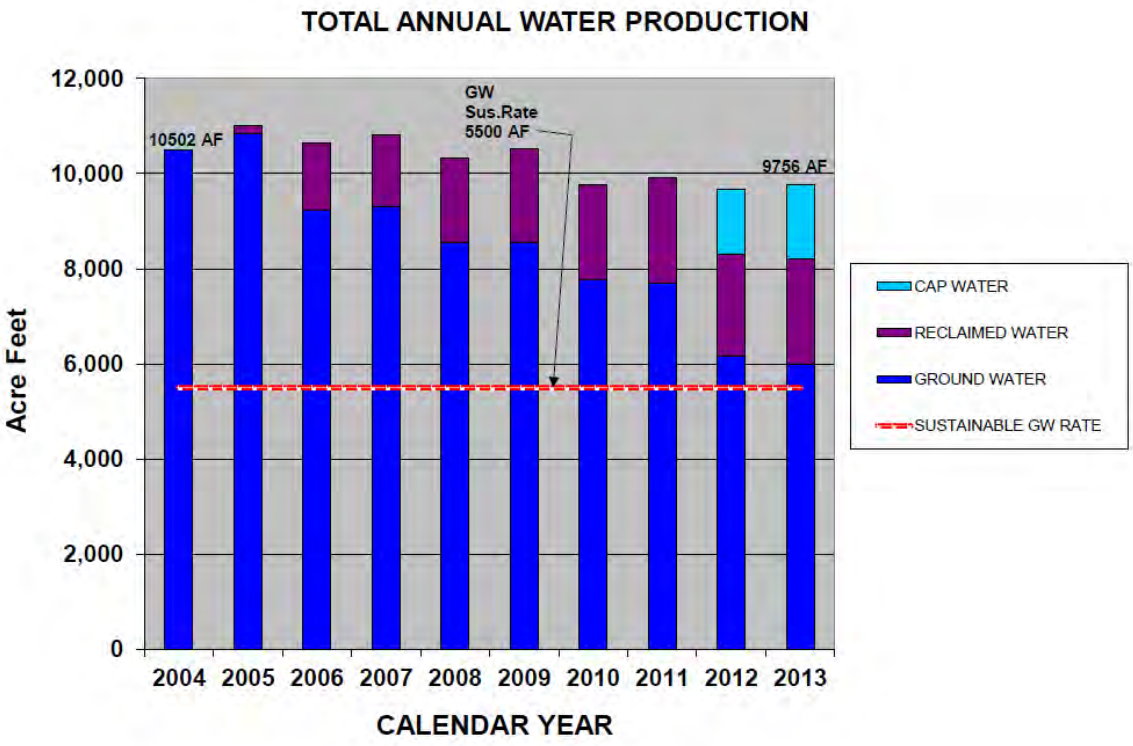
Groundwater studies indicate that the Oro Valley aquifer has a sustainable groundwater production rate of approximately 5,500 acre feet per year. In 2013, Oro Valley pumped 493 acre feet more than the sustainable groundwater production rate for our wells. In the OVWSA, the average annual well water level decline for the last 5 years is 2.01 feet and for calendar year 2013 there was an average well water level decline of 2.76 feet. For wells in the CSWSA, the average annual well water level decline for the last 5 years is 2.63 feet and for calendar year 2013 there was an average well water decline of 2.21 feet. For all wells, water level changes in CY 2013 varied from no decline to up to 10.33 feet of decline.

The continued use of our renewable water resources in 2013 has reduced our reliance on groundwater. The use of reclaimed water since October of 2005 has helped to reduce the impact on the Oro Valley aquifer over the last eight years. The Town of Oro Valley currently has a reclaimed water supply of approximately 2,227 acre feet per year.

This was acquired in 2003 under an Intergovernmental Agreement (IGA) with Tucson Water (TW). Groundwater pumping was further reduced this year through the delivery of our CAP water under a wheeling agreement with Tucson Water.

Future development of these renewable water resources will further reduce our groundwater production and will help achieve our goal of protecting and preserving our aquifer.

The diversification of our supply has benefited our aquifer by preserving and protecting our groundwater. The following table graphs water usage from 2004 trough 2013 depicting our reduction of groundwater usage, the use of reclaimed and delivery of our CAP water.



Undeveloped Water Resources

- **Central Arizona Project Water: 8,805 acre feet per year**
- **Long-Term Storage Credits: 9,508 acre feet**
- **Ground Water Allowance Account: 13,759 acre feet**
- **Effluent Water: 1,773 acre feet per year**

The Town currently has undeveloped water resources that consist of our CAP water allocation, Long-Term Groundwater Storage Credits, Groundwater Allowance Account and effluent water. In 2013, 1,530 acre feet of our CAP water were delivered (wheeled) to the Oro Valley Water Utility service area through a connection to the Tucson Water system.

Development of our reclaimed water system and our CAP water provide “wet” renewable water supply to our community reducing groundwater use and eliminating our obligations to the CAGRD. The long-term groundwater storage credits are used indirectly through recovery wells as “paper water” credits that offset groundwater usage and reduce CAGRD obligations.

The Town currently has a total allocation of CAP water in the amount of 10,305 acre feet per year under a Municipal and Industrial (M&I) subcontract with Central Arizona Water Conservation District (CAWCD).

Of this amount, 1,500 acre feet are developed through the first phase of the IGA with Tucson. The remaining 8,805 acre feet of our CAP M&I subcontract water is critical to the Town and its future water supply. In 2014, an additional 500 acre feet of our CAP water will be developed to further reduce our reliance on groundwater and to protect and preserve our aquifer. At this point there is no infrastructure in place to directly deliver or directly recover the remaining amount of our CAP water. The infrastructure to deliver our remaining CAP water will be developed based upon our water demands, aquifer conditions and new growth.

The Utility has obtained permits to store CAP water at the various recharge facilities listed below and has stored the following amounts in 2013.

• Kai Farms	4,000 acre feet
• Lower Santa Cruz Replenishment Project	1,400 acre feet
• Central Avra Valley Storage and Recovery Project	1,600 acre feet
• **Total amount stored in 2013**	**7,000 acre feet**

The Utility will continue to recharge CAP water for our recovery wells and to build long-term storage credits until such time that our CAP water is needed for future delivery.

In addition to our long-term storage credits, our Groundwater Allowance Account (GWA) must be used wisely and carefully managed over the next several years. Additional purchases of Groundwater Extinguishment Credits will be evaluated and considered in the future to increase the balance of the Groundwater Allowance Account.

Included in the Town's DAWS is 2,227 acre feet per year of reclaimed water which is derived from our wastewater effluent. Oro Valley owns its wastewater effluent through an IGA with the City of Tucson. The Utility delivered 2,194 acre feet of reclaimed water in 2013. The reclaimed water system supplies irrigation for five golf courses and the athletic fields at one elementary school. The remaining amount of undeveloped wastewater effluent is used for obligations to Pima County and for the Southern Arizona Water Rights Settlement Act (SAWRSA) obligations.

In 2013, the Utility extended the term of the Reclaimed Water Intergovernmental Agreement with Tucson Water for an additional year through October of 2014. This extension will allow for time to evaluate if interruptible reclaimed water service from Tucson Water is feasible. The Reclaimed IGA will also be reviewed for any other potential changes.

Under our Designation of Assured Water Supply, we are required to comply with the Third Management Plan in the Tucson Active Management Area. We have been in compliance with the Assured Water Supply Program and expect to meet all the requirements of this program in 2014.

WATER RESOURCE PLANNING AND MANAGEMENT

The Utility's water resource planning effort incorporates previous studies and reports that have been developed over recent years. These reports provide the framework for water resource planning and management. Water resource planning will involve technical, financial, legal, political, institutional and environmental issues. Involving the public will be a key aspect of a successful program for future water supply. Water resource planning will involve investigating alternatives for future water supply and delivery and will include the following:

- Groundwater development
- Reclaimed water system
- CAP water planning and development
- Water conservation

Potable Water System

The potable water system improvements are included in the Fifteen Year Capital Projects Program. The demand on our wells has been significantly reduced due to use of reclaimed water for irrigation and the delivery of our CAP water through the Tucson Water system. The use of reclaimed and CAP water preserves and protects our aquifer and valuable groundwater.

All groundwater depletions must be replaced through the use of our recovery wells, our Groundwater Allowance Account and our Long-Term Storage Credits. We are no longer reliant on the Central Arizona Groundwater Replenishment District (CAGRD) for replenishment.

Our aquifer has benefited from the development of our renewable water and because water levels are declining less, we have been able to permit all of our wells as recovery wells in 2013 through the Arizona Department of Water Resources.

Reclaimed Water

The use of reclaimed water for turf irrigation has a beneficial impact on the Town's aquifer. The Utility will continue to look for opportunities to expand the customer base of the reclaimed water system for turf irrigation. In addition, non-turf irrigation uses such as landscape irrigation, construction water, dust control and street cleaning uses may also be served with reclaimed water to help reduce demands on the groundwater aquifer. The Development and Infrastructure Service Department is currently using reclaimed water for street cleaning and other approved maintenance purposes. This saves the Town both water and money. In 2014, the reclaimed water system will be extended to deliver water to Naranja Park.

Central Arizona Project Water

The Utility has developed studies that look at various alternatives and the associated costs for future delivery of our CAP water. These studies will provide the basis for determining which projects will be built in the future.

The Town has executed an Intergovernmental Agreement with the City of Tucson to deliver a portion of the Town's CAP water wheeled through the Tucson Water system via a connection to the Oro Valley Water Utility system. The IGA with Tucson allows for up to 2,000 acre feet per year of Oro Valley's CAP water to be delivered (wheeled) through the Tucson Water (TW) system. This is a mutually beneficial project in that Tucson Water uses its excess capacity and receives revenues that shares in operations and maintenance costs. Oro Valley benefits in that it receives "wet" (actual) water deliveries of renewable CAP water and reduces its reliance on groundwater. In 2013, there was a delivery capacity of 1,500 acre feet per year of our CAP water. In 2014, an additional capacity of 500 acre feet per year will be added for a total delivery capacity of 2,000 acre feet per year.

As part of our long-term planning an additional 1,500 acre feet of renewable CAP water will be developed for new growth in the next 10 years. This will increase our total renewable CAP water deliveries to 3,500 acre feet per year. Funding for the development of renewable CAP water for new growth under the water resource planning effort has been included in the Utility's budget under the Alternative Water Resources Development Impact Fee Fund budget.

Oro Valley's CAP water is delivered from the CAP canal and TW's recharge facilities at the Central Avra Valley Storage and Recovery Project and/or the Southern Avra Valley Storage and Recovery Project. The water is then pumped into the TW distribution system and delivered to the northern part of the TW system. A connection to the Oro Valley system was made near Naranja and Shannon at the TW Naranja C-Zone Reservoir site. A pump and pipeline were installed by Oro Valley to deliver its CAP water to the Oro Valley water distribution system. All water is accurately metered and accounted for billing purposes and to assure delivery volumes. In 2014, the additional 500 acre feet per year of delivery capacity will be added to the south end of the Oro Valley Water Service Area and to the Countryside Water Service Area.

The development of a portion of our CAP water through the Tucson Water IGA provides financial benefit to our customers in that it defers significant expense to develop a major capital project. Oro Valley Water Utility will continue to plan for the development of the remaining portion of our CAP water. Long-term plans for recharge and recovery and/or treatment and direct delivery of our CAP water will be developed to determine the best alternative and plan for delivering our CAP water in the future.

The Town of Oro Valley is committed to the use and future delivery of our CAP water to meet the demands of new growth. We will continue to work regionally to deliver our CAP water to our community.

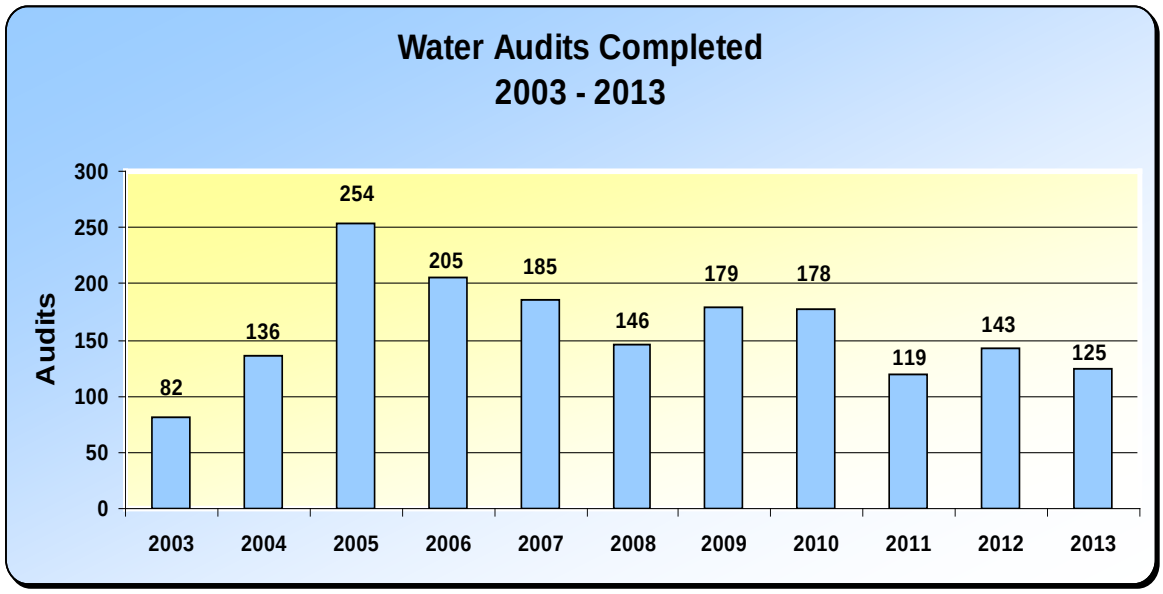
WATER CONSERVATION PROGRAM

Water conservation is an important factor in balancing our current and future water supply needs. Climate and the demands on our water supply place a significant impact on our water resources. Combine the state's arid climate with persistent drought conditions and the importance of managing our water resources effectively becomes even greater. The Utility recognizes the complexity and importance of sustained reliability.

The Water Conservation Program is an important element in the overall water resource management efforts of the Utility. The following are services we provide to educate and inform our customers through the Conservation Program.

- **Water Audits**
  Water audits are the assessment of water use both inside and outside the home or business and include residential, commercial, and neighborhood common areas. Water audits are provided free of charge to utility customers.

  - 125 audits were completed in 2013
  - 1,752 audits have been completed since the program began in 2003
  - Average water savings of 14% in the first year after the audit for audits completed in 2012



- **AquaHawk Alerting**
  AquaHawk Alerting is a free service for Oro Valley Water Utility customers that will assist them in efficiently managing their water usage and lowering their monthly bills.

  The features and benefits of AquaHawk Alerting include:

  - Timely leak alerts that can be sent to a cell phone, home phone or email
  - Water use monitoring to identify problems more quickly
  - Water expense monitoring

➢ Conservation Resources

A wide variety of conservation literature is available to Oro Valley customers at no cost and is offered at the library and our main office. The Oro Valley Water Education Activity Booklet for children is now available as well. In additional to traditional literature, the utility provides public outreach efforts with the following:

- Water-Wise Landscaping for Southern Arizona CD
- Water Ways Newsletter published in the Oro Valley Vista
- Conservation staff participates in events and public speaking opportunities

➢ Youth Water Conservation Education Program

As part of our water conservation education efforts, the Water Utility, with the help of Environmental Education Exchange developed a youth water conservation education program for Oro Valley schools called Conservation Kids. Conservation Kids is an interdisciplinary program that has been specifically designed for first through third grade learners and focuses on the water cycle, water supply, and water conservation in Oro Valley and the Tucson Basin. This program meets state education requirements and will serve over 500 students in the first year.

To view the Conservation Kids video go to the following website:
http://www.youtube.com/watch?feature=player_embedded&v=2zDNyEHTN3A

➢ Incentives

The current incentive program includes irrigation system rain sensors which are sold at a reduced rate to our customers. It also includes low-flow shower heads and low-flow sink aerators at no cost to our customers.

- Approximately 670 rain sensors have been sold to date
- A Rain Sensor Installation Guide is distributed by the Utility and is also available on our website. The Guide is available in English and Spanish.

WATER UTILITY OPERATIONS - PRODUCTION AND DISTRIBUTION

All Production Division and Distribution Division personnel are operators licensed and certified by the Arizona Department of Environmental Quality (ADEQ). The operators have the direct responsibility to operate the water system(s) according to the regulations and rules set forth by the EPA (40CFR141) and ADEQ (Arizona Administrative Code Title 18). Water systems are classified by the level of operator certification required by ADEQ. Operator certifications are classified into one of four grades with Grade 1 being the most simple and Grade 4 being the most complex. For more information please visit the ADEQ website at *www.azdeq.gov*.

Production and Distribution personnel work very closely to address any water system problems. The Production and Distribution Divisions also provide on-call staffing to respond to water system problems 24-hour 7 days per week. This on-call staffing utilizes a tiered level after-hours response protocol that is in accordance with the developed Emergency Response Plan.

Production Facilities Division

Water Utility personnel in the Production Facilities Division are responsible for the operation and maintenance of the wells, booster pumps and reservoirs on two potable water distribution systems and the booster pumps, metering stations and reservoir on the reclaimed water delivery system. There are a total of 49 sites that are maintained by the Production Facilities staff. In 2013, a new Electrical/Control Technician was added to the Production Division to reduce the need for outside electrical services.

The two potable water systems are chlorinated systems controlled and monitored by the Production Facilities Division. Chlorine dosage rates and residuals are monitored on a daily basis. The potable system located within the Town of Oro Valley Water Service Area (OVWSA) is a Grade IV Water Distribution and a Grade II Water Treatment system and currently delivers water to twenty pressure zones and a consecutive system located at La Cholla Air Park. The potable system that is not located within the Town boundaries, known as the Countryside Water Service Area (CSWSA), is a Grade III Water Distribution system that currently delivers water to a single pressure zone at the Countryside development. The Public Water System Number is AZ0410175 for CSWSA.

The groundwater production capacity within the OVWSA is currently 14.63 million gallons per day (10,162 gpm) with a storage capacity of 10.7 million gallons. The groundwater production capacity within the CSWSA is currently 2.39 million gallons per day (1,660 gpm) with a storage capacity of 0.90 million gallons. The CAP delivery capacity into the OVWSA system is 1.44 million gallons per day (1000 gpm).

The Production Facility Staff continues to be proactive in the implementation of facility upgrades and a preventive maintenance program. Facility sites are evaluated annually to determine necessary upgrades to ensure efficient operation of the facilities.

A continuing effort to retrofit water level sensing equipment in each production well will help the Utility collect monthly water level data and will assist in the development of a more accurate water level database and to analyze trends. Monthly monitoring of the water levels also helps the Utility identify potential problems with either the pumping unit and/or the well itself and schedule required maintenance before a well and/or pumps fail.

The following are some of the major activities and accomplishments of the Production Facilities Division in CY 2013:

- Maintained disinfection injection pumps and tested disinfection residuals daily at well site injection points on systems AZ0410164 and AZ0410175.
- Performed mechanical and general maintenance at 22 wells, 27 booster stations and 19 storage tanks including follow-up electrical preventative maintenance.
- Performed the annual groundwater level survey and report.
- Assisted with five reservoir exterior and interior inspections.
- Assisted with the well monitoring capital project and quarterly reports.
- Competently operated the potable and reclaimed systems utilizing the SCADA system.
- Responded to after hours calls totaling 359 work hours
- Completed 4,772 work hours related to assigned work orders.
- Performed SCADA network system maintenance on forty-four Remote Terminal Units, two Master Controllers, two Human Machine Interfaces, and two Network Servers.
- Performed daily chlorine tests and routine site checks.
- Completed SCADA equipment upgrades.
- Maintained operational balance for CAP water delivery to the 10-164 system.
- Continued well meter replacement program with the installation of 10 ultrasonic flow meters.
- Assisted Engineering with Energy Efficiency Program and pump curve testing.
- Electrical preventative maintenance cataloging of all production sites has been initiated.
- Converted to paperless work-order and reporting systems.
- Installed 6 new groundwater level sensors.
- Completed installation of larger battery back-up systems at reservoirs.
- Constructed 400 square foot workshop at reclaimed water booster facility.
- Installed 7 air temperature transmitters and one solar radiation transmitter to track ambient conditions via SCADA.
- Develop and implement work program for new Electrical and Control Technician.

The Supervisory Control and Data Acquisition (SCADA) system is continuously updated, improved and programmed to streamline operational control, data trending, and alarm annunciation. The SCADA system, a centralized industrial network, currently monitors and controls all potable and reclaimed system facility sites. Utility staff monitors and operate all water systems via the SCADA system on a twenty four hour seven day a week (24/7) basis. Production facilities staff is also responsible for the installation and maintenance of security devices at the Utility's facilities. The SCADA system has been updated with new HMI and main servers, monitors, and the latest RSView32 software.

Distribution Facilities Division

Utility personnel in the Distribution Facilities Division are responsible for the operation and maintenance of 345.7 miles of potable water mains, 12.8 miles of reclaimed water mains for a combined total of 358.5 miles of water mains. There are 2,109 fire hydrants and 7,690 valves on the water distribution system. The staff conducts maintenance programs and repairs that keep the distribution system functioning properly and minimizes problems that are inherent to water distribution systems.

Data bases have been established for the documentation of maintenance and replacement of hydrants; pressure reducing valves, and air release valves. A valve exercising program that helps monitor equipment and develop maintenance cycles has been established. The program provides information and equipment history data that facilitate a proactive replacement program.

The Distribution Division also has significant direct customer contact and responds to customers regarding pressure or flow related problems in the field. The Distribution staff will continue to provide a high level of professional performance and courteous service to our customers. The Division works closely with Customer Service and responds to complex customer work orders such as high/low pressure complaints, water quality, service line breaks, hydrant repairs, system pressure regulating valves, system air relief valves and system flushing.

Repair of water line leaks are always treated as an emergency and are repaired quickly to minimize impacts to our customers. The Distribution staff has also taken on more construction responsibilities by repairing more main line and service line breaks. The Division also is responsible for bluestaking all underground water mains. The Division is responsible for maintaining 15 active and 7 inactive pressure reducing valves (PRV) for a total of 22 PRVs, 789 air relief valves and 873 drain valve assemblies.

The following are some of the major activities and accomplishments that were performed by the Distribution Facilities Division in CY 2013:

- Maintained, replaced and/or repaired 78 fire hydrants
- Flow tested 50 fire hydrants to assure fire protection
- Performed 100 tests and/or repairs for the maintenance and operation of the 22 pressure reducing valves
- Maintained, replaced and/or repaired 83 air relief valves
- Maintained, replaced and/or repaired 10 drain valve assemblies
- Performed 3,589 bluestakes for underground pipeline and facilities locations
- Responded to and repaired 4 water pipeline break
- Responded to 276 customer inquiries in the field
- Responded to and repaired 21 service line breaks
- Responded to 181 after hour call outs
- Installed 55 new hydrant defenders
- Maintained 290 water valves/Replaced 6 main line valves

SECURITY AND EMERGENCY RESPONSE

Under current Federal guidelines, water operations personnel are considered first responders. Though primarily mandated by State rules with public health responsibilities, water operators also have a public safety responsibility with relevance to the water systems they are charged with operating. First response staff and vehicles are placed in an after hours position to directly respond to an emergency in order to minimize any impact on the water system. Production Facilities and Distribution Facilities staffs coordinate their response actions and will respond with an appropriate level of personnel to mitigate the problem. Any facilities security situations also directly involve the Oro Valley Police Department as a first response action.

In 2013, Utility personnel, with the assistance of a security consultant, reviewed, refined and updated the security program, Emergency Response Plan, and the Business Continuity Plan (BCP). The ERP and BCP are currently up to date regarding the Utility operational or response situations, contact information and procedures. The changes are designed to protect and "harden" the facilities against potential threats from the acts of people who wish to do harm to the residents of Oro Valley.

In 2013, under the security program, a series of training classes and exercises were made available and completed by the Utility Staff. This training is done on an annual basis as per the guidelines from the Department of Homeland Security, FEMA, and the EPA. A town-wide security training table-top exercise involving water utility personnel was conducted this year by the Oro Valley Police Department. Operations personnel also receive emergency management courses provided by ADEQ. The Utility will continue to implement the elements defined in the VA, ERP and the BCP as well as those that may be identified through the course of business.

The hydrant lock program continues to be implemented through the new development process and all hydrants within Oro Valley systems are protected from illegal entry and use. In 2013, 55 new hydrant defenders and locks were installed. Security features, which include perimeter fencing, security walls, warning signage, motion sensors, and cameras at all active production facilities, were inspected to maintain integrity.

The Water Utility also has the equipment and capability to test water samples under a first response scenario. A continuing program has been initiated to chemically characterize ("fingerprint") the water produced. This will help identify any anomalies during a suspected event involving water quality. These baseline data are taken on a monthly basis.

The Utility is kept abreast of local, regional and national security issues via weekly situation reports provided by Water Information Sharing and Analysis Center (Water ISAC). The Utility is also a member of the Arizona Water/Wastewater Agency Response Network (AZWARN) which mutually cooperates with other water and wastewater providers in an emergency.

ENGINEERING AND PLANNING

The Engineering and Planning Division is responsible for planning and managing the design, construction and inspection of all new water infrastructures for the Town of Oro Valley as well as planning for the delivery of new water resources to the Town. New water infrastructure is constructed both through the new development process where the developer finances the project and through the Water Utility's capital improvement program.

Geographic Information System (GIS)

The GIS section is responsible for managing and maintaining a Geographic Information System data base on all existing water system infrastructure in coordination with the Information Technology Department. Maps produced by GIS staff facilitate Operations and Planning and Engineering.

New Development

The New Development Section is responsible for facilitating development by reviewing and approving water improvement plans for proposed new developments. In 2013, the New Development Section reviewed and approved 14 water improvement plans for construction. Eight plans were constructed, inspected, approved as-built, and placed into service. The completion of these New Development projects together with Capital projects added approximately 2.6 additional miles of pipeline to the existing water distribution system.

Construction Inspection

All new development and capital projects are inspected during construction for conformance with the approved design as well as material and installation standards. The Water Utility has two full time Construction Inspectors and utilizes the services of a consultant inspector to assist when specialized inspections are required.

CAPITAL PROJECTS

The Engineering and Planning Division manages the design and construction of capital projects identified in the capital improvement program and annual operating budget. These projects are designed to improve efficiencies to existing facilities and improve service levels. These capital projects are described below.

Design Projects

- Completed engineering design for a Chlorine Delivery System and a Retention Basin Liner located at the Reclaim Facility. Construction is scheduled to commence in April 2014.
- Completed design for a CAP Interconnect Metering Site in the vicinity of Northern and Hardy and for interconnect at our Countryside Service area. Construction is scheduled to commence in March of 2014.
- Currently, we are designing a main replacement in the Countryside service area near well CS2 on Hartman Lane. Construction is scheduled for FY 14/15.

Planning Studies

The Water Utility completed a CAP water quality study for the connections at Northern and Hardy and at the Countryside service area. The study included the evaluation of blending groundwater and CAP water to further reduce total dissolved solids and hardness.

Completed Construction Projects

Rancho Vistoso Retail Center Valve Replacement Project

The contractor removed non-operating valves at the retail center located at the entrance of the Rancho Vistoso and Oracle Road. New valves were installed and pavement repaired.

Well Flow Meter Project

Water Utility staff purchased and installed 10 new flow meters for various production wells in the Town.

Tangerine Hills Valve and Hydrant Replacement Project

The contractor installed over 30 new isolation valves, 18 fire hydrants and 200 feet of 6-inch pipe. The project was completed in the summer of 2013.

Current Construction Projects

Naranja Park Potable and Reclaim Water Project

Water Utility staff is installing 1,400 feet of 8-inch potable water main to serve the park. In addition a contractor will install 3,200 feet of 12-inch reclaim main on Naranja Road to the park entrance. Water Utility staff will then install 1,400 feet of the remaining 12-inch reclaimed water line within the park for irrigation of the fields.

Security Wall at Countryside Well CS2

Contractor is building a stucco security wall at well CS2 on Hartman lane. The existing chain link fence will be removed and new site grading and drainage will be completed.

Future Projects:

Capital improvement projects planned for FY 2014-15 include the following:

- AMI Meter Replacement Phase 3
- Relocate existing main on Naranja - DIS Road Improvement Project
- Install new Pressure Reducing Valve (PRV) on Cliff Dweller
- SCADA Legacy Equipment Replacement
- Water Main Valve Replacement Program
- Energy Efficiency Booster Station Upgrade Program
- Construct Security Wall Well C-8 (Highlands)
- W Lambert Lane 12 Inch Main Design – DIS Road Improvement
- System Connection Upgrades
- Tangerine 12 Inch Potable Main Relocation – Design
- Tangerine 24 Inch Reclaim Main Relocation – Design
- La Cholla D-E Blending Booster Station
- Countryside – CS1 to CS2 12 Inch Main Replacement

The capital projects for existing system improvements FY 2014-15 are planned to be cash funded. It is proposed that projects in future years will be cash funded and/or debt financed through loan or bond proceeds.

Please see **Appendix B** for the 15 Year Capital Project Program.

FINANCIAL HIGHLIGHTS

The Utility's revenue consists of potable and reclaimed water sales, groundwater preservation fees, miscellaneous service fees and charges, water development impact fees and interest income. The Water Utility has three funds:

- **The Operating Fund** provides funding for the Water Utility administration and operations as well as existing system improvements. The sources of revenue for this fund are water sales and service related charges.

- **The Potable Water System Development Impact Fee Fund** provides funding for expansion related projects for new growth. The source of revenue for this fund is potable water development impact fees. These fees are paid at the time a meter is purchased. The funds collected ensure that system expansion is paid for by new development.

- **The Alternative Water Resources Development Impact Fee Fund** provides funding for the development of renewable sources of water supply, specifically reclaimed water and CAP water and any infrastructure required for delivery of those resources. The sources of revenues for this fund are impact fees and Groundwater Preservation Fees (GPF). Alternative water resources development impact fees are paid by new development for that portion of renewable water supply and infrastructure attributed to new growth. The GPF is paid by existing customers for their portion of renewable water supply and related infrastructure.

The following table contains the actual revenue received for FY 2012-13 for all funds within the Utility:

Revenue Source	Amount Received
Potable Water Sales:	
Residential	$ 7,666,370
Commercial	$ 951,598
Irrigation	$ 1,035,601
Turf	$ 133,300
Construction	$ 192,388
Reclaimed Water Sales:	
Turf	$ 1,535,844
Construction	$ 888
Irrigation	$ 19,000
Misc. Service Fees & Charges	$ 635,623
Total Enterprise Fund	**$12,170,612**
Groundwater Preservation Fees	$ 2,489,520
Alternative Water Resources Development Impact Fees	$ 1,253,055
Development Impact Fees Potable Water System	$ 709,159
Interest Income (Loss)	($ 15,889)
Total All Funds for FY 2012-13	**$16,606,457**

The budgeted expenditures (excluding depreciation and amortization) for the Operating Fund are compared to the actual expenditures for FY 2012-13 in the following table:

Expenditures	Budget FY 2012-13	Actual Spent FY 2012-13	Difference Under (Over) Budget	Percentage Under (Over) Budget
Personnel	$ 2,547,470	$ 2,537,150	$ 10 ,320	.5 %
O&M	$ 6,006,851	$ 5,235,002	$ 771,849	13 %
Capital	$ 3,184,500	$ 3,028,605	$ 155,895	5 %
Totals	**$11,738,821**	**$10,800,757**	**$ 938,064**	**8 %**

The Utility's O&M expenditures were under budget as a result of not being able to purchase Groundwater Extinguishment Credits and CAGRD savings resulting from the efficient management of our water resources.

Debt Service

The following table is a summary of the outstanding debt and the next annual debt service payments (principal and interest) for all funds within the Utility:

Fund	Bond Series	Outstanding Debt As of 12/31/13	Debt Service Payments FY 2014-15	Maturity Dates of Bonds / Loans
Operating	2003	$ 0	$ 0	07/01/2019
Operating	2003	$ 0	$ 0	07/01/2028
Operating	2005	$ 1,420,650	$ 152,516	07/01/2025
Operating	2007	$14,890,300	$ 1,255,948	07/01/2026
Operating (WIFA)	2009	$ 1,868,858	$ 149,368	07/01/2029
Operating	2012	$ 4,819,674	$ 582,284	07/01/2028
Operating	2013	$ 6,355,000	$ 1,046,558	07/01/2019
Operating (WIFA)	2014	$	$ 405,961	07/01/2029
AWRDIF	2003	$ 0	$ 0	07/01/2028
AWRDIF (WIFA)	2008	$ 3,429,474	$ 316,526	07/01/2027
AWRDIF	2012	$ 8,785,169	$ 1,061,372	07/01/2028
PWSDIF	2003	$ 0	$ 0	07/01/2023
PWSDIF	2003	$ 0	$ 0	07/01/2028
PWSDIF	2012	$ 2,710,156	$ 327,424	07/01/2028
Totals		**$44,279,281**	**$ 5,297,957**	

In June 2013 the Utility refinanced the last of the 2003 bonds at a lower interest rate to reduce annual debt service payments but did not extend the term of the bonds. The Utility is financing the AMI and meter replacement project with a WIFA loan. The loan is in the amount of $5,000,000 with an interest rate of 2.652% and a 15 year term. This loan closed on January 24, 2014; therefore, no funds were drawn on the loan in 2013 resulting in no outstanding debt at December 31. The Water Utility and Finance Department will continue to review outstanding bonds to look for opportunities to reduce debt service payments.

Water Rates and Development Fees

The functions and duties of the Commission include reviewing and developing recommendations for water revenue requirements, water rates and fee structures. The Commission annually evaluates staff recommendations based on a water rates analysis to assure the recommendations meet Town policies and bond covenants. The Utility bases its financial analysis on the American Water Works Association (AWWA) Cash Needs Approach.

In 2013 the Utility hired a consultant, CH2M HILL, to perform a cost of service study and development impact fee study. The water rates analysis for 2013 was performed as part of the study. The cost of service study and water rates analysis resulted in the restructuring of the water rate design for the commercial and multifamily customer classifications by eliminating the tiers within their commodity rates. The existing tiers did not change for the residential and irrigation customer classifications. To remain revenue neutral with the new rate structure, a modest rate increase to all potable commodity rates was recommended. There were no increases to the monthly base rates or the groundwater preservation fees. The reclaimed water rates did not increase since that classification is generating sufficient revenue to meet its revenue requirements. Other fees and charges that were increased include the new development plan review fee, the construction inspection fee and the late payment fee. The Town Council approved the new rate structure and the rate increases on January 15, 2014.

To meet the state statute regarding development impact fees, CH2M HILL performed an impact fee analysis on the Utility's Alternative Water Resources Development Impact Fee and Potable Water System Development Impact Fee. The study was completed in October of 2013. The revised impact fees will be considered for adoption by the Town Council on April 2, 2014. If approved, the new impact fees will become effective on July 1, 2014. It is proposed that there will be a decrease in the Potable Water System Development Impact Fees and the Alternative Water Resources Development Impact Fees for residential, commercial and multifamily. There is a proposed increase in these fees for irrigation meters.

All current water rates, fees and charges including impact fees are available to view on the Town website at *http://www.orovalleyaz.gov/Town_Government/WaterUtility/Water_Rates_and_Fees.htm*

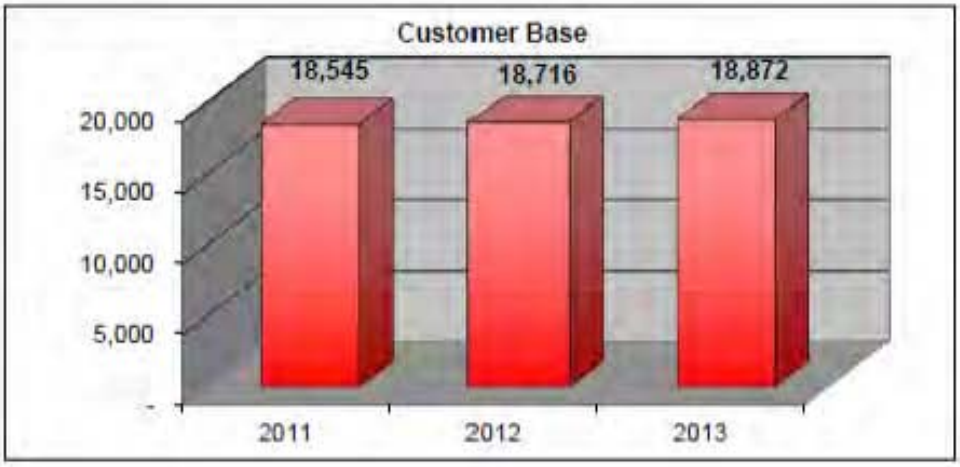
TOWN OF ORO VALLEY
WATER UTILITY COMMISSION

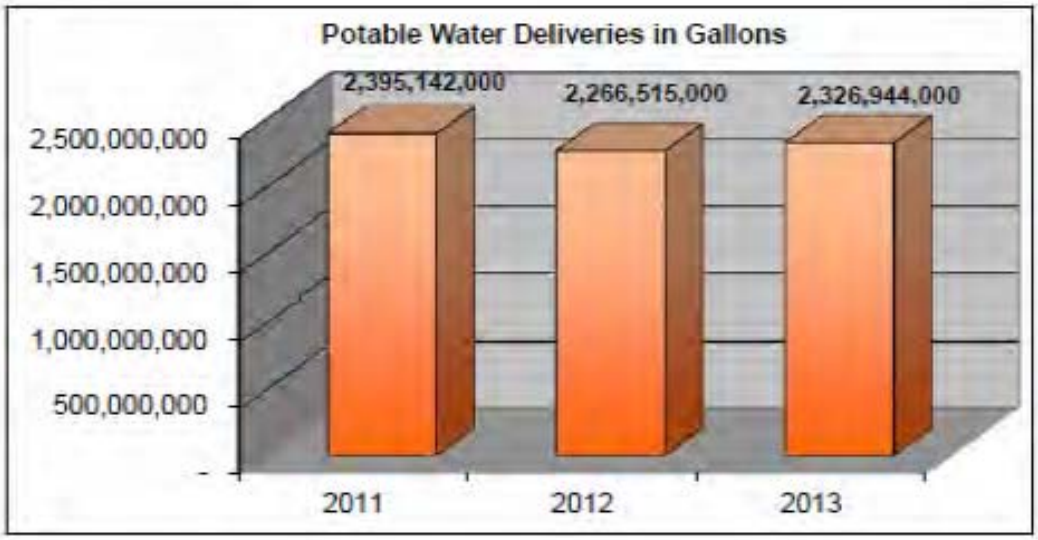
2014 ANNUAL REPORT

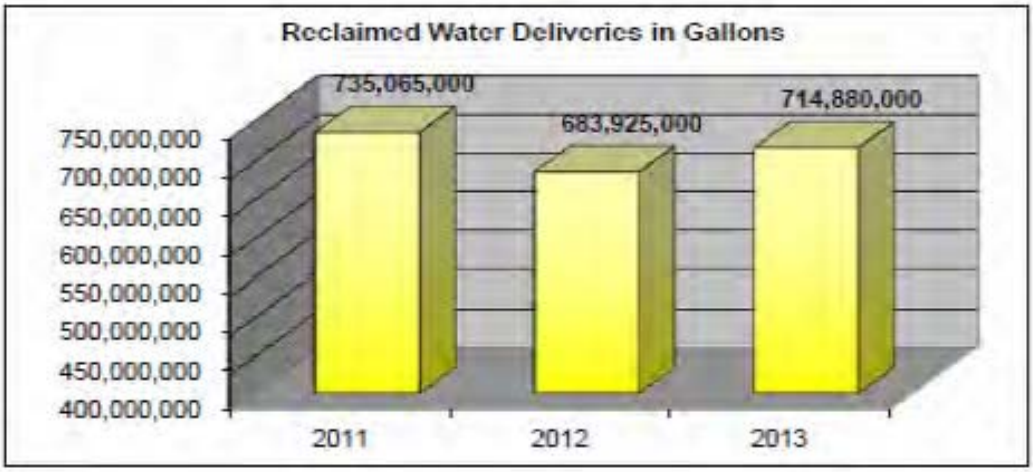
APPENDIX A

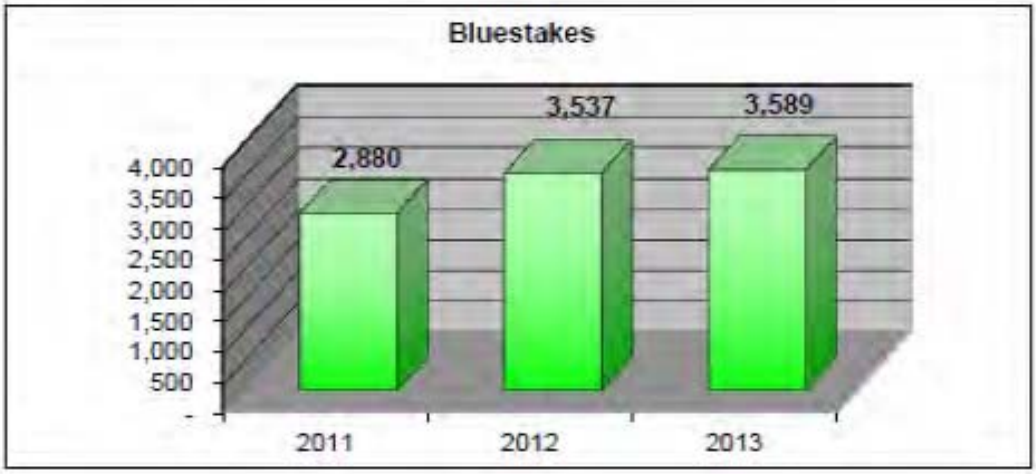
UTILITY STATISTICS

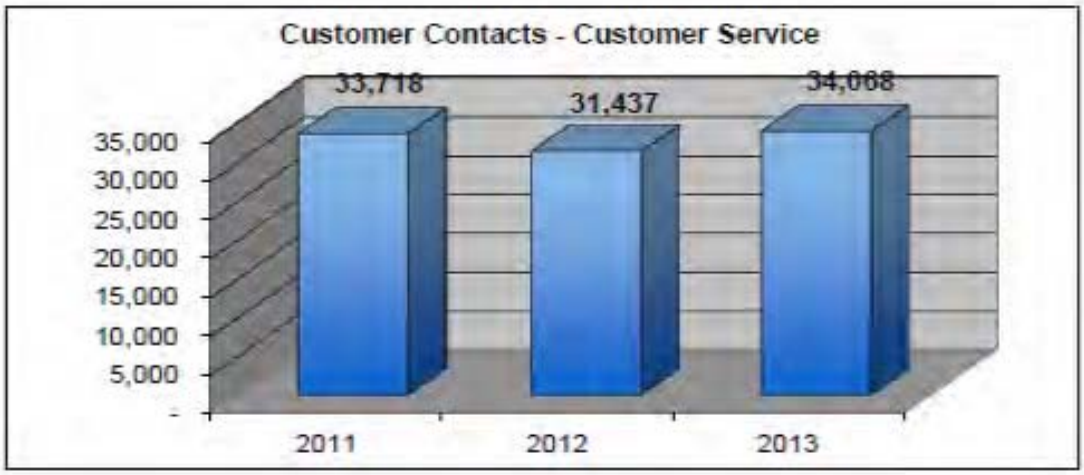
YEAR	2011	2012	2013
Customer Base	18,545	18,716	18,872
Water Deliveries in Gallons	2,395,142,000	2,266,515,000	2,326,944,000
Reclaimed Water Deliveries in Gallons	735,065,000	683,925,000	714,880,000
Bluestakes	2,880	3,537	3,589
Customer Contacts			
Customer Service	33,718	31,437	34,068
Field Operations	5,290	3,241	8,635
Water Conservation-Audits	119	143	125
Water Quality Samples	2,969	2,250	4,021
Meter Reads	219,973	222,304	224,901
Billing Collection Rate	99.83%	99.99%	99.99%

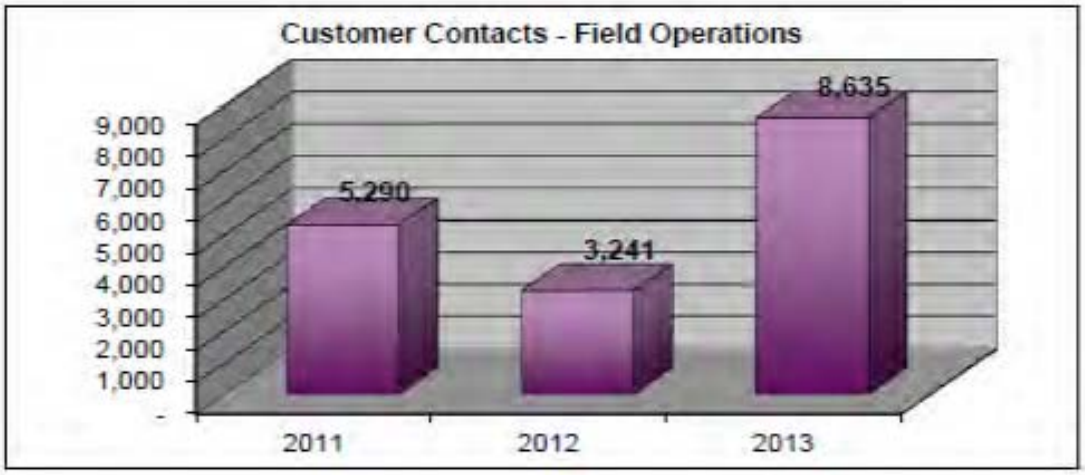


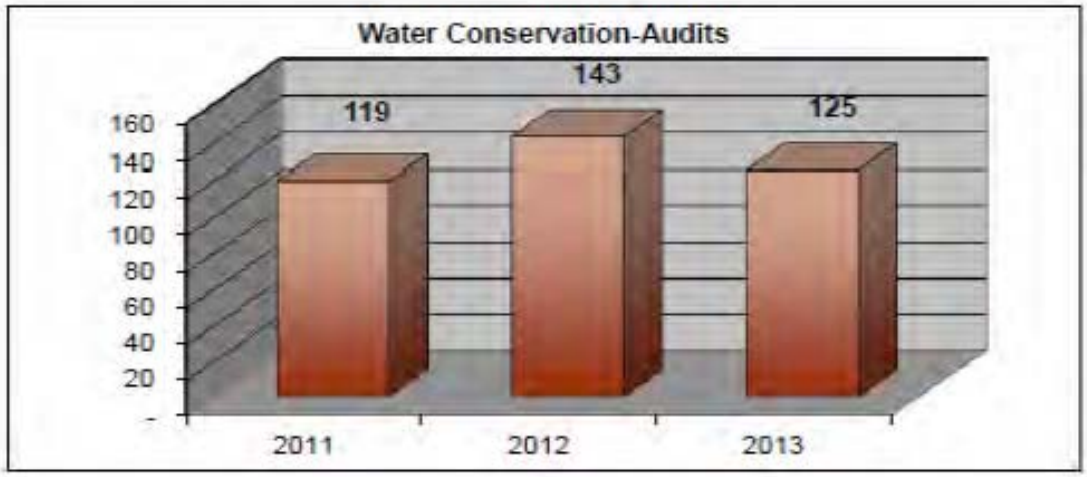

Potable Water Deliveries in Gallons
2,395,142,000
2,266,515,000
2,326,944,000
2,500,000,000
2,000,000,000
1,500,000,000
1,000,000,000
500,000,000
-
2011
2012
2013

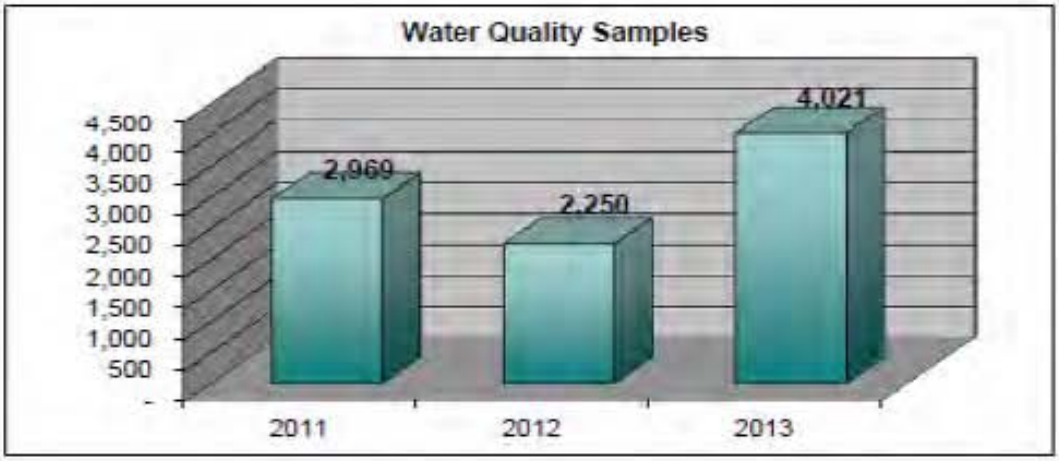

Reclaimed Water Deliveries in Gallons
735,065,000
683,925,000
714,880,000
750,000,000
700,000,000
650,000,000
600,000,000
550,000,000
500,000,000
450,000,000
400,000,000
2011
2012
2013


Bluestakes
2,880
3,537
3,589
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
-
2011
2012
2013

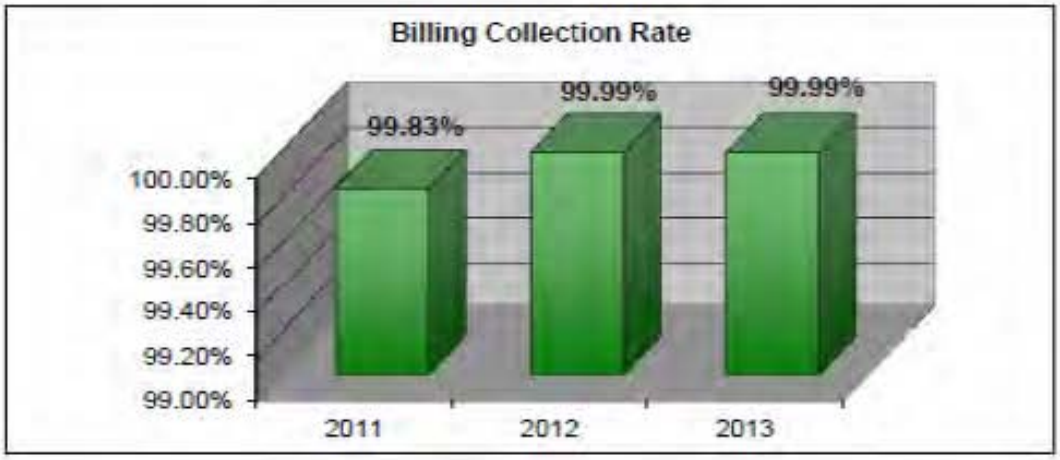

Customer Contacts - Customer Service
33,718
31,437
34,068
35,000
30,000
25,000
20,000
15,000
10,000
5,000
-
2011
2012
2013

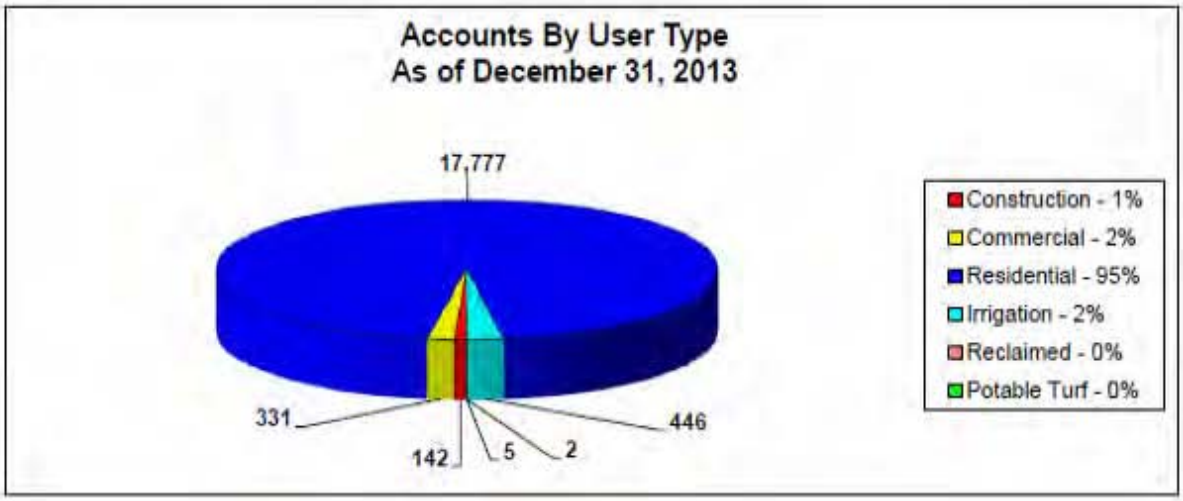

Customer Contacts - Field Operations
5,290
3,241
8,635
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
-
2011
2012
2013

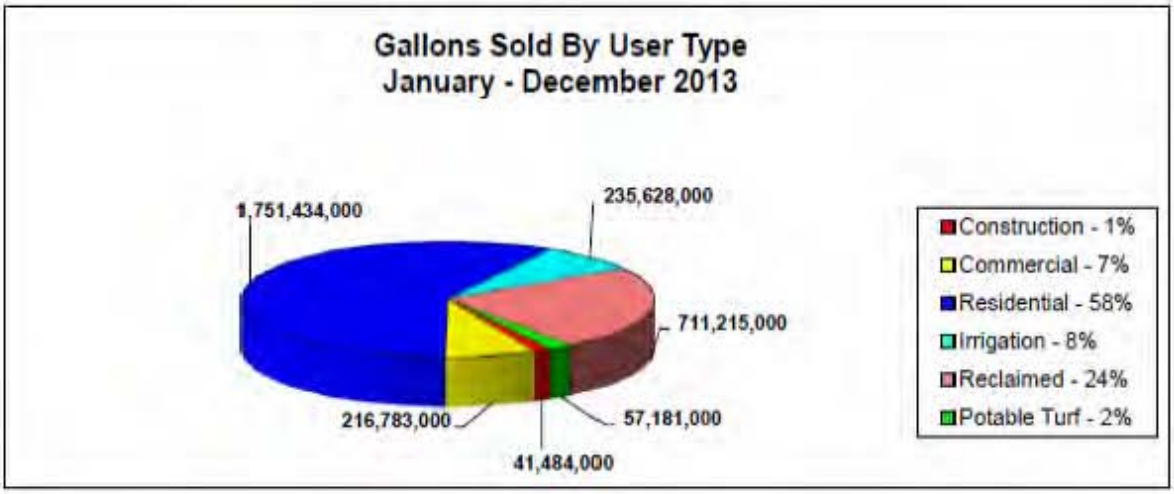

Water Conservation-Audits
119
143
125
160
140
120
100
80
60
40
20
-
2011
2012
2013

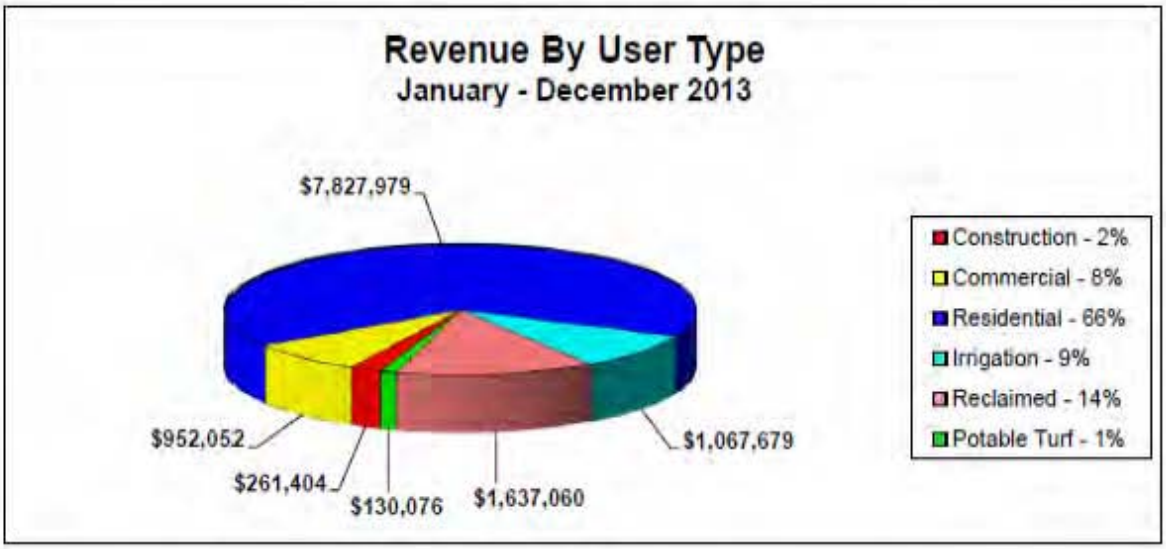

Water Quality Samples
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
-
2,969
2,250
4,021
2011
2012
2013

Meter Reads
219,973
222,304
224,901
250,000
200,000
150,000
100,000
50,000
-
2011
2012
2013


Billing Collection Rate
99.83%
99.99%
99.99%
100.00%
99.80%
99.60%
99.40%
99.20%
99.00%
2011
2012
2013


Accounts By User Type
As of December 31, 2013
17,777
331
142
5
2
446
Construction - 1%
Commercial - 2%
Residential - 95%
Irrigation - 2%
Reclaimed - 0%
Potable Turf - 0%


Gallons Sold By User Type
January - December 2013
1,751,434,000
235,628,000
711,215,000
216,783,000
41,484,000
57,181,000
Construction - 1%
Commercial - 7%
Residential - 58%
Irrigation - 8%
Reclaimed - 24%
Potable Turf - 2%


Revenue By User Type
January - December 2013
$7,827,979
$952,052
$261,404
$130,076
$1,637,060
$1,067,679
Construction - 2%
Commercial - 8%
Residential - 66%
Irrigation - 9%
Reclaimed - 14%
Potable Turf - 1%

TOWN OF ORO VALLEY
WATER UTILITY COMMISSION

2014 ANNUAL REPORT

APPENDIX B

FIFTEEN - YEAR
CAPITAL IMPROVEMENT PROGRAM

Oro Valley Water Utility
Proposed Capital Projects Program
Prepared: December 2, 2013
Revised: March 17, 2014

Water Utility Operating Fund
Existing System Improvements

Project No.	Project Name	2014-2016	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	15 YearTotal
	Wells																
1	Steam Pump Drill and Construct		$ 600,000	$ 1,000,000													$ 1,600,000
2	Steam Pump - Solar 10,000 Watt System		$ 50,000														$ 50,000
3	Well Meter Replacement								$ 200,000							$ 50,000	$ 250,000
4	Well E2 Upgrade			$ 150,000													$ 150,000
5	Replacement Wells					$ 700,000	$ 1,000,000				$ 700,000	$ 1,000,000				$ 700,000	$ 4,100,000
6	Hydropneumatic (HP) Tank Replacement		$ 60,000														$ 60,000
7	Replace Well Pumps			$ 100,000		$ 100,000		$ 100,000		$ 100,000		$ 100,000		$ 100,000		$ 100,000	$ 700,000
Subtotal		$ -	$ 710,000	$ 1,250,000	$ -	$ 800,000	$ 1,000,000	$ 100,000	$ 200,000	$ 100,000	$ 700,000	$ 1,100,000	$ -	$ 100,000	$ -	$ 850,000	$ 6,810,000
	Reservoirs																
8	El Con Storage - Operational Improvements				$ 100,000												$ 100,000
9	Reclaimed Retention Basin Liner -Rollover	$ 10,000															$ 10,000
10	Reclaimed Vault Modification - Rollover	$ 10,000															$ 10,000
11	Big Wash Reservoir Coating			$ 100,000													$ 100,000
Subtotal		$ 20,000	$ -	$ 100,000	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 220,000
	Boosters																
12	Energy Efficiency Booster Upgrades	$ 150,000	$ 150,000	$ 150,000													$ 450,000
13	Deer Run Booster PRV Installation			$ 40,000													$ 40,000
14	High Mesa E and F Zone Booster Station						$ 200,000	$ 1,000,000									$ 1,200,000
15	Deer Run D and E Zone Booster Station									$ 200,000	$ 1,300,000						$ 1,500,000
16	Replace Crimson Canyon Booster Station					$ 250,000	$ 750,000										$ 1,000,000
17	El Con Booster Station				$ 260,000												$ 260,000
18	Hydropneumatic (HP) Tank Replacement		$ 60,000														$ 60,000
19	Reclaimed Bstr. & Pump Replacements			$ 200,000													$ 200,000
Subtotal		$ 160,000	$ 210,000	$ 390,000	$ 260,000	$ 250,000	$ 950,000	$ 1,000,000	$ -	$ 200,000	$ 1,300,000	$ -	$ -	$ -	$ -	$ -	$ 4,700,000
	Mains																
20	W. Lambert Ln. 12" Main Relocation (DIS)	$ 75,000	$ 350,000														$ 425,000
21	Naranja Shannon / La Cholla Main Relocation (DI	$ 100,000															$ 100,000
22	Tangerine Shannon/ La Canada Main Relocatio	$ 75,000	$ 200,000														$ 275,000
23	Relocate 3 PRV'S OV Area			$ 100,000													$ 100,000
24	New "F to D" 6 inch PRV Cliff Dweller	$ 60,000															$ 60,000
25	Rancho Verde Hydrants			$ 200,000													$ 200,000
26	Main Valve Replacements	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000											$ 250,000
27	CS1 to CS2 12 inch Main Replacement	$ 500,000															$ 500,000
28	La Cholla -Lambert to Tangerine (RTA)							$ 100,000	$ 1,000,000								$ 1,100,000
29	24 inch Reclaim Main Tangerine (DIS) RTA	$ 100,000	$ 300,000														$ 400,000
30	El Con. Patio Homes & Casitas Main Repl.			$ 100,000	$ 1,300,000												$ 1,400,000
31	El Con Tennis Club - La Canada Main Repl.						$ 600,000										$ 600,000
32	Linda Vista Citrus Tracts Main Repl. (note 1)							$ 250,000	$ 250,000	$ 250,000							$ 750,000
33	Pusch Ridge Estates Main Repl.										$ 500,000	$ 500,000					$ 1,000,000
34	Monte Del Oro Main Repl.											$ 600,000	$ 600,000				$ 1,200,000
35	Rancho Verde Main Repl.													$ 800,000	$ 800,000		$ 1,600,000
36	Rancho Felix Main Repl.														$ 800,000		$ 800,000
37	System Connection Upgrades	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000											$ 500,000
Subtotal		$ 1,060,000	$ 1,000,000	$ 550,000	$ 1,450,000	$ 150,000	$ 600,000	$ 350,000	$ 1,250,000	$ 250,000	$ 500,000	$ 1,100,000	$ 600,000	$ 800,000	$ 1,600,000	$ -	$ 11,260,000

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Oro Valley Water Utility
Proposed Capital Projects Program
Prepared: December 2, 2013
Revised: March 17, 2014

Water Utility Operating Fund
Existing System Improvements

Project No.	Project Name	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	15 YearTotal
	Structures & Walls																
38	Security Wall - Well C-8	$ 100,000															$ 100,000
39	Security Wall at C8-2 - Rollover	$ 20,000															$ 20,000
40	Access Road and Wall Well D-6			$ 100,000													$ 100,000
41	Security Walls					$ 75,000					$ 100,000				$ 100,000		$ 275,000
Subtotal		**$ 120,000**	**$ -**	**$ 100,000**	**$ -**	**$ 75,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 100,000**	**$ -**	**$ -**	**$ -**	**$ 100,000**	**$ -**	**$ 495,000**
	Meters & Equipment																
42	AMI Meter Replacement - Oro Valley	$ 2,200,000	$ 1,800,000														$ 4,000,000
43	SCADA server and monitors					$ 50,000					$ 50,000					$ 50,000	$ 150,000
44	SCADA Legacy Replacement					$ 100,000					$ 100,000					$ 100,000	$ 300,000
45	Instrumentation Replacement								$ 250,000								$ 250,000
46	New Telephone Equipment - Rollover	$ 100,000															$ 100,000
47	Golf Course Metering Stations Modifications					$ 50,000											$ 50,000
Subtotal		**$ 2,300,000**	**$ 1,800,000**	**$ -**	**$ -**	**$ 200,000**	**$ -**	**$ -**	**$ 250,000**	**$ -**	**$ 150,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 150,000**	**$ 4,800,000**
	Vehicles																
48	Replacement Vehicles - Meter Operations		$ 70,000	$ 45,000				$ 75,000	$ 50,000				$ 80,000	$ 55,000			$ 375,000
49	Distribution Vehicles	$ 85,000		$ 70,000		$ 50,000		$ 50,000		$ 70,000		$ 80,000		$ 80,000		$ 70,000	$ 555,000
50	Production Vehicles	$ 30,000	$ 50,000		$ 70,000		$ 70,000		$ 75,000		$ 75,000		$ 50,000		$ 50,000		$ 470,000
51	Director Vehicle		$ 35,000									$ 40,000					$ 75,000
52	Pool Vehicles			$ 25,000		$ 25,000							$ 30,000		$ 30,000		$ 110,000
53	Construction Equipment - Backhoe & Trailer	$ 119,000														$ 140,000	$ 259,000
54	On Call Service Truck		$ 90,000										$ 110,000				$ 200,000
Subtotal		**$ 234,000**	**$ 245,000**	**$ 140,000**	**$ 70,000**	**$ 75,000**	**$ 70,000**	**$ 125,000**	**$ 125,000**	**$ 70,000**	**$ 75,000**	**$ 120,000**	**$ 270,000**	**$ 135,000**	**$ 80,000**	**$ 210,000**	**$ 2,044,000**
Total Existing System Improvements		**$ 3,884,000**	**$ 3,985,000**	**$ 2,530,000**	**$ 1,870,000**	**$ 1,550,000**	**$ 2,820,000**	**$ 1,675,000**	**$ 1,825,000**	**$ 820,000**	**$ 2,825,000**	**$ 2,320,000**	**$ 870,000**	**$ 1,035,000**	**$ 1,780,000**	**$ 1,210,000**	**$ 30,479,000**

Oro Valley Water Utility
Proposed Capital Projects Program
Prepared: December 2, 2013
Revised: March 17, 2014

Existing System - Reclaimed Water Improvements

Project No.	Project Name	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	15 YearTotal
	Booster Pumps																
1	New Metering Station Hilton 9-hole GC									$ 250,000							$ 250,000
Subtotal										$ 250,000							$ 250,000
	Reservoirs																
Subtotal																	$ -
	Mains																
2	12-inch Main Ext./Riverfront Park/7,000 FT.						$ 1,100,000										$ 1,100,000
3	12-inch Main Ext./Hilton 9-hole GC/2.75 Miles								$ 300,000	$ 2,900,000							$ 3,200,000
4	12-inch Main Ext./Pusch Ridge HS/5,280 FT.													$ 100,000	$ 924,000		$ 1,024,000
5	12-inch Main Ext./James Krieg Park/2,640 FT.													$ 60,000	$ 462,000		$ 622,000
Subtotal		$ -	$ -				$ 1,100,000		$ 300,000	$ 2,900,000				$ 160,000	$ 1,386,000		$ 5,846,000
Total Reclaimed Water Capital Improvements		$ -	$ -	$ -	$ -	$ -	$ 1,100,000	$ -	$ 300,000	$ 3,150,000	$ -	$ -	$ -	$ 160,000	$ 1,386,000	$ -	$ 6,096,000

Oro Valley Water Utility
Proposed Capital Projects Program
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Alternative Water Resources Development Impact Fee Fund
CAP Water Improvements

Project No.	Project Name	Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	15 Year Total
1	CAP La Cholla D-E Blending Booster Station	CAP	$ 300,000															$ 300,000
2	CAP Wheeling TW Naranja 1000 AF/Yr	CAP		$ 400,000	$ 400,000													$ 800,000
3	24" pipe Naranja/ La Cholla/Tangerine	CAP				$ 1,600,000	$ 1,200,000											$ 2,800,000
4	TW Naranja Booster Station Upgrade	CAP					$ 1,200,000											$ 1,200,000
5	E-C PRV Naranja Reservoir	CAP					$ 100,000											$ 100,000
6	TW Oasis Booster Station Upgrades	CAP			$ 30,000	$ 100,000												$ 130,000
7	TW 12" Pipe	CAP			$ 80,000	$ 800,000												$ 880,000
8	TW 16" Pipe Oasis Rd.	CAP			$ 100,000	$ 1,000,000												$ 1,100,000
																		$ -
9	Wheeling TW Naranja 600 AF/Year	CAP					$ 400,000	$ 400,000										$ 800,000
10	24" pipe La Cholla/Tangerine to La Canada	CAP							$ 2,500,000									$ 2,500,000
11	Steam Pump C-D Booster Station	CAP								$ 1,200,000								$ 1,200,000
12	Big Wash D-E Booster Station	CAP								$ 800,000								$ 800,000
13	Inlet/Outlet Mod. at Allied Signal Res.	CAP								$ 50,000								$ 50,000
																		$ -
14	5,000 AF/Year	CAP											$ 500,000					$ 500,000
15	16" pipe 1st Ave Tangerine	CAP											$ 1,500,000	$ 1,500,000	$ 700,000			$ 3,700,000
16	PRV Feed to E Zone Tangerine/La Can.	CAP												$ 50,000				$ 50,000
17	PRV Feed to E Zone Tangerine/1st Ave	CAP												$ 50,000				$ 50,000
18	E-F Booster Station La Canada Res.	CAP												1,400,000				$ 1,400,000
19	Lower Santa Cruz R&R (1,500 AFY)	CAP											$ 900,000					$ 900,000
20	3-Recovery Wells & Delivery to WTP	CAP												4,000,000	500,000			$ 4,500,000
21	Water Treatment RR, Chlorination	CAP											$ 200,000	1,200,000	1,000,000			$ 2,400,000
22	Delivery, Storage, A-C Bstr, C-E Bstr	CAP											$ 3,000,000	13,000,000	10,000,000	10,000,000		$ 36,000,000
																		$ -
	9,600 AF/Year (completion 2029-2030)	CAP																$ -
	Lower Santa Cruz R&R (4,500 AFY)	CAP																$ -
23	7 - Recovery Wells	CAP												$ 500,000	$500,000	$ 5,000,000		$ 6,000,000
24	Water Treatment and RO	CAP													$1,000,000	$ 5,000,000		$ 6,000,000
25	Concentrate Management	CAP													$3,000,000	$ 5,000,000	$ 5,000,000	$ 13,000,000
26	16" pipe Naranja/ La Cholla to Reservoir	CAP													$ 300,000	$ 2,000,000		$ 2,300,000
Total Alternative Water Capital Improvements			$ 300,000	$ 400,000	$ 610,000	$ 3,500,000	$ 2,900,000	$ 400,000	$ 2,500,000	$ 2,050,000	$ -	$ -	$ 6,100,000	$ 21,700,000	$ 17,000,000	$ 27,000,000	$ 5,000,000	$ 88,460,000

Oro Valley Water Utility
Proposed Capital Projects Program
Prepared: December 2, 2013
Revised: March 17, 2014

Potable Water System Develoment Impact Fee Fund
Expansion Related Improvements

Project No.	Project Name	Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	15 Year Total
1	Property Acquisition	Potable						$ 500,000										$ 500,000
2	Booster Station	Potable							$ 150,000	$ 300,000								$ 450,000
3	1.0 MG Reservoir	Potable							$ 150,000	$ 1,000,000	$ 500,000							$ 1,650,000
4	New 16" Pipe Main	Potable								$ 150,000	$ 1,500,000							$ 1,650,000
	Arroyo Grande State Land																	
5	N. Oracle Reservoir Property Acquisition	Potable											$ 250,000					$ 250,000
6	16" N. Oracle F-Zone Main	Potable												$ 300,000	$ 3,000,000			$ 3,300,000
7	N. Oracle 1.0MG F-Zone Reservoir	Potable													$ 250,000	$ 1,500,000	$ 1,000,000	$ 2,750,000
8	N. Oracle H-Zone Booster Station	Potable													$ 150,000	$ 600,000		$ 750,000
9	12" Sun City H-Zone Main	Potable													$ 150,000	$ 1,000,000	$ 500,000	$ 1,650,000
10	16" G-Zone Main	Potable														$ 200,000	$ 2,000,000	$ 2,200,000
11	E. Tortolita Property Acquisition	Potable													$ 250,000			$ 250,000
12	Chalk Creek Property Acquisition	Potable														$ 200,000		$ 200,000
13	E. Tortolita 2.0MG G-Zone Reservoir	Potable														$ 250,000	$ 2,000,000	$ 2,250,000
14	G-H Zone Booster Station	Potable														$ 150,000	$ 400,000	$ 550,000
15	Chalk Creek 0.5 MG H-Zone Reservoir	Potable														$ 150,000	$ 1,000,000	$ 1,150,000
16	16" H-Zone Main	Potable														$ 200,000	$ 2,000,000	$ 2,200,000
17	16" Chalk Creek H-Zone Main	Potable													$ 100,000	$ 100,000	$ 1,000,000	$ 1,200,000
	Forcast beyond 2029																	
18	State Land 0.5MG I - Zone Reservoir	Potable																
19	State Land Property Acquisition	Potable																
20	I - Zone Interconnect	Potable																
21	K&J Zone Booster Station	Potable																
Total Expansion Related Capital Improvements			$ -	$ -	$ -	$ -	$ -	$ 500,000	$ 300,000	$ 1,450,000	$ 2,000,000	$ -	$ 250,000	$ 300,000	$ 3,900,000	$ 4,350,000	$ 9,900,000	$ 22,950,000

Town Council Regular Session **Item # 6.**

Meeting Date: 04/02/2014

Requested by: Stacey Lemos **Submitted By:** Stacey Lemos, Finance

Department: Finance

Information

SUBJECT:

PUBLIC HEARING: LOCAL ALTERNATIVE EXPENDITURE LIMITATION ELECTION (HOME RULE OPTION)

RECOMMENDATION:

There is no formal action required at this public hearing.

EXECUTIVE SUMMARY:

Every four years, the Town is required to request voter approval for the extension of the Town's alternative expenditure limitation or "Home Rule Option." This measure was last approved by the voters in 2010, and will be placed on the upcoming August 26, 2014, Primary Election ballot for reapproval.

Provisions of the Arizona State Constitution and Arizona Revised Statutes impose an annual expenditure limitation, or spending cap, on Arizona cities and towns, including the Town of Oro Valley. The state-imposed expenditure limitation is a formula that uses actual payments of local revenues for FY 1979-80 as the spending base limit and adjusts the limit annually based on population growth and inflation. Article IX of the Arizona Constitution allows a city or town to adopt a local alternative expenditure limitation, or Home Rule Option, with the approval of a majority of the qualified voters of the community. The Home Rule Option allows a community to determine locally what its annual spending limits will be, rather than following the formula-based limit imposed by the State of Arizona.

BACKGROUND OR DETAILED INFORMATION:

The Town of Oro Valley has successfully received voter approval of the local alternative expenditure limitation election (Home Rule Option) since state-enactment of the annual expenditure limitation in June 1980. The option must be submitted to the voters every four years if the community wishes to continue with Home Rule. Voter approval was obtained in 1982, 1986, 1990, 1994, 1998, 2002, 2006 and 2010.

Historically, the state-imposed expenditure limitation formula has yielded a spending limitation or cap that is significantly lower than the amount of revenues the Town receives on an annual basis. The Town of Oro Valley's revenues and other financing sources for fiscal years 2015-16 through 2018-19, along with the state-imposed expenditure limitation, have been estimated and are summarized below:

Fiscal Year	Estimated Revenues	Expenditure Limitation	Difference
2015-2016	$112,766,507	$42,350,538	$70,415,969
2016-2017	$114,460,028	$43,047,883	$71,412,145
2017-2018	$109,084,068	$36,773,075	$72,310,993
2018-2019	$111,612,381	$40,375,788	$71,236,593

Without voter approval of the Home Rule Option on August 26, 2014, the Town would be limited to spending the state-imposed amounts, even though revenues and other financing sources are estimated to exceed the limits by the differences indicated in the last column of the table. The Town would have to drastically cut services if the Home Rule Option fails to receive voter approval. Meanwhile, the Town's existing revenues would continue to be collected from its various sources and would not be able to be spent on the delivery of services to the community. If the Home Rule Option is not approved at the August 2014 election, no new expenditure limitation election may be held for at least two years.

Tonight is the first public hearing on the proposed Home Rule Option and no formal action is required by Council at this evening's meeting. The second public hearing is scheduled for April 16, 2014, and at that meeting, the Town Council will be asked to act on a resolution that would allow for the Home Rule Option to be referred to the voters of the Town of Oro Valley at the August 26, 2014, Primary election. An affirmative vote of two-thirds (2/3) of the Town Council (5 votes) must be received to place the question on the ballot.

The documents attached to this communication are required to be completed, reviewed and approved by the Auditor General's office in preparation for the Home Rule Option election. A publicity pamphlet must also be prepared for the Home Rule Option election which will need to be reviewed and approved by the Auditor General's office. The contents of the pamphlet are specified in state law and include the Summary Analysis (Attachment 2).

Starting in June, staff plans to conduct a public outreach campaign to educate the community on this ballot question.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

N/A

Attachments

Summary Analysis Worksheet

Summary Analysis

Detailed Analysis

ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
SUMMARY ANALYSIS WORKSHEET

POPULATION FACTOR COMPUTATION

Fiscal Year	Prior Fiscal Year Population	/	1978 Population	=	Population Factor
2015-2016	42,000	/	1,475	=	28.474576
2016-2017	42,400	/	1,475	=	28.745763
2017-2018	42,800	/	1,475	=	29.016949
2018-2019	43,300	/	1,475	=	29.355932

STATE-IMPOSED EXPENDITURE LIMITATION

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Projected State Imposed Expenditure Limitation	+	Estimated Exclusions
2015-2016	$ 272,317	x	28.474576	x	2.8754	=	$ 22,296,171	+	$ 20,054,367
2016-2017	$ 272,317	x	28.745763	x	2.9246	=	$ 22,893,651	+	$ 20,154,232
2017-2018	$ 272,317	x	29.016949	x	2.9758	=	$ 23,514,202	+	$ 13,258,873
2018-2019	$ 272,317	x	29.355932	x	3.0251	=	$ 24,183,011	+	$ 16,192,777

Total Expenditures Under State-Imposed Limit	
$	42,350,538
$	43,047,883
$	36,773,075
$	40,375,788

ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)

SUMMARY ANALYSIS

The voters of the Town of Oro Valley in 1982, 1986, 1990, 1994, 1998, 2002, 2006 and 2010 adopted an alternative expenditure limitation (Home Rule Option). The purpose of this election is for the continued use of the Home Rule Option.

Pursuant to the Arizona State Constitution, the Town of Oro Valley seeks voter approval to adopt a Home Rule Option to apply to the town for the next four years beginning in 2015-2016. Under a Home Rule Option if approved by the voters, the town estimates it will be allowed to expend approximately $112,766,507 in 2015-2016, $114,460,028 in 2016-2017, $109,084,068 in 2017-2018 and $111,612,381 in 2018-2019.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including Public Safety, Streets and Roads Maintenance, Development Services, Transit Services, Parks and Recreation, Tourism and Economic Development, Water Utility, Magistrate Court, Stormwater Utility, Administration, Capital Improvement Projects, Municipal Debt Service and Contingency Reserves.

Under the state-imposed limitation, the town estimates it will be allowed to expend approximately $42,350,538 in 2015-2016, $43,047,883 in 2016-2017, $36,773,075 in 2017-2018 and $40,375,788 in 2018-2019 for the operation of your local government. These expenditures include expenditures of constitutionally excludable revenues.

The amount of revenue estimated to be available to fund the operation of your town government is $112,766,507 in 2015-2016, $114,460,028 in 2016-2017, $109,084,068 in 2017-2018 and $111,612,381 in 2018-2019. These revenue estimates are the same under the Home Rule Option or the state-imposed expenditure limitation. The Town of Oro Valley has no local property tax.

Any and all dollar figures presented in this summary are estimates only and are based upon information available at the time of preparation of this analysis. The budget and actual expenditures in any of the four years may be more or less than the expenditures noted above depending on available revenue.

If no alternative expenditure limitation is approved, the state-imposed expenditure limitation will apply to the town.

ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
DETAILED ANALYSIS

Pursuant to the Arizona State Constitution, the Town of Oro Valley as authorized by Resolution No. (R)14-_____ passed on April 16, 2014 will seek voter approval to adopt an alternative expenditure limitation (Home Rule Option) to apply to the Town for the next four years beginning in 2015-2016.

Under a Home Rule Option if approved by the voters, the town estimates it will be allowed to expend approximately $112,766,507 in 2015-2016, $114,460,028 in 2016-2017, $109,084,068 in 2017-2018 and $111,612,381 in 2018-2019.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including Public Safety, Streets and Roads Maintenance, Development Services, Transit Services, Parks and Recreation, Tourism and Economic Development, Water Utility, Magistrate Court, Stormwater Utility, Administration, Capital Improvement Projects, Municipal Debt Service and Contingency Reserves. We estimate that the expenditures for the next four years under the Home Rule Option will be as follows:

ESTIMATED AMOUNTS TO BE EXPENDED IN SPECIFIC AREAS

Purpose	**2015-2016**	**2016-2017**	**2017-2018**	**2018-2019**
Public Safety	$14,861,206	$15,439,859	$16,026,674	$16,634,710
Streets & Roads	4,258,386	4,008,437	4,258,441	4,343,610
Development Services	4,214,824	4,299,897	4,470,682	4,647,451
Transit Services	1,516,697	1,547,031	1,577,972	1,609,531
Parks & Recreation	2,333,562	2,412,940	2,500,346	2,591,002
Tourism & Economic Development	941,961	950,148	963,087	982,349
Water Utility	15,734,184	15,232,267	12,840,879	13,097,697
Magistrate Court	809,401	839,519	870,962	903,788
Stormwater Utility	991,479	925,676	944,190	963,073
Administration	8,660,457	8,988,791	9,153,710	9,535,908
Capital Projects	6,417,000	7,154,000	4,075,000	7,434,000
Municipal Debt Service	6,209,456	6,208,539	6,198,945	6,209,693
Contingency Reserves	45,817,894	46,452,924	45,203,180	42,659,569
Total Expenditures	**$ 112,766,507**	**$ 114,460,028**	**$ 109,084,068**	**$ 111,612,381**

If approved, the expenditures authorized will be funded from revenues obtained from federal, state and local sources. It is estimated that the amount of revenue from each source for the next four years will be as follows:

ESTIMATED AMOUNTS OF REVENUE FROM EACH AND ANY SOURCE

Source	**2015-2016**	**2016-2017**	**2017-2018**	**2018-2019**
Federal	$670,000	$670,000	$670,000	$670,000
State	20,820,198	21,172,674	14,490,622	17,623,871
Local	91,276,309	92,617,354	93,923,446	93,318,510
Total Revenues	**$ 112,766,507**	**$ 114,460,028**	**$ 109,084,068**	**$ 111,612,381**

The Town of Oro Valley has no local property tax.

In determining the revenue sources to fund the authorized additional expenditures under the alternative expenditure limitation, it is assumed that the federal, state and local revenues received by the town will continue to be available in 2015-2016 as they have for the past four years. Their continued availability is also assumed for the next three consecutive years following 2015-2016.

Any and all dollar figures in this analysis are estimated figures only and are based upon information available at the time of preparation of this report. The budget and actual expenditures in any given year may be more or less than the figures noted above depending on available revenues. The actual expenditure limitation for each fiscal year shall be adopted as an integral part of the budget for that fiscal year.

Town Council Regular Session **Item # 7.**

Meeting Date: 04/02/2014

Requested by: Ron Corbin **Submitted By:** Ron Corbin, Human Resources

Department: Human Resources

Information

SUBJECT:

RESOLUTION NO. (R)14-19, TO CONSIDER IN WHOLE OR IN PART THESE ITEMS, REPEALING AND REPLACING PERSONNEL POLICIES 2, DEFINITIONS OF TERMS; 9, PROBATIONARY PERIODS; 10, ATTENDANCE AND LEAVES; 11, DISCIPLINE; 16, NEPOTISM; 23, DRUG FREE WORKPLACE; 26, COMPUTER USAGE; E-MAIL USE, RETENTION, & STORAGE; AND INTERNET POLICY; AND, 29, CONFLICT OF INTEREST
(Agenda item title and communication updated on 3/27/14 at 9:00 a.m.)

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

These recommended personnel policy changes are the same changes presented to Town Council at the January 15, 2014, Council meeting, except for one change. In Policy 10, Attendance and Leaves, the section on administrative leave was changed to only state: " *Administrative leave with pay may be granted to Town employees by the Town Manager."* The requirement that requests for 10 days or more of administrative leave go to Town Council was removed.

The changes presented in this agenda item do not include any change that would affect the way overtime is calculated. There was early discussion to change the language in policy 10 so that it was clear that time off, including vacation, comp time, and sick time, could not be used to create 40 hours of worked time which must occur before any overtime is created. Instead, the overtime issue was discussed with the public safety employee group during negotiations. No agreement was reached.

Their are three options in addressing overtime.

Option 1 - No change from current practice or policy. This is what is included in this agenda packet.

Option 2 - Change the policy so that only time spent actually working is used to create overtime. To do this the following change must be made:

-add "10-14 TIME OFF & OVERTIME, Time off, including but not limited to vacation, sick, comp, and bereavement leave, may not be used to create compensation beyond forty (40) hours in any one week." to Personnel Policy 10.

Option 3 - Change the policy so that vacation is used in the calculation of overtime but no other leave type is used. To make this change, the following must be added to Personnel Policy 10:

-add "10-14 TIME OFF & OVERTIME, A. Vacation time, holidays and comp time may be used to create compensation beyond forty 40 hours in any one week." to Personnel Policy 10.

-add "10-14 TIME OFF & OVERTIME, B. All other paid time off, including but not limited to sick and

bereavement time, may not be used to create compensation beyond forty (40) hours in any one week." to Personnel Policy 10.

Staff recommends the adoption of Option 3.

The remainder of the executive summary is the same summary found in the January 15, 2014, agenda packet for the policy changes.

These personnel policy changes are needed for several reasons, including changes in Federal and State law, outdated current policies, formatting that is hard to read and reference, and the need to implement best practices in the management of the Town.

This packet of personnel policy changes was created by first reviewing the legal landscape of employment law, including Federal and State statutes, administrative regulations and the Court's opinion of those laws and regulations. Based on this review, HR is recommending several legal updates to the Town's policies. Two examples include adding Military Care Giver Leave to the Family Medical leave Act section of the leave policy, and fixing the policy on Worker's Compensation so employees understand when and if their retirement is effected by their time off from work.

Other policy changes are being recommended as a result of employees and managers bringing their concerns to HR. One example of this type of change is the expansion of immediate family to include domestic partners and the children of domestic partners. This change will allow employees to use sick leave to care for their domestic partner or their children regardless of where the loved one lives.

Regardless of where the idea for change started, the ideas were reviewed with the Town's leadership team, managers, and employees. HR also held management meetings, one-on-one meetings with employees, and department meetings where these policies where discussed. In addition, HR sought email input from all employees and those comments and suggestions are included in the Council's packet. Many of these changes were incorporated into the recommended policy. The addition of foster children in the definition of immediate family is one such example.

The end result is a solid compilation of recommended personnel polices which have been vetted through the Town's leadership, management staff, supervisors, and employees.

BACKGROUND OR DETAILED INFORMATION:

All of this background information is the same information presented in the January 15, 2014, agenda item.

Town of Oro Valley Personnel Policy 3, General Provisions, states that changes to personnel policies are made by the Town Council through the Town Manager. Staff is recommending several changes to policies 2, 9, 10, 11, 16, 23, 26, and 29. Listed below are the major changes that are being recommended.

Policy 2: Definitions of Terms

- Several definitions were moved from individual chapters of the rules to this central location.
- Immediate Family Member (non-FMLA) is defined: An employee's spouse, child(ren), adopted child(ren), step child(ren), or child(ren) of a domestic partner, parent, grandparent, grandchild, current in-laws, brother, sister, domestic partner, or parent surrogate.
- Introductory Employee is changed to Initial Probationary Employee.
- Part-time Employee is changed to reflect the three different types of part-time employees that the Town employs, including those with and without benefits.

Policy 9: Probationary Periods

- Introductory Period was replaced with Probationary Period.

Policy 10: Attendance and Leaves

10.1 Annual Leave:

- Clarifies that employees must be in a paid status to accrue leave.
- Clarifies that the Department Director has the authority to approve, deny, or cancel a leave request.
- Maximum accrual may be passed with permission of Department Director, HR Director, and Town Manager.

10.2 Sick Leave:

- Defines the reasons an employee may use sick leave.
- Enables an employee to change annual leave to sick leave when appropriate.
- Clarifies that sick leave can be denied by a supervisor if appropriate.
- Requires that Human Resources be notified of multiple day absences to review for FMLA or ADAAA issues.
- Prevents the use of sick leave immediately prior to any separation from Town employment.
- Allows for medical verification for sick leave where appropriate, but no requirement of a diagnosis.

10.5 Unauthorized Leave:

- Defines job abandonment as missing three consecutive days of work without permission.

10.7 Workers' Compensation (WC):

- Clarifies that leave balances do not change while an employee is out on WC leave.
- Describes how WC works with the two different retirement systems as defined by statute.

10.9 Bereavement Leave:

- Allows for 5 days of leave for the death of any immediate family member as opposed to 3 days for in-state relatives and 5 days for out of state relatives.

10.3 Leave Donations:

- Creates a restriction on the amount of leave that can be donated: 40 hours of annual leave per year; or 80 hours of sick leave (if the employee has over 480 sick hours in their sick bank).
- Clarifies that an employee must be on FMLA in order to qualify for leave donations (currently it is up to the Department Director).

Policy 11: Discipline

- Creates 2 categories of discipline: Informal and Formal.
- Changes Probationary Period to a Performance Improvement Plan.
- Removes the written reprimand from the appeals and notice rules.
- Clarifies the rights and responsibilities during an investigative interview of employees.
- Clarifies the steps and rights of a pre-action meeting.
- Changes the grievance process to an appeals process.
- Removes the forms from the personnel policy.

Policy 16: Nepotism

- Department Director was added to the list of individuals who may not hire relatives.
- HR will review applications to ensure that the appearance of nepotism or favoritism does not occur when applicants are selected for interviews or hire.
- Employees would no longer be able to intervene in any manner in the selection of a family member for employment.

Policy 23: Drug Free Workplace

- Added a clause allowing the exchange of closed containers of alcohol for gifts.

Policy 26: Computer Usage; E-Mail Use, Retention, & Storage; and Internet Policy

- Added a section limiting the storage of email to 6 months only.

Policy 29: Conflict of Interest

- Clarifies that employees may not be members of political committees, officers of partisan political committees or nominees for paid elective office for Oro Valley municipal elections.
- Clarifies that employees in their personal capacity may express opinions, attend meetings (not in uniform), vote, sign nomination or recall petitions and advocate for election or defeat of candidates.

Electronic Version Differs from Hard Copies

Two minor changes were made to the hard copies that were distributed to Council on December 6, 2013. These changes are now included in electronic version. These changes are:

Personnel Policy 10.6 – Observed Holidays
B. Holiday Pay
3. Employees whose regularly scheduled day-off falls on an observed Town holiday ~~will~~ may receive a different day off during that same week as their holiday unless required to work. (**The word "will" was changed to "may". This better reflects current practice for those departments who work 10 hour shifts.**)
D. Holidays Worked
If an eligible employee is required to work on an observed holiday, the employee will receive the employee's normal rate of pay for their usual shift, plus holiday pay, plus regular overtime pay if required for any hours ~~actually worked~~ over 40 in that workweek. (**The phrase "actually worked" was removed because they are not included in our current rule and this change is not being recommended**)

FISCAL IMPACT:

The proposed personnel policy changes are not expected to have any significant fiscal impact on any one department or employee.

SUGGESTED MOTION:

I MOVE to (adopt or deny) Resolution No. (R)14-19, repealing and replacing Personnel Policies, 2, 9, 10, 11, 16, 23, 26, and 29.

Attachments

R14-19 Amending OV Personnel Policies Manual
Policy 2
2-Boldstrikethrough
Policy 9
9-Boldstrikethrough
Policy 10
10-Boldstrikethrough
Policy 11
11-Boldstrikethrough
Policy 16
16-Boldstrikethrough
Polic 23
23-Boldstrikethrough

Policy 26
26-Boldstrikethrough
Policy 29
29-Boldstrikethrough

RESOLUTION NO. (R)14-19

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, ADOPTING CHANGES TO THE TOWN OF ORO VALLEY PERSONNEL POLICIES AND PROCEDURES MANUAL

WHEREAS, pursuant to Section 3-3-1 of the Oro Valley Town Code, the Town Council is empowered to create a personnel system which applies to all Town employees except elected officials; and

WHEREAS, Section 3-3-2 of the Oro Valley Town Code provides that the Town Council may adopt, by resolution, rules and regulations pertaining to employment with the Town; and

WHEREAS, on May 16, 2007 the Town Council adopted Resolution No. (R)07-60, "The Town of Oro Valley Personnel Policies and Procedures Manual"; and

WHEREAS, it has become necessary to update the following policies: Policy 2 "Definitions of Terms"; Policy 9 "Probationary Periods"; Policy 10 "Attendance and Leaves"; Policy 11 "Discipline"; Policy 16 "Nepotism"; Policy 23 "Drug Free Workplace"; Policy 26 "Computer Usage, E-Mail and Internet Policy"; and Policy 29 "Conflict of Interest"(attached as Exhibit A).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, Arizona, to adopt the changes to the Town of Oro Valley Personnel Policies and Procedures Manual attached hereto as Exhibit "A".

BE IT FURTHER RESOLVED that if any portion of the manual is found to not be enforceable by a court of competent jurisdiction, that portion shall be declared severable, and the remainder of the manual will remain in full force and effect.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona, this 2nd day of April, 2014.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Sidles, Legal Services Director

Date: _____

2.1 DEFINITION OF TERMS

A. The following terms, whenever used in these policies, shall be defined as follows:

1. Anniversary Date: The annual recurrence of the date that an individual commenced employment in a position with the Town of Oro Valley.

2. Annual Leave: Time off with pay granted to the employee at the convenience of the Town in recognition of service and the employee's need for an annual period of rest and recreation.

3. Annual Leave Carry Over: Annual leave carried over from the one fiscal year to the following year, not to exceed the amount an employee would earn in 18 months of services.

4. Appointment: The acceptance of an authorized offer of a position with the Town of Oro Valley pursuant to these Personnel Policies and Procedures.

5. Appointing Authority: The Town Manager or other persons authorized by the Town of Oro Valley to make employment decisions.

6. AWOL: Absent without leave, an unpaid leave, non-approved leave.

7. Benefit Eligible Employee: An employee who holds a regular (not temporary or seasonal) position with the Town, and who is regularly scheduled to work at least 20 hours per week.

8. Bereavement Leave: Leave taken upon the death of an immediate family member.

9. Classification: All positions sufficiently similar in duties, authority, and responsibility to permit grouping under a common title and with the application of common standards of selection, transfer, promotion, and compensation.

10. Compensatory Time: Leave time accrued at one and one-half hours for every hour worked over forty (40) hours during the employee's work week. Time off given in lieu of monetary payment for overtime worked.

11. Demotion: The movement of an employee from a position in one classification to a position in another classification having a lower maximum rate of pay.

12. Department Head: Those officers or employees who are appointed or employed as the principal employee of a department for the discharge of duties provided by law or of particular delegated functions.

13. Disciplinary Action: Written reprimand, demotion, suspension, reduction in pay/position or discharge imposed for just cause.

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14. Employee: Any person employed by the Town for wages and or salary for a particular position as defined in the classification system established by the Town of Oro Valley.

15. Examination: A selection test or test procedure for a particular classification which is open to all persons meeting the qualifications for the position.

16. Exempt Employee: Employees classified as Executive, Administrative or Professional or such other position as may be determined by the tests included in the Fair Labor Standards Act (FLSA). Job Classifications are determined to be exempt or non-exempt according to the FLSA.

17. Full-Time Employee: An employee who is hired by the Town on the basis of working at least **thirty-two (32)** hours per week.

18. Grievance Procedures: A procedure which permits employees the right to grieve decisions significantly affecting their employment.

19. Immediate family member (non-FMLA): An employee's spouse, child(ren), adopted child(ren), step child(ren), or child(ren) of a domestic partner, foster child(ren), parent, grandparent, grandchild, current in-laws, brother, sister, domestic partner, or parent surrogate.

20. Merit Increase: A salary increase which may be granted to an employee based upon past performance over a period of time.

21. Overtime Work: Authorized time worked by a non-exempt employee in excess of 40 hours per work week, as defined by State and Federal law.

22. Part-time benefit eligible employee: An employee who is hired by the Town to work twenty (20) or more hours per week but less than thirty-two (32) hours, although there may be occasional instances in which a part-time employee may work more hours in a given workweek.

23. Part-time, regular, non-benefit eligible employee: An employee who is hired by the Town to work a consistent schedule of nineteen (19) hours or less per week, although there may be occasional instances in which a part-time employee may work more hours in a given workweek.

24. Part-time, at-will non-benefit eligible: An employee who is hired by the Town on the basis of an unpredictable shift schedule of nineteen (19) hours or less per week, although there may be occasional instances in which a part-time employee may work more hours in a given workweek. An employee with this employment status has no guarantee of hours at any time.

25. Performance Appraisal: Written evaluations of an employee's work given prior to the completion of the introductory period, and annually on or around the anniversary review date.

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26. Position: An aggregation of tasks and responsibilities requiring the services of a person.

27. Probationary Evaluation Period: A period of time during which new or promotional employees are required to demonstrate their suitability in their position by actual performance of the duties required. The introductory period will last twelve (12) full calendar months for police officers and six (6) full calendar months for all other full-time employees. The introductory period for part-time employees shall be nine (9) full months.

28. Probationary Period: A period of time, normally due to an inability or unwillingness to meet the conduct or performance expectations of the job, during which employees are required to demonstrate their suitability in their position by actual performance of the duties required. The probationary period will normally be no less than 30-days and no more than 6-months.

29. Promotion: The movement of an employee from a position in one classification to a position in another classification having a higher maximum rate of pay.

30. Rate of Pay: The employee's hourly rate of pay calculated by dividing his/her annual salary by the number of hours associated with the position.

31. Sick Leave: Time off with pay granted to qualified employees by the Town in the event of illness or medical treatment.

32. Suspension: The temporary removal of an employee from their position with or without pay for disciplinary or administrative purposes for a specified period of time.

33. Temporary Employee: An employee hired on a provisional, temporary basis for periods not to exceed three (3) full calendar months or for longer periods of employment such as approved by the Town Council during the budget process, in order to provide necessary public service or when a short-term increase in workload requires additional employees. The appointment may be extended for up to an additional three (3) months upon authorization by the Town Manager. Seasonal employees are considered temporary employees for pay and benefits purposes and their employment is normally terminated at the end of the seasonal assignment, although their status may be reactivated as needed each season.

34. Termination: The separation of an employee from employment by any means other than retirement whether it be voluntary (resignation) or involuntary (dismissal).

35. Transfer: A change of an employee from one position to another position having the same maximum rate of pay.

36. Verbal Reprimand: A verbal warning which personally informs an employee that his/her performance or behavior is unsatisfactory.

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37. Working Days: Monday thru Friday, 8 a.m. – 5 p.m. Holidays recognized by the Town of Oro Valley are not considered working days.

38. Work Week: For most non-police employees, the work week shall commence on Monday and shall end on Friday and normal working hours shall consist of 8.0 hour days with a one hour lunch period, unless otherwise approved by the Department Head. For Police Department employees, the work week will remain flexible (and assigned by Department management) to best meet the needs of the Town.

39. Written Reprimand: A written warning giving formal notice to an employee of unsatisfactory performance.

40. Years of Service: Total length of time an employee has been directly employed by the Town of Oro Valley.

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2.1 DEFINITION OF TERMS

A. The following terms, whenever used in these policies, shall be defined as follows:

1. Anniversary Date: The annual recurrence of the date that an individual commenced employment in a position with the Town of Oro Valley.

2. Annual Leave: Time off with pay granted to the employee at the convenience of the Town in recognition of service and the employee's need for an annual period of rest and recreation.

3. ANNUAL LEAVE CARRY OVER: ANNUAL LEAVE CARRIED OVER FROM ONE FISCAL YEAR TO THE FOLLOWING YEAR, NOT TO EXCEED THE AMOUNT AN EMPLOYEE WOULD EARN IN 18 MONTHS OF SERVICE.

4. Appointment: The acceptance of an authorized offer of a position with the Town of Oro Valley pursuant to these Personnel Policies and Procedures.

5. APPOINTING AUTHORITY: THE TOWN MANAGER OR OTHER PERSONS AUTHORIZED BY THE TOWN OF ORO VALLEY TO MAKE EMPLOYMENT DECISIONS.

6. AWOL: ABSENT WITHOUT LEAVE, AN UNPAID LEAVE, NON-APPROVED LEAVE.

7. Benefit Eligible Employee: An employee who holds a regular (not temporary or seasonal) position with the Town, and who is regularly scheduled to work at least 20 hours per week.

8. BEREAVEMENT LEAVE: LEAVE TAKEN UPON THE DEATH OF AN IMMEDIATE FAMILY MEMBER.

9. Classification: All positions sufficiently similar in duties, authority, and responsibility to permit grouping under a common title and with the application of common standards of selection, transfer, promotion, and compensation.

10. Compensatory Time: **LEAVE TIME ACCRUED AT ONE AND ONE-HALF HOURS FOR EVERY HOUR WORKED OVER FORTY (40) HOURS DURING THE EMPLOYEE'S WORK WEEK.** Time off given in lieu of monetary payment for overtime worked.

11. Demotion: The movement of an employee from a position in one classification to a position in another classification having a lower maximum rate of pay.

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12. Department Head: Those officers or employees who are appointed or employed as the principal employee of a department for the discharge of duties provided by law or of particular delegated functions.

13. DISCIPLINARY ACTION: WRITTEN REPRIMAND, DEMOTION, SUSPENSION, REDUCTION IN PAY/POSITION OR DISCHARGE IMPOSED FOR JUST CAUSE.

14. Employee: Any person employed by the Town for wages and or salary for a particular position as defined in the classification system established by the Town of Oro Valley.

15. Examination: A selection test or test procedure for a particular classification which is open to all persons meeting the qualifications for the position.

16. Exempt Employee: Employees classified as Executive, Administrative or Professional or such other position as may be determined by the tests included in the Fair Labor Standards Act (FLSA). Job Classifications are determined to be exempt or non-exempt according to the FLSA.

17. Full-Time Employee: An employee who is hired by the Town on the basis of working at least **thirty-two (32)** hours per week.

18. Grievance Procedures: A procedure which permits employees the right to grieve decisions significantly affecting their employment.

19. IMMEDIATE FAMILY MEMBER (NON-FMLA): AN EMPLOYEE'S SPOUSE, CHILD(REN), ADOPTED CHILD(REN), STEP CHILD(REN), OR CHILD(REN) OF A DOMESTIC PARTNER, FOSTER CHILD(REN), PARENT, GRANDPARENT, GRANDCHILD, CURRENT IN-LAWS, BROTHER, SISTER, DOMESTIC PARTNER, OR PARENT SURROGATE.

20. Merit Increase: A salary increase which may be granted to an employee based upon past performance over a period of time.

21. Overtime Work: Authorized time worked by a non-exempt employee in excess of 40 hours per work week, as defined by State and Federal law.

22. PART-TIME BENEFIT ELIGIBLE EMPLOYEE: AN EMPLOYEE WHO IS HIRED BY THE TOWN TO WORK TWENTY (20) OR MORE HOURS PER WEEK BUT LESS THAN THIRTY-TWO (32) HOURS, ALTHOUGH THERE MAY BE OCCASIONAL INSTANCES IN WHICH A PART-TIME EMPLOYEE MAY WORK MORE HOURS IN A GIVEN WORKWEEK.

23. PART-TIME, REGULAR, NON-BENEFIT ELIGIBLE EMPLOYEE: AN EMPLOYEE WHO IS HIRED BY THE TOWN TO WORK A CONSISTENT SCHEDULE OF NINETEEN (19) HOURS OR LESS PER WEEK, ALTHOUGH

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THERE MAY BE OCCASIONAL INSTANCES IN WHICH A PART-TIME EMPLOYEE MAY WORK MORE HOURS IN A GIVEN WORKWEEK.

24. <u>PART-TIME, AT-WILL NON-BENEFIT ELIGIBLE EMPLOYEE</u>: AN EMPLOYEE WHO IS HIRED BY THE TOWN ON THE BASIS OF AN UNPREDICTABLE SHIFT SCHEDULES OF NINETEEN (19) HOURS OR LESS PER WEEK, ALTHOUGH THERE MAY BE OCCASIONAL INSTANCES IN WHICH A PART-TIME EMPLOYEE MAY WORK MORE HOURS IN A GIVEN WORKWEEK. AN EMPLOYEE WITH THIS EMPLOYMENT STATUS HAS NO GUARANTEE OF HOURS AT ANY TIME.

25. <u>Performance Appraisal</u>: Written evaluations of an employee's work given prior to the completion of the introductory period, and annually on or around the anniversary review date.

26. <u>Position</u>: An aggregation of tasks and responsibilities requiring the services of a person.

27. ~~Introductory~~ **PROBATIONARY** <u>Evaluation Period</u>: A period of time during which **NEW OR PROMOTIONAL** employees are required to demonstrate their suitability in their position by actual performance of the duties required. The introductory period will last twelve (12) full calendar months for police officers and six (6) full calendar months for all other full-time employees. The introductory period for part-time employees shall be nine (9) full months.

28. <u>Probationary Period:</u> A period of time, normally due to an inability or unwillingness to meet the conduct or performance expectations of the job, during which employees are required to demonstrate their suitability in their position by actual performance of the duties required. The probationary period will normally be no less than 30-days and no more than 6-months.

29. <u>Promotion</u>: The movement of an employee from a position in one classification to a position in another classification having a higher maximum rate of pay.

30. <u>Rate of Pay</u>: The employee's hourly rate of pay calculated by dividing his/her annual salary by the number of hours associated with the position.

31. <u>Sick Leave</u>: Time off with pay granted to qualified employees by the Town in the event of illness or medical treatment.

32. <u>Suspension</u>: The temporary removal of an employee from their position with or without pay for disciplinary or administrative purposes for a specified period of time.

33. <u>Temporary Employee:</u> An employee hired on a provisional, temporary basis for periods not to exceed three (3) full calendar months or for longer periods of employment such as approved by the Town Council during the budget process, in order to provide necessary public service or when a short-term increase in workload requires additional employees. The appointment may be extended for up to an additional three (3) months upon

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authorization by the Town Manager. Seasonal employees are considered temporary employees for pay and benefits purposes and their employment is normally terminated at the end of the seasonal assignment, although their status may be reactivated as needed each season.

34. Termination: The separation of an employee from employment by any means other than retirement whether it be voluntary (resignation) or involuntary (dismissal).

35. Transfer: A change of an employee from one position to another position having the same maximum rate of pay.

36. Verbal Reprimand: A verbal warning which personally informs an employee that his/her performance or behavior is unsatisfactory.

37. **Working Days**: Monday thru Friday, 8 a.m. – 5 p.m. Holidays recognized by the Town of Oro Valley are not considered working days.

38. Work Week: For most non-police employees, the work week shall commence on Monday and shall end on Friday and normal working hours shall consist of 8.0 hour days with a one hour lunch period, unless otherwise approved by the Department Head. For Police Department employees, the work week will remain flexible (and assigned by Department management) to best meet the needs of the Town.

39. Written Reprimand: A written warning giving formal notice to an employee of unsatisfactory performance.

40. **YEARS OF SERVICE: TOTAL LENGTH OF TIME AN EMPLOYEE HAS BEEN DIRECTLY EMPLOYED BY THE TOWN OF ORO VALLEY.**

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9.1 PROBATIONARY PERIOD

A. New Employees

1. Full-time employees are subject to a probationary period of not less than six (6) full calendar months of actual service.

2. Part-time employees are subject to a probationary periods not less than nine (9) full calendar months.

3. The probationary period for police officers shall be for a period of not less than twelve (12) full calendar months following their completion of the Academy.

4. Police Dispatchers are subject to a probationary period of not less than twelve (12) full calendar months.

5. Newly promoted employees will not serve a probationary period except for police officers who are promoted to sergeant or lieutenant.

B. Objective of the Probationary Period

1. The probationary period shall be utilized for closely observing and evaluating the employee's work performance and suitability for their position.

C. Inability to Successfully Complete the Probationary Period

1. During the probationary period, a newly hired employee may be dismissed at any time by the Department Head in consultation with the Human Resources Director, and with the approval of the Town Manager, with or without cause and without any recourse through the grievance procedure.

2. Written notification of the termination shall be given to the employee and a copy filed in their official personnel file.

D. Extension of the Probationary Period

1. The Department Head, in consultation with the Human Resources Director, and with approval of the Town Manager, may extend an employee's probationary period for a specified period of time, not to exceed six (6) full calendar months; and

2. The employee shall be notified in writing of the reason for the extension. Extension of the probationary period is not grievable under these policies.

E. Completion of the Probationary Period

1. Employees who complete their probationary period satisfactorily will thereafter become regular employees.

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2. Successful completion of the probationary period does not create any contractual rights for such employees.

3. Employees will receive a formal performance evaluation at the completion of their probationary period indicating that the employee is no longer on probation. In the event a performance evaluation is not completed or their probationary period is not extended on or before the ending date of the introductory period, the employee will be deemed a regular employee, and no longer in the status of a probationary employee.

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~~SECTION 1.~~ 9.1 **PROBATIONARY PERIOD**

A. NEW EMPLOYEES

1. ~~Introductory Period:~~ ~~All newly hired employees shall be~~ **FULL-TIME EMPLOYEES ARE** subject to a~~n~~ **PROBATIONARY** ~~introductory~~ period of not less than six (6) full calendar months of actual service.
2. Part-time employees ~~shall be~~ **ARE** subject to ~~introductory~~ **A PROBATIONARY** period~~s~~ **OF** not less than nine (9) full calendar months.
3. The ~~introductory~~ PROBATIONARY period for police officers shall be for a period of not less than twelve (12) full calendar months following their completion of the Academy.
4. Police Dispatchers **ARE SUBJECT TO A PROBATIONARY PERIOD** ~~shall also be subject to introductory periods~~ of not less than twelve (12) full calendar months. ~~At the supervisor's discretion, with approval by the department head, an employee who is promoted or transferred into a new position may be subject to an introductory period for evaluation purposes.~~
5. **NEWLY PROMOTED EMPLOYEES WILL NOT SERVE A PROBATIONARY PERIOD, EXCEPT FOR POLICE OFFICERS WHO ARE PROMOTED TO SERGEANT OR LIEUTENANT.**

~~SECTION 2.~~ B. **OBJECTIVE OF THE PROBATIONARY PERIOD**

~~A. Objective of Introductory Period:~~ The ~~introductory~~ **PROBATIONARY** period shall be utilized for closely observing and evaluating the employee's work performance and suitability for their position.

~~SECTION 3.~~ C. **INABILITY TO SUCCESSFULLY COMPLETE THE PROBATIONARY PERIOD**

1. ~~Inability to Successfully Complete Introductory Period:~~ During the **PROBATIONARY** ~~introductory~~ period, a newly hired employee may be dismissed at any time by the Department Head in consultation with the Human Resources Director, and with the approval of the Town Manager, with or without cause and without any recourse through the grievance procedure.
2. Written notification of the termination shall be given to the employee and a copy filed in their personnel file.

~~SECTION 4.~~ D. **EXTENSION OF PROBATIONARY PERIOD**

A. **1.** ~~Extension of Introductory Period:~~ The Department Head, in consultation with the Human Resources Director, and with approval of the Town Manager, may extend an employee's ~~introductory~~ **PROBATIONARY** period for a specified period of time, not to exceed six (6) full calendar months; and

B. **2.** T~~t~~he employee shall be notified in writing of the reason for the extension. Extension of the ~~introductory~~ **PROBATIONARY** period is not grievable under these policies.

~~SECTION 5.~~ E. **COMPLETION OF PROBATIONARY PERIOD**

A. **1.** ~~Completion of Introductory Period:~~ Employees who complete their ~~introductory~~ **PROBATIONARY** period satisfactorily will thereafter become regular ~~full-time or part-time~~ employees.

B. **2.** Successful completion of the ~~introductory~~ **PROBATIONARY** period *does not* create any contractual rights for such employees.

~~C. Employees who complete their introductory period are not normally eligible for pay increases at that time (unless their introductory period ends in conjunction with another regularly scheduled pay increase).~~

D. **3.** Employees will receive a formal performance evaluation at the completion of their ~~introductory~~ **PROBATIONARY** period **INDICATING THAT THE EMPLOYEE IS NO LONGER ON PROBATION**. In the event a ~~supervisor either fails to complete a formal~~ performance evaluation **IS NOT COMPLETED or THEIR** ~~extend the introductory~~ **PROBATIONARY** period **IS NOT EXTENDED** on or before the ending date of the introductory period, the employee will be deemed a regular ~~full-time or part-time~~ employee, and no longer in the status of an ~~introductory~~ **PROBATIONARY** ~~period~~ employee.

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10.1 ANNUAL LEAVE

A. Eligibility

1. All Town employees, except for temporary and part-time, non-benefited employees (see definition in Policy 2) are eligible to accrue annual leave.

2. All Town employees eligible to accrue annual leave are eligible to use their accrued annual leave after ninety (90) calendar days of employment.

B. Accrual of Annual Leave

1. Eligible employees start accruing annual leave from their date of hire.

2. Part-time benefit eligible employees accrue annual leave at half the rate of full-time employees.

3. Employees who are on any unpaid leave of absence (except for FMLA or Military leave) for an entire pay period (80 hours) will not accrue annual leave.

4. Annual leave accrual is cumulative, up to the maximum number of hours permitted by this policy.

C. Annual Leave Accrual Rates

1. Accrual rates shall be at the rate specified below and are based on years of service and Federal Labor Standards Act (Exempt or Non-Exempt) status:

a. Full-time / Non-Exempt Rate:

Years of Service	Hours Per Pay Period	Approximate Hours Per Year	Maximum hours to be Accrued
1 – 5	3.6923	96	144
6 – 10	5.2308	136	204
11 - 20	6.7692	176	264
20 & over	6.7692	176	300

b. Full-time / Exempt Rate:

Years of Service	Hours Per Pay Period	Approximate Hours Per Year	Maximum hours to be Accrued
1 – 5	5.2308	136	204
6 – 20	6.7692	176	264
20 & over	6.7692	176	300

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c. Full-time / Department Heads

Years of Service	Hours Per Pay Period	Approximate Hours Per Year	Maximum hours to be Accrued
Upon hire	6.7692	176	264
20 & over	6.7692	176	300

2. For the purpose of determining length of service, the year noted begins on the day after the preceding anniversary. Changes in accrual rates are effective in the following pay period.

D. Maximum Number of Accrued Annual Leave Hours

1. An employee's annual leave balance shall not exceed the number of hours they would accrue in 18 months of service (see charts above).

2. Employees with more than 20 years of credited service may accrue up to 300 hours.

3. Hours accrued in excess of the maximum allowed become void at the end of each pay period.

a. Exceptions may be granted at the request of the Department Director, concurrence of the HR Director, and approval of the Town Manager.

E. Use of Annual Leave

1. Employees shall submit an annual leave request to their immediate supervisor in accordance with department policy. Requests will be reviewed by their supervisor and/or Department Head. Approval is based on a number of factors, including Department need and staffing requirements.

2. Department Heads may require an employee to postpone or change their scheduled annual leave for good cause relating to Town services.

3. Accruals earned at the end of the current pay period are not available for use until the following pay period.

4. Annual leave should not normally be charged against Exempt employees for partial day absences.

5. Annual leave shall not be charged for Town holidays.

F. Annual Leave at Employment Termination

1. Employees will be paid in a lump sum for all unused accrued annual leave as of the effective date of termination.

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2. Deceased employees will have their lump sum paid to their estate.

10.2 SICK LEAVE

A. Eligibility

1. All Town employees, except for temporary and part-time non-benefit eligible employees are eligible to accrue sick leave at the following rates:

Full-time	3.6923 per pay period
Part-time / Benefit Eligible	1.8462 per pay period

B. Accrual of Sick Leave

1. Eligible employees start accruing sick leave from their date of hire.

2. Part-time benefit eligible employees accrue sick leave at half the rate of full-time employees.

3. Employees who are on any unpaid leave of absence (except for FMLA or Military leave) for an entire pay period (80 hours) will not accrue sick leave.

4. Sick leave will accrue without limit.

C. Use of Sick Leave

1. Sick Leave is offered as a benefit to help minimize employee financial hardship as the result of illnesses or medical needs. Sick leave is not to be used as additional paid annual leave or for discretionary purposes.

2. Accruals earned at the end of the current pay period are not available for use until the following pay period.

3. Eligible employees may be permitted to use sick leave for the following reasons:

   a. Personal illness or injury, appointments for surgical, medical, dental, or optical appointments (including regular and preventative care appointments), and the travel time to and from the physician's office,
   b. Medical conditions that prevent the employee from performing assigned tasks, and/or
   c. Immediate family member's (see Policy 2 for definition) illness or injury, and their surgical, medical, dental or optical appointments (including regular and

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preventative care appointments) and related travel time to and from the physician's office.

4. Sick leave will not be charged against an employee's accrued balance for a Town holiday.

5. An employee using annual leave who becomes ill may, upon verification of illness and supervisor approval, charge the illness-related time-off to accumulated sick leave.

D. Sick Leave Requests

1. Sick leave may be taken with approval from the supervisor and/or Department Head.
   a. Upon return to work, the employee will submit a leave request to their supervisor for the missed time.
   b. All sick leave requested in conjunction with certified Family and Medical Leave Act leave will be approved.

2. For unplanned absences, employees will notify their supervisor prior to the start of their shift or as soon as possible that they will be absent from work and the reason for their absence.
   a. If the absence is going to be for multiple days or for an unknown duration, the employee is required to keep their supervisor informed of their anticipated return to work date.
   b. The employee or supervisor will notify Human Resources (HR) of the extended absence to determine FMLA and/or ADA eligibility.

3. For planned absences, employees will submit a leave request form as soon as the employee becomes aware of the need for the planned absence.
   a. For prolonged planned absences, employees should contact HR to determine if the leave qualifies for FMLA.

4. Requests for sick leave immediately prior to an employee's separation from employment, even if for retirement, may not be granted without medical verification.

E. Medical Verification

1. If an employee uses sick leave for three (3) or more consecutive working days, the Department Head or designee may require the employee to submit a medical verification statement from a health care provider verifying the need for the sick leave absence. A medical diagnosis is not required and should not be requested by the supervisor.

2. If an employee exhibits an unusual pattern of sick leave absences, the Department Head may require the employee to submit a medical verification statement.

3. If the employee fails to provide the medical verification statement or if the statement is inadequate (as determined by both the Department Head and HR Director) the absence may be charged to another category of leave or considered leave without pay.

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4. All medical verification statements will be forwarded to the HR Department and will be placed in the employee's Human Resources medical file.

F. Return to Work

1. Employees absent from work for more than five (5) consecutive working days or whose absence was the result of an on the job injury will submit a statement from a health care provider releasing them back to work. A medical diagnosis is not required and should not be requested by the supervisor.

2. If the Department Head, Town Manager or Risk Manager, in consultation with the HR Director, believes that an employee's return to work is a health or safety issue to the employee and/or their co-workers, the employee will submit a medical release from a health care provider.

3. All physician statements will be forwarded to the HR Department and will only be placed in the employee's medical file.

4. If the employee is released to return to work with restrictions, the department must follow the Administrative Directive on Transitional/Light Duty.

G. Transfer of Unused Sick Leave

1. On the first day of the pay period following July 1st sick leave may be transferred to annual leave as follows:
   a. Any unused portion of the first 56 hours of sick leave accrued in the previous fiscal year in excess of 480 hours will be transferred automatically.
   b. The transfer may not cause the employee to have an annual leave balance greater than their maximum accrual.
   c. Any employee may request prior to July 1st that their sick leave not be transferred.
   d. Any sick leave not transferred will remain as sick leave.

H. Payment of Sick Leave Upon termination from Town employment:

1. One-half (1/2) of an employee's accrued sick leave beyond 480 hours will be paid to the employee upon separation from employment.

2. Employees terminated for cause will not receive any payout for unused sick leave.

3. In the event of an employee's death, one-half (1/2) of the sick leave balance in excess of the 480 hours shall be paid to the estate of the former employee.

10.3 ADMINISTRATIVE LEAVE

A. Administrative leave with pay may be granted to Town employees by the Town Manager.

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10.4 LEAVE OF ABSENCE WITHOUT PAY

A. The Town Manager may grant an employee a leave of absence without pay in accordance with the following conditions.

1. In no event will a leave of absence without pay be granted for a period of more than one year.

2. Employees who have not returned from any leave of absence after one year will be deemed to have voluntarily resigned from the Town of Oro Valley.

3. Prior to the completion of twelve (12) calendar months of continuous service with the Town such leave will only be granted for significant and extenuating circumstances. Total unpaid leave at this level will generally not exceed two weeks.

4. Subsequent to the completion of one (1) year of continuous service, and prior to the completion of five (5) calendar years of service, an employee may be granted up to sixty (60) calendar days of leave of absence without pay.

   a. Approval from the HR Director, Department Head and the Town Manager must be obtained.

5. After the completion of five (5) calendar years of continuous service, an employee may be granted up to one (1) year of leave of absence without pay with the approval from the HR Director, Department Head and the Town Manager.

6. Employees may combine paid leave with unpaid leave of absence. However, the use of unpaid leave, accrued annual leave and accrued compensatory time off, or any combination thereof, shall be subject to approval from the HR Director, Department Head and Town Manager.

7. Time on leave of absence without pay shall not be credited as continuous service, and shall not be counted toward eligibility for additional leave of absence time or for seniority or other benefits.

8. During an approved unpaid leave of absence, the employee may continue their coverage for health, dental, or disability plans by continuing to pay full costs of the program including any portions normally paid by the Town.

9. No leave of absence without pay shall be granted without the written request of the employee, setting forth the reason and expected duration of the leave. Upon the expiration of an approved leave the employee shall be reinstated to a like or similar position as that held at the time leave was granted, if available and if the employee returns to work.

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10. Failure on the part of an employee on leave to report upon the expiration of the leave shall be voluntary resignation from employment.

10.5 UNAUTHORIZED LEAVE

A. An employee who is absent without authorization shall:

1. Be designated as "Absent Without Leave".

2. For payroll purposes, be recorded as leave without pay for the period of such absence.

3. Be subject to appropriate disciplinary action, up to and including termination.

B. An employee who is absent without authorization for three (3) consecutive working days will be considered as having abandoned his/her job and will be terminated without grievance rights.

10.6 OBSERVED HOLIDAYS

A. The holidays observed by the Town are:

New Year's Eve day	Memorial day	Thanksgiving day	Floating Holiday
New Year's day	Independence day	Day after Thanksgiving	(Birthday)
Civil Rights/MLK day	Labor day	Christmas Eve day	
President's day	Veteran's day	Christmas day	

B. Holiday Pay

1. Full time employees receive holiday pay at their normal rate of pay for their regular scheduled shift (whether 8 or 10 hours) in lieu of hours worked.

2. Part-time benefit eligible employees shall receive holiday pay based upon a proration of their budgeted working hours.
   a. For example, a part-time benefit eligible employee budgeted to work twenty (20) hours per week would be eligible for four (4) hours of holiday pay on observed holidays.

3. Employees whose regularly scheduled day-off falls on an observed Town holiday may receive a different day off during that same week as their holiday unless required to work.

C. Floating Holiday (Birthday)

1. The employee's floating holiday must be taken during the month in which the employee's actual birthday occurs.

2. Employees who fail to take the floating holiday during their birth month, forfeit their floating holiday for that year.

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3. An employee may not work on the floating holiday for additional compensation.

D. Holidays Worked

If an eligible employee is required to work on an observed holiday, the employee will receive the employee's normal rate of pay for their usual shift, plus holiday pay, plus regular overtime pay if required for any hours over 40 in that workweek.

E. Holidays that fall on Saturday or Sunday

1. When an observed holiday falls on a Saturday, the preceding Friday shall be observed.

2. When an observed holiday falls on a Sunday, the following Monday will be observed.

3. When Christmas and New Year's Day are observed on a Friday, Christmas Eve day and New Year's Eve day will be observed on the preceding Thursday. When Christmas Eve day and New Year's Eve day fall on a Sunday, Christmas Eve day and New Year's Eve day will be observed on Monday and Christmas Day and New Year's day will be observed on the following Tuesday.

10.7 WORKER'S COMPENSATION

A. Purpose

1. Under Arizona law, it is mandatory for employers to secure workers' compensation insurance for their employees. Workers' compensation is a "no fault" system in which an injured or ill employee is entitled to receive benefits for a job-related injury or illness, no matter who caused the injury or illness. If an illness or injury is job-related, then the injured employee is eligible to receive medical benefits and may receive temporary compensation, if eligibility requirements are met. In some cases, a claimant may also receive permanent compensation benefits, job retraining, and supportive medical care.

2. The provisions of this policy are not intended to conflict with or supersede state law, nor should they be interpreted or construed to do so. If any provision of this policy conflicts with state law, state law shall control.

B. Reporting Requirement

1. Employees will immediately report any job related accident, illness, or injury to his or her immediate supervisor.

2. If the employee's direct supervisor is not available, the employee shall report the accident, injury or occupational illness to the employee's Department Head.

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3. The employee's Department Head, supervisor, or designee will ensure that the accident, injury or illness is reported to HR no later than the next work day.

4. Failure to report the accident, injury or illness within 24 hours may result in the denial of a Worker's Compensation claim.

5. Employees will follow the reporting procedures established by HR/Risk Management, to include completing and submitting any required forms.

C. Determination of Compensability

1. The Town's workers' compensation carrier will determine compensability for job related injuries and illnesses.

D. Medical Claims

1. Pursuant to state law, if an employee is off work due to a job-related injury or illness determined to be compensable, the workers' compensation carrier will pay all of the employee's medical expenses associated with the job related injury or illness.

2. If an employee's on the job injury or illness falls within the Family and Medical Leave definition for serious medical condition, the employee shall also be placed on Family and Medical Leave status. During such time, the employee will be afforded the same protections and benefits as described in section 10.12 of this policy.

E. Benefits

1. All benefits under this plan will be provided while the employee meets all eligibility criteria, for a period of six (6) months from the date the employee receives first payment of workers' compensation pursuant to A.R.S. 23-1021, 38-961 and related statutes.

2. Payment of the employee's regular net salary.

3. Accrued leave balances will be maintained at pre-injury level, including sick, vacation, and comp time.

4. Continued payment of the employer's portion of premium for health care benefits, including medical, dental, and vision benefits. Employees remain responsible for paying their portion of any premium.

5. Retirement
   a. Public Safety Employees (members of PSPRS and CORP)
      i. The Town will pay both the Employers and Employee's contribution to the public safety retirement system.
      ii. The employee will continue to accrue credit for service in the public safety retirement plan.

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b. Members of ASRS
   i. Compensation received under the workman's compensation program is not eligible for credited service.
   ii. Neither the employee nor the Town will contribute retirement contributions while the employee is on workman's compensation.

6. To the extent the employee is eligible for and receives salary or benefit changes while eligible and receiving benefits under this section, the benefits under this section will be adjusted accordingly.
   a. For example, if all employees are provided automatic salary adjustment as part of an annual process, the employee will receive benefits under this plan based on his/her new adjusted salary as he/she would if not injured.
   b. Such adjustments may or may not benefit the employee.

7. Employees receiving benefits under this section will not accrue additional sick or annual leave.

F. Return to Work

1. It is the philosophy of the Town to return injured or ill employees to employment for the Town as soon as they are physically and/or mentally capable of performing functions for the Town and are released to return to work by the designated physician.

2. When an employee with a job-related injury or illness returns to work, either in his or her normal assignment or in an alternative work assignment (transitional/light duty), the employee will not be charged sick leave or any other type of leave for absences due to medical appointments, including physical therapy, for the job-related injury or illness.

3. Any employee who has been absent due to a work-related illness or injury may be required to undergo a Return to Work examination or a Fitness for Duty examination through the Town designated physician.

4. Employees released to work with restrictions will be placed on light duty when light duty is available. See the Town Transitional/Light Duty administrative directive for further details.

5. If the employee is released to work with restrictions, the Town will comply with the Federal Americans with Disabilities Act.

6. In the event that an employee is approved for and offered light duty assignment and chooses not to accept the assignment, s/he shall be denied continuation of Worker's Compensation benefits, and may be subject to disciplinary action, up to and including termination.

10.8 MILITARY LEAVE

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A. Leaves of absence for military service shall be granted in accordance with the provisions of applicable State and Federal laws. Pursuant to State law, the Town of Oro Valley will provide employees in the military reserves with thirty (30) days of paid military leave every two years.

B. Pursuant to applicable Federal and State laws, employees requesting a leave of absence for military service must submit copies of valid orders to the HR Department.

C. At their option, employees of the Town of Oro Valley who have been called to active duty by Presidential Order will be eligible to receive supplemental pay for a period of up to one (1) year while under active Military Orders.

D. The employee under active Military Order will not be required to use accrued annual pay or compensatory time off prior to receiving supplemental pay.

E. The employee on active Military Order is eligible to receive their normal pay minus all applicable deductions for benefits, taxes, etc.

1. In order to eliminate tax consequences for the employee on active Military Order, the Town will calculate the difference between their regular pay and their military pay, and pay the difference to the employee.

F. During periods of military leave, employees of the Town of Oro Valley who are serving on active duty as members of the Military Reserves will be allowed to continue to maintain their employee benefits with the Town by continuing to make the required employee contributions for each of the plans for which the employee has enrolled prior to the start of their military service leave.

G. Retirement contributions for employees called to active military service. .

1. Employees who are members of the Arizona Retirement System
   a. In accordance with Arizona Revised Statute 38-745, members of A.S.R.S who are on paid leave will continue to pay the employee's portion of their retirement contribution while the Town continues to pay the employer's portion.
   b. If the employee is on unpaid leave, the Town will pay both the employee's and employer's portion of the required contribution to ASRS once the employee return's to Town employment and meets eligibility requirements

2. Employees who are members of the PSPRS or CORP
   a. In accordance with Arizona Revised Statute 38-858, the Town will make both member and employer contributions for you (up to 48 months) in a lump sum upon your return if:
      i. You are a member of the Arizona National Guard or a reserve in any branch of the military, or
      ii. You volunteer into active duty or are called into active duty as a result of a Presidential call-up, and
      iii. You are honorably separated from active duty and return to Town employment within 90 days after separation.

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H. The Town will follow the Uniformed Services Employment and Reemployment Rights Act when determining return and reemployment rights upon release from active Military Order.

10.9 BEREAVEMENT LEAVE

A. Upon the death of an immediate family member, benefit eligible employees who are on active status (i.e., not on another form of leave of absence) are eligible to receive five (5) working days of paid leave (not charged to sick leave or annual leave).

1. For bereavement involving other family members or friends, the employee may request paid annual leave or unpaid leave.

2. Bereavement leave must be approved by the department head, or designee.

10.10 JURY DUTY LEAVE

A. All employees of the Town who are called or required to serve as a juror shall be excused for their absence from work and receive their normal pay for such absence. In return for receiving regular pay, the employee shall remit any monies received for the jury duty (except for travel pay) directly to the Town.

10.11 SUBPOENA LEAVE / WITNESS LEAVE

A. All employees of the Town required to appear in court as a witness in their official capacity shall be excused from their duties with the Town and shall receive pay and all other benefits during the period of such service.

1. Under such circumstances, the employee shall refund the witness fee, if any, to the Town.

B. Employees subpoenaed for matters not related to Town business shall not be paid for their absence unless accrued, approved annual leave or accrued compensatory time is used.

1. Employees may use unpaid leave for such absences with appropriate approvals.

10.12 FAMILY AND MEDICAL LEAVE

A. The Federal Family and Medical Leave Act entitles eligible employees to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage.

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B. Eligibility

1. Must be a Town of Oro Valley employee.

2. Must have worked for Oro Valley for at least twelve (12) months, whether or not such time is continuous, and not had a continuous break in service of more than seven (7) years.

3. Must have worked a minimum of 1,250 hours during the 12-month period immediately preceding the commencement of leave. *Qualifying hours do not include annual, sick, bereavement, holiday, unpaid leave, etc. but overtime and holidays worked and military leave do qualify.*

C. Qualifying Events

1. The employee's own serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job.

2. The birth of a child and to care for the newborn child within one year of birth.

3. The placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement.

4. To care for the employee's spouse, child, parent or en loco parentis who has a serious health condition.

5. A military qualifying exigency while the employee's spouse, son, daughter, or parent (the "military member") is on covered active duty or has been notified of an impending call or order to covered active duty status.

6. To care for a covered service member or qualifying veteran with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

D. Amount of Leave

1. Qualifying full-time employees may be eligible for up to a total of 12 weeks of unpaid family leave during the applicable 12 month period.

2. For part-time eligible employees and those who work variable hours, the Family Medical Leave entitlement is calculated on a pro-rata basis. A weekly average of hours worked over the 12 weeks prior to the beginning of the leave should be used for calculating the employee's normal workweek.

3. A husband and wife who are both employed by the Town are permitted to take only a combined total of 12 weeks of leave during the 12 rolling calendar month period if they are taking leave for the birth or adoption of a child.

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4. Except for leave to care for a covered service member with a serious injury or illness, the Town uses a rolling 12-month period to calculate FMLA eligibility. Each time an employee uses FMLA leave, the remaining leave entitlement is the balance of the 12 weeks that has not been used during the immediately preceding 12 months.

5. For leave to care for a covered service member with a serious injury or illness, the benefit provides for up to 26 weeks of leave and the "single 12-month period" begins on the first day the eligible employee takes FMLA leave to care for the covered service member and ends 12 months after that date.

E. Serious Health Condition is an illness, injury, impairment, or physical or mental condition that involves:

1. Impatient care or continuing treatment by a health care provider.

2. Continuing treatment involves a period of incapacity:
   a. Of more than three (3) consecutive calendar days and any subsequent treatment that also involves treatment at least two or more times by a health care provider;
   b. Due to pregnancy, or prenatal care;
   c. Due to a chronic serious health condition requiring periodic treatment by a health care provider over an extended period of time and may cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy);
   d. Permanent or long-term incapacity due to a condition for which treatment may not be effective; or
   e. Any period of absence to receive multiple treatments by a health care provider either for restorative surgery after an accident or injury or for a condition such as cancer that would likely result in a period of incapacity of more than three (3) consecutive calendar days without medical treatment. Treatment would not include routine physical examinations.

F. Application of Accrued Paid Leave

1. Accrued paid annual and sick leave will be applied when FMLA leave is taken for any reason or any length of time.

2. When an employee has used all their sick or annual paid leave, the employee will be placed on unpaid leave for any part of the 12 week period remaining.

G. Intermittent Leave

1. When placed on official FMLA status, an employee may take leave intermittently (a few days or a few hours at a time), or on a reduced leave schedule. An employee should make reasonable efforts to schedule their absences so as not to unduly disrupt work operations.

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2. When it is necessary for the employee to take FMLA intermittently or on a reduced leave schedule, the employee may be required to transfer temporarily to a position with equivalent pay and benefits that better accommodates recurring periods of leave when the leave is planned based on scheduled medical treatment.
   a. An employee may take leave intermittently or on a reduced leave schedule for birth or placement for adoption or foster care of a child at the discretion of the Department Head.

H. Notice Requirement

1. An employee is required to give thirty (30) calendar days' notice in the event of a foreseeable leave.

2. In unexpected or unforeseeable situations, an employee should provide as much notice as is practicable. Verbal or written notice within one or two working days of when the need for family medical leave becomes known is usually sufficient.

3. If the employee does not notify the department within five (5) working days of returning to work that the absence was for an FMLA reason, the employee cannot later claim that the absence was for an FMLA reason.

4. A request for Family Medical Leave should be made to the HR Department, either by the employee, or their supervisor.

5. Eligible employees on Worker's Compensation should also be evaluated for FMLA leave. However, employees who are released to work on transitional/light duty will not have the modified duty hours counted toward FML leave hours.

I. Medical Certification

1. Medical certification must be provided by the employee within fifteen (15) calendar days after requested. The certification shall include the condition being treated, the date the serious health condition commenced, and the health care provider's best medical judgment concerning the probable duration of the condition.

2. For incremental use of leave the certification must indicate medical necessity for a reduced work schedule.

3. The Town reserves the right to request additional medical opinions in accordance with the FMLA.

J. Effect on Benefits

1. Subject to the terms, conditions and limitations of the applicable group health insurance plans, the Town shall maintain group health insurance coverage, including family

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coverage, for an employee on FMLA leave on the same terms as if the employee continued to work.

2. An employee, who is on paid FMLA leave via the use of accrued leave, shall continue to pay his or her share of the insurance premium, if any, through payroll deductions.

3. An employee who is on unpaid FMLA leave shall make arrangements with the HR and Finance Departments to make payments for his or her share of the insurance premium, if any. If payment is more than thirty (30) calendar days overdue, coverage will be dropped, after fifteen (15) calendar days written notice is provided to the employee. In this situation, COBRA will be offered.

4. The Town's obligation to maintain health benefits under this section stops if and when the employee informs the Town of intent not to return to work at the end of the leave period or if the employee fails to return to work when the FMLA leave entitlement is exhausted. In some circumstances, the Town may recover premiums it paid to maintain health insurance coverage for an employee who fails to return to work from FMLA leave.

5. The Town will not maintain other supplemental benefits while an employee is on FMLA leave. To maintain supplemental benefits, the employee must make payment arrangements with the HR and Finance Departments.

6. Benefit accumulation, such as annual, sick leave or holiday benefits, will be suspended during any full pay period (80 hours) of unpaid leave portion of the FMLA leave period and will resume upon return to active employment. Use of FMLA leave is not considered a break in service when determining eligibility for vesting or for participation in a benefit.

K. Return to Work

1. An employee on FMLA leave shall provide the HR Department with at least two (2) working days' advance notice of the date the employee intends to return to work.

2. An employee on FMLA leave for the employee's own serious health condition shall provide a written release from a health care provider indicating that the employee may resume the full essential functions of his or her position prior to or immediately upon returning to work.

3. Upon return from FMLA leave, the employee shall be restored to the employee's original position, or to an equivalent position with equivalent pay, benefits and other terms and conditions of employment.

4. If the FMLA leave period is insufficient and the employee is unable to fully perform the essential functions of his or her position at the conclusion of the FMLA leave period, the employee may request additional time off in accordance with the other leave of absence provisions herein.

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5. If an employee is released to work with restrictions, the employee may become eligible for light duty. In some circumstances, it will become necessary to begin an interactive accommodation process in accordance with the Americans for Disabilities Act.

6. The Town may require updated medical certifications to support the need for the additional leave.

7. If the employee is unable to return after this time, the Town may initiate separation of employment.

L. Retaliation

1. The Town prohibits retaliation toward employees who utilize FMLA leave.

10-13 LEAVE DONATIONS

A. Employees are encouraged to manage their paid time off to allow for major life events. In the event that, even with good leave management, an employee exhausts all his/her paid time off, the Town allows all employees to donate up to forty (40) hours of annual leave every twelve months, while maintaining a minimum of eighty (80) annual leave hours. Employees with sick leave balances in excess of 480 hours may donate up to eighty (80) hours of sick leave every twelve months.

B. Eligibility to receive donated leave hours

1. Must be on an approved Family Medical Leave Act, and

2. Must have exhausted all forms of paid time off, including sick leave, compensatory time and annual leave time; and

3. Must be eligible to earn and use donated hours in order to accept contributions.

C. Requesting Donated Leave Time

1. To request donated leave time the requesting employee must complete a Request for Donation form and submit it to the HR Department. In the event the employee is unable to complete the form, the employee's supervisor may complete and submit the form. Upon receipt of the approved Request for Donation form, the HR Department will send an email to all Town employees informing them of the employee's need, and requesting donated hours.
   a. An employee may receive the lesser of 480 donated hours or the amount of leave time needed to bring the employee to the end of the employee's Family Medical Leave Act time. The paid leave hours the employee had accrued at the time they went on leave, and the donated leave hours cannot continue past the total of 480 hours allowed by the Family and Medical Leave Act.

   b. Employees using donated time do not accrue annual and/or sick leave hours.

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c. An employee may not donate leave if that employee has less than a total of eighty (80) hours of annual leave accrued after the donated time is deducted from their annual leave balance.

d. An employee may not donate sick leave hours if that employee has less than 480 sick leave hours. An employee with over 480 sick leave hours may donate up to eighty (80) hours of sick leave.

e. Hours in an employee's administrative leave or compensatory time balance may not be transferred to another employee for any reason.

f. Employees who return to work on full-time status and have remaining donated leave hours will not be able to keep the hours in their own sick leave or annual leave account. The remaining donated hours will be returned on a pro-rated basis to the employee who donated the time.

g. All donations of leave time are treated as confidential and are not shared with the receiving employee.

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~~SECTION 1. Attendance: Employees are expected to maintain acceptable attendance levels in accordance with the policies regarding hours of work, holidays and leaves. All department heads (or designee) shall ensure that official time sheets, submitted either online or paper (as required), are utilized.~~

~~It is the policy of the Town that the standard work week shall consist of 40 hours as determined by the individual departments with the approval of the Town Manager.~~

~~Flexible work schedules may be allowed if approved by the Department Head and the Town Manager (or designee). It is the responsibility of the supervisor in conjunction with his/her department head to determine work schedules that meet the needs of the department, while giving consideration to employee preferences when possible. Alternate schedules must ensure that the Town's ability to serve our customers is not negatively impacted in any way.~~

~~Exempt Employees – Employees classified under these policies and designated as exempt employees pursuant to the Fair Labor Standards Act shall generally not be subject to deductions from pay or paid leave including annual leave for absences less than one complete work day.~~

~~SECTION 2. Annual Leave: Requests for Annual leave shall be submitted to the immediate supervisor prior to use of the leave. In turn, Supervisors shall obtain additional approvals as required. Please check with your supervisor about the required form to use in your department to request time off. Timing of the leave shall be at the approval of the Department Head (or designee). All employees shall be entitled to annual leave with pay except for the following:~~

~~A. Employees who have completed less than 90 days of service are not eligible to take annual leave, however annual leave is accrued during that period. In certain circumstances unpaid leave may be authorized for employees who have completed less than 90 days of service as provided for in section five of this policy.~~

~~B. Employees who work on a provisional or volunteer basis and all employees who work less than 1040 hours a year.~~

~~C. All part-time employees who have a regular work schedule budgeted at less than twenty (20) hours per week.~~

~~D. An employee will not be paid more annual leave time than they have accrued.~~

~~If work demands do not permit employees to use all of their annual leave in a particular fiscal year, such annual leave shall be carried over. The amount carried over must be used in the next fiscal year. Normally an employee may not accrue more annual leave than would be earned in 18 months of service. However, an employee with at least 20 years of service may accrue up to 300 hours of annual leave. In the event one or more municipal holidays fall within an annual leave, such holidays shall not be charged as annual leave.~~

~~Employees who terminate employment shall be paid in a lump sum for all unused accrued annual leave as of the effective date of termination. In the event the employee terminates employment due to becoming deceased, this lump sum payment is payable to the estate of the former employee.~~

10.1 ANNUAL LEAVE

A. ELIGIBILITY

1. ALL TOWN EMPLOYEES, EXCEPT FOR TEMPORARY AND PART-TIME, NON-BENEFITED EMPLOYEES (SEE DEFINITION IN POLICY 2) ARE ELIGIBLE TO ACCRUE ANNUAL LEAVE.

2. ALL TOWN EMPLOYEES ELIGIBLE TO ACCRUE ANNUAL LEAVE ARE ELIGIBLE TO USE THEIR ACCRUED ANNUAL LEAVE AFTER NINETY (90) CALENDAR DAYS OF EMPLOYMENT.

~~The annual leave accrual policy is as follows:~~

~~Full-time employees with the exception of Department Heads and exempt employees, accrue annual leave at a rate specified below, which depends on their length of employment with the Town and the number of hours in their regular work week. Annual leave will be accrued on a prorated basis per pay period using the formulas noted.~~

~~Years Employed~~	~~Scheduled Hours Per Regular Work Week~~	~~Accrued Hours Per Pay Period~~	~~Annual Equivalent Accrued~~
~~1 – 5~~	~~40~~	~~3.6923~~	~~96~~
~~6 – 10~~	~~40~~	~~5.2308~~	~~136~~
~~11 & over~~	~~40~~	~~6.7693~~	~~176~~

~~In order for the Town of Oro Valley to be able to attract qualified candidates during recruiting, and in response to the nature of their jobs, exempt employees will accrue annual leave at a rate of 5.2308 hours per pay period (136 hours annually) beginning with their first day of employment, this will increase to 6.7693 hours per pay period at 6 years of service. Department Heads will accrue annual leave at a rate of 6.7693 hours per pay period (176 hours annually) beginning with their first day of employment.~~

~~For purposes of determining "year employed," the year noted begins on the day after the preceding anniversary. (For example, you are assumed to be in your sixth "year employed" on the day after your fifth anniversary (and therefore earning at the higher accrual rate beginning with that date).~~

~~Part-time employees whose normal work week is budgeted at twenty (20) hours or more, but less than 32 hours, shall accrue annual leave pay at half the rate of full time employees.~~

B. ACCRUAL OF ANNUAL LEAVE

1. ELIGIBLE EMPLOYEES START ACCRUING ANNUAL LEAVE FROM THEIR DATE OF HIRE.

2. PART-TIME BENEFIT ELIGIBLE EMPLOYEES ACCRUE ANNUAL LEAVE AT HALF THE RATE OF FULL-TIME EMPLOYEES.

3. EMPLOYEES WHO ARE ON ANY UNPAID LEAVE OF ABSENCE (EXCEPT FOR FMLA OR MILITARY LEAVE) FOR AN ENTIRE PAY PERIOD (80 HOURS) WILL NOT ACCRUE ANNUAL LEAVE.

4. ANNUAL LEAVE ACCRUAL IS CUMULATIVE, UP TO THE MAXIMUM NUMBER OF HOURS PERMITTED BY THIS POLICY.

C. ANNUAL LEAVE ACCRUAL RATES

1. **ACCRUAL RATES SHALL BE AT THE RATE SPECIFIED BELOW AND ARE BASED ON YEARS OF SERVICE AND FEDERAL LABOR STANDARDS ACT (EXEMPT OR NON-EXEMPT) STATUS:**

a. **FULL-TIME / NON-EXEMPT RATE:**

YEARS OF SERVICE	HOURS PER PAY PERIOD	APPROXIMATE HOURS PER YEAR	MAXIMUM HOURS TO BE ACCRUED
1 – 5	3.6923	96	144
6 – 10	5.2308	136	204
11 - 20	6.7692	176	264
20 & OVER	6.7692	176	300

b. **FULL-TIME / EXEMPT RATE:**

YEARS OF SERVICE	HOURS PER PAY PERIOD	APPROXIMATE HOURS PER YEAR	MAXIMUM HOURS TO BE ACCRUED
1 – 5	5.2308	136	204
6 – 20	6.7692	176	264
20 & OVER	6.7692	176	300

c. **FULL-TIME / DEPARTMENT HEADS**

YEARS OF SERVICE	HOURS PER PAY PERIOD	APPROXIMATE HOURS PER YEAR	MAXIMUM HOURS TO BE ACCRUED
UPON HIRE	6.7692	176	264
20 & OVER	6.7692	176	300

2. **FOR THE PURPOSE OF DETERMINING LENGTH OF SERVICE, THE YEAR NOTED BEGINS ON THE DAY AFTER THE PRECEDING ANNIVERSARY. CHANGES IN ACCRUAL RATES ARE EFFECTIVE IN THE FOLLOWING PAY PERIOD.**

D. **MAXIMUM NUMBER OF ACCRUED ANNUAL LEAVE HOURS**

1. **AN EMPLOYEE'S ANNUAL LEAVE BALANCE SHALL NOT EXCEED THE NUMBER OF HOURS THEY WOULD ACCRUE IN 18 MONTHS OF SERVICE (SEE CHARTS ABOVE).**

2. EMPLOYEES WITH MORE THAN 20 YEARS OF CREDITED SERVICE MAY ACCRUE UP TO 300 HOURS.

3. HOURS ACCRUED IN EXCESS OF THE MAXIMUM ALLOWED BECOME VOID AT THE END OF EACH PAY PERIOD.

a. EXCEPTIONS MAY BE GRANTED AT THE REQUEST OF THE DEPARTMENT DIRECTOR, CONCURRENCE OF THE HR DIRECTOR, AND APPROVAL OF THE TOWN MANAGER.

E. USE OF ANNUAL LEAVE

1. EMPLOYEES SHALL SUBMIT AN ANNUAL LEAVE REQUEST TO THEIR IMMEDIATE SUPERVISOR IN ACCORDANCE WITH DEPARTMENT POLICY. REQUESTS WILL BE REVIEWED BY THEIR SUPERVISOR AND/OR DEPARTMENT HEAD. APPROVAL IS BASED ON A NUMBER OF FACTORS, INCLUDING DEPARTMENT NEED AND STAFFING REQUIREMENTS.

2. DEPARTMENT HEADS MAY REQUIRE AN EMPLOYEE TO POSTPONE OR CHANGE THEIR SCHEDULED ANNUAL LEAVE FOR GOOD CAUSE RELATING TO TOWN SERVICES.

3. ACCRUALS EARNED AT THE END OF THE CURRENT PAY PERIOD ARE NOT AVAILABLE FOR USE UNTIL THE FOLLOWING PAY PERIOD.

4. ANNUAL LEAVE SHOULD NOT NORMALLY BE CHARGED AGAINST EXEMPT EMPLOYEES FOR PARTIAL DAY ABSENCES.

5. ANNUAL LEAVE SHALL NOT BE CHARGED FOR TOWN HOLIDAYS.

F. ANNUAL LEAVE AT EMPLOYMENT TERMINATION

1. EMPLOYEES WILL BE PAID IN A LUMP SUM FOR ALL UNUSED ACCRUED ANNUAL LEAVE AS OF THE EFFECTIVE DATE OF TERMINATION.

2. DECEASED EMPLOYEES WILL HAVE THEIR LUMP SUM PAID TO THEIR ESTATE.

~~SECTION 3. Personal and Immediate Family Sick Leave: Paid sick leave shall be accrued by all eligible employees of the Town. Sick leave is offered as a benefit to help minimize employee financial hardship as the result of legitimate illnesses or medical needs. Sick leave is not intended to be used as additional annual leave or for discretionary purposes.~~

~~Employees who become ill, are injured or require medical treatment are entitled to take sick leave with full pay for up to the total number of sick days available to that employee. Employees may use sick leave to care for an ill~~

~~family member who is part of the immediate family, living in the same household with the employee, or when the absence qualifies under the provisions of the Family Medical Leave Act (see FMLA Section 11).~~

~~Full-time employees accumulate sick leave at the rate of 3.6923 hours per pay period (equivalent to one 8-hour day per month). Part-time employees whose normal week is budgeted at twenty (20) hours or more, but less than 32 hours per week, shall accrue sick leave at half the rate of full-time employees. Part-time employees whose normal work week is budgeted at less than twenty (20) hours do not accrue sick leave.~~

~~Unused sick leave shall be allowed to be carried forward from year to year. Once an employee has exceeded 480 hours of accrued sick leave, one-half (1/2) of the sick leave balance in excess of the 480 hours shall be paid to the employee upon separation from employment, except that employees terminated for cause will not receive any payout for unused sick leave. In the event an employee is terminated due to becoming deceased, one-half (1/2) of the sick leave balance in excess of the 480 hours shall be paid to the estate of the former employee.~~

~~Annually, as of the first day of the pay period following July 1, any unused portion of the first seven days (56 hours) of sick leave accrued in excess of a total of 480 hours since July 1 of the preceding fiscal year will be transferred to annual leave. The transfer will occur automatically unless the employee requests in writing to the human resources department that the sick leave not be transferred. (Only that portion of the first 56 hours of unused sick leave that is in excess of the 480 hour total may be transferred.) In addition, in no situation shall an employee be allowed to accrue more annual leave than they can accrue in an 18 month period (see Section 2). Should an employee already have an 18 month accrual of annual leave, all unused sick leave will simply continue to accrue. Introductory employees may use accrued sick leave. Sick leave is accrued on a prorated basis per pay period.~~

~~In order to receive compensation while absent on sick leave, unless circumstances dictate otherwise, employees shall notify their immediate supervisor prior to or within two (2) hours after the time set for beginning their daily duties. When the absence is for more than five (5) consecutive work days, the employee may be required to file a physician's statement with their immediate supervisor stating the cause of the absence and that the employee was unable to work due to illness. Such absences may be designated as FMLA leave depending on the nature and duration of the absence. The statement should also release the employee to return to work. Employees absent for less than five days may also be required to present a physician's statement if employee health or safety is an issue. All physician statements are to be forwarded to the Human Resources office.~~

~~An employee receiving payments under the workers' compensation laws is eligible to receive supplemental pay for up to 180 days of absence due to a work-related injury or illness. Any payment received through workers' compensation insurance must be remitted to the Town and the employee will receive his or her full salary without sick leave, annual leave or comp time leave balances being affected for up to 180 days. If employee is released to return to work at full capacity or in a light duty capacity and refuses to return to work, this benefit is no longer available. After 180 days of supplemental pay, if the employee is unable to return to work the employee may choose to use his or her paid leave in addition to any workers' compensation insurance payments in order to continue to maintain regular income. In the event an employee has used all of his or her accrued paid time off benefits and is unable to return to work, he or she may be eligible for donations of paid time off in accordance with section 13 of this policy. The purpose of this policy is to reduce economic hardship as a result of a work-related injury or illness; however, the employee should not realize a financial gain as a result of injury or illness.~~

10.2 SICK LEAVE

A. ELIGIBILITY

1. ALL TOWN EMPLOYEES, EXCEPT FOR TEMPORARY AND PART-TIME NON-BENEFIT ELIGIBLE EMPLOYEES ARE ELIGIBLE TO ACCRUE SICK LEAVE AT THE FOLLOWING RATES:

FULL-TIME	**3.6923 PER PAY PERIOD**
PART-TIME / BENEFIT ELIGIBLE	**1.8462 PER PAY PERIOD**

B. ACCRUAL OF SICK LEAVE

1. ELIGIBLE EMPLOYEES START ACCRUING SICK LEAVE FROM THEIR DATE OF HIRE.

2. PART-TIME BENEFIT ELIGIBLE EMPLOYEES ACCRUE SICK LEAVE AT HALF THE RATE OF FULL-TIME EMPLOYEES.

3. EMPLOYEES WHO ARE ON ANY UNPAID LEAVE OF ABSENCE (EXCEPT FOR FMLA OR MILITARY LEAVE) FOR AN ENTIRE PAY PERIOD (80 HOURS) WILL NOT ACCRUE SICK LEAVE.

4. SICK LEAVE WILL ACCRUE WITHOUT LIMIT.

C. USE OF SICK LEAVE

1. SICK LEAVE IS OFFERED AS A BENEFIT TO HELP MINIMIZE EMPLOYEE FINANCIAL HARDSHIP AS THE RESULT OF ILLNESSES OR MEDICAL NEEDS. SICK LEAVE IS NOT TO BE USED AS ADDITIONAL PAID ANNUAL LEAVE OR FOR DISCRETIONARY PURPOSES.

2. ACCRUALS EARNED AT THE END OF THE CURRENT PAY PERIOD ARE NOT AVAILABLE FOR USE UNTIL THE FOLLOWING PAY PERIOD.

3. ELIGIBLE EMPLOYEES MAY BE PERMITTED TO USE SICK LEAVE FOR THE FOLLOWING REASONS:

a. PERSONAL ILLNESS OR INJURY, APPOINTMENTS FOR SURGICAL, MEDICAL, DENTAL, OR OPTICAL APPOINTMENTS (INCLUDING REGULAR AND PREVENTATIVE CARE APPOINTMENTS), AND THE TRAVEL TIME TO AND FROM THE PHYSICIAN'S OFFICE,

b. MEDICAL CONDITIONS THAT PREVENT THE EMPLOYEE FROM PERFORMING ASSIGNED TASKS, AND/OR

c. IMMEDIATE FAMILY MEMBER'S (SEE POLICY 2 FOR DEFINITION) ILLNESS OR INJURY, AND THEIR SURGICAL, MEDICAL, DENTAL OR OPTICAL APPOINTMENTS (INCLUDING REGULAR AND PREVENTATIVE CARE APPOINTMENTS) AND RELATED TRAVEL TIME TO AND FROM THE PHYSICIAN'S OFFICE.

4. SICK LEAVE WILL NOT BE CHARGED AGAINST AN EMPLOYEE'S ACCRUED BALANCE FOR A TOWN HOLIDAY.

5. **AN EMPLOYEE USING ANNUAL LEAVE WHO BECOMES ILL MAY, UPON VERIFICATION OF ILLNESS AND SUPERVISOR APPROVAL, CHARGE THE ILLNESS-RELATED TIME-OFF TO ACCUMULATED SICK LEAVE.**

D. SICK LEAVE REQUESTS

1. **SICK LEAVE MAY BE TAKEN WITH APPROVAL FROM THE SUPERVISOR AND/OR DEPARTMENT HEAD.**
   a. **UPON RETURN TO WORK, THE EMPLOYEE WILL SUBMIT A LEAVE REQUEST TO THEIR SUPERVISOR FOR THE MISSED TIME.**
   b. **ALL SICK LEAVE REQUESTED IN CONJUNCTION WITH CERTIFIED FAMILY AND MEDICAL LEAVE ACT LEAVE WILL BE APPROVED.**

2. **FOR UNPLANNED ABSENCES, EMPLOYEES WILL NOTIFY THEIR SUPERVISOR PRIOR TO THE START OF THEIR SHIFT OR AS SOON AS POSSIBLE THAT THEY WILL BE ABSENT FROM WORK AND THE REASON FOR THEIR ABSENCE.**
   a. **IF THE ABSENCE IS GOING TO BE FOR MULTIPLE DAYS OR FOR AN UNKNOWN DURATION, THE EMPLOYEE IS REQUIRED TO KEEP THEIR SUPERVISOR INFORMED OF THEIR ANTICIPATED RETURN TO WORK DATE.**
   b. **THE EMPLOYEE OR SUPERVISOR WILL NOTIFY HUMAN RESOURCES (HR) OF THE EXTENDED ABSENCE TO DETERMINE FMLA AND/OR ADA ELIGIBILITY.**

3. **FOR PLANNED ABSENCES, EMPLOYEES WILL SUBMIT A LEAVE REQUEST FORM AS SOON AS THE EMPLOYEE BECOMES AWARE OF THE NEED FOR THE PLANNED ABSENCE.**
   a. **FOR PROLONGED PLANNED ABSENCES, EMPLOYEES SHOULD CONTACT HR TO DETERMINE IF THE LEAVE QUALIFIES FOR FMLA.**

4. **REQUESTS FOR SICK LEAVE IMMEDIATELY PRIOR TO AN EMPLOYEE'S SEPARATION FROM EMPLOYMENT, EVEN IF FOR RETIREMENT, MAY NOT BE GRANTED WITHOUT MEDICAL VERIFICATION.**

E. MEDICAL VERIFICATION

1. **IF AN EMPLOYEE USES SICK LEAVE FOR THREE (3) OR MORE CONSECUTIVE WORKING DAYS, THE DEPARTMENT HEAD OR DESIGNEE MAY REQUIRE THE EMPLOYEE TO SUBMIT A MEDICAL VERIFICATION STATEMENT FROM A HEALTH CARE PROVIDER VERIFYING THE NEED FOR THE SICK LEAVE ABSENCE. A MEDICAL DIAGNOSIS IS NOT REQUIRED AND SHOULD NOT BE REQUESTED BY THE SUPERVISOR.**

2. IF AN EMPLOYEE EXHIBITS AN UNUSUAL PATTERN OF SICK LEAVE ABSENCES, THE DEPARTMENT HEAD MAY REQUIRE THE EMPLOYEE TO SUBMIT A MEDICAL VERIFICATION STATEMENT.

3. IF THE EMPLOYEE FAILS TO PROVIDE THE MEDICAL VERIFICATION STATEMENT OR IF THE STATEMENT IS INADEQUATE (AS DETERMINED BY BOTH THE DEPARTMENT HEAD AND HR DIRECTOR) THE ABSENCE MAY BE CHARGED TO ANOTHER CATEGORY OF LEAVE OR CONSIDERED LEAVE WITHOUT PAY.

4. ALL MEDICAL VERIFICATION STATEMENTS WILL BE FORWARDED TO THE HR DEPARTMENT AND WILL BE PLACED IN THE EMPLOYEE'S HUMAN RESOURCES MEDICAL FILE.

F. RETURN TO WORK

1. EMPLOYEES ABSENT FROM WORK FOR MORE THAN FIVE (5) CONSECUTIVE WORKING DAYS OR WHOSE ABSENCE WAS THE RESULT OF AN ON THE JOB INJURY WILL SUBMIT A STATEMENT FROM A HEALTH CARE PROVIDER RELEASING THEM BACK TO WORK. A MEDICAL DIAGNOSIS IS NOT REQUIRED AND SHOULD NOT BE REQUESTED BY THE SUPERVISOR.

2. IF THE DEPARTMENT HEAD, TOWN MANAGER OR RISK MANAGER, IN CONSULTATION WITH THE HR DIRECTOR, BELIEVES THAT AN EMPLOYEE'S RETURN TO WORK IS A HEALTH OR SAFETY ISSUE TO THE EMPLOYEE AND/OR THEIR CO-WORKERS, THE EMPLOYEE WILL SUBMIT A MEDICAL RELEASE FROM A HEALTH CARE PROVIDER.

3. ALL PHYSICIAN STATEMENTS WILL BE FORWARDED TO THE HR DEPARTMENT AND WILL ONLY BE PLACED IN THE EMPLOYEE'S MEDICAL FILE.

4. IF THE EMPLOYEE IS RELEASED TO RETURN TO WORK WITH RESTRICTIONS, THE DEPARTMENT MUST FOLLOW THE ADMINISTRATIVE DIRECTIVE ON TRANSITIONAL/LIGHT DUTY.

G. TRANSFER OF UNUSED SICK LEAVE

1. ON THE FIRST DAY OF THE PAY PERIOD FOLLOWING JULY 1ST SICK LEAVE MAY BE TRANSFERRED TO ANNUAL LEAVE AS FOLLOWS:

a. ANY UNUSED PORTION OF THE FIRST 56 HOURS OF SICK LEAVE ACCRUED IN THE PREVIOUS FISCAL YEAR IN EXCESS OF 480 HOURS WILL BE TRANSFERRED AUTOMATICALLY.

b. THE TRANSFER MAY NOT CAUSE THE EMPLOYEE TO HAVE AN ANNUAL LEAVE BALANCE GREATER THAN THEIR MAXIMUM ACCRUAL.

c. ANY EMPLOYEE MAY REQUEST PRIOR TO JULY 1ST THAT THEIR SICK LEAVE NOT BE TRANSFERRED.

d. ANY SICK LEAVE NOT TRANSFERRED WILL REMAIN AS SICK LEAVE.

H. PAYMENT OF SICK LEAVE UPON TERMINATION FROM TOWN EMPLOYMENT:

1. ONE-HALF (1/2) OF AN EMPLOYEE'S ACCRUED SICK LEAVE BEYOND 480 HOURS WILL BE PAID TO THE EMPLOYEE UPON SEPARATION FROM EMPLOYMENT.

2. EMPLOYEES TERMINATED FOR CAUSE WILL NOT RECEIVE ANY PAYOUT FOR UNUSED SICK LEAVE.

3. IN THE EVENT OF AN EMPLOYEE'S DEATH, ONE-HALF (1/2) OF THE SICK LEAVE BALANCE IN EXCESS OF THE 480 HOURS SHALL BE PAID TO THE ESTATE OF THE FORMER EMPLOYEE.

~~SECTION 4. Military Leave: Leaves of absence for military service shall be granted in accordance with the provisions of applicable State and Federal laws.~~

~~Pursuant to State law, the Town of Oro Valley will provide employees in the military reserves with 30 days of paid military leave every two years.~~

~~For administrative purposes, the 30 days of leave shall be provided in two-year increments beginning with odd-numbered calendar years, and ending with even-numbered calendar years. Paid military leave is not cumulative, and is only available for the two year period ending with the even-numbered years. Any portion of the 30 days which remains at the end of the even-numbered year will be eliminated, and a new 30-day increment will be made available for the reservists' use during the next two-year period.~~

~~Employees hired in even-numbered calendar years will have 15 days of paid military leave to use until the beginning of the next odd-numbered calendar year.~~

~~For example: Employee "A" (a military reservist) is hired in 2003, and will have 30 days of paid leave available to use during calendar years 2003 and 2004. Beginning in 2005, any unused portion of the original 30 day leave is eliminated, and the employee will have a new 30-day increment available for calendar years 2005-2006.~~

~~Employee B (also a military reservist) is hired during 2004, and will have 15 days of paid military leave available during the remainder of 2004. Beginning in 2005, any unused portion of the original 15-day increment is eliminated, and the employee will have a new 30-day increment to use during calendar years 2005-2006.~~

~~At their option, employees of the Town of Oro Valley who have been called to active duty by Presidential Order will be eligible to receive supplemental pay for a period of up to one year while under military orders. Employees will be required to expend the unused balance of their 30 days of paid military leave mandated by federal and/or state law prior to receiving supplemental pay. They will not be required to use accrued vacation pay or compensatory time off prior to receiving supplemental pay. They will be eligible to receive their normal pay minus all applicable~~

~~deductions for benefits, taxes, etc. In order to eliminate tax consequences for the employee, the Town will calculate the difference between their regular pay and their military pay, and pay the difference to the employee. Employees who are called up for extended duty who do not opt for supplemental pay will not be required to use any portion of the 30 days of paid military leave that they normally have available to them. The remaining portion will be available for their use upon the employee's return from extended duty.~~

~~During periods of military leave, employees of the Town of Oro Valley who are serving on active duty as members of the Military Reserves will be allowed to continue to maintain their employee benefits with the Town by continuing to make the required employee contributions for each of the plans for which the employee has enrolled prior to the start of their military service leave.~~

~~State law requires the Town of Oro Valley to make the employee contribution to the Public Safety Retirement System (P.S.P.R.S.) on behalf of reservists serving on active duty. Members of the P.S.P.R.S. receiving supplemental pay will receive their normal pay minus the Town's contribution to P.S.P.R.S. on their behalf.~~

~~Pursuant to applicable state laws, employees requesting a leave of absence for military service must submit copies of valid orders to the Town. Copies of orders shall be submitted to the Human Resources office. For additional details, please contact Human Resources.~~

10.3 ADMINISTRATIVE LEAVE

A. ADMINISTRATIVE LEAVE WITH PAY MAY BE GRANTED TO TOWN EMPLOYEES BY THE TOWN MANAGER.

10.4 LEAVE OF ABSENCE WITHOUT PAY

A. THE TOWN MANAGER MAY GRANT AN EMPLOYEE A LEAVE OF ABSENCE WITHOUT PAY IN ACCORDANCE WITH THE FOLLOWING CONDITIONS.

1. IN NO EVENT WILL A LEAVE OF ABSENCE WITHOUT PAY BE GRANTED FOR A PERIOD OF MORE THAN ONE YEAR.

2. EMPLOYEES WHO HAVE NOT RETURNED FROM ANY LEAVE OF ABSENCE AFTER ONE YEAR WILL BE DEEMED TO HAVE VOLUNTARILY RESIGNED FROM THE TOWN OF ORO VALLEY.

3. PRIOR TO THE COMPLETION OF TWELVE (12) CALENDAR MONTHS OF CONTINUOUS SERVICE WITH THE TOWN SUCH LEAVE WILL ONLY BE GRANTED FOR SIGNIFICANT AND EXTENUATING CIRCUMSTANCES. TOTAL UNPAID LEAVE AT THIS LEVEL WILL GENERALLY NOT EXCEED TWO WEEKS.

4. SUBSEQUENT TO THE COMPLETION OF ONE (1) YEAR OF CONTINUOUS SERVICE, AND PRIOR TO THE COMPLETION OF FIVE (5) CALENDAR YEARS OF SERVICE, AN EMPLOYEE MAY BE GRANTED UP TO SIXTY (60) CALENDAR DAYS OF LEAVE OF ABSENCE WITHOUT PAY.

a. APPROVAL FROM THE HR DIRECTOR, DEPARTMENT HEAD AND THE TOWN MANAGER MUST BE OBTAINED.

5. **AFTER THE COMPLETION OF FIVE (5) CALENDAR YEARS OF CONTINUOUS SERVICE, AN EMPLOYEE MAY BE GRANTED UP TO ONE (1) YEAR OF LEAVE OF ABSENCE WITHOUT PAY WITH THE APPROVAL FROM THE HR DIRECTOR, DEPARTMENT HEAD AND THE TOWN MANAGER.**

6. **EMPLOYEES MAY COMBINE PAID LEAVE WITH UNPAID LEAVE OF ABSENCE. HOWEVER, THE USE OF UNPAID LEAVE, ACCRUED ANNUAL LEAVE AND ACCRUED COMPENSATORY TIME OFF, OR ANY COMBINATION THEREOF, SHALL BE SUBJECT TO APPROVAL FROM THE HR DIRECTOR, DEPARTMENT HEAD AND TOWN MANAGER.**

7. **TIME ON LEAVE OF ABSENCE WITHOUT PAY SHALL NOT BE CREDITED AS CONTINUOUS SERVICE, AND SHALL NOT BE COUNTED TOWARD ELIGIBILITY FOR ADDITIONAL LEAVE OF ABSENCE TIME OR FOR SENIORITY OR OTHER BENEFITS.**

8. **DURING AN APPROVED UNPAID LEAVE OF ABSENCE, THE EMPLOYEE MAY CONTINUE THEIR COVERAGE FOR HEALTH, DENTAL, OR DISABILITY PLANS BY CONTINUING TO PAY FULL COSTS OF THE PROGRAM INCLUDING ANY PORTIONS NORMALLY PAID BY THE TOWN.**

9. **NO LEAVE OF ABSENCE WITHOUT PAY SHALL BE GRANTED WITHOUT THE WRITTEN REQUEST OF THE EMPLOYEE, SETTING FORTH THE REASON AND EXPECTED DURATION OF THE LEAVE. UPON THE EXPIRATION OF AN APPROVED LEAVE THE EMPLOYEE SHALL BE REINSTATED TO A LIKE OR SIMILAR POSITION AS THAT HELD AT THE TIME LEAVE WAS GRANTED, IF AVAILABLE AND IF THE EMPLOYEE RETURNS TO WORK.**

10. **FAILURE ON THE PART OF AN EMPLOYEE ON LEAVE TO REPORT UPON THE EXPIRATION OF THE LEAVE SHALL BE VOLUNTARY RESIGNATION FROM EMPLOYMENT.**

10.5 UNAUTHORIZED LEAVE

A. AN EMPLOYEE WHO IS ABSENT WITHOUT AUTHORIZATION SHALL:

1. **BE DESIGNATED AS "ABSENT WITHOUT LEAVE".**

2. **FOR PAYROLL PURPOSES, BE RECORDED AS LEAVE WITHOUT PAY FOR THE PERIOD OF SUCH ABSENCE.**

3. **BE SUBJECT TO APPROPRIATE DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION.**

B. AN EMPLOYEE WHO IS ABSENT WITHOUT AUTHORIZATION FOR THREE (3) CONSECUTIVE WORKING DAYS WILL BE CONSIDERED AS HAVING ABANDONED HIS/HER JOB AND WILL BE TERMINATED WITHOUT GRIEVANCE RIGHTS.

~~SECTION 5. Leave of Absence Without Pay: The Town Manager may grant an employee a leave of absence without pay in accordance with the following conditions:~~

~~A. Prior to the completion of twelve (12) calendar months of continuous service with the Town such leave will only be granted for significant and extenuating circumstances. Total unpaid leave at this level will generally not exceed two weeks.~~

~~B. Subsequent to the completion of one (1) year of continuous service, and prior to the completion of five (5) years of calendar service, an employee may be granted up to sixty (60) calendar days of leave of absence without pay. Approval of the Department Head and the Town Manager must be obtained.~~

~~C. After the completion of five (5) calendar years of continuous service an employee may be granted up to one year of leave of absence without pay with the approval of the Department Head and the Town Manager.~~

~~D. Employees may combine paid leave with unpaid leave of absence. However, the use of unpaid leave, accrued annual leave and accrued compensatory time off, or any combination thereof, shall be subject to approval by the Town Manager and the employee's Department Head.~~

~~E. Time on leave of absence without pay shall not be credited as continuous service, and shall not be counted toward eligibility for additional leave of absence time or for seniority or other benefits.~~

~~F. Benefits. During an approved unpaid leave of absence, the employee may continue their coverage for health, dental, or disability plans by continuing to pay full costs of the program including any portions normally paid by the Town.~~

~~G. No leave of absence without pay shall be granted without the written request of the employee, setting forth the reason and expected duration of the leave. Upon the expiration of an approved leave the employee shall be reinstated to a like or similar position as that held at the time leave was granted, if available and if the employee returns to work.~~

~~H. Failure on the part of an employee on leave to report upon the expiration of the leave shall be a voluntary resignation from employment.~~

~~I. In no event will a leave of absence without pay be granted for a period of more than one year. Employees who have not returned from any leave of absence after one year will be deemed to have voluntarily resigned from the town of Oro Valley.~~

~~SECTION 6. Leave with Pay: Leave with pay for sufficient cause may be granted to employees of the Town by the Town Manager, up to and including five consecutive working days or ten total working days in any fiscal year. More extended periods of leave with pay require the approval of the Town Council. Leave with pay may be granted in cases of special hardship at full or partial pay. Examples of situations where leave with pay might be granted include, but are not necessarily limited to the following:~~

~~Absence to attend an authorized course of instruction directly related to the employee's duties and which is critical to Town business (educational leave of absence) and approved by the Department Head.~~

~~In considering whether leave with pay will be granted, the Town Manager shall use the following criteria:~~

~~1. The amount of paid and unpaid leave already taken by the employee in the year preceding the request for paid leave.~~

~~2. The employee's overall attendance.~~

~~3. The employee's previous performance ratings.~~

~~4. The length of the employee's tenure with the Town.~~

~~5. The amount of other paid leave time which is available to the employee, including consideration of any accrued compensatory time, annual leave or sick leave which may be available.~~

~~6. The employee's previous leave with pay requests.~~

~~Leave with pay is intended to be granted only in extreme or extraordinary circumstances. The denial of a request for such leave is not subject to appeal or grievance.~~

10.6 OBSERVED HOLIDAYS

A. THE HOLIDAYS OBSERVED BY THE TOWN ARE:

NEW YEAR'S EVE DAY	**MEMORIAL DAY**	**THANKSGIVING DAY**	**FLOATING HOLIDAY (BIRTHDAY)**
NEW YEAR'S DAY	**INDEPENDENCE DAY**	**DAY AFTER THANKSGIVING**	
CIVIL RIGHTS/MLK DAY	**LABOR DAY**	**CHRISTMAS EVE DAY**	
PRESIDENT'S DAY	**VETERAN'S DAY**	**CHRISTMAS DAY**	

B. HOLIDAY PAY

1. FULL TIME EMPLOYEES RECEIVE HOLIDAY PAY AT THEIR NORMAL RATE OF PAY FOR THEIR REGULAR SCHEDULED SHIFT (WHETHER 8 OR 10 HOURS) IN LIEU OF HOURS WORKED.

2. PART-TIME BENEFIT ELIGIBLE EMPLOYEES SHALL RECEIVE HOLIDAY PAY BASED UPON A PRORATION OF THEIR BUDGETED WORKING HOURS.

a. FOR EXAMPLE, A PART-TIME BENEFIT ELIGIBLE EMPLOYEE BUDGETED TO WORK TWENTY (20) HOURS PER WEEK WOULD BE ELIGIBLE FOR FOUR (4) HOURS OF HOLIDAY PAY ON OBSERVED HOLIDAYS.

3. EMPLOYEES WHOSE REGULARLY SCHEDULED DAY-OFF FALLS ON AN OBSERVED TOWN HOLIDAY MAY RECEIVE A DIFFERENT DAY OFF DURING THAT SAME WEEK AS THEIR HOLIDAY.

C. FLOATING HOLIDAY (BIRTHDAY)

1. THE EMPLOYEE'S FLOATING HOLIDAY MUST BE TAKEN DURING THE MONTH IN WHICH THE EMPLOYEE'S ACTUAL BIRTHDAY OCCURS.

2. EMPLOYEES WHO FAIL TO TAKE THE FLOATING HOLIDAY DURING THEIR BIRTH MONTH, FORFEIT THEIR FLOATING HOLIDAY FOR THAT YEAR.

3. AN EMPLOYEE MAY NOT WORK ON THE FLOATING HOLIDAY FOR ADDITIONAL COMPENSATION.

D. HOLIDAYS WORKED

IF AN ELIGIBLE EMPLOYEE IS REQUIRED TO WORK ON AN OBSERVED HOLIDAY, THE EMPLOYEE WILL RECEIVE THE EMPLOYEE'S NORMAL RATE OF PAY FOR THEIR USUAL SHIFT, PLUS HOLIDAY PAY, PLUS REGULAR OVERTIME PAY IF REQUIRED FOR ANY HOURS OVER 40 IN THAT WORKWEEK.

E. HOLIDAYS THAT FALL ON SATURDAY OR SUNDAY

1. WHEN AN OBSERVED HOLIDAY FALLS ON A SATURDAY, THE PRECEDING FRIDAY SHALL BE OBSERVED.

2. WHEN AN OBSERVED HOLIDAY FALLS ON A SUNDAY, THE FOLLOWING MONDAY WILL BE OBSERVED.

3. WHEN CHRISTMAS AND NEW YEAR'S DAY ARE OBSERVED ON A FRIDAY, CHRISTMAS EVE DAY AND NEW YEAR'S EVE DAY WILL BE OBSERVED ON THE PRECEDING THURSDAY. WHEN CHRISTMAS EVE DAY AND NEW YEAR'S EVE DAY FALL ON A SUNDAY, CHRISTMAS EVE DAY AND NEW YEAR'S EVE DAY WILL BE OBSERVED ON MONDAY AND CHRISTMAS DAY AND NEW YEAR'S DAY WILL BE OBSERVED ON THE FOLLOWING TUESDAY.

10.7 WORKER'S COMPENSATION

A. PURPOSE

1. UNDER ARIZONA LAW, IT IS MANDATORY FOR EMPLOYERS TO SECURE WORKERS' COMPENSATION INSURANCE FOR THEIR EMPLOYEES. WORKERS' COMPENSATION IS A "NO FAULT" SYSTEM IN WHICH AN INJURED OR ILL EMPLOYEE IS ENTITLED TO RECEIVE BENEFITS FOR A

JOB-RELATED INJURY OR ILLNESS, NO MATTER WHO CAUSED THE INJURY OR ILLNESS. IF AN ILLNESS OR INJURY IS JOB-RELATED, THEN THE INJURED EMPLOYEE IS ELIGIBLE TO RECEIVE MEDICAL BENEFITS AND MAY RECEIVE TEMPORARY COMPENSATION, IF ELIGIBILITY REQUIREMENTS ARE MET. IN SOME CASES, A CLAIMANT MAY ALSO RECEIVE PERMANENT COMPENSATION BENEFITS, JOB RETRAINING, AND SUPPORTIVE MEDICAL CARE.

2. **THE PROVISIONS OF THIS POLICY ARE NOT INTENDED TO CONFLICT WITH OR SUPERSEDE STATE LAW, NOR SHOULD THEY BE INTERPRETED OR CONSTRUED TO DO SO. IF ANY PROVISION OF THIS POLICY CONFLICTS WITH STATE LAW, STATE LAW SHALL CONTROL.**

B. REPORTING REQUIREMENT

1. **EMPLOYEES WILL IMMEDIATELY REPORT ANY JOB RELATED ACCIDENT, ILLNESS, OR INJURY TO HIS OR HER IMMEDIATE SUPERVISOR.**

2. **IF THE EMPLOYEE'S DIRECT SUPERVISOR IS NOT AVAILABLE, THE EMPLOYEE SHALL REPORT THE ACCIDENT, INJURY OR OCCUPATIONAL ILLNESS TO THE EMPLOYEE'S DEPARTMENT HEAD.**

3. **THE EMPLOYEE'S DEPARTMENT HEAD, SUPERVISOR, OR DESIGNEE WILL ENSURE THAT THE ACCIDENT, INJURY OR ILLNESS IS REPORTED TO HR NO LATER THAN THE NEXT WORK DAY.**

4. **FAILURE TO REPORT THE ACCIDENT, INJURY OR ILLNESS WITHIN 24 HOURS MAY RESULT IN THE DENIAL OF A WORKER'S COMPENSATION CLAIM.**

5. **EMPLOYEES WILL FOLLOW THE REPORTING PROCEDURES ESTABLISHED BY HR/RISK MANAGEMENT, TO INCLUDE COMPLETING AND SUBMITTING ANY REQUIRED FORMS.**

C. DETERMINATION OF COMPENSABILITY

1. **THE TOWN'S WORKERS' COMPENSATION CARRIER WILL DETERMINE COMPENSABILITY FOR JOB RELATED INJURIES AND ILLNESSES.**

D. MEDICAL CLAIMS

1. **PURSUANT TO STATE LAW, IF AN EMPLOYEE IS OFF WORK DUE TO A JOB-RELATED INJURY OR ILLNESS DETERMINED TO BE COMPENSABLE, THE WORKERS' COMPENSATION CARRIER WILL PAY**

ALL OF THE EMPLOYEE'S MEDICAL EXPENSES ASSOCIATED WITH THE JOB RELATED INJURY OR ILLNESS.

2. IF AN EMPLOYEE'S ON THE JOB INJURY OR ILLNESS FALLS WITHIN THE FAMILY AND MEDICAL LEAVE DEFINITION FOR SERIOUS MEDICAL CONDITION, THE EMPLOYEE SHALL ALSO BE PLACED ON FAMILY AND MEDICAL LEAVE STATUS. DURING SUCH TIME, THE EMPLOYEE WILL BE AFFORDED THE SAME PROTECTIONS AND BENEFITS AS DESCRIBED IN SECTION 10.12 OF THIS POLICY.

E. BENEFITS

1. ALL BENEFITS UNDER THIS PLAN WILL BE PROVIDED WHILE THE EMPLOYEE MEETS ALL ELIGIBILITY CRITERIA, FOR A PERIOD OF SIX (6) MONTHS FROM THE DATE THE EMPLOYEE RECEIVES FIRST PAYMENT OF WORKERS' COMPENSATION PURSUANT TO A.R.S. 23-1021, 38-961 AND RELATED STATUTES.

2. PAYMENT OF THE EMPLOYEE'S REGULAR NET SALARY.

3. ACCRUED LEAVE BALANCES WILL BE MAINTAINED AT PRE-INJURY LEVEL, INCLUDING SICK, VACATION, AND COMP TIME.

4. CONTINUED PAYMENT OF THE EMPLOYER'S PORTION OF PREMIUM FOR HEALTH CARE BENEFITS, INCLUDING MEDICAL, DENTAL, AND VISION BENEFITS. EMPLOYEES REMAIN RESPONSIBLE FOR PAYING THEIR PORTION OF ANY PREMIUM.

5. RETIREMENT

a. PUBLIC SAFETY EMPLOYEES (MEMBERS OF PSPRS AND CORP)

i. THE TOWN WILL PAY BOTH THE EMPLOYERS AND EMPLOYEE'S CONTRIBUTION TO THE PUBLIC SAFETY RETIREMENT SYSTEM.

ii. THE EMPLOYEE WILL CONTINUE TO ACCRUE CREDIT FOR SERVICE IN THE PUBLIC SAFETY RETIREMENT PLAN.

b. MEMBERS OF ASRS

i. COMPENSATION RECEIVED UNDER THE WORKMAN'S COMPENSATION PROGRAM IS NOT ELIGIBLE FOR CREDITED SERVICE.

ii. NEITHER THE EMPLOYEE NOR THE TOWN WILL CONTRIBUTE RETIREMENT CONTRIBUTIONS WHILE THE EMPLOYEE IS ON WORKMAN'S COMPENSATION.

6. TO THE EXTENT THE EMPLOYEE IS ELIGIBLE FOR AND RECEIVES SALARY OR BENEFIT CHANGES WHILE ELIGIBLE AND RECEIVING

BENEFITS UNDER THIS SECTION, THE BENEFITS UNDER THIS SECTION WILL BE ADJUSTED ACCORDINGLY.

a. FOR EXAMPLE, IF ALL EMPLOYEES ARE PROVIDED AUTOMATIC SALARY ADJUSTMENT AS PART OF AN ANNUAL PROCESS, THE EMPLOYEE WILL RECEIVE BENEFITS UNDER THIS PLAN BASED ON HIS/HER NEW ADJUSTED SALARY AS HE/SHE WOULD IF NOT INJURED.

b. SUCH ADJUSTMENTS MAY OR MAY NOT BENEFIT THE EMPLOYEE.

7. EMPLOYEES RECEIVING BENEFITS UNDER THIS SECTION WILL NOT ACCRUE ADDITIONAL SICK OR ANNUAL LEAVE.

F. RETURN TO WORK

1. IT IS THE PHILOSOPHY OF THE TOWN TO RETURN INJURED OR ILL EMPLOYEES TO EMPLOYMENT FOR THE TOWN AS SOON AS THEY ARE PHYSICALLY AND/OR MENTALLY CAPABLE OF PERFORMING FUNCTIONS FOR THE TOWN AND ARE RELEASED TO RETURN TO WORK BY THE DESIGNATED PHYSICIAN.

2. WHEN AN EMPLOYEE WITH A JOB-RELATED INJURY OR ILLNESS RETURNS TO WORK, EITHER IN HIS OR HER NORMAL ASSIGNMENT OR IN AN ALTERNATIVE WORK ASSIGNMENT (TRANSITIONAL/LIGHT DUTY), THE EMPLOYEE WILL NOT BE CHARGED SICK LEAVE OR ANY OTHER TYPE OF LEAVE FOR ABSENCES DUE TO MEDICAL APPOINTMENTS, INCLUDING PHYSICAL THERAPY, FOR THE JOB-RELATED INJURY OR ILLNESS.

3. ANY EMPLOYEE WHO HAS BEEN ABSENT DUE TO A WORK-RELATED ILLNESS OR INJURY MAY BE REQUIRED TO UNDERGO A RETURN TO WORK EXAMINATION OR A FITNESS FOR DUTY EXAMINATION THROUGH THE TOWN DESIGNATED PHYSICIAN.

4. EMPLOYEES RELEASED TO WORK WITH RESTRICTIONS WILL BE PLACED ON LIGHT DUTY WHEN LIGHT DUTY IS AVAILABLE. SEE THE TOWN TRANSITIONAL/LIGHT DUTY ADMINISTRATIVE DIRECTIVE FOR FURTHER DETAILS.

5. IF THE EMPLOYEE IS RELEASED TO WORK WITH RESTRICTIONS, THE TOWN WILL COMPLY WITH THE FEDERAL AMERICANS WITH DISABILITIES ACT.

6. IN THE EVENT THAT AN EMPLOYEE IS APPROVED FOR AND OFFERED LIGHT DUTY ASSIGNMENT AND CHOOSES NOT TO ACCEPT THE ASSIGNMENT, S/HE SHALL BE DENIED CONTINUATION OF WORKER'S

COMPENSATION BENEFITS, AND MAY BE SUBJECT TO DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION.

10.8 MILITARY LEAVE

A. LEAVES OF ABSENCE FOR MILITARY SERVICE SHALL BE GRANTED IN ACCORDANCE WITH THE PROVISIONS OF APPLICABLE STATE AND FEDERAL LAWS. PURSUANT TO STATE LAW, THE TOWN OF ORO VALLEY WILL PROVIDE EMPLOYEES IN THE MILITARY RESERVES WITH THIRTY (30) DAYS OF PAID MILITARY LEAVE EVERY TWO YEARS.

B. PURSUANT TO APPLICABLE FEDERAL AND STATE LAWS, EMPLOYEES REQUESTING A LEAVE OF ABSENCE FOR MILITARY SERVICE MUST SUBMIT COPIES OF VALID ORDERS TO THE HR DEPARTMENT.

C. AT THEIR OPTION, EMPLOYEES OF THE TOWN OF ORO VALLEY WHO HAVE BEEN CALLED TO ACTIVE DUTY BY PRESIDENTIAL ORDER WILL BE ELIGIBLE TO RECEIVE SUPPLEMENTAL PAY FOR A PERIOD OF UP TO ONE (1) YEAR WHILE UNDER ACTIVE MILITARY ORDERS.

D. THE EMPLOYEE UNDER ACTIVE MILITARY ORDER WILL NOT BE REQUIRED TO USE ACCRUED ANNUAL PAY OR COMPENSATORY TIME OFF PRIOR TO RECEIVING SUPPLEMENTAL PAY.

E. THE EMPLOYEE ON ACTIVE MILITARY ORDER IS ELIGIBLE TO RECEIVE THEIR NORMAL PAY MINUS ALL APPLICABLE DEDUCTIONS FOR BENEFITS, TAXES, ETC.

1. IN ORDER TO ELIMINATE TAX CONSEQUENCES FOR THE EMPLOYEE ON ACTIVE MILITARY ORDER, THE TOWN WILL CALCULATE THE DIFFERENCE BETWEEN THEIR REGULAR PAY AND THEIR MILITARY PAY, AND PAY THE DIFFERENCE TO THE EMPLOYEE.

F. DURING PERIODS OF MILITARY LEAVE, EMPLOYEES OF THE TOWN OF ORO VALLEY WHO ARE SERVING ON ACTIVE DUTY AS MEMBERS OF THE MILITARY RESERVES WILL BE ALLOWED TO CONTINUE TO MAINTAIN THEIR EMPLOYEE BENEFITS WITH THE TOWN BY CONTINUING TO MAKE THE REQUIRED EMPLOYEE CONTRIBUTIONS FOR EACH OF THE PLANS FOR WHICH THE EMPLOYEE HAS ENROLLED PRIOR TO THE START OF THEIR MILITARY SERVICE LEAVE.

G. RETIREMENT CONTRIBUTIONS FOR EMPLOYEES CALLED TO ACTIVE MILITARY SERVICE. .

1. EMPLOYEES WHO ARE MEMBERS OF THE ARIZONA RETIREMENT SYSTEM

a. IN ACCORDANCE WITH ARIZONA REVISED STATUTE 38-745, MEMBERS OF A.S.R.S WHO ARE ON PAID LEAVE WILL CONTINUE TO PAY THE EMPLOYEE'S PORTION OF THEIR RETIREMENT CONTRIBUTION WHILE THE TOWN CONTINUES TO PAY THE EMPLOYER'S PORTION.

b. IF THE EMPLOYEE IS ON UNPAID LEAVE, THE TOWN WILL PAY BOTH THE EMPLOYEE'S AND EMPLOYER'S PORTION OF THE REQUIRED CONTRIBUTION TO ASRS ONCE THE EMPLOYEE RETURN'S TO TOWN EMPLOYMENT AND MEETS ELIGIBILITY REQUIREMENTS

2. EMPLOYEES WHO ARE MEMBERS OF THE PSPRS OR CORP

a. IN ACCORDANCE WITH ARIZONA REVISED STATUTE 38-858, THE TOWN WILL MAKE BOTH MEMBER AND EMPLOYER CONTRIBUTIONS FOR YOU (UP TO 48 MONTHS) IN A LUMP SUM UPON YOUR RETURN IF:

i. YOU ARE A MEMBER OF THE ARIZONA NATIONAL GUARD OR A RESERVE IN ANY BRANCH OF THE MILITARY, OR

ii. YOU VOLUNTEER INTO ACTIVE DUTY OR ARE CALLED INTO ACTIVE DUTY AS A RESULT OF A PRESIDENTIAL CALL-UP, AND

iii. YOU ARE HONORABLY SEPARATED FROM ACTIVE DUTY AND RETURN TO TOWN EMPLOYMENT WITHIN 90 DAYS AFTER SEPARATION.

H. THE TOWN WILL FOLLOW THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT WHEN DETERMINING RETURN AND REEMPLOYMENT RIGHTS UPON RELEASE FROM ACTIVE MILITARY ORDER.

~~SECTION 7. Jury Leave: All employees of the Town who are called or required to serve as a juror shall be excused for their absence from work and receive their normal pay for such absence. In return for receiving regular pay, the employee shall remit any monies received for the jury duty (except for travel pay) directly to the Town.~~

~~SECTION 8. Subpoena Leave/Expert Witness Leave: All employees of the Town required to appear in court as a witness in their official capacity shall be excused from their duties with the Town and shall receive pay and all other benefits during the period of such service. Under such circumstances, the employee shall refund the witness fee, if any, to the Town. Employees subpoenaed for matters not related to Town business shall not be paid for their absence unless accrued; approved annual leave or accrued compensatory time is used. Employees may use unpaid leave for such absences with appropriate approvals.~~

~~SECTION 9. Administrative Leave: The Town Manager may grant up to five (5) days of Administrative Leave with pay, in any fiscal year, to exempt employees due to extenuating conditions of employment.~~

10.9 BEREAVEMENT LEAVE

A. UPON THE DEATH OF AN IMMEDIATE FAMILY MEMBER, BENEFIT ELIGIBLE EMPLOYEES WHO ARE ON ACTIVE STATUS (I.E., NOT ON ANOTHER FORM OF

LEAVE OF ABSENCE) ARE ELIGIBLE TO RECEIVE FIVE (5) WORKING DAYS OF PAID LEAVE (NOT CHARGED TO SICK LEAVE OR ANNUAL LEAVE).

1. FOR BEREAVEMENT INVOLVING OTHER FAMILY MEMBERS OR FRIENDS, THE EMPLOYEE MAY REQUEST PAID ANNUAL LEAVE OR UNPAID LEAVE.

2. BEREAVEMENT LEAVE MUST BE APPROVED BY THE DEPARTMENT HEAD, OR DESIGNEE.

10.10 JURY DUTY LEAVE

A. ALL EMPLOYEES OF THE TOWN WHO ARE CALLED OR REQUIRED TO SERVE AS A JUROR SHALL BE EXCUSED FOR THEIR ABSENCE FROM WORK AND RECEIVE THEIR NORMAL PAY FOR SUCH ABSENCE. IN RETURN FOR RECEIVING REGULAR PAY, THE EMPLOYEE SHALL REMIT ANY MONIES RECEIVED FOR THE JURY DUTY (EXCEPT FOR TRAVEL PAY) DIRECTLY TO THE TOWN.

10.11 SUBPOENA LEAVE / WITNESS LEAVE

A. ALL EMPLOYEES OF THE TOWN REQUIRED TO APPEAR IN COURT AS A WITNESS IN THEIR OFFICIAL CAPACITY SHALL BE EXCUSED FROM THEIR DUTIES WITH THE TOWN AND SHALL RECEIVE PAY AND ALL OTHER BENEFITS DURING THE PERIOD OF SUCH SERVICE.

1. UNDER SUCH CIRCUMSTANCES, THE EMPLOYEE SHALL REFUND THE WITNESS FEE, IF ANY, TO THE TOWN.

B. EMPLOYEES SUBPOENAED FOR MATTERS NOT RELATED TO TOWN BUSINESS SHALL NOT BE PAID FOR THEIR ABSENCE UNLESS ACCRUED, APPROVED ANNUAL LEAVE OR ACCRUED COMPENSATORY TIME IS USED.

1. EMPLOYEES MAY USE UNPAID LEAVE FOR SUCH ABSENCES WITH APPROPRIATE APPROVALS.

~~SECTION 10. Holidays: The holidays to be observed by the Town are as follows:~~

~~New Year's Eve Day~~	
~~New Year's Day~~	~~Labor Day~~
~~Civil Rights/MLK Day~~	~~Veteran's Day~~
~~President's Day~~	~~Thanksgiving Day~~
~~Memorial Day~~	~~Day after Thanksgiving Day~~
~~Independence Day~~	~~Christmas Eve Day~~
~~Floating Holiday (Birthday)~~	~~Christmas Day~~

~~Employees budgeted for at least 20 hours per week are eligible for holiday pay on observed holidays. The amount of holiday pay will be prorated based on the regular budgeted status of the employee.~~

~~Employees who are eligible for holiday pay may take a floating holiday to celebrate their birthday. The day off with pay (pursuant to the other terms of this policy) must be taken during the month in which the employee's actual birthday occurs. If the employee fails to take the Floating Holiday during their birth month, it is forfeited for that year. An employee may not work on the Floating Holiday for additional compensation.~~

~~(Note: When a holiday falls on a Saturday, the preceding Friday shall be observed. When a holiday falls on a Sunday, the following Monday will be observed. When Christmas Day and New Year's Day are observed on a Friday, Christmas Eve Day and New Year's Eve Day will be observed on the preceding Thursday. When Christmas Eve Day and New Year's Eve Day fall on a Sunday, Christmas Eve Day and New Year's Eve Day will be observed on Monday and Christmas Day and New Year's Day will be observed on the following Tuesday. It should be noted that public safety and other essential service employees may be required to be on duty on holidays in the interests of the public health, safety, or general welfare of the Town and that for pay purposes, the holiday is the day designated by the Town.)~~

~~Full time employees receive holiday pay for a regularly scheduled work day in lieu of hours worked. Part-time employees who are budgeted to work twenty (20) hours per week or more shall receive holiday pay based upon a proration of their budgeted working hours. For example, a part-time employee budgeted to work twenty (20) hours per week would be eligible for four (4) hours of holiday pay on paid holidays.~~

~~In the case of police officers, if an officer is required to work on a holiday designated by the Town, the officer will receive double the officer's normal rate of pay for the period of time worked. If the officer does not work on a holiday designated by the Town, the officer will receive ten (10) hours pay at the officer's normal rate of pay provided that the officer is on a schedule where the normal work day is ten (10) hours.~~

~~If an eligible employee is required to work on a holiday designated by the Town, the employee will receive the employee's normal rate of pay for their usual shift (whether 8 or 10 hours), plus holiday pay, plus regular overtime pay if required for any time worked over 40 hours in the workweek.~~

~~SECTION 11. Family and Medical Leave Act, as amended: The Town of Oro Valley shall comply with the requirements of the Family and Medical Leave Act. A summary of this Act is available for review in the Human Resources Office. Qualifying employees may be eligible under the act for up to a total of 12 weeks of unpaid family leave during an applicable 12 month period. The Act provides for leaves for childbirth, foster care, and adoption related situations, as well as serious health conditions for employees, or to care for a seriously ill spouse, parent or child in certain situations.~~

~~In certain circumstances FMLA leave may be available for members of the military and/or their family members. Requirements for military FMLA are different than other leave requirements, so please consult the Human Resources Director if you would like to request FMLA for a military related reason.~~

~~For purposes of calculating the total amount of unpaid leave available to qualifying employees, the Town requires that the employee shall first use paid leave for which they are eligible (i.e., sick leave, annual leave, compensatory time off, etc.). Thereafter, the Town shall grant qualifying employees unpaid leave up to a total of 12 weeks, including the paid leave noted previously.~~

~~The amount of available FMLA leave depends upon certain eligibility requirements (such as hours of service worked during the preceding 12 month period, etc.), a qualifying event (i.e., childbirth, adoption, foster care, or serious health condition affecting either the employee or member of the employee's immediate family), the amount~~

~~of paid leave available to the employee, as well as any unpaid leave already used by the employee. Eligibility for leave under the Act shall be determined by the Human Resources Director. Employees desiring additional information regarding family leave are encouraged to contact the Human Resources Director. In cases involving foreseeable qualifying events, a minimum of 30 days notice shall be given of the necessity of the leave. In all other situations, employees should give as much advanced notice as possible.~~

~~An employee who needs more than the 12 weeks of leave provided by the FMLA may request additional time off in accordance with the other leave of absence provisions discussed in this policy (see sections 5 & 6), up to a total of 12 months of total leave time. They may continue to use any paid time which they have accrued during this period~~

10.12 FAMILY AND MEDICAL LEAVE

A. THE FEDERAL FAMILY AND MEDICAL LEAVE ACT ENTITLES ELIGIBLE EMPLOYEES TO TAKE UNPAID, JOB-PROTECTED LEAVE FOR SPECIFIED FAMILY AND MEDICAL REASONS WITH CONTINUATION OF GROUP HEALTH INSURANCE COVERAGE.

B. ELIGIBILITY

1. MUST BE A TOWN OF ORO VALLEY EMPLOYEE.

2. MUST HAVE WORKED FOR ORO VALLEY FOR AT LEAST TWELVE (12) MONTHS, WHETHER OR NOT SUCH TIME IS CONTINUOUS, AND NOT HAD A CONTINUOUS BREAK IN SERVICE OF MORE THAN SEVEN (7) YEARS.

3. MUST HAVE WORKED A MINIMUM OF 1,250 HOURS DURING THE 12-MONTH PERIOD IMMEDIATELY PRECEDING THE COMMENCEMENT OF LEAVE. *QUALIFYING HOURS DO NOT INCLUDE ANNUAL, SICK, BEREAVEMENT, HOLIDAY, UNPAID LEAVE, ETC. BUT OVERTIME AND HOLIDAYS WORKED AND MILITARY LEAVE DO QUALIFY.*

C. QUALIFYING EVENTS

1. THE EMPLOYEE'S OWN SERIOUS HEALTH CONDITION THAT MAKES THE EMPLOYEE UNABLE TO PERFORM ONE OR MORE OF THE ESSENTIAL FUNCTIONS OF HIS OR HER JOB.

2. THE BIRTH OF A CHILD AND TO CARE FOR THE NEWBORN CHILD WITHIN ONE YEAR OF BIRTH.

3. THE PLACEMENT WITH THE EMPLOYEE OF A CHILD FOR ADOPTION OR FOSTER CARE AND TO CARE FOR THE NEWLY PLACED CHILD WITHIN ONE YEAR OF PLACEMENT.

4. TO CARE FOR THE EMPLOYEE'S SPOUSE, CHILD, PARENT OR EN LOCO PARENTIS WHO HAS A SERIOUS HEALTH CONDITION.

5. **A MILITARY QUALIFYING EXIGENCY WHILE THE EMPLOYEE'S SPOUSE, SON, DAUGHTER, OR PARENT (THE "MILITARY MEMBER") IS ON COVERED ACTIVE DUTY OR HAS BEEN NOTIFIED OF AN IMPENDING CALL OR ORDER TO COVERED ACTIVE DUTY STATUS.**

6. **TO CARE FOR A COVERED SERVICE MEMBER OR QUALIFYING VETERAN WITH A SERIOUS INJURY OR ILLNESS IF THE ELIGIBLE EMPLOYEE IS THE SERVICE MEMBER'S SPOUSE, SON, DAUGHTER, PARENT, OR NEXT OF KIN (MILITARY CAREGIVER LEAVE).**

D. AMOUNT OF LEAVE

1. **QUALIFYING FULL-TIME EMPLOYEES MAY BE ELIGIBLE FOR UP TO A TOTAL OF 12 WEEKS OF UNPAID FAMILY LEAVE DURING THE APPLICABLE 12 MONTH PERIOD.**

2. **FOR PART-TIME ELIGIBLE EMPLOYEES AND THOSE WHO WORK VARIABLE HOURS, THE FAMILY MEDICAL LEAVE ENTITLEMENT IS CALCULATED ON A PRO-RATA BASIS. A WEEKLY AVERAGE OF HOURS WORKED OVER THE 12 WEEKS PRIOR TO THE BEGINNING OF THE LEAVE SHOULD BE USED FOR CALCULATING THE EMPLOYEE'S NORMAL WORKWEEK.**

3. **A HUSBAND AND WIFE WHO ARE BOTH EMPLOYED BY THE TOWN ARE PERMITTED TO TAKE ONLY A COMBINED TOTAL OF 12 WEEKS OF LEAVE DURING THE 12 ROLLING CALENDAR MONTH PERIOD IF THEY ARE TAKING LEAVE FOR THE BIRTH OR ADOPTION OF A CHILD.**

4. **EXCEPT FOR LEAVE TO CARE FOR A COVERED SERVICE MEMBER WITH A SERIOUS INJURY OR ILLNESS, THE TOWN USES A ROLLING 12-MONTH PERIOD TO CALCULATE FMLA ELIGIBILITY. EACH TIME AN EMPLOYEE USES FMLA LEAVE, THE REMAINING LEAVE ENTITLEMENT IS THE BALANCE OF THE 12 WEEKS THAT HAS NOT BEEN USED DURING THE IMMEDIATELY PRECEDING 12 MONTHS.**

5. **FOR LEAVE TO CARE FOR A COVERED SERVICE MEMBER WITH A SERIOUS INJURY OR ILLNESS, THE BENEFIT PROVIDES FOR UP TO 26 WEEKS OF LEAVE AND THE "SINGLE 12-MONTH PERIOD" BEGINS ON THE FIRST DAY THE ELIGIBLE EMPLOYEE TAKES FMLA LEAVE TO CARE FOR THE COVERED SERVICE MEMBER AND ENDS 12 MONTHS AFTER THAT DATE.**

E. SERIOUS HEALTH CONDITION IS AN ILLNESS, INJURY, IMPAIRMENT, OR PHYSICAL OR MENTAL CONDITION THAT INVOLVES:

1. **IMPATIENT CARE OR CONTINUING TREATMENT BY A HEALTH CARE PROVIDER.**

2. **CONTINUING TREATMENT INVOLVES A PERIOD OF INCAPACITY:**
   a. **OF MORE THAN THREE (3) CONSECUTIVE CALENDAR DAYS AND ANY SUBSEQUENT TREATMENT THAT ALSO INVOLVES TREATMENT AT LEAST TWO OR MORE TIMES BY A HEALTH CARE PROVIDER;**
   b. **DUE TO PREGNANCY, OR PRENATAL CARE;**
   c. **DUE TO A CHRONIC SERIOUS HEALTH CONDITION REQUIRING PERIODIC TREATMENT BY A HEALTH CARE PROVIDER OVER AN EXTENDED PERIOD OF TIME AND MAY CAUSE EPISODIC RATHER THAN A CONTINUING PERIOD OF INCAPACITY (E.G., ASTHMA, DIABETES, EPILEPSY);**
   d. **PERMANENT OR LONG-TERM INCAPACITY DUE TO A CONDITION FOR WHICH TREATMENT MAY NOT BE EFFECTIVE; OR**
   e. **ANY PERIOD OF ABSENCE TO RECEIVE MULTIPLE TREATMENTS BY A HEALTH CARE PROVIDER EITHER FOR RESTORATIVE SURGERY AFTER AN ACCIDENT OR INJURY OR FOR A CONDITION SUCH AS CANCER THAT WOULD LIKELY RESULT IN A PERIOD OF INCAPACITY OF MORE THAN THREE (3) CONSECUTIVE CALENDAR DAYS WITHOUT MEDICAL TREATMENT. TREATMENT WOULD NOT INCLUDE ROUTINE PHYSICAL EXAMINATIONS.**

F. APPLICATION OF ACCRUED PAID LEAVE

1. **ACCRUED PAID ANNUAL AND SICK LEAVE WILL BE APPLIED WHEN FMLA LEAVE IS TAKEN FOR ANY REASON OR ANY LENGTH OF TIME.**

2. **WHEN AN EMPLOYEE HAS USED ALL THEIR SICK OR ANNUAL PAID LEAVE, THE EMPLOYEE WILL BE PLACED ON UNPAID LEAVE FOR ANY PART OF THE 12 WEEK PERIOD REMAINING.**

G. INTERMITTENT LEAVE

1. **WHEN PLACED ON OFFICIAL FMLA STATUS, AN EMPLOYEE MAY TAKE LEAVE INTERMITTENTLY (A FEW DAYS OR A FEW HOURS AT A TIME), OR ON A REDUCED LEAVE SCHEDULE. AN EMPLOYEE SHOULD MAKE REASONABLE EFFORTS TO SCHEDULE THEIR ABSENCES SO AS NOT TO UNDULY DISRUPT WORK OPERATIONS.**

2. **WHEN IT IS NECESSARY FOR THE EMPLOYEE TO TAKE FMLA INTERMITTENTLY OR ON A REDUCED LEAVE SCHEDULE, THE EMPLOYEE MAY BE REQUIRED TO TRANSFER TEMPORARILY TO A POSITION WITH EQUIVALENT PAY AND BENEFITS THAT BETTER ACCOMMODATES RECURRING PERIODS OF LEAVE WHEN THE LEAVE IS PLANNED BASED ON SCHEDULED MEDICAL TREATMENT.**

a. AN EMPLOYEE MAY TAKE LEAVE INTERMITTENTLY OR ON A REDUCED LEAVE SCHEDULE FOR BIRTH OR PLACEMENT FOR ADOPTION OR FOSTER CARE OF A CHILD AT THE DISCRETION OF THE DEPARTMENT HEAD.

H. NOTICE REQUIREMENT

1. AN EMPLOYEE IS REQUIRED TO GIVE THIRTY (30) CALENDAR DAYS' NOTICE IN THE EVENT OF A FORESEEABLE LEAVE.

2. IN UNEXPECTED OR UNFORESEEABLE SITUATIONS, AN EMPLOYEE SHOULD PROVIDE AS MUCH NOTICE AS IS PRACTICABLE. VERBAL OR WRITTEN NOTICE WITHIN ONE OR TWO WORKING DAYS OF WHEN THE NEED FOR FAMILY MEDICAL LEAVE BECOMES KNOWN IS USUALLY SUFFICIENT.

3. IF THE EMPLOYEE DOES NOT NOTIFY THE DEPARTMENT WITHIN FIVE (5) WORKING DAYS OF RETURNING TO WORK THAT THE ABSENCE WAS FOR AN FMLA REASON, THE EMPLOYEE CANNOT LATER CLAIM THAT THE ABSENCE WAS FOR AN FMLA REASON.

4. A REQUEST FOR FAMILY MEDICAL LEAVE SHOULD BE MADE TO THE HR DEPARTMENT, EITHER BY THE EMPLOYEE, OR THEIR SUPERVISOR.

5. ELIGIBLE EMPLOYEES ON WORKER'S COMPENSATION SHOULD ALSO BE EVALUATED FOR FMLA LEAVE. HOWEVER, EMPLOYEES WHO ARE RELEASED TO WORK ON TRANSITIONAL/LIGHT DUTY WILL NOT HAVE THE MODIFIED DUTY HOURS COUNTED TOWARD FML LEAVE HOURS.

I. MEDICAL CERTIFICATION

1. MEDICAL CERTIFICATION MUST BE PROVIDED BY THE EMPLOYEE WITHIN FIFTEEN (15) CALENDAR DAYS AFTER REQUESTED. THE CERTIFICATION SHALL INCLUDE THE CONDITION BEING TREATED, THE DATE THE SERIOUS HEALTH CONDITION COMMENCED, AND THE HEALTH CARE PROVIDER'S BEST MEDICAL JUDGMENT CONCERNING THE PROBABLE DURATION OF THE CONDITION.

2. FOR INCREMENTAL USE OF LEAVE THE CERTIFICATION MUST INDICATE MEDICAL NECESSITY FOR A REDUCED WORK SCHEDULE.

3. THE TOWN RESERVES THE RIGHT TO REQUEST ADDITIONAL MEDICAL OPINIONS IN ACCORDANCE WITH THE FMLA.

J. EFFECT ON BENEFITS

1. **SUBJECT TO THE TERMS, CONDITIONS AND LIMITATIONS OF THE APPLICABLE GROUP HEALTH INSURANCE PLANS, THE TOWN SHALL MAINTAIN GROUP HEALTH INSURANCE COVERAGE, INCLUDING FAMILY COVERAGE, FOR AN EMPLOYEE ON FMLA LEAVE ON THE SAME TERMS AS IF THE EMPLOYEE CONTINUED TO WORK.**

2. **AN EMPLOYEE, WHO IS ON PAID FMLA LEAVE VIA THE USE OF ACCRUED LEAVE, SHALL CONTINUE TO PAY HIS OR HER SHARE OF THE INSURANCE PREMIUM, IF ANY, THROUGH PAYROLL DEDUCTIONS.**

3. **AN EMPLOYEE WHO IS ON UNPAID FMLA LEAVE SHALL MAKE ARRANGEMENTS WITH THE HR AND FINANCE DEPARTMENTS TO MAKE PAYMENTS FOR HIS OR HER SHARE OF THE INSURANCE PREMIUM, IF ANY. IF PAYMENT IS MORE THAN THIRTY (30) CALENDAR DAYS OVERDUE, COVERAGE WILL BE DROPPED, AFTER FIFTEEN (15) CALENDAR DAYS WRITTEN NOTICE IS PROVIDED TO THE EMPLOYEE. IN THIS SITUATION, COBRA WILL BE OFFERED.**

4. **THE TOWN'S OBLIGATION TO MAINTAIN HEALTH BENEFITS UNDER THIS SECTION STOPS IF AND WHEN THE EMPLOYEE INFORMS THE TOWN OF INTENT NOT TO RETURN TO WORK AT THE END OF THE LEAVE PERIOD OR IF THE EMPLOYEE FAILS TO RETURN TO WORK WHEN THE FMLA LEAVE ENTITLEMENT IS EXHAUSTED. IN SOME CIRCUMSTANCES, THE TOWN MAY RECOVER PREMIUMS IT PAID TO MAINTAIN HEALTH INSURANCE COVERAGE FOR AN EMPLOYEE WHO FAILS TO RETURN TO WORK FROM FMLA LEAVE.**

5. **THE TOWN WILL NOT MAINTAIN OTHER SUPPLEMENTAL BENEFITS WHILE AN EMPLOYEE IS ON FMLA LEAVE. TO MAINTAIN SUPPLEMENTAL BENEFITS, THE EMPLOYEE MUST MAKE PAYMENT ARRANGEMENTS WITH THE HR AND FINANCE DEPARTMENTS.**

6. **BENEFIT ACCUMULATION, SUCH AS ANNUAL, SICK LEAVE OR HOLIDAY BENEFITS, WILL BE SUSPENDED DURING ANY FULL PAY PERIOD (80 HOURS) OF UNPAID LEAVE PORTION OF THE FMLA LEAVE PERIOD AND WILL RESUME UPON RETURN TO ACTIVE EMPLOYMENT. USE OF FMLA LEAVE IS NOT CONSIDERED A BREAK IN SERVICE WHEN DETERMINING ELIGIBILITY FOR VESTING OR FOR PARTICIPATION IN A BENEFIT.**

K. RETURN TO WORK

1. **AN EMPLOYEE ON FMLA LEAVE SHALL PROVIDE THE HR DEPARTMENT WITH AT LEAST TWO (2) WORKING DAYS' ADVANCE NOTICE OF THE DATE THE EMPLOYEE INTENDS TO RETURN TO WORK.**

2. **AN EMPLOYEE ON FMLA LEAVE FOR THE EMPLOYEE'S OWN SERIOUS HEALTH CONDITION SHALL PROVIDE A WRITTEN RELEASE FROM A**

HEALTH CARE PROVIDER INDICATING THAT THE EMPLOYEE MAY RESUME THE FULL ESSENTIAL FUNCTIONS OF HIS OR HER POSITION PRIOR TO OR IMMEDIATELY UPON RETURNING TO WORK.

3. UPON RETURN FROM FMLA LEAVE, THE EMPLOYEE SHALL BE RESTORED TO THE EMPLOYEE'S ORIGINAL POSITION, OR TO AN EQUIVALENT POSITION WITH EQUIVALENT PAY, BENEFITS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT.

4. IF THE FMLA LEAVE PERIOD IS INSUFFICIENT AND THE EMPLOYEE IS UNABLE TO FULLY PERFORM THE ESSENTIAL FUNCTIONS OF HIS OR HER POSITION AT THE CONCLUSION OF THE FMLA LEAVE PERIOD, THE EMPLOYEE MAY REQUEST ADDITIONAL TIME OFF IN ACCORDANCE WITH THE OTHER LEAVE OF ABSENCE PROVISIONS HEREIN.

5. IF AN EMPLOYEE IS RELEASED TO WORK WITH RESTRICTIONS, THE EMPLOYEE MAY BECOME ELIGIBLE FOR LIGHT DUTY. IN SOME CIRCUMSTANCES, IT WILL BECOME NECESSARY TO BEGIN AN INTERACTIVE ACCOMMODATION PROCESS IN ACCORDANCE WITH THE AMERICANS FOR DISABILITIES ACT.

6. THE TOWN MAY REQUIRE UPDATED MEDICAL CERTIFICATIONS TO SUPPORT THE NEED FOR THE ADDITIONAL LEAVE.

7. IF THE EMPLOYEE IS UNABLE TO RETURN AFTER THIS TIME, THE TOWN MAY INITIATE SEPARATION OF EMPLOYMENT.

L. RETALIATION

1. THE TOWN PROHIBITS RETALIATION TOWARD EMPLOYEES WHO UTILIZE FMLA LEAVE.

~~SECTION 12. Bereavement Leave:~~

~~Upon the death of a family member, all regular employees who are on active duty (i.e., not on another form of leave of absence) are eligible to receive up to three working days of paid leave (not charged to sick leave or annual leave). Up to two days of additional paid leave may be granted for out-of-state travel.~~

~~Bereavement Leave must be approved by the Department Head and the Town Manager.~~

~~For Bereavement Leave purposes, "family member" is defined as a spouse, child, mother, father, mother-in-law, father-in-law, step-parent, step-child, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild. For bereavement involving other family members or friends, the employee may request paid annual vacation leave or unpaid leave.~~

~~SECTION 13. Transfer of Sick Leave, Annual Leave, or Comp-Time:~~

~~It is the policy of the Town of Oro Valley to permit the transfer of compensatory time-off, annual leave, and/or sick leave between employees subject to the following conditions:~~

1. ~~The decision to authorize the transfer is at the sole discretion of the responsible Department Head(s) with concurrence by the Human Resources Director, and advance approval from the Town Manager.~~
2. ~~The transfer is made on a dollar-for-dollar basis (i.e., higher salary computed into lower salary hours or lower salary computed into higher salary hours). This is to ensure that the Town does not incur any additional costs or obligations, and is not adversely impacted by allowing the transfer of time.~~
3. ~~Requests for transfer of compensatory time-off, annual leave, or sick leave must be made in writing to the responsible Department Head(s) and the Town Manager prior to the approval of any transfer. The specific reason for the transfer request must be included along with any documentation supporting the request.~~
4. ~~Transfers may be granted for extenuating circumstances normally limited to the serious illness of the recipient and only if the recipient is near or at a zero balance for sick leave, compensatory time and annual leave. Exceptions must be approved in writing by the Town Manager.~~
5. ~~Transfers should only be implemented for the anticipated period of absence for the affected employee (i.e., the recipient should not be left with a large sick leave balance following their period of absence).~~
6. ~~The recipient may only use the donated sick leave for reasons complying with the normal terms of sick leave found elsewhere in this policy.~~
7. ~~Individual employees may not transfer more than 40 hours of sick leave in a single pay period.~~

10-13 LEAVE DONATIONS

A. EMPLOYEES ARE ENCOURAGED TO MANAGE THEIR PAID TIME OFF TO ALLOW FOR MAJOR LIFE EVENTS. IN THE EVENT THAT, EVEN WITH GOOD LEAVE MANAGEMENT, AN EMPLOYEE EXHAUSTS ALL HIS/HER PAID TIME OFF, THE TOWN ALLOWS ALL EMPLOYEES TO DONATE UP TO FORTY (40) HOURS OF ANNUAL LEAVE EVERY TWELVE MONTHS, WHILE MAINTAINING A MINIMUM OF EIGHTY (80) ANNUAL LEAVE HOURS. EMPLOYEES WITH SICK LEAVE BALANCES IN EXCESS OF 480 HOURS MAY DONATE UP TO EIGHTY (80) HOURS OF SICK LEAVE EVERY TWELVE MONTHS.

B. ELIGIBILITY TO RECEIVE DONATED LEAVE HOURS

1. MUST BE ON AN APPROVED FAMILY MEDICAL LEAVE ACT, AND

2. MUST HAVE EXHAUSTED ALL FORMS OF PAID TIME OFF, INCLUDING SICK LEAVE, COMPENSATORY TIME AND ANNUAL LEAVE TIME; AND

3. MUST BE ELIGIBLE TO EARN AND USE DONATED HOURS IN ORDER TO ACCEPT CONTRIBUTIONS.

C. REQUESTING DONATED LEAVE TIME

1. TO REQUEST DONATED LEAVE TIME THE REQUESTING EMPLOYEE MUST COMPLETE A REQUEST FOR DONATION FORM AND SUBMIT IT TO THE HR DEPARTMENT. IN THE EVENT THE EMPLOYEE IS UNABLE TO COMPLETE THE FORM, THE EMPLOYEE'S SUPERVISOR MAY

COMPLETE AND SUBMIT THE FORM. UPON RECEIPT OF THE APPROVED REQUEST FOR DONATION FORM, THE HR DEPARTMENT WILL SEND AN EMAIL TO ALL TOWN EMPLOYEES INFORMING THEM OF THE EMPLOYEE'S NEED, AND REQUESTING DONATED HOURS.

a. AN EMPLOYEE MAY RECEIVE THE LESSER OF 480 DONATED HOURS OR THE AMOUNT OF LEAVE TIME NEEDED TO BRING THE EMPLOYEE TO THE END OF THE EMPLOYEE'S FAMILY MEDICAL LEAVE ACT TIME. THE PAID LEAVE HOURS THE EMPLOYEE HAD ACCRUED AT THE TIME THEY WENT ON LEAVE, AND THE DONATED LEAVE HOURS CANNOT CONTINUE PAST THE TOTAL OF 480 HOURS ALLOWED BY THE FAMILY AND MEDICAL LEAVE ACT.

b. EMPLOYEES USING DONATED TIME DO NOT ACCRUE ANNUAL AND/OR SICK LEAVE HOURS.

c. AN EMPLOYEE MAY NOT DONATE LEAVE IF THAT EMPLOYEE HAS LESS THAN A TOTAL OF EIGHTY (80) HOURS OF ANNUAL LEAVE ACCRUED AFTER THE DONATED TIME IS DEDUCTED FROM THEIR ANNUAL LEAVE BALANCE.

d. AN EMPLOYEE MAY NOT DONATE SICK LEAVE HOURS IF THAT EMPLOYEE HAS LESS THAN 480 SICK LEAVE HOURS. AN EMPLOYEE WITH OVER 480 SICK LEAVE HOURS MAY DONATE UP TO EIGHTY (80) HOURS OF SICK LEAVE.

e. HOURS IN AN EMPLOYEE'S ADMINISTRATIVE LEAVE OR COMPENSATORY TIME BALANCE MAY NOT BE TRANSFERRED TO ANOTHER EMPLOYEE FOR ANY REASON.

f. EMPLOYEES WHO RETURN TO WORK ON FULL-TIME STATUS AND HAVE REMAINING DONATED LEAVE HOURS WILL NOT BE ABLE TO KEEP THE HOURS IN THEIR OWN SICK LEAVE OR ANNUAL LEAVE ACCOUNT. THE REMAINING DONATED HOURS WILL BE RETURNED ON A PRO-RATED BASIS TO THE EMPLOYEE WHO DONATED THE TIME.

g. ALL DONATIONS OF LEAVE TIME ARE TREATED AS CONFIDENTIAL AND ARE NOT SHARED WITH THE RECEIVING EMPLOYEE.

11.1 GENERAL

A. Each employee is expected to familiarize themselves with his or her job performance expectations and standards; with the rules, procedures and standards of conduct established by the town council, town manager, and his or her department. Any employee who does not meet his or her job standards set out by such performance criteria, rules, procedures, and standards of conduct may be subject to adverse personnel actions.

B. The town's disciplinary policy and procedures are designed to provide a structured corrective action process and prevent a recurrence of the undesirable and/or performance issue. The town's discipline procedures are generally progressive, however the seriousness of the offense may lead to immediate dismissal. In addition any combination of disciplinary actions may be used.

C. All disciplinary actions set forth in this section are governed solely by the due process procedures set forth herein. Disciplinary actions set forth in this section are not subject to the grievance procedures set forth in personnel policy 18.

D. Coverage

1. The disciplinary process is not available to employees who are on his or her original probation period or are classified as part-time at-will non-benefit eligible employees.

E. Relief from duty

1. Nothing in this section shall preclude the department head from immediately placing an employee on paid administrative leave pending application of these disciplinary actions and procedures.

F. Responsibility of the town manager

1. the town manager, or designee, may exercise the powers of the department head provided for in this section and must be notified of any suspensions without pay, demotions or involuntary dismissals prior to these actions being taken by the department head. For court employees, the town magistrate will exercise the autonomy required to maintain proper separation of powers.

11.2 CONDUCT OR PERFORMANCE that may REQUIRE DISCIPLINE for CAUSE:

A. Depending on the seriousness of the situation and surrounding circumstances, including repeated offenses or chronic poor performance, the Department Head may authorize any disciplinary action deemed appropriate.

B. When considering or enforcing discipline, the supervisor is required to comply with federal and state laws.

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C. Employees may disciplined for the following reasons:

1. Dishonesty.
2. Falsification of Town documents or records, including application for employment.
3. Inefficiency.
4. Neglect of duty.
5. Unauthorized absenteeism.
6. Unauthorized tardiness.
7. Malingering.
8. Insubordination, including, but not limited to, conduct which is unruly.
9. Commission or Conviction of a crime.
10. Misuse of Town property.
11. Failure to perform job duties and responsibilities.
12. Failure to maintain minimum qualifications for position.
13. Incompetence.
14. Engaging in prohibited political activities.
15. Discrimination or failure to abide by Equal Employment Opportunity regulations.
16. Any action, on or off the job that brings discredit to the Town.
17. Possessing, dispensing, or being under the influence of alcohol, a narcotic, barbiturate, marijuana, or a tranquilizing or hallucinogenic drug, while on duty, except in accordance with medical authorization or in the lawful performance of the employee's regular assigned duties.
18. Violation of any Town codes, policies, procedures, administrative directives, ordinances, or State or Federal law.
19. Negligence.
20. Sexual or other workplace harassment.
21. Fraud in securing appointment or securing or attempting to secure worker's compensation benefits.
22. Discourtesy to another employee or member of the public.
23. Any other reason deemed valid by Town Administration.

11.3 DISCIPLINARY ACTIONS

A. Informal discipline

Informal discipline includes immediate actions taken by supervisors to correct undesirable actions or to address employee performance issues. Informal disciplinary actions are not appealable or grievable.

1. Verbal counseling. A supervisor may engage in verbal counseling with an employee at any time to address an issue with performance or conduct. The verbal counseling session is to be documented by the supervisor and acknowledged by the employee. The document will then be recorded in the employee's department supervisor file.

2. Letter of counseling. A supervisor may issue a letter of counseling to an employee at any

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time to correct or improve improper conduct or performance. The letter shall contain the specifics of the improper conduct or performance; a plan for improvement; and the date for a follow-up meeting. A copy of the letter, with the employee's acknowledgement and written response, shall be recorded in the employee's department supervisor file.

B. Formal discipline.

1. Letter of reprimand.

   a. A department head or designee may issue a letter of reprimand to an employee to admonish an employee for serious or repetitive deficient performance or misconduct. The letter will contain:

      i. The specifics of the deficient performance or misconduct;
      ii. The action plan for improvement;
      iii. The consequences of repeated infractions; and
      iv. The date of the follow-up meeting.

   b. A copy of the letter, with the employee's acknowledgement and/or response, will be recorded in the employee's official personnel file in the town's human resources department. The letter of reprimand is not appealable or grievable.

2. Performance improvement plan

   a. This is a formal written plan to help the employee improve performance or modify behavior. Through the plan, the supervisor should identify the performance or behavior issues that need to be corrected and define the plan of action to guide the improvement and/or corrective actions.

   b. An effective written plan includes the following parts:
      i. Clear identification of the performance to be improved or the behavior to be corrected
      ii. Clear expectations and metrics about the work to be performed or behavior that must change
      iii. Identify the support and resources available to help the employee make the required improvements
      iv. Establish a plan for reviewing the employee's progress and providing feedback to the employee for the duration of the plan
      v. Specify the possible consequences if performance as identified in the plan are not met.

   c. Performance improvement plan s will be for no less than (30) thirty working days and no more than one hundred-eighty (180) working days.

   d. The plan, after signatures are obtained, will be forwarded to human resources to be recorded in the employee's official file.

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3. Disciplinary Suspension

   a. A suspension is considered to be a significant disciplinary action and may be used by a department head or designee for more serious incidents or repetitions of improper performance or conduct.

   b. A department head or designee may suspend any employee without pay for cause. Employees may be suspended for any appropriate length of time in full day increments not to exceed thirty (30) working days. The department head or designee must follow the pre-action meeting process as outlined below.

4. Demotion

   a. A demotion for a disciplinary reason is considered to be a significant disciplinary action and may be used for more serious incidents or repetitions of improper performance or conduct.

   b. A department head or designee may demote an employee, for disciplinary reasons provided the employee meets the minimum qualifications of the assigned classification. The department head or designee will follow the pre-action meeting process as outlined below.

   c. Except as otherwise provided in these rules, a demoted employee shall not be required to serve a probationary period in the position to which he or she was demoted.

5. Dismissal

   a. Dismissal for a disciplinary reason is the most serious disciplinary action and must be used for the most serious incidents or repetitions of improper performance or conduct.

   b. A regular status employee may be dismissed from employment by a department head or designee. The department head or designee must follow the pre-action meeting process as outlined below.

11.4 INVESTIGATORY SUSPENSION

A. Department head or designee may suspend an employee <u>with pay</u> to effect an investigation or resolution of conduct. The Department Head, Human Resources Director and Town Manager must be notified of such investigatory suspensions before taking action if possible or within 24 hours if not possible due to the seriousness or expediency of the situation. Investigatory Suspension with pay is not a disciplinary action and is not subject to the Town's grievance procedure. The employee shall be contacted by the Human Resources Director, or designee, with information about the investigation and any further actions to be taken at that time.

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B. Upon consultation with the Human Resources Director and with the approval of the Town Manager, a paid administrative suspension may be extended.

11.5 INVESTIGATORY INTERVIEWS OF EMPLOYEES

A. If an employee or the department head or designee reasonably believes that an investigation interview could result in suspension, demotion or dismissal, the employee may request to have a representative present.

1. The representative must be available on reasonable notice and be of no cost to the town.

2. The representative must be an employee and shall not be an attorney.

3. The representative shall participate in the interview only as an observer; however the employee shall be permitted reasonable breaks of limited duration for telephonic or in person consultation with others, including an attorney, who is immediately available.

4. At the conclusion of the interview, the employee will be permitted to consult with the representative and may make a statement not to exceed five minutes.

B. Prior to the interview the employee shall be provided a written notice containing the following:

1. all alleged facts that are the basis of the investigation;

2. the specific nature of the investigation;

3. the employee's status in the investigation;

4. all known allegations of misconduct that are the reasons for the interview; and,

5. The employee's right of representation.

C. An interview does not have to be stopped in order to issue another written notice of allegations ~~or~~ based on information provided by the employee during the interview.

D. The department director or designee does not have to disclose any fact that would impede the investigation.

E. The rights listed in both a. and b. above do not apply to an interview of an employee that is:

1. In the normal course of duty, counseling or instruction or an informal verbal admonishment by, or other routine or unplanned contact with, a supervisor or any other department head.

2. Preliminary questioning to determine the scope of the allegations or if an investigation is necessary.

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3. Conducted in the course of a criminal investigation.

4. Conducted in the course of a polygraph examination.

11.6 PRE-ACTION MEETING

A. Notice of charges

1. Before an employee can be suspended, demoted, or dismissed, the department head or designee in consultation with human resources will prepare a written notice of charges in sufficient detail to apprise the employee of the specific reasons formal disciplinary actions against the employee are pending. the notice of charges will contain:

   a. an explanation of the department's evidence;

   b. the rules, policies and/or procedures that were violated;

   c. the date, time and location of the meeting; and

   d. A summary of the employee's rights for the pre-action meeting.

2. The notice of charges will be delivered to the employee either by personal delivery or by certified mail to the employee's last known address on file with human resources. A copy of the notice of charges will be filed with the town human resources.

3. Employees will be provided at least three days notice in advance of any pre-action meeting.

11.7 PRE-ACTION Meeting

A. The department head or designee will conduct the meeting in conjunction with human resources.

B. The employee is not required to attend the meeting but must be allowed time away from his/her work responsibilities to attend without being charged any leave.

C. The employee may respond in writing or in person to present reasons, along with information and documentation to refute the proposed disciplinary action and have a non-attorney representative who is from the same department present at the meeting. The meeting will not be unreasonably delayed to wait for the representative. The representative will serve in an advisory capacity only and may not speak for the employee or ask questions on the employee's behalf.

D. The department head or designee will make a recommendation to support, modify or revoke the proposed actions listed in the notice of charges after the meeting has concluded.

1. If the department head or designee decides to take disciplinary action, the department head or designee will give the employee a written notice. the notice must include:

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a. the specific action to be taken,

b. the specific reasons for the action,

c. the effective date of the action, and

d. The employee's right to appeal the decision within ten working days.

2. The notice will be delivered to the employee either by personal delivery or by certified mail to the employee's last known address on file with human resources. A copy of the notice will be filed with human resources.

11.8 APPEAL OF A DISCIPLINARY ACTION

A. Regular status employees may appeal a dismissal, demotion, and/or suspension.

1. The written appeal must be filed with the Human Resources Director and the department head within ten (10) working days from the date of service of the disciplinary decision.

2. The request for an appeal must state the facts, upon which the appeal is based, identify all people and agencies involved, contain all the documents to be reviewed, and the action requested of the town manager or designee.

3. The appeal will be reviewed by the town manager or designee who may confer with others as required, investigate the appeal, and communicate a decision in writing to all concerned parties within ten (10) working days upon receipt of the appeal.

B. Final appeal

1. Regular status employees may appeal the decision of the town manager or designee within ten 10 working days of the decision by submitting a written request to the HR Director and copying the Legal Services Director.

2. The Human Resources Director will select a hearing officer (ho) and set a hearing date.

a. In any appeal, the town of Oro Valley or the grievant may request a change of hearing officer. The request must be granted the first time. Any subsequent requests may be granted only upon a showing that a fair and impartial review cannot be obtained due to the prejudice of the assigned ho. The HR Director, with the consultation of the town attorney, shall decide whether a showing of prejudice has been made.

3. Not less than ten (10) working days prior to the hearing date, the appellant shall submit to the hearing officer, and copy the Legal Services Director, a position statement setting forth the arguments, potential witnesses and evidence they anticipate will be introduced for the review. All documentation that the appellant intends to present or rely upon for the hearing shall be attached to the position statement.

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4. Not less than ten (10) working days prior to the review, the Legal Services Director or designee shall submit to the hearing officer, and disclose to the appellant, a responding position statement including potential witnesses and evidence to be introduced or relied upon during the hearing.

    a. The Legal Services Director may request a rescheduling of the hearing date if they do not receive the appellant's position statement 20 working days prior to the hearing.

5. Hearing procedures

    a. The burden of proof shall be on the town.

    b. Technical rules of evidence do not apply other than privileges recognized by Arizona law.

    c. The review shall be recorded and the record may be transcribed upon request.

    d. The party requesting transcription shall be responsible for any costs incurred.

    e. Unless requested otherwise by the appellant, reviews and hearings are conducted privately.

    f. The hearing shall proceed as follows:

        i. The ho will begin the hearing by introducing all parties, summarizing the issues, and identifying relief requested and outline the review sequence.
        ii. The only people present during the hearing shall be the hearing officer, the appellant and their representative (if applicable), the Legal Services Director or designee, the HR Director, the town of Oro Valley representative and any witnesses the hearing officer requests be present.
        iii. The appellant will present his/her evidence that the decision should be changed.
        iv. The Legal Services Director will present their evidence and support findings.
        v. Each witness for the town of Oro Valley and the appellant may only be questioned by the hearing officer.
        vi. The appellant or his/her representative may make comments or closing remarks.
        vii. The town's representative may make comments or closing remarks.

    g. Hearing officer decision

        i. A decision will be issued within fifteen working days.
        ii. The hearing officer may order that the action of the town stand, that a lesser action or consequence be imposed, and/or that some or all of the relief requested by the appellant be granted.
        iii. Except when the decision affirms the dismissal of an employee, the appellant's seniority rights shall not be affected by the decision.
        iv. If the ho orders to reinstate an employee who has been suspended or discharged, they

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shall specify as part of their decision whether the employee shall receive back pay for all or part of any time lost as a result of town action.

v. Copies of the written recommendation shall be sent to the Legal Services Director, HR Director and the appellant.

vi. The ho's decision is final and there are no additional appeals available through the town's appeals process.

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11.1 ~~SECTION 1.~~ ~~PURPOSE:~~**GENERAL**

~~A. In order to correct unacceptable conduct or deteriorating performance, disciplinary actions may be taken by the immediate supervisor of an employee, or the Department Head or Town Manager. Disciplinary actions include, but are not limited to: documented counseling sessions; verbal reprimands; written reprimands; suspensions without pay; probationary periods; demotions; and dismissal from employment. An employee may request a copy of any disciplinary documentation from their supervisor or their personnel file.~~

~~B. The department should take action within (30) working days of the occurrence or discovery of the infraction, unless extenuating circumstances exist including, but not limited to, investigation (s) of wrongful conduct, discrimination/sexual harassment or accident. The disciplinary action will depend on the totality of the circumstances including, but not limited to, the employee's disciplinary history, recent or similar infraction (s) and the severity of the infraction(s). Specific disciplinary actions are subject to Town grievance procedures.~~

A. EACH EMPLOYEE IS EXPECTED TO FAMILIARIZE THEMSELVES WITH HIS OR HER JOB PERFORMANCE EXPECTATIONS AND STANDARDS; WITH THE RULES, PROCEDURES AND STANDARDS OF CONDUCT ESTABLISHED BY THE TOWN COUNCIL, TOWN MANAGER, AND HIS OR HER DEPARTMENT. ANY EMPLOYEE WHO DOES NOT MEET HIS OR HER JOB STANDARDS SET OUT BY SUCH PERFORMANCE CRITERIA, RULES, PROCEDURES, AND STANDARDS OF CONDUCT MAY BE SUBJECT TO ADVERSE PERSONNEL ACTIONS.

B. THE TOWN'S DISCIPLINARY POLICY AND PROCEDURES ARE DESIGNED TO PROVIDE A STRUCTURED CORRECTIVE ACTION PROCESS AND PREVENT A RECURRENCE OF THE UNDESIRABLE AND/OR PERFORMANCE ISSUE. THE TOWN'S DISCIPLINE PROCEDURES ARE GENERALLY PROGRESSIVE, HOWEVER THE SERIOUSNESS OF THE OFFENSE MAY LEAD TO IMMEDIATE DISMISSAL. IN ADDITION ANY COMBINATION OF DISCIPLINARY ACTIONS MAY BE USED.

C. ALL DISCIPLINARY ACTIONS SET FORTH IN THIS SECTION ARE GOVERNED SOLELY BY THE DUE PROCESS PROCEDURES SET FORTH HEREIN. DISCIPLINARY ACTIONS SET FORTH IN THIS SECTION ARE NOT SUBJECT TO THE GRIEVANCE PROCEDURES SET FORTH IN PERSONNEL POLICY 18.

D. COVERAGE.

THE DISCIPLINARY PROCESS IS NOT AVAILABLE TO EMPLOYEES WHO ARE ON HIS OR HER ORIGINAL PROBATION PERIOD OR ARE CLASSIFIED AS PART-TIME AT-WILL NON-BENEFIT ELIGIBLE EMPLOYEES.

E. **RELIEF FROM DUTY.**

NOTHING IN THIS SECTION SHALL PRECLUDE THE DEPARTMENT HEAD FROM IMMEDIATELY PLACING AN EMPLOYEE ON PAID ADMINISTRATIVE LEAVE PENDING APPLICATION OF THESE DISCIPLINARY ACTIONS AND PROCEDURES.

F. RESPONSIBILITY OF THE TOWN MANAGER:

THE TOWN MANAGER, OR DESIGNEE, MAY EXERCISE THE POWERS OF THE DEPARTMENT HEAD PROVIDED FOR IN THIS SECTION AND MUST BE NOTIFIED OF

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ANY SUSPENSIONS WITHOUT PAY, DEMOTIONS OR INVOLUNTARY DISMISSALS PRIOR TO THESE ACTIONS BEING TAKEN BY THE DEPARTMENT HEAD. FOR COURT EMPLOYEES, THE TOWN MAGISTRATE WILL EXERCISE THE AUTONOMY REQUIRED TO MAINTAIN PROPER SEPARATION OF POWERS.

~~SECTION 2. DEFINITIONS:~~

~~**Appointing Authority** – The Town Manager or other persons authorized by the Town of Oro Valley to make employment decisions.~~

~~**Working Days** – Monday thru Friday, 8 a.m. – 5 p.m. Holidays recognized by the Town of Oro Valley are not considered working days.~~

~~**Disciplinary Action** – Written reprimand, demotion, suspension, reduction in pay/position or discharge imposed for just cause.~~

~~**Just cause** – Justification to administer discipline to a Town employee when a Town code, policy, procedure, or administrative directive is violated.~~

~~SECTION 3. LEVEL OF RESPONSIBILITY:~~

~~Responsibility of the Immediate Supervisor (other than Department Heads): Immediate Supervisors shall have the authority to give documented counseling, recommend placing employees on probationary period, and issue either verbal or written reprimands, and to recommend more serious disciplinary action to the Department Head. As needed, written reprimands shall be discussed with the Human Resources Director (or designee) prior to being given.~~

~~Responsibility of the Department Head: In addition to the responsibilities of an immediate supervisor, place employees on probationary period and in consultation with the Human Resources Director, the Department Head may authorize suspension without pay for periods up to thirty (30) working days, demote employees within a pay grade or from one pay grade to another or from one classification to another, dismiss employees from Town employment.~~

~~Responsibility of the Town Manager: The Town Manager, or designee, may exercise the powers of the Department Head provided for in this section and must be notified of any suspensions without pay, demotions or involuntary dismissals prior to these action being taken by the Department Head. For court employees, the Town Magistrate will exercise the autonomy required to maintain proper separation of powers.~~

~~At every level of responsibility, the following shall be considered when implementing disciplinary action for just cause:~~

~~The employee was forewarned of the consequences of his or her actions.~~
~~The violated rule or order reasonably relates to the business efficiency and performance expectations of the Town.~~
~~A thorough, fair and objective investigation was conducted.~~
~~The investigation produced substantial evidence or proof of employee's guilt.~~
~~The codes, policies, procedures or administrative directives were applied evenhandedly and without discrimination.~~
~~The discipline is reasonably related to the seriousness of the conduct and/or performance and the employee's past record.~~

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11.2 ~~SECTION 4.~~ CONDUCT OR PERFORMANCE that may REQUIRE DISCIPLINE for CAUSE:

A. Depending on the seriousness of the situation and surrounding circumstances, including repeated offenses or chronic poor performance, the Department Head may authorize any disciplinary action deemed appropriate. ~~Progressive discipline is not required under Town policies and procedures.~~

B. When considering or enforcing discipline, the supervisor is required to comply with federal and state laws.

C. EMPLOYEES MAY DISCIPLINED FOR THE FOLLOWING REASONS:

1. Dishonesty.
2. Falsification of Town documents or records, including application for employment.
3. Inefficiency.
4. Neglect of duty.
5. Unauthorized absenteeism.
6. Unauthorized tardiness.
7. Malingering.
8. Insubordination, including, but not limited to, conduct which is unruly.
9. Commission or Conviction of a crime.
10. Misuse of Town property.
11. Failure to perform job duties and responsibilities.
12. Failure to maintain minimum qualifications for position.
13. Incompetence.
14. Engaging in prohibited political activities.
15. Discrimination or failure to abide by Equal Employment Opportunity regulations.
16. Any action, on or off the job that brings discredit to the Town.
17. Possessing, dispensing, or being under the influence of alcohol, a narcotic, barbiturate, marijuana, or a tranquilizing or hallucinogenic drug, while on duty, except in accordance with medical authorization or in the lawful performance of the employee's regular assigned duties.
18. Violation of any Town codes, policies, procedures, administrative directives, ordinances, or State or Federal law.
19. Negligence.
20. Sexual or other workplace harassment.
21. Fraud in securing appointment or securing or attempting to secure worker's compensation benefits.
22. Discourtesy to another employee or member of the public.
23. Any other reason deemed valid by Town Administration.

11.3 ~~SECTION 5.~~ ~~TYPES of DISCIPLINE~~ **DISCIPLINARY ACTIONS**:

A. INFORMAL DISCIPLINE.

INFORMAL DISCIPLINE INCLUDES IMMEDIATE ACTIONS TAKEN BY SUPERVISORS TO CORRECT UNDESIRABLE ACTIONS OR TO ADDRESS EMPLOYEE PERFORMANCE ISSUES. INFORMAL DISCIPLINARY ACTIONS ARE NOT APPEALABLE OR GRIEVABLE.

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1. **VERBAL COUNSELING. A SUPERVISOR MAY ENGAGE IN VERBAL COUNSELING WITH AN EMPLOYEE AT ANY TIME TO ADDRESS AN ISSUE WITH PERFORMANCE OR CONDUCT. THE VERBAL COUNSELING SESSION IS TO BE DOCUMENTED BY THE SUPERVISOR AND ACKNOWLEDGED BY THE EMPLOYEE. THE DOCUMENT WILL THEN BE RECORDED IN THE EMPLOYEE'S DEPARTMENT SUPERVISOR FILE.**

2. **LETTER OF COUNSELING. A SUPERVISOR MAY ISSUE A LETTER OF COUNSELING TO AN EMPLOYEE AT ANY TIME TO CORRECT OR IMPROVE IMPROPER CONDUCT OR PERFORMANCE. THE LETTER SHALL CONTAIN THE SPECIFICS OF THE IMPROPER CONDUCT OR PERFORMANCE; A PLAN FOR IMPROVEMENT; AND THE DATE FOR A FOLLOW-UP MEETING. A COPY OF THE LETTER, WITH THE EMPLOYEE'S ACKNOWLEDGEMENT AND WRITTEN RESPONSE, SHALL BE RECORDED IN THE EMPLOYEE'S DEPARTMENT SUPERVISOR FILE**

~~*A.Documented Counseling Session with or without Verbal Reprimand:* meetings between the employee and immediate supervisor or Department Head, for the purpose of improving conduct or performance that has begun to show the need for corrective action. Counseling sessions may include a reprimand communicated verbally or in writing to the employee by the immediate supervisor to specify conduct or performance that does not meet expectations. The session is documented to indicate date and nature of the concern, and any improvement actions agreed upon. The document will be kept by the supervisor or department head in accordance with Arizona Public Record laws and a copy provided to the employee. Normally, the document does not become part of the Town personnel file unless improvement is not made, however, reference to the counseling session or need for improvement may be included in the annual performance appraisal or if further disciplinary action occurs.~~

B. FORMAL DISCIPLINE.

1. **LETTER OF REPRIMAND.**

   a. **A DEPARTMENT HEAD OR DESIGNEE MAY ISSUE A LETTER OF REPRIMAND TO AN EMPLOYEE TO ADMONISH AN EMPLOYEE FOR SERIOUS OR REPETITIVE DEFICIENT PERFORMANCE OR MISCONDUCT. THE LETTER WILL CONTAIN:**

      i. **THE SPECIFICS OF THE DEFICIENT PERFORMANCE OR MISCONDUCT;**
      ii. **THE ACTION PLAN FOR IMPROVEMENT;**
      iii. **THE CONSEQUENCES OF REPEATED INFRACTIONS; AND**
      iv. **THE DATE OF THE FOLLOW-UP MEETING.**

   b. **A COPY OF THE LETTER, WITH THE EMPLOYEE'S ACKNOWLEDGEMENT AND/OR RESPONSE, WILL BE RECORDED IN THE EMPLOYEE'S OFFICIAL PERSONNEL FILE IN THE TOWN'S HUMAN RESOURCES DEPARTMENT. THE LETTER OF REPRIMAND IS NOT APPEALABLE OR GRIEVABLE.**

~~*B.Written reprimand:* communicated in writing to an employee from an Appointing Authority. The written reprimand shall specify:~~

~~1)the conduct or performance that does not meet expectations,~~
~~2)the impact of the unacceptable conduct or performance,~~
~~3)future expectations to improve the conduct or performance, and~~
~~4)potential future actions/outcomes in the event the employee is unable or unwilling to improve as expected.~~

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~~The written reprimand document is placed in the official Town personnel file and retained in accordance with the State of Arizona Records Retention and Disposition Schedule. A Written Reprimand requires an Appointing Authority to provide a Notice of Intent to Discipline – Non-Dismissal in accordance with SECTION 8.~~

~~*Probationary Period:* a period of time during which an employee's conduct or performance on the job will be closely evaluated for needed improvement in order to meet expectations, as opposed to an Introductory Period. A probationary period is normally imposed in response to repeated unacceptable conduct or the inability to improve performance to an acceptable level. Probationary periods will be for no less than (30) working days and no more than 6 months. The probationary period will be communicated to the employee in writing, with the notice retained in the personnel file in accordance with the State of Arizona Records Retention and Disposition Schedule. The notice will include:~~

~~a document (normally a written reprimand), to communicate the need for improvement during the probationary period;~~
~~a performance improvement plan, including resources or other measures available to assist the employee in successfully completing the probationary period.~~
~~an explanation of the consequences if adequate improvement is not demonstrated.~~

2. PERFORMANCE IMPROVEMENT PLAN

a. THIS IS A FORMAL WRITTEN PLAN TO HELP THE EMPLOYEE IMPROVE PERFORMANCE OR MODIFY BEHAVIOR. THROUGH THE PLAN, THE SUPERVISOR SHOULD IDENTIFY THE PERFORMANCE OR BEHAVIOR ISSUES THAT NEEDS TO BE CORRECTED AND DEFINE THE PLAN OF ACTION TO GUIDE THE IMPROVEMENT AND/OR CORRECTIVE ACTIONS.

b. AN EFFECTIVE WRITTEN PLAN INCLUDES THE FOLLOWING PARTS:

i. CLEAR IDENTIFICATION OF THE PERFORMANCE TO BE IMPROVED OR THE BEHAVIOR TO BE CORRECTED

ii. CLEAR EXPECTATIONS AND METRICS ABOUT THE WORK TO BE PERFORMED OR BEHAVIOR THAT MUST CHANGE

iii. IDENTIFY THE SUPPORT AND RESOURCES AVAILABLE TO HELP THE EMPLOYEE MAKE THE REQUIRED IMPROVEMENTS

iv. ESTABLISH A PLAN FOR REVIEWING THE EMPLOYEE'S PROGRESS AND PROVIDING FEEDBACK TO THE EMPLOYEE FOR THE DURATION OF THE PLAN

v. SPECIFY THE POSSIBLE CONSEQUENCES IF PERFORMANCE AS IDENTIFIED IN THE PLAN ARE NOT MET.

c. PERFORMANCE IMPROVEMENT PLAN S WILL BE FOR NO LESS THAN (30) THIRTY WORKING DAYS AND NO MORE THAN ONE HUNDRED-EIGHTY (180) WORKING DAYS.

d. THE PLAN, AFTER SIGNATURES ARE OBTAINED, WILL BE FORWARDED TO HUMAN RESOURCES TO BE RECORDED IN THE EMPLOYEE'S OFFICIAL FILE.

3. **DISCIPLINARY** Suspension~~:~~

a. A SUSPENSION IS CONSIDERED TO BE A SIGNIFICANT DISCIPLINARY ACTION AND MAY BE USED BY A DEPARTMENT HEAD OR DESIGNEE FOR MORE SERIOUS INCIDENTS OR REPETITIONS OF IMPROPER PERFORMANCE OR CONDUCT.

b. **A DEPARTMENT HEAD OR DESIGNEE MAY SUSPEND ANY EMPLOYEE WITHOUT PAY FOR CAUSE. EMPLOYEES MAY BE SUSPENDED FOR ANY APPROPRIATE LENGTH OF TIME IN FULL DAY INCREMENTS NOT TO**

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EXCEED THIRTY (30) WORKING DAYS. THE DEPARTMENT HEAD OR DESIGNEE MUST FOLLOW THE PRE-ACTION MEETING PROCESS AS OUTLINED BELOW.

~~c. a period of suspension from work without pay for up to (30) working days. Suspensions shall be accompanied by written notification of the reason for the suspension. Such written notice will be kept in the personnel file and retained in accordance with the State of Arizona Records Retention and Disposition Schedule. A Suspension requires a Notice of Intent to Discipline – Non-Dismissal in accordance with SECTION 8.~~

4. Demotion

a. **A DEMOTION FOR A DISCIPLINARY REASON IS CONSIDERED TO BE A SIGNIFICANT DISCIPLINARY ACTION AND MAY BE USED FOR MORE SERIOUS INCIDENTS OR REPETITIONS OF IMPROPER PERFORMANCE OR CONDUCT.**

b. **A DEPARTMENT HEAD OR DESIGNEE MAY DEMOTE AN EMPLOYEE, FOR DISCIPLINARY REASONS PROVIDED THE EMPLOYEE MEETS THE MINIMUM QUALIFICATIONS OF THE ASSIGNED CLASSIFICATION. THE DEPARTMENT HEAD OR DESIGNEE WILL FOLLOW THE PRE-ACTION MEETING PROCESS AS OUTLINED BELOW.**

c. EXCEPT AS OTHERWISE PROVIDED IN THESE RULES, A DEMOTED EMPLOYEE SHALL NOT BE REQUIRED TO SERVE A PROBATIONARY PERIOD IN THE POSITION TO WHICH HE OR SHE WAS DEMOTED.

~~d. involuntary reassignment of the employee to a position in a lower level classification than the current job, more suitable to their abilities based on inability or unwillingness to meet the expectations of the current job classification. An involuntary Demotion requires a Notice of Intent to Discipline – Non-Dismissal in accordance with SECTION 8.~~

5. Dismissal

a. **DISMISSAL FOR A DISCIPLINARY REASON IS THE MOST SERIOUS DISCIPLINARY ACTION AND MUST BE USED FOR THE MOST SERIOUS INCIDENTS OR REPETITIONS OF IMPROPER PERFORMANCE OR CONDUCT.**

b. A REGULAR STATUS EMPLOYEE MAY BE DISMISSED FROM EMPLOYMENT BY A DEPARTMENT HEAD OR DESIGNEE. THE DEPARTMENT HEAD OR DESIGNEE MUST FOLLOW THE PRE-ACTION MEETING PROCESS AS OUTLINED BELOW.

~~6. involuntary termination of the employee from employment with the Town. The employee will be provided with an opportunity to grieve the dismissal in accordance with SECTION 7 and as outlined in the Town grievance policy. A dismissal requires a Notice of Intent to Dismiss in accordance with SECTION 8.~~

11.4 ~~SECTION 6.~~ INVESTIGATORY SUSPENSION~~:~~

A. A~~n~~ ~~Appointing Authority~~ **DEPARTMENT HEAD OR DESIGNEE** may suspend an employee with pay to effect an investigation or resolution of conduct. The Department Head, Human Resources Director and Town Manager must be notified of such investigatory suspensions before taking action if possible or within 24 hours if not possible due to the seriousness or expediency of the situation. Investigatory Suspension with pay is not a disciplinary action and is not subject to the Town's grievance procedure. The employee shall be contacted by the Human Resources Director, or designee, ~~on or before the expiration of five (5) working days from when the investigatory suspension began,~~ with information about the investigation and any further actions to be taken at that time.

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B. Upon consultation with the Human Resources Director and with the approval of the Town Manager, a paid administrative suspension may be extended.

11.5 ~~SECTION 7.~~ INVESTIGATORY ~~PROVISIONS~~ **INTERVIEWS OF EMPLOYEES**

A. If an employee or the ~~Appointing Authority~~ DEPARTMENT HEAD or designee reasonably believes that an investigation interview could result in suspension, demotion or dismissal, the employee may request to have a representative present.
   1. **THE REPRESENTATIVE MUST BE AVAILABLE ON REASONABLE NOTICE AND BE OF NO COST TO THE TOWN.**
   2. **THE REPRESENTATIVE MUST BE AN EMPLOYEE AND SHALL NOT BE AN ATTORNEY.**
   3. **THE REPRESENTATIVE SHALL PARTICIPATE IN THE INTERVIEW ONLY AS AN OBSERVER; HOWEVER THE EMPLOYEE SHALL BE PERMITTED REASONABLE BREAKS OF LIMITED DURATION FOR TELEPHONIC OR IN PERSON CONSULTATION WITH OTHERS, INCLUDING AN ATTORNEY, WHO IS IMMEDIATELY AVAILABLE.**
   4. **AT THE CONCLUSION OF THE INTERVIEW, THE EMPLOYEE WILL BE PERMITTED TO CONSULT WITH THE REPRESENTATIVE AND MAY MAKE A STATEMENT NOT TO EXCEED FIVE MINUTES.**

B. PRIOR TO THE INTERVIEW THE EMPLOYEE SHALL BE PROVIDED A WRITTEN NOTICE CONTAINING THE FOLLOWING:
   1. **ALL ALLEGED FACTS THAT ARE THE BASIS OF THE INVESTIGATION;**
   2. **THE SPECIFIC NATURE OF THE INVESTIGATION;**
   3. **THE EMPLOYEE'S STATUS IN THE INVESTIGATION;**
   4. **ALL KNOWN ALLEGATIONS OF MISCONDUCT THAT ARE THE REASONS FOR THE INTERVIEW; AND,**
   5. **THE EMPLOYEE'S RIGHT OF REPRESENTATION.**

C. An interview does not have to be stopped in order to issue another **WRITTEN NOTICE** ~~Intent to Discipline or Dismiss based on~~ **OF** allegations ~~or~~ **BASED ON** information provided by the employee during the interview.

D. The ~~Appointing Authority~~ **DEPARTMENT DIRECTOR** or designee does not have to disclose any fact ~~to the employee~~ that would impede the investigation.

E. ~~An Intent to Discipline or Dismiss does~~ **THE RIGHTS LISTED IN BOTH A. AND B. ABOVE DO** not apply to an interview of **AN** ~~the~~ employee that is:
   1. In the normal course of duty, counseling or instruction or an informal verbal admonishment by, or other routine or unplanned contact with, a supervisor or any other ~~Appointing Authority~~ **DEPARTMENT HEAD**.
   2. Preliminary questioning to determine the scope of the allegations or if an investigation is necessary.
   3. Conducted in the course of a criminal investigation.
   4. **CONDUCTED IN THE COURSE OF A POLYGRAPH EXAMINATION**.

~~11.6 SECTION 8. NOTICE OF INTENT to DISCIPLINE and OPPORTUNITY TO RESPOND:~~ **PRE-ACTION MEETING**

A. ~~**Issuing**~~ **Notice of** ~~**Intent to Discipline**~~ **CHARGES**

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1. **BEFORE AN EMPLOYEE CAN BE SUSPENDED, DEMOTED, OR DISMISSED, THE DEPARTMENT HEAD OR DESIGNEE IN CONSULTATION WITH HUMAN RESOURCES, WILL PREPARE A WRITTEN NOTICE OF CHARGES IN SUFFICIENT DETAIL TO APPRISE THE EMPLOYEE OF THE SPECIFIC REASONS FORMAL DISCIPLINARY ACTIONS AGAINST THE EMPLOYEE ARE PENDING. THE NOTICE OF CHARGES WILL CONTAIN:** ~~Prior to a Appointing Authority taking any disciplinary action involving a written reprimand, suspension without pay, involuntary demotion or dismissal of an employee, a Notice of Intent to Discipline or Dismiss, which includes Exhibit A will be issued to the employee. informing the employee of his/her opportunity to present a written response and/or meet in person with the Appointing Authority at a scheduled time, date and place prior to imposing the disciplinary action, specifically referred to as the pre-discipline meeting. The Notice of Intent will be issued accordingly~~:
   a. **AN EXPLANATION OF THE DEPARTMENT'S EVIDENCE;**
   b. **THE RULES, POLICIES AND/OR PROCEDURES THAT WERE VIOLATED;**
   c. **THE DATE, TIME AND LOCATION OF THE MEETING; AND**
   d. **A SUMMARY OF THE EMPLOYEE'S RIGHTS FOR THE PRE-ACTION MEETING.**

2. **THE NOTICE OF CHARGES WILL BE DELIVERED TO THE EMPLOYEE EITHER BY PERSONAL DELIVERY OR BY CERTIFIED MAIL TO THE EMPLOYEE'S LAST KNOWN ADDRESS ON FILE WITH HUMAN RESOURCES. A COPY OF THE NOTICE OF CHARGES WILL BE FILED WITH THE TOWN HUMAN RESOURCES.**
3. **EMPLOYEES WILL BE PROVIDED AT LEAST THREE DAYS NOTICE IN ADVANCE OF ANY PRE-ACTION MEETING.**

~~B. Non-Dismissal: At least two (2) working days in advance of the pre-discipline meeting.~~

~~C. Dismissal: At least seven (7) working days in advance of the pre-dismissal review meeting. The employee will be placed on investigatory leave with pay from the time the Notice of Intent to Dismiss is issued until the pre-dismissal meeting.~~

11.7 ~~Opportunity to Respond (Pre-Discipline~~ PRE-ACTION Meeting~~)~~

A. **THE DEPARTMENT HEAD OR DESIGNEE WILL CONDUCT THE MEETING IN CONJUNCTION WITH HUMAN RESOURCES.**

B. THE EMPLOYEE IS NOT REQUIRED TO ATTEND THE MEETING BUT MUST BE ALLOWED TIME AWAY FROM HIS/HER WORK RESPONSIBILITIES TO ATTEND WITHOUT BEING CHARGED ANY LEAVE.

C. THE EMPLOYEE may respond in writing or in person to present reasons, along with information and documentation to refute the proposed disciplinary action **AND HAVE A NON-ATTORNEY REPRESENTATIVE WHO IS FROM THE SAME DEPARTMENT PRESENT AT THE MEETING. THE MEETING WILL NOT BE UNREASONABLY DELAYED TO WAIT FOR THE REPRESENTATIVE. THE REPRESENTATIVE WILL SERVE IN AN ADVISORY CAPACITY ONLY AND MAY NOT SPEAK FOR THE EMPLOYEE OR ASK QUESTIONS ON THE EMPLOYEE'S BEHALF.**

D. THE DEPARTMENT HEAD OR DESIGNEE WILL MAKE A RECOMMENDATION TO SUPPORT, MODIFY OR REVOKE THE PROPOSED ACTIONS LISTED IN THE NOTICE OF CHARGES AFTER THE MEETING HAS CONCLUDED.

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1. **IF THE DEPARTMENT HEAD OR DESIGNEE DECIDES TO TAKE DISCIPLINARY ACTION, THE DEPARTMENT HEAD OR DESIGNEE WILL GIVE THE EMPLOYEE A WRITTEN NOTICE. THE NOTICE MUST INCLUDE:**

   a. **THE SPECIFIC ACTION TO BE TAKEN,**
   b. **THE SPECIFIC REASONS FOR THE ACTION,**
   c. **THE EFFECTIVE DATE OF THE ACTION, AND**
   d. **THE EMPLOYEE'S RIGHT TO APPEAL THE DECISION WITHIN TEN WORKING DAYS.**

2. **THE NOTICE WILL BE DELIVERED TO THE EMPLOYEE EITHER BY PERSONAL DELIVERY OR BY CERTIFIED MAIL TO THE EMPLOYEE'S LAST KNOWN ADDRESS ON FILE WITH HUMAN RESOURCES. A COPY OF THE NOTICE WILL BE FILED WITH HUMAN RESOURCES.**

11.8 APPEAL OF A DISCIPLINARY ACTION

A. REGULAR STATUS EMPLOYEES MAY APPEAL A DISMISSAL, DEMOTION, AND/OR SUSPENSION.

1. **THE WRITTEN APPEAL MUST BE FILED WITH THE HUMAN RESOURCES DIRECTOR AND THE DEPARTMENT HEAD WITHIN TEN (10) WORKING DAYS FROM THE DATE OF SERVICE OF THE DISCIPLINARY DECISION.**

2. **THE REQUEST FOR AN APPEAL MUST STATE THE FACTS UPON WHICH THE APPEAL IS BASED, IDENTIFY ALL PEOPLE AND AGENCIES INVOLVED, CONTAIN ALL THE DOCUMENTS TO BE REVIEWED, AND THE ACTION REQUESTED OF THE TOWN MANAGER OR DESIGNEE.**

3. **THE APPEAL WILL BE REVIEWED BY THE TOWN MANAGER OR DESIGNEE WHO MAY CONFER WITH OTHERS AS REQUIRED, INVESTIGATE THE APPEAL, AND COMMUNICATE A DECISION IN WRITING TO ALL CONCERNED PARTIES WITHIN TEN (10) WORKING DAYS UPON RECEIPT OF THE APPEAL.**

B. FINAL APPEAL

1. **REGULAR STATUS EMPLOYEES MAY APPEAL THE DECISION OF THE TOWN MANAGER OR DESIGNEE WITHIN TEN 10 WORKING DAYS OF THE DECISION BY SUBMITTING A WRITTEN REQUEST TO THE HR DIRECTOR AND COPYING THE LEGAL SERVICES DIRECTOR.**

2. **THE HUMAN RESOURCES DIRECTOR WILL SELECT A HEARING OFFICER (HO) AND SET A HEARING DATE.**

   a. **IN ANY APPEAL, THE TOWN OF ORO VALLEY OR THE GRIEVANT MAY REQUEST A CHANGE OF HEARING OFFICER. THE REQUEST MUST BE GRANTED THE FIRST TIME. ANY SUBSEQUENT REQUESTS MAY BE GRANTED ONLY UPON A SHOWING THAT A FAIR AND IMPARTIAL REVIEW CANNOT BE OBTAINED DUE TO THE PREJUDICE OF THE ASSIGNED HO. THE HUMAN RESOURCES DIRECTOR, WITH THE CONSULTATION OF THE TOWN ATTORNEY, SHALL DECIDE WHETHER A SHOWING OF PREJUDICE**

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HAS BEEN MADE.

3. **NOT LESS THAN TEN (10) WORKING DAYS PRIOR TO THE HEARING DATE, THE APPELLANT SHALL SUBMIT TO THE HEARING OFFICER, AND COPY THE LEGAL SERVICES DIRECTOR, A POSITION STATEMENT SETTING FORTH THE ARGUMENTS, POTENTIAL WITNESSES AND EVIDENCE THEY ANTICIPATE WILL BE INTRODUCED FOR THE REVIEW. ALL DOCUMENTATION THAT THE APPELLANT INTENDS TO PRESENT OR RELY UPON FOR THE HEARING SHALL BE ATTACHED TO THE POSITION STATEMENT.**

4. **NOT LESS THAN TEN (10) WORKING DAYS PRIOR TO THE REVIEW, THE LEGAL SERVICES DIRECTOR OR DESIGNEE SHALL SUBMIT TO THE HEARING OFFICER, AND DISCLOSE TO THE APPELLANT, A RESPONDING POSITION STATEMENT INCLUDING POTENTIAL WITNESSES AND EVIDENCE TO BE INTRODUCED OR RELIED UPON DURING THE HEARING.**

   a. **THE LEGAL SERVICES DIRECTOR MAY REQUEST A RESCHEDULING OF THE HEARING DATE IF THEY DO NOT RECEIVE THE APPELLANT'S POSITION STATEMENT 20 WORKING DAYS PRIOR TO THE HEARING.**

5. **HEARING PROCEDURES**
   a. **THE BURDEN OF PROOF SHALL BE ON THE TOWN.**
   b. **TECHNICAL RULES OF EVIDENCE DO NOT APPLY OTHER THAN PRIVILEGES RECOGNIZED BY ARIZONA LAW.**
   c. **THE REVIEW SHALL BE RECORDED AND THE RECORD MAY BE TRANSCRIBED UPON REQUEST.**
   d. **THE PARTY REQUESTING TRANSCRIPTION SHALL BE RESPONSIBLE FOR ANY COSTS INCURRED.**
   e. **UNLESS REQUESTED OTHERWISE BY THE APPELLANT, REVIEWS AND HEARINGS ARE CONDUCTED PRIVATELY.**
   f. **THE HEARING SHALL PROCEED AS FOLLOWS:**

      i. **THE HO WILL BEGIN THE HEARING BY INTRODUCING ALL PARTIES, SUMMARIZING THE ISSUES, AND IDENTIFYING RELIEF REQUESTED AND OUTLINE THE REVIEW SEQUENCE.**
      ii. **THE ONLY PEOPLE PRESENT DURING THE HEARING SHALL BE THE HEARING OFFICER, THE APPELLANT AND THEIR REPRESENTATIVE (IF APPLICABLE), THE LEGAL SERVICES DIRECTOR OR DESIGNEE, THE HR DIRECTOR, THE TOWN OF ORO VALLEY REPRESENTATIVE AND ANY WITNESSES THE HEARING OFFICER REQUESTS BE PRESENT.**
      iii. **THE APPELLANT WILL PRESENT HIS/HER EVIDENCE THAT THE DECISION SHOULD BE CHANGED.**
      iv. **THE LEGAL SERVICES DIRECTOR WILL PRESENT THEIR EVIDENCE AND SUPPORT FINDINGS.**
      v. **EACH WITNESS FOR THE TOWN OF ORO VALLEY AND THE APPELLANT MAY ONLY BE QUESTIONED BY THE HEARING OFFICER.**
      vi. **THE APPELLANT OR HIS/HER REPRESENTATIVE MAY MAKE COMMENTS OR CLOSING REMARKS.**
      vii. **THE TOWN'S REPRESENTATIVE MAY MAKE COMMENTS OR CLOSING REMARKS.**
   g. **HEARING OFFICER DECISION**

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i. **A DECISION WILL BE ISSUED WITHIN FIFTEEN WORKING DAYS.**
ii. **THE HEARING OFFICER MAY ORDER THAT THE ACTION OF THE TOWN STAND, THAT A LESSER ACTION OR CONSEQUENCE BE IMPOSED, AND/OR THAT SOME OR ALL OF THE RELIEF REQUESTED BY THE APPELLANT BE GRANTED.**
iii. **EXCEPT WHEN THE DECISION AFFIRMS THE DISMISSAL OF AN EMPLOYEE, THE APPELLANT'S SENIORITY RIGHTS SHALL NOT BE AFFECTED BY THE DECISION.**
iv. **IF THE HO ORDERS TO REINSTATE AN EMPLOYEE WHO HAS BEEN SUSPENDED OR DISCHARGED, THEY SHALL SPECIFY AS PART OF THEIR DECISION WHETHER THE EMPLOYEE SHALL RECEIVE BACK PAY FOR ALL OR PART OF ANY TIME LOST AS A RESULT OF TOWN ACTION.**
v. **COPIES OF THE WRITTEN RECOMMENDATION SHALL BE SENT TO THE LEGAL SERVICES DIRECTOR, HUMAN RESOURCES DIRECTOR AND THE APPELLANT.**
vi. **THE HO'S DECISION IS FINAL AND THERE ARE NO ADDITIONAL APPEALS AVAILABLE THROUGH THE TOWN'S APPEALS PROCESS.**
vii.

~~6. The Appointing Authority schedules a pre-discipline meeting with the employee in accordance with Section 8.A. to provide the employee an opportunity to respond. The pre-discipline meeting with the Appointing Authority is not an adversarial hearing. The employee may respond in writing or in person to present reasons, along with information and documentation to refute the proposed disciplinary action. If the employee is accompanied by a representative, the representative's role is limited to consulting and advising the employee. The representative will be permitted to ask clarifying questions of the employee and present a statement on behalf of the employee.~~

~~7. The Appointing Authority must give proper consideration to the employee's written and/or oral response provided in the pre-disciplinary meeting, along with supporting information and documentation. Failure of an employee to submit a written response or appear at the pre-discipline meeting will constitute a waiver of the opportunity to respond and the proposed discipline will be imposed.~~

~~**11.9 Notice of Decision**~~

~~1. After the scheduled pre-discipline meeting, the Appointing Authority's decision shall be documented in the Notice of Decision and the copy provided to the employee within two (2) working days of the pre-discipline meeting. The original Notice of Decision and personnel action must be completed and include required signatures to be submitted with the final disciplinary packet to the Human Resources Department. Final Notice of Decision must be given before the employee may grieve the discipline.~~

~~11.10 Attachments:~~

~~1. A – Notice of Intent to Discipline~~
~~2. B – Notice of Intent to Dismiss~~
~~3. C – Notice of Decision~~

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Notice of Intent to Discipline (Non-Dismissal)

~~**Employee Name**~~	~~**Department / Division**~~	~~**Date**~~

~~**YOU ARE HEREBY** notified that the _____ Department intends to impose discipline as follows: _____.~~

Reasons for the proposed disciplinary action are stated in "Exhibit A" (attached)

~~**NOTICE OF MEETING** – In accordance with Town policies and regulations, you have an opportunity to meet with the Appointing Authority or designee to present reasons why the proposed disciplinary action should not occur. A meeting has been scheduled for:~~

~~**DATE:**~~

~~**TIME:**~~

~~**PLACE:**~~

~~**NOTICE OF YOUR OPPORTUNITY TO RESPOND** – You are entitled to present reasons, along with information and documentation, to refute the proposed disciplinary action at the meeting. The meeting with the Appointing Authority or designee is not an adversarial hearing. If you are accompanied by a representative, the representative's role is limited to consulting and advising you directly. The representative will be permitted to ask you to clarify your statement and/or present a statement on your behalf.~~

~~If you do not wish to be present at the meeting, you may respond in writing and present any supporting information and documentation. This written response must be received by the Appointing Authority or designee prior to or at the scheduled meeting for consideration.~~

~~Failure to appear at the meeting or submit a written response will constitute a waiver of the opportunity to respond.~~

~~**Date Served**~~	~~**How Served**~~	~~**By whom**~~

~~I, _____ received a copy of this notice.~~
~~Employee Signature~~

_____ _____
~~Appointing Authority or designee signature~~ ~~Date~~

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Attachment B

~~If you are disciplined, you may appeal pursuant to the Town Grievance policy.~~

Notice of Intent to Dismiss

~~**Employee Name**~~	~~**Department / Division**~~	~~**Date**~~

~~**YOU ARE HEREBY** notified that the _____ Department intends to dismiss you from the Town. The dismissal is based on the following: _____.~~

See attached "Exhibit A"

~~**NOTICE OF MEETING** – In accordance with Town policies and regulations, a pre-dismissal meeting has been scheduled by the Appointing Authority or designee on:~~

~~**DATE:**~~

~~**TIME:**~~

~~**PLACE:**~~

~~**NOTICE OF YOUR OPPORTUNITY TO RESPOND** – You are entitled to present reasons, along with information and documentation, to refute the proposed dismissal at the meeting. The meeting with the Appointing Authority or designee is not an adversarial hearing. If you are accompanied by a representative, the representative's role is limited to consulting and advising you directly. The representative will be permitted to ask you to clarify your statement and/or present a statement on your behalf.~~

~~If you do not wish to be present at the meeting, you may respond in writing and present any supporting information and documentation. This written response must be received by the Appointing Authority or designee prior to or at the scheduled meeting for consideration.~~

~~Failure to appear at the meeting or submit a written response will constitute a waiver of the opportunity to respond.~~

~~**Date Served**~~	~~**How Served**~~	~~**By whom**~~

~~I, _____ received a copy of this notice.~~

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~~Employee Signature~~

~~Appointing Authority or designee signature~~ ~~Date~~

~~If you are dismissed, you may appeal pursuant to the Town Grievance policy.~~

Attachment C

Notice of Decision

~~**Employee Name**~~	~~**Department / Division**~~	~~**Date**~~

~~After review and consideration of all information provided at the pre-disciplinary review meeting and/or submitted in writing on _____ and the information set forth in "Exhibit A", the decision is as follows:~~

_____

☐ ~~Discipline will be issued as proposed in the Notice of Intent effective _____.~~

☐ ~~Other _____.~~

~~**GRIEVANCE RIGHTS:**~~
~~Disciplinary action may be appealed pursuant to the Town Grievance Policy. The Grievance must be submitted in writing within ten (10) working days from the date of receiving the decision.~~

~~**Date Served**~~	~~**How Served**~~	~~**By whom**~~

~~I, _____ received a copy of this notice.~~
~~Employee Signature~~

~~Appointing Authority or designee signature~~ ~~Date~~

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16.1 NEPOTISM

A. No member of the Town Council, Town Manager, or a department director shall appoint or vote for the appointment of an immediate family member, member of current household or affinity to another individual within the third degree to Town employment pursuant to A.R.S. §38-481.

B. No immediate family member of the Mayor, Town Council Member, Town Manager, Finance Director, Human Resources Director, or payroll personnel may be hired for employment with the Town of Oro Valley.

16.2 CAUSAL CONNECTION POLICY

A. The Human Resources Director or designee will review each application for employment in a Town department where the applicant has an immediate family member or member of their current household employed. In collaboration with the Town Manager, the HR Director or designee may prevent the applicant from proceeding in the hiring process if there is an appearance of nepotism or favoritism as a result of their relationship with a current employee.

B. Employees are not allowed to directly supervise an immediate family member or member of their current household.

1. If a supervisory responsibility is involved, then the affected employees will determine which of them will transfer or resign in order to ensure compliance with this policy.

2. The Town will assist in exploring transfer opportunities to like or similar positions for either employee.

3. If no transfer opportunity exists after ninety (90) days, one of the employees will be required to resign their employment with the Town.

C. Employees will refrain from intervening in any employment matter involving an immediate family member or member of their current household and shall refrain from involvement in any employment matter which may be viewed as a conflict of interest.

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~~SECTION 1.~~ **16.1 NEPOTISM**

A. No member of the Town Council, Town Manager, or a ~~head of any Town department~~ **DEPARTMENT DIRECTOR** shall appoint or vote for the appointment of a**N IMMEDIATE FAMILY MEMBER, MEMBER OF CURRENT HOUSEHOLD**~~relative~~ **or AFFINITY TO ANOTHER INDIVIDUAL WITHIN THE THIRD DEGREE** to Town employment pursuant to A.R.S. §38-481.

B. NO IMMEDIATE FAMILY MEMBER OF THE MAYOR, TOWN COUNCIL MEMBER, TOWN MANAGER, FINANCE DIRECTOR, HUMAN RESOURCES DIRECTOR, OR PAYROLL PERSONNEL MAY BE HIRED FOR EMPLOYMENT WITH THE TOWN OF ORO VALLEY.

~~SECTION 2.~~ **16.2 CAUSAL CONNECTION POLICY** ~~WORKING RELATIONSHIPS OR RELATIVES, MARRIED EMPLOYEES OR EMPLOYEES RESIDING IN THE SAME HOUSEHOLD~~

A. **THE HUMAN RESOURCES DIRECTOR OR DESIGNEE WILL REVIEW EACH APPLICATION FOR EMPLOYMENT IN A TOWN DEPARTMENT WHERE THE APPLICANT HAS AN IMMEDIATE FAMILY MEMBER OR MEMBER OF THEIR CURRENT HOUSEHOLD EMPLOYED. IN COLLABORATION WITH THE TOWN MANAGER, THE HR DIRECTOR OR DESIGNEE MAY PREVENT THE APPLICANT FROM PROCEEDING IN THE HIRING PROCESS IF THERE IS AN APPEARANCE OF NEPOTISM OR FAVORITISM AS A RESULT OF THEIR RELATIONSHIP WITH A CURRENT EMPLOYEE.**

B. **EMPLOYEES ARE NOT ALLOWED TO DIRECTLY SUPERVISE AN IMMEDIATE FAMILY MEMBER OR MEMBER OF THEIR CURRENT HOUSEHOLD** ~~Relatives, married employees, or employees who reside in the same household will be allowed to work in the same department., and neither will be required to transfer or terminate employment as long as neither is in a position which requires supervising the other.~~

1. If a supervisory responsibility is involved, then the affected employees will determine which of them will transfer or resign in order to ensure compliance with this policy.

2. The Town will assist in exploring transfer opportunities to like or similar positions for either employee.

3. If no transfer opportunity exists after ninety (90) days, one of the employees will be required to resign their employment with the Town.

C. EMPLOYEES WILL REFRAIN FROM INTERVENING IN ANY EMPLOYMENT MATTER INVOLVING AN IMMEDIATE FAMILY MEMBER OR MEMBER OF THEIR CURRENT HOUSEHOLD AND SHALL REFRAIN FROM INVOLVEMENT IN ANY EMPLOYMENT MATTER WHICH MAY BE VIEWED AS A CONFLICT OF INTEREST.

~~For purposes of this policy, "relative" is defined as a husband, wife, son, daughter, mother, father, brother, sister, son-in-law, daughter-in-law, parent-in-law, brother-in-law, sister-in-law, grandparent or grandchild of an employee or other legal dependent of an employee or the employee's relatives.~~

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23.1 PURPOSE

A. The Town of Oro Valley is committed to maintaining a safe, productive work environment at all facilities and work sites, and to safeguarding all property of the Town of Oro Valley. The use of alcohol and/or drugs can undermine employee productivity, the quality of services provided by Town employees, and the image of the Town. For these reasons, the Town of Oro Valley has implemented the following Drug-Free Workplace policy.

23.2 DEFINITIONS

A. On-the-job use, possession, sale or distribution – The possession, sale or distribution of non-medically prescribed controlled substances, including alcohol, or the presence of drugs or alcohol in the employee's system while on company premises or at any Town of Oro Valley work site is prohibited. Any employee found in violation of the above stated policy is subject to disciplinary action, up to and including termination of employment.

B. Work-site – Includes, but is not limited to:

1. Town vehicles, Town offices and any Town premises

2. Any and all locations in which an employee is representing the Town of Oro Valley or working as an employee, including attending off-premises business meetings, seminars, engaging in off-site work such as road repair, police patrolling, etc.

3. Depending upon the circumstances, other action, including notification of appropriate law enforcement agencies, may be taken with respect to an employee violating this policy.

C. Drugs are defined as:

1. Alcohol (ethyl)
2. Amphetamines (e.g., speed)
3. Barbiturates (e.g., Amobarbital, Butabarbital, Phenobarbital, Secobarbital)
4. Cocaine
5. Methaqualone (e.g., Quaalude)
6. Opiates (e.g., Codeine, Heroin, Morphine, Hydromorphone, Hydrocodone)
7. Phencyclidine (PCP)
8. THC (Marijuana)
9. Drugs specified and defined under A.R.S. § 13-3401 (or any successor statute)

D. Reasonable suspicion may include, but is not limited to:

1. a pattern of abnormal or erratic behavior;
2. information of recent drug use provided by a reliable and credible source;
3. direct observation of drug or alcohol use; or
4. presence of the physical symptoms of drug or alcohol use.

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E. Medical Review Officer (MRO) means any qualified physician designated by the Town of Oro Valley to assist in the evaluation, testing and assessment as defined herein.

F. Independent MRO means a qualified physician hired by the employee to assist the employee in the testing and drug assessment conducted by the Town.

23.3 SEARCH

A. In circumstances where there is reasonable suspicion that drugs or alcohol are present on Town of Oro Valley premises, or at a "work site", Town supplied locker, a Town supplied desk or other Town supplied container, a search may be conducted to confirm that belief upon the approval of the Town Manager.

23.4 APPLICANT DRUG TESTING

A. All applicants being considered for employment by the Town of Oro Valley may be subject to drug testing analysis as part of the employment process. Notification that applicants are subject to drug testing will appear on all Town of Oro Valley employment application forms, and employment advertisements.

B. The presence of drugs measured by urinalysis testing at the time of application is grounds for rejection. Applicants who test positive for the presence of drugs will be informed of that fact, and will be given an opportunity to explain the positive result to the medical review officer (MRO). The MRO will hear the applicant's explanation and report his/her findings and recommendations to the appropriate Town of Oro Valley representative. An applicant who tests positive and who has no satisfactory explanation will be ineligible to apply with the Town for a period of six months.

C. Upon request, applicants will be given a list of the drugs for which they are tested. The tests are restricted to drugs of abuse and are listed under the definition and Arizona Revised Statutes § 13-3401.

23.5 PRESENCE OF DRUGS IN EMPLOYEES

A. Employees are prohibited from being at work with drugs in their systems, or impaired by alcohol. Any employee who is found to have drug metabolites in his/her system while at work or on a work site will be subject to disciplinary action up to, and including, termination of employment.

B. An employee, taking a drug or other medication whether or not prescribed by a physician for a medical condition, which is known or publicized as highly impairing judgment, coordination, or other senses important to the safe and productive performance of work, must notify his/her supervisor prior to starting his or her work day. Management will decide whether the employee can continue to work, and/or will impose any necessary restrictions.

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23.6 EMPLOYEE TESTING

A. Employee testing will only be conducted given the existence of a reasonable suspicion on the part of the management of the Town of Oro Valley. The testing of a police department employee will be conducted in compliance with the Oro Valley Police Department's Rules and Procedures Manual. The testing of transit safety sensitive employees will be conducted in compliance with the Oro Valley transit division drug and alcohol misuse FTA compliant policy.

23.7 CONSENT

A. Before a drug and alcohol test is administered, employees and job applicants will be asked to sign a consent form authorizing the test and permitting release of test results to those municipal officials with a need to know. The consent form shall provide space for employees and applicants to acknowledge that they have been notified of the municipality's drug testing policy. Employees and applicants may at this time provide a list of those medications that he or she has recently used. The list of medications, if provided, shall be sealed and held as confidential until there has been a positive test result. In the event of a confirmed positive test result, the list of medications shall only be disclosed to the medical official who will determine whether the positive result was due to the lawful use of any of the listed medications. Employees and applicants may choose to provide such a list after being notified of a confirmed positive result.

B. When the results of the drug test are received, the employee will be notified of the results. If the results are positive, the employee will be given the opportunity to offer an explanation. In the absence of an acceptable explanation as determined by an independent MRO, the employee will be suspended for a minimum of ten days. A negative drug test result after ten days will be a precondition of re-employment.

C. Suspended employees will be required to undergo a drug test prior to reinstatement, and the results must be negative. Following his/her return to work, the employee will serve in a probationary status for a 12-month period. During this probationary period, the employee will be subject to follow-up testing on a random basis. Employees placed on probation for violation of this policy will be terminated if they test positive in a random follow-up test during the 12 month probationary period.

23.8 OPTIONS AVAILABLE TO THE MUNICIPALITY

A. The Town of Oro Valley shall have the right to suspend, dismiss or take any other appropriate disciplinary action against the employee whose drug test is positive. This suspension, dismissal or other disciplinary action shall follow the processes set forth in these policies. This decision may be based in part upon the individual's length of employment and the essential functions of the employee's position as evidenced by appropriate records and documentation in the employee's personnel file.

23.9 CONTRACTS AND VISITORS

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A. Contractors and their employees or representatives, and visitors will be notified that the Town of Oro Valley prohibits the use, possession, sale or distribution of alcohol or illegal drugs on its property, or at its work sites. Any person who is reasonable suspected to have drugs in his or her system (or impaired by alcohol) while on Town of Oro Valley property or work site is in violation of this policy. Contractors and their employees or representatives, and visitors violating this policy will be refused entry onto Town property, or Town work sites. In addition, appropriate legal entities may be contacted as required and appropriate.

23.10 MANAGEMENT PROCEDURES AND IMPLEMENTATION

A. A summary of this policy shall be posted on employee bulletin boards. Also, employees shall be informed of the Drug-Free Workplace Policy by means of notices from time-to-time included with their paychecks, etc. New employees shall be required to read and sign a copy of the policy. For contractors, copies of the policy shall be included in their statements of work.

B. Supervisors and Managers shall receive training to assist them in early detection of signs of drug abuse. This will include training as to the physical appearance or commonly abused drugs and drug paraphernalia, as well as the physiological manifestations of drug abuse.

C. Where there is reasonable suspicion to believe that an employee has drugs in his/her system or is impaired by alcohol, the employee shall not be allowed to continue work.

D. If the employee is suspected of being under the influence of alcohol, drugs, or a controlled substance, steps should be taken to ensure that he/she does not drive any Town vehicle. Further, the Town shall provide transportation home to such employees.

E. Supervisors and Managers will refer to the Human Resources Director any decision involving drug testing. In no case will the employee's immediate supervisor make the final decision whether that employee is to be tested.

F. The Human Resources Director will consult with the Town of Oro Valley's Medical Resource Officer, as appropriate, to assist in the assessment of a possible drug abuse problem, the degree of impairment, and the need for testing.

G. Drug test themselves will be conducted by a qualified laboratory, and proper chain of custody procedures will be observed for samples. When employment status will be affected by the outcome of the drug testing, confirmatory testing will be carried out by a qualified laboratory.

H. Records and information about testing and test results will be treated as private and medically confidential. Such information will not, for example, be discussed with the employee's family or friends.

23.11 OTHER TERMS OF EMPLOYMENT

A. This policy in no way alters, amends, modifies, infers, or confirms any terms of employment with the Town of Oro Valley, except as outlined herein. All other terms of employment (as indicated in other policies, procedures, etc.) remain in effect as stated therein.

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23.12 EXCEPTION FOR THE PURPOSES OF GIFTING

A. In the event an employee chooses to participate in a gift exchange, employees are permitted to give closed containers of alcohol to legal-age employees on town premises, excluding Town vehicles. The closed containers of alcohol may not be consumed while an employee is on the job, as specified herein.

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DRUG-FREE WORKPLACE POLICY
STATEMENT FOR JOB APPLICANTS

It is the policy of the Town of Oro Valley to maintain a safe, healthy and productive work environment for its employees; to ensure that the highest quality services are provided to the citizens of the Town; to maintain the integrity and security of its facilities and property; and to perform all of these functions in a fashion consistent with applicable federal and state regulations as well as the interests and concerns of the community and interest parties.

Pursuant to these goals, the Town of Oro Valley requires candidates for employment to pass a drug/alcohol screening test covering illegal substances and legal substances subject to abuse.

Offers of employment are strictly conditional, and contingent upon the successful completion of the screening for drugs of abuse.

Applicants may be given conditional employment which may involve training programs or work assignments prior to obtaining the results from the drug tests; if the drug test results are positive the offer of employment is rescinded and the training and/or work assignments will be terminated.

This requires the candidate to submit a urine and/or blood specimen and to sign a consent and release statement provided by the Town. Refusal will result in the candidate's disqualification for further employment consideration.

_____ _____
Applicant Signature Date

_____
Applicant Name (Printed)

_____ _____
Witness Signature Date

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23.1 PURPOSE

A. The Town of Oro Valley is committed to maintaining a safe, productive work environment at all facilities and work sites, and to safeguarding all property of the Town of Oro Valley. The use of alcohol and/or drugs can undermine employee productivity, the quality of services provided by Town employees, and the image of the Town. For these reasons, the Town of Oro Valley has implemented the following Drug-Free Workplace policy.

23.2 ~~23.1~~ DEFINITIONS

A. On-the-job use, possession, sale or distribution – The possession, sale or distribution of non-medically prescribed controlled substances, including alcohol, or the presence of drugs or alcohol in the employee's system while on company premises or at any Town of Oro Valley work site is prohibited. Any employee found in violation of the above stated policy is subject to disciplinary action, up to and including termination of employment.

B. Work-site – Includes, but is not limited to:

1. Town vehicles, Town offices and any Town premises

2. Any and all locations in which an employee is representing the Town of Oro Valley or working as an employee, including attending off-premises business meetings, seminars, engaging in off-site work such as road repair, police patrolling, etc.

3. Depending upon the circumstances, other action, including notification of appropriate law enforcement agencies, may be taken with respect to an employee violating this policy.

C. Drugs are defined as:

1. Alcohol (ethyl)
2. Amphetamines (e.g., speed)
3. Barbiturates (e.g., Amobarbital, Butabarbital, Phenobarbital, Secobarbital)
4. Cocaine
5. Methaqualone (e.g., Quaalude)
6. Opiates (e.g., Codeine, Heroin, Morphine, Hydromorphone, Hydrocodone)
7. Phencyclidine (PCP)
8. THC (Marijuana)
9. Drugs specified and defined under A.R.S. § 13-3401 (or any successor statute)

D. Reasonable suspicion may include, but is not limited to:

1. a pattern of abnormal or erratic behavior;
2. information of recent drug use provided by a reliable and credible source;
3. direct observation of drug or alcohol use; or
4. presence of the physical symptoms of drug or alcohol use.

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E. Medical Review Officer (MRO) means any qualified physician designated by the Town of Oro Valley to assist in the evaluation, testing and assessment as defined herein.

F. Independent MRO means a qualified physician hired by the employee to assist the employee in the testing and drug assessment conducted by the Town.

23.3 ~~23.2~~ SEARCH

A. In circumstances where there is reasonable suspicion that drugs or alcohol are present on Town of Oro Valley premises, or at a "work site", Town supplied locker, a Town supplied desk or other Town supplied container, a search may be conducted to confirm that belief upon the approval of the Town Manager.

23.4 ~~23.3~~ APPLICANT DRUG TESTING

A. All applicants being considered for employment by the Town of Oro Valley may be subject to drug testing analysis as part of the employment process. Notification that applicants are subject to drug testing will appear on all Town of Oro Valley employment application forms, and employment advertisements.

B. The presence of drugs measured by urinalysis testing at the time of application is grounds for rejection. Applicants who test positive for the presence of drugs will be informed of that fact, and will be given an opportunity to explain the positive result to the medical review officer (MRO). The MRO will hear the applicant's explanation and report his/her findings and recommendations to the appropriate Town of Oro Valley representative. An applicant who tests positive and who has no satisfactory explanation will be ineligible to apply with the Town for a period of six months.

C. Upon request, applicants will be given a list of the drugs for which they are tested. The tests are restricted to drugs of abuse and are listed under the definition and Arizona Revised Statutes § 13-3401.

23.5 ~~23.4~~ PRESENCE OF DRUGS IN EMPLOYEES

A. Employees are prohibited from being at work with drugs in their systems, or impaired by alcohol. Any employee who is found to have drug metabolites in his/her system while at work or on a work site will be subject to disciplinary action up to, and including, termination of employment.

B. An employee, taking a drug or other medication whether or not prescribed by a physician for a medical condition, which is known or publicized as highly impairing judgment, coordination, or other senses important to the safe and productive performance of work, must notify his/her supervisor prior to starting his or her work day. Management will decide whether the employee can continue to work, and/or will impose any necessary restrictions.

23.6 ~~23.5~~ EMPLOYEE TESTING

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A. Employee testing will only be conducted given the existence of a reasonable suspicion on the part of the management of the Town of Oro Valley. The testing of a police department employee will be conducted in compliance with the Oro Valley Police Department's Rules and Procedures Manual. **THE TESTING OF TRANSIT SAFETY SENSITIVE EMPLOYEES WILL BE CONDUCTED IN COMPLIANCE WITH THE ORO VALLEY TRANSIT DIVISION DRUG AND ALCOHOL MISUSE FTA COMPLIANT POLICY.**

23.7 ~~23.6~~ CONSENT

A. Before a drug and alcohol test is administered, employees and job applicants will be asked to sign a consent form authorizing the test and permitting release of test results to those municipal officials with a need to know. The consent form shall provide space for employees and applicants to acknowledge that they have been notified of the municipality's drug testing policy. Employees and applicants may at this time provide a list of those medications that he or she has recently used. The list of medications, if provided, shall be sealed and held as confidential until there has been a positive test result. In the event of a confirmed positive test result, the list of medications shall only be disclosed to the medical official who will determine whether the positive result was due to the lawful use of any of the listed medications. Employees and applicants may choose to provide such a list after being notified of a confirmed positive result.

B. When the results of the drug test are received, the employee will be notified of the results. If the results are positive, the employee will be given the opportunity to offer an explanation. In the absence of an acceptable explanation as determined by an independent MRO, the employee will be suspended for a minimum of ten days. A negative drug test result after ten days will be a precondition of re-employment.

C. Suspended employees will be required to undergo a drug test prior to reinstatement, and the results must be negative. Following his/her return to work, the employee will serve in a probationary status for a 12-month period. During this probationary period, the employee will be subject to follow-up testing on a random basis. Employees placed on probation for violation of this policy will be terminated if they test positive in a random follow-up test during the 12 month probationary period.

23.8 ~~23.7~~ OPTIONS AVAILABLE TO THE MUNICIPALITY

A. The Town of Oro Valley shall have the right to suspend, dismiss or take any other appropriate disciplinary action against the employee whose drug test is positive. This suspension, dismissal or other disciplinary action shall follow the processes set forth in these policies. This decision may be based in part upon the individual's length of employment and the essential functions of the employee's position as evidenced by appropriate records and documentation in the employee's personnel file.

23.9 ~~23.8~~ CONTRACTS AND VISITORS

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A. Contractors and their employees or representatives, and visitors will be notified that the Town of Oro Valley prohibits the use, possession, sale or distribution of alcohol or illegal drugs on its property, or at its work sites. Any person who is reasonable suspected to have drugs in his or her system (or impaired by alcohol) while on Town of Oro Valley property or work site is in violation of this policy. Contractors and their employees or representatives, and visitors violating this policy will be refused entry onto Town property, or Town work sites. In addition, appropriate legal entities may be contacted as required and appropriate.

23.10 ~~23.9~~ MANAGEMENT PROCEDURES AND IMPLEMENTATION

A. A summary of this policy shall be posted on employee bulletin boards. Also, employees shall be informed of the Drug-Free Workplace Policy by means of notices from time-to-time included with their paychecks, etc. New employees shall be required to read and sign a copy of the policy. For contractors, copies of the policy shall be included in their statements of work.

B. Supervisors and Managers shall receive training to assist them in early detection of signs of drug abuse. This will include training as to the physical appearance or commonly abused drugs and drug paraphernalia, as well as the physiological manifestations of drug abuse.

C. Where there is reasonable suspicion to believe that an employee has drugs in his/her system or is impaired by alcohol, the employee shall not be allowed to continue work.

D. If the employee is suspected of being under the influence of alcohol, drugs, or a controlled substance, steps should be taken to ensure that he/she does not drive any Town vehicle. Further, the Town shall provide transportation home to such employees.

E. Supervisors and Managers will refer to the Human Resources Director any decision involving drug testing. In no case will the employee's immediate supervisor make the final decision whether that employee is to be tested.

F. The Human Resources Director will consult with the Town of Oro Valley's Medical Resource Officer, as appropriate, to assist in the assessment of a possible drug abuse problem, the degree of impairment, and the need for testing.

G. Drug test themselves will be conducted by a qualified laboratory, and proper chain of custody procedures will be observed for samples. When employment status will be affected by the outcome of the drug testing, confirmatory testing will be carried out by a qualified laboratory.

H. Records and information about testing and test results will be treated as private and medically confidential. Such information will not, for example, be discussed with the employee's family or friends.

23.11 ~~23.10~~ OTHER TERMS OF EMPLOYMENT

A. This policy in no way alters, amends, modifies, infers, or confirms any terms of employment with the Town of Oro Valley, except as outlined herein. All other terms of employment (as indicated in other policies, procedures, etc.) remain in effect as stated therein.

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23.12 EXCEPTION FOR THE PURPOSES OF GIFTING

A. IN THE EVENT AN EMPLOYEE CHOOSES TO PARTICIPATE IN A GIFT EXCHANGE, EMPLOYEES ARE PERMITTED TO GIVE CLOSED CONTAINERS OF ALCOHOL TO LEGAL-AGE EMPLOYEES ON TOWN PREMISES, EXCLUDING TOWN VEHICLES. THE CLOSED CONTAINERS OF ALCOHOL MAY NOT BE CONSUMED WHILE AN EMPLOYEE IS ON THE JOB, AS SPECIFIED HEREIN.

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DRUG-FREE WORKPLACE POLICY STATEMENT FOR JOB APPLICANTS

It is the policy of the Town of Oro Valley to maintain a safe, healthy and productive work environment for its employees; to ensure that the highest quality services are provided to the citizens of the Town; to maintain the integrity and security of its facilities and property; and to perform all of these functions in a fashion consistent with applicable federal and state regulations as well as the interests and concerns of the community and interest parties.

Pursuant to these goals, the Town of Oro Valley requires candidates for employment to pass a drug/alcohol screening test covering illegal substances and legal substances subject to abuse.

Offers of employment are strictly conditional, and contingent upon the successful completion of the screening for drugs of abuse.

Applicants may be given conditional employment which may involve training programs or work assignments prior to obtaining the results from the drug tests; if the drug test results are positive the offer of employment is rescinded and the training and/or work assignments will be terminated.

This requires the candidate to submit a urine and/or blood specimen and to sign a consent and release statement provided by the Town. Refusal will result in the candidate's disqualification for further employment consideration.

_____ _____

Applicant Signature Date

_____
Applicant Name (Printed)

_____ _____
Witness Signature Date

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26.1 PURPOSE

A. E-mail and other electronic communication and information management tools are the fastest and most efficient means of communicating and are used by nearly every employee and official at the Town of Oro Valley. This policy provides guidance regarding the use and storage of e-mail communications, the proper use of computer hardware and software, and the Town of Oro Valley connections to the internet.

B. The procedures presented in this policy apply to all users of the Town of Oro Valley system, including employees, elected officials, volunteers, and other affiliated organizations that utilize town-provided resources regardless of the user's location when accessing the system.

1. Town of Oro Valley E-mail and Internet communications are not private and may be monitored as allowed by the Electronic Communications Privacy Act.
2. Violations of this policy may result in disciplinary actions as provided for both herein and in separate Town of Oro Valley Policies and Procedures.

C. The responsibility for assuring complete compliance with the provisions of this policy rests with all System users.

D. Regardless of the user's location when accessing the Town System, if the equipment being used is provided by the Town, employees should conduct official business via that access.

1. Personal use is permissible within reasonable limits and if consistent with restrictions defined elsewhere in the Town of Oro Valley Personnel Policies and Procedures Manual, as well as in related Standard Operating Procedures (SOP's).
2. Department directors may grant exceptions to this policy, where the exception is required in order for employees to perform assigned duties related to the mission of the department.
3. Users understand that the use of the Town-provided System is a privilege.
4. Unauthorized usage may result in disciplinary action up to and including termination of employment.

26.2 REFERENCES

A. A.R.S. §§ 41.151.18, 41.151.19, 38-421 and 41.151.15

B. A.R.S. §§ 39-121 ET SEQ: PUBLIC RECORDS LAW

C. A.R.S. § 38-431 ET SEQ: OPEN MEETING LAW

D. Administrative Directive 16 – Information Technology Acceptable Use Policy and any superseding policy or directive implemented at a later date.

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26.3 DEFINITIONS

A. Backup: E-Mail records created on a daily basis for the purpose of disaster recovery.

B. Electronic communications: For purposes of this policy, electronic communications refers to electronic mail (e-mail) and electronic calendars.

C. Non-records: Messages that do not meet the statutory definition of a record as defined in A.R.S. § 41.151.18. Destruction of non-record electronic messages does not need to be reported on a report/certificate of records destruction form.

D. Records: Messages that are considered to be official records as defined in A.R.S. § 41.151.18. Official records may require short-term storage, long-term storage, or a combination of both.

E. System: The Town of Oro Valley computer system consists of all related hardware, software, network, and services provided for facilitating town needed computer services.

26.4 RETENTION AND DISPOSITION POLICIES AND PROCEDURES

A. Retention and disposition of public records is determined by the Arizona state library, archives and public records, records management division, in accordance with Arizona state statutes. A record's retention schedule is based upon the legal, administrative, historical, fiscal or informational value of the record, not on the format of the record. "Electronic communication" refers to the format of the record, not its content or value. Thus, electronic communications, such as e-mail, cannot be assigned blanket retention periods because they are not a type of record or record series. Rather, the value – and therefore, the retention period – of an electronic message is determined by its content.

B. It is the responsibility of every employee, consultant, volunteer, intern, elected and/or appointed town official to retain any electronic communications, depending on the nature and content of the document, as required by the public records retention and disposition schedules. Each Town department shall appoint a records coordinator who will work with the Town Clerk's office and his/her respective department head to assure proper management and disposal of records, including compliance with this policy. Records retention and disposition schedules that apply to town records are available from the Town Clerk's office.

C. Electronic messages that are considered to be official records (for example, a citizen complaint that is sent via e-mail) must be maintained and destroyed in the same manner as a paper record. Retention and destruction shall be performed according to the corresponding record series on either a department's custom retention schedule or the state's general schedule.

D. Short-Term Retention Of Record E-Mail Messages

1. For records management purposes, the majority of the Town's emails are short communications that function much like phone calls and are considered to be non-records.

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At the end of 180 days, all messages will be permanently deleted. It is the responsibility of each individual employee, consultant, volunteer, intern, elected and appointed official to ensure that any record messages that must be retained beyond 180 days and are located in the employee's inbox, sent box, or deleted items box are moved to proper storage locations before the end of the 180 day period.

E. Long-Term Retention Of Record E-Mail Messages

1. E-mail messages requiring long-term retention (more than 180 days) shall be retained according to the state's approved retention schedules.

F. Public Records Requests

1. E-mail is subject to the public records law (A.R.S. §§ 39-121 et seq) and may be subject to public disclosure. Employees should have no expectation of privacy regarding the use of the town's systems and equipment or the transmission, receipt or storage of information in these systems or equipment.

2. Information technology staff will work with individual departments to identify a technology solution when a department requires a shared storage location for e-mail that pertains to public records requests in order to minimize duplication of e-mail storage.

3. Backup

   a. The Town Of Oro Valley creates backup records of electronic mail on a daily basis. The primary purpose of creating these backups is for disaster recovery in the case of system failure, not for purposes of public records retention. The backups are retained for the limited period of time required by law for backup data.

26.5 USAGE POLICIES AND PROCEDURES

A. Regardless of the user's location when accessing the Town System, if the equipment being used is provided by the Town, employees should conduct official business via that access. Personal use is permissible within reasonable limits and if consistent with restrictions defined elsewhere in the Town of Oro Valley Personnel Policies and Procedures Manual, as well as in related Standard Operating Procedures (SOP's). Users understand that the use of the Town-provided System is a privilege. Unauthorized usage may result in disciplinary action up to and including termination of employment.

1. Examples of what could be considered to be appropriate limited personal use includes (but is not necessarily limited to):

   a. Scheduling of personal appointments
   b. Posting of personal information only in specific areas designated for this purpose
   c. As with the telephone, other limited uses that do not interfere with the employee's responsibilities or conflict with the Town's Personnel Policies and Procedures

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B. Examples of those uses which would be restricted include (but are not necessarily limited to):

1. Use for commercial or financial gain.
2. Information relating to religious or political causes.
3. Threatening, harassing or obscene materials (as defined by U.S., state and local laws).
4. Discourteous communication to or about other persons.
5. Solicitation, including charitable campaigns, except as specifically authorized or part of Town-sponsored events to the extent permitted by the Town's Personnel Policies and Procedures (i.e., blood drives, United Way, etc.).
6. Issuing or forwarding chain mail or other frivolous messages, such as practical jokes.
7. Anything which could be construed as sexually explicit, scandalous, or defamatory. Libelous, immoral or discriminatory based on race, national origin, sex, sexual orientation, age, disability or religious or political beliefs is banned from the system.
8. Accessing any adult (pornographic) sites is strictly prohibited.

C. Employees are advised that the content of all correspondence, including E-Mail and other electronic documents developed in the course of business remain the property of the Town of Oro Valley.

26.6 RESPONSIBILITIES

A. All employees, consultants, volunteers, interns, elected and appointed officials are responsible for:

1. Reading and familiarizing themselves with the Town of Oro Valley SOP entitled "Information Technology Acceptable Use Policy."
2. Understanding the procedures as outlined in this policy and all other applicable town policies and procedures regarding the use of the town's electronic communications.
3. Using the town's electronic communication systems responsibly, in the interest and furtherance of the public's business.

B. Information Technology Department, the Town Clerk's Office, Human Resources Department and the Legal Department will ensure proper training for new employees and on-going training for existing employees on a regular basis.

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26.1 PURPOSE

A. **E-MAIL AND OTHER ELECTRONIC COMMUNICATION AND INFORMATION MANAGEMENT TOOLS ARE THE FASTEST AND MOST EFFICIENT MEANS OF COMMUNICATING AND ARE USED BY NEARLY EVERY EMPLOYEE AND OFFICIAL AT THE TOWN OF ORO VALLEY. THIS POLICY PROVIDES GUIDANCE REGARDING THE USE AND STORAGE OF E-MAIL COMMUNICATIONS,** ~~This policy is intended to ensure~~ the proper use of computer hardware and software, ~~electronic mail~~ and **THE** Town of Oro Valley connections to the Internet.

B. The procedures presented in this policy apply to all users of the Town of Oro Valley system, including employees, elected officials, volunteers, and other affiliated organizations that utilize town-provided resources regardless of the user's location when accessing the system.

1. Town of Oro Valley E-mail and Internet communications are not private and may be monitored as allowed by the Electronic Communications Privacy Act.
2. Violations of this policy may result in disciplinary actions as provided for both herein and in separate Town of Oro Valley Policies and Procedures.

C. The responsibility for assuring complete compliance with the provisions of this policy rests with all System users. ~~It is the responsibility of E-Mail and Internet users to stay informed regarding Town information that is disseminated electronically. This includes understanding and keeping up-to-date on System operations.~~

D. Regardless of the user's location when accessing the Town System, if the equipment being used is provided by the Town, employees should conduct official business via that access.

1. Personal use is permissible within reasonable limits and if consistent with restrictions defined elsewhere in the Town of Oro Valley Personnel Policies and Procedures Manual, as well as in related Standard Operating Procedures (SOP's).
2. **DEPARTMENT DIRECTORS MAY GRANT EXCEPTIONS TO THIS POLICY, WHERE THE EXCEPTION IS REQUIRED IN ORDER FOR EMPLOYEES TO PERFORM ASSIGNED DUTIES RELATED TO THE MISSION OF THE DEPARTMENT.**
3. Users understand that the use of the Town-provided System is a privilege.
4. Unauthorized usage may result in disciplinary action up to and including termination of employment.

26.2 REFERENCES

A. A.R.S. §§ 41.151.18, 41.151.19, 38-421 AND 41.151.15

B. A.R.S. §§ 39-121 ET SEQ: PUBLIC RECORDS LAW

C. A.R.S. § 38-431 ET SEQ: OPEN MEETING LAW

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D. ADMINISTRATIVE DIRECTIVE 16 – INFORMATION TECHNOLOGY ACCEPTABLE USE POLICY AND ANY SUPERSEDING POLICY OR DIRECTIVE IMPLEMENTED AT A LATER DATE.

26.3 DEFINITIONS

A. *BACKUP*: E-MAIL RECORDS CREATED ON A DAILY BASIS FOR THE PURPOSE OF DISASTER RECOVERY.

B. *ELECTRONIC COMMUNICATIONS*: FOR PURPOSES OF THIS POLICY, ELECTRONIC COMMUNICATIONS REFERS TO ELECTRONIC MAIL (E-MAIL) AND ELECTRONIC CALENDARS.

C. *NON-RECORDS*: MESSAGES THAT DO NOT MEET THE STATUTORY DEFINITION OF A RECORD AS DEFINED IN A.R.S. § 41.151.18. DESTRUCTION OF NON-RECORD ELECTRONIC MESSAGES DOES NOT NEED TO BE REPORTED ON A REPORT/CERTIFICATE OF RECORDS DESTRUCTION FORM.

D. *RECORDS*: MESSAGES THAT ARE CONSIDERED TO BE OFFICIAL RECORDS AS DEFINED IN A.R.S. § 41.151.18. OFFICIAL RECORDS MAY REQUIRE SHORT-TERM STORAGE, LONG-TERM STORAGE, OR A COMBINATION OF BOTH.

E. SYSTEM: THE TOWN OF ORO VALLEY COMPUTER SYSTEM CONSISTS OF ALL RELATED HARDWARE, SOFTWARE, NETWORK, AND SERVICES PROVIDED FOR FACILITATING TOWN NEEDED COMPUTER SERVICES.

26.4 RETENTION AND DISPOSITION POLICIES AND PROCEDURES

A. RETENTION AND DISPOSITION OF PUBLIC RECORDS IS DETERMINED BY THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS, RECORDS MANAGEMENT DIVISION, IN ACCORDANCE WITH ARIZONA STATE STATUTES. A RECORD'S RETENTION SCHEDULE IS BASED UPON THE LEGAL, ADMINISTRATIVE, HISTORICAL, FISCAL OR INFORMATIONAL VALUE OF THE RECORD, NOT ON THE FORMAT OF THE RECORD. "ELECTRONIC COMMUNICATION" REFERS TO THE FORMAT OF THE RECORD, NOT ITS CONTENT OR VALUE. THUS, ELECTRONIC COMMUNICATIONS, SUCH AS E-MAIL, CANNOT BE ASSIGNED BLANKET RETENTION PERIODS BECAUSE THEY ARE NOT A TYPE OF RECORD OR RECORD SERIES. RATHER, THE VALUE – AND THEREFORE, THE RETENTION PERIOD – OF AN ELECTRONIC MESSAGE IS DETERMINED BY ITS CONTENT.

B. IT IS THE RESPONSIBILITY OF EVERY EMPLOYEE, CONSULTANT, VOLUNTEER, INTERN, ELECTED AND/OR APPOINTED TOWN OFFICIAL TO RETAIN ANY ELECTRONIC COMMUNICATIONS, DEPENDING ON THE NATURE AND

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CONTENT OF THE DOCUMENT, AS REQUIRED BY THE PUBLIC RECORDS RETENTION AND DISPOSITION SCHEDULES. EACH TOWN DEPARTMENT SHALL APPOINT A RECORDS COORDINATOR WHO WILL WORK WITH THE TOWN CLERK'S OFFICE AND HIS/HER RESPECTIVE DEPARTMENT HEAD TO ASSURE PROPER MANAGEMENT AND DISPOSAL OF RECORDS, INCLUDING COMPLIANCE WITH THIS POLICY. RECORDS RETENTION AND DISPOSITION SCHEDULES THAT APPLY TO TOWN RECORDS ARE AVAILABLE FROM THE TOWN CLERK'S OFFICE.

C. ELECTRONIC MESSAGES THAT ARE CONSIDERED TO BE OFFICIAL RECORDS (FOR EXAMPLE, A CITIZEN COMPLAINT THAT IS SENT VIA E-MAIL) MUST BE MAINTAINED AND DESTROYED IN THE SAME MANNER AS A PAPER RECORD. RETENTION AND DESTRUCTION SHALL BE PERFORMED ACCORDING TO THE CORRESPONDING RECORD SERIES ON EITHER A DEPARTMENT'S CUSTOM RETENTION SCHEDULE OR THE STATE'S GENERAL SCHEDULE.

D. SHORT-TERM RETENTION OF RECORD E-MAIL MESSAGES

1. **FOR RECORDS MANAGEMENT PURPOSES, THE MAJORITY OF THE TOWN'S EMAILS ARE SHORT COMMUNICATIONS THAT FUNCTION MUCH LIKE PHONE CALLS AND ARE CONSIDERED TO BE NON-RECORDS. AT THE END OF 180 DAYS, ALL MESSAGES WILL BE PERMANENTLY DELETED. IT IS THE RESPONSIBILITY OF EACH INDIVIDUAL EMPLOYEE, CONSULTANT, VOLUNTEER, INTERN, ELECTED AND APPOINTED OFFICIAL TO ENSURE THAT ANY RECORD MESSAGES THAT MUST BE RETAINED BEYOND 180 DAYS AND ARE LOCATED IN THE EMPLOYEE'S INBOX, SENT BOX, OR DELETED ITEMS BOX ARE MOVED TO PROPER STORAGE LOCATIONS BEFORE THE END OF THE 180 DAY PERIOD.**

E. LONG-TERM RETENTION OF RECORD E-MAIL MESSAGES

1. **E-MAIL MESSAGES REQUIRING LONG-TERM RETENTION (MORE THAN 180 DAYS) SHALL BE RETAINED ACCORDING TO THE STATE'S APPROVED RETENTION SCHEDULES.**

F. PUBLIC RECORDS REQUESTS

1. **E-MAIL IS SUBJECT TO THE PUBLIC RECORDS LAW (A.R.S. §§ 39-121 ET SEQ) AND MAY BE SUBJECT TO PUBLIC DISCLOSURE. EMPLOYEES SHOULD HAVE NO EXPECTATION OF PRIVACY REGARDING THE USE OF THE TOWN'S SYSTEMS AND EQUIPMENT OR THE TRANSMISSION, RECEIPT OR STORAGE OF INFORMATION IN THESE SYSTEMS OR EQUIPMENT.**

2. **INFORMATION TECHNOLOGY STAFF WILL WORK WITH INDIVIDUAL DEPARTMENTS TO IDENTIFY A TECHNOLOGY SOLUTION WHEN A DEPARTMENT REQUIRES A SHARED STORAGE LOCATION FOR E-MAIL**

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THAT PERTAINS TO PUBLIC RECORDS REQUESTS IN ORDER TO MINIMIZE DUPLICATION OF E-MAIL STORAGE.

3. BACKUP

a. THE TOWN OF ORO VALLEY CREATES BACKUP RECORDS OF ELECTRONIC MAIL ON A DAILY BASIS. THE PRIMARY PURPOSE OF CREATING THESE BACKUPS IS FOR DISASTER RECOVERY IN THE CASE OF SYSTEM FAILURE, NOT FOR PURPOSES OF PUBLIC RECORDS RETENTION. THE BACKUPS ARE RETAINED FOR THE LIMITED PERIOD OF TIME REQUIRED BY LAW FOR BACKUP DATA.

26.5 USAGE POLICIES AND PROCEDURES

A. Regardless of the user's location when accessing the Town System, if the equipment being used is provided by the Town, employees should conduct official business via that access. Personal use is permissible within reasonable limits and if consistent with restrictions defined elsewhere in the Town of Oro Valley Personnel Policies and Procedures Manual, as well as in related Standard Operating Procedures (SOP's). Users understand that the use of the Town-provided System is a privilege. Unauthorized usage may result in disciplinary action up to and including termination of employment.

1. Examples of what could be considered to be appropriate limited personal use includes (but is not necessarily limited to):

   a. Scheduling of personal appointments
   b. Posting of personal information only in specific areas designated for this purpose
   c. As with the telephone, other limited uses that do not interfere with the employee's responsibilities or conflict with the Town's Personnel Policies and Procedures

B. Examples of those uses which would be restricted include (but are not necessarily limited to):

1. Use for commercial or financial gain.

2. Information relating to religious or political causes.

3. Threatening, harassing or obscene materials (as defined by U.S., state and local laws).

4. Discourteous communication to or about other persons.

5. Solicitation, including charitable campaigns, except as specifically authorized or part of Town-sponsored events to the extent permitted by the Town's Personnel Policies and Procedures (i.e., blood drives, United Way, etc.).

6. Issuing or forwarding chain mail or other frivolous messages, such as practical jokes.

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7. Anything which could be construed as sexually explicit, scandalous, or defamatory. Libelous, immoral or discriminatory based on race, national origin, sex, sexual orientation, age, disability or religious or political beliefs is banned from the system.

8. Accessing any adult (pornographic) sites is strictly prohibited.

C. Employees are advised that the content of all correspondence, including E-Mail and other electronic documents developed in the course of business remain the property of the Town of Oro Valley.

~~D. All employees and users of the Town of Oro Valley System are encouraged to read and familiarize themselves with the Town of Oro Valley SOP entitled "Information Technology Acceptable Use Policy."~~

26.6 RESPONSIBILITIES

A. All employees, consultants, volunteers, interns, elected and appointed officials are responsible for:
   1. Reading and familiarizing themselves with the Town of Oro Valley SOP entitled "Information Technology Acceptable Use Policy."
   2. Understanding the procedures as outlined in this policy and all other applicable town policies and procedures regarding the use of the town's electronic communications.
   3. Using the town's electronic communication systems responsibly, in the interest and furtherance of the public's business.

B. Information Technology Department, the Town Clerk's Office, Human Resources Department and the Legal Department will ensure proper training for new employees and on-going training for existing employees on a regular basis.

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29.1 POLITICAL ACTIVITY

A. Town employees shall not engage in the following political activity.

1. No employee may solicit or attempt to solicit support for a candidate or political party involved in an Oro Valley municipal election.

2. No employee may solicit or attempt to solicit support for any candidate, petition, ballot measure or political party for any election during working hours, in their workplace, or in uniform.

3. Employees may not be members of political committees, officers of partisan political committees or nominees for paid elective office for Oro Valley municipal elections. Employees may not take part in the management or affairs of political parties, campaigns or recall efforts concerning Oro Valley.

B. The following political activity is permitted.

1. In their personal capacity, employees may express opinions, attend meetings (not in uniform)**,** vote, sign nomination or recall petitions and advocate for election or defeat of candidates.

2. An employee may exercise their rights as a citizen to vote and to express opinions as an individual citizen, but not as a representative of the Town.

C. No employee may seek election to public office with the Town while still employed by the Town.

D. No employee may use their position to sell, solicit or distribute any campaign material during working hours and/or in a uniform used by or identified with the Town government.

E. No employee may use their position to promote or recommend any candidate for public office.

29.2 SOLICITATION OF POLITICAL SUPPORT PROHIBITED

A. No employee of the Town may solicit any contribution in cash or services from any Town employee to support any candidate for public office, any political party, or ballot measure.

29.3 TOWN RESOURCES

A. Town resources, including but not limited to facilities, funds, employee services, and email accounts, may not be used in any manner to influence an election or solicit support for any candidate or political party.

29.4 CONFLICT OF INTEREST

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A. No employee may engage in any business activity or have a financial or other personal interest, direct or indirect, which adversely affects the proper discharge of or would tend to impair his/her independence of judgment or action in the performance of his/her official duties. Personal, as distinguished from financial interest, includes an interest arising from blood or marriage relationship or close business or political association.

B. Town employees shall conduct their private and professional lives in such a manner as to avoid adverse reflection upon themselves as employees of the Town.

C. Town employees shall not use their position for personal gain.

D. Town employees shall not accept directly or indirectly any gift, gratuity, loan, fee or any other thing of value arising from or offered because of Town employment or any activity connected with said employment, except as may be specifically authorized by the Town Manager or designee.

E. Some specific examples of conflicts of interest are enumerated below for the guidance of employees; however, employees are subject to all State and Town regulations regarding conflict of interest, including disciplinary action up to and including termination of employment.

1. Canvassing of citizens of the Town, either directly, or indirectly, in order to obtain preferential consideration of any appointment.

2. Engaging in or accepting private employment or rendering services for private interest which adversely affect the proper discharge of his/her official duties or impair his/her independence of judgment or action in the performance of his/her official duties.

3. Disclosure of confidential information concerning the property, government or affairs of the Town without proper authorization, or using such information to advance the financial or other private interest of himself/herself to others.

4. Appearance on behalf of private or commercial interests before any agency related to Town activities, or representing private or commercial interests in any action or proceedings against the interests of the Town in any litigation to which the Town is a party.

5. Having any interest in any contract or purchase made by the Town. The acceptance of any gift, favors, travel, etc. from anyone seeking to do business with the town. (See Standard Operating Procedure No. 11 - "Guidelines Pertaining to Gifts or Favors" for clarification.)

29.5 OUTSIDE EMPLOYMENT

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A. Town employees are prohibited from engaging in regular or part-time employment that in any way violates town policies.

B. Town employee's outside employment shall not interfere in any way with the employee's ability to perform his/her assigned work and duties for the Town.

C. To engage in outside employment:

1. The employee must make a request in writing to his/her Department Head seeking permission to engage in outside employment.

2. The Department Head has discretion to approve or deny the employee's request to engage in outside employment taking into account the following:
   a. Employee's job performance
   b. Employee's workload
   c. Nature of the outside employment
   d. Potential for any conflict of interest
   e. Any other factors deemed relevant

3. The written approval may also set forth conditions that must be met in order for the outside employment to be authorized.

D. Department Heads shall deny an employee's request to engage in outside employment when that employment has the potential to conflict with Town employment, or be detrimental to the Town in any way. The written denial shall set forth the factors and considerations upon which the denial is based.

E. Supervisors are responsible for reviewing the performance of employees who engage in outside employment. If the supervisor determines that the outside employment is interfering with the employee's work for the Town, the supervisor shall notify the Department Head and the employee's privilege to engage in outside employment shall be rescinded. Such rescission shall be in writing.

F. If an employee's request to engage in outside employment has been denied, or if an employee's outside employment privileges have been suspended, the employee may seek review by the Town Manager or designee. The employee shall make such request in writing setting forth all facts and considerations which the employee believes are pertinent. The decision of the Town Manager or designee shall be in writing and is considered final. The employee may not grieve the decision of the Town Manager or designee, except on the grounds that the denial is based on some other type of grievable issue.

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~~Section 1.~~ 29.1 POLITICAL ACTIVITY

A. Town employees shall not engage in **THE FOLLOWING** political activity. ~~in an Oro Valley municipal election~~.

1. No employee may solicit or attempt to solicit support for a candidate or political party involved in an Oro Valley municipal election.

2. No employee may solicit or attempt to solicit support for any candidate, petition, ballot measure or political party for any election during working hours, in their workplace, or in uniform.

3. ~~2.~~ Employees may not be members of political committees, officers of partisan political committees or nominees for paid elective office **FOR ORO VALLEY MUNICIPAL ELECTIONS**. Employees may not take part in the management or affairs of political parties, campaigns or recall efforts concerning Oro Valley.

   ~~3. An employee may exercise their rights as a citizen to vote and to express opinions as an individual citizen, but not as a representative of the Town.~~

B. ~~No employee may seek election to public office with the Town while still employed by the Town.~~ **THE FOLLOWING POLITICAL ACTIVITY IS PERMITTED**

1. **IN THEIR PERSONAL CAPACITY**, ~~E~~employees may express opinions, attend meetings **(NOT IN UNIFORM),** vote, sign nomination or recall petitions and advocate for election or defeat of candidates.

2. **AN EMPLOYEE MAY EXERCISE THEIR RIGHTS AS A CITIZEN TO VOTE AND TO EXPRESS OPINIONS AS AN INDIVIDUAL CITIZEN, BUT NOT AS A REPRESENTATIVE OF THE TOWN.**

C. No employee may seek election to public office with the Town while still employed by the Town.

D. No employee may use their position to sell, solicit or distribute any campaign material~~. No employee may engage in political activities~~ during working hours and/or in a uniform used by or identified with the Town government.

E. No employee may use their position to promote or recommend any candidate for public office ~~on Town property~~.

~~Section 2.~~ 29.2 SOLICITATION OF POLITICAL SUPPORT PROHIBITED

A. No employee of the Town may solicit any contribution in cash or services from any Town employee to support any candidate for public office, **ANY POLITICAL PARTY, OR BALLOT MEASURE**.

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29.3 TOWN RESOURCES

A. Town resources, including but not limited to facilities, funds, employee services, and email accounts, may not be used in any manner to influence an election or solicit support for any candidate or political party.

~~Section 3~~. 29.4 CONFLICT OF INTEREST

A. No employee may engage in any business activity or have a financial or other personal interest, direct or indirect, which adversely affects the proper discharge of or would tend to impair his/her independence of judgment or action in the performance of his/her official duties. Personal, as distinguished from financial interest, includes an interest arising from blood or marriage relationship or close business or political association.

B. Town employees shall conduct their private and professional lives in such a manner as to avoid adverse reflection upon themselves as employees of the Town.

C. Town employees shall not use their position for personal gain.

D. Town employees shall not accept directly or indirectly any gift, gratuity, loan, fee or any other thing of value arising from or offered because of Town employment or any activity connected with said employment, except as may be specifically authorized by the Town Manager or designee.

E. Some specific examples of conflicts of interest are enumerated below for the guidance of employees; however, employees are subject to all State and Town regulations regarding conflict of interest, including disciplinary action up to and including termination of employment.

1. ~~A.~~ Canvassing of citizens of the Town, either directly, or indirectly, in order to obtain preferential consideration of any appointment.

2. ~~B.~~ Engaging in or accepting private employment or rendering services for private interest which adversely affect the proper discharge of his/her official duties or impair his/her independence of judgment or action in the performance of his/her official duties.

3. ~~C.~~ Disclosure of confidential information concerning the property, government or affairs of the Town without proper authorization, or using such information to advance the financial or other private interest of himself/herself to others.

4. ~~D.~~ Appearance on behalf of private or commercial interests before any agency related to Town activities, or representing private or commercial interests in any action or proceedings against the interests of the Town in any litigation to which the Town is a party.

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5. ~~E.~~ Having any interest in any contract or purchase made by the Town. The acceptance of any gift, favors, travel, etc. from anyone seeking to do business with the town. (See Standard Operating Procedure No. 11 - "Guidelines Pertaining to Gifts or Favors" for clarification.)

~~Section 4.~~ 29.5 OUTSIDE EMPLOYMENT

A. Town employees are prohibited from engaging in regular or part-time employment that in any way violates town policies.

B. Town employee's outside employment shall not interfere in any way with the employee's ability to perform his/her assigned work and duties for the Town.

C. To engage in outside employment:
   1. The employee must make a request in writing to his/her Department Head seeking permission to engage in outside employment.

   2. The Department Head has discretion to approve or deny the employee's request to engage in outside employment taking into account the following:
      a. Employee's job performance
      b. Employee's workload
      c. Nature of the outside employment
      d. Potential for any conflict of interest
      e. Any other factors deemed relevant

   3. The written approval may also set forth conditions that must be met in order for the outside employment to be authorized.

D. Department Heads shall deny an employee's request to engage in outside employment when that employment has the potential to conflict with Town employment, or be detrimental to the Town in any way. The written denial shall set forth the factors and considerations upon which the denial is based.

E. Supervisors are responsible for reviewing the performance of employees who engage in outside employment. If the supervisor determines that the outside employment is interfering with the employee's work for the Town, the supervisor shall notify the Department Head and the employee's privilege to engage in outside employment shall be rescinded. Such rescission shall be in writing.

F. If an employee's request to engage in outside employment has been denied, or if an employee's outside employment privileges have been suspended, the employee may seek review by the Town Manager or designee. The employee shall make such request in writing setting forth all facts and considerations which the employee believes are pertinent. The decision of the Town Manager or designee shall be in writing and is considered final. The employee may not grieve the decision of the Town Manager or designee, except on the grounds that the denial is based on some other type of grievable issue.

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Town Council Regular Session **Item # 8.**

Meeting Date: 04/02/2014

Requested by: Stacey Lemos **Submitted By:** Stacey Lemos, Finance

Department: Finance

Information

SUBJECT:

PRESENTATION OF TOWN MANAGER'S RECOMMENDED BUDGET FOR FISCAL YEAR 2014/15 (Recommended Budget added on 4/1/14 at 3:00 p.m.)

RECOMMENDATION:

This item is for presentation and discussion.

EXECUTIVE SUMMARY:

The Council packet materials for the Town Manager's Recommended Budget presentation will be delivered prior to the April 2, 2014, meeting.

BACKGROUND OR DETAILED INFORMATION:

N/A

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

This item is for presentation and discussion.

Attachments

Town Manager Recommended Budget FY 2014/15

Town of Oro Valley

MANAGER'S RECOMMENDED BUDGET

FY 2014-15

April 2, 2014

To the Honorable Mayor and Town Council:

One of the primary duties of the Town Manager is to prepare and present a balanced annual budget. It is my privilege to present Town Council with the Town Manager's Recommended Budget for fiscal year 2014/15 in the amount of $107.1 million; a $13.2 million, or 14.1% increase from the Adopted FY 2013/14 Budget totaling $93.9 million.

The budget is developed to support the voter-approved General Plan and the Town Council-approved Strategic Plan. The Town Council has made financial decisions the last four years that have put the Town on a sustainable financial path. These decisions range from increasing revenues and efficiencies to streamlining operations. The current organization is not the same organization as it was five years ago; it is stronger, more adaptable and prepared to maximize opportunities.

The demands of the organization continue to evolve as the Town sees significant signs of economic recovery. Specifically, the recovery in the housing market is leading to challenges and opportunities. Because the organization made significant staff reductions during the recession, this surge of activity presents some unique staffing challenges, and we continue to monitor the activity closely. Town staff has been extremely dedicated and supportive through the financial crisis and continues to work efficiently to keep up with the increase in activity.

The budget was developed with the following core themes:

1. Investment in Town employees
2. Investment in Town assets and technology
3. Delivery of community services
4. New initiatives

<u>Investment in Town employees</u>

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

During the recession, the Town reduced staff considerably. In FY 2008/09, the adopted budget included 389 full-time equivalent (FTE) positions. The FY 2014/15 Recommended Budget includes a total of 342 authorized FTE positions. The Town has also reduced full-time, benefited positions from 332 in FY 2008/09, to 290 in the FY 2014/15 Recommended Budget. The Town has some of the most dedicated and competent employees who have taken on more responsibilities as the workforce decreased.

Employee Compensation

In an effort to compare our employee compensation to the market, we conducted a salary market survey during FY 2013/14. As the economy is seeing steady recovery, public employers have increased compensation to retain high quality employees. In order to retain our well-trained and experienced employees, we are proposing implementation of the compensation plan adjustments based on the findings in the market survey. The FY 2014/15 Recommended Budget includes $1.1 million to implement the market study adjustments and related benefit costs. We are also committed to funding step and merit pay increases for employees, and $555,000 has been included in the budget for these increases.

As we started last year and are continuing this year, this budget includes a small amount of funding (approximately $26,000) to compensate employees who have been working beyond their job description. Because of the significant reduction in staff, many have taken on responsibilities above and beyond their pay classification. As a result, we completed a comprehensive reclassification process starting in late fall and are recommending some minor adjustments to some positions.

The amounts calculated for the market salary adjustments, merit/step increases, reclassifications and new position requests (to be discussed later in this budget message) have not been included in the departmental personnel budget recommended amounts for FY 2014/15; however, the total budget adjustments attributable to these increases are outlined in Exhibit A – FY 2014/15 Personnel Budget Adjustments by Fund attached to this document.

Self-Funded Insurance

One of the Town's sizable investments in employees is medical insurance. Two years ago, staff members reviewed the Town's medical claim history, in cooperation with the Town's insurance broker, and based on our exceptionally low claims history, we switched to self-funded insurance for medical coverage. The Town has accepted additional risk in this new funding methodology; however, given the Town's excellent claim history, we believed there was considerable financial benefit to be gained in future years. In the first year of self-funded medical insurance (FY 2012/13), the Town recognized a savings of $354,000.

Due to the success experienced with self-funding for medical insurance, our insurance broker provided us a bid for self-funding of our dental coverage from our current provider, Principal. Self-funding for dental insurance would result in a slight savings to the Town of approximately $13,000 and allow us to keep employee dental premiums flat for next year. Therefore, the Recommended Budget includes moving to a self-funded model for dental insurance coverage next fiscal year with our current provider.

Since the Town has more to benefit from a culture supportive of health and wellness, last year we added funding to support the Town's health and wellness program. This year we are recommending further support of the health and wellness program by the inclusion of an on-site health clinic. The clinic would start in January 2015 and be available for employees and dependents covered on our health insurance. These types of clinics have proven to show downward trend on medical claims after three to five years in operation. The investment in an on-site health clinic has been funded in the budget at approximately $76,000, of which $15,000 is for one-time start-up costs. Therefore, we are planning for expenditures of approximately $2.5 million for the coming year in the Self Insurance Benefit Fund. We feel fortunate that the costs are projected to increase only slightly next year. It is estimated that if we had not moved to self-funded, our expenses would be approximately $500,000 higher than our current budget (assuming the same level of benefit).

Town staff work very closely with our broker and medical insurance provider, United HealthCare, to monitor the claim trends, ensure adequate funds are available to pay for Healthcare Reform Act provisions and maintain appropriate reserves to pay for high claims. For next year, United HealthCare and our broker are recommending a modest increase in premiums to fund expected costs in the Town's self-insurance fund. A 7% premium increase has been included in the budget for both employee and employer contributions. The employee premium increase, the first since 2008, averages approximately $4 per pay period for those employees on the PPO plan with dependent coverage. There will continue to be no charge to employees with employee-only coverage.

To further incentivize enrollment in our High Deductible Health Care Plan, employee premiums will be lowered in this plan to equal 50% of those offered in the PPO plan. Additionally, the Town contributions to employees' health savings accounts in this plan will increase by $250 annually. Those with employee-only coverage would receive $1,000, while those with dependent coverage would receive $1,250.

New Staffing

The organization is experiencing an increase in work activity. The demands and expectations are higher than ever before, and the organization is delivering with a small, efficient workforce. There are a few "pinch points" that need to be addressed in the budget for next year. In order to accommodate the increased building activity, we are proposing an additional building inspector. The building activity has increased significantly and is not expected to decrease until about 2019/2020 or beyond.

Additionally, the Water Utility has seen a significant increase in customer service interactions, so a 19-hour per week (non-benefited) customer service representative has been added.

Finally, additional part-time, non-benefited FTEs have been added in the Transit and Aquatics divisions to meet the service level demands in these two areas.

Investment in Town assets and technology

Transportation

The Town is well known for having quality infrastructure. The budget includes more than $1.1 million for the Pavement Preservation Program in the Highway Fund, which maintains the current condition of our streets and roads. The amount of maintenance expected to be delivered remains at a level which will not allow the infrastructure to deteriorate. Additionally, the Town operates and maintains the street lights in Sun City Vistoso, and we have seen significant deterioration in the electrical system the past several years. In order to fix the issues, an amount of $200,000 has been included in the Capital Improvement Program (CIP) in each of the next three years to rewire the circuits. In addition, $200,000 has been included for safety measure improvements to the Tangerine and First Avenue/Rancho Vistoso intersection.

Fleet Replacement Program

An important component of municipal services requires fleet infrastructure. This year is the third year in the effort to return to a regular replacement schedule. The budget includes the replacement of seven (7) marked police vehicles; one (1) general administration vehicle; four (4) trucks combined for DIS operations, facility maintenance and inspection and compliance divisions; a field

groomer and truck for Parks and Recreation, and matching funds for ten (10) grant-funded Transit vehicles at a total budgeted cost of $964,800. The Water Utility Fund will replace two (2) vehicles per the replacement schedule at a budgeted cost of $85,000.

Steam Pump Ranch

Steam Pump Ranch continues to be an arts and culture opportunity for the community. Historic preservation is recognition of our community's history and heritage. Over the last few years, significant improvements have been made to the site. Last year, the Town funded $82,000 in improvements at Steam Pump Ranch. Next year, we have allocated $125,000 for a protective cover over the historic steam pump.

Aquatic Center

The Aquatic Center has recently completed its first full year of operations. After the $5 million expansion, the site and facility require some additional improvements. An interim parking and circulation road have been added for a cost of $184,000. This funding will provide a cul-de-sac with parking and a north/south path to the east of the facility off of Calle Concordia Drive. With this additional parking capacity, staff will be looking at ways to generate additional revenues during large events to offset some of the expenses of this facility.

Additionally, there are a few small capital items that have been funded for $57,000. These include a pool cover for the recreation pool, the purchase of a timing system and a display board showing record swim times.

Signage off of Oracle Road, or lack thereof, continues to be a challenge for recognition of the facility, so $26,000 has been provided to develop signage along Oracle Road.

Park Improvements

During this current fiscal year, staff proposed and Council approved, a project of $2.3 million for Naranja Park. The Capital Improvement Program (CIP) for 2014/15 builds on this previous funding by adding $250,000 for a restroom at Naranja Park. The CIP also includes the Naranja Master Plan update at $40,000, which is the continuation of $40,000 funded last year. Cañada del Oro (CDO) Riverfront Park will also see some enhancements, with $57,000 in upgrades to playground equipment.

Police Evidence Facility

Another significant project is the Police Evidence Facility, which is anticipated to be funded in phases over the next several fiscal years. Funding included in the current year budget has been identified to purchase the land upon which this future facility could be built. Negotiations for this land purchase are currently underway and are expected to be completed prior to the end of this fiscal year. Funding of $200,000 has been included in the 2014/15 Recommended Budget for design of a new facility. In the CIP for 2015/16, an amount of $2.5 million has been identified as a placeholder to construct the facility.

New Fueling Facility at Municipal Operations Center (MOC)

Currently, the Town has one fueling site located at 680 W. Calle Concordia to support the needs of the entire Town fleet. This has posed some level of risk from an emergency preparedness perspective, as well as challenges and inefficiencies with fueling our fleet of transit vehicles, which

are based out of the MOC location. Funding in the amount of $80,000 has been included in the budget for an additional fueling facility (both gas and diesel) on the north end of town at the MOC site. Having this alternate fueling facility will allow the Transit vehicles to efficiently fuel up prior to the start of their shift and provide additional fueling capabilities in the case of an emergency or disaster.

Investment in technology

Technology has been a focus over the last year, and this budget includes additional resources to meet the growing demand. The following areas are seeing significant support:

- Replacement of Town's permitting system - $240,000 (second of two years)
- Replacement of Town's phone system - $300,000 (second of two years)
- Automatic lighting control at JDK and Riverfront Park - $22,500
- Audiovisual improvements to Council Chambers - $12,000
- Records Management System for the Police Department - $75,000
- Electronic Document Management System Town-wide - $112,000
- Security camera project - $50,000 (second of two years)
- Enhancement of Town data back-up system - $60,000

Appropriate replacement of computers and other technology is critical to maintain smooth administrative functions. The proposed budget includes computer replacement for aging equipment at a budgeted cost of $233,000. This includes several servers, desktop computers and mobile data computers (MDCs).

Delivery of community services

One of the focus areas in the Town Council-approved Strategic Plan is Community Services, with the primary goal to provide services to enhance residents' quality of life. All Town functions contribute to the overall quality of life for residents. From our recognized public safety services 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 to the community. The Town's strength in the delivery of community services has led to increased 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 sees 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 come 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 level.

New initiatives

Special events continue to be important to our economic recovery. With the increase in activities at the Aquatic Center and Steam Pump Ranch, the Town has seen benefit from special events. We see value in providing seed money for the development of a signature event in Oro Valley. We are

still exploring opportunities for the event, but have established $30,000 out of the Bed Tax Fund to get the event off the ground in FY 2014/15. Additionally, to further promote the Town's rebranding efforts, $10,000 has been allocated for banners on light poles.

To further promote arts and culture in Oro Valley, our partnership with the Southern Arizona Arts & Cultural Alliance (SAACA) will continue with funding of $26,800 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.

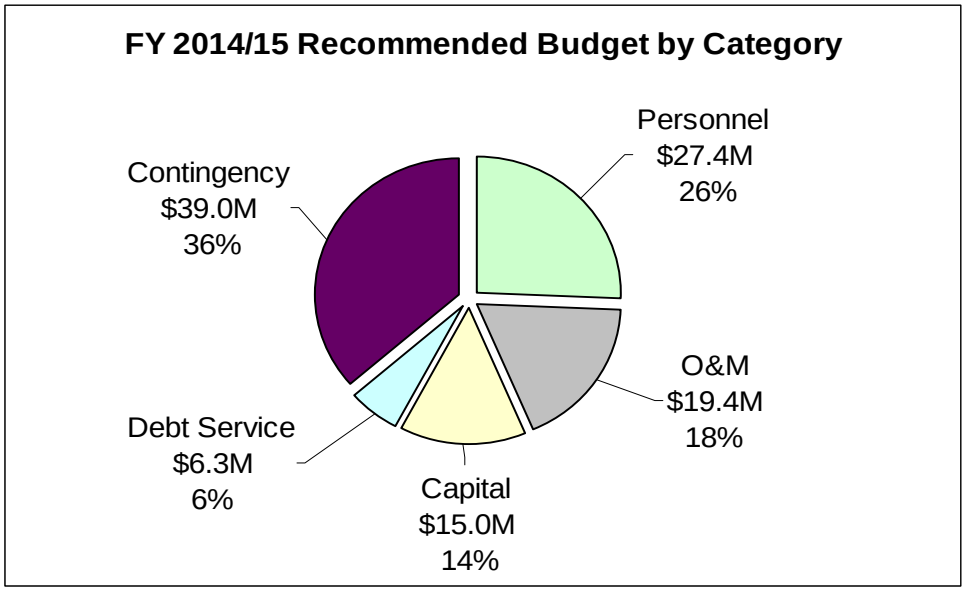
We have heard interest from the soccer community to overseed our parks during the winter season, and therefore, we have allocated funding for next year to overseed the multi-sport fields at CDO Riverfront Park. The cost is primarily for the extra water, which we have budgeted $25,000. Also in the area of parks maintenance, an amount of $25,000 has been included in the budget for contracted park maintenance services in order to meet the additional workload needs in this area. This is a pilot program aimed at contracting out a portion of the field and park maintenance duties in our parks rather than hiring additional Town staff.

As the Town continues to be attractive for all demographics, we have seen a recent surge in families moving into Oro Valley. We are in the formative stages of developing a partnership with the Tucson Children's Museum for a satellite location in Oro Valley. This would require a financial partnership, and we have allocated one-time funding of $200,000 for exhibit development and first-year operational contribution of $75,000 out of the General Fund.

Communication is also a key focus area in the Town's Strategic Plan, and one of the ways the Town communicates with its citizens is through the publication of the *Oro Valley Vista Newsletter.* Funding is included in the budget to increase the frequency of this publication from quarterly to an abbreviated, bi-monthly printed publication to be mailed out in the Water Utility bills.

<u>Personnel Overview</u>

It is common that a high percentage of municipal operational expenses are related to personnel, and this is the case for Oro Valley at 26% of the Recommended Budget (please see Budget by Category chart below).



During the current fiscal year, as employees left the organization through retirements, resignations and other means of attrition, management analyzed the ongoing need for those positions on a

case-by-case basis. In a number of areas, the duties of the departing employees were picked up by existing staff members or reassigned to other areas of the organization. In some cases, a new position replaced a former position in order to better serve the needs and demands of certain departments. In all cases, however, the overall impact to the budget was scrutinized, and as shown in the summary table below, the following personnel changes resulted in an overall annual cost savings of more than $120,000.

POSITION REDUCTIONS AND REPLACEMENTS				
Position/Title	Department	Replaced With	FTE Incr/(Decr)	Cost Incr/(Decr)
Asst to Town Clerk	Clerk	Senior Office Specialist	-	$ (10,461)
Office Asst (Part-time)	Clerk	Ofc Specialist (PT)	0.02	10,265
Town Engineer	DIS	Assistant DIS Director	-	(39,546)
Civil Engineer	DIS	Senior Civil Engr. Tech	-	(29,105)
Transit Administrator	DIS	Transit Crew Leaders (2)	1.00	3,019
Safety & Risk Mgr.	HR	Senior Civil Engr. (DIS)	-	(13,570)
Empl & Org Dev Anlyst	HR	Ofc Specialist (PT)	(0.50)	(56,673)
Office Specialist	Mgr's Ofc	Mktg & Comm. Spec.	-	15,769
		TOTAL	**0.52**	**$ (120,302)**

Certain areas of the organization experienced significant increases in demand during the current fiscal year, resulting in the need to add a few more temporary personnel and part-time, non-benefited personnel to meet the needs. In Development and Infrastructure Services, the current year budget included funding for contract personnel to assist with the General Plan Update. As a result, one, full-time, temporary senior planner and two, part-time, temporary office assistants were hired to fulfill this need. These positions have been included in the Recommended Budget for FY 14/15, but are temporary and will be eliminated when the General Plan Update is complete.

The Transit Division continues to see record-breaking ridership in the current fiscal year, and as a result, there has been need to hire additional part-time, non-benefited relief Transit drivers to maintain service. The cost of these new positions will be fully reimbursed by the Regional Transportation Authority (RTA) and has been included in the FY 2014/15 Recommended Budget.

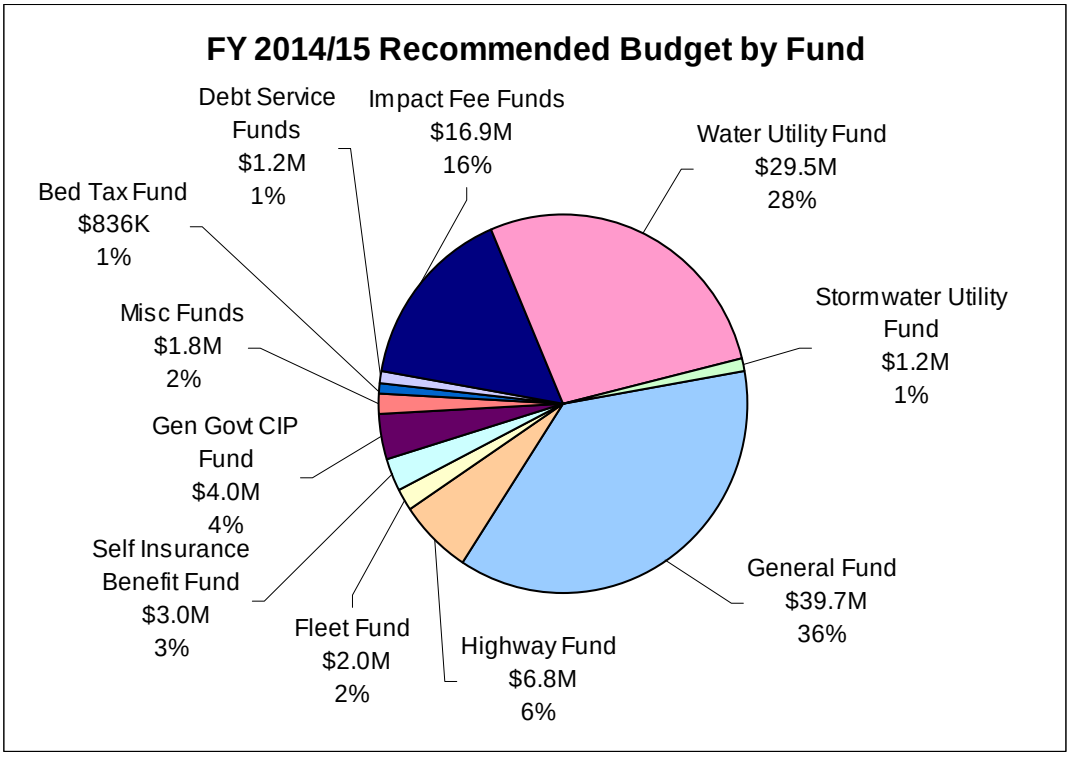
Finally, the current year budget for the Aquatics Division included staffing levels based on recommendations from the Aquatic Center Feasibility Study conducted several years ago. With the first, fully operating year completed, a few additional part-time, non-benefited facility attendants, shift leaders and lifeguards have been added in order to properly staff this facility. These additional positions have been included in the FY 2014/15 Recommended Budget.

As the Town continues to right-size and reduce or eliminate positions in some areas, increased activity in other program areas is driving the need to add additional resources. Right-sizing the organization entails adding resources where they are needed. The following table outlines new positions that have been included in the FY 2014/15 Recommended Budget:

NEW POSITION REQUESTS			
Position/Title	FTE	Department	Annual Salary + Benefits
Building Inspector I	1.00	DIS	59,442
Customer Service Representative	0.48	Water	16,905
TOTAL	**1.48**		**$ 76,347**

Fund Overview

The following sections will cover various budget highlights from each of the Town's major funds, while the chart below depicts the Recommended Budget by Fund.



(Fund totals exclude interfund transfers)

General Fund Highlights

The recommended General Fund budget totals $32.3 million (excluding contingency reserves of $10.1 million and including interfund transfers of $2.7 million), and is 8%, or $2.3 million, more than the current year adopted budget of $29.9 million. The General Fund is balanced with revenues exceeding expenditures resulting in a slight surplus of $9,234.

The following are key revenue provisions included in the General Fund budget:

- Total FY 2014/15 General Fund revenues are higher by $3.9 million, or 13.8%, than FY 2013/14 budgeted General Fund revenues
- FY 2014/15 local sales taxes are $2.6 million, or 19.5%, higher than FY 2013/14 budget amounts with increased revenues projected from new construction and retail sales activity. This increase reflects the General Fund now accounting for 100% of construction sales tax revenues as these revenues are no longer allocated between the General Fund and the Highway Fund.
- License and permit revenues are $312,000, or 20.9%, higher than FY 2013/14 budget amounts due to increased residential and commercial construction activity
- $1,315,000 is budgeted for transit service reimbursement from the RTA
- Overall increase of 6.7%, or approximately $645,000, in state-shared revenues
- Includes a transfer of Bed Tax Funds in the amount of $185,000, consisting of $150,000 to fund the incremental increased cost of the expanded Aquatic Center, plus $35,000 as the second of 15 annual repayments to the General Fund contingency reserves used for financing the construction of the Aquatic Center

The following are key expenditure provisions included in the General Fund budget:

- Includes funding for market salary adjustments and merit and step increases for eligible employees at an estimated cost of $1.4 million
- Employee health insurance premiums are programmed to increase 7% for FY 14/15
- Department operations and maintenance budgets are slightly higher by 2.5%, or $180,000, than adopted FY 2013/14 levels
- Transfer out of $1.4 million to the new General Government Capital Improvement Project (CIP) Fund for capital projects
- Transfer out of $1.14 million in one-time construction sales tax revenues to the new General Government CIP Fund to reserve for future year capital projects

The estimated year-end contingency reserve balance in the General Fund for FY 14/15 is $10.1 million, which equals 31% of the recommended expenditure budget. The Town's adopted policy level is 25%.

Highway Fund Highlights

Proposed Highway Fund revenues total $3.0 million, which are lower by $841,000, or 22.1%, than the current adopted budget amount. This reflects the elimination of a portion of the 4% construction tax revenues previously allocated to this fund. These construction tax revenues are now fully accounted for in the General Fund and will be allocated toward the Town's capital needs. The Highway Fund also includes approximately $130,000 in revenues charged to the Stormwater Utility Fund for cost recovery of Highway Fund resources utilized during storm cleanup events and ongoing storm facility maintenance. Budgeted expenditures in the Highway Fund total approximately $4.4 million. This includes a budget of $1.1 million for pavement preservation, capital funds for a dump truck at $150,000, and capital funds for Town-owned streetlights in Sun City Vistoso for $200,000. This fund is balanced with a planned use of contingency reserves of approximately $1.4 million. The estimated year-end contingency reserve balance is $2.4 million.

Bed Tax Fund Highlights

It is estimated that the Town's 6% Bed Tax will generate approximately $945,000 in revenues next fiscal year, which is a 19.7%, or $156,000, increase from the current adopted budget of $789,000. Funding is included for Visit Tucson ($175,000) and the Greater Oro Valley Chamber of Commerce ($30,000). Funding for arts and cultural events is also included at $26,800 for the Southern Arizona

Arts & Cultural Alliance (SAACA) to continue the concert series at Steam Pump Ranch and the Oro Valley Marketplace, as well as the Just for Kids Concert Series. Funding in the amount of $185,000 will be transferred into the General Fund to pay for the estimated incremental cost increase for the expanded Aquatic Center ($150,000), plus the second of 15 annual payments of $35,000 to repay the General Fund contingency reserves borrowed for financing facility construction. The estimated year-end contingency reserve balance is $228,000.

Water Utility Fund Highlights

Revenues in the Water Utility Fund are estimated at $17.5 million, a $3.7 million increase from FY 2013/14 budgeted revenues. This increase is primarily attributable to two areas: 1) the increase in loan proceeds from the Water Infrastructure Finance Authority (WIFA) to fund the meter replacement program and; 2) the groundwater preservation fees (GPF) that will no longer be transferred to the Alternative Water Resources Development Impact Fee (AWRDIF) fund. Previously, the GPF fees were transferred to the AWRDIF to pay for debt service related to the capital costs to develop our reclaimed system. This debt will now be paid out of the Water Utility Enterprise Fund in the future.

The expense budget for the Water Utility is approximately $4 million more than the adopted FY 2013/14 budget. This is primarily due to the debt service payments associated with the development of our reclaimed system moving over to this fund to be paid with GPF revenues and an increase in capital projects.

Fifteen-Year Capital Improvement Program (CIP)

The Recommended Budget includes an expanded Fifteen-Year Capital Improvement Program (CIP) meant to widen the planning window in our ability to allocate funding for potential growth needs into the future. Total funding allocated to CIP projects in the Recommended Budget for FY 2014/15 is $13.4 million. As mentioned earlier, a new fund (General Government CIP Fund) has been established to account for capital projects previously accounted for in the General Fund. Segregating these capital projects and the funding associated with them in a separate fund will provide more a more efficient structure for tracking these projects, especially those that take multiple years to complete. More detail regarding CIP projects and funding is included in the CIP document.

Acknowledgments

This budget document reflects the efforts of many long hours contributed by staff from all Town departments and input generated by employees, the Town Council and local residents. Special recognition goes to the Town's budget team for their extraordinary collaboration in preparing this recommended budget: Finance Director Stacey Lemos, Budget and Management Analyst Wendy Gomez, Communications Administrator Misti Nowak, and Assistant to the Town Manager Chris Cornelison.

Respectfully submitted,

Greg Caton
Town Manager

EXHIBIT A

FY 2014/15 Personnel Budget Adjustments by Fund

	General Fund	Highway Fund	Bed Tax Fund	Impound Fee Fund	Seizure Funds	Fleet Fund	Stormwater Utility Fund	Water Utility Fund	TOTAL ALL FUNDS
Market Salary Study, including Benefits	$ 961,483	$ 55,135	$ 7,030	$ 1,478	$ 17,312	$ 1,727	$ 11,307	$ 71,378	$ 1,126,850
Funding Level Merit and Step Increases, including Benefits	436,186	45,199	$ 5,055	$ 81	$ 6,616	1,926	9,065	51,325	$ 555,453
Reclassification Requests	26,411	-	-	-	-	-	-	-	$ 26,411
New Position Requests (Salary and Benefits)	59,442	-	-	-	-	-	-	16,905	$ 76,347
TOTAL Personnel Budget Increase	**$ 1,483,522**	**$ 100,334**	**$ 12,085**	**$ 1,559**	**$ 23,928**	**$ 3,653**	**$ 20,372**	**$ 139,608**	**$ 1,785,061**

Town of Oro Valley
Fiscal Year 2014 - 2015

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Fund Balance Report
FY 2014/15 Recommended Budget

Updated: March 25, 2014

	7/1/14 BEGINNING FUND BALANCE	REVENUE	TRANSFERS IN	**TOTAL**	PERSONNEL	O&M	CAPITAL	TRANSFERS OUT	DEBT SERVICE	CONTINGENCY	**TOTAL**
					EXPENDITURES						
GENERAL FUND	10,123,999	32,090,999	185,000	**42,399,998**	21,762,306	7,326,695	476,799	2,700,965	-	10,133,233	**42,399,998**
HIGHWAY FUND	3,832,729	2,965,690	-	**6,798,419**	1,800,429	849,983	1,704,250	-	-	2,443,757	**6,798,419**
SEIZURES & FORFEITURES - STATE	407,353	175,000	-	**582,353**	73,551	-	-	-	-	508,802	**582,353**
SEIZURES & FORFEITURES - FED	314,398	250,000	-	**564,398**	159,834	-	-	-	-	404,564	**564,398**
BED TAX FUND	239,876	948,696	-	**1,188,572**	238,487	369,970	-	352,543	-	227,572	**1,188,572**
IMPOUND FEE FUND	-	26,610	-	**26,610**	26,610	-	-	-	-	-	**26,610**
FLEET FUND	120,830	1,927,113	-	**2,047,943**	81,609	729,363	964,800	-	-	272,171	**2,047,943**
BENEFIT SELF INSURANCE FUND	586,402	2,431,200	-	**3,017,602**	-	2,507,200	-	-	-	510,402	**3,017,602**
MUNICIPAL DEBT SVC FUND	522,136	150,877	329,627	**1,002,640**	-	10,000	-	-	847,433	145,207	**1,002,640**
ORACLE RD DEBT SVC FUND	136	175,918	2,000	**178,054**	-	2,050	-	-	175,918	86	**178,054**
REC IN LIEU FEE FUND	6,190	-	-	**6,190**	-	-	-	-	-	6,190	**6,190**
AWRDIF FUND	2,858,135	1,426,696	-	**4,284,831**	-	31,500	300,000	-	-	3,953,331	**4,284,831**
PWSDIF FUND	4,116,017	724,741	-	**4,840,758**	-	-	-	-	327,424	4,513,334	**4,840,758**
TWDIF FUND	2,051,392	4,986,166	-	**7,037,558**	-	-	4,060,000	-	-	2,977,558	**7,037,558**
PARKS & REC IMPACT FEE FUND	80	307,772	-	**307,852**	-	-	-	-	-	307,852	**307,852**
LIBRARY IMPACT FEE FUND	114,798	-	-	**114,798**	-	-	-	-	-	114,798	**114,798**
POLICE IMPACT FEE FUND	168,242	133,996	-	**302,238**	-	-	-	-	-	302,238	**302,238**
GEN GOVT IMPACT FEE FUND	3,504	-	-	**3,504**	-	-	-	-	-	3,504	**3,504**
NARANJA PARK FUND	608,821	-	-	**608,821**	-	-	600,000	-	-	8,821	**608,821**
GENERAL GOVT CIP FUND	1,500,000	-	2,540,000	**4,040,000**	-	-	2,900,000	-	-	1,140,000	**4,040,000**
WATER UTILITY FUND	12,029,535	17,519,150	-	**29,548,685**	2,874,528	6,910,443	3,987,020	3,119	4,970,532	10,803,043	**29,548,685**
STORMWATER UTILITY FUND	449,441	790,300	-	**1,239,741**	335,320	650,281	26,250	-	-	227,890	**1,239,741**
	40,054,014	**67,030,924**	**3,056,627**	**110,141,565**	**27,352,674**	**19,387,485**	**15,019,119**	**3,056,627**	**6,321,307**	**39,004,353**	**110,141,565**
			Less Transfers In	**(3,056,627)**						Less Transfers Out	**(3,056,627)**
		FY 2014/15 BUDGET		**$ 107,084,938**					**FY 2014/15 BUDGET**		**$ 107,084,938**

Does not include non cash outlays for depreciation or amortization

	General Fund (1)	Special Revenue Funds (2)	Enterprise Funds (3)	Capital Projects Funds (4)	Internal Service Funds (5)	Debt Service Funds (6)	2014-2015 Total
Revenues and Other Sources							
Taxes	$ 15,676,905	$ 944,571	$ -	$ -	$ -	$ -	**$ 16,621,476**
Licenses and Permits	1,805,547	52,000	-	-	-	-	**1,857,547**
Fines	180,000	-	-	-	-	-	**180,000**
Water Sales	-	-	12,078,800	-	-	-	**12,078,800**
Charges for Services	1,688,995	156,103	3,978,500	-	1,467,800	-	**7,291,398**
State Shared Revenue	10,303,762	2,754,947	-	-	-	-	**13,058,709**
Intergovernmental	15,000	-	-	-	-	-	**15,000**
Grants	2,204,665	-	-	4,060,000	308,000	67,877	**6,640,542**
Seizures & Forfeitures	-	425,000	-	-	-	-	**425,000**
Impact Fees	-	-	-	3,459,771	-	-	**3,459,771**
Interest Income	81,125	23,375	52,150	37,100	-	175,918	**369,668**
Miscellaneous	135,000	10,000	-	22,500	2,582,513	83,000	**2,833,013**
Other Financing Sources	185,000	-	2,200,000	2,540,000	-	331,627	**5,256,627**
Total	**$ 32,275,999**	**$ 4,365,996**	**$ 18,309,450**	**$ 10,119,371**	**$ 4,358,313**	**$ 658,422**	**$ 70,087,551**
Expenditures and Other Uses							
General Government							
Clerk	$ 478,983	$ -	$ -	$ -	$ -	$ -	**$ 478,983**
Council	207,022	-	-	-	-	-	**207,022**
Finance	707,259	-	-	-	-	-	**707,259**
General Administration	1,867,600	-	-	-	2,507,200	-	**4,374,800**
Human Resources	345,425	-	-	-	-	-	**345,425**
Information Technology	1,398,134	-	-	-	-	-	**1,398,134**
Legal	721,174	-	-	-	-	-	**721,174**
Magistrate Court	758,220	-	-	-	-	-	**758,220**
Town Manager's Office	682,580	596,372	-	-	-	-	**1,278,952**
Debt Service	-	-	-	-	-	1,035,401	**1,035,401**
Capital Projects	-	-	-	3,500,000	-	-	**3,500,000**
Police	13,917,939	234,508	-	-	-	-	**14,152,447**
Dev. & Infrastructure Svcs.	4,363,514	4,254,328	991,479	-	1,772,119	-	**11,381,440**
Parks and Recreation	2,634,428	-	-	-	-	-	**2,634,428**
Water Utility	-	-	13,632,383	658,924	-	-	**14,291,307**
Water Utility Fund Debt Service							
Principal	-	-	*3,396,489*	-	-	-	**3,396,489**
Interest	-	-	*1,574,043*	-	-	-	**1,574,043**
Roadway Improvements	-	-	-	4,060,000	-	-	**4,060,000**
FY 14/15 Personnel Increases	1,483,522	137,906	159,980	-	3,653	-	**1,785,061**
Other Financing Uses	2,700,965	352,543	3,119	-	-	-	**3,056,627**
Total	**$ 32,266,765**	**$ 5,575,657**	**$ 19,757,493**	**$ 8,218,924**	**$ 4,282,972**	**$ 1,035,401**	**$ 71,137,212**
Increase/(Decrease)	9,234	(1,209,661)	(1,448,043)	1,900,447	75,341	(376,979)	**(1,049,661)**
Beginning Fund Balance	$ 10,123,999	$ 4,794,356	$ 12,478,976	$ 11,427,179	$ 707,232	$ 522,272	**$ 40,054,014**
Ending Fund Balance	**$ 10,133,233**	**$ 3,584,695**	**$ 11,030,933**	**$ 13,327,626**	**$ 782,573**	**$ 145,293**	**$ 39,004,353**

This table depicts the estimated beginning fund balance at July 1, 2014, the budgeted revenues and expenditures for FY 2014/15 and the projected ending fund balance at June 30, 2015.

(1) The General Fund is increasing $9,234.

(2) Special Revenue Funds are decreasing $1,209,661 which will be used to fund capital projects.

(3) Enterprise Funds are decreasing $1,448,043 which will be used to fund capital projects.

(4) Capital Projects Funds are increasing $1,900,447 due to impact fee collections.

(5) Internal Service Funds are increasing $75,341.

(6) Debt Service Funds are decreasing $376,979 which will be used to fund debt service payments.

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Local Taxes	13,123,382	13,694,864	15,676,905	19.5%
Licenses and Permits	1,493,455	1,797,000	1,805,547	20.9%
Federal Grants	576,490	592,689	597,365	3.6%
State Grants	1,509,700	1,226,590	1,607,300	6.5%
State Shared Revenues	9,659,167	9,659,167	10,303,762	6.7%
Intergovernmental	30,000	25,000	15,000	-50.0%
Charges for Services	1,443,437	1,602,900	1,688,995	17.0%
Fines	190,000	180,000	180,000	-5.3%
Interest Income	62,275	100,000	81,125	30.3%
Miscellaneous	114,000	141,000	135,000	18.4%
Other Financing Sources	185,000	185,000	185,000	0.0%
Total	$ 28,386,906	$ 29,204,210	$ 32,275,999	13.7%
Expenditures and Other Uses				
Personnel	19,762,036	19,808,699	20,278,784	2.6%
FY 14/15 Personnel Increase			1,483,522	
Operations & Maintenance	7,146,237	6,928,098	7,326,695	2.5%
Capital Outlay	1,277,240	1,247,790	476,799	-62.7%
Use of Contingency (TEP undergrounding)		970,000		0.0%
Transfer to CIP Fund:				
FY 13/14 Rollover Projects		*1,500,000*		0.0%
FY 14/15 New Projects			*1,400,000*	0.0%
Construction Sales Tax for Future Projects			*1,140,000*	0.0%
Transfer to Naranja Park Fund	1,600,000	1,600,000		-100.0%
Transfer to Debt Service Fund	162,729	162,729	160,965	-1.1%
Total	$ 29,948,242	$ 32,217,316	$ 32,266,765	7.7%
Increase/(Decrease)			9,234	
Beginning Fund Balance				
Assigned			$ 1,608,035	
Unassigned			8,515,964	
Ending Fund Balance				
Assigned			$ 1,608,035	
Unassigned			8,525,198	
Total Ending Fund Balance			$ 10,133,233	

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Local Taxes	1,077,197	1,218,820	-	-100.0%
Licenses and Permits	48,000	42,000	52,000	8.3%
Charges for Services	129,493	129,493	129,493	0.0%
State Grants	35,000	35,000	-	-100.0%
State Shared Revenues	2,500,000	2,500,000	2,754,947	10.2%
Interest Income	7,000	25,000	19,250	175.0%
Miscellaneous	10,000	20,750	10,000	0.0%
Total	$ 3,806,690	$ 3,971,063	$ 2,965,690	-22.1%
Expenditures and Other Uses				
Personnel	1,814,150	1,677,836	1,700,095	-6.3%
FY 14/15 Personnel Increase			100,334	
Operations & Maintenance	819,581	834,081	849,983	3.7%
Capital Outlay	1,087,250	1,144,182	1,704,250	56.7%
Total	$ 3,720,981	$ 3,656,099	$ 4,354,662	17.0%
Increase/(Decrease)			(1,388,972)	
Beginning Fund Balance Restricted			$ 3,832,729	
Ending Fund Balance Restricted			$ 2,443,757	

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Local Taxes	789,000	867,898	944,571	19.7%
Interest Income	3,975	8,000	4,125	3.8%
Total	$ 792,975	$ 875,898	$ 948,696	19.6%
Expenditures				
Personnel	208,412	201,056	226,402	8.6%
FY 14/15 Personnel Increase			12,085	
Operations & Maintenance	293,350	293,350	369,970	26.1%
Other Financing Uses	790,669	790,669	352,543 (A)	-55.4%
Total	$ 1,292,431	$ 1,285,075	$ 961,000	-25.6%
Increase/(Decrease)			(12,304)	
Beginning Fund Balance Committed			$ 239,876	
Ending Fund Balance Committed			$ 227,572	

(A) $185K Transfer to General Fund for Aquatics
$168K Transfer to Municipal Debt Service Fund for Aquatics bond debt service

Seizures & Forfeitures - State Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Seizures and Forfeitures	175,000	31,065	175,000	0.0%
Interest Income	-	2,500	-	0.0%
Total	$ 175,000	$ 33,565	$ 175,000	0.0%
Expenditures				
Personnel	67,449	11,242	65,049	-3.6%
FY 14/15 Personnel Increase			8,502	
Operations & Maintenance	-	54,808	-	0.0%
Capital Outlay	-	55,000	-	0.0%
Total	$ 67,449	$ 121,050	$ 73,551	9.0%
Increase/(Decrease)			101,449	
Beginning Fund Balance Restricted			$ 407,353	
Ending Fund Balance Restricted			$ 508,802	

Fiscal Year 2014 - 2015

Seizures & Forfeitures - Federal Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Seizures and Forfeitures	250,000	314,090	250,000	0.0%
Interest Income	-	3,000	-	0.0%
Total	$ 250,000	$ 317,090	$ 250,000	0.0%
Expenditures				
Personnel	139,783	78,345	144,408	3.3%
FY 14/15 Personnel Increase			15,426	
Operations & Maintenance	-	90,500	-	0.0%
Capital Outlay	-	353,500	-	0.0%
Total	$ 139,783	$ 522,345	$ 159,834	14.3%
Increase/(Decrease)			90,166	
Beginning Fund Balance Restricted			$ 314,398	
Ending Fund Balance Restricted			$ 404,564	

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Charges for Services	47,500	24,414	26,610	-44.0%
Total	$ 47,500	$ 24,414	$ 26,610	-44.0%
Expenditures				
Personnel	24,414	24,414	25,051	2.6%
FY 14/15 Personnel Increase			1,559	
Total	$ 24,414	$ 24,414	$ 26,610	9.0%
Increase/(Decrease)			-	
Beginning Fund Balance Restricted			$ -	
Ending Fund Balance Restricted			$ -	

Municipal Debt Service Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Federal Subsidy	70,677	70,677	67,877	-4.0%
Interest Income	-	35	-	0.0%
Miscellaneous	83,000	83,000	83,000	0.0%
Other Financing Sources	369,576	430,152	329,627	-10.8%
Total	$ 523,253	$ 583,864	$ 480,504	-8.2%
Expenditures				
Operations & Maintenance	10,000	10,000	10,000	0.0%
Debt Service	826,642	826,642	847,433	2.5%
Total	$ 836,642	$ 836,642	$ 857,433	2.5%
Increase/(Decrease)			(376,929)	
Beginning Fund Balance Restricted			$ 522,136	
Ending Fund Balance Restricted			$ 145,207	

Fiscal Year 2014 - 2015

Oracle Road Improvement District
Debt Service Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Interest Repayments	105,868	80,057	45,918	-56.6%
Principal Repayments	260,000	1,380,000	130,000	-50.0%
Other Financing Sources	2,000	2,000	2,000	0.0%
Total	$ 367,868	$ 1,462,057	$ 177,918	-51.6%
Expenditures				
Operations & Maintenance	2,720	2,050	2,050	-24.6%
Debt Service	365,868	1,460,020	175,918	-51.9%
Total	$ 368,588	$ 1,462,070	$ 177,968	-51.7%
Increase/(Decrease)			(50)	
Beginning Fund Balance Restricted			$ 136	
Ending Fund Balance Restricted			$ 86	

Fiscal Year 2014 - 2015

Alternative Water Resource Development Impact Fee Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Charges for Services	2,550,000	-	-	-100.0%
Interest Income	1,000	25,000	17,050	1605.0%
Impact Fees	1,678,322	2,219,804	1,409,646	-16.0%
Total	$ 4,229,322	$ 2,244,804	$ 1,426,696	-66.3%
Expenditures				
Operations & Maintenance	293,463	319,988	31,500	-89.3%
Capital Outlay	790,000	647,000	300,000	-62.0%
Other Financing Uses	100,000	400,000	-	-100.0%
Debt Service	1,422,635	1,422,635	-	-100.0%
Total	$ 2,606,098	$ 2,789,623	$ 331,500	-87.3%
Increase/(Decrease)			1,095,196	
Beginning Fund Balance			$ 2,858,135	
Ending Fund Balance			$ 3,953,331	

Fiscal Year 2014 - 2015

Potable Water System Development Impact Fee Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Interest Income	2,000	25,000	17,050	752.5%
Special Assessments	926,097	1,253,905	707,691	-23.6%
Total	$ 928,097	$ 1,278,905	$ 724,741	-21.9%
Expenditures				
Debt Service	743,576	707,824	327,424	-56.0%
Total	$ 743,576	$ 707,824	$ 327,424	-56.0%
Increase/(Decrease)			397,317	
Beginning Fund Balance			$ 4,116,017	
Ending Fund Balance			$ 4,513,334	

Fiscal Year 2014 - 2015

Townwide Roadway Development Impact Fee Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Federal Grants	500,000	500,000	-	-100.0%
State Grants	3,150,000	2,300,000	4,060,000	28.9%
Interest Income	1,500	3,000	3,000	100.0%
Impact Fees	791,375	304,805	900,666	13.8%
Charges for Services	18,000	22,500	22,500	25.0%
Miscellaneous	-	150		0.0%
Total	$ 4,460,875	$ 3,130,455	$ 4,986,166	11.8%
Expenditures				
Operations & Maintenance	-	10,500	-	0.0%
Capital Outlay	3,380,000	2,530,000	4,060,000	20.1%
Total	$ 3,380,000	$ 2,540,500	$ 4,060,000	20.1%
Increase/(Decrease)			926,166	
Beginning Fund Balance Restricted			$ 2,051,392	
Ending Fund Balance Restricted			$ 2,977,558	

General Government Impact Fee Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Impact Fees	-	2,206		0.0%
Interest Income	-	10		0.0%
Total	$ -	$ 2,216	$ -	0.0%
Expenditures				
Capital Outlay	-			0.0%
Total	$ -	$ -	$ -	0.0%
Increase/(Decrease)			-	
Beginning Fund Balance Restricted			$ 3,504	
Ending Fund Balance Restricted			$ 3,504	

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Impact Fees	-	-	-	0.0%
Interest Income	-	-	-	0.0%
Total	$ -	$ -	$ -	0.0%
Expenditures				
Operations & Maintenance	-	-	-	0.0%
Capital Outlay	-	-	-	0.0%
Total	$ -	$ -	$ -	0.0%
Increase/(Decrease)			-	
Beginning Fund Balance Restricted			$ 114,798	
Ending Fund Balance Restricted			$ 114,798	

Parks & Recreation Impact Fee Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Impact Fees	201,297	117,140	307,772	52.9%
Interest Income	-	830	-	0.0%
Total	$ 201,297	$ 117,970	$ 307,772	52.9%
Expenditures				
Capital Outlay	-	300,000	-	0.0%
Total	$ -	$ 300,000	$ -	0.0%
Increase/(Decrease)			307,772	
Beginning Fund Balance Restricted			$ 80	
Ending Fund Balance Restricted			$ 307,852	

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Impact Fees	107,392	68,320	133,996	24.8%
Interest Income	-	444	-	0.0%
Total	$ 107,392	$ 68,764	$ 133,996	24.8%
Expenditures				
Operations & Maintenance	-			0.0%
Capital Outlay	-			0.0%
Total	$ -	$ -	$ -	0.0%
Increase/(Decrease)			133,996	
Beginning Fund Balance Restricted			$ 168,242	
Ending Fund Balance Restricted			$ 302,238	

Naranja Park Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Other Financing Sources	2,000,000	2,000,000	-	-100.0%
Total	$ 2,000,000	$ 2,000,000	$ -	-100.0%
Expenditures				
Capital Outlay	2,000,000	1,400,000	600,000	-70.0%
Total	$ 2,000,000	$ 1,400,000	$ 600,000	-70.0%
Increase/(Decrease)			(600,000)	
Beginning Fund Balance Restricted			$ 608,821	
Ending Fund Balance Restricted			$ 8,821	

Aquatic Center Project Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Donations	30,000	-	-	-100.0%
Total	$ 30,000	$ -	$ -	-100.0%
Expenditures				
Operations & Maintenance	-	-	-	0.0%
Capital Outlay	-	6,063	-	0.0%
Other Financing Uses		60,576		0.0%
Total	$ -	$ 66,639	$ -	0.0%
Increase/(Decrease)			-	
Beginning Fund Balance Restricted			$ -	
Ending Fund Balance Restricted			$ -	

General Government CIP Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Transfer from General Fund		1,500,000	2,540,000	0.0%
Total	$ -	$ 1,500,000	$ 2,540,000	0.0%
Expenditures				
Capital Outlay			2,900,000	0.0%
Total	$ -	$ -	$ 2,900,000	0.0%
Increase/(Decrease)			(360,000)	
Beginning Fund Balance Assigned			$ 1,500,000	
Ending Fund Balance Assigned			$ 1,140,000	

Recreation In Lieu Fee Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Charges for Services	-	-	-	0.0%
Other Financing Sources	-	-	-	0.0%
Total	$ -	$ -	$ -	0.0%
Expenditures				
Capital Outlay	-	-	-	0.0%
Total	$ -	$ -	$ -	0.0%
Increase/(Decrease)			-	
Beginning Fund Balance Restricted			$ 6,190	
Ending Fund Balance Restricted			$ 6,190	

Fleet Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Charges for Services	1,282,793	1,282,793	1,467,800	14.4%
State Grants	-	-	308,000	0.0%
Miscellaneous	20,000	60,000	151,313	656.6%
Total	$ 1,302,793	$ 1,342,793	$ 1,927,113	47.9%
Expenditures				
Personnel	75,213	75,213	77,956	3.6%
FY 14/15 Personnel Increase			3,653	
Operations & Maintenance	663,750	663,750	729,363	9.9%
Capital Outlay	483,000	483,000	964,800	99.8%
Total	$ 1,221,963	$ 1,221,963	$ 1,775,772	45.3%
Increase/(Decrease)			151,341	
Beginning Fund Balance			$ 120,830	
Ending Fund Balance			$ 272,171	

Benefit Self Insurance Fund Summary

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Self Ins Premiums - Employer	1,900,000	1,900,000	2,106,000	10.8%
Self Ins Premiums - Employee	260,000	260,000	286,200	10.1%
COBRA Premiums	13,000	13,000	13,000	0.0%
Retiree Premiums	15,000	15,000	5,000	-66.7%
UHC Wellness Program	20,000	20,000	20,000	0.0%
Miscellaneous	1,000	20,000	1,000	0.0%
Total	$ 2,209,000	$ 2,228,000	$ 2,431,200	10.1%
Expenditures				
Outside Professional Services	487,000	487,000	571,000	17.2%
Wellness Program	40,000	40,000	40,000	0.0%
Claim Settlement	1,682,000	1,682,000	1,896,200	12.7%
Total	$ 2,209,000	$ 2,209,000	$ 2,507,200	13.5%
Increase/(Decrease)			(76,000)	
Beginning Fund Balance			$ 586,402	
Ending Fund Balance			$ 510,402	

	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Charges for Services	597,100	3,176,600	3,189,200	434.1%
Interest Income	66,250	60,000	51,150	-22.8%
Miscellaneous	-	7,942	-	0.0%
Other Financing Sources	1,400,000	1,400,000	2,200,000 (A)	57.1%
Water Sales	11,748,000	12,023,000	12,078,800	2.8%
Total	$ 13,811,350	$ 16,667,542	$ 17,519,150	26.8%
Expenditures				
Personnel	2,688,464	2,652,707	2,734,920	1.7%
FY 14/15 Personnel Increase			139,608	
Operations & Maintenance	8,968,439	8,717,323	9,957,499	11.0%
Capital Outlay	2,654,750	1,918,469	3,987,020	50.2%
Debt Service	3,391,696	3,586,770	4,970,532	46.6%
Other Financing Uses	3,178	3,178	3,119 (B)	-1.9%
Total	$ 17,706,527	$ 16,878,447	$ 21,792,698	23.1%
Cash Total *	$ 14,823,049	$ 13,831,391	$ 18,745,642	26.5%
Increase/(Decrease)			(1,226,492)	
Beginning Fund Balance			$ 12,029,535	
Ending Fund Balance			$ 10,803,043	

* Total expenditures less non-cash outlays for Depreciation & Amortization

(A) WIFA Loan proceeds

(B) Transfer to Municipal Debt Service Fund for CREBS debt service

Stormwater Utility Fund Summary

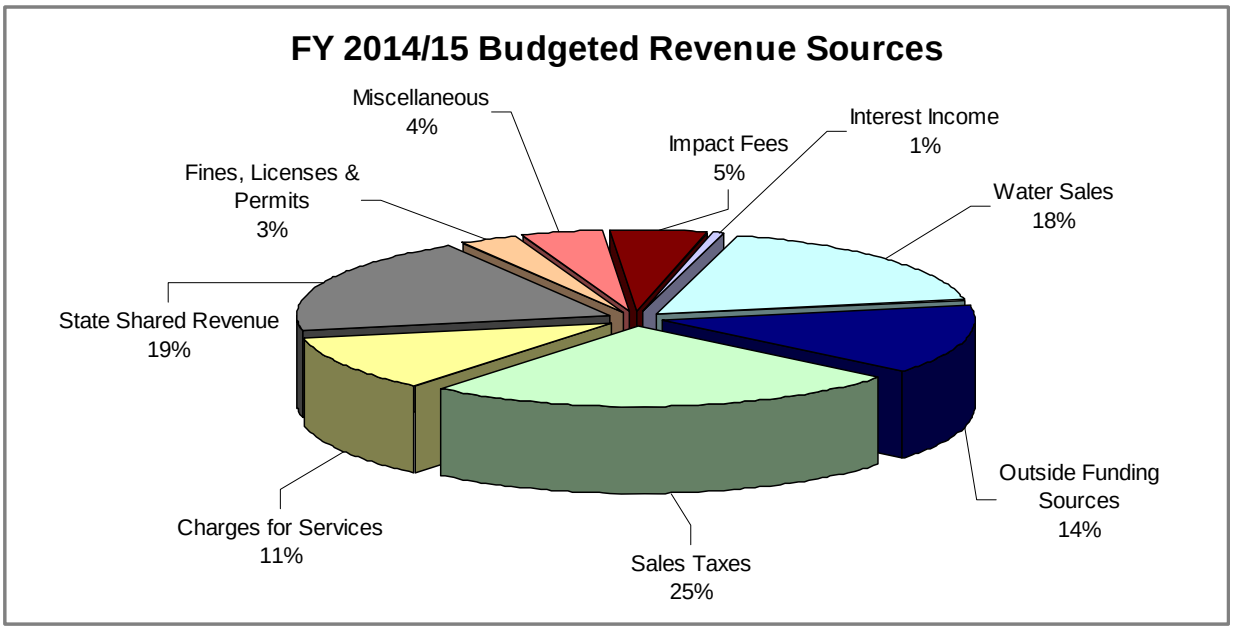
	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Revenues and Other Sources				
Federal Grants	-	-	-	0.0%
State Grants	450,000	-	-	-100.0%
Charges for Services	771,500	771,500	789,300	2.3%
Interest Income	500	1,500	1,000	100.0%
Miscellaneous	-	23	-	0.0%
Total	$ 1,222,000	$ 773,023	$ 790,300	-35.3%
Expenditures				
Personnel	319,843	319,843	314,948	-1.5%
FY 14/15 Personnel Increase			20,372	
Operations & Maintenance	492,983	552,983	775,281	57.3%
Capital Outlay	586,550	66,550	26,250	-95.5%
Total	$ 1,399,376	$ 939,376	$ 1,136,851	-18.8%
Cash Total *	$ 1,334,376	$ 814,376	$ 1,011,851	-24.2%
Increase/(Decrease)			(221,551)	
Beginning Fund Balance			$ 449,441	
Ending Fund Balance			$ 227,890	

* Total expenditures less non-cash outlays for Depreciation & Amortization

Revenue for FY 2014-15 is estimated to total $67,030,924. In comparison to the FY 2013-14 budget, revenue is projected to increase 7.8%. Economic growth continues steadily at the state and local level. The Town's state shared revenue collections will increase for the third consecutive year. The number of annual single family residential (SFR) permits issued within the town is projected at 200+ over the next several years. Commercial development is healthy, and several new apartment complexes are under construction. Year-over-year growth in local construction sales taxes is projected at 30%. The Town does continue to rely heavily on these economically sensitive revenue sources, however, with sales taxes and state shared revenues making up 44% of the projected FY 2014-15 revenues.

Local sales tax represents 25% of the Town's FY 2014-15 projected revenues. In this category, taxes related to retail trade are the biggest contributor, with year-over-year growth projected at 2-5%. Growth in utility tax collections is also anticipated, with the rise in SFRs and the completion of the apartment complexes referenced above. For FY 2014-15, single family residential construction and permitting revenues were projected assuming 200 SFR permits will be issued. In collaboration with Economic Development and Development Services, the Finance department compiled a list of all commercial and residential projects in the pipeline and their likelihood of completion in the next budget year. The FY 2014-15 budget is forecasted to see an addition of nearly 230,000 square feet of commercial building in the form of office space, retail, restaurant, child care, a school expansion and retirement centers.

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.



Major Revenue Accounts	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
General Fund						
Local Sales Tax:						
Local Sales Tax	11,539,523	12,704,043	12,623,382	13,145,864	15,127,905	19.8%
Sales Tax Audit Recoveries	117,059	9,732	-	9,000	9,000	0.0%
Cable Franchise Fees	525,427	539,477	500,000	540,000	540,000	8.0%
Total Local Sales Tax	12,182,009	13,253,253	13,123,382	13,694,864	15,676,905	19.5%
License & Permit Fees:						
Business Licenses & Permits	176,853	185,929	176,700	181,000	182,000	3.0%
Residential Building Permits	554,042	1,163,764	1,067,255	1,165,000	1,135,000	6.3%
Commercial Building Permits	352,796	329,859	200,000	330,000	397,547	98.8%
Sign Permits	36,397	41,579	40,000	32,000	35,000	-12.5%
Special Inspection Fees	3,110	4,360	4,000	6,000	5,000	25.0%
Grading Permit Fees	15,150	20,483	5,500	83,000	51,000	827.3%
Total License & Permit Fees	1,138,348	1,745,974	1,493,455	1,797,000	1,805,547	20.9%
Federal Grants:						
CNA	119,801	122,175	127,500	127,500	127,500	0.0%
DEA OT Reimbursement	31,601	25,091	25,000	26,000	25,000	0.0%
Miscellaneous Federal Grants	9,405	1,562	9,405	6,927	6,900	-26.6%
HIDTA	137,934	151,386	156,763	154,000	156,763	0.0%
HIDTA-DEA	62,155	105,568	90,700	102,850	102,850	13.4%
GOHS	39,442	91,647	76,000	121,210	77,000	1.3%
Homeland Security	80,538	85,188	73,920	37,000	84,150	13.8%
Joint Terrorism Task Force	3,470	16,434	17,202	17,202	17,202	0.0%
Total Federal Grants	484,346	599,050	576,490	592,689	597,365	3.6%
State Grants:						
Safe Schools Grant	60,000	60,180	134,000	-	150,000	11.9%
Misc State Grants	236,988	94,919	343,700	72,390	142,300	-58.6%
RTA Reimbursements	437,458	913,863	1,032,000	1,154,200	1,315,000	27.4%
Total State Grants	734,446	1,068,962	1,509,700	1,226,590	1,607,300	6.5%
State/County Shared:						
State Income	3,461,359	4,189,185	4,575,389	4,575,389	4,964,344	8.5%
State Sales	3,204,612	3,356,826	3,543,661	3,543,661	3,705,688	4.6%
Vehicle License Tax	1,479,094	1,502,355	1,540,117	1,540,117	1,633,730	6.1%
Total State/County Shared	8,145,065	9,048,366	9,659,167	9,659,167	10,303,762	6.7%
Other Intergovernmental:						
PCLD Reimbursements	574,589	403,969	30,000	25,000	15,000	-50.0%
Total Other Intergovernmental	574,589	403,969	30,000	25,000	15,000	-50.0%
Charges for Services:						
Court Costs	173,438	184,108	200,000	190,000	190,000	-5.0%
Public Defender Fees	3,269	2,921	4,000	2,500	2,500	-37.5%
Zoning & Subdivision Fees	91,197	131,547	75,000	143,000	131,000	74.7%
User Fees - Swimming Pool	112,832	169,965	271,500	307,000	366,500	35.0%
User Fees - Electricity	32,549	32,827	40,000	40,000	67,000	67.5%
User Fees - Miscellaneous	171,904	180,265	165,000	165,000	160,000	-3.0%
Copy Services	2,430	1,684	2,500	2,000	2,000	-20.0%
Town Hall Usage Fees	5,904	4,420	3,000	5,000	5,000	66.7%
General Government Other	970	1,525	1,000	5,000	1,500	50.0%
Police Report Copying	16,921	5,583	5,500	4,650	4,650	-15.5%
Police Other	3,939	18,603	2,200	3,600	2,200	0.0%
Building Inspection Copying	10	5	-	8	-	0.0%
Engineer Plan Review Fees	46,890	40,437	40,000	42,000	40,000	0.0%
Grading Review Fees	296	5,766	1,200	30,000	18,000	1400.0%
Grading Inspection Fees	1,400	1,220	800	11,000	6,000	650.0%
Fare Box	49,977	66,558	54,000	64,000	74,000	37.0%
Administrative Services	321,000	321,000	321,000	321,000	321,000	0.0%
Financial Services	135,588	135,588	136,637	136,637	168,745	23.5%
Real Property Rental Income	65,604	78,104	83,600	80,975	81,050	-3.1%
Maps	85	118	-	200	-	0.0%
Code Book Sales	415	-	-	-	-	0.0%
Pawn Slips	3,198	1,950	2,500	2,130	2,150	-14.0%
Police Fingerprinting	12,250	21,160	22,000	20,700	20,700	-5.9%
Concession Sales	-	16,551	12,000	20,000	20,000	66.7%
Probation Monitoring Fee	-	-	-	5,000	5,000	0.0%
Public Record Request Fees	-	-	-	1,500	-	0.0%
Total Charges for Services	1,252,066	1,421,905	1,443,437	1,602,900	1,688,995	17.0%
Fines:						
Fines	200,672	180,875	190,000	180,000	180,000	-5.3%
Total Fines	200,672	180,875	190,000	180,000	180,000	-5.3%

Major Revenue Accounts	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Interest Income:						
Interest - Investments	159,184	205,633	62,275	100,000	81,125	30.3%
Total Interest Income	159,184	205,633	62,275	100,000	81,125	30.3%
Miscellaneous:						
Donations	995	-	-	-	-	0.0%
Miscellaneous	4,093	43,637	4,000	10,000	10,000	150.0%
Special Events	3,350	4,635	-	5,000	5,000	0.0%
Insurance Recoveries	62,278	6,938	10,000	25,000	10,000	0.0%
In-Lieu Income	127,437	122,196	100,000	100,000	110,000	10.0%
Sale of Assets	16,894	30,473	-	1,000	-	0.0%
Total Miscellaneous	215,047	207,879	114,000	141,000	135,000	18.4%
TOTAL GENERAL FUND	25,085,772	28,135,866	28,201,906	29,019,210	32,090,999	13.8%
Highway Fund						
Local Sales Tax:						
Construction Sales Tax	348,378	738,492	1,077,197	1,218,820	-	-100.0%
Total Local Sales Tax	348,378	738,492	1,077,197	1,218,820	-	-100.0%
License & Permit Fees:						
Road Permits	45,935	66,493	47,000	38,000	49,000	4.3%
Floodplain Use Permits	1,579	1,480	1,000	4,000	3,000	200.0%
Total License & Permit Fees	47,514	67,973	48,000	42,000	52,000	8.3%
Charges for Services:						
Administrative Services	15,000	229,493	129,493	129,493	129,493	0.0%
Total Charges for Services	15,000	229,493	129,493	129,493	129,493	0.0%
State Grants:						
PAG Reimbursements	231,995	194,392	35,000	35,000	-	-100.0%
RTA Reimbursements	28,479	-	-	-	-	0.0%
Total State Grants	260,474	194,392	35,000	35,000	-	-100.0%
State/County Shared:						
Highway User	2,418,605	2,648,329	2,500,000	2,500,000	2,754,947	10.2%
Total State/County Shared	2,418,605	2,648,329	2,500,000	2,500,000	2,754,947	10.2%
Interest Income:						
Interest - Investments	10,810	25,006	7,000	25,000	19,250	175.0%
Total Interest Income	10,810	25,006	7,000	25,000	19,250	175.0%
Miscellaneous:						
Miscellaneous	8,716	12,084	10,000	10,000	10,000	0.0%
Insurance Recoveries	16,458	4,729	-	10,750	-	0.0%
Total Miscellaneous	25,174	16,813	10,000	20,750	10,000	0.0%
TOTAL HIGHWAY FUND	3,125,955	3,920,499	3,806,690	3,971,063	2,965,690	-22.1%
Seizures & Forfeitures Funds						
Interest Income:						
Interest - Investments	4,307	6,825	-	5,500	-	0.0%
Total Interest Income	4,307	6,825	-	5,500	-	0.0%
Miscellaneous:						
Forfeitures	645,858	315,877	425,000	345,155	425,000	0.0%
Total Miscellaneous	645,858	315,877	425,000	345,155	425,000	0.0%
TOTAL SEIZURES & FORFEITURES FUNDS	650,165	322,702	425,000	350,655	425,000	0.0%
Bed Tax Fund						
Local Sales Tax:						
Local Sales Tax	794,718	788,796	789,000	867,898	944,571	19.7%
Total Local Sales Tax	794,718	788,796	789,000	867,898	944,571	19.7%
Interest Income:						
Interest - Investments	7,550	3,476	3,975	8,000	4,125	3.8%
Total Interest Income	7,550	3,476	3,975	8,000	4,125	3.8%

Major Revenue Accounts	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Miscellaneous:						
Miscellaneous	-	10,000	-	-	-	0.0%
Total Miscellaneous	-	10,000	83,000	-	-	0.0%
TOTAL BED TAX FUND	802,268	802,272	792,975	875,898	948,696	19.6%
Fleet Fund						
Miscellaneous:						
Insurance Recoveries	-	-	-	-	-	0.0%
Vehicle Reserves	-	-	-	-	126,313	0.0%
Sale of Assets	-	-	20,000	60,000	25,000	25.0%
Total Miscellaneous	-	-	20,000	60,000	151,313	656.6%
State Grants						
Miscellaneous Grants	-	-	-	-	308,000	0.0%
Total State Grants	-	-	-	-	308,000	0.0%
Charges for Services:						
Fleet Services	436,271	638,787	1,282,793	1,282,793	1,467,800	14.4%
Total Charges for Services	436,271	638,787	1,282,793	1,282,793	1,467,800	14.4%
TOTAL FLEET FUND	436,271	638,787	1,302,793	1,342,793	1,927,113	47.9%
Benefit Self Insurance Fund						
Miscellaneous:						
Self Insurance Premiums - Employer	-	1,902,229	1,900,000	1,900,000	2,106,000	10.8%
Self Insurance Premiums - Employee	-	255,618	260,000	260,000	286,200	10.1%
COBRA Premiums	-	-	13,000	13,000	13,000	0.0%
Retiree Premiums	-	-	15,000	15,000	5,000	-66.7%
UHC Wellness Program	-	-	20,000	20,000	20,000	0.0%
Miscellaneous	-	-	1,000	20,000	1,000	0.0%
Total Miscellaneous	-	2,157,847	2,209,000	2,228,000	2,431,200	10.1%
TOTAL BENEFIT SELF INSURANCE FUND	-	2,157,847	2,209,000	2,228,000	2,431,200	10.1%
Impound Fee Fund						
Charges for Services:						
Impound Fees	37,040	34,050	47,500	24,414	26,610	-44.0%
Total Charges for Services	37,040	34,050	47,500	24,414	26,610	-44.0%
TOTAL IMPOUND FEE FUND	37,040	34,050	47,500	24,414	26,610	-44.0%
Municipal Debt Service Fund						
Interest Income:						
Interest	82	23	-	35	-	0.0%
Total Interest Income	82	23	-	35	-	0.0%
Federal Grants:						
Miscellaneous Grants	84,527	77,517	70,677	70,677	67,877	-4.0%
Total Federal Grants	84,527	77,517	70,677	70,677	67,877	-4.0%
Miscellaneous:						
Miscellaneous	203,287	96,258	83,000	83,000	83,000	0.0%
Total Miscellaneous	203,287	96,258	83,000	83,000	83,000	0.0%
TOTAL MUNICIPAL DEBT SERVICE FUND	287,896	173,798	153,677	153,712	150,877	-1.8%
Oracle Road Debt Service Fund						
Interest Income:						
Special Assessments	128,661	118,034	105,868	80,020	45,918	-56.6%
Penalties	1,598	41	-	37	-	0.0%
Total Interest Income	130,259	118,076	105,868	80,057	45,918	-56.6%
Principal Repayments:						
Principal Repayments	235,768	247,859	260,000	1,380,000	130,000	-50.0%
Total Principal Repayments	235,768	247,859	260,000	1,380,000	130,000	-50.0%
TOTAL ORACLE RD DEBT SERVICE FUND	366,027	365,935	365,868	1,460,057	175,918	-51.9%

Major Revenue Accounts	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Townwide Roadway Development Impact Fee Fund						
Federal Grants:						
Miscellaneous Grants	-	-	500,000	500,000	-	-100.0%
Total Federal Grants	-	-	500,000	500,000	-	-100.0%
State Grants:						
PAG Reimbursements	6,394,443	2,679,121	1,700,000	1,700,000	3,325,000	95.6%
RTA Reimbursements	549,994	98,051	1,450,000	600,000	735,000	-49.3%
Total State Grants	6,944,437	2,777,171	3,150,000	2,300,000	4,060,000	28.9%
Impact Fees:						
Residential Development Impact Fees	114,043	400,131	749,606	239,460	678,668	-9.5%
Commercial Development Impact Fee	124,690	319,797	41,769	65,345	221,998	431.5%
Total Impact Fees	238,733	719,927	791,375	304,805	900,666	13.8%
Interest Income:						
Interest - Investments	1,534	21,143	1,500	3,000	3,000	100.0%
Total Interest Income	1,534	21,143	1,500	3,000	3,000	100.0%
Miscellaneous:						
Miscellaneous	31,598	-	-	150	-	0.0%
Total Miscellaneous	31,598	-	-	150	-	0.0%
Charges for Services:						
Real Property Rental Income	18,000	18,375	18,000	22,500	22,500	25.0%
Total Charges for Services	18,000	18,375	18,000	22,500	22,500	25.0%
TOTAL DEVELOPMENT IMPACT FEE FUND	7,234,302	3,536,616	4,460,875	3,130,455	4,986,166	11.8%
Parks & Recreation Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	99,542	170,698	201,297	117,140	307,772	52.9%
Total Impact Fees	99,542	170,698	201,297	117,140	307,772	52.9%
Interest Income:						
Interest - Investments	317	1,525	-	830	-	0.0%
Total Interest Income	317	1,525	-	830	-	0.0%
TOTAL PARKS DEV. IMPACT FEE FUND	99,859	172,223	201,297	117,970	307,772	52.9%
Library Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	28,640	4,574	-	-	-	0.0%
Total Impact Fees	28,640	4,574	-	-	-	0.0%
Interest Income:						
Interest - Investments	89	32	-	-	-	0.0%
Total Interest Income	89	32	-	-	-	0.0%
TOTAL LIBRARY DEV. IMPACT FEE FUND	28,729	4,606	-	-	-	0.0%
Police Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	26,195	56,638	106,393	36,670	111,020	4.3%
Commercial Development Impact Fee	4,423	34,320	999	31,650	22,976	2199.9%
Total Impact Fees	30,618	90,958	107,392	68,320	133,996	24.8%
Interest Income:						
Interest - Investments	80	903	-	444	-	0.0%
Total Interest Income	80	903	-	444	-	0.0%
TOTAL POLICE DEV. IMPACT FEE FUND	30,698	91,861	107,392	68,764	133,996	24.8%
General Government Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	11,395	(3,115)	-	-	-	0.0%
Commercial Development Impact Fee	7,980	5,299	-	2,206	-	0.0%
Total Impact Fees	19,375	2,184	-	2,206	-	0.0%

Major Revenue Accounts	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Interest Income:						
Interest - Investments	105	1,218	-	10	-	0.0%
Total Interest Income	105	1,218	-	10	-	0.0%
TOTAL GEN. GOVT. IMPACT FEE FUND	19,480	3,402	-	2,216	-	0.0%
Water Utility Fund						
Water Sales:						
Residential Water Sales	7,761,639	7,752,934	7,836,000	7,952,000	8,000,000	2.1%
Commercial Water Sales	954,472	962,824	960,000	950,000	950,000	-1.0%
Irrigation Water Sales	1,064,068	1,066,475	1,099,000	1,125,000	1,132,000	3.0%
Turf Related Water Sales	1,677,318	1,605,710	1,692,000	1,695,000	1,695,800	0.2%
Construction Water Sales	120,830	196,354	160,000	300,000	300,000	87.5%
Other	653	884	1,000	1,000	1,000	0.0%
Total Water Sales	11,578,980	11,585,181	11,748,000	12,023,000	12,078,800	2.8%
Charges for Services:						
Engineer Plan Review Fees	6,450	11,282	10,000	20,000	20,000	100.0%
Construction Inspection Fees	2,712	11,369	7,000	25,000	25,000	257.1%
Misc Service Revenue	17,318	22,427	10,000	20,000	20,000	100.0%
Backflow-Install Permit Fee	2,795	2,925	2,000	7,000	5,000	150.0%
Served by Tucson	11,633	2,632	-	-	-	0.0%
Served by Metro	7,820	2,003	-	-	-	0.0%
Sewer Fees	170,185	190,584	205,000	205,000	207,000	1.0%
Late Fees	85,897	86,356	85,000	90,000	90,000	5.9%
NSF Fees	4,781	4,681	5,000	3,500	3,500	-30.0%
Rain Sensors	233	45	100	100	-	-100.0%
Meter Income	35,456	70,624	50,000	78,000	90,700	81.4%
New Service Establish Fees	85,720	96,478	80,000	80,000	80,000	0.0%
Reconnect Fees	37,685	44,713	35,000	40,000	40,000	14.3%
Groundwater Preservation Fee	-	-	-	2,500,000	2,500,000	0.0%
Other	88,538	89,505	108,000	108,000	108,000	0.0%
Total Charges for Services	557,223	635,623	597,100	3,176,600	3,189,200	434.1%
Interest Income:						
Interest - Investments	125,912	(17,289)	66,250	60,000	51,150	-22.8%
Total Interest Income	125,912	(17,289)	66,250	60,000	51,150	-22.8%
Miscellaneous:						
Miscellaneous	934	4,994	-	457	-	0.0%
Insurance Recoveries	142,211	50	-	-	-	0.0%
Sale of Assets	-	20,014	-	7,485	-	0.0%
Total Miscellaneous	143,145	25,058	-	7,942	-	0.0%
Other Financing Sources:						
WIFA Loan Proceeds	-		1,300,000	1,000,000	2,200,000	69.2%
Total Other Financing Sources	-	-	1,300,000	1,000,000	2,200,000	69.2%
TOTAL WATER UTILITY FUND	12,405,260	12,228,572	13,711,350	16,267,542	17,519,150	27.8%
Alternative Water Resources Development Impact Fee Fund						
Charges for Services:						
Groundwater Preservation Fee	2,315,277	2,527,524	2,550,000	-	-	-100.0%
Total Charges for Services	2,315,277	2,527,524	2,550,000	-	-	-100.0%
Impact Fees:						
Residential Impact Fees	475,726	1,120,798	896,760	742,212	809,000	-9.8%
Commercial Impact Fees	284,232	132,257	781,562	1,477,592	600,646	-23.1%
Total Impact Fees	759,958	1,253,055	1,678,322	2,219,804	1,409,646	-16.0%
Interest Income:						
Interest - Investments	1,229	437	1,000	25,000	17,050	1605.0%
Total Interest Income	1,229	437	1,000	25,000	17,050	1605.0%
TOTAL AWRDIF FUND	3,076,464	3,781,017	4,229,322	2,244,804	1,426,696	-66.3%
Potable Water System Development Impact Fee Fund						
Impact Fees:						
Single Family Connections	237,455	553,042	462,060	377,338	403,000	-12.8%
Multi-Family Connections	-	2,567	340,710	526,470	220,476	-35.3%
Commercial Connections	156,200	97,340	43,160	197,440	73,337	69.9%
Irrigation Connections	34,880	37,060	58,860	89,360	10,878	-81.5%

Major Revenue Accounts	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Projected	FY 2015 Budget	% to Budget
Fire-Flow Connections	34,227	16,150	21,307	63,297	-	-100.0%
Total Impact Fees	462,762	706,159	926,097	1,253,905	707,691	-23.6%
Interest Income:						
Interest - Investments	5,467	963	2,000	25,000	17,050	752.5%
Total Interest Income	5,467	963	2,000	25,000	17,050	752.5%
TOTAL PWSDIF FUND	468,229	707,122	928,097	1,278,905	724,741	-21.9%
Stormwater Utility Fund						
Federal Grants:						
Miscellaneous Federal Grants	1,993	7,867	-	-	-	0.0%
Total Federal Grants	1,993	7,867	-	-	-	0.0%
State Grants:						
Miscellaneous State Grants	38,331	-	450,000	-	-	-100.0%
Total State Grants	38,331	-	450,000	-	-	-100.0%
Charges for Services:						
Late Fees	2,095	2,710	1,500	1,500	2,800	86.7%
Stormwater Utility Fee	750,117	747,750	770,000	770,000	786,500	2.1%
Total Charges for Services	752,212	750,460	771,500	771,500	789,300	2.3%
Interest Income:						
Interest - Investments	321	5,470	500	1,500	1,000	100.0%
Total Interest Income	321	5,470	500	1,500	1,000	100.0%
Miscellaneous:						
Miscellaneous	131	62,940	-	23	-	0.0%
Total Miscellaneous	131	62,940	-	23	-	0.0%
TOTAL STORMWATER UTILITY FUND	792,988	826,738	1,222,000	773,023	790,300	-35.3%
Aquatic Center Project Fund						
Other Financing Sources:						
Bond Proceeds	2,693,835	-	-	-	-	0.0%
Total Other Financing Sources	2,693,835	-	-	-	-	0.0%
Miscellaneous						
Donations	5,550	27,229	30,000	-	-	-100.0%
Total Miscellaneous	5,550	27,229	30,000	-	-	-100.0%
TOTAL AQUATIC CENTER PROJECT FUND	2,699,385	27,229	30,000	-	-	-100.0%
Recreation In Lieu Fee Fund						
Charges for Services:						
Recreation In Lieu Fees	835	-	-	-	-	0.0%
Total Charges for Services	835	-	-	-	-	0.0%
TOTAL REC IN LIEU FEE FUND	835	-	-	-	-	0.0%
TOTAL REVENUE - ALL FUNDS	$ 57,647,623	$ 57,931,143	$ 62,195,742	$ 63,309,481	$ 67,030,924	7.8%

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

	FY 2012	FY 2013	FY 2014		FY 2015	+ / -
	Actual		Budget	Projected	Budget	to Budget
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	
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	1.00	1.00	-	-	(1.00)
Senior Office Specialist	-	-	-	1.00	1.00	1.00
Office Specialist	-	-	-	0.50	0.50	0.50
Office Assistant	1.44	1.44	1.44		0.96	(0.48)
Communications Intern	-	0.10	0.10		0.10	-
Total Clerk	4.44	4.54	4.54	3.50	4.56	0.02
				Full-time employees:	3	
				Part-time employees:	3	
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
Town Engineer	1.00	1.00	1.00	-	-	(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, Inspection & Compliance/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	1.00	-
Senior Civil Engineer	1.00	1.00	1.00	2.00	2.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00	-
Civil Engineer	3.00	3.00	3.00	2.00	2.00	(1.00)
Stormwater Engineer	1.00	1.00	1.00	1.00	1.00	-
Transit Services Administrator	1.00	1.00	1.00	-	-	(1.00)
Transit Services Crew Leader	-	-	-	2.00	2.00	2.00
Senior Planner	2.00	2.00	2.00	3.00	3.00	1.00
Planner	1.00	1.00	1.00	1.00	1.00	-
Senior Planning Technician	-	-	1.00	1.00	1.00	-
GIS Analyst	0.50	0.50	0.50	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
Plans Examiner I	1.00	1.00	1.00	1.00	1.00	-
Senior Civil Engineering Tech	1.00	1.00	2.00	3.00	3.00	1.00
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	-	-	-	-
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	-
Fleet Maintenance Mechanic III	1.00	1.00	1.00	1.00	1.00	-
Pavement Management Specialist	1.00	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	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	1.00	-	2.00	2.00	2.00	-
Heavy Equipment Operator II	4.00	5.00	3.00	3.00	3.00	-
Heavy Equipment Operator I	0.96	-	-	-	-	-
Senior Traffic Signs/Markings Worker	1.00	1.00	-	-	-	-

	FY 2012	FY 2013	FY 2014		FY 2015	+ / -
	Actual		Budget	Projected	Budget	to Budget
Building Permit Technician	2.00	2.00	2.00	2.00	2.00	-
Senior Office Specialist	-	-	1.00	1.00	1.00	-
Office Specialist	1.96	1.96	2.44	2.44	2.44	-
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	2.00	1.00	1.00	1.00	-
Office Assistant	0.96	0.96	0.96	1.92	1.92	0.96
Transit Driver	10.89	15.39	15.39	16.98	16.98	1.59
Intern	-	0.30	0.30	0.30	0.30	-
Total DIS	73.38	77.22	75.70	81.25	81.75	6.05
* DIS Director is Town Engineer				Full-time employees:	63	
				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
Accounting Supervisor	1.00	1.00	1.00	1.00	-	(1.00)
Senior Budget Analyst	-	-	-	-	1.00	1.00
Management & Budget Analyst	1.00	1.00	1.00	1.00	-	(1.00)
Senior Accountant	1.00	1.00	1.00	1.00	1.00	-
Finance Analyst	1.00	-	-	-	-	-
Payroll Specialist	-	1.00	1.00	1.00	1.00	-
Accounting Clerk	1.00	1.00	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	1.00	1.00	-	-	(1.00)
Employee and Org. Dev. Analyst	1.00	1.00	1.00	-	-	(1.00)
Human Resource Analyst	-	-	-	-	2.00	2.00
Human Resource Specialist	2.00	2.00	2.00	2.00	-	(2.00)
Office Specialist	-	-	-	0.50	0.50	0.50
Total Human Resources	5.00	5.00	5.00	3.50	3.50	(1.50)
				Full-time employees:	4	
				Part-time employees:	-	
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
GIS Analyst	1.50	1.50	1.50	1.50	1.00	(0.50)
IT Analyst	1.00	1.00	1.00	1.00	1.00	-
Total Information Technology	6.50	6.50	6.50	6.50	7.00	0.50
				Full-time employees:	7	
				Part-time employees:	-	
Legal						
Town Attorney	1.00	-	-	-	-	- *
Legal Services Director	-	-	1.00	1.00	1.00	-
Town Prosecutor	1.00	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	1.00	-	-	-	-	-
Paralegal I	-	1.00	1.00	1.00	1.00	-
Legal Secretary	1.00	1.00	1.00	1.00	1.00	-

	FY 2012	FY 2013	FY 2014		FY 2015	+ / -
	Actual		Budget	Projected	Budget	to Budget
Office Assistant	1.00	-	-	-	-	-
Total Legal	8.00	6.00	6.00	6.00	6.00	-
*contract Attorney				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	-
Economic Development Manager	1.00	1.00	1.00	1.00	1.00	-
Economic Development Specialist	-	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	-
Marketing & Communications Specialist	-	-	-	1.00	1.00	1.00
Communications Intern	0.10	-	-	-	-	-
Constituent Services Coordinator	1.00	1.00	1.00	1.00	1.00	-
Office Specialist	-	1.00	1.00	-	-	(1.00)
Total Town Manager's Office	7.10	10.00	10.38	10.38	10.38	-
				Full-time employees:	10	
				Part-time employees:	1	
Parks and Recreation						
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00	-
Parks Maintenance Manager	1.00	1.00	1.00	1.00	1.00	-
Recreation & Cultural Services Manager	-	-	-	-	1.00	1.00
Recreation Manager	1.00	1.00	1.00	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 Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Senior Park Maintenance Worker	2.00	3.00	3.00	3.00	3.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Office Assistant	0.48	1.00	1.00	1.00	1.00	-
Assistant Recreation Manager	1.00	1.00	1.00	1.00	1.00	-
Recreation Leader	0.40	0.40	0.40	0.40	0.40	-
Assistant Aquatics Manager	-	1.00	1.00	1.00	1.00	-
Aquatics Facility Supervisor	-	1.36	1.36	1.36	1.36	-
Aquatics Shift Leader	-	2.72	2.72	4.08	4.08	1.36
Park Maintenance Worker	3.00	2.00	2.35	2.35	2.35	-
Park Monitor	0.70	1.23	1.23	1.23	1.23	-
Aquatics Facility Attendants	-	2.40	2.88	5.76	5.76	2.88
Recreation Aide	1.50	1.50	1.50	1.50	1.50	-
Lifeguard/Swim Instructor	6.32	4.00	4.00	5.50	5.50	1.50
Library Services Manager	1.00	-	-	-	-	-
Librarian II	4.00	-	-	-	-	-
Office Specialist	1.00	-	-	-	-	-
Library Associate	4.48	-	-	-	-	-
Library Technical Assistant II	4.51	-	-	-	-	-
Library Technical Assistant I	3.08	-	-	-	-	-
Total Parks and Recreation	40.47	28.61	29.44	35.18	35.18	5.74
				Full-time employees:	15	
				Part-time employees:	23	
				(not including seasonal employees)		

	FY 2012	FY 2013	FY 2014		FY 2015	+ / -
	Actual		Budget	Projected	Budget	to Budget
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	6.00	7.00	7.00	7.00	7.00	-
Patrol Officer	49.00	51.00	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	8.00	-
K-9 Officer	3.00	3.00	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	0.96	1.44	2.88	2.88	2.88	-
Police Communications Manager	-	-	-	-	1.00	1.00
Communications Supervisor	1.00	1.00	1.00	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
Lead IT Forensics Technician	1.00	1.00	1.00	1.00	-	(1.00)
Crime Scene Technician	-	-	-	-	2.00	2.00
Property Forensics Technician	2.00	2.00	2.00	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
Emergency Response Planner	1.00	1.00	1.00	1.00	-	(1.00)
Fleet Control Specialist	-	-	-	-	1.00	1.00
Fleet Maintenance Mechanic II	1.00	1.00	1.00	1.00	-	(1.00)
Senior Office Specialist	1.00	1.00	3.00	2.00	2.00	(1.00)
Office Specialist	2.00	2.00	-	1.00	1.00	1.00
Office Assistant	1.25	1.25	1.25	1.25	1.25	-
Total Police	128.21	131.69	134.13	133.13	134.13	-
				Full-time employees:	130	
				Part-time employees:	8	
Water Utility						
Water Utility Director	1.00	1.00	1.00	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	-
Civil Engineer Tech	1.00	1.00	1.00	1.00	1.00	-
Water Utility Operator III	-	-	7.00	7.00	7.00	-
Water Utility Operator II	9.00	9.00	2.00	2.00	2.00	-
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 Representative	4.00	4.00	4.00	4.00	4.48	0.48
Total Water Utility	36.00	36.00	37.00	37.00	37.48	0.48
				Full-time employees:	37	
				Part-time employees:	1	
Total Personnel	331.10	327.56	330.69	338.44	341.98	11.29
				Full-time employees:	290	
				Part-time employees:	92	

Overview

The Mayor and Council consist 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 78,823	$ 78,828	**$ 78,828**	**$ 78,847**
O&M	126,412	147,025	**147,025**	**128,175**
Total Expenditures	$ 205,235	$ 225,853	**$ 225,853**	**$ 207,022**

REVENUES BY FUNDING SOURCE

Funded 100% with General Fund revenues

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWN COUNCIL			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00011000	5001	REG EMPLOY	73,088.60	73,089.00	73,089.00	73,089.00	
00011000	5007	SS/MED	5,590.78	5,591.00	5,591.00	5,591.00	
00011000	5011	WORK COMP	143.41	148.00	148.00	167.00	
TOTAL PERSONNEL			78,822.79	78,828.00	78,828.00	78,847.00	
20	OPERATIONS & MAINTENANCE						
00011010	6005	PROF SERV	.00	.00	.00	.00	
00011010	6019	EQUIP R&M	.00	.00	.00	.00	
00011010	6026	INSURANCE	14,444.22	18,100.00	18,100.00	.00	
00011010	6028	TELECOMM	6,819.02	9,000.00	9,000.00	7,000.00	
00011010	6029	POSTAGE	93.26	100.00	100.00	250.00	
00011010	6031	PRINTING	847.34	1,000.00	1,000.00	2,000.00	
00011010	6033	OV YOUTH	2,711.12	5,000.00	5,000.00	4,000.00	
00011010	6034	TRAVEL	7,704.19	11,500.00	11,500.00	11,500.00	
00011010	6034	11001 TRAVEL	2,693.97	3,000.00	3,000.00	3,000.00	
00011010	6034	11002 TRAVEL	754.63	3,000.00	3,000.00	3,000.00	
00011010	6034	11003 TRAVEL	2,586.66	3,000.00	3,000.00	3,000.00	
00011010	6034	11004 TRAVEL	798.72	3,000.00	3,000.00	3,000.00	
00011010	6034	11005 TRAVEL	6,320.45	3,000.00	3,000.00	3,000.00	
00011010	6034	11006 TRAVEL	1,298.03	3,000.00	3,000.00	3,000.00	
00011010	6034	11007 TRAVEL	3,367.39	3,000.00	3,000.00	3,000.00	
00011010	6035	MEMBER	60,253.48	64,125.00	64,125.00	64,125.00	
00011010	6037	SUPPLIES	311.00	200.00	200.00	300.00	
00011010	6040	NON-CAP EQ	.00	1,000.00	1,000.00	1,000.00	
00011010	6045	MISC OTHER	4,818.88	4,000.00	4,000.00	5,000.00	
00011010	6075	VOL REC	10,589.44	12,000.00	12,000.00	12,000.00	
00011010	6090	CITIZENS	.00	.00	.00	.00	
00011010	6098	FUND OUT	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			126,411.80	147,025.00	147,025.00	128,175.00	
30	CAPITAL OUTLAY						
00011020	9002	MIN ASSETS	.00	.00	.00	.00	
00011020	9023	BUILDINGS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
TOTAL TOWN COUNCIL			205,234.59	225,853.00	225,853.00	207,022.00	
		GRAND TOTAL	205,234.59	225,853.00	225,853.00	207,022.00	

** END OF REPORT - Generated by WENDY GOMEZ **

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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Town Clerk	1.00	1.00	**1.00**	**1.00**
Deputy Town Clerk	1.00	1.00	**1.00**	**1.00**
Assistant to the Town Clerk	1.00	1.00	**-**	**-**
Senior Office Specialist	-	-	**1.00**	**1.00**
Office Specialist	-	-	**0.50**	**0.50**
Office Assistant	1.44	1.44	**0.96**	**0.96**
Communications Intern	0.10	0.10	**0.10**	**0.10**
Total FTEs	4.54	4.54	**4.56**	**4.56**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 277,370	$ 298,818	**$ 315,495**	**$ 303,683**
O&M	26,773	35,300	**17,873**	**175,300**
Capital	7,271	11,000	**11,750**	**-**
Total Expenditures	$ 311,414	$ 345,118	**$ 345,118**	**$ 478,983**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Business Licenses & Permits	$ 185,929	$ 176,700	**$ 181,000**	**$ 182,000**
Copy Services	1,684	2,500	**2,000**	**2,000**
Total Revenues	$ 187,613	$ 179,200	**$ 183,000**	**$ 184,000**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWN CLERK			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00011030	5001	REG EMPLOY	212,256.77	228,819.00	228,819.00	231,668.00	
00011030	5002	OT PAY	.00	.00	.00	.00	
00011030	5006	GRP INS	27,856.12	30,346.00	30,346.00	30,111.00	
00011030	5007	SS/MED	15,647.22	17,095.00	17,095.00	17,398.00	
00011030	5009	ASRS CONT	20,750.82	21,993.00	21,993.00	23,843.00	
00011030	5011	WORK COMP	432.28	461.00	461.00	524.00	
00011030	5012	OTHER BEN	112.71	104.00	104.00	139.00	
00011030	5014	UNEMPLOYME	314.06	.00	.00	.00	
00011060	5001	REG EMPLOY	.00	.00	.00	.00	
00011060	5002	OT PAY	.00	.00	.00	.00	
00011060	5006	GRP INS	.00	.00	.00	.00	
00011060	5007	SS/MED	.00	.00	.00	.00	
00011060	5009	ASRS CONT	.00	.00	.00	.00	
00011060	5011	WORK COMP	.00	.00	.00	.00	
00011060	5012	OTHER BEN	.00	.00	.00	.00	
00011090	5001	REG EMPLOY	.00	.00	.00	.00	
00011090	5002	OT PAY	.00	.00	.00	.00	
00011090	5006	GRP INS	.00	.00	.00	.00	
00011090	5007	SS/MED	.00	.00	.00	.00	
00011090	5009	ASRS CONT	.00	.00	.00	.00	
00011090	5011	WORK COMP	.00	.00	.00	.00	
00011090	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			277,369.98	298,818.00	298,818.00	303,683.00	
20	OPERATIONS & MAINTENANCE						
00011040	6001	CONT SERVS	.00	.00	.00	.00	
00011040	6005	PROF SERV	6,490.15	6,500.00	6,500.00	6,500.00	
00011040	6006	ELECTIONS	.00	.00	.00	140,000.00	
00011040	6019	EQUIP R&M	109.59	800.00	800.00	800.00	
00011040	6025	RENTALS	4,292.04	4,600.00	4,600.00	4,600.00	
00011040	6028	TELECOMM	1,041.09	1,000.00	1,000.00	1,000.00	
00011040	6029	POSTAGE	3,360.14	3,000.00	3,000.00	3,000.00	
00011040	6030	ADVERTISE	6,287.97	8,000.00	8,000.00	8,000.00	
00011040	6031	PRINTING	48.20	1,500.00	1,500.00	1,500.00	
00011040	6032	REC FEES	.00	1,500.00	1,500.00	1,500.00	
00011040	6034	TRAVEL	2,352.44	4,800.00	4,800.00	4,800.00	
00011040	6035	MEMBER	1,173.00	900.00	900.00	900.00	
00011040	6037	SUPPLIES	1,485.82	2,500.00	2,500.00	2,500.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWN CLERK		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011040 6040	NON-CAP EQ	.00	.00	.00	.00	
00011040 6045	MISC OTHER	132.50	200.00	200.00	200.00	
00011040 6097	SFTWR LICS	.00	.00	.00	.00	
00011070 6001	CONT SERVS	.00	.00	.00	.00	
00011070 6005	PROF SERV	.00	.00	.00	.00	
00011070 6019	EQUIP R&M	.00	.00	.00	.00	
00011070 6025	RENTALS	.00	.00	.00	.00	
00011070 6029	POSTAGE	.00	.00	.00	.00	
00011070 6030	ADVERTISE	.00	.00	.00	.00	
00011070 6031	PRINTING	.00	.00	.00	.00	
00011070 6034	TRAVEL	.00	.00	.00	.00	
00011070 6035	MEMBER	.00	.00	.00	.00	
00011070 6037	SUPPLIES	.00	.00	.00	.00	
00011070 6040	NON-CAP EQ	.00	.00	.00	.00	
00011070 6045	MISC OTHER	.00	.00	.00	.00	
00011100 6001	CONT SERVS	.00	.00	.00	.00	
00011100 6005	PROF SERV	.00	.00	.00	.00	
00011100 6019	EQUIP R&M	.00	.00	.00	.00	
00011100 6025	RENTALS	.00	.00	.00	.00	
00011100 6029	POSTAGE	.00	.00	.00	.00	
00011100 6030	ADVERTISE	.00	.00	.00	.00	
00011100 6031	PRINTING	.00	.00	.00	.00	
00011100 6034	TRAVEL	.00	.00	.00	.00	
00011100 6035	MEMBER	.00	.00	.00	.00	
00011100 6037	SUPPLIES	.00	.00	.00	.00	
00011100 6040	NON-CAP EQ	.00	.00	.00	.00	
00011100 6045	MISC OTHER	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		26,772.94	35,300.00	35,300.00	175,300.00	
30 CAPITAL OUTLAY						
00011050 9002	MIN ASSETS	.00	.00	.00	.00	
00011050 9024	EQUIP	7,270.71	11,000.00	11,000.00	.00	
00011080 9002	MIN ASSETS	.00	.00	.00	.00	
00011110 9002	MIN ASSETS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		7,270.71	11,000.00	11,000.00	.00	
TOTAL TOWN CLERK		311,413.63	345,118.00	345,118.00	478,983.00	
	GRAND TOTAL	311,413.63	345,118.00	345,118.00	478,983.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Development and Infrastructure Services (DIS)
Development Section

Department Overview

The Development and Infrastructure Services (DIS) Department is organized into two primary areas of service: Development and Infrastructure. The Development section 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.

PERSONNEL

FY 2013 Actual	24.78
FY 2014 Budget	25.26
FY 2014 Projected	**28.22**
FY 2015 Budget	**29.22**

EXPENDITURES BY DIVISION

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Administration	$ 141,190	$ 216,242	**$ 216,242**	**$ 334,542**
Permitting	669,381	679,433	**713,627**	**765,566**
Planning	658,076	966,811	**947,352**	**820,544**
Inspection and Compliance	589,219	607,969	**599,056**	**618,312**
Total Expenditures	$ 2,057,867	$ 2,470,455	**$ 2,476,277**	**$ 2,538,964**

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Residential Building Permits	$ 1,163,764	$ 1,067,255	**$ 1,165,000**	**$ 1,135,000**
Commercial Building Permits	329,859	200,000	**330,000**	**397,547**
Special Inspection Fees	4,360	4,000	**6,000**	**5,000**
Zoning & Subdivision Fees	131,547	75,000	**143,000**	**131,000**
Sign Permits	41,579	40,000	**32,000**	**35,000**
State Grants	23,021	100,000	**-**	**-**
Grading Permit Fees	20,483	5,500	**83,000**	**51,000**
Engineer Plan Review Fees	40,437	40,000	**42,000**	**40,000**
Grading Review Fees	5,766	1,200	**30,000**	**18,000**
Grading Inspection Fees	1,220	800	**11,000**	**6,000**
Total Revenues	$ 1,762,035	$ 1,533,755	**$ 1,842,000**	**$ 1,818,547**

Administration Program 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, with support of the assistant director, 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Director, Dev. & Infrastruc. Svcs	1.00	1.00	**1.00**	**1.00**
Total FTEs	1.00	1.00	**1.00**	**1.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 121,567	$ 151,163	**$ 151,163**	**$ 152,832**
O&M	19,623	65,079	**65,079**	**181,710**
Capital	-	-	**-**	**-**
Total Expenditures	$ 141,190	$ 216,242	**$ 216,242**	**$ 334,542**

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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Division Mgr, Permitting	1.00	1.00	**1.00**	**1.00**
Senior Civil Engineer	-	-	**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**
Zoning Plans Examiner	1.00	-	**-**	**-**
Building Permit Tech	2.00	2.00	**2.00**	**2.00**
Office Specialist	0.48	0.96	**0.96**	**0.96**
Total FTEs	8.48	8.96	**9.96**	**9.96**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 634,465	$ 640,283	**$ 674,477**	**$ 751,291**
O&M	34,916	39,150	**39,150**	**14,275**
Capital	-	-	**-**	**-**
Total Expenditures	$ 669,381	$ 679,433	**$ 713,627**	**$ 765,566**

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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Division Mgr, Planning	1.00	1.00	**1.00**	**1.00**
Conservation & Sustainability Administrator	1.00	1.00	**1.00**	**1.00**
Senior Planner	2.00	2.00	**3.00**	**3.00**
Principal Planner	1.00	1.00	**1.00**	**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**
Office Specialist	1.00	-	**-**	**-**
Office Assistant	-	-	**0.96**	**0.96**
Total FTEs	7.30	7.30	**9.26**	**9.26**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 594,733	$ 623,871	**$ 654,412**	**$ 745,999**
O&M	47,343	342,940	**292,940**	**74,545**
Capital	16,000	-	**-**	**-**
Total Expenditures	$ 658,076	$ 966,811	**$ 947,352**	**$ 820,544**

Inspection and 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Division Mgr, Inspection & Compliance	1.00	1.00	**1.00**	**1.00**
Building Inspector I	-	-	**-**	**1.00**
Building Inspector II	4.00	4.00	**4.00**	**4.00**
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	8.00	**8.00**	**9.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 575,334	$ 591,574	**$ 582,661**	**$ 600,972**
O&M	13,885	16,395	**16,395**	**17,340**
Capital	-	-	**-**	**-**
Total Expenditures	$ 589,219	$ 607,969	**$ 599,056**	**$ 618,312**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: DIS-ADMINISTRATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00035000	5001	REG EMPLOY	93,471.40	116,408.00	116,408.00	116,353.00	
00035000	5006	GRP INS	9,640.54	11,468.00	11,468.00	13,013.00	
00035000	5007	SS/MED	7,009.25	8,740.00	8,740.00	8,724.00	
00035000	5009	ASRS CONT	10,412.71	13,434.00	13,434.00	13,497.00	
00035000	5011	WORK COMP	218.19	237.00	237.00	266.00	
00035000	5012	OTHER BEN	814.98	876.00	876.00	979.00	
TOTAL PERSONNEL			121,567.07	151,163.00	151,163.00	152,832.00	
20	OPERATIONS & MAINTENANCE						
00035005	6005	PROF SERV	.00	.00	.00	35,150.00	
00035005	6018	VEH R&M	.00	.00	.00	12,000.00	
00035005	6019	EQUIP R&M	.00	1,500.00	1,500.00	2,400.00	
00035005	6027	FLEET	.00	34,119.00	34,119.00	.00	
00035005	6028	TELECOMM	648.88	780.00	780.00	780.00	
00035005	6029	POSTAGE	74.44	200.00	200.00	200.00	
00035005	6031	PRINTING	85.80	.00	.00	.00	
00035005	6034	TRAVEL	1,606.98	1,500.00	1,500.00	2,100.00	
00035005	6035	MEMBER	413.84	200.00	200.00	1,000.00	
00035005	6037	SUPPLIES	15,554.69	20,000.00	20,000.00	20,000.00	
00035005	6039	GAS	.00	.00	.00	16,000.00	
00035005	6040	NON-CAP EQ	678.37	500.00	500.00	800.00	
00035005	6041	UNIFORMS	.00	.00	.00	.00	
00035005	6044	FIELD SUPP	.00	.00	.00	.00	
00035005	6045	MISC OTHER	116.50	250.00	250.00	250.00	
00035005	6097	SFTWR LICS	.00	.00	.00	.00	
00035005	6100	VEH REPLAC	.00	.00	.00	85,000.00	
00035005	6101	VEH RESERV	.00	2,630.00	2,630.00	2,630.00	
TOTAL OPERATIONS & MAINTENAN			19,179.50	61,679.00	61,679.00	178,310.00	
30	CAPITAL OUTLAY						
00035010	9002	MIN ASSETS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
40	OTHER FINANCING USES						
00035015	9053	CAPLSE-PR	312.33	2,800.00	2,800.00	2,800.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: DIS-ADMINISTRATION		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00035015 9054	CAPLSEINT	131.56	600.00	600.00	600.00	_____
TOTAL OTHER FINANCING USES		443.89	3,400.00	3,400.00	3,400.00	_____
TOTAL DIS-ADMINISTRATION		141,190.46	216,242.00	216,242.00	334,542.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: DIS-PERMITTING			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00035100	5001	REG EMPLOY	376,963.03	489,192.00	489,192.00	569,012.00	
00035100	5006	GRP INS	44,095.35	58,002.00	58,002.00	72,287.00	
00035100	5007	SS/MED	28,044.08	36,761.00	36,761.00	42,724.00	
00035100	5009	ASRS CONT	40,282.04	53,451.00	53,451.00	62,782.00	
00035100	5011	WORK COMP	3,805.63	2,877.00	2,877.00	4,486.00	
00035115	5001	REG EMPLOY	105,753.73	.00	.00	.00	
00035115	5006	GRP INS	15,311.88	.00	.00	.00	
00035115	5007	SS/MED	7,900.67	.00	.00	.00	
00035115	5009	ASRS CONT	11,780.78	.00	.00	.00	
00035115	5011	WORK COMP	527.56	.00	.00	.00	
TOTAL PERSONNEL			634,464.75	640,283.00	640,283.00	751,291.00	
20	OPERATIONS & MAINTENANCE						
00035105	6005	PROF SERV	7,578.75	.00	.00	.00	
00035105	6019	EQUIP R&M	.00	.00	.00	.00	
00035105	6028	TELECOMM	780.00	780.00	780.00	780.00	
00035105	6029	POSTAGE	143.77	600.00	600.00	500.00	
00035105	6031	PRINTING	585.02	5,200.00	5,200.00	5,000.00	
00035105	6034	TRAVEL	2,220.76	4,000.00	4,000.00	4,350.00	
00035105	6035	MEMBER	75.00	1,570.00	1,570.00	1,495.00	
00035105	6040	NON-CAP EQ	270.24	1,400.00	1,400.00	1,600.00	
00035105	6041	UNIFORMS	300.00	450.00	450.00	550.00	
00035105	6045	MISC OTHER	87.00	25,150.00	25,150.00	.00	
00035120	6029	POSTAGE	172.73	.00	.00	.00	
00035120	6031	PRINTING	1,174.47	.00	.00	.00	
00035120	6034	TRAVEL	634.90	.00	.00	.00	
00035120	6035	MEMBER	50.00	.00	.00	.00	
00035120	6040	NON-CAP EQ	.00	.00	.00	.00	
00035120	6041	UNIFORMS	85.18	.00	.00	.00	
00035120	6045	MISC OTHER	20,758.65	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			34,916.47	39,150.00	39,150.00	14,275.00	
TOTAL DIS-PERMITTING			669,381.22	679,433.00	679,433.00	765,566.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: DIS-PLANNING			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10 PERSONNEL							
00035200 5001		REG EMPLOY	368,849.01	394,380.00	394,380.00	394,726.00	
00035200 5006		GRP INS	48,733.42	49,109.00	49,109.00	58,227.00	
00035200 5007		SS/MED	27,518.39	29,620.00	29,620.00	29,513.00	
00035200 5009		ASRS CONT	40,449.54	44,683.00	44,683.00	44,956.00	
00035200 5011		WORK COMP	739.61	803.00	803.00	902.00	
00035200 5014		UNEMPLOYME	4,749.14	.00	.00	.00	
00035200 6005	35003	PROF SERV	.00	.00	.00	.00	
00035215 5001		REG EMPLOY	.00	.00	.00	82,452.00	
00035215 5006		GRP INS	5.85	.00	.00	12,849.00	
00035215 5007		SS/MED	.00	.00	.00	6,130.00	
00035215 5009		ASRS CONT	.00	.00	.00	6,845.00	
00035215 5011		WORK COMP	.00	.00	.00	188.00	
00035230 5001		REG EMPLOY	81,733.83	82,480.00	82,480.00	85,422.00	
00035230 5006		GRP INS	6,918.84	6,860.00	6,860.00	7,214.00	
00035230 5007		SS/MED	5,769.57	6,250.00	6,250.00	6,471.00	
00035230 5009		ASRS CONT	9,104.94	9,518.00	9,518.00	9,909.00	
00035230 5011		WORK COMP	160.82	168.00	168.00	195.00	
TOTAL PERSONNEL			594,732.96	623,871.00	623,871.00	745,999.00	
20 OPERATIONS & MAINTENANCE							
00035205 6005		PROF SERV	5,919.16	.00	.00	.00	
00035205 6005	35003	PROF SERV	.00	.00	.00	.00	
00035205 6025		RENTALS	.00	.00	.00	1,000.00	
00035205 6028		TELECOMM	1,724.91	1,560.00	1,560.00	1,560.00	
00035205 6029		POSTAGE	7,072.19	8,000.00	8,000.00	8,000.00	
00035205 6030		ADVERTISE	4,973.73	6,500.00	6,500.00	6,000.00	
00035205 6031		PRINTING	2,982.35	3,950.00	3,950.00	4,300.00	
00035205 6034		TRAVEL	4,446.18	5,500.00	5,500.00	5,550.00	
00035205 6035		MEMBER	2,388.00	3,000.00	3,000.00	4,355.00	
00035205 6040		NON-CAP EQ	475.69	600.00	600.00	650.00	
00035205 6041		UNIFORMS	176.59	300.00	300.00	300.00	
00035205 6044		FIELD SUPP	87.23	100.00	100.00	50.00	
00035205 6045		MISC OTHER	3,091.38	3,600.00	3,600.00	4,150.00	
00035220 6001		CONT SERVS	.00	130,000.00	130,000.00	.00	
00035220 6005		PROF SERV	.00	60,000.00	60,000.00	15,800.00	
00035220 6028		TELECOMM	.00	.00	.00	.00	
00035220 6029		POSTAGE	.00	5,000.00	5,000.00	1,000.00	
00035220 6030		ADVERTISE	.00	1,500.00	1,500.00	7,500.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: DIS-PLANNING		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00035220 6031	PRINTING	144.59	5,000.00	5,000.00	4,200.00	
00035220 6034	TRAVEL	.00	.00	.00	.00	
00035220 6037	SUPPLIES	.00	4,000.00	4,000.00	5,250.00	
00035220 6040	NON-CAP EQ	.00	.00	.00	.00	
00035220 6041	UNIFORMS	.00	.00	.00	250.00	
00035220 6045	MISC OTHER	.00	1,000.00	1,000.00	1,300.00	
00035235 6028	TELECOMM	.00	480.00	480.00	480.00	
00035235 6031	PRINTING	.00	.00	.00	.00	
00035235 6034	TRAVEL	1,251.00	1,850.00	1,850.00	1,850.00	
00035235 6035	MEMBER	500.00	950.00	950.00	950.00	
00035235 6041	UNIFORMS	.00	50.00	50.00	50.00	
TOTAL OPERATIONS & MAINTENAN		35,233.00	242,940.00	242,940.00	74,545.00	
30 CAPITAL OUTLAY						
00035240 9023	BUILDINGS	16,000.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		16,000.00	.00	.00	.00	
50 CONTINGENCY/RESERVE						
00035245 9090	CONT/RES	12,110.17	100,000.00	100,000.00	.00	
TOTAL CONTINGENCY/RESERVE		12,110.17	100,000.00	100,000.00	.00	
TOTAL DIS-PLANNING		658,076.13	966,811.00	966,811.00	820,544.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: DIS-INSPECTION & COMPLIANCE		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10 PERSONNEL						
00035300 5001	REG EMPLOY	343,854.58	356,155.00	356,155.00	438,140.00	
00035300 5006	GRP INS	59,096.21	56,101.00	56,101.00	73,109.00	
00035300 5007	SS/MED	25,564.93	26,512.00	26,512.00	32,617.00	
00035300 5009	ASRS CONT	38,286.18	41,100.00	41,100.00	50,824.00	
00035300 5011	WORK COMP	4,272.75	4,597.00	4,597.00	6,282.00	
00035300 5014	UNEMPLOYME	.00	.00	.00	.00	
00035315 5001	REG EMPLOY	77,566.40	81,067.00	81,067.00	.00	
00035315 5006	GRP INS	11,385.68	9,605.00	9,605.00	.00	
00035315 5007	SS/MED	5,752.04	6,097.00	6,097.00	.00	
00035315 5009	ASRS CONT	8,641.09	9,355.00	9,355.00	.00	
00035315 5011	WORK COMP	913.75	985.00	985.00	.00	
TOTAL PERSONNEL		575,333.61	591,574.00	591,574.00	600,972.00	
20 OPERATIONS & MAINTENANCE						
00035305 6005	PROF SERV	.00	.00	.00	300.00	
00035305 6019	EQUIP R&M	.00	.00	.00	.00	
00035305 6028	TELECOMM	3,282.73	4,200.00	4,200.00	4,900.00	
00035305 6029	POSTAGE	.00	.00	.00	1,000.00	
00035305 6031	PRINTING	923.73	900.00	900.00	900.00	
00035305 6034	TRAVEL	2,279.43	2,150.00	2,150.00	2,600.00	
00035305 6035	MEMBER	2,958.05	2,910.00	2,910.00	3,290.00	
00035305 6040	NON-CAP EQ	343.14	1,000.00	1,000.00	900.00	
00035305 6041	UNIFORMS	1,019.89	1,200.00	1,200.00	1,750.00	
00035305 6044	FIELD SUPP	89.00	1,200.00	1,200.00	1,700.00	
00035305 6045	MISC OTHER	1,444.70	300.00	300.00	.00	
00035320 6005	PROF SERV	.00	300.00	300.00	.00	
00035320 6028	TELECOMM	360.00	350.00	350.00	.00	
00035320 6029	POSTAGE	413.65	1,000.00	1,000.00	.00	
00035320 6031	PRINTING	24.10	50.00	50.00	.00	
00035320 6034	TRAVEL	400.00	400.00	400.00	.00	
00035320 6035	MEMBER	35.00	35.00	35.00	.00	
00035320 6040	NON-CAP EQ	.00	.00	.00	.00	
00035320 6041	UNIFORMS	153.09	200.00	200.00	.00	
00035320 6044	FIELD SUPP	158.77	200.00	200.00	.00	
TOTAL OPERATIONS & MAINTENAN		13,885.28	16,395.00	16,395.00	17,340.00	
30 CAPITAL OUTLAY						
00035310 9002	MIN ASSETS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
TOTAL DIS-INSPECTION & COMPL		589,218.89	607,969.00	607,969.00	618,312.00	
	GRAND TOTAL	2,057,866.70	2,470,455.00	2,470,455.00	2,538,964.00	

Development and Infrastructure Services (DIS)
Infrastructure Section - Highway Fund

Overview

The Infrastructure Section 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.

PERSONNEL

FY 2013 Actual	25.08
FY 2014 Budget	23.08
FY 2014 Projected	**22.58**
FY 2015 Budget	**22.48**

EXPENDITURES BY PROGRAM AREA

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Administration	$ 577,985	$ 657,860	**$ 574,037**	**$ 599,959**
Transportation Engineering	1,528,549	1,547,739	**1,558,748**	**515,064**
Pavement Management	102,080	111,022	**111,022**	**1,214,223**
Street Maintenance	788,702	888,033	**892,297**	**1,008,705**
Traffic Engineering	424,483	516,327	**519,995**	**916,377**
Total Expenditures	$ 3,421,799	$ 3,720,981	**$ 3,656,099**	**$ 4,254,328**

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Construction Sales Tax	$ 738,492	$ 1,077,197	**$ 1,218,820**	**$ -**
Licenses & Permits	67,973	48,000	**42,000**	**52,000**
State Grants	194,392	35,000	**35,000**	**-**
Charges for Services	229,493	129,493	**129,493**	**129,493**
HURF Gas Taxes	2,648,329	2,500,000	**2,500,000**	**2,754,947**
Interest	25,006	7,000	**25,000**	**19,250**
Miscellaneous	16,813	10,000	**20,750**	**10,000**
Total Revenues	$ 3,920,499	$ 3,806,690	**$ 3,971,063**	**$ 2,965,690**

Administration Program 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Town Engineer	1.00	1.00	**-**	**-**
Assistant DIS Director	-	-	**1.00**	**1.00**
Transit Administrator	0.50	0.50	**-**	**-**
GIS Analyst	0.25	0.25	**0.25**	**-**
Office Specialist	-	-	**-**	**0.25**
Administrative Coordinator	1.00	1.00	**1.00**	**1.00**
Total FTEs	2.75	2.75	**2.25**	**2.25**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 293,197	$ 307,129	**$ 213,806**	**$ 206,076**
O&M	284,788	350,731	**360,231**	**341,883**
Capital	-	-	**-**	**52,000**
Total Expenditures	$ 577,985	$ 657,860	**$ 574,037**	**$ 599,959**

Transportation Engineering Program Overview

Transportation Engineering is responsible for managing the design and construction of roadway projects. While most large projects are designed by consultants, the Engineering Division 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Personnel				
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 Technician	1.00	1.00	**2.00**	**2.00**
Civil Engineer	1.00	1.00	**-**	**-**
Civil Engineer/Project Manager	1.00	1.00	**1.00**	**1.00**
Civil Engineer Designer	1.00	1.00	**1.00**	**1.00**
Construction Inspector	1.00	-	**-**	**-**
Office Specialist	0.48	0.48	**0.48**	**0.48**
Total FTEs	6.68	5.68	**5.68**	**5.68**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Program Expenditures				
Personnel	$ 539,385	$ 518,289	**$ 475,298**	**$ 495,614**
O&M	13,021	29,450	**29,450**	**19,450**
Capital	976,144	1,000,000	**1,054,000**	**-**
Total Expenditures	$ 1,528,549	$ 1,547,739	**$ 1,558,748**	**$ 515,064**

Pavement Management Program 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Personnel				
Engineering Division Manager	0.20	0.20	**0.20**	**0.20**
Senior Civil Engineering Technician	-	1.00	**1.00**	**1.00**
Pavement Management Specialist	1.00	-	**-**	**-**
Total FTEs	1.20	1.20	**1.20**	**1.20**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Program Expenditures				
Personnel	$ 100,986	$ 107,772	**$ 107,772**	**$ 110,973**
O&M	1,094	3,250	**3,250**	**3,250**
Capital	-	-	**-**	**1,100,000**
Total Expenditures	$ 102,080	$ 111,022	**$ 111,022**	**$ 1,214,223**

Street Maintenance Program Overview

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

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Personnel				
Operations Division Manager	0.75	0.75	**0.75**	**0.75**
Streets & Drainage Senior 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**
Heavy Equipment Operator II	5.00	3.00	**3.00**	**3.00**
Office Specialist	-	0.05	**0.05**	**-**
Senior Office Assistant	0.05	-	**-**	**-**
Total FTEs	8.80	8.80	**8.80**	**8.75**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Program Expenditures				
Personnel	$ 556,474	$ 562,933	**$ 562,933**	**$ 570,105**
O&M	232,228	240,100	**245,100**	**288,600**
Capital	-	85,000	**84,264**	**150,000**
Total Expenditures	$ 788,702	$ 888,033	**$ 892,297**	**$ 1,008,705**

Traffic Engineering Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Personnel				
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 Leader	1.00	1.00	**1.00**	**1.00**
Senior Traffic Signs/Markings Worker	1.00	-	**-**	**-**
Traffic Signs/Markings Worker	1.00	1.00	**1.00**	**1.00**
Office Specialist	-	0.05	**0.05**	**-**
Senior Office Assistant	0.05	-	**-**	**-**
Total FTEs	5.65	4.65	**4.65**	**4.60**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Program Expenditures				
Personnel	$ 316,699	$ 318,027	**$ 318,027**	**$ 317,327**
O&M	103,982	196,050	**196,050**	**196,800**
Capital	3,802	2,250	**5,918**	**402,250**
Total Expenditures	$ 424,483	$ 516,327	**$ 519,995**	**$ 916,377**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
000	NON DIVISION						
10	PERSONNEL						
01077000 5001		REG EMPLOY	230,684.55	239,716.00	239,716.00	159,940.00	
01077000 5001	78004	REG EMPLOY	.00	.00	.00	.00	
01077000 5002		OT PAY	.00	.00	.00	.00	
01077000 5006		GRP INS	17,101.78	18,661.00	18,661.00	12,923.00	
01077000 5007		SS/MED	16,848.34	18,180.00	18,180.00	12,156.00	
01077000 5007	78004	SS/MED	.00	.00	.00	.00	
01077000 5009		ASRS CONT	25,700.97	27,663.00	27,663.00	18,553.00	
01077000 5009	78004	ASRS CONT	.00	.00	.00	.00	
01077000 5011		WORK COMP	1,942.25	2,109.00	2,109.00	1,724.00	
01077000 5011	78004	WORK COMP	.00	.00	.00	.00	
01077000 5012		OTHER BEN	919.02	800.00	800.00	780.00	
01077000 5014		UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			293,196.91	307,129.00	307,129.00	206,076.00	
20	OPERATIONS & MAINTENANCE						
01077010 6005		PROF SERV	.00	.00	.00	.00	
01077010 6014		WTR & SEW	17,903.92	21,000.00	21,000.00	36,000.00	
01077010 6015		WASTE DISP	16,151.67	20,000.00	20,000.00	20,000.00	
01077010 6018		VEH R&M	.00	.00	.00	75,000.00	
01077010 6019		EQUIP R&M	.00	1,000.00	1,000.00	2,400.00	
01077010 6020		BLDG R&M	.00	.00	.00	.00	
01077010 6021		GRDS R&M	.00	.00	.00	.00	
01077010 6025		RENTALS	.00	.00	.00	.00	
01077010 6026		INSURANCE	46,679.52	58,000.00	58,000.00	60,000.00	
01077010 6027		FLEET	157,247.04	155,231.00	155,231.00	.00	
01077010 6028		TELECOMM	12,235.69	11,000.00	11,000.00	10,000.00	
01077010 6029		POSTAGE	41.19	500.00	500.00	200.00	
01077010 6030		ADVERTISE	.00	.00	.00	.00	
01077010 6031		PRINTING	580.50	1,000.00	1,000.00	1,000.00	
01077010 6034		TRAVEL	1,378.64	1,000.00	1,000.00	1,000.00	
01077010 6035		MEMBER	250.00	500.00	500.00	500.00	
01077010 6037		SUPPLIES	8,895.83	9,000.00	9,000.00	10,000.00	
01077010 6038		GAS & ELEC	23,089.47	26,000.00	26,000.00	24,000.00	
01077010 6039		GAS	.00	.00	.00	70,000.00	
01077010 6040		NON-CAP EQ	.00	500.00	500.00	1,000.00	
01077010 6045		MISC OTHER	335.00	1,000.00	1,000.00	500.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
01077010 6047	OFF LEASE	.00	.00	.00	.00	
01077010 6068	CUST SUPP	.00	.00	.00	.00	
01077010 6097	SFTWR LICS	.00	.00	.00	.00	
01077010 6100	VEH REPLAC	.00	45,000.00	45,000.00	25,000.00	
01077010 6101	VEH RESERV	.00	.00	.00	4,083.00	
01077010 7000	INVST LOSS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		284,788.47	350,731.00	350,731.00	340,683.00	
30 CAPITAL OUTLAY						
01077020 9002	MIN ASSETS	.00	.00	.00	.00	
01077020 9020	VEHICLES	.00	.00	.00	.00	
01077020 9023	BUILDINGS	.00	.00	.00	52,000.00	
01077020 9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	52,000.00	
40 OTHER FINANCING USES						
01077030 9053	CAPLSE-PR	.00	.00	.00	1,200.00	
01077030 9054	CAPLSEINT	.00	.00	.00	.00	
01077030 9078	TR TO DSF	.00	.00	.00	.00	
01077030 9079	TR TO CPF	.00	.00	.00	.00	
01077030 9082	TR TO INT	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES		.00	.00	.00	1,200.00	
TOTAL NON DIVISION		577,985.38	657,860.00	657,860.00	599,959.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
731	TRANSPORTATION ENGINEERING						
10	PERSONNEL						
01077050 5001		REG EMPLOY	418,360.31	397,162.00	397,162.00	380,194.00	
01077050 5001	78004	REG EMPLOY	.00	.00	.00	.00	
01077050 5002		OT PAY	110.04	2,000.00	2,000.00	500.00	
01077050 5006		GRP INS	35,642.71	34,604.00	34,604.00	32,751.00	
01077050 5007		SS/MED	30,961.55	30,201.00	30,201.00	28,847.00	
01077050 5007	78004	SS/MED	.00	.00	.00	.00	
01077050 5009		ASRS CONT	44,447.43	44,266.00	44,266.00	42,297.00	
01077050 5009	78004	ASRS CONT	.00	.00	.00	.00	
01077050 5011		WORK COMP	9,862.87	10,056.00	10,056.00	11,025.00	
01077050 5011	78004	WORK COMP	.00	.00	.00	.00	
01077050 5012		OTHER BEN	.00	.00	.00	.00	
01077050 5014		UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			539,384.91	518,289.00	518,289.00	495,614.00	
20	OPERATIONS & MAINTENANCE						
01077060 6005		PROF SERV	165.00	10,000.00	10,000.00	5,000.00	
01077060 6018		VEH R&M	.00	.00	.00	.00	
01077060 6019		EQUIP R&M	.00	.00	.00	.00	
01077060 6023		STRT IMPRV	3,959.91	10,000.00	10,000.00	5,000.00	
01077060 6028		TELECOMM	.00	.00	.00	.00	
01077060 6034		TRAVEL	4,156.92	4,000.00	4,000.00	4,000.00	
01077060 6035		MEMBER	1,124.65	1,250.00	1,250.00	1,250.00	
01077060 6040		NON-CAP EQ	1,913.36	2,000.00	2,000.00	2,000.00	
01077060 6041		UNIFORMS	1,233.35	1,200.00	1,200.00	1,200.00	
01077060 6044		FIELD SUPP	467.44	1,000.00	1,000.00	1,000.00	
01077060 6045		MISC OTHER	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			13,020.63	29,450.00	29,450.00	19,450.00	
30	CAPITAL OUTLAY						
01077070 9002		MIN ASSETS	.00	.00	.00	.00	
01077070 9020		VEHICLES	.00	.00	.00	.00	
01077070 9024		EQUIP	.00	.00	.00	.00	
01077070 9032		ARTERIAL	.00	.00	.00	.00	
01077070 9033		SUBDIVIS	976,143.59	1,000,000.00	1,000,000.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
01077070 9033 73101 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73102 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73103 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73104 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73105 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73106 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73107 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73108 SUBDIVIS	.00	.00	.00	.00	
01077070 9033 73109 SUBDIVIS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY	976,143.59	1,000,000.00	1,000,000.00	.00	
40 OTHER FINANCING USES					
01077080 9032 ARTERIAL	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES	.00	.00	.00	.00	
TOTAL TRANSPORTATION ENGINEE	1,528,549.13	1,547,739.00	1,547,739.00	515,064.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
741	PAVEMENT MGMT						
10	PERSONNEL						
01077120	5001	REG EMPLOY	70,518.49	75,464.00	75,464.00	76,090.00	
01077120	5002	OT PAY	.00	.00	.00	.00	
01077120	5006	GRP INS	13,672.17	13,586.00	13,586.00	15,433.00	
01077120	5007	SS/MED	5,171.22	5,575.00	5,575.00	5,608.00	
01077120	5009	ASRS CONT	7,855.64	8,709.00	8,709.00	8,826.00	
01077120	5011	WORK COMP	3,768.75	4,438.00	4,438.00	5,016.00	
01077120	5012	OTHER BEN	.00	.00	.00	.00	
01077120	5014	UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			100,986.27	107,772.00	107,772.00	110,973.00	
20	OPERATIONS & MAINTENANCE						
01077130	6005	PROF SERV	.00	.00	.00	.00	
01077130	6018	VEH R&M	.00	.00	.00	.00	
01077130	6019	EQUIP R&M	.00	.00	.00	.00	
01077130	6025	RENTALS	.00	.00	.00	.00	
01077130	6034	TRAVEL	425.00	2,500.00	2,500.00	2,500.00	
01077130	6035	MEMBER	.00	.00	.00	.00	
01077130	6037	SUPPLIES	590.14	500.00	500.00	500.00	
01077130	6040	NON-CAP EQ	.00	.00	.00	.00	
01077130	6044	FIELD SUPP	78.69	250.00	250.00	250.00	
01077130	6045	MISC OTHER	.00	.00	.00	.00	
01077130	6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			1,093.83	3,250.00	3,250.00	3,250.00	
30	CAPITAL OUTLAY						
01077140	9002	MIN ASSETS	.00	.00	.00	.00	
01077140	9020	VEHICLES	.00	.00	.00	.00	
01077140	9024	EQUIP	.00	.00	.00	.00	
01077140	9032	ARTERIAL	.00	.00	.00	.00	
01077140	9033	SUBDIVIS	.00	.00	.00	1,100,000.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	1,100,000.00	
TOTAL PAVEMENT MGMT			102,080.10	111,022.00	111,022.00	1,214,223.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
742	STREET MAINTENANCE						
10	PERSONNEL						
01077150	5001	REG EMPLOY	384,698.21	389,918.00	389,918.00	392,325.00	
01077150	5002	OT PAY	2,756.16	7,000.00	7,000.00	4,000.00	
01077150	5006	GRP INS	67,073.99	65,757.00	65,757.00	70,357.00	
01077150	5007	SS/MED	28,595.01	29,693.00	29,693.00	29,602.00	
01077150	5009	ASRS CONT	43,162.71	45,804.00	45,804.00	45,974.00	
01077150	5011	WORK COMP	30,188.02	24,761.00	24,761.00	27,847.00	
01077150	5012	OTHER BEN	.00	.00	.00	.00	
01077150	5014	UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			556,474.10	562,933.00	562,933.00	570,105.00	
20	OPERATIONS & MAINTENANCE						
01077160	6001	CONT SERVS	24,751.00	20,000.00	20,000.00	25,000.00	
01077160	6005	PROF SERV	9,199.35	5,000.00	5,000.00	35,000.00	
01077160	6018	VEH R&M	.00	.00	.00	.00	
01077160	6019	EQUIP R&M	1,211.64	2,000.00	2,000.00	2,000.00	
01077160	6020	BLDG R&M	.00	.00	.00	.00	
01077160	6021	GRDS R&M	.00	.00	.00	.00	
01077160	6022	STRT MAINT	110,163.72	103,600.00	103,600.00	113,600.00	
01077160	6023	STRT IMPRV	.00	.00	.00	.00	
01077160	6025	RENTALS	9,662.18	10,000.00	10,000.00	10,000.00	
01077160	6034	TRAVEL	2,007.03	2,000.00	2,000.00	2,000.00	
01077160	6035	MEMBER	.00	.00	.00	.00	
01077160	6037	SUPPLIES	5,989.49	6,000.00	6,000.00	6,000.00	
01077160	6039	GAS	.00	.00	.00	.00	
01077160	6040	NON-CAP EQ	4,385.01	2,000.00	2,000.00	4,000.00	
01077160	6041	UNIFORMS	7,235.22	9,000.00	9,000.00	9,000.00	
01077160	6044	FIELD SUPP	53,580.53	73,500.00	73,500.00	78,500.00	
01077160	6045	MISC OTHER	801.64	3,500.00	3,500.00	.00	
01077160	6062	BLUESTAKE	.00	.00	.00	.00	
01077160	6064	SAFETY	3,240.70	3,500.00	3,500.00	3,500.00	
TOTAL OPERATIONS & MAINTENAN			232,227.51	240,100.00	240,100.00	288,600.00	
30	CAPITAL OUTLAY						
01077170	9002	MIN ASSETS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
01077170 9020	VEHICLES	.00	.00	.00	150,000.00	_____
01077170 9023	BUILDINGS	.00	.00	.00	.00	_____
01077170 9024	EQUIP	.00	85,000.00	85,000.00	.00	_____
01077170 9032	ARTERIAL	.00	.00	.00	.00	_____
01077170 9033	SUBDIVIS	.00	.00	.00	.00	_____
TOTAL CAPITAL OUTLAY		.00	85,000.00	85,000.00	150,000.00	_____
TOTAL STREET MAINTENANCE		788,701.61	888,033.00	888,033.00	1,008,705.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
744	TRAFFIC ENGINEERING						
10	PERSONNEL						
01077180	5001	REG EMPLOY	230,762.84	232,993.00	232,993.00	232,023.00	
01077180	5002	OT PAY	296.85	2,500.00	2,500.00	1,000.00	
01077180	5006	GRP INS	28,193.64	26,576.00	26,576.00	27,458.00	
01077180	5007	SS/MED	17,022.30	17,806.00	17,806.00	17,604.00	
01077180	5009	ASRS CONT	25,470.56	27,176.00	27,176.00	27,031.00	
01077180	5011	WORK COMP	14,953.08	10,976.00	10,976.00	12,211.00	
01077180	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			316,699.27	318,027.00	318,027.00	317,327.00	
20	OPERATIONS & MAINTENANCE						
01077190	6005	PROF SERV	.00	85,000.00	85,000.00	65,000.00	
01077190	6018	VEH R&M	.00	.00	.00	.00	
01077190	6019	EQUIP R&M	83.09	350.00	350.00	1,500.00	
01077190	6020	BLDG R&M	.00	.00	.00	.00	
01077190	6021	GRDS R&M	.00	.00	.00	.00	
01077190	6022	STRT MAINT	.00	.00	.00	.00	
01077190	6023	STRT IMPRV	.00	.00	.00	.00	
01077190	6025	RENTALS	.00	.00	.00	.00	
01077190	6034	TRAVEL	1,814.09	2,000.00	2,000.00	2,000.00	
01077190	6035	MEMBER	300.00	.00	.00	500.00	
01077190	6039	GAS	.00	.00	.00	.00	
01077190	6040	NON-CAP EQ	.00	1,500.00	1,500.00	1,500.00	
01077190	6041	UNIFORMS	723.09	1,100.00	1,100.00	1,100.00	
01077190	6044	FIELD SUPP	31,640.17	36,000.00	36,000.00	44,000.00	
01077190	6045	MISC OTHER	.00	.00	.00	.00	
01077190	6062	BLUESTAKE	.00	.00	.00	1,100.00	
01077190	6064	SAFETY	40.00	100.00	100.00	100.00	
01077190	6071	ELE STRT	14,742.01	20,000.00	20,000.00	20,000.00	
01077190	6073	LIGHTMAINT	.00	.00	.00	10,000.00	
01077190	6086	SIG MAINT	26,835.12	20,000.00	20,000.00	20,000.00	
01077190	6087	SIG ELECT	27,804.76	30,000.00	30,000.00	30,000.00	
01077190	6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			103,982.33	196,050.00	196,050.00	196,800.00	
30	CAPITAL OUTLAY						
01077200	9002	MIN ASSETS	3,801.65	2,250.00	2,250.00	2,250.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HIGHWAY FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
01077200 9020	VEHICLES	.00	.00	.00	.00	
01077200 9023	BUILDINGS	.00	.00	.00	200,000.00	
01077200 9024	EQUIP	.00	.00	.00	.00	
01077200 9032	ARTERIAL	.00	.00	.00	200,000.00	
01077200 9033	SUBDIVIS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		3,801.65	2,250.00	2,250.00	402,250.00	
TOTAL TRAFFIC ENGINEERING		424,483.25	516,327.00	516,327.00	916,377.00	
TOTAL HIGHWAY FUND		3,421,799.47	3,720,981.00	3,720,981.00	4,254,328.00	
	GRAND TOTAL	3,421,799.47	3,720,981.00	3,720,981.00	4,254,328.00	

** END OF REPORT - Generated by WENDY GOMEZ **

DIS - Infrastructure Section - Operations Division
Custodial & 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 15 Town buildings and structures encompassing approximately 84,900 square feet of building space.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Facilities Maint Crew Leader	1.00	1.00	**1.00**	**1.00**
Facilities Maint Tech	1.00	1.00	**1.00**	**1.00**
Office Specialist	-	0.15	**0.15**	**-**
Senior Office Assistant	0.15	-	**-**	**-**
Total FTEs	2.15	2.15	**2.15**	**2.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 131,550	$ 129,732	**$ 129,732**	**$ 135,853**
O&M	167,749	187,800	**187,800**	**172,000**
Total Expenditures	$ 299,299	$ 317,532	**$ 317,532**	**$ 307,853**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Pima County Library District Reimbursement	$ 15,000	$ 30,000	**$ 25,000**	**$ 15,000**
Total Revenues	$ 15,000	$ 30,000	**$ 25,000**	**$ 15,000**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: CUSTODIAL & FACILITIES MAINTEN	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	92,379.39	89,917.00	89,917.00	91,395.00	
OVERTIME PAY	1,419.48	.00	.00	2,000.00	
GROUP INSURANCE	20,233.38	20,208.00	20,208.00	21,531.00	
SOCIAL SECURITY/MEDICA	6,899.28	6,618.00	6,618.00	6,874.00	
ASRS CONTRIBUTIONS	10,450.35	10,376.00	10,376.00	10,834.00	
WORKERS' COMPENSATION	168.00	2,613.00	2,613.00	3,219.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
PERSONNEL	131,549.88	129,732.00	129,732.00	135,853.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: CUSTODIAL & FACILITIES MAINTEN	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	123,103.47	138,500.00	138,500.00	109,000.00	
WASTE DISPOSAL FEES	.00	.00	.00	1,500.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	200.65	500.00	500.00	500.00	
BUILDING REPAIR & MAIN	26,666.82	27,600.00	27,600.00	39,250.00	
RENTALS	.00	.00	.00	250.00	
TELECOMMUNICATIONS	980.39	1,200.00	1,200.00	800.00	
TRAVEL & TRAINING	120.00	500.00	500.00	1,500.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	.00	.00	.00	.00	
UNIFORMS	994.78	1,500.00	1,500.00	1,200.00	
FIELD SUPPLIES	15,541.04	18,000.00	18,000.00	18,000.00	
MISCELLANEOUS OTHER OP	141.70	.00	.00	.00	
SAFETY COMPLIANCE	.00	.00	.00	.00	
MINOR ASSETS	.00	.00	.00	.00	
EQUIPMENT	.00	.00	.00	.00	
OPERATIONS & MAINTENAN	167,748.85	187,800.00	187,800.00	172,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: CUSTODIAL & FACILITIES MAINTEN	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
MINOR ASSETS	.00	.00	.00	.00	
VEHICLES	.00	.00	.00	.00	
BUILDINGS & IMPROVEMEN	.00	.00	.00	.00	
EQUIPMENT	.00	.00	.00	.00	
CAPITAL OUTLAY	.00	.00	.00	.00	
TOTAL CUSTODIAL & FACILITIES	299,298.73	317,532.00	317,532.00	307,853.00	
GRAND TOTAL	299,298.73	317,532.00	317,532.00	307,853.00	

** END OF REPORT - Generated by WENDY GOMEZ **

DIS - Infrastructure Section - Operations Division
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).

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Fleet Maintenance Mechanic III	1.00	**1.00**	**1.00**	**1.00**
Office Specialist	-	**0.15**	**0.15**	**0.15**
Senior Office Assistant	0.15	**-**	**-**	**-**
Total FTEs	1.15	**1.15**	**1.15**	**1.15**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 81,593	$ 75,213	**$ 75,213**	**$ 77,956**
O&M	562,665	663,750	**663,750**	**729,363**
Capital	-	483,000	**483,000**	**964,800**
Total Expenditures	$ 644,258	$ 1,221,963	**$ 1,221,963**	**$ 1,772,119**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Charges for Services	$ 638,787	$ 1,282,793	**$ 1,282,793**	**$ 1,467,800**
State Grants	-	-	**-**	**308,000**
Miscellaneous	-	20,000	**60,000**	**151,313**
Total Revenues	$ 638,787	$ 1,302,793	**$ 1,342,793**	**$ 1,927,113**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: FLEET FUND				2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL							
06509000	5001		REG EMPLOY	59,258.99	55,498.00	55,498.00	56,249.00	
06509000	5002		OT PAY	742.62	.00	.00	1,000.00	
06509000	5006		GRP INS	8,970.32	7,570.00	7,570.00	7,943.00	
06509000	5007		SS/MED	4,412.98	4,182.00	4,182.00	4,311.00	
06509000	5009		ASRS CONT	6,684.38	6,405.00	6,405.00	6,641.00	
06509000	5011		WORK COMP	1,523.27	1,558.00	1,558.00	1,812.00	
06509000	5012		OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL				81,592.56	75,213.00	75,213.00	77,956.00	
20	OPERATIONS & MAINTENANCE							
06509010	6005		PROF SERV	36.63	.00	.00	.00	
06509010	6015		WASTE DISP	.00	.00	.00	.00	
06509010	6018		VEH R&M	171,472.99	280,000.00	280,000.00	9,000.00	
06509010	6018	90007	VEH R&M	.00	.00	.00	1,000.00	
06509010	6018	90008	VEH R&M	.00	.00	.00	3,000.00	
06509010	6018	90009	VEH R&M	.00	.00	.00	10,000.00	
06509010	6018	90010	VEH R&M	.00	.00	.00	185,000.00	
06509010	6018	90011	VEH R&M	.00	.00	.00	21,000.00	
06509010	6018	90012	VEH R&M	.00	.00	.00	16,000.00	
06509010	6018	90013	VEH R&M	.00	.00	.00	5,000.00	
06509010	6018	90014	VEH R&M	.00	.00	.00	.00	
06509010	6019		EQUIP R&M	62,225.33	5,000.00	5,000.00	19,800.00	
06509010	6019	90007	EQUIP R&M	.00	.00	.00	.00	
06509010	6019	90008	EQUIP R&M	.00	.00	.00	.00	
06509010	6019	90009	EQUIP R&M	.00	.00	.00	10,000.00	
06509010	6019	90010	EQUIP R&M	.00	.00	.00	200.00	
06509010	6019	90011	EQUIP R&M	.00	.00	.00	16,000.00	
06509010	6019	90012	EQUIP R&M	.00	.00	.00	5,000.00	
06509010	6019	90013	EQUIP R&M	.00	.00	.00	17,000.00	
06509010	6019	90014	EQUIP R&M	.00	.00	.00	.00	
06509010	6020		BLDG R&M	.00	.00	.00	.00	
06509010	6028		TELECOMM	854.05	600.00	600.00	600.00	
06509010	6034		TRAVEL	397.95	500.00	500.00	500.00	
06509010	6037		SUPPLIES	.00	.00	.00	.00	
06509010	6039		GAS	316,487.50	370,000.00	370,000.00	198,613.00	
06509010	6039	90007	GAS	.00	.00	.00	.00	
06509010	6039	90008	GAS	.00	.00	.00	.00	
06509010	6039	90009	GAS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: FLEET FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06509010 6039	90010	GAS	.00	.00	.00	195,000.00	
06509010 6039	90011	GAS	.00	.00	.00	.00	
06509010 6039	90012	GAS	.00	.00	.00	.00	
06509010 6039	90013	GAS	.00	.00	.00	.00	
06509010 6039	90014	GAS	.00	.00	.00	.00	
06509010 6040		NON-CAP EQ	.00	.00	.00	5,000.00	
06509010 6041		UNIFORMS	1,026.24	900.00	900.00	900.00	
06509010 6044		FIELD SUPP	9,792.58	6,500.00	6,500.00	10,500.00	
06509010 6045		MISC OTHER	.00	.00	.00	.00	
06509010 6064		SAFETY	372.22	250.00	250.00	250.00	
TOTAL OPERATIONS & MAINTENAN			562,665.49	663,750.00	663,750.00	729,363.00	
30 CAPITAL OUTLAY							
06509030 9002		MIN ASSETS	.00	.00	.00	.00	
06509030 9020		VEHICLES	.00	.00	.00	.00	
06509030 9020	90001	VEHICLES	.00	.00	.00	85,000.00	
06509030 9020	90002	VEHICLES	.00	45,000.00	45,000.00	25,000.00	
06509030 9020	90003	VEHICLES	.00	30,000.00	30,000.00	449,800.00	
06509030 9020	90004	VEHICLES	.00	34,000.00	34,000.00	26,000.00	
06509030 9020	90005	VEHICLES	.00	26,000.00	26,000.00	26,000.00	
06509030 9020	90006	VEHICLES	.00	12,000.00	12,000.00	43,000.00	
06509030 9021	90004	PATROL VEH	.00	336,000.00	336,000.00	310,000.00	
TOTAL CAPITAL OUTLAY			.00	483,000.00	483,000.00	964,800.00	
TOTAL FLEET FUND			644,258.05	1,221,963.00	1,221,963.00	1,772,119.00	
		GRAND TOTAL	644,258.05	1,221,963.00	1,221,963.00	1,772,119.00	

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DIS - Infrastructure Section - Operations Division
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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 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	0.25	**0.25**	**-**
Office Specialist	-	0.60	**0.60**	**0.60**
Senior Office Assistant	0.60	-	**-**	**-**
Total FTEs	4.10	4.10	**4.10**	**3.85**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 288,429	$ 319,843	**$ 319,843**	**$ 314,948**
O&M	664,927	427,983	**427,983**	**650,281**
Capital	75,573	586,550	**66,550**	**26,250**
Total Expenditures	$ 1,028,928	$ 1,334,376	**$ 814,376**	**$ 991,479**

Does not include non-cash outlays for depreciation

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Federal Grants	$ 7,867	$ -	**$ -**	**$ -**
State Grants	-	450,000	**-**	**-**
Charges for Services	750,460	771,500	**771,500**	**789,300**
Miscellaneous	62,940	-	**23**	**-**
Interest	5,470	500	**1,500**	**1,000**
Total Revenues	$ 826,738	$ 1,222,000	**$ 773,023**	**$ 790,300**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: STORMWATER UTILITY			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10 PERSONNEL							
06077000	5001	REG EMPLOY	215,441.26	234,398.00	234,398.00	228,956.00	
06077000	5002	OT PAY	.00	.00	.00	.00	
06077000	5006	GRP INS	33,106.86	38,084.00	38,084.00	39,082.00	
06077000	5007	SS/MED	15,938.56	17,448.00	17,448.00	17,040.00	
06077000	5009	ASRS CONT	23,111.89	27,050.00	27,050.00	26,559.00	
06077000	5011	WORK COMP	2,558.94	2,759.00	2,759.00	3,207.00	
06077000	5012	OTHER BEN	-1,728.63	104.00	104.00	104.00	
TOTAL PERSONNEL			288,428.88	319,843.00	319,843.00	314,948.00	
20 OPERATIONS & MAINTENANCE							
06077010	6005	PROF SERV	350,633.16	219,493.00	219,493.00	240,068.00	
06077010	6005 78020	PROF SERV	2,342.00	.00	.00	.00	
06077010	6018	VEH R&M	.00	.00	.00	47,000.00	
06077010	6019	EQUIP R&M	632.28	.00	.00	.00	
06077010	6025	RENTALS	.00	1,000.00	1,000.00	500.00	
06077010	6027	FLEET	82,606.08	81,547.00	81,547.00	.00	
06077010	6028	TELECOMM	1,664.01	1,200.00	1,200.00	1,200.00	
06077010	6029	POSTAGE	173.05	500.00	500.00	500.00	
06077010	6030	ADVERTISE	550.19	500.00	500.00	.00	
06077010	6031	PRINTING	716.34	1,000.00	1,000.00	1,000.00	
06077010	6034	TRAVEL	3,615.52	3,600.00	3,600.00	5,000.00	
06077010	6035	MEMBER	5,640.00	6,500.00	6,500.00	6,500.00	
06077010	6037	SUPPLIES	1,428.39	1,000.00	1,000.00	1,000.00	
06077010	6039	GAS	.00	.00	.00	36,000.00	
06077010	6040	NON-CAP EQ	.00	500.00	500.00	500.00	
06077010	6041	UNIFORMS	.00	750.00	750.00	750.00	
06077010	6043	BD DEBT	843.10	1,500.00	1,500.00	750.00	
06077010	6044	FIELD SUPP	3,598.11	6,100.00	6,100.00	9,000.00	
06077010	6044 78020	FIELD SUPP	2,750.04	.00	.00	.00	
06077010	6045	MISC OTHER	96,251.25	3,000.00	3,000.00	.00	
06077010	6046	DEPRECIATE	122,583.80	65,000.00	65,000.00	125,000.00	
06077010	6062	BLUESTAKE	.00	.00	.00	.00	
06077010	6064	SAFETY	.00	500.00	500.00	500.00	
06077010	6097	SFTWR LICS	1,303.62	2,000.00	2,000.00	2,000.00	
06077010	7000	INVST LOSS	.00	.00	.00	.00	
06077010	7003	SW MAINTEN	14,667.38	.00	.00	77,500.00	
TOTAL OPERATIONS & MAINTENAN			691,998.32	395,690.00	395,690.00	554,768.00	
30 CAPITAL OUTLAY							
06077020	9002	MIN ASSETS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: STORMWATER UTILITY			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06077020 9020		VEHICLES	-45,462.10	.00	.00	.00	
06077020 9020	34007	VEHICLES	45,462.10	.00	.00	.00	
06077020 9022		VEHRES-ENT	.00	26,550.00	26,550.00	26,250.00	
06077020 9024		EQUIP	3,547.31	10,000.00	10,000.00	.00	
06077020 9024	34007	EQUIP	.00	.00	.00	.00	
06077020 9036		DRAIN	.00	550,000.00	550,000.00	.00	
TOTAL CAPITAL OUTLAY			3,547.31	586,550.00	586,550.00	26,250.00	
40 OTHER FINANCING USES							
06077050 9053		CAPLSE-PR	.00	95,512.00	95,512.00	218,594.00	
06077050 9054		CAPLSEINT	.00	1,781.00	1,781.00	1,919.00	
06077050 9077		TR TO SRF	.00	.00	.00	.00	
06077050 9078		TR TO DSF	.00	.00	.00	.00	
06077050 9079		TR TO CPF	.00	.00	.00	.00	
06077050 9082		TR TO INT	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES			.00	97,293.00	97,293.00	220,513.00	
TOTAL STORMWATER UTILITY			983,974.51	1,399,376.00	1,399,376.00	1,116,479.00	
		GRAND TOTAL	983,974.51	1,399,376.00	1,399,376.00	1,116,479.00	

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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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Transit Services Administrator	0.50	0.50	**-**	**-**
Transit Services Crew Leader	-	-	**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	15.39	15.39	**16.98**	**16.98**
Office Assistant	0.96	0.96	**0.96**	**0.96**
Total FTEs	19.96	19.96	**23.05**	**23.05**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 715,967	$ 762,075	**$ 772,586**	**$ 884,347**
O&M	351,676	376,000	**403,500**	**589,850**
Capital	18,582	105,500	**56,252**	**42,500**
Total Expenditures	$ 1,086,226	$ 1,243,575	**$ 1,232,338**	**$ 1,516,697**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
RTA Reimbursement	913,863	1,032,000	**1,154,200**	**1,315,000**
State Grants	444	-	**-**	**-**
Fare Box	66,558	54,000	**64,000**	**74,000**
Total Revenues	$ 980,864	$ 1,086,000	**$ 1,218,200**	**$ 1,389,000**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TRANSIT			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00077060	5001	REG EMPLOY	581,054.67	618,484.00	618,484.00	705,279.00	
00077060	5002	OT PAY	1,088.83	.00	.00	2,000.00	
00077060	5006	GRP INS	41,405.75	39,994.00	39,994.00	55,749.00	
00077060	5007	SS/MED	43,457.16	46,697.00	46,697.00	53,282.00	
00077060	5009	ASRS CONT	31,050.87	30,634.00	30,634.00	35,673.00	
00077060	5011	WORK COMP	17,598.03	25,956.00	25,956.00	32,017.00	
00077060	5012	OTHER BEN	312.12	310.00	310.00	347.00	
00077060	5014	UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			715,967.43	762,075.00	762,075.00	884,347.00	
20	OPERATIONS & MAINTENANCE						
00077070	6005	PROF SERV	4,881.97	4,000.00	4,000.00	3,500.00	
00077070	6014	WTR & SEW	.00	.00	.00	.00	
00077070	6018	VEH R&M	.00	.00	.00	185,000.00	
00077070	6019	EQUIP R&M	3,094.71	3,000.00	3,000.00	2,000.00	
00077070	6026	INSURANCE	9,835.15	13,000.00	13,000.00	20,000.00	
00077070	6027	FLEET	310,425.75	299,000.00	299,000.00	.00	
00077070	6028	TELECOMM	5,870.44	6,000.00	6,000.00	7,500.00	
00077070	6029	POSTAGE	34.67	200.00	200.00	150.00	
00077070	6031	PRINTING	2,071.82	2,000.00	2,000.00	1,000.00	
00077070	6034	TRAVEL	578.32	3,000.00	3,000.00	4,000.00	
00077070	6035	MEMBER	.00	500.00	500.00	500.00	
00077070	6037	SUPPLIES	9,850.32	8,000.00	8,000.00	8,000.00	
00077070	6038	GAS & ELEC	.00	200.00	200.00	.00	
00077070	6039	GAS	.00	.00	.00	195,000.00	
00077070	6040	NON-CAP EQ	592.88	.00	.00	.00	
00077070	6041	UNIFORMS	2,956.69	5,700.00	5,700.00	5,000.00	
00077070	6044	FIELD SUPP	1,385.18	900.00	900.00	900.00	
00077070	6064	SAFETY	97.95	500.00	500.00	500.00	
00077070	6100	VEH REPLAC	.00	30,000.00	30,000.00	141,800.00	
00077070	6101	VEH RESERV	.00	.00	.00	15,000.00	
TOTAL OPERATIONS & MAINTENAN			351,675.85	376,000.00	376,000.00	589,850.00	
30	CAPITAL OUTLAY						
00077080	9002	MIN ASSETS	1,814.50	2,500.00	2,500.00	2,500.00	
00077080	9020	VEHICLES	14,016.50	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TRANSIT		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00077080 9023	BUILDINGS	2,751.29	48,000.00	48,000.00	30,000.00	_____
00077080 9024	EQUIP	.00	55,000.00	55,000.00	10,000.00	_____
TOTAL CAPITAL OUTLAY		18,582.29	105,500.00	105,500.00	42,500.00	_____
TOTAL TRANSIT		1,086,225.57	1,243,575.00	1,243,575.00	1,516,697.00	_____
	GRAND TOTAL	1,086,225.57	1,243,575.00	1,243,575.00	1,516,697.00	_____

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Finance

Department 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Finance Director	1.00	1.00	**1.00**	**1.00**
Procurement Administrator	1.00	1.00	**1.00**	**1.00**
Finance Manager	-	-	**-**	**1.00**
Accounting Supervisor	1.00	1.00	**1.00**	**-**
Senior Budget Analyst	-	-	**-**	**1.00**
Budget & Management Analyst	1.00	1.00	**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**	**1.00**
Total FTEs	7.00	7.00	**7.00**	**7.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 589,951	$ 641,542	**$ 628,130**	**$ 639,559**
O&M	98,944	67,700	**67,700**	**67,700**
Capital	1,833	-	**-**	**-**
Total Expenditures	$ 690,728	$ 709,242	**$ 695,830**	**$ 707,259**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Sales Tax Audit Recovery Fees	$ 9,734	$ -	**$ 9,000**	**$ 9,000**
Total Revenues	$ 9,734	$ -	**$ 9,000**	**$ 9,000**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: FINANCE			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00011360	5001	REG EMPLOY	125,582.60	493,531.00	493,531.00	491,679.00	
00011360	5006	GRP INS	7,121.24	52,586.00	52,586.00	52,350.00	
00011360	5007	SS/MED	8,839.51	37,226.00	37,226.00	37,129.00	
00011360	5009	ASRS CONT	13,989.82	56,953.00	56,953.00	57,035.00	
00011360	5011	WORK COMP	240.73	1,003.00	1,003.00	1,123.00	
00011360	5012	OTHER BEN	242.76	243.00	243.00	243.00	
00011360	5014	UNEMPLOYME	.00	.00	.00	.00	
00011390	5001	REG EMPLOY	166,930.00	.00	.00	.00	
00011390	5006	GRP INS	21,246.04	.00	.00	.00	
00011390	5007	SS/MED	12,535.99	.00	.00	.00	
00011390	5009	ASRS CONT	17,892.70	.00	.00	.00	
00011390	5011	WORK COMP	326.79	.00	.00	.00	
00011390	5012	OTHER BEN	.00	.00	.00	.00	
00011420	5001	REG EMPLOY	72,820.59	.00	.00	.00	
00011420	5006	GRP INS	16,469.93	.00	.00	.00	
00011420	5007	SS/MED	5,257.78	.00	.00	.00	
00011420	5009	ASRS CONT	8,052.45	.00	.00	.00	
00011420	5011	WORK COMP	227.41	.00	.00	.00	
00011420	5012	OTHER BEN	.00	.00	.00	.00	
00011630	5001	REG EMPLOY	88,739.00	.00	.00	.00	
00011630	5006	GRP INS	6,657.25	.00	.00	.00	
00011630	5007	SS/MED	6,718.60	.00	.00	.00	
00011630	5009	ASRS CONT	9,885.46	.00	.00	.00	
00011630	5011	WORK COMP	174.15	.00	.00	.00	
00011630	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			589,950.80	641,542.00	641,542.00	639,559.00	
20	OPERATIONS & MAINTENANCE						
00011370	6001	CONT SERVS	.00	.00	.00	.00	
00011370	6005	PROF SERV	.00	42,000.00	42,000.00	40,000.00	
00011370	6019	EQUIP R&M	.00	.00	.00	.00	
00011370	6028	TELECOMM	1,560.00	1,700.00	1,700.00	1,700.00	
00011370	6029	POSTAGE	2,245.29	3,000.00	3,000.00	3,000.00	
00011370	6031	PRINTING	.00	5,300.00	5,300.00	6,300.00	
00011370	6034	TRAVEL	2,716.27	9,200.00	9,200.00	10,200.00	
00011370	6035	MEMBER	585.00	2,500.00	2,500.00	2,500.00	
00011370	6037	SUPPLIES	1,753.22	2,500.00	2,500.00	2,500.00	
00011370	6040	NON-CAP EQ	.00	1,000.00	1,000.00	1,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: FINANCE		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011370 6045	MISC OTHER	496.98	500.00	500.00	500.00	
00011370 6097	SFTWR LICS	.00	.00	.00	.00	
00011400 6001	CONT SERVS	.00	.00	.00	.00	
00011400 6005	PROF SERV	76,697.00	.00	.00	.00	
00011400 6019	EQUIP R&M	.00	.00	.00	.00	
00011400 6029	POSTAGE	.00	.00	.00	.00	
00011400 6031	PRINTING	1,948.71	.00	.00	.00	
00011400 6034	TRAVEL	574.00	.00	.00	.00	
00011400 6035	MEMBER	631.87	.00	.00	.00	
00011400 6037	SUPPLIES	892.14	.00	.00	.00	
00011400 6040	NON-CAP EQ	.00	.00	.00	.00	
00011400 6045	MISC OTHER	.00	.00	.00	.00	
00011400 6097	SFTWR LICS	.00	.00	.00	.00	
00011430 6005	PROF SERV	.00	.00	.00	.00	
00011430 6019	EQUIP R&M	.00	.00	.00	.00	
00011430 6029	POSTAGE	.00	.00	.00	.00	
00011430 6031	PRINTING	5,837.02	.00	.00	.00	
00011430 6034	TRAVEL	195.00	.00	.00	.00	
00011430 6035	MEMBER	.00	.00	.00	.00	
00011430 6037	SUPPLIES	.00	.00	.00	.00	
00011430 6040	NON-CAP EQ	.00	.00	.00	.00	
00011430 6045	MISC OTHER	.00	.00	.00	.00	
00011640 6001	CONT SERVS	.00	.00	.00	.00	
00011640 6005	PROF SERV	.00	.00	.00	.00	
00011640 6019	EQUIP R&M	.00	.00	.00	.00	
00011640 6028	TELECOMM	.00	.00	.00	.00	
00011640 6029	POSTAGE	.00	.00	.00	.00	
00011640 6031	PRINTING	.00	.00	.00	.00	
00011640 6034	TRAVEL	1,896.49	.00	.00	.00	
00011640 6035	MEMBER	915.00	.00	.00	.00	
00011640 6037	SUPPLIES	.00	.00	.00	.00	
00011640 6040	NON-CAP EQ	.00	.00	.00	.00	
00011640 6045	MISC OTHER	.00	.00	.00	.00	
00011640 6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		98,943.99	67,700.00	67,700.00	67,700.00	
30	CAPITAL OUTLAY					
00011380 9002	MIN ASSETS	.00	.00	.00	.00	
00011380 9024	EQUIP	.00	.00	.00	.00	
00011410 9002	MIN ASSETS	1,832.95	.00	.00	.00	
00011410 9024	EQUIP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: FINANCE		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011440 9002	MIN ASSETS	.00	.00	.00	.00	_____
00011440 9024	EQUIP	.00	.00	.00	.00	_____
00011650 9002	MIN ASSETS	.00	.00	.00	.00	_____
00011650 9024	EQUIP	.00	.00	.00	.00	_____
TOTAL CAPITAL OUTLAY		1,832.95	.00	.00	.00	_____
TOTAL FINANCE		690,727.74	709,242.00	709,242.00	707,259.00	_____
	GRAND TOTAL	690,727.74	709,242.00	709,242.00	707,259.00	_____

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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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 1,766,764	$ 1,760,729	**$ 1,760,729**	**$ 1,837,600**
Capital	77,948	80,000	**80,000**	**30,000**
Use of Contingency (TEP undergrounding)	-	-	**970,000**	**-**
Transfers Out	1,345,324	1,762,729	**3,262,729**	**2,700,965**
Total Expenditures	$ 3,190,037	$ 3,603,458	**$ 6,073,458**	**$ 4,568,565**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: GENERAL ADMINISTRATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20	OPERATIONS & MAINTENANCE						
00011590 6005		PROF SERV	30,469.49	83,300.00	83,300.00	41,800.00	
00011590 6005	15010	PROF SERV	.00	.00	.00	75,000.00	
00011590 6008		ORGSS	.00	.00	.00	.00	
00011590 6013		CUS PRISON	114,004.65	150,000.00	150,000.00	140,000.00	
00011590 6014		WTR & SEW	5,275.86	7,000.00	7,000.00	7,000.00	
00011590 6015		WASTE DISP	2,772.20	3,200.00	3,200.00	3,200.00	
00011590 6018		VEH R&M	.00	.00	.00	2,000.00	
00011590 6019		EQUIP R&M	5,636.27	8,000.00	8,000.00	5,000.00	
00011590 6020		BLDG R&M	.00	.00	.00	.00	
00011590 6025		RENTALS	3,348.61	2,900.00	2,900.00	3,000.00	
00011590 6026		INSURANCE	266,248.41	140,000.00	140,000.00	169,000.00	
00011590 6027		FLEET	81,703.23	5,829.00	5,829.00	.00	
00011590 6029		POSTAGE	.00	.00	.00	.00	
00011590 6031		PRINTING	.00	10,000.00	10,000.00	10,000.00	
00011590 6034		TRAVEL	3,192.73	5,000.00	5,000.00	5,000.00	
00011590 6035		MEMBER	3,458.13	500.00	500.00	500.00	
00011590 6037		SUPPLIES	6,972.04	4,000.00	4,000.00	11,000.00	
00011590 6038		GAS & ELEC	27,159.98	40,000.00	40,000.00	40,000.00	
00011590 6039		GAS	.00	.00	.00	3,000.00	
00011590 6045		MISC OTHER	29,425.36	19,000.00	19,000.00	1,000.00	
00011590 6050		ANNEX	1,728.00	20,000.00	20,000.00	20,000.00	
00011590 6064		SAFETY	.00	.00	.00	.00	
00011590 6078		HOLI PRTY	4,994.35	.00	.00	.00	
00011590 6098		FUND OUT	.00	.00	.00	.00	
00011590 6100		VEH REPLAC	.00	26,000.00	26,000.00	26,000.00	
00011590 6101		VEH RESERV	.00	.00	.00	2,500.00	
00011590 7000		INVST LOSS	.00	.00	.00	.00	
00011590 7001	15001	TAX REBATE	366,713.00	393,000.00	393,000.00	410,000.00	
00011590 7001	15002	TAX REBATE	45,563.00	48,000.00	48,000.00	50,000.00	
00011590 7001	15004	TAX REBATE	765,349.00	795,000.00	795,000.00	810,000.00	
00011590 7001	19001	TAX REBATE	.00	.00	.00	.00	
00011590 7004		FINGER PRI	2,750.00	.00	.00	2,600.00	
00011590 7005		VMSREBATE	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			1,766,764.31	1,760,729.00	1,760,729.00	1,837,600.00	
30	CAPITAL OUTLAY						
00011600 9002		MIN ASSETS	3,714.76	.00	.00	.00	
00011600 9002	55201	MIN ASSETS	12,981.82	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: GENERAL ADMINISTRATION		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011600 9020	VEHICLES	.00	.00	.00	.00	
00011600 9023	BUILDINGS	.00	.00	.00	.00	
00011600 9024	EQUIP	61,251.65	80,000.00	80,000.00	30,000.00	
TOTAL CAPITAL OUTLAY		77,948.23	80,000.00	80,000.00	30,000.00	
40 OTHER FINANCING USES						
00011610 9053	CAPLSE-PR	.00	.00	.00	.00	
00011610 9054	CAPLSEINT	.00	.00	.00	.00	
00011610 9077	TR TO SRT	.00	.00	.00	.00	
00011610 9078	TR TO DSF	135,324.00	162,729.00	162,729.00	160,965.00	
00011610 9079	TR TO CPF	910,000.00	.00	1,600,000.00	2,540,000.00	
00011610 9081	TR TO ENT	.00	.00	.00	.00	
00011610 9082	TR TO INT	300,000.00	.00	.00	.00	
TOTAL OTHER FINANCING USES		1,345,324.00	162,729.00	1,762,729.00	2,700,965.00	
TOTAL GENERAL ADMINISTRATION		3,190,036.54	2,003,458.00	3,603,458.00	4,568,565.00	
	GRAND TOTAL	3,190,036.54	2,003,458.00	3,603,458.00	4,568,565.00	

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Human Resources

Department 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Human Resource Director	1.00	1.00	**1.00**	**1.00**
Employee & Org. Dev. Analyst	1.00	1.00	**-**	**-**
Human Resource Analyst	-	-	**-**	**2.00**
Human Resource Specialist	2.00	2.00	**2.00**	**-**
Safety & Risk Manager	1.00	1.00	**-**	**-**
Office Specialist	-	-	**0.50**	**0.50**
Total FTEs	5.00	5.00	**3.50**	**3.50**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 393,997	$ 424,091	**$ 372,317**	**$ 264,735**
O&M	47,268	99,730	**98,890**	**80,690**
Capital	-	-	**-**	**-**
Total Expenditures	$ 441,266	$ 523,821	**$ 471,207**	**$ 345,425**

REVENUES BY FUNDING SOURCE

Funded 100% with General Fund revenues

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HUMAN RESOURCES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00011240	5001	REG EMPLOY	135,444.20	321,336.00	321,336.00	194,303.00	
00011240	5002	OT PAY	.00	.00	.00	.00	
00011240	5006	GRP INS	17,015.70	40,718.00	40,718.00	32,859.00	
00011240	5007	SS/MED	10,031.64	24,129.00	24,129.00	14,486.00	
00011240	5009	ASRS CONT	14,703.95	37,082.00	37,082.00	22,539.00	
00011240	5011	WORK COMP	327.81	653.00	653.00	444.00	
00011240	5012	OTHER BEN	164.73	173.00	173.00	104.00	
00011270	5001	REG EMPLOY	82,014.70	.00	.00	.00	
00011270	5002	OT PAY	.00	.00	.00	.00	
00011270	5006	GRP INS	14,496.99	.00	.00	.00	
00011270	5007	SS/MED	6,026.37	.00	.00	.00	
00011270	5009	ASRS CONT	9,136.77	.00	.00	.00	
00011270	5011	WORK COMP	160.82	.00	.00	.00	
00011270	5012	OTHER BEN	.00	.00	.00	.00	
00011300	5001	REG EMPLOY	80,434.12	.00	.00	.00	
00011300	5002	OT PAY	.00	.00	.00	.00	
00011300	5006	GRP INS	9,009.28	.00	.00	.00	
00011300	5007	SS/MED	5,912.17	.00	.00	.00	
00011300	5009	ASRS CONT	8,960.14	.00	.00	.00	
00011300	5011	WORK COMP	157.76	.00	.00	.00	
00011300	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			393,997.15	424,091.00	424,091.00	264,735.00	
20	OPERATIONS & MAINTENANCE						
00011250	6001	CONT SERVS	.00	500.00	500.00	.00	
00011250	6005	PROF SERV	746.86	30,000.00	30,000.00	12,000.00	
00011250	6019	EQUIP R&M	.00	.00	.00	.00	
00011250	6027	FLEET	.00	.00	.00	.00	
00011250	6028	TELECOMM	1,495.00	2,340.00	2,340.00	800.00	
00011250	6029	POSTAGE	222.07	500.00	500.00	300.00	
00011250	6031	PRINTING	.00	800.00	800.00	500.00	
00011250	6034	TRAVEL	5,438.90	7,400.00	7,400.00	7,400.00	
00011250	6035	MEMBER	702.87	1,690.00	1,690.00	1,690.00	
00011250	6037	SUPPLIES	5,117.81	3,500.00	3,500.00	3,000.00	
00011250	6040	NON-CAP EQ	.00	.00	.00	.00	
00011250	6045	MISC OTHER	.00	.00	.00	.00	
00011250	6065	ADV-RECRUI	.00	10,000.00	10,000.00	12,000.00	
00011250	6076	AWARDS	70.59	13,000.00	13,000.00	13,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: HUMAN RESOURCES		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011250 6078	HOLI PRTY	.00	5,000.00	5,000.00	5,000.00	
00011250 6080	SP FUNC	60.00	.00	.00	.00	
00011250 6096	TUITION	14,373.98	25,000.00	25,000.00	25,000.00	
00011280 6029	POSTAGE	.00	.00	.00	.00	
00011280 6031	PRINTING	.00	.00	.00	.00	
00011280 6034	TRAVEL	43.34	.00	.00	.00	
00011280 6035	MEMBER	275.00	.00	.00	.00	
00011280 6037	SUPPLIES	.00	.00	.00	.00	
00011280 6040	NON-CAP EQ	.00	.00	.00	.00	
00011280 6065	ADV-RECRUI	9,572.49	.00	.00	.00	
00011280 6076	AWARDS	6,064.69	.00	.00	.00	
00011310 6028	TELECOMM	780.00	.00	.00	.00	
00011310 6029	POSTAGE	6.20	.00	.00	.00	
00011310 6031	PRINTING	.00	.00	.00	.00	
00011310 6034	TRAVEL	1,254.71	.00	.00	.00	
00011310 6035	MEMBER	1,000.00	.00	.00	.00	
00011310 6037	SUPPLIES	13.07	.00	.00	.00	
00011310 6040	NON-CAP EQ	.00	.00	.00	.00	
00011310 6076	AWARDS	30.81	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		47,268.39	99,730.00	99,730.00	80,690.00	
30 CAPITAL OUTLAY						
00011260 9002	MIN ASSETS	.00	.00	.00	.00	
00011260 9024	EQUIP	.00	.00	.00	.00	
00011290 9002	MIN ASSETS	.00	.00	.00	.00	
00011320 9002	MIN ASSETS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
TOTAL HUMAN RESOURCES		441,265.54	523,821.00	523,821.00	345,425.00	
	GRAND TOTAL	441,265.54	523,821.00	523,821.00	345,425.00	

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Information Technology

Department Overview

The mission of the Information Technology (IT) Department is to effectively deploy and manage information services and telecommunications technologies and to assist Town departments individually and collectively in achieving their business goals.

PERSONNEL

FY 2013 Actual	6.50
FY 2014 Budget	6.50
FY 2014 Projected	**6.50**
FY 2015 Budget	**7.00**

EXPENDITURES BY PROGRAM AREA

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Administration	$ 410,337	$ 600,184	**$ 627,252**	**$ 486,711**
GIS Services	122,853	132,091	**132,091**	**175,392**
Technical Services	330,629	330,354	**313,200**	**361,536**
Business Applications & Development	176,533	180,594	**170,680**	**185,545**
Telecommunications	160,362	238,950	**238,950**	**188,950**
Total Expenditures	$ 1,200,714	$ 1,482,173	**$ 1,482,173**	**$ 1,398,134**

REVENUES BY FUNDING SOURCE

Funded 100% with General Fund revenues

Administration Program Overview

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

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
IT Director	1.00	1.00	**1.00**	**1.00**
Total FTEs	1.00	1.00	**1.00**	**1.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 141,077	$ 129,145	**$ 129,145**	**$ 132,516**
O&M	269,260	321,039	**348,107**	**354,195**
Capital	-	150,000	**150,000**	**-**
Total Expenditures	$ 410,337	$ 600,184	**$ 627,252**	**$ 486,711**

GIS Services Program 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
GIS Analyst	1.50	1.50	**1.50**	**1.00**
Senior GIS Specialist	-	-	**-**	**1.00**
Total FTEs	1.50	1.50	**1.50**	**2.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 118,641	$ 121,441	**$ 121,441**	**$ 163,742**
O&M	4,212	10,650	**10,650**	**11,650**
Total Expenditures	$ 122,853	$ 132,091	**$ 132,091**	**$ 175,392**

Technical Services Program Overview

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

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 157,835	$ 163,904	**$ 146,750**	**$ 142,086**
O&M	53,723	40,050	**40,050**	**44,550**
Capital	119,070	126,400	**126,400**	**174,900**
Total Expenditures	$ 330,629	$ 330,354	**$ 313,200**	**$ 361,536**

Business Application & Development Program 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 160,912	$ 168,344	**$ 158,430**	**$ 167,595**
O&M	15,621	12,250	**12,250**	**17,950**
Capital	-	-	**-**	**-**
Total Expenditures	$ 176,533	$ 180,594	**$ 170,680**	**$ 185,545**

Telecommunications Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 160,362	$ 188,950	**$ 188,950**	**$ 188,950**
Capital	-	50,000	**50,000**	**-**
Total Expenditures	$ 160,362	$ 238,950	**$ 238,950**	**$ 188,950**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: INFORMATION TECHNOLOGY			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
101	ADMINISTRATION						
10	PERSONNEL						
00011450	5001	REG EMPLOY	111,859.96	98,539.00	98,539.00	104,853.00	
00011450	5006	GRP INS	11,208.54	11,419.00	11,419.00	7,037.00	
00011450	5007	SS/MED	8,224.71	7,373.00	7,373.00	7,963.00	
00011450	5009	ASRS CONT	9,354.79	11,371.00	11,371.00	12,163.00	
00011450	5011	WORK COMP	186.44	200.00	200.00	240.00	
00011450	5012	OTHER BEN	242.76	243.00	243.00	260.00	
TOTAL PERSONNEL			141,077.20	129,145.00	129,145.00	132,516.00	
20	OPERATIONS & MAINTENANCE						
00011460	6005	PROF SERV	19,040.00	.00	.00	.00	
00011460	6019	EQUIP R&M	.00	.00	.00	.00	
00011460	6029	POSTAGE	33.11	200.00	200.00	200.00	
00011460	6034	TRAVEL	558.06	4,000.00	4,000.00	4,000.00	
00011460	6035	MEMBER	1,150.26	2,420.00	2,420.00	2,420.00	
00011460	6037	SUPPLIES	353.62	1,000.00	1,000.00	2,800.00	
00011460	6040	NON-CAP EQ	.00	.00	.00	.00	
00011460	6097	SFTWR LICS	248,124.94	313,419.00	313,419.00	344,775.00	
TOTAL OPERATIONS & MAINTENAN			269,259.99	321,039.00	321,039.00	354,195.00	
30	CAPITAL OUTLAY						
00011470	9002	MIN ASSETS	.00	.00	.00	.00	
00011470	9024	EQUIP	.00	150,000.00	150,000.00	.00	
TOTAL CAPITAL OUTLAY			.00	150,000.00	150,000.00	.00	
TOTAL ADMINISTRATION			410,337.19	600,184.00	600,184.00	486,711.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: INFORMATION TECHNOLOGY			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
171	INFO TECHNOLOGY-GIS						
10	PERSONNEL						
00011480	5001	REG EMPLOY	90,748.86	93,473.00	93,473.00	123,149.00	
00011480	5006	GRP INS	10,842.55	9,923.00	9,923.00	16,783.00	
00011480	5007	SS/MED	6,767.19	7,068.00	7,068.00	9,244.00	
00011480	5009	ASRS CONT	10,104.44	10,787.00	10,787.00	14,285.00	
00011480	5011	WORK COMP	178.25	190.00	190.00	281.00	
00011480	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			118,641.29	121,441.00	121,441.00	163,742.00	
20	OPERATIONS & MAINTENANCE						
00011490	6005	PROF SERV	.00	4,200.00	4,200.00	.00	
00011490	6019	EQUIP R&M	.00	.00	.00	.00	
00011490	6029	POSTAGE	.46	.00	.00	.00	
00011490	6034	TRAVEL	1,652.30	4,000.00	4,000.00	9,200.00	
00011490	6035	MEMBER	175.00	450.00	450.00	450.00	
00011490	6037	SUPPLIES	2,383.89	2,000.00	2,000.00	2,000.00	
00011490	6040	NON-CAP EQ	.00	.00	.00	.00	
00011490	6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			4,211.65	10,650.00	10,650.00	11,650.00	
30	CAPITAL OUTLAY						
00011500	9002	MIN ASSETS	.00	.00	.00	.00	
00011500	9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
TOTAL INFO TECHNOLOGY-GIS			122,852.94	132,091.00	132,091.00	175,392.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: INFORMATION TECHNOLOGY				2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
172	INFO TECHNOLOGY-TECHNICAL SERV							
10	PERSONNEL							
00011510	5001		REG EMPLOY	117,972.96	121,329.00	121,329.00	108,410.00	
00011510	5002		OT PAY	.00	.00	.00	.00	
00011510	5002	16114	OT PAY	.00	.00	.00	.00	
00011510	5002	16301	OT PAY	.00	.00	.00	.00	
00011510	5002	16710	OT PAY	.00	.00	.00	.00	
00011510	5004		HOLPAY	.00	.00	.00	.00	
00011510	5005		UNIFORM	.00	.00	.00	.00	
00011510	5006		GRP INS	17,723.43	19,298.00	19,298.00	12,652.00	
00011510	5006	16114	GRP INS	.00	.00	.00	.00	
00011510	5006	16710	GRP INS	.00	.00	.00	.00	
00011510	5007		SS/MED	8,764.72	9,030.00	9,030.00	8,200.00	
00011510	5007	16114	SS/MED	.00	.00	.00	.00	
00011510	5007	16301	SS/MED	.00	.00	.00	.00	
00011510	5007	16710	SS/MED	.00	.00	.00	.00	
00011510	5008		APSRS CONT	.00	.00	.00	.00	
00011510	5008	16114	APSRS CONT	.00	.00	.00	.00	
00011510	5008	16301	APSRS CONT	.00	.00	.00	.00	
00011510	5008	16710	APSRS CONT	.00	.00	.00	.00	
00011510	5009		ASRS CONT	13,142.22	14,001.00	14,001.00	12,576.00	
00011510	5011		WORK COMP	231.52	246.00	246.00	248.00	
00011510	5012		OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL				157,834.85	163,904.00	163,904.00	142,086.00	
20	OPERATIONS & MAINTENANCE							
00011520	6005		PROF SERV	4,289.00	1,800.00	1,800.00	1,800.00	
00011520	6019		EQUIP R&M	45,499.57	29,000.00	29,000.00	24,000.00	
00011520	6028		TELECOMM	.00	.00	.00	.00	
00011520	6029		POSTAGE	.00	.00	.00	.00	
00011520	6034		TRAVEL	3,367.18	7,000.00	7,000.00	6,500.00	
00011520	6035		MEMBER	.00	250.00	250.00	250.00	
00011520	6037		SUPPLIES	.00	.00	.00	.00	
00011520	6040		NON-CAP EQ	567.74	2,000.00	2,000.00	12,000.00	
00011520	6041		UNIFORMS	.00	.00	.00	.00	
00011520	6097		SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN				53,723.49	40,050.00	40,050.00	44,550.00	
30	CAPITAL OUTLAY							
00011530	9002		MIN ASSETS	.00	.00	.00	9,900.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: INFORMATION TECHNOLOGY	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011530 9002 34007 MIN ASSETS	31,708.19	72,000.00	72,000.00	65,000.00	_____
00011530 9024 EQUIP	.00	12,400.00	12,400.00	.00	_____
00011530 9024 34007 EQUIP	87,362.24	42,000.00	42,000.00	100,000.00	_____
TOTAL CAPITAL OUTLAY	119,070.43	126,400.00	126,400.00	174,900.00	_____
TOTAL INFO TECHNOLOGY-TECHNI	330,628.77	330,354.00	330,354.00	361,536.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: INFORMATION TECHNOLOGY			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
173	INFO TECH-BUS APPL & DEVELOP						
10	PERSONNEL						
00011540	5001	REG EMPLOY	128,229.28	133,840.00	133,840.00	133,672.00	
00011540	5006	GRP INS	8,658.17	8,548.00	8,548.00	7,886.00	
00011540	5007	SS/MED	9,487.79	10,239.00	10,239.00	10,226.00	
00011540	5009	ASRS CONT	14,284.81	15,445.00	15,445.00	15,506.00	
00011540	5011	WORK COMP	252.00	272.00	272.00	305.00	
00011540	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			160,912.05	168,344.00	168,344.00	167,595.00	
20	OPERATIONS & MAINTENANCE						
00011550	6005	PROF SERV	9,311.00	5,000.00	5,000.00	5,000.00	
00011550	6019	EQUIP R&M	.00	.00	.00	.00	
00011550	6029	POSTAGE	.00	.00	.00	.00	
00011550	6034	TRAVEL	6,060.01	7,000.00	7,000.00	12,700.00	
00011550	6035	MEMBER	249.50	250.00	250.00	250.00	
00011550	6037	SUPPLIES	.00	.00	.00	.00	
00011550	6040	NON-CAP EQ	.00	.00	.00	.00	
00011550	6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			15,620.51	12,250.00	12,250.00	17,950.00	
30	CAPITAL OUTLAY						
00011560	9002	MIN ASSETS	.00	.00	.00	.00	
00011560	9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
TOTAL INFO TECH-BUS APPL & D			176,532.56	180,594.00	180,594.00	185,545.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: INFORMATION TECHNOLOGY			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
174	INFO TECHNOLOGY-TELECOMMUNICAT						
20	OPERATIONS & MAINTENANCE						
00011570	6005	PROF SERV	.00	.00	.00	.00	
00011570	6019	EQUIP R&M	34,443.66	36,000.00	36,000.00	36,000.00	
00011570	6028	TELECOMM	125,918.41	152,950.00	152,950.00	152,950.00	
00011570	6029	POSTAGE	.00	.00	.00	.00	
00011570	6037	SUPPLIES	.00	.00	.00	.00	
00011570	6040	NON-CAP EQ	.00	.00	.00	.00	
00011570	6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			160,362.07	188,950.00	188,950.00	188,950.00	
30	CAPITAL OUTLAY						
00011580	9002	MIN ASSETS	.00	.00	.00	.00	
00011580	9024	EQUIP	.00	50,000.00	50,000.00	.00	
TOTAL CAPITAL OUTLAY			.00	50,000.00	50,000.00	.00	
TOTAL INFO TECHNOLOGY-TELECO			160,362.07	238,950.00	238,950.00	188,950.00	
TOTAL INFORMATION TECHNOLOGY			1,200,713.53	1,482,173.00	1,482,173.00	1,398,134.00	
		GRAND TOTAL	1,200,713.53	1,482,173.00	1,482,173.00	1,398,134.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Legal

Department Overview

The Legal Department is organized into two divisions, Civil and Prosecution. The Legal Department provides two different, but equally important, types of legal services to the Town: handling civil matters for the Mayor and Council, Town Manager and Town Departments; and prosecuting misdemeanor crimes and traffic violations within the town.

PERSONNEL

FY 2013 Actual	6.00
FY 2014 Budget	6.00
FY 2014 Projected	**6.00**
FY 2015 Budget	**6.00**

EXPENDITURES BY PROGRAM AREA

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Civil	$ 279,959	$ 372,398	**$ 312,398**	**$ 376,297**
Prosecution	399,447	431,946	**416,946**	**344,877**
Total Expenditures	$ 679,406	$ 804,344	**$ 729,344**	**$ 721,174**

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
State Grants	$ -	$ 15,000	**$ -**	**$ 5,000**
Total Revenues	$ -	$ 15,000	**$ -**	**$ 5,000**

Civil Program Overview

The Civil Division is analogous to the General Counsel's office of a corporation. The Town itself is the client, with the Council and Manager the primary "control group." They set the overall direction of legal services in accordance with goals and objectives set by the Council as the governing board and the Manager as Council's chief administrative officer.

The division drafts and/or reviews all Town contracts, resolutions and ordinances, policies and procedures; advises officials and employees about regulatory compliance and risk management issues associated with the matter for which they are responsible; advises officials and employees and assists them in complying with administrative requirements such as open meeting, public records and conflict of interest laws. The Civil Division handles code enforcement matters and a variety of negotiations arising out of contract and litigation matters.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Legal Services Director	-	-	**-**	**0.50**
Chief Civil Deputy Attorney	1.00	1.00	**1.00**	**1.00**
Paralegal I	1.00	1.00	**1.00**	**1.00**
Total FTEs	2.00	2.00	**2.00**	**2.50**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 250,812	$ 168,698	**$ 168,698**	**$ 251,597**
O&M	29,147	203,700	**143,700**	**124,700**
Capital	-	-	**-**	**-**
Total Expenditures	$ 279,959	$ 372,398	**$ 312,398**	**$ 376,297**

Prosecution Program Overview

The Prosecution Division prosecutes or otherwise handles misdemeanor crimes and traffic violations within the town.

The Prosecution Division also provides legal advice and training to the Oro Valley Police Department in handling criminal investigations of matters that will be prosecuted by the County or Arizona Attorney General.

The Prosecution Division handles Rule 11 mental health hearings at Superior Court for those persons charged with criminal offenses.

The Prosecution Division provides Victim Services under the Arizona Constitution.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Town Prosecutor	1.00	-	**-**	**-**
Legal Services Director	-	1.00	**1.00**	**0.50**
Assistant Town Prosecutor	1.00	1.00	**1.00**	**1.00**
Senior Paralegal	1.00	1.00	**1.00**	**1.00**
Legal Secretary	1.00	1.00	**1.00**	**1.00**
Total FTEs	4.00	4.00	**4.00**	**3.50**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 378,733	$ 386,496	**$ 386,496**	**$ 310,127**
O&M	20,714	30,450	**30,450**	**29,750**
Capital	-	15,000	**-**	**5,000**
Total Expenditures	$ 399,447	$ 431,946	**$ 416,946**	**$ 344,877**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: LEGAL			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
211	LEGAL-CIVIL DIVISION						
10	PERSONNEL						
00022000	5001	REG EMPLOY	204,334.16	133,828.00	133,828.00	198,283.00	
00022000	5006	GRP INS	9,456.94	8,735.00	8,735.00	14,615.00	
00022000	5007	SS/MED	15,532.40	10,233.00	10,233.00	15,075.00	
00022000	5009	ASRS CONT	20,796.03	15,444.00	15,444.00	23,001.00	
00022000	5011	WORK COMP	449.71	250.00	250.00	415.00	
00022000	5012	OTHER BEN	242.76	208.00	208.00	208.00	
00022000	5014	UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			250,812.00	168,698.00	168,698.00	251,597.00	
20	OPERATIONS & MAINTENANCE						
00022010	6005	PROF SERV	9,931.91	180,000.00	180,000.00	100,000.00	
00022010	6019	EQUIP R&M	2,078.30	3,000.00	3,000.00	3,000.00	
00022010	6028	TELECOMM	180.00	.00	.00	.00	
00022010	6029	POSTAGE	1,450.28	1,000.00	1,000.00	2,000.00	
00022010	6031	PRINTING	193.16	700.00	700.00	700.00	
00022010	6034	TRAVEL	635.48	2,000.00	2,000.00	1,500.00	
00022010	6035	MEMBER	12,016.68	15,000.00	15,000.00	15,000.00	
00022010	6037	SUPPLIES	2,661.42	2,000.00	2,000.00	2,500.00	
00022010	6040	NON-CAP EQ	.00	.00	.00	.00	
00022010	6047	OFF LEASE	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			29,147.23	203,700.00	203,700.00	124,700.00	
30	CAPITAL OUTLAY						
00022020	9002	MIN ASSETS	.00	.00	.00	.00	
00022020	9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
TOTAL LEGAL-CIVIL DIVISION			279,959.23	372,398.00	372,398.00	376,297.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: LEGAL			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
212	LEGAL-PROSECUTION DIVISION						
10	PERSONNEL						
00022030	5001	REG EMPLOY	292,562.84	298,269.00	298,269.00	237,538.00	
00022030	5006	GRP INS	31,328.32	30,756.00	30,756.00	26,625.00	
00022030	5007	SS/MED	21,820.30	22,495.00	22,495.00	17,913.00	
00022030	5009	ASRS CONT	32,591.84	34,420.00	34,420.00	27,554.00	
00022030	5011	WORK COMP	429.23	556.00	556.00	497.00	
00022030	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			378,732.53	386,496.00	386,496.00	310,127.00	
20	OPERATIONS & MAINTENANCE						
00022040	6005	PROF SERV	2,125.00	3,000.00	3,000.00	3,000.00	
00022040	6019	EQUIP R&M	2,078.30	4,400.00	4,400.00	4,000.00	
00022040	6028	TELECOMM	.00	.00	.00	.00	
00022040	6029	POSTAGE	633.39	1,200.00	1,200.00	1,000.00	
00022040	6031	PRINTING	.00	2,000.00	2,000.00	2,000.00	
00022040	6034	TRAVEL	818.67	2,000.00	2,000.00	1,500.00	
00022040	6035	MEMBER	12,569.63	15,000.00	15,000.00	15,000.00	
00022040	6037	SUPPLIES	2,351.37	2,600.00	2,600.00	3,000.00	
00022040	6040	NON-CAP EQ	137.71	250.00	250.00	250.00	
00022040	6047	OFF LEASE	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			20,714.07	30,450.00	30,450.00	29,750.00	
30	CAPITAL OUTLAY						
00022050	9002	MIN ASSETS	.00	.00	.00	.00	
00022050	9023	BUILDINGS	.00	.00	.00	.00	
00022050	9024	EQUIP	.00	15,000.00	15,000.00	5,000.00	
TOTAL CAPITAL OUTLAY			.00	15,000.00	15,000.00	5,000.00	
TOTAL LEGAL-PROSECUTION DIVI			399,446.60	431,946.00	431,946.00	344,877.00	
TOTAL LEGAL			679,405.83	804,344.00	804,344.00	721,174.00	
		GRAND TOTAL	679,405.83	804,344.00	804,344.00	721,174.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Magistrate Court

Department Overview

Services rendered by Magistrate Court include the processing and adjudication of all cases filed in the Court, including the trial or other disposition of misdemeanor criminal cases, criminal traffic cases, Town code violations and civil traffic cases; collection of fines, surcharges, restitution and other fees; issuing injunctions against harassment and domestic violence orders of protection, 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 and guided by statutes enacted by the Arizona Legislature.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 590,635	$ 636,520	**$ 632,058**	**$ 624,380**
O&M	102,372	124,910	**124,910**	**133,840**
Total Expenditures	$ 693,007	$ 761,430	**$ 756,968**	**$ 758,220**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Court Costs	$ 184,108	$ 200,000	**$ 190,000**	**$ 190,000**
Public Defender Fees	2,921	4,000	**2,500**	**2,500**
Fines	180,875	190,000	**180,000**	**180,000**
Total Revenues	$ 367,905	$ 394,000	**$ 372,500**	**$ 372,500**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: MAGISTRATE COURT			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10 PERSONNEL							
00066000	5001		REG EMPLOY	430,623.26	476,930.00	476,930.00	457,197.00	
00066000	5002		OT PAY	20,229.95	10,000.00	10,000.00	6,000.00	
00066000	5002	10814	OT PAY	.00	.00	.00	.00	
00066000	5002	24710	OT PAY	.00	.00	.00	.00	
00066000	5005		UNIFORM	1,200.00	1,200.00	1,200.00	1,200.00	
00066000	5006		GRP INS	50,845.64	54,100.00	54,100.00	65,821.00	
00066000	5006	10814	GRP INS	.00	.00	.00	.00	
00066000	5006	24710	GRP INS	.00	.00	.00	.00	
00066000	5007		SS/MED	33,253.97	36,774.00	36,774.00	34,746.00	
00066000	5007	10814	SS/MED	.00	.00	.00	.00	
00066000	5007	24710	SS/MED	.00	.00	.00	.00	
00066000	5008		APSRS CONT	5,334.66	.00	.00	9,681.00	
00066000	5008	24710	APSRS CONT	.00	.00	.00	.00	
00066000	5009		ASRS CONT	45,984.28	54,345.00	54,345.00	46,423.00	
00066000	5009	10814	ASRS CONT	.00	.00	.00	.00	
00066000	5011		WORK COMP	2,911.32	2,894.00	2,894.00	3,035.00	
00066000	5012		OTHER BEN	251.43	277.00	277.00	277.00	
00066000	5014		UNEMPLOYME	.00	.00	.00	.00	
00066030	5001		REG EMPLOY	.00	.00	.00	.00	
00066030	5002		OT PAY	.00	.00	.00	.00	
00066030	5006		GRP INS	.00	.00	.00	.00	
00066030	5007		SS/MED	.00	.00	.00	.00	
00066030	5009		ASRS CONT	.00	.00	.00	.00	
00066030	5011		WORK COMP	.00	.00	.00	.00	
00066030	5012		OTHER BEN	.00	.00	.00	.00	
00066060	5001		REG EMPLOY	.00	.00	.00	.00	
00066060	5002		OT PAY	.00	.00	.00	.00	
00066060	5006		GRP INS	.00	.00	.00	.00	
00066060	5007		SS/MED	.00	.00	.00	.00	
00066060	5008		APSRS CONT	.00	.00	.00	.00	
00066060	5009		ASRS CONT	.00	.00	.00	.00	
00066060	5011		WORK COMP	.00	.00	.00	.00	
00066060	5012		OTHER BEN	.00	.00	.00	.00	
00066060	5014		UNEMPLOYME	.00	.00	.00	.00	
00066090	5001		REG EMPLOY	.00	.00	.00	.00	
00066090	5002		OT PAY	.00	.00	.00	.00	
00066090	5004		HOLPAY	.00	.00	.00	.00	
00066090	5005		UNIFORM	.00	.00	.00	.00	
00066090	5006		GRP INS	.00	.00	.00	.00	
00066090	5007		SS/MED	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: MAGISTRATE COURT		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00066090 5008	APSRS CONT	.00	.00	.00	.00	
00066090 5009	ASRS CONT	.00	.00	.00	.00	
00066090 5011	WORK COMP	.00	.00	.00	.00	
00066090 5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL		590,634.51	636,520.00	636,520.00	624,380.00	
20	OPERATIONS & MAINTENANCE					
00066010 6001	CONT SERVS	217.98	.00	.00	.00	
00066010 6005	PROF SERV	15,270.23	17,000.00	17,000.00	20,000.00	
00066010 6007	JURY FEES	450.00	2,000.00	2,000.00	2,300.00	
00066010 6016	CT APPT	41,543.81	55,000.00	55,000.00	55,000.00	
00066010 6018	VEH R&M	.00	.00	.00	.00	
00066010 6019	EQUIP R&M	270.36	1,000.00	1,000.00	1,000.00	
00066010 6025	RENTALS	11,280.81	12,000.00	12,000.00	15,000.00	
00066010 6026	INSURANCE	12,492.27	15,370.00	15,370.00	16,500.00	
00066010 6028	TELECOMM	810.00	1,140.00	1,140.00	1,140.00	
00066010 6029	POSTAGE	2,311.83	3,000.00	3,000.00	3,100.00	
00066010 6031	PRINTING	3,740.27	3,500.00	3,500.00	3,800.00	
00066010 6034	TRAVEL	2,583.25	5,000.00	5,000.00	5,000.00	
00066010 6035	MEMBER	4,728.92	3,700.00	3,700.00	4,200.00	
00066010 6037	SUPPLIES	4,884.68	4,700.00	4,700.00	5,200.00	
00066010 6039	GAS	.00	.00	.00	.00	
00066010 6040	NON-CAP EQ	958.23	1,000.00	1,000.00	1,000.00	
00066010 6045	MISC OTHER	829.58	500.00	500.00	600.00	
00066010 6097	SFTWR LICS	.00	.00	.00	.00	
00066040 6001	CONT SERVS	.00	.00	.00	.00	
00066040 6005	PROF SERV	.00	.00	.00	.00	
00066040 6007	JURY FEES	.00	.00	.00	.00	
00066040 6016	CT APPT	.00	.00	.00	.00	
00066040 6018	VEH R&M	.00	.00	.00	.00	
00066040 6019	EQUIP R&M	.00	.00	.00	.00	
00066040 6025	RENTALS	.00	.00	.00	.00	
00066040 6026	INSURANCE	.00	.00	.00	.00	
00066040 6028	TELECOMM	.00	.00	.00	.00	
00066040 6029	POSTAGE	.00	.00	.00	.00	
00066040 6031	PRINTING	.00	.00	.00	.00	
00066040 6034	TRAVEL	.00	.00	.00	.00	
00066040 6035	MEMBER	.00	.00	.00	.00	
00066040 6037	SUPPLIES	.00	.00	.00	.00	
00066040 6039	GAS	.00	.00	.00	.00	
00066040 6040	NON-CAP EQ	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: MAGISTRATE COURT		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00066040 6045	MISC OTHER	.00	.00	.00	.00	
00066040 6097	SFTWR LICS	.00	.00	.00	.00	
00066070 6001	CONT SERVS	.00	.00	.00	.00	
00066070 6005	PROF SERV	.00	.00	.00	.00	
00066070 6007	JURY FEES	.00	.00	.00	.00	
00066070 6016	CT APPT	.00	.00	.00	.00	
00066070 6018	VEH R&M	.00	.00	.00	.00	
00066070 6019	EQUIP R&M	.00	.00	.00	.00	
00066070 6025	RENTALS	.00	.00	.00	.00	
00066070 6026	INSURANCE	.00	.00	.00	.00	
00066070 6028	TELECOMM	.00	.00	.00	.00	
00066070 6029	POSTAGE	.00	.00	.00	.00	
00066070 6031	PRINTING	.00	.00	.00	.00	
00066070 6034	TRAVEL	.00	.00	.00	.00	
00066070 6035	MEMBER	.00	.00	.00	.00	
00066070 6037	SUPPLIES	.00	.00	.00	.00	
00066070 6039	GAS	.00	.00	.00	.00	
00066070 6040	NON-CAP EQ	.00	.00	.00	.00	
00066070 6045	MISC OTHER	.00	.00	.00	.00	
00066070 6097	SFTWR LICS	.00	.00	.00	.00	
00066100 6001	CONT SERVS	.00	.00	.00	.00	
00066100 6005	PROF SERV	.00	.00	.00	.00	
00066100 6007	JURY FEES	.00	.00	.00	.00	
00066100 6016	CT APPT	.00	.00	.00	.00	
00066100 6018	VEH R&M	.00	.00	.00	.00	
00066100 6019	EQUIP R&M	.00	.00	.00	.00	
00066100 6025	RENTALS	.00	.00	.00	.00	
00066100 6026	INSURANCE	.00	.00	.00	.00	
00066100 6028	TELECOMM	.00	.00	.00	.00	
00066100 6029	POSTAGE	.00	.00	.00	.00	
00066100 6031	PRINTING	.00	.00	.00	.00	
00066100 6034	TRAVEL	.00	.00	.00	.00	
00066100 6035	MEMBER	.00	.00	.00	.00	
00066100 6037	SUPPLIES	.00	.00	.00	.00	
00066100 6039	GAS	.00	.00	.00	.00	
00066100 6040	NON-CAP EQ	.00	.00	.00	.00	
00066100 6045	MISC OTHER	.00	.00	.00	.00	
00066100 6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		102,372.22	124,910.00	124,910.00	133,840.00	
30 CAPITAL OUTLAY						
00066020 9002	MIN ASSETS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: MAGISTRATE COURT		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00066020 9024	EQUIP	.00	.00	.00	.00	
00066050 9002	MIN ASSETS	.00	.00	.00	.00	
00066050 9024	EQUIP	.00	.00	.00	.00	
00066080 9002	MIN ASSETS	.00	.00	.00	.00	
00066080 9024	EQUIP	.00	.00	.00	.00	
00066110 9002	MIN ASSETS	.00	.00	.00	.00	
00066110 9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
40 OTHER FINANCING USES						
00066025 9077	TR TO SRT	.00	.00	.00	.00	
00066025 9079	TR TO CPF	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES		.00	.00	.00	.00	
TOTAL MAGISTRATE COURT		693,006.73	761,430.00	761,430.00	758,220.00	
	GRAND TOTAL	693,006.73	761,430.00	761,430.00	758,220.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Town Manager's Office

Overview

The Town Manager is responsible for the proper management and administration of the Town and serves as the Chief Administrative Officer of the government under the control and 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.

PERSONNEL

FY 2013 Actual	10.00
FY 2014 Budget	10.38
FY 2014 Projected	**10.38**
FY 2015 Budget	**10.38**

EXPENDITURES BY PROGRAM AREA - GENERAL FUND

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Town Management	$ 363,784	$ 397,353	**$ 398,409**	**$ 391,477**
Communications & Constituent Svcs.	269,315	303,636	**292,810**	**291,103**
Total Expenditures	$ 633,099	$ 700,989	**$ 691,219**	**$ 682,580**

EXPENDITURES BY PROGRAM AREA - BED TAX FUND

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Economic Development	$ 369,509	$ 501,762	**$ 494,406**	**$ 596,372**
Total Expenditures	$ 369,509	$ 501,762	**$ 494,406**	**$ 596,372**

Town Management Program 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 our needs considered in regional decision–making.

PERSONNEL	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 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**
Total FTEs	3.50	3.88	**3.88**	**3.88**

PROGRAM EXPENDITURES	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Personnel	$ 342,282	$ 375,653	**$ 376,709**	**$ 364,577**
O&M	19,145	21,700	**20,256**	**22,900**
Capital Outlay	2,357	-	**1,444**	**4,000**
Total Expenditures	$ 363,784	$ 397,353	**$ 398,409**	**$ 391,477**

Communications & Constituent Services Program Overview

The Communications & Constituent Services 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. 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. The CSO also conducts the Council on Your Corner program as well as outreach activities to homeowner associations. 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Personnel				
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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Program Expenditures				
Personnel	$ 255,685	$ 264,956	**$ 254,130**	**$ 265,208**
O&M	13,630	38,680	**38,680**	**25,895**
Total Expenditures	$ 269,315	$ 303,636	**$ 292,810**	**$ 291,103**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWN MANAGER			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011120 TM-TOWN MANAGEMENT-PERSONNEL							
00011120 5001		REG EMPLOY	276,213.47	304,454.00	304,454.00	295,761.00	
00011120 5002	01504	OT PAY	.00	.00	.00	.00	
00011120 5006		GRP INS	16,325.68	13,152.00	13,152.00	12,156.00	
00011120 5007		SS/MED	17,914.08	23,291.00	23,291.00	22,626.00	
00011120 5009		ASRS CONT	30,770.22	33,927.00	33,927.00	33,148.00	
00011120 5011		WORK COMP	815.41	619.00	619.00	676.00	
00011120 5012		OTHER BEN	242.76	210.00	210.00	210.00	
00011120 5014		UNEMPLOYME	.00	.00	.00	.00	
TOTAL TM-TOWN MANAGEMENT-PER			342,281.62	375,653.00	375,653.00	364,577.00	
00011130 TM-TOWN MANAGEMENT-O&M							
00011130 6001		CONT SERVS	.00	.00	.00	.00	
00011130 6005		PROF SERV	.00	.00	.00	.00	
00011130 6018		VEH R&M	.00	.00	.00	.00	
00011130 6019		EQUIP R&M	.00	.00	.00	.00	
00011130 6027		FLEET	.00	.00	.00	.00	
00011130 6028		TELECOMM	1,987.46	2,400.00	2,400.00	2,400.00	
00011130 6029		POSTAGE	97.84	100.00	100.00	100.00	
00011130 6030		ADVERTISE	.00	.00	.00	.00	
00011130 6031		PRINTING	588.04	500.00	500.00	500.00	
00011130 6034		TRAVEL	6,633.61	10,500.00	10,500.00	8,700.00	
00011130 6035		MEMBER	2,602.46	2,700.00	2,700.00	3,700.00	
00011130 6037		SUPPLIES	1,117.43	2,000.00	2,000.00	2,000.00	
00011130 6040		NON-CAP EQ	2,451.07	500.00	500.00	500.00	
00011130 6042		PUB INFO	.00	.00	.00	.00	
00011130 6045		MISC OTHER	3,667.11	3,000.00	3,000.00	5,000.00	
TOTAL TM-TOWN MANAGEMENT-O&M			19,145.02	21,700.00	21,700.00	22,900.00	
00011140 TM-TOWN MANAGEMENT-CAPITAL							
00011140 9002		MIN ASSETS	2,357.37	.00	.00	4,000.00	
TOTAL TM-TOWN MANAGEMENT-CAP			2,357.37	.00	.00	4,000.00	
00011200 TM-COMM & CONST SVCS-PERSONNEL							
00011200 5001		REG EMPLOY	205,098.05	211,054.00	211,054.00	211,937.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWN MANAGER			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011200 5002		OT PAY	.00	.00	.00	.00	
00011200 5002	01504	OT PAY	.00	.00	.00	.00	
00011200 5002	10803	OT PAY	.00	.00	.00	.00	
00011200 5002	10814	OT PAY	.00	.00	.00	.00	
00011200 5002	14613	OT PAY	.00	.00	.00	.00	
00011200 5002	15114	OT PAY	.00	.00	.00	.00	
00011200 5002	15710	OT PAY	.00	.00	.00	.00	
00011200 5002	24111	OT PAY	.00	.00	.00	.00	
00011200 5002	24114	OT PAY	.00	.00	.00	.00	
00011200 5002	24504	OT PAY	.00	.00	.00	.00	
00011200 5002	24710	OT PAY	.00	.00	.00	.00	
00011200 5002	24804	OT PAY	.00	.00	.00	.00	
00011200 5002	24814	OT PAY	.00	.00	.00	.00	
00011200 5002	25114	OT PAY	.00	.00	.00	.00	
00011200 5002	25702	OT PAY	.00	.00	.00	.00	
00011200 5005		UNIFORM	.00	.00	.00	.00	
00011200 5006		GRP INS	11,769.49	12,972.00	12,972.00	11,989.00	
00011200 5006	01504	GRP INS	.00	.00	.00	.00	
00011200 5006	15114	GRP INS	.00	.00	.00	.00	
00011200 5006	24111	GRP INS	.00	.00	.00	.00	
00011200 5006	25114	GRP INS	.00	.00	.00	.00	
00011200 5007		SS/MED	15,676.24	16,146.00	16,146.00	16,213.00	
00011200 5007	01504	SS/MED	.00	.00	.00	.00	
00011200 5007	15114	SS/MED	.00	.00	.00	.00	
00011200 5007	24111	SS/MED	.00	.00	.00	.00	
00011200 5007	24114	SS/MED	.00	.00	.00	.00	
00011200 5007	25114	SS/MED	.00	.00	.00	.00	
00011200 5009		ASRS CONT	22,847.90	24,356.00	24,356.00	24,585.00	
00011200 5009	01504	ASRS CONT	.00	.00	.00	.00	
00011200 5009	15114	ASRS CONT	.00	.00	.00	.00	
00011200 5009	24111	ASRS CONT	.00	.00	.00	.00	
00011200 5009	25114	ASRS CONT	.00	.00	.00	.00	
00011200 5011		WORK COMP	292.98	428.00	428.00	484.00	
00011200 5012		OTHER BEN	.00	.00	.00	.00	
TOTAL TM-COMM & CONST SVCS-P			255,684.66	264,956.00	264,956.00	265,208.00	
00011210 TM-COMM & CONST SVCS-0&M							
00011210 6005		PROF SERV	.00	10,500.00	10,500.00	750.00	
00011210 6018		VEH R&M	.00	.00	.00	.00	
00011210 6019		EQUIP R&M	273.65	500.00	500.00	500.00	
00011210 6028		TELECOMM	1,080.00	1,080.00	1,080.00	1,080.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWN MANAGER		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00011210 6029	POSTAGE	1.39	50.00	50.00	1,250.00	
00011210 6031	PRINTING	2,305.31	3,500.00	3,500.00	8,000.00	
00011210 6034	TRAVEL	3,089.64	2,750.00	2,750.00	5,150.00	
00011210 6035	MEMBER	205.00	3,000.00	3,000.00	865.00	
00011210 6037	SUPPLIES	76.68	500.00	500.00	500.00	
00011210 6040	NON-CAP EQ	.00	.00	.00	.00	
00011210 6042	PUB INFO	2,388.00	2,400.00	2,400.00	2,400.00	
00011210 6045	MISC OTHER	258.14	400.00	400.00	400.00	
00011210 6089	SP EVENTS	3,952.18	14,000.00	14,000.00	5,000.00	
TOTAL TM-COMM & CONST SVCS-0		13,629.99	38,680.00	38,680.00	25,895.00	
00011220 TM-COMM & CONST SVCS-CAPITAL						
00011220 9002	MIN ASSETS	.00	.00	.00	.00	
00011220 9024	EQUIP	.00	.00	.00	.00	
TOTAL TM-COMM & CONST SVCS-C		.00	.00	.00	.00	
TOTAL TOWN MANAGER		633,098.66	700,989.00	700,989.00	682,580.00	
	GRAND TOTAL	633,098.66	700,989.00	700,989.00	682,580.00	

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Economic Development - Bed Tax Fund

Overview

The Bed Tax Fund covers all economic development-related costs and activities. Examples 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 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 & Communications Spec.	-	-	**1.00**	**1.00**
Office Specialist	1.00	1.00	**-**	**-**
Total FTEs	3.00	3.00	**3.00**	**3.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 194,199	$ 208,412	**$ 201,056**	**$ 226,402**
O&M	175,310	293,350	**293,350**	**369,970**
Other Financing Uses	406,629	790,669	**790,669**	**352,543**
Total Expenditures	$ 776,138	$ 1,292,431	**$ 1,285,075**	**$ 948,915**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Bed Taxes	$ 788,796	$ 789,000	**$ 867,898**	**$ 944,571**
Interest Income	3,476	3,975	**8,000**	**4,125**
Miscellaneous	10,000	-	**-**	**-**
Total Revenues	$ 802,272	$ 792,975	**$ 875,898**	**$ 948,696**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: BED TAX FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10 PERSONNEL							
01011005 5001		REG EMPLOY	153,319.22	163,816.00	163,816.00	179,556.00	
01011005 5006		GRP INS	11,795.03	12,723.00	12,723.00	11,768.00	
01011005 5007		SS/MED	11,678.71	12,532.00	12,532.00	13,736.00	
01011005 5009		ASRS CONT	16,970.63	18,904.00	18,904.00	20,828.00	
01011005 5011		WORK COMP	348.28	333.00	333.00	410.00	
01011005 5012		OTHER BEN	86.70	104.00	104.00	104.00	
01044005 5001		REG EMPLOY	.00	.00	.00	.00	
01044005 5002		OT PAY	.00	.00	.00	.00	
01044005 5006		GRP INS	.00	.00	.00	.00	
01044005 5007		SS/MED	.00	.00	.00	.00	
01044005 5009		ASRS CONT	.00	.00	.00	.00	
01044005 5011		WORK COMP	.00	.00	.00	.00	
01044005 5012		OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			194,198.57	208,412.00	208,412.00	226,402.00	
20 OPERATIONS & MAINTENANCE							
01011000 6005		PROF SERV	.00	.00	.00	.00	
01011000 6009		TOURISM	12,500.00	.00	.00	.00	
01011000 6009	15005	TOURISM	51,143.38	105,000.00	105,000.00	70,000.00	
01011000 6009	15006	TOURISM	.00	.00	.00	.00	
01011000 6009	15007	TOURISM	87,469.50	150,000.00	150,000.00	231,800.00	
01011000 6009	15008	TOURISM	6,015.39	.00	.00	30,000.00	
01011000 6009	15009	TOURISM	8,070.54	.00	.00	.00	
01011000 6028		TELECOMM	885.78	900.00	900.00	1,700.00	
01011000 6029		POSTAGE	745.28	800.00	800.00	800.00	
01011000 6031		PRINTING	48.20	100.00	100.00	100.00	
01011000 6034		TRAVEL	5,797.06	8,600.00	8,600.00	7,220.00	
01011000 6035		MEMBER	2,392.25	2,700.00	2,700.00	3,100.00	
01011000 6037		SUPPLIES	243.08	250.00	250.00	250.00	
01011000 6089		SP EVENTS	.00	25,000.00	25,000.00	25,000.00	
01011000 7000		INVST LOSS	.00	.00	.00	.00	
01044000 6005		PROF SERV	.00	.00	.00	.00	
01044000 6019		EQUIP R&M	.00	.00	.00	.00	
01044000 6021		GRDS R&M	.00	.00	.00	.00	
01044000 6028		TELECOMM	.00	.00	.00	.00	
01044000 6031		PRINTING	.00	.00	.00	.00	
01044000 6034		TRAVEL	.00	.00	.00	.00	
01044000 6035		MEMBER	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: BED TAX FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
01044000 6039	GAS	.00	.00	.00	.00	
01044000 6041	UNIFORMS	.00	.00	.00	.00	
01044000 6044	FIELD SUPP	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		175,310.46	293,350.00	293,350.00	369,970.00	
30 CAPITAL OUTLAY						
01044010 9023	BUILDINGS	.00	.00	.00	.00	
01044010 9023 40001	BUILDINGS	.00	.00	.00	.00	
01044010 9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
40 OTHER FINANCING USES						
01011010 9077	TR TO SRF	.00	.00	.00	.00	
01011010 9078	TR TO DSF	.00	205,669.00	205,669.00	167,543.00	
01011010 9079	TR TO CPF	300,000.00	.00	400,000.00	.00	
01011010 9083	TSF TO GEN	106,629.00	185,000.00	185,000.00	185,000.00	
TOTAL OTHER FINANCING USES		406,629.00	390,669.00	790,669.00	352,543.00	
TOTAL BED TAX FUND		776,138.03	892,431.00	1,292,431.00	948,915.00	
	GRAND TOTAL	776,138.03	892,431.00	1,292,431.00	948,915.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Department Overview

This department represents municipal services in five areas, including parks, recreation, trails, aquatics, and cultural and historic resources. This department is further responsible to provide staff support to the Parks and Recreation Advisory Board and the Historic Preservation Commission. 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. *To note, the Oro Valley Public Library was previously managed within this department. Effective January 1, 2013, the Oro Valley Public Library changed from affiliate status to branch status, and operations were assumed by Pima County.*

PERSONNEL

FY 2013 Actual	28.61
FY 2014 Budget	29.44
FY 2014 Projected	**35.18**
FY 2015 Budget	**35.18**

EXPENDITURES BY DIVISION

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Parks & Rec Administration	$ 280,541	$ 324,058	**$ 328,803**	**$ 375,975**
Parks	800,277	1,025,172	**858,124**	**975,998**
Recreation	230,643	267,419	**268,919**	**252,094**
Trails	69,214	77,892	**77,392**	**81,689**
Aquatics	581,059	697,441	**865,897**	**841,526**
Library	427,935	-	**-**	**-**
Cultural Resources	254,783	144,973	**137,820**	**107,146**
Total Expenditures	$ 2,644,451	$ 2,536,955	**$ 2,536,955**	**$ 2,634,428**

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Aquatics User Fees	$ 169,965	$ 271,500	**$ 307,000**	**$ 366,500**
Fields & Courts User Fees	32,827	40,000	**40,000**	**67,000**
Miscellaneous User Fees	180,265	165,000	**165,000**	**160,000**
Pima County Library District Reimbursement	403,969	-	**-**	**-**
State Grants	17,675	180,000	**20,090**	**85,000**
Total Revenues	$ 804,701	$ 656,500	**$ 532,090**	**$ 678,500**

Administration Division 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 staff support. Additionally, this division provides administrative support to the Parks and Recreation Advisory Board.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Parks and Recreation Director	0.90	1.00	**1.00**	**1.00**
Senior Office Specialist	0.90	1.00	**1.00**	**1.00**
Office Assistant	1.00	1.00	**1.00**	**1.00**
Total FTEs	2.80	3.00	**3.00**	**3.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 210,388	$ 206,530	**$ 206,530**	**$ 211,875**
O&M	70,152	117,528	**122,273**	**164,100**
Capital	-	-	**-**	**-**
Total Expenditures	$ 280,541	$ 324,058	**$ 328,803**	**$ 375,975**

Parks Division 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Parks Maintenance Manager	0.85	1.00	**1.00**	**1.00**
Parks Maintenance Crew Lead	1.00	1.00	**1.00**	**1.00**
Sr Parks Maintenance Worker	2.80	3.00	**3.00**	**3.00**
Parks Maintenance Worker	1.50	2.35	**2.35**	**2.35**
Park Monitor	1.23	1.23	**1.23**	**1.23**
Total FTEs	7.38	8.58	**8.58**	**8.58**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 379,608	$ 437,347	**$ 411,599**	**$ 439,223**
O&M	362,134	502,825	**406,525**	**492,775**
Capital	58,535	85,000	**40,000**	**44,000**
Total Expenditures	$ 800,277	$ 1,025,172	**$ 858,124**	**$ 975,998**

Recreation Division 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Recreational & Cultural Svcs Mgr	-	-	**-**	**0.80**
Recreation Manager	0.90	0.80	**0.80**	**-**
Assistant Recreation Manager	0.90	1.00	**1.00**	**1.00**
Recreation Leader	0.40	0.40	**0.40**	**0.40**
Recreation Aide	1.50	1.50	**1.50**	**1.50**
Total FTEs	3.70	3.70	**3.70**	**3.70**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 148,755	$ 150,269	**$ 150,269**	**$ 158,444**
O&M	81,888	117,150	**118,650**	**93,650**
Total Expenditures	$ 230,643	$ 267,419	**$ 268,919**	**$ 252,094**

Trails Division 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Multimodal Planner	0.90	1.00	**1.00**	**1.00**
Total FTEs	0.90	1.00	**1.00**	**1.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 65,614	$ 75,052	**$ 75,052**	**$ 76,879**
O&M	3,600	2,840	**2,340**	**4,810**
Total Expenditures	$ 69,214	$ 77,892	**$ 77,392**	**$ 81,689**

Aquatics Division 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 will serve as one of Southern Arizona's premier, competition-level facilities. FY 2014 was the first full fiscal year of expanded operations.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Aquatics Manager	1.00	1.00	**1.00**	**1.00**
Assistant Aquatics Manager	1.00	1.00	**1.00**	**1.00**
Facility Supervisor	1.36	1.36	**1.36**	**1.36**
Shift Leader	2.72	2.72	**4.08**	**4.08**
Facility Attendant	2.40	2.88	**5.76**	**5.76**
Lifeguard/Swim Instructor	4.00	4.00	**5.50**	**5.50**
Total FTEs	12.48	12.96	**18.70**	**18.70**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 338,552	$ 381,701	**$ 536,507**	**$ 543,836**
O&M	229,082	297,740	**311,390**	**297,690**
Capital	13,424	18,000	**18,000**	**-**
Total Expenditures	$ 581,059	$ 697,441	**$ 865,897**	**$ 841,526**

Library Division Overview

Effective January 1, 2013, the Oro Valley Public Library changed from affiliate status to branch status, and operations were assumed by Pima County.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Library Services Manager	-	-	-	-
Librarian II	-	-	-	-
Library Associate	-	-	-	-
Library Technical Assistant II	-	-	-	-
Library Technical Assistant I	-	-	-	-
Office Specialist	-	-	-	-
Total FTEs	-	-	**-**	**-**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 392,351	$ -	$ -	$ -
O&M	35,583	-	-	-
Capital	-	-	-	-
Total Expenditures	$ 427,935	$ -	**$ -**	**$ -**

Cultural Resources Division 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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Parks & Recreation Director	0.10	-	**-**	
Multimodal Planner	0.10	-	**-**	
Parks Maintenance Manager	0.15	-	**-**	
Senior Parks Maintenance Worker	0.20	-	**-**	
Parks Maintenance Worker	0.50	-	**-**	
Recreational & Cultural Svcs Mgr	-	-	**-**	**0.20**
Recreation Manager	0.10	0.20	**0.20**	**-**
Assistant Recreation Manager	0.10	-	**-**	**-**
Senior Office Specialist	0.10	-	**-**	**-**
Total FTEs	1.35	0.20	**0.20**	**0.20**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 74,925	$ 13,973	**$ 13,973**	**$ 14,146**
O&M	65,358	49,000	**41,847**	**43,000**
Capital	114,500	82,000	**82,000**	**50,000**
Total Expenditures	$ 254,783	$ 144,973	**$ 137,820**	**$ 107,146**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS & RECREATION-ADMINISTRAT			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00044000	5001	REG EMPLOY	166,954.08	161,456.00	161,456.00	164,542.00	
00044000	5002	OT PAY	.00	.00	.00	.00	
00044000	5006	GRP INS	15,037.74	16,011.00	16,011.00	17,584.00	
00044000	5007	SS/MED	12,421.54	12,177.00	12,177.00	12,400.00	
00044000	5009	ASRS CONT	15,106.58	15,830.00	15,830.00	16,245.00	
00044000	5011	WORK COMP	296.05	328.00	328.00	376.00	
00044000	5012	OTHER BEN	572.22	728.00	728.00	728.00	
00044000	5014	UNEMPLOYME	.00	.00	.00	.00	
TOTAL PERSONNEL			210,388.21	206,530.00	206,530.00	211,875.00	
20	OPERATIONS & MAINTENANCE						
00044010	5014	UNEMPLOYME	.00	.00	.00	.00	
00044010	6001	CONT SERVS	.00	.00	.00	.00	
00044010	6005	PROF SERV	2,078.44	2,500.00	2,500.00	2,000.00	
00044010	6015	WASTE DISP	1,559.39	1,900.00	1,900.00	1,900.00	
00044010	6018	VEH R&M	.00	.00	.00	16,000.00	
00044010	6019	EQUIP R&M	2,003.23	1,560.00	1,560.00	4,170.00	
00044010	6025	RENTALS	1,895.75	1,900.00	1,900.00	1,900.00	
00044010	6026	INSURANCE	25,765.35	32,000.00	32,000.00	34,000.00	
00044010	6027	FLEET	.00	29,373.00	29,373.00	.00	
00044010	6028	TELECOMM	1,164.83	900.00	900.00	850.00	
00044010	6029	POSTAGE	183.29	200.00	200.00	200.00	
00044010	6030	ADVERTISE	.00	.00	.00	.00	
00044010	6031	PRINTING	292.45	250.00	250.00	5,330.00	
00044010	6034	TRAVEL	1,742.56	4,160.00	4,160.00	3,900.00	
00044010	6035	MEMBER	356.40	585.00	585.00	450.00	
00044010	6037	SUPPLIES	7,281.91	5,000.00	5,000.00	5,000.00	
00044010	6039	GAS	2,472.34	3,000.00	3,000.00	22,000.00	
00044010	6040	NON-CAP EQ	246.61	3,000.00	3,000.00	3,000.00	
00044010	6044	FIELD SUPP	.00	.00	.00	.00	
00044010	6045	MISC OTHER	.00	.00	.00	.00	
00044010	6047	OFF LEASE	.00	.00	.00	.00	
00044010	6053	PARKS ADV	1,743.34	1,000.00	1,000.00	1,000.00	
00044010	6072	GOVAC	.00	.00	.00	.00	
00044010	6089	SP EVENTS	12,633.01	16,000.00	16,000.00	16,000.00	
00044010	6100	VEH REPLAC	.00	12,000.00	12,000.00	43,000.00	
00044010	6101	VEH RESERV	.00	2,200.00	2,200.00	3,400.00	
TOTAL OPERATIONS & MAINTENAN			61,418.90	117,528.00	117,528.00	164,100.00	
30	CAPITAL OUTLAY						
00044020	9002	MIN ASSETS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS & RECREATION-ADMINISTRAT		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044020 9020	VEHICLES	.00	.00	.00	.00	
00044020 9023	BUILDINGS	.00	.00	.00	.00	
00044020 9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
40 OTHER FINANCING USES						
00044025 9051	PR PYMTS	6,602.50	.00	.00	.00	
00044025 9052	INT PYMTS	2,131.00	.00	.00	.00	
00044025 9053	CAPLSE-PR	.00	.00	.00	.00	
00044025 9054	CAPLSEINT	.00	.00	.00	.00	
00044025 9077	TR TO SRT	.00	.00	.00	.00	
00044025 9079	TR TO CPF	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES		8,733.50	.00	.00	.00	
TOTAL PARKS & RECREATION-ADM		280,540.61	324,058.00	324,058.00	375,975.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00044030	5001	REG EMPLOY	104,122.73	.00	.00	.00	
00044030	5002	OT PAY	7,485.97	.00	.00	.00	
00044030	5006	GRP INS	12,470.81	.00	.00	.00	
00044030	5007	SS/MED	8,378.06	.00	.00	.00	
00044030	5009	ASRS CONT	11,755.66	.00	.00	.00	
00044030	5011	WORK COMP	2,954.99	.00	.00	.00	
00044030	5012	OTHER BEN	.00	.00	.00	.00	
00044060	5001	REG EMPLOY	94,796.91	.00	.00	.00	
00044060	5002	OT PAY	5,271.78	.00	.00	.00	
00044060	5006	GRP INS	17,561.92	.00	.00	.00	
00044060	5007	SS/MED	7,436.80	.00	.00	.00	
00044060	5009	ASRS CONT	10,477.32	.00	.00	.00	
00044060	5011	WORK COMP	2,889.87	.00	.00	.00	
00044060	5012	OTHER BEN	.00	.00	.00	.00	
00044090	5001	REG EMPLOY	.00	.00	.00	.00	
00044090	5002	OT PAY	.00	.00	.00	.00	
00044090	5006	GRP INS	.00	.00	.00	.00	
00044090	5007	SS/MED	.00	.00	.00	.00	
00044090	5009	ASRS CONT	.00	.00	.00	.00	
00044090	5011	WORK COMP	.00	.00	.00	.00	
00044090	5012	OTHER BEN	.00	.00	.00	.00	
00044120	5001	REG EMPLOY	11,937.19	.00	.00	.00	
00044120	5002	OT PAY	920.10	.00	.00	.00	
00044120	5006	GRP INS	1,899.07	.00	.00	.00	
00044120	5007	SS/MED	978.61	.00	.00	.00	
00044120	5009	ASRS CONT	1,432.29	.00	.00	.00	
00044120	5011	WORK COMP	341.12	.00	.00	.00	
00044120	5012	OTHER BEN	.00	.00	.00	.00	
00044150	5001	REG EMPLOY	38,498.56	306,356.00	306,356.00	304,061.00	
00044150	5002	OT PAY	1,913.18	18,450.00	18,450.00	18,000.00	
00044150	5006	GRP INS	6,673.31	44,593.00	44,593.00	48,661.00	
00044150	5007	SS/MED	3,051.76	24,493.00	24,493.00	24,215.00	
00044150	5009	ASRS CONT	4,501.86	34,927.00	34,927.00	34,781.00	
00044150	5011	WORK COMP	1,170.89	8,528.00	8,528.00	9,505.00	
00044150	5012	OTHER BEN	.00	.00	.00	.00	
00044150	5014	UNEMPLOYME	.00	.00	.00	.00	
00044171	5001	REG EMPLOY	14,107.31	.00	.00	.00	
00044171	5002	OT PAY	1,121.06	.00	.00	.00	
00044171	5006	GRP INS	2,119.68	.00	.00	.00	
00044171	5007	SS/MED	1,155.30	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044171 5009		ASRS CONT	1,696.45	.00	.00	.00	
00044171 5011		WORK COMP	487.60	.00	.00	.00	
TOTAL PERSONNEL			379,608.16	437,347.00	437,347.00	439,223.00	
20 OPERATIONS & MAINTENANCE							
00044040 6005		PROF SERV	25,877.25	.00	.00	.00	
00044040 6014		WTR & SEW	87,396.80	.00	.00	.00	
00044040 6015		WASTE DISP	9,544.65	.00	.00	.00	
00044040 6018		VEH R&M	.00	.00	.00	.00	
00044040 6019		EQUIP R&M	976.48	.00	.00	.00	
00044040 6021		GRDS R&M	5,756.03	.00	.00	.00	
00044040 6025		RENTALS	11,432.19	.00	.00	.00	
00044040 6028		TELECOMM	3,665.85	.00	.00	.00	
00044040 6034		TRAVEL	2,276.29	.00	.00	.00	
00044040 6035		MEMBER	643.00	.00	.00	.00	
00044040 6038		GAS & ELEC	32,321.66	.00	.00	.00	
00044040 6038	40011	GAS & ELEC	.00	.00	.00	.00	
00044040 6039		GAS	.00	.00	.00	.00	
00044040 6040		NON-CAP EQ	2,145.13	.00	.00	.00	
00044040 6041		UNIFORMS	3,513.19	.00	.00	.00	
00044040 6044		FIELD SUPP	40,025.66	.00	.00	.00	
00044040 6045		MISC OTHER	322.76	.00	.00	.00	
00044040 9024		EQUIP	.00	.00	.00	.00	
00044070 6005		PROF SERV	7,561.92	.00	.00	.00	
00044070 6014		WTR & SEW	61,276.81	.00	.00	.00	
00044070 6015		WASTE DISP	6,861.09	.00	.00	.00	
00044070 6018		VEH R&M	.00	.00	.00	.00	
00044070 6019		EQUIP R&M	257.09	.00	.00	.00	
00044070 6021		GRDS R&M	1,843.13	.00	.00	.00	
00044070 6025		RENTALS	.00	.00	.00	.00	
00044070 6028		TELECOMM	4,195.57	.00	.00	.00	
00044070 6034		TRAVEL	398.17	.00	.00	.00	
00044070 6035		MEMBER	150.00	.00	.00	.00	
00044070 6038		GAS & ELEC	24,569.62	.00	.00	.00	
00044070 6038	40012	GAS & ELEC	.00	.00	.00	.00	
00044070 6039		GAS	.00	.00	.00	.00	
00044070 6040		NON-CAP EQ	714.52	.00	.00	.00	
00044070 6041		UNIFORMS	3,109.06	.00	.00	.00	
00044070 6044		FIELD SUPP	20,655.39	.00	.00	.00	
00044070 6045		MISC OTHER	.00	.00	.00	.00	
00044100 6005		PROF SERV	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044100 6014	WTR & SEW	.00	.00	.00	.00	
00044100 6015	WASTE DISP	.00	.00	.00	.00	
00044100 6018	VEH R&M	.00	.00	.00	.00	
00044100 6019	EQUIP R&M	.00	.00	.00	.00	
00044100 6021	GRDS R&M	.00	.00	.00	.00	
00044100 6025	RENTALS	.00	.00	.00	.00	
00044100 6028	TELECOMM	.00	.00	.00	.00	
00044100 6034	TRAVEL	.00	.00	.00	.00	
00044100 6035	MEMBER	.00	.00	.00	.00	
00044100 6039	GAS	.00	.00	.00	.00	
00044100 6040	NON-CAP EQ	.00	.00	.00	.00	
00044100 6041	UNIFORMS	.00	.00	.00	.00	
00044100 6044	FIELD SUPP	.00	.00	.00	.00	
00044100 6045	MISC OTHER	.00	.00	.00	.00	
00044130 6005	PROF SERV	75.00	.00	.00	.00	
00044130 6014	WTR & SEW	.00	.00	.00	.00	
00044130 6015	WASTE DISP	.00	.00	.00	.00	
00044130 6018	VEH R&M	.00	.00	.00	.00	
00044130 6019	EQUIP R&M	.00	.00	.00	.00	
00044130 6021	GRDS R&M	.00	.00	.00	.00	
00044130 6025	RENTALS	.00	.00	.00	.00	
00044130 6028	TELECOMM	.00	.00	.00	.00	
00044130 6034	TRAVEL	.00	.00	.00	.00	
00044130 6035	MEMBER	.00	.00	.00	.00	
00044130 6039	GAS	.00	.00	.00	.00	
00044130 6040	NON-CAP EQ	.00	.00	.00	.00	
00044130 6041	UNIFORMS	.00	.00	.00	.00	
00044130 6044	FIELD SUPP	.00	.00	.00	.00	
00044130 6045	MISC OTHER	44.34	.00	.00	.00	
00044160 6001	CONT SERVS	.00	.00	.00	25,000.00	
00044160 6005	PROF SERV	.00	20,750.00	20,750.00	57,850.00	
00044160 6014	WTR & SEW	.00	144,250.00	144,250.00	212,000.00	
00044160 6015	WASTE DISP	.00	14,200.00	14,200.00	19,000.00	
00044160 6018	VEH R&M	.00	.00	.00	.00	
00044160 6019	EQUIP R&M	.00	500.00	500.00	1,000.00	
00044160 6021	GRDS R&M	.00	14,500.00	14,500.00	14,500.00	
00044160 6025	RENTALS	.00	3,000.00	3,000.00	4,000.00	
00044160 6028	TELECOMM	.00	6,500.00	6,500.00	6,500.00	
00044160 6034	TRAVEL	1,067.78	2,650.00	2,650.00	3,000.00	
00044160 6035	MEMBER	.00	1,225.00	1,225.00	1,000.00	
00044160 6038	GAS & ELEC	.00	54,000.00	54,000.00	72,000.00	
00044160 6039	GAS	.00	.00	.00	.00	
00044160 6040	NON-CAP EQ	.00	1,750.00	1,750.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044160 6041		UNIFORMS	428.17	6,750.00	6,750.00	7,425.00	
00044160 6044		FIELD SUPP	2,215.94	52,750.00	52,750.00	69,500.00	
00044160 6045		MISC OTHER	.00	.00	.00	.00	
00044172 6005		PROF SERV	.00	.00	.00	.00	
00044172 6014		WTR & SEW	.00	.00	.00	.00	
00044172 6015		WASTE DISP	.00	.00	.00	.00	
00044172 6021		GRDS R&M	.00	.00	.00	.00	
00044172 6038		GAS & ELEC	.00	.00	.00	.00	
00044172 6044		FIELD SUPP	813.54	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			362,134.08	322,825.00	322,825.00	492,775.00	
30 CAPITAL OUTLAY							
00044050 9002		MIN ASSETS	.00	.00	.00	.00	
00044050 9020		VEHICLES	.00	.00	.00	.00	
00044050 9020	34007	VEHICLES	21,981.58	.00	.00	.00	
00044050 9023		BUILDINGS	.00	.00	.00	.00	
00044050 9023	40028	BUILDINGS	1,000.00	.00	.00	.00	
00044050 9024		EQUIP	412.90	.00	.00	.00	
00044080 9002		MIN ASSETS	.00	.00	.00	.00	
00044080 9020		VEHICLES	.00	.00	.00	.00	
00044080 9023		BUILDINGS	.00	.00	.00	.00	
00044080 9024		EQUIP	.00	.00	.00	.00	
00044110 9002		MIN ASSETS	.00	.00	.00	.00	
00044110 9020		VEHICLES	.00	.00	.00	.00	
00044110 9023		BUILDINGS	.00	.00	.00	.00	
00044140 9002		MIN ASSETS	.00	.00	.00	.00	
00044140 9020		VEHICLES	.00	.00	.00	.00	
00044170 9002		MIN ASSETS	.00	.00	.00	9,000.00	
00044170 9023		BUILDINGS	.00	85,000.00	85,000.00	35,000.00	
TOTAL CAPITAL OUTLAY			23,394.48	85,000.00	85,000.00	44,000.00	
50 CONTINGENCY/RESERVE							
00044161 9090		CONT/RES	.00	180,000.00	180,000.00	.00	
00044161 9090	40026	CONT/RES	.00	.00	.00	.00	
TOTAL CONTINGENCY/RESERVE			.00	180,000.00	180,000.00	.00	
TOTAL PARKS			765,136.72	1,025,172.00	1,025,172.00	975,998.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: RECREATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00044180	5001	REG EMPLOY	89,668.66	108,292.00	108,292.00	110,970.00	
00044180	5002	OT PAY	2,737.95	.00	.00	3,568.00	
00044180	5006	GRP INS	5,651.42	6,938.00	6,938.00	6,422.00	
00044180	5007	SS/MED	7,011.63	8,280.00	8,280.00	8,758.00	
00044180	5009	ASRS CONT	5,730.05	7,671.00	7,671.00	8,217.00	
00044180	5011	WORK COMP	4,552.01	2,843.00	2,843.00	3,380.00	
00044180	5012	OTHER BEN	.00	.00	.00	.00	
00044180	5014	UNEMPLOYME	.00	.00	.00	.00	
00044210	5001	REG EMPLOY	24,124.96	13,126.00	13,126.00	13,451.00	
00044210	5002	OT PAY	2,138.78	.00	.00	432.00	
00044210	5006	GRP INS	1,999.41	841.00	841.00	778.00	
00044210	5007	SS/MED	1,902.10	1,004.00	1,004.00	1,062.00	
00044210	5009	ASRS CONT	2,850.01	930.00	930.00	996.00	
00044210	5011	WORK COMP	388.25	344.00	344.00	410.00	
00044210	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			148,755.23	150,269.00	150,269.00	158,444.00	
20	OPERATIONS & MAINTENANCE						
00044190	6005	PROF SERV	.00	.00	.00	.00	
00044190	6017	REC PROG	13,338.58	2,750.00	2,750.00	7,750.00	
00044190	6017	40002 REC PROG	1,236.54	5,000.00	5,000.00	.00	
00044190	6017	40003 REC PROG	.00	2,000.00	2,000.00	.00	
00044190	6017	40004 REC PROG	.00	3,500.00	3,500.00	.00	
00044190	6017	40005 REC PROG	.00	.00	.00	400.00	
00044190	6017	40035 REC PROG	.00	.00	.00	5,100.00	
00044190	6019	EQUIP R&M	62.69	.00	.00	.00	
00044190	6025	RENTALS	.00	.00	.00	.00	
00044190	6028	TELECOMM	2,092.50	2,500.00	2,500.00	2,500.00	
00044190	6029	POSTAGE	5.30	.00	.00	.00	
00044190	6030	ADVERTISE	1,007.84	2,000.00	2,000.00	2,000.00	
00044190	6031	PRINTING	.00	.00	.00	.00	
00044190	6034	TRAVEL	2,745.15	5,000.00	5,000.00	5,000.00	
00044190	6035	MEMBER	200.00	500.00	500.00	500.00	
00044190	6037	SUPPLIES	.75	.00	.00	.00	
00044190	6040	NON-CAP EQ	.00	.00	.00	.00	
00044190	6041	UNIFORMS	86.29	600.00	600.00	600.00	
00044190	6045	MISC OTHER	.00	.00	.00	.00	
00044190	6047	OFF LEASE	5,148.27	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: RECREATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044220 6001		CONT SERVS	8,255.99	90,000.00	90,000.00	65,000.00	
00044220 6001	40009	CONT SERVS	42,506.64	.00	.00	.00	
00044220 6005		PROF SERV	.00	.00	.00	.00	
00044220 6017		REC PROG	.00	.00	.00	.00	
00044220 6019		EQUIP R&M	.00	.00	.00	.00	
00044220 6025		RENTALS	1,500.00	.00	.00	.00	
00044220 6028		TELECOMM	.00	.00	.00	.00	
00044220 6029		POSTAGE	.00	.00	.00	.00	
00044220 6030		ADVERTISE	.00	.00	.00	.00	
00044220 6030	40009	ADVERTISE	.00	.00	.00	.00	
00044220 6031		PRINTING	.00	.00	.00	.00	
00044220 6034		TRAVEL	.00	.00	.00	.00	
00044220 6035		MEMBER	.00	.00	.00	.00	
00044220 6037		SUPPLIES	.00	.00	.00	.00	
00044220 6040		NON-CAP EQ	.00	.00	.00	.00	
00044220 6041		UNIFORMS	.00	.00	.00	.00	
00044220 6044		FIELD SUPP	.00	.00	.00	.00	
00044220 6045		MISC OTHER	271.78	300.00	300.00	300.00	
00044220 6047		OFF LEASE	3,429.50	3,000.00	3,000.00	4,500.00	
TOTAL OPERATIONS & MAINTENAN			81,887.82	117,150.00	117,150.00	93,650.00	
30 CAPITAL OUTLAY							
00044200 9002		MIN ASSETS	.00	.00	.00	.00	
00044200 9020		VEHICLES	.00	.00	.00	.00	
00044200 9023		BUILDINGS	.00	.00	.00	.00	
00044230 9002		MIN ASSETS	.00	.00	.00	.00	
00044230 9020		VEHICLES	.00	.00	.00	.00	
00044230 9023		BUILDINGS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
TOTAL RECREATION			230,643.05	267,419.00	267,419.00	252,094.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TRAILS			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00044240	5001	REG EMPLOY	48,307.95	55,141.00	55,141.00	55,827.00	
00044240	5002	OT PAY	.00	.00	.00	.00	
00044240	5006	GRP INS	7,125.19	7,969.00	7,969.00	8,751.00	
00044240	5007	SS/MED	3,550.32	4,131.00	4,131.00	4,177.00	
00044240	5009	ASRS CONT	5,381.46	6,363.00	6,363.00	6,476.00	
00044240	5011	WORK COMP	1,248.74	1,448.00	1,448.00	1,648.00	
00044240	5012	OTHER BEN	.00	.00	.00	.00	
00044270	5001	REG EMPLOY	.00	.00	.00	.00	
00044270	5002	OT PAY	.00	.00	.00	.00	
00044270	5006	GRP INS	.00	.00	.00	.00	
00044270	5007	SS/MED	.00	.00	.00	.00	
00044270	5009	ASRS CONT	.00	.00	.00	.00	
00044270	5011	WORK COMP	.00	.00	.00	.00	
00044270	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			65,613.66	75,052.00	75,052.00	76,879.00	
20	OPERATIONS & MAINTENANCE						
00044250	6005	PROF SERV	.00	.00	.00	.00	
00044250	6017	REC PROG	408.25	1,000.00	1,000.00	500.00	
00044250	6019	EQUIP R&M	.00	.00	.00	.00	
00044250	6021	GRDS R&M	.00	.00	.00	.00	
00044250	6025	RENTALS	.00	.00	.00	.00	
00044250	6028	TELECOMM	.00	.00	.00	.00	
00044250	6029	POSTAGE	25.17	.00	.00	.00	
00044250	6030	ADVERTISE	.00	.00	.00	.00	
00044250	6031	PRINTING	.00	.00	.00	.00	
00044250	6034	TRAVEL	1,781.69	1,000.00	1,000.00	3,400.00	
00044250	6035	MEMBER	1,385.00	840.00	840.00	910.00	
00044250	6037	SUPPLIES	.00	.00	.00	.00	
00044250	6040	NON-CAP EQ	.00	.00	.00	.00	
00044250	6041	UNIFORMS	.00	.00	.00	.00	
00044250	6044	FIELD SUPP	.00	.00	.00	.00	
00044250	6045	MISC OTHER	.00	.00	.00	.00	
00044280	6005	PROF SERV	.00	.00	.00	.00	
00044280	6017	REC PROG	.00	.00	.00	.00	
00044280	6018	VEH R&M	.00	.00	.00	.00	
00044280	6019	EQUIP R&M	.00	.00	.00	.00	
00044280	6021	GRDS R&M	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TRAILS		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044280 6025	RENTALS	.00	.00	.00	.00	
00044280 6028	TELECOMM	.00	.00	.00	.00	
00044280 6029	POSTAGE	.00	.00	.00	.00	
00044280 6030	ADVERTISE	.00	.00	.00	.00	
00044280 6031	PRINTING	.00	.00	.00	.00	
00044280 6034	TRAVEL	.00	.00	.00	.00	
00044280 6035	MEMBER	.00	.00	.00	.00	
00044280 6037	SUPPLIES	.00	.00	.00	.00	
00044280 6040	NON-CAP EQ	.00	.00	.00	.00	
00044280 6041	UNIFORMS	.00	.00	.00	.00	
00044280 6044	FIELD SUPP	.00	.00	.00	.00	
00044280 6045	MISC OTHER	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		3,600.11	2,840.00	2,840.00	4,810.00	
30	CAPITAL OUTLAY					
00044260 9002	MIN ASSETS	.00	.00	.00	.00	
00044260 9020	VEHICLES	.00	.00	.00	.00	
00044260 9023	BUILDINGS	.00	.00	.00	.00	
00044290 9002	MIN ASSETS	.00	.00	.00	.00	
00044290 9020	VEHICLES	.00	.00	.00	.00	
00044290 9023	BUILDINGS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
TOTAL TRAILS		69,213.77	77,892.00	77,892.00	81,689.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: AQUATICS			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00044300	5001	REG EMPLOY	266,220.39	314,302.00	314,302.00	432,749.00	
00044300	5002	OT PAY	13,729.68	.00	.00	24,500.00	
00044300	5006	GRP INS	10,579.08	13,199.00	13,199.00	8,378.00	
00044300	5007	SS/MED	21,279.32	23,742.00	23,742.00	34,980.00	
00044300	5009	ASRS CONT	15,183.18	20,822.00	20,822.00	27,471.00	
00044300	5011	WORK COMP	11,560.38	9,636.00	9,636.00	15,758.00	
00044300	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			338,552.03	381,701.00	381,701.00	543,836.00	
20	OPERATIONS & MAINTENANCE						
00044310	6001 40009	CONT SERVS	.00	.00	.00	24,000.00	
00044310	6005	PROF SERV	12,887.57	7,000.00	7,000.00	12,000.00	
00044310	6005 40032	PROF SERV	.00	.00	.00	.00	
00044310	6014	WTR & SEW	14,628.74	27,000.00	27,000.00	23,000.00	
00044310	6017	REC PROG	13,134.96	7,750.00	7,750.00	6,000.00	
00044310	6019	EQUIP R&M	75.75	1,800.00	1,800.00	1,800.00	
00044310	6025	RENTALS	424.35	3,100.00	3,100.00	6,800.00	
00044310	6028	TELECOMM	1,787.81	5,000.00	5,000.00	3,500.00	
00044310	6029	POSTAGE	.00	.00	.00	.00	
00044310	6030	ADVERTISE	.00	.00	.00	.00	
00044310	6031	PRINTING	.00	.00	.00	.00	
00044310	6034	TRAVEL	7,624.90	10,000.00	10,000.00	7,000.00	
00044310	6035	MEMBER	613.50	590.00	590.00	590.00	
00044310	6037	SUPPLIES	.00	.00	.00	1,000.00	
00044310	6038	GAS & ELEC	76,218.13	120,000.00	120,000.00	95,000.00	
00044310	6040	NON-CAP EQ	.00	.00	.00	.00	
00044310	6041	UNIFORMS	5,518.44	5,500.00	5,500.00	7,000.00	
00044310	6044	FIELD SUPP	85,728.61	98,000.00	98,000.00	98,000.00	
00044310	6045	MISC OTHER	.00	.00	.00	.00	
00044310	6049	CON SUPP	10,439.41	12,000.00	12,000.00	12,000.00	
TOTAL OPERATIONS & MAINTENAN			229,082.17	297,740.00	297,740.00	297,690.00	
30	CAPITAL OUTLAY						
00044320	9002	MIN ASSETS	3,287.43	3,000.00	3,000.00	.00	
00044320	9020	VEHICLES	.00	.00	.00	.00	
00044320	9023	BUILDINGS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: AQUATICS		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044320 9024	EQUIP	10,136.99	15,000.00	15,000.00	.00	_____
TOTAL CAPITAL OUTLAY		13,424.42	18,000.00	18,000.00	.00	_____
TOTAL AQUATICS		581,058.62	697,441.00	697,441.00	841,526.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: LIBRARY SERVICES				2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL							
00033230	5001		REG EMPLOY	308,998.54	.00	.00	.00	
00033230	5001	40022	REG EMPLOY	.00	.00	.00	.00	
00033230	5001	40023	REG EMPLOY	.00	.00	.00	.00	
00033230	5006		GRP INS	31,611.34	.00	.00	.00	
00033230	5006	40022	GRP INS	.00	.00	.00	.00	
00033230	5006	40023	GRP INS	.00	.00	.00	.00	
00033230	5007		SS/MED	23,330.99	.00	.00	.00	
00033230	5007	40022	SS/MED	.00	.00	.00	.00	
00033230	5007	40023	SS/MED	.00	.00	.00	.00	
00033230	5009		ASRS CONT	27,718.97	.00	.00	.00	
00033230	5009	40022	ASRS CONT	.00	.00	.00	.00	
00033230	5009	40023	ASRS CONT	.00	.00	.00	.00	
00033230	5011		WORK COMP	309.90	.00	.00	.00	
00033230	5011	40022	WORK COMP	.00	.00	.00	.00	
00033230	5011	40023	WORK COMP	.00	.00	.00	.00	
00033230	5012		OTHER BEN	381.48	.00	.00	.00	
00033230	5012	40022	OTHER BEN	.00	.00	.00	.00	
00033230	5012	40023	OTHER BEN	.00	.00	.00	.00	
00033260	5001		REG EMPLOY	.00	.00	.00	.00	
00033260	5006		GRP INS	.00	.00	.00	.00	
00033260	5007		SS/MED	.00	.00	.00	.00	
00033260	5009		ASRS CONT	.00	.00	.00	.00	
00033260	5011		WORK COMP	.00	.00	.00	.00	
00033260	5012		OTHER BEN	.00	.00	.00	.00	
00033260	5014		UNEMPLOYME	.00	.00	.00	.00	
00033290	5001		REG EMPLOY	.00	.00	.00	.00	
00033290	5006		GRP INS	.00	.00	.00	.00	
00033290	5007		SS/MED	.00	.00	.00	.00	
00033290	5009		ASRS CONT	.00	.00	.00	.00	
00033290	5011		WORK COMP	.00	.00	.00	.00	
00033290	5012		OTHER BEN	.00	.00	.00	.00	
00033320	5001		REG EMPLOY	.00	.00	.00	.00	
00033320	5006		GRP INS	.00	.00	.00	.00	
00033320	5007		SS/MED	.00	.00	.00	.00	
00033320	5009		ASRS CONT	.00	.00	.00	.00	
00033320	5011		WORK COMP	.00	.00	.00	.00	
00033320	5012		OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL				392,351.22	.00	.00	.00	
20	OPERATIONS & MAINTENANCE							
00033240	6005		PROF SERV	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: LIBRARY SERVICES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00033240 6005	40022	PROF SERV	.00	.00	.00	.00	
00033240 6005	40023	PROF SERV	.00	.00	.00	.00	
00033240 6014		WTR & SEW	199.02	.00	.00	.00	
00033240 6015		WASTE DISP	1,386.10	.00	.00	.00	
00033240 6018		VEH R&M	.00	.00	.00	.00	
00033240 6019		EQUIP R&M	.00	.00	.00	.00	
00033240 6019	40022	EQUIP R&M	.00	.00	.00	.00	
00033240 6019	40023	EQUIP R&M	.00	.00	.00	.00	
00033240 6020		BLDG R&M	15,089.99	.00	.00	.00	
00033240 6020	40022	BLDG R&M	.00	.00	.00	.00	
00033240 6020	40023	BLDG R&M	.00	.00	.00	.00	
00033240 6021		GRDS R&M	.00	.00	.00	.00	
00033240 6025		RENTALS	2,188.27	.00	.00	.00	
00033240 6025	40022	RENTALS	.00	.00	.00	.00	
00033240 6025	40023	RENTALS	.00	.00	.00	.00	
00033240 6026		INSURANCE	1,561.51	.00	.00	.00	
00033240 6028		TELECOMM	520.00	.00	.00	.00	
00033240 6028	40022	TELECOMM	.00	.00	.00	.00	
00033240 6028	40023	TELECOMM	.00	.00	.00	.00	
00033240 6029		POSTAGE	918.45	.00	.00	.00	
00033240 6029	40022	POSTAGE	.00	.00	.00	.00	
00033240 6029	40023	POSTAGE	.00	.00	.00	.00	
00033240 6030		ADVERTISE	.00	.00	.00	.00	
00033240 6031		PRINTING	.00	.00	.00	.00	
00033240 6031	40022	PRINTING	.00	.00	.00	.00	
00033240 6031	40023	PRINTING	.00	.00	.00	.00	
00033240 6034		TRAVEL	747.26	.00	.00	.00	
00033240 6034	40022	TRAVEL	.00	.00	.00	.00	
00033240 6034	40023	TRAVEL	.00	.00	.00	.00	
00033240 6035		MEMBER	60.00	.00	.00	.00	
00033240 6035	40022	MEMBER	.00	.00	.00	.00	
00033240 6035	40023	MEMBER	.00	.00	.00	.00	
00033240 6037		SUPPLIES	571.63	.00	.00	.00	
00033240 6037	40022	SUPPLIES	.00	.00	.00	.00	
00033240 6037	40023	SUPPLIES	.00	.00	.00	.00	
00033240 6038		GAS & ELEC	11,961.14	.00	.00	.00	
00033240 6039		GAS	.00	.00	.00	.00	
00033240 6040		NON-CAP EQ	.00	.00	.00	.00	
00033240 6040	40022	NON-CAP EQ	.00	.00	.00	.00	
00033240 6040	40023	NON-CAP EQ	.00	.00	.00	.00	
00033240 6045		MISC OTHER	359.93	.00	.00	.00	
00033240 6045	40022	MISC OTHER	.00	.00	.00	.00	
00033240 6045	40023	MISC OTHER	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: LIBRARY SERVICES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00033240 6075		VOL REC	.00	.00	.00	.00	
00033240 6093		COLL MAT	.00	.00	.00	.00	
00033240 6093	40022	COLL MAT	.00	.00	.00	.00	
00033240 6093	40023	COLL MAT	.00	.00	.00	.00	
00033240 6095		PROG SUPP	20.01	.00	.00	.00	
00033240 6095	40022	PROG SUPP	.00	.00	.00	.00	
00033240 6095	40023	PROG SUPP	.00	.00	.00	.00	
00033240 6097		SFTWR LICS	.00	.00	.00	.00	
00033240 6097	40022	SFTWR LICS	.00	.00	.00	.00	
00033240 6097	40023	SFTWR LICS	.00	.00	.00	.00	
00033270 6005		PROF SERV	.00	.00	.00	.00	
00033270 6019		EQUIP R&M	.00	.00	.00	.00	
00033270 6025		RENTALS	.00	.00	.00	.00	
00033270 6029		POSTAGE	.00	.00	.00	.00	
00033270 6030		ADVERTISE	.00	.00	.00	.00	
00033270 6031		PRINTING	.00	.00	.00	.00	
00033270 6034		TRAVEL	.00	.00	.00	.00	
00033270 6035		MEMBER	.00	.00	.00	.00	
00033270 6037		SUPPLIES	.00	.00	.00	.00	
00033270 6040		NON-CAP EQ	.00	.00	.00	.00	
00033270 6045		MISC OTHER	.00	.00	.00	.00	
00033270 6093		COLL MAT	.00	.00	.00	.00	
00033270 6095		PROG SUPP	.00	.00	.00	.00	
00033300 6005		PROF SERV	.00	.00	.00	.00	
00033300 6019		EQUIP R&M	.00	.00	.00	.00	
00033300 6025		RENTALS	.00	.00	.00	.00	
00033300 6028		TELECOMM	.00	.00	.00	.00	
00033300 6029		POSTAGE	.00	.00	.00	.00	
00033300 6030		ADVERTISE	.00	.00	.00	.00	
00033300 6031		PRINTING	.00	.00	.00	.00	
00033300 6034		TRAVEL	.00	.00	.00	.00	
00033300 6035		MEMBER	.00	.00	.00	.00	
00033300 6037		SUPPLIES	.00	.00	.00	.00	
00033300 6040		NON-CAP EQ	.00	.00	.00	.00	
00033300 6045		MISC OTHER	.00	.00	.00	.00	
00033300 6093		COLL MAT	.00	.00	.00	.00	
00033300 6095		PROG SUPP	.00	.00	.00	.00	
00033300 6097		SFTWR LICS	.00	.00	.00	.00	
00033330 6005		PROF SERV	.00	.00	.00	.00	
00033330 6019		EQUIP R&M	.00	.00	.00	.00	
00033330 6025		RENTALS	.00	.00	.00	.00	
00033330 6029		POSTAGE	.00	.00	.00	.00	
00033330 6030		ADVERTISE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: LIBRARY SERVICES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00033330	6031	PRINTING	.00	.00	.00	.00	
00033330	6034	TRAVEL	.00	.00	.00	.00	
00033330	6035	MEMBER	.00	.00	.00	.00	
00033330	6037	SUPPLIES	.00	.00	.00	.00	
00033330	6040	NON-CAP EQ	.00	.00	.00	.00	
00033330	6045	MISC OTHER	.00	.00	.00	.00	
00033330	6093	COLL MAT	.00	.00	.00	.00	
00033330	6095	PROG SUPP	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			35,583.31	.00	.00	.00	
30	CAPITAL OUTLAY						
00033250	9002	MIN ASSETS	.00	.00	.00	.00	
00033250	9023	BUILDINGS	.00	.00	.00	.00	
00033250	9023	40022 BUILDINGS	.00	.00	.00	.00	
00033250	9023	40023 BUILDINGS	.00	.00	.00	.00	
00033250	9024	EQUIP	.00	.00	.00	.00	
00033250	9024	40022 EQUIP	.00	.00	.00	.00	
00033250	9024	40023 EQUIP	.00	.00	.00	.00	
00033280	9002	MIN ASSETS	.00	.00	.00	.00	
00033280	9024	EQUIP	.00	.00	.00	.00	
00033310	9002	MIN ASSETS	.00	.00	.00	.00	
00033310	9024	EQUIP	.00	.00	.00	.00	
00033340	9002	MIN ASSETS	.00	.00	.00	.00	
00033340	9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			.00	.00	.00	.00	
40	OTHER FINANCING USES						
00033255	9077	TR TO SRT	.00	.00	.00	.00	
00033255	9079	TR TO CPF	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES			.00	.00	.00	.00	
TOTAL LIBRARY SERVICES			427,934.53	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: CULTURAL RESOURCES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
00044500	5001	REG EMPLOY	19,832.06	.00	.00	.00	
00044500	5002	OT PAY	.00	.00	.00	.00	
00044500	5006	GRP INS	2,382.06	.00	.00	.00	
00044500	5007	SS/MED	1,480.93	.00	.00	.00	
00044500	5009	ASRS CONT	2,209.14	.00	.00	.00	
00044500	5011	WORK COMP	169.02	.00	.00	.00	
00044515	5001	REG EMPLOY	21,499.23	10,732.00	10,732.00	10,890.00	
00044515	5002	OT PAY	2,927.28	.00	.00	.00	
00044515	5005	UNIFORM	.00	.00	.00	.00	
00044515	5006	GRP INS	3,075.65	901.00	901.00	840.00	
00044515	5007	SS/MED	1,845.09	820.00	820.00	832.00	
00044515	5009	ASRS CONT	2,721.20	1,238.00	1,238.00	1,263.00	
00044515	5011	WORK COMP	718.10	282.00	282.00	321.00	
00044545	5001	REG EMPLOY	10,749.96	.00	.00	.00	
00044545	5002	OT PAY	639.86	.00	.00	.00	
00044545	5006	GRP INS	2,305.79	.00	.00	.00	
00044545	5007	SS/MED	843.21	.00	.00	.00	
00044545	5009	ASRS CONT	1,268.84	.00	.00	.00	
00044545	5011	WORK COMP	257.12	.00	.00	.00	
TOTAL PERSONNEL			74,924.54	13,973.00	13,973.00	14,146.00	
20	OPERATIONS & MAINTENANCE						
00044550	6015	WASTE DISP	4,704.24	.00	.00	.00	
00044550	6044	FIELD SUPP	1,938.66	.00	.00	.00	
00044555	6089	SP EVENTS	.00	.00	.00	.00	
00044560	6005	PROF SERV	12,125.09	10,000.00	10,000.00	6,000.00	
00044560	6014	WTR & SEW	1,715.43	4,000.00	4,000.00	4,000.00	
00044560	6015	WASTE DISP	.00	3,000.00	3,000.00	3,000.00	
00044560	6021	GRDS R&M	1,903.18	3,000.00	3,000.00	8,000.00	
00044560	6025	RENTALS	849.92	2,000.00	2,000.00	2,000.00	
00044560	6038	GAS & ELEC	1,506.57	4,000.00	4,000.00	4,000.00	
00044560	6044	FIELD SUPP	6,317.03	8,000.00	8,000.00	8,000.00	
00044560	6044 40025	FIELD SUPP	14,416.13	.00	.00	.00	
00044560	6045	MISC OTHER	.00	.00	.00	.00	
00044560	6089	SP EVENTS	1,772.91	15,000.00	15,000.00	8,000.00	
TOTAL OPERATIONS & MAINTENAN			47,249.16	49,000.00	49,000.00	43,000.00	
30	CAPITAL OUTLAY						
00044565	9023	BUILDINGS	.00	82,000.00	82,000.00	50,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: CULTURAL RESOURCES		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
00044565 9024	EQUIP	.00	.00	.00	.00	_____
TOTAL CAPITAL OUTLAY		.00	82,000.00	82,000.00	50,000.00	_____
50 CONTINGENCY/RESERVE						
00044551 9090	CONT/RES	18,109.29	.00	.00	.00	_____
TOTAL CONTINGENCY/RESERVE		18,109.29	.00	.00	.00	_____
TOTAL CULTURAL RESOURCES		140,282.99	144,973.00	144,973.00	107,146.00	_____
	GRAND TOTAL	2,494,810.29	2,536,955.00	2,536,955.00	2,634,428.00	_____

** END OF REPORT - Generated by WENDY GOMEZ **

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: RECREATION IN-LIEU FEE FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
30 CAPITAL OUTLAY						
03100050 9023	BUILDINGS	149,640.53	.00	.00	.00	
03100050 9024	EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		149,640.53	.00	.00	.00	
TOTAL RECREATION IN-LIEU FEE		149,640.53	.00	.00	.00	
	GRAND TOTAL	149,640.53	.00	.00	.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Department 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 **E**xcellence **R**emain **V**igilant **I**nvolve **C**ommunity **E**nforcement

PERSONNEL

FY 2013 Actual	131.69
FY 2014 Budget	134.13
FY 2014 Projected	**133.13**
FY 2015 Budget	**134.13**

EXPENDITURES BY PROGRAM AREA

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Administration	$ 969,935	$ 1,101,278	**$ 1,104,278**	**$ 1,099,406**
Support Services	5,310,157	6,608,522	**6,573,126**	**6,293,077**
Field Services	6,025,524	6,440,160	**6,314,621**	**6,447,586**
Professional Dev. & Training	174,837	190,750	**190,750**	**190,005**
Professional Standards	117,904	114,233	**114,269**	**122,373**
Total Expenditures	$ 12,598,358	$ 14,454,943	**$ 14,297,044**	**$ 14,152,447**

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Federal Grants	$ 599,050	$ 576,490	**$ 592,689**	**$ 597,365**
State Grants	111,829	182,700	**52,300**	**202,300**
Seizures & Forfeitures	27,984	202,438	**89,587**	**209,457**
Report Copying	5,583	5,500	**4,650**	**4,650**
Impound Processing	34,050	47,500	**24,414**	**26,610**
Other	41,713	26,700	**26,430**	**25,050**
Total Revenues	$ 820,209	$ 1,041,328	**$ 790,070**	**$ 1,065,432**

Administration Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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 Mgr	1.00	1.00	**1.00**	**1.00**
Total FTEs	4.00	4.00	**4.00**	**4.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 532,982	$ 547,433	**$ 547,433**	**$ 549,911**
O&M	435,316	553,845	**556,845**	**549,495**
Capital	1,638	-	**-**	**-**
Total Expenditures	$ 969,935	$ 1,101,278	**$ 1,104,278**	**$ 1,099,406**

Support Services Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Commander	1.00	1.00	**1.00**	**1.00**
Lieutenant	2.00	2.00	**2.00**	**2.00**
Emergency Mgmt & Safety Coord	-	-	**-**	**1.00**
Emergency Response Planner	1.00	1.00	**1.00**	**-**
Senior Office Specialist	-	1.00	**1.00**	**1.00**
Office Specialist	1.00	-	**-**	**-**
Total FTEs	5.00	5.00	**5.00**	**5.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 468,338	$ 535,476	**$ 535,476**	**$ 555,935**
O&M	407	800	**800**	**800**
Total Expenditures	$ 468,745	$ 536,276	**$ 536,276**	**$ 556,735**

School Resource Officer Unit Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Sergeant	1.00	1.00	**1.00**	**1.00**
SRO Officer	7.00	8.00	**7.00**	**8.00**
Total FTEs	8.00	9.00	**8.00**	**9.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 736,298	$ 852,857	**$ 802,227**	**$ 859,546**
O&M	483	100	**100**	**11,500**
Total Expenditures	$ 736,781	$ 852,957	**$ 802,327**	**$ 871,046**

Communications Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Police Communications Mgr	-	-	**-**	**1.00**
Communications Supervisor	1.00	1.00	**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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 797,786	$ 868,135	**$ 868,135**	**$ 901,858**
O&M	2,361	3,350	**3,300**	**3,350**
Total Expenditures	$ 800,147	$ 871,485	**$ 871,435**	**$ 905,208**

Records Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 356,422	$ 364,148	**$ 364,148**	**$ 369,042**
O&M	2,500	3,250	**3,300**	**3,250**
Total Expenditures	$ 358,923	$ 367,398	**$ 367,448**	**$ 372,292**

Criminal Investigations Unit Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Sergeant	1.00	1.00	**1.00**	**1.00**
Detective	6.00	6.00	**6.00**	**6.00**
Crime Analyst	1.00	-	**-**	**-**
Total FTEs	8.00	7.00	**7.00**	**7.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 775,473	$ 707,152	**$ 707,152**	**$ 734,285**
O&M	9,018	14,400	**14,400**	**11,875**
Total Expenditures	$ 784,490	$ 721,552	**$ 721,552**	**$ 746,160**

Information Technology Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Detective/IT Manager	1.00	1.00	**1.00**	**1.00**
Total FTEs	1.00	1.00	**1.00**	**1.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 104,680	$ 102,702	**$ 102,702**	**$ 106,540**
O&M	11,827	197,052	**134,500**	**183,352**
Capital	-	148,340	**152,540**	**68,000**
Total Expenditures	$ 116,506	$ 448,094	**$ 389,742**	**$ 357,892**

Fleet Maintenance Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Fleet Control Specialist	-	-	**-**	**1.00**
Fleet Maintenance Mechanic II	1.00	1.00	**1.00**	**-**
Reserve Officer	0.48	0.48	**0.48**	**0.48**
Total FTEs	1.48	1.48	**1.48**	**1.48**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 91,906	$ 87,565	**$ 87,565**	**$ 93,005**
O&M	426,251	927,800	**927,800**	**952,953**
Capital	171,394	-	**-**	**-**
Total Expenditures	$ 689,551	$ 1,015,365	**$ 1,015,365**	**$ 1,045,958**

Community Resources Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Sergeant	1.00	1.00	**1.00**	**1.00**
Officer/Special Events Coord.	-	1.00	**1.00**	**1.00**
Officer	2.00	1.00	**1.00**	**1.00**
Total FTEs	3.00	3.00	**3.00**	**3.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 196,143	$ 279,424	**$ 279,424**	**$ 294,585**
O&M	36,023	49,390	**49,940**	**42,740**
Total Expenditures	$ 232,166	$ 328,814	**$ 329,364**	**$ 337,325**

Task Force Operations Program 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 that consists 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 a different segment of the trafficking, production and use of drug related crime 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 768,797	$ 786,220	**$ 786,220**	**$ 772,899**
O&M	-	-	**-**	**-**
Capital	91,717	46,000	**119,036**	**48,399**
Total Expenditures	$ 860,514	$ 832,220	**$ 905,256**	**$ 821,298**

Property/I.D. Program 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 for complete related casework, and prepare testimony for court proceedings.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Crime Scene Tech Supervisor	-	-	**-**	**1.00**
Lead IT Forensic Tech	1.00	1.00	**1.00**	**-**
Crime Scene Technician	-	-	**-**	**2.00**
Property/ID Technician	2.00	2.00	**2.00**	**-**
Reserve Officer	0.48	0.48	**0.48**	**0.48**
Total FTEs	3.48	3.48	**3.48**	**3.48**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 229,763	$ 244,161	**$ 244,161**	**$ 238,963**
O&M	32,571	40,200	**40,200**	**40,200**
Capital	-	350,000	**350,000**	**-**
Total Expenditures	$ 262,334	$ 634,361	**$ 634,361**	**$ 279,163**

Field Services Division 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**
Senior Office Specialist	1.00	2.00	**1.00**	**1.00**
Office Specialist	1.00	-	**1.00**	**1.00**
Total FTEs	5.00	6.00	**6.00**	**6.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 570,012	$ 628,220	**$ 619,931**	**$ 614,425**
O&M	1,174	1,500	**1,500**	**1,500**
Total Expenditures	$ 571,187	$ 629,720	**$ 621,431**	**$ 615,925**

Patrol Program Overview

The Patrol Division consists of six (6) Squads, supplemented by one (1) Motorcycle Squad. The Patrol Division focuses on providing 24 hours, 7 days a week police service to the citizens, schools, business owners, employees and visitors of Oro Valley. OVPD divides the Town into four (4) separate geographical patrol areas. Patrol deployment methods are based on a variety of factors with the most significant factors being 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 with a segment of our community in a proactive manner to solve issues before they become problems. K-9 officers and DUI officers are incorporated within the Patrol Division providing service 7 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 two specific areas; 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 Shepard and Belgium Malinois.

DUI

The DUI Unit is comprised of two officers whose primary function is to actively seek impaired drivers. Patrol Officers who have developed 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Sergeant	6.00	6.00	**6.00**	**6.00**
Lead Officer	6.00	7.00	**7.00**	**7.00**
K-9 Officer	3.00	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	0.48	1.92	**1.92**	**1.92**
Total FTEs	47.48	48.92	**48.92**	**48.92**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 4,197,409	$ 4,366,845	**$ 4,249,200**	**$ 4,371,148**
O&M	12,714	16,390	**16,417**	**16,690**
Capital	-	10,000	**10,368**	**10,000**
Total Expenditures	$ 4,210,123	$ 4,393,235	**$ 4,275,985**	**$ 4,397,838**

Motor/Traffic Unit Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 808,194	$ 836,417	**$ 836,417**	**$ 853,771**
O&M	7,022	14,700	**14,700**	**14,700**
Total Expenditures	$ 815,216	$ 851,117	**$ 851,117**	**$ 868,471**

Community Action Team Program Overview

The Community Action Team (C.A.T.) serves as one of OVPD's most pro-active 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 428,969	$ 565,088	**$ 565,088**	**$ 564,352**
O&M	28	1,000	**1,000**	**1,000**
Total Expenditures	$ 428,998	$ 566,088	**$ 566,088**	**$ 565,352**

Professional Development & Training Program 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Training Officer	1.00	1.00	**1.00**	**1.00**
Total FTEs	1.00	1.00	**1.00**	**1.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 92,010	$ 92,250	**$ 92,250**	**$ 92,955**
O&M	82,828	98,500	**98,500**	**97,050**
Total Expenditures	$ 174,837	$ 190,750	**$ 190,750**	**$ 190,005**

Professional Standards Program 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 citizens 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Sergeant	1.00	1.00	**1.00**	**1.00**
Total FTEs	1.00	1.00	**1.00**	**1.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 110,837	$ 107,583	**$ 107,583**	**$ 115,723**
O&M	7,067	6,650	**6,686**	**6,650**
Total Expenditures	$ 117,904	$ 114,233	**$ 114,269**	**$ 122,373**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-ADMIN-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	405,659.78	416,425.00	416,425.00	417,426.00	
OVERTIME PAY	.00	.00	.00	.00	
HOLIDAY PAY	.00	.00	.00	.00	
UNIFORM ALLOWANCE	3,600.00	3,600.00	3,600.00	3,600.00	
GROUP INSURANCE	24,655.79	20,847.00	20,847.00	19,912.00	
SOCIAL SECURITY/MEDICA	28,442.07	31,850.00	31,850.00	31,927.00	
APSRS CONTRIBUTIONS	19,103.31	19,285.00	19,285.00	19,746.00	
ASRS CONTRIBUTIONS	34,686.75	37,109.00	37,109.00	37,302.00	
WORKERS' COMPENSATION	12,420.77	13,665.00	13,665.00	15,347.00	
OTHER EMPLOYEE BENEFIT	4,413.03	4,652.00	4,652.00	4,651.00	
TOTAL PD-ADMIN-PERSONNEL	532,981.50	547,433.00	547,433.00	549,911.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-ADMIN-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
GROUP INSURANCE	.00	.00	.00	.00	
OUTSIDE PROFESSIONAL S	8,403.27	15,350.00	15,350.00	15,350.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	3,877.19	4,000.00	4,000.00	4,000.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	2,579.10	5,500.00	5,500.00	7,850.00	
BUILDING REPAIR & MAIN	19,603.85	40,000.00	40,000.00	15,000.00	
RENTALS	23,104.02	25,395.00	25,395.00	25,395.00	
INSURANCE	154,427.01	175,000.00	175,000.00	190,000.00	
TELECOMMUNICATIONS	88,791.81	100,000.00	100,000.00	100,000.00	
POSTAGE	3,748.85	3,300.00	3,300.00	3,300.00	
PRINTING & BINDING	7,808.53	8,500.00	8,500.00	8,500.00	
TRAVEL & TRAINING	37,512.67	84,100.00	84,100.00	84,100.00	
MEMBERSHIPS & SUBSCRIP	6,768.58	7,200.00	7,200.00	7,500.00	
OFFICE SUPPLIES	23,061.05	22,000.00	22,000.00	22,000.00	
NATURAL GAS & ELECTRIC	25,839.36	35,000.00	35,000.00	38,000.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	25,720.04	22,000.00	22,000.00	22,000.00	
UNIFORMS	11.16	500.00	500.00	500.00	
FIELD SUPPLIES	3,611.50	5,000.00	5,000.00	5,000.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-ADMIN-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OFFICE LEASE	.00	.00	.00	.00	
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
CITIZENS CORPS COUNCIL	420.70	1,000.00	1,000.00	1,000.00	
SOFTWARE MAINTENANCE &	27.24	.00	.00	.00	
TOTAL PD-ADMIN-O&M	435,315.93	553,845.00	553,845.00	549,495.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-ADMIN-CAPITAL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
MINOR ASSETS	1,637.98	.00	.00	.00	
PATROL VEHICLES	.00	.00	.00	.00	
BUILDINGS & IMPROVEMEN	.00	.00	.00	.00	
EQUIPMENT	.00	.00	.00	.00	
TOTAL PD-ADMIN-CAPITAL	1,637.98	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-SUPP SERV-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	342,363.15	392,815.00	392,815.00	405,200.00	
OVERTIME PAY	.00	.00	.00	100.00	
HOLIDAY PAY	.00	.00	.00	.00	
UNIFORM ALLOWANCE	3,600.00	3,600.00	3,600.00	3,600.00	
GROUP INSURANCE	31,418.60	34,542.00	34,542.00	37,672.00	
SOCIAL SECURITY/MEDICA	26,027.90	29,666.00	29,666.00	30,592.00	
APSRS CONTRIBUTIONS	38,409.36	41,644.00	41,644.00	42,640.00	
ASRS CONTRIBUTIONS	16,071.87	21,693.00	21,693.00	23,004.00	
WORKERS' COMPENSATION	10,446.77	11,516.00	11,516.00	13,127.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
TOTAL PD-SUPP SERV-PERSONNEL	468,337.65	535,476.00	535,476.00	555,935.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-SUPP SERV-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
GROUP INSURANCE	.00	.00	.00	.00	
OUTSIDE PROFESSIONAL S	.00	.00	.00	.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	33.82	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	50.00	300.00	300.00	300.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	.00	.00	.00	.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	323.26	500.00	500.00	500.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-SUPP SERV-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OFFICE LEASE	.00	.00	.00	.00	
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
TOTAL PD-SUPP SERV-O&M	407.08	800.00	800.00	800.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SRO-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	482,593.22	524,836.00	524,836.00	525,109.00	
OVERTIME PAY	31,530.74	50,565.00	50,565.00	37,954.00	
ASSIGNMENT PAY	14,560.00	16,640.00	16,640.00	16,640.00	
HOLIDAY PAY	390.98	.00	.00	500.00	
UNIFORM ALLOWANCE	9,600.00	10,800.00	10,800.00	10,800.00	
GROUP INSURANCE	51,531.36	64,781.00	64,781.00	81,321.00	
SOCIAL SECURITY/MEDICA	39,812.49	44,927.00	44,927.00	43,507.00	
APSRS CONTRIBUTIONS	74,140.69	107,965.00	107,965.00	119,522.00	
ASRS CONTRIBUTIONS	13,362.91	7,371.00	7,371.00	.00	
WORKERS' COMPENSATION	18,754.60	22,072.00	22,072.00	24,193.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	2,900.00	2,900.00	.00	
SHIFT DIFFERENTIAL PAY	21.00	.00	.00	.00	
TOTAL SRO-PERSONNEL	736,297.99	852,857.00	852,857.00	859,546.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SRO-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	.00	.00	.00	.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	4,000.00	
MEMBERSHIPS & SUBSCRIP	50.00	100.00	100.00	100.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	.00	.00	.00	1,700.00	
UNIFORMS	.00	.00	.00	2,000.00	
FIELD SUPPLIES	433.49	.00	.00	3,700.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SRO-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	_____
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	_____
TOTAL SRO-O&M	483.49	100.00	100.00	11,500.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-COMM-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	547,893.04	585,235.00	585,235.00	587,558.00	
OVERTIME PAY	47,469.21	27,299.00	27,299.00	47,750.00	
HOLIDAY PAY	8,842.55	9,533.00	9,533.00	9,500.00	
GROUP INSURANCE	77,496.59	86,748.00	86,748.00	99,270.00	
SOCIAL SECURITY/MEDICA	45,445.33	47,402.00	47,402.00	48,803.00	
ASRS CONTRIBUTIONS	15,787.37	.00	.00	28,228.00	
CORP CONTRIBUTIONS	48,995.53	102,638.00	102,638.00	73,262.00	
WORKERS' COMPENSATION	1,218.01	1,280.00	1,280.00	1,487.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
CORP CONTRIBUTION	.00	.00	.00	.00	
UNEMPLOYMENT INSURANCE	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	4,638.50	8,000.00	8,000.00	6,000.00	
TOTAL PD-COMM-PERSONNEL	797,786.13	868,135.00	868,135.00	901,858.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-COMM-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	.00	300.00	300.00	300.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	739.33	1,200.00	1,200.00	1,200.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	906.00	850.00	850.00	850.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	715.19	1,000.00	1,000.00	1,000.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	.00	.00	.00	.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-COMM-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
TOTAL PD-COMM-O&M	2,360.52	3,350.00	3,350.00	3,350.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-RECORDS-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	246,842.76	258,742.00	258,742.00	260,297.00	
OVERTIME PAY	146.88	.00	.00	500.00	
GROUP INSURANCE	31,595.86	31,238.00	31,238.00	32,827.00	
SOCIAL SECURITY/MEDICA	17,308.16	19,369.00	19,369.00	19,519.00	
ASRS CONTRIBUTIONS	26,019.67	29,859.00	29,859.00	30,252.00	
WORKERS' COMPENSATION	458.94	526.00	526.00	596.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
UNEMPLOYMENT INSURANCE	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-RECORDS-PERSONNEL	322,372.27	339,734.00	339,734.00	343,991.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: IMPOUND FEE FUND-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	25,807.45	20,105.00	20,105.00	20,595.00	
OVERTIME PAY	.00	.00	.00	.00	
GROUP INSURANCE	820.19	416.00	416.00	450.00	
SOCIAL SECURITY/MEDICA	2,975.72	1,532.00	1,532.00	1,570.00	
ASRS CONTRIBUTIONS	4,369.82	2,320.00	2,320.00	2,389.00	
WORKERS' COMPENSATION	76.82	41.00	41.00	47.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL IMPOUND FEE FUND-PERSO	34,050.00	24,414.00	24,414.00	25,051.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-RECORDS-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	.00	.00	.00	.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	50.00	50.00	50.00	50.00	
OFFICE SUPPLIES	2,450.30	1,700.00	1,700.00	1,700.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	.00	1,500.00	1,500.00	1,500.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	.00	.00	.00	.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-RECORDS-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
TOTAL PD-RECORDS-O&M	2,500.30	3,250.00	3,250.00	3,250.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-INVEST-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	488,841.38	445,790.00	445,790.00	448,252.00	
OVERTIME PAY	52,494.65	33,939.00	33,939.00	44,372.00	
HOLIDAY PAY	269.61	.00	.00	300.00	
UNIFORM ALLOWANCE	8,400.00	8,400.00	8,400.00	8,400.00	
GROUP INSURANCE	66,073.65	63,019.00	63,019.00	69,306.00	
SOCIAL SECURITY/MEDICA	41,720.24	36,729.00	36,729.00	37,695.00	
APSRS CONTRIBUTIONS	78,852.74	85,337.00	85,337.00	89,189.00	
ASRS CONTRIBUTIONS	14,800.40	7,844.00	7,844.00	7,884.00	
WORKERS' COMPENSATION	16,620.78	18,094.00	18,094.00	20,887.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	7,399.25	8,000.00	8,000.00	8,000.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-INVEST-PERSONNEL	775,472.70	707,152.00	707,152.00	734,285.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-INVEST-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
GROUP INSURANCE	.00	.00	.00	.00	
OUTSIDE PROFESSIONAL S	3,018.85	6,600.00	6,600.00	8,075.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	3,000.00	3,000.00	3,000.00	
MEMBERSHIPS & SUBSCRIP	466.00	400.00	400.00	400.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	925.63	4,400.00	4,400.00	400.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	299.10	.00	.00	.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-INVEST-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OFFICE LEASE	.00	.00	.00	.00	_____
CUSTODIAL SUPPLIES	.00	.00	.00	.00	_____
SOFTWARE MAINTENANCE &	4,308.00	.00	.00	.00	_____
TOTAL PD-INVEST-O&M	9,017.58	14,400.00	14,400.00	11,875.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-IT-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	74,178.83	75,643.00	75,643.00	75,643.00	
OVERTIME PAY	3,859.77	.00	.00	3,070.00	
HOLIDAY PAY	141.97	.00	.00	.00	
UNIFORM ALLOWANCE	1,200.00	1,200.00	1,200.00	1,200.00	
GROUP INSURANCE	4,468.64	4,540.00	4,540.00	4,210.00	
SOCIAL SECURITY/MEDICA	6,050.75	5,787.00	5,787.00	6,022.00	
APSRS CONTRIBUTIONS	14,635.37	15,378.00	15,378.00	16,215.00	
ASRS CONTRIBUTIONS	.00	.00	.00	.00	
WORKERS' COMPENSATION	144.44	154.00	154.00	180.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-IT-PERSONNEL	104,679.77	102,702.00	102,702.00	106,540.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-IT-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	.00	2,000.00	2,000.00	2,000.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	7,212.31	40,000.00	40,000.00	48,495.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	99.90	200.00	200.00	200.00	
OFFICE SUPPLIES	295.15	200.00	200.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	2,191.67	17,000.00	17,000.00	7,000.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	47.56	300.00	300.00	300.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-IT-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	1,979.94	137,352.00	137,352.00	125,357.00	
TOTAL PD-IT-O&M	11,826.53	197,052.00	197,052.00	183,352.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-IT-CAPITAL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
MINOR ASSETS	.00	55,440.00	55,440.00	12,000.00	
PATROL VEHICLES	.00	.00	.00	.00	
BUILDINGS & IMPROVEMEN	.00	.00	.00	.00	
EQUIPMENT	.00	92,900.00	92,900.00	56,000.00	
TOTAL PD-IT-CAPITAL	.00	148,340.00	148,340.00	68,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FLEET-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	67,098.38	64,506.00	64,506.00	65,532.00	
OVERTIME PAY	1,393.65	.00	.00	1,980.00	
UNIFORM ALLOWANCE	.00	.00	.00	.00	
GROUP INSURANCE	11,443.61	11,264.00	11,264.00	12,801.00	
SOCIAL SECURITY/MEDICA	4,922.15	4,770.00	4,770.00	4,987.00	
ASRS CONTRIBUTIONS	5,026.31	4,905.00	4,905.00	5,215.00	
WORKERS' COMPENSATION	2,022.16	2,120.00	2,120.00	2,490.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-FLEET-PERSONNEL	91,906.26	87,565.00	87,565.00	93,005.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FLEET-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
SOCIAL SECURITY/MEDICA	.00	.00	.00	.00	
OUTSIDE PROFESSIONAL S	.00	.00	.00	.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	134,547.52	172,000.00	172,000.00	143,000.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	.00	.00	.00	.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	290,539.91	328,000.00	328,000.00	328,000.00	
NON-CAPITALIZED EQUIPM	.00	500.00	500.00	500.00	
UNIFORMS	635.29	600.00	600.00	600.00	
FIELD SUPPLIES	354.76	500.00	500.00	500.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FLEET-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OFFICE LEASE	.00	.00	.00	.00	
SAFETY COMPLIANCE	173.32	200.00	200.00	200.00	
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
VEHICLE REPLACEMENT	.00	370,000.00	370,000.00	336,000.00	
VEHICLE RESERVE	.00	56,000.00	56,000.00	98,700.00	
TOTAL PD-FLEET-O&M	426,250.80	927,800.00	927,800.00	907,500.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FLEET-OTHER FINANCING USES	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CAPITAL LEASE PRINCIPA	.00	.00	.00	40,400.00	_____
CAPITAL LEASE INTEREST	.00	.00	.00	5,053.00	_____
TOTAL PD-FLEET-OTHER FINANCI	.00	.00	.00	45,453.00	_____
GRAND TOTAL	.00	.00	.00	45,453.00	_____

** END OF REPORT - Generated by WENDY GOMEZ **

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FLEET-CAPITAL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
GROUP INSURANCE	.00	.00	.00	.00	
MINOR ASSETS	.00	.00	.00	.00	
PATROL VEHICLES	171,394.20	.00	.00	.00	
BUILDINGS & IMPROVEMEN	.00	.00	.00	.00	
EQUIPMENT	.00	.00	.00	.00	
TOTAL PD-FLEET-CAPITAL	171,394.20	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-COMM RESOURCES-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	118,895.09	184,634.00	184,634.00	186,038.00	
OVERTIME PAY	13,554.35	7,059.00	7,059.00	14,110.00	
ASSIGNMENT PAY	.00	.00	.00	.00	
HOLIDAY PAY	173.05	.00	.00	700.00	
UNIFORM ALLOWANCE	3,600.00	3,600.00	3,600.00	3,600.00	
GROUP INSURANCE	17,711.35	22,545.00	22,545.00	24,062.00	
SOCIAL SECURITY/MEDICA	9,731.91	14,511.00	14,511.00	15,203.00	
APSRS CONTRIBUTIONS	24,992.42	39,134.00	39,134.00	41,560.00	
ASRS CONTRIBUTIONS	.00	.00	.00	.00	
WORKERS' COMPENSATION	6,600.17	7,141.00	7,141.00	8,412.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	884.50	800.00	800.00	900.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-COMM RESOURCES-PERS	196,142.84	279,424.00	279,424.00	294,585.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD COMM RESOURCES-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	.00	.00	.00	.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	4,000.00	4,000.00	.00	
MEMBERSHIPS & SUBSCRIP	365.00	450.00	450.00	800.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	4,140.45	5,140.00	5,140.00	5,140.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	350.80	4,200.00	4,200.00	3,200.00	
UNIFORMS	1,009.54	3,900.00	3,900.00	2,500.00	
PUBLIC INFORMATION SER	.00	.00	.00	.00	
FIELD SUPPLIES	6,613.79	6,700.00	6,700.00	5,100.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD COMM RESOURCES-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OFFICE LEASE	23,543.78	25,000.00	25,000.00	26,000.00	
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
EMPLOYEE SERVICE AWARD	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
TOTAL PD COMM RESOURCES-O&M	36,023.36	49,390.00	49,390.00	42,740.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-GRANTS-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	466,550.93	468,323.00	468,323.00	449,807.00	
OVERTIME PAY	76,710.03	74,512.00	74,512.00	78,485.00	
ASSIGNMENT PAY	.00	.00	.00	.00	
HOLIDAY PAY	.00	.00	.00	.00	
UNIFORM ALLOWANCE	9,600.00	9,600.00	9,600.00	9,600.00	
GROUP INSURANCE	55,920.50	56,959.00	56,959.00	61,737.00	
SOCIAL SECURITY/MEDICA	41,538.24	41,243.00	41,243.00	39,918.00	
APSRS CONTRIBUTIONS	101,791.65	111,192.00	111,192.00	109,240.00	
ASRS CONTRIBUTIONS	.00	.00	.00	.00	
WORKERS' COMPENSATION	16,073.76	20,291.00	20,291.00	22,112.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	498.00	4,100.00	4,100.00	2,000.00	
TOTAL PD-GRANTS-PERSONNEL	768,683.11	786,220.00	786,220.00	772,899.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-GRANTS-CAPITAL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
GROUP INSURANCE	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MINOR ASSETS	8,849.94	22,000.00	22,000.00	16,550.00	
VEHICLES	.00	24,000.00	24,000.00	31,849.00	
PATROL VEHICLES	31,277.39	.00	.00	.00	
EQUIPMENT	51,589.49	.00	.00	.00	
TOTAL PD-GRANTS-CAPITAL	91,716.82	46,000.00	46,000.00	48,399.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROP/ID-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	161,833.75	169,685.00	169,685.00	169,685.00	
OVERTIME PAY	10,893.35	13,726.00	13,726.00	10,935.00	
UNIFORM ALLOWANCE	3,600.00	3,600.00	3,600.00	3,600.00	
GROUP INSURANCE	17,775.98	16,758.00	16,758.00	16,906.00	
SOCIAL SECURITY/MEDICA	13,426.90	14,394.00	14,394.00	14,028.00	
ASRS CONTRIBUTIONS	17,132.03	18,633.00	18,633.00	18,185.00	
WORKERS' COMPENSATION	1,058.19	1,365.00	1,365.00	1,524.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	4,020.75	6,000.00	6,000.00	4,100.00	
SHIFT DIFFERENTIAL PAY	22.00	.00	.00	.00	
TOTAL PD-PROP/ID-PERSONNEL	229,762.95	244,161.00	244,161.00	238,963.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROP/ID-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	2,851.87	4,000.00	4,000.00	4,000.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	290.00	200.00	200.00	200.00	
OFFICE SUPPLIES	2,061.48	3,000.00	3,000.00	3,000.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	2,250.99	3,000.00	3,000.00	3,000.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	25,116.82	30,000.00	30,000.00	30,000.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
TOTAL PD-PROP/ID-O&M	32,571.16	40,200.00	40,200.00	40,200.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD - PROP/ID - CAPITAL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
BUILDINGS & IMPROVEMEN	.00	350,000.00	350,000.00	.00	
TOTAL PD - PROP/ID - CAPITAL	.00	350,000.00	350,000.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FIELD SERV-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	410,446.24	448,903.00	448,903.00	435,194.00	
OVERTIME PAY	1,386.21	4,605.00	4,605.00	1,828.00	
HOLIDAY PAY	.00	.00	.00	.00	
UNIFORM ALLOWANCE	3,600.00	3,600.00	3,600.00	3,600.00	
GROUP INSURANCE	45,441.07	46,191.00	46,191.00	49,746.00	
SOCIAL SECURITY/MEDICA	30,902.87	34,233.00	34,233.00	32,937.00	
APSRS CONTRIBUTIONS	54,327.66	61,884.00	61,884.00	62,759.00	
ASRS CONTRIBUTIONS	13,548.72	17,207.00	17,207.00	15,355.00	
WORKERS' COMPENSATION	10,359.70	11,597.00	11,597.00	13,006.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-FIELD SERV-PERSONNE	570,012.47	628,220.00	628,220.00	614,425.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FIELD SERV-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	.00	.00	.00	.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	255.00	500.00	500.00	500.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	.00	.00	.00	.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	919.34	1,000.00	1,000.00	1,000.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-FIELD SERV-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
TOTAL PD-FIELD SERV-O&M	1,174.34	1,500.00	1,500.00	1,500.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PATROL-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	3,336,557.49	3,418,776.00	3,418,776.00	3,401,830.00	
OVERTIME PAY	245,702.94	259,123.00	259,123.00	272,143.00	
ASSIGNMENT PAY	29,000.00	33,280.00	33,280.00	27,040.00	
HOLIDAY PAY	40,365.71	34,338.00	34,338.00	43,500.00	
UNIFORM ALLOWANCE	66,330.00	70,800.00	70,800.00	70,800.00	
GROUP INSURANCE	487,791.32	491,249.00	491,249.00	471,596.00	
SOCIAL SECURITY/MEDICA	282,827.28	286,599.00	286,599.00	287,942.00	
APSRS CONTRIBUTIONS	690,766.59	745,576.00	745,576.00	757,281.00	
ASRS CONTRIBUTIONS	8,042.70	7,130.00	7,130.00	7,167.00	
WORKERS' COMPENSATION	141,664.17	141,647.00	141,647.00	159,515.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	42,821.25	33,700.00	33,700.00	45,000.00	
SHIFT DIFFERENTIAL PAY	34,832.75	38,900.00	38,900.00	36,000.00	
TOTAL PD-PATROL-PERSONNEL	5,406,702.20	5,561,118.00	5,561,118.00	5,579,814.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PATROL-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
GROUP INSURANCE	.00	.00	.00	.00	
OUTSIDE PROFESSIONAL S	5,759.52	5,200.00	5,200.00	5,450.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	530.28	5,900.00	5,900.00	5,900.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	634.05	1,890.00	1,890.00	1,940.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	3,637.20	3,000.00	3,000.00	3,000.00	
UNIFORMS	2,511.45	6,500.00	6,500.00	6,500.00	
FIELD SUPPLIES	6,297.10	9,600.00	9,600.00	9,600.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PATROL-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OFFICE LEASE	.00	.00	.00	.00	
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	395.10	.00	.00	.00	
TOTAL PD-PATROL-O&M	19,764.70	32,090.00	32,090.00	32,390.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PATROL-CAPITAL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
MINOR ASSETS	.00	.00	.00	.00	
PATROL VEHICLES	.00	.00	.00	.00	
BUILDINGS & IMPROVEMEN	.00	.00	.00	.00	
EQUIPMENT	.00	10,000.00	10,000.00	10,000.00	
TOTAL PD-PATROL-CAPITAL	.00	10,000.00	10,000.00	10,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: S&F STATE-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	.00	46,989.00	46,989.00	45,177.00	
UNIFORM ALLOWANCE	.00	1,200.00	1,200.00	1,200.00	
GROUP INSURANCE	113.91	4,369.00	4,369.00	4,026.00	
SOCIAL SECURITY/MEDICA	.00	3,595.00	3,595.00	3,456.00	
APSRS CONTRIBUTIONS	.00	9,553.00	9,553.00	9,306.00	
WORKERS' COMPENSATION	.00	1,743.00	1,743.00	1,884.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
TOTAL S&F STATE-PERSONNEL	113.91	67,449.00	67,449.00	65,049.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SEIZURE & FORFEIT-STATE-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	9,072.29	.00	.00	.00	
VEHICLE REPAIR & MAINT	10.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	37,273.37	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	3,588.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	7,399.06	.00	.00	.00	
UNIFORMS	1,565.01	.00	.00	.00	
FIELD SUPPLIES	138.28	.00	.00	.00	
MISCELLANEOUS OTHER OP	36.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	1,922.00	.00	.00	.00	
FUNDING OUTSIDE SOURCE	.00	.00	.00	.00	
MINOR ASSETS	.00	.00	.00	.00	
TOTAL SEIZURE & FORFEIT-STAT	61,004.01	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SEIZURES & FORFEIT-STATE-CAP	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
MINOR ASSETS	.00	.00	.00	.00	_____
PATROL VEHICLES	24,929.94	.00	.00	.00	_____
BUILDINGS & IMPROVEMEN	.00	.00	.00	.00	_____
EQUIPMENT	5,084.00	.00	.00	.00	_____
TOTAL SEIZURES & FORFEIT-STA	30,013.94	.00	.00	.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: S&F JUSTICE-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	18,247.40	92,166.00	92,166.00	93,978.00	
OVERTIME PAY	.00	.00	.00	.00	
HOLIDAY PAY	.00	.00	.00	.00	
UNIFORM ALLOWANCE	3,600.00	2,400.00	2,400.00	2,400.00	
GROUP INSURANCE	681.52	16,183.00	16,183.00	17,750.00	
SOCIAL SECURITY/MEDICA	1,662.66	6,877.00	6,877.00	7,002.00	
APSRS CONTRIBUTIONS	3,376.09	18,737.00	18,737.00	19,359.00	
WORKERS' COMPENSATION	302.28	3,420.00	3,420.00	3,919.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
TOTAL S&F JUSTICE-PERSONNEL	27,869.95	139,783.00	139,783.00	144,408.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SEIZURES & FORFEIT-JUSTICE-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	3,950.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	7,881.28	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	10.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	520.00	.00	.00	.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	24,359.49	.00	.00	.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	913.07	.00	.00	.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
FUNDING OUTSIDE SOURCE	.00	.00	.00	.00	
TOTAL SEIZURES & FORFEIT-JUS	37,633.84	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: SEIZURES & FORFEIT-JUSTICE-CAP	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
MINOR ASSETS	7,579.47	.00	.00	.00	_____
PATROL VEHICLES	.00	.00	.00	.00	_____
BUILDINGS & IMPROVEMEN	115,781.93	.00	.00	.00	_____
EQUIPMENT	86,303.23	.00	.00	.00	_____
TOTAL SEIZURES & FORFEIT-JUS	209,664.63	.00	.00	.00	_____

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROF DEV & TRAIN-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	61,792.14	61,797.00	61,797.00	61,785.00	
OVERTIME PAY	.00	.00	.00	.00	
ASSIGNMENT PAY	2,080.00	2,080.00	2,080.00	2,080.00	
HOLIDAY PAY	.00	.00	.00	.00	
UNIFORM ALLOWANCE	1,200.00	1,200.00	1,200.00	1,200.00	
GROUP INSURANCE	7,861.02	6,788.00	6,788.00	7,111.00	
SOCIAL SECURITY/MEDICA	4,850.15	4,843.00	4,843.00	4,835.00	
APSRS CONTRIBUTIONS	11,965.00	13,017.00	13,017.00	13,177.00	
ASRS CONTRIBUTIONS	.00	.00	.00	.00	
WORKERS' COMPENSATION	2,217.81	2,375.00	2,375.00	2,667.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	.00	.00	.00	.00	
SHIFT DIFFERENTIAL PAY	43.50	150.00	150.00	100.00	
TOTAL PD-PROF DEV & TRAIN-PE	92,009.62	92,250.00	92,250.00	92,955.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROF DEV & TRAIN-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	925.82	1,000.00	1,000.00	1,000.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	376.00	500.00	500.00	500.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	25.00	300.00	300.00	300.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	688.51	500.00	500.00	500.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	16,520.78	35,000.00	35,000.00	30,000.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	60,979.19	57,700.00	57,700.00	59,750.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROF DEV & TRAIN-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
CITIZENS ACADEMY	3,312.30	3,500.00	3,500.00	5,000.00	
TOTAL PD-PROF DEV & TRAIN-O&	82,827.60	98,500.00	98,500.00	97,050.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROF STDS-PERSONNEL	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
REGULAR EMPLOYEES	71,986.96	73,831.00	73,831.00	73,831.00	
OVERTIME PAY	4,314.27	1,785.00	1,785.00	3,773.00	
UNIFORM ALLOWANCE	1,200.00	1,200.00	1,200.00	1,200.00	
GROUP INSURANCE	6,767.97	6,860.00	6,860.00	7,184.00	
SOCIAL SECURITY/MEDICA	6,061.22	5,730.00	5,730.00	6,146.00	
APSRS CONTRIBUTIONS	14,861.76	15,373.00	15,373.00	16,707.00	
ASRS CONTRIBUTIONS	.00	.00	.00	.00	
WORKERS' COMPENSATION	2,555.87	2,804.00	2,804.00	3,382.00	
OTHER EMPLOYEE BENEFIT	.00	.00	.00	.00	
ON CALL PAY	3,088.50	.00	.00	3,500.00	
SHIFT DIFFERENTIAL PAY	.00	.00	.00	.00	
TOTAL PD-PROF STDS-PERSONNEL	110,836.55	107,583.00	107,583.00	115,723.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROF STDS-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
OUTSIDE PROFESSIONAL S	6,616.67	6,000.00	6,000.00	6,000.00	
CUSTODY PRISONERS	.00	.00	.00	.00	
WATER & SEWAGE	.00	.00	.00	.00	
VEHICLE REPAIR & MAINT	.00	.00	.00	.00	
EQUIPMENT REPAIR & MAI	.00	.00	.00	.00	
BUILDING REPAIR & MAIN	.00	.00	.00	.00	
RENTALS	.00	.00	.00	.00	
INSURANCE	.00	.00	.00	.00	
TELECOMMUNICATIONS	.00	.00	.00	.00	
POSTAGE	.00	.00	.00	.00	
PRINTING & BINDING	.00	.00	.00	.00	
TRAVEL & TRAINING	.00	.00	.00	.00	
MEMBERSHIPS & SUBSCRIP	190.00	250.00	250.00	250.00	
OFFICE SUPPLIES	.00	.00	.00	.00	
NATURAL GAS & ELECTRIC	.00	.00	.00	.00	
GASOLINE	.00	.00	.00	.00	
NON-CAPITALIZED EQUIPM	.00	.00	.00	.00	
UNIFORMS	.00	.00	.00	.00	
FIELD SUPPLIES	260.60	400.00	400.00	400.00	
MISCELLANEOUS OTHER OP	.00	.00	.00	.00	
OFFICE LEASE	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PD-PROF STDS-O&M	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
CUSTODIAL SUPPLIES	.00	.00	.00	.00	
SOFTWARE MAINTENANCE &	.00	.00	.00	.00	
TOTAL PD-PROF STDS-O&M	7,067.27	6,650.00	6,650.00	6,650.00	

Department Overview

The primary function of the Water Utility is the protection of public health and safety through the production and efficient delivery of water that meets and/or exceeds water quality standards and in sufficient quantity to meet customer demands. Responsibilities include regulatory compliance, customer service, promoting water conservation, generating customer billings, collection of utility revenues, efficient use of available water resources, planning for future water resource requirements, and coordination with the development community.

PERSONNEL

FY 2013 Actual	36.00
FY 2014 Budget	**37.00**
FY 2014 Projected	**37.00**
FY 2015 Budget	**37.48**

EXPENDITURES BY PROGRAM AREA

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Administration	$ 7,951,868	$ 9,414,859	**$ 8,976,015**	**$ 12,768,881**
Engineering & Planning	2,429,083	1,694,275	**1,257,601**	**2,024,538**
Production	2,487,130	2,874,406	**2,750,473**	**2,848,947**
Distribution	674,829	839,509	**847,302**	**963,668**
Total Expenditures	$ 13,542,909	$ 14,823,049	**$ 13,831,391**	**$ 18,606,034**

Does not include non-cash outlays for depreciation and amortization

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Charges for Services	$ 635,623	$ 597,100	**$ 3,176,600**	**$ 3,189,200**
Interest	(17,289)	66,250	**60,000**	**51,150**
Miscellaneous	25,058	-	**7,942**	**-**
WIFA Loan Proceeds	-	1,300,000	**1,000,000**	**2,200,000**
Water Sales	11,585,181	11,748,000	**12,023,000**	**12,078,800**
Other Financing Sources	100,000	100,000	**400,000**	**-**
Total Revenues	$ 12,328,572	$ 13,811,350	**$ 16,667,542**	**$ 17,519,150**

Administration Division 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 department's budget, implementation of water rates, fees and charges, and strategic planning. Programs within this division include:

- Billings/Collections/Meters
- Water Conservation
- Water Resource Planning

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
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**	**4.00**
Customer Service Rep.	4.00	4.00	**4.00**	**4.48**
Water Conservation Specialist	1.00	1.00	**1.00**	**1.00**
Total FTEs	15.00	15.00	**15.00**	**14.48**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 1,020,214	$ 1,026,625	**$ 1,026,625**	**$ 1,017,767**
O&M	2,934,797	3,455,360	**3,119,519**	**4,382,743**
Capital	1,216,048	1,538,000	**1,239,923**	**2,394,720**
Other Financing Uses	2,319	3,178	**3,178**	**3,119**
Debt Service	2,778,490	3,391,696	**3,586,770**	**4,970,532**
Total Expenditures	$ 7,951,868	$ 9,414,859	**$ 8,976,015**	**$ 12,768,881**

Does not include non-cash outlays for depreciation and amortization

Engineering & Planning Division Overview

This Division is responsible for managing design and construction of the capital improvement program and new development, construction inspection and the geographic information mapping system. Programs within this division include:

- Construction Inspection
- Mapping
- Capital Improvements

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Engineering Division Manager	1.00	1.00	**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**	**6.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 508,127	$ 521,825	**$ 521,825**	**$ 528,888**
O&M	175,844	307,450	**252,287**	**165,650**
Capital	1,745,111	865,000	**483,489**	**1,330,000**
Total Expenditures	$ 2,429,083	$ 1,694,275	**$ 1,257,601**	**$ 2,024,538**

Operations Division - Production Overview

Production programs within this division are responsible for production of the potable water supply, operation and maintenance of all potable and reclaimed water production facilities including wells, reservoirs, booster stations, electrical controls and operation and maintenance of security devices. Production programs include:

- Disinfection
- Security
- Preventative Maintenance

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Water Production Superintendent	1.00	1.00	**1.00**	**1.00**
Lead Water Utility Operator	1.00	1.00	**1.00**	**-**
Electric and Control Technician	-	1.00	**1.00**	**1.00**
Water Utility Operator III	-	5.00	**5.00**	**5.00**
Water Utility Operator II	5.00	-	**-**	**3.00**
Total FTEs	7.00	8.00	**8.00**	**10.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 551,686	$ 569,045	**$ 533,288**	**$ 661,267**
O&M	1,935,443	2,080,111	**2,053,932**	**2,133,680**
Capital	-	225,250	**163,253**	**54,000**
Total Expenditures	$ 2,487,130	$ 2,874,406	**$ 2,750,473**	**$ 2,848,947**

Does not include non-cash outlays for depreciation and amortization

Operations Division - Distribution Overview

Distribution programs within this division are responsible for the operation and maintenance of potable and reclaimed water distribution facilities including, but not limited to, water mains, fire hydrants, and valves. Distribution programs include:

- Water Quality Sampling
- Backflow Prevention
- Preventative Maintenance

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PERSONNEL				
Water Distribution Superintendent	1.00	1.00	**1.00**	**1.00**
Lead Water Utility Operator	3.00	3.00	**3.00**	**4.00**
Water Utility Operator III	-	2.00	**2.00**	**1.00**
Water Utility Operator II	4.00	2.00	**2.00**	**-**
Water Utility Operator I	-	-	**-**	**1.00**
Total FTEs	8.00	8.00	**8.00**	**7.00**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Personnel	$ 457,122	$ 570,969	**$ 570,969**	**$ 526,998**
O&M	188,917	242,040	**244,529**	**228,370**
Capital	28,789	26,500	**31,804**	**208,300**
Total Expenditures	$ 674,829	$ 839,509	**$ 847,302**	**$ 963,668**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ADMINISTRATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
06088000	5001	REG EMPLOY	281,722.37	284,000.00	284,000.00	294,144.00	
06088000	5002	OT PAY	.00	.00	.00	.00	
06088000	5006	GRP INS	16,963.42	16,760.00	16,760.00	16,913.00	
06088000	5007	SS/MED	20,124.38	21,639.00	21,639.00	22,408.00	
06088000	5009	ASRS CONT	31,394.09	32,774.00	32,774.00	34,121.00	
06088000	5011	WORK COMP	553.18	577.00	577.00	672.00	
06088000	5012	OTHER BEN	20,790.82	1,283.00	1,283.00	1,283.00	
06088000	5014	UNEMPLOYME	.00	.00	.00	.00	
06088030	5001	REG EMPLOY	409,121.13	414,535.00	414,535.00	401,144.00	
06088030	5002	OT PAY	4,912.24	7,500.00	7,500.00	6,000.00	
06088030	5006	GRP INS	83,650.72	90,122.00	90,122.00	83,995.00	
06088030	5007	SS/MED	30,514.67	31,257.00	31,257.00	30,254.00	
06088030	5009	ASRS CONT	45,756.98	48,703.00	48,703.00	47,229.00	
06088030	5011	WORK COMP	6,484.42	7,075.00	7,075.00	7,212.00	
06088030	5012	OTHER BEN	.00	.00	.00	.00	
06088060	5001	REG EMPLOY	49,781.94	51,199.00	51,199.00	52,014.00	
06088060	5002	OT PAY	.00	.00	.00	.00	
06088060	5006	GRP INS	7,796.43	7,958.00	7,958.00	8,741.00	
06088060	5007	SS/MED	3,699.82	3,830.00	3,830.00	3,885.00	
06088060	5009	ASRS CONT	5,545.80	5,908.00	5,908.00	6,034.00	
06088060	5011	WORK COMP	1,401.38	1,505.00	1,505.00	1,718.00	
06088060	5012	OTHER BEN	.00	.00	.00	.00	
06088080	5001	REG EMPLOY	.00	.00	.00	.00	
06088080	5002	OT PAY	.00	.00	.00	.00	
06088080	5006	GRP INS	.00	.00	.00	.00	
06088080	5007	SS/MED	.00	.00	.00	.00	
06088080	5009	ASRS CONT	.00	.00	.00	.00	
06088080	5011	WORK COMP	.00	.00	.00	.00	
06088080	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			1,020,213.79	1,026,625.00	1,026,625.00	1,017,767.00	
20	OPERATIONS & MAINTENANCE						
06088010	6005	PROF SERV	74,971.57	80,000.00	80,000.00	27,500.00	
06088010	6018	VEH R&M	.00	.00	.00	40,000.00	
06088010	6019	EQUIP R&M	961.73	1,500.00	1,500.00	1,000.00	
06088010	6020	BLDG R&M	.00	.00	.00	15,000.00	
06088010	6025	RENTALS	6,908.07	6,900.00	6,900.00	7,300.00	
06088010	6026	INSURANCE	52,975.36	46,000.00	46,000.00	57,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ADMINISTRATION		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088010 6027	FLEET	135,602.88	133,864.00	133,864.00	.00	
06088010 6028	TELECOMM	1,397.79	1,400.00	1,400.00	1,400.00	
06088010 6029	POSTAGE	26.82	500.00	500.00	200.00	
06088010 6030	ADVERTISE	36.63	200.00	200.00	.00	
06088010 6031	PRINTING	48.20	1,000.00	1,000.00	500.00	
06088010 6034	TRAVEL	3,664.53	2,300.00	2,300.00	2,300.00	
06088010 6035	MEMBER	11,015.79	10,835.00	10,835.00	10,998.00	
06088010 6037	SUPPLIES	4,990.38	3,125.00	3,125.00	3,125.00	
06088010 6038	GAS & ELEC	7,681.04	8,400.00	8,400.00	7,600.00	
06088010 6039	GAS	.00	.00	.00	95,000.00	
06088010 6040	NON-CAP EQ	684.25	.00	.00	.00	
06088010 6045	MISC OTHER	750.00	500.00	500.00	500.00	
06088010 6046	DEPRECIATE	2,425,641.50	2,254,406.00	2,254,406.00	2,425,642.00	
06088010 6047	OFF LEASE	65,604.00	65,600.00	65,600.00	65,600.00	
06088010 6048	AMORT	19,450.52	158,658.00	158,658.00	151,000.00	
06088010 6051	REG EXP	14,650.00	13,400.00	13,400.00	13,400.00	
06088010 6054	WTR COMM	1,226.50	2,000.00	2,000.00	2,000.00	
06088010 6064	SAFTY COMP	1,328.77	200.00	200.00	100.00	
06088010 6081	BD ISS COS	.00	.00	.00	.00	
06088010 6092	BOTTLED WT	.00	.00	.00	.00	
06088010 6094	ADMIN SVCS	348,000.00	358,000.00	358,000.00	358,000.00	
06088010 6097	SFTWR LICS	.00	800.00	800.00	.00	
06088010 7000	INVST LOSS	.00	.00	.00	.00	
06088040 5011	WORK COMP	.00	.00	.00	.00	
06088040 6001	CONT SERVS	.00	.00	.00	.00	
06088040 6005	PROF SERV	91,600.12	94,900.00	94,900.00	104,000.00	
06088040 6018	VEH R&M	.00	.00	.00	.00	
06088040 6019	EQUIP R&M	1,211.91	2,000.00	2,000.00	1,450.00	
06088040 6021	GRDS R&M	645.00	1,000.00	1,000.00	1,000.00	
06088040 6028	TELECOMM	6,474.48	6,500.00	6,500.00	7,980.00	
06088040 6029	POSTAGE	79,243.78	87,250.00	87,250.00	83,500.00	
06088040 6031	PRINTING	20,282.46	15,500.00	15,500.00	19,500.00	
06088040 6034	TRAVEL	5,710.94	4,200.00	4,200.00	4,200.00	
06088040 6035	MEMBER	.00	.00	.00	.00	
06088040 6037	SUPPLIES	9,128.12	8,400.00	8,400.00	10,000.00	
06088040 6039	GAS	.00	.00	.00	.00	
06088040 6040	NON-CAP EQ	8,240.83	2,500.00	2,500.00	2,855.00	
06088040 6041	UNIFORMS	3,590.75	3,300.00	3,300.00	3,000.00	
06088040 6043	BD DEBT	19,078.01	25,000.00	25,000.00	30,000.00	
06088040 6044	FIELD SUPP	2,656.73	2,000.00	2,000.00	2,000.00	
06088040 6059	R&M-SERV	5,892.27	14,000.00	14,000.00	12,000.00	
06088040 6061	R&M-METERS	4,986.88	10,000.00	10,000.00	5,000.00	
06088040 6063	INT SEC DE	164.11	200.00	200.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ADMINISTRATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088040 6064		SAFETY	556.27	5,030.00	5,030.00	1,580.00	
06088040 6082		WTR PURCH	.00	.00	.00	.00	
06088040 6082	81304	WTR PURCH	1,614.80	.00	.00	.00	
06088040 6082	81305	WTR PURCH	2,279.55	.00	.00	.00	
06088040 6082	81306	WTR PURCH	698,079.16	685,936.00	685,936.00	999,780.00	
06088040 6097		SFTWR LICS	34,271.27	34,600.00	34,600.00	37,550.00	
06088040 6099		REC WATER	.00	.00	.00	.00	
06088070 6005		PROF SERV	12,000.00	15,000.00	15,000.00	8,000.00	
06088070 6018		VEH R&M	.00	.00	.00	.00	
06088070 6019		EQUIP R&M	41.28	.00	.00	.00	
06088070 6028		TELECOMM	439.52	840.00	840.00	840.00	
06088070 6029		POSTAGE	.00	.00	.00	.00	
06088070 6031		PRINTING	1,373.92	2,000.00	2,000.00	2,400.00	
06088070 6034		TRAVEL	50.00	800.00	800.00	800.00	
06088070 6035		MEMBER	4,330.00	5,330.00	5,330.00	5,380.00	
06088070 6037		SUPPLIES	426.69	300.00	300.00	300.00	
06088070 6039		GAS	.00	.00	.00	.00	
06088070 6040		NON-CAP EQ	.00	1,500.00	1,500.00	500.00	
06088070 6041		UNIFORMS	118.63	300.00	300.00	300.00	
06088070 6044		FIELD SUPP	221.82	200.00	200.00	200.00	
06088070 6064		SAFETY	.00	.00	.00	.00	
06088070 6084		CONSERV	13,369.97	2,000.00	2,000.00	5,200.00	
06088090 6005		PROF SERV	44,494.00	80,000.00	80,000.00	40,000.00	
06088090 6010		CAP CAPI	.00	.00	.00	184,905.00	
06088090 6011		CAP DEL	826,333.32	1,043,250.00	1,043,250.00	1,627,000.00	
06088090 6051	81301	REG EXP	297,051.45	150,000.00	150,000.00	15,000.00	
06088090 6051	81302	REG EXP	6,315.06	10,000.00	10,000.00	8,000.00	
06088090 6051	81303	REG EXP	.00	405,000.00	405,000.00	.00	
06088090 6052		GW EXT CR	.00	.00	.00	450,000.00	
06088090 9014		WTR RIGHTS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			5,379,889.43	5,868,424.00	5,868,424.00	6,959,385.00	
30 CAPITAL OUTLAY							
06088020 9002		MIN ASSETS	.00	.00	.00	.00	
06088020 9020		VEHICLES	.00	.00	.00	.00	
06088020 9024		EQUIP	.00	100,000.00	100,000.00	100,000.00	
06088050 9002		MINORASSET	.00	2,500.00	2,500.00	.00	
06088050 9005		MXU-TRANS	.00	.00	.00	20,560.00	
06088050 9006		METERS	.00	75,000.00	75,000.00	46,660.00	
06088050 9006	82126	METERS	.00	.00	.00	.00	
06088050 9006	82127	METERS	.00	1,300,000.00	1,300,000.00	2,200,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ADMINISTRATION			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088050 9020		VEHICLES	.00	.00	.00	.00	
06088050 9020	34007	VEHICLES	3,015.72	44,000.00	44,000.00	.00	
06088050 9022		VEHRES-ENT	.00	16,500.00	16,500.00	27,500.00	
06088050 9024		EQUIP	.00	.00	.00	.00	
06088075 9020		VEHICLES	.00	.00	.00	.00	
06088075 9024		EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			3,015.72	1,538,000.00	1,538,000.00	2,394,720.00	
40 OTHER FINANCING USES							
06088026 9078		TR TO DSF	2,319.00	3,178.00	3,178.00	3,119.00	
06088026 9079		TR TO CPF	.00	.00	.00	.00	
06088026 9082		TR TO INT	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES			2,319.00	3,178.00	3,178.00	3,119.00	
45 DEBT SERVICE							
06088025 9051		PR PYMTS	.00	2,033,797.00	2,033,797.00	3,396,489.00	
06088025 9052		INT PYMTS	1,334,173.87	1,357,899.00	1,357,899.00	1,574,043.00	
TOTAL DEBT SERVICE			1,334,173.87	3,391,696.00	3,391,696.00	4,970,532.00	
TOTAL WATER-ADMINISTRATION			7,739,611.81	11,827,923.00	11,827,923.00	15,345,523.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ENGINEERING AND PLANNING			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
06088100	5001	REG EMPLOY	201,449.28	205,549.00	205,549.00	210,513.00	
06088100	5002	OT PAY	.00	.00	.00	.00	
06088100	5006	GRP INS	16,584.85	16,565.00	16,565.00	16,697.00	
06088100	5007	SS/MED	15,277.68	15,637.00	15,637.00	16,011.00	
06088100	5009	ASRS CONT	22,441.58	23,720.00	23,720.00	24,420.00	
06088100	5011	WORK COMP	1,707.66	1,830.00	1,830.00	2,085.00	
06088100	5012	OTHER BEN	.00	.00	.00	.00	
06088130	5001	REG EMPLOY	86,848.53	89,456.00	89,456.00	89,045.00	
06088130	5002	OT PAY	.00	.00	.00	.00	
06088130	5006	GRP INS	4,380.28	4,337.00	4,337.00	4,008.00	
06088130	5007	SS/MED	6,600.97	6,843.00	6,843.00	6,812.00	
06088130	5009	ASRS CONT	9,675.07	10,323.00	10,323.00	10,329.00	
06088130	5011	WORK COMP	170.04	182.00	182.00	203.00	
06088130	5012	OTHER BEN	.00	.00	.00	.00	
06088160	5001	REG EMPLOY	106,833.28	110,088.00	110,088.00	111,636.00	
06088160	5002	OT PAY	623.00	2,000.00	2,000.00	1,000.00	
06088160	5006	GRP INS	12,108.56	12,211.00	12,211.00	12,663.00	
06088160	5007	SS/MED	8,129.58	8,488.00	8,488.00	8,523.00	
06088160	5009	ASRS CONT	11,970.64	12,935.00	12,935.00	13,066.00	
06088160	5011	WORK COMP	3,326.37	1,661.00	1,661.00	1,877.00	
06088160	5012	OTHER BEN	.00	.00	.00	.00	
06088190	5001	REG EMPLOY	.00	.00	.00	.00	
06088190	5002	OT PAY	.00	.00	.00	.00	
06088190	5006	GRP INS	.00	.00	.00	.00	
06088190	5007	SS/MED	.00	.00	.00	.00	
06088190	5009	ASRS CONT	.00	.00	.00	.00	
06088190	5011	WORK COMP	.00	.00	.00	.00	
06088190	5012	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			508,127.37	521,825.00	521,825.00	528,888.00	
20	OPERATIONS & MAINTENANCE						
06088110	6005	PROF SERV	151,391.68	283,420.00	283,420.00	146,170.00	
06088110	6018	VEH R&M	.00	.00	.00	.00	
06088110	6019	EQUIP R&M	261.99	.00	.00	.00	
06088110	6025	RENTALS	3,248.97	3,900.00	3,900.00	3,900.00	
06088110	6028	TELECOMM	1,579.43	1,400.00	1,400.00	1,540.00	
06088110	6031	PRINTING	1,141.11	2,000.00	2,000.00	1,300.00	
06088110	6034	TRAVEL	4,916.81	3,350.00	3,350.00	1,350.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ENGINEERING AND PLANNING		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088110 6035	MEMBER	290.00	400.00	400.00	490.00	
06088110 6037	SUPPLIES	4,062.74	3,500.00	3,500.00	3,500.00	
06088110 6039	GAS	.00	.00	.00	.00	
06088110 6040	NON-CAP EQ	.00	2,600.00	2,600.00	1,000.00	
06088110 6064	SAFETY	255.25	430.00	430.00	200.00	
06088110 6097	SFTWR LICS	4,176.54	2,650.00	2,650.00	2,650.00	
06088140 6005	PROF SERV	.00	.00	.00	.00	
06088140 6018	VEH R&M	.00	.00	.00	.00	
06088140 6025	RENTALS	.00	.00	.00	.00	
06088140 6028	TELECOMM	.00	.00	.00	.00	
06088140 6031	PRINTING	.00	.00	.00	.00	
06088140 6039	GAS	.00	.00	.00	.00	
06088170 6005	PROF SERV	.00	.00	.00	.00	
06088170 6018	VEH R&M	.00	.00	.00	.00	
06088170 6028	TELECOMM	1,067.34	900.00	900.00	650.00	
06088170 6031	PRINTING	.00	.00	.00	.00	
06088170 6034	TRAVEL	.00	250.00	250.00	250.00	
06088170 6036	TESTING	140.00	500.00	500.00	500.00	
06088170 6037	SUPPLIES	249.56	200.00	200.00	200.00	
06088170 6039	GAS	.00	.00	.00	.00	
06088170 6040	NON-CAP EQ	1,459.69	200.00	200.00	200.00	
06088170 6041	UNIFORMS	871.32	1,100.00	1,100.00	1,100.00	
06088170 6044	FIELD SUPP	392.86	250.00	250.00	250.00	
06088170 6064	SAFTY COMP	338.72	400.00	400.00	400.00	
06088200 6005	PROF SERV	.00	.00	.00	.00	
06088200 6034	TRAVEL	.00	.00	.00	.00	
06088200 6035	MEMBER	.00	.00	.00	.00	
06088200 6037	SUPPLIES	.00	.00	.00	.00	
06088200 6040	NON-CAP EQ	.00	.00	.00	.00	
06088200 6064	SAFETY	.00	.00	.00	.00	
06088200 6097	SFTWR LICS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		175,844.01	307,450.00	307,450.00	165,650.00	
30 CAPITAL OUTLAY						
06088120 9002	MIN ASSETS	.00	.00	.00	.00	
06088120 9024	EQUIP	.00	40,000.00	40,000.00	.00	
06088150 9001	LAND	.00	.00	.00	.00	
06088150 9007	WELLS	.00	.00	.00	.00	
06088150 9007 82101	WELLS	.00	.00	.00	.00	
06088150 9007 82102	WELLS	.00	.00	.00	.00	
06088150 9007 82104	WELLS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ENGINEERING AND PLANNING			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088150	9007	82115 WELLS	.00	.00	.00	.00	
06088150	9007	82126 WELLS	.00	60,000.00	60,000.00	.00	
06088150	9007	82134 WELLS	.00	100,000.00	100,000.00	.00	
06088150	9008	BOOSTER	.00	.00	.00	.00	
06088150	9008	82101 BOOSTER	.00	.00	.00	.00	
06088150	9008	82103 BOOSTER	.00	.00	.00	.00	
06088150	9008	82123 BOOSTER	.00	.00	.00	.00	
06088150	9008	82135 BOOSTER	.00	150,000.00	150,000.00	150,000.00	
06088150	9008	82141 BOOSTER	.00	.00	.00	.00	
06088150	9009	MAINS	.00	.00	.00	.00	
06088150	9009	82101 MAINS	.00	.00	.00	.00	
06088150	9009	82103 MAINS	.00	.00	.00	.00	
06088150	9009	82105 MAINS	.00	.00	.00	.00	
06088150	9009	82106 MAINS	.00	.00	.00	.00	
06088150	9009	82107 MAINS	.00	.00	.00	.00	
06088150	9009	82108 MAINS	.00	.00	.00	.00	
06088150	9009	82109 MAINS	.00	.00	.00	.00	
06088150	9009	82110 MAINS	.00	.00	.00	.00	
06088150	9009	82112 MAINS	.00	.00	.00	.00	
06088150	9009	82113 MAINS	.00	.00	.00	.00	
06088150	9009	82116 MAINS	.00	50,000.00	50,000.00	.00	
06088150	9009	82117 MAINS	.00	.00	.00	.00	
06088150	9009	82120 MAINS	.00	.00	.00	.00	
06088150	9009	82121 MAINS	.00	.00	.00	.00	
06088150	9009	82128 MAINS	.00	.00	.00	.00	
06088150	9009	82133 MAINS	.00	200,000.00	200,000.00	.00	
06088150	9009	82136 MAINS	.00	75,000.00	75,000.00	100,000.00	
06088150	9009	82137 MAINS	.00	50,000.00	50,000.00	.00	
06088150	9009	82138 MAINS	.00	50,000.00	50,000.00	50,000.00	
06088150	9009	82143 MAINS	.00	.00	.00	500,000.00	
06088150	9009	82144 MAINS	.00	.00	.00	.00	
06088150	9009	82145 MAINS	.00	.00	.00	75,000.00	
06088150	9009	82146 MAINS	.00	.00	.00	75,000.00	
06088150	9009	82147 MAINS	.00	.00	.00	60,000.00	
06088150	9009	82148 MAINS	.00	.00	.00	100,000.00	
06088150	9009	82152 MAINS	.00	.00	.00	100,000.00	
06088150	9010	RESV	65.50	.00	.00	.00	
06088150	9010	82101 RESV	.00	.00	.00	.00	
06088150	9010	82111 RESERVOIRS	.00	.00	.00	.00	
06088150	9010	82124 RESERVOIRS	.00	.00	.00	.00	
06088150	9010	82129 RESERVOIRS	.00	10,000.00	10,000.00	.00	
06088150	9010	82140 RESERVOIRS	.00	.00	.00	.00	
06088150	9010	82142 RESERVOIRS	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-ENGINEERING AND PLANNING			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088150 9011		HYDRANTS	.00	.00	.00	.00	
06088150 9012		STRUCT	.00	.00	.00	.00	
06088150 9012	82114	STRUCT	.00	.00	.00	.00	
06088150 9012	82118	STRUCT	.00	.00	.00	.00	
06088150 9012	82119	STRUCT	.00	.00	.00	.00	
06088150 9012	82122	STRUCT	.00	.00	.00	.00	
06088150 9012	82139	STRUCT	.00	80,000.00	80,000.00	20,000.00	
06088150 9012	82149	STRUCT	.00	.00	.00	100,000.00	
06088150 9013		TELEM	.00	.00	.00	.00	
06088150 9024	82125	EQUIP	.00	.00	.00	.00	
06088150 9024	82130	EQUIP	.00	.00	.00	.00	
06088150 9025		SEC EQ	.00	.00	.00	.00	
06088180 9002		MIN ASSETS	.00	.00	.00	.00	
06088180 9020		VEHICLES	.00	.00	.00	.00	
06088210 9002		MIN ASSETS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			65.50	865,000.00	865,000.00	1,330,000.00	
TOTAL WATER-ENGINEERING AND			684,036.88	1,694,275.00	1,694,275.00	2,024,538.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-PRODUCTION FACILITIES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10	PERSONNEL						
06088220 5001	83101	REG EMPLOY	394,219.51	411,588.00	411,588.00	470,031.00	
06088220 5001	83102	REG EMPLOY	.00	.00	.00	.00	
06088220 5001	83103	REG EMPLOY	.00	.00	.00	.00	
06088220 5002	83101	OT PAY	14,566.72	11,500.00	11,500.00	16,000.00	
06088220 5002	83102	OT PAY	.00	.00	.00	.00	
06088220 5002	83103	OT PAY	.00	.00	.00	.00	
06088220 5006		GRP INS	.00	.00	.00	.00	
06088220 5006	83101	GRP INS	57,246.04	52,873.00	52,873.00	66,403.00	
06088220 5006	83102	GRP INS	.00	.00	.00	.00	
06088220 5006	83103	GRP INS	.00	.00	.00	.00	
06088220 5007	83101	SS/MED	30,479.03	31,825.00	31,825.00	36,570.00	
06088220 5007	83102	SS/MED	.00	.00	.00	.00	
06088220 5007	83103	SS/MED	.00	.00	.00	.00	
06088220 5009	83101	ASRS CONT	44,648.79	48,824.00	48,824.00	56,355.00	
06088220 5009	83102	ASRS CONT	.00	.00	.00	.00	
06088220 5009	83103	ASRS CONT	.00	.00	.00	.00	
06088220 5011	83101	WORK COMP	10,526.07	12,435.00	12,435.00	15,908.00	
06088220 5011	83102	WORK COMP	.00	.00	.00	.00	
06088220 5011	83103	WORK COMP	.00	.00	.00	.00	
06088220 5012	83101	OTHER BEN	.00	.00	.00	.00	
06088220 5012	83102	OTHER BEN	.00	.00	.00	.00	
06088220 5012	83103	OTHER BEN	.00	.00	.00	.00	
06088250 5001	83201	REG EMPLOY	.00	.00	.00	.00	
06088250 5001	83202	REG EMPLOY	.00	.00	.00	.00	
06088250 5002	83201	OT PAY	.00	.00	.00	.00	
06088250 5002	83202	OT PAY	.00	.00	.00	.00	
06088250 5006	83201	GRP INS	.00	.00	.00	.00	
06088250 5006	83202	GRP INS	.00	.00	.00	.00	
06088250 5007	83201	SS/MED	.00	.00	.00	.00	
06088250 5007	83202	SS/MED	.00	.00	.00	.00	
06088250 5009	83201	ASRS CONT	.00	.00	.00	.00	
06088250 5009	83202	ASRS CONT	.00	.00	.00	.00	
06088250 5011	83201	WORK COMP	.00	.00	.00	.00	
06088250 5011	83202	WORK COMP	.00	.00	.00	.00	
06088250 5012	83201	OTHER BEN	.00	.00	.00	.00	
06088250 5012	83202	OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			551,686.16	569,045.00	569,045.00	661,267.00	
20	OPERATIONS & MAINTENANCE						
06088230 6005	83101	PROF SERV	150.00	1,800.00	1,800.00	1,800.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-PRODUCTION FACILITIES		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088230 6005	83103 PROF SERV	17,450.00	17,500.00	17,500.00	.00	
06088230 6012	83101 PWR PUMP	798,373.73	900,000.00	900,000.00	900,000.00	
06088230 6018	83101 VEH R&M	.00	.00	.00	.00	
06088230 6018	83102 VEH R&M	.00	.00	.00	.00	
06088230 6018	83103 EQUIP R&M	.00	.00	.00	.00	
06088230 6019	83101 EQUIP R&M	5,321.71	8,000.00	8,000.00	9,300.00	
06088230 6019	83103 EQUIP R&M	2,584.21	1,300.00	1,300.00	1,000.00	
06088230 6021	83101 GRDS R&M	3,266.01	9,460.00	9,460.00	4,725.00	
06088230 6024	83102 CHEMICALS	34,582.26	32,000.00	32,000.00	32,000.00	
06088230 6025	83101 RENTALS	.00	400.00	400.00	400.00	
06088230 6025	83102 RENTALS	970.23	1,073.00	1,073.00	1,100.00	
06088230 6028	83101 TELECOMM	3,490.36	4,100.00	4,100.00	5,460.00	
06088230 6028	83103 TELECOMM	.00	.00	.00	.00	
06088230 6031	83101 PRINTING	.00	.00	.00	850.00	
06088230 6034	83101 TRAVEL	3,119.52	3,000.00	3,000.00	3,500.00	
06088230 6035	83101 MEMBER	400.00	400.00	400.00	500.00	
06088230 6035	83103 MEMBER	.00	.00	.00	.00	
06088230 6036	83102 TESTING	829.17	900.00	900.00	900.00	
06088230 6037	83101 SUPPLIES	696.20	1,030.00	1,030.00	1,100.00	
06088230 6039	83101 GAS	.00	.00	.00	.00	
06088230 6039	83102 GAS	.00	.00	.00	.00	
06088230 6040	83101 NON-CAP EQ	2,675.05	1,300.00	1,300.00	2,320.00	
06088230 6040	83102 NON-CAP EQ	1,296.83	370.00	370.00	370.00	
06088230 6040	83103 NON-CAP EQ	.00	.00	.00	.00	
06088230 6041	83101 UNIFORMS	4,620.00	4,770.00	4,770.00	5,565.00	
06088230 6044	83101 FIELD SUPP	3,501.22	3,100.00	3,100.00	3,100.00	
06088230 6044	83102 FIELD SUPP	.00	.00	.00	.00	
06088230 6044	83103 FIELD SUPP	.00	.00	.00	.00	
06088230 6055	83101 R&M-WELLS	191,353.73	69,350.00	69,350.00	84,750.00	
06088230 6056	83101 R&M-BOOST	33,608.47	33,900.00	33,900.00	28,800.00	
06088230 6058	83101 R&M-RESV	7,210.90	127,325.00	127,325.00	96,800.00	
06088230 6064	83101 SAFTY COMP	1,062.79	1,125.00	1,125.00	1,200.00	
06088230 6064	83102 SAFTY COMP	584.28	1,000.00	1,000.00	1,000.00	
06088230 6074	83101 R&M-TELEM	7,561.06	8,480.00	8,480.00	5,980.00	
06088230 6085	83102 R&M-DISINF	23,710.41	9,400.00	9,400.00	16,100.00	
06088230 6097	83101 SFTWR LICS	3,517.91	3,517.00	3,517.00	34,700.00	
06088260 6004	83201 EFFLSHORT	.00	.00	.00	75,000.00	
06088260 6005	83201 PROF SERV	306.00	1,900.00	1,900.00	1,800.00	
06088260 6005	83202 PROF SERV	.00	.00	.00	.00	
06088260 6012	83201 PWR PUMP	59,073.50	63,000.00	63,000.00	66,000.00	
06088260 6018	83201 VEH R&M	.00	.00	.00	.00	
06088260 6019	83201 EQUIP R&M	.00	.00	.00	.00	
06088260 6020	83201 BLDG R&M	.00	7,000.00	7,000.00	3,000.00	

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ACCOUNTS FOR: WATER-PRODUCTION FACILITIES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088260	6021	83201 GRDS R&M	675.54	2,050.00	2,050.00	1,700.00	
06088260	6024	83202 CHEMICALS	6,400.79	9,000.00	9,000.00	7,450.00	
06088260	6025	83201 RENTALS	.00	.00	.00	.00	
06088260	6028	83201 TELECOMM	2,196.33	2,240.00	2,240.00	3,005.00	
06088260	6036	83201 TESTING	773.75	1,500.00	1,500.00	1,500.00	
06088260	6036	83202 TESTING	259.64	700.00	700.00	700.00	
06088260	6037	83201 SUPPLIES	576.73	1,200.00	1,200.00	1,200.00	
06088260	6039	83201 GAS	.00	.00	.00	.00	
06088260	6040	83201 NON-CAP EQ	1,186.58	700.00	700.00	700.00	
06088260	6040	83202 NON-CAP EQ	1,012.69	700.00	700.00	700.00	
06088260	6041	83201 UNIFORMS	758.11	795.00	795.00	795.00	
06088260	6043	83201 BD DEBT	.00	.00	.00	.00	
06088260	6044	83201 FIELD SUPP	1,167.63	1,340.00	1,340.00	1,340.00	
06088260	6044	83202 FIELD SUPP	421.04	520.00	520.00	520.00	
06088260	6046	83201 DEPRECIATE	470,414.00	470,414.00	470,414.00	470,414.00	
06088260	6051	83201 REG EXP	.00	1,200.00	1,200.00	.00	
06088260	6056	83201 R&M-BOOST	4,751.89	2,300.00	2,300.00	4,600.00	
06088260	6058	83201 R&M-RESV	15,768.12	1,500.00	1,500.00	2,000.00	
06088260	6061	83201 R&M-METERS	1,749.52	2,000.00	2,000.00	2,000.00	
06088260	6064	83201 SAFTY COMP	346.61	390.00	390.00	390.00	
06088260	6064	83202 SAFTY COMP	.00	.00	.00	.00	
06088260	6074	83201 R&M-TELEM	3,940.70	4,560.00	4,560.00	4,560.00	
06088260	6085	83202 R&M-DISINF	27,527.36	6,400.00	6,400.00	2,500.00	
06088260	6097	83101 SFTWR LICS	.00	.00	.00	.00	
06088260	6097	83201 SFTWR LICS	3,516.00	3,516.00	3,516.00	8,900.00	
06088260	6099	83201 REC WATER	651,098.86	721,000.00	721,000.00	700,000.00	
TOTAL OPERATIONS & MAINTENAN			2,405,857.44	2,550,525.00	2,550,525.00	2,604,094.00	
30	CAPITAL OUTLAY						
06088240	9002	83101 MIN ASSETS	.00	.00	.00	.00	
06088240	9002	83103 MIN ASSETS	.00	.00	.00	.00	
06088240	9010	82140 RESERVOIRS	.00	37,500.00	37,500.00	.00	
06088240	9020	83101 VEHICLES	.00	.00	.00	30,000.00	
06088240	9020	83102 VEHICLES	.00	.00	.00	.00	
06088240	9022	83101 VEHRES-ENT	.00	.00	.00	.00	
06088240	9024	83101 EQUIP	.00	28,250.00	28,250.00	.00	
06088240	9024	83102 EQUIP	.00	.00	.00	.00	
06088240	9025	83103 SEC EQ	.00	8,000.00	8,000.00	4,000.00	
06088270	9002	83201 MIN ASSETS	.00	4,000.00	4,000.00	.00	
06088270	9008	82141 BOOSTER	.00	25,000.00	25,000.00	.00	
06088270	9010	82140 RESERVOIRS	.00	37,500.00	37,500.00	10,000.00	

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ACCOUNTS FOR: WATER-PRODUCTION FACILITIES	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088270 9010 82142 RESERVOIRS	.00	85,000.00	85,000.00	10,000.00	
06088270 9020 83201 VEHICLES	.00	.00	.00	.00	
06088270 9024 83201 EQUIP	.00	.00	.00	.00	
06088270 9024 83202 EQUIP	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY	.00	225,250.00	225,250.00	54,000.00	
TOTAL WATER-PRODUCTION FACIL	2,957,543.60	3,344,820.00	3,344,820.00	3,319,361.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-DISTRIBUTION FACILITIES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
10 PERSONNEL							
06088280	5001	84101 REG EMPLOY	212,598.12	273,646.00	273,646.00	221,649.00	
06088280	5001	84102 REG EMPLOY	127,068.19	149,397.00	149,397.00	159,500.00	
06088280	5001	84103 REG EMPLOY	.00	.00	.00	.00	
06088280	5002	84101 OT PAY	6,054.04	5,000.00	5,000.00	8,000.00	
06088280	5002	84102 OT PAY	240.30	.00	.00	.00	
06088280	5002	84103 OT PAY	.00	.00	.00	.00	
06088280	5006	GRP INS	.00	.00	.00	.00	
06088280	5006	84101 GRP INS	15,586.88	28,417.00	28,417.00	24,311.00	
06088280	5006	84102 GRP INS	19,276.14	20,135.00	20,135.00	26,230.00	
06088280	5006	84103 GRP INS	.00	.00	.00	.00	
06088280	5007	84101 SS/MED	16,529.93	21,142.00	21,142.00	17,391.00	
06088280	5007	84102 SS/MED	9,533.27	11,255.00	11,255.00	11,921.00	
06088280	5007	84103 SS/MED	.00	.00	.00	.00	
06088280	5009	84101 ASRS CONT	24,357.96	32,156.00	32,156.00	26,639.00	
06088280	5009	84102 ASRS CONT	14,182.08	17,240.00	17,240.00	18,502.00	
06088280	5009	84103 ASRS CONT	.00	.00	.00	.00	
06088280	5011	84101 WORK COMP	7,580.51	8,190.00	8,190.00	7,586.00	
06088280	5011	84102 WORK COMP	4,115.02	4,391.00	4,391.00	5,269.00	
06088280	5011	84103 WORK COMP	.00	.00	.00	.00	
06088280	5012	84101 OTHER BEN	.00	.00	.00	.00	
06088280	5012	84102 OTHER BEN	.00	.00	.00	.00	
06088280	5012	84103 OTHER BEN	.00	.00	.00	.00	
06088310	5001	84201 REG EMPLOY	.00	.00	.00	.00	
06088310	5002	84201 OT PAY	.00	.00	.00	.00	
06088310	5006	84201 GRP INS	.00	.00	.00	.00	
06088310	5007	84201 SS/MED	.00	.00	.00	.00	
06088310	5009	84201 ASRS CONT	.00	.00	.00	.00	
06088310	5011	84201 WORK COMP	.00	.00	.00	.00	
06088310	5012	84201 OTHER BEN	.00	.00	.00	.00	
TOTAL PERSONNEL			457,122.44	570,969.00	570,969.00	526,998.00	
20 OPERATIONS & MAINTENANCE							
06088290	5011	84103 WORK COMP	.00	.00	.00	.00	
06088290	6005	84101 PROF SERV	.00	.00	.00	.00	
06088290	6005	84102 PROF SERV	1,163.47	500.00	500.00	500.00	
06088290	6015	84101 WASTE DISP	506.36	500.00	500.00	500.00	
06088290	6018	84101 VEH R&M	.00	.00	.00	.00	
06088290	6018	84102 VEH R&M	.00	.00	.00	.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-DISTRIBUTION FACILITIES		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088290 6018	84103 VEH R&M	.00	.00	.00	.00	
06088290 6019	84101 EQUIP R&M	8,682.08	4,000.00	4,000.00	4,000.00	
06088290 6019	84102 EQUIP R&M	123.80	150.00	150.00	150.00	
06088290 6019	84103 EQUIP R&M	345.17	500.00	500.00	500.00	
06088290 6021	84101 GRDS R&M	.00	.00	.00	.00	
06088290 6025	84101 RENTALS	.00	500.00	500.00	500.00	
06088290 6028	84101 TELECOMM	1,743.89	3,700.00	3,700.00	3,600.00	
06088290 6028	84102 TELECOMM	1,143.32	1,100.00	1,100.00	1,330.00	
06088290 6028	84103 TELECOMM	609.36	600.00	600.00	900.00	
06088290 6029	84102 POSTAGE	4,295.65	4,500.00	4,500.00	3,800.00	
06088290 6031	84102 PRINTING	2,663.66	2,650.00	2,650.00	2,650.00	
06088290 6034	84101 TRAVEL	2,660.72	1,500.00	1,500.00	2,500.00	
06088290 6034	84102 TRAVEL	388.60	900.00	900.00	900.00	
06088290 6035	84101 MEMBER	.00	.00	.00	.00	
06088290 6035	84102 MEMBER	.00	100.00	100.00	100.00	
06088290 6036	84102 TESTING	96,843.08	80,000.00	80,000.00	60,000.00	
06088290 6037	83101 SUPPLIES	.00	.00	.00	.00	
06088290 6037	84101 SUPPLIES	856.43	400.00	400.00	400.00	
06088290 6037	84102 SUPPLIES	188.38	800.00	800.00	800.00	
06088290 6038	84101 GAS & ELEC	.00	.00	.00	.00	
06088290 6039	84101 GAS	.00	.00	.00	.00	
06088290 6039	84102 GAS	.00	.00	.00	.00	
06088290 6039	84103 GAS	.00	.00	.00	.00	
06088290 6040	84101 NON-CAP EQ	2,191.94	4,000.00	4,000.00	6,400.00	
06088290 6040	84102 NON-CAP EQ	2,383.51	1,800.00	1,800.00	1,800.00	
06088290 6040	84103 NON-CAP EQ	255.13	250.00	250.00	250.00	
06088290 6041	84101 UNIFORMS	1,658.00	2,520.00	2,520.00	2,520.00	
06088290 6041	84102 UNIFORMS	1,746.96	1,890.00	1,890.00	1,890.00	
06088290 6041	84103 UNIFORMS	553.21	630.00	630.00	630.00	
06088290 6044	84101 FIELD SUPP	2,822.37	1,300.00	1,300.00	1,500.00	
06088290 6044	84102 FIELD SUPP	1,279.34	1,500.00	1,500.00	1,300.00	
06088290 6044	84103 FIELD SUPP	.00	.00	.00	.00	
06088290 6045	84101 MISC OTHER	.00	.00	.00	.00	
06088290 6047	84101 OFF LEASE	.00	.00	.00	.00	
06088290 6051	84102 REG EXP	.00	.00	.00	.00	
06088290 6057	84101 R&M-MAINS	32,402.52	100,000.00	100,000.00	100,000.00	
06088290 6059	84101 R&M-SERV	1,912.72	8,000.00	8,000.00	8,000.00	
06088290 6060	84101 R&M-HYDR	10,021.50	4,000.00	4,000.00	7,000.00	
06088290 6061	84101 R&M-METERS	16.44	500.00	500.00	500.00	
06088290 6061	84102 R&M-METERS	182.73	.00	.00	.00	
06088290 6062	84103 BLUESTAKE	5,216.44	4,000.00	4,000.00	4,200.00	
06088290 6064	84101 SAFTY COMP	260.78	1,500.00	1,500.00	1,500.00	
06088290 6064	84102 SAFTY COMP	1,916.19	900.00	900.00	900.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: WATER-DISTRIBUTION FACILITIES			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
06088290 6088	84102	R&M-BACK	1,497.00	2,500.00	2,500.00	2,500.00	
06088320 6025	84201	RENTALS	.00	400.00	400.00	400.00	
06088320 6044	84201	FIELD SUPP	.00	.00	.00	.00	
06088320 6057	84201	R&M-MAINS	.00	2,500.00	2,500.00	2,500.00	
06088320 6059	84201	R&M-SERV	.00	1,000.00	1,000.00	1,000.00	
06088320 6062	84201	BLUESTAKE	386.67	450.00	450.00	450.00	
TOTAL OPERATIONS & MAINTENAN			188,917.42	242,040.00	242,040.00	228,370.00	
30 CAPITAL OUTLAY							
06088300 9002	84101	MIN ASSETS	.00	6,000.00	6,000.00	.00	
06088300 9002	84102	MIN ASSETS	.00	1,500.00	1,500.00	.00	
06088300 9006	84101	METERS	.00	.00	.00	.00	
06088300 9006	84102	METERS	.00	.00	.00	.00	
06088300 9020	34007	VEHICLES	-26,230.84	.00	.00	.00	
06088300 9020	84101	VEHICLES	27,510.07	.00	.00	85,000.00	
06088300 9020	84102	VEHICLES	.00	.00	.00	.00	
06088300 9020	84103	VEHICLES	.00	.00	.00	.00	
06088300 9022		VEHRES-ENT	.00	4,300.00	4,300.00	4,300.00	
06088300 9024	84101	EQUIP	.00	14,700.00	14,700.00	119,000.00	
06088300 9024	84102	EQUIP	.00	.00	.00	.00	
06088330 9006		METERS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			1,279.23	26,500.00	26,500.00	208,300.00	
TOTAL WATER-DISTRIBUTION FAC			647,319.09	839,509.00	839,509.00	963,668.00	
GRAND TOTAL			12,028,511.38	17,706,527.00	17,706,527.00	21,653,090.00	

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Alternative Water Resources Development

Overview

The Alternative Water Resource 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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 356,290	$ 293,463	**$ 319,988**	**$ 31,500**
Capital	44,140	790,000	**647,000**	**300,000**
Debt Service	1,640,312	1,422,635	**1,422,635**	**-**
Other Financing Uses	100,000	100,000	**400,000**	**-**
Total Expenditures	$ 2,140,741	$ 2,606,098	**$ 2,789,623**	**$ 331,500**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Groundwater Preservation Fee	$ 2,527,524	$ 2,550,000	**$ -**	**$ -**
Impact Fees	1,253,055	1,678,322	**2,219,804**	**1,409,646**
Interest	437	1,000	**25,000**	**17,050**
Total Revenues	$ 3,781,017	$ 4,229,322	**$ 2,244,804**	**$ 1,426,696**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: AWRDIF FUND			2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20	OPERATIONS & MAINTENANCE						
03070900	6005	PROF SERV	86,517.87	25,000.00	25,000.00	.00	
03070900	6010	CAP CAPI	269,771.76	268,463.00	268,463.00	31,500.00	
03070900	7000	INVST LOSS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN			356,289.63	293,463.00	293,463.00	31,500.00	
30	CAPITAL OUTLAY						
03080000	9001	LAND	.00	.00	.00	.00	
03080000	9008	BOOSTER	44,140.00	40,000.00	40,000.00	300,000.00	
03080000	9009	MAINS	.00	750,000.00	750,000.00	.00	
03080000	9009 82151	MAINS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY			44,140.00	790,000.00	790,000.00	300,000.00	
40	OTHER FINANCING USES						
03080025	9081	TR TO ENT	100,000.00	100,000.00	100,000.00	.00	
TOTAL OTHER FINANCING USES			100,000.00	100,000.00	100,000.00	.00	
45	DEBT SERVICE						
03080010	9051	PR PYMTS	.00	803,066.00	803,066.00	.00	
03080010	9052	INT PYMTS	492,407.65	619,569.00	619,569.00	.00	
TOTAL DEBT SERVICE			492,407.65	1,422,635.00	1,422,635.00	.00	
TOTAL AWRDIF FUND			992,837.28	2,606,098.00	2,606,098.00	331,500.00	
		GRAND TOTAL	992,837.28	2,606,098.00	2,606,098.00	331,500.00	

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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 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
Capital	$ -	$ -	**$ -**	**$ -**
Debt Service	432,455	743,576	**707,824**	**327,424**
Total Expenditures	$ 432,455	$ 743,576	**$ 707,824**	**$ 327,424**

REVENUES BY FUNDING SOURCE

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
Single Family Connections	$ 553,042	$ 462,060	**$ 377,338**	**$ 403,000**
Multi - Family Connections	2,567	340,710	**526,470**	**220,476**
Commercial Connections	97,340	43,160	**197,440**	**73,337**
Irrigation Connections	37,060	58,860	**89,360**	**10,878**
Fire Flow Connections	16,150	21,307	**63,297**	**-**
Interest	963	2,000	**25,000**	**17,050**
Total Revenues	$ 707,122	$ 928,097	**$ 1,278,905**	**$ 724,741**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PWSDIF FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
30	CAPITAL OUTLAY					
03080030 9009	MAINS	.00	.00	.00	.00	
03080030 9010	RESERVOIRS	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY		.00	.00	.00	.00	
40	OTHER FINANCING USES					
03080060 9081	TR TO ENT	.00	.00	.00	.00	
TOTAL OTHER FINANCING USES		.00	.00	.00	.00	
45	DEBT SERVICE					
03080040 9051	PR PYMTS	.00	417,264.00	417,264.00	230,898.00	
03080040 9052	INT PYMTS	112,454.96	326,312.00	326,312.00	96,526.00	
TOTAL DEBT SERVICE		112,454.96	743,576.00	743,576.00	327,424.00	
TOTAL PWSDIF FUND		112,454.96	743,576.00	743,576.00	327,424.00	
	GRAND TOTAL	112,454.96	743,576.00	743,576.00	327,424.00	

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Roadway Development Impact Fee Fund

Overview

This fund is used to manage all roadway Capital Improvement Projects (CIP) from the planning stage through design and construction. This process includes consultant selection and preparation of the Request for Proposal (RFP) process, review of traffic control plans, and contract administration. This fund is managed by Development & Infrastructure Services staff.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 12,067	$ -	**$ 10,500**	**$ -**
Capital	4,292,109	3,380,000	**2,530,000**	**4,060,000**
Total Expenditures	$ 4,304,175	$ 3,380,000	**$ 2,540,500**	**$ 4,060,000**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Federal Grants	$ -	$ 500,000	**$ 500,000**	**$ -**
State Grants	2,777,171	3,150,000	**2,300,000**	**4,060,000**
Impact Fees	719,927	791,375	**304,805**	**900,666**
Interest	21,143	1,500	**3,000**	**3,000**
Miscellaneous	18,375	18,000	**22,650**	**22,500**
Total Revenues	$ 3,536,616	$ 4,460,875	**$ 3,130,455**	**$ 4,986,166**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWNWIDE ROADWAY DEV IMPACT FE				2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20	OPERATIONS & MAINTENANCE							
03070005	6005		PROF SERV	12,066.67	.00	.00	.00	
03070005	6045		MISC OTHER	.00	.00	.00	.00	
03070005	7000		INVST LOSS	.00	.00	.00	.00	
03077030	6005		PROF SERV	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN				12,066.67	.00	.00	.00	
30	CAPITAL OUTLAY							
03070000	9032		ARTERIAL	.00	.00	.00	.00	
03070000	9032	65001	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65002	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65003	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65004	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65005	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65006	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65007	ARTERIAL	.00	.00	.00	.00	
03070000	9032	65008	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78002	ARTERIAL	.00	100,000.00	100,000.00	.00	
03077040	9032	78003	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78004	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78005	ARTERIAL	81,007.18	30,000.00	30,000.00	.00	
03077040	9032	78007	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78010	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78011	ARTERIAL	63,044.17	.00	.00	.00	
03077040	9032	78012	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78013	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78014	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78015	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78016	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78017	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78018	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78019	ARTERIAL	.00	.00	.00	.00	
03077040	9032	78022	ARTERIAL	44,932.33	.00	.00	.00	
03077040	9032	78025	ARTERIAL	.00	100,000.00	100,000.00	.00	
03077040	9032	78026	ARTERIAL	.00	15,000.00	15,000.00	.00	
03077040	9032	78027	ARTERIAL	.00	50,000.00	50,000.00	.00	
03077040	9032	78028	ARTERIAL	.00	.00	.00	375,000.00	
03077050	9032	78001	ARTERIAL	.00	.00	.00	.00	
03077050	9032	78002	ARTERIAL	.00	.00	.00	2,950,000.00	

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: TOWNWIDE ROADWAY DEV IMPACT FE	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
03077050 9032 78003 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78004 ARTERIAL	6.56	.00	.00	.00	
03077050 9032 78005 ARTERIAL	.00	1,150,000.00	1,150,000.00	.00	
03077050 9032 78006 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78007 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78008 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78010 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78011 ARTERIAL	4,102,755.88	1,200,000.00	1,200,000.00	.00	
03077050 9032 78012 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78013 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78015 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78016 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78017 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78018 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78019 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78021 ARTERIAL	362.50	.00	.00	.00	
03077050 9032 78023 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78025 ARTERIAL	.00	600,000.00	600,000.00	600,000.00	
03077050 9032 78026 ARTERIAL	.00	135,000.00	135,000.00	135,000.00	
03077050 9032 78027 ARTERIAL	.00	.00	.00	.00	
03077050 9032 78028 ARTERIAL	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY	4,292,108.62	3,380,000.00	3,380,000.00	4,060,000.00	
TOTAL TOWNWIDE ROADWAY DEV I	4,304,175.29	3,380,000.00	3,380,000.00	4,060,000.00	
GRAND TOTAL	4,304,175.29	3,380,000.00	3,380,000.00	4,060,000.00	

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General Government Impact Fee Fund

Overview

This fund is used to manage the collection and expenditure of development impact fees dedicated to general government purposes. General government impact fees were previously assessed on both residential and commercial development within the town. **These fees are no longer collected.**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ -	$ -	**$ -**	**$ -**
Capital	122,108	-	**-**	**-**
Total Expenditures	$ 122,108	$ -	**$ -**	**$ -**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Residential Impact Fees	$ (3,115)	$ -	**$ -**	**$ -**
Commercial Impact Fees	5,299	-	**2,206**	**-**
Interest Income	1,218	-	**10**	**-**
Total Revenues	$ 3,402	$ -	**$ 2,216**	**$ -**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: GENERAL GOVT IMPACT FEE FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
30	CAPITAL OUTLAY					
03077115 9020	VEHICLES	.00	.00	.00	.00	
03077115 9023	BUILDINGS	95,000.62	.00	.00	.00	
TOTAL CAPITAL OUTLAY		95,000.62	.00	.00	.00	
50	CONTINGENCY/RESERVE					
03077120 9090	CONT/RES	27,107.21	.00	.00	.00	
03077120 9092	RESTCONT	.00	.00	.00	3,504.00	
TOTAL CONTINGENCY/RESERVE		27,107.21	.00	.00	3,504.00	
TOTAL GENERAL GOVT IMPACT FE		122,107.83	.00	.00	3,504.00	
	GRAND TOTAL	122,107.83	.00	.00	3,504.00	

** END OF REPORT - Generated by WENDY GOMEZ **

Parks & Recreation Impact Fee Fund

Overview

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

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 12,067	$ -	**$ -**	**$ -**
Capital	90,099	-	**300,000**	**-**
Total Expenditures	$ 102,166	$ -	**$ 300,000**	**$ -**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Residential Impact Fees	$ 170,698	$ 201,297	**$ 117,140**	**$ 307,772**
Interest Income	1,525	-	**830**	**-**
Total Revenues	$ 172,223	$ 201,297	**$ 117,970**	**$ 307,772**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: PARKS & REC IMPACT FEE FUND	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20 OPERATIONS & MAINTENANCE					
03077054 6005 PROF SERV	12,066.67	.00	.00	.00	_____
TOTAL OPERATIONS & MAINTENAN	12,066.67	.00	.00	.00	_____
30 CAPITAL OUTLAY					
03077055 9023 BUILDINGS	90,099.40	.00	.00	.00	_____
TOTAL CAPITAL OUTLAY	90,099.40	.00	.00	.00	_____
TOTAL PARKS & REC IMPACT FEE	102,166.07	.00	.00	.00	_____
GRAND TOTAL	102,166.07	.00	.00	.00	_____

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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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 12,067	$ -	**$ -**	**$ -**
Capital	82,645	-	**-**	**-**
Total Expenditures	$ 94,712	$ -	**$ -**	**$ -**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Residential Impact Fees	$ 56,638	$ 106,393	**$ 36,670**	**$ 111,020**
Commercial Impact Fees	34,320	999	**31,650**	**22,976**
Interest Income	903	-	**444**	**-**
Total Revenues	$ 91,861	$ 107,392	**$ 68,764**	**$ 133,996**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: POLICE IMPACT FEE FUND	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20 OPERATIONS & MAINTENANCE					
03077094 6005 PROF SERV	12,066.66	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN	12,066.66	.00	.00	.00	
30 CAPITAL OUTLAY					
03077095 9020 VEHICLES	82,645.36	.00	.00	.00	
TOTAL CAPITAL OUTLAY	82,645.36	.00	.00	.00	
TOTAL POLICE IMPACT FEE FUND	94,712.02	.00	.00	.00	
GRAND TOTAL	94,712.02	.00	.00	.00	

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Municipal Debt Service

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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 7,400	$ 10,000	**$ 10,000**	**$ 10,000**
Debt Service	693,861	826,642	**826,642**	**847,433**
Total Expenditures	$ 701,261	$ 836,642	**$ 836,642**	**$ 857,433**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Interest	$ 23	$ -	**$ 35**	**$ -**
Federal Subsidy	77,517	70,677	**70,677**	**67,877**
Miscellaneous	96,259	83,000	**83,000**	**83,000**
Transfers In	137,643	369,576	**430,152**	**329,627**
Total Revenues	$ 311,442	$ 523,253	**$ 583,864**	**$ 480,504**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: MUNICIPAL DEBT SERVICE FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20	OPERATIONS & MAINTENANCE					
02090000 6005	PROF SERV	7,400.00	10,000.00	10,000.00	10,000.00	
02090000 6081	BD ISS COS	.00	.00	.00	.00	
TOTAL OPERATIONS & MAINTENAN		7,400.00	10,000.00	10,000.00	10,000.00	
45	DEBT SERVICE					
02090010 9051	PR PYMTS	321,910.00	444,000.00	444,000.00	479,440.00	
02090010 9052	INT PYMTS	371,950.81	382,642.00	382,642.00	367,993.00	
TOTAL DEBT SERVICE		693,860.81	826,642.00	826,642.00	847,433.00	
TOTAL MUNICIPAL DEBT SERVICE		701,260.81	836,642.00	836,642.00	857,433.00	
	GRAND TOTAL	701,260.81	836,642.00	836,642.00	857,433.00	

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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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 1,800	$ 2,720	**$ 2,050**	**$ 2,050**
Debt Service	367,578	365,868	**1,460,020**	**175,918**
Total Expenditures	$ 369,378	$ 368,588	**$ 1,462,070**	**$ 177,968**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Interest Repayments	$ 118,034	$ 105,868	**$ 80,020**	**$ 45,918**
Penalty	41	-	**37**	**-**
Principal Repayments	247,859	260,000	**1,380,000**	**130,000**
Transfers In	-	2,000	**2,000**	**2,000**
Total Revenues	$ 365,935	$ 367,868	**$ 1,462,057**	**$ 177,918**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: ORACLE RD. DEBT SERVICE FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20	OPERATIONS & MAINTENANCE					
02090030 6005	PROF SERV	1,800.00	2,720.00	2,720.00	2,050.00	_____
TOTAL OPERATIONS & MAINTENAN		1,800.00	2,720.00	2,720.00	2,050.00	_____
45	DEBT SERVICE					
02090040 9051	PR PYMTS	250,000.00	260,000.00	260,000.00	130,000.00	_____
02090040 9052	INT PYMTS	117,577.50	105,868.00	105,868.00	45,918.00	_____
TOTAL DEBT SERVICE		367,577.50	365,868.00	365,868.00	175,918.00	_____
TOTAL ORACLE RD. DEBT SERVIC		369,377.50	368,588.00	368,588.00	177,968.00	_____
	GRAND TOTAL	369,377.50	368,588.00	368,588.00	177,968.00	_____

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Naranja Park Fund

Overview

The Naranja Park Fund is 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. Recent Council-approved improvements include two multi-use sports fields, a dog park and a parking lot.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ -	$ -	**$ -**	**$ -**
Capital	-	2,000,000	**1,400,000**	**600,000**
Total Expenditures	$ -	$ 2,000,000	**$ 1,400,000**	**$ 600,000**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Transfer from General Fund	$ -	$ 1,600,000	**$ 1,600,000**	**$ -**
Transfer from Bed Tax Fund	-	400,000	**400,000**	**-**
Total Revenues	$ -	$ 2,000,000	**$ 2,000,000**	**$ -**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: NARANJA PARK	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
30 CAPITAL OUTLAY					
03001040 9023 BUILDINGS	.00	.00	2,000,000.00	600,000.00	
03001040 9024 EQUIP	.00	.00	.00	.00	
03001040 9037 EARTH&INF	.00	.00	.00	.00	
03001040 9038 REC EL& EQ	.00	.00	.00	.00	
03001040 9039 PERM&FEES	.00	.00	.00	.00	
03001040 9040 1% ART	.00	.00	.00	.00	
TOTAL CAPITAL OUTLAY	.00	.00	2,000,000.00	600,000.00	
TOTAL NARANJA PARK	.00	.00	2,000,000.00	600,000.00	
GRAND TOTAL	.00	.00	2,000,000.00	600,000.00	

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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.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ 1,890,445	$ 2,209,000	**$ 2,209,000**	**$ 2,507,200**
Total Expenditures	$ 1,890,445	$ 2,209,000	**$ 2,209,000**	**$ 2,507,200**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Self-Insurance Premiums	$ 2,157,847	$ 2,188,000	**$ 2,188,000**	**$ 2,410,200**
Other Financing Sources	300,000	-	**-**	**-**
Miscellaneous	-	21,000	**40,000**	**21,000**
Total Revenues	$ 2,457,847	$ 2,209,000	**$ 2,228,000**	**$ 2,431,200**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: BENEFIT SELF INSURANCE FUND		2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
20 OPERATIONS & MAINTENANCE						
06510050 6005	PROF SERV	487,464.42	487,000.00	487,000.00	571,000.00	_____
06510050 6077	WELLPROG	.00	40,000.00	40,000.00	40,000.00	_____
06510050 7006	CLAIM SETT	1,402,980.92	1,682,000.00	1,682,000.00	1,753,000.00	_____
06510050 7007	DENT CLAIM	.00	.00	.00	143,200.00	_____
TOTAL OPERATIONS & MAINTENAN		1,890,445.34	2,209,000.00	2,209,000.00	2,507,200.00	_____
TOTAL BENEFIT SELF INSURANCE		1,890,445.34	2,209,000.00	2,209,000.00	2,507,200.00	_____
	GRAND TOTAL	1,890,445.34	2,209,000.00	2,209,000.00	2,507,200.00	_____

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General Government CIP Fund

Overview

The General Government CIP Fund is a new fund in FY 2015 that will be used to account for Capital Improvement Plan (CIP) projects that serve a general government or Town-wide purpose. These projects were previously budgeted among various General Fund departments. Establishing a separate fund for this purpose allows for more efficient tracking of project costs and funding.

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
PROGRAM EXPENDITURES				
O&M	$ -	$ -	**$ -**	**$ -**
Capital	-	-	**-**	**2,900,000**
Total Expenditures	$ -	$ -	**$ -**	**$ 2,900,000**

	FY 2013 Actual	FY 2014 Budget	**FY 2014 Projected**	**FY 2015 Budget**
REVENUES BY FUNDING SOURCE				
Transfer from General Fund	$ -	$ -	**$ 1,500,000**	**$ 2,540,000**
Total Revenues	$ -	$ -	**$ 1,500,000**	**$ 2,540,000**

PROJECTION: 2015 FY 2014/2015 BUDGET FOR PERIOD 13

ACCOUNTS FOR: GENERAL GOVERNMENT CIP FUND	2013 ACTUAL	2014 ORIG BUD	2014 REVISED BUD	2015 TOWN MGR	COMMENT
30 CAPITAL OUTLAY					
03350070 9023 BUILDINGS	.00	.00	.00	.00	
03350070 9023 GA001 BUILDINGS	.00	.00	.00	200,000.00	
03350070 9023 GA002 BUILDINGS	.00	.00	.00	970,000.00	
03350070 9023 PD001 BUILDINGS	.00	.00	.00	200,000.00	
03350070 9023 PR001 BUILDINGS	.00	.00	.00	40,000.00	
03350070 9023 PR002 BUILDINGS	.00	.00	.00	250,000.00	
03350070 9023 PR003 BUILDINGS	.00	.00	.00	57,000.00	
03350070 9023 PR004 BUILDINGS	.00	.00	.00	125,000.00	
03350070 9024 EQUIP	.00	.00	.00	.00	
03350070 9024 DS001 EQUIP	.00	.00	.00	80,000.00	
03350070 9024 DS002 EQUIP	.00	.00	.00	184,000.00	
03350070 9024 DS003 EQUIP	.00	.00	.00	240,000.00	
03350070 9024 IT001 EQUIP	.00	.00	.00	200,000.00	
03350070 9024 IT002 EQUIP	.00	.00	.00	60,000.00	
03350070 9024 IT003 EQUIP	.00	.00	.00	50,000.00	
03350070 9024 PD002 EQUIP	.00	.00	.00	75,000.00	
03350070 9024 PR005 EQUIP	.00	.00	.00	57,000.00	
03350070 9024 TCOO1 EQUIP	.00	.00	.00	112,000.00	
TOTAL CAPITAL OUTLAY	.00	.00	.00	2,900,000.00	
TOTAL GENERAL GOVERNMENT CIP	.00	.00	.00	2,900,000.00	
GRAND TOTAL	.00	.00	.00	2,900,000.00	

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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 establishes the Capital Budget, which is submitted as the capital outlay portion of the annual Town budget. 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 Capital Improvement Program 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 projects funded in FY 2014-15 total $13,379,000. The table below shows this breakdown by Fund:

Fund	Amount
General Government CIP Fund	$2,900,000
Highway Fund	$1,650,000
Roadway Development Impact Fee Fund	$4,060,000
Naranja Park Fund	$600,000
Water Utility Fund	$3,744,000
Alternative Water Resources Dev Impact Fee Fund	$300,000
Stormwater Utility Fund	$125,000
Total All Funds	$13,379,000

Please refer to the comprehensive fifteen-year CIP schedules and the project descriptions for additional detail on all projects.

Town of Oro Valley
Five-Year CIP Summary

FY 2014/15 Through FY 2018/19

	FY 14/15 Recommended	FY 15/16 Projected	FY 16/17 Projected	FY 17/18 Projected	FY 18/19 Projected
REVENUES BY SOURCE					
Transfers from General Fund	2,900,000	1,075,000	1,080,000	575,000	600,000
Construction Sales Tax	-	2,500,000	590,000	325,000	240,000
State Shared Revenue (HURF Gas Tax)	1,100,000	1,300,000	1,200,000	1,200,000	1,200,000
Highway Fund Reserves	550,000	370,000	-	-	-
Naranja Park Fund Reserves	600,000	-	-	-	-
Alternative Water Resources Impact Fees	300,000	400,000	610,000	3,500,000	2,900,000
Water Utility Fund Revenues	3,744,000	3,810,000	2,390,000	1,800,000	1,475,000
Stormwater Utility Fee	125,000	50,000	50,000	290,000	85,000
Pima Assoc. of Govts. (PAG) Reimbursements	4,060,000	2,442,000	4,464,000	-	3,000,000
Roadway Impact Fees	-	-	1,000,000	-	-
Pima County Bond Funds	-	-	-	9,400,000	10,175,000
	$ 13,379,000	$ 11,947,000	$ 11,384,000	$ 17,090,000	$ 19,675,000
REVENUES BY FUND					
General Fund	2,900,000	3,575,000	1,080,000	575,000	600,000
Highway Fund	1,650,000	1,670,000	1,790,000	1,525,000	1,440,000
Roadway Development Impact Fee Fund	4,060,000	2,442,000	5,464,000	-	3,000,000
Naranja Park Fund	600,000	-	-	-	-
Water Utility Fund	3,744,000	3,810,000	2,390,000	1,800,000	1,475,000
Alternative Water Resources Dev Impact Fee Fund	300,000	400,000	610,000	3,500,000	2,900,000
Stormwater Utility Fund	125,000	50,000	50,000	290,000	85,000
County Bond Fund	-	-	-	9,400,000	10,175,000
	$ 13,379,000	$ 11,947,000	$ 11,384,000	$ 17,090,000	$ 19,675,000
EXPENDITURES BY FUND					
General Government CIP Fund	2,900,000	3,575,000	1,080,000	575,000	600,000
Highway Fund	1,650,000	1,670,000	1,790,000	1,525,000	1,440,000
Roadway Development Impact Fee Fund	4,060,000	2,442,000	5,464,000	-	3,000,000
Naranja Park Fund	600,000	-	-	-	-
Water Utility Fund	3,744,000	3,810,000	2,390,000	1,800,000	1,475,000
Alternative Water Resources Dev Impact Fee Fund	300,000	400,000	610,000	3,500,000	2,900,000
Stormwater Utility Fund	125,000	50,000	50,000	290,000	85,000
County Bond Fund	-	-	-	9,400,000	10,175,000
	$ 13,379,000	$ 11,947,000	$ 11,384,000	$ 17,090,000	$ 19,675,000

CIP Project Descriptions

The following are detailed descriptions of all of the projects identified for Fiscal Year 2014-2015. They include the operating impact to the Town as well as indicating any additional funding the Town will receive to complete the project.

PROJECT TITLE:	Tucson Electric Power (TEP) Undergrounding Project - Rollover
DEPARTMENT:	General Administration
FY 14-15 PROJECT COST:	$970,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Underground burying of electric utility lines
PROJECT JUSTIFICATION:	Adherence to Town Zoning Code
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Replacement Phone System - On Premise - Rollover
DEPARTMENT:	Information Technology
FY 14-15 PROJECT COST:	$300,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	Water Utility Fund
PROJECT DESCRIPTION:	Replace current Town-wide phone system with a new VOIP system
PROJECT JUSTIFICATION:	Supports Town General Plan and Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Replace Permitting/Land Management Software - Rollover
DEPARTMENT:	Information Technology
FY 14-15 PROJECT COST:	$240,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	Water Utility Fund; Stormwater Utility Fund
PROJECT DESCRIPTION:	Upgrade and/or replace nearly 14 year-old existing permitting software
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 30,000
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Security Upgrades (Cameras) - Rollover
DEPARTMENT:	Town-wide
FY 14-15 PROJECT COST:	$50,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Installation of cameras and equipment to monitor Town buildings and parking lots
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 1,000
Operating Savings	$ -

PROJECT TITLE:	Naranja Park Master Plan Update - Rollover
DEPARTMENT:	Parks and Recreation
FY 14-15 PROJECT COST:	$40,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	None
PROJECT DESCRIPTION:	Update the Naranja Park Master Plan and Programming & Concept Design Report
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Property/ID and Southern Substation Building
DEPARTMENT:	Police
FY 14-15 PROJECT COST:	$200,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Plan and construct Property/ID and Southern Substation building
PROJECT JUSTIFICATION:	Compliance with ADOSH and OSHA standards and mitigation of staff safety hazards
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 37,500
Operating Savings	$ 56,300

CIP Project Descriptions

PROJECT TITLE:	New Restroom at Naranja Park
DEPARTMENT:	Parks and Recreation
FY 14-15 PROJECT COST:	$250,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Construct 30 x 30 site-built restroom and septic system at Naranja Park
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 10,500
Operating Savings	$ 2,500

PROJECT TITLE:	Children's Museum Oro Valley Start-Up Costs
DEPARTMENT:	General Administration
FY 14-15 PROJECT COST:	$200,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Start-up costs for a Children's Museum satellite location in Oro Valley
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 75,000
Operating Savings	$ -

PROJECT TITLE:	Aquatic Center Parking Expansion
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$184,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Expand asphalt pavement parking lot at Aquatic Center to include approximately 110 additional parking spots
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	Potential additional revenue from increased patronage and new events
Operating Costs	$ 2,000
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Cover Pumphouse at Steam Pump Ranch
DEPARTMENT:	Parks and Recreation
FY 14-15 PROJECT COST:	$125,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Construct a protective steel ramada over historic pumphouse at Steam Pump Ranch
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ 500

PROJECT TITLE:	Electronic Document Management System (EDMS)
DEPARTMENT:	Town Clerk
FY 14-15 PROJECT COST:	$112,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Purchase Electronic Document Management System (EDMS) for storage, retrieval and management of Town records, including a web portal for public searching
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 7,000
Operating Savings	$ -

PROJECT TITLE:	Municipal Operations Center Fueling Facility
DEPARTMENT:	Development and Infrastructure Services (Fleet/Transit)
FY 14-15 PROJECT COST:	$80,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Install Town fueling facility at Municipal Operations Center
PROJECT JUSTIFICATION:	Second Town fueling facility allows Town to better meet growing Transit service demands and aids in planning for emergency response scenarios
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	Potential for fuel, maintenance and personnel savings

CIP Project Descriptions

PROJECT TITLE:	Records Management Upgrade
DEPARTMENT:	Police Department
FY 14-15 PROJECT COST:	$75,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Purchase of electronic police reporting system
PROJECT JUSTIFICATION:	Reduced paper police report system that allows for electronic field investigations and reporting
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 5,000
Operating Savings	$ -

PROJECT TITLE:	Town Backups
DEPARTMENT:	Information Technology
FY 14-15 PROJECT COST:	$60,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Implement tape library backup solution to the Town's backup architecture
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 1,000
Operating Savings	$ -

PROJECT TITLE:	Additions/Upgrades to Playground at Riverfront Park
DEPARTMENT:	Parks and Recreation
FY 14-15 PROJECT COST:	$57,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Addition of new playground components, replacement of shade fabric, replacing wood chips with sand and installation of new overhead light pole
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 500
Operating Savings	$ 5,000

CIP Project Descriptions

PROJECT TITLE:	Aquatic Center Upgrades
DEPARTMENT:	Parks and Recreation
FY 14-15 PROJECT COST:	$57,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Various upgrades to the Oro Valley Aquatic Center, including timing system, pool cover and record board
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	Potential additional revenue from increased patronage and new events
Operating Costs	$ -
Operating Savings	Pool cover provides potential for utility cost savings

PROJECT TITLE:	Oro Valley Surface Treatments
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$1,100,000
PRIMARY FUNDING:	Highway Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Pavement preservation and surface treatments of Oro Valley streets and roads
PROJECT JUSTIFICATION:	Preserves the existing Town infrastructure and extends street/road lifespan Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	Varies depending on pavement preservation application type

PROJECT TITLE:	10 Wheel End Dump Truck
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$150,000
PRIMARY FUNDING:	Highway Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Purchase of new 10 wheel end dump truck
PROJECT JUSTIFICATION:	Addition of second dump truck will allow Town to self-perform construction projects in-house
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 3,000
Operating Savings	Potential for savings from in-house construction projects

CIP Project Descriptions

PROJECT TITLE:	Rancho Vistoso Boulevard Street Lights
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$200,000
PRIMARY FUNDING:	Highway Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Replace conduit and conductors of street lights along Rancho Vistoso Boulevard (First of three circuits)
PROJECT JUSTIFICATION:	Escalating maintenance costs and safety concerns due to malfunctioning lights
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ 6,000

PROJECT TITLE:	Tangerine First Ave/Rancho Vistoso Safety Improvement
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$200,000
PRIMARY FUNDING:	Highway Fund
ADDITIONAL FUNDING:	
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 recently completed intersection safety study
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Lambert Lane Widening Phase II (La Cañada to Rancho Sonora)
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$375,000
PRIMARY FUNDING:	Pima Association of Governments (PAG) Regional Funds
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Widen Lambert Lane between La Cañada and Rancho Sonora to 4 lanes
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Naranja Drive Phase II (La Naranja to Shannon)
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$2,950,000
PRIMARY FUNDING:	Pima Association of Governments (PAG) Regional Funds
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Widen to three lanes with sidewalk, shoulders and drainage structures
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG
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 14-15 PROJECT COST:	$600,000
PRIMARY FUNDING:	Regional Transportation Authority (RTA) Funds
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Construct a traffic signal at Rancho Vistoso and Vistoso Highlands Drive
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Sidewalk - Vistoso Highlands to West Morning Vista Drive - Rollover
DEPARTMENT:	Development and Infrastructure Services
FY 14-15 PROJECT COST:	$135,000
PRIMARY FUNDING:	Regional Transportation Authority (RTA) Funds
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Construct a six-foot sidewalk from Vistoso Highlands to West Morning Vista Drive
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Naranja Park Improvements - Rollover
DEPARTMENT:	Development and Infrastructure Services/Parks and Recreation
FY 14-15 PROJECT COST:	$600,000
PRIMARY FUNDING:	General Fund
ADDITIONAL FUNDING:	Bed Tax Fund, Parks and Recreation Impact Fees
PROJECT DESCRIPTION:	Construct two new multi-sport fields, dog park and parking lot with lighting at Naranja Park
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ 25,000 (Facility Rental Fees)
Operating Costs	$ 120,000
Operating Savings	$ -

PROJECT TITLE:	AMI Meter Replacement
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$2,200,000
PRIMARY FUNDING:	Water Infrastructure Finance Authority (WIFA) Loan
ADDITIONAL FUNDING:	Water Utility Fund
PROJECT DESCRIPTION:	Townwide replacement of aging meters to Automated Meter Infrastructure technology
PROJECT JUSTIFICATION:	Current meters inefficient and under registering
ANNUAL OPERATING IMPACT:	
Operating Revenue	Additional revenue anticipated due to increased accuracy in meter reading
Operating Costs	$ -
Operating Savings	Potential savings in vehicle fuel and repair costs

PROJECT TITLE:	24 Inch Reclaimed Main Relocation - Tangerine Road
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$100,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Relocate 24 inch reclaimed main on Tangerine Road due to scheduled road improvements
PROJECT JUSTIFICATION:	Scheduled roadway improvements per PAG Transportation Improvement Program
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Naranja Shannon to La Cholla Main Relocation
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$100,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Relocate 12 inch main on Naranja due to scheduled road improvements
PROJECT JUSTIFICATION:	Scheduled roadway improvements per PAG Transportation Improvement Program
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Reclaimed Reservoir Retention Basin Liner - Rollover
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$10,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Line retention basin liner with geo-membrane
PROJECT JUSTIFICATION:	Allows operational continuation of reservoir facility without interruption
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 500
Operating Savings	$ -

PROJECT TITLE:	Reclaimed Reservoir Vault Modification - Rollover
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$10,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Construct partial concrete vault lid to accommodate turning radius for chlorine supply truck
PROJECT JUSTIFICATION:	Reduces risk of accidents from large trucks entering and exiting reservoir site
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Energy Efficiency Booster Upgrades
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$150,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Install high efficient electric motors, controls and instruments at various booster pump locations
PROJECT JUSTIFICATION:	Improve energy efficiency and system reliability
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ 2,000

PROJECT TITLE:	Replace Security Wall at CS-2 Countryside - Rollover
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$20,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Remove existing chain link and construct new masonry stucco wall with security pickets
PROJECT JUSTIFICATION:	Improve security and safety at well site
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	Main Valve Replacements
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$50,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Replace existing valves at various locations throughout the water delivery system
PROJECT JUSTIFICATION:	Improve system reliability
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	Possible savings due to improved system reliability

CIP Project Descriptions

PROJECT TITLE:	Security Wall at Well C8
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$100,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Design and construct new masonry security wall and metal security gate at Well C8
PROJECT JUSTIFICATION:	Improve site security and safety
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	"F" to "D" 6 Inch Pressure Reduce Valve - Cliff Dweller Drive
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$60,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Install new 6 inch pressure reducing valve on Cliff Dweller Drive
PROJECT JUSTIFICATION:	Increase system reliability in case of water outage or system emergency
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 1,000
Operating Savings	$ -

PROJECT TITLE:	Well CS1 to Well CS2 12 Inch Main Replacement
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$500,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Install new 12 inch main from Countryside Well CS1 to Countryside Well CS2
PROJECT JUSTIFICATION:	Improve system reliability Existing main is undersized, causing high pressure and wasting electric power
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ 3,500

CIP Project Descriptions

PROJECT TITLE:	Tangerine Shannon to La Cañada Main Relocation
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$75,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Relocate existing 12 inch potable water mains on Tangerine Road due to scheduled road improvements
PROJECT JUSTIFICATION:	Scheduled roadway improvements per PAG Transportation Improvement Program
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

PROJECT TITLE:	System Connection Upgrades
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$100,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
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	$ -

PROJECT TITLE:	West Lambert Lane 12 Inch Main Relocation
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$75,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Relocate 12 inch water main on West Lambert Lane for scheduled roadway improvements
PROJECT JUSTIFICATION:	Scheduled roadway improvements per PAG Transportation Improvement Program
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ -
Operating Savings	$ -

CIP Project Descriptions

PROJECT TITLE:	Construction Equipment - Backhoe
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$94,000
PRIMARY FUNDING:	Water Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Purchase backhoe for service repairs, emergency main repairs and new main installations
PROJECT JUSTIFICATION:	Conduct repairs and installs in-house, utilizing existing staff, versus contracting out
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 2,000
Operating Savings	Potential for savings from conducting repairs and installs in-house

PROJECT TITLE:	La Cholla D-E Blending Booster Station
DEPARTMENT:	Water
FY 14-15 PROJECT COST:	$300,000
PRIMARY FUNDING:	Alternative Water Resources Development Impact Fees
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Construct new booster station for blending of groundwater and Central Arizona Project (CAP) Water
PROJECT JUSTIFICATION:	Improve water quality
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 2,000
Operating Savings	$ -

PROJECT TITLE:	4.5 Cubic Yard Wheel Loader
DEPARTMENT:	Development and Infrastructure Services, Operations Division
FY 14-15 PROJECT COST:	$125,000
PRIMARY FUNDING:	Stormwater Utility Fund
ADDITIONAL FUNDING:	
PROJECT DESCRIPTION:	Lease purchase a new 4.5 cubic yard wheel loader to assist with everyday and special projects, emergencies and monsoon storm cleanup
PROJECT JUSTIFICATION:	Supports Town Strategic Plan objectives
ANNUAL OPERATING IMPACT:	
Operating Revenue	$ -
Operating Costs	$ 3,000
Operating Savings	$ -

CAPITAL IMPROVEMENT PROGRAM

Project Name	Fund	Department	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	TOTAL $
GENERAL GOVERNMENT CIP FUND																		
MOC Fueling Facility	Gen Govt CIP	DIS-Fleet/Transit	$ 80,000															80,000
MOC Parking Expansion and Security Improvements	Gen Govt CIP	DIS-Fleet/Transit			$ 50,000	$ 125,000												175,000
The District Signs and Flags	Gen Govt CIP	DIS		$ 100,000	$ 100,000													200,000
Aquatic Center Parking Expansion	Gen Govt CIP	DIS	$ 184,000															184,000
Upgrade CarteGraph to Enterprise License	Gen Govt CIP	DIS		$ 40,000														40,000
Replace Permitting/Land Mgmt Software - ROLLOVER	Gen Govt CIP	DIS/IT	$ 240,000															240,000
Replacement Phone System - ROLLOVER	Gen Govt CIP	IT	$ 200,000									$ 300,000						500,000
Town Backups	Gen Govt CIP	IT	$ 60,000					$ 200,000										260,000
Security Upgrades (Cameras) - ROLLOVER	Gen Govt CIP	IT	$ 50,000															50,000
Server Room Expansion	Gen Govt CIP	IT			$ 150,000													150,000
Server Operating System Upgrade	Gen Govt CIP	IT						$ 50,000					$ 60,000				$ 70,000	180,000
Network Storage Upgrade	Gen Govt CIP	IT				$ 50,000					$ 60,000					$ 72,000		182,000
Database Licensing	Gen Govt CIP	IT		$ 50,000					$ 80,000					$ 85,000				215,000
Upgrade Desktop Operating System	Gen Govt CIP	IT					$ 150,000						$ 200,000					350,000
Exchange Server Replacement	Gen Govt CIP	IT		$ 70,000					$ 80,000						$ 80,000			230,000
Virtual Server Host System Replacement	Gen Govt CIP	IT		$ 60,000					$ 60,000					$ 60,000				180,000
Replace Network Infrastructure Hardware	Gen Govt CIP	IT										$ 200,000						200,000
New Court/Prosecution Building	Gen Govt CIP	Legal								$ 3,500,000								3,500,000
Courtroom Remodel and Bench Redesign	Gen Govt CIP	Court		$ 75,000	$ 75,000													150,000
Naranja Park Master Plan Update - ROLLOVER	Gen Govt CIP	Parks & Rec	$ 40,000															40,000
New Restroom at Naranja Park	Gen Govt CIP	Parks & Rec	$ 250,000															250,000
Two Additional Soccer Fields at Naranja Park	Gen Govt CIP	Parks & Rec		$ 400,000														400,000
New Playground at Naranja Park	Gen Govt CIP	Parks & Rec			$ 275,000			$ 120,000										395,000
Additions/Upgrades to Playground at Riverfront Park	Gen Govt CIP	Parks & Rec	$ 57,000						$ 200,000									257,000
Renovate Upper Soccer Field at Riverfront Park	Gen Govt CIP	Parks & Rec				$ 200,000												200,000
Convert Lower Soccer Field to Softball at Riverfront Park	Gen Govt CIP	Parks & Rec				$ 200,000												200,000
Resurface Parking Lot at Riverfront Park	Gen Govt CIP	Parks & Rec								$ 90,000								90,000
Upgrade Playground Equipment at JDK Park	Gen Govt CIP	Parks & Rec						$ 200,000										200,000
New Ramada at JDK Park	Gen Govt CIP	Parks & Rec					$ 300,000											300,000
Expand and Upgrade Green Field at JDK Park	Gen Govt CIP	Parks & Rec			$ 150,000													150,000
Resurface Parking Lots at JDK Park	Gen Govt CIP	Parks & Rec								$ 60,000								60,000
Honeybee Canyon Park Upgrades	Gen Govt CIP	Parks & Rec							$ 150,000									150,000
Cover Pumphouse at Steam Pump Ranch (SPR)	Gen Govt CIP	Parks & Rec	$ 125,000															125,000
Aquatic Center Upgrades	Gen Govt CIP	Parks & Rec	$ 57,000															57,000
Proctor/Leiber House Renovation at SPR	Gen Govt CIP	Parks & Rec		$ 280,000	$ 280,000													560,000
Town Hall Parking Lot Landscaping	Gen Govt CIP	Parks & Rec								$ 75,000								75,000
Mobile Stage	Gen Govt CIP	Parks & Rec					$ 150,000											150,000
Property/ID and Southern Substation Building	Gen Govt CIP	Police	$ 200,000	$ 2,500,000														2,700,000
New Substation and Training Facility at MOC	Gen Govt CIP	Police									$ 3,170,000							3,170,000
Substation and Training Facility (Arroyo Grande)	Gen Govt CIP	Police														$ 3,170,000		3,170,000
Replace Command Post	Gen Govt CIP	Police						$ 300,000										300,000
Expand Communications Infrastructure	Gen Govt CIP	Police									$ 200,000							200,000
Records Management Upgrade	Gen Govt CIP	Police	$ 75,000															75,000
Electronic Document Management System (EDMS)	Gen Govt CIP	Town Clerk	$ 112,000															112,000
Children's Museum Oro Valley Start Up Costs	Gen Govt CIP	Contingency	$ 200,000															200,000
TEP Undergounding Project - ROLLOVER	Gen Govt CIP	Contingency	$ 970,000															970,000
TOTAL GENERAL GOVERNMENT CIP FUND	Gen Govt CIP		**$ 2,900,000**	**$ 3,575,000**	**$ 1,080,000**	**$ 575,000**	**$ 600,000**	**$ 870,000**	**$ 570,000**	**$ 3,725,000**	**$ 3,430,000**	**$ 500,000**	**$ 260,000**	**$ 145,000**	**$ 80,000**	**$ 3,242,000**	**$ 70,000**	**$ 21,622,000**

CAPITAL IMPROVEMENT PROGRAM

Project Name	Fund	Department	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	TOTAL $
HIGHWAY FUND																		
10 Wheel End Dump Truck - Expansion	Highway Fund	DIS-Streets	$ 150,000															150,000
4X4 Extended Backhoe - Replacement	Highway Fund	DIS-Streets		$ 125,000														125,000
Skidsteer (Bobcat) with Attachments - Expansion	Highway Fund	DIS-Streets			$ 65,000													65,000
Dozer w/ Ripper & Angle Dozer, D5 Cata/650 JD	Highway Fund	DIS-Streets			$ 325,000													325,000
Excavator - Expansion	Highway Fund	DIS-Streets				$ 325,000												325,000
Backhoe 420 Cat or 310 JD - Expansion	Highway Fund	DIS-Streets					$ 125,000											125,000
10 Wheel Tractor w/Day Cab - Expansion	Highway Fund	DIS-Streets					$ 115,000											115,000
4000 Gallon Water Truck	Highway Fund	DIS-Streets						$ 110,000										110,000
Belly Dump - Expansion	Highway Fund	DIS-Streets						$ 75,000										75,000
Rock End Dump - Expansion	Highway Fund	DIS-Streets						$ 75,000										75,000
10 Ton Smooth Drum Roller - Replacement	Highway Fund	DIS-Streets							$ 75,000									75,000
Low Boy Trailer - Expansion	Highway Fund	DIS-Streets							$ 75,000									75,000
Compressor - Replacement	Highway Fund	DIS-Streets							$ 40,000									40,000
Rubber Tire Pneumatic Roller - Replacement	Highway Fund	DIS-Streets								$ 80,000								80,000
Smaller Asphalt Laydown Machine - Expansion	Highway Fund	DIS-Streets								$ 125,000								125,000
Gannon & Mower - Replacement	Highway Fund	DIS-Streets								$ 80,000								80,000
Crack Seal Unit Replacement with Auto Feed	Highway Fund	DIS-Streets									$ 90,000					$ 100,000		190,000
Small Loader - Bobcat - Replacement	Highway Fund	DIS-Streets									$ 65,000							65,000
Blade/ Motor Grader - Replacement	Highway Fund	DIS-Streets										$ 350,000						350,000
Steel Roller - Replacement	Highway Fund	DIS-Streets											$ 50,000					50,000
Vermeer - Wood Chipper - Replacement	Highway Fund	DIS-Streets											$ 65,000					65,000
10 Wheel End Dump Truck - Replacement	Highway Fund	DIS-Streets												$ 110,000				110,000
Pavement Management	Highway Fund	DIS-Engineering	$ 1,100,000	$ 1,300,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	18,000,000
Rancho Vistoso Boulevard Street Lights	Highway Fund	DIS-Engineering	$ 200,000	$ 200,000	$ 200,000													600,000
Tangerine 1st Ave/Rancho Vist Safety Improvement	Highway Fund	DIS-Engineering	$ 200,000															200,000
Upgrade CarteGraph to Enterprise License	Highway Fund	DIS		$ 45,000														45,000
TOTAL HIGHWAY FUND			**$ 1,650,000**	**$ 1,670,000**	**$ 1,790,000**	**$ 1,525,000**	**$ 1,440,000**	**$ 1,460,000**	**$ 1,390,000**	**$ 1,485,000**	**$ 1,355,000**	**$ 1,550,000**	**$ 1,315,000**	**$ 1,310,000**	**$ 1,200,000**	**$ 1,300,000**	**$ 1,200,000**	**$ 21,640,000**
ROADWAY DEV IMPACT FEE FUND																		
Lambert Lane from La Canada to Rancho Sonora	TWRDIF Fund	DIS-Engineering	$ 375,000	$ 1,392,000	$ 2,604,000													4,371,000
RV and Vistoso Highlands Traffic Signal - ROLLOVER	TWRDIF Fund	DIS-Engineering	$ 600,000															600,000
Sidewalk - Vist Highlands to Morning Vista - ROLLOVER	TWRDIF Fund	DIS-Engineering	$ 135,000															135,000
Naranja Drive from La Cholla to Shannon	TWRDIF Fund	DIS-Engineering	$ 2,950,000	$ 1,050,000														4,000,000
Tangerine Road from La Canada Drive to Shannon Rd	TWRDIF Fund	DIS-Engineering			$ 2,860,000		$ 3,000,000											5,860,000
TOTAL ROADWAY DEV IMPACT FEE FUND			**$ 4,060,000**	**$ 2,442,000**	**$ 5,464,000**	**$ -**	**$ 3,000,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 14,966,000**
NARANJA PARK FUND																		
Naranja Park Improvements - ROLLOVER	Naranja Fund	DIS/Parks & Rec	$ 600,000															600,000
TOTAL NARANJA PARK FUND			**$ 600,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 600,000**
Carlos' House Renovation at Steam Pump Ranch	County Bond	Parks & Rec					$ 175,000											175,000
Steam Pump Ranch Master Plan Implementation	County Bond	Parks & Rec						$ 5,000,000										5,000,000
New Park at Naranja Park Site	County Bond	Parks & Rec				$ 9,000,000												9,000,000
JDK Park Upgrades	County Bond	Parks & Rec					$ 3,000,000											3,000,000
Honeybee Village Site Interpretation/Preservation	County Bond	Parks & Rec				$ 400,000												400,000
River Park Acquisition and Development	County Bond	Parks & Rec					$ 6,000,000											6,000,000
Softball Fields at Riverfront Park	County Bond	Parks & Rec					$ 1,000,000											1,000,000

CAPITAL IMPROVEMENT PROGRAM

Project Name	Fund	Department	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	TOTAL $
WATER UTILITY FUND:																		
Existing System Improvements																		
Reclaimed Reservoir Retention Basin Liner - ROLLOVER	Water Utility	Water	$ 10,000															10,000
Reclaimed Reservoir Vault Modification - ROLLOVER	Water Utility	Water	$ 10,000															10,000
24-Inch Main Relocation Tangerine Road (DIS) RTA	Water Utility	Water	$ 100,000	$ 300,000														400,000
AMI Meter Replacement - Oro Valley	Water Utility	Water	$ 2,200,000	$ 1,800,000														4,000,000
Energy Efficiency Booster Upgrades	Water Utility	Water	$ 150,000	$ 150,000	$ 150,000													450,000
Replacement Phone System - ROLLOVER	Water Utility	Water	$ 100,000															100,000
Well Meter Replacement	Water Utility	Water								$ 200,000							$ 50,000	250,000
Replace Security Wall CS-2 Countryside - ROLLOVER	Water Utility	Water	$ 20,000															20,000
Naranja Shannon to La Cholla Main Relocation (DIS)	Water Utility	Water	$ 100,000															100,000
Main Valve Replacements	Water Utility	Water	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000											250,000
Steam Pump Well Drill and Construct	Water Utility	Water		$ 600,000	$ 1,000,000													1,600,000
Steam Pump Solar - 10,000 Watt System	Water Utility	Water		$ 50,000														50,000
On Call Service Truck	Water Utility	Water		$ 90,000										$ 110,000				200,000
Big Wash Reservoir Coating	Water Utility	Water			$ 100,000													100,000
Hydropneumatic (HP) Tank Replacement	Water Utility	Water		$ 120,000														120,000
"F" to "D" 6-Inch Pressure Reduce Valve Cliff Dweller Dr.	Water Utility	Water	$ 60,000															60,000
Construction Equipment - Backhoe	Water Utility	Water	$ 94,000														$ 140,000	234,000
SCADA Legacy Replacement	Water Utility	Water					$ 100,000					$ 100,000					$ 100,000	300,000
Security Wall at Well C-8	Water Utility	Water	$ 100,000															100,000
W. Lambert Lane 12" Main Relocation (DIS)	Water Utility	Water	$ 75,000	$ 350,000														425,000
System Connection Upgrades	Water Utility	Water	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000											500,000
Rancho Verde Hydrants	Water Utility	Water			$ 200,000													200,000
Relocate 3 Pressure Reducing Valves in OV Area	Water Utility	Water			$ 100,000													100,000
Tangerine Shannon to La Canada Main Relocate (DIS)	Water Utility	Water	$ 75,000	$ 200,000														275,000
CS1 to CS2 12-Inch Main Replacement	Water Utility	Water	$ 500,000															500,000
Reclaimed Booster and Pump Replacements	Water Utility	Water			$ 200,000													200,000
Access Rd and Security Wall at Well D-6	Water Utility	Water			$ 100,000													100,000
Replace Well Pumps	Water Utility	Water			$ 100,000		$ 100,000		$ 100,000		$ 100,000		$ 100,000		$ 100,000		$ 100,000	700,000
Deer Run Booster Pressure Reduce Valve Install	Water Utility	Water			$ 40,000													40,000
Well E2 Upgrade	Water Utility	Water			$ 150,000													150,000
El Con Storage - Operational Improvements	Water Utility	Water				$ 100,000												100,000
El Con Patio Homes and Casitas Main Replacement	Water Utility	Water			$ 100,000	$ 1,300,000												1,400,000
El Con Booster Station Upgrades	Water Utility	Water				$ 250,000												250,000
SCADA Servers and Monitors	Water Utility	Water					$ 50,000					$ 50,000					$ 50,000	150,000
Security Walls	Water Utility	Water					$ 75,000					$ 100,000				$ 100,000		275,000
Golf Course Metering Stations Modifications	Water Utility	Water					$ 50,000											50,000
Replace Crimson Canyon Booster Station	Water Utility	Water					$ 250,000	$ 750,000										1,000,000
El Con Tennis Club La Canada Main Replacement	Water Utility	Water						$ 600,000										600,000
High Mesa E and F Zone Booster Station	Water Utility	Water						$ 200,000	$ 1,000,000									1,200,000
Replacement Wells	Water Utility	Water					$ 700,000	$ 1,000,000				$ 700,000	$ 1,000,000				$ 700,000	4,100,000
La Cholla - Lambert to Tangerine Main Relocation (RTA)	Water Utility	Water							$ 100,000	$ 1,000,000								1,100,000
Linda Vista Citrus Tracts Main Replacement	Water Utility	Water							$ 250,000	$ 250,000	$ 250,000							750,000
Instrumentation Replacement	Water Utility	Water								$ 250,000								250,000
Deer Run D and E Zone Booster Station	Water Utility	Water									$ 200,000	$ 1,300,000						1,500,000
Pusch Ridge Estates Main Replacement	Water Utility	Water										$ 500,000	$ 500,000					1,000,000
Monte Del Oro Main Replacement	Water Utility	Water											$ 600,000	$ 600,000				1,200,000
Rancho Verde Main Replacement	Water Utility	Water													$ 800,000	$ 800,000		1,600,000
Rancho Felix Main Replacement	Water Utility	Water														$ 800,000		800,000
Total Existing System Improvements			**$ 3,744,000**	**$ 3,810,000**	**$ 2,390,000**	**$ 1,800,000**	**$ 1,475,000**	**$ 2,550,000**	**$ 1,450,000**	**$ 1,700,000**	**$ 550,000**	**$ 2,750,000**	**$ 2,200,000**	**$ 710,000**	**$ 900,000**	**$ 1,700,000**	**$ 1,140,000**	**$ 28,869,000**
Reclaimed Water Improvements																		
12-Inch Main Extension to serve Riverfront Park	Water Utility	Water						$ 1,100,000										1,100,000
12-Inch Main Extension to Serve Hilton	Water Utility	Water								$ 300,000	$ 2,900,000							3,200,000
Reclaimed Water Metering Station to Serve Hilton	Water Utility	Water									$ 250,000							250,000
12-Inch Main Extension to Serve Pusch Ridge HS	Water Utility	Water													$ 100,000	$ 924,000		1,024,000
12-Inch Main Extension to Serve JDK Park	Water Utility	Water													$ 60,000	$ 462,000		522,000
Total Reclaimed Water Improvements			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,100,000**	**$ -**	**$ 300,000**	**$ 3,150,000**	**$ -**	**$ -**	**$ -**	**$ 160,000**	**$ 1,386,000**	**$ -**	**$ 6,096,000**
TOTAL WATER UTILITY FUND			**$ 3,744,000**	**$ 3,810,000**	**$ 2,390,000**	**$ 1,800,000**	**$ 1,475,000**	**$ 3,650,000**	**$ 1,450,000**	**$ 2,000,000**	**$ 3,700,000**	**$ 2,750,000**	**$ 2,200,000**	**$ 710,000**	**$ 1,060,000**	**$ 3,086,000**	**$ 1,140,000**	**$ 34,965,000**
ALTERNATIVE WATER RESOURCES DIF FUND																		
Central Arizona Project (CAP) Water Improvements																		
La Cholla D-E Blending Booster Station	AWRDIF	Water	$ 300,000															300,000
Wheeling Tucson Water Naranja 1000 Acre Ft/Year	AWRDIF	Water		$ 400,000	$ 400,000													800,000
Tucson Water Oasis Booster Station Upgrades	AWRDIF	Water			$ 30,000	$ 100,000												130,000
Tucson Water 12-Inch Pipe	AWRDIF	Water			$ 80,000	$ 800,000												880,000
Tucson Water 16-Inch Pipe Oasis Rd	AWRDIF	Water			$ 100,000	$ 1,000,000												1,100,000
24-Inch Pipe - Naranja La Cholla to Tangerine	AWRDIF	Water				$ 1,600,000	$ 1,200,000											2,800,000
Wheeling Tucson Water Naranja 500 Acre Ft/Year	AWRDIF	Water					$ 400,000	$ 400,000										800,000
Tucson Water Naranja Booster Station Upgrade	AWRDIF	Water					$ 1,200,000											1,200,000

CAPITAL IMPROVEMENT PROGRAM

Project Name	Fund	Department	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	TOTAL $
E-C Pressure Reducing Valve Naranja Reservoir	AWRDIF	Water					$ 100,000											100,000
24-Inch Pipe - La Cholla/Tangerine to La Canada	AWRDIF	Water							$ 2,500,000									2,500,000
Big Wash D-E Booster Station	AWRDIF	Water								$ 800,000								800,000
Inlet Outlet Modifications at Allied Signal Reservoir	AWRDIF	Water								$ 50,000								50,000
Steam Pump C-D Booster Station	AWRDIF	Water								$ 1,200,000								1,200,000
5000 Acre Ft/Year CAP	AWRDIF	Water											$ 500,000					500,000
Lower Santa Cruz Recovery Wells (1500 Acre Ft/Year)	AWRDIF	Water											$ 900,000					900,000
Water Treatment R&R, Chlorination	AWRDIF	Water											$ 200,000	$ 1,200,000	$ 1,000,000			2,400,000
Delivery, Storage, A-C and C-E Booster Stations	AWRDIF	Water											$ 3,000,000	$ 13,000,000	$ 10,000,000	$ 10,000,000		36,000,000
16-Inch Main Tangerine/La Canada to 1st Ave	AWRDIF	Water											$ 1,500,000	$ 1,500,000	$ 700,000			3,700,000
PRV Feed to E Zone Tangerine/La Canada	AWRDIF	Water												$ 50,000				50,000
PRV Feed to E Zone Tangerine and 1st Ave	AWRDIF	Water												$ 50,000				50,000
3 Recovery Wells and Delivery to Water Treatment Plant	AWRDIF	Water												$ 4,000,000	$ 500,000			4,500,000
E-F Zone Booster Station La Canada Reservoir	AWRDIF	Water												$ 1,400,000				1,400,000
7 Recovery Wells	AWRDIF	Water												$ 500,000	$ 500,000	$ 5,000,000		6,000,000
16-Inch Main Naranja/La Cholla to Reservoir	AWRDIF	Water													$ 300,000	$ 2,000,000		2,300,000
Concentrate Management CAP Water	AWRDIF	Water													$ 3,000,000	$ 5,000,000	$ 5,000,000	13,000,000
Water Treatment and Reverse Osmosis	AWRDIF	Water													$ 1,000,000	$ 5,000,000		6,000,000
Total CAP Water Improvements			**$ 300,000**	**$ 400,000**	**$ 610,000**	**$ 3,500,000**	**$ 2,900,000**	**$ 400,000**	**$ 2,500,000**	**$ 2,050,000**	**$ -**	**$ -**	**$ 6,100,000**	**$ 21,700,000**	**$ 17,000,000**	**$ 27,000,000**	**$ 5,000,000**	**$ 89,460,000**
TOTAL ALT WATER RESOURCE DEV IMP FEE FUND			**$ 300,000**	**$ 400,000**	**$ 610,000**	**$ 3,500,000**	**$ 2,900,000**	**$ 400,000**	**$ 2,500,000**	**$ 2,050,000**	**$ -**	**$ -**	**$ 6,100,000**	**$ 21,700,000**	**$ 17,000,000**	**$ 27,000,000**	**$ 5,000,000**	**$ 89,460,000**
POTABLE WATER SYSTEM DIF FUND																		
Property Acquistion C Zone Reservoir	PWSDIF	Water						$ 500,000										500,000
Booster Station C Zone	PWSDIF	Water							$ 150,000	$ 300,000								450,000
1.0 MG Reservoir C Zone	PWSDIF	Water							$ 150,000	$ 1,000,000	$ 500,000							1,650,000
New 16" Main C Zone Connection	PWSDIF	Water								$ 150,000	$ 1,500,000							1,650,000
Property Acquistion F Zone Reservoir (Oracle Rd)	PWSDIF	Water											$ 250,000					250,000
New 16" Main N. Oracle Rd. F Zone Connection	PWSDIF	Water												$ 300,000	$ 3,000,000			3,300,000
1.0 MG F Zone Reservoir - N. Oracle Rd.	PWSDIF	Water													$ 250,000	$ 1,500,000	$ 1,000,000	2,750,000
N. Oracle Rd. H Zone Booster Station	PWSDIF	Water													$ 150,000	$ 600,000		750,000
New 12" H Zone Main Sun City	PWSDIF	Water													$ 150,000	$ 1,000,000	$ 500,000	1,650,000
New 16" G Zone Main	PWSDIF	Water														$ 200,000	$ 2,000,000	2,200,000
Property Acquistion Tortolita G Zone Reservoir	PWSDIF	Water													$ 250,000			250,000
Property Acquistion Chalk Creek H Zone Reservoir	PWSDIF	Water														$ 200,000		200,000
2.0 MG Reservoir Tortolita G Zone	PWSDIF	Water														$ 250,000	$ 2,000,000	2,250,000
Booster Station G-H Zone Tortolita	PWSDIF	Water														$ 150,000	$ 400,000	550,000
0.5 MG Reservoir H Zone Chalk Creek	PWSDIF	Water														$ 150,000	$ 1,000,000	1,150,000
New 16" H Zone Main	PWSDIF	Water														$ 200,000	$ 2,000,000	2,200,000
New 16" Chalk Creek H Zone Main	PWSDIF	Water													$ 100,000	$ 100,000	$ 1,000,000	1,200,000
TOTAL POTABLE WATER SYSTEM DIF FUND			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 500,000**	**$ 300,000**	**$ 1,450,000**	**$ 2,000,000**	**$ -**	**$ 250,000**	**$ 300,000**	**$ 3,900,000**	**$ 4,350,000**	**$ 9,900,000**	**$ 22,950,000**

CAPITAL IMPROVEMENT PROGRAM

Project Name	Fund	Department	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	TOTAL $
STORMWATER FUND																		
Side Cast Sweeper - Replacements	Stormwater	DIS-Streets					$ 85,000							$ 85,000				170,000
Street Sweeper - Broom Bear - Replacement	Stormwater	DIS-Streets				$ 240,000				$ 240,000								480,000
4.5 Cubic Yard Wheel Loader - Expansion	Stormwater	DIS-Streets	$ 125,000	$ 50,000	$ 50,000	$ 50,000												275,000
4.5 Cubic Yard Wheel Loader - Replacement	Stormwater	DIS-Streets									$ 250,000							250,000
10 Wheel End Dump Truck - Replacement	Stormwater	DIS-Streets						$ 110,000										110,000
TOTAL STORMWATER FUND			**$ 125,000**	**$ 50,000**	**$ 50,000**	**$ 290,000**	**$ 85,000**	**$ 110,000**	**$ -**	**$ 240,000**	**$ 250,000**	**$ -**	**$ -**	**$ 85,000**	**$ -**	**$ -**	**$ -**	**$ 1,285,000**
GRAND TOTAL ALL FUNDS			**$ 13,379,000**	**$ 11,947,000**	**$ 11,384,000**	**$ 17,090,000**	**$ 19,675,000**	**$ 11,990,000**	**$ 6,210,000**	**$ 10,950,000**	**$ 10,735,000**	**$ 4,800,000**	**$ 10,125,000**	**$ 24,250,000**	**$ 23,240,000**	**$ 38,978,000**	**$ 17,310,000**	**$ 232,063,000**