

TUCSON

arizona

Adopted Budget Summary
FISCAL YEAR 2002
VOLUME I

CITY OF
TUCSON
arizona

Adopted Budget Summary
FISCAL YEAR 2002
VOLUME I

CITY COUNCIL



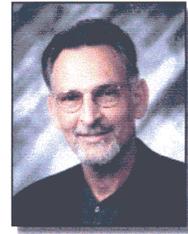
HONORABLE
ROBERT E. WALKUP
MAYOR



JOSÉ J. IBARRA
WARD 1



CAROL W. WEST
WARD 2



JERRY ANDERSON
WARD 3



SHIRLEY C. SCOTT
WARD 4



STEVE LEAL
WARD 5



FRED RONSTADT
WARD 6

CITY ADMINISTRATION



JAMES KEENE
CITY MANAGER

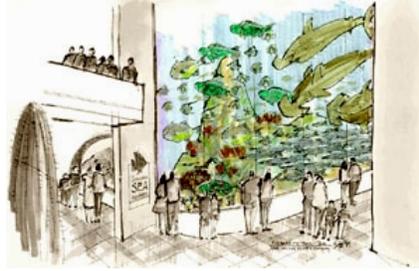
MIKE LETCHER
Deputy City Manager

LIZ RODRIGUEZ MILLER
Assistant City Manager

BENNY YOUNG
Assistant City Manager



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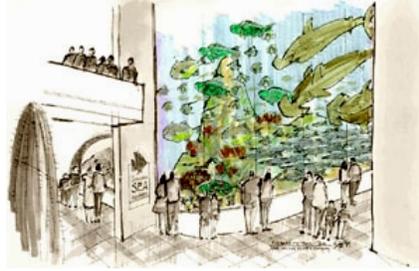
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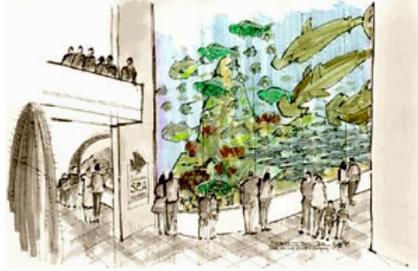
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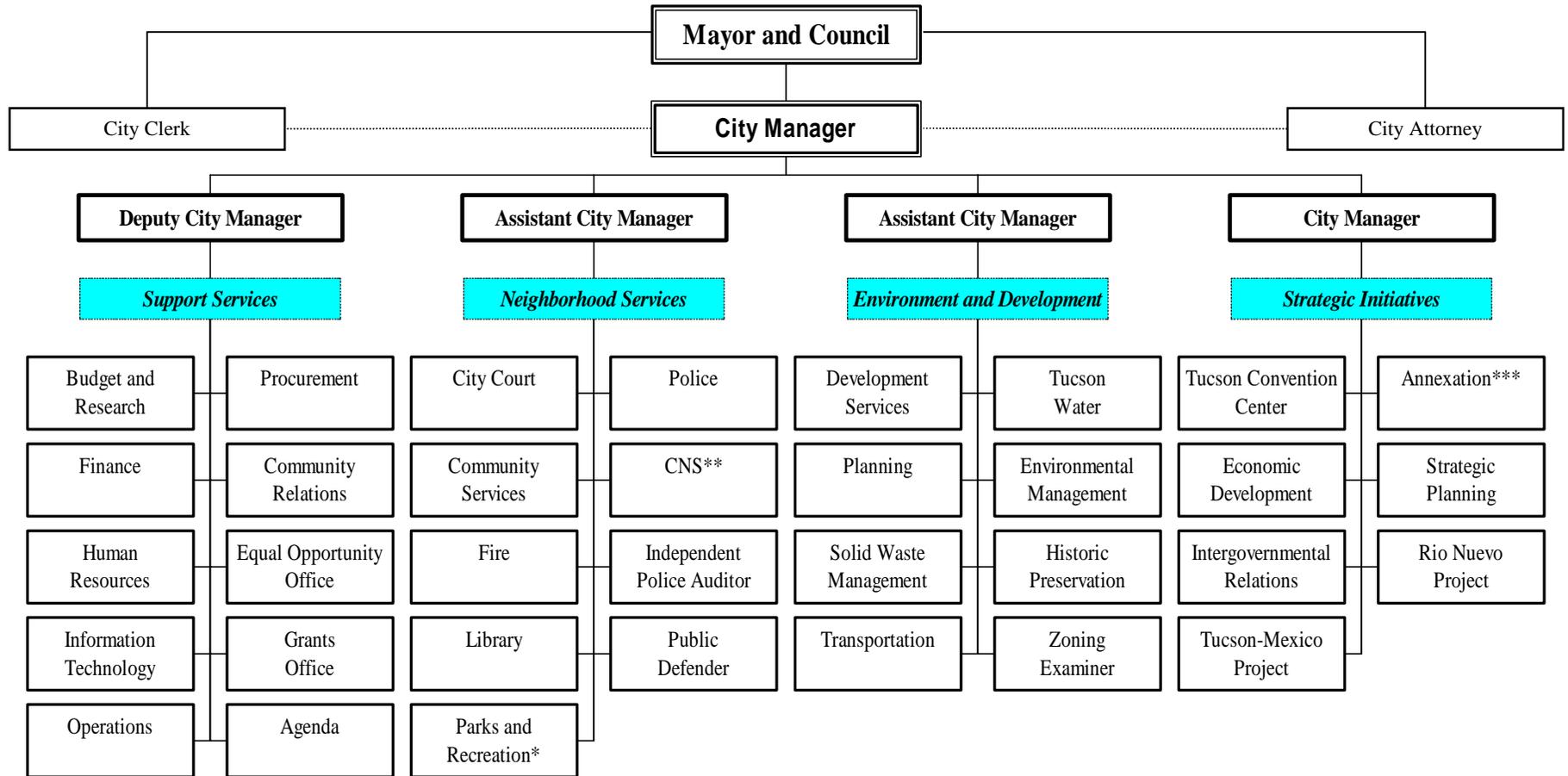


Through cooperative leadership provide the resources, expertise and enduring spirit required to be one of the top ten cities in America.

TUCSON
a r i z o n a



**City of Tucson
Organization Chart
Fiscal Year 2002**



* Includes Tucson City Golf

** Citizen and Neighborhood Services

*** Previously part of Special Projects in the Office of the City Manager

CITY OF TUCSON

OFFICIALS AND DIRECTORS

OFFICIALS

City Manager, *James Keene*
Deputy City Manager, *Mike Letcher*
Assistant City Manager, *Liz R. Miller*
Assistant City Manager, *Benny J. Young*

City Attorney, *Michael House*

City Clerk, *Kathleen S. Detrick*

SUPPORT SERVICES

Agenda, *Joan Stauch*
Budget and Research, *Ned Zolman*
Community Relations, *Judith Brown*
Equal Opportunity Office, *Sylvia Campoy*
Finance, *Kay L. Gray*
Grants Office, *Vacant*
Human Resources, *Jack Redavid*
Information Technology, *Todd Sander*
Operations, *Ronald L. Meyerson*
Organizational Development,
Julie Edmonds-Mares
Procurement, *Wayne A. Casper*

NEIGHBORHOOD SERVICES

Citizen and Neighborhood Services,
Maximiliano Torres

City Court, *Vacant*
Community Services, *Karen Thoreson*
Fire, *Dan Newburn*
Independent Police Auditor, *Liana Perez*
Library, *Agnes M. Griffen*
Parks and Recreation, *Dan Felix*
Police, *Richard Miranda*
Public Defender, *Charles Davies*

ENVIRONMENT AND DEVELOPMENT

Development Services, *Paul Swift*
Environmental Management, *Karen Masbruch*
Historic Preservation, *Marty McCune*
Planning, *William D. Vasko*
Solid Waste Management, *Eliseo Garza*
Transportation, *Vacant*
Tucson Water, *David Modeer*
Zoning Examiner, *Peter Gavin*

STRATEGIC INITIATIVES

Annexation, *Alice Western*
Economic Development, *Kendall Bert*
Intergovernmental Relations, *C. Mary Okoye*
Rio Nuevo Project, *John Jones*
Strategic Planning, *Chris Kaselemis*
Tucson Convention Center, *Hymie Gonzales*
Tucson-México Project, *Augustine Garcia*

OPERATING AND CAPITAL BUDGET CALENDAR iv
FOR FISCAL YEAR 2002

Sequence of events in the budget-setting process for Fiscal Year 2002.

July 16, 2000	Staff begins five-year budget forecast.
October 2, 2000	Complete update and distribution of Budget Instruction Manual.
October 19, 2000	City Manager budget kick-off meeting with departments.
November 17, 2000	Five-year capital improvement program requests submitted by departments to Budget and Research.
November 24, 2000	Operating budget requests submitted by departments to Budget and Research.
December 14-21, 2000	City Manager's preliminary capital budget review with Deputy or Assistant City Managers, department directors and staff, and Budget and Research.
December 26, 2000	Begin preparation and printing of capital improvement program document.
January 2-February 6, 2001	City Manager's preliminary operating budget review sessions with Deputy or Assistant City Managers, department directors and staff, and Budget and Research.
January 2-28, 2001	Complete preparation and printing of capital improvement program document.
February 5, 2001	Begin preparation and printing of recommended budget document.
February 5, 2001	Submission of the City Manager's Proposed Five-Year Capital Improvement Program to Mayor and Council.
February 12 and 26, 2001	Capital improvement program study sessions with Mayor and Council.
February 26, 2001	Citizens Bond Project Oversight Committee Report, study session with Mayor and Council.
March 5, 2001	Mayor and Council approve five-year capital improvement program.
April 6, 2001	Complete preparation and printing of recommended budget document.
April 9, 2001	Submission of the City Manager's Fiscal Year 2002 Recommended Budget to Mayor and Council.
April 23, 2001	Public Hearing on Fiscal Year 2002 Recommended Budget.

**OPERATING AND CAPITAL BUDGET CALENDAR v
FOR FISCAL YEAR 2002**

May 7, 2001	Mayor and Council study session for non-departmental programs (including Payments to Other Governments, Outside Agencies, General Expense, Retiree Medical Insurance, Debt Service, and Contingency Fund), Elected and Official (Mayor and Council, City Manager, and City Clerk), and Organizational Support (Budget and Research, Finance, Procurement, Human Resources, and Operations Departments) program categories.
May 14, 2001	Mayor and Council study session for non-departmental programs (including Outside Agencies: Greater Tucson Economic Council, Industry Cluster's Business Development Support), Elected and Official (City Attorney, City Court, Office of the Public Defender), Organizational Support (Information Technology), Public Safety (Police and Fire Departments) Community Development (Planning, Development Services, and Community Services Departments) and Public Enterprises (Tucson Water Department) program categories.
May 21, 2001	Mayor and Council study session for Human Services (Tucson Convention Center, Library, Parks and Recreation, and Tucson City Golf Departments), and Public Enterprises (Solid Waste Management and Transportation Departments) program categories.
June 4, 2001	Mayor and Council discussion of revenue and expenditure adjustments to balance the Fiscal Year 2002 budget.
June 11, 2001	Mayor and Council wrap-up study session.
June 18, 2001	Fiscal Year 2002 tentative budget adoption.
June 18, 2001	Truth in Taxation Hearing on primary property tax levy for Fiscal Year 2002.
June 22, 2001	Public hearing on Fiscal Year 2002 tentative budget.
June 25, 2001	Special Mayor and Council meeting for purpose of final budget adoption.
July 2, 2001	Adoption of Fiscal Year 2002 Property Tax Levies.

HOW TO USE THIS BUDGET

This document guide outlines the City of Tucson's Fiscal Year 2002 Adopted Budget which is contained in three volumes, an appendix, and an Executive Summary. Copies of the budget are available at all branches of the Tucson-Pima Public Library in the Tucson area, the University of Arizona main library, Pima Community College branch libraries, the City Clerk's Office, and the Department of Budget and Research. Information may be obtained by calling the Department of Budget and Research at (520) 791-4551 or e-mailing the department at budget&research@ci.tucson.az.us.

Presenting the budget in these volumes allows users to select the level of information that meets their needs. Volume I, the Adopted Budget Summary, provides summary level information. Volume II, the Operating Budget Detail, and Volume IIa, the Appendix to the Operating Budget Detail, provide detailed information on staffing and city services. Volume III, the Approved Five-Year Capital Improvement Program, provides detailed information on capital projects.

Following are descriptions of the contents in each volume and the Executive Summary.

Volume I

City Manager's Message - The City Manager uses two messages to provide a complete record of the recommendation and adoption of the budget. The message dated July 1, 2001 summarizes the changes that were made to the City Manager's recommended budget during the budget review and adoption process by the Mayor and Council. It also includes an update of the five-year projections of expenditures and revenues and a discussion of future budget issues.

In the message dated April 9, 2001, the City Manager transmits the recommended budget to the Mayor and Council. In this message, the

City Manager overviews the key policy issues and programs for the fiscal year. The City Manager's message is divided into the following sections:

- City's Current Financial Condition
- Moving Towards Long-term Financial Health
- Fiscal Year 2002 Recommended Budget
- Conclusion

Livable Tucson Initiatives - This section includes a description of the city's 17 Livable Tucson Goals which have emerged from community discussions.

Legal Authorization - The legal provisions to meet both state and local requirements are presented for the reader. The process for budget adoption, the setting of the property tax, a property tax summary, public hearings, and a summary of department expenditures are supplied. Copies of the budget adoption resolution are also included.

Community Statistical Profile - This section of the summary provides the reader with demographic information on Tucson and benchmark information that compares Tucson to comparable cities in the region.

Summary Information - Schedules contained in these sections provide summary level information on the consolidated (operating and capital) city budget. Expenditures and revenue information, descriptions of revenue sources, capital budget impacts on operations, staffing histories, pay scales, and other funding information are summarized here. This section is particularly helpful if the reader is interested in an overview of the city budget.

Capital Budget Summary - This section provides a summary of the Approved Five-Year Capital Improvement Program.

Glossary - The glossary defines terms and acronyms used in the budget.

Index - The index provides an alphabetical listing of the contents of the budget.

Volume II

The Adopted Budget Operating Detail provides the detail for department budgets organized by major departmental groups. Each department section includes mission statements, an overview of the department, department highlights, Livable Tucson Goals, department financial and personnel resources, funding summaries, a listing of significant changes that compare the Fiscal Year 2001 Adopted to the Fiscal Year 2002 Adopted Budget, and key measures of performance.

Volume IIa

Appendix A: Position Resources by Classification - Appendix A presents, by department and division, the position resources for the Fiscal Year 2002 Adopted Budget, as well as the Fiscal Year 2001 Adopted and Estimated budgets, and the Fiscal Year 2000 actual expenditures. This section includes the detail by position and pay range for authorizations of both permanent and non-permanent classifications.

Appendix B: Financial Summary - Appendix B displays, by department and division, each organization's financial summary and character of expenditures (personal services, services, commodities, etc.). The information reflects the financial resources for the Fiscal Year 2002 Adopted Budget, as well as the Fiscal Year 2001 Adopted and Estimated budgets, and the Fiscal Year 2000 actual expenditures.

Volume III

The Approved Five-Year Capital Improvement Program contains the capital program. This volume has two major sections: the City Manager's Message and the Department Programs organized by major departmental groups.

City Manager's Message - As in Volume I, two messages are used. The City Manager's message dated July 1, 2001 sets out the changes

that were made to the proposed capital budget. The message dated February 5, 2001 provides a description of the capital program and its impact on the community, including:

- Summary of Expenditures and Funding
- Department Program Highlights
- Impact of the CIP on the Operating Budget
- Issues and Outlook for Future Capital Budgets
- Conclusion

Department Programs - In this section of the Approved Capital Improvement Program each department's capital budget is presented. Within each department a program statement describes the highlights of the capital program. There are project and funding summaries by major program area. The reader can find the individual project detail in this section. Each project is described and funding sources, project costs, and other project information (such as start and end dates, wards) are presented.

Executive Summary

The Executive Summary serves as an overview to the adopted budget. The summary includes brief descriptions of the Livable Tucson Goals and budget policies, community statistical data, an overview of the adopted budget in expenditures and revenues, operating budget summaries for each department, and a capital budget summary. It is recommended that those with a general interest in budget matters use the Executive Summary as a reference guide.

**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, 2000**

Anne Spray Kinney *Jeffrey L. Esser*
President Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Tucson for its Annual Budget for the Fiscal Year beginning July 1, 2000 through June 30, 2001.

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 only. 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.



CITY OF TUCSON

July 1, 2001

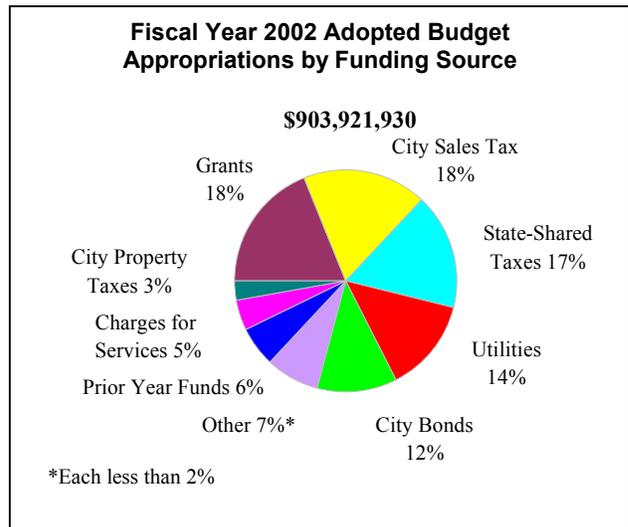
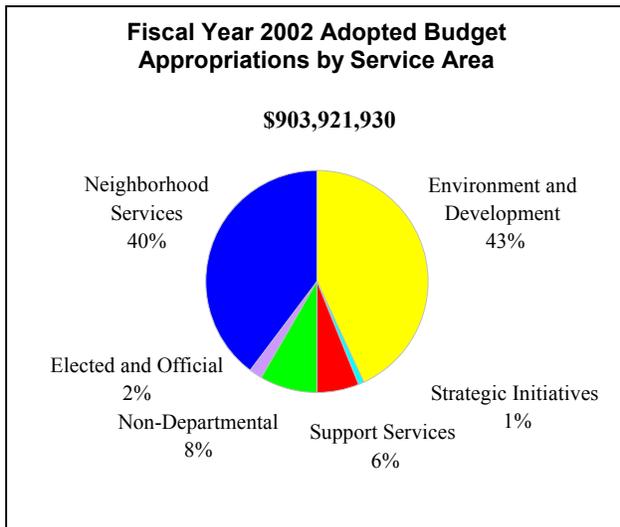
Honorable Mayor and Council Members
of the City of Tucson
City Hall
255 West Alameda
Tucson, Arizona 85701

Re: City of Tucson Fiscal Year 2002 Adopted Budget

Dear Mayor Walkup and Council Members:

After reviewing the recommended budget and holding public hearings, the Mayor and Council adopted the final budget for Fiscal Year 2002 on June 25, 2001 and set property tax levies on July 2, 2001. The final budget of \$903,921,930 was balanced without implementing new taxes or fees.

As noted in the chart below, the adopted budget expenditure categories have been revised to reflect the realignment of city departments into six service areas: Elected and Official, Neighborhood Services, Environment and Development, Strategic Initiatives, Support Services, and Non-Departmental.



City Property Taxes: The city's primary property tax will remain the same: \$0.1406 per \$100 of assessed valuation. The secondary rate, which repays general obligation bonds, will decrease slightly.

The city's combined property tax rate is decreasing for Fiscal Year 2002.

City of Tucson Property Tax Rate Comparisons
(per \$100 of assessed valuation)

	Actual FY 2001	Estimated FY 2002	Change
Primary	\$ 0.1406	\$ 0.1406	\$ -0-
Secondary	<u>0.9864</u>	<u>0.9797</u>	<u>(0.0067)</u>
Combined	\$ 1.1270	\$ 1.1203	\$ (0.0067)

The secondary property tax rate remained roughly the same even though the city sold \$26.7 million in new general obligation bonds in June 2001. This was possible because of the city's good bond ratings, favorable payment structuring, and the increase in total assessed valuation within the city.

Taken together, the primary and secondary property tax rates of \$1.12 mean a homeowner with a house assessed at \$100,000 will pay only \$112 in city property taxes during Fiscal Year 2002.

COMPARISON OF FISCAL YEAR 2001 AND FISCAL YEAR 2002

The adopted budget for Fiscal Year 2002 is \$95 million more than the Fiscal Year 2001 budget. However, \$52 million of the increase is due to the capital budget, which reflects the city's ramping up to implement the voter-approved 2000 bond program. The total operating budget thus increased by \$43 million or 5%. With an annual inflation rate of 3% and a population growth rate of 2% per year, a 5% annual change in budget growth is needed just to maintain the status quo. A growth rate of more than 5% is necessary to improve or expand services.

The General Purpose Funds Budget increase of 3% is even less than is needed to maintain the service level demands that we face. Inflation and employee salary and benefit adjustments alone would have resulted in a larger increase, except that program cuts were made to balance the budget.

The General Purpose Funds Budget increased by only 3%.

With inflation at 3% and a population growth rate of 2%, General Purpose Funds Budget increase is not sufficient to sustain service levels.

All Funds Budget (\$ millions)	Operating	Capital	Total Budget	% Increase
Appropriations:				
Fiscal Year 2002	\$ 666.7	\$ 237.2	\$ 903.9	
Fiscal Year 2001	623.2	185.3	808.5	
Budget Increase	\$ 43.5	\$ 51.9	\$ 95.4	12%
Funding for the Budget Increase:				
General Purpose Funds	\$ 25.3	\$ 2.0	\$ 27.3	3%
Restricted Funds	<u>18.2</u>	<u>49.9</u>	<u>68.1</u>	<u>9%</u>
Budget Increase	\$ 43.5	\$ 51.9	\$ 95.4	12%

General Purpose Funds Budget Increase: The Fiscal Year 2002 General Purpose Funds Budget increase of \$27.3 million has three components:

Increases Included in the Recommended Budget = \$22.3 million

General Purpose Fund Budget increase of \$22.3 million from the Fiscal Year 2001 to the Fiscal Year 2002 recommended budget included added salary and benefit costs, a net increase for Sun Tran and Van Tran operations, election expenditures, the One & One Plus program of refuse and recyclables collection, and additional funding for neighborhood improvements.

Mayor and Council Expenditure Adjustments = -\$4.5 million

During budget discussions the Mayor and Council approved expenditure adjustments that netted to a \$4.5 million reduction: \$6.9 million in deferred expenditures, offset by \$2.4 million in added costs. The deferred expenditures include foregoing the replacement of equipment and fleet vehicles, across-the-board reductions, delaying implementation of the One & One Plus program, and rescheduling of capital projects. The added costs cover mid-year changes to the compensation plan, replacing a lost transit grant with General Purpose Funds, the addition of three new School Resource Officers, and other changes to increase the Library's book budget, the KIDCO program, and funding for outside agencies.

Carryforward Additions = \$9.5 million

The last component of the increase is for carryforward from the Fiscal Year 2001 budget added to the Fiscal Year 2002 budget for purchases and projects that could not be completed during Fiscal Year 2001. Revenue from prior year budgets is brought forward to cover these expenditures.

Choices Made to Balance the General Purpose Funds Budget: The Fiscal Year 2002 budget is balanced, but only precariously. A number of budget balancing adjustments had to be made when the Mayor and Council did not endorse new revenue sources that had been included in the city manager's recommended budget.

The one-time funding source and deferred expenditure choices made in Fiscal Year 2002 will not support a sustainable fiscal future.	
Use of one-time funding sources:	
No contribution to the strategic reserve	\$ 3.1 million
Use of deferred maintenance reserve	<u>3.0 million</u>
	\$ 6.1 million
Deferred expenditures:	
Deferred equipment and fleet replacement	\$ 3.0 million
Deferred across-the-board budget reductions	1.6 million
Delayed One & One Plus program	1.4 million
Rescheduling of capital building projects	<u>0.9 million</u>
	\$ 6.9 million
Total	\$ 13.0 million

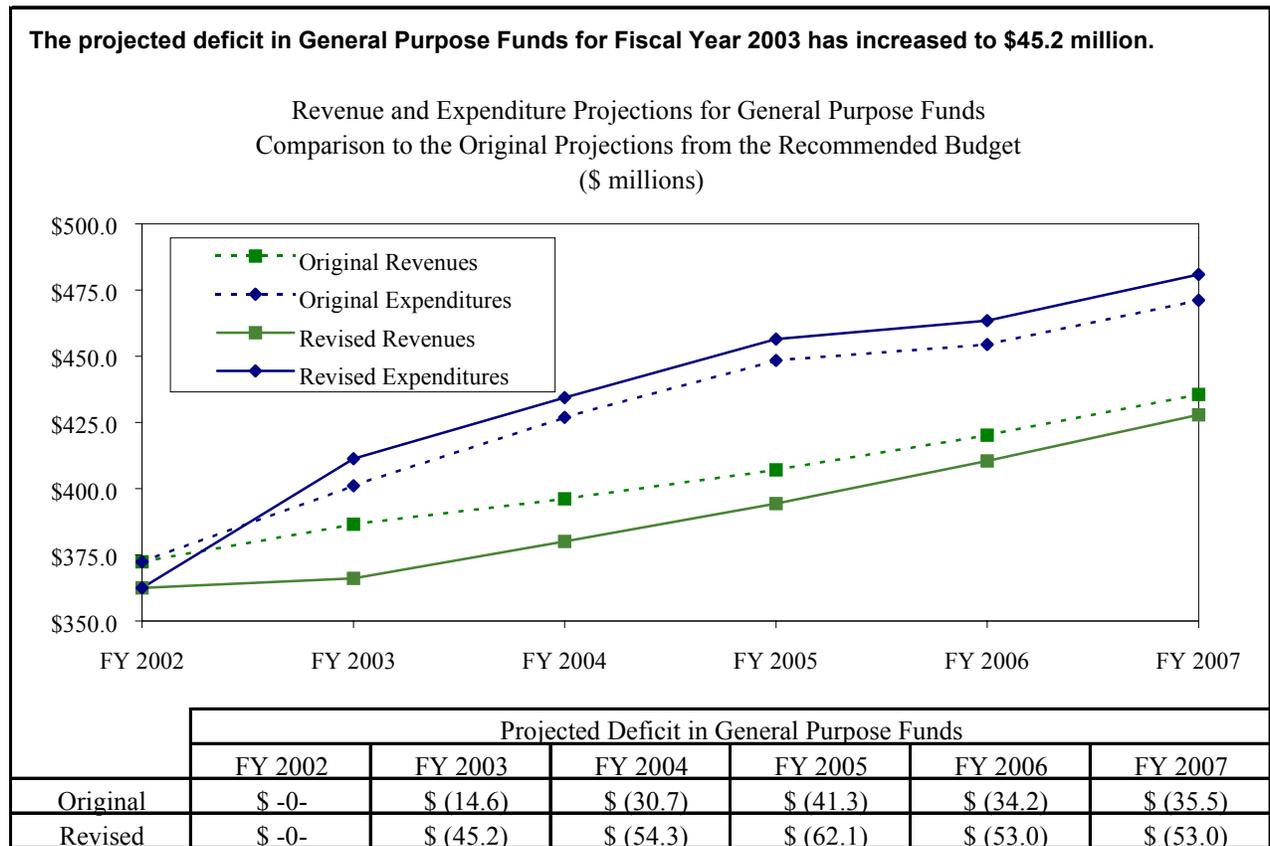
Rather than cover recurring expenditures with recurring revenues, Mayor and Council directed that one-time funding sources of \$6.1 million and deferred expenditures of \$6.9 million be used to balance the budget. These choices will make future budgets more difficult to balance.

FUTURE BUDGETS

Difficult decisions were required by the Mayor and Council to balance the Fiscal Year 2002 budget. Without new revenue sources, reserves were used and expenditure cuts or deferrals had to be made. As council members recognized, these choices were short-term solutions. Using one-time solutions to balance annual budgets leaves the city, over time, unable to continue providing current service levels and comply with mandates. For future budgets, staff and the Mayor and Council need to begin focusing on strategic, long-term solutions to funding the city's programs and service needs.

Five-Year Projection: General Purpose Funds

While the adopted budget for Fiscal Year 2002 is balanced, it did not solve many of the unfavorable revenue and expenditure trends that will drive the city towards future General Purpose Funds Budget deficits. Our most recent analysis indicates that we could face a General Purpose Funds Budget deficit of \$45.2 million in Fiscal Year 2003, growing to \$53 million by Fiscal Year 2007.



Comparison of the Revised to the Original Fiscal Year 2003 Projection: The current projected deficit for Fiscal Year 2003 increased significantly over the original projection presented in the recommended budget: from \$14.6 million to \$45.2 million. The difference of \$30.6 million is due to a \$20.4 million drop in revenues and a \$10.2 million increase in expenditures.

The difference in the two projections reflects the impact of choices made to balance the Fiscal Year 2002 budget: use of one-time revenue sources and the deferral of expenditures. As a result, recurring expenditures are projected to grow at a much faster rate than recurring revenues.

Revenue Growth Lags Behind Expenditure Growth: Given an assumption of no new recurring revenue sources, the Fiscal Year 2003 revenue projection has an overall increase of \$10.9 million. However, the projection also assumes a \$7.3 million reservation for the Strategic Reserve. The net effect is a projected revenue increase of only \$3.6 million for Fiscal Year 2003.

Future deficits are projected, because growth in recurring revenues is less than the growth in recurring expenditures.

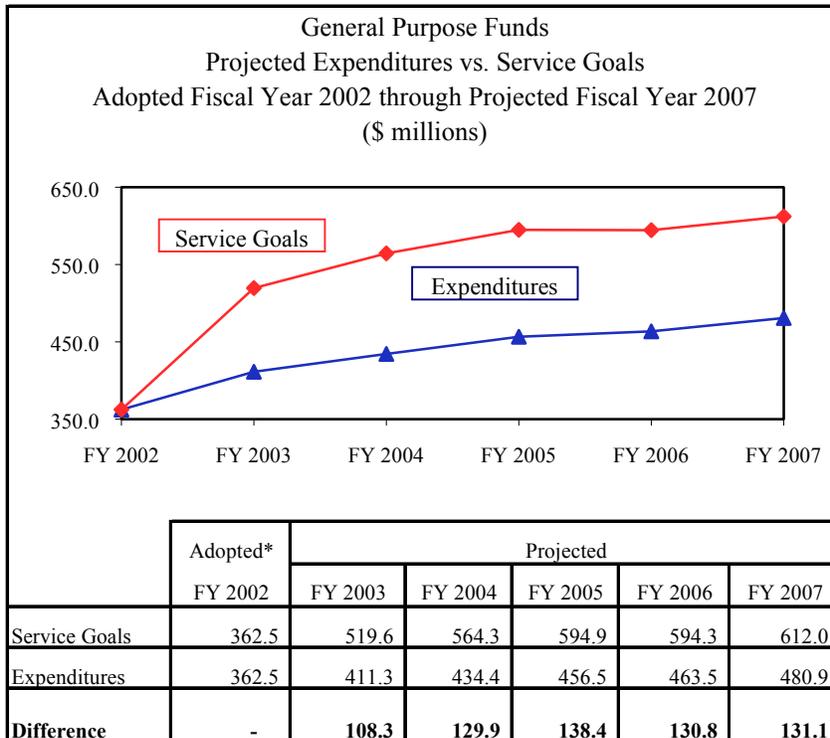
(\$ millions)	FY 2002*	Projected FY 2003	Increase
Recurring Revenues	\$ 362.5	\$ 373.4	\$ 10.9
Reservation for Strategic Reserve	<u>-0-</u>	<u>(7.3)</u>	<u>(7.3)</u>
Net Recurring Revenues	\$ 362.5	\$ 366.1	\$ 3.6
Recurring Expenditures	\$ 362.5	\$ 411.3	\$ 48.8
Deficit	\$ -0-	\$ (45.2)	

*FY 2002 excludes \$23.9 million of one-time funding brought forward from FY 2001.

By contrast, the projected expenditures for Fiscal Year 2003 reflect an overall increase of \$48.8 million. Close to \$8 million of the increase is driven by mandated improvements at landfills, operating budget impacts of the voter-approved bond program, and picking up the cost of grant-funded police officers as federal grants expire.

The restoration of expenditures deferred in Fiscal Year 2002 adds \$11.4 million: \$6.9 million to restore Mayor and Council-directed expenditure deferrals and \$4.5 million to restore expenditure deferrals that had already been included in the recommended budget. The expenditure projections assume that all recurring expenditures will be covered by recurring revenues. That assumption adds \$11.7 million, including the \$6.1 million of one-time funding sources noted on page A-3. Finally, the cost of maintaining services at existing levels, allowing for population growth and inflation, raises expenditure needs by \$17.7 million.

Unmet Needs Not Included in the Projected Expenditures: Projected expenditures (reflected in the graph on page A-4) assume current service levels plus factors for inflation and population growth. They do not include any unmet needs that have built up from prior year deferrals of expenditures or new programs needed to meet service demands. The impact of these unmet needs on projected expenditures can be seen in the chart on the following page.



The \$108 million in Fiscal Year 2003 includes \$60 million for the transportation infrastructure backlog of maintenance and construction, \$24 million to restore prior year cuts and expenditure deferrals, and \$24 million for new programs to meet service goals. The cost of meeting service goals increases in subsequent years due to new police and fire facilities and added funding for public transit.

These are preliminary estimates that will be refined during the strategic planning process I am proposing.

* FY 2002 excludes \$23.9 million of one-time funding brought forward from FY 2001.

Strategic Planning

As with any projection of revenues and expenditures, assumptions had to be made. The five-year analyses presented are not meant to predict the future, but to give us a starting point for discussing our financial future. If we begin early in the budget cycle to define our needs and policies, I believe we can be in a better position to make the necessary choices that our financial condition places upon us. Engaging in a formal, strategic planning process—before we start crunching numbers—will allow us to step back and take a long-term perspective on where we’re going and how we want to get there.

I cannot emphasize enough the importance of our beginning in earnest this fall. No one should underestimate the very thin margin with which we are trying to “run” this city. Our budget choices need to shift from one-time solutions to major strategic issues. As the Mayor and Council are aware, one-time adjustments and falling back on reserves will not sustain us.

Biennial Budget: To broaden our focus and make thinking strategically our organizational perspective, I am recommending that we implement a biennial budget for Fiscal Years 2003 and 2004. With a biennial budget we will only be doing full budget preparation and review once every two years—a savings in money and time. We can make productive use of the “off year” to conduct program evaluations of key city services, with the aim of streamlining processes and reducing costs. While the transition to a biennial budget will require significant effort by staff and the Mayor and Council, I believe we can expect a good return on that investment.

CONCLUSION

During the Fiscal Year 2002 budget process, staff, Mayor and Council, and the public wrestled with the basic and perpetual challenge of local government: how to meet community needs with limited resources. The next few years will be much more difficult. I look forward to working through the strategic planning process with the Mayor and Council, staff, and the public as we begin early to prepare for the Fiscal Year 2003 budget.

For reference, the letter from the recommended budget is included in the adopted budget document. That letter provides a general discussion of favorable and unfavorable economic trends and outlines initiatives we can take to put Tucson on the road to long-term financial health.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Keene". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

James Keene
City Manager

JK:Ned Zolman, Director
Department of Budget and Research



CITY MANAGER'S MESSAGE

RECOMMENDED FISCAL YEAR 2002 BUDGET

April 9, 2001

Honorable Mayor and Council Members
of the City of Tucson
City Hall
255 West Alameda
Tucson, Arizona 85701

Re: City of Tucson Fiscal Year 2002 Recommended Budget

Dear Mayor Walkup and Council Members:

In accordance with the requirements of state law and the Tucson City Charter, I am submitting a financially balanced Fiscal Year 2002 Recommended Budget for your review and approval.

The recommended consolidated budget—operating and capital budgets for all funds—for Fiscal Year 2002 totals \$894.5 million, an increase of 11% or \$86 million more than the adopted budget for Fiscal Year 2001. The consolidated budget includes a recommended General Recurring Funds Budget of \$381.4 million, an increase of 6% or \$22.3 million more than the adopted General Recurring Funds Budget for Fiscal Year 2001. The number of city employees totals 5,918 or 15 fewer positions than in the adopted budget for Fiscal Year 2001.

While the recommended budget complies with the legal mandate for projected expenditures to equal estimated revenues, it is not “balanced” in the larger sense of meeting all community needs and significantly improving the health of the city. In this year’s budget message, I hope to clarify that distinction by not focusing solely on the Fiscal Year 2002 budget, but by widening our perspective to the long-term financial health of the city.

It may seem incongruous to suggest in still relatively good economic times that the City of Tucson needs to be concerned about its financial future. But the city has made certain choices over the past decade—use of the general fund for services that could be covered through user charges, dependence on revenues

subject to fluctuations of economic cycles, and deferral of infrastructure investments to help balance the budget—that leaves its long-term financial health vulnerable to future economic downturns and inflationary cost increases. In fact, over the past few years, the city’s budget grew in an attempt to catch up with significant service deferrals made in the late 1980s and early 1990s.

The recommended budget for Fiscal Year 2002 is a product of those choices. The city’s Executive Team has had to make difficult choices to close a \$39 million gap between departments’ requested expenditures for providing status-quo service and estimated revenues for the coming year. To close that gap and present you with a balanced budget, we have looked to both sides of the budget equation: expenditure requests were reduced and new fees and taxes are recommended.

To provide a logical framework for looking at the recommended budget, this message is organized into three sections:

1) City’s Current Financial Condition

Before jumping to specifics on the budget, this section contains background on the current conditions that are driving the proposed revenue increases and expenditure reductions. It provides a broad overview of the city’s economic forecast and looks at trends and issues that affect our ability, now and in the future, to provide quality services.

2) Moving Towards Long-Term Financial Health

This section includes discussion of strategic initiatives that have been taken and that I recommend be pursued so that future budgets will be balanced both financially and in the larger sense of providing value to the community.

3) Fiscal Year 2002 Recommended Budget

Summaries and highlights of the recommended budget for Fiscal Year 2002 are presented in this section, including a discussion of the expenditures and revenues as compared to the adopted budget for Fiscal Year 2001.

1) CITY'S CURRENT FINANCIAL CONDITION

A city in good financial condition can maintain existing services, weather economic downturns, and respond to growth and change.

Some of the factors that determine our financial condition are not within the city's direct influence, such as national and regional economies or legal limitations on spending. But, others are within our control—some of the choices we make on revenue sources and expenditure priorities.

Economic Outlook

The healthy regional economy of the past few years has benefited the City of Tucson. The average unemployment rate for 2000 (2.8%) was among the lowest recorded in the last 30 years. This low unemployment rate is partly the result of Pima County leading the nation in job growth in 2000 with the creation of 20,000 jobs.

Tucson Metro Area economic forecast is for the rate of growth to slow, but remain strong.

% change in:	1999	2000	2001	2002	2003
Personal income	8.0	8.9	6.4	5.8	5.4
Employment	4.4	5.7	3.2	2.6	1.8
Population	2.7	2.4	2.2	1.9	1.8
Retail sales (less food)	9.2	8.5	4.8	4.8	4.9

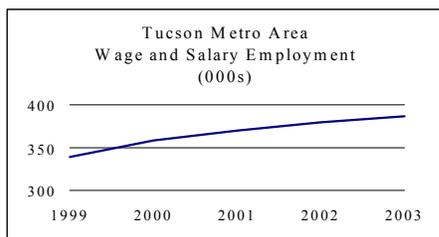
Source: Eller College of Business and Public Administration, University of Arizona

Predicting economic trends is not without its hazards, but the forecast for Tucson from the University of Arizona's Eller College of Business and Public Administration is for the pace of growth to slow, but still remain strong.

Favorable Trends

A growing economy translates into increased city government revenue from sales taxes, business licenses, building permits, and property taxes. Increases in these revenues assist the city in sustaining general services.

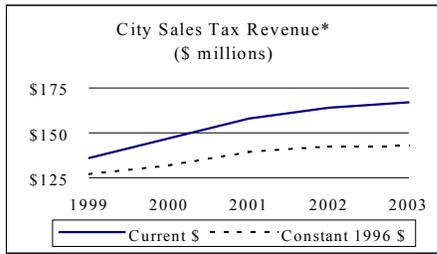
Job growth will continue.



Source: Eller College of Business and Public Administration, University of Arizona

Low Unemployment and Job Growth: Tucson's December 2000 unemployment rate of 2.6% was below both the state (3.7%) and national (4.0%) rates. Continued low unemployment and increasing job growth is good news for individuals, the community, and city government. Employed citizens are able to improve their own standard of living, as well as contribute to the community's quality of life through their taxes.

Projections for city sales tax receipts are good.



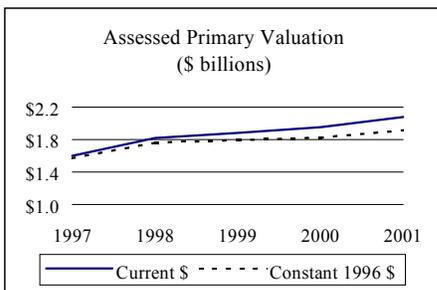
* As currently imposed

Increasing City Sales Tax Revenues: The city currently applies a 2% tax on 14 separate business activities, excluding the sale of food purchased for home consumption. The city's sales tax is one of our most important funding sources for general purposes.

Reflecting the economic forecast for increasing retail sales, receipts from city sales tax (business privilege tax) are expected to increase. The estimated receipt of \$158 million for Fiscal Year 2001 is an increase of 7% over the previous year's actual receipts of \$147 million. For Fiscal Year 2002, \$164.5 million is projected: a 4%

increase over the estimated amount for Fiscal Year 2001, given the city sales tax as currently imposed.

City property values have risen.



Source: Pima County Assessor's Office

Rising Property Values: Assessed property value is a measure of the taxable value of property in the city. Even after adjusting for inflation, the primary assessed valuation within the city has increased 22% since 1997.

Increasing property values signal to investors an ability to repay debt from the secondary property tax levy, which improves the investment quality of our bonds. Our bonding capacity also increases, because the state ties the amount of general obligation bonds the city can issue to assessed valuation.

Increasing property values also indicate a potential for additional revenue for the city from the primary property tax. *The city currently receives less than 1% of its annual revenue from the primary property tax levy.* While the state sets the upper limit on the primary property tax levy, the city has consistently been far below the allowable levy. The proposed primary property tax levy for this recommended budget is \$2.9 million; the allowable levy is \$7.8 million.

Unfavorable Trends

Of course, not all trends are favorable. Factors outside the city's control, such as greater population growth in the rest of the state, and factors inside the city's control, such as reliance on economically-sensitive revenue sources, combine to make us less financially flexible than we should be.

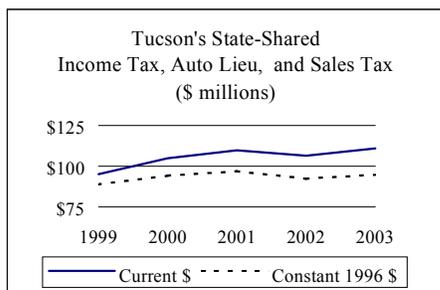
Shrinking Share of State Revenues Allocated Based on Population: Much of the city's revenue comes from state-shared revenue allocations that are tied to our proportionate share of the state's population: state income tax, state sales tax, state auto lieu tax, state gasoline tax, and lottery proceeds.

Tucson's proportion of state's population is declining . . .

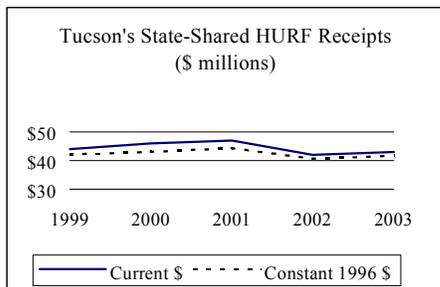
	1990	2000
Arizona	3,665,339	5,130,632
Tucson	405,371	486,699
% Tucson	11.1%	9.5%

Source: U.S. Census 1990 and 2000

. . . resulting in slow growth in state-shared revenues for general purposes . . .



. . . and no growth in state-shared revenues for streets.



Tucson's population has grown in the last decade, increasing by 20%. The problem for the city's budget is that the rest of Arizona grew faster: Phoenix 34%, Mesa 38%, Glendale 48%, Scottsdale 56%, Chandler 97%.

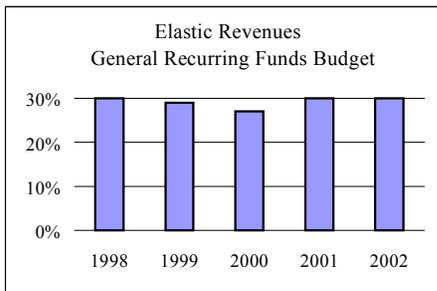
Our piece of the state-shared revenue pie has therefore shrunk. We have estimated a reduction of up to \$9 million from what might have been expected before the 2000 census. To provide the same level of services for our increasing population, the city must now find other funding sources.

Funding for General Purposes: The shared revenues allocated from the state's sales tax, income tax, and auto lieu tax are used by the city for general purposes, such as police and fire protection, parks and library services, and refuse collection and disposal. After adjusting for the effects of inflation, there has been little growth in this funding source. Although service demands have increased, the means to fund them have not.

Funding for Streets: As required by law, the city uses its state-shared gasoline taxes (HURF: Highway User Revenue Fund) for street-related services and projects. This revenue pays for day-to-day operating expenses, pay-as-you-go capital projects, and repayment of debt on bond-funded capital projects.

Our declining share of the state's population—compounded by the fact that the gasoline tax is a flat 18¢ and not indexed to inflation—has resulted in declining revenues from this funding source. As a result, we must forego needed new projects and services to concentrate on payments for existing bond projects.

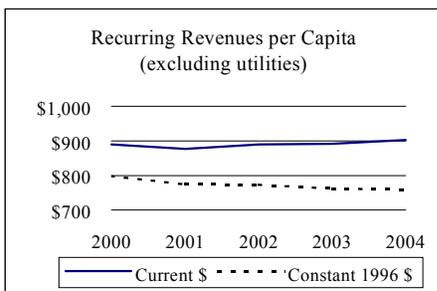
Elastic revenues fund a significant portion of the budget.



Overreliance on Elastic Revenues: Elastic revenues—city sales tax, hotel and motel taxes, business licenses, and building permits—are highly responsive to economic conditions. An overreliance on elastic revenues makes funding of programs and services vulnerable during economic downturns.

Approximately 30% of the city’s General Recurring Funds Budget comes from elastic revenues, a proportion that has remained fairly constant. We have not taken advantage of good economic times to diversify our revenue base in preparation for the future.

Revenue growth is not keeping pace with population growth.

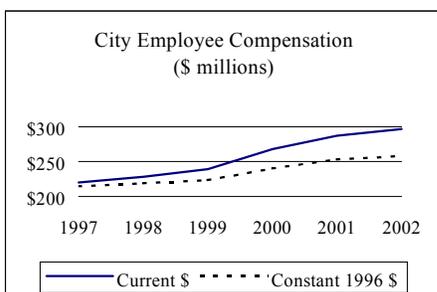


Decreasing Recurring Revenues per Capita: Recurring revenues are collections that the city expects to receive on an on-going, annual basis. They include virtually all revenue sources, including state-shared revenues, city sales taxes, licenses and permits, fees for services, property taxes, and fines.

Adjusted for inflation, non-utility recurring revenues are expected to decrease. Much of that decline is due to the shrinking share of state-shared revenues previously discussed. Declining revenues per capita may be a warning sign of the city’s inability to provide existing services as

our population grows. In a city our size, we can also generally expect diseconomies of scale to play a big role. In other words, our demand for service increases disproportionately to our population growth.

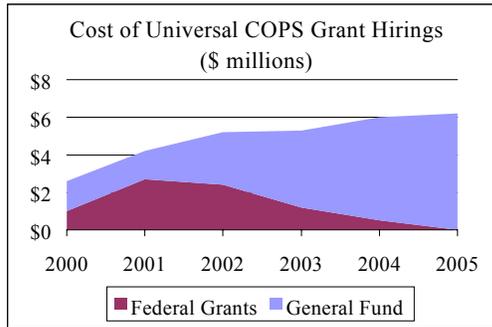
Employee compensation has been growing faster than the rate of inflation.



Rising Costs of Employee Compensation: As a service-oriented organization, city staff is one of our most important assets, and periodic compensation adjustments are needed to recruit and retain the highest quality employees.

Employee compensation is a major driver of the city’s expenditures. Approximately 45% of the operating budget (59% of the General Recurring Funds Budget) goes to cover employee compensation—wages, payroll taxes, and benefits. These costs have risen faster than the costs of inflation, due to across-the-board adjustments, merit increases, and rising costs for health care premiums.

The General Fund bill for new police officers hired with federal grants is coming due.



Paying the General Fund Bill for New Police Officers: To increase the number of police officers, the city took advantage of two Universal COPS grants offered by the federal government. The grants provided for 50 additional positions in Fiscal Year 2000 and another 54 positions in Fiscal Year 2001.

Under the terms of the grants, federal support is phased out over four years. While the cost to the General Fund for the 104 positions was only \$1.5 million in Fiscal Year 2001, it grows to \$6.2 million by Fiscal Year 2005.

Backlog of Infrastructure Investments

While the City of Tucson is financially secure enough on an annual basis to pay short-term bills and meet long-term debt obligations, we have not sufficiently invested in maintaining or expanding our fixed assets—most significantly for roads, sidewalks, and street lighting, and to a lesser extent for libraries, recreational facilities, administrative offices, and police and fire stations.

Each year the Mayor and Council are presented with a five-year capital program that contains a significant amount of unfunded projects. This backlog of improvements isn't static. If not addressed, it only grows each year and impacts on our ability to address community goals in a meaningful way.

Regional transportation needs exceed existing funding sources.

PAG's 2001-2025 Regional Transportation Plan:

Maintenance of existing system	\$ 3.8 billion
New capacity for travel demand	5.1 billion
Maintenance of new capacity	1.2 billion
Non-capacity improvements & maintenance	<u>0.6 billion</u>
Total needs through 2025	\$ 10.7 billion
Existing sources of revenue	\$ 6.6 billion
Regional funding deficit	\$ 4.1 billion

Transportation System Demands: Population and economic growth has placed increased demands upon our regional transportation system. The Pima Association of Government's (PAG) recent twenty-five year Regional Transportation Plan identified \$10.7 billion in regional transportation system needs. However, there is only an estimated \$6.6 billion available from existing funding sources.

As a major player in the regional transportation system, the city's needs also exceed our current ability to pay for sustaining and improving transportation

infrastructure. We have relied primarily on state-shared gasoline taxes for street maintenance and capital projects, a revenue source that hasn't been sufficient to meet our needs and is now declining.

Just to meet minimum standards for the city's existing transportation infrastructure, we should be investing \$520 million.

Residential streets	\$ 60 million
Arterial and collector streets	30 million
Residential street lighting	85 million
Arterial and collector street lighting	145 million
Sidewalks	<u>200 million</u>
	\$ 520 million
Existing sources of revenue	\$ 32 million
Minimum standard deficit	\$ 488 million

Just to meet minimum standards for streets, streetlights, and sidewalks, we should be investing \$520 million. However, we have only been able to identify \$32 million for the next five years: \$12 million in 2000 bonds, \$12 million in federal funds, \$5 million in HURF (state-shared Highway User Revenue Fund) receipts, and \$4 million from special assessments.

To keep our system adequately maintained, we should be spending almost \$17 million per year. However, for Fiscal Year 2002 the city can only afford to fund about 40% or \$7 million of these needs. Deferring 60% of our annual maintenance needs will only exacerbate the \$520 million deficit we face to bring our transportation infrastructure up to minimum standards.

We are only able to fund about 40% of the annual maintenance needs for existing infrastructure.

Annual maintenance of streets, alleyways, and drainageways	\$ 17 million
Fiscal Year 2002 budget	\$ 7 million
Annual maintenance deficit	\$ 10 million

Remediation and Closure of Landfills: The city has some responsibility for twenty-three landfills: one operating landfill and twenty-two landfills no longer accepting waste disposal. Ensuring that past waste disposal does not pollute our air and water puts increasing demands on the city's limited fiscal resources from General Recurring Funds and general obligation bonds.

Given limited funds, the city has funded the only most urgent landfill needs and continued to backlog the rest. Even with the recent bond program, there are approximately \$23 million in identified landfill remediation and closure costs that are unfunded.

Deferred Building Maintenance: Another area in which the city is accumulating a backlog of infrastructure improvements is building maintenance. During the process of balancing the annual budget, routine building care often gets deferred. At the beginning of Fiscal Year 2001, the cost for this deferred maintenance was estimated at \$27 million.

An inevitable result of deferred facility maintenance is an increase in future costs. When roof maintenance is deferred, the underlying building structure suffers damage and it then has to be repaired as well. Money that could have been invested in additional facilities or service to the public has to be diverted to address building problems that could have been avoided.

For this budget, the Department of Operations identified \$11 million of building components that were up for replacement in Fiscal Year 2002: electrical system upgrades, re-roofings, heating and cooling system replacements. However, only \$1 million of that request could be funded, bringing the backlog to \$38 million

(\$27 million + \$10 million + \$1 million inflation adjustment for additional delays). While the most urgent needs have been funded for Fiscal Year 2002, we are falling farther behind on our backlog, increasing the city's risk of facility shutdowns and the potential for unsafe conditions for employees and citizens.

Lack of Office Space for City Employees: In June 1999, the Mayor and Council reviewed a report that indicated a need for 257,000 square feet of office space by 2010 for core city functions currently located downtown. A public hearing was subsequently held on plans for a new city hall tower adjacent to the existing City Hall. Following the public hearing, the Mayor and Council gave direction to pursue leased space, rather than construct a new city hall tower.

Office Space Leases	Annual Costs
New Leases:	
Westerner Building	\$ 398,150
Pioneer Building	412,250
Tucson House Annex	32,000
Existing Leases:	
City/County Public Works	840,000
Tucson Museum of Art	<u>38,000</u>
	\$ 1,720,400
Acquisitions and Improvements	One-time Costs
Westerner Building improvements	\$ 200,000
Pioneer Building improvements	200,000
800 E. 12 th Street acquisition & improvements	1,200,000
149 N. Stone acquisition & improvements (pending)	<u>600,000</u>
	\$ 2,200,000

To meet immediate downtown office space needs, the city leased space in three downtown buildings. To address storage and election-related needs of the City Clerk's Office, the city acquired a building at 800 East 12th Street. That facility is also providing temporary space for transit-related functions in the Department of Transportation that were displaced by the closing of the city hall annex and expansion of the Development Services Center. With a new facility to be acquired at 149 North Stone, using Federal Transit Administration funds, space allocation for core city functions will be at 177,000 square feet out of the total identified need of 257,000 square feet by 2010. That leaves a space deficit of 80,000 square feet that needs to be met over the next nine years.

Functions located in City Hall continue to operate in cramped quarters. Unfortunately, reconstruction

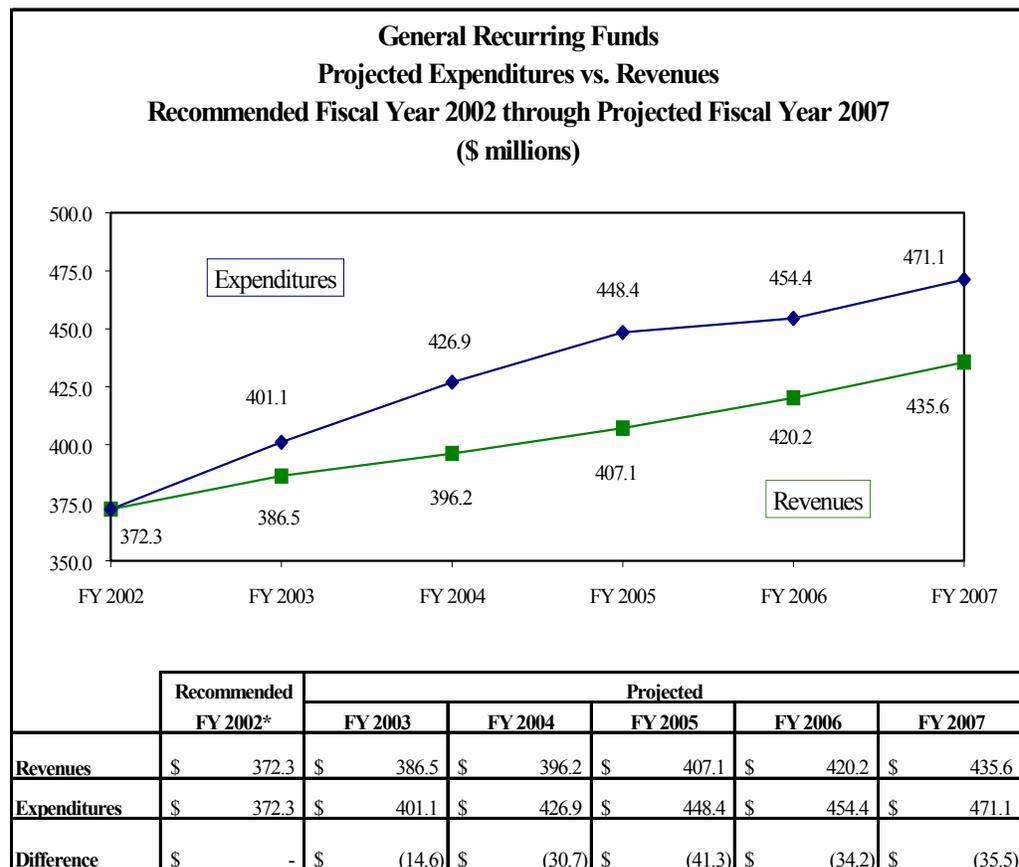
of offices within City Hall is complicated by the presence of asbestos, which requires the building to be vacant during certain construction phases. This translates into weekend and night work that extends project schedules and adds to project costs. Full remediation of City Hall as part of a major remodeling of the structure was estimated in the space report to cost \$10 million. No funding for a major remodeling of City Hall, and only minimal funding for smaller office-by-office remodelings, has been identified.

**Five-Year
Projection:
General
Recurring
Funds**

Although the recommended Fiscal Year 2002 budget has been balanced, many of the trends discussed in the preceding pages are driving us towards future General Recurring Funds deficits: \$14.6 million in Fiscal Year 2003, growing to \$35.5 million in Fiscal Year 2007.

General Recurring Funds expenditure projections assume continuation of merits, 2% pay adjustments in each year, continued increases in the cost of medical insurance, and non-salary inflationary adjustments of 3%. Other costs include the impacts of capital projects on the operating budget, city funding of police officers added through the Universal COPS grants, and a moderate building maintenance and improvements program. Unfunded needs for landfill projects and environmental remediation were added, but no other unmet needs were included.

Strong financial management coupled with governing body review and direction on potential new and enhanced revenue sources will be elements of discussion on this subject in the coming year.



* Does not include Brought Forward or TEAM Funds

**State-Set
Spending
Limitation**

Tucson, like all cities in Arizona, is subject to an expenditure limitation imposed by the state constitution (Article IX, Section 20). Not all revenues and expenditures are subject to this limit. Excluded are items such as bond proceeds and related debt service, interest earnings, and federal funds. For expenditures that are subject to the limitation, Mayor and Council cannot exceed the limitation regardless of how much revenue may be available.

Annually, the state’s Economic Estimates Commission is responsible for determining each local jurisdiction’s expenditure limitation, making adjustments to reflect population growth and increases in the cost of living. Cities are allowed to override the expenditure limitation by specific amounts if approved by at least two-thirds of its governing board and a majority of qualified electors in a regularly scheduled election.

In November 1987, the voters of Tucson passed an expenditure override of \$46.9 million. The city has used that additional budget capacity for public safety, recreation programs, and transportation services. With this expenditure override, the city has been able to stay well under the state-set spending limit. However, that cushion is being eroded by many of the trends previously discussed.

For Fiscal Year 2002, we will exceed the state’s official limitation, but if pending legislation is approved we will be in compliance with the adjusted limitation. Assuming the pending legislation also provides a temporary adjustment for Fiscal Year 2003, we can meet the requirement if no large, unanticipated expenditure increases are experienced. However, just a 2% increase in our projections would put us over the limit. And, the diminishing size of the cushion between expenditures and the limit reduces the city’s ability to implement new programs even if revenues become available.

The state legislature may put the question of spending limits before the voters. If sufficient relief is not made available by that initiative, we may have to ask city voters in November 2003 for another expenditure override.

The cushion between city expenditures and the state-set spending limit is eroding.				
(\$ millions)	Adopted FY 2000	Adopted FY 2001	Recomm'd FY 2002	Projected FY 2003
State Expenditure Limitation:				
Official Limitation	\$ 460.4	\$ 451.4	\$ 478.1	\$ 495.5
Adjusted Limitation*	n/a	\$ 481.0	\$ 494.4	\$ 512.3
City Expenditures Subject to Limitation	\$ 447.5	\$ 454.4	\$ 479.1	\$ 501.6
Amount Below/(Above):				
Official Limitation	\$ 12.9	\$ (3.0)	\$ (1.0)	\$ (6.1)
Adjusted Limitation*	n/a	\$ 26.6	\$ 15.3	\$ 10.7

*Due to problems with the state’s method of calculation, a temporary adjustment of the limitation for all cities was authorized for Fiscal Year 2001. Legislation is pending for temporary adjustments in Fiscal Years 2002 and 2003.

2) MOVING TOWARDS LONG-TERM FINANCIAL HEALTH

The warning signs from unfavorable trends may be pushed aside temporarily, but they remain issues for the city. If we don't begin to address them, we will be dealing with the consequences in future budget discussions, with even greater difficulty. Taking a reality-based, strategic approach to city revenues and expenditures will yield long-term financial rewards.

Existing Strategic Initiatives

The city has made some positive steps in recent years to take a long-range view of its needs and to plan for future expenditures. These initiatives have already improved budget stability and sustainability.

Equipment Replacement Plans: The city has three programs dedicated to the scheduled replacement of equipment: fleet replacement plan, fire apparatus replacement plan, and the personal computer replacement plan. Each of these plans contributes to the more efficient delivery of service.

- The *fleet replacement plan* was initiated in 1996 and became fully funded in 2000. Approximately \$8 million is set aside annually from General Recurring Funds and the Highway User Revenue Fund (HURF) for the replacement of vehicles that have exceeded their useful life.
- The *fire apparatus replacement plan* was established in 1999 for the replacement of the Fire Department's specialized equipment. Fiscal Year 2002 will be the final year of a three-year phasing, with \$0.9 million set aside from the General Fund.
- The *personal computer replacement plan*, which has a four-year replacement cycle, was initiated in Fiscal Year 1998. In this budget, Fiscal Year 2002, \$0.8 million has been included from the General Fund to continue the plan.

E-government Initiatives: Through a series of strategic e-government initiatives, Tucson's citizens are beginning to benefit from the application of electronic technology to city services. The use of electronic technology offers benefits in the form of reduced costs through more efficient use of personnel and improved quality by making access to services and data easier and more comprehensive. Investment in technology and Web-based services is a critical ingredient in the city's strategy to keep costs down and improve service over time.

In the past year, e-government initiatives have included online access to business site analysis tools and building permit inspection reports, electronic transfer of payments to vendors, and increasing availability of application forms through the city's Web site. The ability to submit building plans electronically is under development.

For Fiscal Year 2002, the recommended budget includes \$275,000 for expanding electronic payment capabilities and improved management of constituent services. City departments, with the assistance of the Information Technology Department, will

continue to review their services looking for more opportunities to benefit from the application of electronic technology.

Unbudgeted Strategic Reserve: Since 1990, when the city's unbudgeted reserve had dropped to \$260,000, the Mayor and Council have been committed to setting aside a more appropriate reserve. In September 2000, the Mayor and Council voted to annually increase the current unbudgeted strategic reserve (\$17 million) until it reaches 7.5% of general recurring expenditures in Fiscal Year 2006 (\$26 million). This increase is comparable to other regional cities and will ensure that the city is less vulnerable to unexpected interruptions in revenue flow and unforeseen expenditure needs.

New Strategic Initiatives

In balancing the recommended budget, the Executive Team has tried to keep in focus a larger view of a balanced budget. We have concentrated not just on the financial conditions that drive this budget, but on a longer perspective that will allow for improved quality of service to the community in future years. To that end, I am supporting several strategic initiatives—some which require an investment in new funding, others simply an investment in our time and energy.

Community Planning: To work strategically, we first have to know where we're going and why. As the city's primary policy document for envisioning the future, the *General Plan* provides the foundation for those basic questions. By addressing the relationships between the use of land, transportation, environmental quality, compatible development, and costs, the *General Plan* helps determine how our city looks and functions.

Since its original adoption, the *General Plan* has been amended to keep it current, with the most recent amendments approved by the Mayor and Council in 1998. In response to citizen concerns with growth and urban sprawl, the state's Growing Smarter Acts have required that cities and counties add new elements to their plans: Environmental Planning, Cost of Development, Growth Area, Open Space, and Water Resources. Once these new elements are added, cities must take the amended *General Plan* to their voters for ratification.

Much of Tucson's current *General Plan* is already consistent with the Growing Smarter legislation. The most substantial changes will result from the new Growth Area Element and the Cost of Development Element. These two elements will benefit the city by enhancing planning for public improvements, such as roads and other facilities, and by providing guidance on how to ensure that new development pays its fair share for those improvements.

I have included \$200,000 in the Fiscal Year 2002 recommended budget to support work on these *General Plan* amendments and the mandated election, and another \$50,000 for our collaboration with Pima County on the Sonoran Desert Conservation

Plan. An additional \$100,000 has been added for neighborhood planning activities in response to Mayor and Council decisions relating to Rio Nuevo and other initiatives. These efforts are important in planning for Tucson's future and keeping the city a livable community with a financially sustainable government.

Following the election, I anticipate the need for further, comprehensive review of the *General Plan*. The next few years may include a strong focus on visioning, further *General Plan* changes, and review of the land use code.

Building Organizational Capacity: Organizations depend heavily on the capacity of their employees. The efficient and effective delivery of public services is no different; it relies upon the competence, inventiveness, and productivity of city staff. To make it possible for our employees to do their best work, I will be retaining, and moving to expand where possible, budgetary commitments for equipment and training.

Not all actions to improve organizational capacity will require the additional expenditure of money. In Tucson, we are fortunate to have access to the expertise at local colleges and businesses, and I will be promoting collaborations with them and other governmental entities. In that spirit, the city has accepted Raytheon's invitation to participate in its organizational assessment training. Employees are taught to assess their operations and, as a final class project, do an assessment on an outside organization. The city has agreed to have Raytheon employees assess segments of our operations as one of numerous examples of capacity expansion.

Results-Oriented Organization: The Livable Tucson program and our current performance measurement were starting points for making the city more accountable to citizens. To build upon that foundation and better equip the organization to effectively carry out the community's priorities, I am realigning departments and offices into four service areas: Neighborhood Services, Environment and Development, Strategic Initiatives, and Support Services. A revised organizational chart showing the departments included in each of the four areas is presented on page i.

This realignment of functions is intended to facilitate departments and offices working in partnership to achieve city goals. The change will also allow the organization to introduce a more meaningful performance measurement system, one that connects across departments and measures results at all levels.

Systematic Approach to Human Service Funding: We currently have multiple funding sources for human services, each with their own allocation process and

degree of program evaluation and accountability. This approach makes it difficult to ensure that our human service dollars (approximately \$30 million) are allocated to yield the greatest benefit. Because we have not consistently established priorities before the processes begin, we tend to be reactive rather than goal oriented in our funding.

In December 2000, the Mayor and Council directed staff to explore models for combining or coordinating the Community Development Block Grant (CDBG) process with other city allocation processes. A team of city employees has begun looking at processes for CDBG, unallocated youth funding, the city's United Way contributions, and outside agency funding for areas of differences and commonality. The team's objective is to develop a more systematic approach to the city's funding of human services in Fiscal Year 2003, including possibilities for annual priority setting, coordinated funding allocation, and common performance indicators and contract monitoring guidelines.

Building a Stronger Revenue Base: In the past several years, services have been added—Back to Basics, new cops on the streets, and recycling, to name but a few. But, revenue sources have remained static. Without new revenue sources to strengthen our income base, the city's quality of service to the community cannot be sustained. To balance this budget with a minimum impact to services, I have included two additional revenue sources: an environmental fee connected with solid waste management services and reinstatement of the city sales tax on residential rental transactions.

New Environmental Fee for Solid Waste Management Services: The city only charges user fees for commercial landfill disposal and commercial refuse collection. The Department of Solid Waste Management continues to be funded primarily from General Fund contributions (\$20.6 million in Fiscal Year 2001 for operating expenses and payment of non-bonded debt), because residential customers are not paying a user fee. Also, as mentioned earlier, this level of funding is significantly below our solid waste obligations.

Reliance on the General Fund means that solid waste management services must compete with other high priority services, such as public safety. This approach is a failure. We are not able to meet the policy goals of the Mayor and Council for a significant level of waste stream diversion and for the responsible management of waste disposal.

To position ourselves to meet those policy goals, I have included in this recommended budget an environmental fee for solid waste management services to residential customers. The \$6 per month fee, to begin in January 2002, would provide funding for better environmental management of our landfills, programs to increase waste stream diversion and recycling, and reserves for future landfill development and landfill closure and post-closure care. While no one welcomes the idea of paying new fees, this environmental fee is a fair means of meeting policy goals and paying

for services rendered. At \$6 per month, the fee still represents only 1/3 of the cost of solid waste management services to residents.

Reinstatement of the Sales Tax on Residential Rental Transactions: In February the Mayor and Council gave approval to the pilot project for a Slum Abatement and Blight Enforcement Response (SABER) program. The pilot project, modeled after a successful 10-year campaign by Phoenix, aims for a consolidated approach to enforcing the city's new slumlord ordinance. To provide funding for a full implementation of SABER and other programs to strengthen neighborhoods, without impacting current services, will require additional revenue.

When Tucson instituted a sales tax in 1958, one of the activities subject to the tax was rental of real property, both residential and commercial. In 1979, the Mayor and Council exempted residential rental units from the city's 2% sales tax. At that time, the property tax assessment ratio was higher on a rental residence than on an owner-occupied residence.

Since 1979, the original inequity in assessment ratios has been corrected—both rental and owner-occupied residences now pay the same ratio. Reinstating the city sales tax on residential rental property would bring us into line with other Arizona cities, which impose a sales tax on residential rental income.

The revenue proposal I am advancing applies to taxing the rental income of landlords with three or more residential rental units at the 2% city sales tax rate. The proposal includes a lifeline exemption on income received from units renting below \$300 per month so that low income tenants would be protected. The revenue estimates for the recommended budget assume Mayor and Council approval of the city sales tax on residential rental income, with an effective date of October 2001.

Future Revenue Considerations: Given the backlog of transportation improvements, construction of the new emergency communications system and facility, and the increasing General Fund tab for new police officers, future discussions of additional revenue sources will be needed. The Mayor and Council have previously reviewed options for taking to the voters an increase to the city sales tax for street, transit, and public safety purposes. Present conditions suggest that further review of these options be considered in the near future.

Health Care Summit: The City of Tucson is impacted in two ways from soaring health care costs. First, the cost of securing good health coverage for employees has been increasing significantly. For Fiscal Year 2002, health care providers submitted large premium increases, as high as a 26% increase. Secondly, calls for paramedic service have increased dramatically. Presumably, citizens are calling 9-1-1 for primary care, impacting our ability to effectively provide emergency response.

Problems arising from the high cost of health care are not limited to our budget. Pima County has also received proposed premium increases from its health care providers. A recent article in USA TODAY reported that the 2nd largest purchaser of health care in the nation, California Public Employees' Retirement System, could face

premium increases of 15% to 18%. Around town, public and private organizations are facing double digit cost increases.

The situation has become serious enough that the Mayor and Council may want to endorse a health care summit. As has been suggested by various people, a health care summit, with representatives from businesses, local government, HMOs, hospitals, and doctors could help to collectively find ways to reduce costs and improve access to care. If attempts to address this problem have failed to produce results in the past, I think that the escalating situation, combined with our local economic slowdown, may finally force improvements and collaborations.

Adopting a Biennial Budget: With our annual budget cycle, we often get trapped into a short-term, number crunching perspective. By contrast, a biennial budget provides some time to plan strategically, especially during the second “off” year.

And, because departments would be allowed to carryforward first year savings, they will be freed from the traditional “use it or lose it” imperative, encouraging better cost discipline and attention to service performance and program outcomes. With a biennial budget we would only be doing full budget preparation and review once every two years, rather than each year—a savings in money and time, and an opportunity to use the “off year” to look at our plans and performance measures in

greater detail. The staff and management resources saved could be applied to activities that would further enhance strategic financial planning: program monitoring and evaluation, service delivery and policy analyses, and training.

A biennial budget is a strategic approach to city finances that . . .

- . . . takes a long-term perspective
- . . . links expenditures to goals
- . . . focuses on results
- . . . improves the efficiency of the budget process
- . . . facilitates more effective financial management

The State of Arizona and two Arizona cities, Scottsdale and Tempe, currently adopt a biennial budget. I am proposing that the City of Tucson develop a biennial budget for Fiscal Years 2003 and 2004. While that will put us on a different cycle from the state, there are no legal or practical reasons for having our budget

cycles coincide. (There is a senate bill under consideration that would change the state’s biennial budget cycle to Fiscal Years 2003 and 2004.) Making the transition to a biennial budget will require significant effort by staff, city management, and the Mayor and Council, but I believe we can expect a good return on that investment—a financial plan that reflects a sustainable commitment to the community’s goals.

Livable Tucson and Performance Measurement: From budget balancing we need to move to more strategic planning, assessment, priority setting, and critical investment decision making. Livable Tucson provides an umbrella of community values under which we can develop organizational performance measurements to better assess whether our programs and services are effective and efficient. The next 2 years will include an intensive staff effort to develop meaningful, outcome-based performance measures. I also plan to begin to lay the groundwork for citywide program budgeting, so we can better assess the full cost and benefits of programs across departments.

Class and Compensation Plan Review: The budget includes first year funding to begin implementing changes from the class and compensation study. Our plan is to develop a consistent and orderly and non-political process for valuing jobs and work and compensation in our organization. Not only is this the right thing to do, but the more consistent, predictable, and professional our employee pay system is, the more attractive we will be as an employer and the better our recruitment and retention efforts will be.

Neighborhood Investment: The deteriorating quality of many of our neighborhoods (aging housing stock and street, sidewalk, and lighting conditions) puts our whole community at risk. This budget begins to refocus on planning and increased investment and code enforcement through the Back to Basics program and nearly \$1 million in new funding recommended for other neighborhood programs.

3) FISCAL YEAR 2002 RECOMMENDED BUDGET

The city's recommended budget is prepared in accordance with the Tucson City Charter (Chapter XIII, Sections 3 and 4) and the Arizona State Constitution (Article XI, Section 20). As required, the budget presented is balanced—expenditures equal revenues.

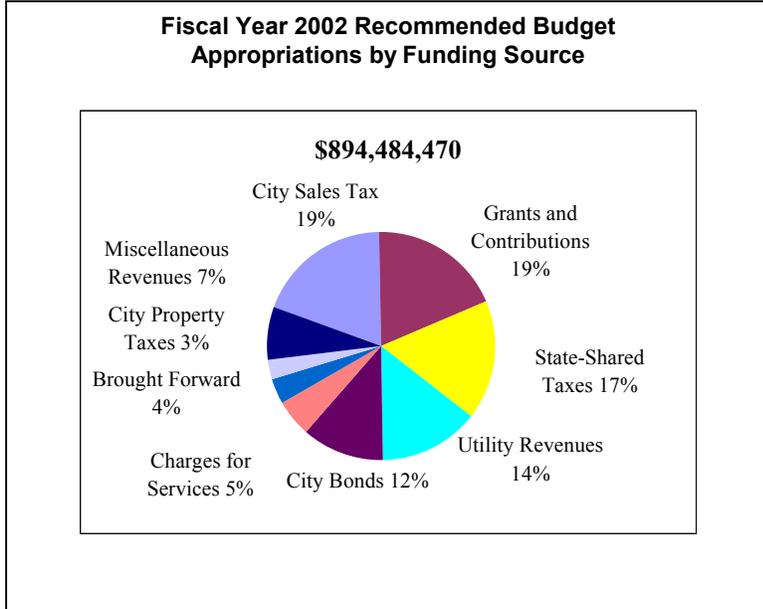
Financial Summary

Components of the Budget: This consolidated budget document contains both operating and capital expenditures from all city funding sources. The recommended All Funds Budget for Fiscal Year 2002 totals \$894,484,470 from the following components:

Fiscal Year 2002 Recommended Budget				
	General Recurring Funds	Restricted Funds	All Funds	
Operating	\$ 372,609,710	\$ 298,116,860	\$ 670,726,570	75%
Capital ¹	8,800,200	214,957,700	223,757,900	25%
Total	<u>\$ 381,409,910</u>	<u>\$ 513,074,560</u>	<u>\$ 894,484,470</u>	
	43%	57%		

¹ Amounts shown are for city funds only and do not include non-city funds, such as special assessments.

Where does the money come from . . .

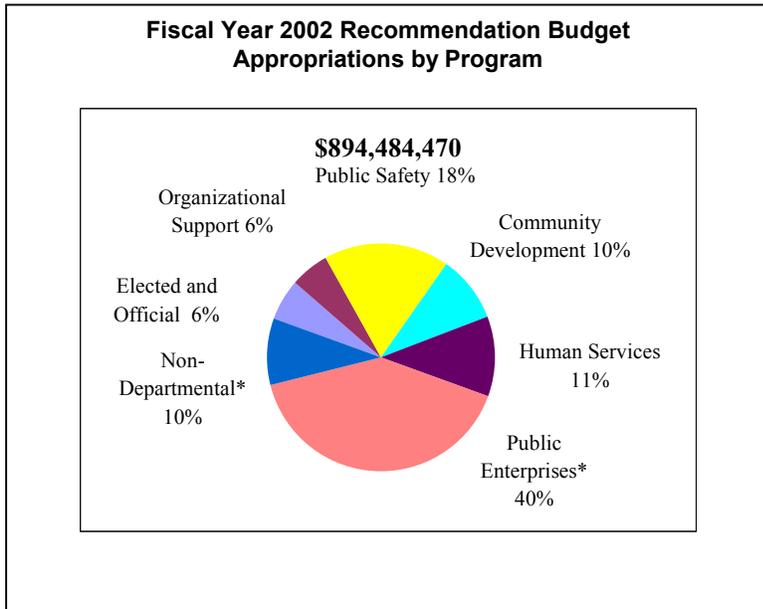


The largest local source of funding is the city sales tax, paying for 19% of budgeted expenditures.

Non-local grants and state-shared taxes provide for a total of 36% of the budget. While it is beneficial to have these outside sources, we are relying heavily on sources we cannot directly control.

City property taxes pay for only 3% of the budget, primarily for debt repayment from the secondary property tax. Receipts from the primary property tax (used for operating budget expenditures) are less than 1% of the budget.

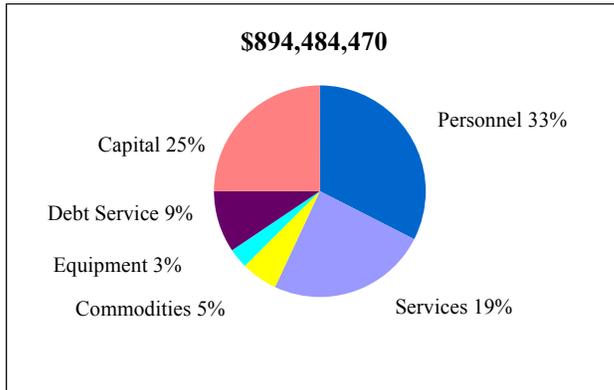
Where does the money go . . .



Appropriations by Program: As would be expected, most budget expenditures—Public Safety (18%) and Public Enterprises (40%)—provide for basic municipal services: police and fire protection, refuse collection and disposal, street maintenance, public transit, and water delivery.

*Public Enterprises includes Solid Waste Management, Transportation, and Tucson Water. Non-Departmental includes expenditures such as debt service, contributions to outside agencies, and retiree medical insurance.

**Fiscal Year 2002 Recommended Budget
Appropriations by Expenditure Type**



Appropriations by Expenditure Type: Because we are service-oriented, the largest component of the budget by expenditure type is Personnel (salaries and benefits). While employee-related expenditures are 33% of the consolidated capital and operating budget, they account for 45% of the operating budget and 59% of the General Recurring Funds Budget.

General Recurring Funds Budget: The General Recurring Funds Budget contains the funding available for general municipal purposes, such as police and fire protection, library and recreation services, solid waste management, mass transit, city court, and organizational support. It does not include appropriations funded from revenues restricted for specific purposes, such as federal funds, utility revenues, and restricted state funds. The General Recurring Funds Budget is where most of the difficult budget decisions of balancing needs and resources are made.

We began the budget process projecting a shortfall of \$27 million in General Recurring Funds, which included an anticipated loss of \$9 million in state-shared revenues. After receiving departments’ requested budgets, the gap between anticipated revenues and projected expenditures in General Recurring Funds grew to \$39 million.

**Balancing the General Recurring Funds Budget
required both expenditure and revenue solutions.**

	<u>Millions</u>
Opening Deficit	\$ 39
Revenue Solutions	
Use of fund balance	5
Revised estimates for existing revenues	9
Proposed new fees and taxes	12
Total from Revenue Solutions	\$ 26
Expenditure Solutions	
Reductions to department requests	18
New program and service expenditures	(5)
Total from Expenditure Solutions	\$ 13
Closing Deficit	\$ -0-

Two interdepartmental committees—the Operating Budget Review Committee and the Revenue Enhancement Committee—met to review and make recommendations on cutting expenditures and increasing revenues. During January through March, the City Manager and the Department of Budget and Research, reviewed the committees’ recommendations and expenditure requests and revenue estimates, looking for reasonable ways to close the deficit.

It became clear that looking only at expenditure reductions would eliminate key programs and compromise commitments to community goals. Accordingly, the

recommended budget contains a combination of expenditure solutions (\$13 million) and revenue revision and recommendations (\$26 million). Of the \$26 million on the revenue side, \$12 million is from new revenue sources.

The cuts in requested expenditures were made without dramatic impact on services by focusing on program deferrals and service cost effectiveness—looking at where the investment versus return ratio was poor. The specific impacts of the expenditure and revenue solutions on the Fiscal Year 2002 Recommended Budget compared to the Fiscal Year 2001 Adopted Budget are presented in the “Expenditure Highlights” and “Revenue Highlights” sections that follow.

Restricted Funds Budget: For the first time in many years, difficult budget decisions also were made in the Restricted Funds Budget with respect to the city’s state-shared Highway User Revenue Fund (HURF) receipts. A multi-year projection of HURF receipts versus Department of Transportation’s operating and capital expenditures and debt service requirements on street and highway revenue bonds indicated that a budget deficit was looming in Fiscal Year 2003. As noted earlier in this budget message, this situation arises both from the city’s shrinking share of the state’s population and the fact that the gasoline tax is a flat 18¢ per gallon, not a percentage of the price for gasoline.

To give the city more breathing room, Transportation has reduced their planned expenditures for pay-as-you-go capital projects and street maintenance by \$2.7 million for Fiscal Year 2002. These expenditure solutions have pushed the projected deficit back to Fiscal Year 2004, which gives the city more time to work on revenue solutions to the projected deficit.

Expenditure Highlights

To meet the community’s service needs, the recommended budget for Fiscal Year 2002 is \$86 million more than the adopted budget for Fiscal Year 2001, an 11% increase in appropriations. Most of that increase (\$63.7 million) is in the Restricted

Appropriations for operating programs and capital projects are increasing by 11%.				
(\$ in millions)	Adopted FY 2001	Recomm'd FY 2002	Increase/ (Decrease)	% Change
Appropriations:				
Operating	\$ 623.2	\$ 670.7	\$ 47.5	8%
Capital	<u>185.3</u>	<u>223.8</u>	<u>38.5</u>	21%
Total	\$ 808.5	\$ 894.5	\$ 86.0	11%
Source of Funds:				
General Recurring	\$ 359.1	\$ 381.4	\$ 22.3	6%
Restricted	<u>449.4</u>	<u>513.1</u>	<u>63.7</u>	14%
Total	\$ 808.5	\$ 894.5	\$ 86.0	11%

Funds budget, primarily for utilities, capital projects, and federally-funded housing programs. General Recurring Fund appropriations increased by \$22.3 million, primarily for operating budget appropriations.

All Funds Capital Budget: The \$38.5 million increase in capital expenditures is largely due to three factors: increased spending as the city’s bond program ramps

up, increased federal funding for street projects, and a new emergency communications system and facility.

All Funds Operating Budget: The \$47.5 million increase in operating expenditures is the combined result of employee compensation increases, added debt service, and program changes. These changes are noted in the sections that follow on staffing level, employee compensation increases, and major operating program changes.

Staffing Level: The number of city employees in the recommended budget for Fiscal Year 2002 is a net decrease of 15.10 full-time equivalent (FTE) positions from the Fiscal Year 2001 Adopted Budget.

The total number of city positions is decreasing, but no employees will be laid off.

Budget Category	Adopted FY 2001 FTEs	Recomm'd FY 2002 FTEs	Increase/ (Decrease)
Elected and Official	491.52	512.17	20.65
Organizational Support	739.25	738.25	(1.00)
Public Safety	1,925.00	1,930.00	5.00
Community Development	302.50	303.50	1.00
Human Services	1,245.00	1,194.75	(50.25)
Public Enterprises	1,226.50	1,233.50	7.00
Non-Departmental	<u>3.00</u>	<u>5.50</u>	<u>2.50</u>
Total	5,932.77	5,917.67	(15.10)

This reduction in positions—most of which are non-permanent or grant-funded positions—will be done through attrition and the management of vacant positions. No employee layoffs are anticipated.

Elected and Official: Staffing for the 2002 elections has added 20.5 positions to the City Clerk's office; these positions are created for each election and eliminated the following year. The remaining increase includes

1 prosecutor for the Neighborhood Resource Team in the City Attorney's office, 1 customer service clerk in the Public Defender's office, and a net decrease of 1.85 administrative positions in the City Manager's office.

Organizational Support: Two building maintenance positions in the Department of Operations are being eliminated. The remaining position decrease is the net result of 2 positions transferring from Human Resources to Police, offset by the addition of 3 positions (1 risk management coordinator in Finance, 1 systems analyst in Information Technology, and 1 contract officer in Procurement).

Public Safety: Staffing for the Police Department has increased by 4 positions: 1 permanent and 3 grant-funded. There are no new police officer positions in the recommended budget. The Fire Department's staff was increased by 1 training position.

Community Development: The net increase of one position in this category is the result of the following changes: loss of 2 federal grant-funded positions in Community Services, addition of 1 intern position in Planning, and addition of 2 systems analyst positions for Development Services.

Human Services: Staffing for the Parks and Recreation Department decreased by a net of 43.25 positions (3.50 permanent positions and 39.75 non-permanent and grant-funded positions). Six positions were added: 4 for grounds maintenance and 2 for capital project management. The 49.25 positions eliminated are related to completion of grants (11.00), privatization of zoo concessions (9.00), and program changes in the

following programs: elimination of the HICO program and the MIDCO lunch program (9.00) and staff reductions in the summer KIDCO program (5.50), the aquatics program (9.75), and fee classes (5.00). Tucson City Golf increased its staffing by 5.75 positions, primarily for management of pro shop merchandising by city staff as approved by Mayor and Council in December 2000. Staffing for the Library decreased by 12.25 positions: 10.75 positions due to the elimination of Sunday hours at the Woods, Mission, Green Valley, and Golf Links branch libraries and 1.5 miscellaneous positions. There is a net decrease of 0.5 position for the Tucson Convention Center.

Public Enterprises: The increase of 7 positions is due to 2 positions added for Solid Waste Management (1 environmental inspector and 1 routing analyst), 3 positions added for Transportation (1 safety coordinator and 2 data control clerks), and 2 positions added for Tucson Water (2 systems analysts).

Non-Departmental: To support the Rio Nuevo project, 2.5 positions were transferred from the City Manager's office; all costs are covered by the Rio Nuevo Multipurpose District.

Employee Compensation Increases: Employee-related expenses account for 45% of the operating budget and 59% of the General Recurring Funds Budget, making them a significant factor in annual budget increases. This recommended budget includes expenditure increases for both merit raises, salary adjustments, and the rising costs for employee group insurance benefits.

Salaries: Another round of merit increases—raises based on performance—has been included at a cost of \$3.6 million (\$2.7 million in General Recurring Funds and \$0.9 million in Restricted Funds). Additionally, \$4.7 million has been included for a 2% cost-of-living increase (\$3.9 million in General Recurring Funds and \$0.8 million in Restricted Funds) and \$1 million set aside for salary adjustments pending recommendations from the class and compensation plan.

Group Insurance Benefit: The city provides employees with three types of insurance coverage: medical, dental, and life. As noted earlier, bids for medical insurance have increased by as much as 26%. For the Fiscal Year 2002 recommended budget \$25.1 million has been included for these three insurance benefits, an increase of \$2.7 million over the adopted budget for Fiscal Year 2001.

Major Operating Program Changes – Adopted FY 2001 to Recommended FY 2002: Following is a listing of the major program changes, both increases and decreases, comparing the adopted budget for Fiscal Year 2001 to the recommended budget for Fiscal Year 2002. More detailed significant changes for each department's budget are provided in Volume II.

Elected and Official:

- City Clerk - \$1.3 million added for charter-mandated elections for city council offices; \$100,000 added to support the state-required election on the *General Plan* update
- City Manager's Office - Youth and family services allocation reduced by \$200,000 to help balance the General Recurring Funds Budget; \$130,500 added for workforce development through the Southern Arizona Institute of Advanced Technology; \$350,000 added for landfill monitoring
- City Court - \$145,000 added in capacity for magistrate salary increases per the plan approved by the Mayor and Council in March 2001

Organizational Support:

- Finance - \$120,000 added in property insurance coverage due to acquisition of a new police helicopter
- Information Technology - \$136,500 added for personal computer replacement; \$275,000 added for expansion of the e-government program (\$125,000 for electronic payment capabilities and \$150,000 for constituent request tracking)
- Operations - \$262,690 added for the maintenance of equipment and parking lots

Public Safety:

- Police - \$1.9 million added for computer software and hardware; \$1.8 million added for grant-funded technology projects; \$651,500 added due to increased jail boarding fees paid to Pima County
- Fire - \$358,080 added for final phase-in of the fire apparatus replacement fund; \$40,000 added to study call patterns

Community Development:

- Planning - \$150,000 added for the *General Plan* update and support of Pima County's Sonoran Desert Conservation Plan; \$100,000 added for neighborhood planning
- Community Services - \$15.3 million in additional federal funding for the Santa Rosa and South Park projects, and the Section 8 housing program; \$225,000 added for a projected increase in the city's Community Development Block Grant allocation; \$175,000 added for a federal Youth Opportunity grant; reduction of \$166,780 in the General Fund allocation to United Way agencies

Human Services:

- Library - \$435,990 added for building maintenance on existing facilities; \$211,190 added for full-year funding of the Infotech Literacy program; \$138,780 added to open the new Oro Valley branch; reduction of \$386,000 due to elimination of Sunday hours at the Woods, Mission, Green Valley, and Miller-Golf Links branch libraries; decrease of \$142,940 for materials acquisition

- Parks and Recreation - \$107,000 added for building maintenance; \$98,000 added for zoo improvements needed for accreditation by the American Zoos and Aquarian Association; \$174,570 added for opening of the new Freedom Center; elimination of HICO for a reduction of \$162,100; reductions in MIDCO programming of \$102,640; decrease in KICDO budget of \$35,000 based on prior year expenditures, which is not anticipated to impact service level
- Tucson City Golf - \$938,260 added for revisions to the business plan approved by Mayor and Council, including city management of pro shop merchandising

Public Enterprises:

- Solid Waste Management - \$904,690 added for implementation of the One and One Plus residential program that will provide once per week refuse collection, one per week recyclables collection, and periodic yard waste collection (additional program costs of \$650,470 are included in Non-Departmental for lease/purchasing of containers)
- Transportation - \$2 million added for increased cost of Sun Tran and Van Tran operations, though service reductions were still required: eliminated three Sun Tran routes, reduced frequency on three other Sun Tran routes, and reduced weekday Van Tran service by 50 hours
- Tucson Water - \$2.6 million added for increased debt service from the 2000 bond program; \$1.2 million added for power requirements for the Clearwater Renewable Resource Facility; \$1.1 million increase for city administrative charges; \$526,000 increase for chemical treatments required by regulatory changes

Non-Departmental:

- General Expense - \$700,000 added for neighborhood protection programs, including SABER (Slum Abatement and Blight Enforcement Response); \$500,000 added for a parking allowance for city employees who work downtown
- Debt Service - \$6.9 million added for increases to payments on financed equipment and projects (\$2.9 million on loans from the state's infrastructure bank, \$1.7 million for general obligation bonds repaid with the secondary property tax, \$1.4 million for non-bonded debt, and \$0.9 million for street and highway revenue bonds)
- Outside Agencies - 10% reduction totaling \$495,780 as part of citywide cuts needed to balance the budget

Summary of Service Reductions: To fund employee compensation increases and cover newly required expenditures—new library, parks, and fire facilities opening, mandated elections, programs and projects approved by Mayor and Council—expenditures in some other areas had to be decreased. Some of these expenditure decreases were program deferrals, but others resulted in direct service reductions to the public. These service reductions were kept to non-mandated services provided by the Library, Parks and Recreation, and Transportation departments, and by outside agencies. Every effort was made to limit the number of affected citizens by focusing on service cost effectiveness.

Service Reductions Needed to Balance the Fiscal Year 2002 Budget	
<u>Program Area/Service Reduction</u>	<u>Comments</u>
Library	
➤ Eliminated Sunday hours at four branch libraries	Pima County is not willing to share in the additional costs for Sunday service.
Parks and Recreation	
➤ Eliminated HICO afterschool program	With few participants in the afterschool program, the city is not getting a good return on its investment.
➤ Eliminated HICO and MIDCO lunch programs	Programs while school is in session could be school district responsibilities.
Transportation/Public Transit	
➤ Eliminated three Sun Tran routes	Routes were selected based on analyses of performance measures (passengers per hour and per mile, cost per passenger, and cost recovery rates).
➤ Reduced frequency of three Sun Tran routes	Reductions were kept to off-peak hours.
➤ Reduced Van Tran's weekday service by 50 hours	Cuts in paratransit service correspond to fixed-route (Sun Tran) service reductions.
Outside Agencies and United Way Agencies	
➤ Reduced funding by 10%	Funding cuts correspond to those imposed on city departments.

Revenue Highlights

To support increased appropriations, the recommended budget for Fiscal Year 2002 reflects a revenue increase of \$86 million or 11% more than the adopted budget for Fiscal Year 2001. Much of that increase (\$40.5 million or 32%) comes from grants and contributions. Deducting the increase for grants and contributions from the total, the revenue increase is \$45.5 million or 6% more than adopted for Fiscal Year 2001.

Most of the city's sources of funding are increasing, except for state-shared taxes; two new revenue sources are recommended.

(\$ millions)	Adopted FY 2001	Recomm'd FY 2002	Increase/ (Decrease)	% Change
City Sales Tax:				
As Currently Imposed	\$ 153.4	\$ 164.5	\$11.1	+7%
Residential Rental Tax	-0-	7.5	7.5	new
Grants and Contributions	128.0	168.5	40.5	+ 32%
State-Shared Revenues	153.0	151.5	(1.5)	- 1%
Utility Revenues	119.0	125.5	6.5	+ 5%
City Bonds	92.0	106.1	14.1	+ 15%
Charges for Services:				
As Currently Imposed	40.2	42.6	2.4	+ 6%
Environmental Fee	-0-	4.2	4.2	new
City Property Taxes	23.0	24.8	1.8	+ 8%
Brought Forward Funds	35.9	31.7	(4.2)	- 12%
Miscellaneous Revenues	<u>64.0</u>	<u>67.6</u>	<u>3.6</u>	<u>+ 6%</u>
Total	\$ 808.5	\$ 894.5	\$ 86.0	+ 11%

Increases are anticipated for many of the city's revenue sources. Unfortunately, receipts from state-shared taxes have decreased, which means that local fees and taxes must shoulder a large portion of the budget.

As noted earlier, two new local revenue sources have been added: an environmental fee for solid waste management services and reinstatement of the city sales tax on residential rental transactions.

Revenue Changes – Adopted FY 2001 to Recommended FY 2002: Following is a listing of the major revenue changes, both increases and decreases, comparing the adopted budget for Fiscal Year 2001 to the recommended budget for Fiscal Year 2002. More detail is provided in Volume I, Section E.

- *City Sales Tax (Business Privilege Tax):* There is a 12% or \$18.6 million increase in the city's sales tax receipts from the adopted budget for Fiscal Year 2001 to the recommended budget for Fiscal Year 2002. This increase results from two factors: 7% or \$11.1 million is due to projected economic growth and 5% or \$7.5 million is due to revenue from the recommendation to reinstate the city sales on residential rental transactions. Comparing the Fiscal Year 2002 city sales tax receipts to the current estimates for Fiscal Year 2001, the revenue increase is only 9%: 4.3% from economic growth and 4.7% from the reinstated residential rental tax.
- *Grants and Contributions:* The city is fortunate to be on the receiving end of additional grant funds, primarily from federal agencies, that will increase revenues from grants and contributions by \$40.5 million or 32% more than the adopted budget for Fiscal Year 2001. Community Services will be receiving an additional \$15 million in Fiscal Year 2002 for housing programs. Transportation is able to budget an additional \$18 million in federal highway funds and loans from the state's infrastructure bank. Pima County's bond program is providing an increase of \$4 million for parks and library improvements. Grants for the Parks and Recreation and Library Departments are increasing by \$2.5 million. Police and Fire Department grants have increased by \$1 million.
- *State-Shared Revenues:* The State of Arizona shares several of its revenue sources with municipalities: sales tax, income tax, gasoline taxes (highway user revenues), vehicle license taxes (auto lieu taxes), and lottery proceeds. Distribution of many of these sources is based on the city's proportionate share of the state's

population. Because we have not grown as fast as the rest of the state, our piece of the pie is shrinking.

The net impact to the city's budget for Fiscal Year 2002 is a revenue decrease of \$1.5 million from the adopted budget for Fiscal Year 2001. While the city's share of state income tax receipts is projected to increase by \$2.5 million and state sales tax receipts by \$0.5 million, those increases are more than offset by losses in state auto lieu tax receipts and highway user revenues. Tucson's state-shared auto lieu taxes are projected to decrease by \$1.4 million and state-shared highway user revenue by \$3.1 million from the adopted budget for Fiscal Year 2001.

➤ *Utility Revenues:* The city has two functions that operate as utilities (i.e., self-supporting): Tucson City Golf and Tucson Water. Tucson City Golf is anticipating a 10% increase in revenues from increased play and the city taking over operation of the pro shops, which was approved by the Mayor and Council as part of Golf's business plan. The Mayor and Council have given tentative approval for a 4.2% increase in Tucson Water revenues to cover their projected expenditures for Fiscal Year 2002.

➤ *City Bonds:* The 15% or \$14.1 million increase over the adopted budget for Fiscal Year 2001 in bond expenditures is due to departments ramping up to implement the 2000 bond program.

➤ *Charges for Services:* This revenue source increased a total of 16% or \$6.6 million more than the adopted budget for Fiscal Year 2001, primarily due to changes in four areas: Solid Waste Management, Transportation/Public Transit, Development Services, and Tucson Convention Center. Solid Waste Management's revenues increased by \$4.9 million: \$4.2 million from the new environmental fee, \$0.2 million for additional revenue from the sale of recyclables, and \$0.5 million in commercial and landfill revenues. Revenues from public transit have been increased by \$0.7 million: \$0.5 million in capacity for potential agreements with neighboring jurisdictions and \$0.2 million for miscellaneous changes. Development Services fees are increasing by \$0.5 million due to fee adjustments to maintain cost recovery; these adjustments will be presented to the Mayor and Council during the budget review process. Tucson Convention Center revenues are increasing by \$0.4 million, primarily from the impact on rental revenue from expanded marketing activities.

➤ *Property Taxes:* The city imposes two property taxes: primary and secondary.

The city's property taxes will rise less than 4¢ per \$100 of assessed valuation.

City of Tucson Property Tax Rate Comparisons (per \$100 of assessed valuation)			
	Actual FY 2001	Estimated FY 2002	Increase
Primary	\$ 0.1406	\$ 0.1406	\$ -0-
Secondary	<u>0.9864</u>	<u>1.0243</u>	<u>-0.0379</u>
Total	\$ 1.1270	\$ 1.1649	\$ 0.0379

The primary property tax is used for operating expenses. The secondary property tax is restricted to repaying debt on general obligation bonds authorized by the voters.

The \$1.8 million or 8% increase in property tax revenues is almost entirely due to the secondary property tax. The primary property tax rate for Fiscal Year 2002 will remain the same as it was for Fiscal Year 2001: \$0.1406 per \$100 of assessed valuation.

That rate is expected to bring in an additional \$121,130 for Fiscal Year 2002, because the primary assessed valuation for property within the city has increased.

To cover debt service requirements on bonds sold for the 2000 bond program, the secondary property tax rate will increase by slightly less than 4¢ per \$100 of assessed valuation—from \$0.9864 to \$1.0243—bringing in an additional \$1.7 million.

➤ *Brought Forward Funds:* Brought forward funds are a combination of funds carried forward for projects not completed in Fiscal Year 2001 and the use of fund balance. The \$4.2 million decrease in brought forward funds in Fiscal Year 2002 is due to a reduction in funds carried forward (-\$7.8 million), offset with an increased use of fund balance (+\$3.6 million). Most of the increased fund balance being used is from the Highway User Revenue Fund (HURF) that is necessary to make up for reductions in annual revenues received from the state.

➤ *Miscellaneous Revenues:* All other revenue sources increased a net of \$3.6 million from the adopted budget for Fiscal Year 2001. The increase is primarily due to the following: parking facility rates (\$1.0 million), telecommunication and utility franchise fees and taxes (\$1.0 million), and non-revenue receipts (\$1.6 million).

New Fees and Taxes: As mentioned earlier, the recommended budget for Fiscal Year 2002 depends upon Mayor and Council approval of the following new fees and taxes: an environmental fee for solid waste management services and reinstatement of the city sales tax on residential rental transactions. Without these two new revenues, additional expenditures will have to be cut.

Environmental Fee	
<i>For what purpose?</i>	To fund implementation of the new One and One Plus Collection Program in Fiscal Year 2002 To provide future funding for landfill remediation and closure projects To avoid service cuts
<i>What amount?</i>	\$6.00 per month
<i>Who is directly affected?</i>	Residential households
<i>Effective date?</i>	January 2002
<i>Revenue generated?</i>	\$4,212,000 for Fiscal Year 2002 \$8,424,000 annually

City Sales Tax Applied to Residential Rental Transactions	
<i>For what purpose?</i>	To fund the <i>General Plan</i> update and SABER (Slum Abatement and Blight Enforcement Response) program in Fiscal Year 2002 To recover a revenue source lost in 1979 and strengthen the city's revenue base To avoid service cuts
<i>What amount?</i>	2% city sales tax (business privilege tax) on residential rental transactions
<i>Who is directly affected?</i>	Owners of three or more residential rental units, with an exemption on income from units that rent for less than \$300 per month
<i>Effective date?</i>	October 2001
<i>Revenue generated?</i>	\$7,500,000 for Fiscal Year 2002 \$10,000,000 annually

CONCLUSION

I have raised concerns about the city's budget and our financial situation, more out of re-emerging concern about our financial situation over the next five years rather than the immediacy of a problem for this year. In the end, we were able to balance the budget for Fiscal Year 2002 without significant reductions.

There are some cuts—which some constituencies can argue against—and other good and necessary new requests for which I was just not able to include funding. The larger issue looming over us is the more significant cuts we would have made, had I not felt willing to recommend needed, and I believe, fair revenue and tax changes. Without this revenue, which essentially supplants the losses we suffered in state-shared revenues and a projected slow down in sales tax collections, I would be proposing more serious service and program cuts. I am prepared to review this with Mayor and Council as we proceed through your budget work sessions.

What is most important to keep in mind as you review the recommended budget are the huge unfunded needs for this city which this budget does not address. We have long deferred necessary infrastructure improvements, which in the realm of transportation alone total more than \$1 billion. We have current and future demands for employee pay and benefits to keep our work force competitive and fairly compensated. We have numerous programs and strategic investments we cannot fund, and heavier debt service requirements than I would like to pay for the \$77 million emergency communications system overhaul.

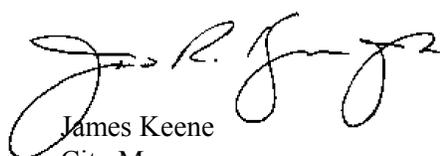
Any future economic downturns or our own inability to grow the local economy and our economic base will have exacerbating consequences on our financial situation and our community quality of life.

This year's budget does include continued funding for the Back to Basics program. I have set aside almost \$1 million of the new revenue that could be used to support neighborhood improvements through the SABER program and more neighborhood and community planning. This funding could be reallocated if the Mayor and Council see greater benefit elsewhere. While the budget includes 2% for cost-of-living salary adjustments, I have also set aside \$1 million to help fund recommendations from the class and compensation study due in the fall.

This budget is a modest budget. It maintains our efforts to deal with a backlog of service and system improvements dating to the early 1990s, but it does not begin to try and close the gap with what funding is needed to provide for the kind of complex 21st century we have already become. To accomplish this, we will need to turn our attention to more than just budget balancing. We will have to grow our revenue base through an honest assessment of our local fee and tax structure in addition to aggressive economic base expansion strategies. And, we will have to temper our expenditure decisions with a greater focus on defining your key priorities and transforming our work culture into a more customer-focused, creative, and business-like decision making organization.

On behalf of our staff and the Executive Team, I look forward to working with you on these challenges.

Respectfully submitted,



James Keene
City Manager

JK:Ned Zolman, Director
Department of Budget and Research

A RESULTS-ORIENTED ORGANIZATION AND A LIVABLE TUCSON

The City of Tucson continues to move forward in its effort toward becoming a more strategic, results-oriented organization. The process began in the mid-1990s with the introduction of performance measurement and the Livable Tucson program, and continues in Fiscal Year 2002 with an organizational realignment and a renewed emphasis on performance measurement.

To become more efficient and effective in delivering quality services to residents, the City of Tucson will follow a five-step strategic approach:

- Identify community values and interests,
- Use community values and interests to guide City of Tucson priorities,
- Align the city organization to effectively carry out these priorities,
- Fund programs and projects which further these priorities,
- Measure the results of our work and use the information to improve services.

Performance Measurement: The Journey Begins

In the mid-1990s, the city began measuring its performance by developing numerous “Recurring Performance Measures” for each division of the organization. These measures were reported on a quarterly basis and were included in the annual budget document. In the late 1990s, the city’s performance measurement effort was refined by distinguishing between outputs and outcomes and reducing the number of measures by identifying only the most important, or key, measures of performance.

The Livable Tucson Program: A Next Step

In October 1996, the Mayor and Council adopted the Strategic Approach for Budget Development and Planning — a process for allocating resources based on community-identified values and priorities. To identify initial community priorities, the *Livable Tucson Vision Program* was initiated with public forums conducted during the spring and summer of 1997. Over 1,200 community members, business people, and city employees participated.

As a result of the community process, 17 community goals were identified. The goals are presented on the following pages. A description of what the City of Tucson is doing to further these goals is presented within each department’s budget.

A Results-Oriented Organization: The Ultimate Goal

Performance measurement and the Livable Tucson program were starting points for the City of Tucson in adopting a more results-oriented approach to providing services to residents. While these efforts have allowed the city to move forward, additional steps still need to be taken.

To better equip the organization to effectively carry out priorities, departments and offices have been realigned into four service areas:

- Support Services
- Neighborhood Services
- Environment and Development
- Strategic Initiatives

A Results-Oriented Organization and A Livable Tucson (Continued)

These groupings facilitate departments and offices working in partnership to achieve city priorities. The realignment also allows the organization to introduce a more meaningful performance measurement system, one that connects across departments, and helps measure results at all levels of the organization — from divisions down to employees. In a properly aligned organization, it is transparent how all efforts lead upward towards city priorities and community values and interests.

Citizen Survey

Livable Tucson provided an initial foundation for community values and interests. Our community is ever changing, however, and additional sources of data are needed to ensure that our priorities are reflective of the community. One source of community data will come from a citizen survey the City of Tucson is conducting in partnership with the International City/County Management Association (ICMA). Tucson was selected by ICMA as one of five jurisdictions to pilot a citizen survey that will eventually be used to benchmark survey results nationally among cities. Results from the survey will be used by the city council and the city organization to assess current practices and help set future priorities.

LIVABLE TUCSON GOALS

Following are the 17 Livable Tucson Goals as identified and prioritized during the *Livable Tucson Vision Program*.



Better Alternatives to Automobile Transportation

Definition: An improved public transportation system; bicycle- and pedestrian-friendly streets; improved roadways with landscaping, street lighting, sidewalks, and bus stops; the promotion of alternatives to automobile transportation.



Engaged Community and Responsive Government

Definition: Involvement by citizens in volunteering and neighborhood participation; government responsiveness to citizen input; connection between government and the people.



Safe Neighborhoods

Definition: People feel safe in their neighborhoods; positive perceptions about crime-levels and policing.



Caring, Healthy Families and Youth

Definition: Opportunities, services, and conditions that support families and youth.



Excellent Public Education

Definition: Quality education at all levels; availability of vocational, lifeskills, cultural, and civic training.



Infill and Reinvestment, Not Urban Sprawl

Definition: Well-planned growth; management of urban sprawl; development in the city's core, rather than the periphery.



Abundant Urban Green Space and Recreation Areas

Definition: Recreation and green space within the city including neighborhood and regional parks; common space and community gardens; bicycle and pedestrian paths; trees and urban landscaping.

Livable Tucson Goals (Continued)



Protected Natural Desert Environment

Definition: Protection of the Sonoran Desert eco-system and protection of washes, hillsides, open space, and wildlife.



Better Paying Jobs

Definition: More jobs with good wages; job quality and diversity; an improved standard of living.



Clean Air and Quality Water

Definition: Reduced air pollution; provision of clean, potable water.



People-Oriented Neighborhoods

Definition: Design of new neighborhoods and investment in old neighborhoods that promotes a mix of commercial and residential uses; neighborhoods with a pedestrian focus, landscaping, and interaction among residents.



Respected Historic and Cultural Resources

Definition: Preservation and celebration of local landmarks, buildings, neighborhoods, archeological treasures, open spaces, cultures, and traditions.



Quality Job Training

Definition: Education, training, and skill development that will lead to high quality, living wage jobs.



Reduced Poverty and Greater Equality of Opportunity

Definition: The fair distribution of resources, creating opportunities to overcome poverty and social and economic inequalities.



Strong Local Businesses

Definition: Support for the local economy, particularly small locally owned businesses.

Livable Tucson Goals (Continued)



Efficient Use of Natural Resources

Definition: Conservation of natural resources and use of sustainable energy sources.



Successful Downtown

Definition: Promotion and development of the cultural and commercial aspects of the city center.

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

State Spending Limitation

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.

On November 3, 1987, in accordance with state statutes, the voters of Tucson passed a \$46.9 million increase in the expenditure base used to calculate the city's expenditure limitation. The effect is a permanent increase in the city's expenditure limitation, which the city has used for purposes of improved police, recreational, water, transportation, and fire protection services.

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 only be used to retire the principal and interest or redemption charges on general obligation bonded indebtedness.

Primary Property Tax Levy: There is a strict limitation on how much the city can levy as a primary property tax. This 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 an annexation. The 2% increase applies to all taxable property.

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 levy is referred to as the "unlimited" levy because 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.

Not only is the dollar amount of the secondary property tax levy "unlimited," the actual full cash value of property that is used in determining the tax rate will be increased by changes in market value without a cap (Article 9, Section 18 and 19, Arizona Constitution). Unlike the primary tax system which uses a controlled assessment system to determine the tax rate, state laws allow the city to levy the

amount of secondary property tax necessary to pay off its general obligation bonds.

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 that seven or more days prior to the date the property tax levy is adopted, 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. State law requires adoption of the tax levy on or before the third Monday in August. 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 that on or

before July 1st, 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 that no expenditures be made for a purpose not included in the adopted budget in any fiscal year in excess of the amount specified for each purpose in the budget. The City of Tucson in its annual Budget Adoption Resolution defines "purpose" as a series of departments and offices organized into the following six program categories:

- 1) Elected and Official
- 2) Neighborhood Services
- 3) Environment and Development
- 4) Strategic Initiatives
- 5) Support Services
- 6) Non-Departmental

The departments within a given program category are held accountable for their budget. Each department and the Budget and Research Department continuously monitor expenditures. If budget changes are needed, city departments prepare budget change requests that identify the areas to be increased and decreased. The

Director of Budget and Research 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.

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.

LEGAL REQUIREMENTS IMPOSED BY THE CITY CHARTER

Certain legal requirements of the City Charter—property tax limitation and scheduling of budget adoption—are more restrictive than state law.

Property Tax Levy Limitation

Chapter IV, Section 2 of the Tucson 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 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 XVIII, Section 4)

Budget Publication and Hearings

The budget has to be prepared in detail sufficient 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 XVIII, Section 5)

Adoption of the Budget and Tax Levy

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 XVIII, Section 6 and Ordinance Number 1142, effective 6-23-48)

City Ordinance Setting the 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 XVIII, Section 7 and Ordinance Number 1142, effective 6-23-48)

THE CITY'S BUDGET PROCESS

While state and city legal requirements dictate certain facets of the budget process, the budget evolves through a number of steps: (1) identification of priorities, (2) a five-year forecast of revenues and expenditures, (3) department requests and the city manager's recommendation, and (4) Mayor and Council adoption.

Step 1: Identification of Priorities

In October 1996 the Mayor and Council adopted the "Strategic Cycle for Budget Development and Planning," a process for allocating resources based on identified community values and priorities. The Fiscal Year 2002 budget is the fourth budget to go through all phases of that process, which involved the community in identifying shared values, setting city service priorities, allocating resources to programs and projects, and evaluating the success of programs and projects.

To identify the community's values and priorities, public forums were conducted during the spring and summer of 1997 as part of the *Livable Tucson Vision Program*. Over 1,200 community members, business people, and city employees participated. Seventeen goals for strengthening the community emerged from these forums. These goals are used by departments and city management to assess programs and projects during the preparation of the budget. Specific projects and programs that address the seventeen goals are highlighted in Section B, *Livable Tucson Initiatives*, of Volume 1.

Step 2: Five-Year Forecast of Revenues and Expenditures

Each summer a five-year financial forecast—the proforma—is prepared for all sources of funds. This financial forecast takes into consideration economic factors and strategic plans implemented by the city. All departments participate by projecting their expenditures, which are reviewed and modified by the Budget and Research Department. The Finance Department projects revenues. The expenditure and revenue forecasts are collated by the Budget and Research Department and presented to the city manager. The proforma then serves as a baseline from which to develop a balanced budget for the coming year.

Step 3: Department Requests and the City Manager's Recommendation

In the fall, department directors are asked to submit budget requests. Following a review by the Budget and Research Department and the Operating Budget Review Committee, each department's requested budget is reviewed by the City Manager. The city manager, acting upon citywide priorities, will revise department requested budgets and prepare a balanced budget for Mayor and Council consideration.

Step 4: Mayor and Council Adoption

As noted earlier, this step in the process is governed by both state and city legal requirements and provides for citizen comment.

Public Hearings: Citizens are provided three public hearings to express to the Mayor and Council their opinions and concerns about the recommended budget and property tax levy. The first public hearing is held prior to the Mayor and Council's study session reviews of the recommended budget. The second public hearing is held subsequent to those reviews and the Mayor and Council's tentative adoption of the budget. The third public hearing is a truth

in-taxation hearing regarding the primary property tax levy.

Citizens Advisory Committees: The Mayor and Council have also established two citizen advisory committees for budget oversight: the Budget Advisory Committee (BAC) and the Bond Project Oversight Committee (BPOC). The BAC reviews the budget and financial policies of the city to ensure the Mayor and Council's intentions are carried out. The BPOC tracks the city's use of bond funds through regular committee meetings and attendance at project management reviews.

Mayor and Council Review and Adoption: Within the framework of the identified community priorities and the policy initiatives, the Mayor and Council review the city manager's recommended budget over four study sessions. Department directors are available to respond to questions. Following these reviews and public hearings to obtain taxpayer comments, the Mayor and Council adopt the budget and property tax levy.

**STATEMENT REQUIRED BY ARIZONA REVISED STATUTES 42-17102
RELATIVE TO PROPERTY TAXATION**

**PRIMARY AND SECONDARY TAX LEVIES
FISCAL YEARS 2001 AND 2002**

Property Tax	FY 2001 Levy	FY 2001 Revised (Estimated)	FY 2002 Levy	FY 2002 Maximum Levy Amount	Amount of Levy Increase/ (Decrease)	Percentage Levy Increase/ (Decrease)
Primary	\$ 2,809,770	\$ 2,809,770	\$ 2,930,900	\$ 7,775,417 ¹	\$ 121,130	4.3% ²
Secondary	20,207,130	20,207,130	20,953,750 ³	20,953,750	746,620	3.7%
Total	\$ 23,016,900	\$ 23,016,900	\$ 23,884,650	\$ 28,729,167	\$ 867,750	3.8%

Property Tax	Actual FY 2001 Rate	Estimated FY 2002 Rate ⁴	Amount Rate Increase/ (Decrease)	Percentage Rate Increase/ (Decrease)
Primary	\$ 0.1406	\$ 0.1406	\$ -0-	-0-
Secondary	0.9864	0.9797	(0.0067)	(0.7%)
Total	\$ 1.1270	\$ 1.1203	\$ (0.0067)	(0.7%)

¹ The primary property tax levy is shown at the estimated maximum possible amount. The actual maximum amount may be less.

² 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. The net new property factor is included in the calculation to take into account all new construction and property annexed in the last year.

³ The secondary property tax rate and levy includes debt service on the June 2001 sale of \$26.7 million in general obligation bonds from the 2000 authorization.

⁴ Both of these rates may differ depending upon the final actual assessed valuation for the respective purposes.

**CITY OF TUCSON
PROPERTY TAX SUMMARY**

Taxing Jurisdiction	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
State of Arizona	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Pima County ¹	5.54	5.53	5.34	5.27	5.28	5.24	5.34	5.41	5.74	5.72
Tucson Unified School District ²	3.91	4.70	5.80	6.16	6.29	6.99	6.46	6.26	6.03	6.05
Pima Community College	0.94	1.00	1.06	1.10	1.22	1.24	1.18	1.19	1.37	1.56
Flood Control District	0.59	0.59	0.54	0.46	0.36	0.36	0.33	0.32	0.30	0.30
Fire District	0.05	0.05	0.06	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Central Arizona Project (CAP) - Conservation District	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.13
Sub-Total without the City of Tucson	\$ 11.64	\$ 12.48	\$ 13.41	\$ 13.65	\$ 13.81	\$ 14.02	\$ 13.50	\$ 13.37	\$ 13.63	\$ 13.81
City of Tucson	1.04	1.09	1.09	1.16	1.15	1.15	0.99	0.96	1.02	1.13
Total ³	\$ 12.68	\$ 13.57	\$ 14.50	\$ 14.81	\$ 14.96	\$ 15.17	\$ 14.49	\$ 14.33	\$ 14.65	\$ 14.94
Percent increase/(decrease) from prior year	4.4%	7.0%	6.9%	2.1%	1.0%	1.4%	(4.5%)	(1.1%)	2.2%	1.9%
Assessed Valuation										
Primary (in billions)	\$ 1.502	\$ 1.479	\$ 1.471	\$ 1.498	\$ 1.530	\$ 1.582	\$ 1.727	\$ 1.830	\$ 1.887	\$ 1.999
Secondary (in billions)	\$ 1.513	\$ 1.498	\$ 1.487	\$ 1.547	\$ 1.569	\$ 1.599	\$ 1.819	\$ 1.904	\$ 1.945	\$ 2.049

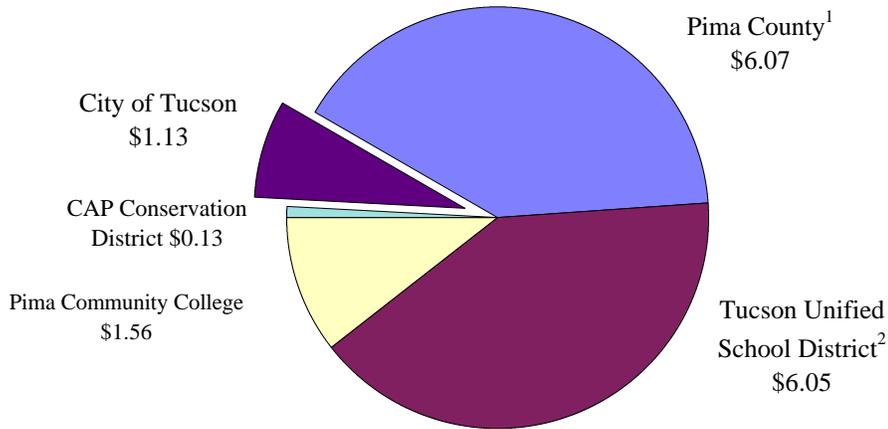
¹ Includes the Education Assistance rate (\$0.51 in Fiscal Year 2001).

² Tucson Unified School District tax levy reflects State Aid to Education decrease (\$3.00 in Fiscal Year 2001).

³ Does not include any special assessment districts.

City of Tucson
Residential Property Owner Tax Valuation
Fiscal Year 2001 Property Taxes

Owner-Occupied Home with Assessed Valuation of \$100,000



	Tax Rate Per \$1,000	Total Tax Amount ³	Percent of Total
Pima County ¹	\$ 6.07	\$ 607.00	40.6%
Tucson Unified School District ²	6.05	605.00	40.5%
Pima Community College	1.56	156.00	10.4%
Central Arizona Project (CAP) Conservation District	0.13	13.00	0.9%
Sub-Total	<u>\$ 13.81</u>	<u>\$ 1,381.00</u>	<u>92.4%</u>
City of Tucson	1.13	113.00	7.6%
Total	<u><u>\$ 14.94</u></u>	<u><u>\$ 1,494.00</u></u>	<u><u>100.0%</u></u>

¹ Includes Flood Control and Fire District tax rates.

² Tucson Unified School District actual levy after decreased for State Aid to Education.

³ The tax amount is calculated on 10% of the assessed value for tax purposes.

ADOPTED BY THE
MAYOR AND COUNCIL

JUN 26 2001

RESOLUTION NO. 18947

RELATING TO FINANCE; FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES BY THE CITY OF TUCSON FOR THE FISCAL YEAR BEGINNING JULY 1, 2001 AND ENDING JUNE 30, 2002, DECLARING THAT TOGETHER SAID EXPENDITURES SHALL CONSTITUTE THE BUDGET OF THE CITY OF TUCSON FOR SUCH FISCAL YEAR, ~~AND DECLARING AN EMERGENCY.~~

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, 2001 and ending June 30, 2002, which was tentatively adopted on June 18, 2001 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;

CITY CLERK FILE NOTE:

This ordinance/resolution was adopted after 12:00 midnight and will reflect this in the adoption date. (7-3-01);(s)9

NOTE: The City Attorney has advised that ordinances and resolutions relating to the general appropriation and budget adoption take effect and go into operation immediately upon majority vote and without the Emergency Clause. (7/5/01;KSD:tc)

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, and E, attached and incorporated herein by this reference, which will be required of the City of Tucson for the Fiscal Year beginning July 1, 2001 and ending June 30, 2002, 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 2002 Fiscal Year:

<u>Purpose of Expenditure</u>	<u>Final 2002 Budget</u>
Elected and Official	\$ 17,264,160
Neighborhood Services	359,042,180
Environment and Development	388,392,730
Strategic Initiatives	9,769,030
Support Services	55,075,240
Other Budgetary Accounts	<u>74,378,590</u>
 TOTAL	 <u>\$ 903,921,930</u>

The 2002 Probable Expenditure by Purpose is attached hereto as Exhibit I for information purposes.

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 2002 Fiscal Year which is subject to the State Budget Law:

<u>Purpose of Expenditure</u>	<u>Final 2002 Budget Subject to State Budget Law</u>
Elected and Official	\$ 16,938,820
Neighborhood Services	255,301,830
Environment and Development	260,360,760
Strategic Initiatives	9,619,030
Support Services	53,410,440
Other Budgetary Accounts	<u>70,897,180</u>
 TOTAL	 <u>\$ 666,528,060</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. WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Tucson that this resolution become immediately effective, an emergency is hereby declared to exist, and this resolution shall be effective immediately upon its passage and adoption~~

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Tucson, Arizona, this 26th day of June, 2001.



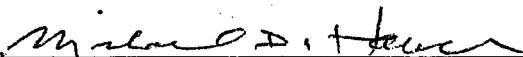
MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM:

REVIEWED BY:


CITY ATTORNEY


CITY MANAGER

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* CORRECTION OF SCRIVENER'S ERROR: See memo dated from City Attorney dated 6-29-01. (7-30-01;kc)

SCHEDULE A TO RESOLUTION NO. 18947
CITY OF TUCSON

SUMMARY SCHEDULE OF ESTIMATED REVENUES AND EXPENDITURES
FISCAL YEAR 2002

FUND	ADOPTED BUDGETED EXPENDITURES FY 2001	ACTUAL EXPENDITURES FY 2001 ^(A)	UNRESERVED FUND BALANCE AT BEGINNING FY 2002	DIRECT	ESTIMATED	PROCEEDS	INTERFUND		TOTAL	BUDGETED
				PROPERTY TAX REVENUES FY 2002	REVENUES OTHER THAN PROPERTY TAXES	FROM OTHER FUNDING SOURCES	IN	OUT	FINANCIAL RESOURCES AVAILABLE	EXPENDITURES FY 2002
1) General Fund	\$ 303,312,150	\$ 285,990,960	\$ 25,967,870	Primary \$ 2,930,900	\$ 287,100,760	\$ 10,565,590	-0-	-0-	\$ 326,565,120	\$ 326,565,120
2) Special Revenue Funds	258,283,580	230,339,310	26,860,400	-0-	284,578,420	321,500	-0-	-0-	311,760,320	311,760,320
3) Debt Service Funds	35,442,390	34,621,010	0	Secondary 20,953,750	15,562,900	0	-0-	-0-	36,516,650	36,516,650
4) Less: Designation for Future Years	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
5) Total Debt Service Funds	35,442,390	34,621,010	-0-	20,953,750	15,562,900	0	-0-	-0-	36,516,650	36,516,650
6) Capital Project Funds	46,788,200	42,652,750	-0-	-0-	-0-	62,753,600	-0-	-0-	62,753,600	62,753,600
7) Enterprise Funds	164,714,650	160,814,690	-0-	-0-	124,666,440	41,659,800	-0-	-0-	166,326,240	166,326,240
8) Expendable Trust Fund	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
9) Nonexpendable Trust Fun	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL ALL FUNDS	\$ 808,540,970	\$ 754,418,720	\$ 52,828,270	\$ 23,884,650	\$ 711,908,520	\$ 115,300,490	-0-	-0-	\$ 903,921,930	\$ 903,921,930

EXPENDITURE LIMITATION COMPARISON

1. Budgeted Expenditures
2. Add/Subtract estimated net reconciling items
3. Budgeted Expenditures Adjusted for Reconciling Items
4. Less: Estimated Exclusions
5. Amount Subject to Expenditure Limitation
6. Economics Estimates Commission Official Expenditure Limitation^{***}

PREVIOUS FISCAL YEAR	CURRENT FISCAL YEAR
\$ 808,540,970	\$ 903,921,930
-0-	-0-
808,540,970	903,921,930
(354,166,660)	(423,442,170)
454,374,310	480,479,760
<u>\$ 451,412,306</u>	<u>\$ 477,548,095</u>

NOTES:

- (A) Includes actual expenditures as of the date the proposed budget was prepared and expenditures expected to be made for the remainder of the fiscal year.
- (B) House Bill 2359 provides a onetime adjustment of the Expenditure Limitation which is \$506,451,730. If the city expends over the "official" but under the "adjusted" amount the penalty will be \$100.

**SCHEDULE B TO RESOLUTION NO. 18947
CITY OF TUCSON**

**SUMMARY OF TAX LEVY AND TAX RATE INFORMATION
FISCAL YEAR 2002**

	<u>2001</u> <u>FISCAL YEAR</u>	<u>ESTIMATED</u> <u>2002</u> <u>FISCAL YEAR</u>
1. Maximum Allowable Primary Property Tax Levy (ARS §42-17051.A.)		\$ 2,930,900
2. Amount Received from Primary Property Taxation in the 2000-01 Fiscal Year in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy (ARS §42-17102.A.18.)	-0-	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	\$ 2,809,770	\$ 2,930,900
B. Secondary Property Taxes	20,207,130	20,953,750
Total Property Tax Levy Amounts	<u>\$ 23,016,900</u>	<u>\$ 23,884,650</u>
4. Property Taxes Collected*		
A. Primary Property Taxes		
1. 2000-01 Levy	\$ 2,809,770	
2. Prior Years' Levies	-0-	
Total Primary Property Taxes	<u>\$ 2,809,770</u>	
B. Secondary Property Taxes		
1. 2000-01 Levy	\$ 20,207,130	
2. Prior Years' Levies	-0-	
Total Secondary Property Taxes	<u>\$ 20,207,130</u>	
C. Total Property Taxes Collected	<u>\$ 23,016,900</u>	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	\$ 0.1406	\$ 0.1406
2. Secondary Property Tax Rate	0.9864	0.9797
Total City Tax Rate	<u>\$ 1.1270</u>	<u>\$ 1.1203</u>
B. Special Assessment District Tax Rates		

Secondary Property Tax Rates - As of the date the proposed budget was prepared, the city was not levying secondary property taxes in any special assessment districts for which secondary property taxes are levied.

* Includes actual property taxes collected as of the date the proposed budget was prepared and the taxes expected to be collected for the remainder of the fiscal year.

**SCHEDULE C TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES

<u>SOURCE OF REVENUES</u>	<u>ADOPTED REVENUES 2001</u>	<u>ACTUAL REVENUES 2001</u>	<u>ESTIMATED REVENUES 2002</u>
GENERAL FUND			
Local Taxes			
Business Privilege Tax	\$ 97,796,140	\$ 102,397,130	\$ 105,769,770
Public Utility Tax	6,971,000	7,035,520	7,211,000
Transient Occupancy Tax	7,348,000	7,014,600	7,220,000
Licenses and Permits	16,128,800	16,408,260	16,677,000
Fines, Forfeitures, and Penalties	5,966,000	5,467,480	6,746,100
Use of Money and Property	4,743,870	5,102,920	5,929,080
Intergovernmental Revenues			
Shared State Taxes	56,254,000	58,013,000	55,422,000
State Grants-In-Aid	2,575,500	1,395,310	2,730,620
State Revenue Sharing	48,590,780	51,619,370	51,047,000
Charges for Services	16,102,900	16,739,660	16,770,130
Non-Revenue Receipts	9,985,630	8,893,845	11,578,060
TOTAL GENERAL FUND	\$ 272,462,620	\$ 280,087,095	\$ 287,100,760
SPECIAL REVENUE FUNDS			
Solid Waste Management Fund			
Business Privilege Tax	\$ 17,734,890	\$ 17,346,870	\$ 18,062,320
Licenses and Permits	9,200	9,200	10,000
Charges for Services	9,682,520	9,682,520	10,184,000
Total Solid Waste Fund	27,426,610	27,038,590	28,256,320
Library Fund			
Business Privilege Tax	8,512,440	8,413,540	8,404,090
County Grants-In-Aid	10,124,440	9,529,050	9,739,090
Charges for Services	592,000	595,500	605,000
Total Library Fund	19,228,880	18,538,090	18,748,180
Public Safety Academy Fund			
Business Privilege Tax	2,947,010	3,201,620	3,355,420
Charges for Services	865,580	837,510	827,930
Total Public Safety Academy Fund	3,812,590	4,039,130	4,183,350
Capital Agreements Fund			
Local Grants-In-Aid	10,517,000	10,517,000	18,761,500
Total Capital Agreements Fund	10,517,000	10,517,000	18,761,500
Highway User Fund			
State Grants-In-Aid	22,907,740	31,558,000	26,774,280
Interest Earnings	1,500,000	1,720,000	1,505,000
Total Highway User Fund	24,407,740	33,278,000	28,279,280

**SCHEDULE C TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES

<u>SOURCE OF REVENUES</u>	<u>ADOPTED REVENUES 2001</u>	<u>ACTUAL REVENUES 2001</u>	<u>ESTIMATED REVENUES 2002</u>
SPECIAL REVENUE FUNDS (Continued)			
Highway User Restricted Fund			
State Grants-In-Aid	\$ 7,168,000	\$ -0-	\$ -0-
Interest Earnings	300,000	-0-	-0-
Total Highway User Fund Restricted	7,468,000	-0-	-0-
Convention Center Fund			
Business Privilege Tax	3,336,730	2,762,320	2,993,710
Charges for Services	3,430,000	3,361,100	3,813,000
Total Convention Center Fund	6,766,730	6,123,420	6,806,710
Mass Transit Fund			
Business Privilege Tax	23,101,790	23,601,580	25,870,690
State Grants-In-Aid	4,983,690	4,347,380	3,888,520
Charges for Services	9,495,970	9,656,140	10,259,040
Federal Grants	19,793,230	9,620,120	24,824,030
Total Mass Transit Fund	57,374,680	47,225,220	64,842,280
Intermodal Surface Transportation			
Efficiency Act Fund			
Federal Grant	10,358,290	9,212,930	23,124,200
Total ISTEА Fund	10,358,290	9,212,930	23,124,200
Community Development			
Block Grant Fund			
Federal Grant	11,929,700	9,471,820	11,779,260
Total Community Development Block Grant Fund	11,929,700	9,471,820	11,779,260
Housing Assistance Fund			
Federal Grant	41,154,150	37,730,240	57,094,960
Charges for Services	1,900,940	1,893,370	1,942,620
Total Housing Assistance Fund	43,055,090	39,623,610	59,037,580
Federal Grants Fund	13,081,880	21,079,250	13,676,560
Other Grants Fund	6,318,760	5,542,230	7,083,200
TOTAL SPECIAL REVENUE FUNDS	\$ 241,745,950	\$ 231,689,290	\$ 284,578,420
DEBT SERVICE FUNDS			
Street and Highway Debt			
State Grants-In-Aid	\$ 15,235,260	\$ 15,235,260	\$ 15,562,900
TOTAL DEBT SERVICE FUNDS	\$ 15,235,260	\$ 15,235,260	\$ 15,562,900

**SCHEDULE C TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES

<u>SOURCE OF REVENUES</u>	<u>ADOPTED REVENUES 2001</u>	<u>ACTUAL REVENUES 2001</u>	<u>ESTIMATED REVENUES 2002</u>
ENTERPRISE FUNDS			
Water Utility			
Water Revenues	\$ 109,065,190	\$ 110,210,370	\$ 113,516,750
Golf Course Fund			
Golf Revenues	9,967,760	9,977,320	11,149,690
TOTAL ENTERPRISE FUNDS	\$ 119,032,950	\$ 120,187,690	\$ 124,666,440
TOTAL	\$ 648,476,780	\$ 647,199,335	\$ 711,908,520

**SCHEDULE D TO RESOLUTION NO. 18947
CITY OF TUCSON**

**SUMMARY BY FUND OF BOND PROCEEDS AND INTERFUND TRANSFERS
FISCAL YEAR 2002**

<u>FUND</u>	<u>PROCEEDS FROM OTHER FINANCING SOURCES</u>	<u>INTERFUND TRANSFERS IN</u>	<u>(OUT)</u>
GENERAL FUND			
Certificates of Participation:			
Fire Department	\$ 3,142,500	-0-	-0-
Police Department	131,000	-0-	-0-
Transportation Department	95,490	-0-	-0-
Operations Department	5,000,000	-0-	-0-
General Expense	<u>2,196,600</u>	<u>-0-</u>	<u>-0-</u>
Total General Fund	\$ 10,565,590	-0-	-0-
SPECIAL REVENUE FUNDS			
Certificates of Participation:			
Police Department	<u>\$ 321,500</u>	<u>-0-</u>	<u>-0-</u>
Total Public Safety Fund	\$ 321,500	-0-	-0-
CAPITAL PROJECTS FUNDS			
General Obligation Bond Funds	\$ 51,357,600	-0-	-0-
Street and Highway Project Funds	<u>11,396,000</u>	<u>-0-</u>	<u>-0-</u>
Total Capital Projects Funds	\$ 62,753,600	-0-	-0-
ENTERPRISE FUNDS			
Water Revenue Bond Funds	<u>\$ 41,659,800</u>	<u>-0-</u>	<u>-0-</u>
Total Enterprise Funds	\$ 41,659,800	-0-	-0-
TOTAL ALL FUNDS	<u><u>\$ 115,300,490</u></u>	<u><u>-0-</u></u>	<u><u>-0-</u></u>

**SCHEDULE E TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2002

<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES 2001</u>	<u>ACTUAL EXPENDITURES 2001</u>	<u>BUDGETED EXPENDITURES 2002</u>
GENERAL FUND			
Mayor and Council	\$ 2,648,040	\$ 2,529,130	\$ 2,480,820
City Manager	3,819,480	4,063,890	4,009,810
City Clerk	2,305,130	2,404,120	3,796,710
City Attorney	6,227,320	6,130,360	6,428,860
City Court	9,145,510	9,285,220	9,685,810
Community Services	6,571,170	4,910,480	5,666,170
Fire	41,903,830	39,683,820	46,114,910
Parks and Recreation	37,476,700	37,314,520	37,926,840
Police	91,214,140	90,436,950	94,335,610
Citizen and Neighborhood Services	4,600,010	2,061,350	6,136,820
Independent Police Auditor	137,840	136,510	143,000
Public Defender	1,973,770	1,973,770	2,072,480
Development Services	6,641,510	6,431,290	7,098,080
Planning	3,082,540	3,082,540	3,459,470
Transportation	5,426,450	5,214,380	6,300,440
Environmental Management	2,012,930	1,468,230	3,690,240
Historic Preservation Office	148,430	147,470	156,350
Zoning Examiner	144,950	146,490	149,940
Economic Development	1,322,910	1,280,100	1,665,750
Intergovernmental Relations	503,460	513,530	539,340
Tucson-Mexico Project	422,020	450,580	449,410
Budget and Research	2,428,430	2,428,430	2,318,740
Finance	6,904,960	6,767,460	6,937,270
Human Resources	2,965,020	2,877,500	3,070,330
Information Technology	10,040,220	9,180,390	10,763,480
Operations	19,197,450	16,655,860	23,011,880
Procurement	3,623,170	3,521,070	3,395,960
Community Relations	1,238,600	1,238,600	1,455,720
Equal Opportunity Office	582,590	513,390	792,930
Grants Office	163,320	134,390	164,130
Outside Agencies	7,522,100	7,432,100	7,007,240
General Expense	11,153,610	5,852,800	15,587,520
Debt Service	9,564,540	9,606,700	9,578,060
Contingency	200,000	117,540	175,000
TOTAL GENERAL FUND	\$ 303,312,150	\$ 285,990,960	\$ 326,565,120

**SCHEDULE E TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2002

<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES 2001</u>	<u>ACTUAL EXPENDITURES 2001</u>	<u>BUDGETED EXPENDITURES 2002</u>
SPECIAL REVENUE FUNDS			
Solid Waste Management Fund			
Solid Waste Management	\$ 28,584,970	\$ 27,283,820	\$ 29,393,140
Debt Service	1,776,640	1,563,370	1,609,580
Total Solid Waste Management Fund	30,361,610	28,847,190	31,002,720
Library Fund			
Library	19,228,880	18,136,290	19,299,980
Total Library Fund	19,228,880	18,136,290	19,299,980
Public Safety Academy Fund			
Fire	1,386,930	1,386,930	1,656,750
Police	2,166,150	2,392,690	2,595,170
Debt Service	259,510	259,510	252,930
Total Public Safety Academy Fund	3,812,590	4,039,130	4,504,850
Tucson Convention Center Fund			
Tucson Convention Center	6,991,730	6,190,600	6,964,530
Total Tucson Convention Center Fund	6,991,730	6,190,600	6,964,530
Capital Agreements Fund			
Library	750,000	50,000	1,250,000
Parks and Recreation	4,009,000	990,300	7,455,200
Transportation	9,712,400	5,399,400	13,288,000
Environmental Management	450,000	392,690	4,100,000
Total Capital Agreements Fund	14,921,400	6,832,390	26,093,200
Highway User Fund			
Citizen and Neighborhood Services	-0-	-0-	3,718,000
Transportation	28,597,350	32,865,830	35,761,100
Debt Service	1,969,710	1,950,710	2,109,790
Outside Agencies	107,000	107,000	107,000
General Expense	122,010	122,010	153,670
Total Highway User Fund	30,796,070	35,045,550	41,849,560
Highway User Restricted Fund			
Transportation	8,457,200	-0-	-0-
Mass Transit Fund			
Transportation	58,970,380	46,318,520	67,344,680

**SCHEDULE E TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2002

<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES 2001</u>	<u>ACTUAL EXPENDITURES 2001</u>	<u>BUDGETED EXPENDITURES 2002</u>
SPECIAL REVENUE FUNDS (Continued)			
Intermodal Surface Transportation			
Efficiency Act Fund			
Transportation	\$ 9,982,290	\$ 8,836,930	\$ 23,124,200
Debt Service	376,000	376,000	-0-
Total Intermodal Surface			
Transportation Efficiency Act Fund	10,358,290	9,212,930	23,124,200
Community Development Block			
Grant Fund			
Community Services	11,751,900	9,349,600	10,308,000
Citizen and Neighborhood Services	-0-	-0-	1,275,000
Economic Development	100,000	74,580	150,000
Debt Service	77,800	47,640	46,260
Total Community Development			
Block Grant Fund	11,929,700	9,471,820	11,779,260
Housing Assistance Funds			
Community Services	42,806,860	39,471,600	58,888,990
Debt Service	248,230	152,010	148,590
Total Housing Assistance Funds	43,055,090	39,623,610	59,037,580
Federal Grants Fund			
City Manager	250,000	-0-	-0-
City Attorney	350,000	350,000	325,340
Community Services	863,410	863,410	863,410
Fire	736,200	1,199,960	1,023,800
Parks and Recreation	1,009,840	1,026,930	949,270
Police	8,077,440	15,803,640	8,849,300
Planning	108,000	100,000	110,000
Solid Waste Management	-0-	30,000	7,100
Environmental Management	166,990	206,310	38,340
Historic Preservation Office	-0-	-0-	10,000
Economic Development	50,000	-0-	-0-
Operations	1,470,000	1,470,000	1,500,000
General Expense	-0-	29,000	-0-
Total Federal Grants Fund	13,081,880	21,079,250	13,676,560
Other Grants Fund			
City Manager	100,000	-0-	100,000
City Attorney	123,600	91,390	122,620
City Court	363,150	163,150	362,400
Community Services	319,650	279,000	500,000
Fire	331,100	-0-	425,700

**SCHEDULE E TO RESOLUTION NO. 18947
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2002

<u>FUND/DEPARTMENT</u>	ADOPTED BUDGETED EXPENDITURES <u>2001</u>	ACTUAL EXPENDITURES <u>2001</u>	BUDGETED EXPENDITURES <u>2002</u>
SPECIAL REVENUE FUNDS (Continued)			
Other Grants Fund (Continued)			
Library	\$ 200,000	\$ 200,000	\$ 650,000
Parks and Recreation	1,098,110	1,098,110	1,079,510
Police	1,094,830	1,200,100	1,135,170
Solid Waste Management	410,000	410,000	410,000
Transportation	246,790	262,250	245,000
Historic Preservation Office	210,000	146,500	271,600
Operations	1,470,000	1,470,000	1,500,000
Grants Office	-0-	20,000	-0-
General Expense	351,530	201,530	281,200
Total Other Grants Fund	6,318,760	5,542,030	7,083,200
TOTAL SPECIAL REVENUE FUNDS	\$ 258,283,580	\$ 230,339,310	\$ 311,760,320
DEBT SERVICE FUNDS			
General Obligation Debt			
Service Fund			
Debt Service	\$ 20,207,130	\$ 19,385,750	\$ 20,953,750
Street and Highway Debt			
Service Fund			
Debt Service	15,235,260	15,235,260	15,562,900
TOTAL DEBT SERVICE FUNDS	\$ 35,442,390	\$ 34,621,010	\$ 36,516,650
CAPITAL PROJECTS FUNDS			
Fire	\$ 353,300	\$ 765,770	\$ 5,337,200
Library	750,000	864,530	5,300,000
Parks and Recreation	1,877,000	3,343,480	11,486,000
Police	261,000	610,480	1,402,000
Solid Waste Management	3,222,000	3,222,000	7,035,200
Transportation	32,268,400	27,824,090	28,421,700
Environmental Management	6,093,500	4,414,430	2,801,600
Operations	708,000	708,000	164,800
General Expense	1,255,000	899,970	805,100
TOTAL CAPITAL PROJECTS FUNDS	\$ 46,788,200	\$ 42,652,750	\$ 62,753,600
ENTERPRISE FUNDS			
Tucson Water	\$ 154,246,890	\$ 150,337,370	\$ 155,176,550
Tucson City Golf	10,467,760	10,477,320	11,149,690
TOTAL ENTERPRISE FUNDS	\$ 164,714,650	\$ 160,814,690	\$ 166,326,240
TOTAL CITY FUNDS	\$ 808,540,970	\$ 754,418,720	\$ 903,921,930

EXHIBIT I TO RESOLUTION NO. 18947

<u>Purpose of Expenditure</u>	<u>Final 2002 Budget</u>	<u>Final 2002 Budget Subject to State Budget Law</u>
Elected and Official		
Mayor and Council	\$ 2,480,820	\$ 2,480,820
City Manager	4,109,810	4,109,810
City Clerk	3,796,710	3,796,710
City Attorney	6,876,820	6,551,480
Elected and Official Sub-Total	<u>17,264,160</u>	<u>16,938,820</u>
Neighborhood Services		
City Court	10,048,210	10,048,210
Community Services	76,226,570	8,108,790
Fire	54,558,360	48,197,360
Library	26,499,980	21,199,980
Parks and Recreation	58,896,820	46,461,550
Tucson City Golf	11,149,690	11,149,690
Police	108,317,250	98,065,950
Citizen and Neighborhood Services	11,129,820	9,854,820
Independent Police Auditor	143,000	143,000
Public Defender	2,072,480	2,072,480
Neighborhood Services Sub-Total	<u>359,042,180</u>	<u>255,301,830</u>
Environment and Development		
Development Services	7,098,080	7,098,080
Planning	3,569,470	3,459,470
Solid Waste Management	36,845,440	29,803,140
Transportation	174,485,120	98,115,190
Tucson Water	155,176,550	113,516,750
Environmental Management	10,630,180	7,790,240
Historic Preservation Office	437,950	427,950
Zoning Examiner	149,940	149,940
Environment and Development Sub-Total	<u>388,392,730</u>	<u>260,360,760</u>
Strategic Initiatives		
Tucson Convention Center	6,964,530	6,964,530
Economic Development	1,815,750	1,665,750
Intergovernmental Relations	539,340	539,340
Tucson-Mexico Project	449,410	449,410
Strategic Initiatives Sub-total	<u>9,769,030</u>	<u>9,619,030</u>
Support Services		
Budget and Research	2,318,740	2,318,740
Finance	6,937,270	6,937,270
Human Resources	3,070,330	3,070,330
Information Technology	10,763,480	10,763,480
Operations	26,176,680	24,511,880
Procurement	3,395,960	3,395,960
Community Relations	1,455,720	1,455,720
Equal Opportunity Office	792,930	792,930
Grants Office	164,130	164,130
Support Services Sub-Total	<u>55,075,240</u>	<u>53,410,440</u>
Other Budgetary Accounts		
Outside Agencies	7,114,240	4,632,780
General Expense	16,827,490	16,022,390
Debt Service	50,261,860	50,067,010
Contingency	175,000	175,000
Other Budgetary Accounts Sub-Total	<u>74,378,590</u>	<u>70,897,180</u>
TOTAL	<u><u>\$ 903,921,930</u></u>	<u><u>\$ 666,528,060</u></u>

ADOPTED BY THE
MAYOR AND COUNCIL

July 2, 2001

ORDINANCE NO. 9580

RELATING TO TAXATION; FIXING, LEVYING, AND ASSESSING PRIMARY AND SECONDARY PROPERTY TAXES FOR THE CITY OF TUCSON UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF TUCSON SUBJECT TO TAXATION, EACH IN A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS OF VALUATION, SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNTS ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE AND UNENCUMBERED BALANCES FROM THE PREVIOUS FISCAL YEAR; PROVIDING FUNDS FOR VARIOUS PURPOSES, ALL FOR THE FISCAL YEAR ENDING JUNE 30, 2002.

WHEREAS, the truth in property taxation public hearing was held on June 18, 2001; and

WHEREAS, the public hearing for the purpose of hearing taxpayers was held on June 25, 2001, after which a Special Meeting of the Mayor and Council was duly convened during which a Budget of Proposed Expenditures was adopted in final form for the Fiscal Year 2002;

WHEREAS, pursuant to the provisions of the laws of the State of Arizona and the Charter of the City of Tucson, the Mayor and Council of the City of Tucson are required to fix, levy, and assess a primary and a secondary rate of taxation upon each One Hundred Dollars (\$100.00) of the assessed valuation of all real and personal property subject to taxation within the City sufficient to raise the amount estimated to be required in the annual budget to pay municipal expenses during the fiscal year ending June 30, 2002, less the amounts estimated to be received from all other sources of revenue and unencumbered balances from the previous fiscal year;

WHEREAS, the County of Pima is per State law the assessing and collecting authority for the City of Tucson;

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

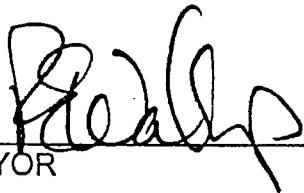
SECTION 1. There is hereby levied on each One Hundred Dollars (\$100.00) of the assessed valuation of all property, both real and personal, within the corporate limits of the City of Tucson, except such property as may by law be exempt from taxation, a primary property tax rate sufficient to raise the sum of TWO MILLION NINE HUNDRED THIRTY THOUSAND AND NINE HUNDRED DOLLARS (\$2,930,900) or the sum equal to the maximum aggregate amount of primary property taxes allowed by law, whichever is the less, for the purpose of providing a General Fund for the City of Tucson for the fiscal year ending the June 30, 2002.

SECTION 2. In addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of assessed valuation of all property both real and personal, within the corporate limits of the City of Tucson, except such property as may be by law exempt from taxation, a secondary property tax rate sufficient to raise the sum of TWENTY MILLION NINE HUNDRED FIFTY-THREE THOUSAND AND SEVEN HUNDRED FIFTY DOLLARS (\$20,953,750), but not more than the actual general obligation bond debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Tucson for the fiscal year ending June 30, 2002.

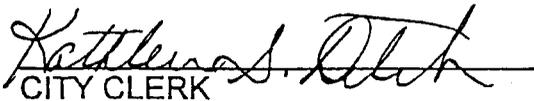
SECTION 3. That the taxes assessed and levied in Sections 1 and 2 of this Ordinance are, and shall become, due and payable to the County Treasurer and Ex-officio Tax Collector of Pima County at his office in the Pima County Courthouse in the City of Tucson in the same manner and at the same time as provided by law for the collection and payment of State and County property taxes.

SECTION 4. That the City Clerk is authorized and directed to cause certified copies of this ordinance to be forthwith personally delivered to the Pima County Treasurer and to the Chairman of the Board of Supervisors of Pima County, Arizona, and to cause this Ordinance to be published for three consecutive issues in the official newspaper of the City of Tucson published and circulated in the City of Tucson.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Tucson, Arizona, July 2, 2001.

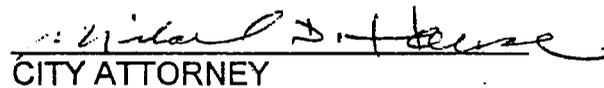

MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM:

REVIEWED BY:

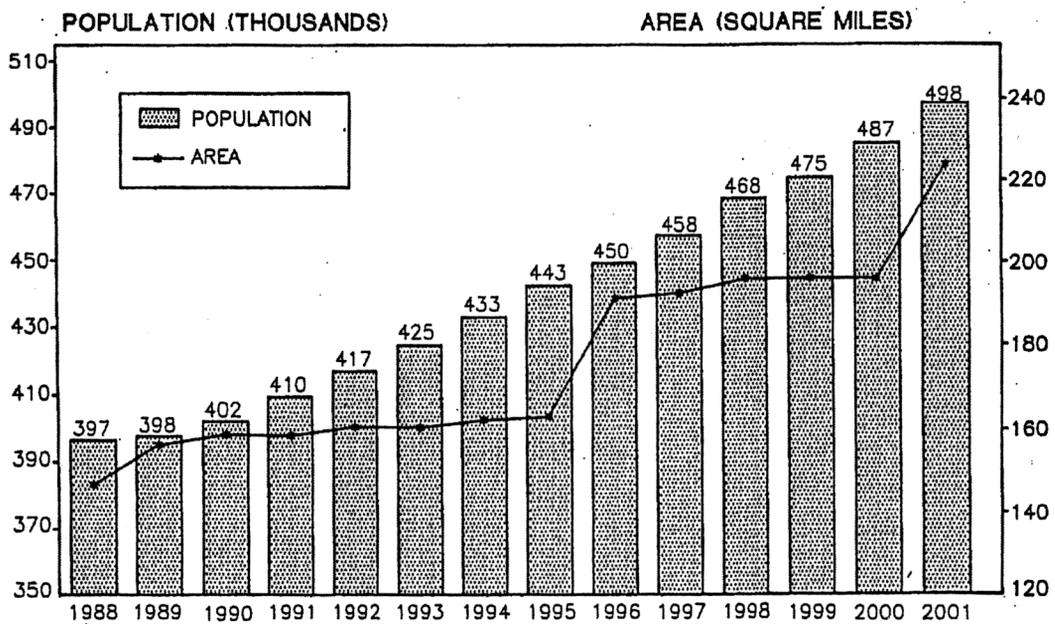
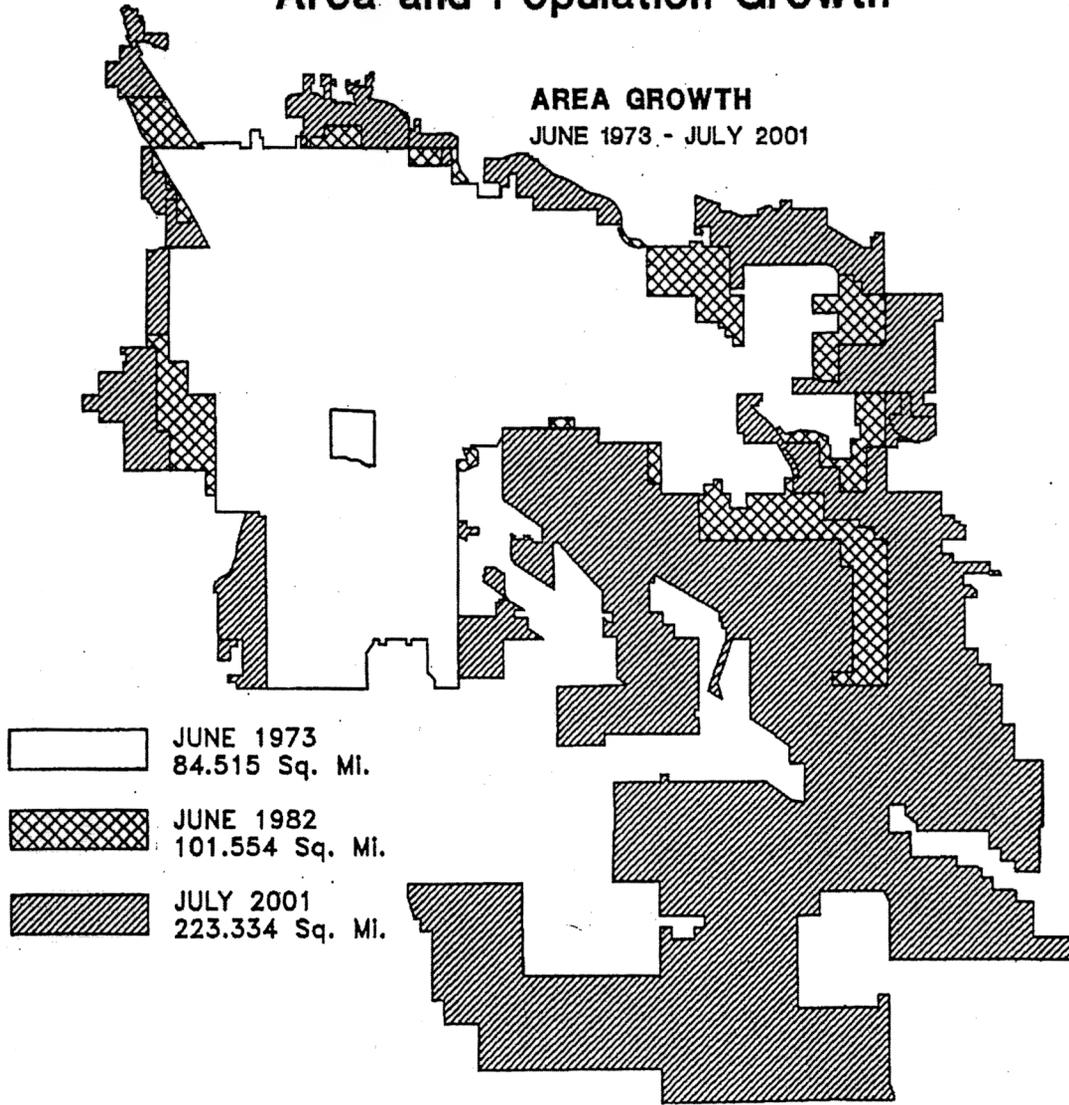

CITY ATTORNEY


CITY MANAGER

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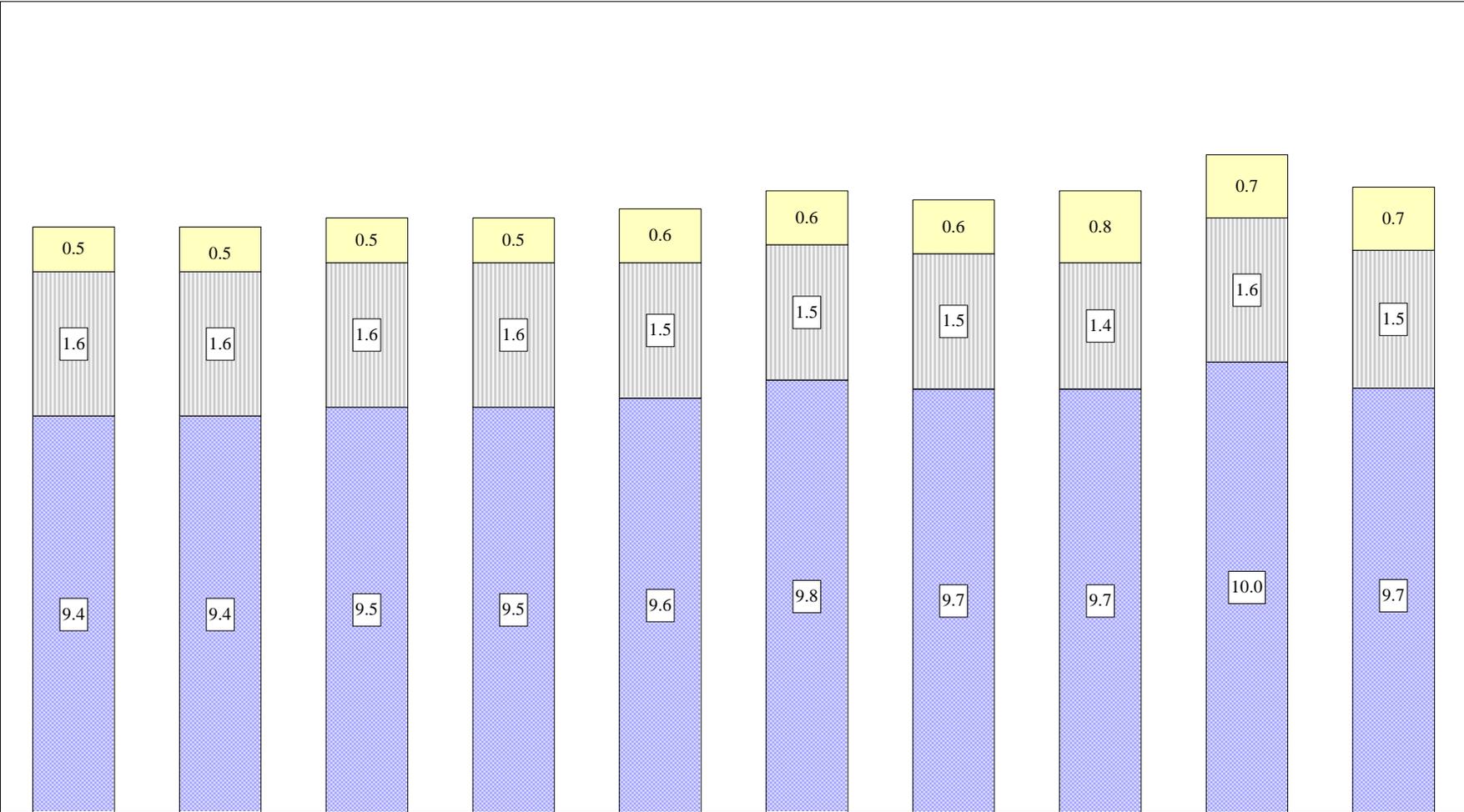
Area and Population Growth



NOTE: Population figures are for July 1 of each year.

NUMBER OF CITY EMPLOYEES PER 1,000 POPULATION

■ Recurring Revenues ■ Utilities (Golf and Water) ■ Grant-Funded Positions



1993

1994

1995

1996

1997

1998

1999

2000

2001

2002

SELECTED ECONOMIC INDICATORS

Tucson Metro Area

Description	Calendar Year			
	2000	2001	2002	2003
Personal Income (Billions of Dollars)	\$ 20.732	\$ 21.884	\$ 23.110	\$ 24.268
Percentage Change Over Prior Year	7.9	5.6	5.6	5.0
Retail Sales Without Food (Billions of Dollars)*	\$ 6.803	\$ 7.149	\$ 7.504	\$ 7.879
Percentage Change Over Prior Year	7.3	5.1	5.0	5.0
Residential Building Permits (Units)	7,799	7,494	6,160	5,863
Percentage Change Over Prior Year	(8.7)	(3.9)	(17.8)	(4.8)
Population (000)**	866.0	886.6	904.7	922.1
Percentage Change Over Prior Year	2.4	2.4	2.0	1.9
Wage and Salary Employment (000)	350.7	359.5	368.1	375.0
Percentage Change Over Prior Year	4.2	2.5	2.4	1.9
Employment/Population Ratio	.405	.405	.407	.407
Real Per Capita Disposable Income (1982) Dollars	\$ 11,752	\$ 11,652	\$ 11,771	\$ 11,846
Percentage Change Over Prior Year	1.3	(0.9)	1.0	0.6
Annual Earnings Per Worker	\$ 29,439	\$ 30,570	\$ 31,628	\$ 32,571
Percentage Change Over Prior Year	3.7	3.8	3.5	3.0
Consumer Price Index (CPI) Western Region (Percentage Change)	3.5	3.6	2.5	2.7
Personal Consumption Deflator (Percentage Change)	2.4	2.0	2.0	2.2
Gross Domestic Product (GDP) Implicit Price Deflator (Percentage Change)	2.1	1.7	1.8	1.8
Gasoline Sales (Millions of Gallons)	400.0	418.2	434.5	444.7
Percentage Change Over Prior Year	(0.1)	4.5	3.9	2.4

Source: Economic Outlook, May 2001, Economics and Business Research Program, Eller College of Business and Public Administration, The University of Arizona.

*Calculated by combining expenditures for retail sales less food with restaurant and bar sales.

**Population projections were made prior to Census 2000 using different base data than population data on page D-6

COMMUNITY PROFILE

TUCSON - Combining a Rich History with a Bright Future

Permanent settlements were built in Tucson nearly 2,000 years ago by people of the Hohokam culture.



A Long History of Many Cultures

The Hohokam culture thrived in this region until it suddenly declined during the fourteenth century. Native American cultures believed to be probable descendants of the Hohokam were joined by new arrivals from Spain, Mexico, and the eastern United States.

Mission San Xavier del Bac, the “White Dove of the Desert,” was established by the Franciscan Order in the late 1600s and still serves the Tohono O’Odham Native American community. The mission was recently restored, with the cleaning of interior frescoes done by European artists who trained local Tohono O’Odham tribal members in the craft.

More than 300 years after Tucson’s founding as a mission site, the “Old Pueblo” continues to grow and celebrate its diverse cultural influences.

An Interesting Place to Live

Located in the Sonoran Desert, Tucson is surrounded by mountain ranges and lush desert valleys. Tucsonans enjoy over 300 days of sunshine each year and an average temperature of 82 degrees. In *Money Magazine’s* 1998 ranking of 300 cities, Tucson was selected as the fifth “Best Place to Live” for medium-size cities in the West.

Leisure activities are boundless. The Tucson area has more than 27,000 acres of park lands. In the nearby mountains and deserts, there are many places to camp, hike, and fish; the southern Arizona region is ranked one of the five best areas in the United States for bird watching. Golfing is available year-round on over 30 public and private golf courses, and the Tucson area annually hosts a Professional Golfers’ Association (PGA) and a Ladies Professional Golf Association (LPGA) golf tournament. In the winter, skiing is only a one-hour drive from Tucson.

The University of Arizona provides a full range of intercollegiate athletic events. The women’s softball team has won repeated National Collegiate Athletic Association (NCAA) championships. The men’s basketball team won the NCAA championship in 1997 and were runners up in the championship in 2001. Tucson is the spring training home for three major league baseball teams: Arizona Diamondbacks, Chicago White Sox, and Colorado Rockies. In addition, the Tucson Sidewinders, a AAA affiliate of the Arizona Diamondbacks, offers a full schedule of summer baseball.

Tucson provides opportunities to stimulate the mind as well as the body. The University of Arizona, which is located near the center of Tucson, offers undergraduate, graduate, and doctoral degree programs and has an extension program open to the public. Pima Community College is the fifth largest multi-campus community college in the nation and offers courses in 64 program areas.



There are over 215 arts groups and over 35 art galleries in Tucson. Tucson's downtown arts district hosts over 800 arts and cultural events annually, with many other events and fairs available throughout Tucson. Many museums and other attractions are located in the Tucson area. Included are the Tucson Museum of Art, the Arizona Historical Society Museum, the Arizona State Museum, the Center for Creative Photography, the Tucson Children's Museum, the Fort Lowell Museum, the Pima Air and Space Museum, Biosphere 2, the Tucson Botanical Gardens, the Reid Park Zoo, the Flandrau Planetarium, the Kitt Peak National Observatory, the San Xavier del Bac Mission, and the Arizona-Sonora Desert Museum (rated as one of America's top ten zoos by *Parade Magazine*).

We Mean Business

Tucson's business environment is as agreeable as its natural climate. Tourism, which accounted for over \$1.5 billion in the past year, will continue to be a major contributor to the region's economic base. Not just the service sector is booming: manufacturing employment in metropolitan Tucson has more than doubled in the past ten years. Tucson is home to a premier research institution—the University of Arizona—and is recognized as one of the megatrend cities for the 21st century with its emerging presence as a center for optics, astronomy, and health services.

City leaders are committed to ensuring that growth will complement existing neighborhoods.

Balancing Growth and Preservation

The City of Tucson, incorporated in 1877, is the second largest city in the State of Arizona. Tucson is forecast to have a population of over 500,000 by the end of 2002. As with many communities in the West, growth has occurred at the edges of the urban area.

To ensure that areas in the central city remain attractive places to live and work, the City of Tucson works with neighborhoods through its Citizen and Neighborhood Services and has initiated a *Back to Basics* program that directs financial resources to targeted areas. The aim of *Back to Basics* is to maintain and improve neighborhoods by collaborating with residents, businesses, and schools. Neighborhood residents are able to choose from a menu of options to determine for themselves how the financial resources are applied. Because "downtown is everyone's neighborhood," a special program has also been established to enhance downtown as a business, cultural, and residential area.

COMMUNITY PROFILE

Key Statistics

City Government Tucson is the county seat for Pima County. Pima County is the second largest in population in Arizona. By charter from the State of Arizona, the City of Tucson is governed by a Mayor and Council. Council members are nominated by 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.

Demographics Tucson is growing: 45th largest city in 1980, 34th largest in 1990, and the 30th largest in 2000.

Population

	Tucson	Pima County
1980	330,537	531,433
1990	405,390	666,880
1995	442,910	758,585
2000	486,699	847,600
2001*	498,305	867,500

Land Area

1980	98.84 square miles
1990	158.30 square miles
1995	180.74 square miles
1996	191.88 square miles
1997	193.99 square miles
1998	194.12 square miles
1999	194.16 square miles
2000	195.46 square miles
2001*	223.33 square miles

Land Use, 1990

Undeveloped	38.72%
Residential	30.70%
Commercial	5.83%
Government	4.48%
Industrial	4.11%
Open Space	4.02%
Agricultural	1.04%
Other	11.10%

Racial/Ethnic Composition, 2000

White, Non-Hispanic	54.2%
Hispanic	35.7%
Black	4.1%
Native American	1.6%
Asian/Pacific Islander	2.5%

Median Age

1970	25.7 years
1980	28.3 years
1990	30.8 years
2000	32.1 years

*Projected figures from the City of Tucson Planning Department assuming normal annexation rates.

Economy

For the next five years, Tucson is projected to be the 13th most rapidly growing metropolitan area in the United States for employment.

Major Employers - Southern Arizona, 2001*

(Based on number of full-time equivalent positions)

U.S. Army Fort Huachuca	11,376
University of Arizona	11,032
Raytheon Systems Company	10,149
State of Arizona	9,978
Tucson Unified School District	9,102
Davis-Monthan Air Force Base	8,796
Pima County	7,119
City of Tucson	6,058**
Phelps Dodge Mining Company	4,200
Carondelet Health Network	3,329
University Medical Center	2,540
Tohono O'odham Nation	2,425
Tucson Medical Center (TMC) HealthCare	2,361
ASARCO Incorporated	2,336
Pima Community College	2,284
Amphitheater Public Schools	2,256
Wal-Mart	2,250

<u>Total Employment***</u>		<u>Unemployment Rates</u>	
(Pima County)		(Pima County)	
1990	321,900	1990	4.6%
1995	385,912	1995	3.7%
1998	418,075	1998	2.7%
1999	429,332	1999	2.9%
2000	448,544	2000	2.8%
2001	457,055	2001	3.0%

<u>Annual Rate of Earnings</u>	
(Per worker in current dollars)	
1990	\$20,015
1995	\$23,844
1998	\$26,311
1999	\$27,453
2000	\$29,439
2001	\$30,570

<u>Building Permits Issued</u>			
	Residential	Commercial	Industrial
1997	1,929	151	16
1998	2,359	238	34
1999	2,740	302	7
2000	2,689	236	17

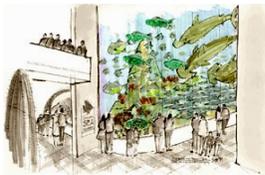
*Source: "Star/Two/Hundred," The Arizona Daily Star, March 11, 2001.

**The City of Tucson's Fiscal Year 2002 Adopted Budget includes 5,926 full-time equivalent positions.

***Source: **Economic Outlook**, May 2001, Economics and Business Research Program, Eller College of Business and Public Administration, The University of Arizona.

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.



Neighborhood Resources

Parks (District, Neighborhood, Regional, and Open Space)	99
Recreation Centers	7
Neighborhood/Senior Centers	6
Regional Centers	4
After-School Program Sites	67
Senior Citizen Program Sites	13
Municipal Swimming Pools	26
Municipal Golf Courses	5
Tennis Court Sites	55
Baseball, Little League, and Softball Fields	108
Libraries	22
Bookmobiles	2

Solid Waste Management

Tons of Waste Collected	315,000
Tons of Material Recycled	18,500
Number of Christmas Trees Mulched or Composted	44,031

Transportation

Number of Street Miles Maintained	1,585
Miles of Bikeways	300
Miles of Drainageway	700
Number of Street Lights	14,000
Annual Miles of Fixed-Route Bus Service	7,828,515
Annual Miles of Paratransit Service	2,063,000
Traffic Signals	348

Tucson Water

Miles of Water Lines	4,000
Number of Water Connections	197,199
Billion of gallons of storage capacity	255
Billion of gallons of potable water delivered annually	35.5

Public Safety

Number of Authorized Commissioned Law Enforcement Personnel	995.5
Average Police Emergency Response Time (in minutes)	3.76
Average Police Response Time for All Emergency, Urgent and Routine Calls (in minutes)	33.52
Number of Commissioned Fire Personnel	527
Annual Number of Structural Fire Runs	300
Annual Number of Other Fire Runs	67,000
Number of Paramedics	88
Annual Number of Paramedic Runs	33,200

BENCHMARKING PROJECT

In recent years, the City of Tucson has used performance goals and project management to increase its accountability and assess its effectiveness. Another way to measure municipal performance is to benchmark with other cities. This is commonly done in the private sector, particularly in health care and education, to compare effectiveness of organizations in the same business. For example, universities are often ranked on the quality of their freshman classes and how well students do over their four years. As undergraduates, measures such as Scholastic Aptitude Test/American College Test scores, faculty to student ratios, educational expenses per student, graduation rates, and alumni giving rates are widely used. Municipalities are just beginning to use the benchmarking technique. Included in this section are benchmarks comparing the City of Tucson's metropolitan area with ten other metropolitan areas (see map on page D-10).

These metropolitan areas, some larger and some smaller than Tucson, were chosen because of their western geography and governance, their ethnic distribution and economic variety, and their cultural and historical traditions—a combination similar enough to allow the comparison of some urban elements, yet sufficiently disparate to allow the contrast of others. The other metropolitan areas used are Albuquerque, Austin, Colorado Springs, Denver, El Paso, Las Vegas, Phoenix-Mesa, Salt Lake City, San Antonio, and San Diego. The Tucson metro area was compared with these other areas to determine how it compares economically and demographically. The benchmarks included in this section, comprised of ten economic benchmarks and six demographic benchmarks, are listed below and displayed in a series of graphs on the pages that follow.

Economic Benchmarks

- Metro Area 1999 Average Wage, Adjusted for Cost of Living, page D-11
- Metro Area 1999 Wage and Salary Employment, Number of Jobs Per 1,000 Population, page D-11
- Metro Area 1997 Population Below Poverty Level, page D-12
- Metro Area 2000 Cost of Living (adjusted for Tucson's cost of living), page D-12
- Metro Area 2000 Cost of Groceries (adjusted for Tucson's cost of groceries), page D-13
- Metro Area 2000 Cost of Housing (adjusted for Tucson's cost of housing), page D-13
- Metro Area 2000 Cost of Transportation Index (adjusted for Tucson's cost of transportation), page D-14
- Metro Area 1990 Mean Travel Time to Work, In Minutes, page D-14
- Percentage of Households that Use a Personal Computer, page D-15
- Metro Area 2000 Cost of Health Care (adjusted for Tucson's Cost of Health Care), page D-15

Demographic Benchmarks

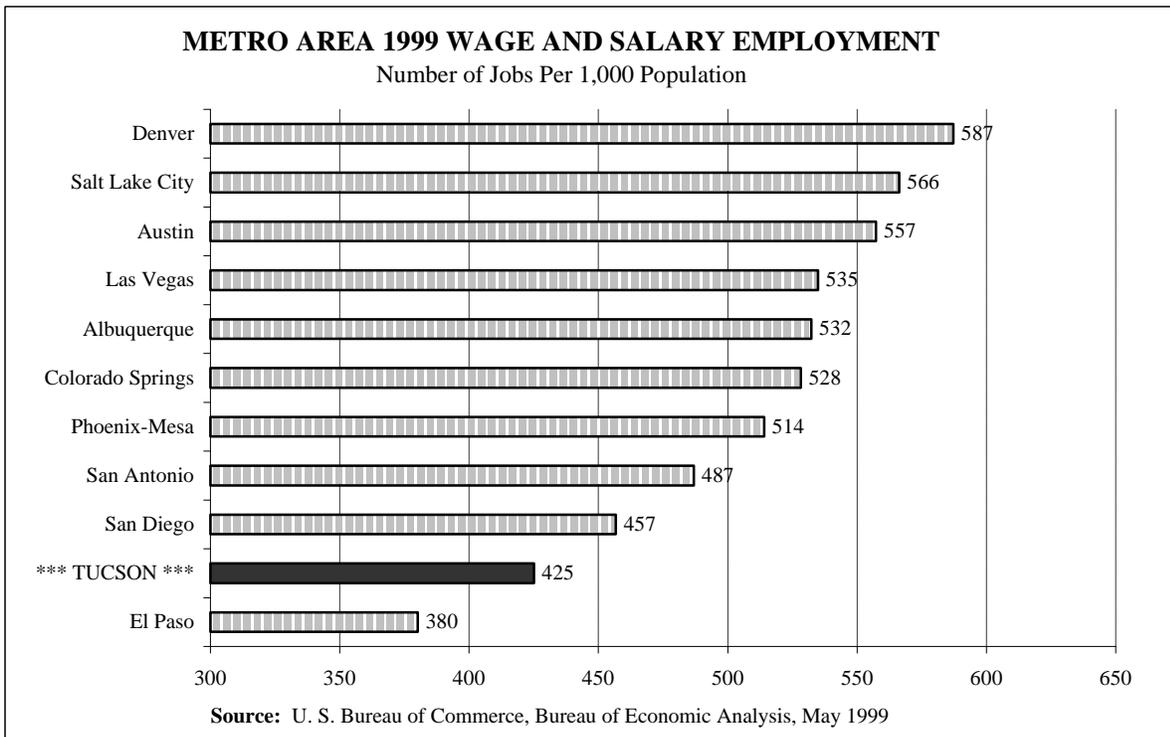
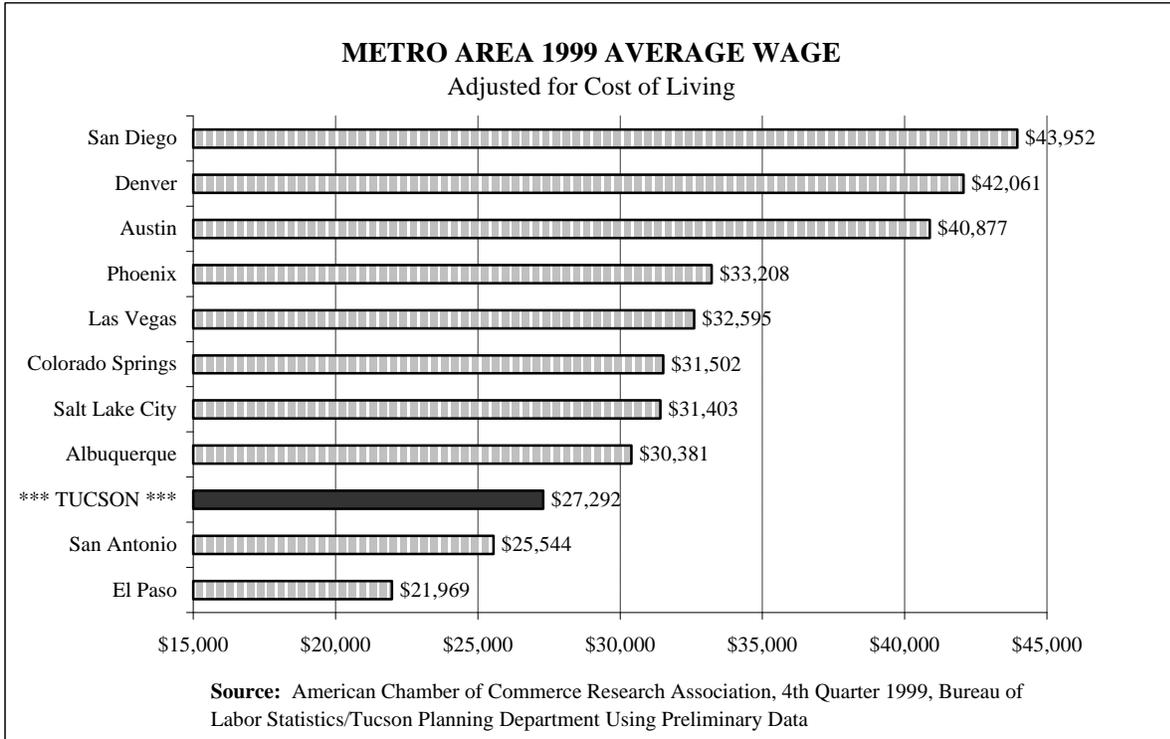
- 1998 Percent of Metro Population Less Than 18 Years Old, page D-16
- 1998 Percent of Metro Population Greater Than 64 Years Old, page D-16
- Number of Persons Per Household, page D-17
- Infant Death Rate Per 1,000 Population, 1995-97 Average Rate, page D-17
- High School Diploma, Percent of Population 25 Years Old and Older, page D-18
- Bachelor Degree, Percent of Population 25 Years Old and Older, page D-18

Benchmark Metropolitan Cities and Populations 2000



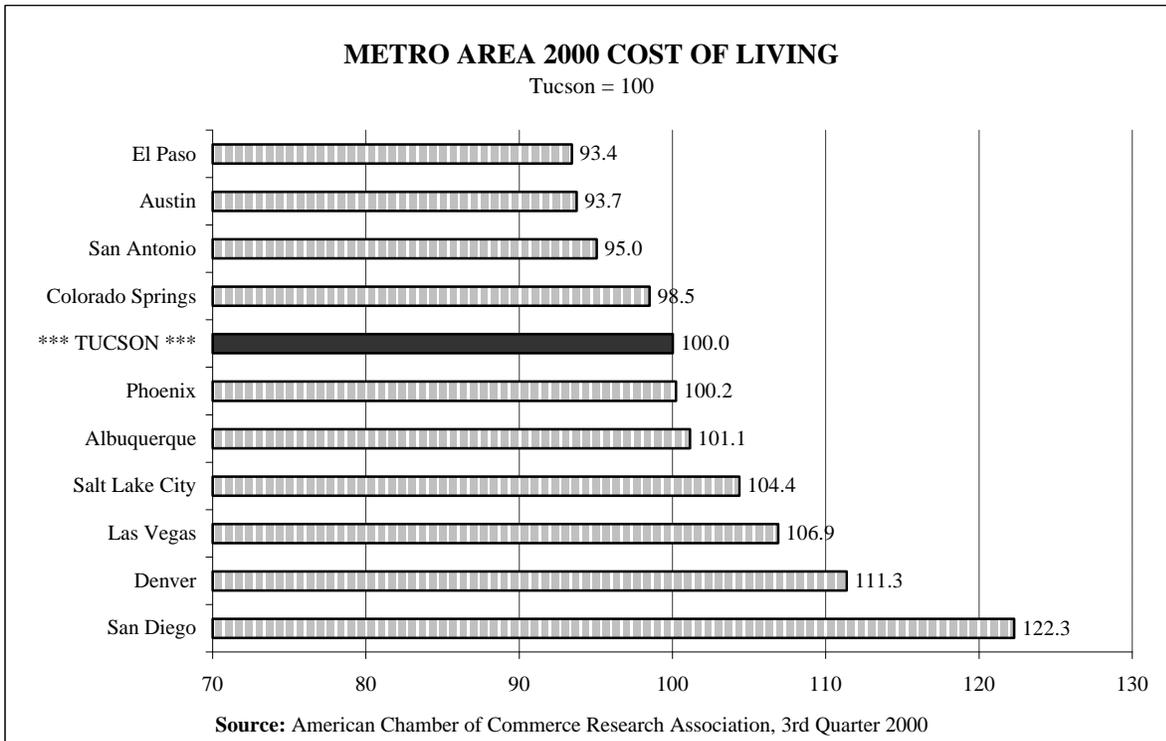
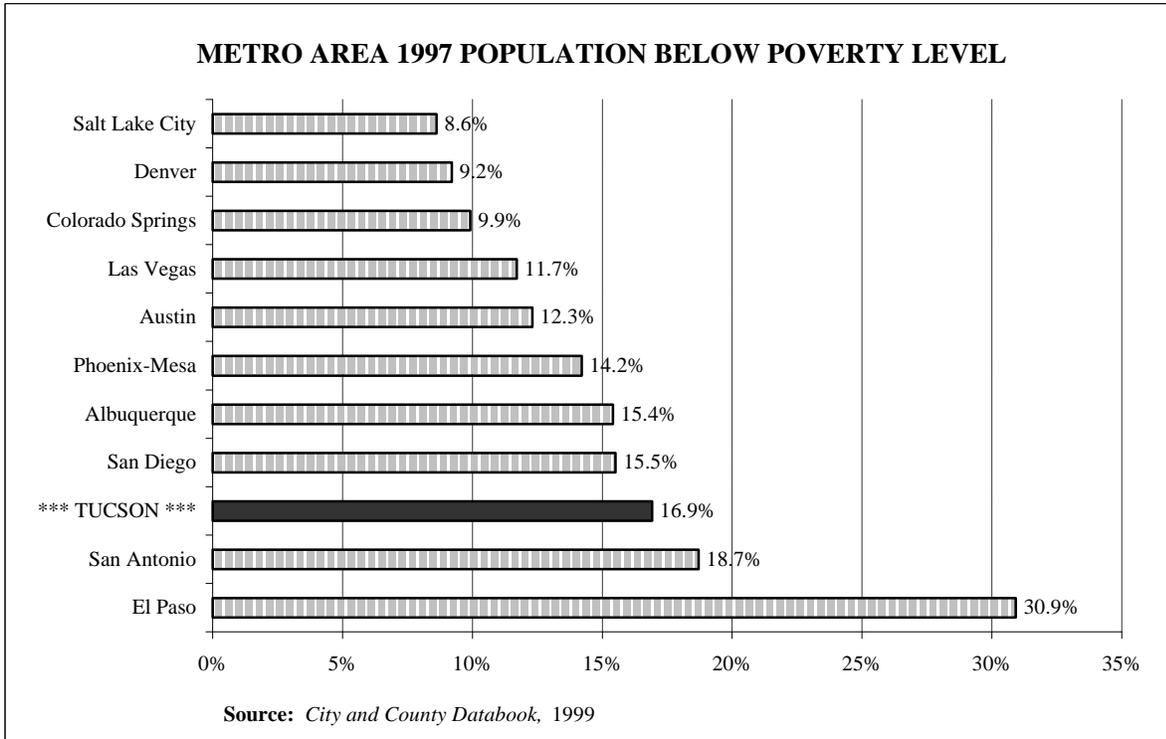
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



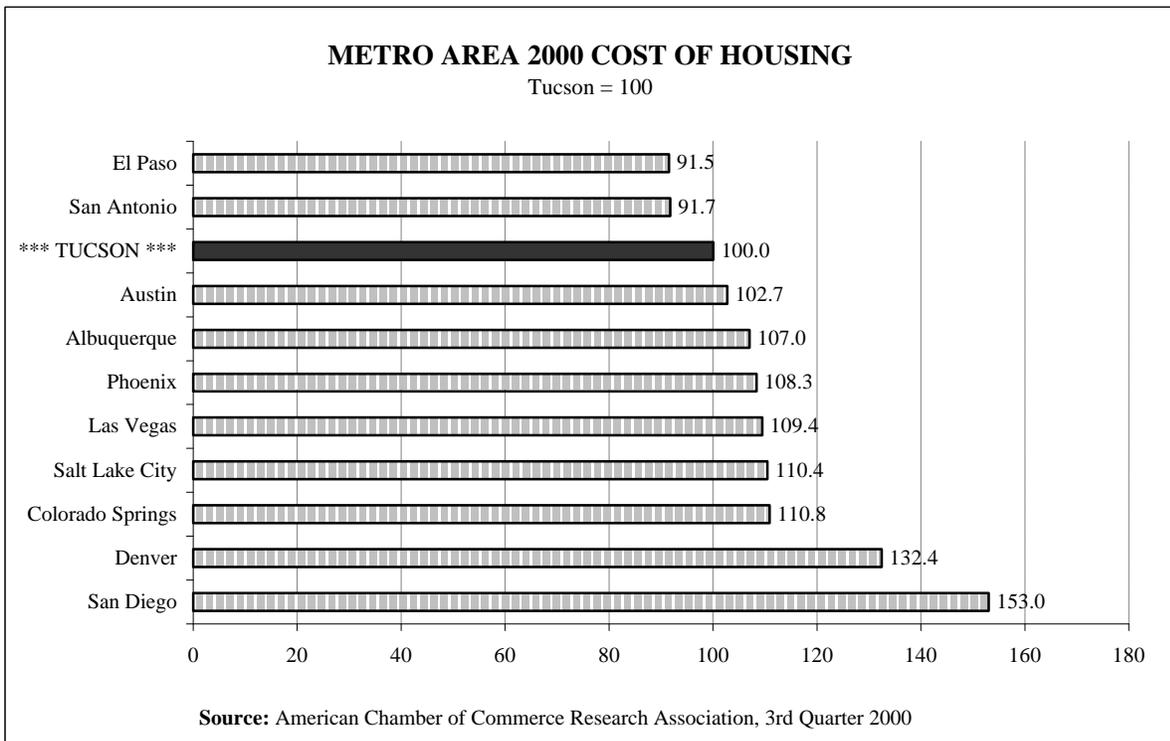
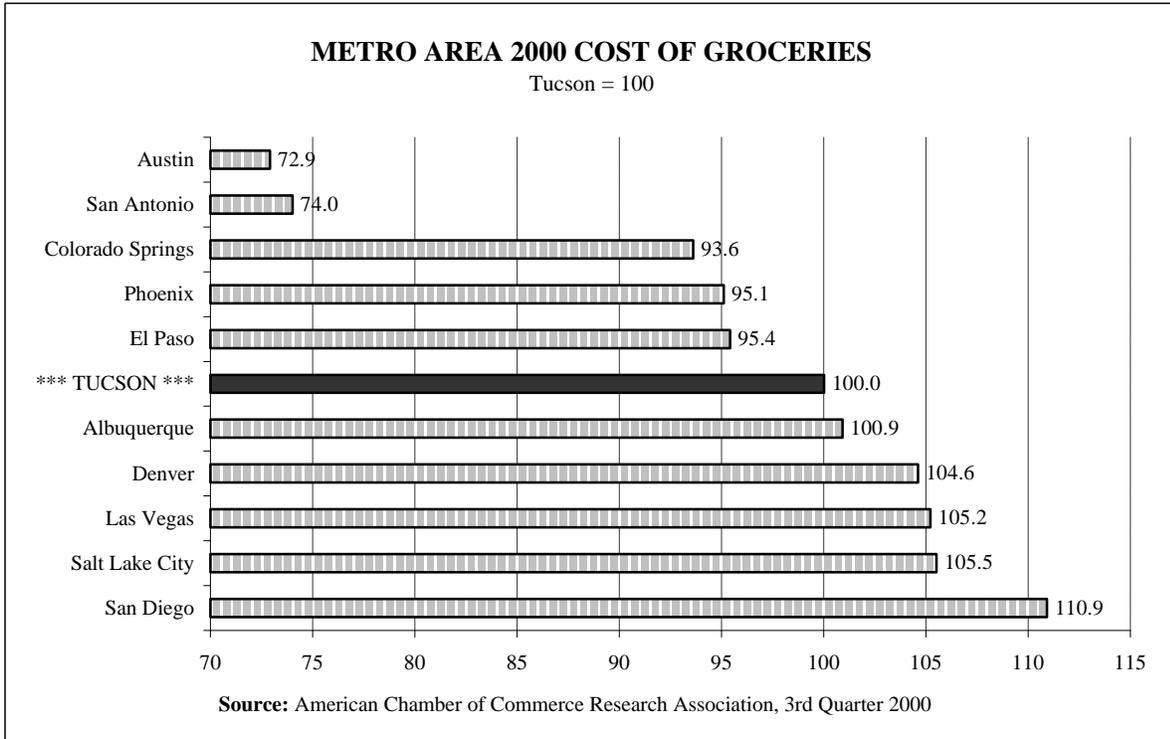
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



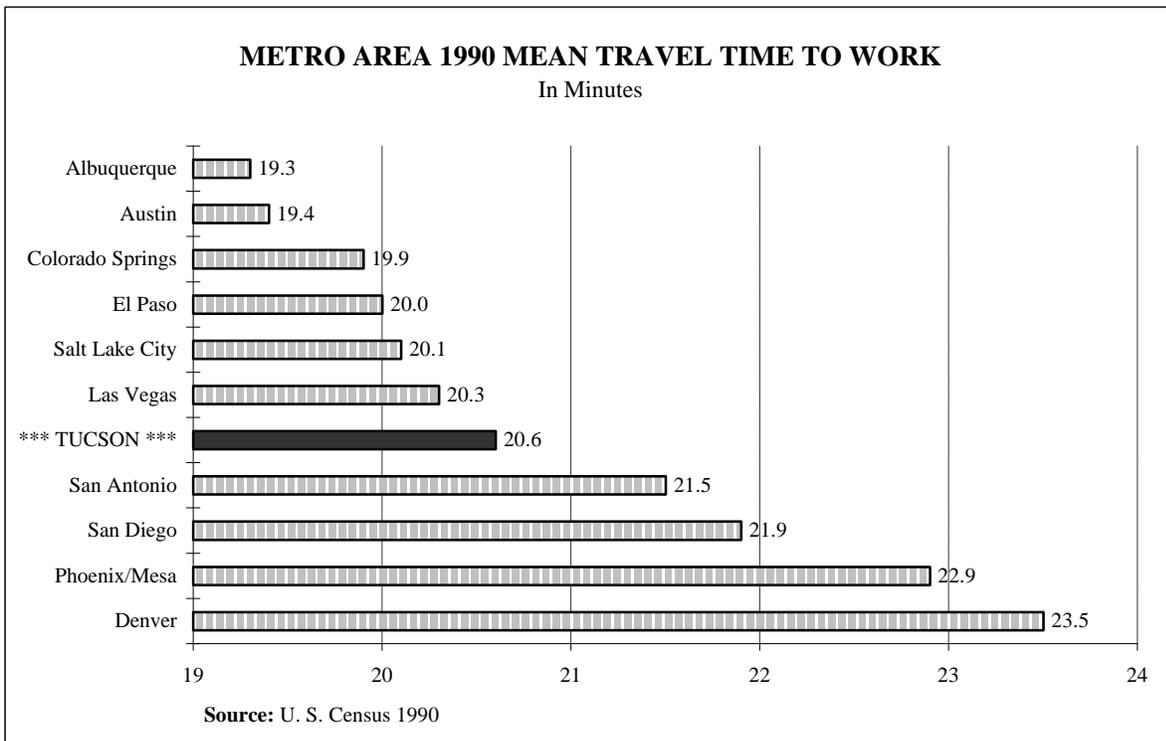
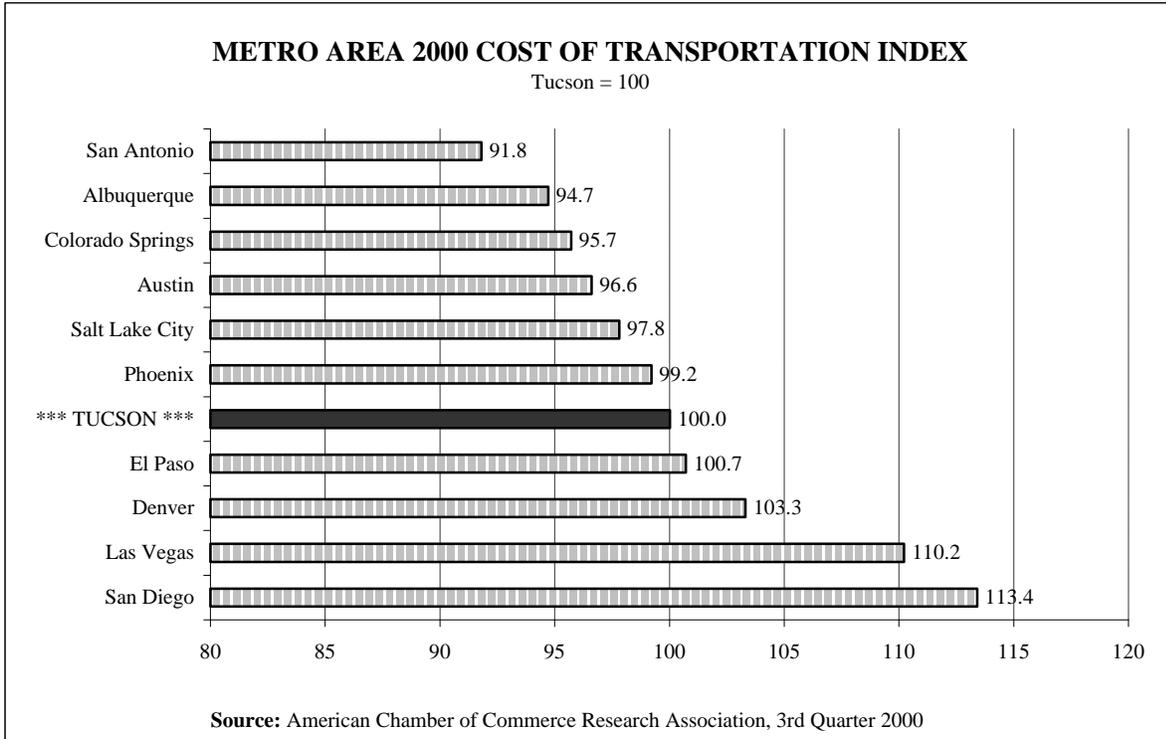
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



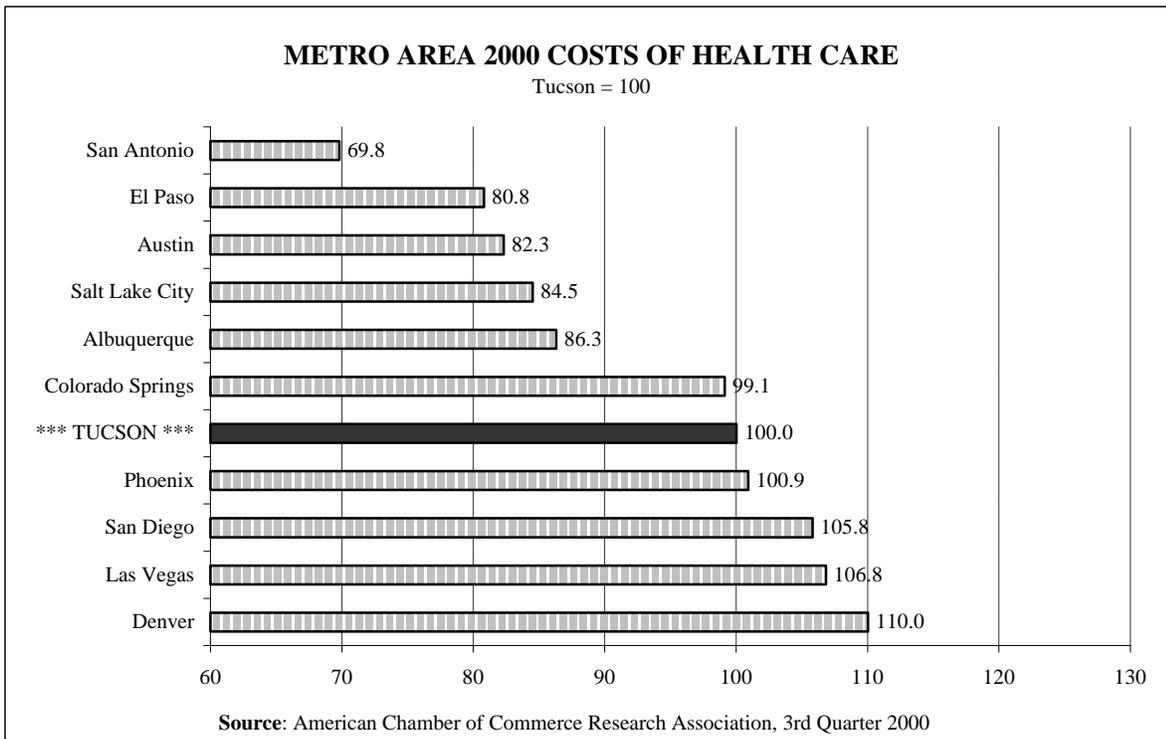
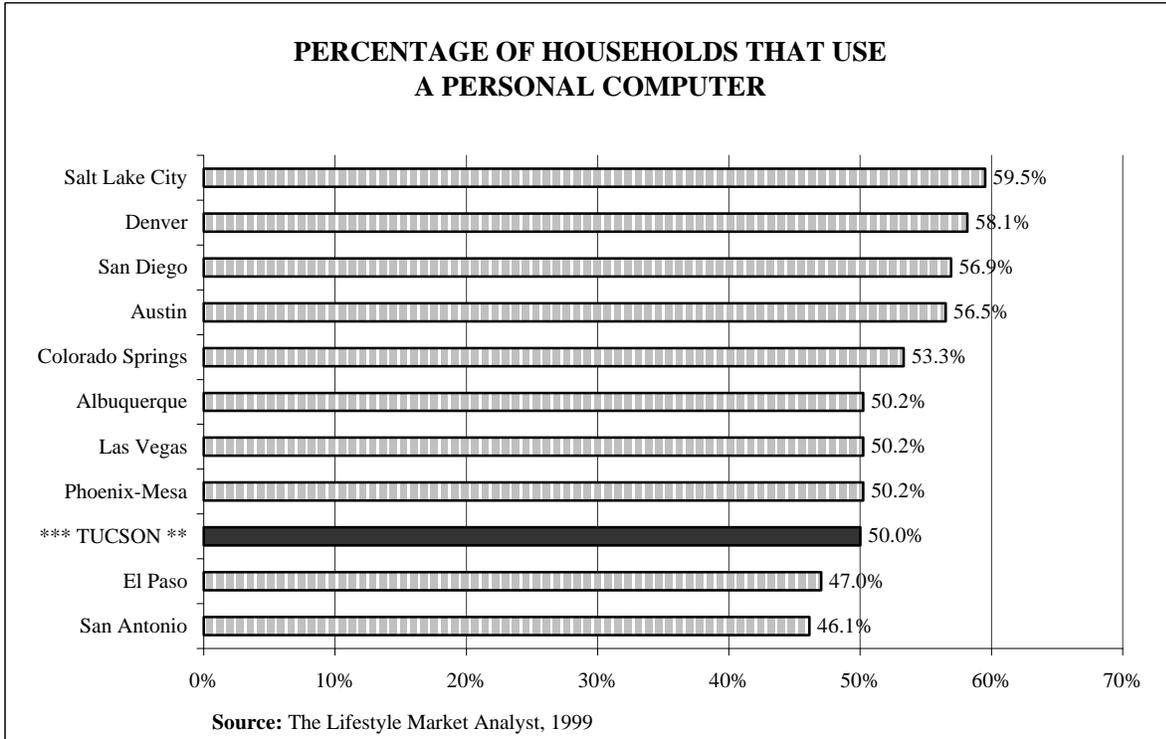
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



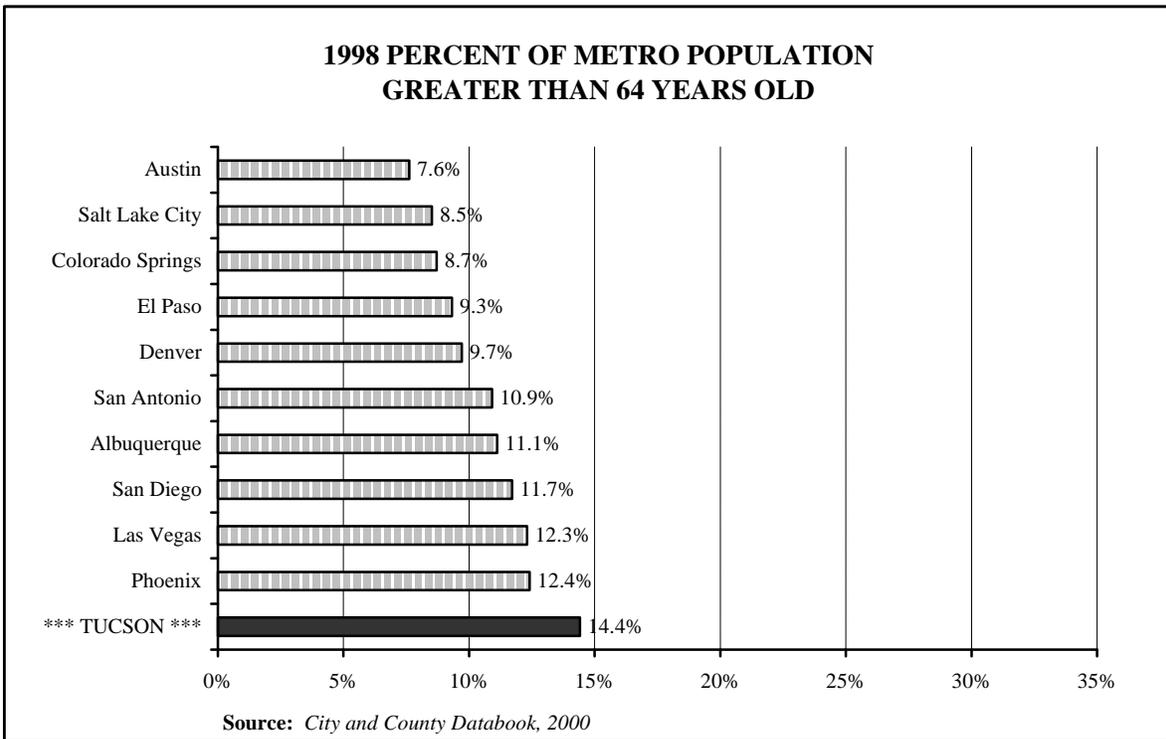
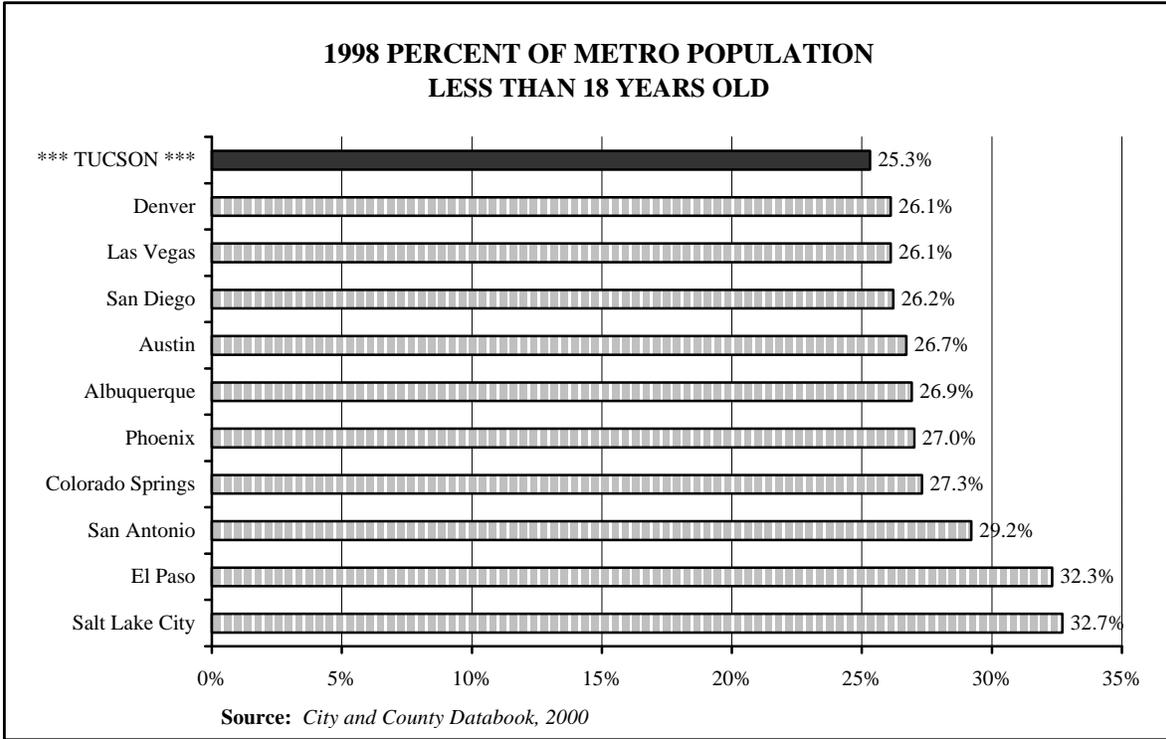
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



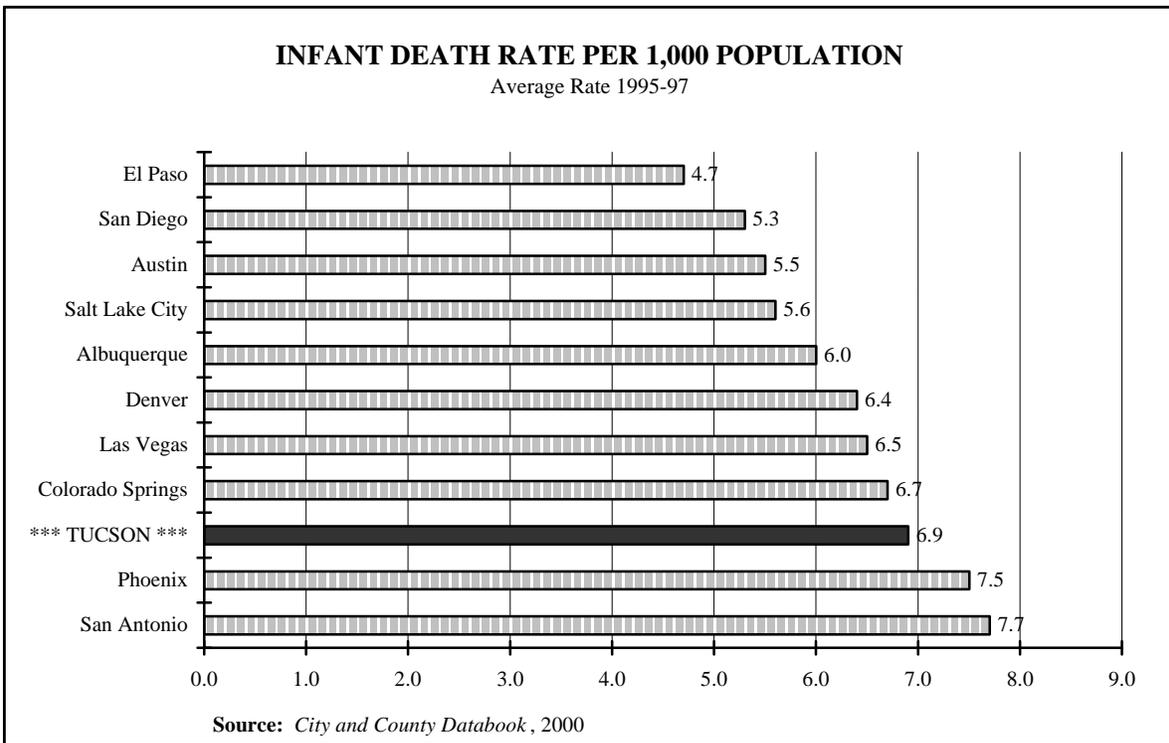
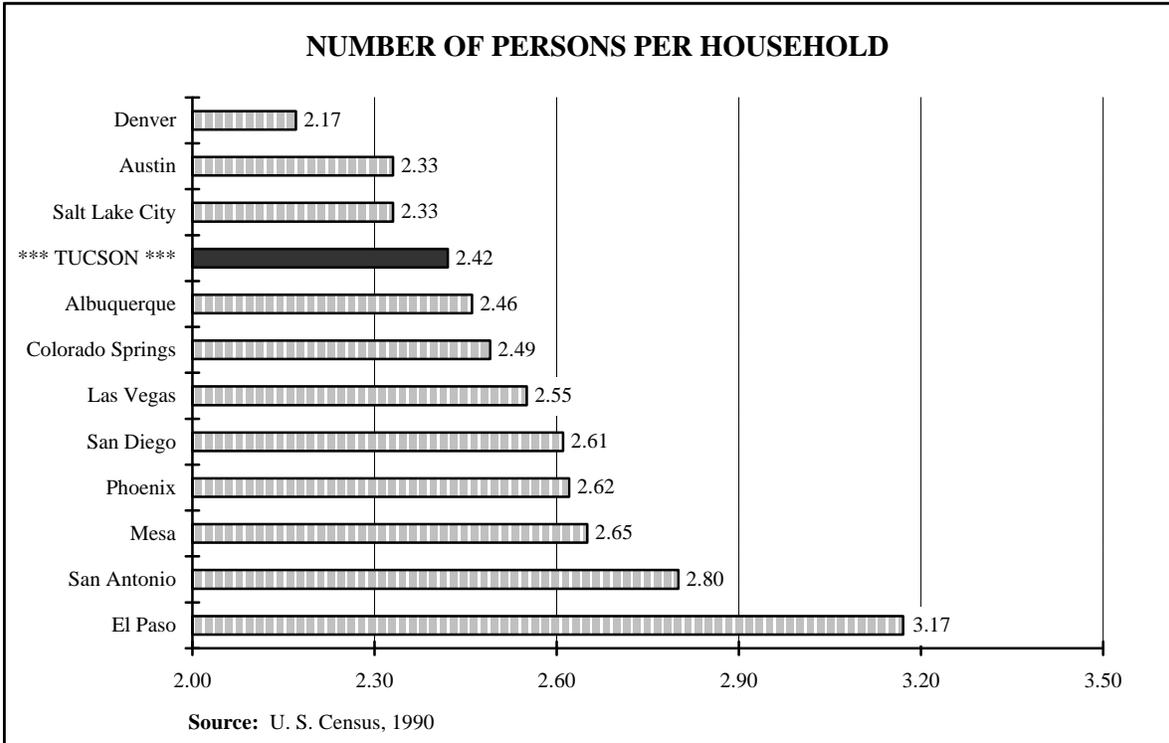
DEMOGRAPHIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



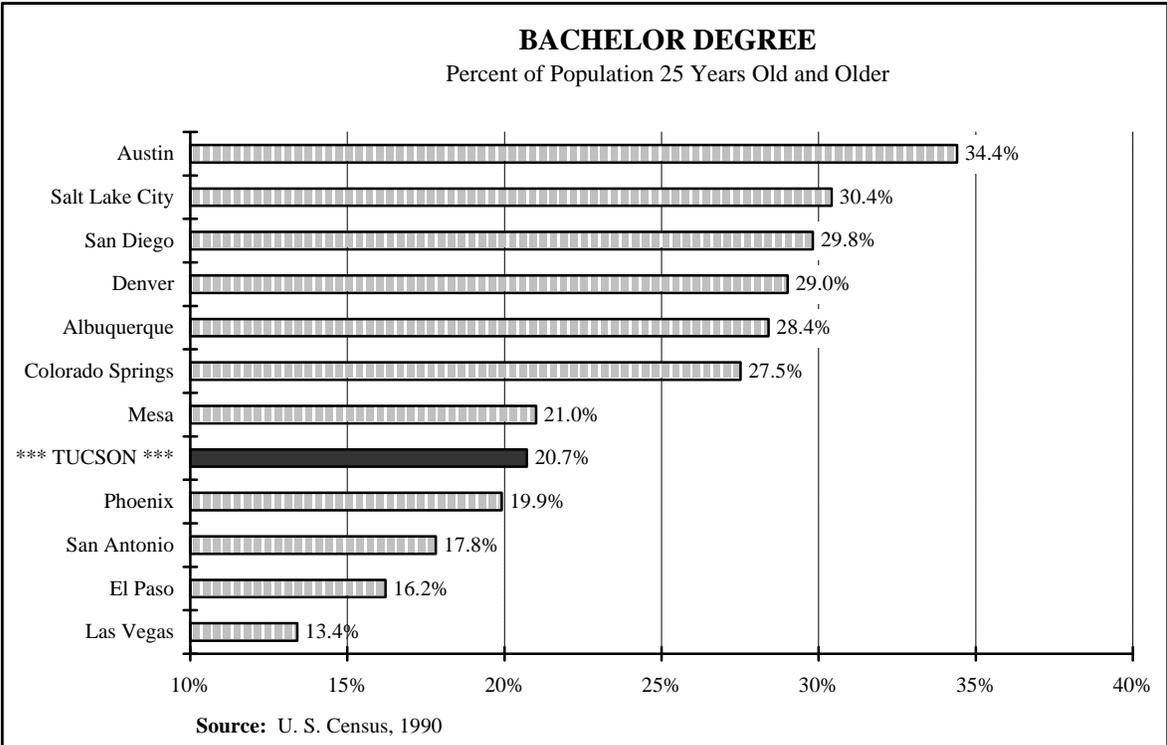
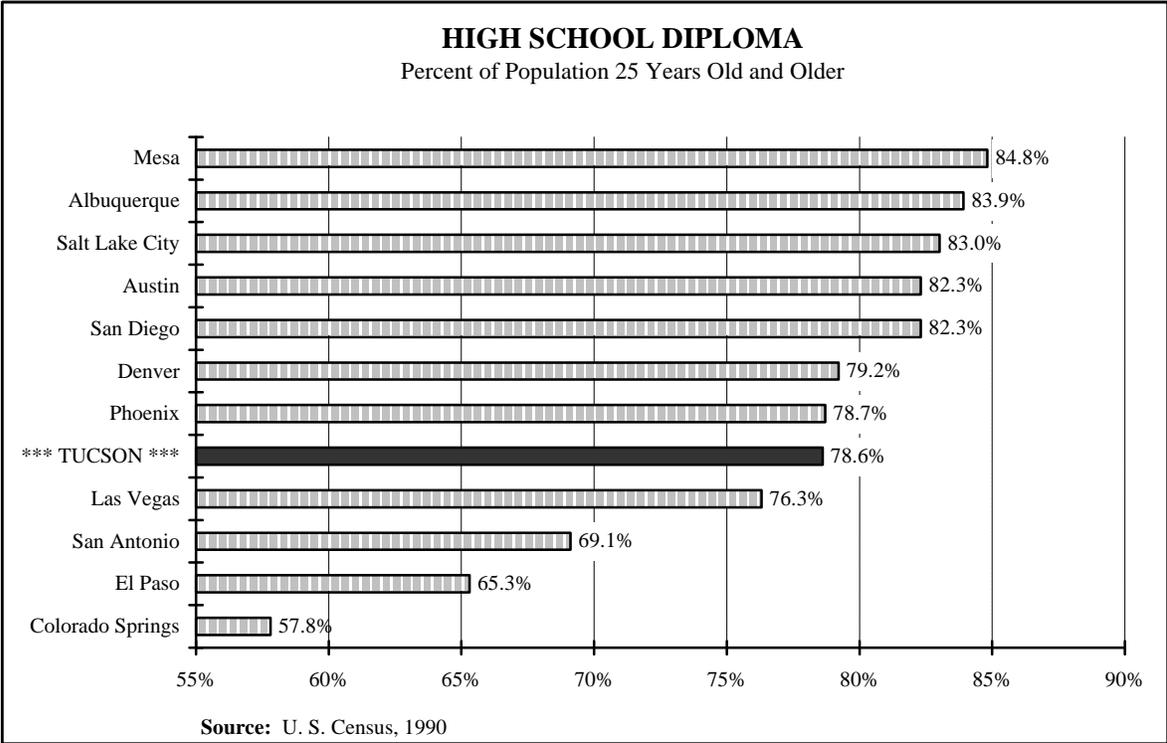
DEMOGRAPHIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



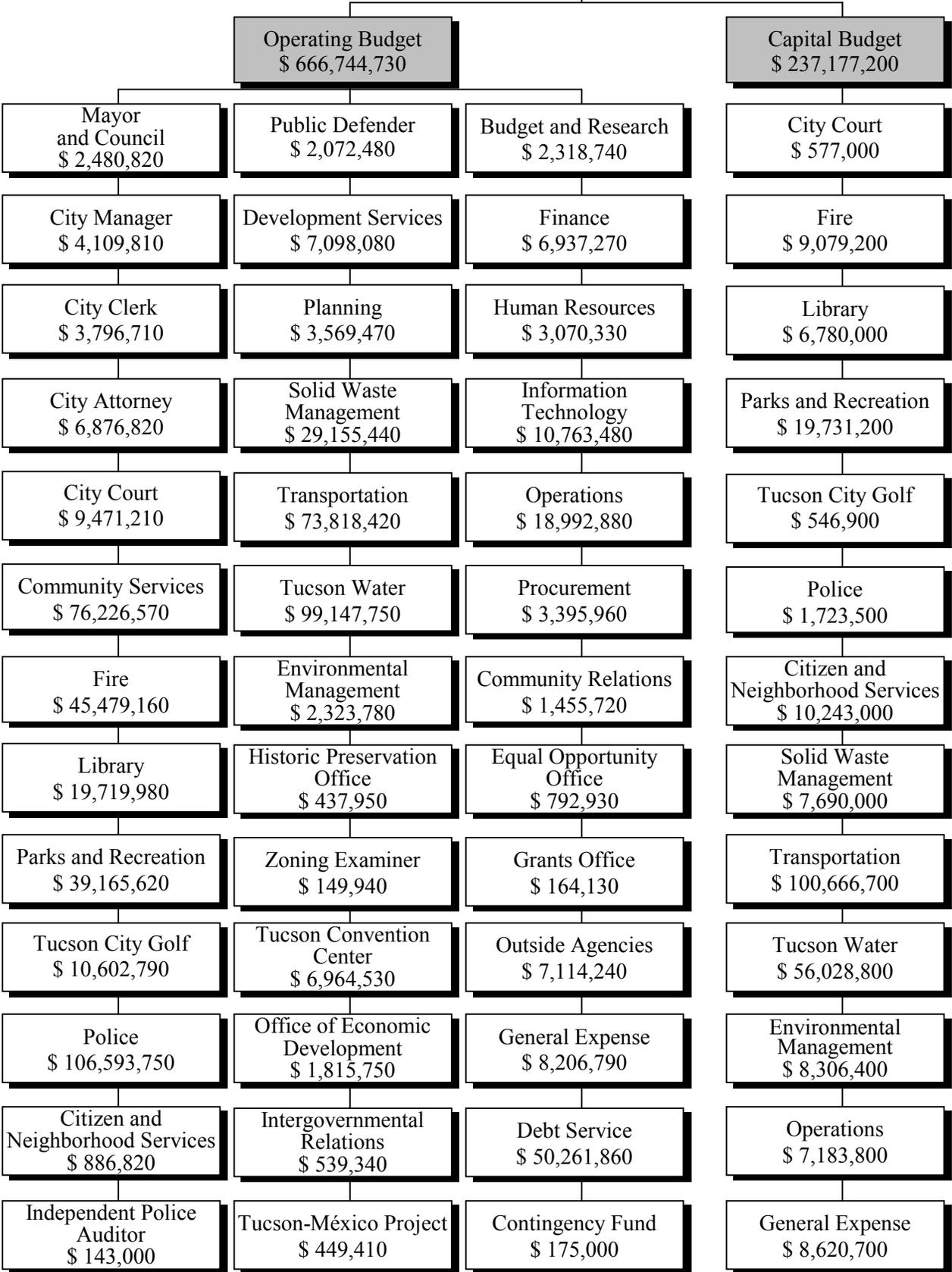
DEMOGRAPHIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson

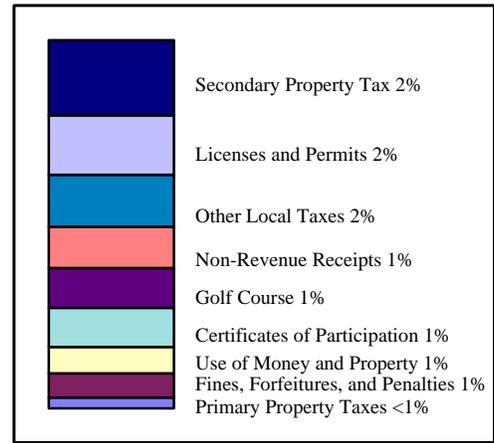
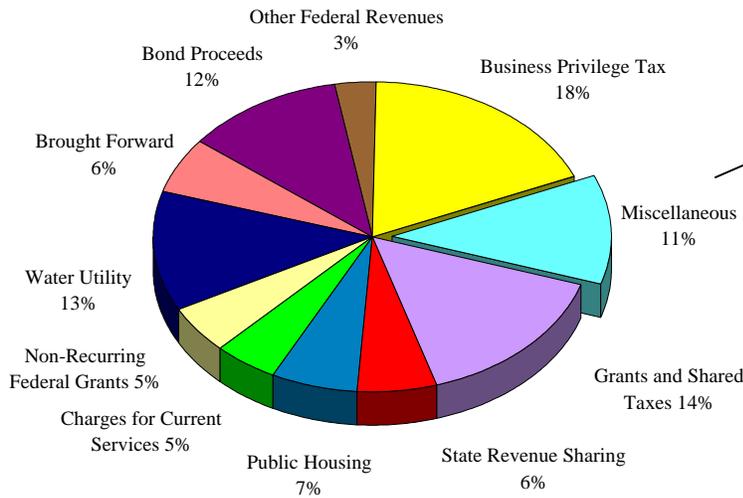


CITY OF TUCSON
Components of the Total Financial Plan
Fiscal Year 2002

Total Budget
\$ 903,921,930

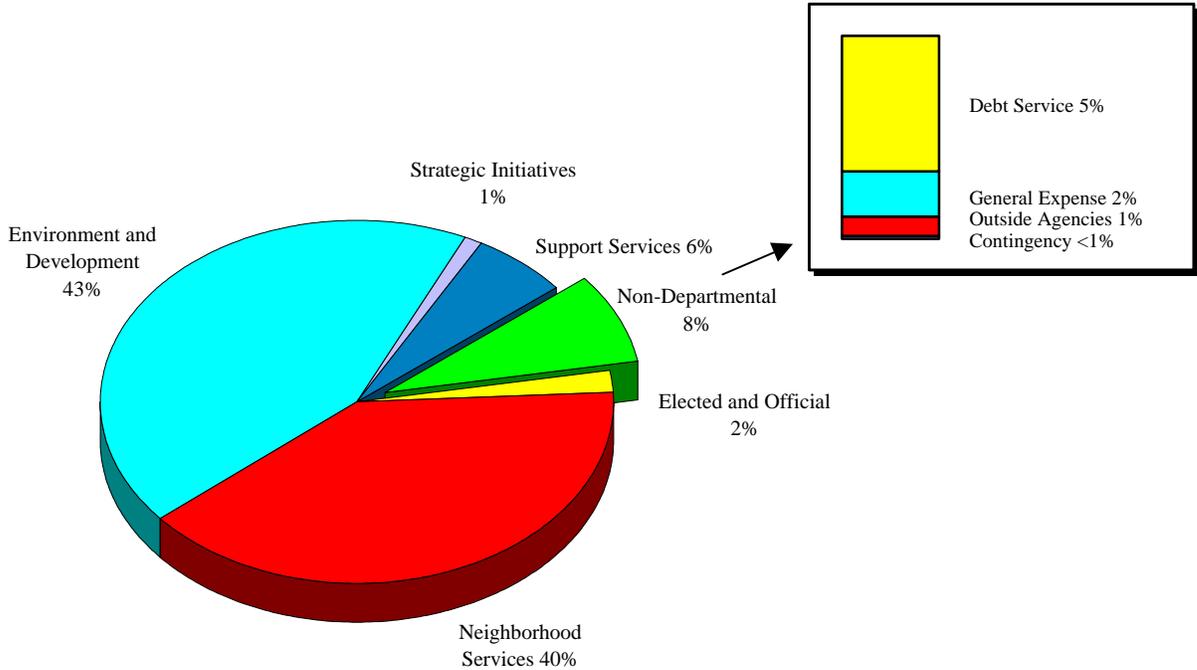


REVENUES



Funds Available	FY 2002 Annual Budget Total	Percent of Total	Estimated Revenues	
			Operating Budget	Capital Budget
Primary Property Tax	\$ 2,930,900	0%	\$ 2,930,900	\$ -0-
Secondary Property Tax	20,953,750	2%	20,953,750	-0-
Business Privilege Tax	164,456,000	18%	159,275,000	5,181,000
Other Local Taxes	14,431,000	2%	14,431,000	-0-
Licenses and Permits	16,687,000	2%	16,687,000	-0-
Fines, Forfeitures, and Penalties	6,746,100	1%	6,746,100	-0-
Use of Money and Property	7,434,080	1%	7,434,080	-0-
Grants and Shared Taxes	139,962,110	14%	111,406,910	28,555,200
State Revenue Sharing	51,047,000	6%	51,047,000	-0-
Charges for Current Services	42,459,100	5%	42,459,100	-0-
Non-Revenue Receipts	11,578,060	1%	11,578,060	-0-
Public Housing	59,037,580	7%	59,037,580	-0-
Other Federal Revenues	28,062,450	3%	26,263,650	1,798,800
Total Recurring Revenues (Without Utilities)	\$ 565,785,130	62%	\$ 530,250,130	\$ 35,535,000
Golf Course	11,149,690	1%	10,602,790	546,900
Water Utility	113,516,750	13%	99,147,750	14,369,000
Total Recurring Revenues	\$ 690,451,570	76%	\$ 640,000,670	\$ 50,450,900
Non-Recurring Federal Grants	45,341,600	5%	-0-	45,341,600
Bond Proceeds	104,413,400	12%	-0-	104,413,400
Certificates of Participation	10,887,090	1%	226,490	10,660,600
Brought Forward	52,828,270	6%	26,517,570	26,310,700
Total Funds Available	\$ 903,921,930	100%	\$ 666,744,730	\$ 237,177,200

APPROPRIATIONS



Purpose	FY 2002 Annual Budget Total	Percent of Total	Budgeted Expenditures	
			Operating Budget	Capital Budget
Elected and Official	\$ 17,264,160	2%	\$ 17,264,160	\$ -0-
Neighborhood Services	359,042,180	40%	310,361,380	48,680,800
Environment and Development	388,392,730	43%	215,700,830	172,691,900
Strategic Initiatives	9,769,030	1%	9,769,030	-0-
Support Services	55,075,240	6%	47,891,440	7,183,800
Non-Departmental				
Outside Agencies	7,114,240	1%	7,114,240	-0-
General Expense	16,827,490	2%	8,206,790	8,620,700
Debt Service	50,261,860	5%	50,261,860	-0-
Contingency	175,000	<1%	175,000	-0-
Total All Organizations	\$ 903,921,930	100%	\$ 666,744,730	\$ 237,177,200

REVENUES AND APPROPRIATIONS SUMMARY

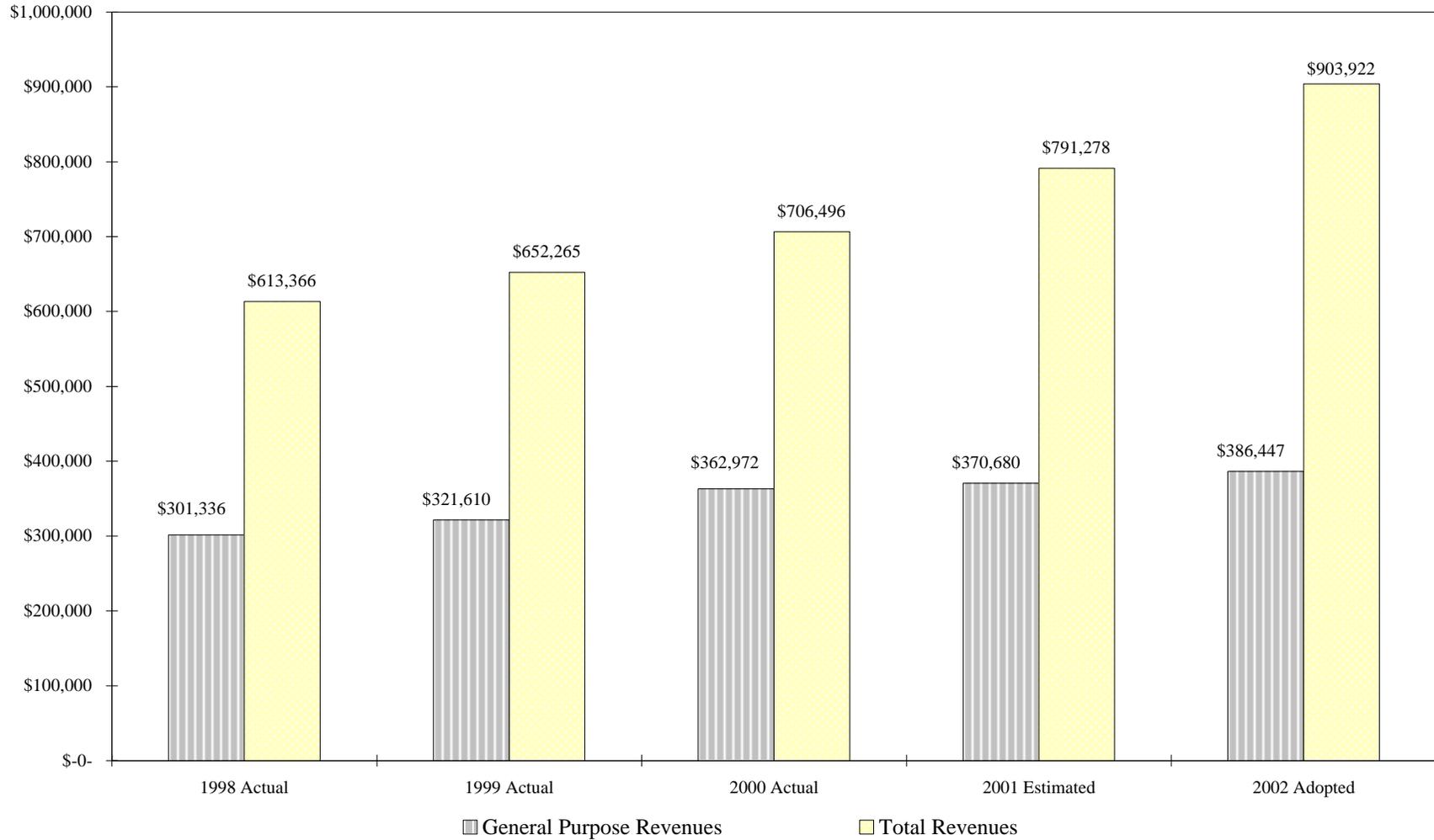
CLASSIFICATION	GENERAL PURPOSE FUNDS				RESTRICTED FUNDS		
	TOTAL BUDGET	TOTAL RECURRING	OPERATING BUDGET	CAPITAL BUDGET	TOTAL RESTRICTED	OPERATING BUDGET	CAPITAL BUDGET
FUNDS AVAILABLE							
Recurring Revenues							
Primary Property Tax	\$ 2,930,900	\$ 2,930,900	\$ 2,930,900	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Secondary Property Tax	20,953,750	-0-	-0-	-0-	20,953,750	20,953,750	-0-
Business Privilege Tax	164,456,000	164,456,000	159,275,000	5,181,000	-0-	-0-	-0-
Other Local Taxes	14,431,000	14,431,000	14,431,000	-0-	-0-	-0-	-0-
Licenses and Permits	16,687,000	16,687,000	16,687,000	-0-	-0-	-0-	-0-
Fines, Forfeitures, and Penalties	6,746,100	6,746,100	6,746,100	-0-	-0-	-0-	-0-
Use of Money and Property	7,434,080	5,262,960	5,262,960	-0-	2,171,120	2,171,120	-0-
Grants and Shared Taxes	139,962,110	58,392,770	58,392,770	-0-	81,569,340	53,014,140	28,555,200
State Revenue Sharing	51,047,000	51,047,000	51,047,000	-0-	-0-	-0-	-0-
Charges for Current Services	42,459,100	40,731,170	40,731,170	-0-	1,727,930	1,727,930	-0-
Non-Revenue Receipts	11,578,060	1,844,030	1,844,030	-0-	9,734,030	9,734,030	-0-
Public Housing	59,037,580	-0-	-0-	-0-	59,037,580	59,037,580	-0-
Other Federal Revenues	28,062,450	-0-	-0-	-0-	28,062,450	26,263,650	1,798,800
Total Recurring Revenues (Without Utilities)	\$ 565,785,130	\$ 362,528,930	\$ 357,347,930	\$ 5,181,000	\$ 203,256,200	\$ 172,902,200	\$ 30,354,000
Golf Course	11,149,690	-0-	-0-	-0-	11,149,690	10,602,790	546,900
Water Utility	113,516,750	-0-	-0-	-0-	113,516,750	99,147,750	14,369,000
Total Recurring Revenues	\$ 690,451,570	\$ 362,528,930	\$ 357,347,930	\$ 5,181,000	\$ 327,922,640	\$ 282,652,740	\$ 45,269,900
Non-Recurring Federal Grants	45,341,600	-0-	-0-	-0-	45,341,600	-0-	45,341,600
Bond Proceeds	104,413,400	-0-	-0-	-0-	104,413,400	-0-	104,413,400
Certificates of Participation Brought Forward	10,887,090	-0-	-0-	-0-	10,887,090	226,490	10,660,600
Brought Forward	52,828,270	23,917,830	16,194,430	7,723,400	28,910,440	10,323,140	18,587,300
TOTAL FUNDS AVAILABLE	\$ 903,921,930	\$ 386,446,760	\$ 373,542,360	\$ 12,904,400	\$ 517,475,170	\$ 293,202,370	\$ 224,272,800
APPROPRIATIONS							
Elected and Official Neighborhood Services	\$ 17,264,160	\$ 16,591,910	\$ 16,591,910	\$ -0-	\$ 672,250	\$ 672,250	\$ -0-
Environment and Development Strategic Initiatives	359,042,180	203,558,740	197,731,740	5,827,000	155,483,440	112,629,640	42,853,800
Support Services	388,392,730	89,260,670	84,202,270	5,058,400	299,132,060	131,498,560	167,633,500
Non-Departmental	9,769,030	8,719,030	8,719,030	-0-	1,050,000	1,050,000	-0-
	55,075,240	46,303,570	44,284,570	2,019,000	8,771,670	3,606,870	5,164,800
	74,378,590	22,012,840	22,012,840	-0-	52,365,750	43,745,050	8,620,700
TOTAL ALL ORGANIZATIONS	\$ 903,921,930	\$ 386,446,760	\$ 373,542,360	\$ 12,904,400	\$ 517,475,170	\$ 293,202,370	\$ 224,272,800

REVENUES AND EXPENDITURES COMPARISONS

CLASSIFICATION	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Funds Available				
Primary Property Tax	\$ 2,596,208	\$ 2,809,770	\$ 2,809,770	\$ 2,930,900
Secondary Property Tax	17,136,880	20,207,130	19,385,750	20,953,750
Business Privilege Tax	147,229,852	153,429,000	157,723,060	164,456,000
Other Local Taxes	13,363,557	14,319,000	14,050,120	14,431,000
Licenses and Permits	15,731,101	16,138,000	16,417,460	16,687,000
Fines, Forfeitures, and Penalties	5,802,095	5,966,000	5,467,480	6,746,100
Use of Money and Property	7,526,259	6,543,870	6,822,920	7,434,080
Grants and Shared Taxes	131,544,938	136,084,390	136,137,230	139,962,110
State Revenue Sharing	49,154,072	48,590,780	51,619,370	51,047,000
Charges for Current Services	38,033,680	40,168,970	40,872,430	42,459,100
Non-Revenue Receipts	4,133,133	9,985,630	8,893,845	11,578,060
Public Housing	36,403,311	43,055,090	39,623,610	59,037,580
Other Federal Revenues	20,038,886	28,726,200	33,710,280	28,062,450
Golf Course	8,081,602	9,967,760	9,977,230	11,149,690
Water Utility	94,307,406	109,065,190	110,210,370	113,516,750
Non-Recurring*	70,794,063	127,602,230	104,854,240	160,642,090
Brought Forward	44,618,675	35,881,960	32,702,724	52,828,270
Total Funds Available	\$ 706,495,718	\$ 808,540,970	\$ 791,277,889	\$ 903,921,930
Expenditures				
Elected and Official	\$ 17,327,857	\$ 15,823,570	\$ 15,568,890	\$ 17,264,160
Neighborhood Services	257,844,378	302,925,480	295,476,110	359,042,180
Environment and Development	274,936,226	359,183,970	324,540,540	388,392,730
Strategic Initiatives	7,344,809	9,390,120	8,509,390	9,769,030
Support Services	42,363,523	50,791,760	46,985,090	55,075,240
Non-Departmental	62,823,134	70,426,070	63,338,900	74,378,590
Total All Organizations	\$ 662,639,927	\$ 808,540,970	\$ 754,418,920	\$ 903,921,930

*Note: This revenue category consists of non-recurring federal funds, bond proceeds, and certificates of participation.

FIVE-YEAR COMPARISON OF GENERAL PURPOSE REVENUES AND TOTAL REVENUES (\$000s)



SUMMARY OF EXPENDITURES BY DEPARTMENT

	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
<u>Elected and Official</u>				
Mayor and Council	\$ 2,172,491	\$ 2,648,040	\$ 2,529,130	\$ 2,480,820
City Manager	4,583,012	4,169,480	4,063,890	4,109,810
City Clerk	4,619,612	2,305,130	2,404,120	3,796,710
City Attorney	5,952,742	6,700,920	6,571,750	6,876,820
Sub-Total	17,327,857	15,823,570	15,568,890	17,264,160
<u>Neighborhood Services</u>				
City Court	8,570,645	9,508,660	9,448,370	10,048,210
Community Services	53,710,985	62,312,990	54,874,090	76,226,570
Fire	37,750,038	44,711,360	43,036,680	54,558,360
Library	16,366,840	20,928,880	19,250,820	26,499,980
Parks and Recreation	39,253,926	45,470,650	43,773,340	58,896,820
Tucson City Golf	8,081,602	10,467,760	10,477,320	11,149,690
Police	90,098,102	102,813,560	110,443,860	108,317,250
Citizen and Neighborhood Services	2,025,324	4,600,010	2,061,350	11,129,820
Independent Police Auditor	128,219	137,840	136,510	143,000
Public Defender	1,858,697	1,973,770	1,973,770	2,072,480
Sub-Total	257,844,378	302,925,480	295,476,110	359,042,180
<u>Environment and Development</u>				
Development Services	4,621,577	6,641,510	6,431,290	7,098,080
Planning	3,029,093	3,190,540	3,182,540	3,569,470
Solid Waste Management	28,116,214	32,216,970	30,945,820	36,845,440
Transportation	107,545,647	153,661,260	126,721,400	174,485,120
Tucson Water	127,362,466	154,246,890	150,337,370	155,176,550
Environmental Management	4,001,692	8,723,420	6,481,660	10,630,180
Historic Preservation Office	120,178	358,430	293,970	437,950
Zoning Examiner	139,359	144,950	146,490	149,940
Sub-Total	274,936,226	359,183,970	324,540,540	388,392,730
<u>Strategic Initiatives</u>				
Tucson Convention Center	5,102,130	6,991,730	6,190,600	6,964,530
Office of Economic Development	1,346,517	1,472,910	1,354,680	1,815,750
Intergovernmental Relations	578,897	503,460	513,530	539,340
Tucson-Mexico Project	317,265	422,020	450,580	449,410
Sub-Total	7,344,809	9,390,120	8,509,390	9,769,030

Summary of Expenditures by Department (Continued)

	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
<u>Support Services</u>				
Budget and Research	\$ 1,781,793	\$ 2,428,430	\$ 2,428,430	\$ 2,318,740
Finance	6,614,950	6,904,960	6,767,460	6,937,270
Human Resources	2,877,308	2,965,020	2,877,500	3,070,330
Information Technology	9,512,321	10,040,220	9,180,390	10,763,480
Operations	16,975,713	22,845,450	20,303,860	26,176,680
Procurement	2,841,073	3,623,170	3,521,070	3,395,960
Community Relations	1,138,729	1,238,600	1,238,600	1,455,720
Equal Opportunity Office	502,582	582,590	533,390	792,930
Grants Office	119,054	163,320	134,390	164,130
Sub-Total	42,363,523	50,791,760	46,985,090	55,075,240
<u>Non-Departmental</u>				
Outside Agencies	6,453,222	7,629,100	7,539,100	7,114,240
General Expense	11,018,149	12,882,150	7,105,310	16,827,490
Debt Service	45,351,763	49,714,820	48,576,950	50,261,860
Contingency Fund	-0-	200,000	117,540	175,000
Sub-Total	62,823,134	70,426,070	63,338,900	74,378,590
Total All Departments	\$ 662,639,927	\$ 808,540,970	\$ 754,418,920	\$ 903,921,930

SUMMARY BY CHARACTER OF EXPENDITURES

	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Personal Services	\$ 264,244,043	\$ 284,574,890	\$ 284,638,680	\$ 303,040,130
Services	169,346,552	190,611,450	183,241,310	196,507,860
Commodities	48,679,335	47,901,810	51,640,490	55,204,890
Equipment	22,833,598	21,455,180	21,744,110	23,038,540
Debt Service	68,624,716	76,344,030	74,872,470	78,764,860
Other	45,449,373	37,494,710	41,583,890	38,582,250
Inter-Activity Transfers	(72,603,118)	(35,149,700)	(50,662,020)	(28,393,800)
Operating Total	546,574,499	623,232,370	607,058,930	666,744,730
Capital Improvements	116,065,428	185,308,600	147,359,990	237,177,200
Total All Expenditures	\$ 662,639,927	\$ 808,540,970	\$ 754,418,920	\$ 903,921,930

REVENUE DETAIL All Funds Summary

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
GENERAL FUND	\$ 297,770,222	\$ 303,312,150	\$ 305,034,454	\$ 326,565,120
SPECIAL REVENUE FUNDS	223,068,036	258,283,580	248,155,075	311,760,320
ENTERPRISE FUNDS	102,389,008	119,532,950	120,687,600	124,666,440
DEBT SERVICE FUNDS	32,555,446	35,442,390	34,621,010	36,516,650
CAPITAL PROJECTS FUNDS	50,713,006	91,969,900	82,779,750	104,413,400
TOTAL ALL FUNDS	\$ 706,495,718	\$ 808,540,970	\$ 791,277,889	\$ 903,921,930
General Fund				
Primary Property Tax	\$ 2,596,208	\$ 2,809,770	\$ 2,809,770	\$ 2,930,900
Business Privilege Tax	99,527,475	97,796,140	102,397,130	105,769,770
Other Local Taxes	13,363,557	14,319,000	14,050,120	14,431,000
Licenses and Permits	15,723,326	16,128,800	16,408,260	16,677,000
Fines, Forfeitures, and Penalties	5,802,095	5,966,000	5,467,480	6,746,100
Use of Money and Property	4,439,921	4,743,870	5,102,920	5,929,080
Grants and Shared Taxes	56,793,548	58,829,500	59,408,310	58,152,620
State Revenue Sharing	49,154,072	48,590,780	51,619,370	51,047,000
Charges for Current Services	15,992,335	16,102,900	16,739,660	16,770,130
Non-Revenue Receipts	4,133,133	9,985,630	8,893,845	11,578,060
Certificates of Participation	6,214,405	8,695,430	5,900,650	10,565,590
Brought Forward	9,602,817	8,547,950	5,440,559	11,711,990
Use of Fund Balance	14,427,330	10,796,380	10,796,380	14,255,880
Total General Fund	\$ 297,770,222	\$ 303,312,150	\$ 305,034,454	\$ 326,565,120
Special Revenue Funds				
Business Privilege Tax	\$ 47,702,377	\$ 55,632,860	\$ 55,325,930	\$ 58,686,230
Licenses and Permits	7,775	9,200	9,200	10,000
Use of Money and Property	2,775,534	1,800,000	1,720,000	1,505,000
Grants and Shared Taxes	60,603,928	62,019,630	61,493,660	66,246,590
Charges for Current Services	22,041,345	24,066,070	24,132,770	25,688,970
Public Housing Local Revenue	2,238,560	1,900,940	1,893,370	1,942,620
Federal Grants	61,563,170	96,317,250	87,114,360	130,499,010
Certificates of Participation	6,507,119	-0-	-0-	321,500
Brought Forward	11,543,658	7,828,300	7,756,455	15,563,980
Use of Fund Balance	8,084,570	8,709,330	8,709,330	11,296,420
Total Special Revenue Funds	\$ 223,068,036	\$ 258,283,580	\$ 248,155,075	\$ 311,760,320

All Funds Summary (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Enterprise Funds				
Golf Course	\$ 8,081,602	\$ 10,467,760	\$ 10,477,230	\$ 11,149,690
Water Utility	94,307,406	109,065,190	110,210,370	113,516,750
Total Enterprise Funds	<u>\$ 102,389,008</u>	<u>\$ 119,532,950</u>	<u>\$ 120,687,600</u>	<u>\$ 124,666,440</u>
Debt Service Funds				
Secondary Property Tax	\$ 17,136,880	\$ 20,207,130	\$ 19,385,750	\$ 20,953,750
State Shared Taxes	14,147,462	15,235,260	15,235,260	15,562,900
Use of Money and Property	310,804	-0-	-0-	-0-
Use of Fund Balance	960,300	-0-	-0-	-0-
Total Debt Service Funds	<u>\$ 32,555,446</u>	<u>\$ 35,442,390</u>	<u>\$ 34,621,010</u>	<u>\$ 36,516,650</u>
Capital Projects Funds				
Bond Funds Proceeds	\$ 50,713,006	\$ 91,969,900	\$ 82,779,750	\$ 104,413,400
Total Capital Projects Funds	<u>\$ 50,713,006</u>	<u>\$ 91,969,900</u>	<u>\$ 82,779,750</u>	<u>\$ 104,413,400</u>

GENERAL FUND

The General Fund accounts for all revenues and expenditures used to finance the traditional services associated with a municipal government which are not accounted for in other funds. These services include Elected and Official, Neighborhood Services, Environmental and Development, Strategic Initiatives, Support Services, and Non-Departmental program categories.

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Primary Property Tax	\$ 2,596,208	\$ 2,809,770	\$ 2,809,770	\$ 2,930,900
Business Privilege Tax	\$ 99,527,475	\$ 97,796,140	\$ 102,397,130	\$ 105,769,770
Other Local Taxes				
Public Utility Tax	\$ 6,543,082	\$ 6,971,000	\$ 7,035,520	\$ 7,211,000
Transient Occupancy Tax	4,930,880	5,359,000	5,097,300	5,275,000
Room Tax	1,889,595	1,989,000	1,917,300	1,945,000
Total	<u>\$ 13,363,557</u>	<u>\$ 14,319,000</u>	<u>\$ 14,050,120</u>	<u>\$ 14,431,000</u>
Licenses and Permits				
Sign Permits	\$ 285,818	\$ 272,000	\$ 256,000	\$ 256,000
Business Licenses	1,992,678	1,943,000	1,994,700	2,039,000
Liquor Licenses	719,450	707,000	698,300	710,000
Street Work Permits	338,005	260,000	-0-	-0-
Parking Meter Collections	569,253	1,016,000	592,000	547,000
Hooded Meter Fees	20,307	8,000	20,160	32,000
Vehicle Permits	54,800	54,000	47,700	49,500
Cable Television Licenses	2,245,502	2,677,800	2,673,700	2,818,000
MCI Settlement	-0-	-0-	-0-	225,000
Telecommunications	-0-	-0-	-0-	7,500
Applications Fee				
Telecommunications Licenses and Franchise Fees	884,112	498,000	1,324,700	1,074,000
Utility Franchise Fees	8,613,401	8,693,000	8,801,000	8,919,000
Total	<u>\$ 15,723,326</u>	<u>\$ 16,128,800</u>	<u>\$ 16,408,260</u>	<u>\$ 16,677,000</u>
Fines, Forfeitures, and Penalties				
Civil Traffic Diversion Program	\$ 1,173,464	\$ 743,000	\$ 1,000,000	\$ 1,000,000
Prosecutor's Diversion Program	124,115	97,000	138,900	140,200
Criminal Traffic Violations	2,645,707	2,629,000	2,797,000	3,200,000
Non-Moving Traffic Violations	8,845	40,000	2,200	2,000
Criminal Misdemeanor	53,422	239,000	100	100
Driving While Intoxicated	114,353	277,000	55,700	55,000

General Fund (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Fines, Forfeitures, and Penalties				
Filing Fees-Domestic Violence	\$ 38,889	\$ 46,000	\$ 45,000	\$ 45,000
Probation Fees	269,077	245,000	280,000	300,000
City Court Miscellaneous	602,809	676,000	450,000	500,000
Time Payment Fees	119,608	171,000	149,900	149,900
Sub-Total	5,150,289	5,163,000	4,918,800	5,392,200
Other Fines/Forfeitures				
Parking Violations	510,760	679,000	417,200	1,208,900
Zoning Code Violations	19,095	17,400	14,600	20,000
Fire Code Violations	2,655	3,300	1,500	2,000
Building Code Violations	2,965	-0-	1,900	2,500
Water Waste Violations	28,265	18,400	20,200	25,000
Other Fines/Forfeitures	6,906	69,540	1,780	2,000
False Alarm Violations	13,316	12,300	18,200	20,000
Offroad Vehicle Violations	5,917	3,060	5,800	6,000
Dishonored Check	61,927	-0-	67,500	67,500
Sub-Total	651,806	803,000	548,680	1,353,900
Total	\$ 5,802,095	\$ 5,966,000	\$ 5,467,480	\$ 6,746,100
Use of Money and Property				
City Parking Facilities	\$ 295,220	\$ 340,000	\$ 479,000	\$ 1,334,560
Rentals	1,052,162	205,000	480,000	480,000
Tenant Rent	391,965	778,070	778,070	676,020
El Presidio Garage	157,390	170,000	193,700	170,000
Telephone Pay Booths	28,447	25,000	25,000	25,000
Residential Parking Permit	12,994	13,000	13,030	19,400
Non-Residential Parking Permit	79,357	112,800	84,120	74,100
Interest Earnings	2,422,386	3,100,000	3,050,000	3,150,000
Total	\$ 4,439,921	\$ 4,743,870	\$ 5,102,920	\$ 5,929,080
Grants and Shared Taxes				
Shared State Taxes				
Auto Lieu Taxes	\$ 17,161,479	\$ 17,650,000	\$ 17,650,000	\$ 16,303,000
State Sales Tax	38,645,210	38,604,000	40,363,000	39,119,000
Sub-Total	55,806,689	56,254,000	58,013,000	55,422,000

General Fund (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Grants and Shared Taxes (Continued)				
Grants-In-Aid (State and Local)				
City Manager Grants	\$ -0-	\$ -0-	\$ -0-	\$ 20,000
City Attorney Grants	23,636	117,030	117,030	124,290
City Court Grants	-0-	175,000	175,000	175,000
Police Grants	883,003	1,768,150	585,960	2,009,490
Parks and Recreation Grants	80,220	515,320	517,320	401,840
Sub-Total	986,859	2,575,500	1,395,310	2,730,620
Total	\$ 56,793,548	\$ 58,829,500	\$ 59,408,310	\$ 58,152,620
State Revenue Sharing	\$ 49,154,072	\$ 48,590,780	\$ 51,619,370	\$ 51,047,000
Charges for Current Services				
General Government				
Planning Charges	\$ 280,204	\$ 262,900	\$ 280,000	\$ 280,000
Tri-Band IGA	26,001	26,000	26,000	26,000
Dispatch IGA	328,937	355,000	365,500	365,500
Sale of Codes, Regulations, and Maps	42,673	28,560	28,560	28,560
Court Transcript Charges	1,435	5,800	-0-	-0-
Other	11,270	6,790	11,200	5,000
Sub-Total	690,520	685,050	711,260	705,060
Public Safety				
Community Design Review Committee Fees	156,512	175,000	-0-	-0-
Site Plan Review Fees	62,210	50,000	-0-	-0-
Police Charges	55,480	54,000	50,700	52,400
University of Arizona Fire Services	100,000	-0-	100,000	100,000
Building Inspection Fees	5,138,676	4,745,300	-0-	-0-
Plumbing Inspection Fees	778,638	710,000	-0-	-0-
Electrical Inspection Fees	698,559	710,000	-0-	-0-
Sign Inspection Fees	182,784	200,000	-0-	-0-
Mechanical Inspection Fees	421,221	400,000	-0-	-0-
Permit Inspection Fee	-0-	-0-	7,129,600	7,184,750
Review Fees	-0-	-0-	1,179,600	1,224,280
Other	18,267	23,250	20,300	20,000
Certification of Occupancy Fees	10,253	13,000	-0-	-0-
Police Protection	5,639	-0-	6,100	6,200
Crime Lab Service Fees	-0-	-0-	235,300	-0-
Capacity for Fee Increases	-0-	820,000	-0-	-0-
Sub-Total	7,628,239	7,900,550	8,721,600	8,587,630

General Fund (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Charges for Current Services (Continued)				
Emergency Medical Transport	\$ 4,048,255	\$ 3,624,000	\$ 3,425,500	\$ 3,800,000
Recreation				
Fee Classes	1,049,552	1,052,000	1,025,000	1,052,000
Facility Reservations	162,970	200,000	200,000	200,000
Permits	55,758	73,000	73,000	73,000
Civic Events Equipment	48,336	97,000	97,000	97,000
General Recreation Programs	58,606	91,000	91,000	91,000
Sports Programs	139,527	186,000	186,000	186,000
Udall Center Programs	153,414	155,000	155,000	155,000
Randolph Center Programs	26,574	25,000	30,000	30,000
Tennis Centers	37,415	54,000	54,000	54,000
Swimming Pool Admissions	151,471	194,300	194,300	194,300
El Pueblo Center Programs	107,888	100,000	100,000	110,000
Reid Park Concessions	3,674	10,000	8,000	5,000
Zoo Concessions	1,301,428	1,400,000	1,400,000	1,104,000
Other Parks Concessions	3,969	12,000	8,000	8,000
Special Events	4,990	-0-	-0-	18,340
Baseball Revenues	268,309	219,000	219,000	256,300
El Rio Center Programs	6,744	10,000	6,000	6,000
Clements Center Programs	13,178	15,000	15,000	15,000
Miscellaneous	31,518	-0-	20,000	22,500
Sub-Total	<u>3,625,321</u>	<u>3,893,300</u>	<u>3,881,300</u>	<u>3,677,440</u>
Total	<u>\$ 15,992,335</u>	<u>\$ 16,102,900</u>	<u>\$ 16,739,660</u>	<u>\$ 16,770,130</u>
Non-Revenue Receipts				
Sale of Property				
Real Property	\$ 352,426	\$ 31,500	\$ 427,670	\$ 400,000
Vehicles	45,279	8,600	87,550	70,000
Scrap Material	-0-	-0-	16,700	16,800
Unclaimed Property	26,748	20,500	27,170	28,000
Other	52,032	53,300	33,060	32,000
Sub-Total	<u>476,485</u>	<u>113,900</u>	<u>592,150</u>	<u>546,800</u>

General Fund (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Non-Revenue Receipts (Continued)				
Recovered Expenditures				
Uninsured Damages	\$ 163,645	\$ 70,000	\$ 70,000	\$ 70,000
Industrial Insurance	112,540	125,000	109,870	110,000
Payroll Deductions Charges	2,195	2,000	2,000	2,000
Other	1,260,178	559,140	1,314,200	1,755,330
Sub-Total	1,538,558	756,140	1,496,070	1,937,330
Sundry Income				
Reimbursement Court Attorney Fees	54,150	60,200	55,000	70,000
Employee Fees	12,382	5,000	5,000	5,000
Other	83,374	10,000	42,880	42,600
Sub-Total	149,906	75,200	102,880	117,600
Other General Revenues	-0-	4,000,000	2,612,405	4,000,000
Off Duty Police Program	1,827,732	2,940,000	3,120,850	3,000,000
Other Funding Sources	140,452	2,100,390	969,490	1,976,330
Total	\$ 4,133,133	\$ 9,985,630	\$ 8,893,845	\$ 11,578,060
Certificates of Participation	\$ 6,214,405	\$ 8,695,430	\$ 5,900,650	\$ 10,565,590
Brought Forward	\$ 9,602,817	\$ 8,547,950	\$ 5,440,559	\$ 11,711,990
Use of Fund Balance	\$ 14,427,330	\$ 10,796,380	\$ 10,796,380	\$ 14,255,880
Total General Fund	\$ 297,770,222	\$ 303,312,150	\$ 305,034,454	\$ 326,565,120

General Fund (Continued)

HIGHLIGHTS

Primary Property Tax

The city's recommended levy is \$121,130 higher than the Fiscal Year 2001 adopted levy due to an expected increase in property assessments for new development, annexations, and inflation. The primary rate is based on \$0.1406 per \$100 assessed valuation.

Business Privilege Tax

Revenue from the business privilege tax is a funding source for the general fund and various special revenue funds. For Fiscal Year 2002 the total projected sales tax collections are \$164,456,000, a 7.2% increase over the Fiscal Year 2001 adopted amount. Of this amount, \$105,769,770 is allocated to the general fund and \$58,686,230 to special revenue funds.

Other Local Taxes

The public utility taxes increased \$240,000 and transient occupancy and room taxes decreased \$128,000. No rate increase is assumed for the utilities beyond what has been approved by the Arizona Corporation Commission.

Licenses and Permits

This revenue source increased by \$548,200 over adopted revenues for Fiscal Year 2001. Of this increased amount, \$140,200 is revenue collected in cable television fees, \$225,000 for MCI settlement, \$583,500 for telecommunications licenses and fees, \$226,000 from utility franchise fees, \$96,000 in business licenses, and \$6,500 in other revenues. These increases are offset by a decrease of \$260,000 in street work permits and \$469,000 in parking meter collections.

Fines, Forfeitures, and Penalties

Total revenues from all fines, forfeitures, and penalties are forecast to increase \$780,100 from Fiscal Year 2001 adopted revenues. This was mostly due to increased collection rates of court fines.

Use of Money and Property

An increase of \$1,185,210 from Fiscal Year 2001 adopted revenues is projected for these revenue sources primarily due to increased parking garage rates.

Grants and Shared Taxes

The major sources of funds in this category are for auto lieu and state sales taxes. The city's share for both taxes is allocated in proportion to the total population of the state, which decreased in 2002 based on the last census. The auto lieu taxes (vehicle license taxes) allocation is based on a statutory formula that is applied to the vehicle license tax collected in Pima County. A decrease of \$1,347,000 from Fiscal Year 2001 adopted revenues is forecast for Fiscal Year 2002. The state sales tax is forecast to increase \$515,000 over Fiscal Year 2001 adopted revenues, although Fiscal Year 2002 will be lower than revised estimates for Fiscal Year 2001.

State Revenue Sharing

An increase of \$2,456,220 is forecast for Fiscal Year 2002 compared to the Fiscal Year 2001 adopted budget. This allocation is made from the state income tax collections for Fiscal Year 2000 based on the city's population relative to the state. The Fiscal Year 2002 forecast is actually lower than the revised estimate for Fiscal Year 2001 due to the last census.

General Fund (Continued)

Charges for Current Services

Total charges for current services are projected to increase \$667,230 over Fiscal Year 2001 adopted revenues. The Fiscal Year 2002 estimate for public safety increased by \$687,080 primarily due to building inspection and review fees. The fee for emergency medical transport services provided by the Fire Department is expected to generate \$176,000 more revenue than the Fiscal Year 2001 adopted amount. In recreation areas, a decrease of \$215,860 from Fiscal Year 2001 adopted revenues is forecast due for the most part to privatization of zoo concessions.

Non-Revenue Receipts

These sources are projected to increase \$1,592,430 for Fiscal Year 2002. Sale of property increased by \$432,900 and recovered expenditures reflect an increase of \$1,181,190. The proposed allotment of other general revenues reflects capacity for additional revenues that will be utilized to meet unexpected service demands or opportunities contingent upon the availability of funds. In no event will revenues be expended from this source without Mayor and Council review and approval.

Certificates of Participation

Certificates of participation include \$3,142,500 to complete the purchase of mobile data terminals and construct a new fire station at the Public Safety Academy for the Fire Department, \$2,196,600 for building facilities projects, \$5,000,000 for an Emergency Communications facility, \$131,000 to expand 911 equipment, and \$95,490 for Transportation Enterprise Area Management.

Brought Forward

Brought forward funding will increase \$3,164,040 over the Fiscal Year 2001 adopted amount based on carryforward requirements.

Use of Fund Balance

Fund balance in the amount of \$14,255,880 is used to fund various programs in the Fiscal Year 2002 budget.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources. They are usually required by statute, charter provision, local ordinance, or federal grant regulation to record particular operating or capital functions of the city.

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Business Privilege Tax				
Solid Waste Management Fund	\$ 15,181,925	\$ 17,734,890	\$ 17,346,870	\$ 18,062,320
Library Fund	8,005,253	8,512,440	8,413,540	8,404,090
Public Safety Academy Fund	2,580,929	2,947,010	3,201,620	3,355,420
Tucson Convention Center Fund	1,671,402	3,336,730	2,762,320	2,993,710
Mass Transit Fund	20,262,868	23,101,790	23,601,580	25,870,690
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Total	\$ 47,702,377	\$ 55,632,860	\$ 55,325,930	\$ 58,686,230
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Licenses and Permits				
Sanitation				
Refuse Hauling Fees	\$ 7,775	\$ 9,200	\$ 9,200	\$ 10,000
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Total	\$ 7,775	\$ 9,200	\$ 9,200	\$ 10,000
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Use of Money and Property				
Interest Earnings				
Solid Waste Management Fund	\$ 27,883	\$ -0-	\$ -0-	\$ -0-
Library Fund	6,507	-0-	-0-	-0-
Public Safety Academy Fund	7,580	-0-	-0-	-0-
Tucson Convention Center Fund	20,588	-0-	-0-	-0-
Highway User Revenue Fund	2,404,711	1,500,000	1,720,000	1,505,000
Highway User Revenue Fund - Section D Restricted	308,265	300,000	-0-	-0-
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Total	\$ 2,775,534	\$ 1,800,000	\$ 1,720,000	\$ 1,505,000
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Grants and Shared Taxes				
Shared State Taxes				
Highway User Revenue Fund	\$ 24,466,714	\$ 22,907,740	\$ 31,558,000	\$ 26,774,280
Highway User Revenue Fund - Section D Restricted	6,933,291	7,168,000	-0-	-0-
Local Transit Assistance Fund	2,511,416	2,818,970	2,818,970	2,706,800
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Sub-Total	33,911,421	32,894,710	34,376,970	29,481,080
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Special Revenue Funds (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
State and Local Grants				
City Manager Grants	\$ -0-	\$ 100,000	\$ -0-	\$ 100,000
City Attorney Grants	74,147	123,600	91,390	122,620
City Court Grants	168,230	363,150	163,150	362,400
Community Services Grants	333,578	319,650	279,000	500,000
Fire Grants	3,231	331,100	200	425,700
Pima County Library Support	7,724,808	10,124,440	9,529,050	9,739,090
State/Local Library Grants	1,000,000	200,000	200,000	1,900,000
Parks and Recreation Grants	2,599,302	4,273,110	4,273,110	5,516,010
Police Grants	736,078	1,094,830	1,200,100	1,135,170
Solid Waste Management Grants	-0-	410,000	410,000	410,000
Transportation Grants	13,701,643	9,453,510	8,832,660	10,401,720
Environmental Management	300,000	300,000	300,000	4,100,000
Historic Preservation Office	25,173	210,000	146,500	271,600
Operations Grants	775	1,470,000	1,470,000	1,500,000
Equal Opportunity Office	-0-	-0-	20,000	-0-
General Expense	25,542	351,530	201,530	281,200
Sub-Total	<u>26,692,507</u>	<u>29,124,920</u>	<u>27,116,690</u>	<u>36,765,510</u>
Total	<u>\$ 60,603,928</u>	<u>\$ 62,019,630</u>	<u>\$ 61,493,660</u>	<u>\$ 66,246,590</u>
Charges for Current Services				
Public Safety				
Public Safety Academy	\$ 449,091	\$ 865,580	\$ 837,510	\$ 827,930
Sanitation				
Commercial Refuse Services	5,369,237	5,200,000	5,200,000	5,272,000
Landfill Services Charges	3,644,734	3,778,520	3,778,520	4,178,000
Self Haul Fee	379,641	558,000	558,000	558,000
Refuse Penalties	220,869	100,000	100,000	130,000
Recycling	119,103	46,000	46,000	46,000
Sub-Total	<u>9,733,584</u>	<u>9,682,520</u>	<u>9,682,520</u>	<u>10,184,000</u>
Library Charges	587,974	592,000	595,500	605,000

Special Revenue Funds (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Charges for Current Services (Continued)				
Public Transportation				
Adult Fares	\$ 3,937,069	\$ 5,296,770	\$ 5,560,200	\$ 5,518,670
Special Reduced Rates	1,227,122	1,622,220	1,438,770	1,508,720
Student Fares	1,042,264	-0-	-0-	-0-
Shuttle Service	60,400	209,950	204,040	215,620
Advertising Revenue	77,372	70,000	70,300	70,000
County/Other Local Operating Assistance	1,925,975	2,017,030	1,999,870	2,578,770
Special Needs	269,769	275,000	275,000	262,260
Other	17,579	5,000	107,960	105,000
Sub-Total	8,557,550	9,495,970	9,656,140	10,259,040
Tucson Convention Center				
Room and Space Rental	1,066,149	1,200,000	1,481,000	1,500,000
Box Office Fees	160,234	190,000	167,100	200,000
Parking	680,465	700,000	681,100	700,000
Recovered Expenditures	27,086	40,000	39,200	45,000
Catering and Concessions	349,208	500,000	466,500	550,000
Program Sales	39,495	50,000	56,000	70,000
Commission Revenues	58,215	50,000	45,200	48,000
Facility User Fees	332,294	700,000	425,000	700,000
Sub-Total	2,713,146	3,430,000	3,361,100	3,813,000
Total	\$ 22,041,345	\$ 24,066,070	\$ 24,132,770	\$ 25,688,970

Special Revenue Funds (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Public Housing Local Revenue	\$ 2,238,560	\$ 1,900,940	\$ 1,893,370	\$ 1,942,620
Federal Grants				
Public Housing Federal Revenue				
Conventional/Development Fund	\$ 3,313,473	\$ 3,100,760	\$ 3,363,250	\$ 3,368,890
HOME Fund	4,567,964	8,740,710	5,705,740	7,493,770
Section 8 Fund	20,601,748	19,470,160	19,451,070	21,654,970
Comprehensive Housing Fund	1,296,521	2,854,660	1,701,900	4,553,830
Miscellaneous Federal Housing Funds	2,158,055	5,378,760	2,230,050	5,415,180
HOPE VI Fund	2,226,990	1,609,100	5,278,230	14,608,320
Sub-Total	34,164,751	41,154,150	37,730,240	57,094,960
Other Federal Revenue				
Community Development Block Grant Entitlement	7,414,010	11,929,700	9,471,820	11,779,260
City Manager Grants	-0-	250,000	-0-	-0-
City Attorney Grants	255,723	350,000	350,000	325,340
Community Services Grants	988,544	863,410	863,410	863,410
Fire Grants	116,829.00	736,200	1,199,960	1,023,800
Parks and Recreation Grants	288,928	1,009,840	1,026,930	949,270
Police Grants	7,748,938	8,077,440	15,803,640	8,849,300
Planning Grants	-0-	108,000	100,000	110,000
Solid Waste Management Grants	4,424	-0-	30,000	7,100
Mass Transit Grants	5,287,602	21,398,420	7,285,330	22,714,600
Transportation Grants	5,071,868	8,753,100	11,171,720	25,233,630
Environmental Management	200,062	166,990	206,310	38,340
Historical Preservation	-0-	-0-	-0-	10,000
Economic Development	-0-	50,000	-0-	-0-
Operations Grant	21,491	1,470,000	1,470,000	1,500,000
General Expense	-0-	-0-	29,000	-0-
Debt Service	-0-	-0-	376,000	-0-
Sub-Total	27,398,419	55,163,100	49,384,120	73,404,050
Total	\$ 61,563,170	\$ 96,317,250	\$ 87,114,360	\$ 130,499,010
Certificates of Participation				
Highway User Revenue Fund	\$ 6,507,119	\$ -0-	\$ -0-	\$ -0-
Public Safety Academy Fund	-0-	-0-	-0-	321,500
Total	\$ 6,507,119	\$ -0-	\$ -0-	\$ 321,500

Special Revenue Funds (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Brought Forward				
Solid Waste Management Fund	\$ 369,440	\$ 105,000	\$ 105,000	\$ 1,091,600
Library Fund	-0-	-0-	-0-	551,800
Public Safety Academy Fund	7,040	-0-	-0-	-0-
Tucson Convention Center Fund	50,000	225,000	225,000	157,820
Capital Contribution Agreements	876,601	4,404,400	4,404,400	7,331,700
Highway User Revenue Fund	2,600,878	509,000	1,462,774	3,928,660
Highway User Revenue Fund - Section D Restricted	5,892,299	989,200	-0-	-0-
Mass Transit Fund	1,747,400	1,595,700	1,559,281	2,502,400
Total	\$ 11,543,658	\$ 7,828,300	\$ 7,756,455	\$ 15,563,980
Use of Fund Balance				
Solid Waste Management Fund	\$ 1,119,000	\$ 2,830,000	\$ 2,830,000	\$ 1,654,800
Tucson Convention Center Fund	647,000	-0-	-0-	-0-
Highway User Revenue Fund	4,367,570	5,879,330	5,879,330	9,641,620
Mass Transit Fund	1,951,000	-0-	-0-	-0-
Total	\$ 8,084,570	\$ 8,709,330	\$ 8,709,330	\$ 11,296,420
Total Special Revenue Funds	\$ 223,068,036	\$ 258,283,580	\$ 248,155,075	\$ 311,760,320

HIGHLIGHTS

Business Privilege Tax

Changes from Fiscal Year 2001 reflect increases/decreases necessary to offset the expenditures for these funds based on their projected budgets and revenues.

Licenses and Permits

Refuse hauling fees increased minimally.

Use of Money and Property

Interest earnings are projected to decrease \$295,000 from Fiscal Year 2001 adopted revenue.

Grants and Shared Taxes

Highway User Revenue Fund (HURF) revenues reflect an increase of \$3,866,540 over the Fiscal Year 2001 adopted amount due to a transfer from debt service funds. Otherwise, these revenues are forecast to decrease from Fiscal Year 2001 based on the 2000 Census. HURF - Restricted funding will be used to fund Debt Service. Distribution of HURF funds are explained in the Revenue Descriptions on page E-35 - E-36.

Special Revenue Funds (Continued)

Grants and Shared Taxes (Continued)

State and local grants increased \$7,640,590 from the Fiscal Year 2001 adopted amount. Major increases in grant funding include \$1,700,000 in capacity for Library, \$1,242,900 for Parks and Recreation, \$3,800,000 for Environmental Management, \$948,210 for Transportation, and \$406,890 other miscellaneous grants. Funding decreases include \$385,350 in Pima County contributions for public libraries, and \$72,060 for other miscellaneous grants.

Charges for Current Services

Charges for current services are forecast to increase \$1,622,900 for Fiscal Year 2002. Sanitation revenues are expected to increase \$501,480 due to increased landfill use and rates. Public transportation revenues are expected to increase \$763,070 primarily due to an increase in Intergovernmental Agreements. Tucson Convention Center revenues increase by \$383,000 over the Fiscal Year 2001 adopted amount.

Public Housing Local Revenue

Local revenues restricted to public housing increased \$41,680 from Fiscal Year 2001 adopted revenues.

Federal Grants

Federal funding is anticipated to be \$34,181,760 higher for Fiscal Year 2002. Funding for public housing will increase \$15,940,810 mostly due to HOPE VI multi-year projects. Other increases include \$287,600 in the Fire Department, \$771,860 in the Police Department, and \$1,316,180 for Mass Transit, \$16,480,530 in the Transportation Department. These increases were offset by decreases of \$150,440 in Community Development Block Grant entitlement, \$300,000 in capacity, and \$164,780 in other grants.

Certificate of Participation

Certificates of participation include \$321,500 for Public Safety Training Academy dormitory.

Brought Forward

Brought forward funding will increase \$7,735,680 from Fiscal Year 2001 based on carryforward requirements. Increases of \$2,927,300 in capital contribution agreements, \$3,419,660 in HURF, \$906,700 in Mass Transit, \$986,600 in Solid Waste Management, and \$551,800 in the Library fund are offset by decreases in HURF-Restricted funds of \$989,200. Other funds have a net decrease of \$67,180.

Use of Fund Balance

Use of fund balances increased \$2,587,090 for Fiscal Year 2002. An increase of \$3,762,290 in HURF fund balance is offset by a decrease of \$1,175,200 in the Solid Waste Management fund.

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises and where periodic determination of net income is desired. Expenses, including depreciation, of goods or services to the general public are recovered primarily through user charges.

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Golf Course Fund				
Trini Alvarez Golf Course	\$ 1,057,271	\$ 1,343,140	\$ 1,343,140	\$ 1,412,970
Trini Alvarez Clubhouse	234,377	247,400	247,400	294,500
Randolph Golf Course	2,993,291	4,218,120	4,282,580	4,412,230
Randolph Clubhouse	672,103	702,000	702,000	835,600
Fred Enke Golf Course	1,218,317	1,363,250	1,363,250	1,488,530
Fred Enke Clubhouse	224,440	214,000	214,000	254,700
Silverbell Golf Course	1,256,352	1,421,250	1,421,250	1,551,770
Silverbell Clubhouse	204,258	162,600	162,600	193,400
Golf Tournaments	77,069	-0-	-0-	-0-
Other	144,124	296,000	241,010	288,990
Certificates of Participation	-0-	500,000	500,000	417,000
Total	\$ 8,081,602	\$ 10,467,760	\$ 10,477,230	\$ 11,149,690
Water Utility				
Operating Water Revenue				
Potable Water Sales	\$ 74,464,076	\$ 86,795,980	\$ 86,670,970	\$ 90,527,780
Central Arizona Project Reserve Fund	926,330	956,000	950,000	962,000
Connection Fees	2,601,000	2,366,000	3,020,000	2,898,000
Miscellaneous Revenues	1,309,000	1,714,790	2,181,000	2,298,000
Pima County - Sewer Billing Services	1,397,000	1,425,000	1,457,000	1,484,000
Reclaimed Water Sales	4,616,000	5,337,020	5,052,000	5,251,970
Sales Tax	6,066,000	6,632,000	6,458,000	6,922,000
Sub-Total	91,379,406	105,226,790	105,788,970	110,343,750
Non-Operating Water Revenue				
Interest Earnings-Operating Fund	1,269,000	973,000	1,176,000	1,158,000
Tucson Airport Remediation Project Reimbursement	544,000	842,000	842,000	788,000
Metropolitan Water Company Reserve Account	316,000	246,000	246,000	236,000
Use of Working Capital	-0-	-0-	685,000	-0-

Enterprise Funds (Continued)

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Non-Operating Water Revenue (Continued)				
Area Development Fees	\$ 799,000	\$ 1,206,000	\$ 901,000	\$ 540,000
Miscellaneous Grants	-0-	571,400	571,400	451,000
Sub-Total	2,928,000	3,838,400	4,421,400	3,173,000
Total	\$ 94,307,406	\$ 109,065,190	\$ 110,210,370	\$ 113,516,750
Total Enterprise Funds	\$ 102,389,008	\$ 119,532,950	\$ 120,687,600	\$ 124,666,440

HIGHLIGHTS

Golf Course Fund

Golf revenues projected for Fiscal Year 2002 reflect an increase of \$681,930 from Fiscal Year 2001 adopted revenues based on the approved business plan. Included is \$417,000 from certificates of participation.

Water Utility

The proposed revenue for Fiscal Year 2002 reflects an increase of \$4,451,560 over the Fiscal Year 2001 adopted amount. A \$5,116,960 increase in the Water Utility's operating revenue is offset by a \$665,400 decrease in non-operating revenue.

Increases in operating revenue include \$3,646,750 in potable and reclaimed water sales, \$290,000 in sales tax revenue, \$59,000 from Pima County sewer billing services, \$532,000 in connection fees, \$583,210 in miscellaneous revenues, and \$6,000 in the Central Arizona Project Reserve Fund.

The decrease in non-operating revenue is attributable to the reduction of \$666,000 in area development fees, \$120,400 in grants, \$54,000 in Tucson Airport Remediation Project reimbursement, and \$10,000 Metropolitan Water Company reserve account. This is offset by increases of \$185,000 in interest earnings.

DEBT SERVICE FUNDS

Debt Service Funds are created to account for the payment of principal and interest on long-term bonded debt other than that issued for and serviced primarily by an enterprise fund.

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
Secondary Property Tax	\$ 17,136,880	\$ 20,207,130	\$ 19,385,750	\$ 20,953,750
Use of Money and Property	310,804	-0-	-0-	-0-
Use of Fund Balance	960,300	-0-	-0-	-0-
Total	<u>\$ 18,407,984</u>	<u>\$ 20,207,130</u>	<u>\$ 19,385,750</u>	<u>\$ 20,953,750</u>
Street and Highway Debt Service				
State Shared Taxes	<u>\$ 14,147,462</u>	<u>\$ 15,235,260</u>	<u>\$ 15,235,260</u>	<u>\$ 15,562,900</u>
Total	<u>\$ 14,147,462</u>	<u>\$ 15,235,260</u>	<u>\$ 15,235,260</u>	<u>\$ 15,562,900</u>
Total Debt Service Funds	<u>\$ 32,555,446</u>	<u>\$ 35,442,390</u>	<u>\$ 34,621,010</u>	<u>\$ 36,516,650</u>

HIGHLIGHTS

General Obligation Debt Service

General obligation debt service is primarily funded from the secondary property tax, which increased \$746,620 for Fiscal Year 2002.

Street and Highway Debt Service

Street and highway debt service is financed entirely from the state-shared gasoline taxes and highway user fees and charges. The debt service increased \$327,640 for Fiscal Year 2002.

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.

FINANCIAL RESOURCES	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
General Obligation Bond Funds Proceeds	\$ 10,670,393	\$ 28,309,800	\$ 22,423,920	\$ 51,357,600
Street and Highway Revenue Bond Funds Proceeds	6,987,553	18,478,400	20,228,830	11,396,000
Water Revenue Bond Funds Proceeds	33,055,060	45,181,700	40,127,000	41,659,800
<hr/>				
Total Capital Projects Funds	<u>\$ 50,713,006</u>	<u>\$ 91,969,900</u>	<u>\$ 82,779,750</u>	<u>\$ 104,413,400</u>

HIGHLIGHTS

General Obligation Bonds

The general obligation bonds are used to finance capital projects. Fiscal Year 2002 includes \$205,000 of authorized 1984 bonds, \$5,830,500 of authorized 1994 bonds, \$44,517,000 of authorized 2000 bonds, and \$805,100 from prior bond authorizations.

Street and Highway Revenue Bonds

The street and highway revenue bonds are used to finance Transportation capital projects. Fiscal Year 2002 includes \$9,896,000 of authorized 1994 bonds and \$1,500,000 of 2000 bonds.

Water Revenue Bonds

The water revenue bonds are used to finance water capital projects. Fiscal Year 2002 includes \$31,514,800 of 2000 Bonds, \$9,545,000 of Water Infrastructure Finance Authority Bonds, and \$600,000 bond interest.

REVENUE DESCRIPTIONS

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 the city to an amount not to exceed two percent greater than the maximum permissible levy in the preceding year. This levy limitation permits additional taxes to be levied on new or annexed property. New or annexed property 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 estimated primary property tax for Fiscal Year 2002 is \$2,930,900 or \$121,130 more than last year's adopted levy of \$2,809,770. The tax rate has remained at \$0.1406. The revenue increase results from an expected 4.3% increase in the primary assessed valuation.

The city is required, under the Truth in Taxation law, to notify taxpayers of its intention to increase primary property taxes over the previous year's levy, unless the amount increased is solely attributable to new construction and annexations. The Truth in Taxation public hearing for the Fiscal Year 2002 budget was held on June 18, 2001. The following table shows the primary assessed valuations, levies, and rates since Fiscal Year 1998.

PRIMARY PROPERTY TAX (\$000s)

<u>Fiscal Year</u>	<u>Primary Assessed Valuation</u>	<u>Percent Change</u>	<u>Primary Tax Levy*</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>	<u>Rate per \$100 Assessed Valuation</u>
1998	\$ 1,727,233	9.2%	\$ 2,466	\$ (173)	(6.6%)	\$ 0.1428
1999	1,809,220	4.7%	2,584	118	4.8%	0.1428
2000	1,886,840	4.3%	2,596	12	.5%	0.1428
2001	1,999,070	5.9%	2,810	214	8.2%	0.1406
2002 (Estimate)	2,084,563	4.3%	2,931	121	4.3%	0.1406

Maximum Allowable Tax Levy:

1998	\$ 6,512
1999	6,805
2000	7,117
2001	7,436
2002 (Estimate)	7,775

*Primary property tax levy set by Mayor and Council.

SECONDARY PROPERTY TAX

The city imposes a secondary property tax on real property located within the city limits. The secondary property tax is used solely to pay the principal and interest on general obligation bonds approved by the voters.

The secondary assessed valuation is based on the full cash value of real property. Full cash value is synonymous with the market value as determined by standard appraisal methods. There is no limitation on the annual increase to the full cash value as it applies to the computation of the secondary property tax. The Fiscal Year 2002 secondary assessed valuation is estimated to be \$2,138,698,971, a 3% increase over last year's valuation.

The city's total estimated debt service requirement on general obligation bonds for Fiscal Year 2002 is \$20,953,750. The secondary property tax rate for Fiscal Year 2002 is estimated at \$0.9797 per \$100 of assessed valuation. The adopted budget for Fiscal Year 2001 was \$20,207,130. The following table shows secondary assessed valuations, levies, and rates since Fiscal Year 1998.

SECONDARY PROPERTY TAX (\$000s)

<u>Fiscal Year</u>	<u>Secondary Assessed Valuation</u>	<u>Percent Change</u>	<u>Secondary Tax Levy</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>	<u>Rate per \$100 Assessed Valuation</u>
1998	\$1,818,909	13.8%	\$15,439	(549)	(3.4%)	\$0.8488
1999	1,875,875	3.1%	15,332	(107)	(0.7%)	0.8173
2000	1,945,160	3.7%	17,137	1,805	11.8%	0.8810
2001	2,048,620	5.3%	20,207	3,070	17.9%	0.9864
2002 (Estimate)	2,138,699	4.4%	20,954	747	3.7%	0.9797

CITY BUSINESS PRIVILEGE (SALES) TAXES

The Tucson City Charter authorizes a 2% tax on taxable business activity transacted within the city. The tax is imposed on 15 separate business activities. The charter exempts food purchased for home consumption, but allows the taxation of food consumed in restaurants or carried out. The charter further provides that as long as the city sales tax is imposed, no ad valorem tax shall be imposed on real or personal property within the city in excess of \$1.75 per \$100 of assessed valuation. The city sales tax can be used to pay any expense legally chargeable to the General Fund. Mayor and Council policy allocates a portion of the city sales tax collected to finance part of mass transit, solid waste management, public library, convention center, and public housing operations.

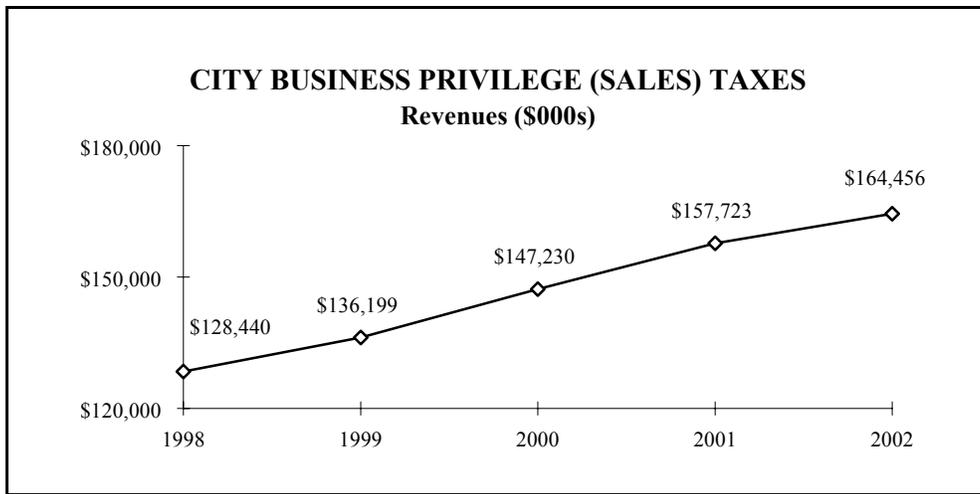
The city sales tax estimate of \$164,456,000 for Fiscal Year 2002 is an increase of \$6,732,940, a 4.3% increase over the prior year revised estimate of \$157,723,060. The adopted budget for Fiscal Year 2001 was \$153,429,000.

City Business Privilege Taxes (Continued)

Although Tucson's economy is expected to continue its growth, the rate of growth is expected to slow in future years. This will affect tax receipts on retail sales, restaurants, and bars which represent approximately 70% of the city sales tax revenues. The following table shows city business privilege tax collections since Fiscal Year 1998.

**CITY BUSINESS PRIVILEGE (SALES) TAXES
(\$000s)**

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$128,440	\$ 5,936	4.8%
1999	136,199	7,759	6.0%
2000	147,230	11,031	8.1%
2001 (Estimate)	157,723	10,493	7.1%
2002 (Estimate)	164,456	6,733	4.3%



PUBLIC UTILITY TAXES AND UTILITY FRANCHISES

The Tucson City Charter authorizes a tax on the gross sales by public utilities to consumers within the city limits. By ordinance, the tax rate is set at 2% and is imposed 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 2% on gas (rate increase to 2.25% is pending voter approval) consumed within the city. However, franchise payments received from Tucson Electric Power and Southwest Gas are credited as payments reducing the public utility tax due from these two utilities. Monies received from public utility taxes and utility franchises can be used to pay any expense legally chargeable to the General Fund.

Public Utility Taxes and Utility Franchises (Continued)

Estimated revenues from public utility taxes and utility franchises for Fiscal Year 2002 total \$16,130,000, a 1.9% increase over last year's revised estimate of \$15,836,520. The adopted budget for Fiscal Year 2001 was \$15,664,000. The following table shows the public utility tax and utility franchise collections since Fiscal Year 1998.

**PUBLIC UTILITY TAXES AND UTILITY FRANCHISES
(\$000s)**

<u>Fiscal Year</u>	<u>Public Utility Tax</u>	<u>Utility Franchise Receipts</u>	<u>Combined Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$ 4,956	\$ 8,118	\$ 13,074	\$ 520	4.1%
1999	5,768	8,500	14,268	1,194	9.1%
2000	6,768	8,440	15,208	940	6.6%
2001 (Estimate)	7,036	8,801	15,837	629	4.1%
2002 (Estimate)	7,211	8,919	16,130	293	1.9%

TRANSIENT OCCUPANCY TAXES

The Tucson City Code authorizes a 4% transient occupancy tax on rooms rented for 30 days or less. In Fiscal Year 1989, an additional daily hotel/motel surtax of \$1.00 per room rented was authorized. Transient occupancy taxes can be used to pay any expense legally chargeable to the General Fund.

Estimated transient occupancy taxes for Fiscal Year 2002 total \$7,220,000, a 2.9% increase over the estimate for the prior year of \$7,014,600. The Fiscal Year 2002 estimate is comprised of \$5,275,000 in revenues from the 4% tax and \$1,945,000 from the \$1.00 surtax. The adopted budget for Fiscal Year 2001 was \$7,348,000.

**TRANSIENT OCCUPANCY TAXES
(\$000s)**

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$ 6,409	\$ 178	2.9%
1999	6,676	267	4.2%
2000	6,820	144	2.2%
2001 (Estimate)	7,015	195	2.9%
2002 (Estimate)	7,220	205	2.9%

LICENSES AND PERMITS

Revenues from licenses and permits include business licenses, liquor licenses, sign and street work permits, parking meter collections, utility franchises, cable television, refuse hauling permits, and telecommunications licenses and franchises.

Although utility franchises are accounted for and reported within this revenue category in the city's Comprehensive Annual Financial Report, the discussion on estimated revenues from utility franchises granted to Tucson Electric Power and Southwest Gas is presented in the Public Utility Taxes and Utility Franchises section of the Revenue Descriptions in this document.

Revenues from licenses and permits in Fiscal Year 2002, excluding utility franchises, is estimated to total \$7,768,000, which is 2% more than the prior year's revised estimate of \$7,616,460. The adopted budget for Fiscal Year 2001 was \$7,445,000*. The following table shows collections since Fiscal Year 1998.

LICENSES AND PERMITS (\$000s)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$ 5,271	\$ 246	4.9%
1999	5,763	492	9.3%
2000	7,118	1,355	23.5%
2001 (Estimate)	7,616	498	7.0%
2002 (Estimate)	7,768	152	2.0%

FINES, FORFEITURES, AND PENALTIES

The source of this revenue is derived from fines for violations of state statutes and the Tucson City Code, including driving under the influence, criminal misdemeanors, civil traffic violations, and parking violations. Fine revenues can be used by the city to pay any expense legally chargeable to the General Fund.

The Fiscal Year 2002 estimate of \$6,746,100 is 23.4% more than the \$5,467,480 revised estimate for Fiscal Year 2001. The adopted budget for Fiscal Year 2001 was \$5,966,000.

*The Fiscal Year 2001 Adopted Budget discussion of licenses and permits did not include the refuse hauling permit estimate of \$9,200.

Fines, Forfeitures, and Penalties (Continued)

**FINES, FORFEITURES, AND PENALTIES
(\$000s)**

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$ 6,814	\$ 848	14.2%
1999	6,619	(195)	(2.9%)
2000	5,802	(817)	(12.3%)
2001 (Estimate)	5,467	(335)	(5.8%)
2002 (Estimate)	6,746	1,279	23.4%

VEHICLE LICENSE (AUTO LIEU) TAX

This tax is imposed by Article IX, Section 11 of the Arizona Constitution as an “in-lieu” tax for all ad valorem property taxes assessed on motor vehicles. The Arizona Constitution requires the vehicle license tax (VLT) be distributed to the state, counties, and cities. Additionally, the Arizona Constitution requires that a portion of the state’s distribution go to fund education. The vehicle license tax is based on each \$100 of a vehicle’s value. The valuation base for the first year is 60% of the manufacturer's base retail price and the annual depreciation rate for each succeeding year is 16.25%. The statute sets specific rates for each vehicle license to be charged for each distribution recipient. The rate for incorporated cities and towns is sixty-nine cents (\$0.69) for a new vehicle and seventy-one cents (\$0.71) for a vehicle older than one year.

Current law provides that 41.37% of vehicle license taxes collected be retained by the state in the Highway User Revenue Fund (HURF). The statute establishes distributions that include 22.62% to the county treasurer to be distributed to the incorporated cities and towns of the county apportioned in proportion to the population of each as shown in the most recent United States census.

The City of Tucson's vehicle license tax distributions for Fiscal Year 2002 is estimated to be \$16,303,000, which is a decrease of 7.6% from the revised estimate of \$17,650,000 for Fiscal Year 2001. The adopted budget for Fiscal Year 2001 was \$17,650,000. Vehicle license tax revenues received by the city can be used to pay any expense legally chargeable to the General Fund.

The following table shows total annual distributions to cities and towns within Pima County, the City of Tucson’s share for the last three years, and estimates for Fiscal Years 2001 and 2002.

Vehicle License (Auto Lieu) Tax (Continued)

**VEHICLE LICENSE TAX
(\$000s)**

<u>Fiscal Year</u>	All Incorporated Cities' Share of Pima County <u>Distribution</u>	City of Tucson's Distribution		<u>Increase (Decrease)</u>	<u>Percent Change</u>
		<u>Percent</u>	<u>Amount</u>		
1998	\$ 13,536	91.5411%	\$ 12,391	\$ (72)	(0.6%)
1999	16,627	93.1220%	15,484	3,093	25.0%
2000	18,428	93.1220%	17,161	1,677	10.8%
2001 (Estimate)	18,954	93.1220%	17,650	489	2.8%
2002 (Estimate)	17,507	93.1220%	16,303	(1,347)	(7.6%)

STATE SALES TAX

The state sales tax is assessed on the taxable income of business activities within the State of Arizona. The state taxes approximately 20 separate business activities using various rates ranging from 3.1% to 5.6%. Shared sales taxes can be used to pay any expense legally chargeable to the General Fund.

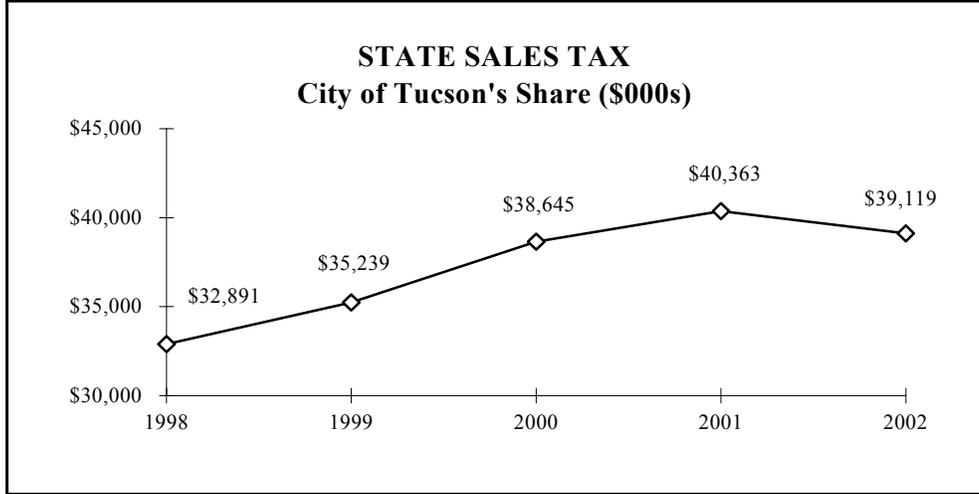
Approximately 78% of the state sales tax is retained by the state's general fund with 14% set aside for distribution to counties, and 8% to incorporated cities and towns. Each city's share is allocated in proportion to its population compared to the total population of the state.

The City of Tucson's share of state sales tax for Fiscal Year 2002 is estimated to be \$39,119,000, a 3.1% decrease from the revised estimate of \$40,363,000 for Fiscal Year 2001. The adopted budget for Fiscal Year 2001 was \$38,604,000. The following table shows the state sales tax allocations to the City of Tucson since Fiscal Year 1998.

**STATE SALES TAX
(\$000s)**

<u>Fiscal Year</u>	Total Distribution <u>To Cities</u>	<u>Percent Change</u>	City of Tucson's Share		<u>Increase (Decrease)</u>	<u>Percent Change</u>
			<u>Percent</u>	<u>Amount</u>		
1998	\$ 252,711	5.4%	13.0152%	\$ 32,891	\$ 1,684	5.4%
1999	270,484	7.0%	13.0283%	35,239	2,348	7.1%
2000	286,286	5.8%	13.4987%	38,645	3,406	9.7%
2001 (Estimate)	296,309	3.5%	13.6217%	40,362	1,717	4.4%
2002 (Estimate)	323,300	9.1%	12.0999%	39,119	(1,243)	(3.1%)

State Sales Tax (Continued)



HIGHWAY USER REVENUE FUND (HURF) ALLOCATION

State of Arizona gasoline tax and highway user fees and charges are deposited in the state's Highway User Revenue Fund (HURF). Current statutes provide for distributions from HURF for Fiscal Year 2000, and annually thereafter, of \$10,000,000* to the Arizona Department of Public Safety to fund highway patrol costs and \$1,000,000* to the Arizona Economic Strength Fund. HURF monies remaining after these distributions are then shared with counties and cities. The 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 27.5% share earmarked for distribution to all incorporated cities and towns is often referred to as "regular HURF," and the Arizona Constitution requires that these funds be used solely for highway and street purposes which includes payment of principal and interest on street and highway bonds. These funds are allocated to individual cities and towns using a two-tier distribution formula. One-half of the "regular HURF" is apportioned to each city or town based on the population each bears to the population of all cities and towns in the state. The remaining half is then apportioned to counties based on each county's proportion of motor vehicle fuel sales within the state and is then distributed to each city or town within each county on the basis the population each bears to the population of all cities and towns within the county.

The 3% allocation distributable to cities and towns with a population greater than 300,000, sometimes referred to as "restricted HURF," is also required to be used solely for highway and street purposes. However, these funds are further restricted to the acquisition of right-of-way or construction of streets or highways other than controlled-access highways. Phoenix, Tucson, and Mesa are the only cities currently sharing in this distribution, and the funds are distributed based on the 2000 decennial census.

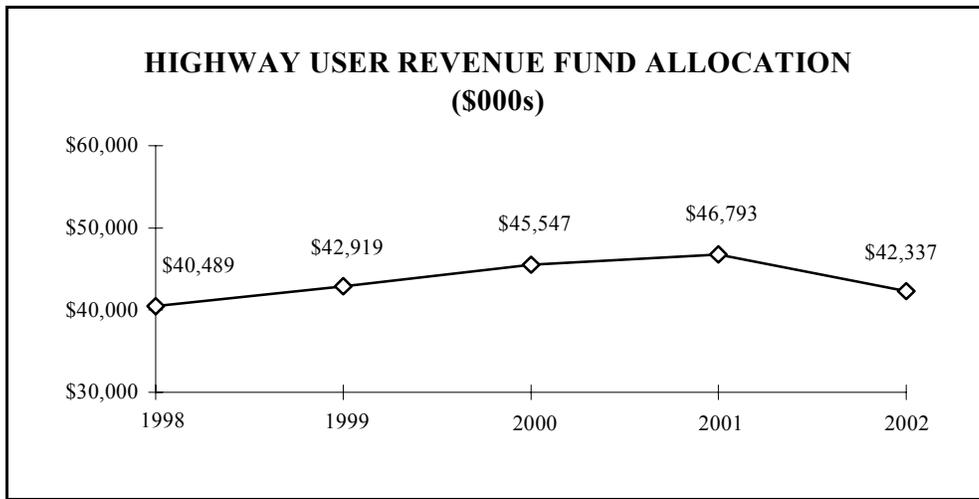
*There is an exemption to this amount for Fiscal Years 2002 and 2003.

Highway User Revenue Fund Allocation (Continued)

The city’s share of HURF distributions from the state is estimated to be \$42,337,180 for Fiscal Year 2002, which is a 9.5% decrease from the revised estimate of \$46,793,260 for Fiscal Year 2001. The adopted budget for Fiscal Year 2001 was \$45,311,000. The following table shows the HURF allocations to the City of Tucson since Fiscal Year 1998.

**HIGHWAY USER REVENUE FUND ALLOCATION
(\$000s)**

<u>Fiscal Year</u>	<u>27.5% Share</u>	<u>3.0% Share</u>	<u>Total</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$ 34,436	\$ 6,053	\$ 40,489	\$ 708	1.8%
1999	36,314	6,605	42,919	2,430	6.0%
2000	38,614	6,933	45,547	2,628	6.1%
2001 (Estimate)	39,625	7,168	46,793	1,246	2.7%
2002 (Estimate)	35,836	6,501	42,337	(4,456)	(9.5%)



LOCAL TRANSPORTATION ASSISTANCE FUND (LTAF)

In November 1980, an initiative established a state lottery in Arizona. In July 1981, the state legislature established the Local Transportation Assistance Fund (LTAF) consisting of monies deposited initially from the state lottery fund to be distributed to Arizona cities and towns. Current law provides that the Arizona Legislature must appropriate whatever amount is necessary to ensure that a minimum of \$20,500,000 annually is deposited in the LTAF. Revenues from the state lottery have historically exceeded the minimum, and the state has not been required to subsidize the fund. Current law places an annual ceiling of \$23,000,000 on funds deposited from the state lottery fund into the LTAF for

Local Transportation Assistance Fund (Continued)

distribution to cities and towns. The maximum is expected to be available for distribution to cities and towns for Fiscal Year 2002, and the city is expected to receive \$2,706,800. The adopted budget for Fiscal Year 2001 was \$2,818,970.

Tucson, having a population of more than 300,000, is required to use these LTAF monies for public transportation operating expenses and related capital purposes. Statutes provide that cities may adopt resolutions authorizing the use of up to 10% annually of the LTAF monies for cultural, educational, historical, recreational, or scientific facilities or programs, or for certain non-residential outpatient local programs or services. However, the monies used in this manner must be matched equally with nonpublic monies spent for the same purposes.

In recent years, the LTAF has also been used as the depository for Arizona's share of revenues from the multi-state lottery (Powerball). The statutes place a ceiling of \$18,000,000 on multi-state lottery proceeds available for distribution to the cities and towns. State lottery ticket sales started declining after the introduction of Powerball; to compensate for the loss of state general fund revenues from the state lottery, the state appropriated monies received from the multi-state lottery to the state's general fund. Statutory annual minimum appropriations to the state's general fund were enacted by the Arizona Legislature before receipts from multi-state lottery sales were available for distribution to cities and towns.

The following table shows the LTAF distribution to the City of Tucson since Fiscal Year 1998.

LOCAL TRANSPORTATION ASSISTANCE FUND (\$000s)

<u>Fiscal Year</u>	<u>Tucson's Share</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1998	\$ 3,063	\$ (46)	(1.5%)
1999	3,028	(35)	(1.1%)
2000	2,511	(517)	(17.1%)
2001 (Estimate)	2,819	308	12.3%
2002 (Estimate)	2,707	(112)	(4.0%)

STATE REVENUE SHARING

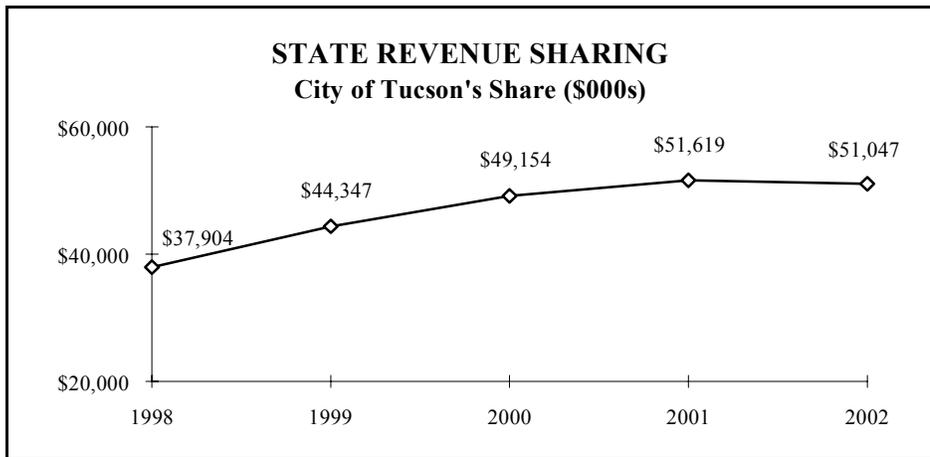
Incorporated cities and towns are prohibited from imposing local income taxes, but they do receive a share of net individual and corporate income taxes collected by the state which can be used to pay any expense legally chargeable to the General Fund. Distributions are actually made to cities and towns two fiscal years following the fiscal year in which the state collects the income taxes. The portion (of net income taxes collected two years earlier) currently distributable to incorporated cities and towns was set by statute at 15%.

State Revenue Sharing (Continued)

The city's portion of State Revenue Sharing distributions is estimated to be \$51,047,000 for Fiscal Year 2002, which is a 1.1% decrease from the revised estimate of \$51,619,370 for Fiscal Year 2001. This decrease is the result of both a smaller distributed portion of income tax revenues and the population shifts throughout the state which have lowered the city's proportion of the distribution base. The adopted budget for Fiscal Year 2001 was \$48,590,780. The following table shows the state income tax distributions to the City of Tucson since Fiscal Year 1998.

**STATE REVENUE SHARING
(\$000s)**

<u>Fiscal Year</u>	<u>Total Distribution To Cities</u>	<u>Percent Change</u>	<u>Tucson's Share</u>		<u>Increase (Decrease)</u>	<u>Percent Change</u>
			<u>Percent</u>	<u>Amount</u>		
1998	\$ 291,244	13.0%	13.0145%	\$ 37,904	\$ 4,362	13.0%
1999	340,387	16.9%	13.0284%	44,347	6,443	17.0%
2000	377,189	10.8%	13.0317%	49,154	4,807	10.8%
2001 (Estimate)	396,452	5.1%	13.0203%	51,619	2,465	5.0%
2002 (Estimate)	421,876	6.4%	12.1000%	51,047	(572)	(1.1%)



IMPACT OF CAPITAL PROJECTS ON THE OPERATING BUDGET

The completion of many capital improvements is the beginning of annual operating expenses for routine operation, repairs, and maintenance. The cost of future operations and maintenance (O&M) for new capital projects are estimated by departments based on their budgetary experience with existing projects.

The Fiscal Year 2002 Adopted Budget includes a total of \$7 million in O&M costs for projects either completed in Fiscal Year 2001 or scheduled for completion during Fiscal Year 2002. The majority of that increase (\$5 million) is due to debt service payments on bonds and other financing mechanisms. The remaining increase (\$2 million) is directly related to operating new facilities.

In Fiscal Year 2003, the O&M impact of capital projects will grow to \$25 million. Again, a large contributor to the increase (\$14 million) will be debt service payments. Facility operating expenses increase significantly (from \$2 million to \$11 million, with 60 new positions) as more voter-approved bond projects are completed.

The following table summarizes the additions to operating expenses in Fiscal Years 2002 and 2003 due to completion of capital projects. For project specific detail, see Volume III, Approved Five-Year Capital Improvement Program. Volume III also includes the O&M impact of all capital projects programmed over the next five years.

OPERATING COST IMPACTS FOR FISCAL YEARS 2002 AND 2003 (Cumulative)

<u>Service Area/Department/Project</u>	<u>Type of Expense</u>	<u>FY 2002</u>	<u>FY 2003</u>
Neighborhood Services			
City Court			
City Court Remodel	Building/equipment maintenance	\$ -0-	\$ 100,000
Fire			
New Fire Stations (Station 6 and Annexations)	Staffing (35 FTEs) and building/equipment maintenance	800,000	2,700,600
Various support facilities	Building/equipment maintenance	125,600	315,700
Library			
Various library projects	Staffing (22 FTEs) and building/equipment maintenance	-0-	1,741,000
Parks and Recreation			
Various parks projects	Staffing (3 FTEs) and building/equipment maintenance	-0-	735,000

Operating Cost Impacts For Fiscal Years 2002 And 2003 (Continued)

<u>Service Area/Department/Project</u>	<u>Type of Expense</u>	<u>FY 2002</u>	<u>FY 2003</u>
Environment and Development			
Solid Waste Management			
Various landfill sites	Equipment maintenance	\$ -0-	\$ 50,000
Transportation			
Various street projects	Water and landscape maintenance	-0-	14,000
Various street lighting projects	Electricity	-0-	41,300
Various traffic signal projects	Electricity savings due to conversion to Light Emitting Diode (LED) lights	-0-	(77,700)
Various public transit projects	Building/equipment maintenance	2,000	52,000
Tucson Water			
Clearwater Renewable Resource Facility	Electricity, Central Arizona Project commodity charges, and supplies	-0-	4,300,000
Environmental Management			
Various landfill remediations and investigations	Equipment maintenance	810,000	810,000
Support Services			
Operations			
Compressed Natural Gas Refueling Station	Building/equipment maintenance	-0-	110,000
Subtotal Before Debt Service		<u>1,737,600</u>	<u>10,891,900</u>
Debt Service			
Certificates of Participation	Principal and interest payments	207,300	2,189,700
General Obligation Bonds	Principal and interest payments	1,372,800	4,258,300
Street and Highway Revenue Bonds	Principal and interest payments	784,500	2,337,000
Water Revenue Bonds	Principal and interest payments	<u>2,949,000</u>	<u>5,551,000</u>
Debt Service Subtotal		<u>5,313,600</u>	<u>14,336,000</u>
TOTAL		<u>\$ 7,051,200</u>	<u>\$ 25,227,900</u>

**TEN-YEAR/ADOPTED COMPARISON
TOTAL CITY STAFFING**

DEPARTMENTS	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002 Adopted
<u>Elected and Official</u>											
Mayor	6.75	5.50	7.00	7.00	7.00	7.50	8.00	8.00	8.00	9.50	9.50
Council	28.50	28.50	29.00	29.00	29.00	32.50	35.50	35.50	36.50	43.50	43.50
City Manager	21.55 ⁽¹⁾	19.50	14.50 ⁽⁴⁾	18.80 ⁽⁸⁾	18.20	20.00	19.00	18.00	19.00	20.00	20.50 ⁽²⁸⁾
City Clerk	40.50	40.50	40.50	39.50 ⁽⁸⁾	40.50	40.50	73.00	44.50	69.50 ⁽¹⁷⁾	43.00	63.50 ⁽²⁹⁾
City Attorney	97.00	102.50	98.00	100.00	107.00	108.00	108.00	108.00	112.00	113.00	114.00
Sub-Total	194.30	196.50	189.00	194.30	201.70	208.50	243.50	214.00	245.00	229.00	251.00
<u>Neighborhood Services</u>											
City Court	116.80	117.80	127.80 ⁽⁴⁾	133.80	138.80	138.80	141.30	145.30	141.80	143.80	143.80
Community Services	135.10	148.60	153.20	158.90	158.25	159.25	169.00	167.00	160.00	157.00	155.00
Fire	460.50	470.00	459.50	459.50	516.50	519.50	569.00 ⁽¹²⁾	528.00	539.00	570.00	571.00
Library	240.25	239.25	238.75	241.75	243.75	253.00	253.00	265.50	265.50	299.50	287.25 ⁽³⁰⁾
Parks and Recreation	446.50	453.00	508.75 ⁽⁵⁾	580.00 ⁽⁹⁾	577.00	596.00	631.50	685.75 ⁽¹⁴⁾	720.25 ^{(18), (19)}	718.75 ⁽²⁴⁾	677.50 ⁽³¹⁾
Tucson City Golf	103.00	103.00	102.00	104.00	103.00	103.00	103.00	103.50	96.50	163.25 ⁽²⁵⁾	169.00
Police	1,026.00	1,029.00	1,043.00 ⁽⁶⁾	1,048.00	1,102.00	1,146.00 ⁽¹¹⁾	1,154.00 ⁽¹³⁾	1,191.50 ⁽¹⁵⁾	1,266.50 ⁽²⁰⁾	1,355.00 ⁽²⁶⁾	1,362.00 ^{(32), (33)}
Citizen and Neighborhood Services	4.60	5.00	5.00	5.00	5.00	5.00	7.00	7.00	11.00	11.00	11.00
Independent Police Auditor	-0-	-0-	-0-	-0-	-0-	-0-	2.00	2.00	2.00	2.00	2.00
Public Defender	30.50	31.50	32.50	32.50	33.00	31.00	31.00	31.00	32.50	32.50	33.50
Sub-Total	2,563.25	2,597.15	2,670.50	2,763.45	2,877.30	2,951.55	3,060.80	3,126.55	3,235.05	3,452.80	3,412.05
<u>Environmental and Development</u>											
Development Services	61.00 ⁽¹⁾	64.00	62.50	64.00 ⁽⁸⁾	64.00	64.00	66.00	66.00	72.00	100.00 ⁽²⁴⁾	101.00
Planning	48.00	46.50	46.50	46.50	45.50	46.50	46.50	48.50	49.50	45.50 ⁽²⁴⁾	47.50 ⁽²⁸⁾
Solid Waste Management	-0-	-0-	-0-	224.00 ⁽¹⁰⁾	223.00	225.00	225.00	235.00	240.00	243.00	244.00
Transportation	215.00	212.00	220.50	366.50 ⁽¹⁰⁾	376.50	378.50	384.00	386.50	401.50 ^{(19), (21)}	395.50 ⁽²⁴⁾	399.50
Tucson Water	568.00 ⁽²⁾	579.00	577.00	577.00	584.00	588.00	589.00	588.00	588.00	588.00	590.00
Environmental Management	4.00	4.00	8.00	10.00	9.00	9.00	10.75	11.75	13.60	15.85	15.00
Historic Preservation Office	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1.00	1.00	2.00	2.00
Zoning Examiner	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Sub-Total	898.00	907.50	916.50	1,290.00	1,304.00	1,313.00	1,323.25	1,338.75	1,367.60	1,391.85	1,401.00
<u>Strategic Initiatives</u>											
Tucson Convention Center	53.00	53.00	55.00	55.00	58.00	58.00	62.00	61.00	61.00	63.50	63.00
Economic Development	13.50	9.33	12.00	16.00	18.00	18.10	22.10	23.75	14.00 ⁽²²⁾	15.50	15.50
Intergovernmental Relations	-0-	2.00	2.25	2.25	2.75	2.75	2.00	2.00	2.00	2.00	2.00
Tucson - México Project	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5.00 ⁽²²⁾	5.00	5.00
Sub-Total	66.50	64.33	69.25	73.25	78.75	78.85	86.10	86.75	82.00	86.00	85.50

**TEN-YEAR/ADOPTED COMPARISON
TOTAL CITY STAFFING**

DEPARTMENTS	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002 Adopted
<u>Support Services</u>											
Budget and Research	28.00	28.00	28.00	28.00	28.00	27.00	26.00	26.00	26.00	26.00	24.00 ⁽²⁸⁾
Finance	134.00	134.00	130.00 ⁽⁷⁾	134.00	133.00	139.00	138.00	143.00	146.00	150.25	151.25
Human Resources	24.00	24.00	28.00 ⁽⁷⁾	29.00 ⁽⁸⁾	29.00	28.00	32.00 ⁽¹³⁾	32.00	32.00	34.00	31.00 ^{(28), (32)}
Information Technology	62.50	62.50	66.00	66.50	67.00	68.00	68.00	75.00	77.00 ⁽¹⁶⁾	71.00	74.00
Operations	696.00 ⁽³⁾	685.00	685.00	332.00 ⁽¹⁰⁾	335.00	337.00	341.00	350.00	365.00 ⁽²³⁾	377.00	377.00
Procurement	70.00 ⁽¹⁾	73.00	72.00	72.00	72.00	75.00	75.00	76.00	77.00	81.00	82.00
Community Relations	12.50	12.50	12.50	12.50	13.50	15.42	15.42	18.12	18.12 ⁽¹⁶⁾	18.12	18.12
Equal Opportunity Office	4.00	4.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00	10.00	10.50
Grants Office	-0-	-0-	-0-	-0-	-0-	2.00	2.00	2.00	2.00	2.75	2.75
Sub-Total	1,031.00	1,023.00	1,029.50	682.00	686.50	700.42	706.42	731.12	752.12	770.12	770.62
<u>Non-Departmental</u>											
General Expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3.00 ⁽²⁷⁾	5.50 ⁽²⁸⁾
Sub-Total	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3.00	5.50
Total	4,753.05	4,788.48	4,874.75	5,003.00	5,148.25	5,252.32	5,420.07	5,497.17	5,681.77	5,932.77	5,925.67

TEN-YEAR/ADOPTED COMPARISON
TOTAL CITY STAFFING WITH FISCAL YEAR 2002 ADOPTED

- (1) In Fiscal Year 1992, Annexation was transferred to the Development Services Department from the City Manager (2.5 positions), and Human Relations was transferred from the City Manager to the Procurement Department (5.0 positions).
- (2) In Fiscal Year 1992, the Tucson Water Department added 11 positions for full implementation of the Central Arizona Project Water Treatment Plant and 15 positions due to the purchase of the Metropolitan Water Company.
- (3) In Fiscal Year 1992, the Department of Operations eliminated 85 positions due to budgetary constraints. The majority of these were located in Street Maintenance and Sanitation.
- (4) In Fiscal Year 1994, the Hearing Office was transferred from City Manager to City Court (eight positions).
- (5) In Fiscal Year 1994, the conversion of fee class instructors in the Parks and Recreation Department to employee status by agreement with the Internal Revenue Service resulted in a net increase of 25 positions. Five positions were deleted from Hi-Corbett Field operations concessions organization due to the Colorado Rockies assuming responsibility for spring training operations.
- (6) In Fiscal Year 1994, the Police Department added ten commissioned officers for the gang unit.
- (7) In Fiscal Year 1994, Employee Benefits was transferred from the Finance Department to the Human Resources Department (three positions).
- (8) In Fiscal Year 1995, three positions were transferred from City Manager to Development Services and one position from the City Manager to Human Resources. Additionally, two positions were transferred from Human Resources and one position from City Clerk to City Manager.
- (9) In Fiscal Year 1995, the Parks and Recreation Department added 38.25 recreation positions for youth-related programs and 33.00 positions for the new El Pueblo pool and increased hours at other pools.
- (10) In Fiscal Year 1994, at the direction of Mayor and Council, the Department of Solid Waste Management was created with 220 positions. These positions were transferred from the Department of Operations. In addition, the Streets Division was transferred to the Transportation Department from Operations with 139 positions.
- (11) In Fiscal Year 1997, the Police Department added 24 community service officers for the new Community Service Officer Program.
- (12) In Fiscal Year 1998, the Fire Department added 49.5 positions: 34 positions for annexations, 7 positions for a new paramedic unit, and 8.5 positions for a second vehicle maintenance shift, and for the public safety academy.
- (13) In Fiscal Year 1998, three positions were transferred from the Police Department to the Human Resources Department.
- (14) In Fiscal Year 1999, the Parks and Recreation Department added 54.25 positions: 32.50 positions for the Clements Center and Pool, 3.50 positions for the Quincie Douglas Center, 14.50 maintenance workers for other new or expanded facilities and parks, and 3.75 positions for expanded programs.
- (15) In Fiscal Year 1999, at the direction of the City Manager, 31 positions were added to the Police Department to support community policing.
- (16) In Fiscal Year 2000, one position was transferred from City Manager to the Information Technology Department for work with the Internet.

TEN-YEAR/ADOPTED COMPARISON
TOTAL CITY STAFFING WITH FISCAL YEAR 2002 ADOPTED

- (17) In Fiscal Year 2000, 25 non-permanent positions for charter-mandated elections were added to City Clerk.
- (18) In Fiscal Year 2000, the Parks and Recreation Department added 27 positions for new grants.
- (19) In Fiscal Year 2000, the Parks and Recreation Department transferred nine Highway User Revenue Fund (HURF) funded positions to the Transportation Department for median island maintenance, and Transportation transferred one position to Parks and Recreation for sports field lighting maintenance.
- (20) In Fiscal Year 2000, the Police Department added 50 positions for the Universal Cops Hiring Grant.
- (21) In Fiscal Year 2000, Van Tran's Americans with Disabilities Act Compliance organization was transferred to the new Transit Division, with the existing four positions being converted to city employees.
- (22) In Fiscal Year 2000, four positions were transferred from Economic Development to the Tucson-México Project and one position was added.
- (23) In Fiscal Year 2000, the Department of Operations added five positions for maintenance of new facilities and three positions for maintenance of the growing vehicle fleet.
- (24) In Fiscal Year 2001, 17 positions were transferred to Development Services for the consolidation of Plans Review: two from the Parks and Recreation Department, six from the Planning Department, and nine from the Transportation Department.
- (25) In Fiscal Year 2001, Tucson City Golf added 66.75 positions for the Mayor and Council approved Tucson City Golf Business Plan.
- (26) In Fiscal Year 2001, the Police Department added 56 positions for the Universal Cops Hiring Grant.
- (27) In Fiscal Year 2001, three grant-funded positions were added to General Expense for water conservation projects at the A-7 Ranch.
- (28) In Fiscal Year 2002, 3.5 positions were transferred from City Manager: 2.5 to Non-Departmental to support Rio Nuevo and 1 project manager to Planning. Additionally, two positions were transferred from Budget and Research and one from the Human Resources Department to City Manager.
- (29) In Fiscal Year 2002, the City Clerk added 20.5 non-permanent positions for charter mandated elections.
- (30) In Fiscal Year 2002, the Library eliminated 12.25 positions: 10.75 due to the elimination of Sunday library services at Woods, Mission, Miller-Golf Links, and Green Valley branches, 1.5 due to revised implementation of programs.
- (31) In Fiscal Year 2002, the Parks and Recreation Department eliminated 49.25 positions: 11 due to the completion of grants, 9 from the privatization of zoo concessions, and 29.25 from reductions in HICO/MIDCO, KIDCO, fee classes, and summer aquatics programs. The department also added 8 positions: 4 for grounds maintenance, 2 for capital project management, and 2 for a new KIDCO site.
- (32) In Fiscal Year 2001, two positions were transferred from the Human Resources Department to the Police Department.
- (33) In Fiscal Year 2002, the Police Department added two grant-funded positions.

**FULL-TIME EQUIVALENT POSITIONS
PERMANENT AND NON-PERMANENT
FISCAL YEAR 2002**

<u>Department</u>	<u>Permanent</u>	<u>Non-Permanent</u>	<u>Total</u>
ELECTED AND OFFICIAL			
Mayor and Council	53.00	-0-	53.00
City Manager	20.50	-0-	20.50
City Clerk	43.50	20.00	63.50
City Attorney	114.00	-0-	114.00
Sub-Total	231.00	20.00	251.00
NEIGHBORHOOD SERVICES			
City Court	143.80	-0-	143.80
Community Services	155.00	-0-	155.00
Fire	571.00	-0-	571.00
Library	237.00	50.25	287.25
Parks and Recreation	409.25	268.25	677.50
Tucson City Golf	47.00	122.00	169.00
Police	1,356.00	6.00	1,362.00
Citizen and Neighborhood Services	11.00	-0-	11.00
Independent Police Auditor	2.00	-0-	2.00
Public Defender	33.50	-0-	33.50
Sub-Total	2,965.55	446.50	3,412.05
ENVIRONMENTAL AND DEVELOPMENT			
Development Services	99.00	2.00	101.00
Planning	46.50	1.00	47.50
Solid Waste Management	244.00	-0-	244.00
Transportation	398.00	1.50	399.50
Tucson Water	590.00	-0-	590.00
Environmental Management	15.00	-0-	15.00
Historic Preservation Office	2.00	-0-	2.00
Zoning Examiner	2.00	-0-	2.00
Sub-Total	1,396.50	4.50	1,401.00
STRATEGIC INITIATIVES			
Tucson Convention Center	50.00	13.00	63.00
Economic Development	15.50	-0-	15.50
Intergovernmental Relations	2.00	-0-	2.00
Tucson - Mexico Project	5.00	-0-	5.00
Sub-Total	72.50	13.00	85.50

**FULL-TIME EQUIVALENT POSITIONS
PERMANENT AND NON-PERMANENT
FISCAL YEAR 2002**

<u>Department</u>	<u>Permanent</u>	<u>Non-Permanent</u>	<u>Total</u>
SUPPORT SERVICES			
Budget and Research	24.00	-0-	24.00
Finance	149.00	2.25	151.25
Human Resources	31.00	-0-	31.00
Information Technology	71.50	2.50	74.00
Operations	374.00	3.00	377.00
Procurement	82.00	-0-	82.00
Community Relations	15.00	3.12	18.12
Equal Opportunity Office	10.00	0.50	10.50
Grants Office	2.00	0.75	2.75
Sub-Total	758.50	12.12	770.62
NON-DEPARTMENTAL			
General Expense	2.50	3.00	5.50
Sub-Total	2.50	3.00	5.50
Total	5,426.55	499.12	5,925.67

**FULL-TIME EQUIVALENT POSITIONS
GENERAL RECURRING FUNDS AND OTHER FUNDS
FISCAL YEAR 2002**

<u>Department</u>	<u>General Purpose</u>	<u>Other</u>	<u>Total</u>
ELECTED AND OFFICIAL			
Mayor and Council	53.00	-0-	53.00
City Manager	20.50	-0-	20.50
City Clerk	63.50	-0-	63.50
City Attorney	103.00	11.00	114.00
Sub-Total	240.00	11.00	251.00
NEIGHBORHOOD SERVICES			
City Court	142.30	1.50	143.80
Community Services	10.35	144.65	155.00
Fire	569.00	2.00	571.00
Library	143.63	143.62	287.25
Parks and Recreation	638.25	39.25	677.50
Tucson City Golf	-0-	169.00	169.00
Police	1,218.50	143.50	1,362.00
Citizen and Neighborhood Services	11.00	-0-	11.00
Independent Police Auditor	2.00	-0-	2.00
Public Defender	33.50	-0-	33.50
Sub-Total	2,768.53	643.52	3,412.05
ENVIRONMENTAL AND DEVELOPMENT			
Development Services	101.00	-0-	101.00
Planning	47.50	-0-	47.50
Solid Waste Management	244.00	-0-	244.00
Transportation	86.00	313.50	399.50
Tucson Water	-0-	590.00	590.00
Environmental Management	15.00	-0-	15.00
Historic Preservation Office	2.00	-0-	2.00
Zoning Examiner	2.00	-0-	2.00
Sub-Total	497.50	903.50	1,401.00
STRATEGIC INITIATIVES			
Tucson Convention Center	63.00	-0-	63.00
Economic Development	15.50	-0-	15.50
Intergovernmental Relations	2.00	-0-	2.00
Tucson - Mexico Project	5.00	-0-	5.00
Sub-Total	85.50	-0-	85.50

**FULL-TIME EQUIVALENT POSITIONS
GENERAL RECURRING FUNDS AND OTHER FUNDS
FISCAL YEAR 2002**

<u>Department</u>	<u>General Purpose</u>	<u>Other</u>	<u>Total</u>
SUPPORT SERVICES			
Budget and Research	24.00	-0-	24.00
Finance	135.25	16.00	151.25
Human Resources	31.00	-0-	31.00
Information Technology	74.00	-0-	74.00
Operations	270.00	107.00	377.00
Procurement	82.00	-0-	82.00
Community Relations	18.12	-0-	18.12
Equal Opportunity Office	10.00	0.50	10.50
Grants Office	2.75	-0-	2.75
Sub-Total	647.12	123.50	770.62
NON-DEPARTMENTAL			
General Expense	-0-	5.50	5.50
Sub-Total	-0-	5.50	5.50
Total	4,238.65	1,687.02	5,925.67

**Fiscal Year 2002
City of Tucson
Classified Annual Salary Scale
Pay for Performance Plan**

Excluding Public Safety Commissioned Officers

	Minimum	Midpoint	Maximum
PFP-AA	108,477	119,784	131,090
PFP-A	89,142	101,432	113,721
PFP-B	77,998	93,238	108,477
PFP-C	57,353	76,907	96,460
PFP-D	50,142	67,239	84,335
PFP-E	42,932	57,516	72,100
PFP-F	39,780	53,318	66,856
PFP-G I*	39,780	53,318	66,856
PFP-G II**	42,932	57,516	72,100
PFP-Intern	33,750	52,218	70,686

* Add earnings from golf lesson revenues up to \$12,000/year

** Add earnings from golf lesson revenues up to \$5,000/year

Public Safety Commissioned Officers

Effective July 1, 2001 through December 29, 2001 for Fire Personnel

Effective July 1, 2001 through January 12, 2002 for Police Personnel

	Minimum	Midpoint	Maximum
PFP-AA-PS	108,477	124,925	141,372
PFP-C-PS	72,427	88,227	104,027
PFP-D-PS	65,654	78,302	90,949
PFP-E-FS	66,240	71,998	77,755
PFP-E-PS	65,231	71,493	77,755

Effective December 30, 2001 for Fire Personnel

Effective January 13, 2002 for Police Personnel

	Minimum	Midpoint	Maximum
PFP-AA-PS	110,647	127,423	144,199
PFP-C-PS	73,876	89,992	106,108
PFP-D-PS	66,967	79,868	92,768
PFP-E-FS	67,565	73,438	79,310
PFP-E-PS	66,536	72,923	79,310

**Fiscal Year 2002
City of Tucson
Classified Monthly Salary Scale
Administrative and Technical Schedule**

Effective July 1, 2001 through December 29, 2001

Range										
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
107	1,312	1,379	1,449	1,521	1,595	1,635	1,677	1,717	1,760	1,804
108	1,379	1,449	1,521	1,595	1,677	1,717	1,760	1,804	1,848	1,894
109	1,449	1,521	1,595	1,677	1,760	1,804	1,848	1,894	1,940	1,988
110	1,521	1,595	1,677	1,760	1,848	1,894	1,940	1,988	2,037	2,089
111	1,595	1,677	1,760	1,848	1,940	1,988	2,037	2,089	2,140	2,194
112	1,677	1,760	1,848	1,940	2,037	2,089	2,140	2,194	2,247	2,303
113	1,760	1,848	1,940	2,037	2,140	2,194	2,247	2,303	2,360	2,418
114	1,848	1,940	2,037	2,140	2,247	2,303	2,360	2,418	2,478	2,539
115	1,940	2,037	2,140	2,247	2,360	2,418	2,478	2,539	2,601	2,667
116	2,037	2,140	2,247	2,360	2,478	2,539	2,601	2,667	2,730	2,800
117	2,140	2,247	2,360	2,478	2,601	2,667	2,730	2,800	2,869	2,940
118	2,247	2,360	2,478	2,601	2,730	2,800	2,869	2,940	3,012	3,087
119	2,360	2,478	2,601	2,730	2,869	2,940	3,012	3,087	3,163	3,242
120	2,478	2,601	2,730	2,869	3,012	3,087	3,163	3,242	3,321	3,404
121	2,601	2,730	2,869	3,012	3,163	3,242	3,321	3,404	3,486	3,574
122	2,730	2,869	3,012	3,163	3,321	3,404	3,486	3,574	3,661	3,751
123	2,869	3,012	3,163	3,321	3,486	3,574	3,661	3,751	3,843	3,939
124	3,012	3,163	3,321	3,486	3,661	3,751	3,843	3,939	4,034	4,137
125	3,163	3,321	3,486	3,661	3,843	3,939	4,034	4,137	4,239	4,343

**Fiscal Year 2002
City of Tucson
Classified Monthly Salary Scale
Administrative and Technical Schedule**

Effective December 30, 2001

Range No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
107	1,357	1,426	1,498	1,574	1,650	1,692	1,736	1,777	1,822	1,867
108	1,423	1,495	1,569	1,647	1,731	1,772	1,817	1,862	1,909	1,956
109	1,491	1,565	1,642	1,727	1,812	1,857	1,904	1,951	1,999	2,048
110	1,562	1,638	1,722	1,809	1,899	1,946	1,994	2,043	2,094	2,147
111	1,635	1,719	1,803	1,895	1,989	2,038	2,089	2,141	2,195	2,249
112	1,715	1,800	1,890	1,985	2,084	2,136	2,190	2,244	2,300	2,356
113	1,796	1,887	1,980	2,081	2,185	2,239	2,295	2,351	2,410	2,469
114	1,883	1,977	2,075	2,181	2,290	2,346	2,405	2,464	2,526	2,588
115	1,973	2,072	2,176	2,286	2,400	2,459	2,521	2,583	2,647	2,713
116	2,068	2,713	2,281	2,397	2,516	2,577	2,642	2,708	2,774	2,844
117	2,169	2,278	2,391	2,512	2,637	2,703	2,768	2,839	2,910	2,981
118	2,274	2,388	2,507	2,633	2,763	2,833	2,904	2,976	3,050	3,125
119	2,384	2,504	2,628	2,760	2,899	2,970	3,045	3,120	3,198	3,278
120	2,500	2,625	2,754	2,896	3,039	3,115	3,192	3,272	3,353	3,436
121	2,621	2,751	2,890	3,036	3,187	3,267	3,348	3,431	3,515	3,603
122	2,748	2,887	3,031	3,184	3,343	3,426	3,509	3,598	3,686	3,777
123	2,884	3,027	3,179	3,339	2,504	3,593	3,681	3,771	3,865	3,961
124	3,024	3,175	3,334	3,501	3,676	3,766	3,860	3,956	4,052	4,155
125	3,172	3,330	3,496	3,672	3,854	3,950	4,047	4,149	4,253	4,357

**Fiscal Year 2002
City of Tucson
Classified Monthly Salary Scale
Labor and Trades Schedule**

Effective July 1, 2001 through December 29, 2001

Range No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
209	1,449	1,521	1,595	1,677	1,760	1,804	1,848	1,894	1,940	1,988
210	1,521	1,595	1,677	1,760	1,848	1,894	1,940	1,988	2,037	2,089
211	1,595	1,677	1,760	1,848	1,940	1,988	2,037	2,089	2,140	2,194
212	1,677	1,760	1,848	1,940	2,037	2,089	2,140	2,194	2,247	2,303
213	1,760	1,848	1,940	2,037	2,140	2,194	2,247	2,303	2,360	2,418
214	1,848	1,940	2,037	2,140	2,247	2,303	2,360	2,418	2,478	2,539
215	1,940	2,037	2,140	2,247	2,360	2,418	2,478	2,539	2,601	2,667
216	2,037	2,140	2,247	2,360	2,478	2,539	2,601	2,667	2,730	2,800
217	2,140	2,247	2,360	2,478	2,601	2,667	2,730	2,800	2,869	2,940
218	2,247	2,360	2,478	2,601	2,730	2,800	2,869	2,940	3,012	3,087
219	2,360	2,478	2,601	2,730	2,869	2,940	3,012	3,087	3,163	3,242
220	2,478	2,601	2,730	2,869	3,012	3,087	3,163	3,242	3,321	3,404
221	2,601	2,730	2,869	3,012	3,163	3,242	3,321	3,404	3,486	3,574
222	2,730	2,869	3,012	3,163	3,321	3,404	3,486	3,574	3,661	3,751
223	2,869	3,012	3,163	3,321	3,486	3,574	3,661	3,751	3,843	3,939

Effective December 30, 2001

Range No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
209	1,491	1,565	1,642	1,727	1,812	1,857	1,904	1,951	1,999	2,048
210	1,562	1,638	1,722	1,809	1,899	1,946	1,994	2,043	2,094	2,147
211	1,635	1,719	1,803	1,895	1,989	2,038	2,089	2,141	2,195	2,249
212	1,715	1,800	1,890	1,985	2,084	2,136	2,190	2,244	2,300	2,356
213	1,796	1,887	1,980	2,081	2,185	2,239	2,295	2,351	2,410	2,469
214	1,883	1,977	2,075	2,181	2,290	2,346	2,405	2,464	2,526	2,588
215	1,973	2,072	2,176	2,286	2,400	2,459	2,521	2,583	2,647	2,713
216	2,068	2,173	2,281	2,397	2,516	2,577	2,642	2,708	2,774	2,844
217	2,169	2,278	2,391	2,512	2,637	2,703	2,768	2,839	2,910	2,981
218	2,274	2,388	2,507	2,633	2,763	2,833	2,904	2,976	3,050	3,125
219	2,384	2,504	2,628	2,760	2,899	2,970	3,045	3,120	3,198	3,278
220	2,500	2,625	2,754	2,896	3,039	3,115	3,192	3,272	3,353	3,436
221	2,621	2,751	2,890	3,036	3,187	3,267	3,348	3,431	3,515	3,603
222	2,748	2,887	3,031	3,184	3,343	3,426	3,509	3,598	3,686	3,777
223	2,884	3,027	3,179	3,339	3,504	3,593	3,681	3,771	3,865	3,961

**Fiscal Year 2002
City of Tucson
Classified Monthly Salary Scale
Golf Schedule**

Effective July 1, 2001 through December 29, 2001

Range										
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
501	1,595	1,677	1,760	1,848	1,940	1,988	2,037	2,089	2,140	2,194
502	1,677	1,760	1,848	1,940	2,037	2,089	2,140	2,194	2,247	2,303

Add 50% of earnings from golf lessons

Effective December 30, 2001

Range										
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
501	1,635	1,719	1,803	1,895	1,989	2,038	2,089	2,141	2,195	2,249
502	1,715	1,800	1,890	1,985	2,084	2,136	2,190	2,244	2,300	2,356

Add 50% of earnings from golf lessons

**Fiscal Year 2002
City of Tucson
Classified Monthly Salary Scale
Public Safety Schedules**

Commissioned Police Officers/City Court Marshalls

Effective July 1, 2001 through January 12, 2002

Range								
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
351	2,478	2,601	2,732	2,868	3,012	3,162	3,320	3,486
302	2,883	3,027	3,178	3,337	3,504	3,679	3,863	4,056
305	3,027	3,178	3,337	3,504	3,679	3,863	4,056	4,259
303	3,178	3,337	3,504	3,679	3,863	4,056	4,259	4,472
306					4,259	4,472	4,696	4,930
307					4,472	4,696	4,930	5,177

Effective January 13, 2002

Range								
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
351	2,527	2,654	2,786	2,926	3,072	3,225	3,387	3,556
302	2,940	3,087	3,242	3,404	3,574	3,753	3,940	4,137
305	3,087	3,242	3,404	3,574	3,753	3,940	4,137	4,344
303	3,242	3,404	3,574	3,753	3,940	4,137	4,344	4,562
306					4,344	4,562	4,790	5,029
307					4,562	4,790	5,029	5,281

**Fiscal Year 2002
City of Tucson
Classified Monthly Salary Scale
Public Safety Schedules**

Commissioned Fire Officers

Effective July 1, 2001 through December 29, 2001

Range										
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
401	2,678	2,810	2,953	3,100	3,256	3,338	3,419	3,504	3,588	3,680
402	2,810	2,953	3,100	3,256	3,419	3,504	3,588	3,680	3,768	3,862
403	2,838	2,971	3,114	3,261	3,416	3,498	3,579	3,665	3,749	3,840
404*						3,680	3,768	3,862	3,956	4,055
405*						3,840	3,929	4,022	4,117	4,216
406						4,259	4,363	4,471	4,580	4,694
407						4,419	4,524	4,632	4,741	4,855
408						4,770	4,887	5,008	5,130	5,257

Flat Rate

Fire Fighter Trainee: \$2,267/month - \$13.0775/hour

*Add \$25/month for fire inspectors and \$150/month for paramedics

Effective December 30, 2001

Range										
No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
401	2,731	2,866	3,012	3,162	3,321	3,404	3,487	3,574	3,660	3,753
402	2,866	3,012	3,162	3,321	3,487	3,574	3,660	3,753	3,844	3,939
403	2,895	3,030	3,176	3,326	3,485	3,568	3,651	3,738	3,824	3,917
404*						3,753	3,844	3,939	4,035	4,136
405*						3,917	4,008	4,103	4,199	4,300
406						4,344	4,451	4,561	4,672	4,788
407						4,508	4,614	4,725	4,836	4,952
408						4,865	4,985	5,108	5,233	5,362

Flat Rate

Fire Fighter Trainee: \$2,312/month - \$13.3391/hour

*Add \$25/month for fire inspectors and \$150/month for paramedics

**Fiscal Year 2002
City of Tucson
Hourly (Seasonal or Intermittent) Schedule**

Class Title	Hourly Rate
City Youth Worker	\$ 5.74
General Maintenance Worker/Trainee	5.74 - 8.35
Convention Center Stage Technician	12.67
Convention Center Stagehand Supervisor	15.43
Camera Operator	11.14 - 16.72
Concession Worker	5.74 - 7.09
Food Server	5.18
Short Order Cook	7.45 - 10.00
Lifeguard	7.89
Water Safety Instructor/Senior Lifeguard	8.21
Swimming Pool Supervisor	8.87
Aquatics Supervisor	10.34
Assistant Recreation Worker	5.87
Recreation Worker	6.80
Senior Recreation Worker	7.61
Fee Class Instructor	7.47 17.27
Recreation Program Coordinator	9.92
Center Services Attendant	6.23
Library Program Instructor	12.96 - 17.37
Water Treatment Plant Operator Assignment: Trainee	
Effective July 1, 2001 through December 29, 2001	11.1932
Effective December 30, 2001	11.3837

CITY OF TUCSON
SUMMARY OF EMPLOYEE BENEFITS*

	Actual FY 2000	Adopted FY 2001	Estimated FY 2001	Adopted FY 2002
<u>Retirement Systems</u>				
Tucson Supplemental	\$ 9,581,312	\$ 10,330,550	\$ 10,218,790	\$ 10,815,640
Public Safety	3,365,110	1,959,640	1,942,230	2,646,190
Elected Officers	41,276	47,470	47,470	47,260
Sub-Total	12,987,698	12,337,660	12,208,490	13,509,090
<u>Insurance</u>				
Employee Benefits				
Group Plan	18,774,085	22,345,540	22,174,370	25,276,720
FICA (Social Security)	11,611,707	12,410,170	12,087,110	12,733,510
Industrial (Workers' Compensation)	4,000,036	4,473,740	4,553,230	4,680,260
Hazardous Waste	430,596	448,290	447,820	475,540
State Unemployment	143,314	30	32,890	165,910
Public Liability	5,995,670	5,485,030	5,567,730	5,214,840
Retiree Medical and Life	1,373,450	1,620,470	1,620,470	1,795,480
Sub-Total	42,328,858	46,783,270	46,483,620	50,342,260
Total	\$ 55,316,556	\$ 59,120,930	\$ 58,692,110	\$ 63,851,350
<u>Source of Funds</u>				
General Fund	\$ 41,346,115	\$ 44,789,260	\$ 44,226,080	\$ 48,121,560
Highway User Revenue Fund	3,795,215	3,868,360	3,880,840	4,338,600
Federal Funds	1,985,496	2,215,720	2,298,520	2,650,440
Golf Course Fund	776,195	969,990	979,040	751,720
Water Utility Fund	7,413,535	7,277,600	7,307,630	7,989,030
Total	\$ 55,316,556	\$ 59,120,930	\$ 58,692,110	\$ 63,851,350

*Employee benefits include fringe benefits for permanent and non-permanent positions, hazardous waste insurance, and public liability insurance.

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
ELECTED AND OFFICIAL MAYOR AND COUNCIL			
1010 Mayor	General Fund		\$ 483,880
1011 Elected Officials Pension - Former Mayors	General Fund		11,540
1020 Council-General Administration	General Fund		114,290
1021 Council-Ward 1	General Fund		302,690
1022 Council-Ward 2	General Fund		314,030
1023 Council-Ward 3	General Fund		310,530
1024 Council-Ward 4	General Fund		313,270
1025 Council-Ward 5	General Fund		311,710
1026 Council-Ward 6	General Fund		306,620
1027 Elected Officials Pension- Former Council Members	General Fund		12,260
DEPARTMENT TOTAL			\$ 2,480,820
CITY MANAGER			
1040 City Manager	General Fund		\$ 1,266,620
Agenda			
1033 Agenda	General Fund		221,100
Annexation			
1045 Annexation	General Fund		167,490
Organizational Development			
1046 Organizational Development	General Fund		194,890
Strategic Planning			
1039 Strategic Planning	General Fund		159,710
Youth and Family Services			
1068 Youth and Family Services	General Fund		2,000,000
1078 Capacity - Youth Related Grants	Miscellaneous Non-Federal Grants		100,000
DEPARTMENT TOTAL			\$ 4,109,810
CITY CLERK			
Administration			
1510 Administration	General Fund		\$ 202,440
Recording and Reporting			
1511 Recording and Reporting	General Fund		724,960
Elections			
1520 Elections	General Fund		1,213,390
1521 Precinct Support	General Fund		182,400
1522 Intermittent Support	General Fund		413,710
1523 Civil Service Support	General Fund		78,250
1540 Campaign Finance	General Fund		180,000

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
CITY CLERK (Continued)			
Records Center			
1530 Records Center	General Fund		\$ 801,560
DEPARTMENT TOTAL			\$ 3,796,710
CITY ATTORNEY			
Administration			
1310 Administration	General Fund		\$ 244,450
Civil			
1311 Civil	General Fund		1,527,610
1324 Internal Litigation	General Fund		-0-
Criminal			
1313 Criminal	General Fund		3,899,390
1314 Drug Enforcement	General Fund	\$ 70,610	
	Miscellaneous Federal Grants	325,340	
Drug Enforcement Sub-Total			395,950
1315 Drug Forfeiture Expenses	General Fund		124,290
1318 Victim Assistance Grant	Miscellaneous Non-Federal Grants		122,620
Consumer Affairs			
1312 Consumer Affairs	General Fund		562,510
DEPARTMENT TOTAL			\$ 6,876,820
NEIGHBORHOOD SERVICES			
CITY COURT			
Judicial			
1410 Judicial	General Fund		\$ 1,990,710
1413 Pre-Trial Services	General Fund		286,000
1416 Drug Grant	Miscellaneous Non-Federal Grants		74,580
1417 Judicial - Special Magistrates	General Fund		115,090
Administration			
1411 Administration	General Fund	\$ 1,420,480	
	Miscellaneous Non-Federal Grants	87,820	
Administration Sub-Total			1,508,300
1412 Probation/Sentence Enforcement	General Fund		889,280
1415 Domestic Violence Probation Unit	General Fund		128,020
1420 Judicial Services	General Fund		767,940
1426 Case Management	General Fund		1,087,200

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
CITY COURT (Continued)			
1427 Court Services	General Fund		\$ 836,840
1428 Public Services	General Fund		1,152,250
1414 Judicial Collection Enhancement Fund	General Fund		175,000
1421 Defensive Driving School	General Fund		260,000
1425 Grant Capacity	Miscellaneous Non-Federal Grants		200,000
Operating Sub-Total			9,471,210
Capital Improvement Program			
1400 City Court	General Fund		577,000
Capital Sub-Total			577,000
DEPARTMENT TOTAL			\$ 10,048,210
COMMUNITY SERVICES			
Department Administration			
9100 Director's Office	General Fund	\$ 109,160	
	Community Development Block Grant	263,590	
	Comprehensive Housing Grant	6,860	
	HOME Program	4,320	
	HOPE VI	94,820	
	Miscellaneous Federal Housing Grants	1,370	
	Public Housing - Section 8 Fund	54,010	
	Public Housing Conventional/Development Fund	10,540	
Director's Office Sub-Total			\$ 544,670
9101 Administrative Services	General Fund	17,400	
	General Fund Earned Revenue	57,000	
	Community Development Block Grant	204,090	
	Comprehensive Housing Grant	9,650	
	HOME Program	16,880	
	HOPE VI	10,180	

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)			
Administrative Services (Continued)	Miscellaneous Federal Housing Grants	\$ 3,630	
	Public Housing - Section 8 Fund	83,280	
	Public Housing Conventional/Development Fund	41,580	
Administrative Services Sub-Total			\$ 443,690
Housing Management			
9110 Housing Management Administration	General Fund	93,150	
	Comprehensive Housing Grant	44,830	
	HOPE VI	10,480	
	Public Housing Conventional/Development Fund	490,740	
Housing Management Administration Sub-Total			639,200
9112 Site Management	General Fund	3,240	
	General Fund Earned Revenue	141,190	
	Comprehensive Housing Grant	15,730	
	Public Housing Conventional/Development Fund	2,738,740	
Site Management Sub-Total			2,898,900
9113 Housing Maintenance	General Fund	194,090	
	General Fund Earned Revenue	35,510	
	Public Housing Conventional/Development Fund	1,890,730	
Housing Maintenance Sub-Total			2,120,330
9114 Tenant Support Services	Community Development Block Grant	10,000	
	Comprehensive Housing Grant	38,330	
	HOPE VI	42,810	

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)			
Tenant Support Services (Continued)	Miscellaneous Federal Housing Grants	\$ 1,042,860	
	Public Housing - Section 8 Fund	77,940	
	Public Housing Conventional/Development Fund	52,780	
Tenant Support Services Sub-Total			\$ 1,264,720
9116 Comprehensive Grant	Comprehensive Housing Grant		4,355,420
9118 HOPE VI Grant	General Fund	2,500	
	General Fund Earned Revenue	1,000,000	
	HOPE VI	1,986,680	
HOPE VI Grant Sub-Total			2,989,180
9119 South Park HOPE VI Grant	General Fund	3,000	
	General Fund Earned Revenue	800,000	
	HOPE VI	12,439,350	
South Park HOPE VI Grant Sub-Total			13,242,350
Technical Services			
9120 Technical Services Administration	General Fund	62,120	
	Community Development Block Grant	40,440	
	Comprehensive Housing Grant	5,470	
	HOME Program	130,750	
Technical Services Administration Sub-Total			238,780
9122 Program Support	General Fund	125,220	
	Community Development Block Grant	25,540	
	HOME Program	120,410	
Program Support Sub-Total			271,170
9123 Housing Development	General Fund	297,910	
	General Fund Earned Revenue	580,000	
	Miscellaneous Non-Federal Grants	500,000	
	HOME Program	6,282,660	
Housing Development Sub-Total			7,660,570

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)			
9125 Agency Contracts	General Fund	\$ 1,685,080	
	Community Development Block Grant	7,405,940	
	Miscellaneous Federal Grants	701,040	
9126 Agency Contracts Sub-Total			\$ 9,792,060
9126 Planning/Environmental	General Fund	225,380	
	Community Development Block Grant	113,730	
	HOME Program	43,340	
	Miscellaneous Federal Housing Grants	1,943,620	
9126 Planning/Environmental Sub-Total			2,326,070
9128 Construction Services	General Fund	30,840	
	Comprehensive Housing Grant	77,540	
	HOME Program	159,490	
	HOPE VI	24,000	
9128 Construction Services Sub-Total			291,870
Housing Assistance			
9130 Housing Assistance Administration	General Fund	3,300	
	General Fund Earned Revenue	28,750	
	Miscellaneous Federal Housing Grants	2,590	
	Public Housing - Section 8 Fund	270,310	
	Public Housing Conventional/Development Fund	6,590	
9130 Housing Assistance Administration Sub-Total			311,540
9131 Information Management	General Fund	1,890	
	Public Housing - Section 8 Fund	111,740	
9131 Information Management Sub-Total			113,630
9132 Inspections	General Fund	4,120	
	Miscellaneous Federal Housing Grants	15,770	
	Public Housing - Section 8 Fund	466,470	
9132 Inspections Sub-Total			486,360

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)			
9133	Contracts/Leases	General Fund	\$ 12,240
		Miscellaneous Federal Housing Grants	7,940
		Public Housing - Section 8 Fund	690,300
	Contracts/Leases Sub-Total		\$ 710,480
9134	Applications	General Fund	910
		Public Housing - Section 8 Fund	121,060
		Public Housing Conventional/Development Fund	77,240
	Applications Sub-Total		199,210
9135	Housing Assistance Projects	Miscellaneous Federal Housing Grants	2,397,400
		Public Housing - Section 8 Fund	19,643,450
	Housing Assistance Projects Sub-Total		22,040,850
Community Conservation and Development			
9140	Community Conservation and Development Administration	Community Development Block Grant	230,860
9141	Citywide Projects	General Fund	89,420
		Community Development Block Grant	1,755,900
		HOME Program	395,590
		Miscellaneous Federal Grants	162,370
	Citywide Projects Sub-Total		2,403,280
9142	City Neighborhoods and Initiatives	General Fund	62,750
		Community Development Block Grant	257,910
		HOME Program	330,720
	City Neighborhoods and Initiatives Sub-Total		651,380
DEPARTMENT TOTAL			\$ 76,226,570
FIRE			
Headquarters			
3011	Headquarters	General Fund	\$ 723,450
3012	Annexation	General Fund	129,040

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
FIRE (Continued)			
3023 Advanced Life Support Cost Recovery	General Fund		\$ 789,390
Operations			
3021 Suppression	General Fund		25,108,330
3022 Emergency Medical Services	General Fund		8,690,580
3065 Sole Provider Compliance Contract	General Fund		40,000
3080 Metropolitan Medical Response System	General Fund		500,000
Code Administration			
3031 Prevention	General Fund		2,315,700
3050 Hazardous Materials Disposal	Risk Management Fund		-0-
3055 Underground Storage	General Fund		38,340
3057 Head and Spinal Injury Prevention	Miscellaneous Non-Federal Grants		350,000
Support Services			
3025 Management Information Services	General Fund		354,130
3040 Fleet Replacement	General Fund		-0-
3041 Support Services	General Fund		2,445,900
3042 Vehicle Maintenance	General Fund		1,959,460
3046 Fire Cause Investigations	General Fund		378,090
Training			
3043 Training	Public Safety Academy Fund		1,430,760
3044 Regional Training	Public Safety Academy Fund		145,000
3045 Aircraft Rescue and Firefighting Facility	Public Safety Academy Fund		80,990
Operating Sub-Total			45,479,160
Capital Improvement Program			
3091 Fire	General Fund - Certificates of Participation	\$ 3,142,500	
	1984 General Obligation Bonds Series G	40,200	
	1994 General Obligation Bonds Series G	75,000	
	2000 General Obligation Bonds	5,222,000	
	Miscellaneous Federal Grants	523,800	
	Miscellaneous Non-Federal Grants	75,700	
Capital Sub-Total			9,079,200
DEPARTMENT TOTAL			\$ 54,558,360

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
LIBRARY			
Administration			
5026 Administration	Library Fund		\$ 1,313,280
Technology Management			
5031 Technology Operations	Library Fund		847,290
5034 Rewiring	Library Fund		5,000
Public Services			
5027 Grants	Miscellaneous Non-Federal Grants		500,000
5032 Circulation Control	Library Fund		295,170
5045 New County Programs	Library Fund		500,000
5060 Main Library	Library Fund		3,055,460
5061 Columbus Library	Library Fund		570,720
5062 Woods Library	Library Fund		718,190
5063 Himmel Library	Library Fund		482,050
5064 Nanini Library	Library Fund		712,580
5065 Marana Library	Library Fund		102,660
5066 Catalina Library	Library Fund		134,960
5067 River Center Library	Library Fund		359,980
5068 Wilmot Library	Library Fund		1,125,290
5069 Bear Canyon Library	Library Fund		383,940
5070 Ajo Library	Library Fund		90,690
5071 Valencia Library	Library Fund		589,310
5072 Mission Library	Library Fund		637,890
5073 Green Valley Library	Library Fund		384,290
5074 El Rio Library	Library Fund		110,650
5075 El Pueblo Library	Library Fund		173,840
5076 Arivaca Library	Library Fund		88,990
5078 Sam Lena Library	Library Fund		140,580
5080 Summer Reading Program	Library Fund		35,000
5081 Golf Links Library	Library Fund		457,510
5082 Infotech Literacy Program	Library Fund		440,030
5083 Technology Assisted Learning Lab	Library Fund		212,470
5084 Oro Valley Library	Library Fund		138,780
Collection Services			
5033 Collection Operations	Library Fund		4,254,850
Outreach Services			
5028 Youth Outreach Services	Library Fund		283,140
5029 Literacy Program	Library Fund		39,620
5077 Jail Library	Library Fund		210,830

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
LIBRARY (Continued)			
5079 Mobile Units - Readrunners	Library Fund		\$ 247,960
5046 Pima County Juvenile Court Center	Library Fund		76,980
Operating Sub-Total			19,719,980
Capital Improvement Program			
5020 Capital Improvement Program	Library Fund	\$ 80,000	
	Miscellaneous Non-Federal		
	Grants	150,000	
	Pima County Bonds	1,250,000	
	1994 General Obligation	700,000	
	Bonds		
	2000 General Obligation	4,600,000	
	Bonds		
Capital Sub-Total			6,780,000
DEPARTMENT TOTAL			\$ 26,499,980
PARKS AND RECREATION			
Administration			
6300 Director's Office	General Fund		\$ 440,200
6301 Planning and Development	General Fund		69,200
6303 Management Services	General Fund		973,300
6304 Public Information Office	General Fund		286,610
Central District			
6310 Central Administration	General Fund		898,080
6312 Tennis Programming	General Fund		163,640
6314 Therapeutics	General Fund		470,030
6315 General Sports Programming	General Fund		990,040
6316 Performing Arts	General Fund		326,620
6317 Leisure Classes	General Fund		1,594,460
6318 Fairs	General Fund		21,460
6323 Hi Corbett Field Maintenance	General Fund		669,300
6324 Reid Park	General Fund		952,760
6326 Shops/Trades	General Fund		873,070
6327 General Maintenance	General Fund		1,036,650
6328 Spring Training	General Fund		110,820
6329 USA Baseball	General Fund		3,450
Southwest District			
6330 Southwest Administration	General Fund		933,030
6332 Southwest KIDCO	General Fund		499,920
6333 Ormsby Recreation Center	General Fund		158,300
6334 Quincie Neighborhood Center	General Fund		427,390

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
PARKS AND RECREATION			
(Continued)			
6335	Cherry Avenue Recreation Center	General Fund	\$ 207,760
6336	El Pueblo Center	General Fund	977,260
6337	Archer Neighborhood Center	General Fund	582,300
6338	Inter-Center Sports Programming	General Fund	15,370
6343	Southwest Parks Maintenance	General Fund	3,292,900
6344	Rodeo Grounds	General Fund	86,360
6325	Civic Events	General Fund	568,210
Northwest District			
6350	Northwest Administration	General Fund	883,900
6352	Northwest KIDCO	General Fund	307,760
6353	Santa Rosa Recreation Center	General Fund	211,710
6354	Oury Recreation Center	General Fund	208,650
6355	Armory Center	General Fund	479,230
6356	Pascua Neighborhood Center	General Fund	273,100
6357	Northwest Neighborhood Center	General Fund	591,620
6358	El Rio Neighborhood Center	General Fund	589,820
6359	Center of Downtown	General Fund	94,050
6360	Performing Arts Center	General Fund	111,340
6361	Balboa Center	General Fund	176,210
6363	Northwest Parks Maintenance	General Fund	3,022,360
6313	Aquatics	General Fund	3,444,350
East District			
6370	East Administration	General Fund	704,880
6371	MIDCO	General Fund	239,350
6372	East KIDCO	General Fund	620,540
6373	Udall Recreation Center	General Fund	922,900
6374	Clements Center	General Fund	597,240
6375	Randolph Center	General Fund	633,460
6376	Freedom Center	General Fund	174,570
6383	East Parks Maintenance	General Fund	3,635,770
Zoo			
6390	Zoo Administration	General Fund	1,849,860
6391	Animal Purchases	General Fund	23,520
6392	Zoo Giftshop	General Fund	3,870
6393	Snack Bar	General Fund	42,950
6394	State Sales Tax	General Fund	53,500
Grants			
6200	Capacity for Non-Federal Grants	Miscellaneous Non-Federal Grants	316,250
6201	Capacity for Federal Grants	Miscellaneous Federal Grants	414,460

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
PARKS AND RECREATION			
(Continued)			
6202 Parks Foundation Grant	General Fund		\$ 190,520
6207 Department of Economic Security Therapeutics	Miscellaneous Non-Federal Grants		63,260
6216 Project Milagro	General Fund		71,950
6217 Adventure Wilderness Training	General Fund		49,370
6234 Communities That Care Phase II	Miscellaneous Federal Grants		219,790
6235 Pima Council on Aging - Congregate Meals	Miscellaneous Federal Grants		157,510
6236 Pima Council on Aging - Home Delivery	Miscellaneous Federal Grants		157,510
Operating Sub-Total			39,165,620
Capital Improvement Program			
6080 Parks Development	1994 General Obligation Bonds Interest	\$ 100,000	
	2000 General Obligation Bonds	10,848,000	
	General Fund - Parks Foundation Grant	90,000	
	Miscellaneous Non-Federal Grant	700,000	
	Pima County Bonds	7,455,200	
Parks Development Sub-Total			19,193,200
6082 Zoo Improvements	2000 General Obligation Bonds		538,000
Capital Sub-Total			19,731,200
DEPARTMENT TOTAL			\$ 58,896,820
TUCSON CITY GOLF			
Administration			
6106 Golf Administration	Golf Fund		\$ 1,185,660
6117 Tournaments	Golf Fund		48,750
6118 Amateur Tournaments	Golf Fund		1,500
6188 State Sales Tax	Golf Fund		164,260
Golf Course Maintenance			
6116 Randolph Golf Course	Golf Fund		2,302,000
6126 Trini Alvarez Golf Course	Golf Fund		1,112,800
6136 Enke Golf Course	Golf Fund		1,102,840
6146 Silverbell Golf Course	Golf Fund		934,370

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON CITY GOLF (Continued)			
Golf Course Clubhouses			
6151 Randolph Clubhouse	Golf Fund		\$ 612,790
6152 Trini Alvarez Clubhouse	Golf Fund		277,410
6153 Silverbell Clubhouse	Golf Fund		278,220
6154 Enke Clubhouse	Golf Fund		264,960
Pro Shops			
6110 Randolph Pro Shop	Golf Fund		946,480
6120 Trini Alvarez Pro Shop	Golf Fund		440,150
6130 Silverbell Pro Shop	Golf Fund		464,380
6140 Enke Pro Shop	Golf Fund		466,220
Operating Sub-Total			10,602,790
Capital Improvement Program			
6190 Capital Improvement Program	Golf Fund	\$ 129,900	
	Golf Fund - Certificates of Participation	417,000	
Capital Sub-Total			546,900
DEPARTMENT TOTAL			\$ 11,149,690
POLICE			
Chief's Office Administration			
2005 Chief's Office	General Fund		\$ 2,804,040
2006 Professional Standards	General Fund		641,290
Grants			
2108 Technology Plan Local Law Enforcement Block Grant (LLEBG) IV	Miscellaneous Federal Grants		36,160
2109 Technology Plan (LLEBG) V	Miscellaneous Federal Grants		600,540
2171 Technology Plan (LLEBG) VI	General Fund	\$ 73,000	
	Miscellaneous Federal Grants	200,510	
Technology Plan (LLEBG) VI Sub-Total			273,510
2148 Technology Plan - Cops More 98	Miscellaneous Federal Grants		1,740,480
2169 Technology Plan - COPLINK IV	Miscellaneous Federal Grants		311,710
2102 Weed and Seed I	Miscellaneous Federal Grants		15,000
2103 Weed and Seed II	Miscellaneous Federal Grants		56,050
2231 Weed and Seed III	Miscellaneous Federal Grants		82,850

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)			
2288 Weed and Seed IV	Miscellaneous Federal Grants		\$ 91,050
2230 Drug Enforcement Administration (DEA) Weed and Seed II	Miscellaneous Federal Grants		3,000
2261 DEA Weed and Seed III	Miscellaneous Federal Grants		30,630
2262 DEA Weed and Seed IV	Miscellaneous Federal Grants		19,370
2275 AZ Vehicle Theft Prevention Task Force IV	General Fund Miscellaneous Non-Federal Grants	\$ 28,000 72,980	
AZ Vehicle Theft Prevention Task Force IV Sub-Total			100,980
2226 AZ Vehicle Theft Prevention Task Force V	General Fund Miscellaneous Non-Federal Grants	26,010 75,990	
AZ Vehicle Theft Prevention Task Force V Sub-Total			102,000
2216 Southern Arizona DUI Task Force IV	Miscellaneous Federal Grants		25,540
2215 Youth Alcohol Enforcement	Miscellaneous Federal Grants		18,000
2217 Aggressive Driving Enforcement Program	Miscellaneous Federal Grants		78,100
2218 Occupant Protection Enforcement Program	Miscellaneous Federal Grants		7,500
2193 Victims' Rights Program IV	Miscellaneous Non-Federal Grants		15,020
2238 Police Projects XVII	Miscellaneous Non-Federal Grants		80,000
2259 Drug Enforcement Administration (DEA) Task Force III	Miscellaneous Federal Grants		2,480
2296 Drug Enforcement Administration (DEA) Task Force IV	Miscellaneous Federal Grants		6,910
2242 U.S. Customs Task Force IV	Miscellaneous Federal Grants		10,000
2243 U.S. Customs Task Force V	Miscellaneous Federal Grants		30,000
2254 Gang Resistance Education and Training (GREAT) VIII	Miscellaneous Federal Grants		156,120

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)			
2255	Gang Resistance Education and Training (GREAT) IX	Miscellaneous Federal Grants	\$ 176,060
2158	AZ Community Policing Training Institute II	General Fund	\$ 2,180
		Miscellaneous Federal Grants	41,370
	AZ Community Policing Training Institute II Sub-Total		43,550
2182	Records Improvement Program IV	General Fund	25,000
		Miscellaneous Federal Grants	75,000
	Records Improvement Program IV Sub-Total		100,000
2232	Drug Enforcement Grant XIV	Miscellaneous Non-Federal Grants	30,000
2233	Drug Enforcement Grant XV	Miscellaneous Federal Grants	483,750
		Miscellaneous Non-Federal Grants	290,250
	Drug Enforcement Grant XV Sub-Total		774,000
2200	Forensics/Police Criminalist XV	Miscellaneous Non-Federal Grants	70,930
2282	Multi-Agency Surveillance Team VI	Miscellaneous Federal Grants	69,240
2265	High Intensity Drug Trafficking Areas XI	Miscellaneous Federal Grants	28,530
2285	High Intensity Drug Trafficking Areas XII	Miscellaneous Federal Grants	90,280
2220	Universal Cops Hiring Grant II	General Fund	204,340
2221	Universal Cops Hiring Grant II (Class 1)	General Fund	389,080
		Miscellaneous Federal Grants	350,680
	Universal Cops Hiring Grant II (Class 1) Sub-Total		739,760
2222	Universal Cops Hiring Grant II (Class 2)	General Fund	400,360
		Miscellaneous Federal Grants	360,230
	Universal Cops Hiring Grant II (Class 2) Sub-Total		760,590

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)			
2223 Universal Cops Hiring Grant II (Class 3)	General Fund	\$ 338,330	
	Miscellaneous Federal Grants	296,290	
Universal Cops Hiring Grant II (Class 3) Sub-Total			\$ 634,620
2246 Universal Cops Hiring Program III	General Fund		217,540
2247 Universal Cops Hiring Program III (Class 1)	General Fund	256,090	
	Miscellaneous Federal Grants	371,340	
Universal Cops Hiring Program III (Class 1) Sub-Total			627,430
2248 Universal Cops Hiring Program III (Class 2)	General Fund	256,090	
	Miscellaneous Federal Grants	371,340	
Universal Cops Hiring Program III (Class 2) Sub-Total			627,430
2249 Universal Cops Hiring Program III (Class 3)	General Fund	362,760	
	Miscellaneous Federal Grants	526,000	
Universal Cops Hiring Program III (Class 3) Sub-Total			888,760
2269 DEA Transportation Group Task Force II	Miscellaneous Federal Grants		2,300
2294 DEA Transportation Group Task Force III	Miscellaneous Federal Grants		6,910
2226 Juvenile Accountability Block Grant II	General Fund	15,120	
	Miscellaneous Federal Grants	93,230	
Juvenile Accountability Block Grant II Sub-Total			108,350
Juvenile Accountability Block Grant III	General Fund	37,000	
	Miscellaneous Federal Grants	246,720	
Juvenile Accountability Block Grant II Sub-Total			283,720
2227 Cops in Schools	General Fund	15,530	
	Miscellaneous Federal Grants	127,290	
Cops in Schools Sub-Total			142,820

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)			
2104	HEAT II (HIDTA XI)	Miscellaneous Federal Grants	\$ 2,000
2105	HEAT III (HIDTA XII)	Miscellaneous Federal Grants	4,000
2280	Victims of Crime Act Grant	General Fund	\$ 15,000
		Miscellaneous Federal Grants	44,740
	Victims of Crime Act Grant Sub-Total		59,740
2195	Miscellaneous Federal Grants	General Fund	30,000
		Miscellaneous Federal Grants	960,000
	Miscellaneous Federal Grants Sub-Total		990,000
2196	Miscellaneous State Grants	Miscellaneous Non-Federal Grants	500,000
2298	Fund 001 Miscellaneous Matching Grants	General Fund	100,000
Forfeitures			
2083	Anti-Racketeering Fund	General Fund	800,000
2084	Vehicle Fund	General Fund	125,000
2086	Major Offenders Unit (MOU) Forfeiture Fund	General Fund	200,000
2088	Metropolitan Area Narcotics Trafficking Interdiction Squad (MANTIS) Anti-Racketeering Fund Reimbursement	General Fund	469,000
2110	Crime Lab Assessment Fund	General Fund	150,000
2139	Federal Crime Control and Restitution	Miscellaneous Federal Grants	600,000
2146	MANTIS Anti-Racketeering Fund	General Fund	1,520
Administrative Services Bureau			
2020	Administrative Resources	General Fund	8,068,970
2025	Fleet Control	General Fund	5,954,450
2420	Expediter's Unit	General Fund	537,920
2421	Community Service Officer Program	General Fund	1,377,800
2425	Communication Division	General Fund	4,302,020
2505	Data Services Section	General Fund	1,222,210
2515	Records Section	General Fund	2,439,040
2070	Warrants Program	General Fund	214,250

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)			
Field Services Bureau			
2310 Operations Division South	General Fund		\$ 7,729,730
2320 Operations Division West	General Fund		8,189,290
2330 Operations Division Midtown	General Fund		7,819,780
2340 Operations Division East	General Fund		8,158,810
Support Services Bureau			
2400 Field Support Administration	General Fund		527,080
2010 Human Resources	General Fund		1,441,180
2011 Training	Public Safety Academy Fund		1,843,670
2012 Regional Training Center	Public Safety Academy Fund		160,000
2013 Training Equipment	Public Safety Academy Fund		50,000
2014 Correctional Officers Training Academy (COTA) Reimbursement	Public Safety Academy Fund		160,000
2015 Off Duty Program	General Fund		3,138,640
2016 Pima College Reimbursement	Public Safety Academy Fund		60,000
2430 Air Support	General Fund	\$ 131,000	
	General Fund - Certificates of Participation	1,023,300	
Air Support Sub-Total			1,154,300
2440 Canine Unit	General Fund		685,980
2450 Special Weapons and Tactics (SWAT)	General Fund		611,610
2455 Explosives/Hazardous Devices	General Fund		154,540
2460 Driving Under the Influence (DUI) Squad	General Fund		652,020
2465 Motors	General Fund		2,052,260
2865 Traffic Investigation	General Fund		372,480
2470 Special Support Unit	General Fund		338,720
2410 Crime Prevention	General Fund		878,250
2480 School Resource Officer Program	General Fund		1,416,850
Investigative Services Bureau			
2800 Investigative Administration	General Fund		374,050
2710 Identification Section	General Fund		1,551,020
2720 Evidence	General Fund		640,810
2730 Crime Laboratory	General Fund		1,474,710
2810 Special Investigations Section	General Fund		1,484,640

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)			
2830 Metropolitan Area Narcotics Trafficking Interdiction Squad (MANTIS) Street Narcotics	General Fund		\$ 835,240
2835 Metropolitan Area Narcotics Trafficking Interdiction Squad (MANTIS) Conspiracy Section	General Fund		792,880
2855 Family Crimes Section	General Fund		1,483,400
2857 Sex Crimes Section	General Fund		1,388,770
2860 Violent Offenses Section	General Fund		3,195,650
2870 Special Problems Section	General Fund		965,650
2880 Major Theft Section	General Fund		1,617,970
2895 Investigations Support Section	General Fund		1,110,360
Operating Sub-Total			106,593,750
Capital Improvement Program			
2091 Police	Public Safety Academy - Certificates of Participation	\$ 321,500	
	2000 General Obligation Bonds	1,402,000	
Capital Sub-Total			1,723,500
DEPARTMENT TOTAL			\$ 108,317,250
CITIZEN AND NEIGHBORHOOD SERVICES			
1044 Citizen and Neighborhood Services	General Fund		\$ 861,120
1042 Citizen and Neighborhood Services NETeams	General Fund		25,700
Operating Sub-Total			886,820
Capital Improvement Program			
1075 General Government	General Fund	\$ 5,250,000	
	Highway User Revenue Fund - Section 14	1,275,000	
	Community Development Block Grant	3,718,000	
Capital Sub-Total			10,243,000
TOTAL			\$ 11,129,820
INDEPENDENT POLICE AUDITOR			
1087 Independent Police Auditor	General Fund		\$ 143,000
TOTAL			\$ 143,000
PUBLIC DEFENDER			
1460 Office of the Public Defender	General Fund		\$ 2,072,480
TOTAL			\$ 2,072,480

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
ENVIRONMENT AND DEVELOPMENT			
DEVELOPMENT SERVICES			
Administration			
1740 Administration	General Fund		\$ 1,753,950
1747 Property and Housing Complaints and Public Information	General Fund		639,010
Customer Services			
1741 Administrative Support	General Fund		67,850
1742 Records Management	General Fund		130,940
1743 Permitting	General Fund		214,030
Field Inspection			
1744 Commercial	General Fund		1,083,650
1745 Residential	General Fund		811,950
1746 Sign	General Fund		298,420
Plans Review			
1748 Plans Review	General Fund		858,310
1749 Zoning Plans Review	General Fund		617,130
1750 Engineering Plans Review	General Fund		622,840
DEPARTMENT TOTAL			\$ 7,098,080
PLANNING			
Administration			
1450 Planning Administration	General Fund		\$ 579,790
Regional Planning and Research			
1452 Regional Planning and Research	General Fund		641,970
Community Planning and Preservation			
1453 Community Planning and Preservation	General Fund		916,620
1479 Urban Form Grant	Miscellaneous Federal Grants		30,000
1480 Grant Capacity	Miscellaneous Federal Grant		80,000
Land Use Code and Development Review			
1454 Land Use Code and Development Review	General Fund		686,590
Zoning Administration and Compliance			
1456 Zoning Administration and and Compliance	General Fund		634,500
DEPARTMENT TOTAL			\$ 3,569,470
SOLID WASTE MANAGEMENT			
Administration			
4601 Administration	Solid Waste Management Fund		\$ 785,250

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
SOLID WASTE MANAGEMENT (Continued)			
4603 Tucson Clean and Beautiful	Solid Waste Management Fund		\$ 49,530
Customer Service and Environmental Planning			
4610 Customer Support and Billing	Solid Waste Management Fund		539,630
4613 Program Development and Planning	Solid Waste Management Fund		2,516,770
4614 Recycling Grant	Miscellaneous Non-Federal Grants		410,000
4615 Code Enforcement	Solid Waste Management Fund		611,600
4616 EPA Recycling Collection Grant	Miscellaneous Federal Grants		7,100
Collections			
4632 Annexations	Solid Waste Management Fund		25,500
4633 Residential Collections	Solid Waste Management Fund		10,388,020
4635 Brush and Bulky	Solid Waste Management Fund		1,490,850
4639 Commercial Collections	Solid Waste Management Fund		4,540,370
4641 Container Maintenance	Solid Waste Management Fund		809,530
4655 Transfer Station	Solid Waste Management Fund		765,250
Refuse Disposal			
4650 Engineering and Compliance	Solid Waste Management Fund		1,138,460
4653 Landfill Operations	Solid Waste Management Fund		4,802,500
4657 Household Hazardous Waste Program	Solid Waste Management Fund		275,080
Operating Sub-Total			29,155,440
Capital Improvement Program			
4700 Solid Waste Management	Environmental and Solid Waste Mandate Reserves	\$ 654,800	
	1994 General Obligation Bonds Series B	925,200	
	2000 General Obligation Bonds	6,110,000	
Capital Sub-Total			7,690,000
DEPARTMENT TOTAL			\$ 36,845,440

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION			
Management Services			
4910 Office of the Director	General Fund	\$ 95,250	
	Highway User Revenue Fund - Section 14	1,178,210	
	Office of the Director Sub-Total		\$ 1,273,460
4917 Graffiti Abatement	General Fund	127,600	
	Highway User Revenue Fund - Section 14	92,400	
	Graffiti Abatement Sub-Total		220,000
4963 Administrative Services	General Fund	121,360	
	Highway User Revenue Fund - Section 14	182,030	
	Management Services Sub-Total		303,390
4964 Network Support	General Fund	278,410	
	Highway User Revenue Fund	1,056,170	
	Network Support Sub-Total		1,334,580
4965 Financial Services	General Fund	17,010	
	Highway User Revenue Fund	36,240	
	Financial Services Sub-Total		53,250
Transit Services			
4922 Transit Services Administration	Mass Transit Fund		517,380
4923 Americans with Disabilities Act (ADA) Compliance	Mass Transit Fund		239,950
4916 State Grant Capacity - Transit Services Administration	Mass Transit Fund		116,000
Sun Tran			
4972 State Grant Capacity - Sun Tran	Mass Transit Fund		589,440
4973 Capital/Non-grant Expenses	Mass Transit Fund		20,000
4975 Operations Administration	Mass Transit Fund		1,335,700
4976 Scheduling	Mass Transit Fund		314,120
4977 Revenue Vehicles - Operation	Mass Transit Fund		16,331,400
4978 Revenue Vehicles - Maintenance	Mass Transit Fund		636,980
4979 Revenue Vehicles - Servicing	Mass Transit Fund		756,090
4980 Revenue Vehicles - Inspection/Maintenance	Mass Transit Fund		3,185,170
4981 Revenue Vehicles - Accident Repair	Mass Transit Fund		16,550
4982 Revenue Vehicles - Vandalism Repair	Mass Transit Fund		21,290

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)			
4983	Section 9 Grant Eligible Expenses	Mass Transit Fund	\$ 2,303,790
4984	Service Vehicles - Maintenance	Mass Transit Fund	62,630
4985	Parts Management	Mass Transit Fund	141,690
4986	Compressed Natural Gas Grant Capacity	Mass Transit Fund	70,000
4987	Maintenance of Fare Collection/Counting Equipment	Mass Transit Fund	102,980
4988	Maintenance of Other Buildings, Grounds, Equipment	Mass Transit Fund	1,111,240
4990	Maintenance of Bus Shelters	Mass Transit Fund	259,260
4991	Management Information Systems	Mass Transit Fund	119,400
4992	Ticketing and Fare Collection	Mass Transit Fund	73,780
4993	General Administration	Mass Transit Fund	2,232,420
4994	Customer Service and Communications	Mass Transit Fund	1,172,620
4995	General Function	Mass Transit Fund	437,650
4996	Accounting	Mass Transit Fund	408,760
4997	Parts and Purchasing	Mass Transit Fund	114,360
4998	Personnel	Mass Transit Fund	331,240
4999	Safety	Mass Transit Fund	113,690
Van Tran			
4880	General Administration	Mass Transit Fund	1,661,320
4881	Vehicle Operations	Mass Transit Fund	3,573,480
4882	Vehicle Maintenance	Mass Transit Fund	449,020
4883	Section 9 Grant Eligible Expenses	Mass Transit Fund	333,000
4884	State Grant Capacity-Van Tran	Mass Transit Fund	520,280
Transportation Planning			
4915	Planning Administration	General Fund	\$ 114,600
		Highway User Revenue Fund - Section 14	160,220
	Planning Administration Sub-Total		274,820
4902	Section 8 Planning Grant	General Fund	31,270
		Federal Highway Administration Transportation Efficiency Act (TEA)	124,300
	Section 8 Grant Planning Sub-Total		155,570
4904	Non-Federal Grants	Miscellaneous Non-Federal Grants	245,000

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)			
4905	Federal Grants		\$ 250,000
4907	Alternate Modes Planning	Federal Highway Administration - TEA	87,410
4908	Roadway Planning	General Fund	43,150
4946	Stormwater Quality	Highway User Revenue Fund - Section 14	769,590
4962	Tucson Stormwater Management System Planning	General Fund	214,640
Engineering			
4930	Engineering Administration	General Fund	\$ 59,570
		Highway User Revenue Fund - Section 14	431,920
	Engineering Administration Sub-Total		491,490
4909	Pavement Management System Grants	Federal Highway Administration - TEA	372,900
4920	Engineering Records	Highway User Revenue Fund - Section 14	266,960
4924	Improvement Districts	General Fund	183,570
4926	Engineering Design	Highway User Revenue Fund - Section 14	315,020
4928	Assessment Assistance	General Fund	8,030
4931	Field Engineering	Highway User Revenue Fund - Section 14	307,400
4947	Capital Program Support	General Fund	-0-
4949	Survey	Highway User Revenue Fund - Section 14	240,580
4959	Permits and Codes	Highway User Revenue Fund - Section 14	91,350
Real Estate			
4932	Real Estate Administration	General Fund	262,470
4927	Negotiations	General Fund	61,140
4955	Property Management	General Fund	205,300
4956	Appraisals	General Fund	104,980
4957	Services	General Fund	124,410
Street and Traffic Maintenance			
4933	Street Maintenance Administration	Highway User Revenue Fund - Section 14	1,799,440

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)			
4913 Maintenance Management Program Administration	Highway User Revenue Fund - Section 14		\$ 565,230
4934 Paved Surface Maintenance	Highway User Revenue Fund - Section 14		5,365,550
4935 Weed Control	Highway User Revenue Fund - Section 14		703,660
4936 Street Cleaning	Highway User Revenue Fund - Section 14		1,711,920
4937 Drainage Channel Maintenance	Highway User Revenue Fund - Section 14		520,160
4938 Citizen and Neighborhood Services	Highway User Revenue Fund - Section 14		186,900
4939 Other Maintenance	Highway User Revenue Fund - Section 14		733,640
4951 Electric Shop - Signal and Street Light Maintenance	General Fund Highway User Revenue Fund - Section 14	\$ 704,000 3,630,980	
Electric Shop - Signal and Street Light Maintenance Sub-Total			4,334,980
4952 Electric Shop - Traffic Signal Electronic Maintenance	Highway User Revenue Fund - Section 14		602,840
4953 Median Island and Roadside Maintenance	Highway User Revenue Fund - Section 14		2,255,240
4954 Electric Shop - Bluestake and Electronics Inspection	Highway User Revenue Fund - Section 14		346,670
4960 Paint/Sign Shop - Sign Installation	Highway User Revenue Fund - Section 14		527,760
4961 Paint/Sign Shop - Striping	Highway User Revenue Fund - Section 14		762,490
4967 Non-paved Surface Maintenance	Highway User Revenue Fund - Section 14		447,950
4968 Storm Damage Repairs	Highway User Revenue Fund - Section 14		498,360
4969 Concrete Work	Highway User Revenue Fund - Section 14		302,220
Traffic Engineering			
4940 Traffic Engineering Administration	Highway User Revenue Fund - Section 14		374,640
4941 Citizen Request Studies	Highway User Revenue Fund - Section 14		566,360
4943 Intelligent Transportation Systems	Highway User Revenue Fund - Section 14		1,028,590

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)			
4948 Neighborhood Traffic Management	Highway User Revenue Fund - Section 14		\$ 299,850
4945 Transportation Enterprise Area Management (TEAM) - Administration	General Fund		423,330
4901 TEAM - Parking Enforcement	General Fund		270,530
4903 TEAM - Budget Capacity for Additional Revenues	General Fund		147,800
4906 TEAM - Special Services and Projects	General Fund		123,080
4942 TEAM - Parking Operations and Maintenance	General Fund		986,090
Operating Sub-Total			73,818,420
Capital Improvement Program			
4051 Streets	1994 Street and Highway Revenue Bonds Series E	\$ 9,896,000	
	2000 Street and Highway Revenue Bonds	1,500,000	
	2000 General Obligation Bonds	400,000	
	Arizona Department of Transportation	500,000	
	Highway User Revenue Fund - Section 14	5,626,000	
	Pima Association of Governments	11,851,000	
	Capital Agreements Fund	250,000	
	General Fund	400,000	
	Federal Highway Administration - TEA	21,555,000	
	University of Arizona Contribution	100,000	
Streets Sub-Total			52,078,000
4052 Drainage	1994 General Obligation Bonds Series E	1,948,700	
	2000 General Obligation Bonds	11,400,000	
	Capital Agreements Fund	350,000	
Drainage Sub-Total			13,698,700

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)			
4055 Street Lighting	2000 General Obligation Bonds	\$ 2,627,000	
	General Fund	129,000	
	Highway User Revenue Fund - Section 14	338,000	
	Federal Highway Administration - TEA	47,000	
Street Lighting Sub-Total			\$ 3,141,000
4056 Traffic Signals	Capital Agreements Fund	38,000	
	Federal Highway Administration - TEA	1,025,000	
	Highway User Revenue Fund - Section 14	2,105,000	
	Pima Association of Governments	62,000	
	Tucson Unified School District Contributions	130,000	
Traffic Signals Sub-Total			3,360,000
4971 Public Transit	1994 General Obligation Bonds Series D	650,000	
	Highway User Revenue Fund - Section 14	60,000	
	Mass Transit TEA	869,600	
	Mass Transit TEA - Local	27,400	
	Mass Transit Section 3	6,499,600	
	Mass Transit Section 3 - Local	1,126,400	
	Mass Transit Section 9	15,345,400	
	Mass Transit Section 9 - Local	3,375,600	
	Mass Transit State Grants	428,000	
	University of Arizona	7,000	
Public Transit Sub-Total			28,389,000
Capital Sub-Total			100,666,700
DEPARTMENT TOTAL			\$ 174,485,120
TUCSON WATER			
Director's Office			
7416 Director's Office	Water Revenue and Operations Fund		\$ 2,470,990
7319 Customer Outreach	Water Revenue and Operations Fund		1,052,460

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)			
7418 Personnel Services	Water Revenue and Operations Fund		\$ 634,030
7400 Low Income Assistance	Water Revenue and Operations Fund		105,600
Business Services			
7317 Billing Office	Water Revenue and Operations Fund		2,127,780
7327 Westside Metering Services	Water Revenue and Operations Fund		1,690,390
7329 Eastside Metering Services	Water Revenue and Operations Fund		1,373,190
7417 Financial Services	Water Revenue and Operations Fund		1,332,350
7432 Information Services	Water Revenue and Operations Fund		1,113,900
7455 Pueblo Utility Billing System	Water Revenue and Operations Fund		1,274,540
Water Operations and Maintenance			
7117 Control Systems Operations	Water Revenue and Operations Fund		8,431,810
7137 Equipment Maintenance	Water Revenue and Operations Fund		2,897,750
7157 Well Maintenance	Water Revenue and Operations Fund		935,920
7177 Plant Maintenance	Water Revenue and Operations Fund		2,572,130
7217 Support Services	Water Revenue and Operations Fund		1,642,220
7227 Distribution Maintenance	Water Revenue and Operations Fund		1,678,760
7237 Service Maintenance	Water Revenue and Operations Fund		3,045,810
Planning and Engineering			
7318 Backflow Prevention	Water Revenue and Operations Fund		489,320
7425 Administrative and Project Support	Water Revenue and Operations Fund		855,760
7426 Plant Design	Water Revenue and Operations Fund		510,440

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)			
7427	Distribution Design	Water Revenue and Operations Fund	\$ 348,220
7428	Construction	Water Revenue and Operations Fund	596,680
7429	Mapping/Geographical Information Systems	Water Revenue and Operations Fund	840,610
7430	Water System Evaluation	Water Revenue and Operations Fund	753,090
7457	Research and Technical Support	Water Revenue and Operations Fund	1,384,690
Water Quality Management			
7127	Reclaimed Water System	Water Revenue and Operations Fund	2,143,190
7200	Clearwater Renewable Resource Facility	Water Revenue and Operations Fund	4,963,930
7431	Water Quality Laboratory	Water Revenue and Operations Fund	1,582,400
7434	Water Quality Technical Support and Development	Water Revenue and Operations Fund	744,710
7435	Tucson Airport Remediation Project	Water Revenue and Operations Fund	785,210
7470	Water Treatment Administrative Support	Water Revenue and Operations Fund	936,020
7471	Water Treatment Plant Operations	Water Revenue and Operations Fund	921,860
7472	Water Treatment Plant Maintenance	Water Revenue and Operations Fund	557,580
7473	Water Treatment Instrumentation and Control	Water Revenue and Operations Fund	256,510
7475	Water Quality Compliance and Regulatory Support	Water Revenue and Operations Fund	354,110
Other Budgetary Requirements			
7437	General Expense	Water Revenue and Operations Fund	17,071,030
7438	Administrative Service Charges	Water Revenue and Operations Fund	7,525,070
7439	Capitalized Operating and Maintenance Expense	Water Revenue and Operations Fund	(4,722,500)
7491	Private Water Company Contract Payments	Water Revenue and Operations Fund	316,190

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)			
7498 Debt Service: Water Revenue Bonds	Water Revenue and Operations Fund		\$ 25,504,000
7MBP Multiple Benefit Water Projects	Water Revenue and Operations Fund		50,000
Operating Sub-Total			99,147,750
Capital Improvement Program			
7510 Potable Source Development	2000 Water Revenue Bonds	\$ 2,231,000	
	Water Revenue and Operations Fund	167,000	
Potable Source Development Sub-Total			2,398,000
7511 Recharge and Recovery	2000 Water Revenue Bonds	13,536,000	
	Central Arizona Project Reserve Fund	962,000	
	Water Revenue and Operations Fund	2,376,000	
Recharge and Recovery Sub-Total			16,874,000
7520 Potable Storage	2000 Water Revenue Bonds	3,340,000	
	Water Revenue and Operations Fund	55,000	
Potable Storage Sub-Total			3,395,000
7530 Potable Pumping Plant	2000 Water Revenue Bonds	1,289,000	
	Water Revenue and Operations Fund	205,000	
Potable Pumping Plant Sub-Total			1,494,000
7540 Potable Transmission Mains	2000 Water Revenue Bonds		4,913,000
7550 Potable Distribution	2000 Water Revenue Bonds	4,526,800	
	Water Revenue and Operations Fund	1,685,000	
Potable Distribution Sub-Total			6,211,800
7560 Potable New Services	Water Revenue and Operations Fund		1,517,000
7570 General Plant	2000 Water Revenue Bonds	3,234,000	
	Water Revenue and Operations Fund	1,551,000	
General Plant Sub-Total			4,785,000
7591 Potable Treatment	2000 Water Revenue Bonds	923,000	
	Water Revenue and Operations Fund	489,000	
Potable Treatment Sub-Total			1,412,000

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)			
7595 Potable Process Control	Water Revenue and Operations Fund	\$ 55,000	
	2000 Water Revenue Bonds	1,570,000	
	Potable Process Control Sub-Total		\$ 1,625,000
7599 Capitalized Expense	Water Revenue and Operations Fund		4,722,000
7610 Reclaimed Source Development	2000 Water Revenue Bonds		1,025,000
7620 Reclaimed Storage	2000 Water Revenue Bonds	2,228,000	
	Water Revenue and Operations Fund	55,000	
	Reclaimed Storage Sub-Total		2,283,000
7630 Reclaimed Pumping Plant	2000 Water Revenue Bonds	200,000	
	Water Revenue and Operations Fund	55,000	
	Reclaimed Pumping Plant Sub-Total		255,000
7640 Reclaimed Transmission	2000 Water Revenue Bonds		1,653,000
7650 Reclaimed Distribution	2000 Water Revenue Bonds	855,000	
	Water Revenue and Operations Fund	145,000	
	Reclaimed Distribution Sub-Total		1,000,000
7660 Reclaimed New Services	Water Revenue and Operations Fund		25,000
7691 Reclaimed Treatment	2000 Water Revenue Bonds		36,000
7695 Reclaimed Process Control	2000 Water Revenue Bonds	100,000	
	Water Revenue and Operations Fund	305,000	
	Reclaimed Process Control Sub-Total		405,000
	Capital Sub-Total		56,028,800
DEPARTMENT TOTAL			\$ 155,176,550
ENVIRONMENTAL MANAGEMENT			
1080 Environmental Management Administration	General Fund		\$ 315,380
1081 Environmental Regulation	General Fund		959,230
1083 Environmental Operating and Maintenance Costs	General Fund		1,010,830
1097 Brownsfield Grant - Environmental Management	Miscellaneous Federal Grants		38,340
	Operating Sub-Total		2,323,780

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
ENVIRONMENTAL MANAGEMENT			
(Continued)			
Capital Improvement Program			
1085 Environmental Management	1994 General Obligation Bonds Series E	\$ 1,431,600	
	2000 General Obligation Bonds	1,370,000	
	Capital Agreements Fund	1,000,000	
	Environmental and Solid Waste Mandate Reserves	1,404,800	
	Water Quality Assurance Revolving Fund	3,100,000	
Capital Sub-Total			\$ 8,306,400
TOTAL			\$ 10,630,180
HISTORIC PRESERVATION OFFICE			
1092 Historic Preservation	General Fund		\$ 156,350
1063 Heritage Rehabilitation Grant II	Miscellaneous Non-Federal Grants		210,000
1093 Cheney House Rehabilitation Grant	Miscellaneous Non-Federal Grants		55,000
1096 Midtown National Register Nomination	Miscellaneous Federal Grant	\$ 10,000	
	Miscellaneous Non-Federal Grants	6,600	
Midtown National Register Nomination Sub-Total			16,600
TOTAL			\$ 437,950
ZONING EXAMINER			
1043 Zoning Examiner	General Fund		\$ 149,940
TOTAL			\$ 149,940
STRATEGIC INITIATIVES			
TUCSON CONVENTION CENTER Administration			
1716 Administration	Tucson Convention Center Fund		\$ 595,800
1722 Box Office	Tucson Convention Center Fund		389,680
1723 Parking	Tucson Convention Center Fund		158,070

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON CONVENTION CENTER (Continued)			
1726 Parking Improvement	Tucson Convention Center Fund		\$ 200,000
Sales and Marketing			
1718 Sales and Marketing	Tucson Convention Center Fund		499,040
Facilities and Operations			
1720 Operations	Tucson Convention Center Fund		4,079,940
1721 Stage	Tucson Convention Center Fund		342,000
1725 Facility Fee Improvements	Tucson Convention Center Fund		700,000
DEPARTMENT TOTAL			\$ 6,964,530
ECONOMIC DEVELOPMENT			
1048 Business Assistance	General Fund	\$ 1,476,490	
	Community Development Block Grant Fund	150,000	
Business Assistance Sub-Total			\$ 1,626,490
1041 Tucson Film Office	General Fund		189,260
TOTAL			\$ 1,815,750
INTERGOVERNMENTAL RELATIONS			
1030 Intergovernmental Relations	General Fund		\$ 539,340
TOTAL			\$ 539,340
TUCSON-MÉXICO PROJECT			
1062 Tucson-México Project	General Fund		\$ 449,410
TOTAL			\$ 449,410
SUPPORT SERVICES			
BUDGET AND RESEARCH			
Administration			
1260 Administration	General Fund		\$ 497,030
Budget Management			
1261 Budget Management	General Fund		1,224,240
1264 Budget Reporting and Analysis Support System	General Fund		500,000
Performance Systems			
1266 Performance Systems	General Fund		97,470
DEPARTMENT TOTAL			\$ 2,318,740

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
FINANCE			
Director's Office			
1210 Director's Office	General Fund		\$ 392,040
Audit			
1220 Administration	General Fund		225,890
1223 Tax Audit	General Fund		923,460
1225 Internal Audit	General Fund		413,290
Accounting			
1230 Administration	General Fund		429,380
1231 Services	General Fund		723,810
1232 Operations	General Fund		464,840
1233 Systems	General Fund		105,800
Treasury/Pension			
1240 Investments	General Fund		192,780
1241 Collections	General Fund		782,030
9021 Pension	Tucson Supplemental Retirement System		-0-
Revenue			
1250 Revenue Administration	General Fund		491,280
1251 License	General Fund		945,180
1252 Investigations	General Fund		664,750
1253 Delinquent Accounts	General Fund		182,740
Risk Management			
1270 Risk Management Administration	Risk Management/Self Insurance Fund		-0-
1271 Claims	Risk Management/Self Insurance Fund		-0-
1272 Loss Prevention	Risk Management/Self Insurance Fund		-0-
9967 Liability	Risk Management/Self Insurance Fund		-0-
9977 Workers' Compensation	Risk Management/Self Insurance Fund		-0-
DEPARTMENT TOTAL			\$ 6,937,270
HUMAN RESOURCES			
Administration			
1610 Administration	General Fund		\$ 767,230
Employment and Compensation			
1612 Employment and Compensation	General Fund		1,037,270
Employee Benefits and Records			
1616 Employee Benefits and Records	General Fund		430,580
Employee Development			
1630 Employee Development	General Fund		835,250
DEPARTMENT TOTAL			\$ 3,070,330

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
INFORMATION TECHNOLOGY			
Administration			
1551 Information Technology Administration	General Fund		\$ 783,950
1555 Strategic Initiatives	General Fund		448,110
Telecommunications			
1575 Telecommunications	General Fund		419,760
1579 Wiring Projects	General Fund		423,650
1580 Public Access Fund	General Fund		67,720
Applications			
1583 Applications	General Fund		1,844,290
Support Services			
1593 Customer Services	General Fund		801,330
1594 Network Services	General Fund		3,373,910
1597 Operations	General Fund		2,138,020
1598 Facilities Management	General Fund		462,740
DEPARTMENT TOTAL			\$ 10,763,480
OPERATIONS			
Administration			
4120 Departmental Grants	Miscellaneous Federal Grants	\$ 1,500,000	
	Miscellaneous Non-Federal Grants	1,500,000	
	Departmental Grants Sub-Total		\$ 3,000,000
4132 Operations Administration	General Fund		734,810
4135 Environment and Regulations	General Fund		99,910
Facilities Design and Management			
4101 Facilities Administration	General Fund		187,330
4102 Public Building Maintenance	General Fund		4,786,300
4105 Maintenance Management and Planning	General Fund		303,100
4107 Building Maintenance and Improvements	General Fund		1,487,370
4112 Custodial Services	General Fund		320,590
Architecture and Engineering			
4114 Architecture and Engineering Administration	General Fund		220,650
4115 Architectural and Engineering Services	General Fund		296,200

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
OPERATIONS (Continued)			
4116 Project Coordinators	General Fund		\$ 97,740
Technical Planning and Resources			
4151 Technical Planning and Resources	General Fund		896,580
4153 Energy Star Building Program	General Fund		561,140
Fleet Services			
4201 Fleet Services Administration	Fleet Services Fund		119,790
4202 Fleet Maintenance and Repair	Fleet Services Fund		9,681,530
4203 Fleet Programs and Systems Support	Fleet Services Fund		181,370
4204 Fleet Planning and Utilization	Fleet Services Fund		113,440
4206 Intergovernmental Agreements - Non-City Agency Billings	Fleet Services Fund		37,500
4210 Compressed Natural Gas Fuel Costs	Fleet Services Fund		1,491,020
4215 Liquid Fuel Costs	Fleet Services Fund		4,045,930
4242 Motor Pool	Fleet Services Fund		857,460
4250 Fleet Acquisitions	Fleet Services Fund		8,518,140
4251 Fleet Inter-Activity Credits	Fleet Services Fund		(25,046,180)
Communications			
4301 Communications Administration	General Fund		185,610
4305 Communications Data Services	General Fund		702,890
4311 Radio Operations	General Fund		4,510,630
4312 Telecommunications Systems	General Fund		268,130
4320 Communications Maintenance of Data Systems	General Fund		148,020
4321 Communications Tri-Band Repeater	General Fund		77,920
4322 Radio Maintenance	General Fund		107,960
Operating Sub-Total			18,992,880
Capital Improvement Program			
4400 Buildings and Equipment	General Fund	\$ 1,673,400	
	General Fund - Debt Financing	5,000,000	
	1984 General Obligation Bonds Series G	164,800	
Buildings and Equipment Sub-Total			6,838,200
4500 Americans with Disabilities Act	General Fund		345,600
Capital Sub-Total			7,183,800
DEPARTMENT TOTAL			\$ 26,176,680

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
PROCUREMENT			
Administration			
1350 Administration	General Fund		\$ 613,620
1363 Auction Expense	General Fund		13,230
Reprographics			
1352 Reprographics	General Fund		-0-
Stores			
1353 Stores	General Fund		1,195,090
Contract Administration			
1354 Contract Administration	General Fund		447,760
1351 On-line Procurement Integration System	General Fund		161,910
Mail Services			
1355 Mail Services	General Fund		260,190
Purchasing			
1356 Purchasing	General Fund		592,240
Architectural Engineering Contracts			
1359 Architecture and Engineering Contract Services	General Fund		111,920
DEPARTMENT TOTAL			\$ 3,395,960
COMMUNITY RELATIONS			
1050 Community Relations	General Fund		\$ 801,200
1051 Video Productions	General Fund		597,550
1052 Video Productions-Intermittent Staff	General Fund		56,970
1065 Community Relations - Department Charges	General Fund		-0-
TOTAL			\$ 1,455,720
EQUAL OPPORTUNITY OFFICE			
1035 Equal Opportunity Office	General Fund		\$ 772,930
1031 Gay, Lesbian, Bisexual, Trans-gender Commission Support	General Fund		20,000
TOTAL			\$ 792,930
GRANTS OFFICE			
1034 Grants Office	General Fund		\$ 164,130
TOTAL			\$ 164,130

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
NON-DEPARTMENTAL			
OUTSIDE AGENCIES			
1840	Payments to Other Governments	General Fund	
		Highway User Revenue	
		Fund - Section 14	
	Payments to Other Governments		\$ 1,174,000
	Sub-Total		
1810	Economic Development	General Fund	3,007,000
1812	Cultural Enrichment	General Fund	1,211,850
1820	Community Health and Safety	General Fund	400,140
1815	Mayor and Council Appointed Commissions	General Fund	33,750
1842	Annual Community Events	General Fund	121,100
1825	Tucson Community Cable Corporation (Access Tucson)	General Fund	1,166,400
TOTAL			\$ 7,114,240
GENERAL EXPENSE			
1826	Technological Enhancements	General Fund	\$ 1,271,800
1827	Geographical Information Systems	General Fund	209,840
1830	Other General Government Expense	General Fund	1,900,400
1831	Cultural/Educational Youth Travel	General Fund	20,000
1832	A-7 Grant Funded Projects	General Fund	\$ 60,710
		Miscellaneous Non-Federal Grants	131,200
	A-7 Grant Funded Projects Sub-total		191,910
1833	A-7 Grant Capacity	Miscellaneous Non-Federal Grants	150,000
1834	A-7 Ranch Operations	General Fund	239,290
1835	800 E. 12th St. Acquisition	General Fund	100,000
1836	North 6th Avenue Acquisition	General Fund	298,000
1837	Tucson Convention Center Switchgear Project	General Fund	1,047,500
1839	Other General Expenditures	General Fund	4,000,000
1843	Development Services Information Technology Upgrade	General Fund	115,000
1846	Rio Nuevo Project Staff	General Fund	-0-
1847	Development Services Remodeling Project	General Fund	639,000

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
GENERAL EXPENSE (Continued)			
1848 Human Resources Consulting	General Fund		\$ 211,000
1851 Neighborhood Protection/ Improvement Initiatives	General Fund		700,000
1852 Downtown Employee Allowance	General Fund		500,000
1853 Equity Compensation Adjustment	General Fund		1,000,000
1854 Golf Reimbursement Fund	General Fund		107,000
1857 Coverage for 1% Cuts	General Fund		225,980
1858 Pay Adjustment for Non-Comm- issioned Personnel	General Fund		563,920
1859 Fleet Replacement Reduction	General Fund		(2,600,000)
1860 Indirect Cost	General Fund		(4,493,000)
1861 Administrative Support-Highway User Revenue Fund	Highway User Revenue Fund - Section 14		153,670
1890 Retiree Medical Insurance	General Fund		1,655,480
Operating Sub-Total			8,206,790
Capital Improvement Program			
Building Facilities Project	General Fund - Reserves	\$ 5,619,000	
	General Fund - Certificates of Participation	2,196,600	
	General Obligation Bond Funds	805,100	
Capital Sub-Total			8,620,700
TOTAL			\$ 16,827,490
DEBT SERVICE			
1991 Highway Expansion and Extension Loan Program	Highway User Revenue Fund - Section 14		\$ 267,000
1992 Business Development Finance Corporation Fixed Rate Debt	General Fund		5,567,140
1993 Hi Corbett Field Debt Service	General Fund		906,960
1994 Lease Purchases Debt Service	General Fund	\$ 368,220	
	Solid Waste Management Fund	451,140	
Lease Purchases Debt Service Sub-Total			819,360
1995 Certificates of Participation Debt Service	General Fund	2,342,140	
	General Fund - Zoo Revenue	387,600	
	Solid Waste Management Fund	1,158,440	
	Public Safety Academy Fund	252,930	

SOURCE OF FUNDS BY ORGANIZATION

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
DEBT SERVICE (Continued)			
Certificates of Participation Debt Service (Continued)	Highway User Revenue Fund - Section 14	\$ 1,842,790	
	Community Development Block Grant Fund	46,260	
	Public Housing Conventional/Development Fund	2,570	
	Public Housing - Section 8 Fund	136,410	
	HOME Program	9,610	
Certificates of Participation Debt Service Sub-Total			\$ 6,178,750
1996 General Obligation Debt Service	General Obligation Debt Service Fund		20,953,750
1997 Street and Highway Debt Service	Street and Highway Debt Service Fund		15,562,900
1998 Assessment Districts	General Fund		6,000
TOTAL			\$ 50,261,860
CONTINGENCY			
1999 Contingency Fund	General Fund		\$ 175,000
TOTAL			\$ 175,000
TOTAL ANNUAL BUDGET			\$ 903,921,930

FUND BALANCE ANALYSIS
FISCAL YEAR 2002
(Millions of Dollars)

	Beginning		Appropriations					Ending Balance
	Balance	Revenues	Operating	Capital	Debt Service	Contingency	Total	
<u>General Purpose Funds</u>								
General Fund ⁽¹⁾	\$ 25.968	\$ 300.597	\$ 290.984	\$ 25.828	\$ 9.578	\$ 0.175	\$ 326.565	\$ -0-
Solid Waste Management Fund	2.747	28.256	28.738	0.655	1.610	-0-	31.003	-0-
Library Fund	0.552	18.748	19.220	0.080	-0-	-0-	19.300	-0-
Public Safety Academy Fund	-0-	4.505	3.930	0.322	0.253	-0-	4.505	-0-
Tucson Convention Center Fund	0.158	6.807	6.965	-0-	-0-	-0-	6.965	-0-
Mass Transit Fund	2.502	64.843	39.673	27.672	-0-	-0-	67.345	-0-
Total General Purpose Funds	31.927	423.756	389.510	54.557	11.441	0.175	455.683	-0-
<u>Special Revenue Funds</u>								
Capital Agreements Fund	7.332	18.761	-0-	26.093	-0-	-0-	26.093	-0-
Highway User Revenue Fund - Section 14 ⁽²⁾	47.992	28.279	27.892	11.847	2.110	-0-	41.849	34.422
Miscellaneous Non-Federal Grants	-0-	7.083	6.157	0.926	-0-	-0-	7.083	-0-
Total Special Revenue Funds	55.324	54.123	34.049	38.866	2.110	-0-	75.025	34.422
<u>Federal Funds</u>								
Community Development Block Grant	-0-	11.779	10.458	1.275	0.046	-0-	11.779	-0-
Public Housing Funds	-0-	59.037	58.888	-0-	0.149	-0-	59.037	-0-
Transportation Efficiency Act	-0-	23.124	0.497	22.627	-0-	-0-	23.124	-0-
Miscellaneous Federal Grants	-0-	13.676	13.152	0.524	-0-	-0-	13.676	-0-
Total Federal Funds	-0-	107.616	82.995	24.426	0.195	-0-	107.616	-0-

FUND BALANCE ANALYSIS
FISCAL YEAR 2002
(Millions of Dollars)

	Beginning		Appropriations					Ending Balance
	Balance	Revenues	Operating	Capital	Debt Service	Contingency	Total	
<u>Debt Service Funds</u>								
General Obligation Debt Service Fund	\$ -0-	\$ 20.954	\$ -0-	\$ -0-	\$ 20.954	\$ -0-	\$ 20.954	\$ -0-
Street and Highway Debt Service Fund	-0-	15.563	-0-	-0-	15.563	-0-	15.563	-0-
Total Debt Service Funds	-0-	36.517	-0-	-0-	36.517	-0-	36.517	-0-
<u>Capital Projects Funds</u>								
General Obligation Bonds Funds ⁽³⁾	23.364	28.180	-0-	51.358	-0-	-0-	51.358	0.186
Street and Highway Revenue Bonds Funds ⁽³⁾	2.510	15.500	-0-	11.396	-0-	-0-	11.396	6.614
Total Capital Projects Funds	25.874	43.680	-0-	62.754	-0-	-0-	62.754	6.800
<u>Enterprise Funds</u>								
Golf Course Fund	-0-	11.150	10.603	0.547	-0-	-0-	11.150	-0-
Water Revenue and Operations Fund ⁽⁴⁾	7.585	113.747	73.268	14.369	25.882	-0-	113.519	7.813
Water Revenue Bonds Funds ⁽³⁾	18.596	44.213	-0-	41.660	-0-	-0-	41.660	21.149
Total Enterprise Funds	26.181	169.110	83.871	56.576	25.882	-0-	166.329	28.962
TOTAL	\$ 139.306	\$ 834.802	\$ 590.425	\$ 237.179	\$ 76.145	\$ 0.175	\$ 903.924	\$ 70.184

Notes:

- (1) The city has set aside \$17,118,000 as an unbudgeted strategic reserve that is not reflected in this balance. This reserve can only be used for extraordinary and unforeseen expenditures or in the event of a sudden substantial decline in projected revenues. Its use requires approval of Mayor and Council. This amount is equal to approximately 4.5% of the total adopted general purpose revenues. (See page E-4)
- (2) Fund reserves have been built up as part of the city's management plan to provide available Highway User Revenue Fund resources for the retirement of future debt service requirements on street and highway revenue bonds and to provide available resources to finance capital improvement needs.
- (3) Bond fund balances are restricted
- (4) Water Revenue and Operations Fund's beginning and ending balances reflect working capital. These funds are restricted, by Mayor and Council policy and bond covenants, to meet operating and capital requirements of the Utility.

FUND STATEMENTS

GENERAL PURPOSE FUNDS

Schedule I	General Fund
Schedule II	Solid Waste Management Fund
Schedule III	Library Fund
Schedule IV	Public Safety Academy Fund
Schedule V	Tucson Convention Center Fund
Schedule VI	Mass Transit Fund

SPECIAL REVENUE FUNDS

Schedule VII	Capital Agreements Fund
Schedule VIII	Highway User Revenue Fund - Section 14
Schedule IX	Miscellaneous Non-Federal Grants

FEDERAL FUNDS

Schedule X	Community Development Block Grant
Schedule XI	Public Housing Funds
Schedule XII	Transportation Efficiency Act
Schedule XIII	Miscellaneous Federal Grants

DEBT SERVICE FUNDS

Schedule XIV	General Obligation Debt Service Fund
Schedule XV	Street and Highway Debt Service Fund

CAPITAL PROJECTS FUNDS

Schedule XVI	General Obligation Bonds Funds
Schedule XVII	Street and Highway Revenue Bonds Funds

ENTERPRISE FUNDS

Schedule XVIII	Golf Course Fund
Schedule XIX	Water Revenue and Operations Fund
Schedule XX	Water Revenue Bonds Funds

SCHEDULE I
GENERAL FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001 \$ 25.968

Revenues

Primary Property Tax	\$ 2.931
Business Privilege Tax	105.770
Other Local Taxes	14.431
Licenses and Permits	16.677
Fines and Forfeitures	6.746
Use of Money and Property	5.929
Grants and Shared Taxes	58.152
State Revenue Sharing	51.047
Charges for Services	16.770
Non-Revenue Receipts	11.578
Non-Recurring	<u>10.566</u>

Total Revenues 300.597

TOTAL AVAILABLE FOR APPROPRIATION \$ 326.565

REQUIREMENTS

Operating

Mayor and Council	\$ 2.481
City Manager	4.010
City Clerk	3.797
City Attorney	6.429
City Court	9.109
Community Services	5.666
Fire	42.972
Parks and Recreation	37.837
Police	94.336
Citizen and Neighborhood Services	0.887
Independent Police Auditor	0.143
Public Defender	2.073
Development Services	7.098
Planning	3.459
Transportation	5.771

SCHEDULE I (Continued)

GENERAL FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

REQUIREMENTS

Operating (Continued)

Environmental Management	\$ 2.285
Historic Preservation Office	0.156
Zoning Examiner	0.150
Office of Economic Development	1.666
Intergovernmental Relations	0.539
Tucson-Mexico Project	0.449
Budget and Research	2.319
Finance	6.937
Human Resources	3.070
Information Technology	10.764
Operations	15.993
Procurement	3.396
Community Relations	1.456
Equal Opportunity Office	0.793
Grants Office	0.164
Outside Agencies	7.007
General Expense	7.772
Debt Service	9.578
Contingency	<u>0.175</u>

Total Operating Budget	\$ 300.737
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Capital

City Court	0.577
Fire	3.142
Parks and Recreation	0.090
Citizen and Neighborhood Services	5.250
Transportation	0.529
Environmental Management	1.405
Operations	7.019
General Expense	<u>7.816</u>

Total Capital	<u>25.828</u>
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TOTAL REQUIREMENTS	<u><u>\$ 326.565</u></u>
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SCHEDULE II

SOLID WASTE MANAGEMENT FUND
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 2.747
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Revenues

Business Privilege Tax	\$ 18.062	
Licenses and Permits	0.010	
Charges for Services	<u>10.184</u>	

Total Revenues		<u>28.256</u>
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TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 31.003</u></u>
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REQUIREMENTS

Operating

Solid Waste Management	\$ 28.738	
Debt Service	<u>1.610</u>	

Total Operating		\$ 30.348
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Capital

Solid Waste Management	<u>0.655</u>	
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Total Capital		<u>0.655</u>
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TOTAL REQUIREMENTS		<u><u>\$ 31.003</u></u>
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SCHEDULE III

LIBRARY FUND

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001 \$ 0.552

Revenues

Business Privilege Tax \$ 8.404
Grants and Shared Taxes 9.739
Charges for Services 0.605

Total Revenues 18.748

TOTAL AVAILABLE FOR APPROPRIATION \$ 19.300

REQUIREMENTS

Operating
Library \$ 19.220

Total Operating \$ 19.220

Capital
Library 0.080

Total Capital 0.080

TOTAL REQUIREMENTS \$ 19.300

SCHEDULE IV

PUBLIC SAFETY ACADEMY FUND
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$	-0-
Revenues			
Business Privilege Tax	\$	3.355	
Charges for Services		0.828	
Non-Recurring		<u>0.322</u>	
Total Revenues			<u>4.505</u>
TOTAL AVAILABLE FOR APPROPRIATION			<u><u>\$ 4.505</u></u>

REQUIREMENTS

Operating			
Fire	\$	1.657	
Police		2.273	
Debt Service		<u>0.253</u>	
Total Operating			\$ 4.183
Capital			
Police		<u>0.322</u>	
Total Capital			<u>0.322</u>
TOTAL REQUIREMENTS			<u><u>\$ 4.505</u></u>

SCHEDULE V

TUCSON CONVENTION CENTER FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001 \$ 0.158

Revenues

Business Privilege Tax \$ 2.994

Charges for Services 3.813

Total Revenues 6.807

TOTAL AVAILABLE FOR APPROPRIATION \$ 6.965

REQUIREMENTS

Operating

Tucson Convention Center \$ 6.965

TOTAL REQUIREMENTS \$ 6.965

SCHEDULE VI

MASS TRANSIT FUND
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 2.502
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Revenues

Business Privilege Tax	\$ 25.871
Grants and Shared Taxes	3.889
Charges for Services	10.259
Federal Grants	2.109
Non-Recurring Federal Grants	<u>22.715</u>

Total Revenues	<u>64.843</u>
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TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$ 67.345</u></u>
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REQUIREMENTS

Operating

Transportation	<u>\$ 39.673</u>
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Total Operating	\$ 39.673
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Capital

Transportation	<u>27.672</u>
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Total Capital	<u>27.672</u>
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TOTAL REQUIREMENTS	<u><u>\$ 67.345</u></u>
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SCHEDULE VII

CAPITAL AGREEMENTS FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001 \$ 7.332

Revenues

Local Grants \$ 18.761

Total Revenues 18.761

TOTAL AVAILABLE FOR APPROPRIATION \$ 26.093

REQUIREMENTS

Capital

Library \$ 1.250

Parks and Recreation 7.455

Transportation 13.288

Environmental Management 4.100

TOTAL REQUIREMENTS \$ 26.093

SCHEDULE VIII

HIGHWAY USER REVENUE FUND - SECTION 14
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 47.992
Revenues		
Grants and Shared Taxes	\$ 26.774	
Interest Earnings	<u>1.505</u>	
Total Revenues		28.279
Estimated Ending Fund Balance June 30, 2002		<u>(34.422)</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 41.849</u></u>

REQUIREMENTS

Operating		
Transportation	\$ 27.632	
General Expense	0.153	
Outside Agencies	0.107	
Debt Service	<u>2.110</u>	
Total Operating		30.002
Capital		
Citizen and Neighborhood Services	3.718	
Transportation	<u>8.129</u>	
Total Capital		<u>11.847</u>
TOTAL REQUIREMENTS		<u><u>\$ 41.849</u></u>

SCHEDULE IX

MISCELLANEOUS NON-FEDERAL GRANTS
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Other Grants	<u>\$ 7.083</u>	
Total Revenues		<u>7.083</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 7.083</u></u>

REQUIREMENTS

Operating		
City Manager	\$ 0.100	
City Attorney	0.123	
City Court	0.362	
Community Services	0.500	
Fire	0.350	
Library	0.500	
Parks and Recreation	0.379	
Police	1.135	
Solid Waste Management	0.410	
Transportation	0.245	
Historic Preservation Office	0.272	
Operations	1.500	
General Expense	<u>0.281</u>	
Total Operating		\$ 6.157
Capital		
Fire	0.076	
Library	0.150	
Parks and Recreation	<u>0.700</u>	
Total Capital		<u>0.926</u>
TOTAL REQUIREMENTS		<u><u>\$ 7.083</u></u>

SCHEDULE X

COMMUNITY DEVELOPMENT BLOCK GRANT
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Federal Grant	<u>\$ 11.779</u>	
Total Revenues		<u>11.779</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 11.779</u></u>

REQUIREMENTS

Operating		
Community Services	\$ 10.308	
Office of Economic Development	0.150	
Debt Service	<u>0.046</u>	
Total Operating		\$ 10.504
Capital		
Citizen and Neighborhood Services	<u>1.275</u>	
Total Capital		<u>1.275</u>
TOTAL REQUIREMENTS		<u><u>\$ 11.779</u></u>

SCHEDULE XI

PUBLIC HOUSING FUNDS

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002

(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001 \$ -0-

Revenues

Conventional	\$ 5.311
Section 8	21.655
Miscellaneous Federal Housing	5.415
Comprehensive Housing	4.554
HOME	7.494
HOPE VI	<u>14.608</u>

Total Revenues 59.037

TOTAL AVAILABLE FOR APPROPRIATION \$ 59.037

REQUIREMENTS

Operating

Community Services	\$ 58.888
Debt Service	<u>0.149</u>

TOTAL REQUIREMENTS \$ 59.037

SCHEDULE XII

TRANSPORTATION EFFICIENCY ACT
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Federal Grants	<u>\$ 23.124</u>	
Total Revenues		<u>23.124</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 23.124</u></u>

REQUIREMENTS

Operating		
Transportation	<u>\$ 0.497</u>	
Total Operating		\$ 0.497
Capital		
Transportation	<u>22.627</u>	
Total Capital		<u>22.627</u>
TOTAL REQUIREMENTS		<u><u>\$ 23.124</u></u>

SCHEDULE XIII

MISCELLANEOUS FEDERAL GRANTS
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Federal Grants	<u>\$ 13.676</u>	
Total Revenues		<u>13.676</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 13.676</u></u>

REQUIREMENTS

Operating		
City Attorney	\$ 0.325	
Community Services	0.864	
Fire	0.500	
Parks and Recreation	0.949	
Police	8.849	
Planning	0.110	
Solid Waste Management	0.007	
Environmental Management	0.038	
Historic Preservation Office	0.010	
Operations	<u>1.500</u>	
Total Operating		\$ 13.152
Capital		
Fire	<u>0.524</u>	
Total Capital		<u>0.524</u>
TOTAL REQUIREMENTS		<u><u>\$ 13.676</u></u>

SCHEDULE XIV

GENERAL OBLIGATION DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Secondary Property Tax	<u>\$ 20.954</u>	
Total Revenues		<u>20.954</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 20.954</u></u>

REQUIREMENTS

Operating		
Debt Service	<u>\$ 20.954</u>	
TOTAL REQUIREMENTS		<u><u>\$ 20.954</u></u>

SCHEDULE XV

STREET AND HIGHWAY DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Grants and Shared Taxes	<u>\$ 15.563</u>	
Total Revenues		<u>15.563</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 15.563</u></u>

REQUIREMENTS

Operating		
Debt Service	<u>\$ 15.563</u>	
TOTAL REQUIREMENTS		<u><u>\$ 15.563</u></u>

SCHEDULE XVI

GENERAL OBLIGATION BONDS FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 23.364
Revenues		
General Obligation Bonds	<u>\$ 28.180</u>	
Total Revenues		28.180
Estimated Ending Fund Balance June 30, 2002		<u>(0.186)</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 51.358</u></u>

REQUIREMENTS

Capital		
Fire	\$ 5.337	
Library	5.300	
Parks and Recreation	11.486	
Police	1.402	
Solid Waste Management	7.035	
Transportation	17.026	
Environmental Management	2.802	
Operations	0.165	
General Expense	<u>0.805</u>	
TOTAL REQUIREMENTS		<u><u>\$ 51.358</u></u>

SCHEDULE XVII

STREET AND HIGHWAY REVENUE BONDS FUNDS
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 2.510
Revenues		
Street and Highway Revenue Bonds	<u>\$ 15.500</u>	
Total Revenues		15.500
Estimated Ending Fund Balance June 30, 2002		<u>(6.614)</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u>\$ 11.396</u>

REQUIREMENTS

Capital		
Transportation	<u>\$ 11.396</u>	
TOTAL REQUIREMENTS		<u>\$ 11.396</u>

SCHEDULE XVIII

GOLF COURSE FUND

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ -0-
Revenues		
Golf Course	\$ 8.866	
Clubhouse	1.578	
Certificates of Participation	0.417	
Other	<u>0.289</u>	
Total Revenues		<u>11.150</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 11.150</u></u>

REQUIREMENTS

Operating		
Golf	<u>\$ 10.603</u>	
Total Operating		\$ 10.603
Capital		
Golf	<u>0.547</u>	
Total Capital		<u>0.547</u>
TOTAL REQUIREMENTS		<u><u>\$ 11.150</u></u>

SCHEDULE XIX

WATER REVENUE AND OPERATIONS FUND
 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 7.585
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Revenues

Metered Water Sales	\$ 95.819	
Sales Tax	6.922	
Connection Fees	2.898	
Sewer Billing Services	1.484	
Interest Earnings	1.158	
Central Arizona Project Reserve Fund	0.962	
Miscellaneous Other Revenues	<u>4.504</u>	

Total Revenues		113.747
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Estimated Ending Fund Balance June 30, 2002		<u>(7.815)</u>
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TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 113.517</u></u>
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REQUIREMENTS

Operating

Water	\$ 73.266	
Debt Service	<u>25.882</u>	

Total Operating		\$ 99.148
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Capital

Water	<u>14.369</u>	
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Total Capital		<u>14.369</u>
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TOTAL REQUIREMENTS		<u><u>\$ 113.517</u></u>
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SCHEDULE XX

WATER REVENUE BONDS FUNDS
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2002
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2001		\$ 18.596
Revenues		
Water Revenue Bonds	<u>\$ 44.213</u>	
Total Revenues		44.213
Estimated Ending Fund Balance June 30, 2002		<u>(21.149)</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 41.660</u></u>

REQUIREMENTS

Capital		
Water	<u>\$ 41.660</u>	
TOTAL REQUIREMENTS		<u><u>\$ 41.660</u></u>

CAPITAL BUDGET SUMMARY

This section summarizes the Approved Five-Year Capital Improvement Program (CIP) for Fiscal Years 2002 through 2006. The CIP is focused on maintaining and improving the economic, environmental, and social characteristics of the area so that residents can lead healthy, productive, and enjoyable lives.

Capital improvement projects are assigned to city departments to ensure proper project management. The following two tables summarize CIP expenditures by budget category and by funding source. For more detailed summaries, see Tables I and II on pages F-5 and F-7.

Five-Year CIP Summary of Expenditures			
(\$000s)			
	Year 1 FY 2002	Five-Year Total	Five-Year Funded
Neighborhood Services	\$ 48,681	\$ 265,104	\$ 118,757
Environment and Development	172,692	657,865	456,328
Strategic Initiatives	-0-	13,867	-0-
Support Services	7,184	102,906	79,184
Non-Departmental	8,620	79,153	79,153
City-Funded Subtotal	\$ 237,177	\$ 1,118,895	\$ 733,422
Non-City Funded	2,332	5,356	5,356
Program Total	\$ 239,509	\$ 1,124,251	\$ 738,778

Five-Year CIP Summary of Funding Sources		
(\$000s)		
	Year 1 FY 2002	Five-Year Total
City Bonds	\$ 102,504	\$ 254,114
Recurring Revenues	62,427	184,984
Federal Grants	47,140	117,570
Non-Bonded Debt	11,078	153,230
Pima County Bonds	8,705	15,501
Other Miscellaneous Funds	5,323	8,023
City-Funded Subtotal	\$ 237,177	\$ 733,422
Non-City Funds	2,332	5,356
Funded Program Subtotal	\$ 239,509	\$ 738,778
Unfunded	-0-	385,473
Program Total	\$ 239,509	\$ 1,124,251

DEPARTMENT PROGRAMS

The following section summarizes the department programs within each budget category. Further detail on department programs and specific projects is available in Volume III, Approved Five-Year Capital Improvement Program.

Neighborhood Services

Projects in the Neighborhood Services category include those managed by City Court, Fire, Library, Parks and Recreation, Tucson City Golf, Police, and Citizen and Neighborhood Services.

City Court: The City Court program of \$52.9 million will complete renovation of the existing City Court building (\$0.6 million) and includes an unfunded project for a new court facility (\$52.3 million).

Fire Department: The Fire Department's program of \$33.5 million includes projects to acquire equipment, and to improve and expand facilities. Fifty-four percent, or \$18 million, of the program is funded, providing for the following projects: completion of the Aircraft Rescue and Firefighting Facility and four new substations, the acquisition of mobile data terminals, and facility improvements. Unfunded are improvements to the Public Safety Training Academy and another substation.

Library: The Library Department's program totals \$33.3 million. Only twenty-three percent, or \$7.5 million, of the program is funded for improvements to the Midtown, Quincie Douglas, George-Miller Golf Links, and El Pueblo Libraries. Unfunded are additional library branches and long-term improvements to the Main Library plaza.

Parks and Recreation: The Parks and Recreation program of \$84 million provides for the renovation of existing facilities and the development of new facilities. Fifty-nine percent, or \$49.3 million, of the program is funded, primarily from city and county bond authorizations. Unfunded are miscellaneous

improvements to existing facilities and the construction of new facilities.

Tucson City Golf: Improvements to the Fred Enke, Randolph, and Silverbell Golf Courses will be completed with the \$1.3 million in the Tucson City Golf CIP. All of these projects are funded either directly from golf course revenues or through debt financing repaid from golf course revenues.

Police: Facility and equipment improvements totaling \$27.5 million are included in the Police Department's CIP. The thirty-four percent, or \$9.4 million, of the program that is funded provides for a new substation, miscellaneous facility improvements, and land acquisition at the Public Safety Training Academy. Unfunded projects include a new forensics building and an additional substation.

Citizen and Neighborhood Services: Funding for the Back to Basics program—basic infrastructure improvements in targeted neighborhoods—is budgeted in Citizen and Neighborhood Services. The five-year total for this project is \$32.6 million.

Environment and Development

The Environment and Development category contains projects managed by the following: Solid Waste Management, Transportation, Tucson Water, and Environmental Management.

Solid Waste Management: The Solid Waste Management program totals \$39.1 million for the construction of new landfill capacity, closure and gas mitigation at existing landfills, and facility improvements. Twenty-nine percent, or \$11.5 million, of the program is funded. Unfunded projects include mandated landfill closures and post-closure care, improvements to the existing transfer station, and construction of a new transfer station and a new administration and training facility.

Transportation: Improving the city's multi-modal transportation system is the goal of Transportation's program of \$362.4 million. The two largest program areas are Streets and Public

Transit, with projects totaling \$161.6 million and \$136.7 million, respectively. The other program areas total \$64.1 million for drainage, street lighting, and traffic signal improvements. Seventy-one percent, or \$258.2 million, of the total program is funded. Unfunded are \$104.2 million of high priority Transportation projects.

Tucson Water: Tucson Water's \$244.3 million program includes \$203.3 million for improvements to the potable water system and \$41 million to the reclaimed water system. Seventy-three percent, or \$178.3 million, of the program is funded.

Improvements to the potable water system emphasize recharging and recovering Colorado River water, and improving storage capacity, pumping efficiency, and hydraulics throughout the system. A revitalized preventive maintenance program includes corrosion evaluation projects to ensure the integrity of distribution and transmission mains.

Reclaimed water system projects will facilitate implementation of the Reclaimed Water Master Plan that focuses on the recharge and recovery of reclaimed water, rather than plant treatment, and provides for the construction and expansion of transmission mains within identified priority areas.

Environmental Management: This five-year CIP totals \$17.4 million for continued groundwater investigations and remediations at the Price Service Center and the city's landfills. Seventy-eight percent, or \$13.6 million, of the Environmental Management program is funded. Unfunded projects include the completion of the Los Reales Landfill project and a possible Tumamoc Landfill investigation.

CONCLUSION

This five-year program responds to presently identified capital improvement needs and addresses all legally mandated environmental projects for Fiscal Year 2002. However, the program does exhaust voter-approved bond

Strategic Initiatives

The Strategic Initiatives category contains projects managed by the Tucson Convention Center.

Arena bleachers, new meeting rooms, music hall lighting, and a new parking structure totaling \$13.9 million are included in the Tucson Convention Center's CIP. None of these projects has an identified funding source, although Rio Nuevo funding for the meeting rooms and parking structure is being reviewed.

Support Services

The Support Services category contains projects managed by the Department of Operations.

The Operations program of \$102.9 million is for facility upgrades. Seventy-seven percent, or \$79.2 million, of the program is funded, primarily for a new emergency communications system and facility. Unfunded are two new multi-service centers and expansion of the existing weld shop.

Non-Departmental

The Non-Departmental category contains projects budgeted as part of General Expense.

General Expense: The General Expense program totals \$79.2 million. The program is presented as fully funded, although \$66 million is included for budget capacity with no specific project identified. The remaining funding provides for the completion of the Midtown Multipurpose Center at 22nd and Alvernon, and the renovation or relocation of the Mayor and Council chambers.

authorizations, and the implementation of unfunded projects in future CIPs will be constrained by limitations on bonding capacity and the city's fiscal ability to cover operating and maintenance costs from recurring revenues.

ATTACHED TABLES

- Table I** Five-Year Capital Improvement Program Summary by Department
- Table II** Five-Year Capital Improvement Program Summary by Funding Source
- Table III** Five-Year Capital Improvement Program Summary Operating Cost Impact on Recurring Revenue
- Table IV** Five-Year Capital Improvement Program Summary Estimated Inflationary Impact

TABLE I
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY DEPARTMENT
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Neighborhood Services	12,158.7	36,522.1	48,680.8	66,023.0	80,229.0	39,261.0	30,910.0	265,103.8
City Court	-	577.0	577.0	6,111.0	22,128.0	22,810.0	1,271.0	52,897.0
Fire	3,058.6	6,020.6	9,079.2	9,422.0	14,176.0	865.0	-	33,542.2
Library	-	6,780.0	6,780.0	11,602.0	14,933.0	-	-	33,315.0
Parks and Recreation	3,613.7	16,117.5	19,731.2	25,515.0	23,052.0	9,071.0	6,620.0	83,989.2
Tucson City Golf	521.9	25.0	546.9	136.0	340.0	41.0	198.0	1,261.9
Police	321.5	1,402.0	1,723.5	7,637.0	-	874.0	17,221.0	27,455.5
Citizen and Neighborhood Services	4,643.0	5,600.0	10,243.0	5,600.0	5,600.0	5,600.0	5,600.0	32,643.0
Environment and Development	42,045.9	130,646.0	172,691.9	139,420.0	140,455.0	116,196.0	89,102.0	657,864.9
Solid Waste Management	2,270.0	5,420.0	7,690.0	4,225.0	10,521.0	15,248.0	1,454.0	39,138.0
Transportation	32,873.7	67,793.0	100,666.7	78,887.0	81,389.0	54,930.0	41,142.0	357,014.7
Tucson Water	4,695.8	51,333.0	56,028.8	53,498.0	44,425.0	44,779.0	45,546.0	244,276.8
Environmental Management	2,206.4	6,100.0	8,306.4	2,810.0	4,120.0	1,239.0	960.0	17,435.4
Strategic Initiatives	-	-	-	3,427.0	10,440.0	-	-	13,867.0
Tucson Convention Center	-	-	-	3,427.0	10,440.0	-	-	13,867.0
Support Services	1,719.0	5,464.8	7,183.8	13,432.0	23,280.0	21,256.0	37,754.0	102,905.8
Operations	1,719.0	5,464.8	7,183.8	13,432.0	23,280.0	21,256.0	37,754.0	102,905.8
Non-Departmental	5,280.1	3,340.6	8,620.7	16,783.0	31,250.0	17,500.0	5,000.0	79,153.7
General Expense	5,280.1	3,340.6	8,620.7	16,783.0	31,250.0	17,500.0	5,000.0	79,153.7
City Total	61,203.7	175,973.5	237,177.2	239,085.0	285,654.0	194,213.0	162,766.0	1,118,895.2

TABLE I
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY DEPARTMENT
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Non-City Funded	578.0	1,754.0	2,332.0	1,170.0	660.0	644.0	550.0	5,356.0
Special Assessments	578.0	1,754.0	2,332.0	1,170.0	660.0	644.0	550.0	5,356.0
Total	61,781.7	177,727.5	239,509.2	240,255.0	286,314.0	194,857.0	163,316.0	1,124,251.2

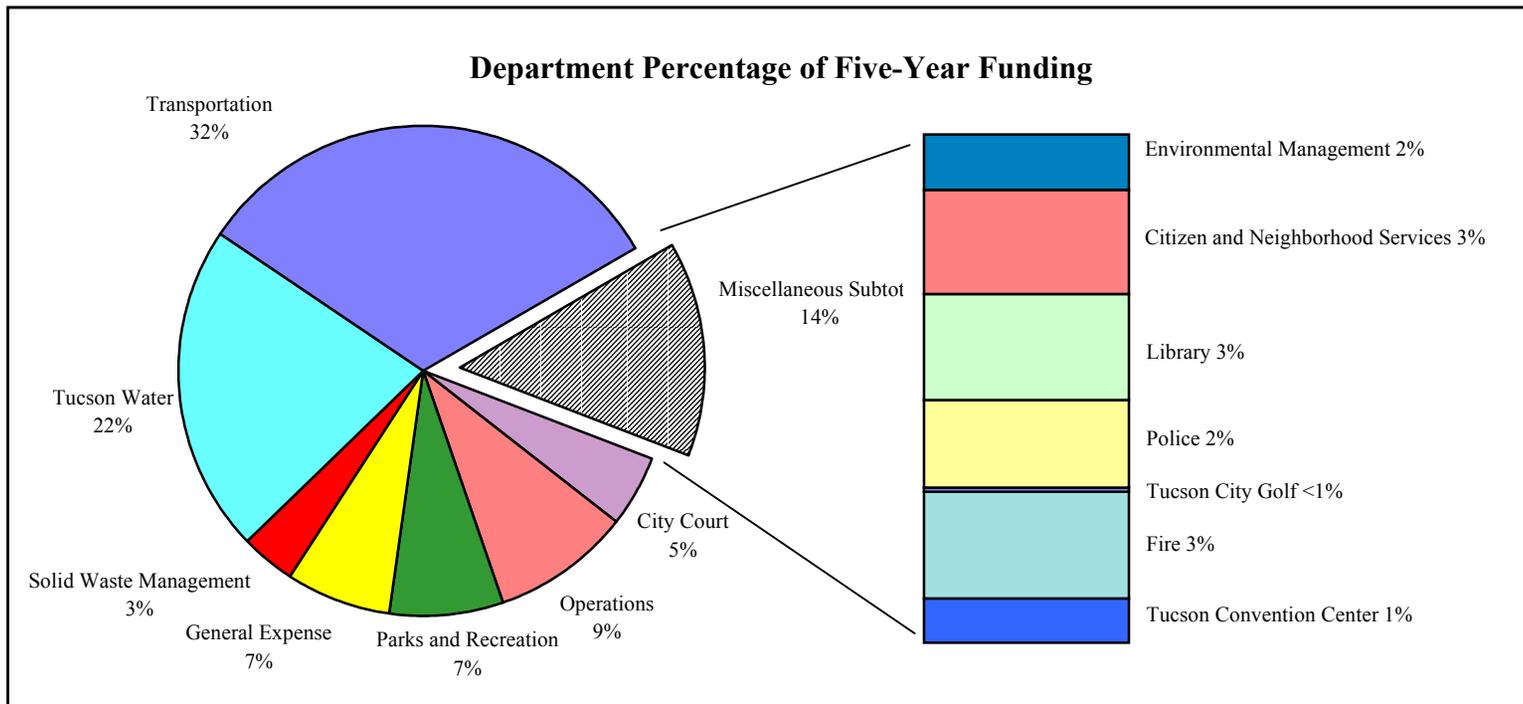


TABLE II
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY FUNDING SOURCE
(\$000s)

SOURCE OF FUNDS	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Recurring Revenues	17,816.3	44,611.0	62,427.3	34,749.0	28,123.0	28,398.0	31,287.0	184,984.3
General Fund	7,319.0	6,765.0	14,084.0	5,329.0	3,252.0	3,255.0	3,360.0	29,280.0
Library Fund - Pima County Contribution	-	80.0	80.0	-	-	-	-	80.0
Highway User Revenue Fund	3,577.0	8,270.0	11,847.0	7,761.0	2,799.0	2,287.0	2,289.0	26,983.0
Capital Contributions and Agreements	4,313.0	13,075.0	17,388.0	5,675.0	4,529.0	4,530.0	4,530.0	36,652.0
Mass Transit - General Fund Contribution	2,502.4	2,027.0	4,529.4	2,099.0	2,159.0	2,220.0	2,290.0	13,297.4
Golf Course Fund	104.9	25.0	129.9	136.0	340.0	41.0	198.0	844.9
Water Revenue and Operations Fund	-	13,407.0	13,407.0	12,775.0	14,060.0	15,073.0	17,618.0	72,933.0
Central Arizona Project Reserve Fund	-	962.0	962.0	974.0	984.0	992.0	1,002.0	4,914.0
Bonds	23,626.8	78,876.8	102,503.6	87,000.0	48,524.0	15,176.0	910.0	254,113.6
General Obligation Bonds	13,181.0	36,866.8	50,047.8	39,517.0	21,850.0	8,344.0	910.0	120,668.8
Street and Highway User Revenue Bonds	5,750.0	5,646.0	11,396.0	8,334.0	8,334.0	6,832.0	-	34,896.0
Water Infrastructure Finance Authority Bonds	-	9,545.0	9,545.0	-	-	-	-	9,545.0
Water Revenue Bonds	4,695.8	26,819.0	31,514.8	39,149.0	18,340.0	-	-	89,003.8

TABLE II
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY FUNDING SOURCE
(\$000s)

SOURCE OF FUNDS	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Federal Grants	10,767.4	36,373.0	47,140.4	26,629.0	14,290.0	14,588.0	14,923.0	117,570.4
Mass Transit - Federal Grants	10,196.6	12,518.0	22,714.6	9,189.0	9,466.0	9,730.0	10,029.0	61,128.6
Federal Highway Administration Funds	47.0	22,580.0	22,627.0	16,165.0	3,549.0	3,583.0	3,619.0	49,543.0
Community Development Block Grants	-	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	6,375.0
Miscellaneous Federal Grants	523.8	-	523.8	-	-	-	-	523.8
Other	8,993.2	16,112.7	25,105.9	33,091.0	54,683.0	27,874.0	36,000.0	176,753.9
Certificates of Participation	4,702.2	1,375.4	6,077.6	16,402.0	31,250.0	17,500.0	5,000.0	76,229.6
Debt Financing	-	5,000.0	5,000.0	10,000.0	21,000.0	10,000.0	31,000.0	77,000.0
Environmental and Solid Waste Mandate Reserves	589.6	1,470.0	2,059.6	-	-	-	-	2,059.6
Pima County Bonds	3,018.7	5,686.5	8,705.2	5,389.0	1,133.0	274.0	-	15,501.2
Miscellaneous Non-Federal Grants	458.9	894.8	1,353.7	700.0	700.0	-	-	2,753.7
Bond Interest	223.8	1,686.0	1,909.8	600.0	600.0	100.0	-	3,209.8
Total Funded	61,203.7	175,973.5	237,177.2	181,469.0	145,620.0	86,036.0	83,120.0	733,422.2
Unfunded	-	-	-	57,616.0	140,034.0	108,177.0	79,646.0	385,473.0
Unfunded Requirements	-	-	-	57,616.0	140,034.0	108,177.0	79,646.0	385,473.0
City Total	61,203.7	175,973.5	237,177.2	239,085.0	285,654.0	194,213.0	162,766.0	1,118,895.2

TABLE II
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY FUNDING SOURCE
(\$000s)

SOURCE OF FUNDS	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2002	YEAR 3 FY 2003	YEAR 4 FY 2004	YEAR 5 FY 2005	
Non-City Funded	578.0	1,754.0	2,332.0	1,170.0	660.0	644.0	550.0	5,356.0
Special Assessments	578.0	1,754.0	2,332.0	1,170.0	660.0	644.0	550.0	5,356.0
Total	61,781.7	177,727.5	239,509.2	240,255.0	286,314.0	194,857.0	163,316.0	1,124,251.2

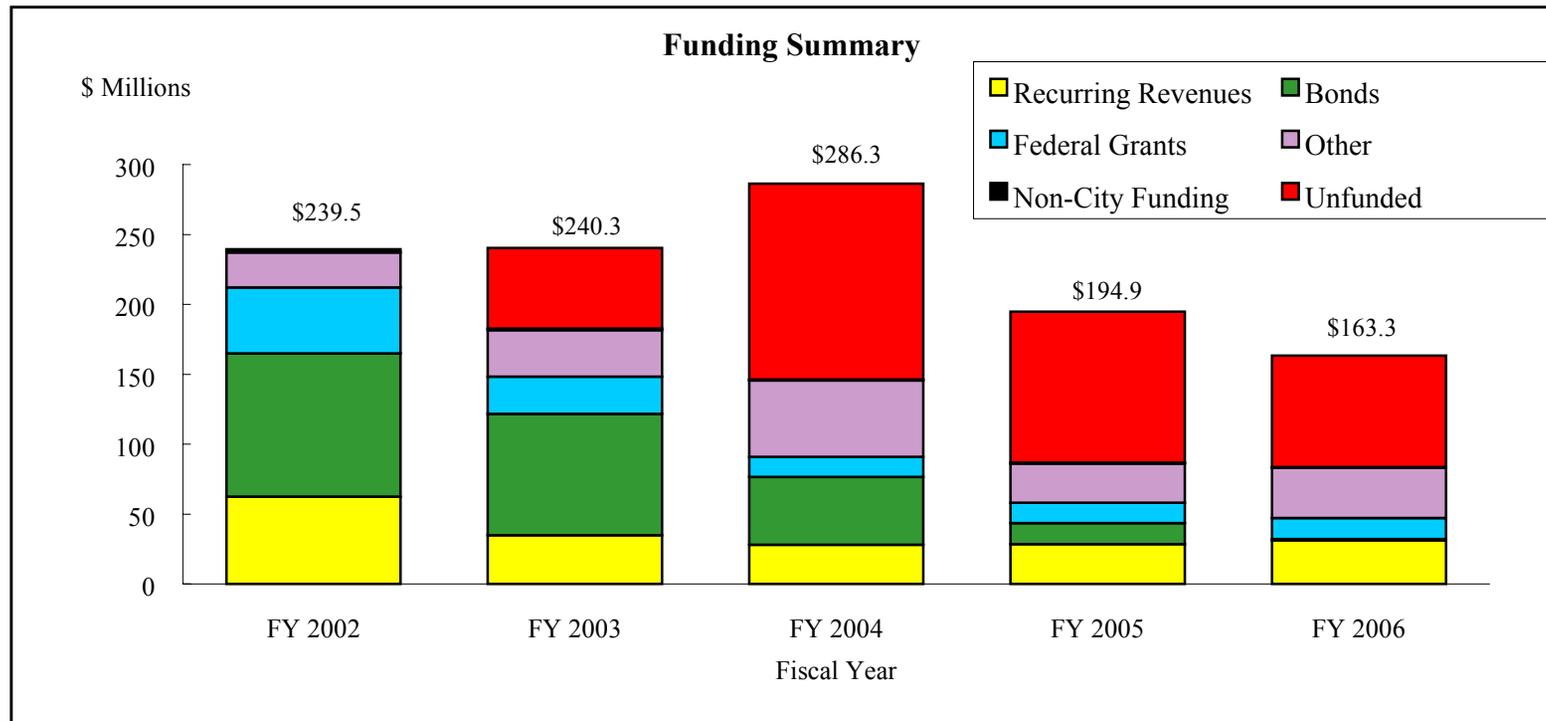


TABLE III
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
OPERATING COST IMPACT ON RECURRING REVENUE
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2002	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
		YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Neighborhood Services	925.6	5,592.3	11,013.3	15,670.1	15,953.6	49,154.9
City Court	-	100.0	100.0	100.0	100.0	400.0
Fire	925.6	3,016.3	5,665.1	7,913.1	8,326.6	25,846.7
Library	-	1,741.0	2,741.0	4,241.0	4,241.0	12,964.0
Parks and Recreation	-	735.0	2,425.0	3,333.8	3,203.8	9,697.6
Police	-	-	82.2	82.2	82.2	246.6
Environmental and Development	812.0	5,189.6	5,832.8	6,245.6	6,741.8	24,821.8
Solid Waste Management	-	50.0	70.0	110.0	247.0	477.0
Transportation	2.0	29.6	2.8	275.6	294.8	604.8
Tucson Water	-	4,300.0	4,830.0	4,930.0	5,270.0	19,330.0
Environmental Management	810.0	810.0	930.0	930.0	930.0	4,410.0
Strategic Initiatives	-	-	-	612.0	612.0	1,224.0
Tucson Convention Center	-	-	-	612.0	612.0	1,224.0
Support Services	-	110.0	116.0	430.0	430.0	1,086.0
Operations	-	110.0	116.0	430.0	430.0	1,086.0
Total before Debt Service	1,737.6	10,891.9	16,962.1	22,957.7	23,737.4	76,286.7

TABLE III
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
OPERATING COST IMPACT ON RECURRING REVENUE
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2002	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
		YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Debt Service	5,313.6	14,336.0	21,957.0	24,013.7	30,353.0	95,973.3
Certificates of Participation	207.3	2,189.7	4,171.7	5,115.7	8,045.7	19,730.1
General Obligation Bonds	1,372.8	4,258.3	7,088.3	8,460.0	8,549.5	29,728.9
Street and Highway User Revenue Bonds	784.5	2,337.0	3,187.0	3,159.0	3,077.8	12,545.3
Water Revenue Bonds	2,949.0	5,551.0	7,510.0	7,279.0	10,680.0	33,969.0
Total	7,051.2	25,227.9	38,919.1	46,971.4	54,090.4	172,260.0

Assumptions for new bond sales:

1. Sales of bonds are spread over the approved program period based on the capital improvement program. Actual sales will depend on project needs, assessed valuation, street and highway user revenues, water revenues, and interest rates.
2. General Obligation Bonds issued after July 2001 are estimated to be sold at 6.5% interest for 20 year terms.
3. Street and Highway User Revenue Bonds sold in June 2001 have a 4.79% interest for a 20 year term; for sales after July 2001, the assumed rate is 6.5% for 20 year terms.
4. Water Revenue Bond debt service estimates are from Tucson Water's approved five-year financial plan. They include sales for the voter-approved 2000 bond program and for a future bond program in 2004 for projects included in this CIP as unfunded.

TABLE IV
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
ESTIMATED INFLATIONARY IMPACT
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2002	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
		YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006	
Neighborhood Services	-	1,922.7	4,604.7	3,331.5	3,446.5	13,305.4
City Court	-	178.0	1,270.0	1,936.0	142.0	3,526.0
Fire	-	274.7	815.0	73.0	-	1,162.7
Library	-	338.0	857.0	-	-	1,195.0
Parks and Recreation	-	743.0	1,321.7	770.0	736.5	3,571.2
Tucson City Golf	-	4.0	19.0	3.5	22.0	48.5
Police	-	222.0	-	74.0	1,921.0	2,217.0
Citizen and Neighborhood Services	-	163.0	322.0	475.0	625.0	1,585.0
Environmental and Development	-	4,101.3	8,098.4	9,913.7	9,996.3	32,109.7
Solid Waste Management	-	123.0	602.5	1,293.5	162.0	2,181.0
Transportation	-	2,337.8	4,711.4	4,717.0	4,647.8	16,414.0
Tucson Water	-	1,558.5	2,548.0	3,797.2	5,078.5	12,982.2
Environmental Management	-	82.0	236.5	106.0	108.0	532.5
Strategic Initiatives	-	101.0	600.0	-	-	701.0
Tucson Convention Center	-	101.0	600.0	-	-	701.0
Support Services	-	419.0	1,330.0	1,806.0	4,211.0	7,766.0
Operations	-	419.0	1,330.0	1,806.0	4,211.0	7,766.0
Non-Departmental	-	488.6	1,794.0	1,485.0	558.0	4,325.6
General Expense	-	488.6	1,794.0	1,485.0	558.0	4,325.6
Total	-	7,032.6	16,427.1	16,536.2	18,211.8	58,207.7

Note: Fiscal Year 2002 is the base year and is not inflated.

City Court
DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
City Court Remodel	B - 4	831.0	-	577.0	577.0	-	-	-	-	577.0	-	1,408.0
General Fund		831.0	-	577.0	577.0	-	-	-	-	577.0	-	1,408.0
New City Court Building	B - 4	-	-	-	-	6,111.0	22,128.0	22,810.0	1,271.0	52,320.0	-	52,320.0
Unfunded Requirements		-	-	-	-	6,111.0	22,128.0	22,810.0	1,271.0	52,320.0	-	52,320.0
TOTAL		831.0	-	577.0	577.0	6,111.0	22,128.0	22,810.0	1,271.0	52,897.0	-	53,728.0
Source of Funds	Fund No.											
General Fund	01	831.0	-	577.0	577.0	-	-	-	-	577.0	-	1,408.0
Unfunded Requirements	100	-	-	-	-	6,111.0	22,128.0	22,810.0	1,271.0	52,320.0	-	52,320.0
TOTAL		831.0	-	577.0	577.0	6,111.0	22,128.0	22,810.0	1,271.0	52,897.0	-	53,728.0
Inflation Adjustment				-	-	178.0	1,270.0	1,936.0	142.0	3,526.0	-	3,526.0
Annual Operating Cost				-	-	100.0	100.0	100.0	100.0	400.0	-	

Fire
DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Aircraft Rescue and Firefighting Facility	B - 11	1,371.5	594.9	44.8	639.7	-	-	-	-	639.7	-	2,011.2
Miscellaneous Non-Federal Grants		3.4	30.9	44.8	75.7	-	-	-	-	75.7	-	79.1
Miscellaneous Federal Grants		1,316.8	523.8	-	523.8	-	-	-	-	523.8	-	1,840.6
1984 General Obligation Bonds		51.3	40.2	-	40.2	-	-	-	-	40.2	-	91.5
Mobile Data Terminal Upgrades	B - 11	-	850.0	-	850.0	-	-	-	-	850.0	-	850.0
General Fund - Certificates of Participation		-	850.0	-	850.0	-	-	-	-	850.0	-	850.0
New Fire Station - Annexations	B - 12	-	-	-	-	-	3,513.0	865.0	-	4,378.0	-	4,378.0
Unfunded Requirements		-	-	-	-	-	3,513.0	865.0	-	4,378.0	-	4,378.0
New Fire Station 6 - Public Safety Training Academy	B - 12	74.9	1,613.7	678.8	2,292.5	-	-	-	-	2,292.5	-	2,367.4
General Fund - Certificates of Participation		7.5	1,613.7	678.8	2,292.5	-	-	-	-	2,292.5	-	2,300.0
1994 General Obligation Bonds - Series E Interest		67.4	-	-	-	-	-	-	-	-	-	67.4
New Fire Stations - Annexations and Infill	B - 13	-	-	4,211.0	4,211.0	6,522.0	1,217.0	-	-	11,950.0	-	11,950.0
2000 General Obligation Bonds		-	-	4,211.0	4,211.0	6,522.0	1,217.0	-	-	11,950.0	-	11,950.0
Public Safety Training Academy Expansion	B - 13	-	-	-	-	1,590.0	8,879.0	-	-	10,469.0	-	10,469.0
Unfunded Requirements		-	-	-	-	1,590.0	8,879.0	-	-	10,469.0	-	10,469.0
Public Safety Training Academy Road Improvements	B - 14	-	-	-	-	90.0	567.0	-	-	657.0	-	657.0
Unfunded Requirements		-	-	-	-	90.0	567.0	-	-	657.0	-	657.0
Remodel of Fire Prevention Center Restroom	B - 14	-	-	75.0	75.0	-	-	-	-	75.0	-	75.0
1994 General Obligation Bonds - Series B Interest		-	-	75.0	75.0	-	-	-	-	75.0	-	75.0
Support Facility Improvements	B - 15	419.7	-	1,011.0	1,011.0	1,220.0	-	-	-	2,231.0	-	2,650.7
1984 General Obligation Bonds		100.7	-	-	-	-	-	-	-	-	-	100.7
2000 General Obligation Bonds		319.0	-	1,011.0	1,011.0	1,220.0	-	-	-	2,231.0	-	2,550.0
TOTAL		1,866.1	3,058.6	6,020.6	9,079.2	9,422.0	14,176.0	865.0	-	33,542.2	-	35,408.3

Fire
DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Source of Funds	Fund No.											
General Fund - Certificates of Participation	01V	7.5	2,463.7	678.8	3,142.5	-	-	-	-	3,142.5	-	3,150.0
Miscellaneous Non-Federal Grants	93	3.4	30.9	44.8	75.7	-	-	-	-	75.7	-	79.1
Miscellaneous Federal Grants	92	1,316.8	523.8	-	523.8	-	-	-	-	523.8	-	1,840.6
1984 General Obligation Bonds	46	152.0	40.2	-	40.2	-	-	-	-	40.2	-	192.2
1994 General Obligation Bonds - Series B Interest	37I	-	-	75.0	75.0	-	-	-	-	75.0	-	75.0
1994 General Obligation Bonds - Series E Interest	44I	67.4	-	-	-	-	-	-	-	-	-	67.4
2000 General Obligation Bonds	40	319.0	-	5,222.0	5,222.0	7,742.0	1,217.0	-	-	14,181.0	-	14,500.0
Unfunded Requirements	100	-	-	-	-	1,680.0	12,959.0	865.0	-	15,504.0	-	15,504.0
TOTAL		1,866.1	3,058.6	6,020.6	9,079.2	9,422.0	14,176.0	865.0	-	33,542.2	-	35,408.3
Inflation Adjustment					-	274.7	815.0	73.0	-	1,162.7	-	1,162.7
Annual Operating Cost					925.6	3,016.3	5,665.1	7,913.1	8,326.6	25,846.7		

Library

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
El Pueblo Neighborhood Center Library	B - 22	520.0	-	80.0	80.0	-	-	-	-	80.0	-	600.0
Library Fund - Pima County Contribution		520.0	-	80.0	80.0	-	-	-	-	80.0	-	600.0
George Miller-Golf Links Library Expansion	B - 22	150.0	-	1,400.0	1,400.0	-	-	-	-	1,400.0	-	1,550.0
2000 General Obligation Bonds		150.0	-	1,400.0	1,400.0	-	-	-	-	1,400.0	-	1,550.0
Main Library Plaza Improvements	B - 23	-	-	700.0	700.0	2,987.0	1,113.0	-	-	4,800.0	-	4,800.0
1994 General Obligation Bonds - Series B Interest		-	-	86.0	86.0	-	-	-	-	86.0	-	86.0
1994 General Obligation Bonds - Series D Interest		-	-	215.0	215.0	-	-	-	-	215.0	-	215.0
1994 General Obligation Bonds - Series E Interest		-	-	399.0	399.0	-	-	-	-	399.0	-	399.0
Unfunded Requirements		-	-	-	-	2,987.0	1,113.0	-	-	4,100.0	-	4,100.0
Midtown Library and Learning Center	B - 23	-	-	1,850.0	1,850.0	750.0	-	-	-	2,600.0	-	2,600.0
Miscellaneous Non-Federal Grants		-	-	150.0	150.0	-	-	-	-	150.0	-	150.0
Pima County Bonds		-	-	1,250.0	1,250.0	750.0	-	-	-	2,000.0	-	2,000.0
2000 General Obligation Bonds		-	-	450.0	450.0	-	-	-	-	450.0	-	450.0
Quincie Douglas Center Library	B - 24	750.0	-	2,750.0	2,750.0	-	-	-	-	2,750.0	-	3,500.0
2000 General Obligation Bonds		750.0	-	2,750.0	2,750.0	-	-	-	-	2,750.0	-	3,500.0
Rita Ranch/Vail Area Library	B - 24	-	-	-	-	7,865.0	-	-	-	7,865.0	-	7,865.0
Unfunded Requirements		-	-	-	-	7,865.0	-	-	-	7,865.0	-	7,865.0
Wilmot Branch Library Replacement	B - 25	-	-	-	-	-	13,820.0	-	-	13,820.0	-	13,820.0
Unfunded Requirements		-	-	-	-	-	13,820.0	-	-	13,820.0	-	13,820.0
TOTAL		1,420.0	-	6,780.0	6,780.0	11,602.0	14,933.0	-	-	33,315.0	-	34,735.0
Source of Funds	Fund No.											
Library Fund - Pima County Contribution	03B	520.0	-	80.0	80.0	-	-	-	-	80.0	-	600.0
Miscellaneous Non-Federal Grants	93	-	-	150.0	150.0	-	-	-	-	150.0	-	150.0
Pima County Bonds	13B	-	-	1,250.0	1,250.0	750.0	-	-	-	2,000.0	-	2,000.0
1994 General Obligation Bonds - Series B Interest	37I	-	-	86.0	86.0	-	-	-	-	86.0	-	86.0
1994 General Obligation Bonds - Series D Interest	43I	-	-	215.0	215.0	-	-	-	-	215.0	-	215.0
1994 General Obligation Bonds - Series E Interest	44I	-	-	399.0	399.0	-	-	-	-	399.0	-	399.0
2000 General Obligation Bonds	40	900.0	-	4,600.0	4,600.0	-	-	-	-	4,600.0	-	5,500.0
Unfunded Requirements	100	-	-	-	-	10,852.0	14,933.0	-	-	25,785.0	-	25,785.0
TOTAL		1,420.0	-	6,780.0	6,780.0	11,602.0	14,933.0	-	-	33,315.0	-	34,735.0
Inflation Adjustment				-	-	338.0	857.0	-	-	1,195.0	-	1,195.0
Annual Operating Cost				-	-	1,741.0	2,741.0	4,241.0	4,241.0	12,964.0		

Parks and Recreation

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROGRAM AREA	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT	
		CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006				
Parks Development	3,568.6	3,613.7	15,579.5	19,193.2	23,815.0	21,948.0	9,071.0	6,620.0	80,647.2	14,518.0	98,733.8	
Zoo Improvements	125.0	-	538.0	538.0	1,700.0	1,104.0	-	-	3,342.0	-	3,467.0	
TOTAL	3,693.6	3,613.7	16,117.5	19,731.2	25,515.0	23,052.0	9,071.0	6,620.0	83,989.2	14,518.0	102,200.8	
Source of Funds	Fund No.											
General Fund	01	7.7	-	-	-	1,700.0	-	-	-	1,700.0	-	1,707.7
General Fund - Parks Foundation	01D	-	-	90.0	90.0	90.0	90.0	90.0	90.0	450.0	-	450.0
Miscellaneous Non-Federal Grants	93	-	-	700.0	700.0	700.0	700.0	-	-	2,100.0	-	2,100.0
Pima County Bonds	13B	692.6	3,018.7	4,436.5	7,455.2	4,639.0	1,133.0	274.0	-	13,501.2	-	14,193.8
1984 General Obligation Bonds	46	95.0	-	-	-	-	-	-	-	-	-	95.0
1994 General Obligation Bonds Series D	43	50.0	-	-	-	-	-	-	-	-	-	50.0
1994 General Obligation Bonds - Series B Interest	37I	27.3	-	-	-	-	-	-	-	-	-	27.3
1994 General Obligation Bonds - Series D Interest	43I	55.0	100.0	-	100.0	-	-	-	-	100.0	-	155.0
2000 General Obligation Bonds	40	2,766.0	495.0	10,580.0	11,075.0	13,259.0	6,290.0	560.0	-	31,184.0	-	33,950.0
2000 General Obligation Bonds - Interest	40I	-	-	311.0	311.0	-	-	-	-	311.0	-	311.0
Unfunded Requirements	100	-	-	-	-	5,127.0	14,839.0	8,147.0	6,530.0	34,643.0	14,518.0	49,161.0
TOTAL	3,693.6	3,613.7	16,117.5	19,731.2	25,515.0	23,052.0	9,071.0	6,620.0	83,989.2	14,518.0	102,200.8	
Inflation Adjustment			-	-	743.0	1,321.7	770.0	736.5	3,571.2	1,994.5	5,565.7	
Annual Operating Cost			-	-	735.0	2,425.0	3,333.8	3,203.8	9,697.6			

Tucson City Golf
DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Fred Enke Golf Course Improvements	B - 78	52.5	297.5	-	297.5	31.0	180.0	41.0	198.0	747.5	-	800.0
Golf Course Fund		-	50.0	-	50.0	31.0	180.0	41.0	198.0	500.0	-	500.0
Golf Course Fund - Certificates of Participation		52.5	247.5	-	247.5	-	-	-	-	247.5	-	300.0
Randolph North Golf Course Improvements	B - 78	-	-	-	-	80.0	-	-	-	80.0	-	80.0
Golf Course Fund		-	-	-	-	80.0	-	-	-	80.0	-	80.0
Silverbell Golf Course Improvements	B - 79	120.6	224.4	25.0	249.4	25.0	160.0	-	-	434.4	-	555.0
Golf Course Fund		90.1	54.9	25.0	79.9	25.0	160.0	-	-	264.9	-	355.0
Golf Course Fund - Certificates of Participation		30.5	169.5	-	169.5	-	-	-	-	169.5	-	200.0
TOTAL		173.1	521.9	25.0	546.9	136.0	340.0	41.0	198.0	1,261.9	-	1,435.0
Source of Funds	Fund No.											
Golf Course Fund	07	90.1	104.9	25.0	129.9	136.0	340.0	41.0	198.0	844.9	-	935.0
Golf Course Fund - Certificates of Participation	07C	83.0	417.0	-	417.0	-	-	-	-	417.0	-	500.0
TOTAL		173.1	521.9	25.0	546.9	136.0	340.0	41.0	198.0	1,261.9	-	1,435.0
Inflation Adjustment				-	-	4.0	19.0	3.5	22.0	48.5	-	48.5
Annual Operating Cost				-	-	-	-	-	-	-	-	-

Police
DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Forensics Building	B - 84	-	-	-	-	-	-	-	10,130.0	10,130.0	-	10,130.0
Unfunded Requirements		-	-	-	-	-	-	-	10,130.0	10,130.0	-	10,130.0
Land Acquisition and Facilities Improvement	B - 84	261.0	-	672.0	672.0	1,867.0	-	-	-	2,539.0	-	2,800.0
2000 General Obligation Bonds		261.0	-	672.0	672.0	1,867.0	-	-	-	2,539.0	-	2,800.0
Police Substation	B - 85	-	-	730.0	730.0	5,770.0	-	-	-	6,500.0	-	6,500.0
2000 General Obligation Bonds		-	-	730.0	730.0	5,770.0	-	-	-	6,500.0	-	6,500.0
Police Substation - Future Growth	B - 85	-	-	-	-	-	-	874.0	7,091.0	7,965.0	-	7,965.0
Unfunded Requirements		-	-	-	-	-	-	874.0	7,091.0	7,965.0	-	7,965.0
Training Academy Dormitory	B - 86	1,920.6	321.5	-	321.5	-	-	-	-	321.5	-	2,242.1
General Fund		42.1	-	-	-	-	-	-	-	-	-	42.1
Public Safety Academy - Certificates of Participation		1,678.5	321.5	-	321.5	-	-	-	-	321.5	-	2,000.0
Miscellaneous Non-Federal Grants		200.0	-	-	-	-	-	-	-	-	-	200.0
TOTAL		2,181.6	321.5	1,402.0	1,723.5	7,637.0	-	874.0	17,221.0	27,455.5	-	29,637.1
Source of Funds	Fund No.											
General Fund	01	42.1	-	-	-	-	-	-	-	-	-	42.1
Public Safety Academy - Certificates of Participation	04V	1,678.5	321.5	-	321.5	-	-	-	-	321.5	-	2,000.0
Miscellaneous Non-Federal Grants	93	200.0	-	-	-	-	-	-	-	-	-	200.0
2000 General Obligation Bonds	40	261.0	-	1,402.0	1,402.0	7,637.0	-	-	-	9,039.0	-	9,300.0
Unfunded Requirements	100	-	-	-	-	-	-	874.0	17,221.0	18,095.0	-	18,095.0
TOTAL		2,181.6	321.5	1,402.0	1,723.5	7,637.0	-	874.0	17,221.0	27,455.5	-	29,637.1
Inflation Adjustment				-	-	222.0	-	74.0	1,921.0	2,217.0	-	2,217.0
Annual Operating Cost				-	-	-	82.2	82.2	82.2	246.6		

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Back to Basics Unallocated		-	4,643.0	5,600.0	10,243.0	5,600.0	5,600.0	5,600.0	5,600.0	32,643.0	-	32,643.0
General Fund		-	2,625.0	2,625.0	5,250.0	2,625.0	2,625.0	2,625.0	2,625.0	15,750.0	-	15,750.0
Highway User Revenue Fund		-	2,018.0	1,700.0	3,718.0	1,700.0	1,700.0	1,700.0	1,700.0	10,518.0	-	10,518.0
Community Development Block Grant		-	-	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	6,375.0	-	6,375.0
TOTAL		-	4,643.0	5,600.0	10,243.0	5,600.0	5,600.0	5,600.0	5,600.0	32,643.0	-	32,643.0
Source of Funds	Fund No.											
General Fund	01	-	2,625.0	2,625.0	5,250.0	2,625.0	2,625.0	2,625.0	2,625.0	15,750.0	-	15,750.0
Highway User Revenue Fund	15	-	2,018.0	1,700.0	3,718.0	1,700.0	1,700.0	1,700.0	1,700.0	10,518.0	-	10,518.0
Community Development Block Grant	25	-	-	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	6,375.0	-	6,375.0
TOTAL		-	4,643.0	5,600.0	10,243.0	5,600.0	5,600.0	5,600.0	5,600.0	32,643.0	-	32,643.0
Inflation Adjustment				-	-	163.0	322.0	475.0	625.0	1,585.0	-	1,585.0
Annual Operating Cost				-	-	-	-	-	-	-	-	

Solid Waste Management

DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 (\$000)

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Closed Landfill Gas Mitigation	B - 101	391.2	-	50.0	50.0	-	-	-	-	50.0	-	441.2
General Fund Contribution		114.3	-	-	-	-	-	-	-	-	-	114.3
Environmental and Solid Waste Mandate Reserves		-	-	50.0	50.0	-	-	-	-	50.0	-	50.0
1994 General Obligation Bonds Series B		56.9	-	-	-	-	-	-	-	-	-	56.9
1994 General Obligation Bonds Series E		9.1	-	-	-	-	-	-	-	-	-	9.1
1994 General Obligation Bonds - Series A Interest		160.9	-	-	-	-	-	-	-	-	-	160.9
2000 General Obligation Bonds		50.0	-	-	-	-	-	-	-	-	-	50.0
Closed Landfill Improvements	B - 101	67.0	-	170.0	170.0	-	-	530.0	273.0	973.0	-	1,040.0
General Fund Contribution		17.0	-	-	-	-	-	-	-	-	-	17.0
Environmental and Solid Waste Mandate Reserves		-	-	170.0	170.0	-	-	-	-	170.0	-	170.0
1994 General Obligation Bonds - Series B Interest		50.0	-	-	-	-	-	-	-	-	-	50.0
Unfunded Requirements		-	-	-	-	-	-	530.0	273.0	803.0	-	803.0
Harrison Landfill End Use	B - 102	-	-	-	-	-	375.0	-	-	375.0	-	375.0
Unfunded Requirements		-	-	-	-	-	375.0	-	-	375.0	-	375.0
Irvington Landfill Closure	B - 102	254.5	-	300.0	300.0	1,800.0	-	-	-	2,100.0	-	2,354.5
1994 General Obligation Bonds Series B		181.0	-	-	-	-	-	-	-	-	-	181.0
1994 General Obligation Bonds Series E		73.5	-	-	-	-	-	-	-	-	-	73.5
2000 General Obligation Bonds		-	-	300.0	300.0	1,100.0	-	-	-	1,400.0	-	1,400.0
Unfunded Requirements		-	-	-	-	700.0	-	-	-	700.0	-	700.0
Los Reales Access Roadway Improvements	B - 103	-	-	-	-	100.0	1,400.0	-	-	1,500.0	-	1,500.0
Unfunded Requirements		-	-	-	-	100.0	1,400.0	-	-	1,500.0	-	1,500.0
Los Reales Buffer Improvements	B - 103	-	-	-	-	25.0	283.0	-	-	308.0	-	308.0
Unfunded Requirements		-	-	-	-	25.0	283.0	-	-	308.0	-	308.0
Los Reales Drainage Improvements	B - 104	-	-	-	-	250.0	-	-	-	250.0	580.0	830.0
2000 General Obligation Bonds		-	-	-	-	250.0	-	-	-	250.0	-	250.0
Unfunded Requirements		-	-	-	-	-	-	-	-	-	580.0	580.0
Los Reales East Basin Embankment	B - 104	-	-	-	-	-	-	1,132.0	-	1,132.0	-	1,132.0
2000 General Obligation Bonds		-	-	-	-	-	-	1,132.0	-	1,132.0	-	1,132.0
Los Reales Facilities	B - 105	100.0	-	-	-	-	400.0	-	-	400.0	-	500.0
2000 General Obligation Bonds		100.0	-	-	-	-	400.0	-	-	400.0	-	500.0

Solid Waste Management

DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 (\$000)

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Los Reales Final Closure	B - 105	-	-	-	-	-	-	-	-	-	12,834.0	12,834.0
Unfunded Requirements		-	-	-	-	-	-	-	-	-	12,834.0	12,834.0
Los Reales Intermediate Closure	B - 106	709.3	-	-	-	-	210.0	-	-	210.0	927.0	1,846.3
General Fund Contribution		2.7	-	-	-	-	-	-	-	-	-	2.7
1994 General Obligation Bonds Series B		190.9	-	-	-	-	-	-	-	-	-	190.9
1994 General Obligation Bonds Series E		203.0	-	-	-	-	-	-	-	-	-	203.0
1994 General Obligation Bonds - Series A Interest		240.0	-	-	-	-	-	-	-	-	-	240.0
1994 General Obligation Bonds - Series B Interest		72.7	-	-	-	-	-	-	-	-	-	72.7
2000 General Obligation Bonds		-	-	-	-	-	210.0	-	-	210.0	-	210.0
Unfunded Requirements		-	-	-	-	-	-	-	-	-	927.0	927.0
Los Reales Lined Cell One	B - 106	4,491.6	34.8	-	34.8	-	-	-	-	34.8	-	4,526.4
General Fund Contribution		830.0	-	-	-	-	-	-	-	-	-	830.0
Environmental and Solid Waste Mandate Reserves		-	34.8	-	34.8	-	-	-	-	34.8	-	34.8
1994 General Obligation Bonds Series B		2,192.1	-	-	-	-	-	-	-	-	-	2,192.1
1994 General Obligation Bonds - Series A Interest		440.0	-	-	-	-	-	-	-	-	-	440.0
1994 General Obligation Bonds - Series B Interest		1,029.5	-	-	-	-	-	-	-	-	-	1,029.5
Los Reales Lined Cell Two	B - 107	700.0	-	4,500.0	4,500.0	-	-	-	-	4,500.0	-	5,200.0
2000 General Obligation Bonds		700.0	-	4,500.0	4,500.0	-	-	-	-	4,500.0	-	5,200.0
Los Reales Lined Cells Three Through Five	B - 107	-	-	200.0	200.0	300.0	-	-	500.0	1,000.0	9,506.0	10,506.0
2000 General Obligation Bonds		-	-	200.0	200.0	300.0	-	-	500.0	1,000.0	-	1,000.0
Unfunded Requirements		-	-	-	-	-	-	-	-	-	9,506.0	9,506.0
Los Reales Self Hauler Facility	B - 108	-	-	-	-	-	-	583.0	-	583.0	-	583.0
Unfunded Requirements		-	-	-	-	-	-	583.0	-	583.0	-	583.0
Los Reales West Side Closure	B - 108	498.0	480.0	-	480.0	-	340.0	-	-	820.0	-	1,318.0
1994 General Obligation Bonds Series B		76.0	-	-	-	-	-	-	-	-	-	76.0
1994 General Obligation Bonds Series E		364.8	-	-	-	-	-	-	-	-	-	364.8
1994 General Obligation Bonds - Series A Interest		9.2	-	-	-	-	-	-	-	-	-	9.2
2000 General Obligation Bonds		48.0	480.0	-	480.0	-	-	-	-	480.0	-	528.0
Unfunded Requirements		-	-	-	-	-	340.0	-	-	340.0	-	340.0

Solid Waste Management

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Mullins Gas Mitigation	B - 109	564.4	661.7	-	661.7	-	546.0	-	-	1,207.7	-	1,772.1
General Fund Contribution		236.0	-	-	-	-	-	-	-	-	-	236.0
Environmental and Solid Waste Mandate Reserves		-	400.0	-	400.0	-	-	-	-	400.0	-	400.0
1994 General Obligation Bonds Series B		23.0	-	-	-	-	-	-	-	-	-	23.0
1994 General Obligation Bonds Series E		-	261.7	-	261.7	-	-	-	-	261.7	-	261.7
1994 General Obligation Bonds - Series A Interest		205.4	-	-	-	-	-	-	-	-	-	205.4
1994 General Obligation Bonds - Series B Interest		100.0	-	-	-	-	-	-	-	-	-	100.0
Unfunded Requirements		-	-	-	-	-	546.0	-	-	546.0	-	546.0
Mullins Landfill Closure	B - 109	266.5	1,093.5	-	1,093.5	-	2,363.0	-	-	3,456.5	-	3,723.0
General Fund Contribution		110.0	-	-	-	-	-	-	-	-	-	110.0
1994 General Obligation Bonds Series B		79.9	182.1	-	182.1	-	-	-	-	182.1	-	262.0
1994 General Obligation Bonds Series E		-	157.6	-	157.6	-	-	-	-	157.6	-	157.6
1994 General Obligation Bonds - Series A Interest		10.4	-	-	-	-	-	-	-	-	-	10.4
1994 General Obligation Bonds - Series B Interest		66.2	123.8	-	123.8	-	-	-	-	123.8	-	190.0
2000 General Obligation Bonds		-	630.0	-	630.0	-	-	-	-	630.0	-	630.0
Unfunded Requirements		-	-	-	-	-	2,363.0	-	-	2,363.0	-	2,363.0
Mullins Landfill Stormwater Controls	B - 110	-	-	200.0	200.0	1,500.0	-	-	-	1,700.0	-	1,700.0
1994 General Obligation Bonds Series E		-	-	200.0	200.0	-	-	-	-	200.0	-	200.0
Unfunded Requirements		-	-	-	-	1,500.0	-	-	-	1,500.0	-	1,500.0
Solid Waste Management Administrative/Training Facility	B - 110	-	-	-	-	-	1,050.0	7,274.0	681.0	9,005.0	-	9,005.0
Unfunded Requirements		-	-	-	-	-	1,050.0	7,274.0	681.0	9,005.0	-	9,005.0
Tenth Avenue Transfer Station Renovation	B - 111	-	-	-	-	150.0	1,751.0	424.0	-	2,325.0	-	2,325.0
Unfunded Requirements		-	-	-	-	150.0	1,751.0	424.0	-	2,325.0	-	2,325.0
Transfer Station Development	B - 111	-	-	-	-	-	773.0	5,305.0	-	6,078.0	-	6,078.0
Unfunded Requirements		-	-	-	-	-	773.0	5,305.0	-	6,078.0	-	6,078.0
Tumamoc Landfill Closure	B - 112	-	-	-	-	100.0	1,030.0	-	-	1,130.0	-	1,130.0
Unfunded Requirements		-	-	-	-	100.0	1,030.0	-	-	1,130.0	-	1,130.0
TOTAL		8,042.5	2,270.0	5,420.0	7,690.0	4,225.0	10,521.0	15,248.0	1,454.0	39,138.0	23,847.0	71,027.5

Solid Waste Management

DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 (\$000)

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Source of Funds	Fund No.											
General Fund Contribution	02S	1,310.0	-	-	-	-	-	-	-	-	-	1,310.0
Environmental and Solid Waste Mandate Reserves	02C	-	434.8	220.0	654.8	-	-	-	-	654.8	-	654.8
1994 General Obligation Bonds Series B	37	2,799.8	182.1	-	182.1	-	-	-	-	182.1	-	2,981.9
1994 General Obligation Bonds Series E	44	650.4	419.3	200.0	619.3	-	-	-	-	619.3	-	1,269.7
1994 General Obligation Bonds - Series A Interest	36I	1,065.9	-	-	-	-	-	-	-	-	-	1,065.9
1994 General Obligation Bonds - Series B Interest	37I	1,318.4	123.8	-	123.8	-	-	-	-	123.8	-	1,442.2
2000 General Obligation Bonds	40	898.0	1,110.0	5,000.0	6,110.0	1,650.0	610.0	1,132.0	500.0	10,002.0	-	10,900.0
Unfunded Requirements	100	-	-	-	-	2,575.0	9,911.0	14,116.0	954.0	27,556.0	23,847.0	51,403.0
TOTAL		8,042.5	2,270.0	5,420.0	7,690.0	4,225.0	10,521.0	15,248.0	1,454.0	39,138.0	23,847.0	71,027.5
Inflation Adjustment				-	-	123.0	602.5	1,293.5	162.0	2,181.0	3,276.0	5,457.0
Annual Operating Cost				-	-	50.0	70.0	110.0	247.0	477.0		

Transportation
DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)

PROGRAM AREA	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT	
		CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006				
Streets	26,399.7	11,733.0	41,559.0	53,292.0	39,108.0	33,899.0	18,299.0	16,978.0	161,576.0	76,562.0	264,537.7	
Drainage	6,732.7	5,798.7	7,900.0	13,698.7	6,258.0	9,550.0	10,400.0	200.0	40,106.7	348.0	47,187.4	
Street Lighting	2,335.9	1,829.0	2,430.0	4,259.0	2,855.0	1,859.0	1,843.0	495.0	11,311.0	-	13,646.9	
Traffic Signals	4,404.7	314.0	3,046.0	3,360.0	4,613.0	2,176.0	2,082.0	429.0	12,660.0	-	17,064.7	
Public Transit	14,789.3	13,777.0	14,612.0	28,389.0	27,223.0	34,565.0	22,950.0	23,590.0	136,717.0	-	151,506.3	
TOTAL	54,662.3	33,451.7	69,547.0	102,998.7	80,057.0	82,049.0	55,574.0	41,692.0	362,370.7	76,910.0	493,943.0	
Source of Funds	Fund No.											
General Fund	01	287.6	-	529.0	529.0	533.0	537.0	540.0	645.0	2,784.0	-	3,071.6
Highway User Revenue Fund	15	5,474.7	1,559.0	6,570.0	8,129.0	6,061.0	1,099.0	587.0	589.0	16,465.0	-	21,939.7
Highway User Revenue Fund - Restricted	17	6,682.7	-	-	-	-	-	-	-	-	-	6,682.7
Arizona Department of Transportation	13A	434.6	-	500.0	500.0	500.0	500.0	500.0	500.0	2,500.0	-	2,934.6
Capital Agreements Fund	13	25.2	250.0	388.0	638.0	389.0	-	-	-	1,027.0	-	1,052.2
Mass Transit - State Grants	95S	210.0	428.0	-	428.0	-	-	-	-	428.0	-	638.0
Mass Transit Section 3	95A	4,629.6	3,499.6	3,000.0	6,499.6	-	-	-	-	6,499.6	-	11,129.2
Mass Transit Section 3 - Local	95B	824.7	876.4	250.0	1,126.4	-	-	-	-	1,126.4	-	1,951.1
Mass Transit Section 9	95C	1,108.5	6,439.4	8,906.0	15,345.4	8,139.0	8,384.0	8,615.0	8,881.0	49,364.4	-	50,472.9
Mass Transit Section 9 - Local	95D	386.8	1,610.6	1,765.0	3,375.6	2,035.0	2,093.0	2,153.0	2,221.0	11,877.6	-	12,264.4
Mass Transit Surface Transportation Program	95E	986.8	257.6	612.0	869.6	1,050.0	1,082.0	1,115.0	1,148.0	5,264.6	-	6,251.4
Mass Transit Surface Transportation Program - Local	95F	38.7	15.4	12.0	27.4	64.0	66.0	67.0	69.0	293.4	-	332.1
Pima Association of Governments	13H	5,298.2	3,913.0	8,000.0	11,913.0	4,550.0	3,999.0	4,000.0	4,000.0	28,462.0	10,000.0	43,760.2
Pima County Contributions	13P	75.0	-	-	-	206.0	-	-	-	206.0	-	281.0
Special Assessments Fund	16	1,212.0	578.0	1,754.0	2,332.0	1,170.0	660.0	644.0	550.0	5,356.0	-	6,568.0
TUSD Contributions	13T	-	100.0	30.0	130.0	30.0	30.0	30.0	30.0	250.0	-	250.0
University of Arizona Contributions	13U	-	50.0	57.0	107.0	-	-	-	-	107.0	-	107.0
Federal Highway Administration Funds	91	3,079.0	47.0	22,580.0	22,627.0	16,165.0	3,549.0	3,583.0	3,619.0	49,543.0	-	52,622.0
1984 Street and Highway Revenue Bonds	29	473.7	-	-	-	-	-	-	-	-	-	473.7
1994 General Obligation Bonds Series A	36	55.6	-	-	-	-	-	-	-	-	-	55.6
1994 General Obligation Bonds Series B	37	2,660.4	-	-	-	-	-	-	-	-	-	2,660.4
1994 General Obligation Bonds Series D	43	1,650.0	650.0	-	650.0	-	-	-	-	650.0	-	2,300.0
1994 General Obligation Bonds Series E	44	1,366.7	1,748.7	200.0	1,948.7	-	-	-	-	1,948.7	-	3,315.4
2000 General Obligation Bonds	40	5,666.0	5,679.0	8,748.0	14,427.0	7,669.0	11,113.0	5,963.0	-	39,172.0	-	44,838.0

Transportation

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROGRAM AREA	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT	
		CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006				
1994 Street and Highway Revenue Bonds Series A	32	570.2	-	-	-	-	-	-	-	-	570.2	
1994 Street and Highway Revenue Bonds Series B	33	516.5	-	-	-	-	-	-	-	-	516.5	
1994 Street and Highway Revenue Bonds Series C	34	685.4	-	-	-	-	-	-	-	-	685.4	
1994 Street and Highway Revenue Bonds Series D	35	2,562.2	-	-	-	-	-	-	-	-	2,562.2	
1994 Street and Highway Revenue Bonds Series E	31	7,701.5	5,750.0	4,146.0	9,896.0	-	-	-	9,896.0	-	17,597.5	
2000 Street and Highway Revenue Bonds	30	-	-	1,500.0	1,500.0	8,334.0	8,334.0	6,832.0	-	25,000.0	25,000.0	
Unfunded Requirements	100	-	-	-	-	23,162.0	40,603.0	20,945.0	19,440.0	104,150.0	66,910.0	171,060.0
TOTAL		54,662.3	33,451.7	69,547.0	102,998.7	80,057.0	82,049.0	55,574.0	41,692.0	362,370.7	76,910.0	493,943.0
Inflation Adjustment				-	-	2,337.8	4,711.4	4,717.0	4,647.8	16,414.0	10,567.0	26,981.0
Annual Operating Cost				-	2.0	29.6	2.8	275.6	294.8	604.8		

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROGRAM AREA	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT	
		CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006				
Potable Water System	69,644.8	3,408.8	45,938.0	49,346.8	41,660.0	32,272.0	38,034.0	41,961.0	203,273.8	207,362.0	480,280.6	
Reclaimed Water System	6,552.5	1,287.0	5,395.0	6,682.0	11,838.0	12,153.0	6,745.0	3,585.0	41,003.0	14,060.0	61,615.5	
TOTAL	76,197.3	4,695.8	51,333.0	56,028.8	53,498.0	44,425.0	44,779.0	45,546.0	244,276.8	221,422.0	541,896.1	
Source of Funds	Fund No.											
Water Revenue and Operations Fund	81	31,396.7	-	13,407.0	13,407.0	12,775.0	14,060.0	15,073.0	17,618.0	72,933.0	105,350.0	209,679.7
1984 Water Revenue Bond Funds	87	150.4	-	-	-	-	-	-	-	-	-	150.4
1994 Water Revenue Bonds Series A	88	221.3	-	-	-	-	-	-	-	-	-	221.3
1994 Water Revenue Bonds Series B	89	964.3	-	-	-	-	-	-	-	-	-	964.3
1994 Water Revenue Bonds Series C	79	21,133.7	-	-	-	-	-	-	-	-	-	21,133.7
1994 Water Revenue Bonds Series D	80	4,695.0	-	-	-	-	-	-	-	-	-	4,695.0
1994 WIFA Bonds Series A	82	204.0	-	-	-	-	-	-	-	-	-	204.0
1994 WIFA Bonds Series B	90	859.2	-	-	-	-	-	-	-	-	-	859.2
2000 Water Revenue Bonds	85	10,423.2	4,695.8	26,819.0	31,514.8	39,149.0	18,340.0	-	-	89,003.8	-	99,427.0
2000 Water Revenue Bond Interest	851	-	-	600.0	600.0	600.0	600.0	100.0	-	1,900.0	-	1,900.0
2000 WIFA Bonds Series A	96	653.0	-	745.0	745.0	-	-	-	-	745.0	-	1,398.0
2000 WIFA Bonds Series B	84	-	-	8,800.0	8,800.0	-	-	-	-	8,800.0	-	8,800.0
Central Arizona Project Reserve Fund	83	5,496.5	-	962.0	962.0	974.0	984.0	992.0	1,002.0	4,914.0	-	10,410.5
Unfunded Requirements	100	-	-	-	-	-	10,441.0	28,614.0	26,926.0	65,981.0	116,072.0	182,053.0
TOTAL	76,197.3	4,695.8	51,333.0	56,028.8	53,498.0	44,425.0	44,779.0	45,546.0	244,276.8	221,422.0	541,896.1	
Inflation Adjustment				-	-	1,558.5	2,548.0	3,797.2	5,078.5	12,982.2	30,425.0	43,407.2
Annual Operating Cost				-	-	4,300.0	4,830.0	4,930.0	5,270.0	19,330.0		

Environmental Management

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Broadway-Pantano Remediation Site		3,565.1	-	3,100.0	3,100.0	800.0	1,680.0	585.0	310.0	6,475.0	-	10,040.1
General Fund		110.1	-	-	-	-	-	-	-	-	-	110.1
Pima County Contributions		400.0	-	-	-	-	-	-	-	-	-	400.0
Water Quality Assurance Fund		-	-	3,100.0	3,100.0	-	-	-	-	3,100.0	-	3,100.0
1994 General Obligation Bonds Series A		741.2	-	-	-	-	-	-	-	-	-	741.2
1994 General Obligation Bonds Series E		1,463.8	-	-	-	-	-	-	-	-	-	1,463.8
2000 General Obligation Bonds		850.0	-	-	-	800.0	1,680.0	585.0	310.0	3,375.0	-	4,225.0
Comprehensive City Landfill Groundwater Investigation/Remediation Program		324.5	175.5	500.0	675.5	500.0	250.0	250.0	250.0	1,925.5	-	2,250.0
General Fund		167.4	-	-	-	-	-	-	-	-	-	167.4
Environmental and Solid Waste Mandate Reserves		102.0	154.8	500.0	654.8	-	-	-	-	654.8	-	756.8
1994 General Obligation Bonds Series A		55.1	-	-	-	-	-	-	-	-	-	55.1
1994 General Obligation Bonds Series E		-	20.7	-	20.7	-	-	-	-	20.7	-	20.7
Unfunded Requirements		-	-	-	-	500.0	250.0	250.0	250.0	1,250.0	-	1,250.0
Harrison Landfill Groundwater Remediation		1,729.4	300.0	50.0	350.0	60.0	40.0	-	-	450.0	-	2,179.4
General Fund		204.6	-	-	-	-	-	-	-	-	-	204.6
1994 General Obligation Bonds Series A		537.8	-	-	-	-	-	-	-	-	-	537.8
1994 General Obligation Bonds Series B		199.9	-	-	-	-	-	-	-	-	-	199.9
1994 General Obligation Bonds Series E		490.2	50.0	-	50.0	-	-	-	-	50.0	-	540.2
1994 General Obligation Bonds - Series C Interest		296.9	-	-	-	-	-	-	-	-	-	296.9
2000 General Obligation Bonds		-	250.0	50.0	300.0	60.0	40.0	-	-	400.0	-	400.0
Los Reales Landfill Groundwater Remediation		2,579.2	520.9	200.0	720.9	350.0	200.0	-	-	1,270.9	-	3,850.1
General Fund		244.2	-	-	-	-	-	-	-	-	-	244.2
1994 General Obligation Bonds Series A		1,032.7	-	-	-	-	-	-	-	-	-	1,032.7
1994 General Obligation Bonds Series E		775.2	520.9	-	520.9	-	-	-	-	520.9	-	1,296.1
1994 General Obligation Bonds - Series A Interest		347.5	-	-	-	-	-	-	-	-	-	347.5
1994 General Obligation Bonds - Series C Interest		179.6	-	-	-	-	-	-	-	-	-	179.6
2000 General Obligation Bonds		-	-	200.0	200.0	-	-	-	-	200.0	-	200.0
Unfunded Requirements		-	-	-	-	350.0	200.0	-	-	550.0	-	550.0
Los Reales Landfill Westside Remediation		-	-	750.0	750.0	150.0	150.0	150.0	150.0	1,350.0	-	1,350.0
Environmental and Solid Waste Mandate Reserves		-	-	750.0	750.0	-	-	-	-	750.0	-	750.0
Unfunded Requirements		-	-	-	-	150.0	150.0	150.0	150.0	600.0	-	600.0

Environmental Management

DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 (\$000)

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Price Service Center Remediation		3,299.9	910.0	1,000.0	1,910.0	200.0	500.0	104.0	100.0	2,814.0	-	6,113.9
General Fund		1,495.7	-	-	-	-	-	-	-	-	-	1,495.7
Capital Agreements Fund		-	-	1,000.0	1,000.0	-	-	-	-	1,000.0	-	1,000.0
1994 General Obligation Bonds Series A		788.8	-	-	-	-	-	-	-	-	-	788.8
1994 General Obligation Bonds Series B		576.6	-	-	-	-	-	-	-	-	-	576.6
1994 General Obligation Bonds Series E		309.6	540.0	-	540.0	200.0	99.0	-	-	839.0	-	1,148.6
1994 General Obligation Bonds - Series B Interest		129.2	-	-	-	-	-	-	-	-	-	129.2
2000 General Obligation Bonds		-	370.0	-	370.0	-	401.0	104.0	100.0	975.0	-	975.0
Silverbell Jail Annex Landfill		1,866.4	300.0	500.0	800.0	500.0	400.0	-	-	1,700.0	-	3,566.4
1994 General Obligation Bonds Series A		260.9	-	-	-	-	-	-	-	-	-	260.9
1994 General Obligation Bonds Series B		238.7	-	-	-	-	-	-	-	-	-	238.7
1994 General Obligation Bonds Series E		1,329.1	300.0	-	300.0	-	-	-	-	300.0	-	1,629.1
1994 General Obligation Bonds - Series C Interest		37.7	-	-	-	-	-	-	-	-	-	37.7
2000 General Obligation Bonds		-	-	500.0	500.0	500.0	400.0	-	-	1,400.0	-	1,400.0
Tumamoc Landfill Investigation		-	-	-	-	250.0	900.0	150.0	150.0	1,450.0	150.0	1,600.0
Unfunded Requirements		-	-	-	-	250.0	900.0	150.0	150.0	1,450.0	150.0	1,600.0
TOTAL		13,364.5	2,206.4	6,100.0	8,306.4	2,810.0	4,120.0	1,239.0	960.0	17,435.4	150.0	30,949.9
Source of Funds	Fund No.											
General Fund	01	2,222.0	-	-	-	-	-	-	-	-	-	2,222.0
Environmental and Solid Waste Mandate Reserves	01M	102.0	154.8	1,250.0	1,404.8	-	-	-	-	1,404.8	-	1,506.8
Capital Agreements Fund	13	-	-	1,000.0	1,000.0	-	-	-	-	1,000.0	-	1,000.0
Pima County Contributions	13P	400.0	-	-	-	-	-	-	-	-	-	400.0
Water Quality Assurance Fund	13W	-	-	3,100.0	3,100.0	-	-	-	-	3,100.0	-	3,100.0
1994 General Obligation Bonds Series A	36	3,416.5	-	-	-	-	-	-	-	-	-	3,416.5
1994 General Obligation Bonds Series B	37	1,015.2	-	-	-	-	-	-	-	-	-	1,015.2
1994 General Obligation Bonds Series E	44	4,367.9	1,431.6	-	1,431.6	200.0	99.0	-	-	1,730.6	-	6,098.5
1994 General Obligation Bonds - Series A Interest	36I	347.5	-	-	-	-	-	-	-	-	-	347.5
1994 General Obligation Bonds - Series B Interest	37I	129.2	-	-	-	-	-	-	-	-	-	129.2
1994 General Obligation Bonds - Series C Interest	42I	514.2	-	-	-	-	-	-	-	-	-	514.2
2000 General Obligation Bonds	40	850.0	620.0	750.0	1,370.0	1,360.0	2,521.0	689.0	410.0	6,350.0	-	7,200.0
Unfunded Requirements	100	-	-	-	-	1,250.0	1,500.0	550.0	550.0	3,850.0	150.0	4,000.0
TOTAL		13,364.5	2,206.4	6,100.0	8,306.4	2,810.0	4,120.0	1,239.0	960.0	17,435.4	150.0	30,949.9
Inflation Adjustment				-	-	82.0	236.5	106.0	108.0	532.5	21.0	553.5
Annual Operating Cost				-	810.0	810.0	930.0	930.0	930.0	4,410.0		

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Arena Bleachers	B - 372	-	-	-	-	773.0	-	-	-	773.0	-	773.0
Unfunded Requirements		-	-	-	-	773.0	-	-	-	773.0	-	773.0
Music Hall Lighting	B - 372	-	-	-	-	515.0	-	-	-	515.0	-	515.0
Unfunded Requirements		-	-	-	-	515.0	-	-	-	515.0	-	515.0
New Meeting Rooms	B - 373	-	-	-	-	226.0	3,967.0	-	-	4,193.0	-	4,193.0
Unfunded Requirements		-	-	-	-	226.0	3,967.0	-	-	4,193.0	-	4,193.0
New Parking Structure	B - 373	-	-	-	-	1,913.0	6,473.0	-	-	8,386.0	-	8,386.0
Unfunded Requirements		-	-	-	-	1,913.0	6,473.0	-	-	8,386.0	-	8,386.0
TOTAL		-	-	-	-	3,427.0	10,440.0	-	-	13,867.0	-	13,867.0
Source of Funds	Fund No.											
Unfunded Requirements	100	-	-	-	-	3,427.0	10,440.0	-	-	13,867.0	-	13,867.0
TOTAL		-	-	-	-	3,427.0	10,440.0	-	-	13,867.0	-	13,867.0
Inflation Adjustment				-	-	101.0	600.0	-	-	701.0	-	701.0
Annual Operating Cost				-	-	-	-	612.0	612.0	1,224.0		

Operations
DEPARTMENT

DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)

PROGRAM AREA	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT	
		CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006				
Building and Equipment	2,041.1	1,373.4	5,464.8	6,838.2	13,432.0	23,280.0	21,256.0	37,754.0	102,560.2	414.0	105,015.3	
Americans with Disabilities Act	3,846.2	345.6	-	345.6	-	-	-	-	345.6	-	4,191.8	
TOTAL	5,887.3	1,719.0	5,464.8	7,183.8	13,432.0	23,280.0	21,256.0	37,754.0	102,905.8	414.0	109,207.1	
Source of Funds	Fund No.											
General Fund	01	4,796.1	1,719.0	300.0	2,019.0	-	-	-	-	2,019.0	-	6,815.1
General Fund - Debt Financing	01L	-	-	5,000.0	5,000.0	10,000.0	21,000.0	10,000.0	31,000.0	77,000.0	414.0	77,414.0
1984 General Obligation Bonds	46	1,091.2	-	164.8	164.8	-	-	-	-	164.8	-	1,256.0
Unfunded Requirements	100	-	-	-	-	3,432.0	2,280.0	11,256.0	6,754.0	23,722.0	-	23,722.0
TOTAL		5,887.3	1,719.0	5,464.8	7,183.8	13,432.0	23,280.0	21,256.0	37,754.0	102,905.8	414.0	109,207.1
Inflation Adjustment				-	-	419.0	1,330.0	1,806.0	4,211.0	7,766.0	56.5	7,822.5
Annual Operating Cost				-	-	110.0	116.0	430.0	430.0	1,086.0		

General Expense

DEPARTMENT

**DEPARTMENT CAPITAL PROGRAM FINANCIAL SUMMARY
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
(\$000)**

PROJECT NAME/FUND	PAGE NUMBER	PRIOR YEAR(S)	ADOPTED FISCAL YEAR 2002			PROJECTED REQUIREMENTS				FIVE YEAR TOTAL	FUTURE YEARS	TOTAL PROJECT
			CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2003	YEAR 3 FY 2004	YEAR 4 FY 2005	YEAR 5 FY 2006			
Building Facilities Projects	B - 394	-	1,500.0	-	1,500.0	10,750.0	31,250.0	17,500.0	5,000.0	66,000.0	-	66,000.0
General Fund - Certificates of Participation		-	1,500.0	-	1,500.0	10,750.0	31,250.0	17,500.0	5,000.0	66,000.0	-	66,000.0
Midtown Multipurpose Facility	B - 394	994.9	3,780.1	3,020.6	6,800.7	3,081.0	-	-	-	9,881.7	-	10,876.6
General Fund - Restricted Trust Reserves		-	2,975.0	2,644.0	5,619.0	381.0	-	-	-	6,000.0	-	6,000.0
General Fund - Certificates of Participation		-	-	376.6	376.6	2,700.0	-	-	-	3,076.6	-	3,076.6
General Obligation Bond Funds		994.9	805.1	-	805.1	-	-	-	-	805.1	-	1,800.0
Renovation/Relocation of Council Chambers	B - 395	-	-	320.0	320.0	2,952.0	-	-	-	3,272.0	-	3,272.0
General Fund - Certificates of Participation		-	-	320.0	320.0	2,952.0	-	-	-	3,272.0	-	3,272.0
TOTAL		994.9	5,280.1	3,340.6	8,620.7	16,783.0	31,250.0	17,500.0	5,000.0	79,153.7	-	80,148.6
Source of Funds	Fund No.											
General Fund - Restricted Trust Reserves	01N	-	2,975.0	2,644.0	5,619.0	381.0	-	-	-	6,000.0	-	6,000.0
General Fund - Certificates of Participation	01V	-	1,500.0	696.6	2,196.6	16,402.0	31,250.0	17,500.0	5,000.0	72,348.6	-	72,348.6
General Obligation Bond Funds	39	994.9	805.1	-	805.1	-	-	-	-	805.1	-	1,800.0
TOTAL		994.9	5,280.1	3,340.6	8,620.7	16,783.0	31,250.0	17,500.0	5,000.0	79,153.7	-	80,148.6
Inflation Adjustment				-	-	488.6	1,794.0	1,485.0	558.0	4,325.6	-	4,325.6
Annual Operating Cost				-	-	-	-	-	-	-		

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
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.
BENCHMARKING	The ongoing search for best practices and processes that produce superior performance when adopted and implemented in an organization. For the purpose of benchmarking, only that which you can measure exists.
BENCHMARKS	Measurements used to gauge the city's efforts, both as a community and as an organizational entity, in accomplishing predefined and measurable desired outcomes that have been developed with participation from decision-makers, management, staff, and customers. Benchmark selection requires that you first know what it is you wish to improve, and then the metrics (a means to measure) that will be used.

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
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 which 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.
CAPITAL CARRYFORWARD	Capital funds unspent and brought forward from prior years.
CAPITAL IMPROVEMENT PROGRAM	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 five 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.

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
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.
CARRYFORWARD OPERATING FUND BALANCES	Operating funds unspent and brought forward from prior fiscal years.
CERTIFICATES OF PARTICIPATION	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.
COMMODITIES	Expendable items used by operating departments. Examples include office supplies, repair and replacement parts for equipment, books, and gasoline.
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.
ENCUMBRANCES	Obligations in the form of purchase orders, contracts, or other commitments which 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.

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
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 \$100 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.
FISCAL YEAR	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 2002, for the City of Tucson, refers to the period July 1, 2001 through June 30, 2002.
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.
GENERAL FUND	A fund used to account for all general purpose transactions of the city that do not require a special type of fund.
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.

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
LANE MILE	A lane mile is a calculation of the number of street lanes multiplied by the number of linear miles. For example, seal coating one linear mile of street with two lanes is the equivalent of resurfacing two lane miles (1 linear mile X 2 lanes = 2 lane miles).
LINEAR MILE	A linear mile is equal to the standard measurement for a mile, i.e., 5,280 feet.
MISSION	A succinct description of the scope and purpose of a city department. It specifies the business activities of a department.
NON-PERSONAL SERVICES	Costs related to expendable services, such as supplies, materials, utilities, printing, rent, and contracted and professional services.
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, and specific federal fund expenditures.
OUTCOME	The result or community benefit derived from programs or services expressed as a measure and used to evaluate quality or effectiveness. Examples of outcomes are the number of traffic signals operating trouble-free on a daily basis and the percent of library customers satisfied with the book collection.

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
OUTPUT	A quantitative measure of activities or efforts undertaken to provide a service or program. Examples of outputs are the number of responses to emergency 9-1-1 calls and the number of tons of recyclable materials collected.
OUTSIDE AGENCIES	A group of organizations which are neither associated with, nor allocated to, any particular city department. Economic Development, Cultural Enrichment, Human Affairs, Community Health and Safety, and Other Agencies are the major program groupings for outside agencies.
PERFORMANCE MEASURE	An annual indicator of achievement or measure of production for a program or a unit as defined in the organization of the budget. Measures may be expressed as a number count, fraction, or percent of achievement. Examples are the number of water meters read, number of customer calls received, or percent of customers rating the service as “good” or higher.
PERSONAL SERVICES	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.
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 time frame. 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 roadway, 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.

GLOSSARY OF TERMS

<u>Term</u>	<u>Definition</u>
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 full cash value (market 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.
SIGNIFICANT CHANGES	Explanations of financial differences between the current fiscal year adopted and the future fiscal year recommended or adopted budget amounts.
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.
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.

SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

BASIS OF ACCOUNTING

Beginning with Fiscal Year 2002, the City of Tucson is implementing a major change in the presentation of its financial statements. The Governmental Accounting Standards Board (GASB) Statement 34 is the impetus behind this change. This will impact all state and local governments over the next three years as the mandated year of its adoption is dependent upon the size of the municipality.

The basic financial statements will now include both government-wide financial statements, which focus on the city as a whole, and fund financial statements, which focus on major individual funds. Both of these sets of statements categorize primary activities of the city as either governmental or business type.

The new government-wide Statement of Net Assets uses a full accrual, economic resources basis of accounting, which reflects all long-term debt and assets, and which incorporates depreciation of capital assets. This Statement presents both governmental and business-type activities on a consolidated basis by column. Current year activity is displayed by functional category (e.g., library, fire) and shows the gross cost of each function, the amount that gross costs are offset by program-related revenues (charges for services and grants), and the amount that is supported by general government revenues (e.g., taxes).

In contrast, the fund financial statements use an accounting treatment very similar to previous years. In the major fund statements within the fund financial statements, business-type activities are presented in the same manner as within the government-wide statements, i.e. full accrual basis. Governmental funds are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed most appropriate to demonstrate both legal compliance and how the city's actual experience conforms to the budget.

The primary difference between the new fund financial statements and the previous Generally Accepted Accounting Principles (GAAP) presentation is that the emphasis is now on the major funds in either the governmental or business-type categories, with non-major funds being summarized into a single column. The previous accounting model grouped funds by types, such as special revenue, capital projects, etc.

BASIS OF ACCOUNTING FOR BUDGETARY PURPOSES

As required supplementary information, the city presents budgetary comparisons with fund financial statements at the individual fund level. For the General Fund and any major special revenue funds, both the adopted and revised budgets are compared with actual figures on a GAAP basis. For other funds, only the revised budgets are compared to actual GAAP figures. The city's budget basis of accounting differs from GAAP requirements in the following ways:

- Grant revenues are budgeted on a modified cash basis rather than a modified accrual basis.
- Fund balances reserved for inventories are not recognized in the budget.
- Certain expenditures (e.g., depreciation in proprietary funds) and revenues accrued under GAAP are not recognized on a budgetary basis.
- Certain funds (e.g., internal service, trust, and agency funds) that must be reported under GAAP are not included in the budget.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting for Budgetary Purposes (Continued)

Additional differences between budget and GAAP presentations are in how encumbrances and compensated absences are treated, as addressed below.

ENCUMBRANCES

The City of Tucson integrates encumbrance accounting into its budgetary methods for most governmental and proprietary fund types. Following GAAP, encumbrance accounting records purchase orders, contracts, and other commitments for the expenditure of monies as reservations of fund balance in the fund financial statements of governmental-type funds. Encumbrances outstanding at year-end are not recognized as expenditures for budgetary purposes. Funds appropriated for these commitments can be carried forward and rebudgeted the following fiscal year.

COMPENSATED ABSENCES

In the fund financial statements, the cost of employee vacation leave, sick leave, accumulated compensatory time, and any salary-related amounts are accrued in the proprietary funds as earned. In the governmental funds, only the current portion of the accumulated leave liability is recorded. None of these accruals are included in the budget.

INVESTMENT POLICY

The 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 are scheduled so that maturing principal and interest, plus ongoing, non-investment, cash flow is sufficient to cover projected payroll, operating, and capital expenses as these become payable. Funds available for the day-to-day operation of the city may be invested in authorized investments with a final maturity not exceeding three years from the date of the investment. Monies not related to the day-to-day operation of the city, such as bond proceeds, may also be invested for a maximum of three years with maturities based upon anticipated needs.

ACRONYMS

<u>Acronym</u>	<u>Description</u>
ADA	Americans with Disabilities Act
ADEQ	Arizona Department of Environmental Quality
ADOT	Arizona Department of Transportation
ADWR	Arizona Department of Water Resources
AIMS	Accident Investigation Measuring System
ARFF	Aircraft Rescue and Firefighting Facility
ARS	Arizona Revised Statutes
ASDM	Arizona-Sonora Desert Museum
ATIS	Advanced Traveler Information System
ATLAS	Advanced Traffic and Logistics Algorithms and Systems
AVL	Automated Vehicle Location System
AZ	Arizona
AZ POST	Arizona Peace Officers Standards and Training Board
BAC	Budget Advisory Committee
BBB	Better Business Bureau
BMIR	Below Market Interest Rate
BPOC	Bond Project Oversight Committee
CAA	Clean Air Act
CAP	Central Arizona Project
CAVSARP	Central Avra Valley Storage and Recovery Project
CAWCD	Central Arizona Water Conservation District
CBC	Capital Budget Committee
CDBG	Community Development Block Grant
CEO	Chief Executive Officer
CFR	Child and Family Resources
CIP	Capital Improvement Program
CLEC	Competitive Local Exchange Carrier
CMP	Community Mediation Program
CNG	Compressed Natural Gas
CNS	Citizen and Neighborhood Services
CO	Carbon Monoxide
COBRA	Consolidated Omnibus Budget Reconciliation Act of 1985
CODIS	Convicted Offender DNA Indexing System
COPS	Certificates of Participation
COTA	Correctional Officers Training Academy
CPAC	Citizen Participation Advisory Committee
CPC	Crime Prevention Council
CPI	Consumer Price Index
CPSA	Community Partnership of Southern Arizona
CRRF	Clearwater Renewable Resource Facility
CWAC	Citizens' Water Advisory Committee

ACRONYMS

<u>Acronym</u>	<u>Description</u>
DDR	Drug Demand Reduction
DEA	Drug Enforcement Administration
DES	Department of Economic Security
DNA	Deoxyribo Nucleic Acid
DOT	Department of Transportation
DPS	Department of Public Safety
DUI	Driving Under the Influence
EEC	Economic Estimates Commission
ECAP	Employees Combined Appeal Program
EM	Environmental Management
EMPACT	Environmental Monitoring for Public Access and Community Tracking
EEO	Equal Opportunity Office
EPA	Environmental Protection Agency
EPAC	Environmental Planning Advisory Committee
EPACT	Energy Policy Act
FAA	Federal Aviation Administration
FBI	Federal Bureau of Investigation
FEMA	Federal Emergency Management Agency
FHA	Federal Highway Administration
FPA	Financial Participation Agreement
FTA	Federal Transit Administration
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GABA	Greater Arizona Bicycling Association
GASB	Governmental Accounting Standard Board
GDP	Gross Domestic Product
GIS	Geographical Information System
GLBT	Gay, Lesbian, Bisexual and Transgender
GO	General Obligation
GPA's	Grade Point Averages
GREAT	Gang Resistance Education and Training
GTEC	Greater Tucson Economic Council
GTSPED	Greater Tucson Strategic Partner for Economic Development
HELP	Highway Extension and Enhancement Loan Program
HIDTA	High Intensity Drug Trafficking Areas
HOPE	Housing Opportunities for People Everywhere
HPMS	Highway Performance Monitoring System
HSSA	Humane Society of Southern Arizona
HUD	Department of Housing and Urban Development
HURF	Highway User Revenue Fund
HVAC	Heating, Ventilation, and Cooling Equipment
ICLEI	International Council for Local Environmental Initiatives

ACRONYMS

<u>Acronym</u>	<u>Description</u>
I-Net	Institutional Network
IT	Information Technology Department
ITASA	Information Technology Association of Southern Arizona
ITS	Intelligent Transportation System
LED	Light Emitting Diode
LIFT	Literacy Involves Families Together
LLEBG	Local Law Enforcement Block Grant
LPGA	Ladies Professional Golf Association
LSTA	Library Services and Technology Act
LTAf	Local Transportation Assistance Fund
LULAC	League of United Latin American Citizens
MADD	Mothers Against Drunk Driving
MANTIS	Metropolitan Area Narcotics Trafficking Interdiction Squad
MAST	Multi-Agency Surveillance Team
MDI	Management Development Institute
MEC	Metropolitan Education Commission
MMP	Mobility Management Plan
MOA	Master Operating Agreement
MOU	Major Offenders Unit
MSDS	Material Safety Data Sheets
MURLS	Major Urban Resource Library Services
MWBE	Minority and Women Owned Business Enterprise Program
NAAQS	National Ambient Air Quality Standard
NAFTA	North American Free Trade Agreement
NASA	National Aeronautics and Space Administration
NCAA	National Collegiate Athletic Association
NETeams	Neighborhood Enhancement Teams
NFIRS	National Fire Incident Reporting System
NGWA	National Ground Water Association
NIEA	National Indian Education Association
NPDES	National Pollutant Discharge Elimination System
NTMP	Neighborhood Traffic Management System
OED	Office of Economic Development
OEM	Office of Emergency Management
OSHA	Occupational Safety and Health Administration
OWP	Overall Work Program
O&M	Operating and Maintenance

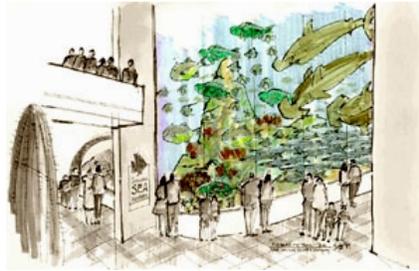
ACRONYMS

<u>Acronym</u>	<u>Description</u>
P&R	Parks and Recreation Department
PACC	Pima Animal Control Center
PAG	Pima Association of Governments
PBAA	Perimeter Bicycling Association of America
PC	Personal Computer
PCOA	Pima Council on Aging
PGA	Professional Golfers' Association
PHDEP	Public Housing Drug Elimination Program
PHMAP	Public Housing Management Assessment Program
PMATS	Project Management and Tracking System
PoPTAC	Population Technical Assistance Committee
PPM	Parts per Million
PROST	Parks, Recreation, Open Space, and Trails
QHWRA	Quality Housing and Work Responsibility Act of 1998
RCP	Residential Cluster Projects
REPP	Regional Effluent Planning Partnership
RFP	Request for Proposals
RHODES	Real-time Hierarchical Optimized Distributed Effective System
RTP	Regional Transportation Plan
RUMBA	Re-Used Materials Becoming Art
SAAF	Southern Arizona AIDS Foundation
SABER	Slum Abatement and Blight Enforcement Response
SACASA	Southern Arizona Center Against Sexual Assault
SAHBA	Southern Arizona Home Builders Association
SARA	Superfund Amendment and Reauthorization Act
SATC	Southern Arizona Technology Council
SCAT	Sister Cities Association of Tucson
SCORE	Service Corps of Retired Executives
SEMAP	Department of Housing and Urban Development Section 8 Management Assessment Program
SESS	Society of Earth Science Students
SIP	State Implementation Plan
SMART	Serious Incident Multi-Agency Response Team
SMOGLMAP	System for Management, Observation, and GIS Modeling of Air Pollution
SORT	Sexual Offenders Registered Tracking
SRO	School Resource Officer
STP	Surface Transportation Program
SVE	Soil Vapor Extraction
SWAT	Special Weapons and Tactics
SWMD	Solid Waste Management Department

ACRONYMS

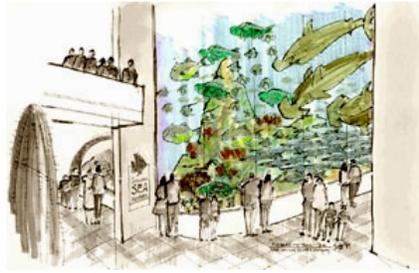
<u>Acronym</u>	<u>Description</u>
TAA	Tucson Airport Authority
TARP	Tucson Airport Remediation Project
TAZ	Traffic Analysis Zones
TBG	Tucson Botanical Gardens
TCC	Tucson Convention Center
TCCC	Tucson Community Cable Corporation (Access Tucson)
TCE	Trichloroethylene
TCG	Tucson City Golf
TCIV	Tucson Council for International Visitors
TDOT	Tucson Department of Transportation
TEA-21	Transportation Equity Act for the Twenty-First Century
TEAM	Transportation Enterprise Area Management
TelePAC	Telecommunications Policy and Advisory Committee
TEP	Tucson Electric Power
TFD	Tucson Fire Department
TICET	Tucson Inner City Express Transit
TIP	Transportation Improvement Program
TPAC	Tucson-Pima Arts Council
TPD	Tucson Police Department
TPOA	Tucson Police Officers' Association
TPPL	Tucson-Pima Public Library
TRP	Travel Reduction Program
TSMS	Tucson Stormwater Management Study
TSRS	Tucson Supplemental Retirement System
TTSPS	Tucson Transportation System Planning Study
TUSD	Tucson Unified School District
U of A	University of Arizona
USCF	United States Cycling Federation
UST	Underground Storage Tank
VLT	Vehicle License Tax
VOC	Volatile Organic Compound
WASH	Watercourse Amenities Safety and Habitat
WDVP	Wingspan Domestic Violence Project
WOW	WideOpenWest
YES	Youth Enrichment Support
YMCA	Young Men's Christian Association
YO	Youth Opportunities Grant

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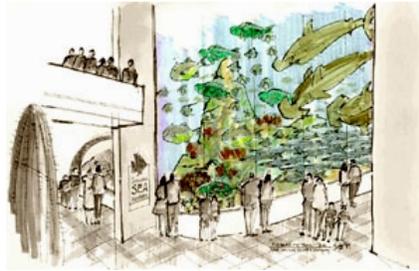
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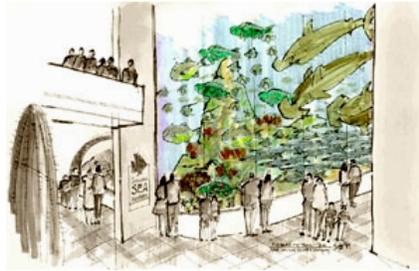
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