



June 15, 2017

The Honorable Mayor and City Council

RE: Transmittal – Fiscal Year 2018 Budget

It is my pleasure to present to you the FY 2018 Tentative 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 \$85,054,740, including all estimated reserves, potential grants and financing options, compared to last fiscal year's revised budget of \$64,916,025 which did not contain reserves or financing options or grants that did not come to fruition. Items that attributed to the difference for FY 2017 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 2018 Tentative Budget - \$85,054,740

Fiscal Year	Original Budget	Revised Budget	Original vs Revised
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)
2017	\$73,112,570	\$64,934,025	(\$8,178,545)

The largest planned single increase is in the Debt Service fund and includes the refinancing of the GADA Recreation Center loan. A general discussion about the funds will follow; however, in-depth information is in the Key Issues section of this document.

The General Fund's overall budget is \$27,109,195, including transfers out and reserves. This is a \$7,129,305 increase over the previous fiscal year's revision of \$19,889,890. This increase includes \$4,087,735 in reserves, fully budgeted staffing but no additional staffing budgeted for FY2018.

The merit program has been budgeted for FY 2018. Although the Social Security Administration gave a .3% COLA, there is no Cost of Living Adjustment (COLA) budgeted for FY 2018 due to budgeting constraints. Even though the .3% wasn't budgeted, it will be added to the next budgeted COLA. The Public Safety Personnel Retirement contributions saw a substantial increase for FY 2018 due to the large unfunded liability that the retirement system has developed. The employer contribution rate for Public Safety Personnel Retirement for FY 2018 has increased by about 10% and is much higher than for the Arizona State Retirement. It has gone up from 37.72% to 47.6% for the Police Department and from 18.78% to 26.61% for the Fire & Medical Services Department. As for the employer contributions to the Arizona State Retirement System, rates increased slightly from 11.48% to 11.50%. 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 275-278.

The total budget for the Special Revenue Funds is \$12,760,215 including transfers out and carryovers. These funds' expenditures increased by \$2,616,860 over last year's revised expenditures of \$10,143,355. Fiscal year 2017 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 2018. 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 FY 2014. The Transit System budget of \$1,652,525 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 develop an Airport Master Plan. The Community Development Block Grant (CDBG) for the 10th Street Reconstruction project was completed in FY 2014 and a new grant for the Civic Center Rehabilitation has been budgeted at \$267,300, while Other Grants include \$500,000 for any occasional grants that come along and were not budgeted. Five new grant prospects have been budgeted for a total of \$1,974,000; these grants are for an Old Town Flood Plain Study, Drainage Master Plan, Drainage Improvements, Bi-cycle Feasibility and Main Street Streetscape projects.

The Debt Service Fund is budgeted for \$16,469,125, which is \$14,542,275 more than last year's revised budget of \$1,926,850. The FY 2017 budget included the restricted fund balance which rolled over from FY 2016 and will be used in FY 2018 to complete building the new Riverfront Water Reclamation Facility. The Recreation Center Debt Service was refinanced in FY2017 and will be finalized in FY2018. 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 was split between the Funds where the projects were expensed and can therefore also be found in the Streets Capital Improvements, Water and Wastewater budgets.

The City budgeted \$2,800,390 in Capital Projects Fund, which is \$3,875,475 less than for FY2017 that included a transfer to the Sewer Fund of \$3,333,070 for construction of the water reclamation project at Riverfront Park. The rehabilitation of the Restrooms at the parks was finished in FY 2017 but the HVAC-installation for the Civic Center should be in full swing for FY 2018. 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 decreased from last fiscal year's revised amount of \$26,042,265 to \$25,667,715 for FY 2018. The \$374,550 decrease can, in part, be attributed to the completion of the Riverfront Water Reclamation Facility 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 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 up by \$10,300. 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. Our largest revenue sources have shown signs of improvement since 2013 partially due to the .8% increase in sales tax but is not keeping up with the costs of doing business. 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 2018


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 years' 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 as 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.


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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 52% underfunded, which amounts to a shortfall of \$7.7B. The City’s portion of that is approximately \$11.6M. 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 \$16.2B Arizona State Retirement System liability is \$12.7M. 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.


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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 a decrease in State Shared Income Tax of \$35,235 from last year’s \$1,444,370. State Shared Sales is anticipated to decrease by 1.19% over FY 2017 estimated budget figures of \$1,080,000 and is anticipated to generate \$1,067,120 in FY 2018. Both of these revenues are projected by the Arizona Department of Revenue.

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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 2018, 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.

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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 60% 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.

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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 more. 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. Another issue is the downgrading by Standard and Poor's of the Water Utility Bonds due to inadequate debt service coverage. This was addressed during the budget process in FY 2015 and in FY 2016 with rate increases, and will be looked at again in FY 2018. A rate increase is not calculated into the budget due to the uncertainty of it 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. This enterprise is requesting a rate increase to counter the large drops in available fiscal resources. The increased rate is not reflected in the budget due to the uncertainty of it coming to fruition at this time.

City Staffing

The budget for FY 2018 includes funding for the employee merit program. There were fifteen requests for additional full-time staffing and seven for part-time staffing; three new full-time staff are included in the budget but only if grant funding is received for the requested positions.

PERSONNEL REQUESTS								
Dept	Job Description	Requested Range	Range Parameters			Est. Salary (min +5%)	Benefits	Est. <u>Annual</u> Costs
			min	mid	max			
Airport	Airport Clerk	16	35,549	41,162	52,386	37,326	16,797	54,123
Comm Dev	Building Official	23	50,021	57,918	73,712	52,522	23,635	76,157
Rec Center	Recreation Coordinator I	13	30,709	35,557	45,253	32,244	14,510	46,754
IT	Information Technology - Technician I	19	41,152	47,650	60,643	43,210	19,444	62,654
IT	Information Technology - Audio Visual Technician I	19	41,152	47,650	60,643	43,210	19,444	62,654
Library	Library Clerk - Adult Services/Youth Svs	11	27,853	32,251	41,047	29,246	13,161	42,406
Maintenance	PW Technician III	17	37,326	43,219	55,006	39,192	17,637	56,829
Police	Police Officer (reinstatement for FY2016)	22	47,639	55,160	70,203	50,021	42,018	92,039
Police	Police Officer (reinstatement for FY2017)	22	47,639	55,160	70,203	50,021	42,018	92,039
Public Works	Public Works (Vertical) Project Manager	25	55,148	63,854	81,267	57,905	23,162	81,068
Public Works	Public Works Inspector	18	39,193	45,380	57,756	41,153	16,461	57,614
Streets Maint.	PW Maintenance Technician II	13	30,709	35,557	45,253	32,244	12,898	45,142
Econ Dev	Business Assistance Advisor (grant)		53,572			53,572	21,429	75,001
Engineering	GIS Intern - 6 months intern (grant)		Dev SVCS Mgr still to provide grant amount					
Police	Community Service Specialist (grant)	13	30,709	35,557	45,253	32,244	14,510	46,754
				Total Requested		508,295	261,184	891,233
PERSONNEL REQUESTS - BUDGETED								
Dept	Job Description	Requested Range	Range Parameters			Est. Salary (min +5%)	Benefits	Est. <u>Annual</u> Costs
Econ Dev	Business Assistance Advisor (grant)		53,572			53,572	21,429	75,001
Engineering	GIS Intern - 6 months intern (grant)		Dev SVCS Mgr still to provide grant amount					
Police	Community Service Specialist (grant)	13	30,709	35,557	45,253	32,244	14,510	46,754
			Total Amount Budgeted			85,816	35,939	121,755
	Total Amount Requested but Not Budgeted							\$ 769,478






There were twelve reclassification requests made and nine were approved. It involves an allocation of \$6,462 to upgrade some ranges in the Police Department; the remaining requests will be at no cost for FY 2018 and will only allow for more compensation growth in the future so these positions remain competitive in the job market. The total requested amount for additional personnel that were not approved was \$781,045. 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. For FY 2018, the City will transition with APEHP to a new health insurance pool called Kairos Health Arizona, Inc. Transition to Kairos will reduce costs since it is a much larger pool of organizations. For FY 2018, we will see a 4% increase in the health insurance rates. This increase would have been 10% had we not transitioned to Kairos.

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 Board to keep on providing quality services and efficiencies.

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

-  Change in Trust to Kairos Health Arizona, Inc.
-  Life Insurance benefits will transition to MetLife
-  New Identification Cards will be issued with the medical/prescription coverage
-  Chiropractor Benefits will be increased from 8 to 12 per year
-  Enhanced wellness and preventive services will be provided

The tables on the following page summarize the total costs for health insurance for the City, our employees and their dependents. 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 & Pharmacy Coverage	Core Plan/Co-Pay Plan**				HDHP Plan (\$1500/\$3000)				HDHP Plan (\$2500/\$5000)				HDHP Plan (\$5000/\$10000)			
	\$500 / \$750 deductible															
	Employer Pays \$	Employee Pays \$	Total* \$	Cobra \$	Employer Pays \$	Employee Pays \$	Total* \$	Cobra \$	Employer Pays \$	Employee Pays \$	Total* \$	Cobra \$	Employer Pays \$	Employee Pays \$	Total* \$	Cobra \$
Individual	721.00	0	721.00	727.26	721.00	(190.00)	531.00	533.46	721	(242.00)	479.00	480.42	721.00	(283.32)	408.00	408.00
Individual + Spouse/Domestic Partner	1220.80	214.20	1435.00	1455.54	896.40	156.60	1053.00	1065.90	808.00	141.00	949.00	959.82	683.50	124.50	808.00	816.00
Individual + Child(ren)	1097.80	94.20	1192.00	1207.68	805.40	68.60	874.00	883.32	726.20	61.80	788.00	795.60	616.20	55.80	672.00	677.28
Individual + Family	1375.00	436.00	1811.00	1839.06	1011.00	320.00	1331.00	1349.46	910.40	287.60	1198.00	1213.80	769.20	250.80	1020.00	1032.24

*All medical plans include the basic life insurance coverage (\$8 basic life fee included in Totals above).

**Cost is the same for Core Plan and Co-Pay Plan. See plan comparison for differences.



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

The City of Cottonwood also provides options for dental and voluntary vision coverage. These amounts are listed below.

Dental Coverage	Employer Pays	You Pay	Total
Employee Only	42.00	-	42.00
Employee & Spouse	71.40	12.60	84.00
Employee & Children	63.60	5.40	69.00
Employee & Family	81.00	26.00	107.00
Voluntary Vision Coverage	Employer Pays	You Pay	Total
Employee Only	-	5.39	10.77
Employee & Spouse	-	8.13	16.26
Employee & Children	-	8.71	17.41
Employee & Family	-	13.91	27.82

Vision coverage is strictly voluntary

Supporting Programs

-  **Building Community Grants:** The City will continue to fund this program for FY 2018 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. The City added a Youth Center to provide the services that the Boys and Girls Club were providing. Some of the other local agencies that will receive financial support in FY 2018 from the City of Cottonwood are listed below. These agencies include:

Old Town Association	FY 2017 - \$10,000	FY 2018 - \$10,000
Senior Center	FY 2017 - \$55,000	FY 2018 - \$55,000
Adopt for Life	FY 2017 - \$43,880	FY 2018 - \$43,880
Old Town Center for the Arts	FY 2017 - \$20,000	FY 2018 - \$20,000

BUDGET POLICIES – FISCAL YEAR 2018

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 \$3,023,735. This is also estimated to be about 60 days of expenditures coverage.

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 more significantly.

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 respective anticipated 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 2018, 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 2018

Included in the budget is \$978,355 in equipment acquisitions and \$17,589,645 in construction projects. These items are listed in detail in each department's budget and summarized in the appendix of this budget on pages 275-279. 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 2018 are budgeted.

Capital Equipment		Capital Projects	
Function	Estimated Cost	Function	Estimated Cost
General Government	197,800	General Government	\$2,953,650
Public Safety	685,450	Public Safety	0
Culture & Recreation	40,105	Culture & Recreation	267,300
Health & Sanitation	0	Health & Sanitation	9,018,695
Transportation (CAT & Airport)	20,000	Transportation (CAT & Airport)	2,300,000
Streets	35,000	Streets	3,050,000
Total Capital Equipment	<u>\$978,355</u>	Total Capital Projects	<u>\$17,589,645</u>

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. In addition, thanks to the General Managers, Department Heads, supervisors and staff who assisted in the development of the 2018 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.

Vision and Mission Statement

Mission

Inspiring a vibrant Community

Vision

-  *The City of Cottonwood strives to maintain a uniquely desirable and sustainable community.*
-  *We are unique because of our people, our grand natural resources, public amenities, leadership, diversity and home town atmosphere.*
-  *We will continue to conserve, preserve and manage our precious resources, including the Verde River and its unique riparian habitat.*
-  *We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism.*
-  *The City of Cottonwood provides leadership and solutions to ensure a prosperous community where a diversity of people and nature thrive.*

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

<u>Area – Square Miles</u>	<u>2017 Property Tax Assessed Valuation</u> ^(a)	
2015 – 16.65 Square Miles	Primary	\$85,037,323
	Secondary	\$ 98,039,013
<u>Paved Streets</u>		
52 Miles		

Cottonwood Labor Force Data ^(b)

	<u>2015</u>
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-laues-04cit-14-nsa.pdf>

<u>Year</u>	<u>Population</u> (a)	<u>Public School Enrollment</u> (b)	<u>Unemployment Rate</u> (c)
2016	11,818	3,060	5.4%
2015	11,532	3,191	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-laas-04cit-14-nsa.pdf>

<u>Gross Taxable Sales</u> (a)		<u>Building Permits</u> (b)		
<u>Year</u>	<u>Value</u>	<u>Year</u>	<u>Number</u>	<u>Value</u>
2016	\$408,910,513	2016	379	\$26,750,004
2015	\$404,669,000	2015	304	\$22,306,303
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

Sources:

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

Major Private Employers (a)

Verde Valley Medical Center
Wal-Mart – Retail

Education (b)

Elementary Schools	2
Exceptional Children Program	1
Middle School	1
High School	1
Community College	1
Students:	
Grades K-8	2,150
Grades 9-12	1,181
Total Students	3,331

Major Public Employers

Arizona Public Service
City of Cottonwood
Cottonwood/Oak Creek Schools
Mingus Union High School
Yavapai County

Sources:

(a) Arizona Department of Commerce – Community Profile for Cottonwood, AZ

(b) Provided by the local school's business offices

Weather

<u>Month</u>	<u>Average Daily Temperature (F)</u>		<u>Average Total</u>
	<u>Maximum</u>	<u>Minimum</u>	<u>Precipitation (inches)</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
Annual Average	78.2	45.2	1.0

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

2017 Service Statistics

Fire Protection

Stations	1
Employees (Full-time)	28
Fire & Hazmat Calls	274
Rescue & Medical Calls	26,400
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	2,380
Special Events	2,400
Recreational Swimming	20,500
Instructional Classes	21,400
Youth Sports	10,800

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)	56
Sworn	31
Non-Sworn	25
Part I Crimes	524
Part II Crimes	11,108
Traffic Warnings	189
Traffic Citations	1,248
Arrests – Charged	756

Library

Items in Collections	133668
Total Items Circulated	241279
Circulation Transactions Per Day	804

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	150,354
Miles Traveled	435,228
CAT Ridership	78,454
LYNX Ridership	54,350
ADA Ridership	17550

Water Utility

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

Draft

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 tentative 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.

Tentative Budget Calendar for FY 2018

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 Goals, Accomplishments & Performance Measures Forms & Instructions	November 10, 2016
 Distribute Personnel Request & Reclassification Forms	December 22, 2016
 Distribute Capital Improvement Plan (CIP) Schedules, Forms & Instructions	December 22, 2016
 Revenue Review by the Finance Department	January 3, 2017
 Goals, Accomplishments and Performance Measures Forms due to the Finance Department	January 6, 2017
 City Council - Strategic Planning Retreat	January 20-21, 2017
 Capital Improvement Plan (CIP) Forms due back to the Finance Department	February 3, 2017
 Budget Personnel Requests & Reclassifications due back to the Finance Department	February 10, 2017
 Distribute Budget Worksheets & Instructions	March 1, 2017
 Departmental Meetings for Review of Personnel/Reclassification and CIP Requests	February 13-24, 2017
 Budget Worksheets due back to the Finance Department	March 13, 2017
 1 st Round of Departmental Budget Meetings	March 15-31, 2017
 Potential Budget Issues, Goal Setting Meeting & Capital Improvement Plan—City Manager	April 4, 2017
 2 nd Round of Departmental Budget/CIP Meetings—if needed	April 4-April 7, 2017
 ***Final day for changes to the Proposed Budget***	April 7, 2017
 Present Proposed FY 2018 Budget to City Council	April 18, 2017
 Budget Work Sessions with City Council in the Council Chamber	
o Introduction to the Budget / Personnel Matters / Capital Requests	April 24, 2017
o Departmental Presentations	April 25, 2017
o Departmental Presentations / Budget Wrap-up	April 27, 2017
o Budget Wrap-up—if needed	April 28, 2017
 ***Final day for changes to the Tentative Budget***	May 5, 2017
 Distribute Tentative FY 2018 Budget to City Council	May 30, 2017
 Public Hearing on Tentative Budget	June 6, 2017
 Adopt Tentative FY 2018 Budget; Set Expenditure Limitation	June 6, 2017
 ***Final day for changes to the Final Budget***	June 6, 2017
 Present Final FY 2018 Budget to City Council	June 20, 2017
 Public Hearing on Final Budget	June 20, 2017
 Adopt Final FY 2018 Budget	June 20, 2017
 Budget Due to Government Finance Office Administration (GFOA) for Award Review	September 18, 2017

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".

Computation of Legal Debt Margin June 30, 2017

Net secondary assessed valuation (Full Cash Value)	\$98,839,013
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	19,767,803
Bonds outstanding	0
Net 20% Debt Limitation	19,767,803



Calculation of 6% Debt Limitation







6% of secondary net assessed valuation	5,930,341
Bonds outstanding	0
Net 6% Debt Limitation	5,930,341

Total Bonding Capacity	\$25,698,143
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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, 2017 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, 2017					
Project	Note	Term	Principal	Interest	Funding Source
GADA- Recreation Center	¹	8/1/2027	\$ 12,130,000	\$ 3,283,931	1% Sales Tax
US Bank Pledged Revenue Refunding		7/1/2027	12,350,000	2,801,575	1% Sales Tax
Excise Bond - Various Capital Projects		7/1/2034	10,900,000	5,250,025	1% Sales Tax
2015 - Water Infrastructure Finance Authority Loan		7/1/2030	10,167,224	1,058,828	User Fees
2016 - Water Infrastructure Finance Authority Loan		7/1/2035	14,515,790	2,126,587	User Fees
Total Debt Service			\$ 60,063,014	\$ 14,520,946	

Note 1 - GADA Recreation Center Bond will be eliminated in November 2017. The US Bank Pledged Revenue Refunding was done in FY2017 to refund the GADA Recreation Center bond but the bond can't be paid until it is called in November.










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.

STRATEGIC PLANNING

City Accomplishments - Fiscal Year 2017








The City Council met in January 2017 to develop a new Strategic Plan for the City of Cottonwood. The planning session was a 2-day event starting on Friday, January 20, 2017 with community organizations speaking on the needs in the Verde Valley and how the City of Cottonwood can assist in those needs. January 21st was used for discussion among Council and staff to determine and re-write the Vision and Mission for the City of Cottonwood and establish a strategic directive for City staff to follow.

The City Council formulated with the following Vision Statement:




-  The City of Cottonwood strives to maintain a uniquely desirable and sustainable community
-  We are unique because of our people, our grand natural resources, public amenities, leadership, diversity and hometown atmosphere
-  We will continue to conserve, preserve and manage our precious resources, including the Verde River and its unique riparian habitat
-  We will enhance our position as the economic center of the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
-  The City of Cottonwood provides leadership and solutions to ensure a prosperous community where a diversity of people and nature thrive

The following depicts the continued commitment of the City of Cottonwood to make the community a better place to live. Fiscal year 2017 goals obtained are summarized within this list of accomplishments:





Community Engagement

-  Kept the Citizens informed through traditional and social media about City activities, changes and general updates
-  Successfully launched the new City of Cottonwood website
-  Outfitted most City buildings with free public Wi-Fi to provide access to the general public when in City buildings
-  Implemented a “Neighborhood Officer Program” to aide in identifying community issues, concerns, problems, and crime trends that affect quality of life
-  Implemented multiple initiatives to improve transparency and connectivity with the community – web presences, media interface and a mobile application
-  Expanded the “Fire Pal” program in Cottonwood-Oak Creek School District schools to include additional grades, and also did program outreach to private and charter schools in the City of Cottonwood. This program provides extensive fire and life safety education to the children in our community.
-  Participated and presented at numerous community forums and events, produced local PSA's and increased media interface


Manage Future Growth

-  Provided City-support in facilitating economic growth in Old Town Cottonwood that is an ever changing business environment in which approximately 100 businesses employ about 500 people
-  Incubation support to four startup businesses through the Business Assistance Center (BAC) and “graduation” from their BAC-office space into office space offered on the general rental market within the city
-  Completed the Lodging Feasibility Study and the Trails Plan that will be used to make decisions for hotel locations and to construct a viable trail system respectively






Promoting a Vibrant, Healthy and Educated Community

-  Successfully provided a weight loss competition that offered education and exercise opportunities
-  Improved the irrigation system at the Little League complex, including adding vandal-proof lockable vaults and replacing nearly 50% of the sprinklers
-  Implemented improved crime prevention strategies for problem areas
-  The Police Department became the first police agency in the Verde Valley to hire a full-time Victim’s Assistant (grant funded) who ensures victims of crimes are aware of support and assistance services available to them






Marketing Cottonwood

-  Successfully hosted the 3rd Annual Author’s Forum featuring several local authors; 130 people were in attendance. Bestselling mystery author J.A. Jance also visited the library to promote her new book Clawback.

Promote and Preserve Historic and Natural Resources

-  Completion of a city-wide historic property “reconnaissance survey” of over 2,500 buildings to identify the properties’ estimated age and use. This survey provides a preliminary rough estimate of the total number of potential historic properties within the City of Cottonwood.
-  Assisted 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.
-  Completion (anticipated) of the feasibility analysis of recharging reclaimed water at the proposed Riverfront Water Reclamation Facility via injection well. If recharge via injection is feasible, an injection well will be constructed by the end of FY2017
-  Completed the design of the Drainage Project that will remove the Casa Del Sol Condominiums complex from the flood plain and funding for its construction will be secured
-  Completed the City Stormwater Program in accordance with the new ADEQ regulations

Develop Support and Maintain Infrastructure

-  Successfully refinanced the Recreation Center's GADA-loan against a lower interest which will result in substantial cost-savings over the lifespan of the loan
-  Finished preliminary planning for road reconstruction and reconfiguration of Mingus Avenue between 10th Street and Main Street where bike lanes and continuous sidewalks will be installed, a water line placed and the driving surface renewed
-  Redesigned network routes to properly utilize Internet connection speed and network equipment.
-  Completed the fee analysis for all departments that fall under the supervision of the Public Works Manager and made recommendations for new fees to the City Council
-  Completed construction of a new, fenced and secure chemical containment area which is OSHA and ADEQ compliant

Organizational Goals – Fiscal Year 2018

The following goals have been identified and included in the budget. These goals, established during budget planning sessions with the City Council and the Strategic Planning sessions, are integrated into departmental work plans for fiscal year 2018.

Community Engagement

IT Department - City Mobile Application

Develop a Mobile Application in cooperation with the current City of Cottonwood's website developer. This application will help citizens to engage with City staff and services.

Administration

Keeping the Citizens informed by communicating City activities, changes and updates via social media and traditional sources.

City Clerk

Prepare and provide council meeting packet information in timely manner to the Mayor, Council Members and general public.

Parks & Recreation

Improve marketing and outreach program by increasing presence in local schools, including providing marketing materials to students and teachers.

Manage Future Growth

Administration

Start the preliminary planning for a new City Hall that will serve as a centralized location for City departments and benefit citizens by providing convenient and efficient service.

Economic Development

Identify development opportunities associated with the SR 89A & Vine (Stuckey project) and The Vineyards SR 89A.

Economic Development

Provide business incubation space to three new startup businesses at the BAC and facilitate the expansion (‘graduation’) of three businesses into our local economy.

Communications

Implement strategies designed to recruit and retain quality employees in light of unprecedented recruitment challenges.

Fire Department

Evaluate potential site locations for a second fire station in the area of Hwy 260 and Fir Street or SR 89A and Cornville Road, and initiate preliminary design work.

Transit

Negotiate funding with stakeholders to start a connection to the unincorporated communities of Cornville and the Village of Oak Creek for which the routes have already been designed and estimated costs determined.

Economic Development

Designate Old Town as an entertainment district which will help to facilitate development in the proposed streetscape area between Willard Street and 10th Street.

Promoting a Vibrant, Healthy and Educated Community**Economic Development**

Begin the implementation of the Cottonwood Riverfront and Recreation Master Plan pending grant funding by the State Parks. Two \$80,000 grant requests (\$160,000 total) have been submitted.

Economic Development

Conduct entrepreneurial workforce training and provide support for development and incubation to core sectors, i.e. healthcare, tourism, arts & culture, lite manufacturing, agriculture, transportation and logistics, and retail facilitating the creation of more and better jobs, and a better quality of life for our citizens.

Legal

Provide legal assistance to staff and the Bicycle Advisory Committee in their efforts to obtain “Silver” award status from The League of American Bicyclists.

Library

Be a learning commons that fosters learning and understanding by offering opportunities such as American Sign Language (ASL) and Spanish classes, for participatory learning.

Promote and Preserve Historic and Natural Resources

Administration

Carry on preservation efforts to protect the Verde River through water management and trail systems as well as providing ongoing support to the Verde Front Project in identifying and creating sustainable recreational opportunities

Natural Resources

Complete the plumbing infrastructure for injecting reclaimed water at the Mingus Avenue Wastewater Reclamation Plant and start injecting reclaimed water to increase the ground water supply

Public Works

Complete the Civic Center renovation

Public Works

Develop an Erosion Protection Project for the section of SR 89A between Willard and 6th Street

Develop Support and Maintain Infrastructure

Economic Development

Provide assistance, including for infrastructure, to the Old Town District pending grant funding for \$2,300,000 from the Economic Development Administration for streetscape development

Public Works

Obtain funding from the Flood Control District to complete a study of the Old Town/Del Monte flood plain as well as funding for necessary construction improvements

Street Department

Develop pro-active pavement maintenance program that will track the condition, age, type and maintenance of streets throughout the city

Street Construction

Complete the reconstruction of Mingus Avenue for the stretch of Willard Street to 10th Street

Street Construction

Complete the design for the reconstruction of Mingus Avenue for the stretch of 10th Street to Main Street

Water Department

Move forward with the multi-year (phased) Gila Crossing waterline replacement project

Organizational Goals – Fiscal Year 2018

Grant Funds – Managing Future Growth & Developing and Maintaining Infrastructure

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 contributed \$1,154,160 or 91.06% of the total costs in FY 2017 and will contribute 1,245,760 in FY 2018 to finish the second phase. The City will be responsible for half of the remaining costs with ADOT contributing 4.47% of the total costs.

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 2018. The FAA will contribute 91.06% and the City must contribute 4.47% or \$17,880 for FY 2018, and ADOT will contribute the remaining 4.47%.

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. It will likely take place in three phases: 1) Study of existing conditions and design of potential improvements; 2) Construction of improvements and 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 \$150,000 for FY 2018 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 – City-wide Master Drainage Plan

The City received a \$220,000 grant to conduct a city-wide drainage study for a 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 projects.

Fiscal/Programmatic Impact

This project is budgeted at \$220,000 for FY 2018 with matching grant revenues.

Project – Economic Development – Main Street Streetscape

Main Street Streetscape improvement project includes upgrading current sidewalks, curbs, gutters, light poles, bicycle lanes and landscaping elements to match the Old Town Streetscape from Willard Street to 10th Street. Increasing the Old Town Streetscape up to Mingus Avenue will allow for more commercial development in the area.

Fiscal/Programmatic Impact

This project is budgeted at \$1,350,000 for FY 2018 and \$1,350,000 for FY 2019. Grant funding is expected for the project and should cover 90% of the costs for the project.

Physical Development – Develop Support and Maintain Infrastructure**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, existing 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 continued through FY 2017. It will be completed in FY 2018. \$3,000,000 is budgeted for FY 2018.

Project – HURF - Mingus Ave; from 10th to Main St

This project is an improvement which includes reconstruction of the three-lane roadway from 10th Street to Main Street with a six foot shoulder suitable for bicycle use in each direction, curbs and gutters. The project also includes 6ft wide sidewalks installed where none currently exist. This is the second half of the Mingus Avenue design.

Fiscal/Programmatic Impact

This project is budgeted at \$2,200,000 for FY 2018 and was funded through the 2015 Excise Bond.

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 \$275,000 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 - Line Replacements

Water line replacement 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 2018 is \$400,000 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 - Mingus Waterline Project

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

Fiscal/Programmatic Impact

This project is budgeted at \$600,000 for FY 2018 and is funded by the 2015 WIFA loan with a forgivable amount of \$550,000.

Public Safety- Promoting a Vibrant, Healthy and Educated Community**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 unsafe 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.

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 & Medical Services 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 2018 is \$600,000 and is carried over from FY 2017. 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 downtime avoided.

Project – Public Safety - Fire Suppression & Rescue Equipment

This project allows the Fire & Medical Services 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 and is carried over from FY2017. The hydraulic rescue tools require routine maintenance and the cost to maintain them is increasing due to the age of the equipment.

ORGANIZATIONAL GOALS FOR THE FUTURE – FISCAL YEARS 2019-2023

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. Some of the current year is included in the City's organizational goals – Fiscal year 2018 on pages 24-26.

Grant Funds

Project – Airport - Install Jet A Tank

Install a Jet A tank at the airport. Cottonwood owns a 100LL fuel (aviation gasoline) tank but not a Jet A tank. Jet A fuel powers larger, more sophisticated aircrafts used for business, including air ambulances, business travel and helicopters. Not all Jet A burning aircrafts are large. Currently, there are 7 aircrafts based at Cottonwood that use this fuel ranging from a small business jet to single engine-turboprops. Being able to provide this fuel will attract more business visits to the Cottonwood Municipal Airport which will have a positive impact on economic development of the community.

Fiscal/Programmatic Impact

Cottonwood will get revenue from the sale of Jet A fuel, currently at a rate of \$0.10 per gallon. The total cost of \$480,000 would be funded over two years and be partially reimbursed through federal and state grant funding.

Project – Airport – Extend Runway 32

The project will convert the existing 300' of pavement (runway safety area) at the end of Runway 32 into usable runway for take offs. The addition of 300' is an increase of 7% to the existing 4280' runway. Aircrafts that require longer take-off runs, like small business jets, will use the runway extension. Once the parallel taxiway is extended to the south end of the extension, all aircrafts will use the 300' extension for take-offs.

Fiscal/Programmatic Impact

To allow for small business jets to take off out of the Cottonwood Municipal Airport, we can increase the use of the airport and increase fuel sales. This project would cost approximately \$590,000 and would be spread over two years. The project would be partially funded with FAA and ADOT grant funding.

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 and 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 be budgeted at \$150,000 for FY18 and continue into FY 2019, FY 2020 and FY 2021 for a total project cost of \$965,000. Grant funding will be researched to defray costs being charged back to the General Fund.

Project – Airport - Increase Fence Height

This project will utilize federal and state grants to cover 95% 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 the total cost of the project, 91.06% will be funded by FAA and 4.47% from ADOT and 4.47% local share matching. Additional M&O costs are not anticipated for this project.

Physical Development**Project – Parks - Tennis Center Resurface**

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. This project will allow for the complete subsurface of the Tennis Center courts to be rebuilt with new asphalt materials and new elastomeric layered paint materials.

Fiscal/Programmatic Impact

An estimated cost of \$180,000 is to be funded in FY 2019 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 - Open Park Space, Trails and Recreation Master Plan

The need for a city-wide 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 2019 at \$135,000.

Project – Parks - Land Purchase/Park Acreage

Construction of multi-field complex facilities, which could combine both soccer and baseball/softball fields. There is a space for additional soccer and baseball/softball facilities next to the current Riverfront Park and Dog Park facilities

Fiscal/Programmatic Impact

This project would be 100% funded by the General Fund and is anticipated to cost \$850,000 for FY 2023.

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. This project is anticipated for FY 2020.

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 2022 respectively, for a total cost of \$250,000.

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 2019.

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 chip seal coating.

Fiscal/Programmatic Impact

As part of the strategic plan, Council has asked that the amount for Pavement Maintenance be increased to \$750,000 and be budgeted every other year. Other types of seal coats, such as slurry coats, may also be used. Chip seals 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 several streets within the city limits. The pavement of major collector streets are cracked and distorted, and 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. The anticipated cost for this project would be \$1.2M in FY 2019, \$1.4M in FY 2020, \$2M in FY 2021, and \$1M in FY 2022.

Project HURF – 6th Street Mingus to 89A

This project would involve reconstruction and drainage improvements to 6th 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 \$100,000 a year and on an as needed basis.

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 increase 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 is rotated into service on a regular basis. All blowers have the same amount of hours on the motor. This project is required to begin in FY 2018 with the engineering analysis at \$52,000 and construction beginning in FY 2021 with an estimated cost of \$1,575,000.

DRAFT

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 \$273,000 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 \$3,500,000 in FY 2020. 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 & Medical Services 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 \$1,300,000. This project may be funded by lease purchases proceeds or a grant in FY 2019, 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 them on Google Maps.

Fiscal/Programmatic Impact

First year's maintenance is included in the purchase price. Recurring annual maintenance fees, beginning in the second year 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 2019 of \$58,000.






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 \$38,471,000. 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 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Transfers In	8,046	21,903	22,350		
FAA Aeronautic Grants	163,908	446,194	455,300		
Yavapai County Grant Funds		220,000			
FEMA Grant		150,000	600,000	65,000	
Grant Funding		325,000			
Bicycle Plan Feasibility and Implementation	64,000	3,000,000			
Wind Socks					
ADOT Grants	8,046	21,903	22,350		
Funds Available	\$244,000	\$4,185,000	\$1,100,000	\$65,000	\$0
Financing Commitments					
LP - Jet A Tank					
Subtotal Commitments	0	0	0	0	0
Revenue (net of commitments)	\$244,000	\$4,185,000	\$1,100,000	\$65,000	\$0
Planned Expenditures					
<u>Airport</u>					
ADOT Apron Reconstruction					
ADOT Fence Height Repair	100,000				
Extend Runway 32		90,000	500,000		
ADOT Runway Pavement Preservation					
Install JetA Tank	80,000	400,000			
<u>Other Grants</u>					
Old Town Flood Plain Study		150,000	600,000	65,000	
City Wide Master Drainage Plan		220,000			
Cottonwood Villag Drainage Improvement		225,000			
Casa Del Sol Drainage Improvement		100,000			
Bicycle Plan: Feasibility Study	64,000	3,000,000			
Subtotal Planned Expenditures	244,000	4,185,000	1,100,000	65,000	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
 - 1st priority is fleet
 - 2nd priority is other projects

Funding Availability	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance		\$72,265	(\$539,300)	(\$1,228,865)	(\$2,431,430)
Annual Deposit (net of DS)	143,830				
Grant Funding					
GOHS /RICO	25,000	25,000	25,000	25,000	25,000
Miscellaneous Income					
Interest Income					
Other Financing Sources					
LP -PD & Fire Dept Equip. - 2019	740,000				
LP - FD - Aerial Ladder Truck	1,300,000				
LP - Fire Engine Pumper Type 3			800,000		
GADA - Fire Stations - 2		3,500,000			
Revenue	\$2,208,830	\$3,597,265	\$285,700	(\$1,203,865)	(\$2,406,430)
Financing Commitments					
Other Financing Uses					
LP - FY17 PS Veh & Equip	164,565	164,565	164,565	164,565	
LP - FY19 PS Veh & Equip		165,000	165,000	165,000	165,000
LP - FY22 PS Veh & Equip					120,000
LP - Fire Enginer Pumper				120,000	120,000
GADA - Fire Stations - 2			315,000	315,000	315,000
GADA - Regional Communications Bldg					
Subtotal Commitments	164,565	329,565	644,565	764,565	720,000
Revenue (net of commitments)	2,044,265	3,267,700	(358,865)	(1,968,430)	(3,126,430)
Planned Expenditures					
<u>Fire</u>					
<u>Grant - Aerial Ladder Truck</u>	1,300,000				
Fire Stations		3,500,000			
Fire Engine Pumper Type 1			800,000		
Fire Vehicle Replacements	63,000	67,000	70,000	73,000	76,000
<u>Police</u>					
Parking Lot Paving	70,000				
Evidence Building Security Cameras	38,000				
Vehicle Replacement Program	347,000			330,000	
Public Safety Building Exterior Maint.	40,000				
Mobile Data Computing Laptops		80,000			
Building Consultant				60,000	
Command Vehicle	56,000				
In-car/Body Worn Camera's and Server		160,000			
Spillman Analytics & Compstat Dashboard	58,000				
Subtotal Planned Expenditures	1,972,000	3,807,000	870,000	463,000	76,000
Resources Available	\$72,265	(\$539,300)	(\$1,228,865)	(\$2,431,430)	(\$3,202,430)

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


Funding Availability	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance	\$250,000	\$143,830	(\$28,471)	\$557,052	\$923,924
Annual Deposit	2,266,055	2,248,025	2,249,850	2,248,200	2,253,950
Grant Funding					
Miscellaneous Income					
Interest Income	2,000	2,000	2,000	2,000	2,000
Other Financing Sources					
Funds Available	\$2,518,055	\$2,393,855	\$2,223,379	\$2,807,252	\$3,179,874
Financing Commitments					
GADA - Recreation Center	1,542,825	1,542,826	1,542,827	1,542,828	1,542,829
Subtotal Commitments	1,542,825	1,542,826	1,542,827	1,542,828	1,542,829
Revenue (net of commitments)	\$975,230	\$851,029	\$680,552	\$1,264,424	\$1,637,045
Planned Expenditures					
<u>Culture & Recreation</u>					
Recreation Center Water Softener System	35,500				
Purchase & Installation of new Park Signage	35,000				
Youth Center Grounds and Parking Lot	105,000				
Urban Trail System - Heritage Grant		200,000			
Tennis Center Resurface	180,000				
Riverfront Park - Earthen Stage	85,000				
Riverfront Parking Lot Curb & Asphalt Overlay Project		185,000			
Skate Park Slab	59,000				
Large Park Acreage - Future Ball Field & Sports Park					850,000
Park Play Apparatus		120,000			
Leisure Park Facilities at Riverfront Treatment Plant		155,000			
Park Open space & Master Plan Study	135,000				
Old Town Field Conversion to Cultural Park - Grant Funded		45,000	33,000	250,000	
Paint Interior of the Library	34,000				
Replacement Vehicle Parks and Recreation		25,000			
<u>General Government</u>					
Air Curtain Burner					
Safety Improvements Transfer Station					
6th Street Wet Crossing at Silver Springs	5,400	59,000			
City Wide Roofing program	20,000	20,000	20,000	20,000	20,000
Civic Center Kiosk	21,000				
Stormwater Programs	40,500	40,500	40,500	40,500	40,500
Hazmat Cleanup Event					
City Wide Computer Replacement Program	30,000	30,000	30,000	30,000	30,000
Combine Phone Systems	26,000				
IT Vehicle	20,000				
Subtotal Planned Expenditures	831,400	879,500	123,500	340,500	940,500
Resources Available	\$143,830	(\$28,471)	\$557,052	\$923,924	\$696,545

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 for 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 and trails

Funding Availability	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance	\$0	\$2,147,170	\$3,529,258	\$1,643,580	(\$692,664)
HURF Funds (net M&O)	0	0	0	0	0
1% Construction Sales Tax	266,370	279,688	293,672	308,356	323,774
General Fund Contribution (including portion of 1% Sales Tax)	500,000	525,000	551,250	900,000	945,000
Other Financing Sources					
Main Street Mill & Fill		5,700,000			
Bond - 6th Street	2,775,000				
Funds Available	\$3,541,370	\$8,651,858	\$4,374,180	\$2,851,936	\$576,110
Financing Commitments					
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			10,000	100,000	100,000
Loan - 6th Street		150,000	150,000	150,000	150,000
Subtotal Commitments	392,600	542,600	552,600	642,600	642,600
Revenue (net of commitments)	\$3,148,770	\$8,109,258	\$3,821,580	\$2,209,336	(\$66,490)
Planned Expenditures					
(*Council Strategic Initiative)					
<u>Streets Construction & Maintenance</u>					
Pavement Maintenance Program		750,000		750,000	
Sidewalk Additions Alternative	100,000	100,000	100,000	100,000	100,000
Skyline Dr/Date Street Connection	89,600		650,000		
6th Street Mingus to 89A	275,000	2,500,000			
Main Street Mill/Fill	537,000	1,230,000	1,428,000	2,052,000	937,000
Subtotal Planned Expenditures	1,001,600	4,580,000	2,178,000	2,902,000	1,037,000
Resources Available	\$2,147,170	\$3,529,258	\$1,643,580	(\$692,664)	(\$1,103,490)

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 2018. Other revenue sources have been allocated to assist this enterprise fund with its capital needs.

Funding Availability		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance		\$415,335	\$116,207	\$231,519	\$361,992	\$508,385
User Fees		\$2,744,091	\$2,881,296	\$3,025,360	\$3,176,628	\$3,335,460
Transfers in from Capital						
Interest Income						
Other Financing Sources						
Funds Available		\$3,159,426	\$2,997,503	\$3,256,879	\$3,538,620	\$3,843,844
Financing Commitments						
Operational Costs		2,455,299	2,578,064	2,706,967	2,842,316	2,984,431
Bonding / Excise Bond FY 2015		187,920	187,920	187,920	187,920	187,920
Subtotal Commitments		2,643,219	2,765,984	2,894,887	3,030,236	3,172,351
Revenue (net of commitments)		\$516,207	\$231,519	\$361,992	\$508,385	\$671,493
Planned Expenditures						
WWTP Centrifuge		300,000				
Basin Roof Repair		100,000				
Clarifier repair						
Subtotal Planned Expenditures		400,000	0	0	0	0
Resources Available		\$116,207	\$231,519	\$361,992	\$508,385	\$671,493

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.

Funding Availability	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance	\$5,368,570	\$11,304,948	\$17,648,710	\$24,420,227	\$31,640,885	\$39,333,142
User Fees	8,147,700	8,555,085	8,982,839	9,431,981	9,903,580	10,398,759
Interest Income	10,000	10,000	10,000	10,000	10,000	10,000
Other Funding Sources						
Funds Available	\$13,526,270	\$19,870,033	\$26,641,549	\$33,862,208	\$41,554,466	\$49,741,902
Financing Commitments						
WIFA 2015	806,990	806,990	806,990	806,990	806,990	806,990
WIFA 2016	923,793	923,793	923,793	923,793	923,793	923,793
Excise Bond 2015	75,540	75,540	75,540	75,540	75,541	75,542
Subtotal Commitments	1,806,323	1,806,323	1,806,323	1,806,323	1,806,324	1,806,325
Revenue (net of commitments)	\$11,719,948	\$18,063,710	\$24,835,227	\$32,055,885	\$39,748,142	\$47,935,577
Planned Expenditures						
Valve Replacement Program	60,000	60,000	60,000	60,000	60,000	60,000
Arsenic Treatment Recycling	75,000	75,000	75,000	75,000	75,000	75,000
Arsenic Mitigation	450,000	450,000	450,000	450,000	450,000	450,000
Fire Hydrant Improvements	225,000	225,000	225,000	225,000	225,000	225,000
Line Replacements & Extensions	40,000	40,000	40,000	40,000	40,000	40,000
Well Booster	75,000	75,000	75,000	75,000	75,000	75,000
Well Improvements	300,000	300,000	300,000	300,000	300,000	300,000
Water System Upgrades	135,000	135,000	135,000	135,000	135,000	135,000
Subtotal Planned Expenditures	415,000	415,000	415,000	415,000	415,000	415,000
Resources Available	\$11,304,948	\$17,648,710	\$24,420,227	\$31,640,885	\$39,333,142	\$47,520,577

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.

Funding Availability	NOTES	FY2018	FY2019	FY2020	FY2021	FY2022
Beginning Balance		\$5,554,237	\$5,960,226	\$6,374,334	\$6,796,725	\$7,227,563
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	131,163	139,446	147,893	156,510
Funds Available		\$6,275,226	\$6,689,334	\$7,111,725	\$7,542,563	\$7,982,022

Planned Expenditures

<u>Water Development</u>						
Resource Development		150,000	150,000	150,000	150,000	150,000
Water Advisory		10,000	10,000	10,000	10,000	10,000
Adjudication		80,000	80,000	80,000	80,000	80,000
Conservation		75,000	75,000	75,000	75,000	75,000
Subtotal Planned Expenditures		315,000	315,000	315,000	315,000	315,000
Resources Available		\$5,960,226	\$6,374,334	\$6,796,725	\$7,227,563	\$7,667,022

CAPITAL IMPROVEMENTS FUND

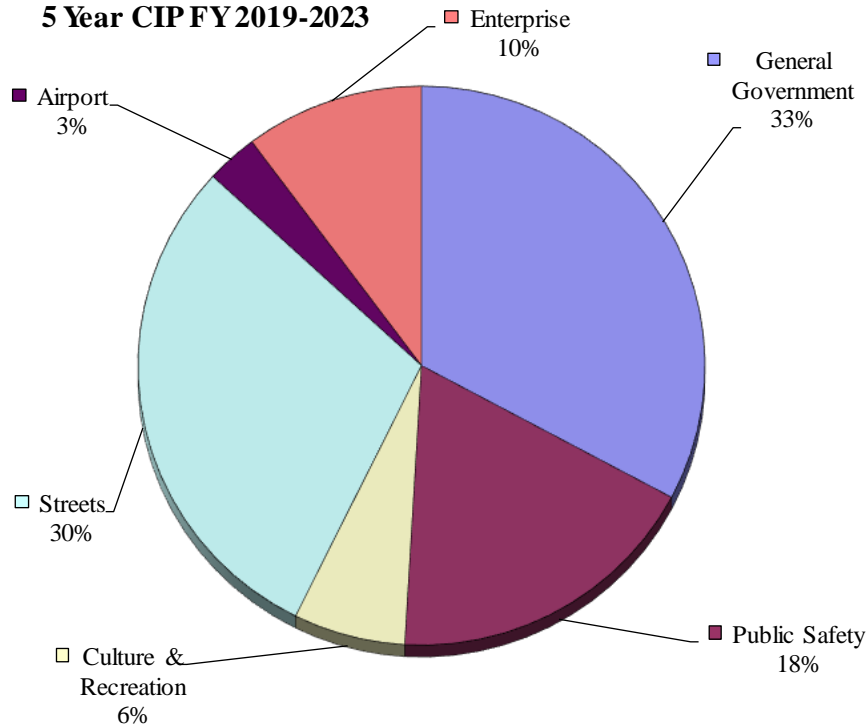
These accumulations are from an excess sales tax collected prior to July 1, 2007 and are set aside for capital improvements throughout the City organization. During the recent recession, it was decided to cap this fund at \$1,000,000 until the economy recovers and sales tax begins to see gains.

Funding Availability	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance	\$1,000,000	\$1,000,100	\$1,000,200	\$1,000,300	\$1,000,400
Miscellaneous Income					
Interest Income	100	100	100	100	100
Other Financing Sources					
Bonds - City Hall		8,000,000			
Funds Available	1,000,100	9,000,200	1,000,300	1,000,400	1,000,500
Financing Commitments					
Bonds - City Hall					
Transfers Out - Sewer Fund					
Subtotal Commitments	0	0	0	0	0
Revenue (net of commitments)	\$1,000,100	\$9,000,200	\$1,000,300	\$1,000,400	\$1,000,500
Planned Expenditures					
<u>Culture & Recreation</u>					
<u>General Government</u>					
<u>Capital Projects - Bonding</u>					
<u>Architecture Design - City Hall</u>		8,000,000			
Transfer to GF					
Subtotal Planned Expenditures	0	8,000,000	0	0	0
Resources Available	\$1,000,100	\$1,000,200	\$1,000,300	\$1,000,400	\$1,000,500

SUMMARY OF CAPITAL

Funding Availability	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Balance	\$12,588,142	\$20,744,745	\$28,216,249	\$33,551,010	\$38,177,063
Taxes	766,370	804,688	844,922	1,208,356	1,268,774
User Fees	10,891,791	11,436,381	12,008,200	12,608,610	13,239,040
Excess Revenue	2,409,885	2,248,025	2,249,850	2,248,200	2,253,950
Grants	\$269,000	\$4,210,000	\$1,125,000	\$90,000	\$25,000
Interest Income	12,100	12,100	12,100	12,100	12,100
Water Resource Fees	720,989	729,108	737,391	745,838	754,459
Other Financing Sources	4,815,000	17,200,000	800,000	-	-
Revenue	\$32,473,276	\$57,385,047	\$45,993,712	\$50,464,114	\$55,730,386
Financing Commitments					
Annual Debt Service - Bonds & Capital Leases	6,549,532	6,987,297	7,441,202	7,786,551	7,884,104
Subtotal Commitments	6,549,532	6,987,297	7,441,202	7,786,551	7,884,104
Revenue (net of commitments)	\$25,923,745	\$50,397,749	\$38,552,510	\$42,677,563	\$47,846,282
Planned Expenditures					
General Government	\$226,900	\$11,844,500	\$690,500	\$155,500	\$90,500
Public Safety	1,972,000	3,807,000	870,000	463,000	76,000
Culture & Recreation	668,500	730,000	33,000	250,000	850,000
Streets	1,001,600	4,580,000	2,178,000	2,902,000	1,037,000
Airport	180,000	490,000	500,000	-	-
Enterprise	1,130,000	730,000	730,000	730,000	730,000
Subtotal Planned Expenditures	5,179,000	22,181,500	5,001,500	4,500,500	2,783,500
Resources Available	\$20,744,745	\$28,216,249	\$33,551,010	\$38,177,063	\$45,062,782

Consolidated Expenditures 5 Year CIP FY 2019-2023



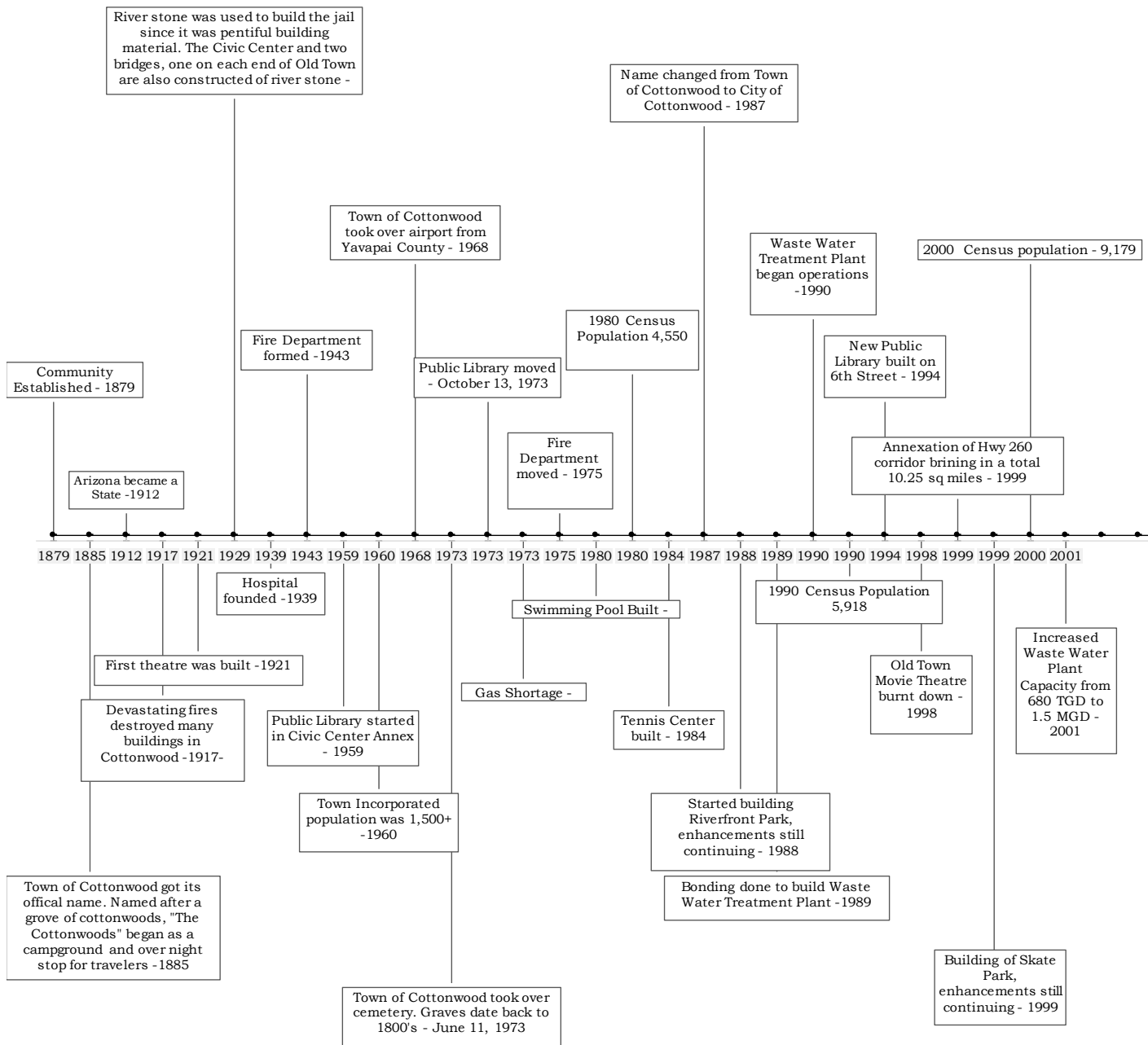
Planned Expenditures

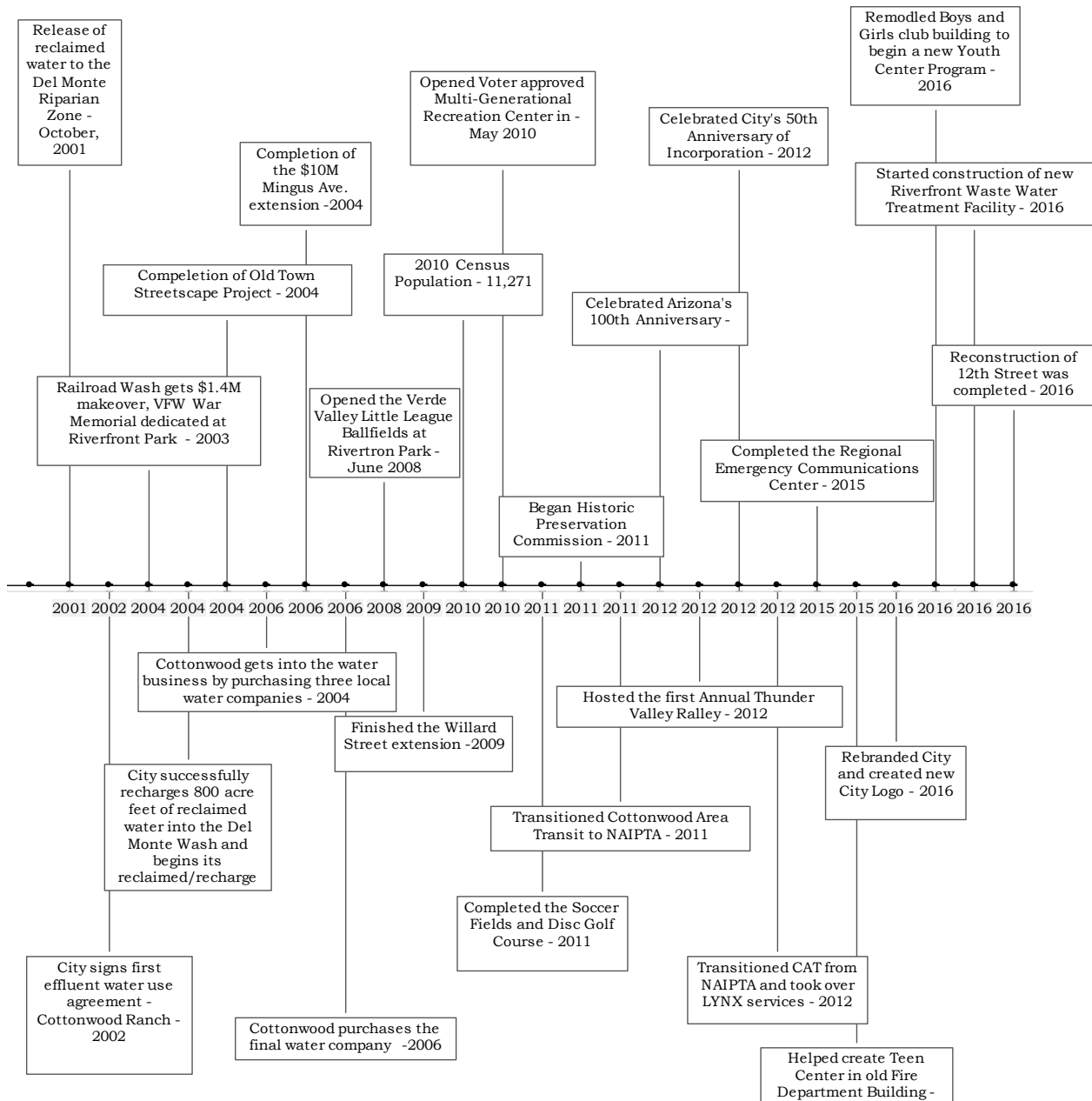
General Government	\$13,007,900
Public Safety	\$7,188,000
Culture & Recreation	\$2,531,500
Streets	\$11,698,600
Airport	\$1,170,000
Enterprise	\$4,050,000
Capital Purchases	39,646,000
Other Financing Uses	36,648,685
Total Capital & Financing	\$76,294,685

Funding Availability

Taxes	4,893,110
User Fees	60,184,021
Excess Revenue	11,409,910
Grants	5,719,000
Interest Income	60,500
Water Resource Fees	3,687,785
Total Funding Sources	85,954,326
Other Financing Sources	22,815,000
Use of Reserves	
Total Finance Available	108,769,326

COMMUNITY TIMELINE





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Long Range Financial Projections**GENERAL FUND**

Revenues	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Taxes	\$16,861,310	\$17,536,910	\$18,257,510	\$19,030,020	\$19,862,960
Licenses and Permits	334,470	342,919	351,573	360,451	369,544
Intergovernmental Revenues	2,227,360	2,298,286	2,377,327	2,459,405	2,544,679
Charges for Services	1,256,190	1,289,510	1,305,911	1,232,592	1,339,604
Fines and Forfeitures	204,400	209,520	214,760	220,140	225,640
Use of Monies & Properties	17,600	17,780	17,960	18,140	18,320
Miscellaneous Revenues	78,250	80,270	82,330	84,450	86,630
Other Financing Sources	0	0	0	0	0
Total Revenues	\$20,979,580	\$21,775,195	\$22,607,371	\$21,929,434	\$24,447,377
Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Government	\$9,682,110	\$9,974,030	\$10,470,990	\$10,990,240	\$11,372,510
Public Safety	10,808,250	11,348,670	11,916,140	12,512,000	13,137,550
Culture & Recreation	2,404,480	2,522,560	2,718,680	2,854,560	2,997,170
Total Expenditures	\$22,894,840	\$23,845,260	\$25,105,810	\$26,356,800	\$27,507,230
Gain/(Loss)	(\$1,915,260)	(\$2,070,060)	(\$2,498,440)	(\$2,951,600)	(\$3,059,850)

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 by 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, 2017. A 4% increase is reflected in this forecast. Worker's compensation will see a slight increase in FY 2018 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.

This 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

Revenues	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Street Department	\$1,579,200	\$1,626,910	\$1,676,190	\$1,727,090	\$1,779,670
CAT/LYNX	1,405,470	1,447,640	1,491,060	1,535,790	1,581,870
Library	1,068,515	1,121,400	1,176,930	1,235,200	1,296,380
Airport	369,510	380,600	392,020	403,780	415,880
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Revenues	\$4,576,550	\$4,736,200	\$4,901,860	\$5,073,800	\$5,252,260
Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
HURF / Streets	\$1,354,470	\$2,149,520	\$1,446,725	\$2,246,885	\$1,554,710
CATS	1,733,820	1,820,480	1,911,510	2,007,070	2,107,401
Library	1,073,530	1,120,670	1,169,870	1,221,290	1,274,940
Airport	355,170	372,960	391,620	411,200	431,760
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Expenditures	\$4,516,990	\$5,463,630	\$4,919,725	\$5,886,445	\$5,368,811
Gain/(Loss)	\$59,560	(\$727,430)	(\$17,865)	(\$812,645)	(\$116,551)

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. Annual fuel tax contributed by the State of Arizona is unstable due to the State raiding the HURF Funds. The Capital Projects Fund will help ease this fund's fiscal problems where larger projects are planned.

Transit System

The City provides CAT fixed route system and paratransit programs in Cottonwood, Verde Village and Clarkdale areas. The LYNX system connects Cottonwood with Sedona as a commuter service. 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

Revenues	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Interest Income	\$280	\$280	\$280	\$280	\$280
User Fees	0	0	0	0	0
City Sales Tax	1,646,942	1,641,830	1,643,830	1,642,870	1,648,450
Total Revenues	\$1,647,222	\$1,642,110	\$1,644,110	\$1,643,150	\$1,648,730
Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Trustee Fees	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Principal Payments	1,147,660	1,170,550	1,201,350	1,235,700	1,300,050
Interest Payments	497,562	469,560	440,760	405,450	346,680
Total Expenditures	\$1,647,222	\$1,642,110	\$1,644,110	\$1,643,150	\$1,648,730
Gain/(Loss)	\$0	\$0	\$0	\$0	\$0

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

Revenues	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Interest Income	\$30,910	\$31,690	\$32,480	\$33,290	34,120
User Fees	10,012,350	10,262,660	10,519,220	10,782,200	11,051,760
Miscellaneous Income	14,350	14,710	15,080	15,460	15,850
Total Revenues	\$10,057,610	\$10,309,060	\$10,566,780	\$10,830,950	\$11,101,730

Expenses	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Operations	4,516,490	4,724,150	4,941,480	5,168,910	5,406,880
Administration	1,458,060	1,529,080	1,603,570	1,681,660	1,763,570
Debt Service	\$1,996,170	\$1,996,305	\$1,996,470	\$1,971,880	\$1,981,360
Total Expenses	\$7,970,720	\$8,249,535	\$8,541,520	\$8,822,450	\$9,151,810
Gain/(Loss)	\$2,086,890	\$2,059,525	\$2,025,260	\$2,008,500	\$1,949,920

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 2018 and future years that will help balance any operating deficits.

FIDUCIARY FUND

Revenues	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Interest Income	\$26,450	27,220	28,020	28,840	29,680
Contributions	-	-	-	-	-
Total Revenues	\$26,450	\$27,220	\$28,020	\$28,840	\$29,680

Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Benefits Paid	\$13,890	\$14,400	\$14,940	\$15,510	\$16,110
Total Expenditures	\$13,890	\$14,400	\$14,940	\$15,510	\$16,110
Gain/(Loss)	\$12,560	\$12,820	\$13,080	\$13,330	\$13,570

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 2017 showed revenue from our local sales tax improving and for FY 2018 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 66.

Consolidated Expenditures - All Funds

Expenditure projections for FY 2018 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 2018. 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. City Sales Tax dropped from FY 2008 until FY 2013 due to the economic downturn. Local sales tax compared to total operating revenues is 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 45% of all General Fund revenues.

State shared revenues constitute 11.9% of total operating revenues or about 3.2M for FY 2018. This is down by .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 the 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 is still recovering.

Licenses and Permits

License and permit revenues, which had peaked in FY 2006 and then declined due to the poor economy, are budgeted at \$309,850 for FY 2018 which is an increase of 2% from the FY 2017 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. The state was using the 2010 census and the Department of Economic Security (DES) population estimates. Until FY 2018, intergovernmental revenues were adjusted to the new per capita formula. As of FY 2018, the revenues are estimated based on the current U.S. Census numbers to reflect a more accurate population estimate. The City can expect a combined increase of 2.38% for FY 2018, 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 had increased significantly over the past couple of years, mainly due to the opening of the Recreation Center. These revenues have stabilized and the estimate for FY 2018 is expected to increase 1.48%.

Fines and Forfeitures

Since FY 2011 and the creation of a new “Court Enhancement” fee, these revenues have increased slightly every year. For the upcoming year, revenues in this area are budgeted to 2.9% higher than in FY 2017.

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 36.3% from the FY 2017 revised budget. This translates to an increase of \$7,219,304 over that of the previous fiscal year of \$19,889,891. This net increase includes some rollover projects and \$4,087,735 in fund balance reserves. The increase of funds for personnel is due to the merit program, health insurance, and other related taxes. The \$1,412,330 increase of funds for personnel is due to the merit program, health insurance, retirement 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%, and for FY 2017 there is a slight increase of 2%. With health care costs continuing to rise, APEHP and the City of Cottonwood decided to move all members out of APEHP starting FY 2018 into a new insurance pool called Kairos Health Arizona, Inc. Moving to Kairos will keep rates from increasing drastically by spreading the liability over more pool participants. FY 2018 will show a 4% increase in health insurance rates instead of the 9% increase that was anticipated with APEHP.

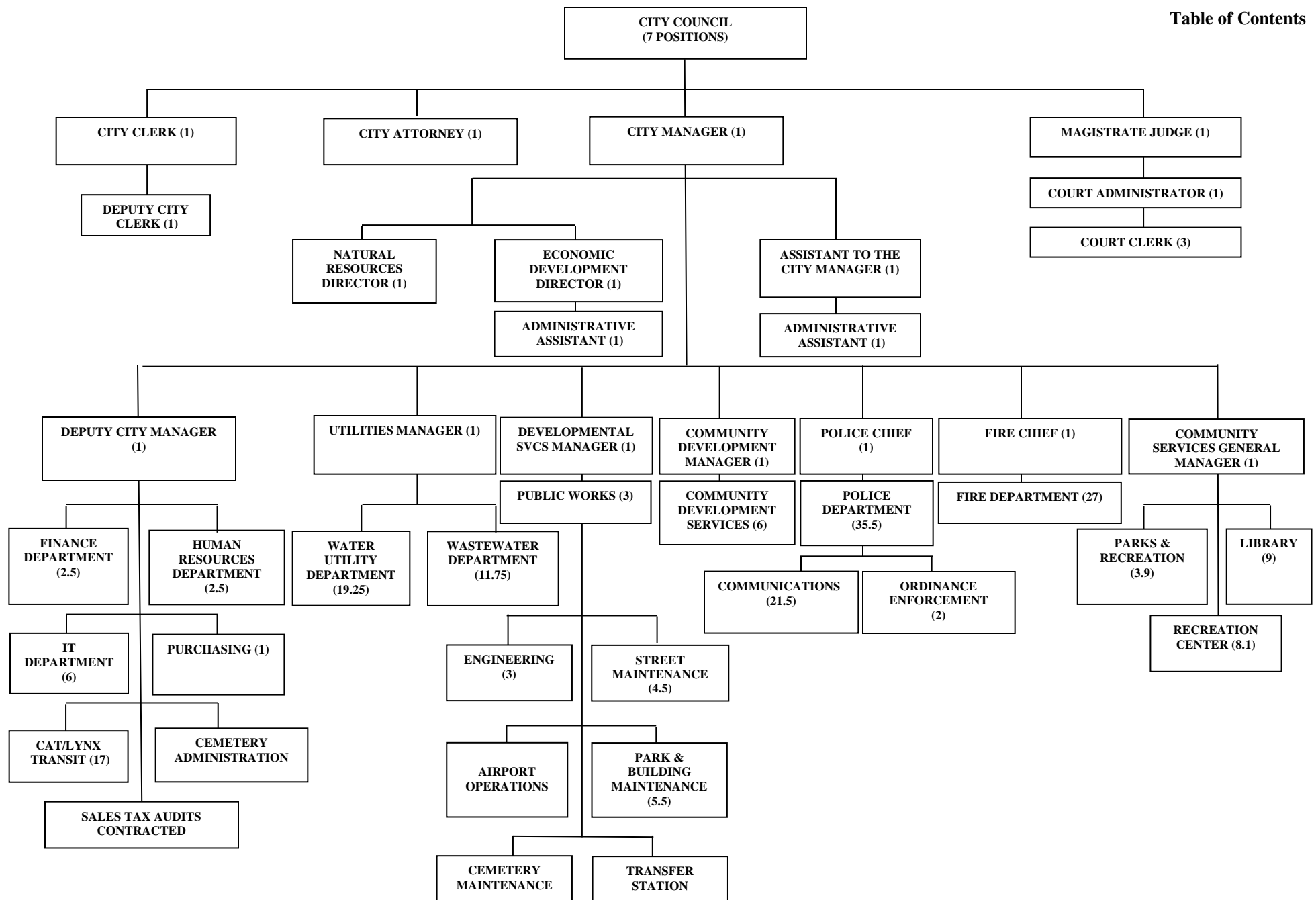
The Operating Supplies category has decreased by \$68,105 from \$585,765 last year to \$517,660 for this year. This decrease is the result of a re-evaluation of each department's needs after cutting operating budgets in previous years. Department heads continued to take a very close look at their operating supplies and most were able to stay within their overall requests.

Contractual Services is anticipated to decrease by 12.97%.

Other Services and Charges reflect 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 postpone capital purchases to future fiscal years.

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



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Description:

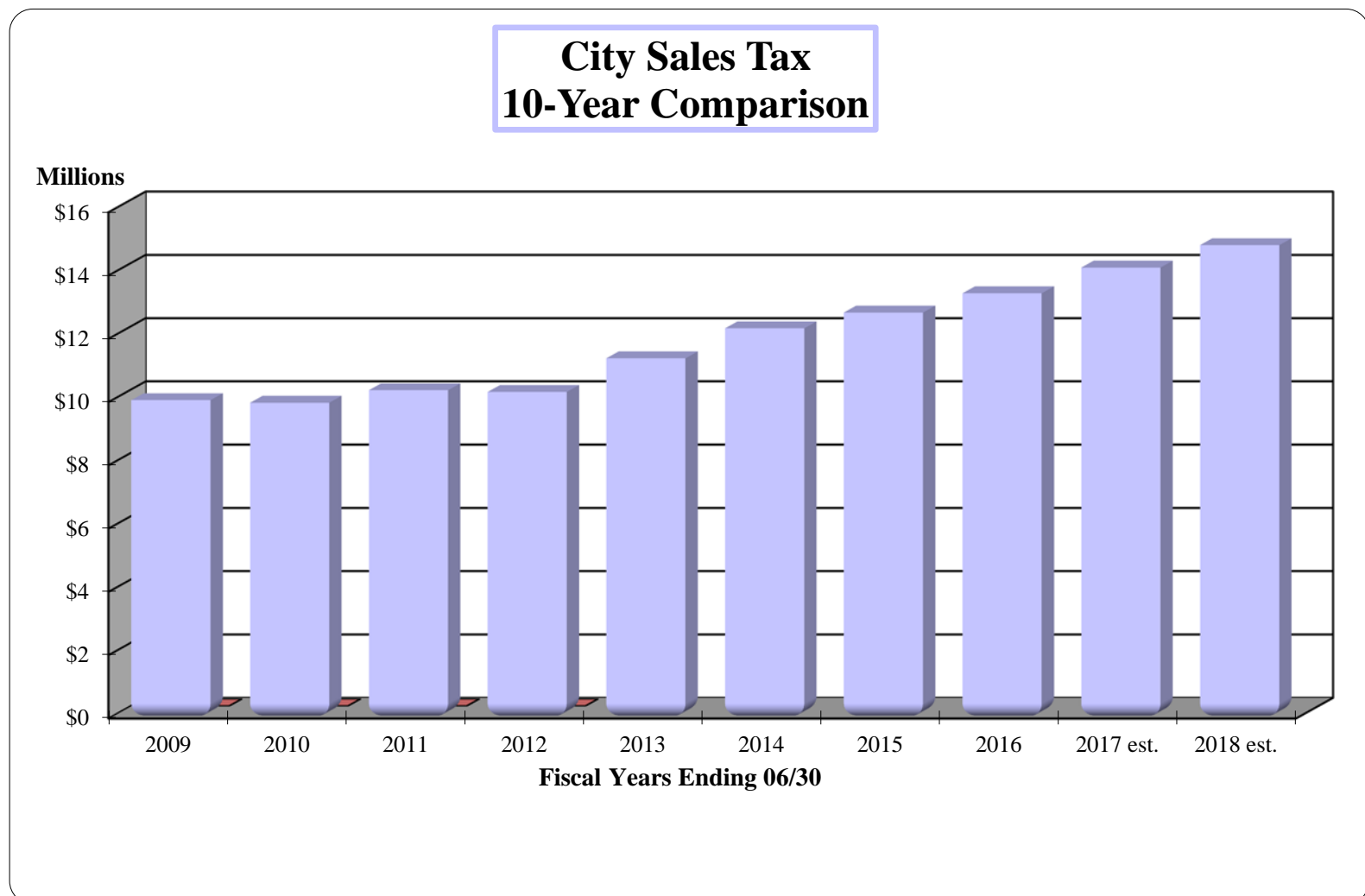
The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved 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 2009-2017, 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 of revenues in FY 2010. A decline was originally budgeted for FY 2011. However, actual sales tax revenues were higher than FY 2010 by 3.98%. The continued growth in sales tax since the FY 2010 decline is partially due to the .8% sales tax increase. Sales tax has steadily increased for the last 5 years as the economy has improved. FY2013 showed a large increase of 10% over FY 2012 and FY 2014 increased by 8% over FY 2013 as consumers became more confident in the economy. Since FY 2014, there has been a steady increase in sales tax. FY 2018 sales tax projections are estimated to increase 5% over FY 2017 estimates.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	13,385,255	4.78%
2017 est.	14,197,490	6.07%
2018 est.	14,907,375	5.00%



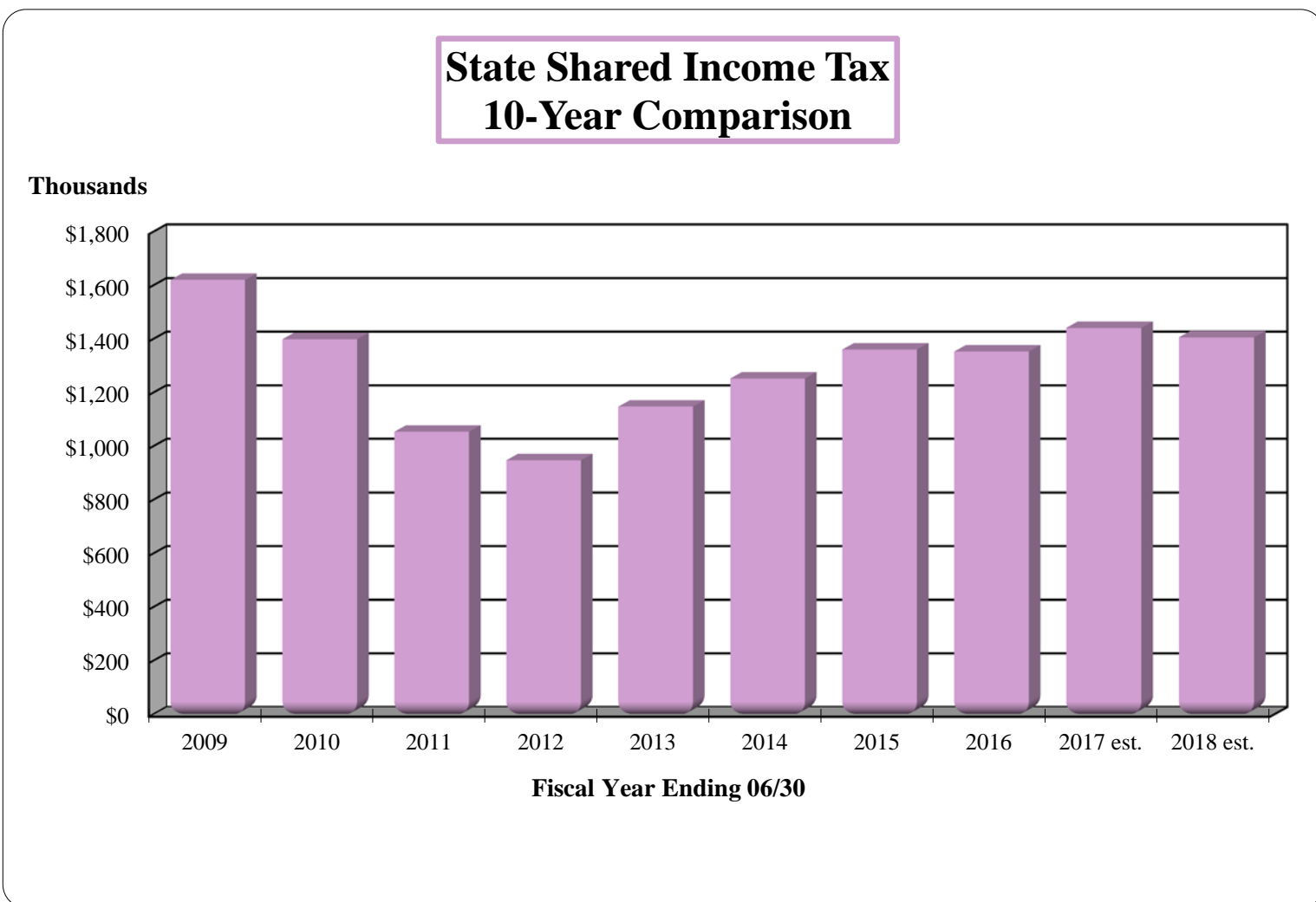
Description:

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. Prior to FY 2017, the state used the Department of Economic Security population estimates to determine each city's portion of the State Sales tax. Due to large growth in major cities in Arizona, the state is now using the Census Bureaus estimates for population which has resulted in a decrease in this revenue for FY 2018. The outlook for FY 2017 is optimistic with an estimated growth of 6.49% but FY 2018's estimate shows a slight decrease of 2.44%.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	1,356,305	-0.54%
2017 est.	1,444,370	6.49%
2018 est.	1,409,135	-2.44%



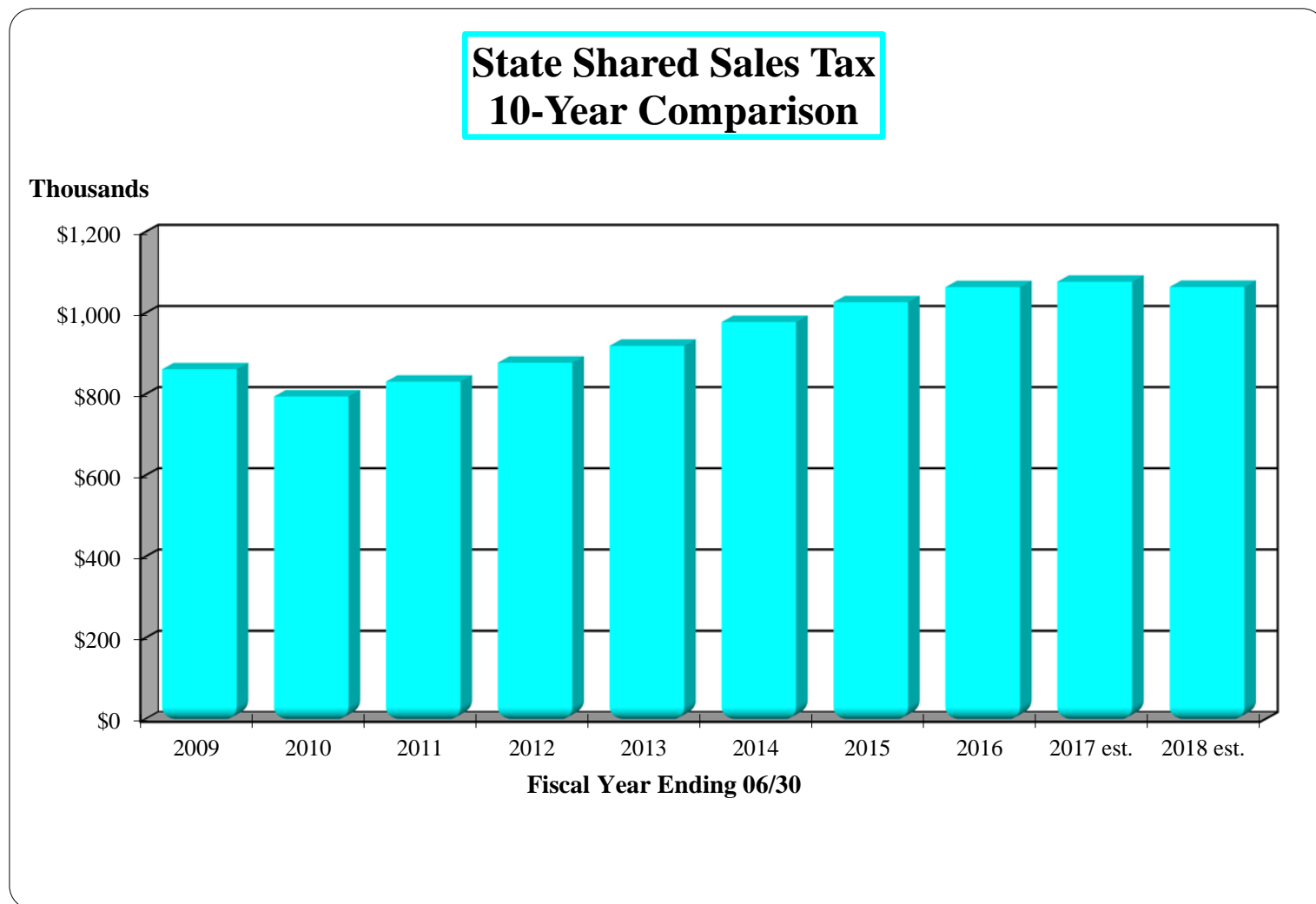
Description:

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 2016. The growth of this revenue is based on the current economic expansion and the growing population in Arizona. FY 2018 shows a slightly estimated decrease in this revenue of 1.19% due to an anticipated slowing of population growth in Arizona.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	1,066,539	3.60%
2017 est.	1,080,000	1.26%
2018 est.	1,067,120	-1.19%



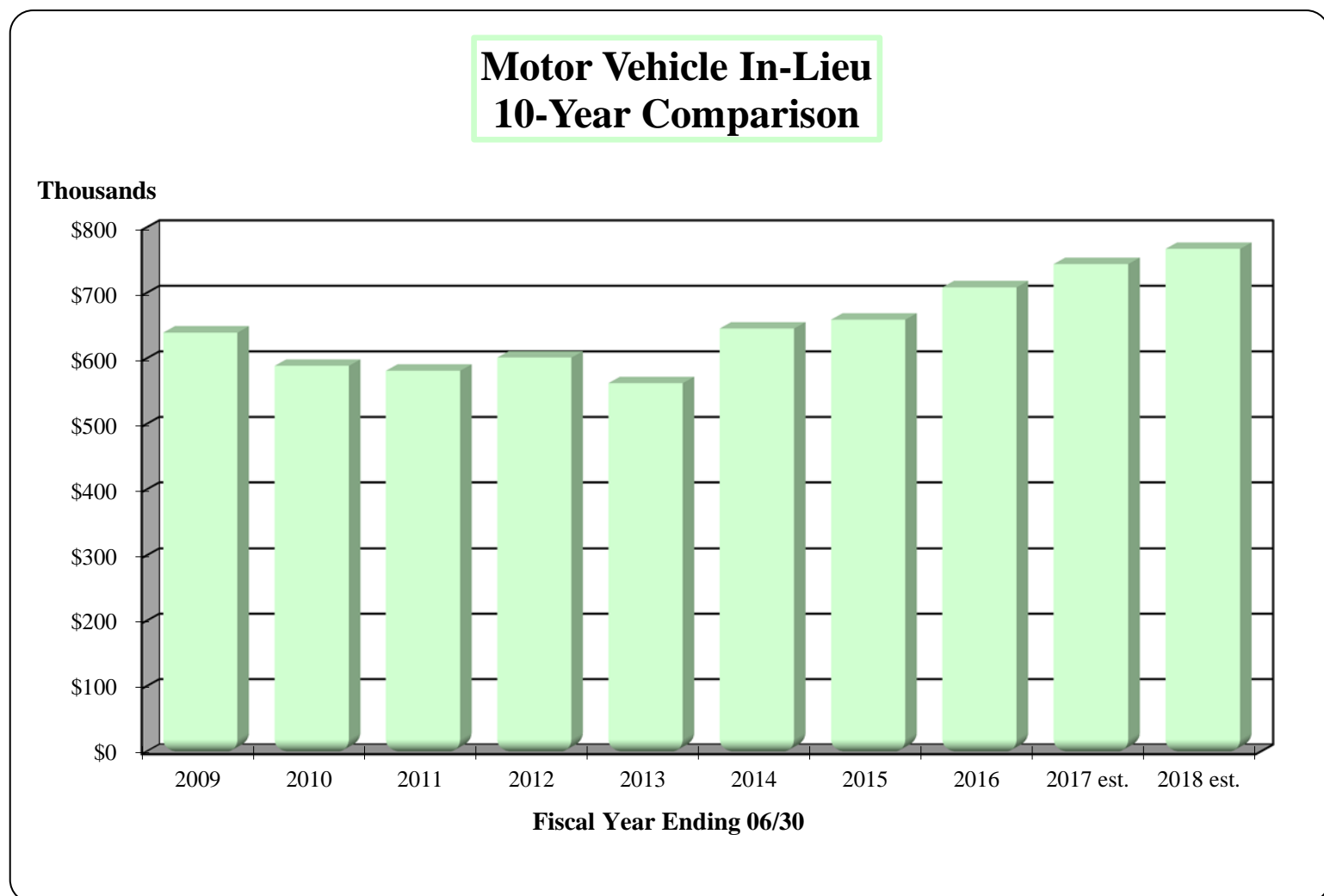
Description:

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 closer to the level of 2008; FY 2016 has already surpassed that and the expectation is that the FY 2017 will too. For FY2018, the City has estimated a 3.10% increase over FY 2017.

Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
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	710,155	7.47%
2017 est.	745,660	5.00%
2018 est.	768,770	3.10%



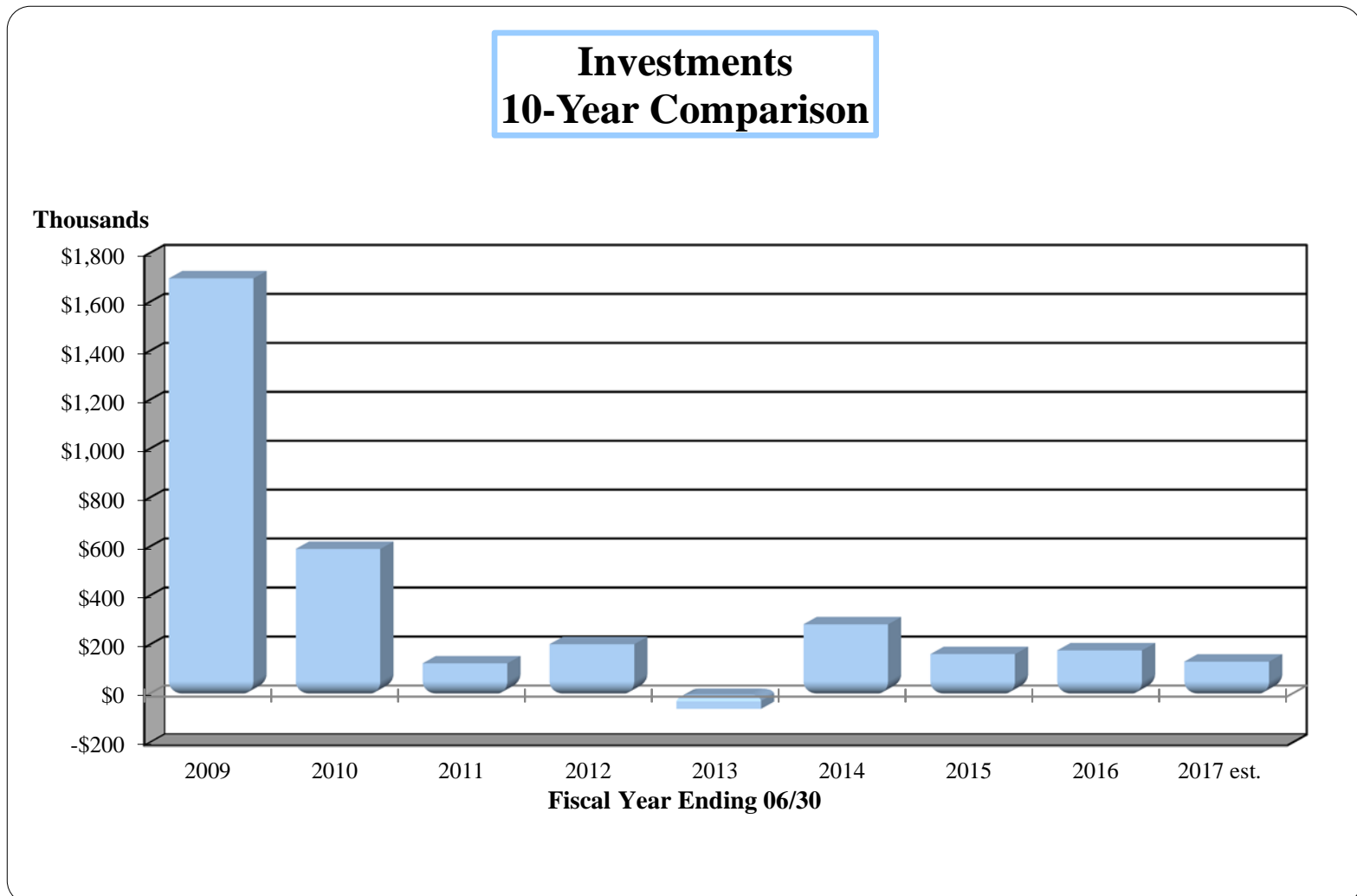
Description:

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 FY 2018 is expected to decrease due to the use of these funds for capital projects and interest rates still being relatively low.

Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
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	181,159	9.33%
2017 est.	135,450	-25.23%
2018 est.	109,870	-18.89%



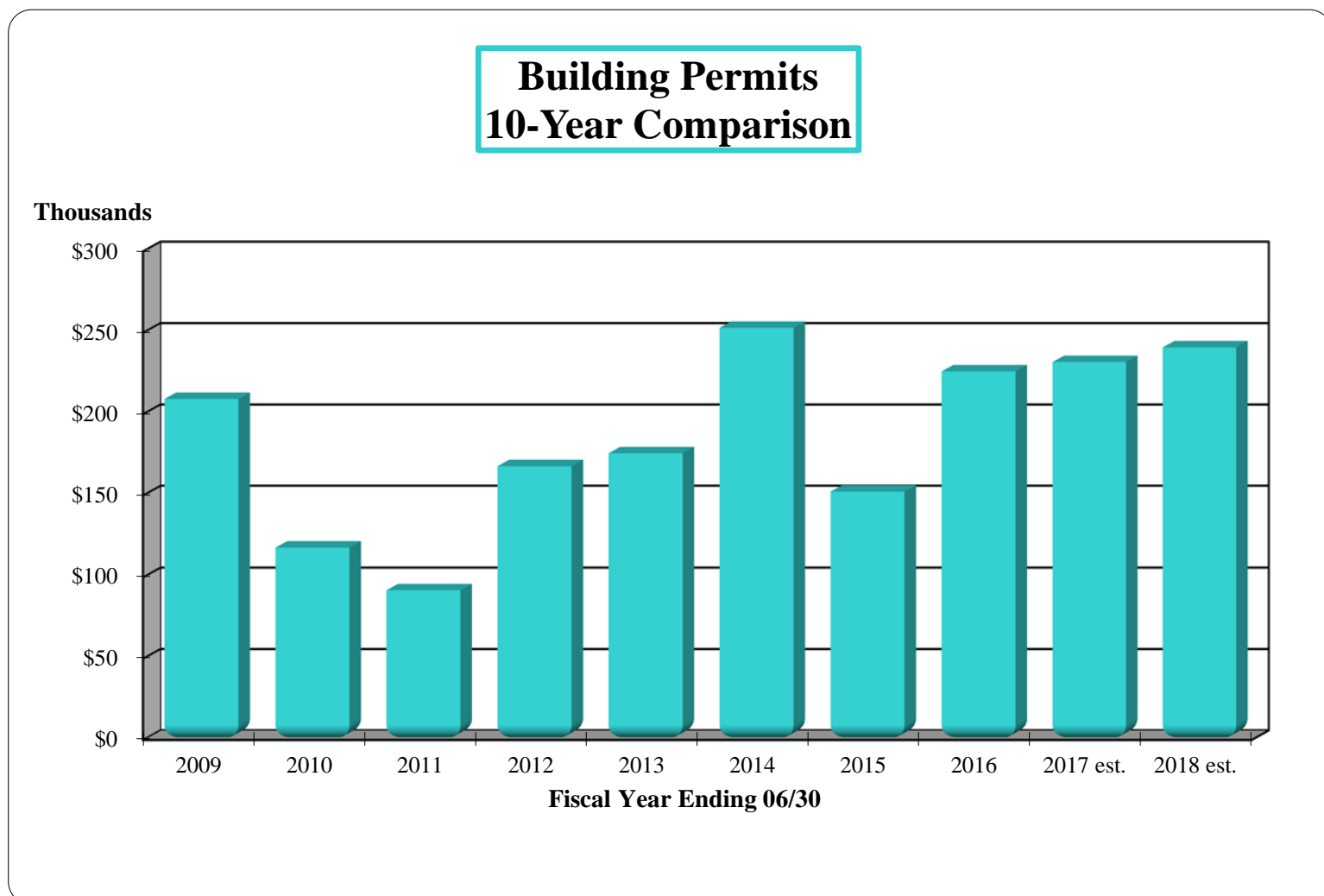
Description:

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 and FY 2018 are being forecasted at a modest increase.

Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
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	225,261	48.80%
2017 est.	231,000	2.55%
2018 est.	240,000	3.90%



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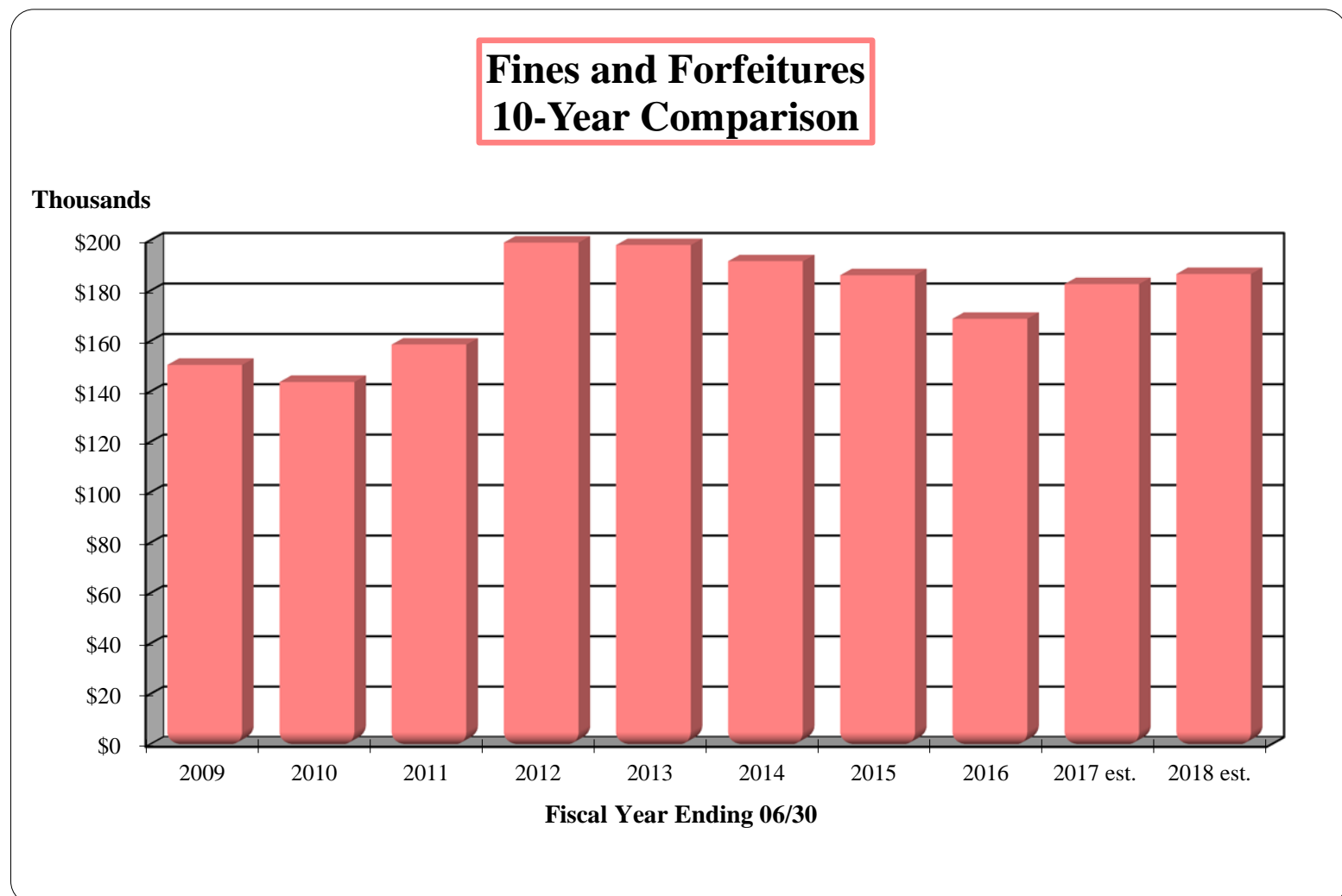
Fines and Forfeitures are generated as a result of imposed fines for the violation of various state laws and city ordinances. They include traffic violations, violations of city code and other criminal misdemeanors.

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 FY 2013, this revenue has remained pretty steady. For FY 2018, the revenues are anticipated to increase 2.19% over FY 2017 estimates.

Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
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	169,218	-9.27%
2017 est.	183,000	8.14%
2018 est.	187,000	2.19%



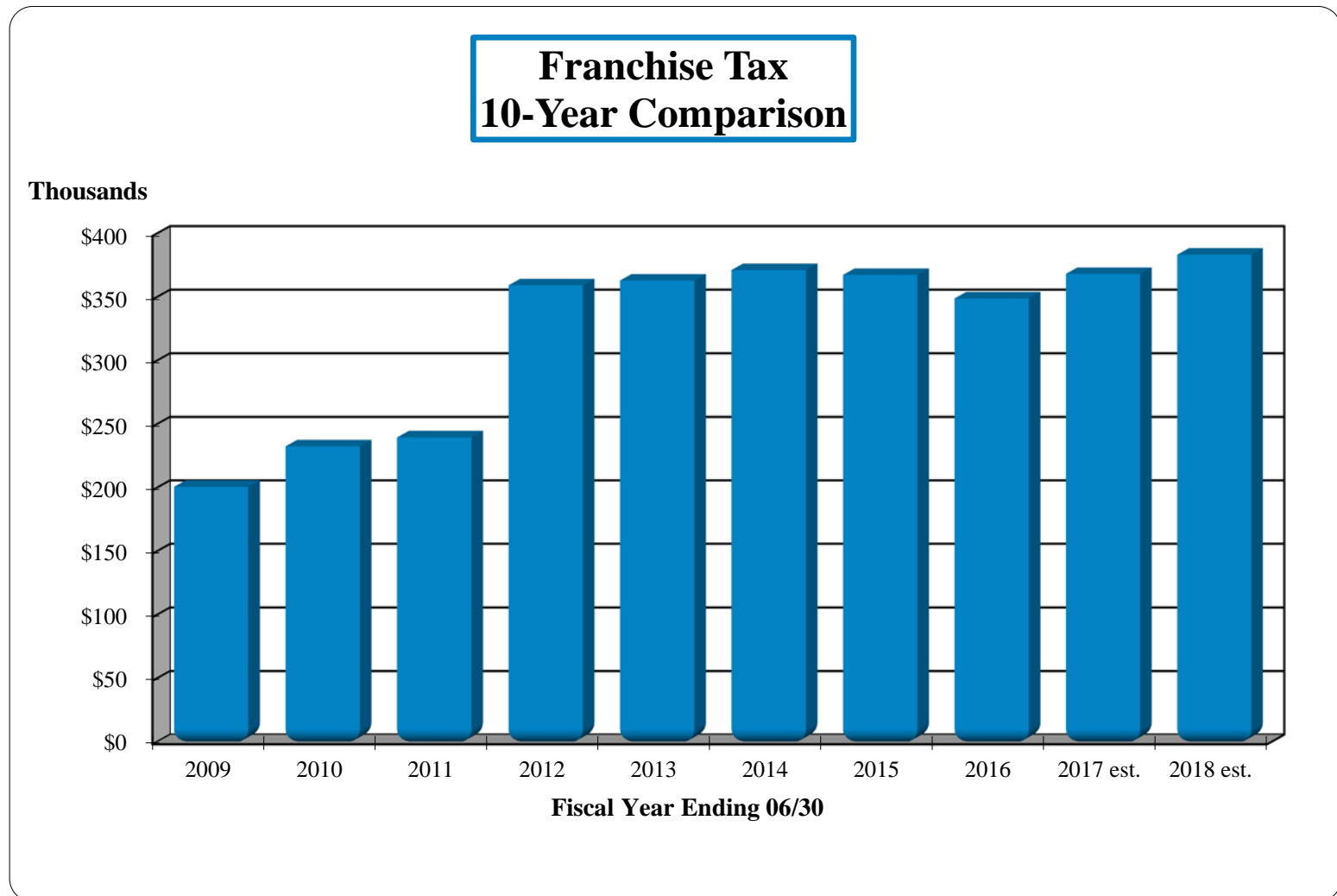
Description:

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, followed by a sharp decline in the following year. Since FY 2013, these revenues have been hovering around the same level. FY 2017 and FY 2018 show increases as Cottonwood is seeing residential growth as the economy is improving.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	349,537	-5.03%
2017 est.	368,900	5.54%
2018 est.	383,950	4.08%



Description:

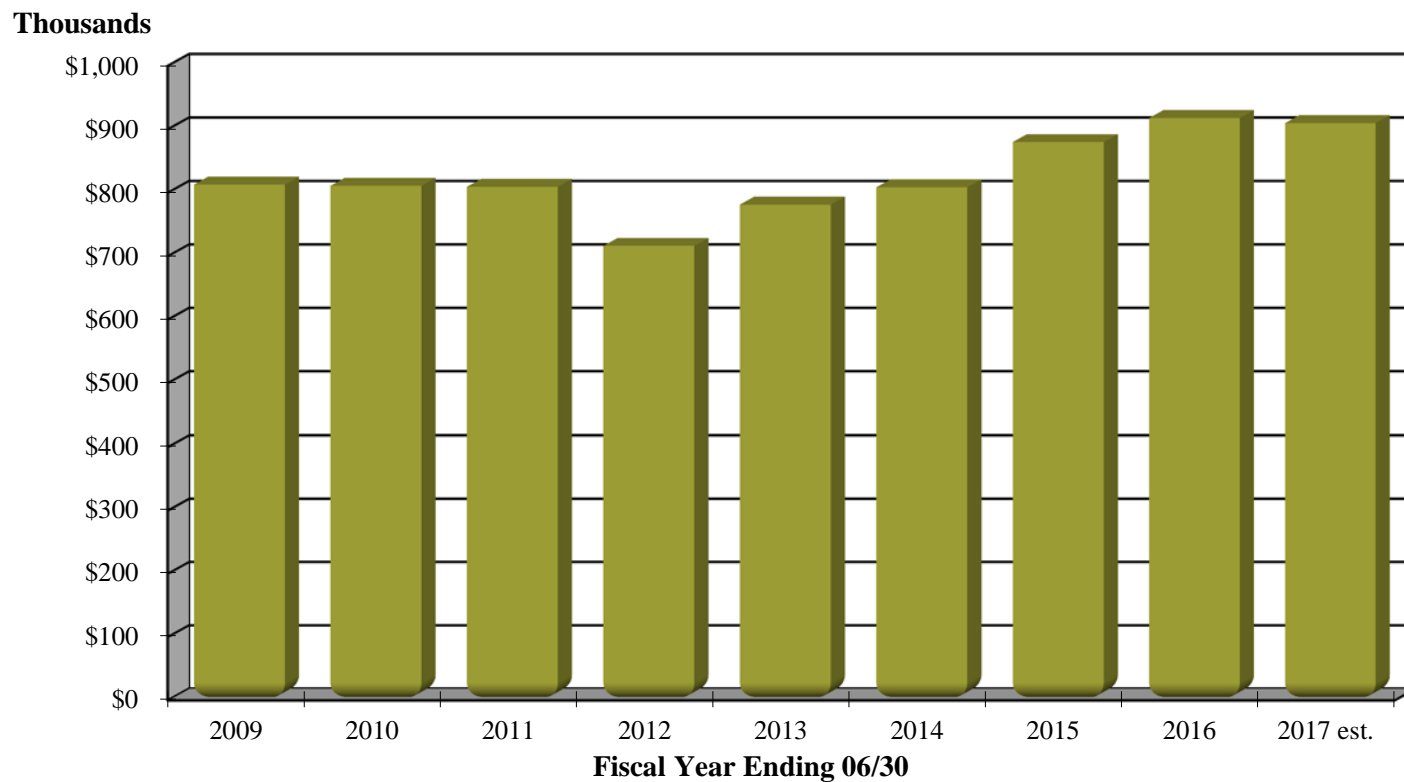
Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula is based on two separate calculations; the first half is based on a city's population in relation to the State's total population, the second is based on the county in which the revenues were generated. 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 on a percentage of the fuel purchased. The State continues to raid these funds as needed to balance the state budget. The FY2017 estimate from the state shows a decrease of .87% over FY 2016 but an increase of 7.69% for FY 2018 over FY 2017.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	914,640	4.31%
2017 est.	906,640	-0.87%
2018 est.	976,380	7.69%

**Highway User Revenue Fund - HURF
 10-Year Comparison**



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.

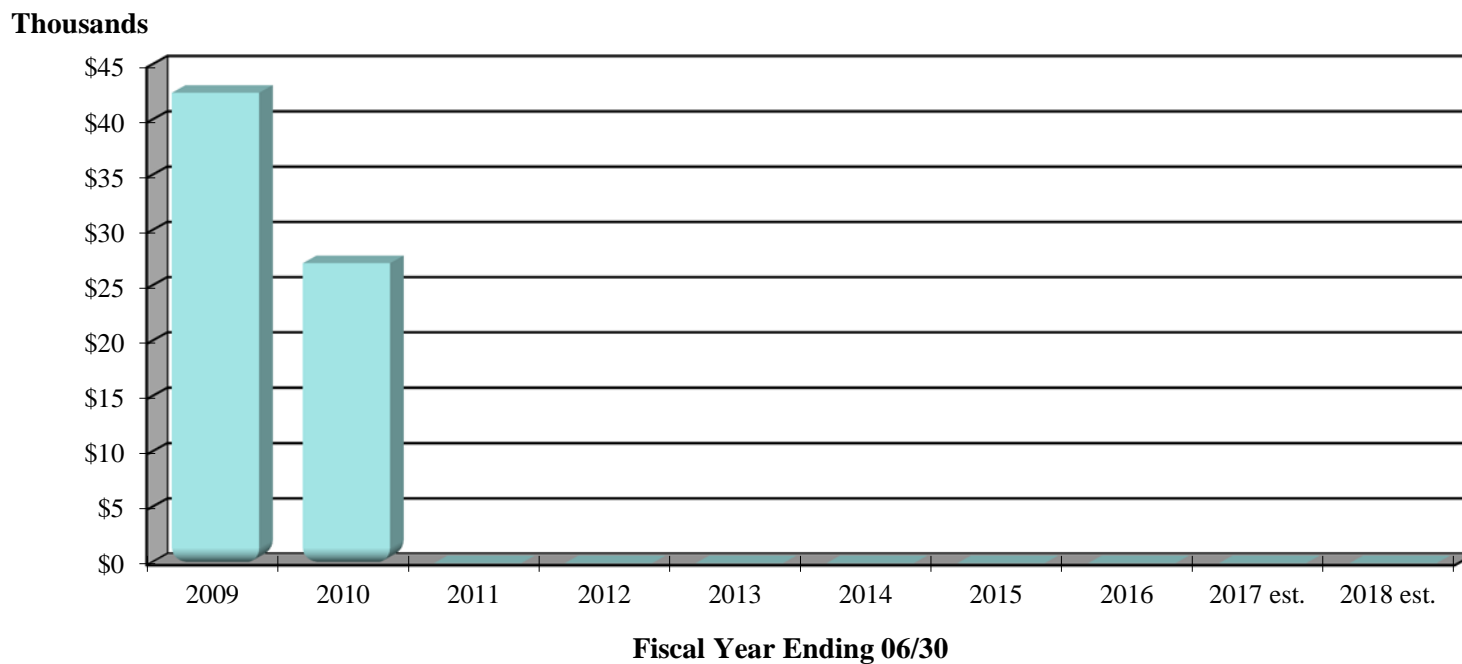
LTAF II monies are derived from the Powerball Lottery and have been distributed since 1997. The LTAF II allocations were awarded as a grant to cities and towns on a one-to-four match and could only be used for public transportation services, including operating and capital purposes.

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		
Ending 06/30	Amount	% Inc. / (Dec.)
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	0	0.00%
2017 est.	0	0.00%
2018 est.	0	0.00%

Local Transportation Assistance Fund 10-Year Comparison



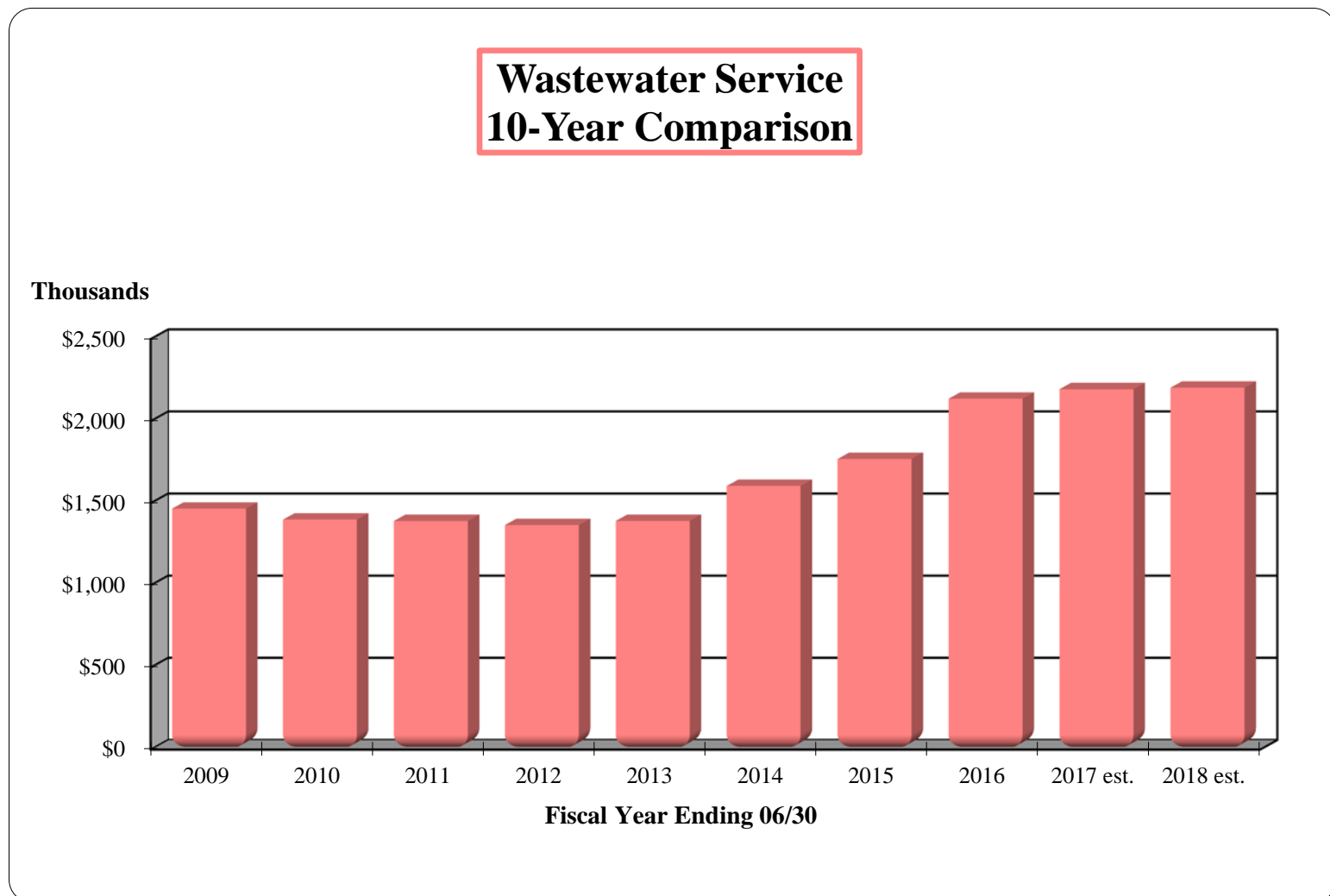
Description:

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, a rate study was done in FY 2014 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 current rate is \$32.00. This revenue will be evaluated annually to determine if a rate increase is necessary.

Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
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	2,126,351	20.87%
2017 est.	2,184,460	2.73%
2018 est.	2,193,500	0.41%



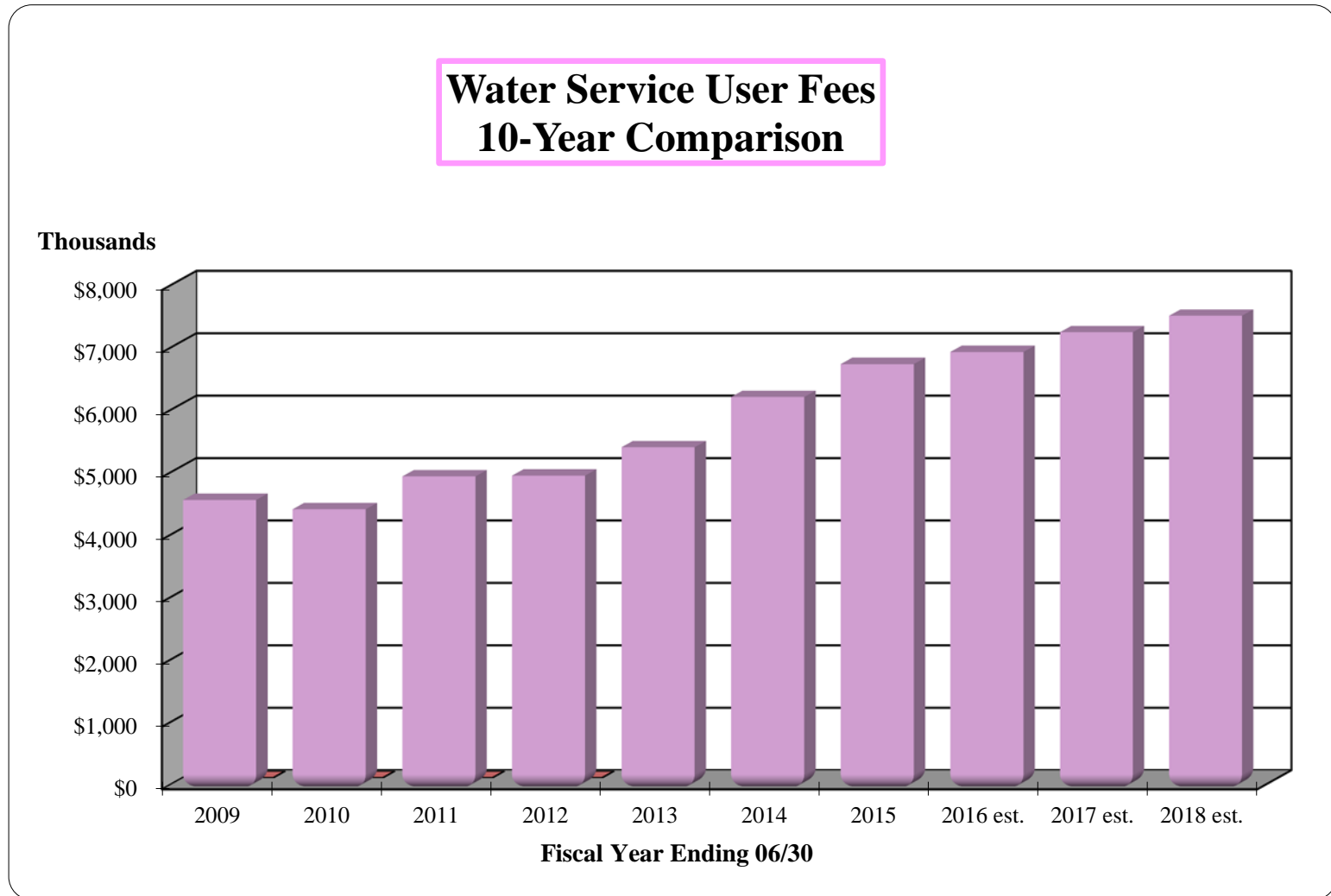
Description:

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 showed a remarkable growth that was repeated in FY 2013 and 2014. Since then the growth rate has slowed. A rate increase in FY 2015 created differential rates for inside and outside of the city limits to help with large cost of servicing the unincorporated area. The most recent rate increase was 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		
Ending 06/30	Amount	% Inc. / (Dec.)
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.	6,981,671	2.86%
2017 est.	7,297,960	4.53%
2018 est.	7,562,000	3.62%



Fiscal Year 2018 Budget
Comprehensive Summary Revenues & Expenditures
All Funds

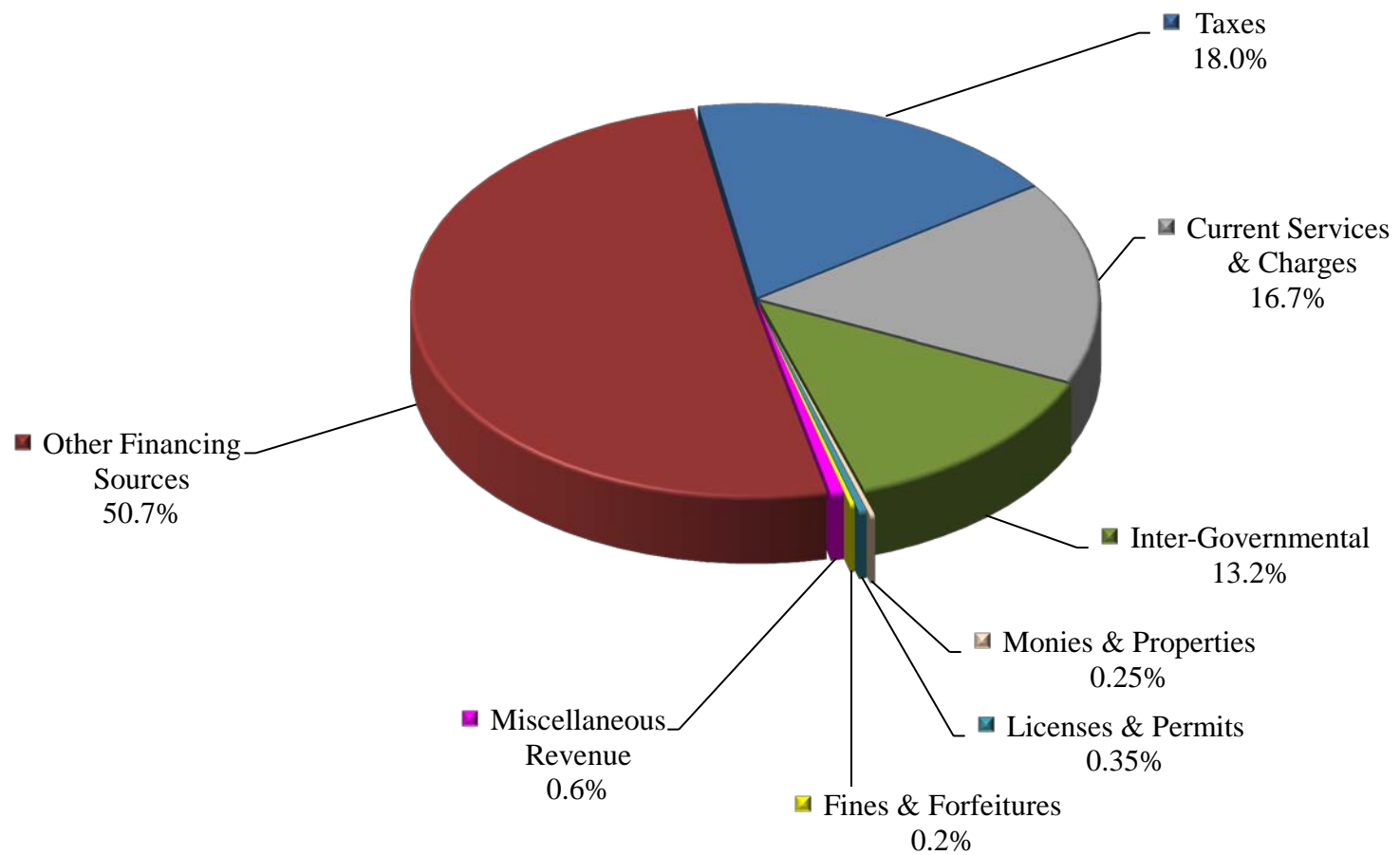
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Fund	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenues Sources:					
General Fund	\$19,134,994	\$19,561,035	\$19,893,590	\$20,683,075	3.97%
Special Revenue Funds	3,293,876	7,188,015	5,547,165	8,524,955	53.68%
Capital Projects Funds	424,624	723,960	260,000	255,000	-1.92%
Debt Service Funds	1,541,635	1,540,235	1,665,250	1,644,705	-1.23%
Enterprise Funds	10,373,955	11,514,490	10,877,540	10,811,650	-0.61%
Fiduciary Funds	(9,483)	700	30,750	25,700	-16.42%
Total Revenues	34,759,601	40,528,435	38,274,295	41,945,085	9.59%
Other Financing Sources:					
Transfers In	1,572,342	1,414,230	4,240,700	5,490,895	29.48%
Carryover	0	29,175,670	28,582,850	36,477,430	27.62%
Other Financing Resources	0	0	0	1,141,330	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	1,194,235	0	0	0.00%
Proceeds from Bonds	0	800,000	15,068,720	0	-100.00%
Total Other Financing Sources	1,572,342	32,584,135	47,892,270	43,109,655	-9.99%
Total Available Resources	36,331,944	73,112,570	86,166,565	85,054,740	-1.29%
Expenditures:					
General Fund	18,790,225	20,453,285	18,979,760	20,999,930	10.64%
Special Revenue Funds	5,218,568	9,611,250	8,002,825	12,687,015	58.53%
Capital Projects Funds	439,381	1,381,250	797,405	354,150	-55.59%
Debt Service Funds	1,541,599	1,540,235	1,926,850	15,520,200	705.47%
Enterprise Funds	8,858,581	24,471,225	15,420,615	17,922,325	16.22%
Fiduciary Funds	13,847	220,770	237,800	248,100	4.33%
Total Expenditures	34,862,201	57,678,015	45,365,255	67,731,720	49.30%
Other Uses:					
Transfers Out	1,572,342	1,414,230	4,240,700	5,489,895	29.46%
Reserves	151,215	14,020,325	15,310,070	11,833,125	-22.71%
Total Other Uses	1,723,558	15,434,555	19,550,770	17,323,020	-11.39%
Total Expenditures and Other Uses	36,585,759	73,112,570	64,916,025	85,054,740	31.02%
Net Income / (Loss)	(\$253,815)	\$0	\$21,250,540	\$0	-100.00%

Revenues for All Funds	
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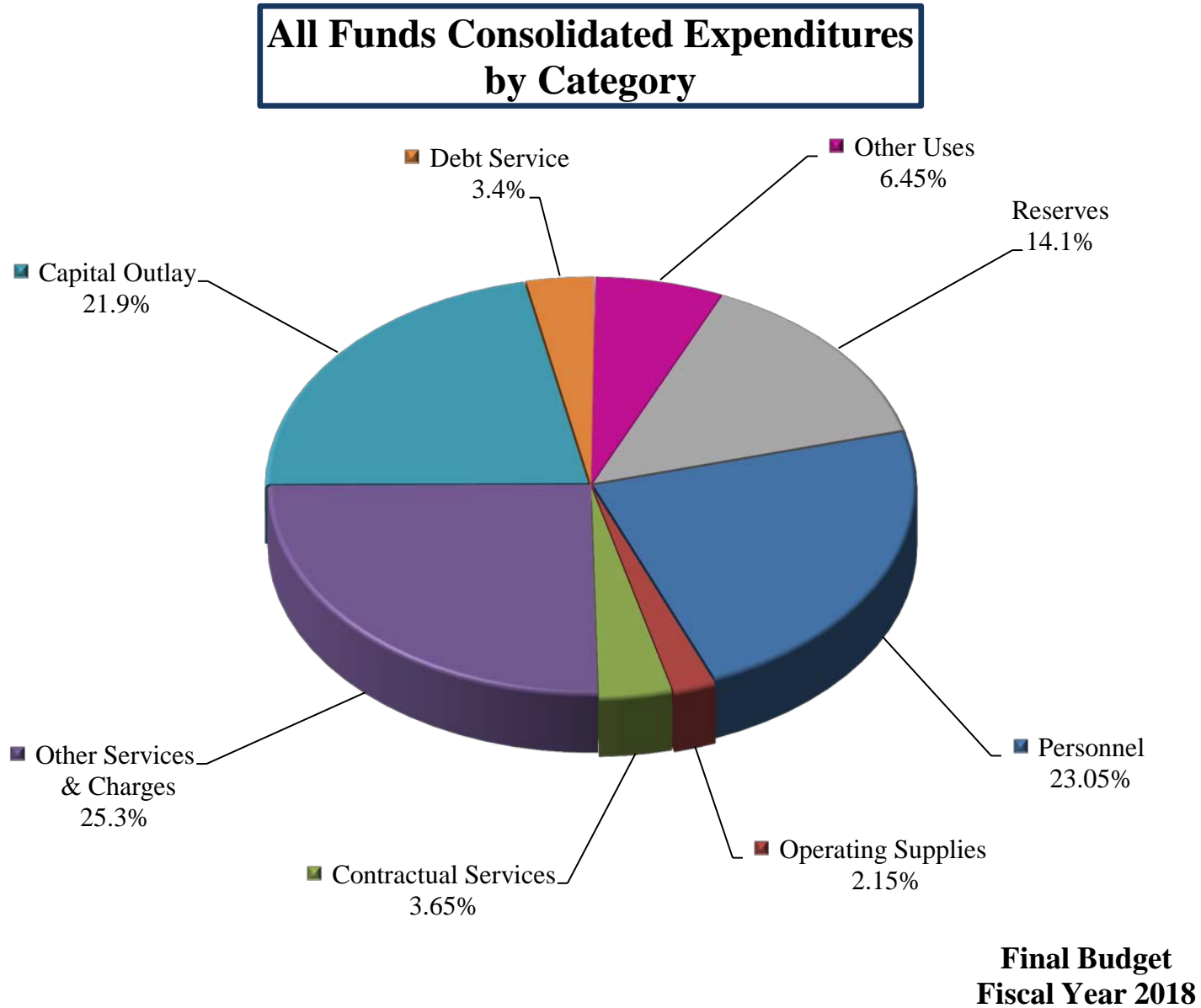
Taxes	\$15,291,325
Current Services & Charges	14,177,450
Inter-Governmental	11,250,350
Monies & Properties	196,460
Licenses & Permits	309,850
Fines & Forfeitures	187,000
Miscellaneous Revenue	532,650
Subtotal	41,945,085
Other Financing Sources	43,109,655
Total Revenues for All Funds	\$85,054,740

All Funds Consolidated Revenues by Source
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**Final Budget
Fiscal Year 2018**

Expenditures for All Funds	
Personnel	\$19,587,570
Operating Supplies	1,819,985
Contractual Services	3,096,735
Other Services & Charges	21,517,625
Capital Outlay	18,568,000
Debt Service	2,909,105
Subtotal	67,499,020
Other Uses - Transfers Out	5,489,895
Reserves	12,065,825
Total Expenditures for All Funds	<u>\$85,054,740</u>



Fiscal Year 2018 Budget
Consolidated Budget Summary - By Fund

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	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Funding Sources							
Taxes	\$13,046,090	\$600,820	\$1,644,415	\$0	\$0	\$0	\$15,291,325
Licenses & Permits	309,850	0	0	0	0	0	309,850
Intergovernmental	3,687,205	7,343,145	0	220,000	0	0	11,250,350
Charges for Services	3,360,330	462,800	0	0	10,354,320	0	14,177,450
Fines and Forfeitures	187,000	0	0	0	0	0	187,000
Uses of Monies & Prop.	42,100	98,920	290	0	30,150	25,000	196,460
Miscellaneous	50,500	19,270	0	35,000	427,180	700	532,650
Total Revenues	20,683,075	8,524,955	1,644,705	255,000	10,811,650	25,700	41,945,085
Other Financing Sources	6,426,120	4,235,260	14,824,420	2,545,390	14,856,065	222,400	43,109,655
Total Revenue & Other Financing Sources	27,109,195	12,760,215	16,469,125	2,800,390	25,667,715	248,100	85,054,740
Total Available All Sources	27,109,195	12,760,215	16,469,125	2,800,390	25,667,715	248,100	85,054,740
Expenditures							
Personnel	15,328,010	2,091,670	0	0	2,167,890	0	19,587,570
Operating Supplies	517,660	602,625	0	0	699,700	0	1,819,985
Contractual Services	1,480,790	449,855	1,300	0	1,159,190	5,600	3,096,735
Other Services & Charges	2,318,750	830,650	15,518,900	9,500	2,830,025	9,800	21,517,625
Capital Outlay	883,250	8,321,405	0	344,650	9,018,695	0	18,568,000
Debt Services	471,470	390,810	0	0	2,046,825	0	2,909,105
Subtotal of Expenditures	20,999,930	12,687,015	15,520,200	354,150	17,922,325	15,400	67,499,020
Other Uses							
Transfers Out	2,021,530	73,200	948,925	2,446,240	0	0	5,489,895
Reserves	4,087,735	0	0	0	7,745,390	232,700	12,065,825
Subtotal Other Uses	6,109,265	73,200	948,925	2,446,240	7,745,390	232,700	17,555,720
Total Expenditures & Other Uses	27,109,195	12,760,215	16,469,125	2,800,390	25,667,715	248,100	85,054,740
Net Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Commitments and Fund Balances	\$27,109,195	\$12,760,215	\$16,469,125	\$2,800,390	\$25,667,715	\$248,100	\$85,054,740

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:

General Government

Administration	Economic Development
Human Resources	Municipal Court
City Council	Legal
Natural Resources	Non-Departmental
City Clerk	Engineering Services
Finance	Public Works
Information Technology	Transfer Station
Purchasing	Building Maintenance
Community Development	Custodial

Public Safety

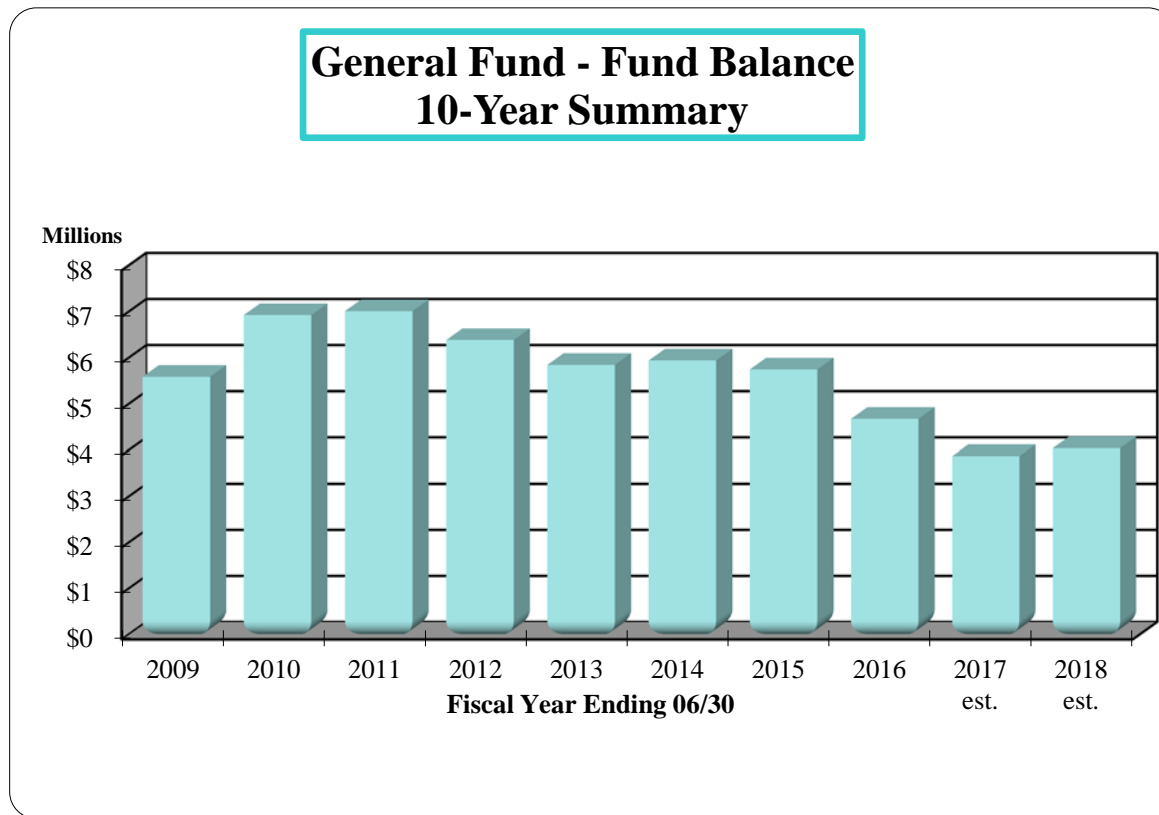
Police
Ordinance Enforcement
Communications
Fire & Medical Services

Culture & Recreation

Parks & Recreation
Recreation Center

Fund Balance:

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



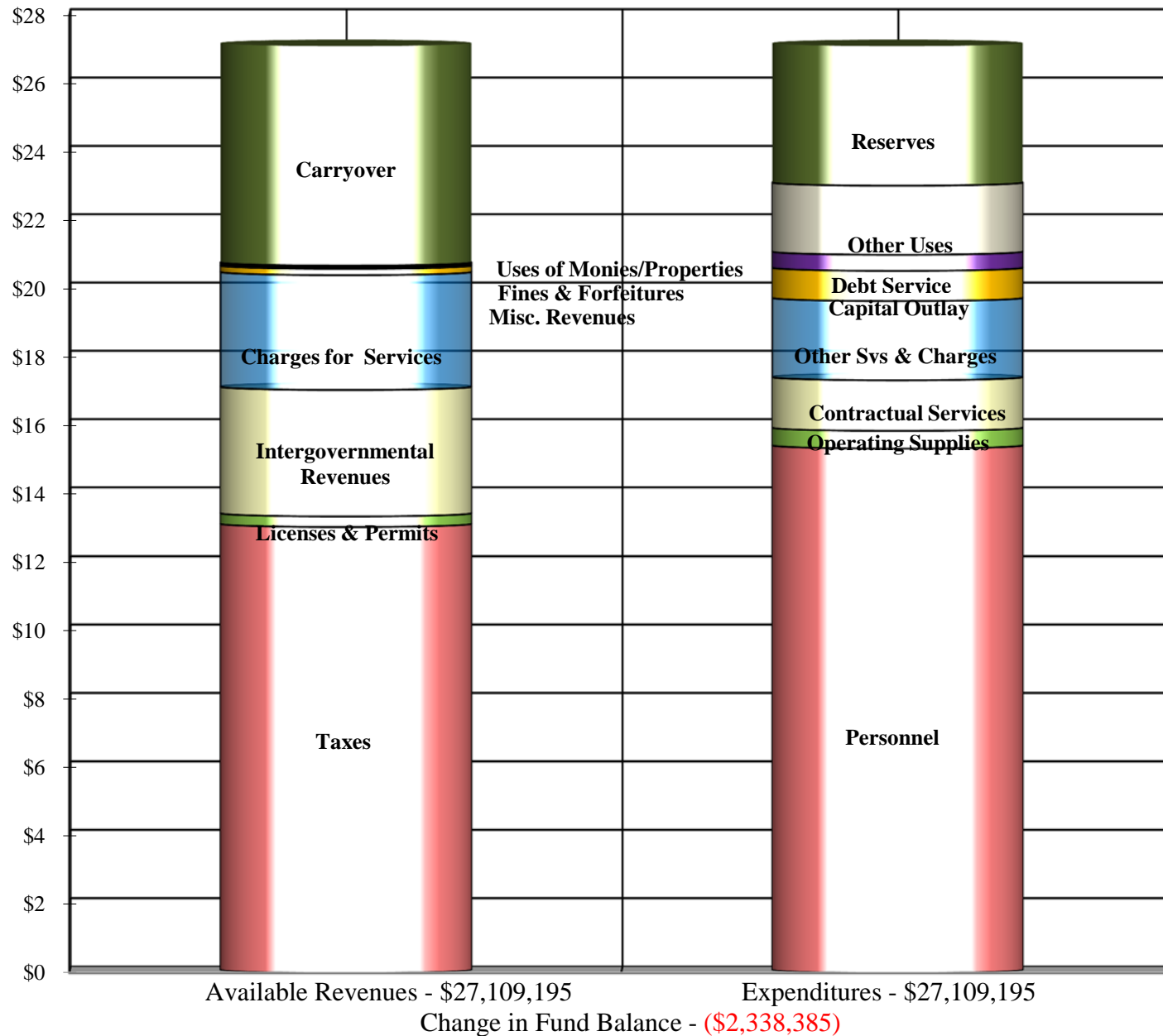
Fiscal Year	Fund Balance
2009	5,631,616
2010	6,969,407
2011	7,055,905
2012	6,426,945
2013	5,889,515
2014	5,983,140
2015	5,790,540
2016	4,719,730
2017 est.	3,915,535
2018 est.	4,087,735

General Fund Consolidated Revenues & Expenditures

Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$11,619,587	\$11,776,210	\$12,308,830	\$13,046,090
Licenses & Permits	298,242	308,500	303,350	309,850
Intergovernmental Revenues	3,586,260	3,795,625	3,601,610	3,687,205
Charges for Services	3,299,178	3,387,485	3,311,290	3,360,330
Fines & Forfeitures	169,218	191,000	183,000	187,000
Uses of Monies & Properties	59,065	51,700	43,730	42,100
Miscellaneous Revenues	103,444	50,515	141,780	50,500
Total Revenue Sources	19,134,994	19,561,035	19,893,590	20,683,075
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	4,719,730	5,228,185	6,426,120
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	1,194,235	0	0
Proceeds from Bonds	0	0	1,194,235	0
Total Other Financing Sources	0	5,913,965	6,422,420	6,426,120
Total Available Resources	19,134,994	25,475,000	26,316,010	27,109,195
Expenditures:				
Personnel	13,645,488	14,341,270	13,915,680	15,328,010
Operating Supplies	562,515	555,665	585,765	517,660
Contractual Services	1,466,814	1,354,830	1,288,670	1,480,790
Other Services and Charges	2,205,511	2,458,965	2,172,600	2,318,750
Capital Outlay	485,953	1,309,065	651,615	883,250
Debt Service	423,944	433,490	365,430	471,470
Total Expenditures	18,790,225	20,453,285	18,979,760	20,999,930
Other Uses:				
Transfers Out	868,126	1,106,180	907,630	2,021,530
Reserves	2,279	3,915,535	2,500	4,087,735
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	870,405	5,021,715	910,130	6,109,265
Total Expenditures and Other Uses	19,660,631	25,475,000	19,889,890	27,109,195
Net Income / (Loss)	(\$525,637)	\$0	\$6,426,120	\$0

Millions

Revenues vs. Expenditures Fiscal Year 2018 Budget



Revenues		Expenditures	
Taxes	\$13,046,090	Personnel	\$15,328,010
Licenses & Permits	309,850	Operating Supplies	517,660
Intergovernmental Revenues	3,687,205	Contractual Services	1,480,790
Charges for Services	3,360,330	Other Services and Charges	2,318,750
Fines & Forfeitures	187,000	Capital Outlay	883,250
Uses of Monies & Properties	42,100	Debt Service	471,470
Miscellaneous Revenues	50,500		
Total Operating Revenues	20,683,075	Total Operating Expenditures	20,999,930
Carryover Balance	6,426,120	Reserves	4,087,735
Other Sources	0	Other Uses	2,021,530
Total Revenues Available	\$27,109,195	Total Expenditures	\$27,109,195
Changes in Fund Balance - INCR./(DECR.)			(\$2,338,385)

Fiscal Year 2018 Budget
General Fund Revenues Schedule

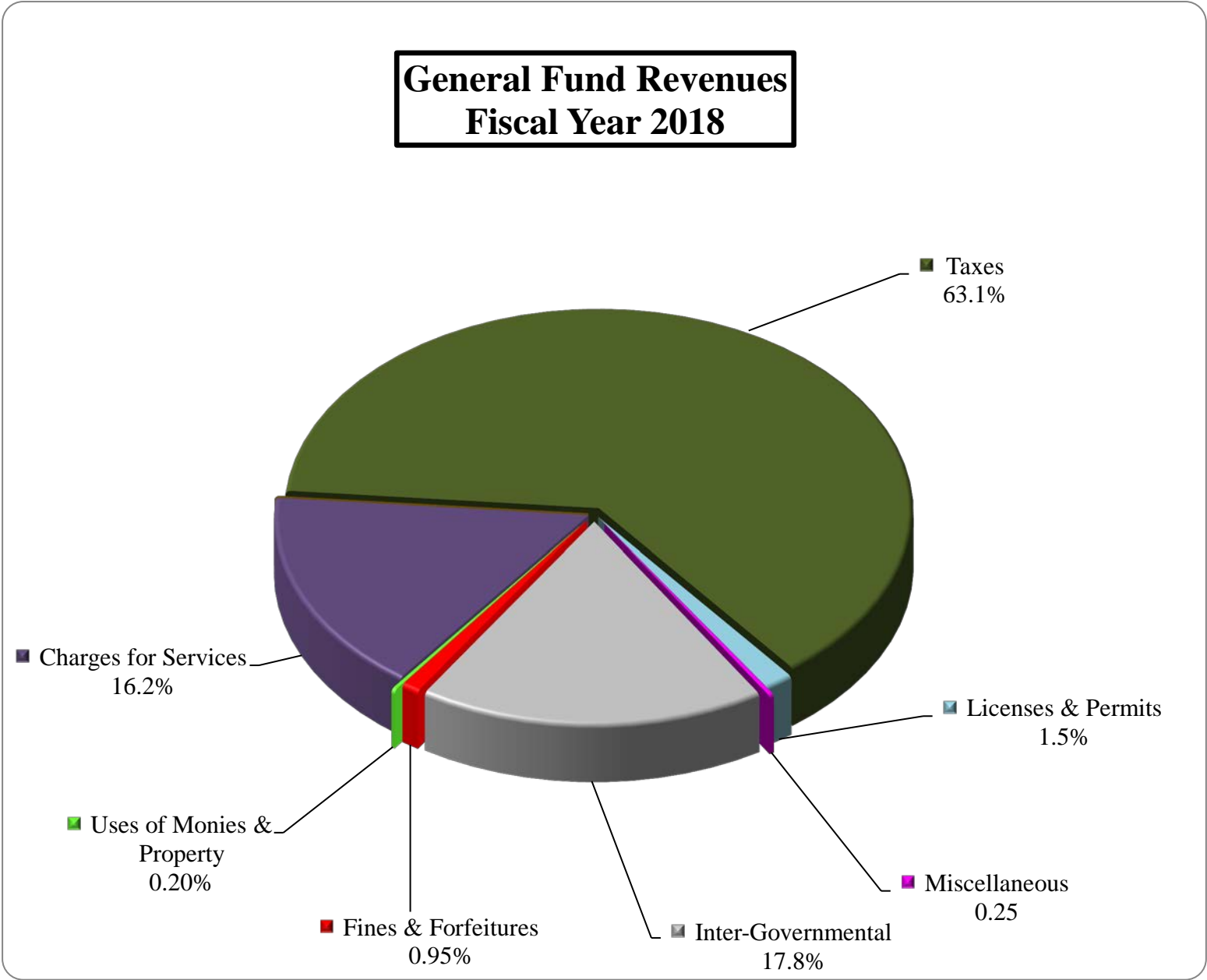
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Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Taxes					
Franchise Taxes	\$349,537	\$389,450	\$368,900	\$383,950	4.08%
City Sales Tax	10,852,751	10,935,760	11,501,630	12,209,140	6.15%
Bed Tax	187,211	201,000	203,000	213,000	4.93%
Utility Tax	230,088	250,000	235,300	240,000	2.00%
Subtotals	11,619,587	11,776,210	12,308,830	13,046,090	5.99%
Licenses & Permits					
Business Licenses	88,841	86,000	87,350	87,350	0.00%
Construction Permits	190,857	200,000	195,000	200,000	2.56%
Planning & Zoning Fees	18,544	22,500	21,000	22,500	7.14%
Subtotals	298,242	308,500	303,350	309,850	2.14%
Intergovernmental					
M.V. Lieu Tax	710,155	703,780	745,660	768,770	3.10%
Cottonwood Oak Creek Shared Services	0	0	0	0	0.00%
Urban Revenue Sharing	1,356,305	1,444,370	1,444,370	1,409,135	-2.44%
State Shared Sales Tax	1,066,539	1,111,240	1,080,000	1,067,120	-1.19%
Post - Reimbursement	0	2,500	0	0	0.00%
Pant Grant	129,098	130,500	126,900	130,000	2.44%
School Resource Grant	20,000	20,000	20,000	25,000	25.00%
Misc. Police Grants/DOJ Grant	1,171	80,055	65,830	60,500	-8.10%
GOHS Grant	88,000	33,000	30,000	37,500	25.00%
Victims Rights Grant	1,866	1,680	1,380	1,380	0.00%
Miscellaneous Fire Grants	0	10,000	0	5,000	0.00%
Business Assistance Center Grant	0	0	0	75,000	0.00%
Homeland Security Grant	100,601	65,000	0	32,500	0.00%
GIITEM Grant Funding	0	0	0	0	0.00%
NACOG-EWD OJT Funding	0	0	900	0	-100.00%
Rico Grant Funds	35,400	25,000	0	0	0.00%
Yavapai Apache Revenue Share	20,629	25,000	18,770	20,000	6.55%
State Land Dpt Reimbursement	5,476	0	0	0	0.00%
Spay Neuter Grant	5,000	5,000	0	5,000	0.00%
Nature Conservancy Grant	45,000	0	0	0	0.00%
Miscellaneous Grants	0	87,000	65,000	0	-100.00%
Fire Grant	0	47,500	0	47,500	0.00%
SB1398 Police Equipment	1,020	4,000	2,800	2,800	0.00%
Subtotals	3,586,260	3,795,625	3,601,610	3,687,205	2.38%
Fines & Forfeitures					
Court Fines	146,050	165,000	161,000	165,000	2.48%
Court Restitution	379	0	0	0	0.00%
Court Enhancement Fee	22,789	26,000	22,000	22,000	0.00%
Subtotals	169,218	191,000	183,000	187,000	2.19%
Uses of Monies & Properties					
Interest Income	35,248	25,000	19,530	17,000	-12.95%
Building Rental	23,817	26,700	24,200	25,100	3.72%
Subtotals	59,065	51,700	43,730	42,100	-3.73%

Fiscal Year 2018 Budget
General Fund Revenues Schedule

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Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Charges for Service					
Spillman Fees	\$0	\$0	\$0	\$0	0.00%
Dispatch Fees	616,741	756,310	756,310	794,130	5.00%
Animal Control Fees	4,996	4,500	4,500	4,500	0.00%
Recreation Fees	6,435	4,500	4,500	4,500	0.00%
Open/Close Graves	1,400	3,000	1,900	2,000	5.26%
Community Garden Revenue	1,783	1,500	4,400	1,500	-65.91%
Engineering Fees	15,860	15,000	15,000	15,000	0.00%
Plan Check Fees	0	2,500	0	2,500	0.00%
Pool Revenue	21,240	23,000	15,000	20,000	33.33%
Rec/Fees-Softball Tournaments	28,049	30,000	24,000	20,000	-16.67%
Rhythm & Ribs Revenue	0	0	0	0	0.00%
Walkin on Main Street	5,015	5,000	270	5,000	1751.85%
Old Town Historic Tour	4,411	5,000	3,600	4,400	22.22%
Pool - Snack Bar Sales	5,984	6,000	5,910	6,000	1.52%
Pool - Swimming Lessons	15,811	14,175	15,800	15,800	0.00%
Court Atty Reimbursement	9,101	13,000	9,100	9,100	0.00%
10K Memorial Run	21,671	26,000	22,000	22,000	0.00%
Recreation Center Fees	634,770	650,000	654,700	650,000	-0.72%
Recreation Center Building Rental	62,751	45,000	33,000	33,000	0.00%
Recreation Center Classes/Programs	113,532	100,000	49,700	50,000	0.60%
Youth Center Fees	0	0	30,000	30,000	0.00%
Summer Youth Program	0	0	0	0	0.00%
Thunder Valley Rally	57,250	70,000	103,200	112,500	9.01%
Tilted Earth Revenues	58,466	0	0	0	0.00%
Riverfront Park - Snack Bar	10,113	12,000	7,500	7,500	0.00%
Batting Cage Revenue	0	0	0	0	0.00%
Sewer Accounting Fees	0	0	0	0	0.00%
Tow Fee Revenues	10,200	11,000	8,000	8,000	0.00%
Transfer Station Revenue	183,618	220,000	212,000	210,000	-0.94%
Airport-Indirect Cost	52,289	50,000	50,000	50,000	0.00%
HURF - Indirect Cost	391,951	475,000	337,000	337,000	0.00%
Library - Indirect Cost	196,976	185,000	194,000	194,000	0.00%
Cemetery-Indirect Cost	28,529	10,000	19,900	19,900	0.00%
Water - Indirect Cost	556,773	450,000	450,000	450,000	0.00%
Sewer - Indirect Cost	183,463	200,000	280,000	282,000	0.71%
Subtotals	3,299,178	3,387,485	3,311,290	3,360,330	1.48%
Miscellaneous Revenues					
Other Income	69,622	25,000	111,150	25,000	-77.51%
Cash (Short)/Over	(1,779)	0	0	0	0.00%
Police Donations - P.R.	965	1,200	1,330	1,200	-9.77%
Donations (Misc)	7,666	4,315	7,300	4,300	-41.10%
Sale of City Property	26,970	20,000	22,000	20,000	-9.09%
Subtotals	103,444	50,515	141,780	50,500	-64.38%
Other Financing Sources					
Transfers In	0	0	0	0	0.00%
Carryover	0	4,719,730	5,228,185	6,426,120	22.91%
Other Financing Sources	0	0	0	0	0.00%
Lease Purchase	0	1,194,235	0	0	0.00%
Bond Proceeds	0	0	1,194,235	0	-100.00%
Subtotals	0	5,913,965	6,422,420	6,426,120	0.06%
Total Revenues	\$19,134,994	\$25,475,000	\$26,316,010	\$27,109,195	3.01%



General Fund Revenues		
Taxes		\$13,046,090
Licenses & Permits		309,850
Miscellaneous		50,500
Inter-Governmental		3,687,205
Fines & Forfeitures		196,100
Uses of Monies & Property		42,100
Charges for Services		3,351,230
Other Sources		0
	Sub Total	20,683,075
Carryover Balance		6,426,120
Total General Fund Revenues		\$27,109,195

General Fund Revenues

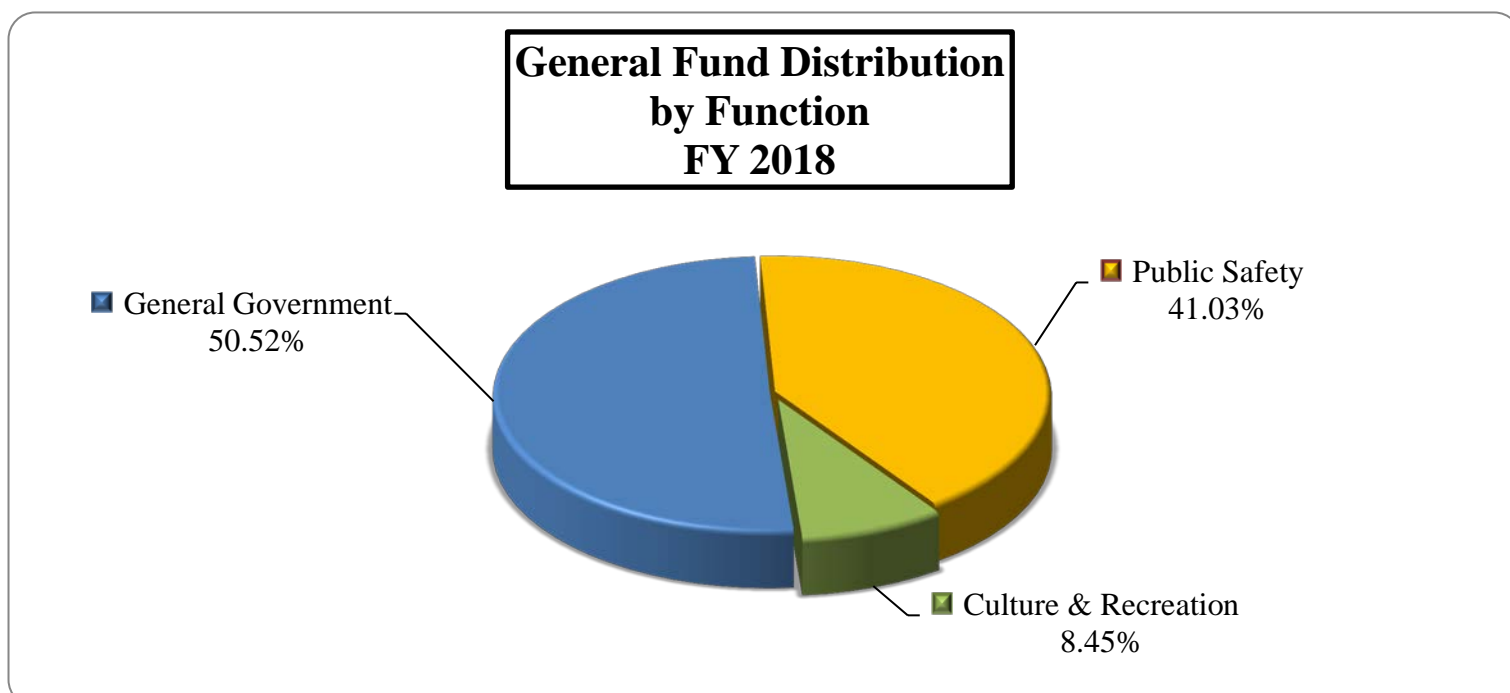
	Taxes	Licenses & Permits	Inter- Govt'l	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
Franchise Taxes	\$383,950							
City Sales Tax	12,209,140							
Bed Tax	213,000							
Utility Tax	240,000							
Business Licenses		\$87,350						
Construction Permits		200,000						
Planning & Zoning Fees		22,500						
State Revenue Sharing			\$1,409,135					
State Shared Sales Tax			1,067,120					
M.V. Lieu Tax			768,770					
GIITEM Funds			0					
Pant Grant			130,000					
School Resource Officer/COC Shared Services			25,000					
Fire & Emergency Services Grants			52,500					
Miscellaneous Grants			66,880					
Police Grants			147,800					
Dispatch Fees				\$794,130				
Spillman Fees				0				
Animal Control Fees				4,500				
Recr. Fees/Rhythm & Ribs/10K Memorial Run/Walkin' on Main				31,500				
Thunder Valley Rally				112,500				
Old Town Historic Tour				4,400				
HURF - Indirect Cost				337,000				
Library - Indirect Cost				194,000				
Open/Close Graves				2,000				
Engineering Fees				15,000				
Plan Check Fees				2,500				
Tow Fee Revenues				8,000				
Transfer Station				210,000				
Pool Revenue				20,000				
Riverfront Park - Snack Bar				7,500				
Pool - Snack Bar Sales				6,000				
Batting Cage Revenues				0				
Pool - Swimming Lessons				15,800				
Community Garden				1,500				
Rec/Fees-Softball Tournament				20,000				
Recreation Center Fees				733,000				
Airport - Indirect Costs				50,000				
Sewer - Indirect Costs				282,000				
Water - Indirect Costs				450,000				
Youth Center Fees				30,000				
Cemetery-Indirect Cost				19,900				
Court Fines					\$165,000			
Court Reimbursements					9,100			
Court Deferred Surcharge					22,000			
Building Rental						\$25,100		
Interest Income						17,000		
Other Income							\$21,200	
Donations							29,300	
Carryover								\$6,426,120
Lease Purchase Proceeds								0
Transfers In								0
Totals	\$13,046,090	\$309,850	\$3,687,205	\$3,351,230	\$196,100	\$42,100	\$50,500	\$6,426,120

Total General Fund Revenues Available \$27,109,195

Fiscal Year 2018 Budget
General Fund Disbursement Schedule

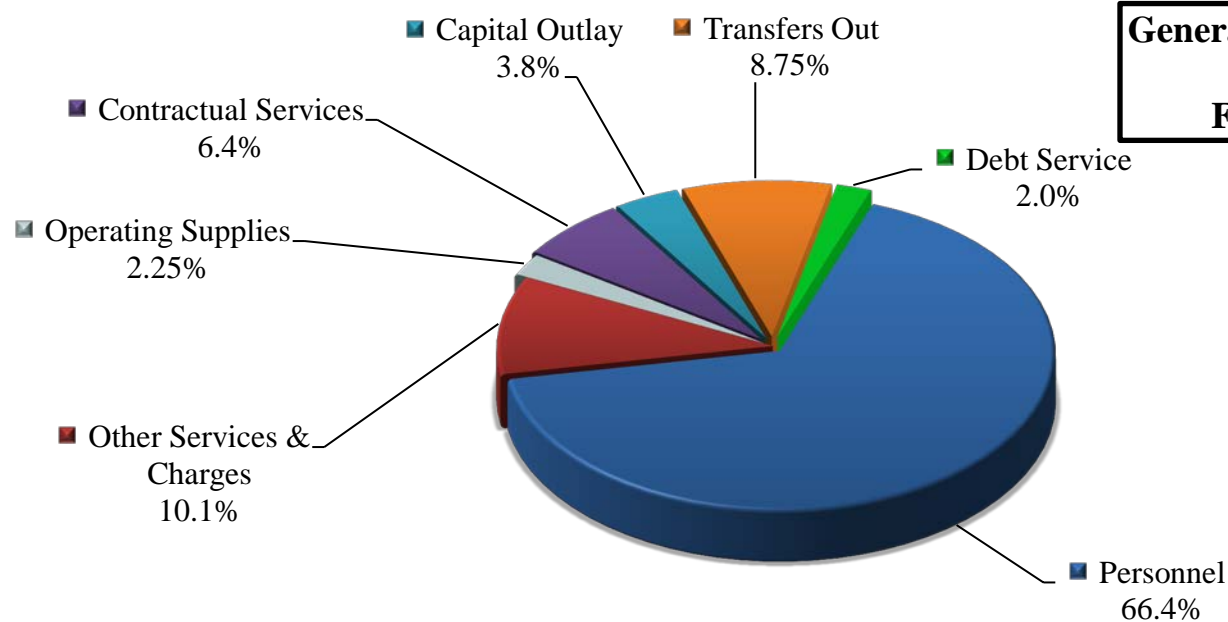
Table of Contents

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
General Government					
Administration	\$719,145	\$741,910	\$732,915	\$752,160	2.63%
Personnel	248,565	301,040	293,860	264,300	-10.06%
City Council	409,714	4,123,975	210,010	4,298,950	1947.02%
Natural Resources	160,853	167,085	167,460	175,545	4.83%
City Clerk	225,992	249,965	257,594	273,885	6.32%
Finance	419,306	445,025	439,325	445,100	1.31%
IT Services	506,753	615,980	591,655	781,905	32.16%
Purchasing	73,019	99,680	100,735	104,680	3.92%
Community Development	511,292	586,115	517,655	622,620	20.28%
Economic Development	279,881	245,330	241,235	323,520	34.11%
Municipal Court	500,566	584,065	524,545	598,480	14.10%
Legal	421,291	441,465	443,685	452,700	2.03%
Non-Departmental	1,781,531	2,058,170	1,794,460	3,028,000	68.74%
Engineering	354,261	424,700	439,840	335,760	-23.66%
Building Maintenance	693,082	429,675	465,815	409,570	-12.07%
Custodial	168,023	160,000	155,000	210,000	35.48%
Public Works	562,550	685,190	578,020	617,900	6.90%
Total General Government	8,035,824	12,359,370	7,953,810	13,695,075	72.18%
Public Safety					
Police	4,744,921	5,075,590	4,831,770	5,250,170	8.66%
Ordinance Enforcement	200,524	210,580	207,035	219,275	5.91%
Communications	1,617,435	1,749,755	1,570,725	1,756,330	11.82%
Fire	2,833,773	3,623,035	2,880,805	3,895,910	35.24%
Total Public Safety	9,396,654	10,658,960	9,490,335	11,121,685	17.19%
Culture & Recreation					
Parks & Recreation	946,884	955,365	966,881	968,465	0.16%
Recreation Center	1,281,269	1,501,305	1,478,865	1,323,970	-10.47%
Total Culture & Recreation	2,228,153	2,456,670	2,445,746	2,292,435	-6.27%
Total General Fund Expenditures	\$19,660,631	\$25,475,000	\$19,889,891	\$27,109,195	36.30%



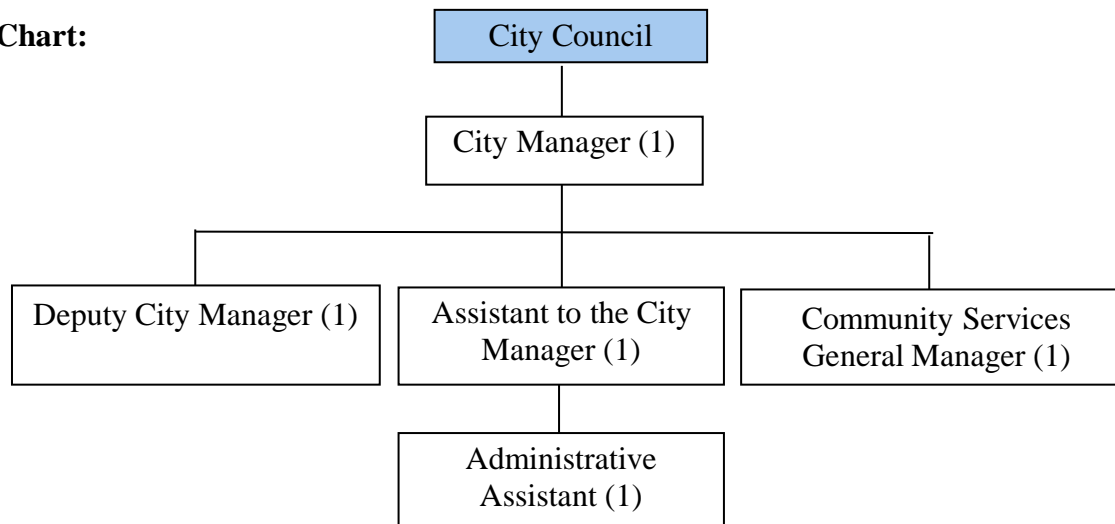
General Fund Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
General Government								
Administration	\$731,060	\$1,450	\$2,500	\$17,150	\$0	\$0	\$0	\$0
Personnel	190,150	4,550	28,000	41,600	0	0	0	0
City Council	49,765	1,050	74,000	86,400	0	0	0	4,087,735
City Clerk	229,560	1,725	700	41,900	0	0	0	0
Natural Resources	173,930	105	150	1,360	0	0	0	0
Finance	262,630	7,370	116,000	59,100	0	0	0	0
IT Services	512,125	6,900	143,680	31,500	87,700	0	0	0
Purchasing	100,010	725	1,800	2,145	0	0	0	0
Community Development	566,670	5,700	30,100	20,150	0	0	0	0
Economic Development	205,100	3,375	2,325	37,720	75,000	0	0	0
Municipal Court	440,030	7,650	46,500	104,300	0	0	0	0
Legal	262,000	50	183,600	7,050	0	0	0	0
Non-Departmental	0	0	2,000	533,000	0	2,021,530	471,470	0
Engineering Services	277,560	4,700	2,000	16,400	35,100	0	0	0
Building Maintenance	329,530	38,600	3,200	38,240	0	0	0	0
Custodial	0	0	210,000	0	0	0	0	0
Public Works	385,650	3,950	211,550	16,750	0	0	0	0
General Government Totals	4,715,770	87,900	1,058,105	1,054,765	197,800	2,021,530	471,470	4,087,735
Public Safety								
Police	4,670,180	210,130	51,195	293,215	25,450	0	0	0
Ordinance Enforcement	158,975	9,320	49,980	1,000	0	0	0	0
Communications	1,550,840	3,000	21,000	181,490	0	0	0	0
Fire	2,977,190	77,900	100,000	80,820	660,000	0	0	0
Public Safety Totals	9,357,185	300,350	222,175	556,525	685,450	0	0	0
Culture & Recreation								
Parks & Recreation	452,855	47,060	36,210	432,340	0	0	0	0
Recreation Center	802,200	82,350	164,300	275,120	0	0	0	0
Culture & Recreation Totals	1,255,055	129,410	200,510	707,460	0	0	0	0
General Fund Category Totals	\$15,328,010	\$517,660	\$1,480,790	\$2,318,750	\$883,250	\$2,021,530	\$471,470	\$4,087,735
General Fund Expenditures				\$23,021,460				
Anticipated Reserves				4,087,735				
Total General Fund Budget				<u>\$27,109,195</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 2017 Accomplishments:

- * Finished preliminary planning for road reconstruction and reconfiguration of Mingus Avenue between 10th Street and Main Street where bike lanes and continuous sidewalks will be installed, a water line placed and the driving surface
- * Kept the citizens informed through traditional and social media about City activities, changes and general updates
- * Assisted 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

FY 2018 Goals:

- * Keep the citizens informed through traditional and social media about City activities, changes and updates
- * Carry on preservation efforts to protect the Verde River through water management and trail systems as well as providing ongoing support to the Verde Front Project in identifying and creating sustainable recreational opportunities
- * Start the preliminary planning for a new City Hall that will serve as a centralized location for City departments and benefit citizens by providing convenient and efficient services
- * Expand bicycle program to achieve Silver award status from The League of American Bicyclists as a Bicycle Friendly Community

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital outlay has been programmed for this department.

General Government	Administration Department	Fund 01 - General Fund	Cost Center	1100	
Performance Indicators					
Value Statement:	Communicate and actively listen				
Department Goal:	Keep citizens and City's employees informed about City activities				
Objective:	Increase citizens' knowledge of and participation in City activities				
Tool:	Newsletters, Inside Cottonwood TV shows and media releases				
Type of Measure:	Volume and timeliness				
Frequency:	Weekly, monthly				
Scoring:					
Trend:	Upward				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
Media Outreach Events		81	81	90	95

Value Statement:	Strive to provide effective and efficient services			
Department Goal:	Create an operations manual specific to the office positions of Assistant to the City Manager and Administrative Assistant to ensure seamless execution of services			
Objective:	Document day-to-day operations and policies			
Type of Measure:	Manual deliverance			
Tool:	Policies and procedures			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
			100%	100%

General Government	Administration Department	Fund 01 - General Fund		Cost Center	1100
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$692,506	\$711,610	\$704,905	\$731,060	3.71%
Operating Supplies	2,805	3,100	2,250	1,450	-35.56%
Contractual Services	2,697	2,300	2,500	2,500	0.00%
Other Services and Charges	21,137	24,900	23,260	17,150	-26.27%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$719,145	\$741,910	\$732,915	\$752,160	2.63%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$752,160	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
City Manager (CM)	1.00	1.00	1.00	11,613	17,113	\$177,000
Deputy City Manager	0	0	1.00	10,032	14,783	140,730
Administrative Svcs General Manager	1.00	1.00	0	8,253	12,162	0
Community Services General Manager	1.00	1.00	1.00	8,253	12,162	132,940
Developmental Services General Manager	0	0	0	8,253	12,162	0
Assistant to CM	1.00	1.00	1.00	3,781	5,572	45,370
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	30,710
COLA						
Car Allowance						5,400
Merit Contingency						21,590
Temporary / Reserves						0
Overtime						0
Longevity						
Retirement						63,680
Insurance & Taxes						113,640
Employee Related Expenses						0
Totals	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>			<u>\$731,060</u>

General Government	Administration Department	Fund 01 - General Fund		Cost Center	1100
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	859	1,400	800	400	-50.00%
Copier Supplies	1,716	1,500	1,100	700	-36.36%
Gas & Oil	156	150	300	300	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Postage & Freight	74	50	50	50	0.00%

Total Supplies

2,805	3,100	2,250	1,450	-35.56%
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Contractual Services

Computer Support	1,797	1,300	1,500	1,500	0.00%
Contractual Services	900	1,000	1,000	1,000	0.00%

Total Contractual Services

2,697	2,300	2,500	2,500	0.00%
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Other Services and Charges

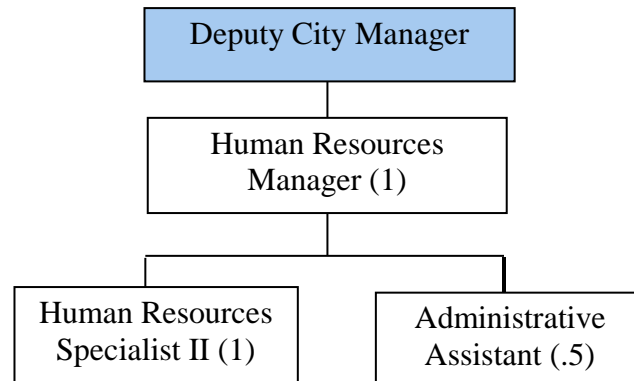
Travel & Training	1,206	1,000	1,000	1,000	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,466	1,500	1,500	1,500	0.00%
Printing & Forms	1,191	1,400	1,500	2,000	33.33%
Utilities	5,778	6,500	4,960	6,500	31.05%
Telephone	5,441	6,000	5,800	6,150	6.03%
Legal Advertising	0	0	0	0	0.00%
Manager's Contingency	6,055	8,500	8,500	0	-100.00%

Total Other Services & Charges

21,137	24,900	23,260	17,150	-26.27%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The Human Resources (HR) Department falls under the direction of 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 2017 Accomplishments:

- * Implemented the Safety Data Sheets (SDS) Online management system which enables access to and tracking of Safety Data Sheets online, satisfying OSHA regulation
- * Coordinated with Sharlot Hall Museum on the update of the City's cemetery records to include missing information and share City's information with the museum to improve their online records
- * As a tool for the reporting of workers' compensation, TriageNow (provided by Arizona Municipal Risk Retention Pool [AMRRP] of which the City is a member) has been instituted which guides employees swiftly to the right level of care for workplace injuries
- * Filed restitution claims, as appropriate, with Municipal and County courts
- * Successfully tracked employee training on SafePersonnel, through AMRRP, that offers web-based training courses for all employees
- * Initiated the *Lunch-n-Learn* Program that provides relevant workplace training for supervisors and managers
- * Worked with Springbrook on the module for Human Resources Applicant Tracking which as of January 2017 has become fully operational
- * Furtherance of risk management knowledge through attendance at the 2016 National Conference of the Public Risk Management Association (PRIMA) by the HR Manager who serves as a board member and attendance at the 2016 PRIMA Institute by an HR staff member for which the costs were fully covered by scholarships from the state and national PRIMA association

FY 2018 Goals:

- * Revise the Employee Manual, Personnel Operations Guide, Safety Manual, Transit Drug/Alcohol Program, and HIPAA (Health Insurance Portability and Accountability Act) procedures
- * Update Property and Vehicle Schedules to ensure that all City property and vehicles have AMRRP insurance coverage coverage
- * Start updating the existing cemetery mapping with assistance from the Public Works Department

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The significant decrease in Personnel cost is the result of new personnel staff hirings. No capital outlay has been programmed for this department.

General Government	Human Resources Department	Fund 01 - General Fund	Cost Center	1210	
Performance Indicators					
City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	To use City funds efficiently by minimizing expenditures for accidents, injuries and liability				
Objective:	Lower number of worker's compensation and insurance claims				
Type of Measure:	Program effectiveness				
Tool:	Risk management claims data				
Frequency:	Annual				
Scoring:	Progressing: Reduce more than 10%, Average: Reduce 0-10%, Caution: Increase <10%				
Trend:	Reduction				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
	Workers' compensation claims	19	26	26	28
	Percent increase/decrease of workers' compensation claims	-17%	37%	0%	8%
	Insurance claims/Incidents filed	13*	11*	12	14
	Percent increase/decrease of insurance claims filed	0%	-16%	9%	17%

City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	Recruitment of qualified applicants; retention of staff				
Objective:	Provide recruitment services to City staff to assist them to recruit the best qualified applicants				
Type of Measure:	Outcome				
Tool:	Human Resources Department data				
Frequency:	Annual				
Scoring:	Increase/decrease from prior year				
Trend:	Positions filled = increase; turnover rate = level				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
	Positions filled (FT, PT, Transfers)	95	125	125	130
	Percent of new hires (FT) not completing orientation period	1.5% *	27% **	10.00%	5.00%
	Employees (FT) leaving service	22	31	30	30
	Turnover rate (FT)	11.00%	14.80%	15.00%	17.00%
Applications received (FT, PT, Transfers)	683	732	750	800	
*Incl. 1 termination and 3 resignation; ** Includes 4 terminations and 5 resignations					
Expectation for future years is higher turnover due to retirements and increased job availability in market place					

City Council Goal:	Ensure for uncompromising integrity				
Department Goal:	Maintaining a work environment that is free of discrimination, harassment, intimidation and retaliation.				
Objective:	Prevent and correct unlawful discrimination and harassment in employment policies, procedures, practices and operations.				
Type of Measure:	Policy outcome				
Tool:	Human Resources data				
Frequency:	Annual				
Scoring:	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.				
Trend:	Stable				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
	Number of employee grievances to Personnel Board	0	0	1	1
	Number of EEO complaints/Lawsuits	0	0	0	0
	Complaints with substantiated findings	0	0	0	0
	Number of EEO complaints dismissed *	0	0	0	0

General Government	Human Resources Department	Fund 01 - General Fund		Cost Center	1210
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$197,862	\$207,990	\$234,950	\$190,150	-19.07%
Operating Supplies	2,243	4,000	5,050	4,550	-9.90%
Contractual Services	18,982	48,000	23,000	28,000	21.74%
Other Services and Charges	29,478	41,050	30,860	41,600	34.80%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$248,565	\$301,040	\$293,860	\$264,300	-10.06%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$264,300	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	\$70,385
Safety Training Specialist	0.00	0.00	0.00	4,825	7,111	0
Human Resources Specialist II	0.00	1.00	1.00	3,781	5,572	45,370
Human Resources Specialist	1.00	0.00	0.00	2,687	3,960	0
Administrative Assistant	0.50	0.50	0.50	2,559	3,771	17,285
COLA						0
Employee of the Quarter/Year						650
Merit Contingency						2,140
Temporary / Reserves						0
Overtime						0
Longevity						0
Retirement						15,620
Insurance & Taxes						38,700
Employee Related Expenses						0
Totals	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>			<u>\$190,150</u>

General Government	Human Resources Department	Fund 01 - General Fund		Cost Center	1210
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	811	1,300	2,000	1,400	-30.00%
Copier Supplies	660	1,050	900	1,000	11.11%
Gas & Oil	284	400	400	500	25.00%
Vehicle Maintenance	39	500	850	500	-41.18%
Equipment Maintenance and Supplies	251	400	800	900	12.50%
Postage & Freight	197	350	100	250	150.00%

Total Supplies

2,243	4,000	5,050	4,550	-9.90%
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Contractual Services

Compensation Study	0	0	0	0	0.00%
Computer Support	2,595	3,000	5,000	7,000	40.00%
Employee Physicals	9,649	10,000	13,000	14,000	7.69%
Contractual Services	6,738	35,000	5,000	7,000	40.00%

Total Contractual Services

18,982	48,000	23,000	28,000	21.74%
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Other Services and Charges

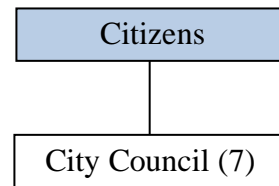
Travel & Training	888	5,500	5,500	6,000	9.09%
Subscriptions & Memberships	443	800	600	800	33.33%
Training Supplies	317	200	100	200	100.00%
Printing & Forms	88	0	0	100	0.00%
Advertising	0	0	0	0	0.00%
Utilities	4,262	4,600	4,150	4,600	10.84%
Telephone	893	950	810	900	11.11%
Recruitment Expense	7,419	9,000	3,700	9,000	143.24%
Safety Committee	3,531	4,000	4,000	4,000	0.00%
Unemployment Insurance (City)	11,637	16,000	12,000	16,000	33.33%

Total Other Services & Charges

29,478	41,050	30,860	41,600	34.80%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	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 2017 Accomplishments:

- * Finalized the preliminary planning for the reconstruction of Mingus Avenue between Main Street and Willard. Construction includes continuous sidewalks, installation of bike lanes and a new driving surface to provide for a safer area
- * Finished developing plans and secured funding for the renovation of the Civic Center and its HVAC replacement
- * Construction of the Riverfront Wastewater Reclamation Plant has begun. This facility will provide reclaimed water to water sport fields and replenish the aquifers

FY 2018 Goals:

- * Complete reconstruction of the section of Mingus Avenue between Main Street and Willard Street where bike lanes, continuous sidewalks and a new driving surface will be installed
- * Proceed with the renovation of the Cottonwood Civic Center and HVAC replacement
- * Complete construction of the Riverfront Water Reclamation Facility that will provide reclaimed water for the watering of the sport fields and replenishment of aquifers
- * Complete, distribute, and collect a citizen survey to encourage citizen participation and ascertain citizens' satisfaction as well as increasing awareness of City departments and their activities
- * Maintain collaborative efforts with surrounding governing entities regarding the expansion and coordination of the transit system to increase public transportation service throughout the Verde Valley
- * Expand bicycle program to achieve Silver level as a bicycle friendly community

Budget Highlights:

There are no significant changes to this budget. Budget includes appropriation of funds for the Verde Valley Senior Center (\$55,000), Old Town Center for the Arts (\$20,000), Old Town Association (\$10,000) and the Building Community Grant (\$15,000). No capital has been budgeted.

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

Supplemental Data: Capital Outlay				
Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Trust Land Annexation	\$320	\$1,500		
Audio-visual Equipment	13,454			
Totals	\$13,774	\$1,500	\$0	\$0

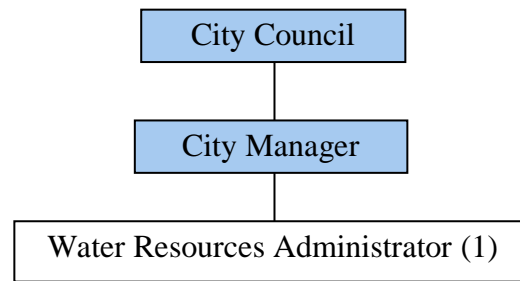
General Government	City Council	Fund 01 - General Fund			Cost Center	1000
Summary by Category						
Expenditure Category	2016	2017		2018	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$47,024	\$48,940	\$47,030	\$49,765	5.82%	
Operating Supplies	999	1,250	1,050	1,050	0.00%	
Contractual Services	264,176	70,000	74,000	74,000	0.00%	
Other Services and Charges	81,462	86,750	85,430	86,400	1.14%	
Capital Outlay	13,774	1,500	0	0	0.00%	
Reserves	2,279	3,915,535	2,500	4,087,735	163409.40%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$409,714	\$4,123,975	\$210,010	\$4,298,950	1947.02%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$211,215	4.91%
Grants	0	0.00%
Reserves/Fund Balance	4,087,735	95.09%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	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						1,125
Insurance & Taxes						3,640
Employee Related Expenses						0
Totals	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>			<u>\$49,765</u>

General Government	City Council	Fund 01 - General Fund		Cost Center	1000
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	963	1,200	1,000	1,000	0.00%
Copier Supplies	0	0	0	0	0.00%
Postage & Freight	37	50	50	50	0.00%
Total Supplies	999	1,250	1,050	1,050	0.00%
Contractual Services					
Main Street Program & OTA	3,500	10,000	10,000	10,000	0.00%
Large Item Pick-up	16,980	5,000	9,000	9,000	0.00%
Recycle Program	0	0	0	0	0.00%
Rodeo Drive St. Reimbursement	188,485	0	0	0	0.00%
Verde Valley Senior Center	55,211	55,000	55,000	55,000	0.00%
Total Contractual Services	264,176	70,000	74,000	74,000	0.00%
Other Services and Charges					
Travel & Training	6,204	7,000	5,000	6,000	20.00%
Subscriptions & Memberships	12,025	15,200	15,000	15,000	0.00%
Gas & Oil	15	100	100	100	0.00%
Vehicle Maintenance & Repair	679	500	300	250	-16.67%
Computer Support	1,223	1,000	1,200	1,200	0.00%
Christmas Lights	265	300	680	600	-11.76%
Public Relations	1,189	1,200	1,500	1,200	-20.00%
Legal Advertising	0	0	0	0	0.00%
Parking Lot Lights	2,228	2,200	2,200	2,200	0.00%
Utilities	4,351	5,500	5,600	6,000	7.14%
Telephone	1,664	1,750	1,750	1,750	0.00%
Community Garden	1,297	500	600	600	0.00%
Council Contingency	10,274	10,000	10,000	10,000	0.00%
Annual Appreciation Event	1,661	1,500	1,500	1,500	0.00%
Youth Commission	2,389	4,000	4,000	4,000	0.00%
50 th Anniversary/Centennial Celebration	0	0	0	0	0.00%
Veterans Van	0	0	0	0	0.00%
Outside Agencies	25,000	20,000	20,000	20,000	0.00%
Growth Study & Analysis	0	0	0	0	0.00%
Birding Festival	1,000	1,000	1,000	1,000	0.00%
Building Community Grants	10,000	15,000	15,000	15,000	0.00%
Gardner Property	0	0	0	0	0.00%
Old Town Parking	0	0	0	0	0.00%
Total Other Services & Charges	81,462	86,750	85,430	86,400	1.14%
Reserves					
Carryover Restricted	0	2,851,240	0	3,037,990	0.00%
Accumulation Fund	0	1,000,000	0	1,000,000	0.00%
Undesignated	2,279	64,295	2,500	49,745	1889.80%
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%
Total Reserves	2,279	3,915,535	2,500	4,087,735	0.00%

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 2017 Accomplishments:

- * Completed and submitted the additional technical information requested by Arizona Department of Environmental Quality (AZDEQ) as part of the Aquifer Protection Permit (APP) process for the Mingus Avenue Wastewater Reclamation Plant which includes the current injection well and up to two additional new injection wells
- * Obtained the Aquifer Protection Permit (APP) for the Mingus Avenue Wastewater Reclamation Plant from the AZDEQ
- * Completion of the feasibility analysis of recharging reclaimed water at the Riverfront Water Reclamation Facility via injection well. If recharge via injection is feasible, an injection well will be constructed by the end of FY 2017
- * Completion of the construction of a point-of-compliance well for the currently constructed injection well at the Mingus Avenue Water Reclamation Facility as required by AZDEQ
- * Anticipate the completion and submission of an application to the Arizona Department of Water Resources (ADWR) to obtain an Underground Storage Facility (USF) Permit for the Mingus Avenue Wastewater Reclamation Plant

FY 2018 Goals:

- * Obtain the Aquifer Protection Permit from AZDEQ for the Riverfront Water Reclamation Facility
- * Obtain a USF permit for the Mingus Avenue Water Reclamation Plant
- * Complete the plumbing infrastructure for injecting reclaimed water at the Mingus Avenue Wastewater Reclamation Plant and start injecting reclaimed water
- * Anticipate completing and submitting an application to the Arizona Department of Water Resources (ADWR) to obtain a USF permit for the Riverfront Wastewater Reclamation Plant
- * Anticipate obtaining a USF permit for the Riverfront Water Reclamation Plant and begin injecting reclaimed water

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital outlay has been programmed for this department.

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	1700	
Performance Indicators					
City Council Goal:	Maintain a uniquely desirable and sustainable community				
Department Goal:	Continue participation in regional and statewide water related groups				
Objective:	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				
Type of Measure:	Meeting attendance				
Tool:	Internal Reports				
Frequency:	Monthly				
Scoring:	Maintain projected attendance				
Trend:					
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
Regional Water related meetings attended		40	39	40	40
Yavapai Water Board related meetings attended		15	2	3	2
Statewide Water Resource Development Meetings		20	20	20	20

City Council Goal:	Maintain a uniquely desirable and sustainable community				
Department Goal:	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				
Objective:	Collect, analyze and provide information in one location in order to provide the most cost effective, reliable service to the City's utility customers				
Type of Measure:	Issuance of permit				
Tool:	Obtain required permitting to begin recharging reclaimed water				
Frequency:	N/A				
Scoring:	Completion of deliverable				
Trend:					
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
Completion of well drilling	n/a	100%	100%	100%	
Submission for and aquisition of permit	n/a	75%	80%	100%	

City Council Goal:	Maintain a uniquely desirable and sustainable community			
Department Goal:	Monitor, track and provide feedback on legislation related to the regulation and management of water resources			
Objective:	Ensure the City's water resources and the utility services provided to its customers are not negatively impacted by statewide legislative efforts.			
Type of Measure:	Meeting attendance			
Tool:	Weekly legislative summary updates and recommendations to City Council			
Frequency:	Weekly during the legislative session			
Scoring:	20			
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Summary Updates	25	44	39	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
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$159,467	\$165,370	\$166,025	\$173,930	4.76%
Operating Supplies	4	260	5	105	2000.00%
Contractual Services	148	120	150	150	0.00%
Other Services and Charges	1,234	1,335	1,280	1,360	6.25%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$160,853	\$167,085	\$167,460	\$175,545	4.83%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$175,545	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	\$127,300
COLA						0
Car Allowance						5,400
Merit Pay						4,240
Temporary / Reserves						0
Overtime						0
Retirement						15,750
Insurance & Taxes						21,240
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$173,930</u>

General Government	Natural Resources	Fund 01 - General Fund		Cost Center	1700
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	0	0	0	0	0.00%
Copier Supplies	0	250	0	100	0.00%
Postage & Freight	4	10	5	5	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance	0	0	0	0	0.00%

Total Supplies	4	260	5	105	2000.00%
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Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	148	120	150	150	0.00%

Total Contractual Services	148	120	150	150	0.00%
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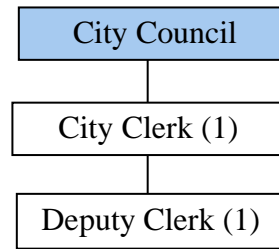
Other Services and Charges

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	274	375	320	400	25.00%
Telephone	960	960	960	960	0.00%

Total Other Services & Charges	1,234	1,335	1,280	1,360	6.25%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	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 2017 Accomplishments:

- * Compiled and prepared 38 council meeting packets
- * Produced and posted 38 council meeting agendas, summary minutes and meeting minutes
- * Successfully conducted the administration of the City of Cottonwood's primary and general election
- * Assisted appointed and newly elected officials with transitioning into their new position at the City
- * Assisted the Mayor with the council member appointment process
- * Expanded the Community Garden plots and started the growing season with the garden plots being leased 100%

FY 2018 Goals:

- * Provide administrative and clerical support to the new Mayor and Council Members
- * Prepare and provide council meeting packet information in timely manner to the Mayor, Council Members and general public
- * Per the State's records retention schedule, purge redundant paper files in the City Clerk's department
- * Establish a process for board and commission chairpersons to report to the City Council bi-annually with updates on the progress of their respective board or commission
- * Prepare candidate packets and information for the 2018 City of Cottonwood Council election

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. There is no capital outlay for this budget year for this department.

General Government	City Clerk	Fund 01 - General Fund	Cost Center	1010
Performance Indicators				
Mission/Value Statement:	*Performances Indicators are still being developed for this department*			
City Council Goal:	Strive to provide effective and efficient services			
Department Goal:	Provide excellent customer service to the public and staff			
Type of Measure:	Outcome			
Tool:	Number of requests			
Frequency:	Annual			
Scoring:	Increase/decrease/level			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
	Increase	Increase	Level	Level

City Council Goal:	Strive to provide effective and efficient services			
Department Goal:	Respond to the legislative needs of the City Council and their constituents			
Type of Measure:	Outcome			
Tool:	Produce meeting agenda packets			
Frequency:	Monthly			
Scoring:	Yes/No			
Trend:	Level			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
	Yes	Yes	Yes	Yes

City Council Goal:				
Department Goal:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

City Council Goal:				
Department Goal:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

General Government	City Clerk	Fund 01 - General Fund		Cost Center	1010
Summary by Category					
Expenditure Category	2016	2017		2018	Percent
	Actual	Budget	Revised	Final	Change
Personnel	\$210,925	\$218,760	\$220,120	\$229,560	4.29%
Operating Supplies	2,509	3,325	2,270	1,725	-24.01%
Contractual Services	801	680	700	700	0.00%
Other Services and Charges	11,758	27,200	34,504	41,900	21.43%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$225,992	\$249,965	\$257,594	\$273,885	6.32%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$273,885	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2015	2016	2017	Minimum	Maximum	Budget
City Clerk	1.00	1.00	1.00	Contract		\$113,530
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	47,335
COLA						0
Merit Contingency						7,255
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						19,450
Insurance & Taxes						40,990
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$229,560</u>

General Government	City Clerk	Fund 01 - General Fund		Cost Center	1010
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,625	1,500	1,000	700	-30.00%
Copier Supplies	727	1,200	800	500	-37.50%
Gas & Oil	37	100	50	50	0.00%
Vehicle Maint & Repairs	116	500	400	450	12.50%
Equipment Maint & Repairs	0	0	0	0	0.00%
Postage & Freight	3	25	20	25	25.00%

Total Supplies	2,509	3,325	2,270	1,725	-24.01%
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Contractual Services

Computer Support	801	680	700	700	0.00%
Contractual Services	0	0	0	0	0.00%

Total Contractual Services	801	680	700	700	0.00%
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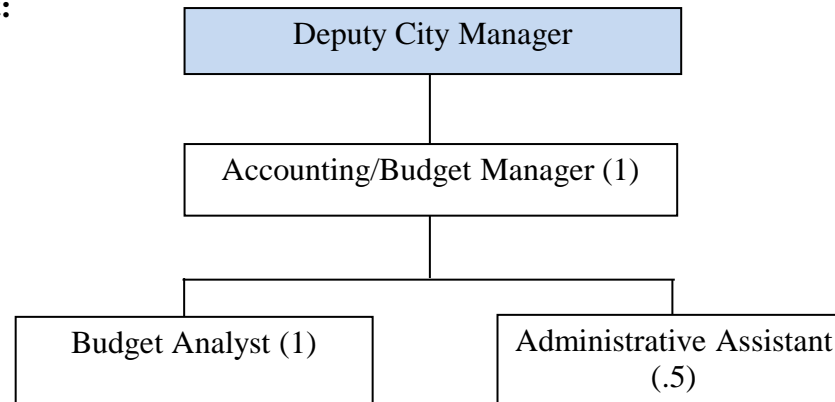
Other Services and Charges

Travel & Training	35	800	800	600	-25.00%
Subscriptions & Memberships	6,677	6,500	8,000	8,000	0.00%
Printing & Forms	60	150	150	0	-100.00%
Utilities	2,436	2,750	2,600	3,000	15.38%
Telephone	2,487	2,000	2,130	2,300	7.98%
Legal Advertising	0	0	0	0	0.00%
Election Expense	62	15,000	20,824	28,000	34.46%

Total Other Services & Charges	11,758	27,200	34,504	41,900	21.43%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Installation of New Three Ton Trane Gas Pack					
Totals	\$0	\$0	\$0	\$0	

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 2017 Accomplishments:

- * Reached 13th anniversary of the City's employee newsletter "The Communique"
- * Was awarded the 26th 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 2016
- * Received for the 17th time the Distinguished Budget Presentation Award from the GFOA for FY 2016
- * Successfully refinanced the Recreation Center's GADA-loan for a lower interest rate which will result in substantial cost-savings over the lifespan of the loan
- * Engaged the community by developing a "Transparency" page on the City website that shows all financial information in one location

FY 2018 Goals:

- * Review Utilities' revenues to ensure sustainable cost-recovery for the Enterprise Funds
- * Complete the audit of the City's fixed assets
- * Prepare and submit for the 25th 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 18th 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
- * Initiate a new performance indicator plan to measure departmental performance based on the Strategic Plan

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital outlay has been programmed for this department.

General Government	Finance Department	Fund 01 - General Fund	Cost Center	1200	
Performance Indicators					
City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	To maintain external validation of Best Practices in governmental accounting and reporting				
Objective:	Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award				
Type of Measure:	Outcome				
Tool:	Produce documents and submit for review				
Frequency:	Annual				
Scoring:	Yes/No				
Trend:	Level				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
GFOA Certificate of Achievement		Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award		Yes	Yes	Yes	Yes

City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	Increase the percentage of ACH Payroll Deposits				
Objective:	Reduce the cost of processing Payroll				
Type of Measure:	Number of Direct Deposit distribution				
Tool:	Accounting software reports				
Frequency:	Annual				
Scoring:	ACH to total Checks and Direct Deposits - good 80%				
Trend:	Slightly down				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
Payroll checks/Deposits distributed		8,689	7,671	7,569	7,600
ACH Payroll Deposits		7,225	6,291	6,264	6,300
ACH Payroll Deposits (%)		83.15%	82.01%	82.76%	82.89%

City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	Decrease the number of voided Checks to less than 2%				
Objective:	Increase the integrity of the purchasing process, avoiding duplicate invoice/payments and reducing the cost of processing Accounts Payable				
Type of Measure:	Number of voided checks				
Tool:	Accounting software reports				
Frequency:	Annual				
Scoring:	< 2%				
Trend:	Down				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
Accounts Payable Checks written		5,140	5,202	5,000	5,000
Accounts Payable Checks voided (incl. vendor lost and printer errors)		49	37	95	40
Increase/decrease in Accounts Payable		1.0%	0.7%	1.9%	0.8%

City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	Increase tax payer awareness of tax responsibility				
Objective:	To collect all sales tax that is due to the City of Cottonwood				
Type of Measure:	Number of				
Tool:	Reports from Sales Tax Auditor				
Frequency:	Annual				
Scoring:	Increase/decrease from prior year				
Trend:	Sales tax audits and assessments up/Verification letters issued and completed down				
Measures:	Actual (Revised)		Estimated	Anticipated	
	2015	2016	2017	2018	
Sales Tax Audits completed		10	5	8	10
Sales Tax Assessments		\$30,000	\$20,000	\$22,000	\$25,000
Verification letters issued		95	120	130	75
Verification letters completed		40	55	70	40

General Government	Finance Department	Fund 01 - General Fund		Cost Center	1200
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$243,074	\$253,005	\$251,555	\$262,630	4.40%
Operating Supplies	7,669	8,700	9,370	7,370	-21.34%
Contractual Services	110,272	123,820	120,020	116,000	-3.35%
Other Services and Charges	58,291	59,500	58,380	59,100	1.23%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$419,306	\$445,025	\$439,325	\$445,100	1.31%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$445,100	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	\$103,720
Budget Analyst	1.00	1.00	1.00	3,781	5,572	63,160
Administrative Assistant	0.50	0.50	0.50	1,280	1,886	17,285
COLA						0
Merit Contingency						8,585
Temporary / Reserves						0
Overtime						500
Longevity						0
Retirement						22,220
Insurance & Taxes						47,160
Employee Related Expenses						0
Totals	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>			<u>\$262,630</u>

General Government	Finance Department	Fund 01 - General Fund	Cost Center	1200	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,421	3,000	4,000	3,000	-25.00%
Copier Supplies	660	1,200	870	870	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint/Repairs	136	0	0	0	0.00%
Equipment Maint/Repairs	1,168	1,000	1,000	1,000	0.00%
Postage & Freight	4,285	3,500	3,500	2,500	-28.57%
Total Supplies	7,669	8,700	9,370	7,370	-21.34%

Contractual Services

Computer Support	16,875	18,000	18,000	18,000	0.00%
Contractual Services	39,316	48,800	45,000	40,000	-11.11%
Audit Expense	34,082	37,020	37,020	38,000	2.65%
Sales Tax Audits	20,000	20,000	20,000	20,000	0.00%
Total Contractual Services	110,272	123,820	120,020	116,000	-3.35%

Other Services and Charges

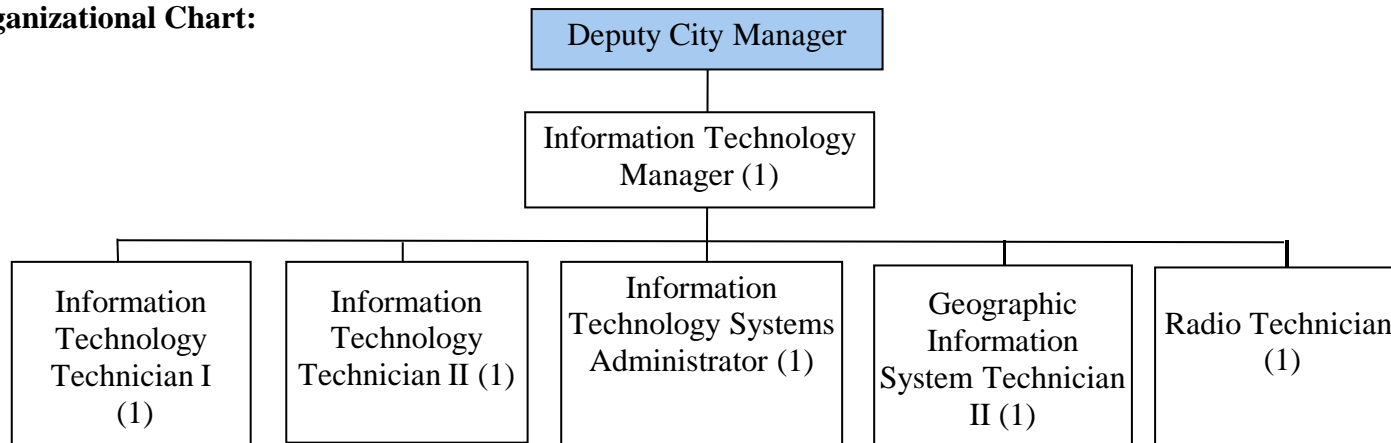
Travel & Training	4,227	3,800	4,500	3,500	-22.22%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,695	1,700	1,600	1,600	0.00%
Printing & Forms	3,400	3,000	3,000	2,500	-16.67%
Utilities	4,989	5,500	5,230	5,500	5.16%
Telephone	2,385	2,500	2,150	2,500	5.16%
Legal Advertising	2,143	3,000	2,500	2,500	0.00%
State Annual Municipality Fee	24,467	25,000	24,100	25,000	3.73%
Bank Charges	14,983	15,000	15,300	16,000	16.28%

Total Other Services & Charges

58,291	59,500	58,380	59,100	1.23%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	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 2017 Accomplishments:

- * Successful launch (anticipated) of the new City of Cottonwood's website
- * Outfitted most City-buildings with free public Wi-Fi to provide access to the general public when in the City's public buildings
- * Redesigned network routes to properly utilize internet connection speed and network equipment

FY 2018 Goals:

- * Provide free public Wi-Fi throughout Old Town Cottonwood
- * 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
- * Extend GIS (Geographical Information System) services through the implementation of an ArcGIS Server (software that makes geographical information available) that will be beneficial to all City departments
- * Establish safe and secure off-site online data backup (in the 'Cloud')
- * Encourage citizen engagement through the creation of a City of Cottonwood phone/mobile application with the current website developer

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program and full year of additional staffing. Capital has been programmed for this department: Spillman Server (\$60,000), City Mobile Application (\$5,700) and Computers (\$22,000).

General Government	IT Services	Fund 01 - General Fund	Cost Center	1220
Performance Indicators				
City Council Goal:	Operate in an efficient and professional manner			
Department Goal:	Close Help Desk Tickets quickly to provide better customer service			
Objective:	Resolve 90% of Help Desk requests within one (1) week			
Type of Measure:	Outcome			
Tool:	Help Desk application reports			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Help Desk Tickets submitted	1953	2111	1746	1900
Help Desk Tickets resolved withing one week	1668	1790	1527	1725
Percentage of Help Desk Tickets resolved in one week	85.41%	84.79%	87.46%	90.79%

City Council Goal:	Operate in an efficient and professional manner			
Department Goal:	Provide better customer service by contacting customers quickly			
Objective:	Respond to Help Desk Tickets within five (5) hours			
Type of Measure:	Outcome			
Tool:	Help Desk application reports			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Average Help Desk Ticket - First response time to customer (h:mm)	12h40m	25h59m	7h35m	3h30m
Repsonse time change	N/A	13h19m	18h24m	14h94m

City Council Goal:	Operate in an efficient and professional manner			
Department Goal:	Survey customers to ensure the appropriate service is provided			
Objective:	Score an average of 4.5 or better			
Type of Measure:	Outcome			
Tool:	Survey			
Frequency:	Annual			
Scoring:	> 4.5			
Trend:	N/A			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of responses	N/A	48	55	65
Percentage score 4 or above	N/A	95.83%	96%	97%
Average score	N/A	4.52	4.60	4.75

General Government	IT Services	Fund 01 - General Fund		Cost Center	1220
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$376,550	\$493,130	\$430,985	\$512,125	18.83%
Operating Supplies	7,760	8,350	11,700	6,900	-41.03%
Contractual Services	69,461	58,500	85,000	143,680	69.04%
Other Services and Charges	10,007	11,000	18,970	31,500	66.05%
Capital Outlay	42,975	45,000	45,000	87,700	94.89%
Debt Service	0	0	0	0	0.00%
Department Totals	\$506,753	\$615,980	\$591,655	\$781,905	32.16%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$781,905	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
IT Manager	1.00	1.00	1.00	6,790	10,006	\$94,300
IT Systems Administrator	1.00	1.00	1.00	4,168	6,143	50,050
Radio Technician	0.00	1.00	1.00	4,168	6,143	56,390
GIS Technician II	1.00	1.00	1.00	3,781	5,572	52,555
IT Technician II	1.00	1.00	1.00	3,781	5,572	45,370
IT Technician I	1.00	1.00	1.00	3,429	5,054	42,180
COLA						0
Merit Contingency						10,285
Longevity						0
Temporary / Reserves						15,000
Overtime						1,000
Holiday Pay						500
Retirement						40,550
Insurance & Taxes						102,695
Employee Related Expenses						1,250
Totals	<u>5.00</u>	<u>6.00</u>	<u>6.00</u>			<u>\$512,125</u>

General Government	IT Services	Fund 01 - General Fund		Cost Center	1220
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	6,713	7,000	7,000	5,000	-28.57%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	274	450	500	700	40.00%
Vehicle Maintenance & Repair	570	500	1,500	500	-66.67%
Equipment Maint/Repairs	191	250	2,500	500	-80.00%
Printing & Forms	0	0	0	0	0.00%
Postage & Freight	11	150	200	200	0.00%

Total Supplies

7,760	8,350	11,700	6,900	-41.03%
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Contractual Services

Computer Support	52,742	45,000	61,000	65,000	6.56%
Bank Charges	0	0	0	0	0.00%
Contractual Services	16,719	13,500	24,000	78,680	227.83%

Total Contractual Services

69,461	58,500	85,000	143,680	69.04%
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Other Services and Charges

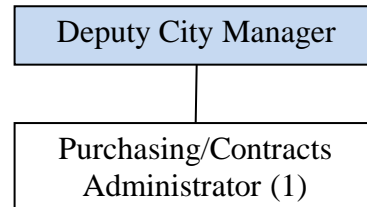
Travel & Training	0	600	4,500	11,900	164.44%
Subscriptions & Memberships	1,959	1,000	2,400	9,700	304.17%
Advertising	0	0	395	300	-24.05%
Employee Physicals/Drug Tests	0	0	975	200	-79.49%
Continuing Education	0	0	2,450	0	-100.00%
Utilities	4,687	6,000	5,250	6,000	14.29%
Telephone	3,360	3,400	3,000	3,400	13.33%

Total Other Services & Charges

10,007	11,000	18,970	31,500	66.05%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Servers - File and Email Retention Server	\$11,870				
Replacement Servers (2)		\$12,000	\$12,000		
City Wifi					
Ipad, Laptops					
Computers - City-wide	31,105	33,000	33,000		
Website Design					
Computers/Servers				\$22,000	
City Mobile App				5,700	
Spillman Server				60,000	
Totals	\$42,975	\$45,000	\$45,000	\$87,700	

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 2017 Accomplishments:

- * In collaboration with the Human Resources Department, created a process for tracking and electronic storage of Certificates of Insurance (COIs) from vendors for liability purposes
- * Began utilizing the State of Arizona's database of pre-qualified technical registrants for procurement and purchasing when the direct, qualifications-based method is applicable
- * Procured and executed an agreement for lease purchase financing in an abbreviated time frame that entitled the City to a low interest rate that maximized taxpayer dollars. During this process a valuable working relationship was developed with a financial institution the City had not worked with before

FY 2018 Goals:

- * Attend quarterly PRIMA (Public Risk Management Association) meetings to gain more knowledge and to develop relationships with professionals who specialize in contracts and insurance for other Arizona municipalities
- * Create a process that enables the City to enter into legal contracts with vendors for sponsorship of various City events and activities
- * Lead the process in developing a network of local purchasing professionals in an effort to explore shared bulk purchasing opportunities between local governments and schools

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital outlay has been programmed for this department.

General Government	Purchasing Division	Fund 01 - General Fund	Cost Center	1230	
Performance Indicators					
City Council Goal: Operating in an efficient and effective manner					
Department Goal: Process requisitions into purchase orders within a 24 hour time period after requisitions have been					
Objective: Purchase requested material goods, services and construction in a timely manner					
Type of Measure: Processing time					
Tool: Requisition log and Springbrook software					
Frequency: Occurrence of requisitions					
Scoring: 100% = Above Average; 95% = Average; 90% = Below Average; 85% or below = Poor					
Trend: Score at least 95% or higher					
Measures:		2015	2016	2017	2018
		95%	96%	96%	96%

City Council Goal: Be Innovative					
Department Goal: Ensure local businesses comply with the requirement to register their business with the City					
Objective: Educate local business owners on the conditions stipulated in the Municipal Code requiring a business registration					
Type of Measure: Mailing of business registration renewal letters, monitoring of Chamber memberships and Code Enforcement notifications					
Tool: Outreach program to personally contact (new) business owners					
Frequency: One hour per week					
Scoring:					
Trend:					
		Actual		Estimated	Anticipated
Measures:		2015	2016	2017	2018
Registrations - the decline in registration is due to new State legislation that does not allow registration of rentals		1,350	1,303	1,200	1,200

General Government	Purchasing Division	Fund 01 - General Fund		Cost Center	1230
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$68,646	\$95,055	\$95,245	\$100,010	5.00%
Operating Supplies	751	600	825	725	-12.12%
Contractual Services	1,702	1,750	1,700	1,800	5.88%
Other Services and Charges	1,919	2,275	2,965	2,145	-27.66%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$73,019	\$99,680	\$100,735	\$104,680	3.92%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$104,680	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Purchasing/Contracts Administrator	0.00	1.00	1.00	5,865	8,643	\$72,145
Purchasing Agent	1.00	0.00	0.00	3,970	5,850	0
COLA						0
Merit Contingency						3,605
Temporary / Reserves						0
Longevity Pay						0
Retirement						8,710
Insurance & Taxes						15,550
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$100,010</u>

General Government	Purchasing Division	Fund 01 - General Fund		Cost Center	1230
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	302	325	425	325	-23.53%
Copier Supplies	233	200	250	250	0.00%
Postage & Freight	2	0	0	0	0.00%
Vehicle Maintenance & Repair	121	0	0	0	0.00%
Equipment Maint/Repairs	93	75	150	150	0.00%
Total Supplies	751	600	825	725	-12.12%

Contractual Services

Computer Support	1,696	1,700	1,700	1,800	5.88%
Contractual Services	6	50	0	0	0.00%
Total Contractual Services	1,702	1,750	1,700	1,800	5.88%

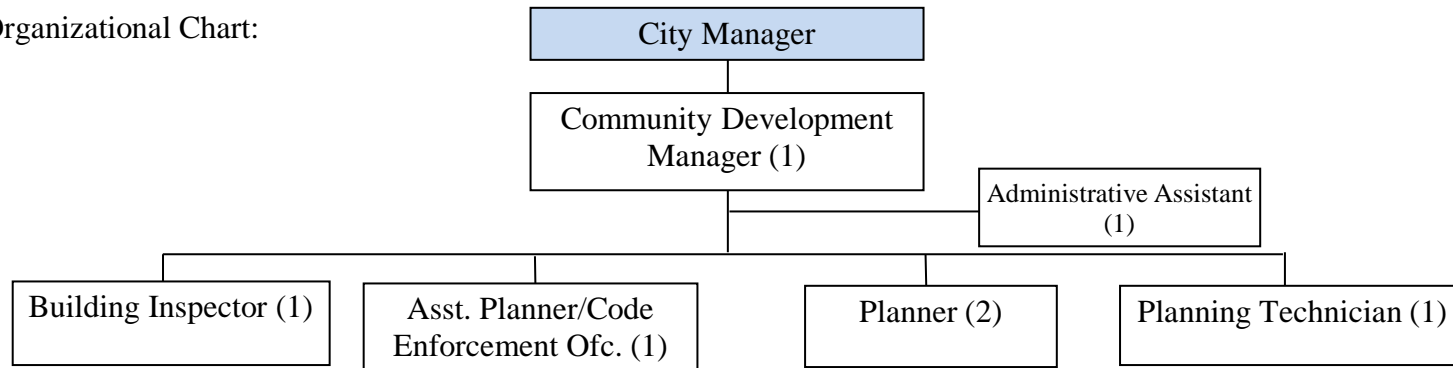
Other Services and Charges

Travel & Training	154	500	1,350	375	-72.22%
Subscriptions & Memberships	261	300	300	270	-10.00%
Printing & Forms	35	0	0	0	0.00%
Utilities	581	550	415	550	32.53%
Telephone	888	925	900	950	32.53%
Legal Advertising	0	0	0	0	0.00%

Total Other Services & Charges	1,919	2,275	2,965	2,145	-27.66%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

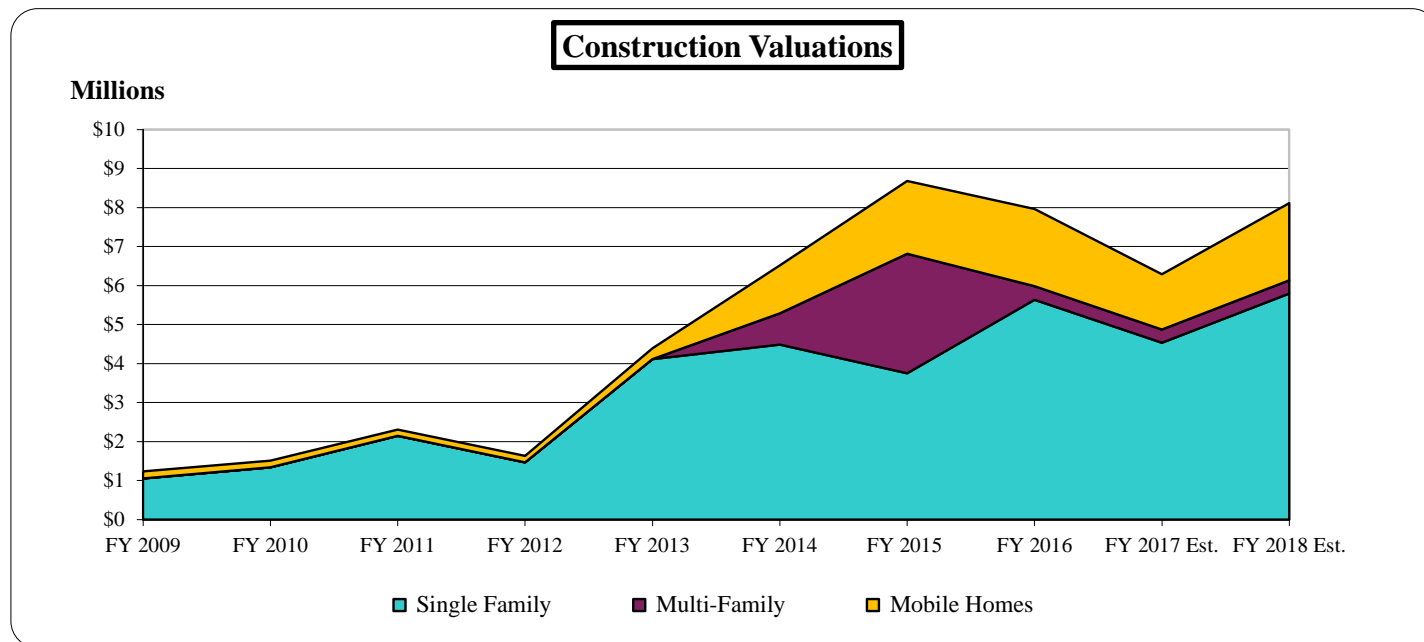
Organizational Chart:



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 2017 Accomplishments:

- * Adoption of *2012 International Building Codes* that are now in accordance with the State's codes
- * Approval (anticipated) of preliminary One-Stop Shop ordinance
- * Awarded grant funding of \$265,000 by the Yavapai County CDBG (Community Development Block Grant) for the completion of the Cottonwood Civic Center upgrades/improvements. These funds will be added to those already granted in FY 2015.
- * Completion of city-wide historic property 'reconnaissance survey' of over 2,500 buildings to identify the properties' estimated age and use. This survey provides a preliminary rough estimate of the total number of potential historic properties within the City of Cottonwood

FY 2018 Goals:

- * Revise the Mobile Food Vendor Ordinance
- * Revise the Code Enforcement Zoning Ordinance and Municipal Code
- * Seek approval for final ordinance of One-Stop Shop to be followed by its full implementation

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program and additional staffing. No Capital has been programmed for this department.

General Government	Community Development	Fund 01 - General Fund	Cost Center	1400
Performance Indicators				
City Council Goal:	Ensure safe and attractive neighborhoods			
Department Goal:	Ensure the health and safety of residents as it relates to property maintenance, zoning regulations, education, and enforcement (Code Enforcement Division)			
Objective:	Reduce ordinance violations by encouraging residents to maintain their property to achieve a healthy and beautiful living environment			
Type of Measure:	Conduct inspections			
Tool:	Monitor inspections via code enforcement case logs and Springbrook software			
Frequency:	Based on complaints			
Scoring:	-			
Trend:	Reduce number of violations and increase number of resolved cases			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of inspections based on complaints received	200	204	208	212
Number of cases opened based on documented violations	64	120	176	232
Number of resolved cases	70	91	112	133

City Council Goal:	Revitalize neighborhoods			
Department Goal:	Review, approve, and inspect new building developments, tenant improvement, and building restorations (Building Safety Division)			
Objective:	Provide guidance for building safety			
Type of Measure:	Issuance of permits followed by inspections			
Tool:	Inspections			
Frequency:	Based on customer request			
Scoring:	-			
Trend:	-			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of permits issued	304	379	454	529
Number of building inspections performed	2,120	1,815	1,510	1,160

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:				
	2014	2015	2017	2018

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

General Government	Community Development	Fund 01 - General Fund	Cost Center	1400	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$475,435	\$545,565	\$462,315	\$566,670	22.57%
Operating Supplies	6,718	7,400	6,400	5,700	-10.94%
Contractual Services	5,710	13,500	29,600	30,100	1.69%
Other Services and Charges	23,379	19,650	19,340	20,150	4.19%
Capital Outlay	50	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$511,292	\$586,115	\$517,655	\$622,620	20.28%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$622,620	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Community Development Manager	1.00	1.00	1.00	5,865	8,643	\$87,095
Planner	2.00	2.00	2.00	4,168	6,143	130,400
Building Official	0.00	0.00	0.00	4,168	6,143	0
Asst. Planner/Code Enforcement Ofc.	1.00	1.00	1.00	3,601	5,306	45,370
Building Inspector	1.00	1.00	1.00	3,266	5,306	50,915
Planning Technician	0.00	1.00	1.00	2,962	4,365	42,330
Senior Administrative Assistant	1.00	0.00	0.00	2,962	4,365	0
Administrative Assistant	0.00	1.00	1.00	2,559	3,771	33,800
COLA						0
Merit Contingency						8,760
Longevity Pay						0
Car Allowance						5,400
Temporary / Reserves						0
Overtime						500
Retirement						46,530
Insurance & Taxes						115,570
Employee Related Expenses						0
Totals	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>			<u>\$566,670</u>

General Government	Community Development	Fund 01 - General Fund	Cost Center	1400	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,357	2,000	2,600	2,200	-15.38%
Copier Supplies	828	1,200	1,450	1,500	3.45%
Postage & Freight	1,759	1,400	900	700	-22.22%
Gas & Oil	877	1,000	450	500	11.11%
Vehicle Maint & Repairs	1,787	1,800	1,000	800	-20.00%
Equipment Maint & Repairs	110	0	0	0	0.00%

Total Supplies

6,718	7,400	6,400	5,700	-10.94%
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Contractual Services

Contractual Services	2,888	10,000	27,000	27,500	1.85%
Computer Support	2,822	3,500	2,600	2,600	0.00%

Total Contractual Services

5,710	13,500	29,600	30,100	1.69%
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Other Services and Charges

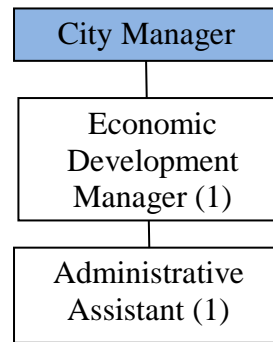
Travel & Training	7,050	4,000	4,000	4,000	0.00%
Subscriptions & Memberships	3,580	1,800	1,800	1,800	0.00%
Printing & Forms	382	250	250	150	-40.00%
Utilities	6,093	6,600	7,100	7,500	5.63%
Telephone	4,138	4,000	3,950	4,500	13.92%
Legal Advertising	2,136	3,000	2,200	2,000	-9.09%
Recruitment Expense	0	0	40	0	-100.00%
General Plan Expense	0	0	0	200	

Total Other Services & Charges

23,379	19,650	19,340	20,150	4.19%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Software Update	\$50				
Totals	\$50	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The City of Cottonwood Economic Development Department works in concert with the Cottonwood Economic Development Council, Inc. (CEDC). The CEDC is a private-public partnership, incorporated as a 501 (c)(6) since February 2014. The mission of the CEDC is to enrich the diverse economic, social and cultural environment of our community. The Economic Development Manager is the president and CEO of the CEDC. The CEDC works together with a number of key organizations in the region to promote an environment in which business thrives.

FY 2017 Accomplishments:

- * Completed the Lodging Feasibility Study and the Trails Plan to be used to make decisions for hotel locations and to construct a viable trail system
- * Four startup businesses received incubation support through the Business Assistance Center (BAC) and successfully 'graduated' from their BAC-office space and moved into office space offered on the general rental market within the City
- * Provided City-support in facilitating economic growth in Old Town Cottonwood that is an ever changing business environment in which approximately 100 businesses employ about 500 people

FY 2018 Goals:

- * Identify new hospitality (hotel) opportunities within Cottonwood that will generate additional bed tax
- * Provide business assistance to the Airport Commission regarding its revenue and development objectives. Currently, the commission is evaluating options, such as an industrial park, to generate revenue
- * Identify development opportunities associated with the 89A & Vine (Stuckey project) and The Vineyards at 89A (Groseta project)
- * Provide Verde Valley Regional Economic Organization (VVREO) revolving loan funding to at least two new Cottonwood businesses
- * Provide business incubation space at the BAC to be occupied by three new startup businesses and facilitate the expansion ('graduation') of three businesses into our local economy
- * Begin the implementation of the Cottonwood Riverfront and Recreation Master Plan pending grant funding by the State Parks. Two \$80,000 grant requests (\$160,000 total) have been submitted
- * Produce a retail leakage study that will be useful for developers in identifying opportunities
- * Provide assistance, including for expansion (infrastructure), to the Old Town District pending grant funding of \$2,300,000 from the Economic Development Administration (EDA) for streetscape infrastructure
- * Designate Old Town as an entertainment district and expand its boundaries which will help facilitate development in the Final streetscape area between Willard Street and 89A
- * Conduct entrepreneurial workforce training and provide support for development and incubation to core sectors, i.e. healthcare, tourism, arts & culture, light manufacturing, agriculture, transportation and logistics, and retail facilitating the creation of more and better jobs, and a better quality of life for our citizens

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program and anticipated additional staffing. Capital for the latter has been programmed for a Business Assistance Counselor, pending grant funding, in the amount of \$75,000. This department will be responsible for the grant writing and grant application submission to the EDA to acquire grant funding in the amount of \$2,300,000 for the streetscape infrastructure of (Old Town) Main Street.

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000
Performance Indicators				
City Council Goal:	Enhance our position as the economic center of the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department Goal:	Expand, retain and attract growth sector businesses and increase revenue stream			
Objective:	Manage future growth, market Cottonwood and provide support services to businesses			
Type of Measure:	Business retention			
Tool:	Business license tracking system			
Frequency:	Annually			
Scoring:	Number of businesses retained and new businesses			
Trend:	Increase			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of businesses retained	1,084	1,093	1,300	1,500
New businesses	266	210	312	350

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department Goal:	Acquire grant funding for projects and business assistance			
Objective:	Identify and apply for grant opportunities			
Type of Measure:	Grant application approval and receipt of funding			
Tool:	Grant applications			
Frequency:	Annual			
Scoring:				
Trend:	Actual		Estimated	Anticipated
Measures:	2015	2016	2017	2018
Grant funding requests				2,375,000

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:	Actual		Estimated	Anticipated
Measures:	2015	2016	2017	2018

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$186,474	\$196,410	\$194,680	\$205,100	5.35%
Operating Supplies	403	770	1,880	3,375	79.52%
Contractual Services	327	250	325	2,325	615.38%
Other Services and Charges	89,960	47,900	44,350	37,720	-14.95%
Capital Outlay	2,716	0	0	75,000	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$279,881	\$245,330	\$241,235	\$323,520	34.11%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$323,520	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Economic Development Manager	1.00	1.00	1.00	6,159	9,076	\$106,930
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	37,100
COLA						0
Merit Contingency						5,830
Longevity						0
Temporary / Reserves						0
Overtime						0
Retirement						17,230
Insurance & Taxes						38,010
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$205,100</u>

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	388	750	1,100	2,250	104.55%
Copier Supplies	0	0	300	600	100.00%
Postage & Freight	15	20	20	25	25.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	0	0	460	500	8.70%

Total Supplies

403	770	1,880	3,375	79.52%
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Contractual Services

Computer Support	327	250	325	325	0.00%
Contractual Services	0	0	0	2,000	0.00%

Total Contractual Services

327	250	325	2,325	615.38%
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Other Services and Charges

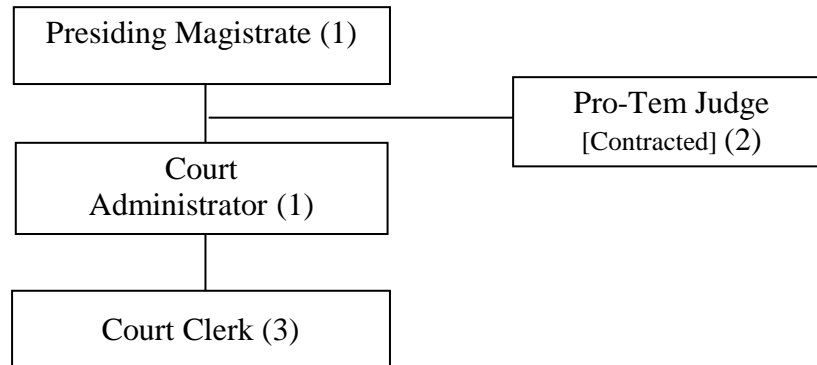
Travel & Training	2,925	2,500	2,500	0	-100.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,351	1,400	1,400	1,400	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	9,249	10,000	9,000	10,000	11.11%
Telephone	1,438	1,500	1,450	1,600	10.34%
Legal Advertising	4,000	0	0	0	0.00%
Focus on Success	27,962	32,500	30,000	24,720	-17.60%
Nature Conservancy Grant	43,036	0	0	0	0.00%

Total Other Services & Charges

89,960	47,900	44,350	37,720	-14.95%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Copier					
Computer					
City Branding					
Business Assistant Counselor (USDA Grant)				\$75,000	
Miscellaneous Building Accessories	\$2,716				
Totals	\$2,716	\$0	\$0	\$75,000	

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 2017 Accomplishments:

- * Established a new specialty court program titled Homeless/Mental Health Court that provides alternative sentencing options through deferred prosecution programs (where a defendant can earn dismissal of charges) or plea agreements with special provisions. It emphasizes mental health treatment at Spectrum, drug/alcohol treatment programs and community service as well as referring defendants to Catholic Charities for assistance in finding low income housing. This program rehabilitates and helps reduce new offenses, which also keeps citizens and business from becoming victims.
- * Fulfilled 16 hours of COJET (Committee on Judicial Education and Training) requirements for all Court employees, including judicial staff
- * Developed a draft policy and procedure manual incorporating electronic document scanning within case file processes
- * Conducted a security assessment of the Court building with the IT (Information Technology) Department, the Police Department and a security vendor to identify the needs for the development of a Court security standards plan

FY 2018 Goals:

- * Finalize policy and procedures to implement electronic scanning of case files by case type
- * Finalize the installation of video surveillance equipment, purchased with Court Enhancement funds throughout the Municipal Court building for the protection of court staff, court users, and the general
- * Develop and implement court security standards as mandated by the Arizona Supreme Court
- * Participate in statewide AOC (Administrative Office of the Courts) committees anticipating the implementation of a new limited jurisdiction case management system

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. The acquisition of a Multi-function Copier (\$10,000), Access Control System Installation (\$18,000) and a Video Surveillance Installation will be covered by the Court Enhancement Fund.

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	1310
Performance Indicators				
City Council Goal: Improving Court processes to better serve the public				
Department Goal: Manage cases in compliance with all legal requirements				
Objective: Measure case filings and terminations to clearance rates				
Type of Measure: Number of filings to termination				
Tool: National Center for State Courts Court Tools				
Frequency: Annual (calendar year)				
Scoring: Increase/decrease from prior year				
Trend: Clearance rate of 90-100%				
Measures:		Actual		Estimated
		2015	2016	2017
Clearance rates		104%	108%	107%
				Anticipated
				2018
				108%

City Council Goal: Provided timely services and enforcement of court orders				
Department Goal: Improve operational efficiency and case processing				
Objective: Measure payments collected as a percentage of total monetary penalties				
Type of Measure: Number of payment in relating to total receivables				
Tool: National Center for State Courts Court Tools				
Frequency: Annual by calendar year				
Scoring: Increase/decrease from prior year				
Trend: Clearance rate equal and greater than 100% due to closure of case files from previous years				
Measures:		Actual		Estimated
		2015	2016	2017
Measure 2: Clearance rates		100%	100%	87%
				Anticipated
				2018
				90%

City Council Goal: Strive to maintain a uniquely desirable and sustainable community				
Department Goal: Improve operational efficiency and processing of cases				
Objective: Measure payments collected as a percentage of total monetary penalties				
Type of Measure: Number of payments to total receivables				
Tool: National Center for State Courts Court Tools				
Frequency: Annually (Calendar year)				
Scoring: Increase/decrease from prior year				
Trend: Rating of 90-100%				
Measures:		Actual		Estimated
		2015	2016	2017
Measure 7 - Collection of monetary penalties		100%	100%	87%
				Anticipated
				2018
				90%

City Council Goal: Provide timely service and enforcement of court orders				
Department Goal: Time to disposition				
Objective: Criminal: 75%; civil traffic: 80%; local ordinance: 75% [within 60 days]				
Type of Measure: Measure percentage of resolved cases within established time frames				
Tool: Arizona Supreme Court Case Processing Time Standards reporting requirements				
Frequency: Annually (Calendar year)				
Scoring: Increase/decrease from prior year				
Trend: Rating of 75-100% within 60 days of filing				
Measures:		Actual		Estimated
		2015	2016	2017
National Center for State Courts Court Tools		Criminal	*	74
Measure 3: Time to disposition		Civil Traffic	*	89%
		Ordinance	*	100%
				75
				95%
				100%
				75%
* Prior to Standards Adoption				

General Government	Municipal Court	Fund 01 - General Fund		Cost Center	1310
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$397,227	\$424,155	\$413,200	\$440,030	6.49%
Operating Supplies	7,252	7,510	8,300	7,650	-7.83%
Contractual Services	64,139	72,500	66,395	46,500	-29.96%
Other Services and Charges	31,948	79,900	36,650	104,300	184.58%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$500,566	\$584,065	\$524,545	\$598,480	14.10%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$598,480	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Presiding Magistrate	1.00	1.00	1.00	Contract		\$120,325
Court Administrator	1.00	1.00	1.00	4,377	6,450	66,675
Court Clerk II	0.00	1.00	1.00	2,821	4,158	42,980
Court Clerk I	3.00	2.00	2.00	2,559	3,771	83,240
COLA						0
Merit Contingency						7,450
Longevity						0
Temporary / Reserves/ Pro Temp						0
Overtime						0
Retirement						36,880
Insurance & Taxes						82,480
Employee Related Expenses						0
Totals	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>			<u>\$440,030</u>

General Government	Municipal Court	Fund 01 - General Fund		Cost Center	1310
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	4,397	3,500	3,000	3,500	16.67%
Copier Supplies	369	500	500	400	-20.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	1,897	2,710	4,000	2,950	-26.25%
Postage & Freight	590	800	800	800	0.00%

Total Supplies

7,252	7,510	8,300	7,650	-7.83%
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Contractual Services

Computer Support	9,973	10,500	10,500	10,500	0.00%
Court Appointed Attorney	43,299	42,000	45,000	31,000	-31.11%
Contractual Services	7,579	15,000	9,800	5,000	-48.98%
Court Audit	3,288	5,000	1,095	0	-100.00%

Total Contractual Services

64,139	72,500	66,395	46,500	-29.96%
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Other Services and Charges

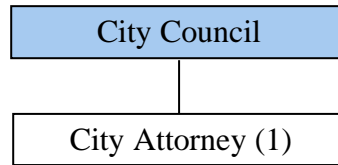
Travel & Training	2,590	3,500	2,000	4,300	115.00%
Subscriptions & Memberships	1,535	2,100	1,800	1,300	-27.78%
Printing & Forms	875	1,600	1,000	1,000	0.00%
Legal Advertising	0	0	0	0	0.00%
Utilities	10,436	12,000	10,100	12,000	18.81%
Telephone	2,932	4,500	2,550	3,000	17.65%
Jury Fees	0	200	200	200	0.00%
JCEF Fund Expenses	8,064	16,000	4,000	1,000	-75.00%
FTG-Fill The Gap Expense	3,688	0	0	1,500	0.00%
Court Enhancement Expenses	1,828	40,000	15,000	80,000	433.33%

Total Other Services & Charges

31,948	79,900	36,650	104,300	184.58%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	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 2017 Accomplishments:

- * Coordinated negotiation of development agreement for The Vineyards, a Cottonwood mixed-use development (555 residential units)
- * Successfully concluded lease negotiations for location of cell tower on City property (GovNet)
- * Coordinated settlement of longstanding airport lease dispute in which the City recovered approximately \$50,000 in past due lease payments and \$30,000 in attorneys' fees
- * Was instrumental in obtaining necessary easements for Mingus Avenue reconstruction, Mingus Avenue drainage improvement, and Cottonwood Street sidewalk projects
- * Oversaw effective and successful misdemeanor prosecution and civil code enforcement programs
- * Fulfilled significant role in negotiating IGA with Arizona State Parks for acquisition of permanent public utility easement and transfer of wastewater lift station to City

FY 2018 Goals:

- * Provide legal assistance to staff and the Bicycle Advisory Committee in their efforts to obtain "Silver" award status from The League of American Bicyclists
- * Assist in finalizing the Minimum Operating Standards for commercial activities at the Cottonwood Municipal Airport
- * Provide legal assistance to staff with review and approval processes for The Vineyards development to include among others Phase 1 Final Plat and Phase Assurance Agreement

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital outlay has been programmed for this department.

General Government	Legal Department	Fund 01 - General Fund	Cost Center	1300
Performance Indicators				
City Council Goal:	<i>* New Performance Indicators are being developed for this department *</i>			
Department				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

City Council Goal:				
Department				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

General Government	Legal Department	Fund 01 - General Fund		Cost Center	1300
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$237,239	\$244,140	\$246,275	\$262,000	6.39%
Operating Supplies	698	25	500	50	-90.00%
Contractual Services	177,312	190,000	190,000	183,600	-3.37%
Other Services and Charges	6,043	7,300	6,910	7,050	2.03%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$421,291	\$441,465	\$443,685	\$452,700	2.03%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$452,700	100.00%
Total Funding		<u>100.00%</u>

General Government		Legal Departme		Fund 01 - General Fund		Cost Center	1300
Supplemental Data: Personnel							
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018	
	2016	2017	2018	Minimum	Maximum	Budget	
City Attorney	1.00	1.00	1.00	Contract		\$193,930	
COLA						0	
Vehicle Allowance						5,400	
Merit Contingency						10,670	
Longevity						0	
Temporary / Reserves						0	
Overtime						0	
Retirement						24,150	
Insurance & Taxes						27,850	
Employee Related Expenses						0	
Totals	1.00	1.00	1.00			\$262,000	

General Government	Legal Department	Fund 01 - General Fund		Cost Center	1300
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	23	0	450	0	-100.00%
Copier Supplies	0	0	0	0	0.00%
Postage & Freight	675	25	50	50	0.00%

Total Supplies	698	25	500	50	-90.00%
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Contractual Services

Prosecuting Attorney	89,998	90,000	90,000	93,600	4.00%
Contractual Services	87,314	100,000	100,000	90,000	-10.00%

Total Contractual Services	177,312	190,000	190,000	183,600	-3.37%
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Other Services and Charges

Travel & Training	167	1,500	800	800	0.00%
Subscriptions & Memberships	3,740	3,700	3,750	3,750	0.00%
Printing & Forms	0	0	300	300	0.00%
Utilities	290	350	300	350	16.67%
Telephone Expense	1,846	1,750	1,760	1,850	5.11%
Legal Advertising	0	0	0	0	0.00%

Total Other Services & Charges	6,043	7,300	6,910	7,050	2.03%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Computer					
Totals	\$0	\$0	\$0	\$0	

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 2017 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 2018 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:

Budget changes are mostly due to increases in Transfers to other funds

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

City Council Goal: Department Objective: Type of Mea Tool: Frequency: Trend:				
		Actual	Estimated	Anticipated
Measures:		2015	2016	2017

FY 2016 Goals: Department Goal: Objective: Type of Measure: Tool: Frequency: Scoring: Trend:				
		Actual	Estimated	Anticipated
		2015	2016	2017

General Government Non-Departmental Department		Fund 01 - General Fund		Cost Center	1800
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,794	3,500	2,000	2,000	0.00%
Other Services and Charges	485,667	515,000	519,400	533,000	2.62%
Operating Transfers	868,126	1,106,180	907,630	2,021,530	122.73%
Debt Service	423,944	433,490	365,430	471,470	29.02%
Department Totals	\$1,781,531	\$2,058,170	\$1,794,460	\$3,028,000	68.74%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$3,028,000	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

General Government	Non-Departmental Department	Fund 01 - General Fund	Cost Center	1800	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

N/A	0	0	0	0	0.00%
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Total Supplies

0	0	0	0	0.00%
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Contractual Services

Auction Fees	1,544	3,500	2,000	2,000	0.00%
State and Federal Fines & Fees	2,250	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Trustee Fees	0	0	0	0	0.00%

Total Contractual Services

3,794	3,500	2,000	2,000	0.00%
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Other Services and Charges

Liability Insurance	286,566	294,000	296,400	300,000	1.21%
Liability-Claims Deductible	11,890	20,000	20,000	20,000	0.00%
Chamber of Commerce	187,211	201,000	203,000	213,000	4.93%

Total Other Services & Charges

485,667	515,000	519,400	533,000	2.62%
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Debt Service

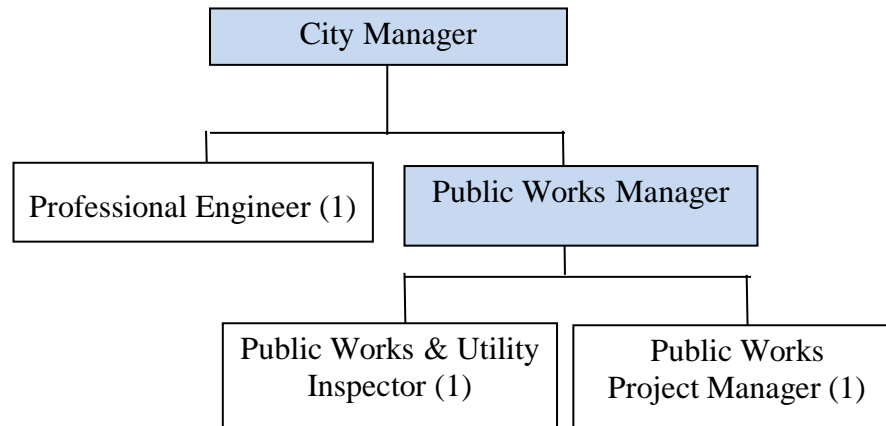
Lease Payment - Police Cars- 09/10	0	0	0	0	0.00%
Lease Payment - Fire Truck - SunTrust	0	0	0	0	0.00%
Lease Payment - Mobile Data Terminals	0	0	0	0	0.00%
Lease Payment - City Wide FY 12	112,936	124,600	57,310	0	-100.00%
Lease Payment - Communications Center	166,749	169,700	168,220	172,700	2.66%
Lease Payment - FY13 City Wide	123,283	125,270	124,270	127,290	2.43%
Lease Payment - FY 17 City Wide Equipment	0	0	0	151,485	0.00%
Interest -LP PD VEH 09-10	0	0	0	0	0.00%
Interest -LP Fire Rescue	0	0	0	0	0.00%
Interest -LP Mobile Data	0	0	0	0	0.00%
Interest -LP - FY12 City Wide	4,099	1,970	1,210	0	-100.00%
Interest -LP Communications Center	11,335	8,390	9,870	5,380	-45.49%
Interest -LP FY13 City Wide	5,543	3,560	4,550	1,535	-66.26%
Interest - LP FY 17 City Wide Equipment	0	0	0	13,080	0.00%

Total Debt Service

423,944	433,490	365,430	471,470	29.02%
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Supplemental Data: Operating Transfers					
Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Operating Transfers - HURF-Streets/Transit					0.00%
Operating Transfers - HURF-Transit		\$200,000		\$987,190	0.00%
Operating Transfers - Library	\$797,310	853,240	\$851,320	825,290	-3.06%
Operating Transfers - Cemetery	62,586	37,200	56,310	62,210	10.48%
Operating Transfers - Airport	8,230	15,740	0	11,840	0.00%
Operating Transfers - Grant				135,000	0.00%
Operating Transfers - Debt Services					0.00%
	\$868,126	\$1,106,180	\$907,630	\$2,021,530	

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 Final 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 2017 Accomplishments:

- * Completed the design of the Drainage Project that will remove the Cottonwood Village building from the flood plain. Project construction is anticipated to be completed this year
- * Completed the design of the Drainage Project that will remove the Casa Del Sol Condominiums complex from the flood plain and funding for its construction will be secured
- * Anticipated completion of the city-wide Master Drainage Study
- * Assisted ADOT and the Verde Valley Transportation Planning Organization (VVTPO) with completing the Verde Valley Regional Transportation Plan
- * Completed the City Stormwater Program in accordance with the new ADEQ regulations
- * Completed a pavement preservation seal project for all City owned parking lots
- * Anticipated completion of the Design for the street construction project on Mingus Avenue, between Willard Street and 10th Street
- * Conducted a Road Safety Analysis for Mingus Avenue and Main Street identifying safety hazards to be addressed

FY 2018 Goals:

- * Completion of the Riverfront Water Reclamation facility; facility could possibly already be completed in FY 2017
- * Complete Engineering Standards that will ensure proper engineering practices that adhere to mandatory requirements
- * Obtain funding from the Flood Control District to complete a study of the Old Town/Del Monte flood plain as well as funding for necessary construction improvements
- * Create an internal policy as well as draft an ordinance requiring the city-wide drainage study to be kept up-to-date
- * Start and complete the construction of Mingus Avenue, from Willard Street to the 10th Street Wash
- * Complete the construction of Mingus Ave. from the 10th Street Wash to Main Street.
- * Complete Riverfront/Old Town Connection

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. Capital has been programmed for the Riverfront/Old Town Connection Trail (\$18,000), Stormwater Program (\$10,000) and the Drainage Facility Policy (\$7,100).

General Government	Engineering Services Department	Fund 01 - General Fund	Cost Center	1410
Performance Indicators				
City Council Goal:	Create targeted economic development strategies			
Department Goal:	Reduce hindrances to development of businesses in the Old Town District			
Objective:	Obtain funding to conduct a study that will validate the flood hazard in the Old Town area and develop plans to alleviate flood hazards, if necessary.			
Type of Measure:	Funding approval			
Tool:	Funding request to Yavapai County			
Frequency:				
Scoring:	Complete study			
Trend:				
		Actual	Estimated	Estimated
		2015	2016	2017
				Anticipated
				2018
Measures:				
Funding approval and study completion		100%		

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual		Estimated
		2015	2016	2017
				Anticipated
				2018
Measures:				

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual		Estimated
		2015	2016	2017
				Anticipated
				2018
Measures:				

General Government	Engineering Services Department	Fund 01 - General Fund	Cost Center	1410	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$305,716	\$267,100	\$304,040	\$277,560	-8.71%
Operating Supplies	9,718	9,500	8,350	4,700	-43.71%
Contractual Services	19,988	3,000	4,000	2,000	-50.00%
Other Services and Charges	18,839	17,600	17,450	16,400	-6.02%
Capital Outlay	0	127,500	106,000	35,100	-66.89%
Debt Service	0	0	0	0	0.00%
Department Totals	\$354,261	\$424,700	\$439,840	\$335,760	-23.66%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$335,760	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Professional Engineer	1.00	1.00	1.00	5,320	7,840	\$76,360
PW Manager	1.00	0.00	0.00	5,067	7,466	0
PW Project Manager	1.00	1.00	1.00	3,781	5,572	64,000
Drafter/Designer	0.00	0.00	0.00	3,429	5,054	0
Public Works & Utility Inspector	2.00	1.00	1.00	3,266	4,813	41,180
COLA						0
Merit Contingency						5,920
Longevity						0
Overtime						350
Retirement						21,600
Insurance & Taxes						67,150
Employee Related Expenses						1,000
Totals	<u>5.00</u>	<u>3.00</u>	<u>3.00</u>			<u>\$277,560</u>

General Government Engineering Services Department			Fund 01 - General Fund		Cost Center	1410
Supplemental Data: Expenditures						
Item	2016	2017		2018	Percent Change	
	Actual	Budget	Revised	Final		

Supplies

Office Supplies	344	600	3,000	1,400	-53.33%
Copier Supplies	143	50	0	0	0.00%
Gas & Oil	3,753	4,500	3,000	1,500	-50.00%
Vehicle Maint & Repairs	2,100	1,500	1,500	1,000	-33.33%
Equipment Maint & Repairs	0	300	0	150	0.00%
Operational Supplies	2,362	1,500	550	500	-9.09%
Clothing Allowance	972	1,000	250	100	-60.00%
Postage & Freight	44	50	50	50	0.00%

Total Supplies	9,718	9,500	8,350	4,700	-43.71%
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Contractual Services

Computer Support	1,270	1,000	1,000	1,000	0.00%
Contractual Services	18,718	2,000	3,000	1,000	-66.67%

Total Contractual Services	19,988	3,000	4,000	2,000	-50.00%
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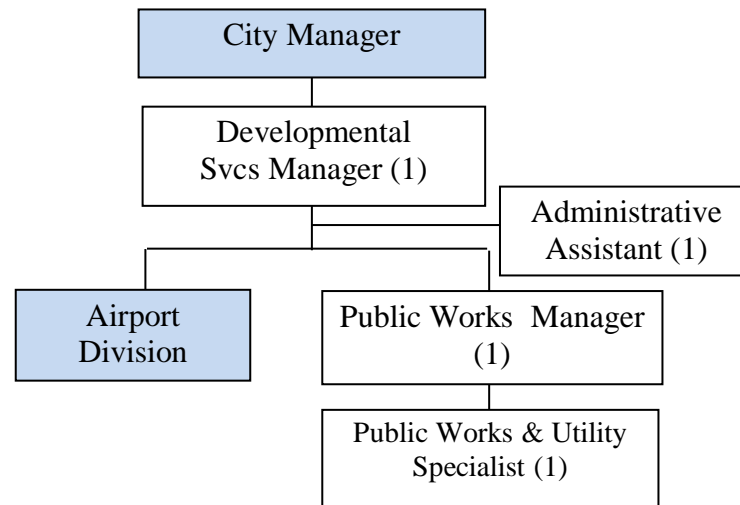
Other Services and Charges

Travel & Training	5,090	2,500	2,500	500	-80.00%
Subscriptions & Memberships	2,821	3,000	3,000	2,000	-33.33%
Printing & Forms	44	50	0	0	0.00%
Legal Advertising	42	0	0	0	0.00%
Utilities	6,753	8,000	7,500	9,000	20.00%
Telephone	4,089	4,050	4,450	4,900	10.11%

Total Other Services & Charges	18,839	17,600	17,450	16,400	-6.02%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Riverfront/Old Town Connection Trail		\$18,000		\$18,000	
Drainage Plan for Cottonwood Village		69,000	\$65,500		
Stormwater Program		40,500	40,500	10,000	
Software Update					
Drainage Facility Policy				7,100	
Totals	\$0	\$127,500	\$106,000	\$35,100	

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 2017 Accomplishments:

- * Procured a contractor to execute new street striping and bi-annual street striping
- * Procured a street sweeper machine to assist with street cleaning efforts
- * Completed the construction of public restrooms at Garrison Centennial Park, Kids Park and Riverfront Park
- * Completed the design for the renovation of the Cottonwood Civic Center
- * Completion (anticipated) of the road safety improvements on Main Street, from 89A to 10th Street, such as the removal of trip hazards and installation of hand rails
- * Completion (anticipated) of the safety audit improvements for the Transfer Station
- * Completed the grading and cleanup of the Transfer Station's rear yard
- * Completed the fee analysis for all departments that fall under the supervision of the Public Works Manager and made recommendations for new fees to the City Council
- * Completion (anticipated) of the Transfer Station Study concerning brush disposal, including fees
- * Completed study for two grant applications by Economic Development for the Final Main Street Improvement Project and the Final Pima Street Improvement/Extension Project
- * Obtained the right-of-way for Groseta Ranch Road
- * Development (anticipated) of a connection trail/path from Riverfront Park to Old Town Cottonwood that can be safely used by the public during major events and at night.

FY 2018 Goals:

- * Design and complete the Aspen Street Wet Crossing Improvement Project
- * Develop a policy for wireless towers within the City's right-of-ways and on City properties
- * Complete a study on the general and handicapped parking needs in Old Town Cottonwood
- * Complete a study on the impact of delivery vehicles in Old Town and propose a plan to the City Council
- * Complete a study on the trash/recycling receptacle needs in Old Town Cottonwood
- * Complete the Public Works-actions as laid out in the Cottonwood Bicycle Plan
- * Develop a plan for a regional transfer station to be operated (preferably) by a private company
- * Develop an ordinance that requires all private streets to be developed according to public street standards
- * Develop an Erosion Protection Project for the section of Hwy 89A between Willard Street and 6th Street
- * Complete the Civic Center renovation
- * Develop a security program for all City parks and facilities
- * Develop a method for economical disposal of green waste at the Transfer Station.

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program.

General Government	Public Works	Fund 01 - General Fund	Cost Center	1600
Performance Indicators				
Strategic Goal/Value \$	Create targeted economic development strategies			
Goal:	Enhance the ability for third party companies to provide better wireless and data services.			
Objective:	Develop a policy for wireless towers within City right-of-way and on City property.			
Type of Measure:	Policy completion			
Tool:	Wireless and data services policy			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Completion of policy				100%
City Council Goal:	Create targeted economic development strategies			
Department Goal:	Reduce the requirements for development to provide off-site improvements			
Objective:	Rewrite the 'off-site improvements' portion of the City code to bring them up to modern standards and allow all development to be treated equally			
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Code revision				100%
City Council Goal:	Create targeted economic development strategies			
Department Goal:	Operation of a regional transfer station by (preferably) a private company			
Objective:	Develop a plan for a regional transfer station to be operated by a private company			
Type of Measure:	Acceptance and award of proposal			
Tool:	Request for proposal (RFP)			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Award of proposal				100%

General Government	Public Works	Fund 01 - General Fund		Cost Center	1600
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$271,149	\$370,090	\$284,135	\$385,650	35.73%
Operating Supplies	8,025	6,300	8,750	3,950	-54.86%
Contractual Services	262,442	240,500	212,810	211,550	-0.59%
Other Services and Charges	13,971	11,300	15,325	16,750	9.30%
Capital Outlay	6,963	57,000	57,000	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$562,550	\$685,190	\$578,020	\$617,900	6.90%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$407,900	66.01%
Transfer Station Fees	210,000	33.99%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Developmental Svcs Manager	1.00	1.00	1.00	5865	8643	\$86,060
PW Manager	0.00	0.00	1.00	5067	7466	69,910
PW Project Manager	1.00	1.00	0.00	4596	6772	0
PW & Utility Specialist	1.00	1.00	1.00	2962	4365	50,855
Administrative Assistant	1.00	1.00	1.00	2559	3771	39,320
COLA						0
Merit Contingency						6,945
Longevity						0
Temporary / Reserves						30,500
Overtime						2,360
Retirement						32,880
Insurance & Taxes						66,820
Employee Related Expenses						0
Totals	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>			<u>\$385,650</u>

General Government	Public Works	Fund 01 - General Fund		Cost Center	1600
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,205	3,000	950	1,200	26.32%
Copier Supplies	3,114	1,000	2,500	750	-70.00%
Gas & Oil	152	0	0	0	0.00%
Vehicle Maint & Repairs	440	500	150	250	66.67%
Equipment Maint & Repairs	514	1,000	800	1,050	31.25%
Operational Supplies	1,539	750	4,300	650	-84.88%
Postage & Freight	62	50	50	50	0.00%

Total Supplies

8,025	6,300	8,750	3,950	-54.86%
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Contractual Services

Computer Support	2,007	500	550	550	0.00%
Contractual Services	260,435	240,000	212,260	211,000	-0.59%

Total Contractual Services

262,442	240,500	212,810	211,550	-0.59%
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Other Services and Charges

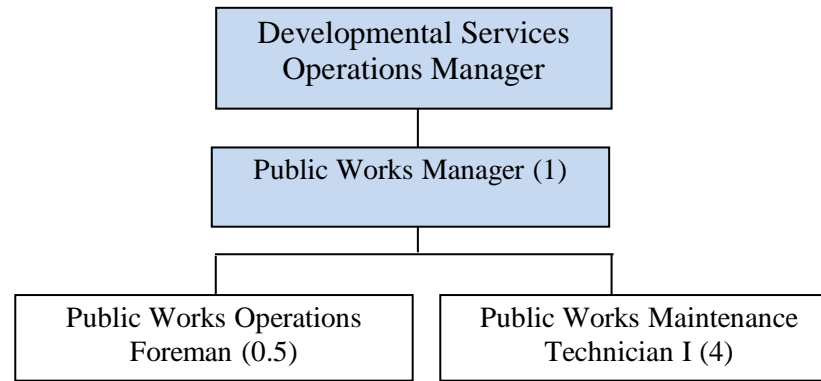
Travel & Training	320	350	525	250	-52.38%
Subscriptions & Memberships	700	0	670	400	-40.30%
Utilities	5,587	4,750	6,350	7,500	18.11%
Telephone	7,123	6,200	7,780	8,600	10.54%
Legal Advertising	240	0	0	0	0.00%

Total Other Services & Charges

13,971	11,300	15,325	16,750	9.30%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Transfer Station Safety Improvements		\$27,500	\$27,500		
Stockpile Cleanup		29,500	29,500		
Copier	\$6,963				
Totals	\$6,963	\$57,000	\$57,000	\$0	

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 2017 Accomplishments:

- * Successfully completed the HVAC Replacement Project (\$50,000) at the Public Safety building
- * Installed four retaining walls and landscaping at the Little League Park
- * Installed new landscaping at the Riverfront Park softball complex
- * Improved the irrigation system at the Little League complex, including adding vandal-proof lockable vaults, and replacing nearly 50% of the sprinklers
- * Implemented a city-wide mistletoe remediation program to save trees
- * Installed 300 feet of new water main at Garrison Centennial Park
- * Rebuilt and improved the bridge at Garrison Centennial Park to meet safety standards
- * Completed the landscape renovation at the Public Safety Building
- * Completed the structural supports for the hockey rink walls, and sanded and repainted the walls
- * Replaced the HVAC-unit at the City Council Chambers
- * By certifying four employees to spray for weeds, the weed spraying program has been fully implemented
- * Extended the irrigation system past the old soccer field, near the ramadas, for the Tilted Earth Festival.
- * Installed landscaping at City Hall

FY 2018 Goals:

- * Install vandal-proof water fountains at the basketball court in Old Town and in Riverfront Park
- * Install vandal-proof fixtures at the Little League restroom facility
- * Replace damaged benches at Riverfront Park
- * Complete retaining walls and landscaping at the Little League Park
- * Improve the irrigation water system to the Little League facility for future conversion to winter rye grass through either reclaimed water or improved ditch-water usage
- * Develop a plan for repair, remodeling and/or removal of the batting cages in cooperation with the Parks & Recreation Commission and the City Council
- * Bring all swing sets in City parks in compliance with safety standards
- * Reconstruct the electrical service to the City Hall and the Business Assistance Center (BAC) and make it
- * Develop a playground maintenance training and inspection program
- * Improve the Christmas light stands on the roofs of City Hall and the BAC to prevent roof leaks

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital has been budgeted.

General Government	Parks & Building Maintenance Department	Fund 01 - General Fund	Cost Center	1610
Performance Indicators				
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Water conservation			
Objective:	Remove the cemetery irrigaton system from the municipal water system			
Type of Measure:	Water usage			
Tool:	Water metering			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Reduction of water use				50%

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Proactive planning for routine maintenance and repairs of City buildings			
Objective:	Building maintenance and repair			
Type of Measure:	Assessment of completed maintenance and repairs			
Tool:	Plan implementation			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Completion of maintenance and repairs				5%

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Update current watering systems for water conservation and dependability			
Objective:	Replace and upgrade old sprinkler system within the next five (5) years			
Type of Measure:	Monitor number of sprinkler replacemer			
Tool:	Sprinkler installation			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Change out old and outdated sprinkler heads with new, versatile sprinkler heads				20%

General Government	Parks & Building Maintenance Department	Fund 01 - General Fund	Cost Center	1610	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$324,320	\$318,875	\$331,245	\$329,530	-0.52%
Operating Supplies	46,443	59,400	47,115	38,600	-18.07%
Contractual Services	176	500	3,200	3,200	0.00%
Other Services and Charges	49,650	36,900	44,705	38,240	-14.46%
Capital Outlay	272,492	14,000	39,550	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$693,082	\$429,675	\$465,815	\$409,570	-12.07%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$409,570	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Public Works Superintendent	0.00	0.00	0.00	4,377	6,450	\$0
PW Operations Foreman	0.50	0.50	0.50	3,601	5,306	23,835
Facilities Maint Technician III	0.00	0.00	0.00	2,321	3,421	0
PW Maintenance Technician I	5.00	5.00	5.00	2,211	3,258	138,255
COLA						0
Merit Contingency						4,630
Longevity						0
Holiday Pay						250
Clothing Allowance						1,200
Overtime						6,000
Temporary Employees						38,310
Retirement						19,890
Insurance & Taxes						97,160
Employee Related Expenses						0
Totals	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>			<u>\$329,530</u>

General Government	Parks & Building Maintenance Department	Fund 01 - General Fund	Cost Center	1610	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	402	500	100	100	0.00%
Gas & Oil	8,186	10,500	8,500	8,000	-5.88%
Vehicle Maint & Repairs	5,883	6,200	2,500	4,000	60.00%
Equipment Maint & Repairs	6,644	8,200	2,000	1,500	-25.00%
Grounds/Parks Maintenance Supplies	25,329	34,000	34,000	25,000	-26.47%
Postage/Freight	0	0	15	0	-100.00%

Total Supplies

46,443	59,400	47,115	38,600	-18.07%
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Contractual Services

Computer Support	176	500	3,200	3,200	0.00%
Contractual Services	0	0	0	0	0.00%
Ground Maintenance Contract	0	0	0	0	0.00%

Total Contractual Services

176	500	3,200	3,200	0.00%
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Other Services and Charges

Travel & Training	1,413	4,000	1,000	1,500	50.00%
Utilities	9,227	11,200	16,665	17,500	5.01%
Telephone	1,200	1,200	1,440	1,440	0.00%
Tools	2,441	3,000	3,000	2,000	-33.33%
Equipment Rental	461	500	250	150	-40.00%
Maintenance & Repairs (city buildings)	34,262	16,000	18,850	12,650	-32.89%
Vandalism Repairs	647	1,000	3,500	3,000	-14.29%

Total Other Services & Charges

49,650	36,900	44,705	38,240	-14.46%
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Supplemental Data: Capital Outlay				
Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Miscellaneous Supplies				
Tires (for Terex)		\$6,000	\$6,000	
Maintenance Public Parking Lots	\$246,438		33,551	
Rehabilitation (ongoing) of Park Irrigation Systems	26,054			
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				
Totals	\$272,492	\$14,000	\$39,550	\$0

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 2017 Accomplishments:

- * Startup of services will have been established for the new public restroom units at the Garrison Park and the Kids Park. The latter will require addition to the contract as a new building to service.
- * Completed 2nd full service year for the Emergency Operations Center and for the Community Development Services building
- * Contracting of services continues to provide a healthful work environment to staff employees and the
- * The outsourcing of services has continued to save the City approximately \$50,000 to \$75,000 annually for full-service cleaning operations and cost savings continue to be accurate for this budget cycle

FY 2018 Goals:

- * Seek ways to increase efficiency in operations, maintaining quality full service operations, due to reduced funding
- * Work with contractor in meeting present service needs/requests, service factors, monthly evaluations as established by departmental priorities and quality requirements
- * Provide proper accountability and crossover communications from contractor personnel to City staff using communications logs, website ratings, monthly inspection reports and email systems reports/evaluations in addition to daily communication options for all facilities. Keep response times from contractor to within one (1) hour of department complaint or concern.
- * Establish a high level rating with quality control functions through proper communications and reporting of issues
- * The term for the current contractor will end this budget cycle and procurement staff will be bidding for custodial contract services in October 2017

Budget Highlights:

There is an increase in the amount budgeted for custodial services due to rising custodial cost.

Culture & Recreation	Custodial Services	Fund 01 - General Fund	Cost Center	1620
Performance Indicators				
City Council Goal:	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			
Department Goal:	Continue to provide quality full service custodial operations with a constant reliance upon efficiency and satisfaction of the City staff and public served			
Objective:	Increase quality control and effective communications to staff thereby mitigating poor services City-wide.			
Type of Measure:	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.			
Tool:	Monthly evaluation point totals on Service Review forms. Reviewed by General Manager and submitted to Contractor			
Frequency:	Monthly			
Scoring:	Points between 1-10 pertaining to scores are awarded monthly. Monthly totals are then averaged annually.			
Trend:	Upward			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Increase in overall monthly averages as totaled on an annual basis		1%	1%	1%

Culture & Recreation	Custodial Services	Fund 01 - General Fund		Cost Center	1620
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	168,023	160,000	155,000	210,000	35.48%
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%
Department Totals	\$168,023	\$160,000	\$155,000	\$210,000	35.48%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$210,000	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	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
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Custodial Services		Fund 01 - General Fund		Cost Center	1620
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Janitorial Supplies	0	0	0	0	0.00%
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Total Supplies

0	0	0	0	0.00%
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Contractual Services

Custodial Contract	168,023	160,000	155,000	210,000	35.48%
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Total Contractual Services

168,023	160,000	155,000	210,000	35.48%
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Other Services and Charges

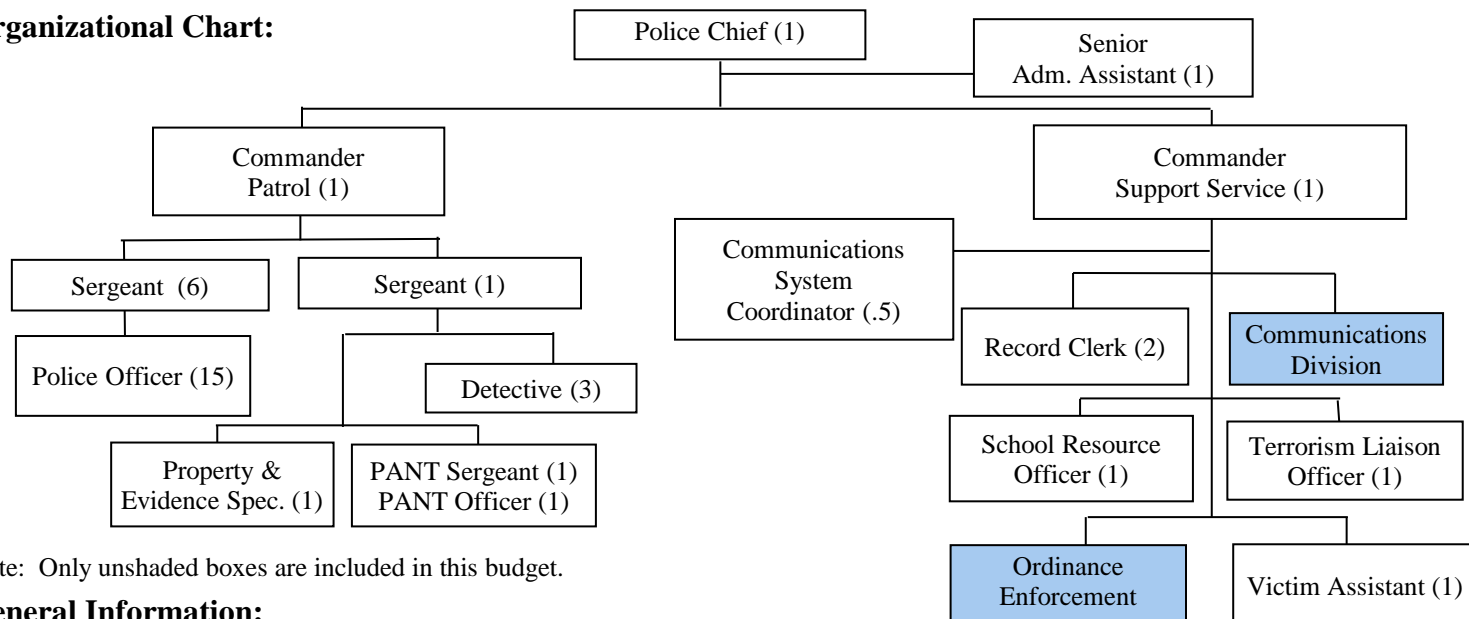
Equipment Rental	0	0	0	0	0.00%
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Total Other Services & Charges

0	0	0	0	0.00%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

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 2017 Accomplishments:

- * Developed a 5-year Strategic Plan to increase organizational efficiency improving the service levels to the community
- * Implemented improved crime prevention strategies for problem areas
- * Implemented multiple initiatives to improve transparency and connectivity with the community, leveraging available technology (enhanced web presence, media interface, mobile application) and the formation of a "citizens police chief's advisory council"
- * Implemented a "Neighborhood Officer Program" to aide in identifying community issues, concerns, problems, and crime trends at that affect quality of life. This program also offers citizens another conduit for contacting the Police Department, and puts a name and a face to the badge
- * Reviewed and revised the entire Police Department policy manual reflecting best practices and transitioned it into an automated format so policies can be updated in a timely manner in order to reduce liability and improve customer service
- * Drove collaboration with stakeholders to form an Alternative Sentencing Program focused on effectively addressing low-level habitual offenders who suffer from mental illness and/or substance addictions
- * Led several initiatives in collaboration with other stakeholders to reduce the adverse impacts of homelessness and the number of complaints regarding panhandlers in the city
- * Developed several initiatives (recruitment video and compensation compression market review) to aid in recruitment and retention of police personnel in light of current nationwide challenges
- * Became the first police agency in the Verde Valley to hire a full-time Victim's Assistant (grant funded) who ensures victims of crimes are aware of support and assistance services available to them.
- * Community engagements: National Night Out, Shop With a Cop, graduation of Cottonwood's Citizen Police Academy XX, community forums/events participation, local PSAs, and increased media interface.

FY 2018 Goals:

- * Implement strategies designed to recruit and retain quality employees in light of unprecedented recruitment challenges
- * Train officers and dispatchers in interfacing with people with mental illness through new regional crisis intervention training (CIT) facilitated by YCSO, mental health care providers and other stakeholders
- * Re-establish Chaplain Program
- * Increase public exposure of "Cottonwood Cares" to reduce enabling environments and the number of
- * Expand Citizen on Patrol Volunteer Program
- * Enhance emergency preparedness in partnership with the Fire & Medical Services Department and other stakeholders

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. Capital is programmed for Holding Cell Cameras (\$6,500), Tasers and Peripherals (\$10,950) and Security Cameras for the Evidence Building and Impound Lot (\$8,000).

Public Safety	Police Department	Fund 01 - General Fund	Cost Center	2000
Performance Indicators				
Strategic Goal/ValueStatement: Improve community safety and provide information about community support services				
Goal:	Reduce the number of aggressive solicitation complaints and transient behavior within the City			
Objective:	Proactive			
Type of Measure:	Volume of CAD Calls			
Tool:	"Transient" keyword search RMS			
Frequency:	Annual			
Scoring:	Increase/decrease			
Trend:	Decrease			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Total CAD Calls	123	104	85	70

Strategic Goal/ValueStatement: Improve the Police Departments transparency and value to the community					
Goal:	Increase/improve the number of community programs.				
Objective:	Increase the 'value' of the Police Department through community programs				
Type of Measure:	Number of programs				
Tool:	Programs				
Frequency:	Annual				
Scoring:	Increase				
Trend:	Increase/improve				
Measures:	Actual		Estimated	Anticipated	
	2015	2016	2017	2018	
Program Totals		7	17	19	20

Supplemental Data: Capital Outlay				
Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Copier	\$7,687			
Vista Wearable Camera Warranty		\$6,380	\$6,380	
Patrol Vehicles (2) [Lease]		126,235	126,235	
Accessories Lync System				
Duty Weapons		1,500	1,500	
Tasers and peripherals, and firearms		10,950	10,950	
HVAC System Replacement	16,827			
Security camera upgrades & watchguard camera	7,148			
Vehicle cameras				
Datalogic Memory X3 Barcode Scanner & Dock	1,402	1,000	1,000	
Remodeling of Former Communications Center		5,000	5,000	
Rifles	4,655			
Getac computer equipment	13,961			
Holding Cell Cameras				\$6,500
Tasers				10,950
Security camera upgrade Evidence Building and Impound Lot				8,000
Miscellaneous	361			
Totals	\$52,041	\$151,065	\$151,065	\$25,450

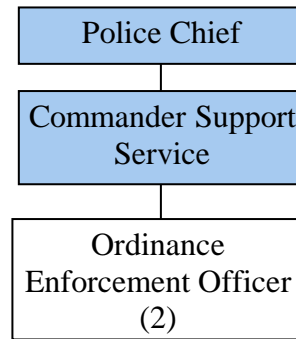
Public Safety	Police Department	Fund 01 - General Fund		Cost Center	2000
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$4,153,353	\$4,280,195	\$4,161,000	\$4,670,180	12.24%
Operating Supplies	236,831	228,130	211,130	210,130	-0.47%
Contractual Services	45,053	53,980	64,500	51,195	-20.63%
Other Services and Charges	257,644	362,220	244,075	293,215	20.13%
Capital Outlay	52,041	151,065	151,065	25,450	-83.15%
Debt Service	0	0	0	0	0.00%
Department Totals	\$4,744,921	\$5,075,590	\$4,831,770	\$5,250,170	8.66%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$4,952,370	94.33%
Inter-local Governmental Contracts	155,000	2.95%
Lease Purchase	0	0.00%
SB1398 Police Equipment	2,800	0.05%
Grants	140,000	2.67%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Police Chief	1.00	1.00	1.00	8,253	12,162	\$120,820
Commander	2.00	2.00	2.00	6,790	10,006	207,920
Sergeant	7.00	7.00	7.00	5,067	7,466	521,760
PANT Officer/Sergeant	2.00	2.00	2.00	5,067	7,466	135,820
Police Officer	21.00	20.00	18.00	3,970	5,850	963,580
School Resource Officer (SRO)	1.00	1.00	1.00	3,970	5,850	60,455
Terrorist Liaison Officer	0.50	1.00	1.00	3,970	5,850	59,255
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	27,500
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	53,360
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	42,400
Victim Assistant	0.00	1.00	1.00	2,962	4,365	35,550
Records Clerk	2.00	2.00	2.00	2,559	3,771	88,595
COLA						0
Merit Contingency						63,855
Clothing Allowance						25,000
Holiday Pay						55,250
Car Allowance						0
Certification Pay						39,530
Overtime						195,000
Retirement						1,175,620
Insurance & Taxes						798,910
Employee Related Expenses						0
Totals	<u>39.00</u>	<u>39.50</u>	<u>37.50</u>			<u>\$4,670,180</u>

Public Safety	Police Department	Fund 01 - General Fund		Cost Center	2000
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	15,090	15,000	17,000	17,000	0.00%
Copier Supplies	939	1,500	1,500	1,500	0.00%
Invest / Detective Expenses	3,093	2,000	2,000	2,000	0.00%
Training Supplies	14,950	20,000	20,000	17,500	-12.50%
Gas & Oil	54,326	70,000	50,000	55,000	10.00%
Vehicle Maint & Repairs	99,945	77,130	77,130	77,130	0.00%
Film & Developing	0	0	0	0	0.00%
DUI Expenses	240	500	500	500	0.00%
Equipment Maint & Repairs	27,771	28,000	22,000	15,000	-31.82%
Operational Supplies	3,463	2,500	7,500	9,000	20.00%
Postage & Freight	2,757	1,500	1,000	1,000	0.00%
Building Supplies	3,885	3,000	5,500	7,500	36.36%
Canine Vet & Feed	5,847	2,000	2,000	2,000	0.00%
Protective Clothing	4,525	5,000	5,000	5,000	0.00%
Total Supplies	236,831	228,130	211,130	210,130	-0.47%
Contractual Services					
Computer Support	29,383	35,980	43,400	41,195	-5.08%
Contractual Services	3,149	13,000	17,000	5,000	-70.59%
Medical Testing	7,418	3,500	3,500	3,500	0.00%
Towing Expense	5,103	1,500	600	1,500	150.00%
Medical Investigation Expenses	0	0	0	0	0.00%
Total Contractual Services	45,053	53,980	64,500	51,195	-20.63%
Other Services and Charges					
Travel & Training	21,446	20,000	20,000	20,000	0.00%
Subscriptions & Memberships	2,057	2,500	2,500	2,500	0.00%
Printing & Forms	1,542	1,500	1,500	1,500	0.00%
Utilities	35,926	44,000	40,460	48,550	20.00%
Telephone	49,290	53,000	47,850	53,000	10.76%
Recruitment Program	0	0	0	2,000	0.00%
DOJ Grant - Victim Asst.	0	78,055	28,000	0	-100.00%
Explorer Program	227	750	750	750	0.00%
Safety Expense	1,141	2,915	2,915	2,915	0.00%
Community Policing	7,302	7,000	9,600	5,000	-47.92%
Reserve/VIP Program	1,616	2,000	2,000	2,000	0.00%
SWAT Equipment	19,133	15,000	18,000	15,000	-16.67%
LLBG 0-144 Grant match	2,316	0	0	0	0.00%
Homeland Security Grant	32,760	65,000	0	65,000	0.00%
Highway Safety Grant	54,738	33,000	33,000	37,500	13.64%
County RICO Grant	28,151	30,000	30,000	30,000	0.00%
Misc. Grants	0	7,500	7,500	7,500	0.00%
Total Other Services & Charges	257,644	362,220	244,075	293,215	20.13%

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 2017 Accomplishments:

- * Assumed primary responsibility for Code Enforcement within the city

FY 2018 Goals:

- * Increase proactive code violation contacts by focusing on education and voluntary compliance for enforcement, whenever feasible
- * Reduce leash law (dog-at large) complaints

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. No capital has been budgeted for this department.

Public Safety	Ordinance Enforcement Division	Fund 01 - General Fund	Cost Center	2200
Performance Indicators				
City Council Goal:	Strive to provide effective and efficient services			
Department Goal:	Reduce animal disease and cruelty issues			
Objective:	Reduction through education and enforcement			
Type of Measure:	Number of cruelty cases, animals at-large and animal bites			
Tool:	System reports			
Frequency:	Annual			
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Programs to Civic Groups and School Presentations	220	100	120	140
Cruelty cases	85	8	65	60
Animal Bite	30	31	28	25

City Council Goal:	Strive to provide effective and efficient services			
Department Goal:	Reduce leash law (dog-at-large) complaints			
Objective:	Education and enforcement			
Type of Measure:	Number of complaints - on view and at-large calls			
Tool:	Reports			
Frequency:	Annual			
Scoring:	Reduction from prior year			
Trend:	Down			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
On view	N/A	78	100	120
At-Large calls	381	182	160	140
Totals	381	260	260	260

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

Public Safety	Ordinance Enforcement Division	Fund 01 - General Fund		Cost Center	2200
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$147,628	\$149,730	\$150,145	\$158,975	5.88%
Operating Supplies	6,457	9,870	9,320	9,320	0.00%
Contractual Services	46,315	49,980	47,570	49,980	5.07%
Other Services and Charges	125	1,000	0	1,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$200,524	\$210,580	\$207,035	\$219,275	5.91%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$219,275	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	\$96,565
COLA						0
Merit Contingency						2,015
Longevity						0
Clothing Allowance						245
Holiday Pay						4,000
Overtime						2,000
Retirement						11,810
Insurance & Taxes						42,340
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$158,975</u>

Public Safety	Ordinance Enforcement Division	Fund 01 - General Fund			Cost Center	2200
Supplemental Data: Expenditures						
Item		2016	2017		2018	Percent Change
		Actual	Budget	Revised	Final	

Supplies

Office Supplies	249	0	250	250	0.00%
Copier Supplies	0	0	200	200	0.00%
Gas & Oil	3,630	5,000	4,000	4,500	12.50%
Vehicle Maint & Repairs	0	2,870	2,870	2,870	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Small Tools	2,578	2,000	2,000	1,500	-25.00%

Total Supplies

6,457	9,870	9,320	9,320	0.00%
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Contractual Services

Computer Support	1,157	1,100	1,100	1,100	0.00%
Spay/Neuter Grant Expense	1,273	5,000	2,590	5,000	93.05%
Kennel Fees	43,884	43,880	43,880	43,880	0.00%

Total Contractual Services

46,315	49,980	47,570	49,980	5.07%
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Other Services and Charges

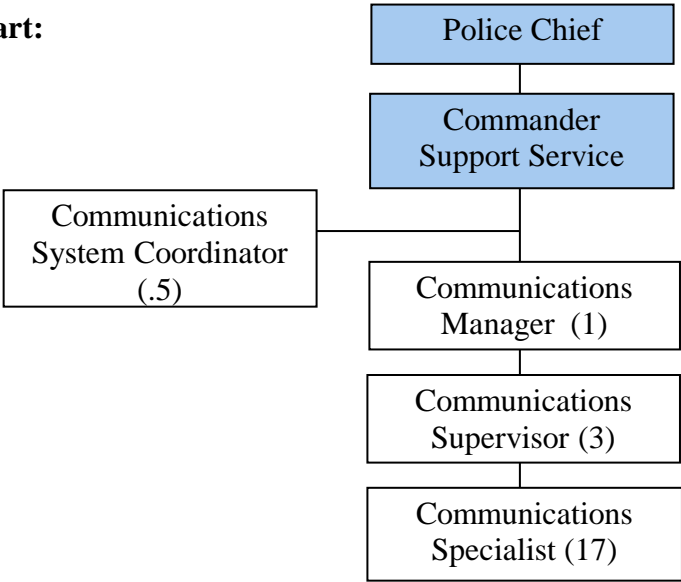
Travel & Training	125	1,000	0	1,000	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%

Total Other Services & Charges

125	1,000	0	1,000	0.00%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	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 2017 Accomplishments:

- * Instituted mandatory psychological testing for police officers and dispatcher candidates
- * Increased employee involvement in departmental decision-making as well as enhancing employee awards program
- * Reviewed and revised entire police policy manual and transitioned it into an automated format for timely update reflecting best practices aimed at reducing liability and increase customer service
- * Initiated and supported the development of enhanced mental-health awareness training for police officers and dispatchers throughout Yavapai County
- * Established a culture of accountability
- * Established well-defined expectations and skill levels for leadership
- * Participated and presented at numerous community forums and events, produced local PSA's and increased media interface

FY 2018 Goals:

- * Implement strategies designed to recruit and retain quality employees in light of unprecedented recruitment challenges
- * Standardize call processing system to ensure accurate and complete information is obtained
- * Decrease the time needed for a call to be dispatched to police and fire first responders
- * Train officers and dispatchers in interfacing with the mentally ill through new regional Crisis Intervention Training (CIT) facilitated by YCSO, mental health care providers, and other stakeholders
- * Reduce number of calls into Communications Center for non-public safety related information requests
- * Allow managers the opportunity to participate in a Personality Assessment exercise as a group to enhance effectiveness through improved intra-agency participation
- * Enhance emergency preparedness in partnership with Cottonwood Fire & Medical Services Department and other stakeholders

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. No capital has been budgeted.

Public Safety	Communications Division	Fund 01 - General Fund	Cost Center	2010
Performance Indicators				
City Council Goal: Value the safety of our public safety personnel and citizens				
Department Goal: Standardize call processing system to ensure accurate and complete information is obtained quickly				
Objective: Successful completion of ProQA-training and certification in Emergency Medical Dispatcher (EMD), Emergency Police Dispatcher (EPD) and Emergency Fire Dispatcher (EFD)				
Type of Measure: Outcome				
Tool: Certification				
Frequency: Annual				
Scoring: Yes/No				
Trend: Level				
Measures:		Actual		Estimated
		2015	2016	2017
				Anticipated
				2018
EMD Certification		Yes	Yes	Yes
EPD Certification		Yes	Yes	Yes
EFD Certification		Yes	Yes	Yes

City Council Goal: Be Responsive and Accountable				
Department Goal: Decrease the amount of time needed for a call to be dispatched				
Objective: Improve response time for Public Safety responders				
Type of Measure: Response time				
Tool: Reports				
Frequency: Monthly				
Scoring: Increase/decrease from prior year				
Trend: Decrease				
Measures:		Actual		Estimated
		2015	2016	2017
				Anticipated
				2018
Average call processing time prior to dispatch		1.5 min.	1.3 min	1.1 min
Number of dispatch calls		24,256	33,838	40,000

City Council Goal: Value the safety of our Public Safety Personnel and Citizens				
Goal: Reduce number of calls into Comm Center for burn permits, information requests, civil issues, etc.				
Objective: Utilize technology such as web and/or smart phone applications				
Type of Measure: Outcome				
Tool: Reports				
Frequency: Monthly				
Scoring: Increase/Decrease from prior year				
Trend: Decrease				
Measures:		Actual		Estimated
		2015	2016	2017
				Anticipated
				2018
Average number of calls into Comm Center		40,283	62,976	51,631
				50,000

City Council Goal: Be reliable and sustainable				
Goal: Reduce employee turn over and retain qualified employees				
Objective: Participate in vocational education opportunities and APCO established training and operating guidelines				
Type of Measure: Outcome				
Tool: Reports				
Frequency: Monthly				
Scoring: Reduced overtime expenses/vacancies vs. filled positions				
Trend: Decrease				
Measures:		Actual		Estimated
		2015	2016	2017
				Anticipated
				2018
Vacant positions covered by overtime		27%		15%
Positions filled		73%		85%
				93%

Public Safety	Communications Division	Fund 01 - General Fund		Cost Center	2010
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$1,397,093	\$1,473,430	\$1,330,475	\$1,550,840	16.56%
Operating Supplies	4,059	3,000	3,000	3,000	0.00%
Contractual Services	14,041	16,000	16,130	21,000	30.19%
Other Services and Charges	202,242	257,325	221,120	181,490	-17.92%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,617,435	\$1,749,755	\$1,570,725	\$1,756,330	11.82%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$962,200	54.78%
Dispatch & Spillman Fees	794,130	45.22%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Communications Manager	1.00	1.00	1.00	4,596	6,772	\$74,035
Communications Supervisor	3.00	3.00	3.00	3,601	5,306	152,655
Communications Systems Coordinator	0.50	0.50	0.50	3,111	4,584	27,505
Communications Specialist	18.00	18.00	17.00	2,821	4,158	619,050
COLA						0
Merit Contingency						23,340
Certification Pay						3,685
Longevity						0
Clothing Allowance						2,000
Holiday Pay						25,000
Overtime						180,000
Retirement						127,110
Insurance & Taxes						316,460
Employee Related Expenses						0
Totals	<u>22.50</u>	<u>22.50</u>	<u>21.50</u>			<u>\$1,550,840</u>

Public Safety	Communications Division	Fund 01 - General Fund		Cost Center	2010
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	3,610	2,500	2,500	2,500	0.00%
Copier Supplies	449	500	500	500	0.00%

Total Supplies

4,059	3,000	3,000	3,000	0.00%
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Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	995	2,500	2,630	6,000	128.14%
Repeater Expense	13,046	13,500	13,500	15,000	11.11%

Total Contractual Services

14,041	16,000	16,130	21,000	30.19%
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Other Services and Charges

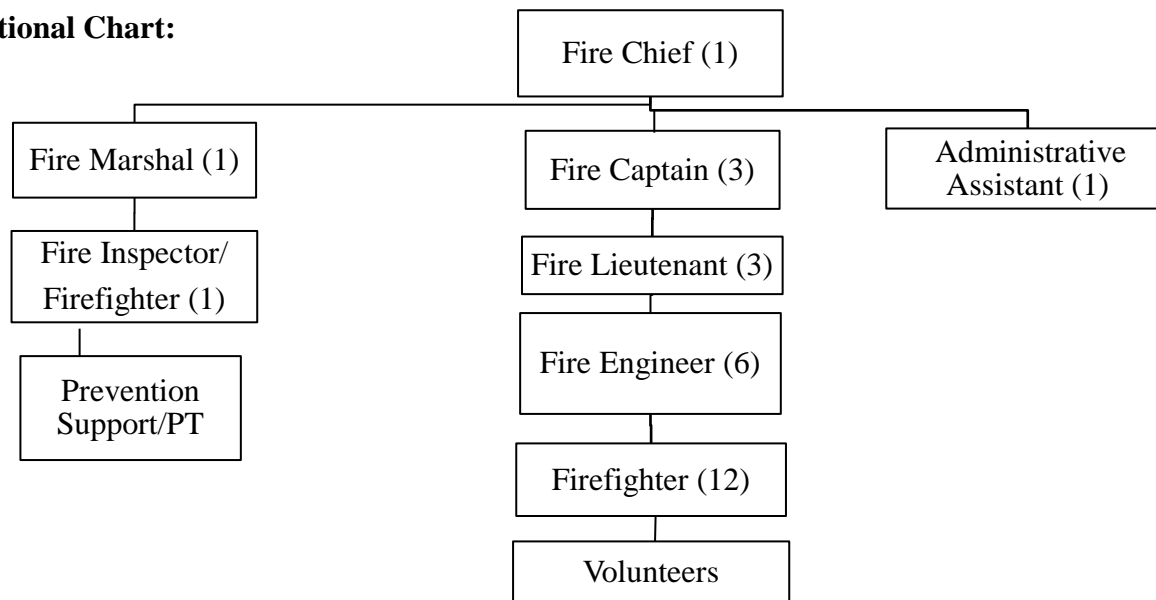
Travel & Training	11,035	25,350	10,000	12,500	25.00%
Employee Physicals/Drug Tests	0	385	2,500	2,500	0.00%
Community Policing	61	0	200	200	0.00%
Subscriptions & Memberships	1,658	1,100	1,100	1,100	0.00%
Postage/Freight	33	250	0	100	0.00%
Equipment Maint & Repairs	112,853	141,170	120,000	63,000	-47.50%
Safety Expenses	91	1,600	600	600	0.00%
Utilities	33,226	36,000	40,240	48,290	20.00%
Telephone	14,816	23,000	16,300	20,000	22.70%
Liability Insurance	28,469	28,470	30,180	33,200	10.01%

Total Other Services & Charges

202,242	257,325	221,120	181,490	-17.92%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



General Information:

Cottonwood Fire & Medical Services Department (CFMD) 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 2017 Accomplishments:

- * Four firefighters completed the AZ Certified Paramedic training program and upon their completion of certification, the CFMD will have 18 Certified Paramedics providing Advanced Life Support care to our citizens 99+% of the time
- * Responded to one in-state wildfire (Cedar Fire) which resulted in \$11,000 in revenue and reimbursement
- * Completed the update of the City Emergency Operations Plan
- * Participated in successful, large scale Wildland Fire Exercise involving all neighboring jurisdictions, the AZ State Forestry, US Forest Service and the Yavapai County Emergency Management
- * Expanded the "Fire Pal" program in Cottonwood-Oak Creek School District schools to include additional grades, and also did program outreach to private and charter schools in the City of Cottonwood. This program provides extensive fire and life safety education to the children in our community.
- * Adoption (anticipated) of the 2012 International Fire Code and applicable appendices as the City of Cottonwood Fire Code
- * Acquisition (anticipated) of two new extrication tools that will replace 15+ year old devices

FY 2018 Goals:

- * Select Old Town neighborhoods for the installation and/or inspection of smoke detectors to increase fire safety of our citizens
- * Expand the Fire Safety Program for the city's local senior population targeting also multi-family senior living centers
- * 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 preliminary design work
- * Acquire a new fire pumper to replace the current apparatus for which replacement parts cannot anymore be obtained because its manufacturer has 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:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. There is capital outlay for Jaws of Life- Fire Suppression & Rescue Equipment \$60,000 and a Fire Engine in the amount of \$600,000 (Lease).

Public Safety	Fire & Medical Services Department	Fund 01 - General Fund	Cost Center	2100
Performance Indicators				
City Council Goal: Maintain public safety Department Goal: Have each firefighter complete an average of 240 hours per year of fire suppression related training Objective: To ensure each firefighter completes two hours of fire/rescue training per shift per ISO guidelines Type of Measure: Average number of training Tool: Monthly/annual reports Frequency: Annually Scoring: Over 240 hours/year = meeting goal. < 240 hours= need improvement. Trend: <-->				
		Actual		Estimated
		2015	2016	2017
				Anticipated
		2018		
Measures:				
Number of training hours per person/average completed in support of ISO		184	227	230
				240+

City Council Goal: Maintain public safety Department Goal: Conduct an average of 60 commercial building and/or new construction inspections per month Objective: To help ensure fire safety in our community, our fire prevention division will perform at least 60 inspections of commercial building or new construction per month. Type of Measure: Number of inspections Tool: Monthly reports Frequency: Annually Scoring: >60 inspections/month average = meeting goal. < 60 inspections/month average = needs improvement Trend: <-->				
		Actual		Estimated
		2015	2016	2017
				Anticipated
		2018		
Measures:				
Average number of commercial building and/or new construction inspections per month		63	62	62
				60+

Supplemental Data: Capital Outlay				
Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Communications/Radio/MCT-Infr Updated				
Office & Station Equipment - Updated	\$5,139			
Thermal Imaging Cameras (2)				
EMS Equipment Replacements		\$15,000		
Rescue Special Ops Equipment				
Fire Suppression & Safety Equipment - Jaws of Life (2)		60,000		\$60,000
Emergency Operation Center Equipment				
Vehicle Replacement	46,869			
Station Apron Repair				
Pagers & Radios (FEMA AFG Grant 95/5)				
Air Packs SCBA				
Physical Fitness Equipment				
Communication Equipment				
Multifunction Copier		8,000		
EKG Monitor/Defibrillators (2)				
Fire Engine (Type 1) [Lease]		600,000		600,000
Fire Safety HS Grant 95/5				
Back Driveway	41,035		\$23,000	
Totals	\$93,043	\$683,000	\$23,000	\$660,000

Public Safety	Fire & Medical Services Department		Fund 01 - General Fund		Cost Center	2100
Summary by Category						
Expenditure Category	2016	2017		2018	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$2,615,559	\$2,709,235	\$2,701,455	\$2,977,190	10.21%	
Operating Supplies	61,089	71,650	70,600	77,900	10.34%	
Contractual Services	8,149	86,700	22,500	100,000	344.44%	
Other Services and Charges	55,933	72,450	63,250	80,820	27.78%	
Capital Outlay	93,043	683,000	23,000	660,000	2769.57%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$2,833,773	\$3,623,035	\$2,880,805	\$3,895,910	35.24%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$3,165,910	81.26%
Misc. Grants	70,000	1.80%
Lease Purchase	660,000	16.94%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Fire Chief	1.00	1.00	1.00	7,486	11,031	\$114,025
Fire Marshal	1.00	1.00	1.00	5,865	8,643	93,280
Fire Captain	3.00	3.00	3.00	5,586	8,232	258,720
Fire Lieutenant	3.00	3.00	3.00	4,825	7,111	219,945
Fire Engineer	6.00	6.00	6.00	3,970	5,850	360,610
Fire Inspector	1.00	1.00	1.00	3,970	5,850	55,880
Firefighter	12.00	12.00	12.00	3,601	5,306	581,255
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	51,195
COLA						0
Merit Contingency						58,480
Longevity						0
Certification Pay						72,000
Holiday Pay						45,000
Clothing Allowance						21,060
Temporary / Reserves						6,800
Overtime						25,000
Retirement						482,430
Insurance & Taxes						524,510
Employee Related Expenses						7,000
Totals	<u>28.00</u>	<u>28.00</u>	<u>28.00</u>			<u>\$2,977,190</u>

Public Safety	Fire & Medical Services Dep	Fund 01 - General Fund		Cost Center	2100
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,078	1,500	1,400	1,500	7.14%
Copier Supplies	1,501	1,800	1,700	1,800	5.88%
Gas & Oil	12,455	20,000	15,000	20,000	33.33%
Vehicle Maint & Repairs	31,090	25,000	30,000	30,000	0.00%
Equipment Maint & Repairs	9,288	11,000	10,000	12,000	20.00%
Protective Clothing	5,491	12,000	12,000	12,000	0.00%
Postage & Freight	186	350	500	600	20.00%

Total Supplies

61,089	71,650	70,600	77,900	10.34%
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Contractual Services

Radio Maintenance	108	1,500	1,000	2,000	100.00%
Computer Support	3,527	6,500	5,300	5,000	-5.66%
Contractual Services	2,422	2,700	2,700	3,000	11.11%
Medical Testing	2,092	13,500	13,500	15,000	11.11%
Emergency Service Grant	0	2,500	0	5,000	0.00%
GOHS - FIRE Grant	0	50,000	0	50,000	0.00%
GOHS - Safety Grant	0	10,000	0	20,000	0.00%
FEMA Grant	0	0	0	0	0.00%

Total Contractual Services

8,149	86,700	22,500	100,000	344.44%
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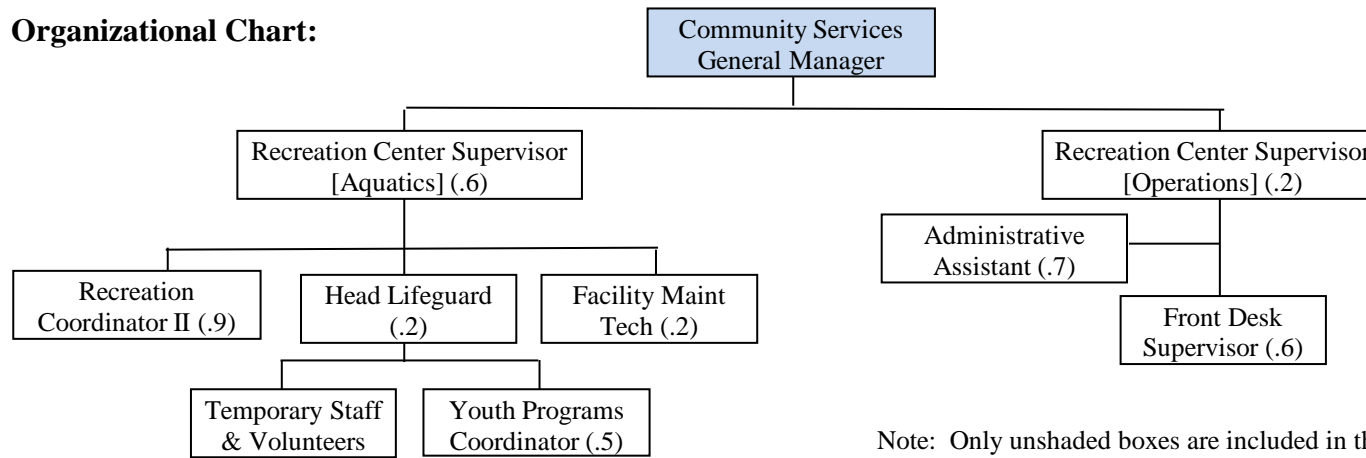
Other Services and Charges

Travel & Training	8,390	10,000	6,000	8,000	33.33%
Subscriptions & Memberships	2,130	2,400	2,400	3,000	25.00%
Operational Equipment & Supplies	3,707	7,000	6,000	12,000	100.00%
EMS Expenses	6,962	9,000	8,000	12,000	50.00%
Utilities	20,731	23,000	25,650	28,220	10.02%
Telephone	2,417	5,900	2,750	3,300	20.00%
Fire Prevention	3,709	5,500	5,000	5,000	0.00%
Emergency Management	4,844	4,850	4,850	5,000	3.09%
Legal Advertising	0	0	0	0	0.00%
Training Center	2,200	2,500	2,200	2,500	13.64%
Volunteer Fireperson Training	396	1,500	200	1,000	400.00%
Volunteer Fireperson Misc.	448	800	200	800	300.00%
Vol Fire Retirement	0	0	0	0	0.00%

Total Other Services & Charges

55,933	72,450	63,250	80,820	27.78%
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Organizational Chart:



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 2017 Accomplishments:

- * Partnered with End of The Tunnel Ventures/Page Springs Cellars for the Tilted Earth Festival, further emphasizing the City's brand of 'Heart of Arizona's Wine Country.' The festival recouped 100% of the mutually agreed upon City expenses per the co-sponsorship agreement at \$58,465.98.
- * The Thunder Valley Rally (TVR) committee produced the 2016 festival which reached a cost recovery of +/-73%, up from +/-39%, the year prior. Compared to the previous year, there were also significant increases in shuttle numbers, poker run participants, local charities collections (28% more) and cash sponsorships (48% more).
- * In collaboration with the Economic Development Department, P&R contracted with Norris Design to complete the Cottonwood Riverfront Trails and Recreation Master Plan that will provide future direction for implementation of a community-wide trails system
- * Completion of the Zaleski Trail in the Prescott National Forest in conjunction with the City of Cottonwood. The Bicycle Advisory Committee worked with the Verde Valley Cyclists Coalition on trails maintenance and re-routes in the greater trails system of the Dead Horse Ranch State Park.
- * Assisted the Chamber of Commerce and Old town Association with regard to the Arizona Office of Tourism co-op marketing opportunity, including exposure at both the Cactus League and the College National Championship
- * Finalized renovation of the Youth Center with the rectification of all structural, safety and code concerns.
- * Provided signature series/community events: 4th of July Celebration, Annual Easter Egg Hunt, Walkin' on Main, Farmers' Market Jamboree, Fall Carnival, and Looking Good Cottonwood.

FY 2018 Goals:

- * Create additional revenue streams and increase partnerships/sponsors to defray costs of special events (TVR, Farmers' Market Jamboree, Fantastic Family Fourth, Walkin' on Main) by an additional 20%
- * Achieve a 100% level of cost recovery pertaining to the Youth Center
- * Increase TVR customer satisfaction pertaining to parking logistics and shuttle services, and maintain all other guest satisfaction levels
- * Implement phase out of 3 of the Cottonwood Riverfront Trails and Recreation Master Plan
- * Develop a Parks & Recreation Master Plan
- * Finalize are bike maps and increase community wide bicycle parking facilities
- * Create a city brand inspired special event through a collaborative approach
- * Increase participation of produce vendors at the Farmers' Market Jamboree by 30% through public-private partnerships.

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program and the inclusion of the personnel cost of the Youth Center. No capital has been planned for this department.

Culture & Recreation	Parks and Recreation Department	Fund 01 - General Fund	Cost Center	4100
Performance Indicators				
City Council Goal:	Serve the citizens through value driven programming and facilities			
Department Goal:	Maintain/increase customer satisfaction levels to sustain/grow attendance			
Objective:	Improve parking and shuttle logistics/communications and maintain current satisfaction levels			
Type of Measure:	Statistical survey analysis			
Tool:	NAU (Northern Arizona University) Descriptive Data Report			
Frequency:	Annual			
Scoring:	1-5 (1=lowest score, 5=highest score)			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Friendliness - Helpfulness of staff	4.6	4.6	4.0	4.5
Musical performances	4.5	4.5	3.9	4.0
Shuttle service/logistics/parking/vendors	4.2	4.2	3.6	4.3
Poker Run/Bev. service	4.2	4.2	3.5	4.2
Org. event layout	4.3	4.3	3.6	4.3

City Council Goal:	Serve the citizens through value driven programming and facilities			
Department Goal:	Maintain/increase customer satisfaction levels to sustain/grow attendance			
Objective:	Improve parking and shuttle logistics/communications and maintain current satisfaction levels			
Type of Measure:	Statistical survey analysis			
Tool:	NAU Descriptive Data Report			
Frequency:	Annual			
Scoring:	1-5 (1=lowest score, 5=highest score)			
Trend:	Steady			
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Ticket purchasing/staff/atmosphere		4.9	5.0	5.0
Music/wine garden		4.8	5.0	5.0
Parking shuttle		4.2	4.5	5.0
		4.7	5.0	5.0

City Council Goal:	Support K-14 Education through MUHS Swim Program, Cottonwood Youth Commission, Kids at Hope, Expect more Arizona, Teen Center, et al.			
Department Goal:	Increase participation by 20% in the After School Program (ASP) and Summer Camp			
Objective:	Create a comprehensive marketing plan/public relations approach to garner more exposure			
Type of Measure:	Attendance numbers			
Tool:	Active.Net, a recreation management software			
Frequency:	Annual			
Scoring:	Attendance average			
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
ASP - Average attendance	27	27	20	35
Summer Camp - Average attendance	40	40	40	40

Culture & Recreation	Parks and Recreation Department	Fund 01 - General Fund	Cost Center	4100	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$336,062	\$355,155	\$420,885	\$452,855	7.60%
Operating Supplies	61,465	42,050	71,550	47,060	-34.23%
Contractual Services	38,905	29,800	34,770	36,210	4.14%
Other Services and Charges	508,553	519,360	430,676	432,340	0.39%
Capital Outlay	1,899	9,000	9,000	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$946,884	\$955,365	\$966,881	\$968,465	0.16%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$968,465	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Aquatics Center Supervisor	0.60	0.60	0.60	4,168	6,143	42,745
Recreation Center Program Supervisor	0.20	0.20	0.20	4,168	6,143	14,180
Recreation Coordinator II	0.90	0.90	0.90	2,962	4,365	38,430
Youth Programs Coordinator	0.50	0.50	0.50	2,962	4,365	35,950
Administrative Assistant	0.70	0.70	0.70	2,559	3,771	31,680
Front Desk Supervisor	0.60	0.60	0.60	2,559	3,771	21,700
Head Lifeguard	0.40	0.40	0.20	2,321	3,421	5,825
Facility Maintenance Technician	0.00	0.00	0.20	2,321	3,421	6,925
COLA						0
Merit Contingency						3,655
Holiday Pay						550
Clothing Allowance						1,750
Temporary / Reserves						127,800
Overtime						4,800
Retirement						23,740
Insurance & Taxes						93,125
Employee Related Expenses						0
Totals	<u>3.90</u>	<u>3.90</u>	<u>3.90</u>			<u>\$452,855</u>

Culture & Recreation	Parks and Recreation Department	Fund 01 - General Fund	Cost Center	4100	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,990	1,600	3,900	3,000	-23.08%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	1,557	2,300	2,400	2,400	0.00%
Vehicle Maint & Repairs	5,097	2,500	4,400	3,500	-20.45%
Operational Equip & Supplies	0	0	2,000	2,000	0.00%
Equipment Maint & Repairs	27,737	14,500	40,400	19,700	-51.24%
Riverfront Snack Bar	6,266	7,200	4,500	3,110	-30.89%
Postage & Freight	0	50	50	50	0.00%
Pool Supplies	15,912	12,000	12,000	11,400	-5.00%
Snack Bar Supplies	2,906	1,900	1,900	1,900	0.00%

Total Supplies

61,465	42,050	71,550	47,060	-34.23%
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Contractual Services

Computer Support	2,756	2,000	2,800	3,650	30.36%
Fireworks	20,400	22,000	20,600	23,000	11.65%
Contractual Services	15,748	5,800	11,370	9,560	-15.92%

Total Contractual Services

38,905	29,800	34,770	36,210	4.14%
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Other Services and Charges

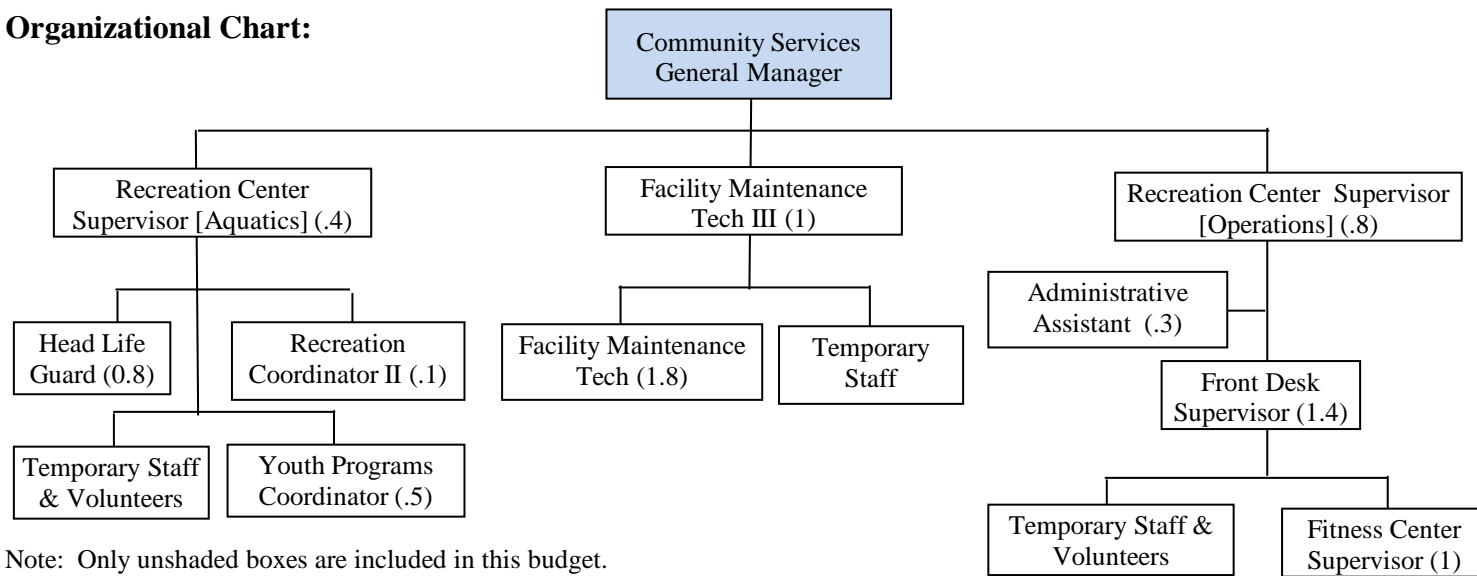
Travel & Training	4,331	2,200	3,500	3,200	-8.57%
Subscriptions & Memberships	4,328	3,200	3,000	3,200	6.67%
Printing & Forms	601	0	0	0	0.00%
Rec Programs	32,669	27,000	27,000	23,000	-14.81%
Verde River Days	1,000	1,000	1,000	1,000	0.00%
Softball Tournaments	3,736	8,000	8,000	4,000	-50.00%
Public Relations	14,578	9,000	9,000	6,850	-23.89%
Advertising	99	0	1,200	120	-90.00%
Utilities	179,088	203,000	192,250	192,860	0.32%
Telephone	5,221	3,960	7,630	6,110	-19.92%
Old Town Home Tour	1,999	2,000	700	2,000	185.71%
Summer Youth Program	7,438	7,000	3,500	3,500	0.00%
Youth Program	0		4,000	5,500	37.50%
Rhythm & Ribs	300	0	0	0	0.00%
Walking on Main Street	20,716	13,000	17,646	13,000	-26.33%
10K Memorial Run	16,129	18,000	18,000	18,000	0.00%
Thunder Valley Rally	156,266	150,000	133,000	150,000	12.78%
Tilted Earth Festival	60,054	72,000	1,250	0	-100.00%

Total Other Services & Charges

508,553	519,360	430,676	432,340	0.39%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Lounge Furniture Outdoor Pool	\$1,899				
ADA Pool Observation Deck Concrete and Sidewalk					
ADA Pool Observation Deck - Riser					
RF Park Adult Softball Complex - Automatic Lighting		\$9,000	\$9,000		
Totals	\$1,899	\$9,000	\$9,000	\$0	

Organizational Chart:



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 and has now 11 full-time 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.

FY 2017 Accomplishments:

- * The United Healthcare's Silver Sneaker program, an exercise program for active seniors, was successfully administered for the 5th consecutive year. Of the 3,736 Recreation Center members, 58 percent are seniors and 56% of them are participants of Silver Sneaker or Silver & Fit, similar exercise programs offered by health plans
- * Participation in group exercises increased by 12% from 28,326 in FY 2014-15 to 31,826 in FY 2015-16.
- * The revenue resulting from renting the Recreation Center's event hall and party room has increased by 17.5% from \$31,263.40 in FY 2014-15 to \$ 36,734.93 in FY 2015-16
- * The Center served as the hosting location for the 2016 Toys for Tots and the 2016 Operation Graduation
- * Added two permanent pickleball courts in the gymnasium to a total of four courts. This sport is becoming increasingly popular as there has been an increase in use of 54% with 3,256 active usage in 2015 up to 5,004 active usage in 2016
- * Successfully provided a weight loss competition as part of the *Looking Good Cottonwood* program that provides education and exercise opportunities

FY 2018 Goals:

- * Provide programming that encourages greater participation of people in the 18-35 age group
- * Increase user visits and membership from FY 2016 to FY 2017
- * Maintain utility costs for FY 2016 to FY 2017 despite increase of utility rates, through efforts to find areas where electricity, gas, and water usage can be decreased
- * Improve marketing and outreach program by increasing presence in local schools, including providing marketing materials to students and teachers

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. No capital has been budgeted for this department.

5/31/2017: Correct the maintenance number

Culture & Recreation	Community Recreation Cent	Fund 01 - General Fund	Cost Center	4110
Performance Indicators				
Value Statement	Create a culture of health and wellness for the citizens of the Verde Valley			
Department Goal:	Increase usage of the Cottonwood Recreation Center			
Objective:	Engage all demographics in the well-being of the community			
Type of Measure:	Attendance figures and user numbers			
Tool:	Monthly reports, including user numbers			
Frequency:	Monthly review of usage figures			
Scoring:	2% increase annually			
Trend:	Down			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
	204,261	204,234	208,300	212,460

Value Statement	Commitment to providing high quality and economically feasible rental options			
Department Goal:	Increase facility rental revenue by 5% annually			
Objective:	Market Recreation Center amenities, internally and externally, via the Web, radio, TV, and theaters			
Type of Measure:	Number of facility rentals			
Tool:	Monthly rental figures and customer feedback (verbal, forms, surveys, follow-up contact)			
Frequency:	Quarterly			
Scoring:	Quarterly increases in rentals			
Trend:	Steady level of increase			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Revenue generated	31,264	36,735	38,570	40,495

Value Statement				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

Value Statement				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

Culture & Recreation	Community Recreation Center	Fund 01 - General Fund	Cost Center	4110	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$802,180	\$813,330	\$765,015	\$802,200	4.86%
Operating Supplies	88,617	80,475	106,350	82,350	-22.57%
Contractual Services	144,201	129,450	132,800	164,300	23.72%
Other Services and Charges	246,271	257,050	253,700	275,120	8.44%
Capital Outlay	0	221,000	221,000	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,281,269	\$1,501,305	\$1,478,865	\$1,323,970	-10.47%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$590,970	44.64%
Recreation Center Fees	650,000	49.09%
Recreation Center Building Rental	33,000	2.49%
Recreation Center Classes/Programs	50,000	3.78%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Aquatics Center Supervisor	0.40	0.40	0.40	4,168	6,143	28,500
Recreation Center Program Supervisor	0.80	0.80	0.80	4,168	6,143	56,720
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	41,175
Recreation Coordinator II	0.10	0.10	0.10	2,962	4,365	4,270
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	42,095
Youth Programs Coordinator	0.50	0.50	0.50	2,962	4,365	3,990
Administrative Assistant	0.30	0.30	0.30	2,559	3,771	13,575
Front Desk Supervisor	1.40	1.40	1.40	2,559	3,771	50,620
Head Life Guard	1.60	1.60	0.80	2,321	3,421	23,295
Facility Maintenance Tech	1.00	1.00	1.80	2,321	3,421	58,675
COLA						0
Merit Contingency						7,505
Holiday Pay						250
Clothing Allowance						1,800
Temporary / Reserves						275,000
Overtime						4,000
Retirement						38,490
Insurance & Taxes						152,240
Employee Related Expenses						0
Totals	<u>8.10</u>	<u>8.10</u>	<u>8.10</u>			<u>\$802,200</u>

Culture & Recreation	Community Recreation Center	Fund 01 - General Fund	Cost Center	4110	
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	3,211	2,800	3,000	3,000	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	1,573	1,000	1,300	1,300	0.00%
Vehicle Maint & Repairs	171	200	200	200	0.00%
Equipment Maint & Repairs	63,003	56,000	80,000	56,000	-30.00%
Pool Supplies	19,703	19,500	20,500	20,500	0.00%
Postage & Freight	195	175	150	150	0.00%
Tools/Operational Supplies	761	800	1,200	1,200	0.00%

Total Supplies	88,617	80,475	106,350	82,350	-22.57%
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Contractual Services

Computer Support	2,576	2,200	350	2,500	614.29%
Recruitment Expense	280	250	450	400	-11.11%
Contractual Services	101,871	95,000	92,000	121,400	31.96%
Contractual Services Active Network	39,474	32,000	40,000	40,000	0.00%

Total Contractual Services	144,201	129,450	132,800	164,300	23.72%
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Other Services and Charges

Travel & Training	2,156	2,800	2,800	2,800	0.00%
Subscriptions & Memberships	555	750	750	750	0.00%
Printing & Forms	0	0	0	0	0.00%
Rec Programs	18,924	16,000	16,000	16,000	0.00%
Public Relations	11,519	16,000	16,000	10,000	-37.50%
Utilities	201,730	210,000	208,200	211,820	1.74%
Telephone	11,386	11,500	9,950	12,000	20.60%
Legal Advertising	0	0	0	0	0.00%
Rental Equipment	0	0	0	0	0.00%
Lease Purchase Rec Cntr Equipment	0	0	0	21,750	0.00%

Total Other Services & Charges	246,271	257,050	253,700	275,120	8.44%
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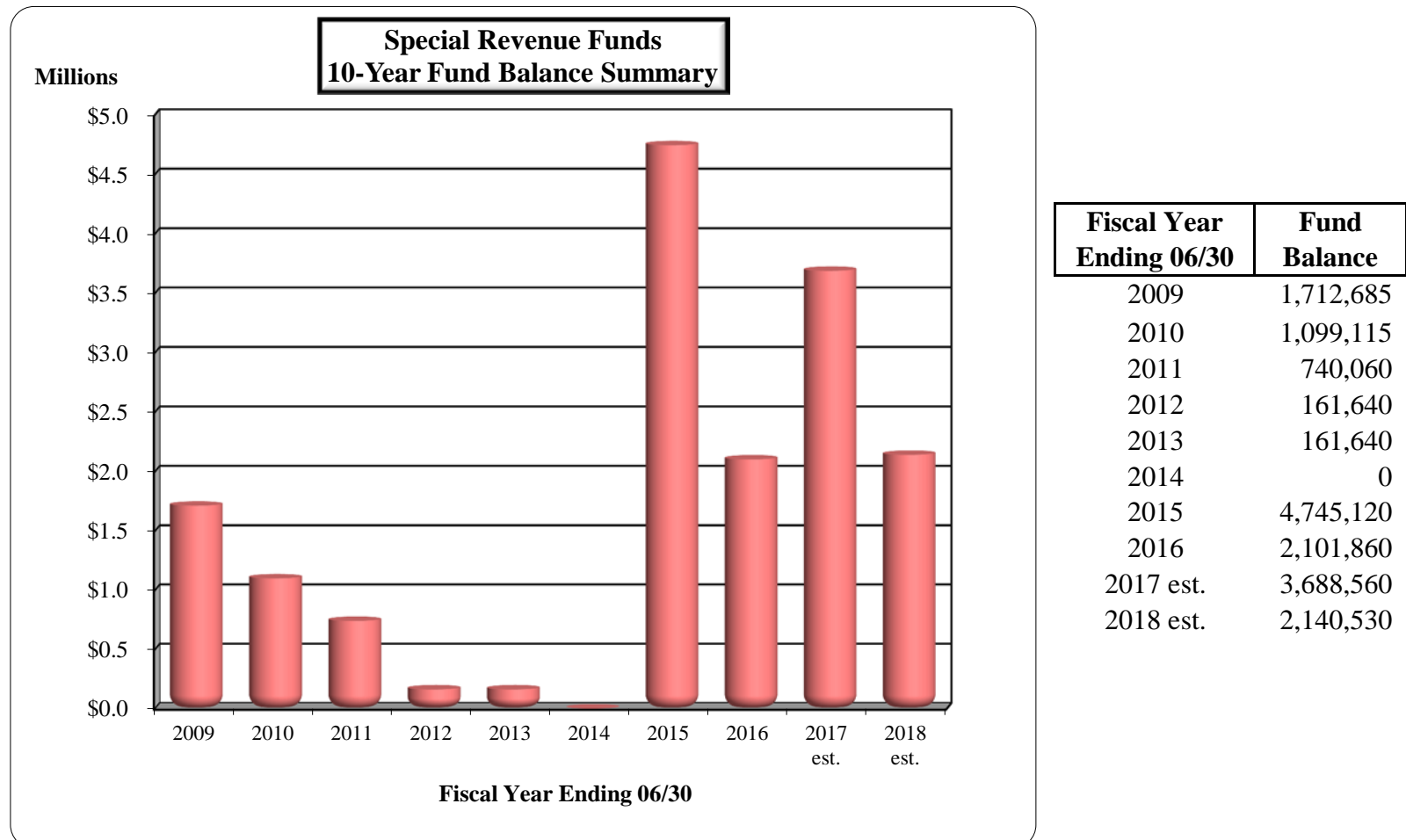
Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Copier and Accessories					
Renovation/Replacement Indoor Pool Cool Decking		\$13,000	\$13,000		
Cardio Machines Replacements		208,000	208,000		
Totals	\$0	\$221,000	\$221,000	\$0	

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> Airport Improvement Projects 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:



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.

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balances

Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$439,290	\$622,730	\$592,600	\$600,820
Intergovernmental Revenues	2,191,538	6,001,200	4,257,015	7,343,145
Charges for Services	455,169	450,600	472,280	462,800
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	107,140	94,360	172,990	98,920
Miscellaneous Revenues	100,738	19,125	52,280	19,270
Total Revenue Sources	3,293,876	7,188,015	5,547,165	8,524,955
Other Financing Sources:				
Transfers In	872,342	1,164,230	907,630	2,094,730
Carryover	0	2,049,915	3,688,560	2,140,530
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	872,342	3,214,145	4,596,190	4,235,260
Total Available Resources	4,166,218	10,402,160	10,143,355	12,760,215
Expenditures:				
Personnel	1,846,007	2,148,970	2,006,140	2,091,670
Operating Supplies	544,249	584,660	637,125	602,625
Contractual Services	452,430	412,270	465,155	449,855
Other Services and Charges	815,348	925,945	762,445	830,650
Capital Outlay	1,362,704	5,146,805	3,739,360	8,321,405
Debt Service	197,830	392,600	392,600	390,810
Total Expenditures	5,218,568	9,611,250	8,002,825	12,687,015
Other Uses:				
Transfers Out	4,216	58,050	0	73,200
Reserves	0	732,860	2,140,530	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	4,216	790,910	2,140,530	73,200
Total Expenditures and Other Uses	5,222,784	10,402,160	10,143,355	\$12,760,215
Net Income / (Loss)	(\$1,056,566)	\$0	\$0	\$0

HURF Fund Revenues/Expenses/Changes in Fund Balance

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$439,290	\$622,730	\$592,600	\$600,820	1.39%
Intergovernmental Revenues	1,931,284	3,393,950	2,992,095	2,179,450	-27.16%
Services & Charges	193,465	203,200	209,230	202,400	-3.26%
Uses of Monies & Properties	12,085	2,000	15,000	2,000	-86.67%
Miscellaneous Revenues	79,871	0	33,000	0	-100.00%
Total Revenue Sources	2,655,995	4,221,880	3,841,925	2,984,670	-22.31%
Other Financing Sources:					
Transfers In	0	200,000	0	987,190	0.00%
Carryover	0	1,946,065	3,617,055	2,068,990	-42.80%
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%
Total Other Financing Sources	0	2,146,065	3,617,055	3,056,180	-15.51%
Total Available Resources	2,655,995	6,367,945	7,458,980	6,040,850	-19.01%
Expenditures:					
Personnel	1,267,040	1,541,150	1,399,445	1,459,890	4.32%
Operating Supplies	287,604	360,210	374,105	370,605	-0.94%
Contractual Services	107,564	125,780	132,285	123,675	-6.51%
Other Services and Charges	598,705	709,695	530,935	590,870	11.29%
Capital Outlay	1,246,697	2,505,650	2,560,620	3,105,000	21.26%
Reserves	0	732,860	2,068,990	0	-100.00%
Debt Service	197,830	392,600	392,600	390,810	-0.46%
Total Expenditures	3,705,440	6,367,945	7,458,980	6,040,850	-19.01%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	3,705,440	6,367,945	7,458,980	6,040,850	-19.01%
Net Income / (Loss)		(\$1,049,445)	\$0	\$0	\$0

Note: The HURF fund accounts for Streets Maintenance, Streets 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.

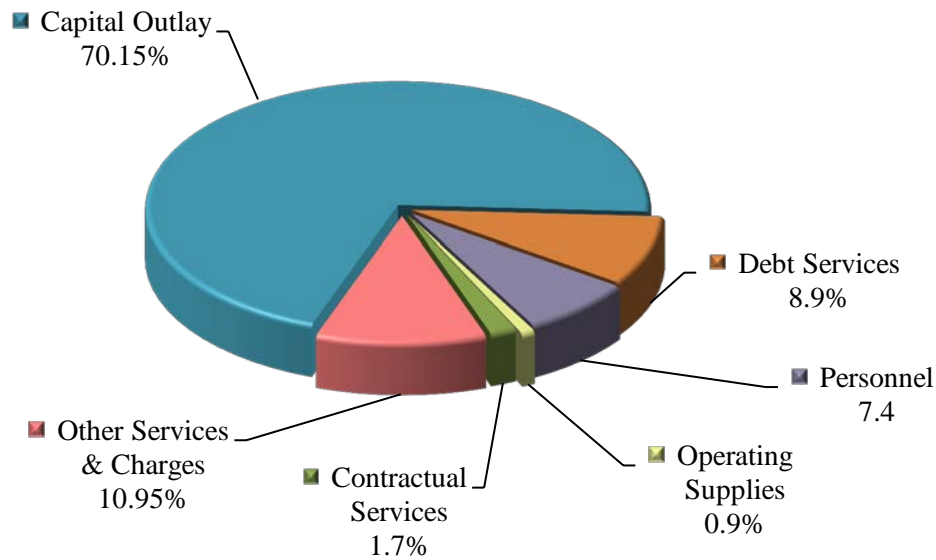
Streets Maintenance & Construction - Revenues/Expenditures

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$439,290	\$622,730	\$592,600	\$600,820	1.39%
Intergovernmental Revenues					
Highway User Revenue Fund - HURF	914,640	906,640	906,640	976,380	7.69%
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 th Street Fed Grant	0	845,000	845,000	0	-100.00%
Mingus Willard to 10 th Street	0	0	0	0	0.00%
Fed Grant - 12 th Street	0	0	0	0	0.00%
HSIP Sign Replacement Grant	48,108	16,000	7,230	0	-100.00%
Uses of Monies & Properties					
Interest Income	12,085	2,000	15,000	2,000	-86.67%
Miscellaneous Revenues					
Other Income	79,554	0	33,000	0	-100.00%
Total Revenue Sources	1,493,677	2,392,370	2,399,470	1,579,200	-34.19%
Other Financing Sources:					
Transfers In	0	200,000	0	987,190	0.00%
Carryover	0	1,946,065	3,617,055	2,068,990	-42.80%
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%
Total Other Financing Sources	0	2,146,065	3,617,055	3,056,180	-15.51%
Total Available Resources	1,493,677	4,538,435	6,016,525	4,635,380	-22.96%
Expenditures:					
Personnel	286,563	291,920	303,780	322,110	6.03%
Operating Supplies	47,196	45,000	42,000	38,500	-8.33%
Contractual Services	63,289	79,825	73,025	73,735	0.97%
Other Services and Charges	498,579	586,250	424,875	478,170	12.54%
Capital Outlay	925,276	2,380,650	2,400,220	3,085,000	28.53%
Reserves	0	732,860	2,068,990	0	-100.00%
Debt Service	197,830	392,600	392,600	390,810	-0.46%
Total Expenditures	2,018,734	4,509,105	5,705,490	4,388,325	-23.09%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	2,018,734	4,509,105	5,705,490	4,388,325	-23.09%

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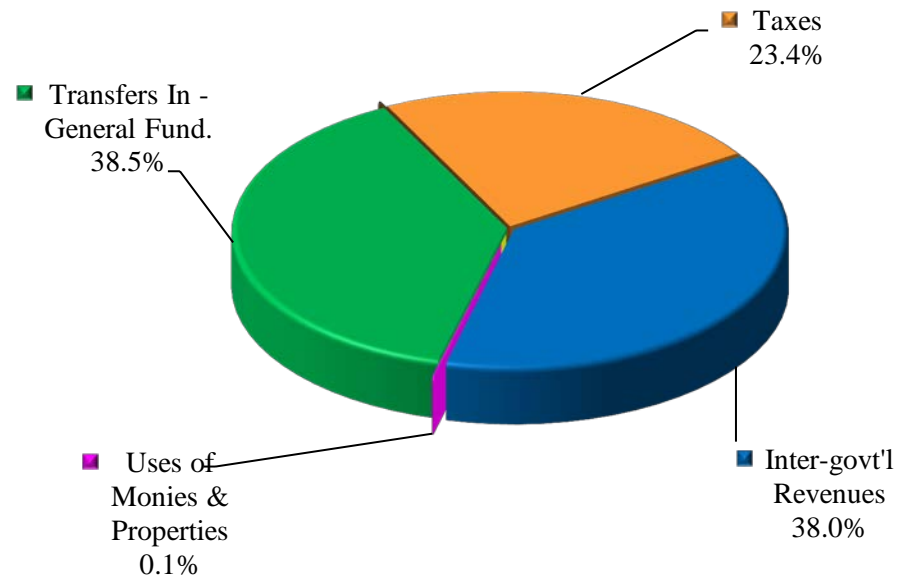
HURF - Streets Fund Revenues & Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$322,110	\$38,500	\$73,735	\$478,170	\$3,085,000	\$390,810	\$4,388,325
Totals	\$322,110	\$38,500	\$73,735	\$478,170	\$3,085,000	\$390,810	\$4,388,325

Highway User Revenue Fund - Streets Expenditures by Category

HURF - Streets Fund Summary	
Revenues	\$1,579,200
Expenditures	(4,388,325)
Transfers Out	0
Revenues over (under) Expenditures	(2,809,125)
Other Funding Sources/Uses	2,809,125
	0
Use of Fund Balance	\$0

HURF - Streets Fund Revenues by Source	
Taxes	\$600,820
Inter-gov't'l Revenues	976,380
Uses of Monies & Properties	2,000
Misc. Revenues	0
Transfers In - General Fund	987,190
Proceeds from Bonds	0
Total Resources Available	\$2,566,390

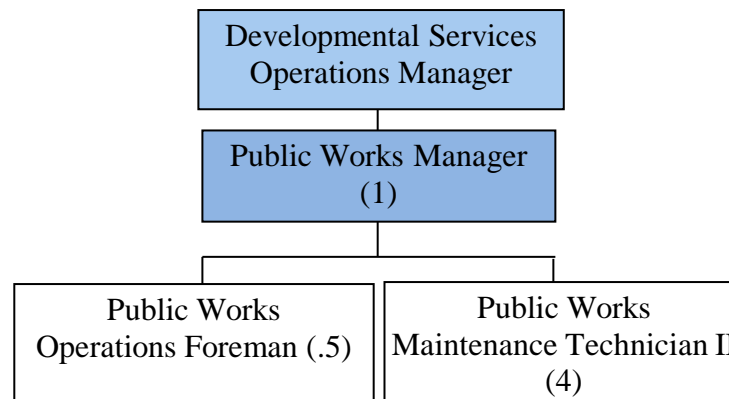
Highway User Revenue Fund - Streets Revenues by Source**Streets Department Revenues:**

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:

Capital has been budgeted in the amount of \$35,000 for various street 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, and is also responsible for the Transfer Station operations and activities such as annual city clean-up days, airport maintenance, trash pickup and removal, and transient camp clean-up.

FY 2017 Accomplishments:

- * Completed the HSIP (Highway Safety Improvement Program) sign replacement project resulting in new street signs that are up to code
- * Implemented a city-wide crack sealing program for streets that will prevent the infiltration of water into the foundation of the pavement structure, prolonging the life of the streets
- * Implemented a sidewalk trip hazard removal program with the purchase of a concrete grinder, enabling making that is intended to reduce trip and fall hazards without having to do costly replacement of sidewalk panels. This program was implemented nearly \$10,000 under budget

FY 2018 Goals:

- * Develop pro-active pavement maintenance program that will track the condition, age, type and maintenance of streets throughout the city
- * Develop a policy for maintenance of drainage ways and non-city owned easements for clarity for the public
- * Create an easy accessible filing/mapping system for operations staff to peruse documents outlining the City's responsibility and liability for maintenance and upkeep of property, right-of-ways, drainage and sidewalk easements, Intergovernmental Agreements (IGAs) for sidewalk and street maintenance, etc.
- * Begin a program to routinely sweep streets in residential neighborhoods
- * Complete repairs to the Pima Street bridge at Del Monte Wash per recommendation in the ADOT Bridge Inspection Report
- * Develop an employee training program for large equipment operations
- * Make drainage improvements in the alley, between Pima St. and Pinal St., and Main St. and First St.; this may also include paving of the alley
- * Develop a method to protect Old Town street lights from being hit by vehicles

Budget Highlights:

No Cost of Living Adjustment (COLA) has been budgeted for this fiscal year. Increase in Personnel cost are to be attributed to the merit program. Capital has been budgeted for Street Improvements (\$2,000), RSA Response Design (\$25,000), and Street Crack Seal Program (\$8,000).

Public Works	Streets Department	Fund 10 - HURF	Cost Center	3100
Performance Indicators				
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Maintain clean swept streets throughout the city			
Objective:	Sweep all city collector streets weekly			
Type of Measure:	Number of miles swept			
Tool:	System monitoring			
Frequency:	Weekly			
Scoring:	Lane miles			
Trend:	Fully maintain existing lane miles per month			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Lane miles swept per month		60	60	60

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Avoid costly future street reconstruction through a streets maintenance program			
Objective:	Develop a pro-active program to maintain streets			
Type of Measure:	Formulate pro-active program			
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Completion of pro-active program				100%

Supplemental Data: Capital Outlay				
Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Streets Improvements	\$5,224	\$2,000	\$120	\$2,000
Traffic Control Cones and Barricades		1,000	3,006	
Sweeper Repair				
Street Sweeper		200,000	190,477	
RSA Response Design		19,000		25,000
In-Street Pedestrian Signs		1,200	1,200	
Traffic Signal Controller		5,800	5,800	
Street Crack Seal Program				8,000
Crack Seal Material			1,860	
Sidewalk Repair (Safety)				
Sidewalk Enhancements				
Concrete Sidewalk Grinder		20,000	6,257	
100# Ice Machine	1,453			
Miscellaneous Materials			1,400	
Totals	\$6,677	\$249,000	\$210,120	\$35,000

Public Works	Streets Department	Fund 10 - HURF		Cost Center	3100
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$286,563	\$291,920	\$303,780	\$322,110	6.03%
Operating Supplies	47,196	45,000	42,000	38,500	-8.33%
Contractual Services	63,289	79,825	73,025	73,735	0.97%
Other Services and Charges	498,579	586,250	424,875	478,170	12.54%
Capital Outlay	6,677	249,000	210,120	35,000	-83.34%
Reserves	0	732,860	2,068,990	0	-100.00%
Debt Service	197,830	392,600	392,600	390,810	-0.46%
Department Totals	\$1,100,135	\$2,377,455	\$3,515,390	\$1,338,325	-61.93%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
HURF	976,380	72.96%
Taxes	0	0.00%
Miscellaneous Revenues	2,000	0.15%
Transfers In - General Fund	359,945	26.90%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Public Works Superintendent	0.00	0.00	0.00	4377	6450	\$0
Public Works Operations Foreman	0.50	0.50	0.50	3601	5306	23,830
PW Maintenance Technician II	4.00	4.00	4.00	2559	3771	159,315
COLA						0
Merit Contingency						3,465
Longevity						0
Clothing Allowance						1,000
Temporary / Reserves						0
Overtime						4,250
Retirement						21,950
Insurance & Taxes						108,300
Employee Related Expenses						0
Totals	<u>4.50</u>	<u>4.50</u>	<u>4.50</u>			<u>\$322,110</u>

Public Works	Streets Department	Fund 10 - HURF		Cost Center	3100
Supplemental Data: Expenditures					
Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	38	100	0	0	0.00%
Operational Supplies	3,254	2,000	1,500	1,000	-33.33%
Postage & Freight	0	0	0	0	0.00%
Gas & Oil	13,140	14,500	14,500	14,500	0.00%
Vehicle Maint & Repairs	7,836	8,400	4,000	4,000	0.00%
Equipment Maint & Repairs	22,927	20,000	22,000	19,000	-13.64%
Building Maint & Repairs		0			0.00%
Total Supplies	47,196	45,000	42,000	38,500	-8.33%
Contractual Services					
Computer Support	204	225	225	225	0.00%
General Counsel	0	0	0	0	
Street Lights	57,943	60,600	61,800	65,510	6.00%
Engineering Services	0	0	0	0	0.00%
Contractual Services	5,142	15,000	7,000	8,000	14.29%
Pavement Preservation	0	4,000	4,000	0	-100.00%
Total Contractual Services	63,289	79,825	73,025	73,735	0.97%
Other Services and Charges					
Travel & Training	1,598	2,000	0	500	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Utilities	9,222	10,450	9,190	11,030	20.02%
Telephone	1,253	1,500	1,170	1,400	19.66%
Legal Advertising	129	0	0	0	0.00%
Bank Charges	0	0	1,000	1,000	0.00%
Tools	2,032	2,000	2,000	500	-75.00%
Employee Physicals	751	1,000	500	500	0.00%
Equipment Rental	0	0	0	0	0.00%
Liability Insurance	23,725	24,200	35,215	52,820	49.99%
Liability Claims Deductible	0	0	0	0	0.00%
Indirect Cost to General Fund	391,951	475,000	337,000	337,000	0.00%
Culverts	483	1,000	350	500	42.86%
Materials	11,185	10,000	11,500	10,000	-13.04%
Street Signs	3,874	4,000	1,000	500	-50.00%
Street Marking	1,972	51,600	25,000	40,000	60.00%
Street Light Contingency	0	3,500	950	1,500	57.89%
LP-FY17 City Wide Equipment Lease-Principal	0	0	0	19,040	0.00%
LP-FY17 City Wide Equipment Lease-Interest	0	0	0	1,880	0.00%
2015 Excise Bond-Trustee Fees	1,783	0	0	0	0.00%
Bond Issuance Costs	48,621	0	0	0	0.00%
LTAF Cultural Expense	0	0	0	0	0.00%
Total Other Services & Charges	498,579	586,250	424,875	478,170	12.54%
Debt Service					
Principal - Bonds	0	195,320	195,320	197,440	1.09%
Interest - Bonds	197,830	197,280	197,280	193,370	-1.98%
Total Debt Service	197,830	392,600	392,600	390,810	-0.46%

Organizational Chart:

None

General Information:

Street construction projects are executed by contractors, who are solicited through a sealed bid process.

FY 2017 Accomplishments:

- * Completed the northern phase of 12th Street from Fir Street to Hwy 89A
- * Completed the design of the reconstruction of Mingus Avenue from Willard Street to the 10th 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 2018 Goals:

- * Complete the reconstruction of Mingus Avenue for the stretch of Willard Street to 10th Street
- * Complete the design for the reconstruction of Mingus Avenue for the stretch of 10th Street to Main Street
- * Execute pavement preservation projects
- * Install sidewalk additions

Budget Highlights:

The major capital item in this year's budget is the reconstruction of Mingus Avenue for the stretch of 10th Street to Main Street (\$2,200,000). Capital has also been budgeted for Pavement Preservation (\$750,000) and Sidewalk Additions (\$100,000).

Public Works	Streets Construction	Fund 02 - HURF	Cost Center	3110
Performance Indicators				
City Council Goal: * <i>Performance Measures are being developed for this department</i> * Department Goal: Objective: Type of Measure: Tool: Frequency: Scoring: Trend:				
		Actual	Estimated	Anticipated
		2015	2016	2017
Measures:				
N/A				

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

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

Public Works	Streets Construction	Fund 02 - HURF		Cost Center	3110
Summary by Category					
Expenditure Category	2016	2017		2018	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	918,599	2,131,650	2,190,100	3,050,000	39.26%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$918,599	\$2,131,650	\$2,190,100	\$3,050,000	39.26%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
HURF	\$0	0.00%
Bond	0	0.00%
Grants	0	0.00%
Sales Tax	600,820	19.70%
Use of Fund Balance	2,449,180	80.30%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Public Works	Streets Construction	Fund 02 - HURF	Cost Center	3110	
Supplemental Data: Expenditures					
Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

N/A

Total Supplies

0	0	0	0	0.00%
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Contractual Services

N/A

Total Contractual Services

0	0	0	0	0.00%
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Other Services and Charges

N/A

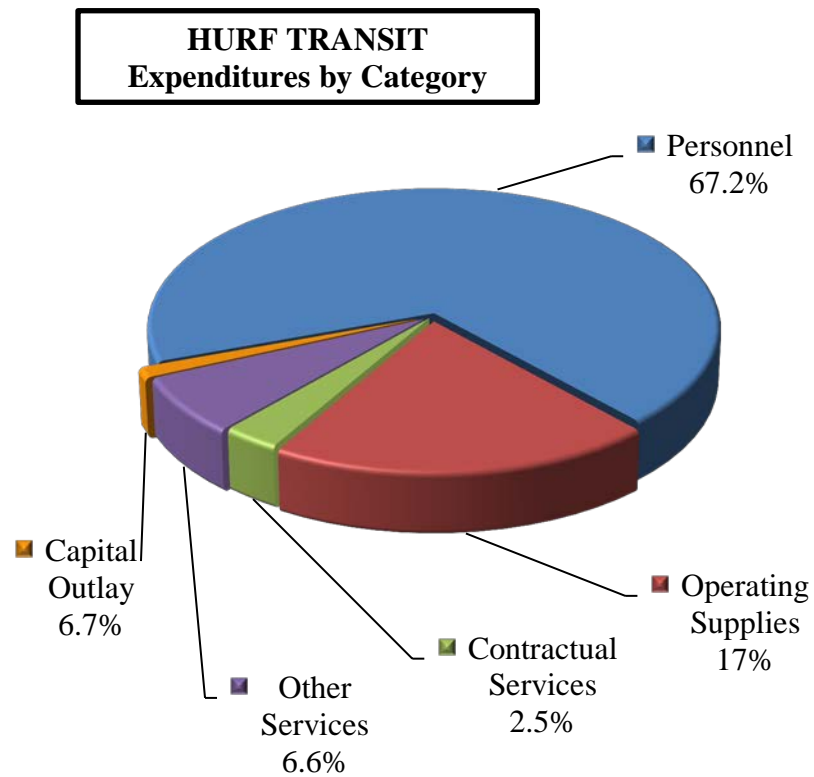
Total Other Services & Charges

0	0	0	0	0.00%
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Supplemental Data: Capital Outlay					
Item/Project Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Pavement Preservation	\$135			\$750,000	
Street Contingency					
Mingus/Main Signal					
W. Mingus Reconstruction					
12 th St. 89A to Fir Street	628,974		\$100		
Sidewalk Additions	153,084			100,000	
Willard Street Bridge					
10 th Street & Main Street Project					
Reconstr. Mingus Ave from Willard St. to 10 th St.	118,102	\$1,861,650	2,105,000		
Main Street Road Diet Grant					
HSIP Sign Replacement	18,303	20,000			
Reconstr. Mingus Ave. from 10 th St. to Main St.		250,000	85,000	2,200,000	
Totals	\$918,599	\$2,131,650	\$2,190,100	\$3,050,000	

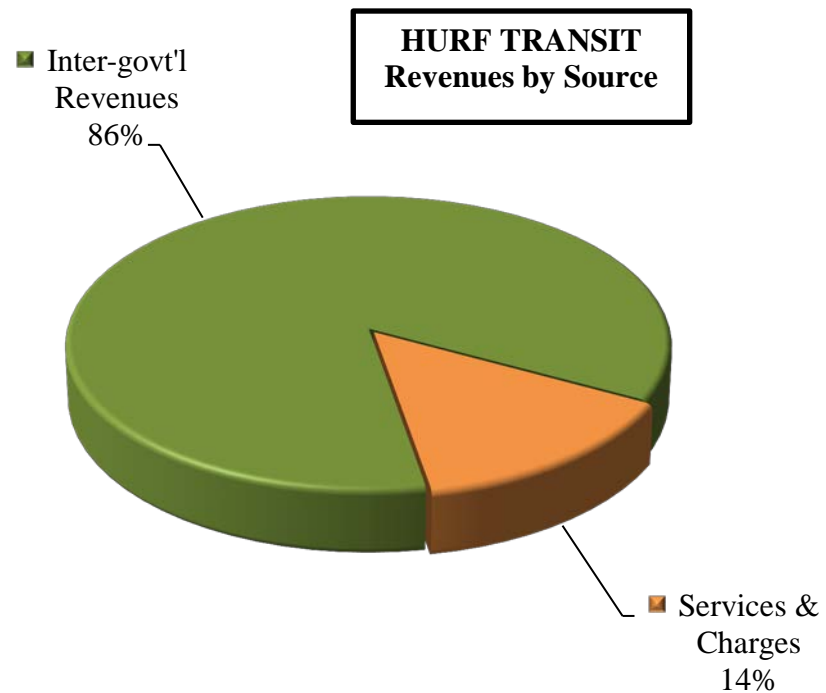
Transit System Fund Revenues & Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-totals	\$1,137,780	\$332,105	\$49,940	\$112,700	\$20,000	\$0	\$1,652,525
Totals	\$1,137,780	\$332,105	\$49,940	\$112,700	\$20,000	\$0	\$1,652,525



Cottonwood Area Transit Fund Summary	
Revenues	\$1,405,470
Expenditures	(1,652,525)
	(247,055)
Other Funding Sources/Uses	247,055
Use of Fund Balance	\$0

Cottonwood Area Transit Fund Revenues by Source	
Inter-govt'l Revenues	\$1,203,070
Services & Charges	202,400
Misc. Revenues	0
Transfer In	0
Total Resources Available	\$1,405,470



Fiscal Year 2018 Budget
Cottonwood Area Transit System - Revenues/Expenditures

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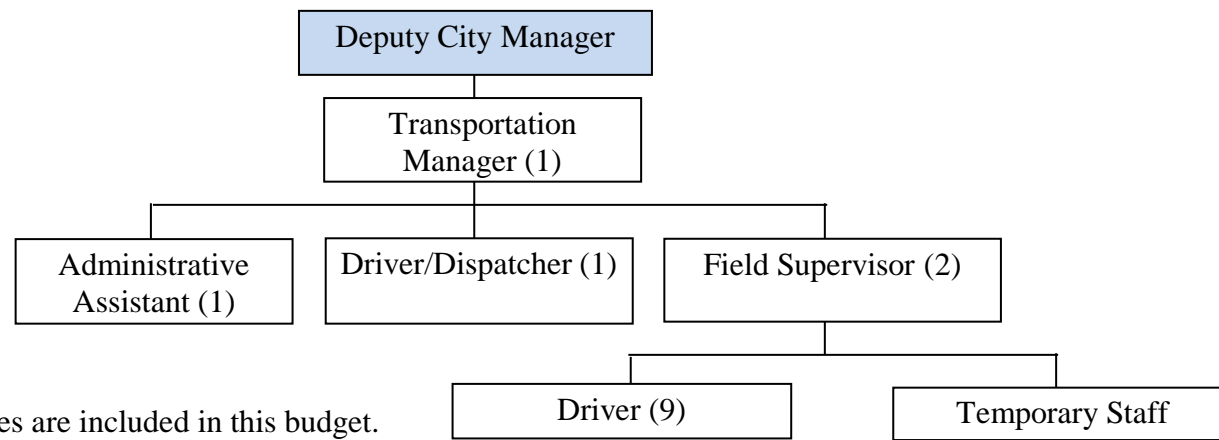
Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai Co.	20,340	20,670	20,645	20,670	0.12%
Clarkdale	33,500	33,500	32,795	32,560	-0.72%
Sedona	111,369	190,000	112,000	112,000	0.00%
HURF - 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	803,327	1,382,140	1,067,785	1,037,840	-2.80%
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	193,465	203,200	209,230	202,400	-3.26%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	317	0	0	0	0.00%
Total Revenue Sources	1,162,318	1,829,510	1,442,455	1,405,470	-2.56%
Other Financing Sources:					
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%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	1,162,318	1,829,510	1,442,455	1,405,470	-2.56%
Expenditures:					
Personnel	980,477	1,249,230	1,095,665	1,137,780	3.84%
Operating Supplies	240,408	315,210	332,105	332,105	0.00%
Contractual Services	44,274	45,955	59,260	49,940	-15.73%
Other Services and Charges	100,126	123,445	106,060	112,700	6.26%
Capital Outlay	321,421	125,000	160,400	20,000	-87.53%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,686,707	1,858,840	1,753,490	1,652,525	-5.76%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	\$1,686,707	\$1,858,840	\$1,753,490	\$1,652,525	-5.76%

Social Services	CAT/LYNX	Fund 10 - Transit	Cost Center	15XX
Performance Indicators				
City Council Goal:	Strive to Provide Effective and Efficient Services			
Department Goal:	Improve ADA on-time pick-up performance			
Objective:	Achieve 95% of all pick-ups to be on time			
Type of Measure:	Calculate percentage of on time pick-ups			
Tool:	RouteMatch Software Tools			
Frequency:	Monthly and annually			
Scoring:	Increase/decrease compared to prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of riders	12,680	15,864	15,950	16,100
Percentage of on time pick-ups	90.26%	90.69%	91.00%	93.00%

City Council Goal:	Strive to Provide Effective and Efficient Services			
Department Goal:	Improve CAT on time route performance			
Objective:	Achieve 95% on time adherence to printed schedule			
Type of Measure:	Calculate percentage of on time adherence to printed schedule			
Tool:	RouteMatch Software Tools			
Frequency:	Monthly and annually			
Scoring:	Increase/decrease compared to prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of riders	73,598	77,969	77,000	78,000
Percentage adherence to printed schedule	84.00%	85.50%	88.90%	90.00%

City Council Goal:	Strive to Provide Effective and Efficient Services			
Department Goal:	Improve LYNX on time route performance			
Objective:	Achieve 95% on time adherence to printed schedule			
Type of Measure:	Calculate percentage of on time adherence to printed schedule			
Tool:	RouteMatch Software Tools			
Frequency:	Monthly and annually			
Scoring:	Increase/decrease compared to prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Number of riders	63,214	60,056	63,000	64,000
Percentage adherence to printed schedule	85.00%	88.00%	89.00%	90.00%

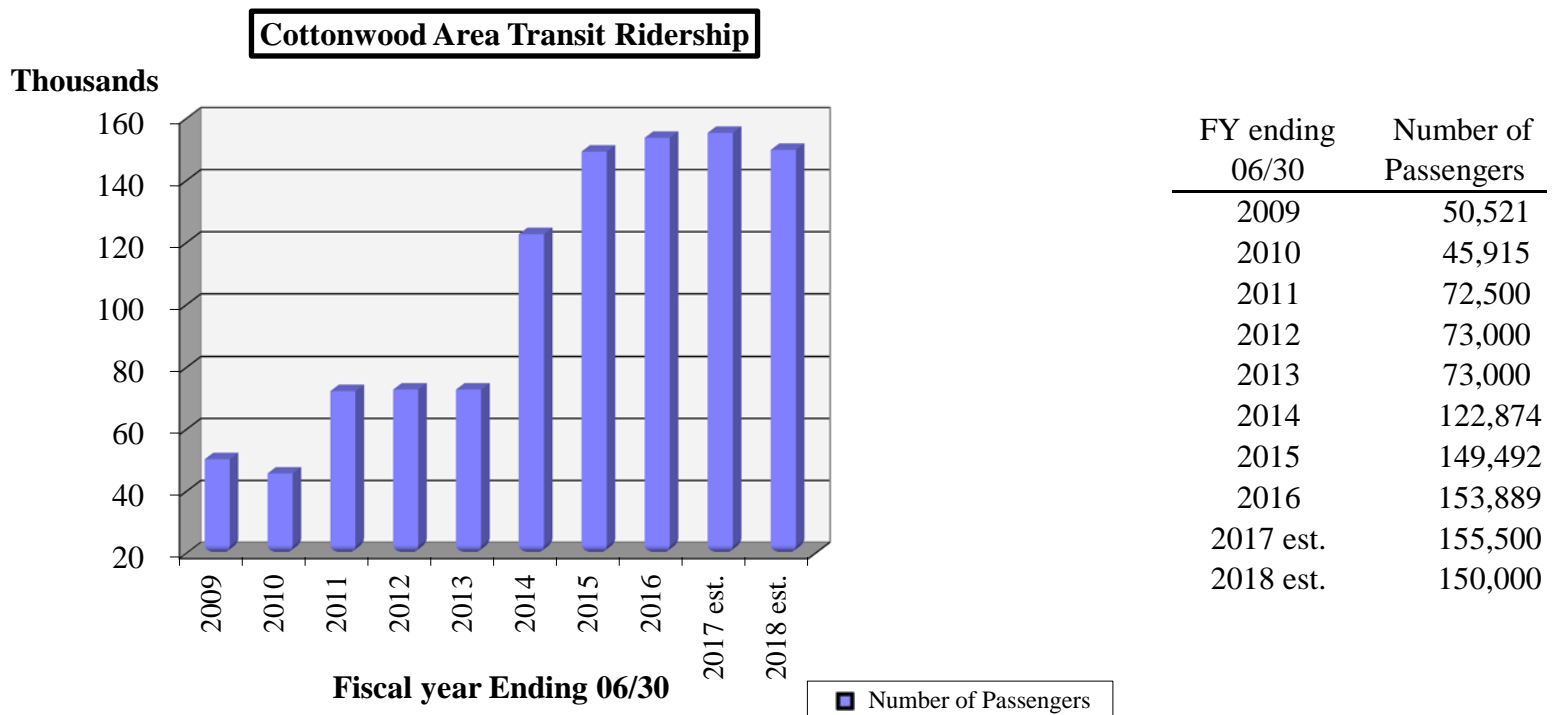
Organizational Chart:



Note: only unshaded boxes are included in this budget.

General Information:

The Cottonwood Area Transit (CAT), which includes the Verde Lynx route, provides public transportation services for the City of Cottonwood, City of Sedona, Town of Clarkdale, Yavapai College, and the unincorporated Verde Village of Yavapai County. Services include full fixed route services coupled with ADA paratransit service for passengers who are wheelchair-confined or otherwise limited in mobility.



FY 2017 Accomplishments:

- * For the year ending 6/30/2016, the total number of logged revenue passenger miles (miles traveled during revenue hours) is 393,191 and the total number of logged revenue hours (the hours that vehicles are scheduled to or actually travel) is 62,430
- * The Yavapai Apache Nation (YAN) Transit that provides a vital link to Camp Verde and the Southern end of the Verde Valley has averaged 400-500 riders a month since it began, and stronger numbers are anticipated as more people realize that it offers service to everyone. CAT and Yan will continue to share stops in Cottonwood and Clarkdale.
- * A Greyhound-stop has been established in Camp Verde at the Chevron gas station on Middle Verde Road/I-17, across from Cliff Castle Casino, offering a bus connection for Verde Valley residents to Flagstaff and Phoenix

FY 2018 Goals:

- * Maintain current level of service
- * Negotiate funding with stakeholders to start a connection to the unincorporated communities of Cornville and the Village of Oak Creek for which the routes have already been designed and estimated costs determined
- * Complete an analysis of potential revenue generated through a bus advertising program
- * Assess the costs for the implementation of Saturday CAT-service and its effect on the bus fares as a whole

Budget Highlights:

For FY 2018, no COLA (Cost of Living Adjustment) has been budgeted. Capital has been budgeted for ADA Sidewalk in the amount of \$20,000.

Social Services	CAT/LYNX	Fund 10 - Transit		Cost Center	15XX
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$980,477	\$1,249,230	\$1,095,665	\$1,137,780	3.84%
Operating Supplies	240,408	315,210	332,105	332,105	0.00%
Contractual Services	44,274	45,955	59,260	49,940	-15.73%
Other Services and Charges	100,126	123,445	106,060	112,700	6.26%
Capital Outlay	321,421	125,000	160,400	20,000	-87.53%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,686,707	\$1,858,840	\$1,753,490	\$1,652,525	-5.76%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$1,203,070	72.80%
Services & Charges	202,400	12.25%
Miscellaneous Revenues	0	0.00%
Transfers In - General Fund	247,055	14.95%
Use of HURF Fund Balance	0	0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Transportation Manager	1.00	1.00	1.00	5067	7466	\$74,170
Field Supervisor	2.00	2.00	2.00	2962	4365	84,470
Administrative Assistant	1.00	1.00	1.00	2559	3771	34,310
Driver / Dispatcher	1.00	1.00	1.00	2559	3771	44,225
Drivers	9.00	12.00	9.00	2437	3591	299,455
COLA						0
Merit Contingency						13,310
Holiday Pay						10,600
Clothing Allowance						1,400
Temporary / Reserves						180,000
Overtime						47,850
Retirement						69,970
Insurance & Taxes						278,020
Employee Related Expenses						0
Totals	<u>14.00</u>	<u>17.00</u>	<u>14.00</u>			<u>\$1,137,780</u>

Social Services	CAT/LYNX	Fund 10 - Transit	Cost Center	15XX
Supplemental Data: Expenditures				
Item	2016	2017	2018	Percent
Description	Actual	Budget Revised	Final	Change

Supplies

Office Supplies	4,447	5,000	5,700	5,700	0.00%
Copier Supplies	0	0	625	625	0.00%
Gas & Oil	110,456	143,750	122,000	122,000	0.00%
Vehicle Maint & Repairs	120,802	161,000	200,000	200,000	0.00%
Equipment Maint & Repairs	921	1,725	2,500	2,500	0.00%
Postage & Freight	283	285	280	280	0.00%
Small Tools	3,499	3,450	1,000	1,000	0.00%

Total Supplies

240,408	315,210	332,105	332,105	0.00%
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Contractual Services

Computer Support	15,324	10,485	31,290	31,290	0.00%
Contractual Services	8,969	11,780	13,000	3,500	-73.08%
Custodial Contract	10,988	13,205	6,320	6,500	2.85%
Radio Maintenance	3,716	5,235	6,150	6,150	0.00%
Indirect Cost to G/F	0	0	0	0	0.00%
Building/Grounds Mtce	5,278	5,250	2,500	2,500	0.00%

Total Contractual Services

44,274	45,955	59,260	49,940	-15.73%
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Other Services and Charges

Travel & Training	7,621	5,250	6,000	6,000	0.00%
Subscriptions & Membershi	1,879	16,225	2,295	2,500	8.93%
Utilities	15,993	12,950	16,245	19,490	19.98%
Telephone	9,115	8,380	9,710	10,290	5.97%
Printing & Forms	5,587	9,845	12,000	12,000	0.00%
Advertising	24,482	29,715	18,000	18,000	0.00%
Liability Insurance	33,213	34,250	35,210	37,320	5.99%
Audit Expense	0	3,150	3,000	3,500	16.67%
Continued Education	75	0	0	0	0.00%
Employee Physicals/Drug Testing	2,162	3,680	3,600	3,600	0.00%

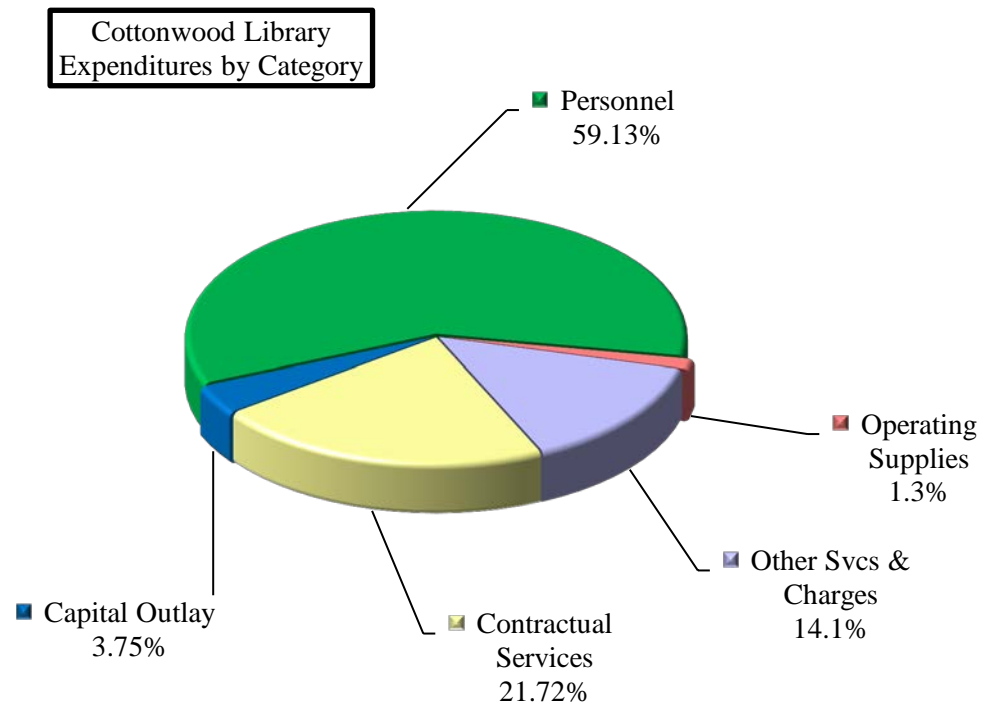
Total Other Services & Charges

100,126	123,445	106,060	112,700	6.26%
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Supplemental Data: Capital Outlay				
Item	2016	2017	2018	
Description	Actual	Budget Revised	Final	
Route Match Software	\$46,313			
Vans (3)		\$125,000		
Buses (4)	248,316			
Sidewalk Repairs ADA		\$160,400	\$20,000	
Computers, Software and Accessories	26,793			
Totals	\$321,421	\$125,000	\$160,400	\$20,000

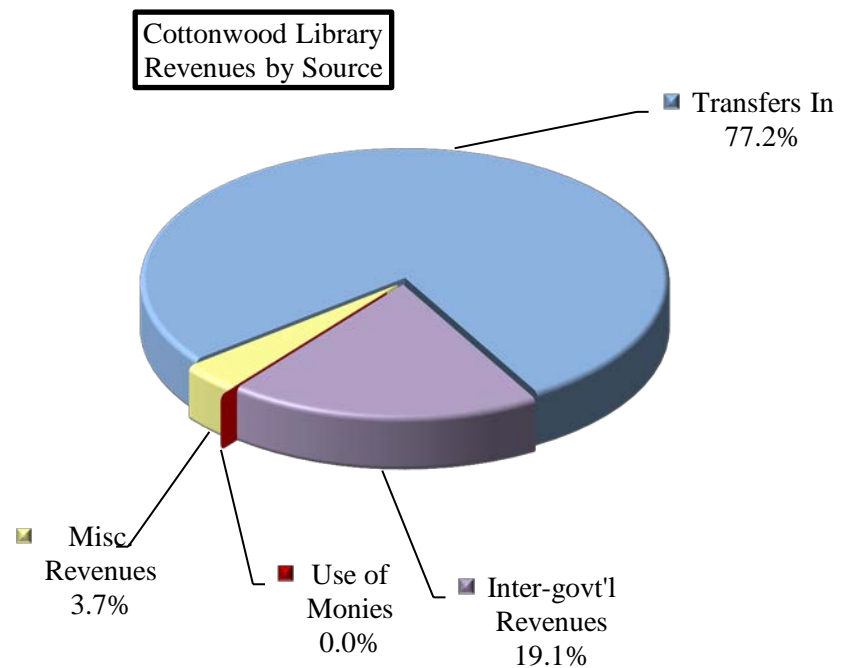
Cottonwood Library System Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$631,780	\$14,000	\$232,030	\$150,600	\$40,105	\$0	\$1,068,515
Totals	\$631,780	\$14,000	\$232,030	\$150,600	\$40,105	\$0	\$1,068,515



Cottonwood Library System Fund Summary	
Revenues	\$243,225
Expenditures	(1,068,515)
Revenues over (under) Expenditures	(825,290)
Other Funding Sources/Uses	825,290
Use of Fund Balance	\$0

Cottonwood Library System Fund Revenues by Source	
Inter-govt'l Revenues	\$204,100
Use of Monies	20
Misc. Revenues	39,105
Transfers In	825,290
Total Resources Available	\$1,068,515

**Library Revenues:**

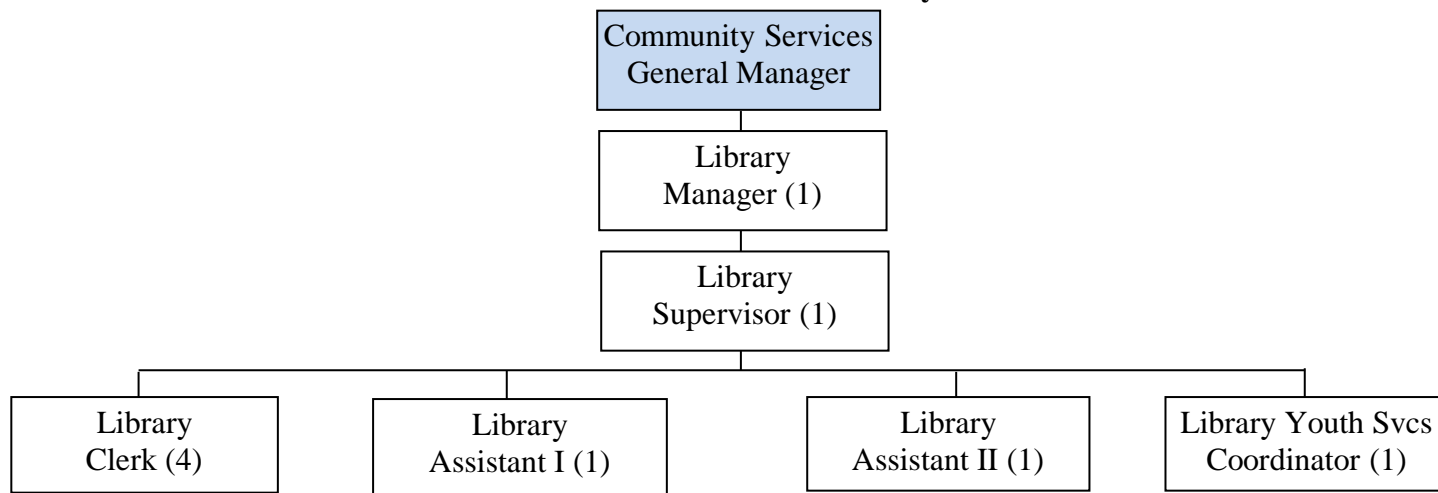
About 96% of the Cottonwood Library operating revenues come from intergovernmental revenues and transfers in sources. \$204,100 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in \$825,290 this year for maintenance and operation 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	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	155,590	155,000	169,220	204,100	20.61%
HVAC Grant	0	0	0	0	0.00%
Grant Revenues	0	0	5,500	21,105	283.73%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	13	10	20	20	0.00%
Miscellaneous Revenues					
Other Income	19,634	18,000	18,000	18,000	0.00%
Total Revenue Sources	175,236	173,010	192,740	243,225	26.19%
Other Financing Sources:					
Transfers In	797,310	853,240	851,320	825,290	-3.06%
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%
Total Other Financing Sources	797,310	853,240	851,320	825,290	-3.06%
Total Available Resources	972,546	1,026,250	1,044,060	1,068,515	2.34%
					0.00%
Expenditures:					
Personnel	578,967	607,820	606,695	631,780	4.13%
Operating Supplies	13,635	17,100	13,000	14,000	7.69%
Contractual Services	232,934	219,380	231,220	232,030	0.35%
Other Services and Charges	147,010	154,950	146,510	150,600	2.79%
Capital Outlay	0	27,000	46,635	40,105	-14.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	972,546	1,026,250	1,044,060	1,068,515	2.34%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	972,546	1,026,250	1,044,060	1,068,515	2.34%
Net Income / (Loss)	\$0	\$0	\$0	\$0	



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 2017 Accomplishments:

- * Held the library's 4th annual local authors' book fair at the Verde Valley Fairgrounds with 490 people in attendance
- * Partnered with Community Legal Services in offering a free legal clinic for low income people
- * Participation of the Teen Library Council in the Annual Christmas Parade
- * Participated for the 3rd year in the Arizona Sci-Tech Verde Valley Festival with 277 people in attendance
- * Hosted a visit by New York Times bestselling author J.A. Jance during her book tour for the promotion of a new book. A total of 222 people were present.
- * Held a 'Meet an Officer' event for children ages 0-5; 66 people attended
- * The "Verde Valley Seed Library," in partnership with the Verde Valley Thumbs Gardeners, counted 954 participants during the season
- * Reupholstering of patron chairs
- * Introduced two new adult programs called 'A Sketch in Time' and 'Color Your Cares Away' in June and July that had a total of 32 attendees
- * Organized a bi-weekly "Artist's Corner" featuring local artists of all media to share their work with the community; 860 visitors observed their work.
- * Did outreach at the Verde Valley Fairgrounds Octoberfest to highlight the library's services; 153 people visited the Library's table
- * Hosted an International Game Day event where 52 people played games
- * Received a subgrant in the amount of \$5,500 for non-fiction AV2 Beginning Books for youth. These funds were issued under the LSTA (Library Services and Technology Act), administered by the ILMS (Institute of Museum and Library Services)
- * Organized monthly movie days for families and adults
- * Secured significant E-Rate Services discounts from the Yavapai County Education Service Agency for Internet access and telecommunications
- * Participated in the Dolly Parton's Imagination Library Kick-off program for the Verde Valley
- * About 600 people participated in putting together puzzles at the community jigsaw puzzle table and in the puzzle swap
- * Hosted the 2nd Comic Book Expo Fundraiser by Cottonwood Bookmarks-Friends of the Library and the Northern Arizona Cartoonist Association to raise funds for the Youth and Adult Services Summer Reading Programs; 312 people attended

FY 2018 Goals:

- * Provide opportunities for community involvement for the Teen Library Council
- * Explore venues for customer service webinars as a training tool for library staff
- * Be a learning commons to foster learning and understanding by offering opportunities for participatory

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. Capital has been scheduled for the Automatic Door System (\$11,000), E-Rate Consultant and Purchasing (\$8,000) and is anticipated from the LSTA (Library Services and Technology Act) Grant (\$21,105).

Culture and Recreation	Cottonwood Public Library	Fund 03 - Library Fund	Cost Center	4000
Performance Indicators				
City Council Goal:	Strive to provide effective and efficient services to the public that we serve			
Department Goal:	Increase the attendance in Adult and Youth Services programming			
Objective:	Provide more free and cultural programming to the public and increase public awareness of our service			
Type of Measure:	Program attendance			
Tool:	Attendance logs and surveys			
Frequency:	Monthly and weekly			
Scoring:	5% increase in attendance			
Trend:	Upward			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Adult staff sponsored programs attendance	522	2,683	2,817	3,042
Youth Services staff sponsored programs attendance	8,520	10,604	11,134	12,025
Adult program attendance	2,869	3,782	3,971	4,289
Youth Services programs attendance	468	369	387	418
Youth Services Interactive table	6,148	4,992	5,242	5,661
Youth Services Early Literacy Tablets	1,603	2,028	2,129	2,299
Steam kits/other	1,584	3,999	4,199	4,535
Totals	21,714	28,457	29,879	32,269
Percentage increase/decrease from prior year		31%	5%	8%

City Council Goal:	Strive to provide effective and efficient services to the public that we serve			
Department Goal:	Increase availability of library services			
Objective:	Increased accessibility to library patrons for circulation, Internet and job service			
Type of Measure:	Statistics			
Tool:	Monthly reports			
Frequency:	Monthly			
Scoring:	5% increase in attendance			
Trend:	Upward			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Job Service computer usage	382	226	237	256
Youth Service computer usage	6,354	6,181	6,490	7,009
Adult Services computer usage	27,540	30,129	31,635	34,166
Internet guest card usage	9,370	9,999	10,499	11,339
Circulation of library items	252,267	252,660	265,293	286,516
Circulation of eBook usage	8,983	9,706	10,191	11,006
Totals	304,896	308,901	324,345	350,292
Percent increase/decrease from prior year		1.31%	5%	8%

Mission/Value Statement:				
Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

Culture and Recreation	Cottonwood Public Library	Fund 03 - Library Fund		Cost Center	4000
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$578,967	\$607,820	\$606,695	\$631,780	9.12%
Operating Supplies	13,635	17,100	13,000	14,000	7.69%
Contractual Services	232,934	219,380	231,220	232,030	0.35%
Other Services and Charges	147,010	154,950	146,510	150,600	2.79%
Capital Outlay	0	27,000	46,635	40,105	-14.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$972,546	\$1,026,250	\$1,044,060	\$1,068,515	2.34%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$225,205	21.08%
Uses of Monies	20	0.00%
Miscellaneous Income	18,000	1.68%
Use of Fund Balance	0	0.00%
Transfers In - General Fund	825,290	77.24%
Total Funding		<u>100.0%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Library Manager	1.00	1.00	1.00	5,067	7,466	\$81,970
Library Supervisor	1.00	1.00	1.00	3,601	5,306	52,920
Library Youth Svcs Coordinator	0.00	1.00	1.00	3,111	4,584	40,975
Library Assistant II	1.00	1.00	1.00	3,111	4,584	41,975
Library Assistant I	1.00	1.00	1.00	2,687	3,960	37,850
Library Clerk	5.00	4.00	4.00	2,321	3,421	129,090
COLA						0
Merit Contingency						12,720
Longevity						0
Temporary / Reserves						40,000
Holiday Pay						0
Retirement						45,710
Insurance & Taxes						148,570
Employee Related Expenses						0
Totals	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>			<u>\$631,780</u>

Culture and Recreation	Cottonwood Public Library	Fund 03 - Library Fund		Cost Center	4000
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	3,595	4,000	4,000	4,000	0.00%
Copier Supplies	1,707	3,100	2,000	2,000	0.00%
Equipment Maint & Repairs	3,974	6,000	4,500	5,500	22.22%
Postage & Freight	4,359	4,000	2,500	2,500	0.00%

Total Supplies	13,635	17,100	13,000	14,000	7.69%
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Contractual Services

Computer Support	2,642	2,350	5,220	6,000	14.94%
Collection Expenses	2,067	2,000	1,970	2,000	1.52%
Advertising	0	0	0	0	0.00%
Bank Charges	21	30	30	30	0.00%
Building Maint. & Repair	31,227	30,000	30,000	30,000	0.00%
Indirect Cost to General Fund	196,976	185,000	194,000	194,000	0.00%

Total Contractual Services	232,934	219,380	231,220	232,030	0.35%
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Other Services and Charges

Travel & Training	876	850	860	650	-24.42%
Subscriptions & Memberships	0	0	250	0	-100.00%
Utilities	52,451	55,000	55,000	57,250	4.09%
Telephone	2,529	2,500	2,500	2,700	8.00%
Youth Programs	716	500	500	500	0.00%
Book Purchases	37,751	42,000	43,000	42,000	-2.33%
Network/Technology Exps	37,497	35,000	28,000	30,000	7.14%
Annual Volunteer Appreciation Event	676	800	900	1,000	11.11%
Liability Insurance	14,234	17,800	15,100	16,000	5.96%
Recruitment Expense	280	500	400	500	25.00%

Total Other Services & Charges	147,010	154,950	146,510	150,600	2.79%
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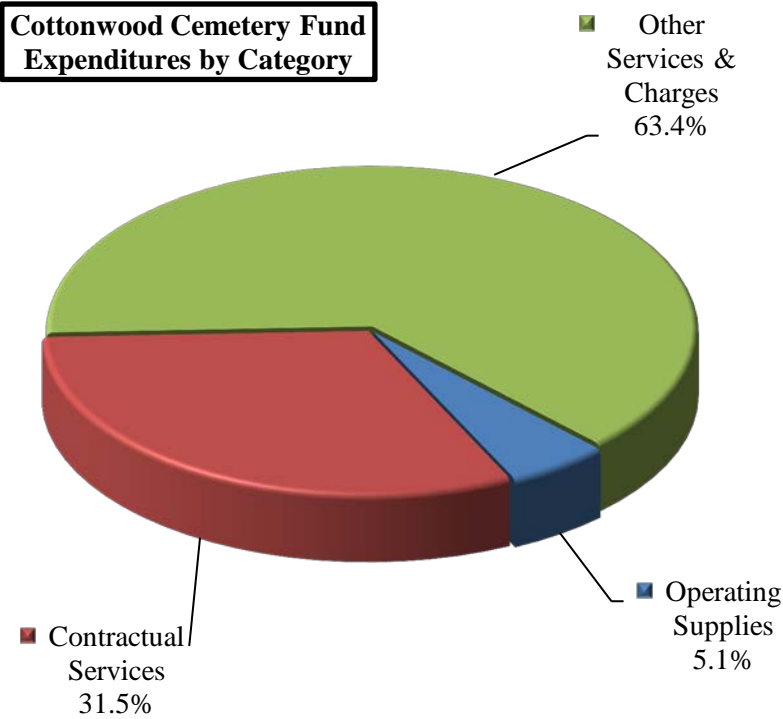
Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Lighting and Ballast Replacement					
Re-roofing /Roof Repair		\$20,000	\$17,500		
E-Rate Equipment		7,000	8,671		
Furnishing			1,201		
LSTA Grant-A/V Books			4,295		
County Capital Contribution			14,967		
Automatic Door System				\$11,000	
E-Rate Consultant and Purchasing				8,000	
LSTA Grant				21,105	
Totals	\$0	\$27,000	\$46,635	\$40,105	

Fiscal Year 2018 Budget
Cottonwood Cemetery Fund Expenditures by Category

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Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$0	\$3,210	\$19,900	\$40,000	\$0	\$0	\$63,110
Totals	\$0	\$3,210	\$19,900	\$40,000	\$0	\$0	\$63,110

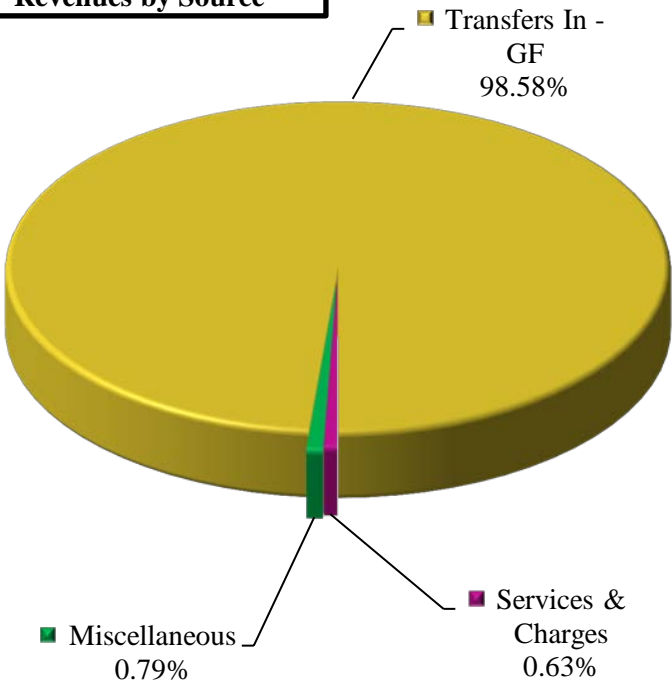
Cottonwood Cemetery Fund Expenditures by Category



Cottonwood Cemetery Fund Summary	
Revenues	\$900
Expenditures	(63,110)
Revenues over (under) Expenditures	(62,210)
Other Funding Sources/Uses	62,210
Use of Fund Balance	\$0

Cottonwood Cemetery Fund Revenues by Source	
Services & Charges	\$400
Use of Monies	0
Miscellaneous	500
Transfers In - GF	62,210
Total Resources Available	\$63,110

Cottonwood Cemetery Fund Revenues by Source



Cottonwood Cemetery Revenues/Expenditures/Changes in Fund Balance

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	200	400	0	400	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	455	500	500	500	0.00%
Total Revenue Sources	655	900	500	900	80.00%
Other Financing Sources:					
Transfers In	62,586	37,200	56,310	62,210	10.48%
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%
Total Other Financing Sources	62,586	37,200	56,310	62,210	10.48%
Total Available Resources	63,241	38,100	56,810	63,110	11.09%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	63	3,100	210	3,210	1428.57%
Contractual Services	28,529	10,000	19,900	19,900	0.00%
Other Services and Charges	34,648	25,000	36,700	40,000	8.99%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	63,241	38,100	56,810	63,110	11.09%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	63,241	38,100	56,810	63,110	11.09%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

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 2017 Accomplishments:

- * Completed beautification project that included landscaping improvements as well as painting of the gates and archway

FY 2018 Goals:

- * Acquire legal assistance for the necessary rights to access cemetery property in order to connect the Cemetery irrigation system to the Riverfront Park Irrigation system, enabling the use of untreated well water instead of treated, potable municipal water.
- * Purchase equipment that can fit in between grave sites so as not to damage head stones and existing facilities
- * Conserve grave stones by resetting head stones that are leaning due to poor installation

Budget Highlights:

N/A

Cemetery	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200
Performance Indicators				
City Council Goal:	<i>* Performance Measures are being developed for this department *</i>			
Department				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2015	2016	2017	2018

City Council Goal:				
Department				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2015	2016	2017	2018

Mission/Value Statement:				
Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2015	2016	2017	2018

Cemetery	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	63	3,100	210	3,210	1428.57%
Contractual Services	28,529	10,000	19,900	19,900	0.00%
Other Services and Charges	34,648	25,000	36,700	40,000	8.99%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$63,241	\$38,100	\$56,810	\$63,110	11.09%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Charges for Service	\$400	0.63%
Interest Income	0	0.00%
Miscellaneous Fees	500	0.79%
Carryover	0	0.00%
Transfer In - General Fund	62,210	98.57%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Cemetery	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200	
Supplemental Data: Expenditures					
Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Grave Liners	0	3,000	0	3,000	0.00%
Equipment Maint & Repairs	63	100	160	160	0.00%
Misc. Expense	0	0	50	50	0.00%

Total Supplies	63	3,100	210	3,210	1428.57%
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Contractual Services

Indirect Cost to General Fund	28,529	10,000	19,900	19,900	0.00%
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Total Contractual Services	28,529	10,000	19,900	19,900	0.00%
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Other Services and Charges

Utilities	34,648	25,000	36,700	40,000	8.99%
Telephone	0	0	0	0	0.00%

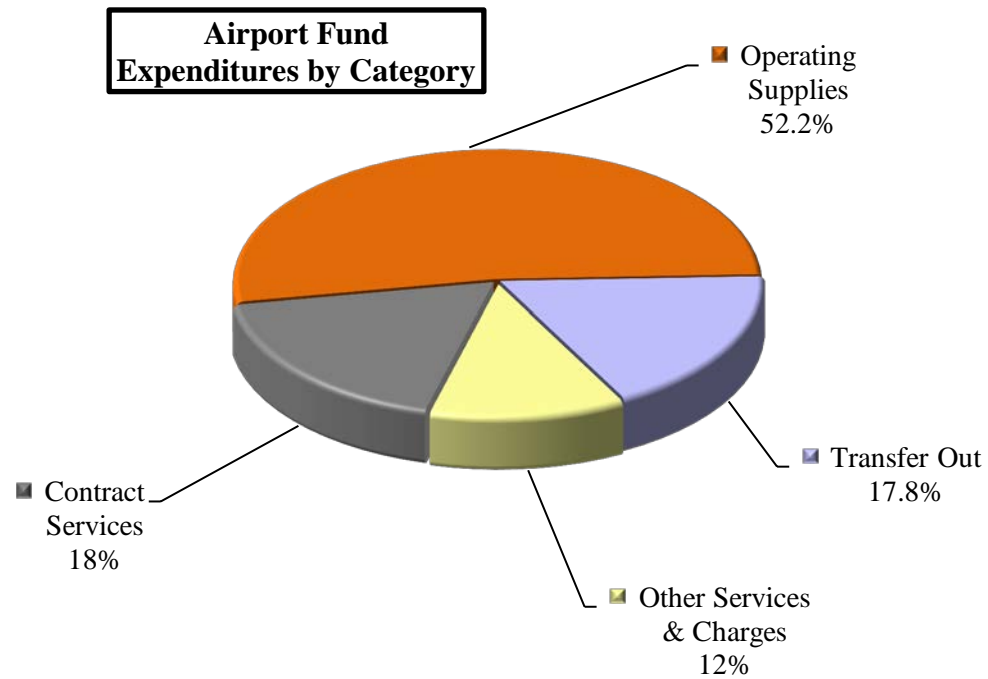
Total Other Services & Charges	34,648	25,000	36,700	40,000	8.99%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Fiscal Year 2018 Budget
Airport Fund Expenditures by Category

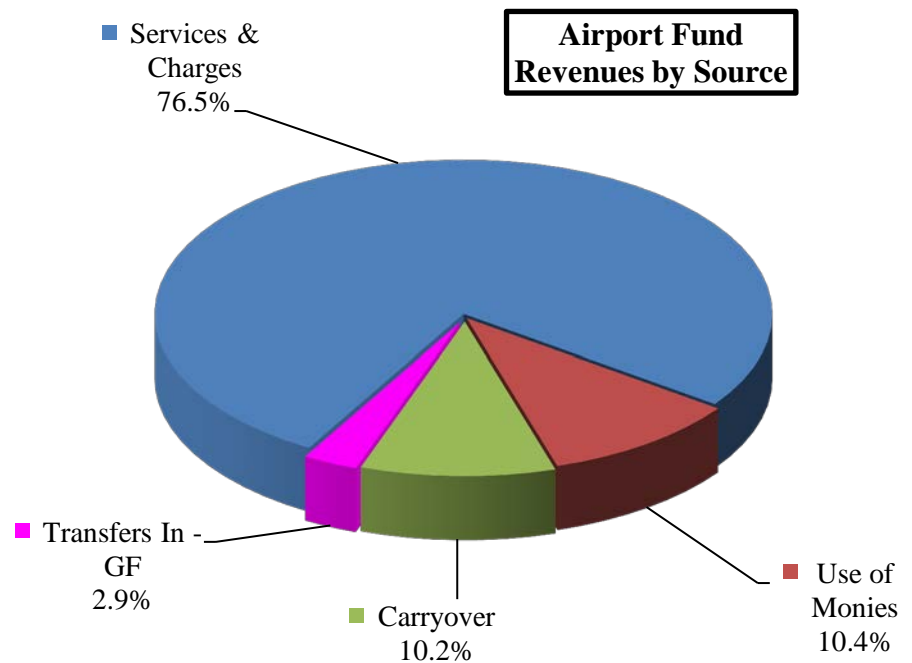
Table of Contents

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Subtotals	\$0	\$214,810	\$74,250	\$49,180	\$0	\$0	\$73,200	\$411,440
Totals	\$0	\$214,810	\$74,250	\$49,180	\$0	\$0	\$73,200	\$411,440



Airport Fund Fund Summary	
Revenues	\$357,670
Expenditures	(411,440)
Revenues over (under) Expenditures	(53,770)
Other Funding Sources/Uses	53,770
Use of Fund Balance	\$0

Airport Fund Revenues by Source	
Services & Charges	\$314,970
Use of Monies	42,700
Carryover	41,930
Transfers In - GF	11,840
Total Resources Available	\$411,440



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	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	261,504	247,000	263,050	260,000	-1.16%
Uses of Monies & Properties					
Tie Down Rent	20,091	18,900	21,600	21,600	0.00%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	0	0	0	0	0.00%
Land Lease Fees	40,630	38,850	88,370	40,700	-53.94%
City Hangar Lease Fees	34,322	34,600	48,000	34,600	-27.92%
Miscellaneous Revenues					
Other Income	774	620	770	770	0.00%
Total Revenue Sources	357,320	339,970	421,790	357,670	-15.20%
Other Financing Sources:					
Transfers In	8,230	15,740	0	11,840	0.00%
Carryover	0	0	0	41,930	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%
Total Other Financing Sources	8,230	15,740	0	53,770	0.00%
Total Available Resources	365,551	355,710	421,790	411,440	-2.45%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	242,948	204,250	249,810	214,810	-14.01%
Contractual Services	83,404	57,110	81,750	74,250	-9.17%
Other Services and Charges	34,984	36,300	48,300	49,180	1.82%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	41,930	0	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	361,335	297,660	421,790	338,240	-19.81%
Other Uses:					
Transfers Out	4,216	58,050	0	73,200	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	4,216	58,050	0	73,200	0.00%
Total Expenditures and Other Uses	365,551	355,710	421,790	411,440	-2.45%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

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 2017 Accomplishments:

- * Completed the Airport Minimum Operating Standards that will allow for fair use of the airport facility
- * Completed the long-term lease reversion policy

FY 2018 Goals:

- * Complete an agreement between the Airport and other City departments for the use of Airport land to ensure compliance with the Federal Aviation Administration's grant assurances
- * Complete an agreement with the tenants that have long-term leases of land located west of the airport
- * Develop an Unmanned Aircraft Systems (UAS)/Drone policy that is in compliance with FAA standards
- * Adjust the IFR (Instrument Flight Rules)-Approach (incl. night operations) to increase the potential for more corporate traffic
- * Assign a separate radio frequency for the AWOS (Automated Weather Observing System) to minimize confusion on the UNICOM (Universal Communications)
- * Review and determine new airport fee schedule
- * Develop a standardized long-term lease template for the Airport
- * Investigate new venues for the installation of additional covered tie-downs
- * Replace current airport lights with cost-effective LED lights that also have a longer lifespan

Budget Highlights:

N/A

Airport	Cottonwood Municipal Airport	Fund 05 - Airport	Cost Center	1500
Performance Indicators				
City Council Goal:	Value the tax dollar and maintain sound fiscal policies			
Department Goal:	Maintain adequate and safe fuel levels			
Objective:	Maintain an adequate fuel level in order to not lose any sales due to lack of fuel			
Type of Measure:	Outcome			
Tool:	Fuel Level			
Frequency:	Weekly			
Scoring:	Fuel Sales			
Trend:	Fuel level never below 2,000 gallons			
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018
Minimum monthly fuel level		1,500	1,500	1,500

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

Airport	Cottonwood Municipal Airport	Fund 05 - Airport		Cost Center	1500
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	242,948	204,250	249,810	214,810	-14.01%
Contractual Services	83,404	57,110	81,750	74,250	-9.17%
Other Services and Charges	34,984	36,300	48,300	49,180	1.82%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	41,930	0	-100.00%
Transfers Out	4,216	58,050	0	73,200	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$365,551	\$355,710	\$421,790	\$411,440	-2.45%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Fuel Sales	\$260,000	63.19%
User & Rental Fees	97,670	23.74%
Fund Balance	41,930	10.19%
Transfers In - General Fund	11,840	2.88%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						
Totals	<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
Supplemental Data: Expenditures					
Item Description	2016	2017		2018	Percent
	Actual	Budget	Revised	Final	Change

Supplies

Office Supplies	182	50	1,000	150	-85.00%
Vehicle Maint & Repairs	131	200	0	0	0.00%
Equipment Maint & Repairs	1,516	2,500	2,500	500	-80.00%
Building Maint & Repairs	1,190	500	100	150	50.00%
Fuel Expenses	237,439	200,000	240,000	210,000	-12.50%
Oil Expense	0	0	10	10	0.00%
Operational Supplies	2,490	1,000	6,200	4,000	-35.48%

Total Supplies	242,948	204,250	249,810	214,810	-14.01%
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Contractual Services

Misc. Expenses	0	0	0	0	0.00%
Computer Support	189	110	150	150	100.00%
General Counsel	0	0	100	100	0.00%
Contractual Services	30,925	7,000	31,500	24,000	-23.81%
Airport-Indirect Costs to General Fund	52,289	50,000	50,000	50,000	0.00%

Total Contractual Services	83,404	57,110	81,750	74,250	-9.17%
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Other Services and Charges

Airport Annual Event	0	0	0	0	0.00%
Utilities	14,241	14,500	15,400	16,200	5.19%
Telephone	1,135	1,300	1,550	1,630	5.16%
Bank Charges	11,407	12,000	12,500	12,500	0.00%
Liability Insurance	8,200	8,500	18,850	18,850	0.00%

Total Other Services & Charges	34,984	36,300	48,300	49,180	1.82%
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Supplemental Data: Capital Outlay					
Item Description	2016	2017		2018	
	Actual	Budget	Revised	Final	

Airport Improvement Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
ADOT - Airport Masterplan	\$0	\$0	\$0	\$364,240	0.00%
ADOT - Design Lighting & Runway Imp.	0	0	0		0.00%
ADOT - Pavement Preservation	0	0	46,065	84,930	84.37%
ADOT Grant	0	0	0	17,880	0.00%
FAA - AWOS	0	0	6,580	0	-100.00%
FAA - Fence Extension	0	136,500	0	0	0.00%
FAA - Master Plan	0	364,240	0	0	0.00%
FAA - Pavement Preservation	91,965	1,147,360	962,955	1,730,140	79.67%
Total Revenue Sources	91,965	1,648,100	1,015,600	2,197,190	116.34%
Other Financing Sources:					
Transfers In	4,216	58,050	0	73,200	0.00%
Carryover	0	103,850	71,505	29,610	-58.59%
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%
Total Other Financing Sources	4,216	161,900	71,505	102,810	43.78%
Total Available Resources	96,181	1,810,000	1,087,105	2,300,000	111.57%
Expenditures:					
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	100,398	1,810,000	1,057,495	2,300,000	117.50%
Reserves	0	0	29,610	0	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	100,398	1,810,000	1,087,105	2,300,000	111.57%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	100,398	1,810,000	1,087,105	2,300,000	111.57%
Net Income / (Loss)	(\$4,217)	\$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 2017 Accomplishments:

- * Completed the first phase of the airport apron project

FY 2018 Goals:

- * Complete Airport Pavement Preservation project
- * Complete Airport Master Plan

Budget Highlights:

Grant capital, totaling \$2,300,000 has been programmed for the Airport Master Plan (\$400,000) and Airport Pavement Preservation (\$1,900,000).

Airport	Airport Improvement Fund		Fund 11- Grants		Cost Center	1500
Summary by Category						
Expenditure Category	2016	2017		2018	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	100,398	1,810,000	1,057,495	2,300,000	117.50%	
Reserves	0	0	29,610	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$100,398	\$1,810,000	\$1,087,105	\$2,300,000	111.57%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
FAA Grant	\$1,730,140	75.22%
Miscellaneous Grants	0	0.00%
ADOT Grants	467,050	20.31%
Airport Transfer In	73,200	3.18%
Fund Balance	29,610	1.29%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<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
Performance Indicators				
City Council Goal: Department Goal: Objective: Type of Measure: Tool: Frequency: Scoring: Trend:				
Measures:		Actual		Estimated
		2015	2016	2017
Anticipated				
2018				

Supplemental Data: Capital Outlay					
Item/Project Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Airport Apron					
Airport Master Plan		\$400,000		\$400,000	
Automatic Weather Observation Station (AWOS)					
FAA - Pavement Preservation	\$100,398	1,260,000	\$1,057,495	1,900,000	
Fence Extension		150,000			
Totals	\$100,398	\$1,810,000	\$1,057,495	\$2,300,000	

Grants Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues	0	500,000	0	2,474,000	0.00%
Miscellaneous Revenue	0	0	0	0	0.00%
Total Revenue Sources	0	500,000	0	2,474,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	135,000	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%
Total Other Financing Sources	0	0	0	135,000	0.00%
Total Available Resources	0	500,000	0	2,609,000	0.00%
Expenditures:					
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	2,609,000	0.00%
Reserves	0	0	0	0	
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	500,000	0	2,609,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	500,000	0	2,609,000	0.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

The grant funding for specific projects can be found on the next page.

Fiscal Year 2018 Budget
Other Grants Fund Revenues/Expenditures

Table of Contents

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Bicycle Feasibility Study	0	0	0	64,000	0.00%
City Wide Master Drainage Plan	0	0	0	220,000	0.00%
Drainage Improvement Plans	0	0	0	325,000	0.00%
EDA Grant - Main St	0	0	0	1,215,000	0.00%
Old Town Flood Plain Study	0	0	0	150,000	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%
Total Revenue Sources	0	500,000	0	2,474,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	135,000	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%
Total Other Financing Sources	0	0	0	135,000	0.00%
Total Available Resources	0	500,000	0	2,609,000	0.00%
Expenditures:					
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	2,609,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	500,000	0	2,609,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	500,000	0	2,609,000	0.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

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 2017 Accomplishments:

* None

FY 2018 Goals:

* Obtain grants for multiple projects

Budget Highlights:

N/A

Grants	Other Grants Fund	Fund 07 - Grants	Cost Center	0000
Performance Indicators				
City Council Goal:	<i>* Performance Measures are not applicable to this fund *</i>			
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2015	2016	2017	2018

Supplemental Data: Capital Outlay				
Item/Project Description	2016	2017		2018
	Actual	Budget	Revised	Final
Grant Projects		\$500,000		\$500,000
Bicycle Feasibility Study				64,000
City Wide Master Drainage Plan				220,000
Drainage Improvement Plans				325,000
EDA Grant - Main St				1,350,000
Old Town Flood Plain Study				150,000
Totals	\$0	\$500,000	\$0	\$2,609,000

Grants	Other Grants Fund		Fund 07 - Grants		Cost Center	0000
Summary by Category						
Expenditure Category	2016	2017		2018	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	2,609,000	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$0	\$500,000	\$0	\$2,609,000	0.00%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$2,474,000	95%
Transfer In - GF	\$135,000	5%
Total Funding	100.00%	

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			\$0

Community Development Block Grant Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	37,740	0	-100.00%
Federal Grants	12,700	304,150	36,860	267,300	625.18%
Miscellaneous Revenue					
Interest Income	4	5	10	0	-100.00%
Total Revenue Sources	12,704	304,155	74,610	267,300	258.26%
Other Financing Sources:					
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%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	12,704	304,155	74,610	267,300	258.26%
Expenditures:					
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	15,609	304,155	74,610	267,300	258.26%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	15,609	304,155	74,610	267,300	258.26%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	15,609	304,155	74,610	267,300	258.26%
Net Income / (Loss)	(\$2,905)	\$0	\$0	\$0	

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 2017 Accomplishments:

* N/A

FY 2018 Goals:

- * Obtain grants for multiple projects
- * Execute upgrade activities for the Civic Center

Budget Highlights:

Capital is programmed for the Civic Center upgrades in the amount of \$267,300.

Public Works	Community Development Block Grant	Fund 12 - CDBG	Cost Center	3110
Performance Indicators				
<i>* Performance Measures are not applicable to this fund *</i>				

Supplemental Data: Capital Outlay				
Item/Project Description	2016	2017		2018
	Actual	Budget	Revised	Final
Civic Center Upgrades	\$15,609	\$304,155	\$74,610	\$267,300
Totals	\$15,609	\$304,155	\$74,610	\$267,300

Public Works	Community Development Block Grant		Fund 08 - CDBG		Cost Center	3110
Summary by Category						
Expenditure Category	2016	2017		2018	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	15,609	304,155	74,610	267,300	258.26%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$15,609	\$304,155	\$74,610	\$267,300	258.26%	

Departmental Fund Sources			
Funding Sources	Amount	% of Funding	% of Funding
Federal Grants	\$267,300	100%	
Total Funding		<u>100.00%</u>	

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

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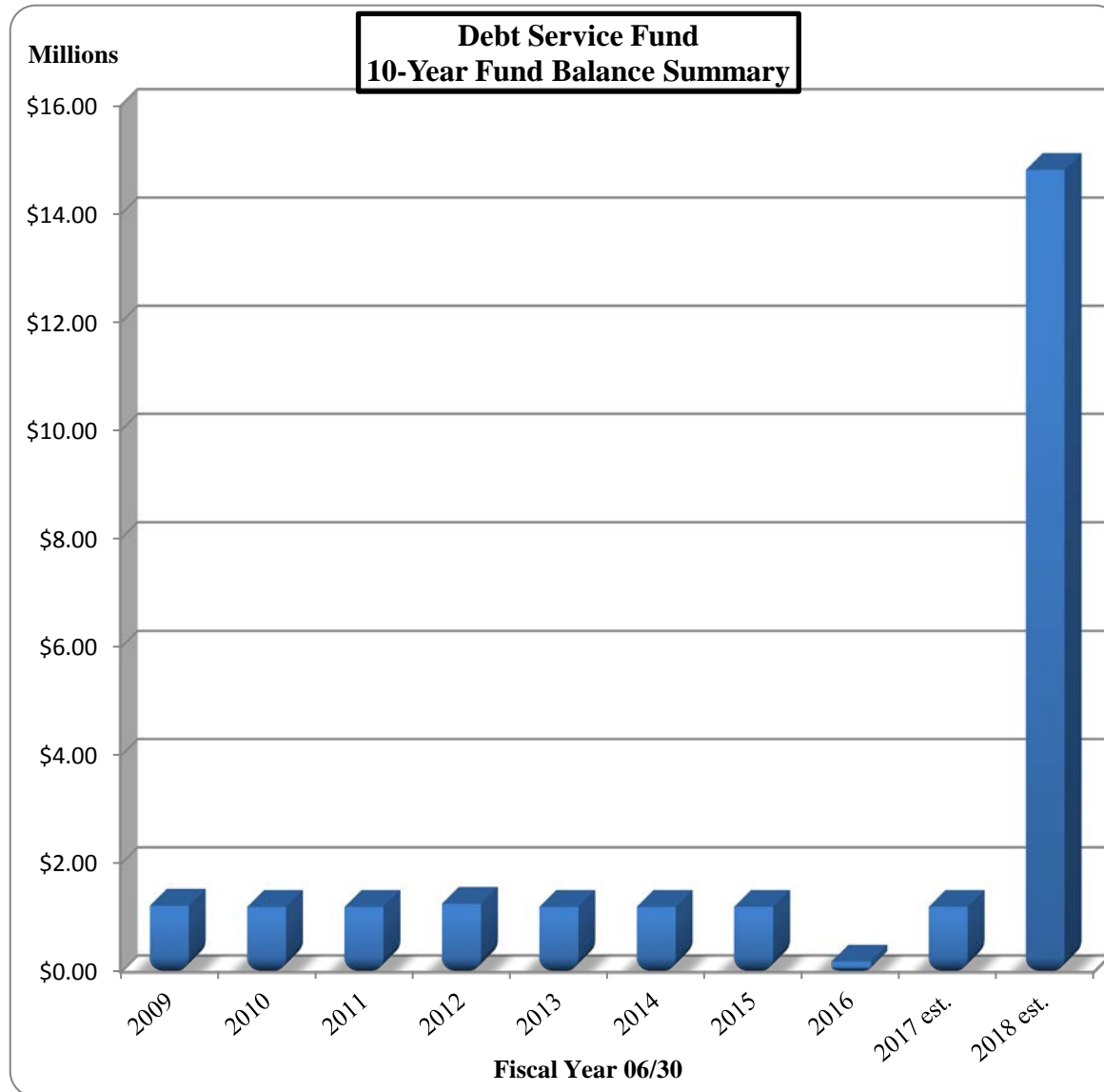
The Debt Service Fund is set up to account for the accumulation of resources and the payment of general long-term debt principal and interest.

Fund/Account Number

Description

20

Debt Service



Fiscal Year 06/30	Balance
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	197,840
2017 est.	1,211,535
2018 est.	14,824,420

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$1,540,892	\$1,539,955	\$1,664,960	\$1,644,415
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	743	280	290	290
Miscellaneous Revenues	0	0	0	0
Total Revenue Sources	1,541,635	1,540,235	1,665,250	1,644,705
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	197,840	1,211,535	14,824,420
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	13,874,485	0
Total Other Financing Sources	0	197,840	15,086,020	14,824,420
Total Available Resources	1,541,635	1,738,075	16,751,270	16,469,125
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	360	360	1,300	1,300
Other Services and Charges	1,541,239	1,539,875	1,925,550	15,518,900
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	1,541,599	1,540,235	1,926,850	15,520,200
Other Uses:				
Transfers Out	0	0	0	948,925
Reserves	0	197,840	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	197,840	0	948,925
Total Expenditures and Other Uses	1,541,599	1,738,075	1,926,850	16,469,125
Net Income / (Loss)	\$36	\$0	\$14,824,420	\$0

Debt Service Fund Revenues/Expenditures/Changes in fund Balance

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
City Sales Tax	\$1,540,892	\$1,539,955	\$1,664,960	\$1,644,415	-1.23%
City Sales Tax - Library	0	0	0	0	0.00%
Charges for Services					
User Fees - Water Co. Debt Service	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	743	280	290	290	0.00%
Total Revenue Sources	1,541,635	1,540,235	1,665,250	1,644,705	-1.23%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	197,840	1,211,535	14,824,420	1123.61%
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	13,874,485	0	-100.00%
Total Other Financing Sources	0	197,840	15,086,020	14,824,420	-1.73%
Total Available Resources	1,541,635	1,738,075	16,751,270	16,469,125	-1.68%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	360	360	1,300	1,300	0.00%
Other Services and Charges	1,541,239	1,539,875	1,925,550	15,518,900	705.95%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	197,840	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,541,599	1,738,075	1,926,850	15,520,200	705.47%
Other Uses:					
Transfers Out	0	0	0	948,925	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	948,925	0.00%
Total Expenditures and Other Uses	1,541,599	1,738,075	1,926,850	16,469,125	754.72%
Net Income / (Loss)	\$36	\$0	\$14,824,420	\$0	

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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 2017 Accomplishments:

- * Consistently maintained timely payments of special Debt Service accounts through the set-up of monthly deposits

FY 2018 Goals:

- * Maintain timely payments of all bond and long-term debt payments

Budget Highlights:

The Recreation Center bond and the 2015 Excise Bond are budgeted in the Debt Service 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
Performance Indicators				
<i>* Performance Measures are not applicable for this fund*</i>				

Supplemental Data: Expenditures					
Item Description	2015	2016		2018	Percent Change
	Actual	Budget	Revised	Final	

Contractual Services

Trustee Fees - Library	0	0	1,000	1,000	0.00%
Trustee Fees - WIFA	360	360	0	0	0.00%
Trustee Fees - 2017 Pledge Rev Rfnd	0	0	0	0	0.00%
Trustee Fees - 2015 Excise Bond	0	0	300	300	0.00%

Total Contractual Services	<u>360</u>	<u>360</u>	<u>1,300</u>	<u>1,300</u>	<u>0.00%</u>
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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	631,239	594,875	0	0	0.00%
Principal - GADA - Recreation Center	910,000	945,000	0	13,874,485	0.00%
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%
2017 Pledge Rev Rfnd-Interest	0	0	342,000	397,675	16.28%
2017 Pledge Rev Rfnd-Principal	0	0	1,055,000	980,000	-7.11%
Bond Issuance Costs	0	0	260,590	0	-100.00%
2015 Excise Bond - Interest	0	0	134,650	131,980	-1.98%
2015 Excise Bond -Principal	0	0	133,310	134,760	1.09%

Total Other Services & Charges	<u>1,541,239</u>	<u>1,539,875</u>	<u>1,925,550</u>	<u>15,518,900</u>	<u>705.95%</u>
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Reserves

GADA Reserve	0	197,840	0	0	0.00%
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Total Reserves	<u>0</u>	<u>197,840</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
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Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service		Cost Center	8XXX
Summary by Category					
Expenditure Category	2016	2017		2018	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	1,300	1,300	0.00%
Other Services and Charges	1,541,239	1,539,875	1,925,550	15,518,900	705.95%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	197,840	0	0	0.00%
Transfers Out	0	0	0	948,925	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$1,541,599</u>	<u>\$1,738,075</u>	<u>\$1,926,850</u>	<u>\$16,469,125</u>	<u>754.72%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Other Income	\$290	0.00%
Taxes	1,644,415	9.98%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	14,824,420	90.01%
Total Funding		<u>100.00%</u>

Supplemental Data: Transfers Out				
Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Transfers Out - Sewer				\$948,925
Transfers Out - Library				
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$948,925</u>

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<p align="center">Greater Arizona Development Authority - Recreation Center Projects Infrastructure Revenue Bonds - Series 2007A ("AAA" S&P / "Aaa" Moody's)</p>

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
February 1, 2017					\$297,438	
August 1, 2017	945,000	69,625,000	12,130,000	4.000%	297,438	\$1,539,876
February 1, 2018					278,538	
August 1, 2018	985,000	70,610,000	11,145,000	5.000%	278,538	\$1,542,075
February 1, 2019					253,913	
August 1, 2019	1,035,000	71,645,000	10,110,000	5.000%	253,913	\$1,542,825
February 1, 2020					228,038	
August 1, 2020	1,085,000	72,730,000	9,025,000	4.000%	228,038	\$1,541,075
February 1, 2021					206,338	
August 1, 2021	1,130,000	73,860,000	7,895,000	4.125%	206,338	\$1,542,675
February 1, 2022					183,031	
August 1, 2022	1,175,000	75,035,000	6,720,000	4.125%	183,031	\$1,541,063
February 1, 2023					158,797	
August 1, 2023	1,225,000	76,260,000	5,495,000	4.250%	158,797	\$1,542,594
February 1, 2024					132,766	
August 1, 2024	1,275,000	77,535,000	4,220,000	5.000%	132,766	\$1,540,531
February 1, 2025					100,891	
August 1, 2025	1,340,000	78,875,000	2,880,000	5.000%	100,891	\$1,541,781
February 1, 2026					67,391	
August 1, 2026	1,405,000	80,280,000	1,475,000	5.000%	67,391	\$1,539,781
February 1, 2027					32,266	
August 1, 2027	1,475,000	81,755,000	0	4.375%	32,266	\$1,539,531
	<u>\$13,075,000</u>				<u>\$3,878,807</u>	<u>\$16,953,807</u>

Pledged Revenue Obligations, Series 2015

Maturity	Principal			Int/Fees	Debt Service
	Payments	Retired	Balance		
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>\$10,900,000</u>			<u>\$4,785,400</u>	<u>\$15,685,400</u>

Computation of Direct and Overlapping Bonded Debt
'June 30, 2016

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>\$6,197,224</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	277,201,553
	<u>\$5,465,734,304</u>

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.

Computation of Legal Debt Margin 'June 30, 2017	
--	--

Net secondary assessed valuation (Full Cash Value)	<u>\$98,839,013</u>
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	19,767,803
Bonds outstanding	<u>0</u>
Net 20% Debt Limitation	<u>19,767,803</u>

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	5,930,341
Bonds outstanding	<u>0</u>
Net 6% Debt Limitation	<u>5,930,341</u>

Total Bonding Capacity	<u>\$25,698,143</u>
------------------------	---------------------

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.

<u>Fund/Account Number</u>	<u>Description</u>
<u>30-2300</u>	<u>Capital Projects Fund</u>
<u>30-1800</u>	<u>Railroad Wash Improvements</u>

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$135,022	\$267,960	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	180,000	350,000	220,000	220,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	109,602	106,000	40,000	35,000
Total Revenue Sources	424,624	723,960	260,000	255,000
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	657,290	6,415,865	2,545,390
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	657,290	6,415,865	2,545,390
Total Available Resources	424,624	1,381,250	6,675,865	2,800,390
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	9,608	9,100	9,500	9,500
Capital Outlay	260,349	1,104,190	787,905	344,650
Debt Service	169,424	267,960	0	0
Total Expenditures	\$439,381	\$1,381,250	\$797,405	\$354,150
Other Uses:				
Transfers Out	700,000	0	3,333,070	2,446,240
Reserves	0	0	2,545,390	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	700,000	0	5,878,460	2,446,240
Total Expenditures and Other Uses	1,139,381	1,381,250	6,675,865	2,800,390
Net Income / (Loss)	(\$714,757)	\$0	\$0	\$0

Capital Projects - Railroad Wash Improvements Fund Revenues/Expenditures

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
Yavapai County	\$180,000	\$350,000	\$220,000	\$220,000	0.00%
A.D.O.T.	0	0	0	0	0.00%
Total Intergovernmental Revenue	180,000	350,000	220,000	220,000	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	180,000	350,000	220,000	220,000	0.00%
Other Financing Sources:					
Transfers In	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%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	180,000	350,000	220,000	220,000	0.00%
Expenditures:					
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	187,627	350,000	220,000	220,000	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	187,627	350,000	220,000	220,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	187,627	350,000	220,000	220,000	0.00%
Net Income / (Loss)	(\$7,627)	\$0	\$0	\$0	

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Organizational Chart:

None

General Information:

This project continues as grant funds become available from Yavapai County.

FY 2017 Accomplishments:

N/A

FY 2018 Goals:

N/A

Budget Highlights:

N/A

Public Works	Railroad Wash Improvements	Fund 30 - Capital Projects	2300
Performance Indicators			
<i>* Performance Measures are not applicable to this fund *</i>			

Supplemental Data: Capital Outlay					
Item/Project Description	2016	2017		2018	
	Actual	Budget	Revised	Final	
Railroad Wash Improvements	\$187,627	\$350,000	\$220,000	\$220,000	
Totals	<u>\$187,627</u>	<u>\$350,000</u>	<u>\$220,000</u>	<u>\$220,000</u>	

Public Works	Railroad Wash Improvements	Fund 30 - Capital Projects	Cost Center	2300	
Summary by Category					
Expenditure Category	2016	2017		2018	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	187,627	350,000	220,000	220,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$187,627	\$350,000	\$220,000	\$220,000	0.00%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Yavapai County	\$220,000	100.00%
GADA Loan Proceeds (carryover)	0	0.00%
Interest Income	0	0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						
Totals	<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	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$135,022	\$267,960	\$0	\$0	0.00%
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	109,602	106,000	40,000	35,000	-12.50%
Total Revenue Sources	244,624	373,960	40,000	35,000	-12.50%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	657,290	6,415,865	2,545,390	-60.33%
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%
Total Other Financing Sources	0	657,290	6,415,865	2,545,390	-60.33%
Total Available Resources	244,624	1,031,250	6,455,865	2,580,390	-60.03%
Expenditures:					
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	9,608	9,100	9,500	9,500	0.00%
Capital Outlay	72,722	754,190	567,905	124,650	-78.05%
Reserves	0	0	2,545,390	0	-100.00%
Debt Service	169,424	267,960	0	0	0.00%
Total Expenditures	251,754	1,031,250	3,122,795	134,150	-95.70%
Other Uses:					
Transfers Out	700,000	0	3,333,070	2,446,240	-26.61%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	700,000	0	3,333,070	2,446,240	-26.61%
Total Expenditures and Other Uses	951,754	1,031,250	6,455,865	2,580,390	-60.03%
Net Income / (Loss)	(\$707,130)	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

This fund was created to hold debt service reserves which have been moved over for future capital projects.

FY 2017 Accomplishments:

- * N/A (All accomplishments for this fund are reflected in the departments that are responsible for the projects)

FY 2018 Goals:

- * NA

Budget Highlights:

The Capital Projects Fund carries major projects for many different departments. For FY 2016 several projects were started that are to be completed in FY 2017: Kids Park restrooms, Riverfront rehabilitation and the Garrison Park relocation and rehabilitation. Ongoing will be the Civic Center - HVAC project for which \$124,650 has been carried over to FY 2018.

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects	Cost Center	XXXX
Performance Indicators				
<i>* Performance Measures are not applicable to this fund *</i>				

Supplemental Data: Capital Outlay				
Item/Project Description	2016	2017		2018
	Actual	Budget	Revised	Final
Capital Projects-Highland Senior Condominium				
Court Building Remodel				
Civic Center HVAC	\$22,949	\$132,000	\$7,350	\$124,650
Communications Center				
Architecture Design - City Hall				
Software - City Wide				
Miscellaneous	20,934			
Old Town Parking				
Kids Park Restrooms	10,213	240,730	256,180	
Riverfront Rehabilitation	9,313	140,730	103,070	
Garrison Park Relocation and Rehab	9,313	240,730	201,305	
Totals	<u>\$72,722</u>	<u>\$754,190</u>	<u>\$567,905</u>	<u>\$124,650</u>

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects		Cost Center	XXXX
Summary by Category					
Expenditure Category	2016	2017		2018	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	9,608	9,100	9,500	9,500	0.00%
Capital Outlay	72,722	754,190	567,905	124,650	-78.05%
Reserves	0	0	2,545,390	0	-100.00%
Debt Service	169,424	267,960	0	0	0.00%
Department Totals	\$251,754	\$1,031,250	\$3,122,795	\$134,150	-95.70%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	\$134,150	100.00%
		0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<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.

<u>Fund/Account Number</u>	<u>Description</u>
<u>51</u>	<u>Wastewater Facility Fund</u>
<u>50</u>	<u>Water System Fund</u>

Fiscal Year 2018 Budget
Consolidated Statement of Revenues/Expenses

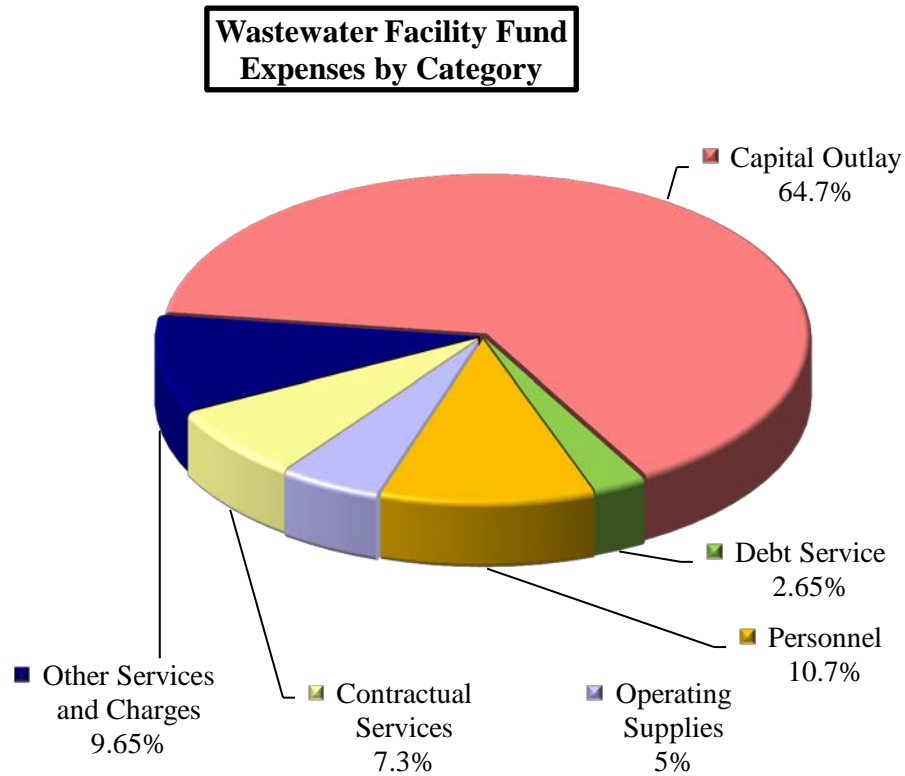
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Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	9,708,274	11,062,550	10,421,780	10,354,320
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	34,003	6,700	30,150	30,150
Miscellaneous Revenues	631,679	445,240	425,610	427,180
Total Revenue Sources	10,373,955	11,514,490	10,877,540	10,811,650
Other Financing Sources:				
Transfers In	700,000	250,000	3,333,070	3,396,165
Carryover	0	21,330,825	11,831,655	10,318,570
Other Financing Resources	0	0	0	1,141,330
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	800,000	0	0
Total Other Financing Sources	700,000	22,380,825	15,164,725	14,856,065
Total Available Resources	11,073,955	33,895,315	26,042,265	25,667,715
Expenses:				
Personnel	1,980,361	2,050,870	2,107,415	2,167,890
Operating Supplies	539,336	656,300	541,350	699,700
Contractual Services	1,068,718	1,006,480	1,111,900	1,159,190
Other Services and Charges	995,507	1,528,350	1,321,910	2,830,025
Depreciation	1,783,021	0	0	0
Capital Outlay	393,920	17,065,975	8,311,480	9,018,695
Debt Service	2,097,718	2,163,250	2,026,560	2,046,825
Total Expenses	8,858,581	24,471,225	15,420,615	17,922,325
Other Uses:				
Transfers Out	0	250,000	0	0
Reserves	148,936	9,174,090	10,621,650	7,745,390
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	148,936	9,424,090	10,621,650	7,745,390
Total Expenses and Other Uses	9,007,517	33,895,315	26,042,265	25,667,715
Net Income / (Loss)	\$2,066,438	\$0	\$0	\$0

Fiscal Year 2018 Budget
Wastewater Facility Fund Expenses by Category

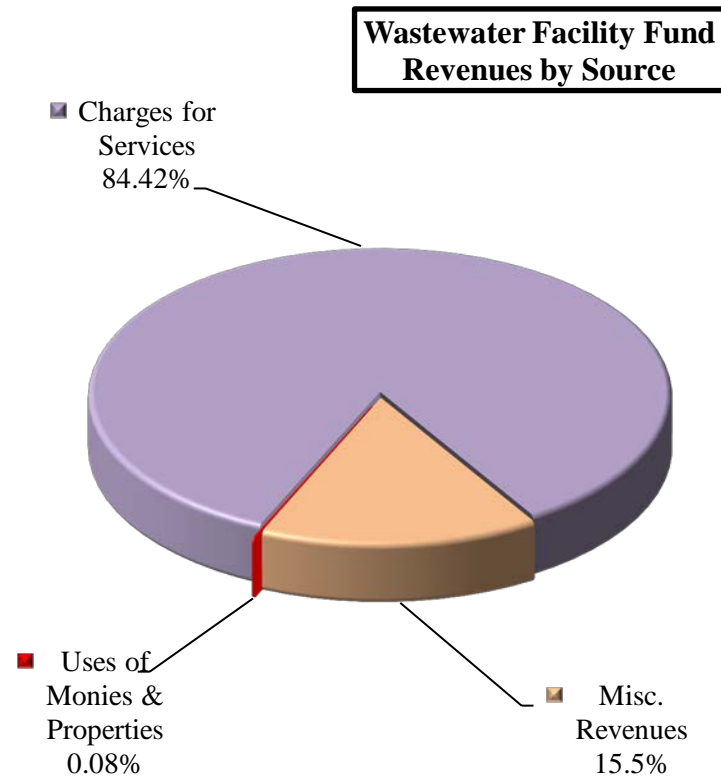
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Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$762,120	\$360,350	\$525,500	\$690,410	\$4,623,695	\$188,840	\$7,150,915
Totals	\$762,120	\$360,350	\$525,500	\$690,410	\$4,623,695	\$188,840	\$7,150,915



Wastewater Facility Fund Summary	
Revenues	\$2,613,420
Expenses	(7,150,915)
Revenues over (under) Expenses	(4,537,495)
Other Funding Sources/Uses	4,537,495
(Use)/Source of Retained Earnings	\$0

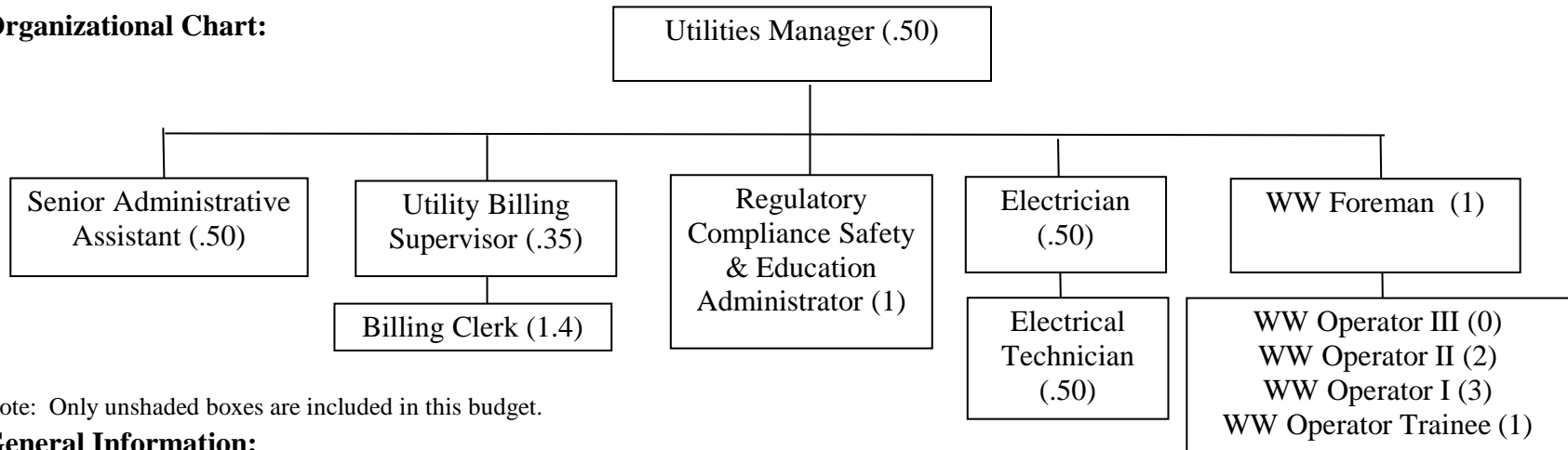
Wastewater Facility Fund Revenues by Source	
Uses of Monies & Properties	\$2,200
Charges for Services	2,206,620
Miscellaneous Revenues	404,600
Subtotal	2,613,420
Other Sources	4,537,495
Total Resources Available	\$7,150,915



Wastewater Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	2,126,351	2,739,750	2,184,460	2,193,500	0.41%
Tap Fees	0				0.00%
Effluent Revenue	13,311	10,000	13,120	13,120	0.00%
Uses of Monies & Properties					
Interest Income	2,278	100	2,200	2,200	0.00%
Miscellaneous Revenue					
Other Income	306,769	417,615	403,030	404,600	0.39%
Total Revenue Sources	2,448,709	3,167,465	2,602,810	2,613,420	0.41%
Other Financing Sources:					
Transfers In	700,000	250,000	3,333,070	3,396,165	1.89%
Carryover	0	10,268,960	3,176,990	0	-100.00%
Other Financing Sources	0	0	0	1,141,330	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%
Total Other Financing Sources	700,000	10,518,960	6,510,060	4,537,495	-30.30%
Total Available Resources	3,148,709	13,686,425	9,112,870	7,150,915	-21.53%
Expenses:					
Personnel	701,420	725,270	752,620	762,120	1.26%
Operating Supplies	252,015	279,350	225,800	360,350	59.59%
Contractual Services	332,578	357,710	502,500	525,500	4.58%
Other Services and Charges	385,805	468,570	501,050	690,410	37.79%
Depreciation	528,897	0	0	0	0.00%
Capital Outlay	27,148	11,666,195	6,941,200	4,623,695	-33.39%
Debt Service	112,069	189,330	189,700	188,840	-0.45%
Total Expenses	2,339,932	13,686,425	9,112,870	7,150,915	-21.53%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	2,339,932	13,686,425	9,112,870	7,150,915	-21.53%
Net Income / (Loss)	\$808,777	\$0	\$0	\$0	

Organizational Chart:



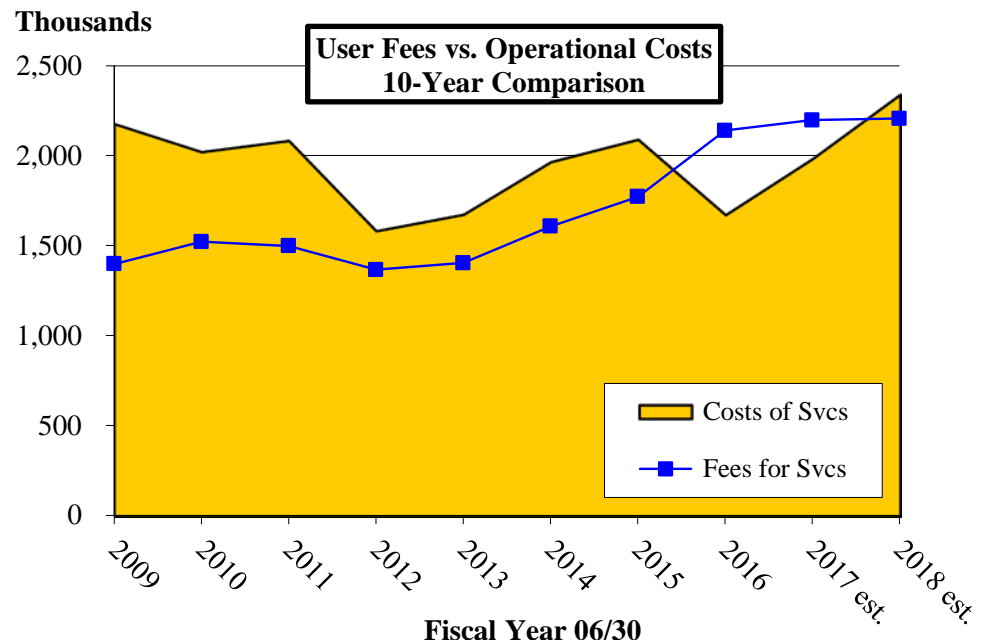
Note: Only unshaded boxes are included in this budget.

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
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	1,671,818	2,139,662
2017 est.	1,981,970	2,197,580
2018 est.	2,338,380	2,206,620

Please Note : The net difference of operating fees and services is covered by fund balance and non-operating revenue.



FY 2017 Accomplishments:

- * Replacement and/or repair of 3 diffuser racks to improve aeration of treatment basin as well as effluent quality
- * Complete installation of new UV disinfection treatment system as a replacement for the old system
- * Completed 2,903 ft. of foaming root control in effort to destroy intrusive roots in critical areas
- * Installed new polymer injection system to restore centrifuge capability and thus reducing biosolid production
- * Completed construction of a new, fenced and secure chemical containment area which is OSHA and ADEQ compliant
- * Installed 1,000 ft. of new 6 inch effluent line to the storage tanks that will ensure adequate supply of reclaimed water to Cottonwood Ranch, Mesquite Hills and Yavapai College vineyards

FY 2018 Goals:

- * Replace or repair failing sewer lines as part of a multi-year contracted program
- * Install new biosolid centrifuges at Mingus Avenue Wastewater Reclamation Plant as part of multi-year replacement program
- * Replacement of deteriorating Parshall flume to ensure accurate measurement of influent flow, required per ADEQ
- * Start process for underwater inspection of two circular 60-foot diameter clarifiers that were built in 1990
- * Start inspection/assessment process of the aeration basin roof to determine if repair or replacement is needed
- * Upgrade the currently outdated Supervisory Control and Data Acquisition (SCADA), the computer-based wastewater plant control system, to ensure -among others- higher security standards and functionality
- * Start procure process for contractor to construct injection well
- * Sandblast and coat the concrete wet well of Lift Station 4, the City's largest sewage lift station
- * Place the Riverfront Wastewater Reclamation Facility in service

Budget Highlights:

For FY 2018, no Cost of Living Adjustment (COLA) has been budgeted. The increase in Personnel cost is due to the merit program. The projects for which Capital has been programmed can be found on page 279.

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund	Cost Center	71XX
Performance Indicators				
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Provide wastewater treatment that meets or exceeds Federal, State and Local compliance requirements			
Objective:	Improve influent/effluent treatment plant quality			
Type of Measure:	Outcome Based			
Tool:	System monitoring, reporting and operational feedback			
Frequency:	Daily, weekly, monthly, quarterly, semi-annual and annual reports			
Scoring:	Treated = gallons of effluent (relative to water conservation efforts); Efficiency-85% = 50%; 85%-95% = 75%; and 96%-99%=100%			
Trend:	Steady Improvement	Actual		Estimated
Measures:		2015	2016	2017
Wastewater Treated (millions of gallons)		342	333	349
WWTP Efficiency (Permit Required): Biochemical Oxygen Demand (85% Required)		98%	98%	98%
Total Suspended Solids (85% Required)		96%	99%	98%
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Ensure regulatory compliance of effluent (reclaimed water) and encourage use of reclaimed water			
Objective:	Produce and distribute reclaimed water that meets or exceeds regulatory standards			
Type of Measure:	Outcome			
Tool:	Laboratory testing, metering			
Frequency:	Daily, monthly, quarterly, semi-annual, annual testing, reports and tours			
Scoring:	Exceedances :1-3= 90%; 4-6= 75%; >6= 50%; sold = steady improvement			
Trend:	Steady improvement	Actual		Estimated
Measures:		2015	2016	2017
Reclaimed Water Sold(millions)		12.4	15.8	16.5
Number of regulatory permit exceedances		2	3	2
Number of tours given/educational events attended		12 trs/2 evts	15 trs/4 evts	16 trs/5 evts
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Maintain reliable infrastructure through rehabilitation, maintenance and inspection			
Objective:	Reduce the number of sanitary sewer overflows and rehabilitation of aging infrastructure			
Type of Measure:	Outcome Based			
Tool:	System monitoring, visual observation and repair reports			
Frequency:	Ongoing Project			
Scoring:	Blockages= percent reduction from previous, Cleaning and video taping (ft.)= 1,000-10,000 =50%; 11,000-20,000=75%; 20,000+ =100%; rehabilitation (spots/areas): 2-5=50%; 6-8=75%; 9+=100%			
Trend:	Steady improvement	Actual		Estimated
Measures:		2015	2016	2017
Sewer Line Video Taped (ft.)		7,000	12,500	15,000
Sewer Line Cleaned(ft.)		7,520	12,500	15,000
Number of Main Line Blockages		3	14	2
Sewer line rehabilitation (spot/areas)		10	1	10
Supplemental Data: Capital Outlay				
Item	2016	2017		2018
Description	Actual	Budget	Revised	Final
Plant Fiber Grate and Gate Replacement		\$24,800		
RWRF Furnishing, Misc. Equipment and Construction				\$70,200
Lift Station 4 Wet Well Expansion/Rehabilitation		300,000		300,000
RWRF, incl. UV-System		9,500,000	\$6,500,000	3,000,000
Driveway Repair at Plant				
WWTP Construction & Digester Blower		1,508,495	390,000	1,068,495
Polymer Blending Unit	\$21,305	38,000	11,050	
Gen. Construction & Recl. Pump and Lines, Flume, Materials		191,000	1,250	110,000
Truck	215			
Water/Wastewater Master Plan	4,946	28,900	28,900	
Reclaimed Line Mingus/89A & Selna Project		75,000	10,000	75,000
Color Printer	682			
Totals	\$27,148	\$11,666,195	\$6,941,200	\$4,623,695

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund	Cost Center	71XX	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$701,420	\$725,270	\$752,620	\$762,120	1.26%
Operating Supplies	252,015	279,350	225,800	360,350	59.59%
Contractual Services	332,578	357,710	502,500	525,500	4.58%
Other Services and Charges	385,805	468,570	501,050	690,410	37.79%
Depreciation (net)	528,897	0	0	0	0.00%
Capital Outlay	27,148	11,666,195	6,941,200	4,623,695	-33.39%
Reserves	0	0	0	0	0.00%
Debt Service	112,069	189,330	189,700	188,840	-0.45%
Department Totals	\$2,339,932	\$13,686,425	\$9,112,870	\$7,150,915	-21.53%

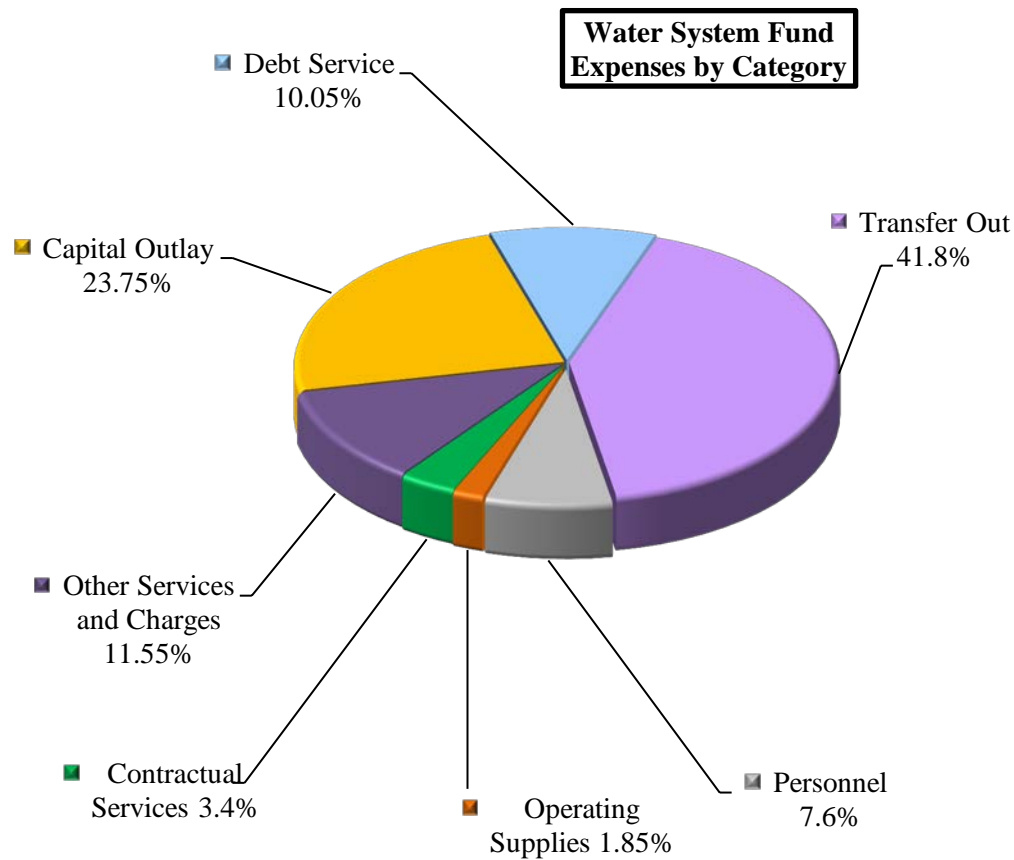
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Service	2,206,620	30.86%
Other Income	406,800	5.69%
Other Sources	4,537,495	63.45%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$42,220
Utility Ops Manager	0.00	0.00	0.00	4,825	7,111	0
WWTP Superintendent	1.00	0.00	0.00	3,970	5,850	0
Regul. Compl. Safety & Educ. Adminr.	0.00	1.00	1.00	3,970	5,850	69,685
WW Foreman	0.00	1.00	1.00	3,601	5,306	45,125
WW Operator III	0.00	0.00	0.00	3,266	4,813	0
WW Operator II*	3.00	2.00	2.00	2,962	4,365	48,980
WW Operator I*	3.00	3.00	3.00	2,687	3,960	105,400
WW Operator Trainee	0.00	1.00	1.00	2,437	3,591	29,250
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	26,195
Electrician	0.50	0.50	0.50	3,601	5,306	22,145
Electrical Technician	0.50	0.50	0.50	2,821	4,158	18,240
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	16,685
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	31,230
*These positions rotate as required certifications have been earned						
COLA						0
Holiday Pay & Overtime						57,750
Clothing Allowance						1,750
Car Allowance & Cert pay						0
Merit Contingency						13,325
Retirement						60,370
Insurance & Taxes						173,770
Other Related Expenses						0
Totals	<u>10.75</u>	<u>11.75</u>	<u>11.75</u>			<u>\$762,120</u>

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund		Cost Center	71XX
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
Description	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	2,257	2,650	3,150	4,150	31.75%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	5,831	10,000	7,750	10,000	29.03%
Vehicle Maint & Repairs	7,189	6,000	4,200	5,000	19.05%
Equipment Maint & Repairs	158,147	200,000	160,000	255,000	59.38%
Chlorine	4,772	3,500	2,000	5,700	185.00%
Polymer	23,446	16,700	16,700	17,000	1.80%
Operational Equipment & Supplies	24,543	25,000	15,000	39,000	160.00%
Postage & Freight	19,570	14,500	16,500	16,500	0.00%
Odor Control Supplies	0	0	0	7,000	0.00%
Building Maint & Repairs	6,261	1,000	500	1,000	100.00%
Total Supplies	252,015	279,350	225,800	360,350	59.59%
Contractual Services					
Computer Support	2,910	4,300	4,300	5,100	18.60%
Contractual Services	65,611	60,000	125,000	145,000	16.00%
Sludge Disposal	80,468	92,700	93,000	93,000	0.00%
Employee Physicals	110	660	200	400	100.00%
Legal Advertising	15	50	0	0	0.00%
General Counsel	0	0	0	0	0.00%
Impact Fee Study	0	0	0	0	0.00%
Indirect Cost to General Fund	183,463	200,000	280,000	282,000	0.71%
Total Contractual Services	332,578	357,710	502,500	525,500	4.58%
Other Services and Charges					
Travel & Training	1,593	2,000	2,010	2,000	-0.50%
Subscriptions & Memberships	830	0	850	850	0.00%
Printing & Forms		0	250	250	0.00%
Utilities	379,530	356,500	392,255	515,910	31.52%
Telephone	4,215	4,000	4,700	8,100	72.34%
Bad Debt Expense	0	0	0	0	0.00%
Lab/Testing	46,654	45,000	40,000	88,000	120.00%
Tools	1,755	1,600	1,300	3,100	138.46%
Equipment Rental	414	0	0	0	0.00%
Liability Insurance	33,215	37,770	30,185	32,700	8.33%
ADEQ Annual Fee	24,265	16,500	24,000	34,000	41.67%
ASRS Pension Expense	(115,184)	5,200	5,000	5,000	0.00%
Bank Charges	8,518	0	500	500	0.00%
Total Other Services & Charges	385,805	468,570	501,050	690,410	37.79%
Debt Service					
2015 Excise Bond - Principal	0	93,795	93,795	94,815	1.09%
2015 Excise Bond - Interest	86,418	94,740	94,740	92,860	-1.98%
Bond Issuance Costs	23,349	0	0	0	0.00%
2015 Excise Bond-Trustee Fees	856	0	0	0	0.00%
Investment Expense	1,445	795	1,165	1,165	0.00%
Total Debt Service	112,069	189,330	189,700	188,840	-0.45%

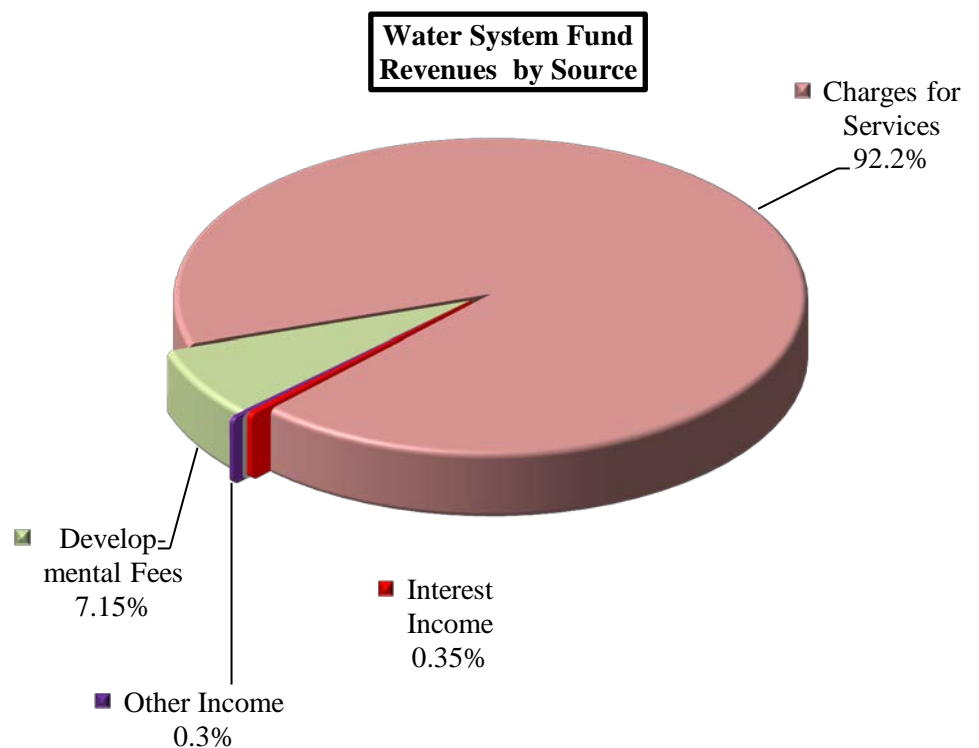
Water System Facility Fund Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Transfer Out	Total
Subtotals	\$1,405,770	\$339,350	\$633,690	\$2,139,615	\$4,395,000	\$1,857,985	\$7,745,390	\$18,516,800
Totals	\$1,405,770	\$339,350	\$633,690	\$2,139,615	\$4,395,000	\$1,857,985	\$7,745,390	\$18,516,800



Water System Fund Fund Summary	
Revenues	\$ 8,198,230
Expenses	(\$10,771,410)
Revenues over (under) Expenses	(\$2,573,180)
Other Funding Sources/Uses	2,573,180
(Use)/Source of Retained Earnings	\$0

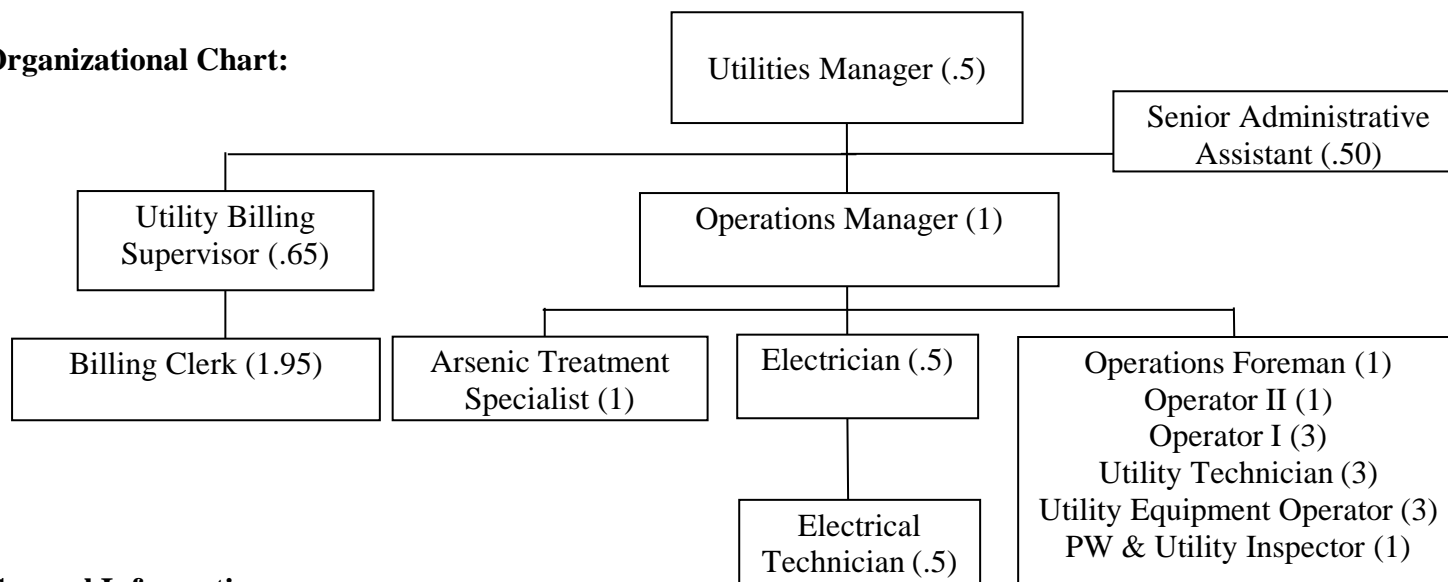
Water System Fund Revenues by Source	
Developmental Fees	\$585,700
Charges for Services	7,562,000
Interest Income	27,950
Proceeds from Bonds	-
Other Income	22,580
Subtotal	8,198,230
Other Sources	10,318,570
Total Resources Available	\$18,516,800



Water System Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	6,981,671	7,736,050	7,297,960	7,562,000	3.62%
Reserves	586,941	576,750	926,240	585,700	-36.77%
Uses of Monies & Properties					
Interest Income	31,725	6,600	27,950	27,950	0.00%
Miscellaneous Revenue					
Other Income	324,910	27,625	22,580	22,580	0.00%
Total Revenue Sources	7,925,247	8,347,025	8,274,730	8,198,230	-0.92%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	11,061,865	8,654,665	10,318,570	27.81%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	800,000	0	0	0.00%
Total Other Financing Sources	0	11,861,865	8,654,665	10,318,570	19.23%
Total Available Resources	7,925,247	20,208,890	16,929,395	18,516,800	9.38%
Expenses:					
Personnel	1,278,941	1,325,600	1,354,795	1,405,770	3.76%
Operating Supplies	287,321	376,950	315,550	339,350	7.54%
Contractual Services	736,141	648,770	609,400	633,690	3.99%
Other Services and Charges	609,702	1,059,780	820,860	2,139,615	160.66%
Depreciation	1,254,123	0	0	0	0.00%
Capital Outlay	366,772	5,399,780	1,370,280	4,395,000	220.74%
Debt Service	1,985,650	1,973,920	1,836,860	1,857,985	1.15%
Total Expenses	6,518,650	10,784,800	6,307,745	10,771,410	70.76%
Other Uses:					
Transfers Out	0	250,000	0	0	0.00%
Reserves	148,936	9,174,090	10,621,650	7,745,390	-27.08%
Other Finances Uses					
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	148,936	9,424,090	10,621,650	7,745,390	-27.08%
Total Expenses and Other Uses	6,667,586	20,208,890	16,929,395	18,516,800	9.38%
Net Income / (Loss)	\$1,257,661	\$0	\$0	\$0	

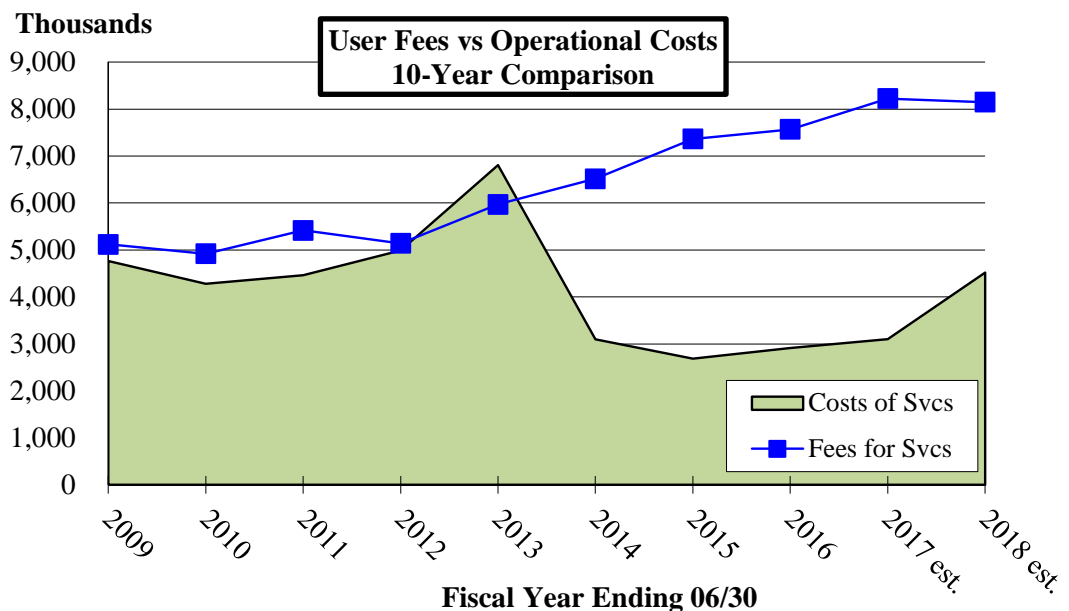
Organizational Chart:



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
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	2,912,104	7,568,612
2017 est.	3,100,605	8,224,200
2018 est.	4,518,425	8,147,700



FY 2017 Accomplishments:

- * As part of the Old Town waterline replacement program, portions of Pinal, Pima and Main Street water mains and services have been replaced and new fire hydrants installed which has resulted in improved water quality, pressure and fire flow. Work is progressing on 1st through 4th Streets
- * Generator at Mesquite Hills treatment facility has been installed providing consistent water pressure to the Mesquite Hills subdivision and Cottonwood Ranch area during APS power interruptions
- * Completed employee parking lot pavement project at the Community Development Services building
- * 60 valves in the Verde Villages and Cottonwood have been replaced reducing the impact of water breaks
- * Well at Verde Santa Fe has been fully replaced
- * Planting of Arizona Ash trees and gravel fill deposited at 17th Street to absorb water runoff
- * Replacement of water mains at various locations such as at North Willard, Main Street at Gila Street crossing, and from the Willard roundabout to Main Street

FY 2018 Goals:

- * Start arsenic treatment coagulation-filtration (CF) site water reclamation and solids handling pilot in-house project that will result in cost savings due to reduced water loss and reduction in biosolids tipping fees for land application versus land fill
- * Install generators at Lower 5 Booster Pumps (VVMC Supply) and Well 7-2 (Verde Villages 6, 7, and 8) to maintain pressure and ensure continued supply during APS outages
- * Move forward with the multi-year (phased) Gila Crossing waterline replacement project
- * Progression of the valve replacement program in Cottonwood/Verde Villages and the Old Town waterline replacement project

Budget Highlights:

The capital items budgeted for FY 2018, totaling \$4,395,000, are listed on page 279. There are changes in Personnel costs due to the merit program. There's no Cost-of-Living Adjustment (COLA) scheduled for this year.

Health and Sanitation		Water System Facility Fund		Fund 50 - Enterprise Fund		Cost Center		7XXX	
Performance Indicators									
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community								
Department Goal:	Improve reliability of potable water service to residents of Cottonwood and adjacent areas								
Objective:	Improve supply and distribution systems to improve water quality and reduce customer service disruptions								
Type of Measure:	Outcome based								
Tool:	System monitoring, service reports, and operator feedback,								
Frequency:	Daily, weekly, monthly and annual reports								
Scoring:	Numerical reduction in system leaks								
Trend:	Trending downward			Actual		Estimated		Anticipated	
Measures:				2015	2016	2017		2018	
System leaks repaired				122	120	115		115	
Water main replaced LF				6,000	8,200	7,500		8,000	
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community								
Department Goal:	Ensure regulatory compliance								
Objective:	Constant testing, treatment and documentation at all affected sites								
Type of Measure:	Outcome based								
Tool:	Regulatory notification; operator logs; improved documentation								
Frequency:	Daily, weekly, monthly and annual reports								
Scoring:	ADEQ/EPA compliance based on number of sites per quarter								
Trend:	Constant improvement			Actual		Estimated		Anticipated	
Measures:				2015	2016	2017		2018	
Number of process (in-house) arsenic tests performed				1,300	1,290	1,300		1,325	
Number of compliance sample tests performed				90	98	100		100	
Percentage ADEQ/EPA compliance				99%	99%	99%		99%	
Arsenic Regeneration procedures performed				900	950	975		975	
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community								
Department Goal:	Improve utility billing customer satisfaction rating								
Objective:	Combine water and sewer billing								
Type of Measure:	Outcome based								
Tool:	Numerical data								
Frequency:	Monthly								
Scoring:	Numerical reduction in separate water/sewer accounts								
Trend:	Steady improvement			Actual		Estimated		Anticipated	
Measures:				2015	2016	2017		2018	
Number of combined residential water/sewer accounts				2,500	3,558	3,600		3,650	
Number of combined commercial water/sewer accounts				250	511	515		515	
Number of remaining water/sewer accounts to be merged				864	0	0		0	
Combined percentage of water/sewer bill consolidation				70%	100%	100%		100%	
Supplemental Data: Capital Outlay									
Item			2016	2017		2018			
Description			Actual	Budget	Revised	Final			
Water System Upgrades & Reservoir / Water Line - Hwy 260			\$17,995	\$2,160,000	\$121,000	\$2,185,000			
MS Surface Pro & Accessories (2015) / Printer (2017)				2,980	8,677				
Asphalt Paver Machine/Parking Lot Upgrade/Misc. Equipment			19,345	40,000	55,654				
Mesquite Hills & Line Replacements and Extensions			11,931	460,000	22,000	400,000			
Water Storage Reservoir Inspection and Cleaning				26,000	22,500				
W Mingus Reconstruction & System Upgrade				1,055,900	455,900	600,000			
Water Storage/Well Booster			12,061	150,000	150,000	75,000			
Well-site Generators & Dump Truck				50,000		185,000			
Well Improvements & Construction-General Plan			12,401	307,900	148,900	275,000			
Fire Hydrants/Water Lines incl. at Gila & Main Street			46,555	350,000	145,500	225,000			
Arsenic Mitigation Equip & Trailer, Generator & Trailer			246,484	500,000		450,000			
Scada Upgrades, Plotter, Trace Detect & Impact Study				27,500	25,904				
Cleanup of Stock Pile				29,500					
Utility Trucks (6)				240,000	214,246				
			\$366,772	\$5,399,780	\$1,370,280	\$4,395,000			

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$1,278,941	\$1,325,600	\$1,354,795	\$1,405,770	3.76%
Operating Supplies	287,321	376,950	315,550	339,350	7.54%
Contractual Services	736,141	648,770	609,400	633,690	3.99%
Other Services and Charges	609,702	1,059,780	820,860	2,139,615	160.66%
Depreciation (net)	1,254,123	0	0	0	0.00%
Capital Outlay	366,772	5,399,780	1,370,280	4,395,000	220.74%
Reserves	148,936	9,174,090	10,621,650	7,745,390	-27.08%
Transfers Out - Debt Service	0	250,000	0	0	0.00%
Debt Service	1,985,650	1,973,920	1,836,860	1,857,985	1.15%
Department Totals	\$6,667,586	\$20,208,890	\$16,929,395	\$18,516,800	9.38%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Development Reserves	\$585,700	3.16%
Charges for Service	7,562,000	40.84%
Other Income	50,530	0.27%
Fund Balance	10,318,570	55.73%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Utilities Manager	0.50	0.00	0.00	5,586	8,232	\$42,220
Operations Supervisor	1.00	1.00	1.00	4,825	7,111	71,320
Operations Foreman	1.00	1.00	1.00	3,266	4,813	60,485
PW & Utility Inspector	1.00	1.00	1.00	3,266	4,813	47,900
Utility Equipment Operator	3.00	3.00	3.00	2,962	4,365	131,130
Operator II	2.00	2.00	1.00	2,962	4,365	49,815
Operator I*	2.00	2.00	3.00	2,687	3,960	117,315
Utility Technician	3.00	3.00	3.00	2,437	3,591	90,530
Arsenic Treatment Specialist	1.00	1.00	1.00	3,429	5,054	55,375
Terrorism Liaison Officer	0.00	0.00	0.00	3,601	5,306	0
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	26,190
Electrician	0.50	0.50	0.50	3,601	5,306	22,145
Electrical Technician	0.50	0.50	0.50	2,821	4,158	18,240
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	30,985
Utility Billing Clerk	2.60	1.95	1.95	2,437	3,591	57,995
*These positions rotate as required certifications have been earned						
COLA						0
Overtime						107,000
Holiday Pay						4,200
Car & Clothing Allowance						5,500
Merit Contingency						24,845
Retirement						110,140
Insurance & Taxes						332,440
Employee Related Expenses						
Totals	19.25	18.10	18.10			\$1,405,770

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
Description	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	6,889	6,000	6,000	6,000	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	26,020	45,000	24,500	35,000	42.86%
Vehicle Maint & Repairs	23,477	15,000	17,000	17,000	0.00%
Equipment Maint & Repairs	141,371	180,700	172,000	175,000	1.74%
Chemicals	30,248	60,000	34,000	40,000	17.65%
Operational Supplies	11,421	22,000	26,000	26,000	0.00%
Postage & Freight	38,224	40,750	28,550	32,750	14.71%
Small Tools	2,878	3,500	3,500	3,600	2.86%
Building Maint & Repairs	6,793	4,000	4,000	4,000	0.00%
Total Supplies	287,321	376,950	315,550	339,350	7.54%
Contractual Services					
Computer Support	10,101	10,400	7,350	8,300	12.93%
Contractual Services - M&O	135,631	160,000	121,000	163,000	34.71%
Employee Physicals	114	1,000	650	1,000	53.85%
Water/Wastewater Master Plan	0	0	0	0	0.00%
General Counsel	0	0	0	0	0.00%
Indirect Cost to General Fund	556,773	450,000	450,000	450,000	0.00%
Lease Purchase Payments	33,522	27,370	30,400	11,390	-62.53%
Total Contractual Services	736,141	648,770	609,400	633,690	3.99%
Other Services and Charges					
Travel & Training	5,262	4,500	5,060	7,060	39.53%
Subscriptions & Memberships	508	2,500	2,500	2,500	0.00%
Verde River Days	1,635	1,000	1,000	1,000	0.00%
Printing & Forms	5,218	6,500	2,500	3,000	20.00%
Utilities	414,356	388,500	460,850	524,500	13.81%
Telephone	16,077	13,650	15,470	16,750	8.27%
Legal Advertising	320	250	0	0	0.00%
Lab/Testing	7,642	28,000	5,000	28,000	460.00%
Equipment Rental	70	1,000	0	1,000	0.00%
Liability Insurance	61,685	68,800	65,405	88,400	35.16%
ADEQ Annual Fee	(338)	26,000	26,000	26,000	0.00%
Arsenic Systems Maintenance	52,546	400,000	87,000	150,000	72.41%
Aide in Lieu of Construction	91,200	100,000	100,000	100,000	0.00%
Payment Assistance Program	10,750	12,000	12,000	12,000	0.00%
Public Relations	134	0			0.00%
Bank Charges	15,819	0	33,000	33,000	0.00%
Bad Debt	0	0	0	0	0.00%
Trust Land Annexation	70	0			0.00%
Investment Expense	2,818	2,080	5,075	5,075	0.00%
Trustee Fees-2015 Excise Bond	343	0	0	0	0.00%
Bond Issuance Costs	9,355	0	0	0	0.00%
Other Financing Uses	0	0	0	1,141,330	0.00%
ASRS Pension Expense	(85,766)	5,000	0	0	0.00%
Total Other Services & Charges	609,702	1,059,780	820,860	2,139,615	160.66%

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	8XXX
Supplemental Data: Expenditures					
Item	2016	2017		2018	Percent Change
Description	Actual	Budget	Revised	Final	
Debt Service					
Interest - 2004 MPC Bond	0	0	0	0	0.00%
Principal - 2004 MPC Bond	0	0	0	0	0.00%
Trustee Fees - 2004 MPC Bond	1,250	0	0	0	0.00%
Interest - 2006 MPC Bond	945,061	0	0	0	0.00%
Principal - 2006 MPC Bond	0	0	0	0	0.00%
Trustee Fees - 2006 MPC Bond	4,150	0	1,250	0	-100.00%
Issuance Costs	493,282	0	0	0	0.00%
Principal - 2015 WIFA Bond	0	623,095	623,095	636,805	2.20%
Interest - 2015 WIFA Bond	268,478	221,180	183,895	170,190	-7.45%
Trustee Fees - 2015 WIFA Bond	1,000	1,000	1,000	1,000	0.00%
Issuance Costs	86,555	0	0	0	0.00%
Principal - 2016 WIFA Bond	0	536,495	684,210	695,870	1.70%
Interest - 2016 WIFA Bond	0	315,610	266,870	277,920	4.14%
Trustee Fees - 2016 WIFA Bond	1,000	1,000	1,000	1,000	0.00%
Issuance Costs	150,247	200,000	0	0	0.00%
Trustee Fees - 2015 Excise Bond	0	0	0	0	0.00%
Principal - 2015 Excise Bond	0	37,580	37,580	37,990	1.09%
Interest - 2015 Excise Bond	34,626	37,960	37,960	37,210	-1.98%
Total Debt Service	1,985,650	1,973,920	1,836,860	1,857,985	1.15%

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Water Infrastructure Finance Authority

2016 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2018					\$123,675	
July 1, 2018	695,869	1,380,079	13,819,921	1.704%	123,675	\$943,219
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	3,539,643	11,660,357	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	5,041,381	10,158,619	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	9,025,440	6,174,560	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	11,582,533	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	\$14,515,790				\$2,462,136	\$16,977,927

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FIDUCIARY FUNDS

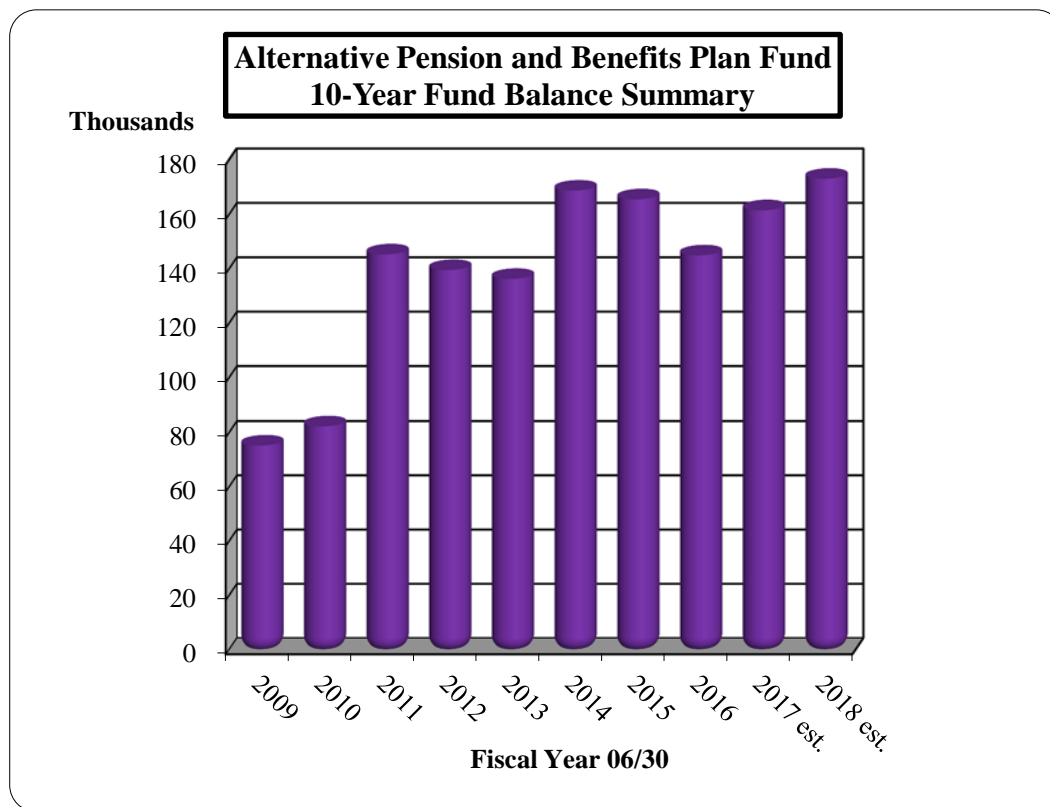
These funds are used to account for assets held in trust by a government in a trustee capacity or agency capacity for others and which therefore cannot be used to support the government's own programs.

Fund/Account Number**Description**70

Alternative Pension and Benefits Plan Fund

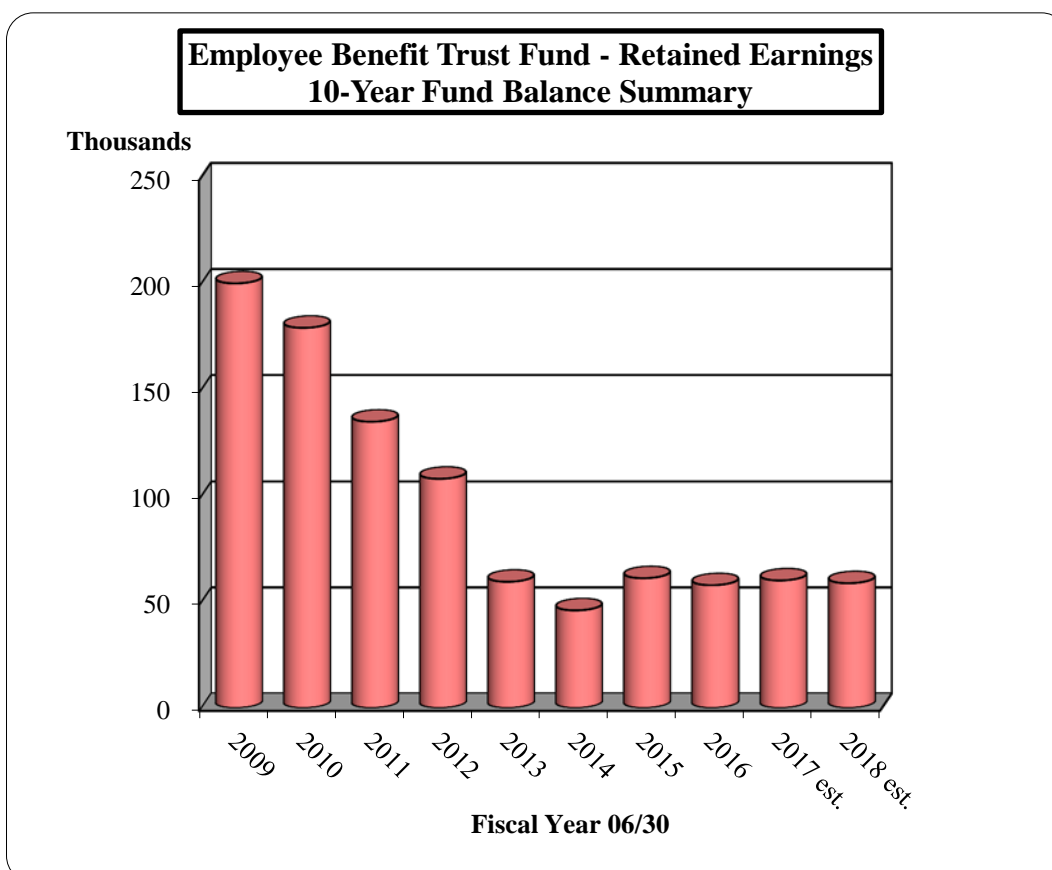
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Employee Benefit Trust Fund



Fiscal Year 06/30	Fund Balance
2009	75,900
2010	82,973
2011	145,970
2012	140,245
2013	136,970
2014	169,420
2015	166,230
2016	145,600
2017 est.	162,200
2018 est.	173,800

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
2009	200,101
2010	179,117
2011	134,830
2012	108,191
2013	59,580
2014	46,060
2015	61,250
2016	57,950
2017 est.	60,200
2018 est.	58,900

Fiscal Year 2018 Budget
Consolidated Statement of Revenues/Expenditures

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Item Description	2016	2017		2018
	Actual	Budget	Revised	Final
Revenue Sources:				
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	(10,362)	0	30,000	25,000
Miscellaneous Revenues	879	700	750	700
Total Revenue Sources	(9,483)	700	30,750	25,700
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	220,070	207,050	222,400
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	220,070	207,050	222,400
Total Available Resources	(9,483)	220,770	237,800	248,100
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	5,183	5,600	5,600	5,600
Other Services and Charges	8,664	1,810	9,800	9,800
Capital Outlay	0	0	0	0
Reserves	0	213,360	222,400	232,700
Debt Service	0	0	0	0
Total Expenditures	13,847	220,770	237,800	248,100
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenditures and Other Uses	13,847	220,770	237,800	248,100
Net Income / (Loss)	(23,330)	\$0	\$0	\$0

Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
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	(10,362)	0	30,000	25,000	-100.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	(10,362)	0	30,000	25,000	-16.67%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	160,820	145,600	162,200	11.40%
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%
Total Other Financing Sources	0	160,820	145,600	162,200	11.40%
Total Available Resources	(10,362)	160,820	175,600	187,200	6.61%
Expenditures:					
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	8,664	1,810	9,800	9,800	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	155,410	162,200	173,800	7.15%
Debt Service	0	0	0	0	0.00%
Total Expenditures	12,264	160,820	175,600	187,200	6.61%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	12,264	160,820	175,600	187,200	6.61%
Net Income / (Loss)	(\$22,626)	\$0	\$0	\$0	

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 2017 Accomplishments:

- * Maintained the financial health of the pool

FY 2018 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
Summary by Category					
Expenditure Category	2016	2017		2018	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	8,664	1,810	9,800	9,800	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	155,410	162,200	173,800	7.15%
Debt Service	0	0	0	0	0.00%
Department Totals	\$12,264	\$160,820	\$175,600	\$187,200	6.61%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Contributions	\$177,950	95.06%
Interest Income	0	0.00%
Other Income	0	0.00%
Fund Balance	9,250	4.94%
Total Funding		<u>100.00%</u>

Performance Indicators
<i>* Performance Measures are not applicable to this fund *</i>

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Fiscal Year 2018 Budget
Employee Benefit Trust Fund Revenues/Expenditures

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Item Description	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Uses of Monies & Properties					
Interest Income	\$571	\$700	\$750	\$700	-6.67%
Miscellaneous Revenues					
Other Income	308	0	0	0	0.00%
Total Revenue Sources	879	700	750	700	-6.67%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	59,250	61,450	60,200	-2.03%
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%
Total Other Financing Sources	0	59,250	61,450	60,200	-2.03%
Total Available Resources	879	59,950	62,200	60,900	-2.09%
Expenses:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,583	2,000	2,000	2,000	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	57,950	60,200	58,900	-2.16%
Debt Service	0	0	0	0	0.00%
Total Expenses	1,583	59,950	62,200	60,900	-2.09%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	1,583	59,950	62,200	60,900	-2.09%
Net Income / (Loss)	(\$704)	\$0	\$0	\$0	0.00%

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. The trust no longer provides the services. Currently, the City is a member of Kairos.

FY 2017 Accomplishments:

N/A

FY 2018 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	
Summary by Category					
Expenditure Category	2016	2017		2018	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,583	2,000	2,000	2,000	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	57,950	60,200	58,900	-2.16%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,583	\$59,950	\$62,200	\$60,900	-2.09%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Interest Income	\$700	1.15%
Miscellaneous Revenues	0	0.00%
Retained Earnings	60,200	98.85%
Total Funding		<u>100.00%</u>

Performance Indicators
<i>* Performance Measures are not applicable to this fund *</i>

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Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
IT	City Mobile Application	\$5,700	\$5,700
	Vehicle	20,000	0
	Combining of Phone Systems	26,000	0
	GIS ArcServer	28,000	0
	Computers - City-wide	30,000	22,000
	Spillman Server	60,000	60,000
	Subtotal	169,700	87,700
Economic Development	Business Assistance Center Upkeep	11,000	0
	Business Assistance Counselor (Grant)	75,000	75,000
	Subtotal	86,000	75,000
Engineering	Drainage Facility Policy	7,100	7,100
	Stormwater Program	40,500	10,000
	Riverfront/Old Town Connection Trail		18,000
	Subtotal	47,600	35,100
Police	Pepper Ball Launcher and Equipment	2,500	0
	National Tactical Officers Association Specialized Training	5,000	0
	Prisoner Compartment for Police Vehicle	6,000	0
	Holding Cell - Cameras	6,500	6,500
	Fire Alarm System Replacement	7,500	0
	Fire Alarm Replacement	7,500	0
	Key Management System	8,500	0
	Tasers and Peripherals	10,950	10,950
	Night Vision (SWAT Marksmen)	14,000	0
	Safety Sound Suppressors	14,000	0
	Radio Maintenance and Equipment	21,500	0
	SWAT Robot	32,500	0
	Rehabilitation and painting of Public Safety Building	45,000	0
	Security Cameras for Evidence Building and Impound Lot	45,000	8,000
	Vehicle	56,000	0
	Spillman CompStat Management and Community Dashboard	58,000	0
	Subtotal	340,450	25,450

Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
Fire	Fire Suppression and Rescue Equipment	\$12,000	\$0
	EMS Equipment Replacements	14,000	0
	Physical Fitness Equipment	15,000	0
	Off-Highway Utility Vehicle	25,500	0
	Communications/Radio Equipment	35,000	0
	Command/staff Vehicle Replacement Program	60,000	0
	Jaws of Life	0	60,000
	Fire Engine (Type 1) [Lease]	0	600,000
	Aerial Ladder Truck (Quint)	1,300,000	0
	Infrastructure - New Fire Station	3,000,000	0
	Subtotal	4,461,500	660,000
Recreation Center	Outdoor Pool - Replacement of Diving Board	8,000	0
	Indoor Pool - Reinstall Concrete for Water Slide Support	9,000	0
	Indoor Pool - Replacement of Tot Water Slide Feature	12,000	0
	Indoor Pool Deck Resurfacing - Phase II	18,000	0
	Water Softener System Purchase and Installation	35,500	0
	Parks/Trails, Open Space and Recreation Master Plan	135,000	0
	Subtotal	217,500	0
Parks & Recreation	Civic Center - Furniture	19,000	0
	Subtotal	19,000	0
Parks & Bldg. Mtnce.	City-wide Roofing Program	20,000	0
	City-wide HVAC Maintenance Program	7,000	0
	Improve (Reclaimed) Water Availability to Little League Field	30,000	0
	Convert Old Town Parking Lot Lights to LED	27,500	0
	Operationalize Batting Cages	4,300	0
	Civic Center Kiosk	21,000	0
	Parks Imp. Maintenance Program	30,000	0
	Skate Park - Slab	59,000	0
	Subtotal	198,800	0
Public Works	Air Burner	0	0
	Hydroseeding of Wash at Aspen Street Wet Crossing	5,200	0
	City-wide Security Cameras (at City Buildings)	24,000	0
	Bicycle Plan - Feasibility Study of Bike Lanes Installation	64,000	0
	Transfer Station Hauling Contract	180,000	0
	Subtotal	273,200	0
Total General Fund Capital Outlay		\$5,813,750	\$883,250

Capital Outlay

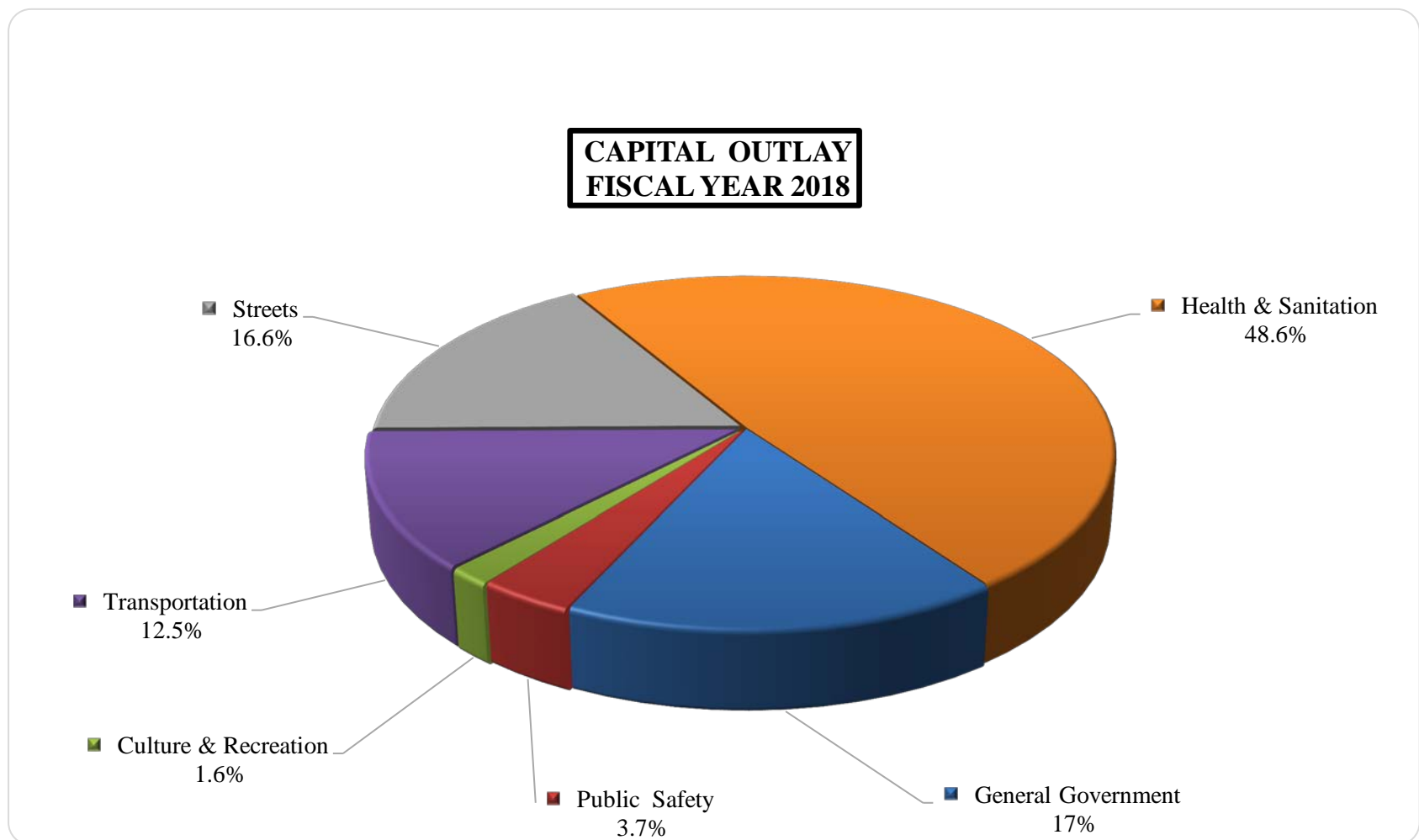
Special Revenue Funds			
Department	Equipment & Project Description	Requested	Budgeted
Streets-Construction	Sidewalk Improvements	\$80,000	\$100,000
	Secure Right of Way Skyline Dr/Date Street Connection	89,600	0
	Cottonwood Street Sidewalk	175,000	0
	Reconstruction of Stretch of Pavement Mingus Ave to SR89A	275,000	0
	MillnFill Main Street	537,000	0
	Pavement Preservation	600,000	750,000
	Reconstruction Mingus Ave from Willard St. to 10 th St.	2,105,000	0
	Reconstruction Mingus Ave from 10 th St. to Main St.	2,200,000	2,200,000
	Subtotal	6,061,600	3,050,000
Streets - Operations	Street Improvements	2,000	2,000
	Street Crack Seal Program	8,000	8,000
	Spare Controler for Traffic Signal	10,000	0
	Rock Screen	13,000	0
	RSA Main Street/Cherry St	0	25,000
	Main Street Beacons (Crosswalks)	30,000	0
	Convert Old Town Street Lights to LED	34,750	0
	Annual Local Road Repair Program	35,000	0
	Alley Paving (Pima/Pinal; Main/1st)	39,000	0
	Flashing Beacons (Wet Crossings)	45,000	0
	Asphalt Repair/Drainage Improvements Old Town Main Street	46,500	0
	Subtotal	263,250	35,000
Transit	ADA Sidewalk Repair	20,000	20,000
	Subtotal	20,000	20,000
Library	Painting of Interior Walls and Ceiling Areas	34,000	0
	Office Remodeling	17,000	0
	Installation of Automatic Door Opener System	11,000	11,000
	E-Rate Consultant and Purchasing	8,000	8,000
	LSTA-Grant	21,105	21,105
	Subtotal	91,105	40,105
CDBG Grants	Civic Center Upgrades	267,300	267,300
	Subtotal	267,300	267,300
Other Grants	Bicycle Feasibility Study	64,000	64,000
	Old Town Flood Plain Study	150,000	150,000
	City-wide Master Drainage Plan	220,000	220,000
	Drainage Improvement Plans	325,000	325,000
	Miscellaneous Grants	500,000	500,000
	EDA Grant - Streetscape Main Street	1,350,000	1,350,000
	Subtotal	2,609,000	2,609,000
Airport	Hangar B - Heater	6,500	0
	Airport Apron Lights	7,400	0
	Airport Fixed Base Operator (FBO) - Reimbursement of Insurance Cost	25,000	0
	Airport Security Fence Replacement	90,000	0
	Jet A Tank	364,240	0
	Airport Master Plan	400,000	400,000
	Design Runway Extension	455,300	0
	Airport Apron Improvements	500,000	0
	Airport Apron/Pavement Reconstruction (Grant)	1,900,000	1,900,000
	Subtotal	3,748,440	2,300,000
Total Special Revenue Fund Capital Outlay		\$13,060,695	\$8,321,405

Capital Outlay

Capital Projects Fund			
Department	Equipment & Project Description	Requested	Budgeted
	Civic Center HVAC Project	\$124,650	\$124,650
	Yavapai County Flood Control	220,000	220,000
	Subtotal	344,650	344,650
Capital Projects Fund			
Total Capital Projects Fund Capital Outlay		344,650	344,650
Sewer Construction	SCADA-computer Replacement	30,000	30,000
	Wastewater Treatment Plant Clarifier Inspection	30,000	30,000
	Clarifier Repair - Pending Inspection Result	50,000	50,000
	WWTP Centrifuge	450,000	0
	Recl. H2O Line Mingus/89A & Selna Project	75,000	75,000
	WWTP Construction	1,068,495	1,068,495
	Riverfront Wastewater Reclamation Facility (RWRF)	3,000,000	3,000,000
	Lift Station 4 Wet Well Expansion Rehabilitation	300,000	300,000
	RWRF Furniture and Equipment	70,200	70,200
	Subtotal	5,073,695	4,623,695
Water Construction	Valve Repair	60,000	60,000
	Well-site Generators	120,000	120,000
	Dump Truck	65,000	65,000
	Arsenic Mitigation	450,000	450,000
	Fire Hydrant Improvements	225,000	225,000
	W. Mingus Reconstruction & System Upgrade	600,000	600,000
	Line Replacements and Extensions	400,000	400,000
	Well Booster	75,000	75,000
	Well Improvements	300,000	275,000
	Water System Upgrades	135,000	135,000
	Hwy 260 - Water Line	2,000,000	1,990,000
	Subtotal	4,430,000	4,395,000
Total Enterprise Fund Capital Outlay		\$9,503,695	\$9,018,695
Grand Total - All Capital and Equipment & Project		\$28,722,790	\$18,568,000

Capital	
Equipment	Project

Economic Development	\$75,000	\$0
IT	87,700	0
Engineering	35,100	0
Police	25,450	0
Fire	660,000	0
Recreation Center	0	0
Parks & Recreation	0	0
Parks & Building Maintenance	0	0
Public Works	0	0
Streets - Construction	0	3,050,000
Streets - Operations	35,000	0
Transit	20,000	0
Library	40,105	0
CDBG Grant	0	267,300
Other Grants	0	2,609,000
Airport Grants	0	2,300,000
Capital Projects Fund	0	344,650
Sewer Construction	0	4,623,695
Sewer O & M	0	0
Water Construction	0	4,395,000
Water Admin	0	0
Water Operations & Maintenance	0	0
Total Capital Equipment & Projects	\$978,355	\$17,589,645



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Fiscal Year 2018 Budget

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 2016	FY 2017	FY 2018	Min	Max	
Administration						
City Manager (CM)	1.00	1.00	1.00	11,613	17,113	44
Deputy City Manager	0.00	0.00	1.00	10,032	14,783	41
Administrative Svcs General Manager	1.00	1.00	0.00	8,253	12,162	37
Community Services General Manager	1.00	1.00	1.00	8,253	12,162	37
Developmental Services General Manager	0.00	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	5.00	5.00	5.00			
City Clerk's Office						
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			
Human Resources						
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	30
Safety Training Specialist	0.00	0.00	0.00	4,825	7,111	26
Human Resources Specialist II	0.00	1.00	1.00	3,781	5,572	21
Human Resources Specialist	1.00	0.00	0.00	2,687	3,960	14
Administrative Assistant	0.50	0.50	0.50	2,559	3,771	13
Total	2.50	2.50	2.50			
Natural Resources						
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	37
	1.00	1.00	1.00			
Finance Department						
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			
IT Services						
IT Manager	1.00	1.00	1.00	6,790	10,006	33
IT Systems Administrator	1.00	1.00	1.00	4,168	6,143	23
Radio Technician	0.00	1.00	1.00	4,168	6,143	23
GIS Technician II	1.00	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	5.00	6.00	6.00			
Purchasing						
Purchasing/Contracts Administrator	0.00	1.00	1.00	5,865	8,643	30
Purchasing Agent	1.00	0.00	0.00	3,970	5,850	22
Total	1.00	1.00	1.00			
Community Development						
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	0.00	0.00	0.00	4,168	6,143	23
Asst. Planner/Code Enforcement Ofc.	1.00	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	1.00	1.00	2,962	4,365	16
Senior Administrative Assistant	1.00	0.00	0.00	2,962	4,365	16
Administrative Assistant	0.00	1.00	1.00	2,559	3,771	13
Total	6.00	7.00	7.00			

Fiscal Year 2018 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2016	FY 2017	FY 2018	Min	Max	
Economic Development						
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			
Municipal Court						
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			
Legal						
City Attorney	1.00	1.00	1.00	Contract		41
Total	1.00	1.00	1.00			
Engineering Department						
Professional Engineer	1.00	1.00	1.00	5,320	7,840	28
Public Works Manager	1.00	0.00	0.00	5,067	7,466	27
PW Project Manager	1.00	1.00	1.00	3,781	5,572	21
Drafter/Designer	0.00	0.00	0.00	3,429	5,054	19
Public Works & Utility Inspector	2.00	1.00	1.00	3,266	4,813	18
Total	5.00	3.00	3.00			
Public Works						
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			
Police Department						
Police Chief	1.00	1.00	1.00	8,253	12,162	37
Commander	2.00	2.00	2.00	6,790	10,006	33
Sergeant	7.00	7.00	7.00	5,067	7,466	27
PANT Officer/Sergeant	2.00	2.00	2.00	5,067	7,466	27
Police Officer	21.00	20.00	18.00	3,970	5,850	22
School Resource Officer (SRO)	1.00	1.00	1.00	3,970	5,850	22
Terrorism Liaison Officer	0.50	1.00	1.00	3,970	5,850	22
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	1.00	1.00	2,962	4,365	16
Records Clerk	2.00	2.00	2.00	2,559	3,771	13
Total	39.00	39.50	37.50			
Ordinance Enforcement						
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	16
Total	2.00	2.00	2.00			

Fiscal Year 20178Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2016	FY 2017	FY 2018	Min	Max	
Communications Division						
Communications Manager	1.00	1.00	1.00	4,596	6,772	25
Communications Supervisor	3.00	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	18.00	18.00	17.00	2,821	4,158	15
Total	22.50	22.50	21.50			
Fire & Medical Services Department						
Fire Chief	1.00	1.00	1.00	7,486	11,031	35
Fire Marshal	1.00	1.00	1.00	5,865	8,643	30
Fire Captain	3.00	3.00	3.00	5,586	8,232	29
Fire Lieutenant	3.00	3.00	3.00	4,825	7,111	26
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			
Parks and Recreation Department						
Aquatics Center Supervisor	0.60	0.60	0.60	4,168	6,143	23
Recreation Center Program Supervisor	0.20	0.20	0.20	4,168	6,143	23
Recreation Coordinator II	0.90	0.90	0.90	2,962	4,365	16
Youth Programs Coordinator	0.50	0.50	0.50	2,962	4,365	16
Administrative Assistant	0.70	0.70	0.70	2,559	3,771	13
Front Desk Supervisor	0.60	0.60	0.60	2,559	3,771	13
Head Lifeguard	0.40	0.40	0.20	2,321	3,421	11
Facility Maintenance Technician	0.00	0.00	0.20	2,321	3,421	11
Total	3.90	3.90	3.90			
Recreation Department						
Aquatics Center Supervisor	0.40	0.40	0.40	4,168	6,143	23
Recreation Center Program Supervisor	0.80	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	0.10	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 Coodinator	0.50	0.50	0.50	2,962	4,365	16
Administrative Assistant	0.30	0.30	0.30	2,559	3,771	13
Front Desk Supervisor	1.40	1.40	1.40	2,559	3,771	13
Head Life Guard	1.60	1.60	0.80	2,321	3,421	11
Facility Maintenance Tech	1.00	1.00	1.80	2,321	3,421	11
Total	8.10	8.10	8.10			
Parks & Building Maintenance						
Public Works Superintendent	0.00	0.00	0.00	4,377	6,450	24
PW Operations Foreman	0.50	0.50	0.50	3,601	5,306	20
Facilities Maint Technician III	0.00	0.00	0.00	2,321	3,421	11
PW Maintenance Technician I	5.00	5.00	5.00	2,211	3,258	10
Total	5.50	5.50	5.50			
Streets Maintenance						
Public Works Superintendent	0.00	0.00	0.00	4,377	6,450	24
PW Operations Foreman	0.50	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 2018 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2016	FY 2017	FY 2018	Min	Max	
CAT/LYNX						
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	9.00	12.00	9.00	2,437	3,591	12
Total	14.00	17.00	14.00			
Library Services						
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	1.00	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	4.00	4.00	2,321	3,421	11
Total	9.00	9.00	9.00			
Wastewater Treatment Facility						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Utility Ops Manager	0.00	0.00	0.00	4,825	7,111	26
WWTP Superintendent	1.00	0.00	0.00	3,970	5,850	22
Regul. Compl. Safety & Educ. Adminr.	0.00	1.00	1.00	3,970	5,850	22
WW Foreman	0.00	1.00	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	2.00	2.00	2,962	4,365	16
WW Operator I*	3.00	2.00	2.00	2,687	3,960	14
WW Operator Trainee	0.00	1.00	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	1.05	1.05	2,437	3,591	12
Total	10.75	10.40	10.40			
Water Distribution System						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Operations Supervisor	1.00	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	1.00	1.00	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	1.00	2,962	4,365	16
Operator I*	2.00	2.00	3.00	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	0.00	0.00	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	1.95	1.95	2,437	3,591	12
	19.25	18.60	18.60			
Total City-wide Authorized Full-Time Equivalents	208.50	211.00	205.00			

Resolution

CITY OF COTTONWOOD
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2018
TENTATIVE

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2017	ACTUAL EXPENDITURES/ EXPENSES** 2017	FUND BALANCE/ NET POSITION*** July 1, 2017**	PROPERTY TAX REVENUES 2018	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2018	OTHER FINANCING 2018		INTERFUND TRANSFERS 2018		TOTAL FINANCIAL RESOURCES AVAILABLE 2018	BUDGETED EXPENDITURES/ EXPENSES 2018
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 18,807,880	\$ 18,807,880	\$ 4,719,730	Primary:	\$ 18,360,176	\$	\$	\$	\$ 2,021,630	\$ 22,048,376	\$ 27,081,186
2. Special Revenue Funds	10,143,366	10,143,366	1,848,086	Secondary:	8,267,866			2,084,730	73,200	12,226,260	12,736,216
3. Debt Service Funds Available	1,828,860	1,828,860	187,840		1,844,706				848,826	882,820	18,488,126
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	1,828,860	1,828,860	187,840		1,844,706				848,826	882,820	18,488,126
6. Capital Projects Funds	8,876,886	8,876,886	867,280		266,000			2,448,240	(1,633,860)		2,800,380
7. Fiduciary Funds	237,800	237,800	220,070		26,700					246,770	248,100
8. Enterprise Funds Available	28,042,286	28,042,286	24,143,446		13,401,880	1,141,330	1,141,330	3,388,186		40,841,680	26,887,716
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	28,042,286	28,042,286	24,143,446		13,401,880	1,141,330	1,141,330	3,388,186		40,841,680	26,887,716
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 84,834,026	\$ 84,834,026	\$ 31,884,440		\$ 42,836,216	\$ 1,141,330	\$ 1,141,330	\$ 6,480,886	\$ 6,480,886	\$ 74,818,866	\$ 86,011,740

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses	
2. Add/subtract: estimated net reconciling items	
3. Budgeted expenditures/expenses adjusted for reconciling items	
4. Less: estimated exclusions	
5. Amount subject to the expenditure limitation	
6. EEC or voter-approved alternative expenditure limitation	

2017	2018
\$ 84,834,026	\$ 86,011,740
84,834,026	86,011,740
\$ 84,834,026	\$ 86,011,740
\$	\$

☒ 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 2018			
SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 10,935,760	11,501,630	12,209,140
Bed Tax	201,000	203,000	213,000
Utility Tax	250,000	235,300	240,000
Franchises	389,450	368,900	383,950
Licenses and permits			
Business Licenses	86,000	87,350	87,350
Construction Permits	215,000	210,000	215,000
Planning & Zoning Fees	25,000	21,000	25,000
Intergovernmental			
Federal Revenue	320,555	161,730	175,500
State Revenue	2,555,610	2,524,370	2,476,255
County (including Motor Vehicle Tax)	703,780	745,660	768,770
Other Entities	214,000	188,370	257,800
Charges for services			
Dispatch & Spillman Services	756,310	756,310	794,130
Recreation Fees	992,175	973,580	952,200
Animal Control Fees	4,500	4,500	4,500
Other Services			
Fines and forfeits			
Municipal Court	205,680	193,480	197,480
Interest on investments			
Interest Income	25,000	19,530	17,000
Uses of monies & properties			
Rentals	26,700	24,200	25,100
Contributions			
Voluntary contributions	5,515	8,630	5,500
Miscellaneous			
Miscellaneous Income	279,000	335,150	302,500
Lease Proceeds	1,194,235	1,194,235	
Total General Fund	\$ 19,385,270	\$ 19,756,925	\$ 19,350,175

* 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 2018

FUND	OTHER FINANCING		INTERFUND TRANSFERS	
	2018	2018	2018	2018
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Operating Transfer Out - HURF	\$	\$	\$	\$ 987,190
Operating Transfer Out - Library				825,290
Operating Transfer Out - Cemetery				62,210
Operating Transfers Out - Airport				11,840
Operating Transfer Out - Grants				135,000
Total General Fund	\$	\$	\$	\$ 2,021,530
SPECIAL REVENUE FUNDS				
Transfer Out Airport - Airport Improvements	\$	\$	\$	73,200
Transfer in Airport Improvements - Airport Fund			73,200	
Operating Transfer In for Library - General Fund			825,290	
Operating Transfer in for Cemetery - General Fund			62,210	
Operating Transfer in for Airport - General Fund			11,840	
Operating Transfer in for Transit-General Fund			987,190	
Operating Transfer in for Grants - General Fund			135,000	
Total Special Revenue Funds	\$	\$	\$ 2,094,730	\$ 73,200
DEBT SERVICE FUNDS				
Transfer Out - Sewer Fund	\$	\$	\$	\$ 949,925
Total Debt Service Funds	\$	\$	\$	\$ 949,925
CAPITAL PROJECTS FUNDS				
Transfer out - Sewer Fund	\$	\$	\$	\$ 2,446,240
Total Capital Projects Funds	\$	\$	\$	\$ 2,446,240
PERMANENT FUNDS				
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Transfer In - Capital Projects Fund	\$	\$	\$ 2,446,240	\$
Transfer In - Debt Service Fund			949,925	
Other Financing Sources	1,141,330			
Other Financing Uses		1,141,330		
Total Enterprise Funds	\$ 1,141,330	\$ 1,141,330	\$ 3,396,165	\$
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 1,141,330	\$ 1,141,330	\$ 5,490,895	\$ 5,490,895

CITY OF COTTONWOOD Expenditures/Expenses by Fund Fiscal Year 2018				
FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
GENERAL FUND				
Administration	\$ 741,910	\$ (8,995)	\$ 732,915	\$ 752,160
Personnel	301,040	(7,180)	293,860	264,300
City Council	4,123,975	(3,913,965)	210,010	4,234,950
Natural Resource Project	167,085	375	167,460	175,545
City Clerk	249,965	7,629	257,594	273,885
Finance	445,025	(5,700)	439,325	445,100
IT Services	615,980	(24,325)	591,655	781,905
Purchasing	99,680	1,055	100,735	104,680
Planning & Zoning	586,115	(58,460)	517,655	622,620
Economic Development	245,330	(4,095)	241,235	323,520
Municipal Court	584,065	(59,520)	524,545	598,480
Legal	441,465	2,220	443,685	452,700
Non-Departmental	2,058,170	(263,710)	1,794,460	3,028,000
Engineering	424,700	33,140	457,840	317,760
Building Maintenance	429,675	36,140	465,815	409,570
Custodial	160,000	(5,000)	155,000	210,000
Public Works	429,760	(88,160)	341,600	441,150
Police	5,075,590	(243,820)	4,831,770	5,250,170
Ordinance Enforcement	210,580	(3,545)	207,035	219,275
Communications	1,749,755	(179,030)	1,570,725	1,756,330
Fire	3,623,035	(742,230)	2,880,805	3,895,910
Parks & Recreation	955,365	(217,889)	737,476	751,930
Recreation Center	1,501,305	(22,440)	1,478,865	1,323,970
Transfer Station	255,430	(19,010)	236,420	240,750
Pool	118,310	5,400	123,710	126,220
Youth Center		105,695	105,695	90,315
Total General Fund	\$ 25,593,310	\$ (5,685,420)	\$ 19,907,890	\$ 27,091,195
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund-HU	\$ 4,509,105	\$ 1,196,385	\$ 5,705,490	\$ 4,610,380
Cottonwood Area Transit-CAT / LYN	1,858,840	(105,350)	1,753,490	1,405,470
Library	1,026,250	17,810	1,044,060	1,068,515
Cemetery	38,100	18,710	56,810	63,110
Airport Fund	355,710	66,080	421,790	411,440
Grants	500,000	(500,000)		2,609,000
Airport Improvement Grants	1,810,000	(722,895)	1,087,105	2,300,000
Community Development Block Grant	304,155	(229,545)	74,610	267,300
Total Special Revenue Funds	\$ 10,402,160	\$ (258,805)	\$ 10,143,355	\$ 12,735,215
DEBT SERVICE FUNDS				
Debt Service	\$ 1,738,075	\$ 188,775	\$ 1,926,850	\$ 16,469,125
Total Debt Service Funds	\$ 1,738,075	\$ 188,775	\$ 1,926,850	\$ 16,469,125
CAPITAL PROJECTS FUNDS				
Other Major Capital Projects	\$ 1,381,250	\$ 5,294,615	\$ 6,675,865	\$ 2,800,390
Total Capital Projects Funds	\$ 1,381,250	\$ 5,294,615	\$ 6,675,865	\$ 2,800,390
FIDUCIARY FUNDS				
Volunteer Firefighter Fund	\$ 160,820	\$ 14,780	\$ 175,600	\$ 187,200
Health Fund	59,950	2,250	62,200	60,900
Total Permanent Funds	\$ 220,770	\$ 17,030	\$ 237,800	\$ 248,100
ENTERPRISE FUNDS				
Wastewater Treatment	\$ 13,686,425	\$ (4,573,555)	\$ 9,112,870	\$ 7,150,915
Water System Operations	20,208,890	(3,279,495)	16,929,395	18,516,800
Total Enterprise Funds	\$ 33,895,315	\$ (7,853,050)	\$ 26,042,265	\$ 25,667,715
TOTAL ALL FUNDS	\$ 73,230,880	\$ (8,296,855)	\$ 64,934,025	\$ 85,011,740

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

CITY OF COTTONWOOD Expenditures/Expenses by Department Fiscal Year 2018				
DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
Highway User Revenue Fund				
HURF	\$ 4,509,105	\$ 1,196,385	\$ 5,705,490	\$ 4,610,380
General Fund				
Department Total	\$ 4,509,105	\$ 1,196,385	\$ 5,705,490	\$ 4,610,380
Cottonwood Area Transit - CAT/LYNX				
Transit	\$ 1,858,840	\$ (105,350)	\$ 1,753,490	\$ 1,405,470
General Fund				
Department Total	\$ 1,858,840	\$ (105,350)	\$ 1,753,490	\$ 1,405,470
Library				
Library Fund	\$ 1,026,250	\$ 17,810	\$ 1,044,060	\$ 1,068,515
General Fund				
Department Total	\$ 1,026,250	\$ 17,810	\$ 1,044,060	\$ 1,068,515
Cemetery				
Cemetery Fund	\$ 38,100	\$ 18,710	\$ 56,810	\$ 63,110
General Fund				
Department Total	\$ 38,100	\$ 18,710	\$ 56,810	\$ 63,110
Municipal Airport				
Airport Fund	\$ 355,710	\$ 66,080	\$ 421,790	\$ 411,440
General Fund				
Department Total	\$ 355,710	\$ 66,080	\$ 421,790	\$ 411,440
Debt Service				
Debt Services Fund	\$ 1,738,075	\$ 188,775	\$ 1,926,850	\$ 16,469,125
General Fund				
Department Total	\$ 1,738,075	\$ 188,775	\$ 1,926,850	\$ 16,469,125
Grants Fund				
Grants Fund	\$ 500,000	\$ (500,000)	\$	\$ 2,609,000
Airport Improvement Fund	1,810,000	(722,895)	1,087,105	2,300,000
HURF				
Department Total	\$ 2,310,000	\$ (1,222,895)	\$ 1,087,105	\$ 4,909,000
Capital Improvements Fund				
Capital Improvements Fund	\$ 1,381,250	\$ 5,294,615	\$ 6,675,865	\$ 2,800,390
HURF				
Department Total	\$ 1,381,250	\$ 5,294,615	\$ 6,675,865	\$ 2,800,390
Wastewater Enterprise Fund				
Wastewater Enterprise Fund	\$ 13,686,425	\$ (4,573,555)	\$ 9,112,870	\$ 7,150,915

CITY OF COTTONWOOD
Full-Time Employees and Personnel Compensation
Fiscal Year 2018

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
GENERAL FUND	146	\$ 9,701,755	2,233,954	2,101,010	944,914	= \$ 14,981,633
SPECIAL REVENUE FUNDS						
Highway User Revenue Fund-HURF	5	\$ 190,885	21,949	67,378	31,426	= \$ 311,618
Cottonwood Area Transit-CAT / LYN	14	744,889	80,970	198,892	88,514	= 1,102,065
Library	9	397,502	45,713	99,920	34,545	= 577,680
Total Special Revenue Funds	28	\$ 1,333,256	137,632	365,988	154,485	= \$ 1,991,361
DEBT SERVICE FUNDS						
		\$				= \$
Total Debt Service Funds		\$				= \$
CAPITAL PROJECTS FUNDS						
		\$				= \$
Total Capital Projects Funds		\$				= \$
PERMANENT FUNDS						
		\$				= \$
Total Permanent Funds		\$				= \$
ENTERPRISE FUNDS						
Wastewater Treatment	12	\$ 526,037	60,494	103,055	56,322	= \$ 745,908
Water System Operations	19	957,692	110,135	318,541	103,151	= 1,487,519
Total Enterprise Funds	31	\$				= \$ 2,233,427
TOTAL ALL FUNDS	205	\$ 11,035,011	\$ 2,371,586	\$ 2,468,998	\$ 1,099,399	= \$ 19,206,421

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 Final expenditures and the Final 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 Final 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.

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.

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 Final 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	COPS - Community Oriented Policing Services
ACA - Arizona Commerce Authority	CP - Community Paramedicine
ACAP - AZ Court Automation Project	CPSCC - Cottonwood Public Safety Communications Center
ACIP - Airport Capital Improvement Plan	CPST - Child Passenger Safety Technician
ACJC - Arizona Criminal Justice Commission	CWRF - Clean Water Revolving Fund
ACJIS - Arizona Criminal Justice Information System	DARE - Drug Awareness Resistance Education
ADA - American with Disabilities Act	DEA - Drug Enforcement Agency
ADOSH - AZ Division of Occupational Safety & Health	DNS - Domain Name Services
ADOT - Arizona Department of Transportation	DOHS - Department of Homeland Security
ADS - Animal Disaster Services	DPS - Department of Public Safety
ADWR - Arizona Department of Water Resources	DUI - Driving Under the Influence
AFG - Assistance to Firefighters Grant	DVP - Delivery vs. Payment
AFIS - Automated Fingerprint Identification System	DWRF - Drinking Water Revolving Fund
AG - Agriculture	ED - Economic Development
AIP - Airport Improvements Project	EDA - Economic Development Administration
ALF - American LaFrance	EDMS - Electronic Document Management Scanning
ALP - Airport Layout Plan	EEOC - Equal Employment Opportunity Compliance
AMRRP - Arizona Municipal Risk Retention Pool	EFD - Emergency Fire Dispatcher
AOC - Administrative Office of the Court	EMMA - Electronic Municipal Market Access
APCO - Association of Public Safety Communications Officials	EMD - Emergency Medical Dispatcher
ANS - American National Standards (APCO)	EMS - Emergency Medical Services
APS - Arizona Public Service	EMT - Emergency Medical Technician
ARS - Arizona Revised Statutes	ENP - Emergency Number Professional
ASL - American Sign Language	EPD - Emergency Police Dispatcher
A/V - Audio Visual	ETA - Estimated Time of Arrival
AVL - Automatic Vehicle Locator	FAA - Federal Aviation Administration
AWOS - Automatic Weather Observation Station	FARE - Fines/fees and Restitution Enforcement
AZ - Arizona	FBO - Fixed Base Operations
AZDEQ - AZ Department of Environmental Quality	FBI - Federal Bureau of Investigation
AZPac - Arizona Public Access Computers	FEMA - Federal Emergency Management Administration
BAC - Business Assistance Center	FHWA - Federal Highway Administration
BOD - Biological Oxygen Demand	FLSA - Fair Labor Standards Act
BTOP - Broadband Technology Opportunities Program	FmHA - Farmers Home Administration
CAD - Computer Aided Dispatch	FSA - Flexible Spending Account
CAFR - Comprehensive Annual Financial Report	FTE - Full Time Equivalent
CAFS - Compressed Air Foam System	FY - Fiscal Year
CALEA - Commission on Accreditation for Law Enforcement Agencies	GO Bond - General Obligation Bond
CAT - Cottonwood Area Transit	GAAD - Governor's Alliance Against Drugs
CCR - Cardio Cerebral Resuscitation	GAAP - Generally Accepted Accounting Principles
CDBG - Community Development Block Grant	GADA - Greater Arizona Development Authority
CEDC - Cottonwood Economic Development Council	GASB - Government Accounting Standards Board
CENS - Community Emergency Notification System	GFOA - Government Finance Officers Association
CFM - Cottonwood Fire & Medical Services Department	GIMP - GNU Image Manipulation Program (Image Editing)
CJEF - Criminal Justice Enhancement Fund	GIS - Geographic Information Systems
CM - City Manager	GM - General Manager
CPI - Consumer Price Index	GOHS - Governor's Office of Highway Safety
CPR - Cardiac Pulmonary Resuscitation	HDHP - High Deductible Health Plan
CPS - Child Passenger Safety	HELP - Highway Expansion and Extension Loan Program
CPSCC - Cottonwood Public Safety Communications Center	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
COLA - Cost of Living Adjustment	HSIP - Highway Safety Improvement Program
COP - Citizens on Patrol	

HURF - Highway User Revenue Fund	REDI - Rural Economic Development Initiative
HVAC - Heating, Ventilation and Air Conditioning	RF - Riverfront
ICC - International Code Council	RFP - Request for Proposal
ID - Identification	RFQ - Request for Qualifications
IFR - Instrument Flight Rules	RICO Act- Racketeer Influenced and Corrupt Organizations Act
IGA- Intergovernmental Agreement	RMS - Records Management System
ILMS - Institute of Museum and Library Services	RWRF - Riverfront Water Reclamation Facility
ISO - Insurance Service Organization	SAFER - Staffing for Adequate Fire Emergency Response
ISTEA - Intermodal Surface Transportation Efficiency Act	SARMC - Safety Awareness and Risk Management Committee
JPA - Joint Powers Agreement	SCBA - Self Contained Breathing Apparatus
JCEF - Judicial Collection Enhancement Fund	SciTech - Science and Technical features.
LED - Light Emitting Diode	SDS - Safety Data Sheets
LDH - Large Diameter Hose	SHPO - State Historical Preservation Office
LLBG - Local Law Enforcement Block Grant	SIP - Session Initiation Protocol
LSTA - Library Services and Technology Act	SLIM - Specialty and Light Manufacturing Association of Yavapai County
LTAF - Local Transportation Assistance Fund	SR - State Route
M&O - Maintenance & Operations	SRO - School Resource Officer
MATForce - Methamphetamine Task Force	SSRT - Super Secret Response Team
MDC - Mobil Data Communication	STEAM - Science, Technology, Engineering, Arts, Math
MPC - Municipal Property Corporation	SVCS - Services
MRAP - Mine Resistant Ambush Protected Vehicle	SWAT - Strategic Weapons Attack Team
MUHS - Mingus Union High School	TES - Tavasci Elementary School
MV - Motor Vehicle	TIA - Traffic Impact Analysis
MVD - Motor Vehicle Division	TIP- Trauma Intervention Program
NACOG - Northern Arizona Council of Governments	TLC - Teen Library Council
NAIPTA - Northern Arizona Inter-Governmental Public Transit Authority	TPT - Transaction Privilege Tax
NAMWUA - Northern Arizona Municipal Water Users Association	TSS - Total Suspended Solids
NAU - Northern Arizona University	UAS - Unmanned Aircraft System
NCIC - National Crime Information Center	UNICOM - Universal Communication
NCMEC - National Center for Missing and Exploited Children	US - United States
NFPA - National Fire Protection Association	USDA - United States Department of Agriculture
NIMS - National Incident Management System	USEPA - United States Environmental Protection Agency
NRCD - Natural Resource Conservation District	USF - Underground Storage Facility
NRMSIR - Nationally Recognized Municipal Securities Information Repository	UV - Ultraviolet
OFA - Object Free Area	VCTC - Verde Consolidated Therapeutic Court
OSC - Orders to Show Cause	VFW - Veterans of Foreign Wars
OSHA - Occupational Safety and Health Administration	VoIP - Voice over Internet Protocol
OTA - Old Town Association	VOMP - Victim Offender Mediation Program
P & Z - Planning and Zoning	VPN - Virtual Private Network
PANT - Prescott Area Narcotics Taskforce	VV - Verde Valley
PAPI - Precision Approach Path Indicator	VVAC - Verde Valley Arts Council
PARD - Parks and Recreation Department	VVAC - Verde Valley Ambulance Company
PC - Personal Computer	VVEBP- Verde Valley Employee Benefits Pool
PD - Police Department	VVREDC - Verde Valley Regional Economic Development Committee
PHI - Protected Health Information	VVREO - Verde Valley Regional Economic Organization
PPV - Positive Pressure Ventilation	VVTPO - Verde Valley Transportation Planning Organization
PHSG - Peacock, Hislop, Staley & Givens, Inc.	VVWC - Verde Valley Wine Consortium
PRIMA - Public Risk Management Association	WC - Workers' Compensation
PS - Public Safety	WIFA - Water Infrastructure Finance Authority
PSA - Public Securities Association	WMA - Wastewater Management Authority
PSAP - Public Safety Answering Point	WSUS - Windows Server Update Services
PW - Public Works	WWTP - Wastewater Treatment Plant

