

TOWN OF

# Sahuarita

ARIZONA  
fiscal year

# 2014

# adopted BUDGET



# adopted

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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, 2012**

*Christopher P. Morrill*

*Jeffrey R. Emery*

President

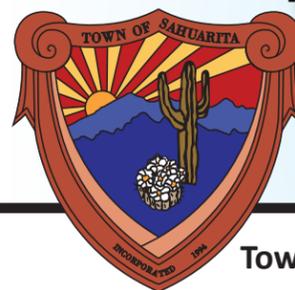
Executive Director

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, 2012.

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.

# fy2014 budget



## To the Residents of the Town of Sahuarita

### Town Manager Kelly Udall on the Town of Sahuarita Fiscal Year 2014 Budget

I was pleased and honored to be selected as Town Manager of Sahuarita by unanimous vote of Mayor and Council in May of this year. As the newest addition to the Town's leadership, I'd like to take this opportunity to offer some information about my background and how the Town of Sahuarita is well poised for the future with a stable financial position, high performing staff, an engaged Town Council, friendly citizens, an action plan for economic development, solid delivery of core services, and a great quality of life - among other things.

I am a fourth-generation Arizonan, born and raised in Eagar, Arizona. I offer Sahuarita more than 20 years public service management experience in municipal and county government in communities such as Pinetop-Lakeside, Arizona; the Town of Payson, Arizona; and the City of Federal Heights, Colorado. I earned a Master of Public Administration from the University of Colorado and received a Bachelor of Science degree from Arizona State University.

Becoming a part of Sahuarita is a great professional opportunity and a seamless fit personally – for me, wife Marianne, and our five children. As our family drove around exploring the Town for the first time, we saw folks out jogging along trails and families in the park. We quickly decided, "Sahuarita is a great community – this is us!" Thank you for such a warm reception.

#### Our Town in Context

The Town of Sahuarita is one of Arizona's fastest-growing communities with a 2.2% population growth forecast over the next five years. Incorporated in 1994, Sahuarita's 27,000 plus citizens enjoy a small town atmosphere, a business-friendly community, outstanding recreational amenities, easy access to Mexico and Tucson, and a rich history with multi-cultural roots.

The members of the Town Council are elected directly by Sahuarita voters via an all-mail ballot. The Town operates under the Council-Manager form of government; that means that the Town Council guides policy decisions and hire the Town Manager, who oversees staff and is responsible for day-to-day operations. Thirteen departments and 133 employees deliver an array of services and amenities: public safety, streets, parks and recreation, wastewater, development services, and economic development.

***"89% of the respondents to the Citizens' Survey rate the Town as good or excellent place to live."***

The Town's leadership has a clear vision of the future that includes nurturing community, promoting economic development, and encouraging collaborations of all types.

The Town initiated its first Citizens' Survey in 2013, developed, customized and administered by the National Research Center, in partnership with the International City/County Management Association (ICMA). This statistically- valid survey shows that 85% of the respondents rate Sahuarita's quality of life as excellent or good. Respondents also gave positive ratings to the Town's reputation, as well as key core services: public safety, roads and streets, and town parks. (<http://sahuaritaaz.gov/CivicAlerts.aspx?AID=41>)

This 2013 Citizens' Survey, together with *Sahuarita's Town Council Action Plan*, help to shape policy, define measurable goals, and develop financial plans. Overall, the Town's strategic goals are little changed from past years, the result of ongoing planning, open communication among staff, elected officials and citizen groups, and being nimble.

#### Going Forward to Fiscal Year (FY) 2014

The Sahuarita Town Council unanimously approved the recommended \$95.7 million FY 2014 budget on June 10, 2013, with a budget hearing and final budget approval on June 24, 2013. (Financial plan drafts, recommendations and presentations are available via the town's website <http://sahuaritaaz.gov/>.)

Although the \$95.7 million budget amount represents a 29% increase from the FY 2013 budget, we are expecting to add to our ending fund balances. These surpluses are budgeted to increase by \$2 million up to a total of \$22 million by the end of the FY 2014 budget year. The Town adheres to policy and purpose restrictions in dedicating surpluses and revenues. For example, the Town dictates that enough cash be held in reserve to fund 25% of the operating budget in case of emergency. As another example, Arizona Highway User Revenue (HURF) funds received by the Town of Sahuarita can only be used for transportation related projects – and not deposited in the Town's General Fund.

***“We want to enhance the welfare of citizens while being financially responsible and at a reasonable and sustainable cost.”***

When planning for general operations, the FY 2014 budget and the five year budget plan call for surpluses each year based on increased revenues from the State and from an improving economy and jobs outlook. The Town is estimating approximately \$33 million more in intergovernmental revenues in fiscal 2014, which will be focused on capital projects.

Our overall expenditures for fiscal year 2014 are \$73.7 million; this represents an \$18.9 million increase in expenditures from FY 2013. The Town's two primary uses are capital projects (55% of the budget) and operations (17% of the budget). Our Town goals and policies continue to be aligned with our expenditure priorities:

- Building, improving and maintaining streets and roads, as well as traffic signals and street lighting
- Ensuring public safety and justice – funding to support police, building safety, court, engineering, and planning.
- Maintaining and extending cultural and recreational opportunities – funding Parks & Recreation Department
- Wastewater treatment plant expansion and personnel

The operations budget related to programs and staffing has increased a modest 2.4% for fiscal year 2014.

#### The Top Capital Projects for FY 2014

The FY 2014 budget reflects \$52.7 million to build and purchase capital assets. The Town's FY 2014-2018 Capital Improvement Plan outlines capital projects and funding sources by year, with a total of 21 capital projects in 2014. Of note in FY 2014:

- **\$18.7 million for Sahuarita Road: Interstate 19 to Country Club.** Improvements include widening from 2 to 4 lanes, drainage, bicycle/pedestrian facilities, signals, new bridge structure at Santa Cruz River, and a new overpass structure at UPRR tracks.
- **\$26.7 million for the Sahuarita/Interstate 19 Interchange,** dependent on significant contribution from Arizona Department of Transportation.
- **\$2.3 million to reconstruct the Pima Mine Road Bridge** over the Santa Cruz River.
- **\$1.2 million to acquire park lands and open space,** and to make needed repairs to our existing facilities.



#### Facing Challenges and Creating Opportunities

**Juggling population growth with staffing levels.** The Town of Sahuarita is growing with a relatively small and flexible staff. For the FY 2014 budget and the next five years, there is a trend to limit staffing levels even while our population continues to grow. In FY 2013 there were 5.01 full time equivalent (FTE) positions per 1,000 citizens; in FY 2014, 4.85 FTEs per 1,000 citizens is budgeted. More than 75% of the respondents in the 2013 Citizens' Survey rated Town employees excellent or good for knowledge, courtesy, and responsiveness. Moving forward, it will be a challenge for Town staff to continue to meet these high standards of service and control personnel related expenses, while our Town population grows.

**Changes in collecting construction sales tax.** This spring, the State Legislature introduced House Bill 2111 that would have eliminated \$2.6 million in construction sales tax for the Town of Sahuarita in FY 2014. This bill failed to remove all construction sales taxes, but it will change the way construction sales taxes are collected when it becomes effective in 2015. For example, in 2015 when a Sahuarita homeowner works with a service contractor to repair, maintain or replace materials the contractor will pay for materials and sales tax at the point of sale. The service contractor will no longer be responsible for collecting sales tax from a homeowner. This new method of collecting sales taxes will have a negative annual impact of \$200,000 in our capital project fund beginning in calendar year 2015.

**Expanding our recreational facilities.** Sahuarita's exceptional environment and recreational offerings are a priority for our citizens. The Town is responsible for maintaining parks and roadways and we are fortunate that much of this infrastructure is relatively new and maintenance costs are relatively cheap – today. However, as demand grows from our residents for more parks and recreation programs, the Town will need to add new recreational facilities such as ball fields. The Town has the opportunity to participate in the Pima County Bond program which may allow:

- The Town to build to build a 57,000-square foot recreation/aquatic center at Anamax Park. We will partner with the YMCA to this new facility.
- The Town to add ball fields at Quail Creek Veterans' Municipal Park and North Santa Cruz Park.

In closing, the Town of Sahuarita continues to be poised for strategic growth, with a strong, financially responsible budget that supports our exciting future. Our FY 2014 budget and capital projects are aligned with Town policy, the goals of the *Town Council's Action Plan*, and, most importantly, feedback from our citizens. Working together we can ensure our community grows, our quality of life thrives, and our financial sustainability continues today and in the future.

L. Kelly Udall  
Town Manager  
kudall@sahuaritaaz.gov  
(520) 822-8800

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# quick facts

**History:**  
The Town of Sahuarita was  
officially incorporated in 1994.



where is Sahuarita?

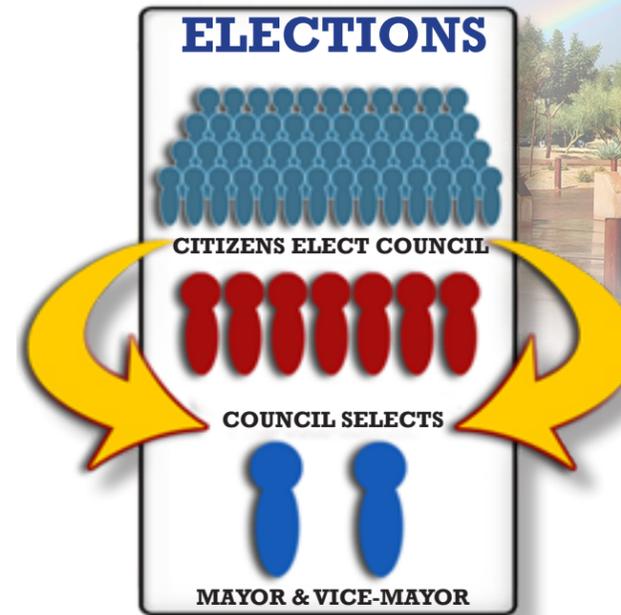
Town Hall to Tucson City Hall  
**19.5 miles**

Town limits to Tucson City limits  
**3,721 feet at closest point**

Town Hall to Nogales, Mexico Port of Entry  
**48.2 miles**

Elevation  
**2,844 feet**

Land Area  
**30 square miles**



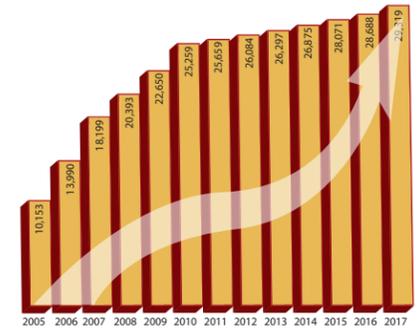
**Mayor:**  
Duane Blumberg

**Vice Mayor:**  
Bill Bracco

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

**BUSINESS FRIENDLY**

Business License Fee = \$0  
Impact Fee = \$0  
Property Tax = \$0



Year	Population	% Increase
2005	10,153	36.7%
2006	13,990	37.8%
2007	18,199	30.1%
2008	20,393	12.1%
2009	22,650	11.1%
2010	25,259	9.3%
2011	25,659	1.5%
2012	26,297	2.2%
2013	26,875	2.2%
2014	27,466	2.2%
2015	28,071	2.2%
2016	28,688	2.2%
2017	29,319	2.2%

2014-2017 are projections from the beginning of each fiscal year. Therefore, the figure 27,466 represents our estimate as of July 1, 2012.

**Population:**  
27,466—July 2013

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# Town Council action plan



Council's goals focus on improving town services, particularly Development Services functions, enhancing our economic development opportunities with emphasis on a business-friendly mission and promoting a sense of community. More specifically, these goals include:

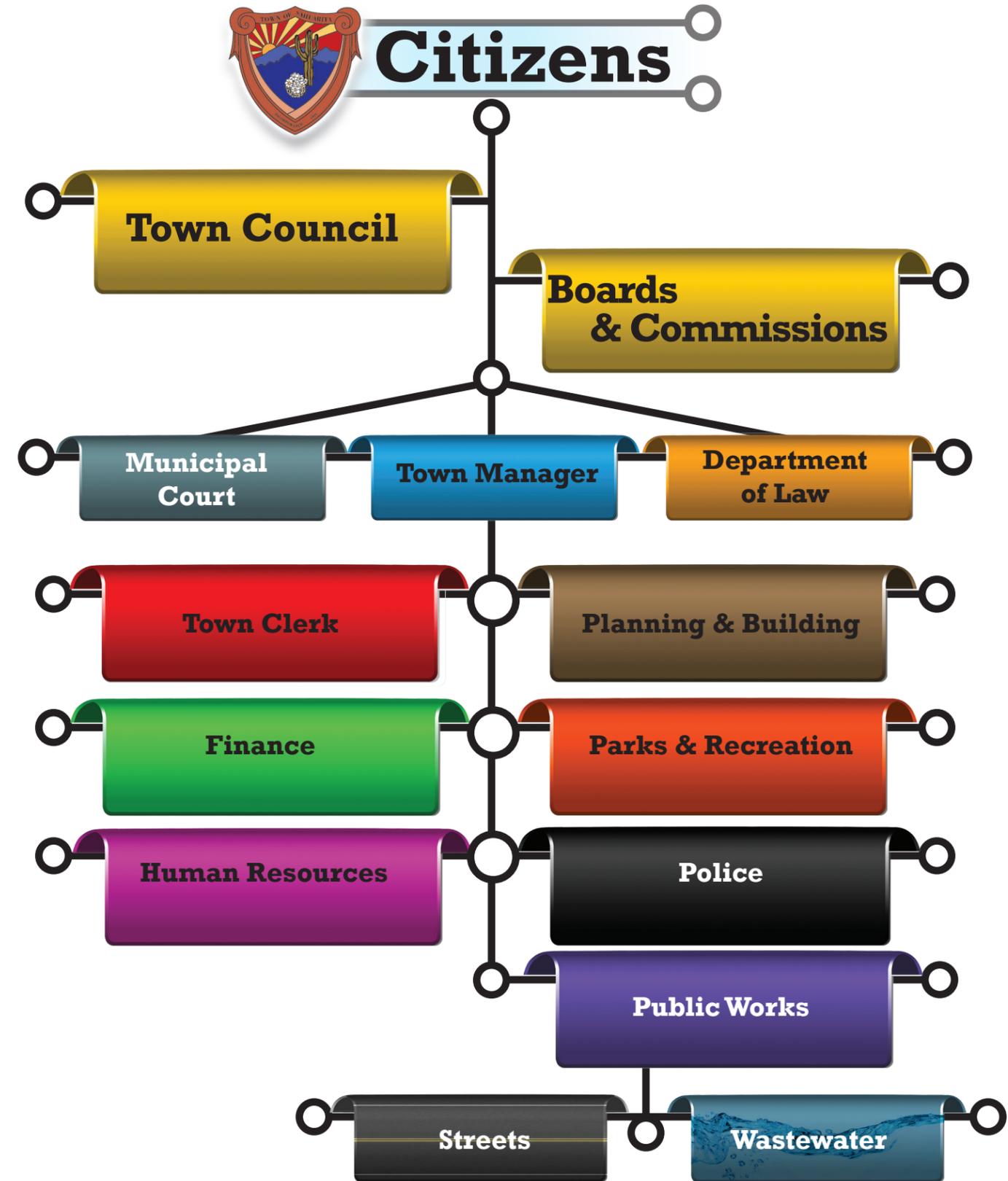
- Continuous quality improvement in delivery of Town services;***
- Undertake a comprehensive review of codes related to business;***
- Create a sense of place;***
- Define the Town's role in the development of Town Center; and***
- Define the Town's role regarding future water needs.***

In order to improve quality of life for our residents, the Town must be a forward-thinking community that embraces and enhances its unique opportunities and characteristics. The vision is one of a community where people want to live and raise families, with an economic engine that can sustain opportunities for their children, grandchildren, and great-grandchildren.

Building a great community is a marathon, not a sprint. Consistent, deliberate action over many years will truly empower the Town to shape its economy, its image, and its potential. The guiding principles that will direct the Town in implementing Council's goals are:

-  **Continuously seek enhancements in the delivery of Town services so that the community is one that is attractive to people and companies;**
-  **Ensure that the Town's economic development goals and objectives are integrated into all Town services and communicated to all residents and businesses;**
-  **Create a sense of community and market the Town to future residents and businesses;**
-  **Increase commitments for regional and local collaboration and partnerships.**

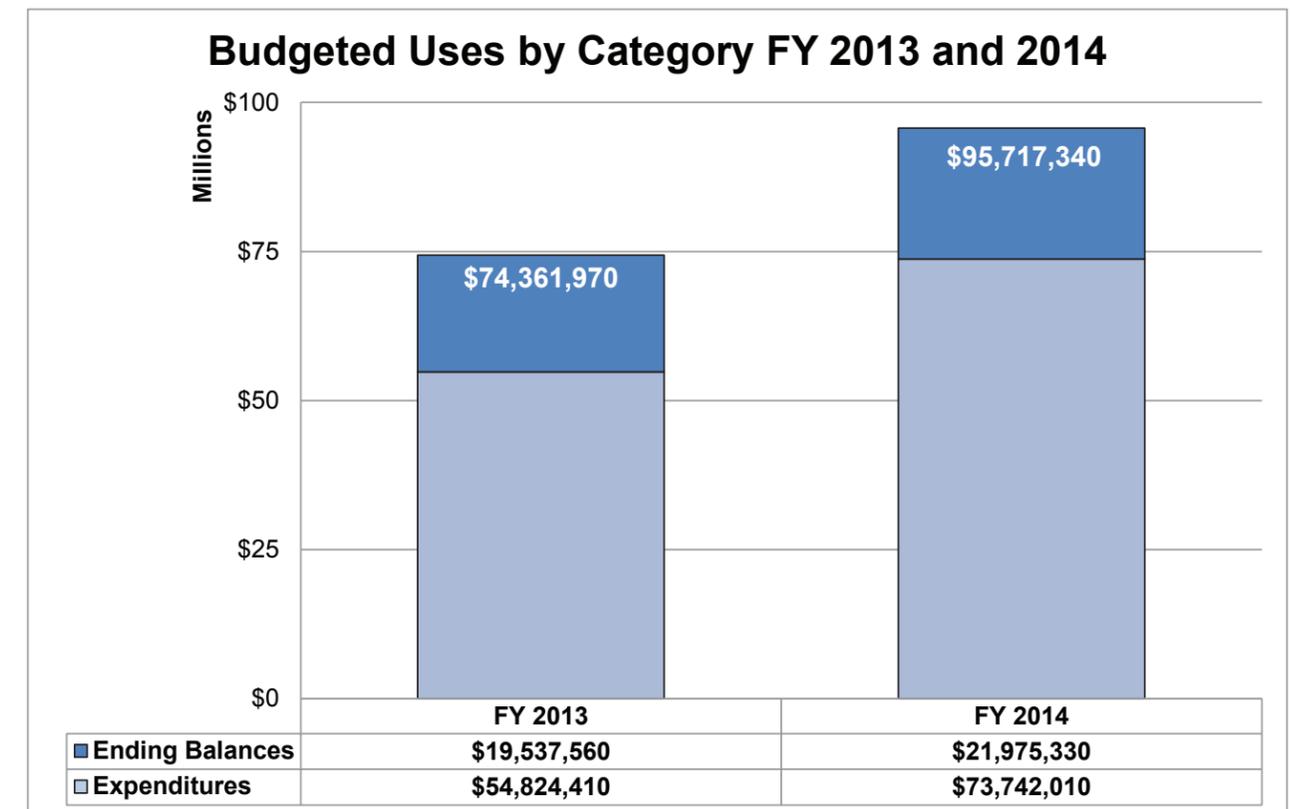
Objectives are developed to provide a roadmap for achieving Council goals. Each objective reflects the associated guiding principle. For each objective, a list of action items is developed and updated annually by department managers to ensure staff understand and remain focused on Council's goals. The status of progress toward completing actions and maintaining consistency with Council goals is evaluated on an ongoing basis.



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# budget summary

The 2014 fiscal year budget uses available resources to achieve desired results. The budget totals \$95,717,340 and is in balance, which means that funding sources equal funding uses. This year's budget is 28.7% higher than last year's \$74,361,970 budget. Budgeted expenditures have increased by \$18,917,600, which is 34.5% above last year. Ending fund balances are projected to increase by 12.5%, or \$2,437,770.



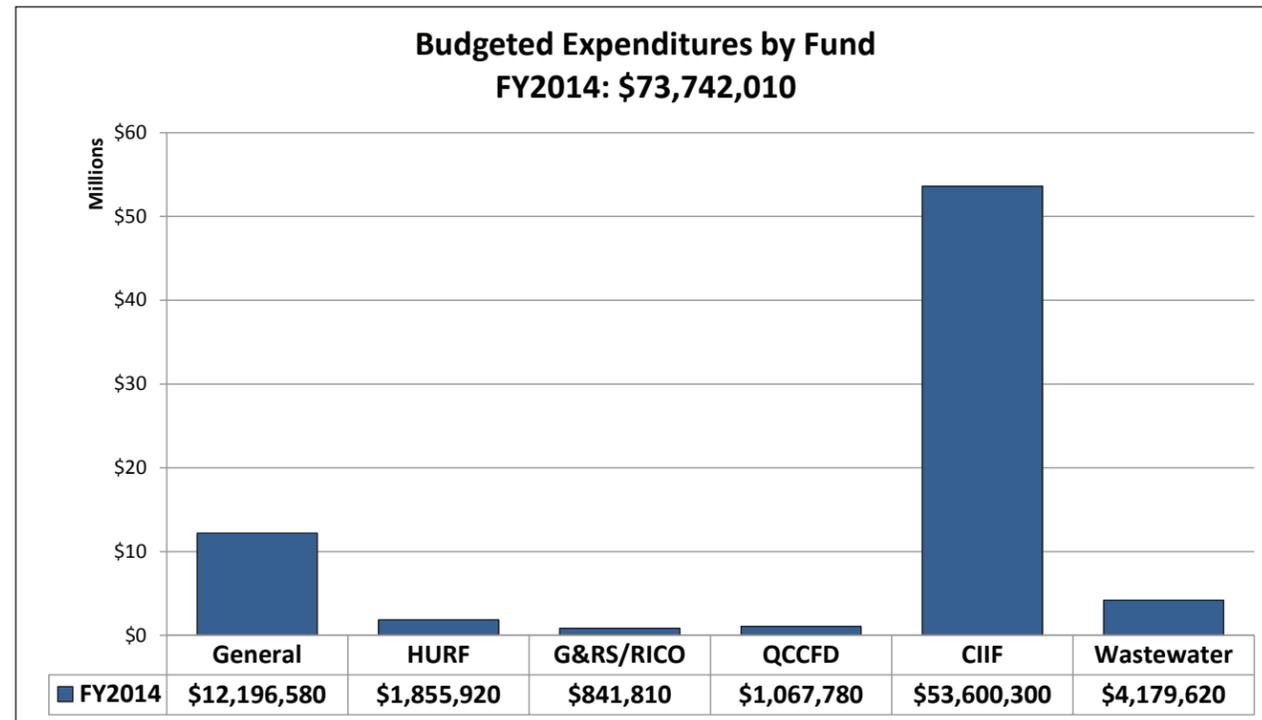


**COMPOSITION OF THE FISCAL YEAR 2014 BUDGET**

The Town’s budget is comprised of four fund types. Within the fund types there are individual funds as follows:

Fund Type	Funds of the Town by Category
General	General Fund
Special Revenue	Highway User Revenue Fund
	Grants & Restricted Sources Fund
	Quail Creek Community Facilities District Fund
Capital Projects	Capital Infrastructure Improvement Fund
Enterprise	Wastewater Fund

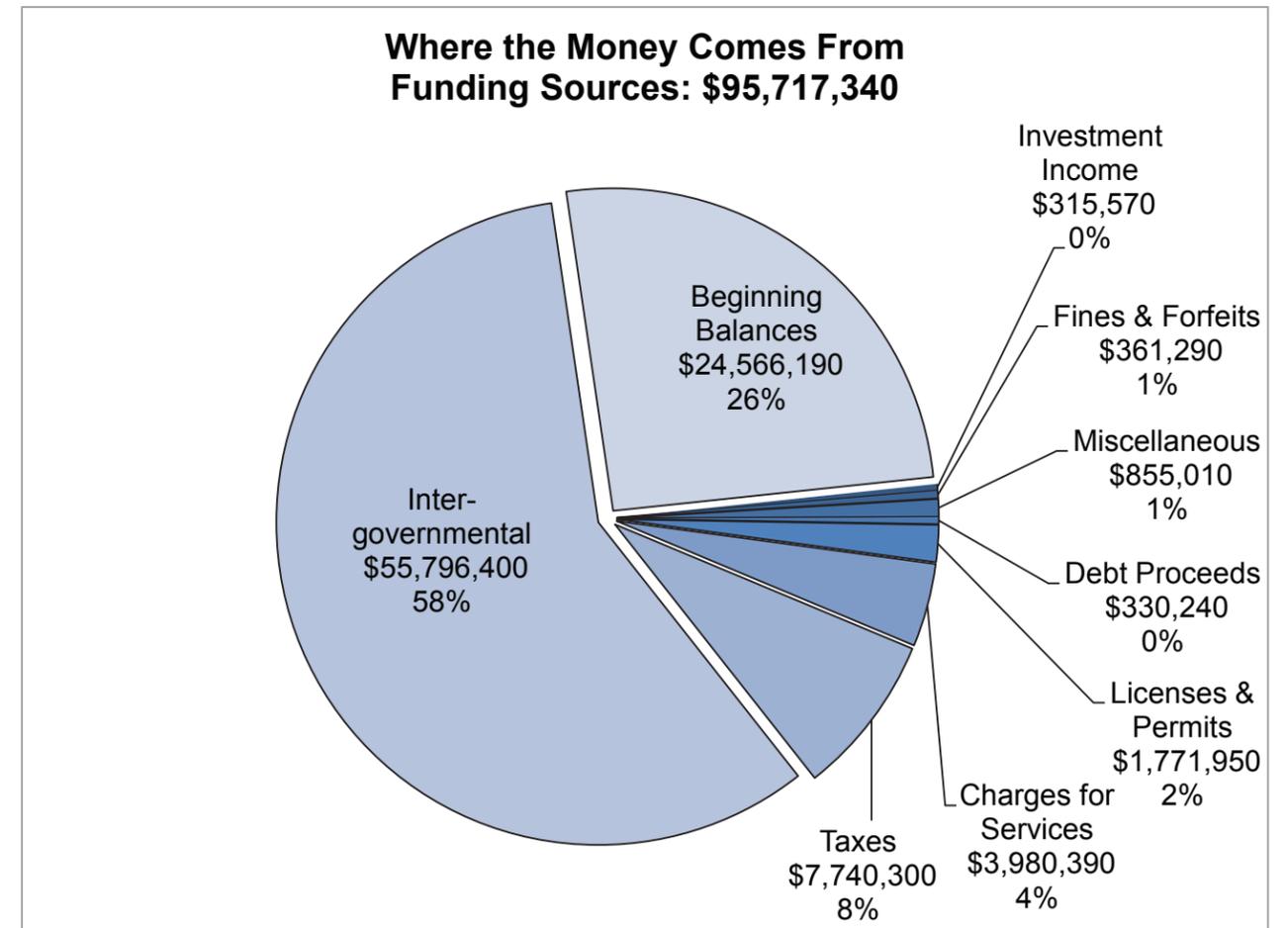
The following chart shows the breakout of the budgeted expenditures by fund.



**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 FY 2014 these sources provide 74.0% (\$70.8 million) of the total for the budget. Beginning fund balances, which represent available resources accumulated from prior years, provide 25.7% (\$24.6 million) of the total funding sources for the budget. The remaining 0.3% (\$0.3 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 sales 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. **Fines and forfeits** represent court-ordered fines and fees, and RICO seizures. **Investment Income** includes interest earnings, and realized and unrealized gains on the Town’s investments. The **Miscellaneous** category accounts for other income that is not classified elsewhere. Refer to the **Major Revenue Sources** section of this document for more information on revenues.





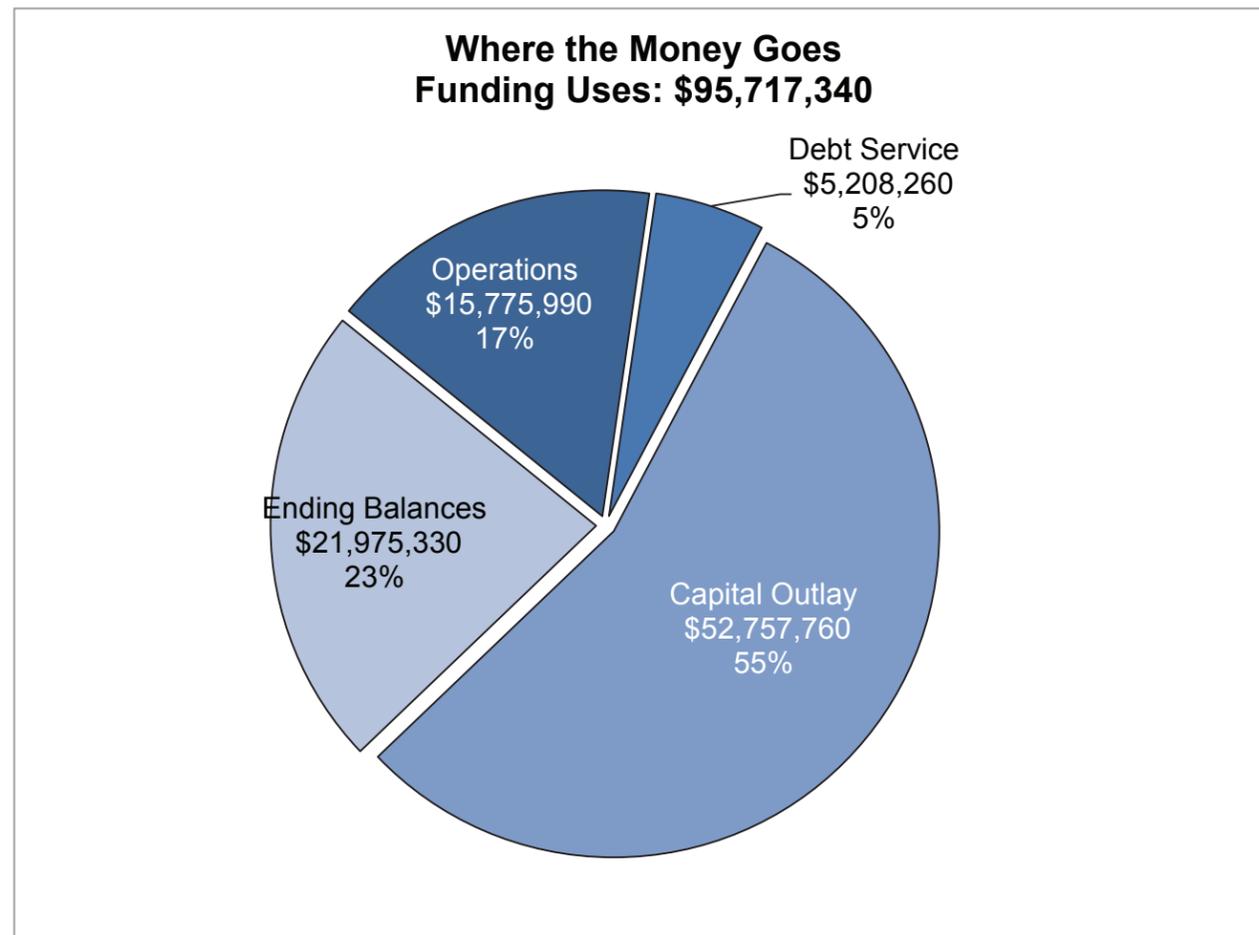
**Funding Uses**

Expenditures and other uses are classified by type. Approximately 23.0% (\$22.0 million) of the budgeted sources are not expected to be spent during the year and, therefore, will be the **fund balances** at year-end. Any fund balance which is not restricted, may be used at the discretion of Town Council for emergencies, unforeseen events or opportunities.

Most notably, 55.1% (\$52.8 million) of the budget is appropriated for **capital outlay**. This appropriation will be used to build and purchase capital assets. The FY 2014-2018 **Capital Plan** provides detailed descriptions and budget plans for the Town’s capital projects and acquisitions.

The **debt service** category accounts for 5.4% (\$5.2 million) of the budget and represents the principal, interest, and fee payments associated with the Town’s long-term debt.

**Operations** make up the last category and accounts for 16.4% (\$15.8 million) of the Town’s budget. A description of operations follows on the next page.



**Operations**

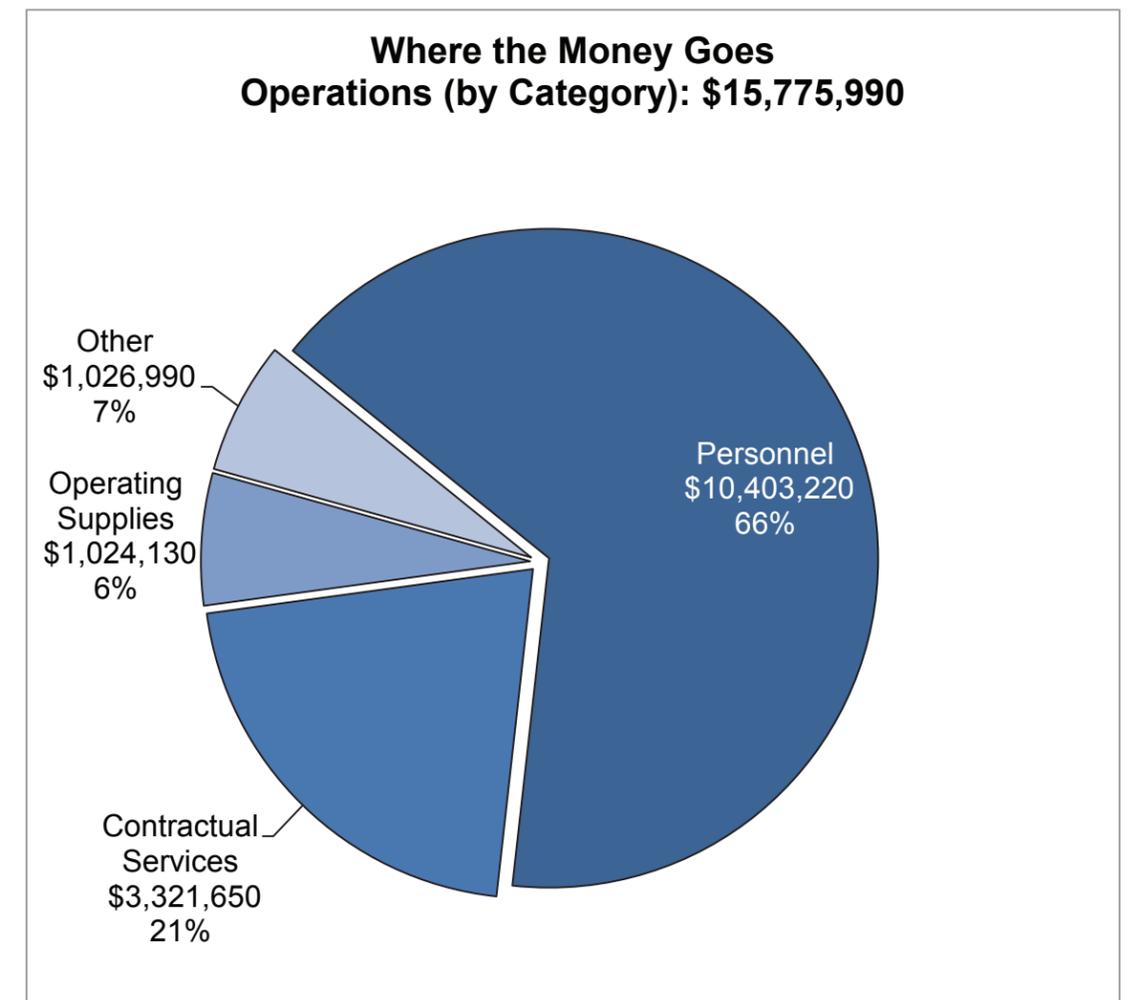
There are four categories of operational expenditures: (1) personnel, (2) contractual services, (3) operating supplies, and (4) other.

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

The **contractual services** category, which accounts for outsourced services and other contractual obligations, is the second largest at 21.1%. These services include utility services and professional services such as those performed by attorneys, auditors, financial advisors, engineers, temporary workers, etc. These services also include service agreements with Pima County, or other governments.

The **operating supplies** category is 6.5% of the total. Operating supplies include items such as fuel, postage, paper, pens and pencils, or small equipment purchases or leases.

The **other** category is slightly more than operating supplies and makes up 6.5% of all operational costs. This category accounts for items that are not accounted for in the other categories and includes travel and training, memberships and subscriptions, insurance premiums, and contributions to other organizations.





**Functional Areas**

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

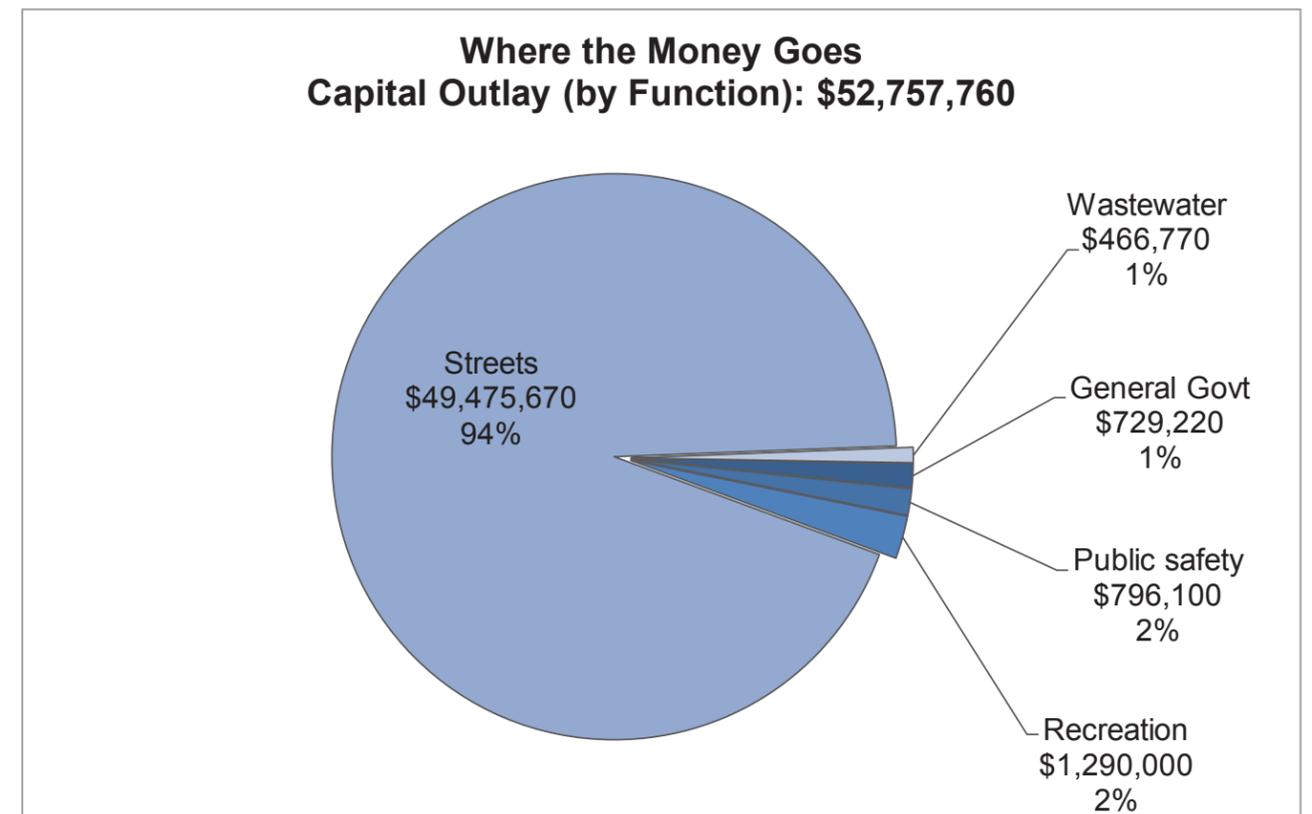
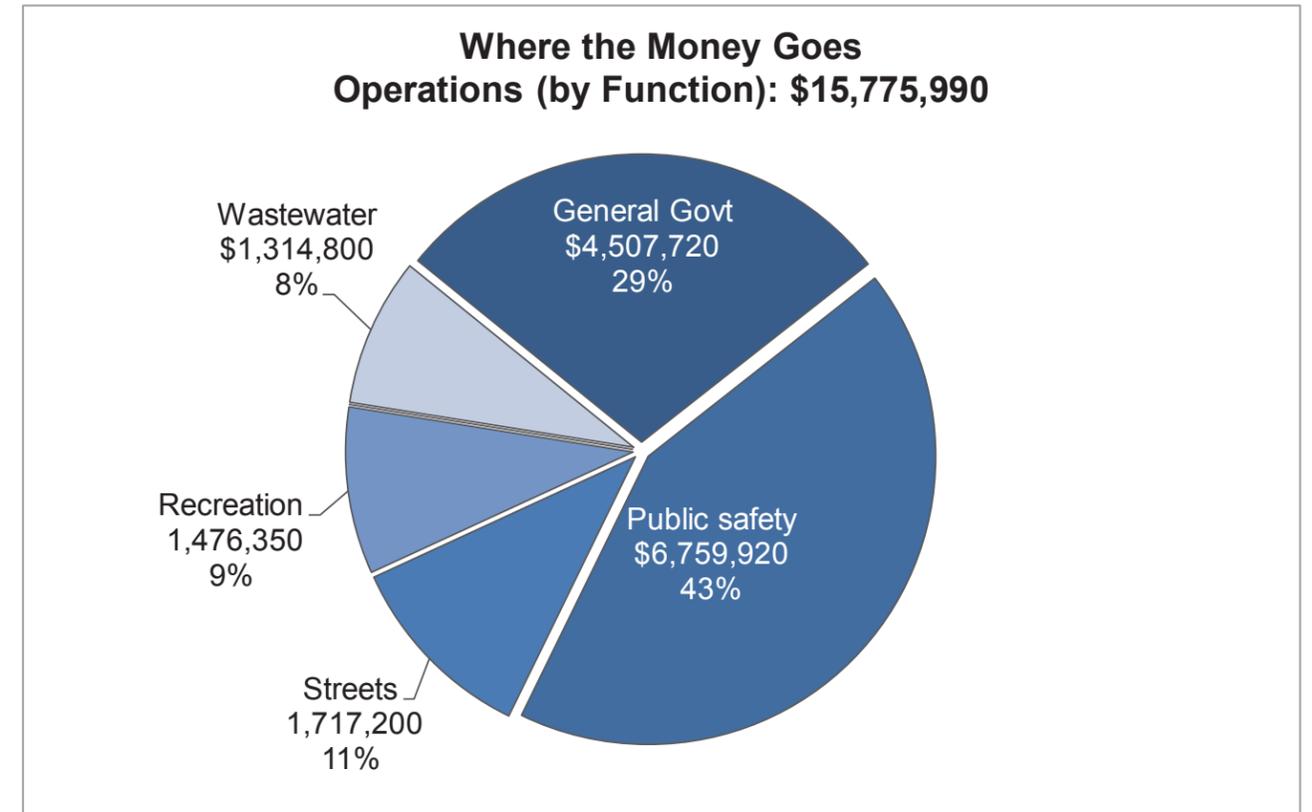
The **general government** function accounts for the Mayor & Council, Town Manager, Town Clerk, Department of Law, Finance, Human Resources, and Municipal Court departments, as well as the Planning & Zoning division of the Planning & Building department. This function represents the second costliest category for operations. This function also accounts for the second largest number of employees, which explains the significance of the operational costs. There are general government projects in the **Capital Plan**, and these account for \$729,220 of expenditures in FY 2014.

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 of employees. There are capital improvements for the police department, paid for with restricted funds, as well as a vehicle and computer replacement plan in the **Capital Plan**. These projects account for \$796,100 of expenditures in FY 2014.

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 \$49.5 million.

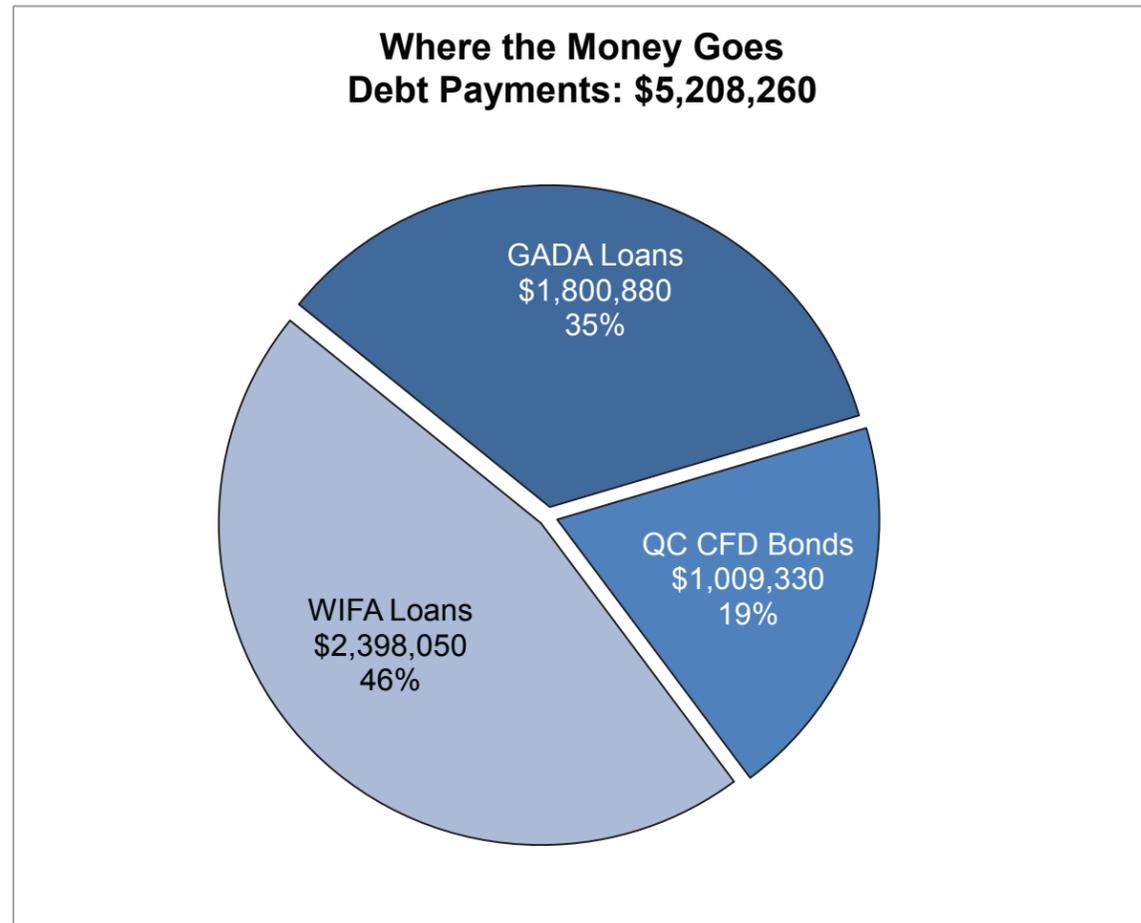
The **culture and recreation** function accounts for the Parks & Recreation Department. This department costs around \$1.4 million to operate. There is capital outlay associated with this function for FY 2014 as described in the **Capital Plan** and its expenditures account for \$1,290,000.

The **wastewater** function accounts for the activities of the wastewater utility. In contrast to the other functions, approximately 40% of the operational costs are driven by personnel needed to run the utility. The \$467 thousand of expenditures budgeted for capital outlay will be used to construct the final elements of the treatment plant expansion, as well as complete the designs for the wastewater treatment plant's next expansion, which will double its current capacity.



**Long-Term Debt**

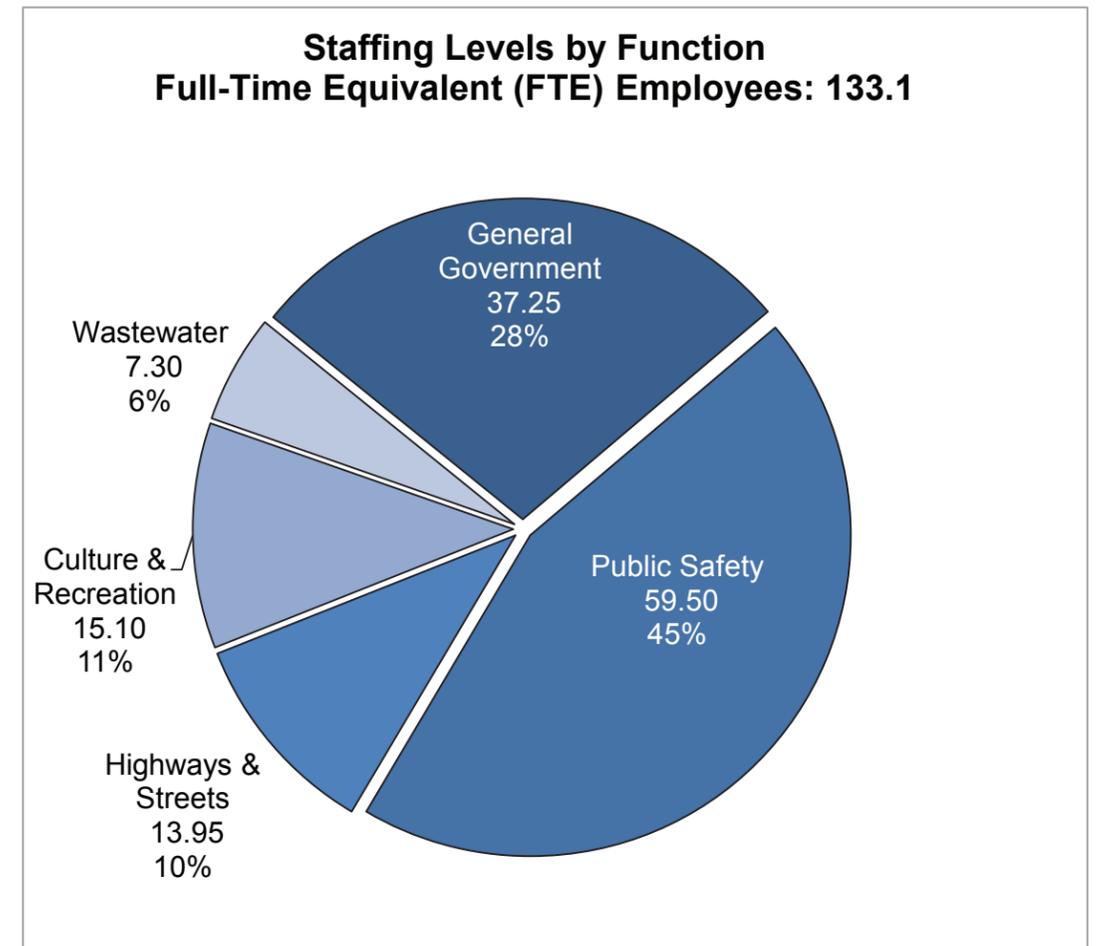
Debt was used to finance the acquisition of several assets. For FY 2014 the debt service (debt payment) for each loan or bond type is as follows:



Refer to the **Capital Plan** 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.



The following are position and staffing level changes made during fiscal year 2013 and recommended for fiscal year 2014. These changes do not include FTE allocations between functional units.

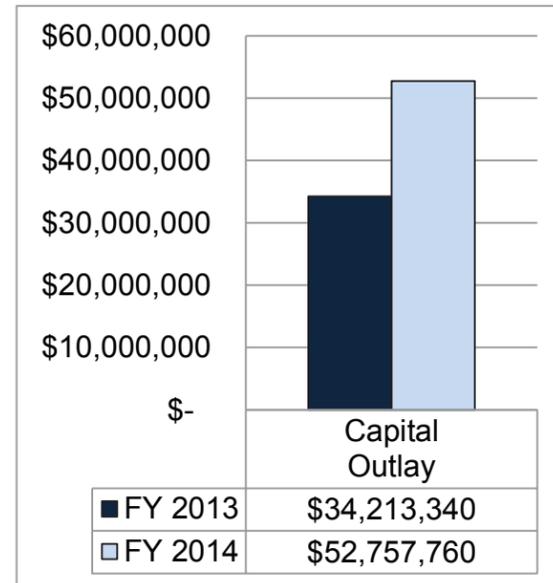
<u>Department/Position</u>	<u>Description</u>	<u>FTE Change</u>
<u>Town Manager</u>		
<i>Community Communications Coordinator</i>	Elimination of position	-1.0
<u>Town Clerk</u>		
<i>Deputy Town Clerk</i>	Increase hours of part time position	+0.2
<u>Planning &amp; Building</u>		
<i>Office Assistant</i>	Position filled for full year	+0.2
<i>Planner</i>	Reclassification of <i>Asst. Planner</i>	+0.0
<u>Parks &amp; Recreation</u>		
<i>Recreation Leader</i>	Reclassification of <i>Athletic Leader</i>	+0.0
<u>Police Department</u>		
<i>Emergency Planning Coordinator</i>	Position eliminated as grant is complete	-1.0
<b>TOTAL FTE CHANGES</b>		<b>-1.6</b>



**BUDGETED EXPENDITURES COMPARISON**

Evaluating the changes between the budgeted expenditures for FY 2013 and FY 2014 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.

**Capital outlay** is increasing by \$18.5 million, due to the continued construction on Sahuarita Road between I-19 and Country Club road. In addition, there is a significant bridge reconstruction project for the Pima Mine Road bridge. Finally, there are various other roadway projects as well as Wastewater projects underway. See the **Capital Plan** section for more information on projects.

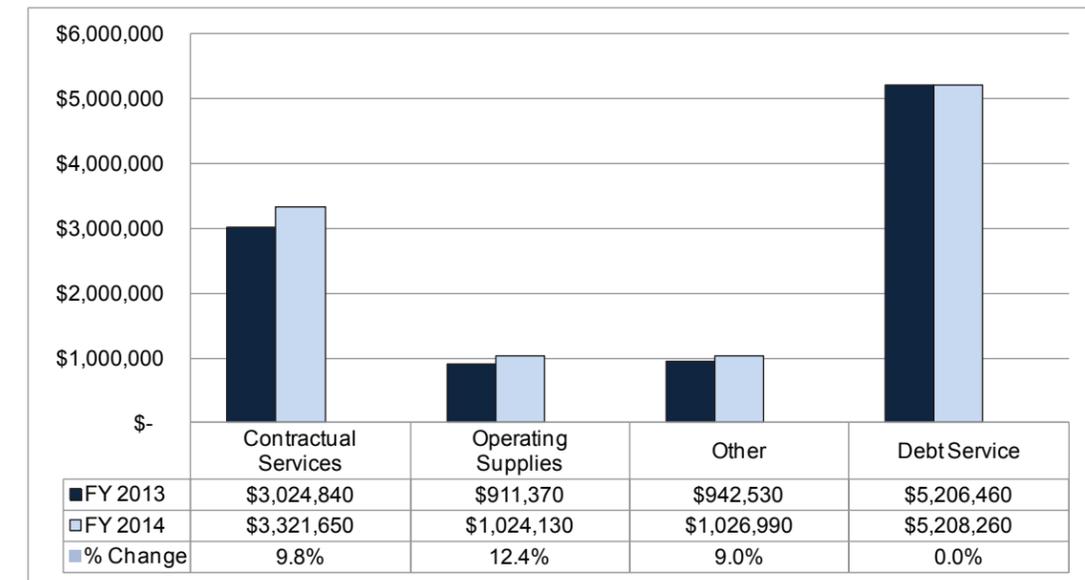


**Contractual services** are projected to increase 9.8% (\$297 thousand) above last year's adopted budget. This increase is due to a series of adjustments including an increase for specialized legal services, long range planning and annexation, private public relations consultation, technological support services, software maintenance agreements, and construction planning services for the police impound lot.

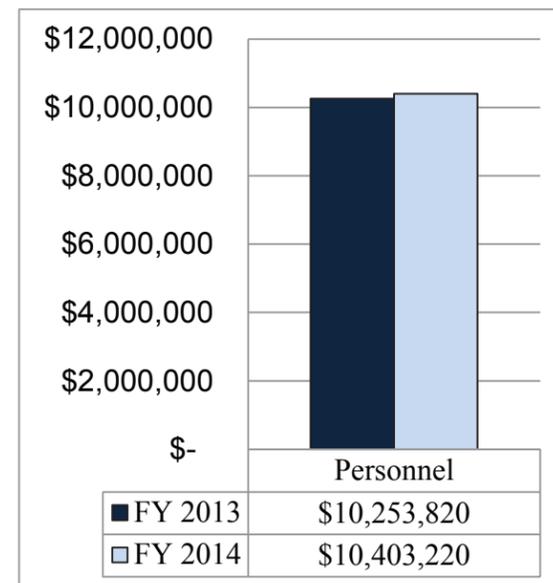
**Operating supplies** increased 12.4% (\$112 thousand) above last year's adopted budget. This includes new costs of operating a police camera system, new equipment for grant funded police equipment, and replacement of streets equipment.

The **other** category increased 9.0% (\$84 thousand) above last year's adopted budget. This includes an increase in insurance premiums and an increased emphasis on employee training.

The **debt service** budget is virtually unchanged.



Budgeted **personnel** costs increased 1.5% (+\$149 thousand) above last year. This net cost increase is attributable to the increases in employee pay for merits, increases in medical insurance costs, increases in certain pension costs, and increases in other personnel related changes such as workers compensation insurance. These increases are partially offset by the net decreases in staffing levels in the Town Manager's office and the Police department.



## Summary Schedules

### Changes in Fund Balance

#### Aggregate of Appropriated Funds

	2012	2013		2014
	Actual Amounts	Adopted Budget	Amended Budget	Estimated Actual
Revenues:				
Taxes	\$ 6,884,758	\$ 6,573,050	\$ 6,573,050	\$ 7,956,830
Licenses & Permits	3,093,544	1,071,650	1,071,650	1,300,490
Intergovernmental	13,405,385	33,797,610	33,807,110	22,513,290
Charges for Services	3,347,269	3,672,500	3,672,500	3,676,110
Fines & Forfeits	541,803	380,400	380,400	350,870
Investment Income	291,479	244,930	244,930	235,930
Miscellaneous	920,197	4,082,670	4,082,670	914,130
Revenues Total	<u>28,484,435</u>	<u>49,822,810</u>	<u>49,832,310</u>	<u>36,947,650</u>
Expenditures:				
Operations:				
General Government	4,157,867	4,290,630	4,396,660	4,334,110
Public Safety	6,368,664	6,731,290	6,631,990	6,625,580
Highways & Streets	1,357,869	1,745,810	1,601,930	1,608,050
Culture & Recreation	1,304,619	1,373,070	1,382,570	1,364,470
Sewer	1,326,539	1,263,810	1,263,810	1,263,810
Operations Total	<u>14,515,558</u>	<u>15,404,610</u>	<u>15,276,960</u>	<u>15,196,020</u>
Debt Service	5,146,333	5,206,460	5,206,460	5,195,350
Capital Outlay	5,430,188	34,213,340	27,738,720	14,428,070
Expenditures Total	<u>25,092,079</u>	<u>54,824,410</u>	<u>48,222,140</u>	<u>34,819,440</u>
Revenues Over (Under) Expenditures	3,392,356	(5,001,600)	1,610,170	2,128,210
Other Funding Sources (Uses):				
Long-Term Debt Proceeds	431,342	501,930	501,930	115,840
Transfers in (out)	-	-	-	-
Change in Fund Balance	<u>3,823,698</u>	<u>(4,499,670)</u>	<u>2,112,100</u>	<u>2,244,050</u>
Beginning Fund Balance	18,498,430	24,037,230	24,037,230	22,322,128
Ending Fund Balance	<u>\$ 22,322,128</u>	<u>\$ 19,537,560</u>	<u>\$ 26,149,330</u>	<u>\$ 24,566,178</u>

**Notes:**

The 2013 estimated actuals are based on eight months of actual figures (i.e., July through February) 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 2014

	General Fund	HURF Fund	G & RS Fund	QC CFD Fund	CIIF Fund	Wastewater Fund	Total
Revenues:							
Taxes	\$ 4,837,650	\$ -	\$ -	\$ 292,420	\$ 2,610,230	\$ -	\$ 7,740,300
Licenses & Permits	967,090	-	-	-	-	804,860	1,771,950
Intergovernmental	5,906,010	12,750,960	354,970	-	36,784,460	-	55,796,400
Charges for Services	970,740	-	15,000	-	-	2,994,650	3,980,390
Fines & Forfeits	244,770	-	116,520	-	-	-	361,290
Investment Income (Loss)	222,920	800	9,080	(270)	134,630	(51,590)	315,570
Miscellaneous	27,000	-	18,000	739,680	-	70,330	855,010
Revenues Total	<u>13,176,180</u>	<u>12,751,760</u>	<u>513,570</u>	<u>1,031,830</u>	<u>39,529,320</u>	<u>3,818,250</u>	<u>70,820,910</u>
Expenditures:							
Operations:							
General Government	4,507,720	-	-	-	-	-	4,507,720
Public Safety	6,261,250	-	498,670	-	-	-	6,759,920
Highways & Streets	-	1,699,490	-	17,710	-	-	1,717,200
Culture & Recreation	1,427,610	-	8,000	40,740	-	-	1,476,350
Sewer	-	-	-	-	-	1,314,800	1,314,800
Operations Total	<u>12,196,580</u>	<u>1,699,490</u>	<u>506,670</u>	<u>58,450</u>		<u>1,314,800</u>	<u>15,775,990</u>
Debt Service	-	-	-	1,009,330	1,800,880	2,398,050	5,208,260
Capital Outlay	-	156,430	335,140	-	51,799,420	466,770	52,757,760
Expenditures Total	<u>12,196,580</u>	<u>1,855,920</u>	<u>841,810</u>	<u>1,067,780</u>	<u>53,600,300</u>	<u>4,179,620</u>	<u>73,742,010</u>
Revenues Over (Under) Expenditures	979,600	10,895,840	(328,240)	(35,950)	(14,070,980)	(361,370)	(2,921,100)
Other Funding Sources (Uses)							
Long-Term Debt Proceeds	-	-	-	-	-	330,240	330,240
Net Transfers In (Out)	(803,700)	(11,061,430)	120,000	35,950	11,061,430	647,750	-
Change in Fund Balance	<u>175,900</u>	<u>(165,590)</u>	<u>(208,240)</u>	<u>-</u>	<u>(3,009,550)</u>	<u>616,620</u>	<u>(2,590,860)</u>
Fund Balance, 7/1/2013	15,278,030	230,480	620,380	-	13,067,640	(4,630,340)	24,566,190
Fund Balance, 6/30/2014	<u>\$ 15,453,930</u>	<u>\$ 64,890</u>	<u>\$ 412,140</u>	<u>\$ -</u>	<u>\$ 10,058,090</u>	<u>\$ (4,013,720)</u>	<u>\$ 21,975,330</u>

**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 2014

	General Fund	HURF Fund	G & RS Fund	QC CFD Fund	CIIF Fund	Wastewater Fund	Total	% of Sources
<b>Revenues:</b>								
Taxes	\$ 4,837,650	\$ -	\$ -	\$ 292,420	\$ 2,610,230	\$ -	\$ 7,740,300	8.1%
Licenses & Permits	967,090	-	-	-	-	804,860	1,771,950	1.9%
Intergovernmental	5,906,010	12,750,960	354,970	-	36,784,460	-	55,796,400	58.3%
Charges for Services	970,740	-	15,000	-	-	2,994,650	3,980,390	4.2%
Fines & Forfeits	244,770	-	116,520	-	-	-	361,290	0.4%
Investment Income (Loss)	222,920	800	9,080	(270)	134,630	(51,590)	315,570	0.3%
Miscellaneous	27,000	-	18,000	739,680	-	70,330	855,010	0.9%
<b>Revenues Total</b>	<b>13,176,180</b>	<b>12,751,760</b>	<b>513,570</b>	<b>1,031,830</b>	<b>39,529,320</b>	<b>3,818,250</b>	<b>70,820,910</b>	<b>74.0%</b>
Long-Term Debt Proceeds	-	-	-	-	-	330,240	330,240	0.3%
Net Transfers In (Out)	(803,700)	(11,061,430)	120,000	35,950	11,061,430	647,750	-	0.0%
Beginning Fund Balances	15,278,030	230,480	620,380	-	13,067,640	(4,630,340)	24,566,190	25.7%
<b>Total Funding Sources</b>	<b>\$ 27,650,510</b>	<b>\$ 1,920,810</b>	<b>\$ 1,253,950</b>	<b>\$ 1,067,780</b>	<b>\$ 63,658,390</b>	<b>\$ 165,900</b>	<b>\$ 95,717,340</b>	<b>100.0%</b>
% of All Funds	28.9%	2.0%	1.3%	1.1%	66.5%	0.2%	100.0%	

## Summary Schedules

### Funding Uses

### Fiscal Year 2014

Fund/Department	OPERATIONS					Total
	Personnel	Contractual Services	Operating Supplies	Other	Operating Capital	
General Fund						
Mayor & Council	\$ 66,150	\$ -	\$ 5,740	\$ 55,500	\$ -	\$ 127,390
Town Manager	527,550	81,970	8,630	18,810	-	636,960
Law	418,120	31,550	12,350	15,580	-	477,600
Town Clerk	234,820	32,000	9,500	15,950	-	292,270
Finance	649,860	169,350	25,800	235,610	-	1,080,620
Human Resources	176,010	19,130	7,440	2,270	-	204,850
Planning & Building	962,180	163,030	12,760	13,990	-	1,151,960
Parks & Recreation	803,250	452,500	105,830	66,030	-	1,427,610
Public Works	351,160	411,680	40,840	11,440	-	815,120
Police	4,305,630	579,790	368,100	83,150	-	5,336,670
Municipal Court	480,310	16,470	22,600	23,300	-	542,680
Non-Departmental	-	25,150	3,200	74,500	-	102,850
Subtotal:	8,975,040	1,982,620	622,790	616,130	-	12,196,580
HURF Fund	609,620	741,250	176,200	172,420	-	1,699,490
G & RS Fund	301,070	60,000	127,600	18,000	-	506,670
QC CFD Fund	-	51,410	2,500	4,540	-	58,450
CIIF Fund	-	-	-	-	-	-
Wastewater Fund	517,490	486,370	95,040	215,900	-	1,314,800
<b>ALL FUNDS TOTAL</b>	<b>\$ 10,403,220</b>	<b>\$ 3,321,650</b>	<b>\$ 1,024,130</b>	<b>\$ 1,026,990</b>	<b>\$ -</b>	<b>\$ 15,775,990</b>

Fund/Department	OPERATIONS				Ending Fund Balances	All Categories Total	% of All Funds
	From above Total	Debt Service	Capital Outlay				
General Fund							
Mayor & Council	\$ 127,390	\$ -	\$ -	\$ -	\$ 127,390		
Town Manager	636,960	-	-	-	636,960		
Law	477,600	-	-	-	477,600		
Town Clerk	292,270	-	-	-	292,270		
Finance	1,080,620	-	-	-	1,080,620		
Human Resources	204,850	-	-	-	204,850		
Planning & Building	1,151,960	-	-	-	1,151,960		
Parks & Recreation	1,427,610	-	-	-	1,427,610		
Public Works	815,120	-	-	-	815,120		
Police	5,336,670	-	-	-	5,336,670		
Municipal Court	542,680	-	-	-	542,680		
Non-Departmental	102,850	-	-	15,453,930	15,556,780		
Subtotal:	12,196,580	-	-	15,453,930	27,650,510	28.9%	
HURF Fund	1,699,490	-	156,430	64,890	1,920,810	2.0%	
G & RS Fund	506,670	-	335,140	412,140	1,253,950	1.3%	
QC CFD Fund	58,450	1,009,330	-	-	1,067,780	1.1%	
CIIF Fund	-	1,800,880	51,799,420	10,058,090	63,658,390	66.5%	
Wastewater Fund	1,314,800	2,398,050	466,770	(4,013,720)	165,900	0.2%	
<b>ALL FUNDS TOTAL</b>	<b>\$ 15,775,990</b>	<b>\$ 5,208,260</b>	<b>\$ 52,757,760</b>	<b>\$ 21,975,330</b>	<b>\$ 95,717,340</b>	<b>100.0%</b>	
% of All Categories	16.5%	5.4%	55.1%	23.0%	100.0%		



## Summary Schedules

### Interfund Transfers

### Fiscal Year 2014

FY 2014 Budget

	Transfer Recipient						
	General Fund	HURF Fund	G&RS Fund	QC CFD Fund	CIIF Fund	Wastewater Fund	Total
<b>General Fund</b>	\$ -	\$ -	\$ 120,000 <sup>A</sup>	\$ 35,950 <sup>B</sup>	\$ -	\$ 647,750 <sup>D</sup>	\$ 803,700
<b>HURF Fund</b>	\$ -	-	-	-	11,061,430 <sup>C</sup>	-	11,061,430
<b>G &amp; RS Fund</b>	-	-	-	-	-	-	-
<b>QC CFD Fund</b>	-	-	-	-	-	-	-
<b>CIIF Fund</b>	-	-	-	-	-	-	-
<b>Wastewater Fund</b>	-	-	-	-	-	-	-
<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 35,950</u>	<u>\$ 11,061,430</u>	<u>\$ 647,750</u>	<u>\$ 11,865,130</u>

Descriptions:

- A** Restricted Assets Transfer to new Fund (G&RS)

Transfers from the General Fund to the G&RS Fund are planned to centralize the accounting for restricted assets and grants in a fund separate from the General fund.
- B** General Operating Subsidy Transfers

Transfers from the General Fund to the QC CFD Fund are planned to finance the operating deficit in FY 2014. These transfer amounts represent a maximum subsidy amount for the year and will only be made to the extent that a deficit occurs.
- C** Capital Project Funding Transfers

Transfers from the HURF Fund to the CIIF Fund are needed to reimburse the CIIF Fund for project costs that are ultimately funded by HURF Fund grants and contributions.
- D** 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.





fy2014  
budget

# major revenues



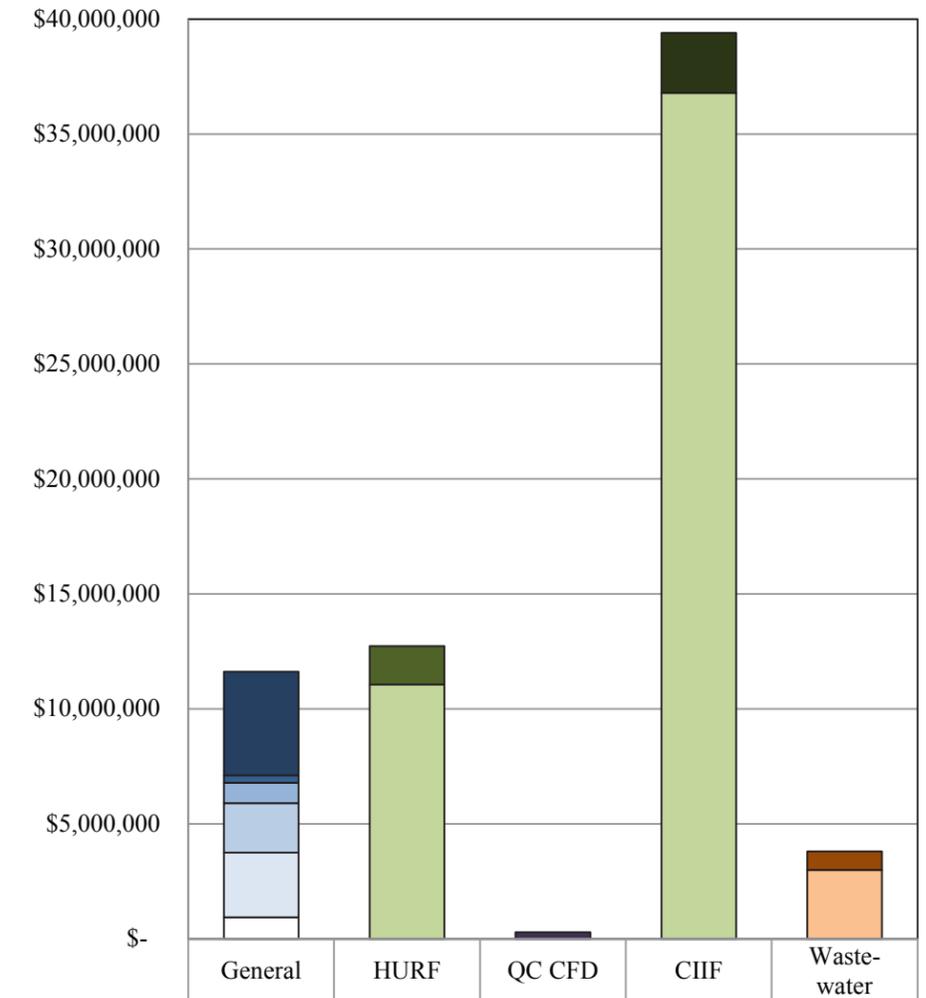


**MAJOR REVENUE SOURCES**

The following table displays how the major revenue sources are recorded within the Major funds of the Town.



**Major Revenue Sources by Major Fund  
FY 2014**



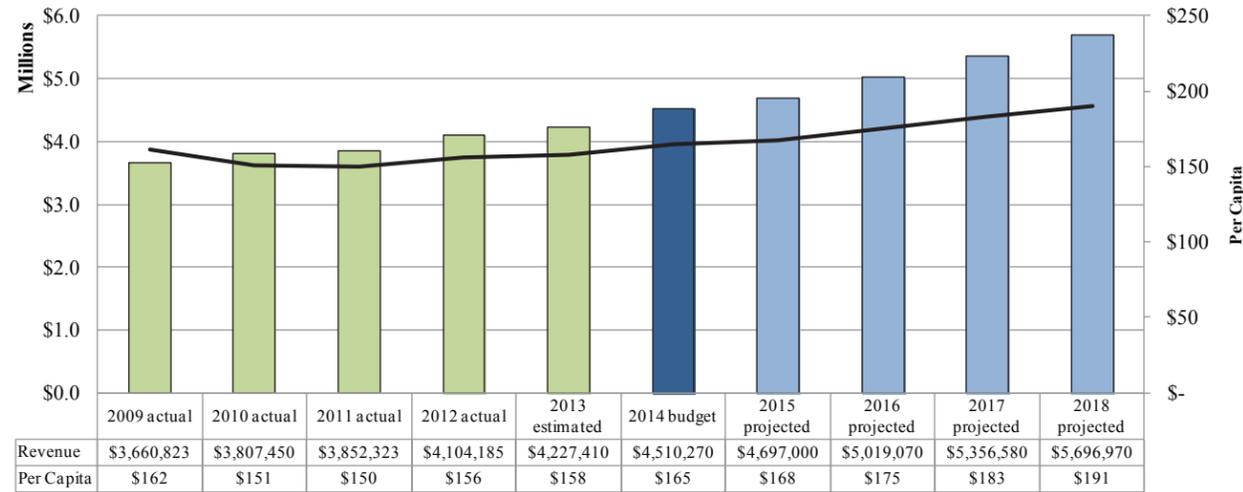
	General	HURF	QC CFD	CIIF	Waste-water
■ Sales Tax	\$4,510,270				
■ Construction Sales Tax				\$2,610,230	
■ Franchise Tax	\$327,380				
■ Property Tax			\$292,420		
■ Building Permit Fees	\$879,590				
■ Sewer Connection Fees					\$804,860
■ State Shared Sales Tax	\$2,153,280				
■ State Shared Income Tax	\$2,818,010				
■ State Shared Vehicle License Tax	\$934,720				
■ State Shared HURF		\$1,664,530			
■ Capital Grants		\$11,061,430		\$36,784,460	
■ Sewer User Fees					\$2,994,650



## MAJOR REVENUE SOURCES

### General Sales Taxes (Taxes)

**Description & Use** A transaction privilege tax is assessed on sales 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.



**Current Rate Structure** The Town has a tax rate of 2.0% on non-construction contracting sales transactions. The Town does not impose a use tax. The State of Arizona collects taxes on behalf of the Town and remits them to the Town several times per month. The Town operates under the *Model City Tax Code*.

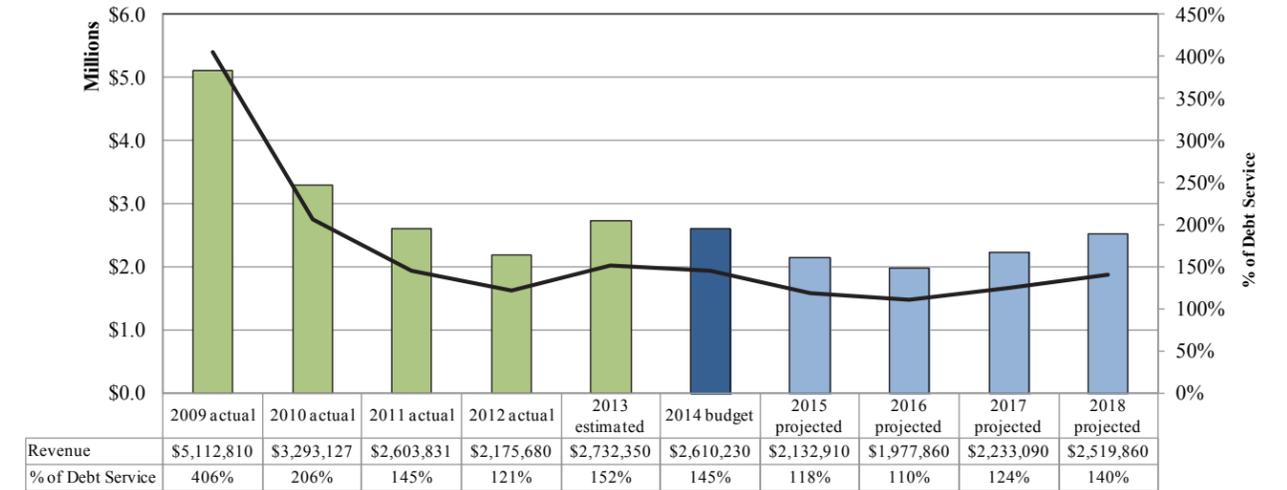
**Assumptions** Projections were based on estimated population and growth in commercial development. The estimate was derived using planning documents for residential and commercial development. Inflationary factors and tax leakage assumptions were also considered in the projections.

**Trend** Positive. General sales taxes per capita are projected to increase over time.

## 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 capital project costs. These tax revenues are recorded in the CIIF Capital Projects Fund.



**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 several times per month. The Town operates under the *Model City Tax Code*.

**Assumptions** Projections were based on growth projections. The expectation was derived using planning documents for residential and commercial development as well as expectations about factors influencing the housing market nationwide and in Arizona. Inflationary factors were also considered in the projection.

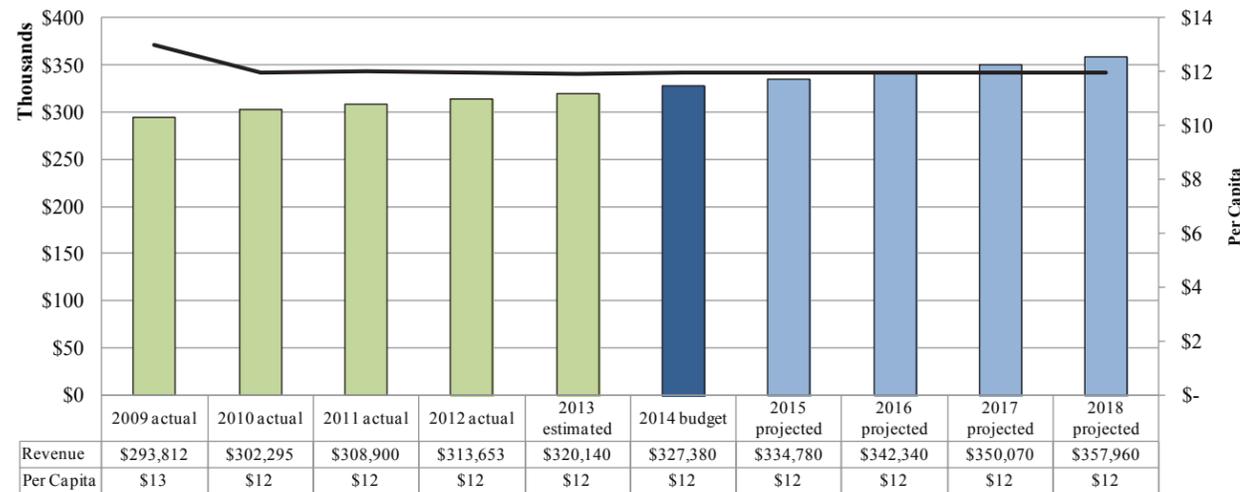
**Trend** Negative. Construction contracting taxes are projected to cover a smaller percentage of debt service costs than the historical average.



## MAJOR REVENUE SOURCES

### Franchise Taxes (Taxes)

**Description** 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.



**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.

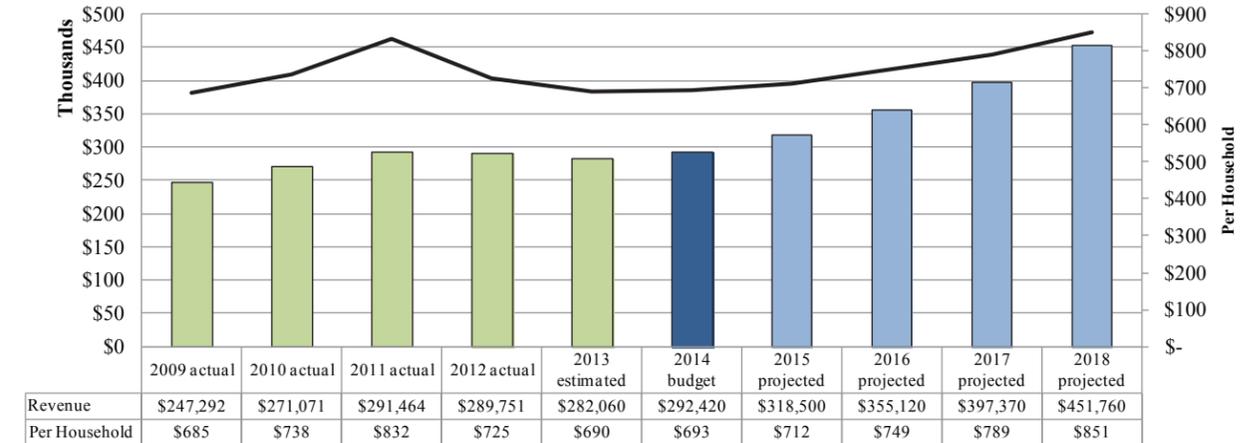
**Assumptions** Projections were based on estimated growth in population. The estimate was derived using planning documents for residential and commercial development. Inflationary factors also influenced expectations.

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

## MAJOR REVENUE SOURCES

### Property Taxes (Taxes)

**Description** The Quail Creek Community Facilities District levies a secondary property tax on property located within the District boundaries. These property taxes must be used to pay for the District's expenditures for operations and maintenance, and for the District's debt service obligations.



**Current Rate Structure** The District property tax rate is \$3.30 per \$100 of secondary assessed valuation. Of this rate, \$3.00 is for debt service and \$0.30 is for District operations and maintenance.

**Assumptions** The projections were derived by taking the secondary assessed valuation of property within the District, as provided by the County Assessor's Office, and multiplying that figure by the property tax rates and adjusting for expected uncollectible accounts. Future valuations were derived by projecting a growth rate for the District using planning documents.

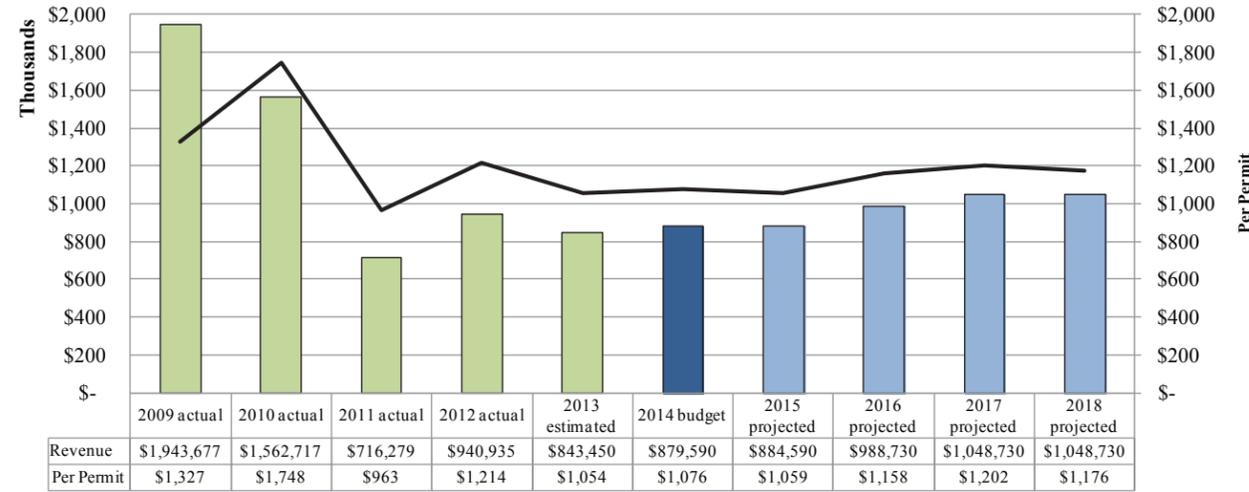
**Trend** Positive. Increasing property values in the future will generate more property tax income per household than in the past.



## MAJOR REVENUE SOURCES

### Building Permit Fees (Licenses and Permits)

**Description** 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.



**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.

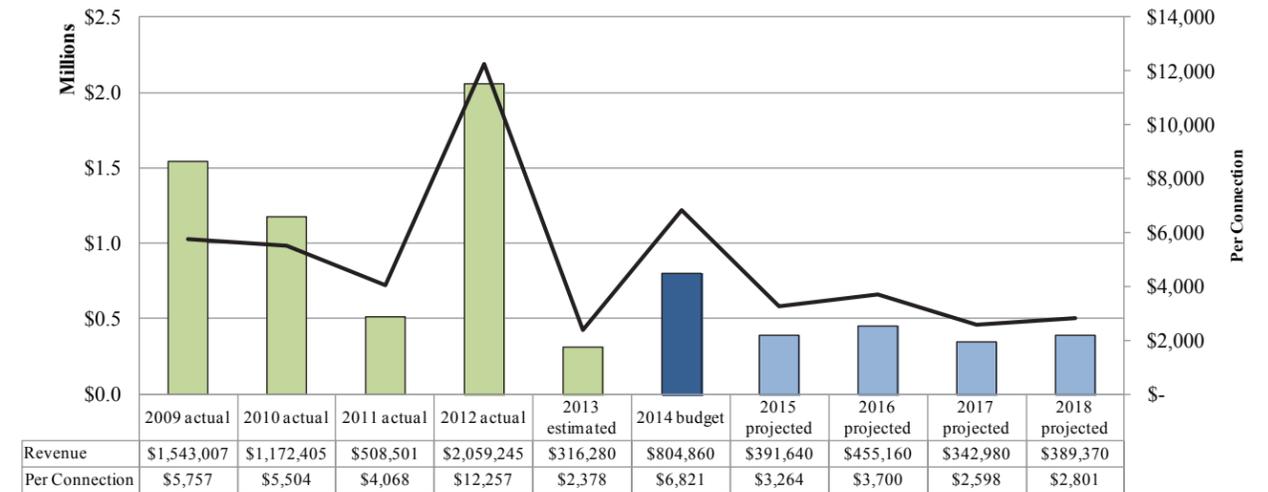
**Assumptions** Projections were based on the number of permits expected to be issued for each year. The expectation was derived using planning documents for residential and commercial development as well as expectations about factors influencing the housing market nationwide and in Arizona.

**Trend** Stable. The average permit is projected to generate about the same amount of revenue over time.

## MAJOR REVENUE SOURCES

### Sewer Connection Fees (Licenses and Permits)

**Description** A fee is charged for all new customers served by the Town's wastewater utility (i.e., the Rancho Resort and Rancho Sahuarita developments) to connect to the existing sewer system. Sewer connection fees are used to pay the capital costs to expand and improve the wastewater treatment facilities. The fees are recorded in the Wastewater Enterprise Fund.



**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 structure significantly reduced the amount of connection fee revenues. 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 residential and commercial development as well as expectations about factors influencing the housing market nationwide and in Arizona.

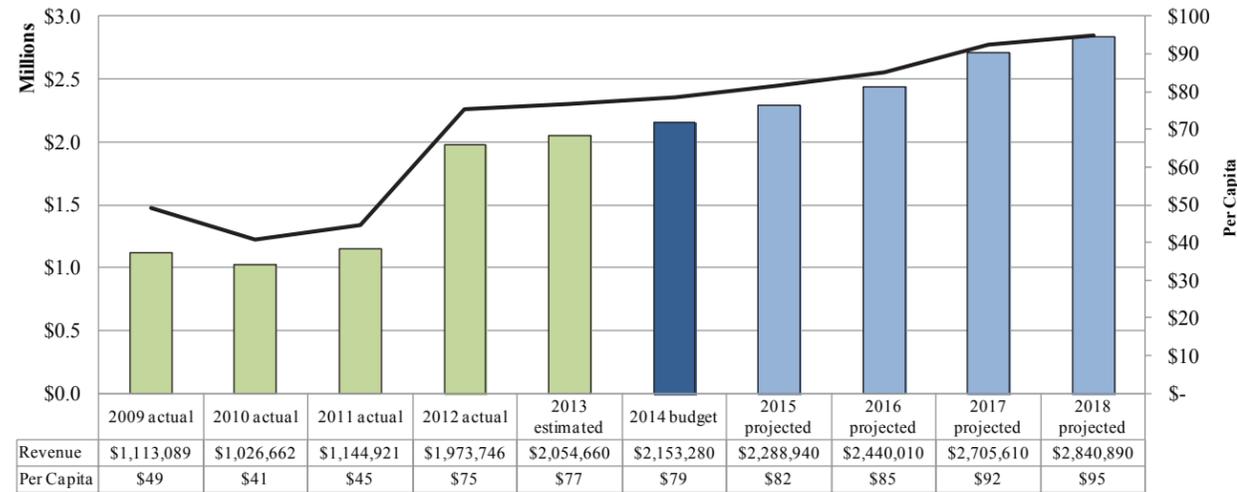
**Trend** Negative. The average connection is projected to generate less revenue than the historical average.



## MAJOR REVENUE SOURCES

### State Shared Sales Taxes (Intergovernmental)

**Description** 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.



**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, relative to other local jurisdictions. Distributions are received by the Town monthly.

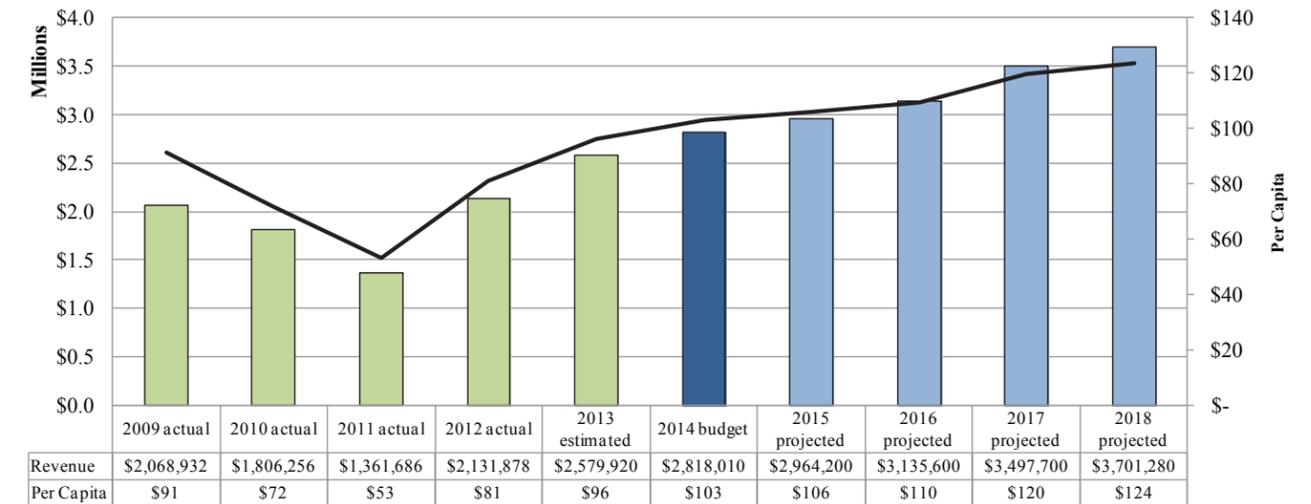
**Assumptions** The Arizona Department of Revenue provides the Town with projected revenues. In fiscal year 2012, the population figures were adjusted to the 2010 U.S. Census figures, which had a dramatic impact on the Town's share of revenues.

**Trend** Positive. State shared sales taxes per capita are projected to increase over time.

## MAJOR REVENUE SOURCES

### State Shared Income Taxes (Intergovernmental)

**Description** 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.



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

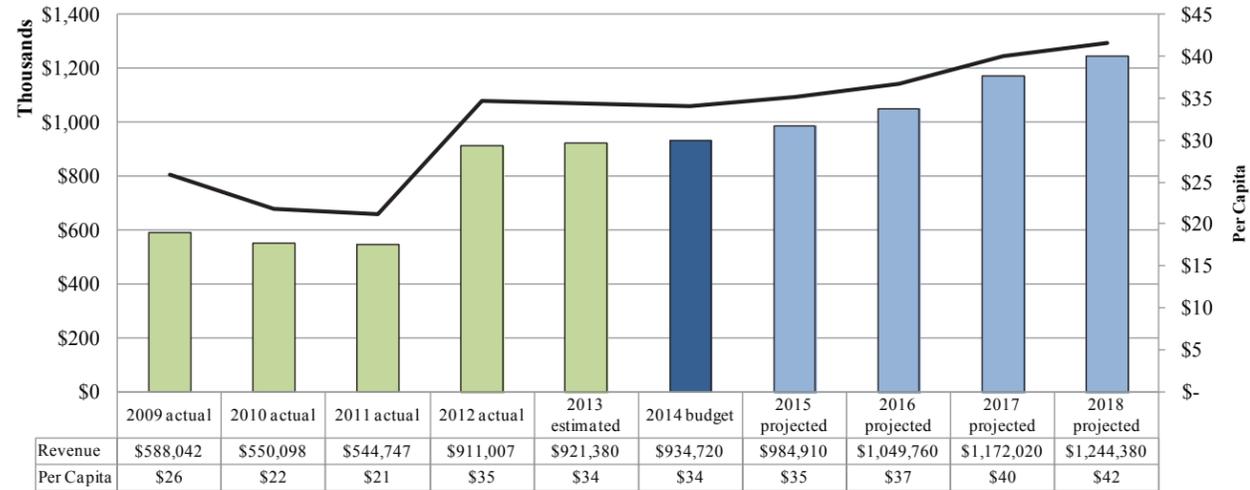
**Trend** Positive. State shared income taxes per capita are projected to increase over time.



## MAJOR REVENUE SOURCES

### State Shared Vehicle License Taxes (Intergovernmental)

**Description** Incorporated cities and towns receive a portion of the State's vehicle license 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.



**Current Rate Structure** The State's distribution is based upon population figures, adjusted every five years, relative to other local jurisdictions. Distributions are received by the Town twice a month.

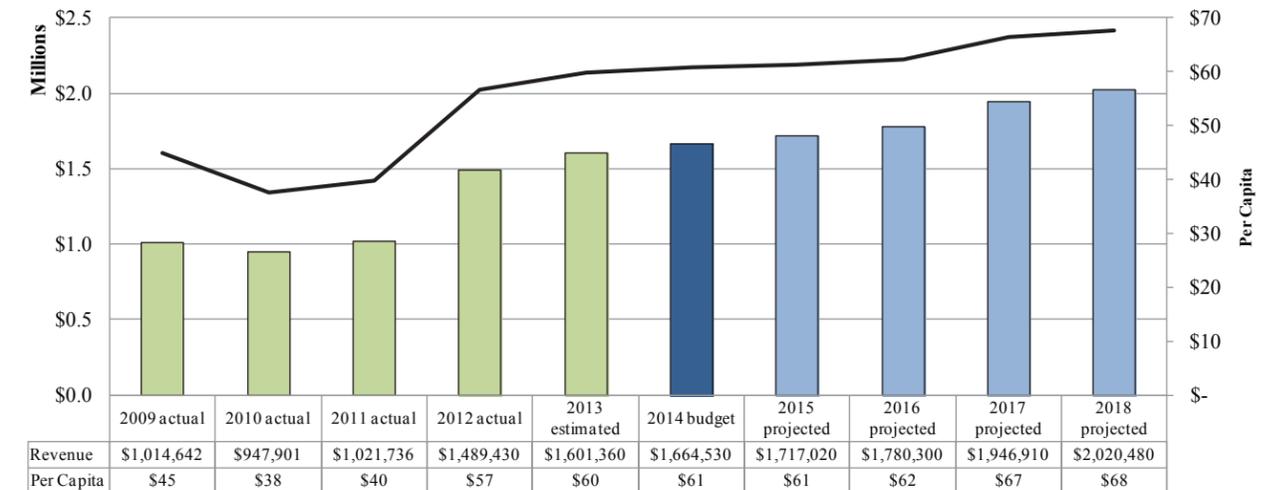
**Assumptions** The Arizona Department of Transportation provides estimates of collections which the Town uses to projected revenues. In fiscal year 2012, the population figures were adjusted to the 2010 U.S. Census figures, which had a dramatic impact on the Town's share of revenues.

**Trend** Positive. State shared vehicle license taxes per capita are projected to increase over time.

## MAJOR REVENUE SOURCES

### Highway User Revenue Funds (HURF) (Intergovernmental)

**Description** 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.



**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 by the Town 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.

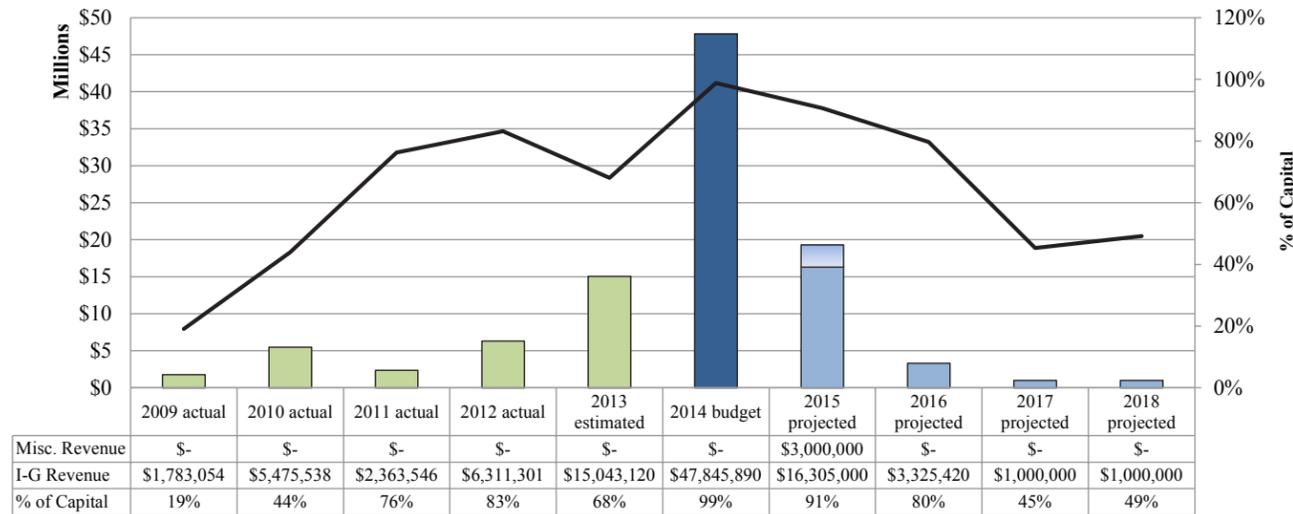
**Trend** Positive. State shared HURF revenues per capita are projected to increase over time.



## MAJOR REVENUE SOURCES

### Capital Grants (Miscellaneous & Intergovernmental)

**Description** The Town receives grant funding from other governmental entities (I-G Revenue) 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) in order to accomplish mutually beneficial projects. Capital grant revenues are used for the acquisition and construction of capital assets, as restricted in the grant agreements. These revenues are typically recorded in the HURF special revenue fund or the CIIF capital projects fund.



**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.

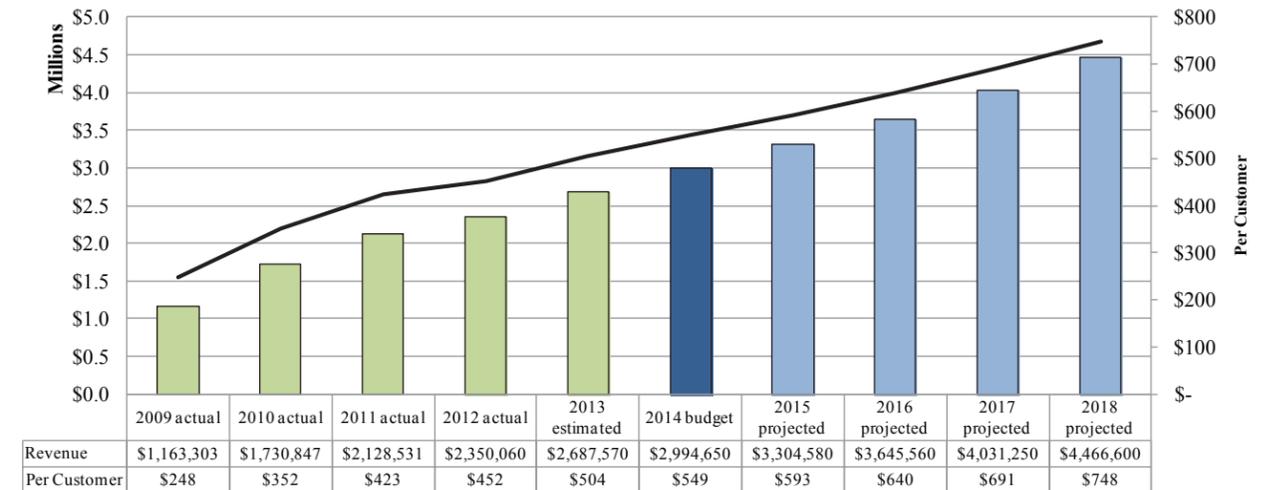
**Assumptions** Agreements are in place for much of the projected revenues. These agreements primarily reimburse the Town for costs incurred. Therefore, revenues will be realized to the extent that expenditures are incurred on capital projects. A significant portion of the Town capital outlay costs are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

**Trend** Variable. Grant revenues are projected to cover about the same percentage of capital costs as the historical average but year-to-year variation is wide.

## MAJOR REVENUE SOURCES

### Sewer User Fees (Charges for Services)

**Description** Sewer user fees are charged to the households and businesses served by the wastewater utility (i.e., the Rancho Resort and Rancho Sahuarita developments). 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.



**Current Rate Structure** Customers are billed monthly fees based on the amount of usage. 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. An 8.9% fee increase will become effect on July 1, 2013. 8% annual fee increases are projected for year fiscal year thereafter.

**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 residential and commercial development as well as expectations about factors influencing the housing market nationwide and in Arizona.

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

fy2014  
budget

### **What is Fund Budgeting?**

The Town organizes its activities into six 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.*

# fund budgeting

### **What are the Funds used by the Town?**

The Town uses 6 funds which are described in detail in the following pages.

- General Fund
- Highway User Revenue Fund
- Grants and Restricted Sources Fund
- Quail Creek Community Facilities District
- Capital Infrastructure Improvement Fund
- Wastewater Fund

### **What is a balanced budget?**

A fund is considered to be in balance when the following equation is true: SOURCES = USES. Where 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. To discuss this in more practical terms, a fund is in balance when there is more money coming in than going out (or 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.



**Town of Sahuarita Appropriated Budget**

**GOVERNMENTAL**

**PROPRIETARY**

**GENERAL**

**SPECIAL REVENUES**

**CAPITAL PROJECTS**

**ENTERPRISE**

*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.*

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

**General Fund \***

**HURF Fund \***

**CIIF Fund \***

**Wastewater Enterprise Fund \***

**G&RS Fund**

**QC CFD Fund**

**FIDUCIARY FUND TYPES**

*No fiduciary fund budgeted for (or anticipated in )  
**FY 2014***

**Note:**

All funds are budgeted on the modified accrual basis of accounting with departures described in financial policy 1.8.6. All governmental funds are accounted for using the modified accrual basis of accounting. The proprietary fund is accounted for using the accrual basis of accounting.

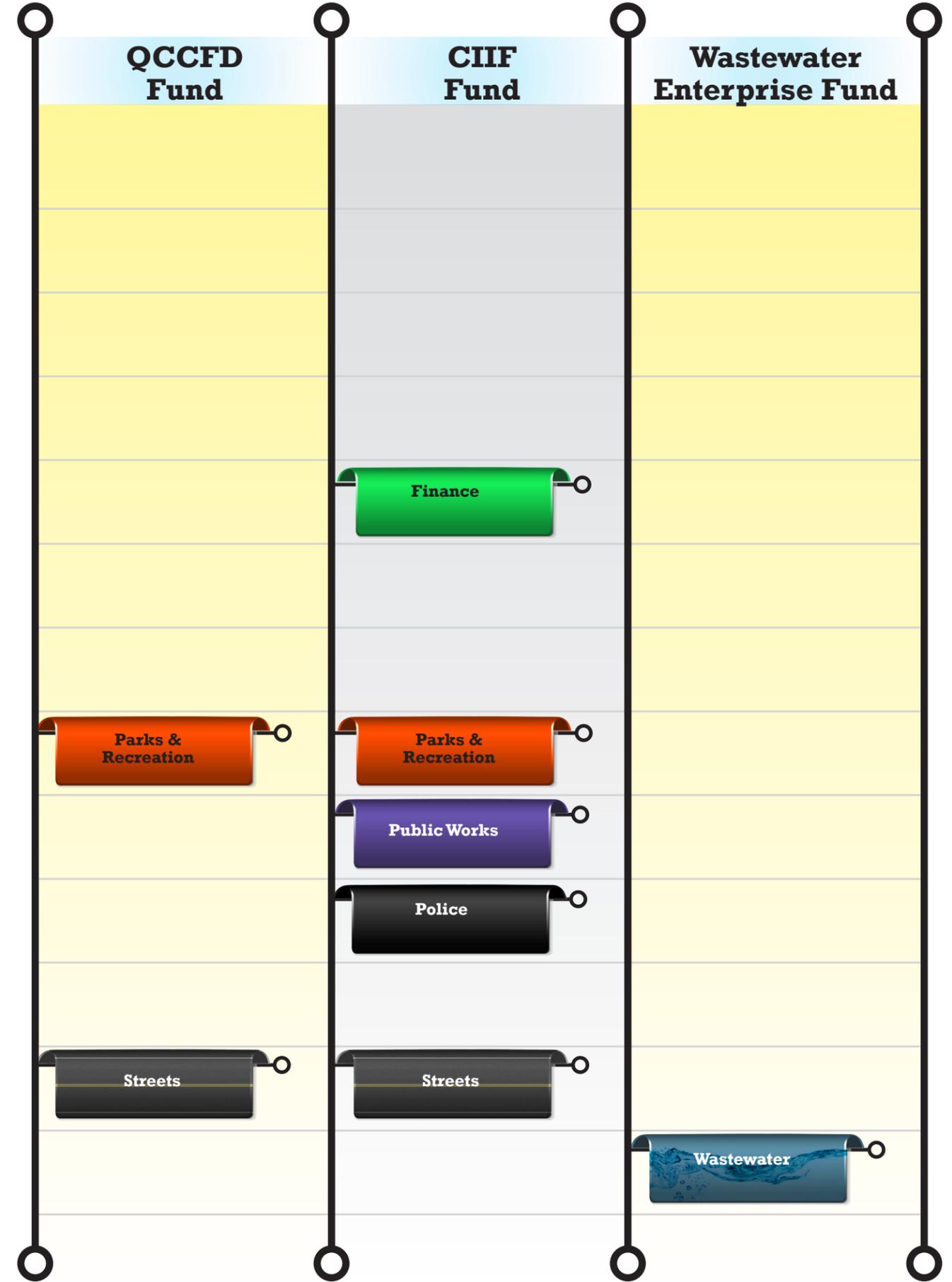
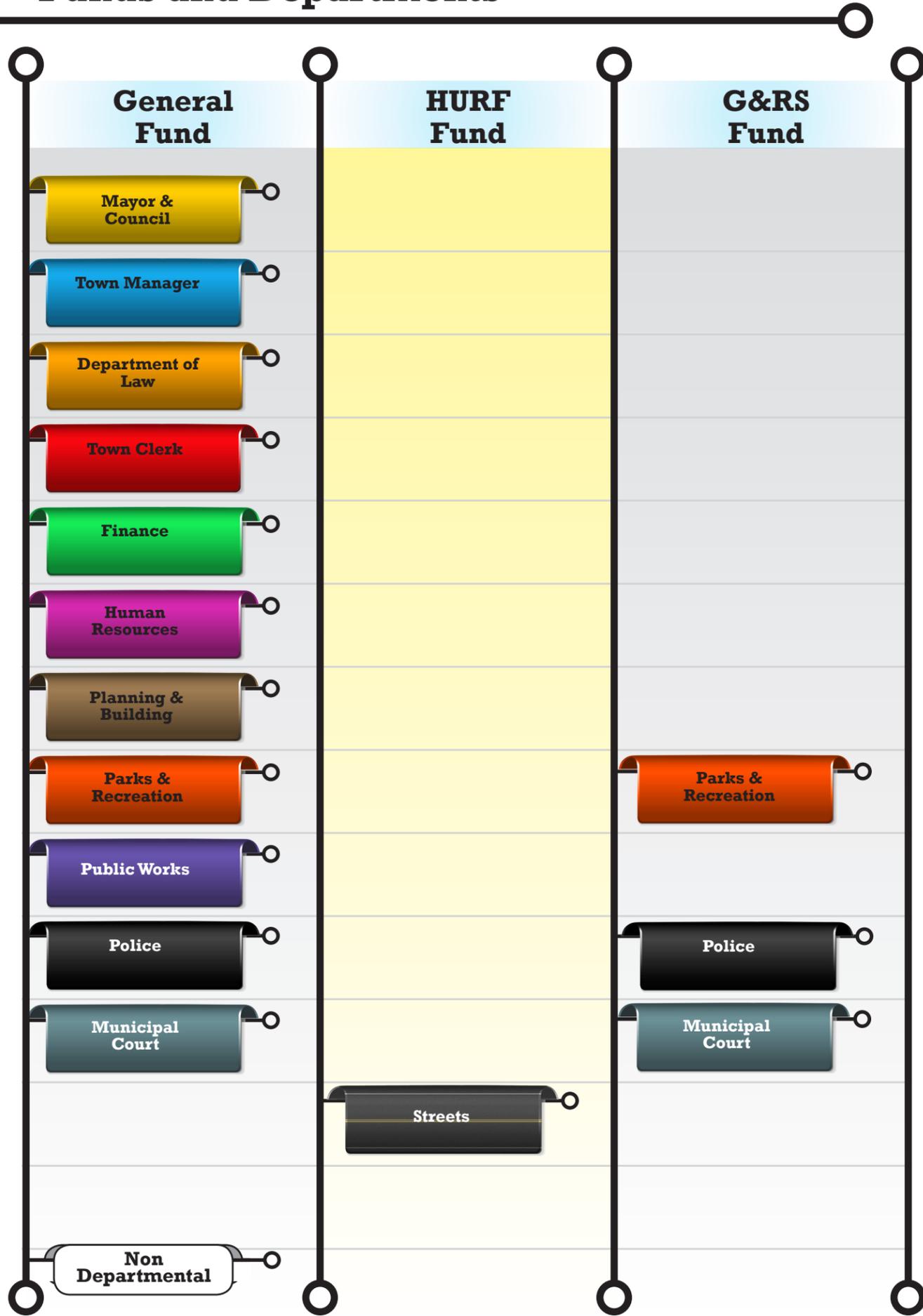
\* Any budgeted fund that represents 10 percent or more of the total appropriated revenues or expenditures is considered a major fund.

# Funds and Departments

funds



FY 2014 Budget



# FUND BUDGETING



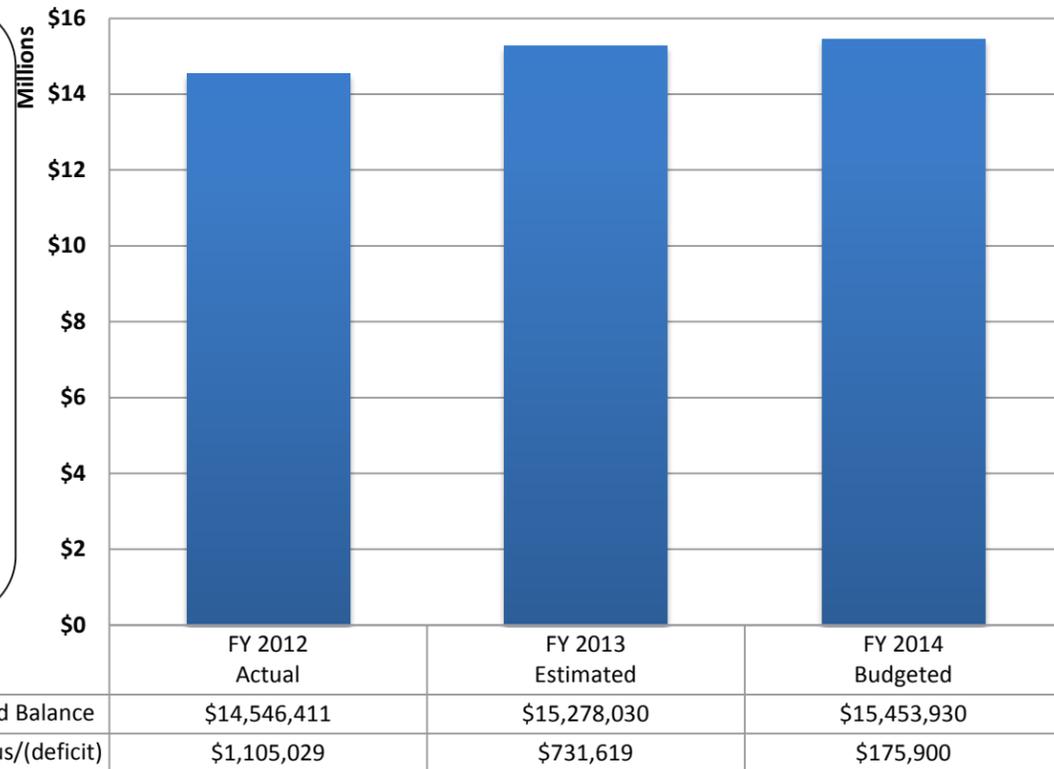
**Purpose:** The **General Fund** serves as the chief operating fund of the Town. It is used to account for all financial resources except those accounted for in other funds.

Its fund balance is budgeted to increase by \$176 thousand. Compared to last year, revenues are expected to increase slightly while expenditures will remain about the same. The General Fund will also transfer approximately \$804 thousand to other funds to: (1) subsidize the Quail Creek CFD, (2) move all restricted sources to the Grants and Restricted Sources Fund, and (3) purchase recharge credits from the Wastewater Fund.

## General Fund

**Services:**

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



The ending fund balance is projected to be \$15.4 million. Of this amount, \$2.3 million is nonspendable as that amount of funding has been advanced to the Wastewater Fund to manage its deficit financial position. The remainder is 108% 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 operations in the HURF Fund, the Quail Creek CFD, and the Wastewater Fund. Separately, the Town Council assigned \$100,000 for the use of the Town Manager to handle unanticipated needs. Finally, the Town Council has adopted a policy establishing a \$10 million target for unassigned reserves in the General Fund by 2020.

# FUND BUDGETING

## GENERAL FUND SOURCES AND USES OF FUNDS

	2012 Actual Amount	2013 Adopted Budget	2013 Amended Budget	Estimated Actual	2014 Adopted Budget	% Chng From Amended	% Chng From Estimated
<b>SOURCES</b>							
<b>Revenues:</b>							
Taxes	\$ 4,417,838	\$ 4,496,270	\$ 4,496,270	\$ 4,547,550	\$ 4,837,650	7.6%	6.4%
Licenses & Permits	1,033,099	766,160	766,160	984,210	967,090	26.2%	-1.7%
Intergovernmental	5,499,392	5,911,220	5,920,720	6,000,860	5,906,010	-0.2%	-1.6%
Charges for Services	997,209	987,380	987,380	988,540	970,740	-1.7%	-1.8%
Fines and Fees	240,311	270,450	270,450	240,920	244,770	-9.5%	1.6%
Investment Income	174,906	161,290	161,290	150,000	222,920	38.2%	48.6%
Miscellaneous	140,203	43,000	43,000	70,980	27,000	-37.2%	-62.0%
<b>Subtotal:</b>	<b>12,502,958</b>	<b>12,635,770</b>	<b>12,645,270</b>	<b>12,983,060</b>	<b>13,176,180</b>	<b>4.2%</b>	<b>1.5%</b>
<b>Other Sources:</b>							
Transfers In	358,993	27,940	27,940	27,940	-	-100.0%	-100.0%
Transfers Out	(21,884)	(28,000)	(28,000)	(27,750)	(803,700)	2770.4%	2796.2%
<b>Subtotal:</b>	<b>337,109</b>	<b>(60)</b>	<b>(60)</b>	<b>190</b>	<b>(803,700)</b>	<b>1339400.0%</b>	<b>-423100.0%</b>
<b>Beginning Fund Balance:</b>							
Nonspendable	149,885	2,928,190	2,928,190	2,225,140	2,938,060	0.3%	32.0%
Restricted	101,450	161,770	161,770	166,660	120,000	-25.8%	-28.0%
Unassigned	13,190,047	10,839,720	10,839,720	12,154,610	12,219,970	12.7%	0.5%
<b>Subtotal:</b>	<b>13,441,382</b>	<b>13,929,680</b>	<b>13,929,680</b>	<b>14,546,410</b>	<b>15,278,030</b>	<b>9.7%</b>	<b>5.0%</b>
<b>TOTAL SOURCES</b>	<b>\$26,281,449</b>	<b>\$26,565,390</b>	<b>\$26,574,890</b>	<b>\$27,529,660</b>	<b>\$ 27,650,510</b>	<b>4.0%</b>	<b>0.4%</b>
<b>USES</b>							
<b>Current Expenditures:</b>							
Mayor & Council	\$ 171,996	\$ 146,990	\$ 146,990	\$ 137,640	\$ 127,390	-13.3%	-7.4%
Town Manager	648,000	620,530	645,530	668,870	636,960	-1.3%	-4.8%
Law	458,487	451,820	451,820	459,430	477,600	5.7%	4.0%
Town Clerk	240,265	335,440	335,440	336,740	292,270	-12.9%	-13.2%
Finance	899,541	962,400	962,400	957,100	1,080,620	12.3%	12.9%
Human Resources	182,250	195,450	195,450	187,270	204,850	4.8%	9.4%
Planning & Building	964,984	984,520	1,090,220	1,050,800	1,151,960	5.7%	9.6%
Parks & Recreation	1,280,245	1,341,070	1,350,570	1,333,580	1,427,610	5.7%	7.1%
Public Works	801,846	806,430	806,430	802,470	815,120	1.1%	1.6%
Police	5,398,220	5,683,260	5,683,260	5,683,630	5,336,670	-6.1%	-6.1%
Municipal Court	494,128	538,980	538,980	521,060	542,680	0.7%	4.1%
Non-Departmental	195,076	143,620	143,620	113,040	102,850	-28.4%	-9.0%
<b>Subtotal:</b>	<b>11,735,038</b>	<b>12,210,510</b>	<b>12,350,710</b>	<b>12,251,630</b>	<b>12,196,580</b>	<b>-1.2%</b>	<b>-0.4%</b>
<b>Ending Fund Balance:</b>							
Nonspendable	2,225,140	2,928,190	2,928,190	2,938,060	2,321,440	-20.7%	-21.0%
Restricted	166,658	87,800	87,800	120,000	-	-100.0%	-100.0%
Committed for Reserves	-	3,772,040	3,772,040	3,772,040	3,810,700	1.0%	1.0%
Assigned for Contingencies	-	100,000	69,300	-	100,000	44.3%	-
Unassigned	12,154,613	7,466,850	7,366,850	8,447,930	9,221,790	25.2%	9.2%
<b>Subtotal:</b>	<b>14,546,411</b>	<b>14,354,880</b>	<b>14,224,180</b>	<b>15,278,030</b>	<b>15,453,930</b>	<b>8.6%</b>	<b>1.2%</b>
<b>TOTAL USES</b>	<b>\$26,281,449</b>	<b>\$26,565,390</b>	<b>\$26,574,890</b>	<b>\$27,529,660</b>	<b>\$ 27,650,510</b>	<b>4.0%</b>	<b>0.4%</b>



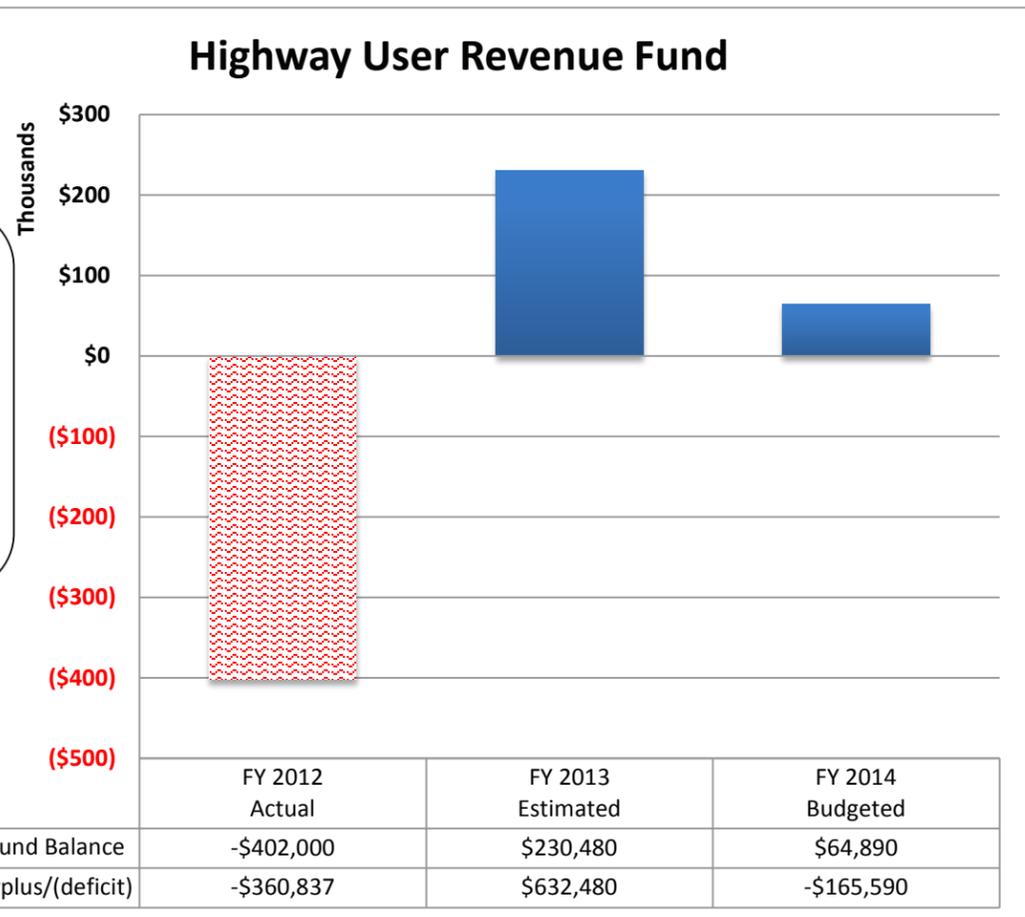
# FUND BUDGETING

# 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.

Its fund balance is budgeted to decrease by \$166 thousand. This is mostly due to the use of Local Transportation Assistance Funds being spent on a capital project. The funds were accumulated in prior years and must be spent in accordance with the purpose restrictions.

- Services:**
- Street and bridge maintenance
  - Street lighting and landscaping
  - Traffic control



The ending fund balance is projected to be \$65 thousand. In order to maintain the condition of the Town's roadway system, the fund requires the consumption of most of its resources.

## HIGHWAY USER REVENUE FUND (HURF) SPECIAL REVENUE FUND SOURCES AND USES OF FUNDS

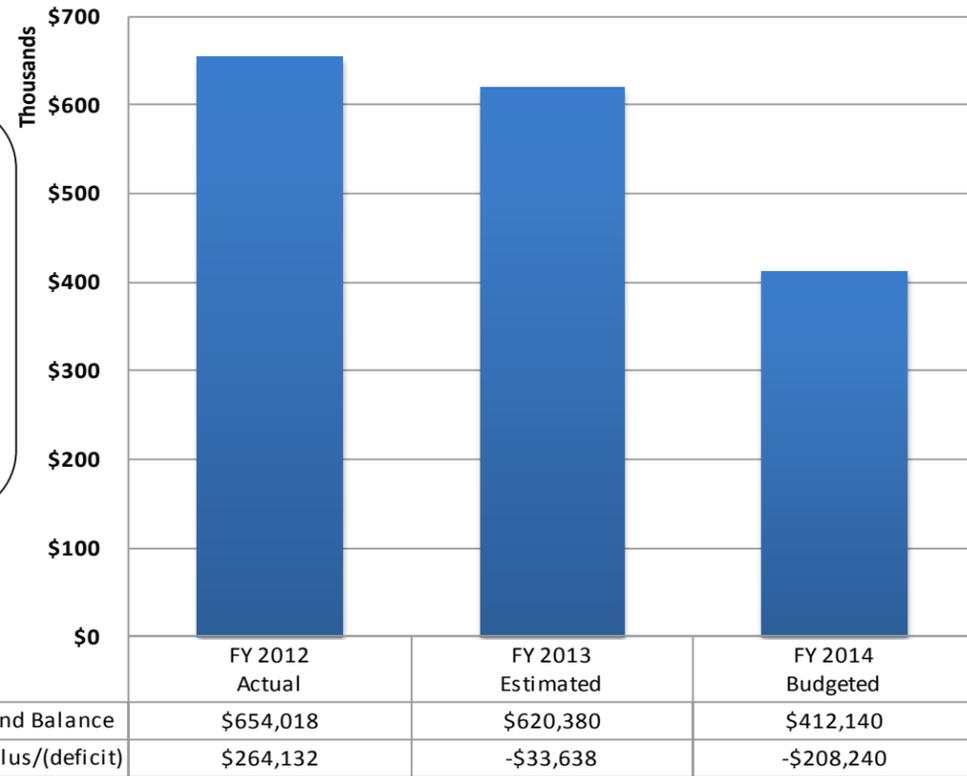
	2012 Actual Amount	2013 Adopted Budget	2013 Amended Budget	Estimated Actual	2014 Adopted Budget	% Chng From Amended	% Chng From Estimated
<b>SOURCES</b>							
<b>Revenues:</b>							
Intergovernmental	\$2,576,953	\$13,907,150	\$13,907,150	\$6,211,880	\$12,750,960	-8.3%	105.3%
Investment Income	5,188	750	750	1,000	800	6.7%	-20.0%
Miscellaneous	2,849	-	-	48,490	-	-	-100.0%
<b>Subtotal:</b>	<b>2,584,990</b>	<b>13,907,900</b>	<b>13,907,900</b>	<b>6,261,370</b>	<b>12,751,760</b>	<b>-8.3%</b>	<b>103.7%</b>
<b>Other Sources:</b>							
Transfers Out	(1,602,732)	(12,237,000)	(12,237,000)	(3,977,570)	(11,061,430)	-9.6%	178.1%
<b>Subtotal:</b>	<b>(1,602,732)</b>	<b>(12,237,000)</b>	<b>(12,237,000)</b>	<b>(3,977,570)</b>	<b>(11,061,430)</b>	<b>-9.6%</b>	<b>178.1%</b>
<b>Beginning Fund Balance:</b>							
Restricted for HURF	(150,896)	(2,910)	(2,910)	(512,630)	129,350	-4545.0%	-125.2%
Restricted for LTAF	109,733	111,080	111,080	110,630	101,130	-	-8.6%
<b>Subtotal:</b>	<b>(41,163)</b>	<b>108,170</b>	<b>108,170</b>	<b>(402,000)</b>	<b>230,480</b>	<b>113.1%</b>	<b>-157.3%</b>
<b>TOTAL SOURCES</b>	<b>\$ 941,095</b>	<b>\$ 1,779,070</b>	<b>\$ 1,779,070</b>	<b>\$ 1,881,800</b>	<b>\$ 1,920,810</b>	<b>8.0%</b>	<b>2.1%</b>
<b>USES</b>							
<b>Current Expenditures:</b>							
Streets	\$1,334,296	\$1,580,000	\$1,584,200	\$1,588,960	\$1,698,990	7.2%	6.9%
LTAF	500	-	-	500	500	-	0.0%
<b>Subtotal:</b>	<b>1,334,796</b>	<b>1,580,000</b>	<b>1,584,200</b>	<b>1,589,460</b>	<b>1,699,490</b>	<b>7.3%</b>	<b>6.9%</b>
<b>Capital Outlay:</b>							
Streets	8,299	37,000	32,800	51,860	55,000	67.7%	6.1%
LTAF	-	111,080	111,080	10,000	101,430	-8.7%	914.3%
<b>Subtotal:</b>	<b>8,299</b>	<b>148,080</b>	<b>143,880</b>	<b>61,860</b>	<b>156,430</b>	<b>8.7%</b>	<b>152.9%</b>
<b>Subtotals Combined:</b>	<b>1,343,095</b>	<b>1,728,080</b>	<b>1,728,080</b>	<b>1,651,320</b>	<b>1,855,920</b>	<b>7.4%</b>	<b>12.4%</b>
<b>Ending Fund Balances:</b>							
Restricted for HURF	(512,632)	50,990	50,990	129,350	64,890	-100.0%	-49.8%
Restricted for LTAF	110,632	-	-	101,130	-	-	-
<b>Subtotal:</b>	<b>(402,000)</b>	<b>50,990</b>	<b>50,990</b>	<b>230,480</b>	<b>64,890</b>	<b>27.3%</b>	<b>-71.8%</b>
<b>TOTAL USES</b>	<b>\$ 941,095</b>	<b>\$ 1,779,070</b>	<b>\$ 1,779,070</b>	<b>\$ 1,881,800</b>	<b>\$ 1,920,810</b>	<b>8.0%</b>	<b>2.1%</b>

# FUND BUDGETING

**Purpose:** The **Grants and Restricted Sources 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.

Its fund balance is budgeted to decrease \$208 thousand as a result of a several capital outlay purchases for police equipment and facility improvements. In the past, this fund accounted for only RICO activities. In 2014, however, this fund will account for RICO activities and other grant and restricted sources that used to be accounted in the General Fund. As such, the General Fund will transfer approximately \$120 thousand to the Grants and Restricted Sources Fund.

## Grants and Restricted Sources Fund



**Services:**

- Enhance the Town's policing
- Sponsorships for Fiesta Sahuarita
- Improve Court Security

The ending fund balance is projected to be \$412 thousand, which is restricted for use by the Police Department and Municipal Court. These balances will be consumed as the Town identifies appropriate uses for them.

# FUND BUDGETING

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

	2012 Actual Amount	2013 Adopted Budget	2013 Amended Budget	2013 Estimated Actual	2014 Adopted Budget	% Chng From Amended	% Chng From Estimated
<b>SOURCES</b>							
<b>Revenues:</b>							
Intergovernmental	\$ 12,507	\$ 17,500	\$ 17,500	\$ 17,500	\$ 354,970	1928.4%	1928.4%
Charges for Services	-	-	-	-	15,000	-	-
Fines & Forfeitures	301,492	109,950	109,950	109,950	116,520	6.0%	6.0%
Investment Income	5,835	2,650	2,650	5,000	9,080	242.6%	81.6%
Miscellaneous	16,036	-	-	5,220	18,000	-	244.8%
<b>Subtotal:</b>	<b>335,870</b>	<b>130,100</b>	<b>130,100</b>	<b>137,670</b>	<b>513,570</b>	<b>294.8%</b>	<b>273.0%</b>
<b>Other Sources:</b>							
Transfers In	-	-	-	-	120,000	-	-
<b>Beginning Fund Balance:</b>							
Restricted for Police	389,886	485,900	485,900	654,020	620,380	27.7%	-5.1%
<b>Subtotal:</b>	<b>389,886</b>	<b>485,900</b>	<b>485,900</b>	<b>654,020</b>	<b>620,380</b>	<b>27.7%</b>	<b>-5.1%</b>
<b>TOTAL SOURCES</b>	<b>\$725,756</b>	<b>\$616,000</b>	<b>\$616,000</b>	<b>\$791,690</b>	<b>\$1,253,950</b>	<b>103.6%</b>	<b>58.4%</b>
<b>USES</b>							
<b>Current Expenditures:</b>							
Police	\$ 71,738	\$ 102,480	\$ 102,480	\$ 104,060	\$ 498,670	386.6%	379.2%
Parks and Recreation	-	-	-	-	8,000	-	-
<b>Subtotal:</b>	<b>71,738</b>	<b>102,480</b>	<b>102,480</b>	<b>104,060</b>	<b>506,670</b>	<b>394.4%</b>	<b>386.9%</b>
<b>Capital Outlay:</b>							
Police	-	50,000	76,500	67,250	329,640	330.9%	390.2%
Municipal Court	-	-	-	-	5,500	-	-
<b>Subtotal:</b>	<b>-</b>	<b>50,000</b>	<b>76,500</b>	<b>67,250</b>	<b>335,140</b>	<b>338.1%</b>	<b>398.3%</b>
<b>Subtotals Combined:</b>	<b>71,738</b>	<b>152,480</b>	<b>178,980</b>	<b>171,310</b>	<b>841,810</b>	<b>370.3%</b>	<b>391.4%</b>
<b>Ending Fund Balances:</b>							
Restricted for Police	654,018	463,520	437,020	620,380	361,170	-17.4%	-41.8%
Restricted for Municipal Court	-	-	-	-	50,970	-	-
<b>Subtotal:</b>	<b>654,018</b>	<b>463,520</b>	<b>437,020</b>	<b>620,380</b>	<b>412,140</b>	<b>-5.7%</b>	<b>-33.6%</b>
<b>TOTAL USES</b>	<b>\$725,756</b>	<b>\$616,000</b>	<b>\$616,000</b>	<b>\$791,690</b>	<b>\$1,253,950</b>	<b>103.6%</b>	<b>58.4%</b>

# FUND BUDGETING

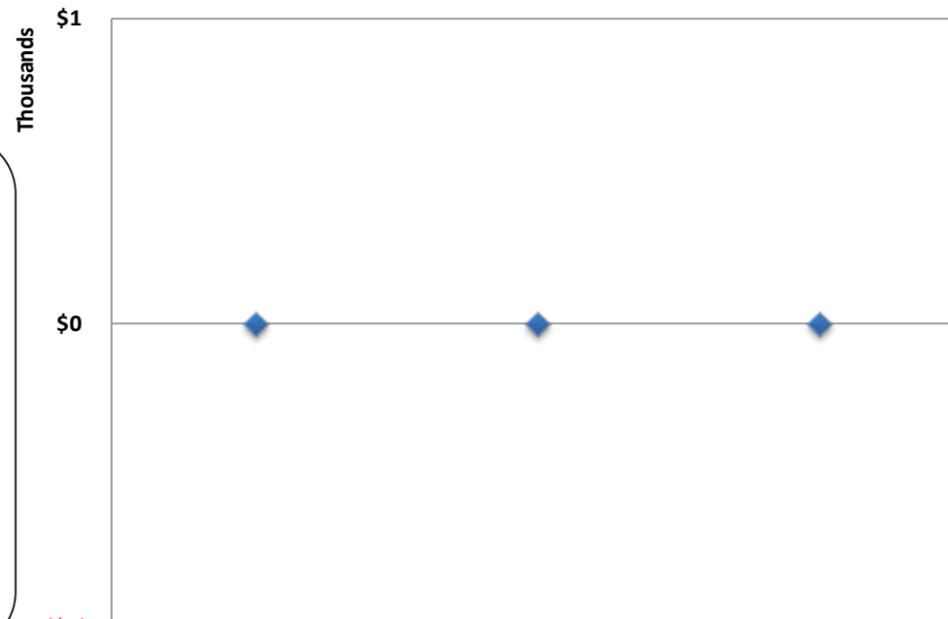


# FUND BUDGETING

**Purpose:** The **Quail Creek Community Facilities District Fund** is 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.

Its fund balance is unchanged from last year. The fund uses all of its revenues and requires approximately \$36 thousand from the General Fund to subsidize its park operations.

## Quail Creek Community Facilities District Fund



**Services:**

- Street & right-of-way maintenance
- Quail Creek Veteran's Municipal Park maintenance

	FY 2012 Actual	FY 2013 Estimated	FY 2014 Budgeted
◆ Ending Fund Balance	\$0	\$0	\$0
Fund surplus/(deficit)	-\$26,775	\$0	\$0

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 desired service levels.

## QUAIL CREEK COMMUNITY FACILITIES DISTRICT (QC CFD)

### SPECIAL REVENUE FUND

SOURCES AND USES OF FUNDS

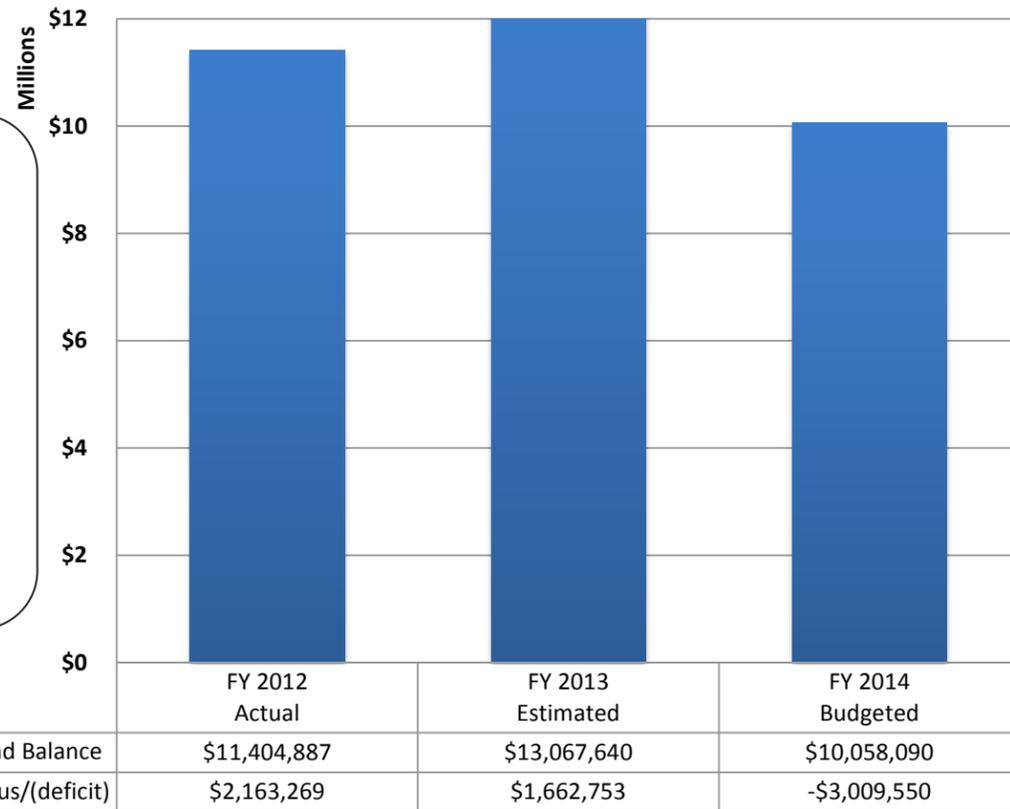
	2012 Actual Amount	2013 Adopted Budget	2013 Amended Budget	2013 Estimated Actual	2014 Adopted Budget	% Change From Amended	% Chng From Estimated
<b>SOURCES</b>							
<b>REVENUES:</b>							
Taxes	\$ 291,240	\$ 274,830	\$ 274,830	\$ 282,060	\$ 292,420	6.4%	3.7%
Investment Income (Loss)	(84)	(70)	(70)	(70)	(270)	285.7%	285.7%
Miscellaneous	712,311	756,130	756,130	748,900	739,680	-2.2%	-1.2%
<b>Subtotal:</b>	<b>1,003,467</b>	<b>1,030,890</b>	<b>1,030,890</b>	<b>1,030,890</b>	<b>1,031,830</b>	<b>0.1%</b>	<b>0.1%</b>
<b>OTHER SOURCES:</b>							
Transfer In	21,884	28,000	28,000	27,750	35,950	28.4%	29.5%
<b>Subtotal:</b>	<b>21,884</b>	<b>28,000</b>	<b>28,000</b>	<b>27,750</b>	<b>35,950</b>	<b>28.4%</b>	<b>29.5%</b>
<b>BEGINNING FUND BALANCE:</b>							
Restricted for Debt Service	26,775	-	-	-	-	-	-
Restricted for QC CFD	-	-	-	-	-	-	-
<b>Subtotal:</b>	<b>26,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SOURCES</b>	<b>\$ 1,052,126</b>	<b>\$ 1,058,890</b>	<b>\$ 1,058,890</b>	<b>\$ 1,058,640</b>	<b>\$ 1,067,780</b>	<b>0.8%</b>	<b>0.9%</b>
<b>USES</b>							
<b>CURRENT EXPENDITURES:</b>							
Streets	\$ 14,774	\$ 17,730	\$ 17,730	\$ 18,590	\$ 17,710	-0.1%	-4.7%
Park and Recreation	24,374	32,000	32,000	30,890	40,740	27.3%	31.9%
<b>Subtotal:</b>	<b>39,148</b>	<b>49,730</b>	<b>49,730</b>	<b>49,480</b>	<b>58,450</b>	<b>17.5%</b>	<b>18.1%</b>
<b>DEBT SERVICE:</b>							
Principal	370,000	385,000	385,000	385,000	405,000	5.2%	5.2%
Interest	637,603	619,660	619,660	619,660	599,830	-3.2%	-3.2%
Other	5,375	4,500	4,500	4,500	4,500	0.0%	0.0%
<b>Subtotal:</b>	<b>1,012,978</b>	<b>1,009,160</b>	<b>1,009,160</b>	<b>1,009,160</b>	<b>1,009,330</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Subtotals Combined:</b>	<b>1,052,126</b>	<b>1,058,890</b>	<b>1,058,890</b>	<b>1,058,640</b>	<b>1,067,780</b>	<b>0.8%</b>	<b>0.9%</b>
<b>ENDING FUND BALANCE:</b>							
Restricted for QC CFD	-	-	-	-	-	-	-
<b>Subtotal:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL USES</b>	<b>\$ 1,052,126</b>	<b>\$ 1,058,890</b>	<b>\$ 1,058,890</b>	<b>\$ 1,058,640</b>	<b>\$ 1,067,780</b>	<b>0.8%</b>	<b>0.9%</b>

# FUND BUDGETING

**Purpose:** The **Capital Infrastructure Improvement Fund (CIIF)** is a Capital Projects Fund that accounts for the acquisition, construction, and maintenance of major capital facilities (other than those financed by the Quail Creek Community Facilities District and the Wastewater Enterprise Fund).

Its fund balance is budgeted to decrease \$3.0 million. The decrease is primarily due to matching requirements associated with several major projects where the Town is a funding partner (see *Capital Improvement Plan* for more information).

## Capital Infrastructure Improvement Fund



**Services:**

- Construct and acquire infrastructure and other capital assets
- Project management
- Debt payment

The ending fund balance is projected to be \$10.0 million. Of this amount, \$3.8 million is nonspendable as that amount of funding has been advanced to the Wastewater Fund to manage its deficit financial position. By policy, \$700 thousand is expected to be accumulated and assigned for Town Center projects. Lastly, approximately \$5.5 million of residual balances have been assigned for future capital projects. This amount is more than sufficient to meet the 20% stabilization reserve level for required by the Town policy.

# FUND BUDGETING

## CAPITAL INFRASTRUCTURE IMPROVEMENT FUND (CIIF)

### CAPITAL PROJECTS FUND

#### SOURCES AND USES OF FUNDS

	2012 Actual Amount	2013 Adopted Budget	2013 Amended Budget	Estimated Actual	2014 Adopted Budget	% Chng From Amended	% Chng From Estimated
<b>SOURCES</b>							
<b>Revenues:</b>							
Taxes	\$ 2,175,680	\$ 1,801,950	\$ 1,801,950	\$ 3,127,220	\$ 2,610,230	44.9%	-16.5%
Licenses and Permits	1,200	-	-	-	-	-	-
Intergovernmental	5,316,533	13,961,740	13,961,740	10,283,050	36,784,460	163.5%	257.7%
Investment Income	151,612	133,360	133,360	110,000	134,630	1.0%	22.4%
Miscellaneous	6,468	3,243,000	3,243,000	-	-	-100.0%	-
<b>Subtotal:</b>	<b>7,651,493</b>	<b>19,140,050</b>	<b>19,140,050</b>	<b>13,520,270</b>	<b>39,529,320</b>	<b>106.5%</b>	<b>192.4%</b>
<b>Other Sources:</b>							
Transfers In	1,602,732	12,237,000	12,237,000	3,977,570	11,061,430	-9.6%	178.1%
Trasfers Out	(358,993)	(27,940)	(27,940)	(27,940)	-	-100.0%	-100.0%
<b>Subtotal:</b>	<b>1,243,739</b>	<b>12,209,060</b>	<b>12,209,060</b>	<b>3,949,630</b>	<b>11,061,430</b>	<b>-9.4%</b>	<b>180.1%</b>
<b>Beginning Fund Balance:</b>							
Nonspendable	-	5,851,280	5,851,280	2,017,560	3,810,210	-34.9%	88.9%
Assigned for Town Center	-	-	-	400,090	600,000	-	50.0%
Assigned for Capital Projects	9,241,618	8,187,630	8,187,630	8,987,240	8,657,430	5.7%	-3.7%
<b>Subtotal:</b>	<b>9,241,618</b>	<b>14,038,910</b>	<b>14,038,910</b>	<b>11,404,890</b>	<b>13,067,640</b>	<b>-6.9%</b>	<b>14.6%</b>
<b>TOTAL SOURCES</b>	<b>\$ 18,136,850</b>	<b>\$ 45,388,020</b>	<b>\$ 45,388,020</b>	<b>\$ 28,874,790</b>	<b>\$ 63,658,390</b>	<b>40.3%</b>	<b>120.5%</b>
<b>USES</b>							
<b>Debt Service:</b>							
Principal	\$ 905,000	\$ 935,000	\$ 935,000	\$ 935,000	\$ 975,000	4.3%	4.3%
Interest	891,763	858,070	858,070	858,070	820,880	-4.3%	-4.3%
Other	1,150	5,000	5,000	5,000	5,000	0.0%	0.0%
<b>Subtotal:</b>	<b>1,797,913</b>	<b>1,798,070</b>	<b>1,798,070</b>	<b>1,798,070</b>	<b>1,800,880</b>	<b>0.2%</b>	<b>0.2%</b>
<b>Capital Outlay:</b>							
General Government	-	666,580	716,580	671,960	729,220	1.8%	8.5%
Public Safety	-	273,000	273,000	274,230	466,460	0.0%	0.0%
Highways and Streets	4,934,050	32,342,360	32,342,360	13,055,390	49,313,740	52.5%	277.7%
Culture and Recreation	-	257,500	257,500	7,500	1,290,000	401.0%	17100.0%
<b>Subtotal:</b>	<b>4,934,050</b>	<b>33,539,440</b>	<b>33,589,440</b>	<b>14,009,080</b>	<b>51,799,420</b>	<b>54.2%</b>	<b>269.8%</b>
<b>Subtotals Combined:</b>	<b>6,731,963</b>	<b>35,337,510</b>	<b>35,387,510</b>	<b>15,807,150</b>	<b>53,600,300</b>	<b>51.5%</b>	<b>239.1%</b>
<b>Ending Fund Balance:</b>							
Nonspendable	2,017,562	4,186,610	4,186,610	3,810,210	3,810,210	-9.0%	0.0%
Assigned for Town Center	400,086	400,000	400,000	600,000	700,000	75.0%	16.7%
Assigned for Capital Projects	8,987,239	5,463,900	5,413,900	8,657,430	5,547,880	2.5%	-35.9%
<b>Subtotal:</b>	<b>11,404,887</b>	<b>10,050,510</b>	<b>10,000,510</b>	<b>13,067,640</b>	<b>10,058,090</b>	<b>0.6%</b>	<b>-23.0%</b>
<b>TOTAL USES</b>	<b>\$ 18,136,850</b>	<b>\$ 45,388,020</b>	<b>\$ 45,388,020</b>	<b>\$ 28,874,790</b>	<b>\$ 63,658,390</b>	<b>40.3%</b>	<b>120.5%</b>

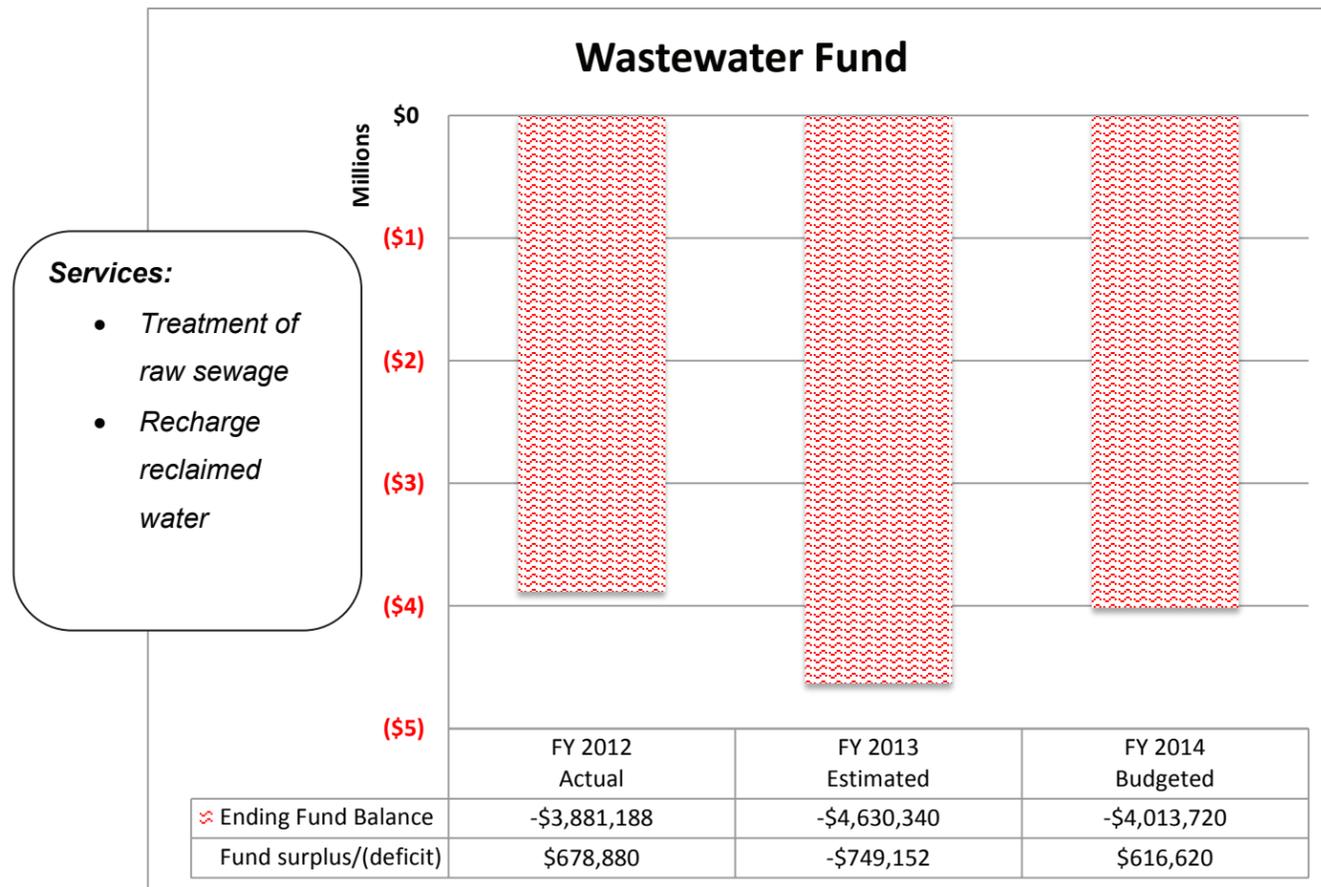


# FUND BUDGETING

# FUND BUDGETING

**Purpose:** The **Wastewater Fund** is an *Enterprise Fund* used to account for sewer service operations and capital acquisition, similar to the operation of a commercial enterprise.

Its ending balance is budgeted to increase by \$616 thousand. Effective July 1, 2013, user rates will go up 8.9%. In 2014, the enterprise will begin selling its recharge credits to the General Fund. This is expected to generate \$648 thousand in additional sources.



The ending fund balance is projected to be -\$4.0 million. The General Fund and the CIIF have advanced monies to cover this deficit. The longer term outlook for the fund is addressed in the **5 Year Plan** section of the Budget. During this timeframe, the Wastewater Fund is expected to have surpluses each year. Moreover, Town Management has proposed a plan that will have the General Fund paid back by 2020. This plan calls for user fee increases of approximately 4% each year from 2015 through 2018.

## WASTEWATER ENTERPRISE FUND SOURCES AND USES OF FUNDS

	2012 Actual Amount	2012 Adopted Budget	2012 Amended Budget	Estimated Actual	2014 Adopted Budget	% Chng From Amended	% Chng From Estimated
<b>SOURCES</b>							
<b>Operating Revenues:</b>							
User Charges	\$ 2,350,060	\$ 2,685,120	\$ 2,685,120	\$ 2,687,570	\$ 2,994,650	11.5%	11.4%
Other - Recharge Credits	42,330	40,540	40,540	40,540	45,330	11.8%	11.8%
<b>Subtotal:</b>	<b>2,392,390</b>	<b>2,725,660</b>	<b>2,725,660</b>	<b>2,728,110</b>	<b>3,039,980</b>	<b>11.5%</b>	<b>11.4%</b>
<b>Non-Operating Revenues:</b>							
Investment Income (Loss)	(45,978)	(53,050)	(53,050)	(30,000)	(51,590)	-2.8%	100.0%
Sewer Connection Fees	2,059,245	305,490	305,490	316,280	804,860	163.5%	154.5%
Miscellaneous	-	-	-	-	25,000	-	-
<b>Subtotal:</b>	<b>2,013,267</b>	<b>252,440</b>	<b>252,440</b>	<b>286,280</b>	<b>778,270</b>	<b>208.3%</b>	<b>171.9%</b>
<b>Other Sources:</b>							
Transfer In	-	-	-	-	647,750	-	-
Proceeds of Long-Term Debt	431,342	501,930	501,930	115,840	330,240	-34.2%	185.1%
<b>Subtotal:</b>	<b>431,342</b>	<b>501,930</b>	<b>501,930</b>	<b>115,840</b>	<b>977,990</b>	<b>94.8%</b>	<b>744.3%</b>
<b>Beginning Fund Balance:</b>							
Restricted for Debt Service	1,264,829	1,686,440	1,686,440	1,686,450	2,108,060	25.0%	25.0%
Unassigned (Deficit)	(5,824,897)	(5,856,380)	(5,856,380)	(5,567,640)	(6,738,400)	15.1%	21.0%
<b>Subtotal:</b>	<b>(4,560,068)</b>	<b>(4,169,940)</b>	<b>(4,169,940)</b>	<b>(3,881,190)</b>	<b>(4,630,340)</b>	<b>11.0%</b>	<b>19.3%</b>
<b>TOTAL SOURCES</b>	<b>\$ 276,931</b>	<b>\$ (689,910)</b>	<b>\$ (689,910)</b>	<b>\$ (750,960)</b>	<b>\$ 165,900</b>	<b>-124.0%</b>	<b>-122.1%</b>
<b>USES</b>							
<b>Current Expenditures:</b>							
Wastewater Utility Department	1,326,539	\$ 1,263,810	\$ 1,263,810	\$ 1,263,810	\$ 1,314,800	4.0%	4.0%
<b>Subtotal:</b>	<b>1,326,539</b>	<b>1,263,810</b>	<b>1,263,810</b>	<b>1,263,810</b>	<b>1,314,800</b>	<b>4.0%</b>	<b>4.0%</b>
<b>Debt Service:</b>							
Principal	1,260,268	1,349,350	1,349,350	1,349,350	1,399,580	3.7%	3.7%
Interest	1,075,174	1,049,880	1,049,880	1,038,770	998,470	-4.9%	-3.9%
<b>Subtotal:</b>	<b>2,335,442</b>	<b>2,399,230</b>	<b>2,399,230</b>	<b>2,388,120</b>	<b>2,398,050</b>	<b>0.0%</b>	<b>0.4%</b>
<b>Capital Outlay:</b>							
Sewer Conveyance System	496,138	653,800	653,800	227,450	466,770	-28.6%	105.2%
<b>Subtotal:</b>	<b>496,138</b>	<b>653,800</b>	<b>653,800</b>	<b>227,450</b>	<b>466,770</b>	<b>-28.6%</b>	<b>105.2%</b>
<b>Ending Fund Balance:</b>							
Restricted for Debt Service	1,686,450	2,108,050	2,108,050	2,108,060	2,108,060	0.0%	0.0%
Unassigned (Deficit)	(5,567,638)	(7,114,800)	(7,114,800)	(6,738,400)	(6,121,780)	-100.0%	-9.2%
<b>Subtotal:</b>	<b>(3,881,188)</b>	<b>(5,006,750)</b>	<b>(5,006,750)</b>	<b>(4,630,340)</b>	<b>(4,013,720)</b>	<b>-19.8%</b>	<b>-13.3%</b>
<b>TOTAL USES</b>	<b>\$ 276,931</b>	<b>\$ (689,910)</b>	<b>\$ (689,910)</b>	<b>\$ (750,960)</b>	<b>\$ 165,900</b>	<b>-124.0%</b>	<b>-122.1%</b>



FY 2014 Budget



fy2014  
budget

# department summaries

# performance measures



# department summaries key

- Department Budget**  
Everything in yellow indicates fund expenditures
- Change of Cost**  
Everything in red costs more or less than prior year
- Full Time Employees**  
Everything in green relates to FTE
- Costs by Category**  
Everything in magenta is categorized
- Costs by Function**  
Everything in blue indicates functional classification
- Revenues**  
If a department receives money, it's here
- \$ Spent per Citizen**



# performance measures key

## GOALS

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.

## PERFORMANCE MEASURES

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.

### FINANCE DEPT BREAKDOWN

A.C. Mariotti, CPA  
Finance Director  
amariotti@ci.sahuarita.az.us  
520.822.8840  
FAX 520.822.8844

**FINANCE** (5.0 FTE, \$492,590)  
Protect the Town's financial resources and provide quality information to all stakeholders.

**RISK MANAGEMENT** (0.0 FTE, \$212,600)  
The Town of Sahuarita is a member of the Arizona Municipal Risk Retention Pool. The Pool provides insurance coverage for the Town's property and general liabilities.

**TECHNOLOGY** (3.0 FTE, \$481,260)  
Provide superior technological services to all departments.

**fy2014 revenues**  
The Finance Department does not collect any revenues.

**\$ spent per citizen**  
2012- \$28.78  
2013- \$34.45  
2014 - \$43.23

**Finance Department cost tag increased by 6.4%**

**fy2014 expenditures \$1,186,450**

**general fund**  
2012: 899,542 | 2013: 957,100 | 2014: 1,084,450

**capital fund**  
2012: 114,600 | 2013: 102,000 | 2014: 102,000

**fy2014 revenues**  
2012: 114.0 | 2013: 141.7 | 2014: 111.1

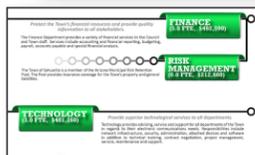
**finance factoid**  
If each currency note printed in the United States were placed end to end, the line would stretch around the earth approximately 24 times.

**The Department of Finance is part of the central administration of the Town and all of its costs are identified as, "General."**

FINANCE DEPT GOALS AND MEASURES		Town Key Performance Measure			
GOALS	PERFORMANCE MEASURES	FY 2012	FY 2013	FY 2014	
<b>GOAL #1</b>	Protect the Town's financial resources through compliance with all laws, policies, and procedures.	Number of audit findings, reportable conditions, and/or violation notices	0	1	0
<b>GOAL #2</b>	Protect the Town's financial resources by minimizing risk exposure to the Town.	Deposits and investments comply with policy (i.e., are adequately insured and collateralized or meet credit quality minimums)	yes	yes	yes
		Percentage of monthly bank reconciliations completed within 20 days after month-end	unknown	91.67%	100.00%
		Number of general liability or property claims (report #)	3	3	0
		Estimated value of losses for items reported above	\$ 22,801	\$ 135,000	\$
<b>GOAL #3</b>	Provide quality information to all stakeholders.	Percent accuracy of previous years CAFR amounts (Goal is 99.90%)	unknown	99.94%	99.90%
		Percentage of financial reports issued timely (within defined timeframes)	100.00%	100.00%	100.00%
		Percent of published financial reports that meet level of award winning certification	100.00%	100.00%	100.00%
<b>GOAL #4</b>	Perform work efficiently and make continuous improvements.	Number of enhancements to operations (goal is 2)	unknown	2	2
<b>GOAL #5</b>	Enhance technology customer satisfaction by meeting or exceeding established service levels.	Number of service tickets submitted (report #)	unknown	1,230	1,100
		Percentage of service requests completed within defined timeframes (goal is 80 %)	unknown	80%	80%
		Average customer survey score for quality of services 2.5+ (scale is 1-4)	unknown	3.5	3.5
<b>GOAL #6</b>	Ensure the Town's technology assets are maintained, reliable, and secure	Number of network outages during business hours	unknown	0	0
		Average duration of outages in minutes during business hours	unknown	0	0
		Number of audit findings, reportable conditions, and/or violation notices (report #)	0	0	0
<b>GOAL #7</b>	Provide effective, cost efficient technology services that satisfy Town information needs.	Number of enhancements to Technology operations (goal is 2)			

Highlights Town Council guiding principle where applicable.

Departmental descriptions and mission statements



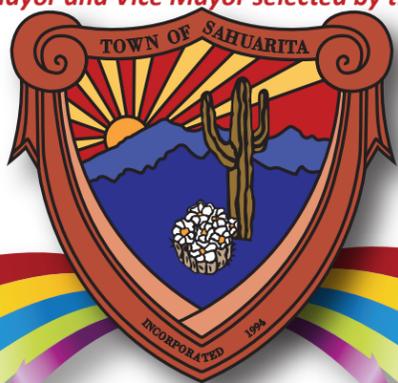
# TOWN COUNCIL DEPT BREAKDOWN

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

**TOWN COUNCIL**  
(\$127,390)

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 spring of odd-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.*



The Town Council does not collect any revenues.



Blumberg Skelton Egbert Bracco Lusk Smith Murphy

**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, he has lived in Sahuarita since 2005.

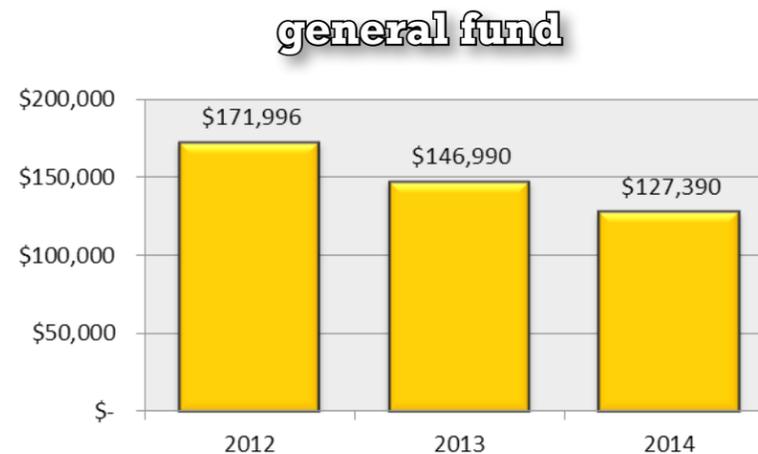
**Kara Egbert**  
Egbert was elected to Town Council in 2009. Egbert has lived in Sahuarita since 2005.

**Lynne Skelton**  
Skelton was first elected to Town Council in 1999. She served as Mayor from 2007 until 2011.

**Melissa Smith**  
Smith 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.

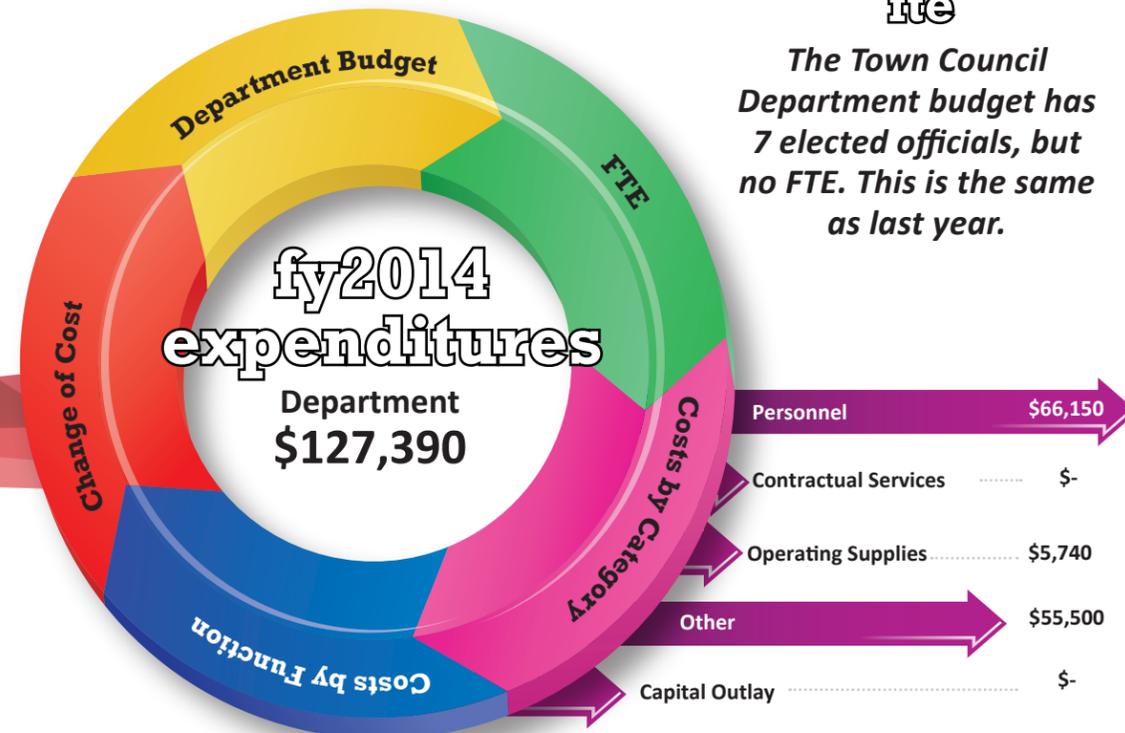
**Tom Murphy**  
Murphy was elected to Town Council in 2013.



Town Council Department cost has changed by **-13%**

**Increases:**  
No significant increases

**Decreases:**  
Memberships  
-\$25,500



**fte**  
The Town Council Department budget has 7 elected officials, but no FTE. This is the same as last year.

*The Department of the Town Council is part of the central administration of the Town and all of its costs are identified as, "General."*



**\$ spent per citizen**

2012- \$5.99  
2013- \$5.48  
2014 - \$4.65

# TOWN COUNCIL DEPT GOALS AND OBJECTIVES

## GOAL #1

**Continuous quality improvement in delivery of Town services**

**Objectives**

- ✓ Deliver high quality, cost-effective services
- ✓ Improve process for Development Services
- ✓ Improve Town's emergency preparedness
- ✓ Improve communications with Development Services
- ✓ Facilitate the formation of new businesses and support existing businesses

**Guiding Principal**



## GOAL #2

**Undertake a comprehensive review of codes related to business**

- ✓ Simplify codes with input from stakeholder groups, such as SAHBA, MPA, and others
- Update / Modernize codes to ensure that the Town's Economic Development Strategic Plan goals and objectives are integrated into all codes and regulations
- ✓ Increase land opportunities to support economic development



## GOAL #3

**Create a sense of place**

- ✓ Develop/enhance branding and recognition of Town
- ✓ Improve private/public recreation opportunities
- ✓ Improve / enhance communications and Town's involvement in the community



## GOAL #4

**Define the Town's role in the development of Town Center**

- ✓ Support Economic Development Strategic Plan goals and objectives
- ✓ Improve opportunities for community activities in Town Center



## GOAL #5

**Define the Town's role regarding future water needs**

- ✓ Support Economic Development Strategic Plan goals and objectives
- ✓ Improve opportunities for community activities in Town Center



FY 2014 Budget

# TOWN MANAGER DEPT BREAKDOWN

L. Kelly Udall  
Town Manager  
kudall@sahuaritaaz.gov  
520.822.8800  
FAX 520.822.8891

## ADMINISTRATION (3.3 FTE, \$373,100)

*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, \$263,860)

*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 is critical to economic prosperity.

## COMMUNICATIONS

*Enhance communication, interaction, and participation among Town Council, residents, community leaders, staff and other stakeholders.*

Communications ensures that citizens, businesses and other key stakeholders have opportunities to learn about and participate in Sahuarita Town governance through education, outreach, and special events. Communications works closely with the Sahuarita Mayor and Council, the Town Manager, Economic Development, staff members, neighborhoods, residents, and community stakeholders to promote dialogue, interaction, and information sharing, leading to a more informed and vibrant community.



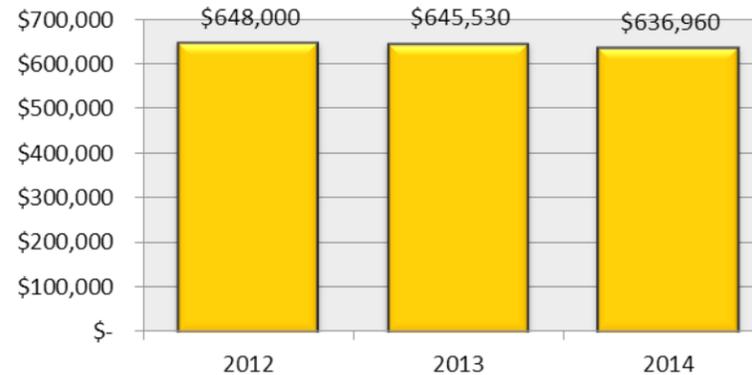
The Town Manager Department does not collect any revenues.



### \$ spent per citizen

2012- \$24.68  
2013- \$23.12  
2014 - \$23.24

## general fund



## fte

The Town Manager department budget has decreased by 1.0 FTE for the Community Communications Coordinator position for FY2014.



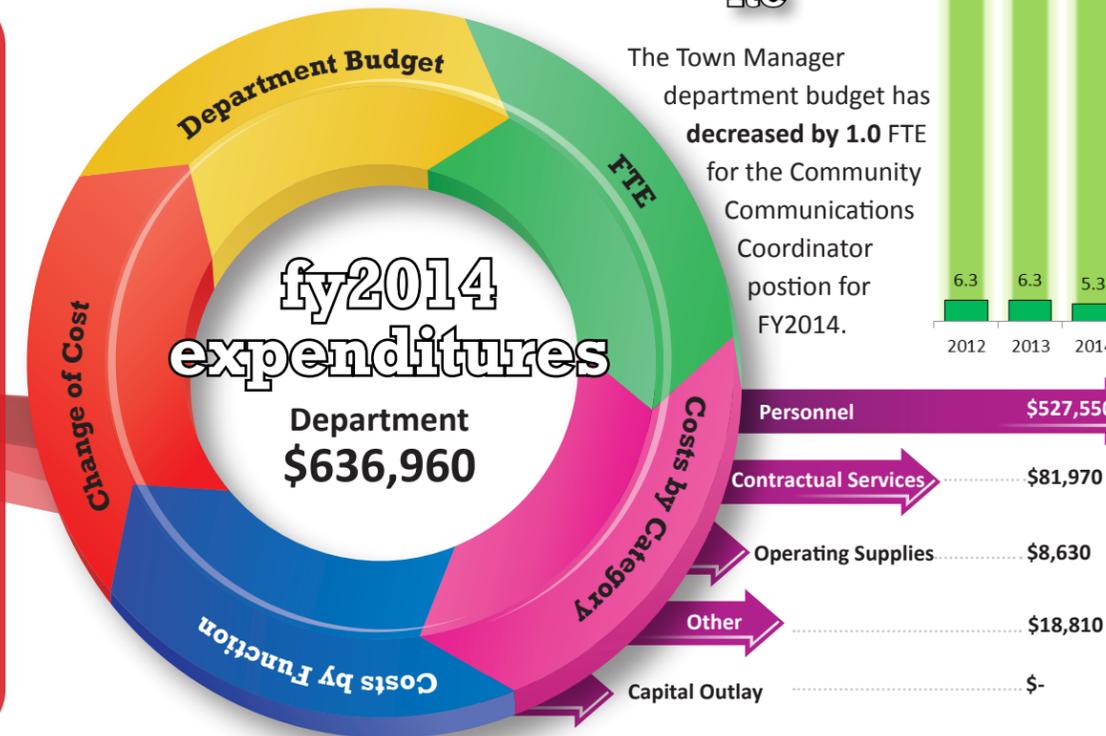
Town Manager Department cost has changed by **-1%**

### Increases:

Contract for public relations \$65,000  
Travel & training \$5,090

### Decreases:

Reduction of communications staff \$63,000  
Reduction of software support costs \$20,150



*The Department of the Town Manager is part of the central administration of the Town and all of its costs are identified as, "General."*

## town manager factoid

*The Town Manager's Office launched the annual Citizen's Leadership Academy in August 2008. Since that time, 73 participants have graduated from the training.*



# TOWN MANAGER DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

### GOAL #1

Implement directives and goals of Mayor and Council to include, but not limited to: continuous quality improvement in the delivery of Town Services, undertake a comprehensive review of codes related to business, create a sense of place in Sahuarita, identify the Town's role in the development of the Town Center, and determine the Town's role regarding future water needs.

Performance Measure	FY2012	FY2013	FY2014
Percent of residents rating the quality of services provided as excellent or good.	N/A	68%	Survey FY 15
Number of code review changes related to business.	N/A		New Measure
Percentage of residents rating the Town as an excellent or good place to live.	N/A	89%	Survey FY 15
Percentage of residents rating Town's quality of life as excellent or good.	N/A	86%	Survey FY 15
Percentage of residents rating Town's sense of community as excellent or good.	N/A	71%	Survey FY 15

### GOAL #2

Ensure the alignment and development of strategic plans and in conjunction with Mayor and Council priorities while providing organizational leadership and management.

Number of tasks completed for preparation of a Conceptual Plan for an area east of Town limits.	N/A		New Measure
Number of tasks completed for the General Plan Update.	N/A		New Measure

### GOAL #3

Provide effective and efficient operations townwide ensuring continued quality service with each and every customer contact.

Percentage of residents who rated the services provided by the Town as excellent or good.	N/A	76%	Survey FY 15
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### 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 taxes paid to the Town of Sahuarita.	N/A	55%	Survey FY 15
Percentage of residents who rate the overall direction that the Town of Sahuarita is taking as excellent or good.	N/A	61%	Survey FY 15

### GOAL #5

Increase revenues and the opportunity to achieve key goals and objectives through evaluation of partnership opportunities and grant funding.

Number of projects Town partners with outside organizations.	N/A		New Measure
Number of grant proposals: Submitted: Awarded:	N/A		New Measure

### GOAL #6

Identify specific parcels of vacant land that are suitable for employment centers and work with landowners to initiate any up zoning required to achieve economic development priorities.

Number of parcels of vacant land suitable for employment centers.	11	9	
Number of landowners worked with to initiate up zoning.	9	9	

### GOAL #7

Develop strategic plans for annexation of specific property that will enhance economic vitality.

Percentage of residents who rate the Town as excellent or good at managing growth and development.	N/A	58%	Survey FY 15
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### GOAL #8

Collaborate with brokers and market to retailers to ensure maximum occupancy of all retail space in Sahuarita while also recruiting additional sales tax generators.

Occupancy percentage of available retail space.	95%	99%	
Number of new retail stores.	4	6	

### GOAL #9

Upgrade the Town's economic development web section to optimize use for site selectors and brokers presenting Sahuarita as a location of choice.

Number of hits to economic development web links.	1,232	1,300	
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### GOAL #10

Continue to utilize online resources to engage and broaden the base of residents and businesses within the Town.

Percentage of residents who have attended a meeting of local elected officials or other local public meeting.	N/A	25%	Survey FY 15
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### GOAL #11

Enhance and technologically update the Town's website with interactive capabilities to further engage residents and businesses in Town activities and services.

Percentage of residents who have visited the Town website.	N/A	60%	Survey FY 15
Percentage of residents who rate opportunities to participate in community matters as excellent or good	N/A	47%	Survey FY 15

### GOAL #12

Through frequent training of department web coordinators, ensure that each Town department is professionally represented on the Town's website in conjunction with agreed Town image and branding requirements.

Percentage of residents who rate the overall image or reputation of Town of Sahuarita as excellent or good.	N/A	78%	Survey FY 15
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# DEPT OF LAW BREAKDOWN

FY 2014 Budget

Daniel J. Hochuli  
Town Attorney  
dhochuli@sahuaritaaz.gov  
520.822.8830  
FAX 520.822.8834

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

## CIVIL DIVISION (2.0 FTE, \$298,400)

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 negotiates and prepares contracts for the Town, 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 the document is in compliance with state law, and within the authority of the Town.

## CRIMINAL DIVISION (2.0 FTE, \$179,200)

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.



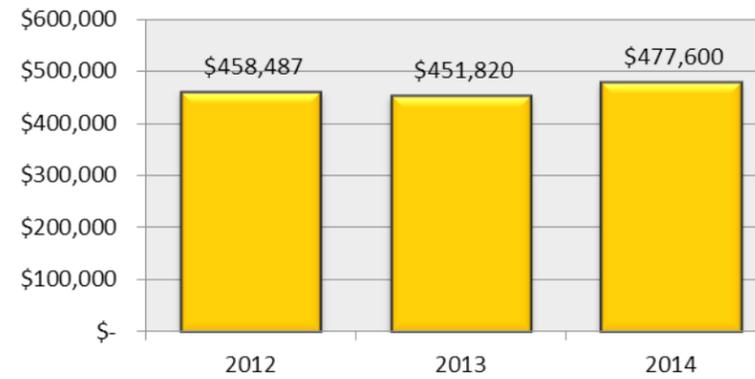
The Department of Law does not collect any revenues.



### \$ spent per citizen

2012- \$28.78  
2013- \$34.45  
2014 - \$17.42

## general fund



## fte



The Department of Law budget has no change in FTE for FY2014.

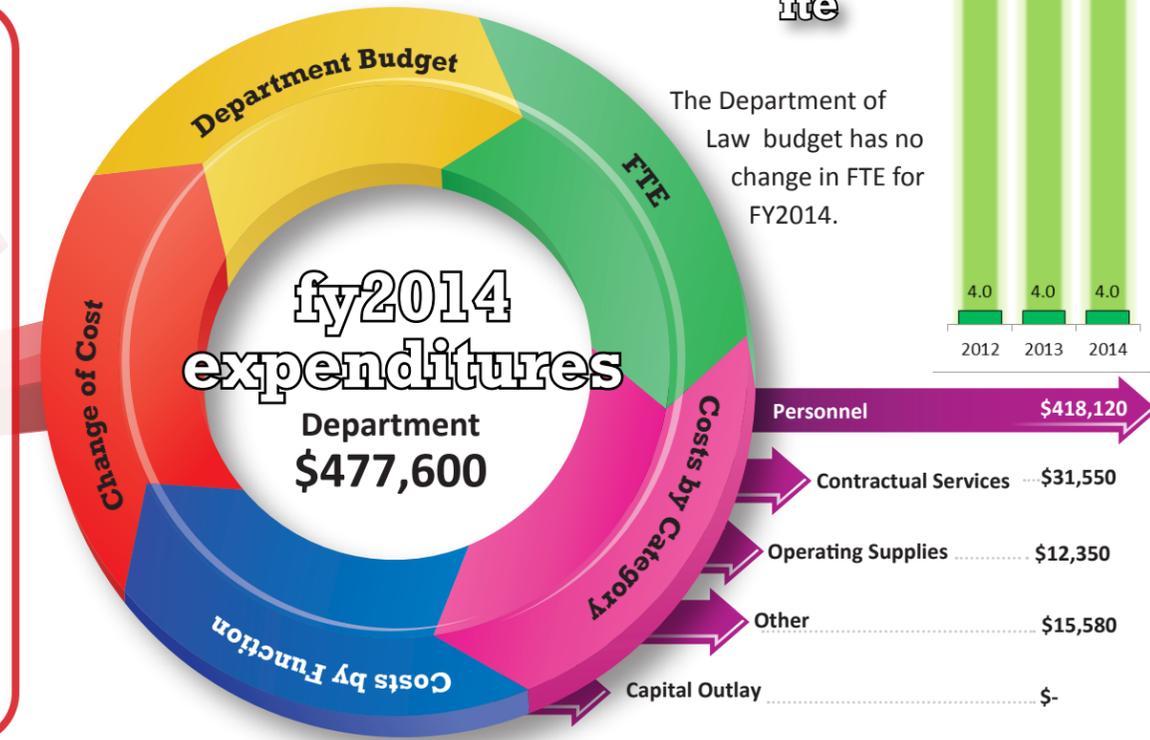
Department of Law cost has changed by **+6%**

### Increases:

Personnel costs \$12,000  
Oustide legal contracts \$15,000

### Decreases:

No significant decreases



The Department of Law costs are identified as, "General."

## law factoid

The Department of Law is the newest department in the Town, having been formed in 2006.

# DEPT OF LAW GOALS AND MEASURES

FY 2014 Budget

GOALS

PERFORMANCE MEASURES

**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.*

Performance Measure	FY 2012	FY 2013	FY 2014
Notices of Claim filed.	New Meas.	New Meas.	0
Losses to Town as a result of litigation (in dollars).	New Meas.	New Meas.	0
Lawsuits filed against Town.	New Meas.	New Meas.	0
Number of regulatory actions against Town by state or federal agencies.	New Meas.	New Meas.	0

**GOAL #2**

*Provide excellent service to internal client departments.*

Contracts approved by packet deadline.	New Meas.	New Meas.	90%
Project delayed to such an extent that follow-up is required by departments regarding status of requests for work from the Department of Law.	New Meas.	New Meas.	20

**GOAL #3**

*Preserve and protect victims' rights during criminal case prosecution.*

Number of victim cases filed requiring victim notification.	New Meas.	New Meas.	
Percentage of victim notices timely sent.	New Meas.	New Meas.	100%

**GOAL #4**

*Fair and even-handed administration of justice to all defendants.*

Number of cases filed.	New Meas.	New Meas.	
Number of cases resolved at first contact (arraignment).	New Meas.	New Meas.	
Number of cases ending in plea agreements.	New Meas.	New Meas.	

FY 2014 Budget

# TOWN CLERK DEPT BREAKDOWN

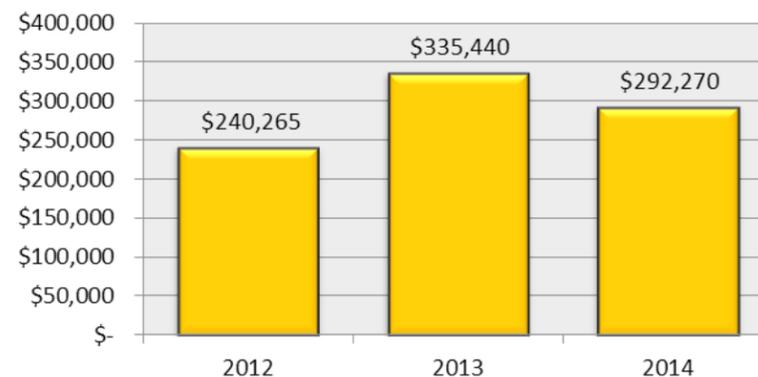
Vicky Miel  
Town Clerk  
vmiel@sahuaritaaz.gov  
520.822.8800  
FAX 520.822.8834

**TOWN CLERK**  
(3.6 FTE, \$292,270)

Maintain and preserve the Town's official records, conduct elections accurately and impartially, and provide information in a timely manner to the public and town staff and officials.

Uphold public trust, protect local democracy, and provide access to matters of public interest by maintaining accurate Council records, providing information in a timely manner to the public, town officials, and town staff, and conducting elections accurately and impartially.

## general fund



## fte

The Town Clerk department budget has an increase of +0.2 FTE for the Deputy Town Clerk position for FY2014.



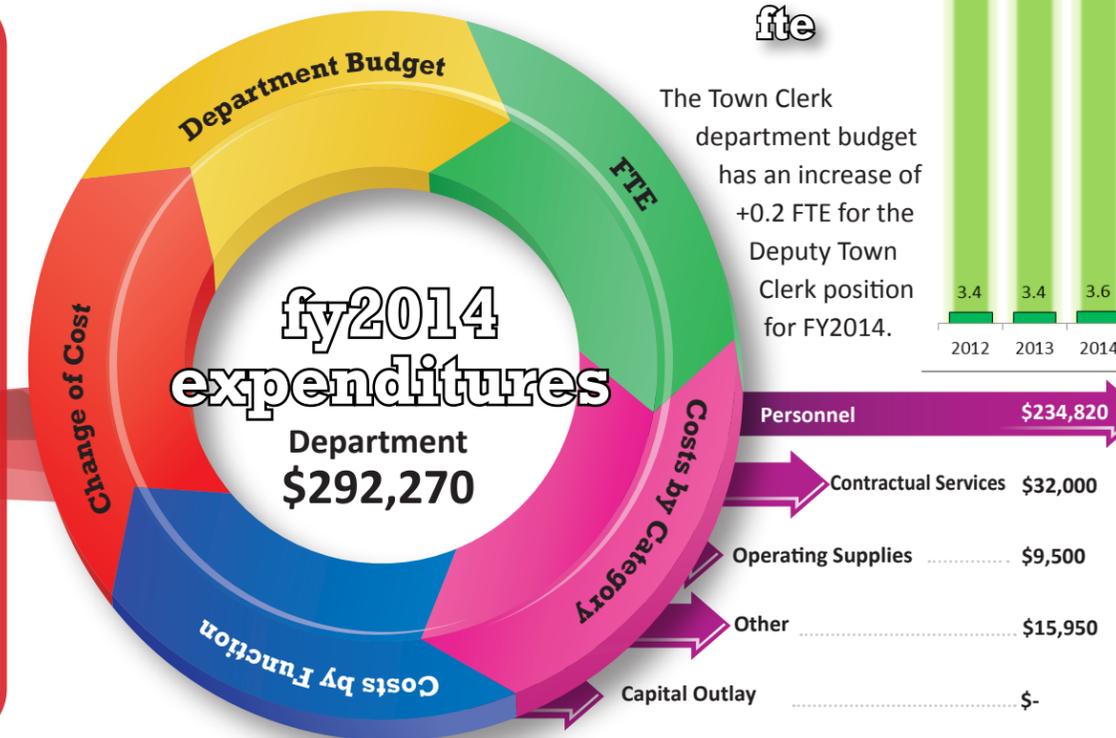
Town Clerk Department cost has changed by **-13%**

### Increases:

- Personnel costs \$22,000
- Town-wide postage \$7,000
- Software support costs \$7,000

### Decreases:

- Off year elections \$77,000



## town clerk factoid

The Municipal Clerk is the oldest of public servants in local government. The profession traces back before Biblical times. The early keepers of archives were often called "Remembrancers," and before writing came into use, their memory served as the public record.

The Department of the Town Clerk is part of the central administration of the Town and all of its costs are identified as, "General."

## \$ spent per citizen

2012- \$9.49  
2013- \$12.50  
2014 - \$10.66



The Town Clerk Department collects revenues for late filing fees.

# TOWN CLERK DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

GOALS	Performance Measure	FY 2012	FY 2013	FY 2014
<b>GOAL #1</b> <b>Provide quality customer service to residents, visitors and the business community.</b>	Customer Satisfaction survey results (Ranking out of 5).	5	5	5
	Telephone and counter inquiries .	16,720	11,894	15,000
<b>GOAL #2</b> <b>Provide transparency and public access to town government.</b>	% Council meeting minutes prepared for submittal to Council for approval at next Council meeting without error.	100%	100%	100%
	Council Meeting Minute pages .	98	94	95
<b>GOAL #3</b> <b>Compliance with Open Meeting Law.</b>	% Open Meeting Notices posted and public Council meetings conducted in accordance with State Law.	100%	100%	100%
	Open Meeting Notices Posted on Official Posting Board and Town Website.	99	95	90
	Council Meetings openly conducted.	30	40	30
	Hits on Town Website to view Public Meeting agendas and listen to audio .	NA	33,662	
<b>GOAL #4</b> <b>Retain complete and accurate Town records.</b>	Town Council records indexed, imaged, and filed.	2,067	3,961	3,600
	Town Contracts and agreements processed, imaged, and filed.	132	575	300
	Town wide educational meetings conducted on State Public Records Law.	9	5	6
	Town records retained and destroyed in compliance with State Public Records Law (Cubic Feet).	120.25	147.25	150
<b>GOAL #5</b> <b>Provide information in a timely manner.</b>	Public Records requests received.	47	79	40
	Public Records Requests not answered within 5 days of receipt .	2	0	
	Public Records recorded .	30	47	45
<b>GOAL #6</b> <b>Provide quality customer service to new and existing business license customers.</b>	Business Licenses issued.	1,045	1,151	1,100
	Business licenses not issued within 5 days of receipt.	21	n/a	10
<b>GOAL #7</b> <b>Conduct elections accurately and impartially.</b>	% Elections conducted without legal challenge.	n/a	100%	n/a
	Registered Voters for Primary Election.	n/a	13,649	n/a
	% Vote Turnout for Primary Election.	n/a	27.00%	n/a
	Registered Voters for General Election.	n/a	13,410	n/a
	% Vote Turnout for General Election.	n/a	28.50%	n/a
	Council Member Seats to be Filled.	n/a	4	n/a

# FINANCE DEPT BREAKDOWN

FY 2014 Budget

A.C. Mariotti, CPA  
 Finance Director  
 amarriotti@sahuaritaaz.gov  
 520.822.8840  
 FAX 520.822.8844

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

The Finance Department provides a variety of financial services to the Council and Town staff. Services include accounting and financial reporting, budgeting, payroll, accounts payable and special financial analysis.

**FINANCE**  
 (5.0 FTE, \$490,190)

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

**RISK MANAGEMENT**  
 (0.0 FTE, \$212,600)

**TECHNOLOGY**  
 (3.0 FTE, \$479,830)

*Provide superior technological services to all departments.*

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

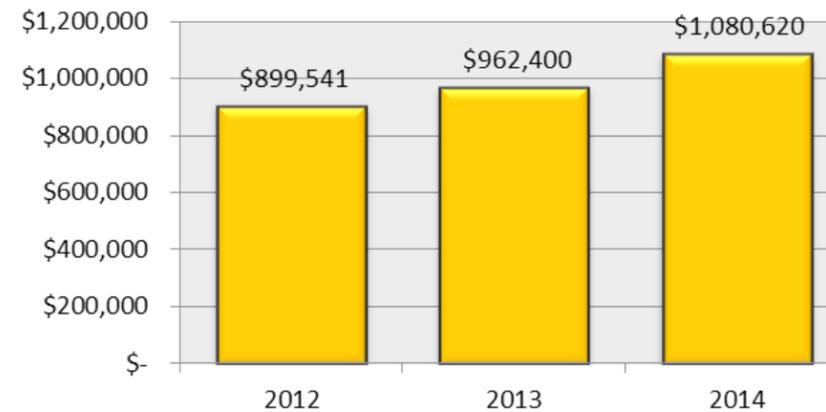


The Finance Department does not collect any revenues.

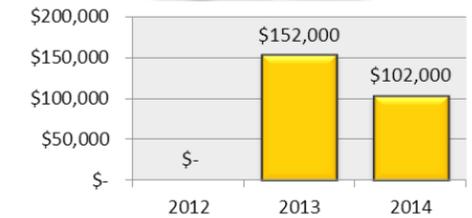


**\$ spent per citizen**  
 2012- \$28.78  
 2013- \$34.45  
 2014 - \$43.14

## general fund



## capital fund

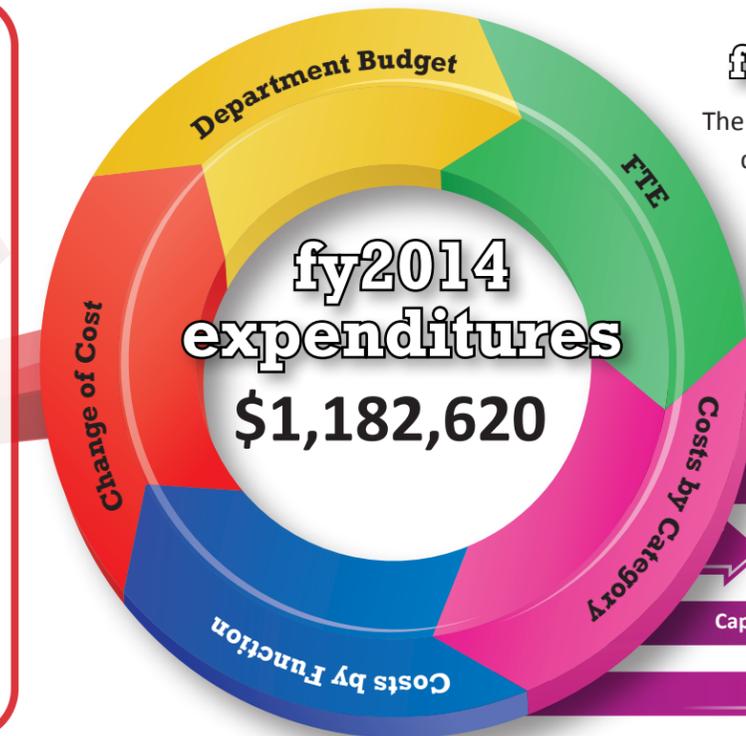


**fte**  
 The Finance department budget has no change in FTE for FY2014.

Finance Department cost has changed by **+6%**

**Increases:**  
 Personnel costs \$37,000  
 Centralize copiers \$26,000  
 Support contracts for hardware & software \$51,000  
 Insurance premiums \$17,000

**Decreases:**  
 Payroll processing costs \$13,000  
 Operating capital purchases \$50,000



Category	Amount
Personnel	\$649,860
Contractual Services	\$169,350
Operating Supplies	\$25,800
Capital Outlay	\$235,610
Other	\$102,000

*The Department of Finance is part of the central administration of the Town and all of its costs are identified as, "General."*

## finance factoid

*Town of Sahuarita Budget has received the Distinguished Budget Award seven consecutive times.*

# FINANCE DEPT GOALS AND MEASURES

FY 2014 Budget

GOALS

PERFORMANCE MEASURES

		Performance Measure	FY 2012	FY 2013	FY 2014
<b>GOAL #1</b>    	<b><i>Protect the Town's financial resources through compliance with all laws, policies, and procedures.</i></b>	Number of audit findings, reportable conditions, and/or violation notices .	0	1	0
<b>GOAL #2</b>    	<b><i>Protect the Town's financial resources by minimizing risk exposure to the Town.</i></b>	Deposits and investments comply with policy (i.e., are adequately insured and collateralized or meet credit quality minimums).	yes	yes	yes
		Percentage of monthly bank reconciliations completed within 20 days after month-end.	unknown	91.67%	100.00%
		Number of general liability or property claims (report #).	3	3	0
		Estimated value of losses for items reported above.	\$22,801	\$135,000	<\$50,000
<b>GOAL #3</b>    	<b><i>Provide quality information to all stakeholders.</i></b>	Percent accuracy of previous years CAFR amounts (Goal is 99.90%) .	unknown	99.94%	99.90%
		Percentage of financial reports issued timely (within defined timeframes).	100.00%	100.00%	100.00%
		Percent of published financial reports that meet level of award winning certification.	100.00%	100.00%	100.00%
<b>GOAL #4</b>    	<b><i>Perform work efficiently and make continuous improvements.</i></b>	Number of enhancements to operations (goal is 2).	unknown	2	2
<b>GOAL #5</b>    	<b><i>Enhance technology customer satisfaction by meeting or exceeding established service levels.</i></b>	Number of service tickets submitted (report #).	unknown	1,230	1,100
		Percentage of service requests completed within defined timeframes (goal is 80%).	unknown	80%	80%
		Average customer survey score for quality of services 2.5+ (scale is 1-4) .	unknown	3.5	3.5
<b>GOAL #6</b>    	<b><i>Ensure the Town's technology assets are maintained, reliable, and secure.</i></b>	Number of network outages during business hours.	unknown	0	0
		Average duration of outages in minutes during business hours.	unknown	0	0
		Number of audit findings, reportable conditions, and/or violation notices (report #).	0	0	0
<b>GOAL #7</b>    	<b><i>Provide effective, cost efficient technology services that satisfy Town information needs.</i></b>	Number of enhancements to Technology operations (goal is 2).	unknown	2	2

FY 2014 Budget

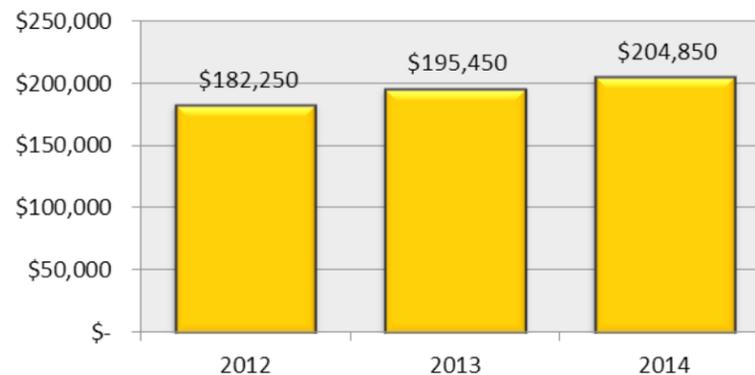
# HUMAN RESOURCES DEPT BREAKDOWN

Debbie Bice  
Human Resources Director  
dbice@sahuaritaaz.gov  
520.822.8812

**HUMAN RESOURCES**  
(2.0 FTE, \$204,850)

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.

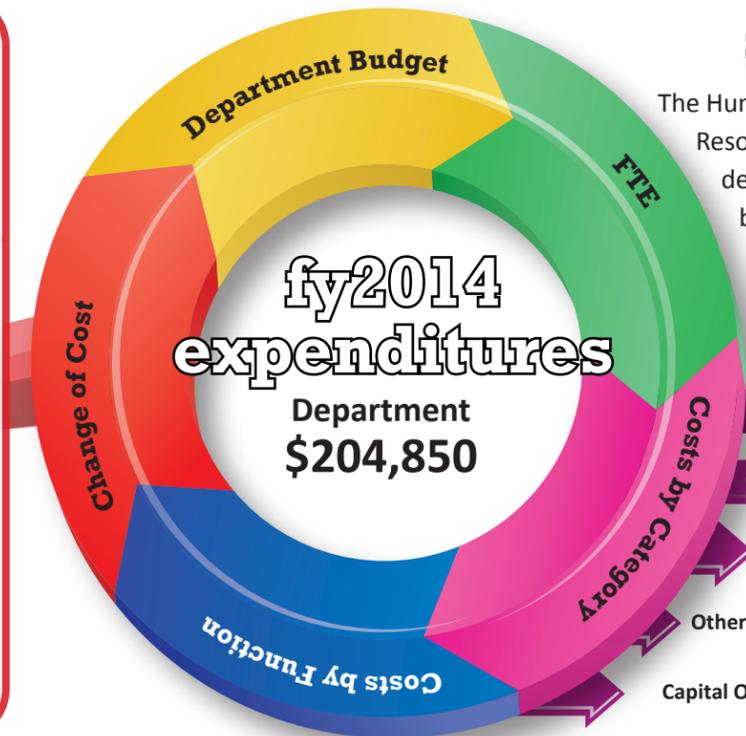
## general fund



Human Resources Department budget cost has **changed** by **+5%**

**Increases:**  
Personnel costs \$10,000

**Decreases:**  
No significant decreases



**fte**  
The Human Resources department budget has no change in FTE for FY2014.



The Human Resources Department does not collect any revenues.



**\$ spent per citizen**  
2012- \$7.07  
2013- \$7.34  
2014 - \$7.47

*The Department of Human Resources is part of the central administration of the Town and all of its costs are identified as, "General."*

## human resources factoid

- Town workforce demographics:
- 59% Male
  - 71% of employees have a four year degree and/or professional or industry specific certification
  - 6 Years – average tenure with Town
  - 44 – Average employee age

# HUMAN RESOURCES DEPT GOALS AND MEASURES

FY 2014 Budget

GOALS

PERFORMANCE MEASURES

**GOAL #1**

*Assist departments in meeting their goals with efficient and effective staff members.*

Performance Measure	FY 2012	FY 2013	FY 2014
Average number of all employees on the payroll during the reporting period (includes Elected Officials).	142	144	145
Number of full and part-time positions that required external recruitment during the reporting period.	16	10	13
Ratio of town staff to Sahuarita population (1:1000).	5.24	5.5	5.5

**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).	33.36%	34%	34.5%
Town provided benefit expenditures as a % of salary expenditures (medical, dental, life, FSA, vacation, sick leave, tuition, reimbursement).	12.18%	14%	16%
Mandated benefit costs (payroll taxes, workers comp, State retirement, State LTD).	21.18%	22%	23%

**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	N/A	60%	85%
Total employees who left the government during the reporting period.	11	13	12
Percentage of employees who left the government during the reporting period.	8.76%	9.15%	8.7%
Number of employee grievances filed during the reporting period.	0	1	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.	18	15	15
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FY 2014 Budget

# PLANNING & BUILDING DEPT BREAKDOWN

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

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.

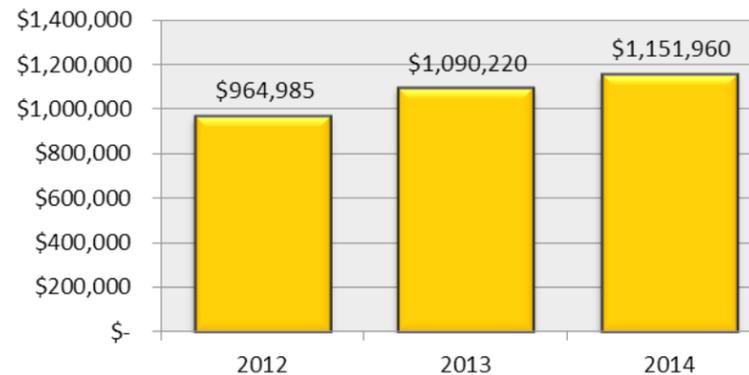
## PLANNING & ZONING (5.4 FTE, \$577,130)

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 (6.0 FTE, \$574,830)

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.

### general fund



### fte

The Planning & Building department budget has had an increase of +0.2 FTE for the Office Assistant position for FY2014.



Planning & Building Department cost has changed by **+6%**

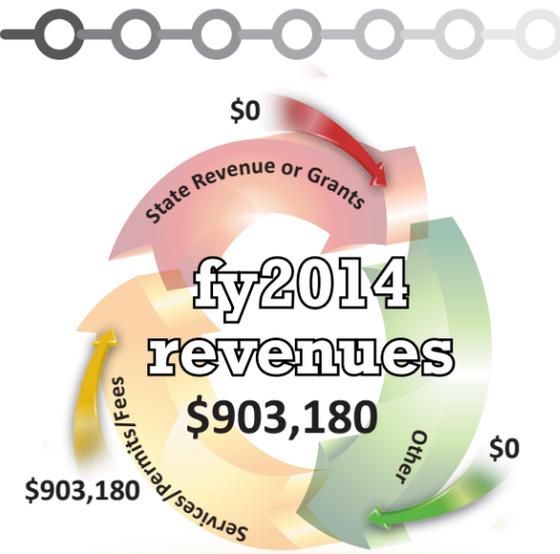
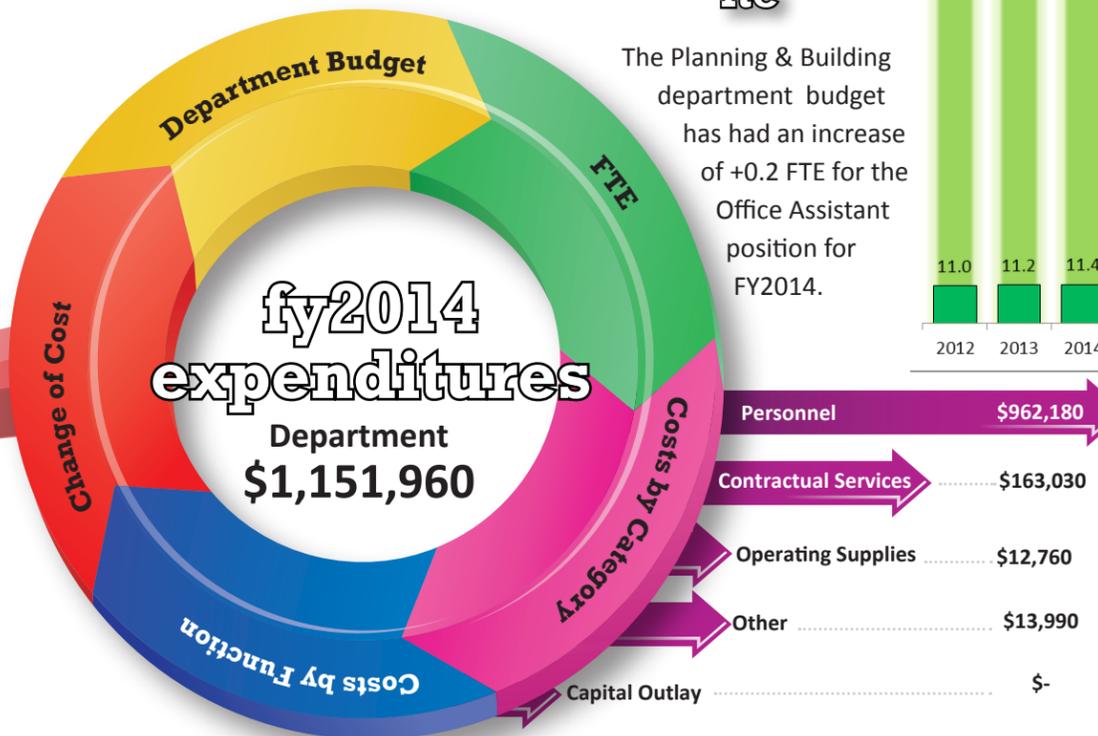
#### Increases:

- Personnel costs \$45,000
- County review of plans \$25,000

#### Decreases:

- Reference materials & printing \$7,000

fy2014 expenditures Department \$1,151,960



The Planning & Building Department collects revenues for plan reviews and building permits.



### \$ spent per citizen

2012- \$37.24  
 2013- \$36.69  
 2014 - \$42.02

The Department of Planning and Building is part of the development services of the Town and performs both planning functions and building inspection functions. Therefore, its costs are identified as:  
 \$577,130 General  
 \$574,830 Public safety

### planning & building factoid

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. The three pillars of sustainable development are economic development, social or cultural development, and environmental protection.

Buildings account for 49% of the total energy use in the United States. The Town of Sahuarita has adopted the 2012 building codes that will result in a 30% energy savings in local buildings.

# PLANNING & BUILDING DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

### GOAL #1

*Effective and efficient development review.*

Performance Measure	FY 2012	FY 2013	FY 2014
Number of Development Plans reviewed (in process) during the reporting period.	12	6	8
Number of Plats reviewed (in process) during the reporting period.	2	1	2
Percent of reviews completed within target goal (4 weeks).	96%	100%	100%

### GOAL #2

*Streamlining and modernization of the zoning code.*

Number of zoning code amendments initiated.	2	4	3
Number of zoning code amendments adopted.	2	4	3

### GOAL #3

*Maintenance and updating as necessary of the General Plan.*

Number of major General Plan amendments processed.	2	0	1
Number of required General Plan updates performed.	n/a	n/a	1

### GOAL #4

*Provide excellent customer service.*

Percentage of positive comment cards received.	100%	100%	100%
Percent of zoning complaints investigated within 3 business days of the complaint.	100%	100%	100%

### GOAL #5

*Implement Development Review policies which balance growth with natural resources.*

Percentage of residents rating land use, planning and zoning as excellent or good.	N/A	41%	Survey FY 15
Percentage of residents rating of preservation of natural areas such as open space, farmlands, and greenbelts as excellent or good.	N/A	55%	Survey FY 15
Percentage of residents rating of overall quality of new development in the Town as excellent or good.	N/A	68%	Survey FY 15
Percentage of residents rating the Town of Sahuarita management of growth and development as excellent or good.	N/A	58%	Survey FY 15

### GOAL #6

*Complete 100% of inspection stops the next day or when requested.*

Total number of building inspection stops.	3,882	4,100	4,300
Percentage of building inspection stops completed on time or when requested.	99%	100%	100%

### GOAL #7

*Complete single family residence (from a model plan) plan reviews within 5 business days of a complete submittal.*

Total number of permits issued - Residential.	247	210	220
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.	n/a	n/a	100%

### GOAL #8

*Complete commercial plan reviews within 10 business days of a complete submittal.*

Total number of permits issued - Commercial.	43	30	32
Average time for commercial plan reviews (in calendar days).	11	13	10
Percentage of commercial plan reviews completed within 10 business days of a complete submittal.	50%	84%	90%

FY 2014 Budget

# PARKS & RECREATION DEPT BREAKDOWN

**Deborah Summers**  
Park 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 (2.0 FTE, \$190,780)

The executive division of the Department provides the leadership, support and resources that enable the Department staff to provide service to the Citizens. They are also the staff liaison to the Parks and Recreation Commission and the newly formed Sahuarita Health and Wellness Foundation.

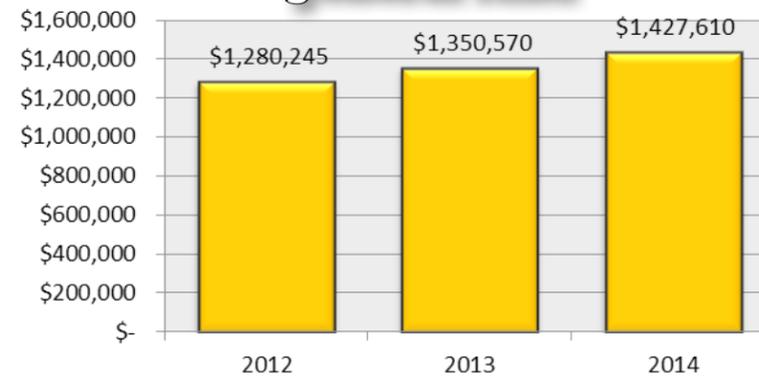
## RECREATION (8.1 FTE, \$481,900)

The recreation division provides 38 programs; coordinates adult leagues and youth user groups use for 11 sports fields; permits all facility rentals, as well as managing 22 community events. The Anamax Park Recreation Center hosts a variety of classes and programs for the community, including a meeting place for local organizations. The programs offer a range from A Lot for Tots and Tiny Tykes Sports to adult soccer and volleyball leagues, fitness and hiking. Finally, the recreation division's staff are the liaison to the Sahuarita Teen Advisory Council.

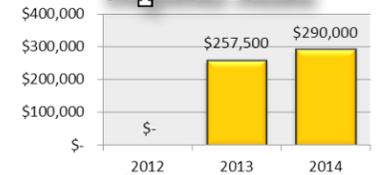
## PARKS & FACILITIES (5.0 FTE, \$1,093,670)

The maintenance division maintains 107 acres of park land with facilities. These include five Town maintained parks (including one park with a ten acre lake), and one joint use Town-School park that is maintained by the school district. The division also maintains the vehicles, power equipment, key and lock system, vandalism & graffiti abatement program, sports lighting, off leash dog areas, as well as managing the Adopt-A-Park program.

### general fund



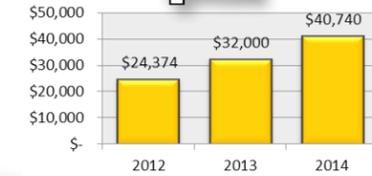
### capital fund



### grants & restricted fund



### ccof



### fte

The Parks & Recreation department budget has no change in FTE for FY2014.



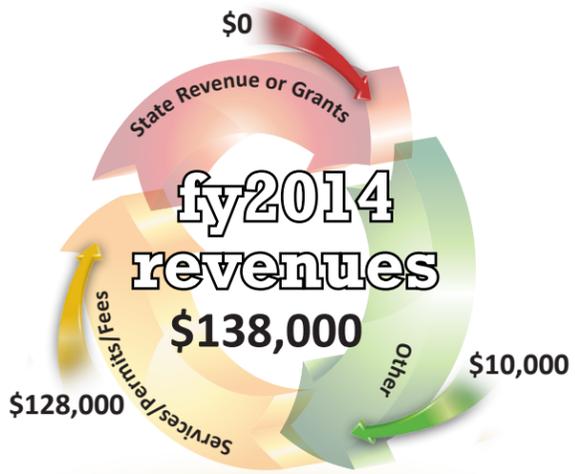
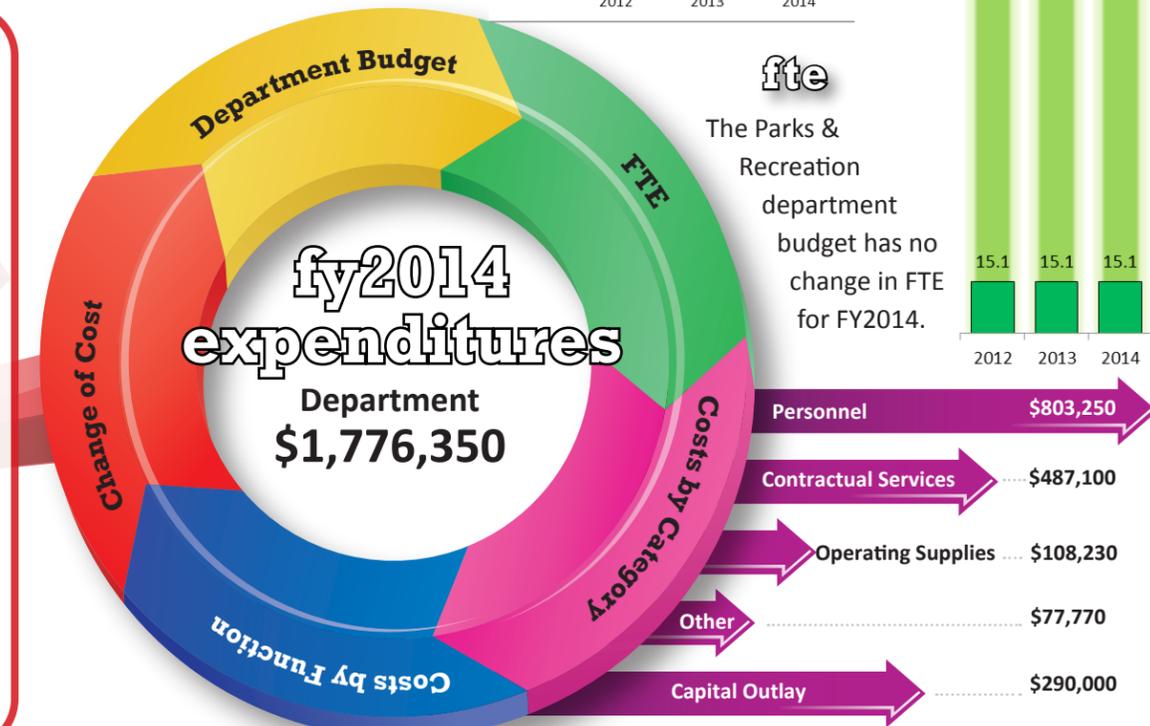
Parks Department budget cost has changed by **+8%**

#### Increases:

- Personnel costs \$20,000
- Maintenance and repair costs \$98,000
- Utilities \$10,000

#### Decreases:

- Centralize copiers \$5,000



**\$ spent per citizen**  
2012- \$28.78  
2013- \$51.05  
2014 - \$64.43

*The Department of Parks and Recreation provides cultural and recreational opportunities to the citizens of the Town and all of its costs are identified as, "Culture & recreation."*

### parks factoid

*The Parks and Recreation Department maintains 4,660,920 square feet of park lands. These are the most visited public facilities in the Town with over 190,000 visits last year.*

# PARKS & RECREATION DEPT GOALS AND MEASURES

## GOALS

## PERFORMANCE MEASURES

FY 2014 E

### GOAL #1

Complete the process of acquiring conservation open space land through use of the 2004 Pima county \$1.5 million bond Program.

Performance Measure	FY 2012	FY 2013	FY 2014 Target
Amount of Open Space acquired.		New Meas	100A

### GOAL #2

In partnership with Pima county and landowners continue process for trail alignment acquisition for the Juan Bautista de Anza National Historic Trail.

Amount of trail alignment acquisition completed.		New Meas	5A
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### GOAL #3

Develop an Intergovernmental Agreement with the Sahuarita Unified School District for facility use.

Complete an agreement with the School District.		New Meas	1
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### GOAL #4

Increase Park and Recreation facility usage and class/program attendance by 3%.

Average number of daily recreation class/program participants.	35.9	40.9	42.1
Percentage of recreation sessions successfully conducted.	76.9%	87.3%	89.9%
Number of volunteer hours worked in support of Parks and Recreation staff.	8,380	9,105	9,300
Number of recreation programs offered .	37	42	43
Average number of daily rentals: fields, recreation center, ramadas, etc.	1.1	1.2	1.3
Percentage of recreational activities rated as excellent or good - 2013 Citizen Survey.	N/A	55%	Survey FY 15
Percentage of citizens rating recreation programs or classes as excellent or good - 2013 Citizen Survey.	N/A	48%	Survey FY 15
Percentage of citizens participataing in a recreation program or activity - 2013 Citizen Survey.	N/A	51%	Survey FY 15
Percentage of citizens using Anamax Recreation Center - 2013 Citizen Survey.	N/A	48%	Survey FY 15

### GOAL #5

In partnership with local businesses and philanthropic organizations, provide support organizing an Art Festival, a Halloween Event and an additional biking event.

Number of events with outside organizations that Parks and Recreation lends support to	N/A	New Meas	5
--	-----	----------	---

### 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.	N/A	New Meas	3
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### 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.	N/A	New Meas	6
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### GOAL #8

To provide aesthetically pleasing and well maintained town parks and facilites.  
\*6 month total due to new measure added January, 1, 2013.

Number of graffitti incidents removed in 24 hours after reported compared to total incidents.	14/14	21/21	0/0
Percentage of citizens rating recreation center or facilities as excellent or good - 2013 Citizen Survey.	N/A	55%	Survey FY 15
Average daily sports field participation.	450.4	449.9	455
Monthly average number of urban fishing anglers.	N/A	292*	370
Monthly average of Skate Spot users.	N/A	282*	355
Monthly average number of Dog Park users.	N/A	534*	670
Average number of daily total park participants and visitation.	527.6	634.1	653.1

FY 2014 Budget

# PUBLIC WORKS DEPT BREAKDOWN

Farhad Moghimi  
Town Engineer  
Assistant Town Manager  
fmoghimi@ci.sahuarita.az.us  
520.344.7100  
FAX 520.344.7111

Provide and maintain safe and efficient public infrastructure systems including the transportation network, wastewater system, and drainage ways for the Sahuarita community.

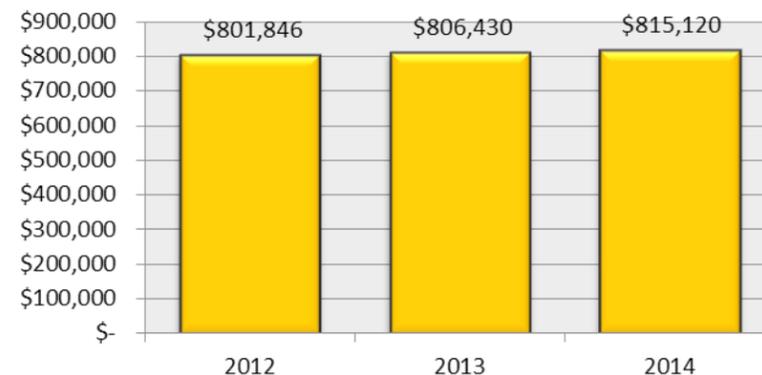
## ADMINISTRATION & ENGINEERING (3.5 FTE, \$349,750)

The engineering division manages the department's Capital Improvement Program (CIP), conducts reviews of projects for public infrastructure including drainage, sewer, roadways and traffic; coordinates current and future projects with utilities and stakeholders through its monthly utility coordination meetings; develops the Town's Major Streets and Routes Plan; conducts floodplain management; and provides assistance to the construction division during construction

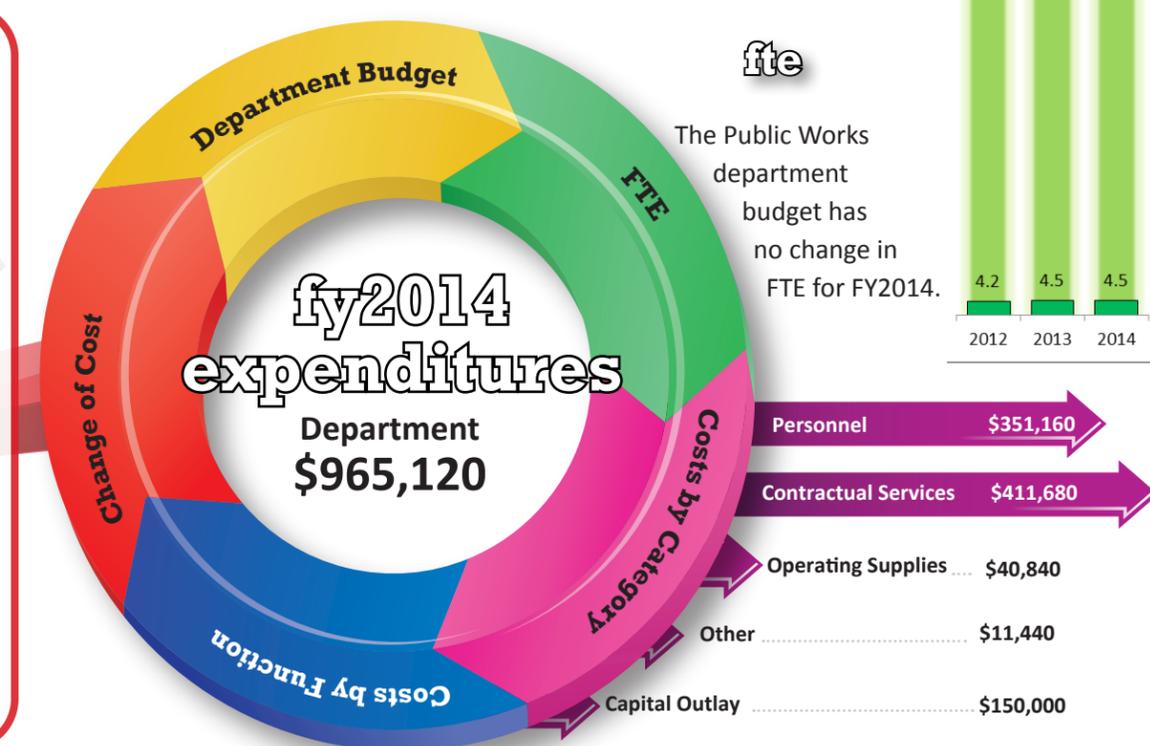
## FACILITIES (1.0 FTE, \$615,370)

The Public Works Department is responsible for the upkeep and maintenance of the Town's buildings, including the Town Hall complex. Staff attends to minor remodeling projects, repairs, painting, and daily maintenance of the buildings. Staff also performs customer service and hospitality functions, setting up rooms for meetings and special events, and maintaining equipment.

### general fund



### capital fund



Public Works Department cost has **changed by +14%**

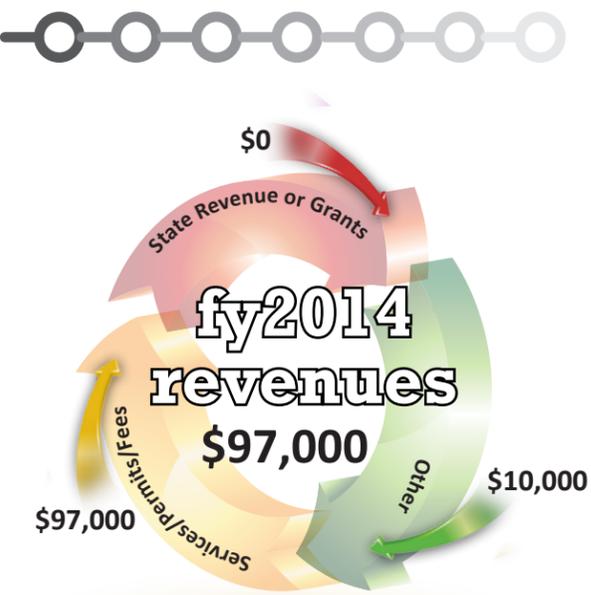
**Increases:**

- Personnel costs \$15,000
- Landscaping & facility supplies \$11,000
- Repair of Town Hall \$150,000

**Decreases:**

- Commissioning Town Hall \$40,000
- Utilities \$16,000

The Public Works department budget has no change in FTE for FY2014.



**\$ spent per citizen**  
2012- \$35.61  
2013- \$30.05  
2014 - \$35.21

The Department of Public Works has a facilities maintenance division which is part of the central administration of the Town and it has an engineering division which is part of the development services of the Town. Therefore, its costs are identified as:  
\$615,370 General  
\$352,060 Public safety

### public works factoid

Not available at this time.

# PUBLIC WORKS DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

### GOAL #1

*Provide effective management of Town Facility electrical consumption.*

Performance Measure	FY 2012	FY 2013	FY 2014
Total annual kilowatt hours used (in millions) by Town Hall Buildings (i.e. PD, Courts & TH).	1.3	1.3	1.4
Total annual electricity cost per SF in Town Hall Buildings (i.e. PD, Courts & TH).	\$0.30	\$0.38	\$0.45

### GOAL #2

*Provide effective custodial and repair management of Town Facilities.*

Percentage of annual safety inspections passed .	100%	100%	100%
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### GOAL #3

*Design state of the art public infrastructure that meets all applicable safety standards.*

Percentage of residents rating the ease of car travel in the Town as good or better (based on TOS biennial survey).	--	71%	Survey FY15
Percentage of residents rating the ease of bicycle travel in the Town as good or better (based on TOS biennial survey).	--	71%	Survey FY15
Percentage of residents rating traffic flow on the major streets in the Town as good or better (based on TOS biennial survey).	--	73%	Survey FY15
Percentage of residents rating the quality of traffic signal timing as good or better (based on TOS biennial survey).	--	64%	Survey FY15
Ensure all projects are designed with an emphasis on multi-modal regional transportation.	100%	100%	100%

### GOAL #4

*Provide effective and efficient development review.*

Number of Development Plans reviewed (in process) during the reporting period.	12	6	8
Number of Plats reviewed (in process) during the reporting period.	2	1	2
Percent of reviews completed within target goal (4 weeks).	96%	100%	100%

### GOAL #5

*Issue grading permits within five working days of a complete submittal.*

Total number of grading permits issued.	8	13	9
Average time for grading permit review (calendar days).	4	5	5

# POLICE DEPT BREAKDOWN

FY 2014 Budget

John Harris  
Police Chief  
jharris@ci.sahuarita.az.us  
520.344.7000  
FAX 520.344.7050



*To protect life and property, prevent crime and solve problems by forming a partnership with the community, other Town departments and other agencies*

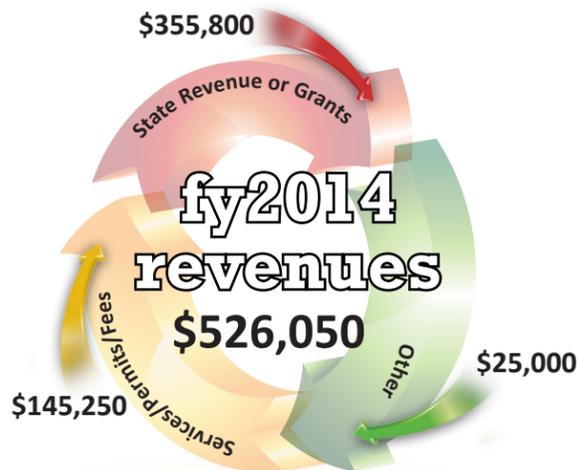
**POLICE DEPT.**  
(50.0 FTE, \$6,631,440)



**Patrol:** Respond to calls for service, proactive patrolling of neighborhoods and roadways, investigation of Crimes, Community policing.

**Investigations:** Investigation of crimes, coordinate with other agencies and participate in regional task forces.

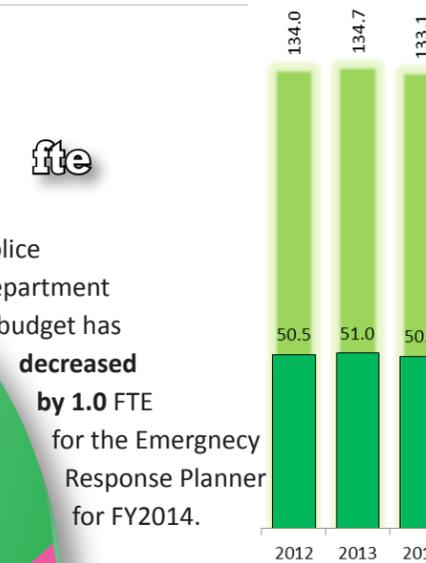
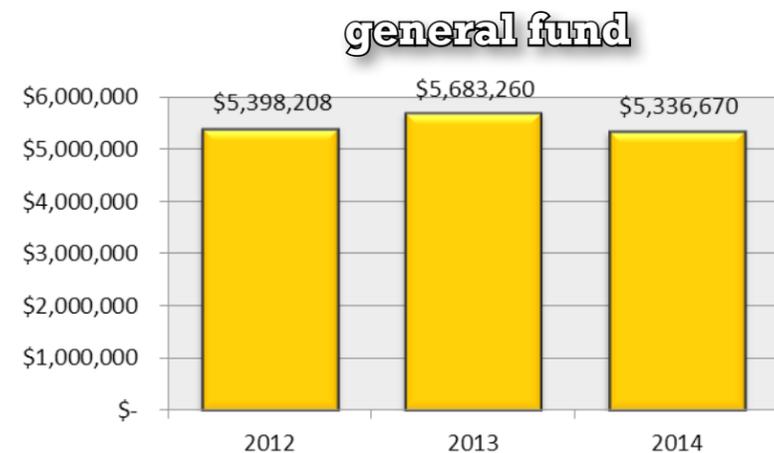
**Administration:** Provide service to the public, analyze crime trends based on data, support patrol and investigations, coordinate with other agencies, obtain grant funding, develop EOP in cooperation with other Town departments and outside agencies, manage EOCs.



### \$ spent per citizen

2012- \$224.23  
2013- \$217.45  
2014 - 242.90

The Police Department collects revenues for fines, fees, and grants.



The Police department budget has decreased by 1.0 FTE for the Emergency Response Planner for FY2014.

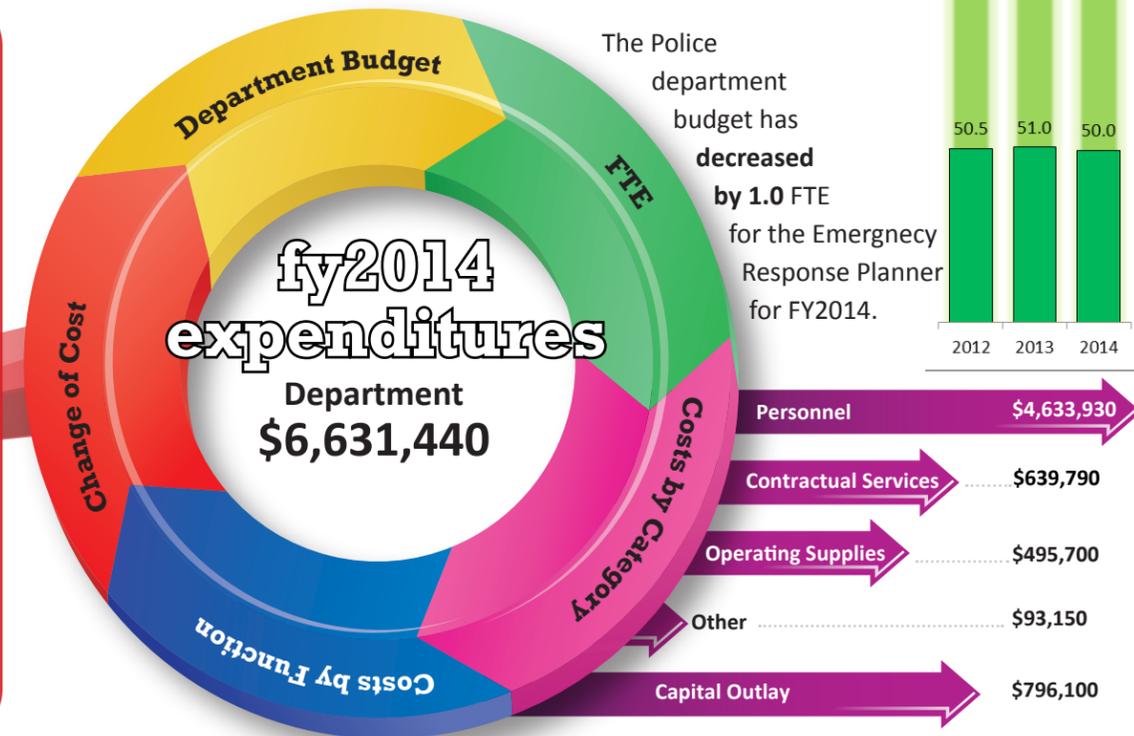
Police Department cost has **changed** by **+9%**

**Increases:**

- Personnel and hiring costs \$18,000
- Software \$17,000
- Supplies & equipment \$34,000
- New capital equipment \$445,000

**Decreases:**

- Centralize copiers \$6,000



*The Police Department provides public safety to the citizens of the Town and all of its costs are identified as, "Public safety."*

### police factoid

Not available at this time.

# POLICE DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

		Performance Measure	FY 2012	FY 2013	FY 2014
<b>GOAL #1</b>	<i>To improve all levels of school safety and security through increased collaboration and emergency planning</i>	Number of police calls for services resulting in a police unit being dispatched to a school.	N/A	N/A	New Meas
		Number of juveniles arrested on school grounds.	N/A	N/A	New Meas
		Number of weapons confiscated.	N/A	NA	New Meas
<b>GOAL #2</b>	<i>Seek reduction in the number of commercial and residential entities false alarms through educational undertakings through the crime prevention and VIP components of the department.</i>	Residential number of dispatches of police units to security alarm calls	490	579	567
		Commercial number of dispatches of police units to security alarm calls	124	159	150
<b>GOAL #3</b>	<i>Host a minimum of five community events throughout the year to increase public interaction and public relations.</i>	Percentage of citizens who rate crime prevention as excellent or good.	N/A	52%	Survey FY 15
		Percentage of citizens who rate the quality of police services as excellent or good.	N/A	70%	Survey FY 15
		Percentage of citizens whose overall impression of the Police Department is excellent or good.	N/A	80%	Survey FY 15
		Number of community events hosted .	4	2	7
<b>GOAL #4</b>	<i>Complete a minimum of 10 educational safety presentations to include seatbelt awareness in the schools.</i>	Number of educational safety presentations in the schools.	N/A	N/A	New Meas
<b>GOAL #5</b>	<i>Increase enforcement activities in the area of safety belt usage and DUI reduction.</i>	Number of public safety events hosted.	N/A	N/A	New Meas
		Percentage of citizens who rate traffic enforcement as excellent or good.	N/A	53%	Survey FY 15
		Number of accidents where seat belts were not fastened.	N/A	N/A	New Meas
		Number of personal injury accidents.	27	21	24
		Number of property damage accidents	169	222	196
		Number of UCR Part II DUI Offenses	15	14	12
<b>GOAL #6</b>	<i>Increase clearance rates for violent crimes and arrests.</i>	Number of UCR Part I violent crimes cleared.	14	7	12
		Number of police calls for services resulting in a police unit being dispatched in the Town	7,933	8,380	8,450
		Total criminal, civil citations.	1,432	2,099	2,300
		Total traffic warnings.	1,234	1,852	2000
		UCR Part I violent crimes reported	9	14	13
		UCR Part I property crimes reported	409	390	415
		Total arrests for UCR Part I violent crimes.	13	17	19
		Total arrests for UCR Part I property crimes.	74	85	89
		Total arrests for UCR Part II drug abuse violations.	127	116	134
		Total arrests for ALL crimes - rpjmtor.1.	952	1,054	1,067
		<b>GOAL #7</b>	<i>Create and implement GIS mapping resource books for all streets, schools and business for all police department staff in order to increase emergency response capabilities.</i>	Create map books for all personnel	N/A
<b>GOAL #8</b>	<i>Increase Emergency Disaster response capabilities through the development an implementation of a Mobile Command Post.</i>	Number of Emergency/Disaster Incidents.	2	1	not determined
		Number of Mobile Command Posts Implemented.	N/A	4	6
<b>GOAL #9</b>	<i>Decrease responses times for top priority calls.</i>	Total average time from receipt of top priority call to arrival on scene.	5:18	5:15	5:13

# MUNICIPAL COURT DEPT BREAKDOWN

FY 2014 Budget

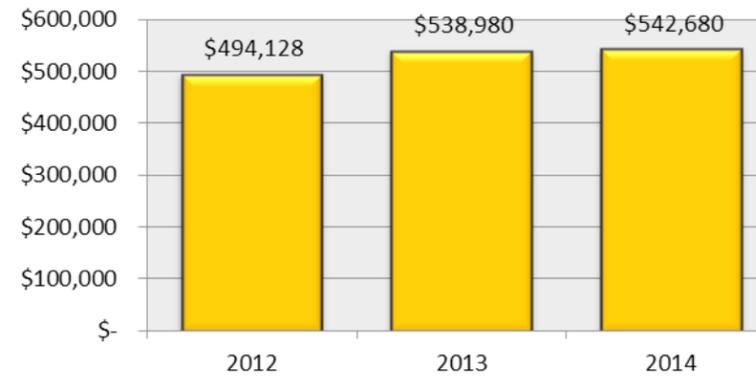
Honorable Maria Avilez  
Town Magistrate  
mavilez@courts.az.gov  
520.344.7150  
FAX 520.344.7151

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

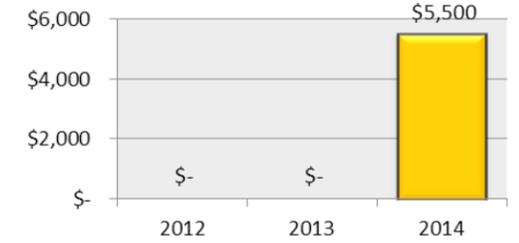
**MUNICIPAL COURT**  
(8.0 FTE, \$548,180)

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.

## general fund



## grants & restricted fund



**fte**  
The Municipal Court department budget has no change in FTE for FY2014.

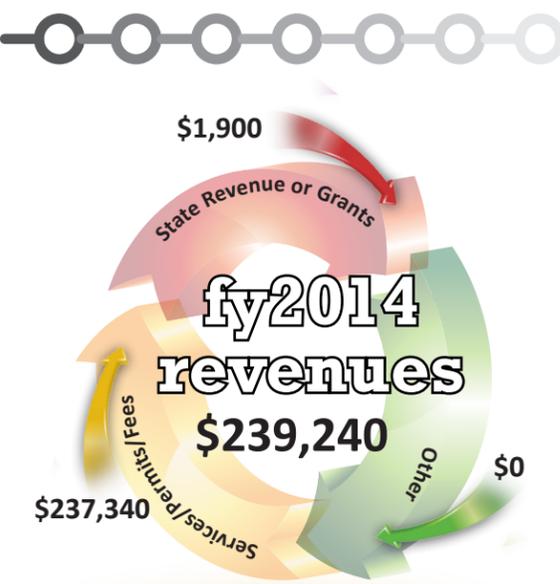
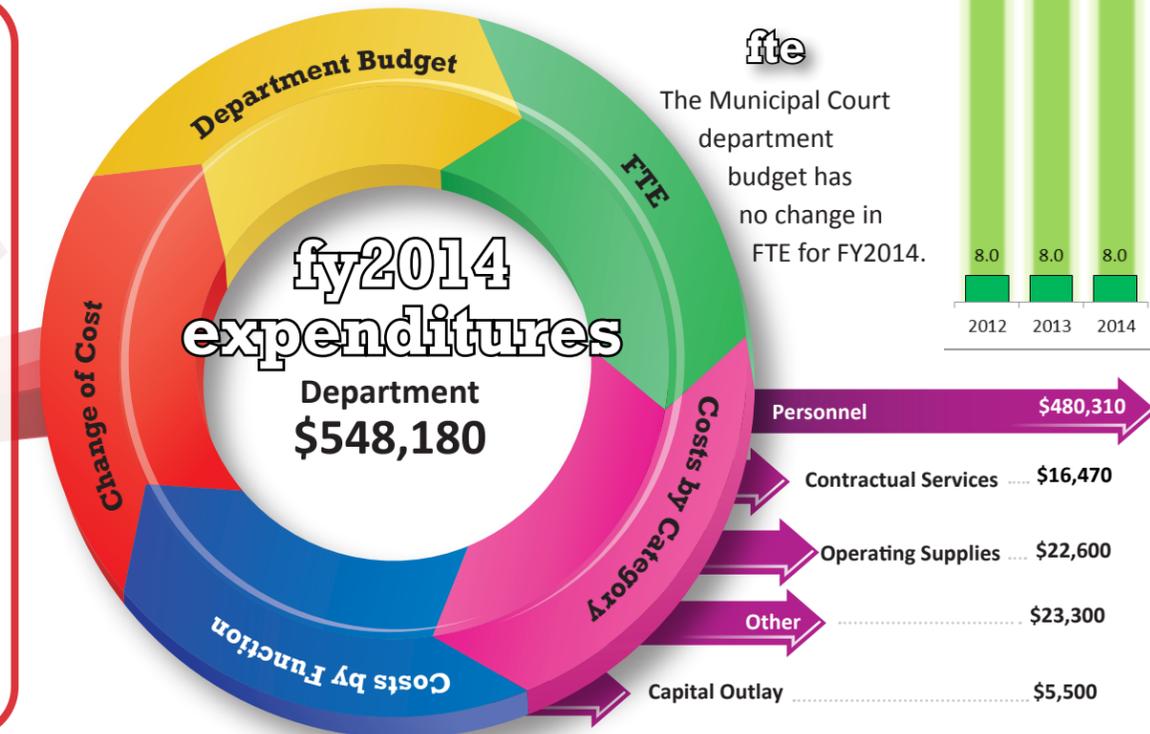
Municipal Court Department budget changed by **+2%**

**Increases:**

- Personnel costs \$18,000
- Audit costs \$4,000
- Othe supplies \$3,000

**Decreases:**

- Capital equipment purchases \$13,000



The Municipal Court Department collects revenues for fines and fees.



**\$ spent per citizen**  
2012- \$19.15  
2013- \$20.08  
2014 - \$20.00

*The Department of the Municipal Court provides justice administration to the citizens of the Town and all of its costs are identified as, "General."*

## court factoid

Not available at this time.

# MUNICIPAL COURT DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

### GOAL #1

*Provide better customer service to all litigants entering the courthouse.*

#### Performance Measure

FY 2012    FY 2013    FY 2014

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.

413

357

400

WEB- Payments made on the court's main webpage of the Town's website.

179

134

140

**Providing other community services such as: Marriage Licenses and passports.**

Marriage Licenses.

35

27

35

Passports.

322

326

400

### 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.

100%

100%

100%

DUI Clearance Rate.

179%

128%

100%

### GOAL #3

*Continue to provide quality safety measures for all litigants that enter the courthouse.*

Court Visitors scanned/walked through magnetometer.

12,999

13,329

13,300

Number of items scanned through the X-Ray machine.

8,089

9,514

9,500

Number of items of contraband detected while entering the courthouse.

179

166

165

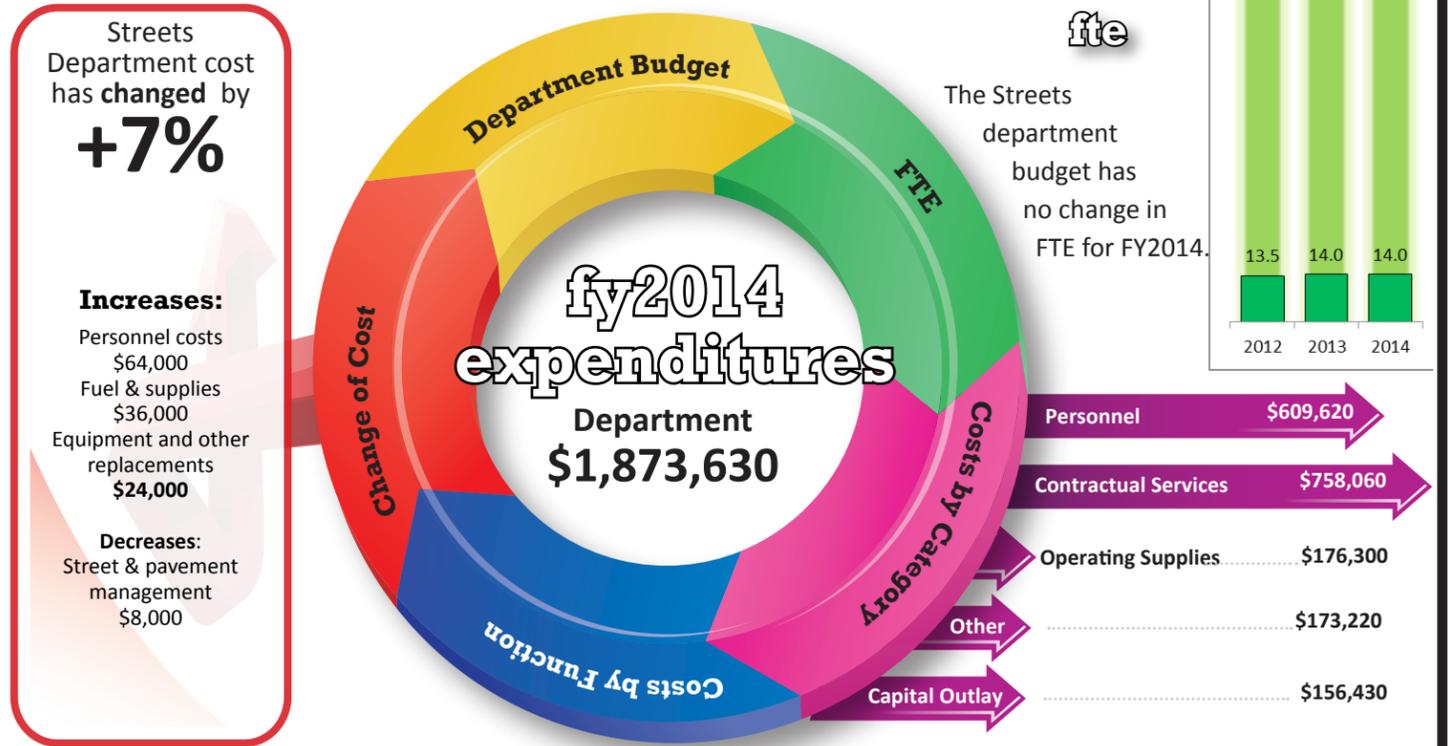
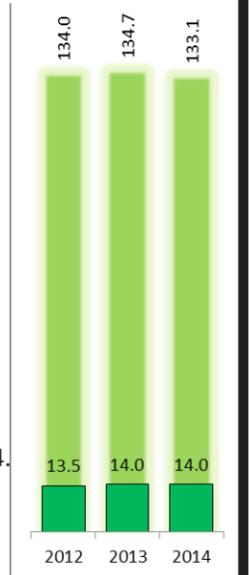
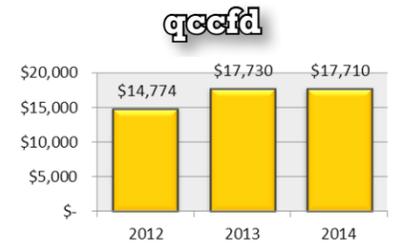
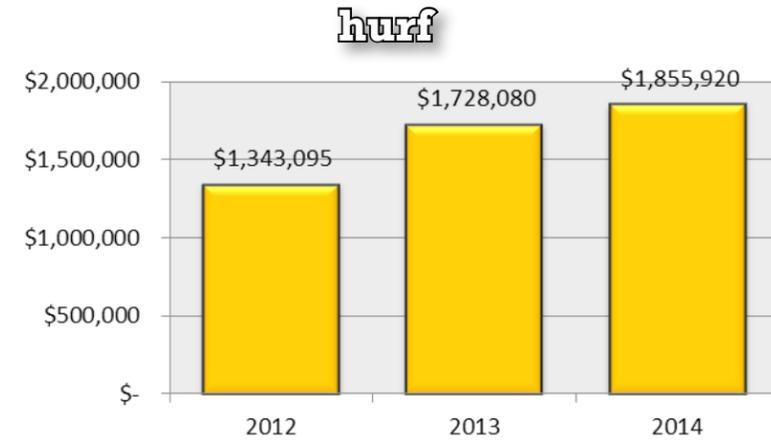
# STREETS DEPT BREAKDOWN

FY 2014 Budget

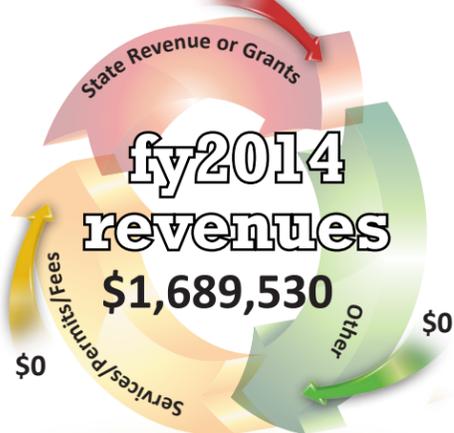
**Farhad Moghimi**  
Town Engineer/Assistant Town Manager  
fmoghimi@sahuaritaaz.gov  
520.344.7100  
FAX 520.344.7111

**STREETS**  
(14.0 FTE, \$1,873,630)

The Public Works—Streets Department maintains all streets, roadways, and drainage-ways to ensure that the facilities fulfill the function for which they are designed. The superintendent oversees the two sections: traffic operations and streets maintenance.



\$1,689,530



**\$ spent per citizen**  
2012- \$52.67  
2013- \$65.05  
2014 - \$68.35

The Streets Department collects revenues from the State for streets purposes.

*The Department of Streets provides street and roadway services to the citizens of the Town and all of its costs are identified as, "Highways & streets."*

## streets factoid

Not available at this time.

# STREETS DEPT GOALS AND MEASURES

FY 2014 Budget

GOALS

PERFORMANCE  
MEASURES

**GOAL #1**

*Maintain all roads to the highest standards possible.*

**GOAL #2**

*Manage traffic control devices to ensure maximum efficiency and safety.*

**GOAL #3**

*Maintain clean, orderly and attractive landscaping.*

Performance Measure	FY 2012	FY 2013	FY 2014 Target
Number of potholes in need of repair during the reporting period.	120	224	172
Number of potholes repaired during the reporting period.	120	224	172
Average number of days to repair a reported pothole.	1	1	1
Number of pavement issues <i>reported</i> as needing patching during the reporting period.	2	28	20
Number of pavement patches completed in the reporting period.	37	28	30
Percentage of residents rating the quality of street repair as good or better (based on biennial survey).	--	69%	Survey FY15
Percentage of pavement in satisfactory or better condition per the Pavement Condition Index (PCI).	89%	89%	89%
Completed street sweeping of all public roadways at least four times per year.	yes	yes	yes
Number of lane miles swept.	3,201	2,053	2,500
Percentage of residents rating the quality of street cleaning as good or better (based on biennial survey).	--	73%	Survey FY15
Number of traffic signal repairs during the reporting period.	37	58	48
Number of traffic signal replacements during the reporting period.	3	7	7
Average number of days to repair traffic signal outage.	1	1	1
Number of total inmate labor hours (this includes Facilities and WW).	8,334	7,823	6,700

# WASTEWATER DEPT BREAKDOWN

FY 2014 Budget

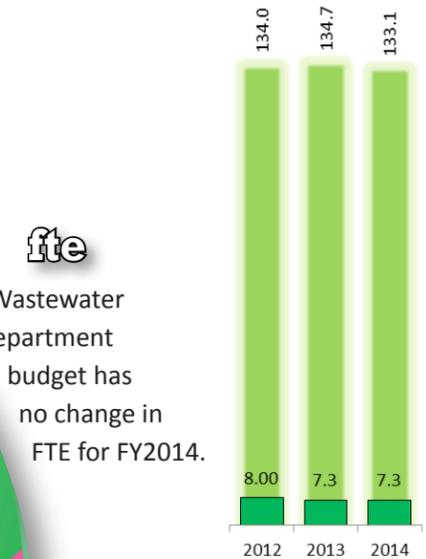
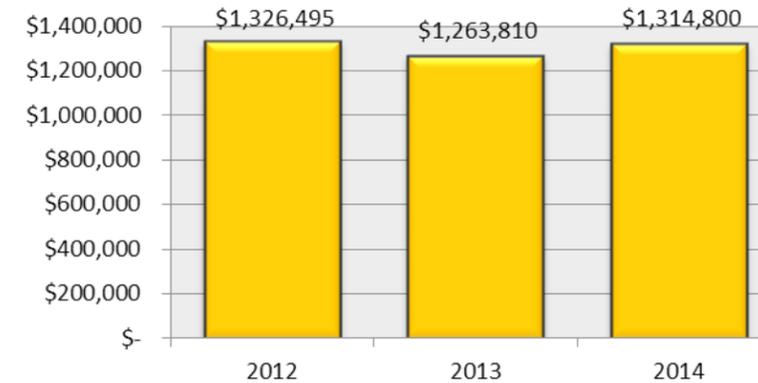
Farhad Moghimi  
Town Engineer/Assistant Town Manager  
fmoghimi@ci.sahuarita.az.us  
520.344.7100  
FAX 520.344.7111

## WASTEWATER (7.3 FTE, \$1,314,800)

The Public Works—Wastewater Department is responsible for the daily operational and maintenance functions associated with the Town's water reclamation facility including approximately 45 miles of sewer and over 1,100 manholes in the collection system, a 1.50 million-gallon per day treatment facility and over 13 acres recharge basins for reclaimed water. The wastewater utility also conducts planning and policy development, construction monitoring, and administrative services such as, industrial waste permitting, compliance reporting, billing, customer service and information management related to the facility.



### wastewater



The Wastewater department budget has no change in FTE for FY2014.

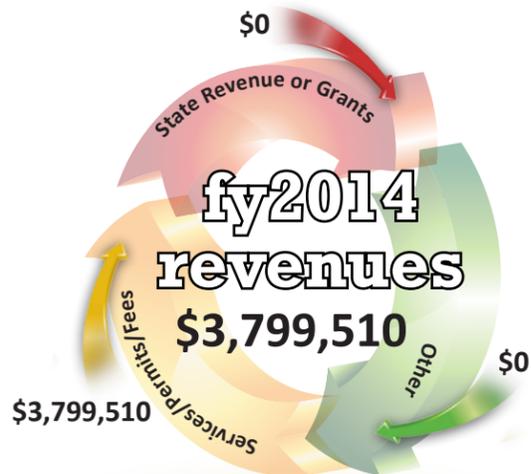
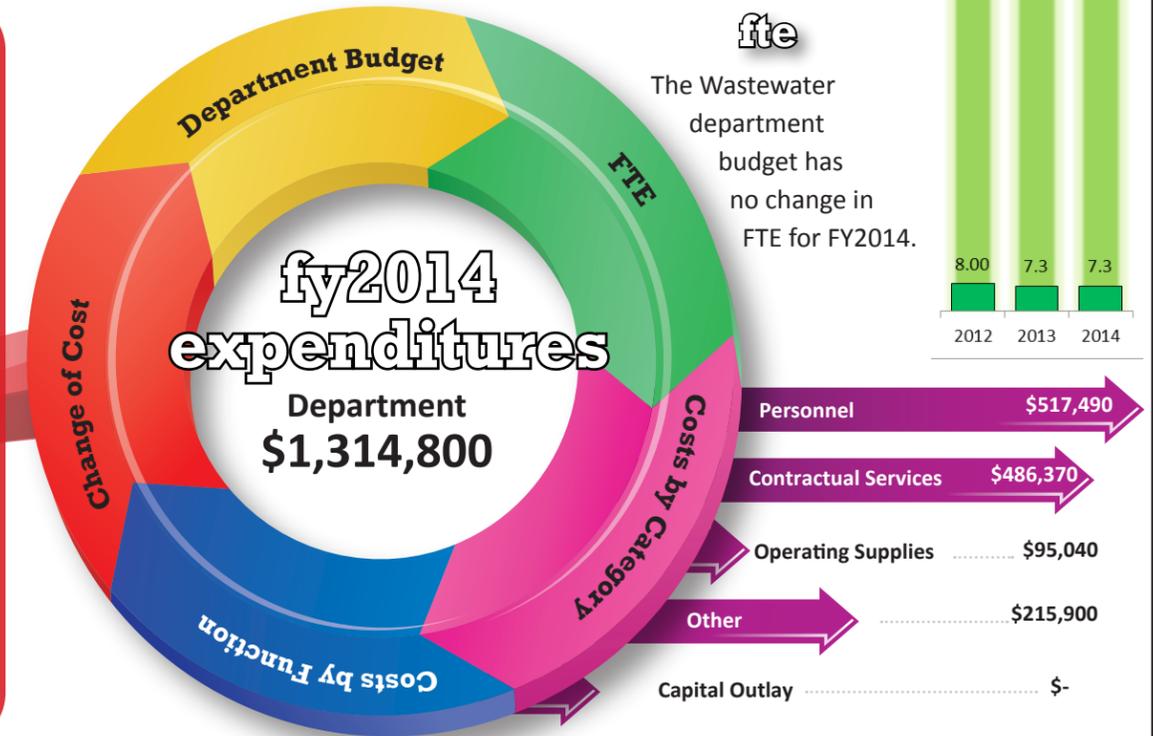
Wastewater Department cost has **changed by +4%**

**Increases:**

- Personnel costs \$16,000
- Utilities \$31,000
- Repairs & maintenance \$16,000
- Indirect cost allocation \$14,000

**Decreases:**

- Replace chemicals & equipment \$17,000



The Wastewater Department collects revenues for new connections and monthly user fees.



**\$ spent per CUSTOMER**  
2012- \$232.88  
2013- \$241.88  
2014 - \$247.98

The Department of Wastewater provides sanitary and water reclamation services to its customers, and all of its costs are identified as, "Sewer."

**wastewater factoid**  
There are two water reclamation facilities within the Sahuarita Town Boundaries. One is operated by the Town and the other is operated by Pima County.

# WASTEWATER DEPT GOALS AND MEASURES

FY 2014 Budget

## GOALS

## PERFORMANCE MEASURES

### GOAL #1

*Maximize the efficiency and effectiveness of the Wastewater Treatment Plant.*

### GOAL #2

*Maintain and operate the wastewater collection system to ensure system integrity.*

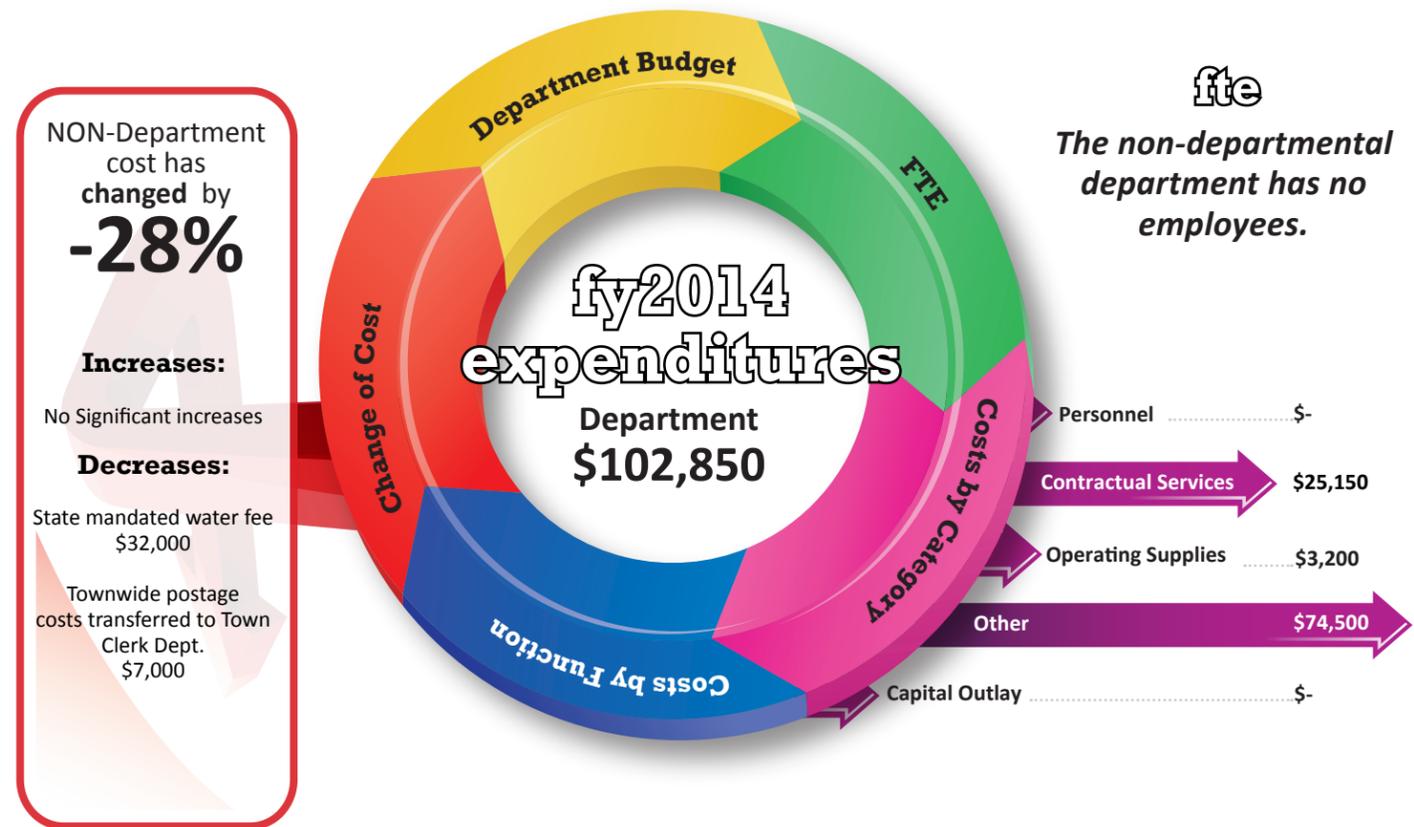
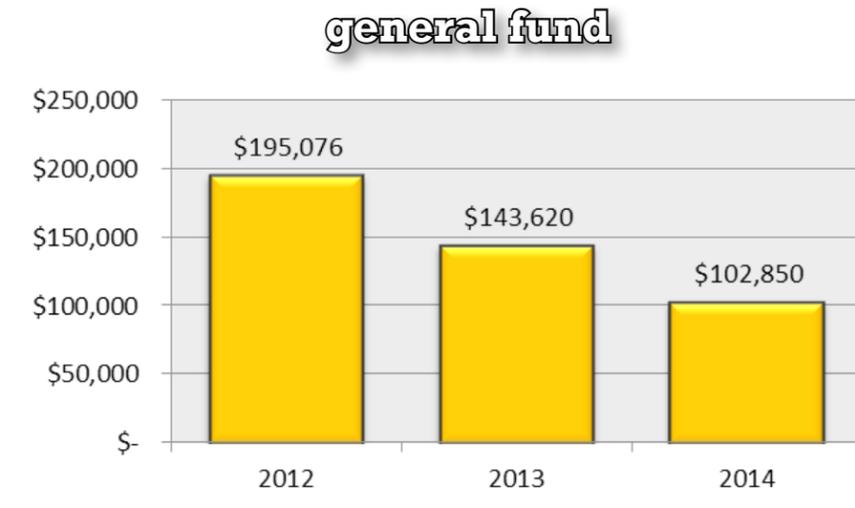
Performance Measure	FY 2012	FY 2013	FY 2014
Total million gallons of wastewater treated annually (in millions).	293	276*	285
Wastewater Reclamation operating cost/1000 gallons treated.	\$3.99	\$4.04	\$4.07
Percentage of reporting requirements met for ADWR and ADEQ.	100%	100%	100%
Vector control treatment of public manholes on a two year cycle.	yes	yes	yes
1 SSO per 20 miles of sewer lines per year.	0	0	0

\* New influent meter installed which changed the totals.

# NON-DEPT DEPT BREAKDOWN

The Non-Departmental category was created to account for operating costs and items not specifically identifiable to any other Town department. These costs include some specific programs, contracts for social services, postage, and the Town's general motor pool costs.

**NON-DEPARTMENTAL**  
(0.0 FTE, \$102,850)



The Non Departmental Department does not collect any revenues.



**\$ spent per citizen**

2012- \$9.37  
2013- \$5.35  
2014 - \$3.75

*The Department of Non-departmental activities is part of the central administration of the Town and all of its costs are identified as, "General."*

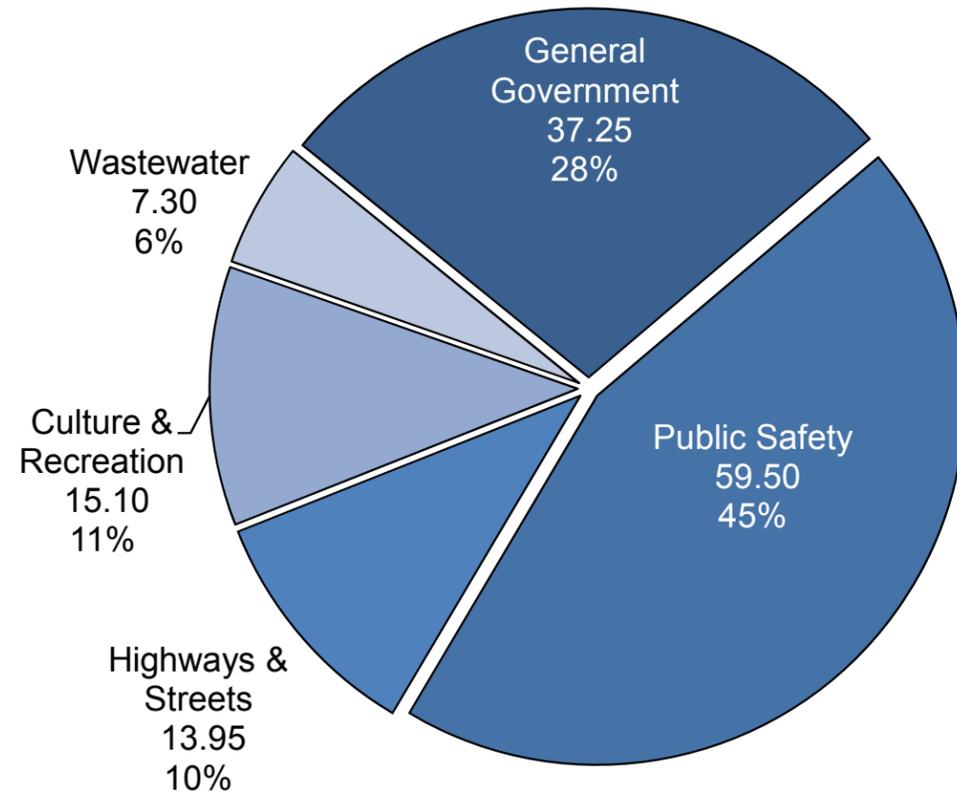
**non-dept factoid**

*The non-departmental activities are primarily private sector contracts and the Town does not utilize internal performance measurements.*

# DEPARTMENT STAFFING

## STAFFING LEVELS BY FUNCTION

Full-Time Equivalent (FTE) Employees: 133.1



## DEPARTMENT STAFFING LEVELS

DEPT	Div	Position	Pay Grade	2012 Amended	2013 Adopted	2013 Amended	2014 Adopted	
MAYOR & COUNCIL		Mayor	\$700/mo.	1	1	1	1	
		Vice-Mayor	\$600/mo.	1	1	1	1	
		Council Members	\$500/mo.	5	5	5	5	
		<b>Department Total (# positions)</b>		<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	
TOWN MANAGER	Administration	Town Manager	Contract	1.0	1.0	1.0	1.0	
		Assistant Town Manager/Town Engineer	87	0.3	0.3	0.3	0.3	
		Management Analyst	55	1.0	1.0	1.0	1.0	
		Senior Office Assistant	38	1.0	1.0	1.0	1.0	
	ED&C	ED&C Manager	70	1.0	1.0	1.0	1.0	
		New Media Specialist	60	1.0	1.0	1.0	1.0	
		Community Communication Coordinator	51	1.0	1.0	1.0	0.0	
		<b>Department Total</b>		<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>5.3</b>	
	LAW	Civil	Town Attorney	Contract	1.0	1.0	1.0	1.0
			Paralegal	49	1.0	1.0	1.0	1.0
Prosecution		Town Prosecutor	72	1.0	1.0	1.0	1.0	
		Legal Assistant	40	1.0	1.0	1.0	1.0	
	<b>Department Total</b>		<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>		
TOWN CLERK		Town Clerk	71	1.0	1.0	1.0	1.0	
		Deputy Town Clerk	50	0.4	0.4	0.4	0.6	
		Senior Office Assistant	38	1.0	1.0	1.0	1.0	
		Office Assistant	28	1.0	1.0	1.0	1.0	
	<b>Department Total</b>		<b>3.4</b>	<b>3.4</b>	<b>3.4</b>	<b>3.6</b>		
FINANCE	Finance	Finance Director	81	1.0	1.0	1.0	1.0	
		Finance Manager	70	1.0	1.0	1.0	1.0	
		Accountant	51	1.0	1.0	1.0	1.0	
		Accounting Specialist	38	2.0	2.0	2.0	2.0	
	Technology	Technology Manager	70	1.0	1.0	1.0	1.0	
		System Administrator	60	0.0	0.0	1.0	1.0	
		Network Administrator	60	1.0	1.0	0.0	0.0	
		Information Technology Specialist	51	1.0	1.0	1.0	1.0	
		<b>Department Total</b>		<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	
	HUMAN RESOUR CES		Human Resources Director	77	1.0	1.0	1.0	1.0
		Human Resources Analyst	54	1.0	1.0	1.0	1.0	
		<b>Department Total</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	

### DEPARTMENT STAFFING LEVELS

DEPT	Div	Position	Pay Grade	2012 Amended	2013 Adopted	2013 Amended	2014 Adopted	
PLANNING & BUILDING	Planning & Zoning	Planning & Building Director	79	1.0	1.0	1.0	1.0	
		Senior Planner	66	1.0	1.0	1.0	1.0	
		Planner	59	1.0	1.0	1.0	1.0	
		Assistant Planner	52	1.0	1.0	1.0	1.0	
		Senior Office Assistant	38	1.0	1.0	1.0	1.0	
		Office Assistant	28	0.0	0.2	0.2	0.4	
	Building Safety	Building Safety Manager	70	1.0	1.0	1.0	1.0	
		Chief Building Inspector	64	1.0	1.0	1.0	1.0	
		Plans Examiner/Fire Inspector	56	1.0	1.0	1.0	1.0	
		Plans Examiner/Building Inspector	56	2.0	2.0	2.0	2.0	
			Senior Permit Technician	42	1.0	1.0	1.0	1.0
	<b>Department Total</b>				<b>11.0</b>	<b>11.2</b>	<b>11.2</b>	<b>11.4</b>
	PARKS & RECREATION	Administration	Parks & Recreation Director	76	1.0	1.0	1.0	1.0
			Senior Office Assistant	38	1.0	1.0	1.0	1.0
Parks & Facilities Maintenance		Parks & Facilities Manager	57	1.0	1.0	1.0	1.0	
		Parks Foreman	50	1.0	1.0	1.0	1.0	
		Maintenance Worker	37	3.0	3.0	3.0	3.0	
Recreation		Recreation Programs Administrator	57	1.0	1.0	1.0	1.0	
		Recreation Programmer	45	1.0	1.0	1.0	1.0	
		Recreation Leader	30	1.7	1.7	1.7	2.4	
		Office Assistant	28	1.0	1.0	1.0	1.0	
		Athletic Leader	24	0.7	0.7	0.7	0.0	
		Recreation Aide	21	2.7	2.7	2.7	2.7	
<b>Department Total</b>				<b>15.1</b>	<b>15.1</b>	<b>15.1</b>	<b>15.1</b>	
POLICE		Police Chief	84	1.0	1.0	1.0	1.0	
		Police Commander	72	2.0	2.0	2.0	2.0	
		Police Sergeant	63	8.0	8.0	8.0	8.0	
		Detective	56	2.5	3.0	3.0	3.0	
		Police Officer	53	29.0	29.0	29.0	29.0	
		Crime Analyst	50	1.0	1.0	1.0	1.0	
		Emergency Response Planner	47	1.0	1.0	1.0	0.0	
		Crime Scene Specialist	46	2.0	2.0	2.0	2.0	
		Senior Office Assistant	38	4.0	4.0	4.0	4.0	
<b>Department Total</b>				<b>50.5</b>	<b>51.0</b>	<b>51.0</b>	<b>50.0</b>	
MUNICIPAL COURT		Town Magistrate	Contract	1.0	1.0	1.0	1.0	
		Court Administrator	57	1.0	1.0	1.0	1.0	
		Court Clerk	37	4.0	4.0	4.0	4.0	
		Court Security Officer	34	2.0	2.0	2.0	2.0	
	<b>Department Total</b>				<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>

### DEPARTMENT STAFFING LEVELS

DEPT	Div	Position	Pay Grade	2012 Amended	2013 Adopted	2013 Amended	2014 Adopted	
PUBLIC WORKS	Engineering	Assistant Town Engineer	74	0.2	0.0	0.0	0.0	
		Senior Construction Manager	65	0.0	0.1	0.1	0.1	
		Project Manager	61	1.8	2.1	2.1	2.1	
		Management Analyst	55	0.3	0.3	0.3	0.3	
		Senior Engineering Technician	51	0.0	0.3	0.3	0.3	
		Engineering Technician	48	0.5	0.3	0.3	0.3	
		O&M Administrator	43	0.3	0.3	0.3	0.3	
			Senior Office Assistant	38	0.3	0.3	0.3	0.3
	Facilities	Maintenance Worker	37	1.0	1.0	1.0	1.0	
	<b>Department Total</b>				<b>4.2</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>
STREETS		Assistant Town Manager/Town Engineer	87	0.6	0.7	0.7	0.7	
		Assistant Town Engineer	74	0.1	0.5	0.5	0.5	
		Civil Engineer	68	1.0	1.0	1.0	1.0	
		Senior Construction Manager	65	1.0	0.9	0.9	0.9	
		Project Manager	61	0.4	0.3	0.3	0.3	
		Public Works Superintendent	59	1.0	1.0	1.0	1.0	
		Construction Manager	57	1.0	1.0	1.0	1.0	
		Management Analyst	55	0.5	0.5	0.5	0.5	
		Senior Engineering Technician	51	1.0	0.8	0.8	0.8	
		Construction Inspector	51	0.5	0.5	0.5	0.5	
		Public Works Foreman	48	1.0	1.0	1.0	1.0	
		Engineering Technician	48	1.5	1.7	1.7	1.7	
		O&M Administrator	43	0.5	0.6	0.6	0.6	
		Engineering Aide	41	1.0	1.0	1.0	1.0	
		Senior Maintenance Worker	40	2.0	2.0	2.0	2.0	
		Senior Office Assistant	38	0.5	0.6	0.6	0.6	
<b>Department Total</b>				<b>13.5</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	
WASTEWATER UTILITY		Assistant Town Manager/Town Engineer	87	0.1	0.1	0.1	0.1	
		Assistant Town Engineer	74	0.8	0.5	0.5	0.5	
		Project Manager	61	0.9	0.6	0.6	0.6	
		Principal Plant Operator	55	1.0	1.0	1.0	1.0	
		Management Analyst	55	0.3	0.3	0.3	0.3	
		Construction Inspector	51	0.5	0.5	0.5	0.5	
		Senior Plant Operator	48	2.0	2.0	2.0	2.0	
		Plant Mechanic	46	1.0	1.0	1.0	1.0	
		Plant Operator	46	1.0	1.0	1.0	1.0	
		O&M Administrator	43	0.3	0.2	0.2	0.2	
	Senior Office Assistant	38	0.3	0.2	0.2	0.2		
<b>Department Total</b>				<b>8.00</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>	
<b>TOWN FTE TOTAL</b>				<b>134.0</b>	<b>134.7</b>	<b>134.7</b>	<b>133.1</b>	

## DEPARTMENT STAFFING LEVELS SUMMARY

### Full-Time Equivalent (FTE)

DEPARTMENT	FY 2012		FY 2013		FY 2014	
	Adopted	Amended	Change	Adopted	Change	Adopted
Mayor and Council	-	-	-	-	-	-
Town Manager	6.0	6.3	-	6.3	(1.0)	5.3
Law	4.0	4.0	-	4.0	-	4.0
Town Clerk	3.4	3.4	-	3.4	0.2	3.6
Finance	8.0	8.0	-	8.0	-	8.0
Human Resources	2.0	2.0	-	2.0	-	2.0
Planning and Building	11.6	11.0	0.2	11.2	0.2	11.4
Parks and Recreation	15.1	15.1	-	15.1	-	15.1
Public Works	4.4	4.2	0.3	4.5	-	4.5
Police	50.9	50.5	0.5	51.0	(1.0)	50.0
Municipal Court	8.0	8.0	-	8.0	-	8.0
Streets	13.5	13.5	0.5	14.0	-	14.0
Wastewater	8.1	8.0	(0.7)	7.3	-	7.3
<b>TOTALS</b>	<b>135.0</b>	<b>134.0</b>	<b>0.8</b>	<b>134.7</b>	<b>(1.6)</b>	<b>133.1</b>

### Number of Personnel

DEPARTMENT	FY 2012		FY 2013		FY 2014	
	Adopted	Amended	Change	Adopted	Change	Adopted
Mayor and Council	7	7	0	7	0	7
Town Manager	6	6	1	7	-1	6
Law	4	4	0	4	0	4
Town Clerk	4	5	0	5	0	5
Finance	8	8	0	8	0	8
Human Resources	2	2	0	2	0	2
Planning and Building	12	11	1	12	0	12
Parks and Recreation	21	21	0	21	0	21
Public Works*	26	26	0	26	0	26
Police	52	52	0	52	-1	51
Municipal Court	8	8	0	8	0	8
Streets	*	*	*	*	*	*
Wastewater	*	*	*	*	*	*
<b>TOTALS</b>	<b>150</b>	<b>150</b>	<b>2</b>	<b>152</b>	<b>-2</b>	<b>150</b>

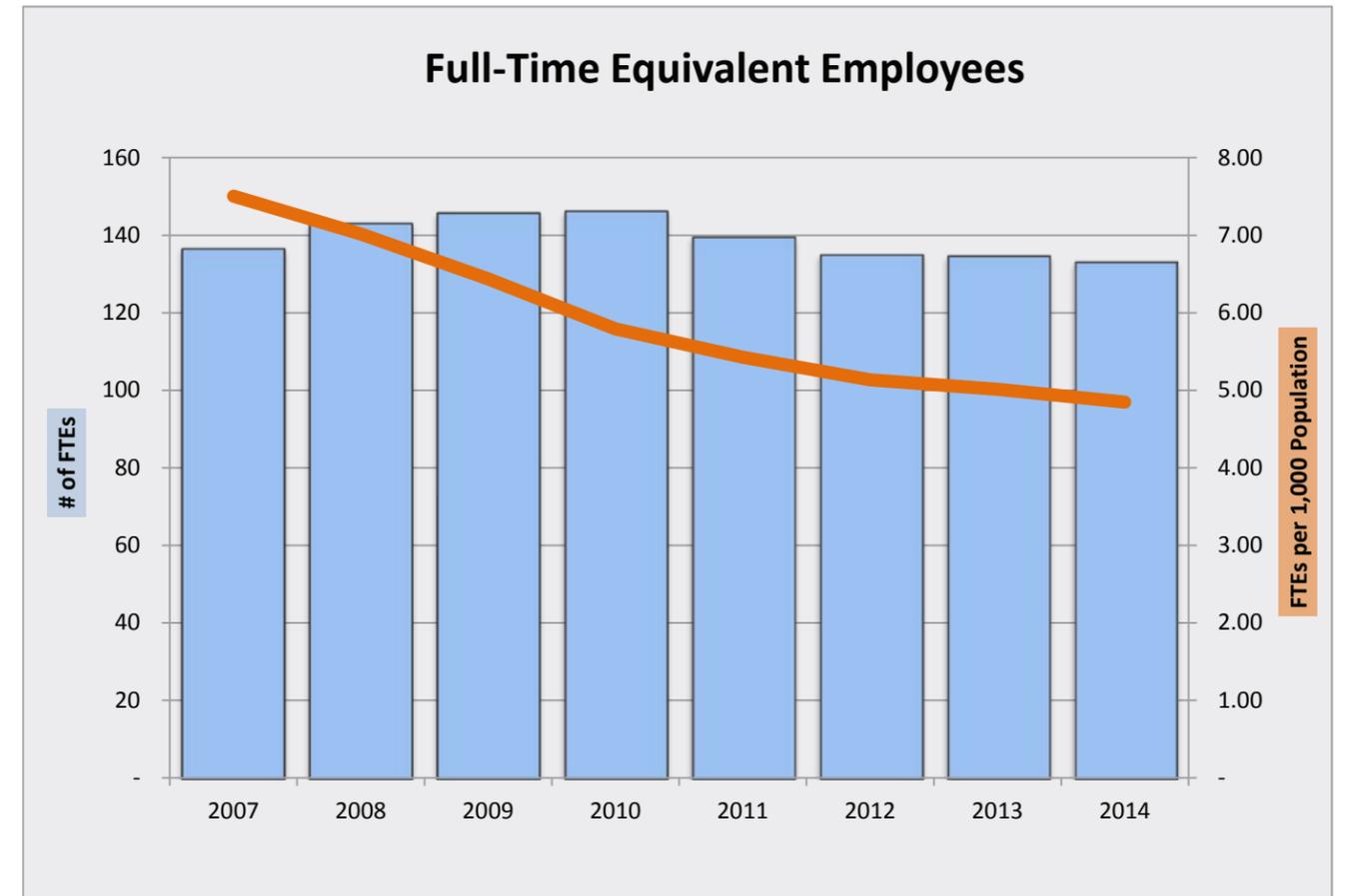
\* For head count, HURF and Wastewater employees were included in Public Works.

## TOWN OF SAHUARITA STAFFING

### Last 8 Years

FY	2007	2008	2009	2010	2011	2012	2013	2014
<b>FTEs</b>	136.6	143.1	145.8	146.3	139.6	135.0	134.7	133.1
<b>Change</b>	26.9	6.5	2.7	0.5	(6.7)	(4.6)	(0.3)	(1.9)

<b>Population</b>	18,199	20,393	22,650	25,259	25,722	26,297	26,875	27,466
<b>FTE / 1,000</b>	7.50	7.02	6.44	5.79	5.43	5.13	5.01	4.85



### FTE TOWN GOVERNMENT EMPLOYEES BY FUNCTION

Last 10 Years

Function/Department/Division	Full-time Equivalent Employees as of June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>General Government</b>										
Mayor & Council	-	-	-	-	-	-	-	-	-	-
Town Manager										
Administration	2.0	2.0	4.0	5.0	5.0	5.0	4.0	3.3	3.3	3.3
Human Resources	1.0	1.0	2.0	2.0	-	-	-	-	-	-
Economic Dev & Communicatio	-	2.0	2.0	3.0	2.0	3.0	3.0	3.0	3.0	2.0
Law	-	1.0	2.0	2.0	3.0	4.0	4.0	-	-	-
Civil	-	-	-	-	-	-	-	2.0	2.0	2.0
Prosecution	-	-	-	-	-	-	-	2.0	2.0	2.0
Town Clerk	3.0	4.0	3.0	3.0	3.0	3.0	3.5	3.4	3.4	3.6
Finance										
Finance	3.0	4.0	4.0	4.5	5.0	5.0	5.0	5.0	5.0	5.0
Technology	-	1.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Human Resources	-	-	-	-	2.0	2.0	2.0	2.0	2.0	2.0
Planning & Zoning	4.0	4.0	4.0	5.0	5.0	4.6	4.6	4.6	5.2	5.4
Public Works-Facilities	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Municipal Court	5.0	6.0	8.0	8.0	9.0	8.0	8.0	8.0	8.0	8.0
<b>General Government Total</b>	<b>18.0</b>	<b>25.0</b>	<b>31.0</b>	<b>36.5</b>	<b>38.0</b>	<b>38.6</b>	<b>38.1</b>	<b>37.3</b>	<b>37.9</b>	<b>37.3</b>
<b>Public Safety</b>										
Building Safety	12.3	18.8	20.0	15.0	12.0	10.8	7.0	7.0	6.0	6.0
Public Works-Engineering	-	-	-	5.0	3.9	3.9	3.8	3.2	3.5	3.5
Police Dept	27.0	34.0	42.0	46.0	51.0	55.2	52.4	50.9	51.0	50.0
<b>Public Safety Total</b>	<b>39.3</b>	<b>52.8</b>	<b>62.0</b>	<b>66.0</b>	<b>66.9</b>	<b>69.9</b>	<b>63.2</b>	<b>61.1</b>	<b>60.5</b>	<b>59.5</b>
<b>Culture &amp; Recreation</b>										
Parks & Recreation										
Administration	2.0	3.0	4.0	4.0	4.0	2.0	2.0	2.0	2.0	2.0
Community Outreach	-	-	-	-	1.0	-	-	-	-	-
Maintenance	4.0	5.6	7.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0
Recreation	6.2	7.3	8.6	8.6	7.8	8.1	8.1	8.1	8.1	8.1
<b>Culture &amp; Recreation Total</b>	<b>12.2</b>	<b>16.0</b>	<b>19.6</b>	<b>18.6</b>	<b>17.8</b>	<b>15.1</b>	<b>15.1</b>	<b>15.1</b>	<b>15.1</b>	<b>15.1</b>
<b>Highways &amp; Streets</b>										
Public Works	11.0	10.0	10.0	-	-	-	-	-	-	-
Streets	1.0	2.4	8.0	13.0	13.6	14.5	15.1	13.5	14.0	14.0
<b>Highways &amp; Streets Total</b>	<b>12.0</b>	<b>12.4</b>	<b>18.0</b>	<b>13.0</b>	<b>13.6</b>	<b>14.5</b>	<b>15.1</b>	<b>13.5</b>	<b>14.0</b>	<b>14.0</b>
<b>Sewer</b>										
Wastewater Utility	1.0	3.6	6.0	9.0	9.5	8.2	8.2	8.0	7.3	7.3
<b>Total</b>	<b>82.5</b>	<b>109.7</b>	<b>136.6</b>	<b>143.1</b>	<b>145.8</b>	<b>146.3</b>	<b>139.6</b>	<b>135.0</b>	<b>134.7</b>	<b>133.1</b>

### PAY GRADE/SALARY RANGE TABLE

Pay Grade	Minimum	Midpoint	Maximum	Pay Grade	Minimum	Midpoint	Maximum
1	\$12,376	\$14,560	\$16,744	51	\$42,538	\$50,044	\$57,551
2	\$12,685	\$14,924	\$17,163	52	\$43,601	\$51,295	\$58,990
3	\$13,003	\$15,297	\$17,592	53	\$44,691	\$52,578	\$60,464
4	\$13,328	\$15,680	\$18,031	54	\$45,808	\$53,892	\$61,976
5	\$13,661	\$16,072	\$18,482	55	\$46,954	\$55,240	\$63,525
6	\$14,002	\$16,473	\$18,944	56	\$48,127	\$56,621	\$65,114
7	\$14,352	\$16,885	\$19,418	57	\$49,331	\$58,036	\$66,741
8	\$14,711	\$17,307	\$19,903	58	\$50,564	\$59,487	\$68,410
9	\$15,079	\$17,740	\$20,401	59	\$51,828	\$60,974	\$70,120
10	\$15,456	\$18,183	\$20,911	60	\$53,124	\$62,498	\$71,873
11	\$15,842	\$18,638	\$21,434	61	\$54,452	\$64,061	\$73,670
12	\$16,238	\$19,104	\$21,970	62	\$55,813	\$65,662	\$75,512
13	\$16,644	\$19,582	\$22,519	63	\$57,208	\$67,304	\$77,400
14	\$17,060	\$20,071	\$23,082	64	\$58,639	\$68,987	\$79,335
15	\$17,487	\$20,573	\$23,659	65	\$60,105	\$70,711	\$81,318
16	\$17,924	\$21,087	\$24,250	66	\$61,607	\$72,479	\$83,351
17	\$18,372	\$21,614	\$24,857	67	\$63,147	\$74,291	\$85,435
18	\$18,832	\$22,155	\$25,478	68	\$64,726	\$76,148	\$87,571
19	\$19,302	\$22,709	\$26,115	69	\$66,344	\$78,052	\$89,760
20	\$19,785	\$23,276	\$26,768	70	\$68,003	\$80,003	\$92,004
21	\$20,280	\$23,858	\$27,437	71	\$69,703	\$82,003	\$94,304
22	\$20,787	\$24,455	\$28,123	72	\$71,445	\$84,054	\$96,662
23	\$21,306	\$25,066	\$28,826	73	\$73,232	\$86,155	\$99,078
24	\$21,839	\$25,693	\$29,547	74	\$75,062	\$88,309	\$101,555
25	\$22,385	\$26,335	\$30,285	75	\$76,939	\$90,516	\$104,094
26	\$22,944	\$26,993	\$31,042	76	\$78,862	\$92,779	\$106,696
27	\$23,518	\$27,668	\$31,819	77	\$80,834	\$95,099	\$109,364
28	\$24,106	\$28,360	\$32,614	78	\$82,855	\$97,476	\$112,098
29	\$24,709	\$29,069	\$33,429	79	\$84,926	\$99,913	\$114,900
30	\$25,326	\$29,796	\$34,265	80	\$87,049	\$102,411	\$117,773
31	\$25,959	\$30,541	\$35,122	81	\$89,226	\$104,971	\$120,717
32	\$26,608	\$31,304	\$36,000	82	\$91,456	\$107,596	\$123,735
33	\$27,274	\$32,087	\$36,900	83	\$93,743	\$110,285	\$126,828
34	\$27,956	\$32,889	\$37,822	84	\$96,086	\$113,043	\$129,999
35	\$28,654	\$33,711	\$38,768	85	\$98,488	\$115,869	\$133,249
36	\$29,371	\$34,554	\$39,737	86	\$100,951	\$118,765	\$136,580
37	\$30,105	\$35,418	\$40,730	87	\$103,474	\$121,735	\$139,995
38	\$30,858	\$36,303	\$41,749	88	\$106,061	\$124,778	\$143,495
39	\$31,629	\$37,211	\$42,792	89	\$108,713	\$127,897	\$147,082
40	\$32,420	\$38,141	\$43,862	90	\$111,431	\$131,095	\$150,759
41	\$33,230	\$39,095	\$44,959	91	\$114,216	\$134,372	\$154,528
42	\$34,061	\$40,072	\$46,083	92	\$117,072	\$137,731	\$158,391
43	\$34,913	\$41,074	\$47,235	93	\$119,999	\$141,175	\$162,351
44	\$35,785	\$42,101	\$48,416	94	\$122,998	\$144,704	\$166,410
45	\$36,680	\$43,153	\$49,626	95	\$126,073	\$148,322	\$170,570
46	\$37,597	\$44,232	\$50,867	96	\$129,225	\$152,030	\$174,834
47	\$38,537	\$45,338	\$52,138	97	\$132,456	\$155,830	\$179,205
48	\$39,500	\$46,471	\$53,442	98	\$135,767	\$159,726	\$183,685
49	\$40,488	\$47,633	\$54,778	99	\$139,162	\$163,719	\$188,277
50	\$41,500	\$48,824	\$56,147	100	\$142,641	\$167,812	\$192,984

# DEPARTMENT HISTORY OF EXPENDITURES BY DEPT AND SOURCE

FY 2014 Budget

DEPT	Categories	2012 Actual Amount	2013		2014 Budget Adopted
			Budget Adopted	Budget Amended	
MAYOR & COUNCIL	General Fund	171,996	146,990	146,990	137,640
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>171,996</b>	<b>146,990</b>	<b>146,990</b>	<b>137,640</b>
TOWN MANAGER	General Fund	648,000	620,530	645,530	668,870
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>648,000</b>	<b>620,530</b>	<b>645,530</b>	<b>668,870</b>
LAW	General Fund	458,487	451,820	451,820	459,430
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>458,487</b>	<b>451,820</b>	<b>451,820</b>	<b>459,430</b>
TOWN CLERK	General Fund	240,265	335,440	335,440	336,740
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>240,265</b>	<b>335,440</b>	<b>335,440</b>	<b>336,740</b>
FINANCE	General Fund	899,542	962,400	962,400	957,100
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	102,000	152,000	154,420
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>899,542</b>	<b>1,064,400</b>	<b>1,114,400</b>	<b>1,111,520</b>
HUMAN RESOURCES	General Fund	182,250	195,450	195,450	187,270
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>182,250</b>	<b>195,450</b>	<b>195,450</b>	<b>187,270</b>
PLANNING & BUILDING	General Fund	964,985	984,520	1,090,220	1,050,800
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>964,985</b>	<b>984,520</b>	<b>1,090,220</b>	<b>1,050,800</b>

DEPT	Categories	2012 Actual Amount	2013		2014 Budget Adopted
			Budget Adopted	Budget Amended	
PARKS & RECREATION	General Fund	1,280,245	1,341,070	1,350,570	1,333,580
	GARS	-	-	-	-
	QC CFD	24,374	32,000	32,000	30,890
	CIIF	-	257,500	257,500	7,500
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>1,304,620</b>	<b>1,630,570</b>	<b>1,640,070</b>	<b>1,371,970</b>
PUBLIC WORKS	General Fund	801,845	806,430	806,430	802,470
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	40,000	40,000	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>801,845</b>	<b>846,430</b>	<b>846,430</b>	<b>802,470</b>
POLICE	General Fund	5,398,208	5,683,260	5,683,260	5,683,630
	GARS	71,739	152,480	178,980	171,310
	QC CFD	-	-	-	-
	CIIF	-	273,000	273,000	274,230
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>5,469,947</b>	<b>6,108,740</b>	<b>6,135,240</b>	<b>6,129,170</b>
MUNICIPAL COURT	General Fund	494,128	538,980	538,980	521,060
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>494,128</b>	<b>538,980</b>	<b>538,980</b>	<b>521,060</b>
STREETS	General Fund	-	-	-	-
	GARS	-	-	-	-
	QC CFD	14,774	17,730	17,730	18,590
	CIIF	-	-	-	-
	Other (HURF)	1,343,094	1,728,080	1,728,080	1,651,320
	<b>Department Total</b>	<b>1,357,868</b>	<b>1,745,810</b>	<b>1,745,810</b>	<b>1,669,910</b>
WASTEWATER UTILITY	General Fund	-	-	-	-
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (Wastewater)	1,184,495	1,263,810	1,263,810	1,263,810
	<b>Department Total</b>	<b>1,184,495</b>	<b>1,263,810</b>	<b>1,263,810</b>	<b>1,263,810</b>
NON-DEPARTMENT	General Fund	195,076	143,620	143,620	113,040
	GARS	-	-	-	-
	QC CFD	-	-	-	-
	CIIF	-	-	-	-
	Other (___)	-	-	-	-
	<b>Department Total</b>	<b>195,076</b>	<b>143,620</b>	<b>143,620</b>	<b>113,040</b>

# DEPARTMENT HISTORY OF EXPENDITURES BY DEPT AND CATEGORY

FY 2014 Budget

DEPT	Categories	2012 Actual Amount	2013		2014 Budget Adopted	
			Budget Adopted	Estimated Amount		
MAYOR & COUNCIL	Personnel Expenditures	\$ 101,266	\$ 64,660	\$ 64,660	\$ 64,660	\$ 66,150
	Contractual Services	\$ -	\$ -	\$ -	\$ 7,500	\$ -
	Operating Supplies	\$ 1,684	\$ 6,550	\$ 6,550	\$ 1,580	\$ 5,740
	Other Expenditures	\$ 69,045	\$ 75,780	\$ 75,780	\$ 63,900	\$ 55,500
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Department Total</b>	<b>\$ 171,996</b>	<b>\$ 146,990</b>	<b>\$ 146,990</b>	<b>\$ 137,640</b>	<b>\$ 127,390</b>
TOWN MANAGER	Personnel Expenditures	\$ 544,792	\$ 587,390	\$ 587,390	\$ 577,530	\$ 527,550
	Contractual Services	\$ 91,004	\$ 11,310	\$ 36,310	\$ 74,180	\$ 81,970
	Operating Supplies	\$ 3,969	\$ 7,500	\$ 7,500	\$ 3,940	\$ 8,630
	Other Expenditures	\$ 8,235	\$ 14,330	\$ 14,330	\$ 13,220	\$ 18,810
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Department Total</b>	<b>\$ 648,000</b>	<b>\$ 620,530</b>	<b>\$ 645,530</b>	<b>\$ 668,870</b>	<b>\$ 636,960</b>
LAW	Personnel Expenditures	\$ 385,835	\$ 408,920	\$ 408,920	\$ 408,920	\$ 418,120
	Contractual Services	\$ 56,378	\$ 20,900	\$ 20,900	\$ 27,300	\$ 31,550
	Operating Supplies	\$ 8,907	\$ 12,250	\$ 12,250	\$ 10,930	\$ 12,350
	Other Expenditures	\$ 7,367	\$ 9,750	\$ 9,750	\$ 12,280	\$ 15,580
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Department Total</b>	<b>\$ 458,487</b>	<b>\$ 451,820</b>	<b>\$ 451,820</b>	<b>\$ 459,430</b>	<b>\$ 477,600</b>
TOWN CLERK	Personnel Expenditures	\$ 209,147	\$ 213,190	\$ 213,190	\$ 213,190	\$ 234,820
	Contractual Services	\$ 18,733	\$ 105,200	\$ 105,200	\$ 104,900	\$ 32,000
	Operating Supplies	\$ 2,455	\$ 3,100	\$ 3,100	\$ 3,100	\$ 9,500
	Other Expenditures	\$ 9,928	\$ 13,950	\$ 13,950	\$ 15,550	\$ 15,950
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Department Total</b>	<b>\$ 240,265</b>	<b>\$ 335,440</b>	<b>\$ 335,440</b>	<b>\$ 336,740</b>	<b>\$ 292,270</b>
FINANCE	Personnel Expenditures	\$ 588,838	\$ 616,280	\$ 601,630	\$ 619,080	\$ 649,860
	Contractual Services	\$ 89,892	\$ 110,060	\$ 106,310	\$ 103,070	\$ 169,350
	Operating Supplies	\$ 22,931	\$ 25,000	\$ 40,800	\$ 23,450	\$ 25,800
	Other Expenditures	\$ 185,910	\$ 211,060	\$ 213,660	\$ 211,500	\$ 235,610
	Operating Capital Expenditures	\$ 11,970	\$ 102,000	\$ 152,000	\$ 154,420	\$ 102,000
	<b>Department Total</b>	<b>\$ 899,541</b>	<b>\$ 1,064,400</b>	<b>\$ 1,114,400</b>	<b>\$ 1,111,520</b>	<b>\$ 1,182,620</b>
HUMAN RESOURCES	Personnel Expenditures	\$ 160,881	\$ 166,610	\$ 166,610	\$ 166,610	\$ 176,010
	Contractual Services	\$ 13,035	\$ 19,280	\$ 19,280	\$ 14,350	\$ 19,130
	Operating Supplies	\$ 6,700	\$ 6,890	\$ 6,890	\$ 4,400	\$ 7,440
	Other Expenditures	\$ 1,634	\$ 2,670	\$ 2,670	\$ 1,910	\$ 2,270
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Department Total</b>	<b>\$ 182,250</b>	<b>\$ 195,450</b>	<b>\$ 195,450</b>	<b>\$ 187,270</b>	<b>\$ 204,850</b>
PLANNING & BUILDING	Personnel Expenditures	\$ 911,767	\$ 922,150	\$ 917,150	\$ 923,780	\$ 962,180
	Contractual Services	\$ 24,101	\$ 33,130	\$ 138,130	\$ 98,620	\$ 163,030
	Operating Supplies	\$ 14,556	\$ 15,910	\$ 21,610	\$ 15,660	\$ 12,760
	Other Expenditures	\$ 14,561	\$ 13,330	\$ 13,330	\$ 12,740	\$ 13,990
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ 330	\$ -
	<b>Department Total</b>	<b>\$ 964,985</b>	<b>\$ 984,520</b>	<b>\$ 1,090,220</b>	<b>\$ 1,051,130</b>	<b>\$ 1,151,960</b>

DEPT	Categories	2012 Actual Amount	2013		2014 Budget Adopted	
			Budget Adopted	Estimated Amount		
PARKS & RECREATION	Personnel Expenditures	\$ 745,108	\$ 788,990	\$ 788,990	\$ 789,240	\$ 803,250
	Contractual Services	\$ 376,592	\$ 409,300	\$ 418,800	\$ 411,930	\$ 487,100
	Operating Supplies	\$ 103,473	\$ 107,300	\$ 107,300	\$ 101,490	\$ 108,230
	Other Expenditures	\$ 49,143	\$ 67,480	\$ 67,480	\$ 61,810	\$ 77,770
	Operating Capital Expenditures	\$ 30,304	\$ 257,500	\$ 257,500	\$ 7,500	\$ 290,000
	<b>Department Total</b>	<b>\$ 1,304,620</b>	<b>\$ 1,630,570</b>	<b>\$ 1,640,070</b>	<b>\$ 1,371,970</b>	<b>\$ 1,766,350</b>
PUBLIC WORKS	Personnel Expenditures	\$ 338,037	\$ 338,390	\$ 338,390	\$ 338,390	\$ 351,160
	Contractual Services	\$ 387,269	\$ 431,530	\$ 431,530	\$ 414,700	\$ 411,680
	Operating Supplies	\$ 24,684	\$ 27,010	\$ 27,010	\$ 40,740	\$ 40,840
	Other Expenditures	\$ 13,383	\$ 9,500	\$ 9,500	\$ 8,640	\$ 11,440
	Operating Capital Expenditures	\$ 38,473	\$ 40,000	\$ 40,000	\$ -	\$ 150,000
	<b>Department Total</b>	<b>\$ 801,846</b>	<b>\$ 846,430</b>	<b>\$ 846,430</b>	<b>\$ 802,470</b>	<b>\$ 965,120</b>
POLICE	Personnel Expenditures	\$ 4,237,664	\$ 4,626,810	\$ 4,626,810	\$ 4,626,810	\$ 4,633,930
	Contractual Services	\$ 520,265	\$ 595,980	\$ 586,580	\$ 596,480	\$ 639,790
	Operating Supplies	\$ 330,436	\$ 427,050	\$ 436,450	\$ 426,180	\$ 495,700
	Other Expenditures	\$ 83,355	\$ 80,900	\$ 80,900	\$ 83,220	\$ 93,150
	Operating Capital Expenditures	\$ 298,227	\$ 378,000	\$ 404,500	\$ 396,480	\$ 796,100
	<b>Department Total</b>	<b>\$ 5,469,947</b>	<b>\$ 6,108,740</b>	<b>\$ 6,135,240</b>	<b>\$ 6,129,170</b>	<b>\$ 6,658,670</b>
MUNICIPAL COURT	Personnel Expenditures	\$ 451,690	\$ 465,500	\$ 465,500	\$ 463,750	\$ 480,310
	Contractual Services	\$ 7,551	\$ 12,670	\$ 12,670	\$ 10,760	\$ 16,470
	Operating Supplies	\$ 18,540	\$ 19,600	\$ 19,600	\$ 18,670	\$ 22,600
	Other Expenditures	\$ 16,347	\$ 22,240	\$ 22,240	\$ 20,780	\$ 23,300
	Operating Capital Expenditures	\$ -	\$ 18,970	\$ 18,970	\$ 7,100	\$ 5,500
	<b>Department Total</b>	<b>\$ 494,128</b>	<b>\$ 538,980</b>	<b>\$ 538,980</b>	<b>\$ 521,060</b>	<b>\$ 548,180</b>
STREETS	Personnel Expenditures	\$ 490,225	\$ 549,580	\$ 549,580	\$ 549,580	\$ 609,620
	Contractual Services	\$ 581,036	\$ 769,650	\$ 768,632	\$ 749,000	\$ 758,060
	Operating Supplies	\$ 123,959	\$ 131,500	\$ 136,718	\$ 158,590	\$ 176,300
	Other Expenditures	\$ 154,350	\$ 147,000	\$ 147,000	\$ 150,880	\$ 173,220
	Operating Capital Expenditures	\$ 8,299	\$ 148,080	\$ 143,880	\$ 61,860	\$ 156,430
	<b>Department Total</b>	<b>\$ 1,357,869</b>	<b>\$ 1,745,810</b>	<b>\$ 1,745,810</b>	<b>\$ 1,669,910</b>	<b>\$ 1,873,630</b>
WASTEWATER UTILITY	Personnel Expenditures	\$ 581,432	\$ 505,350	\$ 505,350	\$ 510,350	\$ 517,490
	Contractual Services	\$ 440,226	\$ 446,710	\$ 446,710	\$ 465,320	\$ 486,370
	Operating Supplies	\$ 98,824	\$ 111,710	\$ 111,710	\$ 90,770	\$ 95,040
	Other Expenditures	\$ 206,013	\$ 200,040	\$ 200,040	\$ 197,370	\$ 215,900
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Department Total</b>	<b>\$ 1,326,495</b>	<b>\$ 1,263,810</b>	<b>\$ 1,263,810</b>	<b>\$ 1,263,810</b>	<b>\$ 1,314,800</b>
NON-DEPARTMENT	Personnel Expenditures	\$ -	\$ -	\$ -	\$ 130	\$ -
	Contractual Services	\$ 73,128	\$ 59,120	\$ 59,120	\$ 21,150	\$ 25,150
	Operating Supplies	\$ 54,270	\$ 10,000	\$ 10,000	\$ 16,900	\$ 3,200
	Other Expenditures	\$ 67,678	\$ 74,500	\$ 74,500	\$ 74,530	\$ 74,500
	Operating Capital Expenditures	\$ -	\$ -	\$ -	\$ 330	\$ -
	<b>Department Total</b>	<b>\$ 195,076</b>	<b>\$ 143,620</b>	<b>\$ 143,620</b>	<b>\$ 113,040</b>	<b>\$ 102,850</b>



fy2014  
budget

# general planning



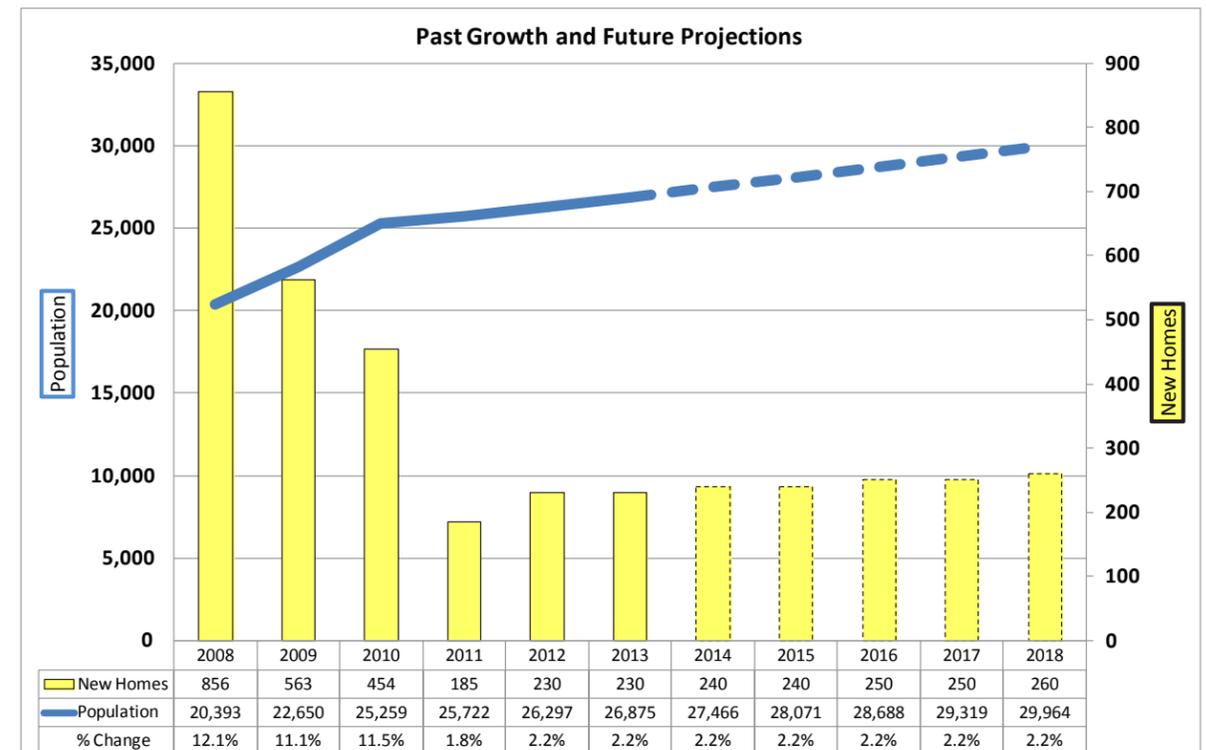
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# 5 year plan

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 2014
- ❖ The economic recovery will occur slowly
- ❖ Inflationary factors were included in projections
- ❖ Population growth is projected to be 2.2% annually
- ❖ 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 the reinstatement of 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





## 5 Year Plan

The approach used in developing the five year financial plan is consistent with the methods used to develop the 2014 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 increase unassigned ending balances in the General Fund.

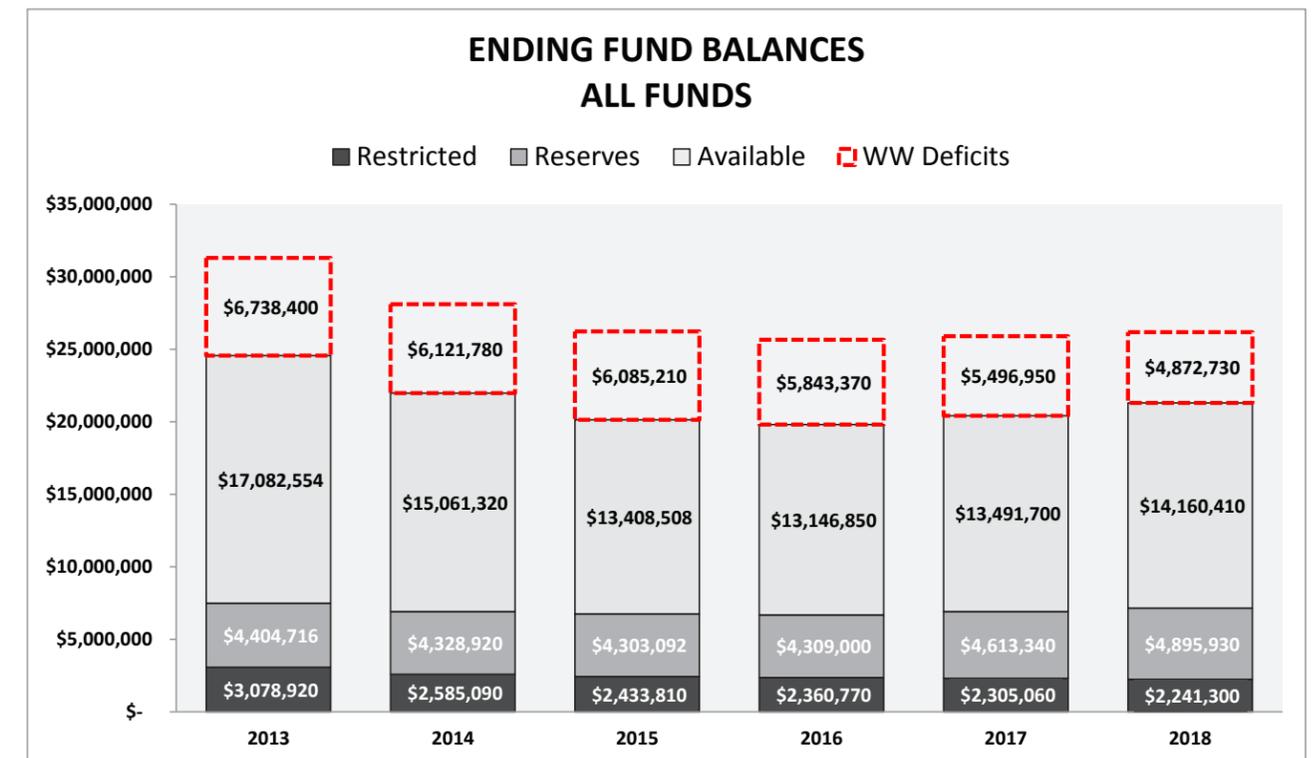
Numerous resources are used to develop the forecasts:

- 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 financing 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 operating and capital 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 Wastewater Fund deficits. This area is boxed in red dashes.

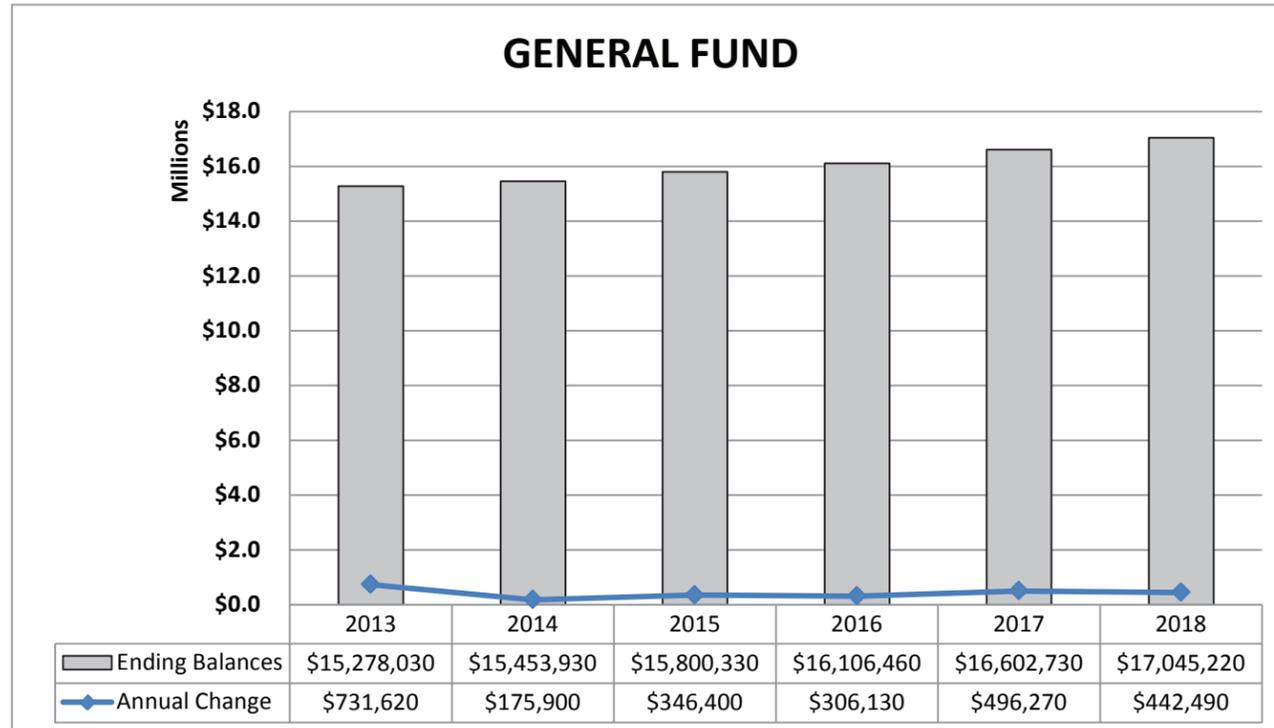


## 5 Year Plan General Fund Summary

- Revenues will grow 25% between 2014 and 2018.
- Expenditures will increase 28% between 2014 and 2018.
- Personnel costs comprise approximately 75% of total expenditures in the fund.
- Revenues and sources will be greater than expenditures and uses in each year, resulting in increases to fund balances which average \$353 thousand annually.
- Transfers out to the Quail Creek CFD Fund will be needed to subsidize the costs associated with operating and maintaining the district park, averaging \$21 thousand annually.
- Ending fund balances will increase 10.0% between 2014 and 2018.
- Nonspendable fund balances associated with the Wastewater Enterprise Fund's deficits will decline by \$1.2 million over the five year timeframe.
- The Fund will set aside operating reserves, averaging \$817 thousand annually, for the operation of other funds that are unable to do so.
- Unassigned ending balances will average \$9.9 million annually.

## 5 Year Plan General Fund Sources and Uses of Funds

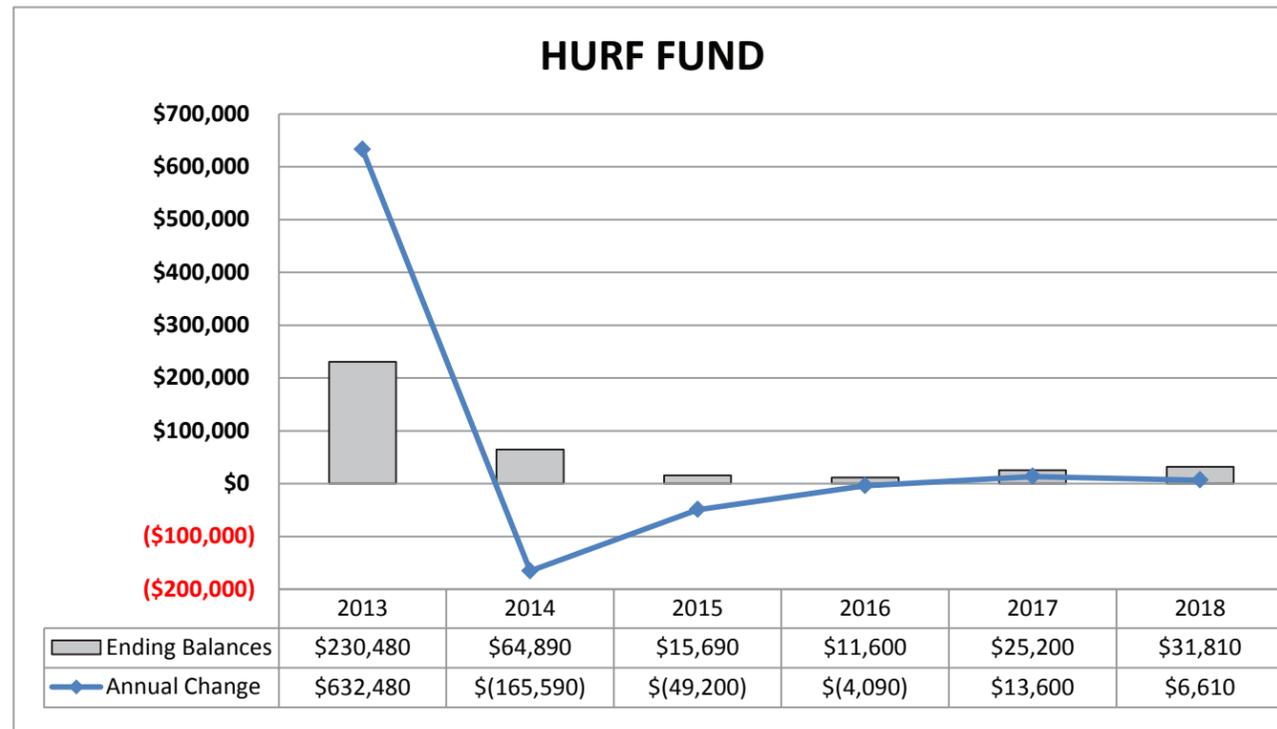
	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
<b>SOURCES</b>						
<b>REVENUES:</b>						
Taxes						
Sales Taxes	\$ 4,227,410	\$ 4,510,270	\$ 4,697,000	\$ 5,019,070	\$ 5,356,580	\$ 5,696,970
Franchise Taxes	320,140	327,380	334,780	342,340	350,070	357,960
Licenses and Permits						
Building permits	843,450	879,590	884,590	988,730	1,048,730	1,048,730
Public Works permits	140,260	87,000	50,000	50,000	50,000	50,000
Business licenses	500	500	500	500	500	500
Intergovernmental						
State shared sales taxes	2,054,660	2,153,280	2,288,940	2,440,010	2,705,610	2,840,890
State shared income taxes	2,579,920	2,818,010	2,964,200	3,135,600	3,497,700	3,701,280
State shared vehicle license taxes	921,380	934,720	984,910	1,049,760	1,172,020	1,244,380
Other	444,900	-	-	-	-	-
Charges for Services						
Indirect cost recovery	808,050	802,850	608,120	560,920	579,330	612,430
Development fees	39,190	33,590	35,000	35,000	35,000	35,000
Recreation fees	120,000	128,000	126,000	129,000	132,000	134,900
Other	21,300	6,300	7,000	7,000	7,000	7,000
Fines and fees	240,920	244,770	251,430	255,630	261,950	267,380
Investment	150,000	222,920	268,970	312,670	399,130	490,790
Miscellaneous	70,980	27,000	27,000	27,000	27,000	27,000
<b>Subtotal: Revenues</b>	<b>12,983,060</b>	<b>13,176,180</b>	<b>13,528,440</b>	<b>14,353,230</b>	<b>15,622,620</b>	<b>16,515,210</b>
<b>OTHER SOURCES:</b>						
Transfers In	27,940	-	-	-	-	-
Transfers Out	(27,750)	(803,700)	(263,920)	(370,160)	(420,010)	(473,480)
<b>Subtotal: Other Sources</b>	<b>190</b>	<b>(803,700)</b>	<b>(263,920)</b>	<b>(370,160)</b>	<b>(420,010)</b>	<b>(473,480)</b>
<b>FUND BALANCES:</b>						
Nonspendable	2,225,140	2,938,060	2,321,440	2,284,870	2,043,030	1,696,610
Restricted	166,660	120,000	-	-	-	-
Unassigned	12,154,610	12,219,970	13,132,490	13,515,460	14,063,430	14,906,120
<b>Subtotal: Beginning Fund Balances</b>	<b>14,546,410</b>	<b>15,278,030</b>	<b>15,453,930</b>	<b>15,800,330</b>	<b>16,106,460</b>	<b>16,602,730</b>
<b>TOTAL SOURCES</b>	<b>\$ 27,529,660</b>	<b>\$ 27,650,510</b>	<b>\$ 28,718,450</b>	<b>\$ 29,783,400</b>	<b>\$ 31,309,070</b>	<b>\$ 32,644,460</b>
<b>USES</b>						
<b>EXPENDITURES:</b>						
Departmental Expenditures-Non Capital	\$ 12,177,660	\$ 12,196,580	\$ 12,918,120	\$ 13,676,940	\$ 14,706,340	\$ 15,599,240
Departmental Expenditures-Capital Outlay	73,970	-	-	-	-	-
<b>Subtotal: Expenditures</b>	<b>12,251,630</b>	<b>12,196,580</b>	<b>12,918,120</b>	<b>13,676,940</b>	<b>14,706,340</b>	<b>15,599,240</b>
<b>Ending Fund Balances:</b>						
Nonspendable	2,938,060	2,321,440	2,284,870	2,043,030	1,696,610	1,072,390
Restricted	120,000	-	-	-	-	-
Committed for Reserves	3,772,040	3,791,550	4,015,590	4,243,020	4,536,040	4,773,530
Assigned for Contingencies	-	100,000	100,000	100,000	100,000	100,000
Unassigned	8,447,930	9,240,940	9,399,870	9,720,410	10,270,080	11,099,300
<b>Subtotal: Ending Fund Balances</b>	<b>15,278,030</b>	<b>15,453,930</b>	<b>15,800,330</b>	<b>16,106,460</b>	<b>16,602,730</b>	<b>17,045,220</b>
<b>TOTAL USES</b>	<b>\$ 27,529,660</b>	<b>\$ 27,650,510</b>	<b>\$ 28,718,450</b>	<b>\$ 29,783,400</b>	<b>\$ 31,309,070</b>	<b>\$ 32,644,460</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ 731,620</b>	<b>\$ 175,900</b>	<b>\$ 346,400</b>	<b>\$ 306,130</b>	<b>\$ 496,270</b>	<b>\$ 442,490</b>





## 5 Year Plan Highway User Revenue Fund Summary

- Remaining Local Transportation Assistance Funds (LTAF), accumulated in prior years, will be spent in 2014. These funds will not be available in the future.
- Transfers out to the CIIF represent capital grants from the State for specific street projects.
- Personnel costs comprise approximately 33% of total expenditures in the fund.
- Costs projected to maintain existing service levels in 2016 were reduced by approximately \$68 thousand in order to keep fund balances from going deficit.
- 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 \$30 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 \$442 thousand annually and be reserved by the General Fund.



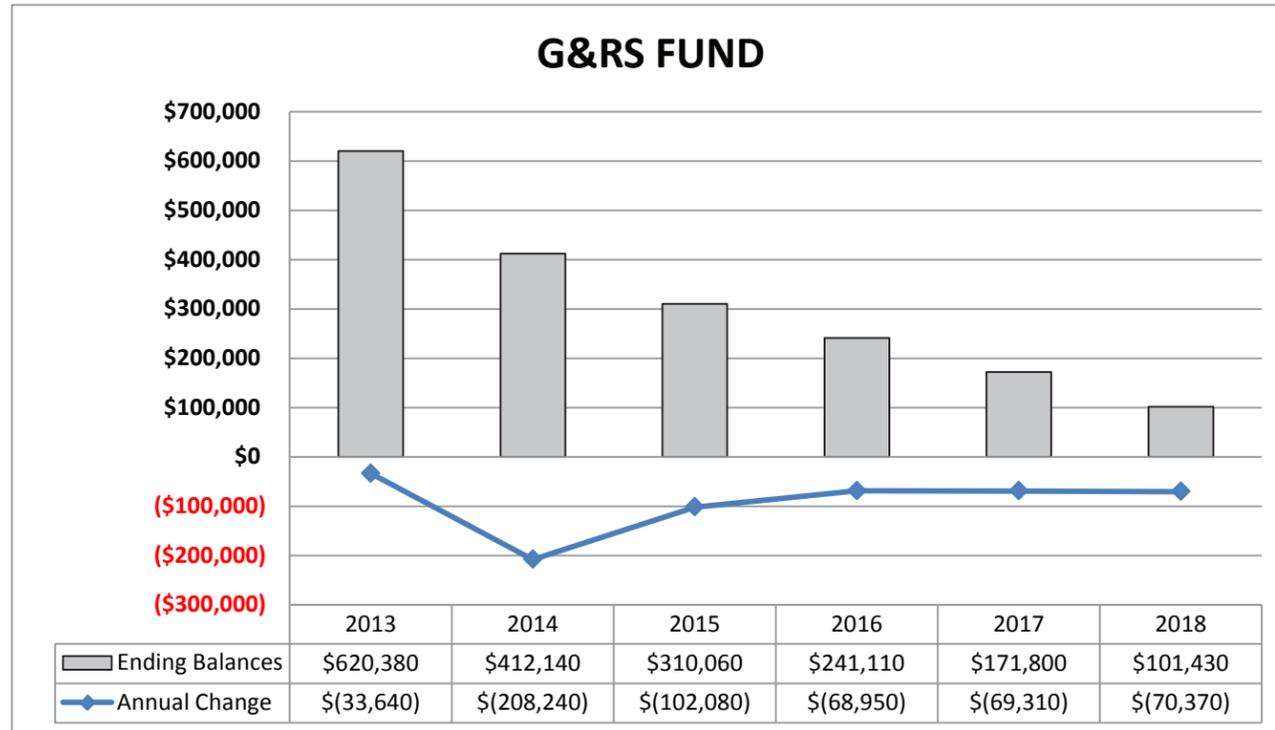
## 5 Year Plan HIGHWAY USER REVENUE FUND (HURF) SPECIAL REVENUE FUND SOURCES AND USES OF FUNDS

	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
<b>SOURCES</b>						
<b>REVENUES:</b>						
Intergovernmental						
HURF	\$ 1,601,360	\$ 1,664,530	\$ 1,717,020	\$ 1,780,300	\$ 1,946,910	\$ 2,020,480
Capital grants						
HURF	4,585,520	11,061,430	1,500,000	1,600,000	-	-
Youth Art	25,000	25,000	25,000	25,000	25,000	25,000
Investment (Loss)	1,000	800	480	20	150	470
Miscellaneous	48,490	-	-	-	-	-
<b>Subtotal: Revenues</b>	<b>6,261,370</b>	<b>12,751,760</b>	<b>3,242,500</b>	<b>3,405,320</b>	<b>1,972,060</b>	<b>2,045,950</b>
<b>OTHER SOURCES:</b>						
Transfers Out	(3,977,570)	(11,061,430)	(1,500,000)	(1,600,000)	-	-
<b>Subtotal: Other Sources</b>	<b>(3,977,570)</b>	<b>(11,061,430)</b>	<b>(1,500,000)</b>	<b>(1,600,000)</b>	<b>-</b>	<b>-</b>
<b>BEGINNING FUND BALANCES:</b>						
Restricted for LTAF	110,630	101,130	-	-	-	-
Restricted for HURF	(512,630)	129,350	64,890	15,690	11,600	25,200
<b>Subtotal: Beginning Fund Balances</b>	<b>(402,000)</b>	<b>230,480</b>	<b>64,890</b>	<b>15,690</b>	<b>11,600</b>	<b>25,200</b>
<b>TOTAL SOURCES</b>	<b>\$ 1,881,800</b>	<b>\$ 1,920,810</b>	<b>\$ 1,807,390</b>	<b>\$ 1,821,010</b>	<b>\$ 1,983,660</b>	<b>\$ 2,071,150</b>
<b>USES</b>						
<b>EXPENDITURES:</b>						
LTAF	\$ 10,500	\$ 101,930	\$ -	\$ -	\$ -	\$ -
Streets Department	1,640,820	1,753,990	1,791,700	1,809,410	1,958,460	2,039,340
<b>Subtotal: Current Expenditures</b>	<b>1,651,320</b>	<b>1,855,920</b>	<b>1,791,700</b>	<b>1,809,410</b>	<b>1,958,460</b>	<b>2,039,340</b>
<b>ENDING FUND BALANCES:</b>						
Restricted for LTAF	101,130	-	-	-	-	-
Restricted for HURF	129,350	64,890	15,690	11,600	25,200	31,810
<b>Subtotal: Ending Fund Balances</b>	<b>230,480</b>	<b>64,890</b>	<b>15,690</b>	<b>11,600</b>	<b>25,200</b>	<b>31,810</b>
<b>TOTAL USES</b>	<b>\$ 1,881,800</b>	<b>\$ 1,920,810</b>	<b>\$ 1,807,390</b>	<b>\$ 1,821,010</b>	<b>\$ 1,983,660</b>	<b>\$ 2,071,150</b>
<b>Change in Fund Balance</b>	<b>\$ 632,480</b>	<b>\$ (165,590)</b>	<b>\$ (49,200)</b>	<b>\$ (4,090)</b>	<b>\$ 13,600</b>	<b>\$ 6,610</b>



## 5 Year Plan Grants and Restricted Sources Fund Summary

- \$120 thousand of restricted sources previously recorded in the General Fund will be transferred to this fund, which previously accounted for RICO sources only.
- With the exception of 2014, revenues and expenditures are expected to be relatively flat over the five year horizon.
- Ending balances will be positive each year, averaging \$247 thousand annually.
- Ending balances are restricted for purposes related to the Police Department and Municipal Court.



## 5 Year Plan

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

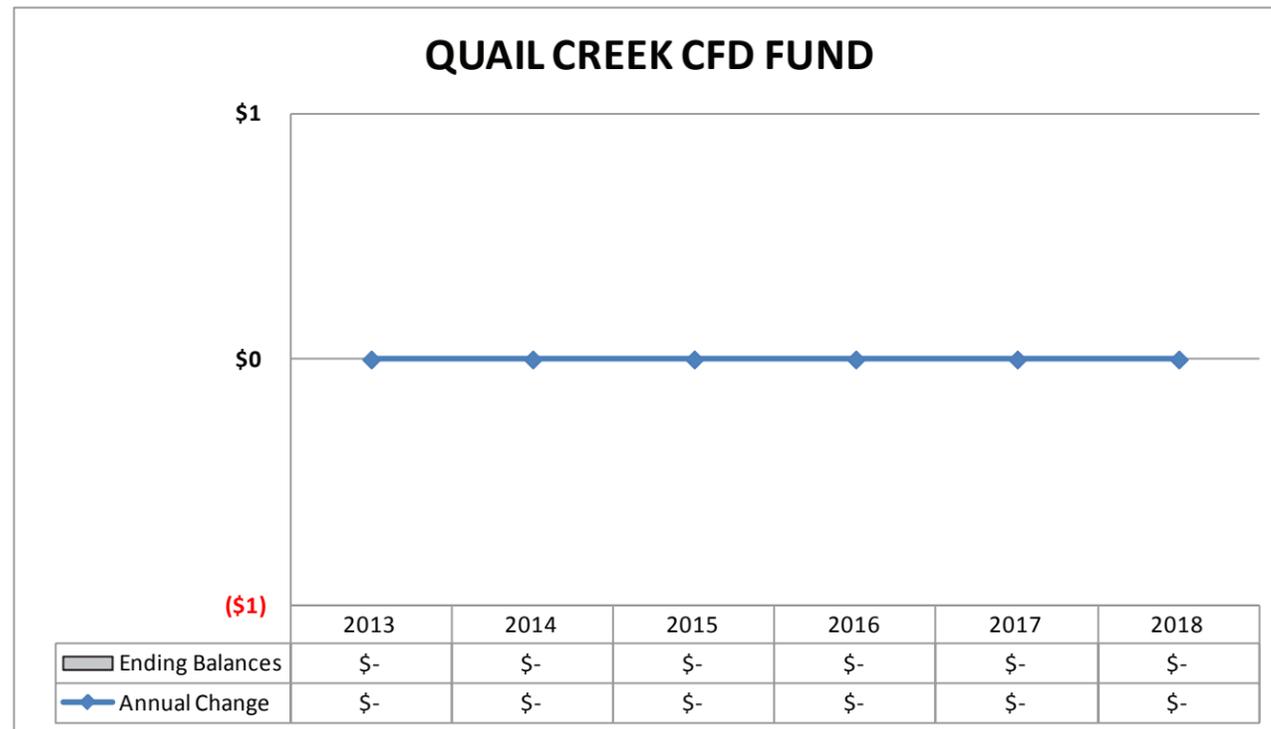
	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
<b>SOURCES</b>						
<b>REVENUES:</b>						
Intergovernmental	\$ 17,500	\$ 354,970	\$ 352,000	\$ 352,000	\$ 352,000	\$ 352,000
Charges for Services	-	15,000	15,000	15,000	15,000	15,000
Fines & Forfeitures	109,950	116,520	105,000	105,000	105,000	105,000
Investment	5,000	9,080	6,260	5,460	5,100	4,040
Miscellaneous	5,220	18,000	20,000	20,000	20,000	20,000
<b>Subtotal: Revenues</b>	<b>137,670</b>	<b>513,570</b>	<b>498,260</b>	<b>497,460</b>	<b>497,100</b>	<b>496,040</b>
<b>OTHER SOURCES:</b>						
Transfers in	-	120,000	-	-	-	-
<b>Subtotal: Other Sources</b>	<b>-</b>	<b>120,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BEGINNING FUND BALANCES:</b>						
Restricted for Police	654,020	620,380	361,170	286,020	210,070	133,760
Restricted for Municipal Court	-	-	50,970	24,040	31,040	38,040
<b>Subtotal: Beginning Fund Balances</b>	<b>654,020</b>	<b>620,380</b>	<b>412,140</b>	<b>310,060</b>	<b>241,110</b>	<b>171,800</b>
<b>TOTAL SOURCES</b>	<b>\$ 791,690</b>	<b>\$ 1,253,950</b>	<b>\$ 910,400</b>	<b>\$ 807,520</b>	<b>\$ 738,210</b>	<b>\$ 667,840</b>
<b>USES</b>						
<b>EXPENDITURES:</b>						
Parks & Recreation	\$ -	\$ 8,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Police	171,310	828,310	556,410	556,410	556,410	556,410
Municipal Court	-	5,500	33,930	-	-	-
<b>Subtotal: Expenditures</b>	<b>171,310</b>	<b>841,810</b>	<b>600,340</b>	<b>566,410</b>	<b>566,410</b>	<b>566,410</b>
<b>ENDING FUND BALANCES:</b>						
Restricted for Police	620,380	361,170	286,020	210,070	133,760	56,390
Restricted for Municipal Court	-	50,970	24,040	31,040	38,040	45,040
<b>Subtotal: Ending Fund Balances</b>	<b>620,380</b>	<b>412,140</b>	<b>310,060</b>	<b>241,110</b>	<b>171,800</b>	<b>101,430</b>
<b>TOTAL USES</b>	<b>\$791,690</b>	<b>\$1,253,950</b>	<b>\$910,400</b>	<b>\$807,520</b>	<b>\$738,210</b>	<b>\$667,840</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ (33,640)</b>	<b>\$ (208,240)</b>	<b>\$ (102,080)</b>	<b>\$ (68,950)</b>	<b>\$ (69,310)</b>	<b>\$ (70,370)</b>



## 5 Year Plan

### Quail Creek Community Facilities District Fund Summary

- The majority of the fund's activity is associated with revenues and expenditures related to its debt obligations.
- 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 within the District and changes in property valuations.
- Miscellaneous income represents developer contributions towards debt service requirements and will average \$677 thousand annually.
- Transfers in from the General fund will be needed to subsidize the costs associated with operating and maintaining the district park, averaging \$21 thousand annually.
- Investment losses will occur as the fund will operate at a deficit until receiving the subsidy.
- Ending balances will not be sufficient to cover the operating reserves required by policy. The deficiency will average \$13 thousand annually and be reserved by the General Fund.
- Ending balances are \$0 each year.



## 5 Year Plan

### QUAIL CREEK COMMUNITY FACILITIES DISTRICT (QC CFD) SPECIAL REVENUE FUND SOURCES AND USES OF FUNDS

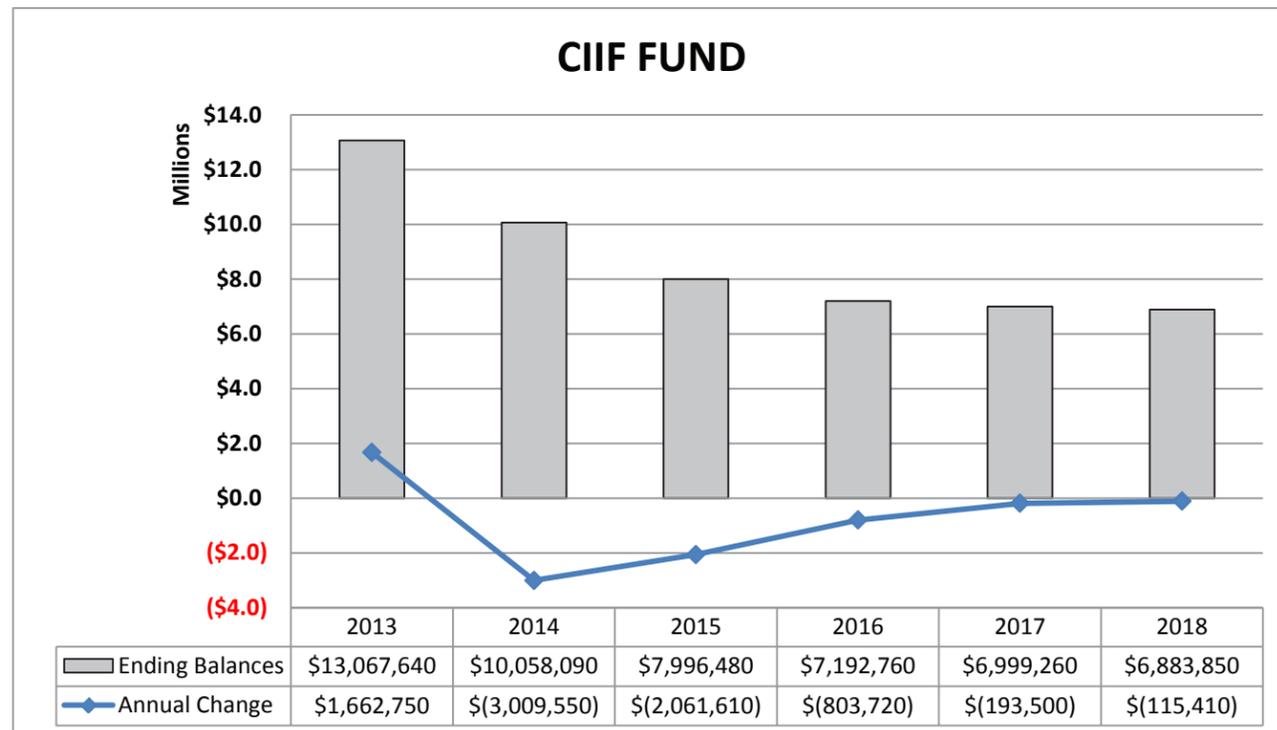
	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
<b>SOURCES</b>						
<b>REVENUES:</b>						
Taxes	\$ 282,060	\$ 292,420	\$ 318,500	\$ 355,120	\$ 397,370	\$ 451,760
Investment income (loss)	(70)	(270)	(80)	(220)	(250)	(270)
Miscellaneous	748,900	739,680	715,180	685,080	646,770	597,450
<b>Subtotal: Revenues</b>	<b>1,030,890</b>	<b>1,031,830</b>	<b>1,033,600</b>	<b>1,039,980</b>	<b>1,043,890</b>	<b>1,048,940</b>
<b>OTHER SOURCES:</b>						
Transfer In from General Fund	27,750	35,950	9,200	21,510	20,100	17,670
<b>Subtotal: Other Sources</b>	<b>27,750</b>	<b>35,950</b>	<b>9,200</b>	<b>21,510</b>	<b>20,100</b>	<b>17,670</b>
<b>BEGINNING FUND BALANCES:</b>						
Restricted for QCCFD	-	-	-	-	-	-
<b>Subtotal: Beginning Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SOURCES</b>	<b>\$ 1,058,640</b>	<b>\$ 1,067,780</b>	<b>\$ 1,042,800</b>	<b>\$ 1,061,490</b>	<b>\$ 1,063,990</b>	<b>\$ 1,066,610</b>
<b>USES</b>						
<b>CURRENT EXPENDITURES:</b>						
Streets	\$ 18,590	\$ 17,710	\$ 18,600	\$ 19,530	\$ 20,510	\$ 21,540
Parks and Recreation	30,890	40,740	28,920	30,370	31,890	33,480
<b>Subtotal: Current Expenditures</b>	<b>49,480</b>	<b>58,450</b>	<b>34,320</b>	<b>49,900</b>	<b>52,400</b>	<b>55,020</b>
<b>DEBT SERVICE:</b>						
Principal	385,000	405,000	425,000	450,000	450,000	450,000
Interest	619,660	599,830	578,980	557,090	557,090	557,090
Other	4,500	4,500	4,500	4,500	4,500	4,500
<b>Subtotal: Debt Service</b>	<b>1,009,160</b>	<b>1,009,330</b>	<b>1,008,480</b>	<b>1,011,590</b>	<b>1,011,590</b>	<b>1,011,590</b>
<b>Subtotal: Expenditures</b>	<b>1,058,640</b>	<b>1,067,780</b>	<b>1,042,800</b>	<b>1,061,490</b>	<b>1,063,990</b>	<b>1,066,610</b>
<b>ENDING FUND BALANCES:</b>						
Restricted for QCCFD	-	-	-	-	-	-
<b>Subtotal: Ending Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL USES</b>	<b>\$ 1,058,640</b>	<b>\$ 1,067,780</b>	<b>\$ 1,042,800</b>	<b>\$ 1,061,490</b>	<b>\$ 1,063,990</b>	<b>\$ 1,066,610</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



## 5 Year Plan

### Capital Infrastructure Improvement Fund Summary

- Unrestricted revenues (taxes and investment income) will average \$2.3 million annually.
- Debt payments and routine capital equipment replacement costs (vehicle and technology) will annually average a total of \$2.4 million.
- Approximately 92% of the fund's capital outlay costs are expected to be financed by and reimbursed through capital grants, primarily from other governments.
- Transfers in to the CIIF represent capital grants funded by State fuel taxes, used on street projects.
- Ending balances will decline significantly as a result of project expenditures programmed in the *Capital Improvement Plan*.
- The CIIF fund will cover a majority of the projected deficit in the Wastewater Fund. \$3.8 million of the CIIF's ending balances each year will not be spendable as a result.
- The CIIF Fund will track construction sales tax revenues generated from the Town Center separately, and assign these amounts for Town Center Development in accordance with the Town policy.
- Available ending balances, averaging \$2.0 million annually, are assigned by the Town Council for use on capital projects. Of this amount, an average of \$920 thousand will be assigned for use on the Town Center.



## 5 Year Plan

### CAPITAL INFRASTRUCTURE IMPROVEMENT FUND (CIIF)

#### CAPITAL PROJECTS FUND

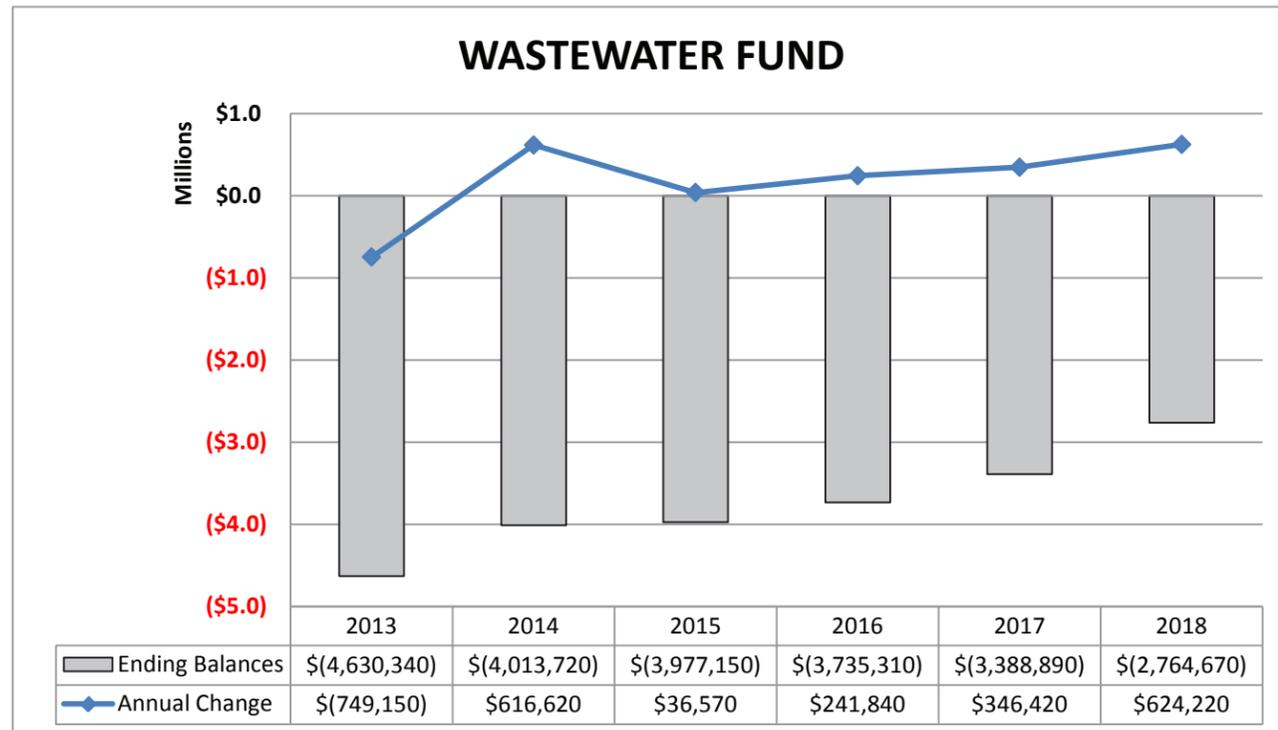
##### SOURCES AND USES OF FUNDS

	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
<b>SOURCES</b>						
<b>REVENUES:</b>						
Taxes	\$ 3,127,220	\$ 2,610,230	\$ 2,032,910	\$ 1,777,860	\$ 2,033,090	\$ 2,319,860
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	10,283,050	36,784,460	14,805,000	1,725,420	1,000,000	1,000,000
Investment Income	110,000	134,630	156,610	150,390	175,210	205,170
Miscellaneous	-	-	3,000,000	-	-	-
<b>Subtotal: Revenues</b>	<b>13,520,270</b>	<b>39,529,320</b>	<b>19,994,520</b>	<b>3,653,670</b>	<b>3,208,300</b>	<b>3,525,030</b>
<b>OTHER SOURCES:</b>						
Transfers In	3,977,570	11,061,430	1,500,000	1,600,000	-	-
Transfers Out	(27,940)	-	-	-	-	-
<b>Subtotal: Other Sources</b>	<b>3,949,630</b>	<b>11,061,430</b>	<b>1,500,000</b>	<b>1,600,000</b>	<b>-</b>	<b>-</b>
<b>BEGINNING FUND BALANCES:</b>						
Nonspendable	2,017,560	3,810,210	3,810,210	3,810,210	3,810,210	3,810,210
Assigned for Town Center	400,090	600,000	700,000	800,000	900,000	1,000,000
Assigned for Capital Projects	8,987,240	8,657,430	5,547,880	3,386,270	2,482,550	2,189,050
<b>Subtotal: Beginning Fund Balances</b>	<b>11,404,890</b>	<b>13,067,640</b>	<b>10,058,090</b>	<b>7,996,480</b>	<b>7,192,760</b>	<b>6,999,260</b>
<b>TOTAL SOURCES</b>	<b>\$ 28,874,790</b>	<b>\$ 63,658,390</b>	<b>\$ 31,552,610</b>	<b>\$ 13,250,150</b>	<b>\$ 10,401,060</b>	<b>\$ 10,524,290</b>
<b>USES</b>						
<b>DEBT SERVICE:</b>						
Principal	\$ 935,000	\$ 975,000	\$ 1,015,000	\$ 1,055,000	\$ 1,105,000	\$ 1,160,000
Interest	858,070	820,880	781,430	738,980	689,080	636,040
Other	5,000	5,000	5,000	5,000	5,000	5,000
<b>Subtotal: Debt Service</b>	<b>1,798,070</b>	<b>1,800,880</b>	<b>1,801,430</b>	<b>1,798,980</b>	<b>1,799,080</b>	<b>1,801,040</b>
<b>CAPITAL OUTLAY:</b>						
General Government	671,960	729,220	399,860	300,090	293,220	384,400
Public Safety	274,230	466,460	300,500	300,500	300,500	300,500
Highways and Streets	13,055,390	49,313,740	19,994,340	2,648,820	-	-
Culture and Recreation	7,500	1,290,000	1,060,000	1,009,000	1,009,000	1,154,500
<b>Subtotal: Capital Outlay</b>	<b>14,009,080</b>	<b>51,799,420</b>	<b>21,754,700</b>	<b>4,258,410</b>	<b>1,602,720</b>	<b>1,839,400</b>
<b>Subtotal: Expenditures</b>	<b>15,807,150</b>	<b>53,600,300</b>	<b>23,556,130</b>	<b>6,057,390</b>	<b>3,401,800</b>	<b>3,640,440</b>
<b>ENDING FUND BALANCES:</b>						
Nonspendable	3,810,210	3,810,210	3,810,210	3,810,210	3,810,210	3,810,210
Assigned for Town Center	600,000	700,000	800,000	900,000	1,000,000	1,200,000
Assigned for Capital Projects	8,657,430	5,547,880	3,386,270	2,482,550	2,189,050	1,873,640
<b>Subtotal: Ending Fund Balances</b>	<b>13,067,640</b>	<b>10,058,090</b>	<b>7,996,480</b>	<b>7,192,760</b>	<b>6,999,260</b>	<b>6,883,850</b>
<b>TOTAL USES</b>	<b>\$ 28,874,790</b>	<b>\$ 63,658,390</b>	<b>\$ 31,552,610</b>	<b>\$ 13,250,150</b>	<b>\$ 10,401,060</b>	<b>\$ 10,524,290</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ 1,662,750</b>	<b>\$ (3,009,550)</b>	<b>\$ (2,061,610)</b>	<b>\$ (803,720)</b>	<b>\$ (193,500)</b>	<b>\$ (115,410)</b>

# 5 Year Plan

## Wastewater Enterprise Fund Summary

- 8.9 % user fee increases, already approved by Council, have been programmed for fiscal years 2014. Annual fee increases of approximately 4% are recommended for 2015 through 2018.
- In 2014 and thereafter, the fund will begin selling its water recharge credits to the General Fund. These are shown as transfers.
- Investment losses will occur each year due to the fund's deficit cash position.
- The final estimated drawdown on the WIFA loan, in the amount of \$330 thousand, will occur in fiscal year 2014.
- Personnel costs comprise approximately 40% of total operating expenditures in the fund.
- There will be no new capital projects programmed in years 2015 through 2018.
- The fund will be in deficit position each year, averaging \$5.7 million annually. These deficits will be covered via funding advances from the General Fund and CIIF.
- Ending balances (deficits) will begin improving in fiscal year 2014 and each year thereafter.
- Ending balances will not be sufficient to cover the operating reserve required by our policies. The deficiency will average \$362 thousand annually and be reserved by the General Fund.



# 5 Year Plan

## WASTEWATER ENTERPRISE FUND SOURCES AND USES OF FUNDS

	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
<b>SOURCES</b>						
<b>OPERATING REVENUES:</b>						
User Charges - Residential	\$ 2,518,910	\$ 2,815,000	\$ 2,993,040	\$ 3,181,830	\$ 3,382,430	\$ 3,595,850
User Charges - Commercial	168,660	179,650	186,210	200,960	216,990	241,540
Other - Recharge Credits	40,540	45,330	50,980	-	-	-
Subtotal: Operating Revenues	2,728,110	3,039,980	3,230,230	3,382,790	3,599,420	3,837,390
<b>NON-OPERATING REVENUES:</b>						
Investment Income/(Expense)	(30,000)	(51,590)	(54,510)	(58,000)	(63,640)	(61,010)
Miscellaneous	-	25,000	-	-	-	-
Sewer Connection Fees - Residential	309,620	315,060	323,200	318,280	321,250	329,400
Sewer Connection Fees - Commercial	6,660	489,800	68,440	136,880	21,730	59,970
Subtotal: Non-Operating Revenues	286,280	778,270	337,130	397,160	279,340	328,360
Subtotal: Revenues	3,014,390	3,818,250	3,567,360	3,779,950	3,878,760	4,165,750
<b>OTHER SOURCES:</b>						
Transfers in from General Fund	-	647,750	254,720	348,650	399,910	455,810
Proceeds of Long-Term Debt	115,840	330,240	-	-	-	-
Subtotal: Other Sources	115,840	977,990	254,720	348,650	399,910	455,810
<b>BEGINNING FUND BALANCES:</b>						
Restricted for Debt Service	1,686,450	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060
Unassigned (Deficits)	(5,567,640)	(6,738,400)	(6,121,780)	(6,085,210)	(5,843,370)	(5,496,950)
Subtotal: Beginning Fund Balances	(3,881,190)	(4,630,340)	(4,013,720)	(3,977,150)	(3,735,310)	(3,388,890)
<b>TOTAL SOURCES</b>	<b>\$ (750,960)</b>	<b>\$ 165,900</b>	<b>\$ (191,640)</b>	<b>\$ 151,450</b>	<b>\$ 543,360</b>	<b>\$ 1,232,670</b>
<b>USES</b>						
<b>CURRENT EXPENDITURES:</b>						
Wastewater Utility Department	\$ 1,122,600	\$ 1,160,070	\$ 1,217,080	\$ 1,308,700	\$ 1,341,130	\$ 1,394,890
Cost allocation	141,210	154,730	163,880	173,510	186,570	197,900
Wastewater Utility Department	\$ 1,263,810	\$ 1,314,800	\$ 1,380,960	\$ 1,482,210	\$ 1,527,700	\$ 1,592,790
Subtotal: Current Expenditures	1,263,810	1,314,800	1,380,960	1,482,210	1,527,700	1,592,790
<b>DEBT SERVICE:</b>						
Principal	1,349,350	1,399,580	1,451,690	1,505,740	1,569,330	1,569,330
Interest	1,038,770	998,470	952,860	898,810	835,220	835,220
Subtotal: Debt Service	2,388,120	2,398,050	2,404,550	2,404,550	2,404,550	2,404,550
<b>CAPITAL OUTLAY:</b>						
WW Capital Projects	227,450	466,770	-	-	-	-
Subtotal: Capital Outlay	227,450	466,770	-	-	-	-
Subtotal: Expenditures	3,879,380	4,179,620	3,785,510	3,886,760	3,932,250	3,997,340
<b>ENDING FUND BALANCES:</b>						
Restricted for Debt Service	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060	2,108,060
Unassigned (Deficits)	(6,738,400)	(6,121,780)	(6,085,210)	(5,843,370)	(5,496,950)	(4,872,730)
Subtotal: Ending Fund Balances	(4,630,340)	(4,013,720)	(3,977,150)	(3,735,310)	(3,388,890)	(2,764,670)
<b>TOTAL USES</b>	<b>\$ (750,960)</b>	<b>\$ 165,900</b>	<b>\$ (191,640)</b>	<b>\$ 151,450</b>	<b>\$ 543,360</b>	<b>\$ 1,232,670</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ (749,150)</b>	<b>\$ 616,620</b>	<b>\$ 36,570</b>	<b>\$ 241,840</b>	<b>\$ 346,420</b>	<b>\$ 624,220</b>



fy2014  
budget

**capital**  
**needs, finance, improvements, debt**

Providing the capital assets (infrastructure, facilities, and equipment) needed for public service 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.

Specifically, the Town engages in the following process:

- 1. Develop an understanding of the *needs* of the community,**
- 2. Determine the feasibility of *financing* options available,**
- 3. Update the 5 year plan for capital *improvement* to address the most significant needs with the most efficient use of resources possible and,**
- 4. Monitor and update our plans to pay for *debts* incurred during the acquisition of assets.**

This process is continuous but, it results in annual recommendations to the Town Council for budget appropriations for FY2014 and 5 year Capital Improvement Plan (CIP).



**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. A capital project is a one-time project that builds or acquires an asset, which costs more than \$150,000 and usually has a useful life of numerous years. Capital projects include design, engineering, and construction of building and infrastructure items, and capital expenditures, such as for land acquisition and equipment. Acquisitions of capital assets are purchases of equipment and materials, or minor projects which cost more than \$5,000 and have a useful life of multiple 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 focuses on large and expensive capital projects. Capital projects costing \$150,000 or more are included in the CIP.
- 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.

**1. Develop an understanding of the needs of the community**

The department of the Town Manager solicits input on major capital projects (cost >\$150,000) from external and internal sources. Several of the Town’s department heads, a commission member from each of the three Town Commissions, three Town Council Members, a representative from the Sahuarita Teen Advisory Council and the Finance and Investment Advisory Committee participate on the Capital Improvement Plan Technical Advisory Committee (CIPTAC) to identify new projects for inclusion in the plan.

The CIPTAC applies the following Council-approved criteria to prioritize all discretionary projects:

#	Criteria	Weight (max pt value)
1	Fiscal impact	30
2	Impact on health, safety, and general welfare	25
3	Economic development	15
4	Quality of life	10
5	Impact on public services	10
6	Coordination with other projects	5
7	Impact on operations and maintenance	5
Total point value		100

The criteria cited above helps to identify the most pressing needs of the community, which fall 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 worn out 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 move traffic more efficiently.

The CIPTAC met on February 5, 2013 and reviewed a list of capital project requests. While the committee did not vote to take formal action, some of the projects reviewed were considered beneficial enough to evaluate for funding in Step 2.

**2. Determine the feasibility of financing options available:**

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 3 categories of funding available:

- Grants & contributions 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.
- 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
- 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.

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**.

The analysis for the CIIF, (in an abbreviated version) for the 5 year period looks as follows:

	2013 Estimated Actual	2014 Requested Budget	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
Beginning Balance	\$8,987,240	\$8,657,430	\$5,547,880	\$3,386,270	\$2,482,550	\$2,189,050
Net Taxes <sup>1)</sup>	2,927,220	2,510,230	1,932,910	1,677,860	1,933,090	2,119,860
Investment earnings	110,000	134,630	156,610	150,390	175,210	205,170
Debt service <sup>2)</sup>	-1,798,070	-1,800,880	-1,801,430	-1,798,980	-1,799,080	-1,801,040
Capital purchases <sup>4)</sup>	223,690	-3,953,530	-2,449,700	-932,990	-602,720	-839,400
Internal wastewater deficits <sup>3)</sup>	-1,792,650	0	0	0	0	0
<b>Net annual surplus/(deficit)</b>	<b>-329,810</b>	<b>-3,109,550</b>	<b>-2,161,610</b>	<b>-903,720</b>	<b>-293,500</b>	<b>-315,410</b>
<b>Ending Balance, assigned for Capital Projects</b>	<b>\$8,657,430</b>	<b>\$5,547,880</b>	<b>\$3,386,270</b>	<b>\$2,482,550</b>	<b>\$2,189,050</b>	<b>\$1,873,640</b>

*It is clear from the table above that the demands on this local source are significant.*

- 1) Taxes are net of amounts recorded in the Town Center Assignment. Which is an estimate of the amount of construction sales tax expected to be generated from the Town center development and reserved by policy in a separate account.
- 2) Debt service is the amount of money required to be paid for the debt incurred in past years. This debt has funded public infrastructure projects as noted in section 4. Monitor and update our plans to pay for debts incurred during the acquisition of assets.
- 3) Internal wastewater deficits is the amount of money required by the wastewater fund in order to meet its minimum cash needs. This money will be repaid in the future.
- 4) Capital purchases is the amount budgeted for the acquisition of capital from local sources each year.



### 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.

The analysis for the cash deficits or surpluses in the WW fund, (in an abbreviated version) for the 5 year period looks as follows:

	2013 Estimated Amounts	2014 Forecasted Amounts	2015 Forecasted Amounts	2016 Forecasted Amounts	2017 Forecasted Amounts	2018 Forecasted Amounts
Beginning balances:	-\$5,567,640	-\$6,738,400	-\$6,121,780	-\$6,085,210	-\$5,843,370	-\$5,496,950
Revenues	3,014,390	4,466,000	3,822,080	4,128,600	4,278,670	4,621,560
Operating expenditures	-1,263,810	-1,314,800	-1,380,960	-1,482,210	-1,527,700	-1,592,790
Debt service	-2,809,730	-2,398,050	-2,404,550	-2,404,550	-2,404,550	-2,404,550
Capital expenditures*	-227,450	-466,770	0	0	0	0
New debt financing	115,840	330,240	0	0	0	0
<b>Net annual surplus/(deficit)</b>	<b>-1,170,760</b>	<b>616,620</b>	<b>36,570</b>	<b>241,840</b>	<b>346,420</b>	<b>624,220</b>
<b>Ending balance unassigned</b>	<b>-\$6,738,400</b>	<b>-\$6,121,780</b>	<b>-\$6,085,210</b>	<b>-\$5,843,370</b>	<b>-\$5,496,950</b>	<b>-\$4,872,730</b>

\*Debt service is the amount of money required to be paid for the debt incurred in past years. This debt has funded public infrastructure projects as noted on page 198.



### 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's component unit (Quail Creek Community Facilities District) 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 a loan agreement with the WIFA to provide funds for the construction and design of wastewater treatment plant expansions. Of the total amount originally authorized, the Town will draw \$446,080 in the current plan, leaving \$775,180 to be borrowed.



The District held a public election on November 8, 2005 and authorized \$30,000,000 of general obligation district bonds. Of that amount, \$17,340,000 has remains to be issued in the future.

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 an amount of \$41,840,347.
- 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 \$12,552,104.

The citizens of the Town have not voted to authorize any general obligation bonds, therefore the amount of debt issued by the Town subject to the limitations above is zero percent of assessed property valuation. This equates to an amount of \$0.

The Quail Creek Community Facilities District is a legally separate entity and, therefore, its general obligation bonds do not count towards the Town's debt limitation.

### Grants & Contributions



### 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 the ADOT or the 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 County-wide 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

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.



### 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.

## 3. Update the Town's Capital Improvement Plan

After completing steps 1 and 2, the department of the Town Manager organizes the list of capital needs into two plans. One plan is for those projects which are high priority projects which cannot be funded within the Town's current 5 year planning horizon, and the other section is for those projects which can be funded.

Although many projects were considered valuable improvements; the need to limit our expenditures to a five year timeframe, and/or the lack of external funding partners has led the Town to identify the following projects as our:

### UNFUNDED CAPITAL IMPROVEMENT PLAN

Project	PRJCT #	Description	Total Cost
Town of Sahuarita Business Center	14A01	Technology R&D, Business Incubator	3,162,500
Anamax Park Maintenance Building	14K04	Replace maintenance building.	500,000
Anamax Parking Phase 2	14K05	Improve parking at Anamax park.	431,000
La Canada Drive RCBC: North of Twin Buttes Road	14S01	Roadway improvements.	275,000
Quail Crossing Boulevard	05P03	Extend roadway to Duval Mine road.	11,750,000
Anamax Park Concession Facility	06K08	Build new concession stand.	280,000
Camino De Las Quintas: El Toro Road to Via Santa Tomas	13S02	Roadway improvements.	650,000
La Canada & Camino Rancheria Drainage and Sidewalk Improvements	13S03	Roadway improvements.	288,000
Anamax Park Phases 4&5	06K03/4	Improve park facilities	2,690,000
North Santa Cruz Park Phase 2	08K03	Improve park facilities.	4,100,000
Wastewater Admin Building	06W02	Lab, locker rooms, & offices	2,530,000
<b>TOTAL</b>			<b>\$ 26,656,500</b>



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

### RECOMMENDED CAPITAL IMPROVEMENT PLAN SUMMARY

The CIP for the Town of Sahuarita is comprised of 28 projects totaling \$75,612,220 for fiscal years 2014 through 2018. Of that total, \$45,772,130 is included in the budget for fiscal year 2014. 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 Council 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.

## ADOPTED CAPITAL IMPROVEMENT PLAN

FUNDING SOURCE SUMMARY						
SOURCE	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	TOTAL
Capital Fund (CIIF)	\$ 2,919,900	\$ 1,384,330	\$ 329,890	\$ 386,500	\$ 612,000	\$ 5,632,620
Restricted Funds	-	33,930	-	-	-	33,930
Grants-Local	-	-	630,000	-	-	630,000
Grants-State	1,555,000	-	-	-	-	1,555,000
Grants- Federal	4,329,640	1,044,210	1,044,210	1,044,210	1,044,210	8,506,480
Grants - Unidentified	20,500,000	6,100,000	-	-	-	26,600,000
Grants - Partners	-	3,000,000	-	-	-	3,000,000
Highway Fund (HURF)	11,061,430	1,500,000	1,600,000	-	-	14,161,430
Long-Term Debt	330,240	-	-	-	-	330,240
Pima County Bonds	476,950	292,500	-	-	-	769,450
RTA Transportation Tax	10,307,510	7,705,000	95,420	-	-	18,107,930
Wastewater Enterprise Fund	92,840	-	-	-	-	92,840
<b>GRAND TOTAL</b>	<b>\$ 51,573,510</b>	<b>\$ 21,059,970</b>	<b>\$ 3,699,520</b>	<b>\$ 1,430,710</b>	<b>\$ 1,656,210</b>	<b>\$ 79,419,920</b>

DEPARTMENT EXPENDITURE SUMMARY						
DEPARTMENT	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	TOTAL
Technology	\$ 102,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 410,000
Police	796,100	344,710	344,710	344,710	344,710	2,174,940
Courts	-	33,930	-	-	-	33,930
Planning & Building	-	-	-	-	30,000	30,000
Parks & Recreation	1,290,000	1,060,000	1,009,000	1,009,000	1,154,500	5,522,500
Public Works & Facilities	150,000	-	-	-	50,000	200,000
Public Works / Streets	48,812,330	19,544,330	2,268,810	-	-	70,625,470
Wastewater Utility	423,080	-	-	-	-	423,080
<b>GRAND TOTAL</b>	<b>\$ 51,573,510</b>	<b>\$ 21,059,970</b>	<b>\$ 3,699,520</b>	<b>\$ 1,430,710</b>	<b>\$ 1,656,210</b>	<b>\$ 79,419,920</b>



# capital improvement plan fy 2014-2018

## PROJECTS EXPENDITURES BY DEPARTMENT

Department		YEAR 1	YEAR2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Project	PRJCT #	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	YEARS 1-5
<b>Technology</b>							
Computers/Servers	13IT1	\$ 102,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 410,000
<b>Technology Total</b>		<b>102,000</b>	<b>77,000</b>	<b>77,000</b>	<b>77,000</b>	<b>77,000</b>	<b>410,000</b>
<b>Police</b>							
Police Vehicles	13PD1	\$ 360,600	\$ 300,500	\$ 300,500	\$ 300,500	\$ 300,500	\$ 1,562,600
PD backup generator	14PD1	80,000	-	-	-	-	80,000
Police Video Surveillance	14PD2	60,000	-	-	-	-	60,000
Electronic ticketing system	14PD3	95,430	-	-	-	-	95,430
Mobile workstation upgrade	14PD4	105,860	-	-	-	-	105,860
PD M.C. unit covered parking	14PD6	50,000	-	-	-	-	50,000
Taser/Body camera	14PD8	44,210	44,210	44,210	44,210	44,210	221,050
<b>Police Total</b>		<b>796,100</b>	<b>344,710</b>	<b>344,710</b>	<b>344,710</b>	<b>344,710</b>	<b>2,174,940</b>
<b>Court</b>							
Court Security Upgrade	14CT1	\$ -	\$ 33,930	\$ -	\$ -	\$ -	\$ 33,930
<b>Court Total</b>		<b>-</b>	<b>33,930</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,930</b>
<b>Planning &amp; Building</b>							
Vehicle replacement	14PB1	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
<b>Planning &amp; Building Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>30,000</b>
<b>Parks &amp; Recreation</b>							
Park and trails land acquisition	05K01	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000
Anamax park phase 2 & 3	06K01	-	-	-	-	25,000	25,000
Quail Creek park phase 2	08K02	-	-	-	-	100,000	100,000
Lake Sealing	13K01	250,000	-	-	-	-	250,000
Canopy Replacement	14K01	-	10,000	9,000	9,000	-	28,000
Sports Field Drainage	14K03	10,000	-	-	-	-	10,000
Anamax Parking	14K05	-	50,000	-	-	-	50,000
Vehicle Replacement	14K07	30,000	-	-	-	29,500	59,500
<b>Parks &amp; Recreation Total</b>		<b>1,290,000</b>	<b>1,060,000</b>	<b>1,009,000</b>	<b>1,009,000</b>	<b>1,154,500</b>	<b>5,522,500</b>

Department		YEAR 1	YEAR2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Project	PRJCT #	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	YEARS 1-5
<b>Public Works / Facilities</b>							
Town Hall Settlement Repair	13P01	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Public Works Vehicle & Equipment	14PW1	-	-	-	-	50,000	50,000
<b>Facilities Total</b>		<b>150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>200,000</b>
<b>Public Works / Streets</b>							
Sahuarita road: I-19 to Country Club	03P9B	\$ 18,693,330	\$ 9,944,330	\$ 1,602,900	\$ -	\$ -	\$ 30,240,560
Sahuarita / I-19 interchange	05P03	26,700,000	6,100,000	-	-	-	32,800,000
Pima mine bridge reconstruction	08P02	2,349,000	3,000,000	-	-	-	5,349,000
Townwide Pedestrian/Bike Improvement Projects	09P02	415,000	-	665,910	-	-	1,080,910
La Villita Road/Rancho Sahuarita Blvd Intersection	13S01	600,000	500,000	-	-	-	1,100,000
Streets Vehicles	14ST1	55,000	-	-	-	-	55,000
<b>Public Works Streets Total</b>		<b>48,812,330</b>	<b>19,544,330</b>	<b>2,268,810</b>	<b>-</b>	<b>-</b>	<b>70,625,470</b>
<b>Wastewater Utility</b>							
Wastewater Treatment Plant Phase IV Expansion	04W01	\$ 330,240	\$ -	\$ -	\$ -	\$ -	\$ 330,240
Wastewater Treatment Plant Phase V Expansion	04W02	92,840	-	-	-	-	92,840
<b>Wastewater Utility Total</b>		<b>423,080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>423,080</b>
<b>GRAND TOTAL</b>		<b>\$ 51,573,510</b>	<b>\$ 21,059,970</b>	<b>\$ 3,699,520</b>	<b>\$ 1,430,710</b>	<b>\$ 1,656,210</b>	<b>\$ 79,419,920</b>

capital improvement plan  
fy 2014-2018

# capital improvement plan fy 2014-2018

FY 20

## PROJECTS BY FUNDING SOURCE

SOURCE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	
PROJECT	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	TOTAL	
<b>Capital Fund (CIIF)</b>							
IT Equipment	13IT1	\$ 102,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 410,000
Police Vehicles	13PD1	360,600	300,500	300,500	300,500	300,500	1,562,600
Mobile workstation upgrade	14PD4	105,860	-	-	-	-	105,860
Vehicle replacement	14PB1	-	-	-	-	30,000	30,000
Anamax park phase 2 & 3	06K01	-	-	-	-	25,000	25,000
Quail creek park phase 2	08K02	-	-	-	-	100,000	100,000
Canopy Replacement	14K01	-	10,000	9,000	9,000	-	28,000
Sports Field Drainage	14K03	10,000	-	-	-	-	10,000
Anamax Parking	14K05	-	50,000	-	-	-	50,000
Vehicle Replacement	14K07	30,000	-	-	-	29,500	59,500
Sahuarita road: I-19 to Country Club	03P9B	1,911,440	946,830	(56,610)	-	-	2,801,660
Lake Sealing	13K01	250,000	-	-	-	-	250,000
Town Hall Complex Settlement Repair	13P01	150,000	-	-	-	-	150,000
Public Works Vehicle & Equipment	14PW1	-	-	-	-	50,000	50,000
<b>Capital Fund (CIIF) Total</b>		<b>2,919,900</b>	<b>1,384,330</b>	<b>329,890</b>	<b>386,500</b>	<b>612,000</b>	<b>5,632,620</b>
<b>Grants-TAP</b>							
Townwide Pedestrian/Bike Improvement Projects	09P02	\$ -	\$ -	\$ 630,000	\$ -	\$ -	\$ 630,000
<b>Grants-Local Total</b>		<b>-</b>	<b>-</b>	<b>630,000</b>	<b>-</b>	<b>-</b>	<b>630,000</b>
<b>Restricted Funds-JCEF</b>							
Court Security Upgrade	14CT1	\$ -	\$ 33,930	\$ -	\$ -	\$ -	\$ 33,930
<b>Restricted Funds Total</b>		<b>-</b>	<b>33,930</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,930</b>
<b>Grants-State</b>							
Pima Mine Bridge Reconstruction	08P02	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Streets Vehicles	14ST1	55,000	-	-	-	-	55,000
<b>Grants-State Total</b>		<b>1,555,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,555,000</b>
<b>Grants- Federal</b>							
Park and Trails Land Acquisition	05K01	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000
Sahuarita / I-19 interchange	05P03	3,000,000	-	-	-	-	3,000,000
PD backup generator	14PD1	80,000	-	-	-	-	80,000
Police Video Surveillance	14PD2	60,000	-	-	-	-	60,000
Electronic ticketing system	14PD3	95,430	-	-	-	-	95,430
PD M.C. unit covered parking	14PD6	50,000	-	-	-	-	50,000
Taser/Body camera	14PD8	44,210	44,210	44,210	44,210	44,210	221,050
<b>Grants-Federal Total</b>		<b>4,329,640</b>	<b>1,044,210</b>	<b>1,044,210</b>	<b>1,044,210</b>	<b>1,044,210</b>	<b>8,506,480</b>

SOURCE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	
PROJECT	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	TOTAL	
<b>Grants - Unidentified</b>							
Sahuarita / I-19 interchange	05P03	\$ 20,500,000	\$ 6,100,000	\$ -	\$ -	\$ -	\$ 26,600,000
<b>Grants - Unidentified Total</b>		<b>20,500,000</b>	<b>6,100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,600,000</b>
<b>Grants - Partners</b>							
Pima Mine Bridge Reconstruction	08P02	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000
<b>Grants - Partners Total</b>		<b>-</b>	<b>3,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000,000</b>
<b>Highway Fund (HURF)</b>							
Sahuarita road: I-19 to country club	03P9B	\$ 7,811,430	\$ 1,000,000	\$ 1,600,000	\$ -	\$ -	\$ 10,411,430
Sahuarita / I-19 interchange	05P03	3,200,000	-	-	-	-	3,200,000
Townwide Pedestrian/Bike Improvement Projects	09P02	50,000	-	-	-	-	50,000
La Villita Road/Rancho Sahuarita Blvd Intersection	13S01	-	500,000	-	-	-	500,000
<b>Highway Fund (HURF) Total</b>		<b>11,061,430</b>	<b>1,500,000</b>	<b>1,600,000</b>	<b>-</b>	<b>-</b>	<b>14,161,430</b>
<b>Long-Term Debt</b>							
Wastewater Treatment Plant Phase IV Expansion	04W01	\$ 330,240	\$ -	\$ -	\$ -	\$ -	\$ 330,240
<b>Long-Term Debt Total</b>		<b>330,240</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>330,240</b>
<b>Pima County Bonds</b>							
Sahuarita road: I-19 to Country Club	03P9B	\$ 476,950	\$ 292,500	\$ -	\$ -	\$ -	\$ 769,450
<b>Pima County Bonds Total</b>		<b>476,950</b>	<b>292,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>769,450</b>
<b>RTA Transportation Tax</b>							
Sahuarita road: I-19 to Country Club	03P9B	\$ 8,493,510	\$ 7,705,000	\$ 59,510	\$ -	\$ -	\$ 16,258,020
Pima mine bridge reconstruction	08P02	849,000	-	-	-	-	849,000
Townwide Pedestrian/Bike Improvement Projects	09P02	365,000	-	35,910	-	-	400,910
La Villita Road/Rancho Sahuarita Blvd Intersection	13S01	600,000	-	-	-	-	600,000
<b>RTA Transportation Tax Total</b>		<b>10,307,510</b>	<b>7,705,000</b>	<b>95,420</b>	<b>-</b>	<b>-</b>	<b>18,107,930</b>
<b>Wastewater Enterprise Fund</b>							
Wastewater Treatment Plant Phase V Expansion	04W02	\$ 92,840	\$ -	\$ -	\$ -	\$ -	\$ 92,840
<b>Wastewater Enterprise Fund Total</b>		<b>92,840</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,840</b>
<b>GRAND TOTAL</b>		<b>\$ 51,573,510</b>	<b>\$ 21,059,970</b>	<b>\$ 3,699,520</b>	<b>\$ 1,430,710</b>	<b>\$ 1,656,210</b>	<b>\$ 79,419,920</b>



# 05K01

## Park and Trails Land Acquisition

FY 2014 Budget

### Description

The scope of this project will involve purchasing land for future development and is a recommendation in the Park, Recreation, Trails and Open Space Master Plan. When potential acquisitions sites are determined, the Town will explore grant opportunities through State Parks Heritage Funds, (when available) Growing Smarter Funds or other potential funding sources to assist in the acquisition of Open Space for recreation facilities, trails and natural space.

### Justification/Benefit

The project will benefit the general public who use the facilities for family and community events. There will be environmental benefits for the community as natural areas will be left undeveloped. The impact of creating a trail corridor will have a Town wide impact. The ability to purchase land for future park sites will benefit the Town as the public needs more open space as the community reaches its build out. The project needs funding every fiscal year to be positioned well if opportunities arise for land acquisition. The project will also increase the recreational value of the site by allowing user groups to use trails and/or parks. A health benefit is gained through a wider audience because more individuals will be allowed to participate in active and passive recreation opportunities which may have been excluded or turned away because of lack of facilities. In addition by leaving areas as undeveloped open space, the Town will be promoting wildlife habitat and corridors. The economic benefit to the community would involve a reduction in commuting time to or between recreational activities by the residents. Open space left as native habitat increases the community's quality of life which attracts potential visitors and residents. The building of a trail network allows the community to use an alternative method of traveling between sites which would help in improving the overall environment. Park areas could be provided closer to population needs of the community. This project will enhance the community by purchasing recreational sites while land is less expensive. This project will coordinate with the Town's Master Plan for purchase of open space and conductivity to other trail systems. Design features can be incorporated into the building to provide long term savings.

### Summary of Operational Costs and Benefits

The completion of this project will have an effect on the cost of operations as well as an impact on the services provided to the public.

The operational cost within our 5 year planning horizon is expected to be no more than \$500 per year for weed and vector control. However, upon development of a trail system costs would rise for maintenance and upkeep.

The improvements described in the Justification/Benefits section describe the impact of the improvement of the level of service provided to residents. The benefits include enhanced recreational opportunities, open space preservation, and an improved quality of life.

### costs by year

Construction		Operations	
\$	PRIOR	\$	-
1,000,000	FY 2014	\$500	
1,000,000	FY 2015	\$500	
1,000,000	FY 2016	\$500	
1,000,000	FY 2017	\$500	
1,000,000	FY 2018	\$500	
1,000,000	Future costs	\$500	

## Construction Cost

**\$6,000,000**

funding partner



useful life

forever

# 06K01 Anamax Park Phase 2&3



## Description

Proposed as a Pima County Bond Project in a partnership with the YMCA for operations and maintenance support, the scope involves a recreation center approx. 30,000 sq. ft. and recreational/program pool. It is tailored to meet community needs through a feasibility study conducted March 2009, located on the Town's website for public view. 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. A second competition pool is also planned to provide SUSD and local competition swim teams to use. The complex would have shared locker/changing rooms between the center and pool for economies of scale.

## 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. It could be used by SUSD and local swim teams for programs and competitive meets with the potential to attract additional events and tourism enhancing/expanding current recreation programs. Current programs could involve more participants offering a diverse selection of activities when partnered with YMCA. The project was coordinated in initial Phase-I construction with infrastructure already installed. The YMCA (a potential partner) would be involved with programming of space. The project was submitted as a potential 2008 Bond Funded project, the County Board elected to delay public vote until after 2011. The project ranked at the top by the Sub and Bond Committee with full funding recommended to the County Administrator.

useful life

40 years

## Summary of Operational Costs and Benefits

The completion of this project will increase on the cost of operations as well as improve the services provided to the public.

The operational cost within our 5 year planning horizon is expected to be zero as the completion date is beyond 5 years. Upon completion, the Town's estimate of expenses (net of revenues and cost sharing with its operating partner) is \$306,000 annually.

The improvements described in the Justification/Benefit section describe the impact of the enhanced level of service provided to residents. The benefits include enhanced recreational opportunities, and an improved quality of life.

### costs by year

Construction	PRIOR	Operations
\$ 461,580		\$ -
-	FY 2014	\$-
-	FY 2015	\$-
-	FY 2016	\$-
-	FY 2017	\$-
25,000	FY 2018	\$-
<b>\$14,387,000</b>	<b>Future costs</b>	<b>\$306,000</b>

# Construction Cost

\$14,823,580

funding partners



# 08K02° Quail Creek Veteran's Municipal Park Phase 2

Budget

Sahuarita  
ACTION  
PLAN



## Description

This project was part of the overall concept plan approved in 2007 for Quail Creek-Veterans Municipal Park. However, in 2012 the county in cooperation with a local interest group built a softball complex in the Canoa Ranch area to serve the senior population. The Town has worked with the Sahuarita Unified School District to recondition two softball fields at Anza Trail Park. These two activities have switched the priority of facilities needed in the community to rectangle fields. The project will be to design and build three 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 220 spaces (there are currently 115 spaces).

## Justification/Benefit

This project was part of the overall concept plan approved in 2007 for Quail Creek-Veterans Municipal Park. However, in 2012 the county in cooperation with a local interest group built a softball complex in the Canoa Ranch area to serve the senior population. The Town has worked with the Sahuarita Unified School District to recondition two softball fields at Anza Trail Park. These two activities have switched the priority of facilities needed in the community to rectangle fields. The project will be to design and build three 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 220 spaces (there are currently 115 spaces).

## 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 projection

### costs by year

Construction		Operations
\$ -	PRIOR	\$ -
\$ -	FY 2014	\$ -
\$ -	FY 2015	\$ -
\$ -	FY 2016	\$ -
\$ -	FY 2017	\$ -
\$100,000	FY 2018	\$ -
\$3,800,000	Future costs	\$45,000

# Construction Cost

useful life

25 years

\$3,900,000

funding partners



# 13K01 Lake Sealing

FY 2014 Budget

## Description

Seal Sahuarita Lake to reduce seepage eliminating the need to purchase water credits.

## Summary of Operational Costs and Benefits

The completion of this project will reduce the cost of operations, however it will have no impact on the services provided to the public.

The operational cost within our 5 year planning horizon is expected to be \$50,000 lower per year. The project will repair an existing problem and therefore lower the cost to maintain the lake.

The improvements described in the Justification/Benefit section describe the financial impact as there will be no enhancement to services provided to residents.



## costs by year

Construction		Operations
\$ -	PRIOR	\$ -
250,000	FY 2014	\$-
-	FY 2015	\$-
-	FY 2016	\$(50,000)
-	FY 2017	\$(50,000)
-	FY 2018	\$(50,000)
-	Future costs	\$(50,000)

## Justification/Benefit

Sahuarita Lake has been leaking and using more water than allotted by Arizona Department of Water Resources since it was built and opened for use in 2001. We are currently purchasing water credits to offset the overage. A cost benefit analysis was done to see if repair was justified, the results indicated that the repairs should be done.

# Total Cost

useful life

10 years

**\$250,000**  
no funding partners



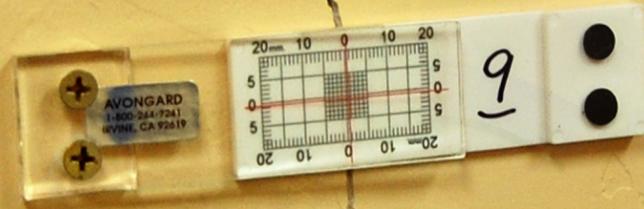
# 13P01 Town Hall Settlement Repair

## Description

Improvements to address settlement at the Town Hall front wall and Bell Tower, as well as the Police Department stairwell and wall. Existing foundations will be jacked-up and strengthened using pilings and concrete to reestablish original foundation elevations to eliminate large stresses that have resulted in wall cracking and unacceptable operation of existing doorways.

## Justification/Benefit

Improvements intended to stop any further damage to the existing Town Hall Complex Buildings and ensure continued strength and performance of the buildings for years to come.



useful life

20 years

♥ EMERGENCY DEFIBRILLATOR



## Summary of Operational Costs and Benefits

All costs associated with this project are intended to find the causes of the building settlement, and address the causes, then take care of repairing the damage, which is significant. Once the causes and the repairs have been addressed there will be negligible ongoing operational impacts.

### costs by year

Construction	PRIOR	Operations
\$ -	FY 2014	\$ -
150,000	FY 2015	\$-
\$-	FY 2016	\$-
\$-	FY 2017	\$-
\$-	FY 2018	\$-
\$-	Future costs	\$-

# Total Cost

\$150,000

no funding partners



# 03P9B

FY 2014 Budget

## Sahuarita Road: to Eastern 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 current Eastern Town Limits (approximately Country Club Road). The Phase I roadway will consist of a 4-lane divided all weather roadway with wide medians (to accommodate ultimate 6-lane roadway), bicycle lanes, sidewalks, drainage improvements, low maintenance landscape and 4 new signalized intersections (Rancho Sahuarita Blvd., Salome Loop, Desert Gem Lane, La Villita Rd). The Phase II project, west of Santa Rita Road, includes 4-lane divided roadway with wide medians (to accommodate ultimate 6-lane 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 crossings at the UPRR railroad tracks.

### 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 project also provides for new crossings at the Santa Cruz River and existing 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 cost within our 5 year planning horizon is expected to average \$43,200 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.

### costs by year

Construction	Operations	
\$26,736,670	PRIOR	
18,693,330	FY 2014	\$36,000
9,944,330	FY 2015	\$42,000
1,602,910	FY 2016	\$42,000
-	FY 2017	\$66,000
-	FY 2018	\$66,000
-	Avg. costs	\$50,400



useful life

20 years

## Construction Cost

\$56,977,240

funding partners

55%

35%

3%

7%

# 05P03

## Traffic Interchange Improvements: Sahuarita Road @

### Description

Traffic Interchange Improvements: Sahuarita Road at Interstate-19. This project involves the reconstruction of an existing traffic interchange at Sahuarita Road and the I-19 and will accommodate six lanes of through traffic. The Design Concept Report (DCR) has been completed.

### 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 and will allow vehicles to easily access adjacent commercial development. Additionally, the project is needed in order to complete the Sahuarita Road improvements which, overall, will enhance the town by providing better roadway conductivity. This project will be placed in the State Transportation Improvement Program (STIP), which makes it eligible for federal funding. This was the Town's goal to place the project in the STIP and we achieved this goal.

### 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 operational cost is zero as noted.

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.



### costs by year

Construction		Operations
\$ 3,404,060	PRIOR	\$ n/a
26,700,000	FY 2014	\$-
6,100,000	FY 2015	\$-
-	FY 2016	\$-
-	FY 2017	\$-
-	FY 2018	\$-
-	Future costs	\$-

## Construction Cost

**\$36,204,060**

funding partners



9%



14%



73%



4%

useful life

20 years

# 08P02

## Pima Mine Road Bridge Replacement: Santa Cruz River

FY 2014 Budget



### 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 \$10,000 per year once the project is complete. This cost will be partially offset by the 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.

### Description

Reconstruction of the Pima Mine Road Bridge over the Santa Cruz River and other miscellaneous improvements to protect the new bridge, including minor bank protection.

### costs by year

Construction		Operations
\$ 251,080	PRIOR	\$ n/a
2,349,000	FY 2014	\$-
3,000,000	FY 2015	\$-
-	FY 2016	\$10,000
-	FY 2017	\$10,000
-	FY 2018	\$10,000
-	Future costs	\$10,000

### 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. Partial funding has been secured from RTA and ADOT Federal Bridge Fund.

### useful life

50 years

### Construction Cost

\$5,801,080

### funding partners



36%



26%



20%



18%

# 09P02

FY 2014 Budget

## Townwide Pedestrian/Bike Lane Improvement Projects

### Description

Duval Mine Rd to provide connectivity where existing improvements do not exist.

Improvements include:  
Duval Mine Rd on north side from Alpha Ave to La Canada Dr: sidewalk, landscape, bike lane, handrail and slope protection, restriping.

### Justification/Benefit

Project will help increase local pedestrian/bicycle safety with construction of bike lanes and sidewalk and provide connectivity which is consistent with town goals. Project has regional benefit as well as Duval Mine Rd is a major route for cyclists. Project will also provide connectivity to promote shopping and recreational users. Slope protection improvements will help drainage and reduce maintenance efforts.

### 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 for maintenance and upkeep.

The improvements described in the Justification/Benefit section describe the enhancements to the Town's plans for individual transportation. In addition there will be improvements to the safety of the pedestrians and bicyclists, and the project will help to reduce maintenance costs associated with erosion of the roadways.



**useful life**

**20 years**

### costs by year

Construction	PRIOR	Operations
\$		\$ n/a
\$415,000	FY 2014	\$3,000
\$-	FY 2015	\$3,000
\$665,910	FY 2016	\$3,000
\$-	FY 2017	\$3,000
\$-	FY 2018	\$3,000
\$-	Future costs	\$3,000

Saguanta ACTION PLAN



## Construction Cost

**\$1,080,910**

funding partners



58%



37%



5%

# 13S01

## La Villita Road/Rancho Sahuarita Blvd Intersection

FY 2014 Budget



### 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.

### Description

The project will define intersection geometric improvements and traffic control measures that will result in construction documents and cost estimates for intersection improvements. Improvements will increase the Level of Service at the existing intersection and reduce travel time delays for the traveling public.

### Justification/Benefit

The existing intersection currently experiences long delays during the morning peak hour as all four directions of travel are stop-controlled.

### costs by year

Construction		Operations
\$ 50,000	PRIOR	\$ n/a
600,000	FY 2014	\$-
500,000	FY 2015	\$-
-	FY 2016	\$5,000
-	FY 2017	\$5,000
-	FY 2018	\$5,000
-	Future costs	\$5,000



### Construction Cost

**\$1,150,000**  
funding partners



43%



57%

useful life

20 years

# 04W01

## Wastewater Treatment Plant Phase IV Expansion

FY 2014 Budget

general planning



### 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 operating costs of the facility can be found in greater detail in the wastewater fund and wastewater department sections of the FY 2013 budget. This project has already resulted in a water treatment plant which began operations in summer of 2010. The remaining items to be constructed will help ensure the facility is secure and is not producing excessive noise levels.

The improvements described in the Justification/Benefit section describe the enhancements to capacity in support of the Town's development efforts as well as providing clean water to be recharged into the aquifer.

### Description

Sahuarita Wastewater Treatment & Reclamation Facility. 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.

### 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

Construction	PRIOR	Operations
\$28,212,350		\$ n/a
\$330,240	FY 2014	\$-
\$-	FY 2015	\$-
\$-	FY 2016	\$-
\$-	FY 2017	\$-
\$-	FY 2018	\$-
\$-	Future costs	\$-

### Construction Cost

**\$28,542,590**

funding partners



3%



97%

useful life

50 years



### Description

Sahuarita Wastewater Treatment & Reclamation Facility. 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 Public Works.

### 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.

The improvements described in the Justification/Benefit section describe the enhancements to capacity in support of the Town's development efforts as well as providing clean water to be recharged into the aquifer.

### costs by year

Construction	PRIOR	Operations
\$525,120	FY 2014	\$ n/a
92,840	FY 2015	\$-
-	FY 2016	\$-
-	FY 2017	\$-
-	FY 2018	\$-
21,269,170	Future costs	\$-

### 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.

## Construction Cost

**\$21,887,130**

funding partners



3%

97%

useful life

50 years

# operating capital

FY 2014 Budget

Operating Capital is the purchase of capital in an amount not significant enough to require a project and include purchases from the following: Technology Division of the Finance Department, Police Department, Municipal Court, Planning & Building Department, Parks & Recreation Department, Public Works Department, and the Streets Department.

**13IT1** budgets for the replacement of computers (16 servers and 150 workstations) on a five year rotating cycle, including software and licensing (e.g. Windows O/S, Windows Server, Adobe, MS Office, etc.).

**\$102,000**

Technology changes very rapidly. In order for the Town to meet growing digital demands for information a five-year replacement schedule ensures the Town remains current with industry standards.



100% Local Funds

**costs by year**

Purchase	Operations
\$102,000 FY 2014	\$ (7,500)
77,000 FY 2015	\$ (7,500)
77,000 FY 2016	\$ (7,500)
77,000 FY 2017	\$ (7,500)
77,000 FY 2018	\$ (7,500)
77,000 Future	\$ (7,500)

**13PD1** budgets for the replacement of vehicles (patrol, undercover, administrative, etc.) on an as-needed basis, including emergency equipment and mobile data centers.

**\$360,600**

Police/Patrol vehicles reach end of life by approximately 5 years and 115,000 miles. The Police Department currently has 8 vehicles that will have been decommissioned because they are no longer safe to drive and/or too costly to repair and will be beyond their life expectancy by July 1, 2013. We will need to replace vehicles in every year thereafter.



100% Local Funds

**costs by year**

Purchase	Operations
\$360,600 FY 2014	\$ -
\$300,500 FY 2015	\$ -
\$300,500 FY 2016	\$ -
\$300,500 FY 2017	\$ -
\$300,500 FY 2018	\$ -
\$300,500 Future	\$ -

**14PD1** budgets for the purchase, relocation and installation of a back-up power generator from the Wastewater Utility. This generator will serve the police building, which houses the police department and the Emergency Operations Center, all phone banks.

**\$80,000**

The current generator no longer provides the capacity to adequately supply all back-up power needed for the police facility and the Emergency Operations Center.



100% FEDERAL FUNDING

**costs by year**

Purchase	Operations
\$80,000 FY 2014	\$ -
- FY 2015	\$ -
- FY 2016	\$ -
- FY 2017	\$ -
- FY 2018	\$ -
- Future	\$ -

**14PD2** budgets for police video surveillance at Anamax and North Santa Cruz Parks.

**\$60,000**

To provide surveillance for security.



100% FEDERAL FUNDING

**costs by year**

Purchase	Prior	Operations
\$60,000	FY 2014	\$ -
-	FY 2015	\$ -
-	FY 2016	\$ -
-	FY 2017	\$ -
-	FY 2018	\$ -
-	Future	\$ -

**14PD3** budgets for the purchase and installation of an electronic traffic ticket system in 33 patrol vehicles.

**\$95,430**

This system will interface with our current mobile data system and Pima County's Spillman program. It will eliminate data entry responsibilities and errors, improve efficiency, and provide professional easy to read forms. This system will save the printing costs of several forms and save valuable time for not only the officers, but also Records and Court personnel.



100% FEDERAL FUNDING

**costs by year**

Purchase	Operations
\$95,430 FY 2014	\$ -
- FY 2015	\$ -
- FY 2016	\$ -
- FY 2017	\$ -
- FY 2018	\$ -
- Future	\$ -

**14PD4** budgets for the replacement of 17 mobile workstations in older patrol vehicles.

**\$105,860**

The older Mobile Workstations that are currently in patrol vehicles will no longer receive support from Windows. These units are past the end of their useful life cycle with the manufacturer and have no further room to expand for new technologies. PCSO is currently in the process of upgrading their computers as well. To maintain compatibility, the Town should be on the same upgrade path as our public safety support provider.



100% Local Funds

**costs by year**

Purchase	Operations
\$105,860 FY 2014	\$ -
- FY 2015	\$ -
- FY 2016	\$ -
- FY 2017	\$ -
- FY 2018	\$ -
- Future	\$ -

**14PD6** budgets for the construction of covered parking in the police lot for the Mobile Command Unit.

**\$50,000**

Covered parking in this area will protect and extend the life of the installed computer equipment, as well as protecting the vehicle from the weather elements. This will help the police department and the Town to extend the life of the command center.



100% FEDERAL FUNDING

**costs by year**

Purchase	Operations
\$50,000 FY 2014	\$ -
- FY 2015	\$ -
- FY 2016	\$ -
- FY 2017	\$ -
- FY 2018	\$ -
- Future	\$ -

**14CT1** budgets for the upgrade of metal detectors in the security vestibule with more advanced technology equipment.

The life span of the current equipment is based on the usage of each piece of equipment. The average life span is 5 years, which we have surpassed by 2 years. The X-ray inspection system will surpass the 5 years by FY2015. Within the next 3 years the usage of this equipment will increase, which will require the court to purchase a more upgraded model to handle both the walk-through metal detector, x-ray inspection system and the hand held metal detector.

**\$33,930**



100% State Funds

**costs by year**

Purchase	Operations
\$ - FY 2014	\$ -
\$33,930 FY 2015	\$ 2,000
\$ - FY 2016	\$ -
\$ - FY 2017	\$ -
\$ - FY 2018	\$ -
\$ - Future	\$ -

**14PB1** budgets for vehicle replacement of vehicles that are over 10 years old and/or are mechanically unreliable. Town may consider eliminating the Ford Explorer (P&B) and the Malibu (Town Manager) next fiscal year and replace with one vehicle that can be shared by P&B, Parks & Rec and HR. In future years, the inspector's vehicles would be replaced.

**\$30,000**

Current vehicles include: 1997 Ford Explorer; 2003 Ford Ranger, 2005 Dodge pickup; and 2007 Ford Ranger. The purpose of this proposal is to provide for greater reliability, safety and function of the vehicle fleet.



100% Local Funds

**costs by year**

Purchase	Operations
\$ - FY 2014	\$ -
\$ - FY 2015	\$ -
\$ - FY 2016	\$ -
\$ - FY 2017	\$ -
\$30,000 FY 2018	\$ -
\$ - Future	\$ -

**14K01** budgets for playground shade structure canopy replacement at Anamax and Los Arroyos parks.

**\$28,000**



The fabric canopies on the playground shade structures at Anamax & Los Arroyos parks will be nearing their life cycles at 8 years. These canopies have previously been repaired for tears that occurred from both UV decomposition and summers monsoon micro-burst winds. If not replaced at the 8 year interval the playgrounds stand a very good chance of not having shaded play areas.



100% Local Funds

**costs by year**

Purchase	Operations
\$ - FY 2014	\$ -
\$10,000 FY 2015	\$ -
\$9,000 FY 2016	\$ -
\$9,000 FY 2017	\$ -
\$ - FY 2018	\$ -
\$ - Future	\$ -

**14K03** budgets for sports field drainage improvements at the North Santa Cruz park.

**\$10,000**



100% Local Funds

The NSCP sports fields when constructed were not designed with sufficient slope to drain storm water and irrigation runoff. There is currently a problem with standing water between soccer fields 1 & 2 which creates a marshy area between fields due to insufficient slope for drainage. We have received numerous complaints from user groups and the general public that it impacts their use of the fields as well as the standing water being a breeding ground for mosquitoes. Correcting the drainage will improve field conditions and assist with the control of mosquitoes which has been a consistent issue over the past few years.

**costs by year**

Purchase	Operations
\$ - FY 2014	\$ -
\$10,000 FY 2015	\$ -
\$ - FY 2016	\$ -
\$ - FY 2017	\$ -
\$ - FY 2018	\$ -
\$ - Future	\$ -

**14K05** budgets for parking lot expansion for Anamax park user group & event parking needs.



100% Local Funds

Anamax park currently lacks sufficient parking. The lack of parking has created problems for law enforcement as well as fire and rescue services by forcing the public to park their vehicles in fire lanes or other unauthorized areas narrowing access for rescue vehicles and personnel. Local streets have also been crowded from time to time with vehicles lining up and down both sides to the streets creating hazards to local homes in the area and initiating complaints from time to time.

**\$231,020**

**costs by year**

Purchase	Operations
\$ - FY 2014	\$ -
\$50,000 FY 2015	\$ -
\$ - FY 2016	\$ -
\$ - FY 2017	\$ -
\$ - FY 2018	\$ -
\$181,200 Future	\$ -

**14K07** budgets for vehicle replacement of various parks vehicles as needed due to age and mechanical condition.



100% Local Funds

Recreation section has use for a 12 passenger van for programs and activities conducted by the section, such as conducting a hiking club 26 times a year, or working with the Sahuarita Teen Advisory Council which consists of 16 youth. In addition to current programs, staff could expand programming in the future especially to the senior population which has limited means for transportation. Separately, the Park's pick-up truck will be 10 years old in FY 2016 and will at that time have an estimated 90,000 plus miles on it. This truck is used extensively by staff in the maintenance of the Town's Parks system.

**\$79,500**

**costs by year**

Purchase	Operations
\$30,000 FY 2014	\$ 1,100
\$ - FY 2015	\$ 1,100
\$ - FY 2016	\$ 1,100
\$ - FY 2017	\$ 1,100
\$29,500 FY 2018	\$ 2,900
\$20,000 Future	\$ 2,900

**14PW1** budgets for vehicle replacement of various public works vehicles as needed due to age and mechanical condition.

**\$50,000**

Expenditure is for new Public Works vehicles. These new vehicles will replace existing Public Works vehicles that are approaching or have exceeded their useful life.



100% Local Funds

**costs by year**

Purchase	Operations
\$ - FY 2014	\$ -
\$ - FY 2015	\$ -
\$ - FY 2016	\$ -
\$ - FY 2017	\$ -
\$50,000 FY 2018	\$ 2,800
\$ - Future	\$ 2,800

**14ST1** budgets for vehicle replacement of 2 streets vehicles that are approaching or have exceeded their useful life.

**\$55,000**

Replace two Streets Department vehicles that are approaching or have exceeded their useful life.



100% State Funds

**costs by year**

Purchase	Operations
\$55,000 FY 2014	\$ -
\$ - FY 2015	\$ -
\$ - FY 2016	\$ -
\$ - FY 2017	\$ -
\$ - FY 2018	\$ -
\$ - Future	\$ -

**14PD8** budgets for replacement of all department Tasers and provides body cameras for each officer, including storage for video and audio files at Evidence.com.

**\$221,050**



100% FEDERAL FUNDING

The police department currently has 47 Tasers of which the majority are operating beyond warranty. This proposal includes replacement of all 47 Tasers and introduces body worn camera's for each sworn staff member. These cameras will assist in collecting evidence and reduce investigative time for internal complaints. They also allow officers to review information for more concise documentation of case reports. The Evidence.com will allow for digital evidence storage that is secure and accessible from anywhere it is needed. At the end of the 5 year payment plan, all cameras and Taser's will be replaced at no additional cost.

**costs by year**

Purchase	Operations
\$44,210 FY 2014	\$37,200
\$44,210 FY 2015	\$37,200
\$44,210 FY 2016	\$37,200
\$44,210 FY 2017	\$37,200
\$44,210 FY 2018	\$37,200
\$44,210 Future	\$37,200



## 4. Monitor and update our plans to pay for debts during the acquisition of assets

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.

The following table summarized total debt payments by fund for the next 5 years. Debt payments are calculated as the amount of cash required to pay both principal and interest.

Budget Year	CIIF	Quail Creek CFD	Wastewater fund	Total Payment
2014	\$ 1,795,880	\$ 1,004,830	\$ 2,398,060	\$ 5,198,770
2015	1,796,430	1,003,970	2,404,560	5,204,960
2016	1,793,980	1,007,090	2,404,560	5,205,630
2017	1,794,080	1,003,910	2,404,560	5,202,550
2018	1,796,040	1,007,830	2,404,560	5,208,430



### Quail Creek Community Facilities District General Obligation Bonds

The District's general obligation bonds payable for the budget year ending June 30, 2014 follows. 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. The remaining principal balance is \$10,900,000 (including the FY2014 budgeted payment). Interest 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.

During FY2014, the QC CFD fund will pay \$1,004,830 from its revenues (approximately \$264,000 property taxes and a developer contribution of \$740,000). This and all future requirements are as follows:

Year Ending June 30	Principal	Interest	Total Debt Payment
2014	\$ 405,000	\$ 599,830	\$ 1,004,830
2015	425,000	578,970	1,003,970
2016	450,000	557,090	1,007,090
2017	470,000	533,910	1,003,910
2018	500,000	507,830	1,007,830
2019	525,000	480,080	1,005,080
2020	555,000	450,940	1,005,940
2021	585,000	420,140	1,005,140
2022	620,000	387,670	1,007,670
2023	655,000	353,260	1,008,260
2024	690,000	316,910	1,006,910
2025	725,000	278,610	1,003,610
2026	770,000	238,380	1,008,380
2027	810,000	195,640	1,005,640
2028	855,000	150,690	1,005,690
2029	905,000	103,230	1,008,230
2030	955,000	53,000	1,008,000
<b>TOTAL</b>	<b>\$ 10,900,000</b>	<b>\$ 6,206,180</b>	<b>\$ 17,106,180</b>



### 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 securitizes 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. In total, the Town will repay \$12,490,000 of principal issued in March 2006 and \$6,455,000 of principal issued in June 2009. 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. Annual principal and interest payments on the loans are expected to require approximately 13% of revenues pledged. Interest 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. During that time-frame total principal and interest to be paid on the loan will be \$23,725,630.

Year Ending June 30	Principal	Interest	Total Debt Payment
2014	\$ 975,000	\$ 820,880	\$ 1,795,880
2015	1,015,000	781,430	1,796,430
2016	1,055,000	738,980	1,793,980
2017	1,105,000	689,080	1,794,080
2018	1,160,000	636,040	1,796,040
2019	1,220,000	579,590	1,799,590
2020	1,280,000	521,030	1,801,030
2021	1,340,000	459,150	1,799,150
2022	1,405,000	393,930	1,798,930
2023	1,470,000	325,530	1,795,530
2024	1,545,000	252,990	1,797,990
2025	1,620,000	176,750	1,796,750
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
<b>Totals</b>	<b>\$ 17,105,000</b>	<b>\$ 6,620,630</b>	<b>23,725,630</b>

During budget year ending June 30, 2014, total principal and interest will be paid from the Capital Infrastructure Improvement Fund. This payment and all future requirements are shown in the table to the right.

Since this debt is funded with its own tax payer approved property tax, the costs are not expected to have an effect on the general operations of the Town, therefore no analysis was performed in section 2.



**Wastewater Fund and 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 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.

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. In the FY 2014 budget year, total principal and interest to be paid, will be \$2,108,050.

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 4% of pledged resources. In the FY 2014 budget year, total principal and interest to be paid will be \$325,360.

During FY 2014, the Town will pay \$2,398,060 from the wastewater fund. This and all future requirements are as follows:

Year Ending June 30	Principal	Interest	Total Debt Payment
2014	\$ 1,406,340	\$ 991,720	\$ 2,398,060
2015	1,458,700	945,860	2,404,560
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	2,021,580	223,880	2,245,460
2027	1,959,440	148,620	2,108,060
2028	2,032,390	75,670	2,108,060
<b>TOTAL</b>	<b>\$ 26,812,090</b>	<b>\$ 8,497,700</b>	<b>\$ 35,309,790</b>



The effects of this payment are part of the analysis shown in section 2 and determine feasibility of financing options available.

fy2014  
budget

# cost allocation plan

**WHAT IS A COST ALLOCATION PLAN?**

A cost allocation plan (CAP) is a document that identifies, accumulates, and distributes costs from support centers to mission centers and identifies the allocation methods used to do so. Mission centers produce a final product or service. Support centers primarily exist to support the mission centers.

**WHY ALLOCATE COSTS?**

Cost allocation is used to understand the full cost of particular government services. Measuring the cost of government services is useful for a variety of purposes, including performance measurement and benchmarking; setting user fees and charges; privatization, and activity-based costing and activity-based management.

The full cost of a service encompasses all direct and indirect costs related to that service. A cost that can be traced to a single service is called a direct cost because the entire cost can be tied directly to one purpose without the need for a cost allocation. An indirect cost is the cost of a resource that is used for more than one purpose and cannot be easily traced to a single service; the costs are tied indirectly to each purpose through cost allocation.

**HOW ARE COSTS ALLOCATED?**

The Town uses a single step allocation method where support costs are allocated directly to a function based on its estimated use of support services. Support center costs are allocated to all departments using one or more of five different allocation bases. An allocation base is a variable that is closely associated with indirect costs and is used as an estimate to determine the relationship between the support function and the mission function. Each function is allocated cost by applying the ratio of the department's basis to the total basis for the Town.

The five allocation bases used are:

- \$: Total budgeted expenditures or average annual 5 Year CIP expenditures
- FTE: Full-time equivalent employees of the function
- MC: FTE assigned to work at the Municipal Complex
- Assets: Value of capital assets for the function
- # of Trans: Estimated number of revenue and expenditure transactions generated by the function

The Town budgets for the effect of the Cost Allocation Plan separately from recording actual effects of the Cost Allocation Plan. The budget plan occurs first, and it creates an allocation plan each year based on budgetary amounts in order to calculate the effects on the Town's final budget. During the year, the actual activity (rather than budgeted activity) is used to record and allocate actual costs.

**BUDGET SUMMARY**

Costs are not allocated within the General Fund as all central support functions are accounted for within it. Allocated these costs would result in a double counting of expenditures. CAP impacts are factored for the RICO Fund but costs are not allocated to the fund due to the restrictions placed upon it. CAP expenditures are recorded in other funds and off-setting revenues (i.e., charges for services) are recorded in the General Fund as follows:

FUND:	ALLOCATED COSTS:
HURF	144,750
QUAIL CREEK CFD	3,540
CIIF	477,220
WASTEWATER	177,340
<b>TOTAL ALLOCATED COSTS</b>	<b>802,850</b>



FUND/DEPT/PROGRAM	Allocation Bases	ALLOCATION BASES FIGURES					
		FY14		FTE	FY 13 # of Trans	FY14 Budget/CIP \$	Assets (less vehicles) 6/30/2012
		MC	#				
<b>GENERAL FUND</b>							
Mayor and Council	\$		-	240	\$ 127,390		
<b>Town Manager</b>							
Administration	FTE / \$	MC	3.3	452	374,680		
E-D & Communications	FTE / \$	MC	2.0	375	264,700		
<b>Town Clerk</b>							
Town Clerk	\$	MC	3.6	539	292,890		
Town Clerk-Elections	n/a		-	36	-		
<b>Finance</b>							
Finance	FTE / # of Trans	MC	5.0	544	492,590		
Technology	FTE	MC	3.0	484	379,260		
Risk Management	\$ / Assets		-	39	212,600		
<b>Human Resources</b>							
	FTE	MC	2.0	405	205,970		
<b>Law</b>							
Civil	FTE / \$	MC	2.0	237	299,510		
Prosecution	n/a	MC	2.0	237	180,530		
<b>Planning &amp; Building</b>							
Planning & Zoning	n/a	MC	5.4	563	578,870		
Building Safety	n/a	MC	6.0	595	578,940		
<b>Parks &amp; Recreation</b>							
Administration/Maintenance	n/a	MC	7.0	1,511	990,150		
Recreation	n/a		8.1	1,210	442,760		
<b>Public Works</b>							
Administration/Engineering	n/a	MC	3.5	626	352,060		
Facilities	FTE	MC	1.0	485	121,670		
Facilities - Utilities	MC		-	161	344,500		
<b>Police</b>							
	n/a	MC	50.0	2,359	5,363,900		
<b>Municipal Court</b>							
	n/a	MC	8.0	799	545,600		
<b>Non-Departmental</b>							
	n/a		-	167	102,850	\$ 126,098,721	
<b>HURF</b>							
Streets	n/a		8.0	1,512	1,851,000		
<b>G&amp;RS</b>							
RICO activity	n/a		-	122	397,930		
Other activity	n/a		-	-	497,040		
<b>CIIF</b>							
Capital Projects	n/a	MC	6.0	802	14,993,620		
<b>QUAIL CREEK CFD</b>							
Streets	n/a		-	23	17,730		
Parks & Recreation	n/a		-	112	40,740		
<b>WASTEWATER</b>							
Operations	n/a		7.1	1,065	1,324,240	51,958,573	
Capital Projects	n/a	MC	0.2	600	423,080		
<b>SUBTOTAL</b>			<u>133.1</u>	<u>16,299</u>	<u>\$ 31,796,800</u>	<u>\$ 178,057,294</u>	

FUND/DEPT/PROGRAM	ALLOCATION OF DOLLARS			
	Direct Costs Budget Exp	Cost of Admin Services		Full Budgeted Cost
		Costs Allocated To	Costs Allocated From	
<b>GENERAL FUND</b>				
Mayor and Council	\$ 127,390	\$ 6,850	\$ (125,800)	\$ 8,440
<b>Town Manager</b>				
Administration	374,680	59,470	(372,340)	61,810
E-D & Communications	264,700	38,920	(175,370)	128,250
<b>Town Clerk</b>				
Town Clerk	292,890	63,360	(144,610)	211,640
Town Clerk-Elections	-	540	-	540
<b>Finance</b>				
Finance	492,590	87,080	(490,750)	88,920
Technology	379,260	56,750	(379,260)	56,750
Risk Management	212,600	5,970	(207,300)	11,270
<b>Human Resources</b>				
	205,970	37,890	(205,970)	37,890
<b>Law</b>				
Civil	299,510	37,710	(297,640)	39,580
Prosecution	180,530	34,700	-	215,230
<b>Planning &amp; Building</b>				
Planning & Zoning	578,870	94,860	-	673,730
Building Safety	578,940	103,310	-	682,250
<b>Parks &amp; Recreation</b>				
Administration/Maintenance	990,150	140,850	-	1,131,000
Recreation	442,760	137,040	-	579,800
<b>Public Works</b>				
Administration/Engineering	352,060	64,840	-	416,900
Facilities	121,670	34,850	(121,670)	34,850
Facilities - Utilities	344,500	-	(344,500)	-
<b>Police</b>				
	5,363,900	835,330	-	6,199,230
<b>Municipal Court</b>				
	545,600	132,100	-	677,700
<b>Non-Departmental</b>				
	102,850	80,410	-	183,260
<b>HURF</b>				
Streets	1,851,000	144,110	-	1,995,110
<b>G&amp;RS</b>				
RICO activity	397,930	-	-	397,930
Other activity	497,040	12,590	-	509,630
<b>CIIF</b>				
Capital Projects	14,993,620	471,190	-	15,464,810
<b>QUAIL CREEK CFD</b>				
Streets	17,730	800	-	18,530
Parks & Recreation	40,740	2,720	-	43,460
<b>WASTEWATER</b>				
Operations	1,324,240	154,190	-	1,478,430
Capital Projects	423,080	22,440	-	445,520
<b>SUBTOTAL</b>	<u>\$ 31,796,800</u>	<u>\$ 2,860,870</u>	<u>\$ (2,865,210)</u>	<u>\$ 31,792,460</u>



fy2014  
budget

# supporting info





## THE BUDGETARY PROCESS

### FUND COMPOSITION

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

### BASIS OF PRESENTATION

As in prior years, departments are budgeted on a program and object basis. Fiscal year 2006 was the first year the budget presentation included and emphasized the programmatic components of Town services. Accordingly, the fiscal year 2014 budget shows the costs associated with programs.

### 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 General Fund, expenditures may not legally exceed appropriations at the department level and 2) within each Special Revenue Fund department and the Enterprise Fund, expenditures may not legally exceed the level of the total funding source.

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 required to the adopted budget: 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 (ZBB)

Every department shall develop an annual budget using a zero base budget methodology. Under the ZBB approach, no target is established. The department evaluates its current level of operations, its programmatic structure, and its staffing in the context of its function statement and mandates. 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 at its current level 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 2014 to 2018 is provided in a later section.

#### Preparation and Approval Timetable

A timetable for the budget preparation and approval processes for fiscal year 2014 is provided on the next pages.



**BUDGET/CIP CALENDAR  
FISCAL YEAR 2014**

FY 2014 Budget

Date	Action
December 14	<p><b>CIP Project Sheets due to Finance</b></p> <p><i>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.</i></p>
Various dates in January	<p><b>Staff Meeting-financial/budget overview</b></p> <p><i>During the month of January, the Finance Director communicates with other department heads in order to ensure all departments understand the deadlines and the information required to fulfill each deadline.</i></p>
Various dates in January	<p><b>Meetings with Technology Division to review technological needs</b></p> <p><i>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.</i></p>
January 25	<p><b>Preliminary departmental (Level 1) budget requests cut-off</b></p> <p><b>Requests for staffing level adjustments or position reclassifications due to HR</b></p> <p><i>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.</i></p> <p><i>Adjustments to staffing levels are subject to a positional justification review by the HR department and the Town Manager.</i></p>
February 5	<p><b>Capital Improvement Plan Technical Advisory Committee (CIPTAC) meeting to review the CIP.</b></p> <p><i>CIPTAC is a committee of Town employees and community volunteers which meets to review the CIP and make recommendations to the Town Manager (if needed).</i></p>
February 8	<p><b>Final departmental (Level 2) budget requests due to Finance</b></p> <p><i>Requests for expenditure levels must be reviewed and approved by each department head by this date.</i></p>

Date	Action
February 25- March 8	<p><b>Departmental meetings with Town Manager to review budget requests</b></p> <p><i>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.</i></p>
March 11-22	<p><b>Department follow-up meetings with Town Manager (if needed)</b></p> <p><i>Initial meetings may leave questions unresolved. This step provides time for resolution prior to the creation of the Town Manager's recommended budget.</i></p>
April 19	<p><b>Manager Recommended Budget and CIP delivered to Town Council Members</b></p> <p><i>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.</i></p>
May 3	<p><b>Town Council study session on the budget and CIP</b></p> <p><i>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.</i></p>
May 17	<p><b>Town Council study session on the budget and CIP (if needed)</b></p> <p><i>Depending on the request of Council, a follow up public study session is available to review the budget prior to its tentative adoption.</i></p>
June 10	<p><b>Town Council Tentative Budget approval</b></p> <p><i>In compliance with State statute, the Council holds a public meeting to determine if the budget will be adopted on a tentative basis.</i></p>
June 24	<p><b>Public hearing and Town Council adoption of the FY 2014 budget and CIP</b></p> <p><i>In compliance with State statute, the Council holds a special public meeting to determine if the budget will be adopted on a final basis.</i></p>



Adopted financial policies 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 numerous and complex competing purposes. The primary vehicle for this planning is the preparation, monitoring, 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 for \$1,000 or more require the approval of the Town Manager.
  - 1.5.3. Budget transfers between accounts within the same department for less than \$1,000 require the approval of the 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 expenditure 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 the 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 the 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 revenues/sources section of the budgetary schedules.
- 1.9. Alternatives for improving the efficiency and effectiveness of the Town's programs and the productivity 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 periodically to determine the adequacy of cost recovery.
- 2.5. Construction sales taxes collected from development activity occurring in the Town Center designated 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 within the *Rancho Sahuarita Specific Plan*.

**3. Expenditure Policies**

Management must ensure compliance with the legally adopted budget. In addition, purchases and expenditures 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 the 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 immediately 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, guidelines, 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 report, 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 welfare 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 to 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 compliance 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 calculation 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 management 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 improvement 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.

## 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 Council 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, consideration 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 "intergenerational 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 (outstanding 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 transportation. 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 the 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 activities 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 imposed by creditors, grantors, contributors, constitutional limitations, or legal limitations
- 10.1.3. *Committed fund balance*: balances that have self-imposed limitations resulting from formal action 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 included 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 operating 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.

**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. Inter-fund 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 Accounting Standards Board.
- 12.2. Financial reports for each quarterly period will be submitted to the Finance and Investment Advisory Committee and the Town Council.
- 12.3. The Finance and Investment Advisory Committee will provide financial oversight and will recommend 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 regarding:
  - 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 and 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 errors 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.

Pursuant to Article 9, Section 20, (9) of the Arizona Constitution, on March 11, 2003, Sahuarita voters approved the Home Rule Option which allows the Town Council, as part of the annual budget adoption process, to adopt an alternative expenditure limitation equal to the total amount of budgeted expenditures for each of the four fiscal years immediately following adoption of the alternative expenditure limitation. The alternative expenditure limitation is adopted each year after a public hearing at which the citizens of the Town may comment on the proposed alternative expenditure limitation. No expenditures may be made in violation of such alternative expenditure limitation, nor may any proposed expenditures be in excess of estimated available revenues, except that the Town Council may, by three-fourths vote, declare an emergency and suspend the alternative expenditure limitation. The suspension of the alternative limitation shall be in effect for only one fiscal year at a time.

### TENTATIVE 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**

**OFFICIAL BUDGET FORMS**

**TOWN OF SAHUARITA, ARIZONA**

**Fiscal Year 2014**





TOWN OF SAHUARITA, ARIZONA

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Fiscal Year 2014

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**SAHUARITA RESOLUTION NO. 2013-0350**

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF SAHUARITA, ARIZONA, ADOPTING THE FISCAL YEAR 2014 BUDGET IN THE AMOUNT OF \$95,717,340.

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 10, 2013, 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 24, 2013, 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 24, 2013, 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.

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

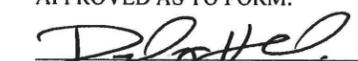
- Section 1.** The estimates of revenues and expenditures/expenses, hereinafter set forth in Exhibit "A", as now increased, reduced, or changed, are hereby adopted as the budget of the Town of Sahuarita for the fiscal year 2014.
- Section 2.** The General Fund shall include a commitment of ending fund balances for stabilization reserves in the amount of \$3,810,700.
- Section 3.** Town staff is authorized to take all the steps necessary to implement the adopted budget for fiscal year 2014 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 24<sup>th</sup> day of June, 2013.

  
 Mayor Duane Blumberg



ATTEST:  
  
 Vicky Miel, MMC  
 Town Clerk

APPROVED AS TO FORM:  
  
 Daniel J. Hochuli  
 Town Attorney

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2013	ACTUAL EXPENDITURES/EXPENSES** 2013	FUND BALANCE/ NET POSITION** July 1, 2013**	PROPERTY TAX REVENUES 2014	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2014	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014		TOTAL FINANCIAL RESOURCES AVAILABLE 2014	BUDGETED EXPENDITURES/EXPENSES 2014
						SOURCES <USES>	<OUT>	IN	<OUT>		
1. General Fund	\$ 26,574,890	\$ 12,251,630	\$ 15,278,030	Primary: \$ 299,920 Secondary:	\$ 13,176,180	\$	\$	\$ 803,700	\$ 27,650,510	\$ 27,650,510	
2. Special Revenue Funds	3,453,960	2,881,270	850,860		13,997,240			155,950	4,242,540	4,242,540	
3. Debt Service Funds Available											
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds											
6. Capital Projects Funds	45,082,530	15,807,150	13,067,640		39,529,320			11,061,430	63,658,390	63,658,390	
7. Permanent Funds											
8. Enterprise Funds Available	(689,910)	3,879,380	(4,630,340)		3,818,250			647,750	165,900	165,900	
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	(689,910)	3,879,380	(4,630,340)		3,818,250			647,750	165,900	165,900	
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 74,421,470	\$ 34,819,430	\$ 24,566,190		\$ 70,520,990	\$ 330,240	\$	\$ 11,865,130	\$ 95,717,340	\$ 95,717,340	

EXPENDITURE LIMITATION COMPARISON

	2013	2014
1. Budgeted expenditures/expenses	\$ 74,421,470	\$ 95,717,340
2. Add/subtract: estimated net reconciling items	(1,058,640)	(1,067,780)
3. Budgeted expenditures/expenses adjusted for reconciling items	73,362,830	94,649,560
4. Less: estimated exclusions	41,844,263	62,003,233
5. Amount subject to the expenditure limitation	\$ 31,518,567	\$ 32,646,327
6. EEC or voter-approved alternative expenditure limitation	\$ 31,518,568	\$ 32,646,328

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 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 in this column 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).

TOWN OF SAHUARITA, ARIZONA  
 Tax Levy and Tax Rate Information  
 Fiscal Year 2014

	2013	2014
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the <b>current year</b> 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	\$ 289,290	\$ 299,920
C. Total property tax levy amounts	\$ 289,290	\$ 299,920
4. Property taxes collected*		
A. Primary property taxes	\$ _____	\$ _____
(1) <b>Current</b> year's levy	\$ _____	\$ _____
(2) Prior years' levies	\$ _____	\$ _____
(3) Total primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	\$ _____	\$ _____
(1) <b>Current</b> year's levy	\$ 280,536	\$ _____
(2) Prior years' levies	\$ 1,524	\$ _____
(3) Total secondary property taxes	\$ 282,060	\$ _____
C. Total property taxes collected	\$ 282,060	\$ _____
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	3.3000	3.3000
(3) Total city/town tax rate	3.3000	3.3000
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>one</u> 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.

TOWN OF SAHUARITA, ARIZONA  
Revenues Other Than Property Taxes  
Fiscal Year 2014

statistical info

TOWN OF SAHUARITA, ARIZONA  
Revenues Other Than Property Taxes  
Fiscal Year 2014

FY 2014 Budget

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Transaction privilege taxes	\$ 4,173,190	\$ 4,227,410	\$ 4,510,270
Franchise fees	323,080	320,140	327,380
<b>Licenses and permits</b>			
Building permit fees	765,160	843,450	879,590
Public Works permits		140,260	87,000
Business licensing fees	1,000	500	500
<b>Intergovernmental</b>			
State shared sales taxes	1,986,940	2,054,660	2,153,280
State shared income taxes	2,579,920	2,579,920	2,818,010
State shared vehicle license taxes	958,940	921,380	934,720
Grants and contributions - Federal	318,420	371,100	
Grants and contributions - State	22,000	27,600	
Grants and contributions - Local	45,000	46,200	
<b>Charges for services</b>			
Development fees	39,500	39,190	33,590
Recreation fees	120,000	120,000	128,000
Other departmental fees	20,800	21,300	6,300
Indirect cost recovery	807,080	808,050	802,850
<b>Fines and forfeits</b>			
Court fines and fees	270,450	240,920	244,770
<b>Interest on investments</b>			
Investment income	161,290	150,000	222,920
<b>Contributions</b>			
Donations from private parties	18,000	17,000	
<b>Miscellaneous</b>			
Micellaneous/other	25,000	53,980	27,000
<b>Total General Fund</b>	<b>\$ 12,635,770</b>	<b>\$ 12,983,060</b>	<b>\$ 13,176,180</b>

\* 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.

**SPECIAL REVENUE FUNDS**

<b>Highway User Revenue Fund</b>			
State shared fuel taxes	\$ 1,645,150	\$ 1,601,360	\$ 1,664,530
Intergovernmental - State	12,262,000	4,585,520	11,061,430
Intergovernmental - Local		25,000	25,000
Investment income	750	1,000	800
Miscellaneous		48,490	
<b>Total Highway User Revenue Fund</b>	<b>\$ 13,907,900</b>	<b>\$ 6,261,370</b>	<b>\$ 12,751,760</b>
<b>Grants and Restricted Sources Fund</b>			
Fines and forfeitures	\$ 109,950	\$ 109,950	\$ 116,520
Intergovernmental - Federal	17,500	17,500	287,170
Intergovernmental - State			22,800
Intergovernmental - Local			45,000
Impound fees			15,000
Investment income	2,650	5,000	9,080

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
Miscellaneous		5,220	18,000
<b>Total Grants and Restricted Sources Fund</b>	<b>\$ 130,100</b>	<b>\$ 137,670</b>	<b>\$ 513,570</b>
<b>Quail Creek CFD</b>			
Property taxes - allowance for uncollectibles	\$ (14,460)	\$	\$ (7,500)
Investment income (loss)	(70)	(70)	(270)
Miscellaneous - developer contributions	756,130	748,900	739,680
<b>Total Quail Creek CFD</b>	<b>\$ 741,600</b>	<b>\$ 748,830</b>	<b>\$ 731,910</b>
<b>Total Special Revenue Funds</b>	<b>\$ 14,779,600</b>	<b>\$ 7,147,870</b>	<b>\$ 13,997,240</b>
<b>CAPITAL PROJECTS FUNDS</b>			
<b>Capital Infrastructure Improvement Fund</b>			
Transaction privilege taxes	\$ 1,801,950	\$ 3,127,220	\$ 2,610,230
Intergovernmental - Federal			4,000,000
Intergovernmental - State	1,000,000		22,000,000
Intergovernmental - Local	12,961,740	10,283,050	10,784,460
Investment income	133,360	110,000	134,630
Miscellaneous	3,243,000		
<b>Total Capital Infrastructure Improvement Fund</b>	<b>\$ 19,140,050</b>	<b>\$ 13,520,270</b>	<b>\$ 39,529,320</b>
<b>Total Capital Projects Funds</b>	<b>\$ 19,140,050</b>	<b>\$ 13,520,270</b>	<b>\$ 39,529,320</b>
<b>ENTERPRISE FUNDS</b>			
<b>Wastewater Fund</b>			
Sewer user charges	\$ 2,685,120	\$ 2,687,570	\$ 2,994,650
Other	40,540	40,540	70,330
Sewer connection fees	305,490	316,280	804,860
Investment income (loss)	(53,050)	(30,000)	(51,590)
<b>Total Wastewater Fund</b>	<b>\$ 2,978,100</b>	<b>\$ 3,014,390</b>	<b>\$ 3,818,250</b>
<b>Total Enterprise Funds</b>	<b>\$ 2,978,100</b>	<b>\$ 3,014,390</b>	<b>\$ 3,818,250</b>

\* 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.

**TOWN OF SAHUARITA, ARIZONA**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2014**

FY 2014 Budget

FUND	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
General Fund	\$	\$	\$	\$ 803,700
<b>Total General Fund</b>	\$	\$	\$	\$ 803,700
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$	\$	\$	\$ 11,061,430
Grants and Restricted Sources Fund			120,000	
Quail Creek CFD			35,950	
<b>Total Special Revenue Funds</b>	\$	\$	\$ 155,950	\$ 11,061,430
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Infrastructure Improvement Fund	\$	\$	\$ 11,061,430	\$
<b>Total Capital Projects Funds</b>	\$	\$	\$ 11,061,430	\$
<b>ENTERPRISE FUNDS</b>				
Wastewater Fund	\$ 330,240	\$	\$ 647,750	\$
<b>Total Enterprise Funds</b>	\$ 330,240	\$	\$ 647,750	\$
<b>TOTAL ALL FUNDS</b>	\$ 330,240	\$	\$ 11,865,130	\$ 11,865,130

statistical info

**TOWN OF SAHUARITA, ARIZONA**  
**Expenditures/Expenses by Fund**  
**Fiscal Year 2014**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/EXPENSES 2013	EXPENDITURE/EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/EXPENSES* 2013	BUDGETED EXPENDITURES/EXPENSES 2014
<b>GENERAL FUND</b>				
Mayor & Council	\$ 146,990	\$	\$ 137,640	\$ 127,390
Town Manager	620,530	25,000	668,870	636,960
Law	451,820		459,430	477,600
Town Clerk	335,440		336,740	292,270
Finance	962,400		957,100	1,080,620
Human Resources	195,450		187,270	204,850
Planning & Building	984,520	105,700	1,050,800	1,151,960
Parks & Recreation	1,341,070	9,500	1,333,580	1,427,610
Public Works	806,430		802,470	815,120
Police	5,683,260		5,683,630	5,336,670
Municipal Court	538,980		521,060	542,680
Non-Departmental	143,620		113,040	102,850
Contingency / Ending Balances	14,354,880	(130,700)		15,453,930
<b>Total General Fund</b>	\$ 26,565,390	\$ 9,500	\$ 12,251,630	\$ 27,650,510
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$	\$	\$	\$
Streets	1,617,000		1,640,820	1,753,990
LTAF	111,080		10,500	101,930
Contingency / Ending Balances	50,990			64,890
Grants & Restricted Sources				
Parks & Recreation				8,000
Police	152,480	26,500	171,310	828,310
Municipal Court				5,500
Contingency / Ending Balances	463,520	(26,500)		412,140
Quail Creek CFD				
Streets	17,730		18,590	17,710
Parks & Recreation	32,000		30,890	40,740
Debt Service	1,009,160		1,009,160	1,009,330
<b>Total Special Revenue Funds</b>	\$ 3,453,960	\$	\$ 2,881,270	\$ 4,242,540
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Infrastructure Improveme	\$	\$	\$	\$
General Government	659,540	50,000	671,960	729,220
Public Safety	273,000		274,230	466,460
Highways & Streets	32,369,500		13,055,390	49,313,740
Culture & Recreation	257,500		7,500	1,290,000
Debt Service	1,798,070		1,798,070	1,800,880
Contingency / Ending Balances	9,674,920			10,058,090
<b>Total Capital Projects Funds</b>	\$ 45,032,530	\$ 50,000	\$ 15,807,150	\$ 63,658,390
<b>ENTERPRISE FUNDS</b>				
Wastewater	\$	\$	\$	\$
Operations	1,263,810		1,263,810	1,314,800
Debt Service	2,399,230		2,388,120	2,398,050
Capital Outlay	653,800		227,450	466,770
Ending Fund Deficits	(5,006,750)			(4,013,720)
<b>Total Enterprise Funds</b>	\$ (689,910)	\$	\$ 3,879,380	\$ 165,900
<b>TOTAL ALL FUNDS</b>	\$ 74,361,970	\$ 59,500	\$ 34,819,430	\$ 95,717,340

\* 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.

TOWN OF SAHUARITA, ARIZONA  
Expenditures/Expenses by Department  
Fiscal Year 2014

FY 2014 Budget

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES 2013	EXPENDITURE/EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/EXPENSES* 2013	BUDGETED EXPENDITURES/EXPENSES 2014
Police:				
General Fund	\$ 5,683,260	\$	\$	\$
Grants & Restricted Sources	152,480			
<b>Department Total</b>	<b>\$ 5,835,740</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
List Department:				
Parks & Recreation:				
General Fund	\$ 1,341,070	\$	\$	\$
Quail Creek CFD	32,000			
<b>Department Total</b>	<b>\$ 1,373,070</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
List Department:				
Streets:				
Highway User Revenue Fund	\$ 1,617,000	\$	\$	\$
Quail Creek CFD	17,730			
<b>Department Total</b>	<b>\$ 1,634,730</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

\* 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.

statistical info



TOWN OF SAHUARITA, ARIZONA  
Full-Time Employees and Personnel Compensation  
Fiscal Year 2014

FUND	Full-Time Equivalent (FTE) 2014	Employee Salaries and Hourly Costs 2014	Retirement Costs 2014	Healthcare Costs 2014	Other Benefit Costs 2014	Total Estimated Personnel Compensation 2014
<b>GENERAL FUND</b>	112	\$ 6,564,060	\$ 812,560	\$ 901,710	\$ 677,490	= \$ 8,955,820
<b>SPECIAL REVENUE FUNDS</b>						
Highway User Revenue Fund	8	\$ 443,690	\$ 51,630	\$ 63,760	\$ 50,530	= \$ 609,610
Grant & Restricted Sources Fund		232,880	28,030	13,810	26,500	= 301,220
Quail Creek CFD						=
<b>Total Special Revenue Funds</b>	<b>8</b>	<b>\$ 676,570</b>	<b>\$ 79,660</b>	<b>\$ 77,570</b>	<b>\$ 77,030</b>	<b>= \$ 910,830</b>
<b>CAPITAL PROJECTS FUNDS</b>						
Capital Infrastructure Improvement F	6	\$ 387,580	\$ 47,240	\$ 60,960	\$ 38,950	= \$ 534,730
<b>Total Capital Projects Funds</b>	<b>6</b>	<b>\$ 387,580</b>	<b>\$ 47,240</b>	<b>\$ 60,960</b>	<b>\$ 38,950</b>	<b>= \$ 534,730</b>
<b>ENTERPRISE FUNDS</b>						
Wastewater	7	\$ 409,260	\$ 44,740	\$ 64,250	\$ 42,000	= \$ 560,250
<b>Total Enterprise Funds</b>	<b>7</b>	<b>\$ 409,260</b>	<b>\$ 44,740</b>	<b>\$ 64,250</b>	<b>\$ 42,000</b>	<b>= \$ 560,250</b>
<b>TOTAL ALL FUNDS</b>	<b>133</b>	<b>\$ 8,037,470</b>	<b>\$ 984,200</b>	<b>\$ 1,104,490</b>	<b>\$ 835,470</b>	<b>= \$ 10,961,630</b>

fy2014  
budget

# statistical info

## Town of Sahuarita, Arizona

Principal Employers  
2013 and 2006

Employer <sup>1</sup>	2013		2006	
	Employees	Percentage of Total Town Employment	Employees	Percentage of Total Town Employment
Sahuarita Unified School District	843	31.68%	465	25.25%
Walmart	402	15.11%	360	19.55%
Farmers Investment Company	233	8.76%	225	12.22%
Fry's	160	6.01%	-	-
Town of Sahuarita	134	5.04%	126	6.84%
Safeway	90	3.38%	120	6.52%
Climax Engineered Materials	42	1.58%	71	3.85%
El Charro	50	1.88%	-	-
Jim Click Ford	48	1.80%	53	2.88%
Ross Dress for Less	33	1.24%	-	-
Ashley's Furniture	27	1.01%	-	-
Walgreens	27	1.01%	-	-
Big Lots	16	0.60%	-	-
Carondelet Medical Group	19	0.71%	-	-
Green Valley News & Sun	19	0.71%	-	-
Northwest Medical Center	18	0.83%	-	-
Bashas	-	-	85	4.61%
<b>Total</b>	<b>2,161</b>	<b>81.35%</b>	<b>1,420</b>	<b>77.11%</b>

<sup>1</sup> Excludes homebuilders not based in the Town.

**Note:** Information prior to fiscal year 2006 was not available.

**Source:** Town Manager's Department-Economic Development Function survey of local businesses.



**Town of Sahuarita, Arizona**  
Assessed Value and Estimated Actual Value of Taxable Property  
Last 10 Fiscal Years

**Town of Sahuarita, Arizona**  
Direct and Overlapping Property Tax Rates  
Last 10 Tax Years  
*(rate per \$100 of assessed value)*

Tax Year	Residential Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2004	\$ 36,815,197	\$ 29,277,536	\$ 2,868,379	\$ 63,224,354	-	\$ 529,909,740	11.93%
2005	53,565,123	36,220,043	3,597,453	86,187,713	-	736,220,036	11.71%
2006	81,972,340	41,760,620	3,962,981	119,769,979	-	1,050,888,456	11.40%
2007	118,173,166	62,517,972	7,634,366	173,056,772	\$3.3000	1,532,658,040	11.29%
2008	148,700,798	84,678,032	10,168,906	223,209,924	3.3000	2,031,634,065	10.99%
2009	166,456,657	70,391,863	10,593,259	226,255,261	3.3000	2,054,854,859	11.01%
2010	146,628,703	73,994,871	8,561,345	212,062,229	3.3000	1,950,872,685	10.87%
2011	141,186,905	76,413,857	11,316,951	206,283,811	3.3000	1,916,657,695	10.76%
2012	131,800,379	79,509,552	11,186,883	200,123,048	3.3000	1,856,862,178	10.78%
2013	146,563,570	62,638,166	18,932,866	190,268,870	3.3000	1,824,773,549	10.43%

Source: The Arizona Department of Revenue's *Abstract of the Assessment Roll* for the applicable year.

TAXING JURISDICTION	Tax Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Direct Rates</b>										
Town of Sahuarita-primary	-	-	-	-	-	-	-	-	-	-
Town of Sahuarita-debt service	-	-	-	-	-	-	-	-	-	-
Quail Creek CFD-operations & maintenance	-	-	-	\$0.3000	\$0.3000	\$0.3000	\$0.3000	\$0.3000	\$0.3000	\$0.3000
Quail Creek CFD-debt service	-	-	-	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
<b>Total Direct Rate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$3.3000</b>						
<b>Overlapping Rates</b>										
State of Arizona Education Assistance	\$0.4560	\$0.4358	-	-	-	\$0.3306	\$0.3306	\$0.4259	\$0.4717	\$0.5123
Pima County	5.3430	5.2228	\$4.5570	\$4.2870	\$3.9963	4.0233	4.0633	4.1978	4.1978	4.4465
Pima County Flood Control District	0.3546	0.3746	0.3746	0.3446	0.2935	0.2935	0.2635	0.2635	0.2635	0.2635
Pima County Community College District	1.3428	1.3114	1.2515	1.1845	1.1355	1.0770	1.0848	1.1093	1.1741	1.2933
Pima County Free Library District	0.2124	0.2575	0.3675	0.3975	0.3393	0.2643	0.3100	0.3460	0.3460	0.3753
Central Arizona Water Conservation District	0.1200	0.1200	0.1200	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1400
Green Valley Fire District	1.7500	1.7500	1.7500	1.8000	1.9000	1.9000	1.9000	1.9000	2.0400	2.2100
Fire District Assistance	0.0427	0.0420	0.0415	0.0383	0.0411	0.0406	0.0032	0.0418	0.0447	0.0456
Sahuarita Unified School District #30	8.3095	8.1495	7.7345	6.1807	5.9176	5.4230	6.5753	5.4067	5.5183	6.6341
Continental School District #39	2.2216	2.1532	2.0682	1.8970	1.7343	1.6122	1.6945	2.0258	1.5729	1.7027
Joint Technological Education District	-	-	-	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500

Source: The Pima County Assessor's Office and the Pima County Treasurer's Office.



**Town of Sahuarita, Arizona**  
Transaction Privelege (Sales) Tax Rates

<u>Business Activity Category</u>	<u>Rate</u>
Advertising	2.0%
Amusements and Exhibitions	2.0%
Construction Contracting	4.0%
Job Printing	2.0%
Manufactured Buildings	2.0%
timbering and Other Extraction	2.0%
Mining	0.1%
Publishing and Periodicals Distribution	2.0%
Hotels and Transient Lodging	4.0%
Rental, Leasing, and Licensing of Property	2.0%
Restaurants and bars	2.0%
Retail Sales	2.0%
Telecommunication Services	2.0%
Transportation for Hire	2.0%
Utility Services	2.0%

**Town of Sahuarita, Arizona**  
Direct and Overlapping Sales Tax Rates  
Last 10 Fiscal Years

<u>Fiscal Year</u>	<u>Town Direct Rates</u>				<u>State</u>	<u>Regional Transportation Authority</u>
	<u>General</u>	<u>Construction Contracting</u>	<u>Transient Lodging</u>			
2004	2.00%	3.00%	4.00%		5.60%	N/A
2005	2.00%	3.00%	4.00%		5.60%	N/A
2006	2.00%	4.00%	4.00%		5.60%	N/A
2007	2.00%	4.00%	4.00%		5.60%	0.50%
2008	2.00%	4.00%	4.00%		5.60%	0.50%
2009	2.00%	4.00%	4.00%		5.60%	0.50%
2010	2.00%	4.00%	4.00%		6.60%	0.50%
2011	2.00%	4.00%	4.00%		6.60%	0.50%
2012	2.00%	4.00%	4.00%		6.60%	0.50%
2013	2.00%	4.00%	4.00%		5.60%	0.50%

Source: Town Code and Town Finance Department.



**Town of Sahuarita, Arizona**  
Sales Tax Collections by Industry Group  
Fiscal Years 2005 - 2013

Industry	Fiscal Year								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Communications and utilities	\$ 288,264	\$ 374,911	\$ 503,490	\$ 623,014	\$ 672,962	\$ 746,139	\$ 737,133	\$ 765,632	\$ 770,052
Construction	4,205,397	5,176,146	6,974,504	5,915,352	4,343,733	2,768,921	1,748,413	1,627,666	2,733,331
Manufacturing	18,982	82,671	191,822	238,468	198,564	255,246	379,474	248,127	207,854
Wholesale trade	2,190	12,718	9,304	18,686	16,339	23,427	24,112	26,111	23,728
Retail trade	2,409,487	3,541,871	5,218,071	2,931,619	2,812,337	2,577,503	2,803,117	2,855,447	2,933,239
Finance and insurance	1,397	3,038	935	2,778	3,083	5,143	3,954	3,730	5,997
Real estate, rental and leasing	254,514	695,618	1,040,549	439,015	309,294	224,851	259,381	247,630	267,564
Restaurant and bar	129,795	151,380	195,258	231,411	266,846	274,886	315,297	299,601	295,327
Services	319,670	67,091	100,345	108,068	88,551	73,273	70,586	57,841	61,450
Other	436,236	130,124	35,412	30,237	75,871	125,462	114,687	148,078	188,937
<b>Total</b>	<b>\$ 8,065,932</b>	<b>\$ 10,235,568</b>	<b>\$ 14,269,690</b>	<b>\$ 10,538,648</b>	<b>\$ 8,787,580</b>	<b>\$ 7,074,850</b>	<b>\$ 6,456,154</b>	<b>\$ 6,279,863</b>	<b>\$ 7,487,479</b>
Direct sales tax rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Note: This information was not available prior to the 2005 fiscal year.

Source: The Arizona Department of Revenue's *City Sales Journals*.

**Town of Sahuarita, Arizona**  
Ratios of Outstanding Debt by Type  
Fiscal Years 2006 - 2013

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	QC CFD GO Bonds	2006A GADA Loan	2009 GADA Loan	2008A WIFA Loans	2008B WIFA Loans			
2006	\$ 12,660,000	\$ 15,410,000	\$ -	\$ -	\$ -	\$ 28,070,000	5.34%	\$1,542
2007	12,660,000	14,870,000	-	-	-	27,530,000	4.38%	\$1,350
2008	12,660,000	14,310,000	-	4,500,660	-	31,470,660	4.28%	\$1,389
2009	12,340,000	13,725,000	6,700,000	25,779,195	-	58,544,195	7.28%	\$2,364
2010	12,005,000	13,120,000	6,700,000	27,297,422	1,980,062	61,102,484	7.17%	\$2,419
2011	11,655,000	12,490,000	6,455,000	26,225,657	2,200,888	59,026,545	6.16%	\$2,300
2012	11,285,000	11,835,000	6,205,000	25,073,245	2,477,454	56,875,699	6.18%	\$2,163
2013	10,900,000	11,155,000	5,950,000	23,898,673	2,356,789	54,260,462	5.45%	\$2,019

Note: There was no outstanding debt prior to 2006.



**Town of Sahuarita, Arizona**

Monthly Sewer User Rates  
Fiscal Years 2004 - 2013

FY 2014 Budget

**Wastewater Flow Contribution Rate (per Ccf)  
User Classification**

Fiscal Year	Administrative Service Charge	Economy of Scale Factor	User Classification						
			General	3C	3K	3N	4E	4G	4H
2004	\$2.400	1.000	\$0.960	\$2.016	\$1.046	\$1.046	\$1.152	\$1.949	\$2.227
2005	2.610	1.000	1.050	2.205	1.145	1.145	1.260	2.132	2.436
2006	2.960	1.000	1.140	2.394	1.243	1.243	1.368	2.314	2.645
2007	3.760	1.000	1.180	2.478	1.286	1.286	1.416	2.395	2.738
2008	5.720	1.524	1.406	2.953	1.533	1.533	1.687	2.854	3.262
2009	9.820	1.000	3.094	6.497	3.372	3.372	3.713	6.281	7.178
2010	10.460	1.000	3.403	7.146	3.709	3.709	4.084	6.908	7.895
2011	11.140	1.000	3.744	7.862	4.081	4.081	4.493	7.600	8.686
2012	12.350	1.000	4.048	8.501	4.412	4.412	4.858	8.217	9.391
2013	13.300	1.000	4.434	9.311	4.833	4.833	5.321	9.001	10.287

**Town of Sahuarita, Arizona**  
Direct and Overlapping Governmental Activities Debt  
June 30, 2013

Governmental Unit	Estimated Share of Direct and Overlapping Debt
<b>Debt repaid with property taxes</b>	
Pima County	\$ 11,417,250
Pima County Community College	33,875
Sahuarita Unified School District	17,572,230
Continental School District	2,388,820
Green Valley Fire District	2,334,360
Subtotal, overlapping debt	<u>33,746,535</u>
<b>Town direct debt-governmental activities</b>	<u>28,005,000</u>
<b>Total direct and overlapping debt</b>	<u>\$ 61,751,535</u>

Fiscal Year	Administrative Service Charge	Economy of Scale Factor	User Classification									
			5A	5C	5F	5G	5I	5J	5K	5L	5M	5S
2004	\$2.400	1.000	\$1.142	\$1.935	\$0.970	\$1.313	\$1.018	\$4.205	\$2.237	\$1.200	\$2.285	\$1.181
2005	2.610	1.000	1.250	2.117	1.061	1.436	1.113	4.599	2.447	1.313	2.499	1.292
2006	2.960	1.000	1.357	2.298	1.151	1.560	1.208	4.993	2.656	1.425	2.713	1.402
2007	3.760	1.000	1.404	2.379	1.192	1.614	1.251	5.168	2.749	1.475	2.808	1.451
2008	5.720	1.524	1.673	2.834	1.420	1.923	1.490	6.158	3.276	1.758	3.346	1.729
2009	9.820	1.000	3.682	2.362	3.125	1.603	3.280	5.104	7.209	3.868	7.364	3.806
2010	10.460	1.000	4.050	5.717	3.437	1.603	3.607	12.353	7.929	4.254	8.099	4.186
2011	11.140	1.000	4.455	6.290	3.781	1.603	3.969	13.591	8.724	4.680	8.911	4.605
2012	12.350	1.000	4.817	6.801	4.088	1.603	4.291	14.694	9.432	5.060	9.634	4.979
2013	13.300	1.000	5.276	6.801	4.478	1.603	4.700	16.095	10.331	5.543	10.553	5.454

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed percentages were estimated by determining the portion of the governmental unit's tax is within the Town's boundaries and dividing it by the unit's total taxable assessed value.

**Source:** The applicable jurisdiction's finance/administration department or the Arizona

**Note:** The Town did not operate a wastewater utility prior to fiscal year 2004.

**Source:** Town of Sahuarita Ordinances



**Town of Sahuarita, Arizona**  
Demographic and Economic Statistics  
Last 10 Fiscal Years

Fiscal Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate
2004	10,153	\$ 261,917	\$ 25,797	4.6%
2005	13,990	386,110	27,599	4.6%
2006	18,199	525,842	28,894	4.3%
2007	20,393	628,370	30,813	3.5%
2008	22,650	735,446	32,470	4.8%
2009	24,767	803,689	32,450	7.0%
2010	25,259	852,567	33,753	8.7%
2011	25,659	957,491	37,316	9.1%
2012	26,297	920,053	34,987	7.7%
2013	26,875	995,208	37,031	6.3%

**Sources:** Population data obtained from the Town's Planning & Building Department, except for year 2005 which was obtained from the Arizona Department of Economic Security, and 2010 which was obtained from the US Census Bureau.

Per capita personal income data was derived from *Arizona's Economy*, Eller College of Management, the University of Arizona, Economic Forecast for the Tucson Metropolitan Statistical Area.

Unemployment data obtained from *Arizona's Economy*, Eller College of Management, the University of Arizona, for the Tucson Metropolitan Statistical Area.

**Town of Sahuarita, Arizona**  
Operating Indicators  
Last 10 Fiscal Years

Function/Program	Fiscal Year										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
<b>Building Safety</b>											
Building permits-single family residential	1,127	1,531	1,614	719	790	563	454	185	247	267	
Building permits-other	478	435	805	739	618	902	440	559	528	592	
<b>Police</b>											
Citations	1,647	1,954	2,232	1,662	2,718	2,075	1,833	2,072	1,324	2,096	
Other contacts/call-outs	2,805	4,106	5,860	7,809	9,855	9,569	9,185	9,591	8,996	8,380	
<b>Human Resources</b>											
Number of job openings	40	44	77	75	54	23	16	6	14	21	
Number of applicants	815	672	945	982	905	780	344	219	564	741	
Turnover rate	27%	8%	20%	15%	19%	12%	9%	7%	7%	9%	
<b>Municipal Court</b>											
Hearings/Court sessions <sup>1</sup>	4,851	7,217	9,566	8,345	9,528	10,574	11,012	11,096	9,596	11,090	
<b>Public Works</b>											
Street resurfacing <i>(miles)</i>	n/a	4.0	7.5	12.3	6.1	4.0	6.9	19.7	19.7	17.8	
Potholes repaired	163	224	108	98	136	162	211	196	196	225	
<b>Parks and Recreation</b>											
Number of recreation programs offered										37.0	42.0
Ave. # of daily program participants										35.9	40.9
Ave. # of daily total park participation/visitation										527.6	634.1
Ave. # of daily facility rentals										1.1	1.2
Athletic field users	8,640	9,175	12,322	10,227	13,910	57,650	75,314	130,192			
Athletic field permits issued	15	21	30	21	24	119	128	170			
Recreation program participants	4,452	5,243	5,909	20,281	18,446	17,204	12,403	13,429			
Ramada rentals	45	60	79	124	112	133	170	164			
Special event attendance	1,400	2,540	4,590	8,105	11,024	16,917	18,375	17,531			
Recreation center rentals	8	18	38	77	32	34	23	61			
<b>Wastewater</b>											
Average daily sewage treatment <i>(thousands of gallons)</i>	214.0	353.6	408.1	446.2	556.5	586.3	674.2	804.1	807.3	760.0	

<sup>1</sup> Includes bench/jury trials, review, status conferences, arraignments, pretrial conferences, evidentiary motions, hearings, sentencing, and probation. These are scheduled hearings that may or may not have been held, but these cases were individually processed.

**Source:** The applicable Town of Sahuarita departments.



**Town of Sahuarita, Arizona**

Capital Asset Statistics

Last 10 Fiscal Years

FY 2014 Budget

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	22	30	37	43	40	40	32	28	39	39
Public Works										
Streetlights	4	5	5	5	7	8	47	52	53	53
Traffic signals		3	5	5	6	10	9	14	15	15
Parks and Recreation										
Park acreage	50	50	50	67	92	107	107	107	107	107
Basketball courts	2	2	2	2	2	4	4	4	4	4
Playgrounds	1	1	1	2	2	4	4	5	5	5
Skate spots/parks				1	1	1	2	2	2	2
Baseball/softball fields (lighted)	3	3	3	3	3	5	6	6	6	6
Community centers	1	1	1	1	1	1	1	1	1	1
Parks maintenance buildings	1	1	1	1	1	1	1	1	1	1
Ramadas	5	5	6	11	11	17	22	22	22	22
Restroom facilities	2	2	2	4	4	5	6	8	8	8
Sand volleyball court					1	1	1	1	1	1
Off-leash dog area				1	1	2	2	2	2	2
Vehicles	5	6	7	7	7	7	7	7	8	8
Wastewater										
Treatment capacity (thousands of gallons)	250	490	490	490	690	690	1,500	1,500	1,500	1,500



Source: The applicable Town of Sahuarita departments.



## 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 Principals (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.

**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 purpose 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**

ADOR	Arizona Department of Revenue
ADOT	Arizona Department of Transportation
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
CST	Construction Sales Tax
EDC	Economic Development Commission
FIAC	Finance and Investment Advisory Committee
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GADA	Greater Arizona Development Authority
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
GO	General Obligation Bonds
HURF	Highway User Revenue Fund
JCEF	Judicial Court Education Fund
LGIP	Local Government Investment Pool
LTAf	Local Transportation Assistance Fund
PAG	Pima Association of Governments
PSPRS	Public Safety Personnel Retirement System
QC CFD	Quail Creek Community Facilities District
RICO	Racketeer Influenced & Corrupt Organizations
TAC	Technical Advisory Committee
TPT	Transaction Privilege Tax (Sales Tax)
UERS	Uniform Expenditure Reporting System
VLT	Vehicle License Tax
WIFA	Water Infrastructure Financing Authority of Arizona
WWTP	Wastewater Treatment Plant

