

HIGHWAY FUND ASSUMPTIONS

REVENUES

Category

Assumptions

<u>Local Sales Taxes</u> -Construction Sales Tax	FY 14/15 and FY 15/16 collections will remain in General Fund to cover one-time CIP projects FY 16/17 through FY 18/19 allocations shown as transfers in from General Fund Gradual decline attributable to decrease in SFR forecast
<u>Highway User Tax</u>	Projections per Arizona Department of Transportation Base HURF growth ranges from 2.5%-3.8% per year Assumes continued DPS sweeps, but also includes impact of SB 1487 (additional HURF allocation through FY 16/17) Possible impact to Town's allocation in FY 16/17 following 2015 Census - not factored in to the forecast
<u>Grant Revenues</u>	PAG personnel reimbursements for design work - estimates per DIS
<u>Charges for Services</u>	Reimbursement from Stormwater Utility Fund for storm clean-up of streets Growth tied to annual Highway Fund personnel increases
<u>Licenses & Permits</u>	Road permits roughly flat - \$42K to \$52K per year
<u>Interest Income</u>	2% growth per year
<u>Miscellaneous</u>	\$10K to \$20K projected miscellaneous revenues

EXPENDITURES

Category

Assumptions

<u>Salaries and Benefits</u>	4% merit increases, .5% pension increases each year
<u>Operations & Maintenance</u>	Capacity included for vehicle replacement and increased reserve set-aside
<u>Debt Service Transfers</u>	Transfers for Series 2005 debt service resume in FY 15/16
<u>CIP Funding</u>	Capacity for items and projects outlined in the Capital Improvement Program
<u>Pavement Preservation</u>	Funding maintains current OCI rating of 77