MARANA TOWN COUNCIL
STUDY SESSION
NOTICE AND AGENDA
11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, April 23, 2019, at or after 6:00 PM

Ed Honea, Mayor
Jon Post, Vice Mayor
David Bowen, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
John Officer, Council Member
Roxanne Ziegler, Council Member

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Marana Town Council and to the general public that the Town Council will hold a meeting open to the public on April 23, 2019, at or after 6:00 PM located in the Council Chambers of the Marana Municipal Complex, 11555 W. Civic Center Drive, Marana, Arizona.

ACTION MAY BE TAKEN BY THE COUNCIL ON ANY ITEM LISTED ON THIS AGENDA. Revisions to the agenda can occur up to 24 hours prior to the meeting. Revised agenda items appear in *italics*.

The Council Chambers are wheelchair and handicapped accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Town Clerk at (520) 382-1999. Requests should be made as early as possible to arrange the accommodation.

This Notice and Agenda posted no later than Monday, April 22, 2019, 6:00 PM, at the Marana Municipal Complex, 11555 W. Civic Center Drive, the Marana Operations Center, 5100 W. Ina Road, and at www.maranaaz.gov under Agendas and Minutes.

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE

APPROVAL OF AGENDA

DISCUSSION/DIRECTION/POSSIBLE ACTION

D1 Relating to Budget; review, discussion, consideration, and direction to staff regarding the fiscal year 2019-2020 Manager's recommended operating budgets for the General Fund, Bed Tax Fund, Highway User Revenue Fund, Water Operating Fund, Wastewater Operating Fund, and the Airport Operating Fund (Jamsheed Mehta and Yiannis Kalaitzidis)

D2 Resolution No. 2019-034: Relating to Development; approving the amended Town of Marana Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts (Erik Montague)

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

ADJOURNMENT

Council-Study Session **D1**

Meeting Date: 04/23/2019

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: April 23, 2019

Strategic Plan Focus Area:
Commerce, Community, Heritage, Recreation, Progress & Innovation

Subject: Relating to Budget; review, discussion, consideration, and direction to staff regarding the fiscal year 2019-2020 Manager's recommended operating budgets for the General Fund, Bed Tax Fund, Highway User Revenue Fund, Water Operating Fund, Wastewater Operating Fund, and the Airport Operating Fund (Jamsheed Mehta and Yiannis Kalaitzidis)

Discussion:

The Town Manager and Finance Director will present the recommended operating budgets for the General Fund, Bed Tax Fund, Highway User Revenue Fund, Water Operating Fund, Wastewater Operating Fund, and the Airport Operating Fund for fiscal year 2019-2020. Information and direction received from Council will be incorporated into the Town's tentative budget which will be brought back to Mayor and Council for consideration at the regular meeting on May 21, 2019.

Staff worked to compile a comprehensive summary of the recommended budget which incorporates some information presented in previous Council meetings. The document is similar to that presented last year and includes departmental summaries with notes explaining major changes between fiscal years. The summary also includes a section on operating capital and projects which provides brief descriptions of significant one-time items. Lastly, it formally lists the items requested to be carried forward into the 2019-2020 recommended budget. Staff anticipates that there will be adequate resources to support these carry forward requests.

It is important to note that the budgets presented this evening are the operating budgets for the General Fund and other selected operating funds. As such, other Special Revenue, Capital Project and Debt Service Funds are not formally presented here. They

will, however, be included in the overall tentative budget which will be presented on May 21, 2019.

Staff Recommendation:

Staff requests information and direction regarding the Manager's recommended budgets for the General Fund, Bed Tax Fund, Highway User Revenue Fund, Water Operating Fund, Wastewater Operating Fund, and the Airport Operating Fund for fiscal year 2019-2020, which will be incorporated into the tentative budget for Council's consideration on May 21, 2019.

Suggested Motion:

I move to direct the Town Manager to incorporate the item(s) discussed this evening in the preparation of the tentative budget which will be considered for possible adoption on May 21, 2019.

Attachments

FY 2019-2020 Manager's Recommended Budget

2020

MANAGER'S RECOMMENDED OPERATING BUDGET

MARANA AZ

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MANAGER'S MESSAGE

Honorable Mayor and Members of Council:

I am pleased to present to you the Manager's recommended operating budgets for the General Fund, Bed Tax Fund, Highway User Revenue Fund, Water Enterprise Operating Fund, Wastewater Enterprise Operating Fund, and Airport Enterprise Operating Fund. Additionally, included is the recommended Capital Improvement Program General Fund request for fiscal year 2019-2020. These recommended budgets exhibit the Town of Marana's balanced approach to responsible fiscal policy and positive investment in the community. Every year, we examine closely our goals and accomplishments during the budget development process. We do this to make sure that allocations are aligned with need, and that strategies are resulting in the appropriate outcomes. This past year, we have had many accomplishments across the five Focus Areas of our Strategic Plan, all of which put the Town on a strong footing going into Fiscal Year 2020.

Commerce

This has been a banner year for commercial development in Marana. The success of the Top Golf opening has added a new dimension of entertainment not only to our community but to the whole Southern Arizona region. The new Hampton Inn and Suites at Marana Center increased our capacity to provide the full range of overnight stay options to visitors. Finally, the advanced medical facilities in the Northwest Emergency Center at Linda Vista and the Carondelet Microhospital at Cortaro are providing our residents and visitors with state-of-the-art healthcare options. With over 800 Single Family Residential permits issued last year, and new multi-family housing such as the Encantada Apartments at the Pines currently being constructed, these commercial investments help to meet the growing demand in Marana.

The Marana Regional Airport is one of the Town of Marana's key assets in Economic Development, and this past year has seen a significant period of growth in its activities. Operating at nearly 90,000 flight operations per year, the Airport serves a wide range of users from hobbyists, to corporate jet traffic, to military training as well, resulting in a diverse customer base for ongoing operations. To support these customers, the Town

has completed or is engaged in several strategies, including a $5.5 million reconstruction of the taxiway pavement, and working with the Federal Aviation Administration to develop an Air Traffic Control Tower.

The future of the Town of Marana's Downtown District is one of the top priorities of the Town's economic development strategies. This year saw significant investment in the road infrastructure in the area, including the construction of the Sandario Road Roundabout and the Marana Road Realignment. In response to these positive investments in the northern Marana community, we have begun to see development interest spur in the private sector. Construction is ongoing at a new multi-tenant commercial center at the northeast corner of the Sandario Roundabout, with new restaurants planned for the area as well. It is these private-sector responses to public investment that show that well-planned, strategic initiatives can provide multiples of economic and community benefit.

The Town is always seeking to serve its Development Services customers in the fastest and most effective ways possible. In the past, we have worked to create a more efficient fee structure, gone through rigorous process improvement programs, and improved our forms and applications through the website. This year, we worked to improve the physical environment of our Development Services Center. DSC staff can now work directly with customers at improved customer assistance stations outfitted with the appropriate technology to review plans and get answers to customer questions on the spot. These new arrangements on the front end complement improvements behind the scenes as well. Employees are now situated in areas aligned with their functions, bringing them closer to the customer action so that services can be delivered all that much faster.

Community

As the fastest growing community in Southern Arizona, Marana has critical infrastructure needs that the Town Council and staff have worked consistently to address. This past year was certainly no different, with several major infrastructure projects coming to a successful close. These projects not only expand capacity for our current residents, but prepare us for future growth as well.

Reconstruction of the Ina Interchange at Interstate 10 is nearly at a close, with the ramps and overpass now officially opened for traffic. While business owners are surely breathing a sigh of relief as the roads return to their normal patterns of use, this shift in traffic represents a whole new era in the Ina Commercial Corridor. The Town of Marana made the decision to make the best use of the Ina project, so that when the interchange was finally reopened, it would be opening to a new experience of Marana: fresh streets, new sidewalks, updated landscaping, and soon-to-be-installed lighting along the whole of Ina Road and Aerie Drive within Town limits. We are excited to see the marked impact these changes will have on the Ina Corridor.

Other major infrastructure projects included the Tangerine Road Corridor expansion, which provides a four-lane, divided median connection between I-10, Marana, and Oro Valley, serving as a regional corridor. This prepares not only Marana but our neighbors as well for continued commercial and residential growth.

With all of this growth comes a need to provide not only new capacity in our roads, but in our water services as well. This year, the Town commissioned its newly expanded Water Reclamation Facility, which is capable of processing 1.5 million gallons per day of wastewater. Directly adjacent to the site resides our Water Recharge Facility, where we can take the treated water from the Water Reclamation Facility and put it back in the aquifer, earning water credits for future development.

Water quality is a national issue, but it became a local one in Marana this year. The introduction of potentially hazardous substances into the ground is not something the Town can control if it occurs outside of our jurisdictions, but it is our responsibility to make sure that the water we pull from our wells is the best possible quality for our customers. That is why we began this year to design and construct two new potable water treatment facilities. Through strategic investments in these types of facilities, as well as additional connections between existing well sites, we will be able to develop a secure ongoing water supply for our residents.

When it comes to security, Marana is consistently rated as one of the safest communities in the State of Arizona. Our investment in the new Public Safety Facility helps to continue this legacy. With all the advanced tools and technology necessary to lead a 21st Century police force, this facility prepares the Town not only to meet current needs, but the needs of future generations as well.

Innovation

The Town of Marana's innovative workforce is dedicated to improved government transparency and customer service through the identification and evaluation of technological tools and applications. The Town rolled out a new mobile app out to the public this year, the Marana Parks app, which connects park users to their favorite parks and activities, giving them up-to-date information on field availability, reservations, and more. In addition, the Town went live with its public facing Laserfiche portal to allow the public to access all of our Town Council records from 1977 to present. Each app and online portal offers a unique user experience that enhances the Town's customer service to its various residents.

Internal applications and equipment are vital components to innovative work spaces. In the public safety sphere the deployment of vehicle cameras in police cars, and migration to the PCWIN system each allow for better transparency and communication. Equally important to applications and equipment are the facilities and infrastructures themselves. The new $22 million Police Facility includes many

upgrades such as state-of-the-art training facilities: classrooms, gym, shooting range, and virtual training room. These training spaces are currently being utilized region-wide because of their advanced and exceptional technology. The Town has also constructed Solar Structures that increase energy efficiency and minimize impact on the environment. Through applications, equipment, and facilities the Town of Marana is dedicated to having a cutting edge approach.

While we continue to make investments in critical infrastructure, we are also committed to maintaining our assets to extend their useful life. The Annual Road Failure Repair Program identifies road failure issues ahead of time that will help reduce emergency repairs and will allow us to be more proactive with roadway maintenance. This complements the detailed inventory and condition rating of all roadways in Marana. Additionally, with the expansion efforts with the asset management system in Cartegraph there will be more accountability, transparency, and oversight of Town resources.

Heritage

Marana's heritage plays a large role in today's development, special events, and Town offerings. One of the Town's priorities is to continue the community heritage dialogue while place-making through development and expanded services. This priority has been demonstrated through events like the Town of Marana's Farm Festival and Founders Day. Offerings like Gastronomy Tours have reinforced this commitment.

The Town of Marana hosted the Farm Festival this year at Heritage River Park. It exhibited Marana's Rodeo and agricultural history. One example was the sunflower display at the event with educational components to teach the public about this type of crop. Individuals from the public were able to take these flowers with them after engaging with our heritage, the agriculture, and educational pieces.

Marana Founders' Day theme this year was the past, present, and future. This was an opportunity to reflect on our heritage, but also how to conserve it through the future within the 2040 General Plan. This year's Founders' Day event included an Art Expo that featured local artist and students from the community. The display was showcased in Town Hall and the art was very heritage centric.

The Town of Marana has reinforced heritage through Discover Marana events. The two events, Marana Gastronomy Tour and Taste of the Wild: The Marana Wild Foods Gastronomy Tour, are perfect examples. The tours take the community through archaeological sites and exclusive tastings of ancient Sonoran wild foods. It also highlights cultures that farmed and foraged in this area for thousands of years and built the oldest agricultural irrigation canal system found in the United States.

Recreation

The Town of Marana has completed construction and upgrades for several parks across town: Continental Reserve Community Park upgrades, the Splash Pad and Solar Structure in Crossroads at Silverbell District Park, and the grand opening of Tangerine Sky Park. One major capital project that has moved from 2019 to 2020 is the Honea Heights Pocket Park, a recreation facility that will both complement the Heritage River Park and bring needed amenities to the neighborhood.

The Town of Marana continues to further develop trail systems throughout the community. The Tortolita Trail System will be expanded to attract new users through mountain bike and equestrian specific trails. The Santa Cruz Path will be developed through the CalPortland section, connecting North Marana trail users to the greater path system throughout the Marana community and the region at large.

This year was a great year in offering recreation activities and funding to underserved populations. Two new inclusive programs, Sensory Swimming Program and the Cape Chase Adaptive Race Event, were offered to community members with special needs and their families. In addition, there was an increase in scholarship programs for individuals needing financial assistance. Not only do these inclusive programs bring recreation to new parts of the community, but it gives the Town an opportunity to interact and engage with residents it may not have before.

Recreation staff have worked to develop a concierge approach to customer service, which includes users being surveyed and given the opportunity to rate programs based on their experiences. Overall, they have increased the number of program offerings by 20% with over 30 activities/events available. They have increased program participation and increased program attendance. All of these positive outcomes have further assisted in the collection of feedback data to provide excellent customer service.

The recommended spending plan detailed in this budget proposal considers these accomplishments as guide posts for future goals, while also recognizing the diverse challenges we will continue to face in the future. As Marana succeeds and grows, it will need to continue to invest strategically while continually innovating to deliver the best service to its residents and customers. This budget demonstrates a commitment to that vision, and to the tenets of the Strategic Plan.

Jamsheed Mehta
Town Manager

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RECOMMENDED INVESTMENTS

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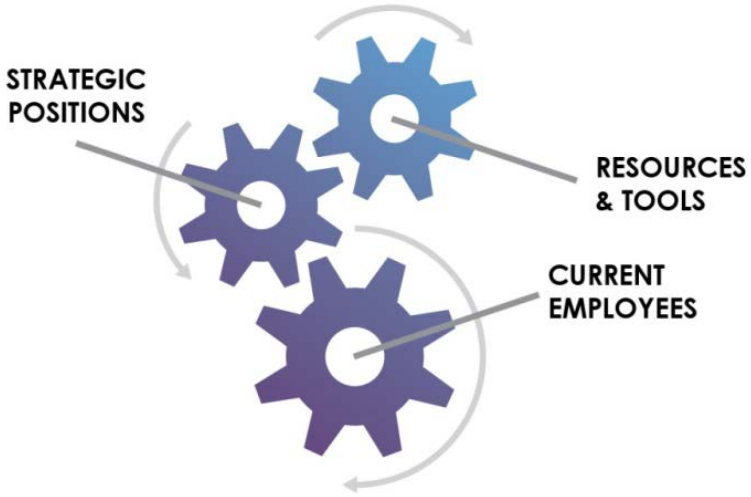
Recommended Investments

The following outline describes several of the Town's investments into identified priority areas. The General Fund's contributions to these are detailed below. These investments represent additional costs that are included within the recommended budget, the summaries of which are presented later in the document.



I. **Employee Compensation and Benefits Investment = $1,702,645 ($1,597,887 General Fund)**
   a. Performance pay adjustments - $1,096,844 ($980,267 General Fund)
      - Up to 3.5% team performance pay adjustment added to base pay or lump sum for those at the top of their pay range
      - Eligibility and other criteria apply
   b. Other pay and benefits - $605,761 ($617,620 General Fund)
      - Includes health, retirement, disability insurance, etc.
        1. Employee Retirement – $281,209 ($260,493 General Fund)
        2. Health Insurance & other benefits - $184,552 ($219,127 General Fund)
        3. Parental Leave program – $48,000 (General Fund)
        4. Employee Rewards and Recognition program – $51,000 (General Fund)
        5. Costs related to additional employee paid holiday – $41,000 ($39,000 General Fund)

II. **Resources and Tools Investment - $3,770,363 ($2,414,363 General Fund)**
   a. Vehicle & equipment purchases $2,078,500 ($1,489,500 General Fund)
   b. Technology
      - Permitting, code enforcement, business license software - $125,000 (General Fund)

- Virtual Machine Disaster Recovery software - $60,000 (General Fund)
- Utility billing software - $100,000 (Water Fund)

c. Facilities
- MMC campus drainage improvements - $126,125 (General Fund)
- Furniture Replacement Program for aging and broken furniture - $35,000 (General Fund)
- MOC campus maintenance and improvements - $92,500 (General Fund)

d. Recreation
- Park Enhancements - $84,000 (General Fund)
- Other Recreation Enhancements - $35,300 (General Fund)
- Pickleball court conversions - $22,500 (General Fund)

III. Strategic Positions

The following table lists the new full time equivalent (FTE) positons added:

Working Position Title	FTE	Department	Funding Source
Code Enforcement Officer I	1.00	Community & Neighborhood Services	General Fund
Business Process Supervisor	1.00	Parks & Recreation	General Fund
Park Maintenance Supervisor	1.00	Parks & Recreation	General Fund
Police Officer	3.00	Police	General Fund
Equipment Operator	1.00	Public Works	General Fund
Facilities Technician II	1.00	Public Works	General Fund
Traffic Technician I	1.00	Public Works	General Fund
Water Billing Specialist	0.40	Water	Water Fund
Water Quality Technician	2.00	Water	Water Fund
Total FTE Changes	**11.40**		

The addition of key positions is critical in maintaining service levels. This is especially true in a fast growing community like Marana. For example, the new Code Enforcement position will provide for increased coverage as new homes are built in Marana. Similarly, the addition of three new Police Officers will allow the Town to continue to provide exceptional service levels, even as the community continues to grow. Two new Parks & Recreation positions will ensure that as popularity in the Town's parks and programs increase each year, quality of service does not deteriorate. Finally, the addition of two Water Quality Technicians will provide much needed support to help monitor and maintain the soon to be completed Water Treatment Campuses.

Multi-year FTE Position Change Summary

The following table shows the change in authorized positions by FTE over the past four fiscal years.

	FY2017	FY2018	FY2019	FY2020
Budgeted FTE	348.63	355.75	363.75	375.15
Position change from previous year	9.90	8.00	8.00	11.40
Percentage change from previous year	3%	2%	2%	3%

Mid-year FTE Position Change Summary

The following table highlights mid-year FTE changes and reclassifications by position title and department for positions that were vacant and unfilled for an extended period of time. Changes are only considered if they help advance one of the five focus areas of the Town's Strategic Plan.

Previous Position Title	Previous Department	Revised Position Title	Revised Department
Civil Engineer	Engineering	Asset Systems Administrator	Finance
Real Property Acquisition Agent	Engineering	Revenue & Customer Service Manager	Finance
Environmental Project Manager	Planning	Senior Planner	Planning
Planning Director	Planning	Community Services Specialist	Community Services

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GOVERNMENTAL FUNDS BUDGET SUMMARY

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Governmental Funds Budget Summary

General Fund

The following General Fund summary is structurally balanced with ongoing revenues supporting ongoing services and programs. One-time resources support one-time projects and programs. Of the amounts included below, $44.8 million represents ongoing costs and $5.8 million represents one-time costs.

Summary of General Fund
Recommended Budget
Fiscal Year 2020[1]

Revenues	FY2019	FY2020 Recommend	$ Change	% Change
Sales tax revenues	$ 26,284,560	$ 26,910,247	$ 625,687	2.4%
Intergovernmental revenues	11,748,196	12,840,139	1,091,943	9.3%
Licenses, fees & permits	4,818,090	4,877,700	59,610	1.2%
Charges for services	518,637	494,750	(23,887)	-4.6%
Fines and forfeiture	585,000	402,000	(183,000)	-31.3%
Grants and contributions	247,757	209,600	(38,157)	-15.4%
Investment income	185,000	350,000	165,000	89.2%
Miscellaneous revenues	568,769	673,919	105,150	18.5%
Total Revenue	***$ 44,956,009***	***$ 46,758,355***	***$ 1,802,346***	***4.0%***
Expenditures				
Personnel & benefits	$ 29,860,421	$ 31,320,308	$ 1,459,887	4.9%
Contracted services	7,728,240	7,835,679	107,439	1.4%
Operating supplies & equip	5,687,079	4,437,589	(1,199,490)	-21.1%
Capital outlay	1,191,418	2,540,100	1,348,682	113.2%
Total Expenditures	***$ 44,467,158***	***$ 46,183,676***	***$ 1,716,518***	***3.7%***
Over/(Under)	***$ 488,851***	***$ 574,679***	***$ 85,828***	***17.6%***
Other Sources and (Uses)				
Transfers out	(4,302,646)	(4,561,182)	(258,536)	6.0%
Total Sources and (Uses)	***(4,302,646)***	***(4,561,182)***	***(258,536)***	***6.0%***
Change in fund balance	***$ (3,813,795)***	***$ (3,986,503)***	***$ (172,708)***	***4.5%***

Note 1: Both the FY2019 and FY2020 budgets shown here exclude contingency which may only be utilized when approved by Council. The FY2020 budget will include a contingency appropriation.

The following describes major changes between fiscal years:

Revenues:

- Sales tax revenues – Anticipated overall tax revenue growth of 2.4% includes anticipated increases of 2.9% in retail, 10.0% in restaurants and 11.6% in hotel taxes paid. However, a significant reduction in contracting taxes reduces the overall average increase to 2.4%. This reduction in contracting taxes was anticipated and is associated with the completion of major capital projects like Ina Road Traffic Interchange, police facility and Tangerine Road projects.

- Intergovernmental revenues – The shared revenue estimate is based on HB2483, which authorizes the State of Arizona to utilize annual Federal Census population estimates as the basis for allocating state shared revenues to Arizona cities and towns. The intergovernmental revenue estimate shown here is based upon a preliminary estimate provided by the League of Arizona Cities and Towns. The final Federal population estimate and shared revenue numbers will be provided to cities and towns by mid-May. *Therefore, the revenue estimate presented in the summary above could change significantly if the Federal Census estimates used for the final shared revenue allocation are materially different than the population estimates used in the above estimate.*

- Licenses, fees & permits – The majority of this revenue is attributable to single family residential permits (SFR's). Budgeted SFR's for fiscal year 2020 are 735.

- Charges for services revenue – This revenue stream is primarily comprised of user fees the Town charges for specific services rendered. A slight decrease is expected as fees are routinely reviewed for costs-of-service and equity.

- Fines and forfeiture – A decrease in this revenue stream is due to an anticipated decline in the number of court fines issued. This decline is an overall national trend.

Expenditures:

- Personnel and benefits – The changes in personnel costs include the addition of the new strategic positions listed earlier as well as the costs for all other compensation and benefit changes.

- Contracted Services – Slight budget increases to contracted services are primarily associated with design costs in regards to remodel and enhancements to areas of the MMC campus.

- Operating supplies & equipment – A 21% decrease of $1.2 million is due to several large one-time projects that were planned in FY2019; such as the PCWINN upgrade and facilities projects.

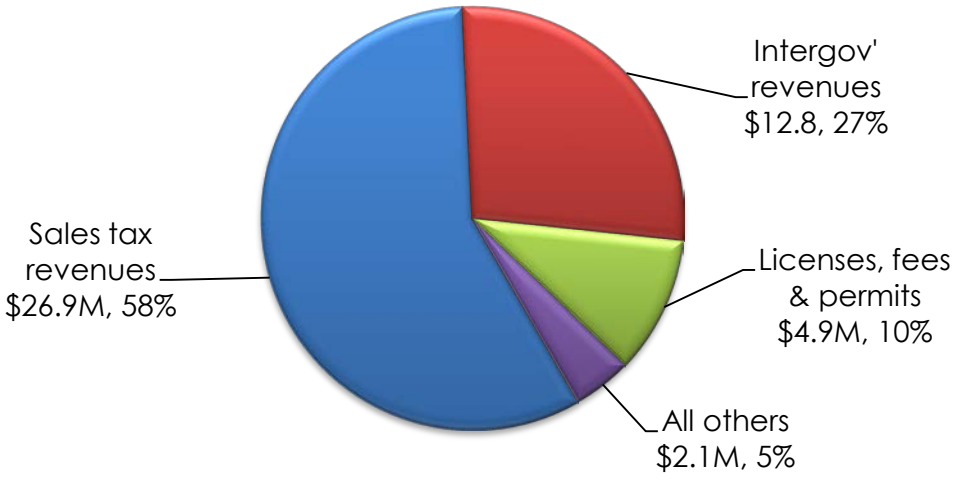
- Capital Outlay – Costs associated with capital outlay include the purchases of vehicles and equipment as well as construction costs to remodel MMC B-building for Water, Parks & Recreation and Courts.

- Transfers out – In addition to required debt service transfers, the General Fund budget for FY2020 includes transfers for planned capital projects and cash matches for potential grant awards. Also shown is a transfer to the Water and Wastewater Funds for debt service payments.

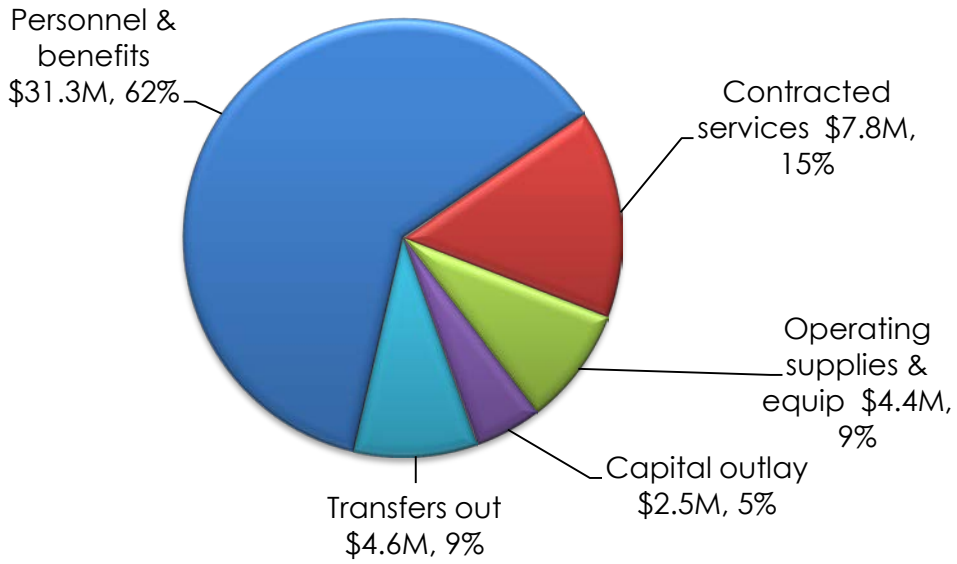
- Change in Fund Balance – The General Fund is structurally balanced with ongoing expenses financed with ongoing revenues. Reserves are, by definition, a one-time resource which can only be deployed toward one-time projects and programs. For fiscal year 2019-2020, utilization of $4.0 million of reserve balances is related to one-time expenses most of which are comprised of carry-forward amounts related to important one-time initiatives that were not completed in the previous fiscal year.

The following charts present the overall General Fund sources and uses of projected resources.

FY2019-2020 General Fund Revenue Sources

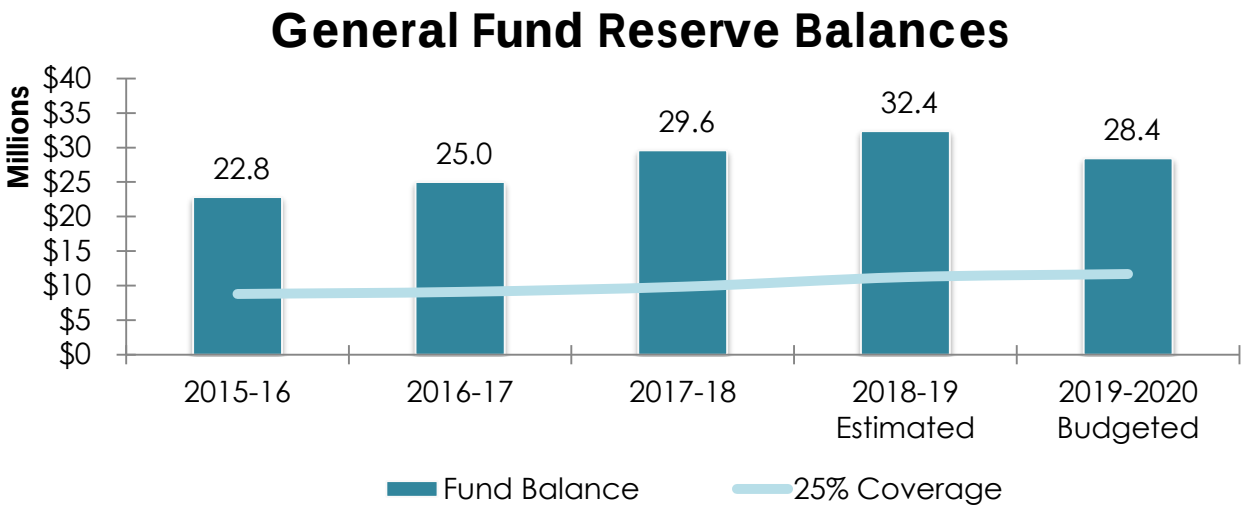


FY2019-2020 General Fund Expenditure Uses



General Fund Reserve Balances

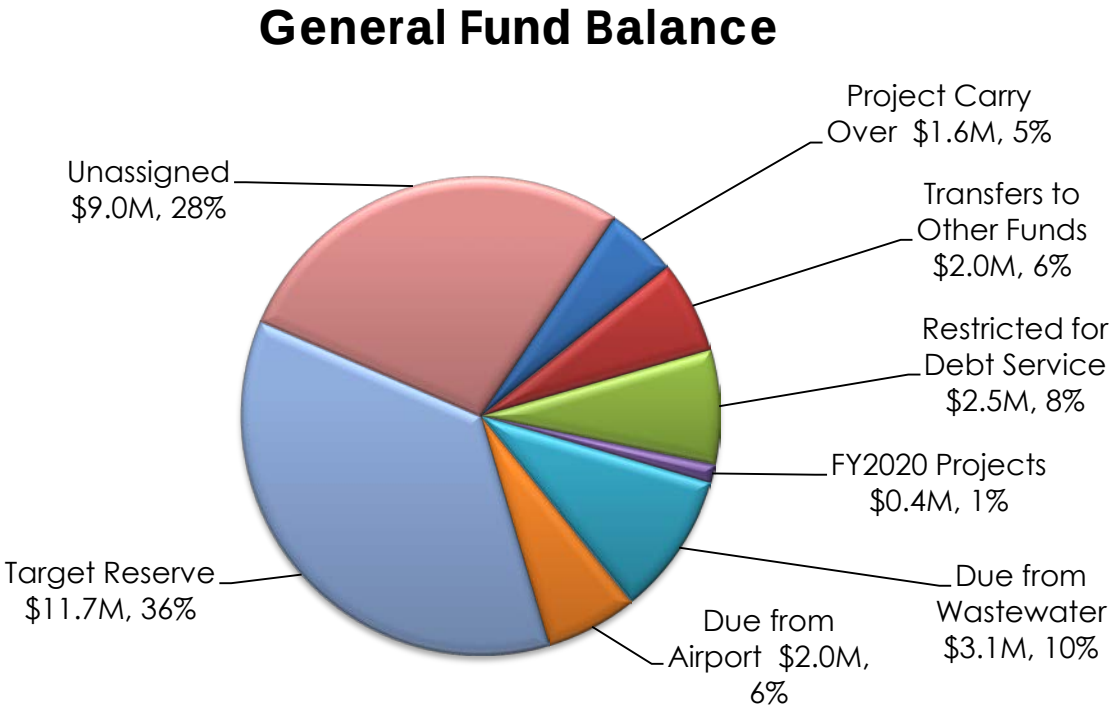
Fund balance reserves provide the Town with the liquidity to meet current cash needs, the capacity to invest in key initiatives and flexibility in determining how certain items are funded. Recognizing the importance of healthy reserve balances, Town Council adopted a target, minimum reserve balance of 25% of estimated revenues for the budget year. As depicted in the chart below, the Town exceeded the minimum reserve balance in all fiscal years.



The Town has been modestly adding back to General Fund reserve balances since fiscal year 2008-2009 to a recent high of $29.6 million at the end of fiscal year 2017-2018. General Fund balances are estimated to increase by approximately $2.8 million by end of fiscal year 2018-2019. This is attributed to revenue estimates that are anticipated to modestly outperform budgeted expectations at 107% in addition to expenditure estimates to be slightly under budgeted expectations at 87%. The majority of unspent funds is related to one-time projects that will be brought forward in the next fiscal year. The estimated dip in reserves for fiscal year 2019-2020 is driven by planned one-time General Fund investments in operating capital and other projects, some of which is carry-forward from the current fiscal year. This estimate also anticipates a transfer out of the General Fund for debt service related to the two Water Treatment Campuses. The numbers included in the General Fund summary and the fund balance represented above exclude any use of contingency.

As mentioned above, reserves are, by definition, a one-time resource which can only be deployed toward one-time projects and programs. Often the nature of these one-time project uses is beyond the normal operating capital needs of the organization. Often times, the use of reserves may advance an important initiative.

The chart and table below depict the possible impact on reserves should all projects under consideration move forward in the amounts originally requested.



Estimated Fund Balance @6/30/19	$ 32,368,948
Project Carry Over	1,574,322
FY2019-2020 Projects	412,709
Transfers to Other Funds	2,012,636
Restricted for Debt Service	2,500,546
Due from Wastewater	3,111,943
Due from Airport	2,013,701
Target Reserve	11,689,589
Unassigned	$ 9,053,502

Bed Tax Fund

The Bed Tax Fund accounts for the discriminatory portion of the transient lodging (bed tax) rate which exceeds the Town's regular tax rate on other businesses. This portion must be used exclusively for the promotion of tourism as required by A.R.S. § 9-500.06(C).

Summary of Bed Tax Fund
Recommended Budget
Fiscal Year 2020

Revenues	FY2019 Budget	FY2020 Recommended	$ Change	% Change
Sales revenues	$ 1,088,016	$ 1,227,600	$ 139,584	12.8%
Miscellaneous revenues	-	-	-	0.0%
Total Revenue	***$ 1,088,016***	***$ 1,227,600***	***$ 139,584***	***12.8%***
Expenditures				
Personnel & benefits	$ 116,477	$ 129,108	$ 12,631	10.8%
Contracted services	760,322	758,622	(1,700)	-0.2%
Operating supplies & equip	211,217	339,870	128,653	60.9%
Capital outlay	-	-	-	0.0%
Total Expenditures	***$ 1,088,016***	***$ 1,227,600***	***139,584***	***11.4%***
Over/(Under)	***$ -***	***$ -***	***$ -***	***0.0%***
Change in fund balance	***-***	***-***	***-***	***0.0%***

The following describes major changes between fiscal years:

Revenues:

- Sales tax revenues – The anticipated bed tax revenue increase of 12.8% is consistent with the continued increased trend in average occupancy and overage rates, as well as the recent addition of a hotel in Marana. Revenues will continue to advance the Town's tourism initiatives including the Discover Marana website.

Expenditures:

- Operating Supplies & Equipment – The changes in operating costs include the addition of a restricted budget that is reserved for contingency and possible unanticipated events.

Highway User Revenue Fund

The Highway User Revenue Fund (HURF) accounts for our portion of state shared taxes on the sale of gasoline, sale of diesel fuels and other transportation related fees. A state constitutional restriction on the use of the highway user revenues requires that these funds be used solely for street and highway purposes within the public right-of-way. This shared gas tax is the primary source of revenue used for the maintenance of our transportation system.

Summary of Highway User Revenue Fund
Recommended Budget
Fiscal Year 2020

Revenues	FY2019 Budget	FY2020 Recommended	$ Change	% Change
Intergovernmental revenues	$ 3,268,578	$ 3,640,329	$ 371,751	11.4%
Grants and contributions	-	-	-	0.0%
Investment income	7,500	15,000	7,500	100.0%
Miscellaneous revenues	-	-	-	0.0%
Total Revenue	***$ 3,276,078***	***$ 3,655,329***	***$ 379,251***	***11.6%***
Expenditures				
Personnel & benefits	$ 23,600	$ -	$ (23,600)	-100.0%
Contracted services	2,802,622	4,017,881	1,215,259	43.4%
Operating supplies & equip	407,000	470,000	63,000	15.5%
Capital outlay	667,827	419,000	(248,827)	-37.3%
Total Expenditures	***$ 3,901,049***	***$ 4,906,881***	***$ 1,005,832***	***20.5%***
Over/(Under)	***$ (624,971)***	***$ (1,251,552)***	***$ (626,581)***	***100.3%***
Change in fund balance	***$ (624,971)***	***$ (1,251,552)***	***$ (626,581)***	***100.3%***

The following describes major changes between fiscal years:

- Intergovernmental revenues – The HURF shared revenue estimate (intergovernmental revenues) is based on HB2483. This bill utilizes the annual Federal Census population estimate as the basis for allocating state shared revenues to the various cities and towns. The intergovernmental revenue estimate shown here is based upon a preliminary estimate provided by the

League of Arizona Cities and Towns. The final Federal population estimate and shared revenue numbers and final revenue estimate will be provided by League of Arizona Cities and Towns around mid-May. *Therefore, the revenue estimate presented in the summary above could change significantly if the Federal Census estimates used for the final shared revenue allocation are materially different than the population estimates used in the above estimate.*

Expenditures:

- Personnel and benefits – In the prior fiscal year, staffing was used in assisting in the identification, tagging and cataloging of road related assets in the Town's asset management system. As this project comes to completion funding will not be needed for fiscal year 2020.

- Contracted services – The increase in contracted services is mainly attributable to the Town's pavement preservation program. Pavement preservation for fiscal year 2019 was modified to coordinate with Pima County's program. As such, unspent funds in fiscal year 2019 are budgeted to be brought forward into the next fiscal year.

- Operating supplies & equipment – For fiscal year 2019-2020 restricted funding was added to respond to potential monsoon related damages.

- Capital outlay – Capital outlay is associated with the replacement and purchase of vehicles and equipment required to maintain the Town's roads and right-of-way. For fiscal year 2019-2020 several pieces of equipment are scheduled to be replaced due to age and/or mileage.

- Changes in Fund Balance – Similar to the General Fund, HURF is structurally balanced with ongoing expenses financed with ongoing revenues. One-time expenses are financed with one-time revenue sources. For fiscal year 2019-2020, utilization of $1.25 million of reserve balances is anticipated to primarily advance the Town's Pavement Preservation Program. The fund is anticipating adding to reserve balances by the end of fiscal year 2018-2019.

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ENTERPRISE FUNDS BUDGET SUMMARY

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Enterprise Funds Budget Summary

Water Operating Fund

The primary revenues for the Water Operating Fund are for charges for water delivered and sold to customers. As such, it is set up and operates as a stand-alone enterprise fund.

Summary of Water Operating Fund
Recommended Budget
Fiscal Year 2020

Revenues	FY2019	FY2020 Recommended	$ Change	% Change
Charges for services	$ 5,637,381	$ 5,895,969	258,588	4.6%
Intergovernmental revenues	60,000	60,000	-	0.0%
Licenses, fees & permits	25,000	50,000	25,000	100.0%
Grants and contributions	28,000	28,000	-	0.0%
Investment income	20,000	25,000	5,000	25.0%
Miscellaneous revenues	21,201	50,000	28,799	135.8%
Total Revenue	***$ 5,791,582***	***$ 6,108,969***	***$ 317,387***	***5.5%***
Expenditures				
Personnel & benefits	$ 2,030,413	$ 2,218,377	$ 187,964	9.3%
Contracted services	1,733,699	1,663,841	(69,858)	-4.0%
Operating supplies & equip	1,662,279	1,884,686	222,407	13.4%
Capital outlay	210,000	145,000	(65,000)	-31.0%
Debt Service	517,543	1,270,764	753,221	145.5%
Total Expenditures	***$ 6,153,934***	***$ 7,182,668***	***$ 1,028,734***	***14.3%***
Over/(Under)	***$ (362,352)***	***$ (1,073,699)***	***$ (711,347)***	***196.3%***
Other Sources and (Uses)				
Loan Proceeds/Transfers in	222,368	1,073,699	851,331	382.8%
Total Sources and (Uses)	***222,368***	***1,073,699***	***851,331***	***382.8%***
Change in fund balance	***$ (139,984)***	***-***	***$ 139,984***	***-100.0%***

The following describes major changes between fiscal years:

Revenues:

- Charges for services – Charges for services, or rate revenues are the main source of revenue for the Water Fund. Rate revenues are solely based on the existing rate structure plus new account growth. The Town is in the process of a water rate study and will bring recommendations forward to Council for consideration, as appropriate.

- License fees & permits – Changes in this revenue source are related to modifications to Comprehensive Fee Schedule adopted by Town Council to better reflect costs of service.

- Transfers in – Increases in this category are associated with a transfer from the General Fund to the Water Fund for debt service payments for the WIFA loan acquired to build the two new Water Treatment Campuses.

Expenditures:

- Personnel & benefits – Increases in this category is attributable to the addition of two new Water Quality Technician positions for fiscal year 2019-2020. These positions will aid in the operation and maintenance of the two new Water Treatment Campuses. There is also an increase of a Water Billing Specialist position from 0.6 FTE to 1.0 FTE.

- Contracted Services – This category includes the majority of the Water Fund's maintenance and rehabilitation programs. For fiscal year 2019-2020 several high priority programs were identified but were not able to be included in the Manager's Recommended Budget to ensure the fund stays structurally balanced. As such, some programs are considered to be deferred to future fiscal years, unless new funding is identified.

- Operating supplies & equipment – The increase is attributable to increased water quality testing and monitoring in all water production and distribution systems.

- Capital outlay – This category includes the purchase and replacement of vehicles and equipment necessary to provide services. For fiscal year 2019-2020 several replacement items were identified but not all were able to be included in the Manager's Recommended Budget to ensure the fund stays structurally balanced. As such, some programs are considered to be deferred to future fiscal years, unless if new funding is identified.

- Debt service – The increase in debt service for fiscal year 2019-2020 includes the payment of a WIFA loan to fund the two new Water Treatment Campuses.

Water Reclamation Operating

The primary revenues for the Water Reclamation Operating Fund are for customer charges to deliver and treat sewer flows at the north Marana Water Reclamation Facility. The primary customers are outside of the organization. As such, it is set up and operates as a stand-alone enterprise fund.

Summary of Water Reclamation Operating Fund
Recommended Budget
Fiscal Year 2020

Revenues	FY2019	FY2020 Recommend	$ Change	% Change
Charges for services	$ 1,419,602	$ 1,490,045	$ 70,443	5.0%
Licenses, fees & permits	30,000	30,000	-	0.0%
Investment income	-	1,000	1,000	0.0%
Total Revenue	***1,449,602***	***$ 1,521,045***	***$ 71,443***	***4.9%***
Expenditures				
Personnel & benefits	$ 601,211	$ 541,059	$ (60,152)	-10.0%
Contracted services	438,965	549,885	110,920	25.3%
Operating supplies & equip	354,924	360,850	5,926	1.7%
Capital outlay	54,424	71,800	17,376	31.9%
Debt Service	809,069	856,265	47,196	5.8%
Total Expenditures	***$ 2,258,593***	***$ 2,379,859***	***$ 121,266***	***5.1%***
Over/(Under)	***$ (808,991)***	***$ (858,814)***	***$ (49,823)***	***6.2%***
Loan Proceeds/Transfers in	809,069	858,814	49,745	6.1%
Total Sources and (Uses)	***809,069***	***858,814***	***49,745***	***6.1%***
Change in fund balance	***$ 78***	***$ -***	***$ (78)***	***-100.0%***

The following describes major changes between fiscal years:

Revenues:

- Charges for services – Charges for services, or rate revenues are the main source of revenue for the Water Reclamation Fund. Rate revenues are solely based on the existing rate structure plus new account growth. The Town is in the process of a waste water rate study and will bring recommendations forward to Council for consideration, as appropriate.

Expenditures:

- Personnel & benefits – The major change between fiscal years is primarily a sharp budgeted reduction in the Worker's Compensation rates as well as overall reduced employee related costs.

- Contracted Services – The major change between fiscal years is primarily due to increased system repair and maintenance on the sanitary sewer collection system.

- Operating supplies and equipment – This category accounts for the majority of costs to operate the recently constructed water reclamation facility.

- Capital outlay – This category includes the purchase and replacement of vehicles, equipment and infrastructure necessary to provide services. For fiscal year 2019-2020 several replacement items were identified but not all were able to be included in the Manager's Recommended Budget to ensure the fund stays structurally balanced. As such, some items are considered to be deferred to future fiscal years, unless if new funding is identified.

- Debt service – The fiscal year budget included projected debt service on the portions of the 2017 Series bonds attributable to the WRF expansion to 1.5MGD as well as a WIFA loan for repairs to the collections system in the Adonis neighborhood.

Airport Operating Fund

The primary revenues for the Airport Operating Fund are for customer charges for facility or ground lease revenues, open tie-down permits and fueling fees for planes at the airport. The primary services are to customers outside of the organization. As such, it is set up and operates as a stand-alone enterprise fund.

Summary of Airport Operating Fund
Recommended Budget
Fiscal Year 2020

Revenues	FY2019	FY2020 Recommend	$ Change	% Change
Charges for services	$ 330,068	$ 339,200	$ 9,132	2.8%
Miscellaneous revenues	18,000	18,000	-	0.0%
Total Revenue	***348,068***	***$ 357,200***	***$ 9,132***	***2.6%***
Expenditures				
Personnel & benefits	292,114	280,744	(11,370)	-3.9%
Contracted services	176,090	124,649	(51,441)	-29.2%
Operating supplies & equip	79,500	73,900	(5,600)	-7.0%
Capital outlay	27,500	30,000	2,500	9.1%
Total Expenditures	***$ 575,204***	***$ 509,293***	***$ (65,911)***	***-12.9%***
Over/(Under)	***$ (227,136)***	***$ (152,093)***	***$ 75,043***	***-33.0%***
Other Sources and (Uses)				
Loan Proceeds/Transfers in	209,636	152,093	(57,543)	-27.4%
Total Sources and (Uses)	***209,636***	***152,093***	***(57,543)***	***-27.4%***
Change in fund balance	***$ (17,500)***	***$ -***	***$ 17,500***	***-100.0%***

The following describes major changes between fiscal years:

Revenues:

- Charges for services – This revenue source is comprised of air hangar leases, fuel charges, and open tie-downs.

- Transfers in – The budgeted transfer for fiscal year 2019-2020 represents what may likely be an ongoing, operating subsidy from the General Fund. In fact, over the years, these operating deficiencies have accumulated to balance of approximately $2.0M which the Airport Fund owes the General Fund. The airport does not generate revenues adequate to support the needs of an airport with significantly aged infrastructure. Additional airport planning is underway in an effort to improve its ability to generate adequate revenues.

Expenditures:

- Personnel & benefits – The major change between fiscal years is primarily a sharp budgeted reduction in the Worker's Compensation rates.

- Contracted services – The change is associated with a one-time facilities maintenance project during fiscal year 2018-2019. There are no large non-capital facilities projects budgeted for fiscal year 2019-2020.

- Capital outlay – An increase in capital outlay is associated with a one-time purchase of equipment to help maintain current airport facilities.

DEPARTMENT BUDGET SUMMARIES

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MAYOR & TOWN COUNCIL

Department Overview

The Marana Town Council is committed to providing its residents with a high standard of living, efficient municipal services, and progressive community planning. Their actions are based on solid values, uncompromising integrity, and servant leadership for the community.

2018- 2019 Accomplishments

- Adopted a structurally balanced operating budget
- Hosted the Marana Legislative Day
- Rescinded the half cent sales tax
- Commissioned Staff to proceed with the construction of two water treatment plants

2019- 2020 Goals & Objectives

- Ensure the use of the Strategic Plan in the development of the annual budget
- Maintain regular briefing reports and Council Executive Reports
- Support legislative priorities
- Ensure that Marana remains a safe, clean and healthy community

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY2019 Actual	FY 2020 Target
	To promote and increase regionalism with neighboring communities	Number of yearly joint meetings with council members from neighboring communities	1	1

BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits Cost*	$256,311	$253,605	$304,090	$315,670	Note 1 $11,580
Contracted Services	4,981	6,942	20,461	20,461	-
Operating Supplies & Equipment	5,816	9,441	13,485	13,485	-
Total by Category	**$267,108**	**$269,988**	**$338,036**	**$349,616**	**$11,580**

BUDGET SUMMARY BY FUND

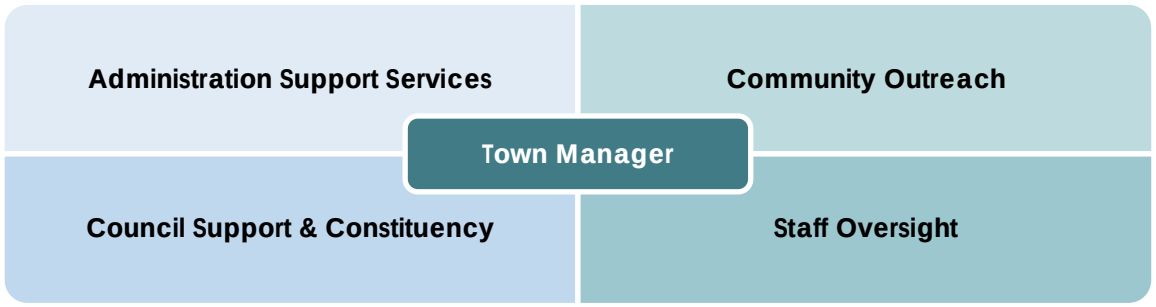
Expenditures By Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$267,108	$269,988	$338,036	$349,616	$11,580
Total by Fund	**$267,108**	**$269,988**	**$338,036**	**$349,616**	**$11,580**

Note: Town Council does not have FTE's. Town Council members are paid a stipend and are eligible to receive benefits.

Budget Notes & Changes

1. Personnel & Benefits – Slight increases budgeted due to increases in health care related costs

TOWN MANAGER



Department Overview
The Town Manager's Office, under the policy and direction of the Town Council, provides oversight, support and coordination of administrative activities across the Town. The Manager's Team provides leadership and vision to town staff for the benefit of the entire Marana community. Using the Strategic Plan, we implement successful strategies to tackle the challenges and growth in the Town. The Manager's Team promotes responsiveness and efficient policies and procedures to ensure the highest quality of life for residents and businesses. The Manager's Team believes in strong partnerships with our business and development communities, our neighboring municipalities, and various interest groups in the area. We are committed to providing the highest level customer service and effective solutions to complex changes. The Manager's Team will never compromise our integrity or the public's trust.

TOWN MANAGER'S OFFICE

2018 – 2019 Accomplishments

- Maintained a structurally balanced budget
- Worked with the Town Council to rescind the half-cent sales tax
- Coordinated successful intergovernmental efforts, including hosting the Marana Legislature Day
- And provided the leadership and direction to:
  - Develop the new Water Reclamation and Recharge Facility
  - Initiate the process of creating new Water Treatment Campuses
  - Complete and inaugurate the new Public Safety Facility
  - Cut the ribbon on the expanded Tangerine Road Corridor

2019 - 2020 Goals & Objectives

- Complete the Ina Road Restoration, Interchange and Santa Cruz River Bridge Reconstruction projects while assisting businesses and residents with the transition
- Continue to lead the effort to create a centralized permitting and licensing system
- Complete and present the 2040 Marana General Plan
- Work with Town departments to develop strategic infrastructure plans, such as the North Marana Drainage Study, Sewer Conveyance Plan, Parks & Recreation

Master Plan Update, Potable Water System Master Plan Update and conclude and present the Comprehensive Zoning Update.

COMMUNICATIONS AND MARKETING DIVISION

2018 - 2019 Accomplishments

- Completed the first parks and recreation guide insert for the Marana Newspaper.
- Created the Culture & Engagement program in a proposal to HR.
- Developed the web design and branding for Marana 2040 General Plan update.
- Launched the Marana Events engagement book.
- Successful disseminated information through the Joint Information Center function of the Emergency Operation Center for the July flood events.
- Began the Marana Town Talk podcast, interviewing key players from the Town of Marana and their projects.
- Improved response times to constituents on social media.
- Branded and marketed the Marana Momentum Alliance initiative in collaboration with Southern Arizona Food Bank, Marana Unified School District, and MHC Healthcare.

2019 - 2020 Goals & Objectives

- Establish strategies for hard-to-reach audiences, including those who are not active on social media and other technical forms of contact.
- Continuously research and implement new communication strategies based on best practices in the public and private sector.
- Evaluate the effectiveness of the current MaranaAZ.gov website, and begin researching ways to improve the layout to best fit the modern user's needs.
- Continue to evaluate and update the Brand book to accommodate evolving organizational needs, including the implementation of a brand package for capital improvement projects.
- Identify areas of brand expansion, including the front desk, lobby, and interoffice mailing.
- Continue to cultivate brand loyalty through creative social media interactions and strategically placed digital advertising.
- Formalize work flow process with departments, including draft templates, approval processes, and presentations.
- Manage lines of communication for the public to continuously provide feedback or register complaints/concerns.

SPECIAL EVENTS DIVISION

2018 - 2019 Accomplishments

- Improved shuttle logistics for Star Spangled Spectacular

- Managed crowd control with the successful implementation of carnival ride fees.
- Implemented new events (both on-going and one-time) including Marana Macro Machines, Town Hall Youth Days, and various grand opening ceremonies.
- Won a 3CMA award for one-time event for Town Hall Youth Days.
- Included the position of Special Event Programmer to enhance customer service, vendor flow, and logistics.

2019 - 2020 Goals & Objectives

- Seek solutions for event safety concerns.
- Evaluate community needs and identify possible opportunities for expanding or modifying the events program.
- Identify sponsorship revenue opportunities. Establish a work flow process for marketing special events to businesses.
- Evaluate effectiveness of current public feedback tools and explore additional ways to solicit event feedback.
- Identify opportunities for employee support, such as the Marana Town Hall Youth Days.

KEY PERFORMANCE MEASUREMENTS				
Town Manager Strategic Plan Goal	**Expected Outcome**	**Performance Measure**	**FY 2019 Target**	**FY 2020 Target**
Innovation	Foster a culture of innovation throughout the Town organization.	Number of town-wide innovation seminars.	2	2
Community	Ensure Town information is easily accessible to the public.	Development of transparency apps and platforms.	Creation of Town performance dashboard.	Creation of Town performance dashboard.

KEY PERFORMANCE MEASUREMENTS

Community	Invest in community input on Town services.	Development and deployment of survey instruments.	Administer town-wide citizen survey.	Administer town-wide citizen survey.
Community	To provide high level service to other Town departments for marketing and branding projects	Increase the frequency of project communications with departments during project timeline by 10%	10% Increase	10% Increase
		Reduce the initial response time for project requests by 20%	20% Reduction	20% Reduction
Innovation	To increase accuracy in planning for special event growth	Accurately predict event attendance within 10% of actual/estimated post event	<10%	<10%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Recommended	Change	
Personnel & Benefits	$1,170,600	$ 1,239,477	$ 1,426,495	$1,414,677	Note1	$(11,818)
Contracted Services	128,304	100,853	163,496	132,676	Note 2	(30,820)
Operating Supplies & Equipment	203,207	221,985	276,955	287,065	Note 3	10,110
Capital Outlay	19,803	(835)	-	-		-
Restricted Budget	-	-	32,000	32,000		-
Total by Category	**$1,521,915**	**$ 1,561,480**	**$ 1,898,946**	**$1,866,418**		**$(32,528)**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Recommended	Change
General Fund	$1,520,894	$1,560,990	$1,898,946	$1,866,418	$(32,528)
Bed Tax Fund	1,021	490	-	-	-
Total by Fund	**$1,521,915**	**$1,561,480**	**$1,898,946**	**$1,866,418**	**$(32,528)**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Town Manager	1.00	1.00	1.00	1.00	-
Deputy Town Manager	1.00	1.00	1.00	1.00	-
Assistant Town Manager	1.00	1.00	1.00	1.00	-
Assistant to the Town Manager	1.00	1.00	1.00	1.00	-
Graphic Designer	1.00	1.00	1.50	1.00	-
Administrative Assistant	1.00	1.00	1.00	1.00	-
Customer Service Clerk	1.13	1.00	-	-	-
Customer Service Representative	-	1.00	2.00	-	(2.00)
Special Events Coordinator	1.00	1.00	1.00	1.00	-
Special Events Programmer	-	1.00	1.00	1.00	-
Communications Manager	1.00	1.00	1.00	1.00	-
Communications Specialist	1.00	1.00	1.00	1.00	-
Executive Assistant to the Town Manager	1.00	1.00	1.00	1.00	-
Marketing & Design Associate	-	0.50	-	-	-
Total Town Manager	**11.13**	**13.50**	**13.50**	**11.50**	**(2.00)**

Budget Notes and Changes

1. **Personnel & Benefits –** Decrease associated with the moving of two Customer Service Representatives to the Finance department. Budget figures also include the addition of a temporary, term-limited position.

2. **Contracted Service –** Decrease associated with savings in software and computer line items

3. **Operating Supplies & Equipment –** Increase associated with growth and upkeep of Signature Events

TOWN CLERK

Department Overview
The Town Clerk is responsible for oversight of Council meetings, the administration of town elections, public records management, coordination of public records requests, claims management, processing liquor licenses and the coordination of interdepartmental services related to the town. Under the direction of the Town Manager's office, the Town Clerk handles claims against the town, prepares official Council agenda packets, records official minutes of all Council meetings, and is staff to the Marana Citizens' Forum. Community is the keystone of the Strategic Plan that enhances the mission of the Town Clerk's department, which is to assist the public and internal staff with accurate and timely information.

2018-2019 Accomplishments

Records Administration

- Laserfiche digital imaging clean-up continues with the removal of over 19,105 transitory and duplicate documents from the repository
- Reviewed and transferred over 129 permanent planning boxes to off-site storage
- Reviewed and transferred over 40 semi-permanent capital improvement project boxes and permit record boxes to off-site storage
- Reviewed and inventoried 95 permanent archive record boxes adding new labels, Versatile tracking numbers, and refiled in acid free folders
- File room inventory of transitory and permanent public records ongoing

Community

- Hosted a voter registration drive at the July 4th Celebration and did voter outreach to local business before the August 2018 Primary Election
- Hosted regional community town hall with other government agencies and non-profits in Pima County discussing the impacts of the criminal justice system on local services and citizens

Council and Department Organization

- Continue to provide agenda training as needed to all staff
- Member of the town's safety team
- Member of the town's wellness team
- Member of the town's benefits team
- One staff member working towards Municipal Clerk Certification
- One staff member working towards Laserfiche Operator Certification

2019-2020 Goals & Objectives

In addition to those items listed below, all goals and objectives noted above as 'ongoing' will continue to be a focus objective during this period.

- Continue Laserfiche and Versatile clean-up project to enhance software capabilities
- Complete the clean-up of the Public Works and Real Property templates and continue to improve the search capabilities within the repository
- Continue reorganization of the Records room and relocation of files to the Sanders Road Archive unit

KEY PERFORMANCE MEASUREMENTS				
Council Strategic Plan Goal	**Expected Outcome**	**Performance Measure**	**FY 2019 Target**	**FY 2020 Target**
Community	Bring relevant topics to Citizens' Forum for deliberation	Maintain minimum of 20-25 delegates; recommendations approved by Council are launched for implementation	Ongoing	Ongoing
Progress and Innovation	Create a comprehensive preservation policy for historic and culturally significant items	Start a draft outline within first year, engaging entities such as U of A, AZ State Museum, Sonoran Desert Coalition, and Old Pueblo Archaeology	First draft of policy	First draft of policy
Community	Maintain partnership with the Marana Heritage Conservancy and seek out new partnership opportunities	- Identify internal departments to assist with collaboration and establishment of program	Ongoing	Ongoing

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$377,255	$388,132	$400,093	$406,363		$6,270
Contracted Services	80,600	22,890	99,205	48,515	Note 1	(50,690)
Operating Supplies & Equipment	8,328	6,440	19,650	14,650		(5,000)
Capital Outlay	-	-	-	31,600	Note 2	31,600
Restricted Budget	-	-	65,000	65,000		-
Total by Category	**$466,183**	**$417,463**	**$583,948**	**$566,128**		**$(17,820)**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$466,183	$417,463	$583,948	$566,128	$(17,820)
Total by Fund	**$466,183**	**$417,463**	**$583,948**	**$566,128**	**$(17,820)**

AUTHORIZED POSITIONS

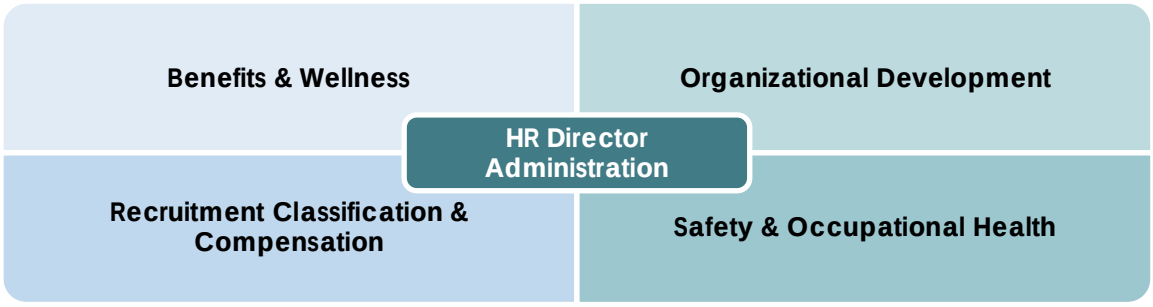
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Town Clerk	1.00	1.00	1.00	1.00	-
Deputy Town Clerk	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Records Clerk	2.00	2.00	2.00	2.00	-
Total Town Clerk	**5.00**	**5.00**	**5.00**	**5.00**	**-**

Budget Notes and Changes

1. **Contracted Services –** Reduction due to 2018 election related expenses in prior year budget.

2. **Capital Outlay –** Increase due to a one-time purchase request for a large format printer/copier.

HUMAN RESOURCES



Department Overview

The Human Resources Department's mission is to support and advance the Town of Marana by hiring, developing and keeping the best talent. In collaboration with all Town employees, we work to promote Marana's culture and an organization of excellence.

2018 – 2019 Accomplishments

Administration

- Provided organizational workforce data report
- Provided Total Compensation Statement for all benefits eligible employees
- Developed HR Metric Dashboard

Benefits

- Managed the Affordable Care Act Reporting and disbursement of 1095C forms to all benefit eligible employees
- Conducted benefits requests for proposals the dental and vision platforms
- Managed request for proposal provider changes for medical/stop loss, EAP, Life, Disability, FSA, HSA, Cobra platforms
- Evaluation of a Tuition Reimbursement platform
- Evaluation of a Parental Leave platform

Compensation & Classification

- Implementation roll-out of Job Descriptions for all classifications/positions
- Implemented a source index for compliance tracking for minimum requirements for all classifications/positions

Organizational Development

- Increased employee engagement and the interactive quarterly touch base process and goal deployment (PERFORM)
- Conducted Town Wide:
  - Time and Attendance training
  - Employee Assistance Training
  - Accident & Injury Training
  - Sexual Harassment Training
- Conducted Department & Position specific training:
  - Respect & Diversity Training
  - Employee Assistance Training for Supervisors

Recruiting

- Improved the efficiency of the recruiting process by implementing pre-employment compliance & index tracking for job classifications/positions

Safety & Emergency Management

- Established motor vehicles records checks program
- Completed state multi-jurisdiction hazard mitigation plan
- Maintained 90% Safe Personnel Training completion rate
- Obtained an Emergency Management Preparedness grant (EOC upgrade)
- Updated 3 year operator equipment card/certification
- Implemented Job Hazard Assessments (JHAs) for all job classifications
- Worker's Compensation claims reduction
- Managed the occupational health care provider change from US HealthWorks to Concentra
- Implemented Tele-med services for PD workplace injuries

Wellness

- Held wellness clinics throughout the year, including the Flu Shot Clinic, Mobile On-Site Mammography Clinic
- Introduced and implemented new wellness platform

2019 – 2020 Goals & Objectives

Administration

- Continue to be a driving force to cultivate and promote the Town's goals, strategic plan and cultural values
- Upgrade the PAF/REQ workflow with process & electronic enhancements

Benefits

- Move towards auto file feeds on medical and dental plans
- Increase utilization of Employee Self Service for employee compliance notifications
- Enhance online benefit processes and acknowledgements

Compensation & Classification

- Enhance the organizational Reclassification Request process

Organizational Development

- Assess organizational training needs and develop a strategic training plan based on organizational need
- Implement a rewards & recognition platform to include service, performance, appreciation and culture-based platforms
- Conduct Six Block training and development analysis throughout the organization

Recruiting

- Implement an enhanced recruiting process and Hiring Manager Toolkit
- Implement an electronic interactive on-boarding & orientation process to enhance the new hire experience

Safety & Emergency Management

- Continue to reduce workplace injuries and enhance claims management process
- Complete the development of the Continuity of Operations Plans (COOP) for all Town departments and incorporate them into the Town's Emergency Operations Plan (EOP)
- Certification of OSHA required positions for first-aid, CPR & AED
- Update the Town's Emergency Operations Plan (EOP)

Wellness

- Hold wellness clinics throughout the year, including biometrics, a Flu Shot Clinic, and Mobile On-Site Mammography Clinic
- Increase organizational wellness participation and incorporate new platforms

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Progress & Innovation	To reduce the frequency and cost related to injuries.	Reduction in injury claims and reduction with associated injury costs	10%	5%
Progression & Innovation	To increase employee engagement	Increase in the number of touch base meetings	4%	2%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$ 646,613	$657,874	$683,141	710,794		$27,653
Contracted Services	46,721	39,578	70,613	123,369	Note 1	52,756
Operating Supplies & Equipment	88,520	112,099	124,794	174,454	Note 2	49,660
Restricted Budget	-	-	35,000	98,000	Note 3	63,000
Total by Category	**$781,854**	**$809,551**	**$913,548**	**$1,106,617**		**$193,069**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Budget	Change
General Fund	$781,854	$809,551	$913,548	$1,106,617	$193,069
Total by Fund	**$781,854**	**$809,551**	**$913,548**	**$1,106,617**	**$193,069**

AUTHORIZED POSITIONS

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Recommended
Human Resources Director	1.00	1.00	1.00	1.00
Human Resources Deputy Director	1.00	1.00	1.00	1.00
Sr. Human Resources Analyst	2.00	2.00	2.00	2.00
Human Resources Analyst	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Safety and Emergency Management Coordinator	1.00	1.00	1.00	1.00
Total Human Resources	**7.00**	**7.00**	**7.00**	**7.00**

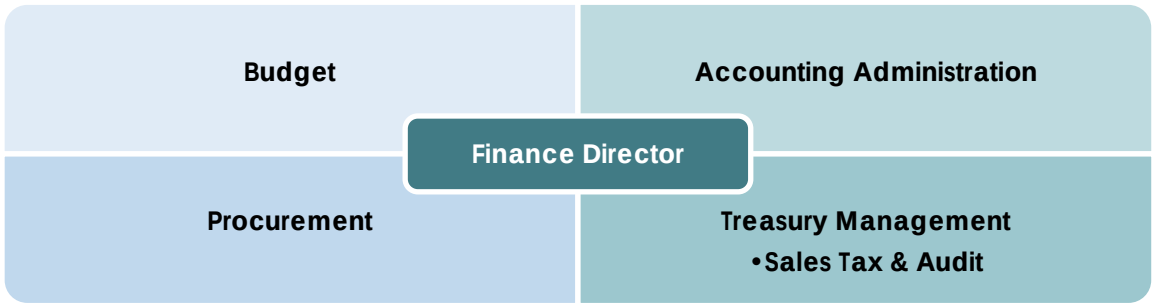
Budget Notes and Changes

1. **Contracted Services –** Increase due to one-time cost associated with completing compensation market survey.

2. **Operating Supplies & Equipment –** Increase due to a new Employee Recognition Program to recognize outstanding members of the organization.

3. **Restricted Budget –** Increase due to possible costs associated with increased employee wellness and benefit items.

FINANCE DEPARTMENT



Department Overview

The Finance Department provides financial support services throughout the Town including accounting, fiscal planning, treasury services, cash receipts, purchasing, accounts payable, payroll, debt management, development and monitoring of the annual operating budget, establishing and monitoring internal controls, preparing the Comprehensive Annual Financial Report, facilitating external audits and independent reviews and grant management.

2018 – 2019 Accomplishments

- Received 11th consecutive Distinguished Budget Presentation Award from the Government Finance Officers of America
- Received the Certificate of Excellence in Financial Reporting from the Government Finance Officers of America for the 10th consecutive year
- Coordinated with other Town departments to update Chapter 9, Business Regulations of the official code of the Town of Marana
- Established the Town's Public Safety Personnel Retirement System funding policy
- Successfully implemented interactive Quarterly financial briefs on the Town's website.
- Implemented payment processing to include the use of alternatives to paper checks such as (ACH, Wire, Pcard, Etc.)
- Implemented electronic time entry for all town employees

2019 – 2020 Goals & Objectives

- Receive the Distinguished Budget Presentation Award from the Government Finance Officers of America
- Receive the Certificate of Excellence in Financial Reporting from the Government Finance Officers of America
- Acquire and implement a new business licensing software system
- Establish a debt management policy and related processes
- Develop and implement a cash flow forecasting model
- Update the Town's Investment Policy

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY2019 Actual	FY 2020 Target
Progress and Innovation	Maintain or improve credit rating	Bond rating Excise Tax Revenue Obligations • Fitch	AA-	AA-
		Bond rating Excise Tax Revenue Obligations • Standard & Poor's	AA	AA
Progress and Innovation	Receive a clean audit opinion without any findings or questioned costs	Unmodified audit opinion in financial statements by external CPA Firm	Yes	Yes
Progress and Innovation	Invest idle cash to achieve best investment results considering safety, liquidity and yield	Compliance with Town investment and financial policies	100%	100%
Progress and Innovation	Provide detailed and transparent financial information to the public about the use of public resources	Receipt of GFOA • Certificate of Achievement for Excellence in Financial Reporting	Yes (11th consecutive)	Yes (12th consecutive)
		Receipt of GFOA • Distinguished Budget Presentation Award	Yes (10th consecutive)	Yes (11th consecutive)
Progress and Innovation	Ensure budgeted numbers are reasonably conservative and maximize use of available funds and a structurally balanced budget	Targeted variance in from budget to actual • Operating revenues • Operating expenses	TBD	±5% ±5%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Recommended	Change	
Personnel & Benefits	$ 876,479	$851,260	$1,055,031	$1,327,404	Note 1	$271,723
Contracted Services	126,215	114,961	139,660	159,788	Note 2	20,118
Operating Supplies & Equipment	10,151	6,851	9,690	17,900		8,210
Total by Category	**$1,012,845**	**$973,071**	**$1,205,031**	**$1,505,082**		**$300,051**

OPERATING BUDGET SUMMARY BY FUND					
Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$1,012,845	$973,071	$1,205,031	$1,505,082	$300,051
Total by Fund	**$1,012,845**	**$973,071**	**$1,205,031**	**$1,505,082**	**$300,051**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Budget	Change
Finance Director	1.00	1.00	1.00	1.00	-
Finance Manager	1.00	1.00	1.00	1.00	-
Budget Analyst	1.00	1.00	1.00	1.00	-
Payroll Administrator	1.00	1.00	1.00	1.00	-
Procurement Officer	1.00	1.00	1.00	1.00	-
Procurement Agent	1.00	1.00	1.00	1.00	-
Senior Accountant	2.00	2.00	2.00	2.00	-
Senior Accounting Associate	1.00	1.00	1.00	1.00	-
Accounting Associate	1.75	.75	.75	.75	-
Administrative Assistant	0.50	.50	.50	.50	-
Asset System Administrator	1.00	-	-	1.00	1.00
Customer Service Rep.	-	-	-	2.00	2.00
Tax & License Specialist	-	1.00	1.00	1.00	-
Grants Manager	-	1.00	1.00	1.00	-
Revenue and Customer Service Manager	-	-	-	1.00	1.00
Total Finance	**12.25**	**12.25**	**12.25**	**16.25**	**4.00**

Budget Notes and Changes

1. **Personnel & Benefits –** Costs for fiscal year 2019-2020 include the addition of an Asset Manager position as well as budget amounts for a Revenue and Customer Service Manager and two Customer Service Representatives. The latter were previously located within the Town Manager's Budget.

2. **Contracted Services –** Increase is related to fiscal/admin charges as part of the Town's investment portfolio. Increased investment income will offset these charges.

LEGAL

Department Overview

The Marana Legal Department provides quality legal services to help the Town become a sustainable community with a high quality of life. The Legal Department provides legal advice to the Mayor and Council, the Town Manager's Office and all Town departments, and directly or through outside counsel represents the Town in litigation. The Legal Department also prosecutes misdemeanor offenses committed within the Town limits and serves as an intermediary between the police, court personnel, victims, witnesses and defendants. In addition to prosecution of cases, the office helps with the MPD Citizens Police Academy and MPD Explorers and participates in new officer training, issuing cases, the Coalition Against Retail Theft (CART) program, the DUI Task Force, and the Pima County Domestic Violence Fatality Review Team.

2018 – 2019 Accomplishments

- **Commerce**: Completed comprehensive revision of the Town sign code and business license code. Provided legal advice to the Airport director, Community Development, and Finance-Procurement regarding the ongoing Airport rehabilitation project. Prepared documents necessary for the Town's participation in the Arizona Department of Transportation's Urban Logo Sign program. Prepared legal documents needed to sunset the temporary half cent Town sales tax to fund the new Marana Police Department facility.
- **Community**: Assisted in obtaining funding for the design and construction of two new water treatment facilities. Drafted new Town Code Chapter 9-12 governing Commercial Filming and Photography Permits and provided legal advice to the new Marana Film Office. Completed the property rights acquisitions needed for the Tangerine Adonis Road Extension project. Prepared a protected facility ordinance and the Tangerine-Downtown Sewer Protected Facility Designation and Charge, which were adopted by Council. Assisted in the acquisition of property rights and financial assistance needed to connect the Adonis neighborhood to the public sewer and eliminate the use of an open sewer lagoon. Assisted in obtaining emergency access for the San Lucas area of Marana via the Central Arizona Project canal maintenance road. Provided top-quality municipal criminal and code enforcement, including efficiently and fairly handling about 1,350 misdemeanor prosecutions.
- **Innovation**: Implemented the Legal Department's new training series. Completed the update of 18 administrative directives. Assisted Human Resources and Finance-Procurement in the bidding and contracting process to switch the Town's health insurance provider and other benefits providers.

- **Heritage**: Assisted with all aspects of Town special events (Fall Festival, Founders Day, Christmas Tree Lighting, Star Spangled Spectacular etc.), including agreements and insurance issues, and coordination with Marana Heritage Conservancy on legal issues.
- **Recreation**: Assisted in the acquisition of property rights from Marana Unified School District and Pima County for the development of El Río Preserve. Prepared and reviewed agreements and documents for the Santa Cruz River Shared Use Path and the CAP Trail and trailhead.

2019 – 2020 Goals & Objectives

- **Commerce:** Assist the Planning Department in finalizing the land development code comprehensive revision and corresponding translation of old alphabet zones to modern zoning designations. Assist in bringing the 2020-2040 Marana General Plan through the public hearing process and to Council for approval.
- **Community:** Provide advice and prepare agreements and Council documents for Town acquisition of the Tortolita Preserve and the Arizona State Land Department's Tangerine Corridor rezoning process. Update Alcohol and Drug-Free Workplace policy.
- **Innovation:** Assist and advise the Planning Department in reducing the size, bulk, and complexity of the remaining chapters of the Land Development Code, and bring them to public hearings before the Planning Commission and Council. Update the Town's email and social media Administrative Directives. Assist Human Resources and Finance in establishing a medical insurance trust as required by A.R.S. § 11-981 for a self-funded program in a county with a population of over one million.
- **Heritage:** Provide legal advice and assistance related to continued development of the Heritage Park and implementation of the Heritage Park Master Plan.
- **Recreation:** Provide legal advice and prepare agreements related to the Pima County Flood Control District's design and construction of the soil cement bank protection for the El Río Preserve, for the Town's acquisition of the CalPortland segment of the Santa Cruz River Shared Use Path, and for the CAP Trailhead.

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Community	Efficiently and effectively prosecute misdemeanor cases	% of cases with initial victim notices sent out by first pretrial conference	100%	100%
		Ratio of cases disposed to cases filed	80%	80%
Community/Progress & Innovation	Provide timely and accurate legal advice to the Town	% of successful outcomes in personnel matters	95%	95%
		% of ordinances/ resolutions drafted within 30 days of request	90%	90%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$ 712,310	$731,144	$862,768	$906,751	Note 1	$43,983
Contracted Services	134,459	97,561	138,807	131,874		(6,933)
Operating Supplies & Equipment	3,234	3,815	4,000	5,000		1,000
Total by Category	**$850,003**	**$832,520**	**$1,005,575**	**$1,043,625**		**$38,050**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Recommended	Change
General Fund	$850,003	$832,520	$1,005,575	$1,043,625	$38,050
Total by Fund	**$850,003**	**$832,520**	**$1,005,575**	**$1,043,625**	**$38,050**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Town Attorney	1.00	1.00	1.00	1.00	-
Deputy Town Attorney	1.00	1.00	1.00	1.00	-
Senior Assistant Town Attorney	1.00	1.00	1.00	1.00	-
Assistant Town Attorney	1.00	1.00	1.00	1.00	-
Legal Assistant	1.00	1.00	1.00	1.00	-
Legal Document Clerk	1.00	1.00	1.00	1.00	-
Administrative Assistant	0.50	.50	.50	.50	-
Associate Town Attorney	-	-	1.00	1.00	-
Total Legal	**6.50**	**6.50**	**7.50**	**7.50**	**-**

Budget Notes and Changes

1. **Personnel & Benefits –** Increase due to increased employee related costs and the addition of a part time Law School intern.

TECHNOLOGY SERVICES

Department Overview
The Technology Services Department provides Town departments with the leadership, skills and technology infrastructure that enable the effective, secure, and efficient use of technology solutions in support of the vision, principles and strategic goals of the Town of Marana.

2018-2019 Major Accomplishments

- Parks Field App
- Parks Amenities ("Know Before You Go")
- Marana Data Dashboard
- Parks Mobile App
- Contracts Application
- Performance Dashboard
- Upgraded email system
- Deployment of vehicles cameras in police cars
- Migration to PCWIN radio system
- Designed and deployed network technology for new Police facility
- Upgraded security devices to block malicious Web and email content

2019-2020 Goals & Objectives

- Modernize service delivery that is based upon industry frameworks and leads to increases response times, productivity and customer satisfaction; to include adoption of formalized standard operating procedures
- Perform a security assessment and create an information security strategy
- Implement a security awareness program
- Determine requirements and make recommendations to replace CRW
- Update the Town's Wi-Fi setup to include BYOD options
- Assist in the usage of data for dashboard and performance metrics

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Progress and Innovation	To increase the availability of Town network and server resources	Network and Servers available 99% of time	99%	99%
Progress and Innovation	Efficient resolution of Town technology issues	Resolve incident tickets submitted to the Help Desk within the defined Service Level Objective.	80%	80%
Progress and Innovation	Timely development of application features and functionality	Length of time new application features or tasks take to move from one status to another,	15 days	15 days

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$1,315,538	$ 1,265,968	$1,418,331	$1,477,525	Note 1	$ 59,194
Contracted Services	904,991	976,964	1,192,350	1,272,000	Note 2	79,650
Operating Supplies & Equipment	348,980	203,978	835,500	207,500	Note 3	(628,000)
Capital Outlay	37,383	38,266	-	-		-
Total by Category	**$2,606,892**	**$2,485,176**	**$3,446,181**	**$2,957,025**		**$(489,156)**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$2,606,892	$2,485,176	$3,446,181	$2,957,025	$(489,156)
Total by Fund	**$2,606,892**	**$2,485,176**	**$3,446,181**	**$2,957,025**	**$(489,156)**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Budget	Change
Technology Services Director	1.00	1.00	1.00	1.00	-
Technology Manager	2.00	2.00	2.00	2.00	-
Network Administrator	1.00	1.00	1.00	1.00	-
Database Administrator	1.00	1.00	1.00	1.00	-
Website Administrator	1.00	1.00	1.00	1.00	-
Senior GIS Analyst	1.00	1.00	1.00	1.00	-
GIS Analyst	1.00	1.00	1.00	1.00	-
Technology Analyst	1.00	1.00	1.00	1.00	-
Technology Support Specialist II	2.00	2.00	2.00	2.00	-
Technology Support Specialist I	1.00	1.00	1.00	1.00	-
Business Process Analyst	1.00	1.00	1.00	1.00	-
Senior Network Administrator	1.00	1.00	1.00	1.00	-
Total Technology Services	**14.00**	**14.00**	**14.00**	**14.00**	**-**

Budget Notes and Changes

1. **Personnel & Benefits –** Increase due to increased employee related costs as well as the addition of a temporary, term-limited, GIS Technician position.

2. **Contracted Services –** Increase due to increased software maintenance for several programs as well as one-time investments in network upgrades.

3. **Operating Supplies & Equipment –** Decrease primarily associated with the PCWINN upgrade that took place in fiscal year 2018-2019. This was a one-time cost in fiscal year 2018-2019.

OFFICE OF ECONOMIC DEVELOPMENT AND TOURISM

Department Overview

To provide clear direction and coordination of economic development and tourism activities in Marana by the building of public/private sector partnerships to attract and retain a diverse business and employment base, support new local businesses, develop amenities and attractions to create a world class destination and provide a high quality workforce. To ensure that all departmental activities enhance and support the vision of the strategic plan by providing responsiveness to internal and external customers by the creation of those partnerships.

2018 – 2019 Accomplishments

- Expanded business assistance/mentorship program with AZ Center for Innovation and UA Tech Park by offering more classes per year
- Completed a dedicated incentive to attract development to downtown Marana
- Completed redesign of Marana Main street roundabout hardscape/landscape
- Continue to update and maintain the www.selectmarana.com property database system
- Consulted with, and successfully entered three business entities into the MJCIP incentive (Micro Hospital, Dove Mtn Assisted Living, & Dialysis Surgi-Center)
- Completed term as Arizona Association for Economic Development President – the statewide economic development organization
- Continued to promote Marana by participating on several public speaking panels, monthly Chamber Updates, and serving on the Marana Chamber Board of Directors
- Completed Economic Impact Study of the Marana Regional Airport
- Kicked off annexation study to analyze Pinal Airpark and surrounding land for future annexation
- Met with the CEO of the Arizona Commerce Authority to explore new partnering opportunities
- Launched the Marana Wild Foods Gastronomy Tour
- Leveraged the Marana Gastronomy Tour program and Marana archaeology sites to garner more than a dozen feature food and travel articles in Fodor's Travel Guide, Arizona Office of Tourism, *Arizona Daily Star*, *Tucson Foodie*, *Tucson Weekly*, and professional travel blogs

- Conducted national food journalist tasting event at The Ritz-Carlton, Dove Mountain and guided tour of wild foods in the Wild Burro Wash
- Conducted 16 familiarization tours for film location managers and scouts, and film producers, and helped to organize a film industry outreach event in partnership with the Arizona Film Program Director, Matthew Earl Jones
- Personally assisted 18 film projects, 12 of which were filmed in Marana
- Produced Marana Film Office promotional video to market Marana to outside producers

2019 – 2020 Goals & Objectives

- Complete the Pinal County/Airpark annexation study and begin the process to acquire those parcels into the Town of Marana
- Complete BR&E (Business Retention & Expansion) study and implement plan
- Successfully complete four current recruitment/expansion projects
- Continue to market and recruit/expand the four main business sectors as outlined in the Economic Development Strategic Plan
- Continue to promote the DMRF program and Downtown Overlay Zone for future Marana Main Street Businesses
- Complete the Marana Main Street roundabout landscaping/hardscape project
- Continue to recruit unique retail projects for the Marana Center and Marana Main Street projects
- Continue to identify growth areas of the town for infrastructure strategies
- Continue to work with the Marana Chamber of Commerce for collaboration/partnering opportunities
- Launch Tourism Master Plan
- Produce three TV episodes documenting film projects and locations to target new business from outside producers
- Develop comprehensive production crew database for Film Office website
- Continue to market the Town for tourism travel, dining, and shopping opportunities

KEY PERFORMANCE MEASUREMENTS				
Council Strategic Plan Goal	**Expected Outcome**	**Performance Measure**	**FY 2019 Target**	**FY 2019 Target**
Economic Development	To maintain a sustainable increase in living standards and quality of life in Marana.	Connecting people with decision making tools	10% increase year over	10% increase year over
		Provide 100% response rate on RFI where applicate and 100% response rate within 24 hours of unsolicited inquiries.	100%	100%
		Increase the number of unsolicited inquiries	10% increase year over	10% increase year over
		Implementation of the Econ Dev Strategic Plan by marketing the four focus areas	Two campaigns per year	Two campaigns per year
Tourism	Influencing visitation and purchasing decisions in the Town of Marana	Increase website traffic through organic searches	10% increase	10% increase
		Increase personal responsive interactions	20%	20%
		Creating and innovating tourism products	One per year	One per year
		Influencing travel stays	Frequency & reach – 15 marketing campaigns per year	Frequency & reach – 15 marketing campaigns per year

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$218,037	$322,490	$332,133	$357,455	Note 1	$25,322
Contracted Services	219,408	179,384	243,750	239.080		(4,670)
Operating Supplies & Equipment	4,029	2,110	4,600	4,200		(400)
Total by Category	**$441,474**	**$503,985**	**$580,483**	**$600,735**		**$20,252**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Budget	Change
General Fund	$195,040	$247,649	$284,506	$287,827	$9,321
Bed Tax Fund	246,434	256,336	303,877	314,808	10,931
Downtown Reinvestment Fund	-	-	-	-	-
Grants and Contributions	-	-	-	-	-
Total by Fund	**$441,474**	**$503,985**	**$580,483**	**$600,735**	**$20,252**

AUTHORIZED POSITIONS

	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Budget	Change
Director of Economic Development and Tourism	1.00	1.00	1.00	1.00	-
Tourism and Marketing Manager	1.00	1.00	1.00	1.00	-
Economic Development Specialist	1.00	1.00	1.00	1.00	-
Marketing & Design Associate	-	0.50	-	-	-
Graphic Designer	-	-	0.50	0.50	-
Total Economic Development and Tourism	**3.00**	**3.50**	**3.50**	**3.50**	**-**

Budget Notes and Changes

1. **Personnel & Benefits –** Increase is associated with the reclassification of a position to better meet needs of the organization.

DEVELOPMENT SERVICES ADMINISTRATION

Department Overview
To provide clear support, coordination and quality control oversight for the Town of Marana Development Services departments (Planning, Permits and Records, Building Safety and Engineering), Economic Development and Real Property to ensure that all departmental activities enhance and support the vision of the strategic plan by providing responsiveness to, and creating partnerships with, the development community.

2018 – 2019 Accomplishments

- Improved customer service experience - front remodel
- Improved department workflow through workspace modifications
- Flex room remodel to free up DSC Large for front counter overflow
- Increased involvement in the process of town initiated projects and events

2019 – 2020 Goals & Objectives

- Continue to enhance the DSC website for use by the Town's residents, businesses and customers
- Evaluate new or upgraded software to improve workflow
- Evaluate staffing models based upon software improvements
- Through cross-training, enhance the DSC "Single Point of Contact" service provided to the Town's customers by the Development Coordinators

KEY PERFORMANCE MEASURES

Council Strategic Plan Goal	Expected Outcome	Performance Indicator	FY 2019 Target	FY 2020 Target
Progress & Innovation	Assist in the creation of an on-line permitting system for the Town of Marana	Percentage complete of on-line permitting system	>50%	>50%
Progress & Innovation Commerce	Improve staff training, education and certification levels	International Code Certifications received	91%	100%
		Percentage of employees attending training sessions to maintain minimum education units for certifications	100%	100%
Commerce	Streamline public processes to make it easier for public and developers to work with the Town	In-house plan reviews as a percent of total plan reviews taken	99%	99%
Commerce	Ensure sufficient response to public for permitting and inspections	Single family dwelling plans reviewed within published timeframes	85%	90%
		Model plan reviews completed within published timeframes	85%	90%
		Field inspections completed within one business day of request	100%	100%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$86,720	$52,552	$274,164	$283,411		$9,247
Contracted Services	-	108,119	119,190	116,430		(2,760)
Operating Supplies & Equipment	5,358	5,648	6,000	11,000		5,000
Restricted Budget	-	-	-	18,000	Note 1	18,000
Total by Category	**$92,077**	**$166,319**	**$399,354**	**$428,841**		**$29,487**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$92,077	$166,319	$399,354	$428,841	$29,487
Total by Fund	**$92,077**	**$166,319**	**$399,354**	**$428,841**	**$29,487**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Budget	Change
Development Services Director	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Customer Service Clerk	1.00	-	-	-	-
Business Process Analyst	-	-	1.00	1.00	-
Total Development Services Admin	**3.00**	**2.00**	**3.00**	**3.00**	**-**

Budget Notes and Changes

1. **Restricted Budget –** One-time costs associated with possible minor renovations to the Development Services area of MMC building to increase storage.

BUILDING SAFETY

Department Overview

The Building Safety Department is responsible for establishing the minimum requirements that safeguard the public health, safety and general welfare through structural strength, electrical/plumbing/mechanical capacity, means of egress of facilities and properties, stability, sanitation, adequate lighting and ventilation, energy conservation and safety to life and property from fire and other hazards attributed to the built environment. These crucial elements in building safety are addressed during the plan review and the inspection process. The department also assures the safety of structures for first responders, such as fire fighters and other emergency responding agencies.

Code enforcement is an essential function of the Building Safety department's commitment to provide a safe and attractive built environment for our citizens and visitors to our community. This is accomplished through adoption of the most up-to-date technical building code, and administration of that code through field inspection.

The Building Safety department in an effort to provide the highest level of service to our community, collectively works with fire service agency within the town to administer provisions of the fire code. Our goal as the Building Safety department is to maintain the vision of the town, by incorporating the strategic plan into our policies and procedures whenever possible.

The Building Safety department has a staff of 13 full time employees. Staff is committed in supporting the daily operations of the town's Development Services. The department staff consists of 3 plan review staff members, 5 inspectors, 2 permitting clerks, 1 development coordinator, 1 assistant building official and the chief building official.

2018 – 2019 Accomplishments

- Implemented electronic inspection program
- Established on-line inspection requests and reports
- IBC/IFC 2018 adoption
- GPS units installed in all fleet vehicles
- 100% certified staff

2019 – 2020 Goals & Objectives

- Electronic plan review
- Electronic plan submittal – on-line submittals
- Simplify permit reviews where permit techs/coordinator complete general plan review (over the counter issuance)
- Public outreach and educational awareness (schools)

KEY PERFORMANCES MEASURES

Council Strategic Plan Goal	Expected Outcome	Performance Indicator	FY 2019 Target	FY 2020 Target
Community	Perform building inspections	Total number of building inspections performed	16,000	16,000
Community	Perform inspections for building code compliance	Number of Building Code Compliance inspections performed	25	25
Commerce	Certificate of Occupancy inspections	Number of C of O inspections performed	40	40

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$751,007	$788,222	$1,067,222	$1,092,024	$24,802
Contracted Services	84,901	20,665	65,695	40,100	Note 1 (25,595)
Operating Supplies & Equipment	28,787	41,749	50,929	41.507	(9,422)
Total by Category	**$864,695**	**$850,636**	**$1,183,846**	**$1,173,631**	**$(10,215)**

OPERATING BUDGET SUMMARY BY FUND

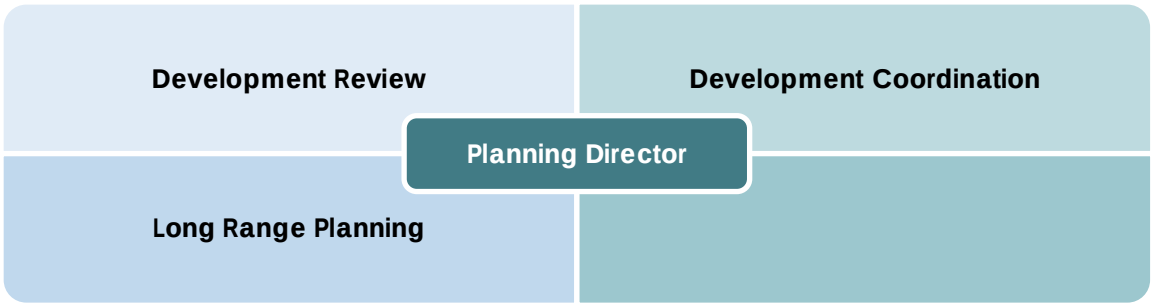
Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$864,695	$850,636	$1,183,846	$1,173,631	$(10,215)
Total by Fund	**$864,695**	**$850,636**	**$1,183,846**	**$1,173,631**	**$(10,215)**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Chief Building Official	-	-	1.00	1.00	-
Chief Building Inspector	1.00	1.00	1.00	1.00	-
Building Safety Coordinator	1.00	1.00	-	-	-
Senior Plans Examiner	1.00	1.00	2.00	2.00	-
Building Safety Manager	1.00	1.00	-	-	-
Plans Examiner	1.00	1.00	1.00	1.00	-
Building Inspector II	2.00	2.00	3.00	3.00	-
Building Inspector I	1.00	1.00	1.00	1.00	-
Development Coordinator	1.00	3.00	3.00	3.00	-
Permit Clerk	3.00	1.00	1.00	1.00	-
Total Building Safety	**12.00**	**12.00**	**13.00**	**13.00**	**-**

Budget Notes and Changes

1. **Contracted Services –** Decrease primarily associated with reductions in software licenses and travel costs.

PLANNING



Department Overview

The Marana Planning Department is dedicated to the physical, social and economic excellence of the Town through sound professional planning practices; consistent policy advice; active public participation and superior public service to promote the welfare and quality of life of the community. The Planning Department is responsible for administering and implementing the General Plan and the Land Development Code. The department provides support and recommendations to the Town Council and Planning Commission to assist each in making decisions regarding land uses and development proposals. The Department processes applications for new development and redevelopment within the Town such as site plan reviews, special use requests, planned development proposals, subdivision proposals and rezoning requests to ensure compliance with Town requirements.

2018 – 2019 Accomplishments

- Planning staff began the management and development of the 2010 General Plan update. The first deliverable product of this work, the Make Marana 2040 General Plan Map Atlas, a 68 page document that is a snapshot of current conditions in the Town, was presented to the public and Town Council.
- Planning staff continues to work on the Land Development Code update. As a part of that work, a new, sign code has been adopted that is legally compliant with recent court rulings and replaces outdated standards with clear and concise regulations that will meet users' needs.
- Planning staff created a monthly report based on key metrics of commercial and residential development permit activity. The report identifies important trends that are easily identified through graphic representation.

2019 – 2020 Goals & Objectives

- Planning staff will work to adopt the revised Land Development Code and associated Town-wide rezoning of non-conforming parcels.
- Planning staff will lead the effort to coordinate and engage Town departments, local stakeholders and Marana citizens in the creation and completion of the new, Make Marana 2040 General Plan.
- Planning staff will continue to review, assess, revise and implement new development review policies and procedures in order to provide better service for our customers.
- Present bi-annual reports on development trends and projections.

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Community	To provide exceptional customer service through our Development and Utility Services	Higher submittal return time goals met through efficiency improvements of development services processes and procedures	95% of development related projects (plats, development plans, landscape plans)reviewed within assigned time frame for first submittal	95% of development related projects (plats, development plans, landscape plans)reviewed within assigned time frame for first submittal
		Higher submittal approval time goal met through efficiency improvements of development services processes and procedures	95% of permits approved within assigned time frame	95% of permits approved within assigned time frame

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$691,677	$666,156	$582,191	$512,632	Note 1 $(69,559)
Contracted Services	127,321	138,455	350,212	117,250	Note 2 $(232,962)
Operating Supplies & Equipment	6,104	7,751	3,350	13,000	9,650
Total by Category	**$825,102**	**$812,362**	**$935,753**	**$642,882**	**$(292,871)**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$825,102	$812,362	$935,753	$642,882	$(292,871)
Total by Fund	**$825,102**	**$812,362**	**$935,753**	**$642,882**	**$(292,871)**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Planning Director	1.00	1.00	1.00	-	(1.00)
Environmental Project Manager	1.00	1.00	-	-	-
Principal Planner	1.00	1.00	1.00	1.00	-
Senior Planner	4.00	4.00	5.00	5.00	-
Planner	1.00	-	-	-	-
Development Coordinator	1.00	1.00	-	-	-
Business Process Analyst	-	1.00	-	-	-
Total Planning	**9.00**	**9.00**	**7.00**	**6.00**	**(1.00)**

Budget Notes and Changes

1. **Personnel & Benefits –** Decrease due to the Planning Director position being reclassified and shifted to another department as part of the strategic position process.

2. **Contracted Services –** Decrease due to the General Plan Update, for which most work primarily took place during fiscal year 2018-2019.

POLICE

Department Overview
The Mission of the Marana Police Department is to provide unparalleled service and unwavering protection to every person in the Town of Marana and to do so with uncompromised integrity. We are committed to becoming the most highly regarded police department in the State of Arizona.

2018-2019 Accomplishments

- Completed the construction of a 22 million dollar police facility and moved into the building, beginning day to day operation out of the facility in October (2018)
- Became an active member of the Southern Arizona Law Enforcement Foundation, thereby making us eligible to receive funding for police equipment
- Completed a feasibility study on the creation of a new bike patrol unit, to be implemented in keeping with the strategic plan when staffing allows
- Reduced Worker's Compensation Injuries
- Raised $16,000 for charity via our 3rd annual Pride for the Patch Golf Tournament
- Implemented the first Pride for the Patch Fitness Challenge with 188 public safety personnel participating
- Maintained current crime rates based on Part I crimes/thousand residents
- Maintained police response times at current levels

2019-2020 Goals and Objectives

- In conjunction with the University of AZ develop an Internship program whereby four Criminal Justice majors participate as interns for one semester (2 /semester)
- Begin the self-assessment phase of the Arizona Law Enforcement Accreditation Program as the first step toward becoming an accredited police agency
- Outsource Police Off-Duty management
- Complete the police shooting range
- Transition to new state e-citation system (AZ Tracs) to save $20,000/year.
- Maintain clearance rates higher than the national average for crimes of violence according to the FBI publication, Crime in the United States.
- Maintain clearance rates for property offenses that are higher than the national average according to the FBI publication, Crime in the United States.
- Maintain or exceed department clearance rates for crimes of violence as compared to the previous year.
- Maintain or exceed department clearance rates for property crimes as compared to the previous year.

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Community	To maintain a safe community for all Marana residents, citizens, and visitors	Maintain or exceed department clearance rates for all part one crimes (Part 1 crimes as defined by the FBI Uniformed Crime Reporting codes) as compared to the previous year	48.1	48
		Maintain or reduce Part 1 crime rates based on total number of part 1 crimes (excluding shoplifting) per 1000 residents as compared to the previous year	22.2	22
		Maintain or reduce traffic collision rates based on total number of collisions per 1000 residents as compared to the previous year	5%	5%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY2017 Actual	FY2018 Actual	FY2019 Estimated	FY2020 Recommended	Change
Personnel & Benefits	$10,864,496	$11,572,094	$12,130,894	$12,292,111	Note 1$161,217
Contracted Services	477,187	488,904	554,580	603,859	49,279
Operating Supplies & Equipment	1,228,840	1,148,928	1,203,242	1,425,761	Note 2 222,519
Capital Outlay	132,840	38,242	6,000	201,600	Note 3 195,600
Total by Category	**$12,703,161**	**$13,248,168**	**$13,894,716**	**14,523,331**	**$628,615**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY2017 Actual	FY2018 Actual	FY2019 Estimated	FY2020 Recommended	Change
General Fund	$12,703,161	$13,248,168	$13,888,716	$14,523,331	$628,615
Grants / Contribution	-	-	-	-	-
RICO Fund	-	-	-	-	-
Impound Fee	-	-	-	-	-
Emergency Telecommunication	-	-	-	-	-
Total by Fund	**$12,703,161**	**$13,248,168**	**$13,894,716**	**$14,523,331**	**$628,615**

AUTHORIZED POSITIONS					
	FY2017 Actual	FY2018 Actual	FY2019 Estimated	FY2020 Recommended	Change
Chief of Police	1.00	1.00	1.00	1.00	-
Deputy Chief of Police	1.00	1.00	1.00	1.00	-
Police Captain	1.00	1.00	1.00	1.00	-
Police Lieutenant	2.00	2.00	2.00	2.00	-
Police Sergeant	11.00	11.00	11.00	11.00	-
Police Officer	69.00	71.00	71.00	74.00	3.00
Police Telecommunications Supervisor	2.00	2.00	2.00	2.00	-
Police Records Supervisor	1.00	1.00	1.00	1.00	-
Dispatcher	12.00	12.00	13.00	13.00	-
Police Records Specialist	2.00	2.00	2.00	2.00	-
Police Records Clerk	4.00	4.00	5.00	5.00	-
Crime Scene/Property & Evidence Supervisor	1.00	1.00	1.00	1.00	-
Crime Scene Specialist	3.00	3.00	3.00	3.00	-
Crime Analyst	1.00	1.00	1.00	1.00	-
Administrative Manager	-	1.00	1.00	1.00	-
Customer Service Specialist	-	-	1.00	1.00	-
Executive Assistant	1.00	-	-	-	-
Administrative Assistant	1.00	1.00	1.00	1.00	-
Total Police	**113.00**	**115.00**	**118.00**	**121.00**	**3.00**
*Does not include 6 Grant funded positions 1 SRO's, 3 C.N.A., DEA, and ATTF					

Budget Notes and Changes

1. **Personnel & Benefits –** Increase due to the addition of three new Police Officer positions. PSPRS contribution rates slightly decreased for fiscal year 2019-2020 which offset some costs.

2. **Operating Supplies & Equipment –** Increased costs primarily related to equipment and supplies to outfit new officers as well as increases for vehicle replacement charges.

3. **Capital Outlay –** Increase due to the purchase and outfitting of three new police vehicles for the three new Police Officer Positions.

COURTS

Department Overview

Marana Municipal Court adjudicates civil and criminal traffic, Town ordinance, and criminal misdemeanor offenses that occur within the Town limits, as well as issuing civil orders of protection and injunctions against harassment. The mission of Marana Municipal Court is to provide a forum for the fair, impartial, and efficient adjudication of those violations in an environment that is respectful and safe for all who interact with the justice system.

2018 - 2019 Accomplishments

- Participated in multiple Saturday warrant court sessions at Pima County Justice Court, thereby providing improved access to the court system and reducing jail costs for the Town
- Provided defendants with active warrants the option of walking in to court during business hours to address their warrants, rather than requiring them to wait for the next official court session, thereby preventing unnecessary incarceration and reducing jail costs for the Town
- Provided judicial staffing during Marana Police Department warrant sweeps to prevent police officers from having to transport defendants to the jail, thereby increasing the efficiency of the program, preventing unnecessary incarceration, and reducing jail costs for the Town
- Began implementation of the Arizona Supreme Court's Security Standards Recommendations
- Participated in training and education regarding the Arizona Chief Justice's Fair Justice for All initiatives, with court staff both attending and presenting at various trainings
- Served as a pilot court for the implementation of text notifications of upcoming court dates and payments.

2019 – 2020 Goals & Objectives

- Continue updates to the Marana Court webpage to provide the public with additional resources for interacting with the court system
- Continue to seek out methods to provide court users with greater access to justice
- Implement security policies, procedures, and training consistent with the Arizona Supreme Court's Court Security Standards Recommendations

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Community	Provide a forum for fair, impartial, and efficient adjudication of alleged violations in an environment that is respectful and safe.	% of cases with customer service complaints	Less than 1%	Less than 1%
		Percentage of cases adjudicated	100%	100%
		Percentage of cases referred to judicial commission	Less than 1%	Less than 1%
Community	Provide participants in the court system with necessary services for the fair adjudication of cases.	% of qualified cases receiving court appointed cases	100%	100%
		Percentage of qualified cases receiving interpreter services	100%	100%
Community	Promptly disburse monies received by the court, which are held in trust and payable as restitution, bonds, or fees.	% of timely disbursements for bond refunds, restitution orders, fees to other government agencies, and payment for services	100%	100%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$832,986	$772,887	$946,527	$1,404,816	Note 1 $94,289
Contracted Services	110,528	94,493	96,200	101,600	5,400
Operating Supplies & Equipment	11,492	13,082	15,300	14,250	(1,050)
Capital Outlay	-	-	-	-	-
Total by Category	**$955,006**	**$880,461**	**$1,058,027**	**$1,156,666**	**$98,639**

OPERATING BUDGET SUMMARY BY FUND

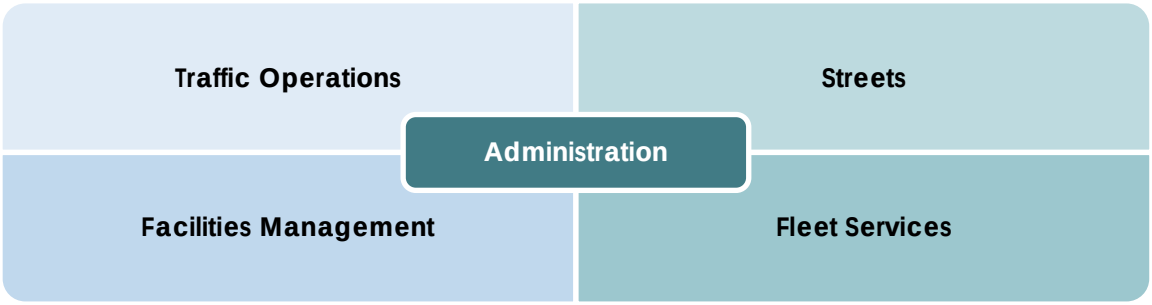
Expenditures By Fund	FY 2018 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$955,006	$880,461	$1,058,027	$1,156,666	$98,639
JCEF Fund	-	-	-	-	-
FTG Court Fund	-	-	-	-	-
Local Technology Fund	-	-	-	-	-
Total by Fund	**$955,006**	**$880,461**	**$1,058,027**	**$1,156,666**	**$98,639**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Town Magistrate	1.00	1.00	1.00	1.00	-
Court Operations Specialist	1.00	1.00	1.00	1.00	-
Court Administrator	1.00	1.00	1.00	1.00	-
Court Probation Monitor	1.00	1.00	1.00	1.00	-
Court Security Officer	2.00	2.00	2.00	2.00	-
Court Collections Specialist	1.00	1.00	1.00	1.00	-
Court Supervisor	1.00	1.00	1.00	1.00	-
Senior Courtroom Specialist	1.00	1.00	1.00	1.00	-
Courtroom Specialist	1.00	1.00	1.00	1.00	-
Court Clerk	4.00	4.00	4.00	4.00	-
Senior Court Clerk	-	1	1	1	-
Total Courts	**14.00**	**14.00**	**14.00**	**14.00**	**-**

Budget Notes and Changes

1. **Personnel & Benefits –** Change due to slight increase in personnel costs as well as transferring one FTE employee's personnel & benefits from a special revenue fund (Local Technology Fund) to the General Fund. This was done to increase available funding for Court technology needs and as the special revenue fund cannot pay for staffing on a permanent basis.

PUBLIC WORKS



Department Overview
The Public Works Department is committed to providing the highest level of service while maintaining a safe and reliable infrastructure for all members of the community. We strive to always seek innovative ways to improve, maintain, and enhance public facilities, public roadways, sidewalks, drainageways, landscaping and traffic operations systems in a cost-effective manner. The department supports the Town's strategic plan, and considers itself a developing partner in the growth and prosperity of the community.

2018-2019 Accomplishments

Facilities Management:

- Solar arrays have been started and/or completed at 4 Town sites (MMC Employee Parking, Police Secure Parking, Crossroads Basketball Court, and Marana Pool)
- B Building Remodel and Visitors Center Design have been started with the Project Manager and construction on the B Building Remodel will start in April and carry over through fiscal 2020
- Design for the HVAC upgrade at the MMC Chambers have been submitted and approved, project to start in fiscal 2020
- Remodeled the Wastewater Operation Building, replaced sub-floor and finished with LVT Flooring, painting and replaced fixtures
- Replaced half of the worn out and damaged carpet and VCT at the MOC Water Department Building with LVT that was effected by a water leak
- Repainted the Community Room at the MOC with Community Center colors and upgraded all the lighting to new LED inserts

Fleet Services:

- All Fleet employees obtained tire repair certification adopted by Federal and DOT standards
- All Fleet Employees gained the OSHA/SAE Certification towards Automotive Air Condition Standards for 609 and the new 1234YF refrigerant systems
- Car wash service in place to accept bar code reading for vehicles and billing thru vendor
- Continued asset management upgrades through Cartegraph

- Fleet has a GPS Pilot program in place for 5 town vehicles, and is working with management to see if this will be adopted by Town Government

Street Maintenance:

- ADA Ramp Repair and Upgrade Program. A subdivision is selected annually for ADA upgrades and repairs. Cortaro Ranch Subdivision Phase I scheduled to be completed by June 30th.
- Bridge Painting at Marana TI is scheduled to be completed by June 30th. (IGA ADOT)
- Implemented Annual Culvert Cleaning Program Contractor Services. (600 Town Wide)
- Implemented Annual Road Failure Repair Program. By identifying road failure issues ahead of time when possible will allow us the opportunity to work towards being proactive and not reactive.
- Landscape Beautification Project on Tangerine Farms Rd shoulders and walking path scheduled to be completed by June 30th. Install DG, trees and plants as needed.
- Continue Annual Maintenance Program for Orange Grove Pump Station.
- Implemented Bridge De-Icing Program. (Operation freeze)
- Implemented Storm Preparedness Plan.
- Completed (RLRRP) Regional Local Road Repair Program 1.1 million in crack seal.(Town Subdivisions)
- Pavement Preservation Program FY2019 in progress scheduled to be completed by June 30th.
- Interred into an (IGA) Intergovernmental Agreement with Pima County for Roadway Maintenance.
- Implemented Pavement Assessment Program.

Traffic Operations:

- Finalized installation and activation of flashing yellow arrows (FYA's) for all protective/permissive movements (17 in house conversions and 4 project activations).
- Completed the fiber optic installation along the Cortaro Road and Silverbell Road corridors.
- 100 street light luminaires converted/upgraded from high pressure sodium to LED.
- Replaced over 700 traffic signs due to age and damage.
- Restriped over 2 million linear feet of pavement markings throughout the Town.
- Upgraded the Dove Mountain Blvd./Moore Road intersection to radar activated LED traffic signs to enhance the traffic control.
- 11 Traffic Impact Analysis (TIA) reports accepted as of March 1 2019. Please note, some TIA's are part of planning development plan packages so there may be a few more.
- 90 traffic control plans (TCP's) reviewed as of March 1, 2019. The TCP's are for CIP projects, ROW permits, Special Events, etc.
- 10 traffic count studies performed as of March 1, 2019.
- 13 sight visibility studies performed as of March 1, 2019.

2019 - 2020 Goals & Objectives

Facilities Management:

- Finish remodel the 1st and 2nd floors of the MMC B Building for Marana Water and Parks and Recreation and add a Fleet bay at the Sally Port to be able to service vehicles at the MMC Complex
- Remodel the MOC A Building after Marana Water moves out for Public Works to utilize this space. Building is in need of carpet, VCT Flooring and paint
- Update Facilities Master Plan to add standard Town colors, asset inventory with replacement program and updated department needs assessments, need to identify ownership and responsibilities of all Town Assets
- Review the recommendations of the comprehensive energy audit from Wendel Energy and plan out a replacement plan based on the Town's best interest and practices
- Replace the HVAC System in the Chambers based on recommendations from Wendel Energy

Fleet Services:

- Continue to upgrade and enhance Cartegraph software to effectively run reports on productivity and cost associated with general fleet repair.
- GPS Tracking of Vehicles and Equipment to reduce ideal time, saving on fuel cost, allow departments to monitor activities based on equipment location, and prioritize equipment and vehicle assignments in the field
- Updates to the Equipment Replacement Program.
- Continued educational training in areas of maintenance and general tire repair

Street Maintenance:

- ADA Ramp Repair and Upgrade Program. A subdivision is selected annually for ADA upgrades and repairs. (Cortaro Ranch Subdivision Phase II)
- Bridge Painting and Maintenance Twin Peaks Bridge at Santa Cruz, and Cortaro TI touch up. (IGA ADOT)
- Continue Annual Culvert Cleaning Program Contractor Services. (600 Town Wide)
- Landscape Beautification Project on Cortaro Rd, Cortaro Farms Rd, and Ina Rd. Installing DG, trees and plants to restore medians and shoulders to original plans.
- Continue Annual Road Failure Repair Program. By identifying road failure issues ahead of time when possible will allow us the opportunity to work towards being proactive and not reactive.
- Continue Annual Maintenance Program for Orange Grove Pump Station.
- Continue Bridge De-Icing Program. (Operation freeze)
- Continue Improving Storm Preparedness Plan.
- Establish a Town Bridge Maintenance Program. Addressing any needed repairs identified by ADOT's National Bridge Inspection Program.
- Continue to work on overflow parking areas for Special Events and Facilities.
- Pavement Preservation Program FY2020.

Traffic Operations:

- Install automatic traffic data collection and traffic signal delay, progression and congestion and traffic performance management equipment along the Ina Road corridor that will communicate with Pima County existing traffic signals monitoring system.
- Install retro reflective yellow border on all signal heads throughout the town, to increase safety and visibility at all signalized intersections.
- Complete the remainder of the street name signs upgrade to comply with Federal regulations and requirements.
- Implement sign upgrade program along major corridors to comply with Federal regulations and requirements.
- Utilize Cartegraph to stream line Traffic Division workflow process between the engineering and maintenance areas.

KEY PERFORMANCE MEASURES				
Council Strategic Plan Goal	**Expected Outcome**	**Performance Indicator**	**FY 2019 Target**	**FY 2020 Target**
Community	Accurately assess Town Facilities and Assets to determine ownership	Updating and maintaining of ownership assessment	100%	100%
Progress and Innovation	Update pool of vehicles and equipment that are over 15 years of age to reduce overhead operating costs	Stewardship of Equipment Replacement Program	100%	100%
Community	To Maintain the Town's Streets at an acceptable high level	Continue with the Pavement Preservation approved 5 year plan	100%	100%
Community	Increase the capacity of roadway corridor's through innovational use of technologies and decrease traffic delays	% Increase of Roadway Capacity and % decrease of Traffic Delays	5%	5%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$2,450,627	$2,563,668	$2,963,171	$3,068,347	Note 1	$105,176
Contracted Services	3,465,547	2,563,886	4,575,067	5,562,187	Note 2	987,120
Operating Supplies & Equipment	383,753	410,717	622,149	421,044	Note 3	(201,105)
Capital Outlay	370,482	357,139	604,949	1,413,000	Note 4	808,051
Restricted Budget	-	-	193,224	435,000	Note 5	241,776
Total by Category	**$6,670,410**	**$5,895,410**	**$8,958,560**	**$10,899,578**		**$1,941,018**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
General Fund	$ 3,128,911	$3,641,087	$ 5,409,338	$5,992,697	Note 6	$583,359
Highway User Revenue Fund	3,541,499	2,254,323	3,549,222	4,906,881	Note 7	1,357,659
Total by Fund	**$ 6,670,410**	**$5,895,410**	**$8,958,560**	**$10,899,578**		**$1,941,018**

AUTHORIZED POSITIONS

	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Public Works Administration					
Public Works Director	1.00	1.00	1.00	1.00	-
Public Works Deputy Director	-	-	1.00	1.00	-
Traffic Operation Engineering Manager	1.00	1.00	1.00	1.00	-
Community Response Manager	1.00	1.00	-	-	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	1.00	-
Fleet Division					
Superintendent	1.00	1.00	1.00	1.00	-
Lead Fleet Technician	1.00	1.00	1.00	1.00	-
Equipment Mechanic	1.00	1.00	1.00	1.00	-
Fleet Technician II	2.00	2.00	2.00	2.00	-
Fleet Technician I	-	1.00	1.00	1.00	-
Streets Division					
Superintendent	1.00	1.00	1.00	1.00	-
Traffic Signal Technician III	1.00	1.00	1.00	1.00	-
Traffic Signal Technician II	1.00	1.00	1.00	1.00	-
Public Works Supervisor	2.00	2.00	2.00	2.00	-

AUTHORIZED POSITIONS					
Traffic Technician I	-	-	-	1.00	1.00
Equipment Operator II	1.00	1.00	1.00	1.00	-
Equipment Operator I	2.00	2.00	2.00	3.00	1.00
Maintenance Associate III	4.00	4.00	4.00	4.00	-
Maintenance Associate II	6.00	7.00	7.00	7.00	-
Maintenance Associate I	-	2.00	2.00	2.00	-
Signs & Markings Technician	1.00	1.00	1.00	1.00	-
Engineering Specialist	-	-	1.00	1.00	-
Engineering Aide	-	-	1.00	1.00	-
Facilities Division					
Superintendent	1.00	1.00	1.00	1.00	-
Public Works Supervisor	1.00	1.00	1.00	1.00	-
Facilities Tradesman	-	-	2.00	2.00	-
Facilities Technician III	1.00	1.00	-	-	-
Facilities Technician II	1.00	1.00	1.00	2.00	1.00
Facilities Technician I	1.00	1.00	1.00	1.00	-
Total Public Works Administration	**36.00**	**38.00**	**41.00**	**44.00**	**3.00**

Budget Notes and Changes

1. **Personnel & Benefits –** Increased costs are associated with three new positions for fiscal year 2019-2020. New positions for fiscal year 2019-2020 include a Traffic Technician I, Equipment Operator I and a Facilities Technician II.

2. **Contracted Services –** Increased costs are primarily associated with the roll-over of the fiscal year 2018-2019 pavement preservation program (discussed in Note 7) and increases in landscaping and weed control throughout the Town.

3. **Operating Supplies & Equipment –** Decreased costs are expected due to a large one-time cost incurred during fiscal year 2018-2019 related to monsoon storm damage. For fiscal year 2019-2020, $200,000 was added as a restricted item for potential storm damage repairs.

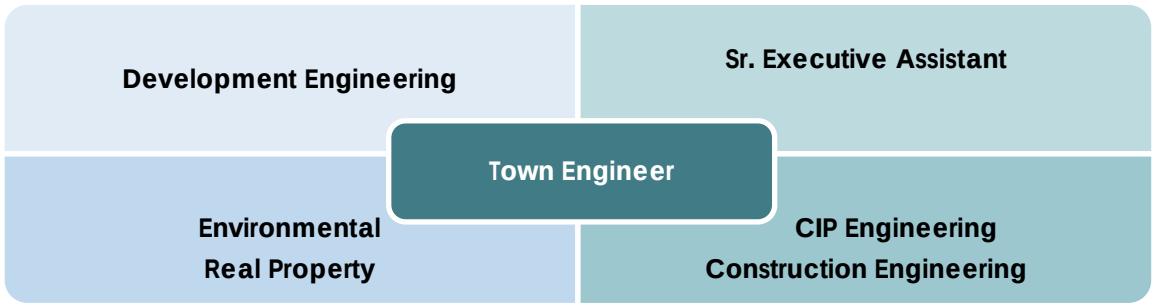
4. **Capital Outlay –** Costs in this line item are associated with new vehicle and equipment purchases needed for additional personnel and replacement of older street equipment. Also included within capital outlay are costs associated with the MMC B-Building Remodel.

5. **Restricted Budget –** Costs in this line item are associated with restricted contingency items such as emergency road repair, storm damage repairs and unforeseen repairs to Town facilities.

6. **General Fund –** Increases within the General Fund portion of the Public Works budget correlates to costs for the remodel and planned enhancements to the MMC campus as well as necessary repairs and improvements to the MOC campus.

7. **HURF –** Increases within the HURF Fund portion of the Public Works budget correlates to a large amount of carry-forward of the Pavement Preservation Program funding. For fiscal year 2018-2019, the Pavement Preservation Program was modified to coordinate with Pima County's program. As such, unspent funds are currently being budgeted to be brought forward into fiscal year 2019-2020.

ENGINEERING



Department Overview

The Engineering Department is responsible for addressing the infrastructure needs throughout the Town. The Engineering department plans, designs, and constructs public infrastructure. The Engineering Department provides oversight of projects to ensure that private development follows Town ordinances and engineering practices, maintains the safety of the public and the environment, recommends mitigation measures to reduce impacts from development and addresses the infrastructure needs throughout the town.

2018-2019 Accomplishments

- Completed construction of Tangerine Road Corridor Phase I
- Completed construction of the Marana Public Safety facility
- Completed construction of McDuff
- Completed construction of Coachline Blvd.
- Completed construction of Santa Cruz Shared Use Path Phase III
- Completed design and construction of a new traffic signal at Arizona Pavilions and WalMart
- Competed stabilization of Starry Night Settlement Repair
- Completed Ina Road Reconstruction
- Completed Aerie Road Reconstruction
- Completed construction CAP Trailhead
- Completed a feasibility study for the SUP at CalPortland
- Completed design for the Nighthawk Memorial at the Airport
- Completed design for Camino de Oeste Road Restoration
- Completed design for Thornydale north widening
- Completed design and construction of Silverbell Road Sidewalks
- Completed design for Avra Valley Road
- Completed designs for El Rio Phase IA
- Increased the insurance benefit to residents by obtaining a higher certification classification in the CRS program
- Established a process for over-sized vehicles
- Revised and simplified the Real Property submittal process
- Streamlined the custom home building package
- Complete engineering related titles in the LDC

2019 – 2020 Goals & Objectives

- Develop standardized contracts and special provisions for CIP projects

- Continue with the FEMA Community Rating System program (CRS), with outreach and education which results in Marana residents receiving a higher discount on flood insurance
- Complete the design and begin construction for Lon Adams
- Complete design and construction of Adonis Subdivision improvements
- Complete construction of Avra Valley Road
- Complete construction for Thornydale Road
- Complete construction Camino de Oeste
- Marana Main Street and Settlement Repair Completion
- Complete the Gladden Farms Hawk Signal

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Commerce	Ensure that capital improvement projects advance the community's economic development goals	Percent of projects that advance economic development goals	100%	100%
Commerce	Ensure that capital rehabilitation projects adhere to aesthetic standards	Percent of rehabilitation projects that are able to improve upon the aesthetics of the corridor	25%	25%
Commerce	Ensure that capital improvement projects adhere to aesthetic standards	Percent of projects that are able to improve upon the aesthetics of the corridor	100%	100%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$2,430,516	$2,076,754	$2,325,982	2,098,012	Note 1 $(227,970)
Contracted Services	114,872	86,476	532,400	285,585	Note 2 (245,815)
Operating Supplies & Equipment	79,043	64,196	70,540	64,867	(5,673)
Restricted Budget	-	-	90,000	125,000	Note 3 35,000
Total by Category	**$2,430,516**	**$2,227,416**	**$3,018,922**	**2,574,464**	**$(444,458)**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$2,380,858	$2,227,426	$2,948,922	$2,574,464	Note 4$(374,458)
Highway User Revenue	49,658	-	70,000	-	Note 5 (70,000)
Northeast Benefit Impact Area	-	-	-	-	-
Transportation Fund	-	-	-	-	-
Total by Fund	**$2,430,516**	**$2,227,416**	**$3,018,922**	**$2,574,464**	**$(444,458)**

AUTHORIZED POSITIONS

	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Town Engineer	1.00	1.00	1.00	1.00	
Engineering Deputy Director	1.00	1.00	1.00	1.00	
CIP Engineering Division Manager	1.00	1.00	2.00	2.00	
Traffic Division Manager	1.00	1.00	-	-	-
Civil Engineer	1.00	1.00	1.00	-	(1.00)
Environmental Project Manager	1.00	1.00	1.00	1.00	
Engineering Specialist	3.00	3.00	2.00	2.00	-
Engineering Aide	1.00	1.00	-	-	-
Development Coordinator	-	1.00	1.00	1.00	-
Construction Manager	2.00	-	-	-	-
Project Coordinator – CIP	2.00	1.00	1.00	1.00	-
Construction Inspector	2.00	2.00	3.00	3.00	-
Right of Way Inspector	1.00	1.00	1.00	1.00	-
CIP Process Analyst	1.00	1.00	1.00	1.00	-
Project Manager	1.00	1.00	3.00	3.00	-
Real Property Acquisition Agent	1.00	1.00	1.00	-	(1.00)
Development Engineering Division Manager	1.00	1.00	1.00	1.00	-
Senior Executive Assistant	1.00	1.00	1.00	1.00	-
Executive Assistant	-	-	-	-	-
Engineering Document Clerk	-	1.00	1.00	1.00	-
Total Engineering	**23.00**	**24.00**	**22.00**	**20.00**	**(2.00)**

Budget Notes and Changes

1. **Personnel & Benefits –** Decreases in budget are due to reallocation of personnel from Engineering/CIP to Public Works. The Town's Traffic Division was moved from Engineering to Public Works better align goals to the Town's strategic plan. Other decreases are associated with the departure of several tenured employees.

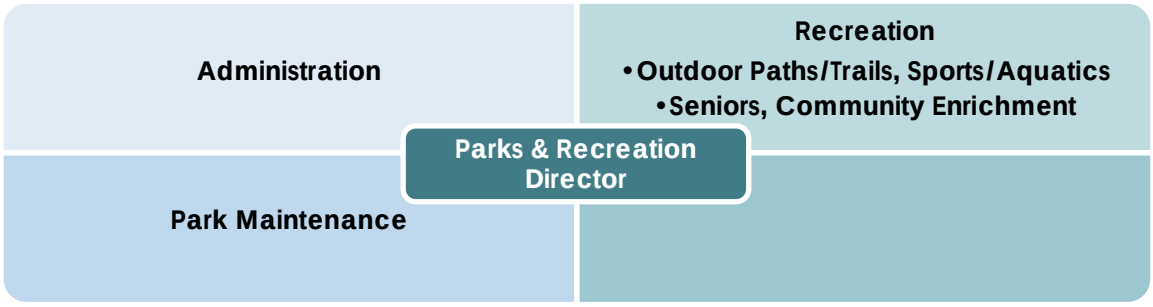
2. **Contracted Services –** Decreases in budget are associated with one-time costs in fiscal year 2018-2019 for a drainage study that will be completed. Other decreases are associated with the movement of the Traffic Division from Engineering to Public Works.

3. **Restricted Budget –** This budget category is associated with restricted contingency funding should unanticipated highly specialized engineering tasks be needed in the fiscal year.

4. **General Fund –** Decreases within the General Fund budget for the Engineering department is primarily associated with the movement of staff and resources from Engineering to Public Works (See Note 1). Other decreases are associated with the one-time drainage study (See Note 2).

5. **Highway User Revenue Fund (HURF) –** Decreases within the HURF budget for the Engineering department are solely associated with the movement of staff and resources from Engineering to Public Works (See Note 1).

PARKS & RECREATION



Department Overview
The Town of Marana Parks and Recreation department is dedicated to developing and implementing quality parks, trails, and leisure services for our community with a proud commitment to excellence, safety, and sustainability.

2018 – 2019 Accomplishments

- Constructed and opened Tangerine Sky Community Park
- Constructed and opened a new splash pad at Crossroads at Silverbell District Park
- Constructed and opened a new portion of the Santa Cruz Shared Use Path – Gladden Farms to the Beard House
- Completed pavement repairs of the Santa Cruz Shared Use Path between Tiffany Loop (Twin Peaks) and Cortaro Road.
- Construct Central Arizona Project (CAP) trailhead and trail from Tangerine Road to Pinal County
- Improvements to Ora Mae Harn District Park including LED light fixtures at tennis courts, constructing a new bullpen, concession stand upgrades, and maintenance yard parking lot improvements
- Improvements at Heritage River Park including irrigation redesign and installation of sod
- Repaired booster pump and flow sensors at Continental Reserve Community Park
- Achieve Tree City USA distinction for the fourth year in a row
- Incorporate a seasonal print activity guide
- Increased number of recreation program offerings by 20% with over 30 new activities/events offered and program participation by 13.5%
- Introduced two new inclusion programs by offering a sensory swim program and adaptive race event

2019 – 2020 Goals and Objectives

- Construct and open Honea Heights Neighborhood Park
- Complete Parks and Recreation 10-Year Master Plan
- Increase program participation by 10%
- Complete Phase 1A of El Rio Preserve improvements
- Grow environmental education programs based at El Rio Preserve
- Completed design of the Santa Cruz Shared Use Path at CalPortland
- Work with D.R. Horton to oversee the design and construction of Saguaro Bloom Community Park
- Install new sod at the Marana Municipal Complex and San Lucas Community Park dog park

- Extend irrigation control and water from Heritage River Park to the new Honea Heights Park
- Improve infield soil mix at Ora Mea Harn District Park ballfield complex
- Repair cracks on the west side of the Santa Cruz Shared Use Path between El Rio Park and Wade McLean Park.
- Improve water drainage on the west side of the Santa Cruz Shared Use Path directly north of Ina bridge
- Improve water drainage on west side of Santa Cruz Shared Use Path and at entrance to east side tunnel at Twin Peaks from Tiffany Loop
- Expand utilization of the Tortolita trail system and feature mountain bike elements and equestrian specific trails to attract new users
- Introduce one new community event in all recreation program areas
- Increase the number of customer feedback survey responses YOY from recreation participants
- Continue to pursue new programming opportunities at Crossroads at Silverbell District Park new splash pad and solar structure
- Staff continue to pursue professional certifications and credentials in the Parks and Recreation industry
- Continue to promote programs and communicate with the Marana community via the Parks and Recreation app

KEY PERFORMANCE MEASUREMENTS				
Council Strategic Plan Goal	**Expected Outcome**	**Performance Measure**	**FY 2019 Target**	**FY 2020 Target**
Recreation	To provide high levels of service to program participants and public	Solicit and capture YoY increase in satisfaction from participants and partners through department feedback surveys	Increase the number of programs surveyed by 35% 4.5 out of 5 Stars Survey Results	Increased the number of programs surveyed by 40% 4.8 out of 5 Stars Survey Results
Progress and Innovation	To increase management and tracking metrics of department assets	Utilize Cartegraph to track park maintenance via work orders analytics	66% work orders completed digitally	100% work orders completed digitally
Recreation	To promote healthy and active lifestyles through diverse recreation opportunities	Increase Outdoor Recreation and Special Interest programming offerings	Increase 60%	Increase 70%

KEY PERFORMANCE MEASUREMENTS

		YoY increase the total number of participants registered in recreation programs and community events	Increase 13.5%	Increase 15%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$2,276,694	$2,383,790	$2,579,730	$2,814,293	Note 1 $234,563
Contracted Services	419,146	520,366	857,325	848,570	(8,755)
Operating Supplies & Equipment	855,564	948,026	1,064,930	1,118,560	53,630
Capital Outlay	185,352	22,877	156,500	6,500	Note 2 (150,000)
Total by Category	**$ 3,736,756**	**$3,875,059**	**$4,658,485**	**$4,787,923**	**$129,438**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$3,736,756	$3,875,059	$4,658,485	$4,787,923	$129,438
Total by Fund	**$3,736,756**	**$3,875,059**	**$4,658,485**	**$4,787,923**	**$129,438**

AUTHORIZED POSITIONS

	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Parks – Administration:					
Parks and Recreation Director	1.00	1.00	1.00	1.00	-
Parks and Recreation Deputy Director	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Assets Coordinator	1.00	1.00	1.00	1.00	-
Business Process Manager	-	-	-	1.00	1.00
Parks – Recreation:					
Recreation Superintendent	1.00	1.00	1.00	1.00	-
Recreation Coordinator	4.00	4.00	4.00	4.00	-
Recreation Programmer	2.00	2.00	2.00	2.00	-
Parks and Recreation Services Clerk	2.75	2.00	2.00	2.00	-

AUTHORIZED POSITIONS					
Recreation Assistant	1.00	1.00	-	-	-
Parks – Maintenance:					
Superintendent	1.00	1.00	1.00	1.00	-
Parks Maintenance Supervisor	2.00	2.00	2.00	3.00	1.00
Maintenance Associate III	11.00	11.00	11.00	11.00	-
Maintenance Associate II	-	-	4.00	4.00	-
Maintenance Associate I	10.00	10.00	6.00	6.00	-
Irrigation Control Specialist	1.00	1.00	2.00	2.00	-
Parks – Senior Programs					
Recreation Programmer	1.00	1.00	1.00	1.00	-
Recreation Assistant	1.00	1.00	-	-	-
Total Parks	**41.75**	**41.00**	**40.00**	**42.00**	**2.00**

Budget Notes and Changes

1. **Personnel & Benefits –** Increased costs are associated with the two new Parks & Recreation positions needed to keep up with growth. New positions for fiscal year 2019-2020 are a Business Process Manager and a Park Maintenance Supervisor.

2. **Capital Outlay –** Decreased costs are associated with one-time purchases made in fiscal year 2018-2019 to repair and upgrade several park amenities.

COMMUNITY AND NEIGHBORHOOD SERVICES

Department Overview

Improving the quality of life for our residents and neighborhoods is the primary goal for Community and Neighborhood Services. Engaging the community in ongoing dialogue provides opportunities for the public and private sectors to: identify, refine and articulate needs; cooperatively problem-solve; collaboratively work to develop viable solutions to address needs; measure outcomes and celebrate successes; communicate regularly and clearly though relationships established by mutual trust and a shared vision.

The key functions in Community and Neighborhood Services all center on providing appropriate services to the general population and working to solve issues that affect individuals, neighborhoods, and the entire community. These functions include: Neighborhood Services, Housing Rehab, Animal Services, Transit Management, Code Enforcement, and Community-wide outreach.

2018 – 2019 Accomplishments

- Held five successful animal services programs for the community, to include the first doggy ice cream social
- Created a recycling section of the department web page and actively highlight recycling opportunities for the residents
- Held community electronic, paper shred, grease and Christmas tree recycling events
- We completed rehabilitation on six qualifying homes that included two AC units, two electrical upgrades, two roof replacements, a water leak, a new septic system and a termite treatment
- Moved the Sun Tran Express park-n-ride to the Crossroads Park and completed parking lot and sidewalk improvements for the riders
- Provided 51 dumpsters to the neighborhoods throughout the Town for neighborhood cleanups
- Held the Town's first three Council Connections, allowing the residents to come talk with their elected officials in a casual atmosphere
- Partnered with the Marana Food Bank, MUSD and MHC Healthcare to create the Marana Momentum Alliance and host the first Education and Employment Fair

2019 – 2020 Goals & Objectives

- Organize and hold the Town's first hazardous waste recycling event
- Continue to look for monthly community events or programs for the residents
- Improve and strengthen communications with neighborhoods and residents

- Provide the Animal Control Officers more opportunities to educate the residents of Marana on responsible pet ownership and animal safety
- Create a program for monitoring off-site donation bins throughout the Town
- Create a program for off-site shopping cart retrieval throughout the Town
- Work to increase opportunities and participation in the Community Restitution Program
- Improve communication of the Town's Neighborhood Mediation Program to the residents

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY2019 Target	FY 2020 Target
Community	To enhance the community, protect property values, and engage the community	Increase the voluntary Compliance by property owners on violation notices	94%	90%
		Tons of refuse collected from utilization of the Community Trailer by residents/communities	23 tons	25 tons
		Tons of refuse collected in Community Dumpsters provided in Neighborhoods	40 tons	60 tons
Community	To return lost pets to owners without the need for shelter intake	Number of pets receiving services from Town sponsored microchipping, vaccination, licensing, spay and Neuter clinics	108 pets	200 pets
		YoY increase registered users on the Marana Pets App	355 users	400 users
		Increase the percentage of Return to Owner of all strays encountered by staff	66%	55%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change	
Personnel & Benefits	$493,891	$628,774	$647,885	$826,946	Note 1	$179,061
Contracted Services	360,571	165,426	225,760	201,770	Note 2	(23,990)
Operating Supplies & Equipment	42,481	64,322	96,347	114,848		18,501
Capital Outlay	116,995	37,558	11,250	32,500	Note 3	21,250
Total by Category	**$1,013,937**	**$896,080**	**$981,242**	**$1,176,064**		**$194,822**

OPERATING BUDGET SUMMARY BY FUND					
Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
General Fund	$1,013,937	$896,080	$981,242	$1,176,064	$194,822
Community Development Block Grant	-	-	-	-	-
Revolving Affordable Housing	-	-	-	-	-
Total by Fund	**$1,013,937**	**$896,080**	**$981,242**	**$1,176,064**	**$194,822**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Community Services Director	1.00	1.00	1.00	1.00	-
Community Services Specialist	-	-	1.00	1.00	-
Community Outreach Coordinator	1.00	1.00	1.00	1.00	-
Housing Rehabilitation Specialist	1.00	1.00	1.00	1.00	-
Code Enforcement Division					
Chief Code & Animal Officer	-	1.00	1.00	1.00	-
Code Enforcement Officer II	2.00	1.00	1.00	1.00	-
Code Enforcement Officer I	-	-	-	1.00	1.00
Animal Services Division					
Animal Control Officer	2.00	3.00	3.00	3.00	-
Total Community and Neighborhood Services	**8.00**	**8.00**	**9.00**	**10.00**	**1.00**

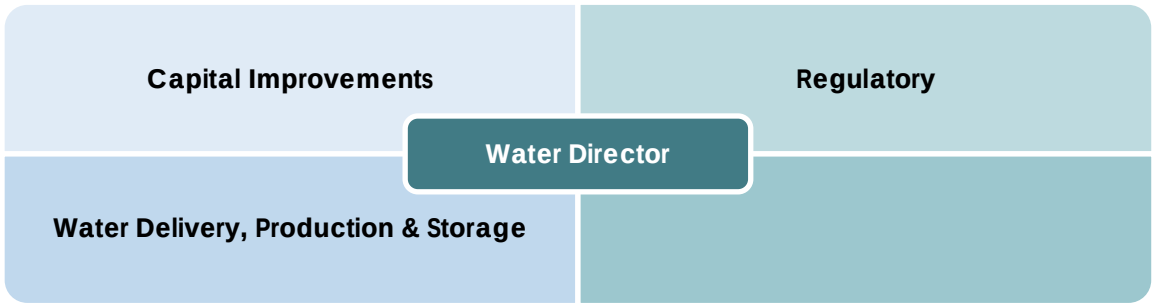
Budget Notes and Changes

1. **Personnel & Benefits –** Increased costs are primarily associated with the addition of a new Code Enforcement Officer I position for fiscal year 2019-2020 and a mid-year addition in fiscal year 2018-2019 of the Community Services Specialist. Other costs are associated with slight increases to employee related expenses.

2. **Contracted Services –** Decreased costs are attributable to several line items throughout the Animal Services Division. As the Town continues to gain institutional knowledge in this area, forecasting becomes more precise.

3. **Capital Outlay –** Costs in this category are associated with purchasing a vehicle for the new Code Enforcement I position.

WATER



Department Overview

Marana Water Department is committed to providing our customers with safe, reliable, efficient water and water reclamation services through utilization of effective industry practices, innovative technology, and the strategic use of water resources.

We have an obligation to make sure that our residential customers, business customers and other public entities such as our schools, medical facilities and parks have reliable access to the water they need. Marana is committed to this mission and is taking proactive steps to achieve it.

2018 – 2019 Accomplishments

- Installed several hundred water meters as part of the annual replacement of aging meter program
- Final construction of the Marana Water Reclamation Facility Recharge Project;
- Completion of construction of the San Lucas 16" Interconnect project
- Finish construction of the Pioneer Well compound.
- Completed electrical system upgrades of two water system well sites to meet current safety guidelines and provide efficiencies.
- Continue with Storage Tank maintenance program; three storage tanks coated.
- Continued partnerships with other local community water suppliers

2019 – 2020 Goals & Objectives

- Complete the design and start construction of the Picture Rocks Interconnect;
- Complete construction of the W+ Zone booster station
- Begin the program management of the Northwest Recharge and Recovery Delivery System with Metro Water and Oro Valley
- Begin implementation of an updated asset management program
- Continue implementation program to replace the current SCADA system with updated infrastructure based on recommendations from the SCADA Master plan
- Develop conservation based messaging campaign for customer base

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Community	Continuous increase in number of water customers	Number of new water customers	400	400
Community	Provide resources necessary to maintain the water distribution system and accurately account for water produced and consumed	Percent of lost and unaccounted for water	6%	6%

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$1,821,367	$1,889,563	$2,030,413	$2,218,377	Note 1 $187,964
Contracted Services	923,133	1,400,557	1,733,699	1,663,841	Note 2 (69,858)
Operating Supplies & Equipment	1,214,437	1,389,539	1,662,279	1,884,686	Note 3 222,407
Capital Outlay	-	-	210,000	145,000	Note 4 (65,000)
Total by Category	**$3,958,936**	**$4,679,668**	**$5,636,391**	**$5,911,904**	**$275,513**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Water Fund	$3,958,936	$4,679,668	$5,636,391	$5,911,904	$275,513
Water Infrastructure Fund	-	-	-	-	-
Water Renewable Resources Fund	-	-	-	-	-
Total by Fund	**$3,958,936**	**$4,679,668**	**$5,636,391**	**$5,911,904**	**$275,513**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Water Director	1.00	1.00	1.00	1.00	-
Water Deputy Director	1.00	1.00	1.00	1.00	-
Water Business Services Coordinator	1.00	1.00	1.00	1.00	-
Water Operations Manager	1.00	1.00	1.00	1.00	-
Water Distribution Supervisor	1.00	1.00	1.00	1.00	-
Water Production Supervisor	1.00	1.00	1.00	1.00	-
Water Resource Coordinator	1.00	1.00	1.00	1.00	-
Water Quality Specialist	1.00	1.00	1.00	1.00	-
Water Quality Technician	-	-	-	2.00	2.00
Construction Inspector	1.00	1.00	1.00	1.00	-
Pump & Well Technician	1.00	-	-	-	-
Water Reclamation Mechanic	1.00	1.00	-	-	-
Water Operator III	-	2.00	2.00	2.00	-
Water Operator II	6.00	6.00	6.00	6.00	-
Water Operator I	1.00	1.00	1.00	1.00	-
Civil Engineer	1.00	1.00	1.00	1.00	-
Water Billing Specialist	2.00	2.00	2.20	2.60	0.40
SCADA Administrator	1.00	1.00	1.00	1.00	-
Water Technology Specialist	-	-	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Assets Coordinator	-	-	1.00	1.00	-
Total Water Department	**23.00**	**24.00**	**25.20**	**27.60**	**2.40**

Budget Notes and Changes

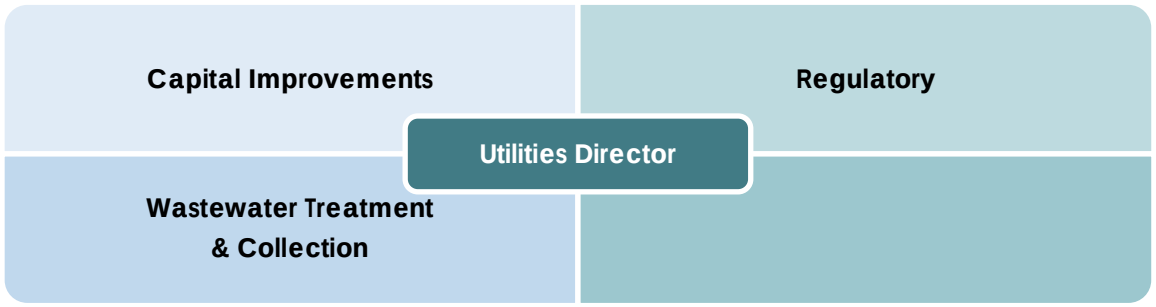
1. **Personnel & benefits –** Increases in this category is attributable to the addition of two new Water Quality Technician positions for fiscal year 2019-2020. These positions will aid in the operation and maintenance of the two new Water Treatment Campuses. These positions are anticipated to be hired in time to service the new treatment campuses as they are brought online.

2. **Contracted services –** This category includes the majority of the Water Fund's maintenance and rehabilitation programs. For fiscal year 2019-2020 several high priority programs were identified but were not included in the Manager's Recommended Budget to ensure the fund stays structurally balanced.

3. **Operating supplies & equipment -** The increase is attributable to increased water quality testing and monitoring in all water production and distribution systems.

4. **Capital outlay –** This category includes the purchase and replacement of vehicles and equipment necessary to provide services. For fiscal year 2019-2020 several replacement items were identified but were not included in the Manager's Recommended Budget to ensure the fund remains structurally balanced.

Water Reclamation



Department Overview

Marana Water Department is committed to providing its customers with quality wastewater reclamation and conveyance services and is taking proactive steps to achieve it. The Town will endeavor to ensure effluent owned by the Town is put to the highest and best possible use to meet long term planning goals and objectives of the Town.

2018 – 2019 Accomplishments

- Passed Arizona Department of Environmental Quality Inspection (physical & regulatory) of Water Reclamation Facility (WRF). No deficiencies
- Evaluated, updated, and optimized the Preventative Maintenance Schedule and Program for the WRF
- Established CCTV, Cleaning, & GPSing Services Contract for the Sanitary Sewer System. Half of system completed
- Finalized Capacity Management, Operations, and Maintenance (CMOM) Program for the Sanitary Sewer System
- Completed construction of the Marana Water Reclamation Facility
- Acquired abd assumed operation of the Adonis Sewer System. Cleaned, located and as-built Adonis conveyance system.

2019 – 2020 Goals & Objectives

- Vector Control Program all of Sanitary Sewer System
- Continue to work with local, state, and federal regulatory agencies to maintain compliance and operation of the wastewater reclamation facility and sanitary sewer conveyance system
- Complete design and construction of the Adonis Sewer Lift Station and Force Main
- Implement asset management program utilizing a Computerized Maintenance Management System (CMMS)
- Reduce the amount of surface inflow to the sanitary sewer conveyance system
- Clean, CCTV, and GPS the last quarter of the sanitary sewer conveyance system
- SCADA Master Plan Implementation for the WRF and Lift Station(s)

KEY PERFORMANCE MEASUREMENTS

Council Strategic Plan Goal	Expected Outcome	Performance Measure	FY 2019 Target	FY 2020 Target
Community	Continuous increase in number of sewer customers	Number of new sewer customers	320	320
Community	Provide resources necessary maintain safe, compliant and environmentally friendly operation of the sanitary sewer conveyance system	Number of sanitary sewer overflows	0	0

OPERATING BUDGET SUMMARY

Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits	$392,221	$351,378	$601,211	$541,059	Note 1 $(60,152)
Contracted Services	573,597	647,235	438,965	549,885	Note 2 110,920
Operating Supplies & Equipment	121,695	132,773	357,548	360,850	5,926
Capital Outlay	-	-	54,424	71,800	Note 3 17,376
Total by Category	**$1,087,514**	**$1,131,387**	**$1,452,524**	**$1,523,594**	**$121,266**

OPERATING BUDGET SUMMARY BY FUND

Expenditures By Fund	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Wastewater Fund	$1,087,514	$1,131,387	$1,452,524	$1,523,594	$121,266
Wastewater – Impact Fees	-	-	-	-	-
Gladden Farms CFD Capital Fund	-	-	-	-	-
Total by Fund	**$1,087,514**	**$1,131,387**	**$1,452,524**	**$1,523,594**	**$121,266**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Water Reclamation Operations Manager	1.00	1.00	1.00	1.00	-
Chief Water Reclamation Operator	1.00	1.00	1.00	1.00	-
Water Reclamation Operator II	1.00	2.00	2.00	2.00	-
Water Reclamation Operator I	1.00	1.00	1.00	1.00	-
Water Reclamation Mechanic	-	-	1.00	1.00	-
Water Reclamation Mechanic Appr.	-	-	1.00	1.00	-
Total Wastewater Department	**4.00**	**5.00**	**7.00**	**7.00**	**-**

Budget Notes and Changes

1. **Personnel & benefits –** The major change between fiscal years is primarily a sharp budgeted reduction in the Worker's Compensation rates as well as overall reduced employee related costs.

2. **Contracted services –** The major change between fiscal years is primarily due to increased system repair and maintenance on the sanitary sewer collection system.

3. **Capital outlay –** This category includes the purchase and replacement of vehicles, equipment and infrastructure necessary to provide services. For fiscal year 2019-2020 several replacement items were identified but not all were able to be included in the Manager's Recommended Budget to ensure the fund stays structurally balanced.

AIRPORT

Department Overview

The Airport department provides the community with a valuable general aviation air transportation resource that is part of the National Air Transportation System and enhances and preserves the aeronautical industry for the community while maintaining the highest level of safety and professional customer service. The department also markets and leases airport land for aviation related businesses and development. Other department duties include:

- Maintain and enhance airport safety and security
- Continue to align the airport with Town Strategic Plan
- Seek new business development opportunities for the airport
- Manage all Federal Aviation Grants and State Aviation Grants
- Manage and coordinate all construction activities on the airport
- Perform inspections to ensure proper maintenance and compliance in accordance with FAA regulations and grant assurances.
- Coordinate with contractors and other departments to complete required airport maintenance
- Manage, coordinate and review all plans and specifications for airport projects
- Prepare contracts for maintenance activities and consultant services
- Ensure land use and airspace capability with aviation uses throughout the Town and the County
- Address public concerns with aeronautical activities and noise throughout the Town
- Provide financial management of the airports operations capital improvement projects budget
- Provide presentations, press releases, and general information for community outreach and community relations

2018 – 2019 Accomplishments

- Increased public awareness of the airport's value to the town through airport events.
-
- Ongoing marketing of available airport land parcels for additional business development.
- Began ramp/taxiway rehabilitation project construction (FAA/ADOT grants).

- Completed FAA Air Traffic Control Tower benefit/cost analysis.
- Entered into two new 25 year land leases with Pima Aviation.
- Repainted taxiway centerlines/edge lines/hold lines.
- Completed phase 1 Airport Marketing Plan
- Completed airport economic impact study
- Crack sealed 800,000 sq. ft. of ramp asphalt

2019 – 2020 Goals & Objectives

- Increase public awareness of the airport's value to the town through airport events.
- Market land parcels available for additional business development.
- Secure new corporate and maintenance hangar projects.
- Continue to work with Pro Flight International with proposed development of a FAA Part 141 flight school.
- Complete ramp/taxiway reconstruction project (August 2019)
- Begin implementation of Phase 1 of Airport Marketing Plan.
- Conduct airport open house event (October 2019).

KEY PERFORMANCE MEASUREMENTS				
Council Strategic Plan Goal	**Expected Outcome**	**Performance Measure**	**FY 2019 Actual**	**FY 2020 Target**
Commerce	To increase Airport business land leases	YoY increase in land lease revenue	$254,000	$275,000
Commerce	To increase Airport parking and fuel flowage revenue	YoY increase in corporate jet operations count	1,353	1,500
Commerce	To increase aircraft parking fee revenue	YoY increase in parking fee revenue collected	10%	35%

OPERATING BUDGET SUMMARY					
Expenditures by Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Personnel & Benefits Cost	$268,131	$277,869	$292,114	$280,744	$(11,370)
Contracted Services	$112,023	550,181	176,090	124,649	Note 1 (51,441)
Operating Supplies & Equipment	$68,889	57,834	79,500	73,900	(5,600)
Capital Outlay	-	-	10,000	30,000	Note 2 20,000
Other Financing Uses	-	-	-	-	-
Total by Category	**$449,043**	**$885,884**	**$557,704**	**$509,293**	**$(48,411)**

OPERATING BUDGET SUMMARY BY FUND					
Expenditures By Category	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Change
Airport Fund	$449,043	$885,884	$557,704	$509,293	$(48,411)
Total by Fund	**$449,043**	**$885,884**	**$557,704**	**$509,293**	**$(48,411)**

AUTHORIZED POSITIONS					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Recommended	Changed
Airport Director	1.00	1.00	1.00	1.00	-
Airport Operations Supervisor	-	-	1.00	1.00	-
Maintenance Associate III	-	-	1.00	1.00	-
Airport Maintenance Associate	1.00	1.00	-	-	-
Airport Operations Coordinator	1.00	1.00	-	-	-
Total Airport Operations	**3.00**	**3.00**	**3.00**	**3.00**	**-**

Budget Notes and Changes

1. **Contracted Services –** Decreases are primarily associated with a one-time facilities maintenance project in fiscal year 2018-2019 that will be completed and not be part of the fiscal year 2019-2020 budget.

2. **Capital Outlay –** Costs are associated with the purchase of a sweeper machine to help maintain the airport runways.

OPERATING CAPITAL AND PROJECTS

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Operating Capital and Projects

Operating capital and projects capture costs associated with the repair and maintenance of capital assets, replacement of equipment, master plans, studies, and all other project type costs that do not result in the acquisition or construction of a capital infrastructure asset.

Operating Capital and Projects	Manager Recommended
Town Clerk	
Election services for 2020 Primary and General	20,000
Capacity for Special election or unforeseen election costs	65,000
OCE Scanning/Printing Equipment replacement	31,600
Total for Town Clerk	$116,600
Human Resources	
Compensation/Market survey	50,000
Total for Human Resources	$50,000
Technology Services	
Equipment to upgrade Town Network Firewall protection	10,000
Virtual Machine Disaster Recovery Software	35,000
Total for Technology Services	$45,000
Planning	
Consulting Services for the Land Development Code, includes mailings	25,000
Capacity for possible General Plan Update with Matrix	10,000
Total for Planning	$35,000
Police	
Spillman National Incident Based Reporting System Software	57,527
Total for Police	$57,527
Public Works – Facilities Division	
Community Room Water Main at MOC	30,000
Fleet Services Bay Doors Replacement	25,000
Furniture Replacement – for aging and broken furniture	35,000
Heating, ventilation and air conditioning upgrade for Council Chambers [includes $170,000 carryforward]	274,736
MOC A Building Remodel [includes $50,000 carryforward]	110,000
MMC Complex Electric Work Cart	11,000
Total for Public Works – Facilities Division	$485,736

Operating Capital and Projects	Manager Recommended
Parks and Recreation – Parks Maintenance Division	
Movable Fencing for 5 Fields	50,500
Re-seal and striping of Crossroads parking lot	50,000
Conversion of Tennis Courts to Pickleball Courts [includes $7,500 carry-forward]	22,500
Movable Mounds – Baseball, Softball	12,000
Ball Field Maintenance Equipment – Toro Sand Pro	6,500
Total for Parks and Recreation – Parks Maintenance Division	$141,500
Public Works – Streets Maintenance (HURF)	
Unit 853 - JD Mower. Vehicle Replacement	85,000
Unit 2037 – 2013 Ford 350. Upgrade to GM 14 passenger mini bus	83,000
Unit 2007 – 2010 Ford F350. Vehicle Replacement for Inmates	49,500
Unit 822 – 2009 Case 570XLT Gannon. Vehicle tractor	87,500
Unit 223 – 1998 Ford E150. Vehicle Replacement for Traffic Signals	34,500
Unit 854 – 2008 Superior Broom. Equivalent replacement	79,500
Capacity for emergency storm repairs	200,000
Total for Public Works – Streets Maintenance (HURF)	$619,000
Water Operating	
BEACON meter reading program	10,000
New F450 with crane	75,000
Laboratory Information System (LIMS)- Software	70,000
New Utility Billing Software	100,000
New dump truck	65,000
New water quality treatment plant testing services	70,000
Reservoir rehab – replacement & booster	262,000
Total for Water Operating	$652,000
Wastewater Operating	
Dump/Lift Trailer with Tall Sides	13,500
Hydraulic Modeling Software - Innovise	10,000
Trailer Mounted Gas-Powered Air Compressor	10,000
Total for Wastewater Operating	$33,500
Airport Operating	
Gate cameras/keypads/control panels replacement	20,000
Operations office monitors	1,500
Pavement sweeper	30,000
Total for Airport Operating	$51,500

Operating Capital and Projects	Manager Recommended
Vehicle Purchases related to New Positions	
Vehicles for 3 New Police officers	201,600
Vehicle for New Code Enforcement Officer	25,000
Vehicle for New Facilities Tech II position	32,500
Vehicle for New Traffic Tech I position	46,500
Total for Vehicle Purchases related to New Positions	$305,600
Vehicle Replacements	
Unit 554 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Unit 285 - 2006 Toyota Tacoma. Replace with SUV	33,500
Unit 256 - 2002 F150. Replace with F250	44,900
Unit 549 - 2009 BMW Motorcycle; Replace with Equivalent	41,500
Unit 524 - 2009 Tahoe; Replace with PPV Tahoe	67,200
Unit 281 - 2006 Toyota Tacoma. Replace with Equivalent	33,500
Unit 563 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Unit 587 - 2013 Victory Motorcycle; Replace with Equivalent	41,500
Unit 299 - 2008 Ford F350 Utility. Replace with equivalent.	49,500
Unit 557 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Unit 840 - 2000 TMC 800lb Forklift. Replace with equivalent	80,000
Unit 564 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Unit 291. 2006 Toyota Tacoma. Replace with SUV	33,500
Unit 514 - 2009 Tahoe; Replace with PPV Tahoe	67,200
Unit 527 - 2010 Tahoe; Replace with PPV Tahoe	67,200
Unit 2001 - 2008 F350 Utility - Replace with Equivalent	43,000
Unit 558 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Unit 2020 - 2012 Ford F150. Replace with SUV	33,500
Unit 124 - 2008 Toyota Prius. Replace with SUV/Truck	36,500
Unit 550 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Unit 2013 - 2010 F150. Replace with equivalent	34,500
Unit 567 - 2011 Crown Vic; Replace with PPV Tahoe	67,200
Total for Vehicle Replacements	$1,177,400
Grand Total	**$ 3,770,363**

Capital Projects

The following projects and initiatives are being considered in the 2019-2020 fiscal year budget process and are currently factored in when calculating the estimated ending fund balance for fiscal year 2019-2020.

Project	Description	Manager Recommended
Honea Heights Pocket Park	New location and reinvestment of funding to project	86,584
Street Lighting Program	Initial funding toward improving lighting conditions on Town streets	100,000
MMC Building A Waterproofing and Drainage Improvements	Funding to address water related damage to MMC Building A	126,125
Unanticipated Facilities Repairs	Funding to provide budget capacity for unforeseen repairs to Town Facilities	100,000
Total for General Fund		$412,709

CARRY FORWARD REQUESTS

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Carry Forward Requests

The following items were requested for carry forward into the recommended fiscal year 2019-2020 budget. The amounts included within this section are projected carry forward, and only reflect the request to expend remaining budget approved in the prior fiscal year.

Carry Forward Requests	Manager Recommended
Technology Services	
New permitting, code enforcement, business licensing software system	125,000
Total for Technology Services	$125,000
Planning	
Consulting Services for General Plan 2040 update, includes public outreach	80,000
Total for Planning	$80,000
Public Works – Facilities Division	
MMC Interior lighting and controls upgrade	202,000
MMC Building B remodel for Water and Parks Recreation	480,000
MMC Courts remodel addition	375,000
Total for Public Works – Facilities Division	$1,057,000
Engineering – CIP Division	
Drainage study	160,000
Total for Engineering – CIP Division	$160,000
Parks and Recreation – Parks Maintenance Division	
Parks Master Plan	152,322
Total for Parks and Recreation – Parks Maintenance Division	$152,322
General Fund Total	*$1,574,322*
Wastewater Operating	
Adonis System Repairs	73,000
Total for Wastewater Operating	$73,000

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AUTHORIZED PERSONNEL

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	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Town Manager							
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Town Manager	-	1.00	1.00	1.00	1.00	1.00	1.00
Management Assistant	3.00	-	-	-	-	-	-
Executive Assistant to the Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Clerk	1.13	1.13	1.00	1.00	1.00	-	-
Assistant to the Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Representative	-	-	1.00	1.00	1.00	2.00	-
Communication and Marketing Division							
Communications Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Communications Specialist	-	1.00	1.00	1.00	1.00	1.00	1.00
Graphic Designer	1.00	1.00	1.00	1.00	1.00	1.50	1.50
Marketing & Design Associate (Tourism & Marketing)	-	-	0.50	0.50	0.50	-	-
Special Events Division							
Special Events Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Special Events Programmer	-	-	-	1.00	1.00	1.00	1.00
Total Town Manager Office	**12.13**	**11.13**	**12.50**	**13.50**	**13.50**	**13.50**	**11.50**
Town Clerk							
Town Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Town Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Records Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Town Clerk	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Human Resources							
Human Resources Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sr. Human Resources Analyst	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Safety Division							
Emergency Management and Safety Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Human Resources	**7.00**	**7.00**	**7.00**	**7.00**	**7.00**	**7.00**	**7.00**
Finance							
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Revenue Supervisor	-	-	-	-	-	-	1.00
Budget Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Payroll Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Procurement Officer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Procurement Agent	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Grants Manager	-	-	-	1.00	1.00	1.00	1.00
Senior Accountant	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Senior Accounting Associate	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Associate	1.75	1.75	0.75	0.75	0.75	0.75	0.75
Tax & License Specialist	-	-	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Asset Administrator	1.00	1.00	1.00	-	-	-	1.00
Customer Service Representative	-	-	-	-	-	-	2.00
Total Finance	**12.25**	**12.25**	**12.25**	**12.25**	**12.25**	**12.25**	**16.25**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Legal Department							
Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Assistant Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Legal Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Legal Document Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Associate Town Attorney	-	-	-	-	1.00	1.00	1.00
Total Legal Department	**6.50**	**6.50**	**6.50**	**6.50**	**7.50**	**7.50**	**7.50**
Technology Services							
Technology Services Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Technology Manager	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Senior Network Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Network Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Database Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Software Developer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior GIS Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Technology Analyst	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Technology Support Specialist II	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Technology Support Specialist I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Business Process Analyst	1.00	1.00	1.00	1.00	1.00	-	-
Total Technology Services	**14.00**	**14.00**	**14.00**	**14.00**	**14.00**	**14.00**	**14.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Office of Economic & Tourism Development							
Director of Economic and Tourism Development	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tourism & Marketing Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Economic Development Specialist	-	1.00	1.00	1.00	1.00	1.00	1.00
Graphic Designer	-	-	-	-	-	0.50	0.50
Marketing & Design Associate (Tourism & Marketing)	-	-	0.50	0.50	0.50	-	-
Total Office Economic & Tourism Development	**2.00**	**3.00**	**3.50**	**3.50**	**3.50**	**3.50**	**3.50**
Community & Neighborhood Services							
Community & Neighborhood Services Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Grants & Housing Coordinator	1.00	1.00	1.00	-	-	-	-
Community Outreach Coordinator	-	-	-	1.00	1.00	1.00	1.00
Housing Rehabilitation Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Services Specialist		-	-	-	-	1.00	1.00
Code Enforcement Division							
Code Enforcement Official	1.00	1.00	1.00	-	-	-	-
Chief Code Enforcement & Animal Control Officer	-	-	-	1.00	1.00	1.00	1.00
Code Enforcement Officer II	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Code Enforcement Officer I	-	-	-	-	-	-	1.00
Animal Services Division							
Animal Control Officer	-	2.00	2.00	3.00	3.00	3.00	3.00
Total Community & Neighborhood Services	**6.00**	**8.00**	**8.00**	**8.00**	**8.00**	**9.00**	**10.00**
Development Services Administration							
Development Services Director	-	1.00	1.00	1.00	1.00	1.00	1.00
Development Services Center Manager	1.00	-	-	-	-	-	-
Business Process Analyst	-	-	-	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Clerk	1.00	1.00	-	-	-	-	-
Total GM - Development Services	**3.00**	**3.00**	**2.00**	**3.00**	**3.00**	**3.00**	**3.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Building Safety							
Building Safety Director	1.00	-	-	-	-	-	-
Chief Building Official	-	-	-	1.00	1.00	1.00	1.00
Assistant Building Official	-	-	-	-	-	1.00	1.00
Building Safety Manager	-	1.00	1.00	1.00	1.00	-	-
Chief Building Inspector	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Building Safety Coordinator	1.00	1.00	1.00	-	-	-	-
Senior Plans Examiner	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Plans Examiner	1.00	1.00	1.00	-	-	1.00	1.00
Building Inspector II	2.00	2.00	2.00	3.00	3.00	2.00	2.00
Building Inspector I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Permit Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Development Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Building Safety	**12.00**	**12.00**	**12.00**	**13.00**	**13.00**	**13.00**	**13.00**
Planning Department							
Planning Director	1.00	1.00	1.00	1.00	1.00	-	-
Environmental Project Manager	1.00	1.00	1.00	1.00	1.00	-	-
Principal Planner	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Planner	4.00	4.00	4.00	4.00	4.00	5.00	5.00
Planner	1.00	1.00	-	-	-	-	-
Business Process Analyst	-	-	1.00	-	-	-	-
Development Coordinator	1.00	1.00	1.00	-	-	-	-
Total Planning Department	**9.00**	**9.00**	**9.00**	**7.00**	**7.00**	**6.00**	**6.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Engineering							
Town Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Division Manager	1.00	1.00	1.00	1.00	1.00	-	-
Civil Engineer	1.00	1.00	1.00	1.00	1.00	1.00	-
Environmental Project Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Specialist	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Engineering Aide	1.00	1.00	1.00	1.00	1.00	-	-
Construction Manager	2.00	2.00	2.00	-	-	-	-
Construction Inspector	-	-	-	-	-	1.00	-
Development Engineering Division Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Development Coordinator	-	-	-	1.00	1.00	1.00	1.00
Senior Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Capital Improvement Program							
CIP Engineering Division Manager	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Project Manager	1.00	1.00	1.00	3.00	3.00	3.00	3.00
CIP Process Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Construction Inspector	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Right of Way Inspector	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Real Property Acquisition Agent	1.00	1.00	1.00	1.00	1.00	1.00	-
Project Coordinator - CIP	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Engineering Document Clerk	-	-	1.00	1.00	1.00	1.00	1.00
Total Engineering	**23.00**	**23.00**	**24.00**	**24.00**	**24.00**	**22.00**	**20.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Police							
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police Captain	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Police Sergeant	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Police Officer	69.00	69.00	71.00	71.00	71.00	71.00	74.00
Police Records Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police Telecommunications Manager	-	-	-	-	-	1.00	1.00
Police Telecommunications Supervisor	2.00	2.00	2.00	2.00	2.00	1.00	1.00
Dispatcher	12.00	12.00	12.00	12.00	13.00	13.00	13.00
Police Records Specialist	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Police Records Clerk	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Crime Scene Property & Evidence Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Property & Evidence Records Clerk	-	-	-	-	1.00	1.00	1.00
Crime Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Crime Scene Specialist	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Supervisor	-	-	1.00	1.00	1.00	1.00	1.00
Customer Service Clerk	-	-	-	-	1.00	1.00	1.00
Executive Assistant	1.00	1.00	-	-	-	-	-
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Police Department	**113.00**	**113.00**	**115.00**	**115.00**	**118.00**	**118.00**	**121.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Courts							
Town Magistrate	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Operations Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Probation Monitor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Security Officer	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Court Collections Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Courtroom Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Courtroom Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Clerk	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Senior Court Clerk	-	-	-	1.00	1.00	1.00	1.00
Total Courts	**14.00**	**14.00**	**14.00**	**14.00**	**14.00**	**14.00**	**14.00**
Public Works							
Public Works Administration							
Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Deputy Director	-	-	-	1.00	1.00	1.00	1.00
Traffic Division Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Response Manager	1.00	1.00	1.00	-	-	-	-
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fleet Division							
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Lead Fleet Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Equipment Mechanic	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fleet Technician II	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fleet Technician I	-	-	1.00	1.00	1.00	1.00	1.00

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Streets Division							
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Technician III	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Technician II	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Technician I	-	-	-	1.00	1.00	-	1.00
Signs & Markings Technician	1.00	1.00	1.00	-	-	-	-
Signs & Marking Specialist	-	-	-	-	-	1.00	1.00
Public Works Supervisor	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Equipment Operator II	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Equipment Operator I	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Maintenance Associate II	3.00	4.00	4.00	3.00	3.00	4.00	4.00
Assets Coordinator	-	-	-	1.00	1.00	1.00	1.00
Maintenance Associate III	6.00	6.00	7.00	7.00	7.00	7.00	7.00
Maintenance Associate I	3.00	2.00	2.00	2.00	2.00	1.00	1.00
Engineering Aide		-	-	-	-	1.00	1.00
Engineering Specialist		-	-	-	-	1.00	1.00
Facilities Division							
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Facilities Tradesman	-	-	-	1.00	2.00	2.00	2.00
Facilities Technician III	1.00	1.00	1.00	-	-	-	-
Facilities Technician II	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Facilities Technician I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Public Works Department	**36.00**	**36.00**	**38.00**	**38.00**	**39.00**	**41.00**	**44.00**
Parks & Recreation							
Admin							
Parks and Recreation Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Parks and Recreation Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Superintendent	-	-	-	1.00	1.00	1.00	1.00
Business Process Manager	-	-	-	-	-	-	1.00

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Recreation Division							
Recreation Coordinator	3.00	3.00	3.00	3.00	1.00	1.00	1.00
Recreation Programmer	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Business Services Coordinator	1.00	1.00	1.00	-	-	-	-
Recreation Assistant	1.00	1.00	1.00	-	-	-	-
Maintenance Division							
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Parks Maintenance Supervisor	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Irrigation Control Specialist	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Assets Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Associate III	12.00	12.00	12.00	11.00	10.00	10.00	10.00
Maintenance Associate II	-	-	-	-	-	4.00	4.00
Maintenance Associate I	-	-	-	-	-	5.00	5.00
Attendant	10.00	10.00	10.00	10.00	9.00	-	-
Aquatics Division							
Recreation Coordinator	-	-	-	-	1.00	1.00	1.00
Recreation Programmer	-	-	-	-	1.00	1.00	1.00
Special Interests Division							
Parks and Recreation Services Clerk	2.75	2.75	2.00	2.00	2.00	2.00	2.00
Recreation Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Programmer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Outdoor Division							
Recreation Coordinator	-	-	-	-	1.00	1.00	1.00
Maintenance Associate III	-	-	-	-	1.00	1.00	1.00
Maintenance Associate I	-	-	-	-	1.00	1.00	1.00
Total Parks Department	**41.75**	**41.75**	**41.00**	**40.00**	**40.00**	**40.00**	**42.00**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Water Department							
Water Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Business Services Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Superintendent	1.00	-	-	-	-	-	-
Water Distribution Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Production Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Resource Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Quality Specialist	-	-	-	-	-	1.00	1.00
Water Quality Technician	1.00	1.00	1.00	1.00	1.00	-	2.00
Water Construction Inspector	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Electric Pump & Well Technician	1.00	1.00	-	-	-	-	-
Water Mechanic	1.00	1.00	1.00	1.00	-	-	-
Water Operator III	-	-	1.00	2.00	2.00	2.00	2.00
Water Operator II	6.00	6.00	7.00	6.00	6.00	6.00	6.00
Water Operator I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Billing Specialist	2.00	2.00	2.00	2.00	2.20	2.20	2.60
SCADA Administrator	-	-	-	1.00	1.00	1.00	1.00
Water Technology Coordinator	1.00	1.00	1.00	-	-	-	-
Water Technology Support Specialist II	-	-	-	-	1.00	1.00	1.00
Assets Coordinator	-	-	-	-	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Operations Manager	-	1.00	1.00	1.00	1.00	1.00	1.00
Total Water Department	**23.00**	**23.00**	**24.00**	**24.00**	**25.20**	**25.20**	**27.60**

	2017 Adopted	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2019 Estimated	2020 Budget
Waste Water Department							
Water Reclamation Operations Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Chief Water Reclamation Operator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Reclamation Operator II	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Water Reclamation Operator I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Reclamation Mechanic	-	-	-	-	1.00	1.00	1.00
Associate Water Reclamation Mechanic	-	-	-	-	1.00	1.00	1.00
Total Waste Water Department	**4.00**	**4.00**	**5.00**	**5.00**	**7.00**	**7.00**	**7.00**
Airport Operations							
Airport Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Airport Operations Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Associate III	-	-	-	1.00	1.00	1.00	1.00
Maintenance Associate	1.00	1.00	1.00	-	-	-	-
Total Airport Operations	**3.00**	**3.00**	**3.00**	**3.00**	**3.00**	**3.00**	**3.00**
TOTAL TOWN AUTHORIZED POSITIONS	**346.63**	**348.63**	**355.75**	**355.75**	**363.95**	**363.95**	**375.35**

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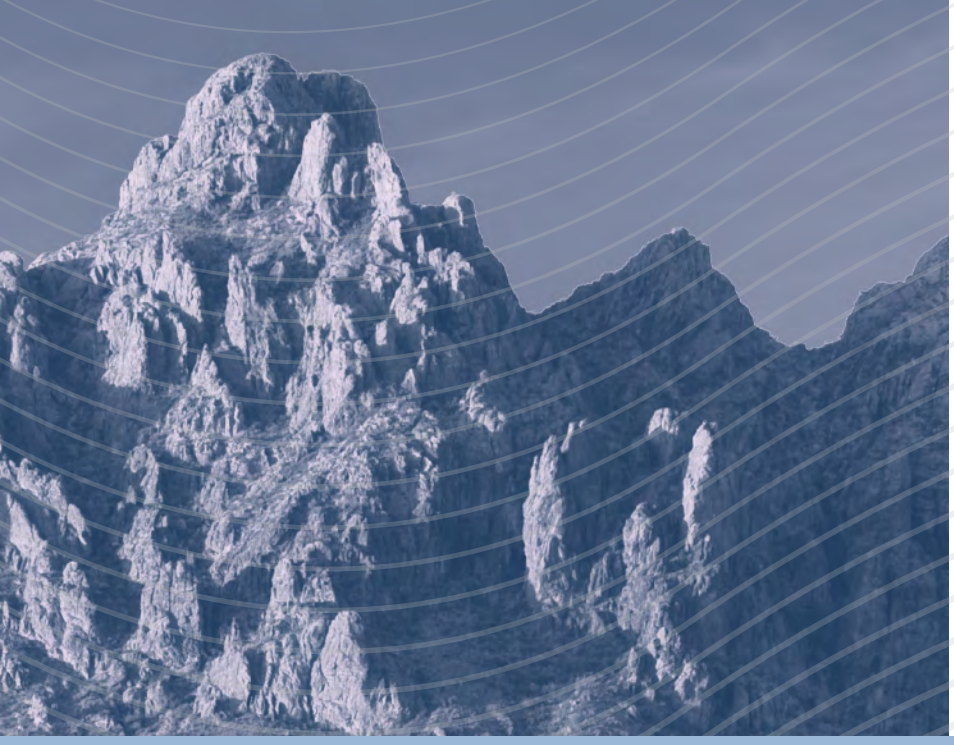

MARANA AZ

Council-Study Session **D2**

Meeting Date: 04/23/2019

To: Mayor and Council

From: Erik Montague, Deputy Town Manager

Date: April 23, 2019

Strategic Plan Focus Area:
Community

Subject: Resolution No. 2019-034: Relating to Development; approving the amended Town of Marana Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts (Erik Montague)

Discussion:

Tonight's item incorporates feedback received at previous meetings in September 2017, June 2018, January 2019 and February 2019. At those meetings, staff presented information regarding conforming amendments required by SB1480 and other optional amendments to the community facilities district (CFD) policy. SB1480 made significant changes to the makeup of the board of directors, added a requirement for a public hearing within 60 days of application, established a limitation on fees and made other changes. Soon thereafter, SB199 passed which provided technical corrections needed to fix a conflict between the modified statutes on CFD formation describing the makeup of the board of directors plus two outside members and the statute governing the board itself. CFD's could again be legally formed.

The purpose of tonight's item is to provide Council with an updated and amended CFD policy document which staff believes incorporates all required and optional amendments to the CFD policy previously discussed. At the end of the presentation and discussion, Council may either:

1. Move to approve the resolution and amendments to the CFD policy; or,
2. Direct staff to incorporate additional changes and bring back the item at a future Council meeting.

Both a clean and red lined version of the amendments are attached to this Council item.

For simplicity, only certain changes are described within the Council report. All changes are included within the attached versions of the amendments to the CFD policy.

Education, disclosure and record keeping

The existing policy previously required the use of a disclosure form which would be used to explain the existence of the CFD and any assessments or financial burdens placed on the CFD landowners. The draft amendments maintain this key provision and includes the following enhancements:

Section 2.11(a) - A detailed description of the proposed marketing plan to be used by the Applicant and/or home builders to market property within the CFD. This information may include, but is not limited to, descriptions and cost estimates of public infrastructure improvements to be financed by the CFD and a comparison of the proposed CFD to similar CFDs in the area.

Section 2.11(b) - The Applicant's description of the signing and record-keeping processes to be used for retaining all signed homebuyer disclosure forms, which shall include a requirement that the Applicant or home builder shall file with the Town a copy of each signed homebuyer disclosure form within 30 days of sale.

General obligation target tax rate and protections

The current policy included limited information surrounding how revenue shortfalls in tax collections for debt service should be handled. The current draft includes significant clarification on what will be required to plan for and pay revenue shortfalls. These changes will improve existing property owner protections.

Section 4.5(f) - If the pre-established debt service target tax rate is not sufficient to pay the entire debt service in respect of outstanding general obligation bonds when due, the Applicant will be required to contribute an amount annually sufficient to pay the difference between the revenues produced by the pre-established target tax rate and the actual CFD debt service coming due in that fiscal year. Security for the Applicant's payment of this contribution may be in the form of a cash contribution at three times Maximum Annual Debt Service ("MADS"), standby contribution agreement, or other acceptable form of security, which shall be bankruptcy proof, as required by the CFD Board. All of the foregoing items need to be described in detail. A cash flow schedule illustrating the security amount and the time period required to cover such shortfall will be required to be submitted by the Applicant prior to the issuance of general obligation bonds. The security shall remain in full force and effect until such time as the assessed value of real property in the CFD generates ad valorem taxes at the pre-established CFD target tax rate sufficient to pay the annual CFD debt service, when due, for a period of three consecutive years beginning the year immediately following the last bond issuance.

Routine and extraordinary infrastructure requirements

The current draft incorporates Council feedback previously received regarding differentiating CFD's which have extraordinary infrastructure requirements from CFD's which only require routine infrastructure.

Section 5.5(a) - Routine Public Infrastructure Requirements. General obligation bonds

shall be the preferred financing mechanism for CFDs with routine public infrastructure requirements. The pre-established debt service target tax rate shall be levied upon all CFD taxable property.

Section 5.5(b) - Extraordinary Public Infrastructure Requirements. General obligation bonds and/or special assessment bonds may be used for any portion of extraordinary public infrastructure required for the CFD. For the purposes of this paragraph, extraordinary public infrastructure requirements are those infrastructure elements not routinely required for a development project. Examples of extraordinary public infrastructure include but are not necessarily limited to transportation interchanges, water reclamation facilities, water treatment campuses, and similar regional public infrastructure improvements. The pre-established debt service target tax rate shall not be exceeded and shall be levied upon all CFD taxable property for any general obligation bonds, as applicable. Special assessment liens shall not exceed the value-to-lien ratio described in subparagraph 4.7(g) above on a per lot basis.

Other amendments

The following lists other changes to the CFD policy:

Section 1.5 – CFD formed after 2018 will be governed by a board of directors comprised of the members of the Town Council, ex officio, with two additional members designated by the owner of the largest amount of privately-owned acreage in the proposed district and who are appointed by Town Council

Section 1.8 - A key tenet of these CFD Policy Guidelines is the financial protection of homeowners within a CFD. As such, these CFD Policy Guidelines include provisions that attempt to protect homeowners from financial liability in excess of targeted tax rates and assessments. Similarly, these CFD Policy Guidelines include provisions designed to meet all financial obligations and/or legal exposures of the CFD.

Section 2.8(a) – An analysis of how the proposed debt financing, operation and maintenance costs, user charges and other CFD costs will be allocated and what will be the impact to the ultimate end users of the property, specifically projected property taxes and property tax rates, special assessments, fees, charges and any other costs that would be borne by property in the CFD. The analysis shall also address the impact these costs will have on the marketability of the private development and a comparison of proposed tax rates or charges within the proposed CFD contrasted with the tax rates and charges within the proposed CFD contrasted to the tax rates and changes in adjoining and similar areas outside of the proposed CFD.

Section 2.9 – Insurance. The Completed Application shall provide an explanation of how insurance coverage shall be provided by the Applicant and how assurances will be provided that premiums and deductibles will be paid in the future. The Applicant is responsible for the cost of insurance to cover all actions and activities taken by the Board of Directors and officers of the CFD relating to the CFD formation, financing, administrative actions or other related activities of the types, in amounts and with deductibles determined by the Risk Manager of the Town. Insurance must include "per occurrence coverage" including a "securities" rider if bonds are to be sold.

Section 2.10 – Indemnification. The Completed Application shall indicate how indemnification as required by the Development Agreement will be provided by the Applicant to the Town and the CFD and their agents, officers, and employees for, from, and against any and all liabilities, claims, costs and expenses, including attorneys' fees, incurred in any challenge or proceeding to the formation, operation, administration of the CFD, the offer and sale of CFD bonds, the levying by the CFD of any tax, assessment or charge and the operation and maintenance of public infrastructure financed or owned by the CFD. The Completed Application shall include financial statements and other supporting information for the entity providing the indemnification and shall provide appropriate collateral to cover the indemnity.

Section 2.11(e) - The District Development and Financing Participation Agreement between the Town and the Applicant (the "Development Agreement") in substantially final form, including all terms and provisions to be approved by the Town if formation of a CFD is approved. The Development Agreement must include matters required by the Act, including without limitation the subdivision public report requirements at A.R.S. § 48-708 (D), and must have been fully negotiated by the Applicant and Town staff, with agreement by both parties.

Section 3.2 – Limits application fee to not more than $15,000

Section 3.3 – Provides for the arrangement of a pre-application conference prior to submission of a completed application. Conference would be with the applicant, appropriate town staff and any outside professionals and consultants necessary to discuss the proposed application.

Section 3.6 – A public hearing shall be set within 60 days of a completed application. A resolution declaring the intent to form a CFD may be considered by Town Council immediately following the public hearing. If the Town Council does not adopt the resolution, it will provide a written basis for not adopting the resolution and shall identify the specific changes needed for the completed application to be approved.

Section 4.7(g)(i) and (ii) – For special assessments, the value-to-lien (debt ratio) for publicly offered bonds shall be at least 6 to 1 prior to debt issuance. The appraisal shall value the property at its bulk wholesale value prior to any private or public improvements being installed.

Section 5.4 – A general obligation bond authorization for a CFD shall expire no later than the earlier of the 15th anniversary of the first bond issuance or 75% of development lots. Under extenuating circumstances the CFD Board may, in its sole and absolute discretion, extend this period.

Section 5.7 – The Applicant shall obtain and pay the cost of a directors and officers (D&O) insurance policy to cover all actions and activities taken by the CFD Board and officers of the CFD relating to the CFD formation, financing, administrative actions and other related activities. The Applicant shall deposit the amount of any deductible under the D&O insurance policy in escrow with the CFD Board or shall provide security

acceptable to the CFD Board for the amount of the deductible. The amount of the D&O coverage shall at all times equal or exceed $2,000,000 per occurrence and $2,000,000 aggregate. The CFD Board may increase the D&O coverage from time to time commensurate with increases in coverage obtained by the Town for its directors and officers.

Target tax rate and target annual property owner payment obligation

The attached amended CFD policy does not specifically set a target secondary tax rate for general obligation bonds. It is staff's intent, based upon direction previously received from Council, to maintain a general obligation bond target tax of $2.85/$100 of assessed valuation for CFD's which only require routine infrastructure. Not having a specific target secondary tax rate for CFD's which require both routine and extraordinary infrastructure provides greater flexibility in setting the secondary tax rate at a level which reflects the overall value of public infrastructure in those developments and considers the impact of any special assessment bonds which may also be issued within certain CFD's. Ultimately, target tax rates will be set and approved by the Council as part of the CFD development agreement.

The amended CFD policy also does not specifically set a target annual property owner payment obligation. Upon further consideration of setting target annual payment obligation, it was determined that setting an absolute, maximum annual payment obligation, even for the lowest estimated home price point within a development, would be impractical. Again, not setting a specific target annual payment obligation provides greater flexibility in setting the overall obligation a level which reflects the overall value of public infrastructure in those developments.

The presentation will be handed out the evening of the study session.

Staff Recommendation:

Council's pleasure.

Suggested Motion:

I move to adopt Resolution No. 2019-034, approving the amended Town of Marana Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts.

OR

I direct staff to incorporate discussed changes to the CFD Policy Guidelines at a future Council meeting.

Attachments

Resolution No. 2019-034

Exhibit A to Resolution: Amended CFD Policy - Clean Version

Amendments to CFD Policy - Redline Version

MARANA RESOLUTION NO. 2019-034

RELATING TO DEVELOPMENT; APPROVING THE AMENDED TOWN OF MARANA POLICY GUIDELINES AND APPLICATION PROCEDURES FOR THE ESTABLISHMENT OF COMMUNITY FACILITIES DISTRICTS

WHEREAS A.R.S. § 48-701 *et. seq.* provides for the establishment of community facilities districts (CFD) which provide a funding mechanism to finance construction, operation, and maintenance of public infrastructure within the boundaries of a CFD; and

WHEREAS on May 21, 1997, the Town Council adopted Resolution No. 97-42 approving the Town of Marana Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts (the "CFD Policy Guidelines"); and

WHEREAS from time to time the Town Council has amended the CFD Policy Guidelines, most recently on November 16, 2004, via approval of Resolution No. 2004-161; and

WHEREAS the Town Council finds that the proposed amended Town of Marana Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts are in the best interests of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS:

SECTION 1. The amended Town of Marana Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts, attached to this resolution and incorporated by this reference as Exhibit A, are hereby approved.

SECTION 2. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the amended CFD Policy Guidelines.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 23rd day of April, 2019.

Mayor Ed Honea

ATTEST:

Cherry L. Lawson, Town Clerk

APPROVED AS TO FORM:

Frank Cassidy, Town Attorney

TOWN OF MARANA, ARIZONA
POLICY GUIDELINES AND APPLICATION PROCEDURES FOR THE ESTABLISHMENT OF COMMUNITY FACILITIES DISTRICTS*

In order to secure for the Town of Marana, Arizona (the "Town") the benefits of the Community Facilities Act† (the "Act") and to promote the best interests of the Town, the following CFD Policy Guidelines and Application Procedures (these "CFD Policy Guidelines") have been adopted by the Town Council.

A community facilities district ("CFD") provides a funding mechanism to finance construction, operation, and maintenance of public infrastructure within the boundaries of the CFD, and to better enable the Town to provide municipal services within the boundaries of the CFD. The Town Council recognizes the ability of the CFD to permit the construction of infrastructure that might otherwise not be constructed. For these reasons, the Town Council has established these CFD Policy Guidelines.

Considering that the establishment of a CFD is the legal equivalent of the establishment of an entirely new municipal entity within the boundaries of the Town, the Town Council believes that the formation of the CFD should be entered into carefully, to ensure its lasting success.

ARTICLE 1. GENERAL POLICIES

1.1. CFDs should be utilized primarily in connection with the financing of major infrastructure for development of residential projects, master planned communities or projects which include resort hotels or substantial commercial development.

1.2. Priority should be given to CFDs that provide an enhanced level of public infrastructure amenities and/or municipal services. CFD financing will not be provided for public infrastructure improvements which are normally expected as part of a development. Public improvements financed by a CFD should be in conformance with the Town's General Plan in order to encourage orderly growth and development.

1.3. All costs incurred by the Town and the CFD in connection with the CFD application, formation, and administration, and all operation expenses appurtenant to the CFD, will be paid by the developer/landowner (the "Applicant") through advance payments as provided in these CFD Policy Guidelines. Payment shall include payment for services rendered by Town and CFD staff as well as services rendered by outside consultants who may be retained by the Town or the CFD, including but not limited to bond counsel, financial advisors, engineers, and appraisers. If the Town or CFD uses outside consultants as "staff," such as attorneys or engineers, those consultants will also be paid their customary rate for services. If authorized by the CFD Board, exercising its sole discretion, all or part of such costs may be paid by a CFD tax levy or reimbursed to the Applicant from a CFD tax levy, CFD assessment, CFD revenues, or CFD bond proceeds, so long as such reimbursement is in conformance with federal law, state law, and these CFD Policy Guidelines.

* Adopted by Marana Resolution No. 97-42 (5/21/1997); amended by Marana Resolution No. 2004-161 (11/5/04) and Marana Resolution No. 2019-XXX (XX/XX/2019).

† Arizona Revised Statutes section (A.R.S. §) 48-701 *et. seq*., as amended.

1.4. The Town will encourage an area to be governed by as few CFDs as possible, and a preference will be given to one master CFD. These CFD Policy Guidelines are adopted to provide ease of administration and the largest tax/revenue base possible. The decision to form a CFD shall be a decision of the Town Council exercised in its sole and absolute discretion.

1.5. Unless otherwise agreed to by the Town, a CFD formed after 2018 will be governed by a board of directors comprised of the members of the Town Council, ex officio, with two additional members designated by the owner of the largest amount of privately-owned acreage in the proposed district and who are appointed by Town Council. The day-to-day responsibilities of the CFD will be performed by Town staff or, pursuant to a contract, by outside personnel. At the sole option of the CFD Board, advisory committees may be utilized.

1.6. Unless otherwise agreed to by the Town, the CFD must be self-supporting from the standpoints of financing, operations, and maintenance. No Town funds will be used for CFD purposes. Notwithstanding anything contained in these CFD Policy Guidelines, neither the property, the full faith and credit, nor the taxing power of the Town shall be pledged to the payment of any CFD obligation or indebtedness.

1.7. The CFD Board will determine, in its sole and absolute discretion, the amount, timing, and form of financing to be used by a CFD after review of the project feasibility report, Member Appraisal Institute ("MAI") property appraisals (utilizing the appropriate appraisal methodology) acceptable to the CFD Board, and other required pertinent information.

1.8. A key tenet of these CFD Policy Guidelines is the financial protection of homeowners within a CFD. As such, these CFD Policy Guidelines include provisions that attempt to protect homeowners from financial liability in excess of targeted tax rates and assessments. Similarly, these CFD Policy Guidelines include provisions designed to meet all financial obligations and/or legal exposures of the CFD.

1.9. The CFD will construct all public improvements utilizing public bidding procedures in accordance with applicable laws, rules, and regulations and as would be applied by the Town in a construction project for the Town. In general, this requires compliance with Arizona Revised Statutes Title 34 and the Town of Marana Procurement Code (Town Code Chapter 3-4).

1.10. The CFD will not use bond proceeds or other CFD funds to purchase public rights-of-way or other real property to be used for public infrastructure improvements, if such real property would be required to be dedicated and conveyed to the Town by the Applicant upon development of its property.

1.11. CFD bond proceeds will not be used for public infrastructure improvements which are included in an infrastructure improvements plan adopted in support of a development impact fee.

1.12. Unless otherwise agreed to by the Town, all costs of administration and operation of the CFD and the operation and maintenance of public infrastructure in the CFD shall be the responsibility of the CFD, the Applicant, applicable homeowners' associations, or any combination of the foregoing, as may be acceptable to the Town and the CFD Board.

1.13. The Town retains the right to select all consultants necessary for the evaluation of any application and the proceedings for the formation of a CFD and the issuance of CFD bonds. This includes but is not limited to any special tax consultant, bond counsel, underwriter, appraiser, engineer, or any other consultant deemed necessary by the Town or the CFD Board.

1.14. These CFD Policy Guidelines may be modified from time to time by the Town. Any applicant will be given the opportunity to propose alternative approaches to those provided herein, with the understanding that concerns of the Town must be adequately addressed before the staff of the Town will recommend approval of a CFD by the Town Council.

ARTICLE 2. CONTENT OF APPLICATION

2.1. **Completed Application**. Pursuant to A.R.S. § 48-702(B), the Applicant shall submit a completed application for the formation of a CFD (the "Completed Application") to the Town's Finance Department before the Town will consider forming a CFD. The Completed Application shall, at a minimum, contain the information set forth below and must be organized in the manner described in this Article.

2.2. **Petition in Favor of Formation**. The Completed Application shall include a petition signed by the owners of at least 25% of the land area proposed to be included in the CFD. The petition must include a list of all parcels in the proposed CFD along with the parcel number, owner names, situs address and lot size (parcel square footage or acreage) for each individual parcel.

2.3. **Applicant Information**. The Completed Application shall include:

a. A description of the Applicant, including its corporate and organizational structure, and the names of all officers and corporate directors of the Applicant.

b. The name, address, telephone number, and email address of the Applicant's primary contact.

c. The names, addresses, telephone numbers, and email addresses of any legal representatives, engineers, architects, financial consultants or other consultants of the Applicant or significantly involved in the application.

d. A general description of the Applicant's experience with similar types of developments.

e. Evidence demonstrating the Applicant's ability and capacity (including financial statements and supporting information) to undertake the proposed public infrastructure and private development.

2.4. **Board Member Information**. The Completed Application shall describe the process for the designation of two additional CFD Board members, including the following:

a. Provide the names, addresses, telephone numbers, email addresses, backgrounds, qualifications, and other relevant information of the two proposed additional CFD Board members to be designated by the owner of the largest amount of privately owned acreage in the proposed CFD.

b. State the process for the designation of the two additional CFD Board members on completion of the development of all property in the CFD.

c. Provide documentation evidencing each proposed CFD Board member's acknowledgment of his or her obligation to comply with Arizona Revised Statutes Title 38 ("Public Officers and Employees"), Chapter 3 ("Conduct of Office"), Articles 3.1 ("Public Meetings and Proceedings") and 8 ("Conflict of Interest of Officers and Employees").

d. Provide unqualified hold harmless and indemnity guarantees to the Town, the CFD, and officers, agents and employees of the Town and the CFD for the actions and conduct of each proposed CFD Board member.

2.5. **Proposed CFD**. The Completed Application shall include:

a. A description of how the proposed CFD meets the existing development objectives of the Town, including the degree to which the CFD is consistent with the goals of the Town's General Plan for promoting orderly development, consistent with growth management policies and zoning requirements and the degree to which the land use plan for the CFD is consistent with the Town's General Plan Map for the area.

b. A general description of the proposed CFD with an analysis of the appropriateness of the CFD boundaries.

c. A legal description of the proposed CFD boundaries with an accompanying depiction.

d. A current title report showing the names and addresses of persons with any interest in the land within the proposed CFD boundaries.

e. A certificate from the respective county elections department(s) showing the names and addresses of all qualified electors in the proposed CFD boundaries.

2.6. **Project Description and Proposed Improvements**. The Completed Application shall include:

a. A general plan setting out a detailed description of the types of public infrastructure to be financed by the CFD, including the estimated construction or acquisition costs of the public infrastructure and the annual operation and maintenance costs of the public infrastructure and the governmental approvals that will be required for both the public and private improvements to be constructed and operated within the proposed CFD.

b. A proposed project schedule for commencement and completion of the public infrastructure and the private development within the proposed CFD.

2.7. **Financing Plan**. The Completed Application shall include a detailed description of the financing plan that includes the sources and uses of monies to be used to cover the capital, operating, and maintenance costs for the public infrastructure within the proposed CFD, including the proposed types and amounts of tax-exempt/taxable bonds requested to be considered for the public improvements.

2.8. **Financial Feasibility Study**. The Completed Application shall include a financial feasibility study, covering the period of time until the last proposed bond of the CFD will be paid, for the entire project being developed on the property in the proposed CFD, including both the public infrastructure and the private development. The financial feasibility study shall include:

a. An analysis of how the proposed debt financing, operation and maintenance costs, user charges and other CFD costs will be allocated and what will be the impact to the ultimate end users of the property, specifically projected property taxes and property tax rates, special assessments, fees, charges and any other costs that would be borne by property in the CFD. The analysis shall also address the impact these costs will have on the marketability of the private development and a comparison of proposed tax rates or charges within the proposed CFD contrasted with the tax rates and charges within the proposed

CFD contrasted to the tax rates and changes in adjoining and similar areas outside of the proposed CFD.

b. A financing plan for the private development in the CFD.

c. A market absorption study for the private development in the CFD, prepared by an independent consultant acceptable to the Town, which shall include estimates of the revenue to be generated by the development, an estimate of the ability of the market to absorb the development, and a market absorption calendar for the development.

d. A value-to-lien ratio analysis based on the requirements of these CFD Policy Guidelines. The value portion of the analysis shall be the estimated value of the property within the CFD as improved by the already-completed CFD public improvements acquired and/or constructed. The lien portion of the analysis shall be the sum of the principal amount of any outstanding CFD public financing and the proposed public financing.

e. A description and estimated amounts of the proposed equity contribution from the Applicant and a calendar showing the timing of such equity contribution.

2.9. **Insurance**. The Completed Application shall provide an explanation of how insurance coverage shall be provided by the Applicant and how assurances will be provided that premiums and deductibles will be paid in the future. The Applicant is responsible for the cost of insurance to cover all actions and activities taken by the Board of Directors and officers of the CFD relating to the CFD formation, financing, administrative actions or other related activities of the types, in amounts and with deductibles determined by the Risk Manager of the Town. Insurance must include "per occurrence coverage" including a "securities" rider if bonds are to be sold.

2.10. **Indemnification**. The Completed Application shall indicate how indemnification as required by the Development Agreement will be provided by the Applicant to the Town and the CFD and their agents, officers, and employees for, from, and against any and all liabilities, claims, costs and expenses, including attorneys' fees, incurred in any challenge or proceeding to the formation, operation, administration of the CFD, the offer and sale of CFD bonds, the levying by the CFD of any tax, assessment or charge and the operation and maintenance of public infrastructure financed or owned by the CFD. The Completed Application shall include financial statements and other supporting information for the entity providing the indemnification and shall provide appropriate collateral to cover the indemnity.

2.11. **Other Information**. The Completed Application shall include:

a. A detailed description of the proposed marketing plan to be used by the Applicant and/or home builders to market property within the CFD. This information may include, but is not limited to, descriptions and cost estimates of public infrastructure improvements to be financed by the CFD and a comparison of the proposed CFD to similar CFDs in the area.

b. A homebuyer disclosure form with a signed acknowledgement of receipt by the initial homebuyer of each lot in the CFD, in which the Applicant or home builder explains to prospective CFD landowners all of the following:

i. The existence of the CFD.

ii. The purposes for which the CFD was formed.

iii. The CFD's expected and possible secondary property tax rate.

iv. The estimated annual secondary tax amount based on applying the CFD's expected and possible secondary property tax rate to a representative residential property value.

v. Assessment and other financial burdens of the CFD.

c. The Applicant's description of the signing and record-keeping processes to be used for retaining all signed homebuyer disclosure forms, which shall include a requirement that the Applicant or home builder shall file with the Town a copy of each signed homebuyer disclosure form within 30 days of sale.

d. An operating plan for the CFD, explaining what functions the CFD will provide and how the operation and maintenance of the infrastructure and all other services in the CFD will be provided.

e. The District Development and Financing Participation Agreement between the Town and the Applicant (the "Development Agreement") in substantially final form, including all terms and provisions to be approved by the Town if formation of a CFD is approved. The Development Agreement must include matters required by the Act, including without limitation the subdivision public report requirements at A.R.S. § 48-708 (D), and must have been fully negotiated by the Applicant and Town staff, with agreement by both parties.

ARTICLE 3. APPLICATION PROCEDURES

3.1. The original and one electronic copy of the application for the formation of a CFD shall be submitted to the Finance Director of the Town who will coordinate an interdepartmental analysis of each application.

3.2. At the time of submission of the application, the applicant shall pay an application fee of $**15,000.00**.

3.3. Prior to submission of a Completed Application, and at the request of a potential Applicant, the Finance Director may arrange a pre-application conference with the potential Applicant, appropriate Town staff, and outside professionals and consultants, for the purpose of discussing the possible submission of a Completed Application for conformity with these CFD Policy Guidelines.

3.4. The Applicant shall provide any and all supplemental information requested by Town staff at or following the pre-application conference or any other time during the application process.

3.5. The review, analysis and consideration of a Completed Application will include:

a. A comprehensive review of the completed application to determine whether the completed application is consistent with these CFD Policy Guidelines, identification of missing or incomplete information and identification and discussion of any concerns with the Applicant. This will include, but will not be limited to, examining the project feasibility, analysis of land ownership interests, financing analyses, risk analysis and evaluation of community benefits.

b. Under the direction of the Finance Director, a report may be prepared including recommendations related to the proposed CFD and an analysis of the impact of the formation of the proposed CFD and its effects on the Town. The report may recommend that additional requirements be placed on the Applicant, on any related developer,

landowner, or builder, and/or on the proposed CFD itself. This review will include the preliminary approval of the form, terms and provisions of the "substantially complete" Development and Financing Participation Agreement necessary for formation of a CFD.

3.6. Within 60 days after the Applicant's submission of a Completed Application, the Town Council shall hold a public hearing to consider the Completed Application. A resolution declaring the intent to form a CFD may be considered by Town Council immediately following the public hearing. If the Town Council does not adopt the resolution, it will provide a written basis for not adopting the resolution and shall identify the specific changes needed for the completed application to be approved.

3.7. If an application includes a petition for formation signed by owners of all of the land in the proposed CFD and meets all the requirements of Article 2 in form satisfactory to the Town, the Town may declare the CFD formed without posting, publication, mailing, notice and public hearings or landowner election. Otherwise, the alternative provisions of the Act must be followed.

3.8. If the Town Council approves the formation of a CFD, any existing agreements with the Applicant for the provision of infrastructure proposed to be furnished by the CFD will be deemed amended to reflect the agreements and conditions pertaining to the CFD. The amendments will reflect that such infrastructure improvements will be provided (including by acquisition) by either the Applicant or the CFD.

3.9. If the Town Council approves an application for formation of a CFD, the Applicant and Town staff shall coordinate a schedule of events for formation of the CFD and shall finalize negotiation of the Development Agreement, which shall be entered into prior to or concurrently with formation of the CFD and which shall incorporate the requirements of any report or recommendations of Town staff relating to the CFD, the requirements of these CFD Policy Guidelines, and any other restrictions and provisions required by the Town.

ARTICLE 4. CFD OPERATIONS AND DEBT FINANCING

4.1. Upon formation of a CFD the Applicant shall deposit with the Town's Finance Department a non-refundable administrative expense fee in the amount of $50,000. The administrative expense fee shall be applied by the Town to the costs and expenses incurred in connection with the formation, review of any feasibility study, election costs, administration, operation and maintenance of the CFD or its public improvements. From time to time, upon depletion of the administrative expense fee, the Town may request, and the Applicant shall promptly deposit, additional $25,000 deposits to be applied to the purposes contemplated in this Section 4.1.

4.2. Unless the Applicant and the CFD Board mutually agree otherwise, an ad valorem tax of $.30 per $100 of assessed valuation for all real and personal property in the CFD shall be assessed pursuant to A.R.S. § 48-723 to cover administrative, operation, and maintenance expenses incurred by the CFD and by the Town for the benefit of the CFD.

4.3. In connection with any request for debt financing, the Applicant shall provide a current appraisal of the fair cash market value of the property within the proposed CFD which is to be taxed or assessed, prepared by a person who is designated as a Member Appraisal Institute ("MAI") and a certified general real estate appraiser (such person hereafter referred to as an "MAI Appraiser"), such appraisal to be in form and substance acceptable to the Town, in its sole discretion.

4.4. The amount of CFD debt shall not have any substantial direct or indirect negative impacts on the debt or financing capabilities of the Town, and the CFD debt shall not impose an unreasonable financial burden on future CFD residents.

4.5. General obligation bonds of the CFD are secured by an ad valorem tax on all taxable property located within the CFD. An Applicant seeking the issuance of CFD general obligation bonds shall describe in each project feasibility report the following:

a. The current direct and overlapping tax and assessment burden on the taxable property that is proposed to be taxed and the full cash value and assessed valuation of the taxable property as shown on the most recent assessment roll.

b. The amount and timing of CFD general obligation bonds to be issued.

c. The expected market absorption of development within the CFD.

d. The effect of the CFD bond issuance on CFD tax rates, calculated as of the beginning, midway through, and at the end of the market absorption period, or based on the phasing of the project to be financed, as applicable.

e. Estimated savings, if any, to residents in the form of reduced home sales prices which are projected to result from CFD financing.

f. The proposed total tax rate of the CFD. If the pre-established debt service target tax rate is not sufficient to pay the entire debt service in respect of outstanding general obligation bonds when due, the Applicant will be required to contribute an amount annually sufficient to pay the difference between the revenues produced by the pre-established target tax rate and the actual CFD debt service coming due in that fiscal year. Security for the Applicant's payment of this contribution may be in the form of a cash contribution at three times Maximum Annual Debt Service ("MADS"), standby contribution agreement, or other acceptable form of security, which shall be bankruptcy proof, as required by the CFD Board. All of the foregoing items need to be described in detail. A cash flow schedule illustrating the security amount and the time period required to cover such shortfall will be required to be submitted by the Applicant prior to the issuance of general obligation bonds. The security shall remain in full force and effect until such time as the assessed value of real property in the CFD generates ad valorem taxes at the pre-established CFD target tax rate sufficient to pay the annual CFD debt service, when due, for a period of three consecutive years beginning the year immediately following the last bond issuance.

g. Whether the bonds will be publicly offered or privately placed. Publicly offered bonds must be rated in one of the four highest investment grade ratings from Standard & Poor's Corporation, Moody's Investors Services, Inc., or another nationally recognized bond rating service. Privately placed bonds need not be rated; however, the purchasers of such general obligation bonds must be "qualified institutional buyers" (as that term is defined in Rule 144A of the Securities Exchange Commission) and must agree not to resell the bonds except to "qualified institutional buyers" in a private placement; provided, however, that a purchaser of general obligation bonds in a private placement may sell the bonds in a public offering if the CFD board approves the public sale and the bonds have an investment grade rating.

4.6. Revenue bonds shall be payable from a CFD revenue source. An Applicant seeking the issuance of CFD revenue bonds must describe in each project feasibility report, the following:

a. The current direct and overlapping tax and assessment burdens on the taxable property within the CFD and the full cash value and assessed valuation of that taxable property as shown on the most recent assessment roll.

b. The revenue source from which bonds will be payable. The Town reserves the right to require the applicant to produce such independently prepared feasibility studies or reports as it deems necessary to confirm the amount and availability of revenues.

c. The expected market absorption of development within the CFD.

d. The amount and timing of CFD revenue bonds to be issued.

e. The financial impact of the proposed issue(s) on prospective residents.

f. Whether the bonds will be publicly offered or privately placed. Publicly offered revenue bonds must be rated in one of the four highest investment grade ratings from Standard & Poor's Corporation, Moody's Investors Service, Inc., or another nationally recognized bond rating service. Privately place bonds need not be rated; however, the purchasers of such revenue bonds must be "qualified institutional buyers" and must agree not to sell the bonds except to "qualified institutional buyers" in a private placement; provided, however, that a purchaser of a revenue bond in a private placement may sell the bonds in a public offering if the CFD board approves the public sale and the bonds have an investment grade rating.

4.7. Assessment bonds shall be secured by first lien (subject only to the lien for general taxes and prior special assessments) on the property benefited. An Applicant seeking the issuance of CFD assessment bonds shall describe in the application and in each project feasibility report, the following:

a. The current direct and overlapping tax and assessment burdens on real property to comprise the CFD and the full cash value and assessed valuation of that property as shown on the most recent assessment roll.

b. The amount and timing of CFD assessment bonds to be issued.

c. The expected market absorption of development within the CFD.

d. The assessment burden to be placed on prospective residents.

e. Whether the assessments will be paid upon the sale of lots by the Applicant or will remain on the property after sale.

f. If assessed parcels of land are expected to be subdivided, the process by which the assessments will be allocated to the subdivided land.

g. Whether the assessment bonds will be publicly offered or privately placed.

i. Publicly offered assessment bonds must be rated in one of the four highest investment grade ratings from Standard & Poor's Corporation, Moody's Investors Service, Inc., or another nationally recognized bond rating service. Alternatively, in an unrated public offering, the Applicant shall provide an independent fee appraisal of the land to be encumbered, prepared by an MAI Appraiser and in form and substance acceptable to the CFD Board, in its sole discretion, evidencing a land value to debt ratio of at least 6 to 1 prior to the issuance of debt.

ii. Privately placed bonds need not be rated; however the purchasers of such assessment bonds must be "qualified institutional buyers" who must agree to hold the bonds for their own account or agree not to sell the bonds except to "qualified institutional buyers." In connection with the sale of unrated privately placed assessment bonds, the Applicant shall provide an independent fee appraisal of the land to be encumbered, prepared by an MAI Appraiser and in form and substance acceptable to the CFD Board, in its sole discretion, indicating a land value to debt ratio of at least 4 to 1 as of a date prior to the issuance of debt.

iii. The independent fee appraisal provided by the Applicant for an unrated public offering (subparagraph i above) or for privately placed bonds (subparagraph ii above) shall value the property based on its bulk wholesale value prior to any private or public improvements being installed.

4.8. Notwithstanding the restrictions pertaining to public sales and private placements of the bonds set forth in this Article 4, the restrictions may be modified if other financing structures are presented which, in the sole discretion of the CFD Board, provide other means to address CFD concerns.

ARTICLE 5. FINANCING CONSIDERATIONS

5.1. The Applicant shall provide at least $0.25 in infrastructure or community improvements for each $1.00 of debt to be issued by a CFD to finance public infrastructure purposes. If agreed to by the CFD, prior infrastructure and community improvements constructed or acquired by the Applicant and benefiting the property within the CFD may be included in calculating the Applicant's compliance with this Section 5.1.

5.2. If allowed by law, all bond issues shall include a debt service reserve fund in an amount acceptable to the CFD Board.

5.3. Privately placed bonds shall have minimum authorized denominations of $100,000.

5.4. A general obligation bond authorization for a CFD shall expire no later than the earlier of the 15th anniversary of the first bond issuance or 75% of development lots. Under extenuating circumstances the CFD Board may, in its sole and absolute discretion, extend this period.

5.5. In further consideration of the types of debt obligations used to finance the acquisition or construction of eligible public infrastructure, the following shall guide CFD obligations:

a. Routine Public Infrastructure Requirements. General obligation bonds shall be the preferred financing mechanism for CFDs with routine public infrastructure requirements. The pre-established debt service target tax rate shall be levied upon all CFD taxable property.

b. Extraordinary Public Infrastructure Requirements. General obligation bonds and/or special assessment bonds may be used for any portion of extraordinary public infrastructure required for the CFD. For the purposes of this paragraph, extraordinary public infrastructure requirements are those infrastructure elements not routinely required for a development project. Examples of extraordinary public infrastructure include but are not necessarily limited to transportation interchanges, water reclamation facilities, water treatment campuses, and similar regional public infrastructure improvements. The pre-established debt service target tax rate shall not be exceeded and shall be levied upon all

CFD taxable property for any general obligation bonds, as applicable. Special assessment liens shall not exceed the value-to-lien ratio described in subparagraph 4.7.g above on a per lot basis.

5.6. The Applicant or a third party acceptable to the Town and the CFD Board shall indemnify the Town and the CFD and their agents and employees and shall hold the Town and the CFD and their agents and employees harmless for, from and against any and all liabilities, claims, costs and expenses, including attorneys' fees, incurred in any challenge or proceeding to the formation, operation, administration of the CFD, the offer and sale of CFD bonds, the levying by the CFD of any tax, assessment or charge and the operation and maintenance of public infrastructure financed or owned by the CFD.

5.7. The Applicant shall obtain and pay the cost of a directors and officers (D&O) insurance policy to cover all actions and activities taken by the CFD Board and officers of the CFD relating to the CFD formation, financing, administrative actions and other related activities. The Applicant shall deposit the amount of any deductible under the D&O insurance policy in escrow with the CFD Board or shall provide security acceptable to the CFD Board for the amount of the deductible. The amount of the D&O coverage shall at all times equal or exceed $2,000,000 per occurrence and $2,000,000 aggregate. The CFD Board may increase the D&O coverage from time to time commensurate with increases in coverage obtained by the Town for its directors and officers.

5.8. Unless otherwise provided to the Town pursuant to other requirements, prior to CFD financing and acquisition by the CFD or Town, the CFD or Town will require an independent environmental report or assessment of any real property which will be dedicated to or otherwise owned, leased or operated by the Town or the CFD and a proposed form or indemnity agreement with respect to all environmental liability.

TOWN OF MARANA, ARIZONA
POLICY GUIDELINES AND APPLICATION PROCEDURES
FOR THE ESTABLISHMENT OF
COMMUNITY FACILITIES DISTRICTS[*]

In order to secure for the Town of Marana, Arizona (the "Town") the benefits of the Community Facilities Act[†] (the "Act") ~~enacted by the Arizona Legislature in 1988~~ and to promote the best interests of the Town, the following CFD Policy Guidelines and Application Procedures (these "CFD Policy Guidelines") have been adopted by the Town Council.

~~Community~~A community facilities ~~districts (the~~ district ("CFD") provides a funding mechanism to finance construction, operation, and maintenance of public infrastructure within the boundaries of the CFD, and to better enable the Town to provide municipal services within the boundaries of the CFD. The Town Council recognizes the ability of the CFD to permit the construction of infrastructure that might otherwise not be constructed. ~~It is for~~For these reasons ~~that~~, the Town Council has established these CFD Policy Guidelines ~~and Application Procedures~~.

Considering that the establishment of a CFD is the legal equivalent of the establishment of an entirely new municipal entity within the boundaries of the Town, the Town Council believes that the formation of the CFD should be entered into carefully, to ensure its lasting success.

~~**ARTICLE 1.**~~

~~**General Policies**~~

ARTICLE 1. GENERAL POLICIES

1.1. CFDs should be utilized primarily in connection with the financing of major infrastructure for development of residential projects, master planned communities or projects which include resort hotels or substantial commercial development.

1.2. Priority should be given to CFDs that provide an enhanced level of public infrastructure amenities and/or municipal services. CFD financing will not be provided for public infrastructure improvements which are normally expected as part of a development. Public ~~I~~improvements financed by a CFD should be in conformance with the Town's General Plan in order to encourage orderly growth and development.

1.3. All costs incurred by the Town and the CFD in connection with the CFD application, formation, and administration, and all operation expenses appurtenant ~~thereto~~to the CFD, will be paid by the ~~applicant/landowner~~developer/(the "Applicant") through advance payments as provided ~~herein.~~ in these CFD Policy Guidelines. Payment shall include payment for services rendered by Town and CFD staff as well as services rendered by outside consultants who may be retained by the Town or the CFD, including but not limited to bond counsel, financial advisors, engineers, and appraisers. If the Town or CFD uses outside consultants as "staff," such as attorneys or engineers, those consultants will also be paid their customary rate for

[*] Adopted by Marana Resolution No. 97-42 (5/21/1997); amended by Marana Resolution No. 2004-161 (11/5/04) and Marana Resolution No. 2019-XXX (XX/XX/2019).

[†] Arizona Revised Statutes section (A.R.S. §) 48-701 *et. seq.*, as amended.

services. If authorized by the CFD ~~b~~Board, exercising its sole discretion, all or part of such costs may be paid by a CFD tax levy or reimbursed to the ~~developer/landowner~~Applicant from a CFD tax levy, CFD assessment, CFD revenues, or CFD bond proceeds ~~provided~~, so long as such reimbursement is in conformance with federal law, state law, and these ~~guidelines~~CFD Policy Guidelines. ~~1.1.~~

1.4. The Town will encourage an area to be governed by as few CFDs as possible, and a preference will be given to one master CFD. ~~This policy is~~These CFD Policy Guidelines are adopted to provide ease of administration and the largest tax/revenue base possible. The decision to form a CFD shall be a decision of the Town Council exercised in its sole and absolute discretion.

1.5. Unless otherwise agreed to by the Town, ~~the~~a CFD formed after 2018 will be governed by a board of directors comprised of the members of the Town Council, ex officio, with two additional members designated by the owner of the largest amount of privately-owned acreage in the proposed district and who are appointed by Town Council. The day-to-day responsibilities of the CFD will be performed by Town staff or, pursuant to a contract, by outside personnel ~~or by the Town staff. For any CFD over 600 acres, the Town Council, in its sole discretion, may provide that the CFD board may be totally comprised of persons other than members of the Town Council, if adequate safeguards and controls are in place, as may be acceptable to the Town, to ensure the soundness of any CFD financing program, as well as the adequacy and legality of the legal proceedings and disclosure documents in connection with any financing. Advisory committees may, at~~. At the sole option of the CFD ~~board,~~Board, advisory committees may be utilized.

1.6. Unless otherwise agreed to by the Town, the CFD must be self-supporting from the standpoints of financing, operations, and maintenance ~~and no~~. No Town funds will be used for CFD purposes. Notwithstanding anything contained ~~herein~~in these CFD Policy Guidelines, neither the property, the full faith and credit, nor the taxing power of the Town shall be pledged to the payment of any CFD obligation or indebtedness.

1.7. The CFD ~~b~~Board will determine, in its sole and absolute discretion, the amount, timing, and form of financing to be used by a CFD after review of the project feasibility report, Member Appraisal Institute ("MAI") property appraisals (utilizing the appropriate appraisal methodology) acceptable to the ~~Town or~~ CFD Board, and other required pertinent information.

1.8. A key ~~tenant of this policy~~tenet of these CFD Policy Guidelines is the financial protection of ~~property owners~~homeowners within a CFD. As such, ~~this policy includes~~these CFD Policy Guidelines include provisions that attempt to protect homeowners from financial liability in excess of targeted tax rates and assessments. Similarly, ~~this policy includes~~these CFD Policy Guidelines include provisions designed to meet all financial obligations and/or legal exposures of the CFD.

1.9. The CFD will construct all public improvements utilizing public bidding procedures in accordance with applicable laws, rules, and regulations and as would be applied by the Town in a construction project for the Town. In general, this requires compliance with Arizona Revised Statutes Title 34 and the Town of Marana Procurement Code (Town Code Chapter 3-4).

1.10. The CFD will not use bond proceeds or other CFD funds to purchase public rights-of-way or other real property to be used for public infrastructure improvements, if such real property would be required to be dedicated and conveyed to the Town by the ~~developer/landowner~~Applicant upon development of ~~the developer's/landowner's~~its property.

1.11. CFD bond proceeds will not be used for public infrastructure improvements which are included ~~within a calculation of an~~in an infrastructure improvements plan adopted in support of a development impact fee.

1.12. ~~1.11.~~ Unless otherwise agreed to by the Town, all costs of administration and operation of the CFD and the operation and maintenance of public infrastructure in the CFD shall be the responsibility of the CFD, the ~~developer/landowner~~Applicant, applicable homeowners' associations, or any combination of the foregoing, as may be acceptable to the Town and the CFD Board.

1.13. ~~1.12.~~ The Town retains the right to select all consultants necessary for the evaluation of any application and the proceedings for the formation of a CFD and the issuance of CFD bonds ~~therefore, including, but~~. This includes but is not limited to~~,~~ any special tax consultant, bond counsel, underwriter, appraiser, engineer ~~and~~, or any other consultant~~s~~ deemed necessary by the Town or the CFD Board.

1.14. ~~1.13.~~ These CFD Policy Guidelines ~~and Application Procedures~~ may be modified from time to time by the Town. Any applicant will be given the opportunity to propose alternative approaches to those provided herein, with the understanding that concerns of the Town must be adequately addressed before the staff of the Town will recommend approval of a CFD by the Town Council.

~~ARTICLE 2.~~

ARTICLE 2. CONTENT OF APPLICATION

2.1. ~~Content of~~**Completed Application**~~A~~. Pursuant to A.R.S. § 48-702(B), the Applicant shall submit a completed application for ~~purposes of ARS § 48-702(B), for~~ the formation of a CFD (the ~~"~~"Completed Application~~"), must be submitted prior to any determination that a CFD will be formed. The Completed Application shall be submitted~~") to the Town's Finance Department ~~by the appropriate landowner/developer (the "Applicant")~~before the Town will consider forming a CFD. The Completed Application shall, at a minimum, contain the ~~following~~ information set forth below and must be organized in the manner described ~~below:~~ in this Article.

2.2. **Petition in Favor of Formation**~~2.1. A~~. The Completed Application shall include a petition signed by the owners of at least ~~twenty-five percent~~25% of the land area proposed to be included in the ~~district~~CFD. The petition must include a list of all parcels in the proposed CFD along with the parcel number, owner names, situs address and lot size (parcel square footage or acreage) for each individual parcel.

2.3. **Applicant Information**. The Completed Application shall include:

a. ~~2.2.~~ A description of the ~~a~~Applicant, including ~~the~~its corporate and organizational structure ~~of the entity or individual making the application~~, and the names of all officers and

corporate directors ~~directly related to or associated with the proposed district~~of the Applicant.

b. ~~2.3.~~ The name, address ~~and~~, telephone number, and email address of the Applicant's primary contact ~~for the applicant, the~~.

c. The names, addresses, telephone numbers, and email addresses of any legal representatives, engineers, architects, financial consultants or other consultants of the Applicant or significantly involved in the application.

d. ~~2.4.~~ A general description of the ~~a~~Applicant~~'~~'s experience with similar types of developments.

e. ~~2.5.~~ Evidence demonstrating the ~~a~~Applicant's ability and capacity (including financial statements and supporting information) to undertake the proposed public infrastructure and ~~the~~ private development.

2.4. **Board Member Information** ~~2.6. Describe~~. The Completed Application shall describe the process for the designation of two additional ~~district~~CFD ~~b~~Board members, including the following:

a. Provide the names, addresses, telephone numbers, email addresses, backgrounds ~~and~~, qualifications, and other relevant information of the two proposed additional ~~board~~CFD Board members to be designated by the owner of the largest amount of privately owned acreage in the proposed ~~district~~CFD.

b. State the process for the designation of the two additional ~~board~~CFD Board members on completion of the development of all property in the CFD.

c. Provide documentation evidencing each ~~such~~proposed CFD Board member's acknowledgment of his or her obligation to comply with Arizona Revised Statutes Title 38 ("Public Officers and Employees"), Chapter 3 ("Conduct of Office"), Articles 3.1 ~~and 8, ARS and containing~~("Public Meetings and Proceedings") and 8 ("Conflict of Interest of Officers and Employees").

d. Provide unqualified "~~h~~old harmless~~"~~ and indemnity guarantees ~~for~~to the Town, the CFD, and officers, agents and employees ~~thereof~~of the Town and the CFD for the actions and conduct of each proposed CFD Board member.

2.5. **Proposed CFD** . The Completed Application shall include:

a. ~~2.7.~~ A description of how the proposed CFD meets the existing development objectives of the Town, including the degree to which the CFD is consistent with the goals of the Town's General Plan for promoting orderly development, consistent with growth management policies and zoning requirements and the degree to which the land use plan for the CFD is consistent with the Town's General Plan Map for the area.

b. ~~2.8.~~ A general description of the proposed CFD ~~including a~~with an analysis of the appropriateness of the CFD boundaries.

c. A legal description of ~~its~~the proposed CFD boundaries ~~and identity~~with an accompanying depiction.

d. A current title report showing the names and addresses of ~~all~~ persons ~~or entities~~ with any interest in the ~~property, and names and addresses of any qualified electors located~~land within the proposed CFD boundaries. ~~A current title report and a~~

e. A certificate from the respective county elections department ~~shall be submitted as evidence of~~(s) showing the names ~~of persons with any interest in the land~~ and addresses of all qualified electors ~~respectively. The description must contain an analysis of the appropriateness of the~~in the proposed CFD boundaries.

2.6. **Project Description and Proposed Improvements**. The Completed Application shall include:

a. ~~2.9.~~ A general plan setting out a detailed description of the types of public infrastructure to be financed by the CFD, including the estimated construction or acquisition costs of the public infrastructure and the annual operation and maintenance costs of the public infrastructure and the governmental approvals that will be required for both the public and private improvements to be constructed and operated within the proposed CFD.

b. ~~2.10.~~ A proposed project schedule for commencement and completion of ~~(a)~~ the public infrastructure and ~~(b)~~ the private development within the proposed CFD.

2.7. **Financing Plan**~~2.11. A~~. The Completed Application shall include a detailed description of the financing plan that includes the sources and uses of monies to be used to cover the capital, operating, and maintenance costs for the public infrastructure within the proposed CFD, including ~~both capital and operating/maintenance costs. This description should include~~ the proposed types and amounts of tax-exempt/taxable bonds requested to be considered for the public improvements.

2.8. ~~2.12. A~~**Financial Feasibility Study**. The Completed Application shall include a financial feasibility study, covering the period of time until the last proposed bond of the CFD will be paid, for the entire project being developed on the property in the proposed CFD, including both the public infrastructure and the private development. ~~This should~~The financial feasibility study shall include:

a. An analysis of how the proposed debt financing, operation and maintenance costs, user charges and other CFD costs will be allocated and what will be the impact to the ultimate end users of the property, specifically projected property taxes and property tax rates, special assessments, fees, charges and any other costs that would be borne by property in the CFD. The analysis sh~~ou~~ald~~d~~l also address the impact these costs will have on the marketability of the private development and a comparison of proposed tax rates or charges within the proposed CFD contrasted with the tax rates and charges within the proposed CFD contrasted to the tax rates and changes in adjoining and similar areas outside of the proposed CFD.

b. A financing plan for the private development in the CFD.

c. A market absorption study for the private development in the CFD, prepared by an independent consultant acceptable to the Town~~. Such study~~, which shall include estimates of the revenue to be generated by the development ~~and~~, an estimate of the ability of the

market to absorb the development ~~as well as~~, and a market absorption calendar for the ~~private~~ development.

d. ~~2.13. Value-to-Lien Ratio Analysis~~A value-to-lien ratio analysis based on the requirements of ~~this policy,~~these CFD Policy Guidelines. The value portion of the analysis shall be the estimated value of the property within the ~~development, including the acquisition and/or construction of the public improvements within the CFD, the application shall include an analysis of the value-to-lien ratios of~~CFD as improved by the already-completed CFD public improvements acquired and/or constructed. The lien portion of the analysis shall be the sum of the principal amount of any outstanding CFD public financing and the proposed public financing.

e. ~~2.14.~~ A description and estimated amounts of the proposed equity contribution from the ~~applicant/landowner~~Applicant and a calendar showing the timing of such equity contribution.

2.9. **Insurance**. The Completed Application shall provide an explanation of how insurance coverage shall be provided by the Applicant and how assurances will be provided that premiums and deductibles will be paid in the future. The Applicant is responsible for the cost of insurance to cover all actions and activities taken by the Board of Directors and officers of the CFD relating to the CFD formation, financing, administrative actions or other related activities of the types, in amounts and with deductibles determined by the Risk Manager of the Town. Insurance must include "per occurrence coverage" including a "securities" rider if bonds are to be sold.

2.10. **Indemnification**. The Completed Application shall indicate how indemnification as required by the Development Agreement will be provided by the Applicant to the Town and the CFD and their agents, officers, and employees for, from, and against any and all liabilities, claims, costs and expenses, including attorneys' fees, incurred in any challenge or proceeding to the formation, operation, administration of the CFD, the offer and sale of CFD bonds, the levying by the CFD of any tax, assessment or charge and the operation and maintenance of public infrastructure financed or owned by the CFD. The Completed Application shall include financial statements and other supporting information for the entity providing the indemnification and shall provide appropriate collateral to cover the indemnity.

2.11. **Other Information**. The Completed Application shall include:

a. ~~2.15.~~ A detailed description of the proposed marketing plan to be used by the Applicant and/or home builders to market property within the CFD. This information may include, but is not limited to, descriptions and cost estimates of public infrastructure improvements to be financed by the CFD and a comparison of the proposed CFD to similar CFDs in the area.

b. ~~2.16.~~ A homebuyer disclosure form ~~which will be used to explain the existence of the CFD, purpose~~with a signed acknowledgement of receipt by the initial homebuyer of each lot in the CFD, in which the Applicant or home builder explains to prospective CFD landowners all of the following:

i. The existence of the CFD.

ii. The purposes for which the CFD was formed~~,~~.

iii. The CFD's expected and possible secondary property tax rate~~,~~.

iv. The estimated annual secondary tax amount ~~that is~~ based on applying ~~that~~the CFD's expected and possible secondary property tax rate to a representative residential property value~~, assessment~~.

v. Assessment and other financial burdens of the CFD ~~to prospective CFD landowners. Such forms shall have provisions for the signed acknowledgement of receipt of such disclosure forms. The Applicant should also describe the process~~.

c. The Applicant's description of the signing and record-keeping processes to be used for retaining all signed ~~homeowner CFD acknowledgement disclosure statements. Upon each sale of property in the CFD, the developer/landowner~~homebuyer disclosure forms, which shall include a requirement that the Applicant or home builder shall file with the Town a ~~receipt that acknowledges the purchaser's receipt of the~~copy of each signed homebuyer disclosure form within 30 days of sale. ~~1.1.~~

d. ~~2.17.~~ An operating plan for the CFD, ~~i.e.,~~explaining what functions the CFD ~~would~~will provide and how the operation and maintenance of the infrastructure and all other services in the CFD ~~would~~will be provided.

e. ~~2.18.~~ The District Development and Financing Participation Agreement between the Town and the Applicant (the "Development Agreement") in substantially final form, including all terms and provisions to be approved by the Town if formation of a CFD is approved. The Development Agreement must include matters required by the Act ~~such as Section 48-708(D), ARS~~, including without limitation the subdivision public report requirements at A.R.S. § 48-708 (D), and must have been fully negotiated by the Applicant and Town staff, with agreement by both parties~~, and in a substantially final form~~.

~~2.19. Insurance and Indemnification. The Applicant is responsible for the cost of insurance to cover all actions and activities taken by the Board of Directors and officers of the CFD relating to the CFD formation, financing, administrative actions or other related activities of the types, in amounts and with deductibles determined by the Risk Manager of the Town. The completed application shall provide an explanation of how such insurance coverage shall be provided by the Applicant and how assurances will be provided that premiums and deductibles will be paid in the future. Insurance must include "per occurrence coverage" including a "securities" rider if bonds are to be sold.~~

~~Separately, the completed application must indicate how indemnification outlined in the Development Agreement will be provided for the Town and the CFD and their agents, officers, and employees for, from and against any and all liabilities, claims, costs and expenses, including attorneys' fees, incurred in any challenge or proceeding to the formation, operation, administration of the CFD, the offer and sale of CFD bonds, the levying by the CFD of any tax, assessment or charge and the operation and maintenance of public infrastructure financed or owned by the CFD, the entity providing the indemnification (including financial statements and other supporting information for such entity), appropriate collateral arrangements, etc.~~

~~**ARTICLE 3.**~~

~~**Application Procedures**~~

ARTICLE 3. APPLICATION PROCEDURES

3.1. ~~Five (5) paper copies~~The original and one ~~(1)~~ electronic copy of the application for the formation of a CFD shall be submitted to the Finance Director of the Town who will coordinate an interdepartmental analysis of each application.

3.2. At the time of submission of the application, the applicant shall pay an application fee of $**15,000.00**.

3.3. Prior to submission of a ~~c~~Completed ~~a~~Application, and at the request of a potential ~~a~~Applicant, the Finance Director may arrange a pre-application conference with the potential ~~a~~Applicant, appropriate Town staff, and outside professionals and consultants, for the purpose of discussing the possible submission of a ~~c~~Completed ~~a~~Application for conformity with these ~~Town application policies and procedures~~CFD Policy Guidelines.

3.4. ~~If,~~The Applicant shall provide any and all supplemental information requested by Town staff at or following the pre-application conference or any other time during the application process ~~Town staff requests additional information, the applicant shall provide any and all supplemental information requested~~.

3.5. The review, analysis and consideration of a ~~c~~Completed ~~a~~Application will include:

a. A comprehensive review of the completed application to determine whether the completed application is consistent with ~~this~~these CFD Policy Guidelines, identification of missing or incomplete information and identification and discussion of any concerns with the Applicant. This will include, but will not be limited to, examining the project feasibility, analysis of land ownership interests, financing analyses, risk analysis and evaluation of community benefits.

b. Under the direction of the Finance Director, a report may be prepared including recommendations related to the proposed CFD and an analysis of the impact of the formation of the proposed CFD and its effects on the Town. ~~Additional~~The report may recommend that additional requirements ~~may~~ be placed on the Applicant, on any related developer~~/~~, landowner, or builder, and/or on the proposed CFD itself. This review will include the preliminary approval of the form, terms and provisions of the "substantially complete" Development and Financing Participation Agreement necessary for formation of a ~~district. A completed application must be consistent with this Policy and must contain all the information required in this Policy.~~CFD.

3.6. ~~c. On presentation of a completed application~~Within 60 days after the Applicant's submission of a Completed Application, the Town Council ~~within sixty (60) days after submission~~ shall hold a public hearing to consider the ~~c~~Completed ~~a~~Application. A resolution declaring the intent to form a CFD may be considered by Town Council immediately following the public hearing. If the Town Council does not adopt the resolution, it will provide a written basis for not adopting the resolution and shall identify the specific changes needed for the completed application to be approved.

3.7. ~~3.6.~~ If an application includes a petition for formation ~~that is~~ signed by owners of all of the land in the proposed CFD~~, as well as meeting~~ and meets all the requirements of Article 2 in form satisfactory to the Town, the Town may declare the ~~district~~CFD formed without posting, publication, mailing, notice and public hearings or landowner election. Otherwise, the alternative provisions of the Act must be followed.

3.8. ~~3.7.~~ If the Town Council approves the formation of a CFD ~~and there are~~, any existing agreements with ~~developers/landowners~~the Applicant for the provision of infrastructure proposed to be furnished by the CFD ~~then those agreements~~ will be deemed amended to reflect the agreements and conditions pertaining to the CFD. The amendments will reflect that such infrastructure improvements will be provided (including by acquisition) by either the ~~developer/landowner~~Applicant or the CFD.

3.9. ~~3.8.~~ If the Town Council approves an application for formation of a CFD, the ~~applying developer/landowner~~Applicant and ~~the~~Town staff ~~of the Town~~ shall coordinate a schedule of events for formation of the CFD and shall ~~negotiate an appropriate agreement between the Town and the developer/landowner~~finalize negotiation of the Development Agreement, which shall be entered into prior to or concurrently with formation of the CFD~~,~~ and which shall incorporate the requirements of any report~~,~~ or recommendations of ~~the~~ Town staff relating to ~~such~~the CFD, the requirements of these ~~policy guidelines~~CFD Policy Guidelines, and any other restrictions~~,~~ and provisions ~~and agreements~~ required by the Town.

~~ARTICLE 4.~~

ARTICLE 4. CFD ~~Operations and Debt Financing~~ OPERATIONS AND DEBT FINANCING

4.1. Upon formation of a CFD the ~~developer/landowner~~Applicant shall deposit with the ~~CFD~~Town's Finance Department a non-refundable administrative expense fee in the amount of $50,000. The administrative expense fee shall be applied by the ~~CFD~~Town to the costs and expenses incurred in connection with the formation, review of any feasibility study, election costs, administration, operation and maintenance of the CFD or its public improvements. From time to time, upon depletion of the administrative expense fee, the ~~CFD~~Town may request, and the ~~developer/landowner~~Applicant shall promptly deposit ~~with the CFD~~, additional $25,000 deposits to be applied to the purposes contemplated in this Section 4.1.

4.2. ~~In order to provide for the CFD to be self-supporting for its~~Unless the Applicant and the CFD Board mutually agree otherwise, an ad valorem tax of $.30 per $100 of assessed valuation for all real and personal property in the CFD shall be assessed pursuant to A.R.S. § 48-723 to cover administrative, operation, and maintenance expenses ~~the Town and the CFD, unless otherwise agreed, will require the imposition of a $.30 per 100 of assessed value ad valorem tax upon the CFD taxable property. Failure to impose such tax will relieve the Town and the CFD from undertaking any obligations or operations.~~incurred by the CFD and by the Town for the benefit of the CFD.

4.3. In connection with any request for debt financing, ~~applicant~~the Applicant shall provide a current appraisal of the fair cash market value of the property within the proposed CFD which is to be taxed or assessed, prepared by a person who is designated as a Member Appraisal

Institute ("MAI") and a certified general real estate appraiser (such person hereafter referred to as an "MAI Appraiser"), such appraisal to be in form and substance acceptable to the Town, in its sole discretion.

4.4. The amount of CFD debt ~~of a CFD may~~shall not have any substantial direct or indirect negative impacts on the debt or financing capabilities of the Town, and ~~second, that~~ the CFD debt ~~imposed on the CFD~~shall not impose an unreasonable financial burden on future CFD residents.

4.5. General obligation bonds of the CFD are secured by an ad valorem tax on all taxable property located within the CFD. ~~An applicant for~~ An Applicant seeking the issuance of CFD general obligation bonds sh~~ou~~al~~d~~l describe in each project feasibility report the following:

a. The current direct and overlapping tax and assessment burden on the taxable property that is proposed to be taxed and the full cash value and assessed valuation of the taxable property as shown on the most recent assessment roll. ~~a.~~

b. The amount and timing of CFD general obligation bonds to be issued.

c. The expected market absorption of development within the CFD.

d. The effect of the CFD bond issuance on CFD tax rates, calculated as of the beginning, midway through, and at the end of the market absorption period, or based on the phasing of the project to be financed, as applicable.

e. Estimated savings, if any, to residents in the form of reduced home sales prices which are projected to result from CFD financing.

f. The proposed total tax rate of the CFD. If the pre-established debt service target tax rate is not sufficient to pay the entire debt service in respect of outstanding general obligation bonds when due, the Applicant will be required to contribute an amount annually sufficient to pay the difference between the revenues produced by the pre-established target tax rate and the actual CFD debt service coming due in that fiscal year. Security for the Applicant~~'~~'s payment of this contribution may be in the form of a cash contribution at three ~~(3)~~ times Maximum Annual Debt Service ("MADS"), standby contribution agreement, or other acceptable form of security, which shall be bankruptcy proof, as required by the CFD Board. All of the foregoing items need to be described in detail. A cash flow schedule illustrating the security amount and the time period required to cover such shortfall will be required to be submitted by the Applicant prior to the issuance of general obligation bonds. The security shall remain in full force and effect until such time as the assessed value of real property in the CFD generates ad valorem taxes at the pre-established CFD target tax rate sufficient to pay the annual CFD debt service, when due, for a period of three ~~(3)~~ consecutive years beginning the year immediately following the last bond issuance.

g. Whether the bonds will be publicly offered or privately placed. Publicly offered bonds must be rated in one of the four highest investment grade ratings from ~~either~~ Standard & Poor's Corporation, Moody's Investors Services, Inc., or ~~other~~another nationally recognized bond rating ~~services.~~ service. Privately placed bonds need not be rated; however, the purchasers of such general obligation bonds must be "qualified institutional buyers" (as ~~such~~that term is defined in Rule 144A of the Securities Exchange Commission)

and must agree not to resell the bonds except to "qualified institutional buyers" in a private placement~~,~~; provided, however, that a purchaser of general obligation bonds in a private placement may sell the bonds in a public offering if the CFD board approves the public sale and the bonds have an investment grade rating.

4.6. Revenue bonds shall be payable from a CFD revenue source. ~~An applicant for~~ An Applicant seeking the issuance of CFD revenue bonds must describe in each project feasibility report, the following:

a. The current direct and overlapping tax and assessment burdens on the taxable property within the CFD and the full cash value and assessed valuation of that taxable property as shown on the most recent assessment roll.

b. The revenue source from which bonds will be payable. The Town reserves the right to require the applicant to produce such independently prepared feasibility studies or reports as it deems necessary to confirm the amount and availability of revenues.

c. The expected market absorption of development within the CFD.

d. The amount and timing of CFD revenue bonds to be issued.

e. The financial impact of the proposed issue(s) on prospective residents.

f. Whether the bonds will be publicly offered or privately placed. Publicly offered revenue bonds must be rated in one of the four highest investment grade ratings from ~~either~~ Standard & Poor's Corporation, Moody's Investors Service, Inc., or ~~other~~another nationally recognized bond rating ~~services.~~ service. Privately place bonds need not be rated; however, the purchasers of such revenue bonds must be "qualified institutional buyers" and must agree not to sell the bonds except to "qualified institutional buyers" in a private placement~~,~~; provided, however, that a purchaser of a revenue bond in a private placement may sell the bonds in a public offering if the CFD board approves the public sale and the bonds have an investment grade rating. ~~a.~~

4.7. Assessment bonds shall be secured by first lien (subject only to the lien for general taxes and prior special assessments) on the property benefited. ~~Applicants for~~An Applicant seeking the issuance of CFD assessment bonds sh~~ou~~a~~l~~d~~l~~ describe in the application and in each project feasibility report, the following:

a. The current direct and overlapping tax and assessment burdens on real property to comprise the CFD and the full cash value and assessed valuation of that property as shown on the most recent assessment roll.

b. The amount and timing of CFD assessment bonds to be issued.

c. The expected market absorption of development within the CFD.

d. The assessment burden to be placed on prospective residents.

e. Whether the assessments will be paid upon the sale of lots by the Applicant or will remain on the property after sale.

f. If assessed parcels of land are expected to be subdivided, the process by which the assessments will be allocated to the subdivided land.

g. Whether the assessment bonds will be publicly offered or privately placed.

i. Publicly offered assessment bonds must be rated in one of the four highest investment grade ratings from ~~either~~ Standard & Poor's Corporation, Moody's Investors Service, Inc., or ~~other~~another nationally recognized bond rating ~~services or~~service. Alternatively, in an unrated public offering, ~~an~~the Applicant shall provide an independent fee appraisal of the land to be encumbered, prepared by an MAI Appraiser and in form and substance acceptable to the CFD ~~b~~Board, in its sole discretion, ~~shall indicate~~evidencing a land value ~~(generally, bulk wholesale value prior to any private or public improvements being installed)~~ to debt ratio of at least 6 to 1 prior to the issuance of debt.

ii. Privately placed bonds need not be rated; however the purchasers of such assessment bonds must be "qualified institutional buyers" who must agree to hold the bonds for their own account or agree not to sell the bonds except to "qualified institutional buyers." ~~Further, in~~In connection with the sale of unrated privately placed assessment bonds, the ~~CFD board must have received an~~Applicant shall provide an independent fee appraisal of the land to be encumbered, prepared by an MAI Appraiser and in form and substance acceptable to the ~~Town~~CFD Board, in its sole discretion, indicating a land value ~~(prior to any improvements being installed)~~ to debt ratio of at least 4 to 1 as of a date prior to the issuance of debt.

iii. The independent fee appraisal provided by the Applicant for an unrated public offering (subparagraph i above) or for privately placed bonds (subparagraph ii above) shall value the property based on its bulk wholesale value prior to any private or public improvements being installed.

4.8. Notwithstanding the restrictions pertaining to public sales and private placements of the bonds set forth in this Article 4, the restrictions may be modified if other financing structures are presented which, in the sole discretion of the CFD ~~b~~Board, provide other means to address CFD concerns.

~~ARTICLE 5.~~

~~Financing Considerations~~

ARTICLE 5. FINANCING CONSIDERATIONS

5.1. The ~~applicant or developer/landowner~~Applicant shall provide at least $0.25 in infrastructure or community improvements for each $1.00 of debt to be issued by a CFD to finance public infrastructure purposes. If agreed to by the CFD, prior infrastructure and community improvements constructed or acquired by the ~~applicant or the developer/landowner~~Applicant and benefiting the property within the CFD may be included in calculating the ~~applicant's or developer/landowner~~Applicant's compliance with this Section 5.1.

5.2. If allowed by law, all bond issues shall include a debt service reserve fund in an amount acceptable to the CFD ~~b~~Board.

5.3. Privately placed bonds shall have minimum authorized denominations of $100,000.~~1.1.~~

5.4. A general obligation bond authorization for a CFD shall expire no later than the earlier of ~~fifteen (15) years from the date of voter authorization~~the 15th anniversary of the first bond issuance or 75% of development lots. Under extenuating circumstances the CFD Board may, in its sole and absolute discretion, extend this period.

5.5. In further consideration of the types of debt obligations used to finance the acquisition or construction of eligible public infrastructure, the following shall guide CFD obligations:

a. Routine Public Infrastructure Requirements. General ~~O~~obligation bonds shall be the preferred financing mechanism for ~~CFD's~~CFDs with routine public infrastructure requirements. The pre-established debt service target tax rate shall be levied upon all CFD taxable property.

b. Extraordinary Public Infrastructure Requirements. General ~~O~~obligation bonds and/or ~~S~~special ~~A~~assessment bonds may be used for any portion of extraordinary public infrastructure required for the CFD. For the purposes ~~here~~of this paragraph, extraordinary public infrastructure requirements are those infrastructure elements not routinely required for a ~~CFD~~ development project. Examples of extraordinary public infrastructure ~~would~~ include~~,~~ but are not necessarily limited to~~,~~ transportation interchanges, water reclamation facilities, water treatment ~~campus, etc.~~ campuses, and similar regional public infrastructure improvements. The pre-established debt service target tax rate shall not be exceeded and shall be levied upon all CFD taxable property for any ~~G~~general ~~O~~obligation bonds, as applicable. Special ~~A~~assessment liens shall not exceed the value-to-lien ratio described in ~~section~~subparagraph 4.7~~(~~.g~~)~~ above on a per lot basis.

5.6. The ~~applicant, developer/landowner (or such other~~Applicant or a third party acceptable to the Town and ~~CFD), for any CFD bonds,~~the CFD Board shall indemnify the Town and the CFD and their agents and employees and shall hold the Town and the CFD and their agents and employees harmless for, from and against any and all liabilities, claims, costs and expenses, including attorneys' fees, incurred in any challenge or proceeding to the formation, operation, administration of the CFD, the offer and sale of CFD bonds, the levying by the CFD of any tax, assessment or charge and the operation and maintenance of public infrastructure financed or owned by the CFD. ~~In addition, if such insurance is not otherwise available from another source, the~~

5.7. The Applicant shall ~~be responsible for~~obtain and pay the cost of a ~~Director's~~directors and ~~O~~officers (D&O) insurance policy to cover all actions and activities taken by the CFD Board and officers of the CFD relating to the CFD formation, financing, administrative actions and other related activities ~~and for depositing~~. The Applicant shall deposit the amount of any deductible under the D&O insurance policy in escrow with the CFD ~~or for providing a plan for providing for such~~Board or shall provide security acceptable to the CFD Board for the amount of the deductible. The amount of the D&O coverage ~~will be determined by the CFD at the time of formation~~shall at all times equal or exceed $2,000,000 per occurrence and $2,000,000 aggregate. The CFD Board may increase the D&O coverage from time to time commensurate with increases in coverage obtained by the Town for its directors and officers.

5.8. ~~5.7.~~ Unless otherwise provided to the Town pursuant to other requirements, prior to CFD financing and acquisition by the CFD or Town, the CFD or Town will require an independent

environmental report or assessment of any real property which will be dedicated to or otherwise owned, leased or operated by the Town or the CFD and a proposed form or indemnity agreement with respect to all environmental ~~law~~ liability.

Document comparison by Workshare 9.5 on Tuesday, March 12, 2019 9:10:58 AM

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