



June 10, 2016

To : The Honorable Mayor and City Council

**RE: Transmittal – Fiscal Year 2017 Budget**

It is my pleasure to present to you the FY 2017 Final Budget for your review. There have been several budget work sessions with department heads to review, in detail, their staffing, programs, and planned project expenditures. This year's total approved expenditures budget is \$73,112,570 including all estimated reserves, potential grants and financing options. Compared to last fiscal year's revised budget of \$73,953,055, which did not contain reserves or financing options and grants that did not come to fruition, the overall decrease is \$840,485. Items that attributed to the difference for FY 2016 were the reallocation of resources for continuing projects, the 2004 and 2006 Water Bond refinancing, and new projects that were part of the 2016 original budget. These substantial decreases between original and revised budgets are noted in any fund that has reserves, grants or financing options. The chart below shows how the budget changed from 'adopted' to 'revised' over the past nine years.

FY 2017 Final Budget - \$73,112,570

Fiscal Year	Original Budget	Revised Budget	Original vs Revised
2008	\$89,139,395	\$79,158,556	(\$9,980,839)
2009	\$88,545,340	\$77,346,715	(\$11,198,625)
2010	\$132,562,405	\$68,688,930	(\$63,873,475)
2011	\$100,876,915	\$60,723,320	(\$40,153,595)
2012	\$78,422,500	\$63,260,685	(\$15,161,815)
2013	\$73,417,765	\$54,231,275	(\$19,186,490)
2014	\$70,875,846	\$57,895,580	(\$12,980,266)
2015	\$86,638,905	\$76,488,750	(\$10,150,155)
2016	\$117,084,020	\$73,953,055	(\$43,130,965)

The largest planned single increase is in the Enterprise Fund and includes the construction of the new Riverfront Water Reclamation Facility. A general discussion about the funds follows; however, in-depth information is in the Key Issues section of this document.

The General Fund's overall budget is \$25,475,000, including transfers-out and reserves. This is a \$5,659,095 increase over the previous fiscal year's revision of \$19,815,905. This increase includes \$3,915,535 in reserves. Six additional staff positions are included in the budget for FY 2017 and one reclassification was approved, totaling \$29,972.

The merit program has been budgeted for FY 2017. There is no Cost of Living Adjustment (COLA) budgeted for FY 2017 since the Social Security Administration did not include a COLA for FY 2017. The Public Safety Personnel Retirement contributions saw a substantial increase for FY 2016 due to the large unfunded liability that the retirement system has developed. The employer contribution rate for Public Safety Personnel Retirement for FY 2017 has only increased slightly but is still higher than for the Arizona State Retirement. It has gone up from 37.37% to 37.72% for the Police Department and from 18.38% to 18.78% for the Fire Department. As for the employer contributions to the Arizona State Retirement System, rates increased slightly from 11.47% to 11.48%. A current capital equipment and capital projects summary can be found towards the end of this transmittal letter on page viii and details can be found on pages 277-281.

The total budget for the Special Revenue Funds is \$10,402,160, including transfers-out and carryovers. This fund's expenditures increased by \$1,384,250 over last year's revised expenditures of \$9,017,910. Fiscal year 2016 showed a large increase due to the funding of a bond to cover streets projects. The balance has been reprogrammed and carried over to provide for projects expected to be completed in FY 2017. The reconstruction project of Mingus Avenue from Willard Street to Main Street is a major portion of the Special Revenue Funds increases. This stretch of Mingus Avenue is expected to cost \$4,112,500.

The Transit department transferred from Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) to the City on July 1, 2012. Both the LYNX system and the Cottonwood Area Transit (CAT) added additional services in FY2014. FY 2017 will show increased services to the Sedona and Village of Oak Creek area due to the LYNX route being considered a fixed route and not a commuter route. The Transit System budget of \$1,858,840 is supported through fares, neighboring community financial support, state and federal grants, and City contributions.

The Airport Fund shows a slight decrease due to lower operating costs. The budget reflects a transfer-out to the Grants Fund as a match for the grants for several airport related projects. Those projects include Pavement Preservation and a grant to increase the fence height at the Airport. The Community Development Block Grant (CDBG) for the 10<sup>th</sup> Street Reconstruction project was completed in FY 2014 and a new grant for the Civic Center Rehabilitation has been budgeted at \$309,155, while Other Grants include \$500,000 for any occasional grants that come along and were not budgeted.

The Debt Service Fund is budgeted for \$1,738,075, which is \$1,212,900 less than last year's revised budget of \$2,950,975. The FY 2016 budget included the restricted fund balance which rolled over from FY 2015 and will be used in FY 2017 to build the new Riverfront Water Reclamation Facility. The Recreation Center Debt Service will continue through August 2027. The Library Debt Service expired July 1, 2013. The two loans of the Greater Arizona Development Authority (GADA) for Public Safety and Rail Road Wash were also paid in full on July 1, 2013. The Excise Tax Bond that was funded at the end of FY 2015 can be found in the Streets Capital Improvements, Water and Wastewater budgets. This bond was split between the Funds where the projects were expensed.

The City budgeted \$1,031,250 in Capital Projects, which is \$7,871,840 less than for FY 2016 that included a transfer to the Sewer Fund of \$8,045,860 for construction of the water reclamation project at Riverfront Park. Other items of interest in the Capital Projects Fund are the construction and rehabilitation of the bathrooms at the local parks and the HVAC for the Civic Center. The construction of the Cottonwood Public Safety Communications Center for approximately \$3.7M was completed in FY 2015.

The Enterprise Fund budget, which consists of Water and Wastewater, has increased from last fiscal year's revised amount of \$32,817,695 to \$33,895,315 for FY 2017. The \$1,077,620 increase can, in part, be attributed to the Riverfront Wastewater Reclamation Plant for which construction began in FY 2016. The refunding of the 2004 Water Bonds was completed with a Water Infrastructure Finance Authority Loan (WIFA) in FY 2015 and the 2006 Water Bonds in FY 2016, also with a WIFA loan. These two refundings will save the City money over the term of the new loan due to lower interest rates.

The Fiduciary Fund aggregate total is down by \$6,710. Both the City's Alternate Pension and Benefits Plan and the Employee Benefits Trust Fund are earning small amounts of interest. The Employee Benefits Trust Board was disbanded in FY 2013; the only activity is interest on the remaining fund balance.

### **General Commentary**

The preparation of the budget continues to be an extraordinary challenge for all departments. The last eight years have been especially difficult with a continuous decline in some of our largest revenue sources. Prior cost containment measures are providing value back to the City of Cottonwood and helping maintain the current staffing and services. Those same measures have played an integral role in surviving the downturn in our local economy.

Some issues are out of our control, such as rising health insurance premiums, large retirement contribution increases, utility costs, and common expenditures in general. Some external forces are also placing demands on our staffing and capital equipment requirements. These matters, along with the City's dedication to the citizens' insistence on quality services, are part of the highest priorities causing an increased challenge to balancing this budget. On a more encouraging note, it has become apparent that our sales tax figures have started to improve. The local economy as a whole is showing signs of improvement.

## **KEY ISSUES – FISCAL YEAR 2017**

### **GENERAL FUND**

The City of Cottonwood continues to face many issues during these still difficult times. Below are listed some of the foremost issues addressed within this budget.

- **Slow Recovery of the Local Economy** – After nearly six years of declining revenues, the City has started to show some slow revenue growth ranging from 2% - 5%. Though not a significant growth number, it is an improvement from prior year's double digit declines. The local economy is still the single largest challenge the City of Cottonwood is facing.

- **Taxes** – The City of Cottonwood has prided itself on managing its affairs through local transaction privilege tax, commonly called sales tax. Though successful for many years, it has shown the fallacy of the notion that it can continue to provide quality services based on a major revenue source that is at the mercy of the economy. The City Council passed a .8% sales tax increase that went into effect in November 2008 to counter the declining economy. This increase brought the total Cottonwood local sales tax rate to 3%, and along with cost cutting measures it helps Cottonwood stay fiscally sound. Cottonwood does not collect a property tax for services. Recent research reveals that, even with rising sales tax numbers due to increases in the sales tax rate, actual taxable sales are still lagging behind when compared to pre-great recession numbers.
- **Underfunded Pension Liabilities** – The City of Cottonwood has always funded the annual amount requested by both the Public Safety Personnel Retirement System (PSPRS) and the Arizona State Retirement System (ASRS) even though the requested amount did not fully cover the liability for the City’s future pensions. Prior to FY 2015, the unfunded liability was only reported by the individual retirement systems. In FY 2015, the Governmental Accounting Standards Board (GASB) implemented GASB #68, an accounting policy change that requires entities to record their own underfunded liability amounts. As a whole, the Public Safety Personnel Retirement System is about 50% underfunded, which amounts to a shortfall of \$6.6B. The City’s portion of that is approximately \$9.2M. The City of Cottonwood is looking at different options to pay down this liability such as prepaying its estimated annual contribution at the beginning of the fiscal year and contributing additional funding from any savings due to vacancies throughout the year. The City’s portion of the \$14.8B Arizona State Retirement System liability is \$10.4M. Due to the difference in how the two systems are organized and managed, this liability is being handled by the ASRS through continued increases in annual contribution amounts.
- **State Shared Revenues** – These revenue sources are always of concern to municipalities due to the state’s history of trying to reallocate them for state purposes. The budget reflects an increase in State Shared Income Tax of \$88,065 from last year’s \$1,356,305. State Shared Sales Tax is up at a 3.2% increase over FY 2016 and is anticipated to generate \$1,111,240 in FY 2017. Both of these revenues are projected by the Arizona Department of Revenue.
- **General Staffing & Compensation** – Even with the slow recovery in our community, the need for services continues to increase. Most departments continue to provide the necessary basic coverage with few enhancements. In FY 2013, a compensation study was completed and implemented at a cost of nearly \$500,000. For FY 2017, a Cost of Living Adjustment (COLA) is not included in the budget. The Longevity Program is currently not budgeted. The City of Cottonwood is doing everything it can to recruit and keep its valuable employees.
- **Recreation Center** – The multigenerational Recreation Center was completed in February 2010 and opened May 1, 2010. This facility was anticipated to have a 70% cost recovery rate; however, the struggling economy has hampered the achievement of this goal. Presently, it is recovering slightly above 61% of the expenditures. The largest concern stems from future maintenance and operational costs of the facility. To counter rising costs and improve the recovery rate, the City has eliminated many of the offered discounts and restructured the management portion of the operations. The staff will examine additional options to increase revenues and reduce costs.

- Capital Infrastructure Planning** – The City has been struggling with capital planning due to the slow pace of recovery of the local economy. Some projects will continue to be postponed until the economy improves. Other projects will however, move forward, funded through planned resources or other financing sources.
  
- Water Issues** – The growth of the Verde Valley region continues the need for the City to maintain an active role in the water issues that are affecting the region as well as the City of Cottonwood. Water quality and availability, water management and conservation, water rights, water system development, and fire protection are all critical issues in which we need to become more involved. A rate increase is not calculated into the budget due to its uncertainty of coming to fruition.
  
- Wastewater Issues** – The City of Cottonwood Wastewater Treatment Facility is slowly reaching its capacity and the infrastructure is getting more difficult to maintain. It is expected that even with the current slow growth patterns, the City needs to move forward with satellite wastewater treatment facilities. The Riverfront Water Reclamation Facility is expected to be the first satellite reclamation plant. Small package plants will be strategically placed to not only treat but also produce quality reclaimed water for use by city parks, home landscaping, fire sprinklers, dual plumbing, dust control, and many other possible uses.

### City Staffing

The budget for FY 2017 includes funding for the employee merit program. There were 12 requests for additional full-time staffing and four for part-time staffing; six new full-time staff are included in the budget; two will be hired at the beginning of the fiscal year, and the three transit drivers and a grant funded Victim Assistant for the Police Department will be hired in October 2016.

<b>PERSONNEL REQUESTS</b>								
Dept	Job Description	Requested Range	Range Parameters			Est. Salary (min +5%)	Benefits	Est. Annual Costs
Fire	Deputy Fire Chief (FT)	31	73,901	85,572	97,243	77,596	31,038	\$108,634
IT	Radio Technician (FT)	23	50,019	57,919	65,818	52,520	21,008	73,528
Library	Library Clerk - Youth Services (FT)	11	27,852	32,251	36,650	29,245	11,698	40,942
Library	Library Clerk - Adult Services (FT)	11	27,852	32,251	36,650	29,245	11,698	40,942
Police	Records and Evidence Technician (FT)	15	33,855	39,202	44,548	35,548	14,219	49,767
Planning	Administrative Assistant	13	30,707	35,557	45,254	32,242	12,897	45,139
Transit	Transit Drivers (3) - 3/4 of the year	12	29,245	33,864	43,099	92,122	36,849	128,970
Engineering	Civil Engineering Tech I	19	41,149	47,646	60,643	43,206	17,283	60,489
Public Works	PW Maintenance Tech III	17	37,323	49,111	55,005	39,189	15,676	54,865
Police	Victim Assistant - 3/4 year Grant Funded	16	35,546	41,159	52,385	26,659	10,664	37,323
<b>Total Requested</b>						<b>457,572</b>	<b>183,029</b>	<b>\$640,601</b>

<b>PERSONNEL REQUESTS - BUDGETED</b>								
IT	Radio Technician (FT)	23	50,019	57,919	65,818	52,520	21,008	73,528
Planning	Administrative Assistant	13	30,707	35,557	45,254	32,242	12,897	45,139
Transit	Transit Drivers (3) - 3/4 of the year	12	29,245	33,864	43,099	92,122	36,849	128,970
Police	Victim Assistant - 3/4 year Grant Funded	16	35,546	41,159	52,385	26,659	10,664	37,323
<b>Total Budgeted</b>						<b>203,544</b>	<b>81,417</b>	<b>284,961</b>
<b>Total Not Budgeted</b>								<b>\$355,640</b>

There were three reclassification requests but only one was approved. It involves an allocation of \$29,970 to upgrade the position of Purchasing Agent to Purchasing/Contracts Administrator. The total requested amount for additional personnel that were not approved was \$355,640. If budgeted, these positions would have been recurring costs.

## Contributions to Dependent Health Insurance Coverage

In fiscal year 2010, the Verde Valley Employee Benefits Pool (VVEBP), the City's health insurance provider, changed its name to Arizona Public Employers Health Pool (APEHP) to broaden its ability to attract new members to the Pool to help contain costs. During these tough economic times, adjustments to the plan have remained single digit. For FY 2017, the City will see a rate increase of 2%.

Every year, there are major changes to the plan. Some of these changes are due to the Affordable Care Act (ACA) of 2010 and others are changes approved by the APEHP Board to keep on providing quality services and efficiencies.

Listed below are some of the changes taking effect on July 1, 2016:

- The CVS/Caremark will be the new pharmacy benefit manager
- Health Savings Account (HSA) contributions will be set at \$3,350 for individuals and \$6,750 for family coverage,
- New Identification Cards will be issued with the medical/prescription coverage
- The out-of-pocket limit will decrease for the \$1,500 HDHP and \$2,500 HDHP family plans
- Health Care Flexible Spending Account (FSA) and Dependent Care FSA's will not be available in the new plan year

The table below summarizes the total costs for health insurance for the City, our employees and their dependents. The APEHP has successfully contained costs of health coverage by way of plan design, education, and sound health care management. For families in good general health, an employee can choose from three High Deductible Health Plans and save on their dependent coverage, while taking advantage of the City's increased contribution into their Health Savings Account (HSA). For moderately healthy families, an employee has the option to choose either the Core Plan or the Co-Pay Plan.

Medical & Basic Life Coverage	Core Plan/Co-Pay Plan \$500 / \$750 deductible			HDHP Plan (\$1500/\$3000) \$1500 deductible (employee only) \$3000 deductible (employee + 1 or more)			HDHP Plan (\$2500/\$5000) \$2500 deductible (employee only) \$5000 deductible (employee + 1 or more)			HDHP Plan (\$5000/\$10000) \$5000 deductible (employee only) \$10000 deductible (employee + 1 or more)		
	Employer Pays	You Pay	Total (includes \$8 life fee)	Employer Pays	You Pay	Total (includes \$8 life fee)	Employer Pays	You Pay	Total (includes \$8 life fee)	Employer Pays	You Pay	Total (includes \$8 life fee)
Employee Only	694	0	\$694	694	(183)	\$511	694	(233)	\$452	672.16	(279.16)	\$393
Employee + Spouse	1174.20	205.80	\$1380	862.40	150.60	\$1013	777.40	135.60	\$913	661.80	115.20	\$777
Employee + Child(ren)	1055.60	90.40	\$1146	775.00	66.00	\$841	698.60	59.40	\$758	595.40	50.60	\$646
Employee + Family	1322.80	419.20	\$1742	972.40	307.60	\$1280	875.60	276.40	\$1152	745.80	235.20	\$981

Note: The Employer's High Deductible costs do not include the employer contribution to the respective HSA.

The City of Cottonwood also provides options for dental and voluntary vision coverage. These amounts are in the following tables.

Dental Coverage	Employer Pays	You Pay	Total
Employee Only	42.00	0.00	42.00
Employee + Spouse	71.40	12.60	84.00
Employee + Child(ren)	63.60	5.40	69.00
Employee + Family	81.00	26.00	107.00

<b>Voluntary Vision Coverage</b>	<b>Employer Pays</b>	<b>You Pay</b>	<b>Total</b>
Employee Only	0.00	10.77	10.77
Employee + Spouse	0.00	16.26	16.26
Employee + Child(ren)	0.00	17.41	17.41
Employee + Family	0.00	27.82	27.82

Vision coverage is strictly voluntary

### **Supporting Programs**

-  **Building Community Grants:** The City will continue to fund this program for FY 2017 in order to assist local 501(c)(3) organizations that do not qualify for the outside agency program.
-  **Funding Outside Agencies:** The local Boys and Girls Club is no longer on the funding list since that organization went under. Some of the other local agencies that will receive financial support in FY 2017 from the City of Cottonwood are listed below. These agencies include:

Old Town Association	FY 2016 - \$10,000	FY 2017 - \$10,000
Senior Center	FY 2016 - \$55,000	FY 2017 - \$55,000
Adopt for Life	FY 2016 - \$43,880	FY 2017 - \$43,880
Old Town Center for the Arts	FY 2016 - \$20,000	FY 2017 - \$20,000

### **BUDGET POLICIES – FISCAL YEAR 2017**

This budget reflects the fund balance policies of the City Council. Currently, these policies require the City to restrict an amount equal to 16.67% of the previous year's operating revenues as part of its fund balance. This requirement brought this year's restricted fund balance reserve to \$2,851,240. This is also estimated to be about 60 days of expenditures coverage. Additionally, an accumulating reserve of 2.67% of the previous year's general fund operating revenues is reserved for capital projects. This year represents the thirteenth year of this policy.

In November 2006, the Council decided, with a recommendation from management, to fund an additional \$700,000 from excess sales tax into this capital accumulation fund. With this fund now over \$1,000,000, the City Council, at the recommendation of management, made the decision to cap this fund at \$1,000,000 and use any excess for everyday maintenance and operational costs until the economy improves.

Due to the heavy use of this fund over the last few years to cover Capital Improvements, there is presently nothing budgeted or available in additional capital reserves, which comes from a 1% sales tax that is used to work on some General Fund capital projects. These policies, along with the development of the five-year budget projections, will ensure the financial stability of the City into the future.

## BUDGET DEVELOPMENT

Long range financial planning plays an integral part in the budget development. Revenues and expenditures were prepared for a five-year period for all funds. These projections are included within the budget. The result of this five-year analysis demonstrates that revenues barely keep up with operational expenditures for the next five years. This is mainly due to the economy and the state's future financial picture. Any capital acquisition would require some financing alternatives, see pages 31-39. All other funds will continue to operate within their respected revenues.

### LONG RANGE PROGRAMMATIC AND FINANCIAL PLANNING

Included in the budget is a section establishing long-range organizational programmatic goals and the five-year capital improvement plan. The organizational goals identified are presented programmatically, including a statement of operational fiscal impact to the City. Goals identified for fiscal year 2017, have been integrated into the work plans of the appropriate department responsible for implementation. A summary depicting the funding resources available for the many projects is also presented.

The five-year capital plan is an integration of these current and long-range organizational goals. Each major project is detailed within this section of the budget.

### CAPITAL ACQUISITION PLAN – FISCAL YEAR 2016

Included in the budget is \$2,154,845 in equipment acquisitions and \$22,471,190 in construction projects. These items are listed in detail in each department's budget and summarized in the appendix of this budget on pages 277-281. A summary by function is provided for review and does not necessarily reflect the full cost of ongoing projects. Only those amounts to be expended for fiscal year 2017 are budgeted.

Capital Equipment		Capital Projects	
Function	Estimated Cost	Function	Estimated Cost
General Government	\$245,000	General Government	\$1,604,190
Public Safety	834,065	Public Safety	0
Culture & Recreation	257,000	Culture & Recreation	304,155
Health & Sanitation	444,780	Health & Sanitation	16,621,195
Transportation (CAT & Airport)	125,000	Transportation (CAT & Airport)	1,810,000
Streets	249,000	Streets	2,131,650
<b>Total Capital Equipment</b>	<b>\$2,154,845</b>	<b>Total Capital Projects</b>	<b>\$22,471,190</b>

## ACKNOWLEDGMENTS

The preparation of this municipal budget document is attributed to the many hours spent by our Accounting/Budget Manager Kirsten Lennon and Budget Analyst Helen Bartels, who met with representatives from the various departments and compiled their departmental data. A special thanks to the Administrative Services Finance Division staff for the time spent in providing the financial information needed during the budget process. In addition, thanks to the General Managers, Department Heads, supervisors and staff who assisted in the development of the 2017 Annual Budget document.

Despite the tough economic challenges, the City of Cottonwood continues to be fiscally sound due to the efforts of the City Council and Staff. As the City Manager, I appreciate this opportunity to continue this strong financial state through the preparation of this budget document.

### *Employee Vision, Mission Statement and Values*

#### ***Purpose: “Why” We Exist***

*The City of Cottonwood provides, protects, nurtures and cares for its community of residents, businesses, visitors and supporters. We create and sustain the best quality of life for the people that are the fabric of our entire community. Within that, we are the Heart of the Arizona Wine Community and utilize that presence to foster the improvement of our entire city and all of its residents.*

#### ***Mission: “What” We Do***

*The City of Cottonwood is a premier destination, both to visit and to live. Our community is rooted in a rich history, committed to time-honored values and dedicated to an evolving, promising and sustainable future. We embrace tradition and diversity equally to maintain and preserve our truly unique environment and character. We celebrate our role as the heart of the Verde Valley economically, culturally and geographically, and are passionate about fostering a diverse, innovative and culturally vibrant population. We are the primary destination in the Arizona Wine Community and the central hub for the industry as a whole within the state.*

#### ***Vision: “Where” We Are Going***

*The City of Cottonwood is committed to a vibrant future by providing its residents, businesses and visitors with the most favorable life experience, from our core values to our comprehensive community infrastructure, to our precious and beautiful natural resources, to our visionary but sustainable growth. We will continue to provide the best possible resources that a healthy community needs to survive and thrive, and will vigilantly protect and honor our traditions and history while embracing the innovation and diversity needed for our most rewarding future. We will continue to celebrate and nurture our role as the premier wine community of the Arizona wine industry, promoting its greatest growth and health by shaping our city as its leading champion so that it can serve as the state’s central hub and clear focal point for this valuable product, resource, and culture.*

Sincerely,

Doug Bartosh  
City Manager

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## **EXECUTIVE SUMMARY**

### **City Profile**

The City of Cottonwood is situated in central Arizona bordering the Verde River to its north and is the retail and services center for the picturesque Verde Valley. The community was established in 1879 as the Town of Cottonwood and incorporated in 1960.

In 1874, soldiers from nearby Camp Verde were stationed in an existing adobe structure in Old Town Cottonwood where the City of Cottonwood was founded. The first real settlers were ranchers utilizing the fertile grasslands along the Verde River to feed their herds. The name of the city was derived from a circle of 16 cottonwood trees located near the Verde River where these settlers began to develop the community. In 1987, the voters approved a name change from Town to City.

Cottonwood, located in Yavapai County, is approximately 100 miles north of Phoenix and 50 miles south of Flagstaff, near the geographic center of the entire state of Arizona, and close to Interstate 17 on the crossroads of State Route 89A and 260. The city lies at an elevation of 3,320 feet above sea level with a total geographic area of 16.65 square miles.

The 2010 census sets the city's population at 11,265 depicting a 22.7% increase over the 2000 census. The city's main industries are tourism, government services, retail and education.

### **Date of Incorporation – 1960**

### **Form of Government – Council-Manager**

### **Demographics/Economics**

<b><u>Area – Square Miles</u></b>	<b><u>2016 Property Tax Assessed Valuation</u></b> (a)	
2015 – 16.65 Square Miles	Primary	\$ 81,599,117
	Secondary	\$ 95,079,489

### **Paved Streets**

52 Miles

### **Cottonwood Labor Force Data** (b)

	<b><u>2015</u></b>
Civilian Labor Force	5233
Employed	4,946
Unemployed	287
Unemployment Rate	5.5%

Source:

- a) Arizona Department of Revenue, Property Tax Division
- b) Arizona Department of Administration – <https://laborstats.az.gov/sites/default/files/documents/files/pr-laus-04cit-14-nsa.pdf>

<u>Year</u>	<u>Population</u> (a)	<u>Public School Enrollment</u> (b)	<u>Unemployment Rate</u> (c)
2015	11,532		5.5%
2014	11,402	3,331	6.3%
2013	11,313	3,102	7.9%
2012	11,224	2,889	8.2%
2011	11,237	3,108	10.4%
2010	11,265	2,722	9.7%
2009	12,180	2,876	9.1%
2008	11,260	3,369	5.1%
2007	11,130	3,008	3.7%
2006	10,925	3,190	3.9%
2005	10,860	3,432	4.4%

Sources:

- (a) Department of Economic Security - Research Administration Division – website: <https://population.az.gov/sites/default/files/documents/files/pop-estimates2015-04pla.pdf>
- (b) School census – Cottonwood School Districts
- (c) Arizona Department of Administration - <https://laborstats.az.gov/sites/default/files/documents/files/pr-laus-04cit-14-nsa.pdf>

<u>Gross Taxable Sales</u> (a)		<u>Building Permits</u> (b)		
		<u>Year</u>	<u>Number</u>	<u>Value</u>
2015	\$404,669,000	2015		
2014	391,129,000	2014	343	\$15,891,831
2013	372,907,000	2013	26	4,033,518
2012	351,940,000	2012	27	4,113,790
2011	344,346,000	2011	10	1,467,400
2010	358,070,000	2010	13	1,510,901
2009	364,689,000	2009	19	1,235,804
2008	436,982,000	2008	76	8,667,927
2007	447,904,000	2007	58	5,651,406
2006	430,980,000	2006	165	18,546,037

Sources:

- (a) City of Cottonwood CAFR <http://cottonwoodaz.gov/finance/CAFR2015.pdf>, page 86
- (b) City of Cottonwood Community Development – Single Family homes

<u>Major Private Employers</u> (a)	<u>Education</u> (b)	
Verde Valley Medical Center	Elementary Schools	2
Wal-Mart – Retail	Exceptional Children Program	1
	Middle School	1
	High School	1
	Community College	1
	Students:	
	Grades K-8	2,150
	Grades 9-12	1,181
	<b>Total Students</b>	<b>3,331</b>

Sources:

- (a) Arizona Department of Commerce – Community Profile for Cottonwood, AZ
- (b) Provided by the local school's business offices

## 2016 Service Statistics

### **Fire Protection**

Stations	1
Employees (Full-time)	28
Fire & Hazmat Calls	274
Rescue & Medical Calls	2,6400
Public Assist Calls	325
Fire Inspections (various kinds)	1,739
Plan Reviews & Permits	3337
Public Ed Contact Hours	10,546

### **Public Works**

Engineering Reviews (ea. Proj.)	14
Subdivisions (lots)	23011
Right of Way Permits (ea.)	61
Flood Plain Inquires	174
Contract Administration	13,762,000

### **Recreation Programs**

Participation:	
Adult Sports	27,000
Special Events	25,700
Recreational Swimming	19,200
Instructional Classes	21,650
Youth Sports	10,500

### **Sewer**

Sewer Line Inspected (LF)	1,800
Miles of Line	60
Average Daily Treatment	.949 mgd
Plant Capacity	1.5 mgd
Blue Stake Requests	830
Reclaimed Water Sold	11.779 mg
Number of Sewer Accounts	4,160
Sewer Taps installed	1

### **Police Protection**

Stations	1
Employees (Full-time)	64
Sworn	34
Non-Sworn	30
Part I Crimes	496
Part II Crimes	12,169
Traffic Warnings	546
Traffic Citations	2,199
Arrests - Charged	1,703

### **Library**

Items in Collections	110,385
Total Items Circulated	264,135
Circulation Transactions Per Day	841

### **Municipal Parks**

Developed Parks	5
Developed Acres	38.7
Undeveloped Acres	91.3
Swimming Pools	2
Tennis Center	1
Lighted Ball fields	8
Community Recreation Centers	2

### **CAT/LYNX Transit System**

Annual Ridership	149,492
Miles Traveled	380,325
CAT Ridership	86,278
LYNX Ridership	63,214

### **Water Utility**

Blue Stake Requests	1085
Pumping Capacity	10.0mgd
Average Pumpage	3.3 mgd
Number of Wells	27
Number of Storage Tanks	25

<u>Month</u>	<u>Weather</u>		<u>Average Total Precipitation (inches)</u>
	<u>Average Daily Temperature (F)</u>		
	<u>Maximum</u>	<u>Minimum</u>	
January	58.1	28.1	0.8
February	63.3	31.7	0.8
March	68.3	35.6	0.9
April	76.6	41.9	0.5
May	84.8	49.2	0.4
June	94.8	57.8	0.5
July	98.5	65.9	1.9
August	95.5	63.8	2.2
September	91.3	57.4	1.1
October	81.2	46.4	1.0
November	68.1	35.6	0.7
December	58.6	28.7	1.1
<b>Annual Average</b>	<b>78.2</b>	<b>45.2</b>	<b>1.0</b>

Source: Arizona Department of Commerce – Community Profile for Cottonwood, AZ and Western Regional Climate Center

### **Governmental Organization and Services Provided**

The Mayor is elected directly by the voters and serves a four-year term. The voters elect six City Council representatives for staggered four-year terms. The City Council appoints a City Manager who is responsible for the general administrative operations of the various departments within the City. An organizational chart is shown on page 51.

The City of Cottonwood is mandated by the State of Arizona to provide a variety of services including law enforcement and other public safety needs. Other support services include road maintenance, park services, regulation of building and zoning codes, animal control and a public library. City utilities include a water distribution system, sewer system, cemetery and municipal airport.

## BUDGET POLICIES

These budget policies provide general guidance for preparing the City of Cottonwood's operational budget as well as its adoption and implementation. These policies are presented below in the various categories.

**Budget Philosophy** – The City's budget philosophy includes planning based on available information, developing a process by which financial guidelines and goals are established, implementation of those financial and programmatic goals, and the review and evaluation of the achievement of those goals. Policies are set forth to provide guidance for the City's budget philosophy.

The role of the Finance Department is to facilitate the budget process and to assist the City Council and City Manager in executing the budget. A part of this execution is the desire to review issues that challenge city government and to allow the City to meet these challenges.

**Balanced Budget** – The City of Cottonwood will develop a balanced budget in which current resources (current revenues plus fund balance) will equal or exceed current expenditures. The City will avoid budgetary or accounting procedures that balance the budget at the expense of meeting future years' expenditures, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt. The budget will provide for adequate maintenance and replacement of capital plant and equipment.

**Budget Process** – The budget process is always a cyclical process. The "beginning point" is the preparation of the base budget by each department head. These budgets are based on expenditures to date and the previous years' experience. The departments' base budgets along with any requests for new positions, programs or services are then presented to the City Manager. City management then meets with each department head to review their base budget and requests for new services and/or programs. Once management has reviewed the departments' requests, a final budget is presented to the City Council by the City Manager.

In accordance with Arizona Revised Statutes, the City Manager submits a proposed budget to the City Council for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means to financing them.

The City is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the City to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. All appropriations lapse at year-end requiring actual fund balances to be re-budgeted each fiscal year.

The City operates under the voter approved alternative expenditure limitation. The electorate authorized the City, in accordance with Arizona Revised Statutes, to establish a local annual expenditure limitation each fiscal year. The City sets the annual expenditure limitation for all fund types as a whole with the adoption of the annual budget.

Public hearings on the budget are held each year, in accordance with legal requirements, to obtain comments from local taxpayers. To ensure compliance with the state imposed expenditure limitation, a uniform expenditure report must be filed with the state each year. This report reconciles total City expenditures from the audited financial statements to total expenditures for reporting in accordance with the state's uniform expenditure reporting system (ARS §41-1279.07).

Per state law, expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the City adopts a budget by department for each separate fund and establishes the legal level of local budgetary control at this level. The adopted budget cannot be amended in any way without City Council approval.

The implementation process consists of City management and departments monitoring revenues and expenditures in conjunction with the demands of the community. These activities lead directly to the preparation of the next fiscal year's budget. Thus, some part of the budgetary process for the current fiscal year is occurring simultaneously with the preparation for the next year's budget.

Prior to FY 1996, the City's budget process focused only on line item budgeting. City management recognized the need to improve the process and began by directing departments to:

- Provide a summary of their department's function and mission
- Establish performance indicators departmentally
- Identify service accomplishments in relation to established goals for the previous fiscal year
- Establish goals for their departments for the new fiscal year.

As in the past, all department heads are required to justify expenditures within their department with the mission of their service. Each department requesting new personnel or any reclassification of existing positions will provide sufficient justification for each request. All capital acquisitions also require supporting justification.

### **Process for Changing the Budget**

A budget is a plan and therefore instances will arise during the fiscal year that requires changes to be made. Although some minor adjustments can be made administratively within a department's budget (less than \$500), increases or decreases to a department's total budget legally must be approved by the City Council. The budget amendment process has been developed to provide for such adjustments.

Expenditures may not legally exceed expenditure limitations of all fund types as a whole. The types of adjustments that must be handled through the budget amendment process include additional funding above the department's budget allocations, requests for new positions, reclassification of existing positions, capital projects exceeding \$500, and requests for increases in revenue and expenditure authority when outside funding sources are available.

Departments must first submit requests to the City Manager. The City Manager reviews the request and other background material. If he supports the request, a recommendation is made to the City Council. Requests are then placed on the council's agenda for discussion, review and action. If the City Council approves a request, necessary adjustments are made to the budget.

### **Budget Monitoring**

The Finance Department will monitor, on an ongoing basis, the expenditures and revenues of all City departments. Any significant variances will be reported to the city management for action. On a monthly basis, an expenditure and revenue report with year-end projections will be distributed to the City Council and all city department heads.

## BUDGET CALENDAR FOR FY 2017

This budget calendar serves to illustrate the progression of the budget process. It has been slightly restructured to allow for adequate coordination of the budget activities. As needed, additional items may be added to the calendar. Ultimately, the process will result in a balanced budget as well as a sound fiscal and capital plan. As a gentle reminder, this budget is always subject to change as the year progresses and as revenue projections can be reasonably measured.

• Distribute Personnel Request & Reclassification Forms	December 21, 2015
• Distribute Goals, Accomplishments & Performance Measures Forms & Instructions	December 21, 2015
• Distribute Capital Improvement Schedules, Forms & Instructions	January 4, 2016
• Revenue Review by the Finance Department	January 5, 2016
• Revenue Update to the City Council <i>[work session]</i>	January 12, 2016
• Budget Personnel Requests & Reclassifications due back to the Finance Department	February 12, 2016
• Goals, Accomplishments and Performance Measures Forms due to the Finance Department	February 12, 2016
• Distribute Budget Worksheets & Instructions	February 15, 2016
• Capital Improvement Forms due back to the Finance Department	February 19, 2016
• Budget Worksheets due back to the Finance Department	February 29, 2016
• 1 <sup>st</sup> Round of Departmental Budget Meetings	March 16-April 1, 2016
• Potential Budget Issues, Goal Setting Meeting & Capital Improvement—City Manager	April 13, 2016
• 2 <sup>nd</sup> Round of Departmental Budget/CIP Meetings—if needed	April 5-April 8, 2016
• ***Final day for changes to the Proposed Budget***	April 8, 2016
• Present Proposed FY 2017 Budget to City Council	May 4, 2016
• Budget Work Sessions with City Council in the Council Chamber	
o Introduction to the Budget / Personnel Matters / Capital Requests	May 9-10, 2016
o Departmental Presentations	May 9-10, 2016
o Departmental Presentations / Budget Wrap-up	May 9-10, 2016
o Budget Wrap-up—if needed	May 9-10, 2016
• ***Final day for changes to the Tentative Budget***	May 12, 2016
• Present Tentative FY 2017 Budget to City Council	May 31, 2016
• Public Hearing on Tentative Budget	June 7, 2016
• Adopt Tentative FY 2017 Budget; Set Expenditure Limitation	June 7, 2016
• ***Final day for changes to the Final Budget***	June 7, 2016
• Present Final FY 2017 Budget to City Council	June 21, 2016
• Public Hearing on Final Budget	June 21, 2016
• Adopt Final FY 2017 Budget	June 21, 2016
• Budget Due to Government Finance Office Administration (GFOA) for Award Review	September 19, 2016

## FUND ACCOUNTING

This budget includes all the funds of the City of Cottonwood. The City of Cottonwood is financially responsible for the Municipal Property Corporation; therefore, this activity is included in the budget as a component unit. Component units are legally separate entities for which the primary government is financially accountable.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the budget, into generic fund types and broad categories.

### **Governmental Funds**

**General Fund** – The General Fund serves as the chief operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

**Special Revenue Fund** – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

**Debt Service Fund** – Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

**Capital Project Fund** – The Capital Project Fund is used to account for financial resources for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

### **Proprietary Funds**

**Enterprise Fund** – The Enterprise Fund is used to account for operations of the City's water and wastewater fund. This fund is financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The governing body also has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

### **Fiduciary Funds**

**Alternative Pension and Benefits Plan Fund** – The Pension Trust Fund is used to account for the City's Volunteer Firefighter's Relief and Pension Fund, a defined contribution plan for which the City holds the assets in a trustee capacity. Contributions are made by the City and the City's Volunteer Firefighters.

**Employee Benefit Trust Fund** – This fund is used to account for accumulated resources designated to providing City employees with benefits not issued through normal avenues. Currently, this fund provides short term disability to all City employees.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Taxpayers assessed income, gross receipts, and sales taxes are considered “measurable” when in the hands of intermediary collecting governments or agents and are recognized as revenue at that time. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The Proprietary and Fiduciary Funds are accounted for using the accrual basis of accounting. This method of accounting recognizes the financial effects, on a government, of transactions and other events and circumstances that have cash consequences, for the government, in the periods in which transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

### **Budget Basis**

The budgets of general government type funds (for example, the General Fund, Special Revenue, Debt Service, and Capital Projects Fund) are prepared on a modified accrual basis. Briefly, this means that obligations of the City (for example outstanding purchase orders) are budgeted as expenses, but revenues are recognized only when they are actually received.

The Proprietary and Fiduciary Funds (Enterprise, Internal Service, Pension, and Agency Funds), on the other hand, are budgeted on a full accrual basis. Not only are expenditures recognized when a commitment is made (i.e. through a purchase order) but revenues are also recognized when they are obligated to the City (for example, sewer user fees are recognized as revenue when bills are produced).

The Comprehensive Annual Financial Report (CAFR) shows the status of the City’s finances on the basis of “*generally accepted accounting principles*” (GAAP). In most cases, this conforms to the way the City prepares its budget. Two exceptions are:

1. The treatment of depreciation expense (these are not shown in the budget, although the full purchase price of equipment and capital improvements is, while purchases of capital improvements are depreciated in the CAFR for enterprise funds), and
2. Compensated absences (accrued but unused sick and vacation leave) are treated slightly differently in the budget and in the CAFR.

Compensated absences and depreciation are not budgeted.

The Comprehensive Annual Financial Report (CAFR) shows fund expenditures and revenues on both a GAAP basis and budget basis for comparison purposes.

## FISCAL POLICY

The overall goal of the City's fiscal policy is to establish and maintain effective management of the City's financial resources. The City's formal policy statements and major objectives provide the foundation for achieving this goal. Accordingly, this section outlines the policies used to guide the preparation and management of the City's overall budget and major objectives to be accomplished.

- A comprehensive annual budget will be prepared for all funds expended by the City.
- The Budget will be prepared in such a manner as to facilitate its understanding by citizens and elected officials.
- In addition to any required hearings, the Council will hold work sessions on the budget that are open to the public.
- Copies of the budget will be made available to citizens and elected officials prior to work sessions.
- Budgetary emphasis will focus on providing those municipal services which provide the maximum level of services, to the most citizens, in the most cost effective manner, with due consideration to economic, fiscal, and social costs.
- The budget will provide for adequate maintenance of capital, plant, and equipment, and their timely replacement.
- The City will avoid budgetary practices that balance current expenditures at the expense of meeting future years' expenses.
- The City will give highest priority to the use of one-time revenues for the funding of capital assets or other non-recurring expenditures.
- The City will maintain a budgetary control system to help it adhere to the established budget.
- Reports comparing actual revenues and expenditures to budgeted amounts will be prepared monthly.

### **Financial stability of the City**

To ensure the financial stability of the City, some strict guidelines have been set forth by City Council and implemented by City management.

- Maintain a restricted General Fund Balance of 16.67% of the previous year's operating revenues
- Continue a capital projects accumulation fund of 2.67% of the previous year's General Fund operating revenues, capped at \$1,000,000
- Develop five-year revenues and expenditures projections and analyze trends
- Ensure that operating expenditures remain within operating revenues for all funds.

## DEBT SERVICE POLICY

The goal of the City of Cottonwood’s debt management policy is to maintain the City’s ability to incur debt at the most favorable interest rates in the amounts needed for financing capital projects and equipment, while keeping adverse effects to the City’s ability to finance essential City services to a minimum.

The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent (20%) of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent (6%) of secondary assessed valuation can be used for all other “general municipal uses.”

<b>Computation of Legal Debt Margin</b> <b>June 30, 2016</b>
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Net secondary assessed valuation (Full Cash Value)	\$95,079,489
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### Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	19,015,898
Bonds outstanding	0
<b>Net 20% Debt Limitation</b>	<b>19,015,898</b>

### Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	5,704,769
Bonds outstanding	0
<b>Net 6% Debt Limitation</b>	<b>5,704,769</b>

Total Bonding Capacity	\$24,720,667
------------------------	--------------

General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation above, the City may issue bonds for general improvement purposes or for specific projects. For statutory purposes, the City’s current outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City’s bonds outstanding at June 30, 2016 were secured by sales taxes and user fee revenues instead of property taxes.

### Policy Statement

-  A five-year Capital Improvements Plan (CIP) will be developed and updated annually along with corresponding funding sources.
-  Financing of Capital projects will not exceed the useful life of the project.

- Debt Service Schedules will be prepared and included in the Annual Budget as well as the Five-Year Capital Improvement Plan with annual updates.
- Debt Service payment will be scheduled in equal installments over the life of the bonds.
- Efforts will be made to maintain and improve the City's bond rating.
- Timely submittal to the Electronic Municipal Market Access (EMMA).
- Pay-as-you-go financing will be an essential part of the City's Capital Improvement Plan.
- The City will carefully monitor compliance with all bond covenants.

### **Debt Performance**

- The City will limit long-term debt to only those capital improvements that cannot be financed through current revenues or designated capital reserves.
- Terms of repayment for any debt will not exceed the estimated useful life of the asset acquired.
- Debt will not be issued for recurring expenditures normally considered maintenance and operational expenditures.
- Minimize debt service impact to taxpayers by:
  - Creating sinking funds, when possible, to provide for expansion or replacement of capital equipment
  - Seeking grant funding opportunities and lower interest debt options such as Water Infrastructure Finance Authority (WIFA) or Greater Arizona Development Authority (GADA), or the State Revolving Loan Funds to lower the size of the debt obligation
  - Working closely with the City's financial advisors to structure debt in such a way that the debt load is explicitly related to the operating budget yet does not impair operational needs
  - Maintaining a good working relationship with City financial advisors, bond rating agencies, and insurance carriers, and providing full disclosure on all financial reports.

The following is a list of the City's current bond obligations along with their respective funding source.

Total Outstanding Debt by Type of Bond				
As of June 30, 2016				
Project	Term	Principal	Interest	Funding Source
GADA- Recreation Center	8/1/2027	\$ 13,075,000	\$ 4,510,081	1% Sales Tax
Excise Bond - Various Capital Projects	7/1/2034	11,360,000	5,250,025	1% Sales Tax
2015 - Water Infrastructure Finance Authority Loan	7/1/2030	10,790,319	1,985,971	User Fees
2016 - Water Infrastructure Finance Authority Loan	7/1/2035	15,200,000	2,750,642	User Fees
Total Debt Service		\$ 50,425,319	\$ 14,496,719	

## INVESTMENT POLICY

### Policy

It is the policy of the City of Cottonwood to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all applicable state and City statutes governing the investment of public funds.

### Scope

This investment policy applies to all financial assets of the City of Cottonwood. These funds are defined in the City of Cottonwood's Comprehensive Annual Financial Report (CAFR) and include:

- General Funds
- Special Revenue Funds
- Debt Service Reserve Funds
- Debt Service Sinking Funds
- Capital Project Funds
- Proprietary Funds
- Fiduciary Funds
- Expendable Trust Funds
- Any new funds created, unless specifically exempted by Council

### Objectives

The primary objectives, in priority order, of the City of Cottonwood's investment activities shall be:

**Safety of Principal** – The City recognizes its fiduciary responsibility for the stewardship of public funds with which it has been entrusted. Therefore, its foremost investment objective is to ensure safety of principal. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

**Liquidity** – City of Cottonwood's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

**Yield** – City of Cottonwood's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account City of Cottonwood's investment risk constraints and the cash flow characteristics of the portfolio.

### Standard of Care

**Prudence** – This policy shall apply the “prudent person” standard, as defined in the glossary, in the context of managing the overall portfolio. Investment officials acting in accordance with procedures consistent with this policy and exercising due diligence, shall not be held personally liable for market price changes or the credit risk of a certain investment, provided that any unexpected deviations are reported in a timely manner and that appropriate action is taken to control adverse developments.

**Ethics and Conflicts of Interest** – Investment officials shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. Investment officials shall disclose to the City Manager any material personal financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales.

**Delegation of Authority** – Authority to manage the investment program is granted to the Administrative Services General Manager and derived from the Arizona Revised Statutes §35-323. Procedures for investing of Trust and Sinking Funds are specified in Arizona Revised Statutes §35-324 and §35-328. Investments in the State Treasurer’s Pool investment fund for collective investments of public funds are authorized in Arizona Revised Statutes §35-326. Responsibility for the operation of the investment program is hereby delegated to the Administrative Services General Manager, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements and collateral/depository agreements, and resolutions for participation in the State Treasurer’s Local Government Investment Pool – (LGIP) are included with this. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer within the City’s Financial Operations Guide. The Administrative Services General Manager, with the concurrence of the City Manager, shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

### **Authorized Financial Dealers and Institutions**

The Administrative Services General Manager shall maintain a list of financial institutions which are authorized to provide investment services. In addition, a list will be maintained of approved security brokers/dealers selected by credit worthiness who are authorized to provide investment services in the State of Arizona. No public deposit shall be made except in a qualified public depository as established by state laws.

Banks and Savings and Loans shall provide their most recent “Consolidated Report of Condition” (call report) at the request of the City.

Securities dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank as primary dealers or else meet certain other criteria as determined by the Administrative Services General Manager.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Administrative Services General Manager with the following:

-  Most recent audited annual financial statements
-  Proof of National Association Security Dealers membership
-  Proof of State of Arizona registration, and a
-  Completed broker/dealer questionnaire

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Administrative Services General Manager.

A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the City does business.

### **Safekeeping and Custody**

**Delivery vs. Payment** – All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

**Safekeeping** – All securities shall be held by a third party custodian designated by the Administrative Services General Manager. The third party custodian shall be required to issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information.

Collateralization shall be required on two types of investments:

-  Certificates of deposits
-  Repurchase agreements

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level will be 102% of market value of principal and accrued interest. Acceptable types of collateral for repurchase agreements shall consist of treasuries and agency notes with a maximum maturity of 5 years and a collateralization level of 102% of market value of principal and accrued interest.

**Internal Controls** – The Administrative Services General Manager shall establish a system of written internal controls, which will be reviewed annually with the independent auditor. This review will provide internal control by assuring compliance with policies and procedures.

### **Suitable and Authorized Investments**

#### **Authorized Investments**

The City is empowered by statute to invest in the following types of securities. If an investment is not specifically listed in the suitable list, it is prohibited.

-  Fully insured or collateralized certificates of deposit and other evidence of deposit at banks and savings and loan associations
-  Interest bearing savings accounts in banks and savings and loan institutions doing business in Arizona whose accounts are insured by federal deposit insurance
-  Repurchase agreements with a maximum maturity of one hundred eighty days, collateralized at no less than 102 percent, provided a signed PSA Master Repurchase Agreement is on file with the counterpart bank or broker/dealer
-  Deposits in the local government investment pool operated by the Treasurer of the State of Arizona
-  Bonds or other evidences of indebtedness of the United States or any of its agencies or instrumentalities if the obligations are guaranteed as to principal and interest by the United States or by any agency of instrumentality of the United States

-  Bonds or other evidences of indebtedness of this state or any of its counties, incorporated cities or towns, school districts, or municipal improvement districts that carry as a minimum one of the A ratings of Moody’s Investors Service or one of the A ratings of Standard and Poor’s Rating Service or their successors
-  Commercial Paper with an A-1/P-1 rating or higher
-  Mortgage-backed securities.

**Prohibited Investments**

-  Reverse Repurchase Agreements
-  Futures, Contractual Swaps, Options
-  Inverse Floaters
-  Interest Only Securities
-  Interest Bearing Securities that have the possibility of not accruing current income
-  Closed end management type companies
-  Securities whose yield/market value is based on currency, commodity or non-interest indices
-  Bearer-form securities
-  Securities lending
-  Any security product not described in this document until reviewed and approved by the City Council.

**Investment Pools**

A thorough investigation of any investment pool is required prior to investing. There shall be a questionnaire developed which will answer the following general questions:

-  A description of eligible investment securities and a written statement of investment policy and objectives
-  A description of interest calculations, how it is distributed, and how gains and losses are treated
-  A description of how the securities are safe kept (including the settlement processes) and how often the securities are priced and the program audited
-  A description of who may invest in the program, how often, what size deposit and withdrawal
-  A schedule for receiving statements and portfolio listings
-  Are reserves, retained earnings, etc. utilized by the pool?
-  A fee schedule, and when and how is it assessed
-  Is the pool eligible for bond proceeds and/or will it accept such proceeds?

**Diversification and Maturity Limitations**

The City will diversify its investment portfolio to minimize the risk of loss resulting from overconcentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification standards by security type and issuer shall not exceed the following:

- |  |                  |
|--|------------------|
|  Fully insured or collateralized CDs  | no more than 25% |
|  U.S. Treasuries and securities having principal and interest guaranteed by the U.S. Government or agencies or instrumentalities of the U.S. Government | 100%             |
|  State, county, school district and other district municipal bonds or debt with an A rating or better   | no more than 25% |
|  Repurchase agreements  | 100%             |
|  Local Government Investment Pool   | 100%             |

The Administrative Services General Manager shall be required to diversify maturities. To the extent possible, the Administrative Services General Manager and the City Manager will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Administrative Services General Manager may not invest more than 25% of the portfolio for a period greater than three years. Unless matched to a specific requirement, the Administrative Services General Manager may not invest any portion of the portfolio for a period greater than 5 years.

## **Reporting**

### **Method**

The Administrative Services General Manager shall prepare quarterly reports for the City Manager's review, which provide a clear picture of the status of the current investment portfolio. The management reports shall include:

- Comments on fixed income markets and economic conditions
- Discussions regarding restrictions on percentage of investment by category
- Possible changes in portfolio structure going forward, and
- Thoughts on investment strategies.

Any schedule should include:

- A listing of individual securities held at the end of the reporting period by authorized investment category
- Weighted average maturity and final maturity of all investments listed
- Coupon, discount or earnings rate
- Par Value, Amortized Book Value and Market Value
- Percentage of the portfolio represented by each investment category.

The City Manager and Administrative Services General Manager shall be responsible for making recommendations to the City Council of changes in the investment policy and in establishing performance benchmarks based upon City of Cottonwood's portfolio composition and current investment strategy.

The Administrative Services General Manager shall include a market report on investment activity and returns in the City of Cottonwood's Comprehensive Annual Financial Report – CAFR.

### **Performance Standards**

The City of Cottonwood's cash management portfolio shall be designed with the objective of regularly meeting or exceeding a selected performance benchmark, which could be the average return on three-month U.S. Treasury bills, the state investment pool, a money market mutual fund or the average rate of Fed funds. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return.

## **Investment Policy Adoption**

City of Cottonwood's Investment Policy shall be adopted by the City Council. The policy shall be reviewed on an annual basis by the Administrative Services General Manager and significant modifications thereto must be approved by the City Council.

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## STRATEGIC PLANNING

### City Accomplishments - Fiscal Year 2016

The following depicts the continued commitment of the City of Cottonwood to make the community a better place to live. Fiscal year 2016 goals obtained are summarized within this list of accomplishments:

#### **Physical Development**

-  Finished the preliminary planning for the Riverfront Water Reclamation Facility that will provide reclaimed water for watering of the sports fields and help replenish the aquifer
-  Finished the preliminary planning for the street reconfiguration of Mingus Avenue between Willard Street and 10<sup>th</sup> Street to widen sidewalks and install bike lanes to provide for increased pedestrian and bicyclist safety
-  Completed the planning for the renovation of and secured funding for the Civic Center and HVAC replacement
-  Completed the exploratory well for determining the feasibility of recharging reclaimed water at the proposed Riverfront Water Reclamation Facility

#### **Community and Economic Development**

-  Launched the City's rebranding
-  A proposal for the Jail Trail was presented to the City Council to improve signage and facilities lining the trail from Old Town Jail to Riverfront Park. The proposal content was included in a grant application by Economic Development to The Nature Conservancy
-  Assisted the Chamber of Commerce and Old Town Association with regard to a cooperative marketing opportunity of the Arizona Office of Tourism
-  Educated the public on bicycle safety and benefits, in conjunction with the Looking Good Cottonwood Program, to satisfy the education component of the American League of Bicyclist
-  Maintain current and create new partnerships/sponsors with outside agencies to defray costs of organizing special events such as Thunder Valley Rally, Tilted Earth, and Walkin' on Main by 20%, and close the profit/loss gap by 50%
-  Facilitated the transfer of the Afterschool Program from the Recreation Center to the newly renovated former "Boys and Girls Club" to allow for program expansion to meet the needs of the community
-  Completed design services for the Public Restroom Project which included adding two new restroom facilities at Garrison Park and the 12<sup>th</sup> Street Kids Park along with the remodeling of the adult softball restroom facility

#### **Public Safety**

-  Acquired appropriate number of body-worn cameras to ensure every on-duty officer can be equipped with one in order to increase transparency, improve quality of criminal investigations, and decrease use-of-force incidents and citizen complaints

- Leveraged a \$30,000 grant from the Department of Homeland Security to acquire new ballistic vests for officers' safety on the regional SWAT team
- Obtained funding from the Governor's Office of Highway Safety (GOHS) for DUI (\$20,000) and special traffic enforcement details (\$10,000).

### **Organizational Goals – Fiscal Year 2017**

The following goals have been identified and included in the budget. These goals, established during budget planning sessions with the City Council, are integrated into departmental work plans for fiscal year 2017.

#### **Physical Development**

##### **Project – Utilities - WWTP Upgrades (reprogrammed)**

This project is to provide a new digester blower at the facility along with replacement of the UV system and various wastewater treatment upgrades. The digester blower is original to the plant and is required to aid in the digestion of fecal coliform bacteria. The blower operates twenty four hours a day and will require an engineering analysis before installation. The plant is in need of a new UV system which has been purchased in FY 2016, but the design and installation will take place in FY 2017. Overall, the treatment plant needs a facelift and will get much needed maintenance with the budget provided.

##### **Fiscal/Programmatic Impact-**

This project is budgeted at \$1,508,495 for FY 2017 to do various upgrades to the facility.

##### **Project – Utilities - Well Improvements (ongoing)**

This project is part of the arsenic remediation mandated by the United States Environmental Protection Agency (USEPA). Continued construction and improvement of the well sites will enhance the ability of the Cottonwood Municipal Utilities to take care of all the necessary arsenic remediation.

##### **Fiscal/Programmatic Impact**

This \$120,000 project is funded through system improvements reserves. It provides a more efficient and reliable operation directly related to less crisis management and a reduction in the amount of time staff spends monitoring and maintaining the system.

##### **Project – Utilities - Riverfront Water Reclamation Facility Project**

This project involves the planned construction of a new water reclamation facility at Riverfront Park to ease the burden on the existing wastewater plant on Mingus Avenue. This plant will recycle wastewater and produce quality effluent to help with the irrigation needs at Riverfront Park.

##### **Fiscal/Programmatic Impact**

As the current plant reaches capacity, the ability to safely and effectively treat wastewater begins to deteriorate. The new plant would allow the City to redirect wastewater flow from the southeastern side of the city to the new plant and reduce pumping distance and cost. This project will be funded through existing capital reserves. Construction was started in FY 2016, and \$9,250,000 is budgeted for FY 2017

**Project – HURF - Mingus Ave; 10<sup>th</sup> Street to Main Project**

This is the second half of the Mingus project and will consist of reconstruction of the three-lane roadway from 10<sup>th</sup> Street to Main Street. The reconstruction will include the three lane roadway as well as a six foot shoulder suitable for bicycle use in each direction, curb and gutter.

**Fiscal/Programmatic Impact**

The project design is budgeted at \$250,000 for FY 2017, with the construction being budgeted in FY 2018.

**Project – HURF - Mingus Ave; from Willard to 10<sup>th</sup> Street**

This project is an improvement which includes reconstruction of the three-lane roadway from Willard to 10<sup>th</sup> Street with a six foot shoulder suitable for bicycle use in each direction, curb and gutter. The project also includes 6ft wide sidewalks installed where none currently exist. The second half of the Mingus Ave design will be done in FY 2017 with construction in FY2018.

**Fiscal/Programmatic Impact**

This project is budgeted at \$2,140,150 for FY 2017 and was funded through the 2015 Excise Bond and \$850,000 in Grant funds.

**Project – Airport - Master Plan**

The current master plan and the airport layout plan (ALP) do not address the needs of the current airport users. The last master plan was done in 2006.

**Fiscal/Programmatic Impact**

The master plan is budgeted at \$400,000 for FY 2017. The FAA will contribute 91.6% and the City must contribute 8.4% or \$33,600 for FY 2017.

**Project – Airport - Apron Reconstruction**

The airport apron is in need of repair due to the failing surface which is causing damage to aircrafts. This project will not only decrease the damage to aircrafts but will also substantially improve the appeal and long term maintenance of the airport.

**Fiscal/Programmatic Impact**

The FAA will contribute \$1,154,160 or 91.6% of the total costs in FY 2017 and 1,245,760 in FY 2018, but the City must contribute 8.4% each year toward the project.

**Project – Airport - Increase Fence Height**

This project will utilize federal and state grants to cover 91.6% of the cost to increase a 4 foot fence at the airport. The majority of the airport is surrounded by a 6 foot tall fence, except for the west side. This project would increase the security at the airport.

**Fiscal/Programmatic Impact**

The \$100,000 is for 91.6% funded by FAA and 8.4% from local share matching. Additional M&O costs are not anticipated for this project.

**Project – Engineering - Old Town Flood plain study**

This project will study the flood plain in Old Town with the intent to reduce the impacts of the flood plain on property owners in the Old Town area. This project could have a major impact on the development of Old Town. This project will likely take place in three phases: 1) study of existing conditions and design of potential improvements 2) Construction of improvements 3) Completion of a new flood plain based on the improvements and the FEMA submittals to revise the flood plain.

**Fiscal/Programmatic Impact**

This project is budgeted at \$130,000 for FY 2017 with matching grant revenues. If the grant revenues are awarded and the project is completed, it will reduce the amount of flood insurance paid by many property owners in the Old Town area and spur more development.

**Project – Engineering - Citywide Master Drainage Plan**

The City received a \$400,000 grant to conduct a city-wide drainage study and master plan. The City has completed the first year of the study and is moving forward with the second year. This study will identify flood concern areas in the city as well as define flow points to allow for the design of future flood projects, road projects and private development project.

**Fiscal/Programmatic Impact**

This project is budgeted at \$220,000 for FY 2017 with matching grant revenues.

**Project – Engineering - Cottonwood Village Drainage Study**

This project will study the flood plain of Railroad wash with the intent to reduce the impacts of the flood plain on the Cottonwood Village property and the Casa Del Sol properties. The former was impacted by the change in the flood plain during the Railroad wash project. This project will likely be in three phases: 1) study of existing conditions and design of potential improvements 2) Construction of improvements 3) Completion of new flood plain based on the improvements and FEMA submittals to revise the flood plain.

**Fiscal/Programmatic Impact**

This will effectively reduce the amount of flood insurance paid by property owners who were not in the wash prior to the City's project. This project is hopefully FEMA grant funded; if not, it will be postponed to future years. The budget for this project in FY 2017 is \$69,000.

**Project – HURF - Street Sweeper**

The current street sweeper is 20 years old and in need of replacement. To keep the city streets maintained, it is necessary to remove debris. It is also an important city safety feature to remove debris from the roadway and gutters.

**Fiscal/Programmatic Impact**

Replacing the old street sweeper will decrease vehicle maintenance costs. The current sweeper is in constant need of repair due to age as well as wear and tear. The sweeper is budgeted at \$200,000 and will be paid by lease purchase.

**Project – Utilities - Well 3-1 Reservoir Replacement**

A 100,000 gallon bolted steel reservoir has been leaking and repaired numerous times. ADEQ recommended replacement during its recent inspection procedure. Tank will be reused for reclaimed water or auctioned.

**Fiscal/Programmatic Impact**

Replacing the tank will reduce water loss by the water system. The budget for FY 2017 is \$155,000.

**Project – Utilities - Gila Street & Main Street Water Line Crossing**

This is a neighborhood line replacement program, northeast of Mingus Avenue & 10<sup>th</sup> street, to replace aging 2” & 4” iron mains and stand pipes w/ 6” PVC mains, new services and new fire hydrants.

**Fiscal/Programmatic Impact**

Reduced water line repairs and water loss will save the City money and improve water quality and flows. \$350,000 is budgeted in FY 2017 for this project.

**Project – Utilities - Line Replacements**

North Willard water line replacement is in the engineering phase and is part of an ongoing replacement project of old water lines that are failing or have poor water quality and flow.

**Fiscal/Programmatic Impact**

The cost of this program for FY 2017 is \$210,000 and will result in reduced repairs and water loss. This project will possibly get the City an ISO rating improvement and will improve water quality and flows.

**Project – Utilities - Line Extensions**

This project involves the extension of water and sewer lines to the rear of parcels fronting State Route (SR) 89A. This project will open parcels for development.

**Fiscal/Programmatic Impact**

Potential benefits from commercial development of parcels west of 6<sup>th</sup> Street/SR 89a. This project will be funded with user fees and costs \$250,000 for FY 2017.

**Project – Utilities - Mingus Waterline Project**

During the reconstruction of Mingus Avenue the waterline will be replaced underground providing better service to the area.

**Fiscal/Programmatic Impact**

This project is budgeted at \$1,055,900 for FY 2017 and is funded by the 2015 WIFA loan with a forgivable amount of \$550,000.

**Community and Economic Development****Project – Recreation Center - Cardio Machine Replacement program**

The Recreation Center was built in 2010 and houses 43 pieces of state of the art equipment. The equipment has been used intensively, and maintenance costs rise every year that the equipment remains in use at the Recreation Center. By putting the equipment on a 5-7 year replacement cycle, the condition and appearance of the equipment can be maintained.

**Fiscal/Programmatic Impact**

Constant wear and tear on the equipment is continuing. Extending the service plan, however, costs more every year due to the additional wear on the equipment. The replacement of the equipment will be funded through a lease purchase and is budgeted at \$208,000 for FY 2017.

## **Public Safety**

### **Project – Public Safety - New Fire Engine (Type 1)**

The need to replace fire apparatus is inherent in the fire service due to extreme “wear and tear” of emergency response. The Fire Department has an older 2007 American LaFrance nearing the 10 years in service mark. Due to the age and wear on this apparatus, and the manufacturer going out of business resulting in difficulty or impossibility to find repair parts as well as increasing demand for service with growth in the Verde Valley, the need to replace the vehicle is great.

#### **Fiscal/Programmatic Impact**

The budgeted amount for FY 2017 is \$600,000. This program will be funded by lease purchase paid through the .2% sales tax reserves. By having a newer fleet, maintenance costs are reduced and down time avoided.

### **Project – Public Safety - Fire Suppression & Rescue Equipment**

This project allows the Fire Department to replace two aging “Jaws of Life” apparatus that are used to facilitate rescue of persons from vehicles, buildings, etc.

#### **Fiscal/Programmatic Impact**

This program will be funded by lease purchase paid through the .2% sales tax reserves. The hydraulic rescue tools require routine maintenance and the cost to maintain them is increasing due to the age of the equipment.

### **Project – Police - Vehicle Replacement Program (on-going)**

This project provides for the systematic replacement of police patrol vehicles before they become too costly to maintain. This year, the Police Department will purchase two Chevrolet Tahoe SUVs that will replace older police cars with high mileage and maintenance issues.

#### **Fiscal/Programmatic Impact**

This year, the budgeted amount for this program is \$126,235, which will be paid through lease purchase. By having a newer fleet, maintenance costs are reduced and down time is avoided.

### **Project – Police - SWAT Robot**

The robot would be utilized for reconnaissance, opening doors, delivery of items such as negotiator phone and any other application where it would be hazardous to send in an officer. This is a Department of Homeland Security (DOHS) funded project.

#### **Fiscal/Programmatic Impact**

This year, the budgeted amount for this potentially lifesaving piece of equipment is \$65,000 which will be fully funded by a DOHS grant.

## **ORGANIZATIONAL GOALS FOR THE FUTURE – FISCAL YEARS 2018-2022**

The following long-range goals address issues facing the City in the future. The timing of the various programs and projects are reflected in the Five-Year Capital Improvement Plan on pages 31-39. The current year is included in the City’s organizational goals – Fiscal Year 2017 on pages 20-24.

### **Grant Funds**

#### **Project – Airport - Install Jet A Tank**

Provide the installation of a Jet A tank at the airport.

##### **Fiscal/Programmatic Impact**

This project provides the installation of a Jet A tank at the airport. Currently, Cottonwood just owns a 100LL (low load) fuel (aviation gasoline) tank. Jet A fuel powers larger more sophisticated aircrafts used for business including air ambulances, business travel and helicopters. The required \$95,000 is anticipated to be funded through the State Aviation Loan Program and the Airport Fund.

#### **Project – Airport - Apron Reconstruction**

The airport apron is in need of repair due to the failing surface which is causing damage to aircrafts. The FAA will contribute 91.6% of total costs in FY 2017 and in FY 2018, but the City must contribute 8.4% each year toward the project.

##### **Fiscal/Programmatic Impact**

This will not only decrease the damage to aircrafts but will also substantially improve the appeal and long term maintenance of the airport. The 8.4% funding will need to be transferred either from the Airport Fund or the General Fund.

#### **Project – Parks - Old Town Flood Plain Study**

This project will study the flood plain in Old Town with the intent to reduce the impacts of the flood plain on property owners in the Old Town area. This project could have a major impact on the development of old town. This project will likely take place in three phases: 1) study of existing conditions and design of potential improvements 2) Construction of improvements 3) Completion of new flood plain based on the improvements and the FEMA submittals to revise the flood plain.

##### **Fiscal/Programmatic Impact**

This will effectively reduce the amount of flood insurance paid by many property owners in the Old Town area and also spur development of the Old Town area. This project will continue from FY 2017 and be budgeted at \$600,000 for FY 2018 and FY 2019. Grant funding will be researched to defray costs being charged back to the General Fund.

### **Physical Development**

#### **Project – Parks - Tennis Center Resurface**

This program is for the installation of a polyurethane coating material to the surface of the Cottonwood Tennis Center courts. The City has four courts at the tennis center located near Garrison Park which will be resurfaced and then have the lines and court interior/exterior boundaries marked.

**Fiscal/Programmatic Impact**

An estimated cost of \$168,000 is to be funded in FY 2018 from the City's 1% sales tax dedicated to general government facilities. The resurface will extend the life of the courts which are used heavily year-round.

**Project – Parks - Urban Trail System****Fiscal/Programmatic Impact****Project – Parks - Land Purchase/Park Acreage**

Purchase of acreage by the City is necessary to support future park project construction, public needs and desires. Currently, no additional acreage exists in which to design/build small leisure park facilities. Land purchase would enable the City to expand current park acreage for the construction of new leisure park facilities, thereby serving an ever growing municipal/regional population base.

**Fiscal/Programmatic Impact**

This is a General Fund obligation with a chance for a State or Federal Grant to secure open Park space.

**Project – Parks - Riverfront Parking Lot Curb & Asphalt Overlay Project**

The current parking lot at Riverfront Park along the northeast section near the park's ramadas and play apparatus is seeing major stratification and cracking of the asphalt in the parking lot's surface materials. The integrity of the asphalt is being seriously compromised due to the intense degradation of the sub-service areas of the asphalt. Many areas of the asphalt along the outside sections and interior island areas of the parking lot are also cracking and eroding severely.

**Fiscal/Programmatic Impact**

This project would be completely funded by the General Fund and is currently estimated to cost \$185,000.

**Project – Parks - Old Town Field Project: Conversion to Cultural Park**

This project will enable the City to expand current park amenities/components at the Old Town Activity Park. This project has been continuously identified in both the "Cottonwood General Plan" and the Parks & Recreation Commission Five-Year Planning document. This park area is currently being used by the Recreation Division for Thunder Valley Rally activities, Farmers Market, Fall Carnival, and small concerts.

**Fiscal/Programmatic Impact**

This project could possibly be grant funded and is currently estimated to be spread over two fiscal years, FY 2021 and FY 2022 respectively, for a total cost of \$170,000.

**Project – Parks - Skate Park Slab**

This project would complete putting concrete in the Skate Park area. This will reduce wear on current concrete and add visual appeal to the area.

**Fiscal/Programmatic Impact**

The estimated cost of this project is \$59,000 and would be fully funded by the General Fund. This project is currently scheduled for FY 2018.

### **Project – Parks - Open Park Space Master Plan**

The need for a citywide Park/Trails and Open Space Master Plan document has been identified through the City’s Strategic Planning Process and General Planning Document. It establishes priorities for park development, funding priorities and need for public process within the planning element. Long range planning is necessary for justification of further enhancement/expansion possibilities for future property purchases, development opportunities, and need to operate park/trails and open space facilities within parameters for public use/enjoyment/quality of life experience.

#### **Fiscal/Programmatic Impact**

This would provide for optimum study of community direction, needs, and desires for the future of the municipality. Study of this nature would give future Council members and Parks & Recreation Commission members the opportunity to provide guidance from community surveys, public forums and professional guidelines for community growth of parks, trails, open space and recreation. This project is scheduled for FY 2018 at \$125,000.

### **Project HURF – Pavement Maintenance Program (Ongoing)**

This program executes pavement maintenance contracts to extend the useful life of the streets. Pavement maintenance has typically been chipseal coating.

#### **Fiscal/Programmatic Impact**

This project is budgeted every other year. Other types of seal coats, such as slurry coats, may also be used. Chipseals are the only affordable treatment for most “local streets.” Cottonwood historically gets a very long useful life out of all pavement types, far in excess of the expected useful life. Routine pavement maintenance is required to keep the streets from “going to gravel.” This ongoing program is funded through the Highway User Revenue Fund (HURF) and the 1% construction sales tax initiated on January 1, 2006.

### **Project HURF – Main Street Mill-n-Fill**

This project would be a mill and overlay of the pavement on North Main Street from the intersection with Willard Street to the city limits. Major collector streets are cracked and distorted, and the existing pavement is 30-40 years old.

#### **Fiscal/Programmatic Impact**

This project would have to be funded by an outside revenue source, either through bonding or Grant projects. The HURF would not be able to support the total cost and would also need additional help from the General Fund.

### **Project HURF – 6<sup>th</sup> Street Mingus to 89A**

This project would involve reconstruction and drainage improvements to 6<sup>th</sup> street from Mingus Ave to SR 89A. The roadway is in need of reconstruction due to high traffic.

#### **Fiscal/Programmatic Impact**

The cost of this project would be partially funded by the HURF revenues with the General Fund supplementing any additional costs. The projected amount is \$275,000 for FY 2018 and \$2,500,000 for FY 2019.

**Project HURF – Sidewalk Additions**

This project is budgeted every year. The funding for this project is to be used to add curbs and sidewalks on streets where needed. This ongoing program is funded through HURF and the 1% construction sales tax initiated on January 1, 2006.

**Fiscal/Programmatic Impact**

The budget for this project is included in the Capital Improvements Plan at \$80,000 a year and on an as needed basis.

**Project – HURF - Mingus Ave; 10<sup>th</sup> Street to Main Project**

This is the second half of the Mingus project and will consist of reconstruction of the three-lane roadway from 10<sup>th</sup> Street to Main Street. The reconstruction will include the three lane roadway as well as a six foot wide shoulder suitable for bicycle use in each direction, curb and gutter.

**Fiscal/Programmatic Impact**

This project is projected to be starting in FY 2017 and completed in FY 2018, and is budgeted at \$1,722,360.

**Project HURF – Asphalt Repair/Drainage Improvements**

There is a wide shallow drainage channel along Main Street between 1141 and 1143 North Main Street that is a maintenance issue, unsightly, and generates numerous complaints. This area could use to be asphalted in to prevent the issues that are occurring.

**Fiscal/Programmatic Impact**

This improvement will result in less employee time spent repairing this area after each storm in addition to improving the appearance of the Old Town area and slightly improving safety due to less rock and debris on the road during and after storm events. The cost of this project is expected to be \$46,500 in FY 2018.

**Project HURF – Old Town Alleys**

This project would convert dirt alley ways to asphalted roads reducing the impacts of localized flooding to privately owned properties.

**Fiscal/Programmatic Impact**

Expected budget would be \$94,500 in FY 2018.

**Project – Utilities - Water System Upgrades (on-going)**

This project is the continued funding of water system upgrades to track the arsenic mitigation needs and the development of the water infrastructure.

**Fiscal/Programmatic Impact**

Fiscal impact will be \$170,000 per year to cover needed maintenance and construction to the existing water lines and to further develop the water system. These funds will be covered by the current water reserves.

**Project – Utilities Fire Flow Upgrades (on-going)**

This program replaces undersized, substandard and defective water lines and installs fire hydrants in areas which do not currently have a sufficient flow amount to provide adequate fire protection.

**Fiscal/Programmatic Impact**

This program will allow increased fire protection capability and replace substandard and/or defective water lines which inhibit safe delivery of potable water. It will also reduce the amount of waterline repairs. The \$250,000 annual cost will be provided through system improvement reserves and user fees.

**Project – Utilities - Aeration Blowers, Diffuser**

The current aeration blowers (3) were installed with the plant expansion in 2000. The blowers were installed utilizing the piping from the previous aeration system. This has caused numerous operational and control problems. The blowers are unable to run together to create the desired amount of dissolved oxygen that the treatment process requires. The piping forces a restriction on the blower units causing them to overheat. This project requires a detailed engineering analysis prior to implementation.

**Fiscal/Programmatic Impact**

If the blowers fail, all wastewater treatment at the plant is lost. The biological processes require air to keep the microorganisms functioning. Normal operation is two blowers running with one on standby. Each of these are rotated into service on a regular basis. All blowers have the same amount of run hours on the motors. This project is scheduled to begin in FY 2018 with the engineering analysis at \$525,000 and construction beginning in FY 2021 with an estimated cost of \$1,575,000.

**Project – Utilities - Reclaimed Vault Screening**

In order to supply the reclaimed lines down Mingus Avenue, the reclaimed vault requires additional pumps, screening equipment and storage. This project necessitates a detailed engineering analysis prior to implementation

**Fiscal/Programmatic Impact**

To utilize the reclaimed piping that was installed and give prospective reclaimed clients water, the vault must be retrofitted to accommodate for growth and expansion. This project will be spread over two years and is projected to cost \$50,000 in FY 2018 and \$250,000 in FY 2019.

**Public Safety****Project – Public Safety - Fire Vehicle Replacement**

This project provides for the systematic replacement of fire vehicles before their maintenance becomes too costly.

**Fiscal/Programmatic Impact**

The budget amounts for the next five years to a total of \$310,000 and will be funded by lease purchase paid through the .2% sales tax reserves. By having a newer fleet, maintenance costs are reduced and down time avoided.

**Project – Public Safety - Fire Stations**

This project relates to the design and construction of a fire station on or near Bill Gray Road to serve the development and growth projections for the Cornville Road/Mingus Avenue & SR 89A annexation area. New development plans for that area indicate the need to establish a fire station there in the next two to three years. By establishing the City’s presence with a future fire station, the City is positioned for the expected growth and development and for future annexations of areas to the north and east.

**Fiscal/Programmatic Impact**

The fiscal impact would be to obtain bonding to fund the construction and design of the new building; the planned costs are \$2,800,000 in FY 2019. The City already has the staffing at one fire house. Twelve firefighters would be moving to this new station along with one fire engine.

**Project – Public Safety - Aerial Ladder Truck (Quint)**

The acquisition of a 100’ ladder truck will enable the Fire Department to provide an increased level of safety for their firefighters while also providing increased fire suppression and rescue capabilities. This apparatus will be of a “Quint” type that has the attributes of an aerial ladder truck plus the attributes of a pumper truck allowing for increased versatility.

**Fiscal/Programmatic Impact**

This purchase will replace the 1987 ladder apparatus and is needed for the above stated reasons as well as to maintain the current ISO grading of Class 4. The increase in operation and maintenance costs will be minimal. Estimated cost for this vehicle and necessary equipment is anticipated to be \$1,200,000. This project may be funded by lease purchases proceeds or a grant in FY 2018, partnerships with private sector development, and/or bonding which would be paid through the .2% sales tax reserves.

**Project – Public Safety - Spillman Analytics & CompStat Dashboards**

This project is to purchase Spillman’s CAD, Management, and Community Dashboards. The CAD dashboard will allow for the collection of statistical data which will measure employees’ performance, target resources, identify staffing needs based on historical data, improve response times, and mine statistics. The Management dashboard maximizes historical data by identifying crime trends and patterns using information in the Spillman database. The Community Dashboard lets the Police Department share detailed crime statistics with the public. It allows citizens to view the rate of incidents and offenses within Cottonwood as well as identify crime hotspots by viewing on Google Maps.

**Fiscal/Programmatic Impact**

First year’s maintenance is included in the purchase price. Recurring annual maintenance fees, beginning in year two will be included with the annual Spillman maintenance. The costs for the software would be ongoing at \$10,500 per year with an up-front purchase in FY 2018 of \$60,320.

## Five-Year Capital Improvement Plan

A Capital Improvement Plan (CIP) is a multi-year plan that projects spending for anticipated capital projects. The City's CIP represents a five-year program totaling \$32,329,117. This figure is imposing and cannot realistically be funded from normal operating revenues (pay-as-you-go financing). It will be necessary for many of the proposed improvements to be funded through other sources. Such funding sources may be the issuance of bonds, lease purchases and grants.

It is important to note that the CIP is intended to be a plan as well as a process, rather than a budget. Therefore, projects may be altered in subsequent years. Projects qualifying for the City's CIP shall have a total value of \$35,000 or greater.

As in the past fiscal years, we have programmed restricting revenues specifically designated to capital improvements projects. There are policies outlining the requirements of the various restricted revenue sources. Restricted revenues have multiple projects assigned based on council guidance.

### GRANTS FUND POLICY

- 🕒 Any grant that is programmed yet funding is not attained, will not be allowed to proceed.
- 🕒 Grants will only be budgeted if there is a strong indication that it will be obtained.
- 🕒 All grant applications will be reviewed for funding ability by staff prior to application to ensure availability of matching funds.
- 🕒 Priority will be given to grant matching funds.
- 🕒 Sizeable matching funds and/or large percentage of contribution may keep some grants from being solicited.

Funding Availability	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Transfers In	162,960	41,160	42,000		
FAA Aeronautic Grants	1,777,040	448,840	458,000		
Energy Efficient Block Grant					
Wind Socks					
ADOT Grants					
ADOT Airport Matching					
LP - Jet A Tank					
Airport FAA Fund Matching					
Funds Available	\$1,940,000	\$490,000	\$500,000	\$0	\$0
<b>Financing Commitments</b>					
LP - Jet A Tank					
Subtotal Commitments	0	0	0	0	0
Revenue (net of commitments)	\$1,940,000	\$490,000	\$500,000	\$0	\$0
<b>Planned Expenditures</b>					
<u>Airport</u>					
ADOT Apron Reconstruction	500,000				
ADOT Fence Height Repair					
Extend Runway 32		90,000	500,000		
ADOT Runway Pavement Preservation	1,360,000				
Install JetA Tank	80,000	400,000			
Subtotal Planned Expenditures	1,940,000	490,000	500,000	0	0
Resources Available	\$0	\$0	\$0	\$0	\$0

**0.2% SALES TAX**

This revenue source is derived from a .2% sales tax originally designated for the payment of debt service on the Public Library. In November of 1998 voters requested that any amount collected above the necessary debt service be restricted to capital improvements. Any deficits showing in the five-year plan will be covered by General Fund reserves.

- 🔍 Current commitments are priority
  - Public Safety Lease Purchase
- 🔍 Restricted to Public Safety capital
  - 1<sup>st</sup> priority is fleet
  - 2<sup>nd</sup> priority is other projects

<b>Funding Availability</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Beginning Balance	\$0	(\$33,944)	\$237,397	\$156,552	\$105,594
Annual Deposit (net of DS)	648,080	680,335	713,880	748,767	785,050
<b>Grant Funding</b>					
GOHS /RICO	25,000	25,000	25,000	25,000	25,000
Aerial Ladder Truck	1,200,000				
<b>Other Financing Sources</b>					
LP - FD Vehicles - 2019		650,000			
GADA - Fire Stations - 2					
GADA - Fire Stations - 3		2,800,000.00			
Revenue	\$ 1,873,080	\$ 4,121,391	\$ 976,277	\$ 930,319	\$ 915,644
<b>Financing Commitments</b>					
<b>Other Financing Uses</b>					
LP - FY13 PS Veh & Equip	142,260				
LP - FY17 PS Veh & Equip	238,000	238,000	238,000	238,000	238,000
LP - FY19 FD Vehicle			126,225	126,225	126,225
GADA - Fire Stations - 2			300,000	300,000	300,000
GADA - Fire Stations - 3					
GADA - Regional Communications Bldg					
Subtotal Commitments	380,260	238,000	664,225	664,225	664,225
Revenue (net of commitments)	1,492,820	3,883,391	312,052	266,094	251,419
<b>Planned Expenditures</b>					
<b>Fire</b>					
Grant - Aerial Ladder Truck	1,200,000				
Comminications/Radio/MCT Infrastructure	30,000	30,000	30,000	30,000	30,000
EMS Equipment - Defibrillators	20,000	20,000	20,000	20,000	20,000
Fire Stations GADA - 2		2,800,000			
Fire Engine Pumper Type 1		650,000			
Fire Vehicle Replacements	60,000	65,000	60,000	65,000	60,000
Repaint Exterior of Public Safety Build.	40,000				
Fire Suppression & Rescue Equipment	35,000	60,000	35,000	35,000	35,000
<b>Police</b>					
Spillman Analytics & Compstat Dashboard	81,444	10,494			
CompStat Dashboards	60,320	10,500	10,500	10,500	10,500
Subtotal Planned Expenditures	1,526,764	3,645,994	155,500	160,500	155,500
Resources Available	(\$33,944)	\$237,397	\$156,552	\$105,594	\$95,919

**1% SALES TAX**

This revenue source is derived from a 1.0% sales tax, originally designated for the payment of debt service on the Wastewater Treatment Plant. This tax was to sunset on July 1, 2007, however, the City Council approved to implement a 1% sales tax effective July 1, 2007, to be used for capital improvement projects.

**Anticipated commitment of funds**

- Remaining revenue prorated among remaining areas
  - 50% Recreation Center Debt Service
  - 50% General Government M&O

<b>Funding Availability</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Beginning Balance	\$1,130,450	(\$333,950)	(\$632,300)	(\$264,651)	(\$523,003)
Annual Deposit	2,073,975	2,073,975	2,073,975	2,073,975	2,073,975
<b>Grant Funding</b>					
Drainage Grants	886,000	108,000			
<b>Miscellaneous Income</b>					
Interest Income	2,000	2,000	2,000	2,000	2,000
<b>Other Financing Sources</b>					
<b>Funds Available</b>	<b>\$4,092,425</b>	<b>\$1,850,025</b>	<b>\$1,443,675</b>	<b>\$1,811,324</b>	<b>\$1,552,972</b>
<b>Financing Commitments</b>					
GADA - Recreation Center	1,539,875	1,542,825	1,542,826	1,542,827	1,542,828
<b>Subtotal Commitments</b>	<b>1,539,875</b>	<b>1,542,825</b>	<b>1,542,826</b>	<b>1,542,827</b>	<b>1,542,828</b>
Revenue (net of commitments)	\$2,552,550	\$307,200	(\$99,151)	\$268,497	\$10,144
<b>Planned Expenditures</b>					
<b><u>Culture &amp; Recreation</u></b>					
Cottonwood Kids Park Signage	25,000				
Skate Park Slab	59,000				
Skate Park Restroom Sidewalk	86,000				
Urban Trail System - Heritage Grant	35,000	25,000			
Tennis Center Resurface	168,000				
Riverfront Park - Earthen Stage	35,000				
Riverfront Parking Lot Curb & Asphalt Overlay Project	185,000				
Relighting Project Adult Ball Fields	480,000				
Large Park Acreage - Future Ball Field & Sports Park				600,000	
Park Open space & Master Plan Study	125,000				
Old Town Field Conversion to Cultural Park - Grant Funded				50,000	120,000
Play Apparatus (Viejo/Elm park)					
Little League Retaining Wall Renovation	32,000	32,000	32,000		
Little League Remodel	72,000				
Mickelsen Parkway Sidewalk Completion	295,000				
Library Interior Painting	25,500				
<b><u>General Government</u></b>					
Air Curtain Burner	201,000	21,000	21,000	21,000	21,000
Safety Improvements Transfer Station	27,500				
Old Town Flood Plain Study	600,000	65,000			
<b><u>City Wide Drainage Plan</u></b>					
<b><u>Cottonwood Village Drainage Study</u></b>					
Cottonwood Village Drainage Study	225,000	43,000			
Skyline Drive Date Street Connection	24,000	650,000			
Mt Mingus Drive Drainage Improvements	61,000				
Stormwater Programs	40,500	40,500	40,500	40,500	40,500
Hazmat Cleanup Event	20,000	20,000	20,000	20,000	20,000
City Wide Computer Replacement Program	40,000	28,000	42,000	30,000	30,000
Server Replacement Program	25,000	15,000	10,000	30,000	25,000
<b>Subtotal Planned Expenditures</b>	<b>2,886,500</b>	<b>939,500</b>	<b>165,500</b>	<b>791,500</b>	<b>256,500</b>
<b>Resources Available</b>	<b>(\$333,950)</b>	<b>(\$632,300)</b>	<b>(\$264,651)</b>	<b>(\$523,003)</b>	<b>(\$246,356)</b>

## **HIGHWAY USER REVENUE FUND AND TRANSIT**

These funding sources come from several areas. State HURF may be used for maintenance and operations as well as capital projects. The City also approved an increase in the city's tax on construction activities by 1% to be designated to street improvements. Another source is grant funding for major street projects, and finally 30% of half of the 1% City Sales Tax mentioned in the previous restricted revenue section. These sources have council imposed guidelines.

- 👁️ 1% construction sales tax will be used by this fund
- 👁️ Uses of these revenue resources
  - Street Department M&O
  - Street Construction
  - Street Capital
- 👁️ All major street projects will have a 10% restricted funding component to be used for
  - Sidewalks
  - Landscape
  - Bike paths & trails

<b>Funding Availability</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Beginning Balance	(\$31,041)	(\$3,077,315)	(\$3,393,545)	(\$7,286,457)	
HURF Funds (net M&O)	0	0	0	0	
1% Construction Sales Tax	253,685	266,370	279,688	293,672	
General Fund Contribution (including portion of 1% Sales Tax)	0	0	0	0	
<b>Other Financing Sources</b>					
Bond - 12th Street, Mingus and Main St.		2,500,000			
<b>Funds Available</b>	<b>\$222,644</b>	<b>(\$310,945)</b>	<b>(\$3,113,857)</b>	<b>(\$6,992,785)</b>	<b>\$0</b>
<b>Financing Commitments</b>					
GADA Loan - Mingus, W. Mingus, & 12th St. Excise Bond 2015	392,600	392,600	392,600	392,600	392,600
GADA- N Main Mill & Fill, 6th St. Aspen-89A Loan - N Main St 10th to Mingus					
<b>Subtotal Commitments</b>	<b>392,600</b>	<b>392,600</b>	<b>392,600</b>	<b>392,600</b>	<b>392,600</b>
Revenue (net of commitments)	(\$169,956)	(\$703,545)	(\$3,506,457)	(\$7,385,385)	(\$392,600)
<b>Planned Expenditures</b> <b>(*Council Strategic Initiative)</b>					
<b>Streets Construction &amp; Maintenance</b>					
State Road Diet Grant					
Pavement Maintenance Program	600,000		600,000		600,000
Sidewalk Additions Alternative	80,000	80,000	80,000	80,000	80,000
Mingus Ave. Reconstruction 8th to Main	1,722,359				
Verde Heights Drainage Project	89,000				
Asphalt repair/Drainage Improvements	46,500				
Old Town Alleys	94,500				
6th Street Mingus to 89A	275,000	2,500,000			
Street Sweeper					
Main Street Mill/Fill		110,000	3,100,000		
<b>Subtotal Planned Expenditures</b>	<b>2,907,359</b>	<b>2,690,000</b>	<b>3,780,000</b>	<b>80,000</b>	<b>680,000</b>
Resources Available	(\$3,077,315)	(\$3,393,545)	(\$7,286,457)	(\$7,465,385)	(\$1,072,600)

## WASTEWATER USER FEES

User fees for wastewater are currently not sufficient enough to cover operations and maintenance costs as well as capital projects that are planned for the future in the Wastewater department. There are plans underway for a possible rate increase in FY 2017. Other revenue sources have been allocated to assist this enterprise fund with its capital needs.

<b>Funding Availability</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Beginning Balance	\$5,421,471	\$7,855,669	\$9,834,154	\$12,762,240	\$14,798,657
User Fees	\$3,325,733	\$3,492,020	\$3,666,621	\$3,849,952	\$4,042,450
Transfers in from Capital					
Interest Income					
<b>Other Financing Sources</b>					
Bonding / WIFA Loan 2009-10					
Bonding/WIFA Loan FY 2015					
Funds Available	\$8,747,204	\$11,347,689	\$13,500,775	\$16,612,192	\$18,841,106
<b>Financing Commitments</b>					
Bonding / WIFA Loan FY 2015	188,535	188,535	188,535	188,535	188,535
<b>Subtotal Commitments</b>	188,535	188,535	188,535	188,535	188,535
<b>Revenue (net of commitments)</b>	\$8,558,669	\$11,159,154	\$13,312,240	\$16,423,657	\$18,652,571
<b>Planned Expenditures</b>					
Reclaimed Vault Screening	50,000	250,000			
Wastewater Canopy	40,000				
Polymer Blending Unit	38,000				
Aeration Blowers, Diffuser	525,000			1,575,000	
Impact Fee Study					
Basin Roof Rehab	50,000	50,000	50,000	50,000	50,000
Clarifier Rehab		500,000	500,000		
Digester Blower		525,000			
Riverfront Wwtp-Design/Feasibi					
Lift Station					
Wwtp Upgrades					
Effluent Disposal System					
<b>Subtotal Planned Expenditures</b>	703,000	1,325,000	550,000	1,625,000	50,000
<b>Resources Available</b>	\$7,855,669	\$9,834,154	\$12,762,240	\$14,798,657	\$18,602,571

## WATER USER FEES

The Water Utility was designed to be self-sufficient. However, it currently does not generate enough revenue to cover costs of maintenance, operations, administration, debt service, and capital improvements. User fees provide the majority of the revenue for this utility. Cottonwood is currently in the process of proposing a new rate structure to improve revenue generation.

<b>Funding Availability</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Beginning Balance	\$18,831,803	\$24,102,707	\$31,441,837	\$39,556,651	\$48,509,203
User Fees	8,977,824	9,696,050	10,471,734	11,309,473	12,214,230
Interest Income	10,000	10,000	10,000	10,000	10,001
<b>Other Funding Sources</b>					
Funds Available	<u>\$27,819,627</u>	<u>\$33,808,757</u>	<u>\$41,923,571</u>	<u>\$50,876,123</u>	<u>\$60,733,435</u>
<b>Financing Commitments</b>					
WIFA 2015	844,275	844,275	844,275	844,275	844,276
WIFA 2016	852,105	852,105	852,105	852,105	852,106
Excise Bond 2015	75,540	75,540	75,540	75,540	75,541
Subtotal Commitments	<u>1,771,920</u>	<u>1,771,920</u>	<u>1,771,920</u>	<u>1,771,920</u>	<u>1,771,923</u>
Revenue (net of commitments)	<u>\$26,047,707</u>	<u>\$32,036,837</u>	<u>\$40,151,651</u>	<u>\$49,104,203</u>	<u>\$58,961,512</u>
<b>Planned Expenditures</b>					
Arsenic Systems Acquisition	0	0	0	0	0
Building Purchase	0	0	0	0	0
Arsenic Mitigation	50,000	50,000	50,000	50,000	50,000
Aid in Lieu of Construction	0	0	0	0	0
Well Booster Station	100,000	0	0	0	0
Line Extensions	0	0	0	0	0
Water System Upgrades	170,000	170,000	170,000	170,000	170,000
Well Improvements	75,000	75,000	75,000	75,000	75,000
Fire Hydrant Improvements	250,000	250,000	250,000	250,000	250,000
Well Generators	50,000	50,000	50,000	50,000	50,000
Pump Replacements . Upgrades	0	0	0	0	0
SR 260 System Upgrades	1,250,000	0	0	0	0
12th Street 89A to Fir Waterline Improvements	0	0	0	0	0
12th Street 89A to Fir Waterline Improvements					
Subtotal Planned Expenditures	<u>1,945,000</u>	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>
Resources Available	<u>\$24,102,707</u>	<u>\$31,441,837</u>	<u>\$39,556,651</u>	<u>\$48,509,203</u>	<u>\$58,366,512</u>

The City entered into an operating lease contract for its arsenic treatment equipment and an in-house Arsenic Specialist was hired several years ago. In FY 2014, the City obtained a lease to purchase the arsenic equipment to help reduce the cost.

**WATER RESOURCE RESERVE FUND**

These reserve funds are accumulated by the water utility from fees collected for very specific purposes. These sources are expected to cover the costs of acquiring water rights, defending legal challenges and providing conservation incentives. These costs also include ancillary costs involved in getting these objectives accomplished.

<b>Funding Availability</b>	<b>NOTES</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Beginning Balance		\$5,554,237	\$6,195,226	\$6,849,034	\$7,515,919	\$8,196,141
Resource Development	79.47%	475,190	475,190	475,190	475,190	475,191
WAC	6.36%	38,010	38,010	38,010	38,010	38,011
Adjudication	9.21%	55,065	55,065	55,065	55,065	55,066
Conservation	4.96%	29,680	29,680	29,680	29,680	29,681
Interest Income		123,044	135,863	148,940	162,277	175,882
Funds Available		\$6,275,226	\$6,929,034	\$7,595,919	\$8,276,141	\$8,969,972

**Planned Expenditures**

<u>Water Development</u>						
Resource Development						
Water Advisory						
Adjudication		50,000	50,000	50,000	50,000	50,000
Conservation		30,000	30,000	30,000	30,000	30,000
Subtotal Planned Expenditures		80,000	80,000	80,000	80,000	80,000
Resources Available		\$6,195,226	\$6,849,034	\$7,515,919	\$8,196,141	\$8,889,972

**CAPITAL IMPROVEMENTS FUND**

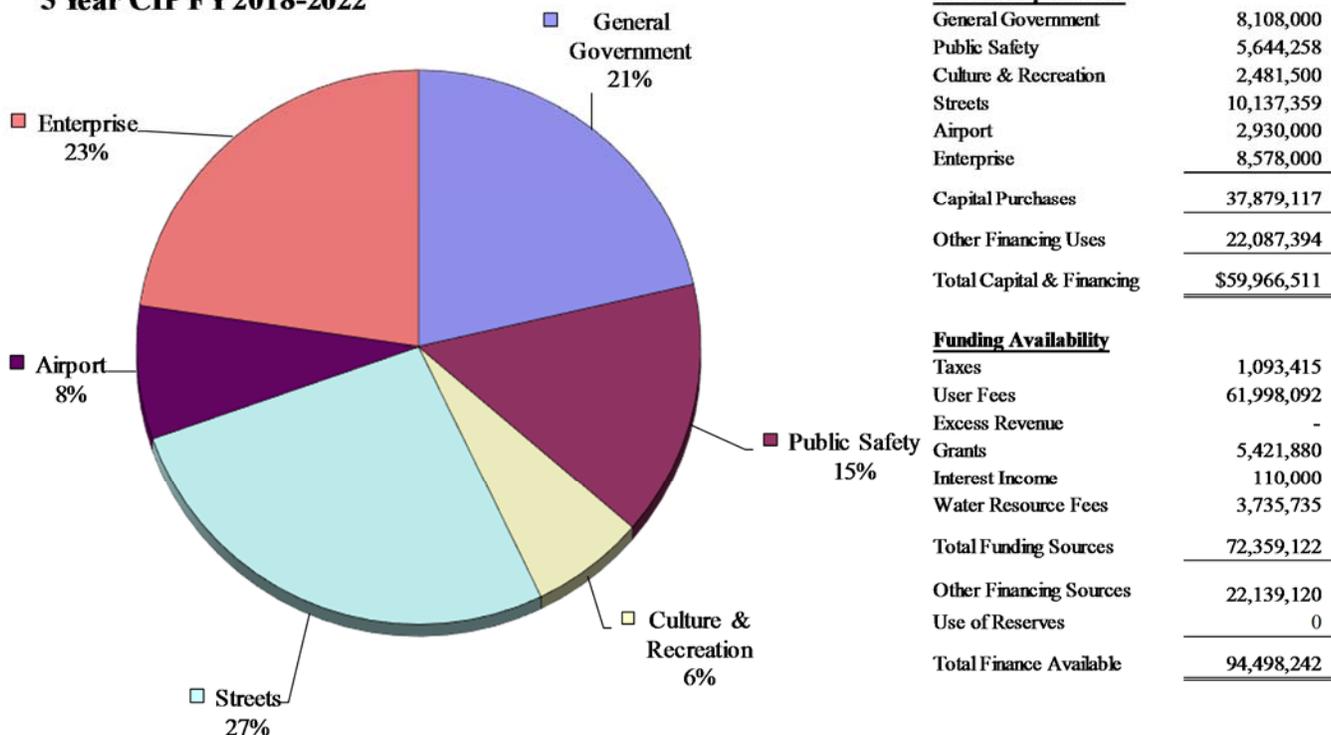
These accumulations are from an excess sales tax collected prior to July 1, 2007 and set aside for capital improvements throughout the City organization. During the recent recession, it was decided to cap this fund at \$1,000,000 until the economy recovers and sales tax begins to see gains.

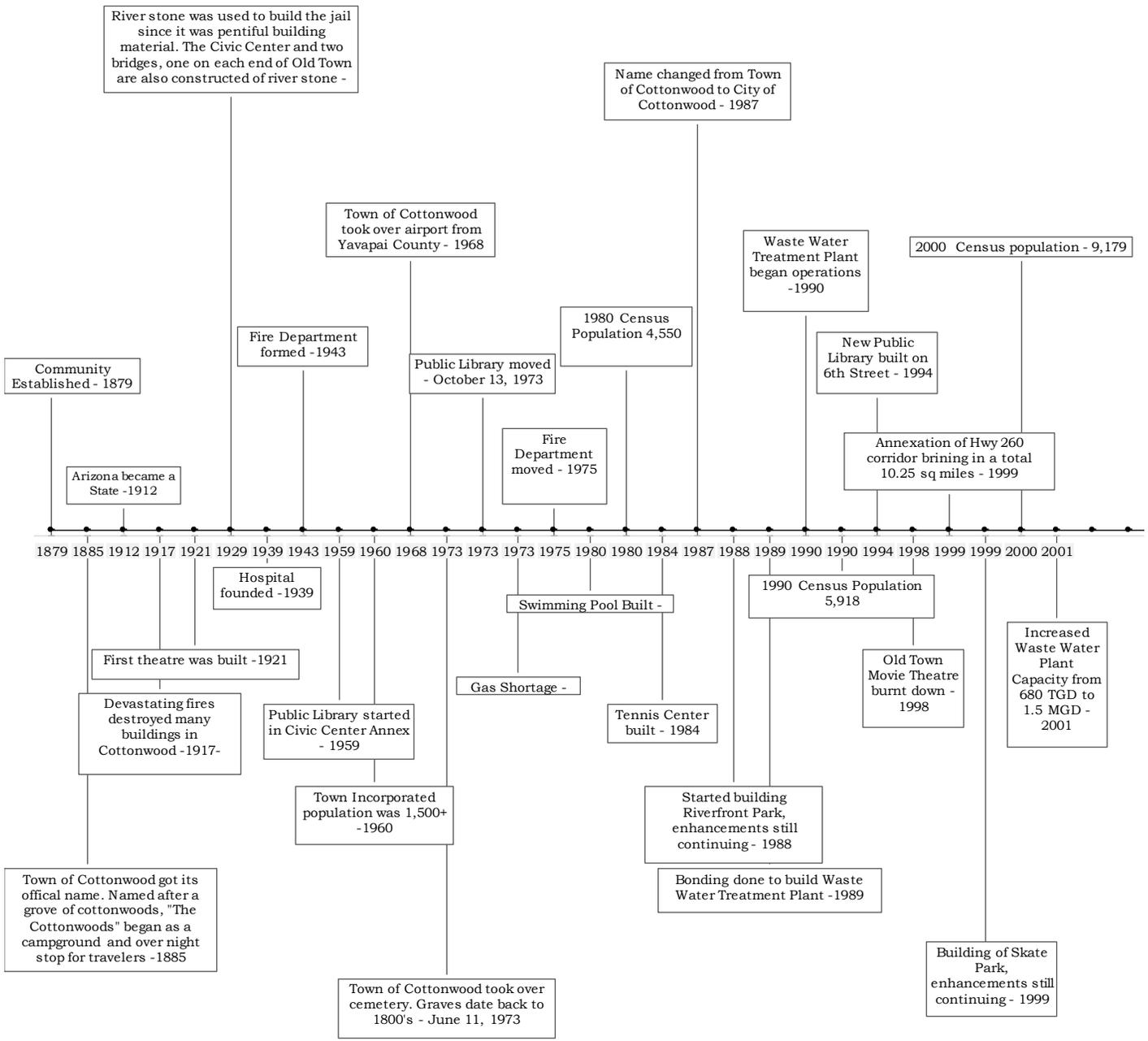
<b>Funding Availability</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Beginning Balance	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Miscellaneous Income</b>					
Interest Income	10,000	10,000	10,000	10,000	10,000
<b>Other Financing Sources</b>					
Bonds - City Hall			5,500,000		
<b>Funds Available</b>	<b>1,010,000</b>	<b>1,010,000</b>	<b>6,510,000</b>	<b>1,010,000</b>	<b>1,010,000</b>
<b>Financing Commitments</b>					
Bonds - City Hall					
Transfers Out - Sewer Fund					
<b>Subtotal Commitments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Revenue (net of commitments)	\$1,010,000	\$1,010,000	\$6,510,000	\$1,010,000	\$1,010,000
<b>Planned Expenditures</b>					
<u>Culture &amp; Recreation</u>					
<u>General Government</u>					
<u>Capital Projects - Bonding</u>					
<u>Architecture Design - City Hall</u>			5,500,000		
Transfer to GF	10,000	10,000	10,000	10,000	10,000
<b>Subtotal Planned Expenditures</b>	<b>10,000</b>	<b>10,000</b>	<b>5,510,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Resources Available</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>

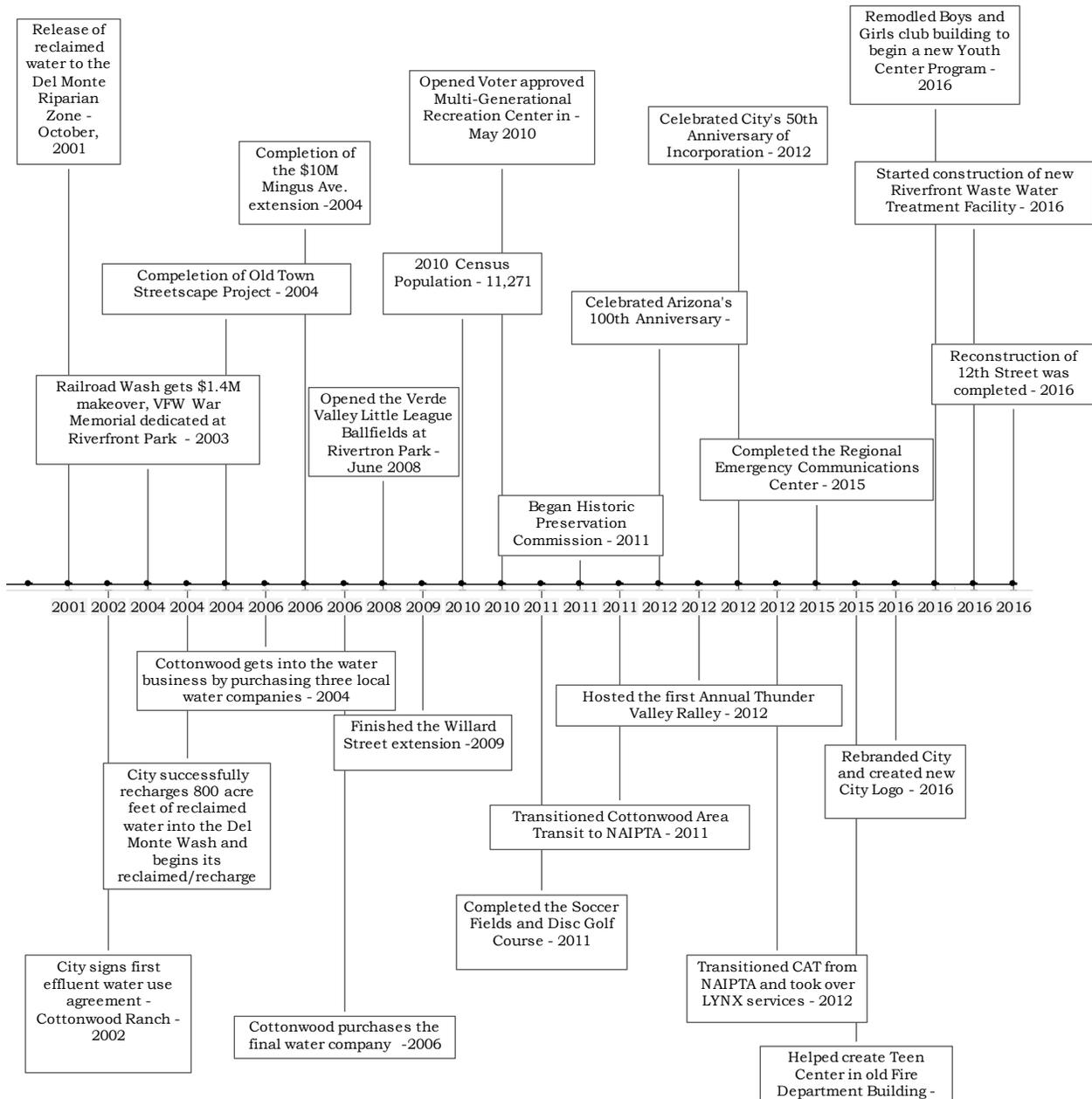
## SUMMARY OF CAPITAL

Funding Availability	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Beginning Balance	\$12,753,700	\$17,350,529	\$23,926,032	\$27,255,500	\$45,095,977
Taxes	253,685	266,370	279,688	293,672	-
User Fees	10,205,358	11,638,533	12,469,844	13,362,671	14,321,686
Excess Revenue	0	0	0	0	0
Grants	2,221,040	2,559,840	591,000	25,000	25,000
Interest Income	22,000	22,000	22,000	22,000	22,000
Water Resource Fees	720,989	733,808	746,885	760,222	773,831
Other Financing Sources	10,605,960	2,541,160	8,992,000	-	-
<b>Revenue</b>	<b>\$36,782,731</b>	<b>\$35,112,240</b>	<b>\$47,027,449</b>	<b>\$41,719,066</b>	<b>\$60,238,494</b>
<b>Financing Commitments</b>					
Annual Debt Service - Bonds & Capital Leases	4,273,190	4,133,880	4,560,106	4,560,107	4,560,111
Subtotal Commitments	4,273,190	4,133,880	4,560,106	4,560,107	4,560,111
Revenue (net of commitments)	\$32,509,541	\$30,978,360	\$42,467,343	\$37,158,959	\$55,678,383
<b>Planned Expenditures</b>					
General Government	\$1,274,000	\$892,500	\$5,643,500	\$151,500	\$146,500
Public Safety	1,526,764	3,645,994	155,500	160,500	155,500
Culture & Recreation	1,622,500	57,000	32,000	650,000	120,000
Streets	2,907,359	2,690,000	3,780,000	80,000	680,000
Airport	1,940,000	490,000	500,000	-	-
Enterprise	2,648,000	1,920,000	1,145,000	2,220,000	645,000
Subtotal Planned Expenditures	11,918,623	9,695,494	11,256,000	3,262,000	1,747,000
Resources Available	\$20,590,918	\$21,282,866	\$31,211,343	\$33,896,959	\$53,931,383

### Consolidated Expenditures 5 Year CIP FY2018-2022







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**Long Range Financial Projections****GENERAL FUND**

<b>Revenues</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Taxes	\$15,645,580	\$16,297,840	\$16,999,100	\$17,757,610	\$18,583,560
Licenses and Permits	322,880	330,954	339,232	347,714	356,401
Intergovernmental Revenues	2,224,016	2,299,472	2,377,803	2,459,140	2,543,615
Charges for Services	963,850	1,010,670	1,021,640	1,032,751	1,044,002
Fines and Forfeitures	210,830	216,100	221,490	227,030	232,710
Use of Monies & Properties	25,250	25,500	25,760	26,020	26,280
Miscellaneous Revenues	73,510	75,340	77,240	79,170	81,140
Other Financing Sources	0	0	0	0	0
<b>Total Revenues</b>	<b>\$19,465,916</b>	<b>\$20,255,876</b>	<b>\$21,062,265</b>	<b>\$21,929,434</b>	<b>\$22,867,707</b>
<b>Expenditures</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
General Government	\$8,308,810	\$8,574,100	\$8,788,500	\$9,219,640	\$9,672,190
Public Safety	10,089,150	10,593,650	11,123,360	11,679,620	12,263,600
Culture & Recreation	2,335,950	2,456,780	2,577,420	2,706,210	2,841,410
<b>Total Expenditures</b>	<b>\$20,733,910</b>	<b>\$21,624,530</b>	<b>\$22,489,280</b>	<b>\$23,605,470</b>	<b>\$24,777,200</b>
<b>Gain/(Loss)</b>	<b>(\$1,267,990)</b>	<b>(\$1,368,650)</b>	<b>(\$1,427,020)</b>	<b>(\$1,676,040)</b>	<b>(\$1,909,490)</b>

**CONCLUSION**

This five-year analysis of the General Fund demonstrates that operating revenues will not keep up with operating expenditures for the next five years. This reflects the City's inability to substantially increase the current revenue streams via rate increases or through diversifying the current revenues with additional fees or charges for services. The present economic situation will also stifle future revenue generation.

Other issues that are out of the City's control are some of the rising employee benefits costs. Health insurance costs for employees and their dependents will increase as of July 1, 2016. A 2% increase is reflected in this forecast. Worker's compensation will see a slight increase in FY 2017 as will both Retirement Systems.

There are required capital reserves that need to be met. To fund these reserves, the General Fund will run a deficit in current operating expenditures that will have to be covered by fund balance. That too poses a different set of issues. The S.A.F.E.R. Grant revenue, which funded 90% of the cost of 12 new firefighters in 2010, was completely eliminated in FY 2014. At this time, the City is solely responsible for funding these firefighters. The Recreation Center has been fully operational since FY 2011 and is forecasted to cover slightly below 60% of its expenditures through its own revenue stream. The new Cottonwood Public Safety Communications Center was built in FY 2015 and will increase the General Fund Expenditures due to additional employees and facility maintenance. These costs are not fully covered by Dispatch Fees.

The above analysis reflects a conservative view of current City revenue sources and the Department Heads estimated costs to carry on the current level of services into the projected periods. Staff will monitor and make recommendations as the various budget periods come up for funding. Currently, the General Fund has reserves to handle any of these deficits, but efforts will be made to avoid tapping into them.

### **SPECIAL REVENUE FUND**

<b>Revenues</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Street Department	\$1,806,160	\$1,884,460	\$1,966,440	\$2,052,270	\$2,142,140
CAT/LYNX	1,884,410	1,940,940	1,999,170	2,059,150	2,120,930
Library	1,064,540	1,117,220	1,172,510	1,230,560	1,291,500
Airport	350,180	360,680	371,500	382,640	394,121
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
<b>Total Revenues</b>	<b>\$5,105,290</b>	<b>\$5,303,300</b>	<b>\$5,509,620</b>	<b>\$5,724,620</b>	<b>\$5,948,691</b>
<b>Expenditures</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
HURF / Streets	\$1,443,170	\$1,493,060	\$1,545,190	\$1,599,875	\$1,657,875
CATS	1,812,110	1,902,740	1,997,840	2,097,730	2,202,600
Library	1,059,740	1,106,280	1,154,940	1,205,730	1,258,770
Airport	312,570	328,210	344,640	361,880	379,980
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$4,627,590</b>	<b>\$4,830,290</b>	<b>\$5,042,610</b>	<b>\$5,265,215</b>	<b>\$5,499,225</b>
<b>Gain/(Loss)</b>	<b>\$477,700</b>	<b>\$473,010</b>	<b>\$467,010</b>	<b>\$459,405</b>	<b>\$449,466</b>

### **CONCLUSION**

#### **Street Department**

Revenues are a bit more stable in the HURF due to the City Council's approval of a 1% Contracting Activities Sales Tax designated for street improvements. The Capital Projects Fund will help ease this fund's fiscal problems where larger projects are planned.

#### **Transit System**

The City took back the CAT system and added the LYNX system that connects Cottonwood with Sedona. The transit system is partially funded by ADOT funds, fares and through inter-city revenues. Even with the funding received by other agencies, the General Fund has to transfer funds in to cover shortages.

#### **Other Departments**

The remaining departmental expenditures are tied to the actual revenues received. Any expenditure that exceeds the projected revenue sources will be paid for through a General Fund transfer in. Deficits will be covered by existing fund balances availability.

**DEBT SERVICE FUND**

<b>Revenues</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Interest Income	280	280	280	280	280
User Fees	0	0	0	0	0
City Sales Tax	\$1,541,795	\$1,542,545	\$1,540,795	\$1,542,395	\$1,540,785
<b>Total Revenues</b>	<b>\$1,542,075</b>	<b>\$1,542,825</b>	<b>\$1,541,075</b>	<b>\$1,542,675</b>	<b>\$1,541,065</b>
<b>Expenditures</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Trustee Fees	\$0	\$0	\$0	\$0	\$0
Principal Payments	\$985,000	\$1,035,000	\$1,085,000	\$1,130,000	\$1,175,000
Interest Payments	557,075	507,825	456,075	412,675	366,065
<b>Total Expenditures</b>	<b>\$1,542,075</b>	<b>\$1,542,825</b>	<b>\$1,541,075</b>	<b>\$1,542,675</b>	<b>\$1,541,065</b>
<b>Gain/(Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**CONCLUSION**

The special two-tenths of a percent (.2 %) city sales tax, enacted in 1992, funded the debt service of the Library Project of 1992. The trend is expected to increase as the economy recovers, demonstrating exceptional coverage. Final disposition of the library debt service was July 1, 2013, but the .2% city sales tax has been redirected to the General Fund.

The Debt Service for the Recreation Center is also reflected in the Debt Service Fund. The revenues to cover the Recreation Center payments come directly from sales tax and are transferred into the Debt Service Fund on a monthly basis. The Recreation Center payments are reflected in the Debt Services Fund until August 2027. The Carryover and Reserves are not calculated for Maintenance and Operations purposes.

The Debt Service for the water company is reflected in the Enterprise Funds. In January 2006, the City of Cottonwood completed the acquisition of the Cottonwood Water Company. Currently, this fund has ample reserves to cover this deficit.

**ENTERPRISE FUND – SEWER & WATER**

<b>Revenues</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Interest Income	\$6,880	\$7,060	\$7,240	\$7,430	\$7,620
User Fees	10,747,950	11,016,660	11,292,080	\$11,574,380	11,863,760
Miscellaneous Income	28,320	29,030	29,750	30,500	31,260
<b>Total Revenues</b>	<b>\$10,783,150</b>	<b>\$11,052,750</b>	<b>\$11,329,070</b>	<b>\$11,612,310</b>	<b>\$11,902,640</b>

<b>Expenses</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Operations	\$4,102,080	\$4,290,030	\$4,486,690	\$4,692,470	\$4,907,780
Administration	1,379,580	1,446,790	1,517,280	1,591,220	1,668,760
Debt Service	1,774,326	1,774,382	1,774,420	1,774,470	1,774,665
<b>Total Expenses</b>	<b>\$7,255,986</b>	<b>\$7,511,202</b>	<b>\$7,778,390</b>	<b>\$8,058,160</b>	<b>\$8,351,205</b>
<b>Gain/(Loss)</b>	<b>\$3,527,164</b>	<b>\$3,541,548</b>	<b>\$3,550,680</b>	<b>\$3,554,150</b>	<b>\$3,551,435</b>

**CONCLUSION**

The Enterprise Funds, which include the Water and Wastewater Divisions, are self-sufficient and depend on their user fees to fund their operations.

The Wastewater Division is no longer being subsidized by the special one percent sales tax, enacted in 1987, or the General Fund. The City began “weaning” itself off the dependence on this subsidy in FY 2001 and now relies predominately on user fees. Rates have been increased in FY 2015 and FY 2016 to help cover any operational and debt service shortfalls. Rates will be reviewed every fiscal year to determine if a rate increase is needed to cover operational and debt service costs.

The Water Division also relies only on its user fees to fund all of its operations, including capital projects and debt service. Original bond distributions assist the company to handle some system improvements. Other revenue sources for both divisions are interest on investments, building rentals, sale of effluent, and miscellaneous income. The City established a rate increase in FY 2015 and in FY 2016 with differential rates for inside and outside the City limits to help with the debt service coverage. Currently, the City is considering possible rate increases for FY 2017 and future years that will help balance any operating deficits.

**FIDUCIARY FUND**

<b>Revenues</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Interest Income	-	-	-	-	-
Contributions	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Benefits Paid	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gain/(Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CONCLUSION**

The Fiduciary Fund includes the City's Employee Benefits Trust Fund which used to be the City's health insurance for employees and dependents. In FY 2002, the City became a member of the Arizona Public Employers Health Pool (APEHP) that provides health, dental, and vision coverage for many of the schools and cities in the Verde Valley. For FY 2015 and beyond, no activity is expected for the Volunteer Pension Fund and the Employee Benefits Trust Fund.

## **REVENUE AND EXPENDITURE ANALYSIS**

### **Consolidated Revenues - All Funds**

Revenue projections were based on several different factors this year, including a detailed analysis of the past five years and economic factors provided by the State. Special attention was given to our local sales tax and the economic situation at the State and Federal level. FY 2016 showed revenue from our local sales tax improving and for FY 2017 we are projecting that revenues will increase by 4% and will continue to increase slightly over the next few years.

A listing of All Funds Consolidated Revenues by Sources is on page 65. A further breakdown by source and fund may be found on page 68.

### **Consolidated Expenditures - All Funds**

Expenditure projections for FY 2017 began with the preparation of a “*base budget*” for each department. The base budget is defined as “*the essential expenses to operate a department at its current level of service.*” Projections were made in commodities and utilities based on an inflationary projection of 3-5% due to anticipated increases being proposed by the various local utilities and rising cost of fuel. Several positions throughout the City that were frozen in FY 2012 and FY 2013 were eliminated and are still not included in the projections for FY 2017. Salaries are also projected to increase at an annual rate of slightly over 5%, excluding any personnel requests and salary adjustments.

With the completion of the base budget, departmental budget requests were reviewed. Requests for new programs, buildings projects, position reclassifications and equipment were assessed with each department head individually and in a general budget update work session.

### **General Fund - Revenues**

Revenue projections for the General Fund are based on both historic years’ receipts and the best future assumptions that can be made at this time. General Fund Revenues Schedule is provided on pages 72 and 73 of this document.

#### **Taxes**

Special attention was given to our local city sales tax. With a 2.52% hike in FY 2008, the City Sales Tax continued to drop until FY 2013. Local sales tax compared to total operating revenues is still important despite the current trend in sales tax and the transfer of sales tax to pay the Recreation Center Debt Service. Large fluctuations in the economy can dramatically affect this revenue source. Local Sales Tax constitutes 46.3% of all General Fund revenues.

State shared revenues constitute 12.8% of total operating revenues or about 3.2M for FY 2017. This is up by 4.5% from last year’s revenues. State finances as well as state legislation can have a dramatic effect on the City’s budget. These revenue sources are being watched closely for any legislative action that could trickle down to cities, especially with the current State Government economic climate.

Franchise revenues are a percentage of utility sales to customers. The City no longer receives a 1% fee for water, since it acquired all the local water companies. It does, however, collect a 2% fee from the electric company, 2% from the gas company, and 3% from cable television. Franchise revenues have been stagnating over the past five years as the economy tries to recover.

### **Licenses and Permits**

License and permit revenues, which had peaked in FY 2006 and then declined due to the poor economy, are budgeted at \$308,500 for FY 2017 which is an increase of less than 1% from the FY 2016 revised budget. It is slowly increasing and expected to slowly increase for the next few years as the economy begins to improve and growth resumes.

### **Intergovernmental Revenues**

Intergovernmental revenues are based on a sharing of state sales taxes, state income taxes and motor vehicle in-lieu tax on a per capita basis. Using the 2010 census and the Department of Economic Security (DES) population estimates, intergovernmental revenues were adjusted to the new per capita formula. The City can expect a combined increase of 4.17% for FY 2017, including all police and fire grants. The State Shared Income Tax is distributed to the cities based on collections from two years prior.

### **Charges for Services**

Charges for services have increased significantly over the past couple of years, mainly due to the opening of the Recreation Center. An increase of 6% is estimated for FY 2017.

### **Fines and Forfeitures**

Fines and forfeitures have decreased an average of .5% per year over the past ten years. However, FY 2011 saw the first increase since FY 2006. This increase is partly attributed to a new “Court Enhancement” fee that began in FY 2010. For the upcoming year, revenues in this area are budgeted to be 1.7% higher than in FY 2016.

### **Uses of Monies and Properties**

The City adopted an investment policy to allow greater investment flexibility to capitalize on opportunities other than just the State’s Local Government Investment Pool (LGIP). With the preparation of the five-year capital plan, this policy will be a very useful tool. Investments are expected to earn a higher return over the next few years as interest rates begin to climb again after the recession.

### **Miscellaneous**

Miscellaneous revenues have always fluctuated wildly with donations and one-time revenues that do not fit into other revenue line accounts. This category is conservatively budgeted and remains about the same.

### **General Fund - Expenditures**

The General Fund is used to account for resources traditionally associated with government that are not to be accounted for in another fund. The general fund provides for municipal services including public safety (police, fire and building code enforcement), cultural and recreational activities, community planning and zoning, and general administrative services.

## Expenditures

This fiscal year's total General Fund expenditures are projected to increase by 28.6% from the FY 2016 revised budget. This translates to an increase of \$5,659,095 over that of the previous fiscal year of \$19,815,905. This net increase includes some rollover projects and \$3,915,535 in fund balance reserves. The \$658,543 increase of funds for personnel is due to the merit program, health insurance, and other related taxes.

The City provides paid health insurance coverage for all employees and part of dependent coverage based on a tiered system, implemented as a cost containment measure to offset rising premiums. The tiered system is based on the number of dependents being covered dictating the amount of contribution from the employee. A containment effort by the Arizona Public Employers Health Pool (APEHP) helped to keep the rate constant for two years, but in FY 2015 the rate was increased by 9%, in FY 2016 by 7% in FY 2016, and for FY 2017 there is a slight increase of 2%.

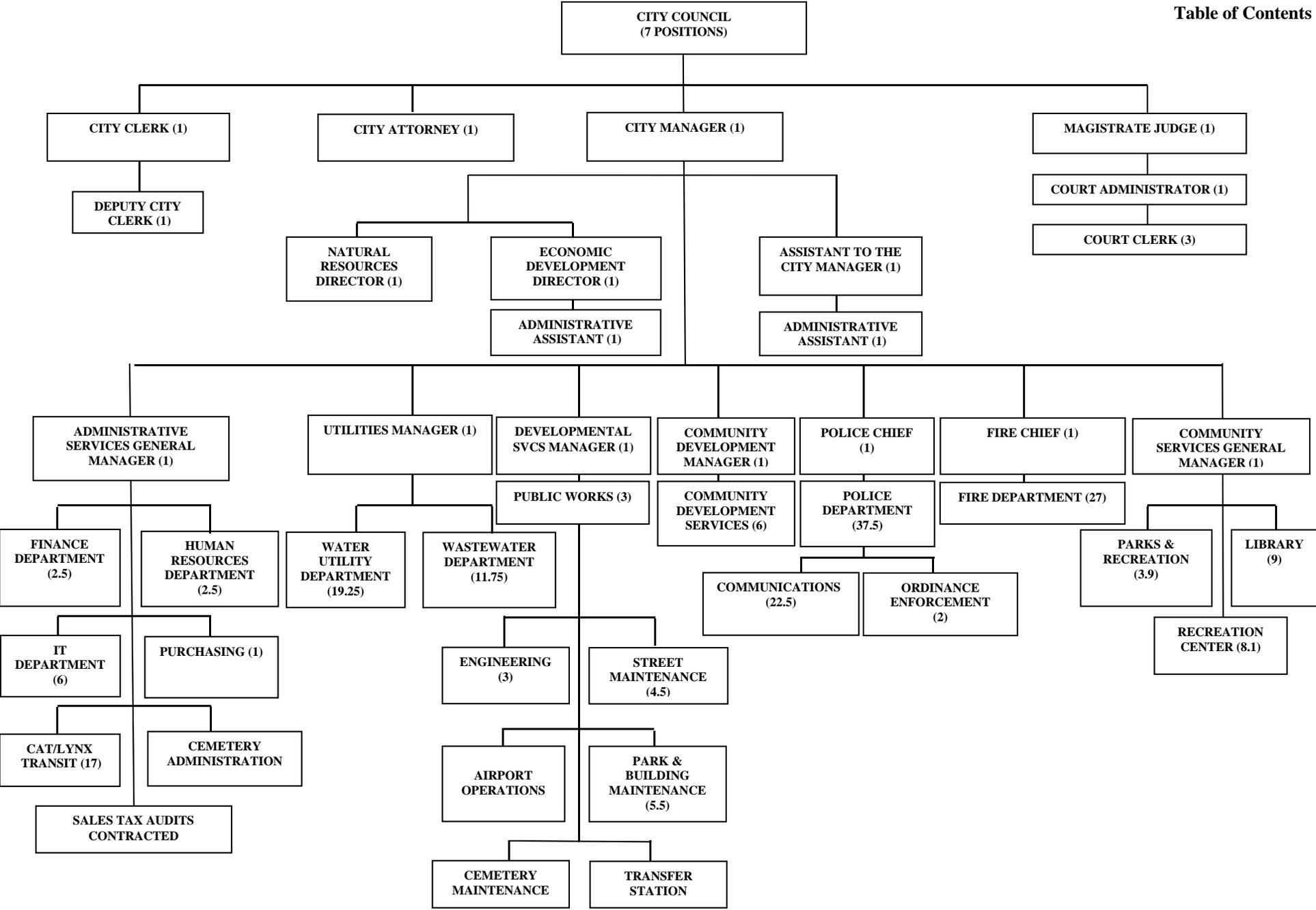
The Operating Supplies category has increased by \$23,280 from \$532,385 for last year to \$555,665 for this year. This increase is the result of a re-evaluation of each department's needs after cutting operating budgets in previous years and finding that items that were indispensable needed to be added back into the budget. Department heads continued to take a very close look at their operating supplies and most were able to stay within their overall requests.

Contractual Services is anticipated to decrease by 10.92%.

Other Services and Charges reflects an increase which is mainly due to departments adding services to the budget that are deemed necessary.

Capital Outlay is budgeted to increase with the City only budgeting major projects and putting off capital purchases to future fiscal years.

More information can be viewed in the summary pages of the individual funds and departments.



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**Description:**

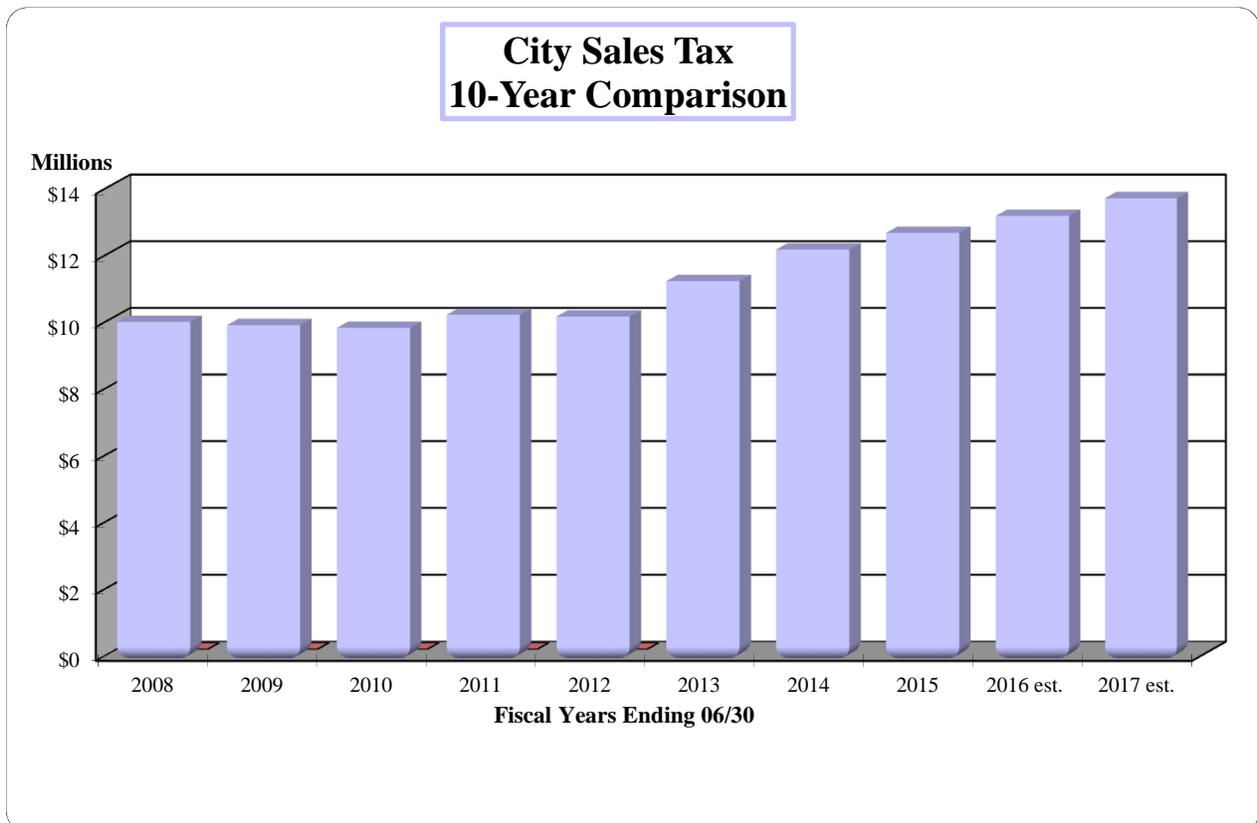
The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved an additional two tenths percent increase to construct a new city library. In 1999, a change was made in the method used to accrue tax revenues to coincide with the State of Arizona's collections. This change increased the accrual period from a 30-day period to a 60-day period and has been carried over to the following years. The current tax rate is three percent (3%) after an increase of .8% in FY 2009.

**Analysis:**

The City of Cottonwood serves as the retail center of the upper Verde Valley. In fiscal years 2004-2008, gross business sales continued to increase proportionally to the population increase in the upper Verde Valley Area. Most of the population growth continues to be in the unincorporated areas.

The economic decline that affected the entire nation is clearly reflected in the FY 2009 and FY 2010 figures. The first full year of the .8% sales tax increase is reflected in the increase in FY 2010. A decline was originally budgeted for FY 2011. However, actual sales tax revenues were higher, 3.98% above FY 2010. The continued growth in sales tax since the FY 2010 decline is partially due to the .8% sales tax increase. For FY 2015, the sales tax revenue shows an increase of about 4% over FY 2014. This trend continues with a 4% increase in FY 2016 over FY 2015. The forecast for FY 2017 is that this revenue will continue to grow at the same pace.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2008	10,102,433	2.52%
2009	10,007,515	-0.94%
2010	9,925,087	-0.82%
2011	10,319,948	3.98%
2012	10,265,356	-0.53%
2013	11,329,353	10.36%
2014	12,276,615	8.36%
2015	12,774,861	4.06%
2016 est.	13,285,920	4.00%
2017 est.	13,817,405	4.00%



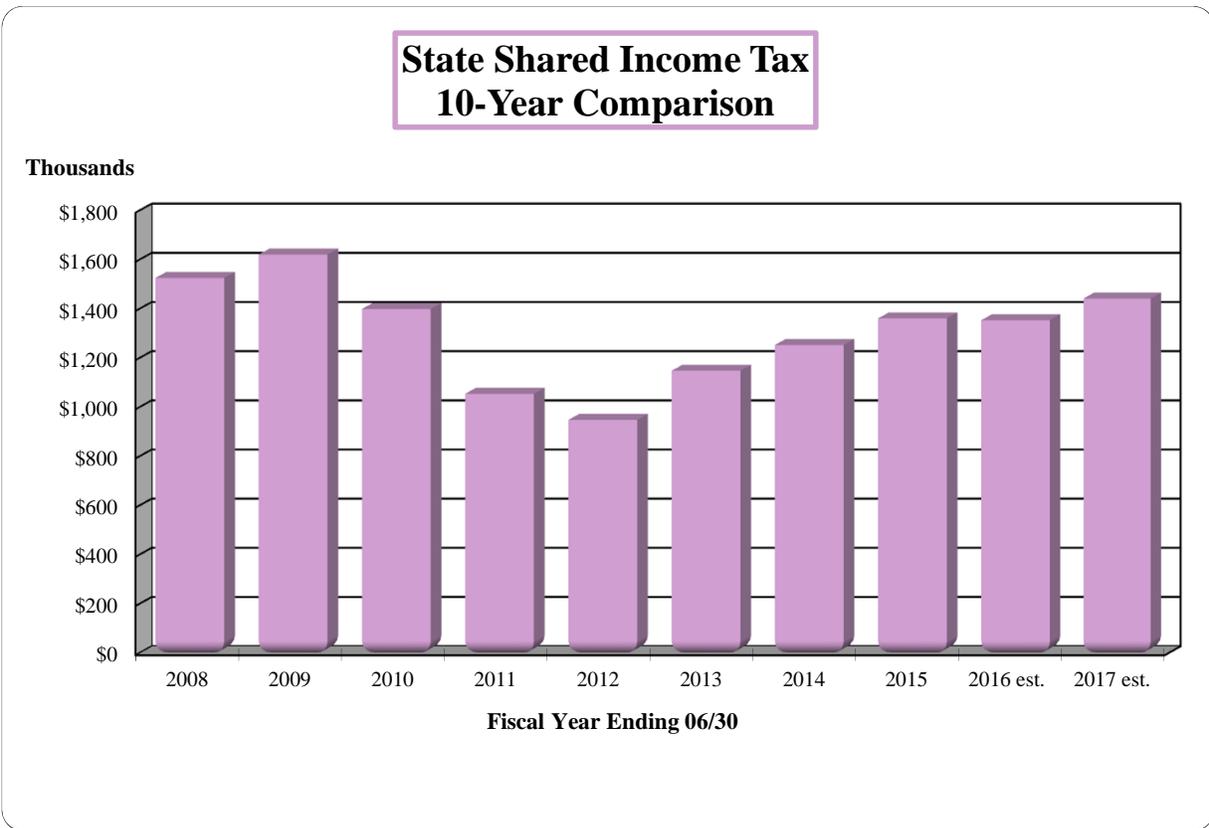
**Description:**

Arizona cities and towns share a portion of the total amount collected from the State Income Tax. A city's portion of the State Income Tax is based on the relationship of its population to the total population of all cities and towns within the state. These estimates are provided by the Arizona Department of Revenue and the League of Arizona Cities and Towns. These revenues are disbursed by the State two years after collection by the Arizona Department of Revenue.

**Analysis:**

In 2012, the state implemented new tax percentages, not based on the IRS deductions, which increased this revenue. FY 2013 and FY 2014 both showed signs of an improving economy, but the growth tapered off in FY 2015. The State is anticipating a reduced revenue growth which is reflected in the slight reduction for FY 2016. The outlook for FY 2017 is optimistic with an estimated growth of 6.49%.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$1,528,328	23.95%
2009	1,623,403	6.22%
2010	1,402,140	-13.63%
2011	1,057,034	-24.61%
2012	950,774	-10.05%
2013	1,150,696	21.03%
2014	1,255,627	9.12%
2015	1,363,698	8.61%
2016 est.	1,356,305	-0.54%
2017 est.	1,444,370	6.49%



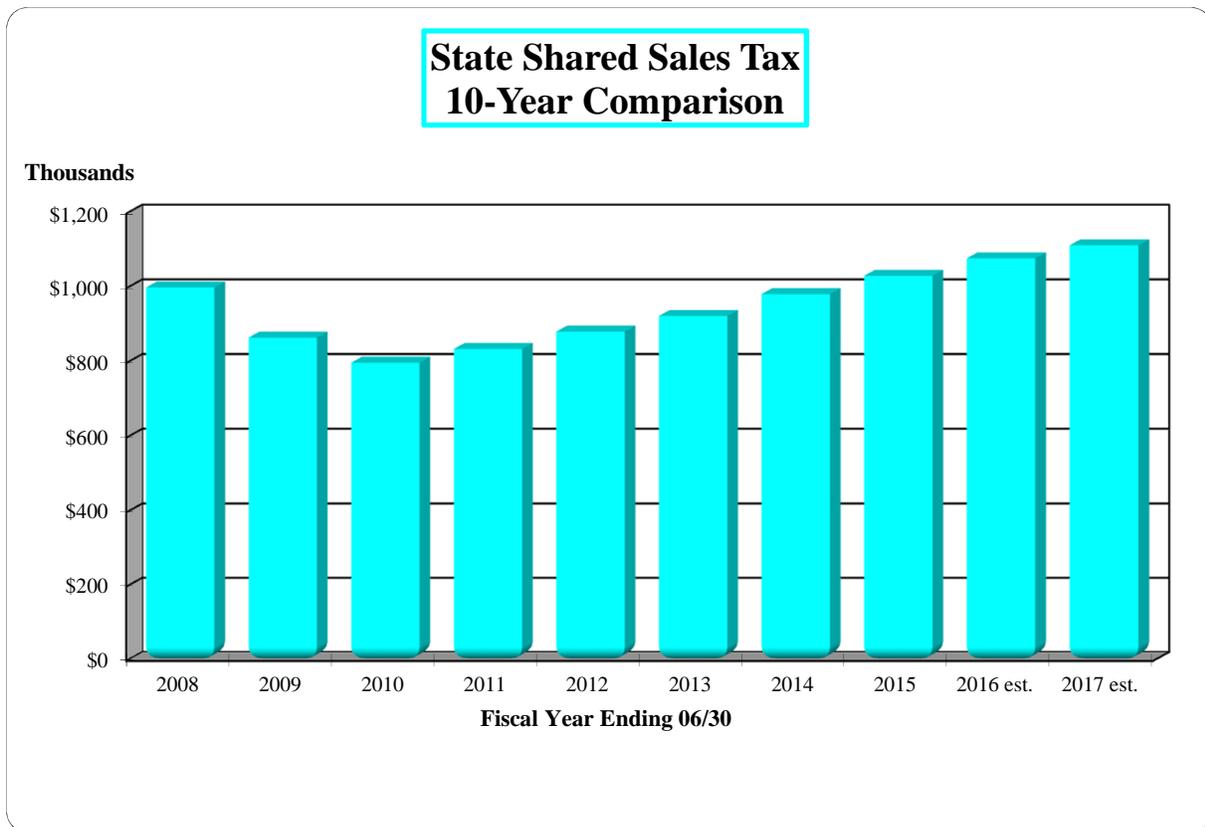
**Description:**

Arizona cities and towns share a portion of the total amount collected from the State Sales Tax. A city's portion of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the state. The State has a separate tax code that differs from the City. For example, the State does not tax food whereas the City does. Correlations between the City sales tax projection and State Shared Sales Tax do not relate. The estimate is provided by the Arizona Department of Revenue and the League of Arizona Cities and Towns.

**Analysis:**

The increase in population numbers before 2006 deferred the impact of the slowing economy until FY 2008 through FY 2010. Since then, the economy has been showing signs of recovery with steady increases from FY 2011 to FY 2014. The growth of this revenue is based on the current economic expansion and the growing population in Arizona. The estimated growth of this revenue for FY 2016 is anticipated to be 1.27% less for FY 2017.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$998,077	-3.31%
2009	864,056	-13.43%
2010	796,966	-7.76%
2011	833,600	4.60%
2012	880,250	5.60%
2013	922,061	4.75%
2014	980,537	6.34%
2015	1,029,494	4.99%
2016 est.	1,076,180	4.53%
2017 est.	1,111,240	3.26%



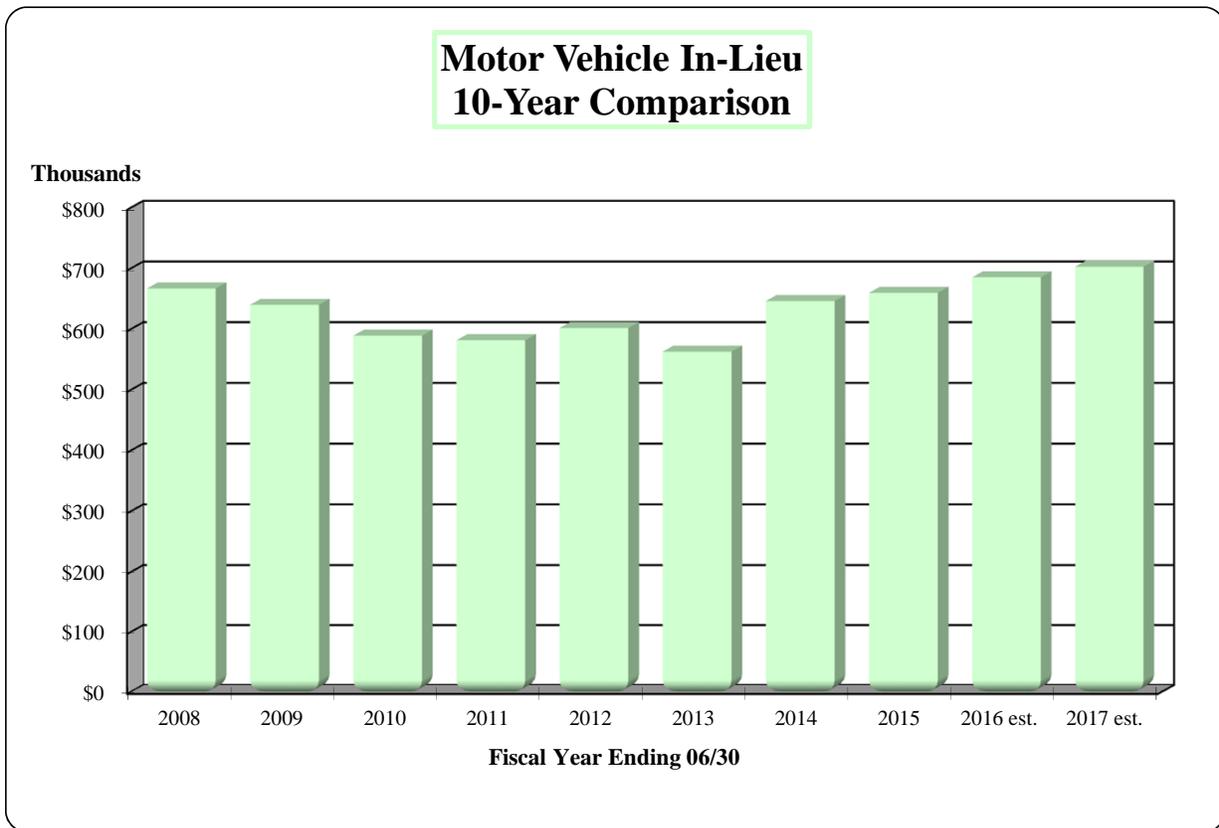
**Description:**

Arizona cities receive a 25% share of the net revenues collected for the licensing of vehicles in their related county. Each city's share within their county is determined based on the city's population in relation to that of the county as a whole. These revenues are distributed by the State Treasurer. The State began distributing the revenues collected directly to the communities rather than giving it to the counties and letting them distribute the funds. This change reduced the lag time by half for the communities to receive their revenues.

**Analysis:**

The falling auto sales in FY 2008 through FY 2010 is reflected in this chart. These revenues were still declining in FY 2011 and although there was a slight increase in FY 2012, the following year showed a relatively sharp decline which The League of Arizona Cities and Towns had already projected. There was a large rebound in FY 2014. The revenue of FY 2015 is moving closer to the level of 2008 with the expectation for FY 2016 and 2017 to surpass the FY 2008 numbers. For FY2017 we have estimated a 2.54% increase over FY 2016.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$667,929	-3.34%
2009	640,992	-4.03%
2010	590,201	-7.92%
2011	582,707	-1.27%
2012	602,832	3.45%
2013	563,851	-6.47%
2014	647,250	14.79%
2015	660,786	2.09%
2016 est.	686,380	3.87%
2017 est.	703,780	2.54%



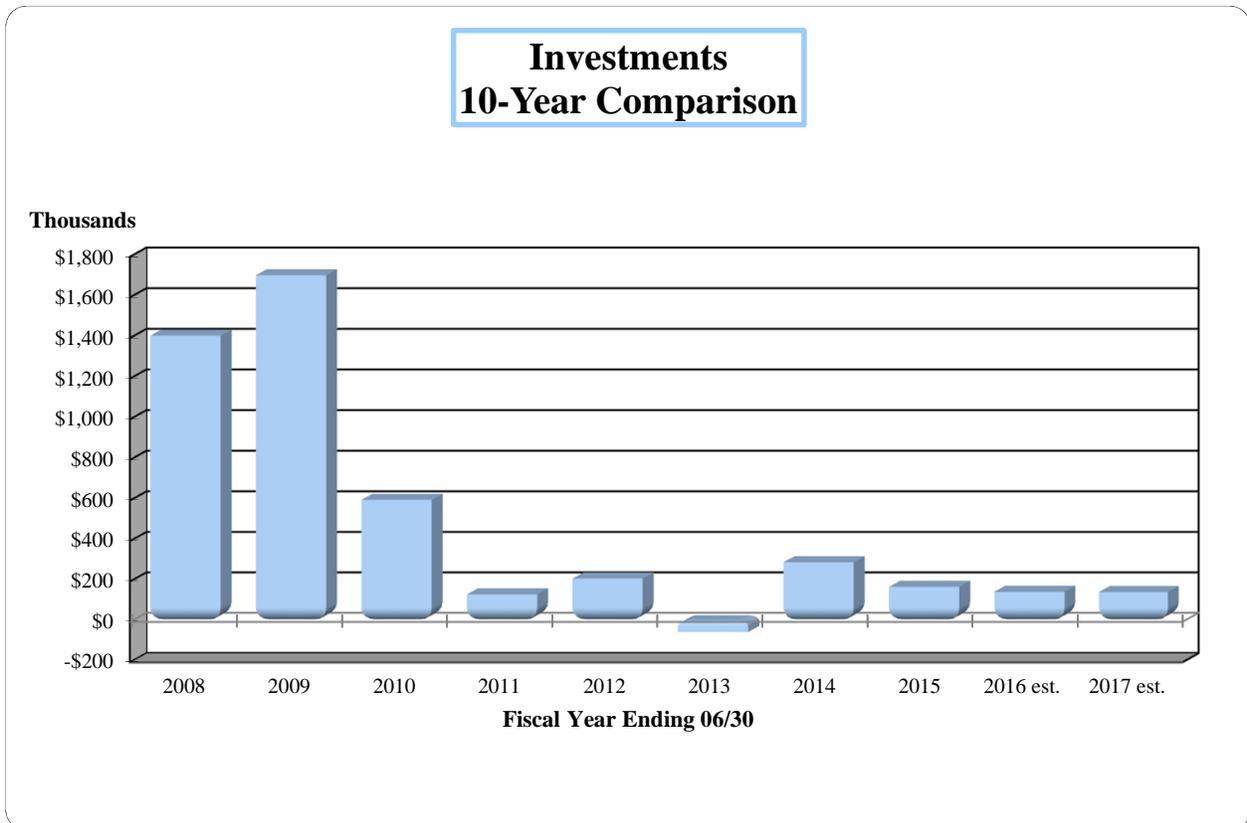
**Description:**

Investment income is derived from idle funds which include the proceeds from bonds during the time of construction, planned reserves, fund balances and operating funds received in advance of required needs. Unrealized gains and losses are included to reflect the fair market value of investments.

**Analysis:**

In 2005, the rise in interest rates and the acquisition of four water companies requiring substantial debt service and capital improvement reserves were driving these revenues to the growth in FY 2007 through FY 2009. The growth of these revenues began to slow in FY 2010 as interest rates had started dropping dramatically and the City began to use funds from its capital reserves for major projects in order to bolster the local economy. By FY 2013, with interest rates in the .03% range and much of the capital reserves having been used, the City began cashing in investments and taking a loss on those investments. The City increased its cash position and stopped investing any excess funds in order to have better availability to resources and has stabilized this revenue source. The revenue for FY2017 is expected to be stagnant and not fluctuate much due to interest rates still being relatively low.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$1,403,868	30.00%
2009	1,701,210	21.18%
2010	595,496	-65.00%
2011	128,312	-78.45%
2012	206,489	60.93%
2013	(57,590)	-127.89%
2014	287,425	-599.09%
2015	165,704	-42.35%
2016 est.	141,810	-14.42%
2017 est.	140,410	-0.99%



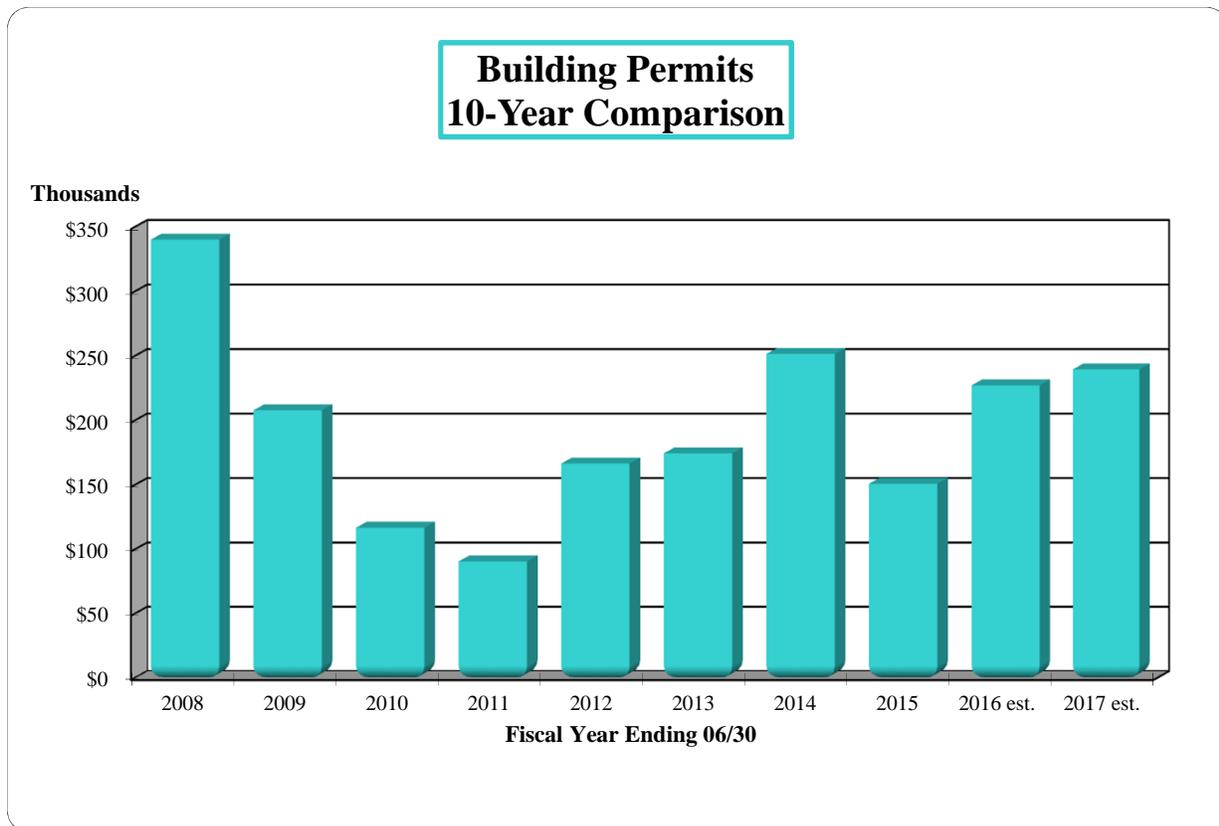
**Description:**

Building permits are assessed based on the City's building codes. Fees are charged for building, plumbing, mechanical and electrical activities. Inclusive, fees are assessed for plan checks and signs.

**Analysis:**

From FY 2004 through FY 2006, the City saw growth of these revenues as the local hospital and medical facilities were expanded, and businesses were moving into Cottonwood. Included in the growth was a WalMart Supercenter which opened its doors early in the third calendar quarter of 2004. Since FY 2008, the slowing economy has led to a continued decrease in revenue. The decrease came to a halt in FY 2012 when the economy started to turn around and in FY 2014 reached a revenue level that exceeded that of FY 2009. FY 2016 shows a strong increase due to growth in the commercial sector, but FY 2017 is being forecasted at a more modest increase.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$340,638	-16.87%
2009	208,297	-38.85%
2010	117,278	-43.70%
2011	91,054	-22.36%
2012	167,007	83.42%
2013	174,930	4.74%
2014	252,014	44.07%
2015	151,390	-39.93%
2016 est.	227,660	50.38%
2017 est.	240,000	5.42%



**Description:**

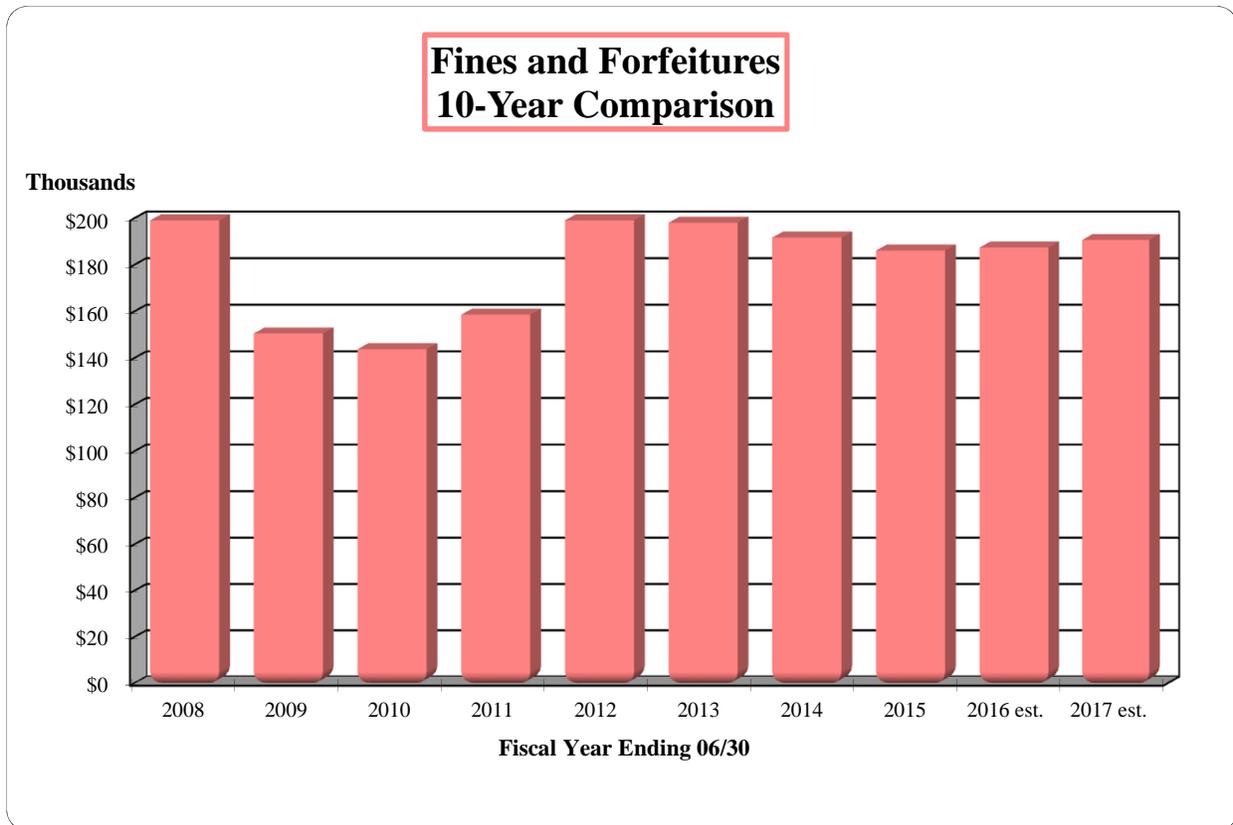
Fines and Forfeitures are generated as a result of imposed fines for the violation of various state laws and city ordinances. They include traffic violations, violations of city code and other criminal misdemeanors.

Court Appointed Attorney Reimbursements and Court Deferred Surcharges have been removed from the total to give a more accurate account of the Fines and Forfeitures revenue.

**Analysis:**

This City revenue fluctuates each year based on traffic enforcement. An interim magistrate was appointed in early FY 2005 after the sitting magistrate resigned his position. The new interim magistrate made some major changes in the way the Court conducted business which in turn improved the collections. Since that time, a full-time magistrate has been appointed by the City Council. The Court Enhancement Fee, introduced in FY 2010 and authorized by the State, helps the Court stay current with technology and other capital needs. Since FY2013, this revenue has remained pretty steady. For FY 2017, the anticipated revenues are increasing 1.7% over FY 2016.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$199,435	0.87%
2009	150,913	-24.33%
2010	144,122	-4.50%
2011	158,977	10.31%
2012	199,445	25.46%
2013	198,445	-0.50%
2014	192,054	-3.22%
2015	186,504	-2.89%
2016 est.	187,800	0.69%
2017 est.	191,000	1.70%



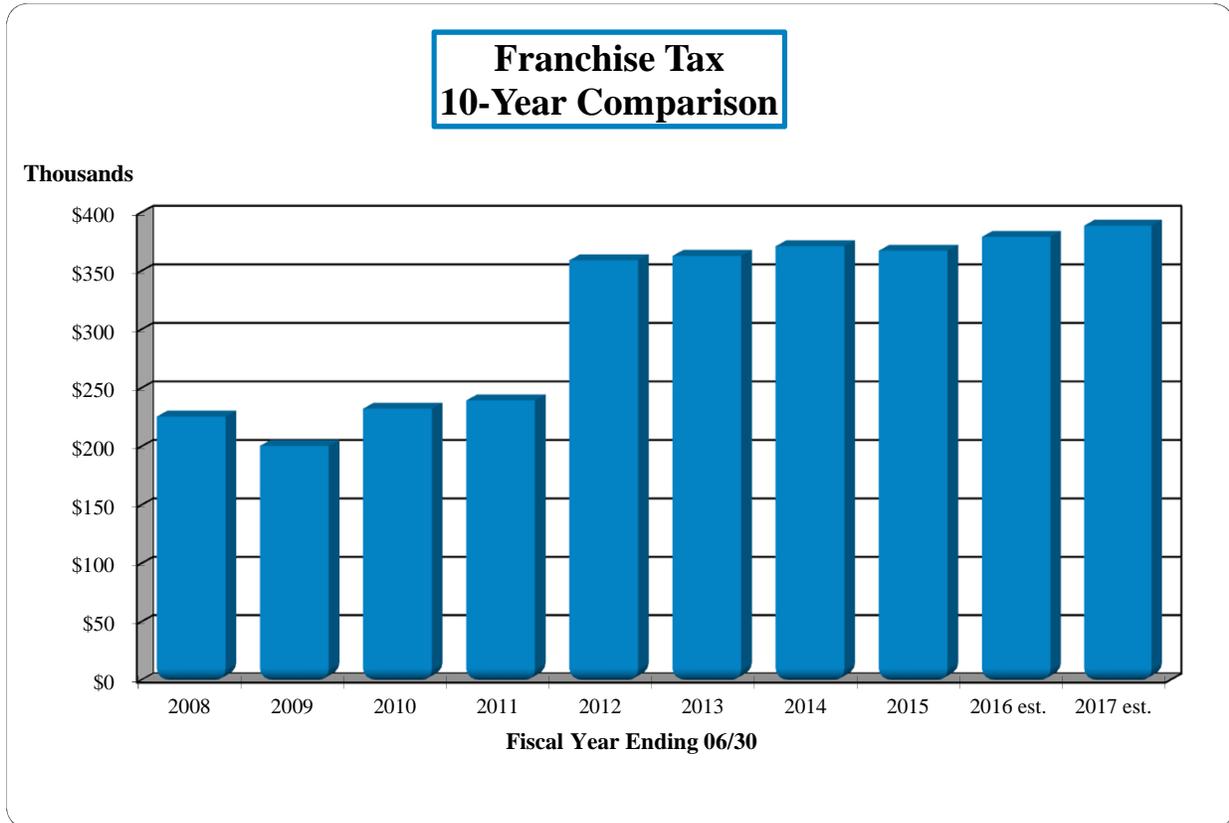
**Description:**

The Franchise Tax is based on the gross sales of the utility companies. Those currently paying the tax are: Arizona Public Service (2%), Citizens Gas (2%), Cable One (3%), and CableComm (1%).

**Analysis:**

This revenue has shown a steady increase as the utility companies continue to increase their rates to cover costs. In FY 2009, there was a decrease as the economy continued to falter. FY 2010 showed a rebound most likely due to the rate increase APS got approved by the Corporation Commission. FY 2012 showed a strong surge which was followed by a sharp decline in the following year. Since FY 2013, these revenues have been hovering around the same level.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$226,368	2.12%
2009	201,322	-11.06%
2010	233,129	15.80%
2011	240,140	3.01%
2012	359,872	49.86%
2013	363,653	1.05%
2014	371,886	2.26%
2015	368,062	-1.03%
2016 est.	379,890	3.21%
2017 est.	389,450	2.52%



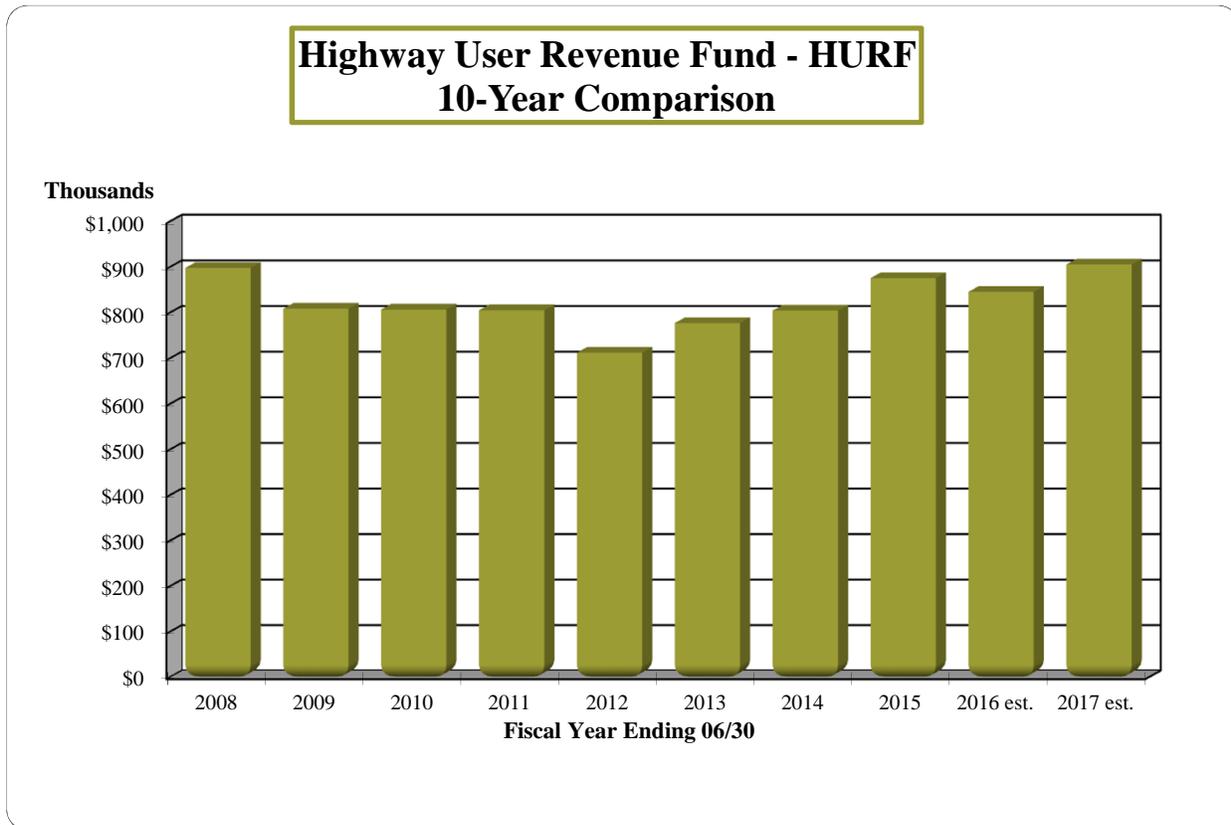
**Description:**

Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula is based on two separate calculations; the first half is based on a city's population in relation to the State's total population, the second is based on the county in which the revenues were generated. These funds must be utilized for the construction and maintenance of streets and highways.

**Analysis:**

This state shared revenue has been fluctuating. The tax is based on a fixed charge per gallon of fuel and not a percentage of the fuel purchased. The FY2017 estimate from the state shows an increase of 7.08% over FY 2016.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2008	\$899,089	-8.22%
2009	809,827	-9.93%
2010	807,864	-0.24%
2011	806,386	-0.18%
2012	713,231	-11.55%
2013	778,265	9.12%
2014	805,540	3.50%
2015	876,817	8.85%
2016 est.	846,670	-3.44%
2017 est.	906,640	7.08%



**Local Transportation Assistance Fund Revenues - LTAF**

**Description:**

Local Transportation Assistance Fund Revenues (LTAF) consist of two LTAF distributions, LTAF and LTAF II. LTAF monies are derived from the State Lottery Fund. Arizona cities have been receiving a portion of the proceeds from the Arizona lottery since 1982. The original LTAF allocation was based on individual cities' populations in relation to the total state population. Eligible expenditures for these funds include street and highway projects as well as transit programs. The legislature set a ceiling on the amount of lottery funds which the state would have to share. This ceiling was set at \$23,000,000 since the program's inception.

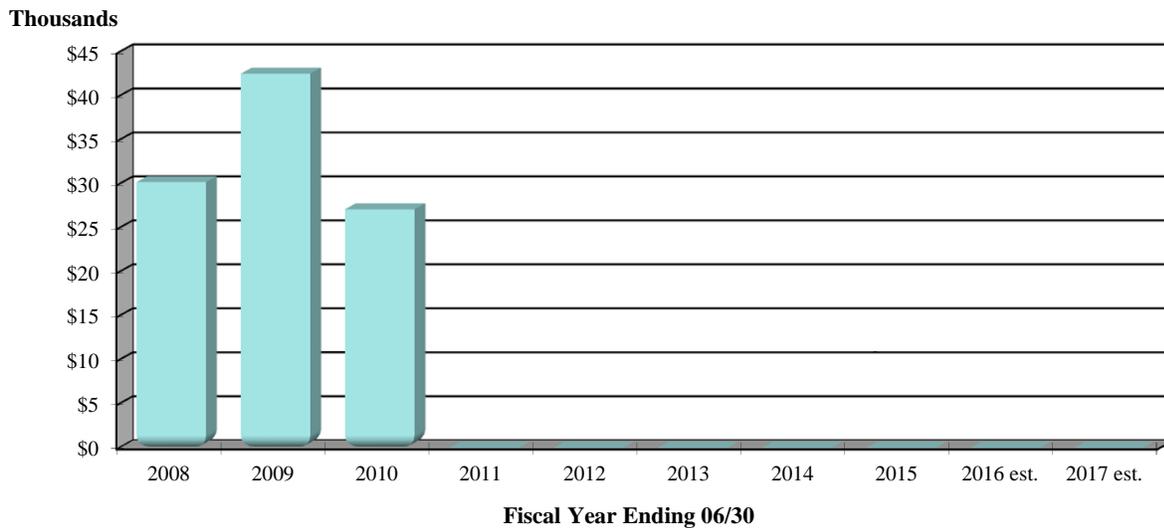
LTAF II monies are derived from the Powerball Lottery and have been distributed since 1997. The LTAF II allocations were awarded as a grant to cities and towns on a one-to-four match and could only be used for public transportation services, including operating and capital purposes.

**Analysis:**

This program was swept by the state in FY 2010 resulting in the drastic decline in revenues received. As of FY 2011, this program is no longer being funded by the State due to the need to keep the funds at the state level.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30 2008	\$30,207	-64.11%
2009	42,541	40.83%
2010	27,118	-36.25%
2011	0	-100.00%
2012	0	0.00%
2013	0	0.00%
2014	0	0.00%
2015	0	0.00%
2016 est.	0	0.00%
2017 est.	0	0.00%

**Local Transportation Assistance Fund  
10-Year Comparison**



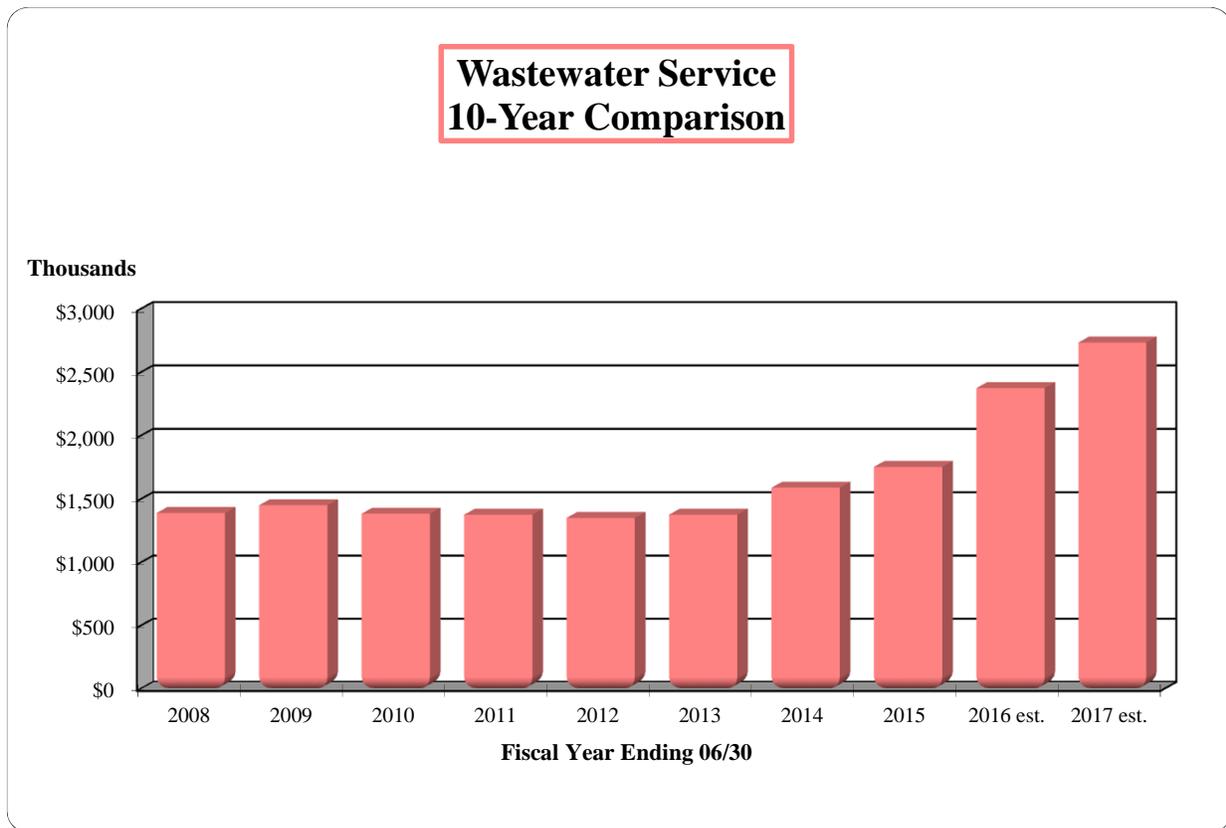
**Description:**

User Fees are charged to residential, commercial and industrial customers for the collection and treatment of wastewater. In addition, the City levies tap fees on all new construction.

**Analysis:**

The system became operational October 1, 1990, and the initial residential user fee was \$6.75 per month. The rate was increased in 1995 to \$13.20 per month, which the Council at that time froze for a five-year period. In 2002, the new rate of \$16.75 was established. With city growth and the aging system FY 2014, a rate study was done and the rate was increased to \$26.25, effective October 1, 2014. In January 2015 and March 2016, the rate was increased again after another rate study showed the need for increased revenues to cover the cost of system maintenance, upgrades and rehabilitation as well as equipment. The new rate is \$29.15. This revenue will be evaluated annually to determine if a rate increase is necessary.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$1,395,464	8.03%
2009	1,456,567	4.38%
2010	1,389,721	-4.59%
2011	1,381,487	-0.59%
2012	1,356,438	-1.81%
2013	1,381,902	1.88%
2014	1,594,815	15.41%
2015	1,759,260	10.31%
2016 est.	2,380,125	35.29%
2017 est.	2,739,750	15.11%



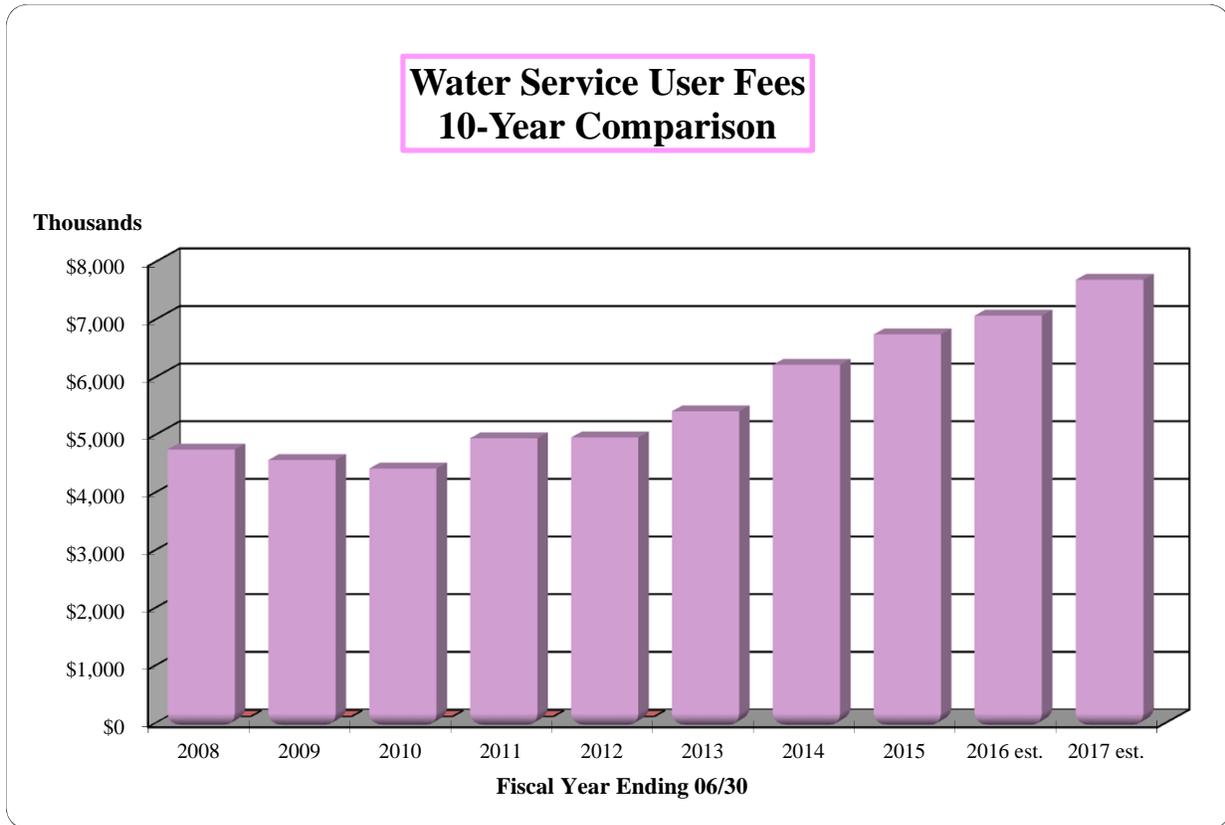
**Description:**

User Fees are charged to residential, commercial and industrial customers for the distribution of water. These User Fees are not only used for the maintenance and operations of the system, but also for administration, utility billing, debt service payments, as well as future capital improvements to the system. Conservation Fees are also collected by the City, but not tracked as a major revenue source.

**Analysis:**

These revenues have been steadily growing since the acquisition of the last area water company in early 2006 but the growth experienced a small drop for a couple of years due to the economic downturn. FY 2011 shows a remarkable growth that was repeated in FY 2013 and 2014. Since then the growth rate has slowed. There was an impressive growth in FY 2011 and FY 2014. There was a rate increase in FY 2015 with differential rates for inside and outside the city limits. The most recent rate increase was adopted in March 2016. The base fee is set up by the water line size with additional charges in a tiered structure starting after the first 1,000 gallons. The fees will be evaluated annually to determine if an increase is necessary.

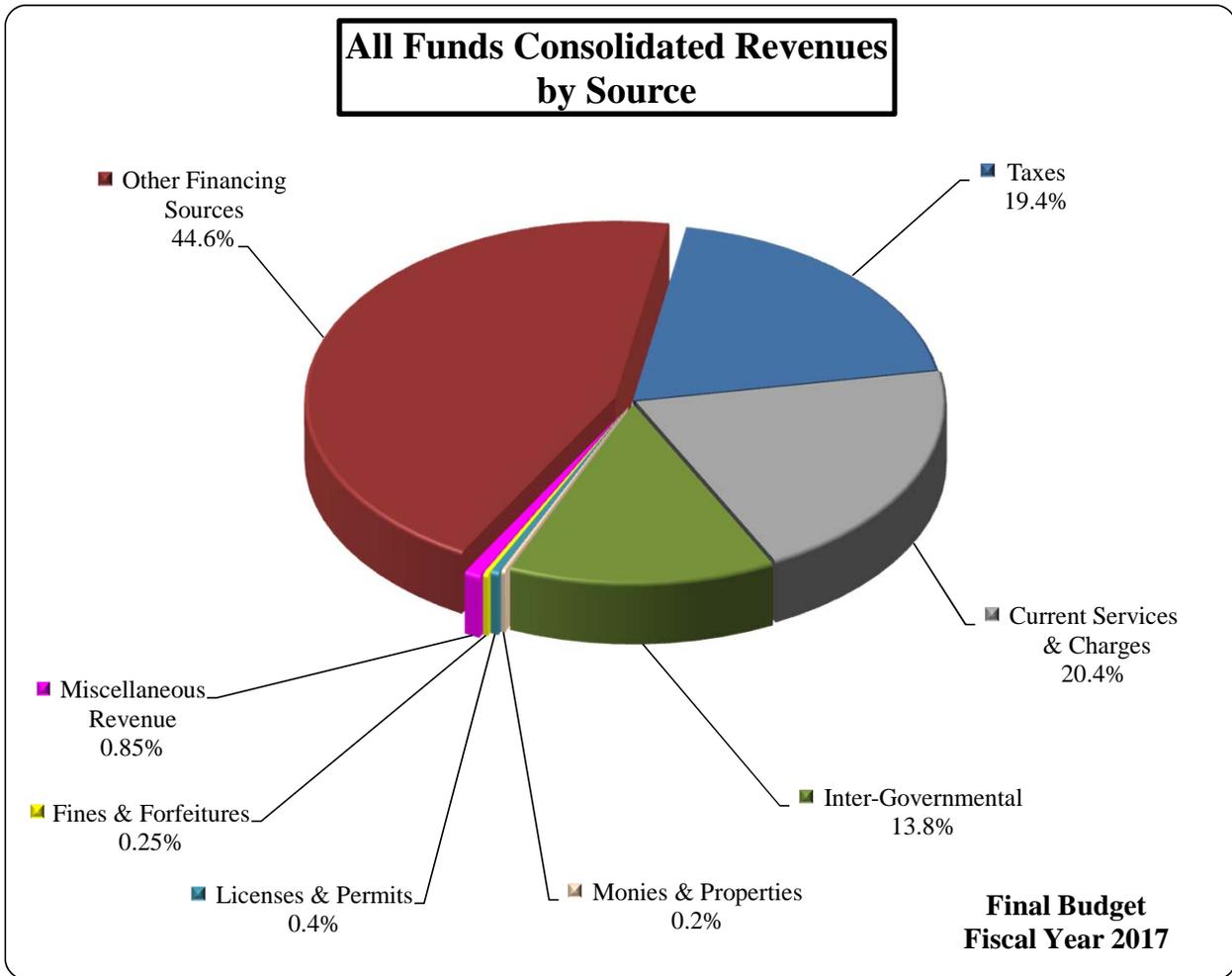
Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$4,789,358	0.04%
2009	4,607,776	-3.79%
2010	4,459,160	-3.23%
2011	4,985,843	11.81%
2012	4,997,833	0.24%
2013	5,453,178	9.11%
2014	6,259,609	14.79%
2015	6,787,255	8.43%
2016 est.	7,112,680	4.79%
2017 est.	7,736,050	8.76%



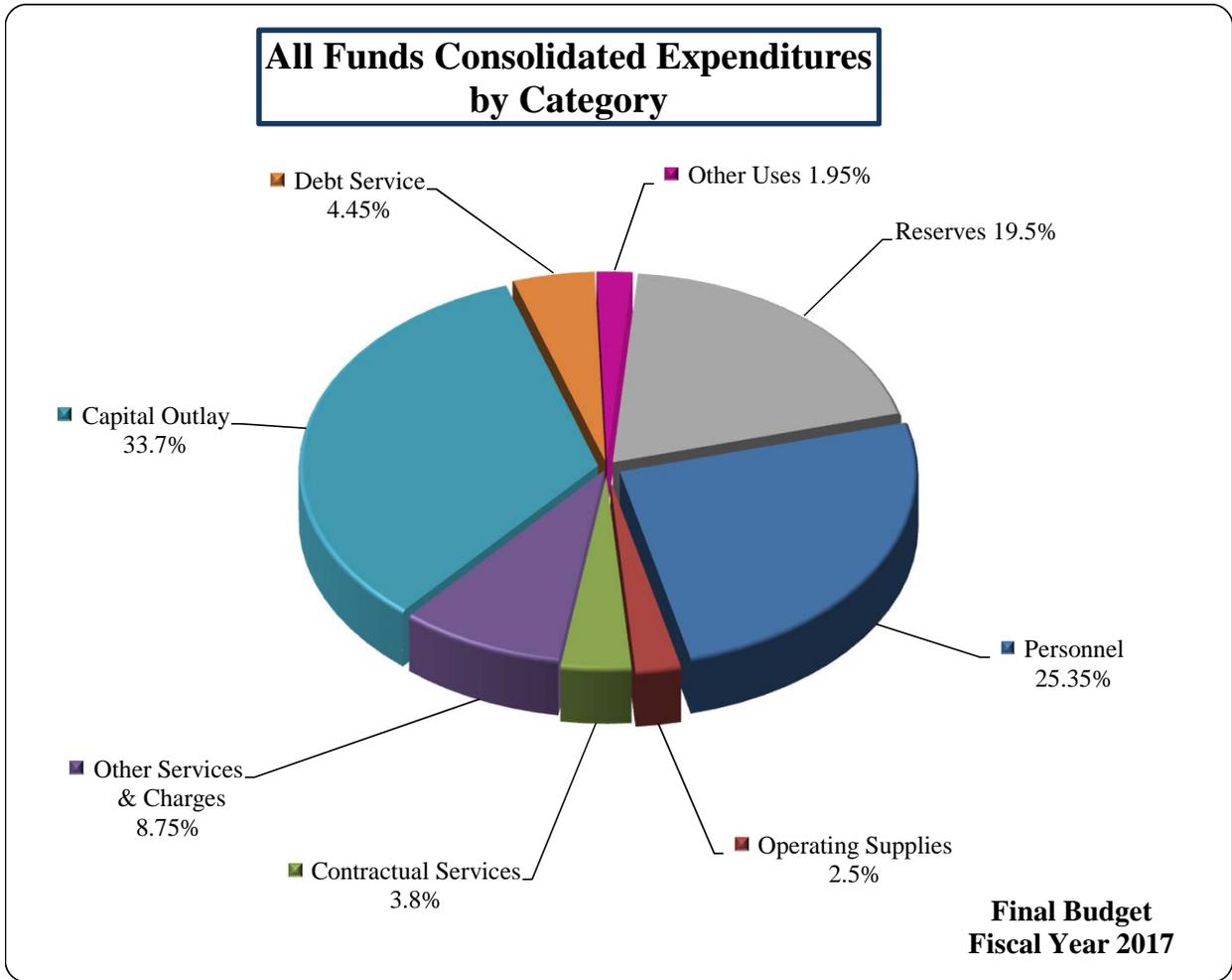
**Comprehensive Summary Revenues & Expenditures  
All Funds**

Fund	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenues Sources:</b>					
General Fund	\$17,973,944	\$18,297,625	\$18,745,095	\$19,561,035	4.35%
Special Revenue Funds	2,680,176	6,377,755	3,401,550	7,188,015	111.32%
Capital Projects Funds	113,383	0	461,025	723,960	57.03%
Debt Service Funds	1,543,006	2,072,335	1,739,475	1,540,235	-11.45%
Enterprise Funds	9,863,729	10,523,005	10,734,595	11,514,490	7.27%
Fiduciary Funds	25,301	15,625	600	700	16.67%
<b>Total Revenues</b>	<b>32,199,539</b>	<b>37,286,345</b>	<b>35,082,340</b>	<b>40,528,435</b>	<b>15.52%</b>
<b>Other Financing Sources:</b>					
Transfers In	3,935,797	15,175,210	11,622,045	1,414,230	-87.83%
Carryover	0	44,022,465	31,418,400	29,175,670	-7.14%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	1,194,235	0.00%
Proceeds from Bonds	8,716,936	20,600,000	550,000	800,000	45.45%
<b>Total Other Financing Sources</b>	<b>12,652,733</b>	<b>79,797,675</b>	<b>43,590,445</b>	<b>32,584,135</b>	<b>-25.25%</b>
<b>Total Available Resources</b>	<b>44,852,271</b>	<b>117,084,020</b>	<b>78,672,785</b>	<b>73,112,570</b>	<b>-7.07%</b>
<b>Expenditures:</b>					
General Fund	17,463,725	18,855,010	18,980,690	20,453,285	7.76%
Special Revenue Funds	6,568,358	14,067,165	5,387,275	9,611,250	78.41%
Capital Projects Funds	1,662,120	819,000	419,940	1,381,250	228.92%
Debt Service Funds	1,541,635	1,541,635	1,541,635	1,540,235	-0.09%
Enterprise Funds	8,917,146	53,274,765	11,155,870	24,471,225	119.36%
Fiduciary Funds	25,659	85,435	227,480	220,770	-2.95%
<b>Total Expenditures</b>	<b>36,178,643</b>	<b>88,643,010</b>	<b>37,712,890</b>	<b>57,678,015</b>	<b>52.94%</b>
<b>Other Uses:</b>					
Transfers Out	816,749	15,117,570	11,619,050	1,414,230	-87.83%
Reserves	3,276,605	13,323,440	24,621,115	14,020,325	-43.06%
<b>Total Other Uses</b>	<b>4,093,354</b>	<b>28,441,010</b>	<b>36,240,165</b>	<b>15,434,555</b>	<b>-57.41%</b>
<b>Total Expenditures and Other Uses</b>	<b>40,271,996</b>	<b>117,084,020</b>	<b>73,953,055</b>	<b>73,112,570</b>	<b>-1.14%</b>
<b>Net Income / (Loss)</b>	<b>\$4,580,275</b>	<b>\$0</b>	<b>\$4,719,730</b>	<b>\$0</b>	<b>-100.00%</b>

<b>Revenues for All Funds</b>	
Taxes	\$14,206,855
Current Services & Charges	14,900,635
Inter-Governmental	10,146,825
Monies & Properties	153,040
Licenses & Permits	308,500
Fines & Forfeitures	191,000
Miscellaneous Revenue	621,580
Subtotal	40,528,435
Other Financing Sources	32,584,135
Total Revenues for All Funds	\$73,112,570



<b>Expenditures for All Funds</b>	
Personnel	\$18,541,110
Operating Supplies	1,798,625
Contractual Services	2,777,540
Other Services & Charges	6,464,840
Capital Outlay	24,626,035
Debt Service	3,256,505
Subtotal	<u>57,464,655</u>
Other Uses - Transfers Out	1,414,230
Reserves	<u>14,233,685</u>
Total Expenditures for All Funds	<u><u>\$73,112,570</u></u>



Fiscal Year 2017 Budget  
Consolidated Budget Summary - By Fund

Table of Contents

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Beginning Balance @ 07/01/2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Funding Sources</b>							
Taxes	\$11,776,210	\$622,730	\$1,539,955	\$267,960	\$0	\$0	\$14,206,855
Licenses & Permits	308,500	0	0	0	0	0	308,500
Intergovernmental	3,795,625	6,001,200	0	350,000	0	0	10,146,825
Charges for Services	3,387,485	450,600	0	0	11,062,550	0	14,900,635
Fines and Forfeitures	191,000	0	0	0	0	0	191,000
Uses of Monies & Prop.	51,700	94,360	280	0	6,700	0	153,040
Miscellaneous	50,515	19,125	0	106,000	445,240	700	621,580
<b>Total Revenues</b>	<b>19,561,035</b>	<b>7,188,015</b>	<b>1,540,235</b>	<b>723,960</b>	<b>11,514,490</b>	<b>700</b>	<b>40,528,435</b>
Other Financing Sources	5,913,965	3,214,145	197,840	657,290	22,380,825	220,070	32,584,135
<b>Total Revenue &amp; Other Financing Sources</b>	<b>25,475,000</b>	<b>10,402,160</b>	<b>1,738,075</b>	<b>1,381,250</b>	<b>33,895,315</b>	<b>220,770</b>	<b>73,112,570</b>
<b>Total Available All Sources</b>	<b>25,475,000</b>	<b>10,402,160</b>	<b>1,738,075</b>	<b>1,381,250</b>	<b>33,895,315</b>	<b>220,770</b>	<b>73,112,570</b>
<b>Expenditures</b>							
Personnel	14,341,270	2,148,970	0	0	2,050,870	0	18,541,110
Operating Supplies	555,665	584,660	0	0	656,300	2,000	1,798,625
Contractual Services	1,354,830	412,270	360	0	1,006,480	3,600	2,777,540
Other Services & Charges	2,458,965	925,945	1,539,875	9,100	1,529,145	1,810	6,464,840
Capital Outlay	1,309,065	5,146,805	0	1,104,190	17,065,975	0	24,626,035
Debt Services	433,490	392,600	0	267,960	2,162,455	0	3,256,505
Subtotal of Expenditures	20,453,285	9,611,250	1,540,235	1,381,250	24,471,225	7,410	57,464,655
<b>Other Uses</b>							
Transfers Out	1,106,180	58,050	0	0	250,000	0	1,414,230
Reserves	3,915,535	732,860	197,840	0	9,174,090	213,360	14,233,685
	5,021,715	790,910	197,840	0	9,424,090	213,360	15,647,915
<b>Total Expenditures &amp; Other Uses</b>	<b>25,475,000</b>	<b>10,402,160</b>	<b>1,738,075</b>	<b>1,381,250</b>	<b>33,895,315</b>	<b>220,770</b>	<b>73,112,570</b>
<b>Net Income</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Use of Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Estimated Ending Balance @ 06/30/2017	0	0	0	0	0	0	0
<b>Total Commitments and Fund Balances</b>	<b>\$25,475,000</b>	<b>\$10,402,160</b>	<b>\$1,738,075</b>	<b>\$1,381,250</b>	<b>\$33,895,315</b>	<b>\$220,770</b>	<b>\$73,112,570</b>

**GENERAL FUND**

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are accounted for in another fund. The General Fund includes the basic governmental functions of the City such as General Government, Public Safety, and Culture and Recreation.

**Fund Number**  
**01**

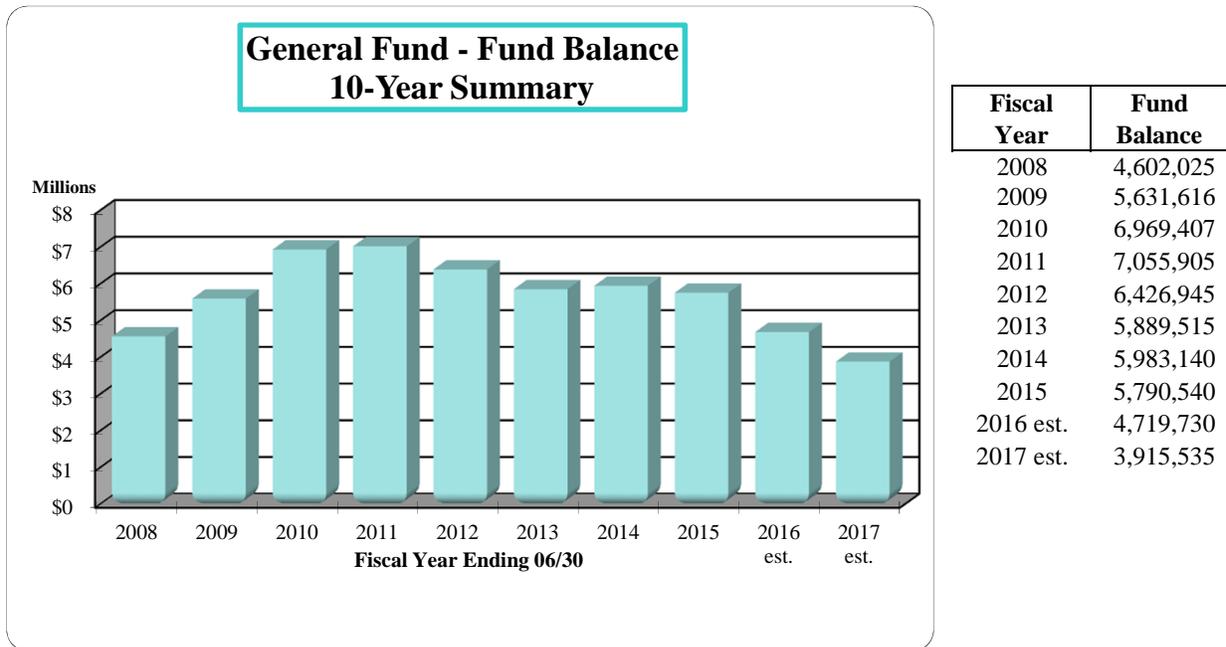
**Description**  
**General Fund**

The following departments are funded by the General Fund:

<b><u>General Government</u></b>		<b><u>Public Safety</u></b>	<b><u>Culture &amp; Recreation</u></b>
Administration	Economic Development	Police	Parks & Recreation
Human Resources	Municipal Court	Ordinance Enforcement	Recreation Center
City Council	Legal	Communications	
Natural Resources	Non-Departmental	Fire & Medical Services	
City Clerk	Engineering Services		
Finance	Public Works		
Information Technology	Transfer Station		
Purchasing	Building Maintenance		
Community Development	Custodial		

**Fund Balance:**

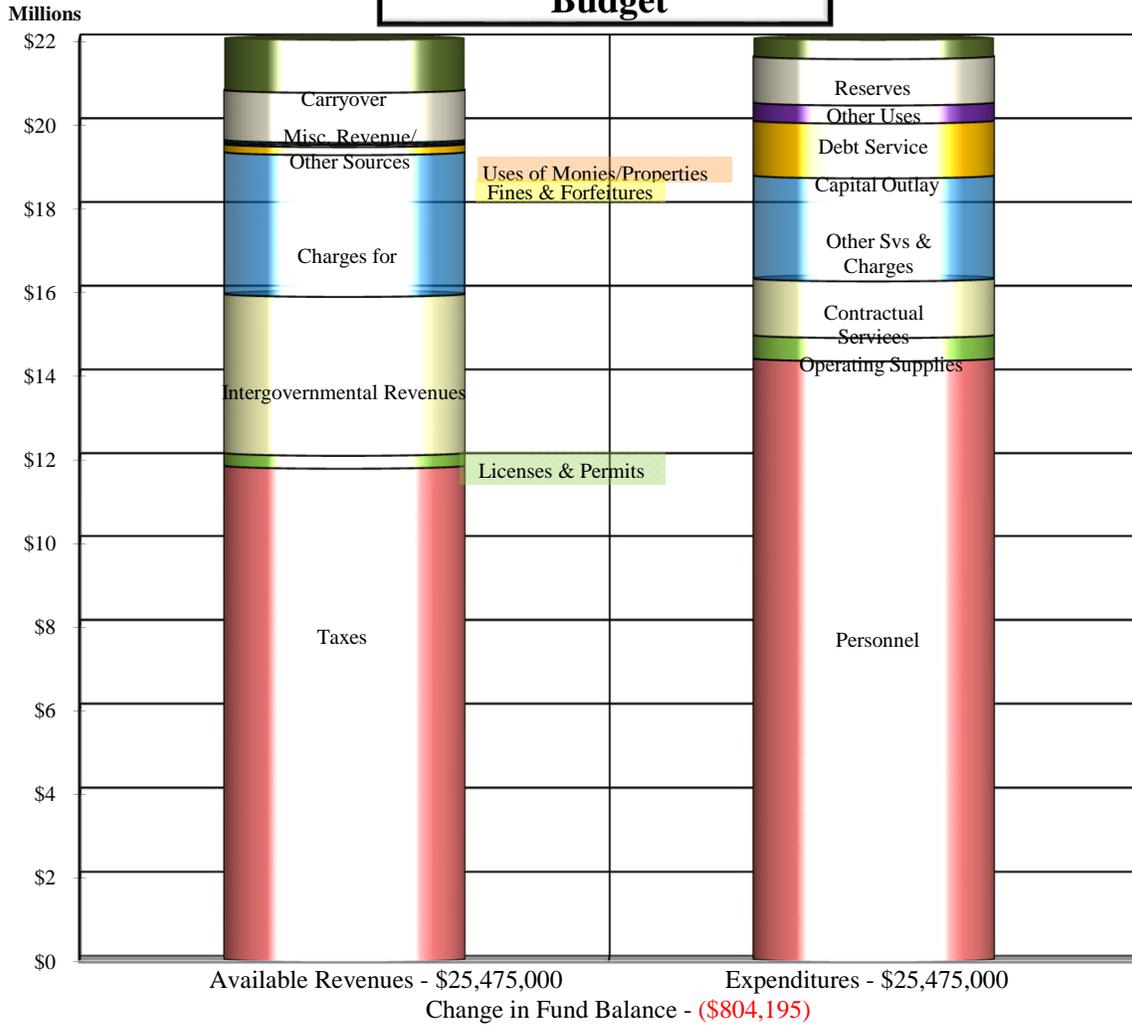
The following illustration depicts a ten-year presentation of the fund balance for the General Fund:



**General Fund Consolidated Revenues & Expenditures**

Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
<b>Revenue Sources:</b>				
Taxes	\$11,388,659	\$11,105,755	\$11,368,760	\$11,776,210
Licenses & Permits	238,814	336,100	306,700	308,500
Intergovernmental Revenues	3,402,736	3,670,865	3,568,680	3,795,625
Charges for Services	2,496,590	2,909,405	3,195,275	3,387,485
Fines & Forfeitures	186,504	200,000	187,800	191,000
Uses of Monies & Properties	56,481	46,000	51,700	51,700
Miscellaneous Revenues	204,159	29,500	66,180	50,515
<b>Total Revenue Sources</b>	<b>17,973,944</b>	<b>18,297,625</b>	<b>18,745,095</b>	<b>19,561,035</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Carryover	0	5,041,995	5,790,540	4,719,730
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	1,194,235
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>5,041,995</b>	<b>5,790,540</b>	<b>5,913,965</b>
<b>Total Available Resources</b>	<b>17,973,944</b>	<b>23,339,620</b>	<b>24,535,635</b>	<b>25,475,000</b>
<b>Expenditures:</b>				
Personnel	12,520,153	13,682,395	13,682,727	14,341,270
Operating Supplies	674,677	537,020	532,385	555,665
Contractual Services	1,392,864	1,446,725	1,520,933	1,354,830
Other Services and Charges	2,054,793	2,242,045	2,280,955	2,458,965
Capital Outlay	337,041	513,350	530,245	1,309,065
Debt Service	484,197	433,475	433,445	433,490
<b>Total Expenditures</b>	<b>17,463,725</b>	<b>18,855,010</b>	<b>18,980,690</b>	<b>20,453,285</b>
<b>Other Uses:</b>				
Transfers Out	816,749	826,810	832,915	1,106,180
Reserves	0	3,657,800	2,300	3,915,535
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>816,749</b>	<b>4,484,610</b>	<b>835,215</b>	<b>5,021,715</b>
<b>Total Expenditures and Other Uses</b>	<b>18,280,473</b>	<b>23,339,620</b>	<b>19,815,905</b>	<b>25,475,000</b>
<b>Net Income / (Loss)</b>	<b>(\$306,530)</b>	<b>\$0</b>	<b>\$4,719,730</b>	<b>\$0</b>

**Revenues vs. Expenditures  
Fiscal Year 2017  
Budget**



Revenues		Expenditures	
Taxes	\$11,776,210	Personnel	\$14,341,270
Licenses & Permits	308,500	Operating Supplies	555,665
Intergovernmental Revenues	3,795,625	Contractual Services	1,354,830
Charges for Services	3,387,485	Other Services and Charges	2,458,965
Fines & Forfeitures	191,000	Capital Outlay	1,309,065
Uses of Monies & Properties	51,700	Debt Service	433,490
Miscellaneous Revenues	50,515		
<b>Total Operating Revenues</b>	<b>19,561,035</b>	<b>Total Operating Expenditures</b>	<b>20,453,285</b>
Carryover Balance	4,719,730	Reserves	3,915,535
Other Sources	1,194,235	Other Uses	1,106,180
<b>Total Revenues Available</b>	<b>\$25,475,000</b>	<b>Total Expenditures</b>	<b>\$25,475,000</b>
<b>Changes in Fund Balance - INCR./(DECR.)</b>		<b>(\$804,195)</b>	

Fiscal Year 2017 Budget  
**General Fund Revenues Schedule**

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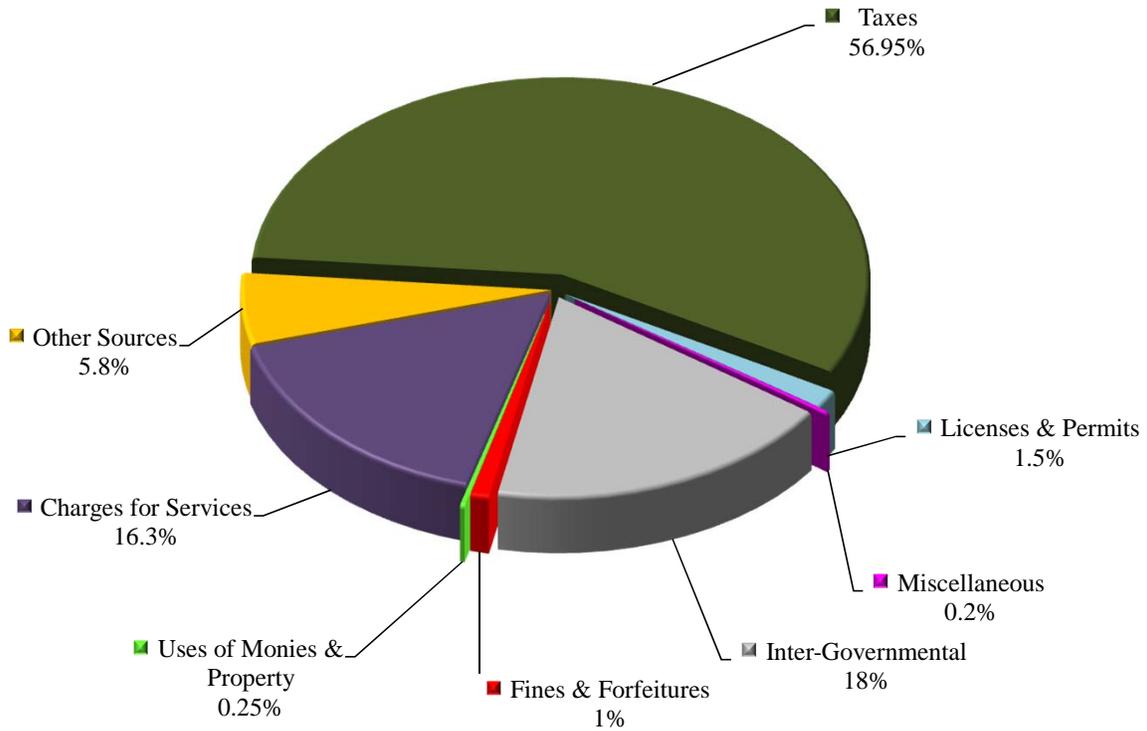
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Taxes</b>					
Franchise Taxes	\$ 368,062	\$377,620	\$379,890	\$389,450	2.52%
City Sales Tax	10,636,032	10,357,835	10,568,610	10,935,760	3.47%
Bed Tax	161,960	130,000	176,260	201,000	14.04%
Utility Tax	222,605	240,300	244,000	250,000	2.46%
Subtotals	11,388,659	11,105,755	11,368,760	11,776,210	3.58%
<b>Licenses &amp; Permits</b>					
Business Licenses	101,974	100,000	94,000	86,000	-8.51%
Construction Permits	127,836	210,000	198,000	200,000	1.01%
Planning & Zoning Fees	9,004	26,100	14,700	22,500	53.06%
Subtotals	238,814	336,100	306,700	308,500	0.59%
<b>Intergovernmental</b>					
M.V. Lieu Tax	660,786	667,580	686,380	703,780	2.54%
Cottonwood Oak Creek Shared Services	20,077	0	0	0	0.00%
Urban Revenue Sharing	1,363,698	1,356,310	1,356,305	1,444,370	6.49%
State Shared Sales Tax	1,029,494	1,076,180	1,076,180	1,111,240	3.26%
Post - Reimbursement	764	2,500	0	2,500	0.00%
Pant Grant	150,383	175,000	126,650	130,500	3.04%
School Resource Grant	20,000	20,000	20,000	20,000	0.00%
Misc. Police Grants/DOJ Grant	2,075	0	2,000	80,055	3902.75%
GOHS Grant	20,485	163,390	93,800	33,000	-64.82%
Victims Rights Grant	1,387	2,075	1,680	1,680	0.00%
Miscellaneous Fire Grants	1,559	10,000	0	10,000	0.00%
Yav Co Dept of Emergency Svcs	0	5,000	0	0	0.00%
Homeland Security Grant	0	30,000	100,655	65,000	-35.42%
GIITEM Grant Funding	72,593	71,330	0	0	0.00%
Rico Grant Funds	26,500	30,000	30,400	25,000	-17.76%
Yavapai Apache Revenue Share	16,875	0	20,630	25,000	21.18%
State Land Dpt Reimbursement	2,289	0	0	0	0.00%
Spay Neuter Grant	10,000	10,000	5,000	5,000	0.00%
Nature Conservancy Grant	0	0	45,000	0	-100.00%
Miscellaneous Grants	0	0	0	87,000	0.00%
S.A.F.E.R Fire Grant	0	47,500	0	47,500	0.00%
SB1398 Police Equipment	3,772	4,000	4,000	4,000	0.00%
Subtotals	3,402,736	3,670,865	3,568,680	3,795,625	6.36%
<b>Fines &amp; Forfeitures</b>					
Court Fines	160,626	170,000	165,000	165,000	0.00%
Court Restitution	(364)	0	0	0	0.00%
Court Enhancement Fee	26,242	30,000	22,800	26,000	14.04%
Subtotals	186,504	200,000	187,800	191,000	1.70%
<b>Uses of Monies &amp; Properties</b>					
Interest Income	36,040	25,000	25,000	25,000	0.00%
Building Rental	20,442	21,000	26,700	26,700	0.00%
Subtotals	56,481	46,000	51,700	51,700	0.00%

Fiscal Year 2017 Budget  
**General Fund Revenues Schedule**

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Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Charges for Service</b>					
Spillman Fees	\$30,470	\$25,000	\$0	\$0	0.00%
Dispatch Fees	139,777	453,750	595,270	756,310	27.05%
Animal Control Fees	4,064	4,000	4,500	4,500	0.00%
Recreation Fees	4,458	5,000	4,500	4,500	0.00%
Open/Close Graves	2,900	3,500	2,900	3,000	3.45%
Community Garden Revenue	966	700	1,680	1,500	-10.71%
Engineering Fees	15,750	5,500	14,960	15,000	0.27%
Plan Check Fees	(1,200)	4,500	0	2,500	0.00%
Pool Revenue	23,301	19,000	23,000	23,000	0.00%
Rec/Fees-Softball Tournaments	27,140	32,500	30,770	30,000	-2.50%
Rhythm & Ribs Revenue	5,303	0	0	0	0.00%
Walkin on Main Street	302	300	5,015	5,000	-0.30%
Old Town Historic Tour	2,145	2,600	4,410	5,000	13.38%
Pool - Snack Bar Sales	7,924	4,000	6,000	6,000	0.00%
Pool - Swimming Lessons	13,771	16,900	13,500	14,175	5.00%
Equestrian CTR Rev	30	0	0	0	0.00%
Court Atty Reimbursement	12,900	15,000	12,000	13,000	8.33%
10K Memorial Run	22,234	26,000	28,950	26,000	-10.19%
Recreation Center Fees	651,234	600,000	650,910	650,000	-0.14%
Recreation Center Building Rental	34,140	30,000	50,000	45,000	-10.00%
Recreation Center Classes/Programs	121,082	97,000	99,540	100,000	0.46%
Summer Youth Program	3,337	0	0	0	0.00%
Thunder Valley Rally	16,857	4,000	67,960	70,000	3.00%
Riverfront Park - Snack Bar	11,856	12,000	12,000	12,000	0.00%
Batting Cage Revenue	0	0	0	0	0.00%
Sewer Accounting Fees	0	300	0	0	0.00%
Tow Fee Revenues	12,435	16,200	10,950	11,000	0.46%
Transfer Station Revenue	126,826	130,000	175,610	220,000	25.28%
Airport-Indirect Cost	59,293	50,000	45,900	50,000	8.93%
HURF - Indirect Cost	588,450	475,000	438,500	475,000	8.32%
Library - Indirect Cost	190,822	175,500	182,450	185,000	1.40%
Cemetery-Indirect Cost	10,986	1,125	9,000	10,000	11.11%
Water - Indirect Cost	185,844	450,000	530,000	450,000	-15.09%
Sewer - Indirect Cost	171,194	250,030	175,000	200,000	14.29%
Subtotals	2,496,590	2,909,405	3,195,275	3,387,485	6.02%
<b>Miscellaneous Revenues</b>					
Other Income	21,536	16,000	39,700	25,000	0.00%
Cash (Short)/Over	(1,010)	0	0	0	-37.03%
Police Donations - P.R.	(1,539)	1,200	960	1,200	0.00%
Donations (Misc)	8,960	6,300	5,520	4,315	25.00%
Sale of City Property	176,212	6,000	20,000	20,000	-21.83%
Subtotals	204,159	29,500	66,180	50,515	0.00%
<b>Other Financing Sources</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	5,041,995	5,790,540	4,719,730	-18.49%
Other Financing Sources	0	0	0	0	0.00%
Lease Purchase	0	0	0	1,194,235	0.00%
Bond Proceeds	0	0	0	0	0.00%
Subtotals	0	5,041,995	5,790,540	5,913,965	2.13%
<b>Total Revenues</b>	<b>\$17,973,944</b>	<b>\$23,339,620</b>	<b>\$24,535,635</b>	<b>\$25,475,000</b>	<b>3.83%</b>

**General Fund Revenues  
Fiscal Year 2017**



**General Fund Revenues**

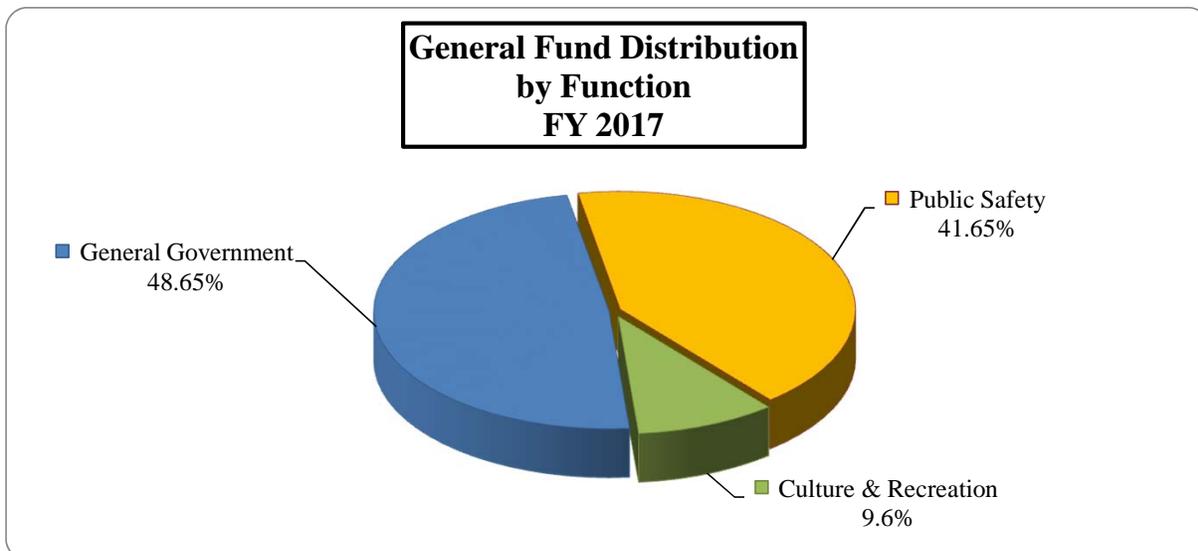
Taxes	\$11,776,210
Licenses & Permits	308,500
Miscellaneous	50,515
Inter-Governmental	3,795,625
Fines & Forfeitures	204,000
Uses of Monies & Property	51,700
Charges for Services	3,374,485
Other Sources	1,194,235
Sub Total	<u>20,755,270</u>
Carryover Balance	4,719,730
Total General Fund Revenues	<u><u>\$25,475,000</u></u>

**General Fund Revenues**

	Taxes	Licenses & Permits	Inter- Gov't'l	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
Franchise Taxes	\$389,450							
City Sales Tax	10,935,760							
Bed Tax	201,000							
Utility Tax	250,000							
Business Licenses		\$86,000						
Construction Permits		200,000						
Planning & Zoning Fees		22,500						
State Revenue Sharing			\$1,444,370					
State Shared Sales Tax			1,111,240					
M.V. Lieu Tax			703,780					
GIITEM Funds			0					
Pant Grant			130,500					
School Resource Officer/COC Shared Services			20,000					
Fire & Emergency Services Grants			57,500					
Miscellaneous Grants			201,235					
Police Grants			102,000					
Dispatch Fees				\$756,310				
Spillman Fees				0				
Animal Control Fees				4,500				
Recr. Fees/Rhythm & Ribs/10K Memorial Run/Walkin' on Main				35,500				
Thunder Valley Rally				70,000				
Old Town Historic Tour				5,000				
HURF - Indirect Cost				475,000				
Library - Indirect Cost				185,000				
Open/Close Graves				3,000				
Engineering Fees				15,000				
Plan Check Fees				2,500				
Tow Fee Revenues				11,000				
Transfer Station				220,000				
Pool Revenue				23,000				
Riverfront Park - Snack Bar				12,000				
Pool - Snack Bar Sales				6,000				
Batting Cage Revenues				0				
Pool - Swimming Lessons				14,175				
Community Garden				1,500				
Rec/Fees-Softball Tournament				30,000				
Recreation Center Fees				795,000				
Airport - Indirect Costs				50,000				
Sewer - Indirect Costs				200,000				
Water - Indirect Costs				450,000				
Sewer Accounting Fees				0				
Cemetery-Indirect Cost				10,000				
Court Fines					\$165,000			
Court Reimbursements					13,000			
Court Deferred Surcharge					26,000			
Building Rental						\$26,700		
Interest Income						25,000		
Other Income							\$21,200	
Donations							29,315	
Carryover								\$4,719,730
Lease Purchase Proceeds								1,194,235
Transfers In								0
<b>Totals</b>	<b>\$11,776,210</b>	<b>\$308,500</b>	<b>\$3,795,625</b>	<b>\$3,374,485</b>	<b>\$204,000</b>	<b>\$51,700</b>	<b>\$50,515</b>	<b>\$5,913,965</b>
	<b>Total General Fund Revenues Available</b>				<b>\$25,475,000</b>			

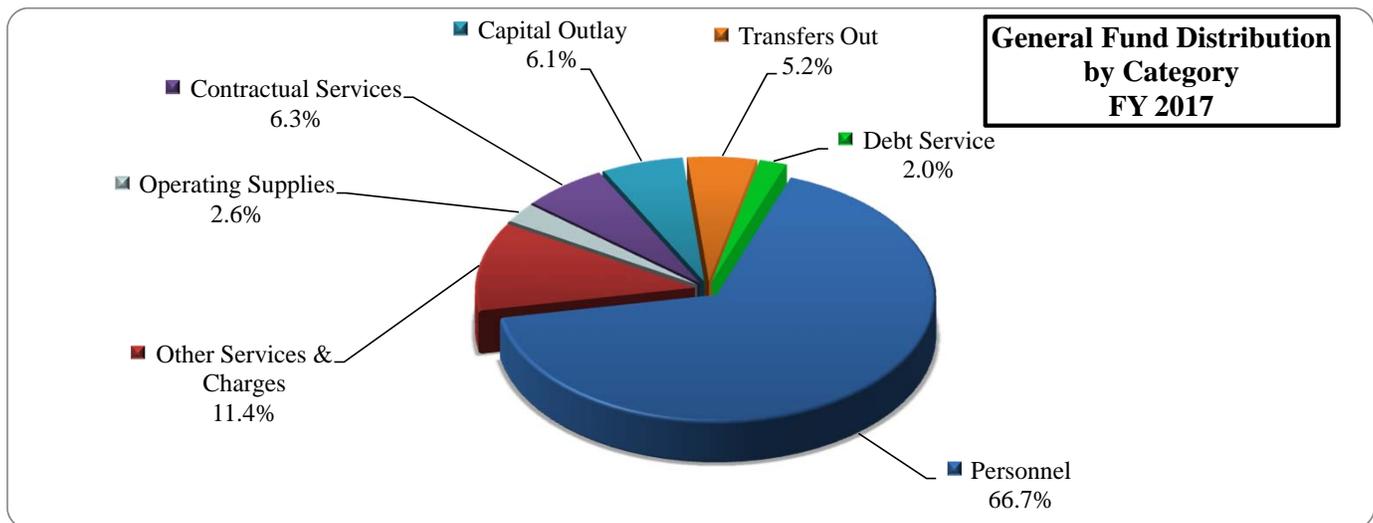
Fiscal Year 2017 Budget  
**General Fund Disbursement Schedule**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>General Government</b>					
Administration	\$855,476	\$734,220	\$734,770	\$741,910	0.97%
Personnel	225,026	294,855	259,065	301,040	16.20%
City Council	538,261	4,006,355	496,695	4,123,975	730.28%
Natural Resources	151,113	155,350	161,930	167,085	3.18%
City Clerk	231,003	231,460	228,280	249,965	9.50%
Finance	356,936	424,675	427,660	445,025	4.06%
IT Services	424,768	517,380	525,050	615,980	17.32%
Purchasing	68,305	72,650	72,580	99,680	37.34%
Community Development	462,055	511,010	524,115	586,115	11.83%
Economic Development	228,846	236,505	285,525	245,330	-14.08%
Municipal Court	496,457	569,445	548,850	584,065	6.42%
Legal	401,868	412,195	424,580	441,465	3.98%
Non-Departmental	1,739,806	1,707,785	1,762,370	2,058,170	16.78%
Engineering	401,659	421,125	360,280	424,700	17.88%
Building Maintenance	389,352	765,870	757,285	429,675	-43.26%
Custodial	151,249	225,510	157,000	160,000	1.91%
Public Works	510,578	512,645	518,670	685,190	32.11%
<b>Total General Government</b>	<b>7,632,759</b>	<b>11,799,035</b>	<b>8,244,705</b>	<b>12,359,370</b>	<b>49.91%</b>
<b>Public Safety</b>					
Police	4,406,882	4,707,310	4,633,685	5,075,590	9.54%
Ordinance Enforcement	205,056	210,150	204,130	210,580	3.16%
Communications	1,127,398	1,668,390	1,659,475	1,749,755	5.44%
Fire	2,780,016	2,925,790	2,875,140	3,623,035	26.01%
<b>Total Public Safety</b>	<b>8,519,352</b>	<b>9,511,640</b>	<b>9,372,430</b>	<b>10,658,960</b>	<b>13.73%</b>
<b>Culture &amp; Recreation</b>					
Parks & Recreation	677,421	816,075	941,320	955,365	1.49%
Recreation Center	1,450,941	1,212,870	1,257,450	1,501,305	19.39%
<b>Total Culture &amp; Recreation</b>	<b>2,128,362</b>	<b>2,028,945</b>	<b>2,198,770</b>	<b>2,456,670</b>	<b>11.73%</b>
<b>Total General Fund Expenditures</b>	<b>\$18,280,473</b>	<b>\$23,339,620</b>	<b>\$19,815,905</b>	<b>\$25,475,000</b>	<b>28.56%</b>



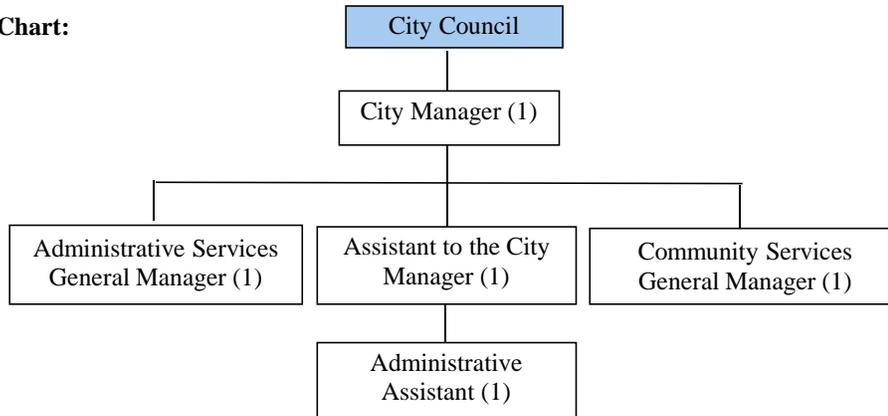
**General Fund Expenditures by Category**

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
<b>General Government</b>								
Administration	\$711,610	\$3,100	\$2,300	\$24,900	\$0	\$0	\$0	\$0
Personnel	207,990	4,000	48,000	41,050	0	0	0	0
City Council	48,940	1,250	70,000	86,750	1,500	0	0	3,915,535
City Clerk	218,760	3,325	680	27,200	0	0	0	0
Natural Resources	165,370	260	120	1,335	0	0	0	0
Finance	253,005	8,700	123,820	59,500	0	0	0	0
IT Services	493,130	8,350	58,500	11,000	45,000	0	0	0
Purchasing	95,055	600	1,750	2,275	0	0	0	0
Community Development	545,565	7,400	13,500	19,650	0	0	0	0
Economic Development	196,410	770	250	47,900	0	0	0	0
Municipal Court	424,155	7,510	72,500	79,900	0	0	0	0
Legal	244,140	25	190,000	7,300	0	0	0	0
Non-Departmental	0	0	3,500	515,000	0	1,106,180	433,490	0
Engineering Services	267,100	9,500	3,000	17,600	127,500	0	0	0
Building Maintenance	318,875	59,400	500	36,900	14,000	0	0	0
Custodial	0	0	160,000	0	0	0	0	0
Public Works	370,090	6,300	240,500	11,300	57,000	0	0	0
<b>General Government Totals</b>								
	4,560,195	120,490	988,920	989,560	245,000	1,106,180	433,490	3,915,535
<b>Public Safety</b>								
Police	4,280,195	228,130	53,980	362,220	151,065	0	0	0
Ordinance Enforcement	149,730	9,870	49,980	1,000	0	0	0	0
Communications	1,473,430	3,000	16,000	257,325	0	0	0	0
Fire	2,709,235	71,650	86,700	72,450	683,000	0	0	0
<b>Public Safety Totals</b>								
	8,612,590	312,650	206,660	692,995	834,065	0	0	0
<b>Culture &amp; Recreation</b>								
Parks & Recreation	355,155	42,050	29,800	519,360	9,000	0	0	0
Recreation Center	813,330	80,475	129,450	257,050	221,000	0	0	0
<b>Culture &amp; Recreation Totals</b>								
	1,168,485	122,525	159,250	776,410	230,000	0	0	0
<b>General Fund Category Totals</b>								
	\$14,341,270	\$555,665	\$1,354,830	\$2,458,965	\$1,309,065	\$1,106,180	\$433,490	\$3,915,535
General Fund Expenditures				\$21,559,465				
Anticipated Reserves				3,915,535				
Total General Fund Budget				<u>\$25,475,000</u>				



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**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Administration Department is the primary department responsible for administering and coordinating the policies set forth by the City Council. Through the City Manager and the General Managers, the Administration Department plans, organizes and directs the work of other City departments and coordinates the general activities of the City government with other governmental entities.

**FY 2016 Accomplishments:**

- \* Facilitated the transfer of the Afterschool Program from the Recreation Center to the newly renovated former "Boys and Girls Club" to allow for program expansion to meet the needs of the community
- \* Donated a van to the VFW (Veterans of Foreign Wars) Honor Guard to assist with the transportation of veterans
- \* Finished the preliminary planning for the Riverfront Reclamation Plant that will provide reclaimed water for watering of the sports fields and help replenish the aquifer
- \* Finished the preliminary planning for the street reconfiguration of Mingus Avenue between Willard Street and 10th Street to widen sidewalks and install bike lanes to provide for increased pedestrian and bicyclist safety.

**FY 2017 Goals:**

- \* Manage the annexation of State Trust Land on State Route 260 to allow for economic development and growth
- \* Finish preliminary planning for road reconstruction and reconfiguration of Mingus Avenue between 10th Street and Main Street where bike lanes and continuous side walks will be installed, a water line placed and the driving surface renewed
- \* Keep the citizens informed through traditional and social media about City activities, changes and updates
- \* Assist in preserving the Verde River through conservation, water management, and trail systems as well as supporting the Verde Front Project in identifying and creating sustainable recreational opportunities.

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Administration Department	Fund 01 - General Fund	Cost Center	1100
<b>Performance Indicators</b>				
<b>Value Statement:</b>	Communicate and actively listen			
<b>Department Goal:</b>	Keep citizens and City's employees informed about City activities			
<b>Objective:</b>	Increase citizens' knowledge of and participation in City activities			
<b>Tool:</b>	Newsletters, Inside Cottonwood TV shows and media releases			
<b>Type of Measure:</b>	Volume and timeliness			
<b>Frequency:</b>	Weekly, monthly			
<b>Scoring:</b>	-			
<b>Trend:</b>	Upward			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Media Outreach Events	60	81	85	90

<b>Value Statement:</b>	Strive to provide effective and efficient services			
<b>Department Goal:</b>	Create an operations manual specific to the office positions of Assistant to the City Manager and Administrative Assistant to ensure seamless execution of services			
<b>Objective:</b>	Document day-to-day operations and policies			
<b>Type of Measure:</b>	Manual deliverance			
<b>Tool:</b>	Policies and procedures			
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
	n/a	n/a	n/a	100%

General Government Administration Department		Fund 01 - General Fund			Cost Center	1100
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$815,609	\$703,320	\$705,460	\$711,610	0.87%	
Operating Supplies	5,691	3,100	3,090	3,100	0.32%	
Contractual Services	2,306	2,200	2,200	2,300	4.55%	
Other Services and Charges	23,057	25,600	24,020	24,900	3.66%	
Capital Outlay	8,812	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$855,476</b>	<b>\$734,220</b>	<b>\$734,770</b>	<b>\$741,910</b>	<b>0.97%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$741,910	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
City Manager (CM)	1.00	1.00	1.00	11,613	17,113	\$169,345
Administrative Svcs GM	1.00	1.00	1.00	8,253	12,162	134,030
Community Services GM	1.00	1.00	1.00	8,253	12,162	127,825
Developmental Services GM	1.00	0	0	8,253	12,162	0
Assistant to CM	1.00	1.00	1.00	3,781	5,572	46,505
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	34,305
COLA						0
Car Allowance						5,400
Merit Contingency						21,370
Temporary / Reserves						0
Overtime						0
Longevity						0
Retirement						61,850
Insurance & Taxes						110,980
Employee Related Expenses						0
<b>Totals</b>	<u>6.00</u>	<u>5.00</u>	<u>5.00</u>			<u>\$711,610</u>

General Government Administration Department	Fund 01 - General Fund			Cost Center	1100
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	1,601	1,400	1,400	1,400	0.00%
Copier Supplies	3,726	1,500	1,500	1,500	0.00%
Gas & Oil	323	0	150	150	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Postage & Freight	42	200	40	50	25.00%

<b>Total Supplies</b>	5,691	3,100	3,090	3,100	0.32%
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**Contractual Services**

Computer Support	1,431	1,200	1,200	1,300	8.33%
Contractual Services	875	1,000	1,000	1,000	0.00%

<b>Total Contractual Services</b>	2,306	2,200	2,200	2,300	4.55%
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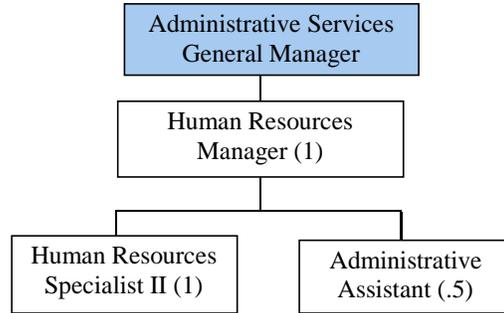
**Other Services and Charges**

Travel & Training	2,272	1,000	1,000	1,000	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	848	1,100	1,500	1,500	0.00%
Printing & Forms	403	1,500	1,400	1,400	0.00%
Utilities	6,780	7,500	6,000	6,500	8.33%
Telephone	6,133	6,000	5,620	6,000	6.76%
Legal Advertising	0	0	0	0	0.00%
Manager's Contingency	6,621	8,500	8,500	8,500	0.00%

<b>Total Other Services &amp; Charges</b>	23,057	25,600	24,020	24,900	3.66%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Multi-function Copier	\$8,812				
Totals	\$8,812	\$0	\$0	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Human Resources Department is under the Administrative Services General Manager and is responsible for personnel, risk management, employee training and development, employee benefits, City cemetery actions, and other special projects.

**FY 2016 Accomplishments:**

- \* The Safety Consultant has conducted on-site visits and tests for air quality, asbestos, etc. to ensure that facilities are safe and equipment is in good working order
- \* Coordinated an unannounced on-site inspection by the Arizona Division of Occupational Safety and Health (ADOSH) on behalf of the Occupational Safety and Health Administration (OSHA); just one citation involved a financial penalty
- \* Participated in several salary studies throughout the year to ensure competitiveness in the job market
- \* Completed set-up of the Human Resources (HR) Applicant Tracking module in Springbrook software, a financial and administration solutions software, for the application and hiring process; however, the system provider still needs to streamline the module before it can become fully operational
- \* Provided several in-house training sessions, required and on-demand, for supervisors and managers to improve workplace, management, and performance skills

**FY 2017 Goals:**

- \* Complete a drug/alcohol program for employees of the Transit Department as required by the Arizona Department of Transportation (ADOT)
- \* Have the HR Applicant Tracking module of Springbrook Software streamlined and fully operational
- \* Create current map of the Cottonwood Cemetery in cooperation with the Public Works Department so that burial spaces can be accurately recorded
- \* Complete HIPAA Policy and Procedures Manual as required by the U.S. Department of Health and Human Services (HHS) for entities dealing with Protected Health Information (PHI)

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Human Resources Department	Fund 01 - General Fund	Cost Center	1210
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Strive to provide effective and efficient services			
<b>Department Goal:</b>	To use City funds efficiently by minimizing expenditures for accidents, injuries and liability			
<b>Objective:</b>	Lower number of worker's compensation and insurance claims			
<b>Type of Measure:</b>	Program effectiveness			
<b>Tool:</b>	Risk management claims data			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Progressing: Reduce more than 10%, Average: Reduce 0-10%, Caution: Increase <10%			
<b>Trend:</b>	Reduction			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Workers' compensation claims	19	22	25	23
Percent increase/decrease of workers' compensation claims	0%	16%	14%	-8%
Insurance claims/Incidents filed	19	13	17	17
Percent increase/decrease of insurance claims filed	0%	-32%	31%	0%

<b>City Council Goal:</b>	Strive to provide effective and efficient services			
<b>Department Goal:</b>	Recruitment of qualified applicants; retention of staff			
<b>Objective:</b>	Provide recruitment services to City staff to assist them to recruit the best qualified applicants			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Human Resources Department data			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Increase/decrease from prior year			
<b>Trend:</b>	Positions filled = increase; turnover rate = level			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Positions filled (FT, PT, Transfers)	83	104	110	115
Percent of new hires (FT) not completing orientation period	18%	5%	10%	15%
Employees (FT) leaving service	20	17	22	22
Turnover rate (FT)	10.00%	8.50%	10%*	12%*
Applications received (FT, PT, Transfers)	782	802	850	875
* Expect higher turnover in coming years due to retirements				

<b>City Council Goal:</b>	Ensure for uncompromising integrity			
<b>Department Goal:</b>	Maintaining a work environment that is free of discrimination, harassment, intimidation and retaliation.			
<b>Objective:</b>	Prevent and correct unlawful discrimination and harassment in employment policies, procedures, practices and operations.			
<b>Type of Measure:</b>	Policy outcome			
<b>Tool:</b>	Human Resources data			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	0-1 Complaints with 100% resolution is Progressing at or above expectations, 2-3 Complaints with 95% resolution is Caution, and 4 or more Complaints with 90% resolution is Need to Review.			
<b>Trend:</b>	Stable			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Number of employee grievances to Personnel Board	0	0	1	1
Number of EEO complaints/Lawsuits	0	1	0	0
Complaints with substantiated findings	1*	0	0	0
Number of EEO complaints dismissed *	0	1**	0	0
* One case from 2009 closed in 2013; ** One complaint to HR in 2014; nothing substantiated during internal investigation.				

General Government	Human Resources Department	Fund 01 - General Fund			Cost Center	1210
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$168,873	\$194,405	\$198,845	\$207,990	4.60%	
Operating Supplies	2,792	3,400	3,400	4,000	17.65%	
Contractual Services	25,569	68,750	22,580	48,000	112.58%	
Other Services and Charges	27,793	28,300	34,240	41,050	19.89%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$225,026</b>	<b>\$294,855</b>	<b>\$259,065</b>	<b>\$301,040</b>	<b>16.20%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$301,040	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	\$85,585
Safety Training Specialist	1.00	0.00	0.00	4,825	7,111	0
Human Resources Specialist II	0.00	0.00	1.00	3,781	5,572	46,505
Human Resources Specialist	1.00	1.00	0.00	2,687	3,960	0
Administrative Assistant	0.50	0.50	0.50	2,559	3,771	17,030
COLA						0
Employee of the Quarter/Year						650
Merit Contingency						5,320
Temporary / Reserves						0
Overtime						0
Longevity						0
Retirement						18,130
Insurance & Taxes						34,770
Employee Related Expenses						0
<b>Totals</b>	<b>3.50</b>	<b>2.50</b>	<b>2.50</b>			<b>\$207,990</b>

General Government	Human Resources Department	Fund 01 - General Fund		Cost Center	1210
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	994	1,000	1,150	1,300	13.04%
Copier Supplies	308	350	950	1,050	10.53%
Gas & Oil	522	700	400	400	0.00%
Vehicle Maintenance	502	750	150	500	233.33%
Equipment Maintenance and Supplies	163	200	400	400	0.00%
Postage & Freight	304	400	350	350	0.00%

<b>Total Supplies</b>	2,792	3,400	3,400	4,000	17.65%
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**Contractual Services**

Compensation Study	0	0	0	0	0.00%
Computer Support	5,963	6,500	2,580	3,000	16.28%
Employee Physicals	9,658	12,000	10,000	10,000	0.00%
Contractual Services	9,947	50,250	10,000	35,000	250.00%

<b>Total Contractual Services</b>	25,569	68,750	22,580	48,000	112.58%
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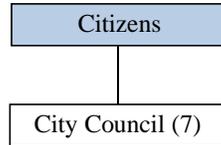
**Other Services and Charges**

Travel & Training	855	1,200	800	5,500	587.50%
Subscriptions & Memberships	467	400	350	800	128.57%
Training Supplies	53	200	200	200	0.00%
Printing & Forms	0	0	90	0	-100.00%
Advertising	0	0	0	0	0.00%
Utilities	4,510	4,600	4,400	4,600	4.55%
Telephone	863	900	900	950	5.56%
Recruitment Expense	5,620	7,500	8,000	9,000	12.50%
Safety Committee	2,629	3,500	3,500	4,000	14.29%
Unemployment Insurance (City)	12,797	10,000	16,000	16,000	0.00%

<b>Total Other Services &amp; Charges</b>	27,793	28,300	34,240	41,050	19.89%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The City Council consists of the Mayor, Vice-Mayor and five Council Members. They meet at least three times a month and are responsible for policy decisions. They are empowered to enter into contracts, enact ordinances, create policies to protect citizens' rights, and adopt tax-rate fees and the annual budget. They appoint the City Manager, City Clerk, City Attorney and Magistrate. The Mayor is elected for a 4-year term, with Council Members serving overlapping 4-year terms. Council elections are held in March and May at odd numbered years. The Mayor and Council are all elected at-large.

In addition to their required duties, the Mayor and Council interact with local citizens on a regular basis. This requires their attendance to numerous community functions.

**FY 2016 Accomplishments:**

- \* Launched the City's rebranding
- \* Finalized the preliminary planning of the Riverfront Water Reclamation Facility (RWRF) that will provide reclaimed water for the watering of sports fields and replenishment of the aquifers
- \* Finalized the preliminary planning for the reconfiguration of Mingus Avenue between Willard Street and 10<sup>th</sup> Street that includes widening of the sidewalks and the installation of bike lanes to improve pedestrian and rider safety
- \* Completed the planning for the renovation and secured funding for the Civic Center and HVAC replacement

**FY 2017 Goals:**

- \* Complete the preliminary planning for the reconstruction of Mingus Avenue between 10<sup>th</sup> Street and Main Street that will include the installation of bike lanes and continuous sidewalks as well as a new driving surface to improve rider, pedestrian and driver safety
- \* Collaborate on the regional development of riverfront recreational assets ("String of [Verde] Pearls") that will promote tourism, recreation and economic development by creating trails and river access points while also making efforts to protect the Verde River and its tributaries through conservation, water management, restoration and education
- \* Promote the city as a business-friendly community to attract businesses and build a strong, diversified economy, as well as promote local business using enhanced marketing strategies
- \* Work together with entities in surrounding areas on increasing transit access throughout the Verde Valley by expanding and coordinating the transit system services routes

**Budget Highlights:**

There are no significant changes to this budget; included are \$55,000 for the Verde Valley Senior Center; \$20,000 for the Old Town Center for the Arts, \$10,000 for the Old Town Association, and \$15,000 for the Building Better Community Grant. Capital of \$1,500 for trust land annexation has been budgeted.

General Government	City Council	Fund 01 - General Fund	Cost Center	1000
<b>Performance Indicators</b>				
<b>Not Applicable: The Performance Indicators are gathered from the various departments for City Council's review</b>				

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
Council Chambers Broadcasting Equipment Upgrade	\$3,120			
Library Parking Lot				
Old Town Parking				
Trust Land Annexation	4,006	\$5,000	\$500	\$1,500
Property Cleanup				
<b>Totals</b>	<u>\$7,126</u>	<u>\$5,000</u>	<u>\$500</u>	<u>\$1,500</u>

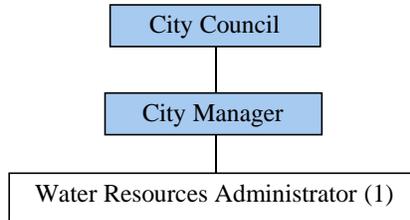
General Government		City Council		Fund 01 - General Fund		Cost Center	1000
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$48,562	\$48,580	\$48,895	\$48,940	0.09%		
Operating Supplies	1,610	1,550	800	1,250	56.25%		
Contractual Services	299,128	210,000	361,835	70,000	-80.65%		
Other Services and Charges	181,834	83,425	82,365	86,750	5.32%		
Capital Outlay	7,126	5,000	500	1,500	200.00%		
Reserves	0	3,657,800	2,300	3,915,535	170140.65%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$538,261</u>	<u>\$4,006,355</u>	<u>\$496,695</u>	<u>\$4,123,975</u>	<u>730.28%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$208,440	5.05%
Grants	0	0.00%
Reserves/Fund Balance	3,915,535	94.95%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Mayor	1.00	1.00	1.00	750		\$9,000
Vice-Mayor	1.00	1.00	1.00	500		6,000
Council Members	5.00	5.00	5.00	500		30,000
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						3,940
Employee Related Expenses						0
<b>Totals</b>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>			<u>\$48,940</u>

General Government	City Council	Fund 01 - General Fund			Cost Center	1000
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
<b>Supplies</b>						
Office Supplies	492	500	750	1,200	60.00%	
Copier Supplies	1,025	1,000	0	0	0.00%	
Postage & Freight	94	50	50	50	0.00%	
<b>Total Supplies</b>	<b>1,610</b>	<b>1,550</b>	<b>800</b>	<b>1,250</b>	<b>56.25%</b>	
<b>Contractual Services</b>						
Main Street Program & OTA	11,000	10,000	5,000	10,000	100.00%	
Large Item Pick-up	7,628	5,000	5,000	5,000	0.00%	
Recycle Program	0	0	0	0	0.00%	
Rodeo Drive St. Reimbursement	225,500	140,000	296,835	0	-100.00%	
Verde Valley Senior Center	55,000	55,000	55,000	55,000	0.00%	
<b>Total Contractual Services</b>	<b>299,128</b>	<b>210,000</b>	<b>361,835</b>	<b>70,000</b>	<b>-80.65%</b>	
<b>Other Services and Charges</b>						
Travel & Training	4,573	6,000	6,000	7,000	16.67%	
Subscriptions & Memberships	12,723	12,500	12,500	15,200	21.60%	
Gas & Oil	26	300	100	100	0.00%	
Vehicle Maintenance & Repair	130	225	400	500	25.00%	
Computer Support	1,034	1,000	960	1,000	4.17%	
Christmas Lights	2,127	0	265	300	13.21%	
Public Relations	1,937	1,500	1,500	1,200	-20.00%	
Legal Advertising	264	0	0	0	0.00%	
Parking Lot Lights	2,311	2,600	2,100	2,200	0.00%	
Utilities	5,914	6,300	4,940	5,500	11.34%	
Telephone	1,884	2,000	1,600	1,750	9.38%	
Community Garden	344	500	500	500	0.00%	
Council Contingency	6,514	10,000	10,000	10,000	0.00%	
Annual Appreciation Event	541	500	1,500	1,500	0.00%	
Youth Commission	3,435	4,000	4,000	4,000	0.00%	
50 <sup>th</sup> Anniversary/Centennial Celebration	0	0	0	0	0.00%	
Veterans Van	0	0	0	0	0.00%	
Outside Agencies	20,000	20,000	20,000	20,000	0.00%	
Growth Study & Analysis	0	0	0	0	0.00%	
Birding Festival	0	1,000	1,000	1,000	0.00%	
Building Community Grants	0	15,000	15,000	15,000	0.00%	
Gardner Property	0	0	0	0	0.00%	
Old Town Parking	118,078	0	0	0	0.00%	
<b>Total Other Services &amp; Charges</b>	<b>181,834</b>	<b>83,425</b>	<b>82,365</b>	<b>86,750</b>	<b>5.32%</b>	
<b>Reserves</b>						
Carryover Restricted	0	2,557,800	0	2,851,240	0.00%	
Accumulation Fund	0	1,000,000	0	1,000,000	0.00%	
Undesignated	0	100,000	2,300	64,295	2695.43%	
Reserves for Capital/Programs	0	0	0	0	0.00%	
.2% Sales Tax Excess Capital Reserve	0	0	0	0	0.00%	
1% Sales Tax GF CIP	0	0	0	0	0.00%	
Employee Merit Program (distributed in each dept.)	0	0	0	0	0.00%	
Salary Plan Implementation	0	0	0	0	0.00%	
<b>Total Reserves</b>	<b>0</b>	<b>3,657,800</b>	<b>2,300</b>	<b>3,915,535</b>	<b>0.00%</b>	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

This Program is under the direction of the City Manager and was initially established to explore and coordinate water policy and resolve water related issues with other communities in the region. The Verde Valley area communities are financially and politically supporting this program in its present state.

**FY 2016 Accomplishments:**

- \* Completed the exploratory well for determining the feasibility of recharging reclaimed water at the proposed Riverfront Water Reclamation Plant
- \* Completed and submitted Aquifer Protection Permit applications to the Arizona Department of Environmental Quality (AZDEQ) for the City's two wastewater treatment facilities

**FY 2017 Goals:**

- \* Obtain the Aquifer Protection Permit from the AZDEQ for the Mingus Avenue Plant and start recharging reclaimed water via the injection well
- \* Complete the feasibility analysis of recharging reclaimed water at the proposed Riverfront Water Reclamation Facility and, if feasible, construct the injection well for facilitating the recharge of reclaimed water.

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	1700
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Maintain a uniquely desirable and sustainable community			
<b>Department Goal:</b>	Continue participation in regional and statewide water related groups			
<b>Objective:</b>	Stay abreast of current and future water resource development and funding efforts both regionally and statewide and ensure the City's interests are protected and their concerns are fully addressed			
<b>Type of Measure:</b>	Meeting attendance			
<b>Tool:</b>	Internal Reports			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	Maintain projected attendance			
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Regional Water related meetings attended	55	40	402	40
Yavapai Water Board related meetings attended	30	15	2	2
Statewide Water Resource Development Meetings	30	20	20	20

<b>City Council Goal:</b>	Maintain a uniquely desirable and sustainable community			
<b>Department Goal:</b>	Provide guidance for long-term water planning, quantify the needed water resources and the necessary water conservation needed over time, and the utilization of reclaimed water			
<b>Objective:</b>	Collect, analyze and provide information in one location in order to provide the most cost effective, reliable service to the City's utility customers			
<b>Type of Measure:</b>	Issuance of permit			
<b>Tool:</b>	Obtain required permitting to begin recharging reclaimed water			
<b>Frequency:</b>	N/A			
<b>Scoring:</b>	Completion of deliverable			
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Completion of well drilling	n/a	n/a	100%	n/a
Submission for and aquisition of permit			75%	100%

<b>City Council Goal:</b>	Maintain a uniquely desirable and sustainable community			
<b>Department Goal:</b>	Monitor, track and provide feedback on legislation related to the regulation and management of water resources			
<b>Objective:</b>	Ensure the City's water resources and the utility services provided to its customers are not negatively impacted by statewide legislative efforts.			
<b>Type of Measure:</b>	Meeting attendance			
<b>Tool:</b>	Weekly legislative summary updates and recommendations to City Council			
<b>Frequency:</b>	Weekly during the legislative session			
<b>Scoring:</b>	20			
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Summary Updates	25	25	44	40
Meetings with legislators and League of Cities legislative updates	20	20	20	20

General Government	Natural Resources	Fund 01 - General Fund			Cost Center	1700
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$149,810	\$153,910	\$160,490	\$165,370	3.04%	
Operating Supplies	109	260	10	260	2500.00%	
Contractual Services	120	120	120	120	0.00%	
Other Services and Charges	1,074	1,060	1,310	1,335	1.91%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$151,113</u>	<u>\$155,350</u>	<u>\$161,930</u>	<u>\$167,085</u>	<u>3.18%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$167,085	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	\$121,240
COLA						0
Car Allowance						5,400
Merit Pay						4,040
Temporary / Reserves						0
Overtime						0
Retirement						15,000
Insurance & Taxes						19,690
Employee Related Expenses						0
<b>Totals</b>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$165,370</u>

General Government	Natural Resources	Fund 01 - General Fund			Cost Center	1700
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Office Supplies	0	0	0	0	0.00%
Copier Supplies	105	250	0	250	0.00%
Postage & Freight	4	10	10	10	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance	0	0	0	0	0.00%
<b>Total Supplies</b>	109	260	10	260	2500.00%

**Contractual Services**

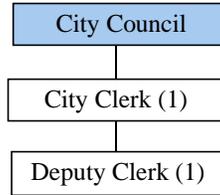
Contractual Services	0	0	0	0	0.00%
Computer Support	120	120	120	120	0.00%
<b>Total Contractual Services</b>	120	120	120	120	0.00%

**Other Services and Charges**

Travel & Training	0	0	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Printing and Forms	0	0	0	0	0.00%
Utilities	154	100	350	375	7.14%
Telephone	920	960	960	960	0.00%
<b>Total Other Services &amp; Charges</b>	1,074	1,060	1,310	1,335	1.91%

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The City Clerk's Office is responsible for processing and maintaining all permanent and official City records and assists the City Council. The City Clerk's department compiles and prepares the information and documentation (council meeting packets) necessary for the Council's consideration on matters pertaining to the City; is responsible for all public notices and posting of meeting agendas; records and produces written minutes of all City Council meetings and produces summary minutes of the meetings; processes and maintains official City documents and records; indexes official Council actions; prepares resolutions and ordinances for Council consideration; processes and issues business registrations; provides research and information regarding City records for the public and other City departments; processes liquor license applications; prepares and provides information packets for mayor and council candidates and oversees the vote-by-mail process and conducts all City elections; and assists the City attorney with research and clerical support.

**FY 2016 Accomplishments:**

- \* Compiled and prepared 44 council meeting packets
- \* Posted 44 council meeting agenda
- \* Produced 44 council meeting summaries and official minutes
- \* Provided information to 12 prospective candidates for council and explained election process
- \* Expanded community garden plots

**FY 2017 Goals:**

- \* Conduct City primary and general election of new council members
- \* Assist newly elected officials and provide information regarding the agenda preparation and council meeting process
- \* Assist Mayor with the council member appointment process

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	City Clerk	Fund 01 - General Fund	Cost Center	1010
<b>Performance Indicators</b>				
<b>Mission/Value Statement:</b>		*Performances Indicators are still being developed for this department*		
<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

General Government		City Clerk		Fund 01 - General Fund		Cost Center	1010
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent		
	Actual	Budget	Revised	Final	Change		
Personnel	\$197,478	\$207,680	\$212,655	\$218,760	2.87%		
Operating Supplies	2,139	3,450	2,325	3,325	43.01%		
Contractual Services	675	680	500	680	36.00%		
Other Services and Charges	25,710	19,650	12,800	27,200	112.50%		
Capital Outlay	5,000	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$231,003</u>	<u>\$231,460</u>	<u>\$228,280</u>	<u>\$249,965</u>	<u>9.50%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$249,965	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
City Clerk	1.00	1.00	1.00	Contract		\$108,120
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	45,085
COLA						0
Merit Contingency						6,905
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						18,500
Insurance & Taxes						39,150
Employee Related Expenses						0
<b>Totals</b>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$218,760</u>

General Government	City Clerk	Fund 01 - General Fund			Cost Center	1010
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Office Supplies	662	1,500	1,350	1,500	11.11%
Copier Supplies	962	1,200	600	1,200	100.00%
Gas & Oil	47	200	100	100	0.00%
Vehicle Maint & Repairs	430	500	250	500	100.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Postage & Freight	38	50	25	25	0.00%
<b>Total Supplies</b>	<b>2,139</b>	<b>3,450</b>	<b>2,325</b>	<b>3,325</b>	<b>43.01%</b>

**Contractual Services**

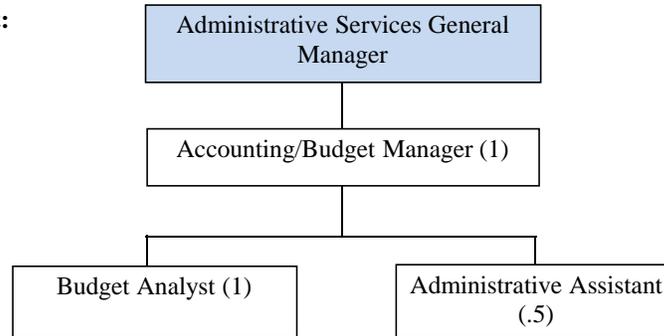
Computer Support	675	680	500	680	36.00%
Contractual Services	0	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>675</b>	<b>680</b>	<b>500</b>	<b>680</b>	<b>36.00%</b>

**Other Services and Charges**

Travel & Training	240	1,000	800	800	0.00%
Subscriptions & Memberships	6,430	6,500	6,500	6,500	0.00%
Printing & Forms	0	150	150	150	0.00%
Utilities	2,809	3,400	2,600	2,750	5.77%
Telephone	1,677	1,100	2,250	2,000	-11.11%
Legal Advertising	0	0	0	0	0.00%
Election Expense	14,554	7,500	500	15,000	2900.00%
<b>Total Other Services &amp; Charges</b>	<b>25,710</b>	<b>19,650</b>	<b>12,800</b>	<b>27,200</b>	<b>112.50%</b>

<b>Supplemental Data: Capital Outlay</b>						
Item Description	2015	2016		2017		
	Actual	Budget	Revised	Final		
Installation of New Three Ton Trane Gas Pack	\$5,000					
<b>Totals</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Finance Department, under direction from the Administrative Services General Manager, is responsible for the financial management and planning of the City. This includes establishing and maintaining effective controls over the City's financial activities, and providing accurate financial information to all City departments in a timely manner. Finance is also responsible for coordinating the annual budget and monitoring compliance after adoption. Finance performs analysis of financial conditions including interim and annual financial reports and recommends financial policies to the City Manager and City Council. Finance has oversight responsibility for payroll, accounts payable, collection of revenues, utility billing, administration of the city cemetery, sales tax compliance programs, risk management programs, employee benefits, debt management and City investments.

**FY 2016 Accomplishments:**

- \* Reached 12<sup>th</sup> anniversary of the City employee newsletter "The Communique"
- \* Organized the City's Water and Wastewater Rate Committee and implemented a rate change for FY2016
- \* Successfully awarded the 22<sup>nd</sup> consecutive Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the department's Comprehensive Annual Financial Report (CAFR) for the year ending June 2014
- \* Received for the 16<sup>th</sup> time the Distinguished Budget Presentation Award for the GFOA for FY 2015
- \* Successfully collaborated with the Water Infrastructure Finance Authority (WIFA) to refinance the 2006 Water bond resulting in a loan with an interest of 1.704%, which is 3.3% less than the original 2006 Water Bond of 5.004%. This constitutes a substantial savings over the term of the loan
- \* Negotiated a contract to outsource a Fixed Asset Audit through the Public Consulting Group ensuring that the City's asset values are accurately recorded in future financial statements

**FY 2016 Goals:**

- \* Complete the audit of the City's fixed assets
- \* Prepare and submit for the 24<sup>th</sup> time the City's CAFR to GFOA to compete for the Certificate of Achievement in Excellence in Financial Reporting for FY 2017
- \* Prepare and submit application to the GFOA for the 18<sup>th</sup> time to acquire the Distinguished Budget Presentation Award for the City's FY 2017 Annual Budget
- \* Start the process to implement the Extended Budgeting Module in Springbrook Software to enable a more detailed budget process for each department
- \* Develop a new performance indicator plan to measure departmental performance.

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel Costs due to the merit increases.

General Government	Finance Department	Fund 01 - General Fund	Cost Center	1200	
<b>Performance Indicators</b>					
<b>City Council Goal:</b> Strive to Provide Effective and Efficient Services					
<b>Department Goal:</b> To maintain external validation of Best Practices in governmental accounting and reporting					
<b>Objective:</b> Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Produce Documents and Submit for Review					
<b>Frequency:</b> Annual					
<b>Scoring:</b> Yes/No					
<b>Trend:</b> Level					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
GFOA Certificate of Achievement		Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award		Yes	Yes	Yes	Yes
<b>City Council Goal:</b> Strive to Provide Effective and Efficient Services					
<b>Department Goal:</b> Increase the percentage of ACH Payroll Deposits					
<b>Objective:</b> Reduce the cost of processing Payroll					
<b>Type of Measure:</b> Number of Direct Deposit distribution					
<b>Tool:</b> Accounting Software Reports					
<b>Frequency:</b> Annual					
<b>Scoring:</b> ACH to total Checks and Direct Deposits - good 80%					
<b>Trend:</b> Up					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
Payroll checks/Deposits distributed		8,603	8,689	9,110	9,200
ACH Payroll Deposits		6,911	7,225	7,698	7,820
Increase in ACH Payroll Deposits		80.33%	83.15%	84.50%	85.00%
<b>City Council Goal:</b> Strive to provide effective and efficient services					
<b>Department Goal:</b> Decrease the number of voided Checks to less than 2%					
<b>Objective:</b> Increase the integrity of the purchasing process, avoiding duplicate invoice/payments and reducing the cost of processing Accounts Payable					
<b>Type of Measure:</b> Number of voided checks					
<b>Tool:</b> Accounting Software Reports					
<b>Frequency:</b> Annual					
<b>Scoring:</b> < 2%					
<b>Trend:</b> Down					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
Accounts Payable Checks written		5,143	5,140	5,277	5,500
Accounts Payable Checks voided (incl. vendor lost and printer errors)		178	49	40	40
Increase/decrease in Accounts Payable		3.5%	1.0%	0.8%	0.7%
<b>City Council Goal:</b> Strive to provide effective and efficient services					
<b>Department Goal:</b> Increase tax payer awareness of tax responsibility					
<b>Objective:</b> To collect all sales tax that is due to the City of Cottonwood					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Reports from Sales Tax Auditor					
<b>Frequency:</b> Annual					
<b>Scoring:</b> Increase/Decrease from Prior Year					
<b>Trend:</b> Steady					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
Sales Tax Audits completed		6	10	5	10
Sales Tax Assessments		\$18,802	\$30,000	\$40,000	\$45,000
Verification letters issued		20	95	120	130
Verification letters completed		8	40	55	70

General Government		Finance Department		Fund 01 - General Fund		Cost Center	1200
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$224,492	\$237,975	\$244,827	\$253,005	3.34%		
Operating Supplies	8,678	10,500	7,635	8,700	13.95%		
Contractual Services	95,488	124,500	115,328	123,820	7.36%		
Other Services and Charges	28,277	51,700	59,870	59,500	-0.62%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$356,936</b>	<b>\$424,675</b>	<b>\$427,660</b>	<b>\$445,025</b>	<b>4.06%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$445,025	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	\$99,838
Budget Analyst	1.00	1.00	1.00	3,781	5,572	60,154
Administrative Assistant	0.50	0.50	0.50	1,280	1,886	17,031
COLA						0
Merit Contingency						8,247
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						21,380
Insurance & Taxes						45,355
Employee Related Expenses						0
<b>Totals</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>			<b>\$253,005</b>

General Government	Finance Department	Fund 01 - General Fund			Cost Center	1200
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Office Supplies	2,934	3,500	2,500	3,000	20.00%
Copier Supplies	342	1,200	800	1,200	50.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint/Repairs	0	0	35	0	-100.00%
Equipment Maint/Repairs	183	800	1,200	1,000	-16.67%
Postage & Freight	5,220	5,000	3,100	3,500	12.90%
<b>Total Supplies</b>	<b>8,678</b>	<b>10,500</b>	<b>7,635</b>	<b>8,700</b>	<b>13.95%</b>

**Contractual Services**

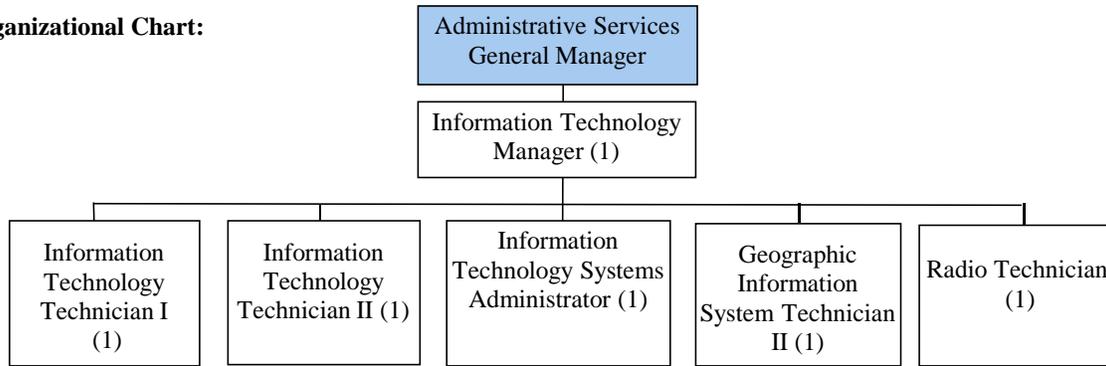
Computer Support	16,380	18,000	16,800	18,000	7.14%
Contractual Services	23,127	51,500	46,843	48,800	4.18%
Audit Expense	36,208	35,000	31,685	37,020	16.84%
Sales Tax Audits	19,773	20,000	20,000	20,000	0.00%
<b>Total Contractual Services</b>	<b>95,488</b>	<b>124,500</b>	<b>115,328</b>	<b>123,820</b>	<b>7.36%</b>

**Other Services and Charges**

Travel & Training	5,038	4,000	4,000	3,800	-5.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,400	1,700	1,700	1,700	0.00%
Printing & Forms	3,256	3,000	3,600	3,000	-16.67%
Utilities	5,238	5,000	5,300	5,500	3.77%
Telephone	2,000	2,500	2,350	2,500	3.77%
Legal Advertising	4,545	3,000	3,000	3,000	0.00%
State Annual Municipality Fee	0	24,000	25,000	25,000	0.00%
Bank Charges	6,800	8,500	14,920	15,000	6.38%
<b>Total Other Services &amp; Charges</b>	<b>28,277</b>	<b>51,700</b>	<b>59,870</b>	<b>59,500</b>	<b>-0.62%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

Information Technology (IT) Services maintains all computer equipment and computer software, as well as the maintenance of all City servers, under direction from the Administrative Services General Manager. IT Services is also responsible for researching new technology and software updates and implementing these changes. IT Services designs and maintains the City's web site and uploads information from different departments onto the web site.

**FY 2016 Accomplishments:**

- \* Successfully deployed City-wide WiFi for City owned devices
- \* E-mail archiver has been set-up to help manage e-mail retention and recovery
- \* Migrated from a landline to SIP (Session Initiation Protocol) voice service that works from the City's internet connection rather than an independent fixed physical connection, giving the City more location freedom besides supporting traditional telephony and internet features, it also enables audio/videoconferencing and e-mail

**FY 2017 Goals:**

- \* Replace router infrastructure to improve network speeds
- \* Deploy guest WiFi throughout all City locations
- \* Migrate all phone users to a single VoIP (Voice over Internet Protocol) phone system. Storing data into one single network will be more cost-effective and increase manageability
- \* Complete the City's redesign of its website, working closely with a contracted vendor

**Budget Highlights:**

This budget year shows an increase in Personnel costs due to the addition of a new full-time position, i.e. radio technician, and the merit pay plan. Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. Capital outlay in the amount of \$45,000 will be for servers and computers.

General Government	IT Services	Fund 01 - General Fund	Cost Center	1220	
<b>Performance Indicators</b>					
<b>City Council Goal:</b> Strive to provide effective and efficient services					
<b>Department Goal:</b> Continue to maintain a less than 2% down time					
<b>Objective:</b> Reduce server down time by maintaining and upgrading servers as needed and responding quickly to service calls.					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Call logs and system reports					
<b>Frequency:</b> Annual					
<b>Scoring:</b> 98%					
<b>Trend:</b> Stable					
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
File Server Uptime		99.00%	98.70%	99.00%	99.00%
Email Server Uptime		98.50%	99.00%	99.00%	99.00%
<b>City Council Goal:</b> Strive to provide effective and efficient services					
<b>Department Goal:</b> To respond to service calls within two days					
<b>Objective:</b> To provide responsive internal service to all departments thereby maximizing technology's effectiveness.					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Call Logs and system reports					
<b>Frequency:</b> Annual					
<b>Scoring:</b> 2 days					
<b>Trend:</b> Level					
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Average Initial Helpdesk Response Time		1 day	1 day	1 day	1 day
<b>City Council Goal:</b> Strive to provide effective and efficient services					
<b>Department Goal:</b> To post Agendas and Minutes to the website the same day they are made available to IT					
<b>Objective:</b> To make the Agendas and Minutes available to the public as soon as possible					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Call Logs					
<b>Frequency:</b> Annual					
<b>Scoring:</b> Same day					
<b>Trend:</b> Level					
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Time to Post Agendas and Minutes to Website		Same day	Same day	Same day	Same day

General Government	IT Services	Fund 01 - General Fund			Cost Center	1220
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$298,062	\$375,180	\$383,095	\$493,130	28.72%	
Operating Supplies	6,887	7,100	8,475	8,350	-1.47%	
Contractual Services	73,511	54,000	54,000	58,500	8.33%	
Other Services and Charges	9,468	11,100	9,480	11,000	16.03%	
Capital Outlay	36,841	70,000	70,000	45,000	-35.71%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$424,768</u>	<u>\$517,380</u>	<u>\$525,050</u>	<u>\$615,980</u>	<u>17.32%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$615,980	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
IT Manager	1.00	1.00	1.00	6,790	10,006	\$92,109
IT Systems Administrator	0.00	1.00	1.00	4,168	6,143	51,275
Radio Technician	0.00	0.00	1.00	4,168	6,143	50,019
GIS Technician II	0.00	1.00	1.00	3,781	5,572	50,022
IT Technician II	1.00	1.00	1.00	3,781	5,572	46,505
IT Technician I	1.00	1.00	1.00	3,429	5,054	41,153
COLA						0
Merit Contingency						12,517
Longevity						0
Temporary / Reserves						20,000
Overtime						5,000
Holiday Pay						500
Retirement						40,080
Insurance & Taxes						83,950
Employee Related Expenses						0
<b>Totals</b>	<u>3.00</u>	<u>5.00</u>	<u>6.00</u>			<u>\$493,130</u>

General Government	IT Services	Fund 01 - General Fund		Cost Center	1220
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	5,959	5,500	7,500	7,000	-6.67%
Copier Supplies	72	0	0	0	0.00%
Gas & Oil	304	500	300	450	50.00%
Vehicle Maintenance & Repair	297	500	500	500	0.00%
Equipment Maint/Repairs	0	300	100	250	150.00%
Printing & Forms	0	0	0	0	0.00%
Postage & Freight	254	300	75	150	100.00%

<b>Total Supplies</b>	6,887	7,100	8,475	8,350	-1.47%
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**Contractual Services**

Computer Support	69,625	45,000	45,000	45,000	0.00%
Bank Charges	0	0	0	0	0.00%
Contractual Services	3,886	9,000	9,000	13,500	50.00%

<b>Total Contractual Services</b>	73,511	54,000	54,000	58,500	8.33%
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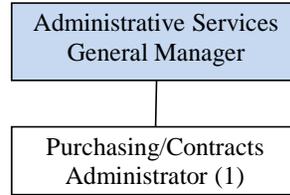
**Other Services and Charges**

Travel & Training	159	600	600	600	0.00%
Subscriptions & Memberships	620	500	700	1,000	42.86%
Utilities	5,409	6,600	4,900	6,000	22.45%
Telephone	3,280	3,400	3,280	3,400	3.66%

<b>Total Other Services &amp; Charges</b>	9,468	11,100	9,480	11,000	16.03%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Servers - File and Email Retention Server		\$18,000	\$18,000		
Replacement Servers (2)				\$12,000	
City Wifi	\$16,000				
Ipad, Laptops					
Computers - City-wide	20,841	37,000	37,000	33,000	
Website Design		15,000	15,000		
<b>Totals</b>	<b>\$36,841</b>	<b>\$70,000</b>	<b>\$70,000</b>	<b>\$45,000</b>	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Purchasing Division, under direct supervision from the Administrative Services General Manager, is responsible for maximizing the effectiveness of our citizens' tax dollars while providing timely and adequate support for the City's needs for materials, equipment, and services. The Purchasing Division is also responsible for ensuring compliance with the City's established procurement policies and procedures as well as with any state's procurement statutes.

**FY 2016 Accomplishments:**

- \* Finalized a new City-wide procurement and purchasing policy
- \* Created a tracking system to ensure City agreements are executed when required and renewed punctually
- \* Changed to a centralized procurement and purchasing approach for projects, and obtained and executed City-wide agreements for services previously provided by multiple vendors; making the purchasing process more uniform and efficient resulting in considerable cost-savings for the City
- \* Standardized contract templates for construction services and technical registrants, such as architects and engineers, to streamline the contract approval process which will enable projects to start in a timely

**FY 2017 Goals:**

- \* Annually request Statements of Qualifications from licensed and/or certified technical registrants. Based on the qualifications provided, a database of pre-qualified registrants will be maintained for the City to select from for procurement and purchasing purposes
- \* Become cross-trained in payroll processing that will allow for collaboration across departments
- \* Create a system for electronic storage and tracking of Certificates of Insurance (COI) from vendors for liability purposes

**Budget Highlights:**

For FY 2017, the most significant change is in the the Personnel costs where a large increase is due to the reclassification of the position of Purchasing Agent to Purchasing/Contracts Administrator, as well as the merit pay. Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat.

General Government	Purchasing Division	Fund 01 - General Fund	Cost Center	1230	
<b>Performance Indicators</b>					
<b>City Council Goal:</b> Operating in an efficient and effective manner					
<b>Department Goal:</b> Process requisitions into purchase orders within a 24 hour time period after requisitions have been					
<b>Objective:</b> Purchase requested material goods, services and construction in a timely manner					
<b>Type of Measure:</b> Processing time					
<b>Tool:</b> Requisition log and Springbrook software					
<b>Frequency:</b> Occurrence of requisitions					
<b>Scoring:</b> 100% = Above Average; 95% = Average; 90% = Below Average; 85% or below = Poor					
<b>Trend:</b> Score at least 95% or higher					
<b>Measures:</b>		2014	2015	2016	2017
		95%	95%	96%	96%

<b>City Council Goal:</b> Be Innovative					
<b>Department Goal:</b> Ensure local businesses comply with the requirement to register their business with the City					
<b>Objective:</b> Educate local business owners on the conditions stipulated in the Municipal Code requiring a business registration					
<b>Type of Measure:</b> Mailing of business registration renewal letters, monitoring of Chamber memberships and Code Enforcement notifications					
<b>Tool:</b> Outreach program to personally contact (new) business owners					
<b>Frequency:</b> One hour per week					
<b>Scoring:</b>					
<b>Trend:</b>					
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Registrations - the decline in registration is due to new State legislation that does not allow registration of rentals		1,299	1,350	1,100	1,200

General Government		Purchasing Division		Fund 01 - General Fund		Cost Center	1230
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$64,514	\$67,300	\$68,290	\$95,055	39.19%		
Operating Supplies	512	900	735	600	-18.37%		
Contractual Services	1,634	1,800	1,725	1,750	1.45%		
Other Services and Charges	1,644	2,650	1,830	2,275	24.32%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$68,305</u>	<u>\$72,650</u>	<u>\$72,580</u>	<u>\$99,680</u>	<u>37.34%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$99,680	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Purchasing/Contracts Administrator	0.00	0.00	1.00	5,865	8,643	\$70,382
Purchasing Agent	1.00	1.00	0.00	3,970	5,850	0
COLA						0
Merit Contingency						1,758
Temporary / Reserves						0
Longevity Pay						0
Retirement						8,280
Insurance & Taxes						14,635
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$95,055</u>

General Government	Purchasing Division	Fund 01 - General Fund		Cost Center	1230
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	325	300	310	325	4.84%
Copier Supplies	118	500	230	200	-13.04%
Postage & Freight	12	25	0	0	0.00%
Vehicle Maintenance & Repair	0	0	120	0	-100.00%
Equipment Maint/Repairs	57	75	75	75	0.00%
<b>Total Supplies</b>	<u>512</u>	<u>900</u>	<u>735</u>	<u>600</u>	<u>-18.37%</u>

**Contractual Services**

Computer Support	1,585	1,700	1,675	1,700	1.49%
Contractual Services	49	100	50	50	0.00%
<b>Total Contractual Services</b>	<u>1,634</u>	<u>1,800</u>	<u>1,725</u>	<u>1,750</u>	<u>1.45%</u>

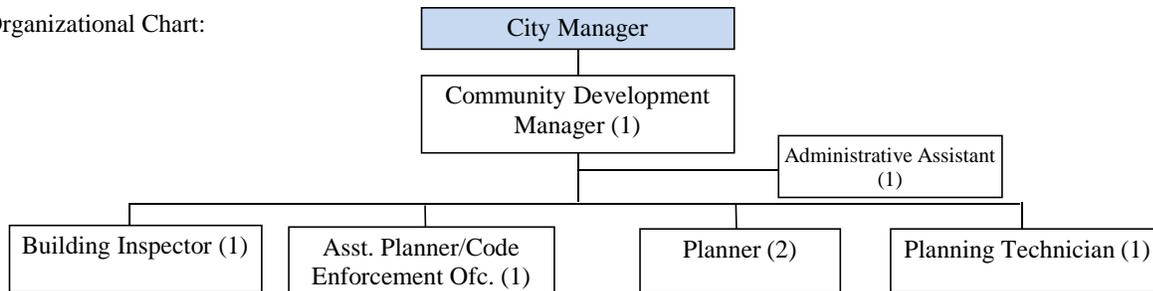
**Other Services and Charges**

Travel & Training	116	700	155	500	222.58%
Subscriptions & Memberships	258	500	285	300	5.26%
Printing & Forms	0	0	0	0	0.00%
Utilities	385	500	510	550	7.84%
Telephone	885	950	880	925	7.84%
Legal Advertising	0	0	0	0	0.00%

<b>Total Other Services &amp; Charges</b>	<u>1,644</u>	<u>2,650</u>	<u>1,830</u>	<u>2,275</u>	<u>24.32%</u>
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

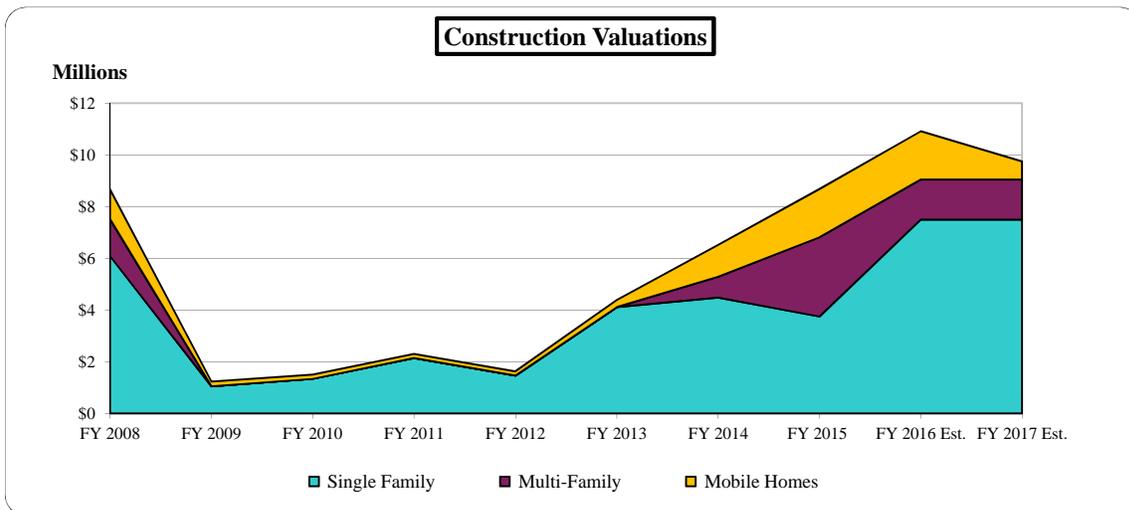
Organizational Chart:



**General Information:**

Note: Only unshaded boxes are included in this budget.

The Community Development Department provides planning services to the City Council, Planning and Zoning Commission, Development Review Board, Historic Preservation Commission, Bicycle Advocacy Group, Code Review Board, and the general public. Department staff are also responsible for securing the CDBG and various other grants.



**FY 2016 Accomplishments:**

- \* A Community Development Block Grant (CDBG) of \$309,000 was awarded for Civic Center improvements
- \* A proposal for the Jail Trail was presented to the City Council to improve signage and facilities lining the trail from Old Town Jail to Riverfront Park. The proposal content was included in a grant application by Economic Development to The Nature Conservancy
- \* Begun the first phase (framework) of the One-Stop Shop process by creating new building permit and sign applications along with modifying processes and procedures to meet Arizona Registrar of Contractors standards
- \* Matching grant program was designed for the landmarking of historical buildings with funding from the Cottonwood Historic Home and Building Tour and matched by the City Council. One privately owned property, previously known as Liberty Garage at 1042 N Main Street, has become a Historic Landmark.
- \* Amended ordinances that were approved by the City Council. These ordinances are the Conditional Use Permit, Medical Marijuana, and I-2 (Heavy Industrial) Zone. A Certificate of Zoning Compliance was created to enable the enforcement of the stipulations of a conditional use permit

**FY 2017 Goals:**

- \* Adoption of the 2012 International Building Codes to stay in line with the State's codes
- \* Start the second phase of the One-Stop Shop process by having the preliminary ordinance for it approved. The third and last phase, the implementation, will following at a later stage

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases and the new position of Administrative Assistant.

General Government	Community Development	Fund 01 - General Fund	Cost Center	1400
<b>Performance Indicators</b>				
<b>City Council Goal</b>	Ensure safe and attractive neighborhoods			
<b>Department Goal:</b>	Ensure the health and safety of residents as it relates to property maintenance, zoning regulations, education, and enforcement (Code Enforcement Division)			
<b>Objective:</b>	Reduce ordinance violations by encouraging residents to maintain their property to achieve a healthy and beautiful living environment			
<b>Type of Measure:</b>	Conduct inspections			
<b>Tool:</b>	Monitor inspections via code enforcement case logs and Springbrook software			
<b>Frequency:</b>	Based on complaints			
<b>Scoring:</b>	-			
<b>Trend:</b>	Reduce number of violations and increase number of resolved cases			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Number of inspections based on complaints received			252	250
Number of cases opened based on documented violations			113	110
Number of resolved cases			76	95

<b>City Council Goal:</b>	Revitalize neighborhoods			
<b>Department Goal:</b>	Review, approve, and inspect new building developments, tenant improvement, and building restorations (Building Safety Division)			
<b>Objective:</b>	Provide guidance for building safety			
<b>Type of Measure:</b>	Issuance of permits followed by inspections			
<b>Tool:</b>	Inspections			
<b>Frequency:</b>	Based on customer request			
<b>Scoring:</b>	-			
<b>Trend:</b>	-			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Number of permits issued			350	400
Number of building inspections performed			1086	1400

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Percent of Completion				

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Percent of Completion				

General Government	Community Development	Fund 01 - General Fund		Cost Center	1400
<b>Summary by Category</b>					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$429,755	\$470,255	\$492,475	\$545,565	10.78%
Operating Supplies	10,012	8,300	6,900	7,400	7.25%
Contractual Services	3,692	8,655	6,390	13,500	111.27%
Other Services and Charges	18,596	19,050	18,350	19,650	7.08%
Capital Outlay	0	4,750	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<u>\$462,055</u>	<u>\$511,010</u>	<u>\$524,115</u>	<u>\$586,115</u>	<u>11.83%</u>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$586,115	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Community Development Manager	1.00	1.00	1.00	5,865	8,643	\$82,948
Planner	2.00	2.00	2.00	4,168	6,143	131,390
Building Official	1.00	0.00	0.00	4,168	6,143	0
Asst. Planner/Code Enforcement Ofc.	0.00	1.00	1.00	3,601	5,306	44,290
Building Inspector	1.00	1.00	1.00	3,266	5,306	48,491
Planning Technician	0.00	0.00	1.00	2,962	4,365	41,298
Senior Administrative Assistant	1.00	1.00	0.00	2,962	4,365	0
Administrative Assistant	0.00	0.00	1.00	2,559	3,771	30,707
COLA						0
Merit Contingency						10,636
Longevity Pay						0
Car Allowance						5,400
Temporary / Reserves						2,000
Overtime						500
Retirement						45,420
Insurance & Taxes						102,485
Employee Related Expenses						0
<b>Totals</b>	<u>6.00</u>	<u>6.00</u>	<u>7.00</u>			<u>\$545,565</u>

General Government	Community Development	Fund 01 - General Fund		Cost Center	1400
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	1,453	1,800	1,500	2,000	33.33%
Copier Supplies	1,291	1,000	1,200	1,200	0.00%
Postage & Freight	980	1,000	1,400	1,400	0.00%
Gas & Oil	1,188	2,000	1,000	1,000	0.00%
Vehicle Maint & Repairs	5,100	2,500	1,800	1,800	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%

<b>Total Supplies</b>	10,012	8,300	6,900	7,400	7.25%
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**Contractual Services**

Contractual Services	0	5,000	2,890	10,000	246.02%
Computer Support	3,692	3,655	3,500	3,500	0.00%

<b>Total Contractual Services</b>	3,692	8,655	6,390	13,500	111.27%
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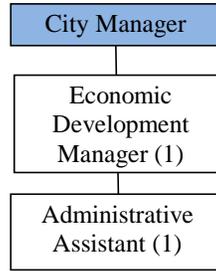
**Other Services and Charges**

Travel & Training	2,091	3,600	2,700	4,000	48.15%
Subscriptions & Memberships	1,381	1,600	3,200	1,800	-43.75%
Printing & Forms	382	750	250	250	0.00%
Utilities	10,403	6,600	6,000	6,600	10.00%
Telephone	3,631	4,000	3,700	4,000	8.11%
Legal Advertising	707	2,500	2,500	3,000	20.00%
General Plan Expense	0	0	0	0	0.00%

<b>Total Other Services &amp; Charges</b>	18,596	19,050	18,350	19,650	7.08%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Computer Software (ArcGis)		\$4,750			
Totals	\$0	\$4,750	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Cottonwood Economic Development Council (CEDC) is a public-private partnership dedicated to fostering a cooperative approach to economic development. As a committee of the Cottonwood Chamber of Commerce, the CEDC coordinates with a number of other key organizations in the area to promote an environment in which business thrives. The Mission of the CEDC is to enrich the diverse economic, social and cultural environment of our community.

**FY 2016 Accomplishments:**

- \* Received a \$45,000 grant from The Nature Conservancy for the Verde River Recreation Plan for the planning of the enhancement of the Jail Trail System and access to the Verde River through the Riverfront Park
- \* Finalized the startup of the non-profit Arts and Culture Committee of the CEDC that focuses on integrating arts and culture
- \* The CEDC successfully split off from Cottonwood's Chamber of Commerce and formed its own 501 (c)(6) organization that will assist in furthering the interests of businesses in the city. The CEDC will receive 15% of the city's bed tax

**FY 2017 Goals:**

- \* Identify and acquire financial resources for the implementation of the Verde River Recreation Plan aimed at signage and alignment of trails
- \* Assist in identifying small businesses that qualify for financial support from the Verde Valley Regional Economic Organization (VVREO) for revolving loans. Funding is through a \$605,000 grant the VVREO received from the United States Department of Agriculture (USDA)
- \* Identify job related needs and educational expectations of the healthcare industry as this industry will be expanding
- \* Identify transportation and logistics needs for the growing agribusiness (grape/wine production) in the Valley

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Enhance our position as the economic center of the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Department Goal:</b>	Increase the level of business retention and expansion of existing business			
<b>Objective:</b>	Help increase local business effectiveness leading to better retention rates and expansion			
<b>Type of Measure:</b>				
<b>Tool:</b>	Business retention and expansion surveys			
<b>Frequency:</b>	Yearly			
<b>Scoring:</b>	Increase/decrease yearly			
<b>Trend:</b>			Estimated	Anticipated
<b>Measures:</b>	2014	2015	2016	2017
Number of businesses retained	10	10	10	11
Number of expansions	15	15	15	15
<b>City Council Goal:</b> Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism				
<b>Department Goal:</b> Increase the level of new businesses interested in locating in Cottonwood				
<b>Objective:</b> Increase lead activity				
<b>Type of Measure:</b>				
<b>Tool:</b> County reports, business registrations				
<b>Frequency:</b> Annual				
<b>Scoring:</b> Increase/decrease from prior year				
<b>Trend:</b> up				
		Actual	Estimated	Anticipated
		2014	2015	2016
		2017		
Unemployment Rate (Yavapai County)				
		8%	5%	5%
		5%		
Number of new businesses				
		10	10	10
		11		
<b>City Council Goal:</b> Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism				
<b>Department Goal:</b> Provide excellent customer service and more value added use of facility and 100% occupancy				
<b>Objective:</b> Increase usage of facility				
<b>Type of Measure:</b>				
<b>Tool:</b> Usage reports, training surveys				
<b>Frequency:</b> Yearly				
<b>Scoring:</b> Desired growth would be 50 new customers per year				
<b>Trend:</b> level				
		Actual	Estimated	Anticipated
		2014	2015	2016
		2017		
Number of business people using facility				
		300	300	300
		300		
Number of leases (maximum occupancy 4 businesses)				
		3	3	3
		4		
Number of satisfied trainees				
		250	200	200
		200		
<b>City Council Goal:</b> Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism				
<b>Department Goal:</b> Increase exposure to outside value added resources, i.e. ACA, AAED, etc.				
<b>Objective:</b> Increase the level of support from outside sources to help grow our economy				
<b>Type of Measure:</b>				
<b>Tool:</b> Arizona Commerce Authority reports				
<b>Frequency:</b> Annual				
<b>Scoring:</b> Steady increase desired				
		Actual	Estimated	Anticipated
		2014	2015	2016
		2017		
Number of Leads from Arizona Commerce Authority				
		3	5	n/a
		3		
Grant dollars received				
		\$50,000	\$60,000	\$45,000
		\$60,000		

General Government		Economic Development		Fund 01 - General Fund		Cost Center	6000
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$176,226	\$186,180	\$189,890	\$196,410	3.43%		
Operating Supplies	3,014	1,075	620	770	24.19%		
Contractual Services	328	250	250	250	0.00%		
Other Services and Charges	49,278	49,000	92,050	47,900	-47.96%		
Capital Outlay		0	2,715	0	-100.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$228,846</b>	<b>\$236,505</b>	<b>\$285,525</b>	<b>\$245,330</b>	<b>-14.08%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$245,330	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Economic Development Manager	1.00	1.00	1.00	6,159	9,076	\$101,841
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	35,335
COLA						0
Merit Contingency						5,554
Longevity						0
Temporary / Reserves						0
Overtime						500
Retirement						16,440
Insurance & Taxes						36,740
Employee Related Expenses						0
<b>Totals</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>			<b>\$196,410</b>

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000	
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	613	700	600	750	25.00%
Copier Supplies	41	250	0	0	0.00%
Postage & Freight	39	25	20	20	0.00%
Gas & Oil	0	100	0	0	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	2,320	0	0	0	0.00%

<b>Total Supplies</b>	<b>3,014</b>	<b>1,075</b>	<b>620</b>	<b>770</b>	<b>24.19%</b>
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**Contractual Services**

Computer Support	328	250	250	250	0.00%
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<b>Total Contractual Services</b>	<b>328</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>0.00%</b>
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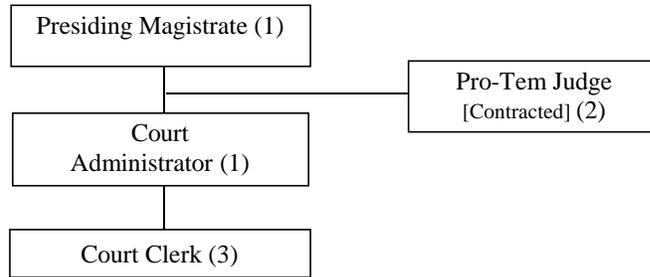
**Other Services and Charges**

Travel & Training	3,549	2,500	2,500	2,500	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	830	1,500	1,400	1,400	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	10,464	11,000	9,200	10,000	8.70%
Telephone	1,393	1,500	1,450	1,500	3.45%
Legal Advertising	82	0	0	0	0.00%
Focus on Success	32,961	32,500	32,500	32,500	0.00%
Nature Conservancy Grant	0	0	45,000	0	-100.00%

<b>Total Other Services &amp; Charges</b>	<b>49,278</b>	<b>49,000</b>	<b>92,050</b>	<b>47,900</b>	<b>-47.96%</b>
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<b>Supplemental Data: Capital Outlay</b>				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
Copier				
Computer				
City Branding				
Miscellaneous Building Accessories			\$2,715	
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,715</b>	<b>\$0</b>

**Organizational Chart:**



**General Information:**

The mission of the Cottonwood Municipal Court is to administer justice efficiently with respect and fairness to all parties according to the law. The Cottonwood Municipal Court is responsible for all judicial functions within the city limits. These functions include the processing of violations including Criminal Misdemeanors, Criminal Traffic offenses, Civil Traffic complaints, and violations of City Ordinances and Codes. The court is also responsible for the issuance of protective orders, search warrants, and does wedding officiating. The Court is accountable to the Arizona Supreme Court and the Presiding Judge of the Yavapai County Superior Court for judicial matters, and reports to the City Council regarding financial and administrative matters not unique to court operations.

**FY 2016 Accomplishments:**

- \* Hosted court-related continuing education training for court staff and other non-judicial staff in the Verde Valley. This reduced travel and training costs
- \* Migrated all leased Arizona Court Automation Program (ACAP) equipment to new PCs with the Windows 8.1 operating system to keep pace with technology advances. The Arizona Supreme Court's Administrative Office of the Courts (AOC) provides access to the statewide judiciary network
- \* Assisted the Motor Vehicle Division (MVD) with reviewing approximately 2,800 open motor vehicle violations and transmitted updated information to them. The open charges were license suspension violations dating back to July 1998
- \* Reviewed approximately 242 collection cases that were disqualified for collections and updated case information when then made them eligible for collection
- \* Established access to the City network and Springbrook software what will improve the execution of specific City business functions
- \* Implemented new standard reporting requirements mandated by the Supreme Court. The new reporting standards, recommended by the National Center for State Courts, measure the timely disposition of court cases by case type
- \* Hosted court field trips for Mingus Union High School students and for Classical Conversations homeschool students. The court also hosted a mock trial event for the classical Conversations homeschool students between the ages of 13-15 years

**FY 2017 Goals:**

- \* Develop policy and procedures to implement electronic scanning of case files by case type
- \* Install video surveillance equipment, purchased with Court Enhancement funds, throughout the Municipal Court building for the protection of court staff, court users, and the general public
- \* Develop policy and procedures to implement financial receivables and disbursements electronically in the Springbrook software

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	1310		
<b>Performance Indicators</b>						
<b>City Council Goal:</b> Strive to maintain a uniquely desirable and sustainable community						
<b>Department Goal:</b> Ensure the public receives adequate access to court services and is treated fairly						
<b>Objective:</b> Measure public access and fairness by conducting an annual survey						
<b>Type of Measure:</b> Outcome						
<b>Tool:</b> Survey						
<b>Frequency:</b> Annual						
<b>Scoring:</b> Increase/decrease from prior year						
<b>Trend:</b> Rating of 90-100%						
<b>Measures:</b>			Actual	Estimated	Anticipated	
			2014	2015	2016	2017
National Center for State Courts (NCSC) Court Tools Survey Measure #1 Access & Fairness Survey			90%	84%	90%	90%

<b>City Council Goal:</b> Strive to maintain a uniquely desirable and sustainable community						
<b>Department Goal:</b> Manage cases in compliance with time management standards requirements						
<b>Objective:</b> Measure case filings and terminations to clearance rates						
<b>Type of Measure:</b> Number of filings to term						
<b>Tool:</b> Total incoming cases vs. total outgoing cases						
<b>Frequency:</b> Annual by calendar year						
<b>Scoring:</b> Increase/decrease from prior year						
<b>Trend:</b> Clearance rate equal and greater than 100% due to closure of case files from previous years						
<b>Measures:</b>			Actual	Estimated	Anticipated	
			2014	2015	2016	2017
National Center for State Courts (NCSC) Court Tools Measure #2 Clearance rates			104%	108%	100%	106%

<b>City Council Goal:</b> Strive to maintain a uniquely desirable and sustainable community						
<b>Department Goal:</b> Improve operational efficiency and processing of cases						
<b>Objective:</b> Measure payments collected as a percentage of total monetary penalties						
<b>Type of Measure:</b> Number of payments to total receivables						
<b>Tool:</b> Total incoming payments vs. outstanding receivables						
<b>Frequency:</b> Annual by calendar year						
<b>Scoring:</b> Increase/decrease from prior year						
<b>Trend:</b> Rating of 90-100%						
<b>Measures:</b>			Actual	Estimated	Anticipated	
			2014	2015	2016	2017
National Center for State Courts (NCSC) Court Tools Measure #7 Collection of Monetary Penalties			90%	100%	100%	100%

General Government		Municipal Court		Fund 01 - General Fund		Cost Center	1310
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$369,252	\$409,995	\$405,095	\$424,155	4.71%		
Operating Supplies	7,563	8,300	7,010	7,510	7.13%		
Contractual Services	76,124	66,950	66,500	72,500	9.02%		
Other Services and Charges	43,518	84,200	70,245	79,900	13.74%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$496,457</b>	<b>\$569,445</b>	<b>\$548,850</b>	<b>\$584,065</b>	<b>6.42%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$584,065	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Presiding Magistrate	1.00	1.00	1.00	Contract		\$115,700
Court Administrator	1.00	1.00	1.00	4,377	6,450	63,498
Court Clerk II	0.00	1.00	1.00	2,821	4,158	40,932
Court Clerk I	3.00	2.00	2.00	2,559	3,771	77,424
COLA						0
Merit Contingency						7,056
Longevity						0
Temporary / Reserves/ Pro Temp						10,000
Overtime						0
Retirement						34,970
Insurance & Taxes						74,575
Employee Related Expenses						0
<b>Totals</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>			<b>\$424,155</b>

General Government	Municipal Court	Fund 01 - General Fund		Cost Center	1310
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	4,506	4,400	3,000	3,500	16.67%
Copier Supplies	323	500	500	500	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	1,959	2,600	2,710	2,710	0.00%
Postage & Freight	775	800	800	800	0.00%

<b>Total Supplies</b>	7,563	8,300	7,010	7,510	7.13%
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**Contractual Services**

Computer Support	10,040	9,950	9,500	10,500	10.53%
Court Appointed Attorney	55,485	42,000	42,000	42,000	0.00%
Contractual Services	10,599	15,000	15,000	15,000	0.00%
Court Audit	0	0	0	5,000	0.00%

<b>Total Contractual Services</b>	76,124	66,950	66,500	72,500	9.02%
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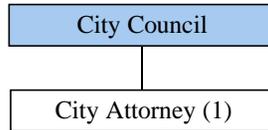
**Other Services and Charges**

Travel & Training	3,036	4,600	2,950	3,500	18.64%
Subscriptions & Memberships	1,174	1,650	2,100	2,100	0.00%
Printing & Forms	1,112	1,550	1,200	1,600	33.33%
Legal Advertising	179	0	0	0	0.00%
Utilities	11,732	12,000	11,000	12,000	9.09%
Telephone	4,949	4,500	3,750	4,500	20.00%
Jury Fees	168	200	200	200	0.00%
JCEF Fund Expenses	1,165	11,700	1,045	16,000	1431.10%
FTG-Fill The Gap Expense	12,615	8,000	8,000	0	-100.00%
Court Enhancement Expenses	7,387	40,000	40,000	40,000	0.00%

<b>Total Other Services &amp; Charges</b>	43,518	84,200	70,245	79,900	13.74%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Legal Department has the duty of representing and advising the City of Cottonwood on all legal matters. The City Attorney’s responsibilities include furnishing oral and written legal opinions on legal issues, consulting with the Mayor and City Council and department heads, and representing the City of Cottonwood in City Court, Superior Court and Appellate Courts. In addition, the City Attorney prepares all ordinances and resolutions, reviews all contracts, and provides for the prosecution of criminal misdemeanor cases.

**FY 2016 Accomplishments:**

- \*
- \*
- \*
- \*

**FY 2017 Goals:**

- \*
- \*
- \*

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Legal Department	Fund 01 - General Fund	Cost Center	1300
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	<i>* New Performance Indicators are being developed for this department *</i>			
<b>Department Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>City Council Goal:</b>				
<b>Department Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

General Government		Legal Department		Fund 01 - General Fund		Cost Center	1300
<b>Summary by Category</b>							
Expenditure Category	2015		2016		2017	Percent Change	
	Actual	Budget	Revised	Final			
Personnel	\$225,459	\$234,220	\$236,595	\$244,140		3.19%	
Operating Supplies	264	125	25	25		0.00%	
Contractual Services	167,925	170,000	182,000	190,000		4.40%	
Other Services and Charges	6,204	7,850	5,960	7,300		22.48%	
Capital Outlay	2,015	0	0	0		0.00%	
Debt Service	0	0	0	0		0.00%	
<b>Department Totals</b>	<u>\$401,868</u>	<u>\$412,195</u>	<u>\$424,580</u>	<u>\$441,465</u>		<u>3.98%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$441,465	100.00%
<b>Total Funding</b>		<u>100.00%</u>

General Government		Legal Department		Fund 01 - General Fund		Cost Center	1300
<b>Supplemental Data: Personnel</b>							
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017	
	2015	2016	2017	Minimum	Maximum	Budget	
City Attorney	1.00	1.00	1.00	Contract		\$182,957	
COLA						0	
Vehicle Allowance						5,400	
Merit Contingency						8,393	
Longevity						0	
Temporary / Reserves						0	
Overtime						0	
Retirement						22,590	
Insurance & Taxes						24,800	
Employee Related Expenses						0	
<b>Totals</b>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$244,140</u>	

General Government	Legal Department	Fund 01 - General Fund			Cost Center	1300
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Office Supplies	255	100	0	0	0.00%
Copier Supplies	8	0	0	0	0.00%
Postage & Freight	2	25	25	25	0.00%
<b>Total Supplies</b>	<b>264</b>	<b>125</b>	<b>25</b>	<b>25</b>	<b>0.00%</b>

**Contractual Services**

Prosecuting Attorney	88,000	90,000	90,000	90,000	0.00%
Contractual Services	79,925	80,000	92,000	100,000	8.70%
<b>Total Contractual Services</b>	<b>167,925</b>	<b>170,000</b>	<b>182,000</b>	<b>190,000</b>	<b>4.40%</b>

**Other Services and Charges**

Travel & Training	260	2,500	350	1,500	328.57%
Subscriptions & Memberships	3,775	3,000	3,660	3,700	1.09%
Printing & Forms	16	0	0	0	0.00%
Utilities	366	600	300	350	16.67%
Telephone Expense	1,787	1,750	1,650	1,750	6.06%
Legal Advertising	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>6,204</b>	<b>7,850</b>	<b>5,960</b>	<b>7,300</b>	<b>22.48%</b>

<b>Supplemental Data: Capital Outlay</b>						
Item Description	2015	2016		2017		
	Actual	Budget	Revised	Final		
Computer	\$2,015					
<b>Totals</b>	<b>\$2,015</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		

**General Information:**

The Non-Departmental Department was established to account for short term lease purchase agreements and other contractual services. This department budgets the City's contribution to Yavapai County for health and emergency services, accounts for the City's contribution to the Verde Valley Chamber of Commerce, and the payment of liability insurance.

This department now accounts for Operating Transfers from the General Fund to all other funds needing additional revenues for continued operations as well as paying and monitoring the City's Lease Purchase contracts.

**FY 2016 Accomplishments:**

- \* Executed prompt payment of all City capital leases
- \* Executed prompt payment of all City Debt Service
- \* Settled all claims promptly through the Risk Management Manager

**FY 2017 Goals:**

- \* Reconcile operating transfer-outs at the end of every fiscal year
- \* Maintain prompt payment of all City capital leases
- \* Maintain prompt payment of all City Debt Service

**Budget Highlights:**

There are no significant changes to this budget.

General Government	Non-Departmental Department	Fund 01 - General Fund	Cost Center	1800
<b>Performance Indicators</b>				
<b>City Council Goal:</b> * <i>New Performance Indicators are being developed for this department</i> *				
<b>Department</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
				2017

<b>City Council Goal:</b>				
<b>Department</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
				2017

<b>FY 2016 Goals:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
				2017

General Government Non-Departmental Department		Fund 01 - General Fund			Cost Center	1800
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	2,879	3,500	5,750	3,500	-39.13%	
Other Services and Charges	435,981	444,000	490,260	515,000	5.05%	
Operating Transfers	816,749	826,810	832,915	1,106,180	32.81%	
Debt Service	484,197	433,475	433,445	433,490	0.01%	
<b>Department Totals</b>	<u>\$1,739,806</u>	<u>\$1,707,785</u>	<u>\$1,762,370</u>	<u>\$2,058,170</u>	<u>16.78%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$2,058,170	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

General Government	Non-Departmental Depart	Fund 01 - General Fund			Cost Center	1800
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

N/A	0	0	0	0	0.00%
<b>Total Supplies</b>	0	0	0	0	0.00%

**Contractual Services**

Auction Fees	2,879	3,500	3,500	3,500	0.00%
State and Federal Fines & Fees	0	0	2,250	0	-100.00%
Contractual Services	0	0	0	0	0.00%
Trustee Fees	0	0	0	0	0.00%
<b>Total Contractual Services</b>	2,879	3,500	5,750	3,500	-39.13%

**Other Services and Charges**

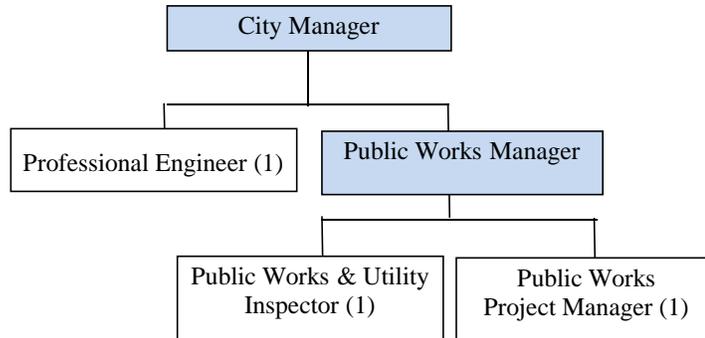
Liability Insurance	257,681	294,000	294,000	294,000	0.00%
Liability-Claims Deductible	16,996	20,000	20,000	20,000	0.00%
Chamber of Commerce	161,305	130,000	176,260	201,000	14.04%
<b>Total Other Services &amp; Charges</b>	435,981	444,000	490,260	515,000	5.05%

**Debt Service**

Lease Payment - Police Cars- 09/10	43,460	0	0	0	0.00%
Lease Payment - Fire Truck - SunTrust	10,543	0	0	0	0.00%
Lease Payment - Mobile Data Terminals	0	0	0	0	0.00%
Lease Payment - City Wide FY 12	115,250	122,180	121,980	124,600	2.15%
Lease Payment - Communications Center	165,094	166,750	166,750	169,700	1.77%
Lease Payment - FY13 City Wide	121,327	123,285	123,285	125,270	1.61%
Interest -LP PD VEH 09-10	1,259	0	0	0	0.00%
Interest -LP Fire Rescue	246	0	0	0	0.00%
Interest -LP Mobile Data	0	0	0	0	0.00%
Interest -LP - FY12 City Wide	6,530	4,380	4,550	1,970	-56.70%
Interest -LP Communications Center	12,990	11,335	11,335	8,390	-25.98%
Interest -LP FY13 City Wide	7,499	5,545	5,545	3,560	-35.80%
<b>Total Debt Service</b>	484,197	433,475	433,445	433,490	0.01%

<b>Supplemental Data: Operating Transfers</b>						
Item Description	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Operating Transfers - HURF-Streets/Transit					0.00%	
Operating Transfers - HURF-Transit				\$ 200,000	0.00%	
Operating Transfers - Library	\$785,690	\$ 801,285	\$ 790,715	853,240	7.91%	
Operating Transfers - Cemetery	31,059	25,525	33,200	37,200	12.05%	
Operating Transfers - Airport			9,000	15,740	74.89%	
Operating Transfers - Debt Services					0.00%	
	\$816,749	\$826,810	\$832,915	\$1,106,180		

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Engineering Services Department executes plans, examination of private development improvements and subdivisions. Public and private development improvements inspections. As well as the responsibility of ensuring that all structures, utilities and construction within the city limits are constructed and maintained to comply with the minimum safety standards as set forth in the Proposed Building codes. This includes but is not limited to code review, plan review, issuing building permits, field inspections, investigation of complaints and public relations. Engineering Services also supervises certain City building and remodeling projects, and the design of Utility and Streets projects .

**FY 2016 Accomplishments:**

- \* Completed the procurement of contractors to execute new street striping and bi-annual city-wide street striping
- \* The Engineering department completed the construction of the stretch of 12<sup>th</sup> Street that is located between Fir Street and Hwy 89A. This project involved street reconstruction and modernization that included new curbs, gutters, sidewalks, paving, an 8" reclaimed water line and an 8" domestic waterline.
- \* Completed design services for the Public Restroom Project which included adding two new restroom facilities at Garrison Park and the 12<sup>th</sup> Street Kids park along with the remodeling of the adult softball restroom facility

**FY 2017 Goals:**

- \* Complete the street construction project on Mingus Avenue, between Willard Street and 10<sup>th</sup> Street
- \* Complete the design of the street construction project for Mingus Avenue, between 10<sup>th</sup> Street and Main Street. This design will include new curbs, gutters, sidewalks, and improvements of pavement and drainage
- \* Complete city-wide Master Drainage Study
- \* Begin a study of the Old Town/Del Monte flood plain

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Capital expenditures are expected for the Riverfront/Old Town Connection Trail (\$18,000), the Stormwater Program (\$40,500), and the Cottonwood Village Drainage Plan (\$69,000).

General Government	Engineering Services Department	Fund 01 - General Fund	Cost Center	1410	
<b>Performance Indicators</b>					
<b>City Council Goal:</b>	Strive to provide effective and efficient services				
<b>Department Goal:</b>	Keep the turn around time on plans within three weeks for receipt				
<b>Objective:</b>	Return comments to applicants within three weeks of receipt of plan(s) by the Department				
<b>Type of Measure:</b>					
<b>Tool:</b>	Plans submitted				
<b>Frequency:</b>	As necessary				
<b>Scoring:</b>	≥ 90% or greater response time within three weeks time frame				
<b>Trend:</b>	New measure				
<b>Measures:</b>		Actual	Estimated	Estimated	Anticipated
		2014	2015	2016	2017
Percentage of instances in which response time was ≤ 3 weeks		N/A	N/A	90%	90%

<b>City Council Goal:</b>					
<b>Department Goal:</b>					
<b>Objective:</b>					
<b>Type of Measure:</b>					
<b>Tool:</b>					
<b>Frequency:</b>					
<b>Scoring:</b>					
<b>Trend:</b>					
<b>Measures:</b>		Actual	Estimated	Estimated	Anticipated
		2014	2015	2016	2017

<b>City Council Goal:</b>					
<b>Department Goal:</b>					
<b>Objective:</b>					
<b>Type of Measure:</b>					
<b>Tool:</b>					
<b>Frequency:</b>					
<b>Scoring:</b>					
<b>Trend:</b>					
<b>Measures:</b>		Actual	Estimated	Estimated	Anticipated
		2014	2015	2016	2017

General Government		Engineering Services Department		Fund 01 - General Fund		Cost Center	1410
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$365,760	\$387,525	\$310,025	\$267,100	-13.85%		
Operating Supplies	9,235	9,850	9,710	9,500	-2.16%		
Contractual Services	8,436	3,000	22,000	3,000	-86.36%		
Other Services and Charges	18,227	20,750	18,545	17,600	-5.10%		
Capital Outlay	0	0	0	127,500	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$401,659</b>	<b>\$421,125</b>	<b>\$360,280</b>	<b>\$424,700</b>	<b>17.88%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$424,700	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Professional Engineer	1.00	1.00	1.00	5,320	7,840	\$74,501
PW Manager	0.00	1.00	0.00	5,067	7,466	0
PW Project Manager	1.00	1.00	1.00	3,781	5,572	60,954
Drafter/Designer	1.00	0.00	0.00	3,429	5,054	0
Public Works & Utility Inspector	2.00	2.00	1.00	3,266	4,813	39,193
COLA						0
Merit Contingency						6,772
Longevity						0
Overtime						350
Retirement						20,870
Insurance & Taxes						64,460
Employee Related Expenses						
<b>Totals</b>	<b>5.00</b>	<b>5.00</b>	<b>3.00</b>			<b>\$267,100</b>

General Government Engineering Services Department		Fund 01 - General Fund		Cost Center	1410
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	701	1,000	500	600	20.00%
Copier Supplies	162	0	50	50	0.00%
Gas & Oil	4,045	5,000	4,200	4,500	7.14%
Vehicle Maint & Repairs	1,503	1,500	1,800	1,500	-16.67%
Equipment Maint & Repairs	19	500	0	300	0.00%
Operational Supplies	1,677	1,000	2,200	1,500	-31.82%
Clothing Allowance	845	800	910	1,000	9.89%
Postage & Freight	281	50	50	50	0.00%

<b>Total Supplies</b>	<b>9,235</b>	<b>9,850</b>	<b>9,710</b>	<b>9,500</b>	<b>-2.16%</b>
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**Contractual Services**

Computer Support	1,004	1,000	1,000	1,000	0.00%
Contractual Services	7,433	2,000	21,000	2,000	-90.48%

<b>Total Contractual Services</b>	<b>8,436</b>	<b>3,000</b>	<b>22,000</b>	<b>3,000</b>	<b>-86.36%</b>
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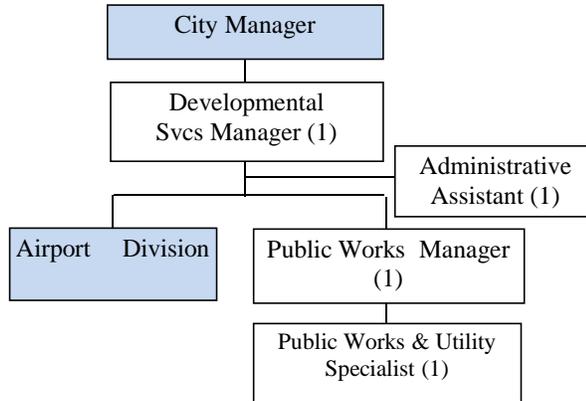
**Other Services and Charges**

Travel & Training	1,523	1,000	4,000	2,500	-37.50%
Subscriptions & Memberships	1,128	2,200	3,000	3,000	0.00%
Printing & Forms	89	50	50	50	0.00%
Legal Advertising	295	0	0	0	0.00%
Utilities	11,633	14,000	7,600	8,000	5.26%
Telephone	3,560	3,500	3,895	4,050	3.98%

<b>Total Other Services &amp; Charges</b>	<b>18,227</b>	<b>20,750</b>	<b>18,545</b>	<b>17,600</b>	<b>-5.10%</b>
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Riverfront/Old Town Connection Trail				\$18,000	
Drainage Plan for Cottonwood Village (Assisted Living)				69,000	
Stormwater Program				40,500	
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$127,500</b>	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

Public Works provides technical and administrative support to the Street, Airport, Facilities Maintenance and Cemetery Divisions. Streets capital projects, such as new street construction, overlays and surface treatments are managed by Public Works staff. With the addition of the Project Manager, building capital projects are managed at Public Works.

**FY 2016 Accomplishments:**

- \* Maintained oversight of services performed for the existing streets, sidewalks, storm water and airport infrastructure and facilities
- \* Successfully conducted free waste drop-off for city residents
- \* Successfully implemented a clean and economic brush burning program that addressed citizen complaints and will cut operation costs for the Transfer Station

**FY 2017 Goals:**

- \* Proceed with the operation of solid waste at the Transfer Station
- \* Complete the procurement of the contractor to execute new street striping and a bi-annual city-wide street striping

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Furthermore, the following Capital projects have been scheduled for Transfer Station Safety Improvements (\$27,500) and Cleanup of the Stock Pile (\$29,500).

General Government	Public Works	Fund 01 - General Fund	Cost Center	1600
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Strive to provide effective and efficient services			
<b>Department Goal:</b>	Keep the Transfer Station open to the public as much as possible			
<b>Objective:</b>	Achieve a positive cash flow based on a 6-day week, 8 hours per day			
<b>Type of Measure:</b>	Cash inflow/cash outflow			
<b>Tool:</b>	Cash reconciliation sheets and Springbrook system			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	Average monthly cost recovery (Revenue ÷ Cost) is positive			
<b>Trend:</b>	Slow cost recovery			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Hours of Operation [weekly]*	48	48	48	48
Revenue [monthly]	\$ 10,670	\$ 10,570	\$ 14,635	\$ 18,335
Operational Cost [monthly]	\$ 10,900	\$ 15,375	\$ 21,190	\$ 21,285
Cost recovery over/(short) [monthly]	-2%	-31%	-31%	-14%
* In FY 2013, the City took over the operations of the Transfer Station from Waste Management and increased the opening hours by 20% increase from 40 to 48 hours per week.				

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

General Government	Public Works	Fund 01 - General Fund			Cost Center	1600
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$322,758	\$349,045	\$261,745	\$370,090	41.39%	
Operating Supplies	6,005	3,950	5,375	6,300	17.21%	
Contractual Services	171,305	150,500	240,500	240,500	0.00%	
Other Services and Charges	10,510	9,150	10,750	11,300	5.12%	
Capital Outlay	0	0	300	57,000	18900.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$510,578</b>	<b>\$512,645</b>	<b>\$518,670</b>	<b>\$685,190</b>	<b>32.11%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$465,190	67.89%
Transfer Station Fees	220,000	32.11%
	<b>Total Funding</b>	<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Developmental Svcs Manager	1.00	1.00	1.00	5865	8643	\$82,751
PW Manager	0.00	0.00	1.00	5067	7466	66,582
PW Project Manager	1.00	1.00	0.00	4596	6772	0
PW & Utility Specialist	1.00	1.00	1.00	2962	4365	48,901
Administrative Assistant	1.00	1.00	1.00	2559	3771	37,809
COLA						0
Merit Contingency						6,677
Longevity						0
Temporary / Reserves						25,000
Overtime						2,500
Retirement						31,020
Insurance & Taxes						68,850
Employee Related Expenses						0
<b>Totals</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>			<b>\$370,090</b>

General Government	Public Works	Fund 01 - General Fund		Cost Center	1600
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	2,227	1,200	2,800	3,000	7.14%
Copier Supplies	544	1,000	1,000	1,000	0.00%
Gas & Oil	244	500	0	0	0.00%
Vehicle Maint & Repairs	623	500	500	500	0.00%
Equipment Maint & Repairs	492	250	200	1,000	400.00%
Operational Supplies	1,619	450	800	750	-6.25%
Postage & Freight	256	50	75	50	-33.33%

<b>Total Supplies</b>	6,005	3,950	5,375	6,300	17.21%
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**Contractual Services**

Computer Support	474	500	500	500	0.00%
Contractual Services	170,831	150,000	240,000	240,000	0.00%

<b>Total Contractual Services</b>	171,305	150,500	240,500	240,500	0.00%
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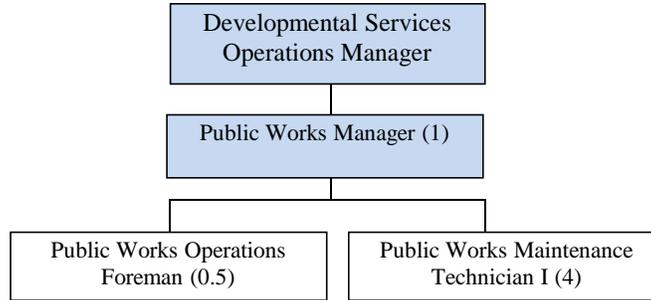
**Other Services and Charges**

Travel & Training	538	350	350	350	0.00%
Subscriptions & Memberships	680	0	0	0	0.00%
Utilities	3,547	3,100	4,450	4,750	6.74%
Telephone	5,678	5,700	5,950	6,200	4.20%
Legal Advertising	66	0	0	0	0.00%

<b>Total Other Services &amp; Charges</b>	10,510	9,150	10,750	11,300	5.12%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Transfer Station Safety Improvements				\$27,500	
Stockpile Cleanup				29,500	
Copier			\$300		
<b>Totals</b>	\$0	\$0	\$300	\$57,000	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Parks & Building Maintenance Department provides necessary and functional support to all other departments through building/facilities maintenance management. The department also has overall caretaker responsibilities for total grounds maintenance programs of more than 34 acres of park lands, open space areas, cemetery facilities and approximately 180,000 square feet of buildings operated by the municipality.

**FY 2016 Accomplishments:**

- \* Completed the improvements of the irrigation system at the Riverfront Park
- \* Successfully implemented the weed spraying program for the city

**FY 2017 Goals:**

- \* Remove cemetery from the potable water system and connect it to the Riverfront Park irrigation system

**Budget Highlights:**

Capital has been budgeted for Blinds for the Public Works Building (\$1,500), Repainting of the Public Works Building (\$3,500), Tires for the Terex (\$6,000), and Maintenance of the Little League Complex (\$3,000). Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

General Government	Parks & Building Maintenance Department	Fund 01 - General Fund	Cost Center	1610
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Department Goal:</b>	Maintain existing acres of field mowed			
<b>Objective:</b>	Mow all City owned/maintained turf weekly during mowing season			
<b>Type of Measure:</b>	Acres of field mowed			
<b>Tool:</b>	System monitoring			
<b>Frequency:</b>	Weekly			
<b>Scoring:</b>	Field acre			
<b>Trend:</b>	Maintain existing acres of field mowed			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Acres of turf	33	33	33	33

<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Department Goal:</b>	Provide park, grounds and building maintenance and respond in a timely manner			
<b>Objective:</b>	Begin tracking work orders and respond to 75% of work orders within 48 hours			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Work Orders			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	% above 75%			
<b>Trend:</b>	NA			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Total number of work orders	N/A	N/A	N/A	N/A
Percentage of work orders responded to within 48 hours	N/A	N/A	N/A	75%

General Government		Parks & Building Maintenance Department		Fund 01 - General Fund		Cost Center	1610
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$233,139	\$325,350	\$328,215	\$318,875	-2.85%		
Operating Supplies	46,826	48,720	50,500	59,400	17.62%		
Contractual Services	32,900	3,200	500	500	0.00%		
Other Services and Charges	75,256	38,600	48,070	36,900	-23.24%		
Capital Outlay	1,231	350,000	330,000	14,000	-95.76%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$389,352</u>	<u>\$765,870</u>	<u>\$757,285</u>	<u>\$429,675</u>	<u>-43.26%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$429,675	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Public Works Superintendent	0.50	0.00	0.00	4,377	6,450	\$0
PW Operations Foreman	0.00	0.50	0.50	3,601	5,306	22,698
Facilities Maint Technician III	1.00	0.00	0.00	2,321	3,421	0
PW Maintenance Technician I	4.00	5.00	4.00	2,211	3,258	135,296
COLA						0
Merit Contingency						4,856
Longevity						0
Holiday Pay						250
Clothing Allowance						1,500
Overtime						3,000
Temporary Employees						52,000
Retirement						19,070
Insurance & Taxes						80,205
Employee Related Expenses						0
Totals	<u>5.50</u>	<u>5.50</u>	<u>4.50</u>			<u>\$318,875</u>

General Government	Parks & Building Maintenance Department	Fund 01 - General Fund	Cost Center	1610	
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	60	0	500	500	0.00%
Gas & Oil	10,414	14,000	8,500	10,500	23.53%
Vehicle Maint & Repairs	4,165	4,700	8,000	6,200	-22.50%
Equipment Maint & Repairs	7,010	5,000	8,500	8,200	-3.53%
Grounds/Parks Maintenance Supplies	25,170	25,000	25,000	34,000	36.00%
Postage/Freight	6	20	0	0	0.00%

<b>Total Supplies</b>	46,826	48,720	50,500	59,400	17.62%
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**Contractual Services**

Computer Support	685	1,200	500	500	0.00%
Contractual Services	19,276	2,000	0	0	0.00%
Ground Maintenance Contract	12,938	0	0	0	0.00%

<b>Total Contractual Services</b>	32,900	3,200	500	500	0.00%
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**Other Services and Charges**

Travel & Training	1,076	1,000	1,200	4,000	233.33%
Utilities	15,294	7,500	10,650	11,200	5.16%
Telephone	843	1,000	1,200	1,200	0.00%
Tools	2,252	3,000	3,000	3,000	0.00%
Equipment Rental	0	800	350	500	42.86%
Maintenance & Repairs (city buildings)	53,415	24,100	30,670	16,000	-47.83%
Vandalism Repairs	2,376	1,200	1,000	1,000	0.00%

<b>Total Other Services &amp; Charges</b>	75,256	38,600	48,070	36,900	-23.24%
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Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Miscellaneous Supplies	\$1,231				
Tires (for Terex)				\$6,000	
Maintenance Public Parking Lots		\$300,000	\$300,000		
Rehabilitation (ongoing) of Park Irrigation Systems		30,000	30,000		
Repainting of Public Works Building				3,500	
Blinds for Public Works Building				1,500	
Little League Complex - Maintenance				3,000	
Ground Maintenance Supplies for Park Improvements		20,000			
<b>Totals</b>	<b>\$1,231</b>	<b>\$350,000</b>	<b>\$330,000</b>	<b>\$14,000</b>	

**Organizational Chart:** None

**General Information:**

Custodial Services is a division of the Community Services Department that handles the cleaning of all City-owned buildings. This division does not deal with grounds-keeping issues.

**FY 2016 Accomplishments:**

- \* Outsourcing of custodial services for City-wide, full-service cleaning operations continues to save the City approximately \$50,000-75,000 annually. Cost savings based on a review in 2011-12 of outsourcing costs versus in-house service operations continue to be accurate for this budget cycle
- \* Completed the first full year of cleaning operations per custodial contract with a 3-day a week cleaning schedule, at the Emergency Operations Center (EOC) and the Community Development Services buildings

**FY 2017 Goals:**

- \* Seek ways to maintain and increase efficiency in full-service operations with less funding available to support services
- \* Provide cross-over communications from City staff to contractor's personnel through communication logs, web site ratings, monthly inspection reports, and e-mail system reports/evaluations
- \* Provide accountability and quality control by establishing high level ratings based on monthly contract evaluations and through monthly departmental communications. Aim to keep response times from contractor to within one hour of departmental complaint or concern

**Budget Highlights:**

There is a decrease in the amount budgeted for custodial services due to a redistribution of the budgeted funds.

Culture & Recreation	Custodial Services	Fund 01 - General Fund	Cost Center	1620	
<b>Performance Indicators</b>					
<b>City Council Goal:</b>	Providing excellence and quality in delivering a healthy and sanitary work environment to staff employees and the visiting public at all City buildings and facilities				
<b>Department Goal:</b>	Continue to provide quality full service custodial operations with a constant reliance upon efficiency and satisfaction of the City staff and public served				
<b>Objective:</b>	Increase quality control and effective communications to staff thereby mitigating poor services City-wide.				
<b>Type of Measure:</b>	Quality control is reviewed by Liaison Staff within 14 department areas monthly through grading format. Inspections are conducted along with monitoring communications and time of response from contractor to eliminate identified issues. Response time not to exceed 2 hours from time of reporting.				
<b>Tool:</b>	Monthly evaluation point totals on Service Review forms. Reviewed by General Manager and submitted to Contractor				
<b>Frequency:</b>	Monthly				
<b>Scoring:</b>	Points between 1-10 pertaining to scores are awarded monthly. Monthly totals are then averaged annually.				
<b>Trend:</b>	Upward				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Increase in overall monthly averages as totaled on an annual basis		1%	2%	1%	1%

Culture & Recreation		Custodial Services		Fund 01 - General Fund		Cost Center	1620
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	1,821	0	0	0	0.00%		
Contractual Services	149,428	225,510	157,000	160,000	1.91%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$151,249</u>	<u>\$225,510</u>	<u>\$157,000</u>	<u>\$160,000</u>	<u>1.91%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$160,000	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Custodian	0.00	0.00	0.00	N/A		\$0
Clothing Allowance						0
Merit Contingency						0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Culture & Recreation	Custodial Services	Fund 01 - General Fund			Cost Center	1620
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Janitorial Supplies	1,821	0	0	0	0.00%
<b>Total Supplies</b>	<u>1,821</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>

**Contractual Services**

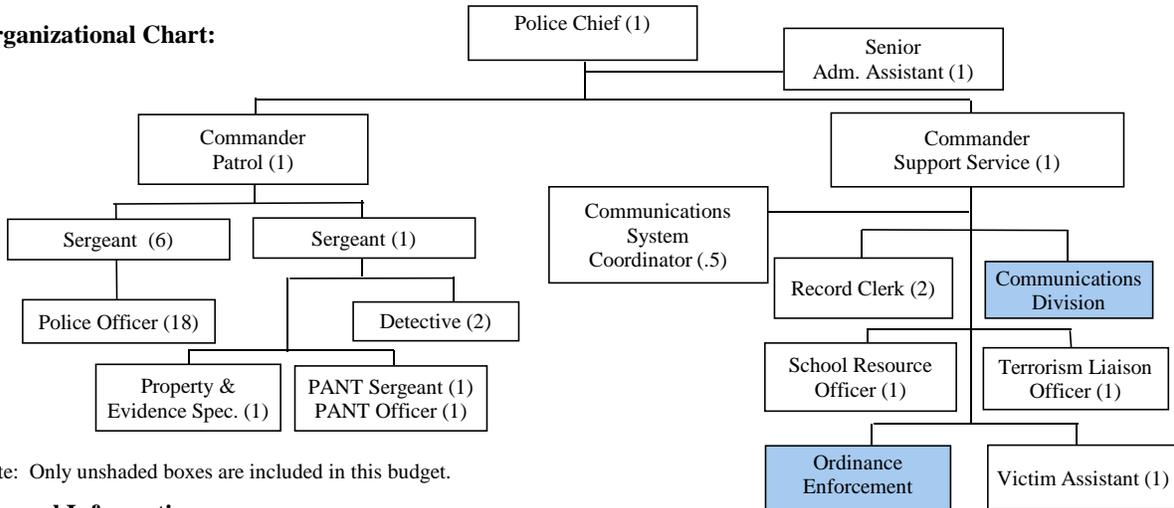
Custodial Contract	149,428	225,510	157,000	160,000	1.91%
<b>Total Contractual Services</b>	<u>149,428</u>	<u>225,510</u>	<u>157,000</u>	<u>160,000</u>	<u>1.91%</u>

**Other Services and Charges**

Equipment Rental	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>

<b>Supplemental Data: Capital Outlay</b>						
Item Description	2015	2016		2017		
	Actual	Budget	Revised	Final		
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Police Department’s mission statement is: “To create a community partnership by fair, courteous and efficient public service.” The Police Department provides the community with protection of life and property through both residential and commercial patrol, along with an array of specialty programs. Drug prevention and criminal apprehension are enhanced by the use of a police service dog. Motorcycle patrol is utilized in accident investigation and prevention. Major felony investigations and case follow-up are provided through detective positions.

**FY 2016 Accomplishments:**

- \* Acquired appropriate number of body-worn cameras to ensure every on-duty officer can be equipped with one in order to increase transparency, improve quality of criminal investigations, and decrease use-of-force incidents and citizen complaints
- \* Leveraged a \$30,000 grant from the Department of Homeland Security to acquire new ballistic vests for officers' safety on the regional SWAT team
- \* Obtained funding from the Governor's Office of Highway Safety (GOHS) for DUI (\$20,000) and special traffic enforcement details (\$10,000)
- \* Participated and acted as the main supporting agency, of four that participated, for the Sheriff's Office in underage prostitution stings throughout five different operations focusing on traffickers and criminals exploiting our vulnerable youth. Cottonwood detectives made 13 of the 36 arrests, i.e. 36%, during these stings resulting in subsequent criminal prosecutions
- \* Conducted Crime Free Multi-Housing training in apartment complexes in the area, a crime prevention program aimed at reducing crime in these buildings
- \* Purchased traffic enforcement vehicle with \$46,390 grant funding from the GOHS
- \* Conducted one of the largest National Night Out campaigns that brought hundreds of people together creating a sense of community

**FY 2017 Goals:**

- \* Develop a 5-year Strategic Plan to increase organizational efficiency to improve the service levels to the community
- \* Review and revise the Police policy manual and place it into an automated format so policies can be updated in a timely manner reflecting best practices in order to reduce liability and increase customer services
- \* Collaborate with other stakeholders to reduce the adverse impacts of homelessness
- \* Implement several initiatives to improve transparency and connectivity with the community that will include leveraging available technology and the formation of a "citizens police chief's advisory council"
- \* Implement improved crime prevention strategies for problem areas
- \* Implement a "Neighborhood Officer Program" to aide in identifying community issues, concerns, problems, and crime trends that affect quality of life. The program will also offer city another conduit for contacting the Police department

**Budget Highlights:**

Capital has been budgeted in the amount of \$151,065 for equipment and patrol vehicles [lease]. A grant has been budgeted for \$78,055 for a Victim Assistant. Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

Public Safety	Police Department	Fund 01 - General Fund	Cost Center	2000
<b>Performance Indicators</b>				
<b>Strategic Goal/ValueStatement:</b> Improve community safety and provide information about community support services				
<b>Goal:</b>	Reduce the number of aggressive solicitation complaints and transient behavior within the City			
<b>Objective:</b>	Proactive			
<b>Type of Measure:</b>	Volume of CAD Calls			
<b>Tool:</b>	"Transient" keyword search RMS			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Increase/decrease			
<b>Trend:</b>	Decrease			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Total CAD Calls	64	123	146	73

<b>Strategic Goal/ValueStatement:</b> Improve the Police Departments transparency and value to the community				
<b>Goal:</b>	Increase/improve the number of community programs.			
<b>Objective:</b>	Increase the 'value' of the Police Department through community programs			
<b>Type of Measure:</b>	Number of programs			
<b>Tool:</b>	Programs			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Increase			
<b>Trend:</b>	Increase/improve			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Program Totals	7	7	8	12

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
Copier		\$7,100	\$7,100	
Vista Wearable Camera Warranty				\$6,380
Patrol Vehicles (2) [Lease]				126,235
Accessories Lync System	\$757			
Duty Weapons				1,500
Tasers and peripherals, and firearms	17,451			10,950
HVAC Upgrade				
Security camera upgrades & watchguard camera	28,191			
Vehicle cameras	32,243			
Datalogic Memory X3 Barcode Scanner & Dock		1,300	1,300	1,000
Remodeling of Former Communications Center				5,000
Rifles	4,216	5,000	5,000	
Getac computer equipment			16,830	
Totals	<u>\$82,858</u>	<u>\$13,400</u>	<u>\$30,230</u>	<u>\$151,065</u>

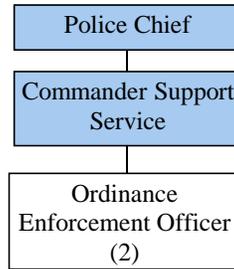
Public Safety	Police Department	Fund 01 - General Fund			Cost Center	2000
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$3,752,878	\$4,051,670	\$4,103,935	\$4,280,195	4.29%	
Operating Supplies	324,356	241,000	218,300	228,130	4.50%	
Contractual Services	25,973	27,000	42,400	53,980	27.31%	
Other Services and Charges	220,817	374,240	238,820	362,220	51.67%	
Capital Outlay	82,858	13,400	30,230	151,065	399.72%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$4,406,882</b>	<b>\$4,707,310</b>	<b>\$4,633,685</b>	<b>\$5,075,590</b>	<b>9.54%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$4,656,855	91.75%
Inter-local Governmental Contracts	153,000	3.01%
Lease Purchase	126,235	2.49%
SB1398 Police Equipment	4,000	0.08%
Grants	135,500	2.67%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Police Chief	1.00	1.00	1.00	7,486	11,031	\$114,999
Commander	2.00	2.00	2.00	6,159	9,076	198,020
Sergeant	7.00	7.00	7.00	4,596	6,772	486,779
PANT Officer/Sergeant	2.00	2.00	2.00	4,596	6,772	128,706
Police Officer	21.00	21.00	20.00	3,601	5,306	1,023,308
School Resource Officer (SRO)	2.00	1.00	1.00	3,601	5,306	57,576
Terrorist Liaison Officer	0.50	0.50	1.00	3,601	5,306	56,976
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	27,503
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	50,816
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	40,380
Victim Assistant	0.00	0.00	1.00		Grant Funded	
Records Clerk	2.00	2.00	2.00	2,559	3,771	84,629
COLA						0
Merit Contingency						61,957
Clothing Allowance						27,755
Holiday Pay						50,000
Car Allowance						0
Certification Pay						39,001
Overtime						150,000
Retirement						921,940
Insurance & Taxes						759,850
Employee Related Expenses						0
<b>Totals</b>	<b>40.00</b>	<b>39.00</b>	<b>39.50</b>			<b>\$4,280,195</b>

Public Safety	Police Department	Fund 01 - General Fund			Cost Center	2000
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
<b>Supplies</b>						
Office Supplies	16,657	13,500	13,500	15,000	11.11%	
Copier Supplies	1,081	1,500	1,500	1,500	0.00%	
Invest / Detective Expenses	2,463	2,000	2,000	2,000	0.00%	
Training Supplies	12,041	15,000	15,000	20,000	33.33%	
Gas & Oil	73,264	100,000	65,000	70,000	7.69%	
Vehicle Maint & Repairs	89,061	85,000	79,000	77,130	-2.37%	
Film & Developing	0	0	0	0	0.00%	
DUI Expenses	215	500	500	500	0.00%	
Equipment Maint & Repairs	118,752	10,000	28,000	28,000	0.00%	
Operational Supplies	2,322	2,500	2,300	2,500	8.70%	
Postage & Freight	1,643	1,500	1,500	1,500	0.00%	
Building Supplies	2,266	2,500	3,000	3,000	0.00%	
Canine Vet & Feed	2,595	2,000	2,000	2,000	0.00%	
Protective Clothing	1,996	5,000	5,000	5,000	0.00%	
<b>Total Supplies</b>	<b>324,356</b>	<b>241,000</b>	<b>218,300</b>	<b>228,130</b>	<b>4.50%</b>	
<b>Contractual Services</b>						
Computer Support	18,852	20,000	29,400	35,980	22.38%	
Contractual Services	2,877	3,000	3,000	13,000	333.33%	
Medical Testing	2,734	2,500	5,500	3,500	-36.36%	
Towing Expense	1,510	1,500	4,500	1,500	-66.67%	
Medical Investigation Expenses	0	0	0	0	0.00%	
<b>Total Contractual Services</b>	<b>25,973</b>	<b>27,000</b>	<b>42,400</b>	<b>53,980</b>	<b>27.31%</b>	
<b>Other Services and Charges</b>						
Travel & Training	20,384	20,000	20,000	20,000	0.00%	
Subscriptions & Memberships	2,710	2,500	2,500	2,500	0.00%	
Printing & Forms	1,910	1,500	1,500	1,500	0.00%	
Utilities	39,754	48,000	35,270	44,000	24.75%	
Telephone	47,370	48,000	50,175	53,000	5.63%	
DOJ Grant - Victim Asst.	0	0	0	78,055	0.00%	
Explorer Program	40	750	750	750	0.00%	
Safety Expense	1,146	1,300	1,300	2,915	124.23%	
Community Policing	5,387	7,000	7,000	7,000	0.00%	
Reserve Program	1,488	2,000	2,000	2,000	0.00%	
SWAT Equipment	8,781	15,000	15,000	15,000	0.00%	
Homeland Security Grant	67,091	30,000	30,000	65,000	116.67%	
Highway Safety Grant	0	163,390	38,525	33,000	-14.34%	
County RICO Grant	24,756	30,000	30,000	30,000	0.00%	
Misc. Grants	0	4,800	4,800	7,500	56.25%	
<b>Total Other Services &amp; Charges</b>	<b>220,817</b>	<b>374,240</b>	<b>238,820</b>	<b>362,220</b>	<b>51.67%</b>	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Police Department's Ordinance Enforcement Division responds to calls for service regarding zoning and code violations as well as enforcement of animal control regulations and ordinances. Officers make contact with complainants and violators, order the discontinuance, removal or alteration of conditions which violate City codes and zoning ordinances. They enforce City ordinances and State laws pertaining to animals including City licensing, leash control, rabies vaccination compliance, bites, noise complaints, and cruelty cases. Officers may pick up and impound or quarantine canines, animals that bite, and other animals as needed.

**FY 2016 Accomplishments:**

- \* Investigated and identified abandoned residences and buildings throughout the city and worked with various City departments in mitigating safety and blight issues
- \* Provided information and community education relating to ordinance enforcement and animal control matters at a various community gatherings, including National Night Out
- \* Assisted the Police, Fire, and Utilities departments with regard to some critical and/or exigent incidents

**FY 2017 Goals:**

- \* Conduct training seminars for residents and businesses to make them more aware of the functions of Ordinance Enforcement
- \* Assist the Community Development Department with regard to abandoned properties that may violate City codes
- \* Provide more proactive enforcement in regards to reduction of animal noise issues and stray pet problems

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

Public Safety	Ordinance Enforcement Division	Fund 01 - General Fund	Cost Center	2200
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Strive to provide effective and efficient services			
<b>Department Goal:</b>	Reduce animal disease and cruelty issues			
<b>Objective:</b>	Reduction through education and enforcement			
<b>Type of Measure:</b>	Number of cruelty cases, animals at-large and animal bites			
<b>Tool:</b>	System reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Programs to Civic Groups and School Presentations	200	220	150	150
Cruelty cases	18	85	117	125
At-large	293	381	417	425
Animal Bite	43	30	51	51

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

Public Safety Ordinance Enforcement Division		Fund 01 - General Fund			Cost Center	2200
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$139,182	\$140,770	\$148,400	\$149,730	0.90%	
Operating Supplies	5,463	8,000	5,500	9,870	79.45%	
Contractual Services	59,333	60,380	49,980	49,980	0.00%	
Other Services and Charges	1,079	1,000	250	1,000	300.00%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$205,056</u>	<u>\$210,150</u>	<u>\$204,130</u>	<u>\$210,580</u>	<u>3.16%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$210,580	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	\$94,464
COLA						0
Merit Contingency						1,926
Longevity						0
Clothing Allowance						245
Holiday Pay						3,300
Overtime						2,000
Retirement						11,470
Insurance & Taxes						36,325
Employee Related Expenses						0
<b>Totals</b>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$149,730</u>

Public Safety Ordinance Enforcement Division	Fund 01 - General Fund			Cost Center	2200
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Gas & Oil	5,124	6,000	3,500	5,000	42.86%
Vehicle Maint & Repairs	0	0	0	2,870	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Small Tools	339	2,000	2,000	2,000	0.00%

<b>Total Supplies</b>	5,463	8,000	5,500	9,870	79.45%
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**Contractual Services**

Computer Support	1,157	500	1,100	1,100	0.00%
Spay/Neuter Grant Expense	14,224	16,000	5,000	5,000	0.00%
Kennel Fees	43,951	43,880	43,880	43,880	0.00%

<b>Total Contractual Services</b>	59,333	60,380	49,980	49,980	0.00%
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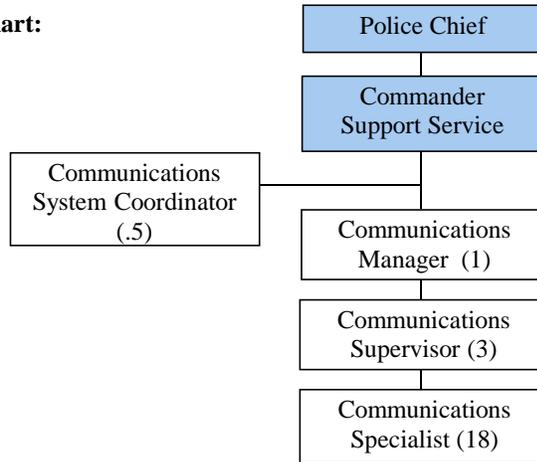
**Other Services and Charges**

Travel & Training	1,079	1,000	250	1,000	300.00%
Subscriptions & Memberships	0	0	0	0	0.00%

<b>Total Other Services &amp; Charges</b>	1,079	1,000	250	1,000	300.00%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Communications Division of the Police Department is staffed 24 hours a day, providing the communications link for area police, fire and ambulance agencies. This division is the Public Safety Answering Point, with Enhanced 9-1-1 networking, for citizens of our community and all neighboring jurisdictions. This ensures the integrity of and supports our goal to provide an emergency number that is answered promptly and serviced professionally for all residents.

**FY 2016 Accomplishments:**

- \* Successfully negotiated subscriber agreements for Fire/EMS dispatching services with the Fire Districts of Sedona, the Verde Valley, Camp Verde, and Montezuma-Rimrock, and also successfully transitioned them as well as reprogrammed the radio systems for uninterrupted communication with these new subscribers
- \* Completed certification training for eight full-time dispatchers needed to properly staff the Cottonwood Public Safety Communications Center (CPSCC)
- \* Successful installation of an 80 foot tower and accompanying infrastructure at the Willard water tank repeater site that has improved the quality and reliability of radio transmissions
- \* A GIS (Geographic Information Systems) Technician has been hired to assist in managing and improving the CAD (Computer Aided Dispatch) system
- \* Received State-issued installation and upgrade of six 9-1-1 consoles and associated mapping technology to accommodate all user agencies. These consoles enable dispatchers to receive, send, and archive text messages, videos, photos, and other forms of data
- \* Successfully completed a technical audit by the Arizona Department of Public Safety that allows for continued access to MVD and Criminal Justice records

**FY 2017 Goals:**

- \* Complete requirements for the Missing Kids Readiness Project of the National Center for Missing and Exploited Children (NCMEC)
- \* Update the Communications Center training manuals to reflect dispatching particularities of the new fire districts in regards to radio channels/systems
- \* Obtain Emergency Number Professional (ENP) certification for Communications Center supervisors that will signify their proficiency in the Emergency Number (9-1-1) program management
- \* Obtain Project 33 Training Program Certification of the Association of Public-Safety Communications Officials (APCO) that will ensure that all the department's training programs, curriculum, training materials, and supporting documentation comply with the APCO American National Standards (ANS)
- \* Evaluate use and functionality of the Cottonwood Emergency Notification System (CENS)
- \* Explore the use of technology to automate burn permit activations
- \* Develop agreements with the regional Public-Safety Answering Point (PSAP) for the use of the GIS Technician's services

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. No capital expenditures have been programmed.

Public Safety	Communications Division	Fund 01 - General Fund	Cost Center	2010	
<b>Performance Indicators</b>					
<b>City Council Goal:</b> Value the safety of our public safety personnel and citizens					
<b>Department Goal:</b> Standardize call processing system to ensure accurate and complete information is obtained quickly					
<b>Objective:</b> Successful completion of ProQA-training and certification in Emergency Medical Dispatcher (EMD), Emergency Police Disptacher (EPD) and Emergency Fire Dispatcher (EFD)					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Certification					
<b>Frequency:</b> Annual					
<b>Scoring:</b> Yes/No					
<b>Trend:</b> Level					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
EMD Certification		Yes	Yes	Yes	Yes
EPD Certification		Yes	Yes	Yes	Yes
EFD Certification		Yes	Yes	Yes	Yes

<b>City Council Goal:</b> Be Responsive and Accountable					
<b>Department Goal:</b> Decrease the amount of time needed for a call to be dispatched					
<b>Objective:</b> Improve response time for Public Safety responders					
<b>Type of Measure:</b> Response time					
<b>Tool:</b> Reports					
<b>Frequency:</b> Monthly					
<b>Scoring:</b> Increase/decrease from prior year					
<b>Trend:</b> Decrease					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
Average call processing time prior to dispatch		≤ 2 min.	1.5 min.	≤ 60 sec.	≤ 60 sec.
Number of dispatch calls		15,688	24,256	31,169	32,727

<b>Strategic Goal/Value:</b> Value the safety of our Public Safety Personnel and Citizens					
<b>Goal:</b> Reduce number of calls into Comm Center for burn permits, information requests, civil issues,					
<b>Objective:</b> Utilize technology such as web and/or smart phone applications					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> Reports					
<b>Frequency:</b> Monthly					
<b>Scoring:</b> Increase/Decrease from prior year					
<b>Trend:</b> Decrease					
		Actual		Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016	2017
Average number of calls into Comm Center		40,283		36,255	32,630

Public Safety	Communications Division	Fund 01 - General Fund		Cost Center	2010
<b>Summary by Category</b>					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$1,005,990	\$1,432,080	\$1,417,285	\$1,473,430	3.96%
Operating Supplies	1,949	3,000	3,000	3,000	0.00%
Contractual Services	21,854	16,000	16,000	16,000	0.00%
Other Services and Charges	96,248	217,310	223,190	257,325	15.29%
Capital Outlay	1,357	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<u>\$1,127,398</u>	<u>\$1,668,390</u>	<u>\$1,659,475</u>	<u>\$1,749,755</u>	<u>5.44%</u>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$993,445	56.78%
Dispatch & Spillman Fees	756,310	43.22%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Communications Manager	1.00	1.00	1.00	4,596	6,772	67,153
Communications Supervisor	2.00	3.00	3.00	3,601	5,306	149,694
Communications Systems Coordinator	0.50	0.50	0.50	3,111	4,584	\$27,503
Communications Specialist	12.00	18.00	18.00	2,821	4,158	637,761
COLA						0
Merit Contingency						24,312
Certification Pay						3,637
Longevity						0
Clothing Allowance						2,000
Holiday Pay						36,000
Overtime						95,000
Retirement						119,510
Insurance & Taxes						310,860
Employee Related Expenses						0
<b>Totals</b>	<u>15.50</u>	<u>22.50</u>	<u>22.50</u>			<u>\$1,473,430</u>

Public Safety	Communications Division	Fund 01 - General Fund			Cost Center	2010
<b>Supplemental Data: Expenditures</b>						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Office Supplies	1,455	2,500	2,500	2,500	0.00%
Copier Supplies	494	500	500	500	0.00%

<b>Total Supplies</b>	<b>1,949</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0.00%</b>
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**Contractual Services**

Contractual Services	0	0	0	0	0.00%
Computer Support	5,411	2,500	2,500	2,500	0.00%
Repeater Expense	16,443	13,500	13,500	13,500	0.00%

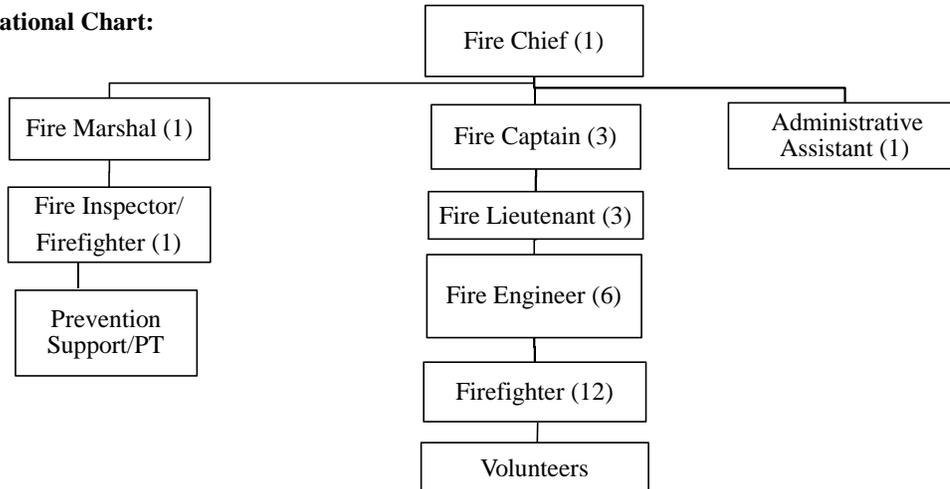
<b>Total Contractual Services</b>	<b>21,854</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>	<b>0.00%</b>
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**Other Services and Charges**

Travel & Training	11,465	18,000	13,000	25,350	95.00%
Employee Physicals/Drug Tests	0	0	0	385	0.00%
Community Policing	0	0	50	0	-100.00%
Subscriptions & Memberships	685	1,100	1,100	1,100	0.00%
Postage/Freight	121	250	250	250	0.00%
Equipment Maint & Repairs	23,596	130,000	125,000	141,170	12.94%
Safety Expenses	0	0	0	1,600	0.00%
Utilities	27,971	30,000	33,520	36,000	7.40%
Telephone	14,350	19,000	21,800	23,000	5.50%
Liability Insurance	18,059	18,960	28,470	28,470	0.00%

<b>Total Other Services &amp; Charges</b>	<b>96,248</b>	<b>217,310</b>	<b>223,190</b>	<b>257,325</b>	<b>15.29%</b>
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Computer Monitors and Cables	\$1,357				
<b>Totals</b>	<b>\$1,357</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Fire & Medical Services Department****Organizational Chart:****General Information:**

Cottonwood Fire Department protects community values at risk. We are Cottonwood's "First Response Team" for fire, disaster, and life threatening emergencies. "WE'RE HERE TO HELP!" Response services include Fire, E.M.S., Rescue, Hazardous Materials and Disaster response, with incident management and emergency scene mitigation. Prevention services include public fire & life safety education, code development & enforcement, plan & system review, hazard abatement, pre-incident planning and fire cause determination. Our emphasis on personnel training & development ensures a highly skilled professional Emergency Response Team providing high quality, cost effective, proactive customer oriented service to our community.

**FY 2016 Accomplishments:**

- \* Hosted the bi-annual Fire Department Open House in October 2015 displaying the department's capabilities in fire suppression, EMS operations, fire prevention and fire & life safety education
- \* Implemented the Community Paramedicine (CP) program, a new model of community based healthcare, that enhances medical services delivery to medically underserved populations
- \* Expanded the "SHARE CPR" program by offering CPR training at no cost to hundreds of local citizens. This program aims to promote a comprehensive, standardized system of out-of-hospital cardiac arrest care throughout Arizona
- \* Expanded the "Fire Pal" program in Cottonwood-Oak Creek School District schools by providing extensive fire and life safety education to elementary and special needs students in addition to middle school students
- \* Four staff members were certified and 6 re-certified as Child Passenger Safety Technicians (CPST) through the National Child Passenger Safety (CPS) Certification Training Program; the department now has a total of 12 certified technicians who are able to contribute to the increase of child safety in our community.

**FY 2017 Goals:**

- \* Adopt 2012 International Fire code and applicable appendices as City of Cottonwood Fire Code
- \* Update the City Emergency Operations Plan
- \* Evaluate potential site locations for a second fire station in the area of Hwy 260 and Fir Street or Hwy 89A and Cornville Road and initiate the preliminary design work
- \* Purchase a new fire pumper to replace current apparatus for which replacement parts cannot anymore be obtained because the manufacturer closed
- \* Pursue grants for fire suppression equipment and public fire & life safety equipment
- \* Conduct a drill/training exercise of the Emergency Operations Center in cooperation with Yavapai County Emergency Management

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. There is capital outlay for a Copier (\$8,000), EMS Equipment Replacements (\$15,000), Jaws of Life- Fire Suppression & Rescue Equipment \$60,000 (Lease), and a Fire Engine in the amount of \$600,000 (Lease).



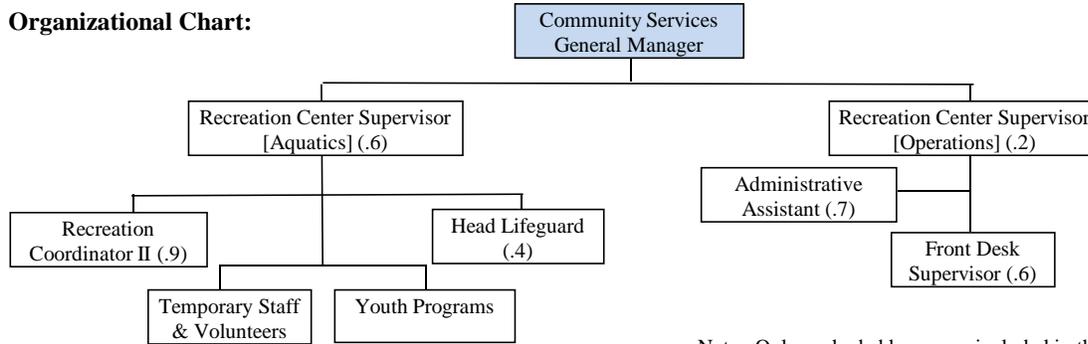
Public Safety Fire & Medical Services Department		Fund 01 - General Fund			Cost Center	2100
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$2,443,079	\$2,648,790	\$2,636,515	\$2,709,235	2.76%	
Operating Supplies	67,489	69,450	69,150	71,650	3.62%	
Contractual Services	17,877	76,500	10,125	86,700	756.30%	
Other Services and Charges	70,795	67,550	62,850	72,450	15.27%	
Capital Outlay	180,777	63,500	96,500	683,000	607.77%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$2,780,016</b>	<b>\$2,925,790</b>	<b>\$2,875,140</b>	<b>\$3,623,035</b>	<b>26.01%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$2,903,035	80.13%
Misc Grants	60,000	1.66%
Lease Purchase	660,000	18.22%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Fire Chief	1.00	1.00	1.00	7,486	11,031	\$108,597
Fire Marshal	1.00	1.00	1.00	5,320	7,840	88,839
Fire Captain	3.00	3.00	3.00	5,067	7,466	253,568
Fire Lieutenant	3.00	3.00	3.00	4,596	6,772	211,483
Fire Engineer	6.00	6.00	6.00	3,970	5,850	353,660
Fire Inspector	1.00	1.00	1.00	3,970	5,850	53,217
Firefighter	12.00	12.00	12.00	3,601	5,306	564,116
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	48,759
COLA						0
Merit Contingency						57,704
Longevity						0
Certification Pay						71,997
Holiday Pay						45,000
Clothing Allowance						21,060
Temporary / Reserves						7,000
Overtime						25,000
Retirement						330,050
Insurance & Taxes						463,185
Employee Related Expenses						6,000
<b>Totals</b>	<b>28.00</b>	<b>28.00</b>	<b>28.00</b>			<b>\$2,709,235</b>

Public Safety	Fire & Medical Services Dep	Fund 01 - General Fund		Cost Center	2100
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Supplies</b>					
Office Supplies	1,076	1,200	1,000	1,500	50.00%
Copier Supplies	1,812	1,800	1,800	1,800	0.00%
Gas & Oil	18,061	25,000	15,000	20,000	33.33%
Vehicle Maint & Repairs	25,083	25,000	35,000	25,000	-28.57%
Equipment Maint & Repairs	9,518	10,000	10,000	11,000	10.00%
Protective Clothing	11,513	6,000	6,000	12,000	100.00%
Postage & Freight	427	450	350	350	0.00%
<b>Total Supplies</b>	<b>67,489</b>	<b>69,450</b>	<b>69,150</b>	<b>71,650</b>	<b>3.62%</b>
<b>Contractual Services</b>					
Radio Maintenance	1,171	1,500	500	1,500	200.00%
Computer Support	3,178	3,500	3,200	6,500	103.13%
Contractual Services	2,422	2,500	2,425	2,700	11.34%
Medical Testing	11,106	4,000	4,000	13,500	237.50%
Emergency Service Grant	0	5,000	0	2,500	0.00%
GOHS - FIRE Grant	0	50,000	0	50,000	0.00%
GOHS - Safety Grant	0	10,000	0	10,000	0.00%
FEMA Grant	0	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>17,877</b>	<b>76,500</b>	<b>10,125</b>	<b>86,700</b>	<b>756.30%</b>
<b>Other Services and Charges</b>					
Travel & Training	15,048	8,000	8,000	10,000	25.00%
Subscriptions & Memberships	2,091	2,100	2,100	2,400	14.29%
Operational Equipment & Supplies	4,739	5,000	5,000	7,000	40.00%
EMS Expenses	8,727	8,000	8,000	9,000	12.50%
Utilities	21,554	26,000	22,000	23,000	4.55%
Telephone	5,762	5,600	5,600	5,900	5.36%
Fire Prevention	5,205	4,000	4,000	5,500	37.50%
Emergency Management	4,844	4,850	4,850	4,850	0.00%
Legal Advertising	0	0	0	0	0.00%
Training Center	1,785	2,200	2,200	2,500	13.64%
Volunteer Fireperson Training	858	1,000	500	1,500	200.00%
Volunteer Fireperson Misc.	183	800	600	800	33.33%
Vol Fire Retirement	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>70,795</b>	<b>67,550</b>	<b>62,850</b>	<b>72,450</b>	<b>15.27%</b>

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Parks and Recreation Department oversees city facilities and park open-space areas in conjunction with providing opportunities for active and passive recreational services. Such services facilitate avenues of involvement for a cross section of individuals, groups, and families to participate in a wide variety of activities and special community events.

**FY 2016 Accomplishments:**

- \* Educated the public on bicycle safety and benefits, in conjunction with the Looking Good Cottonwood Program, to satisfy the education component of the American League of Bicyclists
- \* Partnered with Page Springs Cellars (dba End of Tunnel Ventures) on the Tilted Earth Wine & Music Festival which will further emphasize the City's branding of "Heart of Arizona's Wine Country" and have a substantial economic impact
- \* Assisted the Chamber of Commerce and Old Town Association with regard to a cooperative marketing opportunity of the Arizona Office of Tourism
- \* Organized signature series and community events: Thunder Valley Rally, Tilted Earth, Independence Day - July 4<sup>th</sup> Celebration, Annual Easter Egg Hunt, Walkin' On Main, Farmers Market Jamboree & Fall Carnival. These events together were attended by app. 25,000 residents, tourists, and locals
- \* Walkin' On Main, showcasing its largest car show-with 50 cars-since its inception, was organized in partnership with the Verde Valley Wine Consortium that hosted the outdoor wine tasting of which the are used to support the local wine industry. Edward Jones (Investments) was a presenting sponsor with a sponsorship of \$5,000 (\$3,000 in the previous year)
- \* Facilitated joint programming opportunities with the Mingus Union High School basketball program
- \* Hosted youth little league tournaments, softball tournaments, and raised funds for non-profits through select tournaments
- \* Revitalized the former Boys & Girls Club facility and reused it for the Cottonwood Youth Center that host the City's After School Program, Summer Camp, and other youth programs.

**FY 2017 Goals:**

- \* Maintain current and create new partnerships/sponsors with outside agencies to defray costs of organizing special events such as Thunder Valley Rally, Tilted Earth, and Walkin' on Main by 20% and close the profit/loss gap by 50%
- \* Improve attendee satisfaction of the Thunder Valley Rally event in regards to parking logistics and shuttle services, and maintaining all other satisfaction levels. Last year's mean score according to the survey of Northern Arizona University (NAU) was 4.1 (parking) and 4.2 (shuttle) out of 5
- \* Create an outreach program to inspire area youth to "Dream Big" in reaching their life/career goals
- \* Finalize and distribute bike map, and further bike plan by garnering regional support
- \* Develop a city-wide parks, recreation, and open space/trails master plan
- \* Develop a collaborative relationship with Mingus Union High School by facilitating joint basketball programming opportunities and with area employers for different sport leagues.

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Capital has been budgeted in the amount of \$9,000 for Automatic Lighting of the Adult Softball Complex at the Riverfront Park.

Culture & Recreation	Parks and Recreation Department	Fund 01 - General Fund	Cost Center	4100
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Serve the citizens through value driven programming and facilities			
<b>Department Goal:</b>	Maintain/increase customer satisfaction levels to sustain/grow attendance			
<b>Objective:</b>	Improve parking and shuttle logistics/communications and maintain current satisfaction levels			
<b>Type of Measure:</b>	Statistical survey analysis			
<b>Tool:</b>	NAU (Northern Arizona University) Descriptive Data Report			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	1-5 (1=lowest score, 5=highest score)			
<b>Trend:</b>	Up			
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
Friendliness - Helpfulness of staff		4.6	5.0	5.0
Musical performances		4.5	4.6	5.0
Shuttle service/logistics/parking/vendors		4.2	4.5	5.0
Poker Run/Bev. service		4.2	4.5	5.0
Org. event layout		4.3	4.7	5.0

<b>City Council Goal:</b>	Serve the citizens through value driven programming and facilities			
<b>Department Goal:</b>	Maintain/increase customer satisfaction levels to sustain/grow attendance			
<b>Objective:</b>	Improve parking and shuttle logistics/communications and maintain current satisfaction levels			
<b>Type of Measure:</b>	Statistical survey analysis			
<b>Tool:</b>	NAU Descriptive Data Report			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	1-5 (1=lowest score, 5=highest score)			
<b>Trend:</b>	Steady			
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
Ticket purchasing/staff/atmosphere		4.90	5.00	5.00
		4.80	5.00	5.00
		4.20	4.50	5.00
		4.70	5.00	5.00

<b>City Council Goal:</b>	Support K-14 Education through MUHS Swim Program, Cottonwood Youth Commission, Kids at Hope, Expect more Arizona, Teen Center, et al.			
<b>Department Goal:</b>	Increase participation by 20% in the After School Program (ASP) and Summer Camp			
<b>Objective:</b>	Create a comprehensive marketing plan/public relations approach to garner more exposure			
<b>Type of Measure:</b>	Attendance numbers			
<b>Tool:</b>	Active.Net, a recreation management software			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Attendance average			
<b>Trend:</b>		Actual	Estimated	Anticipated
<b>Measures:</b>		2014	2015	2016
ASP - Average attendance		27	32	38
Summer Camp - Average attendance		40	48	57

Culture & Recreation		Parks and Recreation Department		Fund 01 - General Fund		Cost Center	4100
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$195,450	\$321,715	\$336,370	\$355,155	5.58%		
Operating Supplies	52,258	42,150	48,950	42,050	-14.10%		
Contractual Services	25,569	23,400	28,800	29,800	3.47%		
Other Services and Charges	403,294	422,110	527,200	519,360	-1.49%		
Capital Outlay	850	6,700	0	9,000	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$677,421</b>	<b>\$816,075</b>	<b>\$941,320</b>	<b>\$955,365</b>	<b>1.49%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$955,365	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>							
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017	
	2015	2016	2017	Minimum	Maximum	Budget	
Recreation Center Manager	0.00	0.00	0.00	0	0	\$0	
Aquatics Center Supervisor	0.00	0.60	0.60	4,168	6,143	40,713	
Recreation Center Program Supervisor	0.00	0.20	0.20	4,168	6,143	12,875	
Recreation Coordinator II	1.00	0.90	0.90	2,962	4,365	36,599	
Youth Programs Coordinator	0.00	0.50	0.50	2,962	4,365	19,186	
Administrative Assistant	1.00	0.70	0.70	2,559	3,771	31,678	
Front Desk Supervisor	0.00	0.60	0.60	2,559	3,771	20,767	
Head Lifeguard	0.00	0.40	0.40	2,321	3,421	12,306	
COLA						0	
Merit Contingency						2,596	
Holiday Pay						300	
Clothing Allowance						1,875	
Temporary / Reserves						78,000	
Overtime						3,500	
Retirement						20,720	
Insurance & Taxes						74,040	
Employee Related Expenses						0	
<b>Totals</b>	<b>2.00</b>	<b>3.90</b>	<b>3.90</b>			<b>\$355,155</b>	

Culture & Recreation	Parks and Recreation Department	Fund 01 - General Fund	Cost Center	4100	
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	1,137	1,000	1,600	1,600	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	2,308	2,400	2,300	2,300	0.00%
Vehicle Maint & Repairs	323	2,000	4,200	2,500	-40.48%
Equipment Maint & Repairs	16,297	14,500	22,500	14,500	-35.56%
Riverfront Snack Bar	7,984	6,500	7,200	7,200	0.00%
Postage & Freight	37	50	50	50	0.00%
Pool Supplies	19,952	14,000	9,200	12,000	30.43%
Snack Bar Supplies	4,220	1,700	1,900	1,900	0.00%

**Total Supplies**

52,258	42,150	48,950	42,050	-14.10%
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**Contractual Services**

Computer Support	2,147	1,500	2,000	2,000	0.00%
Fireworks	20,000	20,400	20,600	22,000	6.80%
Contractual Services	3,422	1,500	6,200	5,800	-6.45%

**Total Contractual Services**

25,569	23,400	28,800	29,800	3.47%
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**Other Services and Charges**

Travel & Training	2,983	4,000	4,000	2,200	-45.00%
Subscriptions & Memberships	2,960	3,100	3,200	3,200	0.00%
Printing & Forms	9	0	0	0	0.00%
Rec Programs	27,360	25,000	27,000	27,000	0.00%
Verde River Days	2,000	1,000	1,000	1,000	0.00%
Softball Tournaments	7,534	11,500	11,000	8,000	-27.27%
Public Relations	12,690	11,000	11,900	9,000	-24.37%
Advertising	183	0	0	0	0.00%
Utilities	190,736	217,000	197,000	203,000	3.05%
Telephone	2,929	2,760	3,600	3,960	10.00%
Old Town Home Tour	0	0	2,000	2,000	0.00%
Summer Youth Program	6,946	7,250	7,000	7,000	0.00%
Rhythm & Ribs	48,188	0	0	0	0.00%
Walking on Main Street	13,812	13,500	17,500	13,000	-25.71%
10K Memorial Run	15,225	20,000	20,000	18,000	-10.00%
Thunder Valley Rally	49,740	86,000	150,000	150,000	0.00%
Tilted Earth Festival	20,000	20,000	72,000	72,000	0.00%

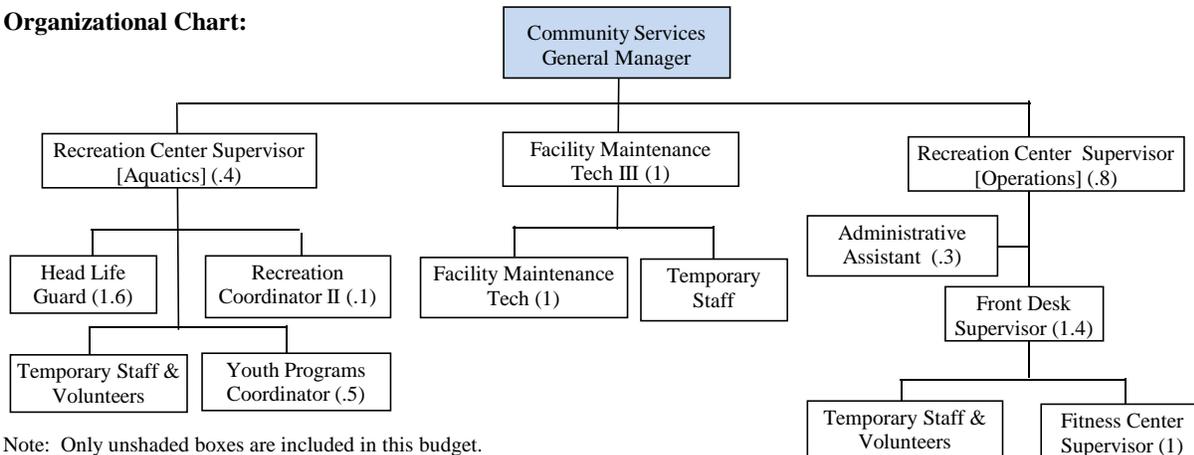
**Total Other Services & Charges**

403,294	422,110	527,200	519,360	-1.49%
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**Supplemental Data: Capital Outlay**

Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Lounge Furniture Outdoor Pool		\$1,000			
Life Guard Stands - Updated		1,000			
RF Park Improvements/Herridge	\$850				
ADA Pool Observation Deck Concrete and Sidewalk		4,700			
ADA Pool Observation Deck - Riser					
RF Park Adult Softball Complex - Automatic Lighting				\$9,000	
Totals	\$850	\$6,700	\$0	\$9,000	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Community Recreation Center is a 52,500 square foot facility under the administration and direction of the Parks & Recreation Department. This center became operational May 2010 with approximately 10 new full time employees and approximately 40 part-time employees. The Community Recreation Center provides office facilities for the entire Parks & Recreation Department. Programming operations include the following: special events; after school programming, special needs children programming, therapeutic recreation activities, sports programs and leagues, indoor aquatics programming, rock climbing opportunities, banquet hall facilities, baby sitting facilities, gymnasium facilities, large scaled fitness/health facilities, and teen game room interactive programs. The Center functions as a multi-generational concept bringing families, youth and active senior adults together for shared opportunities for quality of life enrichment.

**FY 2016 Accomplishments:**

- \* The United Healthcare's Silver Sneaker program, an exercise program for active seniors, was successfully administered for the 4<sup>th</sup> consecutive year. Of the 3,963 Recreation Center members, 60 percent are seniors and 42% of them are participants of Silver Sneaker or Silver & Fit, similar exercise programs offered by health plans
- \* Participation in group exercises increased by 16 percent in the previous year from 23,870 to 28,326 in FY 2014-15. Shorter classes (30 min.) have been added to make in-group exercise classes available to people with less time
- \* The revenue resulting from renting the Recreation Center's event hall and party room has increased by 19 percent from \$18,920 in January of 2015 to 422,441 in January 2016
- \* The Center served as the hosting location for the 2015 Toys for Tots and the 2015 Operation Graduation
- \* To increase exposure of the Center to teens and youth, the Holiday Angel Tree, Photos with Santa, Daddy-Daughter Date Night, Youth Basketball, and the first ever Teen Night and inaugural X-Box competition
- \* Since becoming a facility in 2013 for pickleball, an eclectic sport combining elements of tennis, table tennis (Ping-Pong) and badminton, the number of courts has been expanded to four—of which two are now permanent—to accommodate increased playing possibilities
- \* Successfully provided a weight loss competition as part of the *Looking Good Cottonwood* program that provides education and exercise opportunities

**FY 2017 Goals:**

- \* Provide programming that encourages greater participation of people in the 18-35 age group
- \* Increase user visits and membership
- \* Maintain utility costs, as rates continue to increase, by finding areas where electric, gas and water usage can be decreased
- \* Increase presence in local schools through an improved marketing and outreach program
- \* Maintain a clean, safe and enjoyable environment for all Recreation Center's visitors

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. There is capital outlay for Renovation/Replacement of the Indoor Pool Cool Deck (\$13,000) and Replacement of the Cardio Machines (\$208,000).

Culture & Recreation	Community Recreation Center	Fund 01 - General Fund	Cost Center	4110
<b>Performance Indicators</b>				
<b>Value Statement</b>	Create a culture of health and wellness for the citizens of the Verde Valley			
<b>Department Goal:</b>	Increase usage of the Cottonwood Recreation Center			
<b>Objective:</b>	Engage all demographics in the well-being of the community			
<b>Type of Measure:</b>	Attendance figures and user numbers			
<b>Tool:</b>	Monthly reports, including user numbers			
<b>Frequency:</b>	Monthly review of usage figures			
<b>Scoring:</b>	2% increase annually			
<b>Trend:</b>	Up			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
	204,334	204,261	205,000	209,100

<b>Value Statement</b>	Commitment to providing high quality and economically feasible rental options			
<b>Department Goal:</b>	Increase facility rental revenue by 5% annually			
<b>Objective:</b>	Market Recreation Center amenities, internally and externally, via the Web, radio, TV, and theaters			
<b>Type of Measure:</b>	Number of facility rentals			
<b>Tool:</b>	Monthly rental figures and customer feedback (verbal, forms, surveys, follow-up contact)			
<b>Frequency:</b>	Quarterly			
<b>Scoring:</b>	Quarterly increases in rentals			
<b>Trend:</b>	Steady level of increase			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Revenue generated	34,128	31,264	33,000	34,650

<b>Value Statement</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>Value Statement</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

Culture & Recreation		Community Recreation Center		Fund 01 - General Fund		Cost Center	4110
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$893,826	\$736,450	\$793,625	\$813,330	2.48%		
Operating Supplies	110,002	62,840	80,875	80,475	-0.49%		
Contractual Services	130,808	149,830	134,450	129,450	-3.72%		
Other Services and Charges	306,131	263,750	248,500	257,050	3.44%		
Capital Outlay	10,174	0	0	221,000	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$1,450,941</b>	<b>\$1,212,870</b>	<b>\$1,257,450</b>	<b>\$1,501,305</b>	<b>19.39%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$706,305	47.05%
Recreation Center Fees	650,000	43.30%
Recreation Center Building Rental	45,000	3.00%
Recreation Center Classes/Programs	100,000	6.66%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Recreation Center Manager	0.00	0.00	0.00	Position Eliminated		\$0
Aquatics Center Supervisor	1.00	0.40	0.40	4,168	6,143	27,142
Recreation Center Program Supervisor	1.00	0.80	0.80	4,168	6,143	54,020
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	39,214
Recreation Coordinator II	0.00	0.10	0.10	2,962	4,365	4,067
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	38,184
Youth Programs Coordinator	1.00	0.50	0.50	2,962	4,365	19,186
Administrative Assistant	0.00	0.30	0.30	2,559	3,771	13,576
Front Desk Supervisor	2.00	1.40	1.40	2,559	3,771	48,457
Head Life Guard	2.00	1.60	1.60	2,321	3,421	49,221
Facility Maintenance Tech	1.00	1.00	1.00	2,321	3,421	29,499
COLA						0
Merit Contingency						7,294
Holiday Pay						250
Clothing Allowance						1,800
Temporary / Reserves						290,000
Overtime						4,000
Retirement						38,360
Insurance & Taxes						149,060
Employee Related Expenses						0
<b>Totals</b>	<b>10.00</b>	<b>8.10</b>	<b>8.10</b>			<b>\$813,330</b>

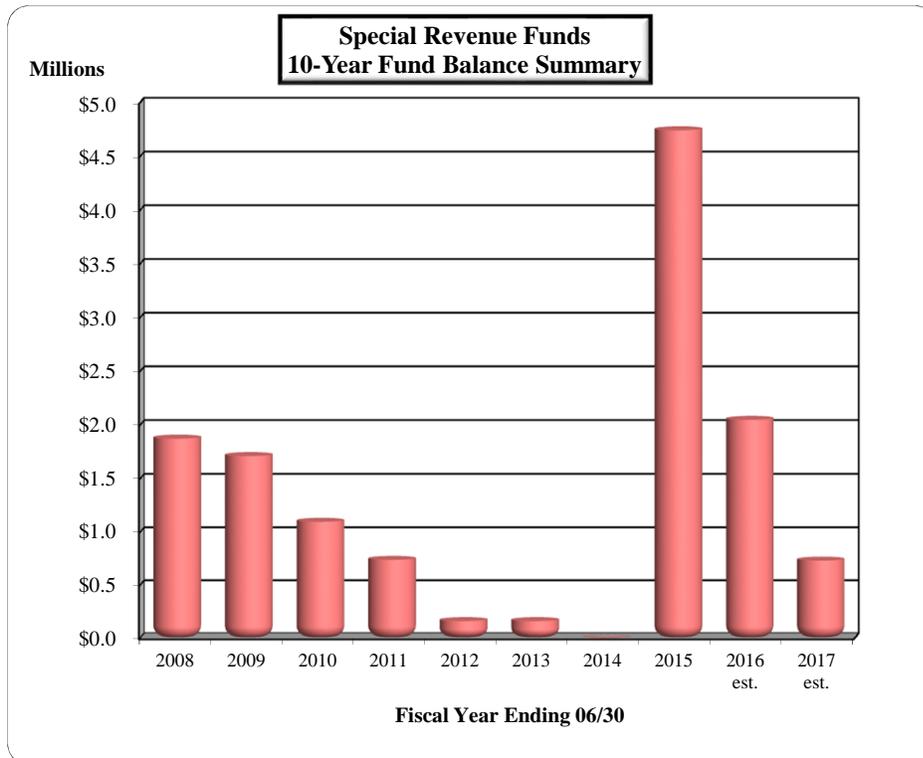
Culture & Recreation	Community Recreation Center	Fund 01 - General Fund		Cost Center	4110
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Supplies</b>					
Office Supplies	4,434	3,000	2,800	2,800	0.00%
Copier Supplies	185	300	0	0	0.00%
Gas & Oil	2,801	250	1,000	1,000	0.00%
Vehicle Maint & Repairs	1,246	200	200	200	0.00%
Equipment Maint & Repairs	79,944	40,740	56,000	56,000	0.00%
Pool Supplies	18,599	17,000	19,500	19,500	0.00%
Postage & Freight	312	150	175	175	0.00%
Tools/Operational Supplies	2,482	1,200	1,200	800	-33.33%
<b>Total Supplies</b>	<b>110,002</b>	<b>62,840</b>	<b>80,875</b>	<b>80,475</b>	<b>-0.49%</b>
<b>Contractual Services</b>					
Computer Support	2,147	2,580	2,200	2,200	0.00%
Recruitment Expense	360	250	250	250	0.00%
Contractual Services	91,516	118,000	100,000	95,000	-5.00%
Contractual Services Active Network	36,785	29,000	32,000	32,000	0.00%
<b>Total Contractual Services</b>	<b>130,808</b>	<b>149,830</b>	<b>134,450</b>	<b>129,450</b>	<b>-3.72%</b>
<b>Other Services and Charges</b>					
Travel & Training	3,017	3,500	3,400	2,800	-17.65%
Subscriptions & Memberships	630	750	750	750	0.00%
Printing & Forms	0	0	0	0	0.00%
Rec Programs	16,567	16,000	17,000	16,000	-5.88%
Public Relations	18,417	17,000	16,650	16,000	-3.90%
Utilities	216,456	215,000	200,000	210,000	5.00%
Telephone	11,705	11,500	10,700	11,500	7.48%
Legal Advertising	0	0	0	0	0.00%
Rental Equipment	0	0	0	0	0.00%
Lease Purchase Rec Cntr Equipment	39,339	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>306,131</b>	<b>263,750</b>	<b>248,500</b>	<b>257,050</b>	<b>3.44%</b>
<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Copier and Accessories	\$10,174				
Renovation/Replacement Indoor Pool Cool Decking				\$13,000	
Cardio Machines Replacements				208,000	
<b>Totals</b>	<b>\$10,174</b>	<b>\$0</b>	<b>\$0</b>	<b>\$221,000</b>	

The Special Revenue Funds budgets are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects.

<u>Fund/Account Number</u>	<u>Description</u>
<u>10</u>	<u>HURF - Streets/Transit Fund</u> Streets Department Street Construction Cottonwood Area Transit (CAT)
<u>03</u>	<u>Cottonwood Library</u>
<u>04</u>	<u>Cottonwood Cemetery</u>
<u>05</u>	<u>Airport Fund</u>
<u>11</u>	<u>Grants Fund</u> <u>Airport Improvement Projects</u> Other Grants Heritage Grants
<u>12</u>	<u>CDBG Grants</u>

**Fund Balances:**

The following illustration depicts a ten-year presentation of the fund balance for the Special Revenue Funds:



<b>Fiscal Year Ending 06/30</b>	<b>Fund Balance</b>
2008	1,874,971
2009	1,712,685
2010	1,099,115
2011	740,060
2012	161,640
2013	161,640
2014	0
2015	4,745,120
2016 est.	2,049,915
2017 est.	732,860

The continued fluctuation of the Special Revenues Fund is dependent on the projects being worked and time availability to complete those projects. A description of all the projects are reflected in the departments' budget summary sheets on pages 178 and 184.

**Consolidated Statement of Revenues/Expenditures/Changes in Fund Balances**

Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
<b>Revenue Sources:</b>				
Taxes	\$212,989	\$250,000	\$422,830	\$622,730
Intergovernmental Revenues	1,955,711	5,613,025	2,407,120	6,001,200
Charges for Services	403,467	414,600	457,400	450,600
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	90,342	83,575	95,085	94,360
Miscellaneous Revenues	17,667	16,555	19,115	19,125
<b>Total Revenue Sources</b>	<b>2,680,176</b>	<b>6,377,755</b>	<b>3,401,550</b>	<b>7,188,015</b>
<b>Other Financing Sources:</b>				
Transfers In	3,935,797	992,380	871,240	1,164,230
Carryover	0	9,497,605	4,745,120	2,049,915
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	5,180,866	0	0	0
<b>Total Other Financing Sources</b>	<b>9,116,663</b>	<b>10,489,985</b>	<b>5,616,360</b>	<b>3,214,145</b>
<b>Total Available Resources</b>	<b>11,796,839</b>	<b>16,867,740</b>	<b>9,017,910</b>	<b>10,402,160</b>
<b>Expenditures:</b>				
Personnel	1,729,631	1,893,060	1,847,920	2,148,970
Operating Supplies	540,578	505,150	523,220	584,660
Contractual Services	392,911	797,815	403,040	412,270
Other Services and Charges	1,033,022	881,615	894,095	925,945
Capital Outlay	2,872,216	9,989,525	1,521,170	5,146,805
Debt Service	0	0	197,830	392,600
<b>Total Expenditures</b>	<b>6,568,358</b>	<b>14,067,165</b>	<b>5,387,275</b>	<b>9,611,250</b>
<b>Other Uses:</b>				
Transfers Out	0	2,790,760	1,528,775	58,050
Reserves	0	9,815	2,101,860	732,860
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>2,800,575</b>	<b>3,630,635</b>	<b>790,910</b>
<b>Total Expenditures and Other Uses</b>	<b>6,568,358</b>	<b>16,867,740</b>	<b>9,017,910</b>	<b>\$10,402,160</b>
<b>Net Income / (Loss)</b>	<b>\$5,228,481</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**HURF Fund Revenues/Expenses/Changes in Fund Balance**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes	\$212,989	\$250,000	\$422,830	\$622,730	47.28%
Intergovernmental Revenues	1,683,652	2,758,235	2,144,220	3,393,950	58.28%
Services & Charges	199,640	189,000	201,000	203,200	1.09%
Uses of Monies & Properties	1,287	100	3,500	2,000	-42.86%
Miscellaneous Revenues	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>2,097,567</b>	<b>3,197,335</b>	<b>2,771,550</b>	<b>4,221,880</b>	<b>52.33%</b>
<b>Other Financing Sources:</b>					
Transfers In	3,119,048	0	0	200,000	0.00%
Carryover	0	9,395,535	4,666,500	1,946,065	-58.30%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	5,180,866	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>8,299,915</b>	<b>9,395,535</b>	<b>4,666,500</b>	<b>2,146,065</b>	<b>-54.01%</b>
<b>Total Available Resources</b>	<b>10,397,482</b>	<b>12,592,870</b>	<b>7,438,050</b>	<b>6,367,945</b>	<b>-14.39%</b>
<b>Expenditures:</b>					
Personnel	1,155,443	1,298,060	1,270,415	1,541,150	21.31%
Operating Supplies	349,518	328,950	292,720	360,210	23.06%
Contractual Services	120,978	527,090	119,050	125,780	5.65%
Other Services and Charges	824,646	675,570	680,355	709,695	4.31%
Capital Outlay	2,844,868	7,080,370	1,400,170	2,505,650	78.95%
Reserves	0	0	1,984,065	732,860	-63.06%
Debt Service	0	0	197,830	392,600	98.45%
<b>Total Expenditures</b>	<b>5,295,452</b>	<b>9,910,040</b>	<b>5,944,605</b>	<b>6,367,945</b>	<b>7.12%</b>
<b>Other Uses:</b>					
Transfers Out	0	2,682,830	1,493,445	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>2,682,830</b>	<b>1,493,445</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>5,295,452</b>	<b>12,592,870</b>	<b>7,438,050</b>	<b>6,367,945</b>	<b>-14.39%</b>
<b>Net Income / (Loss)</b>	<b>\$5,102,030</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

Note: The HURF fund accounts for Street Maintenance, Street Construction and Cottonwood Area Transit (CAT). The revenues and expenditures have been extracted for the Streets and CAT divisions since there is special interest in the CAT program and its budget.

## Streets Maintenance &amp; Construction - Revenues/Expenditures

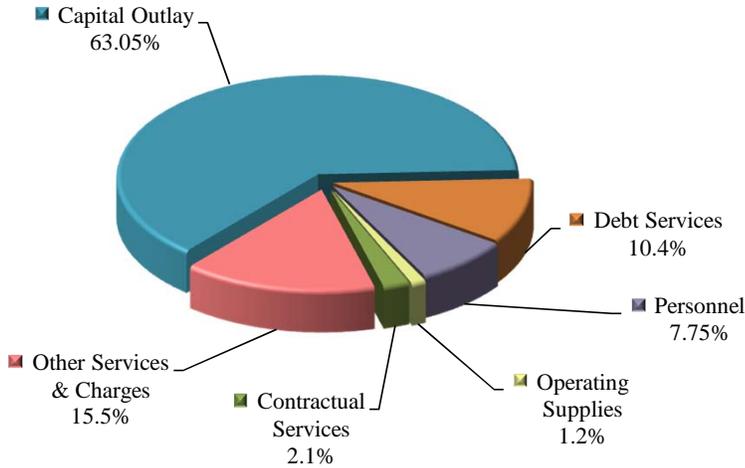
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes	\$212,989	\$250,000	\$422,830	\$622,730	47.28%
Intergovernmental Revenues					
Highway User Revenue Fund - HURF	876,817	846,670	846,670	906,640	7.08%
Local Transportation Assistance					
Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ADOT Road Diet Grant	0	0	0	0	0.00%
12 <sup>th</sup> Street Fed Grant	0	850,000	0	845,000	0.00%
Mingus Willard to 10 <sup>th</sup> Street	0	0	0	0	0.00%
Fed Grant - 12 <sup>th</sup> Street	0	0	0	0	0.00%
HSIP Sign Replacement Grant	0	0	44,590	16,000	-64.12%
Uses of Monies & Properties					
Interest Income	1,287	100	3,500	2,000	-42.86%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>1,091,093</b>	<b>1,946,770</b>	<b>1,317,590</b>	<b>2,392,370</b>	<b>81.57%</b>
<b>Other Financing Sources:</b>					
Transfers In	3,119,048	0	0	200,000	0.00%
Carryover	0	9,395,535	4,666,500	1,946,065	-58.30%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	5,180,866	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>8,299,915</b>	<b>9,395,535</b>	<b>4,666,500</b>	<b>2,146,065</b>	<b>-54.01%</b>
<b>Total Available Resources</b>	<b>9,391,008</b>	<b>11,342,305</b>	<b>5,984,090</b>	<b>4,538,435</b>	<b>-24.16%</b>
<b>Expenditures:</b>					
Personnel	275,673	283,045	289,425	291,920	0.86%
Operating Supplies	44,826	49,700	43,230	45,000	4.09%
Contractual Services	80,565	487,815	76,940	79,825	3.75%
Other Services and Charges	747,018	596,255	577,520	586,250	1.51%
Capital Outlay	2,780,357	6,820,370	1,104,120	2,380,650	115.62%
Reserves	0	0	1,984,065	732,860	-63.06%
Debt Service	0	0	197,830	392,600	98.45%
<b>Total Expenditures</b>	<b>3,928,439</b>	<b>8,237,185</b>	<b>4,273,130</b>	<b>4,509,105</b>	<b>5.52%</b>
<b>Other Uses:</b>					
Transfers Out	0	2,682,830	1,493,445	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>2,682,830</b>	<b>1,493,445</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>3,928,439</b>	<b>10,920,015</b>	<b>5,766,575</b>	<b>4,509,105</b>	<b>-21.81%</b>
<b>Net Income</b>	<b>\$5,462,568</b>	<b>\$422,290</b>	<b>\$217,515</b>	<b>\$29,330</b>	

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**HURF - Streets Fund Revenues & Expenditures by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$291,920	\$45,000	\$79,825	\$586,250	\$2,380,650	\$392,600	\$3,776,245
Totals	\$291,920	\$45,000	\$79,825	\$586,250	\$2,380,650	\$392,600	\$3,776,245

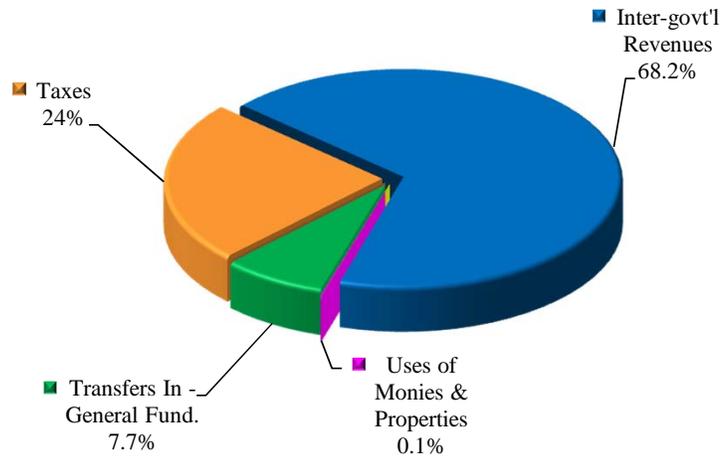
**Highway User Revenue Fund - Streets Expenditures by Category**



<b>HURF - Streets Fund Summary</b>	
Revenues	\$2,392,370
Expenditures	(3,776,245)
Transfers Out	0
Revenues over (under) Expenditures	(1,383,875)
Other Funding Sources/Uses	1,383,875
Use of Fund Balance	\$0

<b>HURF - Streets Fund Revenues by Source</b>	
Taxes	\$622,730
Inter-govt'l Revenues	1,767,640
Uses of Monies & Properties	2,000
Misc. Revenues	0
Transfers In - General Fund	200,000
Proceeds from Bonds	0
<b>Total Resources Available</b>	<b>\$2,592,370</b>

**Highway User Revenue Fund - Streets Revenues by Source**



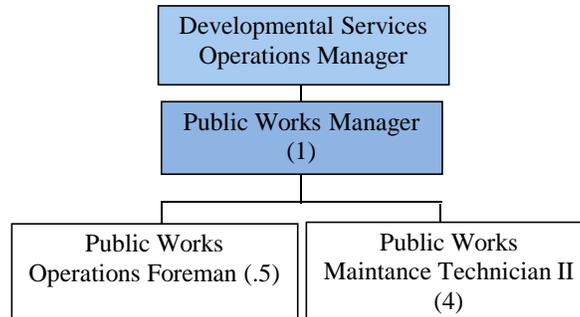
**Streets Department Revenues:**

The Street Department receives its primary funding from the City's share of state taxes imposed on gasoline, diesel fuels and other related fees to be used solely for street and highway projects. Fuel taxes are shared on a per capita basis similar to the general fund intergovernmental revenues.

**Streets Department Expenditures:**

Major commitments, totaling \$2,380,650 for various street projects, are programmed for FY 2017. Details can be viewed on page 184. Bonding will be utilized to fund these larger construction projects.

**Organizational Chart:**



Note: only unshaded boxes are included in this budget.

**General Information:**

The Streets Division of Public Works is responsible for providing safe, well maintained streets and sidewalks for the public. The routine maintenance of the city streets includes: grading, pothole patching, pavement marking, sweeping and debris removal, weed control, sign maintenance, drainage maintenance, sidewalk repair and pavement maintenance. The Streets Division commonly constructs engineering projects such as roads, sidewalks and drainage structures.

**FY 2016 Accomplishments:**

- \* Improved safety of the bridge located at 16<sup>th</sup> Street and Franquero Lane by adding new guard rail decking along with additional structural support under the bridge
- \* A failed drainage area behind Case Del Sol Apartments on Mingus Avenue was repaired by removing the vegetation, deepening the channel, and placing rock armor at the location where the water drains
- \* Crosswalks and two ADA curb ramps were added at the locations of Main Street & Birch Street, and Mesquite Drive across from 3<sup>rd</sup> Street for the Vista Grande Ranch. The curb ramps improve the safety at these intersections while also making them ADA compliant

**FY 2017 Goals:**

- \* Finish the installation of the HSIP (Highway Safety Improvement Program) sign replacement project that will result in new street signs that are up to code
- \* Implement a city-wide crack sealing program for the streets that will prevent the infiltration of water into the foundation of the pavement structure, prolonging the life of the streets
- \* Start the sidewalk trip hazard removal program with the purchase of a concrete grinder. This will reduce sidewalk trip and fall hazards without the costly replacement of sidewalk panels

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Capital expenditures have been budgeted in the amount of \$249,000 for Traffic Control Cones and Barricades (\$1,000), In-Street Pedestrian Signs (\$1,200), Street Improvements (\$2,000), a Traffic Signal Controller (\$5,800), an RSA Response Design (\$19,000), a Sidewalk Grinder (\$20,000), and a Street Sweeper (\$200,000).

Public Works	Streets Department	Fund 10 - HURF	Cost Center	3100
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Department Goal:</b>	Maintain clean swept streets throughout the city			
<b>Objective:</b>	Sweep all city collector streets weekly			
<b>Type of Measure:</b>	Number of miles swept			
<b>Tool:</b>	System monitoring			
<b>Frequency:</b>	Weekly			
<b>Scoring:</b>	Lane mile			
<b>Trend:</b>	Maintain existing lane miles per month			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2015	2015	2016	2017
Lane miles swept per month	60	60	60	60

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
Street Improvements	\$1,481		\$1,100	\$2,000
Traffic Control Cones and Barricades				1,000
Sweeper Repair	6,493			
Street Sweeper				200,000
RSA Response Design				19,000
In-Street Pedestrian Signs				1,200
Traffic Signal Controller				5,800
Plate Compactor				
Vehicle Repair	6,941			
Sidewalk Repair (Safety)		\$10,000		
Sidewalk Enhancements				
Concrete Sidewalk Grinder				20,000
Street Sign Equip & Misc.				
<b>Totals</b>	<u>\$14,915</u>	<u>\$10,000</u>	<u>\$1,100</u>	<u>\$249,000</u>

Public Works	Streets Department	Fund 10 - HURF			Cost Center	3100
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$275,673	\$283,045	\$289,425	\$291,920	0.86%	
Operating Supplies	44,826	49,700	43,230	45,000	4.09%	
Contractual Services	80,565	487,815	76,940	79,825	3.75%	
Other Services and Charges	747,018	596,255	577,520	586,250	1.51%	
Capital Outlay	14,915	10,000	1,100	249,000	22536.36%	
Reserves	0	0	1,984,065	732,860	-63.06%	
Debt Service	0	0	197,830	392,600	98.45%	
<b>Department Totals</b>	<b>\$1,162,997</b>	<b>\$1,426,815</b>	<b>\$3,170,110</b>	<b>\$2,377,455</b>	<b>-25.00%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
HURF	906,640	38.13%
Use of Fund Balance	1,268,815	53.37%
Miscellaneous Revenues	2,000	0.08%
Transfers In - General Fund	200,000	8.41%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Public Works Superintendent	0.50	0.00	0.00	4377	6450	\$0
Public Works Operations Foreman	0.00	0.50	0.50	3601	5306	22,698
PW Maintenance Technician II	4.00	4.00	4.00	2559	3771	153,871
COLA						0
Merit Contingency						3,321
Longevity						0
Clothing Allowance						1,200
Temporary / Reserves						0
Overtime						3,000
Retirement						21,000
Insurance & Taxes						86,830
Employee Related Expenses						0
<b>Totals</b>	<b><u>4.50</u></b>	<b><u>4.50</u></b>	<b><u>4.50</u></b>			<b><u>\$291,920</u></b>

Public Works	Streets Department	Fund 10 - HURF		Cost Center	3100
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Supplies</b>					
Office Supplies	0	100	100	100	0.00%
Operational Supplies	1,460	1,200	1,600	2,000	25.00%
Postage & Freight	36	0	0	0	0.00%
Gas & Oil	15,996	20,000	13,130	14,500	10.43%
Vehicle Maint & Repairs	9,848	8,400	8,400	8,400	0.00%
Equipment Maint & Repairs	17,487	20,000	20,000	20,000	0.00%
Building Maint & Repairs	0	0	0	0	0.00%
<b>Total Supplies</b>	<b>44,826</b>	<b>49,700</b>	<b>43,230</b>	<b>45,000</b>	<b>4.09%</b>
<b>Contractual Services</b>					
Computer Support	171	225	225	225	0.00%
General Counsel	0	0	0	0	
Street Lights	59,215	68,590	57,715	60,600	5.00%
Engineering Services	0	0	0	0	0.00%
Contractual Services	21,178	415,000	15,000	15,000	0.00%
Pavement Preservation	0	4,000	4,000	4,000	0.00%
<b>Total Contractual Services</b>	<b>80,565</b>	<b>487,815</b>	<b>76,940</b>	<b>79,825</b>	<b>3.75%</b>
<b>Other Services and Charges</b>					
Travel & Training	808	500	1,300	2,000	53.85%
Subscriptions & Memberships	0	0	0	0	0.00%
Utilities	9,690	9,300	9,955	10,450	4.97%
Telephone	2,722	2,500	1,250	1,500	20.00%
Legal Advertising	0	0	0	0	0.00%
Bank Charges	15	25	0	0	0.00%
Tools	3,467	2,000	2,000	2,000	0.00%
Employee Physicals	112	1,000	600	1,000	66.67%
Equipment Rental	108	1,000	0	0	0.00%
Liability Insurance	36,119	37,930	23,725	24,200	2.00%
Liability Claims Deductible	0	0	0	0	0.00%
Indirect Cost to General Fund	588,450	475,000	438,500	475,000	8.32%
Culverts	0	1,000	500	1,000	100.00%
Materials	18,641	16,000	10,000	10,000	0.00%
Street Signs	2,631	4,000	4,000	4,000	0.00%
Street Marking	1,135	42,500	30,000	51,600	72.00%
Street Light Contingency	1,282	3,500	3,500	3,500	0.00%
Trustee Fees-2015 Excise Bond	0	0	3,570	0	-100.00%
Bond Issuance Costs	81,837	0	48,620	0	-100.00%
LTA Cultural Expense	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>747,018</b>	<b>596,255</b>	<b>577,520</b>	<b>586,250</b>	<b>1.51%</b>
<b>Debt Service</b>					
Principal - Bonds	0	0	0	195,320	0.00%
Interest - Bonds	0	0	197,830	197,280	-0.28%
<b>Total Debt Service</b>	<b>0</b>	<b>0</b>	<b>197,830</b>	<b>392,600</b>	<b>98.45%</b>

**Organizational Chart:**

None

**General Information:**

Street construction projects are executed by contractors, who are solicited through a sealed bid process.

**FY 2016 Accomplishments:**

- \* Completed the northern phase of 12<sup>th</sup> Street from Fir Street to Hwy 89A
- \* Completed the design of the reconstruction of Mingus Avenue from Willard Street to the 10<sup>th</sup> Street wash
- \* Procured a design firm to design the reconstruction of Mingus Avenue from the 8th Street wash to Main Street
- \* Completed the repaving/resurfacing of many newly constructed city streets.

**FY 2017 Goals:**

- \* Complete the reconstruction of Mingus Avenue for the stretch of Willard Street to 10<sup>th</sup> Street
- \* Complete the design for the reconstruction of Mingus Avenue for the stretch of 10<sup>th</sup> Street to Main Street.

**Budget Highlights:**

The major capital item in this year's budget is the Reconstruction of Mingus Avenue for the stretch of Willard Street to 10<sup>th</sup> Street and that of 10<sup>th</sup> to Main. More information on these projects can be found on page 184.



Public Works		Street Construction		Fund 02 - HURF		Cost Center		3110	
<b>Summary by Category</b>									
Expenditure Category	2015		2016		2017		Percent Change		
	Actual	Budget	Revised	Final					
Personnel	\$0	\$0	\$0	\$0	\$0	0.00%			
Operating Supplies	0	0	0	0	0	0.00%			
Contractual Services	0	0	0	0	0	0.00%			
Other Services and Charges	0	0	0	0	0	0.00%			
Capital Outlay	2,765,442	6,810,370	1,103,020	2,131,650	93.26%				
Reserves	0	0	0	0	0.00%				
Debt Service	0	0	0	0	0.00%				
<b>Department Totals</b>	<u>\$2,765,442</u>	<u>\$6,810,370</u>	<u>\$1,103,020</u>	<u>\$2,131,650</u>	<u>93.26%</u>				

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
HURF	\$0	0.00%
Bond	0	0.00%
Grants	845,000	39.64%
Sales Tax	622,730	29.21%
Use of Fund Balance	663,920	31.15%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Merit Contingency						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Public Works	Street Construction	Fund 02 - HURF		Cost Center	3110
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

N/A

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<b>Total Supplies</b>	0	0	0	0	0.00%
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**Contractual Services**

N/A

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<b>Total Contractual Services</b>	0	0	0	0	0.00%
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**Other Services and Charges**

N/A

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<b>Total Other Services &amp; Charges</b>	0	0	0	0	0.00%
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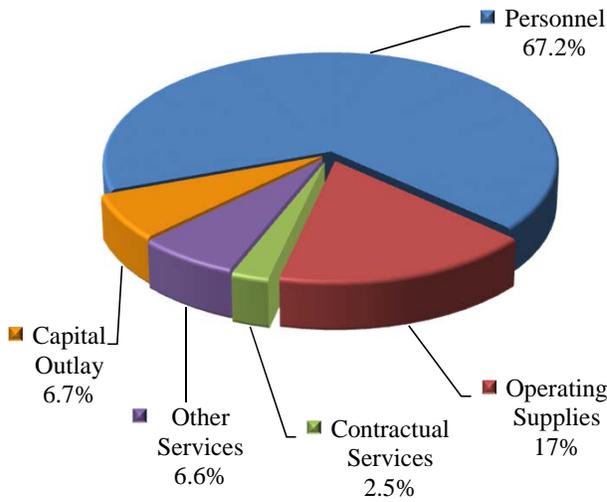
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<b>Supplemental Data: Capital Outlay</b>					
Item/Project Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Pavement Preservation	\$232,399				
Street Contingency					
Mingus/Main Signal					
W. Mingus Reconstruction	7				
12 <sup>th</sup> St. 89A to Fir Street	2,399,001	\$337,220	\$676,520		
Sidewalk Additions	36,841	123,150	128,000		
Willard Street Bridge					
10 <sup>th</sup> Street & Main Street Project	43,992				
Reconstr. Mingus Ave from Willard St. to 10 <sup>th</sup> St.	30,867	6,350,000	278,500	\$1,861,650	
Main Street Road Diet Grant					
HSIP Sign Replacement	22,335		20,000	20,000	
Reconstr. Mingus Ave. from 10 <sup>th</sup> St. to Main St.				250,000	
<b>Totals</b>	<b>\$2,765,442</b>	<b>\$6,810,370</b>	<b>\$1,103,020</b>	<b>\$2,131,650</b>	

**Transit System Fund Revenues & Expenditures by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-totals	\$1,249,230	\$315,210	\$45,955	\$123,445	\$125,000	\$0	\$1,858,840
Totals	\$1,249,230	\$315,210	\$45,955	\$123,445	\$125,000	\$0	\$1,858,840

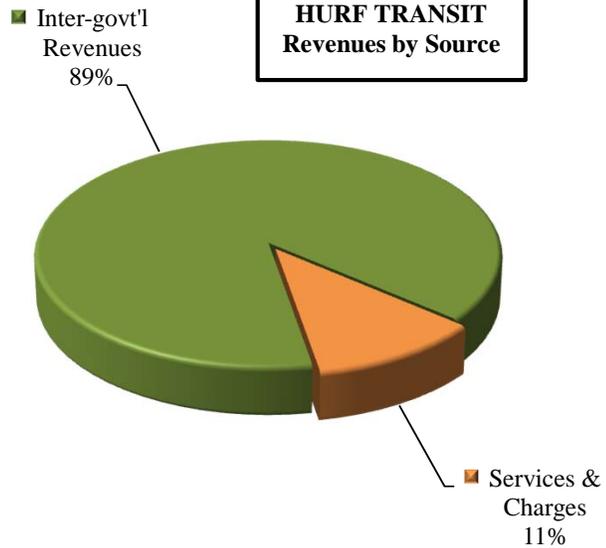
**HURF TRANSIT Expenditures by Category**



Cottonwood Area Transit Fund Summary	
Revenues	\$1,829,510
Expenditures	(1,858,840)
	(29,330)
Other Funding Sources/Uses	29,330
Use of Fund Balance	\$0

Cottonwood Area Transit Fund Revenues by Source	
Inter-govt'l Revenues	\$1,626,310
Services & Charges	203,200
Misc. Revenues	0
Transfer In	0
Total Resources Available	\$1,829,510

**HURF TRANSIT Revenues by Source**



## Cottonwood Area Transit System - Revenues/Expenditures

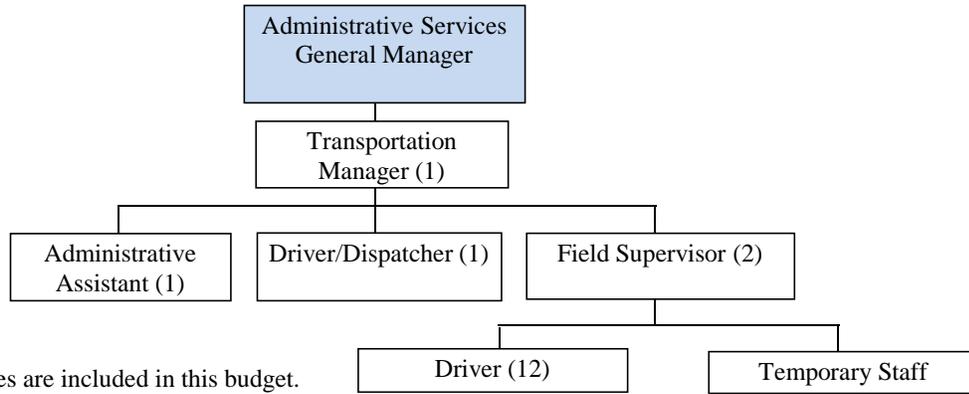
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai Co.	20,340	20,670	20,340	20,670	1.62%
Clarkdale	32,610	37,820	33,500	33,500	0.00%
Sedona	84,265	109,895	116,980	190,000	62.42%
HURF - Fuel Tax	0	0	0	0	0.00%
Local Transportation Assistance	0	0	0	0	0.00%
Fund/Transit	0	0	0	0	0.00%
ADOT Grant	669,620	893,180	1,082,140	1,382,140	27.72%
HB2565 Grant	0	0	0	0	0.00%
STP Flexible Spending Grant	0	0	0	0	0.00%
HB2565/STP/LTAF Match	0	0	0	0	0.00%
Services & Charges					
Fare Box	199,640	189,000	201,000	203,200	1.09%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>1,006,474</b>	<b>1,250,565</b>	<b>1,453,960</b>	<b>1,829,510</b>	<b>25.83%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>1,006,474</b>	<b>1,250,565</b>	<b>1,453,960</b>	<b>1,829,510</b>	<b>25.83%</b>
<b>Expenditures:</b>					
Personnel	879,770	1,015,015	980,990	1,249,230	27.34%
Operating Supplies	304,692	279,250	249,490	315,210	26.34%
Contractual Services	40,412	39,275	42,110	45,955	9.13%
Other Services and Charges	77,628	79,315	102,835	123,445	20.04%
Capital Outlay	64,511	260,000	296,050	125,000	-57.78%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>1,367,013</b>	<b>1,672,855</b>	<b>1,671,475</b>	<b>1,858,840</b>	<b>11.21%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>\$1,367,013</b>	<b>\$1,672,855</b>	<b>\$1,671,475</b>	<b>\$1,858,840</b>	<b>11.21%</b>

Social Services	CATS/LYNX	Fund 10 - Transit	Cost Center	15XX
<b>Performance Indicators</b>				
<b>City Council Goal:</b> * <i>New Performance Measures are being developed for this department*</i>				
<b>Department Goal:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

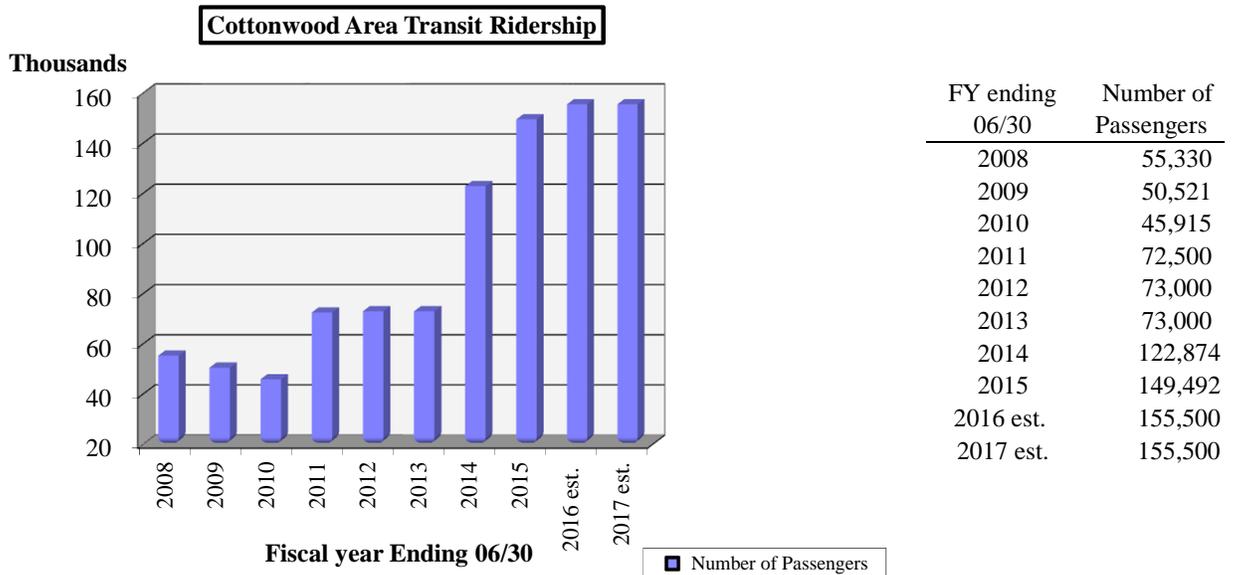
**Organizational Chart:**



Note: only unshaded boxes are included in this budget.

**General Information:**

The Cottonwood Area Transit (CAT) and Verde Lynx systems provide public transportation services to the City of Cottonwood, City of Sedona, Town of Clarkdale, Yavapai College, and the unincorporated areas around Cottonwood. Services include fixed route and complementary ADA Paratransit services. CAT routes within Cottonwood, Clarkdale, and unincorporated areas run five days a week from 6:45am to 6:45pm. CAT also provides contract services to local agencies, such as human services, to transport people in need to them so that they can get the care they require. CAT also connects with the Yavapai Apache Nation Transit that provides connections to the southern end of the Verde Valley, Camp Verde, and the Greyhound bus station in Camp Verde. The Verde Lynx provides service to and from Sedona, including Uptown Sedona and south on SR 179 to Poco Diablo Resort.



**FY 2016 Accomplishments:**

- \* Assisted the Yavapai Apache Nation Transit in securing a contract with Greyhound Lines, Inc. to add a bus stop on the Yavapai Apache Nation in Camp Verde.

**FY 2017 Goals:**

- \* Negotiate local funding with potential stakeholders to provide transit to Village of Oak Creek and Cornville
- \* Carry out Paratransit service in the Sedona area
- \* Implement bus advertising program to generate additional operating revenue
- \* Assess the feasibility of a new fare structure and providing CAT-service on Saturdays
- \* Add technological features on buses to enable fare payment with smart cards, debit and credit cards; bus tracking with smart phones; animated map showing the location of buses and their estimated time of arrival (ETA).

**Budget Highlights:**

This budget reflects a significant increase in Personnel costs due to the addition of three full-time drivers plus the merit increases. Capital is budgeted at \$125,000 for three vans. Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat.

Social Services	CATS/LYNX		Fund 10 - Transit		Cost Center	15XX
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$879,770	\$1,015,015	\$980,990	\$1,249,230	27.34%	
Operating Supplies	304,692	279,250	249,490	315,210	26.34%	
Contractual Services	40,412	39,275	42,110	45,955	9.13%	
Other Services and Charges	77,628	79,315	102,835	123,445	20.04%	
Capital Outlay	64,511	260,000	296,050	125,000	-57.78%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$1,367,013</b>	<b>\$1,672,855</b>	<b>\$1,671,475</b>	<b>\$1,858,840</b>	<b>11.21%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$1,626,310	87.49%
Services & Charges	203,200	10.93%
Miscellaneous Revenues	0	0.00%
Transfers In - General Fund	0	0.00%
Use of HURF Fund Balance	29,330	1.58%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Transportation Manager	1.00	1.00	1.00	5067	7466	\$71,316
Field Supervisor	2.00	2.00	2.00	2962	4365	80,292
Administrative Assistant	1.00	1.00	1.00	2559	3771	33,229
Driver / Dispatcher	1.00	1.00	1.00	2559	3771	40,115
Drivers	8.00	9.00	12.00	2437	3591	359,636
COLA						0
Merit Contingency						16,054
Holiday Pay						9,250
Clothing Allowance						2,760
Temporary / Reserves						248,000
Overtime						26,000
Retirement						73,005
Insurance & Taxes						289,573
Employee Related Expenses						0
<b>Totals</b>	<b>13.00</b>	<b>14.00</b>	<b>17.00</b>			<b><u>\$1,249,230</u></b>

Social Services	CATS/LYNX		Fund 10 - Transit		Cost Center	15XX
<b>Supplemental Data: Expenditures</b>						
Item Description	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		

**Supplies**

Office Supplies	4,427	5,000	5,000	5,000	0.00%
Copier Supplies	14	200	0	0	0.00%
Gas & Oil	146,384	177,500	110,600	143,750	29.97%
Vehicle Maint & Repairs	147,724	95,000	128,120	161,000	25.66%
Equipment Maint & Repairs	0	0	1,500	1,725	15.00%
Postage & Freight	304	250	270	285	5.56%
Tools	5,839	1,300	4,000	3,450	-13.75%

<b>Total Supplies</b>	<b>304,692</b>	<b>279,250</b>	<b>249,490</b>	<b>315,210</b>	<b>26.34%</b>
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**Contractual Services**

Computer Support	5,121	3,950	9,900	10,485	5.91%
Contractual Services	17,209	16,500	10,760	11,780	9.48%
Custodial Contract	6,634	6,475	12,300	13,205	7.36%
Radio Maintenance	5,460	5,250	4,050	5,235	29.26%
Indirect Cost to G/F	0	0	0	0	0.00%
Building/Grounds Mtce	5,988	7,100	5,100	5,250	2.94%

<b>Total Contractual Services</b>	<b>40,412</b>	<b>39,275</b>	<b>42,110</b>	<b>45,955</b>	<b>9.13%</b>
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**Other Services and Charges**

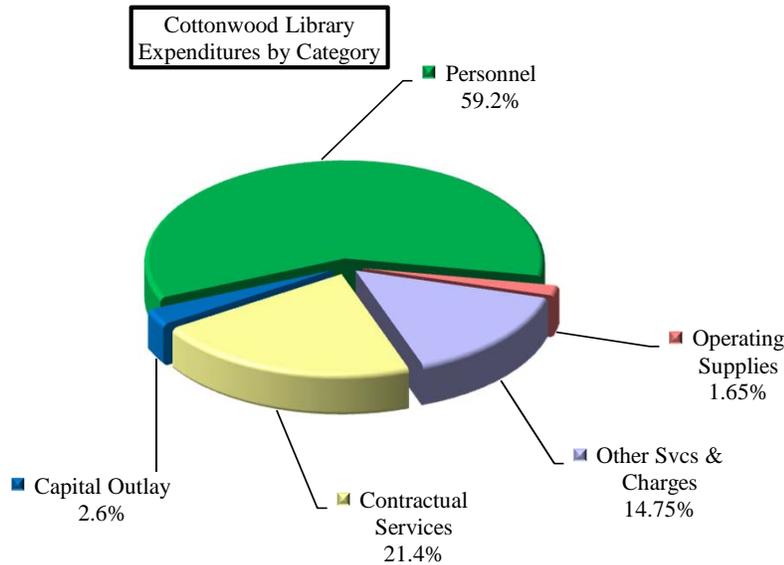
Travel & Training	4,516	3,750	5,000	5,250	5.00%
Subscriptions & Membershi	1,475	2,500	1,545	16,225	950.16%
Utilities	7,886	10,000	11,595	12,950	11.69%
Telephone	8,736	7,400	7,520	8,380	11.44%
Printing & Forms	14,814	9,875	9,375	9,845	5.01%
Advertising	6,859	12,000	28,300	29,715	5.00%
Liability Insurance	27,635	29,000	33,300	34,250	2.85%
Audit Expense	3,000	3,000	3,000	3,150	5.00%
Continued Education	0	0	0	0	0.00%
Employee Physicals/Drug Testing	2,706	1,790	3,200	3,680	15.00%

<b>Total Other Services &amp; Charges</b>	<b>77,628</b>	<b>79,315</b>	<b>102,835</b>	<b>123,445</b>	<b>20.04%</b>
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<b>Supplemental Data: Capital Outlay</b>						
Item Description	2015	2016		2017		
	Actual	Budget	Revised	Final		
Route Match Software						
Vans (3)	\$64,511			\$125,000		
Buses (4)		\$260,000	\$296,050			
Sidewalk Repairs ADA						
Computers						
<b>Totals</b>	<b>\$64,511</b>	<b>\$260,000</b>	<b>\$296,050</b>	<b>\$125,000</b>		

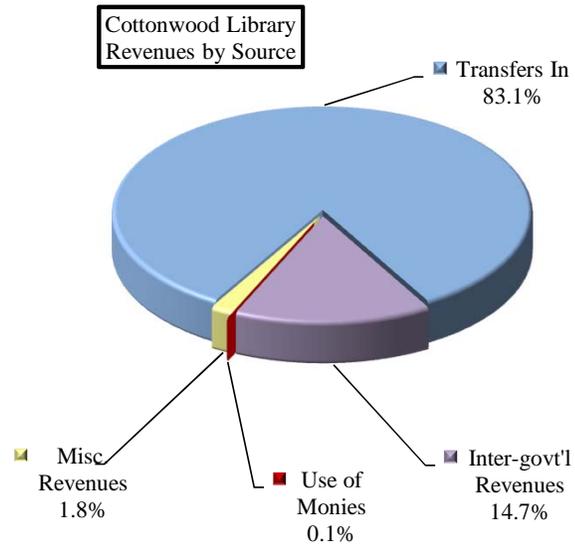
**Cottonwood Library System Fund Expenditures by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$607,820	\$17,100	\$219,380	\$154,950	\$27,000	\$0	\$1,026,250
Totals	\$607,820	\$17,100	\$219,380	\$154,950	\$27,000	\$0	\$1,026,250



Cottonwood Library System Fund Summary	
Revenues	\$173,010
Expenditures	(1,026,250)
Revenues over (under) Expenditures	(853,240)
Other Funding Sources/Uses	853,240
Use of Fund Balance	\$0

Cottonwood Library System Fund Revenues by Source	
Inter-govt'l Revenues	\$155,000
Use of Monies	10
Misc. Revenues	18,000
Transfers In	853,240
<b>Total Resources Available</b>	<b>\$1,026,250</b>



**Library Revenues:**

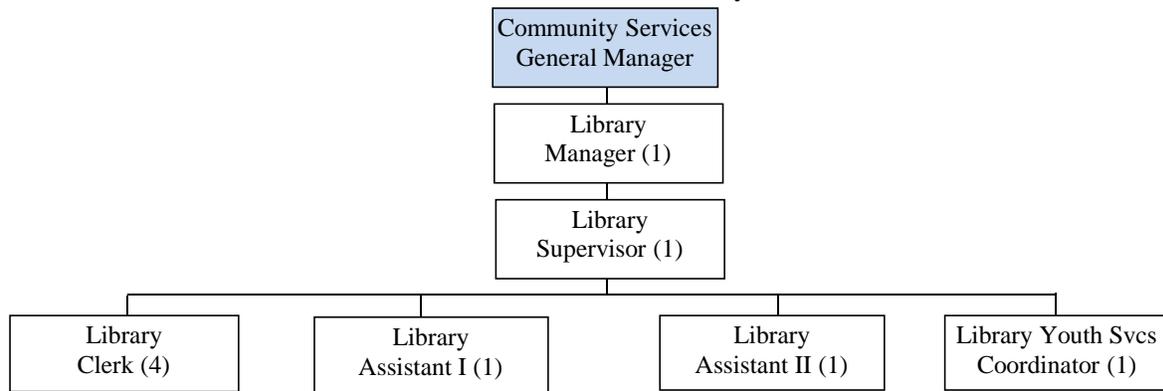
About 98% of the Cottonwood Library operating revenues come from Intergovernmental revenues and transfers in sources. \$171,165 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in \$801,285 this year for maintenance and operation of the library.

**Library Expenditures:**

The Library has struggled to keep up with the growth of walk-in patrons and the need for additional services. The Library completed its expansion project in fiscal year 2010. This \$2.9M expansion alleviated the need for additional space to house more collection materials.

## Cottonwood Library System Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	156,840	155,640	155,000	155,000	0.00%
HVAC Grant	0	0	0	0	0.00%
Grant Revenues	0	0	0	0	0.00%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	59	25	10	10	0.00%
Miscellaneous Revenues					
Other Income	15,856	15,500	18,000	18,000	0.00%
<b>Total Revenue Sources</b>	<b>172,755</b>	<b>171,165</b>	<b>173,010</b>	<b>173,010</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	785,690	801,285	790,715	853,240	7.91%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>785,690</b>	<b>801,285</b>	<b>790,715</b>	<b>853,240</b>	<b>7.91%</b>
<b>Total Available Resources</b>	<b>958,445</b>	<b>972,450</b>	<b>963,725</b>	<b>1,026,250</b>	<b>6.49%</b>
<b>Expenditures:</b>					
Personnel	574,188	595,000	577,505	607,820	5.25%
Operating Supplies	21,126	17,700	16,400	17,100	4.27%
Contractual Services	195,037	209,500	216,980	219,380	1.11%
Other Services and Charges	152,273	150,250	152,840	154,950	1.38%
Capital Outlay	15,821	0	0	27,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>958,445</b>	<b>972,450</b>	<b>963,725</b>	<b>1,026,250</b>	<b>6.49%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>958,445</b>	<b>972,450</b>	<b>963,725</b>	<b>1,026,250</b>	<b>6.49%</b>
<b>Net Income / (Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	



Note: only unshaded boxes are included in this budget

**General Information:**

The Cottonwood Public Library serves as a cultural, recreational, educational and research center for residents of the City of Cottonwood and Yavapai County. The library selects processes and maintains an organized collection of information in print and -non-print form. Through its programs and referral to area literacy programs, educational institutions and other self-help organizations, it attempts to foster a lifelong love for learning and an individual sense of responsibility for self-advancement.

**FY 2016 Accomplishments:**

- \* Successfully hosted the 3<sup>rd</sup> Annual Author's Forum featuring several local authors; 130 people were in attendance. Bestselling mystery author J.A. Jance visited the library too promoting her new book Clawback
- \* Partnered with the Verde Valley Thumbs Gardeners, a program of Gardens for Humanity, and started the "Verde Valley Seed Library" reviving the over 10,000-year old tradition of saving and sharing seeds. A request to the City Council from the seed library's initiators for funding for a dedicated computer to catalogue the holdings resulted in a \$500 donation. More than 270 participants "checked out" seed packets and returned seeds to share again
- \* Began the "Artist's Corner" featuring live art demonstrations by local artists designed to not only showcase and promote the work of amazing local artists but also to inspire patrons to learn about and create art themselves; over 360 visitors to the Corner enjoyed the different mediums featured over a three-month period
- \* Held the inaugural Adult Summer Reading Program with the theme "Book Shelf Bingo" with 169 patrons reading different genres to achieve a "Bingo!" and receive prizes. It was a great success and many requested to do it again
- \* Hosted a visit from a representative of the Arizona Talking Book Library (of the Arizona State Library, Archives and Public Records) to discuss their free audio listening services for people having difficulty reading the printed word
- \* Participated for the second year in the Arizona Sci-Tech Verde Valley Festival for a one-day event that attracted about 170 attendees
- \* Began a bi-monthly "Paws to Read" program for youth, pairing dogs and their handlers with a youngster who reads a story to them; 83 people attended the program
- \* Started a community jigsaw puzzle table that can be worked on by any patron who passes by and thus far close to 300 patrons have tally marked to have worked on them prompting a puzzle exchange where patrons "leave a puzzle, take a puzzle."
- \* Organized the inaugural Comic Expo Fundraiser for the library that attracted over 300 participants from Northern Arizona and California

**FY 2017 Goals:**

- \* Maintain high service levels despite reduced resources and library hours by providing cost effective employee training methods and seeking out ways to increase efficiency in operations
- \* Increase programming offerings to adults by offering *Sketching and Adult Coloring Book* classes
- \* Be a learning commons that fosters learning and understanding by offering opportunities, such as American Sign Language (ASL) and Spanish classes, for participatory learning
- \* Form more partnerships with libraries in the Verde Valley to co-sponsor events that can be brought to the individual libraries

**Budget Highlights:**

Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Capital outlay is for E-Rate Equipment (\$7,000) and Roofing Repair (\$20,000).

Culture and Recreation	Cottonwood Public Library	Fund 03 - Library Fund	Cost Center	4000
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Strive to provide effective and efficient services to the public that we serve			
<b>Department Goal:</b>	Increase the attendance in Adult and Youth Services programming			
<b>Objective:</b>	Provide more free and cultural programming to the public and increase public awareness of our service			
<b>Type of Measure:</b>	Program attendance			
<b>Tool:</b>	Attendance logs and surveys			
<b>Frequency:</b>	Monthly/weekly			
<b>Scoring:</b>	5% increase in attendance			
<b>Trend:</b>	upward			
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
Adult staff sponsored programs attendance		744	658	691
Youth Services staff sponsored programs attendance		14,262	8,383	8,802
Adult programs attendance		3,328	2,869	3,012
Youth Services programs attendance		693	468	491
Youth Services interactive table		207	6,148	6,455
Youth Services Early Literacy Tablets		127	1,603	1,683
Steam kits/other			1,584	1,663
	Totals	19,361	21,713	22,797
Percent increase/decrease from prior year			12.15%	4.99%
				5.01%

<b>City Council Goal:</b>	Strive to provide effective and efficient services to the public that we serve			
<b>Department Goal:</b>	Increase availability of library services			
<b>Objective:</b>	Increased hours will provide more availability to our patrons for circulation, internet and job service			
<b>Type of Measure:</b>	Computer usage			
<b>Tool:</b>	Statistics			
<b>Frequency:</b>	Daily/weekly/monthly			
<b>Scoring:</b>	5-10% increase in attendance			
<b>Trend:</b>	upward			
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016
Job Service computer usage		402	382	401
Youth Service computer usage		2,872	6,354	6,672
Adult Services computer usage		26,828	27,540	28,917
Internet guest card usage		9,933	9,370	9,839
Circulation of library items		255,113	252,267	264,880
Circulation of eBook usage		9,676	8,983	9,432
	Totals	304,824	304,896	320,141
Percent increase/decrease from prior year			0.02%	5.00%
				5.00%

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2014	2015	2016

Culture and Recreation Cottonwood Public Library		Fund 03 - Library Fund			Cost Center	4000
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$574,188	\$595,000	\$577,505	\$607,820	5.86%	
Operating Supplies	21,126	17,700	16,400	17,100	4.27%	
Contractual Services	195,037	209,500	216,980	219,380	1.11%	
Other Services and Charges	152,273	150,250	152,840	154,950	1.38%	
Capital Outlay	15,821	0	0	27,000	0.00%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$958,445</b>	<b>\$972,450</b>	<b>\$963,725</b>	<b>\$1,026,250</b>	<b>6.49%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$155,000	15.10%
Uses of Monies	10	0.00%
Miscellaneous Income	18,000	1.75%
Use of Fund Balance	0	0.00%
Transfers In - General Fund	853,240	83.14%
<b>Total Funding</b>		<b>100.0%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Library Manager	1.00	1.00	1.00	5,067	7,466	\$78,069
Library Supervisor	1.00	1.00	1.00	3,601	5,306	50,403
Library Youth Svcs Coordinator	0.00	0.00	1.00	3,111	4,584	39,023
Library Assistant II	1.00	1.00	1.00	3,111	4,584	38,072
Library Assistant I	1.00	1.00	1.00	2,687	3,960	36,398
Library Clerk	5.00	5.00	4.00	2,321	3,421	125,939
COLA						0
Merit Contingency						13,316
Longevity						0
Temporary / Reserves						50,000
Holiday Pay						0
Retirement						43,760
Insurance & Taxes						132,840
Employee Related Expenses						0
<b>Totals</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>			<b>\$607,820</b>

Culture and Recreation Cottonwood Public Library		Fund 03 - Library Fund		Cost Center	4000
<b>Supplemental Data: Expenditures</b>					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	3,929	4,000	4,000	4,000	0.00%
Copier Supplies	6,662	2,500	3,100	3,100	0.00%
Equipment Maint & Repairs	5,930	6,000	6,000	6,000	0.00%
Postage & Freight	4,606	5,200	3,300	4,000	21.21%

<b>Total Supplies</b>	<b>21,126</b>	<b>17,700</b>	<b>16,400</b>	<b>17,100</b>	<b>4.27%</b>
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**Contractual Services**

Computer Support	2,246	2,000	2,250	2,350	4.44%
Collection Expenses	1,906	2,000	2,250	2,000	-11.11%
Advertising	0	0	0	0	0.00%
Bank Charges	0	0	30	30	0.00%
Building Maint. & Repair	63	30,000	30,000	30,000	0.00%
Indirect Cost to General Fund	190,822	175,500	182,450	185,000	1.40%

<b>Total Contractual Services</b>	<b>195,037</b>	<b>209,500</b>	<b>216,980</b>	<b>219,380</b>	<b>1.11%</b>
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**Other Services and Charges**

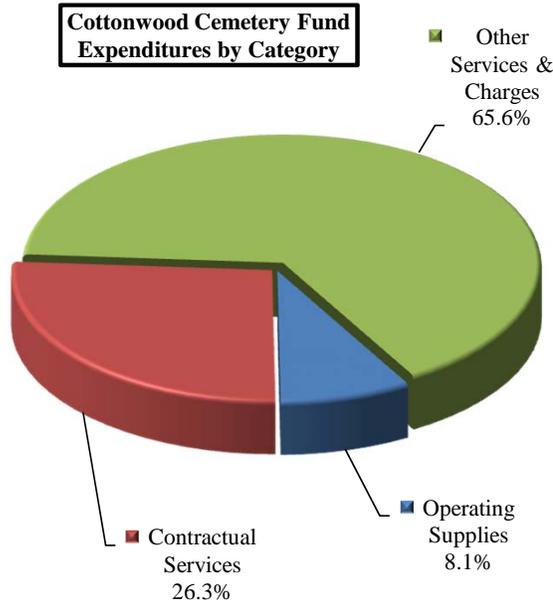
Travel & Training	1,212	800	850	850	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Utilities	53,943	55,000	52,710	55,000	4.34%
Telephone	2,665	2,700	2,420	2,500	3.31%
Youth Programs	387	450	460	500	8.70%
Book Purchases	42,336	41,000	41,000	42,000	2.44%
Network/Technology Exps	36,914	35,000	36,500	35,000	-4.11%
Annual Volunteer Appreciation Event	911	800	800	800	0.00%
Liability Insurance	13,545	14,000	17,800	17,800	0.00%
Recruitment Expense	360	500	300	500	66.67%

<b>Total Other Services &amp; Charges</b>	<b>152,273</b>	<b>150,250</b>	<b>152,840</b>	<b>154,950</b>	<b>1.38%</b>
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Lighting and Ballast Replacement					
Re-roofing /Roof Repair				\$20,000	
Grant Expenditures	\$15,821				
E-Rate Equipment				7,000	
<b>Totals</b>	<b>\$15,821</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,000</b>	

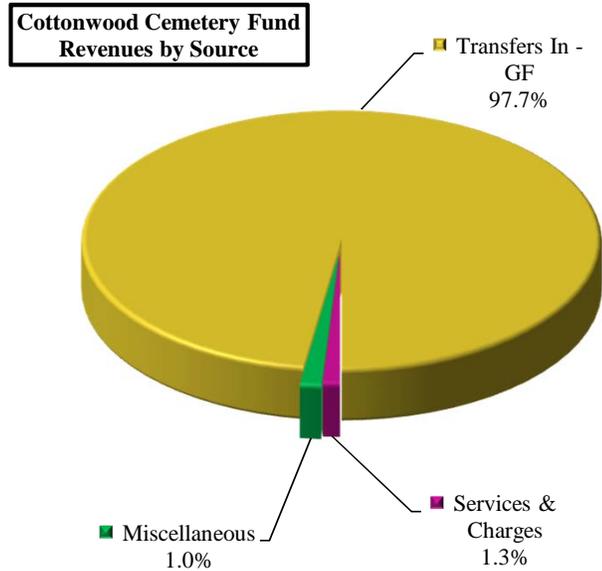
**Cottonwood Cemetery Fund Expenditures by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$0	\$3,100	\$10,000	\$25,000	\$0	\$0	\$38,100
Totals	\$0	\$3,100	\$10,000	\$25,000	\$0	\$0	\$38,100



Revenues	\$900
Expenditures	(38,100)
Revenues over (under) Expenditures	(37,200)
Other Funding Sources/Uses	37,200
Use of Fund Balance	\$0

Services & Charges	\$400
Use of Monies	0
Miscellaneous	500
Transfers In - GF	37,200
Total Resources Available	\$38,100



## Cottonwood Cemetery Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	21016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	550	600	400	400	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	980	500	500	500	0.00%
<b>Total Revenue Sources</b>	<b>1,530</b>	<b>1,100</b>	<b>900</b>	<b>900</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	31,059	25,525	33,200	37,200	12.05%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>31,059</b>	<b>25,525</b>	<b>33,200</b>	<b>37,200</b>	<b>12.05%</b>
<b>Total Available Resources</b>	<b>32,589</b>	<b>26,625</b>	<b>34,100</b>	<b>38,100</b>	<b>11.73%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	357	3,500	100	3,100	3000.00%
Contractual Services	10,986	1,125	9,000	10,000	11.11%
Other Services and Charges	21,246	22,000	25,000	25,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>32,589</b>	<b>26,625</b>	<b>34,100</b>	<b>38,100</b>	<b>11.73%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>32,589</b>	<b>26,625</b>	<b>34,100</b>	<b>38,100</b>	<b>11.73%</b>
<b>Net Income / (Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

None

**General Information:**

The Cemetery Fund accounts for the contribution received by the City for which principal and interest are to be used solely for the maintenance of the Cottonwood Cemetery.

Revenues are generated from the sale of grave liners, the opening and closing of grave sites, and support from the General Fund.

**FY 2016 Accomplishments:**

\* N/A

**FY 2017 Goals:**

\* N/A

**Budget Highlights:**

None

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	<i>* Performance Measures are being developed for this department *</i>			
<b>Department</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
<b>City Council Goal:</b>				
<b>Department</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

Cemeteries		Cottonwood Cemetery		Fund 04 - Cemetery		Cost Center		4200	
<b>Summary by Category</b>									
Expenditure Category	2015		2016		2017		Percent Change		
	Actual	Budget	Revised	Final					
Personnel	\$0	\$0	\$0	\$0	\$0	0.00%			
Operating Supplies	357	3,500	100	3,100	3000.00%				
Contractual Services	10,986	1,125	9,000	10,000	11.11%				
Other Services and Charges	21,246	22,000	25,000	25,000	0.00%				
Capital Outlay	0	0	0	0	0.00%				
Debt Service	0	0	0	0	0.00%				
<b>Department Totals</b>	<u>\$32,589</u>	<u>\$26,625</u>	<u>\$34,100</u>	<u>\$38,100</u>	<u>11.73%</u>				

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Charges for Service	\$400	1.05%
Interest Income	0	0.00%
Miscellaneous Fees	500	1.31%
Carryover	0	0.00%
Transfer In - General Fund	37,200	97.64%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Merit Contingency						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200	
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Grave Liners	0	3,000	0	3,000	0.00%
Equipment Maint & Repairs	34	500	100	100	0.00%
Misc. Expense	323	0	0	0	0.00%
<b>Total Supplies</b>	357	3,500	100	3,100	3000.00%

**Contractual Services**

Indirect Cost to General Fund	10,986	1,125	9,000	10,000	11.11%
<b>Total Contractual Services</b>	10,986	1,125	9,000	10,000	11.11%

**Other Services and Charges**

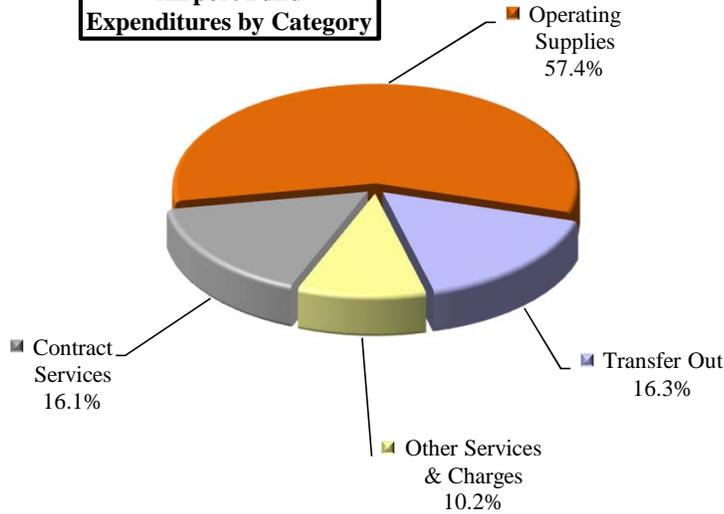
Utilities	21,246	22,000	25,000	25,000	0.00%
Telephone	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	21,246	22,000	25,000	25,000	0.00%

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

**Airport Fund Expenditures by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Subtotals	\$0	\$204,250	\$57,110	\$36,300	\$0	\$0	\$58,050	\$355,710
Totals	\$0	\$204,250	\$57,110	\$36,300	\$0	\$0	\$58,050	\$355,710

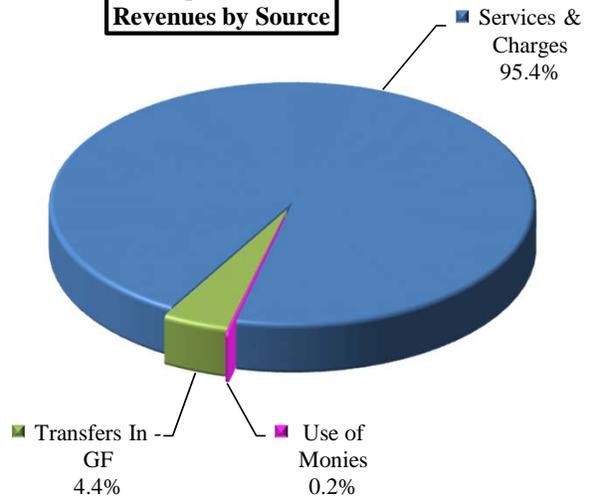
**Airport Fund Expenditures by Category**



Airport Fund Fund Summary	
Revenues	\$339,970
Expenditures	(355,710)
Revenues over (under) Expenditures	(15,740)
Other Funding Sources/Uses	15,740
Use of Fund Balance	\$0

Airport Fund Revenues by Source	
Services & Charges	\$339,350
Use of Monies	620
Transfers In - GF	15,740
Total Resources Available	\$355,710

**Airport Fund Revenues by Source**



**Airport Revenues:**

Most of this department's funding comes from fuel sales, and rental of properties, hangars and tie-downs.

**Airport Expenditures:**

The airport is being managed by City of Cottonwood staff and is charged through indirect cost for their services.

## Airport Authority Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	203,277	225,000	256,000	247,000	-3.52%
Uses of Monies & Properties					
Tie Down Rent	17,893	17,000	18,500	18,900	2.16%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	0	0	0	0	0.00%
Land Lease Fees	37,253	32,900	38,850	38,850	0.00%
City Hangar Lease Fees	33,850	33,550	34,225	34,600	1.10%
Miscellaneous Revenues					
Other Income	670	550	610	620	1.64%
<b>Total Revenue Sources</b>	<b>292,943</b>	<b>309,000</b>	<b>348,185</b>	<b>339,970</b>	<b>-2.36%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	57,640	9,000	15,740	74.89%
Carryover	0	0	0	0	0.00%
Residual Equity Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>57,640</b>	<b>9,000</b>	<b>15,740</b>	<b>74.89%</b>
<b>Total Available Resources</b>	<b>292,943</b>	<b>366,640</b>	<b>357,185</b>	<b>355,710</b>	<b>-0.41%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	169,577	155,000	214,000	204,250	-4.56%
Contractual Services	65,910	60,100	58,010	57,110	-1.55%
Other Services and Charges	34,857	33,795	35,900	36,300	1.11%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	9,815	13,945	0	-100.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>270,344</b>	<b>258,710</b>	<b>321,855</b>	<b>297,660</b>	<b>-7.52%</b>
<b>Other Uses:</b>					
Transfers Out	0	107,930	35,330	58,050	64.31%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>107,930</b>	<b>35,330</b>	<b>58,050</b>	<b>64.31%</b>
<b>Total Expenditures and Other Uses</b>	<b>270,344</b>	<b>366,640</b>	<b>357,185</b>	<b>355,710</b>	<b>-0.41%</b>
<b>Net Income / (Loss)</b>	<b>\$22,599</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

None

**General Information:**

The operation of the Cottonwood Municipal Airport is provided by the City. The City is responsible for the collection of rents, fuel purchase and building and airfield maintenance. Public Works staff provides airport management including staffing the Airport Commission, airport planning, capital improvements, grant management, and airport grounds, equipment and facility maintenance.

**FY 2016 Accomplishments:**

- \* Routinely swept apron to remove unsightly debris

**FY 2017 Goals:**

- \* Complete reconstruction of the northern half of the apron (Phase I)
- \* Complete Commercial Airport Operations policy

**Budget Highlights:**

The FY 2017 budget shows no significant changes and no capital.

Airport	Cottonwood Municipal Airport	Fund 05 - Airport	Cost Center	1500
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	Value the tax dollar and maintain sound fiscal policies			
<b>Department Goal:</b>	Maintain adequate and safe fuel levels			
<b>Objective:</b>	Maintain an adequate fuel level in order to not lose any sales due to lack of fuel			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Fuel Level			
<b>Frequency:</b>	weekly			
<b>Scoring:</b>	Fuel Sales			
<b>Trend:</b>	Fuel level never below 2,000 gallons			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Minimum monthly fuel level		1,500	1,500	1,500

<b>City Council Goal:</b>	Value the tax dollar and maintain sound fiscal policies			
<b>Department Goal:</b>	Decrease cost of electric power used at the airport			
<b>Objective:</b>	Measure the amount of power consumed at the airport			
<b>Type of Measure:</b>	Outcome Based			
<b>Tool:</b>	System Monitoring			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	Percentage decrease in power consumed			
<b>Trend:</b>	N/A - New Measure FY 2015			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Decrease in electric consumption		30%	n/a	n/a

<b>City Council Goal:</b>				
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017

Airport	Cottonwood Municipal Airport	Fund 05 - Airport			Cost Center	1500
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	169,577	155,000	214,000	204,250	-4.56%	
Contractual Services	65,910	60,100	58,010	57,110	-1.55%	
Other Services and Charges	34,857	33,795	35,900	36,300	1.11%	
Capital Outlay	0	0	0	0	0.00%	
Reserves	0	9,815	13,945	0	-100.00%	
Transfers Out	0	107,930	35,330	58,050	64.31%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$270,344</u>	<u>\$366,640</u>	<u>\$357,185</u>	<u>\$355,710</u>	<u>-0.41%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Fuel Sales	\$247,000	69.44%
User & Rental Fees	92,970	26.14%
Fund Balance	0	0.00%
Transfers In - General Fund	15,740	4.42%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Airport	Cottonwood Municipal Airport	Fund 05 - Airport		Cost Center	1500
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Supplies**

Office Supplies	119	150	50	50	0.00%
Vehicle Maint & Repairs	102	150	200	200	0.00%
Equipment Maint & Repairs	4,710	3,500	2,500	2,500	0.00%
Building Maint & Repairs	1,255	500	750	500	-33.33%
Fuel Expenses	160,575	150,000	209,000	200,000	-4.31%
Oil Expense	46	0	0	0	0.00%
Operational Supplies	2,771	700	1,500	1,000	-33.33%

<b>Total Supplies</b>	169,577	155,000	214,000	204,250	-4.56%
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**Contractual Services**

Misc. Expenses	0	0	0	0	0.00%
Computer Support	120	100	110	110	100.00%
General Counsel	0	0	0	0	0.00%
Contractual Services	6,498	10,000	12,000	7,000	-41.67%
Airport-Indirect Costs to General Fund	59,293	50,000	45,900	50,000	8.93%

<b>Total Contractual Services</b>	65,910	60,100	58,010	57,110	-1.55%
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**Other Services and Charges**

Airport Annual Event	0	0	0	0	0.00%
Utilities	14,263	12,410	14,500	14,500	0.00%
Telephone	1,317	1,185	1,200	1,300	8.33%
Bank Charges	11,077	12,000	12,000	12,000	0.00%
Liability Insurance	8,200	8,200	8,200	8,500	3.66%

<b>Total Other Services &amp; Charges</b>	34,857	33,795	35,900	36,300	1.11%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

## Airport Improvement Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
ADOT - Runway 32	\$0	\$0	\$0	\$0	0.00%
ADOT - Terminal Parking	0	0	0	0	0.00%
ADOT - Design Lighting & Runway Imp.	0	0	0	0	0.00%
ADOT -Fence Extension	0	0	0	0	0.00%
ADOT - Pavement Preservation	476	1,755,000	102,900	0	-100.00%
FAA - Fence Extension	0	135,000	0	136,500	0.00%
FAA - Airport Apron	0	0	0	0	0.00%
FAA - AWOS	114,743	0	0	0	0.00%
FAA - Pavement Preservation	0	0	0	1,147,360	0.00%
FAA - Terminal Parking	0	0	0	0	0.00%
FAA - Master Plan	0	0	0	364,240	0.00%
Beacon & LED Windsocks	0	0	0	0	0.00%
Energy Efficient Block Grant	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	115,219	1,890,000	102,900	1,648,100	1501.65%
<b>Other Financing Sources:</b>					
Transfers In	0	107,930	35,330	58,050	205.49%
Carryover	0	102,070	78,620	103,850	32.09%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	0	210,000	113,950	161,900	42.08%
<b>Total Available Resources</b>	115,219	2,100,000	216,850	1,810,000	734.68%
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	11,528	2,100,000	113,000	1,810,000	1501.77%
Reserves	0	0	103,850	0	-100.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	11,528	2,100,000	216,850	1,810,000	734.68%
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	0	0	0	0	0.00%
<b>Total Expenditures and Other Uses</b>	11,528	2,100,000	216,850	1,810,000	734.68%
<b>Net Income / (Loss)</b>	\$103,691	\$0	\$0	\$0	

**Organizational Chart:**

None

**General Information:**

This fund was established to track major airport improvements primarily funded by the Federal Aviation Administration (FAA) and the Arizona Department of Transportation - (ADOT) - Aeronautics Division and the City of Cottonwood.

**FY 2016 Accomplishments:**

\* They are the same as the Airport.

**FY 2017 Goals:**

\* N/A

**Budget Highlights:**

Capital in the amount of \$150,000 to increase the fence height at the Airport and \$1,950,000 for Pavement Preservation are included for FY 2016. Both projects have offsetting revenue sources from ADOT and the FAA.

Airport	Airport Improvement Fund	Fund 11- Grants			Cost Center	1500
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	11,528	2,100,000	113,000	1,810,000	1501.77%	
Reserves	0	0	103,850	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$11,528</u>	<u>\$2,100,000</u>	<u>\$216,850</u>	<u>\$1,810,000</u>	<u>734.68%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
FAA Grant	\$1,648,100	91.06%
Miscellaneous Grants	0	0.00%
ADOT Grant	0	0.00%
Airport Transfer In	58,050	3.21%
Fund Balance	103,850	5.74%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Airport	Airport Improvement Fund	Fund 11- Grants	Cost Center	1500								
<b>Performance Indicators</b>												
<b>City Council Goal:</b>												
<b>Department Goal:</b>												
<b>Objective:</b>												
<b>Type of Measure:</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
<table border="1"> <tr> <td colspan="2" style="text-align: center;">Actual</td> <td style="text-align: center;">Estimated</td> <td style="text-align: center;">Anticipated</td> </tr> <tr> <td style="text-align: center;">2014</td> <td style="text-align: center;">2015</td> <td style="text-align: center;">2016</td> <td style="text-align: center;">2017</td> </tr> </table>					Actual		Estimated	Anticipated	2014	2015	2016	2017
Actual		Estimated	Anticipated									
2014	2015	2016	2017									
<b>Measures:</b>												

<b>Supplemental Data: Capital Outlay</b>				
Item/Project Description	2015	2016		2017
	Actual	Budget	Revised	Final
Pavement Preservation		\$1,950,000	\$113,000	\$1,260,000
Extend Runway 32				
Solar Panels (Energy Efficient Block Grant)				
Beacon & LED Windsocks				
Automatic Weather Observation Station (AWOS)	\$11,528			
Terminal Parking				
Fence Extension		150,000		150,000
Airport Apron				
Airport Master Plan				400,000
<b>Totals</b>	<u>\$11,528</u>	<u>\$2,100,000</u>	<u>\$113,000</u>	<u>\$1,810,000</u>

**Grants Fund Revenues/Expenditures/Changes in Fund Balance**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues	0	500,000	0	500,000	0.00%
Miscellaneous Revenue	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	0	500,000	0	500,000	0.00%
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	0	0	0	0	0.00%
<b>Total Available Resources</b>	0	500,000	0	500,000	0.00%
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	0	500,000	0	500,000	0.00%
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	0	0	0	0	0.00%
<b>Total Expenditures and Other Uses</b>	0	500,000	0	500,000	0.00%
<b>Net Income / (Loss)</b>	\$0	\$0	\$0	\$0	

The Grants Fund accounts for several grants which are depicted on the following pages. The revenues and expenditures have been extracted for each of the grants individually.

**Other Grants Fund Revenues/Expenditures**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	500,000	0	500,000	0.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Net Income / (Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

None

**General Information:**

This fund accounts for all funds that are applied for and approved however, not specifically budgeted. Grants such as the Greenwood Chipping grant, Riverfront Park grant and others fall under this department's budget. This fund serves as a buffer to prevent the possible loss of grant opportunities.

**FY 2016 Accomplishments:**

\* None

**FY 2017 Goals:**

\* Obtain grants for multiple projects

**Budget Highlights:**

N/A

Grants	Other Grants Fund	Fund 07 - Grants	Cost Center	0000
<b>Performance Indicators</b>				
<b>City Council Goal:</b>	<i>* Performance Measures are not applicable to this fund *</i>			
<b>Department Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2014	2015	2016	2017
N/A				

<b>Supplemental Data: Capital Outlay</b>				
Item/Project Description	2015	2016		2017
	Actual	Budget	Revised	Final
Grant Projects		\$500,000		\$500,000
Totals		\$0	\$500,000	\$0
		\$500,000		\$500,000

Grants	Other Grants Fund	Fund 07 - Grants			Cost Center	0000
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	0	500,000	0	500,000	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$0</u>	<u>\$500,000</u>	<u>\$0</u>	<u>\$500,000</u>	<u>0.00%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Federal Grants	\$500,000	100%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

**Community Development Block Grant Fund Revenues/Expenditures/Changes in Fund Balance**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	309,150	5,000	304,150	5983.00%
Miscellaneous Revenue					
Interest Income	161	5	5	5	0.00%
<b>Total Revenue Sources</b>	<b>161</b>	<b>309,155</b>	<b>5,005</b>	<b>304,155</b>	<b>5977.02%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	2,995	0	-100.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>2,995</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Available Resources</b>	<b>161</b>	<b>309,155</b>	<b>8,000</b>	<b>304,155</b>	<b>3701.94%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	309,155	8,000	304,155	3701.94%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>0</b>	<b>309,155</b>	<b>8,000</b>	<b>304,155</b>	<b>3701.94%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>0</b>	<b>309,155</b>	<b>8,000</b>	<b>304,155</b>	<b>3701.94%</b>
<b>Net Income / (Loss)</b>	<b>\$161</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

None

**General Information:**

The Community Development Department, which includes Developmental Services work closely with the Northern Arizona Council of Governments (NACOG) and the State of Arizona to obtain Community Development Block Grants (CDBG) funds. Intergovernmental agreements and partnerships have been formed to successful completion of a variety of neighborhood improvement projects.

**FY 2016 Accomplishments:**

\* None

**FY 2017 Goals:**

\* Obtain grants for multiple projects

**Budget Highlights:**

N/A

Public Works	Community Development Block Grant	Fund 12 - CDBG	Cost Center	3110
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				

<b>Supplemental Data: Capital Outlay</b>				
Item/Project Description	2015	2016		2017
	Actual	Budget	Revised	Final
CDBG 10 <sup>th</sup> St Construction Grant Civic Center Upgrades		\$309,155	\$8,000	\$304,155
Totals	\$0	\$309,155	\$8,000	\$304,155

Public Works Community Development Block Grant		Fund 08 - CDBG			Cost Center	3110
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	0	309,155	8,000	304,155	3701.94%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$0</b>	<b>\$309,155</b>	<b>\$8,000</b>	<b>\$304,155</b>	<b>3701.94%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding % of Funding
Federal Grants	\$304,155	100%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>\$0</b>

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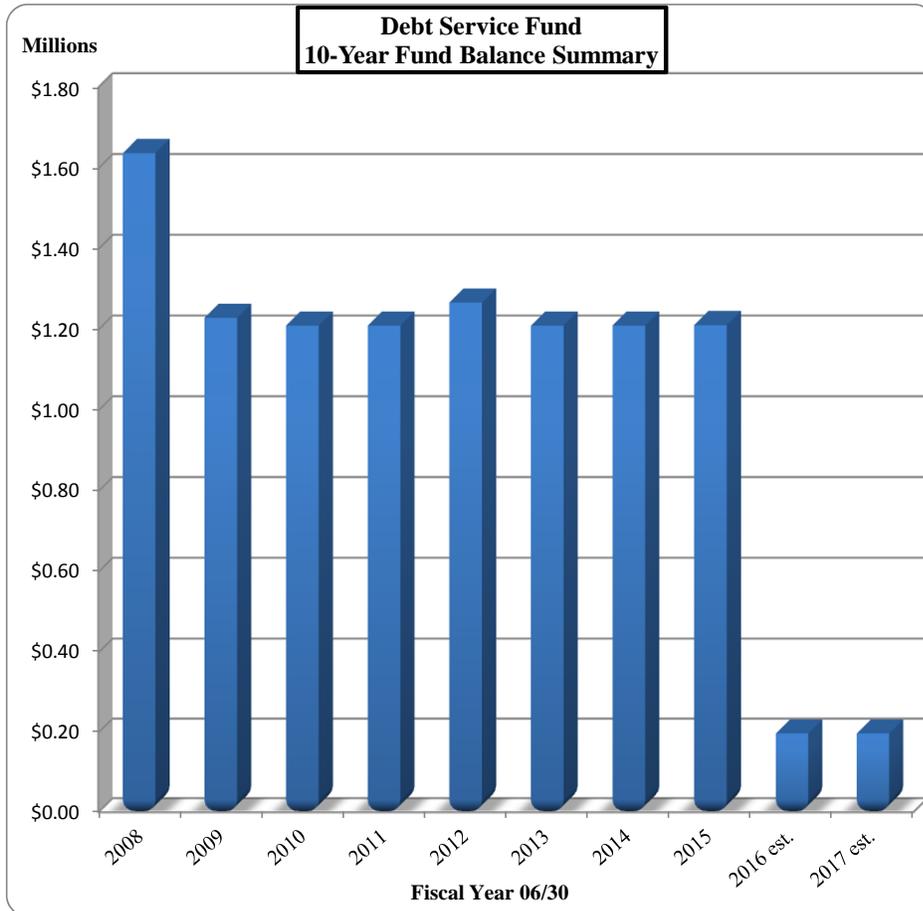
The Debt Service Fund is set up to account for the accumulation of resources and the payment of general long-term debt principal and interest.

**Fund/Account Number**

**Description**

20

Debt Service



<b>Fiscal Year 06/30</b>	<b>Balance</b>
2008	1,637,437
2009	1,229,290
2010	1,210,130
2011	1,210,125
2012	1,267,020
2013	1,210,130
2014	1,210,130
2015	1,211,500
2016 est.	197,840
2017 est.	197,840

Sewer debt service reserves reflected a sharp decrease due to the transfer of these funds in FY 2008 to the Capital Projects Fund.

**Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance**

Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
<b>Revenue Sources:</b>				
Taxes	\$1,541,275	\$2,072,185	\$1,739,195	\$1,539,955
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	1,731	150	280	280
Miscellaneous Revenues	0	0	0	0
<b>Total Revenue Sources</b>	<b>1,543,006</b>	<b>2,072,335</b>	<b>1,739,475</b>	<b>1,540,235</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Carryover	0	1,740,830	1,211,500	197,840
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>1,740,830</b>	<b>1,211,500</b>	<b>197,840</b>
<b>Total Available Resources</b>	<b>1,543,006</b>	<b>3,813,165</b>	<b>2,950,975</b>	<b>1,738,075</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	360	360	360	360
Other Services and Charges	1,541,275	1,541,275	1,541,275	1,539,875
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>1,541,635</b>	<b>1,541,635</b>	<b>1,541,635</b>	<b>1,540,235</b>
<b>Other Uses:</b>				
Transfers Out	0	0	1,211,500	0
Reserves	0	2,271,530	197,840	197,840
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>2,271,530</b>	<b>1,409,340</b>	<b>197,840</b>
<b>Total Expenditures and Other Uses</b>	<b>1,541,635</b>	<b>3,813,165</b>	<b>2,950,975</b>	<b>1,738,075</b>
<b>Net Income / (Loss)</b>	<b>\$1,371</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Debt Service Fund Revenues/Expenditures/Changes in fund Balance**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	\$1,541,275	\$1,541,485	\$1,541,355	\$1,539,955	-0.09%
City Sales Tax - Library	0	530,700	197,840	0	-100.00%
Charges for Services					
User Fees - Water Co. Debt Serv	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	1,731	150	280	280	0.00%
<b>Total Revenue Sources</b>	<b>1,543,006</b>	<b>2,072,335</b>	<b>1,739,475</b>	<b>1,540,235</b>	<b>-11.45%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover Funds	0	1,740,830	1,211,500	197,840	-83.67%
Residual Equity Interfund Transf	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>1,740,830</b>	<b>1,211,500</b>	<b>197,840</b>	<b>-83.67%</b>
<b>Total Available Resources</b>	<b>1,543,006</b>	<b>3,813,165</b>	<b>2,950,975</b>	<b>1,738,075</b>	<b>-41.10%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	360	360	360	360	0.00%
Other Services and Charges	1,541,275	1,541,275	1,541,275	1,539,875	-0.09%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	2,271,530	197,840	197,840	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>1,541,635</b>	<b>3,813,165</b>	<b>1,739,475</b>	<b>1,738,075</b>	<b>-0.08%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	1,211,500	0	-100.00%
Residual Equity Interfund Transf	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>1,211,500</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,541,635</b>	<b>3,813,165</b>	<b>2,950,975</b>	<b>1,738,075</b>	<b>-41.10%</b>
<b>Net Income / (Loss)</b>	<b>\$1,371</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

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**Organizational Chart:**

None

**General Information:**

The Debt Service Fund plans the payment of general obligation bond principal and interest payments and the accumulation of reserves for future payments from government resources. The City has two outstanding debt issues, the public library project of 1992 and the Recreation Center. Principal and interest for both projects are paid from special sales taxes. Currently, the City does not have a debt policy in place.

A city sales tax of 1% was enacted July 1, 1987 for the wastewater project, and a city sales tax of .2%, effective April 1, 1992, funds the library project.

**FY 2016 Accomplishments:**

- \* Consistently maintained timely payments of Special Debt Service accounts through the set-up of monthly deposits

**FY 2017 Goals:**

- \* Maintain timely payments of all bond and long-term debt payments

**Budget Highlights:**

The Recreation Center bond is the only remaining bond for this fund. The City continues to pursue other financing resources to help fund some current Streets and Capital Improvement Projects.

Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service	Cost Center	8XXX
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable for this fund*</i>				

<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	

**Contractual Services**

Trustee Fees - Library	0	0	0	0	0.00%
Trustee Fees - WIFA	360	360	360	360	0.00%
<b>Total Contractual Services</b>	<u>360</u>	<u>360</u>	<u>360</u>	<u>360</u>	<u>0.00%</u>

**Debt Service**

Interest - FmHA Loan - Library	0	0	0	0	0.00%
Principal - FmHA Loan - Library	0	0	0	0	0.00%
Interest - Library Bonds	0	0	0	0	0.00%
Principal - Library Bonds	0	0	0	0	0.00%
Interest - GADA - Recreation Center	666,275	631,275	631,275	594,875	-5.77%
Principal - GADA - Recreation Center	875,000	910,000	910,000	945,000	3.85%
Interest GADA-RR Wash	0	0	0	0	0.00%
Principal GADA-RR Wash	0	0	0	0	0.00%
Interest GADA-PS Building	0	0	0	0	0.00%
Principal GADA-PS Building	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<u>1,541,275</u>	<u>1,541,275</u>	<u>1,541,275</u>	<u>1,539,875</u>	<u>-0.09%</u>

**Reserves**

GADA Reserve	0	2,271,530	197,840	197,840	0.00%
<b>Total Reserves</b>	<u>0</u>	<u>2,271,530</u>	<u>197,840</u>	<u>197,840</u>	<u>0.00%</u>

Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service			Cost Center	8XXX
<b>Summary by Category</b>						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	360	360	360	360	0.00%	
Other Services and Charges	1,541,275	1,541,275	1,541,275	1,539,875	-0.09%	
Capital Outlay	0	0	0	0	0.00%	
Reserves	0	2,271,530	197,840	197,840	0.00%	
Transfers Out	0	0	1,211,500	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$1,541,635</u>	<u>\$3,813,165</u>	<u>\$2,950,975</u>	<u>\$1,738,075</u>	<u>-41.10%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Other Income	\$280	0.02%
Taxes	1,539,955	88.60%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	197,840	11.38%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Transfers Out</b>				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
Transfers Out - Sewer			\$1,211,500	
Transfers Out - Library				
<b>Totals</b>	<u>\$0</u>	<u>\$0</u>	<u>\$1,211,500</u>	<u>\$0</u>

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**Greater Arizona Development Authority - Recreation Center Projects**  
**Infrastructure Revenue Bonds - Series 2007A ("AAA" S&P / "Aaa" Moody's)**

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
August 1, 2016	910,000	6,860,000	13,075,000	4.000%	315,638	\$1,225,638
February 1, 2017					297,438	
August 1, 2017	945,000	7,805,000	12,130,000	4.000%	297,438	\$1,539,875
February 1, 2018					278,538	
August 1, 2018	985,000	8,790,000	11,145,000	5.000%	278,538	\$1,542,075
February 1, 2019					253,913	
August 1, 2019	1,035,000	9,825,000	10,110,000	5.000%	253,913	\$1,542,825
February 1, 2020					228,038	
August 1, 2020	1,085,000	10,910,000	9,025,000	4.000%	228,038	\$1,541,075
February 1, 2021					206,338	
August 1, 2021	1,130,000	12,040,000	7,895,000	4.125%	206,338	\$1,542,675
February 1, 2022					183,031	
August 1, 2022	1,175,000	13,215,000	6,720,000	4.125%	183,031	\$1,541,063
February 1, 2023					158,797	
August 1, 2023	1,225,000	14,440,000	5,495,000	4.250%	158,797	\$1,542,594
February 1, 2024					132,766	
August 1, 2024	1,275,000	15,715,000	4,220,000	5.000%	132,766	\$1,540,531
February 1, 2025					100,891	
August 1, 2025	1,340,000	17,055,000	2,880,000	5.000%	100,891	\$1,541,781
February 1, 2026					67,391	
August 1, 2026	1,405,000	18,460,000	1,475,000	5.000%	67,391	\$1,539,781
February 1, 2027					32,266	
August 1, 2027	1,475,000	19,935,000	0	4.375%	32,266	\$1,539,531
	<u>\$13,985,000</u>				<u>\$4,194,444</u>	<u>\$18,179,444</u>

Fiscal Year 2017 Budget  
**Pledged Revenue Obligations, Series 2015**

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Maturity	Principal			Int/Fees	Debt Service
	Payments	Retired	Balance		
January 1, 2017				232,313	
July 1, 2017	460,000	460,000	10,900,000	232,313	\$924,625
January 1, 2018				227,713	
July 1, 2018	465,000	925,000	10,435,000	227,713	920,425
January 1, 2019				223,063	
July 1, 2019	475,000	1,400,000	9,960,000	223,063	921,125
January 1, 2020				218,313	
July 1, 2020	485,000	1,885,000	9,475,000	218,313	921,625
January 1, 2021				208,613	
July 1, 2021	505,000	2,390,000	8,970,000	208,613	922,225
January 1, 2022				202,300	
July 1, 2022	520,000	2,910,000	8,450,000	202,300	924,600
January 1, 2023				194,500	
July 1, 2023	535,000	3,445,000	7,915,000	194,500	924,000
January 1, 2024				181,125	
July 1, 2024	560,000	4,005,000	7,355,000	181,125	922,250
January 1, 2025				167,125	
July 1, 2025	590,000	4,595,000	6,765,000	167,125	924,250
January 1, 2026				152,375	
July 1, 2026	620,000	5,215,000	6,145,000	152,375	924,750
January 1, 2027				136,875	
July 1, 2027	650,000	5,865,000	5,495,000	136,875	923,750
January 1, 2028				120,625	
July 1, 2028	680,000	6,545,000	4,815,000	120,625	921,250
January 1, 2029				103,625	
July 1, 2029	715,000	7,260,000	4,100,000	103,625	922,250
January 1, 2030				85,750	
July 1, 2030	750,000	8,010,000	3,350,000	85,750	921,500
January 1, 2031				67,000	
July 1, 2031	790,000	8,800,000	2,560,000	67,000	924,000
January 1, 2032				51,200	
July 1, 2032	820,000	9,620,000	1,740,000	51,200	922,400
January 1, 2033				34,800	
July 1, 2033	855,000	10,475,000	885,000	34,800	924,600
January 1, 2034				17,700	
July 1, 2034	885,000	11,360,000	0	17,700	920,400
Totals	<u>\$11,360,000</u>			<u>\$5,250,025</u>	<u>\$16,610,025</u>

**Note:** Payments are paid out of HURF, CIP, Water, and Wastewater based on the percentage of projects being paid by the bond.

**Computation of Direct and Overlapping Bonded Debt  
June 30, 2015**

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	\$45,610,000	0.00%	\$0
Yavapai County	0	100.00%	0
Yavapai Community College District	37,395,000	4.55%	1,701,473
Cottonwood/Oak Creek School District	0	38.37%	0
Mingus Union High School District	9,995,000	44.98%	4,495,751
Total Direct and Overlapping Debt			<u><u>\$6,197,224</u></u>

Jurisdiction	Total Assessed Valuation
City of Cottonwood	\$94,167,958
Yavapai County	2,435,926,055
Yavapai Community College District	2,435,926,055
Cottonwood/Oak Creek School District	222,512,683
Mingus Union High School District	<u>277,201,553</u>
	\$5,465,734,304

Debt allocation is based on distribution of assessed valuation within overlapping tax districts.

The secondary assessed valuation is used in Yavapai Community College District, Cottonwood/Oak Creek and Mingus Union High School District. The primary assessed valuation is used for Yavapai County.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2015 were secured by sales taxes instead of property taxes.

<b>Computation of Legal Debt Margin</b> <b>June 30, 2016</b>
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Net secondary assessed valuation (Full Cash Value)	\$102,237,396
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**Calculation of 20% Debt Limitation**

20% of secondary net assessed valuation	20,447,479
Bonds outstanding	0
<b>Net 20% Debt Limitation</b>	<b>20,447,479</b>

**Calculation of 6% Debt Limitation**

6% of secondary net assessed valuation	6,134,244
Bonds outstanding	0
<b>Net 6% Debt Limitation</b>	<b>6,134,244</b>

Total Bonding Capacity	\$26,581,723
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The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent of secondary assessed valuation can be used for all other "general uses."

General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation listed above, the City may issue bonds for general improvement purposes or for specific projects.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2015 were secured by sales taxes instead of property taxes.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

<b><u>Fund/Account Number</u></b>	<b><u>Description</u></b>
<u>30-2300</u>	<u>Railroad Wash Improvements</u>
<u>30-1800</u>	<u>Capital Projects Fund</u>

**Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance**

Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
<b>Revenue Sources:</b>				
Taxes	\$0	\$0	\$135,025	\$267,960
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	16,560	0	220,000	350,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	96,823	0	106,000	106,000
<b>Total Revenue Sources</b>	<b>113,383</b>	<b>0</b>	<b>461,025</b>	<b>723,960</b>
<b>Other Financing Sources:</b>				
Transfers In	0	2,682,830	1,493,445	0
Carryover	0	9,818,330	7,168,620	657,290
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	3,536,069	0	0	0
<b>Total Other Financing Sources</b>	<b>3,536,069</b>	<b>12,501,160</b>	<b>8,662,065</b>	<b>657,290</b>
<b>Total Available Resources</b>	<b>3,649,452</b>	<b>12,501,160</b>	<b>9,123,090</b>	<b>1,381,250</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	9,130	9,000	9,050	9,100
Capital Outlay	1,652,990	810,000	275,865	1,104,190
Debt Service	0	0	135,025	267,960
<b>Total Expenditures</b>	<b>1,662,120</b>	<b>819,000</b>	<b>419,940</b>	<b>\$1,381,250</b>
<b>Other Uses:</b>				
Transfers Out	0	11,500,000	8,045,860	0
Reserves	3,119,048	182,160	657,290	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>3,119,048</b>	<b>11,682,160</b>	<b>8,703,150</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>4,781,168</b>	<b>12,501,160</b>	<b>9,123,090</b>	<b>1,381,250</b>
<b>Net Income / (Loss)</b>	<b>(\$1,131,716)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Capital Projects - Railroad Wash Improvements Fund Revenues/Expenditures**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
Yavapai County	\$16,560	\$0	\$220,000	\$350,000	59.09%
A.D.O.T.	0	0	0	0	0.00%
<b>Total Intergovernmental Revenue</b>	<b>16,560</b>	<b>0</b>	<b>220,000</b>	<b>350,000</b>	<b>59.09%</b>
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>16,560</b>	<b>0</b>	<b>220,000</b>	<b>350,000</b>	<b>59.09%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>16,560</b>	<b>0</b>	<b>220,000</b>	<b>350,000</b>	<b>59.09%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	16,560	0	220,000	350,000	59.09%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>16,560</b>	<b>0</b>	<b>220,000</b>	<b>350,000</b>	<b>59.09%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>16,560</b>	<b>0</b>	<b>220,000</b>	<b>350,000</b>	<b>59.09%</b>
<b>Net Income / (Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

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**Organizational Chart:**

None

**General Information:**

This project continues as grant funds become available from Yavapai County.

**FY 2016 Accomplishments:**

N/A

**FY 2017 Goals:**

N/A

**Budget Highlights:**

There is nothing budgeted for this project for FY 2017.

Public Works	Railroad Wash Improvements	Fund 30 - Capital Projects	2300
<b>Performance Indicators</b>			
<i>* Performance Measures are not applicable to this fund *</i>			

<b>Supplemental Data: Capital Outlay</b>				
Item/Project Description	2015	2016		2017
	Actual	Budget	Revised	Final
Railroad Wash Improvements	\$16,560		\$220,000	\$350,000
Totals	<u>\$16,560</u>	<u>\$0</u>	<u>\$220,000</u>	<u>\$350,000</u>

Public Works		Railroad Wash Improvements		Fund 30 - Capital Projects		Cost Center	2300
<b>Summary by Category</b>							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	16,560	0	220,000	350,000	59.09%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$16,560</u>	<u>\$0</u>	<u>\$220,000</u>	<u>\$350,000</u>	<u>59.09%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Yavapai County	\$350,000	100.00%
GADA Loan Proceeds (carryover)	0	0.00%
Interest Income	0	0.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

**Capital Projects - Capital Projects Fund-Revenue/Expenditures/Changes in Fund Balance**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes	\$0	\$0	\$135,025	\$267,960	98.45%
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Intergovernmental	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	96,823	0	106,000	106,000	0.00%
<b>Total Revenue Sources</b>	<u>96,823</u>	<u>0</u>	<u>241,025</u>	<u>373,960</u>	<u>55.15%</u>
<b>Other Financing Sources:</b>					
Transfers In	0	2,682,830	1,493,445	0	-100.00%
Carryover	0	9,818,330	7,168,620	657,290	-90.83%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	3,536,069	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<u>3,536,069</u>	<u>12,501,160</u>	<u>8,662,065</u>	<u>657,290</u>	<u>-92.41%</u>
<b>Total Available Resources</b>	<u>3,632,892</u>	<u>12,501,160</u>	<u>8,903,090</u>	<u>1,031,250</u>	<u>-88.42%</u>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	9,130	9,000	9,050	9,100	0.55%
Capital Outlay	1,636,430	810,000	55,865	754,190	1250.02%
Reserves	3,119,048	182,160	657,290	0	-100.00%
Debt Service	0	0	135,025	267,960	98.45%
<b>Total Expenditures</b>	<u>4,764,608</u>	<u>1,001,160</u>	<u>857,230</u>	<u>1,031,250</u>	<u>20.30%</u>
<b>Other Uses:</b>					
Transfers Out	0	11,500,000	8,045,860	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<u>0</u>	<u>11,500,000</u>	<u>8,045,860</u>	<u>0</u>	<u>-100.00%</u>
<b>Total Expenditures and Other Uses</b>	<u>4,764,608</u>	<u>12,501,160</u>	<u>8,903,090</u>	<u>1,031,250</u>	<u>-88.42%</u>
<b>Net Income / (Loss)</b>	<u><u>(\$1,131,716)</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	

**Organizational Chart:**

None

**General Information:**

This fund was created to hold debt service reserves which has been moved over for future capital projects.

**FY 2016 Accomplishments:**

- \* N/A (All accomplishments for this fund are reflected in the departments that are responsible for the projects)

**FY 2017 Goals:**

- \* NA

**Budget Highlights:**

The Capital Projects Fund carries major projects for many different departments. For FY 2016 several projects were started that will be completed in FY 2017. The projects are the Civic Center HVAC for a total of \$160,000 with \$132,000 carried over to FY 2017, and \$650,000 for bathrooms at Riverfront Park, Garrison Park and the Kids Park with \$622,190 carried over to FY 2017.

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects	Cost Center	XXXX
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				

<b>Supplemental Data: Capital Outlay</b>				
Item/Project Description	2015	2016		2017
	Actual	Budget	Revised	Final
Capital Projects-Highland Senior Condominium				
Court Building Remodel				
Civic Center HVAC	\$2,069	\$160,000	\$28,055	\$132,000
Communications Center	1,515,785			
Architecture Design - City Hall				
Software - City Wide	46,397			
Miscellaneous	31,902			
Old Town Parking	40,276			
Kids Park Restrooms		250,000	9,270	240,730
Riverfront Rehabilitation		150,000	9,270	140,730
Garrison Relocation and Rehab		250,000	9,270	240,730
<b>Totals</b>	<u>\$1,636,430</u>	<u>\$810,000</u>	<u>\$55,865</u>	<u>\$754,190</u>

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects		Cost Center	XXXX
<b>Summary by Category</b>					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	9,130	9,000	9,050	9,100	0.55%
Capital Outlay	1,636,430	810,000	55,865	754,190	1250.02%
Reserves	3,119,048	182,160	657,290	0	-100.00%
Debt Service	0	0	135,025	267,960	98.45%
<b>Department Totals</b>	<u>\$4,764,608</u>	<u>\$1,001,160</u>	<u>\$857,230</u>	<u>\$1,031,250</u>	<u>20.30%</u>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Capital Reserves	\$1,031,250	100.00%
		0.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

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Enterprise funds are used to account for operations:

1) that are financed and operated in a manner similar to a private business enterprise - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or

2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes to the residents.

<b><u>Fund/Account Number</u></b>	<b><u>Description</u></b>
<u>51</u>	<u>Wastewater Facility Fund</u>
<u>50</u>	<u>Water System Fund</u>

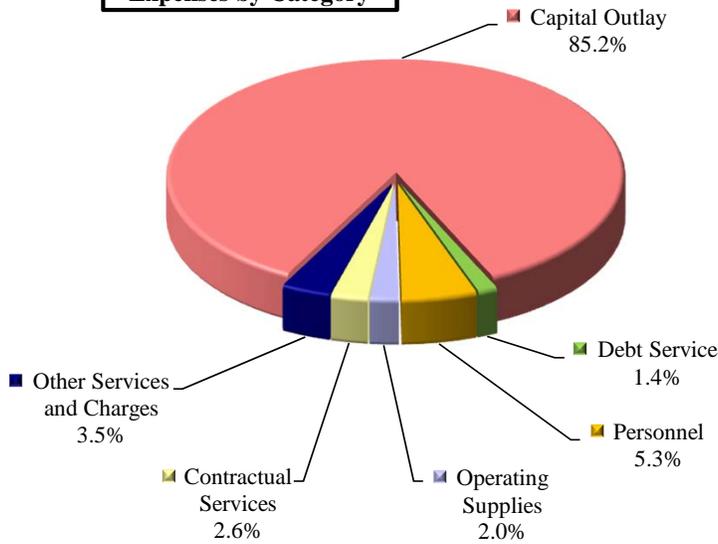
**Consolidated Statement of Revenues/Expenses**

Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
<b>Revenue Sources:</b>				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	9,135,346	9,770,840	10,081,805	11,062,550
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	6,644	2,735	6,700	6,700
Miscellaneous Revenues	721,739	749,430	646,090	445,240
<b>Total Revenue Sources</b>	<b>9,863,729</b>	<b>10,523,005</b>	<b>10,734,595</b>	<b>11,514,490</b>
<b>Other Financing Sources:</b>				
Transfers In	0	11,500,000	9,257,360	250,000
Carryover	0	17,853,895	12,275,740	21,330,825
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	20,600,000	550,000	800,000
<b>Total Other Financing Sources</b>	<b>0</b>	<b>49,953,895</b>	<b>22,083,100</b>	<b>22,380,825</b>
<b>Total Available Resources</b>	<b>9,863,729</b>	<b>60,476,900</b>	<b>32,817,695</b>	<b>33,895,315</b>
<b>Expenses:</b>				
Personnel	1,959,210	2,118,650	1,983,685	2,050,870
Operating Supplies	518,045	654,700	543,026	656,300
Contractual Services	660,497	1,456,170	1,064,500	1,006,480
Other Services and Charges	1,636,540	1,610,240	1,170,080	1,529,145
Depreciation	1,873,084	0	0	0
Capital Outlay	205,803	15,701,050	3,728,650	17,065,975
Debt Service	2,063,968	31,733,955	2,665,930	2,162,455
<b>Total Expenses</b>	<b>8,917,146</b>	<b>53,274,765</b>	<b>11,155,870</b>	<b>24,471,225</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	250,000
Reserves	157,557	7,202,135	21,661,825	9,174,090
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>157,557</b>	<b>7,202,135</b>	<b>21,661,825</b>	<b>9,424,090</b>
<b>Total Expenses and Other Uses</b>	<b>9,074,703</b>	<b>60,476,900</b>	<b>32,817,695</b>	<b>33,895,315</b>
<b>Net Income / (Loss)</b>	<b>\$789,026</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Wastewater Facility Fund Expenses by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$725,270	\$279,350	\$357,710	\$469,365	\$11,666,195	\$188,535	\$13,686,425
Totals	\$725,270	\$279,350	\$357,710	\$469,365	\$11,666,195	\$188,535	\$13,686,425

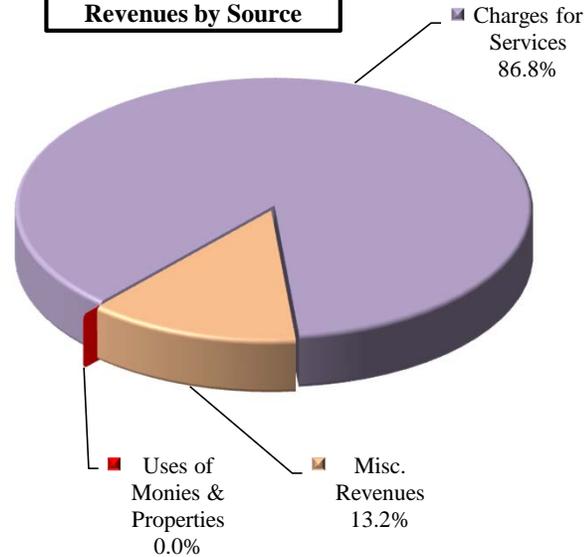
**Wastewater Facility Fund Expenses by Category**



Revenues	\$3,167,465
Expenses	(13,686,425)
Revenues over (under) Expenses	(10,518,960)
Other Funding Sources/Uses	10,518,960
(Use)/Source of Retained Earnings	\$0

Uses of Monies & Properties	\$100
Charges for Services	2,749,750
Miscellaneous Revenues	417,615
Subtotal	3,167,465
Other Sources	10,518,960
Total Resources Available	\$13,686,425

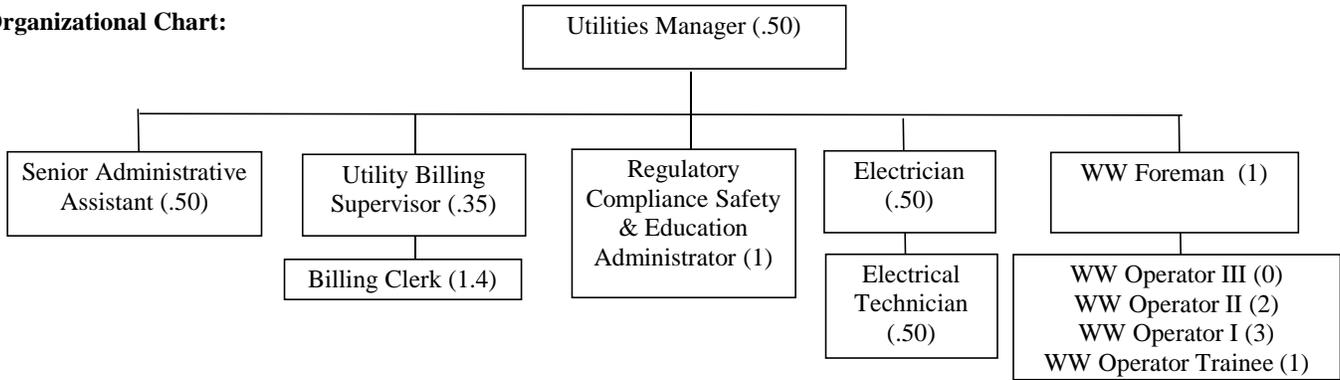
**Wastewater Facility Fund Revenues by Source**



**Wastewater Facility Fund Revenues/Expenses/Changes in Retained Earnings**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	1,759,259	2,053,940	2,380,125	2,739,750	15.11%
Tap Fees	0	0			0.00%
Effluent Revenue	12,078	10,000	10,000	10,000	0.00%
Uses of Monies & Properties					
Interest Income	1,548	100	100	100	0.00%
Miscellaneous Revenue					
Other Income	405,031	437,500	327,785	417,615	27.41%
<b>Total Revenue Sources</b>	<b>2,177,916</b>	<b>2,501,540</b>	<b>2,718,010</b>	<b>3,167,465</b>	<b>16.54%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	11,500,000	9,257,360	250,000	-97.30%
Carryover	0	783,525	3,200,890	10,268,960	220.82%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	500,000	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>12,783,525</b>	<b>12,458,250</b>	<b>10,518,960</b>	<b>-15.57%</b>
<b>Total Available Resources</b>	<b>2,177,916</b>	<b>15,285,065</b>	<b>15,176,260</b>	<b>13,686,425</b>	<b>-9.82%</b>
<b>Expenses:</b>					
Personnel	691,859	766,270	707,670	725,270	2.49%
Operating Supplies	241,455	274,500	280,950	279,350	-0.57%
Contractual Services	276,624	407,080	361,570	357,710	-1.07%
Other Services and Charges	878,846	515,855	478,360	469,365	-1.88%
Depreciation	537,188	0	0	0	0.00%
Capital Outlay	41,041	12,775,700	2,983,750	11,666,195	290.99%
Debt Service	0	0	95,000	188,535	98.46%
<b>Total Expenses</b>	<b>2,667,013</b>	<b>14,739,405</b>	<b>4,907,300</b>	<b>13,686,425</b>	<b>178.90%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Reserves	0	545,660	10,268,960	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>545,660</b>	<b>10,268,960</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Expenses and Other Uses</b>	<b>2,667,013</b>	<b>15,285,065</b>	<b>15,176,260</b>	<b>13,686,425</b>	<b>-9.82%</b>
<b>Net Income / (Loss)</b>	<b>(\$489,097)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

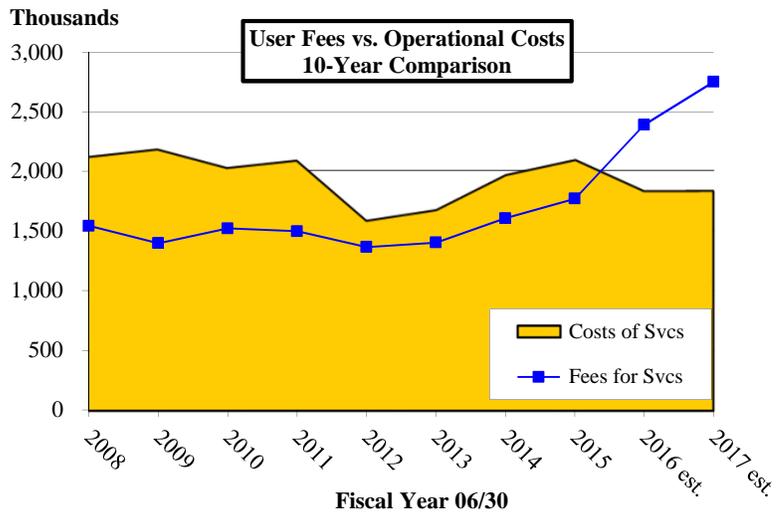


Note: Only unshaded boxes are included in this budget.

**General Information:**

The Wastewater Division is responsible for the operation and maintenance of a 1.5 million gallons per day (MGD) wastewater treatment facility, 55 miles of collection system main lines, five sewage lift stations, the Reclaimed Water Delivery System including the developments of Del Webb and Mesquite Hills as well as the Yavapai College reclaimed pump station, stand pipe, and of approximately 80 acres of effluent reuse and the Del Monte Riparian Zone. The Wastewater Division is also responsible for tap installations for new homes and businesses, for field locating (blue staking) of the underground collection system and completion of public information requests.

	Costs of Svcs	Fees for Svcs
2008	2,111,798	1,542,468
2009	2,175,251	1,397,594
2010	2,020,026	1,520,972
2011	2,083,265	1,497,939
2012	1,582,321	1,365,235
2013	1,672,573	1,403,485
2014	1,963,705	1,607,438
2015	2,088,784	1,771,337
2016 est.	1,828,550	2,390,125
2017 est.	1,831,695	2,749,750



Please Note: The net difference of operating fees and services is covered by fund balance and non-operating revenue.

**FY 2016 Accomplishments:**

- \* Completed drilling and testing of injection well on Mingus Avenue , awaiting regulatory agency permit
- \* Started installation of reclaimed pipe on Mingus Avenue
- \* Completed the overhaul of nine diffuser rack systems in the aeration basins
- \* The Plant Drain Lift Station relocation project (procuring parts and schedule) and the Parshall Flume Project (vault replacement, procuring parts) are slated to be completed by June 2016

**FY 2017 Goals:**

- \* The 2<sup>nd</sup> year of the 3-year Trenchless Spot Repair Program will be underway
- \* Complete the Riverfront Water Reclamation Facility
- \* Complete rehabilitation, instead of expansion, of Lift Station 4 wet well
- \* Complete the coating of manholes to protect them against deterioration
- \* Complete all the phases of the injection well project at the Mingus Avenue Plant serving the aquifers' rejuvenation
- \* Complete evaluation and recommendation for the clarifier and centrifuge

**Budget Highlights:**

Budgeted capital, totaling \$11,666,195 for FY 2017, has been listed on page 252 and includes the Riverfront Waste Water Reclamation Facility, Lift Station 4, and general construction. Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases and a reclassification from Wastewater Operator II to Wastewater Foreman.

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund	Cost Center	71XX		
<b>Performance Indicators</b>						
<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community					
<b>Department Goal:</b>	Provide wastewater treatment that meets or exceeds Federal, State and Local compliance requirements					
<b>Objective:</b>	Improve influent/effluent treatment plant quality					
<b>Type of Measure:</b>	Outcome Based					
<b>Tool:</b>	System Monitoring, reporting and operational feedback					
<b>Frequency:</b>	Daily, Weekly, Monthly, Quarterly, Semi-Annual and Annual Reports					
<b>Scoring:</b>	Percentage above required 85% from previous					
<b>Trend:</b>	Steady Improvement					
<b>Measures:</b>			Actual	Estimated	Anticipated	
			2014	2015	2016	2017
Wastewater Treated (millions of gallons)			345	342	340	340
WWTP Efficiency (Permit Required):						
BOD (85% Required)			98%	98%	98%	98%
TSS (85% Required)			98%	96%	98%	98%
<b>City Council Goal:</b> Strive to maintain a uniquely desirable and sustainable community						
<b>Department Goal:</b> Ensure regulatory compliance of effluent (reclaimed water) and encourage use of reclaimed water						
<b>Objective:</b> Produce and distribute reclaimed water that meets or exceeds regulatory standards						
<b>Type of Measure:</b> Outcome						
<b>Tool:</b> Laboratory testing, metering						
<b>Frequency:</b> Daily, Monthly, Quarterly, Semi-Annual, Annual testing, reports						
<b>Scoring:</b> Exceedances :1-3= 90% 4-6= 75% >6= 50%, Sold = steady improvement						
<b>Trend:</b> Steady improvement						
<b>Measures:</b>			Actual	Estimated	Anticipated	
			2014	2015	2016	2017
Reclaimed Water Sold(millions)			4.0	7.8	9.4	10.2
Number of regulatory permit exceedances			8	8	2	2
Sewer line rehabilitation (spot/areas)			0	10	9	9
<b>City Council Goal:</b> Strive to maintain a uniquely desirable and sustainable community						
<b>Department Goal:</b> Maintain reliable infrastructure						
<b>Objective:</b> Reduce the number of Sanitary Sewer Overflows through proper maintenance and inspection						
<b>Type of Measure:</b> Outcome Based						
<b>Tool:</b> System monitoring, visual observation and reports						
<b>Frequency:</b> Ongoing Project						
<b>Scoring:</b> Blockages= percent reduction from previous, Cleaning and video taping (ft)= 1,000-10,000 =50% 11,000-20,000=75% 20,000+ =100%						
<b>Trend:</b> Steady improvement						
<b>Measures:</b>			Actual	Estimated	Anticipated	
			2014	2015	2016	2017
Sewer Line Video Taped (ft)			4,800	7,000	11,000	15,000
Sewer Line Cleaned(ft)			3,600	7,520	15,000	18,000
Number of Main Line Blockages			3	3	2	2

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
Plant Fiber Grate and Gate Replacement		\$22,000		\$24,800
Lining and Point Repair & Ultraviolet Transmittance Unit	\$40,528	114,850	\$95,000	
Lift Station 4 Wet Well Expansion/Rehabilitation		300,000	300,000	300,000
RWRF, incl. UV-System		11,500,000	2,250,000	9,500,000
Driveway Repair at Plant		27,350	27,350	
WWTP Construction & Digester Blower	224	191,000	67,000	1,508,495
Polymer Blending Unit				38,000
Gen. Construction & Recl. Pump and Lines, Flume, Materials		585,000	55,000	191,000
Truck		35,500	35,500	
Water/Wastewater Master Plan			28,900	28,900
Reclaimed Line Mingus/89A & Selna Project			125,000	75,000
Color Printer	289			
<b>Totals</b>	<b>\$41,041</b>	<b>\$12,775,700</b>	<b>\$2,983,750</b>	<b>\$11,666,195</b>

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund	Cost Center	71XX	
<b>Summary by Category</b>					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$691,859	\$766,270	\$707,670	\$725,270	2.49%
Operating Supplies	241,455	274,500	280,950	279,350	-0.57%
Contractual Services	276,624	407,080	361,570	357,710	-1.07%
Other Services and Charges	878,846	515,855	478,360	469,365	-1.88%
Depreciation (net)	537,188	0	0	0	0.00%
Capital Outlay	41,041	12,775,700	2,983,750	11,666,195	290.99%
Reserves	0	545,660	10,268,960	0	-100.00%
Debt Service	0	0	95,000	188,535	98.46%
<b>Department Totals</b>	<b>\$2,667,013</b>	<b>\$15,285,065</b>	<b>\$15,176,260</b>	<b>\$13,686,425</b>	<b>-9.82%</b>

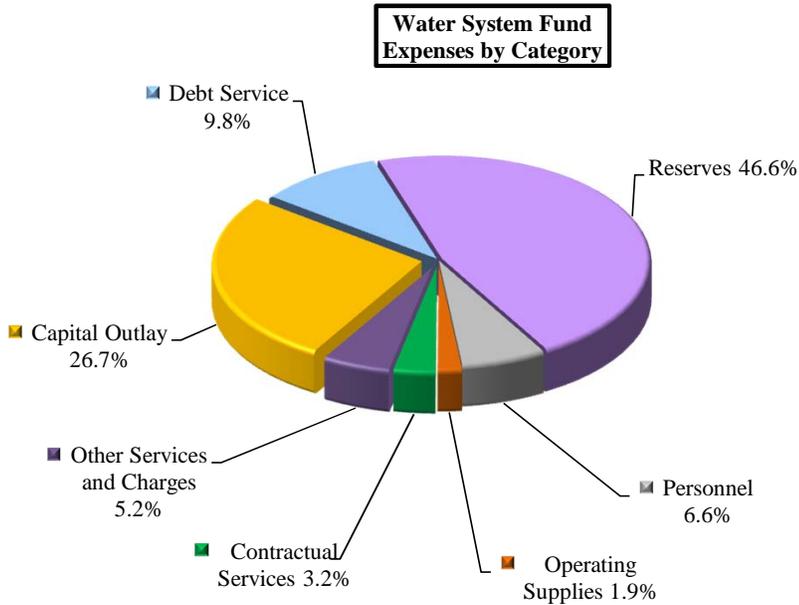
<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Service	2,749,750	20.09%
Other Income	417,715	3.05%
Other Sources	10,518,960	76.86%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$40,595
Utility Ops Manager	0.50	0.00	0.00	4,825	7,111	0
WWTP Superintendent	1.00	1.00	0.00	3,970	5,850	0
Regul. Compl. Safety & Educ. Adminr.	0.00	0.00	1.00	3,970	5,850	66,695
WW Foreman	0.00	0.00	1.00	3,601	5,306	43,208
WW Operator III	0.00	0.00	0.00	3,266	4,813	0
WW Operator II	3.00	3.00	2.00	2,962	4,365	47,098
WW Operator I	3.00	3.00	3.00	2,687	3,960	105,984
WW Operator Trainee	0.00	0.00	1.00	2,437	3,591	29,247
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	25,089
Electrician	0.50	0.50	0.50	3,601	5,306	22,037
Electrical Technician	0.50	0.50	0.50	2,821	4,158	19,116
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	16,277
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	31,169
COLA						0
Holiday Pay & Overtime						52,100
Clothing Allowance						2,000
Car Allowance & Cert pay						0
Merit Contingency						15,165
Retirement						58,980
Insurance & Taxes						150,510
Other Related Expenses						0
<b>Totals</b>	<b>11.25</b>	<b>10.75</b>	<b>11.75</b>			<b>\$725,270</b>

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund		Cost Center	71XX
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Supplies</b>					
Office Supplies	1,830	3,100	3,050	2,650	-13.11%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	9,272	14,000	4,900	10,000	104.08%
Vehicle Maint & Repairs	4,605	5,500	7,000	6,000	-14.29%
Equipment Maint & Repairs	160,139	200,000	200,000	200,000	0.00%
Chlorine	1,299	2,700	5,000	3,500	-30.00%
Polymer	15,133	16,700	14,900	16,700	12.08%
Operational Supplies	19,681	17,000	30,000	25,000	-16.67%
Postage & Freight	15,471	10,500	15,200	14,500	-4.61%
Odor Control Supplies	0	0	0	0	0.00%
Building Maint & Repairs	14,025	5,000	900	1,000	11.11%
<b>Total Supplies</b>	<b>241,455</b>	<b>274,500</b>	<b>280,950</b>	<b>279,350</b>	<b>-0.57%</b>
<b>Contractual Services</b>					
Computer Support	2,982	4,600	4,300	4,300	0.00%
Contractual Services	20,432	60,000	92,000	60,000	-34.78%
Sludge Disposal	80,811	92,000	90,000	92,700	3.00%
Employee Physicals	77	450	220	660	200.00%
Legal Advertising	79	0	50	50	0.00%
General Counsel	0	0	0	0	0.00%
Impact Fee Study	1,049	0	0	0	0.00%
Indirect Cost to General Fund	171,194	250,030	175,000	200,000	14.29%
<b>Total Contractual Services</b>	<b>276,624</b>	<b>407,080</b>	<b>361,570</b>	<b>357,710</b>	<b>-1.07%</b>
<b>Other Services and Charges</b>					
Travel & Training	802	2,400	2,000	2,000	0.00%
Subscriptions & Memberships	874	700	0	0	0.00%
Printing & Forms		250	0	0	0.00%
Utilities	409,583	395,500	339,000	356,500	5.16%
Telephone	5,684	5,050	3,700	4,000	8.11%
Bad Debt Expense	326,196	0	0	0	0.00%
Lab/Testing	44,135	45,000	40,000	45,000	12.50%
Tools	1,425	1,400	1,600	1,600	0.00%
Equipment Rental	522	500	0	0	0.00%
Liability Insurance	33,800	36,055	37,965	37,770	-0.51%
ADEQ Annual Fee	4,227	16,500	24,000	16,500	-31.25%
Investment Expense	794	0	795	795	0.00%
Bond Issuance Costs	39,300	0	24,100	0	-100.00%
ASRS Pension Expense	5,156	0	5,200	5,200	0.00%
Bank Charges	6,348	12,500	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>878,846</b>	<b>515,855</b>	<b>478,360</b>	<b>469,365</b>	<b>-1.88%</b>

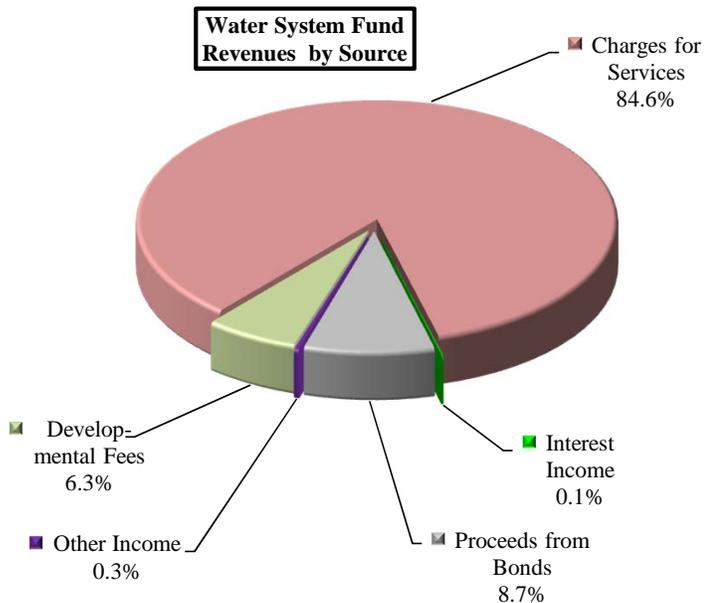
**Water System Facility Fund Expenses by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Reserves	Total
Subtotals	\$1,325,600	\$376,950	\$648,770	\$1,059,780	\$5,399,780	\$1,973,920	\$9,424,090	\$20,208,890
Totals	\$1,325,600	\$376,950	\$648,770	\$1,059,780	\$5,399,780	\$1,973,920	\$9,424,090	\$20,208,890



Water System Fund Fund Summary	
Revenues	\$ 8,347,025
Expenses	(\$10,784,800)
Revenues over (under) Expenses	(\$2,437,775)
Other Funding Sources/Uses	2,437,775
(Use)/Source of Retained Earnings	\$0

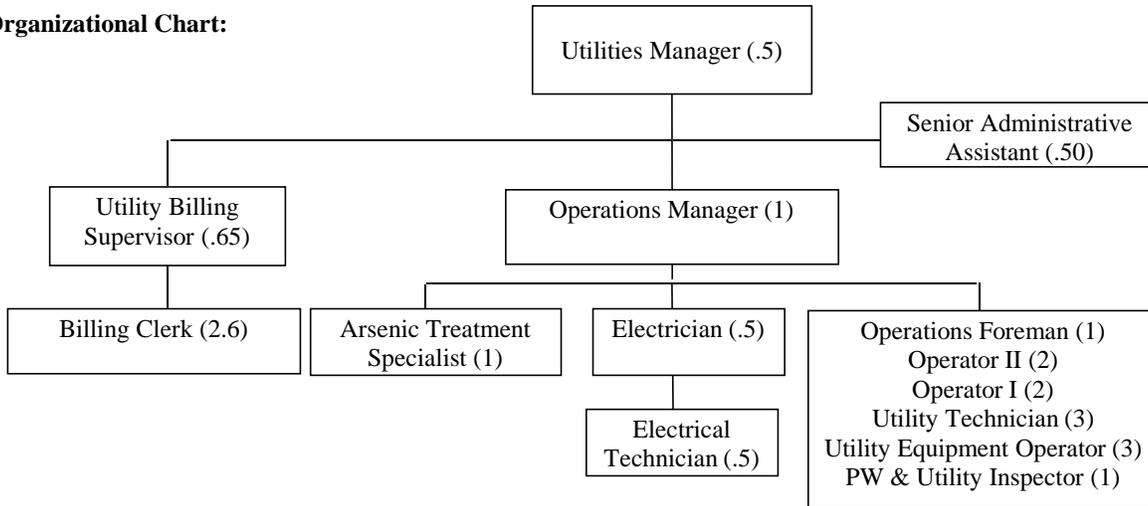
Water System Fund Revenues by Source	
Developmental Fees	\$ 576,750
Charges for Services	7,736,050
Interest Income	6,600
Proceeds from Bonds	800,000
Other Income	27,625
Subtotal	9,147,025
Other Sources	11,061,865
Total Resources Available	\$20,208,890



## Water System Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	6,787,253	7,130,170	7,112,680	7,736,050	8.76%
Reserves	576,756	576,730	579,000	576,750	-0.39%
Uses of Monies & Properties					
Interest Income	5,096	2,635	6,600	6,600	0.00%
Miscellaneous Revenue					
Other Income	316,708	311,930	318,305	27,625	-91.32%
<b>Total Revenue Sources</b>	<b>7,685,813</b>	<b>8,021,465</b>	<b>8,016,585</b>	<b>8,347,025</b>	<b>4.12%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	17,070,370	9,074,850	11,061,865	88.11%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds		20,100,000	550,000	800,000	45.45%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>37,170,370</b>	<b>9,624,850</b>	<b>11,861,865</b>	<b>23.24%</b>
<b>Total Available Resources</b>	<b>7,685,813</b>	<b>45,191,835</b>	<b>17,641,435</b>	<b>20,208,890</b>	<b>14.55%</b>
<b>Expenses:</b>					
Personnel	1,267,351	1,352,380	1,276,015	1,325,600	3.89%
Operating Supplies	276,590	380,200	262,076	376,950	43.83%
Contractual Services	383,873	1,049,090	702,930	648,770	-7.70%
Other Services and Charges	757,694	1,094,385	691,720	1,059,780	53.21%
Depreciation	1,335,895	0	0	0	0.00%
Capital Outlay	164,762	2,925,350	744,900	5,399,780	624.90%
Debt Service	2,063,968	31,733,955	2,570,930	1,973,920	-23.22%
<b>Total Expenses</b>	<b>6,250,133</b>	<b>38,535,360</b>	<b>6,248,570</b>	<b>10,784,800</b>	<b>72.60%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	250,000	0.00%
Reserves	157,557	6,656,475	11,392,865	9,174,090	-19.48%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>157,557</b>	<b>6,656,475</b>	<b>11,392,865</b>	<b>9,424,090</b>	<b>-17.28%</b>
<b>Total Expenses and Other Uses</b>	<b>6,407,690</b>	<b>45,191,835</b>	<b>17,641,435</b>	<b>20,208,890</b>	<b>14.55%</b>
<b>Net Income / (Loss)</b>	<b>\$1,278,123</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>

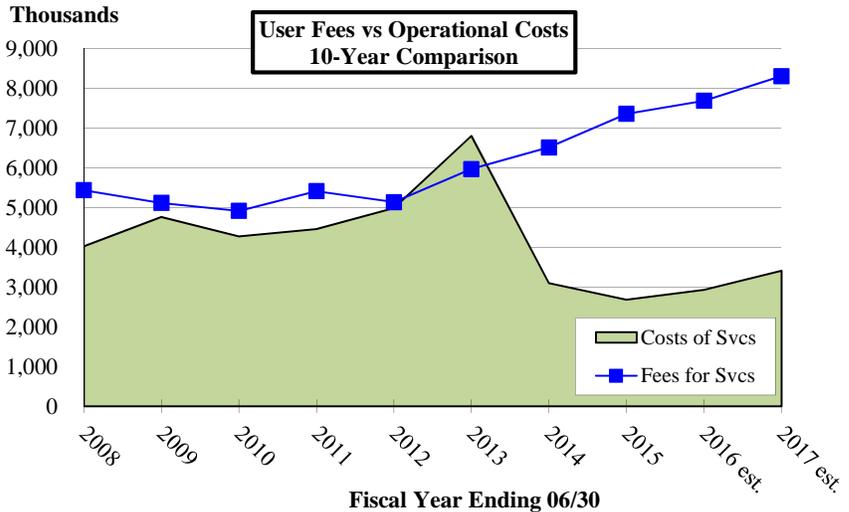
**Organizational Chart:**



**General Information:**

The Water Utilities Department is responsible for the operation and maintenance of the water department, installing water line, repairing water line, billing for water usage, arsenic remediation and all functions that pertain to the Cottonwood Municipal Water and Wastewater Utilities.

	Costs of Svcs	Fees for Svcs
2008	4,030,530	5,439,508
2009	4,764,688	5,120,693
2010	4,279,726	4,920,251
2011	4,462,193	5,417,637
2012	4,989,135	5,141,046
2013	6,806,885	5,972,270
2014	3,097,043	6,516,660
2015	2,685,508	7,364,008
2016 est.	2,932,741	7,691,680
2017 est.	3,411,100	8,312,800



**FY 2016 Accomplishments:**

- \* Completed the arsenic media replacement and sludge handling facilities, resulting in reduced water usage for backwash purposes, disposal of the arsenic laden sludge on a regular land fill, and reduction of bio-solid arsenic levels enabling to return to land application or beneficial reuse purposes
- \* Completed installation of a natural gas powered emergency generator at Well 3-1 that ensures continued water service during electrical service interruptions in Verde Village 3
- \* Completion of Mesquite Hills water transmission line that will replace the Clarkdale feed into Cottonwood Del Webb Ranch and improve system operations

**FY 2016 Goals:**

- \* Proceed with Old Town waterline replacement program involving the water mains and fire hydrants replacement on portions of Pinal, Pima and Main Street that will result in improved water quality, pressure and flows
- \* Generator installation at the Mesquite Hills treatment facility to ensure consistent water pressure during electrical outages and installation of SCADA system to establish remote monitoring
- \* Continue valve replacements in the Verde Villages of inoperable valves and adding new water main valves
- \* Installation of new booster pump and preparation of 250,000 gallon reservoir pad at Quail Canyon well site to provide for consistent flows and relieve the constant short cycling of the existing well

**Budget Highlights:**

The capital items budgeted for FY 2017, totaling \$5,399,780, are listed on page 258. There are changes in Personnel costs due to the merit program. Since the City's Cost-of-Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat.

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
<b>Performance Indicators</b>					
<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Department Goal:</b>	Improve reliability of potable water service to residents of Cottonwood and adjacent areas				
<b>Objective:</b>	Improve supply and distribution systems to improve water quality and reduce customer service disruptions				
<b>Type of Measure:</b>	Outcome based				
<b>Tool:</b>	System monitoring, service reports, and operator feedback,				
<b>Frequency:</b>	Daily, weekly, monthly and annual reports				
<b>Scoring:</b>	Numerical reduction in system leaks				
<b>Trend:</b>	Trending downward				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
System leaks repaired		125	122	120	118
Water main replaced LF		9,700	6,000	8,700	9,000
<b>Performance Indicators</b>					
<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Department Goal:</b>	Ensure regulatory compliance				
<b>Objective:</b>	Constant testing, treatment and documentation at tall affected sites				
<b>Type of Measure:</b>	Outcome based				
<b>Tool:</b>	Regulatory notification; operator logs; improved documentation				
<b>Frequency:</b>	Daily, weekly, monthly and annual reports				
<b>Scoring:</b>	ADEQ/EPA compliance based on number of sites per quarter year =100%				
<b>Trend:</b>	Steady improvement				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Number of process (in-house) arsenic tests performed		1,250	1,300	1,310	1,325
Number of compliance sample tests performed		80	90	95	100
Percentage ADEQ/EPA compliance		99%	99%	100%	100%
Arsenic Regeneration procedures performed		850	900	950	975
<b>Performance Indicators</b>					
<b>City Council Goal:</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Department Goal:</b>	Improve utility billing customer satisfaction rating				
<b>Objective:</b>	Combine water and sewer billing				
<b>Type of Measure:</b>	Outcome based				
<b>Tool:</b>	Numerical data				
<b>Frequency:</b>	Monthly				
<b>Scoring:</b>	Numerical reduction in separate water/sewer accounts				
<b>Trend:</b>	Steady improvement				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Number of combined residential water/sewer accounts		2,500	2,500	3,668	3,700
Number of combined commercial water/sewer accounts		250	250	494	510
Number of remaining water/sewer accounts to be merged		864	864	0	0
Combined percentage of water/sewer bill consolidation			70%	100%	100%
<b>Supplemental Data: Capital Outlay</b>					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Final	
Water System Upgrades & Reservoir / Water Line - Hwy 260	\$15,086	\$160,000	\$35,000	\$2,160,000	
MS Surface Pro & Accessories (2015) / Printer (2017)	5,844			2,980	
Asphalt Paver Machine/Parking Lot Upgrade/Misc. Equipment		72,950	71,341	40,000	
Mesquite Hills & Line Replacements and Extensions		250,000	14,000	460,000	
Water Storage Reservoir inspection and Cleaning		26,000	26,000	26,000	
W Mingus Reconstruction & System Upgrade		1,055,900		1,055,900	
Water Storage/Well Booster	4,885	150,000	55,000	150,000	
Well Generator				50,000	
Well Improvements & Construction-General Plan	31,160	100,000	128,900	307,900	
Fire Hydrants/Water Lines incl. at Gila & Main Street	63,594	350,000	120,000	350,000	
Arsenic Mitigation Equip & Trailer,Generator & Tailer	32,306	725,000	250,000	500,000	
Scada Upgrades, Plotter, Trace Detect & Impact Study	11,887		10,323	27,500	
Cleanup of Stock Pile				29,500	
Utility Trucks (6)		35,500	34,336	240,000	
	\$164,762	\$2,925,350	\$744,900	\$5,399,780	

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
<b>Summary by Category</b>					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$1,267,351	\$1,352,380	\$1,276,015	\$1,325,600	3.89%
Operating Supplies	276,590	380,200	262,076	376,950	43.83%
Contractual Services	383,873	1,049,090	702,930	648,770	-7.70%
Other Services and Charges	757,694	1,094,385	691,720	1,059,780	53.21%
Depreciation (net)	1,335,895	0	0	0	0.00%
Capital Outlay	164,762	2,925,350	744,900	5,399,780	624.90%
Reserves	157,557	6,656,475	11,392,865	9,174,090	-19.48%
Transfers Out - Debt Service	0	0	0	250,000	0.00%
Debt Service	2,063,968	31,733,955	2,570,930	1,973,920	-23.22%
<b>Department Totals</b>	<b>\$6,407,690</b>	<b>\$45,191,835</b>	<b>\$17,641,435</b>	<b>\$20,208,890</b>	<b>14.55%</b>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Development Reserves	\$576,750	2.85%
Charges for Service	7,736,050	38.28%
Other Income	34,225	0.17%
Fund Balance	11,861,865	58.70%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2017
	2015	2016	2017	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$40,595
Operations Supervisor	0.50	1.00	1.00	4,825	7,111	67,922
Operations Foreman	1.00	1.00	1.00	3,266	4,813	57,608
PW & Utility Inspector	0.00	0.00	1.00	3,266	4,813	44,962
Utility Equipment Operator	3.00	3.00	3.00	2,962	4,365	125,285
Operator II	2.00	2.00	2.00	2,962	4,365	47,445
Operator I	2.00	2.00	2.00	2,687	3,960	114,219
Utility Technician	3.00	3.00	3.00	2,437	3,591	90,855
Arsenic Treatment Specialist	1.00	1.00	1.00	3,429	5,054	52,738
Terrorism Liaison Officer	0.50	0.50	0.00	3,601	5,306	0
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	25,089
Electrician	0.50	0.50	0.50	3,601	5,306	22,037
Electrical Technician	0.50	0.50	0.50	2,821	4,158	19,116
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	30,229
Utility Billing Clerk	2.60	2.60	2.60	2,437	3,591	58,361
COLA						0
Overtime						105,000
Holiday Pay						2,500
Car & Clothing Allowance						5,500
Merit Contingency						27,739
Retirement						106,960
Insurance & Taxes						281,440
Employee Related Expenses						
<b>Totals</b>	<b>18.25</b>	<b>18.75</b>	<b>19.25</b>			<b>\$1,325,600</b>

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund	Cost Center	7XXX	
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Supplies</b>					
Office Supplies	7,400	8,500	5,001	6,000	19.99%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	36,160	45,000	20,000	45,000	125.00%
Vehicle Maint & Repairs	12,030	15,000	16,500	15,000	-9.09%
Equipment Maint & Repairs	128,441	176,000	130,700	180,700	38.26%
Chemicals	38,988	63,000	30,000	60,000	100.00%
Operational Supplies	19,693	24,000	12,000	22,000	83.33%
Postage & Freight	36,842	41,200	40,375	40,750	0.93%
Tools	3,359	3,500	3,500	3,500	0.00%
Building Maint & Repairs	(6,323)	4,000	4,000	4,000	0.00%
<b>Total Supplies</b>	<b>276,590</b>	<b>380,200</b>	<b>262,076</b>	<b>376,950</b>	<b>43.83%</b>
<b>Contractual Services</b>					
Computer Support	7,423	10,400	10,400	10,400	0.00%
Contractual Services - M&O	152,080	165,000	128,000	160,000	25.00%
Employee Physicals	944	1,000	1,000	1,000	0.00%
Impact Fee Study	0	0	0	0	0.00%
General Counsel	0	0	0	0	0.00%
Indirect Cost to General Fund	185,844	450,000	530,000	450,000	-15.09%
Lease Purchase Payments	37,582	422,690	33,530	27,370	-18.37%
<b>Total Contractual Services</b>	<b>383,873</b>	<b>1,049,090</b>	<b>702,930</b>	<b>648,770</b>	<b>-7.70%</b>
<b>Other Services and Charges</b>					
Travel & Training	2,290	4,500	4,500	4,500	0.00%
Subscriptions & Memberships	945	2,500	1,500	2,500	66.67%
Verde River Days	1,000	1,000	1,700	1,000	-41.18%
Printing & Forms	6,055	6,500	6,000	6,500	8.33%
Utilities	425,703	350,700	369,970	388,500	5.01%
Telephone	16,254	13,400	12,950	13,650	5.41%
Legal Advertising	1,092	2,000	250	250	0.00%
Lab/Testing	10,032	28,000	11,000	28,000	154.55%
Equipment Rental	434	1,000	600	1,000	66.67%
Liability Insurance	65,528	72,085	77,110	68,800	-10.78%
ADEQ Annual Fee	20,605	26,000	26,000	26,000	0.00%
Arsenic Systems Maintenance	40,139	460,000	51,000	400,000	684.31%
Aide in Lieu of Construction	99,662	100,000	100,000	100,000	0.00%
Payment Assistance Program	0	12,000	12,000	12,000	0.00%
Bank Charges	6,393	12,700	0	0	0.00%
Bad Debt	39,353	0	0	0	0.00%
Investment Expense	2,077	2,000	2,080	2,080	0.00%
Trustee Fees-2015 Excise Bond	0	0	700	0	-100.00%
Bond Issuance Costs	15,747	0	9,360	0	-100.00%
ASRS Pension Expense	4,385	0	5,000	5,000	0.00%
<b>Total Other Services &amp; Charges</b>	<b>757,694</b>	<b>1,094,385</b>	<b>691,720</b>	<b>1,059,780</b>	<b>53.21%</b>

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund	Cost Center	8XXX	
<b>Supplemental Data: Expenditures</b>					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Debt Service</b>					
Interest - 2004 MPC Bond	\$460,828	\$0	\$0	\$0	0.00%
Principal - 2004 MPC Bond	495,000	30,140,000	0	0	0.00%
Trustee Fees - 2004 MPC Bond	1,650	0	0	0	0.00%
Interest - 2006 MPC Bond	968,242	962,455	962,450	0	-100.00%
Principal - 2006 MPC Bond	(0)	630,000	630,000	0	-100.00%
Trustee Fees - 2006 MPC Bond	1,650	1,500	0	0	0.00%
Principal - 2015 WIFA Bond	0	0	609,680	623,095	2.20%
Interest - 2015 WIFA Bond	0	0	243,180	221,180	-9.05%
Trustee Fees - 2015 WIFA Bond	0	0	1,000	1,000	0.00%
Issuance Costs	136,599	0	86,555	200,000	131.07%
Principal - 2016 WIFA Bond	0	0	0	536,495	0.00%
Interest - 2016 WIFA Bond	0	0	0	315,610	0.00%
Trustee Fees - 2016 WIFA Bond	0	0	0	1,000	0.00%
Principal - 2015 Excise Bond	0	0	0	37,580	0.00%
Interest - 2015 Excise Bond	0	0	38,065	37,960	-0.28%
<b>Total Other Debt Service</b>	<b>2,063,968</b>	<b>31,733,955</b>	<b>2,570,930</b>	<b>1,973,920</b>	<b>-23.22%</b>

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## Municipal Property Corporation

## Senior Lien Water System Revenue Bonds, Series 2006 ("AAA" S&amp;P / "AAA" Moody's)

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2017					\$465,476	
July 1, 2017	\$665,000	\$5,160,000	\$18,805,000	\$0	465,476	\$1,595,952
January 1, 2018					448,851	
July 1, 2018	700,000	5,860,000	18,105,000	4.00%	448,851	1,597,703
January 1, 2019					434,851	
July 1, 2019	725,000	6,585,000	17,380,000	4.00%	434,851	1,594,703
January 1, 2020					420,351	
July 1, 2020	760,000	7,345,000	16,620,000	4.00%	420,351	1,600,703
January 1, 2021					405,151	
July 1, 2021	790,000	8,135,000	15,830,000	4.10%	405,151	1,600,303
January 1, 2022					388,956	
July 1, 2022	820,000	8,955,000	15,010,000	4.13%	388,956	1,597,913
January 1, 2023					372,044	
July 1, 2023	855,000	9,810,000	14,155,000	1.25%	372,044	1,599,088
January 1, 2024					353,875	
July 1, 2024	890,000	10,700,000	13,265,000	5.00%	353,875	1,597,750
January 1, 2025					331,625	
July 1, 2025	935,000	11,635,000	12,330,000	5.00%	331,625	1,598,250
January 1, 2026					308,250	
July 1, 2026	980,000	12,615,000	11,350,000	5.00%	308,250	1,596,500
January 1, 2027					283,750	
July 1, 2027	1,030,000	13,645,000	10,320,000	5.00%	283,750	1,597,500
January 1, 2028					258,000	
July 1, 2028	1,080,000	14,725,000	9,240,000	5.00%	258,000	1,596,000
January 1, 2029					231,000	
July 1, 2029	1,135,000	15,860,000	8,105,000	5.00%	231,000	1,597,000
January 1, 2030					202,625	
July 1, 2030	1,190,000	17,050,000	6,915,000	5.00%	202,625	1,595,250
January 1, 2031					172,875	
July 1, 2031	1,255,000	18,305,000	5,660,000	5.00%	172,875	1,600,750
January 1, 2032					141,500	
July 1, 2032	1,315,000	19,620,000	4,345,000	5.00%	141,500	1,598,000
January 1, 2033					108,625	
July 1, 2033	1,375,000	20,995,000	2,970,000	5.00%	108,625	1,592,250
January 1, 2034					74,250	
July 1, 2034	1,450,000	22,445,000	1,520,000	5.00%	74,250	1,598,500
January 1, 2035					38,000	
July 1, 2035	1,520,000	23,965,000	0	5.00%	38,000	1,596,000
Totals	<u>\$19,470,000</u>				<u>\$10,880,113</u>	<u>\$30,350,113</u>

<b>Water Infrastructure Finance Authority</b>
<b>2015 Loan</b>

Maturity	Principal		Rate	Int/Fees	Debt Service	
	Payments	Retired				Balance
January 1, 2016				\$125,513		
July 1, 2016	\$609,681	\$609,681	\$10,087,473	117,669	\$852,863	
January 1, 2017				110,962		
July 1, 2017	623,094	1,232,776	9,464,378	2.200%	110,962	845,019
January 1, 2018				104,108		
July 1, 2018	636,802	1,869,578	8,827,576	2.200%	104,108	845,019
January 1, 2019				97,103		
July 1, 2019	650,812	2,520,390	8,176,764	2.200%	97,103	845,019
January 1, 2020				89,944		
July 1, 2020	665,130	3,185,520	7,511,634	2.200%	89,944	845,019
January 1, 2021				82,628		
July 1, 2021	679,763	3,865,283	6,831,871	2.200%	82,628	845,019
January 1, 2022				75,151		
July 1, 2022	694,718	4,560,000	6,137,154	2.200%	75,151	845,019
January 1, 2023				67,509		
July 1, 2023	710,001	5,270,001	5,427,153	2.200%	67,509	845,019
January 1, 2024				59,699		
July 1, 2024	725,621	5,995,623	4,701,531	2.200%	59,699	845,019
January 1, 2025				51,717		
July 1, 2025	741,585	6,737,208	3,959,946	2.200%	51,717	845,019
January 1, 2026				43,559		
July 1, 2026	757,900	7,495,108	3,202,046	2.200%	43,559	845,019
January 1, 2027				35,223		
July 1, 2027	774,574	8,269,681	2,427,473	2.200%	35,223	845,019
January 1, 2028				26,702		
July 1, 2028	791,614	9,061,296	1,635,858	2.200%	26,702	845,019
January 1, 2029				17,994		
July 1, 2029	809,030	9,870,326	826,828	2.200%	17,994	845,019
January 1, 2030				9,095		
July 1, 2030	826,828	10,697,154	0	2.200%	9,095	845,019
<b>Totals</b>	<b>\$10,697,154</b>				<b>\$1,985,971</b>	<b>\$12,683,126</b>

## Water Infrastructure Finance Authority

## 2016 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2017					\$159,002	
July 1, 2017	\$684,210	\$684,210	\$14,515,790	1.704%	129,504	\$972,716
January 1, 2018					123,675	
July 1, 2018	695,869	1,380,079	13,819,921	1.704%	123,675	943,218
January 1, 2019					117,746	
July 1, 2019	707,727	2,087,806	13,112,194	1.704%	117,746	943,218
January 1, 2020					111,716	
July 1, 2020	719,786	2,807,592	12,392,408	1.704%	111,716	943,218
January 1, 2021					105,583	
July 1, 2021	732,051	3,539,644	11,660,356	1.704%	105,583	943,218
January 1, 2022					99,346	
July 1, 2022	744,526	4,284,169	10,915,831	1.704%	99,346	943,218
January 1, 2023					93,003	
July 1, 2023	757,212	5,041,382	10,158,618	1.704%	93,003	943,218
January 1, 2024					86,551	
July 1, 2024	770,115	5,811,497	9,388,503	1.704%	86,551	943,218
January 1, 2025					79,990	
July 1, 2025	783,238	6,594,735	8,605,265	1.704%	79,990	943,218
January 1, 2026					73,317	
July 1, 2026	796,584	7,391,319	7,808,681	1.704%	73,317	943,218
January 1, 2027					66,530	
July 1, 2027	810,158	8,201,477	6,998,523	1.704%	66,530	943,218
January 1, 2028					59,627	
July 1, 2028	823,963	9,025,441	6,174,559	1.704%	59,627	943,218
January 1, 2029					52,607	
July 1, 2029	838,004	9,863,444	5,336,556	1.704%	52,607	943,218
January 1, 2030					45,467	
July 1, 2030	852,283	10,715,727	4,484,273	1.704%	45,467	943,218
January 1, 2031					38,206	
July 1, 2031	866,806	11,582,534	3,617,467	1.704%	38,206	943,218
January 1, 2032					30,821	
July 1, 2032	881,576	12,464,110	2,735,890	1.704%	30,821	943,218
January 1, 2033					23,310	
July 1, 2033	896,599	13,360,708	1,839,292	1.704%	23,310	943,218
January 1, 2034					15,671	
July 1, 2034	911,877	14,272,585	927,415	1.704%	15,671	943,218
January 1, 2035					7,902	
July 1, 2035	927,415	15,200,000	0	1.704%	7,902	943,218
Totals	<u>\$15,200,000</u>				<u>\$2,750,642</u>	<u>\$17,950,643</u>

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**FIDUCIARY FUNDS**

These funds are used to account for assets held in trust by a government in a trustee capacity or agency capacity for others and which therefore cannot be used to support the government's own programs.

**Fund/Account Number**

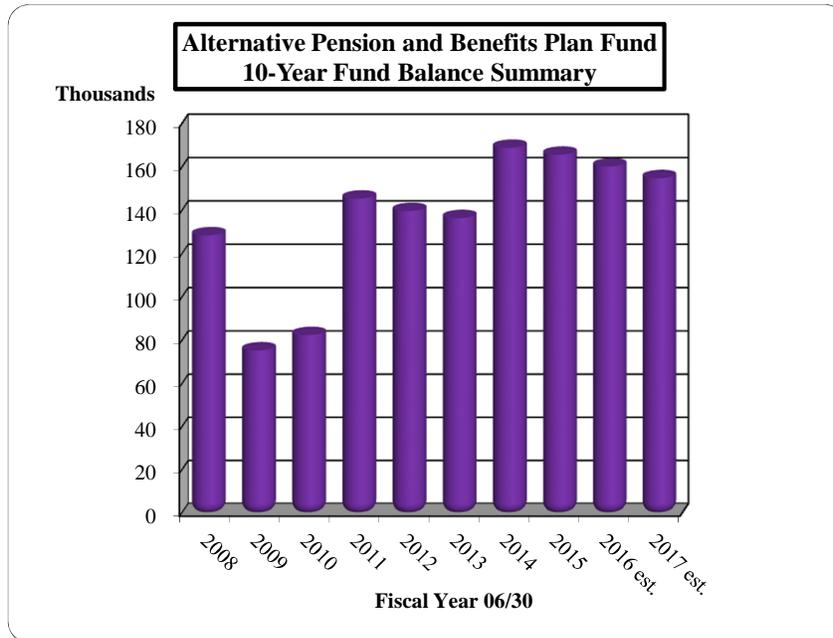
**Description**

70

Alternative Pension and Benefits Plan Fund

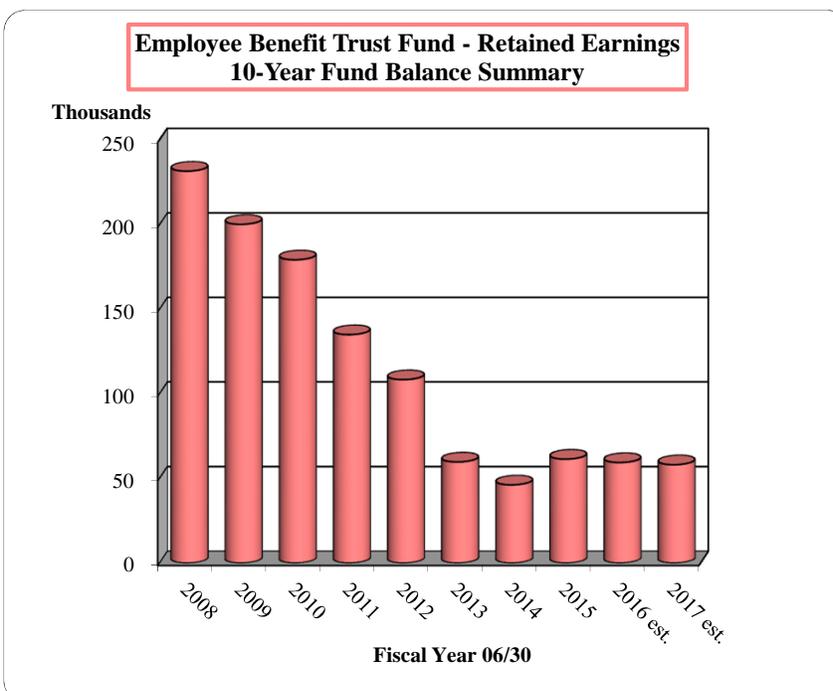
60

Employee Benefit Trust Fund



Fiscal Year 06/30	Fund Balance
2008	129,017
2009	75,900
2010	82,973
2011	145,970
2012	140,245
2013	136,970
2014	169,420
2015	166,230
2016 est.	160,820
2017 est.	155,410

The following represents a ten-year illustration of retained earnings for this fund. The fund balance is providing short term disability for all employees.



Fiscal Year 06/30	Fund Balance
2008	231,573
2009	200,101
2010	179,117
2011	134,830
2012	108,191
2013	59,580
2014	46,060
2015	61,250
2016 est.	59,250
2017 est.	57,950

**Consolidated Statement of Revenues/Expenditures**

Item Description	2015	2016		2017
	Actual	Budget	Revised	Final
<b>Revenue Sources:</b>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	24,468	15,000	0	0
Miscellaneous Revenues	834	625	600	700
<b>Total Revenue Sources</b>	<b>25,301</b>	<b>15,625</b>	<b>600</b>	<b>700</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Carryover	0	69,810	226,880	220,070
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>69,810</b>	<b>226,880</b>	<b>220,070</b>
<b>Total Available Resources</b>	<b>25,301</b>	<b>85,435</b>	<b>227,480</b>	<b>220,770</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	2,000	2,000	2,000
Contractual Services	3,600	3,600	3,600	3,600
Other Services and Charges	22,059	2,000	1,810	1,810
Capital Outlay	0	0	0	0
Reserves	0	77,835	220,070	213,360
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>25,659</b>	<b>85,435</b>	<b>227,480</b>	<b>220,770</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>25,659</b>	<b>85,435</b>	<b>227,480</b>	<b>220,770</b>
<b>Net Income / (Loss)</b>	<b>(\$358)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
City Contribution / Fire Ins Premium	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	24,468	15,000	0	0	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>24,468</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	9,430	166,230	160,820	-3.25%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>9,430</b>	<b>166,230</b>	<b>160,820</b>	<b>-3.25%</b>
<b>Total Available Resources</b>	<b>24,468</b>	<b>24,430</b>	<b>166,230</b>	<b>160,820</b>	<b>-3.25%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	3,600	3,600	3,600	0.00%
Other Services and Charges	22,059	2,000	1,810	1,810	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	18,830	160,820	155,410	-3.36%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>25,659</b>	<b>24,430</b>	<b>166,230</b>	<b>160,820</b>	<b>-3.25%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>25,659</b>	<b>24,430</b>	<b>166,230</b>	<b>160,820</b>	<b>-3.25%</b>
<b>Net Income / (Loss)</b>	<b>(\$1,191)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

None

**General Information:**

Alternative Pension and Benefits Plan Fund accounts for the defined contribution pension plan which is administrated by the City and a board of trustees for the City's volunteer firefighters.

Revenues are received from the state's Fire Insurance Premium Tax, contributions from the city and members, and interest on investments.

**FY 2016 Accomplishments:**

- \* Maintained the financial health of the pool

**FY 2017 Goals:**

- \* Continue to search for ways to improve plan
- \* Maintain the financial stability of the pool

**Budget Highlights:**

No significant changes are planned for this fund.

Fiduciary Fund	Alternative Pension and Benefits Plan		Fund 09	Cost Center	10-00
<b>Summary by Category</b>					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	3,600	3,600	3,600	0.00%
Other Services and Charges	22,059	2,000	1,810	1,810	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	18,830	160,820	155,410	-3.36%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<u>\$25,659</u>	<u>\$24,430</u>	<u>\$166,230</u>	<u>\$160,820</u>	<u>-3.25%</u>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Contributions	\$137,520	85.51%
Interest Income	15,000	9.33%
Other Income	0	0.00%
Fund Balance	8,300	5.16%
Total Funding		<u>100.00%</u>

<b>Performance Indicators</b>
<i>* Performance Measures are not applicable to this fund *</i>

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**Employee Benefit Trust Fund Revenues/Expenditures**

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Final	
<b>Revenue Sources:</b>					
Uses of Monies & Properties					
Interest Income	\$385	\$625	\$600	\$700	16.67%
Miscellaneous Revenues					
Other Income	449	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>834</b>	<b>625</b>	<b>600</b>	<b>700</b>	<b>16.67%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	0	60,380	60,650	59,250	-2.31%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>60,380</b>	<b>60,650</b>	<b>59,250</b>	<b>-2.31%</b>
<b>Total Available Resources</b>	<b>834</b>	<b>61,005</b>	<b>61,250</b>	<b>59,950</b>	<b>-2.12%</b>
<b>Expenses:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	2,000	2,000	2,000	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	59,005	59,250	57,950	-2.19%
Debt Service	0	0	0	0	0.00%
<b>Total Expenses</b>	<b>0</b>	<b>61,005</b>	<b>61,250</b>	<b>59,950</b>	<b>-2.12%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>0</b>	<b>61,005</b>	<b>61,250</b>	<b>59,950</b>	<b>-2.12%</b>
<b>Net Income / (Loss)</b>	<b>\$834</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>

**Organizational Chart:**

None

**General Information:**

The Employee Benefit Trust Fund accounted for the City's partially self-funded health and medical insurance for many years. Currently, the trust no longer provides the services since the City is a member of the Arizona Public Employers Health Pool.

**FY 2016 Accomplishments:**

N/A

**FY 2017 Goals:**

NA

**Budget Highlights:**

The City used this fund to cover short term disabilities. In FY 2014, the trust was eliminated. The balance of this fund will be used for a future employee benefit.

Internal Services		Employee Benefit Trust Fund		Fund 10		Cost Center		10-00	
<b>Summary by Category</b>									
Expenditure Category	2015		2016		2017		Percent Change		
	Actual	Budget	Budget	Revised	Final	Final			
Personnel	\$0	\$0	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	2,000	2,000	2,000	2,000	2,000	0.00%		
Contractual Services	0	0	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0	0	0.00%		
Capital Outlay	0	0	0	0	0	0	0.00%		
Reserves	0	59,005	59,250	59,250	57,950	57,950	-2.19%		
Debt Service	0	0	0	0	0	0	0.00%		
Department Totals		<u>\$0</u>	<u>\$61,005</u>	<u>\$61,250</u>	<u>\$61,250</u>	<u>\$59,950</u>	<u>-2.12%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Interest Income	\$700	1.17%
Miscellaneous Revenues	0	0.00%
Retained Earnings	59,250	98.83%
Total Funding		<u>100.00%</u>

<b>Performance Indicators</b>
<i>* Performance Measures are not applicable to this fund *</i>

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**Capital Outlay**

<b>General Fund</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>City Council</b>	Trust Land Annexation	1,500	1,500
	iPads Replacement	6,600	0
	Subtotal	8,100	1,500
<b>IT</b>	Replacement Servers (2)	12,000	12,000
	Computers - City-wide	33,000	33,000
	New Vehicles (2)	54,000	0
	New Building	300,000	0
	Subtotal	399,000	45,000
<b>Engineering</b>	Riverfront/Old Town Connection Trail	18,000	18,000
	Stormwater Program	40,500	40,500
	Drainage Plan for Cottonwood Village (Assisted Living)	69,000	69,000
	School Zone Study	14,000	0
	Old Town Flood Plain Study	130,000	0
	City-wide Master Drainage Plan	220,000	0
	Subtotal	491,500	127,500
<b>Municipal Court</b>	Bicycle Rack Installation	2,000	0
	Subtotal	2,000	0
<b>Communications</b>	Rotating Resource Guide	1,500	0
	Monitors and Connections	2,170	0
	Status Indicator Lights	7,252	0
	Southwest Access and Video	7,500	0
	Radio Maintenance	21,350	0
	Spillman Analytics & CompStat Dashboard	81,144	0
	Subtotal	120,916	0
<b>Police</b>	Datalogic Memor X3 Barcode Scanner and Dock	1,000	1,000
	Duty Weapons	1,500	1,500
	Remodeling of Former Communications Center	25,000	5,000
	Vista Wearable Camera Warranty	6,380	6,380
	Tasers and Peripherals, and Fire Arms	10,950	10,950
	Patrol Vehicles (2) [Lease]	126,232	126,235
	Crystal Reports - Software Licenses	1,000	0
	Detective Division's Office - New Flooring	6,300	0
	Holding Cell - Cameras	6,500	0
	Evidence Room - Wired Fire Alarm System	7,600	0
	Repainting of Exterior of Public Safety Building	40,000	0
	Spillman CompStat Management and Community Dashboard	60,320	0
	SWAT Robot	65,000	0
	Subtotal	357,782	151,065

**Capital Outlay**

<b>General Fund</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>Fire</b>	Multifunction Copier	8,000	8,000
	EMS Equipment Replacements	20,000	15,000
	Fire Suppression & Rescue Equipment-Jaws of Life (2) [Lease]	60,000	60,000
	Fire Engine (Type 1) [Lease]	600,000	600,000
	Office Equipment/Furnishings	8,000	0
	Physical Fitness Equipment	25,000	0
	Communications/Radio Equipment	30,000	0
	Aerial Ladder Truck (Quint)	1,200,000	0
	Infrastructure - New Fire Station	2,500,000	0
	Subtotal	4,451,000	683,000
<b>Recreation Center</b>	Renovation/Replacement of Indoor Pool Cool Deck	13,000	13,000
	Cardio Machines Replacement [Lease]	208,000	208,000
	Soft Water System Installation	32,000	0
	Subtotal	253,000	221,000
<b>Parks &amp; Recreation</b>	Riverfront Park Adult Softball Complex - Automatic Lighting	9,000	9,000
	Lounge Chairs/Furniture/Life Guard Stands	5,100	0
	ADA Pool Observation Deck-Riser	7,000	0
	Portable Light Towers	12,000	0
	Traffic Signage (Special Events)	12,000	0
	Riverfront Park and Kids' Park Signage	25,000	0
	Urban Trail System	35,000	0
	Riverfront Park - Earthen Stage Construction	35,000	0
	Vehicles (2)	36,000	0
	Tennis Center Resurface Project	168,000	0
	Subtotal	344,100	9,000
<b>Parks &amp; Bldg. Mtnc.</b>	Blinds for Public Works Building	4,500	1,500
	Repainting of Public Works Building	3,500	3,500
	Tires for Terex	6,000	6,000
	Little League Complex - Maintenance	75,000	3,000
	Skate Park - Drinking Fountain	5,500	0
	Hockey Rink Surface and Walls	9,000	0
	Dirt for Softball and Little League Fields	12,000	0
	Mini-Excavator	12,000	0
	Complete Maintenance Maps of All City Facilities	14,000	0
	Civic Center Kiosk	17,000	0
	Hockey Rink - New Chain Link Enclosure	23,000	0
	Truck	25,000	0
	Parks Imp. Maintenance Program	30,000	0
	Little League - Retaining Wall and Slope	32,000	0
	Skate Park - Slab	59,000	0
Skate Park - Restroom Sidewalk	86,000	0	
	Subtotal	413,500	14,000
<b>Public Works</b>	Transfer Station Safety Improvements	55,000	27,500
	Clean Up of Stock Pile	59,000	29,500
	Security Systems for Multiple Locations	19,500	0
	Air Curtain Burner	201,000	0
	Subtotal	334,500	57,000
<b>Total General Fund Capital Outlay</b>		<b>\$7,175,398</b>	<b>\$1,309,065</b>

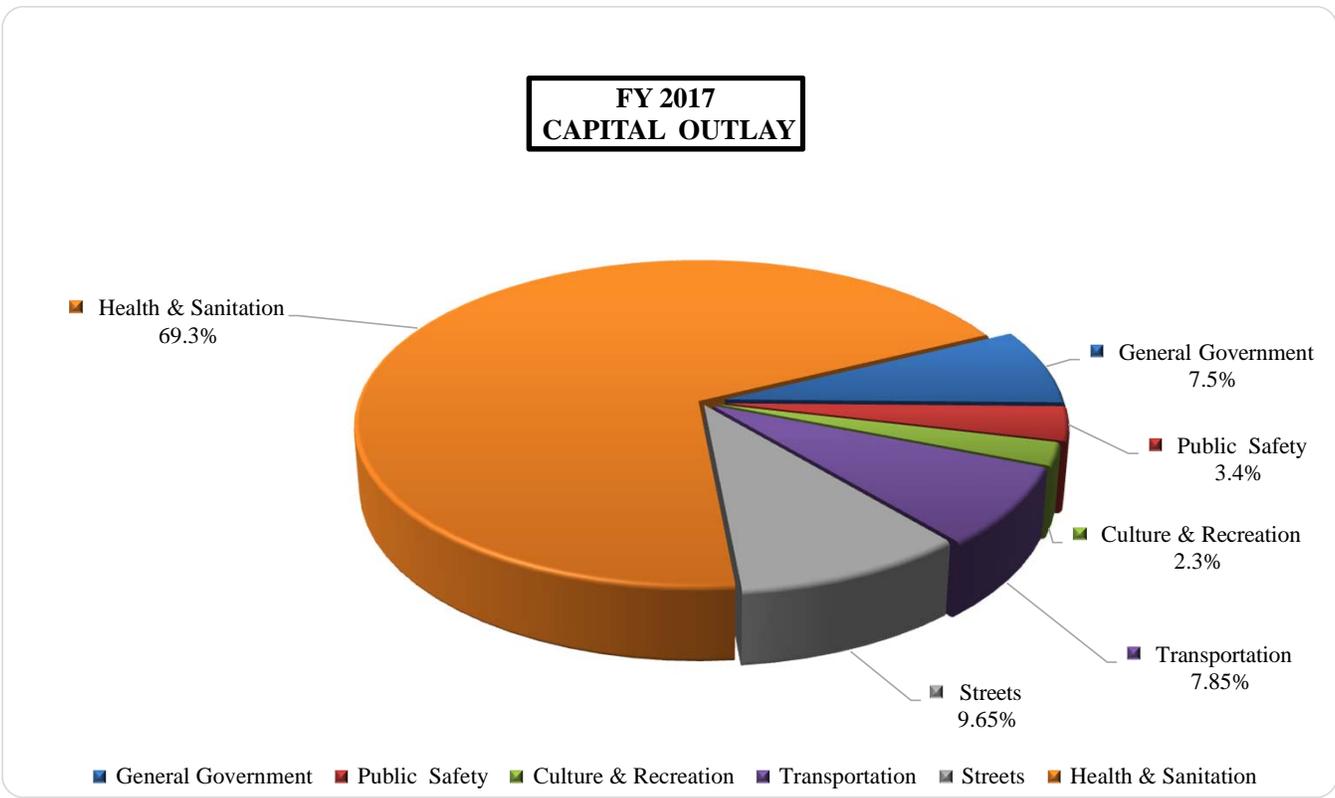
**Capital Outlay**

<b>Special Revenue Funds</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>Streets-Construction</b>	HSIP Sign Replacement	20,000	20,000
	Reconstruction Mingus Ave from 10 <sup>th</sup> St. to Main St.	1,972,340	250,000
	Reconstruction Mingus Ave from Willard St. to 10 <sup>th</sup> St.	2,140,146	1,861,650
	Hard surface for N. Catclaw Road	17,000	0
	Rectangular Rapid Flashing Beacon for Main/Cherry St.	17,500	0
	Pavement Preservation	600,000	0
	Subtotal		4,766,986
<b>Streets - Operations</b>	Traffic Control Cones and Barricades	4,250	1,000
	In-Street Pedestrian Signs	1,200	1,200
	Street Improvements	2,000	2,000
	Traffic Signal Controller	5,800	5,800
	RSA Response Design	19,000	19,000
	Concrete Sidewalk Grinder	10,000	20,000
	Street Sweeper	200,000	200,000
	Sweeper AC	3,000	0
	Rock Screen	8,000	0
	Wet Crossing Signage	14,000	0
	Truck	25,000	0
	Road Repair	80,000	0
Subtotal		372,250	249,000
<b>Transit</b>	Light Duty 20-30 Ft Van (3)	125,000	125,000
	Subtotal		125,000
<b>Library</b>	E-Rate Equipment	7,000	7,000
	Re-roofing/Roof repair	50,000	20,000
	Installation of Automatic Door Opener System	5,000	0
	Ceiling Installation - Manager's Office	7,400	0
	Interior Painting in Original Building	25,500	0
	Exterior Painting of Building	50,000	0
Subtotal		144,900	27,000
<b>CDBG Grants</b>	CDBG - Civic Center Grant	0	304,155
	Subtotal		304,155
<b>Other Grants</b>	Miscellaneous Grants	500,000	500,000
	Yavapai County Flood Control District	350,000	350,000
	Subtotal		850,000
<b>Airport Grants</b>	Airport Security Fence Replacement	150,000	150,000
	Airport Master Plan	400,000	400,000
	Airport Apron/Pavement Reconstruction	1,260,000	1,260,000
	Airport Fuel Hose Reel	6,200	0
	Airport Fixed Base Operator	25,000	0
	Airport Hazard Removal	32,200	0
	Jet A Tank	364,240	0
	Design Runway Extension	455,300	0
	Airport Apron Improvements	500,000	0
Subtotal		3,192,940	1,810,000
<b>Total Special Revenue Fund Capital Outlay</b>		<b>\$9,452,076</b>	<b>\$5,496,805</b>

## Capital Outlay

<b>Capital Projects Fund</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
	Civic Center HVAC Project	132,000	132,000
	Riverfront Rehabilitation	140,730	140,730
	Kids Park Restrooms	240,730	240,730
	Garrison Relocation and Rehabilitation	240,730	240,730
	Subtotal	754,190	754,190
<b>Capital Projects Fund</b>			
<b>Total Capital Projects Fund Capital Outlay</b>		<b>\$754,190</b>	<b>\$754,190</b>
<b>Sewer Construction</b>	Water/Waste Water Master Plan	59,000	28,900
	Digester Blower	50,000	50,000
	Reclaimed Line Mingus/89A & Selna Project	75,000	75,000
	Pump-Reclaimed, materials, etc.	191,000	191,000
	Lift Station 4 Wet Well Expansion/Rehabilitation	300,000	300,000
	WWTP Construction	1,458,495	1,458,495
	Riverfront Water Reclamation Facility	9,250,000	9,250,000
	Riverfront Water Reclamation Facility-UV System	250,000	250,000
	Polymer Blending Unit	38,000	38,000
	Wastewater Storage Canopy and Shelter	40,000	0
	Reclaimed Vault/Pond/Screening	50,000	0
	Basin Roof Rehabilitation	50,000	0
	Aeration Blowers	50,000	0
	Subtotal	11,861,495	11,641,395
<b>Sewer O &amp; M</b>	Plant Fiber Grate and Gate Replacement	24,800	24,800
	Trailer Mounted 4" Pump	17,500	0
	RTU for Dell Webb/Mesquite Hills/YC Reclaimed Tank	24,300	0
	Truck	35,500	0
	Subtotal	102,100	24,800
<b>Water Construction</b>	Water/Wastewater Master Plan	57,800	28,900
	Well Improvements	120,000	120,000
	Well Booster Pack - Quail Canyon	150,000	150,000
	Well 3-1 Reservoir Replacement	155,000	155,000
	Water System Upgrades	160,000	160,000
	Line Replacements	210,000	210,000
	Line Extensions	250,000	250,000
	Water Line Crossing Gila & Main St	350,000	350,000
	Arsenic Mitigation	500,000	500,000
	Mingus Waterline Project	1,055,900	1,055,900
	Water Line - Hwy 260	2,000,000	2,000,000
	Subtotal	5,008,700	4,979,800
<b>Water Admin</b>	Printer	2,980	2,980
	Subtotal	2,980	2,980
<b>Water O &amp; M</b>	Pump (2)	4,000	4,000
	Trench Compaction Equipment (2)	6,000	6,000
	Water Storage Reservoir Inspection and Cleaning	26,000	26,000
	Computer for SCADA software	27,500	27,500
	Midi Excavator	34,000	34,000
	Generator for the Mesquite Hills Site	50,000	50,000
	Clean Up of Stock Pile	59,000	29,500
	Vehicle Replacement (6) [Lease]	120,000	240,000
	Well-site Cameras	27,000	0
	Subtotal	353,500	417,000
<b>Total Enterprise Fund Capital Outlay</b>		<b>17,328,775</b>	<b>17,065,975</b>
<b>Grand Total - All Capital and Equipment &amp; Project</b>		<b>34,710,439</b>	<b>24,626,035</b>

	Capital	
	Equipment	Project
Communications	0	0
City Council	1,500	0
IT	45,000	0
Engineering	127,500	0
Municipal Court	0	0
Police	151,065	0
Fire	683,000	0
Recreation Center	221,000	0
Parks & Recreation	9,000	0
Parks & Building Maintenance	14,000	0
Public Works	57,000	0
Streets - Construction	0	2,131,650
Streets - Operations	249,000	0
Transit	125,000	0
Library	27,000	0
CDBG Grant	0	304,155
Other Grants	0	850,000
Airport Grants	0	1,810,000
Capital Projects Fund	0	754,190
Sewer Construction	0	11,641,395
Sewer O & M	24,800	0
Water Construction	0	4,979,800
Water Admin	2,980	0
Water O & M	417,000	0
<b>Total Capital Equipment &amp; Projects</b>	<b>2,154,845</b>	<b>22,471,190</b>



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## Salary Ranges

## New Hire Range

Salary Range	1st Quartile	2nd Quartile	Mid Point	4th Quartile	Maximum
1	\$14,400	\$17,099	\$19,800	\$22,499	\$25,198
2	\$15,120	\$17,955	\$20,790	\$23,624	\$26,458
3	\$15,876	\$18,852	\$21,828	\$24,805	\$27,781
4	\$16,670	\$19,796	\$22,920	\$26,046	\$29,171
5	\$17,503	\$20,785	\$24,066	\$27,348	\$30,629
6	\$18,379	\$21,824	\$25,270	\$28,715	\$32,161
7	\$19,297	\$22,915	\$26,533	\$30,150	\$33,768
8	\$20,262	\$24,061	\$27,860	\$31,658	\$35,457
9	\$21,276	\$25,263	\$29,253	\$33,241	\$37,230
10	\$22,339	\$26,528	\$30,715	\$34,903	\$39,092
11	\$23,456	\$27,853	\$32,251	\$36,648	\$41,047
12	\$24,630	\$29,247	\$33,863	\$38,480	\$43,098
13	\$25,861	\$30,709	\$35,557	\$40,405	\$45,253
14	\$27,153	\$32,244	\$37,335	\$42,425	\$47,515
15	\$28,511	\$33,856	\$39,202	\$44,546	\$49,892
16	\$29,936	\$35,549	\$41,162	\$46,774	\$52,386
17	\$31,433	\$37,326	\$43,219	\$49,112	\$55,006
18	\$33,004	\$39,193	\$45,380	\$51,568	\$57,756
19	\$34,655	\$41,152	\$47,650	\$54,147	\$60,643
20	\$36,388	\$43,210	\$50,031	\$56,854	\$63,676
21	\$38,208	\$45,371	\$52,534	\$59,696	\$66,859
22	\$40,119	\$47,639	\$55,160	\$62,682	\$70,203
23	\$42,123	\$50,021	\$57,918	\$65,816	\$73,712
24	\$44,230	\$52,522	\$60,814	\$69,106	\$77,397
25	\$46,441	\$55,148	\$63,854	\$72,561	\$81,267
26	\$48,764	\$57,905	\$67,048	\$76,190	\$85,331
27	\$51,202	\$60,801	\$70,400	\$79,999	\$89,598
28	\$53,762	\$63,841	\$73,920	\$83,999	\$94,078
29	\$56,450	\$67,034	\$77,616	\$88,198	\$98,782
30	\$59,273	\$70,384	\$81,497	\$92,609	\$103,721
31	\$62,237	\$73,904	\$85,572	\$97,239	\$108,907
32	\$65,348	\$77,600	\$89,850	\$102,100	\$114,352
33	\$68,615	\$81,478	\$94,343	\$107,206	\$120,069
34	\$72,046	\$85,552	\$99,059	\$112,566	\$126,073
35	\$75,649	\$89,831	\$104,012	\$118,194	\$132,377
36	\$79,431	\$94,321	\$109,214	\$124,105	\$138,996
37	\$83,403	\$99,039	\$114,674	\$130,310	\$145,945
38	\$87,572	\$103,990	\$120,407	\$136,825	\$153,243
39	\$91,951	\$109,189	\$126,428	\$143,666	\$160,905
40	\$96,548	\$114,649	\$132,750	\$150,850	\$168,950
41	\$101,377	\$120,381	\$139,386	\$158,392	\$177,398
42	\$106,445	\$126,401	\$146,356	\$166,312	\$186,267
43	\$111,767	\$132,720	\$153,675	\$174,628	\$195,580
44	\$117,355	\$139,356	\$161,358	\$183,358	\$205,359
45	\$123,222	\$146,325	\$169,426	\$192,527	\$215,628
46	\$129,384	\$153,641	\$177,897	\$202,154	\$226,409
47	\$135,854	\$161,322	\$186,792	\$212,261	\$237,730
48	\$142,646	\$169,389	\$196,132	\$222,873	\$249,616
49	\$149,778	\$177,858	\$205,938	\$234,017	\$262,097
50	\$157,268	\$186,750	\$216,235	\$245,718	\$275,201

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## Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
<b>Administration</b>						
City Manager (CM)	1.00	1.00	1.00	11,613	17,113	44
Administrative Svcs GM	1.00	1.00	1.00	8,253	12,162	37
Community Services GM	1.00	1.00	1.00	8,253	12,162	37
Developmental Services GM	1.00	0.00	0.00	8,253	12,162	37
Assistant to CM	1.00	1.00	1.00	3,781	5,572	21
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	6.00	5.00	5.00			
<b>City Clerk's Office</b>						
City Clerk	1.00	1.00	1.00	Contract		
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	18
Total	2.00	2.00	2.00			
<b>Human Resources</b>						
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	30
Safety Training Specialist	1.00	0.00	0.00	4,825	7,111	26
Human Resources Specialist II	0.00	0.00	1.00	3,781	5,572	21
Human Resources Specialist	1.00	1.00	0.00	2,687	3,960	14
Administrative Assistant	0.50	0.50	0.50	2,559	3,771	13
Total	3.50	2.50	2.50			
<b>Natural Resources</b>						
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	37
	1.00	1.00	1.00			
<b>Finance Department</b>						
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	30
Budget Analyst	1.00	1.00	1.00	3,781	5,572	21
Administrative Assistant	0.50	0.50	0.50	2,559	3,771	13
Total	2.50	2.50	2.50			
<b>IT Services</b>						
IT Manager	1.00	1.00	1.00	6,790	10,006	33
IT Systems Administrator	0.00	1.00	1.00	4,168	6,143	23
Radio Technician	0.00	0.00	1.00	4,168	6,143	23
GIS Technician II	0.00	1.00	1.00	3,781	5,572	21
IT Technician II	1.00	1.00	1.00	3,781	5,572	21
IT Technician I	1.00	1.00	1.00	3,429	5,054	19
Total	3.00	5.00	6.00			
<b>Purchasing</b>						
Purchasing/Contracts Administrator	0.00	0.00	1.00	5,865	8,643	30
Purchasing Agent	1.00	1.00	0.00	3,970	5,850	22
Total	1.00	1.00	1.00			
<b>Community Development</b>						
Community Development Manager	1.00	1.00	1.00	5,865	8,643	30
Planner	2.00	2.00	2.00	4,168	6,143	23
Building Official	1.00	0.00	0.00	4,168	6,143	23
Asst. Planner/Code Enforcement Ofc.	0.00	1.00	1.00	3,601	5,306	20
Building Inspector	1.00	1.00	1.00	3,266	4,813	18
Planning Technician	0.00	0.00	1.00	2,962	4,365	16
Senior Administrative Assistant	1.00	1.00	0.00	2,962	4,365	16
Administrative Assistant	0.00	0.00	1.00	2,559	3,771	13
Total	6.00	6.00	7.00			

Fiscal Year 2017 Budget  
**Authorized Positions by Fiscal Year**

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
<b>Economic Development</b>						
Economic Development Manager	1.00	1.00	1.00	6,159	9,076	31
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	2.00	2.00	2.00			
<b>Municipal Court</b>						
Presiding Magistrate	1.00	1.00	1.00	Contract		32
Court Administrator	1.00	1.00	1.00	4,377	6,450	24
Court Clerk II	0.00	1.00	1.00	2,821	4,158	15
Court Clerk I	3.00	2.00	2.00	2,559	3,771	13
Total	5.00	5.00	5.00			
<b>Legal</b>						
City Attorney	1.00	1.00	1.00	Contract		41
Total	1.00	1.00	1.00			
<b>Engineering Department</b>						
Professional Engineer	1.00	1.00	1.00	5,320	7,840	28
Public Works Manager	0.00	1.00	0.00	5,067	7,466	27
PW Project Manager	1.00	1.00	1.00	3,781	5,572	21
Drafter/Designer	1.00	0.00	0.00	3,429	5,054	19
Public Works & Utility Inspector	2.00	2.00	1.00	3,266	4,813	18
Total	5.00	5.00	3.00			
<b>Public Works</b>						
Developmental Svcs Manager	1.00	1.00	1.00	5,865	8,643	30
PW Manager	0.00	0.00	1.00	5,067	7,466	27
PW Project Manager	1.00	1.00	0.00	4,596	6,772	25
Public Works & Utility Mtce Spec	1.00	1.00	1.00	2,962	4,365	16
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	4.00	4.00	4.00			
<b>Police Department</b>						
Police Chief	1.00	1.00	1.00	7,486	11,031	35
Commander	2.00	2.00	2.00	6,159	9,076	31
Sergeant	7.00	7.00	7.00	4,596	6,772	25
PANT Officer/Sergeant	2.00	2.00	2.00	4,596	6,772	25
Police Officer	21.00	21.00	20.00	3,601	5,306	20
School Resource Officer (SRO)	2.00	1.00	1.00	3,601	5,306	20
Terrorism Liaison Officer	0.50	0.50	1.00	3,601	5,306	20
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	17
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	16
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	16
Victim Assistant            Grant Funded	0.00	0.00	1.00	2,962	4,365	16
Records Clerk	2.00	2.00	2.00	2,559	3,771	13
Total	40.00	39.00	39.50			
<b>Ordinance Enforcement</b>						
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	16
Total	2.00	2.00	2.00			

Fiscal Year 2017 Budget  
**Authorized Positions by Fiscal Year**

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
<b>Communications Division</b>						
Communications Manager	1.00	1.00	1.00	4,596	6,772	25
Communications Supervisor	2.00	3.00	3.00	3,601	5,306	20
Communications Systems Coordinator	0.50	0.50	0.50	3,111	4,584	17
Communications Specialist	12.00	18.00	18.00	2,821	4,158	15
Total	15.50	22.50	22.50			
<b>Fire Department</b>						
Fire Chief	1.00	1.00	1.00	7,486	11,031	35
Fire Marshal	1.00	1.00	1.00	5,320	7,840	28
Fire Captain	3.00	3.00	3.00	5,067	7,466	27
Fire Lieutenant	3.00	3.00	3.00	4,596	6,772	25
Fire Engineer	6.00	6.00	6.00	3,970	5,850	22
Fire Inspector	1.00	1.00	1.00	3,970	5,850	22
Firefighter	12.00	12.00	12.00	3,601	5,306	20
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	16
Total	28.00	28.00	28.00			
<b>Parks and Recreation Department</b>						
Aquatics Center Supervisor	0.00	0.60	0.60	4,168	6,143	23
Recreation Center Program Supervisor	0.00	0.20	0.20	4,168	6,143	23
Recreation Coordinator II	1.00	0.90	0.90	2,962	4,365	16
Youth Programs Coordinator	0.00	0.50	0.50	2,962	4,365	16
Administrative Assistant	1.00	0.70	0.70	2,559	3,771	13
Front Desk Supervisor	0.00	0.60	0.60	2,559	3,771	13
Head Lifeguard	0.00	0.40	0.40	2,321	3,421	11
Total	2.00	3.90	3.90			
<b>Recreation Department</b>						
Recreation Center Manager	0.00	0.00	0.00	5,586	8,232	29
Aquatics Center Supervisor	1.00	0.40	0.40	4,168	6,143	23
Recreation Center Program Supervisor	1.00	0.80	0.80	4,168	6,143	23
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	17
Recreation Coordinator II	0.00	0.10	0.10	2,962	4,365	16
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	16
Youth Programs Coordinator	1.00	0.50	0.50	2,962	4,365	16
Administrative Assistant	0.00	0.30	0.30	2,559	3,771	13
Front Desk Supervisor	2.00	1.40	1.40	2,559	3,771	13
Head Life Guard	2.00	1.60	1.60	2,321	3,421	11
Facility Maintenance Tech	1.00	1.00	1.00	2,321	3,421	11
Total	10.00	8.10	8.10			
<b>Parks &amp; Building Maintenance</b>						
Public Works Superintendent	0.50	0.00	0.00	4,377	6,450	24
PW Operations Foreman	0.00	0.50	0.50	3,601	5,306	20
Facilities Maint Technician III	1.00	0.00	0.00	2,321	3,421	11
PW Maintenance Technician I	4.00	5.00	4.00	2,211	3,258	10
Total	5.50	5.50	4.50			
<b>Streets Maintenance</b>						
Public Works Superintendent	0.50	0.00	0.00	4,377	6,450	24
PW Operations Foreman	0.00	0.50	0.50	3,601	5,306	20
PW Maintenance Technician II	4.00	4.00	4.00	2,559	3,771	13
Total	4.50	4.50	4.50			

Fiscal Year 2017 Budget  
**Authorized Positions by Fiscal Year**

Table of Contents

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
<b>CAT/LYNX</b>						
Transportation Manager	1.00	1.00	1.00	5,067	7,466	27
Field Supervisor	2.00	2.00	2.00	2,962	4,365	16
Driver / Dispatcher	1.00	1.00	1.00	2,559	3,771	13
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Drivers	8.00	9.00	12.00	2,437	3,591	12
Total	13.00	14.00	17.00			
<b>Library Services</b>						
Library Manager	1.00	1.00	1.00	5,067	7,466	27
Library Supervisor	1.00	1.00	1.00	3,601	5,306	20
Library Youth Svs Coordinator	0.00	0.00	1.00	3,111	4,584	17
Library Assistant II	1.00	1.00	1.00	3,111	4,584	17
Library Assistant I	1.00	1.00	1.00	2,687	3,960	14
Library Clerk	5.00	5.00	4.00	2,321	3,421	11
Total	9.00	9.00	9.00			
<b>Wastewater Treatment Facility</b>						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Utility Ops Manager	0.50	0.00	0.00	4,825	7,111	26
WWTP Superintendent	1.00	1.00	0.00	3,970	5,850	22
Regul. Compl. Safety & Educ. Adminr.	0.00	0.00	1.00	3,970	5,850	22
WW Foreman	0.00	0.00	1.00	3,601	5,306	20
WW Operator III	0.00	0.00	0.00	3,266	4,813	18
WW Operator II	3.00	3.00	2.00	2,962	4,365	16
WW Operator I	3.00	3.00	3.00	2,687	3,960	14
WW Operator Trainee	0.00	0.00	1.00	2,437	3,591	12
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	16
Electrician	0.50	0.50	0.50	3,601	5,306	20
Electrical Technician	0.50	0.50	0.50	2,821	4,158	15
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	21
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	12
Total	11.25	10.75	11.75			
<b>Water Distribution System</b>						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Operations Supervisor	0.50	1.00	1.00	4,825	7,111	26
Operations Foreman	1.00	1.00	1.00	3,266	4,813	18
PW & Utility Inspector	0.00	0.00	1.00	3,266	4,813	18
Utility Equipment Operator	3.00	3.00	3.00	2,962	4,365	16
Operator II	2.00	2.00	2.00	2,962	4,365	16
Operator I	2.00	2.00	2.00	2,687	3,960	14
Utility Technician	3.00	3.00	3.00	2,437	3,591	12
Arsenic Treatment Specialist	1.00	1.00	1.00	3,429	5,054	19
Terrorism Liaison Officer	0.50	0.50	0.00	3,601	5,306	20
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	16
Electrician	0.50	0.50	0.50	3,601	5,306	20
Electrical Technician	0.50	0.50	0.50	2,821	4,158	15
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	21
Utility Billing Clerk	2.60	2.60	2.60	2,437	3,591	12
Total	18.25	18.75	19.25			
Total City-wide Authorized Full-Time Equivalents	201.00	208.00	212.00			

Resolution

**CITY OF COTTONWOOD**  
 Summary Schedule of Estimated Revenues and Expenditures/Expenses  
 Fiscal Year 2017  
 FINAL

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2016	ACTUAL EXPENDITURES/EXPENSES** 2016	FUND BALANCE/ NET POSITION*** July 1, 2016**	PROPERTY TAX REVENUES 2017	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2017	OTHER FINANCING SOURCES 2017		INTERFUND TRANSFERS 2017		TOTAL FINANCIAL RESOURCES AVAILABLE 2017	BUDGETED EXPENDITURES/EXPENSES 2017
						<USES>	<OUT>	IN	<OUT>		
1. General Fund	\$ 26,863,335	\$ 18,815,905	\$ -5,041,965	Primary: \$ 19,561,035	\$	\$	\$ 1,106,180	\$	\$ 23,496,850	\$ 25,475,000	
2. Special Revenue Funds	24,416,410	9,017,910	9,497,605	Secondary:	7,188,015		1,184,230	58,050	17,791,800	10,402,160	
3. Debt Service Funds Available	2,950,975	2,550,975	1,740,830		1,540,235				3,261,065	1,738,075	
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	2,950,975	2,550,975	1,740,830		1,540,235				3,261,065	1,738,075	
6. Capital Projects Funds	9,123,090	9,123,090	9,818,330		721,960				10,542,290	1,381,250	
7. Fiduciary Funds	227,480	227,480	69,810		700				70,510	220,770	
8. Enterprise Funds Available	32,817,695	32,817,695	17,853,895		11,514,490				29,368,385	33,895,315	
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	32,817,695	32,817,695	17,853,895		11,514,490				29,368,385	33,895,315	
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 95,398,985	\$ 73,553,055	\$ 44,022,465		\$ 40,528,435		\$ 1,184,230	\$ 1,164,230	\$ 84,550,900	\$ 73,112,570	

EXPENDITURE LIMITATION COMPARISON	
1. Budgeted expenditures/expenses	2016
	2017
	\$ 96,398,985
	\$ 73,112,570
2. Add/subtract: estimated net reconciling items	
3. Budgeted expenditures/expenses adjusted for reconciling items	\$ 96,398,985
4. Less: estimated exclusions	
5. Amount subject to the expenditure limitation	\$ 96,398,985
6. EEC or voter-approved alternative expenditure limitation	\$
	\$ 73,112,570

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

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

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

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

**CITY OF COTTONWOOD  
Revenues Other Than Property Taxes  
Fiscal Year 2017**

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
City Sales Tax	\$ 10,357,835	10,568,610	10,935,760
Bed Tax	130,000	176,260	201,000
Utility Tax	240,300	244,000	250,000
Franchises	377,620	379,890	389,450
<b>Licenses and permits</b>			
Business Licenses	100,000	94,000	86,000
Construction Permits	210,000	198,000	200,000
Planning & Zoning Fees	26,100	14,700	22,500
<b>Intergovernmental</b>			
Federal Revenue	193,390	194,455	176,055
State Revenue	2,432,490	2,432,485	2,555,610
County (including Motor Vehicle Tax)	667,580	686,380	703,780
Other Entities	377,405	255,360	360,180
<b>Charges for services</b>			
Dispatch & Spillman Services	478,750	595,270	756,310
Recreation Fees	844,300	992,055	986,175
Animal Control Fees	4,000	4,500	4,500
Other Services	1,401,655	1,380,850	1,370,000
<b>Fines and forfeits</b>			
Municipal Court	215,000	199,800	204,000
<b>Interest on Investments</b>			
Interest Income	25,000	25,000	25,000
<b>Uses of monies &amp; properties</b>			
Rentals	21,000	26,700	26,700
<b>Contributions</b>			
Voluntary contributions	7,500	6,480	5,515
<b>Miscellaneous</b>			
Miscellaneous Income	187,700	270,300	302,500
<b>Total General Fund</b>	\$ 18,297,625	\$ 18,745,095	\$ 19,561,035

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

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**CITY OF COTTONWOOD  
Revenues Other Than Property Taxes  
Fiscal Year 2017**

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
<b>SPECIAL REVENUE FUNDS</b>			
<b>Highway User Revenue Fund</b>			
Fuel Tax	\$ 846,670	\$ 846,670	\$ 906,640
Additional Sales Tax	250,000	422,830	622,730
Federal Grants	850,000	44,590	861,000
State Grants			
Other Income	100	3,500	2,000
	\$ 1,946,770	\$ 1,317,590	\$ 2,392,370
<b>Total Street Maintenance &amp; Construction</b>	\$ 1,946,770	\$ 1,317,590	\$ 2,392,370
<b>COTTONWOOD AREA TRANSIT SYSTEM</b>			
<b>Intergovernmental</b>			
State Grant	\$ 893,180	\$ 1,082,140	\$ 1,382,140
Fuel Tax			
LTAF			
Other Entities	168,385	170,820	244,170
	\$ 1,061,565	\$ 1,252,960	\$ 1,626,310
<b>Charges for services</b>			
Fare Box	\$ 189,000	201,000	\$ 203,200
<b>Miscellaneous</b>			
Other Income	\$ -	-	-
<b>Total Cottonwood Area Transit System</b>	\$ 1,250,565	\$ 1,453,960	\$ 1,829,510
<b>LIBRARY FUND</b>			
<b>Intergovernmental</b>			
County Library	\$ 155,640	\$ 155,000	\$ 155,000
<b>Charges for services</b>			
Collection Income	\$ 15,500	18,000	\$ 18,000
<b>Interest on investment</b>			
Interest Income	\$ 25	10	\$ 10
<b>Miscellaneous</b>			
Other Income (including grants)	\$ -	-	\$ -
<b>Total Library Fund</b>	\$ 171,165	\$ 173,010	\$ 173,010
<b>CEMETERY</b>			
<b>Charges for services</b>			
Sale of Grave Liners	\$ 600	400	400
<b>Uses of monies &amp; properties</b>			
Other Income	500	500	500
<b>Total Cemetery</b>	\$ 1,100	\$ 900	\$ 900
<b>AIRPORT</b>			
<b>Intergovernmental</b>			
State Grants			
Federal Grants	1,890,000	102,900	1,648,100
<b>Charges for services</b>			
Fuel Sales	\$ 225,000	\$ 256,000	\$ 247,000
<b>Uses of monies &amp; properties</b>			
Rental & Leases	\$ 83,450	\$ 91,575	\$ 92,350
Other Income	550	610	620
<b>Total Airport Authority</b>	\$ 2,199,000	\$ 451,085	\$ 1,988,070
<b>OTHER GRANTS</b>			
Intergovernmental Revenues	\$ 500,000	\$ 500,000	500,000
<b>Total Other Grants Fund</b>	\$ 500,000	\$ 500,000	\$ 500,000

**CITY OF COTTONWOOD  
Revenues Other Than Property Taxes  
Fiscal Year 2017**

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			
<b>COMMUNITY DEVELOPMENT BLOCK GRANTS</b>			
<b>Intergovernmental</b>			
Federal Grants	\$ 309,150	\$ 5,000	\$ 304,150
Other Entities	5	5	5
<b>Total Community Development Block Grants</b>	<b>\$ 309,155</b>	<b>\$ 5,005</b>	<b>\$ 304,155</b>
<b>Total Special Revenue Funds</b>	<b>\$ 6,377,755</b>	<b>\$ 3,901,550</b>	<b>\$ 7,188,015</b>
Fiduciary Funds			
<b>EXPENDABLE TRUST FUNDS</b>			
Health & Benefits Trust Fund	\$ 625	600	700
Alternative Pension Fund	15,000		
<b>Total Expendable Trust Funds</b>	<b>\$ 15,625</b>	<b>\$ 600</b>	<b>\$ 700</b>
<b>DEBT SERVICE FUNDS</b>			
<b>Local Taxes</b>			
City Sales Tax	\$ 2,072,185	\$ 1,739,195	\$ 1,539,955
<b>Charges for services</b>			
Water User Fees - Debt Service	\$ -	\$ -	\$ -
<b>Interest</b>			
Interest Income	\$ 150	\$ 280	\$ 280
<b>Total Debt Service Funds</b>	<b>\$ 2,072,335</b>	<b>\$ 1,739,475</b>	<b>\$ 1,540,235</b>
<b>CAPITAL PROJECTS FUNDS</b>			
<b>Intergovernmental</b>			
Federal Grants	\$ -	\$ -	\$ -
State Grants	-	-	-
County Revenue	-	220,000	350,000
City Sales Tax	-	135,025	267,960
<b>Miscellaneous</b>			
Other Income	\$ -	\$ 106,000	\$ 106,000
Interest Income			
<b>Total Capital Projects Funds</b>	<b>\$ -</b>	<b>\$ 461,025</b>	<b>\$ 723,960</b>
<b>ENTERPRISE FUNDS</b>			
<b>WASTEWATER</b>			
City Sales Tax	\$ -	\$ -	\$ -
User Fees	2,063,940	2,390,125	2,749,750
Interest Income	100	100	100
Other Entities - Yavapai College			
Other Income	437,500	327,785	417,615
<b>Total Wastewater Enterprise</b>	<b>\$ 2,501,540</b>	<b>\$ 2,718,010</b>	<b>\$ 3,167,465</b>
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			
<b>WATER</b>			
City Sales Tax	\$ -	\$ -	\$ -
User Fees	7,130,170	7,112,680	7,736,050
Interest Income	2,635	6,600	6,600
Clarkdake Reimbursements			
Other Income	888,660	897,305	604,375
<b>Total Water Enterprise</b>	<b>\$ 8,021,465</b>	<b>\$ 8,016,585</b>	<b>\$ 8,347,025</b>

**CITY OF COTTONWOOD  
Revenues Other Than Property Taxes  
Fiscal Year 2017**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2016</u>	<u>ACTUAL REVENUES* 2016</u>	<u>ESTIMATED REVENUES 2017</u>
<b>Total Enterprise Funds</b>	\$ 10,523,005	\$ 10,734,595	\$ 11,514,490
<b>TOTAL ALL FUNDS</b>	\$ 37,270,720	\$ 35,581,740	\$ 40,527,735

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

**CITY OF COTTONWOOD  
Other Financing Sources/<Uses> and Interfund Transfers  
Fiscal Year 2017**

FUND	OTHER FINANCING 2017		INTERFUND TRANSFERS 2017	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
Operating Transfer Out - HURF	\$	\$	\$	\$
Operating Transfer Out - Library				853,240
Operating Transfer Out - Cemetery				37,200
Operating Transfers Out - Airport				15,740
Operating Transfer Out - Transit				200,000
<b>Total General Fund</b>	\$	\$	\$	\$ 1,106,180
<b>SPECIAL REVENUE FUNDS</b>				
Transfer Out Airport - Airport Improvements	\$	\$	\$	58,050
Transfer in Airport Improvements - Airport Fund			58,050	
Operating Transfer In for Library - General Fund			853,240	
Operating Transfer in for Cemetery - General Fund			37,200	
Operating Transfer in for Airport - General Fund			15,740	
Operating Transfer in for Transit-General Fund			200,000	
Transfer out to Capital Improvements Fund				
<b>Total Special Revenue Funds</b>	\$	\$	\$ 1,164,230	\$ 58,050
<b>DEBT SERVICE FUNDS</b>				
Transfer Out - Sewer Fund	\$	\$	\$	\$
<b>Total Debt Service Funds</b>	\$	\$	\$	\$
<b>CAPITAL PROJECTS FUNDS</b>				
Transfer out - Sewer Fund	\$	\$	\$	\$
<b>Total Capital Projects Funds</b>	\$	\$	\$	\$
<b>PERMANENT FUNDS</b>				
	\$	\$	\$	\$
<b>Total Permanent Funds</b>	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>				
Transfer In - Capital Projects Fund	\$	\$	\$	\$
Bond Proceeds - Waste Water				
Bond Refunding - Water				
Waste Water Treatment Plant Riverfront				
Refunding of 2004 Water Bonds				
<b>Total Enterprise Funds</b>	\$	\$	\$	\$
<b>INTERNAL SERVICE FUNDS</b>				
	\$	\$	\$	\$
<b>Total Internal Service Funds</b>	\$	\$	\$	\$
<b>TOTAL ALL FUNDS</b>	\$	\$	\$ 1,164,230	\$ 1,164,230



**CITY OF COTTONWOOD  
Expenditures/Expenses by Department  
Fiscal Year 2017**

DEPARTMENT/FUND	ADOPTED	EXPENDITURE/	ACTUAL	BUDGETED
	BUDGETED	EXPENSE	EXPENDITURES/	EXPENDITURES/
	EXPENDITURES/	ADJUSTMENTS	EXPENSES*	EXPENSES
	EXPENSES	APPROVED		
	2016	2016	2016	2017
<b>Highway User Revenue Fund</b>				
HURF	\$ 10,920,015	\$ (5,153,440)	\$ 5,766,575	\$ 4,509,105
General Fund				
<b>Department Total</b>	<b>\$ 10,920,015</b>	<b>\$ (5,153,440)</b>	<b>\$ 5,766,575</b>	<b>\$ 4,509,105</b>
<b>Cottonwood Area Transit - CAT/LYNX</b>				
Transit	\$ 1,672,855	\$ (1,380)	\$ 1,671,475	\$ 1,858,840
General Fund				
<b>Department Total</b>	<b>\$ 1,672,855</b>	<b>\$ (1,380)</b>	<b>\$ 1,671,475</b>	<b>\$ 1,858,840</b>
<b>Library</b>				
Library Fund	\$ 972,450	\$ (8,725)	\$ 963,725	\$ 1,026,250
General Fund				
<b>Department Total</b>	<b>\$ 972,450</b>	<b>\$ (8,725)</b>	<b>\$ 963,725</b>	<b>\$ 1,026,250</b>
<b>Cemetery</b>				
Cemetery Fund	\$ 26,625	\$ 7,475	\$ 34,100	\$ 38,100
General Fund				
<b>Department Total</b>	<b>\$ 26,625</b>	<b>\$ 7,475</b>	<b>\$ 34,100</b>	<b>\$ 38,100</b>
<b>Municipal Airport</b>				
Airport Fund	\$ 366,640	\$ (9,455)	\$ 357,185	\$ 355,710
General Fund				
<b>Department Total</b>	<b>\$ 366,640</b>	<b>\$ (9,455)</b>	<b>\$ 357,185</b>	<b>\$ 355,710</b>
<b>Debt Service</b>				
Debt Services Fund	\$	\$	\$	\$
General Fund				
<b>Department Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Grants Fund</b>				
Grants Fund	\$	\$	\$	\$
Airport Improvement Fund				
HURF				
<b>Department Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Capital Improvements Fund</b>				
Capital Improvements Fund	\$	\$	\$	\$
HURF				
<b>Department Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Wastewater Enterprise Fund</b>				
Wastewater Enterprise Fund	\$	\$	\$	\$
Capital Improvements Fund				

**CITY OF COTTONWOOD  
Full-Time Employees and Personnel Compensation  
Fiscal Year 2017**

<b>FUND</b>	<b>Full-Time Equivalent (FTE) 2017</b>	<b>Employee Salaries and Hourly Costs 2017</b>	<b>Retirement Costs 2017</b>	<b>Healthcare Costs 2017</b>	<b>Other Benefit Costs 2017</b>	<b>Total Estimated Personnel Compensation 2017</b>
<b>GENERAL FUND</b>	150	\$ 9,840,485	1,806,855	1,864,960	828,970	\$ 14,341,270
<b>SPECIAL REVENUE FUNDS</b>						
Highway User Revenue Fund-HURF	5	\$ 182,890	20,995	57,915	30,120	\$ 291,920
Cottonwood Area Transit-CAT / LYN	17	883,890	73,005	185,310	107,025	1,249,230
Library	9	431,220	43,765	95,725	37,110	607,820
<b>Total Special Revenue Funds</b>	<b>31</b>	<b>\$ 1,498,000</b>	<b>\$ 137,765</b>	<b>\$ 338,950</b>	<b>\$ 174,255</b>	<b>\$ 2,148,970</b>
<b>DEBT SERVICE FUNDS</b>						
		\$	\$	\$	\$	\$
<b>Total Debt Service Funds</b>		\$	\$	\$	\$	\$
<b>CAPITAL PROJECTS FUNDS</b>						
		\$	\$	\$	\$	\$
<b>Total Capital Projects Funds</b>		\$	\$	\$	\$	\$
<b>PERMANENT FUNDS</b>						
		\$	\$	\$	\$	\$
<b>Total Permanent Funds</b>		\$	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>						
Wastewater Treatment	12	\$ 513,780	58,980	97,500	55,010	\$ 725,270
Water System Operations	19	931,700	106,960	186,605	100,335	1,325,600
<b>Total Enterprise Funds</b>	<b>31</b>	<b>\$ 1,445,480</b>	<b>\$ 165,940</b>	<b>\$ 284,105</b>	<b>\$ 155,345</b>	<b>\$ 2,050,870</b>
<b>TOTAL ALL FUNDS</b>	<b>212</b>	<b>\$ 12,783,965</b>	<b>\$ 2,110,560</b>	<b>\$ 2,488,015</b>	<b>\$ 1,158,570</b>	<b>\$ 18,541,110</b>

**Action Zone Grant** - A program within the CDBG program funding neighborhood improvements as identified by a steering committee made up of selected community representatives. This program is administrated by the Arizona Department of Commerce.

**Alternative Expenditure Limitation** - A voter approved alternative to the state imposed annual expenditure limitation. The alternative to the state plan is effective for a four year period. This alternative allows local government to establish its own spending cap each year.

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

**Arizona Department of Transportation (ADOT)** - A State of Arizona agency responsible for the administration of state highways, transportation and aeronautics. ADOT administrates and funds various road, transit and airport grants.

**Arizona Revised Statutes** - Laws governing the State of Arizona, as amended by the state legislature.

**Base Budget** - Cost of continuing the existing levels of service in the current budget year.

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

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

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

**Capital Outlay** - Expenditures resulting in the acquisition or addition to the government's general fixed assets. These assets generally have a useful life of more than one year.

**Capital Projects Fund** - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by propriety funds and fiduciary funds).

**Classification Plan** - Employee positions, which are authorized in the Proposed budget, to be filled during the year.

**Community Development Block Grant (CDBG)** - A grant program administrated through the state's Department of Commerce focusing on neighborhood rehabilitation and other community based needs.

**Community Oriented Policing Services (COPS)** - A federal grant funding new police officer positions focused on community based policing.

**Comprehensive Annual Financial Report (CAFR)** - The official annual audited financial report of the City.

**Consumer Price Index (CPI)** - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

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

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

**Cost-of-Living Adjustment (COLA)** - An increase in salaries to offset the adverse effect of inflation on compensation.

**Cottonwood Area Transit System (CATS)** - The local public transportation system which receives its funding through contributions from the Town of Clarkdale, Yavapai County, user fares, and the ADOT transit division.

**Glossary of Terms**

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

**Debt Service** - The long-term payment of principal and interest on borrowed funds.

**Debt Service Fund** - A fund organized to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit** - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

**Department** - The basic organizational unit of government which is functionally unique in its delivery of services.

**Department of Commerce** - An agency of the state responsible for the administration of grants and other programs relating to the improvements to neighborhoods, business development, and the promotion of tourism.

**Designated Reserves** - Those portions of fund balance that are not appropriable for expenditure or that are legally segregated for a specific future use.

**Drug Awareness Resistance Education (DARE)** - A national program designed to provide drug and alcohol education to youth.

**Employee Benefit Trust Fund** - Accounts for the City's partially self-funded health and accident insurance program for the City's employees and their dependents.

**Enterprise Fund** - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The governing body's intention is to finance or recover operation costs through user fees.

**Expendable Trust Fund** - A trust fund whose resources, including both principal and earnings, may be expended.

**Expenditure** - Decreases in net financial resources in accordance with budgeted appropriations. Expenditures include operating expenses such as the acquisition of assets or goods and services.

**FACTS** - Database software used by the Municipal Court.

**Farmers Home Administration** - An agency of the federal government within the Department of Agriculture which provides low interest loans to governmental and/or private agencies or individuals for qualifying capital improvements.

**Federal Aviation Administration (FAA)** - An agency of the federal government with oversight responsibility for airports in the country.

**Fiduciary Funds** - Funds used to account for assets held by a government unit in a trustee capacity (i.e., Alternative Pension and Benefits Plan Fund, Employee Benefit Trust Fund).

**Fines & Forfeitures** - Income received through the assessments of fines and penalties through the municipal court.

**Fiscal Year** - A time period designated by the City signifying the beginning and ending date for recording financial transactions. The City of Cottonwood has a fiscal year beginning July 1 and ending June 30.

**Franchise Fee** - A fee paid by a public service business for the special privilege to use city streets, alleys and property in providing their services to the citizens of the community. Services requiring franchise fees include electricity, water, natural gas, and cable television.

**Full-time Equivalent Position (FTE)** - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

**Glossary of Terms**

**Fund** - An accounting entity having a set of self-balancing accounts and that records all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitations.

**Fund Balance** - Fund balance is the excess of assets over liabilities of governmental and fiduciary funds.

**Greater Arizona Development Authority** - Created by the Arizona Legislature to assist local and tribal governments as well as special districts with the development of public infrastructure. Housed in the Arizona Department of Commerce, this \$20 million bond authority leverages funding for infrastructure projects and aims to help accelerate project development and lower costs of financing.

**General Fund** - The operating fund established to account for resources and uses of general operating functions of City departments that are not required to be accounted for in another fund. Resources are, in the majority, provided by taxes.

**General Obligation Bonds** - Bonds that finance a variety of public projects and require voter approval. These bonds are backed by the full faith and credit of the city. Limitations for bonding capacity are set by State Statute.

**Generally Accepted Accounting Principles (GAAP)** - Uniform minimum standards and guidelines for financial accounting and reporting.

**Governmental Funds** - Funds used to account for the acquisition, use and balances of expendable financial resources and related current liabilities, except those accounted for in propriety funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund).

**Governor's Alliance Against Drugs (GAAD)** - A division of the state's governor's office funding grants providing alternative activities for youth at risk for drug and alcohol abuse.

**Grant** - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity or facility.

**Heritage Fund** - A state grant program funded through lottery proceeds (LTAF funds) dedicated to open space and park improvements.

**Indirect Cost** - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one

**Infrastructure** - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

**Insurance Service Organization (ISO)** - A national program designed by the insurance industry to review and evaluate a community's ability to suppress fires.

**Intergovernmental Revenue** - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**Internal Service Fund** - A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

**Line-item Budget** - A budget prepared along departmental lines that focuses on what is to be bought.

**Local Transportation Assistance Fund** - A state fund established and funded by lottery proceeds to provide grants for local transit systems, parks and other open space needs, and street maintenance and improvements.

**Long-term Debt** - Debt with a maturity of more than one year after the date of issuance.

**Municipal Property Corporation** - A component unit of the City established for the purposes of providing funding for capital projects which directly benefit the city.

**Objective** - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

**Obligations** - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

**Operating Budget** - Plan of current expenditures and the prepared means to finance them. This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, contractual services, operating supplies and operating capital items. The budget is the primary measure of controlling financing, acquisition, spending and delivering of services of the entity.

**Operating Expenses** - The cost for personnel, materials and equipment required for a department to function.

**Operating Revenue** - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

**Pension Plan Fund** - A trust fund used to account for the volunteer firefighters retirement fund. This fund uses the accrual basis of accounting and has a capital maintenance measurement focus.

**Proprietary Funds** - Funds used to account for a government's ongoing activities that are similar to those often found in the private sector (i.e. Water & Wastewater Enterprise Funds).

**Public Hearing** - A hearing, publically advertised to promote public input into the annual budget process, held each year prior to the adoption of the Proposed budget.

**Reserve** - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

**Resolution** - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

**Resources** - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

**Revenue** - Sources of income financing the operations of government.

**Revenue Bonds** - Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

**Rural Economic Development Initiative (REDI)** - A state certification of a community, by the Arizona Department of Commerce, for its readiness for economic development.

**Service Level** - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

**Special Revenue Fund** - A fund used to finance distinct activities and created out of receipts of specific revenues.

**Unreserved Fund Balance** - Undesignated monies available for appropriations.

AAED - Arizona Association for Economic Development	COLA - Cost of Living Adjustment
ACA - Arizona Commerce Authority	COP - Citizens on Patrol
ACAP - AZ Court Automation Project	COPS - Community Oriented Policing Services
ACIP - Airport Capital Improvement Plan	CP - Community Paramedicine
ACJC - Arizona Criminal Justice Commission	CPSCC - Cottonwood Public Safety Communications Center
ACJIS - Arizona Criminal Justice Information System	CPST - Child Passenger Safety Technician
ADA - American with Disabilities Act	CWRF - Clean Water Revolving Fund
ADOSH - AZ Division of Occupational Safety & Health	DARE - Drug Awareness Resistance Education
ADOT - Arizona Department of Transportation	DEA - Drug Enforcement Agency
ADS - Animal Disaster Services	DNS - Domain Name Services
ADWR - Arizona Department of Water Resources	DOHS - Department of Homeland Security
AFG - Assistance to Firefighters Grant	DPS - Department of Public Safety
AFIS - Automated Fingerprint Identification System	DUI - Driving Under the Influence
AG - Agriculture	DVP - Delivery vs. Payment
AIP - Airport Improvements Project	DWRF - Drinking Water Revolving Fund
ALF - American LaFrance	ED - Economic Development
ALP - Airport Layout Plan	EDMS - Electronic Document Management Scanning
AMRRP - Arizona Municipal Risk Retention Pool	EEOC - Equal Employment Opportunity Compliance
AOC - Administrative Office of the Court	EMMA - Electronic Municipal Market Access
APCO - Association of Public Safety Communications Officials	EMS - Emergency Medical Services
ANS - American National Standards (APCO)	EMT - Emergency Medical Technician
APS - Arizona Public Service	ENP - Emergency Number Professional
ARS - Arizona Revised Statutes	ETA - Estimated Time of Arrival
ASL - American Sign Language	FAA - Federal Aviation Administration
A/V - Audio Visual	FARE - Fines/fees and Restitution Enforcement
AVL - Automatic Vehicle Locator	FBO - Fixed Base Operations
AWOS - Automatic Weather Observation Station	FBI - Federal Bureau of Investigation
AZ - Arizona	FD - Fire Department
AZDEQ - AZ Department of Environmental Quality	FEMA - Federal Emergency Management Administration
AZPac - Arizona Public Access Computers	FHWA - Federal Highway Administration
BAC - Business Assistance Center	FLSA - Fair Labor Standards Act
BOD - Biological Oxygen Demand	FmHA - Farmers Home Administration
BTOP - Broadband Technology Opportunities Program	FSA - Flexible Spending Account
CAD - Computer Aided Dispatch	FTE - Full Time Equivalent
CAFR - Comprehensive Annual Financial Report	FY - Fiscal Year
CAFS - Compressed Air Foam System	GO Bond - General Obligation Bond
CALEA - Commission on Accreditation for Law Enforcement Agencies	GAAD - Governor's Alliance Against Drugs
CAT - Cottonwood Area Transit	GAAP - Generally Accepted Accounting Principles
CCR - Cardio Cerebral Resuscitation	GADA - Greater Arizona Development Authority
CDBG - Community Development Block Grant	GASB - Government Accounting Standards Board
CEDC - Cottonwood Economic Development Council	GFOA - Government Finance Officers Association
CENS - Community Emergency Notification System	GIMP - GNU Image Manipulation Program (Image Editing)
CFD - Cottonwood Fire Department	GIS - Geographic Information Systems
CJEF - Criminal Justice Enhancement Fund	GM - General Manager
CM - City Manager	GOHS - Governor's Office of Highway Safety
CPI - Consumer Price Index	HDHP - High Deductible Health Plan
CPR - Cardiac Pulmonary Resuscitation	HELP - Highway Expansion and Extension Loan Program
CPS - Child Passenger Safety	HHS - U.S. Department of Health and Human Services
COC - Chamber of Commerce	HIPAA - Health Insurance Portability & Accountability Act
COI - Certificate of Insurance	HR - Human Resources
COJET - Committee on Judicial Education and Training	HSA - Health Savings Account
	HSIP - Highway Safety Improvement Program
	HURF - Highway User Revenue Fund

HVAC - Heating, Ventilation and Air Conditioning	RFQ - Request for Qualifications
ICC - International Code Council	RICO Act- Racketeer Influenced and Corrupt Organizations Act
ID - Identification	RMS - Records Management System
IFR - Instrument Flight Rules	RWRF - Riverfront Water Reclamation Facility
IGA- Intergovernmental Agreement	SAFER - Staffing for Adequate Fire Emergency Response
ILMS - Institute of Museum and Library Services	SARMC - Safety Awareness and Risk Management Committee
ISO - Insurance Service Organization	SCBA - Self Contained Breathing Apparatus
ISTEA - Intermodal Surface Transportation Efficiency Act	SciTech - Science and Technical features.
JPA - Joint Powers Agreement	SHPO - State Historical Preservation Office
JCEF - Judicial Collection Enhancement Fund	SIP - Session Initiation Protocol
LED - Light Emitting Diode	SLIM - Specialty and Light Manufacturing Association of Yavapai County
LDH - Large Diameter Hose	SR - State Route
LLBG - Local Law Enforcement Block Grant	SRO - School Resource Officer
LSTA - Library Services and Technology Act	SSRT - Super Secret Response Team
LTAF - Local Transportation Assistance Fund	STEAM - Science, Technology, Engineering, Arts, Math
M&O - Maintenance & Operations	SVCS - Services
MATForce - Methamphetamine Task Force	SWAT - Strategic Weapons Attack Team
MDC - Mobil Data Communication	TES - Tavasci Elementary School
MPC - Municipal Property Corporation	TIA - Traffic Impact Analysis
MRAP - Mine Resistant Ambush Protected Vehicle	TIP- Trauma Intervention Program
MUHS - Mingus Union High School	TLC - Teen Library Council
MV - Motor Vehicle	TPT - Transaction Privilege Tax
MVD - Motor Vehicle Division	TSS - Total Suspended Solids
NACOG - Northern Arizona Council of Governments	US - United States
NAIPTA - Northern Arizona Inter-Governmental Public Transit Authority	USDA - United States Department of Agriculture
NAMWUA - Northern Arizona Municipal Water Users Association	USEPA - United States Environmental Protection Agency
NAU - Northern Arizona University	UV - Ultraviolet
NCIC - National Crime Information Center	VCTC - Verde Consolidated Therapeutic Court
NCMEC - National Center for Missing and Exploited Children	VFW - Veterans of Foreign Wars
NFPA - National Fire Protection Association	VoIP - Voice over Internet Protocol
NIMS - National Incident Management System	VOMP - Victim Offender Mediation Program
NRCD - Natural Resource Conservation District	VPN - Virtual Private Network
NRMSIR - Nationally Recognized Municipal Securities Information Repository	VV - Verde Valley
OFA - Object Free Area	VVAC - Verde Valley Arts Council
OSC - Orders to Show Cause	VVAC - Verde Valley Ambulance Company
OSHA - Occupational Safety and Health Administration	VVEBP- Verde Valley Employee Benefits Pool
OTA - Old Town Association	VVREDC - Verde Valley Regional Economic Development Committee
P & Z - Planning and Zoning	VVREO - Verde Valley Regional Economic Organization
PANT - Prescott Area Narcotics Taskforce	VVWC - Verde Valley Wine Consortium
PAPI - Precision Approach Path Indicator	WC - Workers' Compensation
PARD - Parks and Recreation Department	WIFA - Water Infrastructure Finance Authority
PC - Personal Computer	WMA - Wastewater Management Authority
PD - Police Department	WSUS - Windows Server Update Services
PHI - Protected Health Information	WWTP - Wastewater Treatment Plant
PPV - Positive Pressure Ventilation	
PHSG - Peacock, Hislop, Staley & Givens, Inc.	
PS - Public Safety	
PSA - Public Securities Association	
PSAP - Public Safety Answering Point	
PW - Public Works	
REDI - Rural Economic Development Initiative	
RF - Riverfront	
RFP - Request for Proposal	

