

CITY OF TUCSON

ADOPTED BUDGET FISCAL YEAR 2020

Partners in Tucson's prosperity

CITY OF TUCSON, ARIZONA

Adopted Budget

Fiscal Year 2020

Effective July 1, 2019

Mayor and Council



HONORABLE
JONATHAN ROTHSCHILD
Mayor



REGINA ROMERO
Ward One



PAUL CUNNINGHAM
Ward Two



PAUL DURHAM
Ward Three



SHIRLEY SCOTT
Ward Four



RICHARD FIMBRES
Ward Five



STEVE KOZACHIK
Ward Six

City Administration

MICHAEL J. ORTEGA, P.E.
City Manager

ALBERT ELIAS, AICP
Assistant City Manager

JOYCE GARLAND, CPA
CFO/Assistant City Manager



DISTINGUISHED
BUDGET PRESENTATION
AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Tucson
Arizona**

For the Fiscal Year Beginning

July 1, 2018

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Tucson, Arizona for its annual budget for the Fiscal Year beginning July 1, 2018.

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

The award is valid for a period of one year. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TABLE of CONTENTS



City of Tucson Organization Chart Fiscal Year 2019/20	<u>i</u>
City of Tucson Officials and Directors	<u>ii</u>
Budget Calendar for Fiscal Year 2019/20	<u>iii</u>
Community Profile	<u>iv</u>
How to Use This Budget	<u>xii</u>

SECTION A CITY MANAGER'S MESSAGE

City Manager's Message	<u>A-1</u>
Budget Highlights	<u>A-5</u>

SECTION B POLICIES and LEGAL REQUIREMENTS

Financial Policies and Practices	<u>B-1</u>
Debt Management Policy	<u>B-4</u>
Legal Requirements	
Imposed by the State	<u>B-8</u>
Imposed by the Tucson City Charter	<u>B-11</u>
Statement Required by Arizona Revised Statutes 42-17102	<u>B-12</u>
Resolution No. 23021 adopting the Budget for Fiscal Year 2019/20	<u>B-14</u>

SECTION C FUNDING SOURCES

Revenues	<u>C-1</u>
General Fund	<u>C-2</u>
Special Revenue Funds	<u>C-9</u>
Enterprise Funds	<u>C-14</u>
Debt Service Funds	<u>C-17</u>
Capital Projects Funds	<u>C-19</u>
Internal Service Funds	<u>C-20</u>
Fiduciary Funds	<u>C-21</u>
Summary Resources by Fund	<u>C-22</u>
Resources by Fund	<u>C-24</u>
Summary of Projected Fund Balance	<u>C-28</u>

TABLE of CONTENTS



SECTION D DEPARTMENT BUDGETS

Expenditures	D-1
Summary of Expenditures by Department	D-2
Mayor and Council	D-4
Business Services	D-9
City Attorney	D-17
City Clerk	D-22
City Court	D-25
City Manager	D-32
Employee Health Benefits	D-39
Environmental and General Services	D-43
Finance	D-53
Housing and Community Development	D-58
Human Resources	D-66
Information Technology	D-71
Parks and Recreation	D-78
Planning and Development Services	D-90
Procurement	D-94
Public Defender	D-97
Public Safety Communications Center	D-100
Transportation	D-104
Tucson City Golf	D-116
Tucson Convention Center	D-120
Tucson Fire	D-123
Tucson Police	D-131
Tucson Water	D-142
Pension Services	D-152
General Government	D-155
Four-Year City Staffing Comparison	D-159

TABLE of CONTENTS



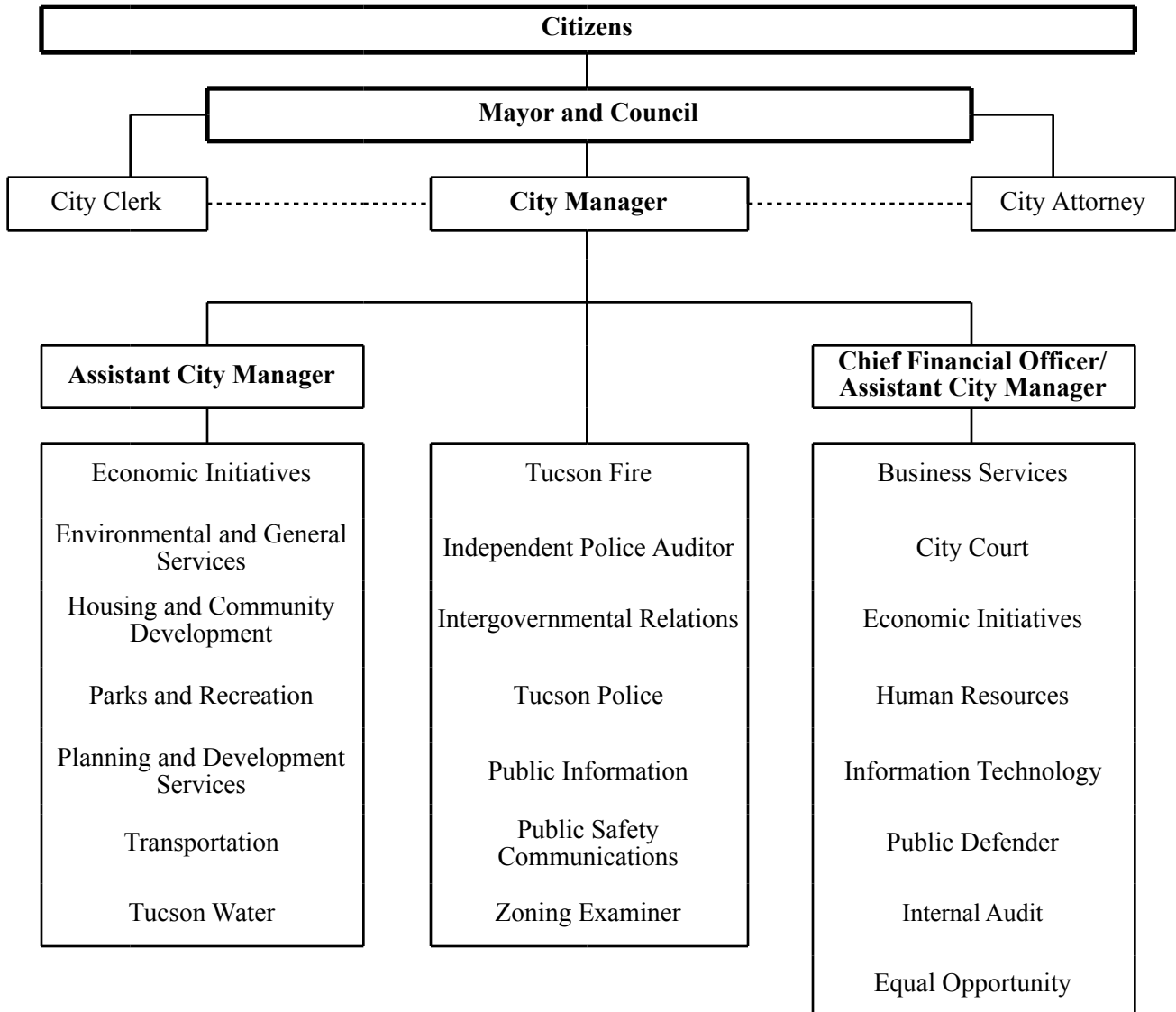
SECTION E CAPITAL IMPROVEMENT PROGRAM

Overview of the Five-Year Capital Improvement Program	E-1
Summary Tables	
Table I, Summary by Department	E-8
Table II, Summary by Funding Source	E-9
Table III, Summary of CIP Impact on the Operating Budget	E-11
Table IV, Projects with Pima County Bond Funding	E-15
Table V, Projects with Development Impact Fees	E-16
Department Programs	E-18

SECTION F GLOSSARY

Glossary of Terms	F-1
Acronyms and Initialisms	F-7

**CITY OF TUCSON
ORGANIZATION CHART
FISCAL YEAR 2019/20**



CITY OF TUCSON

OFFICIALS and DIRECTORS

OFFICIALS

- City Manager, *Michael J. Ortega, P.E.*
- Assistant City Manager, *Albert Elias, AICP*
- Chief Financial Officer/Assistant City Manager, *Joyce Garland, CPA*
 - City Attorney, *Mike Rankin*
 - City Clerk, *Roger Randolph*

COMMUNITY ENRICHMENT and DEVELOPMENT

- Housing and Community Development, Interim, *Liz Morales*
- Parks and Recreation, *Brent Dennis*
- Planning and Development Services, *Scott Clark*
- Transportation, *Diana Alarcon*
- Tucson City Golf, *Brent Dennis*
- Tucson Convention Center, *Brent Dennis*

PUBLIC SAFETY and JUSTICE SERVICES

- City Court, *Antonio Riojas*
- Public Defender, *Mary Trejo*
- Tucson Fire, Interim, *Joe Gulotta*
- Tucson Police, *Chris Magnus*
- Public Safety Communications, Interim, *Ross Adelman*

PUBLIC UTILITIES

- Environmental and General Services, *Carlos De La Torre*
- Tucson Water, *Tim Thomure*

SUPPORT SERVICES

- Business Services, Interim, *Joyce Garland*
- Human Resources, *Ana Urquijo*
- Information Technology, *Collin Boyce*

Special Thanks to the Budget Staff

- Budget Administrator, *Vivian Newsheller*
- *Celia Yang*
- *Monica Barcenas*
- *Morgan Culver*
- *Robert Hayes*
- *WeiChun Kuan*
- *William Knowles*

Acknowledgment

Lane Mandle and Robert Rappaport, for Cover Design and Images

BUDGET CALENDAR

FISCAL YEAR 2019/20

November 14, 2018	Study Session: Discussion of General Fund and Tucson Golf Enterprise Fund Fiscal Year 2017/18 Preliminary Finance Results and 1st Quarter Fiscal Year 2018/19 Update
January 28, 2019	Study Session: Retreat. Update on Fiscal Year 2019/20 General Fund budget process
February 20, 2019	Study Session: Discussion of of Employee Compensation and Benefits
March 5, 2019	Study Session: Discussion of Employee Compensation and Benefits and FY 2019/20 Supplemental Budget Requests
March 19, 2019	Study Session: Discussion of FY 2019/20 General Fund, Special Revenue and Enterprise Funds
April 23, 2019	Study Session: Submission of the City Manager’s Recommended Fiscal Year 2019/20 Budget, including the Five-Year Capital Improvement Program
May 21, 2019	Study Session: Discussion of Recommended Fiscal Year 2019/20 Regular Agenda: Public Hearing on the Recommended Fiscal Year 2019/20 Budget Regular Agenda: Adoption of the Tentative Budget for Fiscal Year 2019/20
June 4, 2019	Regular Agenda: Public Hearing on the Fiscal Year 2019/20 budget as tentatively adopted Special Agenda: Mayor and Council meeting for the purpose of final budget adoption
June 18, 2019	Regular Agenda: Adoption of Fiscal Year 2019/20 property tax levies

COMMUNITY PROFILE



A Fantastic Place to Live and Visit

With a culturally diverse population of more than 529,000, Tucson is Arizona’s second largest city, with a metropolitan area exceeding 1.1 million people. Surrounded by four majestic mountain ranges and nestled in the heart of a lush Sonoran Desert valley, Tucson offers residents and visitors the climate, attractions, amenities, and opportunities that create an unparalleled and authentic life experience.



With 350 days of sunshine, Tucson is a destination for outdoor enthusiasts. Hikers and walkers can visit both Sentinel Peak, also known as “A” Mountain, and Tumamoc Hill to get in a great workout and experience two of the best views of the valley from the same place that our region’s first native inhabitants did more than 2,000 years ago. If cycling is your thing, then you can take advantage of the most comprehensive and top-rated network for active cyclists in the nation with 620 miles of dedicated roadway bike lanes and The Loop, a 131 mile paved shared-use path that encircles the metro area. Mountain Bikers are not left out either as Tucson is also home to the world-renowned Fantasy Island Mountain Biking Park. Of course swimming, tennis, and golf opportunities abound at municipal and private facilities throughout the city and region, offering exceptional experiences at any budget. For those who are more focused on a nature experience over sport, birding, stargazing, and horseback-riding are amazing ways to connect with the Sonoran Desert.



Some of the attractions that draw families and children of all ages, including the “young at heart,” are the Reid Park Zoo, a 24-acre campus that houses hundreds of animals in naturalistic exhibits like the Expedition Tanzania elephant exhibit which saw its first elephant birth in 2014, bringing us the amazing baby Nandi, the Tucson Children’s Museum, the Tucson Botanical Gardens, and the Pima Air and Space Museum. Nationally known regional attractions that highlight our unique ecosystem, natural beauty, and culture include the Arizona Sonoran Desert Museum, Saguaro National Monument East and West, Mt. Lemmon, the Kitt Peak National Observatory, and Mission San Xavier del Bac.



Tucson’s vibrant and still growing downtown is crowded with theaters, performance spaces, locally owned shops, and restaurants. It is the place to experience so much of the best that our community has to offer including: our vibrant arts community that includes a symphony, an opera company, 18 art galleries, the Tucson Museum of Art and the Museum Of Contemporary Art, live music and entertainment events at historic venues like the Fox Theater, Rialto Theater, Hotel Congress, Temple of Music and Art, and the renewed Tucson Arena, our many diverse cultural and outdoor festivals held throughout the year, like Tucson Meet Yourself, the All Souls Procession, Dia de San Juan, the Fourth Avenue Street Fair, and the Tucson Gem and Mineral Show that brings gem, mineral, and fossil dealers from around the world to display and sell their precious wares to global buyers, collectors, and the fascinated public. More than 65,000 buyers, 4,800 vendors, and 457,000 attendees of this annual event, held over the first two weeks of February, generate an estimated \$131 million in direct spending for the region.



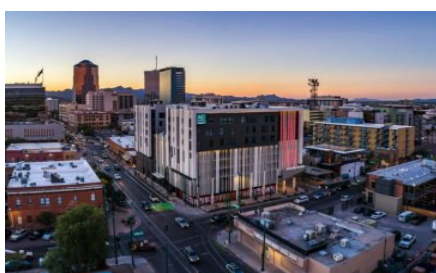
COMMUNITY PROFILE



Accessing Downtown Tucson, the Mercado, 4th Avenue, the Main Gate Square, Main Campus, and Medical Center areas in the University of Arizona has never been easier thanks to the investments made in our Sun Link streetcar system and the construction and modernization of our parking infrastructure, which includes conveniently located, transit adjacent multistory parking garages and electronic on-street parking meters that can be paid for via our GoTucson Parking and Transit apps.



Sun Link celebrates its fifth anniversary on July 28, 2019, and has been a resounding success for our community. More than 4 million riders have used Sun Link to date, and our community has experienced a huge economic benefit because of its development combined with financial and development incentives approved by the Mayor and Council. More than \$1 billion of combined public and private investment projects have been completed and an additional \$500 million in projects are underway, including three new hotels, two hotel renovations, student rental housing towers, market-rate rental apartments, market-rate residential housing, commercial retail, and corporate headquarters along its 3.9 mile loop.



We Mean Business

Tucson has long been recognized as a center for the defense, aerospace, astronomy, and medical-health services industries and is now receiving global and national attention for its emerging presence as a center for logistics, mining technology, solar, optics, and biotechnology. Under the leadership of Tucson's Mayor and Council, our community has entered into a new era of cooperation and collaboration with our economic development partners, the State of Arizona, Pima County, Rio Nuevo, and Sun Corridor Inc., that has transformed our business environment and successfully attracted major investment and job creation by global and national corporations. Some of the successes include:



- **Caterpillar, Inc.** The new 150,000 square foot Tucson Mining Center at Cushing Street and the Santa Cruz River is just about complete and employees are moving in. Caterpillar will create more than 600 new jobs over five years and have an estimated economic impact of \$600 million.



- **Raytheon** Expansion continues and is adding 1,975 new jobs, at an average wage of \$110,000 annually while making a capital investment of \$233.8 million. The estimated economic impact to the City of Tucson is \$2.4 million annually. This expansion is expected to be complete in 2020.



- **GEICO** Relocation and expansion of their regional office, currently employing 2,100, with the construction of a new 200,000 square foot multi-level office building at The Bridges, is almost complete. Employees are preparing to make the move this fall 2019. GEICO will create 700 new jobs with this expansion.

- **Amazon** The new fulfillment center at the Port of Tucson is nearing construction completion. With an 855,000 square foot footprint, and with four levels, the facility will have more than 1.2 million usable square feet. Amazon will create 1,500 permanent jobs and have an estimated economic impact of \$600 million over the next five years.

COMMUNITY PROFILE



- **Hexagon Mining** The North American Headquarters opened in the new downtown City Park building. This relocation and expansion of their corporate headquarters brings their existing 140 jobs and adds 120 jobs, over the next five years, with an average annual salary of \$110,000, an investment of \$9.4 million, and a total economic impact of \$224 million.



Tucson is home to Davis-Monthan Air Force Base, our longtime partner, whose mission supports over 7,000 military and 2,700 civilian jobs, as well as 4,123 indirect jobs and provides services to more than 19,000 local retirees. It has an estimated economic impact of more than \$1.5 billion to our community. Tucson's Mayor and Council work closely with Arizona's federal delegation and local community support organizations to ensure that Davis-Monthan's current mission is supported and that the base is positioned to adapt to the future needs of our nation.



The Tucson International Airport (TUS) is a cornerstone of our logistics and tourism industries. TUS is a U.S. Port of Entry with 24-hour customs and immigration services. At 8,300 acres, TUS is the 10th largest commercial airport in the nation, by land area. TUS has both existing facilities and development sites available airside and landside for business and industry to explore. Eight airlines, including the four largest U.S. airlines: Delta, United, Southwest, and American, operate from TUS providing nonstop service to 19 cities and some 345 connections worldwide for more than 3.6 million passengers.



TUS also supports the 162nd Wing of the Air National Guard, which conducts national and international training operations for the F-16 Fighting Falcon. The 162nd Wing is the second largest ANG wing in the country and sits on 92 acres next to the TUS. It shares use of the runway, security and fire control with the airport. The wing has three flying squadrons consisting of more than 70 F-16 aircraft. The wing employs approximately 1,100 full-time members, and 600 drill status Guardsmen who report for duty one weekend per month and an additional two weeks per year.



Workforce Development

University of Arizona Tucson has amazing workforce development assets in the University of Arizona and Pima Community College. From the University of Arizona website; "Established in 1885, the University of Arizona, the state's land-grant university with two medical schools, produces graduates who are real-world ready through its 100% Engagement initiative. Recognized as a global leader, the University of Arizona is also a leader in research, bringing more than \$684 million in research investment each year, and ranking in the top 25 among all public universities. The University of Arizona is advancing the frontiers of interdisciplinary scholarship and entrepreneurial partnerships and is a member of the Association of American Universities, the 62 leading public and private research universities. It benefits the state with an estimated economic impact of \$8.3 billion annually."



The National Science Foundation ranks the University of Arizona No. 25 in overall research funding among U.S. public institutions. In 2018, the University of Arizona earned the designation of a Hispanic-Serving Institution from the U.S.

COMMUNITY PROFILE



Department of Education for its success in the enrollment of Hispanic students and in providing educational opportunities to them.



Arizona ranks as a top 50 public university in the 2019 U.S. News and World Report, is ranked as one of the top 100 higher education institutions in the world by the Times Higher Education World Reputation Rankings, is a 2019 "Best Buy" school in the Fiske Guide to Colleges and a 2019 Best Value in the Forbes & Princeton Review. It is also one of the nation's top producers of Fulbright Scholars.



The University of Arizona is a member of the prestigious Association of American Universities (AAU), one of 62 leading public and private research universities in the United States and Canada and the only AAU member in Arizona. Membership in AAU is by invitation and is based on the high quality of programs of academic research and scholarship and undergraduate, graduate, and professional education, as well as general recognition that a university is outstanding by reason of the excellence of its research and education programs. It is the recipient of more NASA grants for space exploration research than any other university. U.S. News & World Report 2019 has ranked the Eller College of Management's MIS program the #1 public and #3 overall program, the McGuire Entrepreneurship Program as the #6 public program and #10 program overall, and the Eller Undergraduate program as the #11 public program and #21 program overall in the United States. The UA faculties have a global reputation for innovative research and are helping create the next generation of knowledgeable workers.



Pima Community College (PCC) is a two-year college serving the greater Tucson metropolitan area at six locations throughout Pima County. Founded in 1966, PCC offers more than 180 transfer and occupational programs across six campuses and four learning centers. The college also customizes workforce training for regional employers, with training for approximately 5,600 employees annually. For many of its 40-plus years, PCC has ranked among the ten largest multi-campus community colleges in the nation.



In 2019, the PCC Aviation Center and the Aviation Technology Program, the only program and facility to focus on maintenance and repair training for large transport commercial aircraft, received a one-time state appropriation of \$15 million to fund program expansion. The funding will allow the program to expand from 125 to 250 students per year. Pima County represents the largest concentration of aviation occupations in the Southern Arizona region with 1,336 of the total 1,535 jobs reported. The College helps supply the workforce for 15 Arizona aviation employers.



PCC also announced in 2019 a new partnership with autonomous trucking company TuSimple for an Autonomous Vehicle Driver and Operations Specialist certificate program. The certificate program will teach experienced truck drivers how to operate and work with autonomous trucks in as little as one semester. The program will equip truck drivers with the knowledge and skills to expand their roles in this new and rapidly expanding industry. The certificate will prepare individuals for jobs such as training the autonomous system as test drivers, operating the vehicle in situations where autonomous driving is not suitable, and to remotely monitor the system from a command center.

COMMUNITY PROFILE

City Government

By charter from the State of Arizona, the City of Tucson is governed by a Mayor and Council. Council member candidates are nominated in primary elections in each of the six wards, but are elected in citywide elections. The mayor is nominated and elected citywide. The Mayor and Council set policy and appoint a city manager to provide the general supervision and direction for city government operations. Tucson is the county seat for Pima County which is the second largest county in population in Arizona.

Demographics

Tucson has grown: 45th largest city in 1980, 34th largest in 1990, the 30th largest in 2000, and the 32nd largest in 2010. Tucson is the second largest city in Arizona behind Phoenix.



Population	Tucson	Pima County
1990	405,371	666,957
2000	486,699	843,746
2010	520,116	980,263

Land Area		Land Use, 2010	
1990	157.53 square miles	Undeveloped	52.84%
2000	195.5 square miles	Residential	22.5%
2010	227.7 square miles	Commercial	4.06%
		Government	3.26%
		Industrial	3.09%
		Open Space	2.59%
		Agricultural	0.77%
		Other	10.89%



Racial/Ethnic Composition, 2010		Median Age	
White, Non-Hispanic	40.3%	1990	30.8 years
Hispanic/Latino	35.6%	2000	32.1 years
Black/African American	4.2%	2010	34.2 years
Native American	2.3%		
Asian/Pacific Islander	2.6%		
Other	13.3%		
Two or more races	1.7%		

COMMUNITY PROFILE

Economy



Major Employers - Southern Arizona, 2018 (Number of full-time positions)

University of Arizona	10,846
Raytheon Missile Systems	9,600
Davis-Monthan Air Force Base	8,406
State of Arizona	8,508
Tucson Unified School District	7,688
Walmart Stores, Inc.	7,450
U.S. Customs and Border Patrol	6,500
University of Arizona Health Network	6,099
Pima County	6,076
Freeport-McMoran Copper and Gold, Inc.	5,463

<http://www.phoenixrelocationguide.com/Top-25-Tucson-Employers-and-Businesses/>



Total Employment - Pima County

2013	426,120
2014	433,561
2015	437,916
2016	444,339
2017	454,292

Unemployment Rates - Pima County

2013	6.8%
2014	6.0%
2015	5.5%
2016	5.0%
2017	4.5%



Annual Rate of Earnings

(Per worker in current dollars)

2013	\$36,767
2014	\$37,755
2015	\$38,261
2016	\$39,695
2017	\$40,339



Building Permits Issued (Calendar Year Information)

	Residential	Commercial
2012	336	104
2013	490	136
2014	547	146
2015	346	74
2016	731	99
2017	732	193

COMMUNITY PROFILE

City Services

The City of Tucson is committed to providing appropriate and equitable levels of service to all of its citizens. Some examples are listed below.



Environmental Services

Tons of Waste Received at Los Reales Landfill	717,062
Tons of Waste Collected by City of Tucson Refuse Services	226,489
Tons of Material Recycled	21,687

Parks and Recreation/Golf Resources

Parks (district, neighborhood, school, regional, and open space)	164
Recreation Centers	17
Senior Centers	3
Out of School Program Sites	18
Senior Citizen Program Sites	14
Swimming Pools Sites	25
Splash Pad Sites	3
Municipal Golf Courses	5
Tennis Court Sites	19
Ball Fields/Multipurpose Fields (including joint-use school parks)	225

Public Safety

Number of Authorized Sworn Police Personnel	887
Number of Authorized Professional Staff	262.5
Number of Service Calls	366,131
Number of Authorized Commissioned Fire Personnel (including Paramedics)	632
Number of Fire Stations	22
Number of Fire Emergency Calls	87,801
Number of Ambulance Transports (Advanced Life Support)	17,564
Total Fire Response Time (including travel time; 90% of the time)	8.5 min.

Transportation

Number of Street Miles Maintained	5,668
Miles of Bikeways	557
Miles of Drainageway	383
Miles of Sidewalks	1,799
Number of Street Lights	22,094
Annual Miles of Fixed-Route Bus Service	9,778,909
Annual Miles of Paratransit Service	4,496,774
Annual Miles of Fixed-Rail Streetcar Service	204,557
Number of Traffic Signals	590

Tucson Water

Miles of Water Lines	4,603
Miles of Reclaimed Water Lines	195
Number of Active Water Connections	233,405
Millions of Gallons of Potable Water Storage Capacity	315
Billions of Gallons of Potable Water Delivered Annually	31

COMMUNITY PROFILE

SELECTED ECONOMIC INDICATORS - TUCSON METRO AREA Calendar Year

Description	2017	Projected 2018	Projected 2019	Projected 2020
Personal Income (\$Millions)	\$42,585	\$44,490	\$46,480	\$48,514
Percentage Change from Prior Year	5.4%	4.5%	4.5%	4.4%
Retail Sales-Excluding Food ¹ (\$Millions)	\$8,851	\$9,320	\$9,730	\$10,074
Percentage Change from Prior Year	3.4%	5.3%	4.4%	3.5%
Residential Building Permits (Units)	4,495	4,266	3,902	3,712
Percentage Change from Prior Year	82.3%	(5.1)%	(8.5)%	(4.9)%
Gasoline Sales (Millions of Gallons)	431.0	404.0	406.0	408.0
Percentage Change from Prior Year	8.1%	(6.3)%	0.6%	(0.1)%
Population (000s)	1,026.1	1,034.2	1,041.9	1,049.3
Percentage Change from Prior Year	1.3%	0.8%	0.7%	0.7%
Real Per Capita Disposable Income	\$32,373	\$32,581	\$33,099	\$33,661
Percentage Change from Prior Year	1.4%	0.6%	1.6%	1.7%
Aggregate Earnings Rate	\$50,453	\$51,872	\$53,356	\$54,852
Percentage Change from Prior Year	4.5%	2.8%	2.9%	2.8%
Consumer Price Index (CPI) Western Region (Percent Change)	2.8%	3.3%	2.4%	2.0%
Personal Consumption Deflator (Percent Change)	1.9%	2.2%	2.0%	2.3%

Source: Economic Outlook, May 2019, Economics and Business Research Center, Eller College of Management, The University of Arizona.

¹ Calculated by combining retail sales (less food) with restaurant and bar sales.

HOW TO USE THIS BUDGET

This document guide outlines the City of Tucson's Fiscal Year 2019/20 Adopted Budget. Copies of the budget are available for viewing at the Joel D. Valdez Main Library, the City Clerk's Office, and the Budget office. In addition, the budget may be viewed on the City of Tucson web site, <https://www.tucsonaz.gov/finance/budget>. Information may be obtained by calling the Budget office at (520) 791-4551 or e-mailing the office at budget@tucsonaz.gov.

The Adopted Budget is organized as follows.

City Manager's Message - This section includes the letter from the City Manager transmitting the budget to the Mayor and Council and an overview of the budget. In the transmittal letter, the City Manager highlights the strategic approach to maintaining the City financial strength.

Policies and Legal Requirements - Financial policies and practices, debt management policy, and State and local legal provisions are presented, including the process for budget adoption and setting the property tax, public hearings, and a property tax summary.

Funding Sources - This section of this document offers descriptions of the City's funds, detailed discussion on the various revenue sources and includes a historical summary of certain revenues for each fund.

Department Budgets - This section provides an overview of the departments' budgets. Within each department is a summary of its services, significant changes, key measures of performance, descriptions of the department's operating programs, and the financial and personnel resources that support each program.

Capital Improvement Program - This section provides a summary of the approved Five-Year Capital Improvement Program.

Glossary - The glossary and acronyms/initialisms define terms used in the budget.



Section A

City Manager's Message



We Protect and Serve Our Community



CITY OF TUCSON

OFFICE OF THE CITY MANAGER

July 1, 2019

To the Honorable Mayor and Council Members:

I am pleased to present the City of Tucson Fiscal Year 2019/20 Adopted Budget totaling \$1.556 billion. The Budget is the financial plan that determines the manner in which the City's services will be provided to the community during the coming year, and its adoption is the most important action the Mayor and Council take each year. Under the leadership of the Mayor and City Council, we worked together to implement a sustainable financial plan and the result of this is a structurally balanced budget.

The City of Tucson voters continue to show their confidence by approving a \$225.0 million General Obligation bond package for capital improvements dedicated to City park amenities, connections for mobility, and greenways. The City does plan to issue bonds in the spring of 2020. Until that time, Mayor and Council approved to accelerate projects which include improvement of two pools by summer 2019 and improvements to seven pools and the construction of three new splash pads prior to summer of 2020. For Connection projects, the design process did begin for the select Phase 1 projects in order to be shovel-ready once the first bond issuance is completed.

Confidence is also shown from our credit ratings. Our continued efforts to improve our financial condition are noticed by the credit rating agencies Fitch, Standard & Poor's (S&P), and Moody's. All three agencies left their ratings from prior years intact. This means the City continues to be identified with high ratings and a stable outlook, which will help minimize associated cost of issuing the recently approved General Obligation bonds dedicated to the City parks and connections initiative. This year we issued water revenue bonds and S&P revised their outlook from stable to positive. It is gratifying to see that the rating agencies note our financial stability and affirm this with their actions.

The Fiscal Year 2019/20 Budget

The budget process touched many leaders from the City's staff and together we created the detailed plan documented in this book. The plan is based on the following principles:

- Mayor and Council objectives
- Structurally balanced budget for the City
- Support employees now and in the future
- Excellence in service to our citizens
- Challenge outdated methods of doing business
- Create a flexible and agile work force
- Demonstrate our pride in public service
- Maintain the highest standards of conduct
- Simplify our processes through the maximization of technology

As noted in the previous year's budget, employee retention and recruitment continues to be a challenge for our organization. We began the discussion on the Employee Retention Plan three years ago and have, over the course of the years through the Mayor and Council's support, implemented the Plan as designed. As an employee focused organization, it is vital that we compensate our employees commensurate with the market in order to hire and retain the best leading to excellent customer service for our community. Since November, 2016, we have used various compensation strategies from: one-time distributions; 2% and 2.5% annual salary increases; and decompressing our public safety commissioned employees. In this budget, the focus will be on the lowest paid 40 classifications which do not include public safety commissioned officers, skill-based pay, or magistrates. The first step will be to bring those 40 classifications to market and to decompress those positions due to wage stagnation. The next step is to adjust the wages of 28 employees to a new minimum wage of \$13.20 per hour. Fire and Police command staff along with all other non-commissioned classifications will be decompressed. This decompression may not align with market and assumes that work performance is at least satisfactory to move through the pay scale. Along with the wage increases, Mayor and Council also approved absorbing the total health insurance increase in this budget and not passing that increase on to employees.

Not only are employee compensation issues being addressed, we are also establishing a Self-Insurance Health Trust Fund. Under the self-insurance model, the City retains full control of all funding decisions and plan design options including selection of the healthcare network and all investment decisions. The Health Insurance Trust Fund is an internal service fund much like the Self-Insurance Risk Management Fund. The revenues recorded in the fund mainly come from employee, employer and retiree payments, along with pharmacy rebates. The budget includes capacity for medical claims payments, stop loss premiums, administration costs and fees, and funding the reserve account.

Along with the focus on employees, we look for new ways to provide excellent customer service. The Parks and Recreation and Police Departments are implementing the new Park Ranger Program. Ten Park Rangers (Community Service Officers) will be hired to enhance safety, and respect for park rules and the public landscape. Park Ambassadors (park maintenance workers) will all be introduced to team up with the Park Rangers for increased visibility and a friendly neighborly presence while performing park maintenance needs during later afternoon hours to dusk.

During Fiscal Year 2018/19, the Environmental and General Services department expanded its Brush & Bulky service to coordinate with the Transportation Department crews to provide a more holistic approach to areas where crews were working. While environmental services crews are in an area to service the pick-up of large bulk trash during their normal two-times/year cycle, they are expanding their efforts to also trim weeds and remove overgrown brush in the right-of-way. Additionally, as crews notice street issues, they are alerting the Transportation Department of these needs so they can be coordinated.

Looking Ahead

The next five years will bring new challenges. There will be increased demand for expenditures which includes legally mandated costs and practical considerations. We anticipate increased revenue, but the expenditures are expected to increase faster than revenue, demanding careful planning and strategic decision making. Therefore, in order to develop adequate plans, we will be monitoring the following areas closely:

- Public safety pension costs will continue to rise into the foreseeable future. The City is making full contributions over the longer amortization period to minimize its short-term funding requirements. Stronger revenues from improving economic conditions should allow the City to fund this obligation without diminishing services.
- We must continue to modernize and optimize the technology used to serve the Tucson community towards our goal of being a Smart City. We have many antiquated systems throughout the organization that need upgrading and replacement and we are making modest investments in our highest priority needs. We will have to continue to challenge ourselves to review technology utilization and system efficiencies to drive internal productivity and potentially identify funds that can be leveraged for further improvements. Attention will be focused on the basic assumptions behind our technology systems and processes that have evolved over many years. This will be a big effort and will affect all aspects of city government, but is necessary to ensure the value of our information technology services are maximized.
- The recent approval of Proposition 101 gave us much needed relief for public safety facilities, vehicles, and equipment, along with increased funding for road maintenance. In terms of our vehicle fleet, we are undergoing an extensive review of our light-duty size and utilization requirements with the goal of right-sizing a significant portion of our fleet. We aim to identify efficiencies in this area that will reduce the level of funding requirements while still meeting our needs. In terms of non-public safety facility needs, we are attempting to direct limited resources to the highest priority needs of both City staff and publicly utilized facilities. We are implementing energy-efficient solutions to ensure that aging facilities are operated more cost-effectively. These needs must be strategically addressed in order to support the services residents expect.
- The Environmental and General Services Department is in the process of responding to challenges and additional processing costs that it has incurred due to global recycling market disruptions. The City's recycling program continues to incur additional costs to process and market the collected recyclables to satisfy with stricter regulation. In order to reduce operating and maintenance costs of the program, beginning this fiscal year, the City changed its residential recycling service from once-a-week pick-up to every-other-week while continuing to recycle all recyclable items currently accepted by the City's recycling program. We are taking proactive steps to ensure funds for this program remain stable.
- The upcoming 2020 Census is extremely important for the City because the census population numbers are used in formulas that determine how many dollars are allocated to the City. For the second year in a row, we will work with our regional partners to ensure we have a strong marketing campaign to ensure all Tucson citizens are counted. Included in the adopted budget is \$200,000 in support of this effort.

In summary

As the Arizona economy remains optimistic and revenue growth is still strong, we do need to be aware of managing future financial risks. The length of the current national economic recovery is approaching the record for the longest post-World War II expansion. Economic conditions during Fiscal Year 2018/19 pulled through without a recession, which tied the record at 120 months. Leading economists predict the onset of a recession by the end of calendar year 2020. Current world trade disputes, rising interest rates and the year-end stock market drop are the primary reasons for the forecaster's pessimism. For these reasons, it is imperative that we manage our financial resources by taking incremental steps and adjusting as necessary. One way that we are managing is by focusing on our current employees and the retention plan and limiting the number of new full-time equivalents (FTEs) reintroduced into our budget. We also continue to challenge the way we do business to ensure value to the taxpayers. This requires critical analysis of the internal structure and corresponding policies that govern our daily work.

Acknowledgments

I want to thank the Mayor and City Council for your leadership and guidance in the construction of this adopted budget. I also want to thank all City departments and staff for their dedication and commitment to the Tucson community. Special thanks are due to employees in the Budget Office for their commitment and long hours dedicated to preparing this budget.

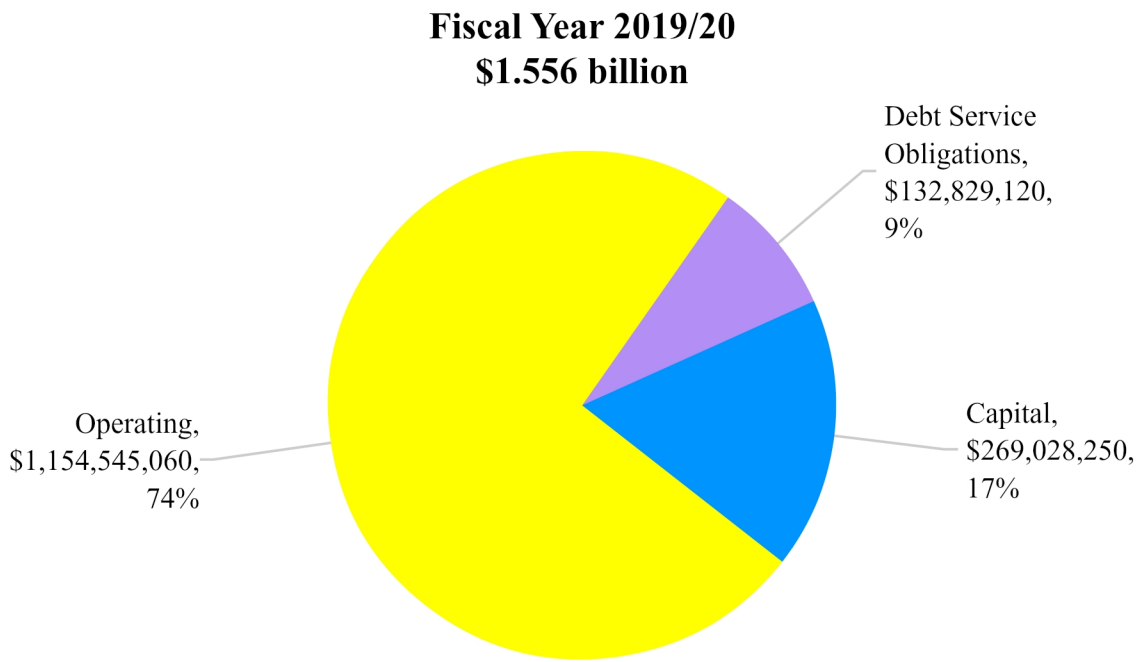
Respectfully submitted,

Michael J. Ortega, P.E.
City Manager

BUDGET HIGHLIGHTS

The Tucson City Charter requires that the City Manager submit a recommended budget for the following fiscal year on or before the first Monday in May, or on such date in each year as shall be fixed by the Mayor and Council. The Mayor and Council review the City Manager's recommended budget and as required by the State of Arizona, adopt a balanced budget on or before the third Monday in August. For Fiscal Year 2019/20, the recommended budget was submitted on April 23, 2019 and was adopted by the Mayor and Council on June 4, 2019.

The Fiscal Year 2019/20 Adopted Budget totals \$1.556 billion representing an increase of \$53.0 million over the Fiscal Year 2018/19 Adopted Budget of \$1.503 billion. The total operating budgets for all funds is \$1.155 billion, an increase of \$141.0 million or 13.9% over last year's total operating budget of \$1.014 billion. The Capital Improvement Plan for Fiscal Year 2019/20 is \$269.0 million, an decrease of \$84.7 million or 23.9% from last year's total capital budget of \$353.7 million. The City's debt service obligations total \$132.8 million, a decrease of \$2.3 million or a 1.7% reduction over Fiscal Year 2018/19 of \$135.1 million.



The City's budget is comprised of a number of different funds which are set up to accomplish different functions. This allows for segregation and tracking of costs for different city operations and programs. The table on the following page shows the dollar amount budgeted by fund type.

Fiscal Year 2019/20 (\$ millions)					
Fund Type	7/1/2019 Estimated Beginning Fund Balance	Estimated Revenues	Interfund Transfers	Total Financing Resources Available	Adopted Expenditure Budget
General Fund	\$ 119.3	\$ 566.4	\$ (56.6)	\$ 629.1	\$ 526.5
Enterprise Funds	216.6	325.4	2.0	544.0	365.8
Special Revenue Funds	114.3	284.5	50.4	449.2	330.4
Internal Service Funds	51.8	93.4	—	145.2	97.2
Capital Project Funds	40.3	105.1	1.1	146.5	98.5
Debt Service Funds	1.3	42.2	3.1	46.6	45.9
Fiduciary Fund	816.4	101.5	—	917.9	92.1
Total	\$ 1,360.0	\$ 1,518.5	\$ —	\$ 2,878.5	\$ 1,556.4

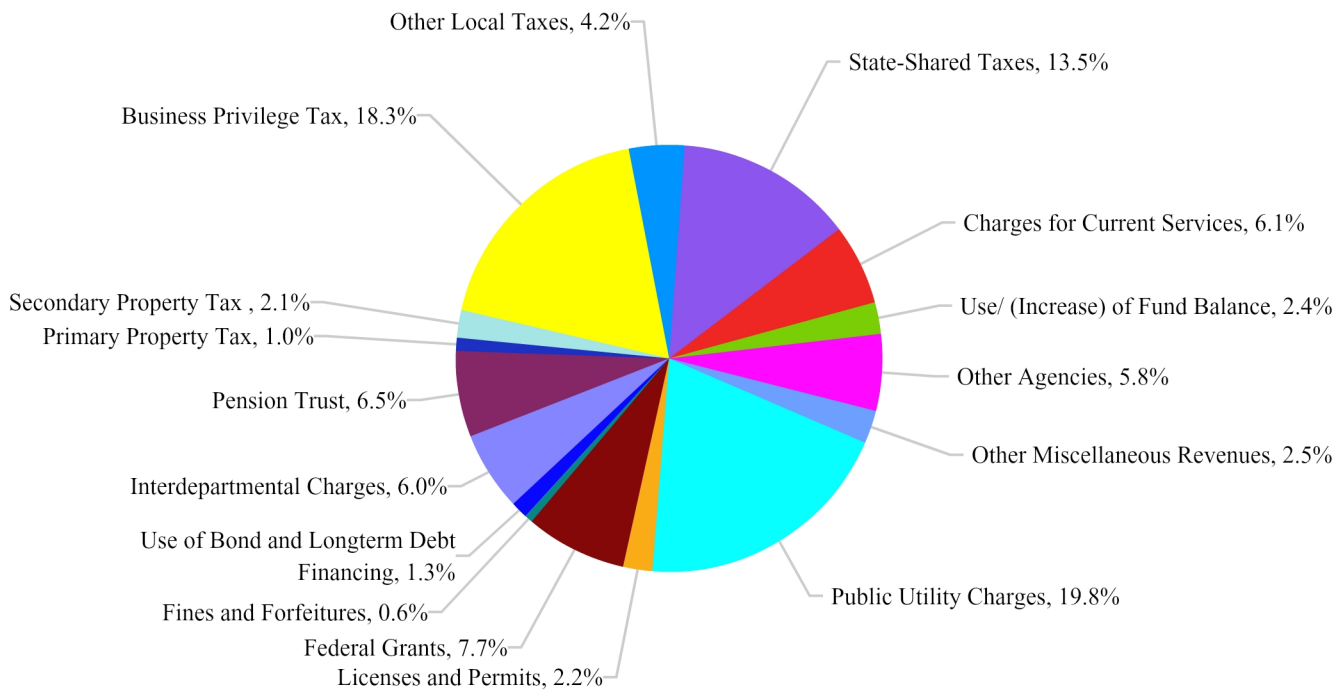
The General Fund, which receives the sales and other tax revenues to provide for traditional government services such as Police, Fire, and Parks and Recreation, makes up 33.8% of the total expenditure budget. The three largest enterprise funds, funded by fees paid by users of the services are: Tucson Water, Environmental Services and Tucson City Golf which make up 23.5% of the total budget. The remainder is attributable to other operating or special revenue, debt service, internal service, and fiduciary funds. Amounts for future debt retirement, capital projects, and financial stability are included in the total financing resources available.

City Revenues

Revenues funding the operation of the government come from various sources, as illustrated by the chart below. The single largest source of revenue for Fiscal Year 2019/20 comes from Public Utility charges which are 19.8% of total revenues. This is the second year of the water rate package approved by Mayor and Council in Fiscal Year 2017/18. The business privilege tax is the next largest revenue source at 18.3% which is the major funding source for the General Fund. The business privilege tax rate for most business activities is 2.6%; 2% of collections are used to fund General Fund operations; 0.5% is restricted for public safety capital needs and road repairs; and 0.1% is for zoo operating and capital needs.

The graph on the following page illustrates the City's multiple funding sources for Fiscal Year 2019/20:

Revenues
Fiscal Year 2019/20
\$1.556 billion



City Property Taxes

The City imposes two taxes on property within the city limits: a primary and secondary property tax. A single assessed value, called the Limited Property Value (LPV), is used for both the primary and secondary tax levies. The growth in the LPV is limited to no more than 5% per year, excluding new construction.

The Arizona State Constitution limits the amount of ad valorem taxes levied by a city to an amount not to exceed 2% greater than the maximum allowable levy in the preceding year. This levy limitation permits additional taxes to be levied on new or annexed property which may be taxed at the allowable rate computed for property taxed in the preceding year. Property annexed by November 1 will be taxable in the following year. The Fiscal Year 2019/20 revenues reflect the 2% allowable increase.

The combined property tax rate for the Fiscal Year 2019/20 Adopted Budget is \$1.3810 per \$100 of assessed valuation, which is a decrease of \$0.1009 from the prior year. As allowed by state law, the City will adjust the primary property tax levy by the actual cost of involuntary torts or claims paid in Fiscal Year 2017/18.

The involuntary tort levy amount is \$265,140 which is \$2,290,440 less than the amount from prior year; this decreased the estimated primary property tax by \$0.0675 per \$100 of assessed valuation. The involuntary tort revenue will be a reimbursement to the City’s Self Insurance Fund. There is a decrease to the secondary tax rate that is required to repay the annual general obligation bond principal and interest obligations. The \$0.1009 decrease in the combined rate would mean a decrease of \$10.09 annually for an owner of a home with a \$100,000 actual valuation.

Property Tax Comparison

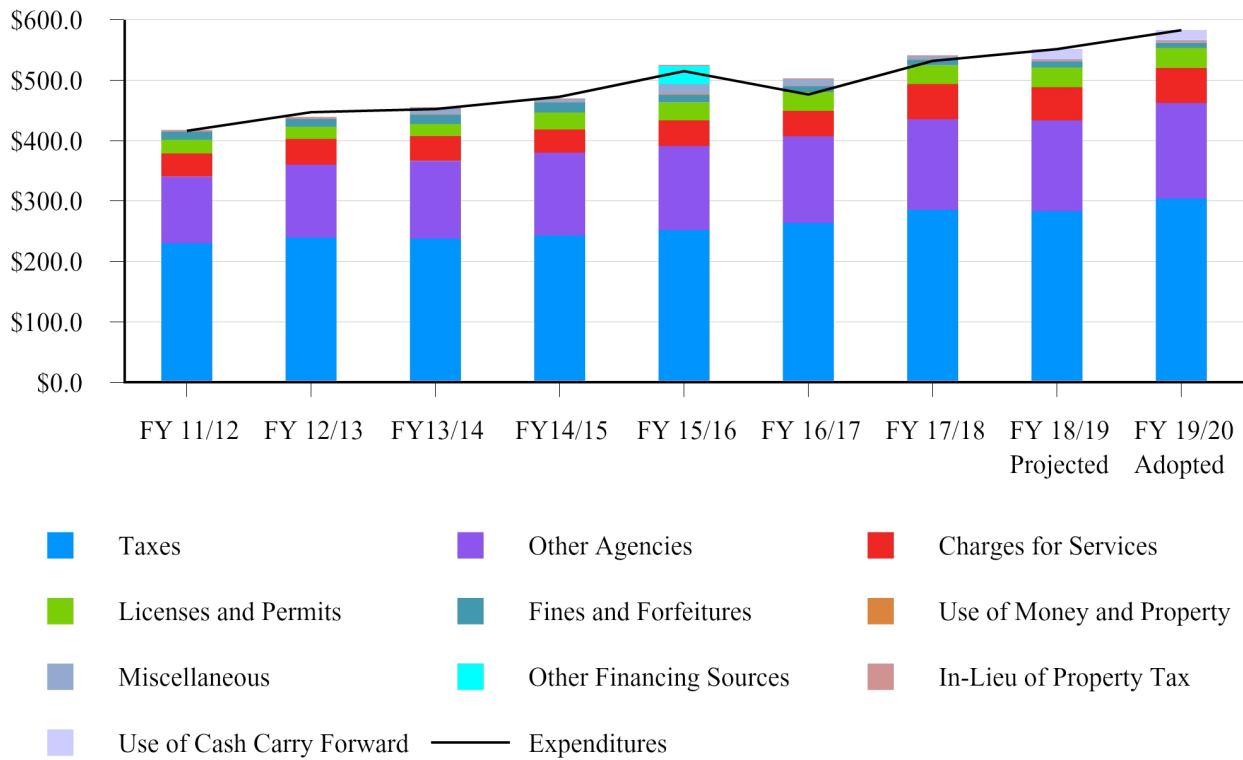
Rate Changes:	Actual FY 18/19	Adopted FY 19/20	Change Increase/ (Decrease)
Primary Property Tax	\$ 0.4562	\$ 0.4481	\$ (0.0081)
Primary Property Tax - Involuntary Tort	0.0749	0.0074	(0.0675)
Secondary Property Tax	0.9508	0.9255	(0.0253)
Total	\$ 1.4819	\$ 1.3810	\$ (0.1009)

General Fund Overview

This year's budget is balanced without having to institute short term strategies to reduce expenditures. This was in large part due to capturing permanent reductions to expenditures from previous years and an upward trend to the City's business privilege taxes. Although this is positive, like in previous years, we will continue to review and change when necessary the organizational structure of the City to ensure that we are working as efficient as we can to provide necessary services to the community.

The following chart illustrates the General Fund financial improvement starting in Fiscal Year 2015/16, with ongoing revenues exceeding or are expected to exceed expenditures with comparison to budget through this year. In addition, Fiscal Year 2018/19 through Fiscal Year 2019/20, cash carry forward will be used to pay for one-time expenditures.

General Fund Expenditures and Revenues Fiscal Year 2011/12 - Fiscal Year 2019/20



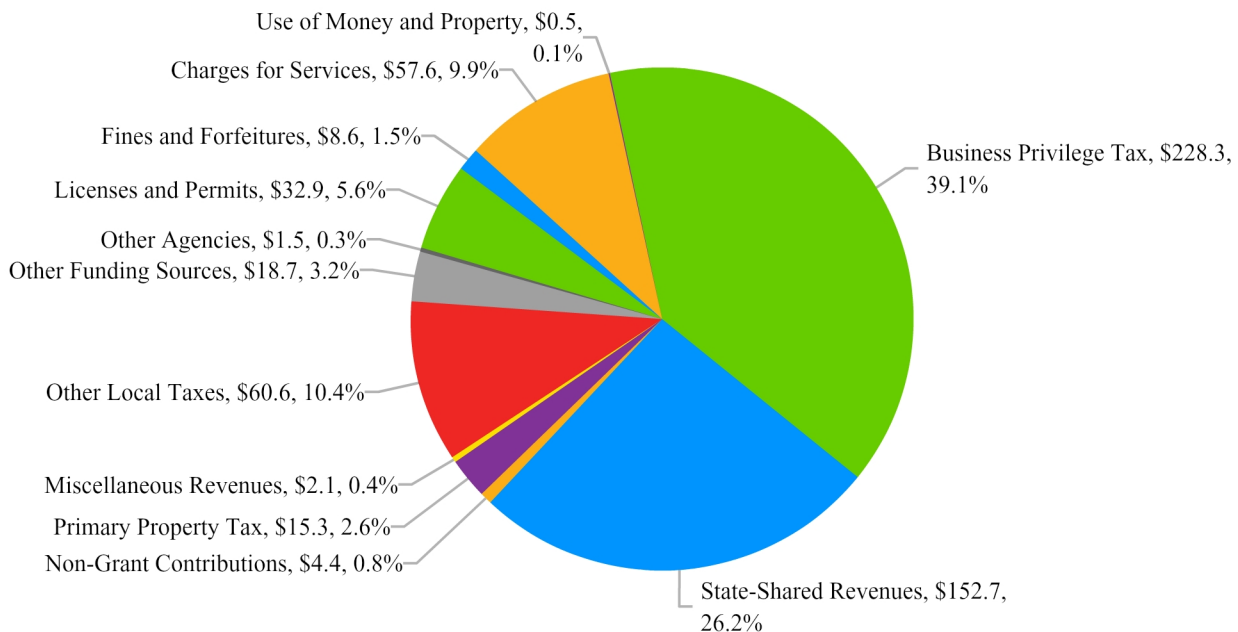
General Fund Revenue

The City continues to see an upward trend in business privilege tax, a major revenue source for the General Fund, with retail and restaurant growth exceeding projections and one-time construction sales taxes contributing a major role in the revenue increase. The federal tax package and regulatory reform has helped fuel consumer confidence, and indicators show that modest growth will continue absent a major financial shock.

To align with the City's strategic goals, we will continue to maintain the General Fund revenue base balanced between taxes, intergovernmental shared revenues, and other revenue sources such as: licenses and permits, user fees, and miscellaneous revenues. This year's budget includes a total of \$583.2 million in General Fund revenue which is a \$31.6 million increase or 5.7% more than the Fiscal Year 2018/19 Adopted Budget of \$551.6 million. The General Fund is supported by business privilege tax revenue. The business privilege tax revenue of \$228.3 million or 39.1% of the total represents the largest single source of General Fund revenue. Other local taxes, including utility, use, transient occupancy, and liquor taxes account for a total of \$60.6 million or 10.4% of the total revenues. State-shared revenues (income, sales, and auto lieu) account for a total of \$152.7 million or 26.2% of the total revenues.

The City's business privilege tax for Fiscal Year 2019/20 Adopted Budget of \$228.3 million is \$9.1 million more than Fiscal Year 2018/19 projected revenues of \$219.2 million. State shared revenue estimates used in this year's budget are based on information from the Arizona League of Cities. This year's budget includes an increase of \$8.8 million more than Fiscal Year 2018/19 projected revenues. A large portion of the increase is generated by state shared income tax revenue growth primarily in the individual income tax category over Fiscal Year 2016/17 collection levels.

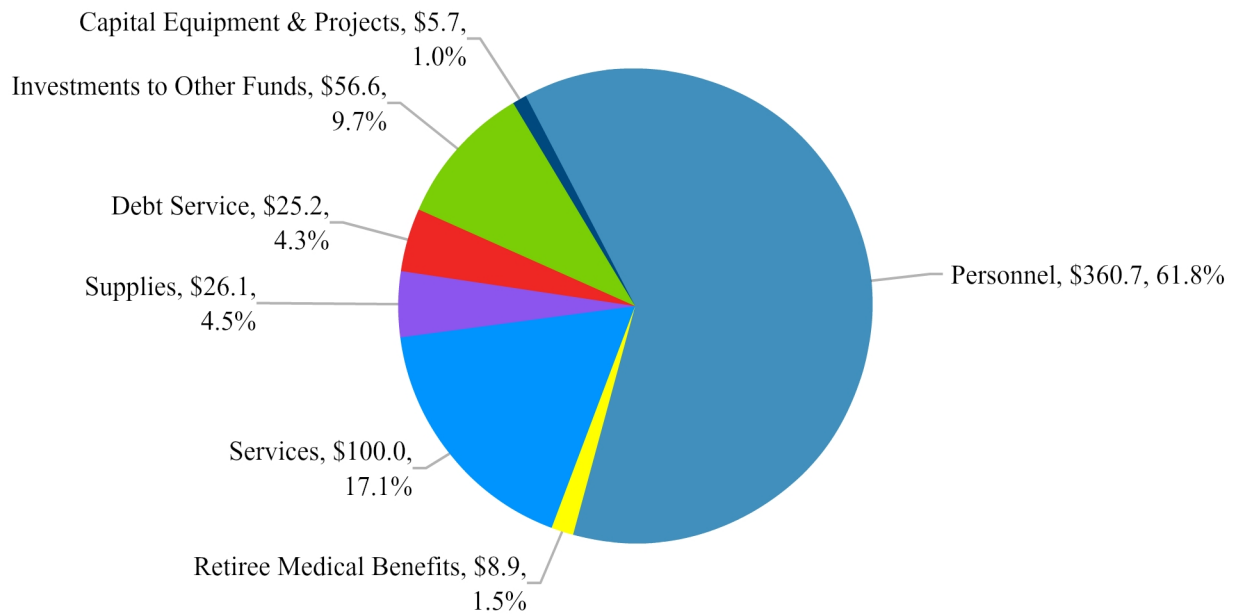
Fiscal Year 2019/20 General Fund Revenues \$583.2 million



General Fund Expenditures

The single largest investment is in personnel at \$360.7 million or 61.8% of total General Fund expenditures, an increase of \$18.3 million from Fiscal Year 2019/20. Operating expenses, costs for post-employment, services, commodities, and capital equipment make up an additional \$140.7 million or 24.2% of the total General Fund expenditures. Debt service obligations are \$25.2 million or 4.3% and Investments to Other funds are \$56.6 million or 9.7% of the total General Fund expenditures. Investments to Other funds are cash transfers to the Transit System, Tucson Convention Center, and Development Fee Funds.

Fiscal Year 2019/20 General Fund Expenditures \$583.2 million



The General Fund is organized into seven functions: the largest being Public Safety and Judicial Services; this function includes Police, Fire, Public Safety Communications Center, City Court, and the Public Defender’s Office; Community Enrichment and Development includes the quality of life type services provided by the City’s Parks and Recreation Department, Planning and Development Services, Transportation, and Housing and Community Development; Elected and Official function includes Mayor and Council, City Manager, City Attorney, and City Clerk; Support Services function includes; Business Services, General Services, Human Resources, and Information Technology; Public Utilities consists of Environmental Services code enforcement; General Government includes outside agencies, debt service, and general expense; and Investments to Other funds are primarily transfers for development fee waivers on behalf of low income housing and the Transit System and Tucson Convention Center, that cover the difference between the costs of operations and the revenue generated.

Total General Fund Expenditures (\$ millions)				
Function	Adopted FY 2018/19 Budget	Adopted FY 2019/20 Budget	Dollar Amount Change	Percentage Change
Elected and Official	\$ 17.5	\$ 19.7	\$ 2.2	12.6 %
Public Safety and Justice Services	277.2	293.7	16.5	6.0 %
Community Enrichment and Development	36.2	38.6	2.4	6.6 %
Support Services	94.7	92.7	(2.0)	(2.1)%
Public Utilities	1.8	2.4	0.6	33.3 %
General Government	70.2	79.5	9.3	13.2 %
Investments to Other Funds	54.0	56.6	2.6	4.8 %
Total	\$ 551.6	\$ 583.2	\$ 31.6	5.7 %

The General Fund overall increase from the Fiscal Year 2018/19 Adopted Budget of \$551.6 million to the Fiscal Year 2019/20 Adopted Budget of \$583.2 million is \$31.6 million. The increase spans across most functions. The major factors attributing to the overall budget increase are the following:

The Fiscal Year 2018/19 adopted budget included the costs of one-half year for 2% salary adjustment for most employees. This adjustment was a target as several cost cutting measures or ongoing revenue increases had to occur in order for the City to fund this additional expense. Given the upward trend in the General Fund business privilege taxes, Mayor and Council approved the funding for wage adjustments. The ongoing annual cost of \$6.2 million beginning in this year's budget.

For Fiscal Year 2019/20, the focus is on addressing the wage adjustments for the lowest paid 40 classifications. The first step is to bring those 40 classifications to market equivalency and to decompress those positions. The next step is to raise the wages of 28 employees to a new minimum of \$13.20 per hour. Fire and Police command staff, along with all other non-commissioned classifications, will be decompressed. The General Fund include \$5.4 million to fund these costs.

The Tucson Fire Department's budget includes funding to address high emergency call volume and the ever changing community service demands. The goal is to expand service delivery, help stabilize costs, increase flexibility, and provide for peak staffing during high call volume times. This budget includes \$1.2 million to fund 17 new civilian FTEs: 1 Emergency Medical Service Manager, 7 Emergency Medical Technicians, 7 Paramedic, 1 Logistics Administration and 1 Prevention Administrator.

The new Park Ranger Program introduced by Parks and Tucson Police Department will be implemented to enhance safety, and respect for park rules and the public landscape. Ten new Community Service Officer positions were added in this budget exclusively for this program. The costs for these new positions will be approximately \$0.6 million.

As in prior years, we will continue to add an additional 20 police officers. The Fiscal Year 2018/19 Adopted Budget authorized sworn police positions were 866. During the fiscal year, a sergeant position was eliminated and two detective positions were added. In Fiscal Year 2019/20, the total authorized sworn police positions will be 887. This budget includes \$1.5 million to fund these position salaries, training and equipment.

Planning and Development Services plays an essential role in the City's economy through regulation of land development and associated building construction. Over the last three years, the department has improved customer service through culture change, updated technology, and continuous process improvement. The department's current focus is on rebuilding professional staff, implementing a new permitting system, and creating a One-Stop Development Center to better serve the community. This budget includes three new FTE's at a cost of \$300,000 to manage the volume of complex development applications. These additional resources will help meet statutory review time lines and respond to the recent building demand. In addition, \$235,000 is budgeted to pay costs for temporary labor required to help with the overflow.

The Environmental and General Services Department is in the process of responding to challenges and additional processing costs that it has incurred due to global recycling market disruptions. The City's recycling program continues to incur additional costs to process and market the collected recyclables to satisfy with stricter regulation. In order to reduce operating and maintenance costs of the program, beginning this fiscal year, the City changed its residential recycling service from once-a-week pick-up to every-other-week while continuing to recycle all recyclable items currently accepted by the City's recycling program. This strategy is designed to reduce operating and maintenance costs of the program in the amount of \$1.4 million. In addition to the operational changes, an allocation from the General Fund of up to \$2.0 million is included in this year's budget to help cover increased recycling processing costs.

General Fund - Fund Balance

The status of the General Fund Unrestricted Fund Balance is critical to the financial health of the City. It has implications for the City's access to the financial markets and the cost of borrowing in order to finance needed infrastructure and facility projects. Our efforts to improve our financial condition continue to be noticed by the credit rating agencies Fitch, Standard and Poor's (S&P), and Moody's. All three agencies continue to identify the City with high ratings and stable outlook.

Certain revenues are subject to constraints either externally imposed by creditors, grantors, contributors, laws or regulations of other governments; or are imposed by law through constitutional provisions (i.e. state assessment fee, vehicle impoundment fee, forfeitures). If the City is unable to spend the restricted revenues by fiscal year end, then the remaining unexpended funds increase the General Fund's restricted fund balance. A department may plan to spend the restricted funds in the following fiscal year.

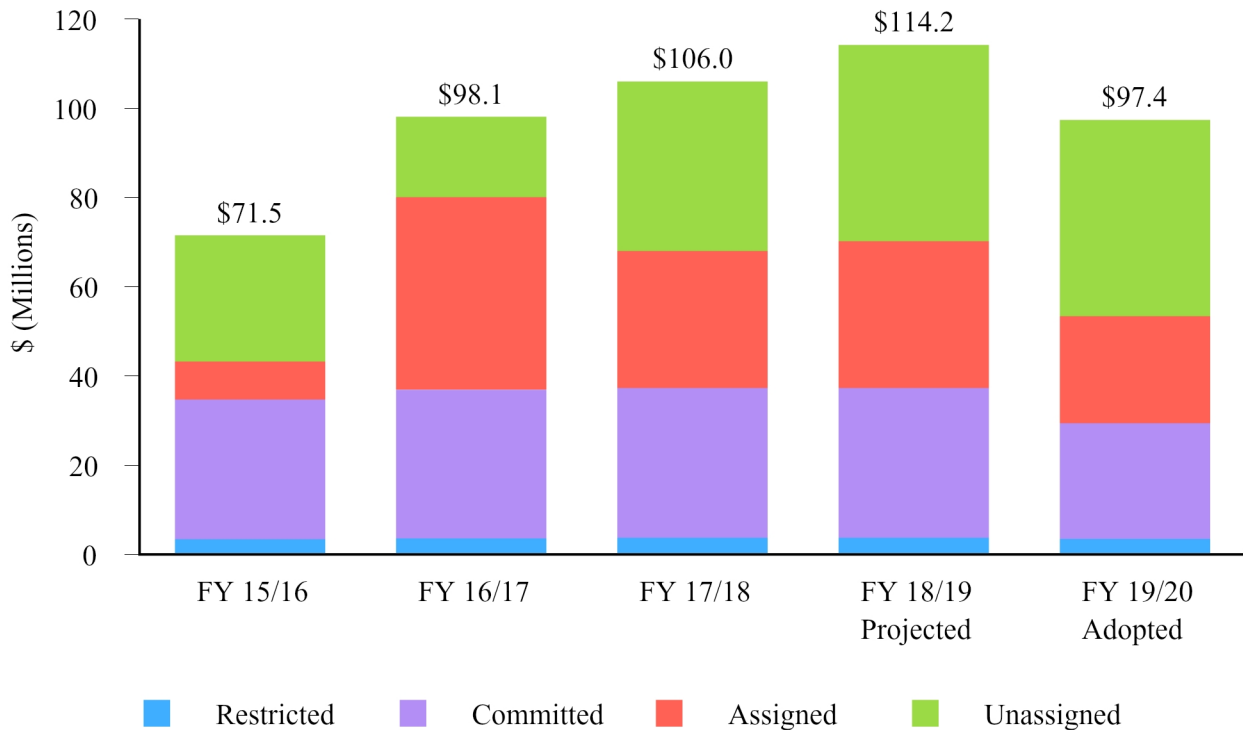
In Fiscal Year 2010/11, Mayor and Council established a Stabilization Fund within the Committed Fund Balance category with a minimum policy goal of 10.0% of prior year General Fund revenues or \$53.9 million and a goal of 7.0% for the Unassigned Fund Balance. At the end of Fiscal Year 2017/18, the Stabilization Fund was \$22.8 million, or 4.3% of operating revenues. The Unassigned Fund Balance, or residual net resources, was \$38.0 million or 7.1% of revenues, which is slightly above the Mayor and Council's target of 7.0% minimum or \$37.8 million to meet policy.

The Fiscal Year 2018/19 ongoing projected revenues are expected to exceed ongoing projected expenditures by approximately \$8.1 million. This is based on an improving economy generating greater than expected recurring revenues. Separately, the City identified one-time expenditures of \$8.0 million and withdrew from assigned fund balance for that purpose. These one-time expenditures included payment for an accounting software system upgrade, fire recruit class, employee distributions, technology software, non-public safety vehicles, and building maintenance. Development agreements construction sales tax and permitting revenues will add to committed fund balance. Restricted fund balance is projected to remain flat while remaining use of fund balance will be applied to unassigned fund balance.

For Fiscal Year 2019/20, the City is expecting to draw \$7.8 million from committed funds to purchase land parcels from the restricted annexation account and to pay for development agreement reimbursements. Another \$8.9 million from assigned funds is budgeted to pay for employee distributions, elections and campaign finance, the 2020 census, a new permitting software system, fiber optic relocation, city hall elevator and air conditioning unit replacement, public works building renovation, asset management system and upgrade of laboratory information management system. Restricted fund balance remain flat from the previous year.

The graph on the following page illustrates the General Fund actual and projected fund balance by category. The fund balance amounts do not include Non-spendable Fund Balance.

**General Fund
Fund Balance
Fiscal Year 2015/16 - Fiscal Year 2019/20**



Personnel Overview

Salaries and benefits make up 47.1% of the total operating budget and 61.8% of the General Fund budget. Traditionally, these costs tend to increase at a higher rate than other operating costs. For Fiscal Year 2019/20, there is an increase of 97 FTE positions from 4,491 authorized in Fiscal Year 2018/19 to 4,588. The increase to positions is primarily due to the addition of public safety positions for 20 new police officers and 20 community resource officers, 17.5 Fire department administrative and EMT positions, 5 grant funded crime scene specialist and detective positions. In addition, 11 court clerks, 1 pro tempor judge position, 4 grant funded housing positions, 1 public defender position, 1 city attorney, 2 risk management positions, 3 parking service agents, 8 streets positions, and 3 positions to help support development services.

Salary and Benefits Costs

We began the discussion on the Employee Retention Plan three years ago and have, over the course of the years implemented the Plan as designed. Since November 2016, we have employed various compensation strategies, including one-time distributions, 2.5% and 2% annual salary increases, decompression of public safety commissioned employees, and specific employee categories where recruitment and retention are challenging. We have also expanded employee benefits to include additional vacation leave accrual, parental leave, and LifeCare, which helps employees with aging parent and child care needs.

In order to compete for and retain quality employees in today’s market place, this year's budget includes adjustments to bring 40 classifications to market equivalency and to decompress those positions. The next step is to raise the wages of 28 employees to a new minimum of \$13.20 per hour. Fire and Police command staff, along with all other non-commissioned classifications, will be decompressed. This decompression may not align with market and assumes that work performance is at least satisfactory to move through the pay scale. The total projected cost is \$8.7 million, with the General Fund estimated at \$5.1 million and all other funds at \$3.6 million. A one-time distribution to employees in an amount not to exceed \$1,500 per employee is also included in this budget, total estimated cost is \$4.0 million.

In Fiscal Year 2018/19, the City established the Health insurance Trust Fund. Under this model, the City retains full control of all funding decisions and plan design options including selection of the healthcare network and all investment decisions. This year's budget includes a 6.6% health care increase. The increase amount citywide is \$2.5 million from the Fiscal Year 2018/19 adopted budget of \$45.8 million to \$48.3 million. The General Fund amount will be \$34.5 million, an increase of \$1.8 million from the Fiscal Year 2018/19 amount of \$32.7 million.

The new Health Insurance Trust Fund is an Internal Service fund much like the Self-Insurance Risk Management Fund. The revenues recorded in the fund mainly come from employee, employer and retiree payments, along with pharmacy rebates. The adopted budget includes capacity for medical claims payments, stop loss premiums, administration fees, funding the reserve account, staff salaries and a new enrollment system. This year's budget is \$72.8 million for this fund.

Pension costs are determined by an independent actuarial study. The Tucson Supplemental Retirement System (TSRS) employer pension rate is the same as Fiscal Year 2018/19 at 27.5%. In Fiscal Year 2019/20, employee pension costs are \$40.2 million, an increase of \$3.1 million from the Fiscal Year 2018/19 adopted budget of \$37.1 million. The increase is primarily due to wage and salary adjustments.

The City's Public Safety Personnel Retirement System (PSPRS) funding goal ratio is 100% (fully funded) by June 30, 2046. In order to achieve this goal sooner, the City will continue to strive to make additional payments above the annual amount required to pay into the pension funds, as determined through annual actuarial valuation. In Fiscal Year 2018/19, an additional payment totaling approximately \$8.3 million was made. In this budget, we expect to pay an additional payment of approximately \$3.5 million.

The Police and Fire PSPRS pension increased slightly from \$73.0 million in Fiscal Year 2018/19 to \$73.4 million in Fiscal Year 2019/20. The increase is primarily due to the addition of new police officer positions and decompression to fire fighters and command staff pay.

Based on the outcome of previous lawsuits surrounding Senate Bill 1609, passed by the Arizona Legislature in 2011, the PSPRS Board of Trustees reached the conclusion that the creation of a Tier 1b member class with different benefits almost certainly would be found unconstitutional if challenged in court. The PSPRS Board decided to roll back the Contributory Deferred Retirement Option Plan (DROP) for the Tier 1b members. The City will be required to refund contributions plus interest to employees in the DROP. The refunds are projected to cost the City \$0.9 million and are anticipated to be paid to employees by June 30, 2019. If the refunds are not paid by the end of Fiscal Year 2018/19, cash carry forward will be set aside to make these payments at the beginning of Fiscal Year 2019/20.

The table on the next page details citywide personnel expenditures:

Total Personnel Expenditures (\$ millions)

Personnel Costs	Adopted FY 2018/19	Adopted FY 2019/20	Dollar Amount Change Increase/ (Decrease)	Percentage Change
Salaries and wages	\$ 243.76	\$ 262.54	\$18.78	7.7 %
Extra and overtime	23.95	23.36	(0.59)	(2.5)%
Employer Pension Contributions:				
Elected Officers	0.11	0.11	—	— %
Police ²	44.23	44.26	0.03	0.1 %
Fire ²	28.81	29.22	0.41	1.4 %
Tucson Supplemental Retirement System	37.14	40.22	3.08	8.3 %
FICA	11.11	13.54	2.43	21.9 %
Workers' Compensation	7.70	7.43	(0.27)	(3.5) %
Group Health Plans	48.74	51.18	2.44	5.0 %
Compensation for earned leave accrual	2.53	2.48	(0.05)	(2.0)%
Sick leave paid out upon retirement	0.44	0.46	0.02	4.5 %
Other personnel expenditures ¹	2.48	1.91	(0.57)	(23.0)%
Total	\$ 451.00	\$ 476.71	\$25.71	5.7%

¹Other personnel expenditures include uniform allowance, second language pay, downtown employee allowance, state unemployment, meal allowance, paramedic certification, fire prevention pay, compressed natural gas certification, and wellness incentive.

²Police and Fire Pension expenditures include deferred compensation contributions.

Other Funds Highlights

Tucson Water Utility Fund

The Tucson Water Utility operating revenues are projected to be \$245.8 million for Fiscal Year 2019/20, an increase of 4.5% from the Fiscal Year 2018/19 projection of \$235.3 million. On May 22, 2018, Mayor and Council approved a 6.8% increase on water sales followed by a 6.5% revenue increase for Fiscal Years 2018/19 and 2019/20, respectively. This is the second year of the two-year water rate package; the average single family household will see an increase of approximately \$3.1 per month.

Fiscal Year 2019/20: \$222.7 million of water sales revenue, of which \$209.1 million is projected to be generated from existing rates and \$13.6 million to be generated by an increase in water rates. A review of the multi-year rates will occur during the next budget cycle to help ensure projected revenues are adequate to cover the utility's operating and capital costs.

Tucson Water plans on purchasing its full Central Arizona Project (CAP) Water allocation each year. The projected cost for CAP is \$35.0 million in Fiscal Year 2019/20, an increase of \$8 million from Fiscal Year 2018/19.

Environmental Services Fund

In Fiscal Year 2018/19, the Environmental and General Services Department expanded its Brush & Bulky service to coordinate with the Transportation Department crews to provide a more holistic approach to areas where crews were working. Twice a year, while ES crews are picking up large bulk trash, they are now also trimming weeds and removing overgrown brush in the right-of-way. Additionally, as they notice street issues, they are alerting Transportation of these needs so they can be coordinated. Savings from producing and mailing inserts enabled the department to fund additional Department of Correction, work crews to help in the effort.

The department is also in the process of responding to challenges and additional processing costs incurred due to global recycling market disruptions. Processing costs for recyclables have caused the program's costs to rise dramatically. The spike in recycling costs is a primary, but not the only driver in the department considering rate adjustments after

nine years of rate stability. While the matter is not currently an emergency, we want to take proactive steps to ensure the fund remains on stable financial footing to address both its near-term and long-term financial obligations.

Highway User Revenue Fund (HURF)

For Fiscal Year 2019/20, HURF projections include one-time revenues of \$2.0 million from the sale of Broadway-related properties, the County contribution to the Houghton project of \$2.0 million, and use of fund balance of \$3.1 million. The Transportation Department will be increasing the pavement maintenance program by \$0.8 million and the landscape maintenance program by \$0.4 million. An investment of \$0.5 million will be made to the connected vehicles efforts, and other smart technology to enhance communication equipment and connectivity for safety. Approximately \$0.7 million will be invested in the maintenance program for streetlight wiring and traffic signal replacements. The \$3.1 million of cash carry forward will be used for the design and construction of the roads from the Swan/Valencia annexation and for the design and construction of the Santa Cruz River Park bank repairs.

Park Tucson

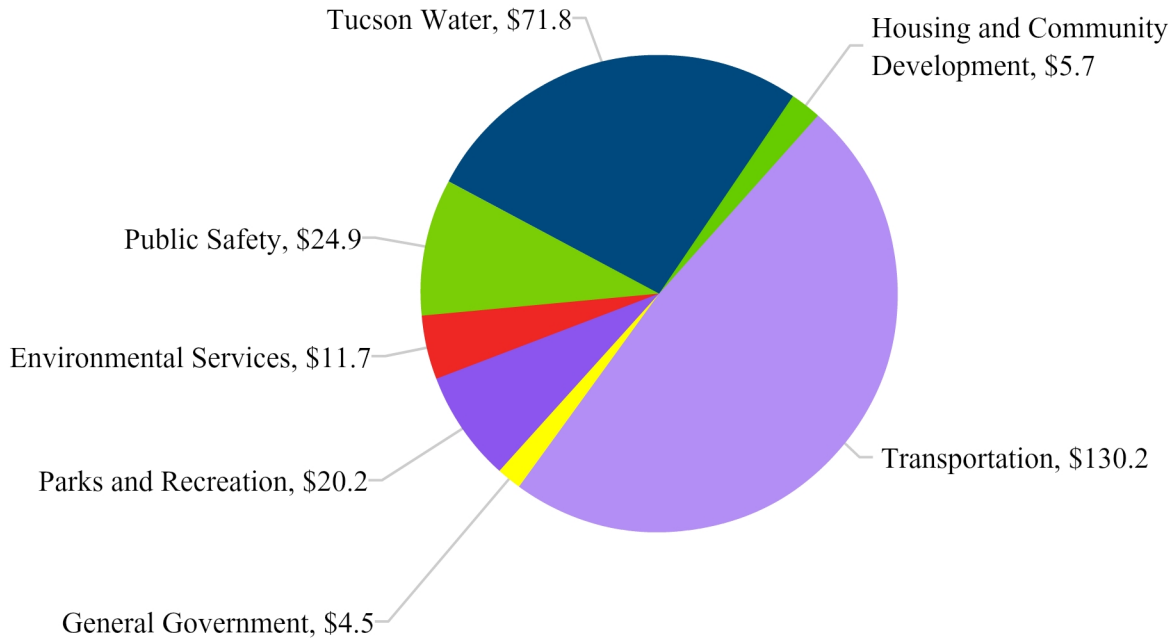
Working with stakeholders, Park Tucson is evaluating the expansion of metered parking in the Mercado District (200 spaces), extending enforcement hours to evenings and weekends, and implementing a potential rate increase. There are also plans to continue technology upgrades for a parking guidance system at Centro Garage, a license plate recognition system to aid enforcement and a merger with the GoTucson Transit app (GoTucson Parking). New programs include partnerships with private lot owners to manage parking facilities, an enhanced booting program, and a City employee commuting program. Park Tucson is anticipating spending \$0.1 million for the new pay stations serving Mercado on-street parking and other parking lots.

Capital Improvement Program

The Adopted Five-Year Capital Improvement Program (CIP) covering Fiscal Years 2019/20 through Fiscal Year 2023/24 totals \$1.2 billion. The Fiscal Year 2019/20 CIP plan is estimated at \$269.0 million, \$84.7 million less than Fiscal Year 2018/19. Section E of this book includes a complete listing of the proposed capital projects to be implemented during Fiscal Year 2019/20, summaries for each capital improvement funds provide a five-year look into the future.

The capital improvement plan budget is shown by department in the following chart:

**Fiscal Year 2019/20
CIP Budget by Department
\$269.0 million**



The Transportation Department’s Fiscal Year 2019/20 CIP plan is \$130.2 million. The department has 91 projects in the plan with funding sources from the Regional Transportation Authority (RTA), Better Streets Improvement Fund, Pima County bond proceeds, and development fees. Limited funding is provided from Highway User Revenue Fees, general obligation bond proceeds, and Federal Highway Administration Grants.

On November 6, 2018, the voters approved Proposition 407, a \$225.0 million General Obligation bond package for capital improvements dedicated to City park amenities, connections for mobility, and greenways. The Fiscal Year 2019/20 CIP plan for parks and connections includes \$11.7 million for park improvements, pool improvements, splash pads, and connections for mobility projects.

The Public Safety Department’s Fiscal Year 2019/20 CIP plan is \$24.9 million for capital needs funded with the restricted Five-Year sales Tax. The projects funded are only on items approved by the voters and spending is overseen by a citizen oversight commission. Revenues and expenditures related to the sales tax increase are segregated in the Safer City Improvement Fund. Funded projects include facility upgrades and new construction, new vehicles, technology upgrades, air support equipment, and personnel safety equipment.

Funding from enterprise fund CIP projects comes from operating funds revenues on a pay-as-you-go basis, as well as, revenue bond proceeds. The Tucson Water Department’s Fiscal Year 2019/20 budget is \$71.8 million. The department has 121 projects in the plan for facility improvements, main replacements, potable upgrades, meter replacements, and reservoir rehabilitation.

Parks and Recreation includes zoo projects which will be funded by the voter approved sales tax increase. This initiative provides funding for new animal and naturalistic habitats, and infrastructure in Gene C. Reid Park Zoo. Projects include African Safari Lodge, Asia Exhibits, New Entry and Treetop Playhouse. This year’s Parks and Recreation budget includes \$4.7 million to fund these improvement projects.

Budget Development Process

The budgetary process is governed by both State and City legal requirements and provides an opportunity for citizen comment. Within the framework of identified community priorities and policy initiatives, the Mayor and Council review the City Manager's recommended budget and make adjustments as necessary. Following this review and public hearings to obtain taxpayer comments, the Mayor and Council adopt the budget and property tax levy. The budget calendar for Fiscal Year 2019/20 can be found on page iii.



Section B

Policies and Legal Requirements



We are Stewards of the Public's Trust

FINANCIAL POLICIES and PRACTICES

In addition to legal requirements set by State law and the City Charter, the Mayor and Council adopted Comprehensive Financial Policies as recommended by the Government Finance Officers Association (GFOA) in December 2012 and approved a revision to the Policies in November 2014. These policies establish guidelines for the City's overall fiscal planning and management and are intended to foster and support the continued financial strength and stability of the City as reflected in its financial goals. Following these principles will enhance the City's financial health as well as its image and credibility with its citizens', the public in general, bond rating agencies, and investors. It will protect the Council's policy-making ability by ensuring important policy decisions are not controlled by financial problems or emergencies.

The Comprehensive Financial Policies are available in their entirety on the City Finance Department's website at https://www.tucsonaz.gov/files/finance/Comprehensive_Financial_Policies_Nov_2014.pdf.

Balanced Budget

The city shall adopt a balanced budget so expenditures approved for City purposes will not exceed the estimate of income expected from all sources, including available balances from prior years. This policy applies to expenditures and revenues within each fund such that each fund is individually balanced. Furthermore, one-time funding sources should only be used for one-time expenditures to avoid a future imbalance caused by funding recurring expenditures with one-time revenues or balances from prior years.

Pursuant to the adopted Policies, the City of Tucson has adopted a structurally balanced budget and considered the long-term impact on the City's financial health. The City will continue to maintain balanced operating budgets and reduce liabilities as quickly as possible.

Operating Management Policies

- Department directors are expected to manage their areas with the overall financial health of the City in mind and to look for effective and efficient ways to deliver quality services to our citizens while meeting the goals of the City Council.
- All personnel requests must be fully justified to show they will either meet new program purposes or maintain or enhance service delivery.
- Revenue projections will be based on historical trends by developing base lines for ongoing types of revenues. Conservative but realistic revenue projections will be prepared to assess the limits of budget appropriation.
- User fees and charges, which are approved by the City Council, will be periodically analyzed and updated to ensure sufficient cost recovery.
- Development fees will be reviewed each year and adjusted if necessary.
- Each department will create performance measurements to make sure the goals and objectives of the department are obtained in an efficient and effective manner.
- Investments of cash funds will be maintained in accordance with the City Charter and State Statutes.
- The City will pursue outstanding collections through revenue collectors and perform audits on businesses to ensure compliance with the State and City Tax Code.

Capital Management Policy

The purpose of the Capital Improvement Program (CIP) is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance to established policies.

- The City will develop, maintain, and revise when necessary a continuing CIP.
- The CIP must include a list of proposed capital improvements with cost estimates, funding sources, time schedules for each improvement, and estimated operating and maintenance costs.
- The CIP will cover a five-year planning horizon, identifying infrastructure and facility projects along with the funding sources available for projected expenditures.

Revenue Diversification

The City cannot meet the growing demand for services without diversifying its revenue base. Although the State places certain restrictions on raising revenues, restrictions due to the City Charter can be lifted if approved by the voters. The City must continue in its efforts to expand revenues such as fees for services, and to remove limitations set by the City Charter where feasible.

General Accounting Policies

- The City complies with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) statements in accounting for and presenting financial information.
- The modified accrual basis of accounting is used for all governmental fund types, while other fund types including enterprise funds comply with the full accrual basis of accounting.
- An annual audit is performed by an independent public accounting firm. The audit opinion is included in the City's Comprehensive Annual Financial Reports (CAFR).
- The City's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program.
- Financial systems will be maintained to monitor revenues and expenditures.

Budgetary Policies

Arizona law Title 42 Arizona Revised Statutes (ARS) requires the City Council to annually adopt a balanced budget by purpose of public expense. The City budgets revenues and expenditures on the basis of a fiscal year which begins on July 1 and ends on the following June 30.

- The budget will be prepared using the best practices and procedures set out by the GFOA and the GASB.
- The budget will be prepared in accordance with the policies and priorities of the Mayor and Council, including the City's Comprehensive Financial Policies and approved strategic plan.
- The budget will reflect the needs being met, services provided, resources used, and sources of funds.
- Annually, the Mayor and Council is to adopt a balanced budget on or before the third Monday in June preceding the beginning of the fiscal year, which sets out that year's revenues and appropriations for each program and item of expenditures.
- The City will adopt a balanced budget without using non-recurring funding sources to defray recurring expenditures.
- Consistent with the annual budget process, a five-year capital improvement program will be approved.
- The adopted annual budget is the basis for the implementation, control, and management of that year's programs and use of funds.
- The City's budget will be submitted to the GFOA Distinguished Budget Presentation Program.

Fund Balance Policy

An important component of good fiscal practice for any organization is to have a policy on the amount of reserves to be maintained, the purposes for which their use is allowed, and the manner in which reserves are restored after use. Fund balance is an important indicator of the City's financial position.

Fund Balance is comprised of Non-spendable, Restricted, Committed, Assigned, or Unassigned components. This policy refers to unrestricted fund balance which would include the latter three fund balance components: Committed, Assigned, or Unassigned.

The City of Tucson's General Fund unrestricted fund balances will be maintained to provide the City with sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing. This is needed to maintain the City's creditworthiness and to adequately provide for economic and legislative uncertainties, cash flow needs, and contingencies.

Committed Fund Balance

- Mayor and Council action is required to “commit” and “un-commit” funds for a specific purpose.
- The City will maintain a stabilization fund or “rainy day fund” as a committed fund balance in the General Fund of 10% of General Fund revenues. The City is currently not in conformity with this goal but will strive to achieve it within five years.
- The stabilization fund may only be used if specific action is taken by Mayor and Council after the unassigned/contingency fund balance is depleted. The stabilization fund will be funded from balances having remained unspent in assigned fund balance after one fiscal year.
- In the event the stabilization fund must be used to provide for temporary funding, the City must restore it to the ten percent level over a period not to exceed five fiscal years following the fiscal year in which the event occurred. If the depletion of the stabilization fund was a result of an ongoing economic downturn, the City’s goal is to restore the fund balance within five years of revenue stabilization.

Assigned Fund Balance

- The Business Service Director will approve any designation to “assigned” fund balance as deemed appropriate for potential future needs. Typically, the year-end assigned fund balance represents those fund balance monies budgeted for use in the following fiscal year or for known expenditures in the future.
- If fund balance is assigned, Mayor and Council will be informed within 180 days after the June 30th fiscal year-end.

Unassigned Fund Balance

- A target of a minimum of 7% of General Fund revenues will be “unassigned/contingency”, with the intention to provide additional stability to the General Fund recognizing the cyclical nature of the economy and the volatility of the major revenue sources of the City.
- Funds in excess of the seven percent target will be retained in the unassigned General Fund balance, and may be considered to supplement “pay as you go” capital outlay expenditures, or may be used to prepay existing City debt.
- These funds may not be used to establish or support costs that are recurring in nature.

Investment Policy

The Tucson City Charter and State Statutes authorize the City to invest in obligations of the U.S. government, its agencies and instrumentalities, money market funds consisting of the above, repurchase agreements, bank certificates of deposit, commercial paper rated A-1/P-1, corporate bonds and notes rated AAA or AA, and the State of Arizona Local Government Investment Pool. Investment maturities shall be scheduled to enable the City to meet all operating requirements which might be reasonably anticipated. Surplus and idle money related to the day-to-day operation of the City may be invested in authorized investments with a final maturity not exceeding five years from the date of investment.

Comparison to the Basis of Accounting for the CAFR

- The structure of City funds is generally the same in the budget and the CAFR. However, because the CAFR uses either a modified accrual or full accrual basis of accounting, there are differences in how revenues and expenses are treated in specific areas.
- Where the General Fund contributes to a special revenue fund, those special revenue funds do not carry an unreserved fund balance because only the amount of General Fund required to cover expenses and obligations are transferred. This treatment is essentially the same in both the budget and the CAFR.
- The budget does not record expenditures such as depreciation that are accrued under GAAP.

DEBT MANAGEMENT POLICY

This policy is a component of the adopted Comprehensive Financial Policies. It has been developed to provide guidelines for the issuance of bonds and other forms of indebtedness to finance necessary land acquisitions, capital construction, equipment, and other items for the City and post-closing follow-up with respect to such financings.

The debt policy is to be used in conjunction with the Adopted Budget, the CIP, and other financial policies as directed by Mayor and Council. It will assist the City in determining appropriate uses of debt financing, establish debt management goals, provide guidelines resulting in the lowest cost of borrowing for each transaction, and assist the City in maintaining its current credit ratings, while assuming a prudent level of financial risk and preserving the City's flexibility to finance future capital programs and requirements.

The City of Tucson uses a variety of financing mechanisms to meet the long-term capital needs of the community. In determining an appropriate indebtedness program for the City, consideration is given to the following:

- Operating and maintenance costs associated with the Capital Improvement Program
- Federal and state laws and regulations, Tucson City Charter, and the Tucson Code
- Current outstanding debt requirements
- Source of debt repayment consistent with the capital project being financed
- Life of the capital project is equal to or greater than the term of the financing
- Proposed debt will not cause extraordinary tax or fee increases
- Proposed debt will not result in limiting the City's ability for future indebtedness

In all cases, the City aggressively manages the debt program, with the assistance of a financial advisor and bond counsel. Restructuring, refinancing, and advance bond refunding are used to limit the City's debt service costs and to provide maximum future borrowing flexibility. The City's debt program includes the following financing mechanisms.

General Obligation (GO) Bonds

Bond proceeds are used to finance capital projects for police, fire, parks and recreation, drainage, and other purposes. State law limits the amount of general obligation bonds that may be outstanding to 20% of assessed valuation for utility, open space, public safety, and transportation purposes and 6% of assessed valuation for all other purposes.

GO bonds are backed by the full-faith and credit of the City and are secured by secondary property tax. The Tucson City Charter currently sets an upper primary and secondary property tax limit of \$1.75 per \$100 of assessed valuation as a condition upon the City's continuing ability to impose and collect transaction privilege taxes. Therefore, state laws notwithstanding, the City will not levy a combined primary and secondary property tax that exceeds \$1.75. The City generally issues general obligation bonds with 20 year maturities.

Street and Highway Revenue Bonds

Bond proceeds are used to finance street improvement projects as defined by state law. State law limits the amount of bonds that can be sold. Prior fiscal year highway user revenue receipts, which are used to pay the bonds, must be equal to at least twice the highest annual debt service requirements for senior lien bonds and at least one and one-half times for junior lien bonds. Street and highway revenue bonds generally have a 20 year maturity.

Water Revenue Bonds and Obligations

Bond proceeds are used to finance capital improvements to the water system. By bond covenant, the City is limited to issuing bonds only if net revenues after operations are equal to at least 120% of the maximum future annual debt service requirement. To maintain a high credit rating and thus decrease borrowing costs, the City maintains 150% - 200% debt service coverage. Water revenue bonds and obligations are generally issued with 20 - 30 year maturities.

Special Assessment Bonds

Bond proceeds are used to finance improvement district projects. These bonds are payable by tax assessments against the benefiting property owners over a ten-year period. The final debt service payment was paid in Fiscal Year 2018/19.

Water Infrastructure Finance Authority (WIFA) Loans

In 1997, Arizona State Legislation increased the powers of the Wastewater Management Authority created in 1989 and permitted additional types of borrowers to access funds through the establishment of the WIFA. A part of this legislation provides WIFA the power to issue bonds to provide low interest rate loans to local governments related to the Clean Water Act. WIFA's funding source includes both Federal and State sources. In order to participate in the WIFA loan program, local governments must have existing bond authorization equal to the loan amount.

Clean Renewable Energy Bonds (CREBs)

In July 2005, Congress passed the Energy Tax Incentives Act of 2005 (the "Act"). Among a number of other tax incentives, the Act permits state and local governments, cooperative electric companies, clean renewable energy bond lenders and Indian tribal governments to issue CREBs to finance certain renewable energy and clean coal facilities.

CREBs are a form of tax credit bond in which interest on the bonds is paid in the form of federal tax credits by the United States government in lieu of interest paid by the issuer. CREBs, therefore, provide qualified issuers/qualified borrowers with the ability to borrow at a 0% interest rate. The federal tax benefit to the holder of a CREB is greater than the benefit derived from tax-exempt municipal bonds in that the tax credit derived from a CREB can be used to offset on a dollar-for-dollar basis.

The City began issuing CREBs in Fiscal Year 2009 and 2011, using this financing mechanism to fund the purchase and installation of solar panels for use on city buildings. The bond principal is being repaid from the electricity savings and rebates from Tucson Electric Power.

Non-Bond Debt: Lease Purchases and Certificates of Participation

These financing mechanisms are used when the projects involved are unsuitable for traditional bonding or a determination is made that alternative financing has advantages over bonding. The debt requirements for these financing mechanisms are payable from the City's recurring revenues and are subject to annual appropriation by the Mayor and Council. To minimize borrowing costs, the City generally purchases financing insurance and pledges collateral towards the debt repayment. Maturities for these debts range from 1 - 20 years, depending upon the nature of the project being financed.

As of July 1, 2018

Issue Type	Principal Outstanding	% of Total
Governmental Activities:		
General Obligation Bonds	\$ 174,640,000	19.38%
Highway Revenue Bonds	42,035,000	4.66%
Certificates of Participation	180,706,470	20.05%
Special Assessment Debt	36,000	—%
Clean Renewable Energy Bonds	8,577,200	0.95%
Capital Leases	15,268,590	1.69%
Total	\$ 421,263,260	46.74%
Business-Type Activities:		
Water System Revenue Bonds	\$ 470,175,140	52.16%
Certificates of Participation	9,803,530	1.09%
Capital Leases	103,870	0.01%
Total	\$ 480,082,540	53.26%
Total Indebtedness	\$ 901,345,800	100.00%

Bond Sales

2012 Bond Authorization Sales - In November 2012, the voters approved \$100,000,000 of General Obligation bonds for a five-year program to restore, repair, and resurface streets inside Tucson City limits. On April 19, 2017, Mayor and Council authorized the fifth installment of \$20,000,000 in General Obligation Bonds for this purpose and \$10,000,000 for refunding existing debt to take advantage of the low interest rate environment. Remaining proceeds were spent in Fiscal Year 2018/19.

Water System Revenue Obligations, Series 2018 - On May 22, 2018, Mayor and Council authorized the sale and issuance of water system revenue obligation bonds in an amount not to exceed \$26,000,000 to provide funds for the purposes of acquiring, constructing and improvement utility systems for the City. On June 27, 2018, \$23,935,000 of 2018 Water Revenue Obligations were issued and resulted with an interest cost of 3.043%.

Repayment Impact of Bond Sales

General Obligation Bond Debt Service - General obligation bond debt is paid off from the secondary property tax rate, which is determined each year by the levy required to meet the annual debt service divided by the City's projected secondary assessed valuation. For Fiscal Year 2019/20, the required levy to cover outstanding bonds is estimated at \$33,110,920, an increase of \$648,130 from the levy for Fiscal Year 2018/19. The Fiscal Year 2019/20 secondary property rate is estimated at \$0.9255 per \$100 of assessed valuation. The actual rate for Fiscal Year 2019/20 may be higher or lower depending on the final secondary assessed valuation set by Pima County later this Summer.

Street and Highway Revenue Bond Debt Service - Street and highway revenue bonds are repaid from state-shared Highway User Revenue Fund receipts. Repayment from this source in Fiscal Year 2018/19 was \$12,220,250 a decrease of \$4,682,200 over the previous fiscal year, further decreasing to \$12,143,750 in Fiscal Year 2019/20.

Enterprise Funds Debt Service - Enterprise Fund revenue bonds and other long-term obligations are payable solely from fees, charges for services, or rents paid by users of the service provided.

Special Assessment Debt Service - The City repaid the last of principal amount owed on June 30, 2019.

**DEBT SERVICE BY SOURCE OF FUNDS
PRINCIPAL AND INTEREST**

	FY 2018/19	FY 2019/20
General Government Funds¹		
General Fund	\$ 26,557,010	\$ 25,187,800
Community Development Block Grant Fund	15,280	15,280
Park Tucson Fund	1,762,190	1,815,300
Public Housing Section 8 Fund	68,590	68,590
Highway User Revenue Fund	1,266,750	1,443,460
Mass Transit Fund - Sun Link	1,513,060	1,512,010
General Obligation Bond Debt Fund	33,389,820	33,737,180
Street and Highway Revenue Bond Debt Fund	12,220,250	12,143,750
Special Assessments Fund	36,950	—
Total General Government Funds	\$ 76,829,900	\$ 75,923,370
Enterprise Funds²		
Environmental Services Fund	\$ 674,000	\$ 1,075,500
Tucson City Golf Fund	4,300	16,490
Tucson Water Utility Fund	55,031,910	55,813,760
Total Enterprise Funds	\$ 55,710,210	\$ 56,905,750
Total Indebtedness	\$ 132,540,110	\$ 132,829,120

¹ General Government Funds debt service payments are budgeted in General Governmental, except for Park Tucson where its debt service payments are budgeted within its respective department.

² Enterprise Funds debt service payments are budgeted in their respective departments.

LEGAL REQUIREMENTS

The City's budget is subject to requirements set by the State of Arizona's Constitution and Statutes, and the Tucson City Charter.

LEGAL REQUIREMENTS IMPOSED BY THE STATE

Tucson, like all cities in the State of Arizona, is subject to numerous budgetary and related legal requirements. Article IX, Section 20(1) of the Arizona Constitution sets out limits on the City's legal budget capacity. In general, the Mayor and Council cannot authorize expenditures of local revenues in excess of the expenditure limitation determined annually by the State of Arizona's Economic Estimates Commission (EEC). This limitation is based on the City's actual expenditures incurred during Fiscal Year 1980, adjusted to reflect subsequent inflation and population growth. Not subject to this limit are items such as bond proceeds, related debt service, interest earnings, certain highway user revenue funds, federal funds, monies received pursuant to intergovernmental agreements, and state grants which are to be used for specific purposes. Each year the EEC recalculates expenditure limitations for population growth and inflation, using the federal Gross Domestic Product (GDP) index to account for inflationary increases.

The City's limitation amount for Fiscal Year 2019/20 includes three voter-approved increases to the expenditure base. In November 1981, the voters passed an \$800,000 increase and in November 1987, the voters approved a \$46.9 million permanent increase to the base limitation and then in the November 2013 election, the voters approved an additional \$50.0 million permanent increase to the base limitation.

Property Tax Levy Limitation

The Arizona Constitution and Arizona Revised Statutes (ARS) specify a property tax levy limitation system. This system consists of two levies, a limited levy known as the primary property tax levy and an unlimited levy referred to as the secondary property tax levy. The primary levy may be imposed for all purposes, while the secondary levy may be used only to retire the principal and interest or redemption charges on general obligation bonded indebtedness.

Proposition 117, passed by Arizona voters in 2012, changes the method used to determine values used in calculating assessed values used for tax rates and levies. Beginning with tax year 2015, used for property tax revenues in Fiscal Year 2015/16, a single assessed value, called the Limited Property Value (LPV), was used for both the primary and secondary tax levies. The growth in the LPV is limited to no more than 5% per year, excluding new construction.

Primary Property Tax Levy: There is a strict limitation on how much the City can levy as a primary property tax. The primary property tax levy is limited to an increase of 2% over the previous year's maximum allowable primary levy, plus an increased dollar amount due to a net gain in property not taxed the previous year (ARS §42-17051). Even if the City does not adopt the maximum allowable levy from year to year, the 2% allowable increase will be based on the prior year's "maximum allowable levy." The "net new property" factor is included in the calculation to take into account all new construction and any additional property added to a community due to annexations. The 2% increase applies to all taxable property.

The Arizona State law allows cities and towns to include tort claim reimbursements in the primary tax levy. The property tax revenue represents a reimbursement to the City's Self-Insurance Fund for the actual cost of liability claim judgments paid during the prior fiscal year. The City of Tucson includes this reimbursement in its primary property tax levy.

Secondary Property Tax Levy: The secondary property tax allows the City to levy a property tax for the purpose of retiring the principal and paying interest on general obligation bonds. This property tax may be levied in an amount to make necessary interest payments on, and for the retirement of, general obligation bonds issued by the City.

Budget Adoption

State law (ARS §42-17101) requires that on or before the third Monday in July of each fiscal year, the Mayor and Council must adopt a tentative budget. Once this tentative budget has been adopted, the expenditures may not be increased upon final adoption. In effect, with the adoption of the tentative budget, the council has set its maximum "limits" for expenditure, but these limits may be reduced upon final adoption.

Once the tentative budget has been adopted, it must be published once a week for at least two consecutive weeks. The tentative budget must be fully itemized in accordance with forms supplied by the auditor general and included in the council meeting minutes.

State law (ARS §42-17104, §42-17105) specifies the city or town council must adopt the final budget for the fiscal year by roll call vote at a special meeting called for that purpose. The adopted budget then becomes the amount proposed for expenditure in the upcoming fiscal year and shall not exceed the total amount proposed for expenditure in the published estimates (ARS §42-17106). Once adopted, no expenditures shall be made for a purpose not included in the budget, and no expenditures shall be made in excess of the amounts specified for each purpose in the budget, except as provided by law. This restriction applies whether or not the city has at any time received, or has on hand, funds or revenue in excess of those required to meet expenditures incurred under the budget. Federal and bond funds are not subject to this requirement.

Adoption of Tax Levy

State law (ARS §42-17107) governing truth in taxation notice and hearing requires on or before February 10, the county assessor shall transmit to the city an estimate of the total net assessed valuation of the city, including an estimate of new property that has been added to the tax roll since the previous levy of property taxes in the city. If the proposed primary property tax levy, excluding amounts that are attributable to new construction, is greater than the amount levied by the city in the preceding year, the governing body shall publish a notice of tax increase. The truth in taxation hearing must be held prior to the adoption of the property tax levy.

The tax levy for the city must be adopted on or before the third Monday in August (ARS §42-17151). The tax levy must be specified in an ordinance adopted by the Mayor and Council. The levy is for both the primary and secondary tax.

Budget Revisions

ARS §42-17106 requires no expenditures be made for a purpose not included in the adopted budget in any fiscal year in excess of the amount specified for each purpose in the budget. The City of Tucson in its annual Budget Adoption Resolution defines “purpose” as a series of departments and offices organized into the following seven program categories:

1. Elected and Officials
2. Community Enrichment and Development
3. Public Safety and Justice Services
4. Public Utilities
5. Support Services
6. General Government
7. Fiduciary Funds

LEGAL REQUIREMENTS

The departments within a given program category are held accountable for their budget. Each department and the Business Services/Budget and Financial Planning office continuously monitor expenditures. Expenditures will be controlled by an annual budget at the purpose level. The City Council shall establish appropriations through the budget process. The Council or City Manager may transfer these appropriations as necessary through the budget amendment process. ARS §42-17106 permits the Mayor and Council, on the affirmation of a majority of the members at a duly noticed public meeting, to authorize the transfer of funds between program categories if the funds are available so long as the transfer does not violate the state set spending limitations.

Department directors are required to control expenditures to prevent exceeding their departmental expenditure budget. If budget changes are needed within a department budget, city departments prepare budget change requests identifying the areas to be increased and decreased. The Budget and Long-Term Financial Planning Division of the Business Services Department approves these budget change requests; under special circumstances the City Manager or his designee also approves the change requests. If there are major policy or program implications associated with a change, the City Manager may submit it to the Mayor and Council for approval. Once approved, the revised appropriation is entered into the City's financial management system.

LEGAL REQUIREMENTS IMPOSED BY THE TUCSON CITY CHARTER

Legal requirements of the Tucson City Charter related to limiting property taxes and scheduling of budget adoption are more restrictive than state law.

Property Tax Levy Limitation

Chapter IV, Section 2 of the Tucson City Charter sets an upper property tax limit of \$1.75 per \$100 assessed value. Therefore, state laws notwithstanding, the City cannot levy a combined primary and secondary property tax that exceeds \$1.75.

Fiscal Year

The fiscal year of the City begins the first day of July of each year. (Tucson City Charter, Chapter XIII, Section 1)

Submission of the Recommended Budget

The Tucson City Charter requires that the City Manager prepare a written estimate of the funds required to conduct the business and affairs of the City for the next fiscal year. This estimate, which is the recommended budget, is due on or before the first Monday in May of each year, or on such date in each year as shall be fixed by the Mayor and Council. (Tucson City Charter, Chapter XIII, Section 3)

Budget Approval

On or before the first Monday in June of each year, or on such date in each year as shall be fixed by the Mayor and Council, the City Manager is required to submit to the Mayor and Council an estimate of the probable expenditures for the coming fiscal year, stating the amount in detail required to meet all expenditures necessary for city purposes, including interest and sinking funds, and outstanding indebtedness. Also required is an estimate of the amount of income expected from all sources and the probable amount required to be raised by taxation to cover expenditures, interest, and sinking funds. (Tucson City Charter, Chapter XIII, Section 4)

Budget Publication and Hearings

The budget has to be prepared in sufficient detail to show the aggregate sum and the specific items allowed for each and every purpose. The budget and a notice that the Mayor and Council will meet for the purpose of making tax levies must be published in the official newspaper of the city once a week for at least two consecutive weeks following the tentative adoption of such budget. (Tucson City Charter, Chapter XIII, Section 5)

Adoption of the Budget and Tax Levy

Under Chapter XIII, Section 13 of the Tucson City Charter, any unexpended funds held at the conclusion of the fiscal year, other than funds needed to pay bond indebtedness, are no longer available for expenditure and must be credited against amounts to be raised by taxation in the succeeding fiscal year.

If a budget is adopted after the beginning of the fiscal year, Chapter XIII, Section 13 may bar the expenditure of any money until a budget is in place. The implications of Chapter XIII, Section 13 are two-fold. First, any non-bond related expenditure authority terminates on June 30. Second, since the clear implication of this section is that an adopted budget is necessary to provide expenditure authority, if a budget is not in place on July 1 the City cannot expend funds. To avoid any possible implications of not having a budget in place before the beginning of the fiscal year, it is advised that the Mayor and Council adopt a final budget on or before June 30.

The Mayor and Council are required to hold a public hearing at least one week prior to the day on which tax levies are made, so that taxpayers may be heard in favor of or against any proposed tax levy. After the hearing has been concluded, the Mayor and Council adopt the budget as finally determined upon. All taxes are to be levied or voted upon in specific sums and cannot exceed the sum specified in the published estimate. (Tucson City Charter, Chapter XIII, Section 6, and Ordinance Number 1142, effective 6-23-48)

City Ordinance Setting the Property Tax Rate

On the day set for making tax levies, and not later than the third Monday in August, the Mayor and Council must meet and adopt an ordinance that levies upon assessed valuation of property within the city a rate of taxation sufficient to raise the amounts estimated to be required in the annual budget. (Tucson City Charter, Chapter XIII, Section 7, and Ordinance Number 1142, effective 6-23-48)

**STATEMENT REQUIRED BY ARIZONA REVISED STATUTES §42-17102
RELATIVE TO PROPERTY TAXATION
PRIMARY AND SECONDARY TAX LEVIES
FISCAL YEARS 2018/19 AND 2019/20**

Property Tax	Adopted FY 18/19 Levy	Actual FY 18/19 Levy	FY 19/20 Maximum Levy Amount	Amount of Levy Increase/ (Decrease)	Percentage Levy Increase/ (Decrease)
Primary	\$ 15,575,400	\$ 15,575,400	\$ 16,031,060 ¹	\$455,660	2.9%
Primary - Involuntary Tort	2,555,580	2,555,580	265,140	(2,290,440)	(89.6)%
Secondary	32,462,790	32,462,790	33,110,920	648,130	2.0%
Total	\$ 50,593,770	\$ 50,593,770	\$ 49,407,120	\$(1,186,650)	(2.4)%

Property Tax	Actual FY 18/19 Rate	Estimated FY 19/20 Rate ²	Amount Rate Increase/ (Decrease)	Percentage Rate Increase/ (Decrease)
Primary	\$0.4562	\$0.4481	\$(0.0081)	(1.8)%
Primary - Involuntary Tort	0.0749	0.0074	(0.0675)	(90.1)%
Secondary	0.9508	0.9255	(0.0253)	(2.7)%
Total	\$1.4819	\$1.3810	\$(0.1009)	(6.8)%

¹ The primary property tax levy is limited to an increase of two percent over the previous year's maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed in the previous year, such as new construction and annexed property. The primary property tax levy is shown at the estimated maximum amount. The actual maximum amount may be less.

² Chapter IV, Section 2 of the Tucson City Charter currently sets an upper primary and secondary property tax limit of \$1.75 per \$100 assessed value as a condition upon the City's continuing ability to impose and collect transaction privilege taxes. Therefore, state laws notwithstanding, the City will not levy a combined primary and secondary property tax that exceeds \$1.75.



June 4, 2019

RESOLUTION NO. 23021

RELATING TO FINANCE; FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES BY THE CITY OF TUCSON FOR THE FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020; DECLARING THAT TOGETHER SAID EXPENDITURES SHALL CONSTITUTE THE BUDGET OF THE CITY OF TUCSON FOR SUCH FISCAL YEAR AND DECLARING THAT THE FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM (CIP) HAS BEEN APPROVED WITH THE FIRST YEAR OF THE CIP BEING ADOPTED AS PART OF THE AFOREMENTIONED BUDGET.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, and the Charter and Ordinances of the City of Tucson, the Mayor and Council are required to adopt an annual budget; and

WHEREAS, the Mayor and Council have prepared and filed with the City Clerk a proposed budget for the Fiscal Year beginning July 1, 2019, and ending June 30, 2020, which was tentatively adopted on May 21, 2019, and consists of estimates of the amounts of money required to meet the public expenses for that year, an estimate of expected revenues from sources other than direct taxation and the amount needed to be raised by taxation upon real and personal property; and

WHEREAS, due notice has been given by the City Clerk that this tentative budget with supplementary schedules and details is on file and open to inspection by anyone interested; and

WHEREAS, publication of the estimates has been made and the public hearing at which any taxpayer could appear and be heard in favor of or against any proposed expenditure or tax levy has been duly held, and the Mayor and Council are now convened in special meeting to finally determine and adopt estimates of proposed expenditures for the various purposes set forth in the published proposal, all as required by law;

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

SECTION 1. The Mayor and Council have finally determined the estimates of revenue and expenditures, as set forth in Schedules A, B, C, D, E, F, and G attached and incorporated herein by this reference, which will be required of the City of Tucson for the Fiscal Year beginning July 1, 2019 and ending June 30, 2020, and such finally determined estimates are hereby adopted as the budget of the City of Tucson for said fiscal year.

SECTION 2. The Purposes of Expenditure and the amount finally determined upon for each purpose, as set forth in this section, are necessary for the conduct of the business of the government of the City of Tucson, and such amounts and purposes shall constitute the adopted Expenditure Plan for the City for the 2019/20 Fiscal Year:

Final 2019/20 Budget

Elected and Official	\$ 20,027,730
Public Safety and Justice Services	338,259,040
Community Enrichment and Development	442,922,010
Public Utilities	341,618,100
Support Services	191,686,780
General Government	129,801,670
Fiduciary Funds	<u>92,087,100</u>
 TOTAL	 <u>\$ 1,556,402,430</u>

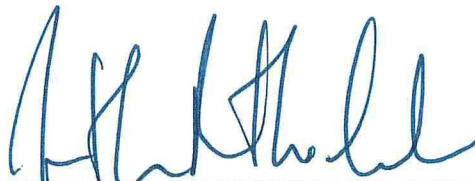
SECTION 3. That the Purposes of Expenditure and the amount finally determined upon for each purpose as set forth in this section constitutes the portion of the adopted budget of the City for the 2019/20 Fiscal Year which is subject to the State Budget Law:

<u>Purpose of Expenditure</u>	<u>Final 2019/20 Budget Subject to State Budget Law</u>
Elected and Official	\$ 19,581,270
Public Safety and Justice Services	316,287,970
Community Enrichment and Development	198,237,240
Public Utilities	282,831,290
Support Services	90,106,260
General Government	29,812,740
Fiduciary Funds	-0-
	<hr/>
TOTAL	<u>\$ 936,856,770</u>


SECTION 4. That money for any fund may be used for any of the purposes set forth in Section 2, except money specifically restricted by State or Federal law or City Charter, Code, Ordinances or Resolutions or bond covenants.

SECTION 5. That the Five-Year Capital Improvement Program (CIP), as summarized in Section E of the Recommended Budget Fiscal Year 2019/20, is approved with the first year of the CIP being adopted as part of the aforementioned budget.


PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Tucson, Arizona, this 4th day of June, 2019.




 MAYOR

ATTEST:


 CITY CLERK

APPROVED AS TO FORM:


 CITY ATTORNEY
 JS:mg
 5/28/2019 

REVIEWED BY:


 CITY MANAGER



Schedule A Resolution No. 23021
CITY OF TUCSON
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2020

Fiscal Year	Sch		FUNDS								
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Fiduciary Funds	Total All Funds
2019	E	1	497,634,490	342,692,520	45,654,020	144,693,910		363,658,080	16,428,300	92,057,920	1,502,819,240
2019	E	2	491,024,230	336,729,450	45,654,020	73,683,020		362,790,000	15,633,110	92,054,620	1,417,568,450
2020		3	119,275,170	39,838,560	1,264,000	114,834,470		216,587,580	51,848,860	816,386,820	1,360,035,460
2020	B	4	16,031,060						265,140		16,296,200
2020	B	5			33,110,920						33,110,920
2020	C	6	551,456,910	284,493,870	9,602,000	85,122,160		325,382,970	93,146,240	101,533,690	1,450,737,840
2020	D	7				20,000,000					20,000,000
2020	D	8		54,145,240	3,143,750	1,116,590		2,000,000			60,405,580
2020	D	9	(56,637,420)	(3,768,160)							(60,405,580)
2020		10									
LESS:		11			975,300						975,300
				11,249,500		118,530,910		51,161,550			180,941,960
			22,836,510					22,274,000	12,691,640		57,802,150
2020		12	607,289,210	363,460,010	46,145,370	102,542,310		470,535,000	132,568,600	917,920,510	2,640,461,010
2020	E	13	526,529,520	330,393,700	45,881,680	98,524,770		365,767,080	97,218,580	92,087,100	1,556,402,430

EXPENDITURE LIMITATION COMPARISON

	2019	2020
1. Budgeted expenditures/expenses	\$ 1,502,819,240	\$ 1,556,402,430
2. Add/subtract: estimated net reconciling items	—	—
3. Budgeted expenditures/expenses adjusted for reconciling items	1,502,819,240	1,556,402,430
4. Less: estimated exclusions	600,843,854	619,545,660
5. Amount subject to the expenditure limitation	\$ 901,975,386	\$ 936,856,770
6. EEC expenditure limitation	\$ 977,564,460	\$ 1,011,946,304

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Schedule B to Resolution No. 23021
CITY OF TUCSON
Tax Levy and Tax Rate Information
Fiscal Year 2020

	<u>2019</u>	<u>2020</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 18,130,990	\$ 16,296,200
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ —	
3. Property tax levy amounts		
A. Primary property taxes	\$ 18,130,990	\$ 16,296,200
B. Secondary property taxes	32,462,790	33,110,920
C. Total property tax levy amounts	<u>\$ 50,593,780</u>	<u>\$ 49,407,120</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 17,237,990	
(2) Prior years' levies	381,970	
(3) Total primary property taxes	<u>\$ 17,619,960</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ 31,828,380	
(2) Prior years' levies	650,000	
(3) Total secondary property taxes	<u>\$ 32,478,380</u>	
C. Total property taxes collected	<u>\$ 50,098,340</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.5311	0.4555
(2) Secondary property tax rate	0.9508	0.9255
(3) Total city/town tax rate	<u>1.4819</u>	<u>1.3810</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town does not have special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

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

Schedule C Resolution No. 23021
CITY OF TUCSON
Revenues Other Than Property Taxes
Fiscal Year 2020

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
GENERAL FUND			
Local Taxes			
Business Privilege Tax	\$ 211,442,410	\$ 220,011,610	\$ 228,278,070
Public Utility Tax	26,953,420	26,613,230	27,251,110
Use Tax	9,744,800	12,010,390	11,886,850
Transient Occupancy Tax	11,218,830	13,033,570	13,216,040
Room Tax	7,851,450	7,774,080	7,882,920
Pawn Broker Second Hand Dealer	386,810	276,040	363,370
Property Taxes - Prior Years	321,970	321,970	319,130
Government Property Lease Excise Tax	10,000	10,000	20,910
State Shared Revenues			
State Shared Income Tax	\$ 65,149,930	\$ 64,870,850	\$ 70,973,790
State Shared Sales Tax	52,672,090	53,503,020	55,435,810
State Shared Auto Lieu Tax	25,593,310	25,563,260	26,295,610
Licenses and Permits			
Utility Franchise Fees	\$ 15,321,630	\$ 15,321,630	\$ 15,248,910
Permits/Inspection Fees	8,000,000	7,130,200	7,548,500
Cable Television Licenses	2,730,280	2,730,280	3,229,950
License Application Fees	2,811,500	2,811,500	3,146,590
Animal License and Care Fees	1,100,000	1,100,000	1,100,000
Liquor License	939,980	939,980	1,024,720
Sign Regulation Fee	261,500	300	—
Litter Assessment Fee	200,000	230,000	252,330
Alarm Permit Fee	210,000	250,000	230,000
Telecommunications Licenses and Franchise Fee	165,000	157,510	165,000
Dealer Trade Show License	97,780	97,780	96,830
Fire Permit and Inspection Fees	635,600	781,230	781,230
Miscellaneous Licenses and Permits	136,250	161,480	31,120
Charges for Services			
Administration Charges	\$ 13,386,030	\$ 13,386,030	\$ 13,386,030
City Attorney	14,000	14,000	18,000
Environmental and General Services	19,810,190	19,537,290	19,572,490
General Government	405,000	794,910	676,590
Information Technology	67,590	67,590	—
Parks and Recreation	3,002,400	3,529,010	2,762,610
Planning and Development Services	3,627,800	3,758,300	3,627,800
Public Defender	88,000	88,000	88,000
Tucson Fire	10,200,590	12,938,030	12,138,030
Tucson Police	5,115,000	5,391,000	5,305,000
Fines and Forfeits			
City Attorney	\$ 250,000	\$ 250,000	\$ 250,000
City Court	8,142,230	7,257,800	6,797,000
Finance	18,270	18,270	21,490
General Government	—	800	—
Planning and Development Services	600	990	600
Tucson Fire	350	220	220
Tucson Police	1,427,000	2,101,000	1,543,100
Use of Money and Property			
Rentals and Leases	\$ 225,470	\$ 185,700	\$ 196,260
Interest Earnings	262,350	272,030	306,980
In-lieu Property Taxes			
Tucson Water Utility	\$ 1,873,340	\$ 1,873,340	\$ 2,013,720

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

Schedule C Resolution No. 23021
CITY OF TUCSON
Revenues Other Than Property Taxes
Fiscal Year 2020

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
Other Agencies			
Dispatch Services	\$ 1,125,100	\$ 1,131,530	\$ 980,000
University of Arizona Fire Service	141,430	146,660	146,660
Law Enforcement Training	250,000	40,000	330,000
Radio and Telephonic Services	37,460	30,000	—
Non-Grant Contributions			
General Government	\$ 993,100	\$ 943,620	\$ 1,148,790
General Services	246,980	200,000	—
Parks and Recreation	42,120	58,100	38,800
Tucson Fire Department	1,400,000	1,400,000	1,400,000
Tucson Police Department	1,913,000	1,765,400	1,798,000
Miscellaneous			
Miscellaneous Revenues	\$ 456,190	\$ 2,449,680	\$ 639,640
Rebates Purchasing Card	800,000	1,160,420	1,150,000
Recovered Expenditures	272,400	449,280	342,310
Total General Fund	\$ 519,548,530	\$ 536,938,910	\$ 551,456,910
SPECIAL REVENUE FUNDS			
Mass Transit Fund			
Passenger Revenue	\$ 11,230,490	\$ 11,120,290	\$ 10,863,990
Advertising Revenue	525,000	519,750	1,193,900
Regional Transportation Authority	8,570,940	8,570,940	9,468,330
Other Governmental Operating Assistance	5,651,650	5,882,900	6,273,290
Special Needs	1,246,720	1,246,720	1,226,000
Rents and Leases	604,560	598,520	504,000
Miscellaneous Revenue	1,088,730	844,250	694,510
Federal Transit Grants	20,719,990	21,867,430	15,697,290
Total Mass Transit Fund	\$ 49,638,080	\$ 50,650,800	\$ 45,921,310
Mass Transit Fund - Sun Link			
Passenger Revenue	\$ 832,500	\$ 676,230	\$ 1,032,630
Advertising	175,680	176,000	200,000
Regional Transportation Authority	1,200,000	1,200,000	1,200,000
Miscellaneous Revenue	—	31,070	19,770
Total Mass Transit Fund - Sun Link	\$ 2,208,180	\$ 2,083,300	\$ 2,452,400
Zoo Fund			
Business Privilege Tax	\$ 9,000,000	\$ 10,238,410	\$ 10,481,900
Use Tax	1,000,000	587,490	607,200
Zoo Fees	2,044,760	—	—
Total Zoo Fund	\$ 12,044,760	\$ 10,825,900	\$ 11,089,100
Better Streets Improvement Fund			
Business Privilege Tax	\$ 21,214,600	\$ 20,418,380	\$ 22,353,000
Use Tax	1,032,100	1,188,370	1,937,600
Total Better Streets Improvement Fund	\$ 22,246,700	\$ 21,606,750	\$ 24,290,600
Safer City Improvement Fund			
Business Privilege Tax	\$ 31,821,900	\$ 32,285,220	\$ 33,529,400
Use Tax	1,548,100	1,879,030	1,937,600
Total Safer City Improvement Fund	\$ 33,370,000	\$ 34,164,250	\$ 35,467,000

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

Schedule C Resolution No. 23021
CITY OF TUCSON
Revenues Other Than Property Taxes
Fiscal Year 2020

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
Tucson Convention Center Fund			
Room and Space Rental	\$ 1,674,270	\$ 1,782,460	\$ 1,722,180
Parking	896,260	681,400	978,380
Catering and Concessions	2,563,610	1,729,800	3,026,070
Novelty Sales	21,300	27,970	28,400
Facility User Fees	568,400	498,780	558,200
Event Ticket Rebates	281,490	227,670	326,740
Recovered Expenditures	1,272,720	394,120	1,445,740
Total Tucson Convention Center Fund	\$ 7,278,050	\$ 5,342,200	\$ 8,085,710
Highway User Revenue Fund			
State Shared HURF	\$ 44,029,710	\$ 43,585,000	\$ 46,572,370
Permits and Inspection Fees	610,000	755,000	500,000
Temporary Work Zone Traffic Control	398,000	586,000	628,000
Other Charges for Service	205,000	50,000	25,000
Rents and Leases	462,560	442,570	130,000
Proceeds from Sale of Capital Assets	—	38,000	2,000,000
Interest Earnings	80,000	110,000	100,000
Recovered Expenditures	351,000	678,400	500,000
Miscellaneous Revenues	8,000	11,100	675,500
Grants Contributions	—	2,035,000	2,040,800
Total Highway User Revenue Fund	\$ 46,144,270	\$ 48,291,070	\$ 53,171,670
Park Tucson Fund			
Parking Meter Collections	\$ 1,566,830	\$ 1,479,300	\$ 2,040,000
Parking Revenues	3,508,090	3,369,880	3,538,820
Hooded Meter Fees	115,000	115,000	230,000
Interest Earnings	20,000	20,000	20,000
Assessment Fee	92,000	90,000	95,000
Parking Violations	783,300	660,000	665,000
Rents and Leases	110,000	118,000	110,180
Recovered Expenditures	—	22,100	—
Total Park Tucson Fund	\$ 6,195,220	\$ 5,874,280	\$ 6,699,000
Civic Contribution Fund			
Mayor's Office	\$ 80,000	\$ —	\$ 39,000
Parks and Recreation	118,850	304,950	1,044,850
Tucson Convention Center	30,000	30,000	—
Tucson Fire	—	8,910	20,000
Tucson Police	—	—	950
Total Civic Contribution Fund	\$ 228,850	\$ 343,860	\$ 1,104,800
Community Development Block Grant Fund			
Community Development Block Grant	\$ 13,000,000	\$ 12,908,000	\$ 13,805,450
Program Income	40,000	80,000	81,380
Miscellaneous Revenues	—	52,000	52,000
Total Community Development Block Grant Fund	\$ 13,040,000	\$ 13,040,000	\$ 13,938,830
Miscellaneous Housing Grant Fund			
Federal Miscellaneous Housing Grants	\$ 4,500,000	\$ 3,980,000	\$ 4,257,260
Proceeds from Sale of Capital Assets	—	520,000	520,000
Total Miscellaneous Housing Grant Fund	\$ 4,500,000	\$ 4,500,000	\$ 4,777,260
Public Housing Section 8 Fund			
Federal Public Housing Section 8 Grant	\$ 41,228,370	\$ 41,228,370	\$ 41,871,000
Interest Earnings	20,000	20,000	20,000
Miscellaneous Revenues	12,000	12,000	12,000
Total Public Housing Section 8 Fund	\$ 41,260,370	\$ 41,260,370	\$ 41,903,000

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

Schedule C Resolution No. 23021
CITY OF TUCSON
Revenues Other Than Property Taxes
Fiscal Year 2020

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
HOME Investment Partnerships Program Fund			
HOME Funds	\$ 8,000,000	\$ 8,000,000	\$ 7,998,730
Program Income	708,000	708,000	708,000
Total HOME Investment Partnerships Program Fund	\$ 8,708,000	\$ 8,708,000	\$ 8,706,730
Other Federal Grants Fund			
City Attorney	\$ 107,640	\$ —	\$ 89,740
City Court	687,390	300,000	1,316,020
Planning and Development	—	—	31,920
Parks and Recreation	562,410	365,820	464,450
Transportation	13,070,300	13,070,300	6,530,960
Tucson Fire	889,500	195,900	1,088,180
Tucson Police	11,152,800	9,300,000	14,865,900
Total Other Federal Grants Fund	\$ 26,470,040	\$ 23,232,020	\$ 24,387,170
Non-Federal Grants Fund			
City Attorney	\$ 149,780	\$ —	\$ 158,860
Housing and Community Development	—	—	262,930
Parks and Recreation	104,760	3,500	—
Transportation	10,000	10,000	95,700
Tucson Fire	5,530	—	5,530
Tucson Police	2,971,530	2,000,000	1,976,270
Total Non-Federal Grants Fund	\$ 3,241,600	\$ 2,013,500	\$ 2,499,290
Total Special Revenue Funds	\$ 276,574,120	\$ 271,936,300	\$ 284,493,870
DEBT SERVICE FUNDS			
Street and Highway Bond and Interest Fund			
State Shared - HURF	\$ 9,261,080	\$ 9,294,500	\$ 9,000,000
Total Street and Highway Bond and Interest Fund	\$ 9,261,080	\$ 9,294,500	\$ 9,000,000
General Obligation Bond and Interest Fund			
Secondary Property Taxes - Prior Years	\$ 650,000	\$ 650,000	\$ 600,000
Total General Obligation Bond and Interest Fund	\$ 650,000	\$ 650,000	\$ 600,000
Special Assessment Bond and Interest Fund			
Special Assessment Collections	\$ 12,510	\$ 12,510	\$ —
Interest Earnings	4,100	4,100	2,000
Total Special Assessment Bond and Interest Fund	\$ 16,610	\$ 16,610	\$ 2,000
Total Debt Service Funds	\$ 9,927,690	\$ 9,961,110	\$ 9,602,000
CAPITAL PROJECTS FUNDS			
Capital Improvement Fund			
Intergovernmental Agreements	\$ 53,410,800	\$ 22,324,640	\$ 25,169,300
Total Capital Improvement Fund	\$ 53,410,800	\$ 22,324,640	\$ 25,169,300
Development Fee Fund			
Development Fees for Police	\$ 611,930	\$ 780,000	\$ 1,155,560
Development Fees for Fire	425,650	411,460	701,400
Development Fees for General Government	—	—	20,600
Development Fees for Transportation	14,303,400	14,303,400	9,830,500
Development Fees for Parks	2,629,890	1,726,820	2,121,800
Total Development Fee Fund	\$ 17,970,870	\$ 17,221,680	\$ 13,829,860

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

Schedule C Resolution No. 23021
CITY OF TUCSON
Revenues Other Than Property Taxes
Fiscal Year 2020

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
Regional Transportation Authority Fund			
Regional Transportation Authority	\$ 67,924,470	\$ 34,348,990	\$ 45,575,000
Proceeds from Sale of Capital Assets	500,000	500,000	500,000
Rentals and Leases	48,000	20,000	48,000
Total Regional Transportation Authority Fund	\$ 68,472,470	\$ 34,868,990	\$ 46,123,000
Total Capital Projects Funds	\$ 139,854,140	\$ 74,415,310	\$ 85,122,160
ENTERPRISE FUNDS			
Tucson Water Utility			
Potable Water Sales	\$ 170,850,000	\$ 167,196,690	\$ 182,032,490
Reclaimed Water Sales	9,125,000	8,401,970	9,766,720
Central Arizona Project Surcharge	28,325,000	25,253,080	27,862,160
Water Conservation Fee	3,600,000	3,686,670	3,791,540
Fire Sprinkler Fee	3,150,000	3,391,180	3,083,140
Connection Fees	1,750,000	2,289,280	1,767,500
Service Charges	3,500,000	3,355,660	3,500,000
Development Plan Review/Inspection Fees	550,000	550,000	555,500
Billing Services	6,300,000	6,300,000	6,363,000
Miscellaneous Revenues	3,640,000	5,184,680	4,146,500
Tucson Airport Remediation Project	975,000	975,000	1,069,730
Water System Equity Fees	2,300,000	2,772,610	2,300,000
Developer Contributions	50,000	50,000	—
CAP Resource Fee	350,000	350,000	350,000
Grants and Contributions	865,000	—	865,000
Investment Income	100,000	269,570	107,500
Total Tucson Water Utility	\$ 235,430,000	\$ 230,026,390	\$ 247,560,780
Environmental Services Fund			
Residential Refuse Services	\$ 29,342,310	\$ 29,700,000	\$ 29,700,000
Commercial Refuse Services	7,525,530	7,300,000	7,400,000
Landfill Services Charges	7,500,000	8,000,000	8,210,000
Remediation Ground Fee	3,642,680	3,800,000	3,800,000
Self Haul Fee	1,671,640	1,600,000	1,600,000
Refuse Penalties	161,700	162,000	162,000
Recycling	750,000	750,000	750,000
Household Hazardous Waste	62,500	65,000	65,000
Miscellaneous Grants	104,000	95,000	95,000
Sale of Capital Assets	100,000	600,000	400,000
Interest Earnings	250,000	400,000	400,000
Recovered Expenses	3,000	201,500	100,000
Miscellaneous Revenues	212,950	196,000	197,500
Total Environmental Services Fund	\$ 51,326,310	\$ 52,869,500	\$ 52,879,500
Tucson Golf Course Enterprise Fund			
El Rio Golf Course	\$ 1,019,010	\$ 1,019,010	\$ 1,034,940
Randolf Golf Course	3,380,070	3,380,070	3,411,610
Fred Enke Golf Course	1,053,350	1,053,350	1,027,450
Silverbell Golf Course	1,210,670	1,210,670	1,194,520
Food and Beverage	1,353,280	1,353,280	1,393,290
Total Tucson Golf Course Enterprise Fund	\$ 8,016,380	\$ 8,016,380	\$ 8,061,810

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

Schedule C Resolution No. 23021
CITY OF TUCSON
Revenues Other Than Property Taxes
Fiscal Year 2020

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
Public Housing Fund			
Federal Grants	\$ 7,035,200	\$ 7,256,420	\$ 7,474,490
Housing Administration Charges	2,787,170	2,787,170	3,103,280
Tenant Rent and Parking Fees	3,509,600	3,509,600	3,494,980
Charges for Other Services	504,030	281,090	284,530
Interest Earnings	30,690	32,410	32,350
Total Public Housing Fund	\$ 13,866,690	\$ 13,866,690	\$ 14,389,630
Non-Public Housing Asset Management Fund			
Federal Grants	\$ 220,000	\$ 220,000	\$ 220,000
Tenant Rent	2,006,150	2,006,150	2,071,320
Charges for Other Services	40,550	40,550	40,550
Rents and Leases	159,380	159,380	159,380
Total Non-Public Housing Asset Management Fund	\$ 2,426,080	\$ 2,426,080	\$ 2,491,250
Total Enterprise Funds	\$ 311,065,460	\$ 307,205,040	\$ 325,382,970
INTERNAL SERVICE FUNDS			
Self Insurance Internal Service Fund			
Employee Health Benefits	\$ —	\$ —	\$ 76,176,150
Total Health Insurance Trust Fund	\$ —	\$ —	\$ 76,176,150
Self Insurance Internal Service Fund			
Interdepartmental Charges	\$ 12,780,540	\$ 8,485,360	\$ 16,970,090
Total Self Insurance Internal Service Fund	\$ 12,780,540	\$ 8,485,360	\$ 16,970,090
Total Internal Service Funds	\$ 12,780,540	\$ 8,485,360	\$ 93,146,240
FIDUCIARY FUNDS			
Tucson Supplemental Retirement System			
Employer Contributions	\$ 37,255,320	\$ 37,255,320	\$ 38,000,430
Employee Contributions	7,424,760	7,424,760	7,573,260
Portfolio Earnings	24,000,000	40,042,840	55,825,000
Miscellaneous Revenues	135,000	135,000	135,000
Total Tucson Supplemental Retirement System	\$ 68,815,080	\$ 84,857,920	\$ 101,533,690
Total Fiduciary Funds	\$ 68,815,080	\$ 84,857,920	\$ 101,533,690
TOTAL ALL FUNDS	\$ 1,338,565,560	\$ 1,293,799,950	\$ 1,450,737,840

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

Schedule D to Resolution No. 23021
CITY OF TUCSON
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2020

FUND	2020		2020	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Transfer to Mass Transit Fund	\$ —	\$ —	\$ —	\$ (47,414,190)
Transfer to Mass Transit - Sun Link Fund	—	—	—	(3,645,430)
Transfer to Tucson Convention Center	—	—	—	(3,085,620)
Transfer to Development Fee Fund	—	—	—	(492,180)
Transfer to Environmental Servies	—	—	—	(2,000,000)
Total General Fund	\$ —	\$ —	\$ —	\$ (56,637,420)
SPECIAL REVENUE FUNDS				
Transfer from General Fund	\$ —	\$ —	\$ 54,145,240	\$ —
Transfer to Street and Highway Bond and Interest	—	—	—	(3,143,750)
Transfer to Development Fee Fund	—	—	—	(624,410)
Total Special Revenue Funds	\$ —	\$ —	\$ 54,145,240	\$ (3,768,160)
DEBT SERVICE FUNDS				
Transfer from Highway User Revenue Fund	\$ —	\$ —	\$ 3,143,750	\$ —
Total Debt Service Funds	\$ —	\$ —	\$ 3,143,750	\$ —
CAPITAL PROJECTS FUNDS				
Transfer from General Fund	\$ —	\$ —	492,180	\$ —
Transfer from Highway User Revenue Fund	\$ —	\$ —	624,410	\$ —
General Obligation Bond Proceeds - Prop 407	\$ 20,000,000	\$ —	—	\$ —
Total Capital Projects Funds	\$ 20,000,000	\$ —	\$ 1,116,590	\$ —
ENTERPRISE FUNDS				
Transfer from General Fund	\$ —	\$ —	\$ 2,000,000	\$ —
Total Enterprise Funds	\$ —	\$ —	\$ 2,000,000	\$ —
TOTAL ALL FUNDS	\$ 20,000,000	\$ —	\$ 60,405,580	\$ (60,405,580)

Schedule E to Resolution No. 23021
CITY OF TUCSON
Expenditures/Expenses by Fund
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
GENERAL FUND				
Mayor and Council	\$ 2,583,950		\$ 2,345,080	\$ 3,639,590
Business Services	12,123,110	—	10,324,420	12,573,300
City Attorney	7,430,040	—	7,040,720	8,103,880
City Clerk	2,618,200	—	2,662,180	2,766,160
City Court	9,658,720	—	9,194,810	11,399,930
City Manager	4,819,530	—	4,478,730	5,223,200
Environmental Services	1,828,720	—	2,474,600	2,266,730
General Services	55,678,650	—	55,530,270	51,255,170
Housing and Community Development	2,470,720	—	2,470,720	2,705,850
Human Resources	4,368,900	—	3,868,100	4,694,920
Information Technology	22,564,430	—	22,225,220	24,167,170
Parks and Recreation	26,110,660	—	24,175,100	27,469,550
Planning and Development Services	6,278,990	—	7,402,610	7,782,520
Public Defender	2,758,440	—	2,713,630	3,155,730
Public Safety Communications	13,467,710	—	11,628,580	13,947,520
Transportation	1,321,550	—	370,390	656,240
Tucson Fire	95,780,520	—	95,173,270	101,136,290
Tucson Police	155,506,490	—	154,787,190	164,080,030
General Government	67,469,660	—	69,863,610	76,905,740
Contingency	2,795,500	—	1,395,000	2,600,000
Pension Refunds and Interest Payments	—	900,000	900,000	—
Total General Fund	\$ 497,634,490	\$ 900,000	\$ 491,024,230	\$ 526,529,520
SPECIAL REVENUE FUNDS				
Mass Transit Fund				
Transportation	\$ 94,867,690	\$ —	\$ 91,439,720	\$ 94,111,700
Total Fund	\$ 94,867,690	\$ —	\$ 91,439,720	\$ 94,111,700
Mass Transit Fund - Sun Link				
General Government	\$ —	\$ —	\$ 1,513,060	\$ 1,512,010
Transportation	5,937,650	—	4,483,810	4,585,820
Total Fund	\$ 5,937,650	\$ —	\$ 5,996,870	\$ 6,097,830
Zoo Fund				
Parks and Recreation	\$ 11,661,000	\$ —	\$ 9,251,010	\$ 9,221,000
Total Fund	\$ 11,661,000	\$ —	\$ 9,251,010	\$ 9,221,000
Better Streets Improvement Fund				
Transportation	\$ 30,000,000	\$ —	\$ 30,000,000	\$ 28,907,700
Total Fund	\$ 30,000,000	\$ —	\$ 30,000,000	\$ 28,907,700
Safer City Improvement Fund				
Tucson Fire	\$ 20,788,500	\$ —	\$ 22,714,700	\$ 12,585,400
Tucson Police	13,859,000	—	11,932,800	12,344,400
Total Fund	\$ 34,647,500	\$ —	\$ 34,647,500	\$ 24,929,800
Tucson Convention Center Fund				
Tucson Convention Center	\$ 10,413,690	\$ —	\$ 10,823,900	\$ 11,155,920
General Government	1,315,410	—	1,315,410	15,410
Total Fund	\$ 11,729,100	\$ —	\$ 12,139,310	\$ 11,171,330

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

Schedule E to Resolution No. 23021
CITY OF TUCSON
Expenditures/Expenses by Fund
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Highway User Revenue Fund				
Transportation	\$ 41,154,140	\$ —	\$ 44,295,690	\$ 48,370,250
Business Services	1,107,930	—	1,074,070	1,273,340
General Government	100,580	—	1,507,590	1,544,040
Human Resources	198,040	—	171,100	351,880
Total Fund	\$ 42,560,690	\$ —	\$ 47,048,450	\$ 51,539,510
Park Tucson Fund				
General Government	\$ —	\$ —	\$ 114,280	\$ 116,920
Park Tucson	6,039,680	—	5,677,590	6,594,240
Total Fund	\$ 6,039,680	\$ —	\$ 5,791,870	\$ 6,711,160
Civic Contribution Fund				
Mayor and Council	\$ 78,700	\$ —	\$ 82,400	\$ 46,300
Parks and Recreation	726,820	—	809,120	1,388,800
Tucson Convention Center	30,000	—	—	—
Tucson Fire	48,470	—	15,100	48,470
Tucson Police	15,000	—	15,180	7,830
Total Fund	\$ 898,990	\$ —	\$ 921,800	\$ 1,491,400
Community Development Block Grant				
Housing and Community Development	\$ 17,939,900	\$ —	\$ 17,934,270	\$ 13,938,830
General Government	—	—	15,280	15,280
Total Fund	\$ 17,939,900	\$ —	\$ 17,934,270	\$ 13,938,830
Miscellaneous Housing Grant Fund				
Housing and Community Development	\$ 4,497,140	\$ —	\$ 4,497,140	\$ 4,777,260
Total Fund	\$ 4,497,140	\$ —	\$ 4,497,140	\$ 4,777,260
Public Housing Section 8 Fund				
Housing and Community Development	\$ 41,280,340	\$ —	\$ 41,280,340	\$ 41,903,000
Total Fund	\$ 41,280,340	\$ —	\$ 41,280,340	\$ 41,903,000
HOME Investment Partnerships				
Housing and Community Development	\$ 8,808,200	\$ —	\$ 8,808,200	\$ 8,706,720
Total Fund	\$ 8,808,200	\$ —	\$ 8,808,200	\$ 8,706,720
Other Federal Grants Fund				
City Attorney	\$ 343,190	\$ —	\$ 89,740	\$ 89,740
City Court	820,190	—	575,320	1,316,020
Parks and Recreation	427,350	—	428,220	464,450
Planning and Development Services	—	—	—	31,920
Transportation	13,382,090	—	10,053,130	6,530,960
Tucson Fire	1,149,900	—	195,900	1,088,180
Tucson Police	11,944,080	—	11,944,080	14,865,900
Total Fund	\$ 28,066,800	\$ —	\$ 23,286,390	\$ 24,387,170
Non-Federal Grants Fund				
City Attorney	\$ 116,700	\$ —	\$ 158,860	\$ 158,860
City Manager	30,000	—	—	—
Housing and Community Development	—	—	—	262,930
Parks and Recreation	124,500	—	6,610	95,700
Transportation	10,000	—	50,000	—
Tucson Fire	5,530	—	—	5,530
Tucson Police	3,471,110	—	3,471,110	1,976,270
Total Fund	\$ 3,757,840	\$ —	\$ 3,686,580	\$ 2,499,290
Total Special Revenue Funds	\$ 342,692,520	\$ —	\$ 336,729,450	\$ 330,393,700

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

Schedule E to Resolution No. 23021
CITY OF TUCSON
Expenditures/Expenses by Fund
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
DEBT SERVICE FUNDS				
General Obligation Bond and Interest Fund				
General Government	\$ 33,396,070	\$ —	\$ 33,396,070	\$ 33,737,180
Total Fund	\$ 33,396,070	\$ —	\$ 33,396,070	\$ 33,737,180
Street and Highway Bond and Interest Fund				
General Government	\$ 12,220,250	\$ —	\$ 12,220,250	\$ 12,143,750
Total Fund	\$ 12,220,250	\$ —	\$ 12,220,250	\$ 12,143,750
Special Assessment Bond and Interest Fund				
General Government	\$ 37,700	\$ —	\$ 37,700	\$ 750
Total Fund	\$ 37,700	\$ —	\$ 37,700	\$ 750
Total Debt Service Funds	\$ 45,654,020	\$ —	\$ 45,654,020	\$ 45,881,680
CAPITAL PROJECTS FUNDS				
2013 General Obligation Fund				
Transportation	\$ 4,000,000	\$ —	\$ 2,432,570	\$ —
Total Fund	\$ 4,000,000	\$ —	\$ 2,432,570	\$ —
Capital Improvement Fund				
Parks and Recreation	\$ 630	\$ —	\$ 730	\$ —
Transportation	54,278,750	—	22,252,590	25,169,300
Total Fund	\$ 54,279,380	\$ —	\$ 22,253,320	\$ 25,169,300
Development Fee Fund				
General Government	\$ 1,142,000	\$ —	\$ —	\$ 1,142,000
Parks and Recreation	2,936,160	—	1,780,910	4,404,100
Transportation	14,449,300	—	12,339,120	9,942,570
Tucson Fire	—	—	8,110	—
Total Fund	\$ 18,527,460	\$ —	\$ 14,128,140	\$ 15,488,670
2020 General Obligation Fund				
Transportation	\$ —	\$ —	\$ —	\$ 1,661,000
Parks and Recreation	—	—	—	10,082,800
Total Fund	\$ —	\$ —	\$ —	\$ 11,743,800
Regional Transportation Authority				
Transportation	\$ 67,887,070	\$ —	\$ 34,868,990	\$ 46,123,000
Total Fund	\$ 67,887,070	\$ —	\$ 34,868,990	\$ 46,123,000
Total Capital Projects Funds	\$ 144,693,910	\$ —	\$ 73,683,020	\$ 98,524,770
ENTERPRISE FUNDS				
Tucson Water Utility Fund				
Tucson Water Utility	\$ 270,574,780	\$ —	\$ 270,539,100	\$ 273,900,960
Business Services	704,230	—	538,280	730,250
Human Resources	269,980	—	226,110	401,050
Total Fund	\$ 271,548,990	\$ —	\$ 271,303,490	\$ 275,032,260
Environmental Services Fund				
Business Services	\$ 642,740	\$ —	\$ 524,710	\$ 569,940
Environmental Services	65,637,580	—	65,637,120	65,450,410
Human Resources	250,070	—	123,690	172,720
Tucson Water Utility	1,495,870	—	970,000	—
Total Fund	\$ 68,026,260	\$ —	\$ 67,255,520	\$ 66,193,070

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

Schedule E to Resolution No. 23021
CITY OF TUCSON
Expenditures/Expenses by Fund
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Tucson Golf Enterprise Fund				
Tucson City Golf	\$ 7,750,910	\$ —	\$ 7,900,290	\$ 7,660,870
Total Fund	\$ 7,750,910	\$ —	\$ 7,900,290	\$ 7,660,870
Public Housing AMP Fund				
General Government	\$ 68,590	\$ —	\$ 68,590	\$ 68,590
Housing and Community Development	13,792,830	—	13,791,610	14,321,040
Total Fund	\$ 13,861,420	\$ —	\$ 13,860,200	\$ 14,389,630
Non-Public Housing Asset Management				
Housing and Community Development	\$ 2,470,500	\$ —	\$ 2,470,500	\$ 2,491,250
Total Fund	\$ 2,470,500	\$ —	\$ 2,470,500	\$ 2,491,250
Total Enterprise Funds	\$ 363,658,080	\$ —	\$ 362,790,000	\$ 365,767,080
INTERNAL SERVICE FUNDS				
Health Insurance Trust Fund				
Employee Health Benefits	\$ —	\$ —	\$ —	\$ 72,764,940
Total Fund	\$ —	\$ —	\$ —	\$ 72,764,940
Self Insurance Internal Service Fund				
Business Services	\$ 8,528,190	\$ —	\$ 8,198,050	\$ 11,318,880
Human Resources	6,187,630	—	6,657,640	11,413,220
Transportation	1,420,000	—	520,000	1,420,000
Tucson Fire	292,480	—	257,420	301,540
Total Fund	\$ 16,428,300	\$ —	\$ 15,633,110	\$ 24,453,640
Total Internal Service Funds	\$ 16,428,300	\$ —	\$ 15,633,110	\$ 97,218,580
FIDUCIARY FUNDS				
Tucson Supplemental Retirement System	\$ 92,057,920	\$ —	\$ 92,054,620	\$ 92,087,100
Total Fund	\$ 92,057,920	\$ —	\$ 92,054,620	\$ 92,087,100
Total Fiduciary Funds	\$ 92,057,920	\$ —	\$ 92,054,620	\$ 92,087,100
TOTAL ALL FUNDS	\$ 1,502,819,240	\$ —	\$ 1,417,568,450	\$ 1,556,402,430

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

Schedule F to Resolution No. 23021
CITY OF TUCSON
Expenditures / Expenses by Department
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Mayor and Council				
General Fund	\$ 2,583,950	\$ —	\$ 2,345,080	\$ 3,639,590
Civic Contribution Fund	78,700	—	82,400	46,300
Department Total	\$ 2,662,650	\$ —	\$ 2,427,480	\$ 3,685,890
City Attorney				
General Fund	\$ 7,430,040	\$ —	\$ 7,040,720	\$ 8,103,880
Non-Federal Grants Fund	116,700	—	158,860	158,860
Other Federal Grants Fund	343,190	—	89,740	89,740
Department Total	\$ 7,889,930	\$ —	\$ 7,289,320	\$ 8,352,480
City Clerk				
General Fund	\$ 2,618,200	\$ —	\$ 2,662,180	\$ 2,766,160
Department Total	\$ 2,618,200	\$ —	\$ 2,662,180	\$ 2,766,160
City Court				
General Fund	\$ 9,658,720	\$ —	\$ 9,194,810	\$ 11,399,930
Other Federal Grants Fund	820,190	—	575,320	1,316,020
Department Total	\$ 10,478,910	\$ —	\$ 9,770,130	\$ 12,715,950
City Manager				
General Fund	\$ 4,819,530	\$ —	\$ 4,478,730	\$ 5,223,200
Non-Federal Grants Fund	30,000	—	—	—
Department Total	\$ 4,849,530	\$ —	\$ 4,478,730	\$ 5,223,200
Business Services				
Environmental Services Fund	\$ 642,740	\$ —	\$ 524,710	\$ 569,940
General Fund	12,123,110	—	10,324,420	12,573,300
Highway User Revenue Fund	1,107,930	—	1,074,070	1,273,340
Self Insurance Fund	8,528,190	—	8,198,050	11,318,880
Tucson Water Utility Fund	704,230	—	538,280	730,250
Department Total	\$ 23,106,200	\$ —	\$ 20,659,530	\$ 26,465,710
Debt Service				
General Fund	\$ 24,726,260	\$ —	\$ 24,958,460	\$ 25,187,050
Community Development Block Grant	15,280	—	15,280	15,280
General Obligation Fund	33,396,070	—	33,396,070	33,737,180
Special Assessments Fund	37,700	—	37,700	750
Streets and Highway Debt Service Fund	12,220,250	—	12,220,250	12,143,750
Highway User Revenue Fund	1,296,640	—	1,306,430	1,443,460
Mass Transit --Sunlink Fund	1,513,060	—	1,513,060	1,512,010
Park Tucson	114,280	—	114,280	116,920
Public Housing AMP Fund	68,590	—	68,590	68,590
Department Total	\$ 73,388,130	\$ —	\$ 73,630,120	\$ 74,224,990
Environmental Services				
General Fund	\$ 1,828,720	\$ —	\$ 2,474,600	\$ 2,266,730
Environmental Services Fund	65,637,580	—	65,637,120	65,450,410
Department Total	\$ 67,466,300	\$ —	\$ 68,111,720	\$ 67,717,140

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

Schedule F to Resolution No. 23021
CITY OF TUCSON
Expenditures / Expenses by Department
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
General Services				
General Fund	\$ 55,678,650	\$ —	\$ 55,530,270	\$ 51,255,170
Department Total	\$ 55,678,650	\$ —	\$ 55,530,270	\$ 51,255,170
Housing and Community Development				
General Fund	\$ 2,470,720	\$ —	\$ 2,470,720	\$ 2,705,850
Community Development Block Grant	17,924,620	—	17,918,990	13,923,550
HOME Investment Partnerships	8,808,200	—	8,808,200	8,706,720
Miscellaneous Housing Grants	4,497,140	—	4,497,140	4,777,260
Non-Federal Grants Fund	—	—	—	262,930
Non-Public Housing Assistance Asset Management	2,470,500	—	2,470,500	2,491,250
Public Housing AMP Fund	13,792,830	—	13,791,610	14,321,040
Public Housing Section 8 Fund	41,280,340	—	41,280,340	41,903,000
Department Total	\$ 91,244,350	\$ —	\$ 91,237,500	\$ 89,091,600
Human Resources				
Environmental Services Fund	\$ 250,070	\$ —	\$ 123,690	\$ 172,720
General Fund	4,368,900	—	3,868,100	4,694,920
Health Insurance Trust Fund	—	—	—	72,764,940
Highway User Revenue Fund	198,040	—	171,100	351,880
Self Insurance Internal Service Fund	6,187,630	—	6,657,640	11,413,220
Tucson Water Utility Fund	269,980	—	226,110	401,050
Department Total	\$ 11,274,620	\$ —	\$ 11,046,640	\$ 89,798,730
Information Technology				
General Fund	\$ 22,564,430	\$ —	\$ 22,225,220	\$ 24,167,170
Department Total	\$ 22,564,430	\$ —	\$ 22,225,220	\$ 24,167,170
Outside Agencies				
General Fund	\$ 10,865,210	\$ —	\$ 10,915,440	\$ 12,383,600
Highway User Revenue Fund	100,580	—	201,160	100,580
Department Total	\$ 10,965,790	\$ —	\$ 11,116,600	\$ 12,484,180
Park Tucson				
Park Tucson Fund	\$ 5,925,400	\$ —	\$ 5,677,590	\$ 6,594,240
Department Total	\$ 5,925,400	\$ —	\$ 5,677,590	\$ 6,594,240
Parks and Recreation				
General Fund	\$ 26,110,660	\$ —	\$ 24,175,100	\$ 27,469,550
Capital Improvements Fund	630	—	730	—
Parks and Connections bond Series 2020	—	—	—	10,082,800
Civic Contribution Fund	726,820	—	809,120	1,388,800
Development Fee Fund	2,936,160	—	1,780,910	4,404,100
Non-Federal Grant Fund	124,500	—	6,610	95,700
Zoo Fund	11,661,000	—	9,251,010	9,221,000
Other Federal Grants Fund	427,350	—	428,220	464,450
Department Total	\$ 41,987,120	\$ —	\$ 36,451,700	\$ 53,126,400
Planning and Development Services				
General Fund	\$ 6,278,990	\$ —	\$ 7,402,610	\$ 7,782,520
Other Federal Grants Fund	—	—	—	31,920
Department Total	\$ 6,278,990	\$ —	\$ 7,402,610	\$ 7,814,440
Public Defender				
General Fund	\$ 2,758,440	\$ —	\$ 2,713,630	\$ 3,155,730
Department Total	\$ 2,758,440	\$ —	\$ 2,713,630	\$ 3,155,730

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

Schedule F to Resolution No. 23021
CITY OF TUCSON
Expenditures / Expenses by Department
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Public Safety Communications				
General Fund	\$ 13,467,710	\$ —	\$ 11,628,580	\$ 13,947,520
Department Total	\$ 13,467,710	\$ —	\$ 11,628,580	\$ 13,947,520
Transportation				
General Fund	\$ 1,321,550	—	\$ 370,390	\$ 656,240
General Obligation Fund	4,000,000	—	2,432,570	—
Highway User Revenue Fund	39,857,500	—	44,295,690	48,370,250
Better Streets Improvement Fund	30,000,000	—	30,000,000	28,907,700
Capital Improvements Fund	54,278,750	—	22,252,590	25,169,300
Development Fee Fund	14,449,300	—	12,339,120	9,942,570
Other Federal Grants Fund	13,382,090	—	10,053,130	6,530,960
Mass Transit Fund	99,292,280	—	95,923,530	98,697,520
Parks and Connections bond Series 2020	—	—	—	1,661,000
Non-Federal Grants Fund	10,000	—	50,000	—
Regional Transportation Authority	67,887,070	—	34,868,990	46,123,000
Self Insurance Internal Service Fund	1,420,000	—	520,000	1,420,000
Department Total	\$ 325,898,540	\$ —	\$ 253,106,010	\$ 267,478,540
Tucson City Golf				
Golf Course Fund	\$ 7,750,910	\$ —	\$ 7,900,290	\$ 7,660,870
Department Total	\$ 7,750,910	\$ —	\$ 7,900,290	\$ 7,660,870
Tucson Convention Center				
Convention Center Fund	\$ 10,413,690	\$ —	\$ 10,823,900	\$ 11,155,920
Civic Contributions	30,000	—	—	—
Department Total	\$ 10,443,690	\$ —	\$ 10,823,900	\$ 11,155,920
Tucson Fire				
General Fund	\$ 95,780,520	\$ —	\$ 95,173,270	\$ 101,136,290
Civic Contribution Fund	48,470	—	15,100	48,470
Development Fee Fund	—	—	8,110	—
Non-Federal Grants Fund	5,530	—	—	5,530
Other Federal Grants Fund	1,149,900	—	195,900	1,088,180
Safer City Improvement Fund	20,788,500	—	22,714,700	12,585,400
Self Insurance Internal Service Fund	292,480	—	257,420	301,540
Department Total	\$ 118,065,400	\$ —	\$ 118,364,500	\$ 115,165,410
Tucson Police				
General Fund	\$ 155,506,490	\$ —	\$ 154,787,190	\$ 164,080,030
Civic Contribution Fund	15,000	—	15,180	7,830
Non-Federal Grants Fund	3,471,110	—	3,471,110	1,976,270
Other Federal Grants	11,944,080	—	11,944,080	14,865,900
Safer City Improvement Fund	13,859,000	—	11,932,800	12,344,400
Department Total	\$ 184,795,680	\$ —	\$ 182,150,360	\$ 193,274,430
Tucson Water				
Tucson Water Utility Fund	\$ 270,574,780	\$ —	\$ 270,539,100	\$ 273,900,960
Environmental Services Fund	1,495,870	—	970,000	—
Department Total	\$ 272,070,650	\$ —	\$ 271,509,100	\$ 273,900,960
General Government				
General Fund	\$ 34,673,690	\$ —	\$ 36,284,710	\$ 41,935,090
Development Fee Fund	1,142,000	—	—	1,142,000
Convention Center Fund	1,315,410	—	1,315,410	15,410
Department Total	\$ 37,131,100	\$ —	\$ 37,600,120	\$ 43,092,500

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

Schedule F to Resolution No. 23021
CITY OF TUCSON
Expenditures / Expenses by Department
Fiscal Year 2020

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Pension Services				
TSRS Pension Fund	\$ 92,057,920	\$ —	\$ 92,054,620	\$ 92,087,100
Department Total	\$ 92,057,920	\$ —	\$ 92,054,620	\$ 92,087,100
TOTAL ALL DEPARTMENTS	\$ 1,502,819,240	\$ —	\$ 1,417,568,450	\$ 1,556,402,430

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

CITY OF TUCSON
Full-Time Employees and Personnel Compensation
Fiscal Year 2020

FUND	Full-Time Equivalent (FTE) 2020	Employee Salaries, and Hourly Costs 2020	Retirement Costs 2020	Healthcare Costs 2020	Other Benefit Costs 2020	Total Estimated Personnel Compensation 2020
GENERAL FUND	3,284.30	\$ 210,755,830	\$ 94,194,560	\$ 36,784,660	\$ 19,746,710	\$ 361,481,760
SPECIAL REVENUE FUNDS						
Community Block Grants Fund	15.70	\$ 855,320	\$ 214,800	\$ 143,700	\$ 91,870	\$ 1,305,690
Convention Center Fund	—	32,850	9,040	5,860	2,510	50,260
Highway User Revenue Fund	284.00	15,424,930	4,069,550	3,067,820	1,518,740	24,081,040
HOME Investment Partnerships Program Fund	2.80	157,260	43,160	31,350	17,180	248,950
Mass Transit Fund	5.00	363,270	99,900	57,240	42,270	562,680
Miscellaneous Housing Grants Fund	12.30	549,540	148,670	96,150	60,110	854,470
Non-Federal Grants Fund	7.00	1,658,390	78,690	67,720	28,870	1,833,670
Other Federal Grants Fund	27.15	4,821,180	1,240,980	255,630	123,830	6,441,620
Park Tucson Fund	21.00	896,140	235,990	161,600	93,530	1,387,260
Public Housing Section 8 Fund	31.05	1,337,760	363,880	257,420	139,460	2,098,520
Total Special Revenue Funds	406.00	\$ 26,096,640	\$ 6,504,660	\$ 4,144,490	\$ 2,118,370	\$ 38,864,160
ENTERPRISE FUNDS						
Environmental Service Fund	214.50	\$ 11,537,020	\$ 2,804,490	\$ 2,609,410	\$ 1,226,280	\$ 18,177,200
Tucson Water Utility Fund	575.50	31,587,090	8,096,300	6,527,640	3,121,290	49,332,320
Public Housing AMP Fund	68.87	3,594,960	955,960	692,980	385,720	5,629,620
Non-Public Housing Asset Management Fund	7.58	364,540	91,540	91,580	38,600	586,260
Tucson City Golf Fund	—	31,280	8,600	5,240	2,480	47,600
Total Enterprise Funds	866.45	\$ 47,114,890	\$ 11,956,890	\$ 9,926,850	\$ 4,774,370	\$ 73,773,000
INTERNAL SERVICE FUND						
Health Insurance Trust Fund	3.50	\$ 233,670	\$ 64,260	\$ 47,260	\$ 21,030	\$ 366,220
Self Insurance Fund	23.00	1,403,560	346,780	241,940	135,380	2,127,660
Total Internal Service Fund	26.50	\$ 1,637,230	\$ 411,040	\$ 289,200	\$ 156,410	\$ 2,493,880
FIDUCIARY						
Tucson Supplemental Retirement System	4.50	\$ 300,770	\$ 82,720	\$ 34,840	\$ 30,930	\$ 449,260
Total Fiduciary Funds	4.50	\$ 300,770	\$ 82,720	\$ 34,840	\$ 30,930	\$ 449,260
TOTAL ALL FUNDS	4,587.75	\$ 285,905,360	\$ 113,149,870	\$ 51,180,040	\$ 26,826,790	\$ 477,062,060



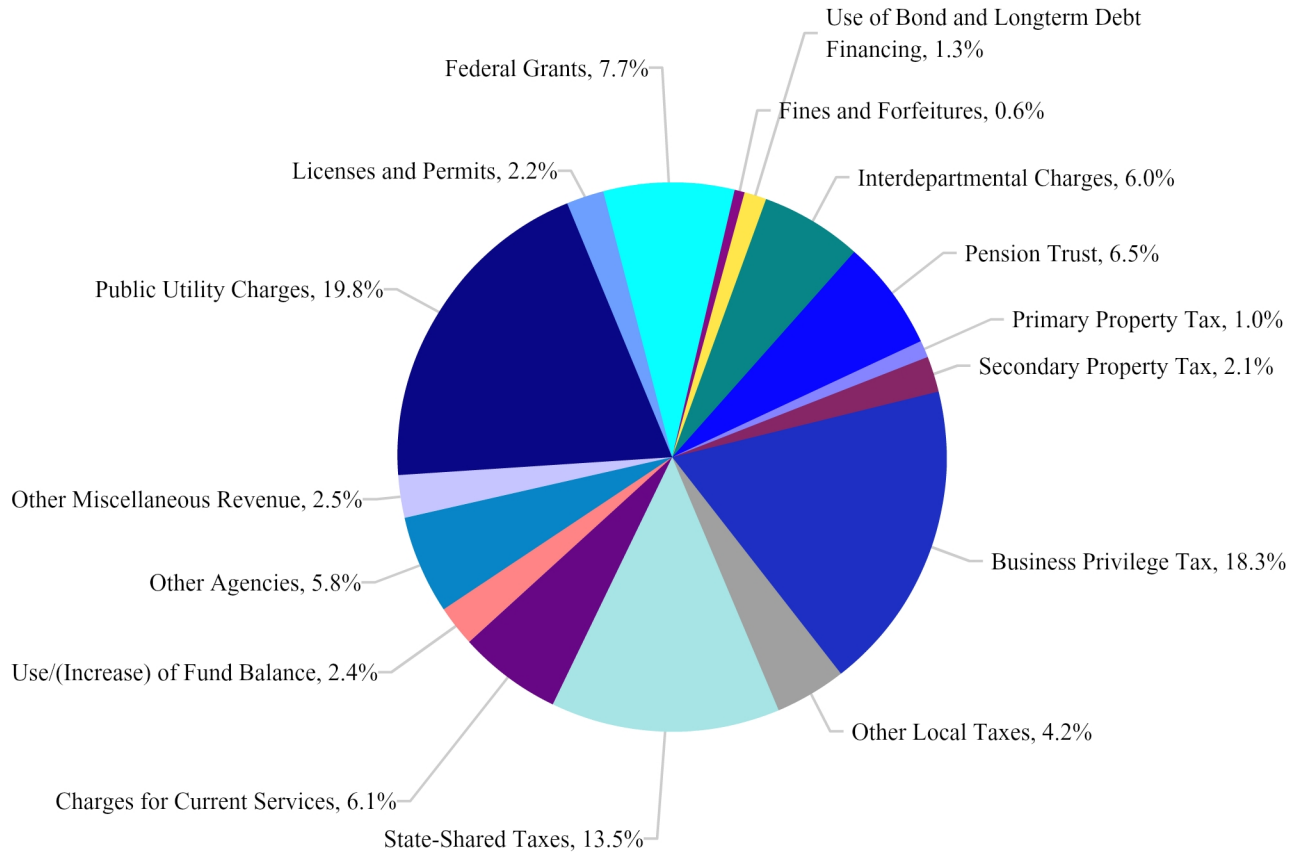
Section C

Funding Sources



We Educate and Inform

REVENUES FISCAL YEAR 2019/20 TOTAL



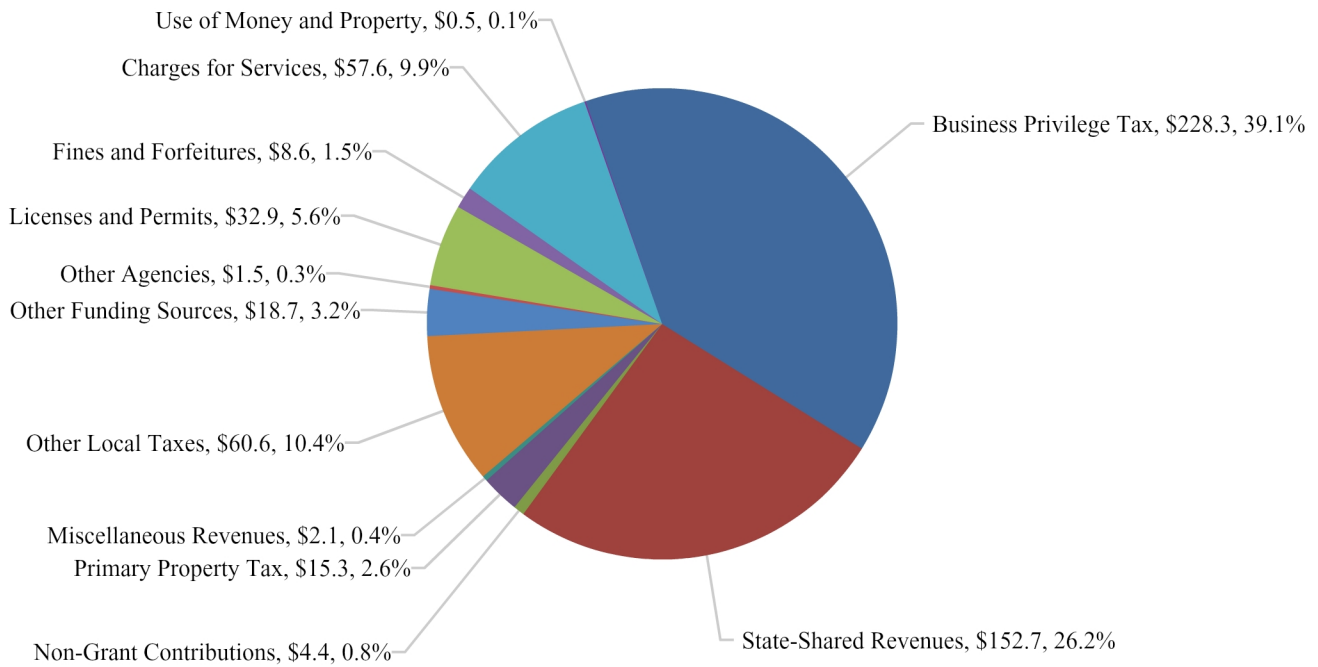
Funds Available	Annual Budget Total	Percent of Total
Primary Property Tax	\$ 15,604,600	1.0 %
Secondary Property Tax	33,162,680	2.1 %
Business Privilege Tax	284,160,470	18.3 %
Other Local Taxes	65,103,600	4.2 %
State-Shared Taxes	208,277,580	13.5 %
Charges for Current Services	103,636,950	6.1 %
Use/(Increase) of Fund Balance	37,851,440	2.4 %
Other Agencies	90,525,180	5.8 %
Other Miscellaneous Revenue	31,534,200	2.5 %
Public Utility Charges	308,593,350	19.8 %
Licenses and Permits	34,245,180	2.2 %
Federal Grants	119,939,860	7.7 %
Fines and Forfeitures	9,372,410	0.6 %
Use of Bond and Longterm Debt Financing	20,000,000	1.3 %
Interdepartmental Charges	92,861,240	6.0 %
Pension Trust	101,533,690	6.5 %
Total Funds Available	\$ 1,556,402,430	100.0 %

GENERAL FUND

The General Fund is the chief operating fund of a state or local government. All of a government's activities are reported in the General Fund unless there is a compelling reason to report an activity in another fund. Compelling reasons include requirements for certain Generally Accepted Accounting Principles, specific legal circumstances, or financial administration.

The City of Tucson's Adopted General Fund revenues for Fiscal Year 2019/20 are \$583.2 million, an increase of \$31.6 million or 5.7% from the Fiscal Year 2018/19 adopted budget of \$551.6 million.

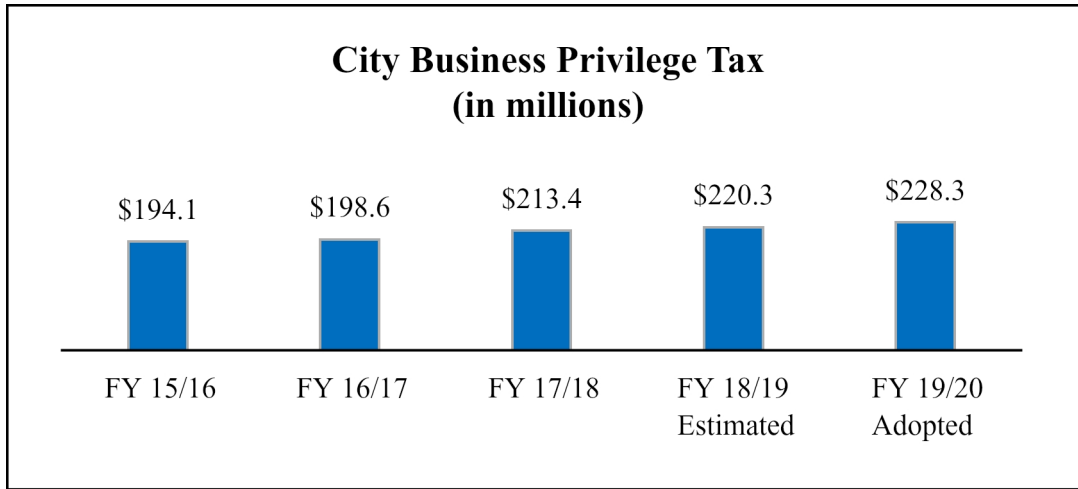
General Fund Revenues \$583.2 million



CITY BUSINESS PRIVILEGE (SALES) TAX

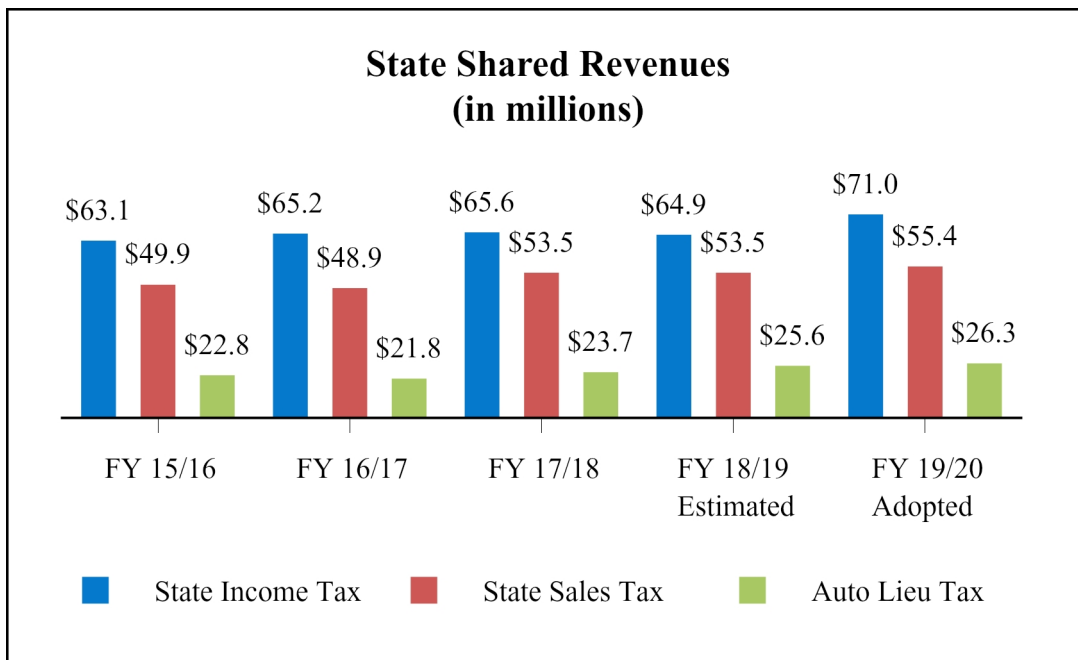
The Business Privilege Tax is a major source of revenue to the City and accounts for approximately 39.1% of the anticipated General Fund revenue. The Tucson City Charter exempts food purchased for home consumption, but allows the taxation of food consumed in restaurants or carried out.

GENERAL FUND



STATE SHARED REVENUES

Cities and towns in Arizona receive a portion of revenues collected by the State of Arizona. The allocations for these revenues are primarily based on U.S. Census population figures. The three state-shared revenues represent 26.2% of the General Fund budget. Revenues from these sources may be used for any general government activity. For Fiscal Year 2019/20, the projected state-shared revenues are \$152.7 million, representing a 6.0% increase from the \$144.0 million estimate for Fiscal Year 2018/19.



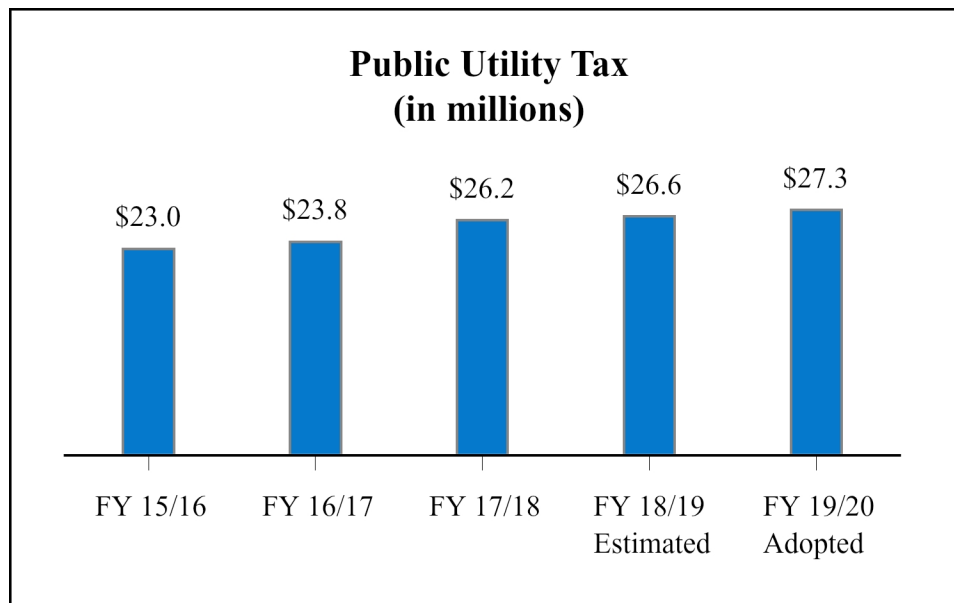
GENERAL FUND

PUBLIC UTILITY TAX

The Tucson City Charter authorizes a tax on the gross sales by public utilities and telecommunication providers operating without a franchise to consumers within the city limits. The tax is paid monthly on gross income with a provision allowing credit against the public utility tax for any franchise fees paid to the City. The public utility tax is in addition to the 2% city sales tax.

Under the terms of voter-approved franchises granted to Tucson Electric Power and Southwest Gas for use of public rights-of-way, the City collects 2.25% on gross sales of electricity and 3.0% on natural gas consumed within the city. The franchise fee payments received from Tucson Electric Power and Southwest Gas reduces their public utility tax. Monies received from public utility taxes and utility franchise fees may be used to pay any expense legally chargeable to the General Fund.

Estimated revenues from public utility taxes for Fiscal Year 2019/20 total \$27.3 million, representing a slight increase of \$0.7 million from the Fiscal Year 2018/19 estimated budget of \$26.6 million.



PRIMARY PROPERTY TAX

The City imposes a primary property tax on real and personal property located within the city limits. Revenues from the primary property tax can be used to pay any expense legally chargeable to the General Fund.

The Arizona State Constitution limits the amount of ad valorem taxes levied by a city to an amount not to exceed 2% greater than the maximum allowable levy in the preceding year. This levy limitation permits additional taxes to be levied on new or annexed property which may be taxed at the allowable rate computed for property taxed in the preceding year. Property annexed by November 1 will be taxable in the following year. The Fiscal Year 2019/20 revenues reflect the 2% allowable increase.

The city applies a state law allowing an increase to the primary property tax levy by the amount of involuntary torts or claims paid in Fiscal Year 2017/18. The involuntary tort levy amount is \$265,140, which is less than the prior year and decreases the estimated primary tax rate by \$0.0675 per \$100 of assessed valuation. The revenue from this primary property tax will be recognized in the Self-Insurance Internal Service Fund.

GENERAL FUND

The adopted primary property tax for Fiscal Year 2019/20, including the amount for the tort levy, is \$16,296,200 or \$1.8 million less than the actual levy of \$18,130,990 for Fiscal Year 2018/19. The tax rate for Fiscal Year 2019/20 will decrease to \$0.4555 per \$100 of assessed valuation from \$0.5311 for Fiscal Year 2018/19. The chart illustrates the Primary tax rates and levy for five years.

Primary Tax Rate and Levy					
	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Actual	FY 18/19 Actual	FY 19/20 Adopted
Primary Tax Rate	\$0.5326	\$0.5348	\$0.4581	\$0.5311	\$0.4555
Primary Tax Levy	\$14,973,710	\$17,035,130	\$15,235,260	\$18,130,990	\$16,296,200
Net Taxable Value	\$3,068,049,790	\$3,185,432,195	\$3,326,022,182	\$3,414,161,333	\$3,577,563,370

OTHER LOCAL TAXES

Other local taxes that the City imposes include use, transient occupancy, room, occupational, liquor, and excise. The use tax applies when goods are purchased from a retailer who does not collect sales tax. The Tucson City Code authorizes a 6% transient occupancy tax on rooms rented for 30 days or less. In addition to the transient occupancy tax, there is a daily hotel/motel surcharge of \$4.00 per rented room. This year's budget increased slightly from the estimate for Fiscal Year 2018/19.

Not including public utility tax and hotel/motel surcharge, estimated revenues from transient occupancy and other local taxes for Fiscal Year 2019/20 total \$25.5 million, an increase of \$0.2 million from Fiscal Year 2018/19 estimated revenues of \$25.3 million.

CHARGES for SERVICES

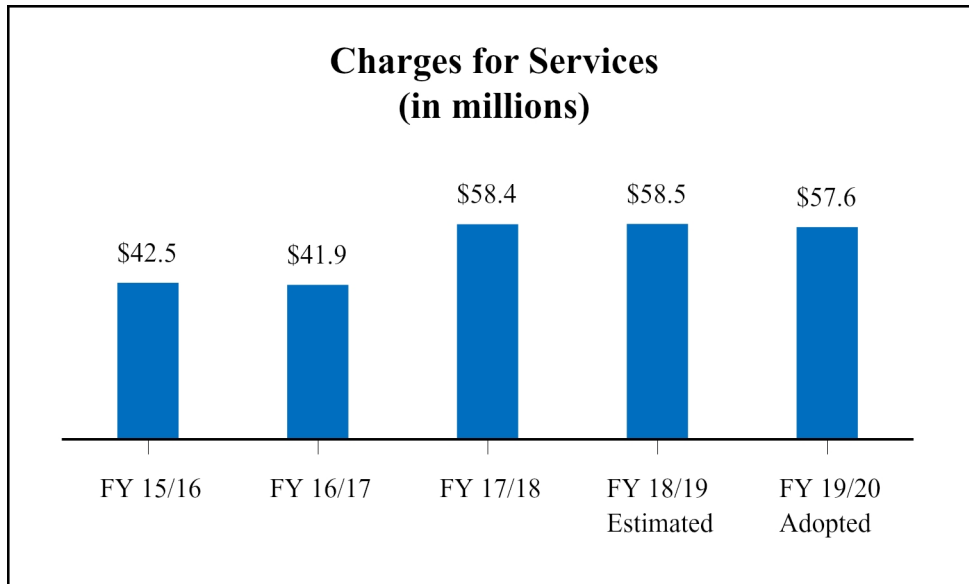
City departments may charge fees for a certain level of cost recovery. The Planning and Development Services Department charges fees for project planning, review, and zoning. The Fire Department charges fees for services provided for emergency medical transport and fire inspections. The Parks and Recreation Department has fees for recreational programs and classes. The Environmental and General Services Departmental charges other funds for vehicle servicing, building maintenance, and fuel usage.

The City charges an administrative fee to the Water and Environmental Services Enterprise Funds, as well as the Park Tucson and Highway User Revenue Funds (HURF). This charge covers the cost of General Fund central support services provided to the business-type activities of the City.

In Fiscal Year 2019/20, charges for services are projected to decrease approximately \$0.9 million from estimated Fiscal Year 2018/19, which is generated by decreased emergency medical transports.

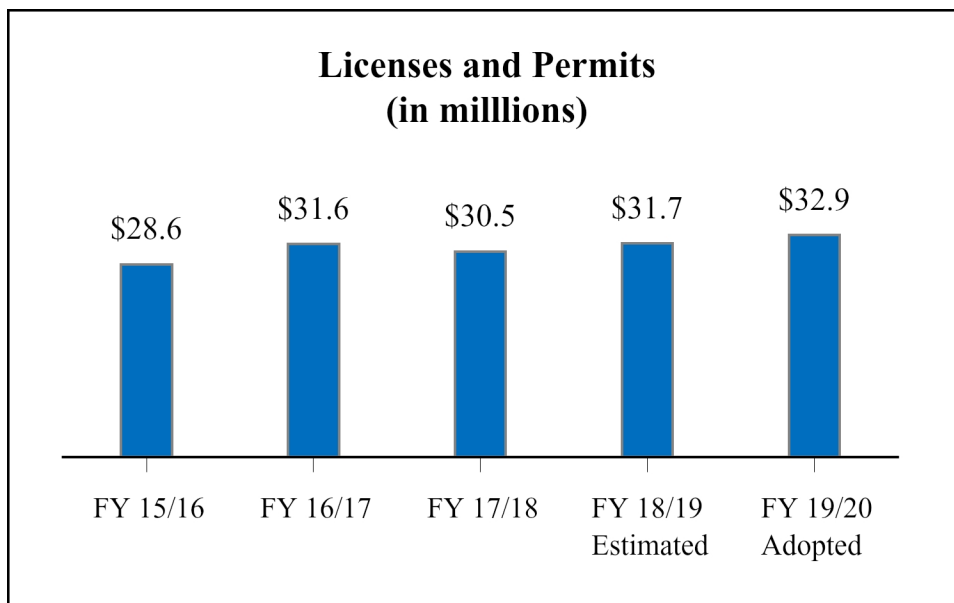
GENERAL FUND

The following graph illustrates the City of Tucson Charges for Services over five years.



LICENSES and PERMITS

Licenses and Permits revenues include revenue from franchise fees, licenses for various business activities, and permits for signs, alarms, and trash hauling. For Fiscal Year 2019/20, the projected licenses and permits revenues are \$32.9 million, representing an increase from the \$31.7 million Fiscal Year 2018/19 estimated. The majority of this change is due to anticipated growth in building permits, inspections and cable television licenses.



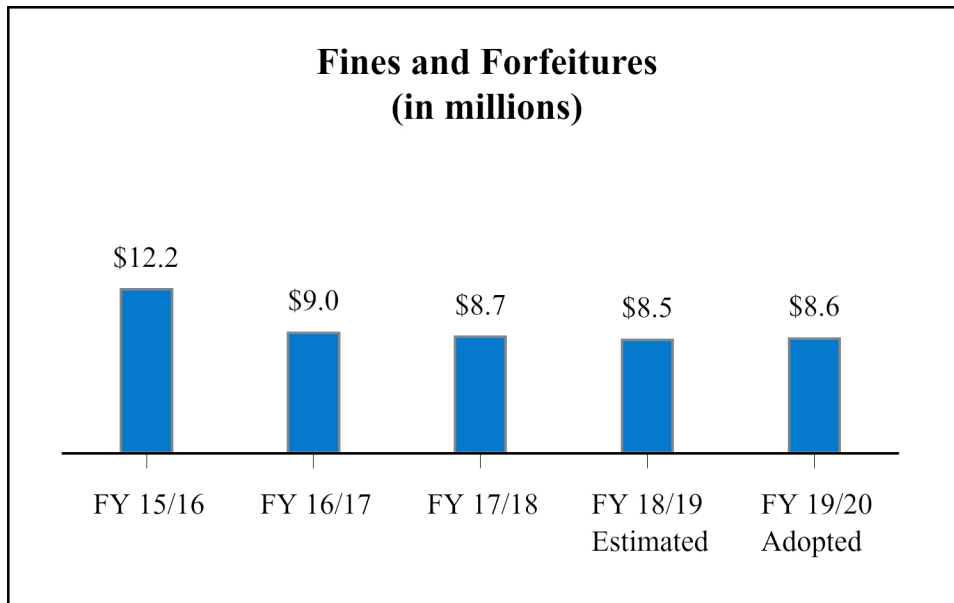
GENERAL FUND

FINES and FORFEITURES

This revenue is derived from fines for violations of State Statutes and the Tucson City Code, and from forfeitures collected by the Tucson Police Department and the City Attorney. Fines include driving under the influence and other criminal misdemeanors, along with civil traffic violations.

Fines and penalty revenues are accounted for in both the General Fund and the Special Revenue Funds. Forfeitures, which are accounted for in the General Fund, are restricted for specific law enforcement expenses.

The proposed Fiscal Year 2019/20 revenues of \$8.6 million are projected to slightly increase from Fiscal Year 2018/19 estimated revenues of \$8.5 million.



USE of MONEY and PROPERTY

Revenues in this category include payments from the leasing of City property and interest earnings. The Business Services Department invests funds available but not needed for immediate disbursement. Fiscal Year 2019/20 interest earnings and rental revenues are anticipated to be slightly higher over the Fiscal Year 2018/19 revenue projection.

OTHER AGENCIES

Revenues in this category come from Intergovernmental Agreements with other jurisdictions, e.g., contract with the University of Arizona, law enforcement training, and dispatch.

GENERAL FUND

NON-GRANT CONTRIBUTIONS

Revenues in this category are from miscellaneous contributions. The major source of revenue in this category is from a federal subsidy to investors equal to 35% of the interest payable by the issuer of Qualified Energy Conservation Bonds (QECBs) and Build America Bonds (BABs). The City projects to receive \$1.0 million from these subsidies to offset the debt service interest payments, a slight increase of \$0.1 million.

The City entered into a contract with Raytheon to provide for fire services late in Fiscal Year 2014/15, the annual amount continues to be \$1.4 million. Additionally, the City agreed to provide school resource officers at Tucson and Amphitheater Unified School district campuses for \$0.4 million, which is relatively flat from Fiscal Year 2018/19 projected.

MISCELLANEOUS REVENUES

Revenues in this category include the sale of property, recovered expenditures and other miscellaneous funds.

IN LIEU OF TAXES

Municipal-owned utilities are exempt from property taxes. In order to compensate the City for the lost property tax revenues, the City collects a payment in lieu of tax (PILOT) from Tucson Water Utility Fund for \$2.0 million.

OTHER FINANCING SOURCES

Other Financing Sources is the category in which current financial resources are reported separately from standard operating revenues to avoid distorting revenue trends. For Fiscal Year 2019/20, other financial resources are use of fund balance.

The City receives certain funds which are subject to constraints either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions (i.e. state assessment fee, vehicle impoundment fee, special duty). If the City is unable to spend the restricted funds by fiscal year end, then the remaining funds increase the General Fund's restricted fund balance. A department may plan to spend the restricted funds in the following fiscal years.

For Fiscal Year 2019/20, the City is expecting to draw \$7.8 million from restricted funds. Another \$8.9 million from assigned funds is budgeted to pay for employee distributions, elections and campaign finance, the 2020 census, a new permitting software system, fiber optic relocation, city hall elevator and air conditioning unit replacement, public works building renovation, asset management system and upgrade of laboratory information management system. The use of committed fund balance will go to purchase land parcels from the restricted annexation account.

Revenue detail for General Fund revenue on page C-24.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of several revenue sources restricted to expenditures for specified purposes. Included in this category are the Mass Transit Funds, Tucson Convention Center (TCC) Fund, Highway Revenue User Fund (HURF), Park Tucson Fund, Civic Contribution Fund, Federal and State Grant Funds, the Public Safety and Streets Improvement Fund and the Zoo Fund.

MASS TRANSIT FUND

The Mass Transit Fund records the revenues generated and expenditures made in order to run the public transportation system for the City. Revenues include passenger revenues, operating assistance from the Regional Transportation Authority, Pima County and other local jurisdictions, and other miscellaneous revenues.

The Fiscal Year 2019/20 passenger revenues of \$10.9 million are projected to decrease by \$0.2 million from the Fiscal Year 2018/19 estimated total of \$11.1 million. This decrease is attributed to a decline in passenger rides.

Fiscal Year 2019/20 federal grant revenue of \$15.7 million decrease \$6.2 million from the Fiscal Year 2018/19 estimated total of \$21.9 million.

The General Fund transfer to the Mass Transit Fund is projected to increase by \$2.1 million from \$45.3 million Adopted Fiscal Year 2018/19 to estimated total of \$47.4 million in Fiscal Year 2019/20. The increase is primarily due to contracted labor increases and the local match for replacement vans.

MASS TRANSIT – SUN LINK FUND

Sun Link, the City's streetcar system, began operations in July 2014. Estimated passenger revenues for Fiscal Year 2019/20 total \$1.0 million. The forecast assumes an increase from Fiscal Year 2018/19 estimated total of \$0.3 million.

The City's General Fund is projected to provide \$3.6 million in funding in Fiscal Year 2019/20 to cover operating costs and debt service on the street cars. This is a decrease of \$0.2 million from Fiscal Year 2018/19 estimated total of \$3.8 million and is attributed to projected increase in farebox revenue.

TUCSON CONVENTION CENTER FUND

The Tucson Convention Center Fund is used for the operations of the convention center and is operated by an outside contractor, SMG. Revenues include room and space rental, parking fees, catering and concessions, and other miscellaneous revenues. The Fiscal Year 2019/20 projected operational revenues of \$8.1 million are anticipated to increase from the projected Fiscal Year 2018/19 revenues by \$5.3 million.

On May 17, 2016, the City entered into a ten-year license contract with the American Hockey League (AHL) for use of the Convention Center arena beginning in October 2016. Under this contract, the AHL pays the City an annual license fee of \$300,000, adjusted for inflation each year. The City and the AHL share net revenues from the sales of concessions, parking, other types of advertising, and naming rights. In addition, the City collects a Facility Fee on sold tickets to fund a capital improvement and maintenance reserve account. The reserve balance as of June 30, 2018 is approximately \$0.5 million.

The renegotiation of the rental lease agreement between the Rio Nuevo Multipurpose Facilities District (Rio Nuevo) and the City reduced the Fiscal Year 2019/20 General Fund transfer to the Tucson Convention Center Fund by \$1.3 million from Fiscal Year 2018/19 estimated to Fiscal Year 2019/20 adopted budget.

SPECIAL REVENUE FUNDS

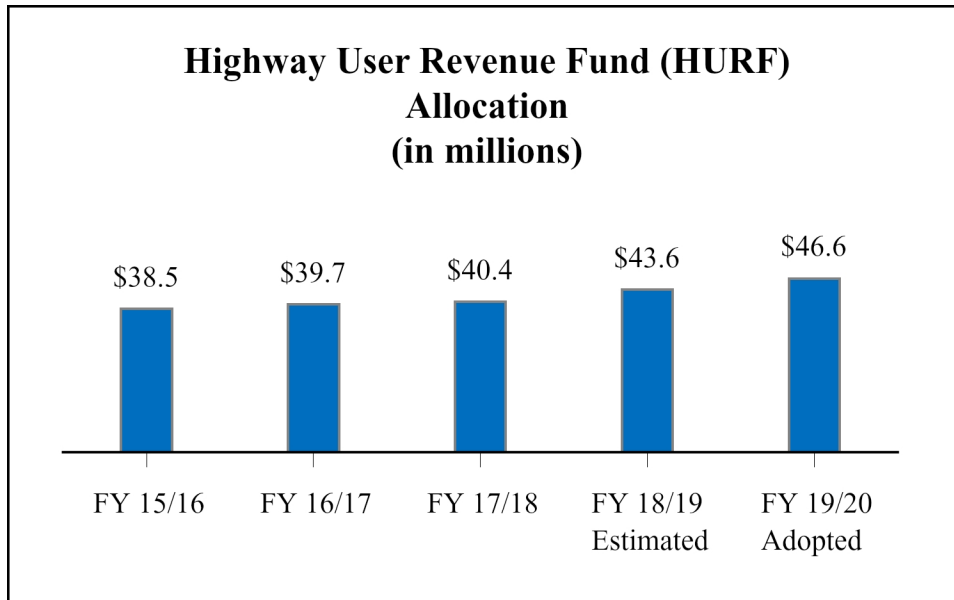
HIGHWAY USER REVENUE FUND

The HURF revenues are generated from the state-collected gasoline tax. Currently, the gas tax is levied at a rate of \$0.18 per gallon and distributed to cities and towns under two formulas. The first formula deposits \$0.13 of the \$0.18 in a fund from which 27.5% is allocated to cities and towns. One-half of the monies received under this formula are distributed on the basis of population and the remaining half of the monies are distributed on the basis of gasoline sales from the “county of origin.” This portion is then allocated in relation to the population of all incorporated cities and towns in the county.

The HURF revenues are restricted solely for street and highway purposes. Eligible activities for HURF revenues include rights-of-way acquisitions, street construction, maintenance and improvements, and debt service on highway and street bonds.

The Fiscal Year 2019/20 estimate provided by the Arizona Department of Transportation reflects the continued elimination of the HURF sweeps to fund the department of public safety. The special allocation of approximately \$14.4 million for all cities and towns was also removed this year.

The following graph shows the amount of state-shared HURF revenues received and anticipated by the City. It reflects an approximate 21% increase in revenues since Fiscal Year 2015/16.



SPECIAL REVENUE FUNDS

PARK TUCSON FUND

The Park Tucson Fund is used to account for the operations of the City's parking garages, parking lots and parking meters. The fund's Fiscal Year 2019/20 revenues increased \$0.8 million from Fiscal Year 2018/19 estimated revenues of \$5.0 million to reflect expanded parking and extended enforcement hours.

Park Tucson collects payments for parking ticket fines, including Tucson Police Department issued parking citations, for 30 days after the ticket issued date. The projected revenue on parking ticket fines for Fiscal Year 2019/20 is \$1.0 million. A portion of these payments are deposited to the City's General Fund. Citations not resolved within 30 days are referred to City Court. In Fiscal Year 2019/20, \$0.3 million is projected to be transferred to the General Fund.

CIVIC CONTRIBUTION FUND

The Civic Contribution Fund accounts for any monetary contributions from individuals or organizations for a specific purpose. Projected contributions to be expended during Fiscal Year 2019/20 include those for the Parks and Recreation Departments, along with the Tucson Police Department, and the Mayor's Office for the Hats Off to Heros annual event.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant (CDBG) Fund is for funds received from a federal program administered by the U.S. Department of Housing and Urban Development (HUD). Grant funds are awarded to local and state governments to develop viable urban communities by providing decent housing and expanding economic opportunities for low- and moderate-income residents. For Fiscal Year 2019/20, the projected CDBG funding of \$13.9 million is anticipated to increase \$0.9 million from the Fiscal Year 2018/19 estimates of \$13.0 million.

FEDERAL MISCELLANEOUS HOUSING GRANT FUND

The Miscellaneous Housing Grant Fund is for grants from HUD. The fund includes several grants for homeless activities, supportive services for public housing residents, and other smaller or non-recurring HUD programs. The fund accounts for the Lead Hazard Control Program that reduces lead-based paint hazards to help meet the goal of eliminating childhood lead poisoning.

The revenues in the Miscellaneous Housing Grant Fund are anticipated to increase \$0.3 million in Fiscal Year 2019/20 from the Fiscal Year 2018/19 estimated revenues of \$4.5 million to \$4.8 million. The increase is mostly due to the newly awarded Continuum of Care grant.

PUBLIC HOUSING SECTION 8 FUND

The Public Housing Section 8 Funds are for the federally-funded program offering affordable and safe housing for low-income families and individuals. Tenants are required to pay rent in the amount of no more than 30% of their income, and federal money pays the balance of the rent to the landlord.

The Fiscal Year 2019/20 budget revenues are anticipated to increase by \$0.7 million from the Fiscal Year 2018/19 estimated revenues of \$41.2 million. The increase is primarily due to grant carry forward spending of multi-year projects.

SPECIAL REVENUE FUNDS

TUCSON DELIVERS - SAFER CITY AND BETTER STREETS IMPROVEMENT FUNDS

The Tucson Delivers, Safer City Improvement Fund accounts for the taxes collected to fund public safety vehicles, equipment, and facility needs of the Tucson Police and Tucson Fire Department.

The Fiscal Year 2019/20 revenue forecast is \$35.5 million, an increase of \$1.3 million from the Fiscal Year 2018/19 projection of \$34.2 million. The increase is due to the modest growth in the economy.

The Tucson Delivers, Better Street Improvement Fund accounts for the sales taxes collected to repair and maintain city streets.

The Fiscal Year 2019/20 revenue forecast is \$24.3 million, an increase of \$2.7 million from the Fiscal Year 2018/19 projection of \$21.6 million. The increase is due to the modest growth in the economy.

REID PARK ZOO FUND

Tucson voters approved two Zoo initiatives on November 7, 2017 to provide critical funding for animal care, operational needs, new animals and naturalistic habitats, and aging infrastructure. The propositions authorized a temporary (10 years) increase in the sales tax and the creation of a dedicated fund for the Zoo. The sales tax went into effect on February 1, 2018, and revenues collected are in the Zoo fund. The City will utilize the Tucson Zoological Society, a non-profit group dedicated to supporting the Zoo, as a management company to run the daily operations of the Zoo and oversee Zoo improvements. The City will maintain oversight of all public monies, and will work collaboratively with the Society to improve the Zoo and maximize its value to the public.

The sales tax revenues for Fiscal Year 2019/20 are projected to be \$11.1 million, an increase of \$0.3 million from Fiscal Year 2018/19 projected revenues of \$10.8 million. The increase is due to the modest growth in the economy.

HOME INVESTMENT PARTNERSHIPS PROGRAM FUND

This is a U.S. Department of Housing and Urban Development entitlement grant program used to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing for very low-income and low-income families.

The adopted revenues for Fiscal Year 2019/20 are \$8.7 million, which is relatively flat from the prior year estimate.

SPECIAL REVENUE FUNDS

OTHER FEDERAL and NON-FEDERAL GRANTS FUNDS

The Other Federal and Non-Federal Grants Fund are for miscellaneous federal grants not accounted for in the Mass Transit Fund, Enterprise Funds, or any of the Housing Funds. The grants are awarded by federal agencies such as Department of Justice, Department of Energy, Department of the Interior, Department of Homeland Security, National Highway Traffic Safety Administration, the Federal Highway Administration, the Arizona Criminal Justice Commission, the Arizona Counter Narcotics Alliance (CNA), and the Arizona Department of Transportation. City departments apply for federal and state grants enhancing the department's mission in providing services to the community.

The adopted Fiscal Year 2019/20 revenue budget is \$26.9 million, an increase of \$1.7 million from the Fiscal Year 2018/19 projection of \$25.2. The increase is mainly due to new grant funding awarded to the Tucson Police and Housing and Community Development departments.

Revenue detail for all Special Revenue Funds is on page C-25.

ENTERPRISE FUNDS

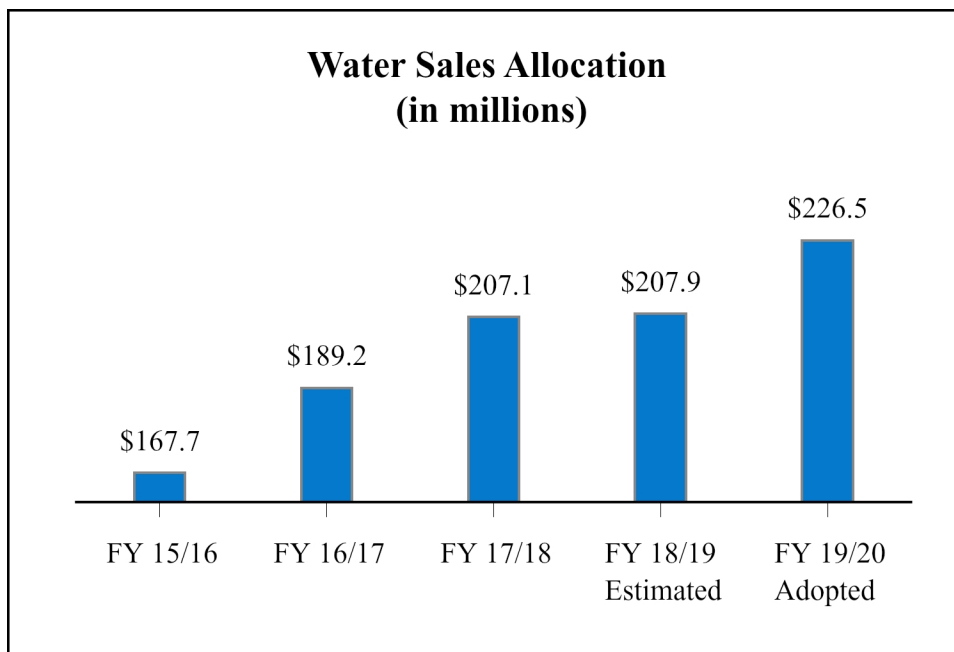
Enterprise Funds are used to account for certain operations providing services to the general public for a fee. The City of Tucson’s Enterprise Funds are established to set fees or charges to recover the cost of providing services, including capital costs. The Enterprise Funds may issue debt backed solely by the fees and charges of the funds.

TUCSON WATER UTILITY

The Tucson Water Utility is committed to ensuring customers receive high quality water. To provide this service, the Utility has a variety of fees. The fees include potable water sales, water conservation fees, reclaimed water sales, connection fees, and other miscellaneous operating revenues. Non-operating revenues include interest earnings, reimbursement from the Tucson Airport Remediation Project, equity fees, and miscellaneous state and federal grants.

Mayor and Council approved a 6.5% increase to water rates as presented in the Water Financial Plan for Fiscal Year 2019/20 on May 22, 2018. This is the second year of the two-year water rate package. The rate increase is projected to generate an additional \$13.6 million in revenue for Fiscal Year 2019/20.

For Fiscal Year 2019/20, the water sales revenue (Potable, Reclaimed, Central Arizona Project Surcharge, Conservation and Fire Sprinkler Fees) is projected to increase by \$18.6 million or 8.9% over Fiscal Year 2018/19 estimated.



Water Revenue System Obligations are issued to provide funds for the acquisition and construction of water system improvements. Revenue System Obligations are loaned to a utility by its guarantee of repayment solely from revenues generated by the utility rather than from a tax. Mayor and Council approval is needed to issue this type of debt obligation.

The bonds will be used for improvements to storage, treatment, and distribution facilities to the Water System. The areas of focus are Santa Cruz Wellfield program, Southeast Area Water Delivery plan, Southeast Houghton area recharge project, Manzanita tank lining, Skyline bell air tank rehabilitation, and Sahuarita supply line slip liner.

Details on projects funded by the Tucson Water Department may be found in Section E, Capital Improvement Program.

ENTERPRISE FUNDS

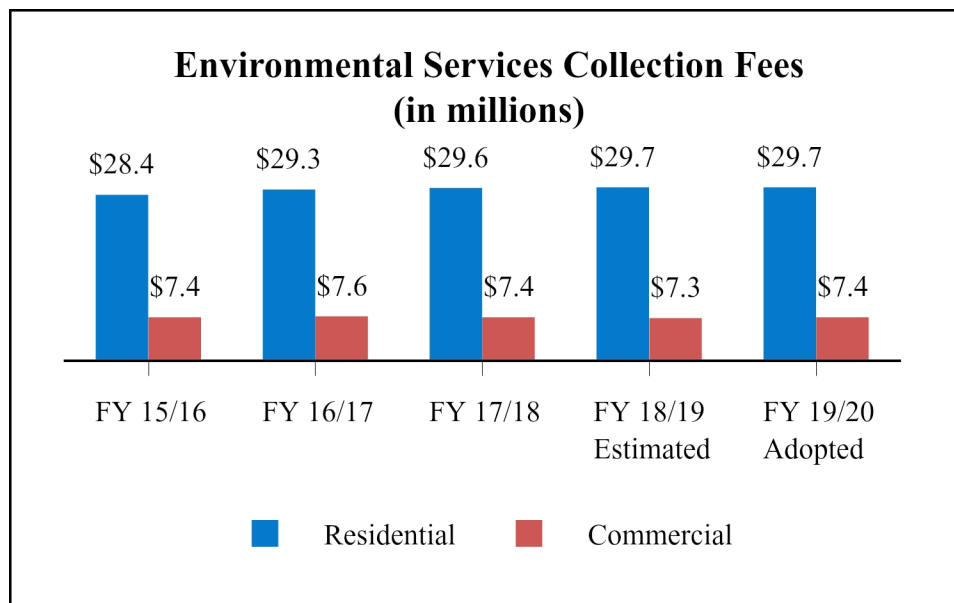
ENVIRONMENTAL SERVICES FUND

Environmental Services provides Tucson citizens and businesses with refuse and recycling trash collection and waste disposal services. The department operates the City's landfill in compliance with State and Federal regulations and administers the city's Environmental Compliance and Brownfields programs as well as the Household Hazardous Waste program.

The City's recycling program continues to be affected by global recycling trends in the recycling industry that are having significant financial impacts on the recycling program. The City's recycling program continues to incur additional costs to process and market the collected recyclables to satisfy with stricter regulation. Beginning this fiscal year, the City changed its residential recycling service from once-a-week pick-up to every-other-week while continuing to recycle all recyclable items currently accepted by the City's recycling program. This strategy is designed to reduce operating and maintenance costs of the program in the amount of \$1.4 million. In addition to the operational changes, an allocation from the General Fund of up to \$2.0 million is included in this year's budget to help cover increased recycling processing costs.

The projected revenues are anticipated to increase by \$0.1 million, from Fiscal Year 2018/19 estimate of \$37.0 million to \$37.1 million for Fiscal Year 2019/20.

Environmental services is continuing with the development and implementation of various capital programs to include but not limited to, the reclamation of the Congress Landfills, Sillverbell Pump and Treat System, construction of a landfill cell 4, household hazardous waste, and container maintenance facilities at the Los Reales Landfill.

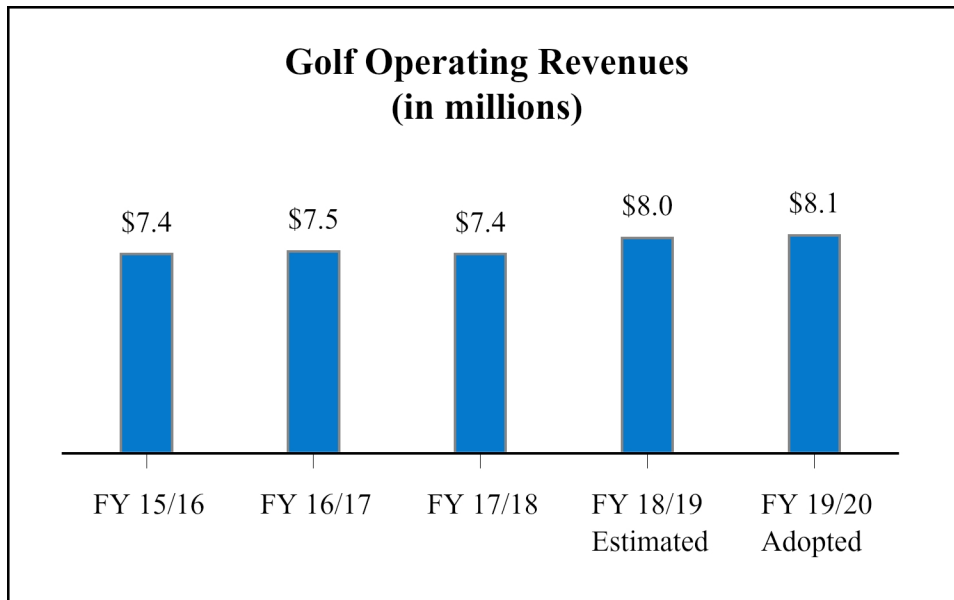


ENTERPRISE FUNDS

TUCSON GOLF ENTERPRISE FUND

The Tucson Golf Fund operates five golf courses throughout the city: El Rio, Randolph, Dell Urich, Fred Enke, and Silverbell. The revenues funding the golf operations include golf fees, cart rental, driving range, pro shops, and food and beverage sales. The City contracts with OB Sports to manage the golf operations. The projected revenues are anticipated to be relatively flat from Fiscal Year 2018/19 estimated level of \$8.0 million to \$8.1 million for Fiscal Year 2019/20.

The following graph shows the amount of golf operating revenues received and anticipated by the City.



PUBLIC HOUSING (AMP) FUNDS

Public housing provides decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. The City of Tucson owns and manages 1,505 public housing units located throughout the city. The public housing unit portfolio includes elderly/disabled high-rises, multi-unit housing complexes, and scattered site single family homes.

The Public Housing (AMP) Funds federal grant funding is projected to increase over Fiscal Year 2018/19 estimated total of \$7.0 million to \$7.5 million in Fiscal Year 2019/20.

NON-PHA ASSET MANAGEMENT FUND

This fund accounts for asset management activities by the Housing and Community Development Department, consisting of affordable multifamily housing rentals and department office buildings.

Revenue detail of each Enterprise Fund on page C-25 and C-26.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for and the payment of, general long-term debt principal and interest which are not serviced by the General, Special Revenue, and Enterprise Funds. It does not include contractual obligations accounted for in the individual funds.

GENERAL OBLIGATION BOND and INTEREST FUND

General Obligation bonds are a form of long-term borrowing in which the City issues municipal securities and pledges its full faith and credit to their repayment. Bonds are repaid over many years through semi-annual debt service payments. The City levies a property tax for the purpose of retiring the principal and paying interest on the general obligation bonds. The tax rate is based on the annual debt service requirements and includes a tax delinquency factor.

The city's total estimated debt service requirement on general obligation bonds for Fiscal Year 2019/20 is \$33,110,920 a slight increase from the Fiscal Year 2018/19 actual levy of \$32,462,790. The secondary property tax rate for Fiscal Year 2018/19 was \$0.9508 per \$100 valuation. For Fiscal Year 2019/20, the secondary property tax rate will decrease by \$0.0253 per \$100 valuation to \$0.9255 per \$100 valuation.

Secondary Tax Rate and Levy					
	FY15/16 Actual	FY16/17 Actual	FY17/18 Actual	FY18/19 Actual	FY19/20 Adopted
Secondary Tax Rate	\$1.0634	\$1.0634	\$0.9761	\$0.9508	\$0.9255
Secondary Tax Levy	\$33,217,410	\$33,874,570	\$32,465,710	\$32,462,790	\$33,110,920
Net Taxable Value	\$3,123,678,733	\$3,185,496,639	\$3,326,063,928	\$3,414,169,185	\$3,577,563,370

STREET and HIGHWAY BOND and INTEREST FUND

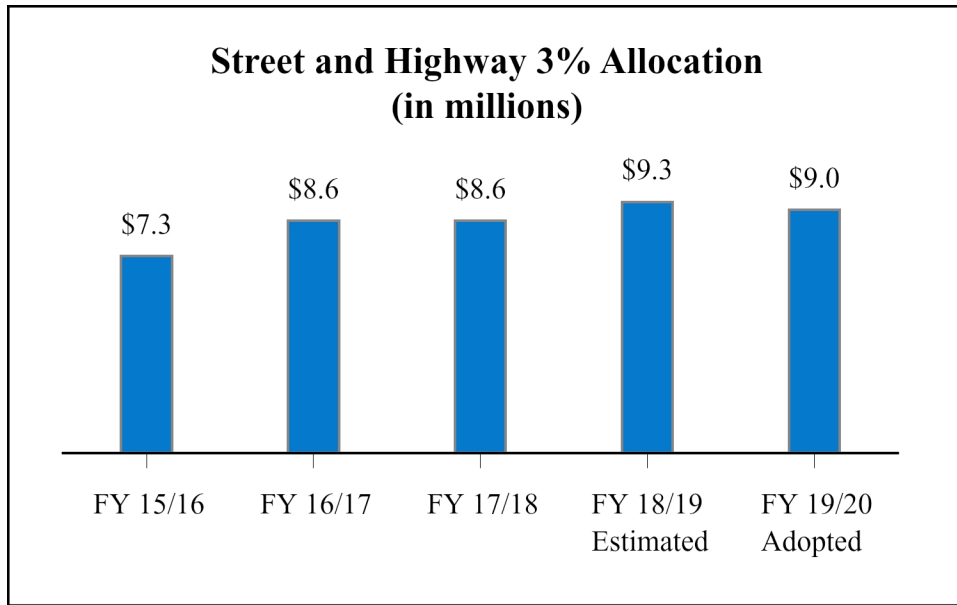
Street and Highway special revenue bonds are issued specifically for the purpose of constructing street and highway projects. These bonds require voter approval and are secured by gasoline tax revenues collected by the State of Arizona. The State's current distribution formula provides that 50.5% be retained in the state highway fund, 19% be distributed to counties, 27.5% be distributed to all incorporated cities and towns, and a final 3% be distributed to cities with a population greater than 300,000.

The City designates the 3% allocation to the repayment of the principal and interest on the Street and Highway revenue bonds. If the amount received is not sufficient to cover the debt service payments, then an operating transfer from the HURF Fund to the debt service fund is made to cover the difference.

The projected amount for Fiscal Year 2019/20 is \$9.0 million, which is a decrease of \$0.3 million from Fiscal Year 2018/19 projection of \$9.3 million mostly generated by the formula change of one-time HURF distribution of \$18.0 million.

The graph on the following page shows the amount of state-shared 3% HURF Allocation revenues received and anticipated by the City.

DEBT SERVICE FUNDS



Revenue detail for all Debt Service Funds on page C-26.

CAPITAL PROJECTS FUNDS

Funds for capital projects are created to account for the purchase or construction of major capital facilities which are not financed by General, Special Revenue, or Enterprise Funds. Voter-authorized bonds, certificates of participation proceeds, intergovernmental agreements, and impact fees are the source of funds in this group.

The capital projects overview may be found in Section E of this book.

GENERAL OBLIGATION PARKS AND CONNECTIONS IMPORVEMENT FUND

On November 6, 2018, the voters approved Proposition 407, a \$225.0 million General Obligation bond package for capital improvements dedicated to City park amenities, connections for mobility, and greenways. The issuance of the bonds for \$20.0 million will occur in the Spring of 2020. Until that time, Mayor and Council approved an accelerated implementation and design plan where the General Fund will provide a cash loan in the amount of actual expenditures to fund early construction and design of specific Phase 1 projects. The City has begun spending on the projects and intends to reimburse the General Fund through the future bond proceeds. Parks projects recommended for accelerated implementation include the improvement of two pools by Summer 2019 and improvements to seven pools and the construction of three new splash pads prior to Summer of 2020. For Connections projects, the design process has started for the select Phase 1 projects in order to be shovel-ready once the first bond issuance is completed.

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund accounts for capital projects reimbursed by governmental agencies such as Pima County and Pima Association of Governments (PAG). Typical projects to be reimbursed by other agencies are street and highway and park improvements. The projected revenues are anticipated to increase by \$2.9 million, from Fiscal Year 2018/19 estimate of \$22.3 million to \$25.2 million for Fiscal Year 2019/20.

DEVELOPMENT FEE FUND

The Development Fee Fund accounts for the capital projects funded by impact fees. Impact fees are charged to new development as a means of paying for the facilities and infrastructure needed to serve development. The City of Tucson currently assesses impact fees for water, roads, parks, police, and fire. The impact fees for water are accounted for in the Tucson Water Utility Fund. The projected revenues are anticipated to decrease by \$3.8 million, from Fiscal Year 2018/19 estimate of \$17.2 million to \$13.4 million for Fiscal Year 2019/20.

Funding from impact fees will go towards various Parks, Transportation, and Planning and Development Services projects in Fiscal Year 2019/20, major projects include the Reid Park expansion, Purple Hear Park expansion, major arterial road expansions, and a new permitting system.

REGIONAL TRANSPORTATION AUTHORITY (RTA) FUND

The RTA Fund accounts for the capital projects approved with funding from the RTA. The RTA plan is funded by a countywide transaction 1/2-cent sales tax approved by the voters on May 16, 2006, which is collected by the State of Arizona. The State, in turn, transfers the collected funds to a Regional Transportation authorized fund account managed by the Pima Association of Governments (PAG), the region's metropolitan planning organization. The tax will fund the vote-approved RTA plan through Fiscal Year 2025/26.

Revenues fluctuate widely from one year to the next, depending on status of projects. Projects funded with RTA funds include design and improvements along major arterial and collector roadways within the City of Tucson. The improvements include street widening, storm drains, sidewalks, street lighting, bike paths and landscaping.

Revenue detail for all Capital Projects Funds on page C-27.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City or to other governments on a cost reimbursement basis. The Self Insurance Fund accounts for property and public liability, workers' compensation, and the safety program. The Health Insurance Fund accounts for medical, dental, and other insurance programs provided to employees and retirees of the City.

SELF INSURANCE FUND

The Self Insurance Fund is used to finance the City of Tucson's risk management program. Revenue for this fund is primarily derived from charges to other City departments. The related fund activity includes unemployment claims, workers' compensation claims, public liability claims, employee safety, hazardous waste management (spill program), and specified environmental remediation. The charges to other City departments are dependent on the department claim cost and the expenses (e.g. insurance, legal, medical, and administrative costs) related to the risk management program.

In Fiscal Year 2019/20, the City continues to include tort claim reimbursements in the primary tax levy as allowed by state law. The property tax revenue represents a reimbursement to the City's Self Insurance Fund for the actual cost of liability claim judgments paid during Fiscal Year 2017/18. The amount levied for the tort liability reimbursement will be \$265,140, a 0.0675 property tax impact per \$100 assessed value to the primary tax levy.

HEALTH INSURANCE FUND

The Health Insurance Fund is used to account for health related benefits to City employees and their families as well as City retirees and their families. The services provided include three different medical plans, two different dental plans, and various other insurance and wellness programs. Revenues for this fund are primarily charges to other City departments and contributions from the participants. The charges are based on a full cost recovery of the required expenses including claims payments, and the administrative costs to operate the programs (e.g. stop loss insurance, legal consultants, medical claims administrator and other costs).

Revenue detail of Internal Service Funds is on page C-27.

FIDUCIARY FUNDS

These funds are used to account for assets held by the City in a trustee capacity or as an agent of individuals, private organizations, other governments, and/or other funds.

TUCSON SUPPLEMENTAL RETIREMENT SYSTEM

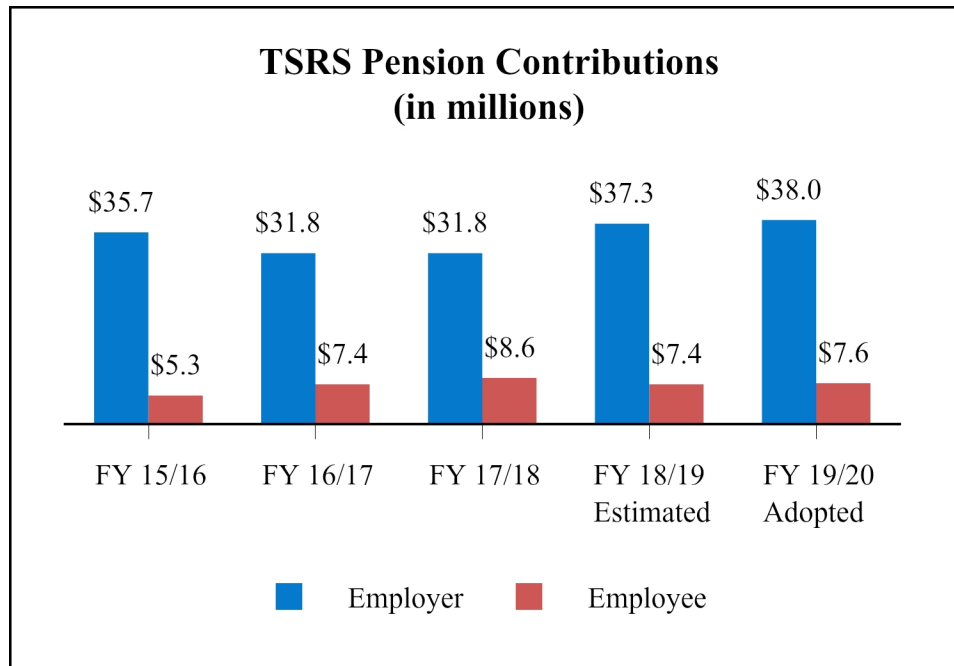
The Tucson Supplemental Retirement System (TSRS) was established in 1953 to provide retirement, survivor, and disability benefits for eligible city employees. Substantially all full-time and certain part-time employees, with the exception of those covered by the Arizona Public Safety Personnel Retirement System or the Elected Officials Retirement Plan of Arizona, are covered by TSRS.

Upon recommendation by the TSRS Board, the Mayor and Council approved the employer/employee contribution rates for all TSRS members that will take effect July 1, 2019. The rates incorporate the Actuary's recommendations plus additional contributions related to funding policy changes recommended by the TSRS Board aimed at achieving a fully funded status by the year 2030. The Board's funding policy adds contributions from both member and employer contributions that exceed the Actuary's recommended rates for the fiscal year ending 2019/20 by approximately 5.67%.

For TSRS employees hired prior to July 1, 2006, the employee contribution rate of 5% of their annual covered payroll through bi-weekly payroll deductions did not change. For employees hired after July 1, 2006, the contribution rate is 6.5%; for employees hired after June 30, 2011, the rate is 5.25%.

The Fiscal Year 2019/20 employer contribution rate is 27.50% for all employee members in the TSRS.

The following graph illustrates the amount of employee and employer contributions by fiscal year:



Revenue detail for TSRS on page C-27.

**CITY OF TUCSON
ADOPTED BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2020
SUMMARY RESOURCES BY FUND**

	ACTUAL FY 17/18	ADOPTED FY 18/19	ESTIMATED FY 18/19	ADOPTED FY 19/20
General Fund	\$ 532,307,723	\$ 551,588,990	\$ 554,215,260	\$ 583,166,940
Special Revenue Funds:				
Civic Contribution Fund	\$ 2,637,176	\$ 898,990	\$ 978,220	\$ 1,491,400
Community Development Block Grant Fund	13,275,170	17,939,900	17,918,990	13,938,830
Highway User Revenue Fund	38,758,084	42,560,690	48,359,350	51,539,510
HOME Affordable Housing Fund	2,726,781	8,808,200	8,808,200	8,706,720
Mass Transit Fund	79,290,480	94,867,690	91,439,720	94,111,700
Mass Transit Fund - Sun Link	5,242,224	5,937,650	4,483,810	6,097,830
Miscellaneous Housing Grant Fund	4,968,839	4,497,140	4,497,140	4,777,260
Non-Federal Grants Fund	1,861,439	3,757,840	3,686,580	2,499,290
Other Federal Grants Fund	18,133,373	28,066,800	23,395,100	24,387,170
Park Tucson Fund	6,054,764	6,039,680	5,907,070	6,711,160
Public Housing Section 8 Fund	37,695,936	41,280,340	41,280,340	41,903,000
Public Safety Improvement Fund	11,583,614	34,647,500	34,647,500	24,929,800
Reid Park Zoo Fund	—	11,661,000	9,251,010	9,221,000
Safer City and Better Streets Improvement Fund	246,030	30,000,000	30,000,000	28,907,700
Tucson Convention Center Fund	11,816,057	11,729,100	12,139,310	11,171,330
Total Special Revenue Funds	\$ 234,289,967	\$ 342,692,520	\$ 336,792,340	\$ 330,393,700
Enterprise Funds:				
Environmental Services Fund	\$ 48,838,793	\$ 68,026,260	\$ 67,263,010	\$ 66,193,070
Non-PHA Asset Management Fund	2,313,467	2,470,500	2,470,500	2,491,250
Public Housing Fund	12,055,752	13,861,420	13,791,610	14,389,630
Tucson Golf Enterprise Fund	7,330,480	7,750,910	7,900,290	7,660,870
Tucson Water Utility	224,933,798	271,548,990	257,019,720	275,032,260
Total Enterprise Funds	\$ 295,472,290	\$ 363,658,080	\$ 348,445,130	\$ 365,767,080
Capital Projects Funds:				
General Obligation Fund	\$ 19,800,207	\$ 4,000,000	\$ 2,432,570	\$ —
Capital Improvement Fund	8,143,231	54,279,380	22,253,320	25,169,300
Development Fee Fund	10,319,603	18,527,460	14,128,140	15,488,670
General Obligation Parks and Connections Improvement Fund	—	—	—	11,743,800
Regional Transportation Authority Fund	18,567,713	67,887,070	34,868,990	46,123,000
Total Capital Projects Funds	\$ 56,830,754	\$ 144,693,910	\$ 73,683,020	\$ 98,524,770

**CITY OF TUCSON
ADOPTED BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2020
SUMMARY RESOURCES BY FUND**

	ACTUAL FY 17/18	ADOPTED FY 18/19	ESTIMATED FY 18/19	ADOPTED FY 19/20
Debt Service Funds:				
General Obligation Bond and Interest Fund	\$ 33,385,270	\$ 33,396,070	\$ 33,396,070	\$ 33,737,180
Special Assessment Bond and Interest Fund	267,340	37,700	37,700	—
Street and Highway Bond and Interest Fund	16,904,450	12,220,250	12,220,250	12,144,500
Total Debt Service Funds	\$ 50,557,060	\$ 45,654,020	\$ 45,654,020	\$ 45,881,680
Internal Service Funds:				
Self Insurance Fund	\$ 18,438,498	\$ 16,428,300	\$ 15,347,620	\$ 24,453,640
Health Insurance Fund	—	—	—	72,764,940
Total Internal Service Funds	\$ 18,438,498	\$ 16,428,300	\$ 15,347,620	\$ 97,218,580
Fiduciary Funds:				
Tucson Supplemental Retirement System	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
Total Fiduciary Funds	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
Total City Resources	\$1,272,911,711	\$1,556,773,740	\$1,459,377,980	\$1,613,039,850

CITY OF TUCSON
ADOPTED BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2020
RESOURCES BY FUND

	ACTUAL	ADOPTED	ESTIMATED	ADOPTED
	FY 17/18	FY 18/19	FY 18/19	FY 19/20
GENERAL FUND				
Revenues:				
Primary Property Tax	\$ 14,710,170	\$ 15,440,440	\$ 15,004,370	\$ 15,304,460
Business Privilege Tax	213,375,580	211,442,410	220,261,610	228,278,070
Public Utility Tax	26,220,025	26,953,420	26,613,230	27,251,110
Transient Occupancy Tax	12,355,878	11,218,830	13,033,570	13,216,040
Room Surcharge	7,605,574	7,851,450	7,774,080	7,882,920
Other Local Taxes	11,180,348	10,141,690	12,296,430	12,271,130
State Shared Taxes:				
State Income Tax	65,588,866	65,149,930	64,870,850	70,973,790
State Sales Tax	53,529,411	52,672,090	53,503,020	55,435,810
Auto Lieu Tax	23,677,715	25,593,310	25,563,260	26,295,610
Licenses and Permits	30,519,870	32,609,520	31,711,890	32,855,180
Fines, Forfeitures and Penalty	8,720,894	9,638,450	8,469,080	8,612,410
Charges for Services	58,422,071	55,716,600	58,503,760	57,574,550
Use of Money and Property	1,156,875	487,820	457,730	503,240
Other Agencies	1,603,887	1,553,990	1,348,190	1,456,660
Non-Grant Contributions	5,013,802	4,595,200	4,133,710	4,385,590
Miscellaneous Revenues	6,355,266	1,528,510	4,799,050	2,131,950
In Lieu of Taxes	2,101,440	2,073,340	2,073,340	2,013,720
Total Revenues	\$ 542,137,672	\$ 534,667,000	\$ 550,417,170	\$ 566,442,240
Other Financing Sources:				
Transfer in - Debt Service Fund	\$ 500,000	\$ —	\$ —	\$ —
Use/(Increase) of Restricted Fund Balance	(377,160)	7,822,660	415,620	7,796,730
Use/(Increase) of Assigned Fund Balance	(12,452,950)	9,099,330	6,436,030	8,927,970
Use/(Increase) of Fund Balance	2,500,161	—	(3,053,560)	—
Total Sources	\$ (9,829,949)	\$ 16,921,990	\$ 3,798,090	\$ 16,724,700
Total Fund	\$ 532,307,723	\$ 551,588,990	\$ 554,215,260	\$ 583,166,940

CITY OF TUCSON
ADOPTED BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2020
RESOURCES BY FUND

	ACTUAL FY 17/18	ADOPTED FY 18/19	ESTIMATED FY 18/19	ADOPTED FY 19/20
Special Revenue Funds				
Revenues:				
Business Privilege Tax	\$ 53,389,091	\$ 62,036,500	\$ 62,942,005	\$ 66,364,300
Other Local Taxes	2,763,767	3,580,200	3,654,890	4,482,400
Licenses and Permits	1,835,713	1,008,000	1,341,000	1,140,000
Fines, Forfeitures, and Penalties	934,909	875,300	940,000	1,045,000
Use of Money and Property	1,893,942	1,297,120	1,309,090	1,214,680
Community Development Block Grant Entitlement	13,746,387	12,988,000	12,988,000	13,886,830
Federal Miscellaneous Housing Grants	4,968,839	4,500,000	4,500,000	4,777,260
HOME Investment Partnerships Program Fund	2,636,633	8,708,000	8,708,000	8,706,730
Public Housing Section 8 Grants	38,118,850	41,228,370	41,228,370	41,871,000
Other Federal and Non-Federal Grants	19,994,811	29,711,640	25,245,520	26,886,460
Other Agencies	15,836,087	15,186,620	17,221,620	18,742,420
Contributions	2,781,443	228,850	343,860	1,104,800
Mass Transit Passenger Revenue	10,727,414	11,230,490	11,120,290	10,863,990
Mass Transit Federal Grants	9,140,198	20,719,990	21,867,430	15,697,290
Mass Transit Sun Link Passenger Revenue	578,918	832,000	706,230	1,032,630
Highway User Revenue Fund - State Shared Revenue	40,397,465	44,029,710	43,585,000	46,572,370
Tucson Convention Center	7,746,819	7,278,050	5,342,200	8,085,710
Park Tucson Meter and Parking Revenues	4,794,457	5,177,750	4,964,180	5,808,820
Charges for Current Services	99,388	205,000	50,000	25,000
Miscellaneous Revenue	5,475,147	5,752,530	3,878,610	6,186,180
Total Revenues	\$ 237,860,278	\$ 276,574,120	\$ 271,936,295	\$ 284,493,870
Other Financing Sources:				
General Fund Contributions	\$ 50,039,004	\$ 53,476,500	\$ 52,920,090	\$ 54,145,240
Highway User Revenue Fund Transfers	(8,298,639)	(2,959,170)	(2,925,750)	(3,143,750)
Other Fund Contributions and Transfers	(603,864)	(624,410)	(624,410)	(624,410)
Use/(Increase) of Fund Balance	(44,706,812)	16,225,480	15,486,115	(4,477,250)
Total Sources	\$ (3,570,311)	\$ 66,118,400	\$ 64,856,045	\$ 45,899,830
Total Special Revenue Funds	\$ 234,289,967	\$ 342,692,520	\$ 336,792,340	\$ 330,393,700
Enterprise Funds				
Revenues:				
Environment Services:				
Residential Refuse Service	\$ 29,556,880	\$ 29,342,310	\$ 29,700,000	\$ 29,700,000
Commercial Refuse Service	7,386,459	7,525,530	7,300,000	7,400,000
Landfill Service Charges	8,098,505	7,500,000	8,000,000	8,210,000
Remediation Ground Fees	3,663,580	3,642,680	3,800,000	3,800,000
Self Haul Fees	1,576,209	1,671,640	1,600,000	1,600,000
Other Income	2,339,217	1,644,150	2,469,500	2,169,500

CITY OF TUCSON
ADOPTED BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2020
RESOURCES BY FUND

	ACTUAL FY 17/18	ADOPTED FY 18/19	ESTIMATED FY 18/19	ADOPTED FY 19/20
Tucson Water Utility:				
Potable Water Sales	\$ 164,197,657	\$ 170,850,000	\$ 167,586,890	\$ 182,032,490
Reclaimed Water Sales	9,160,682	9,125,000	8,173,340	9,766,720
Central Arizona Project Surcharge	27,117,449	28,325,000	25,022,290	27,862,160
Water Conservation Fee	3,524,361	3,600,000	3,663,710	3,791,540
Fire Sprinkler Fee	3,059,977	3,150,000	3,494,800	3,083,140
Other Income	29,821,062	20,380,000	23,067,370	21,024,730
Tucson Golf Enterprise Fund:				
El Rio Golf	\$ 1,111,170	\$ 1,236,550	\$ 1,236,550	\$ 1,280,490
Randolph Golf	3,934,631	4,127,020	4,127,020	4,163,460
Fred Enke Golf	1,125,431	1,235,530	1,235,530	1,205,590
Silverbell Golf	1,220,961	1,417,280	1,417,280	1,412,270
Public Housing Federal Grant Funds:				
Federal Grants	\$ 6,402,482	\$ 7,035,200	\$ 7,035,200	\$ 7,474,490
Housing Administration Charges	2,825,117	2,787,170	3,103,280	3,103,280
Tenant Rent and Parking Fees	3,734,238	3,509,600	3,509,600	3,494,980
Other Income	293,294	534,720	218,610	316,880
Non-PHA Asset Management Fund:				
Federal Grants	\$ 227,303	\$ 220,000	\$ 220,000	\$ 220,000
Tenant Rent	1,785,749	2,006,150	2,006,150	2,071,320
Other Income	149,828	199,930	199,930	199,930
Total Revenues	\$ 312,312,242	\$ 311,065,460	\$ 308,187,050	\$ 325,382,970
Other Financing Sources:				
Water Revenue Bonds	\$ 23,935,000	\$ 30,000,000	\$ 15,000,000	\$ —
Other Fund Contributions and Transfers	—	—	—	2,000,000
Use/(Increase) of Fund Balance	(40,774,952)	22,592,620	25,258,080	38,384,110
Total Sources	\$ (16,839,952)	\$ 52,592,620	\$ 40,258,080	\$ 40,384,110
Total Enterprise Funds	\$ 295,472,290	\$ 363,658,080	\$ 348,445,130	\$ 365,767,080
Debt Service Funds				
Revenues:				
Secondary Property Tax	\$ 31,867,061	\$ 32,478,380	\$ 32,478,380	\$ 33,162,680
State Shared Revenue - HURF	8,602,648	9,261,080	9,294,500	9,000,000
Special Assessment Collections	68,779	12,510	12,510	—
Use of Money and Property	13,088	4,100	4,100	2,000
Other Income	21,432	—	—	—
Total Revenues	\$ 40,573,008	\$ 41,756,070	\$ 41,789,490	\$ 42,164,680
Other Financing Sources:				
Transfer in - Highway User Revenue Fund	\$ 8,298,639	\$ 2,959,170	\$ 2,925,750	\$ 3,143,750
Transfer out - General Fund	(500,000)	—	—	—
Transfer in - Capital Project Fund	1,162,505	—	—	—
Use of Fund Balance	1,022,908	938,780	938,780	573,250
Total Sources	\$ 9,984,052	\$ 3,897,950	\$ 3,864,530	\$ 3,717,000
Total Debt Service Funds	\$ 50,557,060	\$ 45,654,020	\$ 45,654,020	\$ 45,881,680

**CITY OF TUCSON
ADOPTED BUDGET
FOR FISCAL YEAR ENDING JUNE 30, 2020
RESOURCES BY FUND**

	ACTUAL FY 17/18	ADOPTED FY 18/19	ESTIMATED FY 18/19	ADOPTED FY 19/20
Capital Project Funds				
Revenues:				
Other Agencies	\$ 7,775,768	\$ 53,340,200	\$ 22,254,040	\$ 25,169,300
Development Impact Fees	9,291,985	17,935,870	17,175,220	13,368,470
Regional Transportation Authority	18,541,697	67,512,070	33,936,590	45,162,600
Use of Money and Property	699,327	83,000	66,460	509,390
Miscellaneous Revenues	741,679	983,000	1,328,820	912,400
Total Revenues	\$ 37,050,456	\$ 139,854,140	\$ 74,761,130	\$ 85,122,160
Other Financing Sources:				
General Fund Contributions	\$ 518,494	\$ 478,000	\$ 478,000	\$ 492,180
Highway User Fund Contributions	—	624,410	624,410	624,410
General Obligation Parks and Connections Improvement Fund	—	—	—	20,000,000
Other Fund Contributions and Transfers	(1,162,505)	—	—	—
Use/(Increase) of Fund Balance	20,424,309	3,737,360	(2,180,520)	(7,713,980)
Total Sources	\$ 19,780,298	\$ 4,839,770	\$ (1,078,110)	\$ 13,402,610
Total Capital Project Funds	\$ 56,830,754	\$ 144,693,910	\$ 73,683,020	\$ 98,524,770
Internal Service Funds				
Revenues:				
Primary Property Tax	\$ 288,649	\$ 2,615,590	\$ 2,615,590	\$ 300,140
Self Insurance:				
Health Insurance Charges	—	—	—	76,176,150
Interdepartmental Charges	14,271,941	10,164,950	8,410,360	16,935,090
Miscellaneous Revenues	599,019	—	15,000	—
Total Revenues	\$ 15,159,609	\$ 12,780,540	\$ 11,040,950	\$ 93,411,380
Other Financing Sources:				
Other Fund Contributions and Transfers	—	—	(175,350)	—
Use/(Increase) of Fund Balance	3,278,889	3,647,760	4,482,020	3,807,200
Total Sources	\$ 3,278,889	\$ 3,647,760	\$ 4,306,670	\$ 3,807,200
Total Internal Service Funds	\$ 18,438,498	\$ 16,428,300	\$ 15,347,620	\$ 97,218,580
Tucson Supplemental Retirement System				
Revenues:				
Employer Contributions	\$ 31,795,197	\$ 37,255,320	\$ 37,255,320	\$ 38,000,430
Employee Contributions	8,561,747	7,424,760	7,424,760	7,573,260
Portfolio Earnings	12,847,814	24,000,000	24,000,000	10,266,670
Miscellaneous Revenue	251,617	135,000	135,000	135,000
Total Revenues	\$ 53,456,375	\$ 68,815,080	\$ 68,815,080	\$ 55,975,360
Other Financing Sources:				
Use/(Increase) of Fund Balance	\$ 31,559,044	\$ 23,242,840	\$ 16,425,510	\$ 36,111,740
Total Sources	\$ 31,559,044	\$ 23,242,840	\$ 16,425,510	\$ 36,111,740
Total TSRS Fund	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
Grand Total	\$1,272,911,711	\$1,556,773,740	\$1,459,377,980	\$1,613,039,850

SUMMARY of PROJECTED FUND BALANCE
as of June 30, 2020

FINANCIAL RESOURCES	Estimated Beginning Funds Available	Projected Revenue	Projected Expenditures	Net Transfers In/(Out)	Available Funds
General Fund	\$ 119,275,170	\$ 566,442,240	\$ 526,529,520	\$ (56,637,420)	\$ 102,550,470
Special Revenue Funds					
Mass Transit Fund	\$ 5,833,800	\$ 45,921,310	\$ 94,111,700	\$ 47,414,190	\$ 5,057,600
Mass Transit Fund - Sun Link	975,900	2,452,400	6,097,830	3,645,430	975,900
Better Streets Improvement Fund	37,198,420	24,290,600	28,907,700	—	32,581,320
Safer City Improvement Fund	37,277,460	35,467,000	24,929,800	—	47,814,660
Tucson Convention Center Fund	524,650	8,085,710	11,171,330	3,085,620	524,650
Zoo Fund	9,314,650	11,089,100	9,221,000	—	11,182,750
Highway User Revenue Fund	13,243,420	53,171,670	51,539,510	(3,768,160)	11,107,420
Park Tucson Fund	1,580,630	6,699,000	6,711,160	—	1,568,470
Civic Contribution Fund	681,470	1,104,800	1,491,400	—	294,870
Community Development Block Grant Fund	4,426,270	13,938,830	13,938,830	—	4,426,270
Miscellaneous Housing Grant	—	4,777,260	4,777,260	—	—
Public Housing Section 8 Fund	2,924,090	41,903,000	41,903,000	—	2,924,090
HOME Investment Partnerships	333,680	8,706,730	8,706,720	—	333,690
Other Federal Grants Fund	—	24,387,170	24,387,170	—	—
Non-Federal Grants Fund	—	2,499,290	2,499,290	—	—
Total Special Revenue Funds	\$ 114,314,440	\$ 284,493,870	\$ 330,393,700	\$ 50,377,080	\$ 118,791,690
Enterprise Funds					
Tucson Water Utility	\$ 160,992,900	\$ 247,560,780	\$ 275,032,260	\$ —	\$ 133,521,420
Environmental Services Fund	43,028,550	52,879,500	66,193,070	2,000,000	31,714,980
Tucson Golf Course Fund	8,400	8,061,810	7,660,870	—	409,340
Public Housing Fund	10,685,180	14,389,630	14,389,630	—	10,685,180
Non-PHA Asset Management	1,872,550	2,491,250	2,491,250	—	1,872,550
Total Enterprise Funds	\$ 216,587,580	\$ 325,382,970	\$ 365,767,080	\$ 2,000,000	\$ 178,203,470
Debt Service Fund					
General Obligation Bond and Interest Fund	\$ 1,040,700	\$ 33,162,680	\$ 33,737,180	\$ —	\$ 466,200
Street and Highway Bond and Interest Fund	—	9,000,000	12,144,500	3,143,750	—
Special Assessment Bond and Interest Fund	223,300	2,000	—	—	224,550
Total Debt Service Funds	\$ 1,264,000	\$ 42,164,680	\$ 45,881,680	\$ 3,143,750	\$ 690,750
Capital Projects Funds					
General Obligation Parks and Connections Improvement Fund	\$ —	\$ 20,000,000	\$ 11,743,800	\$ —	\$ 8,256,200
Capital Improvement Fund	—	25,169,300	25,169,300	—	—
Development Fee Fund	38,907,100	13,829,860	15,488,670	1,116,590	38,364,880
Regional Transportation Authority	1,451,490	46,123,000	46,123,000	—	1,451,490
Total Capital Projects Funds	\$ 40,358,590	\$ 105,122,160	\$ 98,524,770	\$ 1,116,590	\$ 48,072,570
Internal Service Funds					
Health Insurance Internal Service	\$ —	\$ 76,176,150	\$ 72,764,940	\$ —	\$ 3,411,210
Self Insurance Internal Service	51,848,860	17,235,230	24,453,640	—	44,630,450
Total Internal Service Funds	\$ 51,848,860	\$ 93,411,380	\$ 97,218,580	\$ —	\$ 48,041,660
Fiduciary Funds					
Tucson Supplemental Retirement System	\$ 816,386,820	\$ 101,533,690	\$ 92,087,100	\$ —	\$ 825,833,410
Total Fiduciary Funds	\$ 816,386,820	\$ 101,533,690	\$ 92,087,100	\$ —	\$ 825,833,410
Total All Budgeted Funds	\$1,360,035,460	\$ 1,518,550,990	\$1,556,402,430	\$ —	\$1,322,184,020



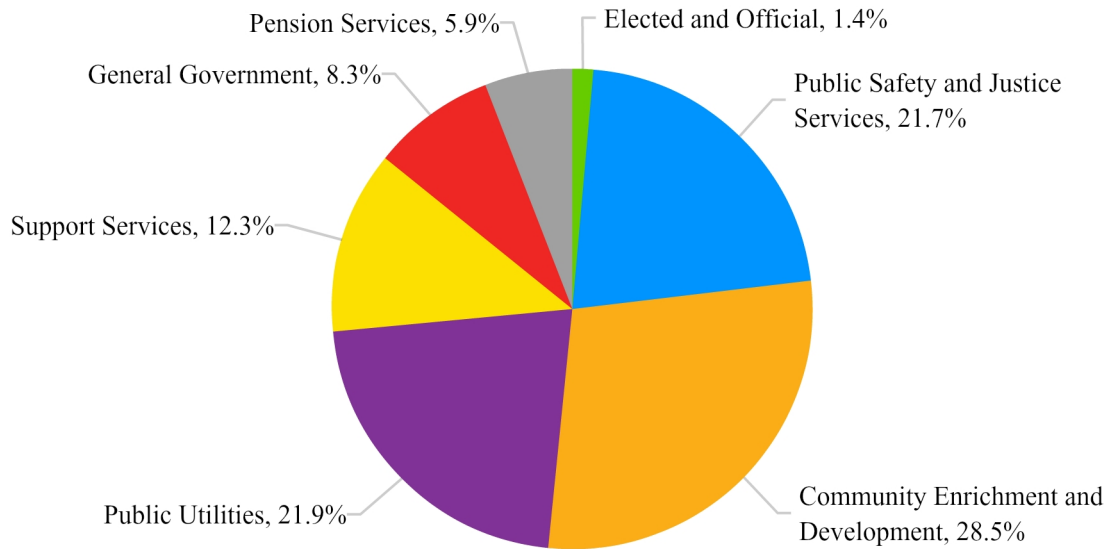
Section D

Department Budgets



We Serve with Compassion

EXPENDITURES FISCAL YEAR 2019/20 TOTAL



Funds Available	Annual Budget Total	Percent of Total
Elected and Official	\$ 20,027,730	1.4%
Public Safety and Justice Services	338,259,040	21.7%
Community Enrichment and Development	442,922,010	28.5%
Public Utilities	341,618,100	21.9%
Support Services	191,686,780	12.3%
General Government	129,801,670	8.3%
Pension Services	92,087,100	5.9%
Total Funds Available	\$ 1,556,402,430	100.0%

SUMMARY OF EXPENDITURES BY DEPARTMENT OPERATING AND CAPITAL (if applicable)

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Elected and Official				
Mayor and Council	\$ 2,573,497	\$ 2,662,650	\$ 2,611,420	\$ 3,685,890
City Manager	3,859,559	4,849,530	4,614,330	5,223,200
City Attorney	7,621,529	7,889,930	7,293,760	8,352,480
City Clerk	3,009,076	2,618,200	2,662,180	2,766,160
Subtotal	\$ 17,063,661	\$ 18,020,310	\$ 17,181,690	\$ 20,027,730
Public Safety and Justice Services				
City Court	\$ 9,686,072	\$ 10,478,910	\$ 9,866,820	\$ 12,715,950
Public Defender	2,685,798	2,758,440	2,758,440	3,155,730
Public Safety Communications Center	11,920,932	13,467,710	13,499,790	13,947,520
Tucson Fire	108,558,196	97,276,900	97,406,960	102,580,010
Capital	4,923,839	22,564,700	22,564,700	12,585,400
Tucson Police	173,071,579	170,936,680	169,831,980	180,930,030
Capital	6,740,007	12,082,800	11,932,800	12,344,400
Subtotal	\$ 317,586,423	\$ 329,566,140	\$ 327,861,490	\$ 338,259,040
Community Enrichment and Development				
Housing and Community Development	\$ 71,586,228	\$ 85,542,330	\$ 62,704,780	\$ 83,360,840
Capital	3,732,120	5,695,170	503,390	5,730,760
Parks and Recreation	25,714,288	31,875,350	30,409,060	32,933,500
Capital	4,367,652	10,111,890	3,588,880	20,192,900
Planning and Development Services	6,326,500	6,278,990	7,402,610	7,814,440
Transportation	124,496,070	130,297,420	129,734,890	143,925,110
Capital	65,727,312	201,526,400	85,846,750	130,147,670
Tucson City Golf	7,330,480	7,750,910	7,900,290	7,660,870
Tucson Convention Center	10,496,875	10,443,690	10,823,900	11,155,920
Subtotal	\$ 319,777,525	\$ 489,522,150	\$ 338,914,550	\$ 442,922,010
Public Utilities				
Environmental Services ¹	\$ 46,862,703	\$ 50,805,600	\$ 52,812,440	\$ 55,995,740
Capital	3,666,715	16,660,700	15,190,700	11,721,400
Tucson Water	171,887,219	195,358,650	180,414,600	202,086,960
Capital	52,979,465	76,712,000	60,158,870	71,814,000
Subtotal	\$ 275,396,102	\$ 339,536,950	\$ 308,576,610	\$ 341,618,100
Support Services				
Business Services	\$ —	\$ 23,106,200	\$ 20,889,530	\$ 26,465,710
Employee Health Benefits	—	—	—	72,764,940
Finance	17,461,336	—	—	—
General Services ¹	46,417,955	51,578,650	49,594,710	51,255,170
Capital	679,689	4,100,000	—	—
Human Resources	8,923,985	11,280,130	11,078,520	17,033,790
Information Technology	21,297,552	22,565,770	22,225,220	24,167,170
Procurement	2,890,666	—	—	—
Subtotal	\$ 97,671,183	\$ 112,630,750	\$ 103,787,980	\$ 191,686,780

¹ Although Environmental Services and General Services have been combined into one department (see page [D-43](#)) they are shown separately here as the expenditures fall into separate functional categories.

**SUMMARY OF EXPENDITURES BY DEPARTMENT
OPERATING AND CAPITAL (if applicable)**

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
General Government				
General Government	\$ 113,495,031	\$ 117,226,020	\$ 116,956,940	\$ 125,309,950
Capital	1,488,017	4,259,000	1,568,100	4,491,720
Subtotal	\$ 114,983,048	\$ 121,485,020	\$ 118,525,040	\$ 129,801,670
Pension Funds				
Pension Services	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
Subtotal	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
Total All Departments	\$1,227,493,361	\$ 1,502,819,240	\$ 1,300,087,950	\$ 1,556,402,430

MAYOR and COUNCIL

MISSION STATEMENT: To establish public policy and develop programs as mandated by the Tucson City Charter, represent community interests, and work with City management to effectively meet the community's current and long-term needs.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	44.00	44.00	44.00	44.00
EXPENDITURES				
Salaries and Benefits	\$ 2,337,286	\$ 2,429,320	\$ 2,279,160	\$ 3,139,280
Services	204,672	203,270	283,580	490,250
Supplies	31,539	30,060	48,680	56,360
Department Total	\$ 2,573,497	\$ 2,662,650	\$ 2,611,420	\$ 3,685,890
FUNDING SOURCES				
General Fund	\$ 2,481,949	\$ 2,583,950	\$ 2,526,720	\$ 3,639,590
Civic Contribution Fund	37,630	78,700	84,700	46,300
Other Federal Grants Fund	53,918	—	—	—
Department Total	\$ 2,573,497	\$ 2,662,650	\$ 2,611,420	\$ 3,685,890

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$3,685,890 reflects an increase of \$1,023,240 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs	\$ 709,960
Increase in miscellaneous professional services	315,000
Decrease miscellaneous expenditures	(1,720)
Total	\$ 1,023,240

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area provides the necessary operating expenses to support the Mayor and Council.

Funding Sources

General Fund	\$ 138,218	\$ 62,200	\$ 64,470	\$ 57,000
Civic Contributions Fund	4,041	3,700	6,000	30,000
Other Federal Grants Fund	53,918	—	—	—
Program Total	\$ 196,177	\$ 65,900	\$ 70,470	\$ 87,000

Character of Expenditures

Salaries and Benefits	\$ 100,877	\$ —	\$ —	\$ —
Services	89,098	58,170	60,370	52,970
Supplies	6,202	7,730	10,100	34,030
Program Total	\$ 196,177	\$ 65,900	\$ 70,470	\$ 87,000

MAYOR and COUNCIL: This program area consists of the Mayor and six Council members. The Mayor and Council act as the policymaking body for the City of Tucson, pass City ordinances, establish policy for administrative staff by resolution, approve new programs, and adopt the budget.

MAYOR'S OFFICE**Funding Sources**

General Fund	\$ 474,938	\$ 487,630	\$ 505,520	\$ 580,730
Civic Contributions Fund	33,589	75,000	78,700	16,300
Program Total	\$ 508,527	\$ 562,630	\$ 584,220	\$ 597,030

Character of Expenditures

Salaries and Benefits	\$ 451,600	\$ 464,320	\$ 417,240	\$ 505,700
Services	51,431	87,980	149,700	81,000
Supplies	5,496	10,330	17,280	10,330
Program Total	\$ 508,527	\$ 562,630	\$ 584,220	\$ 597,030

WARD 1**Funding Sources**

General Fund	\$ 332,386	\$ 339,020	\$ 365,590	\$ 500,310
Program Total	\$ 332,386	\$ 339,020	\$ 365,590	\$ 500,310

Character of Expenditures

Salaries and Benefits	\$ 313,089	\$ 327,500	\$ 339,660	\$ 438,930
Services	15,982	9,520	21,430	59,380
Supplies	3,315	2,000	4,500	2,000
Program Total	\$ 332,386	\$ 339,020	\$ 365,590	\$ 500,310

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
WARD 2				
Funding Sources				
General Fund	\$ 267,607	\$ 339,020	\$ 309,840	\$ 500,310
Program Total	\$ 267,607	\$ 339,020	\$ 309,840	\$ 500,310
Character of Expenditures				
Salaries and Benefits	\$ 254,348	\$ 327,500	\$ 292,920	\$ 438,930
Services	8,848	9,520	13,120	59,380
Supplies	4,411	2,000	3,800	2,000
Program Total	\$ 267,607	\$ 339,020	\$ 309,840	\$ 500,310
WARD 3				
Funding Sources				
General Fund	\$ 316,265	\$ 339,020	\$ 354,860	\$ 500,310
Program Total	\$ 316,265	\$ 339,020	\$ 354,860	\$ 500,310
Character of Expenditures				
Salaries and Benefits	\$ 292,508	\$ 327,500	\$ 342,440	\$ 438,930
Services	20,458	9,520	9,720	59,380
Supplies	3,299	2,000	2,700	2,000
Program Total	\$ 316,265	\$ 339,020	\$ 354,860	\$ 500,310
WARD 4				
Funding Sources				
General Fund	\$ 305,612	\$ 339,020	\$ 293,320	\$ 500,310
Program Total	\$ 305,612	\$ 339,020	\$ 293,320	\$ 500,310
Character of Expenditures				
Salaries and Benefits	\$ 299,666	\$ 327,500	\$ 281,800	\$ 438,930
Services	5,554	9,520	9,520	59,380
Supplies	392	2,000	2,000	2,000
Program Total	\$ 305,612	\$ 339,020	\$ 293,320	\$ 500,310
WARD 5				
Funding Sources				
General Fund	\$ 331,107	\$ 339,020	\$ 301,190	\$ 500,310
Program Total	\$ 331,107	\$ 339,020	\$ 301,190	\$ 500,310
Character of Expenditures				
Salaries and Benefits	\$ 320,145	\$ 327,500	\$ 286,770	\$ 438,930
Services	6,078	9,520	9,520	59,380
Supplies	4,884	2,000	4,900	2,000
Program Total	\$ 331,107	\$ 339,020	\$ 301,190	\$ 500,310

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
WARD 6				
Funding Sources				
General Fund	\$ 315,816	\$ 339,020	\$ 331,930	\$ 500,310
Program Total	\$ 315,816	\$ 339,020	\$ 331,930	\$ 500,310
Character of Expenditures				
Salaries and Benefits	\$ 305,053	\$ 327,500	\$ 318,330	\$ 438,930
Services	7,223	9,520	10,200	59,380
Supplies	3,540	2,000	3,400	2,000
Program Total	\$ 315,816	\$ 339,020	\$ 331,930	\$ 500,310

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Mayor's Office				
Mayor	1.00	1.00	1.00	1.00
M&C Personal Staff Member	4.00	4.00	4.00	4.00
Mayor and Council Assistant	2.00	2.00	2.00	2.00
Program Total	7.00	7.00	7.00	7.00
Council - Ward 1				
Council Member	1.00	1.00	1.00	1.00
M&C Personal Staff Member	5.00	5.00	5.00	4.00
Mayor and Council Assistant	1.00	1.00	1.00	2.00
Program Total	7.00	7.00	7.00	7.00
Council - Ward 2				
Council Member	1.00	1.00	1.00	1.00
M&C Personal Staff Member	4.00	4.00	4.00	4.00
Mayor and Council Assistant	1.00	1.00	1.00	1.00
Program Total	6.00	6.00	6.00	6.00
Council - Ward 3				
Council Member	1.00	1.00	1.00	1.00
M&C Personal Staff Member	4.00	4.00	5.00	5.00
Mayor and Council Assistant	1.00	1.00	—	—
Program Total	6.00	6.00	6.00	6.00
Council - Ward 4				
Council Member	1.00	1.00	1.00	1.00
M&C Personal Staff Member	5.00	5.00	5.00	5.00
Program Total	6.00	6.00	6.00	6.00
Council - Ward 5				
Council Member	1.00	1.00	1.00	1.00
M&C Personal Staff Member	2.00	2.00	2.00	2.00
Mayor and Council Assistant	3.00	3.00	3.00	3.00
Program Total	6.00	6.00	6.00	6.00
Council - Ward 6				
Council Member	1.00	1.00	1.00	1.00
M&C Personal Staff Member	4.00	4.00	4.00	4.00
Mayor and Council Assistant	1.00	1.00	1.00	1.00
Program Total	6.00	6.00	6.00	6.00
Department Total	44.00	44.00	44.00	44.00

BUSINESS SERVICES

MISSION STATEMENT: To deliver high quality business services that support customer departments, the City Manager's Office, elected officials and the Tucson community.

Department Summary	Actual FY 17/18 ¹	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	—	180.00	180.00	181.00
EXPENDITURES				
Salaries and Benefits	\$ —	\$ 14,396,970	\$ 12,572,540	\$ 15,102,750
Services	—	8,140,360	7,723,100	10,545,040
Supplies	—	563,870	593,890	817,920
Equipment	—	5,000	—	—
Department Total	\$ —	\$ 23,106,200	\$ 20,889,530	\$ 26,465,710
FUNDING SOURCES				
General Fund	\$ —	\$ 12,123,110	\$ 10,506,730	\$ 12,573,300
Environmental Services Fund	—	642,740	481,090	569,940
Highway User Revenue Fund	—	1,107,930	1,086,570	1,273,340
Internal Services Fund: Self Insurance	—	8,528,190	8,305,690	11,318,880
Tucson Water Utility Fund	—	704,230	509,450	730,250
Department Total	\$ —	\$ 23,106,200	\$ 20,889,530	\$ 26,465,710

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$26,465,710 reflects an increase of \$3,359,510 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in services primarily due to an increase for insurance claims	\$ 2,282,290
Increase in personnel costs	597,910
Increase in replacement of Citywide automated external defibrillator's	254,050
Increase for an insurance claim adjuster position	107,870
Increase in other miscellaneous services	99,390
Increase for travel expense software license	23,000
Decrease to equipment	(5,000)
Total	\$ 3,359,510

Trends

The Business Services Department (BSD) provides financial and procurement services to the City and our citizens. We will continue to achieve the highest standards of financial management in order to balance the City's financial resources and financial obligations. We will also continue to achieve excellence in the management of City procurement and related program activities. We will enhance our services by reducing operating costs and establishing consistent and standard practices for financial and procurement services.

Future Challenges and Opportunities

To enhance our services, it is crucial to have stability in staffing as well as strong training and development programs. BSD has been challenged with high turnover and has increased its recruitment efforts to attract and develop new staff. Continued efforts to stabilize our new structure will continue during Fiscal Year 2019/20, with a deliberate attempt to create metrics and use data to show progress. Also crucial to our success is the implementation of new software and other automated tools to enhance our financial and procurement services.

Program Budget Overview

The Business Services Department evaluates all services provided to improve our operation and support the City's overall goals.

Recent Accomplishments

We have operated under a consolidated department for one year (the former Finance and Procurement Departments merged in Fiscal Year 2017/18). An accomplishment has been the creation of a Shared Services Division, which established satellite offices (reporting directly to BSD) in all large departments. The presence of Shared Services across the organization allows for increased opportunity to establish consistent and standard practices for both financial and procurement services. The OpenGov platform, budget builder function, was implemented and used to develop this year's budget.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18 ¹	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area provides strategic direction and management to the department by planning, coordinating, and directing business services, including budgeting, finance and procurement, in accordance with applicable laws, Mayor and Council policy, and the administrative direction of the City Manager.

Funding Sources

General Fund	\$	—	\$ 1,115,710	\$	835,140	\$	1,143,310
Program Total	\$	—	\$ 1,115,710	\$	835,140	\$	1,143,310

Character of Expenditures

Salaries and Benefits	\$	—	\$ 628,030	\$	539,140	\$	607,650
Services		—	75,790		54,840		40,340
Supplies		—	411,890		241,160		495,320
Program Total	\$	—	\$ 1,115,710	\$	835,140	\$	1,143,310

BUDGET OPERATIONS: This program area manages the information needed for Mayor and Council to adopt a budget, ensuring compliance with federal, state, and municipal laws including requirements to levy the City's property tax. In addition, this area coordinates citywide efforts in long-term financial planning and analysis.

Funding Sources

General Fund	\$	—	\$ 635,670	\$	520,330	\$	673,670
Program Total	\$	—	\$ 635,670	\$	520,330	\$	673,670

Character of Expenditures

Salaries and Benefits	\$	—	\$ 599,270	\$	479,100	\$	635,510
Services		—	30,340		33,760		31,750
Supplies		—	6,060		7,470		6,410
Program Total	\$	—	\$ 635,670	\$	520,330	\$	673,670

ENTERPRISE RESOURCE PLANNING (ERP): The program area is responsible for day-to-day support of the City's ERP system. This area coordinates with the Information Technology Department to ensure the system is up to date and functional.

Funding Sources

General Fund	\$	—	\$ 395,770	\$	246,230	\$	265,290
Program Total	\$	—	\$ 395,770	\$	246,230	\$	265,290

Character of Expenditures

Salaries and Benefits	\$	—	\$ 387,130	\$	243,040	\$	251,590
Services		—	7,340		2,060		13,580
Supplies		—	1,300		1,130		120
Program Total	\$	—	\$ 395,770	\$	246,230	\$	265,290

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

BUSINESS SERVICES

Actual Adopted Estimated Adopted
FY 17/18¹ FY 18/19 FY 18/19 FY 19/20

FINANCIAL OPERATIONS: This program area ensures appropriate reporting of the City’s funds and financial transactions and prepares financial reports including the Comprehensive Annual Financial Report (CAFR), Single Audit, and Annual Expenditure Limitation. This program area operates cashier stations; manages the City’s cash and investments by projecting cash needs to maintain adequate liquidity, ensuring the timely transfer of funds to meet daily cash needs and investing the excess to provide maximum returns at acceptable levels of risk. This program area also manages the City’s debt obligations and requirements, handles all City banking needs and is the point of contact for the City’s banking services provider.

Funding Sources

General Fund	\$	—	\$	2,295,090	\$	1,978,390	\$	2,252,240
Program Total	\$	—	\$	2,295,090	\$	1,978,390	\$	2,252,240

Character of Expenditures

Salaries and Benefits	\$	—	\$	1,796,140	\$	1,561,200	\$	1,783,130
Services		—		467,230		403,140		423,910
Supplies		—		31,720		14,050		45,200
Program Total	\$	—	\$	2,295,090	\$	1,978,390	\$	2,252,240

PROCUREMENT OPERATIONS: This program area directs the citywide policy and operations for various programs including Accounts Payable, Contract Administration, Small Business Enterprise and Disadvantaged Business Enterprise compliance with city/federal requirements, Davis Bacon and Related Acts compliance for all federally funded construction projects, pCard, Surplus, Auction, and Materials Management.

Funding Sources

General Fund	\$	—	\$	1,197,690	\$	1,041,590	\$	1,291,360
Program Total	\$	—	\$	1,197,690	\$	1,041,590	\$	1,291,360

Character of Expenditures

Salaries and Benefits	\$	—	\$	1,146,560	\$	912,850	\$	1,205,220
Services		—		44,060		76,740		52,840
Supplies		—		7,070		52,000		33,300
Program Total	\$	—	\$	1,197,690	\$	1,041,590	\$	1,291,360

RISK MANAGEMENT: This program area administers the Self Insurance Trust for the City, including external public liability claims, workers' compensation, employee safety (loss control), and subrogation programs. Risk Management reviews claims filed against the City and pays for public liability. It also reviews contracts for insurance and indemnification requirements. Safety Services is also responsible for compliance and education of employees on the practices and procedures for a safe and healthful work environment. It provides training, monitoring, and updating of work practices. This program also ensures that leaking underground storage tanks are remediated as required for compliance with local, state, and federal laws.

Funding Sources

Internal Services Fund: Self Insurance	\$	—	\$	8,521,550	\$	8,305,690	\$	11,318,880
Program Total	\$	—	\$	8,521,550	\$	8,305,690	\$	11,318,880

Character of Expenditures

Salaries and Benefits	\$	—	\$	1,396,460	\$	1,243,830	\$	1,601,470
Services		—		7,041,220		6,899,810		9,546,040
Supplies		—		78,870		162,050		171,370
Equipment		—		5,000		—		—
Program Total	\$	—	\$	8,521,550	\$	8,305,690	\$	11,318,880

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

	Actual FY 17/18 ¹	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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SHARED SERVICES: This program area provides department support through the establishment of satellite offices. These satellite offices are located in departments and perform the following functions: budgeting, financial and procurement.

Funding Sources

General Fund	\$	—	\$ 3,854,960	\$ 3,574,780	\$ 3,913,270
Highway User Revenue Fund		—	1,107,930	1,086,570	1,273,340
Tucson Water Utility Fund		—	704,230	509,450	730,250
Environmental Services Fund		—	642,740	481,090	569,940
Internal Services: Self Insurance		—	6,640	—	—
Program Total	\$	—	\$ 6,316,500	\$ 5,651,890	\$ 6,486,800

Character of Expenditures

Salaries and Benefits	\$	—	\$ 6,233,130	\$ 5,479,140	\$ 6,334,180
Services		—	79,070	82,430	106,720
Supplies		—	4,300	90,320	45,900
Program Total	\$	—	\$ 6,316,500	\$ 5,651,890	\$ 6,486,800

TAXPAYER ASSISTANCE: This program area assists businesses with City business licenses, investigates unlicensed businesses, coordinates tax audits with the State Department of Revenue, administers the City's Tax Code, updates the State to ensure local code changes are reflected in the Department of Revenue collection site, and educates the business community about all tax and license issues.

Funding Sources

General Fund	\$	—	\$ 2,628,220	\$ 2,310,270	\$ 3,034,160
Program Total	\$	—	\$ 2,628,220	\$ 2,310,270	\$ 3,034,160

Character of Expenditures

Salaries and Benefits	\$	—	\$ 2,210,250	\$ 2,114,240	\$ 2,684,000
Services		—	395,310	170,320	329,860
Supplies		—	22,660	25,710	20,300
Program Total	\$	—	\$ 2,628,220	\$ 2,310,270	\$ 3,034,160

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

POSITION RESOURCES

	Actual FY 17/18¹	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Director of Business Services	—	—	1.00	1.00
Director of Finance	—	1.00	—	—
Deputy Director of Business Services	—	—	1.00	1.00
Deputy Director of Finance	—	1.00	—	—
Deputy Director of Procurement	—	1.00	—	—
Executive Assistant	—	2.00	1.00	1.00
Program Total	—	5.00	3.00	3.00
Financial Operations				
Finance Administrator	—	1.00	1.00	1.00
Finance Manager	—	3.00	3.00	3.00
Business Analyst II	—	—	1.00	1.00
Financial Specialist	—	1.00	1.00	1.00
Management Assistant	—	1.00	1.00	1.00
Senior Financial Accountant	—	4.00	5.00	5.00
Financial Services Supervisor	—	1.00	—	—
Office Supervisor	—	2.00	2.00	2.00
Accounting Technician	—	3.00	7.00	4.00
Administrative Assistant	—	2.00	1.00	1.00
Senior Account Clerk	—	4.00	4.00	5.00
Senior Cashier	—	5.00	4.00	4.00
Office Assistant	—	1.00	1.00	1.00
Program Total	—	28.00	31.00	29.00
Budget Operations				
Budget Administrator	—	1.00	1.00	1.00
Finance Manager	—	1.00	1.00	1.00
Lead Budget Analyst	—	3.00	4.00	4.00
Administrative Assistant	—	1.00	1.00	1.00
Program Total	—	6.00	7.00	7.00
Risk Management				
Risk Manager	—	1.00	1.00	1.00
Risk Management Claims Adjuster	—	2.00	2.00	3.00
Safety and Environmental Compliance Supervisor	—	2.00	1.00	1.00
Safety and Environmental Compliance Specialist	—	3.00	4.00	4.00
Management Analyst II	—	1.00	1.00	1.00
Safety Specialist	—	5.00	5.00	5.00
Administrative Assistant	—	2.00	2.00	2.00
Program Total	—	16.00	16.00	17.00

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

POSITION RESOURCES

	Actual FY 17/18 ¹	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Taxpayer Assistance				
Finance Administrator	—	1.00	1.00	1.00
Finance Manager	—	1.00	1.00	1.00
Finance Analyst	—	1.00	1.00	1.00
Tax Audit Supervisor	—	2.00	2.00	2.00
Tax Auditor	—	4.00	4.00	4.00
Financial Services Supervisor	—	3.00	3.00	3.00
Revenue Investigator	—	12.00	12.00	12.00
Administrative Assistant	—	1.00	1.00	1.00
Customer Service Representative	—	4.00	4.00	4.00
Senior Account Clerk	—	2.00	1.00	2.00
Program Total	—	31.00	30.00	31.00
Procurement Operations				
SAMM Superintendent	—	1.00	1.00	1.00
Financial Services Supervisor	—	1.00	1.00	1.00
SAMM Supervisor	—	1.00	1.00	1.00
pCard Coordinator	—	2.00	2.00	2.00
Account Clerk Supervisor	—	2.00	2.00	2.00
Administrative Assistant	—	2.00	1.00	1.00
Surplus Specialist	—	3.00	4.00	4.00
Senior Account Clerk	—	4.00	3.00	3.00
Senior Storekeeper	—	—	1.00	1.00
Program Total	—	16.00	16.00	16.00
Enterprise Resource Planning (ERP)				
Finance Administrator	—	—	1.00	1.00
Business Analyst II	—	2.00	1.00	1.00
Information Technology Analyst	—	2.00	—	—
Program Total	—	4.00	2.00	2.00
Shared Services				
Contract Administrator	—	2.00	2.00	2.00
Finance Administrator	—	1.00	1.00	1.00
Transportation Administrator	—	1.00	1.00	1.00
Department Finance Manager	—	1.00	—	—
Finance Manager	—	3.00	5.00	5.00
Management Coordinator	—	3.00	3.00	3.00
Financial Specialist	—	2.00	6.00	5.00
Lead Management Analyst	—	2.00	2.00	2.00
Principal Contract Officer	—	6.00	5.00	5.00

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

POSITION RESOURCES

	Actual FY 17/18¹	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Shared Services (Continued)				
Business Enterprise Compliance Specialist	—	2.00	2.00	2.00
Contract Compliance Officer	—	—	1.00	1.00
Management Assistant	—	4.00	3.00	4.00
pCard Program Manager	—	1.00	—	—
Senior Contract Officer	—	4.00	6.00	5.00
Senior Financial Accountant	—	2.00	—	—
Staff Assistant	—	8.00	10.00	10.00
Contract Specialist	—	13.00	10.00	11.00
Management Analyst II	—	1.00	—	—
Management Analyst	—	1.00	2.00	2.00
Accounting Technician	—	—	12.00	12.00
Revenue Investigator	—	1.00	—	—
Account Clerk Supervisor	—	1.00	—	—
Administrative Assistant	—	9.00	1.00	2.00
Secretary	—	1.00	—	—
Senior Account Clerk	—	4.00	3.00	3.00
Senior Cashier	—	1.00	—	—
Program Total	—	74.00	75.00	76.00
Department Total	—	180.00	180.00	181.00

¹Previously Finance and Procurement Departments. See pages [D-53](#) and [D-94](#).

CITY ATTORNEY

MISSION STATEMENT: To ensure the legality of the official business of the City of Tucson and protect the best interests of the City by providing effective and timely legal services to the Mayor and Council, the City Manager and all City departments. The City Attorney's Office shall promote the safety of Tucson's citizens and support local law enforcement by pursuing justice in the prosecution of criminal offenses.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	84.50	84.50	85.50	86.50
EXPENDITURES				
Salaries and Benefits	\$ 6,866,146	\$ 7,131,890	\$ 6,502,820	\$ 7,573,860
Services	693,941	670,100	702,820	701,070
Supplies	61,442	87,940	88,120	77,550
Department Total	\$ 7,621,529	\$ 7,889,930	\$ 7,293,760	\$ 8,352,480
FUNDING SOURCES				
General Fund	\$ 7,342,919	\$ 7,430,040	\$ 7,045,160	\$ 8,103,880
Non-Federal Grants Fund	170,980	116,700	158,860	158,860
Other Federal Grants Fund	107,630	343,190	89,740	89,740
Department Total	\$ 7,621,529	\$ 7,889,930	\$ 7,293,760	\$ 8,352,480

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$8,352,480 reflects an increase of \$462,550 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs	\$ 441,970
Increase in miscellaneous services	20,580
Total	\$ 462,550

Trends

Due to the nature of our business, nearly all of our expenses are personnel related. We have seen an increased personnel turnover rate, particularly in the Criminal Division, in the last two years and it is possible that this trend may continue into the near future as other prosecution agencies and even private firms hire our employees.

Future Challenges and Opportunities

We will continue to try to address the turnover issues by creating flexibility in our positions (e.g. the creation of the law clerk position as an under fill for Assistant Prosecutor) and by shaping career path opportunities within the department (e.g. the opportunity to promote to Lead Litigation Support Clerk). With the assistance of Business Services - Risk Management Division and the City Manager's Office, we continue to put increased resources in our litigation unit to keep more cases in house rather than assigning them to outside counsel. The City Attorney's Office will continue to work with Pima County on projects such as the MacArthur grant and the implementation of COMPS Court to pursue opportunities to coordinate the efforts of the both jurisdictions to administer prosecutions efficiently while reducing jail and other costs.

Program Budget Overview

All invoices for outside counsel are now paid through the City Attorney's Office. This has resulted in an enhanced ability to track and audit costs.

Recent Accomplishments

Our expanded use of case management software in both the Criminal and Civil Divisions continues to increase efficiency, and allows attorneys and staff to track their projects/workloads and collaborate more easily on matters. The City Attorney's Office philosophy of aggressively defending lawsuits has resulted in numerous successful outcomes, saving the City from additional exposure. Our litigation strategies include an aggressive motions practice aimed at dismissing or narrowing cases in the pre-trial stages; early evaluation of liability exposure to identify reasonable settlement opportunities; and taking defensible cases to trial where reasonable settlement terms cannot be reached.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area provides legal advice to the Mayor and Council and City management, as well as professional leadership, guidance, and support to the other program areas.

FUNDING SOURCES

General Fund	\$ 296,057	\$ 283,100	\$ 298,040	\$ 136,130
Program Total	\$ 296,057	\$ 283,100	\$ 298,040	\$ 136,130

Character of Expenditures

Salaries and Benefits	\$ 286,205	\$ 266,220	\$ 282,980	\$ 118,170
Services	9,826	14,270	13,310	15,510
Supplies	26	2,610	1,750	2,450
Program Total	\$ 296,057	\$ 283,100	\$ 298,040	\$ 136,130

CIVIL: This program area provides legal advice and representation to the Mayor and Council, the City Manager, and all City departments; and serves as the City representative in courts of law and administrative proceedings (including contracts, employment, environment and land use, personal injury, property damage, wrongful death and civil rights actions) to help ensure the lawfulness of the official business of the City of Tucson and avert litigation contrary to the City's interest for all civil cases.

FUNDING SOURCES

General Fund	\$ 2,520,838	\$ 2,453,720	\$ 2,464,630	\$ 2,536,540
Program Total	\$ 2,520,838	\$ 2,453,720	\$ 2,464,630	\$ 2,536,540

Character of Expenditures

Salaries and Benefits	\$ 2,053,628	\$ 2,017,390	\$ 1,981,640	\$ 2,090,600
Services	448,679	415,090	453,940	424,010
Supplies	18,531	21,240	29,050	21,930
Program Total	\$ 2,520,838	\$ 2,453,720	\$ 2,464,630	\$ 2,536,540

CRIMINAL: This program area promotes the safety of the community and supports local law enforcement by upholding state and local laws and ordinances through the prosecution of misdemeanor criminal and civil infraction cases; provides for rehabilitation of first-time, non-violent offenders through a diversion program; provides timely notification to victims; and responds to citizen inquiries about cases pending in City Court.

FUNDING SOURCES

General Fund	\$ 4,310,207	\$ 4,662,530	\$ 4,060,710	\$ 5,175,720
Program Total	\$ 4,310,207	\$ 4,662,530	\$ 4,060,710	\$ 5,175,720

Character of Expenditures

Salaries and Benefits	\$ 4,056,779	\$ 4,383,350	\$ 3,789,790	\$ 4,890,480
Services	228,226	230,910	227,940	250,980
Supplies	25,202	48,270	42,980	34,260
Program Total	\$ 4,310,207	\$ 4,662,530	\$ 4,060,710	\$ 5,175,720

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

DRUG ENFORCEMENT UNIT: This program area enhances violent crime control efforts by investigating, prosecuting, adjudicating, and punishing drug, gang and related criminal offenders.

FUNDING SOURCES

General Fund	\$ 160,998	\$ 15,270	\$ 134,860	\$ 156,930
Non-Federal Grant Fund	94,180	—	102,560	98,620
Other Federal Grants Fund	107,630	343,190	89,740	89,740
Program Total	\$ 362,808	\$ 358,460	\$ 327,160	\$ 345,290

Character of Expenditures

Salaries and Benefits	\$ 355,786	\$ 347,060	\$ 319,670	\$ 335,080
Services	6,382	8,890	6,690	9,110
Supplies	640	2,510	800	1,100
Program Total	\$ 362,808	\$ 358,460	\$ 327,160	\$ 345,290

VICTIM NOTIFICATION and ASSISTANCE UNIT: This program area maintains victims' rights through the provision of timely notification to victims and responses to inquiries about cases pending in City Court.

FUNDING SOURCES

General Fund	\$ 54,819	\$ 15,420	\$ 86,920	\$ 98,560
Non-Federal Grant Fund	76,800	116,700	56,300	60,240
Program Total	\$ 131,619	\$ 132,120	\$ 143,220	\$ 158,800

Character of Expenditures

Salaries and Benefits	\$ 113,748	\$ 117,870	\$ 128,740	\$ 139,530
Services	828	940	940	17,810
Supplies	17,043	13,310	13,540	1,460
Program Total	\$ 131,619	\$ 132,120	\$ 143,220	\$ 158,800

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
City Attorney	1.00	1.00	1.00	1.00
Management Coordinator	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Program Total	3.00	3.00	3.00	3.00
Civil				
Principal Assistant City Attorney (Chief Deputy)	1.00	1.00	1.00	1.00
Principal Assistant City Attorney Assignment: Lead	1.00	1.00	1.00	1.00
Principal Assistant City Attorney	14.00	14.00	14.00	14.00
Executive Assistant	1.00	1.00	1.00	1.00
Paralegal - Senior	—	—	2.00	2.00
Paralegal	2.00	2.00	—	—
Legal Secretary	5.00	5.00	5.00	6.00
Program Total	24.00	24.00	24.00	25.00
Criminal				
Principal Assistant City Attorney (Deputy)	1.00	1.00	1.00	1.00
Principal Assistant Prosecuting City Attorney	5.00	5.00	5.00	5.00
Associate Prosecuting City Attorney	16.50	16.50	16.50	16.50
Management Assistant	2.00	2.00	2.00	2.00
Litigation Support Supervisor	3.00	3.00	3.00	3.00
Lead Litigation Support Clerk	—	—	20.00	20.00
Legal Secretary	3.00	3.00	3.00	3.00
Paralegal - Senior	—	—	1.00	1.00
Paralegal	1.00	1.00	—	—
Litigation Support Clerk	18.00	18.00	1.00	1.00
Customer Service Representative	2.00	2.00	—	—
Program Total	51.50	51.50	52.50	52.50
Drug Enforcement Unit				
Associate Prosecuting City Attorney	2.00	2.00	2.00	2.00
Legal Secretary	1.00	1.00	1.00	1.00
Lead Litigation Support Clerk	—	—	1.00	1.00
Litigation Support Clerk	1.00	1.00	—	—
Program Total	4.00	4.00	4.00	4.00
Victim Notification and Assistance Unit				
Lead Litigation Support Clerk	—	—	2.00	2.00
Litigation Support Clerk	2.00	2.00	—	—
Program Total	2.00	2.00	2.00	2.00
Department Total	84.50	84.50	85.50	86.50

CITY CLERK

MISSION STATEMENT: To enable the public to fully participate in the governmental process, by providing accurate information and services in a professional manner, enabling the public to make informed decisions affecting the quality of their lives.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	33.00	33.00	33.00	33.00
EXPENDITURES				
Salaries and Benefits	\$ 1,732,927	\$ 1,971,900	\$ 1,801,070	\$ 2,112,250
Services	913,423	492,040	727,230	499,650
Supplies	362,726	154,260	133,880	154,260
Department Total	\$ 3,009,076	\$ 2,618,200	\$ 2,662,180	\$ 2,766,160
FUNDING SOURCES				
General Fund	\$ 3,009,076	\$ 2,618,200	\$ 2,662,180	\$ 2,766,160
Department Total	\$ 3,009,076	\$ 2,618,200	\$ 2,662,180	\$ 2,766,160

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$2,766,160 reflects an increase of \$147,960 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs	\$ 140,350
Increase in miscellaneous expenditures	7,610
Total	\$ 147,960

Trends
The City Clerk conducts labor organization elections by using ballot tabulation software, rather than hand counting paper ballots.
Future Challenges and Opportunities
The City Clerk will be transitioning to new Agenda Management and Electronic Content Management software to provide for greater access to official City records.
Program Budget Overview
The decrease in the budget request is due to non-election year status and further cost savings through streamlining processes.
Recent Accomplishments
The City Clerk consolidated the election code provisions from the Arizona Constitution, the Arizona Revised Statutes, the Tucson City Code, and the Secretary of State Election Procedures Manual into Chapter 12 of the Tucson Code.

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area provides administrative direction to the department and ensures that all department programs are delivered as required by law and in accordance with City of Tucson policies and procedures. This program area also provides financial direction to the department and the Mayor and Council offices; assists with the development of budgets; maintains internal controls and ensures transactions comply with City of Tucson rules, regulations, and policies.

Funding Sources

General Fund	\$ 503,329	\$ 523,680	\$ 549,380	\$ 575,930
Program Total	\$ 503,329	\$ 523,680	\$ 549,380	\$ 575,930

Character of Expenditures

Salaries and Benefits	\$ 480,648	\$ 473,760	\$ 517,620	\$ 523,670
Services	20,041	43,390	27,140	45,730
Supplies	2,640	6,530	4,620	6,530
Program Total	\$ 503,329	\$ 523,680	\$ 549,380	\$ 575,930

CAMPAIGN FINANCE: The City Clerk serves as the Campaign Finance Administrator and administers the Campaign Finance Program as prescribed by the City Charter.

Funding Sources

General Fund	\$ 88,115	\$ 100,000	\$ 50,000	\$ 100,000
Program Total	\$ 88,115	\$ 100,000	\$ 50,000	\$ 100,000

Character of Expenditures

Services	\$ 88,115	\$ 100,000	\$ 50,000	\$ 100,000
Program Total	\$ 88,115	\$ 100,000	\$ 50,000	\$ 100,000

LEGISLATIVE MANAGEMENT: This program area officially documents the legislative action taken by the Mayor and Council; processes and distributes meeting agendas, minutes, executed agreements, contracts, resolutions and ordinances for Mayor and Council and other public meetings; administratively manages the filling of boards, committee and commission seats; oversees and supports departments in the administration and management of the City's advisory boards and sub-committees; and oversees the liquor license application process.

Funding Sources

General Fund	\$ 1,498,811	\$ 1,647,060	\$ 1,481,990	\$ 1,785,780
Program Total	\$ 1,498,811	\$ 1,647,060	\$ 1,481,990	\$ 1,785,780

Character of Expenditures

Salaries and Benefits	\$ 1,233,673	\$ 1,335,130	\$ 1,141,300	\$ 1,468,580
Services	231,971	272,200	317,210	277,470
Supplies	33,167	39,730	23,480	39,730
Program Total	\$ 1,498,811	\$ 1,647,060	\$ 1,481,990	\$ 1,785,780

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

RECORDS MANAGEMENT: This program area acts as the official records keeper for the City; coordinates and implements citywide records policies and procedures; manages the City Records Center; prepares, stores, secures, and retrieves City documents in a systematic and accessible manner as requested by City staff and the public in accordance with legal requirements.

Funding Sources

General Fund	\$	918,821	\$	347,460	\$	580,810	\$	304,450
Program Total	\$	918,821	\$	347,460	\$	580,810	\$	304,450

Character of Expenditures

Salaries and Benefits	\$	18,606	\$	163,010	\$	142,150	\$	120,000
Services		573,296		76,450		332,880		76,450
Supplies		326,919		108,000		105,780		108,000
Program Total	\$	918,821	\$	347,460	\$	580,810	\$	304,450

POSITION RESOURCES

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20
Administration				
City Clerk	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00
City Clerk Administrator	1.00	1.00	1.00	1.00
Executive Assistant	1.00	—	—	—
Program Total	4.00	3.00	3.00	3.00
Legislative Management				
City Records Manager	—	—	1.00	1.00
Management Assistant	1.00	1.00	3.00	3.00
Systems Analyst	—	—	1.00	1.00
Office Supervisor	1.00	1.00	3.00	3.00
Secretary	2.00	2.00	11.00	11.00
Election Technician (Hourly)	1.00	11.00	1.00	1.00
Election Specialist (Hourly)	10.00	1.00	10.00	10.00
Program Total	15.00	16.00	30.00	30.00
Records Management				
City Records Manager	1.00	1.00	—	—
Management Assistant	2.00	2.00	—	—
Systems Analyst	1.00	1.00	—	—
Office Supervisor	1.00	1.00	—	—
Secretary	9.00	9.00	—	—
Program Total	14.00	14.00	—	—
Department Total	33.00	33.00	33.00	33.00

CITY COURT

MISSION STATEMENT: To serve the community and protect individual rights by providing fair and prompt administration of justice.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	117.80	117.80	128.00 ¹	129.00
EXPENDITURES				
Salaries and Benefits	\$ 7,869,270	\$ 7,278,850	\$ 8,162,550	\$ 9,230,800
Services	1,418,711	2,470,880	1,396,740	2,760,580
Supplies	171,161	365,510	209,880	360,900
Equipment	226,930	363,670	97,650	363,670
Department Total	\$ 9,686,072	\$ 10,478,910	\$ 9,866,820	\$ 12,715,950
FUNDING SOURCES				
General Fund	\$ 8,969,855	\$ 9,658,720	\$ 9,249,460	\$ 11,399,930
Other Federal Grants	716,217	820,190	617,360	1,316,020
Department Total	\$ 9,686,072	\$ 10,478,910	\$ 9,866,820	\$ 12,715,950

¹ During Fiscal Year 2018/19, additional positions had been approved through the Administrative office of courts using the Judicial Collection Enhancement Fund and Fill the Gap Funding.

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$12,715,950 reflects an increase of \$2,237,040 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs due to the delay of court consolidations with Pima County	\$ 1,000,000
Increase in personnel costs	951,950
Increase in veteran's court and the domestic violence grant funding	408,910
Decrease in miscellaneous service and supplies	(123,820)
Total	\$ 2,237,040

Trends

The decriminalization of mental illness remains a top priority for courts in Fiscal Year 2019/20. The decriminalization of mental illness is designed to assist with linking mentally ill individuals with health care providers and limiting their contact with the criminal justice system.

Future Challenges and Opportunities

Tucson City Court and Pima County Consolidated Justice Court are collaborating in a Consolidated Misdemeanor Problem Solving (CMPS) Court which is focused on "super users" of the criminal justice system. Super users are often defendants with co-occurring disorders of mental health and substance abuse issues. Tucson City Court and Pima County Consolidated Justice Court continue collaborating on various joint operations such as extended hours court and Saturday Warrant Resolution Court.

Program Budget Overview

The number of charges filed with the court has stabilized at a significantly lower number than the ten year average. It appears that the new normal for charges filed will be in the area of 134,000 charges. This has affected collections and driven the cost per charge up despite reduction in staff levels and cost containment initiatives. The move towards problem solving courts such as: Mental Health Court, Dedicated Domestic Violence Court, Consolidated Misdemeanor Court and Veterans Court present challenges as they are more resource intensive. However, the court does not always receive additional resources to support problem solving courts.

Recent Accomplishments

City Court and Pima County Consolidated Justice Court have formed the Consolidated Misdemeanor Problem Solving Court which is in its first six months of operation. The court developed an automated process to reconcile active warrants with the Tucson Police Department and the Court's case management System. The Improved Compliance Assistance Program (ICAP) has helped 14,099 defendants get their case back on track, and in most cases, the suspension on their driver license lifted.

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area is responsible for personnel management, facilities management, budget management, contract management, case management, records retention and the enforcement of court-ordered sanctions.

Funding Sources

General Fund	\$ 1,726,857	\$ 1,905,560	\$ 1,685,180	\$ 1,841,110
Program Total	\$ 1,726,857	\$ 1,905,560	\$ 1,685,180	\$ 1,841,110

Character of Expenditures

Salaries and Benefits	\$ 1,176,738	\$ 1,214,450	\$ 1,218,270	\$ 1,259,030
Services	267,917	668,340	356,800	506,540
Supplies	119,935	22,770	110,110	75,540
Equipment	162,267	—	—	—
Program Total	\$ 1,726,857	\$ 1,905,560	\$ 1,685,180	\$ 1,841,110

COURT SERVICES: This program area oversees the records management section of the court. Including retention and the destruction of court files. Additionally, it is responsible for the processing of case file requests, motions, set-asides, records requests, and appeals. Court Services also monitors electronic functions such as document scanning, computerized case tracking, photo enforcement, and e-citations.

Funding Sources

General Fund	\$ 775,799	\$ 892,500	\$ 792,790	\$ 864,120
Program Total	\$ 775,799	\$ 892,500	\$ 792,790	\$ 864,120

Character of Expenditures

Salaries and Benefits	\$ 769,645	\$ 873,400	\$ 785,480	\$ 854,790
Services	6,154	8,450	7,310	9,330
Supplies	—	10,650	—	—
Program Total	\$ 775,799	\$ 892,500	\$ 792,790	\$ 864,120

EVENING ALTERNATIVE to JAIL¹: Evening Alternative to Jail was implemented to reduce the number of defendants taken into custody for incarceration at the Pima County Jail during the hours of 5:00 PM to midnight. By reducing the number of defendants taken to the jail, the City does not incur costs associated with the first day of jail board, police officers do not spend several hours booking defendants into the jail, and defendants usually have their initial appearance within 20 minutes or less after arriving at the Court.

Funding Sources

General Fund	\$ 147,125	\$ 80,000	\$ 48,960	—
Program Total	\$ 147,125	\$ 80,000	\$ 48,960	—

Character of Expenditures

Salaries and Benefits	\$ 147,125	\$ 80,000	\$ 48,960	—
Program Total	\$ 147,125	\$ 80,000	\$ 48,960	—

¹This program was terminated during Fiscal Year 2018/19.

CITY COURT

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

JUDICIAL: This program area hears a variety of cases including traffic, driving under the influence (DUI), drug possession, prostitution, shoplifting, domestic violence, and other city code violations. A significant number of the DUI and prostitution cases are tried before a jury.

Funding Sources

General Fund	\$ 2,155,959	\$ 2,075,270	\$ 2,132,020	\$ 2,116,270
Other Federal Grants	716,217	820,190	617,360	1,316,020
Program Total	\$ 2,872,176	\$ 2,895,460	\$ 2,749,380	\$ 3,432,290

Character of Expenditures

Salaries and Benefits	\$ 1,909,759	\$ 1,884,860	\$ 1,993,970	\$ 1,982,780
Services	953,847	993,400	748,770	1,427,920
Supplies	8,570	17,200	6,640	21,590
Program Total	\$ 2,872,176	\$ 2,895,460	\$ 2,749,380	\$ 3,432,290

JUDICIAL SERVICES: This program area provides clerical support to the magistrates by assisting with courtroom proceedings, updating cases in the court's electronic case management system, and overseeing the management of the daily court calendar.

Funding Sources

General Fund	\$ 2,307,755	\$ 1,444,290	\$ 2,351,150	\$ 2,986,740
Program Total	\$ 2,307,755	\$ 1,444,290	\$ 2,351,150	\$ 2,986,740

Character of Expenditures

Salaries and Benefits	\$ 2,289,850	\$ 1,393,510	\$ 2,331,500	\$ 2,961,870
Services	17,905	20,250	19,650	24,870
Supplies	—	30,530	—	—
Program Total	\$ 2,307,755	\$ 1,444,290	\$ 2,351,150	\$ 2,986,740

¹ Includes reinstatement of \$1.0 M due to delay in court consolidations with Pima County

PUBLIC SERVICES: This program area assists the public by giving out court information, setting civil and parking hearings, accepting and processing various court-ordered documents presented by citizens, and processing payments. It also provides customer service to individuals inquiring by telephone and citizens filing Orders of Protection and Injunctions Against Harassment.

Funding Sources

General Fund	\$ 1,428,531	\$ 1,648,000	\$ 1,442,050	\$ 1,562,650
Program Total	\$ 1,428,531	\$ 1,648,000	\$ 1,442,050	\$ 1,562,650

Character of Expenditures

Salaries and Benefits	\$ 1,335,548	\$ 1,526,880	\$ 1,341,970	\$ 1,456,580
Services	92,983	100,530	100,080	106,070
Supplies	—	20,590	—	—
Program Total	\$ 1,428,531	\$ 1,648,000	\$ 1,442,050	\$ 1,562,650

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

CASE PROCESSING SERVICE FUND: The Case Processing Service Fund was established to cover case processing costs incurred by the court, such as credit card processing fees; cost of a bond clerk at the Pima County Jail; postage costs for mailing parking notices to defendants per ordinance; bond card publication; and court security.

Funding Sources

General Fund	\$	364,761	\$	1,413,420	\$	352,480	\$	1,431,150
Program Total	\$	364,761	\$	1,413,420	\$	352,480	\$	1,431,150

Character of Expenditures

Salaries and Benefits	\$	178,691	\$	230,750	\$	87,570	\$	247,650
Services		78,751		657,110		164,130		657,940
Supplies		42,656		161,890		3,130		161,890
Equipment		64,663		363,670		97,650		363,670
Program Total	\$	364,761	\$	1,413,420	\$	352,480	\$	1,431,150

FILL the GAP FUND: The Fill the Gap Fund was established by the Arizona Supreme Court for courts to use to improve, maintain, and enhance the ability to collect and manage monies assessed or received by the courts; improve court automation; and improve case processing or the administration of justice.

Funding Sources

General Fund	\$	61,914	\$	79,000	\$	218,480	\$	238,430
Program Total	\$	61,914	\$	79,000	\$	218,480	\$	238,430

Character of Expenditures

Salaries and Benefits	\$	61,914	\$	75,000	\$	178,480	\$	231,990
Services		—		4,000		—		6,440
Supplies		—		—		40,000		—
Program Total	\$	61,914	\$	79,000	\$	218,480	\$	238,430

FINES/FEES and RESTITUTION ENFORCEMENT PROGRAM (FARE) FUND: This program fund was established by the Arizona Supreme Court to assist courts in becoming more consistent and uniform with their collection practices. As a FARE participant, City Court receives limited reimbursement to help cover costs for data entry, computer programming, payment processing and other FARE-related duties that may increase workload.

Funding Sources

General Fund	\$	1,154	\$	23,100	\$	20,000	\$	23,100
Program Total	\$	1,154	\$	23,100	\$	20,000	\$	23,100

Character of Expenditures

Services	\$	1,154	\$	18,800	\$	—	\$	18,800
Supplies		—		4,300		20,000		4,300
Program Total	\$	1,154	\$	23,100	\$	20,000	\$	23,100

CITY COURT

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

JUDICIAL COLLECTION ENHANCEMENT FUND (JCEF): This fund is legislatively appropriated monies that, upon approval of the Arizona Supreme Court, is to be used to train court personnel, improve, maintain and enhance the ability to collect and manage monies assessed or received by the courts including restitution, fines and civil penalties; and to improve court automation projects likely to assist in case processing or the administration of justice.

Funding Sources

General Fund	\$	—	\$	97,580	\$	206,350	\$	336,360
Program Total	\$	—	\$	97,580	\$	206,350	\$	336,360

Character of Expenditures

Salaries and Benefits	\$	—	\$	—	\$	176,350	\$	236,110
Services		—		—		—		2,670
Supplies		—		97,580		30,000		97,580
Program Total	\$	—	\$	97,580	\$	206,350	\$	336,360

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Court Administrator	1.00	1.00	1.00	1.00
Assistant Court Administrator	1.00	1.00	1.00	1.00
Management Assistant	—	1.00	1.00	1.00
Information Technology Manager	1.00	1.00	1.00	1.00
Data Base Administrator	1.00	1.00	1.00	1.00
Systems Analyst	2.00	2.00	2.00	2.00
Information Technology Specialist	2.00	2.00	2.00	2.00
Executive Assistant	1.00	—	—	—
Accounting Technician	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	2.00	2.00	2.00
Senior Court Clerk	2.00	2.00	2.00	2.00
Court Clerk	1.00	1.00	1.00	1.00
Program Total	14.00	15.00	15.00	15.00
Case Processing Service Fund				
Court Clerk	5.00	5.00	5.00	5.00
Program Total	5.00	5.00	5.00	5.00
Court Services				
Court Section Manager	1.00	1.00	1.00	1.00
Court Supervisor	2.00	2.00	2.00	2.00
Senior Court Clerk	4.00	4.00	4.00	4.00
Court Clerk	9.00	8.00	8.00	8.00
Program Total	16.00	15.00	15.00	15.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Fill the Gap				
Court Supervisor	—	—	1.00	1.00
Court Clerk	—	—	4.00	4.00
Program Total	—	—	5.00	5.00
Judicial				
Presiding Magistrate	1.00	1.00	1.00	1.00
City Magistrate	8.00	8.00	8.00	8.00
Judge Pro Tempore	—	—	—	1.00
Administrative Assistant	1.80	1.80	2.00	2.00
Court Clerk	1.00	1.00	1.00	1.00
Program Total	11.80	11.80	12.00	13.00
Judicial Collection Enhancement Fund				
Court Clerk	—	—	6.00	6.00
Program Total	—	—	6.00	6.00
Judicial Services				
Court Section Manager	1.00	1.00	1.00	1.00
Court Interpreter Supervisor	1.00	1.00	—	—
Court Supervisor	3.00	3.00	3.00	3.00
Lead Court Interpreter	—	—	1.00	1.00
Court Interpreter	1.00	1.00	—	—
Senior Court Clerk	30.00	30.00	30.00	30.00
Court Clerk	6.00	6.00	6.00	6.00
Program Total	42.00	42.00	41.00	41.00
Public Services				
Court Section Manager	1.00	1.00	1.00	1.00
Court Supervisor	3.00	3.00	3.00	3.00
Senior Court Clerk	9.00	9.00	9.00	9.00
Court Clerk	16.00	16.00	16.00	16.00
Program Total	29.00	29.00	29.00	29.00
Department Total	117.80	117.80	128.00	129.00

CITY MANAGER

MISSION STATEMENT: To provide an environment that creates trust and confidence in the City of Tucson organization and management systems that facilitates the delivery of the highest quality municipal services to Tucson residents.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	23.00	29.00	29.00	29.00
EXPENDITURES				
Salaries and Benefits	\$ 2,719,007	\$ 3,532,630	\$ 3,305,540	\$ 3,909,900
Services	1,040,064	1,195,390	1,214,750	1,221,900
Supplies	100,488	121,510	94,040	91,400
Department Total	\$ 3,859,559	\$ 4,849,530	\$ 4,614,330	\$ 5,223,200
FUNDING SOURCES				
General Fund	\$ 3,850,163	\$ 4,819,530	\$ 4,614,330	\$ 5,223,200
Non-Federal Grant Funds	9,396	30,000	—	—
Department Total	\$ 3,859,559	\$ 4,849,530	\$ 4,614,330	\$ 5,223,200

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$5,223,200 reflects an increase of \$373,670 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs due to below market wage adjustment, along with rising benefits costs	\$ 377,270
Decrease in miscellaneous costs	(3,600)
Total	\$ 373,670

Trends

We continue to challenge the way we do business to ensure value to the taxpayers. This requires critical analysis of the internal structure and corresponding policies that govern our daily work. The City Manager's Office continues the internal focus on all business operations working towards a lean government, managing debt, and focusing on long-term planning. Economic development activity continues to increase in the greater downtown, Houghton corridor, and airport vicinities. Primary employers in mining, logistics, and aerospace and defense sectors show continued interest in expanding and locating in Tucson.

Future Challenges and Opportunities

In the Spring 2020, the first issuance of general obligation bonds will occur for park amenities, connections for mobility, and greenways. As the Arizona economy remains optimistic and revenue growth is still strong, we do need to be aware of management future financial risks. We continue to focus on our current employees, through a Retention Plan, and limiting the number of new full-time equivalents reintroduced into our budget.

Program Budget Overview

The City Manager's Office Fiscal Year 2019/20 adopted budget reflects only changes to personnel costs from salary and benefit increases. All programs will continue to work within the same budget amounts from Fiscal Year 2018/19.

Recent Accomplishments

On November 6, 2018, the voters approved a \$225.0 million General Obligation bond package for capital improvements dedicated to City park amenities, connections for mobility, and greenways. By managing its finances, the City was able to pay an extra \$8.3 million towards the Police and Fire unfunded pension liability and to prepay rent owed to Rio Nuevo allowing for a new lease on the Tucson Convention Center. S&P Global reviewed its credit profile on the water bonds from AA/Stable to AA/Positive which reflects that the expectation is that all-in debt service coverage is sustainable.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

CITY MANAGER: This program area is responsible for carrying out the Mayor and Council's policy decisions, providing executive oversight to all City departments, and planning and developing programs in response to community needs.

Funding Sources

General Fund	\$ 1,696,218	\$ 1,741,480	\$ 1,902,070	\$ 2,096,550
Non-Federal Grant Funds	9,396	30,000	—	—
Program Total	\$ 1,705,614	\$ 1,771,480	\$ 1,902,070	\$ 2,096,550

Character of Expenditures

Salaries and Benefits	\$ 1,421,361	\$ 1,508,470	\$ 1,635,350	\$ 1,859,870
Services	199,437	169,770	207,450	173,440
Supplies	84,816	93,240	59,270	63,240
Program Total	\$ 1,705,614	\$ 1,771,480	\$ 1,902,070	\$ 2,096,550

CITY MANAGER

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

COMMUNICATIONS: This program area provides management and oversight of the City Manager's Office communications both within City government, to the federal government, the State of Arizona, and to the Tucson community. Communications programs include media response and public information, the City of Tucson website, email, and social media properties.

Funding Sources

General Fund	\$	397,366	\$	359,350	\$	329,110	\$	477,200
Program Total	\$	397,366	\$	359,350	\$	329,110	\$	477,200

Character of Expenditures

Salaries and Benefits	\$	222,690	\$	167,860	\$	143,970	\$	285,440
Services		174,676		183,650		175,170		183,920
Supplies		—		7,840		9,970		7,840
Program Total	\$	397,366	\$	359,350	\$	329,110	\$	477,200

ECONOMIC INITIATIVES and ANNEXATION: This program area ensures prosperity in the City of Tucson by strengthening our competitiveness, facilitating investment, stimulating business activity, promoting economic activities, securing revenues to improve service through annexation, and striving to raise the quality of life among our citizens. This area manages annual contracts with Visit Tucson, the Business Improvement District (BID), and also facilitates the Request for Proposal (RFP) process through the Economic and Workforce Development Selection Committee.

Funding Sources

General Fund	\$	1,102,843	\$	1,462,480	\$	1,173,690	\$	1,355,200
Program Total	\$	1,102,843	\$	1,462,480	\$	1,173,690	\$	1,355,200

Character of Expenditures

Salaries and Benefits	\$	454,316	\$	714,720	\$	381,080	\$	611,970
Services		636,353		733,430		778,220		728,900
Supplies		12,175		14,330		14,390		14,330
Program Total	\$	1,102,843	\$	1,462,480	\$	1,173,690	\$	1,355,200

EQUAL OPPORTUNITY PROGRAM: This program area is responsible for the City of Tucson's compliance with internal and external discrimination/wrongful conduct claims, provides certification of adherence to the Federal Equal Employment Opportunity statute for hiring and promotions, for employee reasonable accommodations under the Americans Disability Act (ADA), and employee relations.

Funding Sources

General Fund	\$	192,103	\$	271,650	\$	250,980	\$	275,520
Program Total	\$	192,103	\$	271,650	\$	250,980	\$	275,520

Character of Expenditures

Salaries and Benefits	\$	183,697	\$	256,410	\$	225,790	\$	259,950
Services		8,406		12,740		23,470		13,070
Supplies		—		2,500		1,720		2,500
Program Total	\$	192,103	\$	271,650	\$	250,980	\$	275,520

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

INDEPENDENT POLICE REVIEW: This program investigates complaints of discrimination filed by citizens and City employees, and ensures accessibility to City programs, facilities, and services for persons with disabilities and provides citizens with an external police review process to ensure thorough resolution of citizen complaints of police misconduct.

Funding Sources

General Fund	\$ 273,719	\$ 219,390	\$ 423,800	\$ 136,210
Program Total	\$ 273,719	\$ 219,390	\$ 423,800	\$ 136,210

Character of Expenditures

Salaries and Benefits	\$ 266,830	\$ 209,930	\$ 416,740	\$ 127,890
Services	5,168	8,460	6,060	7,320
Supplies	1,722	1,000	1,000	1,000
Program Total	\$ 273,719	\$ 219,390	\$ 423,800	\$ 136,210

INNOVATION OFFICE: This program area will coordinate and consult on city-wide innovation projects focusing on the three program areas of strategic planning, performance analytics, and processes improvement through tracking, metrics, and analytics.

Funding Sources

General Fund	\$ 20,120	\$ 367,030	\$ 200,190	\$ 417,110
Program Total	\$ 20,120	\$ 367,030	\$ 200,190	\$ 417,110

Character of Expenditures

Salaries and Benefits	\$ 18,211	\$ 350,980	\$ 182,610	\$ 370,560
Services	466	14,050	11,880	44,660
Supplies	1,443	2,000	5,700	1,890
Program Total	\$ 20,120	\$ 367,030	\$ 200,190	\$ 417,110

INTERNAL AUDIT: This program area conducts audits, reviews, cost studies, investigations, special projects, consultations, and analyzes department performance measures. Auditors work in an independent and objective manner to provide management with information necessary to improve the city's operations

Funding Sources

General Fund	\$ 162,066	\$ 278,150	\$ 224,700	\$ 281,270
Program Total	\$ 162,066	\$ 278,150	\$ 224,700	\$ 281,270

Character of Expenditures

Salaries and Benefits	\$ 151,902	\$ 216,940	\$ 218,750	\$ 219,780
Services	9,832	61,210	5,950	61,490
Supplies	332	—	—	—
Program Total	\$ 162,066	\$ 278,150	\$ 224,700	\$ 281,270

CITY MANAGER

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ZONING EXAMINER: This program area provides independent and professional review and analysis of zoning and land use changes, stolen property dispositions, and liquor license extension-of-premises cases.

Funding Sources

General Fund	\$	5,728	\$	120,000	\$	109,790	\$	184,140
Program Total	\$	5,728	\$	120,000	\$	109,790	\$	184,140

Character of Expenditures

Salaries and Benefits	\$	—	\$	107,320	\$	101,250	\$	174,440
Services		5,728		12,080		6,550		9,100
Supplies		—		600		1,990		600
Program Total	\$	5,728	\$	120,000	\$	109,790	\$	184,140

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
City Manager				
City Manager	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00
Assistant City Manager/Chief Financial Officer	1.00	1.00	1.00	1.00
Executive Management Advisor	2.00	2.00	3.00	3.00
Chief of Staff: Office of the City Manager	—	1.00	1.00	1.00
Financial Specialist	—	—	—	1.00
Project Manager	2.00	1.00	1.00	1.00
Management Assistant to the City Manager	1.00	1.00	1.00	1.00
Executive Assistant/City Manager	1.00	—	1.00	1.00
Administrative Assistant	1.00	3.00	2.00	2.00
Program Total	10.00	11.00	12.00	13.00
Communications				
Public Information Coordinator	—	1.00	1.00	1.00
Public Information Officer	—	—	—	1.00
Management Analyst II	—	1.00	1.00	1.00
Management Assistant to the City Manager	1.00	—	—	—
Public Information Specialist	1.00	—	—	—
Television Production Specialist	1.00	—	—	—
Program Total	3.00	2.00	2.00	3.00
Economic Initiatives and Annexation				
Economic Development Program Director	—	1.00	1.00	1.00
Economic Development Deputy Director	—	—	—	1.00
Executive Management Advisor	—	—	1.00	1.00
Management Coordinator	1.00	1.00	—	—
Economic Development Specialist	3.00	2.00	2.00	—
Project Manager	1.00	1.00	1.00	1.00
Public Information Officer	—	1.00	1.00	—
Management Analyst	1.00	—	—	—
Program Total	6.00	6.00	6.00	4.00
Equal Opportunity Program				
Executive Management Advisor	—	1.00	1.00	1.00
Senior Equal Opportunity Specialist	—	1.00	1.00	1.00
Program Total	—	2.00	2.00	2.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Independent Police Review				
Independent Police Auditor	1.00	1.00	1.00	1.00
Management Assistant to the City Manager	1.00	1.00	—	—
Program Total	2.00	2.00	1.00	1.00
Innovation Office				
Innovation Office Administrator	—	1.00	1.00	1.00
Innovation Coordinator	—	—	1.00	1.00
Management Coordinator	—	1.00	—	—
Innovation Technologist	—	—	1.00	1.00
Business Analyst II	—	1.00	—	—
Program Total	—	3.00	3.00	3.00
Internal Audit				
Finance Manager	1.00	1.00	—	—
Senior Internal Auditor	—	—	—	—
Principal Internal Auditor	1.00	1.00	2.00	2.00
Program Total	2.00	2.00	2.00	2.00
Zoning Examiner				
Zoning Examiner	—	1.00	1.00	1.00
Program Total	—	1.00	1.00	1.00
Department Total	23.00	29.00	29.00	29.00

EMPLOYEE HEALTH BENEFITS¹

MISSION STATEMENT: To provide health related benefits to City employs, City retirees as well as qualified family members, through various benefit plans administered by a combination of third party administrators and contractors. Medical claims are self funded, and administered through a third party administrator; while other benefits will be funded through the purchase of fully insured contracts. The self funded, medical program will be overseen by a Board of Trustees.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	—	—	—	3.50
EXPENDITURES				
Salaries and Benefits	\$ —	\$ —	\$ —	366,220
Services	—	—	—	72,394,520
Supplies	—	—	—	4,200
Department Total	\$ —	\$ —	\$ —	72,764,940
FUNDING SOURCES				
Internal Service Fund: Health Insurance	\$ —	\$ —	\$ —	72,764,940
Department Total	\$ —	\$ —	\$ —	72,764,940

¹Department was newly established in Fiscal Year 2018/19 for implementation of the self funded medical program.

EMPLOYEE HEALTH BENEFITS

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$72,764,940 reflects an increase of \$72,764,940 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase for medical claims payments	\$ 59,816,770
Increase for other insurance plan payments	6,175,320
Increase for medical stop loss insurance	2,850,180
Increase in other miscellaneous services and supplies	1,891,530
Increase for Cigna administrative fees	1,014,920
Increase for new enrollment system	650,000
Increase from transfer of the Benefits Division from the Human Resource Department	366,220
Total	\$ 72,764,940

Trends

The City of Tucson has adopted a self-funded mechanism to provide health insurance and, over the long term it should result in savings compared to purchasing a fully insured product from a major carrier. However, even with the savings, the overall trend of health care is increasing significantly and we anticipate the total cost to increase over time, however it should increase more slowly than it otherwise would.

Future Challenges and Opportunities

For three years the City has been strategically working on long-term approaches to reduce the rising cost of health care while still providing comprehensive health care for employees, retirees and their qualified family members. Previously, the contract negotiations and rate guarantees made a fully insured environment more advantageous. However, this year it become a financially sound decision to transition to a self-insurance model for City medical coverage via an internal service fund.

Program Budget Overview

The City offers three coverage options for health insurance, including a High-Deductible Plan with a Health Savings Account (HSA), a High-Deductible Plan with a Health Reimbursement Arrangement (HRA), and a Network Plan (formerly called an HMO). In addition, the City offers other health and wellness plans to provide for the welfare of city employees and retirees. These programs are funded primarily by charges to City Departments for each participating member and contributions from the members themselves. In general, the monies are held in a trust for the benefit of the plan benefits.

Recent Accomplishments

This is a new program.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

DENTAL INSURANCE: This program provides dental insurance by purchasing insurance from a contractor.

Funding Sources

Internal Service Fund: Health Insurance Fund	\$	—	\$	—	\$	4,152,540
Program Total	\$	—	\$	—	\$	4,152,540

Character of Expenditures

Services	\$	—	\$	—	\$	4,152,540
Program Total	\$	—	\$	—	\$	4,152,540

EMPLOYEE HEALTH BENEFITS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

EMPLOYEE ASSISTANCE PROGRAM: This program provides an employee assistance program to assist with stress of financial, mental health or other employee personal challenges.

Funding Sources

Internal Service Fund: Health Insurance	\$	—	\$	—	\$	—	\$	69,490
Program Total	\$	—	\$	—	\$	—	\$	69,490

Character of Expenditures

Services	\$	—	\$	—	\$	—	\$	69,490
Program Total	\$	—	\$	—	\$	—	\$	69,490

LIFE INSURANCE: This program provides life insurance by purchasing insurance from a contractor.
--

Funding Sources

Internal Service Fund: Health Insurance	\$	—	\$	—	\$	—	\$	1,573,200
Program Total	\$	—	\$	—	\$	—	\$	1,573,200

Character of Expenditures

Services		—		—		—		1,573,200
Program Total	\$	—	\$	—	\$	—	\$	1,573,200

LONG TERM DISABILITY: This program provides long term disability insurance by purchasing insurance from a contractor.
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Funding Sources

Internal Service Fund: Health Insurance	\$	—	\$	—	\$	—	\$	378,010
Program Total	\$	—	\$	—	\$	—	\$	378,010

Character of Expenditures

Services	\$	—	\$	—	\$	—	\$	378,010
Program Total	\$	—	\$	—	\$	—	\$	378,010

MEDICAL INSURANCE BENEFITS: This program provides employees with health insurance through three different plans including Health Reimbursement Arrangement (HRA) with a high deductible plan, Health Savings Account (HSA) and network plan.

Funding Sources

Internal Service Fund: Health Insurance	\$	—	\$	—	\$	—	\$	66,591,700
Program Total	\$	—	\$	—	\$	—	\$	66,591,700

Character of Expenditures

Salaries and Benefits	\$	—	\$	—	\$	—	\$	366,220
Services		—		—		—		66,221,280
Supplies		—		—		—		4,200
Program Total	\$	—	\$	—	\$	—	\$	66,591,700

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Pension Benefits Administrator	—	—	—	0.50
Human Resources Manager	—	—	—	1.00
Human Resources Analyst	—	—	—	1.00
Human Resources Technician	—	—	—	1.00
Program Total	—	—	—	3.50
Department Total	—	—	—	3.50

ENVIRONMENTAL and GENERAL SERVICES

MISSION STATEMENT: To promote a healthy Tucson community by providing innovative and effective waste management and environmental protection services and maintaining City building, communications, and vehicle assets to support Citywide service delivery.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	410.50	417.00	417.00	417.00
EXPENDITURES				
Salaries and Benefits	\$ 29,685,791	\$ 32,167,600	\$ 30,881,920	\$ 34,930,750
Services	40,116,296	43,574,450	46,005,600	48,524,600
Supplies	14,851,529	17,099,490	15,915,630	16,472,060
Equipment	6,231,517	7,007,960	7,069,250	6,248,000
Debt Service	2,395,525	2,534,750	2,534,750	1,075,500
Operating Total	\$ 93,280,658	\$ 102,384,250	\$ 102,407,150	\$ 107,250,910
Capital Improvement Program	4,346,404	20,760,700	15,190,700	11,721,400
Department Total	\$ 97,627,062	\$ 123,144,950	\$ 117,597,850	\$ 118,972,310
FUNDING SOURCES				
General Fund	\$ 48,160,114	\$ 53,407,370	\$ 51,960,730	\$ 53,521,900
Environmental Services Fund	45,120,544	48,976,880	50,446,420	53,729,010
Department Total	\$ 93,280,658	\$ 102,384,250	\$ 102,407,150	\$ 107,250,910
Capital Improvement Program	4,346,404	20,760,700	15,190,700	11,721,400
Department Total	\$ 97,627,062	\$ 123,144,950	\$ 117,597,850	\$ 118,972,310

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$107,250,910 reflects an increase of \$4,866,660 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase for recycling program processing	\$ 2,957,000
Increase in personnel costs	2,763,150
Increase in cost for web-based Naviline Billing system	626,500
Decrease in other miscellaneous services and supplies	(20,740)
Decrease in debt service	(1,459,250)
Total	\$ 4,866,660

Trends
Redesigning the City's recycling program through a holistic approach in addressing facility and city-wide community clean-up, beautification and betterment projects and initiatives.
Future Challenges and Opportunities
Evaluation of the effectiveness and efficiency of the various work units and programs. The implementation of a citywide fleet replacement and optimization program. Continue to increase operating efficiencies resulting from consolidation efforts.
Program Budget Overview
This budget reflects the increases in the recycling processing costs. The transition from a once-a-week recycling service to every-other-week service.
Recent Accomplishments
This budget reflects the continued implementation, evaluation and enhancement of the Brush & Bulky + Program that incorporates proactive efforts in code enforcement and graffiti abatement

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area provides general oversight by setting direction and policy, including rates, developing and managing the department's operating and capital budgets, providing administrative and clerical support, and ensuring that customers are provided excellent services. Administrative functions include the Director's Office, Customer Service and Billing, citywide Recycling and Waste Reduction, Tucson Clean and Beautiful, Public Information Services.

Funding Sources

General Fund	\$ 734,912	\$ 451,630	\$ 452,750	\$ 575,920
Environmental Services Fund	3,838,712	3,300,120	3,901,630	5,831,370
Program Total	\$ 4,573,624	\$ 3,751,750	\$ 4,354,380	\$ 6,407,290

Character of Expenditures

Salaries and Benefits	\$ 3,580,632	\$ 2,613,300	\$ 2,741,580	\$ 2,558,400
Services	890,549	972,500	1,479,630	3,670,870
Supplies	58,833	107,790	105,010	148,020
Equipment	43,610	58,160	28,160	30,000
Program Total	\$ 4,573,624	\$ 3,751,750	\$ 4,354,380	\$ 6,407,290

CODE ENFORCEMENT: This program area provides enforcement and education of City Codes relating to property maintenance and minimum housing standards as directed through the Neighborhood Preservation Ordinance (NPO), Sign Code, portions of the Unified Development Code (UDC), Peddler ordinance, and educates the public about the codes, code violations, and resolving violations.

Funding Sources

General Fund	\$ 1,742,159	\$ 1,828,720	\$ 1,745,800	\$ 2,088,210
Environmental Services Fund	6,385	—	—	—
Program Total	\$ 1,748,544	\$ 1,828,720	\$ 1,745,800	\$ 2,088,210

Character of Expenditures

Salaries and Benefits	\$ 1,402,386	\$ 1,476,970	\$ 1,393,050	\$ 1,499,680
Services	293,552	318,080	318,080	551,930
Supplies	24,799	33,670	34,670	36,600
Equipment	27,807	—	—	—
Program Total	\$ 1,748,544	\$ 1,828,720	\$ 1,745,800	\$ 2,088,210

COLLECTIONS: This program area provides the collection of refuse and recycling services to both residential and commercial customers at a minimum per-unit cost while preserving community health and welfare. This program includes residential brush and bulk collections, container maintenance, and collects recycles, and disposes of hazardous materials such as automotive fluids, batteries, paint products, cleaning products, flammable materials, reactive materials, corrosives and poisons.

Funding Sources

Environmental Services Fund	\$ 25,973,393	\$ 27,901,980	\$ 28,394,470	\$ 29,627,380
Program Total	\$ 25,973,393	\$ 27,901,980	\$ 28,394,470	\$ 29,627,380

Character of Expenditures

Salaries and Benefits	\$ 9,691,550	\$ 10,651,940	\$ 10,819,510	\$ 12,140,230
Services	9,376,369	9,735,650	10,012,350	10,102,980
Supplies	2,642,986	2,854,590	2,833,700	2,799,170
Equipment	4,262,488	4,659,800	4,728,910	4,585,000
Program Total	\$ 25,973,393	\$ 27,901,980	\$ 28,394,470	\$ 29,627,380

ENVIRONMENTAL and GENERAL SERVICES

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

ENVIRONMENTAL COMPLIANCE: This program area provides a variety of regulatory and compliance activities to protect the citizens by providing a clean environment along with the development of renewable energy sources from landfill gas. The program area includes funding for Brownfields and other federal grants.

Funding Sources

Environmental Services Fund	\$	373,638	\$	924,320	\$	1,070,590	\$	1,167,200
Program Total	\$	373,638	\$	924,320	\$	1,070,590	\$	1,167,200

Character of Expenditures

Salaries and Benefits	\$	149,241	\$	450,000	\$	449,400	\$	534,740
Services		223,505		470,540		615,250		626,900
Supplies		892		3,780		5,940		5,560
Program Total	\$	373,638	\$	924,320	\$	1,070,590	\$	1,167,200

FACILITIES: This program area ensures a healthy, functional, aesthetic, and sustainable building environment for all City employees and the public through development and oversight of long-term building plans and programs; detailed project scopes, cost estimates, design, construction documents; construction oversight for major new buildings; repairs, remodels, alteration and demolition projects; planning and scheduling ongoing and long-term facilities maintenance, repair, and custodial services; and planning and implementation for energy conservation and energy optimization efforts. This program area also maintains critical public safety and public works communication equipment.

Funding Sources

General Fund	\$	28,666,728	\$	31,241,810	\$	31,480,220	\$	30,729,950
Program Total	\$	28,666,728	\$	31,241,810	\$	31,480,220	\$	30,729,950

Character of Expenditures

Salaries and Benefits	\$	6,280,504	\$	7,526,400	\$	6,940,770	\$	7,833,350
Services		19,155,650		20,155,510		20,972,620		21,157,560
Supplies		1,484,119		1,699,150		1,706,080		1,739,040
Equipment		10,063		—		—		—
Debt Service		1,736,392		1,860,750		1,860,750		— ¹
Program Total	\$	28,666,728	\$	31,241,810	\$	31,480,220	\$	30,729,950

FLEET SERVICES: This program area provides vehicle, fuel, and equipment management and support to all city operations. City vehicles and equipment are centrally specified and procured; preventive maintenance plans are scheduled and developed; vehicles maintained and repaired; vehicles and equipment disposed of; and all fuels purchased, stored, and dispensed.

Funding Sources

General Fund	\$	17,016,315	\$	19,885,210	\$	17,661,740	\$	19,949,710
Program Total	\$	17,016,315	\$	19,885,210	\$	17,661,740	\$	19,949,710

Character of Expenditures

Salaries and Benefits	\$	5,504,864	\$	6,436,060	\$	5,532,980	\$	7,185,680
Services		1,449,281		1,919,990		1,542,480		1,669,490
Supplies		10,062,170		11,499,160		10,534,100		11,064,540
Equipment		—		30,000		52,180		30,000
Program Total	\$	17,016,315	\$	19,885,210	\$	17,661,740	\$	19,949,710

¹ CREBs debt service transferred to General Government Department

ENVIRONMENTAL and GENERAL SERVICES

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

GRAFFITI ABATEMENT²: This program area provides enforcement and education on graffiti removal through out the City of Tucson and provide recourses to the public to report, prevent and assist with graffiti removal.

Funding Sources

General Fund	\$	—	\$	—	\$	620,220	\$	178,110
Program Total	\$	—	\$	—	\$	620,220	\$	178,110

Character of Expenditures

Salaries and Benefits	\$	—	\$	—	\$	91,670	\$	137,670
Services		—		—		503,550		5,440
Supplies		—		—		25,000		35,000
Program Total	\$	—	\$	—	\$	620,220	\$	178,110

GROUNDWATER PROTECTION: This program area protects the community from environmental hazards and public health and safety issues that can arise from old, closed landfills in the City. The department is responsible for maintenance, monitoring, and remediation at closed landfills, addressing the groundwater, soil, stormwater and methane gas issues that may occur at these sites. The Groundwater Protection Fee directly funds these activities.

Funding Sources

Environmental Services Fund	\$	1,319,109	\$	2,345,620	\$	2,243,350	\$	2,294,030
Program Total	\$	1,319,109	\$	2,345,620	\$	2,243,350	\$	2,294,030

Character of Expenditures

Salaries and Benefits	\$	633,976	\$	720,410	\$	615,980	\$	752,400
Services		663,456		1,364,230		1,366,390		1,274,730
Supplies		19,312		23,980		23,980		23,900
Equipment		2,365		237,000		237,000		243,000
Program Total	\$	1,319,109	\$	2,345,620	\$	2,243,350	\$	2,294,030

LANDFILL OPERATIONS: This program area provides for the safe disposal of refuse materials with on-site waste diversion and recycling opportunities while ensuring compliance with regulatory laws to help protect the citizens of our community and also provide a clean environment.

Funding Sources

Environmental Services Fund	\$	7,412,743	\$	7,909,150	\$	7,762,490	\$	7,115,230
Program Total	\$	7,412,743	\$	7,909,150	\$	7,762,490	\$	7,115,230

Character of Expenditures

Salaries and Benefits	\$	2,213,208	\$	2,292,520	\$	2,296,980	\$	2,288,600
Services		2,755,933		2,716,260		2,795,360		2,846,400
Supplies		558,418		877,370		647,150		620,230
Equipment		1,885,184		2,023,000		2,023,000		1,360,000
Program Total	\$	7,412,743	\$	7,909,150	\$	7,762,490	\$	7,115,230

² Transferred from the Transportation Department during Fiscal Year 2018/19

ENVIRONMENTAL and GENERAL SERVICES

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

OTHER REQUIREMENTS: This program area funds debt service and administrative service charges which compensates Tucson Water and the general government for services received (e.g., procurement, financial, human resources, etc.).

Funding Sources

Environmental Services Fund	\$	6,196,564	\$	6,595,690	\$	7,073,890	\$	7,693,800
Program Total	\$	6,196,564	\$	6,595,690	\$	7,073,890	\$	7,693,800

Character of Expenditures

Salaries and Benefits	\$	229,430	\$	—	\$	—	\$	—
Services		5,308,001		5,921,690		6,399,890		6,618,300
Debt Service		659,133		674,000		674,000		1,075,500
Program Total	\$	6,196,564	\$	6,595,690	\$	7,073,890	\$	7,693,800

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
ENVIRONMENTAL SERVICES				
Administration				
Director	1.00	1.00	0.50	0.50
Deputy Director	2.00	1.00	1.00	1.00
Environmental Services Administrator	1.00	1.00	1.00	1.00
Department Finance Manager	—	1.00	—	—
Energy Manager	1.00	—	—	—
Environmental Manager	2.00	1.00	1.00	1.00
Management Coordinator	—	1.00	—	—
Information Technology Manager	—	1.00	1.00	1.00
Environmental Project Coordinator	—	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Environmental Scientist	1.00	—	—	—
GIS Supervisor	1.00	1.00	1.00	1.00
Staff Assistant	2.00	1.00	1.00	1.00
Public Information Officer	1.00	1.00	1.00	1.00
GIS Data Analyst	1.00	1.00	1.00	1.00
System Analyst	1.00	—	—	—
Public Information Specialist	1.00	1.00	2.00	1.00
Management Analyst	1.00	—	—	—
Office Supervisors	1.00	—	—	—
Utility Account Relations Specialist III	2.00	—	2.00	2.00
Utility Account Relations Specialist II	1.00	—	1.00	1.00
Utility Service Representative	2.00	2.00	2.00	2.00
Administrative Assistant	2.00	3.00	1.00	2.00
Secretary	1.00	1.00	1.00	1.00
Program Total	26.00	21.00	20.50	20.50
Code Enforcement				
Development Services Administrator	1.00	1.00	—	—
Inspection Supervisor	1.00	2.00	1.00	1.00
Management Assistant	1.00	1.00	1.00	1.00
Code Inspector	13.00	13.00	13.00	13.00
Customer Service Representative	2.00	3.00	2.00	2.00
Program Total	18.00	20.00	17.00	17.00
Graffiti Abatement Program				
Streets Inspection & Compliance Specialist	—	—	2.00	2.00
Program Total	—	—	2.00	2.00
Collections				
Environmental Services Superintendent	2.00	2.00	2.00	2.00
Environmental Services/Neighborhood	10.00	9.00	9.00	9.00
Environmental Services Accounts Representative	1.00	1.00	1.00	1.00
Welder Supervisor	—	1.00	1.00	1.00
Environmental Services Accounts Representative	1.00	1.00	1.00	1.00
Welder	2.00	2.00	2.00	2.00
Environmental Services Equipment Operator	102.00	108.00	110.00	108.00
Lead Household Hazardous Waste Technician	2.00	2.00	2.00	2.00
Trade Specialist	3.00	3.00	3.00	3.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Collections (Continued)				
Household Hazardous Waste Technician	2.00	3.00	2.50	2.50
Senior Environmental Services Worker	5.00	5.00	5.00	5.00
Environmental Services Worker	7.00	7.00	5.00	7.00
Program Total	137.00	144.00	143.50	143.50
Environmental Compliance				
Environmental Services Administrator	1.00	1.00	1.00	1.00
Environmental Manager	1.00	1.00	1.00	1.00
Environmental Scientist	2.00	2.00	2.00	2.00
Staff Assistant	—	—	1.00	1.00
Program Total	4.00	4.00	5.00	5.00
Groundwater Protection				
Engineering Manager	1.00	1.00	1.00	1.00
Environmental Project Coordinator	1.00	1.00	1.00	1.00
Environmental Scientist	1.00	—	—	—
Senior Engineering Associate	0.50	—	—	—
Environmental Services Inspection	1.00	1.00	1.00	1.00
Environmental Services Inspector	3.00	4.00	4.00	4.00
Program Total	7.50	7.00	7.00	7.00
Landfill Operations				
Environmental Services Administrator	1.00	1.00	1.00	1.00
Environmental Services Superintendent	1.00	1.00	1.00	1.00
Environmental Services/Neighborhood Equipment Operation Specialist	3.00	2.00	2.00	2.00
Equipment Operation Specialist	12.00	12.00	12.00	12.00
Office Supervisor	—	1.00	1.00	1.00
Utility Account Relations Specialist II	2.00	—	—	—
Administrative Assistant	1.00	1.00	1.00	1.00
Household Hazardous Waste Technician	1.00	—	0.50	0.50
Senior Environmental Services Worker	4.00	3.00	—	—
Utility Account Relations Specialist I	1.00	3.00	3.00	3.00
Environmental Services Worker	3.00	4.00	4.00	4.00
Program Total	29.00	28.00	28.50	28.50
Department Total	221.50	224.00	223.50	223.50

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
GENERAL SERVICES				
Facilities				
Director of Environmental Services	—	—	0.50	0.50
Deputy Director General Services	—	1.00	1.00	1.00
Architecture and Engineering Administrator	1.00	—	1.00	1.00
Facilities Management Administrator	2.00	1.00	1.00	1.00
Energy Manager	—	1.00	1.00	1.00
Facilities Management Superintendent	2.00	2.00	3.00	3.00
Architect	—	1.00	—	—
Electrical Engineer	—	—	1.00	1.00
Mechanical Engineer	1.00	1.00	1.00	1.00
Project Manager	1.00	1.00	1.00	1.00
Senior Engineering Associate	2.00	1.00	1.00	1.00
Staff Assistant	1.00	2.00	—	—
Management Analyst	—	—	1.00	1.00
Safety Specialist	—	1.00	—	—
Communications Maintenance Scheduler	1.00	1.00	1.00	1.00
Fire Impairment Specialist	1.00	1.00	1.00	1.00
Planner Scheduler	2.00	1.00	2.00	2.00
Senior Communication Technician	1.00	2.00	1.00	1.00
Carpentry Supervisor	1.00	1.00	1.00	1.00
Communication Technician	—	1.00	1.00	1.00
Contract and Assessment Specialist	1.00	1.00	1.00	1.00
Electrician Supervisor	1.00	1.00	1.00	1.00
Electronics Technician Supervisor	1.00	1.00	1.00	1.00
HVAC Supervisor	2.00	1.00	1.00	1.00
Plumbing Supervisor	1.00	1.00	1.00	1.00
Electrician	8.00	8.00	8.00	8.00
Electronics Technician	6.00	5.00	6.00	6.00
Engineering Associate	1.00	1.00	1.00	1.00
Facilities Project Coordinator	4.00	4.00	5.00	5.00
Fuel Station Mechanic	3.00	3.00	3.00	3.00
HVAC Technician	11.00	12.00	12.00	12.00
Carpenter	7.00	7.00	7.00	7.00
Custodial Services Supervisor	1.00	1.00	1.00	1.00
Locksmith	3.00	3.00	3.00	3.00
Office Supervisor	—	1.00	1.00	1.00
Plumber	6.00	6.00	6.00	6.00
Asset Management Planning Technician	1.00	1.00	1.00	1.00
Electronics Bench Technician	5.00	4.00	4.00	4.00
Painter	2.00	2.00	2.00	2.00
Roofer	2.00	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00
Building Maintenance Worker	5.00	5.00	5.00	5.00
Storekeeper	1.00	1.00	1.00	1.00
Custodian	8.00	8.00	8.00	8.00
Customer Service Clerk	1.00	2.00	1.00	1.00
Program Total	98.00	101.00	102.50	102.50

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
GENERAL SERVICES				
Fleet Services				
Fleet Administrator	1.00	1.00	1.00	1.00
Fleet Maintenance Superintendent	2.00	1.00	1.00	1.00
Management Assistant	1.00	1.00	1.00	1.00
Fleet Equipment Specialist	3.00	3.00	3.00	3.00
Fleet Services Supervisor	5.00	6.00	6.00	6.00
Lead Automotive Mechanic	3.00	2.00	2.00	2.00
Senior Heavy Equipment Mechanic	24.00	24.00	24.00	24.00
Automotive Mechanic	20.00	20.00	20.00	20.00
Welder	2.00	2.00	2.00	2.00
Asset Management Planning Technician	1.00	1.00	1.00	1.00
Automotive Parts Specialist	6.00	6.00	6.00	6.00
Lead Fleet Service Technician	2.00	2.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Fleet Control Specialist	3.00	2.00	2.00	2.00
Fleet Equipment Mechanic	—	2.00	2.00	2.00
Senior Account Clerk	—	1.00	—	—
Senior Fleet Service Technician	11.00	11.00	12.00	12.00
Senior Storekeeper	1.00	1.00	1.00	1.00
Automotive Service Writer	1.00	1.00	1.00	1.00
Fleet Services Attendant	4.00	4.00	4.00	4.00
Program Total	91.00	92.00	91.00	91.00
Department Total	189.00	193.00	193.50	193.50
Grand Department Total	410.50	417.00	417.00	417.00

FINANCE¹

MISSION STATEMENT: To safeguard the City’s assets and support the operations of the City of Tucson by maintaining a fiscally sound organization that conforms to legal requirements and generally accepted financial management principles; and provide quality service in the areas of long-term financial planning, investments, debt management, revenue administration and projections, accounting, risk management, and tax audit.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	105.00	—	—	—
EXPENDITURES				
Salaries and Benefits	\$ 7,625,732	\$ —	\$ —	\$ —
Services	9,671,705	—	—	—
Supplies	134,332	—	—	—
Equipment	29,567	—	—	—
Department Total	\$ 17,461,336	\$ —	\$ —	\$ —
FUNDING SOURCES				
General Fund	\$ 7,133,286	\$ —	\$ —	\$ —
Internal Service Fund: Self Insurance	9,947,299	—	—	—
Other Funding Sources	380,751	—	—	—
Department Total	\$ 17,461,336	\$ —	\$ —	\$ —

¹Effective Fiscal Year 2017/18, the Finance Department merged into the new Business Services Department in March 2018. Transition was completed in Fiscal Year 2018/19.

SIGNIFICANT CHANGES

The adopted General Fund operating budget for Fiscal Year 2019/20 of \$0 reflects a decrease of \$0 from the Fiscal Year 2018/19 Adopted Budget.

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area provides leadership to the department and financial direction to City management and other City departments and prepares and monitors the department's budget.

Funding Sources

General Fund	\$ 511,495	\$ —	\$ —	\$ —
Program Total	\$ 511,495	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 426,421	\$ —	\$ —	\$ —
Services	64,683	—	—	—
Supplies	20,391	—	—	—
Program Total	\$ 511,495	\$ —	\$ —	\$ —

ACCOUNTING: This program area ensures appropriate reporting of the City's funds and financial transactions, prepares the Comprehensive Annual Financial Report (CAFR), processes employee payroll, manages accounts receivables and accounts payables, and pursues the collection of past due accounts.

Funding Sources

General Fund	\$ 2,204,133	\$ —	\$ —	\$ —
Other Funding Sources	380,751	—	—	—
Program Total	\$ 2,584,884	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 2,423,935	\$ —	\$ —	\$ —
Services	140,483	—	—	—
Supplies	20,466	—	—	—
Program Total	\$ 2,584,884	\$ —	\$ —	\$ —

BUDGET MANAGEMENT: This program area supports the development, implementation, and monitors the city's annual operating and capital budgets to ensure they remain within authorized appropriations and available revenues. This work is accomplished within the requirements of federal, state, and municipal laws. Staff coordinates the development of the City's five-year Capital Improvement Plan (CIP) including: assisting departments with infrastructure and facility project budgets, verification and proper use of multiple funding sources, and updating the city's list of unmet needs. It also performs analysis, forecasting, state expenditure limitation, and manages the legal adoption of the City's property tax and conducts cost studies. This program area also develops, implements, and manages the City's Development Impact Fee Program.

Funding Sources

General Fund	\$ 620,113	\$ —	\$ —	\$ —
Program Total	\$ 620,113	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 586,169	\$ —	\$ —	\$ —
Services	26,668	—	—	—
Supplies	7,276	—	—	—
Program Total	\$ 620,113	\$ —	\$ —	\$ —

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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RISK MANAGEMENT: This program area administers the Self Insurance Trust for the City, including external public liability claims, workers' compensation, employee safety (loss control), and subrogation programs. Risk Management reviews claims filed against the City and pays for public liability and property losses. It also reviews contracts for insurance and indemnification requirements. Safety Services is also responsible for compliance and education of employees on the practices and procedures for a safe and healthful work environment. It provides training, monitoring, and updating of work practices. This program also ensures that leaking underground storage tanks are remediated as required for compliance with local, state, and federal laws.

Funding Sources

General Fund	\$ 2,164	\$ —	\$ —	\$ —
Internal Service Fund: Self Insurance	9,947,299	—	—	—
Program Total	\$ 9,949,463	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 925,091	\$ —	\$ —	\$ —
Services	8,952,339	—	—	—
Supplies	42,466	—	—	—
Equipment	29,567	—	—	—
Program Total	\$ 9,949,463	\$ —	\$ —	\$ —

REVENUE: This program area processes business tax returns, manages all City business licenses, and investigates unlicensed businesses. Revenue also administers the City's Tax Code to generate revenue for financing City services. It educates businesses about the code, and conducts regular tax audits of City businesses to ensure compliance with the tax code.

Funding Sources

General Fund	\$ 2,513,692	\$ —	\$ —	\$ —
Program Total	\$ 2,513,692	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 2,329,180	\$ —	\$ —	\$ —
Services	157,295	—	—	—
Supplies	27,217	—	—	—
Program Total	\$ 2,513,692	\$ —	\$ —	\$ —

TREASURY: This program area operates cashier stations throughout the community; manages the City's cash and investments by projecting cash needs to maintain adequate liquidity, ensuring the timely transfer of funds to meet daily cash needs and investing the excess to provide maximum returns at acceptable levels of risk. The Treasury Division also manages the City's debt obligations and requirements, handles all City banking needs and is the point of contact for the City's banking services provider.

Funding Sources

General Fund	\$ 1,281,689	\$ —	\$ —	\$ —
Program Total	\$ 1,281,689	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 934,936	\$ —	\$ —	\$ —
Services	330,237	—	—	—
Supplies	16,516	—	—	—
Program Total	\$ 1,281,689	\$ —	\$ —	\$ —

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Director	1.00	—	—	—
Deputy Director	1.00	—	—	—
Executive Assistant	1.00	—	—	—
Program Total	3.00	—	—	—
Accounting				
Finance Administrator	2.00	—	—	—
Finance Manager	1.00	—	—	—
Business Analyst II	2.00	—	—	—
Management Assistant	1.00	—	—	—
Senior Financial Accountant	6.00	—	—	—
Financial Services Supervisor	2.00	—	—	—
Account Clerk Supervisor	2.00	—	—	—
Administrative Assistant	1.00	—	—	—
Senior Account Clerk	5.00	—	—	—
Office Assistant	1.00	—	—	—
Revenue Investigator	3.00	—	—	—
PCard Coordinator	2.00	—	—	—
Program Total	28.00	—	—	—
Budget Management				
Budget Administrator	1.00	—	—	—
Management Coordinator	2.00	—	—	—
Lead Budget Analyst	4.00	—	—	—
Program Total	7.00	—	—	—
Risk Management				
Risk Manager	1.00	—	—	—
Risk Management Claims Adjuster	2.00	—	—	—
Work Compensation Supervisor	1.00	—	—	—
Risk Management Specialist	5.00	—	—	—
Safety and Environmental Compliance Specialist	4.00	—	—	—
Workers Compensation Specialist	1.00	—	—	—
Administrative Assistant	2.00	—	—	—
Program Total	16.00	—	—	—
Revenue				
Finance Administrator	1.00	—	—	—
Finance Manager	1.00	—	—	—
Finance Analyst	2.00	—	—	—
Tax Audit Supervisor	2.00	—	—	—
Tax Auditor	4.00	—	—	—
Financial Services Supervisor	3.00	—	—	—
Revenue Investigator	13.00	—	—	—
Administrative Assistant	1.00	—	—	—
Customer Service Representative	4.00	—	—	—
Senior Account Clerk	3.00	—	—	—
Program Total	34.00	—	—	—

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Treasury				
Finance Administrator	1.00	—	—	—
Finance Manager	1.00	—	—	—
Financial Specialist	1.00	—	—	—
Financial Services Supervisor	1.00	—	—	—
Office Supervisor	2.00	—	—	—
Administrative Assistant	1.00	—	—	—
Senior Account Clerk	3.00	—	—	—
Senior Cashier	7.00	—	—	—
Program Total	17.00	—	—	—
Department Total	105.00	—	—	—

HOUSING and COMMUNITY DEVELOPMENT

MISSION STATEMENT: To make Tucson “Home for Everyone” by engaging in direct services and partnerships that provide improved housing choices, stable neighborhoods, healthy residents, and a culturally unique community featuring efficient and attractive places for present and future generations.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	143.25	151.00	147.00	151.00
EXPENDITURES				
Salaries and Benefits	\$ 9,652,657	\$ 10,993,230	\$ 9,717,000	\$ 12,061,960
Services	60,599,005	72,581,420	51,427,620	69,533,350
Supplies	1,328,573	1,943,110	1,539,000	1,707,170
Equipment	5,992	24,570	21,160	58,360
Operating Total	\$ 71,586,227	\$ 85,542,330	\$ 62,704,780	\$ 83,360,840
Capital Improvement Program	3,732,120	5,695,170	503,390	5,730,760
Department Total	\$ 75,318,347	\$ 91,237,500	\$ 63,208,170	\$ 89,091,600
FUNDING SOURCES				
General Fund	\$ 2,372,600	\$ 2,470,720	\$ 2,417,660	\$ 2,705,850
Community Development Block Grant	10,240,047	13,029,190	2,831,570	9,529,990
HOME Investment Partnerships	1,926,781	8,002,830	2,174,160	7,369,520
Miscellaneous Housing Grant Fund	4,968,839	3,998,250	4,260,410	4,777,260
Non-Federal Grants Fund	75,056	—	—	262,930
Non-Public Housing Assistance (PHA) Asset	2,313,468	2,470,500	2,792,780	2,491,250
Other Federal Grants	2,365,057	3,602,050	2,177,160	3,196,780
Public Housing (AMP) Fund	9,628,444	10,688,450	10,003,560	11,124,260
Public Housing Section 8 Fund	37,695,936	41,280,340	36,047,480	41,903,000
Operating Total	\$ 71,586,228	\$ 85,542,330	\$ 62,704,780	\$ 83,360,840
Capital Improvement Program	3,732,120	5,695,170	503,390	5,730,760
Department Total	\$ 75,318,348	\$ 91,237,500	\$ 63,208,170	\$ 89,091,600

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$83,360,480 reflects a decrease of \$2,181,490 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs	\$ 1,068,730
Increase in other miscellaneous expenses	403,300
Decrease in Services for Non-City Site	(3,653,520)
Total	\$ (2,181,490)

Trends

U.S. Department of Housing and Urban Development are reducing federal funding associated with Housing Assistance Payments, administrative fees to operate the Housing Choice Voucher program and Capital Funding for the Public Housing inventory repair needs.

Future Challenges and Opportunities

Pending legislation related to undocumented immigrants and the affected it will have with mixed immigration status for housing assistance. This legislation will impact the assistance of approximately 5% of the households in both programs in Tucson. That number does not take into consideration the over 36,000 families on multiple wait list for both programs.

As previously mentioned the reduction in Capital funds for the Public Housing program across the nation impacts the future of the program; agencies are required to rethink how they will re-position their portfolios by either moving to the Rental Assistance Demonstration which changes to the funding stream to either the Housing Choice Voucher Project Based Program or Tenant Based Rental Assistance; or simply sell the assets altogether.

The Housing Choice Voucher Program and the administrative fees are being reduced and the regulations for the program remain the same; agencies must rethink how they operate the program to remain in compliance with reduced dollars.

The Housing Division has opportunities to diversify their portfolios into other areas to and increase affordable housing by increasing partnerships, looking at other businesses to expand into to allow for increased revenue outside of the federal funding that is received.

Program Budget Overview

Given the uncertainties surrounding the Federal Budget, the budget is relatively flat.

Recent Accomplishments

The Housing Division invested in employees associated with the following programs in Family Self-Sufficiency, Housing Choice Voucher and the Public Housing Program by hosting trainings in: Housing Choice Voucher Specialist; Housing Quality Standards; Fair Housing; Public Housing Management; Public Housing Specialist and Homeownership.

The Family Self-Sufficiency Program incorporated a Homeownership program for the Housing Choice Voucher Program participants. The Program also completed the following the workshops Education Fair, Mother's Day Pampering Day, Fall Festival, collaborated with the Mayor's Office to offer vouchers for persons to take their GED testing.

The Housing Choice Voucher Program focused on operational changes and improvements related to program utilization of approximately 97% which is an increase from the previous year. Standardization of rent reasonableness with implementation of software Go Section 8 which allows landlords to list available properties, families can search for units and the Program to analyze rents related to the program. In addition, to implementing program performance measurements to reduce program delinquency and increase Specialist overall understanding of the program.

The Public Housing Program was selected by U.S. Department of Housing and Urban Development for a Choice Neighborhood Implementation grant for the Tucson House which will work in collaboration with the Thrive in the 05 project with the Arizona State University. The Program was recognized as a Standard Performer related to program operations, management and financial assessments under the annually scoring tool for the U.S. Department of Housing and Urban Development Public Housing Assessment System. In addition, the program continues to average an occupancy rate of approximately 97%.

Lastly, implementation of monthly reporting for all areas under the Housing Division so leadership can review their programs overall and not just in select areas and establish measurements and expectations for each area.

HOUSING and COMMUNITY DEVELOPMENT

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area assists in the efficient and effective delivery of services by providing overall program, financial, personnel, and information technology management, as well as grant identification and execution to maximize the department's resources.

FUNDING SOURCES

General Fund	\$ 458,675	\$ 497,840	\$ 627,300	\$ 662,180
Other Federal Grants Fund	2,365,057	3,602,050	2,177,160	3,196,780
Program Total	\$ 2,823,732	\$ 4,099,890	\$ 2,804,460	\$ 3,858,960

Character of Expenditures

Salaries and Benefits	\$ 2,450,414	\$ 3,293,870	\$ 2,425,310	\$ 3,327,390
Services	287,609	402,400	261,280	412,000
Supplies	79,717	403,620	103,390	119,570
Equipment	5,992	—	14,480	—
Program Total	2,823,732	4,099,890	2,804,460	3,858,960

COMMUNITY DEVELOPMENT: This program area oversees initiatives that assist low-income homeowners to repair their homes. Each year approximately 200 families are provided assistance; the community at-large benefits from this reinvestment in neighborhoods.

FUNDING SOURCES

General Fund	\$ 7,078	\$ 12,240	\$ 14,790	\$ 13,240
Community Development Block Grant	10,240,047	13,029,190	2,831,570	9,529,990
Program Total	\$ 10,247,125	\$ 13,041,430	\$ 2,846,360	\$ 9,543,230

Character of Expenditures

Salaries and Benefits	\$ 746,511	\$ 1,179,770	\$ 766,850	\$ 1,319,120
Services	9,479,046	11,829,610	2,020,710	8,183,810
Supplies	21,568	32,050	58,800	40,300
Program Total	\$ 10,247,125	\$ 13,041,430	\$ 2,846,360	\$ 9,543,230

CONTRACTS: This program area oversees contract awards and monitoring of agencies receiving funding, reporting outcomes and financial data to the funding sources, and reporting to the Mayor and Council and the public on the impact of funded programs.

FUNDING SOURCES

General Fund	\$ 1,711,723	\$ 1,749,660	\$ 1,529,060	\$ 1,819,820
HOME Investment Partnerships	1,926,781	8,002,830	2,174,160	7,369,520
Miscellaneous Housing Grant Fund	4,737,523	3,680,940	3,966,280	4,302,930
Program Total	\$ 8,376,027	\$ 13,433,430	\$ 7,669,500	\$ 13,492,270

HOUSING and COMMUNITY DEVELOPMENT

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20
CONTRACTS (Continued)							
Character of Expenditures							
Salaries and Benefits	\$ 933,785	\$	497,260	\$	1,010,570	\$	688,130
Services	7,435,439		12,804,040		6,639,300		12,783,100
Supplies	6,803		132,130		19,630		21,040
Program Total	\$ 8,376,027	\$	13,433,430	\$	7,669,500	\$	13,492,270

<p>HOUSING CHOICE VOUCHER PROGRAM (HCV)/SECTION 8: This program area provides rental assistance to eligible low-income individuals and families ensuring that they live in safe, sanitary, and affordable housing. The HCV program currently provides rental assistance to approximately 5,400 households and 32,000 individuals in the greater Pima County area. During the past year, the program distributed over \$40 million of federal housing assistance to more than 2,000 participating property owners.</p>
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FUNDING SOURCES

Non-Federal Grants Fund	\$ 75,056	\$	—	\$	—	\$	262,930
Public Housing Section 8 Fund	37,695,935		41,280,340		36,047,480		41,903,000
Program Total	\$ 37,770,991	\$	41,280,340	\$	36,047,480	\$	42,165,930

Character of Expenditures

Salaries and Benefits	\$ 1,861,492	\$	2,037,190	\$	1,770,690	\$	2,684,310
Services	35,680,897		39,040,580		33,993,870		39,321,020
Supplies	228,602		178,000		282,920		160,600
Equipment	—		24,570		—		—
Program Total	\$ 37,770,991	\$	41,280,340	\$	36,047,480	\$	42,165,930

<p>PLANNING and COMMUNITY DEVELOPMENT ADMINISTRATION: This program area administers and provides financial support to the Community Development and Contracts program areas.</p>

FUNDING SOURCES

General Fund	\$ 195,124	\$	210,980	\$	246,510	\$	210,610
Program Total	\$ 195,124	\$	210,980	\$	246,510	\$	210,610

Character of Expenditures

Salaries and Benefits	\$ 129,310	\$	126,460	\$	170,280	\$	126,090
Services	56,267		78,640		66,950		78,640
Supplies	9,547		5,880		9,280		5,880
Program Total	\$ 195,124	\$	210,980	\$	246,510	\$	210,610

HOUSING and COMMUNITY DEVELOPMENT

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

PUBLIC HOUSING PROGRAM: This program area maintains a permanent stock of affordable housing. The department owns and operates 1,505 units of public housing that provide housing for the elderly and disabled persons, and for families. Four apartment complexes provide housing for the elderly and disabled persons: Tucson House, Craycroft Towers, Lander Garden Apartments, and the Martin Luther King Apartments. Family housing is scattered over 500 sites, from single-family homes to medium-sized apartment complexes.

FUNDING SOURCES

Non-Public Housing Assistance (PHA) Asset	\$	2,313,468	\$	2,470,500	\$	2,792,780	\$	2,491,250
Public Housing (AMP) Fund		9,628,444		10,688,450		10,003,560		11,124,260
Program Total	\$	11,941,912	\$	13,158,950	\$	12,796,340	\$	13,615,510

Character of Expenditures

Salaries and Benefits	\$	3,311,185	\$	3,564,250	\$	3,286,680	\$	3,506,820
Services		7,649,737		8,404,270		8,442,750		8,694,210
Supplies		980,990		1,190,430		1,060,230		1,356,120
Equipment		—		—		6,680		58,360
Program Total	\$	11,941,912	\$	13,158,950	\$	12,796,340	\$	13,615,510

TENANT SERVICES: This program uses federal grants to help public housing tenants achieve greater financial independence. The Family Self-Sufficiency program combines housing assistance with counseling and education over a five-year period to help families reach economic independence. The Resident Opportunities for Self-Sufficiency program provides services to the elderly and families.

FUNDING SOURCES

Miscellaneous Housing Grant Fund	\$	231,316	\$	317,310	\$	294,130	\$	474,330
Program Total	\$	231,316	\$	317,310	\$	294,130	\$	474,330

Character of Expenditures

Salaries and Benefits	\$	219,960	\$	294,430	\$	286,620	\$	410,100
Services		10,010		21,880		2,760		60,570
Supplies		1,346		1,000		4,750		3,660
Program Total	\$	231,316	\$	317,310	\$	294,130	\$	474,330

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Director	1.00	1.00	1.00	1.00
Deputy Director	1.00	1.00	1.00	1.00
Community Services Administrator	1.00	3.00	3.00	3.00
Lead Management Analyst	1.00	1.00	—	—
Principal Accountant	3.00	3.00	3.00	3.00
Community Services/Neighborhood Resources Manager	—	—	3.00	3.00
Community Services/Neighborhood Resources Project Coordinator	—	—	3.00	4.00
Community Services Project Supervisor	1.00	7.00	1.00	1.00
Staff Assistant	3.00	8.00	5.00	4.00
Human Resources Analyst	1.00	1.00	—	—
Senior Accountant	5.00	—	—	—
Management Analyst	1.00	1.00	1.00	1.00
Office Supervisor	1.00	1.00	—	—
Accounting Technician	1.00	1.00	1.00	1.00
Administrative Assistant	7.00	8.00	6.00	6.00
Community Outreach Representative	2.00	2.00	—	—
Grant Writer	—	—	1.00	1.00
Environmental Project Coordinator	—	—	1.00	1.00
Customer Service Representative	3.00	3.00	—	—
Customer Service Clerk	2.00	2.00	—	—
Housing Technician	—	—	2.00	2.00
Management Assistant	—	—	3.00	4.00
Office Assistant	1.00	1.00	—	—
Program Total	35.00	44.00	35.00	36.00
Community Development				
Community Services Project Supervisor	2.00	2.00	1.00	1.00
Community Services/Neighborhood Resources Project Coordinator	1.00	1.00	4.00	4.00
Residential Rehabilitation Project Coordinator	5.00	5.00	—	—
Community Outreach Representative	—	—	2.00	2.00
Program Total	8.00	8.00	7.00	7.00
Contracts				
Community Services Project Supervisor	1.00	1.00	1.00	1.00
Community Services/Neighborhood Resources Project Coordinator	5.00	5.00	3.00	3.00
Housing Specialist III	—	—	2.00	2.00
Administrative Assistant	—	—	1.00	1.00
Program Total	6.00	6.00	7.00	7.00
Housing Choice Voucher/Section 8 Program				
Community Services/Neighborhood Resources Manager	1.00	1.00	1.00	1.00
Community Services Project Supervisor	1.00	1.00	1.00	1.00
Community Services/Neighborhood Resources Project Coordinator	1.00	1.00	1.00	1.00
Housing Quality Standards Supervisor	1.00	1.00	—	—
Housing Assistance Supervisor	3.00	3.00	4.00	4.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Housing Choice Voucher/Section 8 Program (Continued)				
Housing Investigator	1.00	1.00	—	—
Housing Quality Standards Inspector	3.00	3.00	—	—
Lead Planner	—	—	1.00	1.00
Housing Specialist III	—	—	8.00	8.00
Housing Specialist II	—	—	13.00	16.00
Housing Specialist I	—	—	8.00	8.00
Housing Services Agent	15.00	15.00	—	—
Office Supervisor	—	—	—	—
Staff Assistant	—	—	—	1.00
Customer Service Clerk	2.00	2.00	—	—
Administrative Assistant	2.00	2.00	1.00	1.00
Program Total	30.00	30.00	38.00	42.00
Planning and Community Development				
Community Services Administrator	1.00	1.00	—	—
Community Services Project Supervisor	—	—	1.00	1.00
Community Services / Neighborhood Resources Manager	2.00	2.00	—	—
Residential Rehabilitation Project Coordinator	—	—	4.00	4.00
Administrative Assistant	1.00	1.00	—	—
Program Total	4.00	4.00	5.00	5.00
Public Housing Program				
Community Services Administrator	1.00	1.00	—	—
Community Services/Neighborhood Resources Manager	2.00	2.00	1.00	1.00
Community Services Project Supervisor	2.00	2.00	—	—
Housing Field Operations Supervisor	1.00	1.00	—	—
Residential Rehabilitation Project Coordinator	2.00	1.75	—	—
Lead Housing Technician	15.00	15.00	—	—
Housing Technician	3.00	3.00	18.00	18.00
Management Assistant	—	—	6.00	5.00
Housing Investigator	—	—	1.00	1.00
Locksmith	1.75	1.75	1.00	1.00
Physical Plant Operator	2.00	2.00	2.00	2.00
Residential Property Manager	7.00	7.00	4.00	4.00
Housing Specialist III	—	—	4.00	4.00
Housing Specialist II	—	—	10.00	10.00
Housing Technician Supervisor	—	—	4.00	4.00
Housing Services Agent	13.00	13.00	—	—
Customer Service Representative	1.00	—	—	—
Custodian	2.50	2.50	2.00	2.00
Program Total	53.25	52.00	53.00	52.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Tenant Services				
Community Services Project Supervisor	1.00	1.00	1.00	1.00
Community Services/Neighborhood Resources Project Coordinator	1.00	1.00	1.00	1.00
Housing Services Agent	5.00	5.00	—	—
Program Total	7.00	7.00	2.00	2.00
Department Total	143.25	151.00	147.00	151.00

HUMAN RESOURCES

MISSION STATEMENT: To partner with City departments to facilitate the development of a culture that attracts and retains an effective, engaged, and diverse workforce.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	53.50	51.50	63.5 ¹	62.00
EXPENDITURES				
Salaries and Benefits	\$ 2,557,434	\$ 4,737,090	\$ 4,557,540	\$ 5,335,200
Services	6,162,684	6,194,310	6,436,350	11,547,510
Supplies	32,240	147,230	84,630	149,580
Equipment	—	1,500	—	1,500
Debt Service	171,627	200,000	—	—
Department Total	\$ 8,923,985	\$ 11,280,130	\$ 11,078,520	\$ 17,033,790
FUNDING SOURCES				
General Fund	\$ 2,651,501	\$ 4,371,450	\$ 4,008,100	\$ 4,694,920
Community Development Block Grant Fund	—	4,960	—	—
Environmental Services Fund	—	250,070	174,800	172,720
Other Federal Funding	—	550	—	—
Highway User Revenue Fund	—	195,490	263,650	351,880
Internal Service Fund: Self Insurance	6,272,484	6,187,630	6,264,510	11,413,220
Tucson Water Revenue & Operations Fund	—	269,980	367,460	401,050
Department Total	\$ 8,923,985	\$ 11,280,130	\$ 11,078,520	\$ 17,033,790

¹ Decentralization of the citywide human resources function transition was completed during Fiscal Year 2018/19.

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$17,033,790 reflects an increase of \$5,753,660 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in services due to insurance claims payments	\$ 5,244,300
Increase in personnel costs	598,110
Increase in software maintenance	100,000
Increase in miscellaneous supplies and services	11,250
Decrease in debt service	(200,000)
Total	\$ 5,753,660

Trends

The Human Resources (HR) department completed its first fiscal year under a new model of work. The new Shared Services Division oversees eight satellite HR offices serving generalist functions to respective departments, while working in partnership with two other HR divisions for policy changes, core processing, and custody of records. The HR department continues to plan ways to support the changing needs of the organization.

Future Challenges and Opportunities

Efforts to transform organizational culture and strengthen areas of employee engagement and retention will be at the forefront on initiatives this fiscal year. A Culture Map has been developed to use as the foundation for strategic planning and action throughout the organization. New training initiatives are also underway focusing on leadership and supervisor training.

Program Budget Overview

The three primary program areas now being tracked are Administration, Shared Services, Operations. The Shared Services program budget detail includes the General Fund satellite HR Offices located at Parks & Recreation, Tucson Fire, Tucson Police, and Shared Services at City Hall. The remaining satellite HR Offices are funded by Tucson Water, Tucson Department of Transportation (TDOT), Environmental and General Services Department (EGSD), and Housing and Community Development (HCD). Operations program budget detail includes Payroll, HRIS/Records, Workforce Planning & Employee Engagement, and Occupational Health and Leaves. Benefits/ Leave Management will be managed under a newly effective health insurance program starting Fiscal Year 2019/20.

Recent Accomplishments

Transitioned Payroll and Pension functions to the Human Resources Department as part of continued reorganization of Business Services within the organization; launched Seamless Docs, a new software intended to digitize manual forms and begin the transition to paperless forms across departments; developed standard operating procedures for the Shared Services Division to work in a consistent manner across all HR satellite offices; modified Civil Service Rules to simplify certain areas of the recruitment process.

HUMAN RESOURCES

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area provides oversight and management of all Human Resources functions in alignment with federal mandates, charter, code and civil service rules and administrative directives. Additionally, this program provides service as secretary and staff to the Civil Service Commission, manages labor relations with represented employee groups on behalf of the City Manager. Staff also oversees education, training, employee development, administer family medical leave medical/military leave and City wellness program.

FUNDING SOURCES

General Fund	\$ 644,256	\$ 551,050	\$ 385,900	\$ 669,460
Program Total	\$ 644,256	\$ 551,050	\$ 385,900	\$ 669,460

Character of Expenditures

Salaries and Benefits	\$ 550,275	\$ 467,910	\$ 254,410	\$ 464,200
Services	71,832	72,530	62,510	105,630
Supplies	22,149	10,610	68,980	99,630
Program Total	\$ 644,256	\$ 551,050	\$ 385,900	\$ 669,460

BENEFITS/LEAVE MANAGEMENT¹: This program area is responsible for insurance contract procurement, negotiation and finalization relative to employees, retirees and their dependents; administration and federal/state compliance of all employee/retiree insurance including but not limited to new hires, life events, separations, retirements, and Consolidated Omnibus Budget Reconciliation Act (COBRA); providing information, services, and support to all participants. This program also oversees and administers FML, medical and military leave, as well as Citywide wellness programs.

FUNDING SOURCES

General Fund	\$ 287,676	\$ 365,330	\$ 563,350	—
Program Total	\$ 287,676	\$ 365,330	\$ 563,350	—

Character of Expenditures

Salaries and Benefits	\$ 280,310	\$ 343,660	\$ 542,440	—
Services	5,995	19,370	19,130	—
Supplies	1,371	2,300	1,780	—
Program Total	\$ 287,676	\$ 365,330	\$ 563,350	—

¹ Effective Fiscal Year 2019/20, employee health benefits will be managed under the newly establish health insurance program.

OPERATIONS: This program area oversees Workforce Development & Employee Engagement, Occupational Health and Leaves, HRIS/Records and Payroll. Operations staff provides a One Stop Service Office for employees at City Hall.

FUNDING SOURCES

General Fund	\$ 976,113	\$ 1,594,100	\$ 1,260,550	\$ 1,816,290
Community Development Block Grant Fund	—	1,460	—	—
Highway User Revenue Fund	—	2,360	—	—
Internal Service Fund: Self Insurance	6,272,484	6,187,630	6,264,510	11,413,220
Program Total	\$ 7,248,597	\$ 7,785,550	\$ 7,525,060	\$ 13,229,510

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
Character of Expenditures	FY 17/18	FY 18/19	FY 18/19	FY 19/20
Salaries and Benefits	\$ 1,013,341	\$ 1,466,140	\$ 1,202,550	\$ 1,796,800
Services	6,061,048	6,079,480	6,312,630	11,420,760
Supplies	2,581	38,430	9,880	10,450
Equipment	—	1,500	—	1,500
Debt Services	171,627	200,000	—	—
Program Total	\$ 7,248,597	\$ 7,785,550	\$ 7,525,060	\$ 13,229,510

SHARED SERVICES: This program area provides department support through the establishment of eight satellite offices. These satellite offices are located across the organization and perform generalist HR functions for Tucson Police Department, Tucson Fire Department, Tucson Department of Transportation, Housing & Community Development, Parks & Recreation, Tucson Water, Environmental & General Services Department, and all other departments under a Shared Services Satellite Office. The new satellite environment fulfills a consistent and standardized execution in recruiting, processing personnel actions, managing employee relations, coordinating payroll and establishing strategic role with respective departments. In addition, this program is responsible for the review and maintenance of the classification plan and for the preparation of the annual proposed compensation plan.

FUNDING SOURCES

General Fund	\$ 743,456	\$ 1,860,970	\$ 1,798,300	\$ 2,209,170
Community Development Block Grant Fund	—	3,500	—	—
Environmental Services Fund	—	250,070	174,800	172,720
Other Federal Funding	—	550	—	—
Highway User Revenue Fund	—	193,130	263,650	351,880
Tucson Water Revenue & Operations Fund	—	269,980	367,460	401,050
Program Total	\$ 743,456	\$ 2,578,200	\$ 2,604,210	\$ 3,134,820

Character of Expenditures

Salaries and Benefits	\$ 713,508	\$ 2,459,380	\$ 2,558,140	\$ 3,074,200
Services	23,809	22,930	42,080	21,120
Supplies	6,139	95,890	3,990	39,500
Program Total	\$ 743,456	\$ 2,578,200	\$ 2,604,210	\$ 3,134,820

HUMAN RESOURCES

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Administrative Service Officer	1.00	1.00	1.00	1.00
Deputy Director of Human Resources	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	—	—
Program Total	4.00	4.00	3.00	3.00
Operations				
Human Resources Administrator	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.25	1.00	2.00
Business Analyst II	1.00	—	1.00	1.00
Lead Human Resources Analyst	1.00	1.00	1.00	2.00
Lead Management Analyst	—	1.00	1.00	1.00
Payroll Manager	1.00	—	1.00	1.00
Management Assistant	—	2.00	1.00	—
Staff Assistant	1.00	1.00	1.00	1.00
Business Analyst I	1.00	—	1.00	1.00
Human Resources Analyst	—	—	—	1.00
Human Resources Technician	3.00	2.00	3.00	4.00
Workers Compensation Specialist	—	0.25	—	—
Senior Payroll Technician	—	0.50	1.00	1.00
Payroll Technician	4.00	—	3.00	3.00
Account Clerk Supervisor	—	1.00	—	—
Administrative Assistant	—	1.25	2.00	1.00
Senior Account Clerk	—	5.00	1.00	—
Program Total	14.00	17.25	19.00	20.00
Shared Services				
Human Resources Administrator	1.00	—	1.00	1.00
Human Resources Manager	8.00	9.00	9.00	9.00
Lead Human Resources Analyst	6.00	6.00	7.00	7.00
Management Assistant	—	—	1.00	2.00
Staff Assistant	—	1.00	—	—
Human Resources Analyst	7.00	3.75	6.00	6.00
Human Resources Technician	6.00	7.00	6.00	6.00
Administrative Assistant	—	—	1.00	1.00
Account Clerk Supervisor	—	—	1.00	1.00
Senior Account Clerk	—	—	6.00	6.00
Program Total	28.00	26.75	38.00	39.00
Benefits/Leave Management				
Pension Administrator	0.50	0.50	0.50	—
Human Resources Manager	2.00	1.00	1.00	—
Lead Human Resources Analyst	2.00	1.00	—	—
Human Resources Analyst	1.00	—	1.00	—
Human Resources Technician	2.00	1.00	1.00	—
Program Total	7.50	3.50	3.50	—
Department Total	53.50	51.50	63.50	62.00

INFORMATION TECHNOLOGY

MISSION STATEMENT: To lead in the delivery of innovative technology for effective government services in collaboration with City departments.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	95.00	96.00	99.00	99.00
EXPENDITURES				
Salaries and Benefits	\$ 9,140,893	\$ 9,967,940	\$ 9,587,330	\$ 10,869,790
Services	9,485,243	11,189,770	11,293,110	11,762,740
Supplies	1,344,096	759,280	679,880	663,150
Equipment	1,327,320	648,780	664,900	871,490
Department Total	\$ 21,297,552	\$ 22,565,770	\$ 22,225,220	\$ 24,167,170
FUNDING SOURCES				
General Fund	\$ 21,297,552	\$ 22,565,770	\$ 22,225,220	\$ 24,167,170
Department Total	\$ 21,297,552	\$ 22,565,770	\$ 22,225,220	\$ 24,167,170

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$24,167,170 reflects an increase of \$1,601,400 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs including transfer of three positions from Business Services - ERP Division	\$ 901,850
Increase in software maintenance agreement costs	878,800
Increase in equipment rental costs	404,240
Increase in computer equipment	222,710
Increase in public liability insurance	18,500
Increase in hazardous waste insurance	15,340
Decrease in supplies	(96,130)
Decrease in telephone services	(323,160)
Decrease in miscellaneous professional services	(420,750)
Total	\$ 1,601,400

Trends

Department did not respond.

Future Challenges and Opportunities

Department did not respond.

Program Budget Overview

Department did not respond.

Recent Accomplishments

Department did not respond.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area provides executive management, administrative, and facilities management to the entire department. Key responsibilities include technology planning, finance, human resources support, and the establishment and enforcement of standards and procedures.

Funding Sources

General Fund	\$ 465,165	\$ 534,920	\$ 586,880	\$ 1,292,980
Program Total	\$ 465,165	\$ 534,920	\$ 586,880	\$ 1,292,980

Character of Expenditures

Salaries and Benefits	\$ 418,269	\$ 460,070	\$ 512,030	\$ 1,180,990
Services	41,974	62,650	62,650	77,690
Supplies	4,922	12,200	12,200	34,300
Program Total	\$ 465,165	\$ 534,920	\$ 586,880	\$ 1,292,980

APPLICATION SERVICES: This program area provides the analysis, development, implementation and on-going support of specific and enterprise software applications that run City business processes, ensuring the performance, availability and stability of those systems. Application Services also provides analysis, development, implementation and on-going support of the applications supporting public safety including fire and police dispatch, records, and special functions. City data is designed, managed and controlled within this area which also provides consultation for software purchases and develops application and architectural standards and best practices. In addition, the Application Services area provides design, development, support, and maintenance for the City's Internet Web sites and promotes increased public information and access to City services.

Funding Sources

General Fund	\$ 8,939,985	\$ 9,812,630	\$ 9,815,830	\$ 10,982,840
Program Total	\$ 8,939,985	\$ 9,812,630	\$ 9,815,830	\$ 10,982,840

Character of Expenditures

Salaries and Benefits	\$ 2,646,812	\$ 2,756,720	\$ 2,745,560	\$ 3,228,480
Services	6,021,681	6,705,880	6,750,480	7,439,900
Supplies	271,492	345,100	308,070	308,400
Equipment	—	5,600	11,720	6,060
Program Total	\$ 8,939,985	\$ 9,813,300	\$ 9,815,830	\$ 10,982,840

CUSTOMER ENGAGEMENT: This program area is charged with solving customer's business problems through the implementation of innovative, value added technology solutions. The team also supports rapid application development for digital innovation priorities. Additionally, the team provides project management support for customer technology projects. The program area includes members with GIS, web design and development, software development and project management skills.

Funding Sources

General Fund	\$ 1,656,982	\$ 2,150,720	\$ 2,040,610	\$ 1,700,310
Program Total	\$ 1,656,982	\$ 2,150,720	\$ 2,040,610	\$ 1,700,310

Character of Expenditures

Salaries and Benefits	\$ 1,606,329	\$ 1,940,400	\$ 1,784,110	\$ 1,594,070
Services	39,594	163,200	246,380	68,940
Supplies	11,059	47,120	10,120	37,300
Program Total	\$ 1,656,982	\$ 2,150,720	\$ 2,040,610	\$ 1,700,310

Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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CUSTOMER SERVICE: This program area provides life-cycle services for nearly 5,000 devices including Personal Computers, printers, and mobile devices.

Funding Sources

General Fund	\$ 1,638,419	\$ 1,698,830	\$ 1,661,800	\$ 1,777,280
Program Total	\$ 1,638,419	\$ 1,698,830	\$ 1,661,800	\$ 1,777,280

Character of Expenditures

Salaries and Benefits	\$ 1,529,372	\$ 1,525,870	\$ 1,506,440	\$ 1,620,390
Services	96,141	141,890	124,290	128,560
Supplies	12,906	31,070	31,070	28,330
Program Total	\$ 1,638,419	\$ 1,698,830	\$ 1,661,800	\$ 1,777,280

DATA CENTER FACILITIES: This program provides funding for maintaining the City's data center facility for the expenses not covered by Facility Maintenance.

Funding Sources

General Fund	\$ 128,583	\$ 253,070	\$ 250,580	\$ 239,010
Program Total	\$ 128,583	\$ 253,070	\$ 250,580	\$ 239,010

Character of Expenditures

Services	\$ 128,583	\$ 253,070	\$ 240,580	\$ 239,010
Equipment	—	—	10,000	—
Program Total	\$ 128,583	\$ 253,070	\$ 250,580	\$ 239,010

¹GEOGRAPHIC INFORMATION SYSTEMS (GIS) SERVICES: This program area helps departments analyze and display their business data in ways that make it easier to convey information and discover patterns that improve their business workflows. Data is made available to both City staff and the public as paper maps, web-based mapping applications, or GIS data files to be used with desktop software. GIS Services administers all GIS software for the City and provides first level support for GIS users within the City; and also coordinates the use and storage of GIS data for all City departments and promotes standards for data and metadata.

Funding Sources

General Fund	\$ 140,794	\$ —	\$ —	\$ —
Program Total	\$ 140,794	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 14,089	\$ —	\$ —	\$ —
Services	118,462	—	—	—
Supplies	8,243	—	—	—
Program Total	\$ 140,794	\$ —	\$ —	\$ —

¹GIS program has merged into Customer Engagement program during Fiscal Year 2017/18.

INFORMATION TECHNOLOGY

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

INFORMATION TECHNOLOGY ASSET MANAGEMENT: This program area monitors the City's hardware and software assets to help assure compliance with regulatory requirements and minimize potential risks; This program assists departments with the selection, planning, implementation, and stabilization of technology related projects. This includes providing City leadership with great visibility into projects plans and priorities.

Funding Sources

General Fund	\$ 433,182	\$ 640,000	\$ 722,140	\$ 767,120
Program Total	\$ 433,182	\$ 640,000	\$ 722,140	\$ 767,120

Character of Expenditures

Salaries and Benefits	\$ 340,259	\$ 392,240	\$ 494,100	\$ 536,980
Services	91,278	160,100	158,370	162,560
Supplies	1,645	87,660	69,670	67,580
Program Total	\$ 433,182	\$ 640,000	\$ 722,140	\$ 767,120

NETWORK SERVICES: This program provides a robust network structure which supports data transmission and security.

Funding Sources

General Fund	\$ 3,401,485	\$ 2,687,970	\$ 2,472,270	\$ 2,627,410
Program Total	\$ 3,401,485	\$ 2,687,970	\$ 2,472,270	\$ 2,627,410

Character of Expenditures

Salaries and Benefits	\$ 1,105,430	\$ 1,369,390	\$ 1,153,690	\$ 1,309,810
Services	661,578	940,420	940,420	989,930
Supplies	864,558	177,860	177,860	121,720
Equipment	769,919	200,300	200,300	205,950
Program Total	\$ 3,401,485	\$ 2,687,970	\$ 2,472,270	\$ 2,627,410

MANAGED PRINT SERVICES: This program area consolidates costs citywide for the management of network printers and malfunctioned devices that allows the City to both reduce printing costs and provide a higher level of service and reliability.

Funding Sources

General Fund	\$ 10,355	\$ 403,820	\$ 433,820	\$ 403,820
Program Total	\$ 10,355	\$ 403,820	\$ 433,820	\$ 403,820

Character of Expenditures

Services	\$ 10,355	\$ 403,820	\$ 433,820	\$ 403,820
Program Total	\$ 10,355	\$ 403,820	\$ 433,820	\$ 403,820

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

PHONE SERVICES: This program area ensures a stable and secure communications environment for all City departments, including communications networks, Internet access, data networks, voice-over-internet-protocol (VOIP) telecommunications, and wireless connectivity. Also, this area directs Citywide information and access security practices.

Funding Sources

General Fund	\$ 925,200	\$ 1,004,930	\$ 1,004,930	\$ 1,024,870
Program Total	\$ 925,200	\$ 1,004,930	\$ 1,004,930	\$ 1,024,870

Character of Expenditures

Services	\$ 894,221	\$ 895,030	\$ 882,410	\$ 687,900
Supplies	2,896	7,020	19,640	21,970
Equipment	28,083	102,880	102,880	315,000
Program Total	\$ 925,200	\$ 1,004,930	\$ 1,004,930	\$ 1,024,870

TECHNICAL SERVICES: This program area ensures a stable and secure computing environment by supporting data center operations and by monitoring and maintaining the servers and storage infrastructure needed to support City applications and services. This program also provides citywide replacement of personal computing equipment, e-mail, and calendar support, as well as customer services field support which focuses on hardware and software for desktop and mobile computing units.

Funding Sources

General Fund	\$ 3,557,403	\$ 3,378,210	\$ 3,236,360	\$ 3,351,530
Program Total	\$ 3,557,403	\$ 3,378,210	\$ 3,236,360	\$ 3,351,530

Character of Expenditures

Salaries and Benefits	\$ 1,480,333	\$ 1,523,250	\$ 1,391,400	\$ 1,399,070
Services	1,381,377	1,463,710	1,453,710	1,564,430
Supplies	166,375	51,250	51,250	43,550
Equipment	529,318	340,000	340,000	344,480
Program Total	\$ 3,557,403	\$ 3,378,210	\$ 3,236,360	\$ 3,351,530

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Director of Information Technology	1.00	1.00	1.00	1.00
Deputy Director of Information Technology	—	—	1.00	1.00
ERP Manager	—	—	1.00	1.00
Information Technology Analyst	—	—	2.00	2.00
Management Coordinator	1.00	1.00	1.00	1.00
Business Analyst II	—	—	1.00	1.00
Project Manager	—	—	1.00	1.00
Staff Assistant	1.00	—	1.00	1.00
Administrative Assistant	1.00	2.00	1.00	1.00
Program Total	4.00	4.00	10.00	10.00
Application Services				
Information Technology Administrator	—	—	1.00	1.00
Information Technology Manager	4.00	4.00	3.00	3.00
Lead Systems Analyst	3.00	2.00	4.00	4.00
Data Base Administrator	4.00	4.00	5.00	5.00
GIS Data Analyst	1.00	0.50	—	—
Systems Analyst	15.00	15.00	14.00	14.00
Information Technology Analyst	—	1.00	—	—
IT Associate	1.00	1.00	1.00	1.00
Program Total	28.00	27.50	28.00	28.00
Customer Engagement				
Information Technology Administrator	2.00	2.00	1.00	1.00
Information Technology Manager	1.00	—	1.00	1.00
Lead Systems Analyst	1.00	—	—	—
GIS Supervisor	1.00	1.00	—	—
System Administrator	1.00	1.00	1.00	1.00
Web Developer	2.00	2.00	2.00	2.00
GIS Data Analyst	1.00	0.50	2.00	2.00
GIS Programmer	1.00	1.00	1.00	1.00
Software Engineer	2.00	2.00	2.00	2.00
Systems Analyst	2.00	2.00	1.00	1.00
Web Design Analyst	1.00	1.00	1.00	1.00
Finance Manager	1.00	1.00	—	—
Telephone Services Coordinator	1.00	1.00	1.00	1.00
Project Manager	—	2.00	1.00	1.00
Program Total	17.00	16.50	14.00	14.00
Customer Service				
Information Technology Manager	1.00	1.00	1.00	1.00
Information Technology Specialist	14.00	14.00	14.00	14.00
Web Design Analyst	1.00	1.00	1.00	1.00
Information Technology Administrator	1.00	1.00	1.00	1.00
Program Total	17.00	17.00	17.00	17.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Information Technology Asset Management				
Information Technology Manager	2.00	—	1.00	1.00
Information Technology Analyst	3.00	4.00	3.00	3.00
Systems Analyst	—	—	1.00	1.00
Information Technology Specialist	1.00	1.00	1.00	1.00
Program Total	6.00	5.00	6.00	6.00
Network Services				
Information Technology Manager	—	1.00	1.00	1.00
Lead Network Engineer	1.00	1.00	1.00	1.00
Lead Security Administrator	1.00	1.00	1.00	1.00
Network Engineer	4.00	4.00	4.00	4.00
Communications Engineer	3.00	5.00	4.00	4.00
IT Associate	1.00	—	—	—
Information Technology Associate	1.00	—	—	—
Program Total	11.00	12.00	11.00	11.00
Technical Services				
Deputy Director of Information Technology	1.00	1.00	—	—
Information Technology Administrator	1.00	1.00	1.00	1.00
Lead Data and Backup Administrator	1.00	1.00	1.00	1.00
Lead Systems Analyst	1.00	1.00	1.00	1.00
Lead Systems Administrator	1.00	1.00	1.00	1.00
Systems Administrator	5.00	5.00	5.00	5.00
Systems Analyst	—	1.00	1.00	1.00
Information Technology Analyst	2.00	3.00	3.00	3.00
Program Total	12.00	14.00	13.00	13.00
Department Total	95.00	96.00	99.00	99.00

PARKS and RECREATION

MISSION STATEMENT: To provide a park system offering safe and high quality recreational programs and services for Tucsonans of all ages and abilities.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	431.75	391.75	392.25	392.25
EXPENDITURES				
Salaries and Benefits	\$ 19,006,746	\$ 18,614,730	\$ 17,744,490	\$ 19,977,070
Services	3,366,260	6,931,160	9,340,670	10,371,620
Supplies	2,901,570	6,320,660	3,051,430	2,548,830
Equipment	439,712	8,800	272,470	35,980
Operating Total	\$ 25,714,288	\$ 31,875,350	\$ 30,409,060	\$ 32,933,500
Capital Improvement Program	4,367,652	10,111,890	3,588,880	20,192,900
Department Total	\$ 30,081,940	\$ 41,987,240	\$ 33,997,940	\$ 53,126,400
FOUNDING SOURCES				
General Fund	\$ 25,249,266	\$ 26,110,660	\$ 25,336,960	\$ 27,469,550
Civic Contribution Fund	105,479	551,940	297,350	388,800
Non-Federal Grants Fund	2,057	124,500	6,610	95,700
Other Federal Grants Fund	357,486	427,350	428,220	464,450
Gene Reid Park Zoo Fund	—	4,660,900	4,339,920	4,515,000
Operating Total	\$ 25,714,288	\$ 31,875,350	\$ 30,409,060	\$ 32,933,500
Capital Improvement Program	4,367,652	10,111,890	3,588,880	20,192,900
Department Total	\$ 30,081,940	\$ 41,987,240	\$ 33,997,940	\$ 53,126,400

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$32,933,500 reflects an increase of \$1,058,150 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs due to the addition of positions, pay increases, rising benefits costs and below market salary adjustments	\$ 1,362,340
Decrease in miscellaneous charges	(304,190)
Total	<u>\$ 1,058,150</u>

Trends

The citizens of Tucson are following the national trend of outdoor recreation to include walking, running, biking, sports, and using park amenities, i.e., playgrounds, sports fields, walking paths and trails, pickleball, dog parks, splash pads, skate parks, etc.

Future Challenges and Opportunities

Yearly reductions to operating and capital improvement budgets over the past decade have caused a decline in the condition and quality of our assets. Deferred maintenance resulted in continuing deterioration of many of our facilities that are in dire need of major repair, upgrade or replacement. City of Tucson taxpayers supported and passed Proposition 407: Parks Connection Bond to bring significant funding to help resolve the above challenges.

Program Budget Overview

The minimum wage increase effective January 1, 2019, pay increased for most employees and the upcoming increase to benefit cost and below market wage adjustments have significantly impacted the Fiscal Year 2020 budget.

Recent Accomplishments

Parks and Recreation began implementation of over 80 capital improvement projects with Mayor and Council approval of \$12 million advanced funding from Proposition 407: Parks Connection Bond, for Phase 1 projects. Ormsby Community Center and Oury Pool have recently been opened.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area provides general oversight for the department by setting direction and policy, developing and managing the department’s operating and capital budgets, providing administrative and clerical support, and ensuring that customers are provided excellent services and facilities throughout the system. Administrative functions include the Director’s Office, reservation/registration services, environmental management and safety). The administration program area also provides clerical and facilitation support for the Tucson Parks and Recreation Commission and the Tucson Greens Committee.

Funding Sources

General Fund	\$ 2,200,206	\$ 2,301,500	\$ 2,075,400	\$ 2,222,880
Civic Contribution Fund	15,370	28,000	27,400	27,400
Program Total	\$ 2,215,576	\$ 2,329,500	\$ 2,102,800	\$ 2,250,280

Character of Expenditures

Salaries and Benefits	\$ 1,493,806	\$ 1,674,880	\$ 1,298,970	\$ 1,456,510
Services	489,228	478,050	596,110	611,510
Supplies	172,542	176,570	156,940	182,260
Equipment	60,000	—	50,780	—
Program Total	\$ 2,215,576	\$ 2,329,500	\$ 2,102,800	\$ 2,250,280

AQUATICS: This program area provides safe and clean swimming facilities and opportunities for pool patrons. Leisure classes, swimming lessons for children and adults, synchronized and competitive swimming, fitness training, and recreational and lap swimming are major components of this program. Lifeguarding and Water Safety Instruction (WSI) are offered, leading to job opportunities for youth ages 15 and above. The Adaptive Recreation Center, Catalina, Sunnyside, and Clements Pools provide year-round swimming. Amphi, Archer, Fort Lowell, Quincie Douglas, and Udall Pools are open April through November. Nine summer seasonal pools will operate during the nine-week summer season.

Funding Sources

General Fund	\$ 2,358,416	\$ 2,437,800	\$ 2,437,870	\$ 2,463,950
Program Total	\$ 2,358,416	\$ 2,437,800	\$ 2,437,870	\$ 2,463,950

Character of Expenditures

Salaries and Benefits	\$ 1,612,256	\$ 1,553,760	\$ 1,517,430	\$ 1,607,740
Services	86,702	157,070	151,140	149,070
Supplies	659,458	726,970	769,300	707,140
Program Total	\$ 2,358,416	\$ 2,437,800	\$ 2,437,870	\$ 2,463,950

CAPITAL PLANNING and DEVELOPMENT: This program area is responsible for developing and administering all planning, design, construction and contract administration of Parks projects, developing capital improvement plans, managing the department’s Ten Year Strategic Services Plan and the five year Capital Improvement Plan (CIP).

Funding Sources

General Fund	\$ 511,102	\$ 502,720	\$ 544,160	\$ 567,210
Program Total	\$ 511,102	\$ 502,720	\$ 544,160	\$ 567,210

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
CAPITAL PLANNING and DEVELOPMENT (CONTINUED)				
Character of Expenditures				
Salaries and Benefits	\$ 497,175	\$ 478,390	\$ 517,760	\$ 544,020
Services	10,351	19,680	14,170	19,040
Supplies	3,576	4,650	12,230	4,150
Program Total	\$ 511,102	\$ 502,720	\$ 544,160	\$ 567,210

CIVIC EVENTS/EVENT PROGRAMMING: This program area provides equipment and technical support to special events throughout the City of Tucson. Event support is provided for both City-sponsored events as well as a variety of community events sponsored by other organizations.

Funding Sources				
General Fund	\$ 400,311	\$ 240,380	\$ 287,660	\$ 269,610
Civic Contribution Fund	72,726	494,320	252,450	337,010
Program Total	\$ 473,037	\$ 734,700	\$ 540,110	\$ 606,620

Character of Expenditures				
Salaries and Benefits	\$ 336,246	\$ 209,620	\$ 250,950	\$ 221,960
Services	30,360	455,560	162,030	282,910
Supplies	106,431	69,520	57,830	101,750
Equipment	—	—	69,300	—
Program Total	\$ 473,037	\$ 734,700	\$ 540,110	\$ 606,620

GRANTS: This program area seeks federal, state, and local funding for the provision of recreational opportunities and community support services. Emphasis is placed on leveraging existing City resources to enhance funding for programs and services. Funding from the Pima Council on Aging will provide support for the senior nutrition program.

Funding Sources				
General Fund	\$ 61,397	\$ 130,870	\$ 99,640	\$ 83,890
Other Federal Grant Fund	357,486	427,350	428,220	464,450
Non Federal Grant Fund	2,057	124,500	6,610	95,700
Program Total	\$ 420,940	\$ 682,720	\$ 534,470	\$ 644,040

Character of Expenditures				
Salaries and Benefits	\$ 249,354	\$ 298,380	\$ 348,190	\$ 356,050
Services	122,986	218,890	121,430	222,540
Supplies	48,600	165,450	64,850	65,450
Program Total	\$ 420,940	\$ 682,720	\$ 534,470	\$ 644,040

PARKS and RECREATION

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

Hi CORBETT MAINTENANCE: This program area is responsible for maintenance of Hi Corbett Field and the surrounding annex fields. This work is accomplished to a high professional standard order to meet the requirements of the lease agreement with the University of Arizona and the North Korea Dinos, a Korean professional baseball team. The complex is also maintained for local youth and adult baseball leagues during the summer months.

Funding Sources

General Fund	\$	167,205	\$	115,040	\$	127,030	\$	102,750
Program Total	\$	167,205	\$	115,040	\$	127,030	\$	102,750

Character of Expenditures

Salaries and Benefits	\$	109,912	\$	—	\$	17,330	\$	—
Services		9,515		40,990		36,430		24,510
Supplies		42,776		74,050		73,270		78,240
Equipment		5,002		—		—		—
Program Total	\$	167,205	\$	115,040	\$	127,030	\$	102,750

HISTORICAL and CULTURAL PROGRAMS: This program area consists of the Presidio San Agustin del Tucson, a portion of Tucson's Spanish walled presidio, which is open to the public. This historical cultural center includes historic buildings used as a small museum and gift shop while providing interpretation and educational programs regarding the many levels of Tucson's history. This facility is operated and maintained by the Tucson Presidio Trust for Historic Preservation.

Funding Sources

General Fund	\$	88,899	\$	40,120	\$	20	\$	40,120
Civic Contribution Fund		3,125		—		—		—
Program Total	\$	92,024	\$	40,120	\$	20	\$	40,120

Character of Expenditures

Salaries and Benefits	\$	18,362	\$	—	\$	—	\$	—
Services		70,291		40,120		—		40,120
Supplies		3,371		—		20		—
Program Total	\$	92,024	\$	40,120	\$	20	\$	40,120

KIDCO: This program area provides after-school and summer recreation programs in a safe, supervised environment for children ages 5-11, in kindergarten through fifth grade. It offers an opportunity for kids to express themselves creatively through various art forms, sports, and special events during out-of-school time.

Funding Sources

General Fund	\$	1,648,168	\$	1,855,570	\$	1,878,440	\$	1,945,570
Civic Contribution Fund		10,340		25,000		15,000		19,890
Program Total	\$	1,658,508	\$	1,880,570	\$	1,893,440	\$	1,965,460

Character of Expenditures

Salaries and Benefits	\$	1,570,856	\$	1,752,460	\$	1,783,340	\$	1,830,900
Services		31,744		45,920		40,370		56,590
Supplies		55,908		82,190		69,730		77,970
Program Total	\$	1,658,508	\$	1,880,570	\$	1,893,440	\$	1,965,460

PARKS and RECREATION

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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LEISURE CLASSES: This program area offers instructional/special interest classes to youth and adults throughout the year. Class topics include fitness, arts and crafts, music, pottery, sports, dance, gymnastics, and many others.

Funding Sources

General Fund	\$ 762,801	\$ 851,680	\$ 851,080	\$ 830,630
Program Total	\$ 762,801	\$ 851,680	\$ 851,080	\$ 830,630

Character of Expenditures

Salaries and Benefits	\$ 713,137	\$ 800,810	\$ 758,870	\$ 774,180
Services	14,763	20,880	19,970	23,690
Supplies	34,901	29,990	36,450	32,760
Equipment	—	—	35,790	—
Program Total	\$ 762,801	\$ 851,680	\$ 851,080	\$ 830,630

PARKS MAINTENANCE: This program area provides resources for the routine, specialized, and preventive maintenance of 126 parks and facilities throughout Tucson. Daily maintenance occurs throughout the park system to ensure clean, safe, and attractive facilities.

Funding Sources

General Fund	\$ 6,798,230	\$ 7,403,240	\$ 8,920,290	\$ 9,331,090
Program Total	\$ 6,798,230	\$ 7,403,240	\$ 8,920,290	\$ 9,331,090

Character of Expenditures

Salaries and Benefits	\$ 4,441,924	\$ 4,944,210	\$ 4,967,230	\$ 6,604,800
Services	1,305,343	1,540,870	2,773,650	1,850,400
Supplies	735,985	918,160	1,075,440	848,710
Equipment	314,978	—	103,970	27,180
Program Total	\$ 6,798,230	\$ 7,403,240	\$ 8,920,290	\$ 9,331,090

RECREATION CENTERS: This program area provides recreation and neighborhood centers that are open to the public five/six days per week for both structured and unstructured activities. Hours of operation will vary by center. Additionally, the four regional recreation centers (Udall, Clements, El Pueblo, and Randolph) are open on Saturdays. All centers are closed on Sundays.

Funding Sources

General Fund	\$ 6,023,215	\$ 6,946,960	\$ 6,747,770	\$ 6,665,790
Civic Contribution Fund	3,918	4,620	2,500	4,500
Program Total	\$ 6,027,133	\$ 6,951,580	\$ 6,750,270	\$ 6,670,290

Character of Expenditures

Salaries and Benefits	\$ 5,078,612	\$ 5,523,510	\$ 5,228,220	\$ 5,464,510
Services	551,513	900,740	842,160	783,350
Supplies	388,208	518,530	667,260	413,630
Equipment	8,800	8,800	12,630	8,800
Program Total	\$ 6,027,133	\$ 6,951,580	\$ 6,750,270	\$ 6,670,290

PARKS and RECREATION

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

SPORTS: This program area offers organized league play for adult softball and summer track and field events. This program is also responsible for facilitating and scheduling 215 fields for 146 organizations representing a total of 4,002 teams.

Funding Sources

General Fund	\$	283,876	\$	450,080	\$	349,810	\$	352,250
Program Total	\$	283,876	\$	450,080	\$	349,810	\$	352,250

Character of Expenditures

Salaries and Benefits	\$	183,616	\$	297,130	\$	204,430	\$	198,120
Services		91,897		144,700		135,400		142,970
Supplies		8,363		8,250		9,980		11,160
Program Total	\$	283,876	\$	450,080	\$	349,810	\$	352,250

TENNIS: This program area supports the operation of City owned tennis facilities located at Randolph, Fort Lowell, and Himmel Tennis Centers.

Funding Sources

General Fund	\$	17,799	\$	17,520	\$	6,460	\$	17,520
Program Total	\$	17,799	\$	17,520	\$	6,460	\$	17,520

Character of Expenditures

Services	\$	10,289	\$	11,840	\$	1,630	\$	11,650
Supplies		7,510		5,680		4,830		5,870
Program Total	\$	17,799	\$	17,520	\$	6,460	\$	17,520

THERAPEUTIC and ADAPTIVE RECREATION: This program area offers social, fitness, arts, athletic, trips, and camp programs for youth, teens, and adults with various disabilities. It also offers structured programs for citizens suffering from arthritis, recovering stroke patients, and a variety of other disabilities.

Funding Sources

General Fund	\$	882,984	\$	1,148,820	\$	873,250	\$	1,003,990
Program Total	\$	882,984	\$	1,148,820	\$	873,250	\$	1,003,990

Character of Expenditures

Salaries and Benefits	\$	826,784	\$	1,060,520	\$	777,450	\$	918,280
Services		45,123		58,020		67,610		65,970
Supplies		11,077		30,280		28,190		19,740
Program Total	\$	882,984	\$	1,148,820	\$	873,250	\$	1,003,990

ZOO: This program area is an Association of Zoos and Aquariums (AZA) accredited facility that offers an environmentally friendly, educational, and recreational experience to over 550,000 annual visitors and is open 364 days per year. Many special events are offered at the zoo throughout the year, including the ever-popular Howl-o-ween event during the fall and Zoo Lights during the winter holiday season. Train rides around the large Reid Park pond are offered daily. The City utilizes the Zoological Society to manage the operations of the zoo.

Funding Sources

General Fund	\$	3,044,657	\$	1,668,360	\$	138,080	\$	1,572,300
Gene Reid Park Zoo Fund		—		4,660,900		4,339,920		4,515,000
Program Total	\$	3,044,657	\$	6,329,260	\$	4,478,000	\$	6,087,300

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20
ZOO (CONTINUED)				
Character of Expenditures				
Salaries and Benefits	\$ 1,874,706	\$ 21,060	\$ 74,320	\$ —
Services	496,155	2,797,830	4,378,570	6,087,300
Supplies	622,864	3,510,370	25,110	—
Equipment	50,932	—	—	—
Program Total	\$ 3,044,657	\$ 6,329,260	\$ 4,478,000	\$ 6,087,300

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Director	1.00	1.00	1.00	1.00
Deputy Director of Parks and Recreation	1.00	1.00	2.00	2.00
Parks and Recreation Administrator	1.00	1.00	1.00	1.00
Department Finance Manager	1.00	—	—	—
Management Coordinator	1.00	—	—	—
GIS Project Manager	1.00	1.00	1.00	1.00
Community Promotions and Marketing Coordinator	1.00	1.00	1.00	1.00
Business Analyst	1.00	1.00	1.00	1.00
Systems Analyst	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Office Supervisor	1.00	—	—	—
Graphic Arts Specialist	1.00	1.00	1.00	1.00
Administrative Assistant	3.00	—	—	—
Parks and Recreation Program Manager	—	2.00	2.00	2.00
Customer Services Representative	1.00	2.00	3.00	3.00
Program Total	16.00	13.00	15.00	15.00
Aquatics				
Aquatics Program Manager	1.00	1.00	1.00	1.00
Lead Maintenance Mechanic	1.00	—	—	—
Trade Specialist	3.00	—	—	—
Swimming Pool Supervisor	1.00	1.00	1.00	1.00
Aquatics Program Supervisor	2.75	2.75	2.75	2.75
Swimming Pool Supervisor	9.00	9.00	9.00	9.00
Water Safety Instructor/Senior Lifeguard	28.25	28.25	28.25	28.25
Lifeguard	11.25	11.25	11.25	11.25
Program Total	57.25	53.25	53.25	53.25
Capital Planning and Development				
Landscape Architect	3.00	3.00	3.00	3.00
Project Manager	—	—	1.00	1.00
Management Assistant	1.00	—	—	—
Management Coordinator	—	1.00	1.00	1.00
Management Analyst	—	1.00	1.00	1.00
Administrative Assistant	1.00	—	—	—
Program Total	5.00	5.00	6.00	6.00
Civic Events/Performing Arts				
Parks Events Coordinator	1.00	1.00	1.00	1.00
Trade Specialist	2.00	—	—	—
Equipment Operator	2.00	—	—	—
Parks Events Worker	1.75	1.75	1.75	1.75
Program Total	6.75	2.75	2.75	2.75

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Grants				
Recreation Assistant	—	4.50	4.00	4.00
Senior Recreation Worker	3.00	6.00	6.00	6.00
Program	—	1.00	1.00	1.00
Kitchen Manager	—	—	1.00	1.00
Short Order Cook	0.75	0.75	1.00	1.00
Program Total	3.75	12.25	13.00	13.00
Hi Corbett Maintenance				
Parks Maintenance Coordinator	1.00	—	—	—
Groundskeepers	1.00	—	—	—
General Maintenance Trainee/Worker	5.00	—	—	—
Program Total	7.00	—	—	—
KIDCO				
Recreation Supervisor	1.00	1.00	1.00	1.00
Recreation Program Coordinator	4.00	4.00	4.00	4.00
Recreation Assistant	1.00	—	1.00	1.00
Senior Recreation Worker	23.50	23.50	22.25	22.25
Bus Driver	1.00	1.00	1.00	1.00
Recreation Worker	28.50	28.50	28.50	28.50
Program Total	59.00	58.00	57.75	57.75
Leisure Classes				
Class Registration Coordinator	1.00	1.00	1.00	1.00
Recreation Program Coordinator	2.00	2.00	2.00	2.00
Secretary	—	1.00	1.00	1.00
Customer Services Representative	1.00	1.00	1.00	1.00
Recreation Assistant	1.00	1.00	1.00	1.00
Office Assistant	2.50	2.50	2.50	2.50
Class Instructor Fine Arts	8.00	8.00	8.00	8.00
Program Total	15.50	16.50	16.50	16.50
Parks Maintenance				
Parks and Recreation Superintendent	1.00	1.00	1.00	1.00
Parks and Golf Area Supervisor	5.00	5.00	6.00	6.00
Electrician Supervisor	—	—	1.00	1.00
Electrician	1.00	1.00	—	—
Equipment Operation Specialist	1.00	1.00	1.00	1.00
Parks Maintenance Coordinator	10.00	10.00	13.00	13.00
Plumber	2.00	2.00	2.00	2.00
Trade Specialist	13.00	13.00	16.00	16.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Parks Maintenance Continued				
Parks Equipment Operator	6.00	4.00	2.00	2.00
Groundskeepers	52.00	48.00	57.00	57.00
Lead Parks Equipment Mechanic	1.00	—	1.00	1.00
Parks Equipment Mechanic	4.00	—	4.00	4.00
Welder	1.00	—	1.00	1.00
Lead Maintenance Mechanic	—	1.00	1.00	1.00
Equipment Operator	—	3.00	3.00	3.00
General Maintenance Trainee/Worker	1.00	6.00	10.25	10.25
Program Total	98.00	95.00	119.25	119.25
Recreation Centers				
Parks and Recreation Superintendent	1.00	1.00	1.00	1.00
Recreation Supervisor	4.00	4.00	4.00	4.00
Recreation Program Coordinator	14.00	14.00	14.00	14.00
Administrative Assistant	1.00	1.00	—	—
Customer Services Representative	1.00	1.00	—	—
Recreation Assistant	42.00	36.50	36.50	36.50
Senior Trades Helper	—	—	1.00	1.00
Custodian	9.00	8.00	7.00	7.00
Trade Specialist	—	3.00	—	—
Parks Equipment Mechanic	—	4.00	—	—
Parks Equipment Operator	—	1.00	—	—
Groundskeepers	—	9.00	—	—
Parks Maintenance Coordinator	—	2.00	—	—
Lead Parks Equipment Mechanic	—	1.00	—	—
Parks and Golf Area Supervisor	—	1.00	—	—
Pest Control Specialist	2.00	—	—	—
Welder	—	1.00	—	—
Customer Service Clerk	1.00	1.00	1.00	1.00
General Maintenance Trainee/Worker	0.75	4.25	1.00	1.00
Senior Recreation Worker	10.00	6.50	6.50	6.50
Program Total	85.75	99.25	72.00	72.00
Sports				
Recreation Program Coordinator	1.00	1.00	1.00	1.00
Recreation Assistant	1.00	1.00	1.00	1.00
Senior Recreation Worker	2.00	3.00	3.00	3.00
Recreation Worker	1.25	1.25	1.25	1.25
Program Total	5.25	6.25	6.25	6.25
Therapeutic and Adaptive Recreation				
Therapeutic Recreation Supervisor	1.00	1.00	1.00	1.00
Aquatics Coordinator	1.00	1.00	1.00	1.00
Recreation Program Coordinator	1.00	1.00	1.00	1.00
Recreation Specialist	1.00	1.00	1.00	1.00
Swimming Pool Supervisor	1.00	1.00	1.00	1.00

POSITION RESOURCES

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20
Therapeutic and Adaptive Recreation (Continued)				
Recreation Assistant	2.00	3.50	3.50	3.50
Program Coordinator	2.00	1.00	1.00	1.00
Water Safety Instructor/Senior Lifeguard	7.50	7.50	7.50	7.50
Lifeguard	5.00	5.00	5.00	5.00
Senior Recreation Worker	9.50	7.50	7.50	7.50
Recreation Worker	2.00	1.00	1.00	1.00
Program Total	33.00	30.50	30.50	30.50
Zoo				
Zoo Administrator	1.00	—	—	—
Zoo General Curator	1.00	—	—	—
Zoo Education Curator	1.00	—	—	—
Zoo Vet	1.00	—	—	—
Parks and Golf Area Supervisor	1.00	—	—	—
Zoo Area Supervisor	3.00	—	—	—
Parks Maintenance Coordinator	1.00	—	—	—
Trade Specialist	1.00	—	—	—
Zoo Educator	1.00	—	—	—
Zookeepers	19.00	—	—	—
Customer Services Representative	1.00	—	—	—
Zoo Education Assistant	1.00	—	—	—
Groundskeepers	4.00	—	—	—
Recreation	—	—	—	—
Senior	—	—	—	—
General Maintenance Trainee/Worker	3.50	—	—	—
Program Total	39.50	—	—	—
Department Total	431.75	391.75	392.25	392.25

PLANNING and DEVELOPMENT SERVICES

MISSION STATEMENT: To protect the health, safety and welfare of residents and visitors and enhance the quality of life in Tucson through professional planning, site and building review, and inspection services. To ensure Tucson is a sustainable, well-designed, and prosperous community with a business-friendly environment.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	55.00	55.00	56.00	59.00
EXPENDITURES				
Salaries and Benefits	\$ 4,397,308	\$ 5,175,740	\$ 4,972,810	\$ 5,823,570
Services	1,789,839	1,006,470	2,301,910	1,564,090
Supplies	139,354	96,780	127,890	426,780
Department Total	\$ 6,326,501	\$ 6,278,990	\$ 7,402,610	\$ 7,814,440
FUNDING SOURCES				
General Fund	\$ 6,326,501	\$ 6,278,990	\$ 7,402,610	\$ 7,782,520
Other Federal Grants Fund	—	—	—	31,920
Department Total	\$ 6,326,501	\$ 6,278,990	\$ 7,402,610	\$ 7,814,440

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$7,814,440 reflects an increase of \$1,535,450 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in other miscellaneous supplies and services	\$ 311,180
Increase in contracted services	293,820
Increase in personnel cost for below market wage increase, and transfer of positions from Environmental and General Services Department	249,260
Increase in personnel cost for three new positions	220,510
Increase in other personnel costs	178,060
Increase in building maintenance for public works garage	168,730
Increase in software licenses cost	60,000
Increase in cost for historic preservation grant funding	31,920
Increase in Insurance public liability	14,170
Increase in hazardous waste insurance	7,800
Total	\$ 1,535,450

Trends
Concerted effort towards economic development, customer service, partnership relationship building, budget stability, workforce/community satisfaction, and a Plan Tucson focus.
Future Challenges and Opportunities
Remain responsive to a growing market while maintaining a lean and flexible organizational structure by integrating technological improvements, partnerships and the use of outside contracts to augment city resources.
Program Budget Overview
Internal process review implementing new technology, staffing strategies, and improved customer service lend to a stronger, continually evolving department.
Recent Accomplishments
Continued emphasize on customer service through increased building plan review with other jurisdictions and consultants. Coordinating plan review services across City Departments. Implementation of permit technology upgrades, including a new permitting system, digitalizing our Records Division and establishing an electronic notification for permit counter.

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area sets overall direction and policy and manages departmental operations and budget. Maintains communication with Mayor and Council as well as internal and external stakeholders.

Funding Sources

General Fund	\$ 796,927	\$ 584,890	\$ 948,580	\$ 1,346,860
Program Total	\$ 796,927	\$ 584,890	\$ 948,580	\$ 1,346,860

Character of Expenditures

Salaries and Benefits	\$ 481,828	\$ 436,440	\$ 432,820	\$ 533,370
Services	248,255	92,030	442,370	404,970
Supplies	66,845	56,420	73,390	408,520
Program Total	\$ 796,927	\$ 584,890	\$ 948,580	\$ 1,346,860

BUILDING and SITE INSPECTIONS: This program area inspects commercial and residential construction to ensure that all buildings are constructed to adopted codes and standards with the key purpose of ensuring life safety.

Funding Sources

General Fund	\$ 1,391,558	\$ 1,453,410	\$ 2,100,230	\$ 1,332,880
Program Total	\$ 1,391,558	\$ 1,453,410	\$ 2,100,230	\$ 1,332,880

Character of Expenditures

Salaries and Benefits	\$ 949,595	\$ 1,175,420	\$ 1,255,860	\$ 1,091,470
Services	434,780	267,990	829,030	237,410
Supplies	7,184	10,000	15,340	4,000
Program Total	\$ 1,391,558	\$ 1,453,410	\$ 2,100,230	\$ 1,332,880

PLANNING and DEVELOPMENT SERVICES

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

PLAN REVIEW and PERMITTING: This program area reviews site and building plans to ensure compliance with the Unified Development Code and Building Codes, and issues permits and certificates of occupancy.

Funding Sources

General Fund	\$ 2,122,240	\$ 2,119,750	\$ 2,136,870	\$ 2,802,580
Program Total	\$ 2,122,240	\$ 2,119,750	\$ 2,136,870	\$ 2,802,580

Character of Expenditures

Salaries and Benefits	\$ 1,400,018	\$ 1,694,160	\$ 1,475,030	\$ 2,134,160
Services	687,567	410,090	640,540	666,420
Supplies	34,655	15,500	21,300	2,000
Program Total	\$ 2,122,240	\$ 2,119,750	\$ 2,136,870	\$ 2,802,580

PLANNING and ZONING: This program area conducts advanced planning initiatives, manages the zoning code, and handles entitlement processes, historic preservation, and overlay districts.

Funding Sources

General Fund	\$ 2,015,776	\$ 2,120,940	\$ 2,216,930	\$ 2,300,200
Other Federal Grants Fund	—	—	—	31,920
Program Total	\$ 2,015,776	\$ 2,120,940	\$ 2,216,930	\$ 2,332,120

Character of Expenditures

Salaries and Benefits	\$ 1,565,867	\$ 1,869,720	\$ 1,809,100	\$ 2,064,570
Services	419,238	236,360	389,970	255,290
Supplies	30,671	14,860	17,860	12,260
Program Total	\$ 2,015,776	\$ 2,120,940	\$ 2,216,930	\$ 2,332,120

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Director of Development Services	1.00	1.00	1.00	1.00
Deputy Director of Development Services	1.00	1.00	1.00	1.00
Management Assistant	1.00	1.00	1.00	1.00
Executive Assistant	—	—	—	1.00
Program Total	3.00	3.00	3.00	4.00
Building and Site Inspections				
Building Inspector Manager	1.00	1.00	1.00	1.00
Construction Inspection Supervisor	1.00	1.00	2.00	1.00
Building Inspector	12.00	12.00	11.00	11.00
Program Total	14.00	14.00	14.00	13.00
Plan Review and Permitting				
Building Official	1.00	1.00	1.00	1.00
Development Services Manager	1.00	1.00	1.00	1.00
PDSO Section Manager	—	—	1.00	1.00
Building Plans Examiner	4.00	4.00	4.00	4.00
Civil Engineer	1.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00
Lead Planner	3.00	3.00	4.00	4.00
Senior Engineering Associate Planner	1.00	1.00	1.00	1.00
	—	—	2.00	2.00
Construction Inspection Supervisor	—	—	—	1.00
Building Permit Specialist	1.00	1.00	—	1.00
Office Supervisor	—	—	—	1.00
Landscape Field Representative	1.00	1.00	—	—
Planning Technician	3.00	3.00	2.00	2.00
Administrative Assistant	1.00	1.00	—	—
Customer Service Representative	2.00	2.00	2.00	2.00
Program Total	20.00	20.00	20.00	23.00
Planning and Zoning				
Planning Administrator	1.00	1.00	2.00	1.00
Development Services Manager	2.00	2.00	1.00	2.00
Historic Preservation Principal Planner	1.00	1.00	1.00	1.00
Management Coordinator	1.00	1.00	1.00	1.00
Principal Planner	2.00	2.00	3.00	2.00
Inspection Supervisor	—	—	1.00	1.00
Lead Planner	8.00	8.00	7.00	8.00
Building Inspector	1.00	1.00	1.00	1.00
Housing Assistance and Outreach Coordinator	1.00	1.00	—	1.00
Planning Technician	1.00	1.00	2.00	1.00
Program Total	18.00	18.00	19.00	19.00
Department Total	55.00	55.00	56.00	59.00

PROCUREMENT¹

MISSION STATEMENT: To provide exemplary support to our City departments and the business community by offering strategic and innovative services and opportunities in the procurement of goods and services, through commitment to our values of accountability, ethics, impartiality, professionalism, service, and transparency.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	33.0	—	—	—
EXPENDITURES				
Salaries and Benefits	\$ 2,380,757	\$ —	\$ —	\$ —
Services	113,510	—	—	—
Supplies	388,760	—	—	—
Equipment	7,639	—	—	—
Department Total	\$ 2,890,666	\$ —	\$ —	\$ —
FUNDING SOURCES				
General Fund	\$ 2,890,666	\$ —	\$ —	\$ —
Department Total	\$ 2,890,666	\$ —	\$ —	\$ —

¹Effective Fiscal Year 2017/18, the Procurement Department merged into the new Business Services Department in March, 2018. Transition was completed in Fiscal Year 2018/19.

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$0 reflects a decrease of \$0 from the Fiscal Year 2018/19 Adopted Budget.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area provides strategic direction and management to the department by planning, coordinating, and implementing procurement operations in accordance with applicable laws, Mayor and Council policy, and the administrative direction of the City Manager.

Funding Sources

General Fund	\$ 1,021,908	\$ —	\$ —	\$ —
Program Total	\$ 1,021,908	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 582,526	\$ —	\$ —	\$ —
Services	89,605	—	—	—
Supplies	342,138	—	—	—
Equipment	7,639	—	—	—
Program Total	\$ 1,021,908	\$ —	\$ —	\$ —

CONTRACTING: This program area contracts for goods, services, and design and construction services to ensure all contracts are developed, solicited, evaluated, negotiated, awarded, and administered in accordance with applicable federal, state, and local laws. The program administers the Small Business Enterprise Program and the Disadvantaged Business Program which entails certification of participating businesses, establishing participation goals for eligible projects, and monitoring the effectiveness. The program also administers the Davis Bacon and related acts which requires the City to ensure the federal prevailing wages are paid on all federally funded construction projects.

Funding Sources

General Fund	\$ 889,966	\$ —	\$ —	\$ —
Program Total	\$ 889,966	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 876,152	\$ —	\$ —	\$ —
Services	13,615	—	—	—
Supplies	199	—	—	—
Program Total	\$ 889,966	\$ —	\$ —	\$ —

MAIL SERVICES: This program area provides centralized pick-up and delivery service for interdepartmental and postal mail to City departments. The program also provides for the insertion of business license statements and various other bills.

Funding Sources

General Fund	\$ 582,255	\$ —	\$ —	\$ —
Program Total	\$ 582,255	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 577,424	\$ —	\$ —	\$ —
Services	4,255	—	—	—
Supplies	576	—	—	—
Program Total	\$ 582,255	\$ —	\$ —	\$ —

PROCUREMENT

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

SURPLUS, AUCTION and MATERIALS MANAGEMENT (SAMM): This program area operates the central warehouse and manages an inventory needed for the daily operations. It also provides hazardous material safety information on inventory items; delivers goods on a timely basis; and disposes of City surplus material and equipment by public sale, online auction, donation, or redistribution to departments. SAMM also centrally manages citywide lost and found.

Funding Sources

General Fund	\$ 396,537	\$ —	\$ —	\$ —
Program Total	\$ 396,537	\$ —	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 344,655	\$ —	\$ —	\$ —
Services	6,035	—	—	—
Supplies	45,847	—	—	—
Program Total	\$ 396,537	\$ —	\$ —	\$ —

PROCUREMENT

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20
Administration				
Director	1.00	—	—	—
Deputy Director	1.00	—	—	—
Business Analyst II	1.00	—	—	—
Contract Specialist	3.00	—	—	—
Executive Assistant	1.00	—	—	—
Program Total	7.00	—	—	—
Contracting				
Contract Administrator	2.00	—	—	—
Management Coordinator	1.00	—	—	—
Principal Contract Officer	5.00	—	—	—
Business Enterprise Compliance Specialist	2.00	—	—	—
Senior Contract Officer	5.00	—	—	—
pCard Program Manager	1.00	—	—	—
Administrative Assistant	4.00	—	—	—
Program Total	20.00	—	—	—
Surplus, Auction and Materials Management (SAMM)				
SAMM Superintendent	1.00	—	—	—
SAMM Supervisor	1.00	—	—	—
Administrative Assistant	1.00	—	—	—
SAMM Specialists	3.00	—	—	—
Program Total	6.00	—	—	—
Department Total	33.00	—	—	—

OFFICE of the PUBLIC DEFENDER

MISSION STATEMENT: To provide quality, diligent and ethical representation of indigent defendants entitled to appointed counsel in Tucson City Court and to protect and defend the rights guaranteed us by the United States and Arizona Constitutions.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	28.00	28.00	29.00	29.00
EXPENDITURES				
Salaries and Benefits	\$ 2,529,368	\$ 2,583,400	\$ 2,606,630	\$ 2,970,850
Services	127,901	138,930	119,350	148,770
Supplies	28,529	36,110	32,460	36,110
Department Total	\$ 2,685,798	\$ 2,758,440	\$ 2,758,440	\$ 3,155,730
FUNDING SOURCES				
General Fund	\$ 2,685,798	\$ 2,758,440	\$ 2,758,440	\$ 3,155,730
Department Total	\$ 2,685,798	\$ 2,758,440	\$ 2,758,440	\$ 3,155,730

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$3,155,730 reflects an increase of \$397,290 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs including the addition of an assistant public defender	\$ 387,450
Increase in miscellaneous costs	9,840
Total	\$ 397,290

Trends
Collaborate with the University of Arizona - College of Law on a new clinical program. The goal is to educate law students on the collateral consequences of criminal offenses. Further, alternatives to jail options continue to be explored and include diversion programs, and specialty courts such as Mental Health Court, Veteran's Court and Domestic Violence Court. Lastly, educate attorneys in the areas of mental health and drug addition for alternative case dispositions.
Future Challenges and Opportunities
Embracing alternatives to jail has made progress but the application of these alternatives have been slowly accepted by some judges and prosecuting agencies. Changing the traditional thought process of incarceration as punishment has been slow and challenging. Continue to collaborate with Pima County and the MacArthur grant on additional alternatives to jail.
Program Budget Overview
Budgetary demands fluctuate with the volume of criminal defense cases due to the number of criminal filings and the appointment of defense counsel.
Recent Accomplishments
Our office continues to persevere and overcome challenges by shifting resources in order to effectively represent our clients. The Public Defender's Office maintains active participation in Mental Health Court, Domestic Violence Court, and Regional Municipalities Veterans Treatment Court (RMVTC). We continue litigation with trials, bench and jury, and hearings; we are an active participant with Tucson City Court Video Court; and continue working with University of Arizona Law School, 38D law students/summer interns. Further, this office has appeared before the Arizona Supreme Court and Arizona Court of Appeals.

* 38D is a rule of Criminal Procedures that allows a law student to work on cases under the direction of a licensed attorney.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

Public Defender: The office provides legal representation independent from the Criminal Division of the City Attorney's Office.
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Funding Sources

General Fund	\$ 2,685,798	\$ 2,758,440	\$ 2,758,440	\$ 3,155,730
Program Total	\$ 2,685,798	\$ 2,758,440	\$ 2,758,440	\$ 3,155,730

Character of Expenditures

Salaries and Benefits	\$ 2,529,368	\$ 2,583,400	\$ 2,606,630	\$ 2,970,850
Services	127,901	138,930	119,350	148,770
Supplies	28,529	36,110	32,460	36,110
Program Total	\$ 2,685,798	\$ 2,758,440	\$ 2,758,440	\$ 3,155,730

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Public Defender				
Chief Public Defender	1.00	1.00	1.00	1.00
Supervising Public Defender	5.00	5.00	5.00	5.00
Associate Public Defender	9.00	9.00	9.00	9.00
Assistant Public Defender	4.00	4.00	5.00	5.00
Law Clerk	1.00	1.00	—	—
Management Assistant	1.00	1.00	1.00	1.00
Senior Paralegal	—	—	1.00	1.00
Paralegal	—	—	—	6.00
Legal Secretary	5.00	5.00	6.00	—
Litigation Support Clerk	1.00	1.00	1.00	1.00
Customer Service Representative	1.00	1.00	—	—
Program Total	28.00	28.00	29.00	29.00
 Department Total	 28.00	 28.00	 29.00	 29.00

PUBLIC SAFETY COMMUNICATIONS CENTER

MISSION STATEMENT: To ensure prompt emergency response for the citizens of Tucson, the Public Safety Communications Department strives to provide effective public safety services through the appropriate dispatch of fire, police, and medical units with the least possible delay. To accomplish this a highly trained and capable work force is required, who will maintain professional standards, through continued education, cost effectiveness and cooperation both internal and with the surrounding public safety agencies. Public Safety Communication Team members will adhere to the highest standards of honesty, integrity, and morality in every action between and with the citizens we serve, and exhibit same with their fellow co-workers.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	163.00	163.00	163.00	163.00
EXPENDITURES				
Salaries and Benefits	\$ 11,507,436	\$ 13,028,560	\$ 13,018,810	\$ 13,557,920
Services	271,880	242,980	229,310	316,110
Supplies	141,616	164,670	251,670	73,490
Equipment	—	31,500	—	—
Department Total	\$ 11,920,932	\$ 13,467,710	\$ 13,499,790	\$ 13,947,520
FUNDING SOURCES				
General Fund	\$ 11,920,932	\$ 13,467,710	\$ 13,499,790	\$ 13,947,520
Department Total	\$ 11,920,932	\$ 13,467,710	\$ 13,499,790	\$ 13,947,520

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$13,947,520 reflects an increase of \$479,810 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase to personnel due to below market adjustment and other benefit costs	\$ 529,360
Increase for services	73,130
Decrease for equipment	(31,500)
Decrease for supplies	(91,180)
Total	\$ 479,810

Trends

Tremendous improvements across all aspects and functions of the Public Safety Communications Department (PSCD) have been realized. Enthusiastic hiring this past year, with managed attrition, has demonstrated sustained levels of personnel in critical areas. Performance metrics have improved in all categories month over month. Training continues to produce solid new performers, while simultaneously cross training existing forces.

Future Challenges and Opportunities

Continue recruitment and hiring. 22 positions remain open to be filled. Maintain current cross training of call takers with emphasis on increasing dispatchers. Sustain team building and improving unity of effort. Continue with 911 remodel project. Implement Computer-Aided Design (CAD) 9.4 and Criteria Based Dispatching (CBD) Police side.

Program Budget Overview

The department's general fund budget is 97% operational personnel costs. Only 3% of personnel costs are for those individuals who do not directly impact floor operations (Director, Deputy Director, Executive Assistant and Administrators). Overtime continues to have a significant impact to the budget, and is not expected to decrease until employee positions are filled to capacity of 163, personnel mature in skills and operational improvements such as CAD, CBD and the 911 Remodel come to fruition. Oversight of overtime management and assignment is provided at the Director level, and that will continue.

Recent Accomplishments

The most recent Public Safety Communications Department Assessment, year one, has been provided to City Leaders and is available upon request for anyone's read. This document details the many accomplishments and future challenges for the department. Numerous achievements in areas such as Human Resources, Finance, Operations, Support, specific projects, internal and external relationships, and regional approaches are outlined and highlighted. As a result of the dedication displayed by highly skilled, trained, professional public safety personnel team members, the new PSCD is postured to move toward the next level of transformation.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area provides direction and policy to ensure the answering of 911 calls, processing of emergency calls and dispatching of emergency resources to the community. It responsibly administers all fiscal operations and personnel policies, procedures and actions, and carries out the administrative functions and requirements of the Public Safety Communications Department.

Funding Sources

General Fund	\$	126,820	\$	352,730	\$	195,940	\$	279,810
Program Total	\$	126,820	\$	352,730	\$	195,940	\$	279,810

Character of Expenditures

Salaries and Benefits	\$	101,879	\$	265,340	\$	189,720	\$	269,220
Services		22,049		41,580		6,220		8,390
Supplies		2,892		14,310		—		2,200
Equipment		—		31,500		—		—
Program Total	\$	126,820	\$	352,730	\$	195,940	\$	279,810

COMMUNICATIONS CENTER: This program area coordinates regional 911 systems and operations on behalf of the State of Arizona and provides continuous 911 call taking and emergency fire-medical and police dispatching services for Tucson and surrounding jurisdictions.

Funding Sources

General Fund	\$	11,794,112	\$	13,114,980	\$	13,303,850	\$	13,667,710
Program Total	\$	11,794,112	\$	13,114,980	\$	13,303,850	\$	13,667,710

Character of Expenditures

Salaries and Benefits	\$	11,405,557	\$	12,763,220	\$	12,829,090	\$	13,288,700
Services		249,831		201,400		223,090		307,720
Supplies		138,724		150,360		251,670		71,290
Program Total	\$	11,794,112	\$	13,114,980	\$	13,303,850	\$	13,667,710

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Public Safety Communications Department Director	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Program Total	2.00	2.00	2.00	2.00
Communications Center				
Public Safety Communications Administrator	2.00	2.00	2.00	2.00
Emergency Communications Manager	1.00	1.00	—	—
Public Safety Communications Coordinator	—	4.00	4.00	4.00
Public Safety Communications Supervisor	21.00	20.00	21.00	21.00
Public Safety Communications Specialist III	1.00	—	—	—
Lead Public Safety Dispatcher	2.00	—	—	—
Public Safety Communications Specialist II	62.00	62.00	83.00	83.00
Public Safety Communications Specialist I	23.00	23.00	51.00	51.00
Public Safety Dispatcher	22.00	22.00	—	—
Master Street Address Guide Scheduler (MSAG)	1.00	1.00	—	—
Public Safety Service Operator	25.00	25.00	—	—
Emergency 911 Operator	1.00	1.00	—	—
Program Total	161.00	161.00	161.00	161.00
Department Total	163.00	163.00	163.00	163.00

TRANSPORTATION

MISSION STATEMENT: To create, maintain, and operate a safe and reliable system for the movement of people throughout our community with the highest quality transportation services, programs, and facilities.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	296.00	287.00	291.00	294.00
EXPENDITURES				
Salaries and Benefits	\$ 18,973,348	\$ 19,279,350	\$ 17,431,500	\$ 22,255,620
Services	31,685,607	34,251,850	34,436,090	38,228,140
Supplies	17,047,415	20,438,570	20,889,150	23,389,430
Equipment	1,222,099	2,107,000	2,005,780	2,601,500
Debt Service	1,649,596	1,650,540	1,650,540	1,698,380
Contracted Labor	53,918,005	52,570,110	53,321,830	55,752,040
Operating Total	\$ 124,496,070	\$ 130,297,420	\$ 129,734,890	\$ 143,925,110
Capital Improvement Program	65,727,312	201,526,400	85,846,750	130,147,670
Department Total	\$ 190,223,382	\$ 331,823,820	\$ 215,581,640	\$ 274,072,780
FUNDING SOURCES				
General Fund	\$ 1,255,812	\$ 1,321,550	\$ 362,390	\$ 656,240
Capital Improvement Fund	27,190	131,820	12,000	45,600
Highway User Revenue Fund	32,301,506	38,786,300	37,957,670	43,463,650
Internal Service Fund: Self Insurance	1,916,291	1,420,000	1,420,000	1,420,000
Mass Transit Fund	36,140,319	35,771,730	38,309,190	41,282,300
Mass Transit Fund: General Fund Transfer ¹	45,806,163	45,818,350	45,261,940	49,744,220
Other Federal Grants Fund	1,223,405	747,390	591,110	343,860
Park Tucson Fund	5,669,785	5,925,280	5,677,590	6,594,240
Regional Transportation Authority	155,599	375,000	143,000	375,000
Total Operating Revenues	\$ 124,496,070	\$ 130,297,420	\$ 129,734,890	\$ 143,925,110
Capital Improvement Program	65,727,312	201,526,400	85,846,750	130,147,670
Total Department	\$ 190,223,382	\$ 331,823,820	\$ 215,581,640	\$ 274,072,780

¹Total Fiscal Year 2019/20 General Fund Budgeted for the mass transit system is \$51,059,620. There is \$49,744,220 in the operating budget and \$1,315,400 in the capital improvement program.

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$143,925,110 reflects an increase of \$13,627,690 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs	\$ 3,213,170
Increase in services for transit contract labor	3,181,930
Increase in supplies for streets	2,950,860
Increase in services for equipment rental and capital projects maintenance	2,191,810
Increase in services for annexed areas	1,100,000
Increase in services for Mass Transit Services grant	610,770
Increase in services for a mobility master plan	500,000
Increase in Mass Transit equipment and vehicles	494,500
Increase in debt service	47,840
Decrease in other miscellaneous services	(663,190)
Total	\$ 13,627,690

Trends

The Transportation Department (TDOT) continues to increase its presence on social media platforms. The department uses its social media platforms to keep the public aware of announcements, accomplishments, and activities. The department is providing necessary infrastructure improvements and maintenance and is focused on Smart City technology and infrastructure, as well as a Complete Street Policy.

Future Challenges and Opportunities

The Transportation Department (TDOT) continues to improve major roadways (Grant Road, 22nd Street, Broadway, Houghton and Downtown Links). Preservation and maintenance of the department's infrastructure, including roadways, garages, and streetcars, will be a growing challenge. Dedicated roadway infrastructure funding methods similar to Propositions 101 and 409 will be explored. Though in its infancy, the Mobility Master Plan will set priorities for which design improvements will be made in a constrained funding environment and, in conjunction with the Complete Streets Policy, communicate Tucson's expectations in its transportation system.

Program Budget Overview

Given the uncertainties surrounding federal and state budgets, the department is vigilant as to how every dollar is spent. In Fiscal Year 2022/23, the Streets and Highway Bonds will be repaid, thus affording extra funds to be directed toward infrastructure projects.

Recent Accomplishments

The American Public Works Association awarded Project of the Year Awards to two projects that were completed in Fiscal Year 2019: Grant Road/Stone Avenue to Park Avenue widening project and the \$100M voter-approved Proposition 409 Road Recovery Bond Program.

Additional completed projects include improvements in the Country Club/Glenn and Santa Cruz neighborhoods, and lighting projects at Elvira and Midvale Park neighborhoods, and the Tucson Boulevard Multi-Use Path.

TRANSPORTATION

OPERATING PROGRAMS

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

MANAGEMENT SERVICES: This program area coordinates, supervises, and performs administrative functions to ensure the efficient and successful operation of the department.

Funding Sources

Highway User Revenue Fund	\$	6,175,801	\$	7,206,320	\$	7,896,670	\$	9,745,970
Program Total		6,175,801		7,206,320		7,896,670		9,745,970

Character of Expenditures

Salaries and Benefits	\$	2,152,600	\$	1,666,580	\$	1,160,730	\$	1,857,120
Services		3,100,851		3,206,980		3,515,870		6,070,120
Supplies		656,321		832,760		1,612,440		618,730
Equipment		266,029		1,500,000		1,607,630		1,200,000
Program Total	\$	6,175,801	\$	7,206,320	\$	7,896,670	\$	9,745,970

ENGINEERING: This program area designs and constructs improvements to the city's roadways and flood control system, manages the use of and access to public rights-of-way, and protects life and property from flood hazards.

Funding Sources

Highway User Revenue Fund	\$	4,143,313	\$	7,721,960	\$	4,118,490	\$	3,696,900
Program Total	\$	4,143,313	\$	7,721,960	\$	4,118,490	\$	3,696,900

Character of Expenditures

Salaries and Benefits	\$	3,112,823	\$	5,674,310	\$	2,893,310	\$	2,835,460
Services		925,034		1,995,820		1,173,540		809,920
Supplies		45,117		51,830		51,640		51,520
Equipment		60,339		—		—		—
Program Total	\$	4,143,313	\$	7,721,960	\$	4,118,490	\$	3,696,900

LANDSCAPE and ROADWAY MAINTENANCE: This program area is responsible for the maintenance of the City's median islands.

Funding Sources

General Fund	\$	219,455	\$	275,500	\$	167,250	\$	175,500
Program Total	\$	219,455	\$	275,500	\$	167,250	\$	175,500

Character of Expenditures

Salaries and Benefits	\$	22,616	\$	100,000	\$	20,000	\$	—
Services		187,636		129,000		131,250		129,000
Supplies		9,203		16,000		16,000		16,000
Equipment		—		30,500		—		30,500
Program Total	\$	219,455	\$	275,500	\$	167,250	\$	175,500

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

PARK TUCSON: This program area provides a parking management program that enhances quality of life, stimulates the economic development within the area defined by the City Center Strategic Vision Plan, and efficiently and creatively utilizes parking resources to improve overall accessibility and environment of the region.

Funding Sources

Park Tucson Fund	\$	5,669,785	\$	5,925,280	\$	5,677,590	\$	6,594,240
Program Total	\$	5,669,785	\$	5,925,280	\$	5,677,590	\$	6,594,240

Character of Expenditures

Salaries and Benefits	\$	1,042,842	\$	1,180,930	\$	933,440	\$	1,387,260
Services		2,657,929		2,789,060		2,828,820		3,073,770
Supplies		227,523		249,750		231,790		364,830
Equipment		91,895		55,000		33,000		70,000
Debt Service		1,649,596		1,650,540		1,650,540		1,698,380
Program Total	\$	5,669,785	\$	5,925,280	\$	5,677,590	\$	6,594,240

PLANNING: This program area manages the planning and early design of major transportation corridor projects. It oversees the Bicycle/Pedestrian Program, and programming and funding of projects on a regional level. This division also oversees compliance with federal National Environmental Policy Act requirements, bus stop planning, and freight movement within the city.

Funding Sources

Capital Improvement Fund	\$	—	\$	57,650	\$	—	\$	—
Highway User Revenue Fund		1,509,422		3,171,840		3,040,460		3,297,420
Program Total	\$	1,509,422	\$	3,229,490	\$	3,040,460	\$	3,297,420

Character of Expenditures

Salaries and Benefits	\$	811,485	\$	1,284,360	\$	604,130	\$	1,158,650
Services		335,758		1,381,030		1,581,020		1,627,970
Supplies		362,179		414,100		705,310		360,800
Equipment		—		150,000		150,000		150,000
Program Total	\$	1,509,422	\$	3,229,490	\$	3,040,460	\$	3,297,420

TRANSPORTATION

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

PUBLIC TRANSIT LIABILITY: This program area pays the liability and property losses incurred by Sun Tran, Sun Van, and Sun Link that are not covered by purchased insurance policies.

Funding Sources

Internal Service Fund: Self Insurance	\$	1,916,291	\$	1,420,000	\$	1,420,000	\$	1,420,000
Program Total	\$	1,916,291	\$	1,420,000	\$	1,420,000	\$	1,420,000

Character of Expenditures

Services	\$	1,916,291	\$	1,420,000	\$	1,420,000	\$	1,420,000
Program Total	\$	1,916,291	\$	1,420,000	\$	1,420,000	\$	1,420,000

REAL ESTATE: This program area provides professional real property support for City departments, including appraisal, acquisition, management, special studies, cultural resource clearance, environmental investigation, leasing, and disposition.

Funding Sources

Capital Improvement Fund	\$	—	\$	3,570	\$	—	\$	—
Highway User Revenue Fund		552,536		811,920		450,780		831,310
Program Total	\$	552,536	\$	815,490	\$	450,780	\$	831,310

Character of Expenditures

Salaries and Benefits	\$	510,276	\$	728,360	\$	351,130	\$	732,390
Services		40,047		84,480		97,980		96,800
Supplies		2,213		2,650		1,670		2,120
Program Total	\$	552,536	\$	815,490	\$	450,780	\$	831,310

STORMWATER QUALITY: This program area is federally mandated to monitor hazardous discharge into the city's drainage system.

Funding Sources

General Fund	\$	200,224	\$	319,480	\$	195,140	\$	368,260
Program Total	\$	200,224	\$	319,480	\$	195,140	\$	368,260

Character of Expenditures

Salaries and Benefits	\$	174,147	\$	256,150	\$	121,820	\$	287,910
Services		25,926		51,680		57,720		68,700
Supplies		151		1,650		5,600		1,650
Equipment		—		10,000		10,000		10,000
Program Total	\$	200,224	\$	319,480	\$	195,140	\$	368,260

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

STREETS and TRAFFIC MAINTENANCE: This program area (among many activities) performs asphalt pavement maintenance, maintains median and roadside landscaping, alleyways, and drainage ways, and performs street sweeping activities to ensure safe driving surfaces, decrease the potential for flooding, and control dust. The program also manages the maintenance and inspection of traffic control devices (signals, pedestrian hybrid beacons, etc.), street lights, traffic signs, and roadway pavement markings to ensure the safe and efficient movement of people, traffic, and goods.

Funding Sources

General Fund	\$	—	\$	—	\$	37,480
Highway User Revenue Fund		18,340,256		18,511,450		24,405,970
Other Federal Grants Fund		270,646		427,440		113,600
Program Total	\$	18,610,902	\$	18,938,890	\$	21,068,040
					\$	24,557,050

Character of Expenditures

Salaries and Benefits	\$	9,615,628	\$	6,700,610	\$	9,900,390	\$	12,258,360
Services		6,125,256		7,012,040		7,675,840		8,577,200
Supplies		2,852,014		5,179,740		3,411,660		3,694,990
Equipment		18,004		46,500		80,150		26,500
Program Total	\$	18,610,902	\$	18,938,890	\$	21,068,040	\$	24,557,050

SUN LINK: This program area provides a four-mile streetcar system with a route serving the University of Arizona and the downtown business district.

Funding Sources

Mass Transit Fund	\$	4,091,693	\$	4,424,590	\$	4,483,810	\$	4,585,820
Program Total	\$	4,091,693	\$	4,424,590	\$	4,483,810	\$	4,585,820

Character of Expenditures

Services	\$	2,034,745	\$	1,816,180	\$	1,906,800	\$	1,859,700
Supplies		185,209		497,400		411,300		506,020
Contracted Labor		1,871,739		2,111,010		2,165,710		2,220,100
Program Total	\$	4,091,693	\$	4,424,590	\$	4,483,810	\$	4,585,820

SUN TRAN: This program area provides a fixed-route bus service for the Tucson metropolitan region. The system operates seven days per week.

Funding Sources

Mass Transit Fund	\$	60,272,077	\$	59,083,970	\$	60,014,070	\$	64,605,170
Program Total	\$	60,272,077	\$	59,083,970	\$	60,014,070	\$	64,605,170

Character of Expenditures

Services	7,729,473	8,109,370	7,554,320	7,428,410				
Supplies	11,313,661	11,531,010	12,515,920	15,393,710				
Equipment	218,529	—	25,000	388,000				
Contracted Labor	41,010,414	39,443,590	39,918,830	41,395,050				
Program Total	\$	60,272,077	\$	59,083,970	\$	60,014,070	\$	64,605,170

TRANSPORTATION

	Actual		Adopted		Estimated		Adopted
	FY 17/18		FY 18/19		FY 18/19		FY 19/20

SUN VAN: This program area provides paratransit services by appointment that are comparable to Sun Tran’s fixed-route bus service and are in accordance with the Americans with Disabilities Act of 1990 (ADA). The program gives persons with disabilities access to employment, shopping, services, community agencies, and events.

Funding Sources

Mass Transit Fund	\$	15,858,661	\$	16,419,280	\$	16,817,110	\$	19,066,850
Program Total	\$	15,858,661	\$	16,419,280	\$	16,817,110	\$	19,066,850

Character of Expenditures

Services	\$	3,442,927	\$	3,787,180	\$	3,616,460	\$	4,624,850
Supplies		1,310,195		1,526,590		1,863,360		2,284,860
Equipment		69,687		90,000		100,000		20,250
Contracted Labor		11,035,852		11,015,510		11,237,290		12,136,890
Program Total	\$	15,858,661	\$	16,419,280	\$	16,817,110	\$	19,066,850

TRAFFIC ENGINEERING: This program area monitors transportation, traffic and transit systems, and implements neighborhood traffic calming features, such as speed humps, that promote safer neighborhoods.

Funding Sources

General Fund - Restricted	\$	—	\$	—	\$	—	\$	75,000
Capital Improvement Fund		27,190		70,600		12,000		45,600
Highway User Revenue Fund		1,580,176		1,362,810		1,679,150		1,486,080
Other Federal Grants Fund		952,759		319,950		295,190		230,260
Regional Transportation Authority		155,599		375,000		143,000		375,000
Program Total	\$	2,715,724	\$	2,128,360	\$	2,129,340	\$	2,211,940

Character of Expenditures

Salaries and Benefits	\$	1,033,499	\$	1,108,860	\$	1,007,810	\$	1,175,790
Services		1,605,346		735,500		1,090,160		752,590
Supplies		59,024		59,000		31,370		58,560
Equipment		17,855		225,000		—		225,000
Program Total	\$	2,715,724	\$	2,128,360	\$	2,129,340	\$	2,211,940

Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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TRANSIT SERVICES: This program area administers and coordinates the activities of the public transportation system, which includes Sun Tran, a fixed-route bus service, Sun Van, a paratransit service for persons with disabilities, and the four-mile Sun Link Modern Streetcar serving the University of Arizona and downtown Tucson.

Funding Sources

Mass Transit Fund	\$ 1,829,433	\$ 1,662,240	\$ 2,256,140	\$ 2,768,680
Program Total	\$ 1,829,433	\$ 1,662,240	\$ 2,256,140	\$ 2,768,680

Character of Expenditures

Salaries and Benefits	\$ 410,971	\$ 442,380	\$ 438,740	\$ 562,680
Services	914,098	1,181,250	1,786,310	1,689,110
Supplies	24,604	38,610	31,090	35,640
Equipment	479,760	—	—	481,250
Program Total	\$ 1,829,433	\$ 1,662,240	\$ 2,256,140	\$ 2,768,680

GRAFFITI ABATEMENT²: This program area is responsible for the abatement/removal of graffiti visible from city rights-of-way on various city-owned properties and infrastructure as well as from private property with property owner consent.

Funding Sources

General Fund	\$ 836,135	\$ 726,570	\$ —	\$ —
Program Total	\$ 836,135	\$ 726,570	\$ —	\$ —

Character of Expenditures

Salaries and Benefits	\$ 190,620	\$ 138,560	\$ —	\$ —
Services	645,515	550,530	—	—
Supplies	—	37,480	—	—
Program Total	\$ 836,135	\$ 726,570	\$ —	\$ —

² This program was transferred to Environmental and General Services Department during Fiscal Year 2018/19.

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Management Services				
Director	1.00	1.00	1.00	1.00
Deputy/Assistant Director	2.00	2.00	3.00	3.00
Transportation Administrator	1.00	—	—	—
Department Finance Manager	1.00	—	—	—
Management Coordinator	2.00	—	1.00	1.00
Lead Management Analyst	1.00	1.00	1.00	1.00
Transportation Program Coordinator	1.00	1.00	1.00	—
Transportation Public Information Officer	1.00	1.00	1.00	1.00
Management Assistant	1.00	1.00	1.00	1.00
Public Information Coordinator	—	—	1.00	—
Public Information Officer	—	—	1.00	1.00
Staff Assistant	4.00	1.00	1.00	1.00
Systems Analyst	2.00	2.00	1.00	1.00
Contract Compliance Officer	1.00	—	—	—
Executive Assistant	2.00	2.00	—	1.00
Administrative Assistant	2.00	—	2.00	1.00
Customer Service Representative	2.00	2.00	2.00	2.00
Program Total	24.00	14.00	17.00	15.00
Capital Program Support				
Transportation Administrator	1.00	1.00	1.00	1.00
Engineering Project Manager	9.00	9.00	9.00	9.00
Landscape Architect	1.00	1.00	1.00	1.00
Senior Engineering Associate	—	—	1.00	1.00
Street Maintenance Supervisor	1.00	1.00	—	—
Program Total	12.00	12.00	12.00	12.00
Engineering				
City Surveyor	1.00	1.00	—	—
Engineering Manager	2.00	2.00	3.00	3.00
Inspection Supervisor	2.00	2.00	2.00	2.00
Land Surveyor	1.00	1.00	1.00	1.00
Transportation Program Coordinator	1.00	1.00	1.00	1.00
Management Assistant	1.00	1.00	1.00	1.00
Senior Engineering Associate	5.00	5.00	5.00	5.00
Lead Construction Inspector	4.00	4.00	4.00	4.00
Lead Construction Materials Inspector	1.00	1.00	1.00	1.00
Construction Inspector	11.00	11.00	11.00	11.00
Construction Materials Inspector	2.00	2.00	2.00	2.00
Senior Engineering Technician	2.00	2.00	2.00	2.00
Survey Crew Chief	6.00	6.00	6.00	6.00
Engineering Permit and Code Inspector	2.00	2.00	1.00	2.00
Planning Technician	2.00	2.00	4.00	4.00
Survey Instrument Technician	6.00	6.00	6.00	6.00
Administrative Assistant	1.00	1.00	1.00	1.00
Customer Service Representative	1.00	1.00	1.00	1.00
Secretary	2.00	2.00	—	—
Survey Technician	3.00	3.00	3.00	2.00
Program Total	56.00	56.00	55.00	55.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Stormwater Quality				
Civil Engineer	1.00	1.00	1.00	1.00
Construction Inspector	2.00	2.00	2.00	2.00
Program Total	3.00	3.00	3.00	3.00
Park Tucson				
Park Tucson Program Administrator	1.00	1.00	1.00	1.00
Park Tucson Operations Manager	—	—	—	—
Management Assistant	1.00	1.00	1.00	1.00
Executive Assistant	—	—	1.00	—
Parking Services Supervisor	2.00	2.00	2.00	2.00
Lead Parking Service Agent	1.00	1.00	—	—
Administrative Assistant	2.00	2.00	1.00	2.00
Customer Service Representative	1.00	1.00	1.00	1.00
Parking Services Agent	8.00	8.00	9.00	12.00
Senior Account Clerk	2.00	2.00	2.00	2.00
Program Total	18.00	18.00	18.00	21.00
Planning				
Transportation Administrator	1.00	1.00	1.00	1.00
Project Manager	4.00	4.00	5.00	5.00
Transportation Program Coordinatoer	1.00	1.00	1.00	3.00
Lead Planner	1.00	1.00	1.00	1.00
Senior Engineering Technician	—	—	—	1.00
Program Total	7.00	7.00	8.00	11.00
Real Estate				
Transportation Administrator	1.00	1.00	1.00	1.00
Real Estate Program Supervisor	1.00	1.00	1.00	1.00
Property Manager	1.00	1.00	1.00	1.00
Senior Property Agent	4.00	4.00	4.00	4.00
Property Agent	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	—	—
Program Total	9.00	9.00	8.00	8.00
Streets and Traffic Maintenance/Graffiti Abatement				
Transportation Administrator	1.00	1.00	1.00	1.00
Transportation Superintendent	2.00	2.00	2.00	3.00
Civil Engineer	—	—	—	—
Lead Management Analyst	1.00	1.00	1.00	1.00
Transportation Program Coordinator	2.00	1.00	1.00	2.00
Management Assistant	1.00	1.00	2.00	1.00
Senior Engineering Associate	1.00	1.00	1.00	—
Street Maintenance Supervisor	7.00	7.00	8.00	8.00
Business Analyst	1.00	1.00	1.00	1.00
Fleet Equipment Specialist	1.00	1.00	1.00	1.00
Safety Specialist	1.00	1.00	—	—
Electrical Supervisor	2.00	2.00	2.00	2.00
Electronics Technician Supervisor	1.00	1.00	1.00	1.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Streets and Traffic Maintenance/Graffiti Abatement (Continued)				
High Voltage Electrician Supervisor	1.00	2.00	—	—
Electrician	8.00	8.00	9.00	9.00
Electronic Technician	7.00	7.00	7.00	7.00
Engineering Associate	3.00	3.00	3.00	2.00
Lead Sign Fabricator	—	—	1.00	1.00
Cement Mason	4.00	4.00	4.00	4.00
Construction Inspector	1.00	1.00	—	—
Equipment Operation Specialist	6.00	6.00	6.00	6.00
Lead Traffic Control Technician	8.00	8.00	8.00	8.00
Office Supervisor	—	—	1.00	—
Street Maintenance Crew Leader	12.00	12.00	12.00	20.00
Streets Inspector and Compliance Specialist	6.00	6.00	4.00	4.00
Welder	1.00	1.00	1.00	1.00
Construction Maintenance Worker	6.00	6.00	6.00	6.00
Heavy Equipment Operator	31.00	31.00	31.00	31.00
Sign Painter	1.00	1.00	—	—
Sign Fabricator	—	—	1.00	1.00
Traffic Control Technician	6.00	6.00	6.00	6.00
Administrative Assistant	2.00	3.00	1.00	1.00
Customer Service Representative	5.00	5.00	5.00	4.00
Senior Account Clerk	2.00	1.00	—	—
Senior Storekeeper	1.00	1.00	1.00	1.00
Senior Street Maintenance Worker	—	7.00	7.00	1.00
Street Maintenance Worker I	13.00	7.00	12.00	12.00
Street Maintenance Worker II	—	—	3.00	3.00
Senior Trades Helper	3.00	3.00	2.00	2.00
Program Total	148.00	149.00	152.00	151.00
Traffic Engineering				
Transportation Administrator	1.00	1.00	1.00	1.00
Traffic Engineering Manager	1.00	1.00	1.00	1.00
Smart Mobility Program Manager	—	—	1.00	—
Engineering Project Manager	1.00	1.00	1.00	1.00
Community Services/Neighborhood	1.00	1.00	—	—
Information Technology Manager	1.00	1.00	—	1.00
Systems Engineer	1.00	1.00	1.00	1.00
Engineering Associate	1.00	1.00	1.00	1.00
Traffic Engineering Technician Supervisor	1.00	1.00	1.00	1.00
Geographic Information System Technician	1.00	1.00	1.00	1.00
Lead Traffic Control Technician	—	—	—	—
Senior Engineering Technician	1.00	1.00	1.00	—
Traffic Engineering Technician	4.00	4.00	4.00	4.00
Administrative Assistant	1.00	1.00	1.00	1.00
Program Total	15.00	15.00	14.00	13.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Transit Services				
Transportation Administrator	1.00	1.00	1.00	1.00
Transit Services Coordinator	2.00	2.00	2.00	2.00
Transportation Planner	—	—	—	1.00
Transportation Eligibility Specialist	1.00	1.00	1.00	1.00
Program Total	4.00	4.00	4.00	5.00
Department Total	296.00	287.00	291.00	294.00

TUCSON CITY GOLF¹

MISSION STATEMENT: To strive to provide municipal golfers with the best possible golf experience through the provision of well-maintained golf courses and outstanding customer service.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
CHARACTER OF EXPENDITURES				
Salaries and Benefits	\$ 51,708	\$ 52,390	\$ 52,390	\$ 47,600
Services	2,570,761	2,516,980	2,524,290	2,653,780
Supplies	1,743,594	1,695,240	1,702,230	1,770,900
Equipment	32,000	230,840	336,160	—
Debt Service	90,368	29,920	59,680	16,490
Contracted Labor	2,842,049	3,225,540	3,225,540	3,172,100
Department Total	\$ 7,330,480	\$ 7,750,910	\$ 7,900,290	\$ 7,660,870
FUNDING SOURCES				
Tucson Golf Enterprise Fund	\$ 7,330,480	\$ 7,750,910	\$ 7,900,290	\$ 7,660,870
Department Total	\$ 7,330,480	\$ 7,750,910	\$ 7,900,290	\$ 7,660,870

¹Tucson City Golf is managed by a contracting company.

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$7,660,870 reflects a decrease of \$90,040 from the Fiscal Year 2018/19 Adopted Budget.

Increase in miscellaneous costs	\$ 207,670
Decrease in debt service due to decrease in lease repayment	(13,430)
Decrease in contracted labor	(53,440)
Decrease in equipment	(230,840)
Total	\$ (90,040)

Trends

For the sixth consecutive year, the average rate collected per round of golf increased. This is a strong indication of customers' willingness to pay more for a round of golf. Rounds increased for the first time in three years, ending 2.8% better than the previous year.

Future Challenges and Opportunities

Tucson City Golf continues to chip away at deferred maintenance issues that continue to be a challenge. The aging infrastructure drives up operating costs. Randolph golf carts were converted from gas to electric which will save maintenance costs and improve the customer experience.

Program Budget Overview

Tucson City Golf operates five courses (Randolph North, Dell Urich, Silverbell, El Rio and Fred Enke) year round. Golf course operations are managed by OB Sports, which includes all maintenance, operations of the clubhouse, pro shops, and restaurants. OB Sports is focused on improving course and facility conditions and ensuring a great customer experience.

Recent Accomplishments

Tucson City Golf installed the infrastructure needed to convert the golf cart fleet at Randolph to electric carts. This will provide a better customer experience. Golf carts at all of the courses were replaced over the past year. Dell Urich golf course had significant tree work completed, removing dead trees and trimming up many others.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

EL RIO GOLF COURSE: This program area provides an 18-hole facility of modest length with historical reference having hosted Tucson Open many years ago and is a Tucson favorite. This program, presented by OB Sports Golf Management, represents the budget for course services, food and beverage, golf shop, course maintenance, and general and administrative departments.

Funding Sources

Tucson Golf Enterprise Fund	\$ 1,527,268	\$ 1,541,880	\$ 1,545,160	\$ 1,642,800
Program Total	\$ 1,527,268	\$ 1,541,880	\$ 1,545,160	\$ 1,642,800

Character of Expenditures

Salaries and Benefits	\$ 10,968	\$ 10,870	\$ 10,870	\$ 11,900
Services	594,191	589,610	591,490	631,130
Supplies	308,158	286,910	288,310	331,260
Equipment	6,400	—	—	—
Contracted Labor	607,551	654,490	654,490	668,510
Program Total	\$ 1,527,268	\$ 1,541,880	\$ 1,545,160	\$ 1,642,800

FRED ENKE GOLF COURSE: This program area provides an 18-hole facility in a very scenic desert lined golf course that is seen as one of the most challenging in the Tucson City Golf portfolio. This program, presented by OB Sports Golf Management, represents the budget for course services, food and beverage, golf shop, course maintenance, and general and administrative departments.

Funding Sources

Tucson Golf Enterprise Fund	\$ 1,422,310	\$ 1,498,350	\$ 1,500,340	\$ 1,508,620
Program Total	\$ 1,422,310	\$ 1,498,350	\$ 1,500,340	\$ 1,508,620

Character of Expenditures

Salaries and Benefits	\$ 10,968	\$ 10,870	\$ 10,870	\$ 11,900
Services	604,739	603,850	604,440	604,780
Supplies	295,388	314,610	316,010	329,070
Equipment	6,400	—	—	—
Contracted Labor	504,815	569,020	569,020	562,870
Program Total	\$ 1,422,310	\$ 1,498,350	\$ 1,500,340	\$ 1,508,620

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

RANDOLPH GOLF COURSE: This program area provides Randolph/Dell Urich Golf Course as a 36-hole facility, which is the premier course within the Tucson City Golf portfolio. Randolph has hosted the PGA Tour Tucson Open, Senior Open and LPGA Tour events and has been home course of the University of Arizona Golf programs. This program, presented by OB Sports Golf Management, represents the budget for course services, food and beverage, golf shop, course maintenance, general and administrative departments, and includes the costs associated with capital leases for maintenance equipment.

Funding Sources

Tucson Golf Enterprise Fund	\$ 3,217,538	\$ 3,389,170	\$ 3,486,930	\$ 3,203,240
Program Total	\$ 3,217,538	\$ 3,389,170	\$ 3,486,930	\$ 3,203,240

Character of Expenditures

Salaries and Benefits	\$ 18,803	\$ 19,780	\$ 19,780	\$ 11,900
Services	1,048,209	969,560	974,250	1,054,790
Supplies	813,691	763,370	766,160	782,740
Equipment	12,800	230,840	291,360	—
Debt Service	90,368	29,920	59,680	16,490
Contracted Labor	1,233,667	1,375,700	1,375,700	1,337,320
Program Total	\$ 3,217,538	\$ 3,389,170	\$ 3,486,930	\$ 3,203,240

SILVERBELL GOLF COURSE: This program area provides an 18-hole facility in a very popular layout that is viewed as playable, yet challenging with contiguous turf from tee to green in most cases. This program, presented by OB Sports Golf Management, represents the budget for course services, food and beverage, golf shop, course maintenance, and general and administrative departments.

Funding Sources

Tucson Golf Enterprise Fund	\$ 1,163,364	\$ 1,321,510	\$ 1,367,860	\$ 1,306,210
Program Total	\$ 1,163,364	\$ 1,321,510	\$ 1,367,860	\$ 1,306,210

Character of Expenditures

Salaries and Benefits	\$ 10,969	\$ 10,870	\$ 10,870	\$ 11,900
Services	323,622	353,960	354,110	363,080
Supplies	326,357	330,350	331,750	327,830
Equipment	6,400	—	44,800	—
Contracted Labor	496,016	626,330	626,330	603,400
Program Total	\$ 1,163,364	\$ 1,321,510	\$ 1,367,860	\$ 1,306,210

TUCSON CONVENTION CENTER¹

MISSION STATEMENT: To embody the hospitality of Tucson and to contribute to its economic vitality via a strong commitment to customer service and an appreciation for the community's cultural diversity, thereby providing quality convention, meeting, and entertainment facilities and services to both local residents and out of town guests.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
EXPENDITURES				
Salaries and Benefits	\$ 51,708	\$ 52,420	\$ 52,430	\$ 50,260
Services	4,423,485	4,373,220	4,744,620	4,392,430
Supplies	1,684,304	1,406,220	1,415,020	1,604,310
Equipment	182,333	427,630	427,630	427,630
Contracted Labor	4,155,045	4,184,200	4,184,200	4,681,290
Department Total	\$ 10,496,875	\$ 10,443,690	\$ 10,823,900	\$ 11,155,920
FUNDING SOURCES				
Civic Contributions	\$ 30	\$ 30,000	\$ —	\$ —
Tucson Convention Center Fund	10,496,845	10,413,690	10,823,900	11,155,920
Department Total	\$ 10,496,875	\$ 10,443,690	\$ 10,823,900	\$ 11,155,920

¹ Tucson Convention Center is managed by a contracting company.

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$11,155,920 reflects an increase of \$712,230 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in contract labor	\$ 497,090
Increase in supplies	198,090
Increase in professional and regulatory services	19,210
Decrease in City personnel costs	(2,160)
Total	\$ 712,230

Trends

The number of events continues to increase, namely concerts and entertainment, mostly in the Music Hall. Banquet events have also seen significant growth. Non-profit business continues to be a major component of the programming.

Future Challenges and Opportunities

Available dates in all venues will be a challenge especially during the high season, October through March. Association and convention business will increase with the addition of available hotel rooms; however, those events book several years out. The increase in the minimum wage has increased wages and salaries.

Program Budget Overview

The Tucson Convention Center is managed by SMG on behalf of the city. The budget is for operating the Leo Rich Theater, Music Hall, the arena, exhibit halls, Eckbo Plaza, parking areas and convention center spaces. This includes all administration, maintenance and operations, event management, ticketing, parking and security.

Recent Accomplishments

Fiscal Year 2018/19 has been the busiest year to date since SMG assumed management with over 350 contracted events and more than 750 event days for the year. Improvements continue to be made to the TCC in esthetics, infrastructure, furniture, fixtures and equipment, including the Ekbo Plaza.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area plans, coordinates, and provides analytical fiscal support; maintains accurate accounting systems; and financially administers event support services. Manages all parking functions for multiple events and venues and is responsible for cash handling of all parking fee collections. Provides quality promoter and guest experience by managing all ticketing functions including responsibility for the ticketing fund handling.

Funding Sources

Tucson Convention Center Fund	\$ 2,381,089	\$ 4,005,140	\$ 4,009,800	\$ 4,231,460
Program Total	\$ 2,381,089	\$ 4,005,140	\$ 4,009,800	\$ 4,231,460

Character of Expenditures

Salaries and Benefits	\$ 51,708	\$ 52,420	\$ 52,430	\$ 50,260
Services	833,417	2,461,920	2,466,510	2,604,710
Supplies	357,355	54,210	54,270	66,230
Equipment	182,333	427,630	427,630	427,630
Contracted Labor	956,276	1,008,960	1,008,960	1,082,630
Program Total	\$ 2,381,089	\$ 4,005,140	\$ 4,009,800	\$ 4,231,460

EVENTS and HOSPITALITY: This program area provides event management and coordinates all events to include service provider contracts and ensure a quality guest experience. Staff conducts site visits, tours, and works collaboratively with Visit Tucson to attract a wide variety of local and national revenue-generating events.

Funding Sources

Tucson Convention Center Fund	\$ 3,759,787	\$ 3,681,830	\$ 3,685,230	\$ 3,989,440
Program Total	\$ 3,759,787	\$ 3,681,830	\$ 3,685,230	\$ 3,989,440

Character of Expenditures

Services	\$ 1,229,214	\$ 1,156,600	\$ 1,160,000	\$ 1,052,420
Supplies	1,023,761	1,144,010	1,144,010	1,313,080
Contracted Labor	1,506,812	1,381,220	1,381,220	1,623,940
Program Total	\$ 3,759,787	\$ 3,681,830	\$ 3,685,230	\$ 3,989,440

OPERATIONS: This program area provides event set-up and maintenance for all events, including responsibility for ice set-ups and all building maintenance. The area also supports events requiring staging and theatrical services and oversees all arena and music hall rigging, concert set-ups, and telephone and internet services for all events.

Funding Sources

Civic Contributions	\$ 30	\$ 30,000	\$ —	\$ —
Tucson Convention Center Fund	4,355,969	2,726,720	3,128,870	2,935,020
Program Total	\$ 4,355,999	\$ 2,756,720	\$ 3,128,870	\$ 2,935,020

Character of Expenditures

Services	\$ 2,360,854	\$ 754,700	\$ 1,118,110	\$ 735,300
Supplies	303,188	208,000	216,740	225,000
Contracted Labor	1,691,957	1,794,020	1,794,020	1,974,720
Program Total	\$ 4,355,999	\$ 2,756,720	\$ 3,128,870	\$ 2,935,020

TUCSON FIRE

MISSION STATEMENT: To protect the lives and property of the citizens of the City of Tucson from natural and man-made hazards and acute medical emergencies through prevention, education, and active intervention.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	685.50	685.50	681.00	698.00
EXPENDITURES				
Salaries and Benefits	\$ 100,709,356	\$ 91,180,290	\$ 91,408,100	\$ 95,937,030
Services	2,449,875	2,580,480	2,790,190	2,903,700
Supplies	3,138,273	3,336,600	3,189,020	3,516,730
Equipment	2,260,692	179,530	19,650	222,550
Department Total	\$ 108,558,196	\$ 97,276,900	\$ 97,406,960	\$ 102,580,010
Capital Improvement Program	4,923,839	22,564,700	22,564,700	12,585,400
Total Department	\$ 113,482,035	\$ 119,841,600	\$ 119,971,660	\$ 115,165,410
FUNDING SOURCES				
General Fund	\$ 105,447,533	\$ 95,780,520	\$ 96,871,870	\$ 101,136,290
Civic Contributions Fund	14,013	48,470	15,100	48,470
Internal Service Fund: Self Insurance	302,423	292,480	257,420	301,540
Non-Federal Grants	—	5,530	—	5,530
Other Federal Grants	2,794,227	1,149,900	262,570	1,088,180
Department Total	\$ 108,558,196	\$ 97,276,900	\$ 97,406,960	\$ 102,580,010
Capital Improvement Program	4,923,839	22,564,700	22,564,700	12,585,400
Total Department	\$ 113,482,035	\$ 119,841,600	\$ 119,971,660	\$ 115,165,410

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$102,580,010 reflects an increase of \$5,303,110 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs.	\$ 3,557,060
Increase in recruiting classes.	1,000,000
Increase in departmental restructure and innovation programs.	772,570
Increase for turnout gear cleaning.	42,000
Decrease in miscellaneous costs.	(68,520)
Total	\$ 5,303,110

Trends

Emergency medical response makes up 90% of our total call volume; however, our department continues to experience a high volume of fire, specialty rescue, and hazardous material response. In addition, firefighters are experiencing an increase in violent interactions with members of the public. This has forced changes in our dispatching protocols, reliance on police, and need for increased self-defense training for firefighters.

Future Challenges and Opportunities

Resource Demands- the increasing demand for emergency and non-emergency resources has put strain on our system. The department is exploring alternative service delivery models as well as call reductions programs. Both of these efforts are critical in our ability to maintain a high quality service to the community.

Fleet - The successful passing of Prop 101 and the progress of Tucson Delivers is providing well needed relief to the capital needs. The department ordered 18 non-specialized and 8 specialized vehicles for year 1 of 5 of the sales tax increases. With the extended lead time on the 8-specialized vehicles, the department will continue to experience the maintenance challenges of our older fleet. As the newer vehicles began arriving at the end of 2018 and continue to arrive each year of the program. The fleet vehicles outlined in Tucson Delivers will satisfy our fleet needs as they are known to us today. As a City, we need to begin to plan for fleet replacement after the Tucson Delivery funding

Emergency Medical Services – The majority of emergency calls are medical in nature. Advanced Life Support (Paramedic) has become the standard of care for our first responders. The department was able to train 25 paramedics in FY18/19 but needs to train new paramedics each year. As part of our call reduction program, the department is initiating programs where some 911 callers with social service needs are able to be redirected to social service agency. This will help reduce unnecessary emergency response calls improving response capability for critical medical calls. In addition to the efforts listed above, the department is augmenting emergency medical service (EMS) response by adding a tier of civilian EMS responders to the resource pool. This hybrid system of commissioned and civilian EMS responders is intended to enhance service delivery to the community.

Community Risk Reduction - This is a risk management process adopted by the fire service to eliminate risks present in the community. The Community Risk Reduction process involves the identification and prioritization of community risks related to the fire service, followed by the development of programs, resources and projects designed to eliminate and mitigate their impact.

Program Budget Overview

The department's general fund personnel budget is over 90% of the total department budget. The remaining 10% is used to support the purchase of all firefighting, medical, and safety equipment as well as all computer and office products and supplies.

Recent Accomplishments

In 2018, the department initiated several new projects and programs including: completed a Community Driven Strategic Plan, a public/private sector partnerships to help support the Tucson Collaborative Community Care (TC3) program, developed a Dynamic Service Delivery program as well as a call reduction program, and launched a redesigned leadership development program for all supervisors. In addition to these new programs, the department is preparing to enter into the first automatic aid emergency response agreement with regional partners.

OPERATING PROGRAMS

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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ADMINISTRATION: This program area provides direction and policy to ensure the prevention and extinguishment of fires, and the provision of emergency medical services, environmental protection, and code enforcement to the community. It responsibly administers all fiscal operations and personnel policies, procedures and actions, and carries out the administrative functions and requirements of the Public Safety Pension Retirement System.

Funding Sources

General Fund	\$ 2,027,694	\$ 2,756,320	\$ 1,766,760	\$ 2,169,310
Program Total	\$ 2,027,694	\$ 2,756,320	\$ 1,766,760	\$ 2,169,310

Character of Expenditures

Salaries and Benefits	\$ 1,890,394	\$ 2,642,530	\$ 1,656,130	\$ 2,051,880
Services	101,471	87,950	97,350	91,590
Supplies	35,829	25,840	13,280	25,840
Program Total	\$ 2,027,694	\$ 2,756,320	\$ 1,766,760	\$ 2,169,310

ADVANCED LIFE SUPPORT: This program area is responsible for the department's Advanced Life Support (ALS) services response and Emergency Medical Service (EMS) administration. EMS administration includes the creation and monitoring of service contracts; the development of equipment specifications, scope of practices, and standards of care; and the resolution of customer and quality assurance, liability, and liaison issues related to pre-hospital medical care. This program is partially funded through an in-house billing cost recovery for ALS ambulance services.

Funding Sources

General Fund	\$ 24,598,125	\$ 26,885,360	\$ 27,326,550	\$ 27,582,310
Program Total	\$ 24,598,125	\$ 26,885,360	\$ 27,326,550	\$ 27,582,310

Character of Expenditures

Salaries and Benefits	\$ 22,712,608	\$ 25,108,360	\$ 25,357,980	\$ 25,759,870
Services	779,287	812,440	925,730	857,880
Supplies	1,106,230	964,560	1,042,840	964,560
Program Total	\$ 24,598,125	\$ 26,885,360	\$ 27,326,550	\$ 27,582,310

EMERGENCY MANAGEMENT: This program area provides citywide disaster management; homeland security protection; and regional, state, and federal all-hazard coordination. Other functions include special operations training, education, regional response, and mass casualty preparedness.

Funding Sources

General Fund	\$ 871,845	\$ 617,290	\$ 382,160	\$ 455,520
Non-Federal Grants	—	5,530	—	5,530
Other Federal Grants	1,950,758	1,119,900	260,600	1,088,180
Program Total	\$ 2,822,603	\$ 1,742,720	\$ 642,760	\$ 1,549,230

Character of Expenditures

Salaries and Benefits	\$ 2,342,265	\$ 1,299,380	\$ 359,680	\$ 824,590
Services	335,402	67,760	182,160	214,850
Supplies	144,936	250,050	81,270	341,240
Equipment	—	125,530	19,650	168,550
Program Total	\$ 2,822,603	\$ 1,742,720	\$ 642,760	\$ 1,549,230

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
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EMERGENCY VEHICLE MANAGEMENT: This program area maintains all front-line emergency response vehicles and safety equipment.

Funding Sources

General Fund	\$ 2,875,002	\$ 2,858,480	\$ 3,046,920	\$ 3,117,930
Program Total	\$ 2,875,002	\$ 2,858,480	\$ 3,046,920	\$ 3,117,930

Character of Expenditures

Salaries and Benefits	\$ 1,597,873	\$ 1,496,570	\$ 1,650,850	\$ 1,752,240
Services	203,172	296,420	282,920	300,200
Supplies	1,073,957	1,065,490	1,113,150	1,065,490
Program Total	\$ 2,875,002	\$ 2,858,480	\$ 3,046,920	\$ 3,117,930

FIRE LOGISTICS: This program area administers all the procurement functions, processes payment of invoices, distributes supplies and equipment to all stations, and coordinates facility repairs and improvements.

Funding Sources

General Fund	\$ 3,922,761	\$ 1,957,420	\$ 1,665,840	\$ 1,744,160
Program Total	\$ 3,922,761	\$ 1,957,420	\$ 1,665,840	\$ 1,744,160

Character of Expenditures

Salaries and Benefits	\$ 703,972	\$ 777,200	\$ 625,830	\$ 523,050
Services	319,250	368,830	363,480	367,720
Supplies	638,847	757,390	676,530	799,390
Equipment	2,260,692	54,000	—	54,000
Program Total	\$ 3,922,761	\$ 1,957,420	\$ 1,665,840	\$ 1,744,160

FIRE PREVENTION and LIFE SAFETY: This program area promotes public safety by administering fire codes and standards, conducting regular building and facility inspections of commercial buildings, schools, vacant and neglected structures, group homes, and landfills; and enforcing compliance of code violations. They also respond to citizen complaints and conduct specialty inspections of tents, fireworks displays, open burn permits, and the self-inspection program. In accordance with International Fire Code, this program investigates the cause and origin of all fires reported within City jurisdiction. This program proactively engages in fire prevention and life safety by educating fire fighters and the community with instructional support, materials, and education programs focused on reducing the incidence of injury and death; and provides accurate and timely information to the news media and the community on events and services provided.

Funding Sources

General Fund	\$ 4,140,449	\$ 4,742,930	\$ 4,546,140	\$ 4,833,270
Civic Contribution Fund	14,013	48,470	15,100	48,470
Program Total	\$ 4,154,462	\$ 4,791,400	\$ 4,561,240	\$ 4,881,740

Character of Expenditures

Salaries and Benefits	\$ 4,046,462	\$ 4,633,930	\$ 4,428,690	\$ 4,715,480
Services	71,541	104,690	92,950	113,480
Supplies	36,459	52,780	39,600	52,780
Program Total	\$ 4,154,462	\$ 4,791,400	\$ 4,561,240	\$ 4,881,740

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

FIRE SUPPRESSION and EMERGENCY MEDICAL SERVICES: This program area provides all-hazard risk protection and timely response to the Tucson community using contemporary, efficient, and compliant emergency response service, including a highly-trained force of professional and dedicated emergency fire and rescue personnel. It focuses on continuously improving customer service, internal processes, and technologies.

Funding Sources

General Fund	\$ 65,571,797	\$ 53,458,150	\$ 55,885,960	\$ 58,536,360
Other Federal Grants	843,469	30,000	1,970	—
Program Total	\$ 66,415,266	\$ 53,488,150	\$ 55,887,930	\$ 58,536,360

Character of Expenditures

Salaries and Benefits	\$ 65,947,730	\$ 52,896,180	\$ 55,229,220	\$ 57,811,110
Services	466,476	584,650	649,950	694,320
Supplies	1,060	7,320	8,760	30,930
Program Total	\$ 66,415,266	\$ 53,488,150	\$ 55,887,930	\$ 58,536,360

FIRE TRAINING: This program area ensures well-trained, highly-qualified fire fighters are available to provide emergency service to the Tucson community through comprehensive professional training programs and career enhancement opportunities.

Funding Sources

General Fund	\$ 1,439,276	\$ 2,504,570	\$ 2,251,540	\$ 2,697,430
Program Total	\$ 1,439,276	\$ 2,504,570	\$ 2,251,540	\$ 2,697,430

Character of Expenditures

Salaries and Benefits	\$ 1,216,579	\$ 2,102,920	\$ 1,887,060	\$ 2,262,500
Services	143,343	211,710	165,190	221,390
Supplies	79,354	189,940	199,290	213,540
Program Total	\$ 1,439,276	\$ 2,504,570	\$ 2,251,540	\$ 2,697,430

HAZARDOUS WASTE DISPOSAL PROGRAM: This program area ensures that City generated hazardous waste is properly collected, packaged, and disposed of per local, state, and federal laws.

Funding Sources

Internal Service Fund: Self Insurance Fund	\$ 303,007	\$ 292,480	\$ 257,420	\$ 301,540
Program Total	\$ 303,007	\$ 292,480	\$ 257,420	\$ 301,540

Character of Expenditures

Salaries and Benefits	\$ 251,473	\$ 223,220	\$ 212,660	\$ 236,310
Services	29,933	46,030	30,460	42,270
Supplies	21,601	23,230	14,300	22,960
Program Total	\$ 303,007	\$ 292,480	\$ 257,420	\$ 301,540

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Administration				
Fire Chief	1.00	1.00	1.00	1.00
Fire Battalion Chief: Assistant Fire Chief	3.00	3.00	3.00	3.00
Fire Battalion Chief Assignment: Deputy	—	—	1.00	1.00
Fire Battalion Chief	—	1.00	—	—
Fire Captain: Eight Hour	—	—	1.00	1.00
Department Finance Manager	1.00	1.00	—	—
Department Human Resources Manager	1.00	—	—	—
Management Assistant	2.00	1.00	—	—
Public Information Officer	—	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00
Administrative Assistant	3.50	2.50	3.00	3.00
Customer Service Representative	1.00	1.00	1.00	1.00
Senior Account Clerk	2.00	—	—	—
Program Total	16.50	13.50	13.00	13.00
Advanced Life Support				
Fire Battalion Chief: Assistant Fire Chief	1.00	—	—	—
Fire Battalion Chief Assignment: Deputy	—	1.00	1.00	1.00
Fire Captain: Eight Hour	1.00	1.00	2.00	2.00
Fire Captain	12.00	12.00	12.00	12.00
Paramedic: Haz Mat/Technical Rescue	12.00	12.00	12.00	12.00
Paramedic	143.00	143.00	143.00	143.00
GIS Data Analyst	1.00	1.00	1.00	1.00
Management Assistant	1.00	1.00	1.00	1.00
Communications Coordinator	—	1.00	1.00	1.00
EMS Administrator	—	—	—	1.00
EMS Manager	—	—	—	1.00
Emergency Medical Technician Civilian	—	—	—	7.00
Paramedic Civilian	—	—	—	7.00
Lead Ambulance Billing Specialist	—	—	—	2.00
Lead Cost Recovery Clerk	2.00	2.00	2.00	—
Ambulance Billing Specialist	—	—	—	4.00
Cost Recovery Clerk	5.00	5.00	4.00	—
Program Total	178.00	179.00	179.00	195.00
Emergency Management				
Fire Battalion Chief Assignment: Deputy Chief	1.00	1.00	1.00	1.00
Fire Captain: Eight Hour	2.00	1.00	—	—
Emergency Management Coordinator	1.00	1.00	1.00	—
Emergency Management Manager	—	—	—	1.00
Program Total	4.00	3.00	2.00	2.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Emergency Vehicle Management				
Equipment Vehicle Fleet Superintendent	1.00	1.00	1.00	1.00
Emergency Vehicle Technician Supervisor	1.00	1.00	1.00	1.00
Emergency Vehicle Technician	7.00	7.00	8.00	8.00
Certified Fire Equipment Specialist	2.00	2.00	2.00	2.00
Automotive Parts Specialist	2.00	2.00	2.00	2.00
Senior Fleet Service Technician	1.00	1.00	1.00	1.00
Program Total	14.00	14.00	15.00	15.00
Fire Logistics				
Fire Battalion Chief Assignment: Deputy	1.00	1.00	1.00	1.00
Fire Captain: Eight Hour	2.00	2.00	1.00	1.00
Logistics Manager	—	—	—	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Senior Storekeeper	2.00	2.00	—	—
Program Total	6.00	6.00	3.00	4.00
Fire Prevention and Life Safety				
Fire Battalion Chief Assignment: Deputy	1.00	1.00	1.00	1.00
Fire Captain: Eight Hour	4.00	2.00	2.00	2.00
Fire Prevention Inspector Assignment: Fire Investigator	6.00	6.00	6.00	6.00
Fire Prevention Inspector: Haz Mat	3.00	3.00	3.00	3.00
Fire Prevention Inspector	13.00	13.00	13.00	13.00
Fire Code Administrator	1.00	1.00	1.00	1.00
Building Inspection Manager	1.00	1.00	—	—
Fire Protection Plans Examiner	1.00	1.00	1.00	1.00
Public Safety Education Specialist	3.00	3.00	3.00	2.00
Community Risk Reduction Manager	—	—	—	1.00
Building Inspection	4.00	4.00	—	—
Code Inspector	—	—	4.00	4.00
Administrative Assistant	1.00	1.00	1.00	1.00
Customer Service Clerk	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00
Program Total	40.00	38.00	37.00	37.00
Fire Suppression and Emergency Medical Services				
Fire Battalion Chief Assignment: Deputy Chief	1.00	2.00	3.00	3.00
Fire Battalion Chief	12.00	11.00	11.00	11.00
Fire Captain: Eight Hour	—	3.00	3.00	3.00
Fire Captain: Haz Mat/Technical Rescue	15.00	15.00	15.00	15.00
Fire Captain	86.00	86.00	87.00	87.00
Fire Engineer: Haz Mat/Technical Rescue	94.00	94.00	94.00	94.00
Fire Engineer	21.00	21.00	21.00	21.00
Fire Fighter: Haz Mat/Technical Rescue	45.00	45.00	46.00	46.00
Fire Fighter	143.00	144.00	141.00	141.00
Administrative Assistant	—	1.00	1.00	1.00
Program Total	417.00	422.00	422.00	422.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Fire Training				
Fire Battalion Chief Assignment: Deputy Chief	1.00	1.00	1.00	1.00
Fire Captain Assignment: Eight Hour	4.00	4.00	4.00	4.00
Fire Training Coordinator	1.00	1.00	1.00	1.00
Lead Housing Technician	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Program Total	8.00	8.00	8.00	8.00
Hazardous Waste Disposal Program				
Fire Captain: Eight Hour	1.00	1.00	1.00	1.00
Fire Prevention Inspector: Haz Mat	1.00	1.00	1.00	1.00
Program Total	2.00	2.00	2.00	2.00
Department Total	685.50	685.50	681.00	698.00

TUCSON POLICE

MISSION STATEMENT: To serve the public in partnership with our community, to protect life and property, prevent crime, and resolve problems.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	1,108.00	1,108.00	1,119.50	1,149.50
EXPENDITURES				
Salaries and Benefits	\$ 159,068,945	\$ 153,442,420	\$ 152,603,250	\$ 159,820,020
Services	9,466,635	12,400,420	11,541,880	11,356,430
Supplies	3,308,343	4,302,860	4,719,930	8,026,690
Equipment	1,227,656	790,980	966,920	1,726,890
Department Total	\$ 173,071,579	\$ 170,936,680	\$ 169,831,980	\$ 180,930,030
Capital Improvement Program	6,740,007	12,082,800	11,932,800	12,344,400
Total Department	\$ 179,811,586	\$ 183,019,480	\$ 181,764,780	\$ 193,274,430
FUNDING SOURCES				
General Fund	\$ 165,408,301	\$ 155,506,490	\$ 154,401,790	\$ 164,080,030
Civic Contribution Fund	2,359	15,000	15,000	7,830
Non-Federal Grants Fund	1,541,345	3,471,110	3,471,110	1,976,270
Other Federal Grants Fund	6,119,574	11,944,080	11,944,080	14,865,900
Department Total	\$ 173,071,579	\$ 170,936,680	\$ 169,831,980	\$ 180,930,030
Capital Improvement Program	6,740,007	12,082,800	11,932,800	12,344,400
Total Department	\$ 179,811,586	\$ 183,019,480	\$ 181,764,780	\$ 193,274,430

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$180,930,030 reflects an increase of \$9,993,350 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in staffing for 20 police officers, 20 community service officers and 5 grant funded positions	3,960,990
Increase in other personnel costs	2,416,610
Increase in new federal grant funding for NIBRS and DNA Laboratory	2,921,820
Increase in miscellaneous expenses	462,230
Increase for body worn camera storage fees	231,700
Total	\$ 9,993,350

Trends

The Tucson Police Department remains committed to staying at the forefront of progressive policing and innovative service delivery to the Tucson community. Increasing department use of technology and data analytics allows the department to take a smarter, more efficient, more precise, and a more strategic approach to providing public safety. The most critical aspect of this increased focus on technology centers around the implementation of Compstat360. As the name implies, this initiative involves a 360 degree approach to addressing crime trends and collisions, assessing community sentiment, and monitoring employee wellness. In addition to Compstat 360, the department intends to further enhance the agency's ability to effectively respond to community needs through the continued recruitment and hiring of high quality and diverse applicants for sworn and professional staff positions.

Future Challenges and Opportunities

The Tucson Police Department and the the Public Safety Communications Department continue to work toward the implementation of Criteria Based Dispatching (CBD). One of the key goals of this program involves improving information collection at the initial point of call intake in order to better triage service needs, reduce call for service wait times, and ensure the right resources are brought to bear. Put simply, the CBD program offers the opportunity for innovation on an industry leading scale. Another upcoming challenge involves federal reporting. By January 1, 2021, the Tucson Police Department must be in compliance with the Federal Bureau of Investigations (FBI) National Incident Based Reporting System (NIBRS), a replacement for Uniform Crime Reporting (UCR). In order to meet compliance regulations and the implementation time-line, the department will need to replace our aging Records Management System (RMS).

Program Budget Overview

The Tucson Police Department will continue to explore new opportunities for collaboration, strengthen interdepartmental connections, and build economies of scale across City departments--an effort aimed at enhancing service delivery to the Tucson community. In addition, the department intends to maintain its longstanding practice of actively researching and applying for federal, state, local, and private funding opportunities that fit within the mission and goals of the department and the City.

Recent Accomplishments

In a first of its kind cross-department pilot project, the Tucson Police Department and Parks and Recreation Department launched the the Park Safety Program in May, 2019. This unique program, consisting of 10 specially trained Community Service Officers, breaks down silos between the departments and marshals the resources and expertise of the two organization in a manner never done before. We believe the program will provide a feeling of safety and security for community members using the parks and create a sense of ownership and collaboration for the neighborhoods surrounding our parks. On another front, the department continues to take innovative approaches to reducing incarceration levels. Approaches such as deflection to treatment, rather than booking into jail, for specific low level misdemeanor offenses have reduced and will continue to reduce Pima County Jail inmate populations.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

OFFICE of the CHIEF of POLICE: This program area directs policy, oversees the professionalism of department members, and coordinates the efforts of the department. This program also includes Internal Affairs, Finance, Human Resources, and Special Events.

Funding Sources

General Fund	\$ 7,819,259	\$ 7,380,630	\$ 7,635,920	\$ 9,210,420
Program Total	7,819,259	7,380,630	7,635,920	9,210,420

Character of Expenditures

Salaries and Benefits	\$ 7,251,708	\$ 6,851,350	\$ 7,149,160	\$ 8,599,540
Services	517,675	469,490	408,070	551,530
Supplies	49,876	59,790	78,690	59,350
Program Total	7,819,259	7,380,630	7,635,920	9,210,420

ADMINISTRATIVE SERVICES: This program area provides services necessary to ensure sustainable and proactive operations as directed by the Chief of Police. This support also includes Capital and Records.

Funding Sources

General Fund	\$ 3,251,589	\$ 3,839,130	\$ 3,316,350	\$ 3,794,450
Program Total	\$ 3,251,589	\$ 3,839,130	\$ 3,316,350	\$ 3,794,450

Character of Expenditures

Salaries and Benefits	\$ 3,215,864	\$ 3,724,860	\$ 3,291,550	\$ 3,733,730
Services	30,964	111,010	16,970	57,460
Supplies	4,761	3,260	7,830	3,260
Program Total	\$ 3,251,589	\$ 3,839,130	\$ 3,316,350	\$ 3,794,450

EMERGENCY MANAGEMENT: This program area plans, coordinates, and integrates activities necessary to build, sustain, and improve the City's capability to mitigate against, prepare for, respond to, and recover from threats, natural or man-made disasters, and acts of terrorism; to promote a safer, less vulnerable community with the capacity to cope with all hazards. Homeland Security Section protects communities by identifying, preparing for, and mitigating potential threats to critical infrastructure within the City, and by coordinating with regional partners to reduce vulnerability.

Funding Sources

General Fund	\$ 473,895	\$ 518,320	\$ 717,550	\$ 1,002,890
Program Total	\$ 473,895	\$ 518,320	\$ 717,550	\$ 1,002,890

Character of Expenditures

Salaries and Benefits	\$ 470,094	\$ 510,660	\$ 713,240	\$ 992,600
Services	3,441	6,160	3,070	8,790
Supplies	360	1,500	1,240	1,500
Program Total	\$ 473,895	\$ 518,320	\$ 717,550	\$ 1,002,890

TUCSON POLICE

Actual	Adopted	Estimated	Adopted
FY 17/18	FY 18/19	FY 18/19	FY 19/20

FORFEITURE: This program area effectively applies funding associated with the Racketeer Influenced and Corrupt Organizations (RICO) Act and Arizona forfeiture laws, enhancing operational objectives as determined by the Chief of Police.

Funding Sources

General Fund	\$ 1,368,228	\$ 1,714,740	\$ 1,285,680	\$ 1,972,990
Program Total	\$ 1,368,228	\$ 1,714,740	\$ 1,285,680	\$ 1,972,990

Character of Expenditures

Salaries and Benefits	\$ 832,102	\$ 499,650	\$ 279,940	\$ 703,820
Services	48,974	513,290	431,290	486,780
Supplies	437,246	646,800	382,560	727,390
Equipment	49,906	55,000	191,890	55,000
Program Total	\$ 1,368,228	\$ 1,714,740	\$ 1,285,680	\$ 1,972,990

GRANTS: This program area provides administrative and financial oversight and capacity for grant funding allocated to the Tucson Police Department in order to enhance operational objectives outlined by the Chief of Police.

Funding Sources

General Fund	\$ 1,751,465	\$ 715,080	\$ 688,290	\$ 733,280
Civic Contribution Fund	2,359	15,000	15,000	7,830
Non-Federal Grants Fund	1,541,345	3,467,910	3,471,110	1,976,270
Other Federal Grants Fund	6,119,573	11,944,080	11,944,080	14,107,250
Program Total	\$ 9,414,742	\$ 16,142,070	\$ 16,118,480	\$ 16,824,630

Character of Expenditures

Salaries and Benefits	\$ 3,625,867	\$ 7,615,230	\$ 7,630,380	\$ 6,093,940
Services	5,161,406	7,079,400	6,620,550	5,344,300
Supplies	378,557	786,560	1,291,050	3,884,100
Equipment	248,912	660,880	576,500	1,502,290
Program Total	\$ 9,414,742	\$ 16,142,070	\$ 16,118,480	\$ 16,824,630

IMPOUNDS: This program is established based on enforcement of Arizona Revised State Statute 28-3511, for the removal and immobilization or impoundment of vehicles. It provides procedures for tracking operational requirements and funding based partially on associated restricted revenues generated from impound fee receipts.

Funding Sources

General Fund	\$ 737,905	\$ 819,690	\$ 780,830	\$ 621,650
Program Total	\$ 737,905	\$ 819,690	\$ 780,830	\$ 621,650

Character of Expenditures

Salaries and Benefits	\$ 705,582	\$ 690,820	\$ 749,000	\$ 566,770
Services	30,411	102,870	30,960	39,880
Supplies	1,912	26,000	870	15,000
Program Total	\$ 737,905	\$ 819,690	\$ 780,830	\$ 621,650

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

INVESTIGATIVE SERVICES: This program area conducts professional and exemplary criminal investigations by striving to set the highest standards in investigative, forensic, and evidentiary procedures. This area includes the Crime Lab Assessment fund.

Funding Sources

General Fund	\$ 29,388,346	\$ 29,586,560	\$ 31,305,840	\$ 36,470,450
Other Federal Grants Fund	—	—	—	758,650
Program Total	\$ 29,388,346	\$ 29,586,560	\$ 31,305,840	\$ 37,229,100

Character of Expenditures

Salaries and Benefits	\$ 28,130,515	\$ 28,207,290	\$ 29,903,930	\$ 35,165,820
Services	717,054	718,050	767,520	841,540
Supplies	534,456	654,890	517,060	1,215,410
Equipment	6,321	6,330	117,330	6,330
Program Total	\$ 29,388,346	\$ 29,586,560	\$ 31,305,840	\$ 37,229,100

LOGISTICS: This program area is responsible for coordination of all facilities management within the Tucson Police Department and other logistical needs associated with Department operations. This support includes Fleet Management and Data Services.

Funding Sources

General Fund	\$ 6,706,153	\$ 4,770,740	\$ 4,665,430	\$ 4,748,530
Program Total	\$ 6,706,153	\$ 4,770,740	\$ 4,665,430	\$ 4,748,530

Character of Expenditures

Salaries and Benefits	\$ 2,776,894	\$ 2,145,350	\$ 1,842,620	\$ 1,825,900
Services	2,018,991	1,813,600	1,847,160	2,145,840
Supplies	1,039,801	768,520	970,070	733,520
Equipment	870,467	43,270	5,580	43,270
Program Total	\$ 6,706,153	\$ 4,770,740	\$ 4,665,430	\$ 4,748,530

PATROL: This program area responds to calls for service, investigates crimes, and provides for the safe flow of traffic. This includes maintaining strong relationships with neighborhood and business associations, as well as furthering partnerships in an effort to protect life, property, prevent crime, and resolve problems.

Funding Sources

General Fund	\$ 96,603,474	\$ 88,156,520	\$ 86,290,690	\$ 87,097,210
Program Total	\$ 96,603,474	\$ 88,156,520	\$ 86,290,690	\$ 87,097,210

Character of Expenditures

Salaries and Benefits	\$ 96,343,797	\$ 87,438,860	\$ 85,808,140	\$ 86,290,580
Services	256,024	691,180	480,990	792,600
Supplies	3,653	26,480	1,560	14,030
Program Total	\$ 96,603,474	\$ 88,156,520	\$ 86,290,690	\$ 87,097,210

TUCSON POLICE

Actual Adopted Estimated Adopted
FY 17/18 FY 18/19 FY 18/19 FY 19/20

SPECIAL DUTY: This program area provides police-related services to an employer, other than the City of Tucson, by departmental personnel during off-duty hours (i.e., point control, security, or any time required to work in a police capacity) in order to enhance existing public safety and community policing efforts.

Funding Sources

General Fund	\$	3,463,079	\$	3,546,980	\$	3,101,110	\$	3,640,070
Program Total	\$	3,463,079	\$	3,546,980	\$	3,101,110	\$	3,640,070

Character of Expenditures

Salaries and Benefits	\$	3,368,685	\$	3,408,910	\$	2,943,750	\$	3,479,480
Services		42,701		43,570		128,470		118,440
Supplies		51,693		89,000		28,890		42,150
Equipment		—		5,500		—		—
Program Total	\$	3,463,079	\$	3,546,980	\$	3,101,110	\$	3,640,070

SUPPORT SERVICES: This program area consists of staff and equipment to provide specialized assistance to the department including training and homeland security support, enabling the department to respond to unusual events, disasters, or human-caused crises.

Funding Sources

General Fund	\$	7,341,168	\$	7,561,470	\$	7,561,620	\$	7,997,270
Program Total	\$	7,341,168	\$	7,561,470	\$	7,561,620	\$	7,997,270

Character of Expenditures

Salaries and Benefits	\$	6,725,133	\$	6,917,890	\$	7,026,340	\$	7,340,580
Services		128,406		199,190		141,720		212,180
Supplies		435,579		424,390		317,940		424,510
Equipment		52,050		20,000		75,620		20,000
Program Total	\$	7,341,168	\$	7,561,470	\$	7,561,620	\$	7,997,270

TRAFFIC ENFORCEMENT: This program area provides and coordinates effective professional support in all functions relating to traffic as they pertain to the Department. This program consists of Solo Motors, DUI squads, Commercial Vehicle Enforcement Officers, Traffic Investigations, Off Road Enforcement, Mandatory Impound Section, and Alarm Enforcement Unit.

Funding Sources

General Fund	\$	2,684,417	\$	2,109,460	\$	1,782,610	\$	1,824,500
Program Total	\$	2,684,417	\$	2,109,460	\$	1,782,610	\$	1,824,500

Character of Expenditures

Salaries and Benefits	\$	2,653,313	\$	2,057,490	\$	1,764,390	\$	1,772,630
Services		15,216		12,840		9,610		12,740
Supplies		15,888		39,130		8,610		39,130
Program Total	\$	2,684,417	\$	2,109,460	\$	1,782,610	\$	1,824,500

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

TRAINING: This program area is responsible for the training of basic recruits and provides on-going training for Tucson Police Department employees.

Funding Sources

General Fund	\$ 3,819,324	\$ 4,787,170	\$ 5,269,870	\$ 4,966,320
Non-Federal Grants Fund	—	3,200	—	—
Program Total	\$ 3,819,324	\$ 4,790,370	\$ 5,269,870	\$ 4,966,320

Character of Expenditures

Salaries and Benefits	\$ 2,968,730	\$ 3,374,060	\$ 3,500,810	\$ 3,254,630
Services	496,032	639,770	655,500	744,350
Supplies	354,562	776,540	1,113,560	867,340
Equipment	—	—	—	100,000
Program Total	\$ 3,819,324	\$ 4,790,370	\$ 5,269,870	\$ 4,966,320

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Office of the Chief of Police				
Police Chief	1.00	1.00	1.00	1.00
Police Lieutenant: Deputy Police Chief	—	—	1.00	1.00
Police Lieutenant: Assistant Police Chief	4.00	4.00	4.00	4.00
Police Lieutenant: Police Captain	2.00	2.00	—	—
Police Lieutenant	4.00	4.00	4.00	4.00
Chief of Staff	—	—	1.00	1.00
Police Sergeant: Assignments	6.00	6.00	5.00	4.00
Police Sergeant	5.00	5.00	3.00	4.00
Police Officer: Assignments	2.00	2.00	2.00	2.00
Police Officer	4.00	4.00	6.00	26.00
Police Chief of Staff	1.00	1.00	—	—
Lead Management Analyst	2.00	2.00	—	—
Management Assistant	1.00	1.00	1.00	1.00
Staff Assistant	1.00	1.00	—	—
Community Service Officer	—	—	—	10.00
Police Crime Analyst	1.00	1.00	—	—
Account Clerk Supervisor	1.00	1.00	—	—
Administrative Assistant	1.00	1.00	2.00	2.00
Community Liaison and Volunteer Coordinator	1.00	1.00	—	—
Secretary	1.00	1.00	1.00	1.00
Senior Account Clerk	2.00	2.00	—	—
Program Total	40.00	40.00	31.00	61.00
Administrative Services				
Police Sergeant: Assignments	2.00	2.00	2.00	2.00
Police Officer	31.00	31.00	—	—
Police Psychologist	1.00	1.00	1.00	1.00
Police Records Superintendent	—	—	1.00	1.00
Police Records Supervisor	7.00	7.00	8.00	8.00
Police Records Specialist	41.00	41.00	42.00	42.00
Clerk Transcriptionist	1.00	1.00	1.00	1.00
Data Control Clerk	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00
Program Total	85.00	85.00	57.00	57.00
Emergency Management				
Police Lieutenant	1.00	1.00	1.00	1.00
Police Sergeant: Assignments	1.00	1.00	2.00	2.00
Police Sergeant	1.00	1.00	—	—
Detective	—	—	3.00	3.00
Program Total	3.00	3.00	6.00	6.00
Forfeiture				
Police Lieutenant: Police Captain	1.00	1.00	—	—
Department Finance Manager	1.00	1.00	1.00	1.00
Senior Fleet Services Technician	1.00	1.00	1.00	1.00
Program Total	3.00	3.00	2.00	2.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Grants				
Police Lieutenant	1.00	1.00	—	—
Police Sergeant: Assignments	2.00	2.00	2.00	3.00
Detective: Assignments	—	—	3.00	1.00
Detective	2.00	2.00	5.00	5.00
Police Officer: Assignments	3.00	3.00	1.00	2.00
Police Officer	33.00	33.00	—	—
Criminalist III	3.00	3.00	5.00	5.00
Lead Management Analyst	1.00	1.00	1.00	1.00
Electronics Technician	1.00	1.00	1.00	1.00
Financial Investigator	1.00	1.00	1.00	1.00
Crime Scene Specialist	1.00	1.00	3.00	3.00
Police Crime Analyst	1.00	1.00	1.00	1.00
Senior Account Clerk	1.00	1.00	1.00	1.00
Program Total	50.00	50.00	24.00	24.00
Impounds				
Police Sergeant	1.00	1.00	1.00	1.00
Police Records Specialist	2.00	2.00	1.00	1.00
Customer Service Representative	5.00	5.00	5.00	5.00
Program Total	8.00	8.00	7.00	7.00
Investigative Services				
Police Lieutenant: Police Captain	2.00	2.00	2.00	4.00
Police Lieutenant	6.00	6.00	6.00	7.00
Police Sergeant: Assignments	12.00	12.00	17.00	17.00
Police Sergeant	3.00	3.00	8.00	8.00
Detective: Assignments	2.00	2.00	1.00	2.00
Detective	99.00	99.00	98.00	94.00
Police Officer: Assignments	22.00	22.00	16.00	16.00
Police Officer	6.00	6.00	5.00	6.00
Crime Laboratory Superintendent	1.00	1.00	1.00	1.00
Forensics Administrator	1.00	1.00	1.00	1.00
Crime Analyst Superintendent	1.00	1.00	1.00	1.00
Crime Laboratory Coordinator	4.00	4.00	4.50	4.50
DNA Technical Leader	1.00	1.00	1.00	1.00
Police Identification Superintendent	1.00	1.00	1.00	1.00
Criminalist III	19.00	19.00	19.00	19.00
Police Evidence Superintendent	1.00	1.00	1.00	1.00
Crime Analyst Supervisor	1.00	1.00	1.00	1.00
Staff Assistant	2.00	2.00	2.00	2.00
Information Technology Specialist	1.00	1.00	1.00	1.00
Crime Scene Specialist Supervisor	4.00	4.00	4.00	4.00
Police Evidence Supervisor	2.00	2.00	2.00	2.00
Regional Intelligence Analyst	1.00	1.00	1.00	1.00
Automated Fingerprint Identification	1.00	1.00	1.00	1.00
Crime Scene Specialist	16.00	16.00	16.00	16.00
Police Crime Analyst	10.00	10.00	11.00	11.00
Police Evidence Technician	11.00	11.00	12.00	12.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Automated Fingerprint Identification	6.00	6.00	6.00	6.00
Administrative Assistant	1.00	1.00	—	—
Secretary	3.00	3.00	3.00	3.00
Senior Account Clerk	1.00	1.00	—	—
Clerk Transcriptionist	3.00	3.00	3.00	3.00
Office Assistant	2.00	2.00	1.00	1.00
Program Total	246.00	246.00	246.50	247.50
Logistics				
Police Lieutenant: Police Captain	1.00	1.00	1.00	1.00
Detective	—	—	1.00	1.00
Police Lieutenant	2.00	2.00	1.00	1.00
Police Sergeant: Assignments	1.00	1.00	2.00	2.00
Police Officer: Assignments	2.00	2.00	2.00	2.00
Police Officer	2.00	2.00	2.00	2.00
Logistics Management Assistant	—	—	1.00	1.00
Management Assistant	2.00	2.00	—	—
Staff Assistant	2.00	2.00	2.00	2.00
Senior Fleet Services Technician	5.00	5.00	1.00	1.00
Senior Shop Keeper	2.00	2.00	—	—
Program Total	19.00	19.00	13.00	13.00
Patrol				
Police Lieutenant: Police Captain	5.00	5.00	5.00	5.00
Police Lieutenant	14.00	14.00	15.00	14.00
Police Sergeant: Assignments	21.00	21.00	20.00	18.00
Police Sergeant	58.00	58.00	49.00	49.00
Detective Assignment	1.00	1.00	—	1.00
Detective	29.00	29.00	26.00	24.00
Police Officer: Assignments	100.00	100.00	104.00	103.00
Police Officer	334.00	334.00	369.00	371.00
Community Service Officer	15.00	15.00	57.00	57.00
Administrative Assistant	—	—	1.00	—
Sr Fleet Services Technician	—	—	4.00	4.00
Secretary	4.00	4.00	4.00	4.00
Office Assistant	—	—	1.00	1.00
Program Total	581.00	581.00	655.00	651.00
Special Duty				
Police Sergeant: Assignments	1.00	1.00	—	1.00
Police Officer: Assignments	—	—	1.00	1.00
Staff Assistant	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	2.00	2.00
Program Total	3.00	3.00	4.00	5.00
Support Services				
Police Lieutenant: Police Captain	1.00	1.00	1.00	1.00
Police Lieutenant	1.00	1.00	1.00	2.00
Police Sergeant: Assignments	5.00	5.00	5.00	6.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Support Services (Continued)				
Police Sergeant	—	—	2.00	2.00
Police Hazardous Devices Technician	3.00	3.00	3.00	3.00
Detective	6.00	6.00	9.00	10.00
Police Officer: Assignments	16.00	16.00	14.00	14.00
Police Officer	3.00	3.00	3.00	3.00
Communications Superintendent	1.00	1.00	—	—
Community Liaison and Volunteer Coordinator	—	—	1.00	1.00
Aircraft Mechanic	2.00	2.00	2.00	2.00
Clerk Transcriptionist	1.00	1.00	1.00	1.00
Program Total	39.00	39.00	42.00	45.00
Traffic Enforcement				
Police Lieutenant: Police Captain	1.00	1.00	—	—
Police Sergeant: Assignments	2.00	2.00	1.00	1.00
Police Officer: Assignments	8.00	8.00	10.00	10.00
Program Total	11.00	11.00	11.00	11.00
Training				
Police Lieutenant: Police Captain	—	—	1.00	1.00
Police Lieutenant	2.00	2.00	2.00	2.00
Police Sergeant: Assignments	3.00	3.00	3.00	3.00
Police Officer: Assignments	6.00	6.00	5.00	6.00
Police Officer	8.00	8.00	9.00	7.00
Secretary	1.00	1.00	1.00	1.00
Program Total	20.00	20.00	21.00	20.00
Department Total	1,108.00	1,108.00	1,119.50	1,149.50

TUCSON WATER

MISSION STATEMENT: To ensure that our customers receive high quality water and excellent service in a safe, reliable, efficient, and environmentally responsible manner.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	564.50	564.50	563.50	563.50
EXPENDITURES				
Salaries and Benefits	\$ 38,815,601	\$ 42,249,390	\$ 40,220,720	\$ 43,983,550
Services	71,404,206	81,294,280	72,417,230	89,481,420
Supplies	8,254,494	10,703,620	7,754,420	9,930,230
Equipment	2,236,436	3,883,640	2,764,510	2,878,000
Debt Service	51,176,482	57,257,720	57,257,720	55,813,760
Operating Total	\$ 171,887,219	\$ 195,388,650	\$ 180,414,600	\$ 202,086,960
Capital Improvement Program	52,979,465	76,712,000	60,158,870	71,814,000
Department Total	\$ 224,866,684	\$ 272,100,650	\$ 240,573,470	\$ 273,900,960
FUNDING SOURCES				
Tucson Water Utility Fund	\$ 165,938,272	\$ 188,317,160	\$ 173,868,980	\$ 197,907,510
Water Conservation Fund	3,108,439	3,895,620	3,895,620	3,829,450
Water Resource Fee	317,388	350,000	350,000	350,000
System Equity Fee	2,523,120	2,300,000	2,300,000	—
Environmental Services Fund	—	525,870	—	—
Operating Total	\$ 171,887,219	\$ 195,388,650	\$ 180,414,600	\$ 202,086,960
Capital Improvement Program	52,979,465	76,712,000	60,158,870	71,814,000
Department Total	\$ 224,866,684	\$ 272,100,650	\$ 240,573,470	\$ 273,900,960

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$202,086,960 reflects an increase of \$6,698,310 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in Central Arizona Project (CAP) commodity charges	\$ 7,353,890
Increase in personnel cost	1,734,160
Increase in CAP capital charges	1,225,620
Decrease in equipment	(1,005,640)
Decrease in miscellaneous services and supplies	(1,165,760)
Decrease in debt services	(1,443,960)
Total	\$ 6,698,310

Trends

Water sales are based on the most recent 5-year trends, and forecast of development-related revenues (System Equity Fee, CAP Water Resource Fee, and connection fees) consistent with current-year estimates. The forecast for development-related revenues is relatively flat with revenue levels similar to those in the prior plan. Water-sales revenue under the existing rates is projected to continue to decrease during each year of the plan, but at a decline rate slightly slower than the prior plan, although continuing to reflect a downward trend in average annual use per service. Customer account growth in Fiscal Year 2020 is expected to increase by 1.0% as compared to Fiscal Year 2019 reflecting approximately 1200 customers annually. The rate adjustments for Fiscal Year 2020 approved by Mayor and Council on May 22, 2018, will meet the revenue requirements to maintain Tucson Water's critical infrastructure and service levels.

Future Challenges and Opportunities

Tucson Water's Tucson Airport and Remediation Project facility upgrades for treatment for the removal of per-and polyfluoroalkyl substances (PFAS) is a continuation to plan and manage the City's water supplies, quality, and infrastructure for long-term reliability and efficiency. These upgrades are an investment in the highest priority needs to manage and maintain public infrastructure and facilities fundamental to economic development and to sustaining and enhancing living conditions in the community. This will protect groundwater, surface water, and storm water from contamination. Tucson Water is engaging in the Information Technology Business Operations Plan (ITBOP) to modernize Tucson Water's IT business processes. It will also identify similar IT needs and systems city-wide which will suggest efficiencies and eliminate redundancies. The ITBOP will create a practical plan to identify Tucson Water's short-term needs and address Tucson Water and citywide long-term technology goals.

Program Budget Overview

The budget provides the necessary resources to balance the need to maintain Tucson Water's critical infrastructure with rates that are reasonable, fair and affordable. The budget focuses on controlling both operating and capital expenditures while continuing to provide excellent customer service, professional development, and continuous process improvement.

Recent Accomplishments

The Santa Cruz River Heritage Project was completed and can release 2.8 million gallons of reclaimed water each day. It will reintroducing native plant species and endangered wildlife. The benefits of this project are an example of how Tucson Water continues to ensure reliable water resources for our community in innovative ways. Recycling wastewater is one of Tucson's most important water conservation tools. the Get the Lead Out project was an initiative with the goal of removing any remaining lead service lines from the water system. 496 service lines were inspected; 142 lead service lines were found removed, and replaced. Only one private lead line was found, and 33 remaining lead service lines along Broadway Boulevard will be removed during a major roadway upgrade project in Summer 2019.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

DIRECTOR'S OFFICE: This office provides vision for the future and leadership for Tucson Water; oversees the utility's programs, activities, and strategic planning process to ensure proactive compliance with Mayor and Council's water policies, City Manager direction, regulatory requirements, and community expectations; coordinates and facilitates communication with customers, Mayor and Council, outside agencies, other city departments, and the media; provides personnel; training and safety programs; develops efficiency improvements; promotes water conservation through educational information; and training. The Director's Office supports all of the utility's commitments and strategic initiatives.

Funding Sources

Tucson Water Utility Fund	\$ 5,318,357	\$ 6,059,640	\$ 5,766,770	\$ 6,318,660
Water Conservation Fund	3,108,439	3,895,620	3,895,620	3,829,450
Environmental Services Fund	—	47,980	—	—
Program Total	\$ 8,426,796	\$ 10,003,240	\$ 9,662,390	\$ 10,148,110

Character of Expenditures

Salaries and Benefits	\$ 3,330,458	\$ 3,284,200	\$ 3,415,200	\$ 3,754,250
Services	4,783,695	6,359,920	5,856,200	6,032,720
Supplies	312,643	359,120	390,990	361,140
Program Total	\$ 8,426,796	\$ 10,003,240	\$ 9,662,390	\$ 10,148,110

BUSINESS SERVICES: This program promotes service excellence by providing centralized administrative support to the department, the City Manager, the Mayor and Council, and the Citizens' Water Advisory Committee (CWAC). The division provides financial services and analysis related to water rates and revenues, budget development and coordination (operating and capital) with the Business Service Department and system administration for the utility billing system.

Funding Sources

Tucson Water Utility Fund	\$ 4,498,691	\$ 7,367,830	\$ 4,491,700	\$ 4,863,840
Environmental Services Fund	—	14,000	—	—
Program Total	\$ 4,498,691	\$ 7,381,830	\$ 4,491,700	\$ 4,863,840

Character of Expenditures

Salaries and Benefits	\$ 777,487	\$ 775,130	\$ 885,260	\$ 631,080
Services	2,494,217	3,810,970	2,678,830	2,595,710
Supplies	1,226,987	1,912,090	927,610	1,387,050
Equipment	—	883,640	—	250,000
Program Total	\$ 4,498,691	\$ 7,381,830	\$ 4,491,700	\$ 4,863,840

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

CUSTOMER SERVICE: This program area is responsible for water service-related activities including meter reading, service turn-on and turn-off, and issuing monthly water, sewer, and refuse bills. The call center and customer service representatives serve as the primary customer contact for most Tucson Water customers. In addition, the office conducts high bill investigations, investigates water waste complaints, and provides other customer assistance services. Specialized staff in this section responds to water complaint issues and provides water audit services to customers with high bills and high water use landscaping.

Funding Sources

Tucson Water Utility Fund	\$ 8,935,238	\$ 11,187,640	\$ 9,147,250	\$ 11,874,280
Environmental Services Fund	—	138,470	—	—
Program Total	\$ 8,935,238	\$ 11,326,110	\$ 9,147,250	\$ 11,874,280

Character of Expenditures

Salaries and Benefits	\$ 7,736,722	\$ 9,656,990	\$ 8,135,310	\$ 10,342,160
Services	696,405	806,320	509,380	695,960
Supplies	501,915	862,800	502,560	836,160
Equipment	196	—	—	—
Program Total	\$ 8,935,238	\$ 11,326,110	\$ 9,147,250	\$ 11,874,280

DEBT REPAYMENTS: This program area (also referred to as Debt Service) contains debt issuance and repayment expenses for the acquisition and construction of water system improvements. The financing methods used are water revenue bonds and obligations and Water Infrastructure Finance Authority Loans.

Funding Sources

Tucson Water Utility Fund	\$ 48,653,362	\$ 54,957,720	\$ 54,957,720	\$ 55,813,760
System Equity Fee	2,523,120	2,300,000	2,300,000	—
Program Total	\$ 51,176,482	\$ 57,257,720	\$ 57,257,720	\$ 55,813,760

Character of Expenditures

Debt Service	\$ 51,176,482	\$ 57,257,720	\$ 57,257,720	\$ 55,813,760
Program Total	\$ 51,176,482	\$ 57,257,720	\$ 57,257,720	\$ 55,813,760

PLANNING and ENGINEERING: This program area ensures that water production and distribution systems are planned, designed, constructed, and protected in a manner that meets customer needs, and complies with city, state, and federal consumer regulations. The division also provides comprehensive planning to determine future water system needs, to preserve groundwater, efficiently utilize CAP water and to enhance use of alternative water resources such as reclaimed.

Funding Sources

Tucson Water Utility Fund	\$ 6,820,226	\$ 8,267,570	\$ 7,501,760	\$ 8,870,670
Environmental Services Fund	—	56,920	—	—
Program Total	\$ 6,820,226	\$ 8,324,490	\$ 7,501,760	\$ 8,870,670

Character of Expenditures

Salaries and Benefits	\$ 5,773,282	\$ 7,211,170	\$ 6,559,300	\$ 7,695,460
Services	766,961	615,440	529,220	701,420
Supplies	279,983	497,880	413,240	473,790
Program Total	\$ 6,820,226	\$ 8,324,490	\$ 7,501,760	\$ 8,870,670

TUCSON WATER

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

WATER MAINTENANCE: This program area ensures a continuous supply of water acceptable to customers in terms of cleanliness, clarity, flow, and pressure through the maintenance of all water production, disinfection, and distribution facilities, as well as, the installation and maintenance of new water services and meters.

Funding Sources

Tucson Water Utility Fund	\$ 28,795,692	\$ 28,694,370	\$ 28,554,450	\$ 30,137,250
Environmental Services Fund	—	235,410	—	—
Program Total	\$ 28,795,692	\$ 28,929,780	\$ 28,554,450	\$ 30,137,250

Character of Expenditures

Salaries and Benefits	\$ 13,557,124	\$ 13,259,260	\$ 14,103,280	\$ 14,086,920
Services	10,670,521	11,366,800	10,515,130	11,644,770
Supplies	4,533,067	4,303,720	3,936,040	4,405,560
Equipment	34,980	—	—	—
Program Total	\$ 28,795,692	\$ 28,929,780	\$ 28,554,450	\$ 30,137,250

WATER QUALITY and OPERATIONS: This program area provides water quality sampling, analysis, and treatment to ensure that the highest quality water is available to our customers. Water Quality Management oversees all functions of water quality including operation of all water delivery facilities. In addition, the division maintains regulatory compliance with all state, county, and federal agencies as well as provides analytical support to the City of Tucson through its state-of-the-art laboratory facilities.

Funding Sources

Tucson Water Utility Fund	\$ 39,401,879	\$ 45,222,550	\$ 42,061,350	\$ 50,681,910
Environmental Services Fund	—	30,250	—	—
Program Total	\$ 39,401,879	\$ 45,252,800	\$ 42,061,350	\$ 50,681,910

Character of Expenditures

Salaries and Benefits	\$ 6,066,147	\$ 7,244,520	\$ 6,297,190	\$ 6,654,840
Services	32,088,281	35,411,650	34,417,420	41,724,390
Supplies	1,247,451	2,596,630	1,346,740	2,302,680
Program Total	\$ 39,401,879	\$ 45,252,800	\$ 42,061,350	\$ 50,681,910

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

OTHER BUDGETARY REQUIREMENTS: This program area provides budget capacity for various expenses not associated with specific programs within Tucson Water, including general expense and administrative service charges.

Funding Sources

Tucson Water Utility Fund	\$ 23,514,827	\$ 26,559,840	\$ 21,387,980	\$ 29,347,140
Water Resource Fee	317,388	350,000	350,000	350,000
Environmental Services Fund	—	2,840	—	—
Program Total	\$ 23,832,215	\$ 26,912,680	\$ 21,737,980	\$ 29,697,140

Character of Expenditures

Salaries and Benefits	\$ 1,574,381	\$ 818,120	\$ 825,180	\$ 818,840
Services	19,904,126	22,923,180	17,911,050	26,086,450
Supplies	152,448	171,380	237,240	163,850
Equipment	2,201,260	3,000,000	2,764,510	2,628,000
Program Total	\$ 23,832,215	\$ 26,912,680	\$ 21,737,980	\$ 29,697,140

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Director's Office				
Director	1.00	1.00	1.00	1.00
Deputy Director	2.00	2.00	2.00	2.00
Water Administrator	1.00	1.00	1.00	1.00
Department Human Resources Manager	1.00	1.00	—	—
Management Coordinator	2.00	2.00	2.00	2.00
Water Program Superintendent	1.00	1.00	1.00	1.00
Lead Management Analyst	1.00	1.00	2.00	2.00
Project Manager	4.00	4.00	5.00	5.00
Water Public Information Officer	1.00	1.00	1.00	1.00
Lead Planner	1.00	1.00	1.00	1.00
Risk Management Specialist	—	—	1.00	1.00
Staff Assistant	2.00	2.00	1.00	1.00
Water Conservation / Information Supervisor	1.00	1.00	1.00	1.00
Water Plant Supervisor	1.00	1.00	—	—
Public Information Specialist	3.00	3.00	3.00	3.00
Water Services Supervisor	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Utility Service Representative	7.00	7.00	6.00	6.00
Administrative Assistant	3.00	3.00	3.00	3.00
Customer Service Representative	1.00	1.00	—	—
Technological Intern	—	—	1.00	—
Program Total	35.00	35.00	34.00	33.00
Business Services				
Water Administrator	1.00	1.00	1.00	1.00
Management Coordinator	2.00	2.00	1.00	1.00
Business Analyst II	2.00	2.00	4.00	2.00
Lead Financial Accountant	1.00	1.00	—	—
Staff Assistant	3.00	3.00	1.00	1.00
Utility Account Relations Specialist III	—	—	1.00	1.00
Water Program Superintendent	—	—	1.00	1.00
Administrative Assistant	2.00	2.00	1.00	1.00
Administrative Assistant	11.00	11.00	10.00	8.00
Customer Service				
Water Administrator	1.00	1.00	1.00	1.00
Water Operations Superintendent	3.00	3.00	3.00	3.00
Lead Management Analyst	1.00	1.00	1.00	—
Assistant Water Operations Superintendent	3.00	3.00	4.00	3.00
Management Assistant	3.00	3.00	1.00	1.00
Staff Assistant	—	—	1.00	1.00
Utility Account Supervisor	6.00	6.00	5.00	5.00
Engineering Associate	1.00	1.00	—	—
Water Services Supervisor	5.00	5.00	6.00	6.00
Lead Utility Service Worker	4.00	4.00	4.00	4.00
Lead Water Meter Repairer	1.00	1.00	1.00	1.00
Meter Service Representative	7.00	7.00	7.00	7.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Customer Service (continued)				
Utility Account Relations Specialist III	14.00	14.00	11.00	11.00
Utility Account Relations Specialist II	19.00	19.00	15.00	15.00
Utility Account Relations Specialist I	41.50	41.50	34.00	34.00
Water Meter Repairer	2.00	2.00	2.00	2.00
Administrative Assistant	2.00	2.00	4.00	4.00
Utility Service Worker	39.00	39.00	37.00	37.00
Senior Account Clerk	3.00	3.00	—	1.00
Program Total	155.50	155.50	137.00	136.00
Planning and Engineering				
Water Administrator	2.00	2.00	3.00	3.00
Chief Hydrologist	1.00	1.00	1.00	1.00
Engineering Manager	5.00	5.00	5.00	5.00
Water Program Superintendent	—	—	2.00	2.00
Civil Engineer	13.00	13.00	16.00	15.00
Electrical Engineer	2.00	2.00	2.00	2.00
Engineering Support Section Supervisor	1.00	1.00	—	—
GIS Project Manager	—	—	1.00	1.00
Inspection Supervisor	1.00	1.00	1.00	1.00
Lead Hydrologist	3.00	3.00	2.00	2.00
Survey Surveyor	1.00	1.00	—	—
Water Control Systems Engineer	1.00	1.00	—	—
Land Surveyor	—	—	1.00	1.00
Hydrologist	8.00	8.00	8.00	7.00
Management Assistant	1.00	1.00	1.00	1.00
Senior Engineering Associate	10.00	10.00	8.00	9.00
GIS Supervisor	1.00	1.00	1.00	1.00
GIS Data Analyst	3.00	3.00	4.00	4.00
Construction Inspection Supervisor	3.00	3.00	3.00	3.00
Engineering Associate	8.00	8.00	8.00	9.00
Engineering Records and Information	1.00	1.00	1.00	1.00
Water Services Supervisor	1.00	1.00	1.00	1.00
Construction Inspector	15.00	15.00	15.00	15.00
GIS Technician	3.00	3.00	3.00	3.00
Senior Engineering Technician	14.00	14.00	13.00	13.00
Survey Crew Chief	4.00	4.00	4.00	4.00
Engineering Technician	1.00	1.00	3.00	3.00
Survey Instrument Technician	4.00	4.00	4.00	4.00
Administrative Assistant	4.00	4.00	4.00	4.00
Customer Service Representative	4.00	4.00	2.00	2.00
Secretary	2.00	2.00	1.00	1.00
Survey Technician	1.00	1.00	—	—
Technological Intern	2.00	2.00	2.00	2.00
Program Total	120.00	120.00	120.00	120.00
Water Maintenance				
Water Administrator	1.00	1.00	1.00	1.00
Water Control Systems Manager	1.00	1.00	1.00	—

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Water Maintenance (continued)				
Water Operations Superintendent	3.00	3.00	8.00	6.00
Water Program Superintendent	1.00	1.00	1.00	1.00
Management Coordinator	—	—	—	1.00
Water Control Systems Engineer	3.00	3.00	4.00	3.00
Assistant Water Operations Superintendent	1.00	1.00	1.00	1.00
Business Analyst II	1.00	—	1.00	1.00
Management Assistant	2.00	2.00	2.00	2.00
Fleet Services Supervisor	1.00	1.00	1.00	1.00
Information Technology Analyst	1.00	—	1.00	1.00
Planner Scheduler	4.50	4.50	5.00	5.00
Corrosion Control Supervisor	1.00	1.00	1.00	1.00
Electrical Supervisor	1.00	1.00	1.00	1.00
Electronics Technician Supervisor	—	—	1.00	1.00
Water Operations Supervisor	13.00	13.00	10.00	13.00
Electrician	7.00	7.00	7.00	7.00
Electronics Technician	5.00	5.00	5.00	5.00
Senior Heavy Equipment Mechanic	5.00	5.00	6.00	6.00
Water Parts Supervisor	—	1.00	—	—
Utility Services Crew Supervisor	—	—	1.00	1.00
Corrosion Control Technician	2.00	2.00	2.00	2.00
Equipment Operation Specialist	16.00	16.00	16.00	16.00
Lead Well Maintenance Mechanic	5.00	5.00	5.00	5.00
Office Supervisor	1.00	1.00	1.00	1.00
Pest Control Specialist	2.00	2.00	2.00	2.00
Welder	2.00	2.00	2.00	2.00
Senior Maintenance Mechanic	—	—	1.00	1.00
Maintenance Mechanic	2.00	2.00	—	—
Senior Utility Service Worker	3.00	3.00	1.00	1.00
Utility Technician	56.00	56.00	64.00	62.00
Water Service Locator	8.00	8.00	11.00	11.00
Well Maintenance Mechanic	4.00	4.00	6.00	5.00
Disinfection Technician	—	—	—	1.00
Administrative Assistant	3.00	3.00	3.00	3.00
Water Parts Specialist	6.00	6.00	7.00	7.00
Water Parts Supervisor	1.00	1.00	2.00	1.00
Customer Service Representative	1.00	1.00	—	—
Secretary	1.00	1.00	—	—
Senior Account Clerk	3.00	3.00	3.00	3.00
Senior Fleet Services Technician	1.00	1.00	1.00	1.00
Water Communications Operator	4.00	4.00	6.00	6.00
Program Total	172.50	171.50	191.00	188.00
Water Quality and Operations				
Water Administrator	1.00	1.00	1.00	2.00
Water Operations Superintendent	2.00	2.00	1.00	1.00
Water Program Superintendent	1.00	1.00	1.00	1.00
Water Quality Laboratory Supervisor	1.00	1.00	1.00	1.00
Inspection Supervisor	1.00	1.00	1.00	1.00

POSITION RESOURCES

	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
Water Quality and Operations (continued)				
Water Control Systems Engineer	0.50	0.50	0.50	0.50
Chemist Supervisor	4.00	4.00	4.00	4.00
Environmental Scientist	3.00	3.00	3.00	3.00
Business Analyst II	—	—	—	2.00
Management Assistant	1.00	1.00	2.00	1.00
Management Coordinator	—	—	—	1.00
Chemist	8.00	8.00	9.00	8.00
Electrician	—	—	—	1.00
Systems Analyst	1.00	1.00	—	1.00
Senior Heavy Equipment Mechanic	—	—	—	1.00
Planner Scheduler	1.00	1.00	1.00	1.00
Utility Technician	—	—	—	2.00
Water Plant Supervisor	3.00	3.00	3.00	3.00
Water Services Supervisor	1.00	1.00	1.00	1.00
Cross Connection Control Specialist	5.00	5.00	5.00	5.00
Disinfection Technician	4.00	4.00	6.00	5.00
Lead Maintenance Mechanic	2.00	2.00	—	1.00
Water Quality Analyst	3.00	3.00	4.00	4.00
Water System Operator	17.00	17.00	17.00	17.00
Water Treatment Plant Operator	4.00	4.00	4.00	4.00
Administrative Assistant	3.00	3.00	3.00	3.00
Senior Account Clerk	1.00	1.00	1.00	1.00
Program Total	67.50	67.50	68.50	75.50
Other Budgetary Requirements				
Mail Clerk	3.00	3.00	3.00	3.00
Program Total	3.00	3.00	3.00	3.00
Department Total	564.50	563.50	563.50	563.50

PENSION SERVICES

MISSION STATEMENT: To assist Tucson Supplemental Retirement System (TSRS) members with planning for a secure retirement; and provide monthly retirement benefits that supplement social security benefits and personal investment savings of our members and their beneficiaries.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
STAFFING	4.00	4.50	4.50	4.50
EXPENDITURES				
Salaries and Benefits	\$ 492,500	\$ 502,710	\$ 102,380	\$ 545,260
TSRS Refunds	3,172,406	2,986,000	2,989,000	2,986,000
Retiree and Beneficiary Payments	72,445,792	78,370,000	72,000,000	78,370,000
Services	8,879,252	10,166,960	10,117,760	10,153,590
Supplies	25,469	32,250	31,450	32,250
Department Total	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
FUNDING SOURCES				
TSRS Pension Fund	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100
Department Total	\$ 85,015,419	\$ 92,057,920	\$ 85,240,590	\$ 92,087,100

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$92,087,100 reflects an increase of \$29,180 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase in personnel costs	\$	42,550
Decrease in services		(13,370)
Total	\$	29,180

Trends

The Tucson Supplemental Retirement System (TSRS) sets retirement rates for both employees and for the City. These rates are a direct cost to both the individual employee and the City as a whole. In recent years, these rates have been very stable, and both employees and the City with have contributed at the same rate for the last three years in a row. It is one goal of the TSRS to increase its funded status, and this measure has been trending upward over the past five years, including funding ratios of 71%, 72% and 74% over the last three years. This trend towards higher funding status may vary in any individual year, but it is expected to increase to 100% funding within 12 years.

Future Challenges and Opportunities

Per City Code the TSRS is to operate for the exclusive purpose of providing benefits to members and their beneficiaries. The TSRS receives resources to pay these benefits through contributions from both the City and plan members, and from investment returns. The system is annually challenged to increase the funded status of the plan while holding employee and employer contributions rates constant. This will be especially true in Fiscal Year 2019/20 as the Board adopted new actuarial assumptions that may decrease the funded status of the plan and impact future employee and employer contribution rates.

Program Budget Overview

The primary expenditures of the Tucson Supplemental Retirement System involve the payment of benefits to members and their beneficiaries. In addition, the Tucson Supplemental Retirement System board annually prepares and maintains a budget setting forth the administrative costs of the system. The system budget includes separate line items for the primary administrative expenses of the system, including, but not limited to, record keeping, accounting fees, actuarial expenses, investment fees and expenses, audit expenses, staffing costs, other independent professional expenses, and professional development fees and expenses for board members and the system administrator.

Recent Accomplishments

Tucson Supplemental Retirement System net assets held in trust for pensions was valued at approximately \$823.6 million as of June 30, 2018. During that time frame, the annual rate of return on the plan’s investments was 8.84%, which was above the plan benchmark return of 7.96% for the same period, ranking in the top twelfth percentile among peers in institutional government investors.

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION: This program area administers the pension benefits for non-public safety City employees and retirees.

Funding Sources

TSRS Pension Fund	\$ 9,397,221	\$ 10,701,920	\$ 10,251,590	\$ 10,731,100
Program Total	\$ 9,397,221	\$ 10,701,920	\$ 10,251,590	\$ 10,731,100

Character of Expenditures

Salaries and Benefits	\$ 492,500	\$ 502,710	\$ 102,380	\$ 545,260
Services	8,879,252	10,166,960	10,117,760	10,153,590
Supplies	25,469	32,250	31,450	32,250
Program Total	\$ 9,397,221	\$ 10,701,920	\$ 10,251,590	\$ 10,731,100

DISBURSEMENTS: This program area provides for the distribution of pension benefits to non-public safety City retirees and their beneficiaries, including transfers to and from other pension systems.

Funding Sources

TSRS Pension Fund	\$ 75,618,198	\$ 81,356,000	\$ 74,989,000	\$ 81,356,000
Program Total	\$ 75,618,198	\$ 81,356,000	\$ 74,989,000	\$ 81,356,000

Character of Expenditures

Retiree and Beneficiary	\$ 72,445,792	\$ 78,370,000	\$ 72,000,000	\$ 78,370,000
TSRS Refunds	3,172,406	2,986,000	2,989,000	2,986,000
Program Total	\$ 75,618,198	\$ 81,356,000	\$ 74,989,000	\$ 81,356,000

POSITION RESOURCES

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

ADMINISTRATION

Pension & Benefits Administrator	1.00	0.50	0.50	0.50
Finance Manager	—	1.00	—	—
Pension Manager	—	—	1.00	1.00
Lead Pension Analyst	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Program Total	4.00	4.50	4.50	4.50
 Department Total	 4.00	 4.50	 4.50	 4.50

GENERAL GOVERNMENT

The General Government category contains program budgets that are not associated with any specific department. Its programs are General Expense, Debt Repayments, and Contracts for Services or Funding Support.

Department Summary	Actual FY 17/18	Adopted FY 18/19	Estimated FY 18/19	Adopted FY 19/20
EXPENDITURES				
Retiree Health Benefits and Other	\$ 10,313,721	\$ 12,118,390	\$ 11,130,420	\$ 9,373,860
Services	21,991,414	30,000,890	31,615,900	39,137,690
Supplies	172,088	929,360	392,360	708,410
Equipment	619,610	789,250	586,100	1,865,000
Debt Service	80,398,198	73,388,130	73,232,160	74,224,990
Operating Total	\$ 113,495,031	\$ 117,226,020	\$ 116,956,940	\$ 125,309,950
Capital Improvement Program	1,488,017	4,259,000	1,568,100	4,491,720
Department Total	\$ 114,983,048	\$ 121,485,020	\$ 118,525,040	\$ 129,801,670
FUNDING SOURCES				
General Fund	\$ 56,640,067	\$ 67,148,160	\$ 66,910,750	\$ 76,156,770
Park Tucson	324,192	114,280	111,890	116,920
Community Development Block Grant Fund	103,003	15,280	15,280	15,280
General Obligation Bond Debt Service Fund	33,385,270	33,396,070	33,396,070	33,737,180
Highway User Revenue Fund	3,337,895	1,397,220	1,367,090	1,544,040
Public Housing Amp Funds	62,250	68,590	68,590	68,590
Special Assessments Fund	267,340	37,700	38,550	—
Street and Highway Bond Debt Service Fund	16,904,450	12,220,250	12,220,250	12,143,750
Mass Transit Fund: General Fund Transfer	1,151,352	1,513,060	1,513,060	1,512,010
Tucson Convention Center Fund	1,319,212	1,315,410	1,315,410	15,410
Operating Total	\$ 113,495,031	\$ 117,226,020	\$ 116,956,940	\$ 125,309,950
Capital Improvement Program	1,488,017	4,259,000	1,568,100	4,491,720
Department Total	\$ 114,983,048	\$ 121,485,020	\$ 118,525,040	\$ 129,801,670

GENERAL GOVERNMENT

SIGNIFICANT CHANGES

The adopted operating budget for Fiscal Year 2019/20 of \$125,309,950 reflects an increase of \$8,083,930 from the Fiscal Year 2018/19 Adopted Budget. Changes include:

Increase for new technology and innovation projects	1,732,130
Increase for election and campaign financing	1,720,000
Increase for Visit Tucson, Arts Foundation for Tucson and Southern Arizona, and Pima Association of Governments	1,518,570
Increase for employee distributions	1,300,000
Increase for the purchase of non-public safety vehicles	910,750
Increase for debt service	836,860
Increase in business incentives	625,000
Increase for land purchase	500,000
Increase for Human Resource Department contracted services	272,670
Increase for training costs	137,850
Increase for Fiber Optic relocation costs	100,000
Increase in other miscellaneous services and supplies	13,570
Decrease for retiree health benefits	(87,970)
Decrease for Housing and Community Development grant local match	(195,500)
Decrease for Tucson Convention Center rental payment	(1,300,000)
Total	\$ 8,083,930

OPERATING PROGRAMS

Actual	Adopted	Estimated	Adopted
FY 17/18	FY 18/19	FY 18/19	FY 19/20

CONTRACTS for SERVICES or FUNDING SUPPORT: This program area provides funding for organizations that support the Mayor and Council’s priorities. Specific organizations and their annual allocations are listed on the following page. Some of the funding is included in the City Manager's Office and the Housing and Community Development Department.

Funding Sources

General Fund	\$ 8,115,869	\$ 10,865,210	\$ 11,678,330	\$ 12,383,780
Highway User Revenue Fund	100,580	100,580	100,580	100,580
Program Total	\$ 8,216,449	\$ 10,965,790	\$ 11,778,910	\$ 12,484,360

Character of Expenditures

Services	\$ 8,208,573	\$ 10,941,790	\$ 11,754,910	\$ 12,460,360
Civic/Special Community Events	7,876	24,000	24,000	24,000
Program Total	\$ 8,216,449	\$ 10,965,790	\$ 11,778,910	\$ 12,484,360

OPERATING PROGRAMS

	Actual	Adopted	Estimated	Adopted
	FY 17/18	FY 18/19	FY 18/19	FY 19/20

DEBT REPAYMENTS: This program area (also referred to as Debt Service) contains debt issuance and repayment expenditures for equipment, vehicle, and facility financing needs of general government City departments. Environmental Services and Tucson Water budget for their own debt service needs. The financing methods used are general obligation bonds, the street and highway user revenue bonds, lease/purchases, and certificates of participation.

Funding Sources

General Fund	\$ 24,963,026	\$ 24,726,260	\$ 24,601,960	\$ 25,187,800
Park Tucson	324,192	114,280	111,890	116,920
Community Development Block Grant Fund	103,003	15,280	15,280	15,280
General Obligation Bond Debt Service Fund	33,385,270	33,396,070	33,396,070	33,737,180
Highway User Revenue Fund	3,237,315	1,296,640	1,266,510	1,443,460
Special Assessments Fund	267,340	37,700	38,550	—
Street and Highway Bond Debt Service Fund	16,904,450	12,220,250	12,220,250	12,143,750
Mass Transit Fund: General Fund Transfer	1,151,352	1,513,060	1,513,060	1,512,010
Public Housing Amp Funds	62,250	68,590	68,590	68,590
Program Total	\$ 80,398,198	\$ 73,388,130	\$ 73,232,160	\$ 74,224,990

Character of Expenditures

Debt Service	\$ 80,398,198	\$ 73,388,130	\$ 73,232,160	\$ 74,224,990
Program Total	\$ 80,398,198	\$ 73,388,130	\$ 73,232,160	\$ 74,224,990

GENERAL EXPENSE: This program area provides centralized budget capacity and accounting and management control for expenditures that are not directly associated with City department programs.

Funding Sources

General Fund	\$ 23,561,172	\$ 31,556,690	\$ 30,630,460	\$ 38,585,190
Tucson Convention Center Fund	1,319,212	1,315,410	1,315,410	15,410
Program Total	\$ 24,880,384	\$ 32,872,100	\$ 31,945,870	\$ 38,600,600

Character of Expenditures

Retiree Health Benefits	\$ 10,313,720	\$ 12,118,390	\$ 11,130,420	\$ 9,373,860
Services	13,774,966	19,035,100	19,836,990	26,653,330
Supplies	172,088	929,360	392,360	708,410
Equipment	619,610	789,250	586,100	1,865,000
Program Total	\$ 24,880,384	\$ 32,872,100	\$ 31,945,870	\$ 38,600,600

CONTRACTS for SERVICES or FUNDING SUPPORT

	Adopted FY 18/19	Adopted FY 19/20
Arts and Cultural Enrichment¹		
Arts Foundation for Tucson and Southern Arizona	\$ 544,820	\$ 676,410
Program Total	\$ 544,820	\$ 676,410
Civic/Special Community Events¹		
Veterans Day	\$ 8,000	\$ 8,000
Martin Luther King	8,000	8,000
Cesar Chavez	8,000	8,000
Program Total	\$ 24,000	\$ 24,000
Payments to Other Governments¹		
Jail Board	\$ 4,900,000	\$ 4,900,000
Pima Animal Control Center ²	4,850,000	4,850,000
Pima Association of Governments ³	299,000	498,000
Victim Witness	24,900	24,900
Program Total	\$ 10,073,900	\$ 10,272,900
Human Services⁴	\$ 1,476,910	\$ 1,479,910
Economic and Workforce Development¹		
Metropolitan Education Commission	\$ 19,570	\$ 19,570
Requests for Proposals	600,000	600,000
Tucson Downtown Partnership	365,000	365,000
Visit Tucson ⁵	4,838,500	6,125,480
Program Total	\$ 5,823,070	\$ 7,110,050
Total	\$ 17,942,700	\$ 19,563,270

¹ Funding is in the General Government Budget.

² Revenues received for fees and licensing offset the expenditures.

³ Funding is in the General Government budget (\$198,420), Tucson Water Department's budget (\$99,000), and Highway User Revenue Fund (\$100,580). In addition, \$200,000 will be contributed this fiscal year for the 2020 Census.

⁴ Funding is in the Housing and Community Development Department budget.

⁵ Fiscal Year 2018/19 reflects the actual contract allocation to Visit Tucson based on Fiscal Year 2017/18 transient occupancy tax (t.o.t.) and Hotel/Motel Room Surcharge collections. Fiscal Year 2019/20 reflects estimates of the allocation to Visit Tucson based on a projection of the FY 2018/19 t.o.t and Hotel/Motel Room Surcharge collections.

FOUR-YEAR CITY STAFFING COMPARISON

Department	Adopted FY 16/17	Adopted FY 17/18	Adopted FY 18/19	Adopted FY 19/20
Elected and Official				
Mayor and Council	42.00	44.00	44.00	44.00
City Manager	24.00	23.00	29.00	29.00
City Attorney	85.50	84.50	84.50	86.50
City Clerk	32.00	33.00	33.00	33.00
Sub-Total	183.50	184.50	190.50	192.50
Public Safety and Justice Services				
City Court	112.80	117.80	117.80	129.00
Public Defender	28.00	28.00	28.00	29.00
Public Safety Communication Center	—	—	163.00	163.00
Tucson Fire	778.50	767.50	685.50	698.00
Tucson Police	1,207.50	1,203.50	1,108.00	1,149.50
Sub-Total	2,126.80	2,116.80	2,102.30	2,168.50
Community Enrichment and Development				
Housing and Community Development	141.25	141.25	151.00	151.00
Parks and Recreation	433.75	433.75	391.75	392.25
Planning and Development Services	57.00	57.00	55.00	59.00
Transportation	299.00	297.00	287.00	294.00
Sub-Total	931.00	929.00	884.75	896.25
Public Utilities				
Environmental Services	241.00	236.00	224.00	223.50
Tucson Water	550.50	554.50	564.50	563.50
Sub-Total	791.50	790.50	788.50	787.00
Support Services				
Business Services	—	—	180.00	181.00
Employee Health Benefits	—	—	—	3.50
Finance	114.00	108.00	—	—
General Services	219.00	214.00	193.00	193.50
Human Resources	26.00	27.00	51.50	62.00
Information Technology	94.50	96.00	96.00	99.00
Procurement	36.00	35.00	—	—
Sub-Total	489.50	480.00	520.50	539.00
Pension Services				
	4.00	4.00	4.50	4.50
Total	4,526.30	4,504.80	4,491.05	4,587.75



Section E

Capital Improvement Program



*Our Priority Is to Protect Our Citizens from Harm
and Other Non-Desirable Outcomes*

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

A Capital Improvement Plan (CIP) is a community planning and fiscal management tool used to coordinate the location, timing, and financing of capital improvements over a five-year period. Capital improvements refer to major, non-recurring physical expenditures such as land, buildings, public infrastructure, and equipment, all with a cost of \$100,000 or more. The CIP is necessary to improve public facilities and infrastructure assets for the economic, aesthetic, and functional viability to our City. The plan identifies our City's specific capital needs based on various long-range plans, goals, and policies and also provides analysis for decision making for City officials and strategic capital planning efforts with City departments.

The City of Tucson's practice is to develop, maintain, and revise when necessary a continuing Capital Improvement Program that covers a five-year planning horizon. This budget document covers Fiscal Years 2019/20 through 2023/24 and identifies capital projects during this timeframe to include the funding sources available for projected expenditures.

The objective of this overview is to give the reader a brief look into the CIP which contains the following financial and narrative information:

- Capital Improvement Program Process
- Budget Highlights
- Summary of Expenditures and Funding Sources
- Department Programs
- Impact on the Operating Budget

CAPITAL IMPROVEMENT PROGRAM PROCESS

Defining a Capital Improvement

To be included in the CIP, projects need to meet one of the following criteria:

- Construction of a new City asset or expansion of an existing City-owned facility, including preliminary planning and surveys, cost of land, staff and contractual services for design and construction, and related furnishings and equipment.
- Initial acquisition of a major equipment system which will become a City asset, with a cost of \$100,000 or more and a useful life of at least six years.
- Major renovation or rehabilitation of an existing City-owned facility that requires an expenditure of \$100,000 or more and will extend the life of the original City asset.

Exceptions have been made for inclusion of a few projects that do not meet the above criteria (Sun Tran buses, Sun Van paratransit vans, and street improvements) to make the planning, funding, and acquisition of these purchases more visible to the public and the governing body.

Steps from Submittal to Approval

In December 2018, the CIP process began with the Budget and Long-Term Financial Planning Division of the Business Services Department, providing direction and guidelines to department liaisons. Departments were given approximately seven weeks to develop their CIP requests based on their assessment of needs, existing bond authorizations, and grant awards. Departments were directed to include only projects with secured funding. Exceptions were made for annual federal grant appropriations from the Federal Transit Administration (FTA), other pending awards that would require budget capacity (e.g. any non-federal grant or contribution), and future enterprise revenue bonds. Department requests were reviewed by the Budget and Financial Planning Division and applicable revisions were made.

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

The proposed CIP was presented to the Mayor and Council April 23, 2019, along with the Recommended Fiscal Year 2019/20 Budget. The first year of the CIP was included as part of the City's Recommended Budget. The Mayor and Council reviewed and discussed both the operating and capital budgets at Study Sessions in May. Two public hearings were held prior to the adoption of the Fiscal Year 2019/20 budget on June 4, 2019.

BUDGET HIGHLIGHTS

This proposed five-year CIP totals \$1.16 billion; \$269.0 million is budgeted in the first year of the CIP and is a component of the Fiscal Year 2019/20 Adopted Budget. Notable projects include the following:

Broadway Improvement Project: Euclid to Country Club. This project is a Regional Transportation Authority Plan roadway improvement managed by the City of Tucson. The project is to design and reconstruct the two-mile section of arterial roadway including widening from four-lane to six-lane with bike lanes, sidewalks, and landscaping. The total project is estimated to be \$32.7 million, with \$21.4 million budgeted in Fiscal Year 2019/20.

Reid Park Zoo Quality of Life Tax: Proposition 202 and 203. The City of Tucson voters approved a tenth-of-a-cent sales tax for a period of ten years, from February 1, 2018 to December 31, 2027. The Reid Zoo Capital Improvement Fund is restricted to be used for capital improvements, operations and maintenance of the 50-year old Zoo. The plan is to improve and update the Zoo facilities to modern zoo standards, by improving existing habitats and bringing in new species with the construction of new habitats that will provide safer and healthier environments for the animals. The five-year CIP for this project is budgeted at \$48.3 million, with \$4.7 million budgeted in Fiscal Year 2019/20.

Plant 1 Complex. This is a new project for Tucson Water Department to build new buildings and for general improvements to the Plant 1 Complex. A new meter shop, warehouse, storage and parking space will be constructed. In addition, the project will improve security, safety, and code compliance upgrades and technology. The project is scheduled to begin in Fiscal Year 2019/20 and will be completed in Fiscal Year 2021/22. Total project budget is \$13.2 million, with \$1.1 million budgeted in Fiscal Year 2019/20. The project is funded by the Tucson Water Revenue and Operations Fund.

Tucson Delivers: Safer City and Better Streets: Proposition 101. On May 16, 2017, the City of Tucson voters approved a new, five-year, half-cent sales tax to fund public safety capital needs and road repairs. The five-year Better Streets' CIP is estimated to be \$94.9 million for the restoration, repair, and resurfacing of City streets, with \$28.9 million budgeted in Fiscal Year 2019/20. The five-year Safer City's CIP is estimated at \$117.2 million, to be spent on vehicles, equipment, and facilities for the Tucson Police Department and Tucson Fire Department, with \$24.9 million budgeted in Fiscal Year 2019/20.

Parks and Connections: Proposition 407. On Nov 6, 2018, the City of Tucson voters approved a \$225.0 million bond package for capital improvements on City parks amenities and connections. The bond will fund projects in the coming 10 years. The five-year Parks projects are estimated to be \$76.8 million with \$10.1 million budgeted in Fiscal Year 2019/20, which include improvements to playground, sport fields, pool, splash pads, and recreation centers. The five-year Connections projects are estimated to be \$55.5 million with \$1.7 million budgeted in Fiscal Year 2019/20, which includes greenways, shared use paths, pedestrian safety and walkability, and bicycle safety projects.

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

SUMMARY of EXPENDITURES and FUNDING SOURCES

Only funded projects, except as noted earlier, are presented in this five-year CIP. The objective is to clarify for the community what the City can do to meet its needs with the limited funds available.

Expenditures

The proposed five-year CIP for Fiscal Years 2019/20 through 2023/24 totals \$1.16 billion. The majority of the projects and expenditures are in the Community Enrichment and Development category, which includes Housing and Community Development, Parks and Recreation, and Transportation.

Parks and Recreation and Transportation include projects for zoo improvements, road repair, park amenities, connections for mobility, and greenways. The Public Safety and Justice Services category include police and fire equipment and improvement projects funded by Tucson Delivers: Safer City.

Five-Year CIP Summary of Expenditures

(in millions)	Adopted Year 1 FY 19/20	Projected Five- Year Program
Community Enrichment and Development	\$ 156.1	\$ 685.0
Public Safety and Justice Services	24.9	117.2
Public Utilities	83.5	353.8
General Government	4.5	5.1
Total	\$ 269.0	\$ 1,161.1

This five-year CIP is \$9.5 million less than the approved five-year CIP for Fiscal Years 2018/19 through 2022/23 projected at \$1.15 billion. The CIP presumes that all of the Fiscal Year 2019/20 budget will be spent in that year.

The majority of CIP is projected to be spent in the first two Fiscal Years 2019/20 and 2020/21. After Fiscal Year 2020/21 CIP expenditures decrease significantly from \$310.6 million to \$150.1 million by Fiscal Year 2023/24.

For a summary of expenditures by department and fiscal year, see Table I, five-year CIP Summary by Department on page E-8.

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Funding Sources

This five-year program of \$1.16 billion is funded primarily from Capital Projects Funds.

Five-Year CIP Summary of Funding Sources

(in millions)	Adopted Year 1 FY 19/20	Projected Five- Year Program
Capital Projects Funds	\$ 98.1	\$ 490.8
Enterprise Funds	83.5	353.8
General Fund	3.4	4.0
Special Revenue Funds	84.0	312.5
Total	\$ 269.0	\$ 1,161.1

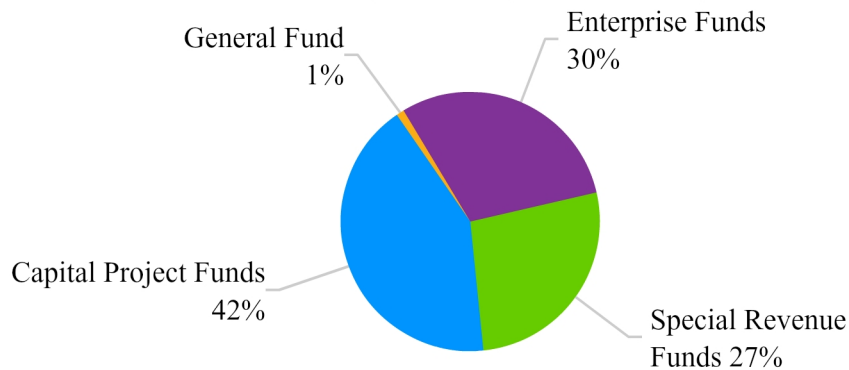
Capital Projects Funds. (This category, which includes the City bond funds, is 42% of the five-year CIP). These funds will provide \$490.8 million over the next five years. Regional Transportation Authority (RTA) funds of \$211.6 million account for the largest portion of this category. Next are General Obligations Parks and Connections Improvement Fund of \$132.3 million for Parks and Connections. Pima County bonds will provide \$22.3 million. Capacity of \$37.8 million is added for road, regional park, and communications improvements along with \$86.8 million from regional Highway User Revenue Funds (HURF) distributed by the Pima Association of Governments (PAG).

Enterprise Funds. Enterprise Funds total \$353.8 million or 31% of the five-year CIP. Environmental and General Services totals \$15.6 million. Tucson Water accounts for the remaining \$338.2 million: \$278.2 million from user revenues and \$60.0 million from Water Revenue Obligation Funds.

General Fund. This category totals \$4.0 million or less than 1% of the five-year CIP and is funded for city hall air conditioning and elevator improvements, new permitting software system, and renovation for the new Tucson Economic Advancement Center.

Special Revenue Funds. This category totals \$312.5 million or 26% of the five-year CIP. Included in this category are Safer City Improvement funds of \$117.2 million, Better Streets Improvement Fund of \$94.9 million, Reid Park Zoo Capital Improvement Fund of \$48.3 million, Federal Grants of \$31.8 million and HOME Affordable Housing Fund of \$1.3 million. The General Fund provides \$4.1 million for Mass Transit as local match for Federal Grant. The City's HURF allocation accounts for \$9.9 million, and \$5.0 million comes from civic contributions.

Five-Year Program by Funding Source



For more detail on funding sources, see Table II, five-year CIP Summary by Funding Source beginning on page E-9.

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

DEPARTMENT PROGRAMS

Programs are briefly presented in this section by departments which are listed alphabetically within their budget reporting categories, also known as service areas: Community Enrichment and Development, Public Safety and Justice Services, Public Utilities, Support Services, and General Government. A further listing of the projects by departments see pages E-18 through E-34.

Community Enrichment and Development

The Community Enrichment and Development category, which accounts for 59% of the total five-year CIP, contains projects managed by Housing and Community Development, Parks and Recreation, and Transportation.

Housing and Community Development. This department's five-year program of \$5.7 million consists of nine projects. Funding is provided by the Community Development Block Grant (CDBG) and HOME Affordable Housing Fund. These Funds provide for streets and bus stop improvements and public housing building improvements

Parks and Recreation. Parks' five-year CIP of \$134.8 million contains 104 projects. These projects are funded primarily from General Obligations Parks and Connections Improvement Fund of \$76.8 million and Reid Park Zoo Capital Improvement Fund of \$48.3 million, Civic contributions of \$5.0 million, and impact fee revenues of \$4.7 million. These funds provide for a wide range of projects: improvements at regional parks, urban greenway improvements, and amenities at neighborhood parks.

Transportation. The five-year Transportation program totals to \$544.5 million including major program areas such as Public Transit, Streets, Street Lights and Traffic Signals. The largest funding sources for Transportation's projects include the funding from the RTA plan of \$211.6 million, Better Streets Improvement Fund of \$94.9 million, and General Obligations Parks and Connections Improvement Fund of \$55.5 million. Federal funding provides total funding of \$27.5 million: \$19.6 million for transit projects and \$7.9 million for street projects. Other funding sources are Pima County bond funds of \$22.3 million, regional HURF from PAG of \$86.8 million, City HURF of \$9.9 million, and impact fee revenues of \$31.8 million. The remaining \$4.2 million is from the General Fund for Mass Transit as local match for federal transit grants.

Public Safety and Justice Services

The Public Safety and Justice Services category, which accounts for 10% of the total five-year CIP, contains projects managed by the City manager's office in partnership with the Fire and police Department. The program funding comes from voter approved half-cent sales tax increase.

Tucson Fire. This department's five-year program of \$57.0 million consists of projects including \$32.8 million facility upgrades and building new facilities, \$22.9 million fire vehicles and fire apparatus, \$1.2 million technology upgrades, and \$0.1 million Public Safety Training Academy track replacement, operating and security upgrades.

Tucson Police. This department's five-year program of \$60.2 million consists of projects including \$37.1 million for facility upgrades and building new facilities, \$13.5 million Police vehicles, \$4.8 million technology upgrades, \$3.5 million personnel safety equipment, \$0.8 million Public Safety Training Academy track replacement, operating and security upgrades, \$0.3 million Police Air Support equipment repairs and replacement and \$0.2 million Police Evidence Storage.

Public Utilities

The Public Utilities category, which accounts for 30% of the total five-year CIP, contains projects managed by Environmental and General Services and Tucson Water.

Environmental and General Services. The department's five-year program of nine projects totals \$15.6 million. Environmental and General Services' CIP is funded from Environmental Services revenues.

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water. The five-year Tucson Water CIP of \$338.2 million includes \$315.0 million of improvements to the potable water system and \$23.2 million of improvements for the reclaimed water system. Tucson Water's CIP is funded with operation funds of \$278.2 million and Water Revenue Obligation Funds of \$60.0 million.

General Government

The General Government category, which accounts for less than 1% of the total five-year CIP, contains four projects that are budgeted here because it is beyond the oversight scope of a single department. Major projects are replacement of City Hall's facilities, the Tucson Economic Advancement Center renovation and the new multi-department permitting software system to replace the existing about obsolete system. These projects are funded by the General Fund and Public Facilities Impact Fee Fund.

Impact on the Operating Budget

The completion of many capital projects is the beginning of recurring costs for the operating budget. Operating and Maintenance (O&M) impacts from projects in this five-year CIP total \$1.0 million for Fiscal Year 2019/20, increasing to a five-year total of \$5.1 million through Fiscal Year 2023/24. The General Fund O&M impacts in Fiscal Year 2019/20 are for the opening of new or expanded facilities.

For summaries and project detail of O&M impacts by department and funding source over the next five years, see Table III, Summary of CIP Impact on the Operating Budget on page E-11.

OVERVIEW of the FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

SUMMARY TABLES

Table I Summary by Department (page E-8).

Table II Summary by Funding Sources (page E-9).

Table III Summary of CIP Impact on the Operating Budget (page E-11).

Table IV Projects with Pima County Bond Funding (page E-15).

Table V Projects with Development Impact Fees (page E-16).

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table I. Summary by Department
(\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Community Enrichment and Development						
Housing and Community Development	\$ 5.73	\$ —	\$ —	\$ —	\$ —	5.73
Parks and Recreation	20.20	32.53	21.93	21.88	38.28	134.82
Transportation	130.15	163.65	142.52	68.72	39.37	544.41
Subtotal	\$ 156.08	\$ 196.18	\$ 164.45	\$ 90.60	\$ 77.65	684.96
Public Safety and Justice Services						
Tucson Fire	\$ 12.58	\$ 18.19	\$ 15.69	\$ 8.34	\$ 2.17	56.97
Tucson Police	12.35	20.96	22.72	4.20	—	60.23
Subtotal	\$ 24.93	\$ 39.15	\$ 38.41	\$ 12.54	\$ 2.17	117.20
Public Utilities						
Environmental and General Services	\$ 11.72	\$ 2.83	\$ 1.07	\$ —	\$ —	15.62
Tucson Water	71.81	71.79	62.05	62.16	70.34	338.15
Subtotal	\$ 83.53	\$ 74.62	\$ 63.12	\$ 62.16	\$ 70.34	353.77
General Government						
General Expense	\$ 4.49	\$ 0.65	\$ —	\$ —	\$ —	5.14
Subtotal	\$ 4.49	\$ 0.65	\$ —	\$ —	\$ —	5.14
Total	\$ 269.03	\$ 310.60	\$ 265.98	\$ 165.30	\$ 150.16	1,161.07

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table II. Summary by Funding Sources (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Capital Projects Funds						
Capital Agreement Fund: PAG	\$ 6.42	\$ 22.31	\$ 19.38	\$ 19.36	\$ 19.36	\$ 86.83
Capital Agreement Fund: Pima County Bonds	18.65	3.60	—	—	—	22.25
Capital Agreement Fund: Pima County Contribution	0.05	—	—	—	—	0.05
General Obligation Parks and Connections Improvement Fund	11.74	27.55	20.52	33.51	39.02	132.34
Impact Fee Fund: Central District	3.39	4.10	—	—	—	7.49
Impact Fee Fund: East District	3.60	—	—	—	—	3.60
Impact Fee Fund: Public Facility Fees	1.14	—	—	—	—	1.14
Impact Fee Fund: Southeast District	3.18	4.99	10.00	1.00	1.00	20.17
Impact Fee Fund: Southlands District	3.19	0.13	0.13	—	—	3.45
Impact Fee Fund: West District	0.99	0.22	0.22	0.22	0.22	1.87
Regional Transportation Authority Fund	45.75	71.31	68.53	25.50	0.50	211.59
Subtotal	\$ 98.10	\$ 134.21	\$ 118.78	\$ 79.59	\$ 60.10	\$ 490.78
Enterprise Funds						
Water Revenue System Obligation Fund	\$ 15.00	\$ 20.93	\$ 15.98	\$ 8.06	\$ —	\$ 59.97
Environmental Services Fund	11.72	2.83	1.07	—	—	15.62
Tucson Water Revenue and Operations Fund	56.81	50.86	46.07	54.10	70.34	278.18
Subtotal	\$ 83.53	\$ 74.62	\$ 63.12	\$ 62.16	\$ 70.34	\$ 353.77
General Fund	\$ 3.35	\$ 0.65	\$ —	\$ —	\$ —	\$ 4.00
Subtotal	\$ 3.35	\$ 0.65	\$ —	\$ —	\$ —	\$ 4.00

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table II. Summary by Funding Sources (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Special Revenue Funds						
Better Streets Improvement Fund	\$ 28.91	\$ 28.76	\$ 32.41	\$ 4.77	\$ —	\$ 94.85
Civic Contributions Fund	1.00	1.00	1.00	1.00	1.00	5.00
Community Development Block Grant Fund	4.40	—	—	—	—	4.40
Federal Highway Administration Grants	6.19	0.04	1.68	0.01	—	7.92
Highway User Revenue Fund	4.91	2.00	1.00	1.00	1.00	9.91
HOME Affordable Housing Fund	1.33	—	—	—	—	1.33
Mass Transit Fund: Federal Grants	6.36	12.38	0.28	0.28	0.28	19.58
Mass Transit Fund: General Fund	1.31	2.55	0.07	0.07	0.07	4.07
Reid Park Zoo Capital Improvement Fund	4.71	15.24	9.23	3.88	15.20	48.26
Safer City Improvement Fund	24.93	39.15	38.41	12.54	2.17	117.20
Subtotal	\$ 84.05	\$ 101.12	\$ 84.08	\$ 23.55	\$ 19.72	\$ 312.52
Total	\$ 269.03	\$ 310.60	\$ 265.98	\$ 165.30	\$ 150.16	\$ 1,161.07

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table III. Summary of CIP Impact on the Operating Budget (\$ millions)

SERVICE AREA/IMPACT	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Community Enrichment and Development						
Parks and Recreation	\$ 0.41	\$ 0.42	\$ 0.45	\$ 0.47	\$ 0.50	2.25
Transportation	0.02	0.03	0.03	0.03	0.03	0.14
Subtotal	\$ 0.43	\$ 0.45	\$ 0.48	\$ 0.50	\$ 0.53	2.39
Public Utilities						
Environmental Services Fund	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	2.75
Subtotal	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	2.75
Total	\$ 0.98	\$ 1.00	\$ 1.03	\$ 1.05	\$ 1.08	5.14
SOURCE OF FUNDS SUMMARY						
General Fund						
	\$ 0.41	\$ 0.42	\$ 0.45	\$ 0.47	\$ 0.50	2.25
Subtotal	\$ 0.41	\$ 0.42	\$ 0.45	\$ 0.47	\$ 0.50	2.25
Enterprise Fund						
Environmental Services Fund	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	2.75
Subtotal	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	2.75
Special Revenue Funds						
Highway User Revenue Fund	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	0.14
Subtotal	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	0.14
Total	\$ 0.98	\$ 1.00	\$ 1.03	\$ 1.05	\$ 1.08	5.14

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table III. Environmental Services: CIP Impact on the Operating Budget (\$ millions)

The impact of this five-year CIP on future operating budgets is estimated to be \$0.55 million every year from Fiscal Year 2019/20 to Fiscal Year 2023/24 for a five-year total of \$2.75 million. When the following projects in the CIP are completed, they will require funding for annual operations. The estimated impact of these projects on the operating budget over the next five years is shown in the table below.

Project Name	Adopted		Projected Requirements			Five
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	Year Total
Silverbell Landfill Water Quality Assurance Treatment Facility	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 2.75
Total	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 2.75
Source of Funds Summary						
Environmental Services Fund	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 2.75
Total	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 2.75

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

**Table III. Parks and Recreation: CIP Impact on the Operating Budget
(\$ millions)**

The impact of this five-year CIP on future operating budgets is estimated to be \$0.41 million in Fiscal Year 2019/20, increasing to \$0.50 million by Fiscal Year 2023/24 for a five-year total of \$2.25 million. When the following projects in the CIP are completed, they will require funding for annual operations. The estimated impact of these projects on the operating budget over the next five years is shown in the table below.

Project Name	Adopted		Projected Requirements					Five
	Year 1	Year 2	Year 3	Year 4	Year 5			
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Year Total		
A Mountain Improvement	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.10		
Arroyo Chico Urban Path	0.01	0.01	0.02	0.02	0.02	0.08		
Himmel Park Improvements	0.01	0.01	0.01	0.01	0.02	0.06		
Lincoln Regional Park Mission	0.04	0.04	0.04	0.04	0.04	0.20		
Manor Park	0.04	0.04	0.04	0.04	0.04	0.20		
Morris K. Udall Park	0.04	0.04	0.04	0.04	0.04	0.20		
Purple Heart Park Expansion	0.06	0.06	0.07	0.07	0.07	0.33		
Reid Park Expansion, Phase I	0.05	0.06	0.06	0.07	0.07	0.31		
Shade Structure Projects South	0.01	0.01	0.01	0.01	0.01	0.05		
Central Community Park	0.13	0.13	0.14	0.15	0.17	0.72		
Phase I								
Total	\$ 0.41	\$ 0.42	\$ 0.45	\$ 0.47	\$ 0.50	\$ 2.25		
Source of Funds Summary								
General Fund	\$ 0.41	\$ 0.42	\$ 0.45	\$ 0.47	\$ 0.50	\$ 2.25		
Total	\$ 0.41	\$ 0.42	\$ 0.45	\$ 0.47	\$ 0.50	\$ 2.25		

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table III. Transportation: CIP Impact on the Operating Budget (\$ millions)

The impact of this five-year CIP on future operating budgets is estimated to be \$0.02 million in Fiscal Year 2019/20 and increasing to \$0.30 million every year from Fiscal Year 2020/21 to Fiscal Year 2023/24 for a five-year total of \$0.14 million. When the following projects in the CIP are completed, they will require funding for annual operations. The estimated impact of these projects on the operating budget over the next five years is shown in the table below.

Project Name	Adopted		Projected Requirements					Five
	Year 1	Year 2	Year 3	Year 4	Year 5	Year		
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total		
Arcadia and Timrod Bike Boulevard	\$ —	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.04	
Liberty Avenue Bicycle Boulevard	0.01	0.01	0.01	0.01	0.01	0.01	0.05	
University of Arizona 2nd Street Bike and Pedestrian Improvements	0.01	0.01	0.01	0.01	0.01	0.01	0.05	
Total	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.14	
Source of Funds Summary								
Highway User Revenue Fund	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	0.14	
Total	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.14	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

**Table IV. Projects with Pima County Bond Funding
(\$ millions)**

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Transportation						
Broadway Boulevard: Euclid to Country Club	\$ 18.33	\$ 3.60	\$ —	\$ —	\$ —	\$ 21.93
Five Points Transportation Enhancement	0.32	—	—	—	—	0.32
Transportation Total	\$ 18.65	\$ 3.60	\$ —	\$ —	\$ —	\$ 22.25

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table V. Projects with Development Impact Fees (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Public Facility Fees						
Permitting Software System	\$ 1.14	—	—	—	—	\$ 1.14
Public Facility Fees Total	\$ 1.14	—	—	—	—	\$ 1.14
Parks and Recreation						
Central District						
Arroyo Chico Urban Path: Country Club to Treat	\$ 0.25	\$ —	\$ —	\$ —	\$ —	\$ 0.25
Himmel Park Improvements	0.15	—	—	—	—	0.15
Reid Park Expansion, Phase 1	0.34	0.10	—	—	—	0.44
Central District Subtotal	\$ 0.74	\$ 0.10	\$ —	\$ —	\$ —	\$ 0.84
Southeast District						
Lincoln Park Playground	\$ 0.22	\$ —	\$ —	\$ —	\$ —	\$ 0.22
Purple Heart Park Expansion	0.52	—	—	—	—	0.52
Southeast District Subtotal	\$ 0.74	\$ —	\$ —	\$ —	\$ —	\$ 0.74
Southlands District						
Valencia Corridor Land Acquisition, Phase I	\$ 1.96	\$ —	\$ —	\$ —	\$ —	\$ 1.96
South Central Community Park/ Robert A. Price Park	0.23	0.13	0.13	—	—	0.49
Southlands District Subtotal	\$ 2.19	\$ 0.13	\$ 0.13	\$ —	\$ —	\$ 2.45
West District						
A Mountain Improvements	\$ 0.15	\$ —	\$ —	\$ —	\$ —	\$ 0.15
Barrio Nopal Land Acquisition	0.59	—	—	—	—	0.59
West District Subtotal	\$ 0.74	\$ —	\$ —	\$ —	\$ —	\$ 0.74
Parks and Recreation Total	\$ 4.41	\$ 0.23	\$ 0.13	\$ —	\$ —	\$ 4.77
Transportation						
East District						
Broadway: Camino Seco to Houghton	\$ 3.00	\$ —	\$ —	\$ —	\$ —	\$ 3.00
Impact Fee capacity-Transportation Improvements	0.60	—	—	—	—	0.60
East District Subtotal	\$ 3.60	\$ —	\$ —	\$ —	\$ —	\$ 3.60
Central District						
22nd Street: I-10 to Tucson Boulevard	\$ —	\$ 4.00	\$ —	\$ —	\$ —	\$ 4.00
First Avenue: Grant to River	0.15	—	—	—	—	0.15
Grant: Oracle to Swan	2.50	—	—	—	—	2.50
Central District Subtotal	\$ 2.65	\$ 4.00	\$ —	\$ —	\$ —	\$ 6.65

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Table V. Projects with Development Impact Fees
(\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Southeast District						
Houghton Road: 22nd to Irvington	\$ 1.44	\$ —	\$ 9.00	\$ —	\$ —	\$ 10.44
Houghton Road: Valencia to Mary Ann Cleveland Way	—	3.99	—	—	—	3.99
Valencia Road: Kolb to Houghton	1.00	1.00	1.00	1.00	1.00	5.00
Southeast District Subtotal	\$ 2.44	\$ 4.99	\$ 10.00	\$ 1.00	\$ 1.00	\$ 19.43
Southlands District						
Houghton Road: I-10 to Andrada Road	\$ 1.00	\$ —	\$ —	\$ —	\$ —	\$ 1.00
Southlands District Subtotal	\$ 1.00	\$ —	\$ —	\$ —	\$ —	\$ 1.00
West District						
Ivrington Road: Santa Cruz River to 1-19	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 1.10
Silverbell Road: Grant to Ina	0.03	—	—	—	—	0.03
West District Subtotal	\$ 0.25	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 1.13
Transportation Total	\$ 9.94	\$ 9.21	\$ 10.22	\$ 1.22	\$ 1.22	\$ 31.81
Total	\$ 15.49	\$ 9.44	\$ 10.35	\$ 1.22	\$ 1.22	\$ 37.72

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

ENVIRONMENTAL and GENERAL SERVICES

(\$ millions)

Project Name	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Congress and Nearthmount Landfill Excavation	\$ 1.00	\$ —	\$ —	\$ —	\$ —	\$ 1.00
Los Reales Household Hazardous Waste Relocation	2.19	—	—	—	—	2.19
Los Reales Landfill Buffer- Northeastern Berm and Landscape	0.20	—	—	—	—	0.20
Los Reales Landfill Gas to Energy Project	2.00	—	—	—	—	2.00
Los Reales Landfill Lined Cell 4	2.39	—	—	—	—	2.39
Los Reales Relocation Container Maintenance	1.00	2.83	—	—	—	3.83
Silverbell Landfill Water Quality Assurance Treatment Facility	2.59	—	—	—	—	2.59
Tenth Avenue Maintenance Facility	—	—	1.07	—	—	1.07
Thomas Price Service Center Remodel	0.35	—	—	—	—	0.35
Total	\$ 11.72	\$ 2.83	\$ 1.07	\$ —	\$ —	\$ 15.62
Source of Funds Summary						
Environmental Services Fund	\$ 11.72	\$ 2.83	\$ 1.07	\$ —	\$ —	\$ 15.62
Total	\$ 11.72	\$ 2.83	\$ 1.07	\$ —	\$ —	\$ 15.62

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

HOUSING and COMMUNITY DEVELOPMENT

(\$ millions)

Project Name	Adopted		Projected Requirements					Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5			
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24			
12th Avenue: Nebraska and Wyoming Street	\$ 1.50	\$ —	\$ —	\$ —	\$ —	\$ —	1.50	
Bus Stop ADA Improvements	0.22	—	—	—	—	—	0.22	
Dodge Apartment Improvement	1.34	—	—	—	—	—	1.34	
Laos Bus Center Improvements	0.22	—	—	—	—	—	0.22	
Oury Pool ADA Improvements	0.33	—	—	—	—	—	0.33	
Posadas Safety and Security Improvements	0.25	—	—	—	—	—	0.25	
Tucson House - Elevator Improvement	1.52	—	—	—	—	—	1.52	
Tucson House - St. Elizabeth Health Center Improvement	0.10	—	—	—	—	—	0.10	
Tucson House - Wi-Fi/Cameras Installation	0.25	—	—	—	—	—	0.25	
Total	\$ 5.73	\$ —	\$ —	\$ —	\$ —	\$ —	5.73	
Source of Funds Summary								
Community Development Block Grant Fund	\$ 4.40	\$ —	\$ —	\$ —	\$ —	\$ —	4.40	
HOME Affordable Housing Fund	1.33	—	—	—	—	—	1.33	
Total	\$ 5.73	\$ —	\$ —	\$ —	\$ —	\$ —	5.73	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

PARKS and RECREATION (\$ millions)

Project Name	Projected Requirements					Five Year Total
	Adopted					
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
20-30 Club Park and Highland Vista Park	\$ 0.05	\$ —	\$ —	\$ —	\$ —	\$ 0.05
A Mountain Improvement	0.15	—	—	—	—	0.15
Alvernon Park	—	0.04	—	—	—	0.04
Amphi Neighborhood Park	0.08	—	—	—	—	0.08
Amphitheater Pool	—	—	—	0.34	—	0.34
Archer Pool	0.03	—	—	—	—	0.03
Armory Park	—	—	0.23	1.28	—	1.51
Arroyo Chico Greenway	—	—	—	0.02	0.02	0.04
Arroyo Chico Urban Path	0.25	—	—	—	—	0.25
Balboa Heights Park	0.05	—	—	—	—	0.05
Barrio Nopal Land Acquisition	0.59	—	—	—	—	0.59
Barrio Nopal Park	—	0.24	1.39	—	—	1.63
Case Natural Resource Park	—	0.10	—	—	—	0.10
Catalina High School	0.05	—	—	—	0.13	0.18
Catalina Park	—	—	0.03	0.15	—	0.18
Cherry Avenue Park	0.12	0.65	—	—	—	0.77
Christopher Columbus Park	—	0.58	3.80	2.78	—	7.16
Chuck Ford Lakeside Park	0.34	—	—	0.10	1.04	1.48
Clements Pool	0.49	—	—	—	—	0.49
Conner Park	—	0.22	—	—	—	0.22
Country Club Annex Park	0.05	—	—	—	—	0.05
CSM Martin R. "Gunny" Barreras Memorial Park	0.65	3.67	—	—	—	4.32
David G. Herrera and Ramon Quiroz Park	0.05	—	—	—	—	0.05
Desert Aire Park	—	0.21	—	—	—	0.21
Donna R. Liggins Center	0.56	—	—	—	—	0.56
El Pueblo Fitness Center	—	—	—	0.01	—	0.01
El Pueblo Park	—	—	—	—	0.46	0.46
El Pueblo Senior Center	—	—	—	0.15	—	0.15
El Rio Golf Course	0.12	—	—	—	—	0.12
Estevan Park	0.28	—	—	—	—	0.28
Fort Lowell Park	0.45	1.21	—	0.04	0.83	2.53
Freedom Park	0.36	0.53	—	—	—	0.89
Gene C. Reid Park	0.11	2.10	—	0.48	2.73	5.42
Golf Links Sports Complex	—	0.39	—	—	0.27	0.66
Harold Bell Wright Park	—	—	—	0.01	—	0.01
Harriet Johnson Park	—	0.24	—	—	—	0.24

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

PARKS and RECREATION (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Himmel Park	\$ 0.11	\$ —	\$ —	\$ 0.73	\$ —	\$ 0.84
Himmel Park Improvements	0.15	—	—	—	—	0.15
Hoffman Park	0.03	—	—	—	—	0.03
Improvements to Parking, Ramadas, Lighting and Pools	—	—	—	0.88	0.99	1.87
Iron Horse Park	—	0.06	—	—	0.38	0.44
Jacinto Park	—	—	—	0.02	—	0.02
Jacobs Park	—	0.34	—	—	0.92	1.26
Jefferson Park Neighborhood and Grant Road Park	0.23	—	—	—	—	0.23
Jesse Owens Park	0.31	0.14	—	0.09	0.51	1.05
Joaquin Murrieta Park	—	—	—	1.62	9.20	10.82
John F. Kennedy Park	—	0.49	2.74	—	—	3.23
Juhan Park	—	—	—	0.25	—	0.25
Keeling Desert Park	—	—	—	0.14	—	0.14
La Madera Park	0.05	—	—	0.05	0.31	0.41
Lighthouse YMCA	0.03	—	—	—	—	0.03
Lincoln Park Playground	0.22	—	—	—	—	0.22
Lincoln Regional Park	0.32	2.36	—	—	—	2.68
Linden Park	—	—	0.24	—	—	0.24
Mansfield Park	0.19	—	—	—	—	0.19
Manuel Herrera Jr. Park	—	—	—	0.05	—	0.05
Manuel Valenzuela Alvarez Park	0.05	—	—	—	—	0.05
McCormick Park	—	—	—	—	0.06	0.06
Menlo Park	0.12	—	—	—	—	0.12
Merle J. Tourney Park	—	0.11	—	0.01	—	0.12
Mesa Village Park	—	0.21	—	—	—	0.21
Michael Perry Park	0.05	—	—	—	—	0.05
Mirasol Park	—	—	—	—	0.04	0.04
Mission Manor Park	0.74	—	—	—	—	0.74
Mitchell Park	0.05	—	—	—	0.02	0.07
Morris K. Udall Center	—	—	—	0.09	—	0.09
Morris K. Udall Park	0.32	—	—	0.16	—	0.48
North Sixth Avenue Dog Park	—	—	—	0.04	—	0.04
Ochoa Park	0.05	—	—	0.03	0.16	0.24
Palo Verde Park	—	1.36	—	0.05	—	1.41
Parkview Park	0.04	—	—	0.21	—	0.25
Pinecrest Park	0.21	—	—	—	—	0.21
Pueblo Gardens Park	—	—	—	0.03	0.15	0.18

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

PARKS and RECREATION (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Purple Heart Park	\$ 0.93	\$ —	\$ —	\$ —	\$ —	\$ 0.93
Purple Heart Park Expansion	0.52	—	—	—	—	0.52
Quincie Douglas Center	0.25	—	—	0.24	—	0.49
Randolph Park	0.77	0.37	2.10	—	0.38	3.62
Reid Park Expansion- Phase I	0.34	0.10	—	—	—	0.44
Reid Park Zoo: African Safari Lodge	—	—	—	4.88	16.20	21.08
Reid Park Zoo: Asia Exhibits	3.65	12.61	9.00	—	—	25.26
Reid Park Zoo: Flamingo Habitat	0.57	—	—	—	—	0.57
Reid Park Zoo: Jaguar Habitat	0.46	—	—	—	—	0.46
Reid Park Zoo: New Entry	0.31	2.00	—	—	—	2.31
Reid Park Zoo: South American Pacu Habitat	0.41	—	—	—	—	0.41
Reid Park Zoo: Treetop Playhouse	0.16	1.63	1.23	—	—	3.02
Reid Park Zoo: Warehouse Expansion	0.15	—	—	—	—	0.15
Rio Vista Natural Resource Park	—	—	—	—	0.05	0.05
Riverview Park	0.05	—	—	—	—	0.05
Robert A. Price Sr. Park	—	—	0.59	3.37	—	3.96
Rolling Hills Park	0.21	—	—	0.05	—	0.26
Rudy Garcia Park	—	—	—	0.57	3.21	3.78
Santa Rita Park	—	—	0.45	2.54	—	2.99
Sears Park	0.11	—	—	—	—	0.11
Silverlake Park	—	—	—	—	0.22	0.22
South Central Community Park- Phase I	0.24	0.12	0.13	—	—	0.49
Stefan Gollob Park	0.24	—	—	—	—	0.24
Street Scene Park	—	—	—	0.21	—	0.21
Swan Way Park	—	0.24	—	—	—	0.24
Tahoe Park	0.24	—	—	—	—	0.24
Valencia Corridor Land Acquisition- Phase I	1.96	—	—	—	—	1.96
Villa Serena Park	—	—	—	0.21	—	0.21
William M. Clements Center	0.29	—	—	—	—	0.29
Wilshire Heights Park	—	0.21	—	—	—	0.21
Wright Elementary School	0.24	—	—	—	—	0.24
Total	\$ 20.20	\$ 32.53	\$ 21.93	\$ 21.88	\$ 38.28	\$ 134.82

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

PARKS and RECREATION (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Source of Funds Summary						
Civic Contributions Fund	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 5.00
General Obligation Parks and Connections Improvement Fund	10.08	16.06	11.57	17.00	22.08	76.79
Impact Fee Fund: Central Benefit District	0.74	0.10	—	—	—	0.84
Impact Fee Fund: Southeast Benefit District	0.74	—	—	—	—	0.74
Impact Fee Fund: Southlands Benefit District	2.19	0.13	0.13	—	—	2.45
Impact Fee Fund: West Benefit District	0.74	—	—	—	—	0.74
Reid Park Zoo Capital Improvement Fund	4.71	15.24	9.23	3.88	15.20	48.26
Total	\$ 20.20	\$ 32.53	\$ 21.93	\$ 21.88	\$ 38.28	\$ 134.82

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TRANSPORTATION (\$ millions)

Project Name	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
3rd Street Bicycle Boulevard	\$ 0.11	\$ 0.70	\$ —	\$ —	\$ —	0.81
5th and 6th Street Pedestrian Safety and Walkability	—	—	0.35	0.37	4.59	5.31
6th Avenue Protected Bike Lane	0.06	0.06	0.77	—	—	0.89
8th Avenue and Convent Avenue Bicycle Boulevard	—	0.05	0.07	0.57	—	0.69
18th Street Bicycle Boulevard	0.03	0.03	0.41	—	—	0.47
22nd Street and Belvedere HAWK	0.20	—	—	—	—	0.20
22nd Street and Longfellow HAWK	0.04	—	0.30	—	—	0.34
22nd Street and Osborne HAWK	0.20	—	—	—	—	0.20
22nd Street: I-10 to Tucson Boulevard	10.00	27.50	37.35	19.36	19.36	113.57
33rd Street, Calle Marte and 29th Street Bicycle Boulevard	—	—	—	0.09	0.13	0.22
36th Street Pedestrian Safety and Walkability	0.13	0.13	—	1.69	—	1.95
ADA Connectivity	0.48	—	—	—	—	0.48
ADA Sidewalk Project	0.75	1.00	1.00	1.00	1.00	4.75
ADA Sidewalks	0.48	—	—	—	—	0.48
ADA Transition Plan	0.21	—	—	—	—	0.21
Alamo Wash Greenway	—	0.75	0.75	—	5.80	7.30
Alvernon and Bellevue HAWK	0.03	—	0.27	—	—	0.30
Andrew Street Bicycle Boulevard	0.08	0.12	1.00	—	—	1.20
Arcadia and Timrod Bike Boulevard	1.24	—	—	—	—	1.24
Associated Transit Improvements	0.25	0.17	0.18	0.18	0.18	0.96
Bantam Road Bicycle Boulevard	0.06	0.36	—	—	—	0.42
Better Streets: Arterial Road Improvements	15.58	15.27	22.05	2.69	—	55.59
Better Streets: Local Road Improvements	13.32	13.50	10.35	2.08	—	39.25
Blackledge Drive Bicycle Boulevard	0.12	0.20	1.48	—	—	1.80
Broadway: Camino Seco to Houghton	3.10	2.92	—	—	—	6.02
Broadway: Euclid to Country Club	21.35	9.80	0.50	0.50	0.50	32.65
Calle Alvord Bicycle Boulevard	0.01	0.11	—	—	—	0.12
Camino Miramonte Bicycle Boulevard	—	0.04	0.09	0.53	—	0.66
Campbell and Wyoming HAWK	0.03	—	0.27	—	—	0.30
Carondelet Drive and 5th Street Bicycle Boulevard	0.12	1.00	—	—	—	1.12
Cherry Avenue Bicycle Boulevard	0.05	0.32	—	—	—	0.37
Cherrybell Stravenue and Pinal Vista Bicycle Boulevard	0.02	0.05	0.32	—	—	0.39

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TRANSPORTATION (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Dodge Boulevard Pedestrian Safety and Walkability	\$ —	\$ —	\$ —	\$ —	\$ 0.33	\$ 0.33
Downtown Links, Barraza Aviation	20.54	17.81	11.55	—	—	49.90
Drexel Road Shared-Use Path	—	0.08	0.08	1.07	—	1.23
El Paso and Southwestern Greenway	—	0.21	0.17	2.25	—	2.63
El Paso and Southwestern Greenway Improvement	0.22	0.04	—	—	—	0.26
El Paso and Southwestern Greenway: 22nd to 25th	0.54	—	—	—	—	0.54
El Rio Drive and Dragoon Avenue Bicycle Boulevard	—	—	0.04	0.08	0.52	0.64
Fairview Avenue Protected Bike Lane	—	—	—	—	1.52	1.52
First Avenue: River to Grant	1.40	1.25	4.00	7.50	—	14.15
Five Points Transportation Enhancement	0.52	—	—	—	—	0.52
Glenn Street Pedestrian Safety and Walkability	—	0.63	0.65	8.12	—	9.40
Golden Hills Road Bicycle Boulevard	0.03	0.05	0.38	—	—	0.46
Grande Avenue Pedestrian Safety and Walkability	—	—	—	—	0.20	0.20
Grant and Arcadia Hawk	0.05	—	—	—	—	0.05
Grant: Oracle to Swan	12.51	17.50	17.50	17.50	—	65.01
Grant Road: Union Pacific Railroad Underpass	1.60	1.00	—	—	—	2.60
Greenway Drive Bicycle Boulevard	0.10	0.60	—	—	—	0.70
Houghton Road: 22nd Street to Irvington	2.44	1.40	9.00	—	—	12.84
Houghton Road: Bridge Replacement	0.83	0.02	0.01	—	—	0.86
Houghton Road: I-10 to Andrada Road	1.00	—	—	—	—	1.00
Houghton Road: Union Pacific Railroad to I-10	4.35	0.03	0.03	0.02	—	4.43
Houghton: Valencia to Mary Ann Cleveland	0.50	10.99	2.00	—	—	13.49
Impact Fee Capacity-Transportation Improvements	0.60	—	—	—	—	0.60
Irvington Road: Santa Cruz River to I-19	0.22	0.22	0.22	0.22	0.22	1.10
Kenyon Drive Bicycle Boulevard	—	—	—	0.03	0.05	0.08
Kenyon Drive and Eastland Street Bicycle Boulevard	—	—	—	0.13	0.23	0.36
Kevin Drive and Portia Avenue Bicycle Boulevard	—	—	—	0.03	0.05	0.08
Kolb Road Connection to Sabino Canyon	0.05	—	—	—	—	0.05

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TRANSPORTATION (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Kolb Road and Irvington Road Shared-Use Path	\$ —	\$ —	\$ —	\$ 0.11	\$ 0.11	\$ 0.22
Led Light Conversion	0.26	—	—	—	—	0.26
Liberty Avenue Bicycle Boulevard	1.07	—	—	—	—	1.07
Limberlost Drive Bicycle Boulevard	0.01	0.01	0.08	—	—	0.10
Mary Ann Cleveland Way Shared-Use Path	0.01	0.68	—	—	—	0.69
Menlo Park Bicycle Boulevard	—	—	0.06	0.09	0.65	0.80
Michigan Street and Fair Street Bicycle Boulevard	0.06	0.41	—	—	—	0.47
Nebraska Street Bicycle Boulevard	—	—	—	—	0.05	0.05
Nebraska Street Pedestrian Safety and Walkability	—	—	—	—	0.19	0.19
Palo Verde Road Bicycle Boulevard	—	0.09	0.17	1.00	—	1.26
Pima and Mountain View HAWK	0.03	—	0.27	—	—	0.30
Pima Street Bicycle Boulevard	—	—	—	0.06	0.07	0.13
Prince and Crescent Manor HAWK	0.03	—	0.27	—	—	0.30
Replacement Compressed Natural Gas 40 feet Bus	—	5.76	—	—	—	5.76
Replacement Vans For Sun Van	2.15	—	—	—	—	2.15
Rio Vista Safe Routes to School	0.28	—	—	—	—	0.28
Robison Safe Routes to School	0.10	—	—	—	—	0.10
Roger Road Pedestrian Safety and Walkability	0.36	3.50	—	—	—	3.86
Saint Mary's Road Pedestrian Safety and Walkability	—	—	0.14	0.16	1.90	2.20
San Marcos Bicycle Boulevard	—	—	0.03	0.05	0.35	0.43
Santa Cruz River Alignment: Irvington to Drexel	1.00	1.00	—	—	—	2.00
Sarnoff Drive Bicycle Boulevard	—	—	—	0.06	0.08	0.14
School Safety Infrastructure Improvements	0.06	—	—	—	—	0.06
Security For Transit - Future	0.19	0.17	0.18	0.18	0.18	0.90
Silverbell Road: Grant to Ina	2.15	15.00	15.00	—	—	32.15
Sixth and Ohio HAWK	0.03	—	0.27	—	—	0.30
South 12th Avenue Pedestrian Safety and Walkability	0.11	0.11	1.91	—	—	2.13
Speedway and Richey Hawk	0.20	—	—	—	—	0.20
Sun Tran South Park Facility Bus Wash Replacement	0.43	—	—	—	—	0.43
Transit Facility Improvements-South Park Stormwater Yard	3.88	—	—	—	—	3.88

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TRANSPORTATION (\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Transit Future	\$ —	\$ 8.81	\$ —	\$ —	\$ —	\$ 8.81
Treat Avenue Bicycle Boulevard	0.16	1.20	—	—	—	1.36
University of Arizona 2nd Street Bike and Pedestrian Improvements	0.03	—	—	—	—	0.03
Valencia: Alvernon to Kolb	1.00	—	—	—	—	1.00
Valencia: Kolb to Houghton	1.00	1.00	1.00	1.00	1.00	5.00
Vicksburg Street Pedestrian Safety and Walkability	—	—	—	—	0.11	0.11
Total	\$ 130.15	\$ 163.65	\$ 142.52	\$ 68.72	\$ 39.37	\$ 544.41

Source of Funds Summary

Better Streets Improvement Fund	\$ 28.91	\$ 28.76	\$ 32.41	\$ 4.77	\$ —	\$ 94.85
Capital Agreement Fund: PAG	6.42	22.31	19.38	19.36	19.36	86.83
Capital Agreement Fund: Pima County Bonds	18.65	3.60	—	—	—	22.25
Capital Agreement Fund: Pima County Contribution	0.05	—	—	—	—	0.05
Federal Highway Administration Grants	6.19	0.04	1.68	0.01	—	7.92
General Obligation Parks and Connections Improvement Fund	1.66	11.49	8.95	16.51	16.94	55.55
Highway User Revenue Fund	4.91	2.00	1.00	1.00	1.00	9.91
Impact Fee Fund: Central District	2.65	4.00	—	—	—	6.65
Impact Fee Fund: East District	3.60	—	—	—	—	3.60
Impact Fee Fund: Southeast District	2.44	4.99	10.00	1.00	1.00	19.43
Impact Fee Fund: Southlands District	1.00	—	—	—	—	1.00
Impact Fee Fund: West District	0.25	0.22	0.22	0.22	0.22	1.13
Mass Transit Fund: Federal Grants	6.36	12.38	0.28	0.28	0.28	19.58
Mass Transit Fund: General Fund	1.31	2.55	0.07	0.07	0.07	4.07
Regional Transportation Authority Fund	45.75	71.31	68.53	25.50	0.50	211.59
Total	\$ 130.15	\$ 163.65	\$ 142.52	\$ 68.72	\$ 39.37	\$ 544.41

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON FIRE (\$ millions)

Project Name	Projected Requirements					Five Year Total
	Adopted Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Fire Facility Upgrades and New Construction	\$ 2.38	\$ 9.21	\$ 10.73	\$ 8.34	\$ 2.17	\$ 32.83
Fire Vehicles and Apparatus	9.61	8.39	4.86	—	—	22.86
Fire Technology Upgrades	0.52	0.59	0.10	—	—	1.21
Public Safety Training Academy Improvements	0.07	—	—	—	—	0.07
Total	\$ 12.58	\$ 18.19	\$ 15.69	\$ 8.34	\$ 2.17	\$ 56.97
Source of Funds Summary						
Safer City Improvement Fund	\$ 12.58	\$ 18.19	\$ 15.69	\$ 8.34	\$ 2.17	\$ 56.97
Total	\$ 12.58	\$ 18.19	\$ 15.69	\$ 8.34	\$ 2.17	\$ 56.97

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON POLICE (\$ millions)

Project Name	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 18/19	Year 2 FY 19/20	Year 3 FY 20/21	Year 4 FY 21/22	Year 5 FY 22/23	
Police Air Support Equipment	\$ 0.16	\$ 0.16	\$ —	\$ —	\$ —	0.32
Police Evidence Storage	0.10	0.09	0.09	—	—	0.28
Police Facility Upgrades and New Construction	4.21	13.08	15.61	4.20	—	37.10
Police Vehicles	4.32	4.73	4.41	—	—	13.46
Police Personnel Safety Equipment	0.88	0.89	1.72	—	—	3.49
Police Technology Upgrades	1.86	2.01	0.89	—	—	4.76
Public Safety Training Academy Improvements	0.82	—	—	—	—	0.82
Total	\$ 12.35	\$ 20.96	\$ 22.72	\$ 4.20	\$ —	\$ 60.23

Source of Funds Summary

Safer City Improvement Fund	\$ 12.35	\$ 20.96	\$ 22.72	\$ 4.20	\$ —	60.23
Total	\$ 12.35	\$ 20.96	\$ 22.72	\$ 4.20	\$ —	\$ 60.23

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON WATER

(\$ millions)

Project Name	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
22nd Street to 36th Street, Kolb to Craycroft Distribution Mains	\$ —	\$ —	\$ 1.20	\$ 10.86	\$ —	\$ 12.06
Advanced Metering Infrastructure	—	—	1.12	1.12	1.10	3.34
Advanced Treatment for Emerging Contaminants	—	2.20	2.23	2.24	2.20	8.87
Aerospace 24-inch Transmission Main	4.07	—	—	—	—	4.07
Aerospace 24-inch Transmission Main Loop	1.10	—	—	—	—	1.10
Ajo Wash Raw Water Discharge	—	0.17	0.22	0.22	0.55	1.16
Ajo Wash Raw Water Main	—	—	0.01	0.39	3.86	4.26
Alvernon 16-inch Transmission Main	2.53	—	—	—	—	2.53
Anklam Road Relocate PRV	—	0.19	—	—	—	0.19
Annual Production Well Equipping	—	—	—	—	2.20	2.20
Arc Flash System Upgrades	0.79	—	—	—	—	0.79
Bear Canyon South of Snyder Distribution Main	—	—	—	0.79	7.04	7.83
Billing System	0.55	3.30	11.17	3.91	—	18.93
Calle Santa Cruz Transmission Main Replacement	1.10	—	—	—	—	1.10
Cathodic Protection for Critical Pipelines	0.66	0.66	0.67	0.67	0.66	3.32
CAVSARP Well Pump Improvements	0.33	0.33	0.56	0.56	0.55	2.33
Control Panel Replacements: Potable	0.11	0.11	0.11	0.11	0.11	0.55
Control Panels: Reclaimed System	0.16	0.16	0.17	0.17	0.17	0.83
Craycroft Road D-E Booster Station	—	—	—	0.11	9.81	9.92
Devine Reservoir Rehabilitation	0.09	3.30	—	—	—	3.39
Diamond Bell Production Facilities Improvement	0.61	—	—	—	—	0.61
Drill Production Wells	—	—	—	3.35	3.31	6.66
E-031A Well 12-inch Transmission Main	0.09	—	—	—	—	0.09
E-031B Well Equipping	0.41	—	—	—	—	0.41
Emergency Main Replacement	0.44	0.43	0.45	0.45	0.44	2.21
Equip Wells SC-002B and SC-015B	—	—	—	0.12	0.79	0.91
Equip Well SC-007B	—	—	—	0.08	0.44	0.52
Equip Wells SS-021 and SS-023	—	—	0.09	—	—	0.09
Escalante Reservoir	0.03	—	1.68	—	—	1.71
Excellence in Customer Service Center	0.99	—	—	—	—	0.99
Extensions For New Services	0.11	0.11	0.11	0.11	0.11	0.55
Facility Safety and Security Infrastructure	0.55	0.55	0.56	0.56	0.55	2.77

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON WATER

(\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Filtration Modifications at Reclaimed Plant	\$ 1.65	\$ 3.30	\$ —	\$ —	\$ —	\$ 4.95
Fire Hydrants in Annexation Areas	0.11	0.11	0.11	0.11	0.11	0.55
Fire Services	1.92	1.93	1.96	1.95	1.93	9.69
Gas Engines	0.83	0.83	0.83	—	—	2.49
Glenn Street Reclaimed Main Replacement	1.88	—	—	—	—	1.88
Goebel Avenue Distribution Main	0.03	0.09	—	—	—	0.12
H-002A Well Re-Drilling	—	0.55	—	—	—	0.55
H-002A Well Re-Equipping	—	0.06	0.50	—	—	0.56
H-005 Well Collector Line	—	0.05	1.40	—	—	1.45
H-005 Well Drilling	—	1.10	—	—	—	1.10
H-005 Well Equipping	—	0.06	0.50	—	—	0.56
H-1 Ironwood PRV Station Bailey Valve Replacement	0.05	—	—	—	—	0.05
Harrison Road F-G Booster Station	—	—	—	—	0.11	0.11
Hayden Udall Fuel System	—	—	0.78	—	—	0.78
La Estancia 24-inch Transmission Main Phase I	0.47	—	—	—	—	0.47
La Estancia 24-inch Transmission Main Phase II	0.72	—	—	—	—	0.72
La Paloma Reclaimed Reservoir Rehabilitation	—	0.11	2.90	—	—	3.01
Linda Vista to Thornydale to Oasis Transmission Interconnection	—	—	0.05	1.40	—	1.45
Maryvale Manor Subdivision: Phase I	0.77	—	—	—	—	0.77
Maryvale Manor Subdivision: Phase III	0.05	0.52	—	—	—	0.57
Meter Upgrade and Replacement Program	0.55	—	—	—	—	0.55
Miscellaneous Land and Right-Of-Way Acquisitions	0.01	0.01	0.01	0.01	0.01	0.05
Nebraska Road Distribution Main	0.27	—	—	—	—	0.27
New Metered Services	0.05	0.05	0.06	0.06	0.06	0.28
North Satellite Mustering Room Expansion	—	0.50	—	—	—	0.50
Old Vail Road 36-inch Transmission Main-Phase 2: Pantano to Harrison	—	—	—	—	0.11	0.11
Old Vail Road 36-inch Transmission Main: Alvernon to Wilmot	—	—	—	0.11	7.38	7.49
Old Vail Road 36-inch Transmission Main: Wilmot to Pantano	—	—	—	—	0.11	0.11
One Stop City Development Center	0.11	—	—	—	—	0.11

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON WATER

(\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
Online Water Quality Monitoring Network Upgrade	\$ 0.44	\$ 0.44	\$ 0.45	\$ —	\$ —	\$ 1.33
Payments to Developers for Oversized Systems	0.11	0.11	0.11	0.11	0.11	0.55
Pantano Road E-F Booster Station	—	—	—	—	0.11	0.11
Plant 1 Complex	1.10	9.90	2.23	—	—	13.23
Pressure Tank Replacement	0.50	0.50	0.50	0.50	0.50	2.50
Production Well Sites	0.08	0.08	0.08	0.09	0.09	0.42
Raw Water Pump Station Modifications	—	—	0.01	0.18	1.10	1.29
Relocate Camino De Los Ranchos PRV	0.16	—	—	—	—	0.16
Relocate Craycroft Shadow Ridge PRV	0.24	—	—	—	—	0.24
Relocate Via Velazquez PRV	0.16	—	—	—	—	0.16
Reservoir and Tank Rehabilitation Program	—	—	2.79	6.70	5.51	15.00
Review Developer-Financed Potable Projects	1.04	1.05	1.06	1.06	1.05	5.26
Review Developer-Financed Reclaimed Systems	0.06	0.06	0.07	0.07	0.07	0.33
Rio De La Roma D-C PRV	0.14	—	—	—	—	0.14
Rita Road "F2" to "G2" Zone Booster Station	1.26	—	—	—	—	1.26
River Road 12-inch Main	0.62	—	—	—	—	0.62
Road Improvement Main Replacements	5.50	5.50	5.59	5.58	5.50	27.67
Roger Road Valve Vault Piping Rehabilitation	0.11	—	—	—	—	0.11
Sahuarita Supply Line Slipliner	7.70	—	—	—	—	7.70
San Paulo Village Main Replacement Phase II	0.05	1.25	—	—	—	1.30
Santa Cruz River Heritage Project	—	0.06	2.23	—	—	2.29
Santa Cruz Wellfield Chemical Feed and Monitoring Facility	1.37	—	—	—	—	1.37
Santa Cruz Wellfield Investigation	0.04	—	—	—	—	0.04
Santa Cruz Well SC-001/04/14 Equipping	—	0.17	1.34	—	—	1.51
Santa Cruz Production Well Replacement SC-001, SC-004 and SC-014	—	3.30	—	—	—	3.30
Santa Cruz Wellfield Well Installation Replaces SC-015A with SC-015B	—	—	—	1.15	—	1.15
SC-004 Well Collector Transmission Lines	0.12	0.54	—	—	—	0.66
SC-015 Well Collector Transmission Line	—	—	0.17	2.23	—	2.40
SCADA Potable Upgrades	6.30	6.30	6.44	6.43	6.31	31.78
Skyline Bel Air Tank Rehabilitation	0.13	—	—	—	—	0.13

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON WATER

(\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
Source Meter Replacement	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.24	\$ 1.22
Southeast Houghton Recharge Project	3.24	—	—	—	—	3.24
Southern Santa Cruz Well Field 28-inch Main Liner	0.22	2.42	—	—	—	2.64
System Enhancements: Reclaimed	0.27	0.27	0.28	0.28	0.28	1.38
TARP AOP Treatment Upgrade	2.26	3.35	0.17	—	—	5.78
TARP SCADA and Communication Upgrade	0.28	0.93	0.11	—	—	1.32
TARP Well R-127A Drill	1.10	—	—	—	—	1.10
TARP Well R-127A Equipping	0.28	0.16	—	—	—	0.44
TARP Well R-127A Transmission Main	0.28	0.38	—	—	—	0.66
TARP Wells R-001 to R-008 Re-Equipping	0.49	0.50	0.50	0.50	0.50	2.49
TARP Wells R-001 to R-008 Drilling Replacement	—	1.10	—	1.12	—	2.22
Thornsdale Reclaimed Reservoir Rehabilitation	2.86	—	—	—	—	2.86
Thunderhead Old Spanish Trail Distribution Main	0.06	0.90	—	—	—	0.96
Thunderhead Old Spanish Trail PRV	0.06	0.24	—	—	—	0.30
Tierra Del Sol Main Replacement-Phase II	0.06	0.46	—	—	—	0.52
Tierra Del Sol Main Replacement-Phase III	0.06	0.68	—	—	—	0.74
Tierra Del Sol Main Replacement-Phase IV	0.54	—	—	—	—	0.54
Tierra Del Sol Main Replacement-Phase V	0.06	0.78	—	—	—	0.84
Tierra Del Sol Main Replacement-Phase VI	—	0.05	1.51	—	—	1.56
Tierra Del Sol Main Replacement-Phase VII	—	0.05	1.40	—	—	1.45
Trails End Reservoir Rehabilitation	0.13	1.10	—	—	—	1.23
Tucson Estates Parkway and Michigan Street PRV Relocation	0.16	—	—	—	—	0.16
University of Arizona Science Park 16-inch Transmission Main	1.40	—	—	—	—	1.40
Upper Impound Closure at Hayden Udall Water Treatment Plant	—	0.55	—	—	—	0.55
Valencia Stand Pipe Rehabilitation	0.11	2.20	—	—	—	2.31
Valve Access Vault	0.55	0.55	0.56	0.55	0.55	2.76
Violet Avenue 12-inch Distribution Main	0.14	—	—	—	—	0.14

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

TUCSON WATER

(\$ millions)

	Adopted		Projected Requirements			Five Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	
W-004 Tank Rehabilitation	\$ 0.16	\$ —	\$ —	\$ —	\$ —	\$ 0.16
W-004B and W-005B Well Equipping	0.67	0.13	—	—	—	0.80
Water Infrastructure Incentive Program	2.50	2.50	2.50	2.50	2.50	12.50
Water Services	1.66	1.66	1.69	1.69	1.66	8.36
Wellfield Upgrades	0.55	0.55	0.56	0.56	0.55	2.77
Wellfield Well Installation Replaces SC-007A with SC-007B	—	—	—	1.15	—	1.15
Total	\$ 71.81	\$ 71.79	\$ 62.05	\$ 62.16	\$ 70.34	\$ 338.15

Source of Funds Summary

Water Revenue System Obligation Fund	\$ 15.00	\$ 20.93	\$ 15.98	\$ 8.06	\$ —	\$ 59.97
Tucson Water Revenue and Operations Fund	56.81	50.86	46.07	54.10	70.34	278.18
Total	\$ 71.81	\$ 71.79	\$ 62.05	\$ 62.16	\$ 70.34	\$ 338.15

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

GENERAL GOVERNMENT (\$ millions)

Project Name	Adopted		Projected Requirements			Five Year Total
	Year 1 FY 19/20	Year 2 FY 20/21	Year 3 FY 21/22	Year 4 FY 22/23	Year 5 FY 23/24	
City Hall HVAC	\$ 0.50	\$ —	\$ —	\$ —	\$ —	\$ 0.50
City Hall Elevator	0.65	0.65	—	—	—	1.30
Permitting Software System	2.62	—	—	—	—	2.62
Tucson Economic Advancement Center	0.72	—	—	—	—	0.72
Total	\$ 4.49	\$ 0.65	\$ —	\$ —	\$ —	\$ 5.14
Source of Funds Summary						
General Fund	\$ 3.35	\$ 0.65	\$ —	\$ —	\$ —	\$ 4.00
Impact Fee Fund: Public Facility Fees	1.14	—	—	—	—	1.14
Total	\$ 4.49	\$ 0.65	\$ —	\$ —	\$ —	\$ 5.14



Section F

Glossary



*Our Goal Is to Meet or Exceed Needs while Providing
Services with a Positive Attitude*

GLOSSARY of TERMS

Terms	Definition
ACCOUNTABILITY	The state of being obliged to explain actions to justify what was done. Accountability requires justification for the raising of public funds and the purposes for which they are used.
ACTIVITY	A group of related functions performed by one or more organizational units for the purpose of satisfying a need for which the city is responsible.
ALLOCATION	Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.
ANALYSIS	A process that separates the whole into its parts to determine their nature, proportion, function, and relationship.
ANNUALIZED COSTS	Operating costs incurred at annual rates for a portion of the prior fiscal year that must be incurred at similar rates for the entire 12 months of the succeeding fiscal year.
APPROPRIATION	An authorization granted by the Mayor and Council to make expenditures and to incur obligations for purposes specified in the appropriation resolution.
ASSESSED VALUATION	A valuation set upon real estate or other property by the county assessor and the state as a basis for levying taxes.
BOND	A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates in the future (called the maturity date), together with periodic interest at a specific rate.
BOND FUNDS	Funds used for the purchase or construction of major capital facilities, which are not financed by other funds. The use of bond funds is limited to ensure that bond proceeds are spent only in the amounts and for the purposes authorized.
BOND PROCEEDS	Funds derived from the sale of bonds for the purpose of constructing major capital facilities.
BONDS - GENERAL OBLIGATION	Limited tax bonds that are secured by the city's secondary property tax.
BUDGET	A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.
CAPITAL BUDGET	A financial plan of proposed capital expenditures and the means of financing them.

Terms

Definition

CAPITAL CARRYFORWARD

Capital funds unspent and brought forward from prior years.

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund accounts for capital projects that are financed by Certificate of Participation (COPs) or are reimbursed by governmental agencies such as Pima County and Pima Association of Governments (PAG).

CAPITAL IMPROVEMENT PROGRAM (CIP)

A plan separate from the annual budget that identifies: (1) all capital improvements which are proposed to be undertaken during a five fiscal year period, (2) the cost estimate for each improvement, (3) the method of financing each improvement, and (4) the planned implementation schedule for each project.

CAPITAL PROJECT

Any project having assets of significant value and a useful life of six years or more. Capital projects include the purchase of land, design, engineering, and construction of buildings and infrastructure items such as streets, bridges, drainage, street lighting, water system, etc. Capital improvements are permanent attachments intended to remain on the land. Capital projects may include the acquisition of heavy equipment and machinery or specialized vehicles using capital funding sources.

CARRYFORWARD CAPITAL IMPROVEMENT PROJECT

Any capital project that has been previously approved by the Mayor and Council, but for various reasons has not been implemented on schedule. Under state law and Generally Accepted Accounting Principles, only those costs relating to work actually done on or before the last day of the fiscal year can be reflected on the financial statements of that fiscal year. To avoid having to charge the project costs estimated to be incurred in a subsequent fiscal year as an unbudgeted item for that year and, therefore, violate state budget law, such a project and the associated projected costs are included in the subsequent fiscal year's budget.

CERTIFICATES of PARTICIPATION (COPs)

A debt financing tool which is used to enable the city to purchase large equipment and improve or construct city facilities. Interest is paid and principal repaid through annual payments made from funds appropriated each fiscal year by the Mayor and Council.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Financial report that contains, at a minimum, three sections: (1) introductory, (2) financial, and (3) statistical, and whose financial section provides information on each individual fund and component unit.

CUSTOMER

The recipient of a product or service provided by the city. Internal customers are city departments, employees, or officials who receive products or services provided by other city departments. External customers are citizens, neighborhoods, community organizations, businesses, or other public entities who receive products or services provided by a city department.

DEBT SERVICE

The amount required to retire the principal and pay the interest on outstanding debt.

Terms	Definition
ENCUMBRANCES	Obligations in the form of purchase orders, contracts, or other commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise extinguished.
ENTERPRISE FUND	An accounting entity established to account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting.
EQUIPMENT	An item of machinery or furniture having a unit cost of more than \$5,000 and an estimated useful life of more than one year. Heavy equipment and machinery that are capital improvements are included in the capital budget and are not considered equipment items in the operating budget.
EXPENDITURE	Any authorization made for the payment or disbursing of funds during the fiscal year.
FEDERAL ECONOMIC STIMULUS	Federal grant funding provided through the 2009 American Recovery and Reinvestment Act in order to create jobs and stimulate the local economy.
FIDUCIARY FUNDS	Funds used to report assets held in a trustee capacity and therefore cannot be used to support the city's programs. The Tucson Supplemental Retirement System fund is a fiduciary fund.
FISCAL YEAR (FY)	A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. Fiscal Year 2019/20 refers to the period July 1, 2019 through June 30, 2020.
FULL-TIME EQUIVALENT POSITION (FTE)	A full-time position or part-time position converted to a decimal equivalent of a full-time position, based on 2,080 hours per year. For example, a summer lifeguard working for four months, or 690 hours, would be equivalent to .33 of a full-time position.
FUND	An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.
FUND BALANCE	The difference between assets and liabilities reported in a governmental fund.
GENERAL FUND	A fund used to account for all general transactions of the city that do not require a special type of fund.

Terms**Definition**

HOME RULE	Home Rule is an alternative to the State set expenditure limitation. A home rule prescribes the method the city will use to calculate its own expenditure limitation each year. Voter approval of a home rule must occur prior to the first fiscal year in which it applies. Home rules apply for four succeeding fiscal years, after which the constitutional expenditure limitation becomes effective, unless a new home rule is adopted.
IN LIEU of TAXES	Enterprise funds most often are not subject to property taxes because of their governmental character. In lieu of tax payments compensate the general government for public services received. In some cases, these payments are calculated to be reasonably equivalent in value to the services provided. In other cases, there is no clear link between the amounts paid and the value of services received.
INTER ACTIVITY TRANSFERS	Transactions between city organizations or funds that would be treated as revenues or expenditures if they involved parties external to the city. Transactions may be charged against other organizations or funds.
INTERNAL SERVICE FUNDS	Funds used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government on a cost-reimbursement basis. The goal of an internal service fund is to measure the full cost of providing goods or services for the purpose of fully recovering that cost through fees or charges. The Risk Management Fund is such a fund; departments are assessed charges to fund the city's self-insurance expenses.
LIMITED PROPERTY VALUE	A valuation set upon real estate or other property by the county assessor and the state as a basis for levying taxes. This single valuation will be used for taxation of both primary and secondary property taxes beginning with tax year 2015.
NON-RECURRING REVENUE	Proceeds of general obligation bonds, revenue bonds, and other restricted revenue.
OPERATING BUDGET	A financial plan which applies to all proposed expenditures other than for capital improvements.
OPERATING FUNDS	Resources derived from recurring revenue sources used to finance operating expenditures and pay-as-you-go capital expenditures.
ORGANIZATION	The smallest unit of budgetary accountability and control which encompasses specific and distinguishable lines of work performed for the purpose of accomplishing a function for which the city is responsible.
OTHER COSTS	This classification of costs includes Sun Tran expenditures, contributions to outside agencies, specific federal fund expenditures, and miscellaneous expenditures.

Terms	Definition
OUTSIDE AGENCIES	Non-profit organizations whose activities support the Mayor and Council's priorities.
pCARD	A charge card that allows goods and services to be procured without using a traditional procurement process. A pCard is also known as a procurement card.
PRIMARY PROPERTY TAXES	All ad valorem taxes, except the secondary property taxes, which can be used for any lawful purpose.
PROGRAMS	Desired output-oriented accomplishments which can be measured and achieved within a given timeframe. Achievement of the programs advance the activity and organization toward fulfillment of a corresponding need.
PROJECTS	Unique assignments having a finite time span and a deliverable; normally associated with capital improvements such as roadways, neighborhood facilities, etc.
RECURRING REVENUES	Revenue sources available on a continuing basis to support operating and capital budgetary needs.
RESTRICTED REVENUES	Revenues which are legally restricted for a specific purpose by the federal, state, or local governments.
REVENUES	Income from taxes and other sources during the fiscal year.
SALARIES and BENEFITS	The costs of compensating employees of the City of Tucson, including salaries and employee benefit costs, such as health, dental, and life insurance, city contributions for retirement, social security, and workers' compensation insurance.
SECONDARY PROPERTY TAXES	Ad valorem taxes or special property assessments used to pay the principal, interest, and redemption charges on any bonded indebtedness or other lawful long-term obligation issued or incurred for a specific purpose by a municipality, county, or taxing district; and assessments levied by or for assessment districts and for limited purpose districts other than school districts and community colleges pursuant to an election to temporarily exceed (up to one year) budget, expenditure, or tax limitations.
SECONDARY TAX RATE	The rate per one hundred dollars of assessed value employed in the levy of secondary property taxes. The assessed value derived from the current Limited Property Value is the basis for computing taxes for budget overrides, bonds, and for sanitary, fire, and other special districts.
SERVICES	Costs which involve the performance of a specific service by an outside organization or other city organization. Examples of services include consultants, utilities, and vehicle maintenance.

Terms

Definition

SPECIAL ASSESSMENTS

Compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

STREET and HIGHWAY BONDS

Revenue bonds which are secured by the city's Highway User Revenues and used for the construction of street, highway, and related capital projects.

SUPPLIES

Expendable items used by operating departments. Examples include office supplies, repair and replacement parts for equipment, books, and gasoline.

TAX LEVY

The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

TAX RATE

The amount of tax levied for each one hundred dollars of assessed valuation.

ACRONYMS and INITIALISMS

Acronym/Initialisms	Definitions
ACAP	Attorney/Consumer Assistance Program (ACAP)
ADA	Americans with Disabilities Act
ADEQ	Arizona Department of Environmental Quality
ADOR	Arizona Department of Revenue
ADOT	Arizona Department of Transportation
ALS	Advanced Life Support
AMI	Advanced Metering Infrastructure
AMP	Asset Management Project
AMR	Advanced Meter Reading
ARRA	American Recovery and Reinvestment Act
ARS	Arizona Revised Statutes
ASR	Aquifer Storage and Recovery
AZA	Association of Zoos and Aquariums
BABs	Build America Bonds
BCC	Boards, Committees and Commissions
BID	Business Improvement District
BSD	Business Services Department
CAFR	Comprehensive Annual Financial Report
CAP	Central Arizona Project
CAVSARP	Central Avra Valley Storage and Recovery Project
CCF	Cash Carry Forward
CDBG	Community Development Block Grant
CIP	Capital Improvement Program
CNA	Counter Narcotics Alliance
CNG	Compressed Natural Gas
COBRA	Consolidated Omnibus Budget Reconciliation Act
COPs	Certificates of Participation
CREBs	Clean Renewable Energy Bonds
CSR	Customer Service Representative
CWAC	Citizens' Water Advisory Committee
DNA	Deoxyribonucleic acid
DUI	Driving Under the Influence
EEC	Economic Estimates Commission
ELT	Executive Leadership Team
EMS	Emergency Medical Service
EMT	Emergency Medical Technician

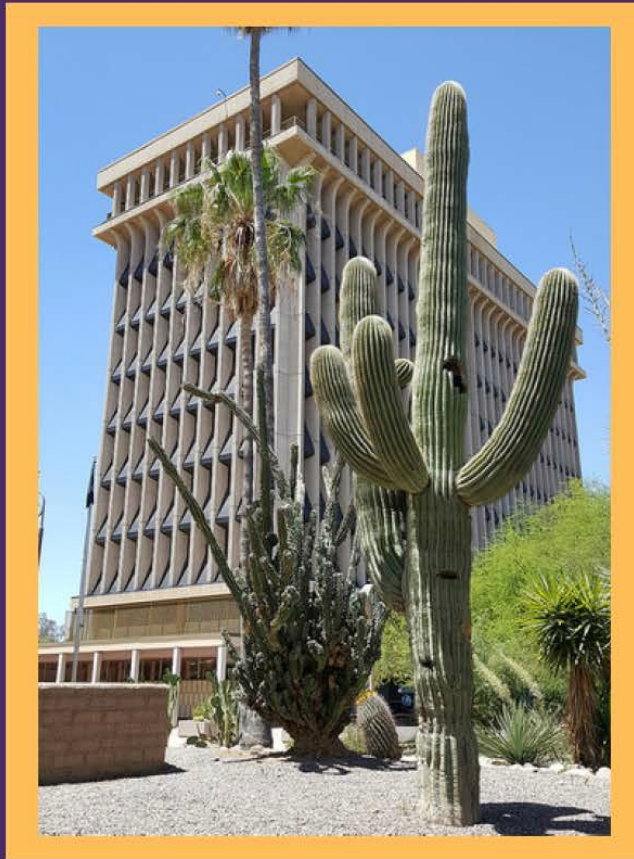
Acronym/Initialisms**Definitions**

EMP	Environmental Management Program
ERP	Enterprise Resource Program
ES	Environmental Services
FARE	Fines/Fees and Restitution Enforcement Program
FML	Family Medical Leave
FMT	Financial Monitoring Team
FTA	Federal Transit Administration
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
GO	General Obligation Bond
HAWK	High-Intensity Activated Crosswalk
HCV	Housing Choice Voucher
HQLA	High Quality Liquid Assets
HURF	Highway User Revenue Fund
HVAC	Heating, Ventilation, and Air Conditioning
IT	Information Technology
JCEF	Judicial Collection Enhancement Fund
JFS	Juvenile Fire Stopper
LED	Light Emitting Diode
LPGA	Ladies Professional Golf Association
LPV	Limited Property Value
MOV	Motor Operated Valve
MUP	Multi-Use Path
NFPA	National Fire Protection Association
NPO	Neighborhood Preservation Ordinance
NPZ	Neighborhood Preservation Zones
O&M	Operating and Maintenance
PAG	Pima Association of Governments
PARF	Personnel Action Request Form

Acronym/Initialisms**Definitions**

PASER	Pavement Surface Evaluation and Rating System
PCI	Pavement Condition Index
PCWIN	Pima County Wireless Integrated Network
PECOC	Pima Emergency Communications Center
PGA	Professional Golf Association
PHA	Public Housing Asset
PILOT	Payment in Lieu of Tax
PRV	Pressure Relief Valve
PSCC	Public Safety Communications Center
QECBs	Qualified Energy Conservation Bonds
RFP	Request for Proposal
RICO	Racketeer Influenced and Corrupt Organizations Act
RIO NUEVO	Rio Nuevo Multipurpose Facilities District
RTA	Regional Transportation Authority
SAMM	Surplus, Auction and Materials Management
SAVSARP	Southern Avra Valley Storage and Recovery Project
SCADA	Supervisory Control and Data Acquisition
SC	Security Certified
SEMAP	Section 8 Management Assessment Program
SGR	State of Good Repair
SHARP	Southeast Houghton Area Recharge Project
SWG	Southwest Gas
TCC	Tucson Convention Center
TDOT	Tucson Department of Transportation
TIGER	Transportation Investment Generating Economic Recovery
TPAC	Tucson Pima Arts Council
TPT	Transaction Privilege Tax
TSRS	Tucson Supplemental Retirement System
TUMS	Tucson Utility Management System
TUS	Tucson International Airport's International Air Transport Association airport code
UDC	Unified Development Code
VANS	Vacant and Neglected Structures
VOIP	Voice Over Internet Protocol
WIFA	Water Infrastructure Finance Authority
WSI	Water Safety Instruction





tucsonaz.gov/finance/budget