FISCAL YEAR 2016 BUDGET

LINKING POLICY • PLANNING • RESOURCES • ACTION

ECONOMIC DEVELOPMENT • INFRASTRUCTURE • PLANNING FOR OUR FUTURE • ORGANIZATIONAL EFFECTIVENESS • QUALITY OF LIFE

Sahuarita
ARIZONA

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Town of Sahuarita

Arizona

For the Fiscal Year Beginning

July 1, 2014

Executive Director

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

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

The award is valid for a period of one year only. We believe our final budget document will continue to conform to program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.

TO THE RESIDENTS OF THE TOWN OF SAHUARITA:

Town Manager L. Kelly Udall
Fiscal Year 2016 Overview

Another year has come and gone, and we find ourselves in review of Town finances, looking forward to once again prioritizing resources and planning for Sahuarita's future. The Strategic Plan 2014-2017, adopted by Town Council on April 28, 2014, is our main instrument for making these decisions based on a long-range vision for a sustainable future. We want our businesses, schools and families to grow with us.

We're happy to report that we are positioned favorably to venture into the new fiscal year with confidence that we will not only meet our long-term goals but also exceed expectations in continuing to make Sahuarita a place where futures are founded, families are supported, and our community is strong.

The department directors of our Town government have aided the development of this budget through adherence to principles that keep us on a positive track. Our accomplishments in the 2016 fiscal year will be indicative of the priorities formulated by council's direction and staff's implementation of the five focus areas of our Strategic Plan:

- Economic development
- Infrastructure
- Planning for our community's future
- Organizational effectiveness
- Quality of life

Focus on these areas while planning ahead will ensure that we will build on the financial strengths we've worked for throughout previous years and create a solid platform for sustainability for decades into the future. This strategy will support planned and steady growth and help us attract jobs and economic opportunities to Sahuarita. As we have done in the past, we will continue to view our creativity as a key asset and seek guidance from our residents, businesses, educational institutions and nonprofit groups. We will look to representatives within our region from local jurisdictions and across the border for collaborations toward this endeavor. This year's budget represents the objectives that have been identified as priorities as we move forward with the strategies in our plan.

Sahuarita Here and Now

We pay forward our financial success into the future. As with years past, we can proudly look at our financial position as one of resilience. Our position is strong because our budget is balanced, and wise spending has resulted in fiscal year 2015 ending with an unrestricted balance of $14.9 million reserve—a sure sign of health and vitality. In addition, our operational budget shows a modest increase of 2.6%, and our general fund, the bulk of the budget, shows an increase of 3.9%. Our general fund revenues clearly exceed our expenditures in excess of $170,000.

Our strength stems from our residents. Our Town is ultimately a reflection of its residents, and our vitality stems in great part from a family-oriented population. As of U.S. Census 2013 reports, our median age is 35.4 years, and our median income is $64,231. Sahuarita is an educated population, with 35.1% of our residents having a four-year or greater college or university education.

We are dedicated to reaching economic potential. The efforts of our economic development team have netted real, tangible results like the $92,100 grant received from Freeport McMoRan that was used to renovate our lobby space and create the new BizHUB @ Town Hall, a resource for small businesses and entrepreneurs in our community. Our outreach efforts continue to offer regular educational and networking opportunities to local businesses and to the business owners of tomorrow. Investment in economic development is vital to a sustainable future. We are committed to working with the University of Arizona, Pima Community College, local school districts and Pima County Joint Technical Education District to address workforce skills requirements of employers. We continue to support local school districts in their endeavors to provide high-quality K-12 education.

We believe in the wisdom of governmental checks and balances. Residents elect seven council members. The Town Council appoints a mayor and vice mayor from the seven elected officials. The Council guides policy while the town manager is responsible for ongoing, day-to-day operations of 12 Town departments and 137.1 full-time equivalent employees (FTE). Our residents voice a positive affirmation of the Town's reputation for providing core services such as public safety, well-maintained roadways and parks and recreation facilities.

An Overview of FY 2016

The Sahuarita Town Council unanimously approved the recommended $61.75 million budget for FY 2016 on June 22, 2015. The tentative FY 2016 budget was approved on June 8, 2015, with budget materials available to the public via the Town's website and at the Sahuarita Library. Information and presentations about the FY 2016 budget can be found at www.sahuaritaaz.gov/FY16.

The FY 2016 budget is balanced: all money that the Town starts the fiscal year with or collects during the fiscal year is set aside for a specified purpose—to be spent for operations, debt service, capital or saved for the future (as an ending balance). This has been the approach that has put us in the favorable place we are today, and it will serve us well in the future—keeping us financially sustainable.

Of the $61.75 million budget, we expect to save $18.25 million as an ending balance to carry forward into fiscal year 2017, and we continue to leverage revenues purposefully to obtain grant, state and federal funds. The Town abides by purpose and policy restrictions in deciding what to do with our surpluses. We currently have three reserve policies in place:

- **Operating Reserve:** At least 25% of budgeted expenditures is reserved for unforeseen circumstances.
- **Capital Reserve:** 20% of the dollar amount of locally funded capital project costs is set aside for project contingencies.
- **Opportunity Fund:** Town Council adopted a policy to set aside $10 million for economic development, parks, etc., by fiscal year 2020.

Forming a good, long-term plan means examining organizational effectiveness. As part of what the Town has come to define as best financial practice, we are constantly looking for ways to streamline and become more efficient in keeping with our strategic focus on organizational effectiveness. We seek to realign resources wherever possible. For example, when the Town Council and community called for more resources to be put into economic development, we met the need for more programs, outreach efforts and an increased budget by transferring one FTE position from the Town Manager's office to the Economic Development department. Furthermore, when the Sahuarita Police Department recently identified the need for a van, the Town transferred a van from the administrative pool to fill the void. These are only two examples of typical ways that we seek to reallocate resources where possible to fulfill the requests of our directors and Town Council while also limiting unnecessary spending.

With a new year come shifting priorities. While FY 2015 had many priorities surrounding infrastructure, many of our Public Works projects are beginning to lighten. We are happy to note that some are now complete. The Town's Sahuarita Road project has been completed, with many other projects approaching completion as funded in last year's budget. For this reason, it is noted that in FY 2016 we are realigning our Public Works Department to cross train and broaden responsibilities. This is another way that we can reallocate Town resources and financially prepare for the future.

Sahuarita is ranked the safest place in Arizona. One thing that has not changed in FY 2016 is our commitment to public safety. For the second year in a row, Movoto Real Estate ranked Sahuarita as the Safest Place in Arizona due to low crime rates. The operating expenditures of the Sahuarita Police Department are adequately funded to provide the robust police involvement and services that our community has come to expect.

Award-winning projects show road expansion and maintenance as a priority. As evidenced by its place as our second-highest expenditure, maintenance and expansion of our public roadways is an essential function of our Town government. We continue to complete pothole repairs in a timely fashion, usually within 24 hours. Our Sahuarita Road project was winner of the Pima Association of Government's inaugural Timothy M. Ahrens Partnering Award as well as a Metropolitan Pima Alliance Common Ground Award.

Planning well now means better building tomorrow. In June of 2015, our Town Council adopted the Sahuarita East Conceptual Area Plan (SECAP) and the General Plan, Aspire 2015. The general plan is the Town's policy guide to long-range growth and land development in Sahuarita, ensuring that the needs of current and future populations are met. As an element of the General Plan update, SECAP seeks voter ratification as Aspire 2015 approaches the ballot in this year's November special election.

Throughout 2015, we've sought to enhance the delivery of services to residents through our Water and Wastewater Resources Study. The wastewater enterprise fund implemented in July 2014 has resulted in stored water credits amounting to $693,080 that may be used by the Town to establish a water service area and potentially become a water provider to residents of Sahuarita in the future.

A Manifest Vision for Tomorrow

As we look to 2016 and beyond, I'm happy to see a bright future for the Town of Sahuarita. Our community's strengths lie in our work ethic and a discerning and disciplined approach to finances. We are guided by the needs of our growing family of residents and businesses. These in turn create a self-supporting network and the basis for sustainable economic success. Within our strengths we find opportunities for the long haul, and this is the foundation for our vision of what Sahuarita will become. The FY 2016 budget is evidence of the priorities that have been identified by our residents and our elected officials. We will nurture our families, businesses and economic pillars. We have a plan for growth. We know how to grow, and our track record is proof of this. Come along on our journey, and grow with us!

Sincerely,

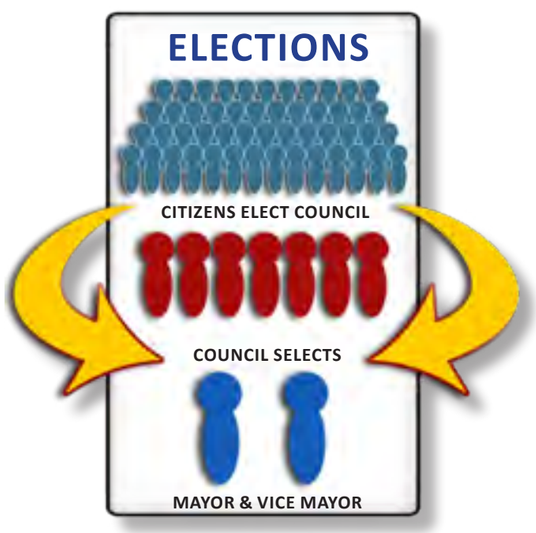
L. Kelly Udall
Town Manager

History:

The Town of Sahuarita was officially incorporated in 1994.

Town Hall to Tucson City Hall
19.5 miles
Town limits to Tucson City limits
3,721 feet at closest point
Town Hall to Nogales, Mexico, Port of Entry
48.2 miles

Elevation	Land Area
2,844 feet	30 square miles



Mayor:
Duane Blumberg

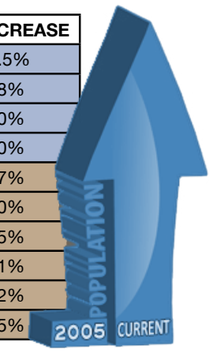
Vice Mayor:
Bill Bracco

Town Council Members:
Lynne Skelton, Kara Egbert, Melissa Smith, Gil Lusk, and Tom Murphy

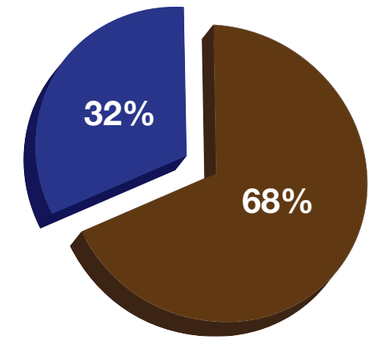
Quick Facts

population

YEAR	POPULATION	% INCREASE
2010	25,259	11.5%
2011	25,722	1.8%
2012	26,244	2.0%
2013	26,772	2.0%
2014	27,232	1.7%
2015	27,777	2.0%
2016	28,470	2.5%
2017	29,080	2.1%
2018	29,720	2.2%
2019	30,470	2.5%



Sahuarita Total Population 2010 – 25,259



Sahuarita Hispanic/Latino *(of any race)*- **8,077 32%**

Not Hispanic/Latino - 17,182 68%

BUILDING SAHUARITA
PARTNERS IN DEVELOPMENT
BUSINESS FRIENDLY

$0 - $0 - $0

impact fees *business license fees* *property tax*

Quick Links

Official Website

http://www.sahuaritaaz.gov

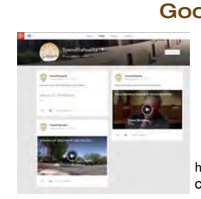
Twitter

https://twitter.com/Sahuarita_Az

Facebook

https://www.facebook.com/pages/Town-Government-of-Sahuarita-Arizona/108515489212287

Google +



https://plus.google.com/111124989476794187733/posts

YouTube

http://www.youtube.com/user/TownofSahuarita

Sahuarita STRATEGIC PLAN

Throughout this document, any project or departmental measure that directly relates to a Stragtegic Plan Focus Area will be highlighted with the corresponding icon/s.

Sahuarita STRATEGIC PLAN

FOCUS AREA 1

ECONOMIC DEVELOPMENT

Continue to grow the Town's economic base bringing in jobs associated with retail, light manufacturing and quality commercial enterprises.

FOCUS AREA 2

INFRASTRUCTURE

Provide and maintain high quality and cost-effective Infrastructure.

FOCUS AREA 3

PLANNING FOR OUR COMMUNITY'S FUTURE

Promote planned growth that fosters high quality and diverse development, facilitates sustainable infrastructure
and assures quality services.

FOCUS AREA 4

ORGANIZATIONAL EFFECTIVENESS

Foster an organizational culture that embraces change, creativity, innovation and calculated risk to ensure proactive, consistent, efficient and accountable service to our community.

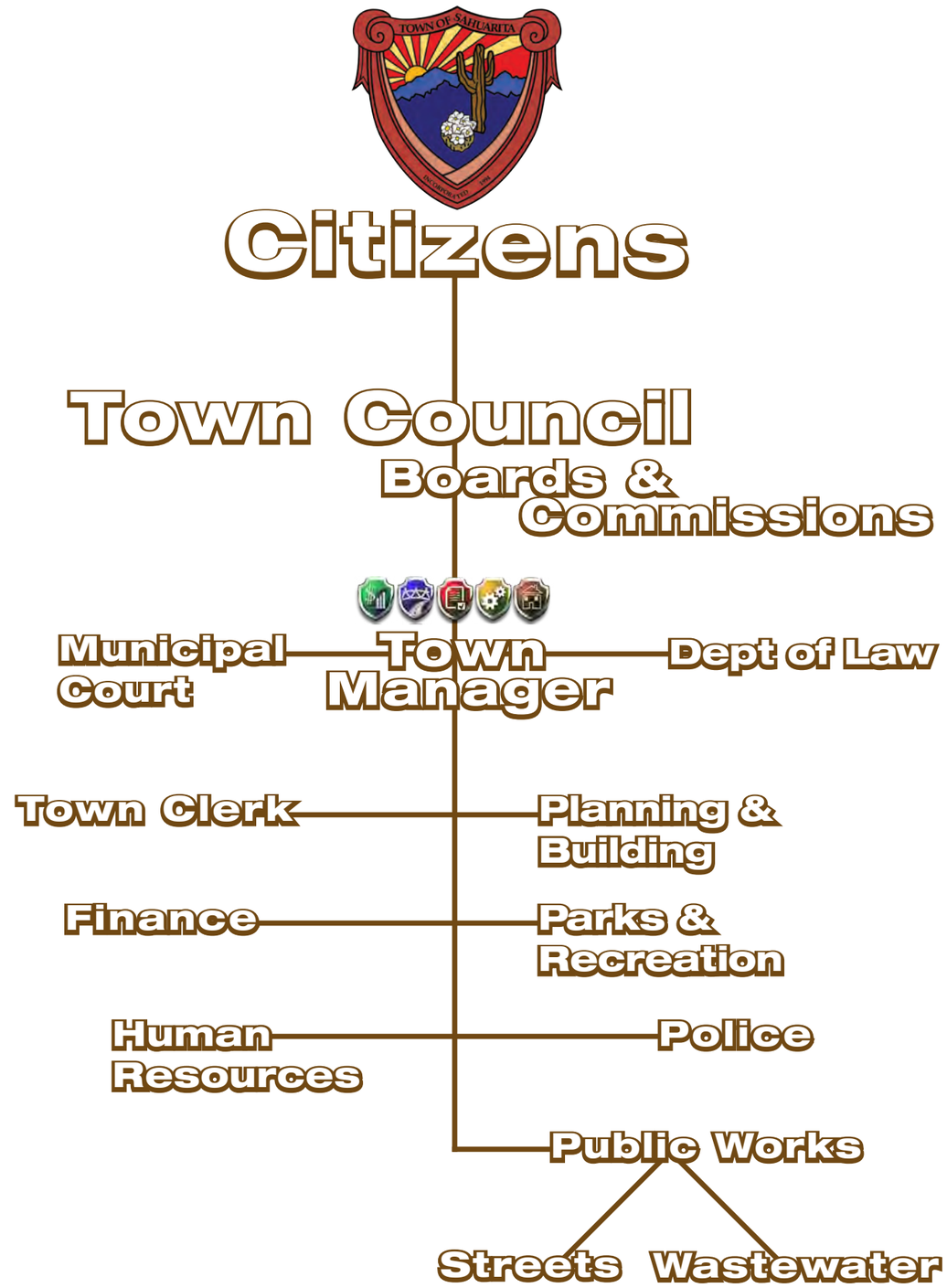
FOCUS AREA 5

QUALITY OF LIFE

Maintain a high quality of life that makes Sahuarita a community of choice for residents and business investment. Encourage a unified community identity.

Sahuarita
ARIZONA
FY2016
BUDGET

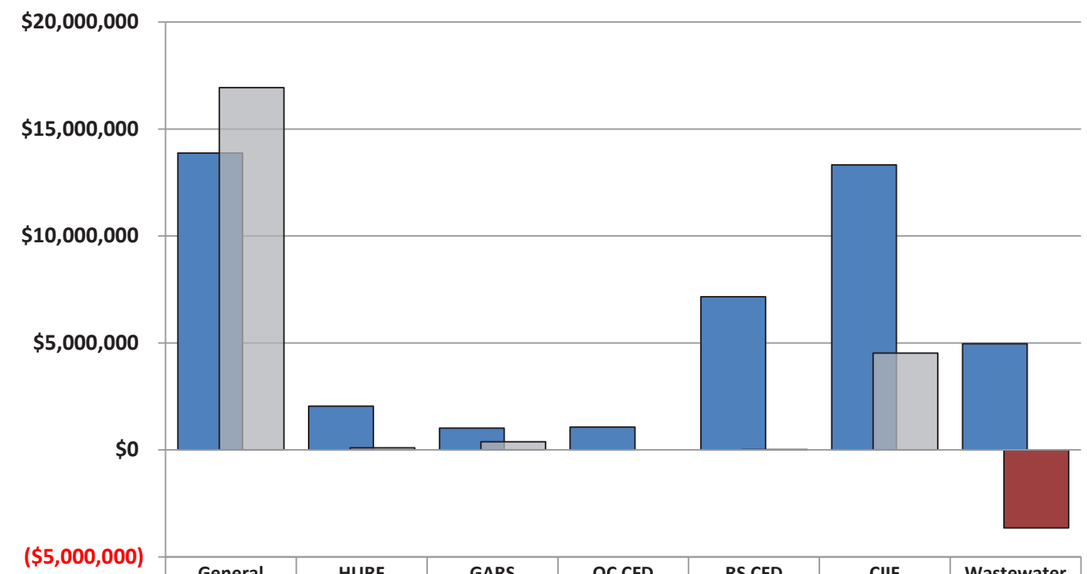
Organization



Budget Summary

BUDGET SUMMARY

The 2016 fiscal year budget uses available resources to achieve desired results. The budget totals $61,753,660 and is in balance, which means that total funding sources equal or exceed total budgeted expenditures. Budgeted expenditures total $43,449,260 and ending balances total $18,304,400. The budget is adopted for each of the Town's seven funds as follows.



	General	HURF	GARS	QC CFD	RS CFD	CIIF	Wastewater
Expenditures	13,875,150	2,043,990	1,023,090	1,064,490	7,161,050	13,323,670	4,957,820
Ending Balances	$16,937,540	$100,320	$386,900	$-	$1,820	$4,525,910	$(3,648,090)

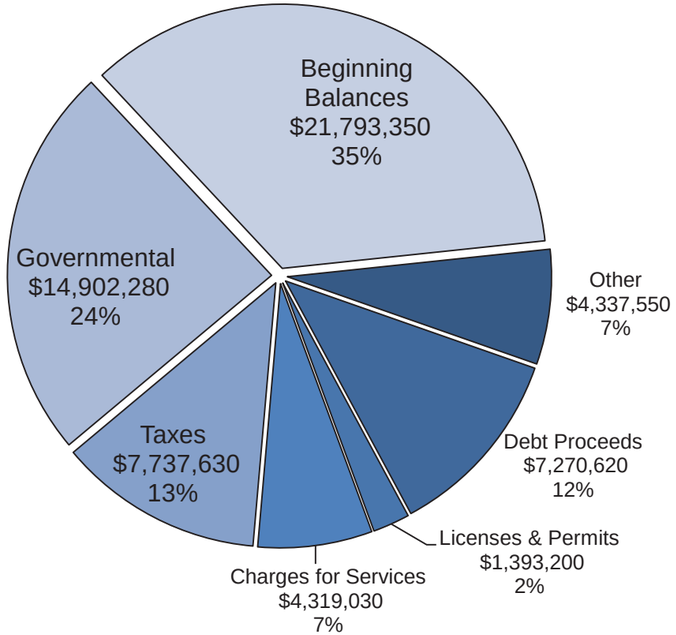
The ending balance deficit in the Wastewater Fund is covered by the surpluses in the General and CIIF funds. See the ***Fund Budgeting*** section for more discussion.

Funding Sources

The budget is funded from a combination of revenues, long-term debt borrowings, and beginning fund balances. Revenues represent both recurring sources and capital grants for one-time projects, and in 2016 these sources provide 53% ($32.7 million) of the total for the budget. Beginning fund balances, which represent available resources accumulated from prior years, provide 35% ($21.8 million) of the total funding sources for the budget. The remaining 12% ($7.3 million) will be funded by debt proceeds.

Revenues are classified by source. **Tax revenues** are derived from the 2% transaction privilege tax, property taxes for the Quail Creek Community Facilities District, the 4% construction contracting tax, and franchise fees. **Licenses and permits** are collected from building permit and sewer connection fees. **Intergovernmental revenues** are derived from state shared revenues and grants awarded from federal, state, and local governments. **Charges for services** are earned through sewer user fees, development review fees, recreation program charges, and cost allocation recovery. **Other** revenues are generated from fines, forfeitures, investment earnings, developer contributions, and other miscellaneous items not classified elsewhere. Refer to the ***Major Revenue Sources*** section of this document for more information on revenues.

Where the Money Comes From
Funding Sources: $61,753,660



Funding Uses

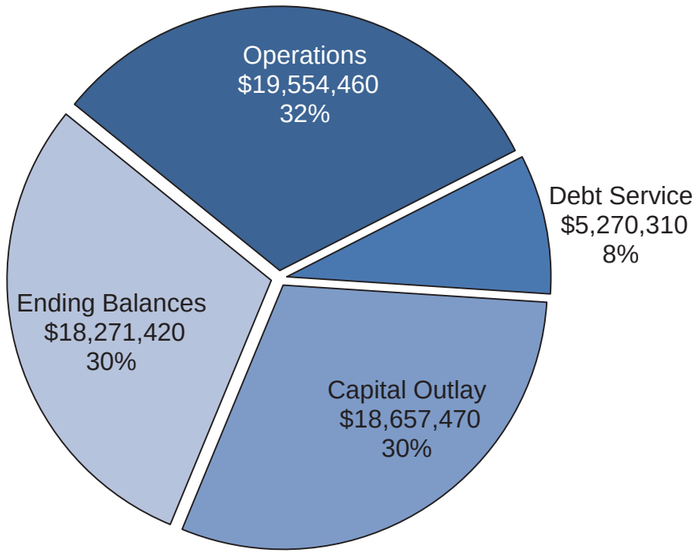
Expenditures and other uses are classified by type. Approximately 30% ($18.2 million) of the budgeted sources are not expected to be spent during the year and, therefore, will be the **fund balances** at the end of the year. Any fund balance which is not restricted, may be used at the discretion of Town Council for emergencies, unforeseen events or opportunities.

Operations accounts for 32% ($19.6 million) of the budget. A description of operations follows on the next page.

Capital outlay comprises 30% ($18.7 million) of the budget. This appropriation will be used to build and purchase capital assets that are not considered to be part of the operating budget. The 2016-2020 ***Capital Plan*** provides detailed descriptions and budget plans for the Town's capital projects and acquisitions.

The **debt service** category represents 8% ($5.3 million) of the budget and is used for the long-term debt principal, interest, and fees paid.

Where the Money Goes
Funding Uses: $61,753,660



Operations

There are five categories of operational expenditures: (1) personnel, (2) services, (3) supplies, (4) other, and (5) operating capital.

The **personnel** category is the largest operational category and comprises 62% of all operational costs. Costs in this category are those associated with maintaining a workforce and include salaries and wages, health and dental insurance, payroll taxes, pension plan contributions, worker's compensation, unemployment insurance, and uniform allowances.

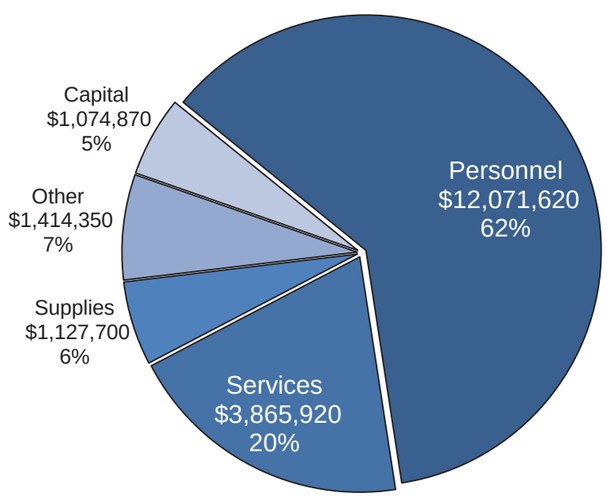
The **services** category, which accounts for outsourced services and other contractual obligations, is the second largest at 20% of total operating costs. These services include utility services and professional services such as those performed by attorneys, auditors, financial advisors, and engineers. These services also include service agreements with Pima County for items such as animal control, 911 dispatch, and incarceration.

The **supplies** category is 6% of the total. Operating supplies include items such as fuel, postage, paper, pens and pencils, or small equipment purchases or leases.

The **other** category makes up 7% of all operational costs. This category accounts for items that are not accounted for in the other categories and includes travel and training, memberships, subscriptions, insurance premiums, and contributions to other organizations.

Operating **capital** represents vehicle and equipment purchases, facility repairs and maintenance improvements, and capital-related studies with unit costs of $5,000 or more. These projects are smaller in scope, size, and cost of other capital projects but are often necessary for departments to accomplish their operational objectives.

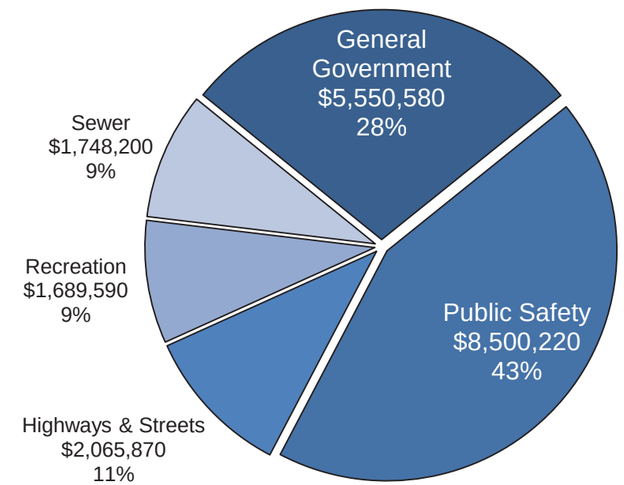
Where the Money Goes
Operations (by Category): $19,554,460



Functional Areas

Operations and capital outlay expenditures are also classified by functional area.

Where the Money Goes
Operations (by Function): $19,554,460



The **general government** function accounts for the Mayor & Council, Town Manager, Town Clerk, Department of Law, Finance, Human Resources, and Municipal Court departments, as well as the Planning & Zoning and Facilities divisions of the Planning & Building and Public Works departments, respectively. This function represents the second costliest category for operations. Thirty percent (41.0 FTE) of the Town's workforce is accounted for in this function, which explains the significance of the operational costs. Indirect costs associated with capital projects in the ***Capital Plan*** are allocated to the CIIF and accounted for in this function as capital outlay.

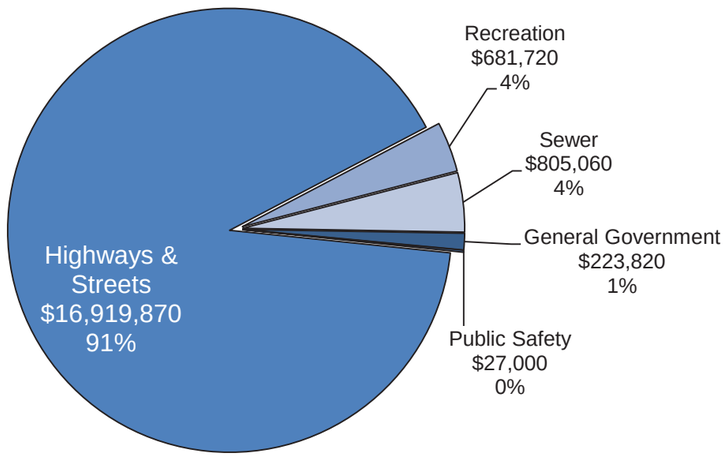
The **public safety** function includes the Building Safety division of the Planning & Building department, Public Works - Engineering, and Police departments. This function is the costliest with respect to the Town's operations because it accounts for the greatest proportion (45% or 61.5 FTE) of employees. The ***Capital Plan*** also includes a non-operational facility improvement for the Police Department.

The **highways and streets** function accounts for operational costs of the Streets Department, recorded in the HURF Fund. This department focuses on the maintenance of the Town's roadway system as well as other transportations issues, such as traffic signaling and street lighting. This function has a capital outlay budget of $16.9 million for major roadway improvement projects.

The **recreation** function accounts for the Parks & Recreation Department. This department costs around $1.7 million to operate. This function has a capital budget of $682 thousand, most to complete the construction of two new sports fields.

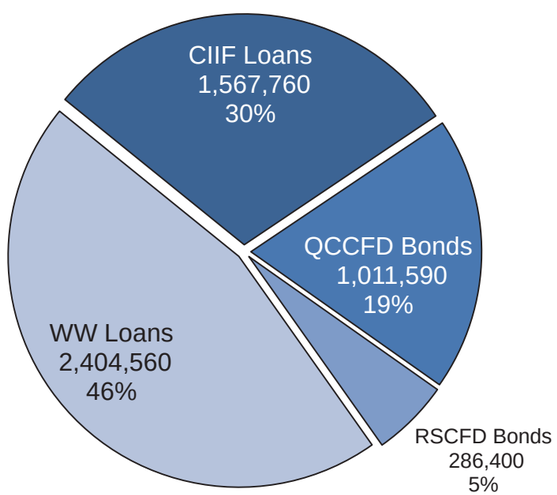
The **sewer** function accounts for the activities of the wastewater utility. The $805 thousand of expenditures budgeted for capital outlay will mostly be to construct a new sewer line to prepare certain commercial parcel developable.

Where the Money Goes
Capital Outlay (by Function): $18,657,470



Debt was used to finance the acquisition of assets and infrastructure. For FY 2016 the debt service obligation for each fund follows:

Where the Money Goes
Debt Service: $5,270,310

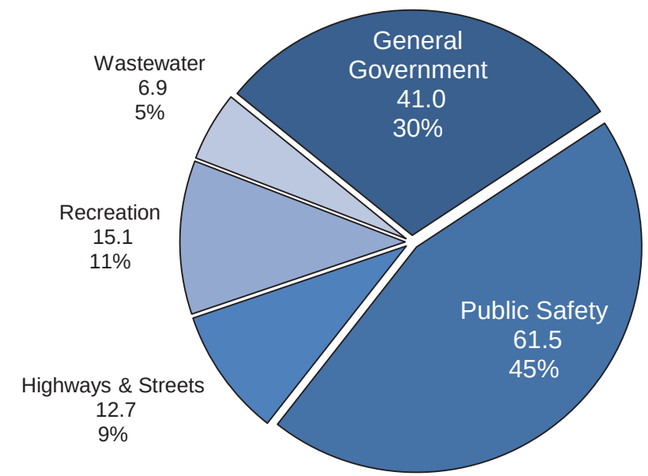


Refer to the ***Debt*** section of this document for more information on debt repayment.

Staffing

Employees play the most significant part in providing services to our citizens. The Town accounts for employees by function as shown on the chart below. Staffing adjustments are shown on a table following this chart. See the ***Employee Staffing*** section for more information.

Staffing Levels by Function
Full-Time Equivalent Employees (FTE): 137.1



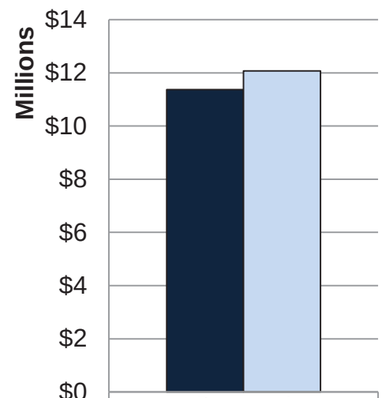
The following are position and staffing level changes made since last year's budget was adopted. It includes revisions made during 2015 as well newly recommended changes for 2016. These changes do not include FTE reallocations between functional units.

Department/*Position*	**Description**	**FTE Change**
Town Manager		
Executive Assistant	Reclassification of *Sr. Office Asst.* (2015)	-
Town Clerk		
Executive Assistant	Reclassification of *Deputy Clerk* (2015)	-
Finance		
IT Systems Analyst	New position (2016)	+1.0
Accounting Specialist	New position (2016)	+1.0
Parks & Recreation		
Recreation Leader	Reduced hours (2016)	-0.2
Recreation Aides	Increased hours (2016)	+0.6
	TOTAL FTE CHANGES	**+2.4**

Budgeted Expenditures Comparison

Evaluating the changes between the budgeted expenditures for fiscal years 2015 and 2016 provides a better understanding of how workforce, operational costs, community growth, and the economy as a whole can impact the budget from one year to the next. Cost changes are also addressed in the ***Departmental*** section.

Budgeted **personnel** costs are increasing $704 thousand. Of this amount, $283 thousand is associated with market based pay plan adjustments. Another $135 thousand relates to the personnel changes included in the table above. Remaining increases are attributable to potential merit increases (up to 4.0%), increases in medical premiums, increases in certain pension costs, and increases in other personnel related changes such as education assistance.



	Personnel
FY 2015	$11,367,260
FY 2016	$12,071,620
% Change	6.2%

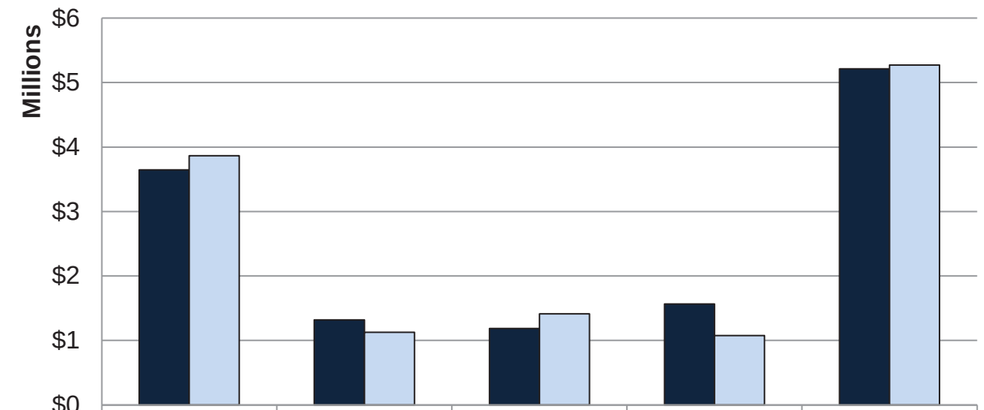
Costs for **services** are increasing $219 thousand. $539 thousand in cost increases include more funding for street maintenance and pavement management; County services for elections, 911 dispatch, and animal control; park and facility grounds maintenance; credit card and banking fees; wastewater utility billing; outsourced grant writing services; and fees from the Arizona Department of Revenue. Incarceration costs were decreased by $55 thousand. Last year's budget included approximately $316 thousand for studies and plans that were completed and not needed in 2016.

The **supplies** budget is declining by $191 thousand. The majority of this decrease ($197 thousand) is associated with grant funded police equipment, which was budgeted last year but not in 2016. Cost increases are primarily the result of inflationary cost impacts.

Other expenditures are going up by $230 thousand. This includes an increase in costs related to special events, rent on a modular building for the Streets Department, more contributions towards human services providers, and more costs allocated to operational cost centers.

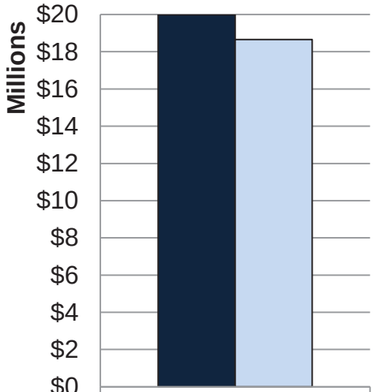
The operating **capital** budget is decreasing by $488 thousand. Fewer repairs are scheduled and less equipment replacements/purchases are being made due primarily to funding limitations. See the ***Capital Plan*** section for more information.

The Town refinanced one of its loans, reducing **debt service** by $231,000. The Rancho Sahuarita CFD budget, however, includes the capacity to issue new debt during the year. Issuance costs are expected to be around $286,000. The net difference between these two items accounts for the difference shown in the chart below



	Services	Supplies	Other	Operating Capital	Debt Service
FY 2015	$3,646,820	$1,319,000	$1,184,640	$1,565,280	$5,214,460
FY 2016	$3,865,920	$1,127,700	$1,414,350	$1,074,870	$5,270,310
% Change	6.0%	-14.5%	19.4%	-31.3%	1.1%

Capital outlay is decreasing by $1.33 million. Most of the Town's dedicated contracting taxes is obligated towards debt service and operating capital, with little left over for major projects. External funding sources are also diminishing, resulting in fewer or smaller capital projects in the budget. See the ***Capital Plan*** section for more information on projects.



	Capital Outlay
FY 2015	$19,990,480
FY 2016	$18,657,470
% Change	-6.7%

Summary Schedules

Changes in Fund Balance
Aggregate of Appropriated Funds
Fiscal Year 2016

	2014 Actual Amount	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Actual	2016 Budget Amount
Revenues:					
Taxes	$ 7,522,856	$ 7,218,240	$ 7,218,240	$ 7,386,730	$ 7,737,630
Licenses & Permits	1,189,226	1,202,150	1,202,150	1,118,860	1,393,200
Intergovernmental	15,007,062	23,069,640	23,069,640	23,414,570	14,902,280
Charges for Services	3,825,353	4,114,780	4,114,780	4,029,730	4,319,030
Fines & Forfeits	437,903	396,090	396,090	312,830	332,510
Investment Earnings	326,920	320,540	320,540	177,720	261,400
Miscellaneous	905,953	2,761,370	2,883,160	922,500	3,743,640
Revenues Total	29,215,273	39,082,810	39,204,600	37,362,940	32,689,690
Expenditures:					
Operations:					
General Government	4,251,121	5,487,820	5,606,348	5,239,940	5,550,580
Public Safety	6,298,986	8,539,770	8,556,032	7,272,970	8,500,220
Highways & Streets	1,752,307	1,951,830	1,951,830	1,957,190	2,065,870
Recreation	1,308,499	1,722,360	1,722,360	1,562,190	1,689,590
Sewer	1,223,472	1,381,220	1,381,220	1,659,930	1,748,200
Operations Total	14,834,385	19,083,000	19,217,790	17,692,220	19,554,460
Debt Service	5,070,129	5,214,460	5,500,860	5,061,710	5,270,310
Capital Outlay	12,240,835	19,990,480	26,864,080	15,816,640	18,657,470
Expenditures Total	32,145,349	44,287,940	51,582,730	38,570,570	43,482,240
Revenues Over (Under) Expenditures	(2,930,076)	(5,205,130)	(12,378,130)	(1,207,630)	(10,792,550)
Other Funding Sources:					
Long-Term Debt Proceeds	82,373	366,620	7,526,620	251,770	7,270,620
Transfers in (out)	-	-	-	-	-
Change in Fund Balance	(2,847,703)	(4,838,510)	(4,851,510)	(955,860)	(3,521,930)
Beginning Fund Balance	25,596,911	23,857,060	23,857,060	22,749,200	21,793,350
Ending Fund Balance	$ 22,749,208	$ 19,018,550	$ 19,005,550	$ 21,793,340	$ 18,271,420

Notes:

The 2015 estimated actuals are based on eight months of actual figures (i.e., July through Febuary) and four months of estimated figures (i.e, March through June).

Beginning fund balances represent available resources accumulated from prior years. Ending fund balances represent financial resources available for future years and contingencies. For the enterprise fund, fund balance is essentially equivalent to the noncapital portion of net assets.

Summary Schedules

Changes in Fund Balances
Appropriated Funds
Fiscal Year 2016

	General Fund	HURF Fund	GARS Fund	QC CFD Fund	RS CFD Fund	CIIF Fund	Wastewater Fund	Total
Revenues:								
Taxes	$ 5,139,510	$ -	$ -	$ 398,610	$ 2,370	$ 2,197,140	$ -	$ 7,737,630
Licenses & Permits	1,032,820	-	-	-	-	-	360,380	1,393,200
Intergovernmental	6,452,060	5,463,770	628,490	-	-	2,107,960	250,000	14,902,280
Charges for Services	908,200	-	15,000	-	-	-	3,395,830	4,319,030
Fines & Forfeits	271,640	-	60,870	-	-	-	-	332,510
Investment Earnings (Losses)	228,180	1,870	3,260	(170)	300	63,360	(35,400)	261,400
Miscellaneous	61,050	-	42,000	645,650	-	2,972,440	22,500	3,743,640
Revenues Total	14,093,460	5,465,640	749,620	1,044,090	2,670	7,340,900	3,993,310	32,689,690
Expenditures:								
Operations:								
General Government	5,146,550	-	15,000	-	1,050	387,980	-	5,550,580
Public Safety	7,130,030	-	996,090	-	-	374,100	-	8,500,220
Highways & Streets	-	2,043,990	-	21,880	-	-	-	2,065,870
Recreation	1,598,570	-	20,000	31,020	-	40,000	-	1,689,590
Sewer	-	-	-	-	-	-	1,748,200	1,748,200
Operations Total	13,875,150	2,043,990	1,031,090	52,900	1,050	802,080	1,748,200	19,554,460
Debt Service	-	-	-	1,011,590	286,400	1,567,760	2,404,560	5,270,310
Capital Outlay	-	-	27,000	-	6,873,600	10,951,810	805,060	18,657,470
Expenditures Total	13,875,150	2,043,990	1,058,090	1,064,490	7,161,050	13,321,650	4,957,820	43,482,240
Revenues Over (Under) Expenditures	218,310	3,421,650	(308,470)	(20,400)	(7,158,380)	(5,980,750)	(964,510)	(10,792,550)
Other Funding Sources (Uses)								
Long-Term Debt Proceeds	-	-	-	-	7,160,000	-	110,620	7,270,620
Net Transfers In (Out)	(305,710)	(3,600,000)	-	20,400	-	3,213,920	671,390	-
Change in Fund Balance	(87,400)	(178,350)	(308,470)	-	1,620	(2,766,830)	(182,500)	(3,521,930)
Fund Balance, 7/1/2014	17,024,940	278,670	660,370	-	200	7,294,760	(3,465,590)	21,793,350
Fund Balance, 6/30/2015	$ 16,937,540	$ 100,320	$ 351,900	$ -	$ 1,820	$ 4,527,930	$ (3,648,090)	$ 18,271,420

Notes:

Each fund and the change in its fund balance is discussed in the **Fund Budgeting** section of the budget.

Summary Schedules

Funding Sources
Fiscal Year 2016

	General Fund	HURF Fund	GARS Fund	QC CFD Fund	RS CFD Fund	CIIF Fund	Wastewater Fund	Total	% of Sources
Revenues:									
Taxes	$ 5,139,510	$ -	$ -	$ 398,610	$ 2,370	$ 2,197,140	$ -	$ 7,737,630	12.5%
Licenses & Permits	1,032,820	-	-	-	-	-	360,380	1,393,200	2.3%
Intergovernmental	6,452,060	5,463,770	628,490	-	-	2,107,960	250,000	14,902,280	24.1%
Charges for Services	908,200	-	15,000	-	-	-	3,395,830	4,319,030	7.0%
Fines & Forfeits	271,640	-	60,870	-	-	-	-	332,510	0.5%
Investment Earnings (Losses)	228,180	1,870	3,260	(170)	300	63,360	(35,400)	261,400	0.4%
Miscellaneous	61,050	-	42,000	645,650	-	2,972,440	22,500	3,743,640	6.1%
Revenues Total	14,093,460	5,465,640	749,620	1,044,090	2,670	7,340,900	3,993,310	32,689,690	52.9%
Long-Term Debt Proceeds	-	-	-	-	7,160,000	-	110,620	7,270,620	11.8%
Net Transfers In (Out)	(305,710)	(3,600,000)	-	20,400	-	3,213,920	671,390	-	0.0%
Beginning Fund Balances	17,024,940	278,670	660,370	-	200	7,294,760	(3,465,590)	21,793,350	35.3%
Total Funding Sources	$30,812,690	$ 2,144,310	$ 1,409,990	$ 1,064,490	$ 7,162,870	$17,849,580	$ 1,309,730	$61,753,660	100.0%

Summary Schedules

Funding Uses
Fiscal Year 2016

	OPERATIONS					
Fund/Department	**Personnel**	**Services**	**Supplies**	**Other**	**Capital**	**Total**
General Fund						
Mayor & Council	$ 59,240	$ -	$ 4,550	$ 50,600	$ -	$ 114,390
Town Manager	636,220	13,300	18,000	42,850	-	710,370
Law	457,610	75,400	14,700	17,450	-	565,160
Town Clerk	363,440	132,510	24,140	16,320	-	536,410
Finance	690,790	209,930	16,700	315,840	-	1,233,260
Human Resources	208,470	14,950	3,490	7,280	-	234,190
Planning & Building	1,100,840	51,230	16,100	17,700	-	1,185,870
Parks & Recreation	892,370	466,490	116,490	123,220	-	1,598,570
Public Works	400,280	471,610	43,100	9,880	-	924,870
Police	4,966,510	563,690	313,200	120,500	-	5,963,900
Municipal Court	517,400	12,550	23,840	21,650	-	575,440
Non-Departmental	-	135,020	3,200	94,500	-	232,720
Subtotal:	10,293,170	2,146,680	597,510	837,790	-	13,875,150
HURF Fund	639,880	948,100	194,200	254,810	7,000	2,043,990
GARS Fund	517,610	100,420	158,980	33,290	220,790	1,031,090
QC CFD Fund	-	45,320	3,150	4,430	-	52,900
RS CFD Fund	-	-	-	1,050	-	1,050
CIIF Fund	-	-	-	-	802,080	802,080
Wastewater Fund	620,960	625,400	173,860	282,980	45,000	1,748,200
ALL FUNDS TOTAL	$ 12,071,620	$ 3,865,920	$ 1,127,700	$ 1,414,350	$ 1,074,870	$ 19,554,460

	OPERATIONS					
Fund/Department	**From above Total**	**Debt Service**	**Capital Outlay**	**Fund Balances**	**Categories Total**	**% of All Funds**
General Fund						
Mayor & Council	$ 114,390	$ -	$ -	$ -	$ 114,390	
Town Manager	710,370	-	-	-	710,370	
Law	565,160	-	-	-	565,160	
Town Clerk	536,410	-	-	-	536,410	
Finance	1,233,260	-	-	-	1,233,260	
Human Resources	234,190	-	-	-	234,190	
Planning & Building	1,185,870	-	-	-	1,185,870	
Parks & Recreation	1,598,570	-	-	-	1,598,570	
Public Works	924,870	-	-	-	924,870	
Police	5,963,900	-	-	-	5,963,900	
Municipal Court	575,440	-	-	-	575,440	
Non-Departmental	232,720	-	-	16,937,540	17,170,260	
Subtotal:	13,875,150	-	-	16,937,540	30,812,690	49.9%
HURF Fund	2,043,990	-	-	100,320	2,144,310	3.5%
GARS Fund	1,031,090	-	27,000	351,900	1,409,990	2.3%
QC CFD Fund	52,900	1,011,590	-	-	1,064,490	1.7%
RS CFD Fund	1,050	286,400	6,873,600	1,820	7,162,870	11.6%
CIIF Fund	802,080	1,567,760	10,951,810	4,527,930	17,849,580	28.9%
Wastewater Fund	1,748,200	2,404,560	805,060	(3,648,090)	1,309,730	2.1%
ALL FUNDS TOTAL	$ 19,554,460	$ 5,270,310	$ 18,657,470	$ 18,271,420	$ 61,753,660	100.0%
% of All Categories	31.7%	8.5%	30.2%	29.6%	100.0%	

Summary Schedules

Interfund Transfers

Fiscal Year 2016

Transfers From	Transfer Recipient: General Fund	HURF Fund	GARS Fund	QC CFD Fund	RS CFD Fund	CIIF Fund	Wastewater Fund	Total
General Fund		$ -	-	$ 20,400 A	$ -	$ -	$ 285,310 C	$ 305,710
HURF Fund	$ -		-	-	-	3,600,000 B	-	3,600,000
GARS Fund	-	-		-	-	-	-	-
QC CFD Fund	-	-	-		-	-	-	-
RS CFD Fund	-	-	-	-		-	-	-
CIIF Fund	-	-	-	-	-		386,080 B	386,080
Wastewater Fund	-	-	-	-	-	-		-
Total	$ -	$ -	$ -	$ 20,400	$ -	$ 3,600,000	$ 671,390	$ 4,291,790

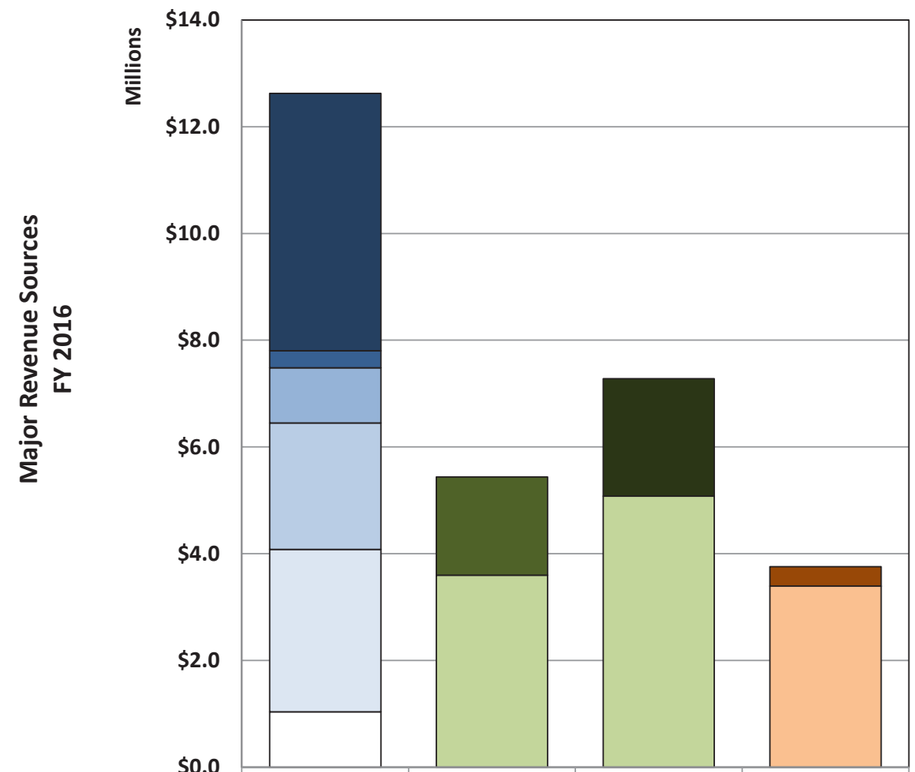
Descriptions:

A	General Operating Subsidy Transfers	Transfers from the General Fund to the QC CFD Fund are planned to finance the operating deficit in 2015. These transfer amounts represent a maximum subsidy amount for the year and will only be made to the extent that a deficit occurs.
B	Capital Project Funding Transfers	These transfers are needed to move revenues and sources accumulated in one fund to another fund that incurs reimbursable project costs.
C	General Fund Water transfers	Transfers from the General Fund to the Wastewater Fund are planned to pay for the transfer of water credits from the Wastewater Utility to the General Fund. The recharge credits will be held for resale at a future date.

Major Revenues

Major Revenue Sources

The following table displays 90% ($29.1 million) of the total revenues expected to be recorded in fiscal year 2016 and in which fund they are accounted.

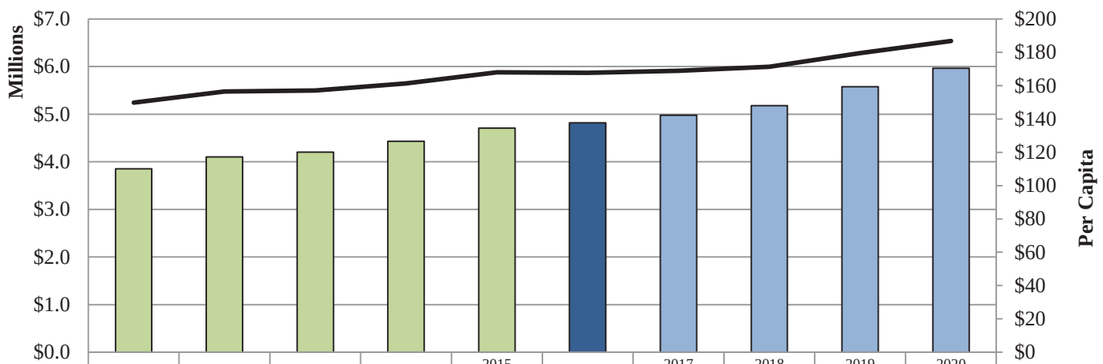


	General	HURF	CIIF	Wastewater
Sales Tax	$4,820,850			
Construction Tax			$2,197,140	
Franchise Tax	$318,660			
Building Permit Fees	$1,032,820			
Sewer Connection Fees				$360,380
State Sales Tax	$2,372,540			
State Income Tax	$3,041,180			
State Vehicle License Tax	$1,038,340			
State Shared HURF		$1,838,770		
Capital Grants		$3,600,000	$5,080,400	
Sewer User Fees				$3,395,830

Major Revenue Sources

General Sales Taxes
(Taxes)

Description & Use A transaction privilege tax is assessed on sales activity within the Town limits. There are no restrictions placed on this revenue source. The revenues are recorded in the General Fund and are used to fund daily operations.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$3,852,323	$4,104,185	$4,202,991	$4,432,280	$4,706,280	$4,820,850	$4,975,150	$5,178,440	$5,575,720	$5,964,490
Per Capita	$150	$156	$157	$161	$168	$168	$169	$171	$180	$187

Current Rate Structure The Town assesses a 2.0% tax rate on most general, non-service business transactions. The State of Arizona collects taxes on behalf of the Town and remits them to the Town on a weekly basis. The Town operates under Arizona's *Model City Tax Code* (*http://modelcitytaxcode.az.gov/*).

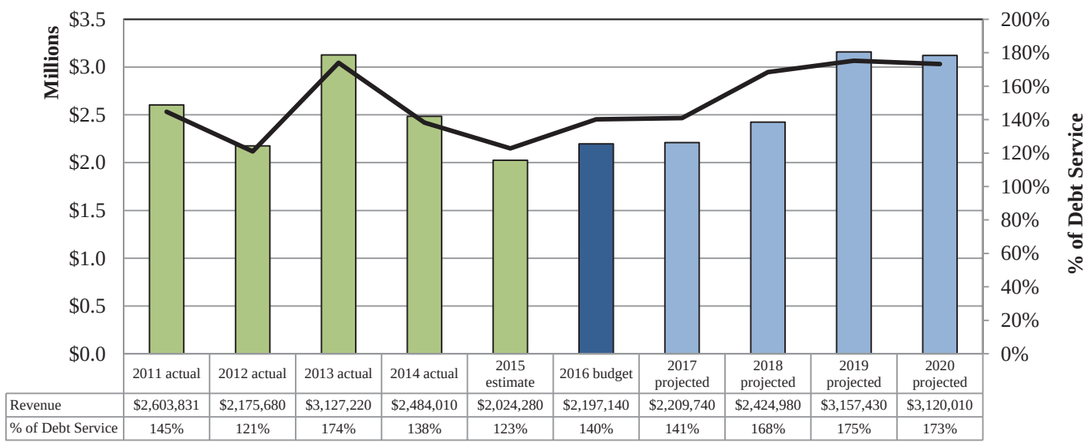
Assumptions Projections were based on estimated population and growth in commercial development. The estimates were derived using planning documents for new development in the Town. Inflationary factors and tax leakage assumptions were also considered in the projections.

Trend Positive. General sales taxes per capita are projected to increase over time. More commercial development will result in less sales leakage, resulting in a higher per capita capture rate.

Major Revenue Sources

Construction Contracting Taxes
(Taxes)

Description & Use A transaction privilege tax is assessed on construction contracting within the Town limits. The Town Council has assigned these revenues to pay general debt service and for capital projects. These tax revenues are recorded in the CIIF, the Town's *Capital Projects Fund*.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$2,603,831	$2,175,680	$3,127,220	$2,484,010	$2,024,280	$2,197,140	$2,209,740	$2,424,980	$3,157,430	$3,120,010
% of Debt Service	145%	121%	174%	138%	123%	140%	141%	168%	175%	173%

Current Rate Structure The Town has a tax rate of 4.0% on all construction contracting transactions. The State of Arizona collects taxes on behalf of the Town and remits them to the Town on a weekly basis. The Town operates under Arizona's *Model City Tax Code* (*http://modelcitytaxcode.az.gov/*).

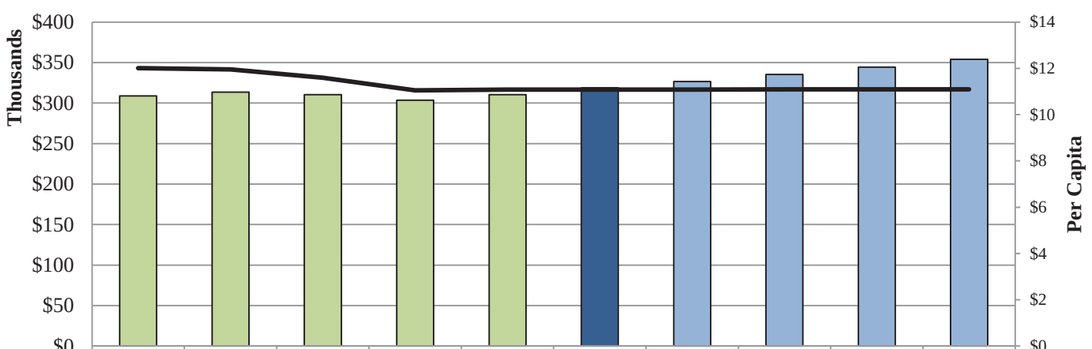
Assumptions Projections were based on growth estimates. The expectation was derived using planning documents for new development and factors influencing the housing market in the State and nationwide. Inflationary impacts were also considered.

Trend Positive. After 2015, construction contracting taxes are projected to cover a larger percentage of debt service costs in the CIIF than the 2015 low point. A slightly increasing growth rate and a higher mix of commercial development will drive the increase.

Major Revenue Sources

Franchise Taxes
(Taxes)

Description & Use The Town of Sahuarita collects franchise fees from cable and gas utility providers pursuant to executed agreements. The agreements license the utilities to use the Town's right-of-ways. There are no restrictions placed on this revenue source. The revenues are recorded in the General Fund and are used to fund daily operations.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$308,900	$313,653	$310,304	$303,600	$310,310	$318,660	$326,700	$335,270	$344,400	$354,120
Per Capita	$12	$12	$12	$11	$11	$11	$11	$11	$11	$11

Current Rate Structure Franchise tax rates are 5.0% and 2.0% for cable and gas, respectively, as set forth in the agreements. The utility companies pay the taxes to the Town on a quarterly basis.

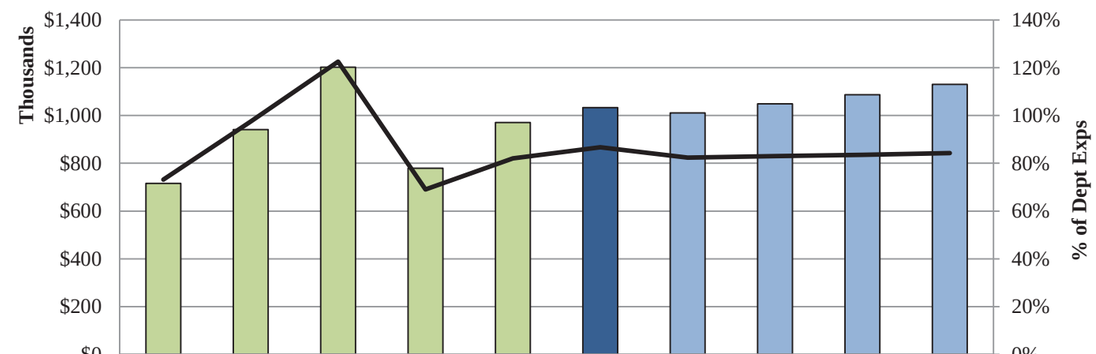
Assumptions Projections were based on estimated growth in population. The estimate was derived using planning documents for new development.

Trend Stable. Franchise taxes per capita are projected to be about the same as they have been in the past.

Major Revenue Sources

Building Permit Fees
(Licenses and Permits)

Description & Use Fees are charged for the permission to construct or alter buildings, structures, and improvements within the Town limits. There are no restrictions placed on this revenue source. The revenues are recorded in the General Fund and are used to fund daily operations.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$716,279	$940,935	$1,202,273	$779,760	$970,220	$1,032,820	$1,010,740	$1,048,960	$1,087,170	$1,129,830
% of Dept Exps	73%	98%	123%	69%	82%	87%	82%	83%	84%	84%

Current Rate Structure Building permitting fees are calculated primarily by the type and size of the building structure. Mechanical, plumbing, and electrical fees are calculated based upon a standard percentage of the building permit valuation. The fees are collected when the permits are issued to the applicant.

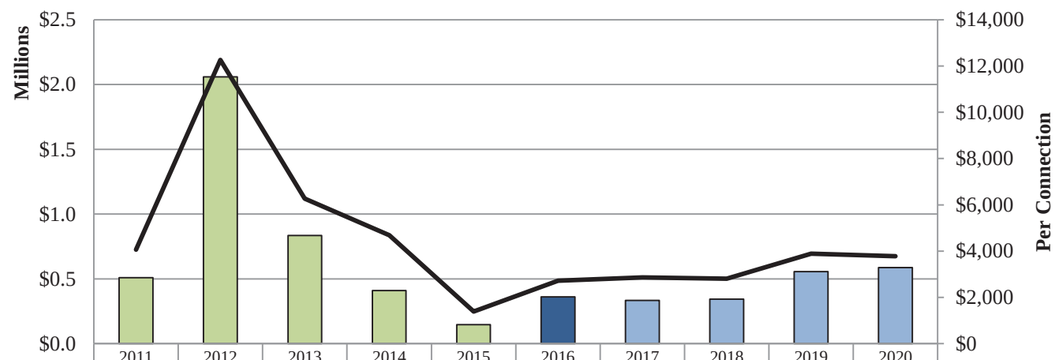
Assumptions Projections were based on the number of permits expected to be issued for each year. The expectation was derived using planning documents for new development as well as expectations about factors influencing the housing market in the State and nationwide.

Trend Stable. Future revenues are expected to cover about the same percentage of the direct costs to operate the Planning and Building Department as the historical average.

Major Revenue Sources

Sewer Connection Fees
(Licenses and Permits)

Description & Use A fee is charged to new customers connecting to the Town's sewer system. Sewer connection fees are used to pay capital costs (and associated debt) to expand and improve the wastewater treatment facilities. The fees are recorded in the Wastewater Enterprise Fund.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$508,501	$2,059,24	$833,725	$409,467	$147,440	$360,380	$334,080	$342,710	$556,350	$587,320
Per Connection	$4,068	$12,257	$6,269	$4,682	$1,391	$2,720	$2,865	$2,811	$3,888	$3,778

Current Rate Structure The Town is contractually obligated to use an equivalent methodology as the County to derive sewer connection rates. Connection fees have historically been calculated based on the number of fixture unit equivalents installed as part of new construction or as part of rehabilitation of existing structures. For fiscal year 2013 and beyond, however, the County began to charge based upon the size of the water meter servicing the properties in question. This new fee structure significantly reduced the amount of connection fee revenues generated. The fees are collected when permits are issued to the applicant.

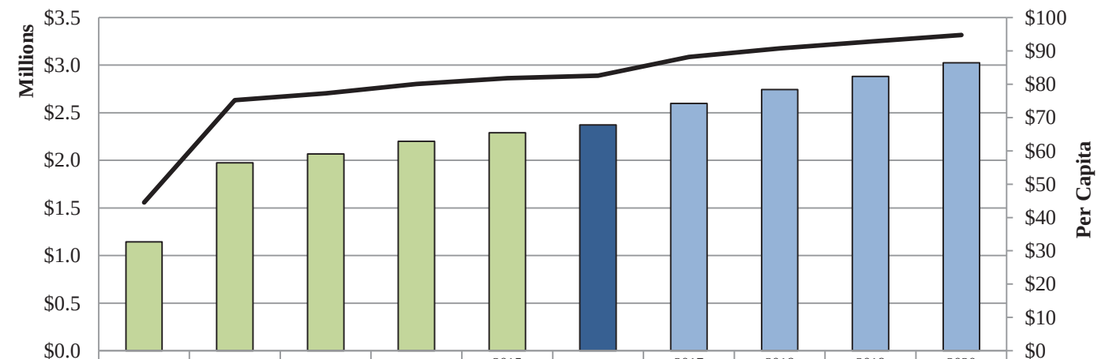
Assumptions Projections were based on the number of permits expected to be issued during the year. The expectation was derived using planning documents for new development as well as expectations about factors influencing the housing market in the State and nationwide.

Trend Negative. The average connection is projected to generate less revenue than the historical average due to the change in rate structure described above.

Major Revenue Sources

State Shared Sales Taxes
(Intergovernmental)

Description & Use Incorporated cities and towns receive a portion of the State's sales tax collections. There are no restrictions placed on this revenue source. The revenues are recorded in the General Fund and are used to fund daily operations.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$1,144,921	$1,973,746	$2,067,495	$2,198,614	$2,290,100	$2,372,540	$2,597,540	$2,743,000	$2,880,150	$3,024,160
Per Capita	$45	$75	$77	$80	$82	$83	$88	$91	$93	$95

Current Rate Structure The State's transaction privilege tax rate is 5.6%. The State's distribution is based upon population figures, adjusted every five years, proportional to other municipalities. Distributions are received monthly.

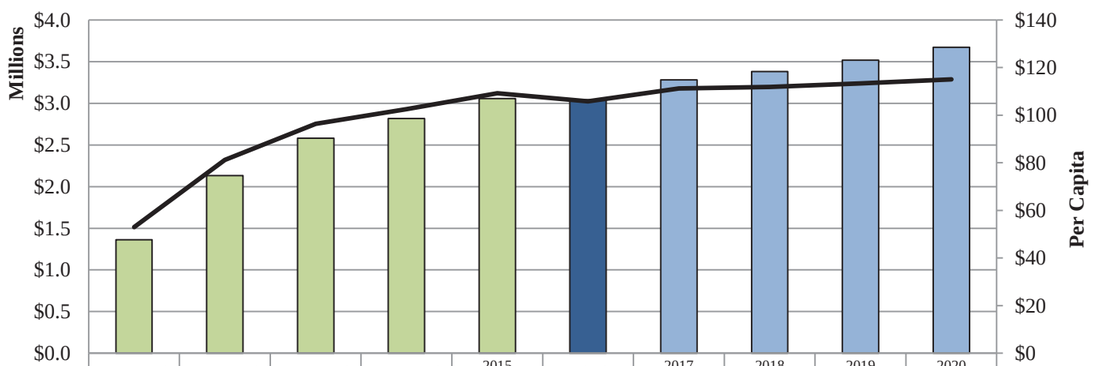
Assumptions The Arizona Department of Revenue provides the Town with projected revenues. In fiscal year 2012, the population figures were adjusted to the 2010 U.S. Census figures, which had a dramatic impact on the Town's share of revenues. The next adjustment will occur in 2017.

Trend Positive. State shared sales taxes per capita are projected to increase over time. The State's economy is improving and the Town' population growth is outpacing the Statewide average.

Major Revenue Sources

State Shared Income Taxes
(Intergovernmental)

Description & Use Incorporated cities and towns receive a portion of the State's income tax collected in the fiscal year two years prior. There are no restrictions placed on this revenue source. The revenues are recorded in the General Fund and are used to fund daily operations.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$1,361,686	$2,131,878	$2,580,152	$2,815,436	$3,057,570	$3,041,180	$3,279,160	$3,381,250	$3,518,200	$3,672,050
Per Capita	$53	$81	$96	$102	$109	$106	$111	$112	$113	$115

Current Rate Structure The State distributes to the municipalities 15% of the total income taxes it collected from two years prior. The State's distribution is based upon population figures, adjusted every five years, relative to other local jurisdictions. Distributions are received monthly.

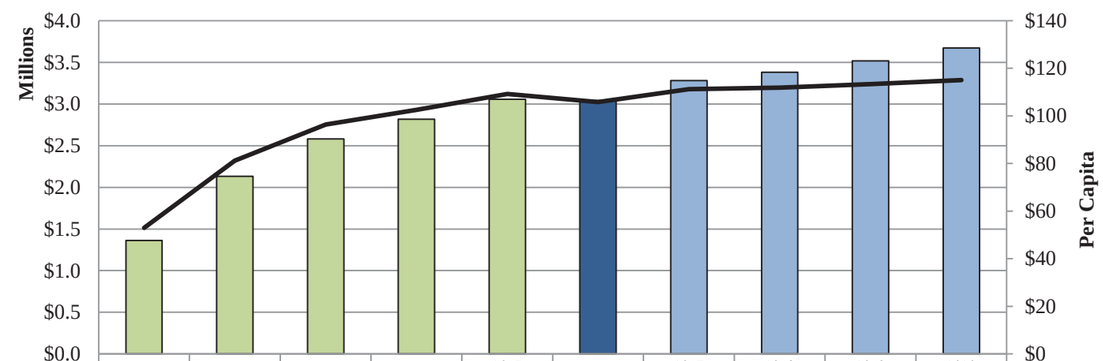
Assumptions The Arizona Department of Revenue provides the Town with projected revenues. In fiscal year 2012, the population figures were adjusted to reflect the 2010 U.S. Census figures, which had a dramatic impact on the Town's share of revenues. The next adjustment will occur in 2017.

Trend Positive. State shared income taxes per capita are projected to increase over time. The State's economy is improving and the Town' population growth is outpacing the Statewide average.

Major Revenue Sources

State Shared Vehicle License Taxes
(Intergovernmental)

Description & Use Incorporated cities and towns receive a portion of the State's income tax collected in the fiscal year two years prior. There are no restrictions placed on this revenue source. The revenues are recorded in the General Fund and are used to fund daily operations.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
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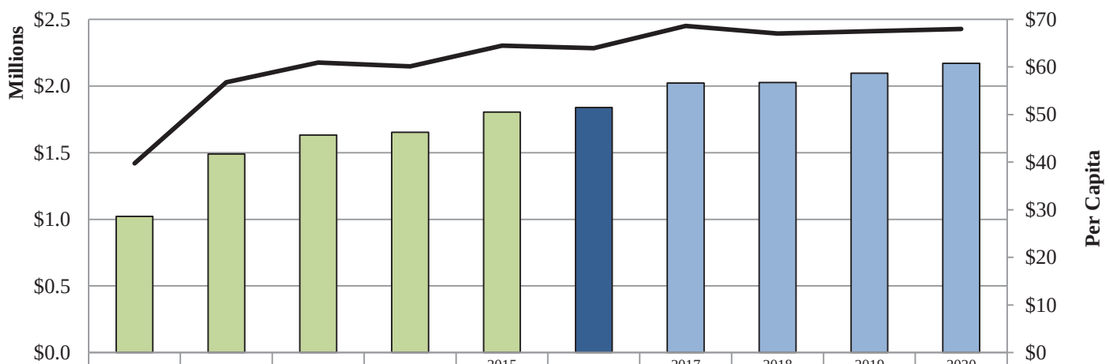
Trend Positive. State shared income taxes per capita are projected to increase over time. The State's economy is improving and the Town' population growth is outpacing the Statewide average.

Major Revenue Sources

Highway User Revenue Funds (HURF)
(Intergovernmental)

Description & Use

Incorporated cities and towns receive a portion of the State's HURF collections. The Arizona Constitution restricts the use of HURF. Funding must be used exclusively for street and highway purposes, excluding use for traffic law enforcement or administration of traffic safety programs. These revenues are recorded in the HURF Special Revenue Fund.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$1,021,736	$1,489,430	$1,630,909	$1,652,277	$1,804,880	$1,838,770	$2,022,260	$2,026,470	$2,096,480	$2,170,170
Per Capita	$40	$57	$61	$60	$64	$64	$69	$67	$68	$68

Current Rate Structure

The majority of the HURF is generated from the tax on fuel sales ($0.18 per gallon) and a portion on vehicle license taxes. Cities and towns receive 27.5% of total HURF collected. The funds are distributed based on two calculations. First, 50% of the available funds are distributed based on population figures, adjusted every five years, relative to other local jurisdictions. Second, the remaining 50% is distributed to counties based on fuel sales and further to cities and towns based on population proportion in the county. Distributions are received monthly.

Assumptions

The Arizona Department of Transportation provides estimated collections that the Town uses to project revenues. In fiscal year 2012, the population figures were adjusted to the 2010 U.S. Census figures, which had a dramatic impact on the Town's share of revenues. The next adjustment will occur in 2017.

Trend

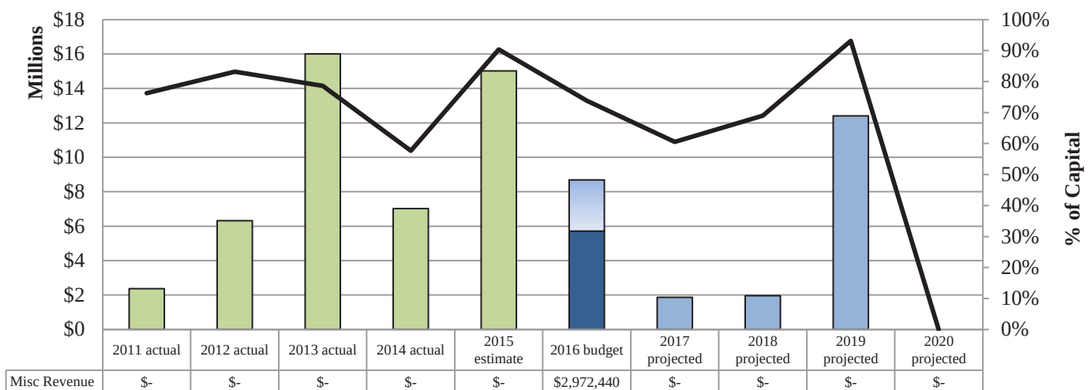
Positive. State shared HURF per capita are projected to increase over time. The State's economy is improving and the Town' population growth is outpacing the Statewide average.

Major Revenue Sources

Capital Grants
(Miscellaneous & Intergovernmental)

Description & Use

The Town receives grant funding from other governmental entities such as the State of Arizona, Pima County, and the Regional Transportation Authority. The Town may also receive capital grants from non-governmental entities (Misc. Revenue). Capital grant revenues are used for the acquisition and construction of capital assets, as restricted in the grant or contractual agreements. These revenues are typically recorded in the HURF special revenue fund or the CIIF capital projects fund depending on the nature of the grant/contract.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Misc Revenue	$-	$-	$-	$-	$-	$2,972,440	$-	$-	$-	$-
Gov't Revenue	$2,363,546	$6,311,301	$15,996,959	$7,015,719	$15,011,880	$5,707,960	$1,860,000	$1,955,000	$12,400,000	$-
% of Capital	76%	83%	79%	58%	90%	74%	60%	69%	93%	0%

Current Rate Structure

Capital grant agreements are typically structured to reimburse the Town for actual costs incurred. Grant agreements are in place with the State of Arizona, Pima Association of Governments, Pima County, and the Regional Transportation Authority, and other agreements are under discussion with non-governmental entities.

Assumptions

Agreements are in place for much of the projected revenues. These agreements primarily reimburse the Town for costs incurred. Therefore, revenues will be realized to the extent that expenditures are incurred on capital projects. A significant portion of the Town's capital outlay costs are funded by these capital grants.

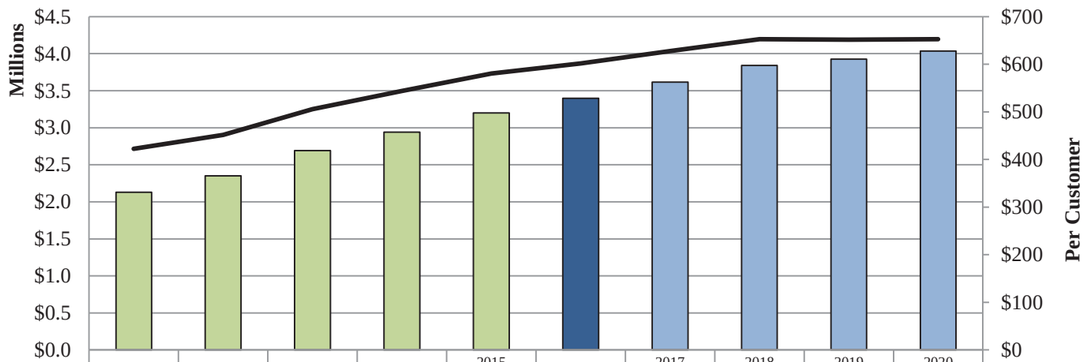
Trend

Variable-negative. The proportion of capital projects funded by grants varies year-to-year. However, with the exception of 2019, the overall amount of projects being completed is significantly less due to the limited availability of funding.

Major Revenue Sources

Sewer User Fees
(Charges for Services)

Description & Use Sewer user fees are charged to the households and businesses served by the wastewater utility. Sewer user fees are used to pay the operating costs of the wastewater utility and to pay a portion of the debt service costs. The fees are recorded in the Wastewater Enterprise Fund.



	2011 actual	2012 actual	2013 actual	2014 actual	2015 estimate	2016 budget	2017 projected	2018 projected	2019 projected	2020 projected
Revenue	$2,128,531	$2,350,060	$2,690,666	$2,940,100	$3,198,740	$3,395,830	$3,615,510	$3,840,160	$3,927,530	$4,035,600
Per Customer	$423	$452	$506	$544	$580	$602	$628	$653	$652	$653

Current Rate Structure Customers are billed monthly fees based on the average amount of water they consume during the winter months. Fees are set at a rate needed to pay for operations and a portion of debt service. The fees are reviewed periodically to determine if they are adequate to meet the obligations of the enterprise. A 4.0% fee increase becomes effect on July 1, 2015.

Assumptions The majority of the projected revenues will be collected from existing customers. New customers of the utility will generate additional revenues. The expectation for new customers was derived using planning documents for new development and expectations about factors influencing the housing market in the State and nationwide

Trend Positive. Increasing rates are expected to produce higher sewer user fees per customer over time.

Fund Budgeting

What is Fund Budgeting?

The Town organizes its activities into seven different funds. Each fund in the Town of Sahuarita is a separate set of accounts that identifies and predicts unique sources and uses of funding. When summed together, these funds form the legal budget (see **Legal Requirements** section for more information). Each fund is accounted for separately.

What is Fund Accounting and why is it different from business accounting?

Governments and businesses perform their accounting in very different ways in order to accomplish different purposes. The Governmental Finance Officers Association describes the differences in the following way:

> *For purposes of determining profitability, it typically suffices to look at a business "taken as a whole." Such a "big picture" approach, however, normally is insufficient for assessing stewardship and compliance. What is really needed in this latter case is some tool for organizing and presenting data about financial resources that highlights the fact that certain resources have been "segregated for the purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations." For state and local governments, that tool is fund accounting.*

What are the Funds used by the Town?

The Town uses the following seven funds to account for all of its financial activity.

- General Fund
- Highway User Revenue Fund (HURF)
- Grants and Restricted Sources Fund (GARS)
- Quail Creek Community Facilities District Fund (QC CFD)
- Rancho Sahuarita Community Facilities District Fund (RS CFD)
- Capital Infrastructure Improvement Fund (CIIF)
- Wastewater Fund

What is a balanced budget?

A fund is considered to be in balance when its financial sources equal its uses. Sources are made up of all money received during the year plus all savings from prior years, and uses are made up of all money spent during the year plus all money to be saved for future years. For practical purposes, however, it may be better to consider a fund in balance when there is at least as much money coming in as going out. When each fund is in balance, the sum of these funds (the budget taken as a whole) will be in balance.

Appropriated Funds and Fund Type

Town of Sahuarita
Appropriated Budget

GOVERNMENT

GENERAL	SPECIAL REVENUES	CAPITAL PROJECTS
Used to account for and report all financial resources not accounted for and reported in another fund.	Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt.	Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other assets.
General Fund *	HURF Fund *	CIIF Fund *
	GARS Fund	
	QC CFD Fund	
	RS CFD Fund *	

* Any budgeted fund that represents 10 percent or more of the total appropriated revenues or expenditures is considered a major fund.

Appropriated Funds and Fund Type

PROPRIETARY

ENTERPRISE
Used to report any activity for which a fee is charged to external users for goods or services.
Wastewater Enterprise Fund *

Appropriated Funds and Fund Type

Funds and Departments

General Fund	HURF Fund	GARS Fund
Mayor & Council		
Town Manager		
Department Of Law		
Town Clerk		
Finance		
Human Resources		
Planning & Building		
Parks & Recreation		Parks & Recreation
Public Works		
Police		Police
Municipal Court		Municipal Court
	Streets	
Non-Departmental		

Appropriated Funds and Fund Type

QC CFD Fund	RS CFD Fund	CIIF Fund	Wastewater Fund
	Town Clerk		
		Finance	
Parks & Recreation		Parks & Recreation	
		Public Works	
		Police	
Streets		Streets	
			Wastewater

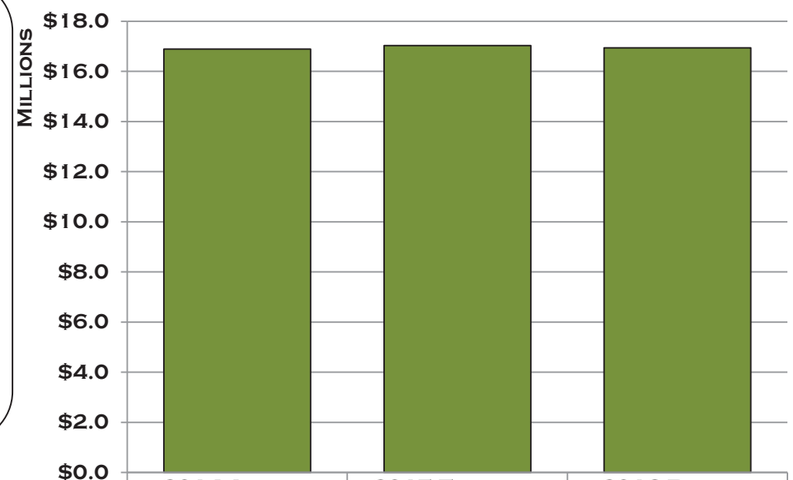
Fund Budgeting

Purpose: The **General Fund** serves as the chief operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in other funds.

The General Fund ending balance is budgeted to decline by $87 thousand. Revenues and expenditures will increase over last year's budget by 4.9% and 3.6%, respectively. Expenditures are increasing: (1) as more employees are hired, (2) from rising employee related expenses, and (3) due to $283 thousand for pay plan adjustments resulting from a market study. Revenues are still expected to exceed expenditures by $218 thousand, however. Transfers to other funds in the amount of $306 thousand will lower fund balance. Transfers will be used to pay for a portion of the QC CFD park maintenance costs and to acquire recharge credits from the Wastewater Fund.

Services:

- *Law & order*
- *Growth & development management*
- *Parks maintenance & recreation*
- *Administration & support services*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	16,890,698	17,024,940	16,937,540

The ending fund balance is projected to be $16.9 million. Of this amount, $3.3 million is nonspendable as that amount of funding has been advanced to the Wastewater Fund to manage its deficit financial position. The remainder is 98.5% of the projected General Fund's operating expenditures, which is well above the 25% stabilization reserve level required by Town ordinance. The General Fund reserves include balances sufficient to offset any deficiency in reserves for operation in the HURF, QCCFD, and Wastewater funds. Separately, the Town Council assigned $100,000 for the use of the Town Manager to handle unanticipated needs and has set aside $500,000 for future asset maintenance costs. Finally, the Town Council has adopted a policy establishing a $10 million target for unassigned reserves by 2020. Unassigned balances will fall below this target by $1.3 million in 2016.

Fund Budgeting

GENERAL FUND

SOURCES AND USES OF FUNDS

	2014 Actual Amount	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Actual	2016 Budget Amount	% Change From Amended	% Change From Estimated
SOURCES							
Revenues:							
Taxes	$ 4,735,881	$ 4,848,100	$ 4,848,100	$ 5,016,590	$ 5,139,510	6.0%	2.5%
Licenses & Permits	779,759	806,230	806,230	970,220	1,032,820	28.1%	6.5%
Intergovernmental	6,000,483	6,326,500	6,326,500	6,348,210	6,452,060	2.0%	1.6%
Charges for Services	868,453	901,040	901,040	815,990	908,200	0.8%	11.3%
Fines and Forfeitures	277,697	275,570	275,570	264,960	271,640	-1.4%	2.5%
Investment Earnings	219,902	230,410	230,410	130,000	228,180	-1.0%	75.5%
Miscellaneous	104,383	50,000	50,000	48,500	61,050	22.1%	25.9%
Subtotal:	12,986,558	13,437,850	13,437,850	13,594,470	14,093,460	4.9%	3.7%
Other Sources:							
Transfers Out	(859,408)	(729,600)	(729,600)	(730,510)	(305,710)	-58.1%	-58.2%
Subtotal:	(859,408)	(729,600)	(729,600)	(730,510)	(305,710)	-58.1%	-58.2%
Beginning Fund Balance:							
Nonspendable	2,043,561	1,594,740	1,594,740	1,579,650	2,329,650	46.1%	47.5%
Restricted	137,294	-	-	-	-	-	-
Committed	3,772,040	3,810,700	3,810,700	3,947,700	4,336,250	13.8%	9.8%
Unassigned	10,123,613	10,964,040	10,964,040	11,363,350	10,359,040	-5.5%	-8.8%
Subtotal:	16,076,508	16,369,480	16,369,480	16,890,700	17,024,940	4.0%	0.8%
TOTAL SOURCES	$28,203,658	$29,077,730	$29,077,730	$ 29,754,660	$30,812,690	6.0%	3.6%
USES							
Current Expenditures:							
Mayor & Council	$ 117,021	$ 120,320	$ 120,320	$ 123,720	$ 114,390	-4.9%	-7.5%
Town Manager	476,357	803,360	803,360	729,680	710,370	-11.6%	-2.6%
Law	496,343	583,720	583,720	575,310	565,160	-3.2%	-1.8%
Town Clerk	361,227	492,320	492,320	381,840	536,410	9.0%	40.5%
Finance	968,312	1,101,550	1,101,550	1,097,960	1,233,260	12.0%	12.3%
Human Resources	196,047	247,350	247,350	191,680	234,190	-5.3%	22.2%
Planning & Building	1,129,819	1,227,190	1,227,190	1,181,910	1,185,870	-3.4%	0.3%
Parks & Recreation	1,254,838	1,491,050	1,491,050	1,387,850	1,598,570	7.2%	15.2%
Public Works	731,975	845,770	845,770	812,920	924,870	9.4%	13.8%
Police	4,948,298	5,828,010	5,828,010	5,528,920	5,963,900	2.3%	7.9%
Municipal Court	523,725	555,190	555,190	539,210	575,440	3.6%	6.7%
Non-Departmental	108,998	102,850	102,850	178,720	232,720	126.3%	30.2%
Subtotal:	11,312,960	13,398,680	13,398,680	12,729,720	13,875,150	3.6%	9.0%
Ending Fund Balance:							
Nonspendable	1,579,645	1,136,580	1,136,580	2,329,650	3,264,790	187.2%	40.1%
Committed for Reserves	3,810,700	3,947,700	3,947,700	3,947,700	4,336,250	9.8%	9.8%
Assigned for:							
Contingencies	-	100,000	100,000	100,000	100,000	0.0%	0.0%
Asset Maintenance	-	250,000	250,000	250,000	500,000	100.0%	100.0%
Unassigned	11,500,353	10,244,770	10,244,770	10,397,590	8,736,500	-14.7%	-16.0%
Subtotal:	16,890,698	15,679,050	15,679,050	17,024,940	16,937,540	8.0%	-0.5%
TOTAL USES	$28,203,658	$29,077,730	$29,077,730	$ 29,754,660	$30,812,690	6.0%	3.6%

Fund Budgeting

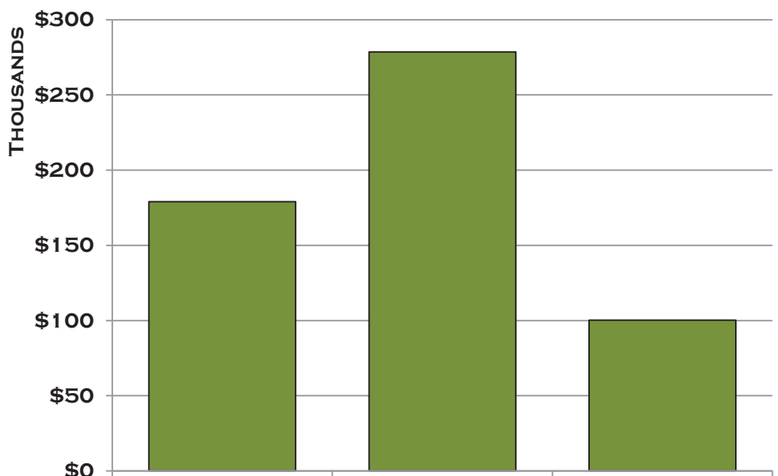
Purpose: The **Highway User Revenue Fund** (HURF) is a *Special Revenue Fund* that accounts for the Town's share of the State's motor fuel tax revenues. HURF revenues are restricted for transportation purposes.

The HURF fund balance is budgeted to decrease by $178 thousand. Street maintenance and pavement management costs are increasing by $180 thousand do more work on the Town's roadway system in 2016. Revenues will not increase as much, resulting in the ending balance reduction.

HURF Fund

Services:

- *Maintain streets and bridges*
- *Light streets*
- *Provide traffic control*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	178,999	278,670	100,320

The ending fund balance is projected to be $100 thousand. In order to maintain the condition of the Town's roadway system, the fund requires the consumption of most of its resources.

Fund Budgeting

HIGHWAY USER REVENUE FUND
SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2014	2015			2016	% Change	
	Actual Amount	Adopted Budget	Amended Budget	Estimated Actual	Budget Amount	From Amended	From Estimated
SOURCES							
Revenues:							
Intergovernmental	$4,799,245	$2,800,290	$2,800,290	$ 3,530,480	$5,463,770	95.1%	54.8%
Investment Earnings	(152)	2,590	2,590	1,690	1,870	-27.8%	10.7%
Miscellaneous	24,364	-	-	2,700	-	-	-100.0%
Subtotal:	4,823,457	2,802,880	2,802,880	3,534,870	5,465,640	95.0%	54.6%
Other Sources:							
Transfers In	-	-	-	35,540	-	-	-100.0%
Transfers Out	(3,150,510)	(1,000,000)	(1,000,000)	(1,688,000)	(3,600,000)	260.0%	113.3%
Subtotal:	(3,150,510)	(1,000,000)	(1,000,000)	(1,652,460)	(3,600,000)	260.0%	117.9%
Beginning Fund Balance:							
Restricted for HURF	129,178	172,740	172,740	167,100	271,670	57.3%	62.6%
Restricted for LTAF	110,680	9,150	9,150	11,900	7,000	-23.5%	-41.2%
Subtotal:	239,858	181,890	181,890	179,000	278,670	53.2%	55.7%
TOTAL SOURCES	$1,912,805	$1,984,770	$1,984,770	$ 2,061,410	$2,144,310	8.0%	4.0%
USES							
Current Expenditures:							
Streets	$1,733,806	$1,769,360	$1,769,360	$ 1,777,740	$2,036,990	15.1%	14.6%
LTAF	-	9,150	9,150	5,000	7,000	-23.5%	40.0%
Subtotal:	1,733,806	1,778,510	1,778,510	1,782,740	2,043,990	14.9%	14.7%
Ending Fund Balances:							
Restricted for HURF	167,096	206,260	206,260	271,670	100,320	-100.0%	-63.1%
Restricted for LTAF	11,903	-	-	7,000	-	-	-100.0%
Subtotal:	178,999	206,260	206,260	278,670	100,320	-51.4%	-64.0%
TOTAL USES	$1,912,805	$1,984,770	$1,984,770	$ 2,061,410	$2,144,310	8.0%	4.0%

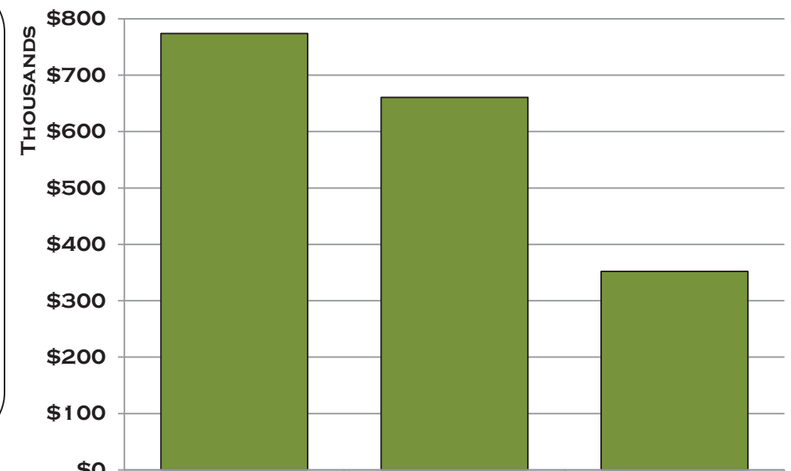
Fund Budgeting

Purpose: The **Grants and Restricted Sources** (GARS) **Fund** is a *Special Revenue Fund* that accounts for federal, state, and local operating grants and other operating revenues whose use is restricted for certain purposes.

The GARS fund balance is budgeted to decrease $308 thousand as a result of several purchases for police equipment and facility improvements which will use resources previously accumulated for such purposes.

Services:

- *Enhance the Town's policing*
- *Sponsorships for Fiesta Sahuarita*
- *Support activities of the Court*
- *Account for grant activity*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	773,733	660,370	351,900

The ending fund balance is projected to be $352 thousand, which is restricted for use by the Police Department and Municipal Court. These balances will be consumed over time as the Town identifies appropriate uses for them.

Fund Budgeting

GRANTS AND RESTRICTED SOURCES
SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2014	2015			2016	% Change	
	Actual Amount	Adopted Budget	Amended Budget	Estimated Actual	Budget Amount	From Amended	From Estimated
SOURCES							
Revenues:							
Intergovernmental	$ 342,125	$ 726,460	$ 726,460	$ 251,000	$ 628,490	-13.5%	150.4%
Charges for Services	16,800	15,000	15,000	15,000	15,000	0.0%	0.0%
Fines & Forfeitures	160,206	120,520	120,520	47,870	60,870	-49.5%	27.2%
Investment Earnings	8,318	7,440	7,440	5,000	3,260	-56.2%	-34.8%
Miscellaneous	37,535	21,000	113,100	106,540	42,000	-62.9%	-60.6%
Subtotal:	564,984	890,420	982,520	425,410	749,620	-23.7%	76.2%
Other Sources:							
Transfers In	137,294	-	-	-	-	-	-
Subtotal:	137,294	-	-	-	-	-	-
Beginning Fund Balance:							
Restricted for Police	582,545	659,780	659,780	719,480	627,250	-4.9%	-12.8%
Restricted for Courts	-	50,310	50,310	54,250	33,120	-34.2%	-38.9%
Subtotal:	582,545	710,090	710,090	773,730	660,370	-7.0%	-14.7%
TOTAL SOURCES	$1,284,823	$1,600,510	$1,692,610	$1,199,140	$1,409,990	-16.7%	17.6%
USES							
Current Expenditures:							
Police	$ 382,107	$1,164,180	$1,164,180	$ 350,620	$ 996,090	-14.4%	184.1%
Town Manager	-	-	92,100	77,100	15,000	100.0%	-80.5%
Parks and Recreation	19,406	14,000	14,000	20,050	20,000	42.9%	-0.2%
Court	-	-	28,000	28,000	-	-	-100.0%
Subtotal:	401,513	1,178,180	1,298,280	475,770	1,031,090	-20.6%	116.7%
Capital Outlay:							
Police	104,349	90,000	90,000	63,000	27,000	-70.0%	-57.1%
Municipal Court	5,228	-	-	-	-	-	-
Subtotal:	109,577	90,000	90,000	63,000	27,000	-70.0%	-57.1%
Subtotals Combined:	511,090	1,268,180	1,388,280	538,770	1,058,090	-23.8%	96.4%
Ending Fund Balances:							
Restricted for Police	719,483	275,550	275,550	627,250	311,910	13.2%	-50.3%
Restricted for Municipal Court	54,250	56,780	56,780	33,120	39,990	-29.6%	20.7%
Subtotal:	773,733	332,330	304,330	660,370	351,900	15.6%	-46.7%
TOTAL USES	$1,284,823	$1,600,510	$1,692,610	$1,199,140	$1,409,990	-16.7%	17.6%

Fund Budgeting

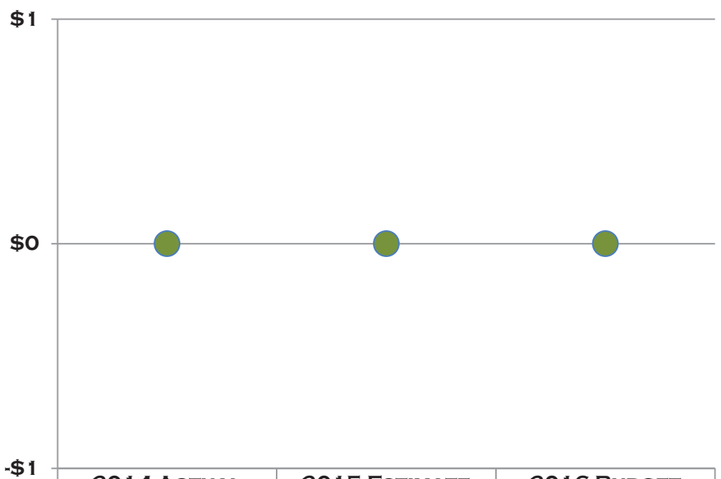
Purpose: The **Quail Creek Community Facilities District** (QC CFD) **Fund** is a blended component unit of the Town, a *Special Revenue Fund* that accounts for the District's acquisition, construction, and maintenance of major capital facilities within the District boundaries. District funds are restricted for District purposes only.

The QC CFD budgeted fund balance is unchanged from last year. The fund uses all of its revenues and requires a $20 thousand transfer in from the General Fund to pay part of the park maintenance costs.

QC CFD FUND

Services:

- *Maintain and landscape District streets*
- *Maintain Quail Creek Veteran's Municipal Park*
- *Pay debts*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	-	-	-

The ending fund balance is projected to be zero. There is no significant change expected in the fund balance of the QC CFD Fund. The General Fund will subsidize the QC CFD Fund operations to the extent needed to maintain the desired service levels.

Fund Budgeting

QUAIL CREEK COMMUNITY FACILITIES DISTRICT
SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2014 Actual Amount	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Actual	2016 Budget Amount	% Change From Amended	% Change From Estimated
SOURCES							
Revenues:							
Taxes	$ 302,967	$ 345,860	$ 345,860	$ 345,860	$ 398,610	15.3%	15.3%
Investment Earnings (Losses)	(105)	(430)	(430)	(210)	(170)	-60.5%	-19.0%
Miscellaneous	729,690	690,370	690,370	690,370	645,650	-6.5%	-6.5%
Subtotal:	1,032,552	1,035,800	1,035,800	1,036,020	1,044,090	0.8%	0.8%
Other Sources:							
Transfers In	29,034	30,060	30,060	30,970	20,400	-32.1%	-34.1%
Subtotal:	29,034	30,060	30,060	30,970	20,400	-32.1%	-34.1%
Beginning Fund Balance:							
Restricted for QC CFD	-	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-	-
TOTAL SOURCES	$ 1,061,586	$ 1,065,860	$ 1,065,860	$ 1,066,990	$ 1,064,490	-0.1%	-0.2%
USES							
Current Expenditures:							
Streets	$ 18,501	$ 18,320	$ 18,320	$ 19,450	$ 21,880	19.4%	12.5%
Park and Recreation	34,255	39,060	39,060	39,060	31,020	-20.6%	-20.6%
Subtotal:	52,756	57,380	57,380	58,510	52,900	-7.8%	-9.6%
Debt Service:							
Principal	405,000	425,000	425,000	425,000	450,000	5.9%	5.9%
Interest	599,830	578,980	578,980	578,980	557,090	-3.8%	-3.8%
Other	4,000	4,500	4,500	4,500	4,500	0.0%	0.0%
Subtotal:	1,008,830	1,008,480	1,008,480	1,008,480	1,011,590	0.3%	0.3%
Subtotals Combined:	1,061,586	1,065,860	1,065,860	1,066,990	1,064,490	-0.1%	-0.2%
Ending Fund Balance:							
Restricted for QC CFD	-	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-	-
TOTAL USES	$ 1,061,586	$ 1,065,860	$ 1,065,860	$ 1,066,990	$ 1,064,490	-0.1%	-0.2%

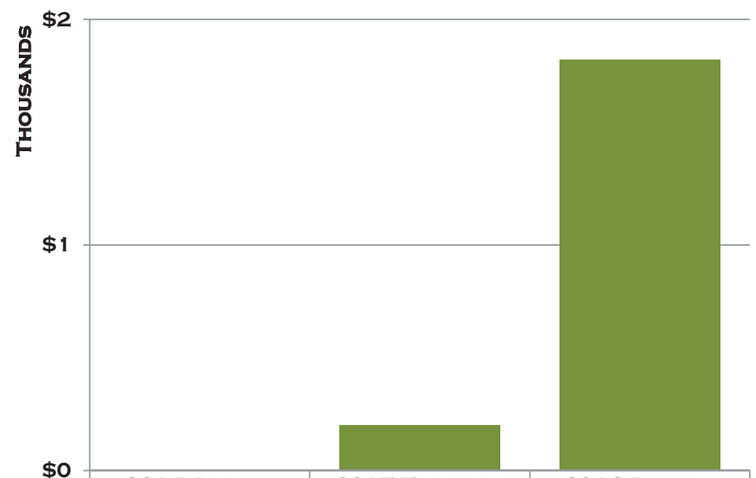
Fund Budgeting

Purpose: The **Rancho Sahuarita Community Facilities District** (RS CFD) **Fund** is a blended component unit of the Town, a *Special Revenue Fund* that accounts for the District's acquisition and maintenance of major capital facilities within the District boundaries. District funds are restricted for District purposes only.

The RS CFD fund balance is budgeted to increase by $2 thousand from last year. The District will levy a property tax for operations and maintenance. These revenues will exceed the administrative costs expected to be incurred in 2016.

Services:

- *District Administration*
- *Incur debt to acquire assets and infrastructure*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	-	200	1,820

The ending fund balance is projected to be $2 thousand. There is no significant change expected in the fund balance of the RS CFD Fund.

Fund Budgeting

RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT
SPECIAL REVENUE FUND
SOURCES AND USES OF FUNDS

	2014	2015			2016	% Change	
	Actual Amount	Adopted Budget	Amended Budget	Estimated Actual	Budget Amount	From Amended	From Estimated
SOURCES							
Revenues:							
Taxes	$ -	$ -	$ -	$ -	$ 2,370	-	100.0%
Investment Earnings (Losses)	102	-	-	200	300	-	50.0%
Misc-Developer Contributions	199	-	29,690	1,000	-	-	-100.0%
Subtotal:	301	-	29,690	1,200	2,670	-	122.5%
Other Sources:							
Face amount of long-term debt	-	-	7,160,000	-	7,160,000	-	100.0%
Subtotal:	-	-	7,160,000	-	7,160,000	-	-
Beginning Fund Balance:							
Restricted for RS CFD	-	-	-	-	200	-	100.0%
Subtotal:	-	-	-	-	200	-	-
TOTAL SOURCES	$ 301	$ -	$ 7,189,690	$ 1,200	$ 7,162,870	-	596805.8%
USES							
Current Expenditures:							
General Government	$ 301	$ -	$ 29,690	$ 1,000	$ 1,050	-	5.0%
Subtotal:	301	-	29,690	1,000	1,050	-	5.0%
Debt Service:							
Debt issuance costs	-	-	286,400	-	286,400	-	-
Subtotal:	-	-	286,400	-	286,400	-	-
Capital Outlay:							
Infrastructure	-		6,873,600		6,873,600	-	-
Subtotal:	-	-	6,873,600	-	6,873,600	-	-
Subtotals Combined:	301	-	7,189,690	1,000	7,161,050	-	716005.0%
Ending Fund Balance:							
Restricted for RS CFD	-	-	-	200	1,820	-	810.0%
Subtotal:	-	-	-	200	1,820	-	810.0%
TOTAL USES	$ 301	$ -	$ 7,189,690	$ 1,200	$ 7,162,870	-	596805.8%

Fund Budgeting

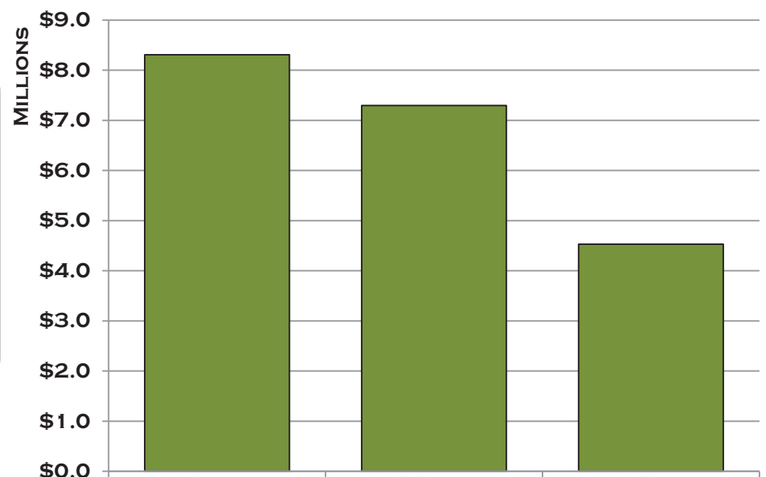
Purpose: The **Capital Infrastructure Improvement Fund** (CIIF) is a *Capital Projects Fund* that accounts for the acquisition, construction, replacement, and major repairs of capital facilities and other assets.

The CIIF fund balance is budgeted to decrease $2.8 million. There are insufficient new revenue sources to pay for the Town's capital priorities for 2016. Therefore, the Town will use resources accumulated in previous years to pay debt service and for much of the replacement costs of operating capital (e.g., vehicles, equipment, etc.), infrastructure improvements, and new facilities (see ***Capital Improvement Plan*** for more information).

CIIF Fund

Services:

- *Construct and acquire assets and infrastructure*
- *Manage projects*
- *Pay debts*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	8,308,633	7,294,760	4,527,930

The ending fund balance is projected to be $4.5 million. Of this amount, $3.3 million is nonspendable as that amount of funding will be advanced to the Wastewater Fund to manage its deficit position. By policy or Council action, $314 thousand is assigned specifically for development in the Town Center and $231 thousand is assigned toward debt services payments. Lastly, $728 thousand of residual balances have been assigned for future capital projects. This amount exceeds the minimum fund balance amount required by Town policy.

Fund Budgeting

CAPITAL INFRASTRUCTURE IMPROVEMENT FUND
CAPITAL PROJECTS FUND
SOURCES AND USES OF FUNDS

	2014 Actual Amount	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Actual	2016 Budget Amount	% Change From Amended	% Change From Estimated
SOURCES							
Revenues:							
Taxes	$ 2,484,008	$ 2,024,280	$ 2,024,280	$ 2,024,280	$ 2,197,140	8.5%	8.5%
Licenses and Permits	-	-	-	1,200	-	-	-100.0%
Intergovernmental	3,865,209	13,216,390	13,216,390	13,284,880	2,107,960	-84.1%	-84.1%
Investment Earnings (Losses)	140,207	113,880	113,880	68,830	63,360	-44.4%	-7.9%
Miscellaneous	7,354	2,000,000	2,000,000	73,390	2,972,440	48.6%	3950.2%
Subtotal:	6,496,778	17,354,550	17,354,550	15,452,580	7,340,900	-57.7%	-52.5%
Other Sources:							
Transfers In	3,150,510	1,000,000	1,000,000	1,688,000	3,600,000	260.0%	113.3%
Transfers Out	-	-	-	(35,540)	(386,080)	-	986.3%
Refunding Debt Proceeds	-	-	-	8,840,000	-	-	-100.0%
Payments to Refunded Debt Escrow	-	-	-	(8,726,810)	-	-	-100.0%
Subtotal:	3,150,510	1,000,000	1,000,000	1,765,650	3,213,920	221.4%	82.0%
Beginning Fund Balance:							
Nonspendable	2,545,717	3,980,910	3,980,910	2,545,710	4,003,870	0.6%	57.3%
Assigned for Town Center	500,000	600,000	600,000	600,000	600,000	0.0%	0.0%
Assigned for Debt Service	-	-	-	-	152,560	-	100.0%
Assigned for Capital Projects	9,568,691	5,472,410	5,472,410	5,162,920	2,538,330	-53.6%	-50.8%
Subtotal:	12,614,408	10,053,320	10,053,320	8,308,630	7,294,760	-27.4%	-12.2%
TOTAL SOURCES	$22,261,696	$28,407,870	$28,407,870	$25,526,860	$17,849,580	-37.2%	-30.1%
USES							
Debt Service:							
Principal	$ 975,000	$ 1,015,000	$ 1,015,000	$ 1,015,000	$ 1,055,000	3.9%	3.9%
Interest	820,875	781,430	781,430	628,670	507,760	-35.0%	-19.2%
Other	1,150	5,000	5,000	5,000	5,000	0.0%	0.0%
Debt Issuance Costs		-	-	113,190	-	-	-
Subtotal:	1,797,025	1,801,430	1,801,430	1,761,860	1,567,760	-13.0%	-11.0%
Capital Outlay:							
General Government	434,345	805,310	805,310	622,660	611,800	-24.0%	-1.7%
Public Safety	490,873	460,000	460,000	351,650	374,100	-18.7%	6.4%
Highways and Streets	10,901,982	17,712,410	17,712,410	14,267,720	10,046,270	-43.3%	-29.6%
Culture and Recreation	328,838	1,828,250	1,828,250	1,228,210	721,720	-60.5%	-41.2%
Subtotal:	12,156,038	20,805,970	20,805,970	16,470,240	11,753,890	-43.5%	-28.6%
Subtotals Combined:	13,953,063	22,607,400	22,607,400	18,232,100	13,321,650	-41.1%	-26.9%
Ending Fund Balance:							
Nonspendable	2,545,713	3,980,910	3,980,910	4,003,870	3,254,930	-18.2%	-18.7%
Assigned for Town Center	600,000	700,000	700,000	600,000	314,000	-55.1%	-47.7%
Assigned for Debt Service	-	-	-	152,560	231,220	-	51.6%
Assigned for Capital Projects	5,162,920	1,119,560	1,119,560	2,538,330	727,780	-35.0%	-71.3%
Subtotal:	8,308,633	5,800,470	5,800,470	7,294,760	4,527,930	-21.9%	-37.9%
TOTAL USES	$22,261,696	$28,407,870	$28,407,870	$25,526,860	$17,849,580	-37.2%	-30.1%

Fund Budgeting

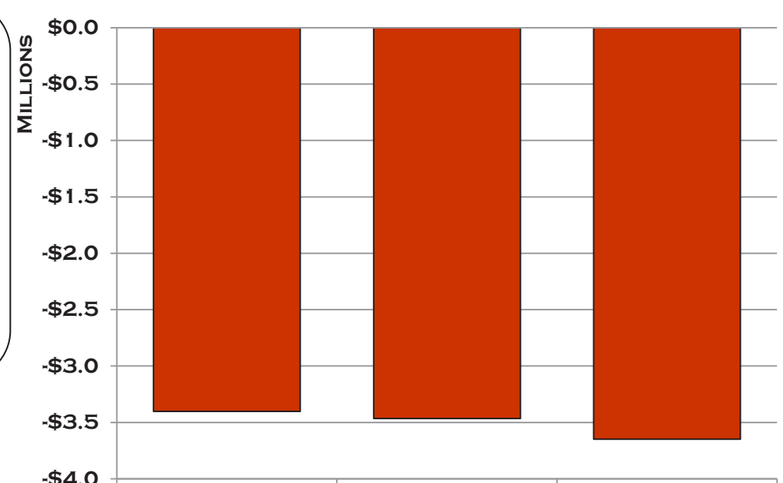
Purpose: The **Wastewater Fund** is an *Enterprise Fund* used to account for sewer service operations and the acquisition and construction of capital assets associated with this line of business.

The Wastewater Fund budgeted ending balance is expected to decrease by $183 thousand. Effective July 1, 2015, user rates are recommended to increase 4.0%. New users will provide more operating revenues and generate connections fees to pay for existing capacity in the system. However, there are additional costs associated with insourcing billing and collections for the utility. Also, the General Fund will transfer $285 thousand to this fund to acquire all recharge credits available. The CIIF will transfer in $386 thousand to help pay the costs of a sewer line extension. A restricted Rate Stabilization Fund has been established to meet debt service requirements.

Wastewater Fund

Services:

- *Utility billing and collections*
- *Treat raw sewage*
- *Recharge reclaimed water*
- *Pay debts*



	2014 Actual	2015 Estimate	2016 Budget
Ending Fund Balance	(3,402,855)	(3,465,590)	(3,648,090)

The ending fund balance is projected to be -$3.7 million. Of this amount, $2.1 million and $750 thousand are restricted for debt service pursuant to debt provisions. The General and CIIF funds will advance $6.5 million to cover the fund's unassigned deficits. The longer term outlook for the fund is addressed in the ***5 Year Plan*** section of the Budget.

Fund Budgeting

WASTEWATER ENTERPRISE FUND

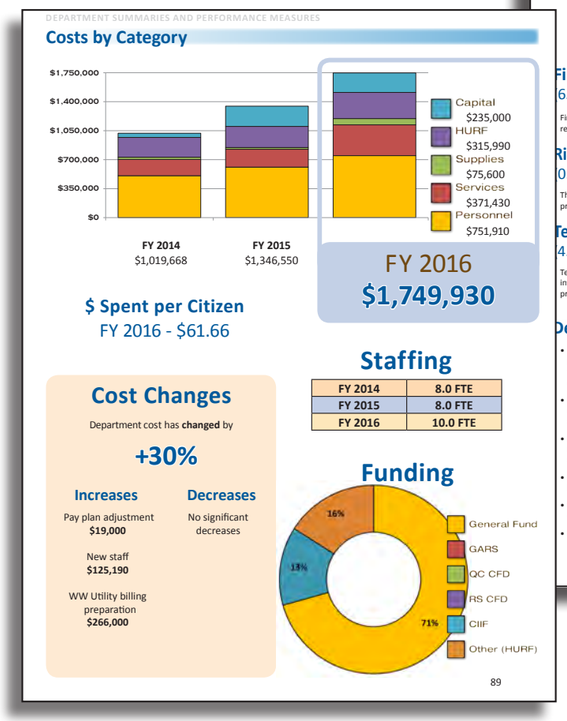
SOURCES AND USES OF FUNDS

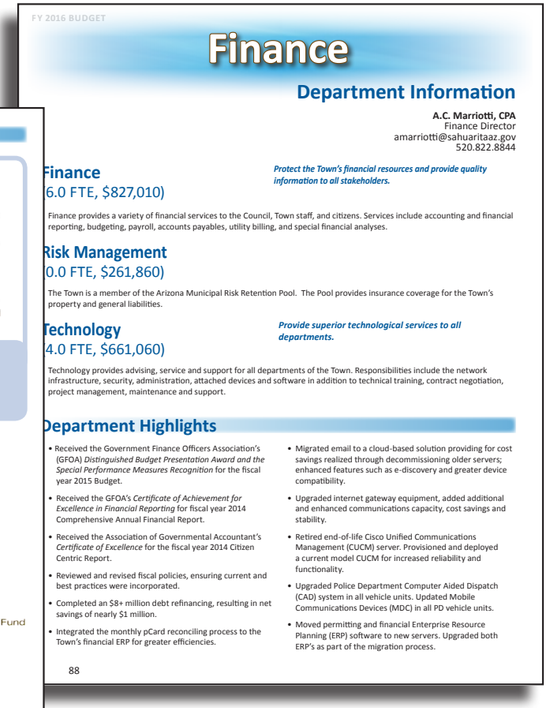
	2014 Actual Amount	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Actual	2016 Budget Amount	% Change From Amended	% Change From Estimated
SOURCES							
Operating Revenues:							
User Charges	$2,940,100	$3,198,740	$3,198,740	$ 3,198,740	$3,395,830	6.2%	6.2%
Subtotal:	2,940,100	3,198,740	3,198,740	3,198,740	3,395,830	6.2%	6.2%
Non-Operating Revenues:							
Grants	-	-	-	-	250,000	-	100.0%
Investment Earnings (Losses)	(41,352)	(33,350)	(33,350)	(27,790)	(35,400)	6.1%	27.4%
Sewer Connection Fees	409,467	395,920	395,920	147,440	360,380	-9.0%	144.4%
Miscellaneous	2,428	-	-	-	22,500	-	100.0%
Subtotal:	3,310,643	3,561,310	3,561,310	3,318,390	3,993,310	12.1%	20.3%
Other Sources:							
Transfers In	693,080	699,540	699,540	699,540	671,390	-4.0%	-4.0%
Proceeds of Long-Term Debt	82,373	366,620	366,620	251,770	110,620	-69.8%	-56.1%
Subtotal:	775,453	1,066,160	1,066,160	951,310	782,010	-26.7%	-17.8%
Beginning Fund Balance:							
Restricted for Debt Service	2,108,048	2,108,060	2,108,060	2,108,060	2,108,060	0.0%	0.0%
Restricted for Rate Stabilization Fund	-	-	-	-	750,000	-	100.0%
Unassigned (Deficit)	(6,024,456)	(5,565,780)	(5,565,780)	(5,510,920)	(6,323,650)	13.6%	14.7%
Subtotal:	(3,916,408)	(3,457,720)	(3,457,720)	(3,402,860)	(3,465,590)	0.2%	1.8%
TOTAL SOURCES	$ 169,688	$1,169,750	$1,169,750	$ 866,840	$1,309,730	12.0%	51.1%
USES							
Current Expenditures:							
Wastewater Utility	$1,223,472	$1,381,220	$1,381,220	$ 1,659,930	$1,748,200	26.6%	5.3%
Subtotal:	1,223,472	1,381,220	1,381,220	1,659,930	1,748,200	26.6%	5.3%
Debt Service:							
Principal	1,355,854	1,451,690	1,451,690	1,458,700	1,513,000	4.2%	3.7%
Interest	908,420	952,860	952,860	945,860	891,560	-6.4%	-5.7%
Subtotal:	2,264,274	2,404,550	2,404,550	2,404,560	2,404,560	0.0%	0.0%
Capital Outlay:							
Plant, Conveyance and Equipment	84,797	383,540	383,540	267,940	805,060	109.9%	200.5%
Subtotal:	84,797	383,540	383,540	267,940	805,060	109.9%	200.5%
Subtotals Combined:	3,572,543	4,169,310	4,169,310	4,332,430	4,957,820	18.9%	14.4%
Ending Fund Balance:							
Restricted for Debt Service	2,108,048	2,108,060	2,108,060	2,108,060	2,108,060	0.0%	0.0%
Restricted for Rate Stabilization Fund	-	-	-	750,000	750,000	-	0.0%
Unassigned (Deficit)	(5,510,903)	(5,107,620)	(5,107,620)	(6,323,650)	(6,506,150)	27.4%	2.9%
Subtotal:	(3,402,855)	(2,999,560)	(2,999,560)	(3,465,590)	(3,648,090)	21.6%	5.3%
TOTAL USES	$ 169,688	$1,169,750	$1,169,750	$ 866,840	$1,309,730	12.0%	51.1%

Department Summaries and Performance Measures

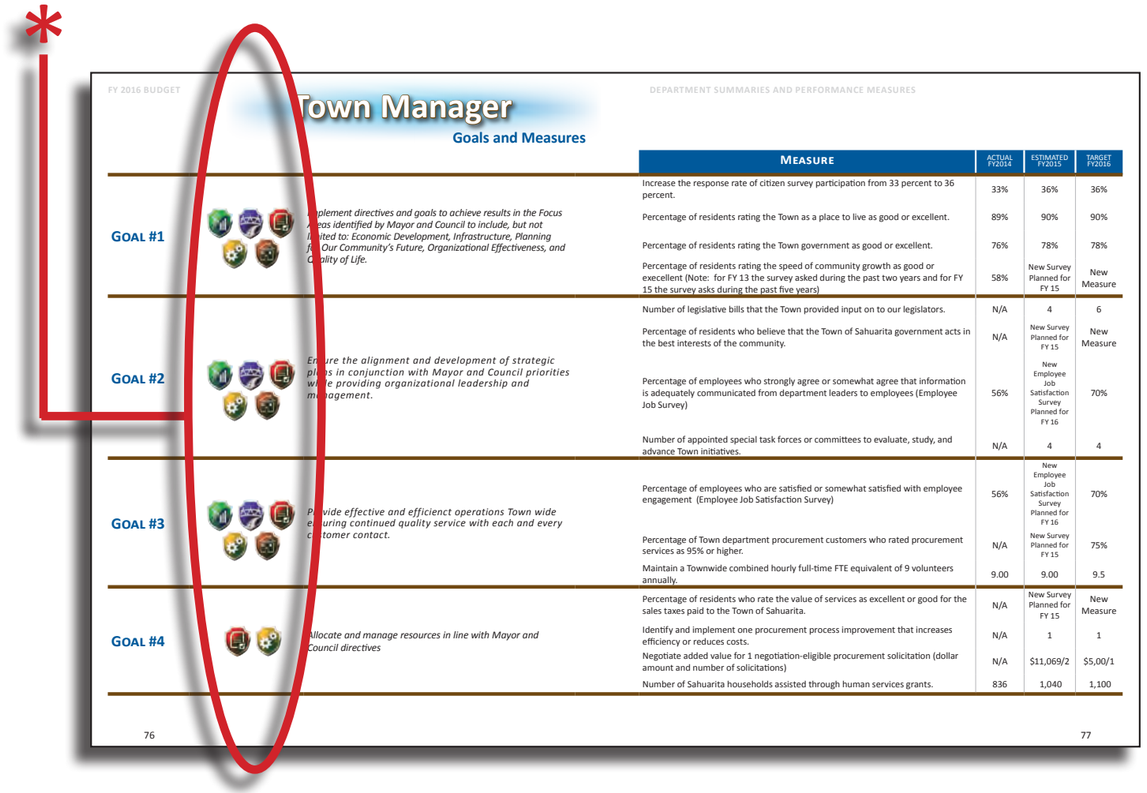
Department Summaries Key

Departmental contact information, descriptions, mission statements, and highlights





Performance Measures Key



There are five aims of the Strategic Plan: to provide strategic direction, to guide the use of resources, to set standards of excellence, to cope with environmental uncertainty and change and to provide an objective basis for control and evaluation.

Goal

A broad focus on obtaining substantial and continuing improvements in cost, quality, and speed in the delivery of products and services. Each department has identified aspirational goals which stem from the basic definition of why the department exists. These goals can all be achieved but rarely completed, as it required continuous effort to maintain the best outcomes possible for the residents of Sahuarita.

Measure

A critical tool which shows the value, efficiency, and quality provided to residents. Each department has identified performance measurements that help focus daily operational decisions on the most significant outcomes. The measurements can be understood as the level of service purchased by the Town Council with its investment of resources.

Mayor & Council

Department Information

Yisel Suarez
Executive Assistant
kudall@sahuaritaaz.gov
520.822.8816

Town Council
(0.0 FTE, $114,390)

Set public policy and provide staff with direction to meet community needs.

The Council establishes goals and objectives, adopts public policies, and approves the annual budget to meet the community's needs. All powers of the Council are exercised by ordinance, resolution, order, or motion.

The Town Council is comprised of seven elected officials. Council Members serve overlapping four-year terms with elections held in the Fall of even-numbered years, with a Mayor and Vice Mayor selected by the Council after each election. As the Town's governing body, the Council establishes goals and objectives, adopts public policies, and approves the annual budget to meet the community's needs. All powers of the Council are exercised by ordinance, resolution, order, or motion.

Mayor Duane Blumberg

Blumberg came to Sahuarita in 2005; he was elected to Town Council in 2009 and was elected Mayor in 2011.

Vice-Mayor Bill Bracco

Bracco was elected to Town Council in 2011 and he has lived in Sahuarita since 2005.

Kara Egbert

Egbert was elected to Town Council in 2009 and has lived in Sahuarita since 2005.

Lynne Skelton

Skelton was appointed to Town Council in 2000 and elected in 2003. She served as Mayor from 2007 to 2011.

Melissa Hicks

Hicks was elected to Town Council in 2011 and has lived in the area since 1999.

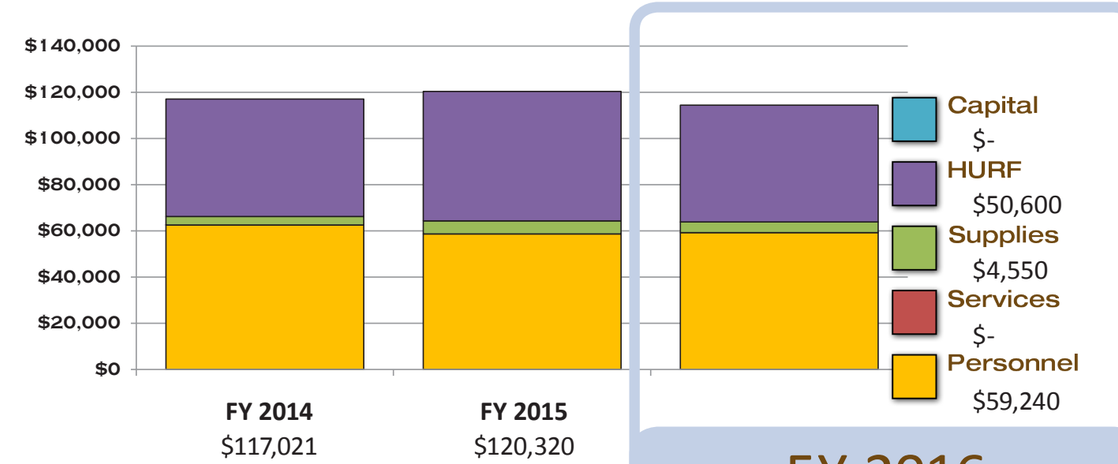
Gil Lusk

Lusk was appointed to Town Council in 2012, and elected in 2013.

Tom Murphy

Murphy was elected to Town Council in 2013.

Costs by Category



FY 2016
$114,390

$ Spent per Citizen

FY 2016 - $4.03

Cost Changes

Department cost has **changed** by

-5%

Increases

No significant increases

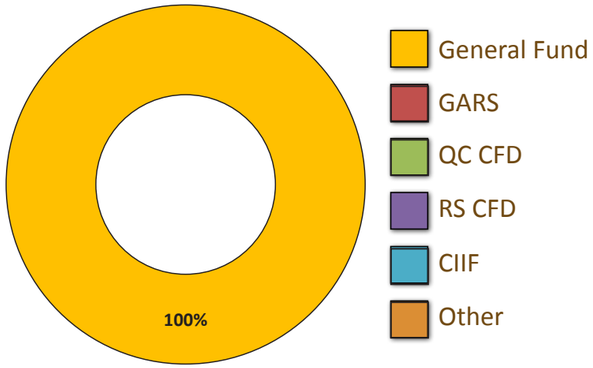
Decreases

Travel & training
$6,000

Staffing

The mayor and council has seven elected officials, but no FTE.

Funding



Mayor & Council

Goals and Measures

Focus Area 1

ECONOMIC DEVELOPMENT

Continue to grow the Town's economic base bringing in jobs associated with retail, light manufacturing and quality commercial enterprises.

Goal 1: Expand the Local Economy through a Comprehensive Business and Industry Recruitment, Retention and Expansion Program to Generate Revenues and Provide Job Opportunities for Our Community

Goal 2: Revise the Strategic Plan for Economic Development

Goal 3: Promote Tourism of Our Community and the Green Valley Region

Focus Area 2

INFRASTRUCTURE

Provide and maintain high quality and cost-effective Infrastructure.

Goal 1: Provide and Maintain Public Streets and Rights-of-Way

Goal 2: Provide and Maintain Parks, Trails and Recreation Facilities

Goal 3: Maintain and Operate the Wastewater Plant and Collection System to Ensure System Integrity

Goal 4: Provide Effective Management of Town Owned Buildings

Goal 5: Manage Storm Water Drainage

Focus Area 3

PLANNING FOR OUR COMMUNITY'S FUTURE

Promote planned growth that fosters high quality and diverse development, facilitates sustainable infrastructure and assures quality services.

Goal 1: Complete Work on Major Planning Efforts to Guide the Town's Future

Goal 2: Facilitate Development Opportunities

Goal 3: Plan and Pursue Future Service Delivery Opportunities

Focus Area 4

ORGANIZATIONAL EFFECTIVENESS

Foster an organizational culture that embraces change, creativity, innovation and calculated risk to ensure proactive, consistent, efficient and accountable service to our community.

Goal 1: Deliver High Quality, Business Friendly Services

Goal 2: Build a Financially Resilient Government

Goal 3: Identify and Seek Opportunities to Expand and Advance the Use of Technology in the Delivery of Services

Goal 4: Attract, Engage, and Retain Highly Qualified Employees to Create an Organization of Excellence

Goal 5: Continuous Improvement

Goal 6: Effective Operation of Town Owned Infrastructure

Focus Area 5

QUALITY OF LIFE

Maintain a high quality of life that makes Sahuarita a community of choice for residents and business investment. Encourage a unified community identity.

Goal 1: Assure that the Town Continues to be a Safe Community

Goal 2: Provide Parks, Facilities, Programs and Events that Foster a Healthy Lifestyle and Enhance the Lives of Residents

Goal 3: Incorporate Art and Culture into Town Projects and Events to Promote the Rich, Culturally Diverse History of Sahuarita

Town Manager

Department Information

L. Kelly Udall
Town Manager
kudall@sahuaritaaz.gov
520.822.8816

Administration
(4.0 FTE, $478,580)

Direct and coordinate staff to implement Town Council policies and programs with the highest level of professionalism and customer service.

The Town Manager provides the professional leadership necessary to implement and administer the programs and policies established by the Mayor and Council. The Manager informs and advises the Council on matters of concern to the Town. The Manager studies, evaluates, and proposes alternative solutions for Council consideration, prepares and implements the annual financial plan, and coordinates the activities of all departments under his authority with the goal of providing high levels of comprehensive and effective services to the residents.

Economic Development
(2.0 FTE, $246,790)

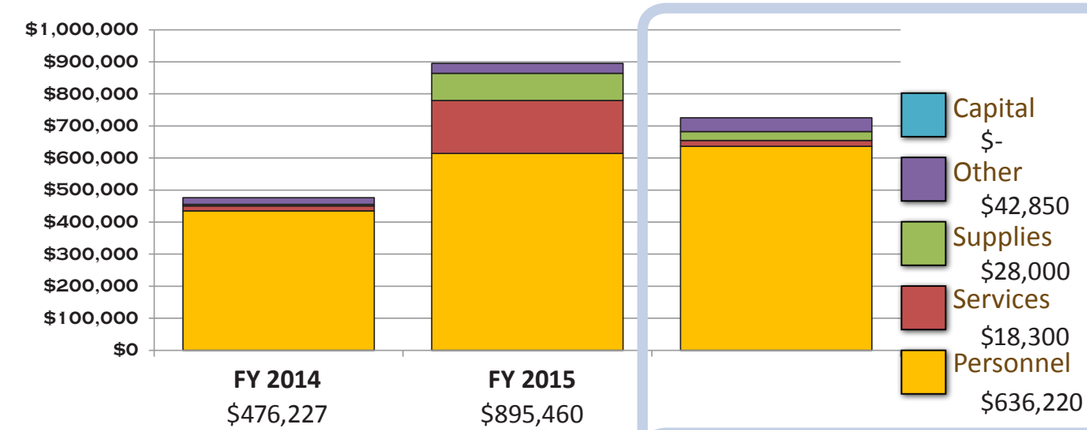
Attract and retain a diversity of firms that create and sustain high wage jobs, generating wealth and revenues for the community.

The purpose of economic development is to attract and retain appropriate commercial and industrial development businesses, offering residents high-paying employment opportunities. Cultivating relationships with company representatives, landowners, real estate brokers, governmental agencies, and Mexico is critical to the mission for economic development.

Department Highlights

- Hired positions of Police Chief, Procurement Officer, and Executive Assistant
- Awarded $92,000 grant from Freeport McMoRan to re-purpose Town Hall Lobby into the BizHUB and hosted BizHUB Grand Opening.
- Completed Sahuarita's Blueprint for Economic Growth and Prosperity
- Created a Business Start-up Checklist brochure.
- Partnered with regional partners to host six business workshops.
- Received Silver Certified Designation by the Arizona Commerce Authority Certified Site Program
- Conducted a Business Outreach Program and assisted 65 businesses through January 2015
- Assisted Employee Morale Team to review and revise the Employee Recognition Program to include a Manager's Choice Award and a Peer-to-Peer Award
- Partnered with SUSD, businesses, and various organizations to plan Sahuarita STEMtacular Week
- Created a departmental progress tracker and executive summary for Strategic Plan reporting
- Conducted a citizen survey to solicit public feedback on Town services and quality of life
- Formation of the employee Safety committee to help bring importance to safety of employees and reduce risk, injury and workers compensation claims

Costs by Category



FY 2016
$725,370

$ Spent per Citizen
FY 2016 - $25.56

Cost Changes

Department cost has **changed** by

-19%

Increases

Pay plan adjustment
$18,100

Market outreach
$9,000

Special events
$5,000

Decreases

Econ Dev Strategic Plan completed
$100,000

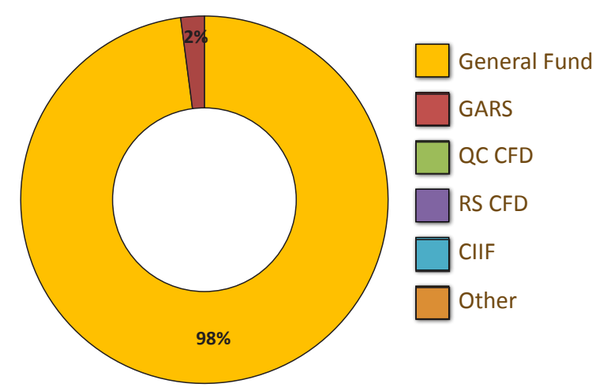
Biz Hub project costs
$77,000

Citizen survey completed
$15,000

Staffing

FY 2014	5.3 FTE
FY 2015	6.0 FTE
FY 2016	6.0 FTE

Funding



Town Manager

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Implement directives and goals to achieve results in the Focus Areas identified by Mayor and Council to include, but not limited to: Economic Development, Infrastructure, Planning for Our Community's Future, Organizational Effectiveness, and Quality of Life.*	Increase the response rate of citizen survey participation from 33 percent to 36 percent.	33%	36%	36%
		Percentage of residents rating the Town as a place to live as good or excellent.	89%	90%	90%
		Percentage of residents rating the Town government as good or excellent.	76%	78%	78%
		Percentage of residents rating the speed of community growth as good or execellent (Note: for FY 13 the survey asked during the past two years and for FY 15 the survey asks during the past five years)	58%	New Survey Planned for FY 15	New Measure
Goal #2	*Ensure the alignment and development of strategic plans in conjunction with Mayor and Council priorities while providing organizational leadership and management.*	Number of legislative bills that the Town provided input on to our legislators.	N/A	4	6
		Percentage of residents who believe that the Town of Sahuarita government acts in the best interests of the community.	N/A	New Survey Planned for FY 15	New Measure
		Percentage of employees who strongly agree or somewhat agree that information is adequately communicated from department leaders to employees (Employee Job Survey)	56%	New Employee Job Satisfaction Survey Planned for FY 16	70%
		Number of appointed special task forces or committees to evaluate, study, and advance Town initiatives.	N/A	4	4
Goal #3	*Provide effective and efficienct operations Town wide ensuring continued quality service with each and every customer contact.*	Percentage of employees who are satisfied or somewhat satisfied with employee engagement (Employee Job Satisfaction Survey)	56%	New Employee Job Satisfaction Survey Planned for FY 16	70%
		Percentage of Town department procurement customers who rated procurement services as 95% or higher.	N/A	New Survey Planned for FY 15	75%
		Maintain a Townwide combined hourly full-time FTE equivalent of 9 volunteers annually.	9.00	9.00	9.5
Goal #4	*Allocate and manage resources in line with Mayor and Council directives*	Percentage of residents who rate the value of services as excellent or good for the sales taxes paid to the Town of Sahuarita.	N/A	New Survey Planned for FY 15	New Measure
		Identify and implement one procurement process improvement that increases efficiency or reduces costs.	N/A	1	1
		Negotiate added value for 1 negotiation-eligible procurement solicitation (dollar amount and number of solicitations)	N/A	$11,069/2	$5,00/1
		Number of Sahuarita households assisted through human services grants.	836	1,040	1,100

Town Manager

Goals and Measures (Cont'd.)

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #5	*Build on Sahuarita's abundant assets and advantages*	Number of of businesses assisted	N/A	75	New Measure
Goal #6	*Expand Sahuarita's internal capacity to facilitate and accommodate economic development*	Number of Retail Prospects	N/A	New Measure	New Measure
Goal #7	*Retain and grow existing economic drivers and employers*	Number of companies visited	N/A	New Measure	New Measure
Goal #8	*Grow and attract quality firms and jobs (domestic and global) in targeted sectors*	Number of targeted sector prospects	N/A	New Measure	New Measure
		Percentage of Mexican Shoppers	N/A	New Measure	New Measure
		Number of visitors to Sahuarita Atractions	N/A	New Measure	New Measure

Department of Law

Information

Daniel J. Hochuli
Town Attorney
dhochuli@sahuaritaaz.gov
520.822.8830

Protect the Town, its resources, and its residents in civil and criminal matters.

Civil Division
(3.0 FTE, $446,910)

The Civil Division of the Department of Law provides legal advice to the Town Council, Town Manager, and other Town Departments, in order to assure compliance with state and federal laws. This includes compliance with the Arizona open meeting laws, disclosure of public records laws, and many other laws that are peculiar to municipalities. The Civil Division also prepares agreements with developers for provision of infrastructure, coordinates the acquisition of land for public uses, works with the Town Clerk to assure compliance with all election laws and regulations, and performs other legal tasks as required. The Town Attorney is required by state law to read, approve, and sign all contracts, intergovernmental agreements, resolutions, and ordinances prior to their submission to the Town Council, in order to assure that not only is the document in compliance with state law, but also within the authority of the Town.

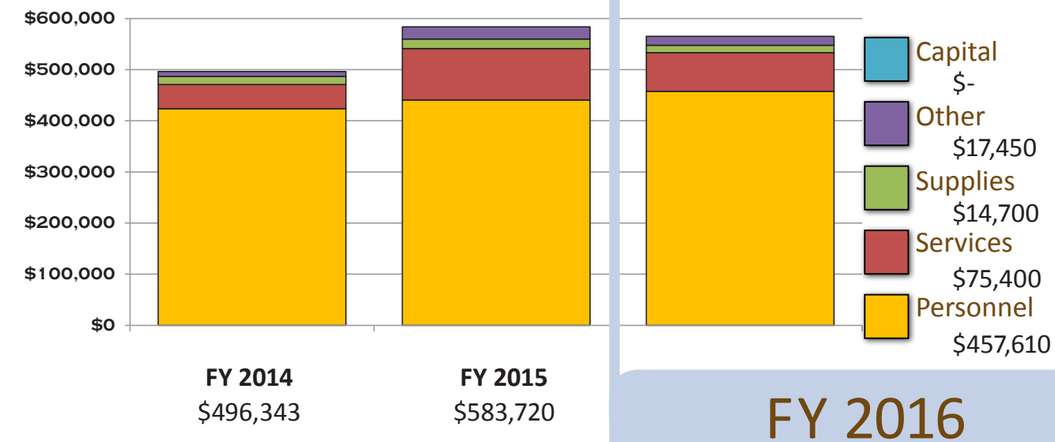
Criminal Division
(1.0 FTE, $118,250)

The Criminal Division of the Department of Law is responsible for the prosecution of misdemeanor crimes that occur within the Town's boundaries. It represents the State in all such cases, and in so doing safeguards the constitutional rights of defendants and the rights of victims and their families. Its mission is to ensure that justice is served and that a fair, thoughtful, and appropriate resolution is achieved in all matters.

Department Highlights

- The Civil Division worked with other Town departments to process Specific Plans for two major proposed residential and commercial developments. In addition, the Civil Division prepared a development agreement for each of these developments, which sets forth the duties and responsibilities of the Town and the developer to assure that the necessary infrastructure is provided, and that the Town's interests will be protected.
- The Civil Division completed a lease agreement to be used when communications providers want to construct, install, operate and maintain a wireless communication facility, i.e. cell tower, on Town property.
- The department's organizational structure was modified to provide for the new position of Deputy Town Attorney. The Deputy Town Attorney provides legal services to the Civil Division, and is the supervisor of the Criminal Division. The person who formerly served as the Town Prosecutor was named as the Deputy Town Attorney. A contract attorney was hired to conduct misdemeanor prosecution for the Town, under the supervision of the Deputy Town Attorney.
- The Civil Division developed and executed a plan to successfully transition the processing of purchasing contracts from the Law Department to the newly-created Procurement Officer position.
- Working with the risk manager, the department developed an improved process for documenting and processing incidents that may expose the Town to liability.
- In December, the Prosecution Legal Assistant received the AAS degree in Paralegal Studies from Pima Community College.
- The attorneys and paralegal attended Continuing Legal Education seminars such as the International Municipal Lawyers Association conference, International Association of Chiefs of Police conference, as required by the Arizona Bar Association, and various Arizona Paralegal Association and Tucson Paralegal Association conferences as required by the National Association of Legal Assistants, to keep current on laws in the practice area.

Costs by Category



FY 2016
$565,160

$ Spent per Citizen
FY 2016 - $19.91

Cost Changes

Department cost has **changed** by

-3%

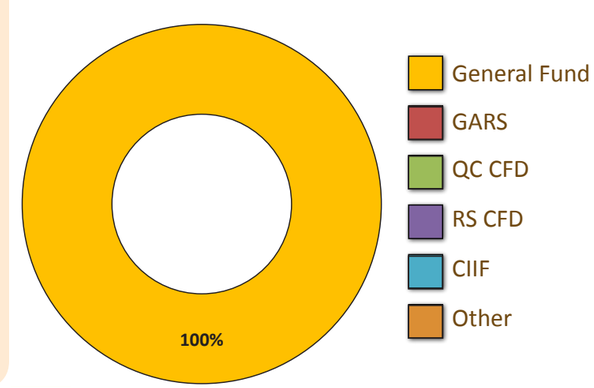
Increases
Pay plan adjustment
$6,400

Decreases
Other legal services
$22,000

Staffing

FY 2014	4.0 FTE
FY 2015	4.0 FTE
FY 2016	4.0 FTE

Funding



Department of Law

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Assure that Town operations comply with all federal, state and local laws and regulations by timely response to requests for legal analysis, advice and answers to legal issues.*	Notices of Claim filed	2	2	0
		Losses to Town as a result of litigation (in dollars)	$1,000	0	0
		Lawsuits filed against Town	1	1	0
		Number of regulatory actions against Town by state or federal agencies.	0	0	0
Goal #2	*Provide excellent service to internal client departments.*	Contracts approved by packet deadline	100%	100%	100%
		Project delayed to such an extent that follow-up is required by departments regarding status of requests for work from the Department of Law	3%	3%	3%
Goal #3	*Expeditiously review Council materials to meet agenda deadlines*	Number of agenda extensions requsted due to delays in legal review	New Meas.	New Meas.	New Meas.
Goal #4	*Preserve and protect victims' rights during criminal case prosecution.*	Number of victim cases filed requiring victim notification	189	188	
		Percentage of victim notices timely sent.	99%	100%	100%
Goal #5	*Fair and even-handed administration of justice to all defendants.*	Number of cases filed	577	600	
		Number of cases resolved at first contact (arraignment)	213	292	
		Number of cases ending in plea agreements	395	372	

Town Clerk

Department Information

Lisa Cole, CMC
Town Clerk
lcole@sahuaritaaz.gov
520.822.8800

Town Clerk
(4.0 FTE, $346,500)

Uphold public trust and offer access to matters of public interest by maintaining and preserving public records and providing innovative, efficient and responsive customer service to the community.

The Town Clerk's Office provides administrative support for legislative services, records and information management, public information, regulatory licensing and election services. Duties include the preparation of agendas, meeting notices and minutes; maintenance of the Town Code; administration of the appointment process to boards and commissions; safeguarding the Town seal; maintenance and preservation of accurate Council records; oversight of the Records and Information Management Program; dissemination of public information; processing of liquor, business and bingo licenses; and the administration of elections.

Elections
(0.0 FTE, $26,160)

Advocate local democracy through voter education and the conduct of impartial and accurate elections.

The Elections Division administers all municipal and special district elections in accordance with legal requirements. The Town Clerk oversees the candidate nomination process; initiative, referendum and recall petitions; campaign finance; financial disclosure statements; and voter education and information. Staff and budget are not allocated during non-election years.

Communications
(1.0 FTE, $163,750)

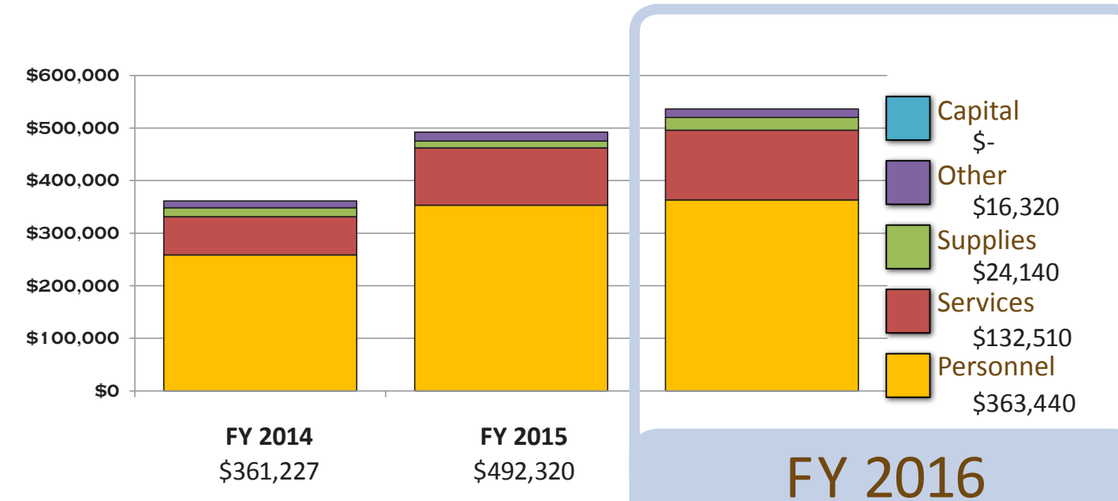
Cultivate awareness and engagement for Town of Sahuarita programs, services and events.

The Communications Division coordinates communication programs and policies that support the goals and objectives of the Town, focusing on the innovative use of social media, digital communication, online initiatives and progressive tools to better serve and engage the community. Activities include the administration of the Town website and the production and design of newsletters, presentations, surveys, publications, promotional items, press releases and videos.

Department Highlights

- Administered the Rancho Sahuarita Community Facilities District election in conformance with federal, state and local laws
- Implemented electronic recording of documents to streamline process
- Imaged, indexed and filed in excess of 1,000 documents
- Installed Laserfiche Records Management Module to enhance and expand electronic document management capabilities
- Designed the 2014-2017 Sahuarita Strategic Plan
- Launched CivicPlus Intranet capabilities
- Designed and implemented Economic Development Newsflash template
- Coordinated and supported the 20th Anniversary Luncheon
- Designed the 2014 Citizen-Centric Report recognized by the Association of Government Accountants with a Certificate of Excellence in Citizen-Centric Reporting
- Designed the Annual Adopted Budget for FY 2015 and Comprehensive Annual Financial Report for FY 2014 that won the Distinguished Budget Presentation Award and Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association

Costs by Category



FY 2016
$536,410

$ Spent per Citizen
FY 2016 - $18.90

Staffing

FY 2014	3.6 FTE
FY 2015	5.0 FTE
FY 2016	5.0 FTE

Cost Changes

Department cost has **changed** by

+9%

Increases

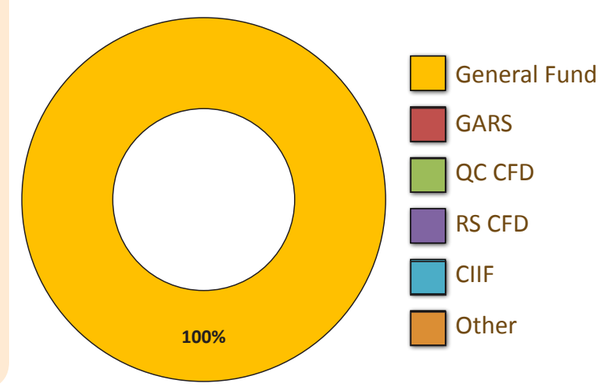
Pay plan adjustment
$3,300

Election services & supplies
$25,400

Decreases

No significant decreases

Funding



Town Clerk

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Provide courteous, efficient and responsive customer service to the community*	% of Customer Survey Ratings Meeting or Exceeding Expectations	100%	100%	100%
		# of Information Requests	7,210	8,000	7,500
		% of Public Records Request not completed within 72 Hours	*	40%	30%
		# of Public Records Requests Received	58	50	50
		% of Business Licenses Issued within 7 Business Days of Receipt	*	96%	97%
		# of Business License Issued	1,272	1,300	1,350
Goal #2	*Comply with Open Meeting Law*	% of Agendas and Public Notices posted in conformance with the Open Meeting Law	100%	100%	100%
		% of Audio Minutes posted to website within three business days after meeting	100%	100%	100%
		% of Approved Meeting Minutes posted to the website within two business days after meeting	100%	100%	100%
		# of visits to review Public Meeting Agendas, Minutes and Audio	41,695	35,900	40,000
Goal #3	*Maintain and preserve public records*	# Town records indexed, imaged and filed with Town Clerk	1,013	1,000	1,000
		# Town wide Records Management educational meetings conducted	1	2	3
		# of cubic feet of records destroyed in compliance with state law	59	50	50
Goal #4	*Conduct transparent, impartial and accurate elections*	% Elections conducted without legal challenge	N/A	N/A	N/A
		# Registered Voters for Primary Election	N/A	N/A	N/A
		% Voter Turnout for Primary Election	N/A	N/A	N/A
		# Registered Voters for General Election	N/A	N/A	N/A
		% Voter Turnout for General Election	N/A	N/A	N/A
		# of Voter Information Pamphlets Mailed to Households	N/A	N/A	N/A
		# Council Member Seats to be Filled	N/A	N/A	N/A
Goal #5	*Engage the community through digital media*	# of Twitter Followers	*	1,360	1,500
		# of Facebook Likes	*	1,040	1,150
		# of Website Registered Users	*	430	475
		# of "Notify Me" Registrants	*	785	865
		# of Digital Newsletter Recipients	*	1,020	1,120
		# of Visitors to Town Website	*	113,500	124,850

* New Performance Measure for FY 2015

Finance

Department Information

A.C. Marriotti, CPA
Finance Director
amarriotti@sahuaritaaz.gov
520.822.8844

Finance
(6.0 FTE, $825,020)

Protect the Town's financial resources and provide quality information to all stakeholders.

Finance provides a variety of financial services to the Council, Town staff, and citizens. Services include accounting and financial reporting, budgeting, payroll, accounts payables, utility billing, and special financial analyses.

Risk Management
(0.0 FTE, $261,860)

The Town is a member of the Arizona Municipal Risk Retention Pool. The Pool provides insurance coverage for the Town's property and general liabilities.

Technology
(4.0 FTE, $659,980)

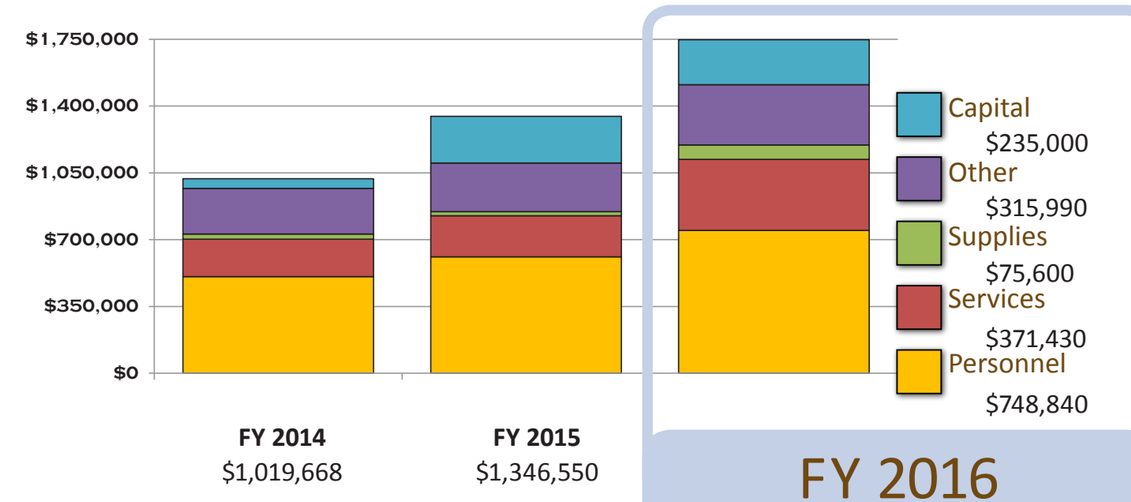
Provide superior technological services to all departments.

Technology provides advising, service and support for all departments of the Town. Responsibilities include the network infrastructure, security, administration, attached devices and software in addition to technical training, contract negotiation, project management, maintenance and support.

Department Highlights

- Received the Government Finance Officers Association's (GFOA) *Distinguished Budget Presentation Award and the Special Performance Measures Recognition* for the fiscal year 2015 Budget.
- Received the GFOA's *Certificate of Achievement for Excellence in Financial Reporting* for fiscal year 2014 Comprehensive Annual Financial Report.
- Received the Association of Governmental Accountant's *Certificate of Excellence* for the fiscal year 2014 Citizen Centric Report.
- Reviewed and revised fiscal policies, ensuring current and best practices were incorporated.
- Completed an $8+ million debt refinancing, resulting in net savings of nearly $1 million.
- Integrated the monthly pCard reconciling process to the Town's financial ERP for greater efficiencies.
- Migrated email to a cloud-based solution providing for cost savings realized through decommissioning older servers; enhanced features such as e-discovery and greater device compatibility.
- Upgraded internet gateway equipment, added additional and enhanced communications capacity, cost savings and stability.
- Retired end-of-life Cisco Unified Communications Management (CUCM) server. Provisioned and deployed a current model CUCM for increased reliability and functionality.
- Upgraded Police Department Computer Aided Dispatch (CAD) system in all vehicle units. Updated Mobile Communications Devices (MDC) in all PD vehicle units.
- Moved permitting and financial Enterprise Resource Planning (ERP) software to new servers. Upgraded both ERP's as part of the migration process.

Costs by Category



FY 2016
$1,746,860

$ Spent per Citizen

FY 2016 - $61.55

Staffing

FY 2014	8.0 FTE
FY 2015	8.0 FTE
FY 2016	10.0 FTE

Cost Changes

Department cost has **changed** by

+30%

Increases

Pay plan adjustment
$19,000

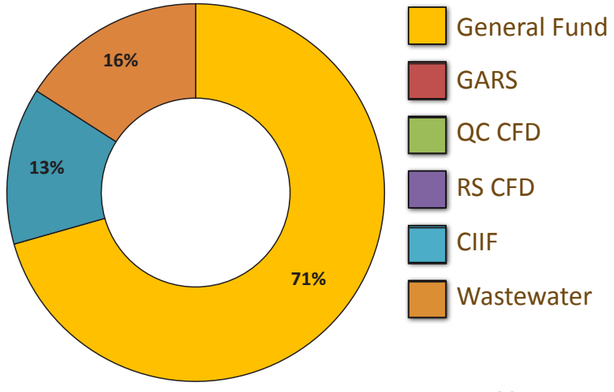
New staff
$125,190

WW Utility billing and collections
$266,000

Decreases

No significant decreases

Funding



Finance

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Protect the Town's financial resources through compliance with all laws, policies, and procedures*	Number of audit findings, reportable conditions, and/or violation notices (report #)	0	0	0
Goal #2	*Protect the Town's financial resources by minimizing risk exposure to the Town*	Deposits and investments are adequately insured or collateralized, and meet credit quality minimums established in policy.	yes	yes	yes
		Bank reconciliations are completed within 20 days after month-end.	12 of 12 months	12 of 12 months	12 of 12 months
		Number of general liability or property claims filed.	12	6	<12
		Net value of actual and estimated losses for items reported above.	$148,430	$35,627	< $50,000
Goal #3	*Maintain healthy reserves*	Ratio of General Fund ending fund balances to General Fund expenditures and CIIF debt service	1.29	1.19	1.07
Goal #4	*Provide quality information to all stakeholders*	Accuracy rate of previous year's Comprehensive Annual Financial Report.	100%	100%	≥ 99.90%
		Percent of financial reports that are issued timely, within defined time frames.	100%	100%	100%
		Number of awards received for high quality financial reporting.	3	3	3
Goal #5	*Perform work efficiently and make continuous improvements*	Number of best practices or operational enhancements implemented by Finance.	2	2	2
		Number of operational enhancements or cost savings measures implemented by Technology.	2	2	2
Goal #6	*Enhance technology customer satisfaction by meeting or exceeding established service levels*	Number of service tickets submitted.	1,049	1,115	1,050
		Percent of service requests completed within defined time frames.	83.8%	76.0%	≥ 80%
		Average customer survey score for quality of services.	3.88	3.61	≥ 3.0
Goal #7	*Ensure the Town's technology assets are maintained, reliable, and secure*	Number of network outages during business hours.	1	0	0
		Average duration of outages in minutes during business hours.	120	0	0
		Number of audit findings, reportable conditions, and/or violation notices.	0	0	0

Human Resources

Department Information

Debbie Bice
Human Resources Director
dbice@sahuaritaaz.gov
520.822.8812

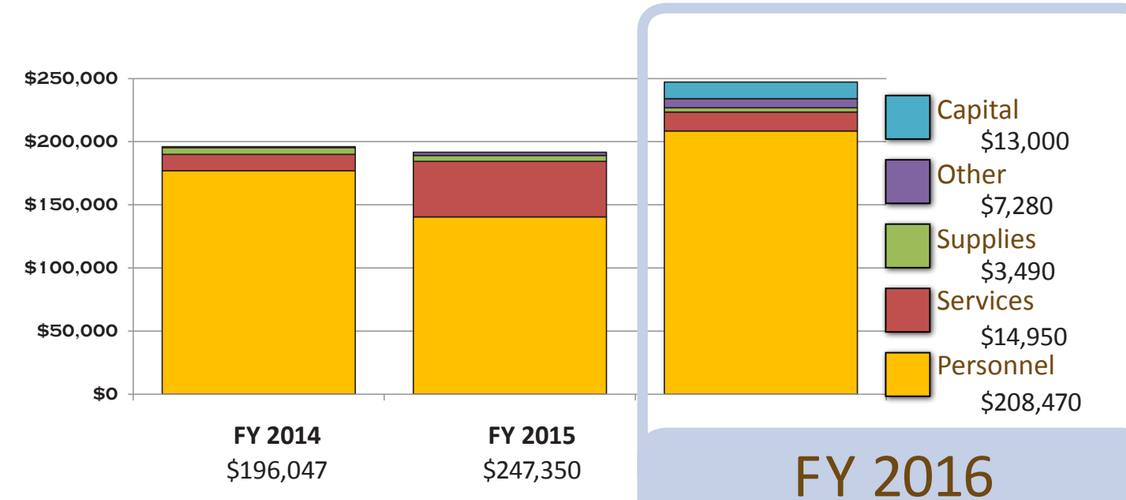
Human Resources
(2.0 FTE, $247,190)

Provide quality support services to all Town departments in the area of personnel, employee training and development to assist in providing services to the public.

Department Highlights

- Conducted an RFP for a compensation consultant to update the Town's pay plan. The consultant's proposed pay plan philosophy and methodology was agreed to by council. Staff prepared an implementation plan to help minimize existing compression issues and help retain a quality work force. Staff feels the new compensation plan will also be instrumental in our recruitment efforts.
- Serve as a member of the Pima Association of Governments Travel Reduction Program Regional Task Force. Represent the Town at all Task Force meetings and Travel Coordinator trainings.
- Coordinated a Health and Wellness Fair for all employees. Twelve different vendors participated in the fair. Employees were encouraged to participate in biometrics screening to "Know Your Numbers" sponsored by our medical insurance provider, UnitedHealthcare.
- Coordinated with UnitedHealthcare and our local Walgreens pharmacy manager to provide on-site flu shots to employees and their spouses.
- Arranged for townwide training on the topics of sexual harassment and gender discrimination. All employees were required to attend these training sessions.
- Approximately 20 employees attended "Discovering Your Personality" – a customer service-training seminar conducted by a Rancho Resort resident and coordinated through the human resources department.
- Experienced the first turnover of an employee in the human resources department. Recruited and selected a new Human Resources Analyst that started working for the Town in January.
- Worked with Procurement Coordinator to renew contracts with the Personnel Hearing Officer and our Employee Assistance Program (EAP) provider.
- Attended Munis User Group training to stay current on system upgrades and to gather and share system and software knowledge with users at other municipalities. These contacts have proven extremely beneficial in training the new HR Analyst on the Munis software.

Costs by Category



FY 2016
$247,190

$ Spent per Citizen

FY 2016 - $8.71

Cost Changes

Department cost has **changed** by

0%

Increases

Pay plan adjustment
$5,000

Performance software
$13,000

Centralized advertising
$5,000

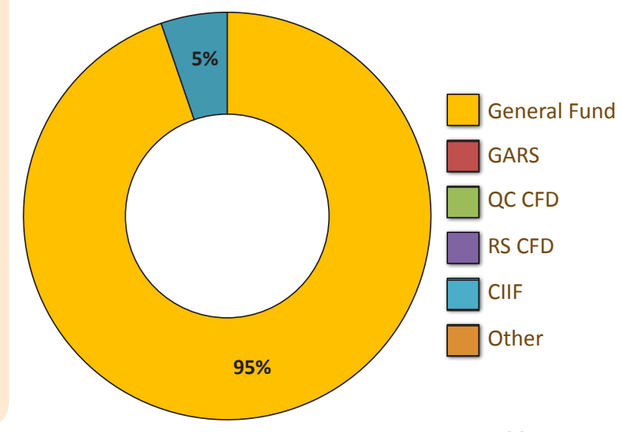
Decreases

Compensation analysis completed
$35,000

Staffing

FY 2014	2.0 FTE
FY 2015	2.0 FTE
FY 2016	2.0 FTE

Funding



Human Resources

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Assist departments in meeting their goals with efficient and effective staff members*	Average number of all employees on the payroll during the reporting period (includes Elected Officials)	137	140	142
		Number of full and part-time positions that required external recruitment during the reporting period	13	20	18
		Ratio of town staff to Sahuarita population (1:1000)	5.42	5.54	5.62
Goal #2	*Help attract and retain trained staff members by providing competitive yet cost efficient benefit package to Town staff*	Benefit expenditures as a % of salary expenditures (all benefits)	49.0%	51%	51%
		Town provided benefit expenditures as a % of salary expenditures (medical, dental, life, FSA, vacation, sick leave, tuition reimbursement)	29.0%	30%	30%
		Mandated benefit costs (payroll taxes, workers comp, State retirement, State LTD)	20.0%	21%	21%
Goal #3	*Assist the management team in creating a work environment that encourages open communications and policies that help the Town be an "employer of choice"*	Percentage of employee performance review completed on schedule	75%	50%	85%
		Total employees who left the government during the reporting period	17	15	12
		Percentage of employees who left the government during the reporting period	12.0%	10.7%	8.4%
		Number of employee grievances filed during the reporting period	1	3	0
Goal #4	*Comply with OSHA regulations and maintain a safe working environment for all Town employees*	Number of OSHA Recordable Accidents/Injuries for all Town employees	14	10	8

Planning & Building

Department Information

Sarah More
Planning and Building Director
smore@sahuaritaaz.gov
520.822.8853

Planning & Zoning
(5.0 FTE, $493,170)

Ensure the safety of the public through building and fire code education, professional assistance, and enforcement; and plan for Sahuarita's future physical, environmental, economic, and cultural needs, and manage development in the community.

The Planning and Zoning Division reviews all building plans, business licenses, development plans and subdivision plats for zoning compliance. We prepare and revise the General Plan and the Zoning Code and review proposals for such amendments as well as rezonings, conditional uses and variances.

Building Safety
(7.0 FTE, $692,700)

The Building Safety Division reviews building plans for permitting, issues permits and inspects construction of new development. We assist the public and applicants in preparing submittals and answer questions about code compliance. We perform annual fire inspections of commercial developments and assure subdivisions meet fire codes.

Department Highlights

FY 15 Accomplishments

- *Aspire 2035* – Sahuarita's General Plan completed and adopted, including the Sahuarita East Conceptual Area Plan as a component – projected June 2015
- Sahuarita Farms Specific Plan adopted – projected May 2015
- Processed: 2 Specific Plans, 1 minor General Plan Amendment, 2 Development Plans, 1 rezoning, 5 Final Plats, 1 Tentative Plat, 1 Conditional Use Permit, 1 Variance, and 3 adopted Zoning Code amendments.
- Continued excellent track record of on-time reviews.
- Coordinated with SAHBA to establish review time goals for residential development.
- Enhanced public information on planning and building website.
- Projects:

  Hydronalix, Rural Metro Fire Station #82, Quail Creek Art & Technology Building, Biz Hub & Video Wall

  DR Horton & KB Homes opened up new subdivisions in Rancho Sahuarita

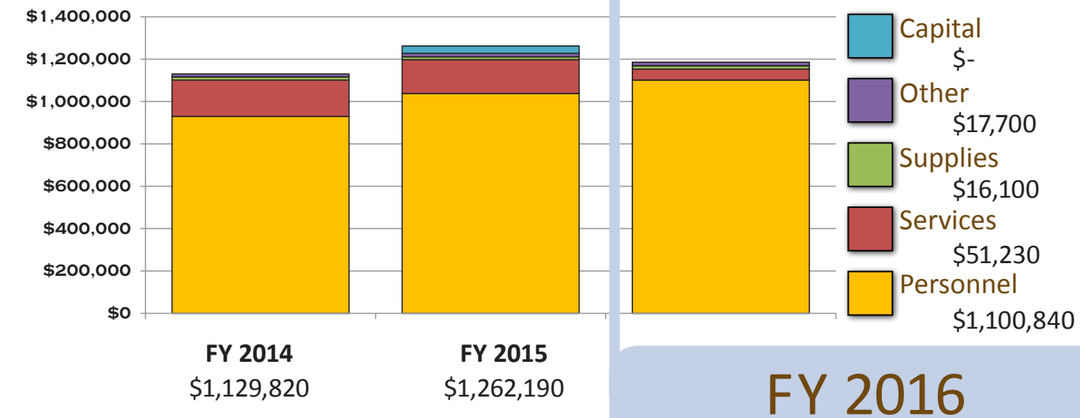
  Participating in TEP Solar Program

  Participating in SW Gas COYL program

FY 16 Goals

- Voter ratification of Aspire 2035 – Sahuarita's General Plan
- Continue to evaluate/refine zoning for commercial and employment land uses
- Complete inspections next day or when requested
- Develop recommendations for enhanced GIS services for both staff and public use.
- Evaluate zoning processes and make recommendations to improve clarity and efficiency.
- Consistently meet or exceed processing times for planning and building reviews and permits.
- Develop and enhance self-service options - Public Access – working on phase II so contractors can submit permits online

Costs by Category



FY 2016
$1,185,870

$ Spent per Citizen
FY 2016 - $41.79

Cost Changes

Department cost has **changed** by

-6%

Increases

Pay plan adjustment
$31,600

Employee benefits
$17,300

Decreases

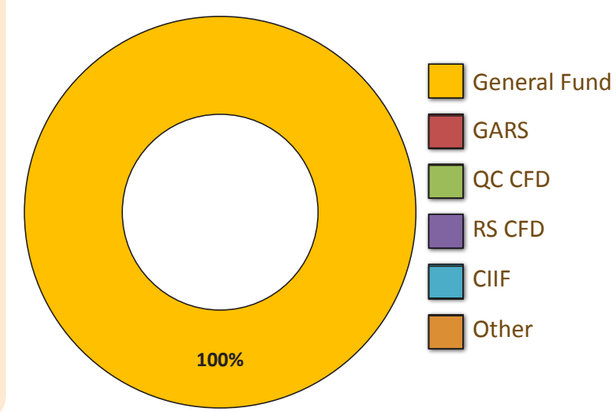
Long-term planning services
$97,600

Vehicle purchases
$35,000

Staffing

FY 2014	11.4 FTE
FY 2015	12.0 FTE
FY 2016	12.0 FTE

Funding



Planning & Building

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Effective and efficient development review*	Number of Development Plans reviewed (in process) during the reporting period	8	3	4
		Number of Plats reviewed (in process) during the reporting period	2	3	3
		Percent of reviews completed within target goal (4 weeks)	100%	100%	100%
Goal #2	*Streamlining and modernization of the zoning code*	Number of zoning code amendments initiated	3	2	3
		Number of zoning code amendments adopted	3	2	3
Goal #3	*Maintenance and updating as necessary of the General Plan*	Number of major general plan amendments processed	1	1	1
		Number of required General Plan updates performed	1	1	1
Goal #4	*Provide excellent customer service*	Percentage of positive comment cards received	Unknown	Unknown	Unknown
		Percent of zoning complaints investigated within 3 business days of the complaint	100%	100%	100%
Goal #5	*Implement Development Review policies that balance growth with natural resources*	Percentage of residents rating land use, planning and zoning as excellent or good	69%	Unknown	Unknown
		Percentage of residents rating of preservation of natural areas such as open space, farmlands, and greenbelts as excellent or good	55%	Unknown	Unknown
		Percentage of residents rating of overall quality of new development in the Town as excellent or good	71%	Unknown	Unknown
		Percentage of residents rating the Town of Sahuarita management of growth and development as excellent or good	61%	Unknown	Unknown
Goal #6	*Complete 100% of inspection stops the next day or when requested*	Total number of building inspection stops	4,300	3,645	3,828
		Percentage of building inspection stops completed on time or when requested	100%	100%	100%
Goal #7	*Complete single family residence plan (from a model plan) reviews within 5 business days of a complete submittal*	Total number of permits issued - Residential	169	190	200
		Average time for single family residence (from a model plan) plan review (in calendar days)	1	1	1
		Percentage of single family residence (from a model plan) plan reviews completed within 5 business days of a complete submittal	100%	100%	100%
Goal #8	*Complete commercial plan reviews within 10 business days of a complete submittal*	Total number of permits issued - Commercial	28	26	30
		Average time for commercial plan reviews (in calendar days)	10	4	10
		Percentage of commercial plan reviews completed within 10 business days of a complete submittal	90%	95%	90%

Parks & Recreation

Department Information

Deborah Summers
Parks and Recreation Director
dsummers@sahuaritaaz.gov
520.822.8894

To provide parks, natural areas, facilities, programs, and services that preserve and enhance quality of life for the Sahuarita community

Administration & Events
(3.5 FTE, $398,970)

Administration provides the leadership, support and resources that enable quality service and facilities to citizens. Staff support and assist in the administration of the Parks and Recreation Commission, the Sahuarita Health and Wellness Foundation and the town's Special Events town-wide permitting process. The events section consists of all town and Sahuarita Teen Advisory Council (STAC) events and volunteers

Recreation
(6.6 FTE, $354,280)

The recreation division provides 41 programs; coordinates use of facilities for adult leagues and youth user groups on 11 sports fields; permits all facility rentals, and supports the growing number of community events. The Anamax Park Recreation Center hosts a variety of classes and programs for infants and toddlers to adults and seniors to develop and encourage lifelong recreation users. Further the division supports STAC and the Sahuarita Health and Wellness Foundation.

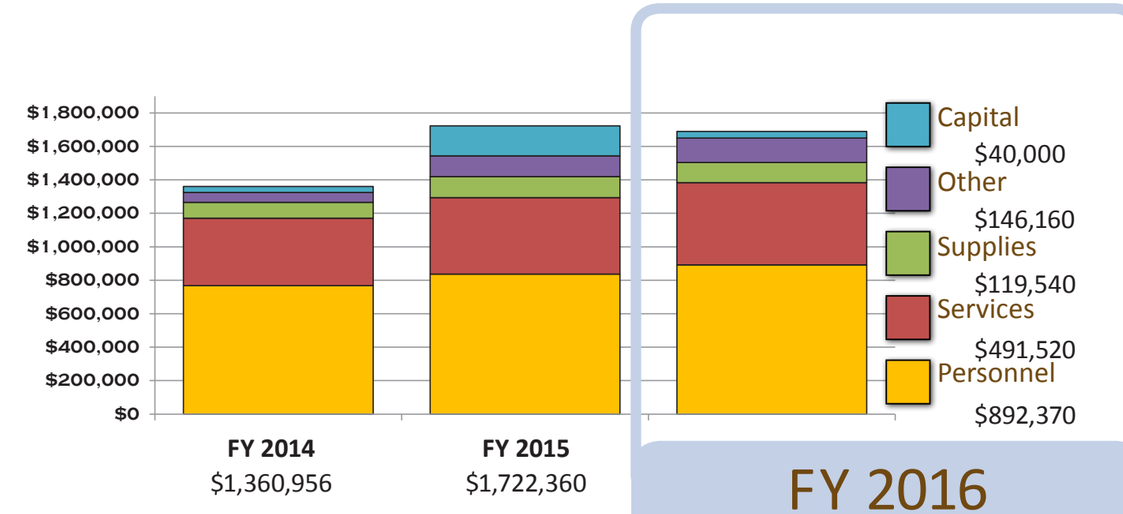
Maintenance
(5.0 FTE, $936,340)

The maintenance division maintains 107 acres of park land with facilities, including five Town maintained parks (including a ten acre lake), and one joint use Town-School park. Additional responsibility include the maintenance of vehicles, power equipment, key and locks systems, sports lighting, and off leash dog areas. Further the division administers the Adopt-A-Park and vandalism and graffiti abatement programs and provides oversight for outside contractors and the capital improvement program. The division began construction on two multi-use lighted sports fields and associated amenities to be completed in FY16.

Department Highlights

- Completed five major park improvements in the CIP including installation of HVAC at the Anamax Park
- Completed several deferred maintenance projects
- Halloween Spooktacular record attendance of 10,000
- Implemented the Town of Sahuarita's first Holiday Light Parade
- Celebrated the Town of Sahuaria's 20th anniversary with a brilliant Fireworks display
- Provided 6 new youth and adult programs to the community
- Increased participation and expanded existing youth and adult programs
- Completed the 2004 Conservation Open Space Program
- Hosted the Sahuarita TriZona Triathlon
- Multi (5) agency partnership provided youth activities during the summer recess

Costs by Category



FY 2016
$1,689,590

$ Spent per Citizen
FY 2016 - $59.53

Cost Changes

Department cost has **changed** by

-2%

Increases

Pay plan adjustment
$29,000

Net staffing changes
$12,611

Water/sewer
$32,500

Grounds maint./pest control
$56,200

Decreases

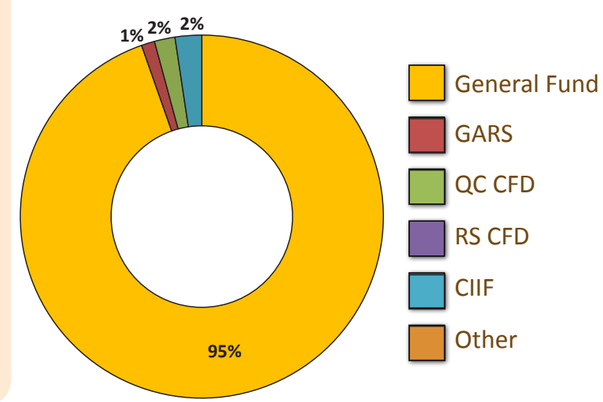
Capital equipment purchases
$138,300

Facilities repair/ maintenance
$65,000

Staffing

FY 2014	15.1 FTE
FY 2015	14.7 FTE
FY 2016	15.1 FTE

Funding



Parks & Recreation

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Complete the process of acquiring conservation open space land through use of the 2004 Pima County $1.5 million bond program*	Amount of Open Space acquired	Completed Pima County Purchased 290 Acres	Completed Pima County Purchased 290 Acres	N/A
Goal #2	*In partnership with Pima County and landowners continue process for trail alignment acquisition for the Juan Bautista de Anza National Historic Trail*	Amout of trail alignment acquisition completed	0	0	2 miles
Goal #3	*Develop an Intergovernmental Agreement with the Sahuarita Unified School District for facility use*	Complete an agreement with the School District	0	0	1
Goal #4	*Increase Parks and Recreation facility usage and class/program attendance by 3%*	Average number of daily recreation class/program participants	49.91	54.6	54.6
		Number of volunteer hours worked in support of Parks and Recreation staff.	11,222	8,346.0	8,346.0
		Average number of daily rentals at Recreation Center	1.06	1.1	1.1
		Percentage of recreational activities rated as excellent or good	Survey FY15	Survey FY15	Results pending
		Percentage of citizens rating recreation programs or classes as excellent or good	Survey FY15	Survey FY15	Results pending
		Percentage of citizens participataing in a recreation program or activity	Survey FY15	Survey FY15	Results pending
		Percentage of citizens using Anamax Recreation Center	Survey FY15	Survey FY15	Results pending
		Daily sports field participation by contract/reservation	640.0	700.0	700
		Monthly average number of Dog Park users, Monday-Saturday morning	2,050.0	2,100.0	2,100
		Average monthly number of ramada rental users	New Measure	New Measure	450
		Average monthly number of users of other park amenities	New Measure	New Measure	100
		Monthly average attendance at Town events	New Measure	New Measure	2,000
Goal #5	*In partnership with local businesses and philanthropic organizations, provide support organizing an Art Festival, a Halloween Event and an additional cycling event*	Number of events with outside organizations that Parks and Recreation lends support to	5	7	7
Goal #6	*Collaborate in a local and/or regional tourism activity through Pima County sports tourism and/or Festival and Events Association of Tucson and Southern Arizona*	Participate in three regional events where the Town is listed as a partner.	7	10	10
Goal #7	*Implement a deferred maintenance program to complete at least six park maintenance projects that will maintain and extend the life of essential park infrastructure.*	Number of completed deferred park maintenance projects	8	8	7
Goal #8	*To provide esthically pleasing and well maintianed Town Parks and Facilities*	Number of graffitti incidents removed in 24 hours after reported compared to total incidents.	19/19	10/10	9/9
		Percentage of citizens rating recreation center or facilities as excellent or good	Survey FY15	Survey FY15	Survey FY16
		Monitor Sahuarita Lake water consumption through quarterly measures	29,180,500	21,463,820	19,500,000

Public Works

Department Information

Sheila Bowen
Public Works Director/Town Engineer
sbowen@sahuaritaaz.gov
520.344.7100

Administration & Engineering
(3.5 FTE, $444,810)

Provide and maintain high quality and cost-effective Infrastructure, including the transportation network, wastewater system, and drainage ways for the Sahuarita Community

The engineering division manages public works projects within the Town's Capital Improvement Plan (CIP), conducts reviews of public infrastructure within development projects, and manages the permitting of the floodplain, public right-of-way, and portions of development project construction. These efforts *promote planned growth that fosters high quality and diverse development, facilitates sustainable infrastructure and assures quality services*. The end goal of delivering public projects and coordination with private development is to *provide and maintain high quality and cost-effective infrastructure* including drainage ways, sewer systems, roadways, and traffic operation systems. The engineering division also participates in townwide and regional *planning efforts to guide the Town's future and facilitate development opportunities*. These efforts include *coordination with regional stakeholders and agencies*, including local utility providers, local property owners/developers, other Town departments, state, and federal agencies.

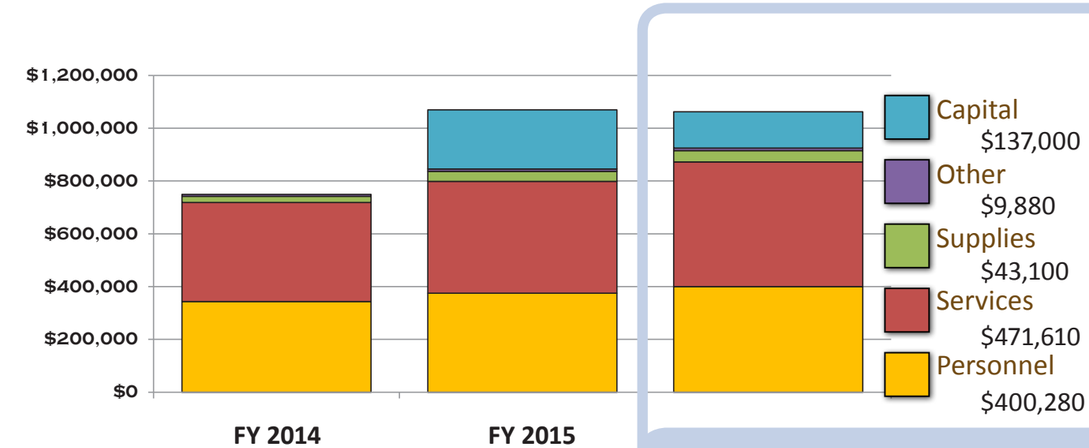
Facilities
(1.0 FTE, $617,060)

The Public Works Department is responsible for *effective management of Town owned buildings*, including the upkeep and maintenance of the Town Hall complex. Staff attends to minor remodeling projects, repairs, painting, maintaining equipment, and daily maintenance of the buildings. Facilities Staff also provide *high quality, business friendly services* and hospitality functions, setting up rooms for meetings and special events. The availability of well maintained public facilities, such as Town Hall Complex, encourages a unified community identity and promotes a *high quality of life that makes Sahuarita a community of choice for residents and business investment*.

Department Highlights

- The Sahuarita Road corridor improvement project was completed . The project received regional recognition from the Metropolitan Pima Alliance (Common Ground Award – Public Works) and Pima Association of Governments (Timothy M. Aherns Partnering Award) for the department's partnering efforts and continued coordination with regional stakeholders and agencies.
- The department continued its partnership with the Sahuarita Unified School District in support of the Youth Art Program through funding provided by the Pima Association of Governments. As part of the partnership, high school art students have added artistic treatments to the Sahuarita Road underpass.
- The department advanced several projects within the five year Capital Improvement Plan, including the final design of the new Pima Mine Road Bridge at the Santa Cruz River and the installation of a a new traffic signal at the intersection of La Villita Rd and Rancho Sahuarita Blvd. Several smaller, local projects included construction of sidewalks, curb access ramps, handrails, bicycle lanes and bus stop shade structures.

Costs by Category



FY 2016
$1,061,870

$ Spent per Citizen
FY 2016 - $37.42

Staffing

FY 2014	4.5 FTE
FY 2015	4.5 FTE
FY 2016	4.5 FTE

Cost Changes

Department cost has **changed** by

-1%

Increases

Pay plan adjustment
$14,170

Grounds maintenance
$31,900

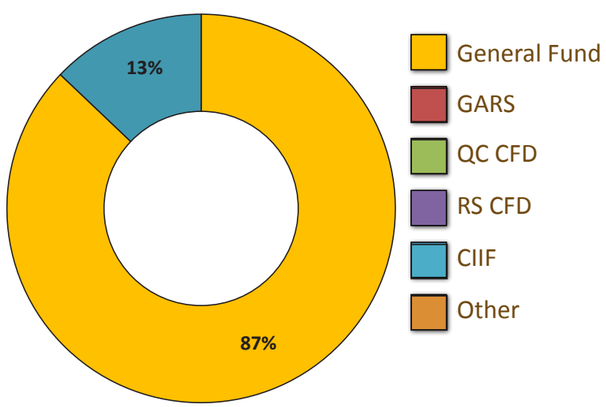
Facility repairs & maintenance
$17,120

Utilities
$6,000

Decreases

Capital equipment purchases
$86,800

Funding



Public Works

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Deliver High Quality, Business Friendly Services*	Percent of reviews completed within target goal (4 weeks)	100%	100%	100%
		Average time for (PIA's) permit review (business days)	4	5	5
		Average time for right-of-way permit review (business days)	4	5	5
Goal #2	*Provide Effective Management of Town-Owned Buildings*	Percentage of annual safety inspections passed	100%	100%	100%

Police

Department Information

Police Department
(51.0 FTE, $7,298,470)

Making Sahuarita a Safe Place to Live, Work and Play

John Noland
Police Chief
jnoland@sahuaritaaz.gov
520.344.7000

The Sahuarita Police Department is comprised of two divisions. Each division has separate bureaus and each bureau has a number of employees assigned to them, sometimes referred to as teams or squads.

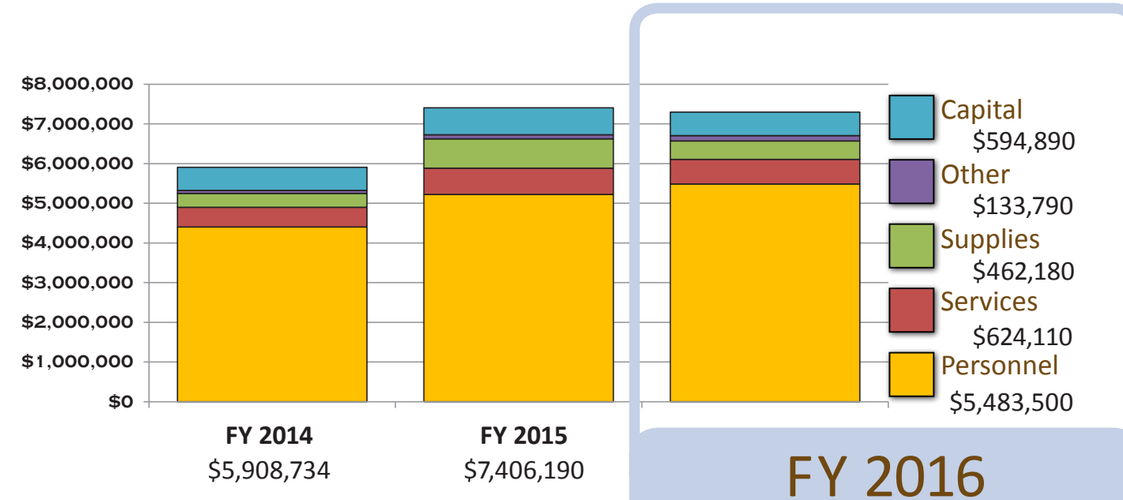
The **Field Services Division** consists of the Patrol Bureau and a Traffic/SRO Bureau. The patrol bureau has six different squads. Each squad has a number of officers and a sergeant assigned to them. Patrol provides 24/7 response to crimes in progress and other policing incidents needing to be addressed by uniformed officers. The Traffic/SRO Bureau consists of motorcycle traffic enforcement officers and a School Resource Officer. The motorcycle officers are assigned to patrol teams, but have the primary assignment of enforcing traffic laws and handling traffic collisions. The School Resource Officer is assigned to address policing issues and youth educational opportunities within the Sahuarita Unified School District.

The **Special Services Division** consists of the Investigations Bureau, Training & Professional Standards Bureau and Records Bureau. The Investigations Bureau is responsible for conducting complex investigations outside the regular capabilities of patrol officers. This bureau includes the Property & Evidence Section that has Crimes Scene Specialists (CSS). CSS are responsible for the care and custody of all evidence and property taken in by the police department and crime scene processing. The Training & Professional Standards Bureau manages training for all employees, maintains officer training records and records associated with equipment and fleet. Additionally this bureau conducts personnel investigations associated to citizen complaints. The Records Bureau manages and retains all police reports, assures compliance with state and federal laws associated with police reports and reporting practices and handles public requests at the police department's front counter by phone.

Department Highlights

- In December, 2014 the Sahuarita Police Department welcomed its new Police Chief. Chief John Noland has identified several new department goals. A top goal is a comprehensive Community Policing program.
- For the second year in a row, the Town of Sahuarita was named #1 safest town in Arizona by MOVOTO Real Estate Review, based on stats related to violent crimes and property crimes.
- The SPD exceeded the number of community events it originally planned to participate in! SPD participated in Fiesta Sahuarita, Spooktacular, The Pecan Festival, Getting Arizona into Neighborhoods (GAIN), Neighborhood Watch, Preserve Our Neighborhoods (PON), Shop with a Cop, and school Safety Fairs. The SPD youth Policer Explorers (Post 693) participated in hundreds of hours of training and several special events.
- Our Department Volunteers in Police Service (VIPS) worked closely with officers and administrative staff, providing over 5,000 volunteer hours this last year! We are identifying new VIPS duties to enhance the program.
- In September 2014 Officer Shawn Pack was recognized by Mothers Against Drunk Driving (MADD) for his efforts in DUI enforcement. In January 2015 Officer Wes Genzer was named Officer of the Year by The Sons of the American Revolution for his effort in a lifesaving event and a criminal investigation resulting in multiple arrests.
- In January 2015 we began work on a department wide training plan to better identify training needs for each department position. We started a process to update our Policy and Procedures manual and Social Media use.
- In February 2015, we began an Employee Recognition Program to acknowledge quality work by employees. Additionally, we created a Crime Analysis Beat Report to disseminate crime activity and data to officers.
- In March 2015 we committed to a program, "Coffee with a Cop," that will have officers meeting and chatting with residents over coffee in a variety of locations in town.
- SPD's Mission Statement: Making Sahuarita a Safe Place to Live, Work and Play. Motto: Community, Safety and Service.

Costs by Category



FY 2016
$7,298,470

$ Spent per Citizen
FY 2016 - $257.17

Cost Changes

Department cost has **changed** by

-1%

Increases

Pay plan adjustment
$95,620

County dispatch services
$15,600

Mobile communications
$13,000

Travel & training
$22,100

Decreases

Grant funded equipment purchases
$200,200

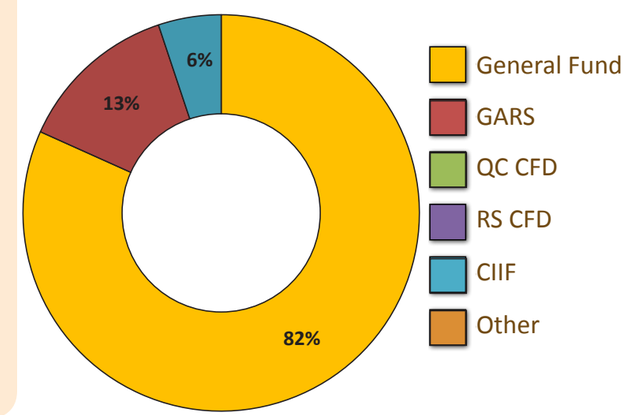
Fuel
$20,000

County incarceration
$55,000

Staffing

FY 2014	50.0 FTE
FY 2015	51.0 FTE
FY 2016	51.0 FTE

Funding



Police

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Implement a more comprehensive Community Policing program that enhances our community involvement and problem solving skills*	Clearly define Community Policing philosophy and practice for the SPD and make participation in community policing an expectation and part of each employee's performance plan.	N/A	N/A	New Measure
		Provide Community Policing training to all personnel.	N/A	N/A	New Measure
		Establish beat system making individual officers responsible to policing issues of their assigned geographical area.	N/A	N/A	New Measure
Goal #2	*Develop and implement a department training plan for each position within the police department*	Identify mandatory, essential and desireable training for each position within the department.	N/A	N/A	New Measure
		Have employees complete training identified as mandatory in accordance with first year requirements of the training plan.	N/A	N/A	New Measure
		Conduct evaluations on each course attended to determine value of training.	N/A	N/A	New Measure
Goal #3	*Host, attend or particpate in minimum of 20 community events throughout the year and increase public interaction and communication through PD website and social media*	Evaluate each event for the ability to interact positively and effectively with the public.	N/A	N/A	New Measure
		Number of events hosted.	31	10	20
		Train all managers on the procedures for producing media releases and social media postings.	N/A	N/A	New Measure
		Track the number of media releases and social media postings.	N/A	N/A	New Measure
Goal #4	*Continue development and improvement of the School Resource Officer program to better serve students, parents and faculty*	Number of educational safety or awareness presentations participated in.	New Measure	12	10
		Number of police calls for service resulting in a police unit being dispatched to a school or bus	210	185	200
		Number of juveniles arrested on school grounds or bus	56	51	45
		Number of weapons confiscated on school grounds or bus	0	3	0
Goal #5	*Continue public education efforts and enforcement activities in the area of DUI and seat belt use*	Number of special operations conducted through "Click it or Ticket" grant.	N/A	N/A	New Measure
		Number of special operations conducted through STEP grant.	N/A	N/A	New Measure
		Number of special operations conducted through DUI AZGOHS grant.	N/A	N/A	New Measure
		Number of accidents where seat belts were not fastened ARS28-0909A1	2	2	1
		Number of personal injury accidents - (rplwisr.8) *New Measure to include Private Property Non-Traffic for 2016	20	19	*New Measure
		Number of property damage accidents - (rplwisr.8) *New Measure to Include Private Property Non-Traffic for 2016	211	217	*New Measure
		Number of UCR Part II DUI Offenses - (JMOFFSUM) ARS28-1381 - ARS28-1383A4	66	48	45

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #6	*Enhance partnership with Planning & Building through Crime Prevention Through Environmental Design (CPTED) by review of all future plans*	Number of plans reviewed	N/A?	N/A?	
Goal #7	*Continue Emergency Disaster response capabilities through training & exercises and implementation of Command Post*	Number of Emergency/Disaster training exercises. *New Measure 2016	N/A	N/A	2
		Number of incidents and/or activities the Command Post used for	7	9	10
Goal #8	*Maintain or decrease response times for top priority calls*	Total average time from receipt of priority one police telephone calls to arrival on scene (in seconds) enter measure used to determine performance towards achieving goal (rpcdbest.3).			
		Average Response Time (From the time dispatch accepts the calls to the first unit on scene)	5:15	5:40	5:15
		Average Travel Time (From the first unit enroute to the first unit on scene)	5:11	5:00	5:00

Municipal Court

Department Information

Honorable Maria Avilez
Town Magistrate
520.344.7150

Municipal Court
(8.0 FTE, $575,440)

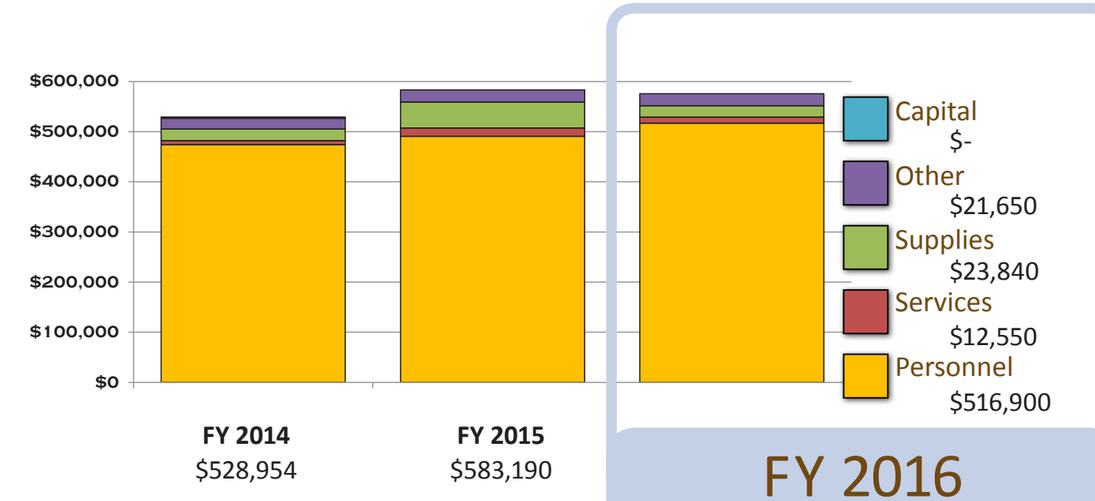
Uphold the law and administer justice fairly and efficiently, treating all who come to the Court with dignity and respect.

The Sahuarita Municipal Court is responsible for the processing and adjudication of all cases filed in the Court, including the trial or other disposition of criminal misdemeanors, criminal traffic violations, civil traffic violations, and Town code and ordinance violations committed within the Town's boundaries. The Court is further responsible for collection and processing of fines, surcharges, restitution and other fees. The Court issues and processes protective orders including Injunctions against Harassment, Injunctions against Workplace Harassment, and Orders of Protection. The Court also provides other services, including processing passports, issuing marriage licenses, performing marriages, and notary services. Services rendered by the Court are governed by Rules set by the Arizona Supreme Court and guided by Statutes enacted by the Arizona Legislature.

Department Highlights

- Utilizing the court's local JCEF (Judicial Collection Enhancement Fund) funds, the court is upgrading the audio and visual equipment in courtroom #1 by adding a larger monitor on the wall, a monitor for the Judge's bench and a touch screen remote for the courtroom clerk. This equipment would provide litigants a better opportunity to present their cases.
- A new process has been established with staff so that they do not become complacent with their regular rotation duties but instead handle the several types of cases daily from start to finish.
- Judge Avilez continues involvement in other court activities. She serves as the Vice President of the Arizona Magistrates Association. She was also appointed in 2006 by the Chief Justice of the Arizona Supreme Court as a Commissioner on the Commission for Minorities, continues to serve as a subcommittee participant in the development of the Fifth Arizona Statewide Report Card, which assesses over-representation of minority youth in the juvenile system, and she participates in the Regional Municipalities Veterans Treatment Court.
- Judge Avilez participates in local schools' activities: guest speaker at the Middle School's Career Day, reads for the Elementary School Love of Reading week. Last year she was the speaker for the 8th grade promotion.
- The SMC (Sahuarita Municipal Court) continues to be used as a model court when policies and procedures are needed at other courts.
- SMC continues to work with the Tucson Youth Development in which students from SUSD work in the court for pay.
- Continue collaboration with Community Partnership of Southern Arizona and Pima County Attorney's Office Victim Witness Advocates by coordinating the physical presence of a representative to support and provide input on behalf of the victim(s) or defendant(s). CPSA also assists with mental health and/or behavioral diversions and assessments.
- Provisions of fair and objective resolution of disputes and enforcement of laws in a manner appropriate to the needs of our community and society.

Costs by Category



FY 2016
$575,440

$ Spent per Citizen
FY 2016 - $20.28

Cost Changes

Department cost has **changed** by

-1%

Increases

Pay plan adjustment
$10,230

Decreases

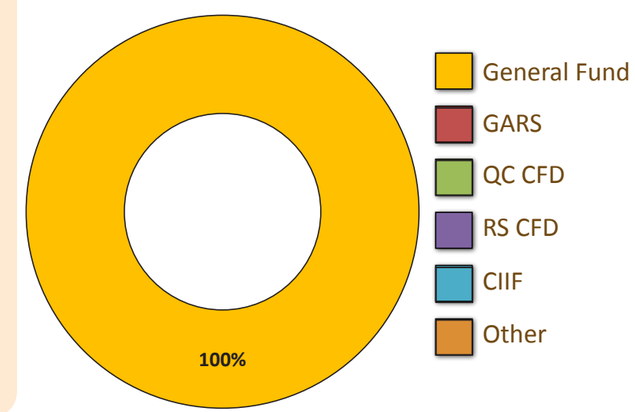
Equipment purchases
$28,000

Audit fees
$4,000

Staffing

FY 2014	8.0 FTE
FY 2015	8.0 FTE
FY 2016	8.0 FTE

Funding



Municipal Court

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Provide better customer service to all litigants entering the courthouse*	Provides the litigants other means of making their payments, which include IVR (phone payments) and Web payments, instead of having to travel to the courthouse			
		IVR- Payments made over the phone	504	450	500
		WEB- Payments made on the court's main webpage of the Town's website.	146	140	140
		Providing other community services such as Marriage licenses and passports.			
		Marriage Licenses	52	40	45
		Passports	234	200	200
Goal #2	*Continue to execute cases in a timely manner as required to use resources effectively in delivering desired outcomes*	% of cases adjudicated (cases closed vs. cases opened) Criminal Misdemeanors/ Civil & Criminal Traffic/Protective Orders	109%	100%	100%
		DUI Clearance Rate	86%	100%	100%
Goal #3	*Continue to provide quality safety measures for all litigants that enter the courthouse*	Court Visitors scanned/walked through magnetometer	11,862	12,000	12,000
		Number of items scanned through the X-Ray machine	8,390	8,000	8,000
		Number of items of contraband detected while entering the courthouse	172	175	170

Streets

Department Breakdown

Sheila Bowen
Public Works Director/Town Engineer
sbowen@sahuaritaaz.gov
520.344.7100

Streets
(12.7 FTE, $2,065,870)

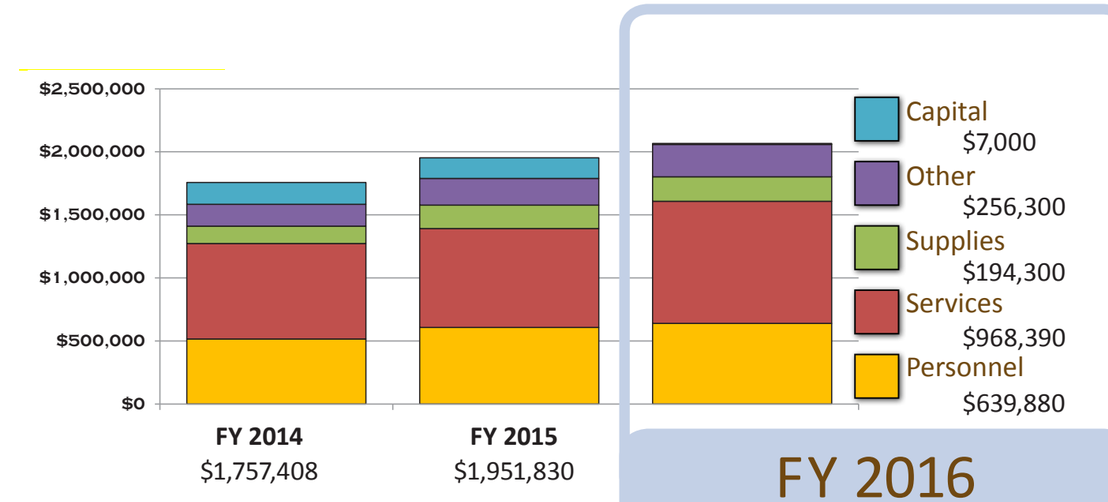
Maintain Public Streets, Rights-of-Way, and Storm Water Drainage Facilities

The Public Works – Streets Department is responsible for *effective operation of Town-owned infrastructure* and public rights-of-way, specifically the maintenance of all public streets, roadways, landscape areas, and drainage ways to ensure the facilities fulfill the function for which they were designed. Well maintained public transportation and drainage facilities *promote and enhance confidence in multi-modal transportation* and enhance the *quality of life* throughout our community. The Streets Department also plays a key role with the engineering division to *ensure that recurring operation & maintenance costs are considered and accounted for when planning for capital projects*. As part of the ongoing effort to *build a financially resilient government* that seeks *continuous improvement* in its annual maintenance costs, the Streets Department *maintains an active Town wide volunteer program and Inmate Labor Program*.

Department Highlights

- A key role for the Department is to *provide and maintain public streets and rights-of-way*. Specifically, the Streets Division oversees public landscaping maintenance activities, such as debris/trash removal, mowing, trimming, pruning, and preventive weed control in the areas adjacent to public roadways and drainage ways. As part of its goal of *continuous improvement*, Streets Division has *continued and expanded the inmate labor program for cost effective operation of Town-owned infrastructure* and public right-of-way areas.
- The Department relies on an *active town wide volunteer program* made up of local community members/organizations. These volunteers assist the Department with "Adopt-A-Roadway," "Adopt-A-Wash," "Adopt-An-Underpass," "Beat Back Buffelgrass" and other vital programs. Volunteers play a key role in enhancing the *quality of life* for the community, while helping the Department achieve its goal of *organizational effectiveness*.
- As part of the ongoing goal to provide *effective operation of Town-owned infrastructure*, the Department has *continued development of an asset management system for Town-owned infrastructure* and is *completing an analysis of pavement management activities to develop program recommendations*. The efforts will ultimately define an annual/programmatic management plan.
- The Department continues to *enhance civic engagement through online presence, social media and public participation* by posting construction updates and other work zone messages to the Town's website, social media outlets, and when possible, efforts are made to communicate directly with impacted citizens and homeowners associations. In addition, the department actively encourages the reporting of potential issues, questions, or concerns, as citizen feedback is essential to the department's operations. The "Request Tracker" link on the Town's website and the "YourGov" smart phone application allow citizens to report potential problems directly to the Public Works Department.

Costs by Category



FY 2016
$2,065,870

$ Spent per Citizen
FY 2016 - $72.79

Cost Changes

Department cost has **changed** by

+6%

Increases

Pay plan adjustment
$16,170

Street/pavement maintenance
$180,000

Building lease
$22,500

Indirect cost allocation

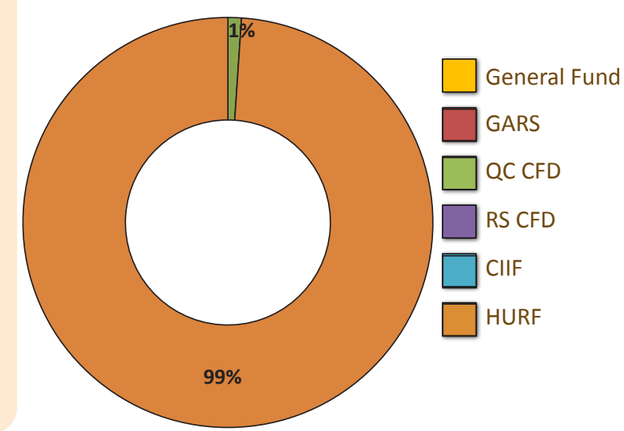
Decreases

$22,820
Streets drainage structure repairs
$155,000

Staffing

FY 2014	14.0 FTE
FY 2015	12.7 FTE
FY 2016	12.7 FTE

Funding



Streets

Goals and Measures

		Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1	*Provide and Maintain Public Streets and Rights-of-Ways*	Total Hours of Inmate Labor	9,740	19,000	19,000
		Average number of days to repair a reported pothole	1	1	1
		Percent of public roadways that are swept at least four times per year	100%	100%	100%
		Average number of days to repair traffic signal outage	1	1	1
		Percentage of pavement in satisfactory or better condition per the Pavement Condition Index (PCI rating of 6 out of 10)	88%	89%	75%
Goal #2	*Incorporate Art and Culture into Town Projects and Events to Promote the Rich, Culturally Diverse History of Sahuarita*	Amount of PAG Transportation Art by Youth (TABY) annual funding	$25,000	$25,000	$25,000
Goal #3	*Continuous Improvement*	Total Number of Volunteers (Adopt-a-Road, Wash, Underpass)	574	505	505
		Total Volunteer Hours (Adopt-a-Road, Wash, Underpass)	770	605	605
		Total Number of Trash Bags collected (Adopt-a-Road, Wash, Underpass)	629	555	555
		Total Number of Buffelgrass Bags collected	201	225	225

Wastewater

Department Breakdown

Sheila Bowen
Public Works Director/Town Engineer
sbowen@sahuaritaaz.gov
520.344.7100

Wastewater
(6.9 FTE, $1,424,670)

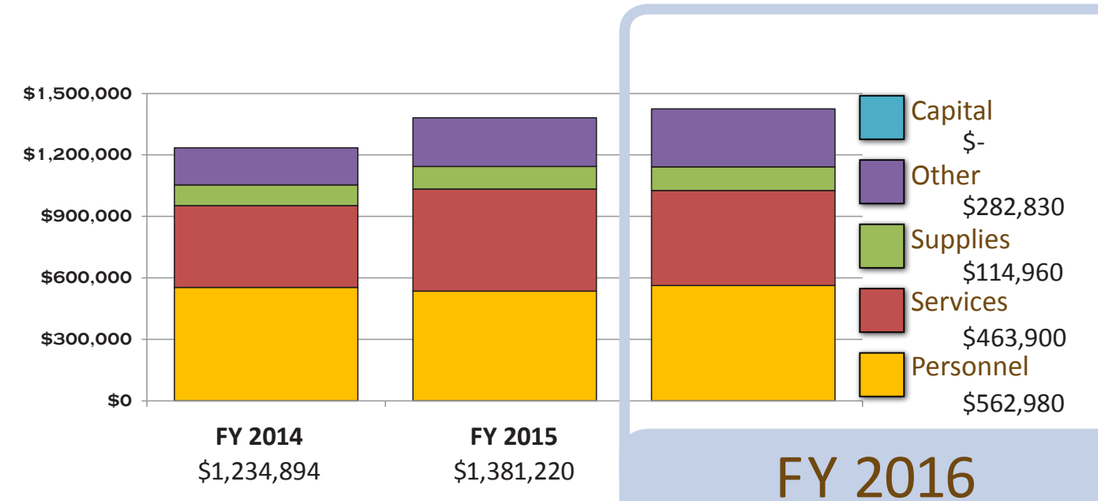
Maintain and Operate the Wastewater Plant and Collection System to Ensure System Integrity

The Public Works – Wastewater Department is responsible for *maintaining permit compliance* and the *effective operation* and maintenance functions associated with the Town's Water Treatment and Reclamation Facility, including over 13 acres of recharge basins for reclaimed water. The facility is permitted to treat up to 3.0 million gallons per day. In 2014, the Department treated over 240 million gallons of wastewater, with an average daily flow of 726,600 gallons. The Sahuarita Water Reclamation Facility converts raw sewage into its final form of Class A+ quality reclaimed water through biological treatment, filtering, nitrogen removal, and disinfection. Reclaimed water is recharged into the aquifer through infiltration basins. Credits earned through recharge are stored for the future and are used to offset groundwater use at Lake Park. The Department is also responsible for the associated sewer collection system, which includes approximately 45 miles of sewer lines and over 1,100 manholes. Another key role of the Wastewater Department, that is accomplished through the engineering and administrative support within the Public Works Department, is to conduct planning and policy development to manage industrial waste permitting, respond to customer service requests related to the sewer system, *pursue future service delivery opportunities, facilitate development opportunities, assure developer funded projects provide necessary infrastructure*, and monitor construction of those improvements to ensure *high quality and cost-effective Infrastructure*. As part of the ongoing efforts to *build a financially resilient government*, the Wastewater Department monitors and periodically recommends updates to the *Wastewater rate plan* with the goal of meeting cost recovery needs of the enterprise and ultimately *eliminating deficits in the Wastewater Enterprise Fund*.

Department Highlights

- In early 2013, the Town submitted to the Arizona Department of Environmental Quality an application to increase the permit capacity from 1.5 to 3.0 million gallons per day (MGD) at the Sahuarita Water Reclamation Facility. The application was deemed administratively complete on the day of the submittal and was deemed substantively complete in less than two months, highlighting the Department's commitment to *organizational effectiveness*. The permit was signed on February 3, 2014, marking another successful milestone in *planning for future capacity* needs that fosters *economic development, provides high quality and cost-effective infrastructure, and enhances the quality of life for the community* within the sewer service area.
- Throughout the year, Department staff participated in events aimed at teaching students about water resources, emphasizing our commitment to *enhance civic engagement through public participation*. In February 2015, Department staff participated in the second annual Sahuarita-Green Valley Water Festival. Funded by Freeport McMoRan and the Pima Association of Governments, the festival was part of the Science, Technology, Engineering, and Mathematics (STEM) water-themed unit that provides interactive learning experiences for both teachers and fourth-grade students in the Sahuarita and Continental school districts. Also in February 2015, the Department participated in the Sahuarita SciTech Festival introducing middle school students to the role of a wastewater treatment operator and providing them a first-hand look at analyzing water quality while drawing attention to the Department's role in *maintaining and operating the wastewater system to ensure system integrity*. The event aimed at promoting careers in STEM (Science, Technology, Engineering, and Math) was the result of a *partnership* between the Sahuarita Unified School District, the Town of Sahuarita, the Green Valley Sahuarita Chamber of Commerce and the Arizona SciTech Festival.

Costs by Category



FY 2016
$1,424,670

$ Spent per customer
FY 2016 - $255.36

Staffing

FY 2014	7.3 FTE
FY 2015	6.9 FTE
FY 2016	6.9 FTE

Cost Changes

Department cost has **changed** by

+3%

Increases

Pay plan adjustment
$21,480

Indirect cost allocation
$44,180

Equipment repair & maintenance

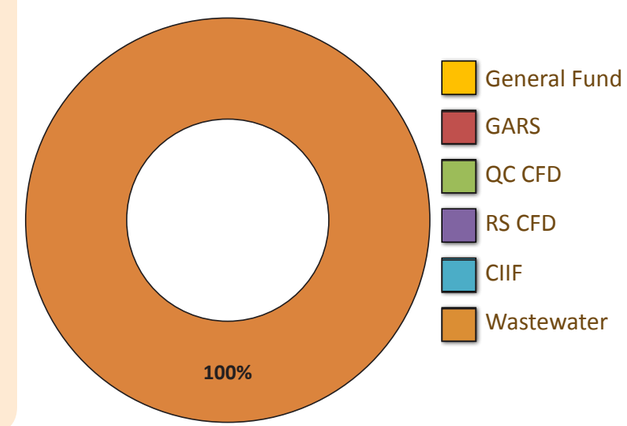
Decreases

$30,000

Pest control
$10,000

Dry sludge disposal
$17,600

Funding



Wastewater

Goals and Measures

			Measure	Actual FY2014	Estimated FY2015	Target FY2016
Goal #1		*Maintain & Operate the Wastewater Plant and Collection System to Ensure System Integrity*	Percentage of reporting requirements met for ADWR and ADEQ	100%	100%	100%
			Number of sanitary sewer overflows (SSO's) per 100 manholes	0	0	0

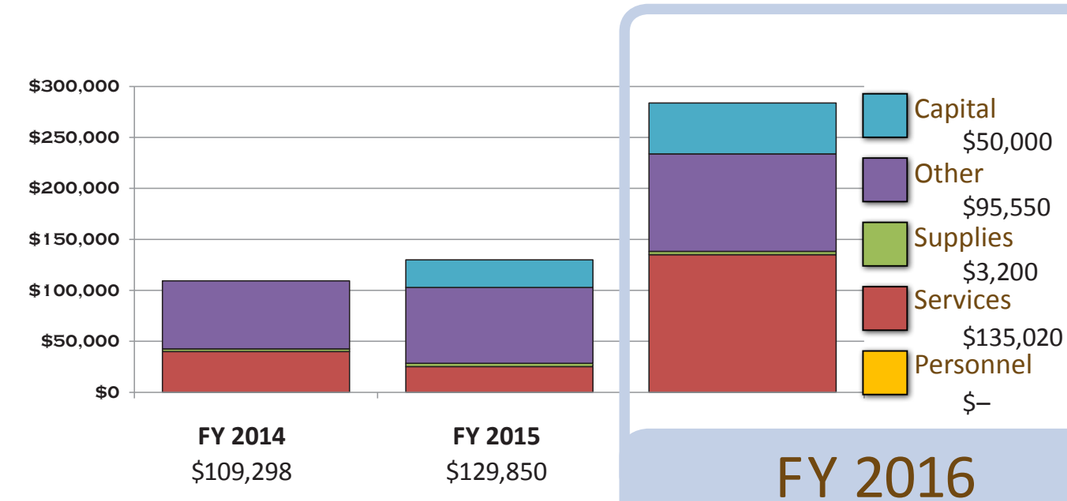
Non-Departmental

Department Information

Non-Departmental
(0.0 FTE, $283,770)

The Non-Departmental section of the budget accounts for operating costs and items not specifically identifiable to any other Town Department. These costs provide for animal control services, contracts for some social services, and costs associated with the Town's general motor pool.

Costs by Category



FY 2016
$283,770

$ Spent per Citizen
FY 2016 - $10.00

Staffing

FY 2014	0.0 FTE
FY 2015	0.0 FTE
FY 2016	0.0 FTE

Cost Changes

Department cost has **changed** by

+119%

Increases

AzDOR fees administrative costs
$54,900

Animal Care fees
$55,000

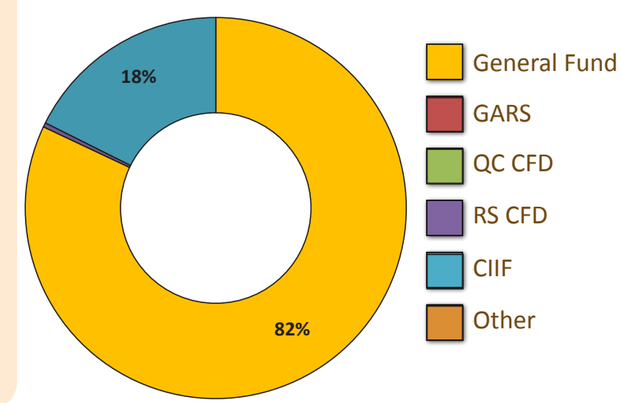
Contributions for human services
$20,000

Vehicle replacement (lease)
$23,000

Decreases

No significant decreases

Funding



Department Staffing

Department Staffing

DEPT	Div	Position	Pay Grade	2014 Amended	2015 Adopted	2015 Amended	2016 Budget
MAYOR & COUNCIL		Mayor	$800/mo.	1	1	1	1
		Vice-Mayor	$600/mo.	1	1	1	1
		Council Members	$500/mo.	5	5	5	5
		Department Total (# positions)		**7**	**7**	**7**	**7**
TOWN MANAGER	Admin	Town Manager	215	1.0	1.0	1.0	1.0
		Assistant to Town Manager	130	1.0	1.0	1.0	1.0
		Procurement Officer	128	0.0	1.0	1.0	1.0
		Management Analyst	123	1.0	1.0	1.0	0.0
		Executive Assistant to Town Manager	115	0.0	0.0	1.0	1.0
		Senior Office Assistant	110	1.0	1.0	0.0	0.0
	Econ Dev	ED&C Manager	134	1.0	1.0	1.0	1.0
		Management Analyst	123	0.0	0.0	0.0	1.0
		Department Total (FTE)		**5.0**	**6.0**	**6.0**	**6.0**
LAW	Civil	Town Attorney	210	1.0	1.0	1.0	1.0
		Deputy Town Attorney	137	0.0	0.5	0.5	1.0
		Paralegal	117	1.0	1.0	1.0	1.0
	Prosecution	Deputy Town Attorney	137	1.0	0.5	0.5	0.0
		Legal Assistant	111	1.0	1.0	1.0	1.0
		Department Total (FTE)		**4.0**	**4.0**	**4.0**	**4.0**
TOWN CLERK	Tow n Clerk	Town Clerk	201	1.0	1.0	1.0	1.0
		Deputy Town Clerk	119	1.0	1.0	0.0	0.0
		Executive Assistant to Town Clerk	115	0.0	0.0	1.0	1.0
		Senior Office Assistant	110	1.0	1.0	1.0	1.0
		Office Assistant	101	1.0	1.0	1.0	1.0
	Comm	New Media Specialist	n/a	1.0	1.0	0.0	0.0
		Communications Coordinator	123	0.0	0.0	1.0	1.0
		Department Total (FTE)		**5.0**	**5.0**	**5.0**	**5.0**
FINANCE	Finance	Finance Director	206	1.0	1.0	1.0	1.0
		Finance Manager	136	1.0	1.0	1.0	1.0
		Accountant	118	1.0	1.0	1.0	1.0
		Accounting Specialist	110	2.0	2.0	2.0	3.0
	Technology	Technology Manager	136	1.0	1.0	1.0	1.0
		System Administrator	129	1.0	1.0	1.0	1.0
		Systems Technician	118	1.0	1.0	1.0	1.0
		Systems Technician/Analyst	123	0.0	0.0	0.0	1.0
		Department Total (FTE)		**8.0**	**8.0**	**8.0**	**10.0**
HUMAN RESOURCES		Human Resources Director	204	1.0	1.0	1.0	1.0
		Human Resources Analyst	122	1.0	1.0	1.0	1.0
		Department Total (FTE)		**2.0**	**2.0**	**2.0**	**2.0**

Department Staffing

DEPT	Div	Position	Pay Grade	2014 Amended	2015 Adopted	2015 Amended	2016 Budget
PLANNING & BUILDING	Planning & Zoning	Planning & Building Director	206	1.0	1.0	1.0	1.0
		Planning & Zoning Manager	136	0.0	1.0	1.0	1.0
		Senior Planner	n/a	1.0	0.0	0.0	0.0
		Planner	125	2.0	2.0	2.0	2.0
		Senior Office Assistant	110	1.0	1.0	1.0	1.0
		Office Assistant	101	0.4	0.0	0.0	0.0
	Building Safety	Building Safety Manager	136	1.0	1.0	1.0	1.0
		Chief Building Inspector	130	1.0	1.0	1.0	1.0
		Plans Examiner/Fire Inspector	123	1.0	1.0	1.0	1.0
		Plans Examiner/Building Inspector	123	2.0	2.0	2.0	2.0
		Senior Permit Technician	113	1.0	2.0	2.0	2.0
		Department Total (FTE)		**11.4**	**12.0**	**12.0**	**12.0**
PARKS & RECREATION	Admin	Parks & Recreation Director	204	1.0	1.0	1.0	1.0
		Special Events & Volunteer Coordinator	118	1.0	1.0	1.0	1.0
		Senior Office Assistant	110	1.0	1.0	1.0	1.0
		Recreation Aide	A	0.0	0.0	0.0	0.5
	Parks & Facilities Maintenance	Parks & Facilities Manager	126	1.0	1.0	1.0	1.0
		Parks Foreman	121	1.0	1.0	1.0	1.0
		Maintenance Worker	107	3.0	3.0	3.0	3.0
	Recreation	Recreation Programs Administrator	126	1.0	1.0	1.0	1.0
		Recreation Programmer	115	1.0	1.0	1.0	1.0
		Recreation Leader	102	1.3	1.3	1.3	1.1
		Office Assistant	101	1.0	1.0	1.0	1.0
		Recreation Aide	A	2.4	2.4	2.4	2.5
		Department Total (FTE)		**14.7**	**14.7**	**14.7**	**15.1**
POLICE		Police Chief	208	1.0	1.0	1.0	1.0
		Police Commander	306	2.0	2.0	2.0	2.0
		Police Sergeant	304	8.0	8.0	8.0	8.0
		Detective	302	3.0	3.0	3.0	3.0
		Police Officer	301	29.0	30.0	30.0	30.0
		Crime Analyst	118	1.0	1.0	1.0	1.0
		O&M Administrator	113	0.0	1.0	1.0	1.0
		Crime Scene Specialist	115	2.0	2.0	2.0	2.0
		Senior Office Assistant	110	4.0	3.0	3.0	3.0
		Department Total (FTE)		**50.0**	**51.0**	**51.0**	**51.0**
MUNICIPAL COURT		Town Magistrate	204	1.0	1.0	1.0	1.0
		Court Administrator	125	1.0	1.0	1.0	1.0
		Court Clerk	107	4.0	4.0	4.0	4.0
		Court Security Officer	105	2.0	2.0	2.0	2.0
		Department Total (FTE)		**8.0**	**8.0**	**8.0**	**8.0**

Department Staffing

DEPT	Div	Position	Pay Grade	2014 Amended	2015 Adopted	2015 Amended	2016 Budget
PUBLIC WORKS	Engineering	Public Works Director/Town Engineer	206	0.0	0.2	0.2	0.2
		Assistant Town Engineer	137	0.0	0.1	0.1	0.1
		Project Manager	129	2.1	2.3	2.1	2.1
		Management Analyst	123	0.3	0.0	0.0	0.0
		Senior Engineering Technician	118	0.3	0.3	0.2	0.2
		Engineering Technician	116	0.3	0.3	0.3	0.3
		O&M Administrator	113	0.3	0.3	0.3	0.3
		Senior Office Assistant	110	0.3	0.3	0.3	0.3
		Civil Engineer	133	0.0	0.0	0.1	0.1
		Construction Inspector	118	0.0	0.0	0.1	0.1
		Senior Construction Manager	n/a	0.1	0.0	0.0	0.0
	Facilities	Maintenance Worker	107	1.0	1.0	1.0	1.0
		Department Total (FTE)		**4.5**	**4.5**	**4.5**	**4.5**
STREETS		Public Works Director/Town Engineer	206	0.7	0.5	0.5	0.5
		Assistant Town Engineer	137	0.5	0.7	0.7	0.7
		Civil Engineer	118	1.0	1.0	0.9	0.9
		Senior Construction Manager	131	0.9	0.0	0.0	0.0
		Project Manager	123	1.3	1.4	1.6	1.6
		Streets Superintendent	127	1.0	1.0	1.0	1.0
		Management Analyst	123	0.5	0.0	0.0	0.0
		Senior Engineering Technician	116	0.8	1.8	1.3	1.3
		Construction Inspector	n/a	0.5	0.5	0.8	0.8
		Public Works Foreman	121	1.0	1.0	1.0	1.0
		Engineering Technician	113	1.7	0.8	0.8	0.8
		O&M Administrator	110	0.6	0.6	0.6	0.6
		Engineering Aide	113	1.0	1.0	1.0	1.0
		Senior Maintenance Worker	112	2.0	2.0	2.0	2.0
		Senior Office Assistant	133	0.6	0.6	0.6	0.6
		Department Total (FTE)		**14.0**	**12.7**	**12.7**	**12.7**
WASTEWATER UTILITY		Public Works Director/Town Engineer	206	0.1	0.3	0.3	0.3
		Assistant Town Engineer	137	0.5	0.3	0.3	0.3
		Project Manager	123	0.6	0.4	0.3	0.3
		Plant Operator Supervisor	128	1.0	1.0	1.0	1.0
		Management Analyst	123	0.3	0.0	0.0	0.0
		Senior Engineering Technician	116	0.0	0.0	0.5	0.5
		Construction Inspector	n/a	0.5	0.5	0.1	0.1
		Senior Plant Operator	119	2.0	2.0	2.0	2.0
		Plant Mechanic	115	1.0	1.0	1.0	1.0
		Plant Operator	115	1.0	1.0	1.0	1.0
		O&M Administrator	110	0.2	0.2	0.2	0.2
		Senior Office Assistant	133	0.2	0.2	0.2	0.2
		Department Total (FTE)		**7.3**	**6.9**	**6.9**	**6.9**
		TOWN FTE TOTAL		**133.9**	**134.7**	**134.7**	**137.1**

Department Staffing

Summary

Full-Time Equivalent (FTE)

DEPARTMENT	FY 2014 Adopted FTE	FY 2014 Amended FTE	FY 2015 Change FTE	FY 2015 Adopted FTE	FY 2016 Change FTE	FY 2016 Adopted FTE
Mayor and Council	-	-	-	-	-	-
Town Manager	5.3	5.0	1.0	6.0	-	6.0
Law	4.0	4.0	-	4.0	-	4.0
Town Clerk	3.6	5.0	-	5.0	-	5.0
Finance	8.0	8.0	-	8.0	2.0	10.0
Human Resources	2.0	2.0	-	2.0	-	2.0
Planning and Building	11.4	11.4	0.6	12.0	-	12.0
Parks and Recreation	15.1	14.7	-	14.7	0.4	15.1
Public Works	4.5	4.5	-	4.5	-	4.5
Police	50.0	50.0	1.0	51.0	-	51.0
Municipal Court	8.0	8.0	-	8.0	-	8.0
Streets	14.0	14.0	(1.3)	12.7	-	12.7
Wastewater	7.3	7.3	(0.5)	6.9	-	6.9
TOTALS	**133.1**	**133.9**	**1.0**	**134.7**	**2.4**	**137.1**

Number of Personnel

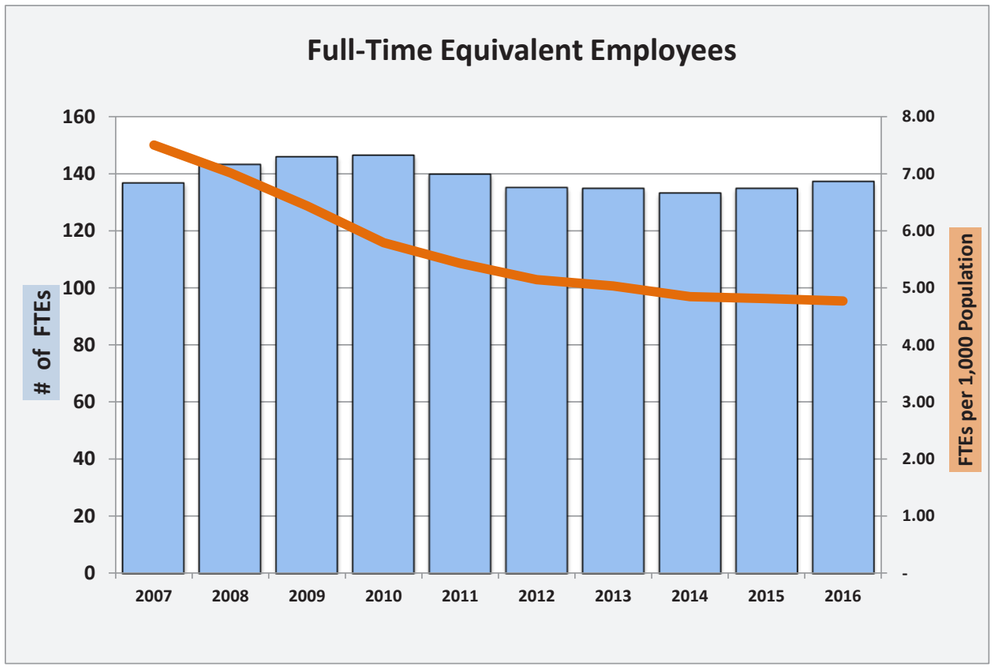
DEPARTMENT	FY 2014 Adopted HEAD COUNT	FY 2014 Amended HEAD COUNT	FY 2015 Change HEAD COUNT	FY 2015 Adopted HEAD COUNT	FY 2016 Change HEAD COUNT	FY 2016 Adopted HEAD COUNT
Mayor and Council	7	7	0	7	0	7
Town Manager	6	6	0	6	0	6
Law	4	4	0	4	0	4
Town Clerk	5	5	0	5	0	5
Finance	8	8	0	8	2	10
Human Resources	2	2	0	2	0	2
Planning and Building	12	12	0	12	0	12
Parks and Recreation	21	21	-2	19	1	20
Public Works*	26	26	-2	24	-1	23
Police	51	51	0	51	0	51
Municipal Court	8	8	0	8	0	8
Streets	*	*	*	*	*	*
Wastewater	*	*	*	*	*	*
TOTALS	**150**	**150**	**-4**	**146**	**2**	**148**

* For head count, Streets and Wastewater employees were included in Public Works.

Department Staffing

Town Staffing - Last Ten Years

FY	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
FTEs	136.6	143.1	145.8	146.3	139.6	135.0	134.7	133.1	134.7	137.1
Change	26.9	6.5	2.7	0.5	(6.7)	(4.6)	(0.3)	(1.6)	1.6	2.4
Population	18,199	20,393	22,650	25,259	25,722	26,244	26,772	27,476	28,006	28,753
FTE / 1,000	7.50	7.02	6.44	5.79	5.43	5.14	5.03	4.84	4.81	4.77



Department Staffing

Town Government Employees by Function

	Full-time Equivalent Employees									
Function/Department/Division	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
General Government										
Mayor & Council (7 seats)	-	-	-	-	-	-	-	-	-	
Town Manager										
Administration	4.0	5.0	5.0	5.0	4.0	3.3	3.3	3.3	5.0	4.0
Human Resources	2.0	2.0	-	-	-	-	-	-	-	-
Economic Development	2.0	3.0	2.0	3.0	3.0	3.0	3.0	2.0	1.0	2.0
Law	2.0	2.0	3.0	4.0	4.0	-	-	-	-	-
Civil	-	-	-	-	-	2.0	2.0	2.0	2.5	3.0
Prosecution	-	-	-	-	-	2.0	2.0	2.0	1.5	1.0
Town Clerk										
Town Clerk	3.0	3.0	3.0	3.0	3.5	3.4	3.4	3.6	4.0	4.0
Communications	-	-	-	-	-	-	-	-	1.0	1.0
Finance										
Finance	4.0	4.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0
Technology	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Human Resources	-	-	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning & Building-Planning & Zoning	4.0	5.0	5.0	4.6	4.6	4.6	5.2	5.4	5.0	5.0
Public Works-Facilities	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Municipal Court	8.0	8.0	9.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
General Government Total	31.0	36.5	38.0	38.6	38.1	37.3	37.9	37.3	39.0	41.0
Public Safety										
Planning & Building-Building Safety	20.0	15.0	12.0	10.8	7.0	7.0	6.0	6.0	7.0	7.0
Public Works-Engineering	-	5.0	3.9	3.9	3.8	3.2	3.5	3.5	3.5	3.5
Police Dept	42.0	46.0	51.0	55.2	52.4	50.9	51.0	50.0	51.0	51.0
Public Safety Total	62.0	66.0	66.9	69.9	63.2	61.1	60.5	59.5	61.5	61.5
Culture & Recreation										
Parks & Recreation										
Administration	4.0	4.0	4.0	2.0	2.0	2.0	2.0	2.0	3.0	3.5
Community Outreach	-	-	1.0	-	-	-	-	-	-	-
Maintenance	7.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Recreation	8.6	8.6	7.8	8.1	8.1	8.1	8.1	8.1	6.7	6.6
Culture & Recreation Total	19.6	18.6	17.8	15.1	15.1	15.1	15.1	15.1	14.7	15.1
Highways & Streets										
Public Works	10.0	-	-	-	-	-	-	-	-	-
Streets	8.0	13.0	13.6	14.5	15.1	13.5	14.0	14.0	12.7	12.7
Highways & Streets Total	18.0	13.0	13.6	14.5	15.1	13.5	14.0	14.0	12.7	12.7
Sewer										
Wastewater Utility	6.0	9.0	9.5	8.2	8.2	8.0	7.3	7.3	6.9	6.9
Total	136.6	143.1	145.8	146.3	139.6	135.0	134.7	133.1	134.7	137.1

Department Staffing

Pay Grade/Salary Range Table

Pay Grade	Minimum	Midpoint	Maximum
A	$ 20,797.14	$ 24,436.64	$ 28,076.14
101	$ 25,336.00	$ 31,036.60	$ 36,737.20
102	$ 26,096.08	$ 31,967.70	$ 37,839.32
103	$ 26,878.97	$ 32,926.73	$ 38,974.50
104	$ 27,685.33	$ 33,914.53	$ 40,143.74
105	$ 28,515.89	$ 34,931.97	$ 41,348.05
106	$ 29,371.37	$ 35,979.93	$ 42,588.49
107	$ 30,252.51	$ 37,059.33	$ 43,866.14
108	$ 31,160.09	$ 38,171.11	$ 45,182.13
109	$ 32,094.89	$ 39,316.24	$ 46,537.59
110	$ 33,057.74	$ 40,495.73	$ 47,933.72
111	$ 34,049.47	$ 41,710.60	$ 49,371.73
112	$ 35,070.95	$ 42,961.92	$ 50,852.88
113	$ 36,123.08	$ 44,250.78	$ 52,378.47
114	$ 37,206.77	$ 45,578.30	$ 53,949.82
115	$ 38,322.98	$ 46,945.65	$ 55,568.32
116	$ 39,472.67	$ 48,354.02	$ 57,235.37
117	$ 40,656.85	$ 49,804.64	$ 58,952.43
118	$ 41,876.55	$ 51,298.78	$ 60,721.00
119	$ 43,132.85	$ 52,837.74	$ 62,542.63
120	$ 44,426.83	$ 54,422.87	$ 64,418.91
121	$ 45,759.64	$ 56,055.56	$ 66,351.48
122	$ 47,132.43	$ 57,737.23	$ 68,342.02
123	$ 48,546.40	$ 59,469.34	$ 70,392.28
124	$ 50,002.79	$ 61,253.42	$ 72,504.05
125	$ 51,502.88	$ 63,091.03	$ 74,679.17
126	$ 53,047.96	$ 64,983.76	$ 76,919.55
127	$ 54,639.40	$ 66,933.27	$ 79,227.13
128	$ 56,278.58	$ 68,941.27	$ 81,603.95
129	$ 57,966.94	$ 71,009.50	$ 84,052.07
130	$ 59,705.95	$ 73,139.79	$ 86,573.63

Grade	Minimum	Midpoint	Maximum
131	$ 61,497.13	$ 75,333.98	$ 89,170.84
132	$ 63,342.04	$ 77,594.00	$ 91,845.96
133	$ 65,242.30	$ 79,921.82	$ 94,601.34
134	$ 67,199.57	$ 82,319.48	$ 97,439.38
135	$ 69,215.56	$ 84,789.06	$ 100,362.56
136	$ 71,292.03	$ 87,332.73	$ 103,373.44
137	$ 74,031.89	$ 89,952.72	$ 107,346.24
201	$ 77,959.02	$ 93,550.82	$ 109,142.63
202	$ 81,077.38	$ 97,292.86	$ 113,508.33
203	$ 84,320.48	$ 101,184.57	$ 118,048.67
204	$ 87,693.30	$ 105,231.95	$ 122,770.61
205	$ 91,201.03	$ 109,441.23	$ 127,681.44
206	$ 94,849.07	$ 113,818.88	$ 132,788.70
207	$ 98,643.03	$ 118,371.64	$ 138,100.24
208	$ 102,588.75	$ 123,106.50	$ 143,624.25
209	$ 106,692.30	$ 128,030.76	$ 149,369.22
210	$ 110,959.99	$ 133,151.99	$ 155,343.99
211	$ 115,398.39	$ 138,478.07	$ 161,557.75
212	$ 120,014.33	$ 144,017.20	$ 168,020.06
213	$ 124,814.90	$ 149,777.88	$ 174,740.86
214	$ 129,807.50	$ 155,769.00	$ 181,730.50
215	$ 134,999.80	$ 161,999.76	$ 188,999.72
301	$ 45,759.64	$ 56,055.56	$ 66,351.48
302	$ 48,505.22	$ 59,418.89	$ 70,332.57
303	$ 52,385.64	$ 64,172.40	$ 75,959.17
304	$ 59,894.24	$ 71,873.09	$ 83,851.94
305	$ 68,279.44	$ 81,935.32	$ 95,591.21
306	$ 80,192.02	$ 94,225.62	$ 108,259.23

DEPARTMENT HISTORY OF OPERATING EXPENDITURES BY SOURCE

DEPT	Categories	2014 Actual Amount	2015 Budget Adopted	2015 Budget Amended	2015 Estimated Actual	2016 Budget Amount
MAYOR & COUNCIL	General Fund	$ 117,021	$ 120,320	$ 120,320	$ 123,720	$ 114,390
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	-
	Other	-	-	-	-	-
	Department Total	**$ 117,021**	**$ 120,320**	**$ 120,320**	**$ 123,720**	**$ 114,390**
TOWN MANAGER	General Fund	$ 476,227	$ 803,360	$ 803,360	$ 729,680	$ 710,370
	GARS	-	-	92,100	77,100	15,000
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	-
	Other	-	-	-	-	-
	Department Total	**$ 476,227**	**$ 803,360**	**$ 895,460**	**$ 806,780**	**$ 725,370**
LAW	General Fund	$ 496,343	$ 583,720	$ 583,720	$ 575,310	$ 565,160
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	-
	Other	-	-	-	-	-
	Department Total	**$ 496,343**	**$ 583,720**	**$ 583,720**	**$ 575,310**	**$ 565,160**
TOWN CLERK	General Fund	$ 361,227	$ 492,320	$ 492,320	$ 381,840	$ 536,410
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	-
	Other	-	-	-	-	-
	Department Total	**$ 361,227**	**$ 492,320**	**$ 492,320**	**$ 381,840**	**$ 536,410**
FINANCE	General Fund	$ 968,312	$ 1,101,550	$ 1,101,550	$ 1,097,960	$ 1,233,260
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	51,356	245,000	245,000	250,000	235,000
	Other (Wastewater)	-	-	-	-	278,600
	Department Total	**$ 1,019,668**	**$ 1,346,550**	**$ 1,346,550**	**$ 1,347,960**	**$ 1,746,860**
HUMAN RESOURCES	General Fund	$ 196,047	$ 247,350	$ 247,350	$ 191,680	$ 234,190
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	13,000
	Other	-	-	-	-	-
	Department Total	**$ 196,047**	**$ 247,350**	**$ 247,350**	**$ 191,680**	**$ 247,190**
PLANNING & BUILDING	General Fund	$ 1,129,820	$ 1,227,190	$ 1,227,190	$ 1,181,910	$ 1,185,870
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	35,000	35,000	27,550	-
	Other	-	-	-	-	-
	Department Total	**$ 1,129,820**	**$ 1,262,190**	**$ 1,262,190**	**$ 1,209,460**	**$ 1,185,870**

DEPT	Categories	2014 Actual Amount	2015 Budget Adopted	2015 Budget Amended	2015 Estimated Actual	2016 Budget Amount
PARKS & RECREATION	General Fund	$ 1,269,961	$ 1,491,050	$ 1,491,050	$ 1,387,850	$ 1,598,570
	GARS	19,406	14,000	14,000	20,050	20,000
	QCCFD	35,420	39,060	39,060	39,060	31,020
	RSCFD	-	-	-	-	-
	CIIF	36,170	178,250	178,250	214,930	40,000
	Other	-	-	-	-	-
	Department Total	**$ 1,360,956**	**$ 1,722,360**	**$ 1,722,360**	**$ 1,661,890**	**$ 1,689,590**
PUBLIC WORKS	General Fund	$ 731,975	$ 845,770	$ 845,770	$ 812,920	$ 924,870
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	17,074	223,780	223,780	114,730	137,000
	Other	-	-	-	-	-
	Department Total	**$ 749,049**	**$ 1,069,550**	**$ 1,069,550**	**$ 927,650**	**$ 1,061,870**
POLICE	General Fund	$ 4,948,439	$ 5,828,010	$ 5,828,010	$ 5,528,920	$ 5,963,900
	GARS	486,455	1,164,180	1,164,180	350,620	960,470
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	473,840	414,000	414,000	355,000	374,100
	Other	-	-	-	-	-
	Department Total	**$ 5,908,734**	**$ 7,406,190**	**$ 7,406,190**	**$ 6,234,540**	**$ 7,298,470**
MUNICIPAL COURT	General Fund	$ 523,725	$ 555,190	$ 555,190	$ 539,210	$ 575,440
	GARS	5,228	-	28,000	28,000	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	-
	Other	-	-	-	-	-
	Department Total	**$ 528,954**	**$ 555,190**	**$ 583,190**	**$ 567,210**	**$ 575,440**
STREETS	General Fund	$ -	$ -	$ -	$ -	$ -
	GARS	-	-	-	-	-
	QCCFD	18,501	18,320	18,320	19,450	21,880
	RSCFD	-	-	-	-	-
	CIIF	-	155,000	155,000	155,000	-
	Other (HURF)	1,738,907	1,778,510	1,778,510	1,782,740	2,043,990
	Department Total	**$ 1,757,408**	**$ 1,951,830**	**$ 1,951,830**	**$ 1,957,190**	**$ 2,065,870**
WASTEWATER UTILITY	General Fund	$ -	$ -	$ -	$ -	$ -
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	-	-	-	-	-
	CIIF	-	-	-	-	-
	Other (Wastewater)	1,234,894	1,381,220	1,381,220	1,659,930	1,424,670
	Department Total	**$ 1,234,894**	**$ 1,381,220**	**$ 1,381,220**	**$ 1,659,930**	**$ 1,424,670**
NON - DEPARTMENT	General Fund	$ 108,998	$ 102,850	$ 102,850	$ 178,720	$ 232,720
	GARS	-	-	-	-	-
	QCCFD	-	-	-	-	-
	RSCFD	301	-	-	1,000	1,050
	CIIF	-	27,000	27,000	-	50,000
	Other	-	-	-	-	-
	Department Total	**$ 109,298**	**$ 129,850**	**$ 129,850**	**$ 179,720**	**$ 283,770**

DEPARTMENT HISTORY OF OPERATING EXPENDITURES BY DEPT CATEGORY

DEPT	Categories	2014 Actual Amount	2015 Budget Adopted	2015 Budget Amended	2015 Estimated Actual	2016 Budget Amount
MAYOR & COUNCIL	Personnel	$ 62,549	$ 58,670	$ 58,670	$ 64,810	$ 59,240
	Services	4	-	-	-	-
	Supplies	3,661	5,650	5,650	4,910	4,550
	Other	50,808	56,000	56,000	54,000	50,600
	Capital	-	-	-	-	-
	Department Total	**$ 117,021**	**$ 120,320**	**$ 120,320**	**$ 123,720**	**$ 114,390**
TOWN MANAGER	Personnel	$ 435,297	$ 614,030	$ 614,030	$ 575,180	$ 636,220
	Services	15,052	145,780	165,403	117,640	18,300
	Supplies	5,006	12,590	85,067	86,220	28,000
	Other	20,871	30,960	30,960	27,740	42,850
	Capital	-	-	-	-	-
	Department Total	**$ 476,227**	**$ 803,360**	**$ 895,460**	**$ 806,780**	**$ 725,370**
LAW	Personnel	$ 423,377	$ 440,720	$ 440,720	$ 440,610	$ 457,610
	Services	47,378	100,400	100,400	96,900	75,400
	Supplies	16,093	18,850	18,850	17,500	14,700
	Other	9,495	23,750	23,750	20,300	17,450
	Capital	-	-	-	-	-
	Department Total	**$ 496,343**	**$ 583,720**	**$ 583,720**	**$ 575,310**	**$ 565,160**
TOWN CLERK	Personnel	$ 258,661	$ 353,240	$ 353,240	$ 241,100	$ 363,440
	Services	72,559	108,950	108,950	98,780	132,510
	Supplies	17,325	13,310	13,310	29,710	24,140
	Other	12,682	16,820	16,820	12,250	16,320
	Capital	-	-	-	-	-
	Department Total	**$ 361,227**	**$ 492,320**	**$ 492,320**	**$ 381,840**	**$ 536,410**
FINANCE	Personnel	$ 506,051	$ 609,690	$ 609,690	$ 569,470	$ 748,840
	Services	196,803	215,390	215,390	257,290	371,430
	Supplies	26,317	21,570	21,570	21,290	75,600
	Other	239,142	254,900	254,900	249,910	315,990
	Capital	51,356	245,000	245,000	250,000	235,000
	Department Total	**$ 1,019,668**	**$ 1,346,550**	**$ 1,346,550**	**$ 1,347,960**	**$ 1,746,860**
HUMAN RESOURCES	Personnel	$ 176,930	$ 185,270	$ 185,270	$ 140,440	$ 208,470
	Services	13,088	54,120	54,120	44,020	14,950
	Supplies	5,413	5,490	5,490	4,650	3,490
	Other	615	2,470	2,470	2,570	7,280
	Capital	-	-	-	-	13,000
	Department Total	**$ 196,047**	**$ 247,350**	**$ 247,350**	**$ 191,680**	**$ 247,190**
PLANNING & BUILDING	Personnel	$ 929,049	$ 1,037,190	$ 1,037,190	$ 995,130	$ 1,100,840
	Services	171,132	159,400	159,400	152,570	51,230
	Supplies	15,620	13,960	13,960	16,970	16,100
	Other	14,019	16,640	16,640	17,240	17,700
	Capital	-	35,000	35,000	27,550	-
	Department Total	**$ 1,129,820**	**$ 1,262,190**	**$ 1,262,190**	**$ 1,209,460**	**$ 1,185,870**

DEPT	Categories	2014 Actual Amount	2015 Budget Adopted	2015 Budget Amended	2015 Estimated Actual	2016 Budget Amount
PARKS & RECREATION	Personnel	$ 768,290	$ 836,360	$ 836,360	$ 802,530	$ 892,370
	Services	402,610	456,920	456,920	431,870	491,520
	Supplies	94,959	126,220	126,220	121,060	119,540
	Other	59,406	124,610	124,610	91,500	146,160
	Capital	35,691	178,250	178,250	214,930	40,000
	Department Total	**$ 1,360,956**	**$ 1,722,360**	**$ 1,722,360**	**$ 1,661,890**	**$ 1,689,590**
PUBLIC WORKS	Personnel	$ 343,613	$ 374,680	$ 374,680	$ 377,990	$ 400,280
	Services	374,538	423,580	423,580	420,280	471,610
	Supplies	24,077	38,400	38,400	38,860	43,100
	Other	6,821	9,110	9,110	8,760	9,880
	Capital	-	223,780	223,780	81,760	137,000
	Department Total	**$ 749,049**	**$ 1,069,550**	**$ 1,069,550**	**$ 927,650**	**$ 1,061,870**
POLICE	Personnel	$ 4,403,637	$ 5,224,100	$ 5,224,100	$ 4,774,430	$ 5,483,500
	Services	495,825	658,670	658,670	505,000	624,110
	Supplies	346,479	739,020	739,020	333,180	462,180
	Other	75,564	102,750	102,750	109,870	133,790
	Capital	587,229	681,650	681,650	512,060	594,890
	Department Total	**$ 5,908,734**	**$ 7,406,190**	**$ 7,406,190**	**$ 6,234,540**	**$ 7,298,470**
MUNICIPAL COURT	Personnel	$ 474,115	$ 490,820	$ 490,820	$ 485,910	$ 516,900
	Services	8,259	16,470	16,470	9,930	12,050
	Supplies	22,696	23,600	51,600	51,080	22,840
	Other	21,619	24,300	24,300	20,290	23,650
	Capital	2,266	-	-	-	-
	Department Total	**$ 528,954**	**$ 555,190**	**$ 583,190**	**$ 567,210**	**$ 575,440**
STREETS	Personnel	$ 515,105	$ 606,750	$ 606,750	$ 606,220	$ 639,880
	Services	756,890	784,180	784,180	786,390	968,390
	Supplies	138,807	186,600	186,600	193,700	194,300
	Other	173,610	210,700	210,700	210,880	256,300
	Capital	172,996	163,600	163,600	160,000	7,000
	Department Total	**$ 1,757,408**	**$ 1,951,830**	**$ 1,951,830**	**$ 1,957,190**	**$ 2,065,870**
WASTEWATER UTILITY	Personnel	$ 553,906	$ 535,740	$ 535,740	$ 573,380	$ 562,980
	Services	399,243	497,810	497,810	619,160	463,900
	Supplies	100,302	110,540	110,540	227,540	114,960
	Other	181,443	237,130	237,130	239,850	282,830
	Capital	-	-	-	-	-
	Department Total	**$ 1,234,894**	**$ 1,381,220**	**$ 1,381,220**	**$ 1,659,930**	**$ 1,424,670**
NON - DEPARTMENT	Personnel	$ -	$ -	$ -	$ -	$ -
	Services	39,941	25,150	25,150	73,910	135,020
	Supplies	2,712	3,200	3,200	2,810	3,200
	Other	66,646	74,500	74,500	103,000	95,550
	Capital	-	27,000	27,000	-	50,000
	Department Total	**$ 109,298**	**$ 129,850**	**$ 129,850**	**$ 179,720**	**$ 283,770**

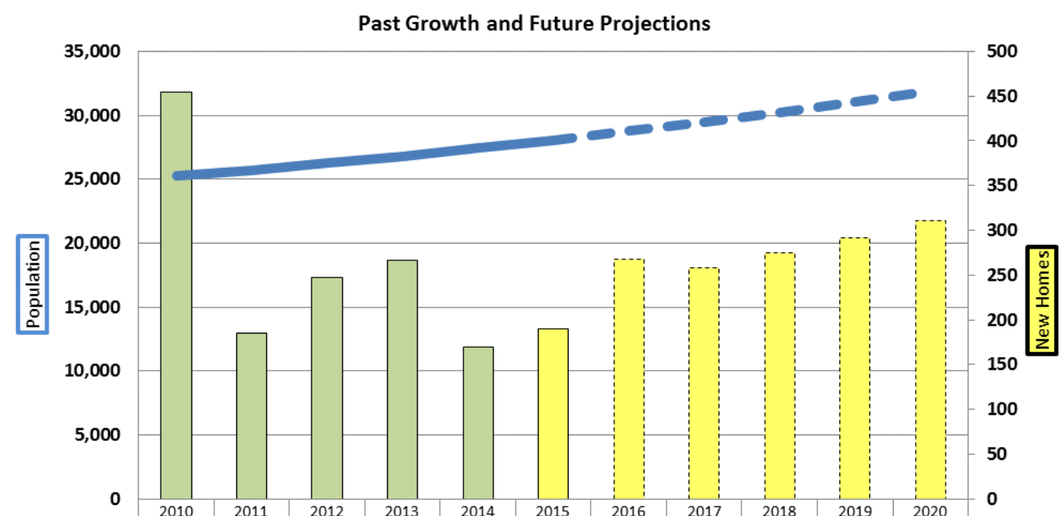
General Planning

5 Year Plan

In order to develop a budget and to ensure that the Town continues to remain on excellent financial footing, a five year plan is evaluated and updated each year. As with any planning tool, this document uses estimates and expectations to project future results. In order to achieve accurate results, the plan must accurately identify the elements which drive results. While it may be simplistic to identify revenues as the driving force behind our five year plan, it is an essential first step. Without changes to the tax rate or structure, revenues are largely outside the control of the Town. Conversely, determining what services the Town will provide—and thereby establishing budget levels—are under the control of the Town Council. These budgeted expenditure levels are typically established only after revenue forecasts are determined, to see what can be afforded.

The following assumptions were used in developing the five year financial plan:

- The base year for forecasts is the budget for fiscal year 2015
- The economic recovery will occur slowly
- Inflationary factors were included in projections
- There will be a limited amount of retail development over time frame
- Unless noted elsewhere, there will be no changes to operational service levels
- Personnel costs increase over time more than other costs due to merit increases and rising costs for health insurance and retirement contributions
- Implementation and fulfillment of five year Capital Improvement Plan
- No changes to tax rates or structure
- No changes to fees or fee structures unless noted
- No changes in policies and procedures
- No changes in legislation that would impact Town finances



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
New Homes	454	185	247	267	169	190	268	258	275	292	311
Population	25,259	25,722	26,244	26,772	27,476	28,006	28,753	29,472	30,238	31,054	31,923
% Change	11.5%	1.8%	2.0%	2.0%	2.6%	2.0%	2.7%	2.5%	2.6%	2.7%	2.8%

5 Year Plan

The approach used in developing the five year financial plan is consistent with the methods used to develop the 2015 budget. In order to produce forecasts that are reasonably conservative, numerous scenarios are considered and evaluated, including best and worst cases. The extreme cases are interesting to consider but would likely lead to irrational decisions. We ultimately reach and agree on forecasts that are somewhere between the extremes but, in our best judgment, have more upside than downside to them.

All financial forecasts produced by the Town implement the same philosophy:

- ☐ We exist for the betterment of our residents. Therefore, we will maintain foundational service levels in core functions.
- ☐ We will live within our means.
- ☐ We will pay our debt obligations
- ☐ We will use a performance measurement program to measure and improve our effectiveness and efficiency.
- ☐ We will maintain healthy reserves in the General Fund.

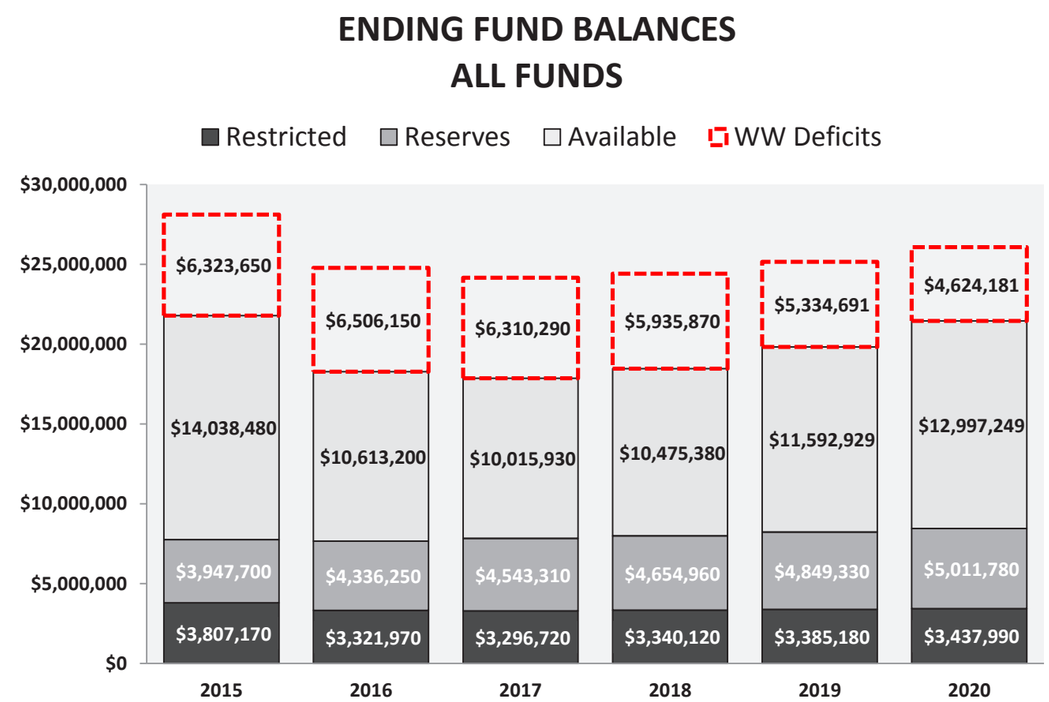
Numerous resources are used to develop the forecasts:

- ☐ External Resources
  - League of Arizona Cities and Towns
  - Joint Legislative Budget Committee
  - Arizona Department of Revenue
  - Arizona Department of Transportation
  - Office of the Arizona State Treasurer
  - University of Arizona Eller College of Management
  - Arizona State University W.P. Carey School of Business
  - Government Finance Officers Association
  - Governmental Accounting Standards Board
  - Local developers'growth projections
- ☐ Internal Resources
  - Finance and Investment Advisory Committee
  - Town Council/departments/staff
  - Existing plans and policies
- ☐ Tools and Techniques
  - Regression analysis
  - Ratio analysis
  - Trend analysis
  - FISCALS application

5 Year Plan

The focus of the Town's appropriated funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, available fund balances serve as a useful measure of a government's net resources available for spending at the end of a particular fiscal year.

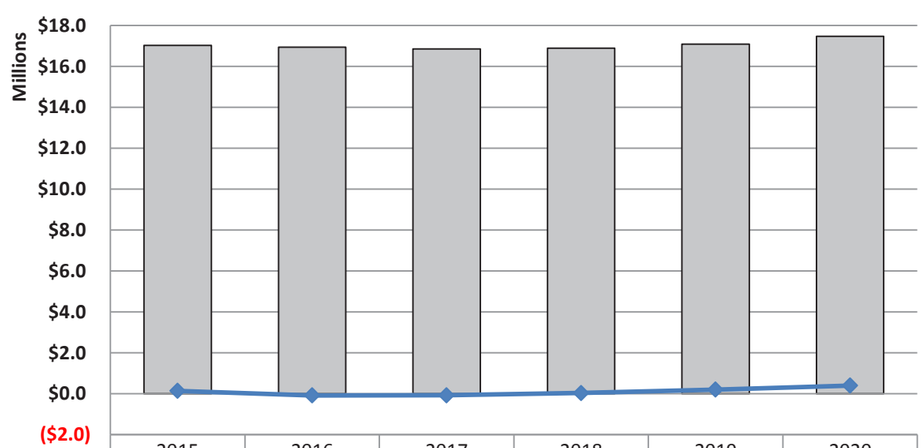
The following summarizes Town activity over the next five years, by charting ending fund balances for all funds in the aggregate. The black area represents balances that are contractually restricted for specific purposes. The Town has established policies to set aside fund balances for stabilization reserves. These are shown in dark gray. The light gray areas represent balances over-and-above the restricted and commitment levels and are generally available for Council purposes. The chart also shows how much greater fund balances would have been had there been no deficits in the Wastewater Fund. This area is boxed in red dashes.



GENERAL FUND SUMMARY

- Revenues will grow 22% between 2016 and 2020.
- Expenditures will increase 17% between 2016 and 2020.
- Revenues will be greater than expenditures in each year.
- Transfers out to the Quail Creek CFD Fund will be needed to pay a portion of the costs associated with operating and maintaining the district park, averaging $16,000 annually.
- Transfers out to the Wastewater Fund, averaging $420,000 annually, will be used to acquire recharge credits. Over this timeframe, the General Fund will have accumulated nearly 5,700 credits with an estimated market value of $3.44 million.
- The Wastewater Fund is expected to pay back some of the advance from the General Fund, reducing the nonspendable fund balances by $941,000 by 2020.
- The Fund will commit operating reserves, averaging $908,000 annually, for other funds that are unable to do so.
- Unassigned ending balances will average $8.38 million annually.
- Total ending fund balances will increase by 3.1% between 2016 and 2020.

GENERAL FUND



	2015	2016	2017	2018	2019	2020
Ending Balances	$17,024,940	$16,937,540	$16,853,030	$16,878,570	$17,075,890	$17,465,440
Annual Change	$134,240	$(87,400)	$(84,510)	$25,540	$197,320	$389,550

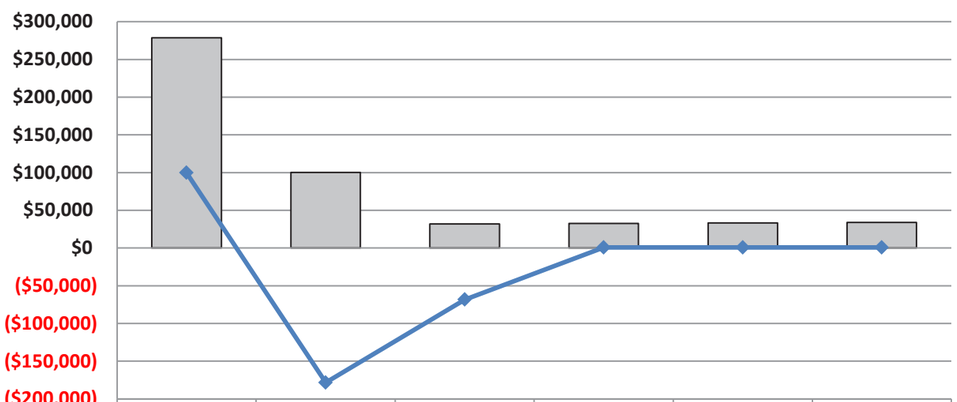
General Fund

Sources and Uses of Funds

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
REVENUES:						
Taxes						
Sales taxes	$ 4,706,280	$ 4,820,850	$ 4,975,150	$ 5,178,440	$ 5,575,720	$ 5,964,490
Franchise taxes	310,310	318,660	326,700	335,270	344,400	354,120
Licenses and Permits	970,220	1,032,820	1,010,740	1,048,960	1,087,170	1,129,830
Intergovernmental						
State shared sales taxes	2,290,100	2,372,540	2,597,540	2,743,000	2,880,150	3,024,160
State shared income taxes	3,057,570	3,041,180	3,279,160	3,381,250	3,518,200	3,672,050
State shared vehicle license taxes	1,000,540	1,038,340	1,149,020	1,214,520	1,284,530	1,360,190
Charges for Services						
Indirect cost recovery	632,270	669,040	656,590	686,450	739,200	651,530
Development fees	50,000	98,930	95,240	101,510	107,790	114,800
Recreation fees	129,540	135,230	140,710	146,550	152,770	159,390
Other	4,180	5,000	5,000	5,000	5,000	5,000
Fines and fees	264,960	271,640	278,070	284,920	292,220	299,990
Investment Earnings	130,000	228,180	311,310	320,530	334,800	352,060
Miscellaneous	48,500	61,050	60,000	60,000	60,000	60,000
Subtotal: Revenues	13,594,470	14,093,460	14,885,230	15,506,400	16,381,950	17,147,610
OTHER SOURCES:						
Transfers Out to Wastewater	(699,540)	(285,310)	(438,880)	(448,520)	(458,380)	(467,780)
Transfers Out to QC CFD	(30,970)	(20,400)	(18,880)	(16,380)	(13,830)	(10,810)
Subtotal: Other Sources	(730,510)	(305,710)	(457,760)	(464,900)	(472,210)	(478,590)
BEGINNING FUND BALANCES:						
Nonspendable	1,579,650	2,329,650	3,262,940	3,165,020	2,977,800	2,677,211
Committed	3,947,700	4,336,250	4,543,310	4,654,960	4,849,330	5,011,780
Unassigned	11,363,350	10,359,040	9,131,290	9,033,050	9,051,440	9,386,899
Subtotal: Beginning Fund Balances	16,890,700	17,024,940	16,937,540	16,853,030	16,878,570	17,075,890
TOTAL SOURCES	$ 29,754,660	$ 30,812,690	$ 31,365,010	$ 31,894,530	$ 32,788,310	$ 33,744,910
USES						
CURRENT EXPENDITURES:						
Departmental Expenditures	$ 12,729,720	$ 13,875,150	$ 14,511,980	$ 15,015,960	$ 15,712,420	$ 16,279,470
Subtotal: Current Expenditures	12,729,720	13,875,150	14,511,980	15,015,960	15,712,420	16,279,470
ENDING FUND BALANCES:						
Nonspendable	2,329,650	3,262,940	3,165,020	2,977,800	2,677,211	2,321,961
Committed for Reserves	3,947,700	4,336,250	4,543,310	4,654,960	4,849,330	5,011,780
Assigned for Contingencies	100,000	100,000	100,000	100,000	100,000	100,000
Assigned for Asset Maintenance	250,000	500,000	750,000	1,000,000	1,250,000	1,500,000
Unassigned	10,397,590	8,738,350	8,294,700	8,145,810	8,199,349	8,531,699
Subtotal: Ending Fund Balances	17,024,940	16,937,540	16,853,030	16,878,570	17,075,890	17,465,440
TOTAL USES	$ 29,754,660	$ 30,812,690	$ 31,365,010	$ 31,894,530	$ 32,788,310	$ 33,744,910

HIGHWAY USER REVENUE FUND SUMMARY

- Remaining Local Transportation Assistance Funds (LTAF), accumulated in prior years, will be spent in 2016. These funds will not be available in the future.
- Aging infrastructure will drive costs higher over time. New roadways will also add to the total number of lane miles requiring maintenance and add to future costs as well.
- Ending balances, averaging $46,000 thousand annually, are restricted for transportation purposes.
- Ending balances will not be sufficient to cover the operating reserves required by policy. The deficiency will average $480,000 annually and be reserved by the General Fund.



	2015	2016	2017	2018	2019	2020
Ending Balances	$278,670	$100,320	$31,940	$32,630	$33,360	$34,110
Annual Change	$99,670	$(178,350)	$(68,380)	$690	$730	$750

Highway User Revenue Fund (HURF) Special Revenue Fund

Sources and Uses of Funds

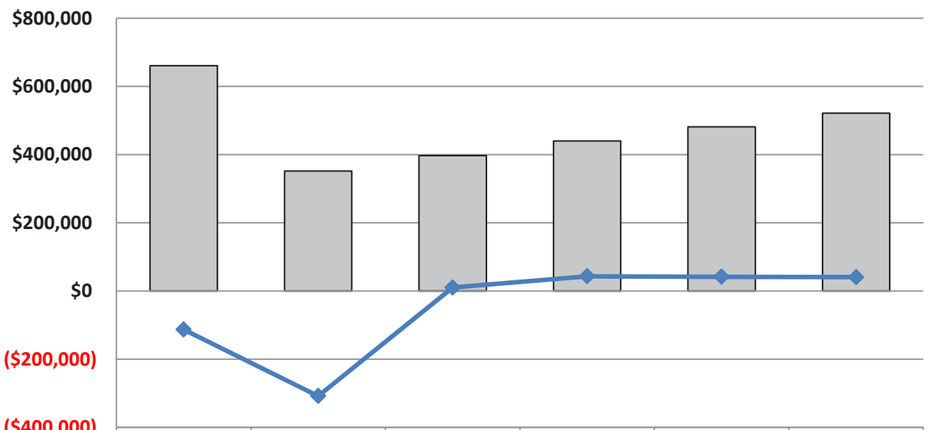
HIGHWAY USER REVENUE FUND (HURF) SPECIAL REVENUE FUND

SOURCES AND USES OF FUNDS

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
REVENUES:						
Intergovernmental						
HURF	$ 1,804,880	1,838,770	2,022,260	2,026,470	2,096,480	2,170,170
PAG (Youth Art)	25,000	25,000	25,000	25,000	25,000	25,000
Capital grants						
State HURF	1,700,600	3,600,000	1,860,000	355,000	-	-
Investment Earnings	1,690	1,870	780	290	310	330
Miscellaneous	2,700	-	-	-	-	-
Subtotal: Revenues	3,534,870	5,465,640	3,908,040	2,406,760	2,121,790	2,195,500
OTHER SOURCES:						
Transfers in from CIIF	35,540	-	-	-	-	-
Transfers Out to CIIF	(1,688,000)	(3,600,000)	(1,860,000)	(355,000)	-	-
Subtotal: Other Sources	(1,652,460)	(3,600,000)	(1,860,000)	(355,000)	-	-
BEGINNING FUND BALANCES:						
Restricted for HURF	167,100	271,670	100,320	31,940	32,630	33,360
Restricted for LTAF	11,900	7,000	-	-	-	-
Subtotal: Beginning Fund Balances	179,000	278,670	100,320	31,940	32,630	33,360
TOTAL SOURCES	$ 2,061,410	$ 2,144,310	$ 2,148,360	$ 2,083,700	$ 2,154,420	$ 2,228,860
USES						
EXPENDITURES:						
Streets Department	$ 1,777,740	$ 2,036,990	$ 2,116,420	$ 2,051,070	$ 2,121,060	$ 2,194,750
LTAF	5,000	7,000	-	-	-	-
Subtotal: Current Expenditures	1,782,740	2,043,990	2,116,420	2,051,070	2,121,060	2,194,750
ENDING FUND BALANCES:						
Restricted for HURF	271,670	100,320	31,940	32,630	33,360	34,110
Restricted for LTAF	7,000	-	-	-	-	-
Subtotal: Ending Fund Balances	278,670	100,320	31,940	32,630	33,360	34,110
TOTAL USES	$ 2,061,410	$ 2,144,310	$ 2,148,360	$ 2,083,700	$ 2,154,420	$ 2,228,860

Grants and Restricted Sources Fund Summary

- With the exception of 2016, revenues and expenditures are expected to be relatively flat over the five year horizon.
- Ending balances will be positive each year, averaging $438,000 annually.
- Ending balances are restricted for purposes related to the Police Department and Municipal Court.



	2015	2016	2017	2018	2019	2020
Ending Balances	$660,370	$351,900	$396,850	$439,560	$481,060	$521,290
Annual Change	$(113,360)	$(308,470)	$9,950	$42,710	$41,500	$40,230

Grants and Restricted Sources Fund
Special Revenue Fund

Sources and Uses of Funds

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
REVENUES:						
Intergovernmental	$ 251,000	$ 628,490	$ 622,000	$ 622,000	$ 622,000	$ 622,000
Charges for Services	15,000	15,000	15,000	15,000	15,000	15,000
Fines & Forfeitures	47,870	60,870	61,000	61,000	61,000	61,000
Investment Earnings	5,000	3,260	3,160	3,320	3,480	3,620
Miscellaneous	106,540	42,000	27,000	27,000	27,000	27,000
Subtotal: Revenues	425,410	749,620	728,160	728,320	728,480	728,620
BEGINNING FUND BALANCES:						
Restricted for Police	719,480	627,250	346,910	383,790	419,500	454,000
Restricted for Municipal Court	54,250	33,120	39,990	13,060	20,060	27,060
Subtotal: Beginning Fund Balances	773,730	660,370	386,900	396,850	439,560	481,060
TOTAL SOURCES	$ 1,199,140	$ 1,409,990	$ 1,115,060	$ 1,125,170	$ 1,168,040	$ 1,209,680
USES						
EXPENDITURES:						
Police	$ 413,620	$ 1,023,090	$ 664,280	$ 665,610	$ 666,980	$ 668,390
Town Manager	77,100	15,000	-	-	-	-
Parks & Recreation	20,050	20,000	20,000	20,000	20,000	20,000
Municipal Court	28,000	-	33,930	-	-	-
Subtotal: Expenditures	538,770	1,058,090	718,210	685,610	686,980	688,390
ENDING FUND BALANCES:						
Restricted for Police	627,250	311,910	383,790	419,500	454,000	487,230
Restricted for Municipal Court	33,120	39,990	13,060	20,060	27,060	34,060
Subtotal: Ending Fund Balances	660,370	351,900	396,850	439,560	481,060	521,290
TOTAL USES	$ 1,199,140	$ 1,409,990	$ 1,115,060	$ 1,125,170	$ 1,168,040	$ 1,209,680

Quail Creek Community Facilities District Fund Summary

The fund's secondary property tax rate will be $3.30 per $100 of assessed valuation and remain

The fund's secondary property tax rate will be $3.30 per $100 of assessed valuation and remain unchanged over the five year timeframe. Growth in the tax base is associated with new development and changes in property valuations.

Miscellaneous income represents developer contributions towards debt service requirements and will average $548,000 annually.

Transfers in from the General fund will be needed to pay for costs associated with operating and maintaining the district park, averaging $16,000 annually.

Investment losses will occur as the fund will operate at a deficit until the transfer in occurs at year-end.

Ending balances will not be sufficient to cover the operating reserves required by policy. The deficiency will average $15,000 annually and be reserved by the General Fund.

Ending balances are $0 each year.

QUAIL CREEK CFD FUND

	2015	2016	2017	2018	2019	2020
Ending Balances	$-	$-	$-	$-	$-	$-
Annual Change	$-	$-	$-	$-	$-	$-

Quail Creek Community Facilities District (QC CFD) Special Revenue Fund

Sources and Uses of Funds

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
REVENUES:						
Taxes	$ 345,860	$ 398,610	$ 443,690	$ 500,130	$ 558,400	$ 623,440
Investment Earnings (Losses)	(210)	(170)	(210)	(190)	(160)	(130)
Miscellaneous	690,370	645,650	601,590	554,330	498,750	440,630
Subtotal: Revenues	1,036,020	1,044,090	1,045,070	1,054,270	1,056,990	1,063,940
OTHER SOURCES:						
Transfer In from General Fund	30,970	20,400	18,880	16,380	13,830	10,810
Subtotal: Other Sources	30,970	20,400	18,880	16,380	13,830	10,810
BEGINNING FUND BALANCES:						
Restricted for QC CFD	-	-	-	-	-	-
Subtotal: Beginning Fund Balances	-	-	-	-	-	-
TOTAL SOURCES	$ 1,066,990	$ 1,064,490	$ 1,063,950	$ 1,070,650	$ 1,070,820	$ 1,074,750
USES						
CURRENT EXPENDITURES:						
Streets	$ 19,450	$ 21,880	$ 22,970	$ 24,120	$ 25,330	$ 26,600
Parks and Recreation	39,060	31,020	32,570	34,200	35,910	37,710
Subtotal: Current Expenditures	58,510	52,900	55,540	58,320	61,240	64,310
DEBT SERVICE:						
Principal	425,000	450,000	470,000	500,000	525,000	555,000
Interest	578,980	557,090	533,910	507,830	480,080	450,940
Other	4,500	4,500	4,500	4,500	4,500	4,500
Subtotal: Debt Service	1,008,480	1,011,590	1,008,410	1,012,330	1,009,580	1,010,440
Subtotal: Expenditures	1,066,990	1,064,490	1,063,950	1,070,650	1,070,820	1,074,750
ENDING FUND BALANCES:						
Restricted for QC CFD	-	-	-	-	-	-
Subtotal: Ending Fund Balances	-	-	-	-	-	-
TOTAL USES	$ 1,066,990	$ 1,064,490	$ 1,063,950	$ 1,070,650	$ 1,070,820	$ 1,074,750

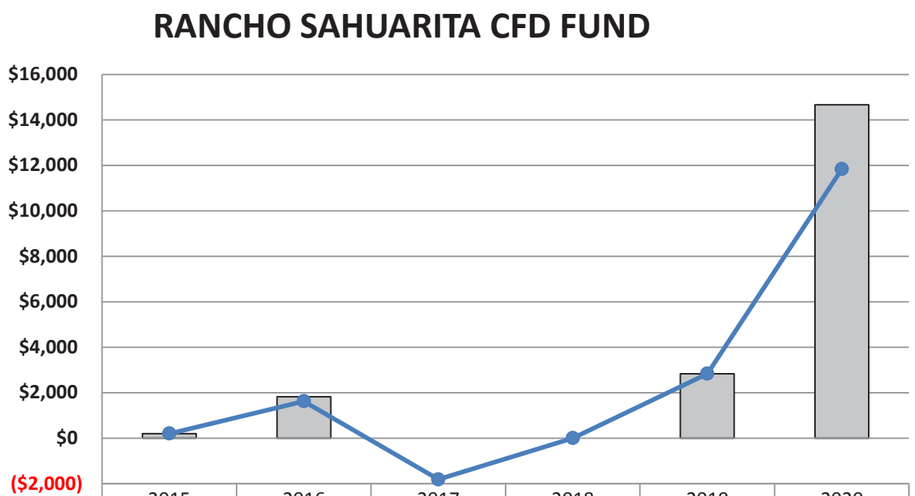
Rancho Sahuarita Community Facilities District Fund Summary

The fund is budgeted to issue debt in 2016 to acquire nearly $7 million in infrastructure during the year.

The fund is budgeted to issue debt in 2016 to acquire nearly $7 million in infrastructure during the year.

Operations and maintenance (O&M) will consist of (1) District administration and (2) roadway maintenance, once infrastructure is acquired. These costs will be paid from a $0.30/$100 of net assessed valuation O&M property tax levy.

Miscellaneous income represents developer contributions which will be used to pay the difference between the annual debt service requirement and a $4.69/$100 of net assessed valuation debt service property tax.



	2015	2016	2017	2018	2019	2020
Ending Balances	$200	$1,820	$-	$-	$2,830	$14,660
Annual Change	$200	$1,620	$(1,820)	$-	$2,830	$11,830

Rancho Sahuarita Community Facilities District (RS CFD)
Special Revenue Fund
Sources and Uses of Funds

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
REVENUES:						
Taxes	$ -	$ 2,370	$ 51,750	$ 177,470	$ 345,800	$ 511,990
Investment Earnings (Losses)	200	300	-	-	20	120
Miscellaneous	1,000	-	462,590	474,810	310,520	154,580
Subtotal: Revenues	1,200	2,670	514,340	652,280	656,340	666,690
OTHER SOURCES:						
Debt Proceeds	-	7,160,000	-	-	-	-
Subtotal: Other Sources	-	7,160,000	-	-	-	-
BEGINNING FUND BALANCES:						
Restricted for RS CFD	-	200	1,820	-	-	2,830
Subtotal: Beginning Fund Balances	-	200	1,820	-	-	2,830
TOTAL SOURCES	$ 1,200	$ 7,162,870	$ 516,160	$ 652,280	$ 656,340	$ 669,520
USES						
CURRENT EXPENDITURES:						
General Government	$ 1,000	$ 1,050	$ 1,160	$ 1,280	$ 1,410	$ 1,550
Streets	-	-	10,000	11,000	12,100	13,310
Subtotal: Current Expenditures	1,000	1,050	11,160	12,280	13,510	14,860
DEBT SERVICE:						
Principal	-	-	-	135,000	145,000	155,000
Interest	-	-	500,000	500,000	490,000	480,000
Other	-	-	5,000	5,000	5,000	5,000
Debt Issuance Costs	-	286,400	-	-	-	-
Subtotal: Debt Service	-	286,400	505,000	640,000	640,000	640,000
CAPITAL OUTLAY:						
Infrastructure		6,873,600	-	-	-	-
Subtotal: Capital Outlay	-	6,873,600	-	-	-	-
Subtotal: Expenditures	1,000	7,161,050	516,160	652,280	653,510	654,860
ENDING FUND BALANCES:						
Restricted for RS CFD	200	1,820	-	-	2,830	14,660
Subtotal: Ending Fund Balances	200	1,820	-	-	2,830	14,660
TOTAL USES	$ 1,200	$ 7,162,870	$ 516,160	$ 652,280	$ 656,340	$ 669,520

Capital Infrastructure Improvement Fund Summary

- Unrestricted revenues (taxes and investment income) will average $2.69 million annually.

Unrestricted revenues (taxes and investment income) will average $2.69 million annually.

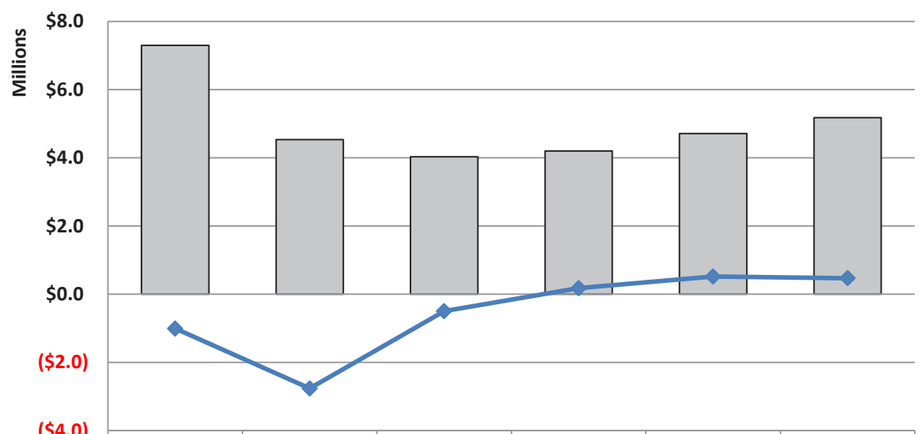
Debt payments will average $1.63 million annually.

Ending balances will decline as a result of project expenditures as programmed in the *Capital Improvement Plan*.

The Wastewater Fund is expected to pay back some of the CIIF's advance, reducing the nonspendable fund balances by $941,000 by 2020.

Available ending balances, averaging $1.49 million annually, are assigned by the Town Council for general use on capital projects. Of this amount, an average of $563,000 will be assigned for use in the Town Center.

CIIF FUND



	2015	2016	2017	2018	2019	2020
Ending Balances	$7,294,760	$4,527,930	$4,026,370	$4,197,510	$4,710,930	$5,177,640
Annual Change	$(1,013,870)	$(2,766,830)	$(501,560)	$171,140	$513,420	$466,710

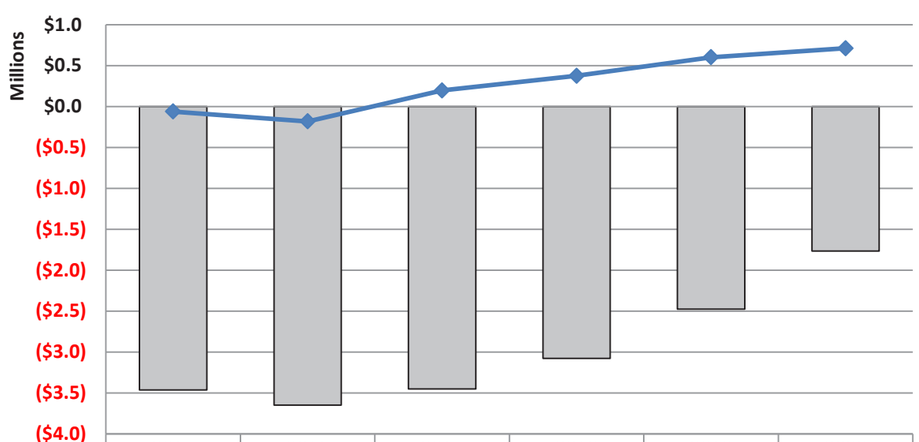
Capital Infrastructure Improvement Fund (CIIF)
Capital Projects Fund

Sources and Uses of Funds

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
REVENUES:						
Taxes	$ 2,024,280	$ 2,197,140	$ 2,209,740	$ 2,424,980	$ 3,157,430	$ 3,120,010
Licenses and Permits	1,200	-	-	-	-	-
Intergovernmental	13,284,880	2,107,960	-	1,600,000	12,400,000	-
Investment Earnings (Losses)	68,830	63,360	62,100	61,020	67,520	76,530
Miscellaneous	73,390	2,972,440	-	-	-	-
Subtotal: Revenues	15,452,580	7,340,900	2,271,840	4,086,000	15,624,950	3,196,540
OTHER SOURCES:						
Transfers In From HURF	1,688,000	3,600,000	1,860,000	355,000	-	-
Transfer Out To HURF	(35,540)	-	-	-	-	-
Trasfers Out to WW	-	(386,080)	-	-	-	-
Refunding Debt Proceeds	8,840,000	-	-	-	-	-
Payments to Refunded Debt Escrow	(8,726,810)	-	-	-	-	-
Subtotal: Other Sources	1,765,650	3,213,920	1,860,000	355,000	-	-
BEGINNING FUND BALANCES:						
Nonspendable	2,545,710	4,003,870	3,253,080	3,155,140	2,967,940	2,667,350
Assigned for Town Center	600,000	600,000	314,000	400,000	500,000	700,000
Assigned for Debt Service	-	152,560	231,220	231,220	361,220	2,980
Assigned for Capital Projects	5,162,920	2,538,330	729,630	240,010	368,350	1,340,600
Subtotal: Beginning Fund Balances	8,308,630	7,294,760	4,527,930	4,026,370	4,197,510	4,710,930
TOTAL SOURCES	$ 25,526,860	$ 17,849,580	$ 8,659,770	$ 8,467,370	$ 19,822,460	$ 7,907,470
USES						
DEBT SERVICE:						
Principal	$ 1,015,000	$ 1,055,000	$ 1,105,000	$ 1,030,000	$ 1,420,000	$ 1,455,000
Interest	628,670	507,760	457,860	404,820	376,520	341,120
Other	5,000	5,000	5,000	5,000	5,000	5,000
Debt Issuance Costs	113,190	-	-	-	-	-
Subtotal: Debt Service	1,761,860	1,567,760	1,567,860	1,439,820	1,801,520	1,801,120
CAPITAL OUTLAY:						
General Government	622,660	611,800	405,740	491,370	457,570	355,520
Public Safety	351,650	374,100	245,350	254,680	310,000	232,000
Highways and Streets	14,267,720	10,046,270	1,791,450	443,990	77,440	201,190
Culture and Recreation	1,228,210	721,720	623,000	1,640,000	12,465,000	140,000
Subtotal: Capital Outlay	16,470,240	11,753,890	3,065,540	2,830,040	13,310,010	928,710
Subtotal: Expenditures	18,232,100	13,321,650	4,633,400	4,269,860	15,111,530	2,729,830
ENDING FUND BALANCES:						
Nonspendable	4,003,870	3,253,080	3,155,140	2,967,940	2,667,350	2,312,090
Assigned for Town Center	600,000	314,000	400,000	500,000	700,000	900,000
Assigned for Debt Service	152,560	231,220	231,220	361,220	2,980	4,910
Assigned for Capital Projects	2,538,330	729,630	240,010	368,350	1,340,600	1,960,640
Subtotal: Ending Fund Balances	7,294,760	4,527,930	4,026,370	4,197,510	4,710,930	5,177,640
TOTAL USES	$ 25,526,860	$ 17,849,580	$ 8,659,770	$ 8,467,370	$ 19,822,460	$ 7,907,470

Wastewater Enterprise Fund Summary

- Annual fee increases of approximately 4% are included for years 2016 through 2018.
- The fund will continue selling its recharge credits to the General Fund. Accordingly, the General Fund will transfer cash to the Wastewater Fund each year.
- Investment losses will occur each year due to the fund's deficit cash position.
- The fund will continue make its last WIFA loan drawdown in 2016.
- Unassigned fund balance will be in a deficit position each year, averaging $5.74 million annually. These deficits will be covered via cash advances from the General Fund and CIIF.
- Ending balances (deficits) will continue to improve by an average of $340,000 each year.
- Ending balances will not be sufficient to cover the operating reserve required by our policies. The deficiency will average $414,000 annually and be reserved by the General Fund.



	2015	2016	2017	2018	2019	2020
Ending Balances	$(3,465,590)	$(3,648,090)	$(3,452,230)	$(3,077,810)	$(2,476,631)	$(1,766,121)
Annual Change	$(62,730)	$(182,500)	$195,860	$374,420	$601,180	$710,510

Wastewater Enterprise Fund

Sources and Uses of Funds

	2015 Estimated Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts	2019 Forecasted Amounts	2020 Forecasted Amounts
SOURCES						
OPERATING REVENUES:						
User Charges - Residential	$ 3,010,330	$ 3,198,530	$ 3,396,710	$ 3,599,600	$ 3,674,060	$ 3,757,350
User Charges - Commercial	188,410	197,300	218,800	240,560	253,470	278,250
Subtotal: Operating Revenues	3,198,740	3,395,830	3,615,510	3,840,160	3,927,530	4,035,600
NON-OPERATING REVENUES:						
Grants	-	250,000	-	-	-	-
Investment Earnings (Losses)	(27,790)	(35,400)	(43,340)	(39,700)	(32,780)	(22,900)
Miscellaeous	-	22,500	22,500	22,500	22,500	22,500
Sewer Connection Fees - Residential	121,760	349,520	301,160	315,550	373,130	405,450
Sewer Connection Fees - Commercial	25,680	10,860	32,920	27,160	183,220	181,870
Subtotal: Non-Operating Revenues	119,650	597,480	313,240	325,510	546,070	586,920
Subtotal: Revenues	3,318,390	3,993,310	3,928,750	4,165,670	4,473,600	4,622,520
OTHER SOURCES:						
Transfers In from General Fund	699,540	285,310	438,880	448,520	458,380	467,780
Transfers In from CIIF	-	386,080	-	-	-	-
Proceeds of Long-Term Debt	251,770	110,620	-	-	-	-
Subtotal: Other Sources	951,310	782,010	438,880	448,520	458,380	467,780
BEGINNING FUND BALANCES:						
Restricted for Debt Service	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060
Restricted for Rate Stabilization Fund	-	750,000	750,000	750,000	750,000	750,000
Unassigned (Deficits)	(5,510,920)	(6,323,650)	(6,506,150)	(6,310,290)	(5,935,870)	(5,334,691)
Subtotal: Beginning Fund Balances	(3,402,860)	(3,465,590)	(3,648,090)	(3,452,230)	(3,077,810)	(2,476,631)
TOTAL SOURCES	$ 866,840	$ 1,309,730	$ 719,540	$ 1,161,960	$ 1,854,169	$ 2,613,669
USES						
CURRENT EXPENDITURES:						
Wastewater Utility Department	$ 1,659,930	$ 1,748,200	$ 1,616,990	$ 1,624,980	$ 1,636,010	$ 1,645,000
Subtotal: Current Expenditures	1,659,930	1,748,200	1,616,990	1,624,980	1,636,010	1,645,000
DEBT SERVICE:						
Principal	1,458,700	1,513,000	1,569,330	1,627,760	1,688,360	1,751,220
Interest	945,860	891,560	835,220	776,800	716,200	653,340
Subtotal: Debt Service	2,404,560	2,404,560	2,404,550	2,404,560	2,404,560	2,404,560
CAPITAL OUTLAY:						
WW Capital Projects	267,940	805,060	150,230	210,230	290,230	330,230
Subtotal: Capital Outlay	267,940	805,060	150,230	210,230	290,230	330,230
Subtotal: Expenditures	4,332,430	4,957,820	4,171,770	4,239,770	4,330,800	4,379,790
ENDING FUND BALANCES:						
Restricted for Debt Service	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060
Restricted for Rate Stabilization Fund	750,000	750,000	750,000	750,000	750,000	750,000
Unassigned (Deficits)	(6,323,650)	(6,506,150)	(6,310,290)	(5,935,870)	(5,334,691)	(4,624,181)
Subtotal: Ending Fund Balances	(3,465,590)	(3,648,090)	(3,452,230)	(3,077,810)	(2,476,631)	(1,766,121)
TOTAL USES	$ 866,840	$ 1,309,730	$ 719,540	$ 1,161,960	$ 1,854,169	$ 2,613,669

Capital Improvement Plan

Providing the capital assets (infrastructure, facilities, and equipment) needed for public services is among the most important responsibilities of Town officials. These assets are the primary method for the Town to accomplish several goals. Construction of capital infrastructure is a method of carrying out partnership plans with private entities. These assets provide a means of supporting and encouraging development in accordance with public plans. Construction of capital facilities is a method of providing a work environment to public employees and a gathering place for general citizenry. And finally, purchase of capital equipment is a method of multiplying the output of public employees.

The capital plan is the Town's multi-year blueprint for creating and maintaining the crucial infrastructure that will support Sahuarita. Each year, in conjunction with the annual budgeting process, the departments of the Town Manager and Finance coordinate the process of revising and updating the plan. The values, priorities, goals, and objectives established by Sahuarita's elected officials and citizens determine the broad parameters for incorporating new capital improvement projects into the plan. Other documents, such as the Town's General Plan also provide valuable information and guidance in the preparation of the plan.

Capital Improvement Plan

A capital improvement plan (CIP) is the document that local governments use as a multi-year map of planned and funded capital projects and other asset acquisitions. Items included in the CIP are assets that (individually) cost more than $5,000 and have a useful life of numerous years.

The Town's CIP includes the following characteristics:

- The CIP covers a five year period, the budget year and four planning years. The Town reviews and updates the CIP annually. The first year of the CIP is incorporated into the annual budget.
- The CIP accounts for minor projects such as office remodeling and projected ongoing equipment replacement plans. Expenditures occur each year and are necessary to ensure the Town has adequate equipment to fulfill critical services.
- The CIP allocates project costs by year according to when spending is anticipated to occur. Appropriations of funds, sufficient to cover expenditure levels, are made each year as part of the process of developing the annual budget.
- The CIP estimates the impact of projects on the operating budget. Some projects add recurring expenditures and new positions. Others result in expenditure savings or possibly generate additional revenues.

A capital project falls into one of three categories:

- **New construction** refers to the creation of new infrastructure which did not exist before. This is needed to provide appropriate service to a growing population. One example would be the construction of a new road.
- **Replace end-of-life assets** refers to the natural life cycle of assets which are consumed and need to be replaced in order to provide the same service to our citizens. One example would be the replacement of a bridge when it has become unsafe.
- **Enhance existing assets** refers to the improvement of current infrastructure in order to provide better or more efficient service to our citizens. One example would be the improvement of a 4-way stop sign to a lighted traffic signal in order to move traffic more efficiently.

Financing Options

The Town's staff conducts a thorough review of all funding options in order to determine the most efficient and least costly method of paying for capital needs. There are generally three categories of funding available:

The following category descriptions may be helpful in understanding the chart:

- **Local funding** refers to the money which has been saved from previous years combined with revenue received in the current year. Local funding is the most flexible resource available. It is also used to make debt payments and to provide a local matching source, required in many grant agreements.
- **Debt** refers to funding which comes from a structured borrowing of money from the capital markets. Debt is often used when there are insufficient funds on hand to acquire a new asset. Smaller payments are then made over a long-term period of time. Those who benefit from the existence of the new asset are the ones who provide the revenues that are used to make the debt payments; a concept known as intergenerational equity.
- **Grants, contributions and restricted sources** refer to funding which comes from partner-entities. Some partners, such as the Pima County Regional Transportation Authority, provide financing through grants to reimburse the Town for expenditures. Other partners may provide money, land, or rights to access land in order to accomplish a mutually beneficial goal, such as a water company joining a partnership to improve a bridge and improve the water line attached to that bridge.

A more detailed discussion of each category, including the amount of funding available from various sources follows.

Local Funding

Capital Fund (CIIF)

The Capital Infrastructure Improvement Fund (CIIF) is the financing source that includes the Town's 4.0% tax on new construction, investment earnings, and accumulated reserves (i.e., beginning fund balances).

The Town evaluates the amount of money, which has been received in the past, as well as the expectation of future revenues to determine the amount of funding available from local sources. This process requires significant analysis and estimation of future capital purchases made from local source as well as estimation of internal wastewater deficits. The information is derived and analyzed concurrently between the plan of capital finance as well as the 5-year plan(s) for the various funds, and the projection of major revenues. Demands on this local source are significant.

Wastewater Fund

This source includes system revenues of the wastewater utility, including sewer user and connection fees, accumulated reserves, and investment earnings.

The Town evaluates the funding deficiency from the wastewater utility system in the current year as well as projecting the projected cash deficits or surpluses in future years.

Debt

Periodically the Town may issue bonds or enter into long-term debt arrangements with lending institutions, such as the Water Infrastructure Finance Authority (WIFA); or the Town may access the capital markets directly by issuing bonded debt to investors. The debt proceeds are then used to construct or acquire capital assets. Annual debt service payments are made from local revenue sources.

The Town has entered into loan agreements with WIFA to provide funds for the construction and design of wastewater treatment plant expansions. Over the next five years, the Town intends to draw proceeds on one of the WIFA loans.

The Town has no other debt funding which is authorized, but not yet used. Should the need arise, the Town would evaluate the issuance of new debt for specific objectives.

Legal Debt Limit

The Town is subject to the following debt limitations:

1) Under Arizona law, the citizens of the Town can vote to issue general obligation bonds for an amount up to 20% of its secondary assessed property valuation for specific services, such as transportation, water, sewer, lighting, parks and recreational facilities. This equates to a debt limit of $42,196,050.
2) Under Arizona law, the citizens of the Town can vote to issue general obligation bonds for an amount up to 6% of secondary assessed valuation for general municipal purposes. This equates to an amount of $12,658,810.

The citizens of the Town have not voted to authorize any general obligation bonds that would apply against these debt limits. Therefore the total debt capacity is $54,854,860.

The Quail Creek Community Facilities District and the Rancho Sahuarita Community Facilities District are legally separate entities and, therefore, their debt obligations do not count towards the Town's debt limitation.

Capital Improvement Plan

Grants, Contributions & Restricted Sources

Highway Fund (HURF)

The State of Arizona assesses a tax on fuel sales. The Town receives an allotment of the tax collections to use on specific capital projects. These collections may be distributed by the Arizona Department of Transportation, but the monies are mostly authorized and distributed through an intermediary; the Pima Association of Governments. In order to obtain funding the Town must submit a proposal for a grant and have the grant proposal approved by either ADOT or PAG.

Pima County Bonds

Pima County periodically issues bonds to finance capital projects throughout the County. Pursuant to intergovernmental agreements, the Town proposes projects which are part of the bond election and upon successful election and issuance, the Town receives an allotment of the bond proceeds to use on the capital projects.

RTA Transportation Tax

The Regional Transportation Authority (RTA) is a countywide jurisdiction that assesses a 0.5% transaction privilege tax on all purchases within its boundaries. Pursuant to regionalized transportation planning, the Town receives an allotment of these tax collections to use on specific capital projects.

Federal and State Grants, Contributions and Restricted Sources

Grants and contributions represent grants and awards from federal, state, and other sources. Most of these require the Town to incur project costs and subsequently submit financial reports for reimbursement. The Town must submit grant proposals, which are reviewed and approved by the granting authority in order to access, grant funds. Restricted sources represent revenues that have been collected pursuant to federal and state law, whose use is limited for specified purposes.

Partnerships

The Town is actively seeking partners to increase the public infrastructure within the Town for the benefit of our citizens and our region. We obtain funding from partners who share an interest in increasing the public infrastructure within the Town boundaries.

Capital Improvement Plan

The Town organizes the list of capital needs into two plans. One plan is for those projects that are high priority projects that cannot be funded within the Town's current five-year planning horizon, and the other section is for those projects that can be funded.

Unfunded Projects

Although many projects were considered valuable improvements the lack of funding partners or the need to limit expenditures has led the Town to identify the following projects that would have been included, to some extent, in the five-year capital improvement plan had sufficient resources been identified.

In contrast to the unfunded projects, the projects that are funded within the next five years constitute the Town's *Capital Improvement Plan* (CIP).

Project	Project #	Description	Total Cost
Armed Forces Tribute	16ND1	Site to honor all branches of military	$ 300,000
Anamax Park Concession Facility	06K08	Build new concession stand	280,000
Anamax Phase 2 Expansion	16K02	Add two lighted baseball fields	1,500,000
Quail Creek Park Phase 2B	16K04	Build out remaining park site	2,400,000
Town Maintenance Complex	06FM6	Acquire site for Streets and Park maintenance operations	1,500,000
Pedestrian/Bike Improvements	09S02	Improve sidewalk/bicycle lane connectivity	780,000
La Canada Drive RCBC: North of Twin Buttes Road	14S02	Roadway and drainage improvements	325,000
TOTAL			**$7,085,000**

CIP Summary

The CIP for the Town of Sahuarita is comprised of 33 projects totaling $32,348,450 for fiscal years 2016 through 2020. Of that total, $12,151,420 is included in the budget for fiscal year 2016. The plan takes into consideration all known capital needs and ties potential revenue sources to those needs. As the Town continues to grow, new needs will undoubtedly surface, causing the plan to fluctuate and require more resources. For this reason, the Town always considers all requests, but only those projects of the highest priority that fit within the available dollars are included in the plan. All other projects may be reconsidered in future years if more funding becomes available.

The Capital Improvement Plan

FUNDING SOURCE SUMMARY						
SOURCE	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Capital Fund (CIIF)	$ 2,787,610	$ 951,350	$ 648,900	$ 664,000	$ 783,850	$ 5,835,710
Restricted Funds	247,790	33,930	-	-	-	281,720
Grants-State	250,000	-	-	-	-	250,000
Grants - Private Partners	2,972,440	-	-	-	-	2,972,440
Highway Fund (HURF)	3,600,000	1,860,000	355,000	-	-	5,815,000
Long-Term Debt	110,620	-	-	-	-	110,620
Pima County Bonds	-	-	1,600,000	12,400,000	-	14,000,000
RTA Transportation Tax	2,107,960	-	-	-	-	2,107,960
Wastewater Fund	75,000	130,000	190,000	270,000	310,000	975,000
GRAND TOTAL	$12,151,420	$ 2,975,280	$ 2,793,900	$ 13,334,000	$ 1,093,850	$ 32,348,450

DEPARTMENT EXPENDITURE SUMMARY						
DEPARTMENT	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Human Resources	$ 13,000	$ -	$ -	$ -	$ -	$ 13,000
Non-Departmental	50,000	50,000	83,220	50,000	50,000	283,220
Finance-Technology	190,000	125,000	125,000	125,000	125,000	690,000
Police	621,890	245,350	254,680	310,000	232,000	1,663,920
Municipal Court	-	33,930	-	-	-	33,930
Planning & Building	-	-	35,000	-	-	35,000
Parks & Recreation	721,720	623,000	1,640,000	12,465,000	140,000	15,589,720
Public Works & Facilities	137,000	33,000	36,000	39,000	42,000	287,000
Streets	9,596,110	1,735,000	430,000	75,000	194,850	12,030,960
Wastewater Utility	821,700	130,000	190,000	270,000	310,000	1,721,700
GRAND TOTAL	$12,151,420	$ 2,975,280	$ 2,793,900	$13,334,000	$ 1,093,850	$ 32,348,450

The Capital Improvement Plan

Projects Expenditures by Department

DEPARTMENT PROJECT	PROJ #	YEAR 1 FY 2016	YEAR2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	TOTAL YEARS 1-5
Human Resources							
Performance Management Software	16HR1	$ 13,000	$ -	$ -	$ -	$ -	$ 13,000
Human Resources		$ 13,000	$ -	$ -	$ -	$ -	$ 13,000
Non-Departmental							
Motor Pool Vehicle Replacements	xxND1	$ 50,000	$ 50,000	$83,220	$ 50,000	$ 50,000	$ 283,220
Non-Departmental Total		$ 50,000	$ 50,000	$83,220	$ 50,000	$ 50,000	$ 283,220
Finance-Technology							
Server & Computer Replacements	xxIT1	$ 125,000	$ 125,000	$ 125,000	$ 125,000	$125,000	$ 625,000
Copier Replacements	xxIT2	45,000	-	-	-	-	45,000
Municipal WiFi	14IT1	20,000	-	-	-	-	20,000
Technology Total		$ 190,000	$ 125,000	$ 125,000	$ 125,000	$125,000	$ 690,000
Police							
Police Vehicle Replacements	xxPD1	$ 374,100	$ 245,350	$ 254,680	$ 310,000	$232,000	$1,416,130
Covered Parking	14PD6	27,000	-	-	-	-	27,000
Body Cameras / Tasers	16PD1	50,000	-	-	-	-	50,000
Electronic Fingerprint System	16PD5	70,790	-	-	-	-	70,790
Training Room	16PD6	100,000	-	-	-	-	100,000
Police Total		$ 621,890	$ 245,350	$ 254,680	$ 310,000	$232,000	$1,663,920
Municipal Court							
Court Security Upgrades	14CT1	$ -	$ 33,930	$ -	$ -	$ -	$ 33,930
Court Total		$ -	$ 33,930	$ -	$ -	$ -	$ 33,930
Planning & Building							
Vehicle Replacements	xxPB1	$ -	$ -	$ 35,000	$ -	$ -	$ 35,000
Planning & Building Total		$ -	$ -	$ 35,000	$ -	$ -	$ 35,000
Parks & Recreation							
Canopy Replacement	xxK01	$ -	$ 25,000	$ -	$ 25,000	$ -	$ 50,000
Parks Vehicles & Equipment	xxK02	40,000	40,000	40,000	40,000	40,000	200,000
Sahuarita Pool & Recreational Complex/YMCA	06K01	-	-	1,600,000	12,400,000	-	14,000,000
Quail Creek Park Phase 2A	08K02	681,720	-	-	-	-	681,720
North Santa Cruz Park Phase 2	08K03	-	-	-	-	100,000	100,000
Maintenance Building Replacement	14K04	-	508,000	-	-	-	508,000
Lake Park Hardscape Repairs	15K05	-	50,000	-	-	-	50,000

The Capital Improvement Plan

Projects Expenditures by Department (*Cont'd.*)

DEPARTMENT PROJECT	PROJ #	YEAR 1 FY 2016	YEAR2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	TOTAL YEARS 1-5
Parks & Recreation Total		$ 721,720	$ 623,000	$1,640,000	$12,465,000	$ 140,000	$15,589,720
Public Works & Facilities							
Public Works Vehicle Replacements	xxPW1	$ -	$ 33,000	$ 36,000	$ 39,000	$ 42,000	$ 150,000
Town Hall Settlement Repair	13P01	127,000	-	-	-	-	127,000
Commissioning of Buildings	15FM1	10,000	-	-	-	-	10,000
Public Works / Facilities Total		$ 137,000	$ 33,000	$ 36,000	$ 39,000	$ 42,000	$ 287,000
Streets							
Sahuarita Road: I-19 to Country Club	03P9B	$4,084,670	$ -	$ -	$ -	$ -	$4,084,670
Quail Crossing Blvd Extension - Phase I	05P01	200,000	1,660,000	355,000	-	-	2,215,000
Interchange Improvements: Sahuarita Rd @ Interstate 19	05P03	-	-	-	-	119,850	119,850
Pima Mine Bridge Reconstruction	08P02	5,236,440	-	-	-	-	5,236,440
Townwide Transportation Safety Improvements	16S02	75,000	75,000	75,000	75,000	75,000	375,000
Public Works / Streets Total		$9,596,110	$1,735,000	$ 430,000	$ 75,000	$ 194,850	$12,030,960
Wastewater Utility							
Sewer Conveyance System Rehabilitation Program	xxWW1	$ -	$ 100,000	$ 160,000	$ 220,000	$280,000	$760,000
Treatment Plant Expansion: Phase 4	04W01	110,620	-	-	-	-	110,620
Treatment Plant Expansion: Phase 5	04W02	-	-	-	20,000	-	20,000
Region 8 North Sanitary Sewer Extension	15W01	636,080	-	-	-	-	636,080
Utility Billing Software	16W02	45,000	-	-	-	-	45,000
Streets/Wastewater Modular Building	16W03	30,000	30,000	30,000	30,000	30,000	150,000
Wastewater Utility Total		$ 821,700	$ 130,000	$ 190,000	$ 270,000	$310,000	$1,721,700
GRAND TOTAL		$12,151,420	$ 2,975,280	$2,793,900	$13,334,000	$1,093,850	$32,348,450

The Capital Improvement Plan

Projects by Funding Source

DEPARTMENT PROJECT	PROJ #	YEAR 1 FY 2016	YEAR2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	TOTAL YEARS 1-5
Capital Fund (CIIF)							
Server & Computer Replacements	xxIT1	$ 125,000	$ 125,000	$ 125,000	$ 125,000	$ 125,000	$ 625,000
Copier Replacements	xxIT2	45,000	-	-	-	-	45,000
Municipal WiFi	14IT1	20,000	-	-	-	-	20,000
Performance Management Software	16HR1	13,000	-	-	-	-	13,000
Vehicle replacement	xxPB1	-	-	35,000	-	-	35,000
Motor Pool Vehicle Replacements	xxND1	50,000	50,000	83,220	50,000	50,000	283,220
Canopy Replacement	xxK01	-	25,000	-	25,000	-	50,000
Parks Vehicles & Equipment	xxK02	40,000	40,000	40,000	40,000	40,000	200,000
Quail Creek Park Phase 2A	08K02	681,720	-	-	-	-	681,720
North Santa Cruz Park Phase 2	08K03	-	-	-	-	100,000	100,000
Maintenance Building Replacement	14K04	-	508,000	-	-	-	508,000
Lake Park Hardscape Repairs	15K05	-	50,000	-	-	-	50,000
Sahuarita Road: I-19 to Country Club	03P9B	640,710	-	-	-	-	640,710
Quail Crossing Blvd Extension - Phase I	05P01	200,000	(200,000)	-	-	-	-
Interchange Improvements: Sahuarita Rd @ Interstate 19	05P03	-	-	-	-	119,850	119,850
Public Works Vehicle Replacements	xxPW1	-	33,000	36,000	39,000	42,000	150,000
Townwide Transportation Safety Improvements	16S02	75,000	75,000	75,000	75,000	75,000	375,000
Town Hall Settlement Repair	13P01	127,000	-	-	-	-	127,000
Commissioning of Buildings	15FM1	10,000	-	-	-	-	10,000
Region 8 North Sanitary Sewer Extension	15W01	386,080	-	-	-	-	386,080
Police Vehicles	xxPD1	374,100	245,350	254,680	310,000	232,000	1,416,130
Capital Fund (CIIF) Total		$ 2,787,610	$ 951,350	$ 648,900	$ 664,000	$ 783,850	$ 5,835,710
Restricted Funds							
Court Security Upgrade	14CT1	$ -	$ 33,930	$ -	$ -	$ -	$ 33,930
Covered Parking	14PD6	27,000	-	-	-	-	27,000
Body Cameras / Tasers	16PD1	50,000	-	-	-	-	50,000
Electronic Fingerprint System	16PD5	70,790	-	-	-	-	70,790
Training Room	16PD6	100,000	-	-	-	-	100,000
Restricted Funds Total		$ 247,790	$ 33,930	$ -	$ -	$ -	$ 281,720
Grants-State							
Region 8 North Sanitary Sewer Extension	15W01	$ 250,000	$ -	$ -	$ -	$ -	$ 250,000
Grants-State Total		$ 250,000	$ -	$ -	$ -	$ -	$ 250,000

The Capital Improvement Plan

Projects by Funding Source (*Cont'd.*)

DEPARTMENT PROJECT	PROJ #	YEAR 1 FY 2016	YEAR2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	TOTAL YEARS 1-5
Grants - Private Partners							
Pima Mine Bridge Reconstruction	08P02	$ 2,972,440	$ -	$ -	$ -	$ -	$ 2,972,440
Grants - Partners Total		$ 2,972,440	$ -	$ -	$ -	$ -	$ 2,972,440
Highway Fund (HURF)							
Sahuarita Road: I-19 to country club	03P9B	$ 1,500,000	$ -	$ -	$ -	$ -	$ 1,500,000
Quail Crossing Blvd Extension - Phase I	05P01	-	1,860,000	355,000	-	-	2,215,000
Pima Mine Bridge Reconstruction	08P02	2,100,000	-	-	-	-	2,100,000
Highway Fund (HURF) Total		$ 3,600,000	$1,860,000	$ 355,000	$ -	$ -	$ 5,815,000
Long-Term Debt							
Treatment Plant Expansion: Phase 4	04W01	$ 110,620	$ -	$ -	$ -	$ -	$ 110,620
Long-Term Debt Total		$ 110,620	$ -	$ -	$ -	$ -	$ 110,620
Pima County Bonds							
Sahuarita Pool & Recreational Complex/YMCA	06K01	$ -	$ -	$1,600,000	$12,400,000	$ -	$14,000,000
Pima County Bonds Total		$ -	$ -	$1,600,000	$12,400,000	$ -	$14,000,000
RTA Transportation Tax							
Sahuarita Road: I-19 to Country Club	03P9B	$ 1,943,960	$ -	$ -	$ -	$ -	$ 1,943,960
Pima Mine Bridge Reconstruction	08P02	164,000	-	-	-	-	164,000
RTA Transportation Tax Total		$ 2,107,960	$ -	$ -	$ -	$ -	$ 2,107,960
Wastewater Enterprise Fund							
Sewer Conveyance System Rehabilitation Program	xxWW1	$ -	$ 100,000	$ 160,000	$ 220,000	$ 280,000	$ 760,000
Treatment Plant Expansion: Phase 5	04W02	-	-	-	20,000	-	20,000
Utility Billing Software	16W02	45,000	-	-	-	-	45,000
Streets/Wastewater Modular Building	16W03	30,000	30,000	30,000	30,000	30,000	150,000
Wastewater Enterprise Fund Total		$ 75,000	$ 130,000	$ 190,000	$ 270,000	$ 310,000	$ 975,000
GRAND TOTAL		$12,151,420	$ 2,975,280	$ 2,793,900	$13,334,000	$1,093,850	$32,348,450

14PD6

POLICE COVERED PARKING

Description

Construct shade structures to provide for covered parking at the Police Department.

Justification/Benefit

Covered parking in these areas will protect and extend the life of the installed computer equipment in the vehicles as well as protecting the vehicles themselves from the weather elements. This will help the police department and the Town to extend the replacement plans for these units.

Summary of Operational Costs and Benefits

Protecting vehicles from hail during summer storms will reduce or eliminate insurance claims from storm damage to vehicles. Protecting computer equipment installed in vehicles from sun and heat during the summer will help to extend the life expectancy of these items. There is no quantifiable savings for having the covered parking but we anticipate equipment lasting longer due to the ability to keep vehicles out of the direct sun light. This can also save the paint job and emergency lighting from weathering faster than being exposed to the sun and weather.

Useful Life

20 Years

Costs by Year

Acquisition		Operations
$123,000	PRIOR	$ -
$27,000	FY 2016	$ -
$ -	FY 2017	$ -
$ -	FY 2018	$ -
$ -	FY 2019	$ -
$ -	FY 2020	$ -
$ -	FUTURE	$ -

Total Cost

$150,000

Funding Partners

Restricted Sources – Federal Funding	100%

06K01

ANAMAX PARK PHASE 2&3

Description

Construct a recreation center approximately 40,000 sq. ft. and recreational/program pool. It is anticipated to have a gymnasium, basketball court, cardiovascular equipment, aerobics/fitness, meeting rooms, offices, and storage. The pool complex could have zero depth entry, water play features, waterslide(s), programming space for classes, therapeutic section, lap swimming, volleyball, and gather/ concession area. The Council has approved moving this project location to Town Center. The YMCA will also provide design and construction input and assistance.

Justification/Benefit

The project will benefit the general public for family and community events as a signature facility attracting community members not having access to private or HOA facilities. It will increase recreational value/ opportunity making it available to residents and user groups. Health benefit is gained as more individuals will be able to participate in active recreation opportunities. Economic benefit involves reduction in commuting time offering usable facilities closer to home and the creation of jobs through the Town of Sahuarita or YMCA enhancing/expanding current recreation programs. Current programs could involve more participants offering a diverse selection of activities when partnered with YMCA. The YMCA would be involved with programming of space.

Summary of Operational Costs and Benefits

The Town of Sahuarita anticipates collaborating with the YMCA to maintain and operate the recreation center/pool complex site. However, the Town will still run programs in conjunction with, not competition with, the YMCA and the Town will work collaboratively with the YMCA to maintain and program the pool complex, which will include staff such as a pool manager, assistant manager, pool technician, utilities, supplies and chemicals. In addition, the Town will have all the expenses for the care and maintenance outside the building (i.e. landscaping, painting and parking lot) and be responsible for a shared cost of utilities.

Useful Life

40 Years

Costs by Year

Acquisition		Operations
$461,580	PRIOR	$ -
$ -	FY 2016	$ -
$ -	FY 2017	$ -
$1,600,000	FY 2018	$ -
$12,400,000	FY 2019	$500,000
$ -	FY 2020	$500,000
$ -	FUTURE	$400,000

Total Cost

$14,461,580

Funding Partners

CIIF	3%
Pima County Bonds	97%

08K02

QUAIL CREEK-VETERAN'S MUNICIPAL PARK PHASE 2A

Description

The project will be to design and build two multi-use (rectangle) fields with field lighting, additional walking trails around the fields and a second restroom with concession area in the remaining undeveloped 19 acres. Parking will be increased by an estimated 100 spaces.

Justification/Benefit

The community's need for facilities for youth has increased significantly over the past several years. Building these additional two fields will partially address the need for more field space to play soccer and football. The public will benefit from these improvements as well as increased quantity of recreation facilities so users can participate in recreational opportunities closer to home in a safe clean environment. The Town will seek grant opportunities as a matching funding source when available and/or the State financial difficulties greatly improve. The project will relieve some of the shortfall in available field space by expanding the park adding two additional fields, parking and a restroom facility with storage, these additional amenities will be designed and built with conservation practices in mind.

Summary of Operational Costs and Benefits

The operational impact will include expanding cleaning services, landscape maintenance services, increased electrical and water costs and general supplies needed like soil amendments and herbicides, which is estimated at build out to be approximately $45,000 per year. The lighting system will be under a long term warranty agreement and reduces the need for maintenance and operations from 15 to 25 years on that aspect only. Some of these costs will be offset by facility rental revenues. Under current conditions these costs would begin outside the 5 year budget projections.

Useful Life

35+ Years

Costs by Year

Acquisition		Operations
$1,013,280	PRIOR	$ -
$681,720	FY 2016	$ -
$ -	FY 2017	$20,000
$ -	FY 2018	$45,000
$ -	FY 2019	$45,000
$ -	FY 2020	$45,000
$ -	FUTURE	$45,000

Total Cost

$1,695,000

Funding Partners

CIIF 100%

08K03

NORTH SANTA CRUZ PARK PHASE 2

Description

Develop approximately 7 acres of vacant land with a 4,500 sq. ft. splash park, two multi-purpose fields (soccer/football fields) with lights, one little league baseball field with lights, picnic facilities and a basketball court at an undeveloped site south of the currently constructed North Santa Cruz Park.

Justification/Benefit

The project will benefit the general public who would use the facility for family and community events. In a ½ mile radius, approximately 430 single family homes are present. The project will expand the recreational value and opportunities of the site by allowing user groups to use a park and fields. A health benefit is gained by a wider audience because more individuals will be allowed to participate in an active recreational opportunity which may have been excluded or turned away because of lack of facilities. The economic benefit to the community would involve reduced commuting time to or between recreational activities by the residents through offering usable facilities closer to home. The development of a functional park site will create construction jobs for various trades and general workers. The project will increase the recreational value of the site by providing more space for user groups to use the park and fields. The site components will also serve the neighborhood by providing a splash park, picnicking, additional sports fields and basketball opportunities closer to home. This project will enhance the currently undeveloped site. The building of multi-purpose fields will allow current programs to involve more participants and offer diverse selection of activities as well as expand recreational opportunities to the public. Design features can be incorporated into the project to provide long term savings.

Useful Life

35+ Years

Summary of Operational Costs and Benefits

The operational impact will be for maintenance and upkeep of an additional seven acre facility consisting of but not limited to landscape maintenance, 3 sports fields with approximately 5-8 acres of turf, splash park and picnic areas with ramadas. In addition, utilities for water will be included. The lighting system will have a warranty reducing the need for maintenance from 15 to 25 years on that aspect only. Some of these costs will be offset by facility rental revenues. Under current conditions these costs would begin outside the 5 year budget projections.

Costs by Year

Acquisition		Operations
$ -	FY 2016	$ -
$ -	FY 2017	$ -
$ -	FY 2018	$ -
$ -	FY 2019	$ -
$100,000	FY 2020	$ -
$3,400,000	FUTURE	$26,400

Total Cost

$3,500,000

Funding Partners

CIIF 100%

14K04

PARKS MAINTENANCE BUILDING REPLACEMENT

Description

Replacement Maintenance Building for Parks & Facilities maintenance office, workshop, and storage.

Justification/Benefit

The current maintenance and storage facility at Anamax Park is 30-35 years old and originally part of Pima County's park system. It was originally constructed as two open ramadas that were enclosed to create a building previously used as a recreation center. Since Pima County had jurisdiction, there were no maintenance or storage facilities for large scale operations located in Sahuarita, only a garage and small storage yard existed. Ownership was transferred from Pima County to the Town in 2001. Since the opening of the Anamax Recreation Center in 2004 the current facility has been used as a maintenance building and storage facility for all department equipment and is now the only location for maintenance staff offices, recreation and maintenance storage on a large scale, as well as a shop to make repairs on equipment etc. Staff have done their best to keep it maintained but it has extensive termite damage, no insulation, sagging roof trusses, and inadequate heating and cooling. The building does not meet today's building code standards and needs to be replaced within the next three years or it may fall apart. There is no room in the current recreation center, Town Hall or Public Works to house maintenance employees, maintenance equipment and supplies or the recreation equipment and supplies currently located in this building that are necessary for the Department to carry out operations adequately and efficiently.

Summary of Operational Costs and Benefits

This project will have an impact on day to day operations while in progress. Staff could be temporally displaced for approximately 4-5 months during construction if the new facility is built in the same location and would require moving the contents into and out of storage.

Useful Life

30+ Years

Costs by Year

Acquisition		Operations
$ -	PRIOR	$ -
$ -	FY 2016	$ -
$508,000	FY 2017	$ -
$ -	FY 2018	$ -
$ -	FY 2019	$ -
$ -	FY 2020	$ -
$ -	FUTURE	$ -

Total Cost

$508,000

Funding Partners

CIIF 100%

03P9B

SAHUARITA ROAD INTERSTATE 19 TO EAST TOWN LIMITS

Description

Sahuarita Road from Interstate 19 to Eastern Town Limits. This project was split into two major phases for Design and Construction.
Sahuarita Road Phase I includes Interstate 19 to La Villita Road.
Sahuarita Road Phase II includes La Villita Road to the Eastern Town Limits (approximately Country Club Road).

Justification/Benefit

The project promotes economic development by providing improved access through the Town. The aesthetics of the roadway will be inviting for commercial development.

The Phase I project consists of a 4-lane divided all weather roadway with wide medians (to accommodate ultimate 6-lane roadway), bicycle lanes, sidewalks, drainage improvements, a pedestrian underpass, low maintenance landscape and 4 new signalized intersections (Rancho Sahuarita Boulevard, Salome Loop, Desert Gem Lane, La Villita Road).

The Phase II project includes 4-lane divided roadway, bicycle lanes, sidewalks, drainage improvements, low maintenance landscape, twin 2-lane bridges over the Santa Cruz River, relocation and signalization of the Nogales Hwy Intersection, and new at-grade crossings at the UPRR railroad tracks.

Summary of Operational Costs and Benefits

The completion of this project will increase the cost of operations, however it will improve the services provided to the public.

The operational costs are anticipated to be approximately $1,000 per mile/per month. Within our 5 year planning horizon this averages to $61,200 per year. This cost is partially offset by the avoided cost of repair for the roadway which is being improved (this cost was not quantified).

The improvements described in the Justification/Benefit section describe the enhancements to the Town's development plans. In addition there will be improvements to the capacity and safety of the transportation system for residents and visitors.

Useful Life

20 Years

Costs by Year

Acquisition		Operations
$49,425,540	PRIOR	$ -
$4,084,670	FY 2016	$66,000
$ -	FY 2017	$66,000
$ -	FY 2018	$66,000
$ -	FY 2019	$66,000
$ -	FY 2020	$66,000
$ -	FUTURE	$66,000

Total Cost

$53,510,210

Funding Partners

RTA	57%
PAG	32%
CIIF	8%
Pima County Bonds	3%

05P01

QUAIL CROSSING BLVD EXTENSION

Description

Quail Crossing Boulevard Extension: Old Nogales Highway to Nogales Highway/Calle Arroyo Sur. Project length is approximately 1.75 miles.

Phased 2-lane project with the evaluation of an at-grade crossing of the Santa Cruz River, and associated improvements. Initial roadway improvements will be constrained by the currently available regional funding, with consideration for future improvements if/when funding opportunities arise.

Justification/Benefit

The project is needed for future commercial development, and provide access to undeveloped parcels of land. Ultimately the project will benefit residents from the southeast portion of the town by providing a more direct route to I-19, and existing and future commercial developments. Initial construction may include an interim roadway to establish access to developable property, with future projects required to establish access across the Santa Cruz River and other DCR outlined objectives.

Summary of Operational Costs and Benefits

This project will not have an annual operational cost until construction is complete. At which point, the operational costs are anticipated to be approximately $1,000 per mile/per month.

Useful Life

20 Years

Costs by Year

Acquisition		Operations
$985,540	PRIOR	$ -
$200,000	FY 2016	$ -
$1,660,000	FY 2017	$ -
$355,000	FY 2018	$ -
$ -	FY 2019	$ -
$ -	FY 2020	$ -
$8,935,000	FUTURE	$24,000

Total Cost

$12,135,540

Funding Partners

Unidentified	74%
PAG	18%
CIIF	8%

05P03

SAHUARITA ROAD AT INTERSTATE 19

Description

Traffic Interchange Improvements: Sahuarita Road at Interstate 19. This project involves the reconstruction of an existing traffic interchange at Sahuarita Road and I-19 and will accommodate six lanes of through traffic. The Design Concept Report (DCR) was completed in 2009. Stage IV (95%) Plans were submitted to ADOT in 2012.

Justification/Benefit

The project will benefit the southern portion of Pima County, but specifically the town residents using I-19 by raising the level of service of the interchange. Improving the capacity at the interchange will improve safety, allow vehicles to easily access adjacent commercial development, provide better regional connectivity, and allow future widening of I-19 (if/when determined necessary by ADOT).

Summary of Operational Costs and Benefits

The completion of this project will have no effect on the cost of operations as the interchange is maintained by the Arizona Department of Transportation, however it will improve the services provided to the public.

The improvements described in the Justification/Benefit section describe the enhancements to the Town's development plans. In addition there will be improvements to the capacity and safety of the transportation system for residents and visitors.

Useful Life

20 Years

Costs by Year

Acquisition		Operations
$3,284,210	PRIOR	$ -
$ -	FY 2016	$ -
$ -	FY 2017	$ -
$ -	FY 2018	$ -
$ -	FY 2019	$ -
$119,850	FY 2020	$ -
$32,800,000	FUTURE	$ -

Total Cost

$36,204,060

Funding Partners

ADOT	6%
CIIF	4%
Unidentified	90%

08P02

PIMA MINE BRIDGE REPLACEMENT: SANTA CRUZ RIVER

Description

Reconstruction of the Pima Mine Road Bridge over the Santa Cruz River and other miscellaneous improvements, including (3) 36” waterlines.

Justification/Benefit

The existing Pima Mine Road Bridge over the Santa Cruz River has a weight restriction imposed by an ADOT Bridge Report. The reconstruction of this bridge will remove the weight restriction and allow commercial trucks to utilize the road. Currently, heavier vehicles are using alternative routes like Sahuarita Road to bypass Pima Mine Bridge restrictions. Project funding has been secured from PAG, RTA, CAP, JPAR, and FICO.

Summary of Operational Costs and Benefits

The completion of this project will increase the cost of operations and it will improve the services provided to the public.

The operational cost is expected to average $3,000 per year once the project is complete. This cost will be partially offset by the avoided cost of repair for the bridge which is being replaced (this cost was not quantified).

The improvements described in the Justification/Benefit section describe the enhancements to the Town’s commercial transportation plans. In addition there will be improvements to the safety of the transportation system for residents and visitors.

Useful Life

50 Years

Costs by Year

Acquisition		Operations
$1,936,080	PRIOR	$ -
$5,236,440	FY 2016	$ -
$ -	FY 2017	$3,000
$ -	FY 2018	$3,000
$ -	FY 2019	$3,000
$ -	FY 2020	$3,000
$ -	FUTURE	$3,000

Total Cost

$7,172,520

Funding Partners

ADOT	30%
RTA	29%
Partnerships	41%

16S02

MULTIMODAL TRANSPORTATION

Description

Provide or enhance multimodal transportation improvements throughout Town, as needed and identified through preliminary studies and/or accident history. Potential projects may include travel lane or intersection improvements, sidewalk/bicycle lane improvements, signing/striping enhancements, ADA compliance improvements. Department staff will prioritize work based on severity and public impact.

Justification/Benefit

As the Town continues to grow, existing transportation infrastructure needs to be evaluated and improved to meet the needs of the community. This CIP request allows an annual performance-based approach to efficiently implement roadway safety elements, as needs are identified.

Current regulations require public facilities meet ADA compliance as part of pavement rehabilitation projects.

Summary of Operational Costs and Benefits

The completion of this project will increase the cost of operations and it will improve the services provided to the public.

The operational cost is expected to average $5,000 per year once the project is complete. This cost will be for maintenance and upkeep.

The improvements described in the Justification/Benefit section describe the enhancements to the Town's plans for transportation.

Useful Life

20 Years

Costs by Year

Acquisition		Operations
$ -	PRIOR	$ -
$75,000	FY 2016	$5,000
$75,000	FY 2017	$5,000
$75,000	FY 2018	$5,000
$75,000	FY 2019	$5,000
$75,000	FY 2020	$5,000
$ -	FUTURE	$ -

Total Cost

$375,000

Funding Partners

CIIF 100%

xxWW1

ANNUAL SAHUARITA SEWER CONVEYANCE SYSTEM REHABILITATION PROGRAM

Useful Life

50 Years

Description

There are two parts to this ongoing program. The first part of this program will consist of an inspection of the system. The inspection program will consist of cambering up to 0.5% of the system's manholes and conveyance lines in the initial year, ramping up to 20% by fiscal year 2020, and continuing at 20% on an annual basis. The second part of this program will consist of the rehabilitation of approximately 0.3% of the system's manholes and pipelines beginning in fiscal year 2017, ramping up to 1% by fiscal year 2020, and continuing 1% on an annual basis, as identified in the prior years inspection program. Department staff will prioritize work based on severity and public impact.

Costs by Year

Acquisition		Operations
$ -	PRIOR	$ -
$ -	FY 2016	$ -
$100,000	FY 2017	$ -
$160,000	FY 2018	$ -
$220,000	FY 2019	$ -
$280,000	FY 2020	$ -
$ -	FUTURE	$ -

Justification/Benefit

According to the EPA, as sewer systems age the risk of deterioration, blockages and collapse increases. Cleaning and inspecting sewer lines are essential to maintaining a properly functioning system. Further, inspection programs are necessary to evaluate sewer conditions and to develop a proper rehabilitation program.

Summary of Operational Costs and Benefits

This project is itself an impact of operations of the wastewater system.

Total Cost

$760,000

Funding Partners

WW Local 100%

04W01

WASTEWATER TREATMENT PLANT PHASE IV EXPANSION

Description

This improvement has increased the capacity from 690,000 gallons per day to 1,500,000 gallons per day. The design of this project included the ability to seamlessly expand the plant during Phase V to 3,000,000 gallons per day. The design also includes a landscape component to enhance the aesthetic value of the plant.

Summary of Operational Costs and Benefits

The completion of this project will not increase the cost of operations and it will improve the services provided to an increased number of residents (both private and commercial).

The operational cost is not expected to increase based on the completion of the remaining construction activity. The remaining items to be constructed will help ensure the facility is secure and is not producing excessive noise levels.

Useful Life

50 Years

Justification/Benefit

The expansion will ensure that the Town will continue to provide the sewer capacity necessary to support a growing community.

Town residents in the immediate surrounding area of the WWTP will benefit the most from a newly designed and constructed WWTP, which incorporates odor control measures as a required component of the capacity increase.

The Town of Sahuarita and future residents in the undeveloped parts of Rancho Sahuarita will also benefit from this expansion. The new capacity will allow for connection of new development communities. The project has the effect of reducing noise, and also enhances landscaping for residents in the immediate vicinity of the plant. The project enhances the services provided by the Town by increasing the capacity level of the sewer and maintaining the Town's highest commitment to the protection of the environment.

Costs by Year

Acquisition		Operations
$28,431,970	PRIOR	$ -
$110,620	FY 2016	$ -
$ -	FY 2017	$ -
$ -	FY 2018	$ -
$ -	FY 2019	$ -
$ -	FY 2020	$ -
$ -	FUTURE	$ -

Total Cost

$28,542,590

Funding Partners

WIFA	97%
WWF Local	3%

04W02

WASTEWATER TREATMENT PLANT PHASE V EXPANSION

Description

This improvement will bring the capacity from 1,500,000 gallons per day to 3,000,000 gallons per day. This project will continue design work started with the Phase IV expansion and tie in any new design parameters necessary to meet Arizona Department of Environmental Quality (ADEQ) standards. At this time, a 30% design will be created in order to obtain the 3.0 MGD Aquifer Protection Permit from ADEQ. The final design and construction of Phase V will be determined by the annual capacity report generated by

Justification/Benefit

The Town residents in the immediately surrounding area of the WWTP will benefit the most from a newly designed and constructed WWTP. The increase in capacity will also include a comparable increase in odor control measures. The project will continue to ensure operational compliance of the wastewater treatment facility in accordance with State and Federal regulations.

The Town of Sahuarita and future residents in the undeveloped parts of Rancho Sahuarita will also benefit from this expansion. The new capacity will allow for continued support of new development communities. These improvements will also make the surrounding area more attractive for potential merchants. The project will preserve and continue the enhancement qualities of a modern facility as relates to reductions in noise and odor and improved aesthetics of the facility for neighboring residential areas.

Summary of Operational Costs and Benefits

The completion of this project will increase the cost of operations and it will expand the services provided to include an increased number of residents (both private and commercial).

The operational cost is not predictable at this point as the project will not result in a completed facility for several years. The design work referred to in the Description has no operational component.

Useful Life

50 Years

Costs by Year

Acquisition		Operations
$ -	PRIOR	$ -
$ -	FY 2016	$ -
$ -	FY 2017	$ -
$ -	FY 2018	$ -
$20,000	FY 2019	$ -
$ -	FY 2020	$ -
$21,269,170	FUTURE	$ -

Total Cost

$21,868,790

Funding Partners

WIFA	97%
WWF Local	3%

15W01

SAHUARITA WASTEWATER SANITARY SEWER NORTH EXTENSION

Description

Sahuarita Wastewater sanitary sewer north extension of the 12" trunk main from Rancho Sahuarita - Region 8. The 12" and 8" lines will serve future commercial development within the Town's sewer service area. The design plans and permitting for the sanitary sewer line has been completed. The pipeline will extend from its current location in Region 8, north toward the La Cañada / Sahuarita Road intersection.

Justification/Benefit

The installation of the sanitary sewer extension is being built to serve the future commercial development west of I-19 in Rancho Sahuarita, Region 10.

Summary of Operational Costs and Benefits

No net impacts noted.

Useful Life

50 Years

Costs by Year

Acquisition		Operations
$ -	PRIOR	$ -
$636,080	FY 2016	$ -
$ -	FY 2017	$ -
$ -	FY 2018	$ -
$ -	FY 2019	$ -
$ -	FY 2020	$ -
$ -	FUTURE	$ -

Total Cost

$636,080

Funding Partners

State	39%
WWF Local	61%

16W03

STREETS/WASTEWATER MODULAR BUILDING

Justification/Benefit

Currently, the Streets Division and part of the Wastewater Operations staff occupy a dilapidated modular building that is believed to be over 30 years old, and at the end of its life-expectancy. The current conditions at the building are not adequate for the needs. The deteriorated state of the structure may soon pose health and safety risks to the occupants and rehabilitation costs are expected to exceed the cost of a new facility.

Summary of Operational Costs and Benefits

The cost of a new modular office building would be $250,000, and the annual operating costs are expected to be +/- $24,000 per year.

Useful Life

20 Years

Costs by Year

Acquisition		Operations
$ -	PRIOR	$ -
$30,000	FY 2016	$24,000
$30,000	FY 2017	$24,000
$30,000	FY 2018	$24,000
$30,000	FY 2019	$24,000
$30,000	FY 2020	$24,000
$150,000	FUTURE	$24,000

Total Cost

$300,000

Funding Partners

WWF Local 100%

Description

This project will replace the existing modular building, located at the Sahuarita Water Reclamation Plant, and provide a new facility for Public Works, Streets Division and Wastewater Operations to operate from, with new offices, a break room, two unigender restrooms with showers, a conference room, and space for cubicles as needed in future expansion.

Operating Capital

Operating capital represents vehicle and equipment purchases costing $5,000 or more that are used by the departments on a daily basis to accomplish their operational goals.

Human Resources Project

16HR1

$ 13,000

The purchase of a new performance management software system for all departments to track performance throughout the year, and to write annual performance appraisals for their employees.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$13,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Non-Departmental Project

xxND1

$ 283,220

Ongoing replacement of old vehicles in the Town's general motor pool. Includes the vehicle lease pilot program.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$50,000	FY 2016	$-
$50,000	FY 2017	$-
$83,220	FY 2018	$-
$50,000	FY 2019	$-
$50,000	FY 2020	$-
$-	FUTURE	$-

Finance-Technology Project

xxIT1

$ 625,000

Ongoing replacement of old technology, including computers, servers, routers, switches, phones, etc.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$125,000	FY 2016	$(2,500)
$125,000	FY 2017	$(2,500)
$125,000	FY 2018	$(2,500)
$125,000	FY 2019	$(2,500)
$125,000	FY 2020	$(2,500)
$-	FUTURE	$-

Operating Capital

Finance-Technology Project

xxIT2

$ 45,000

Replace old multi-function workgroup copiers.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$45,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Finance-Technology Project

14IT1

$ 40,000

Technology estimate of deploying twenty (20) wireless access points throughout Town Hall, Anamax and Wastewater Treatment Plant. Costs include cable runs, equipment and installation.

Costs by Year

Acquisition		Operations
$20,000	PRIOR	$-
$20,000	FY 2016	$(5,800)
$-	FY 2017	$(5,800)
$-	FY 2018	$(5,800)
$-	FY 2019	$(5,800)
$-	FY 2020	$(5,800)
$-	FUTURE	$-

Police Project

xxPD1

$ 1,416,130

Replacement of old patrol vehicles.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$374,100	FY 2016	$-
$245,350	FY 2017	$-
$254,680	FY 2018	$-
$310,000	FY 2019	$-
$232,000	FY 2020	$-
$-	FUTURE	$-

Police Project

16PD1

$ 50,000

Purchase body-worn cameras for police officers.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$50,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Operating Capital

Police Project 16PD5

$ 70,790

Purchase digital fingerprint system equipment.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$70,790	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Police Project 16PD6

$ 100,000

Add a wall in the Investigations area to provide training facility large enough to accommodate trainings and meetings of 60 or more people. It will also be used as an expanded Emergency Operations Center. This project needs to include necessary technology for presentations such as video and audio and all furniture.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$100,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Municipal Court Project 14CT1

$ 33,930

Upgrade security vestibule with more advanced technology equipment.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$-	FY 2016	$-
$33,930	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Planning & Building Project xxPB1

$ 35,000

Replacement of vehicles that are over 10 years old for Building Safety inspectors.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$-	FY 2016	$-
$-	FY 2017	$-
$35,000	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Operating Capital

Parks & Recreation Project xxK01

$ 50,000

Playground shade structure canopy replacements at Anamax, Los Arroyos, and North Santa Cruz parks.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$-	FY 2016	$-
$25,000	FY 2017	$-
$-	FY 2018	$-
$25,000	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Parks & Recreation Project xxK02

$ 200,000

Ongoing replacement of department vehicles and park equipment.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$40,000	FY 2016	$-
$40,000	FY 2017	$-
$40,000	FY 2018	$-
$40,000	FY 2019	$-
$40,000	FY 2020	$-
$-	FUTURE	$-

Parks & Recreation Project 15K05

$ 50,000

Removal and replacement of sidewalk sections, seat wall/planter repair, and other miscellaneous hardscape repairs.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$-	FY 2016	$-
$50,000	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Public Works & Facilities Project xxPW1

$ 150,000

Ongoing replacement of department vehicles.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$-	FY 2016	$-
$33,000	FY 2017	$-
$36,000	FY 2018	$-
$39,000	FY 2019	$-
$42,000	FY 2020	$-
$-	FUTURE	$-

Operating Capital

Public Works & Facilities Project

13P01

$ 150,000

Improvements to address settlement at the Town Hall front wall and Bell Tower, as well as the Police Department stairwell and wall. Improvements will also address wall cracking and unacceptable operation of existing doorways.

Costs by Year

Acquisition		Operations
$23,000	PRIOR	$-
$127,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Parks & Recreation Project

15FM1

$ 50,000

Commissioning of the Municipal Complex to enhance energy efficiency.

Costs by Year

Acquisition		Operations
$40,000	PRIOR	$-
$10,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Wastewater Utility Project

16W02

$ 45,000

Purchase the Munis ERP utility billing software.

Costs by Year

Acquisition		Operations
$-	PRIOR	$-
$45,000	FY 2016	$3,000
$-	FY 2017	$3,000
$-	FY 2018	$3,000
$-	FY 2019	$3,000
$-	FY 2020	$3,000
$-	FUTURE	$3,000

Other Non-CIP

N/A

Projects and capital items that were carried forward from the prior year budget but were not included in the CIP:

- LTAF bus stop enhancements

Costs by Year

Acquisition		Operations
$5,000	PRIOR	$-
$7,000	FY 2016	$-
$-	FY 2017	$-
$-	FY 2018	$-
$-	FY 2019	$-
$-	FY 2020	$-
$-	FUTURE	$-

Operating Capital

Operating Capital Totals

$ 3,331,070

Costs by Year

Acquisition		Operations
$1,076,890	FY 2016	$(5,300)
$602,280	FY 2017	$(5,300)
$573,900	FY 2018	$(5,300)
$589,000	FY 2019	$(5,300)
$489,000	FY 2020	$(5,300)
$-	FY 2020	$-

Debt

The Town used debt to acquire public infrastructure in past years. These assets are being paid for in the current period by the same citizens who enjoy the benefits of these enhancements. The enhancements were for many different functions of the Town, including streets, parks, judicial courts, police headquarters, and general government. Information about total debt, each debt instrument, its use and its repayments follow.

CIIF and Greater Arizona Development Authority (GADA) Loans

The Town has borrowed money from the financial markets through GADA, an agency of the State. The GADA secures loans from municipalities and other governmental agents and sells these as bonds on the securities market.

The Town participated in the Greater Arizona Development Authority's (GADA) bond issuances in March 2006 and June 2009. The Town received loans in exchange for pledged future State-shared revenues and excise tax collections, which GADA used as security for its bond issuances. Proceeds of the loans provided financing for the construction of municipal complex, which includes a courthouse, the police headquarters, and town hall, as well as road projects and improvements to North Santa Cruz Park. Interest (rates @ 4.0-5.0%) is payable semi-annually and is calculated based upon the principal amount of the loans outstanding during such period. The loans are payable from the revenues of the Town's governmental funds through 2029. Remaining principal and interest on the loans total $9,264,539.

Year Ending June 30	Principal	Interest	Total Debt Payment
2016	$ 1,055,000	$ 332,725	$ 1,387,725
2017	1,105,000	282,825	1,387,825
2018	310,000	229,788	539,788
2019	325,000	215,838	540,838
2020	340,000	202,025	542,025
2021	355,000	187,150	542,150
2022	370,000	171,175	541,175
2023	385,000	154,525	539,525
2024	405,000	136,238	541,238
2025	425,000	117,000	542,000
2026	445,000	95,750	540,750
2027	465,000	73,500	538,500
2028	490,000	50,250	540,250
2029	515,000	25,750	540,750
TOTAL	**$ 6,990,000**	**$2,274,539**	**$ 9,264,539**

Debt

CIIF and Excise Tax Refunding Obligation

In March 2015, the Town entered into an agreement with Wells Fargo Bank, N.A. to refinance (i.e., advance refund) $8.125 million of the outstanding GADA 2006 loan obligation. The Town has pledged future excise taxes toward repayment. Interest (rates @ 1.98%) is payable semi-annually and is calculated based upon the principal amount of the balance outstanding during such period. The loan is payable from the revenues of the Town's governmental funds through 2025. Remaining principal and interest on the loans total $10,020,674.

Year Ending June 30	Principal	Interest	Total Debt Payment
2016	$ -	$ 175,032	$ 175,032
2017	-	175,032	175,032
2018	720,000	175,032	895,032
2019	1,095,000	160,776	1,255,776
2020	1,115,000	139,095	1,254,095
2021	1,135,000	117,018	1,252,018
2022	1,160,000	94,545	1,254,545
2023	1,180,000	71,577	1,251,577
2024	1,205,000	48,213	1,253,213
2025	1,230,000	24,354	1,254,354
TOTAL	**$ 8,840,000**	**$ 1,180,674**	**$ 10,020,674**

Debt

Quail Creek Community Facilities District General Obligation Bonds

The District issued debt to provide funds for the construction and acquisition of enhanced infrastructure within the District boundaries, including sewer lines, streets, and a park. Interest (rates @ 5.15-5.55%) is payable semi-annually and is calculated based upon the principal amount of the bonds outstanding during such period. The bonds are payable from the District's property tax revenues through 2030. If the property tax revenues are insufficient to make the required payments, the developer of Quail Creek CFD will make a contribution sufficient to make the payment. Remaining principal and interest on the loans total $15,097,336.

Year Ending June 30	Principal	Interest	Total Debt Payment
2016	$ 450,000	$ 557,085	$ 1,007,085
2017	470,000	533,910	1,003,910
2018	500,000	507,825	1,007,825
2019	525,000	480,075	1,005,075
2020	555,000	450,938	1,005,938
2021	585,000	420,135	1,005,135
2022	620,000	387,668	1,007,668
2023	655,000	353,258	1,008,258
2024	690,000	316,905	1,006,905
2025	725,000	278,610	1,003,610
2026	770,000	238,373	1,008,373
2027	810,000	195,638	1,005,638
2028	855,000	150,683	1,005,683
2029	905,000	103,230	1,008,230
2030	955,000	53,003	1,008,003
TOTAL	**$ 10,070,000**	**$ 5,027,336**	**$ 15,097,336**

Debt

Wastewater fund and Water Infrastructure Finance Authority Loans

The Town had entered into two loan agreements with the Water Infrastructure Finance Authority of Arizona (WIFA) to provide funds for the construction and design of several wastewater treatment plant expansions. Interest (rate @ 3.723%) is payable semi-annually and is calculated based upon the principal amount of the loan outstanding during such period. Principal and interest payments to maturity are subject to change based upon the total amounts drawn down on the loans. Remaining principal and interest on the loans total $30,592,620.

For the 2008 WIFA System Revenues Loan, the Town has pledged wastewater system resources, net of specified operating expenses. Annual principal and interest payments on the loan are expected to require all of the wastewater system's net revenues.

For the 2008 WIFA Non-System Revenues Loan, the Town has pledged wastewater system resources, net of specified operating expenses, and the excess of non-system revenues (i.e. excise taxes) not pledged towards other debt. Annual principal and interest payments on the loan are expected to require less than 6% of pledged resources.

Year Ending June 30	Principal	Interest	Total Debt Payment
2016	$ 1,513,000	$ 891,560	$ 2,404,560
2017	1,569,330	835,230	2,404,560
2018	1,627,760	776,800	2,404,560
2019	1,688,360	716,200	2,404,560
2020	1,751,220	653,340	2,404,560
2021	1,816,410	588,140	2,404,550
2022	1,884,040	520,520	2,404,560
2023	1,954,180	450,380	2,404,560
2024	2,026,940	377,620	2,404,560
2025	2,102,400	302,160	2,404,560
2026	2,103,960	226,950	2,330,910
2027	1,959,440	148,620	2,108,060
2028	2,032,390	75,670	2,108,060
TOTAL	**$ 24,029,430**	**$ 6,563,190**	**$ 30,592,620**

Supporting Information

THE BUDGETARY PROCESS

FUND COMPOSITION

The Town's financial reporting entity is comprised of seven funds: (1) General Fund, (2) Highway User Revenue Fund, (3) Grants & Restricted Sources Fund, (4) Quail Creek Community Facilities District Fund, (5) Rancho Sahuarita Community Facilities District, (6) Capital Infrastructure Improvement Fund, and (7) Wastewater Enterprise Fund. The Town adopts budgets for all of these funds.

BASIS OF PRESENTATION

As in prior years, departments are budgeted on a functional unit basis to emphasize the programmatic components of Town Services. Accordingly, the fiscal year 2016 budget shows the costs associated with each department and for capital projects.

BUDGETARY CONTROL

The Town's adopted budget serves as a legal operating plan for the fiscal year. While its primary function is to provide a planning and allocation tool, it also serves management by providing the basis for measuring performance during the year.

The adopted budget has two levels of budgetary constraints: 1) within the operating funds, expenditures may not legally exceed appropriations at the department level and 2) within the Capital Infrastructure Improvement Fund expenditures may not legally exceed the functional level of budgeted projects.

To monitor compliance with these budgetary constraints, revenue and expenditure reports and budget-versus-actual analyses are prepared periodically by the Finance Department and are reported to the Town Manager and the Town Council. These reports provide not only a mechanism for monitoring performance, but also for adjusting (when necessary) departmental operating plans and resource utilization.

BUDGET AMENDMENTS

While state statutes prohibit the Town from exceeding the final adopted budget amount, the budget is still just a planning document, and as such remains sufficiently flexible to accommodate changes that may occur during the fiscal year. There are two categories of change that may be needed: 1) those affecting line items within a single department and 2) those requiring a transfer between departments or funds. In the first instance, the Town Manager retains the authority to modify line item amounts within the departmental budgets, provided the total program budgeted amount remains unchanged. In the second instance, the Town Manager has the authority to evaluate departmental requests for changes between departments and make recommendations for approval to the Town Council. Should the Town Manager recommend the change to the Town Council, the recommendation will be considered at a regularly scheduled, open meeting of the Town Council.

BUDGET PREPARATION AND APPROVAL

Zero-Base Budgets

Every department shall develop an annual budget using a zero base budget methodology. Under this approach, no target is established. The department evaluates its current level of operations, its programmatic structure, and its staffing in the context of its mission statement and the department's goals and objectives. Organizational revisions are made, if beneficial to the achievement of department goals. Programs are then divided into services which define the department's product, or benefit, to the Town. Each program is individually budgeted and can be individually evaluated. Each line item for each program is evaluated and justified. During the year, the actual cost of each program can be captured and variances from budget monitored and analyzed.

Capital Improvement Budget

On an annual basis, the Town Manager prepares a five-year Capital Improvement Plan (CIP), the first year of which becomes the capital budget. A summary of capital improvement projects for fiscal year 2016 to 2020 is provided in another section of this document.

Preparation and Approval Timetable

A timetable for the budget preparation and approval processes for fiscal year 2016 is provided on the next page.

TOWN OF SAHUARITA, ARIZONA
BUDGET/CIP CALENDAR
Fiscal Year 2016

Date	Action
December 12, 2014	**CIP Project Sheets due to Finance** *Capital Improvement Plan worksheets need to be completed in order for any CIP project to be considered by the Town Manager for recommendation as part of the Budget.*
December 2014	**Preliminary revenue projections prepared by Finance** *Finance prepares five-year revenues projections for all Town funds.*
January 2015	**Staff Meetings-financial/budget overview** *During the month of January, the Finance Director communicates with other department heads in order to share the results of preliminary revenue projections and to ensure all departments understand the deadlines and the information required to fulfill each deadline.*
Various dates in January	**Meetings with Technology Division to review technological needs** *During the month of January, the Technology Manager meets with departments to determine any technological needs and identify the most efficient and effective methods for the Town to address its needs.*
January 23, 2015	**Preliminary departmental (Level 1) budget requests cut-off** *Initial identification of expenditures levels and expected revenue collections need to be entered by each department in order to meet the preliminary (Level 1) cut off.*
February 6, 2015	**Final departmental (Level 2) budget requests due to Finance** *Requests for expenditure levels must be reviewed and approved by each department head by this date.*
February 23 – March 7, 2015	**Departmental meetings with Town Manager to review budget requests** *Meetings are held by the Town Manager with each department head to review the budget request and determine how the Town Manager will use the requests to create the Manager's recommended budget for Town Council.*

TOWN OF SAHUARITA, ARIZONA
BUDGET/CIP CALENDAR
Fiscal Year 2016

Date	Action
March 9 – 20, 2015	**Department follow-up meetings with Town Manager (as needed)** *Initial meetings may leave questions unresolved. This step provides time for resolution prior to the creation of the Town Manager's recommended budget.*
April 17, 2015	**Manager Recommended Budget and CIP delivered to Town Council Members** *Once the Town Manager has finalized a recommendation for the whole Town, a study document is prepared for the Town Council. This document is provided to the Council in preparation for the first public review of the budget by the Council.*
May 11, 2015	**Town Council study session on the budget and CIP** *Public hearing at which a presentation is made to the Council by the Town Manager (or an assignee). This provides an opportunity for public review and comment. Council may request the Manager adjust any or all items in the budget at this time.*
May 26, 2015	**Town Council study session on the budget and CIP (if needed)** *Depending on the request of Council, a follow up public study session is available to review the budget prior to its tentative adoption.*
June 8, 2015	**Town Council *Tentative Budget* approval** *In compliance with State statute, the Council holds a public meeting to determine if the budget will be adopted on a tentative basis.*
June 22, 2015	**Public hearing and Town Council adoption of the 2015 budget and CIP** *In compliance with State statute, the Council holds a special public meeting to determine if the budget will be adopted on a final basis.*

TOWN OF SAHUARITA, ARIZONA
FINANCIAL AND BUDGETARY POLICIES

Adopted financial polices reflect the Town's commitment to sound financial management and fiscal integrity. They also provide stability by helping Town officials plan fiscal strategy with a consistent approach. The Town has an important responsibility to its citizens to carefully account for public funds, to manage its finances wisely, and to plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities. These policies set forth guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated.

General Financial Goals

- To maintain a financially viable municipal government that can provide an adequate level of services.
- To maintain financial flexibility to be able to continually adapt to local and regional economic changes.
- To maintain and enhance the sound fiscal condition of the Town.
- To deliver quality services in an affordable, efficient, and cost-effective basis providing full value for each tax dollar.
- To maintain a high credit rating to ensure the Town has access to long-term debt at the most affordable cost. Following these principles will enhance the Town's financial health as well as its image and credibility with its citizens, the public in general, bond rating agencies, and investors. To achieve these purposes it is important to regularly engage in the process of financial planning including reaffirming and updated these financial guidelines. Policy changes will be needed as the Town continues to grow and become more diverse and complex in the services it provides, as well as the organization under which it operates to provide these services.

1. Fiscal Planning and Budgeting Policies

Fiscal planning refers to the process of identifying resources and allocating those resources among nu merous and complex competing purposes. The primary vehicle for this planning is the preparation, mon itoring, and analysis of the Town's budget.

1.1. The Town will adopt a balanced budget by June 30 of each year. The total of proposed expenditures shall not exceed the total of estimated income and fund balances.

1.1.1. Each year the Town Manager shall prepare and recommend to the Town Council a preliminary budget where revenues equal or exceed expenditures in the General Fund. The Town Manager may also present budget alternatives that deviate from this provision in order to accommodate circumstances that may arise in any given year.

1.2. The Town will prepare a budget in accordance with the framework established by the National Advisory Council on State and Local Budgeting and the Government Finance Officers Association.

1.3. The budget will be used as a fiscal control device as well as a financial and service level plan.

1.4. All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial health.

1.5. Town Council and Town Management exercise budgetary control. Except as provided in this section, all budget transfers or appropriations of fund balances require the approval of the Town Council.

1.5.1. Budget transfers of fund balances assigned to Management for contingencies require the approval of the Town Manager. The Town Manager will provide the Town Council a report accounting for such transfers.

1.5.2. Budget transfers between accounts within the same department require the approval of the Town Manager or Finance Director.

1.6. The Finance Director will prepare a budget calendar no later than January of each year.

1.7. Budget development will use strategic multi-year fiscal planning, conservative revenue and ex penditure forecasts.

1.8. The budget will be prepared in accordance with State Law and in the format approved by the Arizona Auditor General using the modified accrual basis of accounting where possible.

1.8.1. Expenses that do not require use of current financial resources, such as depreciation, are not budgeted.

1.8.2. Capital purchases of proprietary funds are budgeted as expenditures.

1.8.3. Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are expended when due.

1.8.4. Debt service payments of proprietary funds are budgeted as expenditures.

1.8.5. Proceeds of long-term debt for proprietary funds are budgeted as other financing sources.

1.8.6. Departures from the modified accrual basis of accounting include the following:

1.8.6.1. Budgetary schedules shall be prepared in such a way as to demonstrate total sources equals total uses.

1.8.6.2. Beginning fund balances shall be accounted for in revenues/sources section of the budgetary schedules.

1.8.6.3. Ending fund balances shall be accounted for in the expenditures/uses section of the budgetary schedules.

1.8.6.4. Budgeted transfers in and transfers out shall be netted in each fund and accounted for in the rev enues/sources section of the budgetary schedules.

1.9. Alternatives for improving the efficiency and effectiveness of the Town's programs and the pro ductivity of its employees will be considered during the budget process. Duplication of services and inefficiencies should be eliminated wherever they are identified.

1.10. The Town shall establish appropriate management controls to monitor expenditure budgets to ensure they do not exceed authorizations.

1.11. During the course of the year, the Town Manager is charged with the responsibility to take steps to reduce expenditures or increase revenues to the extent necessary to ensure that actual changes to fund balances in the General Fund are no lower than that planned for in the budget at the close of the fiscal year. The Town Manager may institute a cessation during the fiscal year on hirings, promotions, transfers, and capital equipment purchases. Such action will only occur after sending the Town Council notice of such actions.

1.12. The Town will avoid budgetary and accounting procedures which balance the current budget at the expense of future budgets.

2. Revenue Policies

Because revenues are sensitive to both local and regional economic conditions, revenue estimates should be conservative.

2.1. Staff will estimate annual revenues by an objective, analytical process utilizing trend, judgmental, and statistical analysis as appropriate.

2.2. The Town will attempt to maintain a diversified and stable revenue system in order to:

2.2.1. Decrease reliance on general taxation for discretionary but desirable programs and services and rely more on fees and charges.

2.2.2. Decrease the vulnerability of programs and services to reductions in tax revenues as a result of economic fluctuations.

2.2.3. Increase the level of self-support for new program initiatives and enhancements.

2.3. One-time revenues will be limited to the purpose for which they are intended or, to the extent possible, for one-time expenditures.

2.4. User fees and charges for services will be reviewed to determine the adequacy of cost recovery.

2.5. Construction sales taxes collected from development activity occurring in the Town Center desig nated area, and investment earnings on such collections, shall be designated for the acquisition or construction of public infrastructure to enhance economic development within the same area.

2.5.1. The Town Center designated area encompasses Region 6, Region 8, and Offsite 01, 02, and 03 as depicted on Sahuarita Resolution 2014-0394, Exhibit B.

3. Expenditure Policies

Management must ensure compliance with the legally adopted budget. In addition, purchases and ex penditures must comply with legal requirements and policies and procedures set forth by the Town Council.

3.1. Expenditures will be controlled by an annual appropriated budget, established by Town Council.

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

3.3. The Town will maintain a purchasing system that provides needed commodities and services in a timely manner to avoid interruptions in the delivery of services. All purchases shall be made in accordance with the State statutes, the Town's procurement code, purchasing policies, guide lines, and procedures.

3.4. The Town will endeavor to obtain supplies, equipment, and services that provide the best value.

3.5. The Town will make all payments within established terms.

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

3.7. The Town will maintain a level of expenditures which will provide for the health, safety and wel fare of the residents of the community.

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

4. Grants

Many grants require appropriation of funds, either for the original grant or to continue programs after the grant funding has expired. The Town should review these grant programs prior to determining whether application should be made for these grant funds.

4.1. The Town shall only apply for those grants that are consistent with the objectives identified by Council. The potential for incurring ongoing costs, to include the assumption of support for grant funded positions from local revenues, will be considered prior to applying for a grant.

4.2. The Town shall attempt to recover all allowable costs—direct and indirect—associated with the administration and implementation of programs funded through grants. The Town may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

4.3. The Town will maintain a system of internal controls which provide reasonable assurance of com pliance with laws, regulations, and the provisions of contract and grant agreements.

4.3.1. The objectives of internal control pertaining to the compliance requirements for grant programs are as follows:

4.3.1.1. Transactions are properly recorded and accounted for to:

4.3.1.1.1. Permit the preparation of reliable financial statements and grant reports;

4.3.1.1.2. Maintain accountability over assets; and

4.3.1.1.3. Demonstrate compliance with laws, regulations, and other requirements;

4.3.2. Transactions are executed in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on a grant program; and

4.3.3. Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

5. User Fee Cost Recovery and Indirect Cost Allocations

User fees and charges are payments for voluntarily purchased, publicly provided services that benefit specific individuals. The Town relies on user fees and charges to supplement other revenue sources in order to provide public services. Indirect cost charges are assessed to recover a portion of the costs for services provided between various funds.

5.1. The Town may establish user fees and charges for certain services provided to users receiving a specific benefit.

5.2. User fees shall be reviewed periodically to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where needed. The calcula- tion of full cost will include all reasonable and justifiable direct and indirect cost components.

5.3. The Town shall establish a cost allocation plan to determine annually the administrative service charges due to the appropriate cost centers. Where appropriate, funds shall pay these indirect cost charges for services provided by another fund.

6. Cash Management and Investment

Cash management includes the activities undertaken to ensure maximum cash availability and maximum investment yield on a government's idle cash, and the cash collection function.

6.1. The Town shall maintain and comply with a written investment policy that has been approved by the Town Council. The investment policy will emphasize safety and liquidity before yield.

6.2. The Town will collect, deposit, and disburse all funds on a schedule that insures optimum cash availability for investment.

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

6.4. The Town will project its cash needs to optimize the efficiency of the investment and cash man agement program.

6.5. The Town will conduct its treasury activities with financial institutions based upon written contracts.

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

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

6.8. The Town may use short-term debt to cover temporary or emergency cash flow shortages. All short-term borrowing will be subject to Council approval.

7. Capital Asset Accounting, Depreciation, and Replacement

An effective capital asset accounting system is important in managing the Town's capital asset investment.

7.1. The Town will maintain a capital assets system for assets with values of $5,000 or more. All items less than $5,000 will be recorded as operating expenditures.

7.2. Annual budgets including reserves will provide for adequate design, construction, maintenance and replacement of Town's capital assets in accordance with the current year of the capital im provement plan.

7.3. The Town will project equipment replacement and maintenance needs for the next five years and will update this projection each year.

7.4. The Town will ensure that depreciation expense is allocated in a systematic and rational manner to those periods expected to benefit from the use of the asset.

7.4.1. The straight-line method of depreciation, using the half-year convention, will be used for all depreciable assets.

7.4.2. The useful life of an asset will be based upon the Town's history with said asset or similar asset type. In the absence of an adequate history, the Town will follow useful life guidelines provided by reputable organizations such as the Government Finance Officers Association.

7.5. Vehicles will be replaced on an as needed basis after consideration of safety issues and financial impacts.

7.6. An inventory of capital assets shall be performed on a periodic basis, at least every 3 years.

7.7. The Town will evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred and whether the assets need to be revalued in accordance with Governmental Accounting Standards Board Statement No. 42.

8. Capital Improvement Plan Policies

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

8.1. The Town will make all capital improvements in accordance with an adopted and funded capital improvement plan.

8.2. The Town will develop an annual five-year plan for capital improvements, including design, development, and implementation.

8.3. Staff will identify the estimated capital costs, the estimated operating costs, potential funding sources and project schedule for each capital project proposal before it is submitted to the Coun cil for approval.

8.4. The Town will use intergovernmental assistance and other outside resources whenever possible to fund capital improvements providing that these improvements are consistent with the capital improvement plan and Town priorities.

8.5. When current revenues or resources are available for capital improvement projects, consider ation will be given first to those capital assets with the shortest useful life and/or to those capital assets whose nature makes them comparatively more difficult to finance with debt financing. Using cash for projects with shorter lives and debt for projects with longer lives facilitates "inter-generational equity".

8.6. Staff will monitor projects in progress to insure their timely completion or the adjustment of the Capital Improvement Plan as approved by Council. A quarterly status report will be presented to the Town Council to monitor each project's progress and to identify any significant issues.

8.7. The current year of the capital improvement plan will become the capital budget.

9. Long-Term Debt Policies

The Town utilizes long-term debt to finance capital projects with long useful lives. Financing capital projects with debt provides for an "intergenerational equity", as the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the costs of the asset. The purpose of this debt management policy is to provide for the preservation and eventual enhancement of the Town's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions, and required disclosures to investors, underwriters and rating agencies. These policy guidelines will also be used when evaluating the purpose, necessity and condition under which debt will be issued. These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State statutes, federal tax laws, and the Town's current debt resolutions and covenants. The Arizona Constitution limits a Town's bonded debt capacity (out standing principal) to certain percentages of the Town's secondary assessed valuation by the type of project to be constructed. There is a limit of 20% of secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, recreational facility improvements, and transporta tion. There is a limit of 6% of secondary assessed valuation for any other general purpose project.

9.1. The overall debt management policy of the Town is to ensure that financial resources of the Town are adequate in any general economic situation to not preclude the Town's ability to pay its debt when due.

9.2. The Town will confine long-term borrowing to capital improvements, capital acquisitions, and the refinancing of prior year long-term debt.

9.3. The life of the debt service payments will not exceed the useful life of the capital assets acquired with the debt proceeds.

9.4. Proceeds from long-term debt will not be used to fund current on-going operations.

9.5. The issuance of variable rate debt by the Town will be subject to the most careful review and will be issued only in a prudent and fiscally responsible manner.

9.6. The Town shall make every effort to combine debt issuances in order to minimize issuance costs.

9.7. The investment of bond proceeds shall at all times comply with requirements of debt covenants.

9.8. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements.

9.9. Before any new debt is issued, the impact of debt service payments on total annual fixed costs will be analyzed.

9.10. The Town will maintain a revenue-to-debt service ratio of at least 5 to 1 for its governmental ac tivities debt.

9.11. The Town will only issue new debt if, in the Capital Infrastructure Improvement Fund, the projected net recurring funding sources exceed the estimated annual debt service expenditures in each year of the five year period covered in the Capital Improvement Plan.

10. Fund Balance Policies

Fund balance is an important indicator of the Town's financial position. Adequate fund balances must be maintained to allow the Town to continue providing services to the community.

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

10.1.1. Nonspendable fund balance: balances that are not in spendable form or with a requirement to maintain intact.

10.1.2. Restricted fund balance: balances that have externally enforceable limitations on their use im posed by creditors, grantors, contributors, constitutional limitations, or legal limitations.

10.1.3. Committed fund balance: balances that have self-imposed limitations resulting from formal ac tion taken by the Town Council.

10.1.4. Assigned fund balance: balances that have limitations resulting from intended use.

10.1.5. Unassigned fund balance: all residual net resources in the total fund balances not otherwise in cluded in one of the above categories.

10.2. Fund balances will be reserved to offset difficult economic times, stabilize fluctuations in cash flow requirements, and provide for emergency situations.

10.2.1. Stabilization reserves shall be established each year and be incorporated into the budget.

10.2.1.1. Each fund should maintain minimum fund balances equivalent to 25% of its adopted operating budget for the year. The General Fund minimum balance requirement shall also include any op erating reserve deficiencies of other funds.

10.2.1.2. Each fund should maintain minimum fund balances equivalent to 20% of its adopted capital outlay budget, adjusted for amounts not subjecting the Town to obligation, for the year. The Capital Infrastructure Improvement Fund minimum balance requirement shall also include any capital reserve deficiencies of other funds.

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

10.3. Unassigned fund balances will be maintained to provide for unforeseen opportunities.

10.3.1. The Town desires to have a $10 million unassigned fund balance in the General Fund by the end of fiscal year 2020. Town Management shall develop a financial plan to reach this target. Until such time, any appropriations that cause this fund to decrease shall be accompanied with a plan to replenish the balance within a reasonable timeframe.

10.4. When more than one resource is available to fund outlays for a particular purpose, the most constrained source will be depleted before others sources are consumed; starting with restricted fund balances, followed by committed fund balances, assigned fund balances and lastly unassigned fund balances.

11. Enterprise Funds

Government enterprises generate revenue to offset the cost of providing certain services. User charges are established to offset the cost of providing these services. The accounting systems must be established to separate these revenues and expenses.

11.1. Separate funds will be established and maintained to properly account for each enterprise operation. Enterprise funds will not be used to subsidize the operations of other funds. Interfund charges will be assessed for the administrative support of the enterprise activity.

11.2. The Town will establish rates and fees at levels to fully cover the total direct and indirect costs, including operations, capital outlay, unrestricted cash reserve balances, debt service, and debt coverage requirements.

12. Accounting, Auditing, and Financial Reporting

Accounting, auditing, and financial reporting form the informational infrastructure for public finance. Internal and external financial reports provide important information to the Town's legislative body, management, citizens, investors, and creditors.

12.1. The Town's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles and standards promulgated by the Governmental Ac counting Standards Board.

12.2. Financial reports for each quarterly period will be submitted to the Finance and Investment Advi sory Committee and the Town Council.

12.3. The Finance and Investment Advisory Committee will provide financial oversight and will recom mend ways to improve processes and procedures as needed.

12.4. Relevant and comprehensive disclosure will be provided in the general financial statements and bond representations.

12.5. The Comprehensive Annual Financial Report will present the status of the Town's finances on a basis of generally accepted accounting principles.

12.6. An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official Comprehensive Annual Financial Report and Annual Expenditure Limitation Report.

12.7. The Town will develop and manage its accounting system to provide reasonable assurance re garding:

12.7.1. The safeguarding of assets against loss from unauthorized use or disposition.

12.7.2. Reliability of financial records for preparing financial statements and maintaining accountability for assets.

12.8. The Comprehensive Annual Financial Reports and Annual Adopted Budgets will be posted on the Town's website and made available to the public.

12.9. The Town will participate in the Government Finance Officers Association's award programs with the intent of receiving the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

13. Risk Management

Risk management is involved in the identification, evaluation, and treatment of the Town's exposure to risk. Risk management has become increasingly important in guarding against economic loss an in ensuring public safety in a time of increasing public liability and litigation.

13.1. The Town shall make diligent efforts to prevent or mitigate the loss of Town assets and to reduce the Town's exposure to liability through training, risk financing, and the transfer of risk when cost effective.

13.2. The Town shall manage its exposure to risk through the purchase of third-party insurance for general liabilities, automotive liabilities, property losses, and workers' compensation.

13.3. When applicable, the Town will control its exposure to risk through the use of "hold harmless" agreements in Town contracts by requiring contractors to carry liability insurance, including er rors and omissions coverage for architectural, engineering, and other professional firms.

LEGAL REQUIREMENTS

STATE SPENDING LIMITATION

The Town of Sahuarita, like all counties and municipalities in Arizona, is subject to numerous budgetary and related legal requirements. Article 9, Section 20, (1) of the Arizona Constitution sets limits on the Town's legal budget capacity. In general, the Town Council cannot authorize expenditures of local revenues in excess of the expenditure limitations determined annually by the Arizona Economic Estimates Commission. This limitation is based upon a calculated amount of expenditures for fiscal year 1979-80 (prior to the Town's incorporation), adjusted to reflect subsequent inflation and population growth. Not subject to this limit are items such as bond proceeds, related debt service, interest earnings, special voter approved districts, certain highway user revenue funds, federal funds, monies received pursuant to intergovernmental agreements, and state grants which are to be used for specific purposes. The Town demonstrates compliance with these requirements by filing the audited Annual Expenditure Limitation Report with the Office of the Arizona Auditor General.

TENATIVE BUDGET PREPARATION AND PUBLICATION

State law (ARS §42-17101) requires that on or before the third Monday in July of each fiscal year, the Town Council must prepare an estimate of expenditures and revenues. Town of Sahuarita refers to these estimates as the Tentative Budget. According to ARS §42-17101, this Tentative Budget must be included in the Town Council meeting minutes and, must be fully itemized in accordance with forms supplied by the Auditor General. (See the Official Budget Forms section.) ARS §42-17102 defines the contents of the estimates. The Tentative Budget and the reports include all monies used for Town purposes including interest and principal payments on bonds.

ARS §42-17103 requires publication of the Tentative Budget once a week for at least two consecutive weeks. The published Tentative Budget must be accompanied by a notice of the scheduled date and time for a public hearing regarding the budget.

ARS §42-17104 specifies that the Town Council shall hold a public hearing and special meeting at which any taxpayer may appear and speak for or against any proposed expenditure. This meeting is held on the date the budget is adopted.

ARS §42-17105 prescribes that once the Tentative Budget has been published, expenditures may not be increased above the published amounts; however, they may be decreased. In effect, with the publication of the Tentative Budget, the Town Council has set its maximum limits for expenditures, but these limits may be reduced upon final adoption.

FINAL BUDGET ADOPTION

State law (ARS §42-17105) specifies that after the hearing required by ARS §42-17104, the Town Council must adopt the estimate of proposed expenditures for the fiscal year at a special meeting called for that purpose. The adopted expenditures then become the budget for the upcoming fiscal year and shall not exceed the total amount proposed for expenditures in the published estimates (i.e., the Tentative Budget).

According to ARS §42-17106, once adopted, no expenditures shall be made for a purpose not included in the budget and no expenditures shall be made in excess of the amounts specified for each purpose in the budget, except as provided by law. This restriction applies whether or not the Town has at any time received, or has on hand, funds or revenue in excess of those required to meet expenditures incurred under the budget.

BUDGET REVISIONS

ARS §42-17106 requires that no expenditures be made for a purpose not included in the adopted budget in any fiscal year in excess of the amount specified for each purpose in the budget. ARS §42-17106 permits the Town Council, on the affirmation of a majority of the supervisors at a duly noticed public meeting, to authorize the transfer of funds between programs if the funds are available, if the transfer is in the public interest and based on a demonstrated need, so long as the transfer does not violate the set spending limitations.

OFFICIAL BUDGET FORMS

TOWN OF SAHUARITA
FISCAL YEAR 2016

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SAHUARITA RESOLUTION NO. 2015-0431

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF SAHUARITA, ARIZONA, ADOPTING THE FISCAL YEAR 2016 BUDGET IN THE AMOUNT OF $61,753,660.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Town Council did, on June 8, 2015, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the Town of Sahuarita; and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Council met on June 22, 2015, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS, it appears that the publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 22, 2015, at a location accessible to the public for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in A.R.S. Section 42-17051 (A); and

WHEREAS, the Sahuarita Town Code Section 3.20 establishes a stabilization fund that requires a separate accounting of committed fund balances in the General Fund; and

WHEREAS, the Town Council has adopted financial and budgetary policies that establish minimum ending fund balance requirements, as set forth in the Sahuarita Town Code and amended from time to time.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Sahuarita, Arizona, as follows:

Section 1. The estimates of revenues and expenditures/expenses, hereinafter set forth in Exhibit "A", as now increased, reduced, or changed, are hereby adopted as the budget of the Town of Sahuarita for the fiscal year 2016.

Section 2. The General Fund shall include a commitment of ending fund balances for stabilization reserves in the amount of $4,336,250.

Section 3. Town staff is authorized to take all the steps necessary to implement the adopted budget for fiscal year 2016 and give it effect.

Section 4. All ordinances, resolutions, or motions and parts of ordinances, resolutions or motions of the council in conflict with the provisions of this Resolution are hereby repealed, effective as of the effective date of this Resolution. All internal references within the Town Code to any affected provision are hereby updated.

Section 5. If any section, subsection, sentence, clause, phrase or portion of this Resolution 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 Sahuarita, Arizona, this 22nd day of June, 2015.

Mayor Duane Blumberg

APPROVED AS TO FORM:

Daniel J. Hochuli,
Town Attorney

ATTEST:

Lisa Cole, CMC
Town Clerk

TOWN OF SAHUARITA, ARIZONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016

Fiscal Year	S o h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2015 Adopted/Adjusted Budgeted Expenditures/Expenses*	E	29,077,730	11,932,930	0	28,407,870	0	1,169,750	0	70,588,280
2015 Actual Expenditures/Expenses**	E	12,729,720	3,361,500	0	18,232,110	0	866,840	0	35,190,170
2016 Fund Balance/Net Position at July 1***		17,024,940	939,240		7,294,760		(3,465,590)		21,793,350
2016 Primary Property Tax Levy	B	0							0
2016 Secondary Property Tax Levy	B		411,260						411,260
2016 Estimated Revenues Other than Property Taxes	C	14,093,460	6,850,760	0	7,340,900	0	3,993,310	0	32,278,430
2016 Other Financing Sources	D	0	7,160,000	0	0	0	110,620	0	7,270,620
2016 Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016 Interfund Transfers In	D	0	20,400	0	3,600,000	0	671,390	0	4,291,790
2016 Interfund Transfers (Out)	D	305,710	3,600,000	0	386,080	0	0	0	4,291,790
2016 Reduction for Amounts Not Available:									
LESS: Amounts for Future Debt Retirement:									0
									0
									0
									0
2016 Total Financial Resources Available		30,812,690	11,781,660	0	17,849,580	0	1,309,730	0	61,753,660
2016 Budgeted Expenditures/Expenses	E	30,812,690	11,781,660	0	17,849,580	0	1,309,730	0	61,753,660

EXPENDITURE LIMITATION COMPARISON	2015	2016
1. Budgeted expenditures/expenses	$ 70,588,280	$ 61,753,660
2. Add/subtract: estimated net reconciling items	(8,255,550)	(8,225,540)
3. Budgeted expenditures/expenses adjusted for reconciling items	62,332,730	53,528,120
4. Less: estimated exclusions	29,193,931	18,861,487
5. Amount subject to the expenditure limitation	$ 33,138,799	$ 34,666,633
6. EEC expenditure limitation	$ 33,138,800	$ 34,666,634

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.
** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Schedule A

TOWN OF SAHUARITA, ARIZONA
Tax Levy and Tax Rate Information
Fiscal Year 2016

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	$	$
2. Amount received from primary property taxation in the **current year** in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	$	
3. Property tax levy amounts		
A. Primary property taxes	$	$
B. Secondary property taxes	354,730	411,260
C. Total property tax levy amounts	$ 354,730	$ 411,260
4. Property taxes collected*		
A. Primary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total primary property taxes	$	
B. Secondary property taxes		
(1) **Current** year's levy	$ 342,320	
(2) Prior years' levies	3,540	
(3) Total secondary property taxes	$ 345,860	
C. Total property taxes collected	$ 345,860	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate		
(2) Secondary property tax rate		
(3) Total city/town tax rate		

B. Special assessment district tax rates

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating two special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Schedule B

TOWN OF SAHUARITA, ARIZONA
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
GENERAL FUND			
Local taxes			
Transaction privilege taxes	$ 4,531,630	$ 4,706,280	$ 4,820,850
Franchise fees	316,470	310,310	318,660
Licenses and permits			
Planning & Building permit fees	806,230	970,220	1,032,820
Intergovernmental			
State shared sales taxes	2,282,360	2,290,100	2,372,540
State shared income taxes	3,057,570	3,057,570	3,041,180
State shared vehicle license taxes	986,570	1,000,540	1,038,340
Charges for services			
Development fees	74,070	50,000	98,930
Recreation fees	110,670	129,540	135,230
Other departmental fees	34,500	4,180	5,000
Indirect cost recovery	681,800	632,270	669,040
Fines and forfeits			
Court fines and fees	275,570	264,960	271,640
Interest on investments			
Investment earnings	230,410	130,000	228,180
Miscellaneous			
Other	50,000	48,500	61,050
Total General Fund	$ 13,437,850	$ 13,594,470	$ 14,093,460

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Schedule C

TOWN OF SAHUARITA, ARIZONA
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
State shared fuel taxes	$ 1,775,290	$ 1,804,880	$ 1,838,770
Intergovernmental-State	1,000,000	1,700,600	3,600,000
Intergovernmental-Local	25,000	25,000	25,000
Investment earnings	2,590	1,690	1,870
Miscellaneous		2,700	
	$ 2,802,880	$ 3,534,870	$ 5,465,640
Grants & Restricted Sources Fund			
Fines and forfeitures	$ 120,520	$ 47,870	$ 60,870
Intergovernmental-Federal	486,560	202,660	485,780
Intergovernmental-State	204,730	13,170	104,910
Intergovernmental-Local	35,170	35,170	37,800
Impound fees	15,000	15,000	15,000
Investment earnings	7,440	5,000	3,260
Miscellaneous	21,000	106,540	42,000
	$ 890,420	$ 425,410	$ 749,620
Quail Creek CFD			
Property taxes-allowance for uncollectibles	$ (8,870)	$ (8,870)	$ (10,220)
Investment earnings (losses)	(430)	(210)	(170)
Miscellaneous/Developer contributions	690,370	690,370	645,650
	$ 681,070	$ 681,290	$ 635,260
Rancho Sahuarita CFD			
Property taxes-allowance for uncollectibles	$	$	$ (60)
Investment earnings (losses)		200	300
Miscellaneous/Developer contributions		1,000	
	$	$ 1,200	$ 240
Total Special Revenue Funds	$ 4,374,370	$ 4,642,770	$ 6,850,760
CAPITAL PROJECTS FUNDS			
Capital Infrastructure Improvement Fund			
Transaction privilege taxes	$ 2,024,280	$ 2,024,280	$ 2,197,140
Intergovernmental-State		14,860	
Intergovernmental-Local	13,216,390	13,270,020	2,107,960
Investment earnings	113,880	68,830	63,360
Miscellaneous	2,000,000	74,590	2,972,440
	$ 17,354,550	$ 15,452,580	$ 7,340,900
Total Capital Projects Funds	$ 17,354,550	$ 15,452,580	$ 7,340,900
ENTERPRISE FUNDS			
Wastewater Fund			
Sewer user charges	$ 3,198,740	$ 3,198,740	$ 3,395,830
Other			22,500
Sewer connection fees	395,920	147,440	360,380
Intergovernmental-State			250,000
Investment earnings (losses)	(33,350)	(27,790)	(35,400)
	$ 3,561,310	$ 3,318,390	$ 3,993,310
Total Enterprise Funds	$ 3,561,310	$ 3,318,390	$ 3,993,310
TOTAL ALL FUNDS	$ 38,728,080	$ 37,008,210	$ 32,278,430

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Schedule C

TOWN OF SAHUARITA, ARIZONA
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING 2016 SOURCES	OTHER FINANCING 2016 <USES>	INTERFUND TRANSFERS 2016 IN	INTERFUND TRANSFERS 2016 <OUT>
GENERAL FUND				
Quail Creek CFD	$	$	$	$ 20,400
Wastewater Fund				285,310
Total General Fund	$	$	$	$ 305,710
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund:	$	$	$	$
Capital Infrastructure Improvement Fund				3,600,000
Quail Creek CFD:				
General Fund			20,400	
Rancho Sahuarita CFD	7,160,000			
Total Special Revenue Funds	$ 7,160,000	$	$ 20,400	$ 3,600,000
CAPITAL PROJECTS FUNDS				
Capital Infrastructure Investment Fund:	$	$	$	$
Highway User Revenue Fund			3,600,000	
Wastewater Fund				386,080
Total Capital Projects Funds	$	$	$ 3,600,000	$ 386,080
ENTERPRISE FUNDS				
Wastewater Fund:	$ 110,620	$	$	$
General Fund			285,310	
Capital Infrastructure Improvement Fund			386,080	
Total Enterprise Funds	$ 110,620	$	$ 671,390	$
TOTAL ALL FUNDS	$ 7,270,620	$	$ 4,291,790	$ 4,291,790

Schedule D

TOWN OF SAHUARITA, ARIZONA
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
GENERAL FUND				
Mayor & Council	$ 120,320	$	$ 123,720	$ 114,390
Town Manager	803,360		729,680	710,370
Law	583,720		575,310	565,160
Town Clerk	492,320		381,840	536,410
Finance	1,101,550		1,097,960	1,233,260
Human Resources	247,350		191,680	234,190
Planning & Building	1,227,190		1,181,910	1,185,870
Parks & Recreation	1,491,050		1,387,850	1,598,570
Public Works	845,770		812,920	924,870
Police	5,828,010		5,528,920	5,963,900
Municipal Court	555,190		539,210	575,440
Non-Departmental	102,850		178,720	232,720
Contingency/Ending Balances	15,679,050			16,937,540
Total General Fund	$ 29,077,730	$	$ 12,729,720	$ 30,812,690
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund:	$	$	$	$
Streets	1,769,360		1,777,740	2,036,990
LTAF	9,150		5,000	7,000
Contingency/Ending Balances	206,260			100,320
Grants & Restricted Sources:				
Town Manager		92,100	77,100	15,000
Parks & Recreation	14,000		20,050	20,000
Police	1,164,180		350,620	996,090
Municipal Court		28,000		
Capital Outlay	90,000		63,000	27,000
Contingency/Ending Balances	332,330	(28,000)		351,900
Quail Creek CFD:				
Streets	18,320		19,450	21,880
Parks & Recreation	39,060		39,060	31,020
Debt Service	1,008,480		1,008,480	1,011,590
Rancho Sahuarita CFD				
Non-Departmental		29,690	1,000	1,050
Debt Service		286,400		286,400
Capital Outlay		6,873,600		6,873,600
Contingency/Ending Balances				1,820
Total Special Revenue Funds	$ 4,651,140	$ 7,281,790	$ 3,361,500	$ 11,781,660
CAPITAL PROJECTS FUNDS				
Capital Infrastructure Improveme	$	$	$	$
General Governement	805,310		622,660	611,800
Public Safety	460,000		351,650	374,100
Highways & Streets	17,712,410		14,267,720	10,046,270
Culture & Recreation	1,828,250		1,228,210	721,720
Debt Service	1,801,430		1,761,870	1,567,760
Contingency/Ending Balances	5,800,470			4,527,930
Total Capital Projects Funds	$ 28,407,870	$	$ 18,232,110	$ 17,849,580
ENTERPRISE FUNDS				
Wastewater:	$	$	$	$
Operations	1,381,220		1,659,930	1,703,270
Debt Service	2,404,550		2,404,560	2,404,560
Capital Outlay	383,540		267,940	849,990
Ending Fund Deficits	(2,999,560)		(3,465,590)	(3,648,090)
Total Enterprise Funds	$ 1,169,750	$	$ 866,840	$ 1,309,730
TOTAL ALL FUNDS	$ 63,306,490	$ 7,281,790	$ 35,190,170	$ 61,753,660

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Schedule E

TOWN OF SAHUARITA, ARIZONA
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Town Manager				
General Fund	$ 803,360	$	$ 729,680	$ 710,370
Grants & Restricted Sources		92,100	77,100	15,000
Department Total	$ 803,360	$ 92,100	$ 806,780	$ 725,370
Parks & Recreation				
General Fund	$ 1,491,050	$	$ 1,387,850	$ 1,598,570
Grants & Restricted Sources	14,000		20,050	20,000
Quail Creek CFD	39,060		39,060	31,020
Department Total	$ 1,544,110	$	$ 1,446,960	$ 1,649,590
Municipal Court				
General Fund	$ 555,190	$	$ 539,210	$ 575,440
Grants & Restricted Sources		28,000		
Department Total	$ 555,190	$ 28,000	$ 539,210	$ 575,440
Police				
General Fund	$ 5,828,010	$	$ 5,528,920	$ 5,963,900
Grants & Restricted Sources	1,164,180		350,620	996,090
Department Total	$ 6,992,190	$	$ 5,879,540	$ 6,959,990
Streets				
Highway User Revenue Fund	$ 1,769,360	$	$ 1,777,740	$ 2,036,990
Quail Creek CFD	18,320		19,450	21,880
Department Total	$ 1,787,680	$	$ 1,797,190	$ 2,058,870
Non-Departmental				
General Fund	$ 102,850	$	$ 178,720	$ 232,720
Rancho Sahuarita CFD		29,690	1,000	1,050
Department Total	$ 102,850	$ 29,690	$ 179,720	$ 233,770

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Schedule F

TOWN OF SAHUARITA, ARIZONA
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
GENERAL FUND	115	$ 7,434,100	$ 905,900	$ 1,067,400	$ 885,270	$ 10,292,670
SPECIAL REVENUE FUNDS						
Highway User Revenue Fund	8	$ 451,030	$ 50,540	$ 79,360	$ 58,950	$ 639,880
Grants & Restricted Sources	1	400,390	50,870	13,310	48,570	513,140
Quail Creek CFD						
Rancho Sahuarita CFD	9	$ 851,420	$ 101,410	$ 92,670	$ 107,520	$ 1,153,020
Total Special Revenue Funds						
CAPITAL PROJECTS FUNDS						
Capital Infrastructure Improvement F	5	$ 333,970	$ 37,260	$ 44,130	$ 34,800	$ 450,160
Total Capital Projects Funds	5	$ 333,970	$ 37,260	$ 44,130	$ 34,800	$ 450,160
ENTERPRISE FUNDS						
Wastewater Fund	8	$ 448,580	$ 49,480	$ 79,030	$ 54,560	$ 631,650
Total Enterprise Funds	8	$ 448,580	$ 49,480	$ 79,030	$ 54,560	$ 631,650
TOTAL ALL FUNDS	137	$ 9,068,070	$ 1,094,050	$ 1,283,230	$ 1,082,150	$ 12,527,500

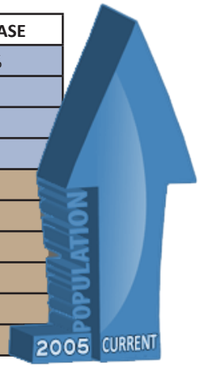
Schedule G

Supplemental Information

POPULATION

The retail trading area is estimated to be 70,000 people in 2013; the forecast is for approximately 140,000 people by 2020 and close to 250,000 people by 2040.

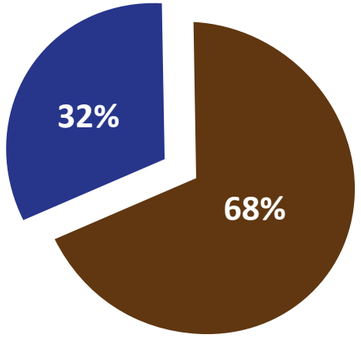
YEAR	POPULATION	% INCREASE
2010	25,259	11.5%
2011	25,722	1.8%
2012	26,244	2.0%
2013	26,772	2.0%
2014	27,232	1.7%
2015	27,777	2.0%
2016	28,470	2.5%
2017	29,080	2.1%
2018	29,720	2.2%
2019	30,470	2.5%



Population, 2012 (Census Estimate)	26,289
Population, percent change, April 1, 2010 to July 1, 2012	4.1%
Population, 2000	3,242

As one of Arizona's fastest-growing communities, the Town of Sahuarita is the newest jurisdiction in Pima County, incorporated in 1994. The Town of Sahuarita's population increased nearly 700 percent during the period from the 2000 Census to the Census of 2010. Currently 30 square miles in area, Sahuarita is located just 15 minutes south of Tucson and approximately 40 minutes north of the Mexican border. Tucson International Airport is within a 20 minute drive.

Sahuarita Total Poulation 2010 - 25,259



Sahuarita Hispanic/Latino*(of any race)* **- 8,077 32%**

Not Hispanic/Latino - 17,182 68%

Sahuarita Hispanic/Latino Population	**32.0%**
Pima County Hispanic Population	34.6%
State of Arizona Hispanic Population	29.6%

Sahuarita Median Age (years)
34.4
Arizona Median Age (years)
35.9
U.S. Median Age (years)
36.8

16 years and over	18,309	72.5%
18 years and over	17,742	70.2%
21 years and over	17,176	68.0%
62 years and over	4,722	18.7%
65 years and over	3,714	14.7%

Sahuarita average household size 2.79
Sahuarita average family size 3.13

Household Type	Number	Percent
Total households	9,020	100
Family households (families)	7,119	78.9
With own children under 18 years	3,474	38.5

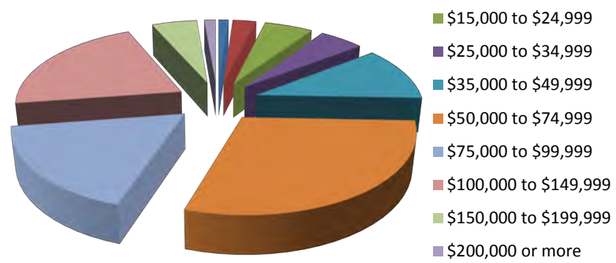
INCOME

The Town of Sahuarita saw 13.1 percent growth in the working-age population between 2009 and 2011, and households earned a high median income of $68,425. Additionally, Sahuarita has an unemployment rate of 5.8 percent. The town's largest employers include Freeport-McMoRan, Asarco and Farmers Investment Co.

Sahuarita Median Household Income
$69,425.00

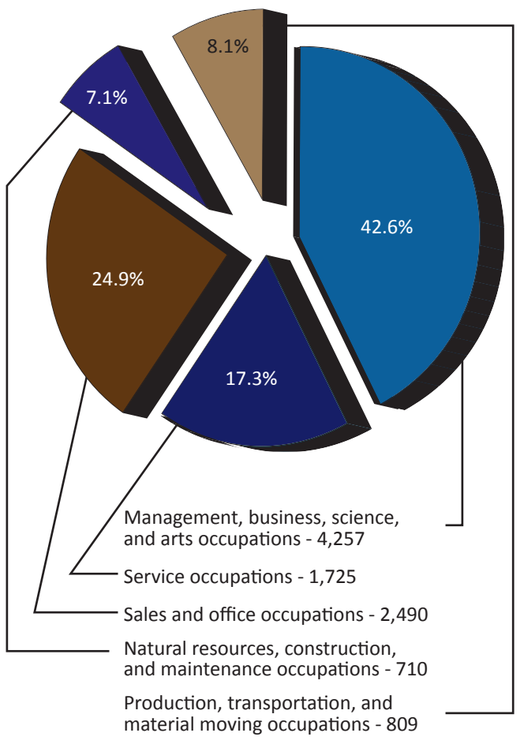
Pima County Median Household Income
$46,433.00

State of Arizona Median Household Income
$50,256.00



Occupation

Civilian employed population 16 years and over - 9,991



Regional Major Employers	Number
Raytheon	10,300
U of A Science and Technology Park	6,494
Freeport McMoRan	5,463
Asarco	2,297
IBM	1,375
Texas Instruments	370
Bombardier	776
Sahuarita Unified School District	721
La Posada	550
Tucson Airport Authority	265
Walmart	275
Farmer's Investment Company (FICO)	292
Caterpillar Proving Grounds	180
Town of Sahuarita	133

Sahuarita Labor Force	Number	Percent
Population 16 years and over	16,808	100.0%
In labor force	10,728	63.8%
Civilian labor force	10,604	63.1%
Employed	9,991	59.4%
Unemployed	613	3.6%
Armed Forces	124	0.7%
Not in labor force	6,080	36.2%

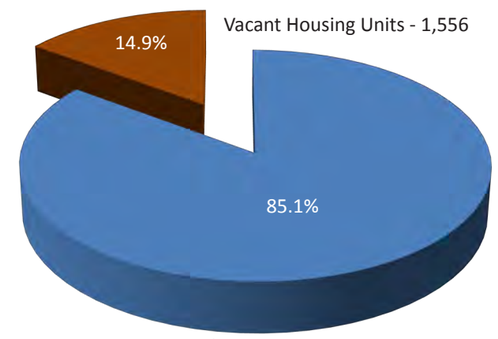
Communiting To Work	Number	Percent
Workers 16 years and over	10,240	
Car, truck, or van -- drove alone	7,832	76.50%
Car, truck, or van -- carpooled	1,677	16.40%
Public transportation (excluding taxicab)	0	0.00%
Walked	77	0.80%
Other means	157	1.50%
Worked at home	497	4.90%

HOUSING

From a quality of life perspective, Sahuarita's Town Center has it all: safe, quiet streets; affordable housing; modern schools; landscaped trails and parks; scenic beauty; neighborhood shopping; easy access to interstates and the airport. The Town of Sahuarita has three master planned communities and eleven small neighborhoods for its residents to call home. Seven shopping centers are currently in development or under expansion with the newest edition being Rancho Sahuarita Marketplace, a 450-acre/3 million square foot commercial development; of which 282,000 square feet has been built and 100% leased.

Housing Occupancy

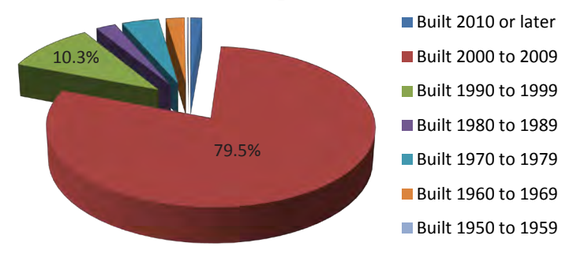
Total Housing Units - 10,463



Homeowner Vacancy Rate 2%
Rental Vacancy Rate 4.4%

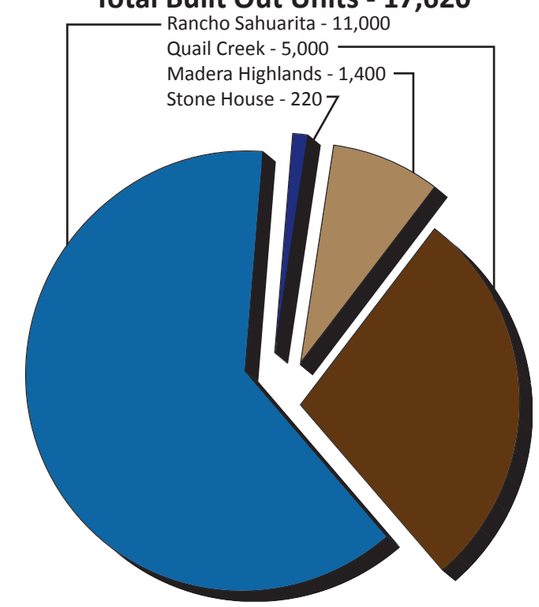
Structural Age

Total Housing Units - 10,463



Major Master Planned Residential Communities

Total Built Out Units - 17,620

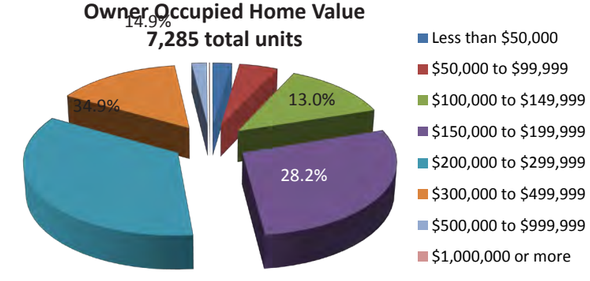


Average Household Size of Owner-Occupied Unit 2.65

Average Household Size of Renter-Occupied Unit 3.23

Sahuarita Median Home Value
$204,700.00

Owner Occupied Home Value
7,285 total units

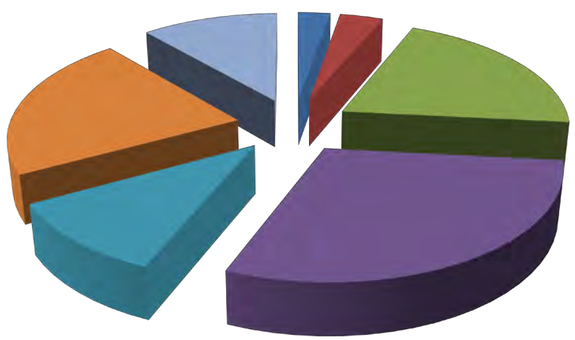


EDUCATION

Today 33% of Sahuarita's residents posess a bachelor's degree or higher.

The Town of Sahuarita Workforce Assessment by the University of Arizona Eller College of Management Economic and Business Research Center concluded that Sahuarita's employed workforce displays higher levels of educational attainment overall than Pima County and Arizona as a whole. Sahuarita's employed labor force has concentrations significantly greater than those in Southern Arizona in higher paying occupational categories and in important 'high-tech' occupations.

Population 25 years and over 16,149



Less than 9th grade	2.7%
9th to 12th grade, no diploma	3.6%
High school graduate(includes equivalency)	20.3%
Some college, no degree	29.5%
Associate's degree	10.8%
Bachelor's degree	21.7%
Graduate or professional degree	11.3%

Sahuarita Unified School District

Copper View Elementary
Sopori Elementary
Sahuarita Primary
Sahuarita Intermediate
Anza Trail K-8
Sahuarita Middle School
Walden Grove High School
Sahuarita High School

AZ Dept. of Education Letter Grade Accountability

B

Continental Elementary School District (preK-8)

Great Expectations Academy - charter

Edge High School - charter

Air & Space Academy - charter

Sahuarita Population 25 to 34 years	3,616
High school graduate or higher	92.30%
Bachelor's degree or higher	32.40%

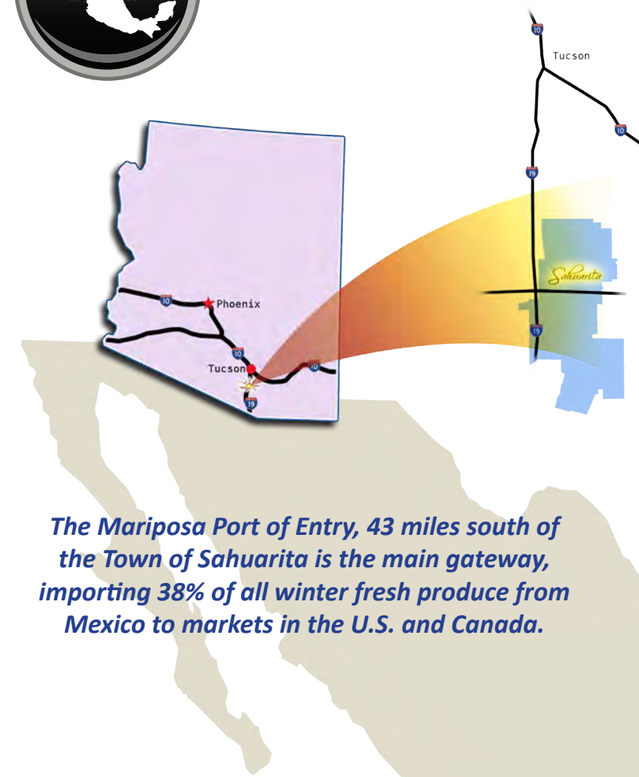
Sahuarita Population 35 to 44 years	3,069
High school graduate or higher	95.70%
Bachelor's degree or higher	40.10%

Sahuarita Population 45 to 64 years	5,539
High school graduate or higher	95.10%
Bachelor's degree or higher	27.20%

Pima County	
Population 25 years and over with Bachelor's Degre	17.40%
Graduate or professional degree	12.00%

Arizona	
Population 25 years and over with Bachelor's Degre	16.00%
Graduate or professional degree	9.70%

MEXICO



The Mariposa Port of Entry, 43 miles south of the Town of Sahuarita is the main gateway, importing 38% of all winter fresh produce from Mexico to markets in the U.S. and Canada.

Each day, on average, more than 65,000 Mexican residents come to Arizona to work, visit friends and relatives, recreate, shop, and spend over $7,350,000. This contributes substantially to Arizona's export trade with Mexico. Familial ties, long-term friendships, work opportunities, leisure activities and shopping experiences not yet available in Mexico continue to support strong cross-border interactions between Arizona and its neighbor, Sonora.

Where Mexican Visitors Shopped Non-Mall Destinations
(Source: Mexican Visitors to Arizona, 2007-2008 Study)

Wal-Mart	**Best Buy**	**Ross**	**Marshall's**
Costco	**Target**	**Walgreens**	**Home Depot**

Located along I-19, 40 minutes north of the U.S./Mexico border and 18 miles south of downtown Tucson, Sahuarita is uniquely positioned to capture 24 million annual visitors from Mexico. Sahuarita is overflowing with retail opportunities, executive living and a viable center for companies and employers to conduct business with Mexico.

Casinos are the most popular attraction, they are visited by 29% of all Mexican visitors, of which the Desert Diamond Casino is the most popular.

Economic Impact to the State of Arizona	Number
Direct Jobs	23,400
Indirect	7,000
Total Jobs	30,400
Total Income	$837.24 million
Total Sales	$3.61 billion

Economic Impact to Pima County	Percent
Total Jobs	41.2%
Total Income	31.6%
Total Sales	37.6%

Border Crossing At Nogales Port of Entries (3) - 2012	Number
Pedestrians	3,238,929
Personal Vehicles	2,823,290
Buses	8,068
Trains	657
Trucks	307,626

DOING BUSINESS

$0 - $0 - $0

impact fees business license fees property tax

The Town of Sahuarita charges no impact fees, no business license fees and no property tax and has a streamlined development process.

BUILDING SAHUARITA

PARTNERS IN DEVELOPMENT

"Building Sahuarita Partners in Development" makes opening a business in Sahuarita the lowest cost alternative in Southern Arizona.

"Building Sahuarita - Partners in Development" is a support program intended to introduce business owners to the project elements that may be encountered. A Project Partner is assigned to each project to act as a guide through the specific processes that are required. The Town's Project Partner and staff work with you, your design professionals and ultimately your contractor to assure a timely and successful opening.

Each project is given a comprehensive packet that contains Town staff contact information, your process (including timeline), applicable tax code and licensing information, planning and zoning information and checklists, Public Works information and checklists, Building Safety information and checklists, DRC meeting notes, outside agency information, applicable sign regulations, and customized information specific to your project.

The Town Clerk Department will provide you with an application for the type of business you wish to pursue. All new applications will be reviewed by the Planning and Building Department prior to issuance. Once your application is approved, you will receive your license.

Building Sahuarita: Pam Litle

Building Safety Manager/Project Partner
plittle@sahuaritaaz.gov
520-822-8864

Business Licensing: Lisa Cole

Town Clerk
lcole@sahuaritaaz.gov
520-822-8802

Complete licensing information

GLOSSARY

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Adopted - As used in fund, summaries, department and program summaries within the budget, represents the budget as approved by the Town Council.

Allocation -A part of a lump sum appropriation, which is designated for expenditure by specific organization units and/or for special purposes, activities, or objects.

Appropriation - A legal authorization granted by Town Council to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and duration when it may be expended.

Assessed Valuation - A value that is established by the County Assessor for real and personal property to use as a basis for levying property taxes.

Asset - Resources owned or held by a government, which have monetary value.

Available (Undesignated) Fund Balance - Refers to the funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

Bonds - A written instrument to pay a sum of money at a specified interest rate, on a specific date or dates in the future, called maturity dates. The interest payments and the repayment of the principal are detailed in a bond resolution or ordinance. Two common types of bonds are general obligation and revenue bonds, which are most commonly used for construction of large capital projects such as buildings, streets, and sewers. The difference between a note and a bond is that a bond is used for a longer period of time and requires more formality.

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget - A plan of financial operation representing an estimate of proposed expenditures and the proposed means of financing them for a given period. This official public document reflects decisions, measures service needs, establishes the allocation of resources and is the pecuniary plan for achieving goals and objectives.

Budget Calendar - The schedule of key dates or events, which the Town follows in the preparation, adoption, and administration of the budget.

Budget Message - The opening section of the budget, which provides the Town Council and the public with a general summary of the most important budget issues, changes from recent fiscal years, and recommendations regarding the financial policy for the coming fiscal year.

Budgetary Adjustment - A procedure to revise a budget appropriation either by Town Council approval, through the adoption of a supplemental appropriation ordinance for any interdepartmental or inter-fund adjustments, or by the Town Manager authorization to adjust appropriations within a departmental budget.

Budgetary Basis - This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, Modified Accrual, or some type of statutory form.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

Capital Asset - Tangible assets costing $5,000 or more with a useful life of at least one year.

Capital Budget - The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.

Capital Improvements - Expenditures related to the acquisition, expansion, or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvements Plan (CIP) - The CIP is a comprehensive plan of capital investment projects which identifies priorities as to need, method of financing, cost, and revenues that will result during a five year period. The program is a guide for identifying current and future fiscal year requirements and becomes the basis for determining the annual capital budget.

Capital Outlay - Expenditures resulting in the acquisition or addition to the government's capital assets.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services -Professional, technical, or maintenance expertise typically purchased from external sources.

Cost Center - An organizational budget/operating unit within each Town department or program.

COLA - Cost Of Living Adjustment

Debt - An obligation resulting from borrowing money or from the purchase of goods and services. Types of governmental debt include bonds, loans, time warrants, and notes.

Debt Service - The amount of interest and principal the Town must pay each year on net direct long-term debt plus the interest it must pay on direct short-term debt.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.

Department - A major administrative division of the Town, which indicates overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation - Consumption of the service life of fixed assets, due to normal wear, deterioration, environmental elements, passage of time, and obsolescence. The portion of the cost of a capital asset charged as an expense during a specified period based on service life of the asset and ultimately expending the entire cost of the asset.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officer Association to encourage governments to prepare budget documents of the highest quality.

Encumbrance - The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year.

Expenditure/Expense - Decreases in net financial resources in accordance with budgeted appropriations. Expenditures include operating expenses such as the acquisition of assets or goods and services.

Expenditure Limitation - An amendment to the Arizona State Constitution, which limits annual expenditures of all municipalities. The limit is set by the Economic Estimates Commission based on population growth and inflation. All municipalities have the option of Home Rule where the voters approved a four-year expenditure limit based on revenues received.

Fiscal Year - Time period designated by the Town signifying the beginning and ending period for recording financial transactions. The Town has a fiscal year beginning July 1 and ending June 30.

Franchise Fee - A fee paid by public service business (i.e., utility) for the special privilege to use Town streets, alleys, and property in providing their services to the citizens of the community.

Full Time Equivalent (FTE) - A part-time position converted to the decimal equivalent of a full-time position based on, 2088 hours per year, or a full value of one for a full-time position.

Function -Activity, which is performed by one or more organizational units for the purposes of accomplishing a goal.

Fund - An accounting entity having a set of self-balancing accounts and records all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitation.

Fund Balance - Fund Balance is the excess of resources over expenditures. The beginning fund balance represents the unused accumulation of resources from prior years (i.e., the previous year's ending fund balance).

General Obligations Bonds - Bonds that finance a variety of public projects and require voter approval. These bonds are backed by full faith and credit of the Town. Limitations for bonding capacity are set by State Statute.

Generally Accepted Accounting Principles (GAAP) -Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal - A long-term, attainable target for an organization - its vision of the future.

Grant - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity, or facility.

Improvement Districts - Improvement Districts are formed consisting of property owners desiring improvements, primarily street reconstruction, to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property owners.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned, such as administrative support, facility maintenance, or custodial services.

Interfund Transfer - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue - Revenues from other governments in the form of grant, entitlements, shared revenues, or payments in lieu of taxes.

Levy - To impose taxes for the support of government activities.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Modified Accrual Basis - Under the modified accrual basis of accounting, recommended for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

Objective - A specific measurable and observable result of an organization's activity, which advances the organization toward its goal.

Operating Expenses - The cost of personnel, contractual services, supplies, and other costs required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations, including such items as taxes, user fees, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Supplies - Costs of goods consumed by the Town in the course of its daily operations.

Operating Transfers - Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

Contractual Services - Services rendered to the Town in the form on contractual, professional, maintenance, and vehicle maintenance services. This also includes expenses for rentals, dues and memberships that may be charged by employees.

Pay-As-You-Go Financing - A term used to describe a financial policy by which the capital program is financed from current revenues rather than through borrowing.

Performance Indicators - Measurable means of evaluating the effectiveness of a cost center in accomplishing its defined objectives.

Personnel Services - Cost related to compensating employees, included wages, insurance, payroll taxes, retirement contributions, allowances for clothing, and automobiles, training, conferences, and travel to meetings.

Policy - A plan, course of action, or guiding principle designed to set parameters for decisions and actions.

Program - A group of homogenous cost centers within a department; a departmental division.

Program Goal - The underlying reason(s) for a department/division to exist and/or the service provided.

Property Tax Levy - The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance. In Arizona, the property tax system is divided into a primary and secondary rate.

Reserve - An account used to indicate that a portion of a fund's assets are legally restricted for a specific purposed and is, therefore, not available for general appropriation.

Reserve/Contingency -A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Resolution - A special or temporary order of a legislative body requiring less formality than an ordinance or statute.

Resources -Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Receipts from taxes, intergovernmental sources, and user fees or resources from voter-authorized bonds, system development fees, and grants.

Risk Management - An organized attempt to protect a government's assets against accidental loss in the most economical method.

Secondary Property Taxes - An unlimited tax levy restricted to general bonded debt obligations and for voter approved budget overrides.

Source of Revenue - Revenues are classified according to their source or point of origin.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes -Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Unreserved Fund Balance - Undesignated monies available for appropriations.

User Charges - The payment of a fee for direct receipt of a public service to the party who benefits from the service.

ACRONYMS

AELR	Annual Expenditure Limitation Report
ADEQ	Arizona Department of Environmental Quality
ADOR	Arizona Department of Revenue
ADOT	Arizona Department of Transportation
AGA	Association of Governmental Accountants
AOC	Arizona Office of the Courts
ASRS	Arizona State Retirement System
CAFR	Comprehensive Annual Financial Report
CFD	Community Facilities District
CIIF	Capital Infrastructure Improvement Fund
CIP	Capital Improvement Plan
COLA	Cost of Living Adjustment
CSD	Continental School District
CST	Construction Sales Tax
FIAC	Finance and Investment Advisory Committee
FTE	Full-Time Equivalent
GAAP	Generally Accepted Accounting Principles
GADA	Greater Arizona Development Authority
GARS	Grants and Restricted Sources (Fund)
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
GO	General Obligation (Bonds)
GV	Green Valley
HR	Human Resources
HURF	Highway User Revenue Fund
JCEF	Judicial Court Education Fund
LGIP	Local Government Investment Pool
LTAF	Local Transportation Assistance Fund
M&C	Mayor & Council
NSCP	North Santa Cruz Park
PAG	Pima Association of Governments
PC	Pima County
PD	Police Department
PSPRS	Public Safety Personnel Retirement System
PW	Public Works
QC CFD	Quail Creek Community Facilities District
QCVMP	Quail Creek Veterans Municipal Park
RICO	Racketeer Influenced & Corrupt Organizations
RS CFD	Rancho Sahuarita Community Facilities District
RTA	Regional Transportation Authority
SUSD	Sahuarita Unified School District
TAC	Technical Advisory Committee

TPT	Transaction Privilege Tax (Sales Tax)
UERS	Uniform Expenditure Reporting System
VIPS	Volunteers in Police Service
VLT	Vehicle License Tax
WIFA	Water Infrastructure Financing Authority of Arizona
WW	Wastewater
WWTP	Wastewater Treatment Plant