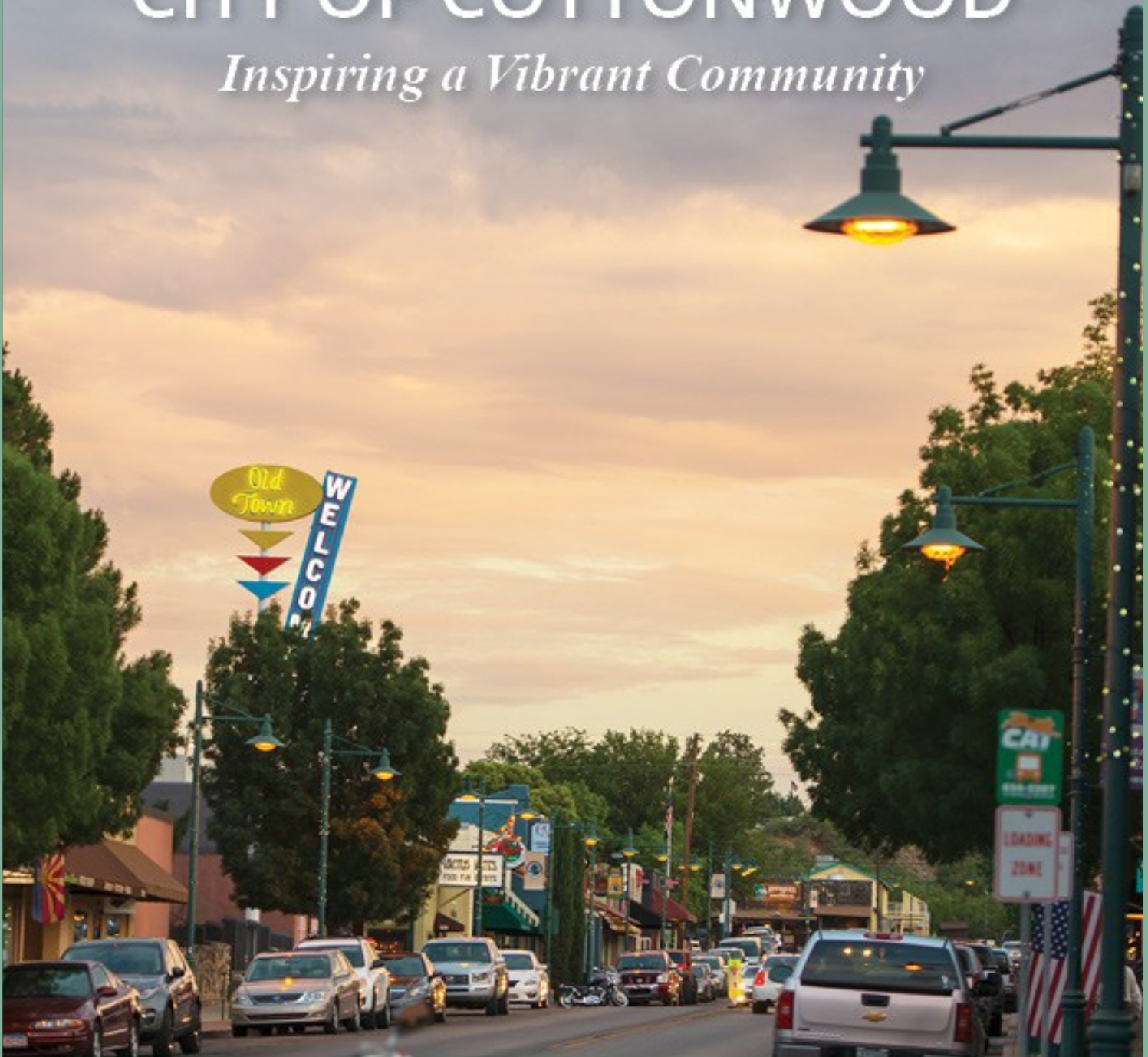


# CITY OF COTTONWOOD

*Inspiring a Vibrant Community*



## BUDGET

Fiscal Year 2021-2022





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### A guide for document use:

- Click on Home and arrows at the top right corner of each page to navigate around the document
- For best results, view this interactive pdf with Adobe Acrobat Reader
- Page references to more info elsewhere in the document

## BUDGET DOCUMENT OVERVIEW

This overview serves to assist the reader in navigating through this budget document as reading and understanding it can be challenging if one is not familiar with its layout. This budget document consists of several sections and their content. They are referenced in the Table of Contents.

There are six key sections in this document:

### Executive Summary

This is a narrative of the current financial outlook for the City of Cottonwood by fund as well as a narrative of Employees & Benefits and Capital for the upcoming budget. This section also includes the City's budget and investment policies.

### Our Strategic Plan

This is an overview of projected five-year capital needs requested by Department Heads, for future development and projected five-year operational revenues as well as expenditures.

### Description and History of Major Revenues

This section shows an overview of the major revenue sources for the City of Cottonwood represented through narratives, graphs and values.

### Comprehensive Summary

This summary includes all estimated Revenues and Expenses and shows Total Expenditures and Net Income (Loss) for all Funds. This section also has graphs that depict estimated revenue and expenses from distinct sources. All of the information in this Summary will be examined in the Financial Information section.

### Financial Information

This section presents estimated Revenues & Expenditures by Fund and is broken down in six major Fund Types. Each fund type will show a consolidation of projected revenues and expenses of all their departments that roll up and combine to show the total Fund Revenue & Expense amount for each fund and roll up to the Comprehensive Summary. Included in the Financial Information section are:

- General Fund: General Government, Culture and Recreation, and Public Safety
- Special Revenue Funds: HURF (Streets Operations and Construction), Transit, Library, Cemetery, Airport, and Grants Funds
- Debt Service
- Capital Improvements Fund
- Enterprise/Proprietary Funds: Water Utility and Wastewater Utility
- Fiduciary Funds: Alternative Pension and Benefits Plan Fund (for Fire Fighters) and Employee Benefit Trust Fund

For every department in each fund type, more specific information is provided on four pages that address:

1. The department's Organizational Chart, a General Description, Accomplishments from the previous budget year, Goals for the upcoming budget year and Budget Highlights.
2. Performance Indicators
3. Summary of Expenses, Revenues, and Personnel Listing
4. Detailed information on Expenditures and Capital Outlay

### Supplementary Information

Capital Outlay Listing & Personnel Classifications Appendix and Glossary.



# To the City Council



**Ron Corbin**  
City Manager, City of Cottonwood

It is my pleasure to present to the Honorable Mayor and City Council the FY 2022 Adopted Budget for your review. Several budget work sessions with directors and managers have taken place to review, in detail, their staffing, programs, and planned project expenditures.

The City faced some unprecedented challenges during the FY 2021 budget planning with the closing of City offices and businesses in general due to the coronavirus pandemic. It was anticipated during the FY 2021 budget process that the Corona Virus Disease, commonly known as COVID-19, would strongly impact local, state, national and international economies. As a result, it was difficult to forecast the FY 2021 budgeted revenues. Budget meetings and budget presentations were affected, and although we planned several presentations to citizens, we were only able to hold one Town Hall meeting and one employee meeting for input and ideas.

The FY 2022 budget process has seen a turn around, and the anticipated shortfalls of revenues for FY 2020 and FY 2021 were not felt. The economy in Cottonwood and in the State of Arizona is seeing increases that we could never have predicted, and we are now projecting FY 2021 to end strong and continued growth in FY 2022.

This year's total approved expenditures budget is \$120,593,060, which includes all estimated reserves, potential grants and financing options including a bonding opportunity. This is in comparison to last fiscal year's revised budget of \$75,703,075 that does not contain general fund reserves or grants that did not come to fruition. Some of the items that attribute to the difference with FY 2021 are the reallocation of resources for continuing projects and new projects that were part of the original FY 2021 budget.

## The Local Economy

FY 2022 Final Budget - \$120,593,060	
Fiscal Year	Original Budget
2012	\$78,422,500
2013	\$73,417,765
2014	\$70,875,846
2015	\$86,638,905
2016	\$117,084,020
2017	\$73,112,570
2018	\$85,054,740
2019	\$69,528,685
2020	\$76,016,900
2021	\$79,468,850

The largest planned single increases are in the General Fund and Enterprise Funds due to projects, the Public Safety Retirement Unfunded Liability bonding and proposed grants. A general discussion about the funds will follow; however, in-depth information can be found in the General Information section of this document.

The City of Cottonwood continues to rely on its main revenue source of TPT or Sales tax and those revenues can be unpredictable at times. Below are listed some of the foremost issues addressed within this budget.

After years of declining or slow growing revenues, the City has started to see revenue growth ranging above 8% . The increase in the Transaction Privilege Tax (TPT) rate of .5% in fiscal year 2019 is a key factor in keeping the main revenue source for Cottonwood growing and reserves increasing. This growth is an improvement from prior years' low growth and assists the City in following the Council's directive of increasing reserves. The local economy is still the single largest challenge that the City of Cottonwood is facing in budgeting.



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## Economic Development

Cottonwood is open for business and the Council's strategic plan directives and guiding principles on page 16 and the [full Strategic Plan](#) document, in the appendix on page 285 and on the City of Cottonwood's website as well, truly emphasize the leadership's direction for managed economic growth and development.

During FY 2020, a new Starbucks Coffee, Dunkin' Donuts and a Dutch Bros were built and opened for business, which increased the City's tax base. FY 2021 saw the opening of a new Harbor Freight Tools and a brand-new Verizon store. Construction for a 85-room SpringHill Suites by Marriott was started. One local housing development and one planned development along with State Trust Land and Federal Forest were annexed, adding 11 square miles to Cottonwood proper and providing future population growth opportunities.

## Taxes

The City of Cottonwood has prided itself on managing its affairs through local transaction privilege tax, commonly called sales tax. Cottonwood does not collect a property tax for services and continues to rely heavily on the TPT 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, however, at the mercy of the economy. The City Council passed a .8% sales tax increase that took effect in November 2008 and a .5% increase in November 2018 (FY 2019) to counter the increased cost of doing business. These increases brought the total Cottonwood local sales tax rate to 3.5% and along with cost cutting measures, they have helped Cottonwood stay fiscally sound.

## Reserves

The City Council has directed staff to work on increasing reserves, funding streets projects, and on the City's overall financial future. As part of the .5% sales tax increase in FY 2019, the council directed that 85% of the increase be set aside for reserves or capital projects. In accordance with the council's direction, a total of \$13,317,190 in general fund reserves shows in the FY 2022 budget. This is an \$8,397,540 increase over the FY 2021 reserves of \$4,919,650. This increase includes, among others, the .5% reserves as designated by the council in the amount of \$446,300 as well as an increase of just over \$4.8M in undesignated reserves and the addition of a new reserve for future capital replacement in the amount of \$634,825 as well.

## Projects

There are several projects budgeted for FY 2022 that could not be funded in FY 2021 due to the uncertainty caused by the COVID-19 pandemic. The funding for these projects is in part possible because of the savings from spending conservatively and keeping expenses low in FY 2020 and FY 2021.

Furthermore, the budget includes over \$600,000 for a *sidewalk* on Fir Street and \$750,000 for the *biennial pavement preservation*. Funding has also been budgeted for the completion of the repaving and upgrades of Mingus Avenue for the stretch between the intersections of 8<sup>th</sup> Street to Main Street, for a *historic property survey* that is 80% grant funded and for *trails*. In the Enterprise Funds, projects include replacing arsenic equipment, upgrading meters on several routes and much needed repairs to the Mingus Wastewater Treatment Plant.

## New Equipment

The budget includes funds in the General Fund for a *ladder truck* for the Fire & Medical Department, a *tractor* for Maintenance, an *ADA pool lift* for the Pool, and *mobile data computers* for both the Fire & Medical and the Police departments. Along with a *backhoe* for the Streets Department and *generators* for the Water Department to name a few of the equipment purchases for the upcoming budget year. Cost cutting measures in FY 2021 and conservative budgeting has allowed the City to invest funds into one-time expenditures in FY 2022.

## Airport Fund

A significant increase in this fund is due to the conversion of the Airport Manager position to full-time, entirely funded out of the Airport Fund. There are several transfers out to the Grants Fund as a match for the grants for airport related projects. The Airport Master Plan is anticipated to be completed in FY 2021 which will direct future development of the Airport, and projects for replacing the Automated Weather Observing System (AWOS), repairing the runway, creating a helipad and increasing the fence height should be starting in FY 2022 at a total cost of \$911,500.

## Grants Fund

The Community Development Block Grant (CDBG) for the Parks Master Plan has a small carryover for FY 2022, while Other Grants include \$500,000 for any occasional grants that come along and were not budgeted. Grant funding stemming from the savings due to the CARES Act federal funding and the American Recovery and Reinvestment Act funding due to the COVID-19 pandemic for a total of \$2.8M in FY 2022 with the City receiving an additional \$1.4M in FY 2023. These funds are budgeted to make sure that the City has the budget authority to spend the funds on allowable projects.

## Outside Agency Grant Funding Program

The City has funded this program for FY 2022 at \$150,000. This program assists local non-profit organizations that do not qualify for the outside agency program. This program will be published for solicitation at the end of FY 2021.



## 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. At the creation of this budget, the State had not calculated updated figures for FY 2022, based on the 2020 Census. Instead, the budget shows estimates from the League of Arizona Cities and Towns based on old census numbers from the state for State Shared Sales Tax, Urban Revenue Sharing, or State Income Tax figures, however, are from two years prior and show a decrease in State Shared Income Tax of \$152,405 from last year's \$1,751,125.

State Shared Sales Tax is anticipated to increase by 11.92% over FY 2021 estimated budget figures of \$1,285,425 and generate an estimated \$1,438,690 in FY 2022. Both revenues are projected by the Arizona Department of Revenue.

## General Staffing and Compensation

The need for services continues to increase with city growth and citizen engagement. Most departments continue to provide the necessary basic coverage with few enhancements.

For FY 2022, no Cost of Living Adjustment (COLA) was funded. The Longevity Program is currently not budgeted for FY 2022, neither is the merit program. The City of Cottonwood is doing everything it can to recruit qualified staff and keep its valuable employees. A Compensation Study was completed in FY 2021, and the hope is to implement the changes in FY 2022. There is \$600k budgeted as a reserve to fund the implementation. The goal, annually, is to be able to match revenues when giving merits or a COLA. For FY 2022, the anticipated increase in sales tax revenue is 4%, and the \$750k budgeted for the implementation of the compensation recommendations is approximately equal to all employees receiving a 4% increase.

## Cottonwood Recreation Center

The multigenerational Cottonwood Recreation Center was completed in February 2010 and opened on May 1, 2010. This facility was anticipated to have a 70% cost recovery ratio. However, achieving this goal has proven to be a challenge. During FY 2020, changes were implemented that potentially will help the Recreation Center attain a ratio of at least 70% with the hope of actually having a cost recovery of 75%. To counter rising costs and improve the recovery ratio, 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 in the future.

## Capital Infrastructure Planning

The City has been struggling with capital planning caused by the slow recovery pace of the local economy and the need to fund services. Some projects will continue to be postponed until funds are available.

In FY 2019, the City Council designated a portion of a .5% sales tax increase to be allocated toward Capital Improvements. As these reserves are being built up, the City will plan projects based on the available resources.

Cost savings measures and increased revenues will allow the City to reserve an additional amount for the Capital Improvements Plan (CIP) fund to finance future capital needs. The additional amount that will be funded in FY 2022 is over \$600k, which brings the total allocation to the CIP fund to \$929,500.

## Water Department

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 the City needs to become more involved. A rate increase is calculated into the budget due to the passing of a four-year rate increase plan by the City Council, beginning in FY 2021.

The City of Cottonwood did implement impact fees for new construction for the water system in fiscal year 2019 to help fund the water system's maintenance.

## Wastewater Department

The infrastructure of the City of Cottonwood's Mingus Wastewater Treatment Plant is in need of maintenance and repair due to its age. In FY 2018, the first satellite wastewater reclamation plant, Riverfront Water Reclamation Facility, was completed. This enterprise was granted a rate increase in September 2019 and additional rate increases for the next four fiscal years to grow fiscal resources. The increased rate is included in the budget.

Capital construction projects are also set to begin with repairs at the Mingus Wastewater Treatment Plant.

The staff of the Wastewater Department is working with Arizona Department of Environmental Quality (ADEQ) to determine if the Mingus Plant can be converted to allow for potable water reuse.

## ACKNOWLEDGMENTS

The creation of this municipal budget document is attributed to the many hours of preparation spent by our Financial Services Director Kirsten Lennon and Budget Analyst Helen Bartels. They met with representatives from the various departments and compiled their departmental data. In addition, thanks to the directors, manager, supervisors and staff who assisted in the development of the 2022 Annual Budget document.

Despite 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.

Sincerely,

Ron Corbin  
City Manager

## OUR 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.



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## CITY OF COTTONWOOD MISSION & VALUES

### MISSION

*Inspiring a Vibrant Community*

### VALUES

#### **START WITH THE CUSTOMER**

With courtesy and kindness, we listen to understand and deliver results on time, every time.

#### **EMBODY TRUSTWORTHINESS**

We are honest, transparent, and accountable. We believe in the intent of others to do good. We achieve results without compromising ethics.

#### **RECOGNIZE CREATIVE SOLUTIONS**

We act with intent and take calculated risks. Learning from our mistakes leads to growth.

#### **VALUE EACH PERSON**

Empathy is our strength. We are respectful of others and their differences as we leverage the collective experience of our community.

#### **INSPIRE A STRONG COMMUNITY**

We serve with passion and boldness. We are professionals who care about our neighbors and deliver services that allow our community to thrive.

#### **COLLABORATE FOR SUCCESS**

United in vision, we are hardworking individuals who together are stronger. We are committed to the success of others through effective communication and empowerment.

#### **EMBRACE EXCELLENCE**

With tenacity and determination, we will be and do better. We welcome challenges and strive to outperform expectations.

*Accountable in Service to Others*

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## General Commentary

The **General Fund's** overall budget is \$59,402,560, which includes transfers out and reserves. This amount is \$16,806,350 more than the previous fiscal year's revised amount of \$42,596,210. This increase comprises \$13,317,190 in reserves, fully budgeted staffing, budgeted capital requests, and bonding to pay for the current unfunded liability of the Public Safety Personnel Retirement System (PSPRS).

The FY 2022 budget for the General Fund shows a substantial increase over the originally budgeted amount of \$27,363,585 for FY 2021. This is attributable to an increase in the amount for Reserves in the council's budget, budgeted for the funding of a bond to pay down the *unfunded liability* of the Public Safety Personnel Retirement and an anticipated increase in revenues.

The merit program has not been budgeted for FY 2022 but will be re-evaluated in the next budget cycle after the City has developed new core values. In the past, the City of Cottonwood used the Social Security Administration's annual Cost of Living Adjustment (COLA) figure to determine if a COLA will be given in that budget cycle. The Social Security Administration established a 1.3% COLA for the current year. However, no COLA is budgeted for FY 2022.

In FY 2021, there was an increase in revenues that were not budgeted. They were presented to Council for their approval to perform a compensation study. After approval was granted, the compensation study was done and completed in FY 2021. The amount of \$750,000 for implementation in FY 2022 has been budgeted.

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 required entities to record their own underfunded liability amounts.

As a whole, the PSPRS is about 53.1% underfunded, which amounts to a shortfall of \$9.8B at the end of FY 2020. The City's portion of that is approximately \$15.5M. The City of Cottonwood looked 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.

After reviewing several options and watching other cities and counties bond to fully fund their Public Safety Retirement System's unfunded liability, staff presented the options to Council and received the green light to proceed with bonding to fund the unfunded liability. The bonding for this liability will be taxable and is included in the budget for both FY 2021 and FY 2022, pending the moment the bond is finalized. Due to the large unfunded liability of the PSPRS, contribution increases have been recommended for FY 2022 for Police and Fire personnel. The contribution for the Police department is estimated to go from 58.39% to 68.12% and that for the Fire & Medical department from 27.10% to 33.55%. The bonding will remedy these increases and allow for cost savings on future contributions.

The City's portion of the \$15.8B Arizona State Retirement System (ASRS) liability is \$13.2M. Due to the difference in the way the two retirement systems are organized and managed, this liability is being handled by the ASRS through continued increases in annual contribution amounts. As for the employer contributions to the Arizona State Retirement System, rates increased slightly from 12.22% to 12.41%.

A current **Capital Equipment and Capital Projects summary** can be found toward the end of this transmittal letter on page xii and details can be found on the pages 253-258.

The total budget for the **Special Revenue Funds** is \$17,388,035, including transfers out and carryovers. This is an increase in these funds' expenditures over last year's revised expenditures of \$8,300,300. This increase is due to the budgeting of several large projects in the Highway User Revenue Fund (HURF), a CDBG grant that will pass through the City to the Verde Valley Homeless Coalition for transitional housing and Other Grant funds. The reconstruction project of Mingus Avenue for the stretch between the intersections with 8<sup>th</sup> Street and Main Street is a major portion of the Special Revenue Funds costs. This project was split between several years and is scheduled to be completed in FY 2022. The resurfacing of Mingus Avenue from the stretch between the intersections with Willard Street and Main Street is estimated to cost over \$4M total.

The **Transit System** transferred from Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) to the City on July 1, 2012. Both the Verde LYNX system, which connects central Cottonwood with Sedona, and the Cottonwood Area Transit (CAT) added additional services in FY 2014. The LYNX hours and program were expanded in FY 2020, increasing the LYNX budget. The City of Sedona agreed to fund this expansion. This funding together with funding for several replacement buses are reflected in the Transit System's budget of 2,756,715. The transit program acquired several buses, and a shelter was built in FY 2021.



FY 2022 reflects a decrease of \$436,185 from the revised FY 2021 budget of \$2,967,900. The Transit System is supported through fares, neighboring communities' financial support, state and federal grants, and City contributions.

The CARES Act funding that addresses the economic fallout of COVID-19 has the federal grant funds for the Transit system increasing to cover 100% of the costs of the program until the funds are expended, which the City anticipates will be at the end of FY 2021. Arizona Department of Transportation (ADOT) that handles the grant fund distribution for the Federal Transit Administration (FTA) anticipated that the CARES ACT grant funds may last to the end of the federal fiscal year (September 2021). The City of Cottonwood stopped collecting Fares for rides in May of 2020 to help citizens during the pandemic. At the time of the budget creation fares are back on the agenda to be reinstated at the end of FY 2021.

The **Airport Fund** shows a significant increase for FY 2022 with the addition of a full-time Airport Manager position. There is a transfer out to the Grants Fund as a match for grants for airport-related projects. The *airport master plan* should be completed in FY 2021 at a cost of \$305,000, and FY 2022 has grant funds for *runway repair, helipad installation and increase of fence height*. The Community Development Block Grant (CDBG) for the Parks Master Plan was carried over from FY 2021 and a pass-through grant for the Verde Valley Homeless Coalition for \$1.75M is also budgeted while Other Grants include \$500,000 for any occasional grants that come along and were not budgeted.

The CARES Act funds received in FY 2021 for Public Safety salaries and benefits allowed the City to set aside \$1.4M dollars, and those funds are budgeted to be spent in the Grant Fund for FY 2022 along with additional funds from the 2021 American Rescue Plan Act of \$1.4M.

The **Debt Service Fund** is budgeted for \$2,005,885, which is slightly lower than last year's revised budget of \$2,008,470. The Recreation Center Debt Service was refinanced in FY 2017 and finalized in FY 2018. This refinancing has payments through 2027. 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 be found in the Debt Service Fund, Streets Capital Improvements, and in the Water and Wastewater budgets.

The City budgeted \$1,801,200 in the **Capital Projects Fund**, which is \$610,700 more than the revised budget for FY 2021. The expenses in this fund for the last several years have only been for the Railroad Wash drainage improvements that are funded through a grant from Yavapai County. With the increase in the City sales tax in FY 2019, Council designated funds to be set aside for reserves for Capital Improvements. As the reserves in this fund grow and sufficient funds are available, large projects will be budgeted.

Furthermore, there is just one other item budgeted for FY 2022 in the amount of \$800,000 for the development of plans and feasibility of a City Hall location. This fund is anticipated to grow by approximately \$600,000 by the end of FY 2022 with staff allocating an additional 2.75% of City sales tax based on FY 2020 ending revenues. City Council has directed staff to increase reserve amounts when possible.

The budget for the **Enterprise Fund**, which consists of Water and Wastewater, has increased from last fiscal year's revised amount of \$16,633,315 to \$39,706,075 for FY 2022. This increase can, in part, be attributed to projects being carried over to FY 2022 and a decrease of the budgeted expenses in FY 2021 that at the direction of the council were being reallocated to the General Fund to cover the bonding for the public safety pension system for FY 2021.

The planned Hwy 260 Water Line Project for \$2M and some planned large projects at the Mingus Wastewater Treatment Plant are carried over to FY 2022. The Utilities Department is developing plans to use the effluent water from the Riverfront Water Reclamation Facility.

The **Fiduciary Fund** aggregate total is up by \$4,200. Both the City's Alternative Pension and Benefits Plan Fund 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 occurring is interest on the remaining fund balance.

## Budget Process Challenges

The preparation of the budget continues to be an extraordinary challenge for all departments. Our largest revenue source, i.e., sales tax, can be unpredictable and fluctuates based on the economic climate. In FY 2019, the City Council approved a sales tax increase of .5% with the stipulation that the majority of the revenues be used to create reserves and fund streets projects.

These reserves and allocations along with 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 allowing the City to work towards re-building the reserves that were available before the 2008 downturn.

Some issues are out of our control, such as rising health insurance premiums, 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, creating a greater challenge to balancing this budget.

The .5% TPT tax increase that was instituted in November of 2018 has helped with maintaining City services and is allowing the City to increase reserves and to help fund some infrastructure projects.

## City Staffing

The budget for FY 2022 does not include funding for the longevity or employee merit program. The merit program will be re-evaluated in the next budget cycle.

There were 14 requests for additional full-time staffing and one for part-time staffing. Five new full-time staff are included in the budget, along with two positions that are not funded. These unfunded positions are for Police Officers. The Police Department is having difficulties filling Police Officer positions and City's Administration wants to make the positions available as over-fill positions in case the department reaches full staffing. There were five reclassifications and range increase requests made, and four were approved.

The minimum wage for part-time employees is increasing in January 2022, but the rate hasn't been released yet by the State and will be calculated based on a type of cost of living adjustment. The current rate is \$12.15 an hour.

Departments were asked to maintain their current funding levels and adjust staffing patterns to contain costs. The total requested amount for additional personnel that were not approved was \$519,607. 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. In FY 2018, the City transitioned with APEHP to a new health insurance pool called Kairos Health Arizona, Inc. The transition to Kairos has reduced costs, since it has a much larger number of organizations.

For FY 2022, there's a 6% increase in the health insurance rates and a 3% increase in dental insurance rates.

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

Here are some of the changes taking effect on July 1, 2021:

- Transitioning from insurance network and claims processor Blue Cross Blue Shield of Arizona to United Healthcare (UHC)
- The allowable contributions for Health Savings Account (HSA) are going up.
- Transitioning from Employee Assistance Program to ComPsych for video counseling and online support groups.

The total costs for health insurance for the City, our employees and their dependents are shown in the table below.

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.

The City of Cottonwood also provides options for dental and voluntary vision coverage. These options are listed in the tables at the bottom of the page.

HEALTH INSURANCE					
CORE PLAN & COPAY PLAN			HDHP \$2500		
Coverage	Employer	Employee	Coverage	Employer	Employee
Employee	899.00	-	Employee	594.00	(300.00)
Spouse	1,529.70	270.30	Spouse	1,008.40	177.60
Children	1,375.00	119.00	Children	905.20	77.80
Family	1,724.00	550.00	Family	1,138.20	362.80
HDHP \$1500			HDHP \$5000		
Coverage	Employer	Employee	Coverage	Employer	Employee
Employee	660.00	(239.00)	Employee	505.00	(300.00)
Spouse	1,120.60	197.40	Spouse	857.80	151.20
Children	1,006.40	86.60	Children	770.60	66.40
Family	1,264.80	403.20	Family	967.00	308.00
<b>Note:</b> The Employer's High Deductible costs do not include the employer contribution to the respective HSA's.					

DENTAL INSURANCE			
Coverage	Employer	Employee	Total Cost
Employee	41.00	-	41.00
Spouse	70.40	12.60	83.00
Children	63.40	5.60	69.00
Family	80.60	26.40	107.00

VISION INSURANCE (Voluntary)			
Coverage	Employer	Employee Bi-Monthly	Employee Monthly
Employee	-	3.79	7.58
Employee & Spouse	-	7.58	15.16
Employee & Children	-	8.11	16.22
Employee & Family	-	12.96	25.92

## Supporting Programs

### Funding Outside Agencies

In previous fiscal years, the City supported the local agencies directly. After discussion with Council, the City staff has developed an Outside Agency Grant Program that involves an application and financial information from all interested parties in receiving funding. This program is funded at \$150,000 for FY2022 and will make the selection process more competitive and allow smaller agencies a chance to receive funding.

### BUDGET POLICIES – FISCAL YEAR 2022

The fund balance policies of the City Council are reflected in this budget. 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. A key initiative in Council's strategic plan is to increase reserves. Commensurate with the strategic plan, City staff has budgeted the restricted reserves at 25% instead of 16.67%

This requirement brought this year's restricted fund balance reserve to \$3,848,183. This amount is estimated to be about 60 days of general fund expenditures coverage. By increasing the restricted reserve to 25% in FY 2022, the budget reserve increased by \$1.9 million to \$5,771,120.

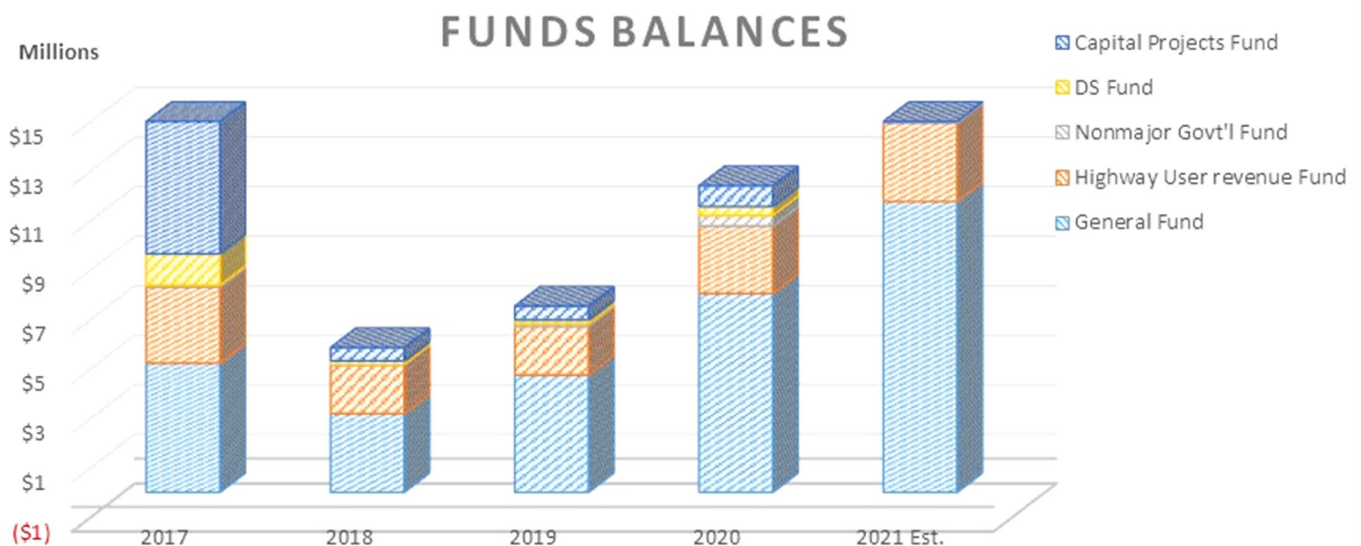
In November 2006, the Council decided, based on a recommendation from management, to fund an additional \$700,000 from excess sales tax into the Capital Accumulation Fund. With this fund reaching over \$1,000,000, the City Council, at the recommendation of management, made the decision to cap this fund at \$1,000,000 and use any excess amount for everyday maintenance and operational costs until the economy improves more significantly.

The capital accumulation fund balance at the end of FY 2021 is \$1.5M. Staff will use the excess \$500,000 toward a one-time purchase of capital. Due to the current economy staff felt that adding an additional 2.75% in reserves for a capital replacement fund in the FY 2022 budget would also meet some of the council's directions in the new strategic plan and added an additional \$634,825 in reserves for this fund.

As part of the TPT tax increase of .5% in FY 2019, Council asked that there be some additional reserves from these revenues for Capital and Programs. The budget reflects those additional reserves of \$446,300

The chart below depicts the fund balances for General Fund, Special Revenue Funds and other non-major funds for the last five years.

FUNDS	2017	2018	2019	2020	2021	2022
General Fund	\$5,228,183	\$3,183,980	\$4,745,160	\$8,042,502	\$11,762,035	\$14,766,615
Highway User revenue Fund	\$3,067,432	\$1,965,848	\$1,965,848	\$2,726,585	\$3,177,745	\$296,080
Nonmajor Govt'l Fund	\$82,589	\$9,483	\$109,866	\$429,954	\$1,713,145	\$287,305
DS Fund	\$1,267,788	\$159,310	\$156,292	\$360,260	\$360,160	\$360,260
Capital Projects Fund	\$5,844,637	\$537,964	\$557,988	\$842,316	\$1,166,890	\$681,200
Fund balances @ year end	\$15,490,629	\$5,856,585	\$7,535,154	\$12,401,617	\$18,179,975	\$16,391,460





## BUDGET DEVELOPMENT

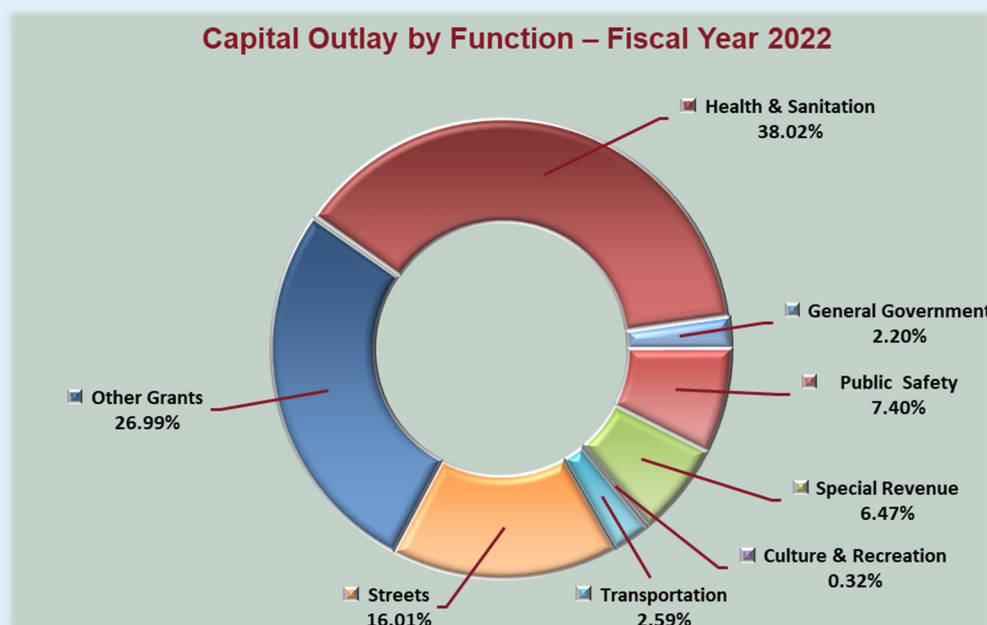
Long range financial planning plays an integral part in the budget development. Revenues and expenditures are projected for a five-year period for all funds. These projections are included within the budget. The result of this five-year analysis demonstrates that revenues barely keep up with operational expenditures for the next five years. Any capital acquisition would require some financing alternatives, see pages 26-30.

## 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 2022 have been integrated into the work plans of the appropriate departments 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 Equipment		Capital Projects	
Function	Estimated Cost	Function	Estimated Cost
General Government	\$471,245	General Government	78,555
Public Safety	1,845,125	Public Safety	0
Special Revenues	800,000	Special Revenue	814,500
Culture & Recreation	\$72,900	Culture & Recreation	6,000
Health & Sanitation	3,691,600	Health & Sanitation	5,791,795
Transportation (CAT & Airport)	587,000	Transportation (CAT & Airport)	60,000.00
Other Grants	\$0	Other Grants	\$6,731,715
Streets	136,000	Streets	3,857,065
<b>Total Capital Equipment</b>	<b>7,603,870</b>	<b>Total Capital Projects</b>	<b>17,339,630</b>

The budget includes \$7,603,870 in equipment acquisitions and \$17,339,630 in construction projects. These items are listed in detail in each department's budget and summarized in the appendix of this budget document on pages 253-258. A summary by function is provided for review and does not necessarily reflect the full cost of ongoing projects. Only those amounts expected to be expended for fiscal year 2022 are budgeted.





*Inspiring a Vibrant Community*

## EXECUTIVE SUMMARY

### City Profile

The City of Cottonwood is situated in central Arizona, bordering the Verde River to its north. It 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 Routes 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
Area (2021)	27.62 Square Miles
2021 Property Tax Assessed Valuation [a]	Primary—\$107,044,059 Secondary—\$145,606,774
Civilian Labor Force (2021) [b]	107,130
Employed (2021) [b]	100,724
Unemployed (2021) [b]	6,406
Unemployment (2021) [b]	6%

[a] Arizona Department of Revenue, Property Tax Division

[b] Arizona Department of Administration (County-wide)

## 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 33.

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.

## City Council and City Manager



Mayor

**Tim Elinski**



Vice Mayor

**Doug Hulse**



Council Member

**Tosca Henry**



Council Member

**Michael Mathews**



Council Member

**Helaine Kurot**



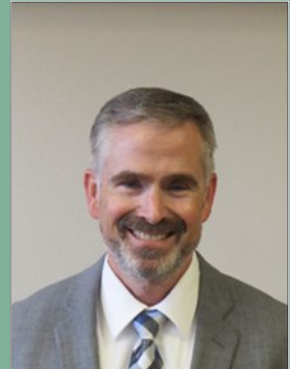
Council Member

**Jackie Nairn**



Council Member

**Debbie Wilden**



City Manager

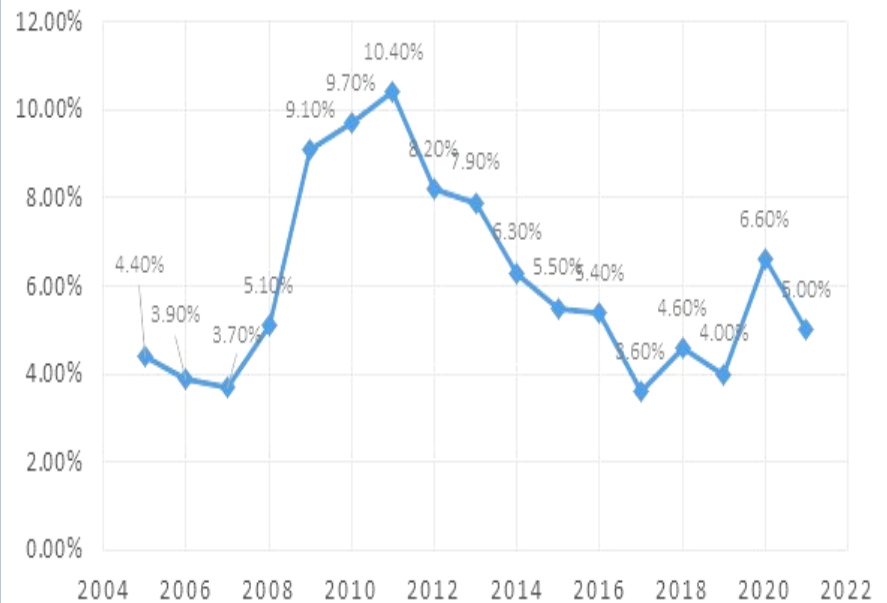
**Ron Corbin**

## Demographics and Economics

### Population



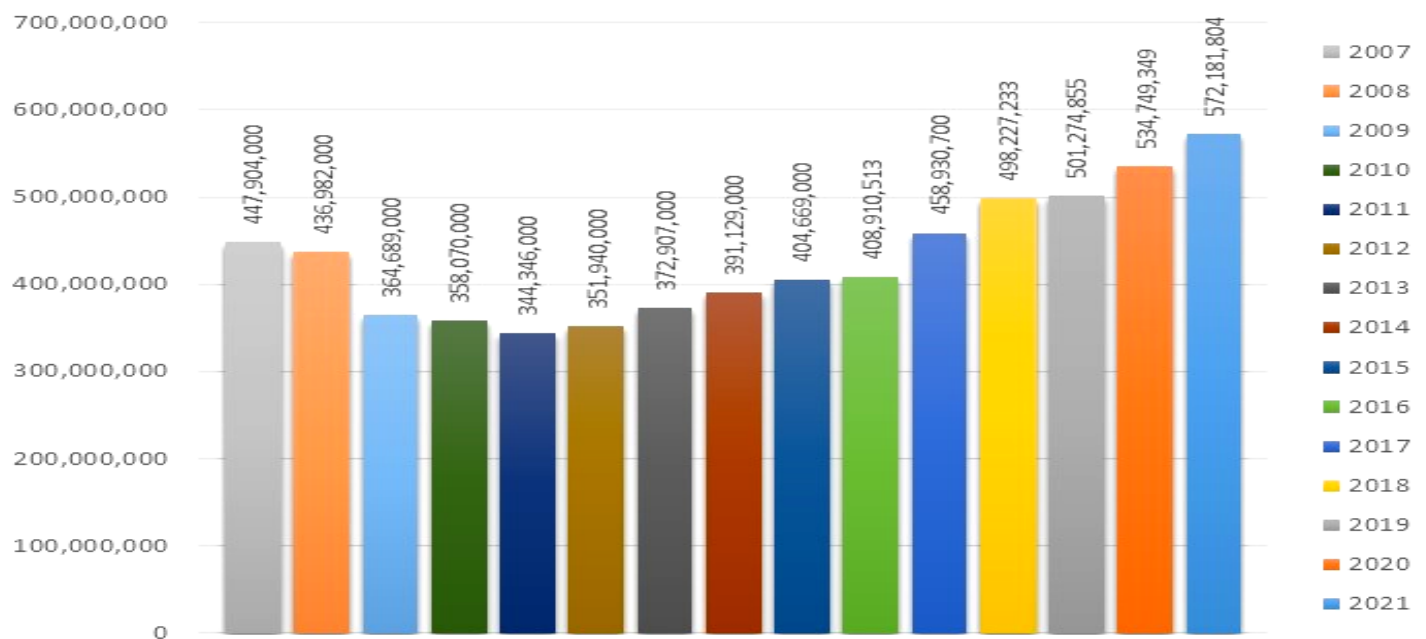
### UNEMPLOYMENT RATE



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 – Yavapai County

### Gross Taxable Sales



Sources:

- [a] City of Cottonwood
- [b] City of Cottonwood—Community Development (Single Family Homes)



## Employers

### Major Private Employers (a)

Verde Valley Medical Center

Wal-Mart – Retail

### Major Public Employers

Arizona Public Service

City of Cottonwood

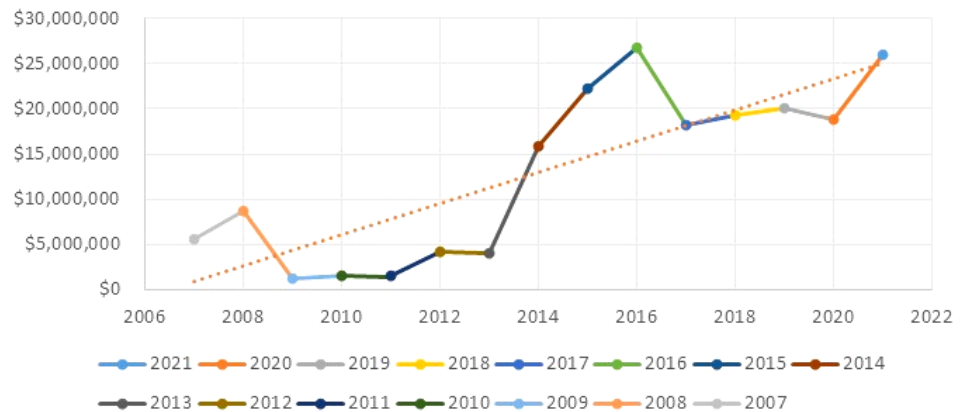
Cottonwood/Oak Creek Schools

Mingus Union High School

Yavapai County

## Permits

Permit Value- Number of Permits



## Education

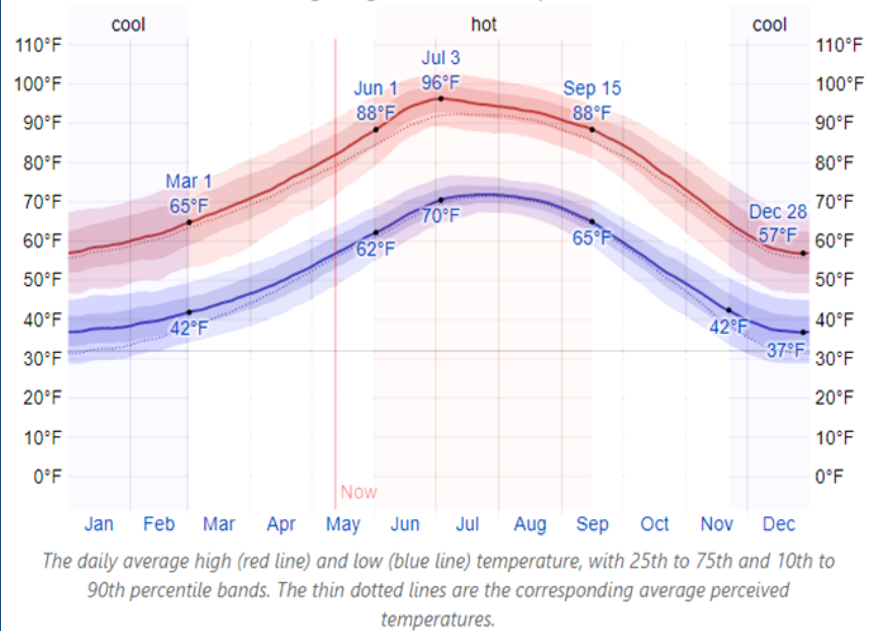
### Education (b)

Elementary Schools	2
Exceptional Children Program	1
High School	1
Community College	1

Student Enrollment		Public School Enrollment	
- 2021:		Enrollment	
Grades K-8	1,617	2021	2,850
		2020	3,049
		2019	3,283
Grades 9-12	1,233	2018	2,828
		2017	3,000
Total Students	2,850	2016	3,060

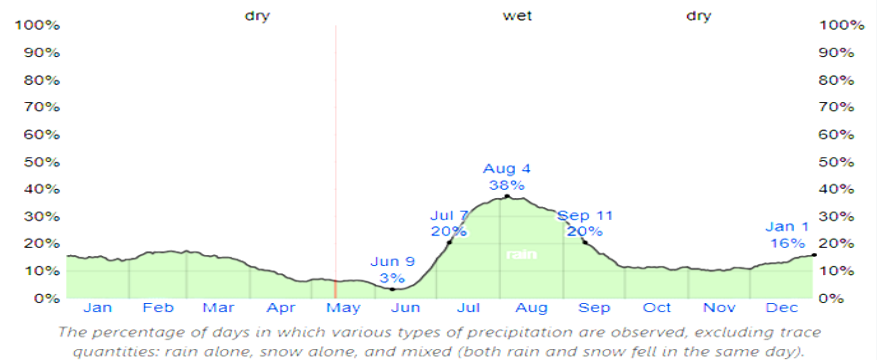
## Temperature

Average High and Low Temperature



## Precipitation

Daily Chance of Precipitation



### Sources:

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

(b) Provided by the AZ Department of Education web-site enrollment report – <http://www.azed.gov/accountability-research/data/>

(c) <https://weatherspark.com/y/2474/Average-Weather-in-Cottonwood-Arizona-United-States-Year-Round>

## FY 2021 Service Statistics

**Fire Protection**

Stations	1
Employees (Full-time)	28
Fire & Hazmat Calls	288
Rescue & Medical Calls	2,696
Public Assist Calls	358
Fire Inspections (various kinds)	1,556
Plan Reviews & Permits	514
Public Ed Contact Hours	7,358

**Recreation & Parks Department**

Community Recreation Centers	2
Swimming Pools	2
Youth Center	1
Instructional Classes	152,825
CRC Rentals	94
CRC Annual Visitors	70459
CRC Current Membership	3861

**Municipal Parks**

Developed Parks	5
Developed Acres	38.7
Undeveloped Acres	91.3
Tennis Center	1
Lighted Ball fields	8

**Library**

Items in Collections	97,030
Ebooks & Audio in Collection	30,000
Total Items Circulated	179,000
Ebooks and Audio Circulated	25,000
Circulation Transactions Per Day	580

**Public Works**

Engineering Reviews (ea. Proj.)	68
Right of Way Permits (ea.)	95
Flood Plain Inquires	280

**Police Protection**

Stations	1
Employees (Full-time)	57
Sworn	30
Non-Sworn	27
Part I Crimes	475
Part II Crimes	12,708
Traffic Warnings	2000
Traffic Citations	960
Arrests – Charged	1,437

**CAT/LYNX Transit System**

Annual Ridership	115,386.00
Miles Traveled	369,921.00
CAT Ridership	59,537.00
LYNX Ridership	42,978.00
ADA Ridership	12,871.00

**Water Utility**

Blue Stake Requests	2982
Pumping Capacity	7.4mgd
Average Pumpage	2.5 mgd
Number of Active Wells	29
Monitoring Wells	4
Injection Wells	1
Number of Storage Tanks	24
Distribution Line	170 Miles
Water Accounts	9,428

**Sewer**

Sewer Line Inspected (LF)	2,500
Miles of Line	62
Average Daily Treatment	1.14 mgd
Plant Capacity	1.8 mgd
Blue Stake Requests	1150
Reclaimed Water Sold	11.9 mg
Number of Sewer Accounts	4,392
Sewer Taps installed	4

## BUDGET POLICIES

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

### Budget Philosophy

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

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

### Balanced Budget

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

### Budget Process

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

In accordance with Arizona Revised Statutes, the City Manager submits a final 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.

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 departmental performance indicators.
-  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.

## TENTATIVE BUDGET CALENDAR FOR FISCAL YEAR 2022

This budget calendar illustrates the progression of the budget process and allows for adequate coordination of budget activities, which will result in a balanced budget and a sound fiscal and capital plan. This calendar remains subject to change.

November 2020	23	Distribute Request Forms for FY 2022 Personnel and Reclassifications
		Due: December 11, 2020
	30	Distribute Forms for FY 2021 Accomplishments and FY 2021 Performance Indicators
		Due: January 8, 2021
December 2020	2	Distribute Forms for the Departmental Five-Year Capital Improvement Plans (CIP)
		Due: January 4, 2021
	10-12	City Council - Strategic Planning Retreat
January 2021	18	Distribute Forms for FY 2022 Goals and FY 2022 Performance Indicators
		Due: February 1, 2021
February 2021	1-5	Meetings with Finance and Departmental Staff Regarding Departmental CIPs
	9	Council Work Session - Presentation of FY 2021 Departmental Accomplishments and FY 2021 Performance Indicators by Finance Staff
	15	Distribute Departmental Budget Work Sheets
		Due: February 28, 2021
March 2021	1-31	Budget Meetings with Finance and Departmental Staff
		Due: March 31, 2021
April 2021	13	Council Work Session - Presentation of FY 2022 Departmental Goals by Finance Staff
	19	Budget Discussion with Mayor and City Staff
	27	Council Work Session - Presentation of Revenue Projections and Changes
	28	Council Work Session - Overview of the FY 2022 Budget
May 2021	2	Employee Staff Meeting
	4	Employee Staff Meeting
	4	Council Regular Meeting - Formal Presentation of Proposed FY 2022 Budget
	4	Council Regular Meeting - Final Day for Changes to Proposed FY 2022 Budget
	4	Council Regular Meeting - Adoption of Proposed FY 2022 Budget
	TBD	Budget Meetings with Individual Council Members (Optional)
	25	Town Hall Meeting - Presentation of Proposed FY 2022 Budget
	TBD	Informal Public Meeting - Presentation of Proposed FY 2022 Budget
June 2021	TBD	Informal Public Meeting - Presentation of Proposed FY 2022 Budget
	15	Council Regular Meeting - Formal Presentation of Tentative FY 2022 Budget
	15	Council Regular Meeting - Public Hearing on Tentative FY 2022 Budget
	15	Council Regular Meeting - Final Day for Changes Tentative FY 2022 Budget
	15	Council Regular Meeting - Adoption of Tentative FY 2022 Budget
July 2021	15	Council Regular Meeting - Setting Expenditure Limitation
	6	Council Regular Meeting - Formal Presentation of Final FY 2022 Budget
	6	Council Regular Meeting - Public Hearing on Final FY 2022 Budget
	6	Council Regular Meeting - Final Day for Changes Final FY 2022 Budget
October 2021	6	Council Regular Meeting - Adoption of Final FY 2022 Budget
	3	Submission of Adopted FY 2022 Budget Document for the Distinguished Budget Presentation Award of the Government Finance Officers Association (GFOA)



## 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 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 total budget allocations, requests for new positions, reclassification of existing positions, capital projects exceeding the departments total budget, 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.

## 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 (MPC). The Municipal Property Corporation will be disbanded as soon as it has a full board to vote for disbanding and gets Council approval. At this time there are no funds or budget for the MPC. 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. The Current budget has a 25% restricted General Fund Balance.



Continue a capital projects accumulation fund of 2.67% of the previous year's General Fund operating revenues, capped at \$1,000,000. The Current Budget includes an additional 2.75% in the Capital Projects fund for a capital replacement program



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, 2021

Net secondary assessed valuation (Full Cash Value)	<u>\$145,606,774</u>
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### Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	29,121,355
Bonds outstanding	<u>0</u>
<b>Net 20% Debt Limitation</b>	<u>29,121,355</u>

### Calculation of 6% Debt Limitation









6% of secondary net assessed valuation	8,736,406
Bonds outstanding	<u>0</u>
<b>Net 6% Debt Limitation</b>	<u>8,736,406</u>

<b>Total Bonding Capacity</b>	<u><u>\$37,857,761</u></u>
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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, 2021 were secured by sales taxes and user fee revenues instead of property taxes.



## Fiscal Policy

-  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.

Debt	Maturity Date	Debt Responsibility	Principal Balance @ 07/01/2021	Principal Due in FY 22	Interest Due in FY 22	Total Due By End of FY22	Ending Principal FY 2022
WIFA 2004 Refinancing	7/1/2030	H2O	\$7,016,881.00	\$678,043.00	\$140,090.00	\$818,133.00	\$6,338,838.00
WIFA 2006 Refinancing	7/1/2035	H2O	11,252,408.00	732,051.00	191,741.00	923,792.00	10,520,357.00
Excise Bond	7/1/2034	GF & HURF	6,768,940.00	360,772.00	311,924.90	672,696.90	6,408,168.00
Excise Bond	7/1/2034	H2O, WW	2,706,060.00	144,228.00	124,700.10	268,928.10	2,561,832.00
Recreation Center	7/1/2027	GF	8,275,000.00	1,055,000.00	319,850.00	1,374,850.00	7,220,000.00
Excise Bond Public Safet	7/1/2038	GF	20,380,000.00	290,000.00	412,293.57	702,293.57	20,090,000.00
Capital Leases	1/1/2022	GF, HURF	893,847.00	510,647.00	0.00	510,647.00	383,200.00
			<b>\$57,293,136.00</b>	<b>\$3,770,741.00</b>	<b>\$1,500,599.57</b>	<b>\$5,271,340.57</b>	<b>\$53,522,395.00</b>

## Investment 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 Financial Services Director 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 Financial Services Director, 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 Financial Services Director, 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 Financial Services Director 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 Financial Services Director.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Financial Services Director 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 Financial Services Director.

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 Financial Services Director. 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 five years and a collateralization level of 102% of market value of principal and accrued interest.

### **Internal Controls**

The Financial Services Director 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 Financial Services Director shall be required to diversify maturities. To the extent possible, the Financial Services Director 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 Financial Services Director may not invest more than 25% of the portfolio for a period greater than three years. Unless matched to a specific requirement, the Financial Services Director may not invest any portion of the portfolio for a period greater than 5 years.

## Reporting

### Method

The Financial Services Director 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 Financial Services Director 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 Financial Services Director 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 Financial Services Director and significant modifications thereto must be approved by the City Council.



## Strategic Plan 2021 - 2023

### Strategic Directions ~ Guiding Principles



#### 1. Foster Sustainable Growth and Development

##### Guiding Principles

- 1.1 Focus on business retention.
- 1.2 Start and end with "the city is open for business."
- 1.3 Support outdoor economics.
- 1.4 Evaluate opportunities for annexation.
- 1.5 Support educational institutions and organizations engaged in workforce development.
- 1.6 Continue with current marketing and tourism direction.
- 1.7 Create organizational flexibility in support of local businesses and housing.
- 1.8 Promote sustainable tourism.
- 1.9 Explore more diversity in housing solutions.
- 1.10 The airport is an economic driver



#### 2. Ensure Our Quality of Life

##### Guiding Principles

- 2.1 Host and support events consistent with our brand.
- 2.2 Offer awareness and educational programs for residents.
- 2.3 Enhance partnerships with community groups to improve park facilities.
- 2.4 Encourage and develop community pride.
- 2.5 Encourage volunteerism in areas of interest that are consistent with our brand.
- 2.6 Support safe neighborhood policies and programs.
- 2.7 Support the creation of third spaces for increased socialization.
- 2.8 Begin work to update the City's General Plan



#### 3. Lead with Environmental Stewardship

##### Guiding Principles

- 3.1 Implement direct potable water reuse.
- 3.2 Pursue opportunities to acquire surface water rights.
- 3.3 Support local programs to increase a culture of conservation.
- 3.4 Maximize the injection and the reuse of reclaimed water.
- 3.5 Encourage the State to fund agencies that support the adjudication process.



#### 4. Improve Our Infrastructure

##### Guiding Principles

- 4.1 Continue to prioritize infrastructure projects.
- 4.2 Advocate for the maintenance and care of state-owned roads and improved signage.
- 4.3 Identify options and a strategy for funding a consolidated City Hall facility.
- 4.4 Prioritize regional and local broadband initiatives.
- 4.5 Continue to prioritize City infrastructure projects.



#### 5. Embrace Financial Accountability and Transparency

##### Guiding Principles

- 5.1 Prepare an accessible and transparent budget that is easy to read and understand.
- 5.2 Recruit and retain highly qualified employees.
- 5.3 Continue to right-size City staffing consistent with community needs.
- 5.4 Remain fiscally conservative.
- 5.5 Maintain physical resources.
- 5.6 Ensure updated budget is available to the community.

[Click here for the City of Cottonwood's Strategic Plan 2021-2023](#)










## OUR STRATEGIC PLANNING

### Accomplishments for Fiscal Year 2021

Biennially, the City Council with staff assistance develops a Strategic Plan for the upcoming two-year fiscal years. In 2019, the council met on January 10 and 11 to discuss a new two-year strategic plan for FY 2020 and FY 2021. A two-day session was held after which the Council agreed to five main points of emphasis for future development:

-  Facilitate economic growth
-  Protecting water resources
-  Promote quality of life
-  Develop and improve infrastructure
-  Refining/Strengthening the budget process

Based on these five initiatives, City staff then worked on developing strategic goals. On December 13, 2019, the City Council and City staff met again to update the goals and to further develop them for the FY 2021 budget cycle.

Listed below are just a few of the many accomplishments from FY 2020's strategic plan that were accomplished in FY 2021.



## FY 2019 TO FY 2021 STRATEGIC PLAN



### Facilitate Economic Growth

- Create and Maintain a Business Friendly and Customer Focused Community
- Promote and Invest in our Unique Quality of Life
- Improve Infrastructure
- Solidify Identity of Brand



### Maximize Efficient Water Use and Reuse

- Invest in Water Infrastructure
- Engage the Community
- Become the Leader in Water Reuse and Education
- Emphasize the Verde River



### Promote Quality of Life

- Evaluate Community Parks
- Increase Community Involvement
- Strengthen Community Awareness and Education



### Develop and Improve Infrastructure

- Prepare for the future
- Evaluate Viability of New City Hall
- Continue to support Street & Sidewalk Improvements



### Refine the Budget Process

- Promote Cost Savings
- Enhance Communication





## Facilitate Economic Growth

Completed *the sale of City-owned property* at the corner of 6<sup>th</sup> Street and Mingus Avenue to SpringHill Suites by Marriott.

Coordinated with Chamber of Commerce to bring a *satellite visitor center* to Old Town.

Created and implemented a *new e-newsletter* for all business license holders in Cottonwood called SHOP Cottonwood.

Worked with City management, staff and special counsel to *negotiate a forbearance agreement* to allow for the development of a second, 20-home phase at the Vineyards in Cottonwood while preserving the City's rights and remedies for default of the obligation to have the extension of Groseta Ranch Road to Main Street completed by the end of 2020.

Established a *new City tourism office* responsible for the Destination Marketing Organization (DMO) for Cottonwood with an outside partner.

Worked with City management, staff and special counsel to *complete the annexation* of approximately 11 square miles of Forest Service land and approximately 280 acres of private land, known as Spring Creek Ranch.

Secured an APS Take Charge AZ grant that enabled the *installation of four EV (Electrical Vehicle) charging stations* behind City Hall that can be used free of charge. This promotes more sustainable business practices and an alternative energy source that reduces the use of fossil fuels.



## Promote Quality of Life

*Leased 100 percent* of the Community Garden plots (50 total).

Designed and implemented a *new Parks and Recreation website* to allow for online reservations and membership renewals.

Maintained a steady *inventory of personal protective equipment (PPE)* as well as *cleaning and disinfection supplies for all City departments* (in a volatile and challenging purchasing environment), since the weekly held community meetings early during the pandemic focused on ensuring that Cottonwood residents had the resources they needed. As the pandemic continued, the focus shifted to economic recovery of our local businesses

Designed and published a *new Ordinance Enforcement webpage* to increase their online presence.

Creation of a *City abatement program* with a funding source to help abate serious health and safety issues in the city.

Upgraded the *play structures* in Garrison Park by including new ADA compliant borders, fall protection surfacing, and an expression swing, utilizing Prop 202 grant funding.

Purchased *bike racks* to match the City's brand and created a *bike map* that encompasses the City's trails and bike ways.

Created and implemented the *Safe and Outside program* to include instructional videos on how to Golf, Hike, Fish, Kayak, and play Disc Golf.

Enhanced physical security with the *acquisition and installation of new hydraulically operated mobile surface mounted barriers and portable wall bollards*. This was made possible by a grant from the Arizona Department of Homeland Security

Hosted "*Vacation Fire School*" for area youth aimed at promoting fire safety and letting them explore possible fire service careers

Implemented *STEAM (Science, Technology, Engineering, Arts, and Mathematics) Kit checkout program* so kids and parents can utilize STEAM kits at home.

## Developing and Improving Infrastructure

Made significant investment in infrastructure resulting in *additional sidewalk and road projects*.

Improved *building security* of the Municipal Court building with the installation of three additional security cameras; two exterior and one interior.

Completed the *design for the sidewalk on Fir Street*.

Completed the design for the *dip repair* on Willard Street and that of the *sight distance* of Cottonwood Street.

Completed the design for the *road diet on Main Street* (Old Town).

Completed the *Old Town alley improvement*.

### Developing and Improving Infrastructure Continued

Contracted with a real-state broker to *sell the City-owned property* located at 816 N Main Street.

Established and adopted an *ordinance regulating sidewalk displays*.

Created easier to read reports for the City Council and City Manager that relay information needed for their decision making.

Developed a *routine maintenance plan* for City-owned HVAC systems.

Upgraded the *street lighting* in Old town from 400 watt metal halide bulbs to LED.

Added two *purpose-built van replacements* for ADA transportation.

Implementation of *Rapid-SOS Portal*, a supplemental tool to the traditional 9-1-1 location information that utilizes additional location identification technology to identify a 9-1-1 caller's location.

Completed the *road diet on Main Street* in Old Town.

Completed the *Riverfront Park trail*.

Conducted *street sweeping activities* along the highway, arterial and collector streets, and on City parking lots.

Installed a *new virtual tower* (Virtower) at the airport that will track aeronautical activity and provide a more accurate accounting of aircraft activity and fleet mix, and improve the ability of the airport to acquire more ADOT and FAA

Received an emergency ADOT grant to *replace the AWOS* (Automated Weather Observation System) at the airport.

Crack-sealed City parking lots.

### Protecting Water Resources

Completed the *refurbishment and upgrade to Lift Station 4*.

Completed the *replacement of the Parshall Flume, adjoining manhole, flow meter, and sampler* as required by ADEQ.

Initiated the *project for sewer main inspection, camera and cleaning*, which is projected to be a three-year program. This project was listed as a goal for FY 2020.

Purchased and initiated the installation of three new adsorption arsenic systems at well-sites Yuma, 6-2 and 8-2. Completed the *installation of SCADA systems* at three additional well-sites.

Completed and submitted *risk and resiliency assessment reports* for the three largest water systems as required by the Environmental Protection Agency.

Completed the *audit of the Utility Department* as part of an effort to enhance this department's efficiency and effectiveness.

### Refining/Strengthening the Budget Process

Added 3.2 million dollars to the City's fund balance by *increasing reserves and being fiscally conservative*.

Adopted a General Fund budget that was approximately 1.7% lower than in the previous budget year.

*Realigned the City's organizational structure* in response to the COVID-19 Pandemic, allowing for budget savings.

Coordinated one *Town Hall meeting* in regards to the City's budget for FY 2020-2021.

Completed and submitted the FY 2020 Comprehensive Annual Financial Reporting (CAFR) to the Government Finance Officers Association (GFOA) for which the Finance Department received the *30<sup>th</sup> GFOA Certificate of Achievement in Excellence in Financial Reporting*; and also received was the *21<sup>st</sup> GFOA Distinguished Budget Presentation Award* for the City's FY 2021 Budget Document.

Developed a *survey to solicit citizen input in the budget process* as directed in the 2019-2020 Strategic Plan.

Facilitated the hiring process for approximately 70 positions of which 36 were full-time, including difficult to fill positions, such as the Fire Chief, Senior Engineer, and Utility Engineer.

Increased the total number of applicants interested in positions posted by the City.

Implemented the Springbrook Enterprise Resource Planning (ERP) *software module for Purchase Order Requisitions and Purchase Order Approvals*.

Moved to the *Office 365 online email platform*, providing redundancy, costs and time reductions, MS teams, and easy email access.

### Refining/Strengthening the Budget Process Continued

Secured the *matching grant of \$12,000* from the Arizona State Historic Preservation Office for the third phase in the creation of a historic district in Old Town Cottonwood .

Implemented *pre- and post-academies* for police recruitment to improve onboarding and retention of new police officers.

Coordinated the selection of Public Safety Personnel Consultants to conduct a *compensation study*.

Developed a biennial fixed asset audit program.

Installed AZ TraCS Electronic Ticketing Software and related hardware (for the printing of tickets) in police vehicles through a grant from the Arizona Governor's Office of Highway Safety.

Created and implemented an *employee cost saving program* called H.E.A.R.T as directed in the 2019-2020 Strategic Plan, section Refine Budget Process.

Successfully transitioned to *new recreation software systems* to reduce transaction fees.

Designed and implemented a *new Parks & Recreation website* to allow for online reservations and membership renewals.

Implemented a *self-service kiosk* at the Guest Services counter to allow for day-pass purchases without staff involvement.

## Organizational Goals for Fiscal Year 2022

The following goals have been identified and included in the budget. These goals, established during budget planning sessions with the City Council and in the Strategic Planning sessions, are integrated into departmental work plans for fiscal year 2022 and were developed as part of the Strategic Initiatives.



Foster Sustainable Growth and Development



Ensure our Quality of Life



Lead with Environmental Stewardship



Improve Our Infrastructure



Embrace Financial Accountability and Transparency

[See the complete version of the Strategic Plan 2021-2023.](#)

### Foster Sustainable Growth and Development

Facilitate the *creation of a community non-profit coalition*.

Select the City's *marketing/tourism partner*, including a new Destination Marketing Organization.

Move forward with Council's directive of *consolidating City facilities* and continue *selling City buildings* and removing City services from Old Town.

Implement *housing solutions*.

*Schedule artists* for a Wine and Art Event in the spring of 2022.

*Approve 90% of business registrations* within two business days.





## Ensure our Quality of Life

Coordinate *four Council/neighborhood meetings* to engage citizens.

*Reduce turnaround time* for basic permit applications.



Increase and diversify *public outreach* in order to reduce the number of code violations and the number of dilapidated structures in the City.

Expand the City's *trail systems* and work with citizen groups/volunteers to create community engagement with the trail systems.

*Increase membership* in the Senior Category by 10% (1250) by offering targeted and specific classes to that demographic.

## Lead with Environmental Stewardship

*Reduce energy cost* at the Recreation Center, Pool and Youth Center by 15%.

Replace old lighting throughout the City with *energy efficient lighting*.

Increase *water conservation education* by partnering with the utility department to hold educational activities geared towards youth.

Continue providing *reliable and safe water delivery* service to all customers that meets or exceeds safe drinking water standards.

Complete the construction to begin *recharging reclaimed water* at the Mingus Injection Well.

Initiate and complete Phase II of the *Direct Potable Water Reuse (DPR) study for the Mingus Wastewater Treatment Plant (WWTP)*, which will provide the necessary information required to make a decision on whether to implement DPR at the Mingus WWTP.

Provide *financial and technical support* to the Verde Natural Resources Defense Council (NRDC) Education Center to continue the Kindergarten/Pre-K to 8<sup>th</sup> grade conservation education program.

## Improve our Infrastructure

Improve the City's infrastructure by increasing the budget allocations for *installation of sidewalks*; and identify and implement *roadway improvements*.

Develop and fund a *capital replacement program*.

Replace Police Department's MDCs and all connection equipment.

Continue enhancement of *Municipal Court security* to meet Arizona Supreme Court standards.

*Develop a detailed map for sweeping* and initiate a stringent schedule to follow to ensure all areas are completed.

Implement an online permitting system.

Design and bid eight lane miles of *pavement preservation* every other fiscal year.

## Embrace Financial Accountability and Transparency

Approve a percent bench mark for City *cash reserves*.

Create an agreed upon *set of core values* for the organization.

Implement City of Cottonwood 2021-2023 Strategic Plan.

Start/Continue conversations on *succession planning* in the Legal department.

Generate report on how other jurisdictions deal with legal services and *evaluate the cost of in-house versus contracting of attorney services*.

Assist with the selection process of firm/successor for legal services for the City.

Develop and create a "*Budget-in-Brief*."

Promote citizen input in the budget process by *developing opportunities for community involvement and education*.

Increase employee retention to a rate of at least 90%.

*Decrease the seriousness and number of workers' compensation injuries and illnesses* in to decrease the City's EMOD by at least 10%.

Create a program or incentive to *promote and increase employees' volunteerism*.

Implement the approved compensation plan.



## FUTURE ORGANIZATIONAL GOALS FOR 2023-2027

The following are some of the long-range goals that 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 (under construction) on pages 34-36.

### GRANT FUNDS

#### Developing and Improving Infrastructure & Facilitate Economic Growth

##### **Airport: Extend Runway**

Extension of the existing runway and increasing the weight bearing capacity to 35,000 to accommodate for future fleet mix and growth. The current runway is 4,252 feet long, 75 feet wide, and has a load bearing capacity of 6,000 lbs. To accommodate appropriate traffic and fleet mix, and to prepare for future growth, the runway needs to be extended to 5,000 feet with a weight bearing capacity of 35,000 lbs.

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

Allowing small business jets to take off out of the Cottonwood Municipal Airport, the airport use and fuel sales can be increased. This project would start in FY 2025 with planning at \$105,000 and construction in FY 2026 at \$970,000. The project would be partially funded with FAA and ADOT grant funding.

#### Developing and Improving Infrastructure

##### **Airport: T Hangar Planning & Construction**

Planning and construction of a new T-Hangar, similar to the current Hangar N, except with only eight bays. The airport has a waiting list for hangars and receives calls on a weekly basis for availability. Hangar N is currently fully occupied, generating over \$30,000/yr and has no debt.

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

This program is an attempt to increase airport revenues and capacity. Promoting economic development in the area and allowing additional use of our Airport is part of the strategic plan that City Council created in FY 2021. The cost for these additional hangars would be in two phases, design in FY 2023 \$20k and then construction in FY 2024 at \$405k. The funding would most likely come from Grants or revenues collected from the lease of the hangars.

#### **Public Safety: Police Department Design and Build New Evidence Building**

Design and build a multi-departmental Property and Evidence building on City-owned property that is adjacent to the current Public Safety Campus. The building will co-locate the personnel of Police Property and Evidence, a multi-agency drug task force, City of Cottonwood IT, and the Cottonwood Fire & Medical Department

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

Currently, the Police Department utilizes space in three different locations for the storage of property and evidence. A new building will consolidate the storage onto one public safety campus. This building will co-locate City departments and also allow for the Utility and Public Works departments as well as the City to properly recapture the current storage spaces and to utilize those resources in a more efficient manner. The cost for the design portion would be budgeted for \$500,000 in FY 2023 with the cost for construction being budgeted for FY 2024 at \$5,720,000. The City would need to bond for the design and construction costs.

### GENERAL FUND

#### **Parks & Recreation:**

##### **Bill Bowden Park Playground Equipment**

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 sub-surface of the Tennis Center courts to be rebuilt with new asphalt materials and new elastomeric layered paint materials.

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

The budget of \$80,000 is to be funded in FY 2023 from the City's sales tax or possible grant funding.

#### **Capital Improvements: City Hall**

The development of a new City Hall with centralized services has been a topic of discussion for several years. The need to have administrative staff in one location to assist citizens is growing as the City grows. During FY 2022, the feasibility of creating a new City Hall and moving out of Old Town will be determined to allow for more commercial growth in Old Town and, possibly, a city square.

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

The budget of \$16M to construct or purchase a new location for the City Hall is an estimate and will most likely be funded through bonding and paid for with the city's sales tax.

### **Public Safety: Fire and Police Sub-Stations**

New Satellite Fire and Police Sub -Station. Purchase land, design and construct a Satellite Station in the Fir Street/State Route 260 or Mingus Avenue/State Route 89A area to serve the southern commercial corridor and annexation areas of the city. By establishing the City's presence, 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 the design of the new building; the planned costs are \$470,000 in FY 2027 and most likely construction for approximately \$4M in FY 2029. The substation would be manned by current employees.

### **Parks & Recreation: 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 Parks & Recreation Department for Thunder Valley Rally event 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 2024 and 2025 for a total cost of \$300,000.

### **Parks & Recreation:**

#### **Develop Riverfront Trail System**

As part of the Parks Master Plan developed in FY 2020 and FY 2021 a trail system was designed. Having a Riverwalk trail that leads along the Verde River at Riverfront park and connects to the Jail Trail that is already developed and the 5th street trail would lead to a more interconnected trail system.

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

This project would develop a Riverwalk along the Verde River at the Riverfront park location. The project is projected to take place in FY 2024 with design for \$16,000 and construction in FY 2025 \$146,00 for a total cost of \$162,000.

### **Parks & Recreation:**

#### **Soccer Fields at Riverfront**

This project would construct Soccer Fields at Riverfront Park. The new Soccer fields are part of the Parks Master Plan that was created in FY 2020 & FY 2021.

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

This project is anticipated to cost approximately \$390,000 in FY 2023 and has the potential to be grant funded. If no grant can be obtained then the project could be funded by City sales tax.

## **HURF FUNDS**

### **Developing and Improving Infrastructure**

#### **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 2017 strategic plan, Council increased the amount for pavement maintenance from \$600,000 to \$750,000 and directed that it 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 prevent the streets from "going to gravel." This ongoing program is funded through the Highway User Revenue Fund (HURF), the 1% construction sales tax initiated on January 1, 2006, and the 0.5% TPT tax increase initiated in FY 2019. Every other year, \$750,000 is budgeted to allow for other projects in the off years. Future budgets for pavement preservation includes FY 2024 and FY 2026.

#### **HURF: Sidewalk Additions**

This project is budgeted every year. Its funding 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.

**HURF: Yavapai Street**

Yavapai Street improvements and Parking Lot - Yavapai Street between Main and First Streets. This project will improve Yavapai Street between Main Street and First Street. It will widen this portion of Yavapai Street to provide access to wider vehicles and promote growth in this area of Old Town. The parking lot will be installed on city property at the southwest corner of Yavapai and First Streets. It will provide additional parking to serve the businesses at the north end of Old Town.

**Fiscal/Programmatic Impact**

This program would be funded from HURF fuel tax revenues or general fund contributions to the Streets department. The anticipated cost for FY 2023 is \$431,500.

**HURF: Aspen Street—Sidewalk Infill**

This project would be the second phase of the 6<sup>th</sup> Street project and involve reconstruction and drainage improvements to 6<sup>th</sup> Street for the section from Aspen Street to State Route 89A. The roadway is in need of reconstruction due to high traffic. This project would also include sidewalks.

**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 for design is \$50,000 in FY 2023 and for construction in FY 2024 and FY 2025, \$750,000 and \$1,900,000 respectively.

**HURF: Main Street from Grey Fox to 10<sup>th</sup> Street**

This project would involve the reconstruction and drainage improvements to Main Street for the stretch between the intersections with Grey Fox Ridge and 10<sup>th</sup> Street. 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 for design is \$50,000 in FY 2023 and for construction in FY 2024 and FY 2025, \$750,000 and \$1,900,000 respectively.

**HURF: Main Street from 10<sup>th</sup> Street to State Route 89A**

This project would involve reconstruction and drainage improvements to Main Street for the stretch between the intersection with 10<sup>th</sup> Street and State Route 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 for design is \$50,000 in FY 2023 and for construction in FY 2024 and FY 2025, \$750,000 and \$1,900,000 respectively.

**ENTERPRISE FUNDS****Developing and Improving Infrastructure****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. This includes upgrades to the SCADA programs and the upgrading of pumping, electrical work and equipment.

**Fiscal/Programmatic Impact**

Fiscal impact will be a total of \$675,000 over the next four years to cover needed maintenance of and construction to the existing water lines and to further develop the water system. These funds will be covered by the current water reserves.

**Utilities: Fire Flow Upgrades (ongoing)**

This program aims to improve service quality by replacing undersized, substandard and defective water lines, which do not currently have a sufficient flow to conserve water.

**Fiscal/Programmatic Impact**

This program will allow for increased fire protection capability and replace sub-standard and/or defective water lines, which inhibit safe delivery of potable water. For the future, it will also reduce the amount of waterline repairs. The \$200,000 over the next 5 years will be provided through system improvement reserves and user fees.

**Utilities: Lift Station Rehab**

The project aims to rehabilitate all lift station sites by bypassing, cleaning and coating all pipes, replacing pipes where necessary, and upgrading electrical and pumps. The budget is anticipated to cover one site per year, based on the condition, for repairing the aging infrastructure and maintaining operational status.

**Fiscal/Programmatic Impact**

The lift stations were installed in 1989-1990 and have only had emergency upgrades to keep the plant operating. The current future amount to fund rehabbing lift station 1 is \$800,000 in FY 2024 and will be funded with wastewater fees.

## Developing and Improving Infrastructure

### Utilities: Underground Repairs

This program aims to improve service quality by replacing undersized, substandard and defective wastewater lines that have been in the ground for over 30 years.

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

This program will allow the replacement of piping and such in the system that was built in the 1980s. The estimated cost over a four-year period is \$750,000 and will be funded through system improvement reserves and user fees.

## Developing and Improving Infrastructure

### Utilities: HWY 260 System Upgrades

This program aims to improve service quality by replacing undersized, substandard and defective water lines, which do not currently have a sufficient flow to conserve water and to provide additional lines for flow.

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

This program will allow for increased fire protection capability and replace sub-standard and/or defective water lines that inhibit the safe delivery of potable water. For the future, it will also reduce the amount of waterline repairs. The \$1,298,430 that will be spent in FY 2023 is from a Water Infrastructure Finance Authority (WIFA) loan with \$800k being forgivable.

### Utilities: Meter Replacements (ongoing)

Meter replacements will take place in a phased program that allocates funds to replace meters in all of the City's routes. The first replacements to radio-read smart meters started in FY 2021 and will continue until all of the meters are replaced.

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

This program will improve meter reading and reduce future costs through a program that automatically reads the meters. The project is expected to take seven years to complete and was started in FY 2021. It will end in FY 2028 at a total cost of \$3.9M.





## LONG RANGE FINANCIAL PROJECTIONS

### GENERAL FUND

Revenues	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Taxes	\$17,862,128	\$18,096,581	\$18,516,372	\$19,144,841	\$19,670,265
Licenses & Permits	484,730	496,840	509,270	522,010	535,070
Intergovernmental Revenue	3,552,200	3,476,150	3,597,430	3,722,940	3,852,840
Charges for Services	3,252,330	3,345,510	3,442,190	3,542,490	3,646,620
Fines & Forfeitures	234,870	240,740	246,760	252,920	259,240
Uses of Monies & Properties	81,220	83,920	86,720	89,610	92,600
Micellaneous Revenues	49,120	50,480	51,890	53,330	54,810
<b>Total Revenues</b>	<b>\$25,516,598</b>	<b>\$25,790,221</b>	<b>\$26,450,632</b>	<b>\$27,328,141</b>	<b>\$28,111,445</b>
Expenditures	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
General Government	\$8,946,650	\$9,301,365	\$9,647,940	\$10,005,480	\$10,311,650
Public Safety	11,560,358	12,227,835	12,885,950	13,418,048	13,923,195
Culture & Recreation	2,231,900	2,323,650	2,419,210	2,518,740	2,622,540
<b>Total Expenditures</b>	<b>\$22,738,908</b>	<b>\$23,965,588</b>	<b>\$24,595,144</b>	<b>\$25,715,157</b>	<b>\$26,889,327</b>
<b>Gain/(Loss)</b>	<b>\$2,777,690</b>	<b>\$1,824,633</b>	<b>\$1,855,488</b>	<b>\$1,612,984</b>	<b>\$1,222,118</b>

### ANALYSIS

This five-year analysis of the General Fund demonstrates that operating revenues are forecasted to keep up with or outpace expenditures for the next five years. This change from previous years' negative outcomes is due to increased commercial growth and the .5% increase of our main revenue source Transaction Privilege Tax. These projections were developed with the current economic outlook in mind but do not forecast any type of major economic downturn. Any downturn in the economy will impact the major revenue stream for the City and cause deficits in future years.

The City Council voted for a .5% sales tax increase in FY 2019 and designated a large portion of the increased revenues to reserves. This increased the reserves that the City of Cottonwood has and also helped keeping up with current expenditures. These reserves are not reflected in the forecasting but will be a positive if an economic downturn happens in future years.

Some issues that are out of the City's control are rising employee benefits costs and rising wages. Health insurance costs for employees and their dependents will increase as of July 1, 2021 by 6%. Workers compensation will see a slight decrease in FY 2022 due to decreased claims, and both the Arizona State Retirement and the Public Safety Retirement Systems will have increases in employer matching contributions.

Even though these types of increases are out of the City's control, they will need to be covered by the available revenue streams.

At the time the community voted to build the Cottonwood Recreation Center that was completed in 2010, the operations were projected to have a cost recovery of 70%. Since 2010, the Recreation Center has never reached a 70% cost recovery and continues to rely heavily on the General Fund for support. The Recreation Center is an important economic driver and an amenity that the City of Cottonwood is proud to have. The City will continue to work on increasing the cost recovery with a goal of at least 75%.

This analysis reflects a conservative view of current City revenue sources and the managers estimated the costs for carrying 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 FUNDS

Revenues	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
HURF / Streets	\$2,494,960	\$2,536,270	\$2,580,010	\$2,623,970	\$2,668,175
CATS	2,808,400	2,892,650	2,979,440	3,068,840	3,160,910
Library	1,154,470	1,213,440	1,275,430	1,340,550	1,409,010
Cemetery	-	-	-	-	-
Airport	155,890	159,160	162,480	165,890	169,370
Airport Grants	-	-	-	-	-
Other Grants	-	-	-	-	-
CDBG	-	-	-	-	-
<b>Total Revenues</b>	<b>\$5,807,313</b>	<b>\$5,972,800</b>	<b>\$6,143,420</b>	<b>\$6,319,440</b>	<b>\$6,500,920</b>
Expenditures	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
HURF / Streets	\$1,305,270	\$1,359,280	\$1,415,570	\$1,474,220	\$0
CATS	2,206,230	2,299,780	2,397,330	2,499,140	2,605,420
Library	1,144,610	1,192,780	1,243,010	1,295,400	1,350,090
Cemetery	-	-	-	-	-
Airport	305,030	317,850	331,220	345,160	284,340
Airport Grants	-	-	-	-	-
Other Grants	-	-	-	-	-
CDBG	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$6,239,595</b>	<b>\$5,670,070</b>	<b>\$6,651,960</b>	<b>\$6,146,040</b>	<b>\$7,150,530</b>
<b>Gain/(Loss)</b>	<b>(\$432,282)</b>	<b>\$302,730</b>	<b>(\$508,540)</b>	<b>\$173,400</b>	<b>(\$649,610)</b>

### ANALYSIS

#### Streets 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 because of the State raiding the HURF funds. The Capital Projects Fund will help ease this fund's fiscal problems where larger projects are planned. The City Council in FY 2019 dedicated a portion of the .5% sales tax increase for streets, sidewalks and road projects. The resulting revenues are helping with the operations of this fund. This forecast does not include large street or sidewalk projects.



#### Transit System

The City provides with CAT (Cottonwood Area Transit) a fixed-route bus system and paratransit programs in Cottonwood, Verde Village and Clarkdale areas. The Verde LYNX public transportation system is a commuter service that connects Cottonwood with Sedona. The transit system is partially funded by ADOT funds, fares, and through inter-city revenues. Even with the funding received by other agencies, the General Fund has to transfer in funds 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 2023	FY 2024	FY 2025	FY 2026	FY 2027
Interest Income	650	650	650	650	650
User Fees	-	-	-	-	-
City Sales Tax	1,648,580	1,643,720	1,647,305	1,643,450	1,642,355
<b>Total Revenues</b>	<b>\$1,649,230</b>	<b>\$1,644,370</b>	<b>\$1,647,955</b>	<b>\$1,644,100</b>	<b>\$1,643,005</b>
Expenditures	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Trustee Fees	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Principal Payments	1,235,700	1,300,050	1,337,290	1,395,985	1,449,680
Interest Payments	405,450	346,680	304,580	249,470	191,920
<b>Total Expenditures</b>	<b>\$1,643,150</b>	<b>\$1,648,730</b>	<b>\$1,643,870</b>	<b>\$1,647,455</b>	<b>\$1,643,600</b>
<b>Gain/(Loss)</b>	<b>\$6,080</b>	<b>(\$4,360)</b>	<b>\$4,085</b>	<b>(\$3,355)</b>	<b>(\$595)</b>

### ANALYSIS

The Debt Service for the Cottonwood Recreation Center and the 2015 Excise Bond are 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 2015 Excise Bond was split between Streets, Debt Service, Water and Wastewater because it funded projects in all four funds. 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, called Cottonwood Water Works, Inc. Currently, this fund has ample reserves to cover this deficit.



Cottonwood Recreation Center



## ENTERPRISE FUNDS–WATER AND WASTEWATER

Revenues	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Taxes	\$0	\$0	\$0	\$0	\$0
Interest Income	12,300	12,610	12,930	13,250	13,580
User Fees	12,960,730	13,284,750	13,616,850	13,957,260	14,306,180
Miscellaneous Income	71,000	72,770	74,590	76,450	78,370
<b>Total Enterprise Revenues</b>	<b>\$13,044,030</b>	<b>\$13,370,130</b>	<b>\$13,704,370</b>	<b>\$14,046,960</b>	<b>\$14,398,130</b>
Expenditures	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Construction	\$3,119,870	\$3,213,470	\$3,309,870	\$3,409,170	\$3,511,440
Operations	4,676,670	4,870,740	5,073,040	5,283,810	5,503,560
Administration	1,654,970	1,723,290	1,794,460	1,868,640	1,945,900
Water & Waste Water Debt Service Exp.	2,044,790	2,048,926	1,899,635	1,855,220	1,782,115
<b>Total Enterprise Expenses</b>	<b>\$11,496,300</b>	<b>\$11,856,426</b>	<b>\$12,077,005</b>	<b>\$12,416,840</b>	<b>\$12,743,015</b>
<b>Gain / (Loss)</b>	<b>\$1,547,730</b>	<b>\$1,513,704</b>	<b>\$1,627,365</b>	<b>\$1,630,120</b>	<b>\$1,655,115</b>

### ANALYSIS

The Enterprise Funds pertain to the Water and Wastewater Divisions that are self-sufficient and depend on the divisions 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 2020 and will be increased every year until FY 2024 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. In FY 2020, the City Council approved rate increases for FY 2021 to FY 2024 that will help balance any operating deficits.





## FIDUCIARY FUND

Revenues	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Interest Income	\$13,390	\$13,790	\$14,200	\$14,630	\$15,070
Contributions	-	-	-	-	-
<b>Total Revenues</b>	<b>\$13,390</b>	<b>\$13,790</b>	<b>\$14,200</b>	<b>\$14,630</b>	<b>\$15,070</b>
Expenditures	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Benefits Paid	1,850	1,910	1,970	2,030	2,090
<b>Total Expenditures</b>	<b>\$1,850</b>	<b>\$1,910</b>	<b>\$1,970</b>	<b>\$2,030</b>	<b>\$2,090</b>
<b>Gain/(Loss)</b>	<b>\$11,540</b>	<b>\$11,880</b>	<b>\$12,230</b>	<b>\$12,600</b>	<b>\$12,980</b>

## ANALYSIS

Besides the Volunteer Pension Fund, the Fiduciary Fund also includes the City's Employee Benefits Trust Fund, which used to be the City's health insurance for employees and dependents. In FY 2018, the City became a member of KAIROS Health Arizona, Inc. that provides health, dental, and vision coverage for many entities, including schools and cities in Arizona. For FY 2022 and beyond, no activity is expected in both funds.

## REVENUES AND EXPENDITURES ANALYSIS

### All Funds—Consolidated Revenues

This fiscal year's **revenue projections** are based on several different factors, 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 2019 showed revenue from our local sales tax improving and the beginning of FY 2020 had sales tax up by approximately 7% before a global coronavirus pandemic caused businesses to close and a stay-at-home order was issued by the federal and state governments. Arizona's stay-at-home order lasted for two months and stifled the economy for that period. Although it was expected that the economy would slow or be stagnant well into FY 2021 that did not come to fruition and FY 2020 and FY 2021 have seen sizable increases in our main revenue source. Sales Tax increased by over 18% over FY 2019 figures in the two year period of FY 2020 and FY 2021. The outlook for future years is looking positive and we anticipate that the FY 2022 will show another increase of 4% over FY 2021 sales tax figures.

A listing of All Funds Consolidated Revenues by Sources is on page 51. A further breakdown by source and fund may be found on page 54.

### All Funds—Consolidated Expenditures

**Expenditure projections** for FY 2021 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 in commodities and utilities are 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 the fiscal years 2012 and 2013 were eliminated and are still not included in the projections for FY 2022. Salaries are also projected to increase at an annual rate of slightly over 4%, 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, new position requests, 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. The General Fund–Revenues Schedule is provided on page 58 of this document.

### Taxes

Special attention was given to our local **City Sales Tax**. This tax had been dropping for several years after the economic downturn but since then has been rising to 3% - 5% for the last two or three years. Comparing the local sales tax 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 65% of all General Fund revenues.

**State Shared Revenues** constitute 15.1% of total operating revenues or about \$3.9M for FY 2022. This is up by .13% from last year's revenues. State finances and 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's economic climate. Currently, the State of Arizona is trying to establish a flat tax that would greatly reduce these funds for future years if enacted. The Arizona League of Cities and Towns is working with the State trying to get the State to hold the Cities and Towns harmless if the flat tax is passed.

**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 in the past five years.

### Licenses and Permits

License and Permit Revenues are budgeted at \$472,900. This is a 1.57% increase in FY 2022 over FY 2021, resulting from a fee increase that was adopted in July of 2019. Construction had been increasing at the beginning of FY 2020 with a new Dutch Bros, Starbucks Coffee and a Dunkin Donuts & Baskin-Robbins being built, and several housing developments starting construction. We are anticipating that this trend will continue as the Verde Valley works on our current housing issue and with the addition of a new Springhill Suites by Marriott that is being built in FY 2021.

## Intergovernmental Revenues

Intergovernmental revenues are based on a share 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 a new per capita formula. As of FY 2022, the estimated revenues are based on the current U.S. Census numbers that reflect a more accurate population estimate. The City can expect a combined increase of 5.69% for FY 2022, including all police and fire grants. The state shared income tax, or urban revenue sharing, 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 Cottonwood Recreation Center. These revenues have stabilized and the estimate for FY 2022 is expected to increase 10.58% over the year end figure for FY 2021; a moderate increase, partially due to the anticipated increase of 5% for dispatching fees and the fact that revenues for FY 2021 were down because of COVID-19.

## Fines and Forfeitures

Since fiscal year 2011 and the creation of a new “Court Enhancement” fee, these revenues have increased slightly every year. For the FY 2022 revenues in this area are budgeted to be down by .2% .

## Uses of Monies and Properties

An investment policy that the City has adopted in the past allows for 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. From 2015 to 2020, investments had been earning a higher return as interest rates climbed. Due to the current pandemic, interest rates were lowered, and we are not anticipating a great return for FY 2021 or FY 2022. Therefore, this revenue is budgeted to be down in FY 2022 by 12.55% from FY 2021.

## Miscellaneous Revenues

Miscellaneous revenues have always fluctuated wildly with donations and one-time revenues that do not fit into other revenue line accounts. This category is budgeted to be down by 55.47% from FY 2021.

## General Fund Expenditures

The General Fund is used to account for resources traditionally associated with government that are not to be accounted for another funds. The general fund finances municipal services including public safety (police, fire & medical, 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 39.46% from the FY 2021 original budgeted amount. This translates in an increase of \$16,806,355 over that of the previous fiscal year’s revised budget of \$42,596,205. This net increase includes some rollover projects and \$13,317,190 in fund balance reserves.

The increase in funds for **Personnel** is because of increases in health insurance, retirement and other related taxes, but it is lower than in previous years due to the restructuring of several departments and a reduction in force that eliminated five positions in the General Fund.

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

With health care costs continuing to rise, APEHP and the City of Cottonwood decided, starting FY 2018 to move all members out of APEHP into a new insurance

pool, called Kairos Health Arizona, Inc. By spreading the liability over more pool participants in Kairos, rates will be kept from increasing drastically. FY 2022 will show a 6% increase in health insurance rates.

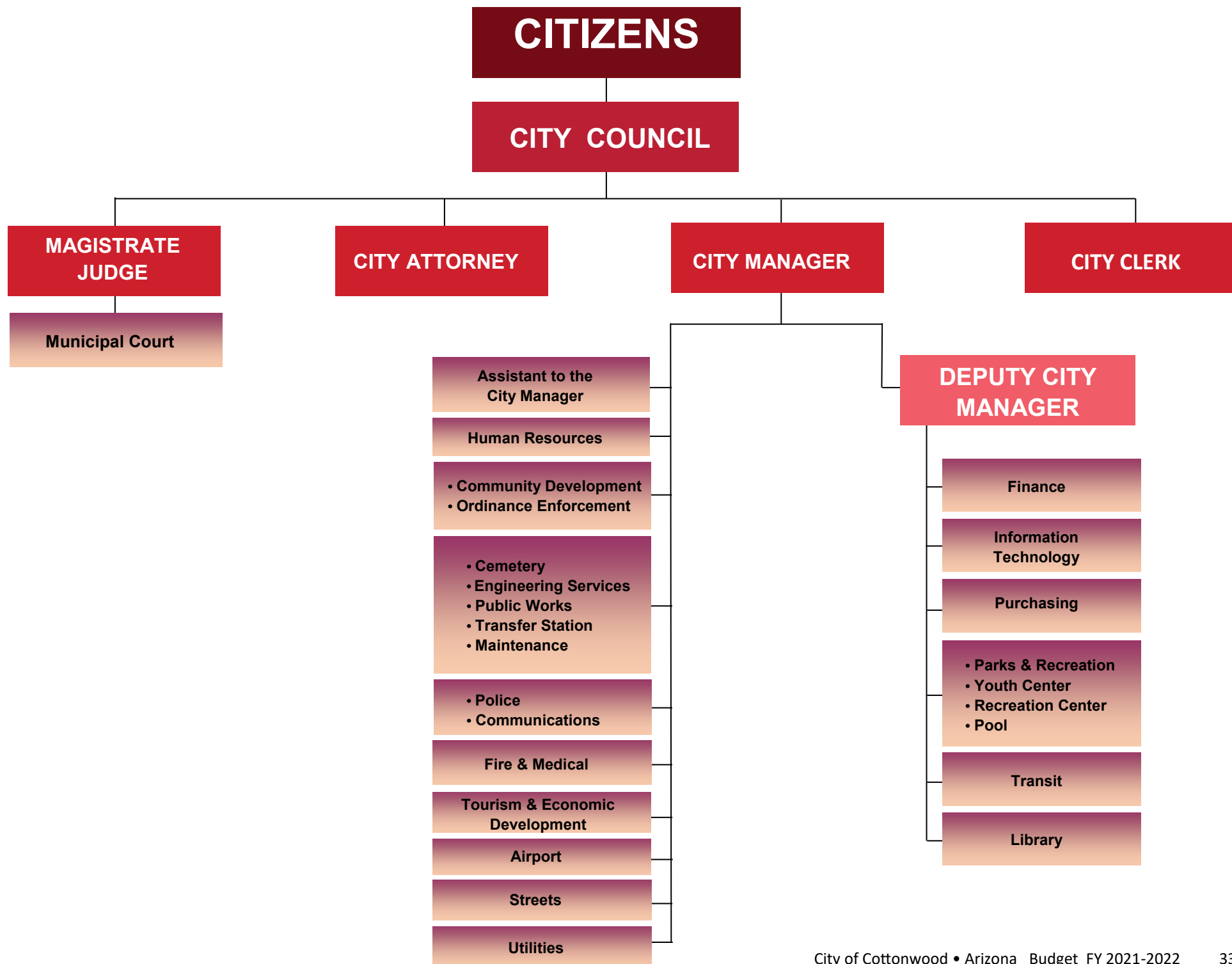
The **Operating Supplies** category has increased by \$80,300 from \$608,880 in the last fiscal year to \$689,180 for this year. This increase is the result of a re-evaluation of each department’s needs after cutting operating budgets in previous years. Department heads continued to take a very close look at their operating supplies and most were able to stay within their overall requests.

**Contractual Services** are anticipated to increase by 13.5%. This is partially due to the continued need for specific services that will be performed by independent contractors since staffing is decreasing.

**Other Services and Charges** reflect an increase that is mainly due to departments adding services to the budget that are deemed necessary and Public Safety Pension Bonding that is budgeted for FY 2022.

**Capital Outlay** is budgeted to increase. The City is budgeting some one-time capital items and some major projects due to the availability of one-time funds for FY 2022.

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





## FIVE-YEAR CAPITAL IMPROVEMENT PLAN

### 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 \$50,214,721. This figure is substantial 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 include 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 just 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 restricted revenues, that are specifically designated for capital improvements projects. There are policies outlining the requirements for the various restricted revenue sources. Restricted revenues have multiple projects assigned, based on council guidance.

In the City's CIP, the projects are measured against the main initiatives of the Strategic Plan, and a plan is developed that helps the City reach the goals of the Strategic Plan. More information on the strategic plan can be found on page 16 and in the Strategic Plan.

During the budget preparation for FY 2021, the COVID-19 pandemic caused the City to re-evaluate capital purchases for that fiscal year. A plan was created in which in phase one items would be purchased if funds became available during FY 2021; any items not purchased in phase one would be carried over to FY 2022. As part of the Capital Improvement Plan, City staff will look at the changes in operating costs that may be affected by increased capital purchases.

### Grants Fund Policy

- Any grant that is programmed but for which funding is not yet 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 a large contribution percentage may keep some grants from being solicited.

### Public Safety Funds

- Current commitments are priority
  - Public Safety Lease Purchase
- Restricted to Public Safety capital
  - 1<sup>st</sup> priority is fleet—developing a new Enterprise lease program
  - 2<sup>nd</sup> priority is other projects

### 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 allocated to street improvements. Another source is grant funding for major street projects. These sources have council imposed guidelines:

- 1% construction sales tax will be used by this fund
- Uses of these revenue resources
  - Streets Department Maintenance & Operations
  - Streets Construction
  - Streets Capital

All major street projects will have a 10% restricted funding component to be used for

- Sidewalks
- Landscape
- Bike paths and trails

### Wastewater User Fees

Wastewater user fees are currently not sufficient to cover operations and maintenance costs as well as future planned capital projects for the Wastewater Utility. The wastewater rates were reviewed and a five-year plan was created to increase rates starting September 1, 2019. Other revenue sources have been allocated to assist this enterprise fund with its capital needs.

### Water User Fees

The Water Utility was designed to be self-sufficient. Currently, the utility is generating enough revenue to cover costs of maintenance, operations, administration, debt service, and capital improvements. Water user fees provide the majority of the revenue. The City of Cottonwood adopted a four-year rate plan in FY 2019 with the first increase to be implemented on July 1, 2020. The rate increases will help the Water Utility cover operating costs and capital improvements.

## Water Resource Reserve Fund

The reserves in this fund are accumulated by the Water Utility from fees collected for very specific purposes. These reserves are expected to cover the costs of acquiring water rights, defending legal challenges and providing conservation incentives. Included are also ancillary costs involved in getting these objectives accomplished.

## Capital Improvements Fund

The accumulations in this fund are from an excess sales tax collected prior to July 1, 2007, and they are set aside for capital improvements throughout the City organization. During the 2008 recession, it was decided to cap this fund at \$1,000,000 until the economy recovered and sales tax began to see gains. Council also has allocated an additional 10% of the new .5% sales tax that was established in fiscal year 2019 toward infrastructure/capital improvements. Allocations for this additional CIP reserve were \$270,950 in FY 2020, an anticipated \$286,090 for FY 2021 and \$294,675 for FY 2022 totaling \$851,720 in three years.

## Capital Improvements Plan

Department	Requested for FY 2022	Budgeted for FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Five Year Total CIP
Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City Clerk	13,260	13,260	11,027	11,358	-	-	-	22,385
Community Development	62,200	75,200	25,000	-	-	-	-	25,000
Engineering	37,205	77,705	-	30,000	30,000	-	-	60,000
Finance	-	-	-	-	450,000	-	-	450,000
Human Resources	-	-	-	-	-	-	-	0
Information Technology	217,680	211,680	75,141	47,000	15,000	15,000	15,000	167,141
Maintenance	171,955	171,955	-	47,000	-	67,600	-	114,600
Fire & Medical	2,436,950	1,676,950	-	130,000	-	-	145,000	275,000
Police Department	668,175	168,175	5,724,800	4,800	4,800	4,800	470,000	6,209,200
Parks & Recreation	27,500	27,500	536,000	368,000	161,000	26,000	148,000	1,239,000
Recreation Center	104,400	51,400	90,600	120,400	616,400	85,400	19,000	931,800
Youth Center	-	-	-	-	-	-	-	0
Library	60,000	131,000	15,000	-	-	-	-	15,000
Airport Grants	1,086,300	1,368,500	218,000	722,000	775,000	970,000	-	2,685,000
Cemetery	368,500	368,500	-	-	-	-	-	0
CDBG	1,750,000	1,993,115	-	-	-	-	-	0
Grants Fund	-	3,377,100	-	-	-	-	-	0
Streets	4,954,065	3,993,065	1,518,500	1,978,465	1,903,200	1,374,000	2,813,000	9,587,165
Transit	405,000	640,000	266,000	6,000	6,000	6,000	6,000	290,000
CIP Fund	1,115,000	1,115,000	-	-	-	-	16,000,000	16,000,000
Water	4,323,300	3,823,300	3,523,430	2,325,000	2,090,000	1,475,000	640,000	10,053,430
Wastewater	7,623,000	5,660,095	1,340,000	250,000	250,000	250,000	-	2,090,000
<b>Totals</b>	<b>\$25,424,490</b>	<b>\$24,943,500</b>	<b>\$13,343,498</b>	<b>\$6,040,023</b>	<b>\$6,301,400</b>	<b>\$4,273,800</b>	<b>\$20,256,000</b>	<b>\$50,214,721</b>



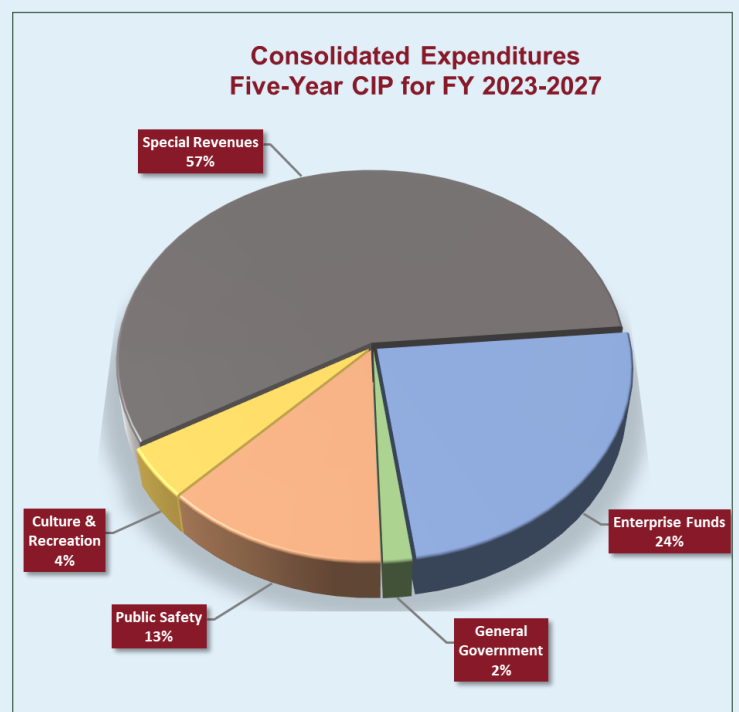
## FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Fund – Revenues	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total Five Years
<b>Revenues/Reserves/Other Financing Sources</b>						
General Fund	\$3,919,658	\$4,112,415	\$4,308,643	\$4,504,189	\$4,160,012	\$21,004,917
Special Revenue Funds	1,993,204	2,944,796	2,186,596	3,132,599	2,345,629	10,257,194
Enterprise Funds	26,362,691	27,168,146	28,425,414	29,265,456	30,135,272	111,221,708
<b>Total Available Revenues and Reserves</b>	<b>\$32,275,553</b>	<b>\$34,225,356</b>	<b>\$34,920,654</b>	<b>\$36,902,244</b>	<b>\$36,640,913</b>	<b>\$174,964,720</b>
<b>Other Financing Sources</b>						
General Fund – Other Financing Sources	5,375,000	3,195,000	0	16,000,000	0	28,970,000
Special Revenue – Other Financing Sources	0	0	0	0	0	0
Enterprise Funds – Other Financing Sources	0	0	0	0	0	0
<b>Total Other Financing Sources</b>	<b>\$5,375,000</b>	<b>\$3,195,000</b>	<b>\$0</b>	<b>\$16,000,000</b>	<b>\$0</b>	<b>\$28,970,000</b>
<b>Total Revenues/Reserves/Other Financing Sources</b>	<b>\$ 37,650,553</b>	<b>\$ 37,420,356</b>	<b>\$ 34,920,654</b>	<b>\$ 52,902,244</b>	<b>\$ 36,640,913</b>	<b>\$ 203,934,720</b>

Fund – Expenditures	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total Five Years
<b>Expenditures and Other Financing Uses</b>						
General Fund – Other Financing Commitments	\$1,646,725	\$3,313,843	\$3,042,048	\$4,059,818	\$2,884,818	\$14,947,252
Special Revenues – Other Financing Commitments	1,630,395	2,083,380	2,143,655	2,143,655	2,143,655	10,144,740
Enterprise Funds – Other Financing Uses	8,903,141	9,131,863	9,370,111	9,621,229	9,884,903	46,911,247
<b>Other Financing Uses</b>	<b>\$12,180,261</b>	<b>\$14,529,086</b>	<b>\$14,555,814</b>	<b>\$15,824,702</b>	<b>\$14,913,376</b>	<b>\$72,003,239</b>
<b>General Fund Expenditures</b>						
General Fund – General Government	111,168	135,358	495,000	82,600	15,000	839,126
General Fund – Public Safety	5,724,800	134,800	4,800	4,800	615,000	6,484,200
General Fund – Culture & Recreation	641,600	488,400	777,400	111,400	167,000	2,185,800
Special Revenue Funds – HURF and Transit	2,002,500	2,706,465	2,684,200	2,350,000	18,819,000	28,562,165
Enterprise Funds	4,863,430	2,575,000	2,340,000	1,725,000	640,000	12,143,430
<b>Total Expenditures</b>	<b>\$13,343,498</b>	<b>\$6,040,023</b>	<b>\$6,301,400</b>	<b>\$4,273,800</b>	<b>\$20,256,000</b>	<b>\$50,214,721</b>
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 25,523,759</b>	<b>\$ 20,569,109</b>	<b>\$ 20,857,214</b>	<b>\$ 20,098,502</b>	<b>\$ 35,169,376</b>	<b>\$ 122,217,960</b>

Planned Revenues	
Reserves, Revenues and Fees	\$174,964,720
Other Financing Sources	28,970,000
<b>Total Available Revenues</b>	<b>\$203,934,720</b>

Planned Expenditures	
General Government	\$839,126
Public Safety	6,484,200
Culture & Recreation	2,185,800
Special Revenues	28,562,165
Enterprise Funds	12,143,430
<b>Total Expenses</b>	<b>\$50,214,721</b>
<b>Total Financing Uses</b>	<b>\$72,003,239</b>
<b>Total Expenditures and Uses</b>	<b>\$122,217,960</b>





## IMPACT OF CAPITAL BUDGET ON OPERATING BUDGET

Below is an estimated impact of operating costs for all capital items budgeted for the full five-year representation of the projects. Amounts represent an addition to or reduction of operating costs.

Fund Type	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>General Fund</b>					
City Clerk - Software Acquisition - Subscription Costs	-	6,027.00	6,358.00	-	-
Administration - Consolidated City Hall - Utilities Reduction & Staff Reduction	-	-	-	-	(50,000.00)
Community Dev - New Vehicle - Maintenance	-	(1,500.00)	(1,500.00)	(1,500.00)	(1,500.00)
Engineering - Topcon Robotic	-	-	-	-	-
Engineering - Replacement Truck - Maintenance	-	-	-	-	(1,500.00)
Fire - Truck (Maintenance)	-	(25,000.00)	(20,000.00)	(15,000.00)	(25,000.00)
Fire & Medical and Police - Substation - Utilities & Maintenance	-	-	-	-	10,000.00
IT - Mobile Data Computers	-	-	-	-	-
IT - Command Staff Dashboard	-	-	-	-	-
Maintenance - John Deere Mower - Maintenance	-	(1,500.00)	(1,000.00)	(1,500.00)	(1,000.00)
Maintenance - Utility Truck - Maintenance	-	1,500.00	1,500.00	2,000.00	2,000.00
Maintenance - Communications UPS	-	-	-	-	-
Maintenance - Club House Roof	-	-	-	-	-
P&R - Bill Bowden Park Playground Equipment - Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
P&R - Move Dog Park	-	-	-	-	-
P&R - Park Wayfinding signs	-	-	-	-	-
P&R - River Front Park Trails - Maintenance & Upkeep	-	1,200.00	1,200.00	1,200.00	1,200.00
P&R - River Front Park Trails - Develop Riverfront Park - Maintenance	-	-	-	1,200.00	10,000.00
P&R - Soccer Fields - Maintenance & Upkeep	-	80,000.00	8,000.00	8,000.00	8,000.00
P&R - LED Conversions - Utility Savings	-	(1,500.00)	(1,500.00)	(1,500.00)	(1,500.00)
P&R - Old Town Activity Park - Cultural Park - Maintenance & utilities	-	-	2,500.00	2,500.00	2,500.00
P&R - Re-sod Program Parks - Garrison & Lions Park - Utilities	-	1,200.00	1,200.00	1,200.00	1,200.00
Police Department - Evidence Facility - Maintenance & Utilities	-	10,000.00	10,000.00	10,000.00	10,000.00
Police - Fleet Additions	(1,200.00)	(1,200.00)	(1,200.00)	(1,200.00)	(1,200.00)
Recreation Center - Pump for Indoor Pool - Utilities	-	(1,200.00)	(1,200.00)	(1,200.00)	(1,200.00)
Recreation Center - Generator- Utilities	-	-	5,000.00	5,000.00	5,000.00
Recreation Center - Solar Electric	-	-	-	(10,000.00)	(10,000.00)
Recreation Center - Cardio Equipment - Maintenance	(3,000.00)	(2,500.00)	(2,500.00)	(2,000.00)	(1,500.00)
Recreation Center - Exterior Paint	-	-	-	-	-
Recreation Center - Indoor Pool Resurfacing	-	-	-	-	-
Recreation Center - Roof Repair	-	-	-	-	-
<b>Additional (Reduction) Operations &amp; Maintenance Costs</b>	<b>(3,200.00)</b>	<b>66,527.00</b>	<b>7,858.00</b>	<b>(1,800.00)</b>	<b>(43,500.00)</b>
<b>Special Revenue Funds</b>					
Streets - Truck Maintenance	-	-	(2,000)	(2,000)	(1,500)
Streets - Club House Parking	-	-	-	-	-
Streets - Yavapai Street	-	-	-	-	-
Streets - Willard Sidewalk Construction	-	-	-	-	-
Streets - Aspen Sidewalk Infill	-	-	-	-	-
Streets - NACOG HURF - Exchange FY 2023 89A Construction	-	-	-	-	-
Streets - Main Street - Grey Fox to 10th Street	-	-	-	-	-
Streets - Main Street - 10th to SR 89A	-	-	-	-	-
Transit - Wine Line - Clarkdale to Cottonwood	15,000	100,000	100,000	100,000	100,000
Transit - Jerome Route - Salaries and Maintenance	10,000	10,000	10,000	10,000	10,000
Airport - Taxiway Rehab Repair	-	-	-	-	-
Airport - Hangar Construction	-	-	-	-	-
<b>Additional (Reduction) Operations &amp; Maintenance Costs</b>	<b>25,000</b>	<b>110,000</b>	<b>108,000</b>	<b>108,000</b>	<b>108,500</b>
<b>Enterprise Funds</b>					
Water - W Meter Replacements - Salaries and Benefit Savings	(15,000)	(30,000)	(45,000)	(60,000)	(15,000)
Water - Arsenic Systems for Well 8/9 - Media Costs	(10,000)	(10,000)	(10,000)	(10,000)	-
Water - Fire Hydrant Improvements	-	-	-	-	-
Water - Trucks - Maintenance	(1,500)	(2,000)	-	-	-
Water - Water Main Replacement	-	-	-	-	-
Water - Wells Improvements	-	-	-	-	-
Water - Well booster	-	-	-	-	-
Water - Water System Upgrade - SCADA	-	-	-	-	-
Water - Water Valve GPS	-	-	-	-	-
Water - HWY 260 System Upgrades	-	-	-	-	-
Wastewater - Clean Collection System	-	-	-	-	-
Wastewater - Lift stat Check Valves	-	-	-	-	-
Wastewater - Lift Station 1 Rehab	-	-	-	-	-
Wastewater - Underground Repairs	-	-	-	-	-
Wastewater - SCADA	-	-	-	-	-
<b>Additional (Reduction) Operations &amp; Maintenance Costs</b>	<b>(26,500)</b>	<b>(42,000)</b>	<b>(55,000)</b>	<b>(70,000)</b>	<b>(15,000)</b>





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## City Sales Tax Revenues

### Description

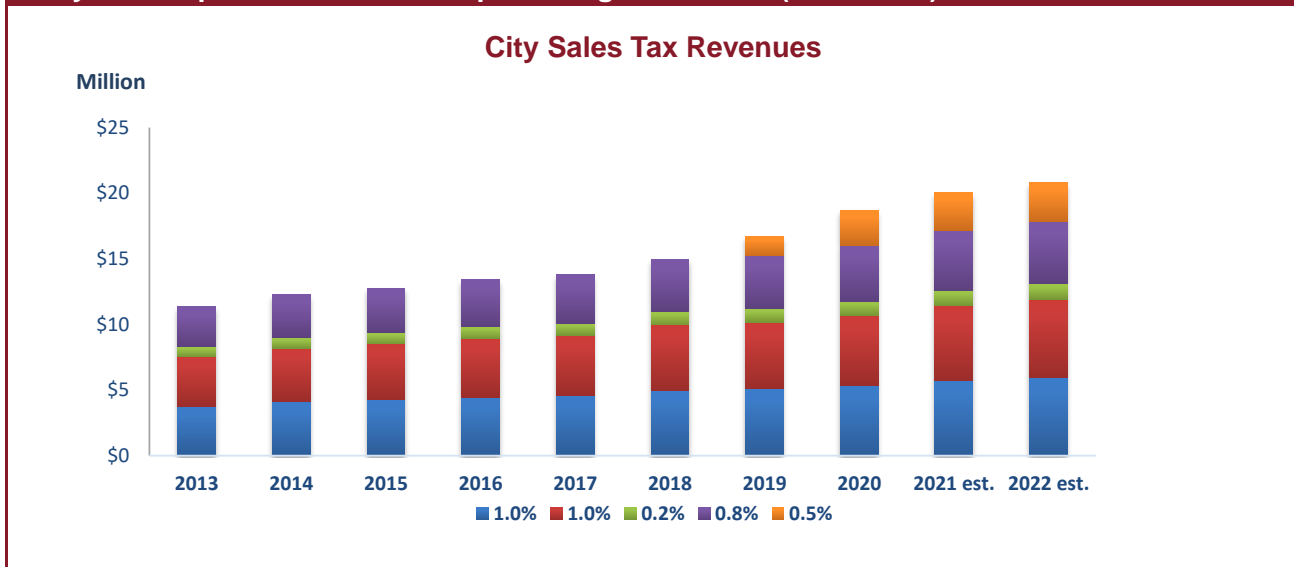
The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved an additional two tenths percent increase to construct a new city library in FY 2009, taking the rate to 2.2%. In 2009, Council voted to increase the rate by .8% taking the rate to 3%. In 1999, a change was made in the method used to accrue tax revenues to coincide with the State of Arizona's collections. The current tax rate is three and 1/2 percent (3.5%) after the Council approved an increase of .5% in fiscal year 2019 that took effect on November 1, 2018.

### Analysis

Fiscal Year Ending 06/30	1.0%	1.0%	0.2%	0.8%	0.5%	Total Sales Tax 3.5%	% Inc. / (Dec.)
2013	3,776,451	3,776,451	755,290	3,021,161		11,329,353	7.08%
2014	4,092,206	4,092,206	818,441	3,273,764		12,276,617	8.36%
2015	4,258,287	4,258,287	851,657	3,406,629		12,774,860	4.06%
2016	4,461,752	4,461,752	892,350	3,569,402		13,385,257	4.78%
2017	4,589,307	4,589,307	917,861	3,671,446		13,767,921	2.86%
2018	4,982,272	4,982,272	996,454	3,985,818		14,946,817	8.56%
2019	5,081,918	5,081,918	1,016,384	4,065,534	1,490,715	16,736,468	11.97%
2020	5,347,493	5,347,493	1,069,499	4,277,995	2,673,747	18,716,227	11.83%
2021 est.	5,721,818	5,721,818	1,144,364	4,577,454	2,860,909	20,026,363	7.00%
2022 est.	5,950,691	5,950,691	1,190,138	4,760,553	2,975,345	20,827,418	4.00%

The City of Cottonwood serves as the retail center of the upper Verde Valley. In fiscal years 2010-2018, the gross business sales increased proportionally to the population in the area. Most of the population growth continues to be in the unincorporated areas of the valley. To mitigate the effect of the declining economy in FY 2008 to 2018, the City increased its sales tax by .8% in 2008 to 3%. The continued growth in sales tax revenues received since the FY 2010 recession is partially due to this .8% sales tax increase. Fiscal years 2013 and 2014 showed an increase in consumer confidence and spending. Since FY 2014, sales tax revenue has steadily increased through FY 2017 when taxable sales reached pre-recession numbers. The result of Council's approval of a .5% tax rate increase in 2018 is evident in the growth of the sales tax revenues for fiscal year 2019. During the FY 2021 budget process the Corona Virus or COVID-19 pandemic struck and the budget and revenue projections for FY 2020 and FY 2021 were expected to be much lower. The City of Cottonwood did not see that anticipated slowly in sales tax and actually ended FY 2020 11.83% over FY 2019. The strong economy has continued into FY 2021 and the forecasting for FY 2022 with increases of 7% and 4% respectively.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





## Urban Revenue Shared Income Tax Revenue



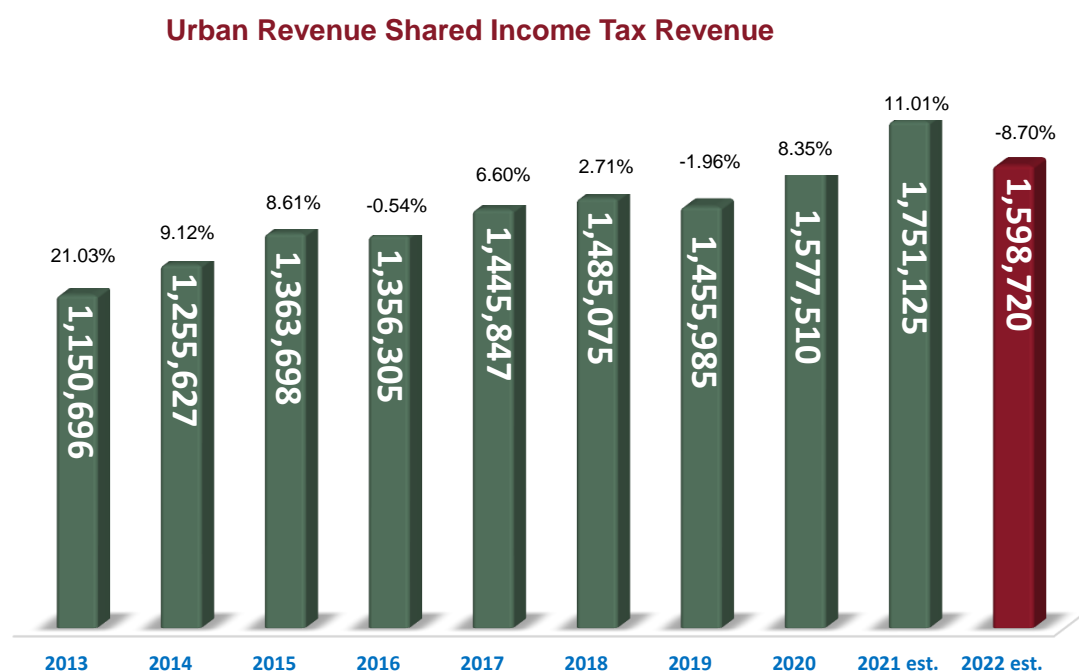
### Description

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. The 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

The State of Arizona implemented new tax percentages that were not tied to the IRS deductions in 2012 and the revenues for the Urban Revenue Sharing (State Shared Income Tax) increased in the following years. The revenues received for this Shared Revenue source have shown a steady increase over the last ten years from \$1.15M in 2013 to \$1.6M in 2022 or an overall growth of 38.94% in the 10 year period. Fiscal year 2021 showed one of the largest single year increases in this revenue source in the 10 year period. These increases can be attributed to job growth and an increase in the States minimum wage. Fiscal year 2022 shows a decrease to this revenue source of 8.7% from FY 2021. The State of Arizona during the budget process for FY 2022 is discussing a flat tax that could impact Cottonwoods share of the Income Tax greatly in future years. Another factor that will impact this revenue was the shutdown during FY 2020 due to the COVID pandemic and the loss of jobs and increase in unemployment. These figures are based on collections by the State of Arizona from two years prior.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





## State Shared Sales Tax Revenue



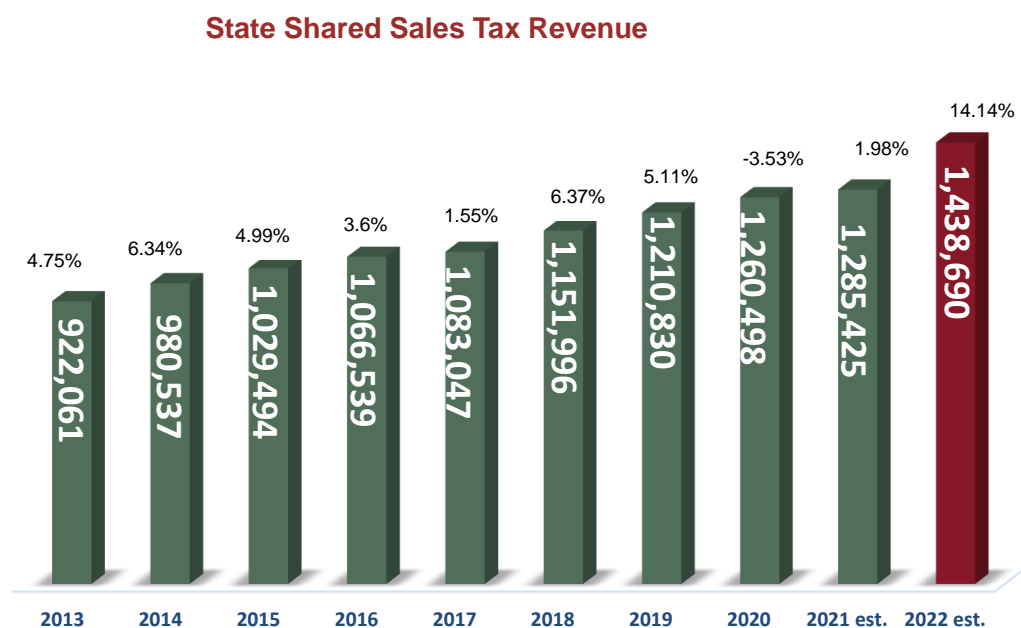
### Description

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. Therefore, the City's sales tax projection and State Shared Sales Tax do not correlate. 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 from FY 2008 through FY 2010. Since then, the economy has been showing signs of recovery with steady increases from FY 2011 to FY 2020. The growth of this revenue is based on the current economic expansion and the growing population in Arizona. For FY 2020 an increase of 6.42% was originally budgeted, but has been revised down to a decrease of 3.53% due to the economic fallout of COVID-19 but actual revenues came in at 4.1% over FY219. The revenue for FY 2021 is estimated to increase by 1.98% based on current revenues trends. This revenue source is projected at the state level and the State may adjust this number later in the year depending on the state's economy. City's receive 25% of the base amount projected by the State of Arizona and that is divided up between Cities and Towns based on population. FY 2022 is estimated to be 14.14% higher than FY 2021 as the economy is currently strong in Arizona.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





Motor Vehicle In-Lieu Revenue

Description

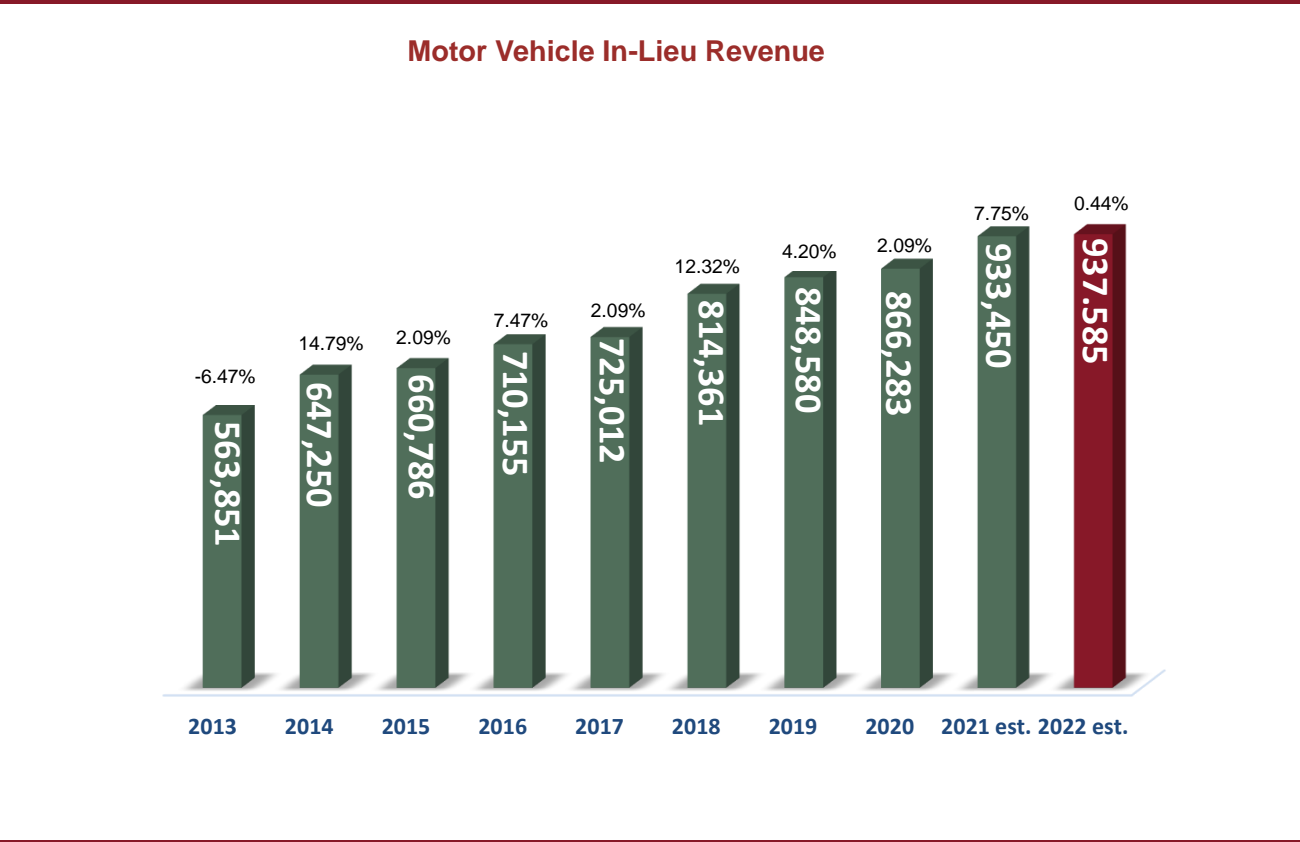
Arizona cities receive a 20% share of the net revenues collected from the licensing of vehicles in their related county. Each city's share within their county is determined based on the city's population in relation to that of the county as a whole. These revenues are distributed by the State Treasurer. 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

This revenue source showed a large rebound in FY 2014 after the drop in 2008 due to the recession. The revenues received starting in FY 2015 are closer to the level of 2008 and they have grown at a pretty steady pace since then. This revenue for FY 2021 is estimated to be .44% higher than that of FY 2020 and shows that the economy had almost fully recovered. However, the estimate for FY 2021 reflects the impact that COVID-19 is anticipated to have on the local Arizona economy. Before the pandemic the State and the City of Cottonwood were both projecting large increases in vehicle sales. Overall this revenue source has increased by 66% in the ten year period of 2013 to 2022.

Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30



Investment Revenues



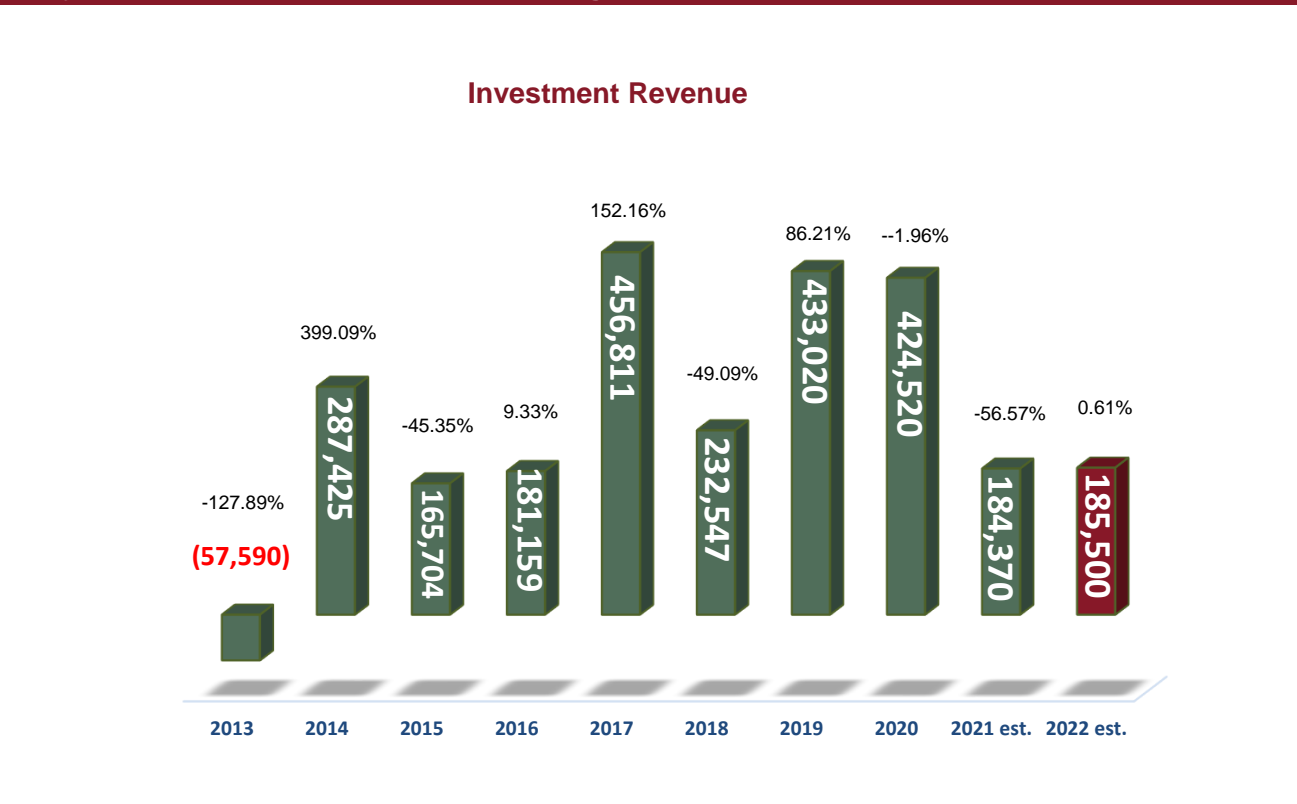
Description

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

The growth of these revenues began to slow in FY 2010 as interest rates dropped dramatically as a result of the economic downturn in 2008. During this time, 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 them. Since 2014 the City of Cottonwood has increased its cash position and has stopped investing any excess funds in order to keep better availability to these resources. The Council has directed staff to use a large amount of the .5% sales tax increase enacted in FY 2019 to start increasing the City reserves and investments. The federal government cut interest rates midway through FY 2020 due to the economic decline caused by COVID-19. With interest rates still low this revenue source will still not see any significant growth for FY 2021 or FY 2022.

Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





## Building Permits Revenues



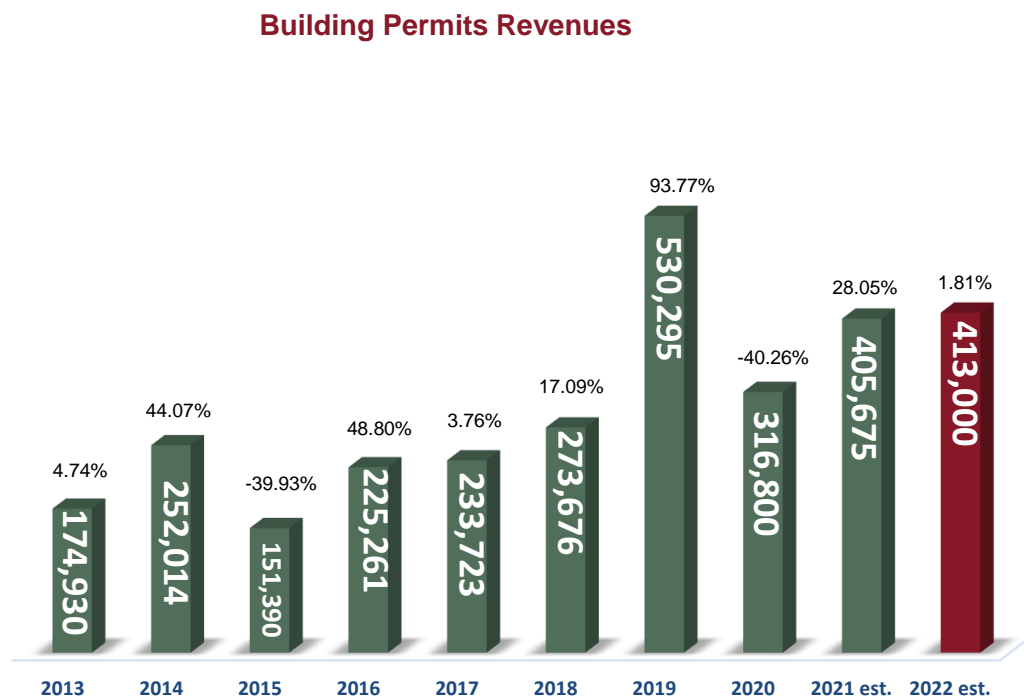
### Description

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

### Analysis

The economy had started slowing in 2008 and led to a continued decrease in this revenue in the years after. The decrease came to a halt in FY 2012 when the economy began to turn around and in FY 2014 the revenues reached a level that exceeded that of FY 2009. Even though forecasted at a moderate rate, the revenue for FY 2018 exceeded this expectation and in FY 2019 it nearly doubled. Currently, there are two large residential home developments being planned and hopefully this revenue will increase as these homes are built and sold. The building permit fees were increased in FY 2020. Revenues for FY 2020, however, were to be down by 40.26% from FY 2019 as COVID-19 seems to have stopped construction. FY 2021 is projected to increase by 28.05% over FY 2020 with the economy improving but FY 2022 is projected to only increase slightly due to increased costs in lumber.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





## Fines and Forfeitures Revenues



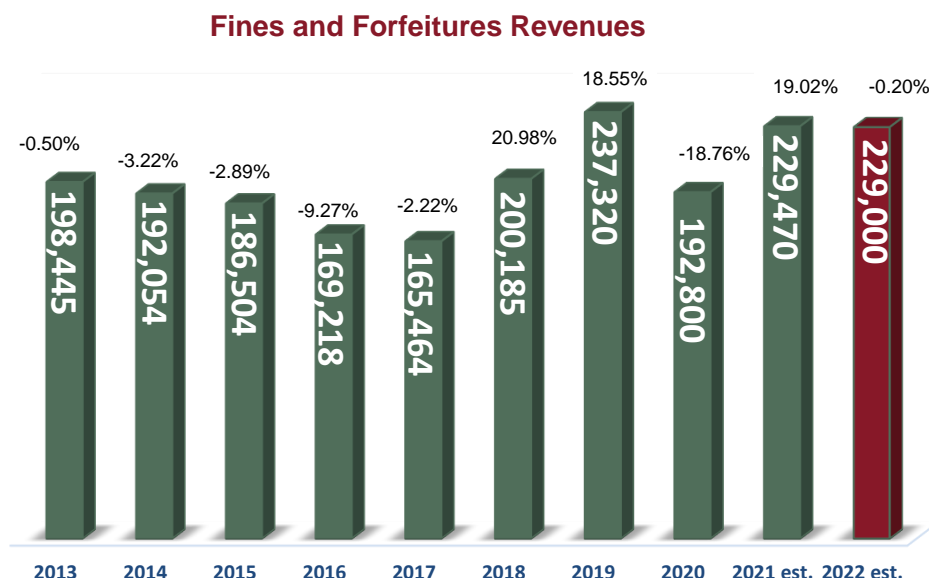
### Description

Fines and Forfeitures revenues 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 revenues.

### Analysis

These City revenues fluctuate each year based on traffic enforcement. In FY 2005, a new interim magistrate made some major changes in the way the Court conducted business which in turn improved the collections. 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. In FY 2019, the City Council voted to decrease the magistrate's position to a 60% FTE, but during FY 2020 it was determined that a 80% FTE was warranted and is continuing into the FY 2022 budget. The estimates for FY 2021 is anticipated to increase by 19.02% over FY2020 due to the COVID Pandemic in FY 2020 and the State wide shutdown for many months. FY 2022 is anticipated to decrease slightly from FY 2021 as revenues and court cases level out.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30







## Franchise Tax Revenues



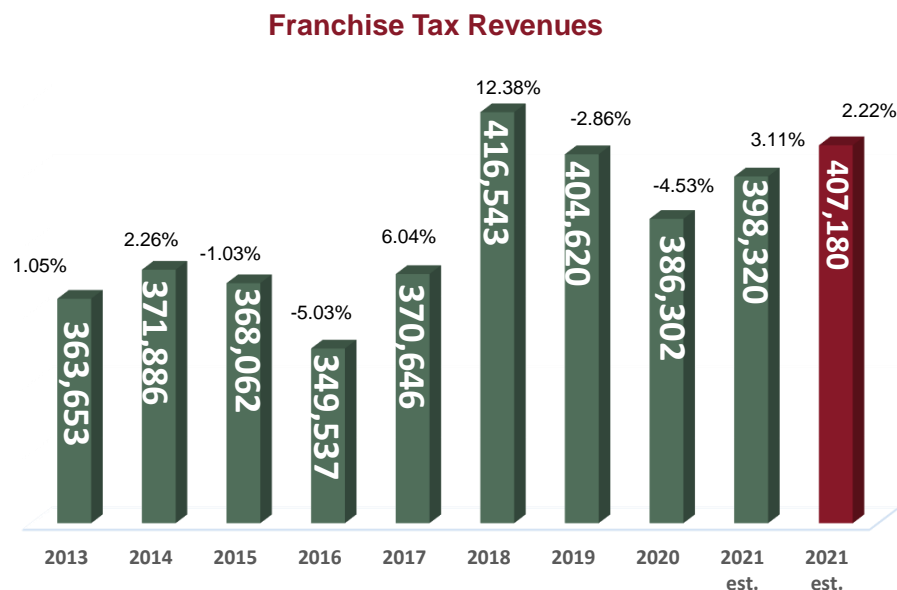
### Description

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

### Analysis

These revenues have shown a steady increase as the utility companies continue to increase their rates to cover their costs. Since FY 2013, these revenues have been hovering around the same level with a small uptick in FY 2017 and 2018. Over the last ten years Franchise Fees have increased by 11.96% as a whole and show that Cottonwood has seen slow and steady population growth in the last 10 years.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





## Highway User Revenue Funds (HURF)

### Description

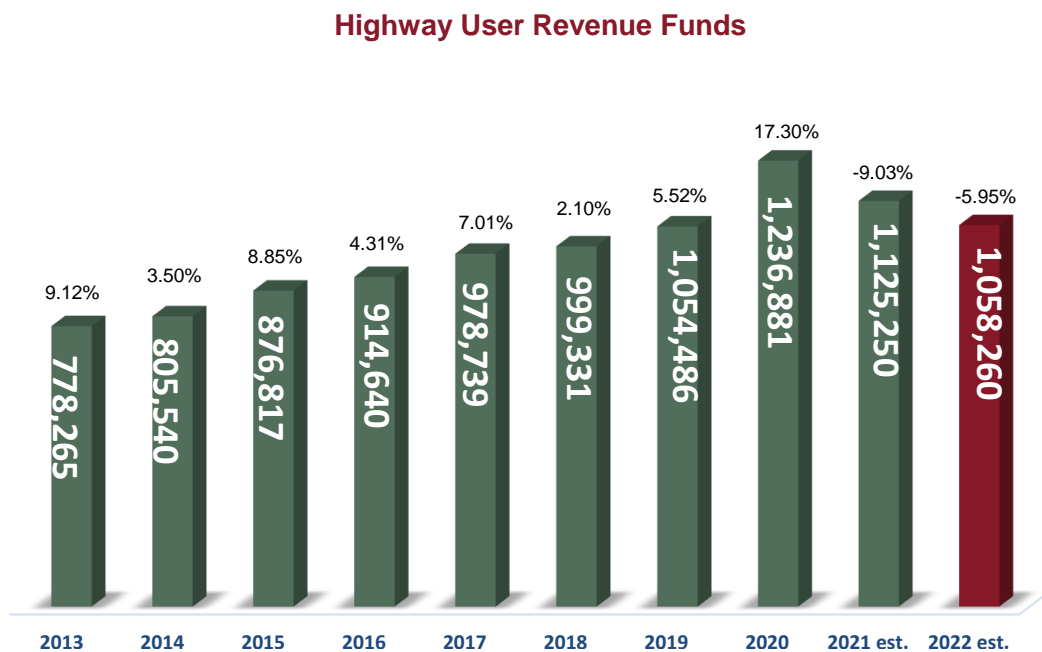
Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula used is based on two separate calculations; the first calculation (half) is based on a city's population in relation to the state's total population, the second is based on the county in which the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



### Analysis

This state shared revenue has continuously fluctuated. 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 FY 2017 estimate from the state showed a decrease of .87% over FY 2016, but the year ended instead with an increase of 7.01%. FY 2020 showed a large increase over FY 2019 due to an additional \$192k that was allocated by the State. FY 2021 is projected to decrease by 9.03%, partially because the additional State revenues was one time payment only and the COVID 19 pandemic had an affect on travel and fuel sales. FY 2022 is also projected to be down by 5.95% due to a decrease in fuel sales due to the COVID -19 pandemic.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30





Local Transportation Assistance Fund Revenues (LTAF)

Description

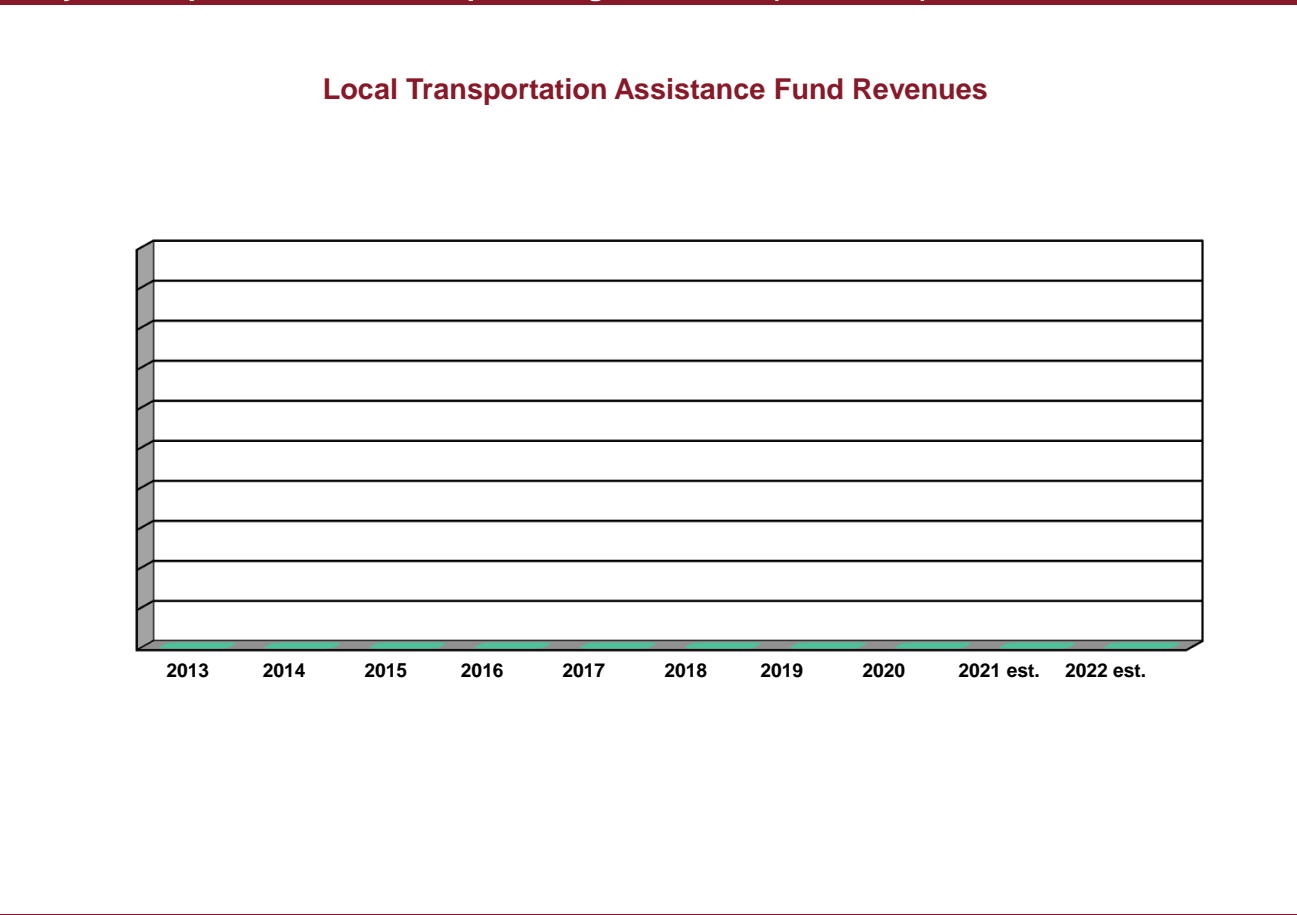
Local Transportation Assistance Fund Revenues (LTAF) consist of two LTAF distributions, LTAF and LTAF II. LTAF monies are derived from the State Lottery Fund. Arizona cities have been receiving a portion of the proceeds from the Arizona lottery since 1982. The original LTAF allocation was based on individual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

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

Analysis

This program was swept by the State in FY 2010 and resulted in a drastic decline in the revenues received. Since FY 2011, this program is no longer being funded by the State that needs to keep these funds at the state level.

Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30



## Wastewater Service User Fees

### Description



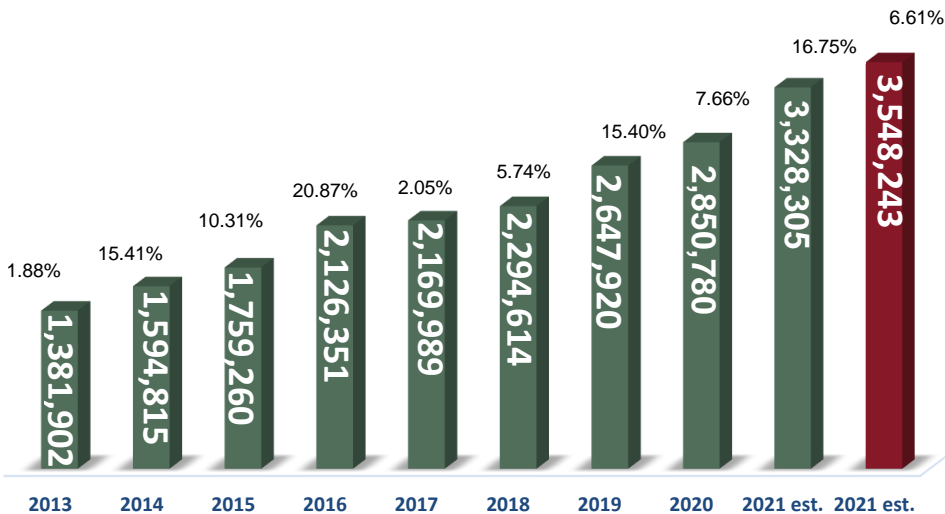
User fees are charged to residential, commercial and industrial customers for the collection and treatment of wastewater. In addition, the City levies tap fees on all new construction.

### Analysis

The wastewater system became operational on October 1, 1990. 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, a new rate of \$16.75 was established. Considering city growth and the aging wastewater system, a rate study was done in FY 2014 and effective October 1 of that year, the rate was increased to \$26.25. In January 2015 and March 2016, the rate was increased again after another rate study showed the necessity to increase revenues to cover the cost of system maintenance, upgrades and rehabilitation, and equipment. The City Council voted to incrementally increase rates over a five-year period starting September 2019 and then every July thereafter. The rate as of July 1, 2021 will be \$48.75 and with annual rate increases, starting July 1, 2023, the final rate will be \$58.85.

### Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30

#### Wastewater Service User Fees





Water Service User Fees

Description

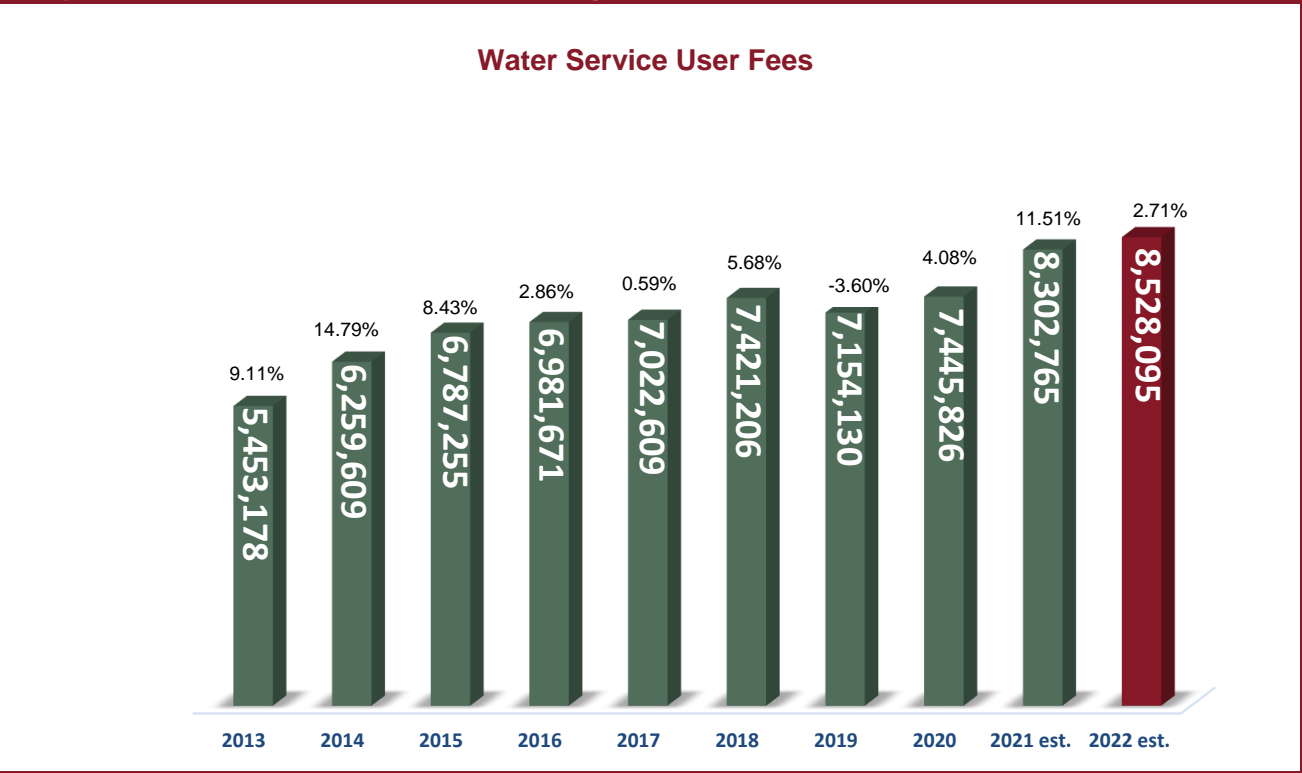
User fees are charged to residential, commercial and industrial customers for the distribution of water. These User Fees are not only used for the maintenance and operations of the system, but also for administration, utility billing, debt service payments as well as future capital improvements to the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



Analysis

FY 2011 showed a remarkable growth that was repeated in fiscal years 2013 and 2014. Since then the growth rate has slowed. In FY 2015, differential rates for inside and outside of the city limits as well as a rate increase were established to help with the large cost of servicing the unincorporated area. The most recent rate increase was in March 2016. The base fee is determined by the water line size with additional charges in a tiered structure starting after the first 1,000 gallons. The fees are scheduled to increase as of July 1, 2020 and will increase every year with the last increase being on July 1, 2023 for FY 2024.

Ten-year comparison with annual percentage increases/(decreases) - FYE 06/30



## Comprehensive Summary of Revenues & Expenditures All Funds

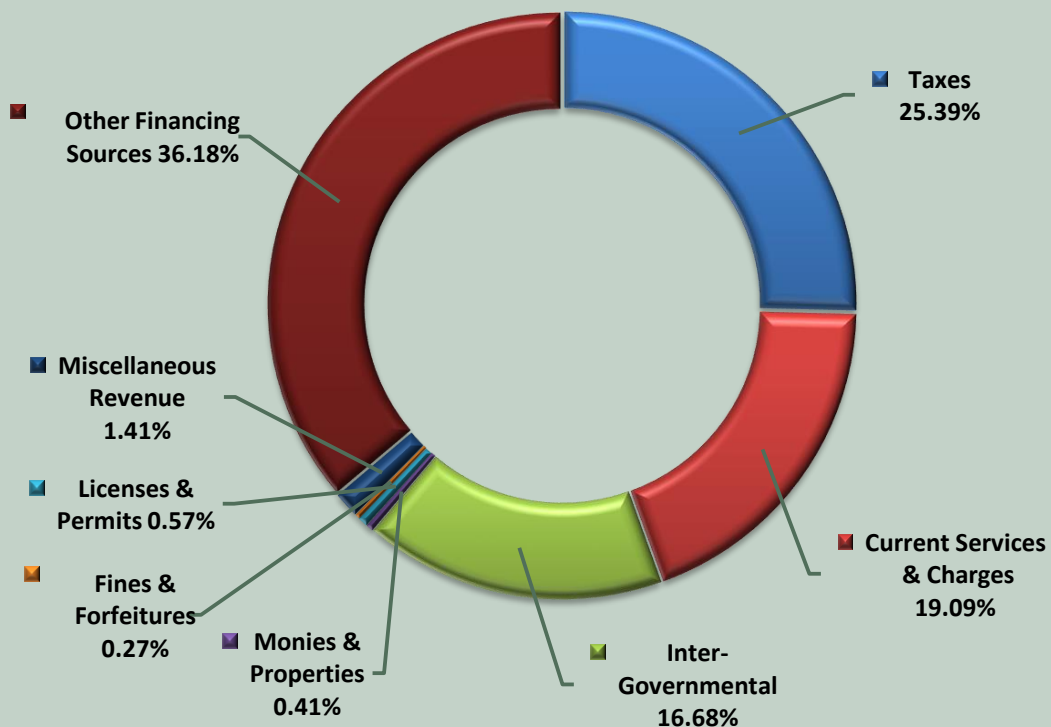
Fund	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Balances (07/01)</b>	\$19,739,770	\$31,997,160	\$16,113,475	\$44,342,230	175.19%
Less Designated Reserves	19,739,770	24,389,975	12,336,825	32,143,205	160.55%
Cash Reserves	10,000	62,520	0	4,864,945	0.00%
<b>Appropriated Balances</b>	<b>(10,000)</b>	<b>7,544,665</b>	<b>3,776,650</b>	<b>7,334,080</b>	<b>94.20%</b>
<b>Revenues Sources:</b>					
General Fund	\$23,521,266	\$21,763,870	\$25,384,345	\$26,321,920	3.69%
Special Revenue Funds	5,354,024	9,682,235	8,631,625	11,218,500	29.97%
Capital Projects Funds	386,163	387,675	348,180	621,075	78.38%
Debt Service Funds	1,642,812	1,644,810	1,644,260	1,645,725	0.09%
Enterprise Funds	11,676,585	12,193,345	12,992,045	13,526,160	4.11%
Fiduciary Funds	10,870	20,700	13,000	13,000	0.00%
<b>Total Revenues</b>	<b>42,591,720</b>	<b>45,692,635</b>	<b>49,013,455</b>	<b>53,346,380</b>	<b>8.84%</b>
<b>Other Financing Sources:</b>					
Transfers In	1,100,854	1,779,055	1,350,785	1,614,450	19.52%
Other Financing Sources	0	0	20,960,000	21,290,000	1.57%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Capital Lease Proceeds	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>1,100,854</b>	<b>1,779,055</b>	<b>22,310,785</b>	<b>22,904,450</b>	<b>2.66%</b>
<b>Total Available Resources</b>	<b>43,682,574</b>	<b>55,016,355</b>	<b>75,100,890</b>	<b>83,584,910</b>	<b>11.30%</b>
<b>Expenditures:</b>					
General Fund	19,209,799	20,678,515	41,263,520	44,536,190	7.93%
Special Revenue Funds	5,411,633	13,332,070	8,300,300	17,088,935	105.88%
Capital Projects Funds	101,833	148,000	23,610	1,120,000	4643.75%
Debt Service Funds	1,644,837	1,644,810	1,648,310	1,645,625	-0.16%
Enterprise Funds	8,059,563	17,422,105	10,714,930	17,570,910	63.99%
Fiduciary Funds	7,503	11,800	8,800	8,800	0.00%
<b>Total Expenditures</b>	<b>34,435,168</b>	<b>53,237,300</b>	<b>61,959,470</b>	<b>81,970,460</b>	<b>32.30%</b>
<b>Other Uses:</b>					
Transfers Out	887,122	1,779,055	1,350,780	1,614,450	19.52%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>887,122</b>	<b>1,779,055</b>	<b>1,350,780</b>	<b>1,614,450</b>	<b>19.52%</b>
<b>Total Expenditures and Other Uses</b>	<b>35,322,290</b>	<b>55,016,355</b>	<b>63,310,250</b>	<b>83,584,910</b>	<b>32.02%</b>
<b>Ending Fund Balances/ Retained Earnings Designation</b>					
Operating Surplus / (Losses)	8,360,284	0	11,790,640	0	-100.00%
Designated Reserves FYs prior to 2022	2,004,324	0	0	0	0.00%
Cash Reserves FYs prior to 2022	10,000	0	0	0	0.00%
Restricted	4,109,289	5,028,540	5,251,550	6,645,715	26.55%
Committed	86,990	356,120	0	1,681,125	0.00%
Assigned	1,000,000	2,053,340	1,166,890	1,681,200	44.08%
Unassigned	3,536,935	17,014,495	5,918,385	27,000,110	356.21%
<b>ENDING FUND BALANCES (06/30)</b>	<b>\$19,107,822</b>	<b>\$24,452,495</b>	<b>\$24,127,465</b>	<b>\$37,008,150</b>	<b>53.39%</b>



## Revenues for All Funds

Taxes		\$21,221,915
Current Services & Charges		15,958,633
Inter-Governmental		13,941,840
Monies & Properties		342,995
Licenses & Permits		472,900
Fines & Forfeitures		229,150
Miscellaneous Revenue		1,178,947
	Subtotal	53,346,380
Other Financing Sources		30,238,530
<b>Total Revenues for All Funds</b>		<b>\$83,584,910</b>

**All Funds—Consolidated Revenues by Source**



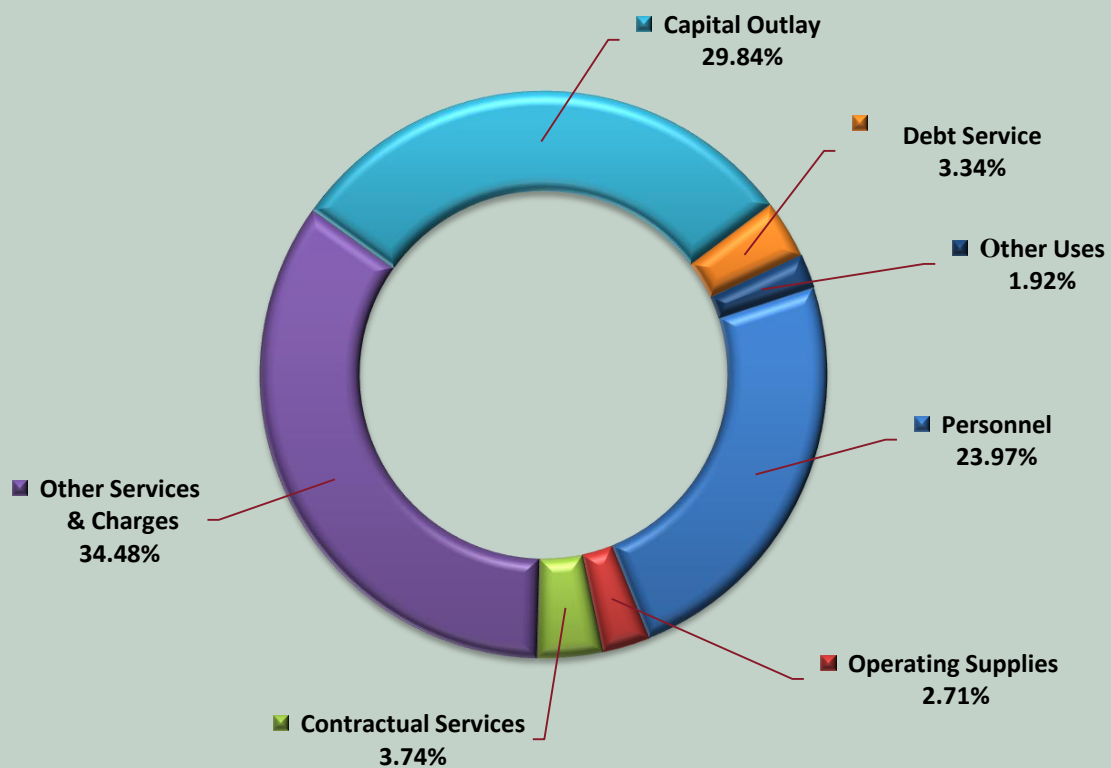


## Expenditures for All Funds

Personnel	\$20,036,660
Operating Supplies	2,259,380
Contractual Services	3,122,140
Other Services & Charges	28,816,840
Capital Outlay	24,943,500
Debt Service	2,791,940
	<hr/>
Subtotal	81,970,460
	<hr/>
Other Uses – Transfers Out	1,614,450
	<hr/>

**Total Expenditures for All Funds**
**\$83,584,910**

### All Funds—Consolidated Expenditures by Category







Consolidated Budget Summary of All Funds – By Fund

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Funding Sources							
Taxes	\$17,582,120	\$1,699,495	\$1,645,625	\$294,675	\$0	\$0	\$21,221,915
Licenses & Permits	472,900	0	0	0	0	0	472,900
Intergovernmental	4,701,080	8,925,760	0	315,000	0	0	13,941,840
Charges for Services	3,205,270	51,550	0	0	12,701,813	0	15,958,633
Fines and Forfeitures	229,150	0	0	0	0	0	229,150
Uses of Monies & Prop.	83,600	153,895	100	0	92,400	13,000	342,995
Miscellaneous	47,800	387,800	0	11,400	731,947	0	1,178,947
Total Revenues	26,321,920	11,218,500	1,645,725	621,075	13,526,160	13,000	53,346,380
Other Financing Sources	21,290,000	1,614,450	0	0	0	0	22,904,450
Total Revenue & Other Financing Sources	47,611,920	12,832,950	1,645,725	621,075	13,526,160	13,000	76,250,830
Total Available All Sources	59,402,560	17,388,035	2,005,885	1,801,200	39,706,075	289,305	120,593,060
Expenditures							
Personnel	14,544,230	2,615,560	0	0	2,876,870	0	20,036,660
Operating Supplies	689,180	573,450	0	0	996,750	0	2,259,380
Contractual Services	1,674,875	551,820	4,200	0	887,445	3,800	3,122,140
Other Services & Charges	24,748,495	1,084,240	1,641,425	5,000	1,332,680	5,000	28,816,840
Capital Outlay	2,473,825	11,871,280	0	1,115,000	9,483,395	0	24,943,500
Debt Services	405,585	392,585	0	0	1,993,770	0	2,791,940
Total of Expenditures	44,536,190	17,088,935	1,645,625	1,120,000	17,570,910	8,800	81,970,460
Other Uses							
Transfers Out	1,549,180	65,270	0	0	0	0	1,614,450
Total Other Uses	1,549,180	65,270	0	0	0	0	1,614,450
Total Expenditures & Other Uses	46,085,370	17,154,205	1,645,625	1,120,000	17,570,910	8,800	83,584,910
Total Commitments and Fund Balances	\$59,402,560	\$17,388,035	\$2,005,885	\$1,801,200	\$39,706,075	\$289,305	\$120,593,060



## GENERAL FUND

### General Information

The General Fund (Fund 01) 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: General Government, Public Safety, and Culture and Recreation.

#### General Government

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

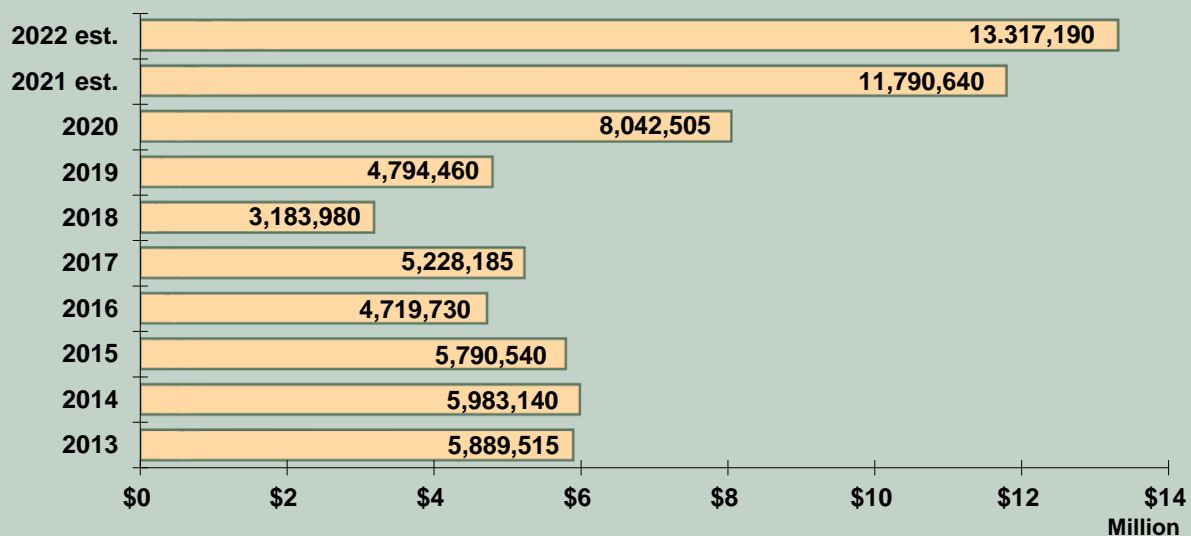
#### Public Safety

Police	Fire & Medical
Communications	Ordinance Enforcement

#### Culture and Recreation

Parks & Recreation	Recreation Center
Pool	Youth Center

### General Fund Fund Balance – 10-Year Summary





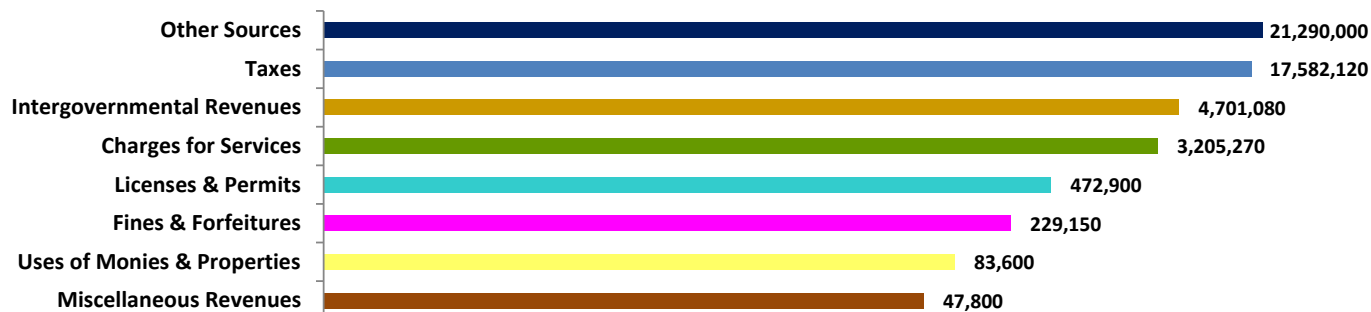
## General Fund – Consolidated Statement of Revenues & Expenditures

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
<b>Beginning Fund Balance</b>	\$4,794,462	\$5,599,715	\$8,042,505	\$11,790,640
Less: Designated Reserves	4,794,462	4,857,130	0	8,452,245
Cash Reserves	10,000	62,520	0	4,864,945
<b>Appropriated Balances</b>	<b>(10,000)</b>	<b>680,065</b>	<b>8,042,505</b>	<b>(1,526,550)</b>
<b>Revenue Sources:</b>				
Taxes	\$15,846,525	\$13,828,555	\$17,139,540	\$17,582,120
Licenses & Permits	373,430	451,180	465,575	472,900
Intergovernmental Revenues	3,998,466	4,134,285	4,448,150	4,701,080
Charges for Services	2,848,336	3,012,100	2,898,510	3,205,270
Fines & Forfeitures	192,878	232,150	229,620	229,150
Uses of Monies & Properties	99,738	38,600	95,600	83,600
Miscellaneous Revenues	161,893	67,000	107,350	47,800
<b>Total Revenue Sources</b>	<b>23,521,266</b>	<b>21,763,870</b>	<b>25,384,345</b>	<b>26,321,920</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Capital Lease Proceeds	0	0	0	0
Proceeds from Bonds	0	0	0	0
Other Financing Sources	0	0	20,960,000	21,290,000
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>20,960,000</b>	<b>21,290,000</b>
<b>Total Available Resources</b>	<b>23,511,266</b>	<b>22,443,935</b>	<b>54,386,850</b>	<b>46,085,370</b>
<b>Expenditures:</b>				
Personnel	14,976,456	15,979,865	15,851,475	14,544,230
Operating Supplies	507,708	608,880	574,050	689,180
Contractual Services	1,174,539	1,474,815	1,419,805	1,674,875
Other Services and Charges	1,947,388	2,267,920	22,856,935	24,748,495
Capital Outlay	212,771	182,470	169,875	2,473,825
Debt Service	390,936	164,565	391,375	405,585
<b>Total Expenditures</b>	<b>19,209,799</b>	<b>20,678,515</b>	<b>41,263,520</b>	<b>44,536,190</b>
<b>Other Uses:</b>				
Transfers Out	882,887	1,765,420	1,332,690	1,549,180
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>882,887</b>	<b>1,765,420</b>	<b>1,332,690</b>	<b>1,549,180</b>
<b>Total Expenditures and Other Uses</b>	<b>20,092,687</b>	<b>22,443,935</b>	<b>42,596,210</b>	<b>46,085,370</b>
<b>Ending Fund Balance Designation</b>				
Operating Surplus/(Losses)	3,418,580	0	11,790,640	0
Designated Reserves FYs prior to 2022	0	0	0	0
Cash Reserves FYs prior to 2022	10,000	0	0	0
Restricted	0	3,501,010	0	5,771,120
Committed	86,990	356,120	0	1,681,125
Assigned	1,000,000	1,000,000	0	1,000,000
Unassigned	3,536,935	62,520	0	4,864,945
<b>ENDING FUND BALANCE</b>	<b>\$8,052,505</b>	<b>\$4,919,650</b>	<b>\$11,790,640</b>	<b>\$13,317,190</b>

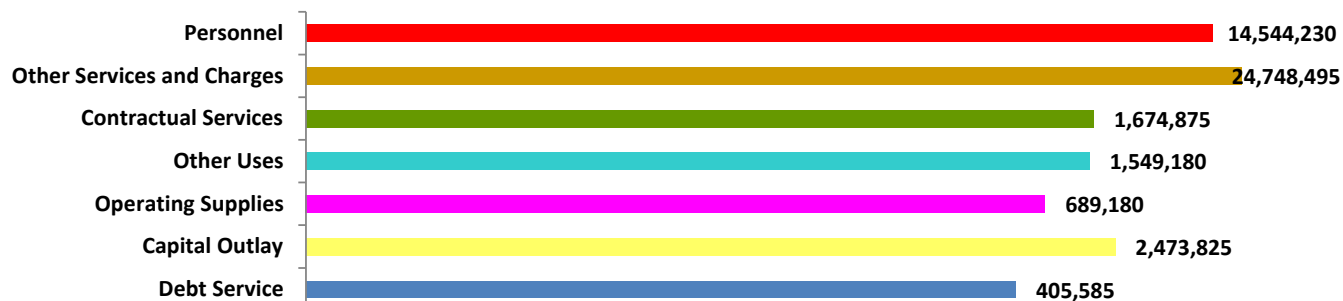


## General Fund - Revenues versus Expenditures

### Revenues



### Expenditures



Available Revenues – \$59,402,560

Expenditures – \$59,402,560

Change in Fund Balance – **1,526,550**

#### Revenues

Taxes	\$17,582,120
Licenses & Permits	472,900
Intergovernmental Revenues	4,701,080
Charges for Services	3,205,270
Fines & Forfeitures	229,150
Uses of Monies & Properties	83,600
Miscellaneous Revenues	47,800
<b>Total Operating Revenues</b>	<b>26,321,920</b>
Other Sources	21,290,000
<b>Total Revenues Available</b>	<b><u>\$47,611,920</u></b>

#### Expenditures

Personnel	\$14,544,230
Operating Supplies	689,180
Contractual Services	1,674,875
Other Services and Charges	24,748,495
Capital Outlay	2,473,825
Debt Service	405,585
<b>Total Operating Expenditures</b>	<b>44,536,190</b>
Other Uses	1,549,180
<b>Total Expenditures</b>	<b><u>\$46,085,370</u></b>

Changes in Fund Balance–Incr./ (Decr.)

**\$1,526,550**





## General Fund - Revenues Schedule

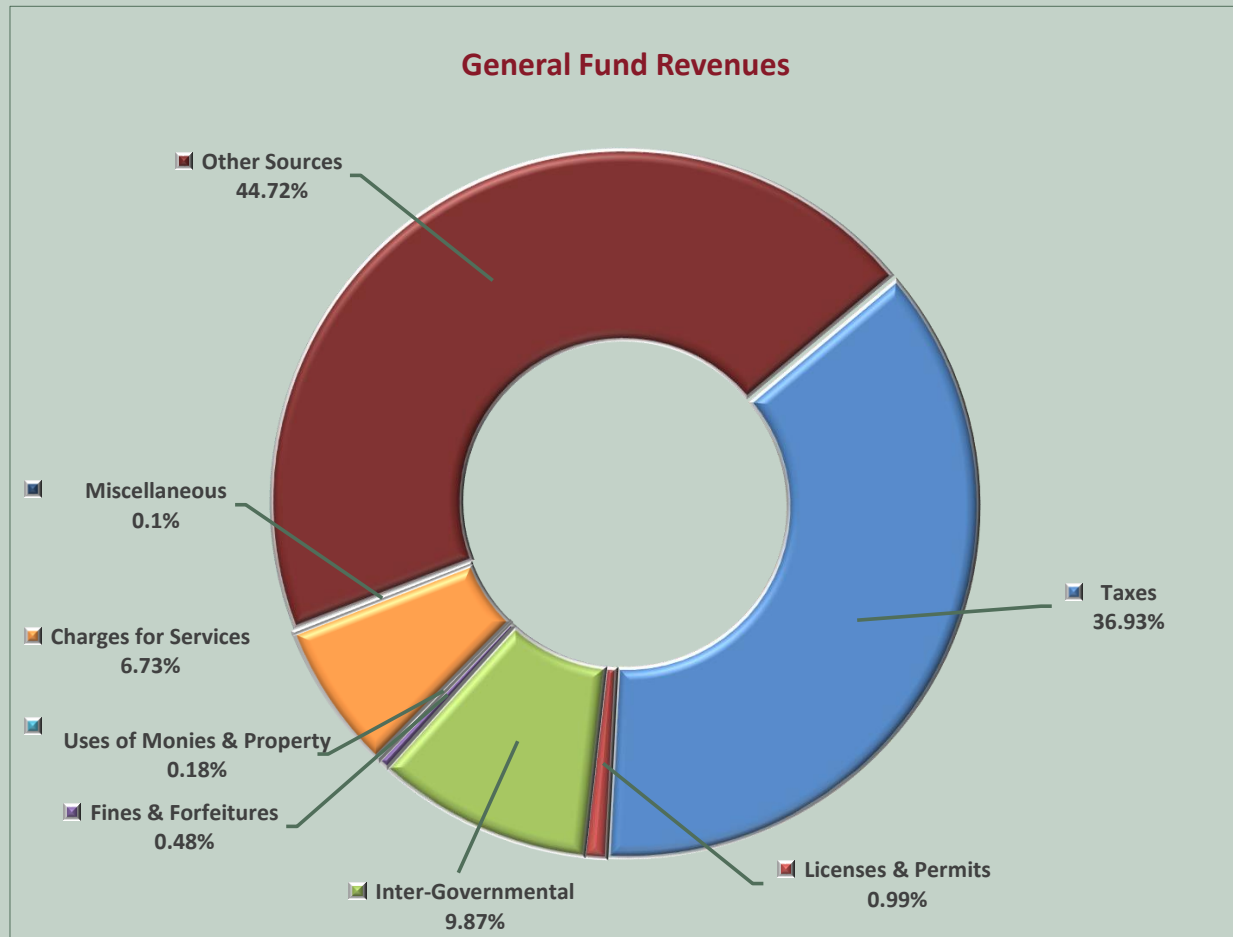
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Taxes					
City Sales Tax	\$14,791,427	\$12,906,350	\$16,003,760	\$16,422,730	2.62%
Bed Tax	303,659	235,025	361,685	368,920	2.00%
Utility Tax	365,137	290,180	375,775	383,290	2.00%
Franchise Taxes	386,302	397,000	398,320	407,180	2.22%
Subtotals	15,846,525	13,828,555	17,139,540	17,582,120	2.58%
Licenses and Permits					
Business Licenses	87,225	85,000	90,900	90,900	0.00%
Construction Permits	193,662	245,000	254,600	255,000	0.16%
Planning & Zoning Fees	92,543	121,180	120,075	127,000	5.77%
Subtotals	373,430	451,180	465,575	472,900	1.57%
Intergovernmental Revenue					
State Shared Sales	1,260,498	1,151,990	1,285,425	1,438,690	11.92%
Urban Revenue Share	1,577,507	1,771,790	1,751,125	1,598,720	-8.70%
Motor Vehicle In-Lie	866,283	814,360	933,450	937,585	0.44%
NACOG-EWD OJT Funding	12,678	0	23,740	7,700	-67.57%
Homeland Security Grant (IT)	7,246	0	0	0	0.00%
Victims Rights Grant	2,549	1,890	1,900	1,900	0.00%
Historic Preservation Grant	4,507	12,000	9,000	12,000	33.33%
Miscellaneous Grant	0	0	0	14,000	0.00%
Yavapai Apache Revenue Share	18,370	16,850	14,860	18,300	23.15%
SB1398 Police Equipment	2,966	3,775	2,950	2,950	0.00%
Post - Reimbursement	0	0	60	0	-100.00%
Pant Grant	48,305	0	27,290	96,300	252.88%
School Resource Grant	79,768	99,710	85,880	99,710	16.10%
Miscellaneous Police Grants	723	0	0	137,000	0.00%
GOHS Grant	59,264	43,670	79,010	113,225	43.30%
DPS Grants	55,239	58,000	54,790	58,000	5.86%
AZ Auto Theft Grant	0	0	25,000	0	-100.00%
Homeland Security Grant (PD)	0	93,000	97,400	50,000	-48.67%
Rico Grant Funds	0	0	30,400	0	-100.00%
Yav City Dept of Emergency Mgmt	0	10,000	0	0	0.00%
YC-FEMA Grant	0	4,750	0	0	0.00%
Miscellaneous Fire Grants	2,563	0	12,690	20,000	57.60%
Safer Fire Grant	0	47,500	3,180	90,000	2730.19%
Homeland Security Grant (Fire Dept)	0	0	10,000	0	-100.00%
Spay Neuter Grant Fund	0	5,000	0	5,000	0.00%
Subtotals	3,998,466	4,134,285	4,448,150	4,701,080	5.69%
Fines & Forfeitures					
Court Enhancement Fee & Deferred	22,402	23,500	20,500	20,500	0.00%
Court Fines	170,868	208,500	208,970	208,500	-0.22%
Court Restitution	(470)	0	0	0	0.00%
Confidential Address Fees	78	150	150	150	0.00%
Subtotals	192,878	232,150	229,620	229,150	-0.20%
Uses of Monies & Properties					
Interest Income	82,556	25,000	80,000	65,000	-18.75%
Building Rental	17,182	13,600	15,600	18,600	19.23%
Subtotals	99,738	38,600	95,600	83,600	-12.55%



## General Fund – Revenues Schedule

Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Charges for Services					
Court Atty Reimbursements	\$4,533	\$6,000	\$5,500	\$5,500	0.00%
Engineering Fees	30,595	35,000	31,000	31,000	0.00%
Indirect Costs – Airport	23,605	132,000	132,000	52,000	-60.61%
Indirect Costs – HURF	411,199	400,000	565,000	400,000	-29.20%
Indirect Costs – Library	230,144	240,300	280,000	280,000	0.00%
Indirect Costs – Cemetery	16,440	17,000	25,000	25,000	0.00%
Indirect Costs – Water	284,971	290,000	271,700	290,000	6.74%
Indirect Costs – Wastewater	179,584	180,000	206,200	200,000	-3.01%
Tow Fee Revenues	0	0	30,000	0	-100.00%
Dispatch Fees	874,806	919,300	919,300	965,270	5.00%
Animal Control Fees	705	3,000	500	800	60.00%
Recreation Fees	7,571	25,000	1,000	7,500	650.00%
Summer Youth Program	160	0	0	0	0.00%
Rec/Fees – Softball Tournaments	11,918	12,000	3,500	12,000	242.86%
Riverfront Park – Snack Bar	2,248	3,000	0	1,000	0.00%
Batting Cage	0	0	0	0	0.00%
Community Garden Revenues	2,340	2,000	2,300	2,300	0.00%
Walkin' on Main	7,283	8,000	0	8,000	0.00%
10K Memorial Run	2,465	20,000	10,000	20,000	100.00%
Thunder Valley Rally	196,301	10,000	0	136,000	0.00%
Old Town Historic Tour	0	2,000	0	0	0.00%
Recreation Center Fees	448,916	560,000	366,750	630,000	71.78%
Recreation Center Classes/Programs	32,315	40,000	2,200	35,000	1490.91%
Recreation Center Building Rental	16,787	20,000	7,000	20,000	185.71%
Pool Revenue	20,977	16,500	18,560	20,900	12.61%
Pool – Snack Bar Sales	2,027	4,000	0	1,000	0.00%
Pool – Swimming Lessons	1,558	15,000	9,000	15,000	66.67%
Youth Center Fees	36,138	50,000	10,000	45,000	350.00%
Open/Close Graves	2,750	2,000	2,000	2,000	0.00%
Subtotals	2,848,336	3,012,100	2,898,510	3,205,270	10.58%
Miscellaneous Revenues					
Other Income	18,826	15,000	72,000	7,200	-90.00%
Cash Over/(Short)	727	0	0	0	0.00%
Sale of City Property	108,649	29,000	12,000	14,000	16.67%
Mineral Royalty Payments	27,905	20,000	16,500	20,000	21.21%
Donations (Police)	2,641	3,000	6,600	6,600	0.00%
Donations (Miscellaneous)	3,145	0	250	0	-100.00%
Subtotals	161,893	67,000	107,350	47,800	-55.47%
Other Financing Sources					
Transfers In	0	0	0	0	0.00%
Capital Lease Proceeds	0	0	0	0	0.00%
Other Financing Sources	0	0	20,960,000	21,290,000	1.57%
Lease Purchase	0	0	0	0	0.00%
Bond Proceeds	0	0	0	0	0.00%
Subtotals	0	0	20,960,000	21,290,000	1.57%
Total Revenues	\$23,521,266	\$21,763,870	\$46,344,345	\$47,611,920	2.74%

## General Fund Revenues



Taxes	\$17,582,120
Licenses & Permits	472,900
Inter-Governmental	4,701,080
Fines & Forfeitures	229,150
Uses of Monies & Property	83,600
Charges for Services	3,205,270
Miscellaneous	47,800
Other Sources	21,290,000

<b>Total General Fund Revenues</b>	<b>\$47,611,920</b>
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## General Fund Revenues by Category

Item Description	Taxes	Licenses & Permits	Inter-Govt'l Revenue	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
City Sales Tax	\$16,422,730							
Bed Tax	368,920							
Utility Tax	383,290							
Franchise Taxes	407,180							
Business Licenses		\$90,900						
Construction Permits		255,000						
Planning & Zoning Fees		127,000						
State Shared Sales Tax			\$1,438,690					
Urban Revenue Sharing			1,598,720					
MV In-Lieu Tax			937,585					
Yavapai Apache Revenue Share			18,300					
Police Grants			557,185					
Fire & Emergency Services Grants			110,000					
Miscellaneous Grants			40,600					
Court Restitutions / Attorney Reimbursements				\$5,500				
Engineering Fees				31,000				
Indirect Costs - Airport				52,000				
Indirect Costs - HURF				400,000				
Indirect Costs - Library				280,000				
Indirect Costs - Cemetery				25,000				
Indirect Costs - Water				290,000				
Indirect Costs - Wastewater				200,000				
Dispatch Fees				965,270				
Animal Control Fees				800				
Recreation Fees				19,500				
Concessions				1,000				
Community Events				164,000				
Recreation Center - Fees, Classes & Programs, Rental				685,000				
Community Gardens				2,300				
Pool - Fees, Swimming Lessons, and Concessions				36,900				
Youth Center Fees				45,000				
Cemetery Fees				2,000				
Court Fines & Deferred Surcharge					\$229,000			
Confidential Address Fees					150			
Interest Income						\$65,000		
Building Rental						18,600		
Other Income							\$7,200	
Miscellaneous Revenue							34,000	
Donations							6,600	
Transfers In								\$0
Lease Purchase Proceeds								0
Other Financing Sources								21,290,000
<b>Totals</b>	<b>\$17,582,120</b>	<b>\$472,900</b>	<b>\$4,701,080</b>	<b>\$3,205,270</b>	<b>\$229,150</b>	<b>\$83,600</b>	<b>\$47,800</b>	<b>\$21,290,000</b>

Total General Fund Revenues Available

\$47,611,920

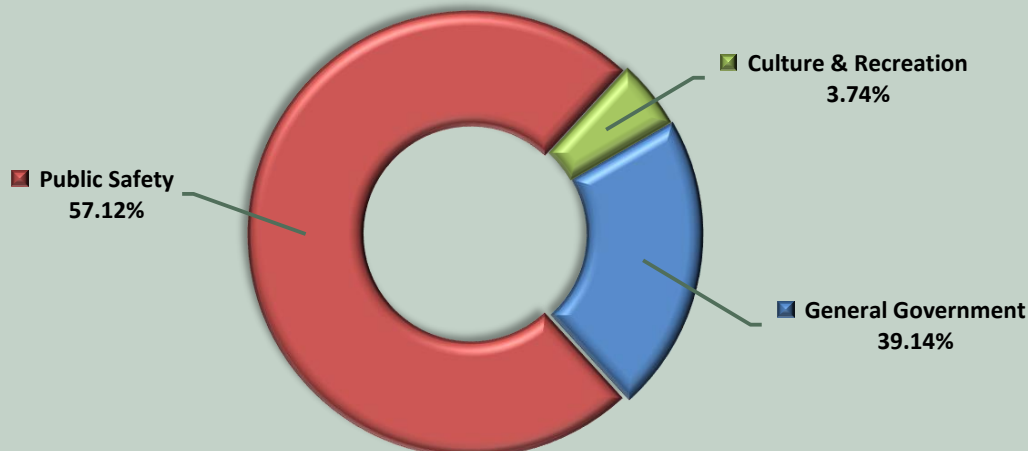




## General Fund - Disbursement Schedule

	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
General Government					
City Council	\$243,213	\$280,735	\$255,410	\$538,110	110.68%
City Clerk	245,240	261,780	275,435	269,300	-2.23%
Administration	685,618	657,140	651,765	584,540	-10.31%
Finance	461,647	489,685	460,365	487,260	5.84%
Personnel	251,523	283,765	321,540	311,225	-3.21%
IT Services	883,737	1,134,250	1,111,300	1,423,400	28.08%
Purchasing	114,541	113,360	118,445	116,460	-1.68%
Natural Resources	12,479	0	0	0	0.00%
Economic Development	314,798	390,210	316,830	393,740	24.27%
Legal	384,622	404,460	396,495	426,805	7.64%
Municipal Court	482,302	568,245	502,755	584,520	16.26%
Community Development	663,206	642,865	694,860	774,355	11.44%
Engineering Services	329,244	459,850	453,255	429,800	-5.17%
Public Works	268,866	236,120	226,870	216,520	-4.56%
Building Maintenance	432,216	535,040	591,380	886,580	49.92%
Non-Departmental	1,831,043	2,243,385	2,109,755	2,490,080	18.03%
Custodial	0	0	0	0	0.00%
Total General Government	7,604,295	8,700,890	8,486,460	9,932,695	17.04%
Public Safety					
Police	5,213,128	6,065,570	21,871,445	21,711,390	-0.73%
Communications	1,692,941	1,845,200	1,716,075	1,857,200	8.22%
Ordinance Enforcement	205,315	225,080	222,370	228,595	2.80%
Fire & Medical	3,193,449	3,518,670	8,654,900	10,132,820	17.08%
Total Public Safety	10,304,832	11,654,520	32,464,790	33,930,005	4.51%
Culture & Recreation					
Parks & Recreation	863,226	739,495	528,960	915,005	72.98%
Youth Center	109,524	139,450	75,740	146,385	93.27%
Recreation Center	1,210,809	1,209,580	1,040,255	1,161,280	11.63%
Total Culture & Recreation	2,183,560	2,088,525	1,644,955	2,222,670	35.12%
Total General Fund Expenditures	\$20,092,687	\$22,443,935	\$42,596,205	\$46,085,370	8.19%

### General Fund Distribution – by Function



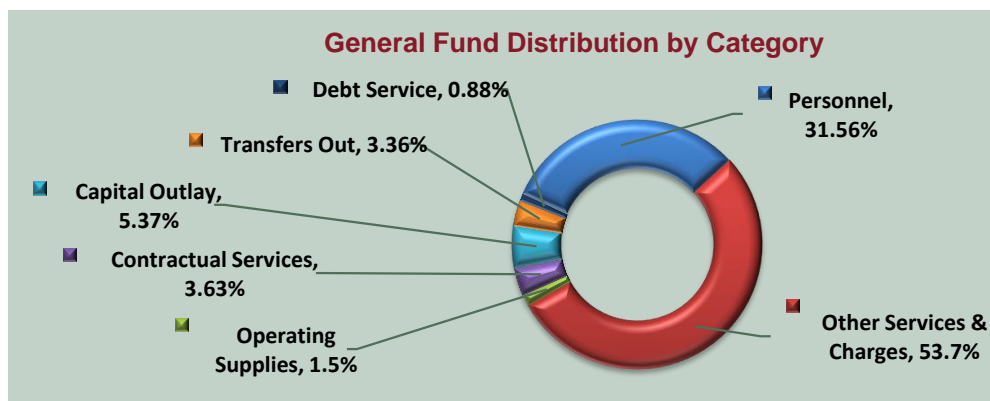


## General Fund - Expenditures by Category

Department	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service
<b>General Government</b>							
City Council	\$49,200	\$1,085	\$269,000	\$218,825	\$0	\$0	\$0
City Clerk	234,670	2,180	1,160	18,030	13,260	0	0
Administration	527,935	2,675	5,180	48,750	0	0	0
Finance	338,680	7,025	65,135	76,420	0	0	0
Personnel	202,060	2,920	17,630	88,615	0	0	0
IT Services	618,000	69,650	461,170	62,900	211,680	0	0
Purchasing	105,710	950	6,790	3,010	0	0	0
Natural Resources	0	0	0	0	0	0	0
Economic Development	148,010	1,700	530	243,500	0	0	0
Legal	244,640	435	173,600	8,130	0	0	0
Municipal Court	413,990	8,600	94,840	67,090	0	0	0
Community Development	637,560	14,600	13,950	33,045	75,200	0	0
Engineering Services	313,580	13,175	3,080	22,260	77,705	0	0
Public Works	175,950	2,800	21,830	15,940	0	0	0
Building Maintenance	553,325	57,650	1,510	102,140	171,955	0	0
Non-Departmental	0	0	139,440	395,875	0	1,549,180	405,585
Custodial	0	0	0	0	0	0	0
<b>General Government Totals</b>	<b>4,563,310</b>	<b>185,445</b>	<b>1,274,845</b>	<b>1,404,530</b>	<b>549,800</b>	<b>1,549,180</b>	<b>405,585</b>
<b>Public Safety</b>							
Police	4,286,840	222,010	61,670	16,972,695	168,175	0	0
Communications	1,714,360	17,500	21,360	103,980	0	0	0
Ordinance Enforcement	164,510	6,250	56,485	1,350	0	0	0
Fire & Medical	2,832,450	105,800	53,250	5,464,370	1,676,950	0	0
<b>Public Safety Totals</b>	<b>8,998,160</b>	<b>351,560</b>	<b>192,765</b>	<b>22,542,395</b>	<b>1,845,125</b>	<b>0</b>	<b>0</b>
<b>Culture &amp; Recreation</b>							
Parks & Recreation	287,815	31,030	41,460	527,200	27,500	0	0
Youth Center	109,230	8,520	12,445	16,190	0	0	0
Recreation Center	585,715	112,625	153,360	258,180	51,400	0	0
<b>Culture &amp; Recreation Totals</b>	<b>982,760</b>	<b>152,175</b>	<b>207,265</b>	<b>801,570</b>	<b>78,900</b>	<b>0</b>	<b>0</b>
<b>General Fund Category Totals</b>	<b>14,544,230</b>	<b>689,180</b>	<b>1,674,875</b>	<b>24,748,495</b>	<b>2,473,825</b>	<b>1,549,180</b>	<b>405,585</b>

General Fund Expenditures \$46,085,370

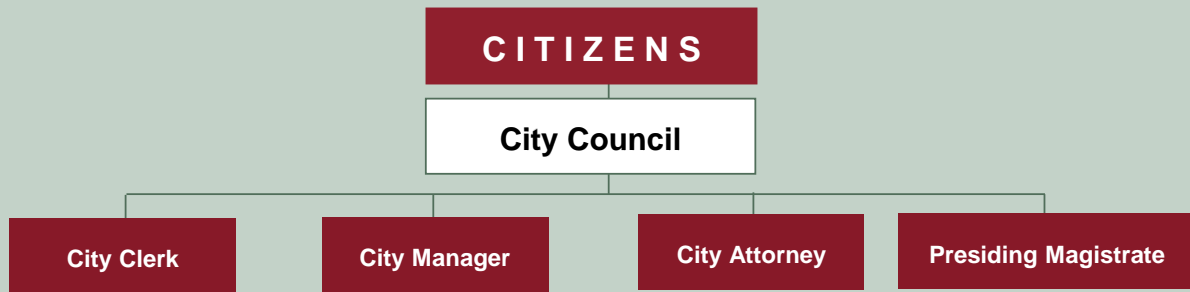
Total General Fund Expenditures Budget \$46,085,370





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## CITY COUNCIL



Only unshaded boxes are included in this budget



## Who We Are and What We Do

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, adopt tax and fee rates, and the annual budget. They appoint the City Manager, City Clerk, City Attorney, and Presiding Magistrate.

The Mayor is elected for a four-year term and Council Members are serving overlapping four-year terms. Council elections are held in August and November in even numbered years. The Mayor and Council are all elected at-large.

## Our Accomplishments for FY 2021

## Finance



## Budget



## Citizen Engagement



## Infrastructure



Increased the City's Fund Balance by \$3.2M by increasing Reserves and being fiscally conservative.

Adopted a General Fund budget that was approximately 1.7% lower than that of the previous budget year.

Held weekly community meetings, early during the pandemic, focused on ensuring that Cottonwood residents had the resources they needed. As the pandemic continued, the focus shifted to economic recovery of our local businesses.

Made significant investments in infrastructure, resulting in additional sidewalk and road projects.

## Our Strategic Goals for FY 2022

## Sustainable Growth &amp; Development



## Ensure Quality of Life



## Improve Infrastructure



## Financial Accountability &amp; Transparency



Implement the City of Cottonwood 2021-2023 Strategic Plan.



Facilitate the creation of a community non-profit coalition.



Improve the City's infrastructure by increasing budget allocations for the installation of sidewalks, and identify and implement roadway improvements.



Approve a percentage benchmark for the City's Cash Reserves





General Government	City Council	Fund 01 - General Fund	Cost Center: 1000
Performance Indicators			

 	<b>Strategic Direction</b>	<b>1 Foster Sustainable Growth and Development</b>			
	Overall Key Priority	Provide opportunities for our residents and local businesses to ensure the city's economic future, vitality and diversity			
	Overall Guiding Principle	1.x Focus on these key areas and			
	Overall Strategic Goal	implement the 2021-2023 Strategic Plan to			
	Overall Strategic Initiative	1.x.x guide the execution of this plan's strategic directives.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>Process Status</b>					

 	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	Overall Key Priority	Commit resources to improve our community's quality of life			
	Overall Guiding Principle	2.x Support the focus on recreation, awareness & education, citizen engagement, and public safety by			
	Overall Strategic Goal	facilitating the creation of a community non-profit coalition,			
	Overall Strategic Initiative	2.x.x.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>Process Status</b>					

 	<b>Strategic Direction</b>	<b>4. Improve Our Infrastructure</b>			
	Overall Key Priority	Develop, maintain, and improve the city's infrastructure			
	<b>Overall Guiding Principle</b>	<b>4.x</b> Prioritize infrastructure projects and			
	Overall Strategic Goal	allocate funds for sidewalks and roadway improvements by			
	<b>Overall Strategic Initiative</b>	<b>4.x.x.</b> increasing budget allocations for these projects.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>Process Status</b>					

 	<b>Strategic Direction</b>	<b>5. Embrace Financial Accountability and Transparency</b>			
	Overall Key Priority	Foster a culture of transparency and fiscal responsibility that maintains a long-range perspective			
	<b>Guiding Principle</b>	<b>5.4</b> Remain fiscally conservative by			
	Strategic Goal	strengthening the City's Cash Reserves by			
	<b>Overall Strategic Initiative</b>	<b>5.4.1.</b> approving a percentage benchmark for the cash reserves.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
5.4.1. Approval of identified % benchmark					
<b>Process Status</b>					

Supplemental Data: Capital Outlay				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
	\$0	\$0	\$0	\$0



General Government	City Council	Fund 01 - General Fund		Cost Center: 1000	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$48,639	\$49,200	\$49,170	\$49,200	0.06%
Operating Supplies	965	1,205	565	1,085	92.04%
Contractual Services	71,616	69,000	66,000	269,000	307.58%
Other Services and Charges	121,993	161,330	139,675	218,825	56.67%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$243,213	\$280,735	\$255,410	\$538,110	110.68%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$538,110	100.00%
Grants	0	0.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2020	2021	2022	2022
Mayor	1.00	1.00	1.00	\$9,000
Vice Mayor	1.00	1.00	1.00	6,000
Council Member	5.00	5.00	5.00	30,000
Overtime				0
Temporary / Reserves				0
Retirement				610
Insurance and Taxes				3,590
Employee Related Expenses				0
<b>Totals</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>\$49,200</b>



General Government	City Council	Fund 01 - General Fund	Cost Center: 1000		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	879	1,000	500	1,000	100.00%
Copier Supplies	80	200	50	75	50.00%
Postage & Freight	6	5	15	10	-33.33%
<b>Total Supplies</b>	<b>965</b>	<b>1,205</b>	<b>565</b>	<b>1,085</b>	<b>92.04%</b>

**Contractual Services**

Contractual Services	52,069	51,000	51,000	51,000	0.00%
Main Street Program & Old Town Assn.	0	0	0	0	0.00%
Verde Valley Senior Center	0	0	0	0	0.00%
Large Item Pick-up	0	0	0	200,000	0.00%
Recycle Program	0	0	0	0	0.00%
Rodeo Drive St. Reimbursement	0	0	0	0	0.00%
Yavapai Apache Nation	19,547	18,000	15,000	18,000	20.00%
<b>Total Contractual Services</b>	<b>71,616</b>	<b>69,000</b>	<b>66,000</b>	<b>269,000</b>	<b>307.58%</b>

**Other Services and Charges**

Public Relations	1,119	3,000	1,250	3,000	140.00%
Legal Advertising	228	200	250	250	0.00%
Computer Support	1,931	2,500	1,800	1,900	5.56%
Utilities	3,444	3,850	4,500	4,725	5.00%
Parking Lot Lights	2,978	3,190	3,190	3,350	0.00%
Telephone	25	0	0	0	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Youth Commission	2,231	4,000	0	4,000	0.00%
Building Community Grants	0	0	0	0	0.00%
Vetera	0	0	0	0	0.00%
Christmas Lights	78	90	180	600	233.33%
Outside Agencies	95,000	100,000	100,000	150,000	50.00%
Community Garden	571	1,500	1,500	1,500	0.00%
Birding Festival	1,000	1,000	1,000	1,000	0.00%
Annual Appreciation Event	375	2,000	0	2,000	0.00%
Travel & Training	(243)	10,000	500	7,500	1400.00%
Subscriptions & Memberships	13,057	16,000	11,505	25,000	117.30%
Gardner Property	197	0	0	0	0.00%
Council Contingency	0	14,000	14,000	14,000	0.00%
<b>Total Other Services &amp; Charges</b>	<b>121,993</b>	<b>161,330</b>	<b>139,675</b>	<b>218,825</b>	<b>56.67%</b>



## CITY CLERK

CITY COUNCIL

City Clerk

Deputy Clerk

Only unshaded boxes are included in this budget.

## What We Do

The City Clerk's Office works directly for the City Council and is the official record keeper of all Council's proceeding and official City documents. This office compiles and prepares the information and documentation (council meeting packets) necessary for the Council's consideration on matters pertaining to the city; records and produces written minutes of all Council meetings; is responsible for posting of Council's meeting agendas, and of summary and official minutes of City Council meetings; maintains official City documents and records; prepares resolutions and ordinances for legal review and Council's consideration; 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; conducts the city/municipal elections; assists the City attorney with research and clerical support; and manages the Cottonwood Community Garden and Rotating Artist Exhibits.

## Our Accomplishments for FY 2021

Budget

Citizen  
EngagementAwareness &  
Education

Coordinated one Town Hall meeting in regard to the City's budget for FY 2020-2021

Leased 100 percent of the Community Gardening plots (50 total)

Successfully conducted the City election for 2020

## Our Strategic Goals for FY 2022

Ensure Quality of  
Life



Coordinate four council/neighborhood meetings to engage citizens.



Schedule artists for a Wine &amp; Art event in the spring of 2022.





General Government	City Clerk	Fund 01–General Fund	Cost Center: 1010
Performance Indicators			

 	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	Key Priority	<b>Citizen engagement</b>			
	<b>Guiding Principle</b>	<b>2.4</b> Encourage and develop community pride by			
	Strategic Goal	coordinating four neighborhood meetings for the Council that will			
	<b>Strategic Initiative</b>	<b>2.4.7.</b> provide council members the opportunity to engage directly with citizens in their own neighborhood.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.4.7. Coordinate Council/neighborhood meetings					4
<b>Process Status:</b>					

 	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	Key Priority	<b>Citizen engagement</b>			
	<b>Guiding Principle</b>	<b>2.4</b> Encourage and develop community pride by			
	Strategic Goal	providing assistance for a Wine & Arts event by			
	<b>Strategic Initiative</b>	<b>2.2.i</b> scheduling artists for the event in the spring of 2022.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.2.i. Inform rotating artists regarding wine & art events (spring 2022)					100%
<b>Process Status:</b>					





General Government	City Clerk	Fund 01 - General Fund			Cost Center: 1010
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$229,502	\$233,110	\$243,730	\$234,670	-3.72%
Operating Supplies	1,989	2,130	1,530	2,180	42.48%
Contractual Services	1,347	1,380	1,100	1,160	5.45%
Other Services and Charges	12,402	25,160	29,075	18,030	-37.99%
Capital Outlay	0	0	0	13,260	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$245,240	\$261,780	\$275,435	\$269,300	-2.23%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$269,300	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
City Clerk (Contract)	1.00	1.00	1.00	\$113,525
Deputy Clerk	1.00	1.00	1.00	51,715
Cost of Living Adjustment				0
Merit Contingency				0
Longevity				0
Overtime				1,500
Temporary / Reserves				0
Retirement				20,690
Insurance and Taxes				47,240
Employee Related Expenses				0
<b>Totals</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>\$234,670</b>

General Government	City Clerk	Fund 01 - General Fund		Cost Center: 1010	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Office Supplies	1,140	700	700	800	14.29%
Copier Supplies	672	1,100	500	500	0.00%
Gas & Oil	49	50	50	50	0.00%
Vehicle Maintenance & Repair	116	250	250	800	220.00%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	12	30	30	30	0.00%
<b>Total Supplies</b>	<b>1,989</b>	<b>2,130</b>	<b>1,530</b>	<b>2,180</b>	<b>42.48%</b>

## Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	1,347	1,380	1,100	1,160	5.45%
<b>Total Contractual Services</b>	<b>1,347</b>	<b>1,380</b>	<b>1,100</b>	<b>1,160</b>	<b>5.45%</b>

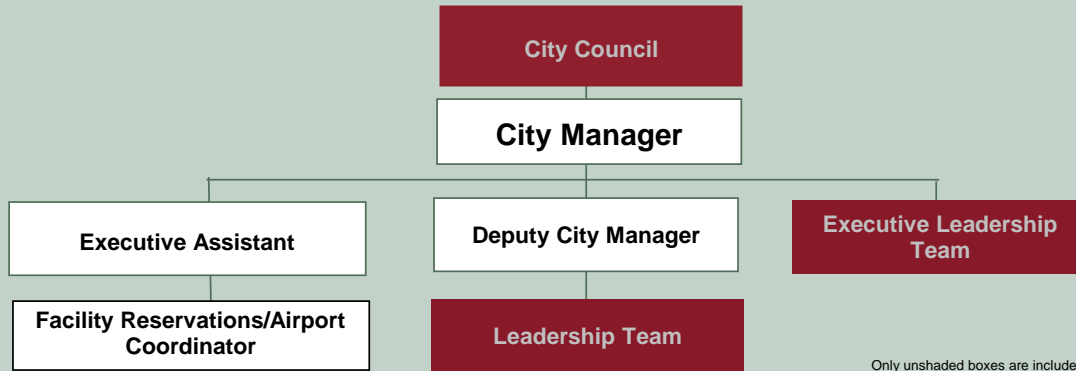
## Other Services and Charges

Legal Advertising	102	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	2,339	2,750	3,500	3,680	5.14%
Telephone	1,427	1,610	1,475	1,550	5.08%
Election Expense	0	11,500	15,000	0	-100.00%
Travel & Training	0	800	100	800	700.00%
Subscriptions & Memberships	8,535	8,500	9,000	12,000	33.33%
<b>Total Other Services &amp; Charges</b>	<b>12,402</b>	<b>25,160</b>	<b>29,075</b>	<b>18,030</b>	<b>-37.99%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Granicius - Agenda Management Softw.				\$13,260
Totals	\$0	\$0	\$0	\$13,260

# ADMINISTRATION DEPARTMENT



## What We Do

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 Deputy City Manager, the Administration Department directs the work of other City departments and coordinates the general activities of the city government with other governmental entities. The Executive Leadership Team consists of the Deputy City Manager, Financial Services Director, Human Resources Director, Tourism & Economic Development Director, Public Works Manager, Utilities Director, Police Chief, and Fire Chief. The team members are not included in this budget. The Leadership Team comprises Administrative Services, Information Technology, Parks & Recreation, Recreation Center, Library, and Transit.

## Our Accomplishments for FY 2021

### Strategic Planning



### Budget



### Organization



Completed implementation of the 2019-2021 Strategic Plan Initiatives and created the working document to support the Council's 2022-2024 Strategic Plan.

Presented a budget to City Council in which the General Fund budget was approximately 1.7% lower than that of the previous budget year.

Realigned the City's organization structure in response to the COVID-19 pandemic, allowing for budget savings.

Completed the sale of City-owned property, located at the corner of Mingus Avenue and 6<sup>th</sup> Street, to SpringHill Suites (Marriott).

## Our Strategic Goals for FY 2022

### Sustainable Growth & Development



### Financial Accountability & Transparency



Implement housing solutions.

Select the City's marketing/tourism partner, including a new Destination Marketing Organization.

Move forward with the City Council's directive on consolidation of City facilities and continue the sale of City buildings and removal of City services from Old Town.

Create an agreed upon set of core values for the organization.





General Government

Administration Department

Fund 01—General Fund

Cost Center: 1100

**Performance Indicators****Strategic Direction**

Key Priority

**Guiding Principle**

Strategic Goal

**Strategic Initiatives****Foster Sustainable Growth and Development****Researching housing solutions**

Explore more diversity in housing solutions in order to

implement those solutions that pertain to

the development of a regional housing authority and creating incentives for housing development, cooperate with non-profits for workforce housing, and develop an action plan based on the Verde Valley Region Housing Study.

<b>Performance Indicator(s)</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Estimate</b>	<b>2022 Anticipated</b>
Development of regional housing authority				
Creation of incentives for housing development				
Cooperation with non-profits				
Development of action plan				
<b>Process Status</b>				







General Government	Administration Department	Fund 01—General Fund	Cost Center: 1100		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$643,722	\$613,380	\$614,820	\$527,935	-14.13%
Operating Supplies	2,959	2,675	2,290	2,675	16.81%
Contractual Services	4,446	4,980	5,020	5,180	3.19%
Other Services and Charges	34,490	36,105	29,635	48,750	64.50%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$685,618	\$657,140	\$651,765	\$584,540	-10.31%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$584,540	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2020	2021	2022	2022
City Manager	1.00	1.00	1.00	\$150,000
Deputy City Manager	1.00	1.00	1.00	156,065
Community Svcs General Manager	1.00	0.00	0.00	0
Airport Manager	0.00	1.00	0.00	0
Assistant to City Manager	1.00	1.00	1.00	50,440
Administrative Assistant	1.00	1.00	0.00	0
Fac Res/Airport Coordinator	0.00	0.00	1.00	19,285
Cost of Living Adjustment				0
Car Allowance				10,800
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				47,970
Insurance and Taxes				92,710
Employee Related Expenses				665
<b>Totals</b>	<b>5.00</b>	<b>5.00</b>	<b>4.00</b>	<b>\$527,935</b>

General Government	Administration Department	Fund 01 - General Fund	Cost Center: 1100		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Office Supplies	1,478	1,600	1,400	1,600	14.29%
Copier Supplies	441	725	550	725	31.82%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	289	300	290	300	3.45%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	751	50	50	50	0.00%
<b>Total Supplies</b>	<b>2,959</b>	<b>2,675</b>	<b>2,290</b>	<b>2,675</b>	<b>16.81%</b>

## Contractual Services

Contractual Services	1,790	1,900	1,900	1,900	0.00%
Computer Support	2,656	3,080	3,120	3,280	5.13%
<b>Total Contractual Services</b>	<b>4,446</b>	<b>4,980</b>	<b>5,020</b>	<b>5,180</b>	<b>3.19%</b>

## Other Services and Charges

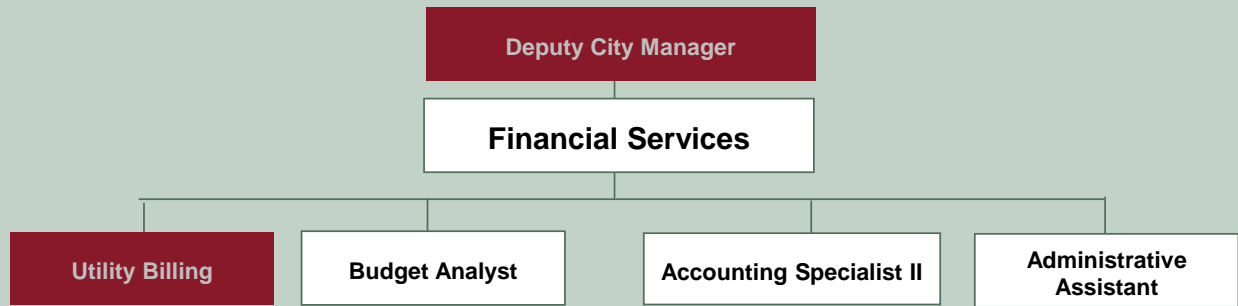
Legal Advertising	108	0	0	0	0.00%
Printing & Forms	277	1,900	1,095	1,900	73.52%
Utilities	5,561	6,200	7,000	5,880	-16.00%
Telephone	5,627	6,060	6,060	6,880	13.53%
Travel & Training	5,885	5,095	560	17,690	3058.93%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	4,414	2,465	1,020	2,750	169.61%
Manager's Contingency	11,286	12,800	12,800	12,800	0.00%
Enterprise Fleet Lease Expense	1,333	1,585	1,100	850	-22.73%
<b>Total Other Services &amp; Charges</b>	<b>34,490</b>	<b>36,105</b>	<b>29,635</b>	<b>48,750</b>	<b>64.50%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



# FINANCE DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Finance Department, under direction of the Deputy City 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. The department performs analyses 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, sales tax compliance programs, debt management and City investments.

### Our Accomplishments for FY 2021

Financial Reporting



Citizen Engagement



Cost Savings



Completed and submitted the FY 2020 Comprehensive Annual Financial Reporting (CAFR) to the Government Finance Officers Association (GFOA) for which the Finance Department received its 30<sup>th</sup> GFOA Certificate of Achievement in Excellence in Financial Reporting. Also received was the 21<sup>st</sup> GFOA Distinguished Budget Presentation Award for the City's FY 2021 Budget document.

Developed a biennial Fixed Asset Audit program.

Developed a survey that will be utilized to solicit citizen input in the budget process as directed in the 2019-2020 Strategic Plan.

Created and implemented an Employee Cost Saving program called H.E.A.R.T. as directed in the 2019-2020 Strategic Plan.

### Our Strategic Goals for FY 2022

Financial Accountability & Transparency



Ensure Quality of Life



Improve Infrastructure



Create a "Budget-in-brief."

Conduct a survey of budget priorities.

Promote citizen input in the budget process by developing opportunities for community involvement and education.

Develop and fund a capital replacement program.

General Government Finance Department Fund 01—General Fund Cost Center: 1200

## Performance Indicators



## Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

5. Embrace Financial Accountability and Transparency  
Budgetary accountability and transparency

5.1 Ensure accessible and transparent budget information is available to the community through

[1] the publication of easy to read and understandable budget documents and

[2] provide opportunities for citizen involvement with

5.1.1. [1] the creation of budget-in-brief (short budget document) and financial budget reports as well as

5.1.2. [2] additional opportunities for citizen engagement.

## Performance Indicator(s)

2019  
Actual2020  
Actual2021  
Estimate2022  
Anticipated

5.1.1. Creation of budget-in-brief &amp; financial reports

0

0

0

1

5.1.2. Opportunities for citizen engagement

2

3

3

5

Process Status:



## Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

5. Embrace Financial Accountability and Transparency  
Maintaining a long-range financial perspective

5.4 Maintain a fiscally conservative approach by strengthening the City's Cash Reserves by

5.4.1. identifying percentage benchmarks for the City's cash reserves and meeting benchmark reserve amounts.

## Performance Indicator(s)

2019  
Actual2020  
Actual2021  
Estimate2022  
Anticipated

5.4.1. Identify percentage benchmark

16.66%

16.66%

16.66%

25.00%

5.4.1. Council approval of identified % benchmark

Yes

Yes

Yes

Yes

Process Status :



## Strategic Direction

Key Priority

Guiding Principles

Strategic Goal

Strategic Initiative

5. Embrace Financial Accountability and Transparency  
Manage physical resources

5.5 Plan the management of physical resources with the development and funding of a capital assets replacement program to be the development and funding of a capital assets replacement program to be

5.5.1. included in a five-year Capital Improvement Plan that is 100% deliverable as presented and can be brought to Council for adoption.

## Performance Indicator(s)

2019  
Actual2020  
Actual2021  
Estimate2022  
Anticipated

5.5.1 Capital assets replacement program

\$0.00

\$0.00

\$0.00

\$634,825.00

5.5.1. Council's approval of program

n/a

n/a

n/a

Yes

Process Status:



## Strategic Direction

Key Priority

Guiding Principles

Strategic Goal

Strategic Initiative

5. Embrace Financial Accountability and Transparency  
Excellence in budgetary & financial reporting

5.1 Ensure accessible and transparent budget information is available to the community by

providing award worthy budgets and financial reports by

5.1.1. developing and maintaining the GFOA reporting standards for the Certificate of Achievement for Excellence in Financial Report (COA) and for the Distinguished Budget Presentation.

## Performance Indicator(s)

2019  
Actual2020  
Actual2021  
Estimate2022  
Anticipated

5.5.1 COA Award

Yes

Yes

Yes

TBD

5.5.1. Distinguished Budget Presentation Award

Yes

Yes

Yes

TBD

Process Status:

General Government	Finance Department	Fund 01—General Fund	Cost Center: 1200		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$264,503	\$337,050	\$341,880	\$338,680	-0.94%
Operating Supplies	7,284	6,375	7,775	7,025	-9.65%
Contractual Services	134,923	81,970	57,180	65,135	13.91%
Other Services and Charges	54,936	64,290	53,530	76,420	42.76%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$461,647	\$489,685	\$460,365	\$487,260	5.84%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$487,260	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Financial Services Director	1.00	1.00	1.00	\$110,120
Budget Analyst	1.00	1.00	1.00	69,675
Accounting Specialist II	0.00	1.00	1.00	41,600
Administrative Assistant	0.50	0.50	0.50	17,165
COLA				0
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				29,610
Insurance & Taxes				70,120
Employee Related Expenses				390
<b>Totals</b>	<b>2.50</b>	<b>3.50</b>	<b>3.50</b>	<b>\$338,680</b>



General Government	Finance Department	Fund 01—General Fund	Cost Center: 1200		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Office Supplies	2,663	3,000	2,800	3,000	7.14%
Copier Supplies	770	875	875	875	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	99	0	0	0	0.00%
Equipment Maintenance & Repair	342	500	1,100	150	-86.36%
Postage & Freight	3,409	2,000	3,000	3,000	0.00%
<b>Total Supplies</b>	<b>7,284</b>	<b>6,375</b>	<b>7,775</b>	<b>7,025</b>	<b>-9.65%</b>

## Contractual Services

Contractual Services	89,756	26,990	24,980	24,875	-0.42%
Audit Expense	28,304	31,840	31,000	31,000	0.00%
Sales Tax Audits	1,772	8,000	0	8,000	0.00%
Computer Support	15,092	15,140	1,200	1,260	5.00%
<b>Total Contractual Services</b>	<b>134,923</b>	<b>81,970</b>	<b>57,180</b>	<b>65,135</b>	<b>13.91%</b>

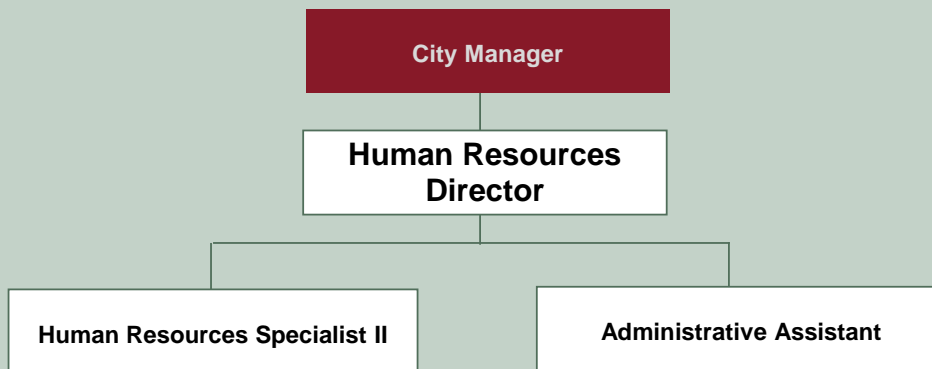
## Other Services and Charges

Bank Charges	8,311	8,500	3,500	4,000	4.86%
Legal Advertising	958	5,500	5,000	5,000	0.00%
Printing & Forms	4,284	4,730	3,500	3,500	0.00%
Utilities	3,950	5,120	4,500	4,730	5.11%
Telephone	2,565	2,860	2,880	3,020	5.11%
State Annual Municipality Fee	31,904	31,930	31,550	31,670	0.38%
Travel & Training	2,535	4,000	1,100	3,700	236.36%
Continuing Education	0	0	0	20,000	0.00%
Subscriptions & Memberships	430	1,650	1,500	800	-46.67%
<b>Total Other Services &amp; Charges</b>	<b>54,936</b>	<b>64,290</b>	<b>53,530</b>	<b>76,420</b>	<b>42.76%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0

# HUMAN RESOURCES DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Human Resources (HR) Department falls under the direction of the City Manager and is responsible for the hiring of personnel, employee training and development, employee benefits, risk management, City cemetery administration, and other special projects.

### Our Accomplishments for FY 2021

#### Organization



#### Recruitment



Facilitated the hiring process for approximately 70 positions of which 36 were full-time, and it also included difficult to fill positions, such as Fire Chief, Senior Engineer, and Utility Engineer.

Increased the total number of applicants interested in positions posted by the City.

Coordinated the selection of Public Safety Personnel Consultants to conduct a compensation study.

### Our Strategic Goals for FY 2022

#### Sustainable Growth and Development



#### Ensure Quality of Life



#### Financial Accountability & Transparency



Increase employee retention to a rate of at least 90%.



Decrease the gravity and number of workers' compensation injuries and illnesses to decrease the City's EMOD by at least 10%.


Create a program or incentive to promote and increase employees' volunteerism.

Implement the approved compensation plan resulting from the Compensation Study.

General Government Human Resources Department Fund 01-General Fund Cost Center: 1210

## Performance Indicators

  	<b>Strategic Directive</b> <b>Key Priority</b> <b>Guiding Principle</b> <b>Strategic Goals</b>  <b>Strategic Initiative</b>	<b>5. Embrace Financial Accountability and Transparency</b> <b>Manage employee pool</b> <b>5.2 Retain and recruit highly qualified employees through</b> [1] the implementation of an approved compensation plan and [2] additional efforts to increase employee retention by Increase employee retention to a rate of at least 90%; <b>5.2.2.</b> Adjusting the current pay structure based on a market-based compensation study and implement new compensation plan, if any; <b>5.2.3.</b> Establishing a professional certification bonus or salary escalator, or increased accrual amounts; <b>5.2.4.</b> Evaluating employee benefits currently not offered; <b>5.2.5.</b> Evaluating funding and implement incentivizing strategies for selected applicants to accept City positions; <b>5.2.6.</b> Evaluating each department's succession plan and addressing any deficiencies.				
	<b>Performance Indicator(s)</b>	<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>	
	5 Increase full-time employee retention rate to at least 90%	88%	84%	83%	87%	
	5.2.2. Conduct market-based compensation study			100%		
						100%
						100%
						100%
						see status notes
						13% (see notes)
<b>Process Status:</b> 5.2.5 Evaluation has been postponed until further notice 5.2.6 Evaluation is done intermittently, based on need						

  	<b>Strategic Directive</b> <b>Key Priority</b> <b>Guiding Principle</b>  <b>Strategic Goals</b> <b>Strategic Initiative</b>	<b>2. Ensure Our Quality of Life</b> <b>Encourage volunteerism</b> <b>2.5 Encourage volunteerism in areas of interest that are consistent with</b> our brand by promoting and increasing employees' volunteerism by means of <b>2.5.4</b> creating programs or incentives that entice employees to volunteer.				
	<b>Performance Indicator(s)</b>	<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>	
	2.5.4. Develop employee volunteer leave; and implementation				100%	
	<b>Process Status:</b>					



General Government	Human Resources Department		Fund 01-General Fund		Cost Center: 1210	
Summary by Category						
Expenditure Category	2020	2021		2022	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$192,916	\$201,960	\$201,735	\$202,060	0.16%	
Operating Supplies	1,992	3,325	2,765	2,920	5.61%	
Contractual Services	15,089	13,340	34,250	17,630	-48.53%	
Other Services and Charges	41,526	65,140	82,790	88,615	7.04%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$251,523	\$283,765	\$321,540	\$311,225	-3.21%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$311,225	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Human Resources Director	1.00	1.00	1.00	\$77,680
Human Resources Specialist II	1.00	1.00	1.00	49,530
Administrative Assistant	0.50	0.50	0.50	17,160
Cost of Living Adjustment				0
Employee Awards				0
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				18,000
Insurance & Taxes				38,400
Employee Related Expenses				1,290
<b>Totals</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>\$202,060</b>

General Government	Human Resources Department	Fund 01-General Fund	Cost Center: 1210		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	678	1,000	750	1,000	33.33%
Copier Supplies	769	1,000	1,000	1,000	0.00%
Gas & Oil	0	500	200	500	150.00%
Training Supplies	0	0	0	0	0.00%
Vehicle Maintenance & Repair	10	300	250	300	20.00%
Equipment Maintenance & Repair	463	500	550	100	-81.82%
Postage & Freight	72	25	15	20	33.33%
<b>Total Supplies</b>	<b>1,992</b>	<b>3,325</b>	<b>2,765</b>	<b>2,920</b>	<b>5.61%</b>

**Contractual Services**

Contractual Services	4,824	1,000	2,300	2,500	8.70%
Employee Physicals/Drug Tests	6,814	8,300	8,300	8,300	0.00%
Compensation Study	0	0	20,000	3,000	-85.00%
Computer Support	3,451	4,040	3,650	3,830	4.93%
<b>Total Contractual Services</b>	<b>15,089</b>	<b>13,340</b>	<b>34,250</b>	<b>17,630</b>	<b>-48.53%</b>

**Other Services and Charges**

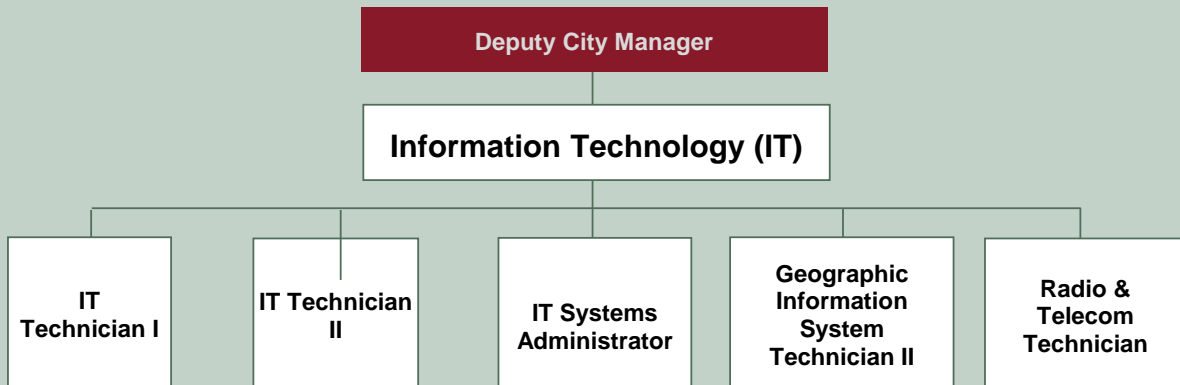
Advertising	0	0	0	0	0.00%
Printing & Forms	0	80	60	200	0.00%
Utilities	3,981	4,090	4,210	4,420	10.84%
Telephone	1,159	1,270	1,450	1,520	11.11%
Safety/Personnel Committee	4,784	7,300	6,500	7,300	0.00%
Safety Expenses	568	1,200	1,000	1,000	0.00%
Travel & Training	982	5,325	1,000	5,625	9.09%
Continuing Education	0	10,000	11,000	14,000	33.33%
Subscriptions & Memberships	1,478	5,375	2,900	2,900	33.33%
Recruitment Expense	3,610	10,500	8,000	11,650	143.24%
Unemployment Insurance (City)	24,963	20,000	46,670	40,000	33.33%
<b>Total Other Services &amp; Charges</b>	<b>41,526</b>	<b>65,140</b>	<b>82,790</b>	<b>88,615</b>	<b>7.04%</b>

**Supplemental Data: Capital Outlay**

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted



# INFORMATION TECHNOLOGY DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Information Technology (IT) Department maintains all computer equipment and computer software, and the maintenance of all City servers as well, under the general direction of the Deputy City Manager. IT is also responsible for researching new technology and software updates and implementing these changes. Additionally, IT maintains the City website and mobile app. Other services provided include, but are not limited to, GIS mapping and support, and radio and microwave support and maintenance.

## Our Accomplishments for FY 2021

### Cybersecurity



### Communication



### Sustainability



Completed implementation of cybersecurity upgrades that encompassed the security vectors of physical machine access, network accessibility, online access threats, and antivirus.

Secured further cybersecurity education with no-match grant through the Cybersecurity and Infrastructure Security Agency (CISA) for continuing systems security training and periodic testing to help users maintain vigilance against cybersecurity threats.

Moved to the online email platform of Office 365, providing redundancy, costs and time reductions, MS teams, and easy email access.

Secured an APS Take Charge AZ grant for the installation of four electric vehicle (EV) chargers, located behind the City Hall that can be used free of charge. These chargers promote more sustainable business practices and offer an alternative energy source that reduces the use of fossil fuels.

## Our Strategic Goals for FY 2022

### Enhance Quality of Life



### Embrace Financial Accountability



### Improve Infrastructure



Eliminate radio issues at Public Safety.

Merge the two 3CX phone systems and configure for redundant running for a fallback.



Replace the mobile data computers (MDCs) at the Police Department, including all connection equipment.



Resolve 95% of help desk tickets within 1 week.



General Government      IT Department      Fund 01—General Fund      Cost Center: 1220

### Performance Indicators

  	<b>Strategic Direction</b> <b>Key Priority</b> <b>Guiding Principle</b> <b>Strategic Goals</b>	<b>4. Improve Our Infrastructure</b> <b>Information technology</b> <b>4.5</b> Continue to prioritize City infrastructure projects (internal) to ensure IT's workflow optimization, security and City operations are responsive, modern, and efficient by means of  <b>4.5.4</b> [1] elimination of radio issues at the Public Safety, enhancing redundancy of radio system, [2] merging of the two existing 3CX phone systems; and [3] replacing mobile data computers (MDCs) and all connection equipment at the Police Department			
	<b>Strategic Initiative</b>				
	<b>Performance Indicator(s)</b>	<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
4.5.4	[1] Merging of the existing 3CX phone systems				100%
4.5.4	[2] Replacement of mobile data computers (MDCs)		5%	10%	20%
<b>Process Status:</b>					

Strategic Direction

Key Priority

Guiding Principle

Strategic Goals

Strategic Initiative

4. Improve Our Infrastructure

Information technology

4.5 Continue to prioritize City infrastructure projects (internal) by ensuring IT's workflow optimization, security and City operations are responsive, modern, and efficient by

4.5.4 making efforts to resolve 95% of help desk tickets within one (1) week.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
4.5.4. Help desk tickets submitted	1,497	1,675	1,800	2,100
4.5.4 Help desk tickets resolved within one week	1,364	1,579	1,710	2,016
4.5.4. % of help desk tickets resolved in one week	91.12%	94.27%	95.00%	96.00%
4.5.4. % change (YOY)		-3%	-1%	-1%

Process Status:



General Government	IT Department	Fund 01—General Fund	Cost Center: 1220		
Supplemental Data: Expenditures					
Item	2020	2021		2022	Percent Change
Description	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	5,220	3,600	6,500	7,000	7.69%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	730	1,200	200	600	200.00%
Vehicle Maintenance & Repair	8,286	2,500	800	2,500	212.50%
Equipment Maintenance & Repair	1,371	3,600	1,000	3,600	260.00%
Radio Maintenance & Repair	20,490	51,700	40,000	55,700	39.25%
Postage & Freight	165	250	70	250	257.14%
<b>Total Supplies</b>	<b>36,263</b>	<b>62,850</b>	<b>48,570</b>	<b>69,650</b>	<b>43.40%</b>

**Contractual Services**

Contractual Services	152,317	215,000	215,000	247,735	15.23%
Bank Charges	0	0	0	0	0.00%
Computer Support	88,140	197,115	155,000	213,435	37.70%
<b>Total Contractual Services</b>	<b>240,456</b>	<b>412,115</b>	<b>370,000</b>	<b>461,170</b>	<b>24.64%</b>

**Other Services and Charges**

Employee Physicals/Drug Tests	350	350	175	350	100.00%
Advertising	482	485	0	0	0.00%
Utilities	3,602	5,000	3,570	3,750	5.04%
Telephone	7,658	8,230	7,810	8,200	4.99%
Homeland Security Grant	4,704	0	7,550	0	-100.00%
Travel & Training	4,394	11,550	5,000	13,050	161.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Membe	15,251	19,000	32,000	37,550	17.34%
<b>Total Other Services &amp; Charges</b>	<b>36,441</b>	<b>44,615</b>	<b>56,105</b>	<b>62,900</b>	<b>12.11%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Mobile Data Computers				\$21,000	
WatchGuard Server - PD				27,355	
Mobile Data Computers - PD				36,000	
Command Staff, Community Dashboards				52,325	
Utility Vans				75,000	
Computer Equipment (Library)	\$8,448				
<b>Totals</b>	<b>\$8,448</b>	<b>\$0</b>	<b>\$0</b>	<b>\$211,680</b>	

General Government	IT Department	Fund 01—General Fund	Cost Center: 1220		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$562,129	\$614,670	\$636,625	\$618,000	-2.93%
Operating Supplies	36,263	62,850	48,570	69,650	43.40%
Contractual Services	240,456	412,115	370,000	461,170	24.64%
Other Services and Charges	36,441	44,615	56,105	62,900	12.11%
Capital Outlay	8,448	0	0	211,680	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$883,737	\$1,134,250	\$1,111,300	\$1,423,400	28.08%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$1,423,400	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2020	2021	2022	2022
IT Director	1.00	1.00	1.00	\$101,790
IT Systems Administrator	1.00	1.00	1.00	54,570
Radio & Telecom Technician	1.00	1.00	1.00	60,135
GIS Technician II	1.00	1.00	1.00	58,535
IT Technician II	1.00	1.00	1.00	50,440
IT Technician I	2.00	2.00	2.00	88,700
COLA				0
Merit Contingency				0
Longevity				0
Clothing Allowance				500
Temporary Employees / Reserves				0
Overtime				500
Holiday Pay				0
Retirement				51,460
Insurance & Taxes				151,370
Employee Related Expenses				0
<b>Totals</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>\$618,000</b>

# PURCHASING DIVISION

Deputy City Manager

Purchasing / Contracts  
Administrator

Only unshaded boxes are included in this budget.

## What We Do

The Purchasing Division, under direct supervision of the Deputy City 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 all of the state's procurement statutes.

### Our Accomplishments for FY 2021

Protective  
Equipment



Communication



IT Infrastructure



Infrastructure



Maintained a steady inventory of personal protective equipment (PPE) and cleaning and disinfection supplies for all City departments (in a volatile and challenging purchasing environment) since the early stage of the COVID-19 pandemic.

Worked closely with custodial vendor to make significant and rapid schedule changes during the COVID-19 pandemic in an effort to keep City facilities safe, clean, and open to serve the public as much as possible while remaining in compliance with COVID-19 restrictions.

Implemented the Springbrook Enterprise Resource Planning (ERP) software module for Purchase Order Requisitions and Purchase Order Approvals.

Contracted with a local real-estate broker to sell the City-owned property located at 816 N Main Street.

### Our Strategic Goals for FY 2022

Financial  
Accountability &  
Transparency



Approve 90% of purchase order requisitions within two business days.



Implement the use of DocuSign software for electronic contract signatures.





General Government Purchasing Division Fund 01—General Fund Cost Center: 1230

### Performance Indicators

Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

1. Foster Sustainable Growth and Development



Economic development



1.2 Start and end with "The City is open for business."

Procure material goods and services in an efficient and timely manner for City departments by

1.2.3 streamlining the purchase order requisition process to enable 90% of the requisitions be approved within two (2) business days.

Performance Indicator(s)		2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
1.2.3	Number of (approved) requisitions processed	151	153	190	175
	• Requisitions approved within 2 business days	140	137	165	160
	• % of requisitions approved within 2 business days	92.72%	89.54%	86.84%	91.43%
Process Status:					

  	<b>Strategic Direction</b>	<b>1. Foster Sustainable Growth and Development</b>			
	<b>Key Priority</b>	<b>Economic development</b>			
	<b>Guiding Principle</b>	<b>1.2 Start and end with "The City is open for business."</b>			
	<b>Strategic Goal</b>	Improve turnaround time acquiring signatures for contracts by			
	<b>Strategic Initiative</b>	<b>1.2.3 implementing the DocuSign electronic signature application that provides a simple and secure way to have documents signed electronically by vendors and City staff, and also tracked.</b>			
<b>Performance Indicator(s)</b>		<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Estimate</b>	<b>2022 Anticipated</b>
1.2.3. Implementation process of DocuSign on the purchasing level				25%	100%
<b>Process Status:</b>					

Strategic Direction

Key Priority

Guiding Principles

Strategic Goal

Strategic Initiative

1. Foster Sustainable Growth and Development

Economic development

1.2 Start and end with "The City is open for business."

Ensure local businesses within the City limits and any businesses entity that conduct business within the City limits comply with the requirement to register their business with the City by

1.2.3 mailing business registration renewal letters and informing business owners of new and/or not yet registered businesses via the Chamber of Commerce magazine and Code Enforcement of their responsibility to register with the City per the Municipal Code.

Performance Indicator(s)		2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
1.2.3.	Total number of mailed out business registration renewals	1,383	1,410	1,500	1,500
	- Number of renewals paid on-time	919	1,014	1,000	1,000
	- Number of completely new business registrations	197	272	TBD	TBD
	- Number of registrations/renewals based on late notices and/or Code Enforcement	267	124	TBD	TBD
Process Status:					



General Government	Purchasing Division	Fund 01—General Fund	Cost Center: 1230		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$104,163	\$105,180	\$109,470	\$105,710	-3.43%
Operating Supplies	712	900	815	950	16.56%
Contractual Services	7,538	4,300	6,550	6,790	3.66%
Other Services and Charges	2,128	2,980	1,610	3,010	86.96%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$114,541	\$113,360	\$118,445	\$116,460	-1.68%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$116,460	100.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Purchasing/Contract Administrator	1.00	1.00	1.00	\$77,870
COLA				
Merit Contingency				0
Longevity Pay				0
Temporary / Reserves				0
Retirement				9,660
Insurance & Taxes				17,970
Employee Related Expenses				210
<b>Totals</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>\$105,710</b>



General Government	Purchasing Division	Fund 01-General Fund	Cost Center: 1230		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	284	350	215	350	62.79%
Copier Supplies	272	400	400	400	0.00%
Postage & Freight	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	156	150	200	200	0.00%
<b>Total Supplies</b>	<b>712</b>	<b>900</b>	<b>815</b>	<b>950</b>	<b>16.56%</b>

**Contractual Services**

Contractual Services	5,213	1,800	1,800	1,800	0.00%
Computer Support	2,325	2,500	4,750	4,990	5.05%
<b>Total Contractual Services</b>	<b>7,538</b>	<b>4,300</b>	<b>6,550</b>	<b>6,790</b>	<b>3.66%</b>

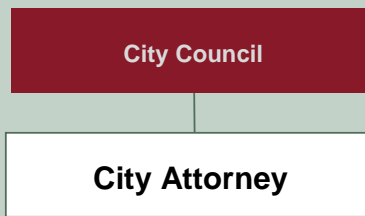
**Other Services and Charges**

Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	563	450	420	440	4.76%
Telephone	1,055	1,180	1,160	1,220	4.76%
Travel & Training	322	1,000	0	1,000	0.00%
Subscriptions & Memberships	187	350	30	350	1066.67%
<b>Total Other Services &amp; Charges</b>	<b>2,128</b>	<b>2,980</b>	<b>1,610</b>	<b>3,010</b>	<b>86.96%</b>

**Supplemental Data: Capital Outlay**

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted

# LEGAL DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The City Attorney serves as the City's Chief Legal Officer and General Counsel. S/he prepares and reviews legal documents, including contracts, intergovernmental agreements (IGAs), ordinances and resolutions, and provides legal advice and opinions to the Mayor, City Council, City Management, and all City Department Heads and Staff. S/he also advises and represents, and/or oversees the representation of the City in all legal proceedings in state court, federal court, and before state and federal administrative agencies. The City Attorney's office is also responsible for enforcement of the Cottonwood City Code and the prosecution of misdemeanor cases in the Cottonwood Municipal Court, either directly or by contract.

## Our Accomplishments for FY 2021

### Infrastructure



Worked with City management, staff and special counsel to negotiate a forbearance agreement to allow for development of a second, 20-home phase at the Vineyards in Cottonwood while preserving the City's rights and remedies for default of the obligation to have the extension of Groseta Ranch Road to Main Street completed by the end of 2020

Worked with City management, staff and purchasers of the property at 6th Street to complete the sale and begin development of a new 84-room SpringHill Suites

Worked with City management, staff and special counsel to complete the annexation of approximately 11 square miles of Forest Service land and approximately 280 acres of private land, known as Spring Creek Ranch.

## Our Strategic Goals for FY 2022

### Financial Accountability & Transparency



Start/continue conversations on succession planning.

Generate report on how other jurisdictions deal with legal services and evaluate the cost of in-house versus contracting attorney services.

Assist with the selection process of a firm/successor for legal services for the City.



General Government	Legal Department	Fund 01—General Fund	Cost Center: 1300
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\*\* Performance indicators are to be determined \*\*

**Strategic Direction**

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

**5. Embrace Accountability and Transparency****Employees****5.2. Recruit and retain highly qualified employees**

Develop a strategy for the succession of the city attorney

**5.2.6.i. Initiate conversation on succession planning;**

**5.2.6.ii.** Report on how other jurisdictions deal with legal services and evaluate the cost of in-house versus contracting attorney services;

**5.2.6.iii. Assist with the selection process of the successor for legal services for the City.**

Performance Indicator(s)		2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
5.2.6.i.	Initiate conversation on succession planning				100%
5.2.6.ii.	Oral reporting on alternatives for providing legal to city council and city manager				100%
5.2.6.iii.	Provide assistance to council, city manager, and HR with selection process of successor:				
-	develop process outline and calendar for recruiting, screening, and selection				50%
-	develop outline and calendar for the onboarding process of successor (TBD in FY 2023)				

**Process Status:** 5.2.6.ii. Following reporting on alternatives, council opts to continue to employ an in-house city attorney with on-site presence.





General Government		Legal Department		Fund 01—General Fund		Cost Center: 1300	
Summary by Category							
Expenditure Category	2020	2021		2022	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$243,260	\$243,290	\$253,310	\$244,640	-3.42%		
Operating Supplies	454	15	400	435	8.75%		
Contractual Services	135,561	153,600	135,000	173,600	28.59%		
Other Services and Charges	5,347	7,555	7,785	8,130	4.43%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$384,622	\$404,460	\$396,495	\$426,805	7.64%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$426,805	100.00%
Total Funding		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
City Attorney	1.00	1.00	1.00	\$185,100
Legal Services Coordinator	0.00	0.00	0.00	
COLA				0
Vehicle Allowance				5,400
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				23,640
Insurance & Taxes				30,500
Employee Related Expenses				0
Totals	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>\$244,640</b>



General Government	Legal Department	Fund 01-General Fund	Cost Center: 1300		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	436	0	400	420	5.00%
Copier Supplies	9	10	0	10	0.00%
Postage & Freight	8	5	0	5	0.00%
<b>Total Supplies</b>	<b>454</b>	<b>15</b>	<b>400</b>	<b>435</b>	<b>8.75%</b>

**Contractual Services**

Contractual Services	41,961	60,000	41,400	80,000	93.24%
Prosecuting Attorney	93,600	93,600	93,600	93,600	0.00%
<b>Total Contractual Services</b>	<b>135,561</b>	<b>153,600</b>	<b>135,000</b>	<b>173,600</b>	<b>28.59%</b>

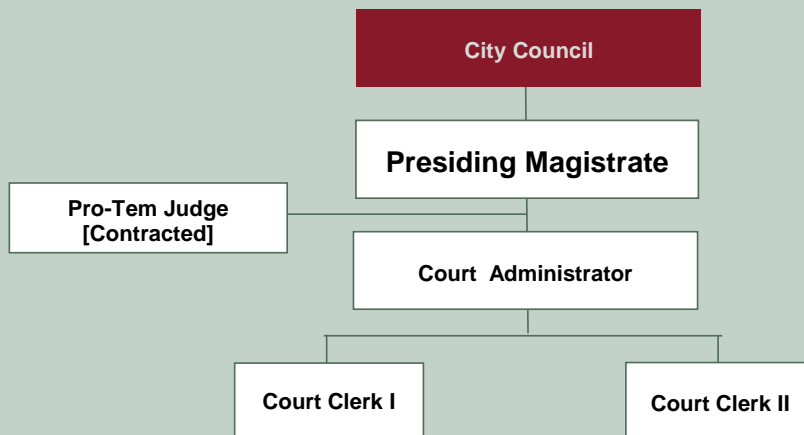
**Other Services and Charges**

Legal Advertising	0	0	0	0	0.00%
Printing & Forms	374	400	0	0	0.00%
Utilities	311	350	850	850	0.00%
Telephone Expense	1,366	1,500	1,460	1,530	4.79%
Travel & Training	149	300	300	300	0.00%
Subscriptions & Memberships	3,147	5,005	5,175	5,450	5.31%
<b>Total Other Services &amp; Charges</b>	<b>5,347</b>	<b>7,555</b>	<b>7,785</b>	<b>8,130</b>	<b>4.43%</b>

**Supplemental Data: Capital Outlay**

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted

# MUNICIPAL COURT



Only unshaded boxes are included in this budget.

## What We Do

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.

## Our Accomplishments for FY 2021

### Administrative Processes



### Security



### Cost Savings



### Organization



Court successfully transitioned from a traditional court room calendar, relying on in-person appearances by all parties, to a largely one-on-one appearance process and remained fully open and operational with in-court staffed Court while exercising the COVID-19 safety protocols recommended by the Center for Disease Control and Prevention (CDC) and the Administrative Office of the Courts (AOC).

Improved building security with the installation of three additional security cameras; 2 exterior and 1 interior.

Enhanced enforcement of judicial orders (Payments of fines, required counseling and other court mandates) through timely notification processes made possible by the use of modified automated documents and text/email notifications.

Hired a part-time court clerk (19 hours per week), who partially replaced the full-time position that became vacant in March 2020.

## Our Strategic Goals for FY 2022

### Quality of Life



### Financial Accountability



Install a stand-alone or drive-up drop box for defendants to make court payments.

Utilize volunteers to augment regular Court staff and implement market adjustments for staff to ensure employee retention.



Continue enhancement of Court security to meet Arizona Supreme Court standards.


Provide Court employees with training opportunities and restore vital relationships with other city courts (post COVID)



General Government      Municipal Court      Fund 01-General Fund      Cost Center: 1310

### Performance Indicators

 	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b>	<b>Municipal judicial functions</b>			
	<b>Guiding Principle</b>	<b>2.x. Effectively execute judicial functions in the community by</b>			
	<b>Strategic Goal</b>	efficiently managing the time from filing to disposition of court cases (considering, completing, administering and processing) aimed at			
	<b>Strategic Initiative</b>	<b>2.x.x. closing out all court cases during the year.</b>			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>2.x.x. Types of court cases closed out:</b>					
- Civil		100%	100%	100%	100%
- Criminal		100%	100%	98%	100%
- Protective orders		100%	100%	100%	100%
<b>Process Status:</b>					

	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b>	<b>Municipal judicial functions</b>			
	<b>Guiding Principle</b>	<b>2.x. Effectively administer judicial functions in the community by</b>			
	<b>Strategic Goal</b>	improving operational efficiency and processing of cases aimed at			
	<b>Strategic Initiative</b>	<b>2.x.x. increasing the collection rate of payments and active payment contracts.</b>			
<b>Performance Indicator(s)</b>		<b>2019 <i>Actual</i></b>	<b>2020 <i>Actual</i></b>	<b>2021 <i>Estimate</i></b>	<b>2022 <i>Anticipated</i></b>
2.x.x. Collection or payment contracts		98%	99%	100%	100%
<b>Process Status:</b>					





General Government	Municipal Court	Fund 01—General Fund	Cost Center: 1310		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$367,890	\$382,640	\$370,365	\$413,990	11.78%
Operating Supplies	7,424	6,150	8,400	8,600	2.38%
Contractual Services	74,503	100,220	94,970	94,840	-0.14%
Other Services and Charges	32,485	79,235	29,020	67,090	131.19%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$482,302	\$568,245	\$502,755	\$584,520	16.26%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$584,520	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Presiding Magistrate	0.60	0.80	0.80	\$91,520
Court Administrator	1.00	1.00	1.00	67,425
Court Clerk II	2.00	1.00	1.00	47,185
Court Clerk I	1.00	2.00	2.00	71,350
COLA				0
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				33,100
Retirement				36,280
Insurance & Taxes				66,740
Employee Related Expenses				390
<b>Totals</b>	<b>4.60</b>	<b>4.80</b>	<b>4.80</b>	<b>\$413,990</b>



General Government	Municipal Court	Fund 01-General Fund	Cost Center:	1310	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	3,738	3,200	3,800	4,000	5.26%
Copier Supplies	1,353	2,000	2,000	2,000	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	1,418	350	1,000	1,000	0.00%
Postage & Freight	914	600	1,600	1,600	0.00%
<b>Total Supplies</b>	<b>7,424</b>	<b>6,150</b>	<b>8,400</b>	<b>8,600</b>	<b>2.38%</b>

**Contractual Services**

Contractual Services	10,845	15,000	15,000	14,000	-6.67%
Court Audit	3,250	0	0	0	0.00%
Computer Support	11,806	12,020	12,370	12,240	-1.05%
Court Appointed Attorney	46,309	70,000	65,000	65,000	0.00%
Pro Tem Services	2,293	3,200	2,600	3,600	38.46%
<b>Total Contractual Services</b>	<b>74,503</b>	<b>100,220</b>	<b>94,970</b>	<b>94,840</b>	<b>-0.14%</b>

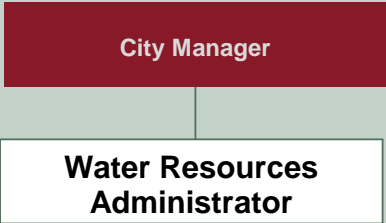
**Other Services and Charges**

Jury Fees	0	200	0	0	0.00%
Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	10,412	10,950	10,800	11,340	5.00%
Telephone	1,870	2,110	1,950	2,050	5.13%
JCEF Fund Expenses	4,223	1,640	1,650	1,650	0.00%
FTG-Fill The Gap Expense	0	0	0	0	0.00%
Court Enhancement Expenses	13,482	57,625	10,870	45,000	313.98%
Travel & Training	1,649	4,500	1,500	4,800	220.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	850	2,210	2,250	2,250	0.00%
Miscellaneous Expense	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>32,485</b>	<b>79,235</b>	<b>29,020</b>	<b>67,090</b>	<b>131.19%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

# Natural Resources



## What We Do

This Program has been integrated in the Utilities Department. It was initially established to explore and coordinate water policy as well as resolve water related issues with other communities in the region. Furthermore, the Program involves coordinating the City’s efforts in the statewide general stream adjudication for the protection of water resources and determination of water rights. The water resources administrator develops strategies and solutions to minimize the impacts of the adjudication on Cottonwood’s citizens. Beside representing the city in water resource planning and management efforts at the state level, the administrator also facilitates and participates in settlement negotiations with other communities in the Verde Valley and with downstream water users.

## Our Accomplishments for FY 2021

N/A

## Our Strategic Goals for FY 2022

N/A



General Government	Natural Resources	Fund 01—General Fund	Cost Center: 1700
<b>** No performance indicators will be formulated **</b>			



General Government		Natural Resources		Fund 01—General Fund		Cost Center: 1700	
Summary by Category							
Expenditure Category	2020	2021		2022	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$11,783	\$0	\$0	\$0	0.00%		
Operating Supplies	7	0	0	0	0.00%		
Contractual Services	240	0	0	0	0.00%		
Other Services and Charges	450	0	0	0	0.00%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$12,479	\$0	\$0	\$0	0.00%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$0	0.00%
<b>Total Funding <u>0.00%</u></b>		

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Water Resources Administrator	1.00	0.00	0.00	\$0
COLA				0
Car Allowance				0
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
<b>Totals</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>\$0</b>

General Government		Natural Resources		Fund 01—General Fund		Cost Center: 1700	
Supplemental Data: Expenditures							
Item Description	2020	2021		2022	Percent Change		
	Actual	Budget	Revised	Adopted			

## Operating Supplies

Office Supplies	0	0	0	0	0.00%
Copier Supplies	7	0	0	0	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	0	0	0	0	0.00%
<b>Total Supplies</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

## Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	240	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

### Other Services and Charges

Printing and Forms	0	0	0	0	0.00%
Utilities	370	0	0	0	0.00%
Telephone	80	0	0	0	0.00%
Travel & Training	0	0	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0





# TOURISM & ECONOMIC DEVELOPMENT



Only unshaded boxes are included in this budget.

## What We Do

The City of Cottonwood Economic Development Department provides functional support through enhancement of business expansion, development, and growth in Cottonwood. It works in tandem with City management, Community Development and Public Works to achieve and promote a successful and healthy business strategy by promoting and assisting business development through an "open for business" dialogue and hands-on approach. The department promotes values for success for the community and portrays a dynamic community structure of focus on individual business development plus an aggressive business model with spotlight on a vibrant and health business strategy.

## Our Accomplishments for FY 2021

### Branding



### Digital Communication



### Networking



Created and implemented a new e-newsletter, called SHOP Cottonwood, for all Cottonwood business registration holders.

In partnership with outside agencies, redesigned and launched a new **Visit Cottonwood** website; and used effective advertising for the new branding of Cottonwood.

Established a new City Tourism Office responsible for the Destination Marketing Organization (DMO) for Cottonwood with an outside partner.

Coordinated with Cottonwood Chamber of Commerce to bring a satellite Visitor Center to Old Town.

## Our Strategic Goals for FY 2022

### Sustainable Growth and Development



### Ensure Quality of Life



Continue to support the Chamber of Commerce.

Increase marketing efforts: "Heart of Arizona Wine Country" and "You are welcome here."



Establish a business survey to gain feedback on needs/trends and overall satisfaction when doing business in Cottonwood.



Create and maintain an active real estate opportunity list.





General Government    Tourism &amp; Economic Development    Fund 01-General Fund    Cost Center: 6000

## Performance Indicators

  	<b>Strategic Direction</b>	<b>1. Foster Sustainable Growth and Development</b>			
	<b>Key Priority</b>	<b>Promote tourism</b>			
	<b>Guiding Principle</b>	<b>1.6</b> Continue with current marketing and tourism direction by providing continued support to the Chamber of Commerce and increase tourism by			
	<b>Strategic Goal</b>				
	<b>Strategic Initiative</b>	<b>1.6.4.</b> focusing on refining (enhance) the relationship with the Chamber of Commerce in regards to marketing responsibilities and tourism.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
1.6.4. Enhance relationship with Chamber of Commerce				90%	100%
<b>Process Status:</b>		<b>1.6.4.</b> Focus to enhance the relationship with the Cottonwood's Chamber of Commerce and increasing tourism is a major priority for this department.			

  	<b>Strategic Direction</b>	<b>1. Foster Sustainable Growth and Development</b>			
	<b>Key Priority</b>	<b>Promote tourism</b>			
	<b>Guiding Principle</b>	<b>1.6</b> Continue with the current marketing and tourism direction by furthering the City's brand recognition of "Heart of Arizona Wine Country" and welcoming tagline "You are welcome here" through			
	<b>Strategic Goal</b>	Country" and welcoming tagline "You are welcome here" through			
	<b>Strategic Initiative</b>	<b>1.6.3.</b> increased marketing efforts.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
1.6.3. Launch a retargeting online campaign				70%	100%
<b>Process Status:</b>		<b>1.6.3.</b> Efforts are ongoing for furthering City's brand with Arizona of Tourism co-op and through general marketing and advertising.			

  	<b>Strategic Direction</b>	<b>1. Foster Sustainable Growth and Development</b>			
	<b>Key Priority</b>	<b>Economic development</b>			
	<b>Guiding Principles</b>	<b>1.1</b> Focus on business retention and <b>1.7</b> create organizational flexibility in support of local businesses and housing by			
	<b>Strategic Goal</b>	assisting the business community with information to enhance their ability to navigate challenging business realities by			
	<b>Strategic Initiative</b>	<b>1.1.1</b> providing them with the information based on the results of the <b>1.7.1</b> needs assessment survey of local businesses that will be <b>1.7.2</b> incorporated in an action plan for possible implementation by the them.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
1.7.1. Conduct needs assessment survey of local businesses				50%	95%
1.7.2 Develop action plan for evaluation and implementation of survey results					
<b>Process Status:</b> 1.7.1. Started out slow in FY 2021 due to pandemic, but Economic Development will be picking up substantially in Fall 2021.					

General Government	Tourism & Economic Development	Fund 01—General Fund	Cost Center: 6000		
Summary by Category					
Expenditure	2020	2021		2022	Percent
Category	Actual	Budget	Revised	Adopted	Change
Personnel	\$281,502	\$250,750	\$180,355	\$148,010	-17.93%
Operating Supplies	1,995	2,540	1,055	1,700	61.14%
Contractual Services	491	510	625	530	-15.20%
Other Services and Charges	30,810	136,410	134,795	243,500	80.64%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$314,798	\$390,210	\$316,830	\$393,740	24.27%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$393,740	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Economic Development Director	0.00	0.00	0.00	\$0
Tourism & Econ. Development Director	0.00	1.00	1.00	80,990
Business Specialist	0.00	0.00	0.00	0
Marketing & Public Information Spec.	1.00	1.00	0.50	22,880
Admin. Asst./Facilities Rental Coord.	0.00	1.00	0.00	0
Administrative Assistant	1.00	0.00	0.00	0
COLA				0
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				12,890
Insurance & Taxes				31,250
Employee Related Expenses				0
<b>Totals</b>	<b>2.00</b>	<b>3.00</b>	<b>1.50</b>	<b>148,010</b>

General Government	Tourism & Economic Development	Fund-01-General Fund	Cost Center: 6000		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Office Supplies	1,713	1,500	1,000	1,500	50.00%
Copier Supplies	144	500	50	150	200.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	138	500	0	0	0.00%
Postage & Freight	0	40	5	50	900.00%
<b>Total Supplies</b>	<b>1,995</b>	<b>2,540</b>	<b>1,055</b>	<b>1,700</b>	<b>61.14%</b>

## Contractual Services

Contractual Services	0	0	125	0	-100.00%
Computer Support	491	510	500	530	6.00%
<b>Total Contractual Services</b>	<b>491</b>	<b>510</b>	<b>625</b>	<b>530</b>	<b>-15.20%</b>

### Other Services and Charges

Advertising	102	500	5,000	5,000	0.00%
Marketing & Tourism Development	0	100,000	100,000	200,000	100.00%
Printing & Forms	460	500	200	500	150.00%
Utilities	6,759	7,870	6,225	1,470	-76.39%
Telephone	1,286	2,040	1,460	1,530	4.79%
Focus on Success	20,260	20,500	20,500	30,000	46.34%
Nature Conservancy Grant	0	0	0	0	0.00%
Travel & Training	1,215	3,000	1,100	3,000	172.73%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	728	2,000	310	2,000	545.16%
<b>Total Other Services &amp; Charges</b>	<b>30,810</b>	<b>136,410</b>	<b>134,795</b>	<b>243,500</b>	<b>80.64%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



# COMMUNITY DEVELOPMENT



Only unshaded boxes are included in this budget.

## What We Do

The Community Development Department provides planning, zoning, building, and code enforcement services to the general public. The department advises the City Council, Planning and Zoning Commission, Historic Preservation Commission, and Code Review Board of the adopted zoning and building rules and regulations. Community Development is also responsible for securing the Community Development Block Grant (CDBG) and various other grants.

## Our Accomplishments for FY 2021

### Economic Growth



### Infrastructure



### Reporting



Secure the Matching grant of \$12,000 from the Arizona State Historic Preservation Office for the third phase in the creation of a historic district in Old Town Cottonwood.

Developed a Tiny House ordinance that City Council adopted.

Established an ordinance regulating sidewalk displays that was adopted by the City Council.

Created easier to read reports for the City Council and City Manager that relay information needed for their decision making.

## Our Strategic Goals for FY 2022

### Sustainable Growth and Development



### Ensure Quality of Life



### Improve Infrastructure



Create historic design guidelines for an established historic district in the Old Town area.

Updating zoning ordinances for beautification and allow for flexible land-use requirements.

Provide public outreach for residents and businesses regarding dark sky regulations, code enforcement concerns and processes, building permit processes, benefits of annexation, and points of contact for new businesses.

Continue developing and expanding the City's trail systems and work with citizen groups/volunteers to create community engagement with the trail systems.

Implement an online permit system to streamline permit submission process and eliminate plan review fees and reducing approval time with the adoption of pre-approved single-family home plans.





General Government      Community Development      Fund 01-General Fund      Cost Center: 1400

### Performance Indicators



#### Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

#### 1. Foster Sustainable Growth and Development

Economic development

##### 1.2 Start and End with "The City is Open for Business."

- (1) Streamline permit application process and
- (2) eliminate plan review fees and reduce approval time for pre-approved single family building plans, and
- (3) identify a single point of contact for businesses interfacing with the City by



Strategic Initiative

- 1.2.4. implementing an online permit program,
- 1.2.3. streamlining plan review/approval process and
- 1.2.2. doing public outreach to residents and businesses about access to Community Development, ordinances, and services.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
1.2.4. Implementation of online permit program		25%	75%	100%
1.2.3. Streamline plan review/approval process			25%	100%
1.2.2. Community outreach events	20%	25%	30%	35%

Process Status:



#### Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

#### 2. Ensure Our Quality of Life

Developing park trails

- 2.3. Enhance partnerships with community groups to improve park facilities and
- 2.5. encourage volunteerism in areas of interest that are consistent with our brand by



Strategic Initiative

- 2.3.1. partnering with community groups to enlist their assistance.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
2.3.1. Form a committee of volunteers			25%	100%

Process Status:

General Government	Community Development	Fund 01—General Fund		Cost Center: 1400	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$618,551	\$568,880	\$592,075	\$637,560	7.68%
Operating Supplies	10,490	14,600	10,850	14,600	34.56%
Contractual Services	6,809	9,885	10,260	13,950	35.96%
Other Services and Charges	18,938	29,500	24,800	33,045	33.25%
Capital Outlay	8,418	20,000	56,875	75,200	32.22%
Debt Service	0	0	0	0	0.00%
Department Totals	\$663,206	\$642,865	\$694,860	\$774,355	11.44%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$774,355	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Community Development Director	1.00	1.00	1.00	\$73,445
Senior Planner	2.00	2.00	1.00	52,195
Planner	0.00	0.00	1.00	54,170
Building Official	1.00	1.00	1.00	64,190
Asst. Planner/Code Enforce. Coord.	1.00	1.00	1.00	51,880
Building Inspector	1.00	1.00	1.00	56,435
Permit Technician	1.00	0.00	0.00	38,945
Administrative Assistant	1.00	1.00	1.00	32,760
COLA				
Merit Contingency				0
Car Allowance				0
Longevity Pay				0
Overtime				0
Temporary / Reserves				0
Retirement				52,620
Insurance & Taxes				160,530
Employee Related Expenses				390
<b>Totals</b>	<b>8.00</b>	<b>7.00</b>	<b>7.00</b>	<b>\$637,560</b>

General Government	Community Development	Fund 01-General Fund		Cost Center: 1400	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	3,342	3,600	2,000	3,600	80.00%
Copier Supplies	1,315	2,200	1,500	1,500	0.00%
Gas & Oil	1,619	2,500	1,200	2,500	108.33%
Vehicle Maintenance & Repair	357	2,500	1,650	2,500	51.52%
Equipment Maintenance & Repair	176	0	0	0	0.00%
Postage & Freight	3,681	3,800	4,500	4,500	0.00%
<b>Total Supplies</b>	<b>10,490</b>	<b>14,600</b>	<b>10,850</b>	<b>14,600</b>	<b>34.56%</b>

**Contractual Services**

Contractual Services	2,565	7,435	6,500	10,000	53.85%
Computer Support	4,245	2,450	3,760	3,950	5.05%
<b>Total Contractual Services</b>	<b>6,809</b>	<b>9,885</b>	<b>10,260</b>	<b>13,950</b>	<b>35.96%</b>

**Other Services and Charges**

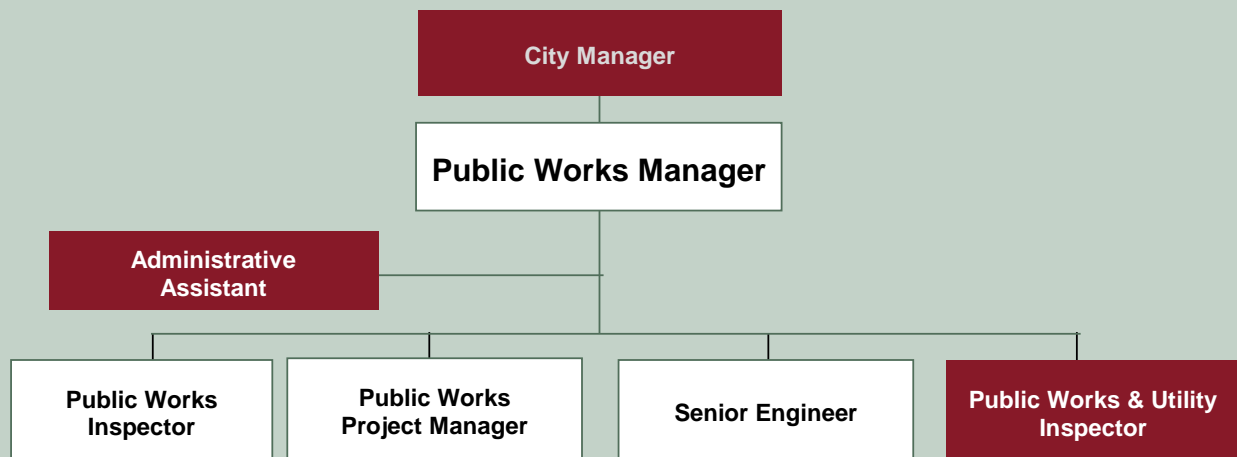
Legal Advertising	2,166	5,500	7,000	7,000	0.00%
Printing & Forms	317	1,000	800	1,000	25.00%
Recruitment Expense	0	0	0	0	0.00%
Utilities	6,928	8,140	8,360	8,780	5.02%
Telephone	3,259	3,500	3,280	3,440	4.88%
Old Town Home Tour	0	800	0	800	0.00%
Travel & Training	4,291	6,000	3,000	6,000	100.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,720	2,000	1,000	2,000	100.00%
Lease Expense	257	1,560	1,360	1,025	-24.63%
General Plan Expense	0	1,000	0	3,000	0.00%
<b>Total Other Services &amp; Charges</b>	<b>18,938</b>	<b>29,500</b>	<b>24,800</b>	<b>33,045</b>	<b>33.25%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Cottonwood Historic Property Survey (G	\$8,418	\$20,000	\$15,000	\$20,000	
Wayfinding Signs			41,875	20,000	
Trucks (Enterprise Fleet)				27,000	
Multi-function Printer				8,200	
<b>Totals</b>	<b>\$8,418</b>	<b>\$20,000</b>	<b>\$56,875</b>	<b>\$75,200</b>	



# ENGINEERING SERVICES DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Engineering Services Department performs plan examinations of proposed public improvements private development improvements and proposed subdivisions. It also performs inspections on public and private development improvement projects to ensure conformance with the approved plans. Additionally, the Engineering Department is also responsible for ensuring that all structures, utilities and construction within the city limits are constructed and maintained in compliance with the minimum safety standards established by Federal, State and Local Building Codes. This includes but is not limited to code review, plan review, issuance of building permits, field inspections, investigation of complaints and performing internal and external public relations. The Engineering Department also supervises certain City building and remodeling projects, as well as the design of Utility and Streets projects.

## Our Accomplishments for FY 2021

### Infrastructure



Completed the design for the sidewalk on Fir Street.

Completed the design for the dip repair on Willard Street and for the sight distance on Cottonwood Street.

Completed the design for the road diet on Main Street.

## Our Strategic Goals for FY 2022

### Improve Infrastructure



### Financial Accountability & Transparency



Design and bid out 1,500 linear feet of sidewalk (every fiscal year).

Design and bid out eight lane miles of pavement preservation (every other fiscal year).



General Government      Engineering Services      Fund 01—General Fund      Cost Center: 1410

### Performance Indicators

	<b>Strategic Direction</b>	<b>4. Improve Our Infrastructure</b>			
	<b>Key Priority</b>	<b>Streets and sidewalks</b>			
	<b>Guiding Principle</b>	<b>4.1</b> Continue to prioritize infrastructure projects			
	<b>Strategic Goal</b>	Develop, maintain, and improve the city's infrastructure by			
	<b>Strategic Initiative</b>	<b>4.x.x.</b> designing and bidding out 1,500 lineal feet for sidewalk construction (every fiscal year) and			
		<b>4.1.1.</b> designing and bidding out eight (8) lane miles for pavement preservation (every other fiscal year).			
<b>Performance Indicator(s)</b>		<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Estimate</b>	<b>2022 Anticipated</b>
<b>4.x.x. 1,500 linear feet of sidewalk:</b>					
Planning				100%	100%
Project Design				95%	100%
Bid/Award				0%	100%
<b>4.1.1 Pavement Preservation for eight (8) lane miles:</b>					
Planning				60%	100%
Project Design				0%	100%
Bid/Award				0%	100%
<b>Process Status:</b>					







General Government	Engineering Services Department	Fund 01—General Fund		Cost Center: 1410	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$299,273	\$312,520	\$263,135	\$313,580	19.17%
Operating Supplies	2,840	8,600	5,050	13,175	160.89%
Contractual Services	13,150	2,800	96,845	3,080	-96.82%
Other Services and Charges	13,451	21,460	17,725	22,260	25.59%
Capital Outlay	530	114,470	70,500	77,705	10.22%
Debt Service	0	0	0	0	0.00%
Department Totals	\$329,244	\$459,850	\$453,255	\$429,800	-5.17%

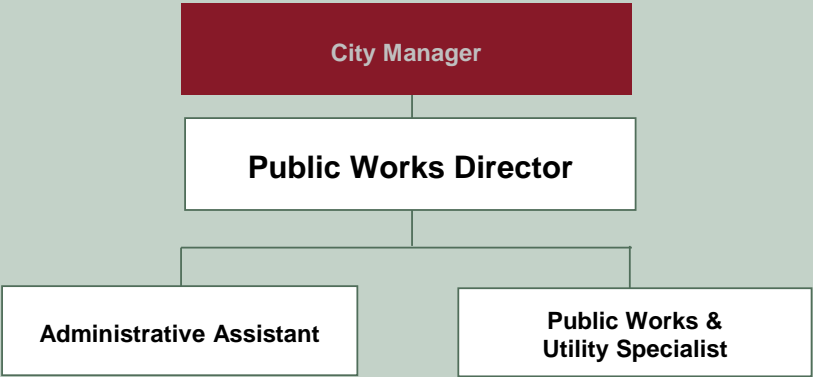
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$429,800	100.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Public Works Director/City Engineer	1.00	1.00	0.00	\$0
Senior Engineer	0.00	0.00	1.00	93,750
Public Works Project Manager	1.00	1.00	1.00	70,925
Public Works Inspector	1.00	1.00	1.00	43,045
COLA				
Merit Contingency				0
Longevity				0
Overtime				0
Clothing Allowance				1,000
Retirement				26,450
Insurance & Taxes				73,010
Employee Related Expenses				5,400
<b>Totals</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>\$313,580</b>

General Government	Engineering Services Department	Fund 01-General Fund		Cost Center:	1410
Supplemental Data: Expenditures					
Item	2020	2021		2022	Percent
Description	Actual	Budget	Revised	Adopted	Change
Operating Supplies					
Office Supplies	65	250	250	2,900	1060.00%
Copier Supplies	133	750	300	500	66.67%
Gas & Oil	2,099	3,500	2,000	5,000	150.00%
Operational Equipment & Supplies	288	1,000	1,000	2,725	172.50%
Vehicle Maintenance & Repair	171	1,000	1,000	1,500	50.00%
Equipment Maintenance & Repair	63	2,000	500	500	0.00%
Postage & Freight	22	100	0	50	0.00%
Total Supplies	2,840	8,600	5,050	13,175	160.89%
Contractual Services					
Contractual Services	11,433	1,000	94,865	1,000	-98.95%
Computer Support	1,717	1,800	1,980	2,080	5.05%
Total Contractual Services	13,150	2,800	96,845	3,080	-96.82%
Other Services and Charges					
Legal Advertising	436	250	250	500	100.00%
Printing & Forms	0	0	0	500	0.00%
Utilities	1,959	2,320	2,125	2,230	4.94%
Telephone	2,976	3,390	2,850	3,530	23.86%
Travel & Training	2,194	4,500	1,500	4,500	200.00%
Subscriptions & Memberships	5,886	11,000	11,000	11,000	0.00%
Total Other Services & Charges	13,451	21,460	17,725	22,260	25.59%
Supplemental Data: Capital Outlay					
Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Ricoh Plotter				\$7,205	
Grants for Trails				8,500	
Del Monte Trail (Northeast Corner)	\$530	\$17,470	\$5,500	12,000	
Additional Trails				20,000	
Truck (Enterprise Fleet)				30,000	
Old Town - Alley Project		97,000	65,000		
Totals	\$530	\$114,470	\$70,500	\$77,705	



# PUBLIC WORKS



Only unshaded boxes are included in this budget.

## What We Do

Public Works provides technical and administrative support for the Cemetery, Engineering Services, Streets and Parks & Building Maintenance Departments. This also includes support for vertical and horizontal capital improvement projects.

### Our Accomplishments for FY 2021

Infrastructure



Beautification



Completed the Old Town alley improvement.

Completed Riverfront Park Trail.

Organized Community Clean-up event.

### Our Strategic Goals for FY 2022

Improve Infrastructure



Financial Accountability & Transparency



Develop comprehensive Capital Improvement Plan for sidewalk priorities.

Develop comprehensive Capital Improvement Plan for pavement preservation priorities.

General Government      Public Works      Fund 01-General Fund      Cost Center: 1600

## Performance Indicators



## Strategic Direction

Key Priority:

Guiding Principle:

Strategic Goal:

Strategic Initiative:

## 4. Improve Our Infrastructure

Streets and sidewalks

4.1 Continue to prioritize infrastructure projects

Develop, maintain, and improve the city's infrastructure by

- 4.x.i. developing a comprehensive Capital Improvement Plan (CIP) for sidewalk priorities
- 4.x.ii. developing a comprehensive Capital Improvement Plan (CIP) for pavement preservation priorities

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
<b>4.x.i. CIP Plan for Sidewalks:</b>				
Project ranking	100%	100%	100%	100%
Planning	100%	100%	95%	50%
Cost estimates	100%	100%	90%	75%
Monitoring	100%	100%	100%	50%
Closing	100%	100%	50%	50%
<b>4.x.ii. CIP Plan for Pavement Preservation:</b>				
Project Ranking	100%	100%	95%	100%
Planning	100%	100%	75%	95%
Cost estimates	100%	100%	50%	95%
Monitoring	100%	100%	100%	100%
Closing	100%	100%	50%	50%
Process Status: 4.x.i. Reviews for sidewalk and pavement preservation are done annually.				





General Government	Public Works	Fund 01—General Fund		Cost Center: 1600	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$247,845	\$194,320	\$182,830	\$175,950	-3.76%
Operating Supplies	2,571	3,050	2,795	2,800	0.18%
Contractual Services	5,755	21,790	21,790	21,830	0.18%
Other Services and Charges	12,695	16,960	10,955	15,940	45.50%
Capital Outlay	0	0	8,500	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$268,866	\$236,120	\$226,870	\$216,520	-4.56%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$216,520	100.00%
Transfer Station Fees	0	0.00%
<b>Total Funding</b>		<b>100.00%</b>

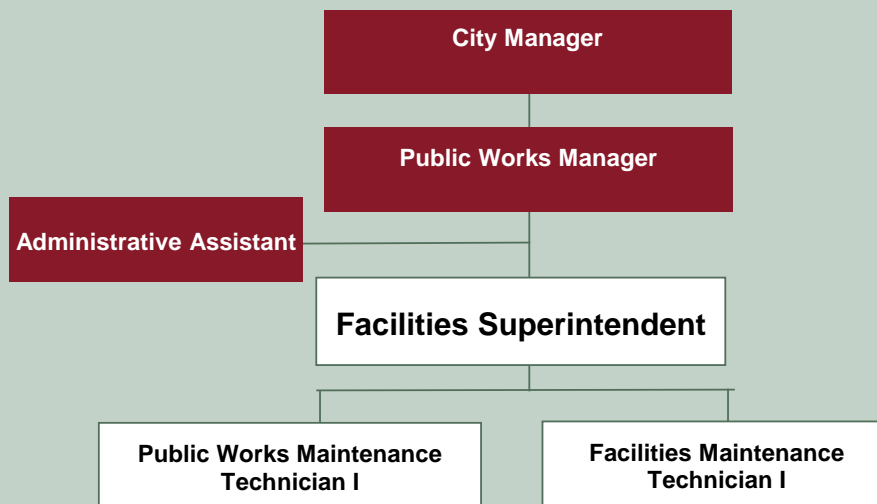
Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Developmental Svcs Manager	1.00	0.00	0.00	\$0
Public Works (PW) Manager	1.00	0.00	0.00	0
Streets Superintendent	0.00	0.25	0.25	21,415
Public Works & Utility Specialist	1.00	1.00	1.00	54,660
Administrative Assistant	1.00	1.00	1.00	43,375
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				0
Overtime				0
Holiday Pay				0
Retirement				14,990
Insurance & Taxes				40,160
Employee Related Expenses				1,350
<b>Totals</b>	<b>4.00</b>	<b>2.25</b>	<b>2.25</b>	<b>\$175,950</b>







# PARKS & BUILDING MAINTENANCE DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Parks & Building Maintenance Department provides necessary and functional support for all other departments through the management of buildings/facilities maintenance. The department is also responsible for administering the caretaking of total grounds maintenance programs of more than 34 acres of municipal parklands, open space, cemetery facilities, and approximately 180,000 square feet of buildings' surface area.

### Our Accomplishments for FY 2021

#### Infrastructure



#### Cost Savings



Developed a routine maintenance plan for the upkeep of City-owned HVAC systems.

Upgraded the street lighting in Old Town from 400 watt metal halide bulbs to energy efficient LED light bulbs.

### Our Strategic Goals for FY 2022

#### Improve Infrastructure



#### Financial Accountability & Transparency



Improve the efficiencies of the City's HVAC-systems by training staff and reprogramming the equipment.

Replace old lighting throughout the city with energy efficient lighting alternatives.



General Government      Parks & Bldg Maintenance Dept.      Fund 01-General Fund      Cost Center: 1610

### Performance Indicators



#### Strategic Direction

Key Priority:  
Guiding Principle:  
Strategic Goal:



Strategic Initiative: **5.5.3.i. training of staff, and**

**5.5.3.ii. reprogramming and/or replacement of equipment/fixtures.**

#### 5. Embrace Financial Accountability and Transparency Physical resources

##### 5.5. Maintain physical resources by

Improving efficiencies of City's HVAC systems with preventive maintenance according to a maintenance schedule and update lighting systems with energy efficient lighting alternatives, such as LEDs, through.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
5.5.3.i. Training of staff to conduct maintenance			25%	50%
5.5.3.ii. Lighting replacement at City locations			25%	100%

Process Status: **5.5.3.i.** Due to employee turnover, new staff had to be trained to do HVAC maintenance. Complete equipment checks will begin in spring 2022

**5.5.3.ii.** Lighting replacements have already been done at several locations: Transit (5), Rec Center (9), Public Safety (4) and at airport hangar N (3).





General Government	Parks & Bldg Maintenance Dept.	Fund 01—General Fund	Cost Center: 1610		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$362,222	\$441,290	\$499,515	\$553,325	10.77%
Operating Supplies	44,067	51,150	50,050	57,650	15.18%
Contractual Services	2,401	1,290	1,650	1,510	-8.48%
Other Services and Charges	23,526	41,310	40,165	102,140	154.30%
Capital Outlay	0	0	0	171,955	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$432,216	\$535,040	\$591,380	\$886,580	49.92%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$886,580	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Facilities Superintendent	0.00	1.00	1.00	\$60,425
PW Operations Foreman	0.50	0.00	0.00	0
Facility Maintenance Technician I	1.00	1.00	4.00	128,295
PW Maintenance Technician I	5.00	5.00	4.00	127,470
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees				50,000
Overtime				9,785
Holiday Pay				0
Clothing Allowance				2,600
Retirement				40,450
Insurance & Taxes				134,030
Employee Related Expenses				270
<b>Totals</b>	<b>6.50</b>	<b>7.00</b>	<b>9.00</b>	<b>\$553,325</b>

General Government	Parks & Bldg Maintenance Dept.	Fund 01 - General Fund		Cost Center: 1610	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	43	100	50	50	0.00%
Gas & Oil	12,932	12,000	11,000	12,000	9.09%
Grounds/Parks Maintenance Supplies	22,392	28,000	28,000	32,000	14.29%
Vehicle Maintenance & Repair	2,770	6,000	6,000	8,600	43.33%
Equipment Maintenance & Repair	5,919	5,000	5,000	5,000	0.00%
Postage/Freight	10	50	0	0	0.00%
<b>Total Supplies</b>	<b>44,067</b>	<b>51,150</b>	<b>50,050</b>	<b>57,650</b>	<b>15.18%</b>

**Contractual Services**

Contractual Services	1,170	0	0	0	0.00%
Employee Physicals/Drug Tests	0	0	500	300	
Computer Support	1,231	1,290	1,150	1,210	5.22%
Ground Maintenance Contract	0	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>2,401</b>	<b>1,290</b>	<b>1,650</b>	<b>1,510</b>	<b>-8.48%</b>

**Other Services and Charges**

Utilities	7,029	8,640	7,870	7,870	0.00%
Telephone	765	760	1,380	1,450	5.07%
Small Tools	671	1,000	1,000	1,000	0.00%
Vandalism Repairs	987	2,500	2,500	2,500	0.00%
Maintenance & Repair (City buildings)	10,530	23,750	23,115	86,400	273.78%
Travel & Training	2,277	2,500	2,500	1,100	-56.00%
Enterprise Fleet Lease Expense	1,267	2,160	1,650	1,320	-20.00%
Equipment Rental	0	0	150	500	233.33%
<b>Total Other Services &amp; Charges</b>	<b>23,526</b>	<b>41,310</b>	<b>40,165</b>	<b>102,140</b>	<b>154.30%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Mower				\$11,400	
Tractor				37,000	
Vehicle (Enterprise Fleet)				45,000	
Generator (Public Safety)				78,555	
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$171,955</b>	





# NON-DEPARTMENTAL DEPARTMENT

## What We Do

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

### Our Accomplishments for FY 2021

#### Strategic Planning



#### Budget



Executed prompt payment of all City's capital leases.

Executed prompt payment of all City 's Debt Service.

Settled all claims promptly through the Risk Management Manager.

### Our Strategic Goals for FY 2022

#### Sustainable Growth & Development



#### Financial Accountability



Reconcile operating transfer outs a the end of every fiscal year.

Maintain prompt payment of all City capital leases.

Maintain prompt payment of all City Debt Service.



General Government	Non -Departmental Department		Fund 01—General Fund		Cost Center: 1800
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	116,786	118,320	139,440	139,440	0.00%
Other Services and Charges	440,433	195,080	246,250	395,875	60.76%
Operating Transfers	882,887	1,765,420	1,332,690	1,549,180	16.24%
Debt Service	390,936	164,565	391,375	405,585	3.63%
Department Totals	\$1,831,043	\$2,243,385	\$2,109,755	\$2,490,080	18.03%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,490,080	100.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
N/A				
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>

General Government	Non-Departmental Department	Fund 01 - General Fund	Cost Center: 1800		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

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

**Contractual Services**

Custodial Contract	106,386	117,320	139,440	139,440	0.00%
Auction Fees	10,400	1,000	0	0	0.00%
State and Federal Fines & Fees	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Trustee Fees	0	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>116,786</b>	<b>118,320</b>	<b>139,440</b>	<b>139,440</b>	<b>0.00%</b>

**Other Services and Charges**

Chamber of Commerce	256,451	0	70,000	70,000	0.00%
Land Lease Fees - Airport	0	0	0	25,875	0.00%
Liability Insurance	169,552	175,080	176,250	280,000	58.87%
Liability-Claims Deductible	14,430	20,000	0	20,000	0.00%
<b>Total Other Services &amp; Charges</b>	<b>440,433</b>	<b>195,080</b>	<b>246,250</b>	<b>395,875</b>	<b>60.76%</b>

**Debt Service**

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	0	0	0	0	0.00%
Lease Payment-Communications Center	0	0	0	0	0.00%
Lease Payment-FY 13 City-wide	0	0	0	0	0.00%
Lease Payment-FY 17 City-wide Equip.	157,530	160,055	160,055	162,615	1.60%
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	0	0	0	0	0.00%
Interest-LP Communications Center	0	0	0	0	0.00%
Interest-LP FY13 City-wide	0	0	0	0	0.00%
Interest-LP FY 17 City-wide Equipment	7,034	4,510	4,510	1,950	-56.76%
Enterprise Lease	226,373	0	226,810	241,020	6.27%
<b>Total Debt Service</b>	<b>390,936</b>	<b>164,565</b>	<b>391,375</b>	<b>405,585</b>	<b>3.63%</b>

**Supplemental Data: Capital Outlay**

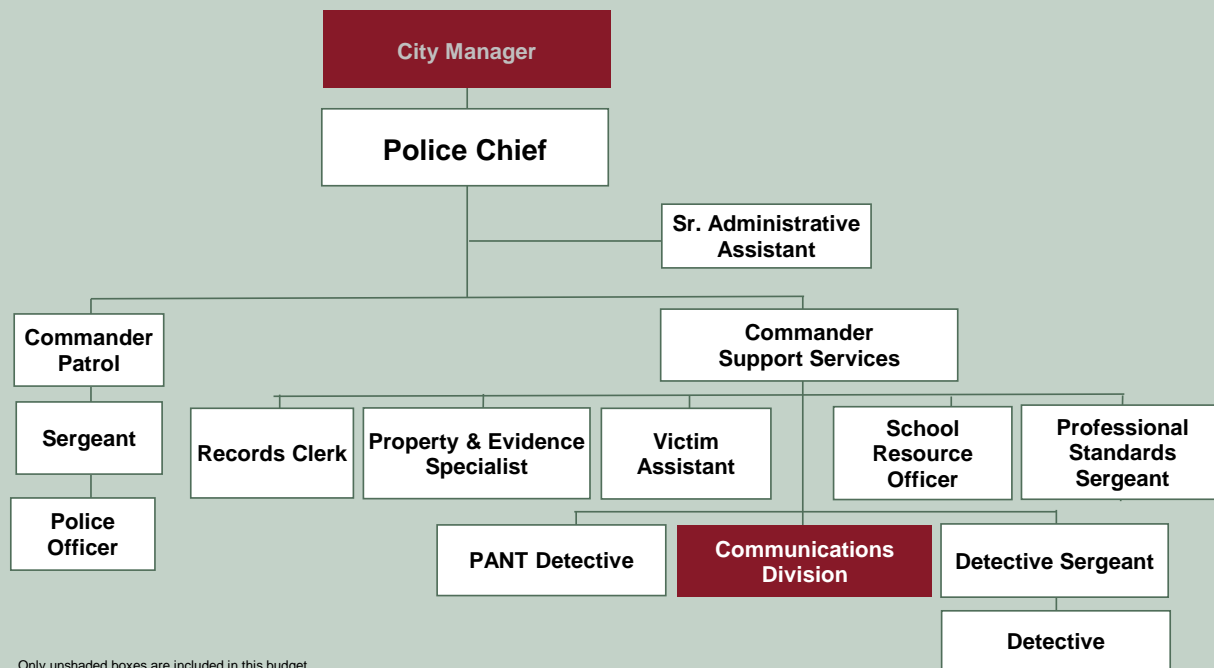
Item	2020	2021		2022	Percent
Description	Actual	Budget	Revised	Adopted	Change
Operating Transfers-HURF		\$241,525	\$241,780	\$305,695	26.44%
Operating Transfers-Library	\$817,022	859,860	899,985	985,870	9.54%
Operating Transfers-Cemetery	53,473	108,250	63,000	66,200	5.08%
Operating Transfers-Airport		42,830	103,405	191,415	85.11%
Operating Transfers-Grant	5,500	512,955	24,520		-100.00%
Operating Transfers-Transit	3,448				0.00%
Operating Transfers-CDBG	3,445				0.00%
<b>Totals</b>	<b>\$882,887</b>	<b>\$1,765,420</b>	<b>\$1,332,690</b>	<b>\$1,549,180</b>	



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# POLICE DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Cottonwood Police Department instituted a Strategic Plan in 2017. The plan represents an unwavering commitment to effectively addressing crime and its adverse impact to the quality of life in Cottonwood as well as underscoring the organizational commitment to ethical and contemporary policing practices.

## Our Accomplishments for FY 2021

### Security



### Organization



### Budget



Enhanced physical security with the acquisition and installation of new hydraulically operated mobile surface mounted barriers and portable wall bollards. This was made possible by a grant from the Arizona Department of Homeland Security.

Implemented pre- and post-academies for police recruitment to improve onboarding and retention of new police officers.

Installed AZ TraCS Electronic Ticketing Software and related ticket printing hardware in police vehicles through a grant from the Arizona Governor's Office of Highway Safety.

## Our Strategic Goals for FY 2022

### Ensure Quality of Life



### Financial Accountability



Update server for body worn camera program for patrol officers to ensure safety.

Implement an Outreach Service Officer Program (collateral duty) to assist in connecting community resources to unsheltered individuals.



Enhance participation in the regional drug enforcement taskforce (PANT) without depleting patrol resources.



Enhance crime analysis capabilities.





Public Safety	Police Department	Fund 01-General Fund	Cost Center: 2000
Performance Indicators			

	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b> <b>Guiding Principle</b> <b>Strategic Goal</b>	<b>Enhance public safety (Police and Fire)</b>			
		<b>2.6. Support policies and programs for safer neighborhoods</b> (1) Build relationships for community engagement to include addressing quality of life issues, such as crime, drugs, etc. and (2) to better interface with homeless community and stakeholders, including homeless service providers.			
	<b>Strategic Initiative</b>	<b>2.6.1 Improve existing services provided by the Police Department Neighborhood Officer Program (NOP);</b>  <b>2.6.2 Implement a Police Community Outreach program (PCOP) for interfacing with the homeless community and stakeholders (incl. the service providers) to better address issues with directed services.</b>			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.6.1. Improving existing NOP services in terms of personnel, communication and events presence		25%	50%	75%	100%
2.6.2. Identify PCOP staffing, work hours, and project assignments			25%	100%	
<b>Process Status:</b>					

	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b> <b>Guiding Principle</b> <b>Strategic Goal</b>	<b>Enhance public safety (Police and Fire)</b> <b>2.6. Support policies and programs for safer neighborhoods</b> Partner with community members to leverage the ability to prevent and solve crimes in partnership with the police department through the use of video surveillance technology			
	<b>Strategic Initiative</b>	<b>2.6.4 Assess feasibility of collaborating with residents with exterior web-enabled cameras to reduce crime in neighborhoods</b>			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.6.4 Awareness of video surveillance to prevent and solve crimes		0%	0%	50%	100%
Process Status:					

Supplemental Data: Capital Outlay				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Radio System Consultation		\$30,000	\$34,000	
SWAT Robot - Grant Funded				\$17,000
K9 and Vehicle Retrofit				27,500
Enterprise Fleet Lease				50,000
Portable Handheld Radios				73,675
Next Generation 911 Recording Software	\$46,256			
Dash Cameras	45,320			
<b>Totals</b>	<b>\$91,576</b>	<b>\$30,000</b>	<b>\$34,000</b>	<b>\$168,175</b>

Public Safety	Police Department	Fund 01—General Fund		Cost Center: 2000	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$4,621,900	\$5,275,730	\$5,349,190	\$4,286,840	-19.86%
Operating Supplies	163,573	177,010	192,280	222,010	15.46%
Contractual Services	50,105	57,910	95,635	61,670	-35.52%
Other Services and Charges	285,975	524,920	16,200,340	16,972,695	4.77%
Capital Outlay	91,576	30,000	34,000	168,175	394.63%
Debt Service	0	0	0	0	0.00%
Department Totals	\$5,213,128	\$6,065,570	\$21,871,445	\$21,711,390	-0.73%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$21,157,155	97.45%
Inter-local Governmental Contracts	196,010	0.90%
Lease Purchase	0	0.00%
Grants	358,225	1.65%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Police Chief	1.00	1.00	1.00	\$134,570
Commander	2.00	2.00	2.00	177,595
Sergeant	7.00	7.00	8.00	635,430
PANT Officer/Sergeant	2.00	2.00	1.00	58,535
Police Officer	21.00	21.00	23.00	1,191,890
School Resource Officer (SRO)	1.00	1.00	1.00	65,995
Police Aides	0.00	0.00	2.00	67,290
Property & Evidence Specialist	1.00	1.00	1.00	38,950
Senior Administrative Assistant	1.00	1.00	1.00	47,220
Victim Assistant	1.00	1.00	1.00	39,520
Records Clerk	2.00	2.00	2.00	94,435
COLA				0
Car Allowance				16,200
Merit Contingency				0
Longevity				0
Certification Pay				28,420
Temporary Employees				79,595
Overtime				200,000
Holiday Pay				55,000
Clothing Allowance				25,000
Retirement				385,675
Insurance & Taxes				944,420
Employee Related Expenses				1,100
<b>Totals</b>	<b>39.00</b>	<b>39.00</b>	<b>43.00</b>	<b>\$4,286,840</b>

Public Safety	Police Department	Fund 01-General Fund	Cost Center:	2000	
Supplemental Data: Expenditures					
Item	2020	2021		2022	Percent Change
Description	Actual	Budget	Revised	Adopted	
Operating Supplies					
Office Supplies	23,606	17,000	23,000	17,000	-26.09%
Copier Supplies	624	750	750	750	0.00%
Gas & Oil	52,128	65,000	65,000	65,000	0.00%
Operational Equipent & Supplies	9,842	2,500	1,000	2,500	150.00%
Training Supplies	14,806	29,200	30,500	62,200	103.93%
Building Supplies	4,405	1,800	2,325	2,200	-5.38%
Protective Clothing	9,305	5,000	7,845	12,100	54.24%
Vehicle Maintenance & Repair	29,592	40,000	40,000	40,000	0.00%
Equipment Maintenance & Repair	7,330	5,000	7,100	5,000	-29.58%
Invest / Detective Expenses	3,894	4,000	8,000	5,400	-32.50%
DUI Expenses	868	760	760	860	13.16%
Canine Vet & Feed	5,979	4,500	4,500	7,500	66.67%
Postage & Freight	1,194	1,500	1,500	1,500	0.00%
Total Supplies	163,573	177,010	192,280	222,010	15.46%
Contractual Services					
Contractual Services	5,981	6,500	7,380	6,500	-11.92%
Employee Physicals/Drug Testing	6,867	6,000	6,500	6,500	0.00%
Computer Support	27,611	30,410	27,300	28,670	5.02%
Towing Expense	9,646	15,000	5,000	5,000	0.00%
Towing Revenue Expenditures	0	0	49,455	15,000	-69.67%
Medical Investigation Expenses	0	0	0	0	0.00%
Total Contractual Services	50,105	57,910	95,635	61,670	-35.52%
Other Services and Charges					
Legal Advertising	144	0	100	0	-100.00%
Printing & Forms	322	1,200	500	1,200	140.00%
Utilities	35,031	45,160	38,830	40,770	5.00%
Telephone	47,052	45,140	43,660	45,840	4.99%
SWAT Equipment	12,847	15,000	17,000	17,000	0.00%
Safety Expense	2,357	2,000	2,000	3,600	80.00%
SB1398 Police Equipment	0	0	2,500	6,000	140.00%
Community Policing	8,482	5,000	5,000	5,000	0.00%
Explorer Program	(177)	750	0	750	0.00%
Reserve/VIP Program	1,775	2,500	0	2,500	0.00%
Homeland Security Grant	0	97,500	97,400	50,000	-48.67%
DOJ Grants - Victim Asst.	4,198	5,500	1,700	1,700	0.00%
Governor's Highway Safety Grant	48,883	43,670	54,090	86,500	59.92%
AZ Auto Theft Grant	0	0	25,000	0	-100.00%
County Rico Grant	0	0	0	30,400	0.00%
LLBG 00-144 Grant Match	17	0	0	0	0.00%
Miscellaneous Grants	0	125,000	0	120,000	0.00%
Yavapai County Grant	0	3,000	0	0	0.00%
Travel & Training	14,390	24,000	17,000	24,000	41.18%
Subscriptions & Memberships	2,632	2,500	2,500	2,500	0.00%
Enterprise Fleet Lease Expense	108,022	107,000	89,220	90,000	0.87%
PSPRS - Bonding Payment	0	0	15,803,840	15,803,840	0.87%
PSPRS - Bond Principal	0	0	0	641,095	0.00%
PSPRS - Bond Interest	0	0	0	0	0.00%
Total Other Services & Charges	285,975	524,920	16,200,340	16,972,695	4.77%

# COMMUNICATIONS DIVISION



Only unshaded boxes are included in this budget.

## What We Do

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

## Our Accomplishments for FY 2021

### Strategic Planning



### Budget



### Organization



Completed the Next Generation (NG) 911 system upgrade to include Text-to-911 to be used with cell phones.

Implementation of Rapid-SOS Portal, a supplemental tool to the traditional 9-1-1 location information that utilizes additional location identification technology to identify a 9-1-1 caller's location.

Transitioned to Voiance Language Services, a service geared more effectively to the needs of public safety through rapid connection, language recognition, and mobile video communication to assist with American Sign Language translation.

Procured and installed new replacement logging recorder that can handle the recording of the NG911 with funding assistance from the Arizona 9-1-1 Program, since recording 9-1-1 calls is mandated.

## Our Strategic Goals for FY 2022

### Financial Accountability



### Ensure Quality of Life



Evaluate and implement the consolidation of regional partners into Cottonwood Public Safety Communications Center.

Implementation of communication upgrades:



- Enhance ability to locate 911 calls
- GIS crime data/reporting

Collaborate with IT on improving radio communication interoperability and reliability.





Public Safety      Communications Division      Fund 01-General Fund      Cost Center: 2010

### Performance Indicators

	<b>Strategic Direction</b>	<b>Key Priority</b>	<b>5. Embrace Financial Accountability and Transparency</b>		
	<b>Guiding Principle</b>	<b>Strategic Goal</b>	<b>Budgetary accountability and transparency</b>		
			<b>5.4 Remain fiscally conservative</b>		
			Increase the number of partner subscriber agencies that participate iin the Cottonwood Public Safety Communications Center by		
	<b>Strategic Initiative</b>		<b>5.4.4. exploring the feasibility of adding partners to the Regional Communications Center by evaluating the current and anticipated workload, defining services provided and service agreements to include subscriber rates and transparent rate calculations.</b>		

<b>Performance Indicator(s)</b>	<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>5.4.4. Exploring feasibility of adding partners to the Regional Communications Center:</b>				
1. Conduct feasibility study for extending public safety communications to the towns of Clarkdale and Jerome				100%
2. Develop budget projections for potential subscribers detailing services provided				100%
3. Draw and implement signed service agreements based on developed budget projections			50%	100%
4. Develop transition project with anticipated completion date of November 1, 2021			50%	100%
<b>Process Status:</b>				

  	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b>	<b>Enhance Public Safety (Police &amp; Fire)</b>			
	<b>Guiding Principle</b>	<b>2.6 Support Safe Neighborhood Policies and Programs</b>			
	<b>Strategic Goal</b>	Implement communications technology upgrades through			
	<b>Strategic Initiative</b>	<b>2.6.x.</b> the enhancement of location identification of 911 callers to ensure rapid police, fire or medical emergency response, provide options for transmission of supplemental data and methods to initiate text communications when voice communication is not available.			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>2.6.x.</b>	<b>Implementation of communications technology upgrades:</b>				
1.	Evaluate, procure and install RapidDeploy in coordination with State of Arizona's 911 office and vendors.	50%	100%		
2.	Implement training and procedural changes on the RapidDeploy technology and RapidSOS technology enhancements	50%	100%		
3.	Provide public education about the use of advanced emergency response capabilities	50%	100%		
4.	Monitor program's effectiveness and the performance of staff, and adjust procedures and training accordingly.			50%	100%
<b>Process Status:</b>					



Public Safety	Communications Division		Fund 01—General Fund		Cost Center: 2010
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,590,478	\$1,724,350	\$1,586,855	\$1,714,360	8.04%
Operating Supplies	9,050	12,000	12,500	17,500	40.00%
Contractual Services	16,509	21,000	21,060	21,360	1.42%
Other Services and Charges	76,904	87,850	95,660	103,980	8.70%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,692,941	\$1,845,200	\$1,716,075	\$1,857,200	8.22%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$891,930	48.03%
Dispatch & Spillman Fees	965,270	51.97%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Communications Manager	1.00	1.00	1.00	\$89,075
Communications Supervisor	3.00	3.00	3.00	159,075
Communications Specialist	17.00	17.00	17.00	749,710
COLA				0
Merit Contingency				0
Longevity				0
Certification Pay				4,560
Overtime				175,000
Holiday Pay				25,000
Clothing Allowance				1,500
Retirement				149,220
Insurance & Taxes				361,010
Employee Related Expenses				210
<b>Totals</b>	<b>21.00</b>	<b>21.00</b>	<b>21.00</b>	<b>\$1,714,360</b>

Public Safety	Communications Division	Fund 01-General Fund	Cost Center:	2010	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Office Supplies	3,790	7,000	7,000	12,000	71.43%
Copier Supplies	312	500	500	500	0.00%
Radio Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	4,948	4,500	5,000	5,000	0.00%
Postage/Freight	0	0	0	0	0.00%
<b>Total Supplies</b>	<b>9,050</b>	<b>12,000</b>	<b>12,500</b>	<b>17,500</b>	<b>40.00%</b>

## Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	5,854	6,000	6,060	6,360	4.95%
Repeater Expense	10,654	15,000	15,000	15,000	0.00%
<b>Total Contractual Services</b>	<b>16,509</b>	<b>21,000</b>	<b>21,060</b>	<b>21,360</b>	<b>1.42%</b>

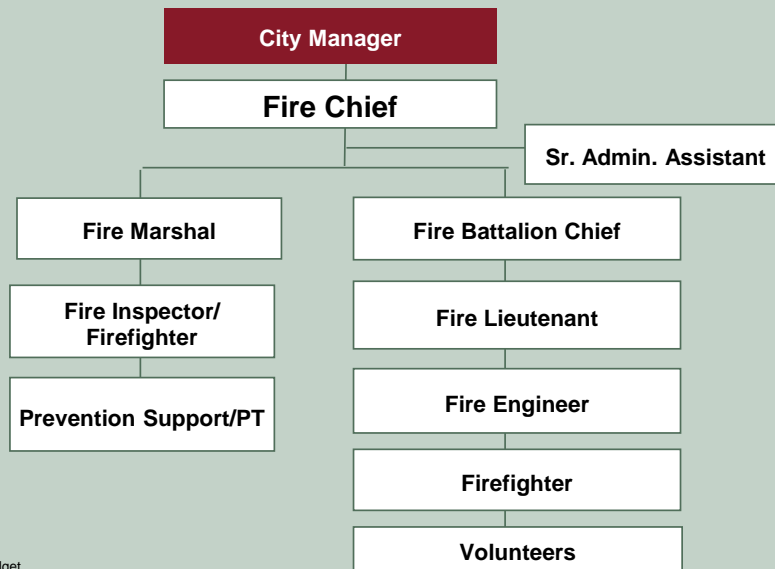
## Other Services and Charges

Utilities	37,239	39,400	42,030	44,130	5.00%
Telephone	8,782	10,100	8,940	11,660	30.43%
Employee Physicals/Drug Testing	550	2,000	1,475	2,000	35.59%
Safety Expenses	856	600	1,030	1,000	-2.91%
Community Policing	1,431	1,000	0	1,000	0.00%
Travel & Training	9,573	12,500	11,495	12,500	8.74%
Subscriptions & Memberships	1,673	4,740	2,000	3,000	50.00%
Liability Insurance	16,800	17,510	28,690	28,690	0.00%
<b>Total Other Services &amp; Charges</b>	<b>76,904</b>	<b>87,850</b>	<b>95,660</b>	<b>103,980</b>	<b>8.70%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022	
	Actual	Budget	Revised	Adopted	
Totals	\$0	\$0	\$0	\$0	

# FIRE & MEDICAL DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

Cottonwood Fire & Medical Department (CFMD) protects community values at risk. The department's mission statement is: "WE'RE HERE TO HELP!" They are Cottonwood's "First Response Team" for fire, disaster, and life threatening emergencies. Response services include Fire, EMS, 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 and development ensures a highly skilled professional Emergency Response Team providing high quality, cost effective, proactive customer-oriented service to our community.

## Our Accomplishments for FY 2021

### Education



### Budget



### Citizen Engagement



### Recruitment



Hosted "Vacation Fire School" for area youth aimed at promoting fire safety and letting them explore possible fire service careers.

Engaged the community in support of community development and community education on fire safety, preparedness, and mitigation.

The Cottonwood Fire & Medical Department is one of a handful of fire service organizations that has taken a lead in the vaccination process throughout the state of Arizona. Our personnel were responsible for supporting the vaccination process within our community, in coordination with Spectrum Healthcare and Yavapai County Community Health Services.

Continued the Volunteer Firefighter program that prepares firefighters for a professional firefighter career.

## Our Strategic Goals for FY 2022

### Sustainable Growth and Development



### Ensure Quality of Life






Engage community stakeholders in the Firewise program for wildfire preparedness.

Develop and maintain a Fire Department Fuels Mitigation program to be achieved through increased firefighter training and certifications, and to identify and maintain defensible space.

Expand public safety and educational programs, such as CPR and First Aid courses.

Public Safety	Fire & Medical Department	Fund 01-General Fund	Cost Center: 2100
<b>Performance Indicators</b>			

	<b>Strategic Direction</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b>	<b>Awareness and education</b>			
	<b>Guiding Principle</b>	<b>2.2. Offer awareness and educational programs for residents</b>			
	<b>Strategic Goal</b>	to encourage neighborhood groups to become a Fire-Wise community and stakeholders in Yavapai Fire-Wise, together with local, state, and national partner organizations (among others, U.S. Forest Service, AZ Department of Forestry and Fire Management, and the City of Cottonwood) in order to lessen wildfire threats by			
	<b>Strategic Initiative</b>	<b>2.2.6. facilitating at least (2) community/town hall-style meetings to promote the importance and understanding of wildfire preparedness for their neighborhood/community.</b>			
<b>Performance Indicator(s)</b>		<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
		<i>Actual</i>	<i>Actual</i>	<i>Estimate</i>	<i>Anticipated</i>
2.2.6. Community/town hall style meetings					100%
<b>Process Status:</b>		<b>2.2.6. To include more neighborhoods to join, annually, different community groups will be approached for these meetings</b>			




Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

3. Lead Environmental Stewardship

Preservation of local natural habitats

3.3. Support local conservation programs to nurture a culture of preservation by developing, implementing, and maintaining a program to help reduce the danger of wildfires caused by combustible substances, such as dead wood, tall dry grass, etc.

3.3.x. Create new fuels mitigation program (aligns with initiative 2.7.4.) to protect natural resources and private property.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
3.3.x.i. Wildland firefighting training (all employees)			95%	100%
3.3.x.ii Wildland firefighting certification (optional to employees)				
<b>Fuel mitigation measures to be performed:</b>				
• create and maintain defensible space				
• obtain Fire-wise certification for the City				
• establish and maintain monthly mitigations				
• coordinate mitigation projects with partners				
• create wildland firefighting models				
• create and maintain a Wildfire Protection Plan				
• annually identify new wildfire dangers				
• obtain grant funding for wildfire mitigation				
<b>Process Status:</b>	3.3.x.ii Complete wildland firefighting training and initiate mitigation program with implementation of measures over the course of the next 5 years.			

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Defibrillators				\$66,950
Aerial Fire Apparatus				1,500,000
Thermal Imaging Cameras	\$7,174			
Personnel Protective Equipment (Grant)				110,000
<b>Totals</b>	<b>\$7,174</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,676,950</b>

Public Safety	Fire & Medical Department		Fund 01—General Fund		Cost Center: 2100	
Summary by Category						
Expenditure Category	2020	2021		2022	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$3,021,813	\$3,222,420	\$3,293,050	\$2,832,450	-13.99%	
Operating Supplies	92,440	112,700	109,350	105,800	-3.25%	
Contractual Services	8,342	109,000	14,500	53,250	267.24%	
Other Services and Charges	63,680	74,550	5,238,000	5,464,370	4.32%	
Capital Outlay	7,174	0	0	1,676,950	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$3,193,449	\$3,518,670	\$8,654,900	\$10,132,820	17.08%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$10,022,820	98.91%
Miscellaneous Grants	110,000	1.09%
Lease Purchase	0	0.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Fire Chief	1.00	1.00	1.00	\$94,995
Fire Marshal	1.00	1.00	1.00	103,405
Fire Battalion Chief	3.00	3.00	3.00	286,885
Fire Lieutenant	3.00	3.00	3.00	234,910
Fire Engineer	6.00	6.00	6.00	323,670
Fire Inspector	1.00	1.00	1.00	58,325
Firefighter	12.00	12.00	12.00	676,120
Senior Administrative Assistant	1.00	1.00	1.00	39,960
COLA				0
Merit Contingency				0
Longevity				0
Certification Pay				72,000
Stipend				29,500
Temporary Employees / Reserves				3,600
Overtime				30,000
Holiday Pay				40,000
Clothing Allowance				21,060
Retirement				240,600
Insurance & Taxes				565,445
Employee Related Expenses				11,975
<b>Totals</b>	<b>28.00</b>	<b>28.00</b>	<b>28.00</b>	<b>\$2,832,450</b>



Public Safety	Fire & Medical Department	Fund 01-General Fund	Cost Center: 2100		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	1,164	1,250	1,250	8,700	596.00%
Copier Supplies	752	1,200	1,200	1,200	0.00%
Gas & Oil	15,415	20,000	14,000	20,000	42.86%
Protective Clothing	19,030	30,000	32,500	14,500	-55.38%
Vehicle Maintenance & Repair	49,262	45,000	45,000	45,000	0.00%
Equipment Maintenance & Repair	6,480	15,000	15,000	16,000	6.67%
Postage & Freight	338	250	400	400	0.00%
<b>Total Supplies</b>	<b>92,440</b>	<b>112,700</b>	<b>109,350</b>	<b>105,800</b>	<b>-3.25%</b>

**Contractual Services**

Contractual Services	2,422	2,500	2,500	2,500	0.00%
Employee Physicals/Medical Tests	0	16,000	5,000	16,000	220.00%
Recruitment Expense	0	0	0	500	0.00%
Computer Support	4,686	3,500	5,000	12,250	145.00%
Radio Maintenance & Repair	1,234	2,000	2,000	2,000	0.00%
Yavapai County Emergency Mgmt Grant	0	10,000	0	0	0.00%
Governor's Highway Safety—Fire Act Grant	0	50,000	0	0	0.00%
Governor's Highway—Fire Safety Grant	0	20,000	0	20,000	0.00%
YC FEMA Grant	0	5,000	0	0	0.00%
<b>Total Contractual Services</b>	<b>8,342</b>	<b>109,000</b>	<b>14,500</b>	<b>53,250</b>	<b>267.24%</b>

**Other Services and Charges**

Legal Advertising	0	0	0	0	0.00%
Utilities	17,098	18,440	20,075	21,080	5.01%
Telephone	2,977	2,710	4,365	4,580	4.93%
Operational Equipment & Supplies	9,109	13,000	12,000	20,000	66.67%
EMS Expenses	14,221	13,000	19,500	18,000	-7.69%
Fire Prevention	4,513	5,000	5,000	8,000	60.00%
Emergency Management	4,844	4,900	4,900	5,000	2.04%
Training Center	3,810	5,000	5,000	4,185	-16.30%
Volunteer Fireperson Misc.	209	500	0	1,000	0.00%
Travel & Training	4,318	8,000	8,000	12,700	58.75%
Volunteer Fireperson Training	315	1,000	0	1,500	0.00%
Subscriptions & Memberships	2,265	3,000	3,000	3,000	0.00%
PSPRS - Bonding Payment	0	0	5,156,160	5,156,160	0.00%
PSPRS - Bond Principal	0	0	0	209,165	0.00%
PSPRS - Bond Interest	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>63,680</b>	<b>74,550</b>	<b>5,238,000</b>	<b>5,464,370</b>	<b>4.32%</b>





# ORDINANCE ENFORCEMENT DIVISION

**Community Development Director**

**Ordinance Enforcement  
Officer**

Only unshaded boxes are included in this budget.

## What We Do

The Community Development Department Ordinance Enforcement Division responds to calls for service regarding animal control violations and takes action with on-view ordinance, zoning, and code violations, as well as citizen complaints. Officers 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. Ordinance Enforcement Officers assist the Community Development Department with code enforcement, make on-view contact with complainants and violators, order the discontinuance, removal or alteration of conditions which violate city codes and zoning ordinances.

## Our Accomplishments for FY 2021

Communication



Infrastructure



Designed and published new Ordinance Enforcement webpage to increase our online presence.

Adopted a new Municipal Code, Chapter 8.12 to increase the time for compliance and streamline the enforcement process.

Creation of a City Abatement program with a funding source to help abate serious health and safety issues in the city.

## Our Strategic Goals for FY 2022

Ensure Quality of  
Life



Financial  
Accountability &  
Transparency



Provide public outreach regarding ordinance enforcement and animal control concerns and processes.

Assist the animal shelter with meeting the needs of the community in regards to humanely protecting companion animals.

Apply for grants for spay/neuter programs.



Public Safety      Ordinance Enforcement Division      Fund 01-General Fund      Cost Center: 2200

## Performance Indicators

## Strategic Direction



Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative



## 2. Ensure Our quality of Life

Awareness and education

2.5. Support safe neighborhood policies and programs by increasing public outreach and code enforcement efforts to reduce code violations by

2.5.i. creating an informational webpage for Code Enforcement on the City website;

2.5.ii. creating a neighborhood code enforcement program;

2.5.iii. applying for and securing spay/neuter grant funding;

2.5.x creating a Dark Sky community webpage and send "FAQ" direct mailings to businesses and residences about Dark Sky enforcement.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
2.5.i. Creation of informational Code Enforcement web page			100%	
2.5.ii. Creation and implementation of neighborhood enforcement program			100%	
2.5.iii. Applied for and received spay/neuter grant funding	Yes/\$7,500	n/a	n/a	Awarded
<b>2.5.x. Compliance with Dark Sky community:</b>				
a. create and go live with Dark Sky community webpage on the City's website				100%
b. "FAQ" direct mailing to businesses and residents				100%
Process Status:				





Public Safety	Ordinance Enforcement Division		Fund 01—General Fund		Cost Center: 2200	
Summary by Category						
Expenditure Category	2020	2021		2022	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$157,986	\$163,630	\$165,935	\$164,510	-0.86%	
Operating Supplies	789	6,250	6,250	6,250	0.00%	
Contractual Services	46,515	54,200	49,435	56,485	14.26%	
Other Services and Charges	25	1,000	750	1,350	80.00%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$205,315	\$225,080	\$222,370	\$228,595	2.80%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$228,595	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Ordinance Enforcement Officer	2.00	2.00	2.00	\$102,930
COLA				0
Merit Contingency				0
Longevity				0
Overtime				1,250
Holiday Pay				2,000
Clothing Allowance				750
Retirement				13,180
Insurance & Taxes				44,150
Employee Related Expenses				250
<b>Totals</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>\$164,510</b>

Public Safety	Ordinance Enforcement Division	Fund 01 - General Fund	Cost Center: 2200		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Office Supplies	295	250	250	250	0.00%
Copier Supplies	0	0	0	0	0.00%
Small Tools	493	1,500	1,500	1,500	0.00%
Gas & Oil	0	4,500	4,500	4,500	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair		0	0	0	0.00%
<b>Total Supplies</b>	<b>789</b>	<b>6,250</b>	<b>6,250</b>	<b>6,250</b>	<b>0.00%</b>

## Contractual Services

Contractual Services	0	1,200	1,200	1,200	0.00%
Employee Physicals/Drug Tests	0	0	235	235	
Kennel Fees	46,515	48,000	48,000	50,050	4.27%
Spay/Neuter Grant Expense	0	5,000	0	5,000	0.00%
<b>Total Contractual Services</b>	<b>46,515</b>	<b>54,200</b>	<b>49,435</b>	<b>56,485</b>	<b>14.26%</b>

## Other Services and Charges

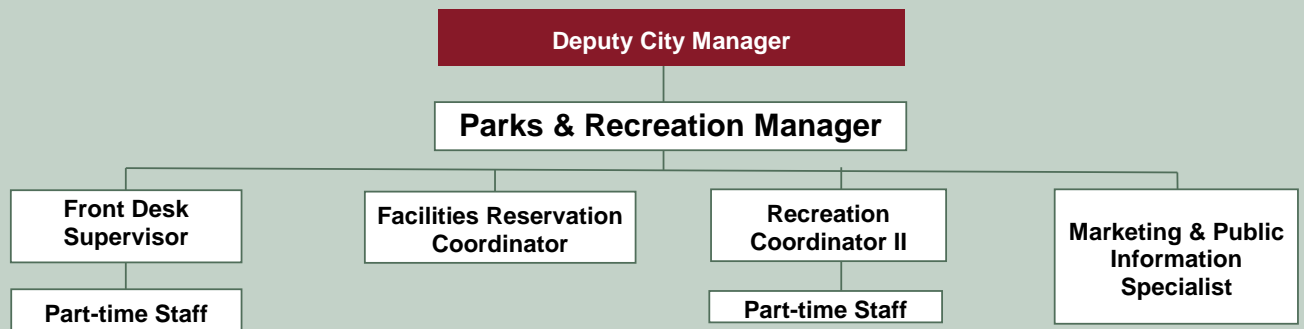
Printing and Forms	0	0	350	350	0.00%
Travel & Training	0	1,000	400	1,000	150.00%
Subscriptions & Memberships	25	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>25</b>	<b>1,000</b>	<b>750</b>	<b>1,350</b>	<b>80.00%</b>

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



# PARKS & RECREATION DEPARTMENT



## What We Do

The Parks and Recreation Program Division operates on the concept of bringing multigenerational families, youth and active senior adults together to enjoy and share in recreational benefits that contribute to the city's quality of life. The programs that serve a wide range of guests offer community wellness options, gathering spaces, community events, and athletic programming opportunities.

### Our Accomplishments for FY 2021

#### Administrative Processes



#### Safety



#### Recreation



Upgraded the play structure in Garrison Park to include new ADA compliant borders, fall protection surfacing, and an expression swing, utilizing Prop 202 grant funding.

Successfully adopted and held programs to meet the prevention requirements for Covid-19 while involving community partners.

Purchased bike racks to match the City's branding and created a bike map that encompasses the city's trails and bike ways.

Created and implemented the Safe and Outside program to include instructional videos on how to golf, hike, fish, kayak, and play disc golf.

### Our Strategic Goals for FY 2022

#### Sustainable Growth & Development



#### Ensure Quality of Life



#### Financial Accountability & Transparency



Implement processes to capture usage data at all city parks and park facilities.

Increase usage of the Cottonwood disc golf course.

Increase outdoor exercise opportunities at city parks and trails.

Create a user-friendly community calendar that allows for a single point to post event.

Increase Learn- to-Swim opportunities by 50% by adding evening lessons.

Create a community sponsorships program that allows for businesses to sponsor days, weeks, months, "x" amount of visits, etc.

Reduce energy cost by 15%.

Implement additional programs and classes.



Host a Kids at Hope Town Hall.

Increase water conservation educational activities for the youth by partnering with the Utility Department.



Culture & Recreation      P & R Department      Fund 01-General Fund      Cost Center: 4100

### Performance Indicators

Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

1. Foster Sustainable Growth and Development



Economic development

1.3. Support outdoor economics through the facilitation of outside events by supporting community partners and their outdoor activities and events.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
1.3.7 Number of outside events being facilitated		1	6	10

Process Status:

1.3.7. To date, Parks & Recreation has helped facilitate five events that were hosted by outside groups with a sixth taking place in December 2021. The plan is to increase the number of events to 10 in FY 2022.

 	<b>Strategic Direction</b>	<b>2. Ensure Quality of Life</b>			
	<b>Key Priority</b>	<b>Citizen engagement</b>			
	<b>Guiding Principle</b>	<b>2.5. Encourage volunteerism in areas of interest that are consistent with our brand by</b>			
	<b>Strategic Goal</b>	increasing the number of volunteers through			
	<b>Strategic Initiative</b>	<b>2.5.2. the implementation of a Parks &amp; Recreation Volunteer Program.</b>			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.5.2. Increase the number of volunteers annually				25	50
<b>Process Status:</b> 2.5.2. A volunteer program has been successfully implemented and now the focus will be on building a successful program.					





Culture & Recreation	P & R Department		Fund 01—General Fund	Cost Center: 4100	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$321,719	\$288,210	\$253,295	\$287,815	13.63%
Operating Supplies	29,648	38,425	21,215	31,030	46.26%
Contractual Services	39,714	50,810	32,295	41,460	28.38%
Other Services and Charges	394,216	362,050	222,155	527,200	137.31%
Capital Outlay	77,929	0	0	27,500	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$863,226	\$739,495	\$528,960	\$915,005	72.98%



Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$915,005	100.00%
<b>Total Funding</b>		<b>100.00%</b>



Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Parks & Recreation Director	0.50	0.00	0.00	\$0
Parks & Recreation Manager	0.00	0.55	0.50	28,775
Marketing and PI Specialist	0.00	0.00	0.50	22,880
Recreation Center Program Supervisor	0.60	0.00	0.00	0
Recreation Coordinator II	0.80	0.60	0.90	35,675
Fitness Center Coordinator	0.05	0.10	0.00	0
Facilities Maintenance Technician III	0.40	0.00	0.00	0
Facility Maintenance Technician I	0.80	0.00	0.00	0
Youth Programs Coordinator	0.90	0.10	0.00	0
Recreation Information & Business Spec	0.80	0.75	0.00	0
Facilities Reservation Coordinator	0.00	0.00	0.25	9,640
Front Desk Supervisor	0.50	0.15	0.15	6,150
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				105,000
Overtime				6,000
Holiday Pay				500
Interim Pay				0
Clothing Allowance				2,000
Retirement				13,600
Insurance & Taxes				57,025
Employee Related Expenses				570
<b>Totals</b>	<b>5.35</b>	<b>2.25</b>	<b>2.30</b>	<b>\$287,815</b>

Culture & Recreation	P & R Department	Fund 01—General Fund	Cost Center: 4100		
Supplemental Data: Expenditures					
Item	2020	2021		2022	Percent
Description	Actual	Budget	Revised	Adopted	Change
Operating Supplies					
Office Supplies	885	1,500.00	500.00	1,500	200.00%
Copier Supplies	0	0.00	3,105.00	5	-99.84%
Gas & Oil	213	800.00	0.00	0	0.00%
Vehicle Maintenance & Repair	466	600.00	85.00	0	-100.00%
Equipment Maintenance & Repair	16,283	14,000.00	5,500.00	8,000	45.45%
Building Maintenance & Repair	0	6,000.00	0.00	0	0.00%
Riverfront Snack Bar	1,368	1,500.00	0.00	1,500	0.00%
Snack Bar Supplies	674	2,500.00	0.00	0	0.00%
Pool Supplies	9,749	11,500.00	12,000.00	20,000	66.67%
Postage & Freight	9	25.00	25.00	25	0.00%
Total Supplies	29,648	38,425.00	21,215.00	31,030	46.26%
Contractual Services					
Contractual Services	11,410	13,200	3,575	4,200	17.48%
Computer Support	5,004	5,260	3,720	4,210	13.17%
Fireworks	23,300	32,350	25,000	33,050	32.20%
Custodial Contract	0	0	0	0	0.00%
Total Contractual Services	39,714	50,810	32,295	41,460	28.38%
Other Services and Charges					
Advertising	3,650	0	0	0	0.00%
Utilities	157,871	198,470	166,135	185,000	11.36%
Telephone	4,924	5,480	4,585	4,820	5.13%
Public Relations	6,156	7,000	4,500	7,000	55.56%
Softball Programming/Tournaments	2,327	5,500	3,000	5,000	66.67%
Rec Programs	19,497	25,500	10,000	28,000	180.00%
Youth Programs	689	4,000	4,000	4,000	0.00%
Verde River Days	1,000	1,000	1,000	1,000	0.00%
Special Annual Events	0	5,000	0	5,000	0.00%
Rhythm & Ribs	(5)	0	0	0	0.00%
Walkin' on Main	13,778	20,000	400	20,000	4900.00%
10K Memorial Run	6,075	33,000	18,000	25,000	38.89%
Thunder Valley Rally	171,513	50,000	5,000	160,000	3100.00%
Wine Festival	0	0	0	75,000	0.00%
Travel & Training	2,873	4,000	3,500	4,500	28.57%
Subscriptions & Memberships	2,259	2,500	1,500	2,500	66.67%
Enterprise Fleet Lease Expense	1,608	600	535	380	-28.97%
Continuing Education	0	0	0	0	0.00%
Total Other Services & Charges	394,216	362,050	222,155	527,200	137.31%
Supplemental Data: Capital Outlay					
Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Wayfinding Signs (New Park)				\$5,500	
ADA Pool Lift and VFD Pool Pumps				14,000	
Lifeguard Chair				8,000	
Tennis Center Resurface	\$34,725				
Clubhouse Chairs & Tables/Security Car	43,204				
Totals	\$77,929	\$0	\$0	\$27,500	

Culture & Recreation Youth Center Fund 01–General Fund Cost Center: 4100

### Performance indicators

	<b>Strategic Direction</b>	<b>2. Ensure Quality of Life</b>			
	<b>Key Priority</b>	<b>Awareness and education</b>			
	<b>Guiding Principle</b>	<b>2.2. Offer awareness and educational programs for residents to</b>			
	<b>Strategic Goal</b>	inspire, empower, and transform schools and organizations serving youth and entire communities to create an environment in which children and entire communities can be successful by			
	<b>Strategic Initiative</b>	<b>2.2.5. hosting a Kids at Hope Town Hall.</b>			
	<b>Performance Indicator(s)</b>	<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.2.5. Host a Kids at Hope Town Hall					In Discussion
<b>Process Status:</b> 2.2.5 Due to COVID-19, the Kids at Hope Town Hall has been pushed back to FY 2022, and it is being discussed when this event can take place but a date has not yet been determined.					

 	<b>Strategic Direction</b>	<b>5 Embrace Financial Accountability and Transparency</b>			
	<b>Key Priority</b>	<b>Employee retention</b>			
	<b>Guiding Principle</b>	<b>5.2. Recruit and retain highly qualified employees by</b>			
	<b>Strategic Goal</b>	developing a succession planning process and			
	<b>Strategic Initiative</b>	<b>5.2.6. address any deficiencies for succession within the department.</b>			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
5.2.6. Implement a Succession Plan				Yes	Yes
<b>Process Status:</b> 5.2.6. Already through the compensation study in FY 2021, positions within the department that were below-market could be identified. During the budget process for FY 2022, these positions could be compensation according to market rate, and they will continually be reviewed, and adjusted as needed.					



Culture & Recreation	Youth Center	Fund 01—General Fund	Cost Center:	4140	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$85,803	\$103,910	\$55,430	\$109,230	97.06%
Operating Supplies	3,349	10,020	5,020	8,520	69.72%
Contractual Services	9,492	10,260	5,120	12,445	143.07%
Other Services and Charges	10,881	15,260	10,170	16,190	59.19%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$109,524	\$139,450	\$75,740	\$146,385	93.27%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$146,385	100.00%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Parks & Recreation Manager	0.00	0.05	0.05	2,875
Recreation Coordinator III	0.05	0.00	0.00	0
Youth Programs Coordinator	0.80	0.85	0.90	35,665
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				46,000
Overtime				1,000
Holiday Pay				200
Clothing Allowance				800
Retirement				4,930
Insurance & Taxes				17,760
Employee Related Expenses				0
<b>Totals</b>	<b>0.85</b>	<b>0.85</b>	<b>0.95</b>	<b>\$109,230</b>

Culture & Recreation	Youth Center	Fund 01—General Fund		Cost Center: 4140	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	230	800	300	800	166.67%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	593	1,500	300	1,000	233.33%
Vehicle Maintenance & Repair	720	720	720	720	0.00%
Equipment Maintenance & Repair	1,349	4,500	1,200	3,500	191.67%
Operational Equip & Supplies	456	2,500	2,500	2,500	0.00%
Postage & Freight	0	0	0	0	0.00%
<b>Total Supplies</b>	<b>3,349</b>	<b>10,020</b>	<b>5,020</b>	<b>8,520</b>	<b>69.72%</b>

**Contractual Services**

Contractual Services	2,386	1,000	1,800	3,220	78.89%
Computer Support	1,280	1,260	1,155	1,225	6.06%
Custodial Contract	5,826	8,000	2,165	8,000	269.52%
<b>Total Contractual Services</b>	<b>9,492</b>	<b>10,260</b>	<b>5,120</b>	<b>12,445</b>	<b>143.07%</b>

**Other Services and Charges**

Public Relations	0	0	0	0	0.00%
Advertising	0	800	200	800	300.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	2,295	2,280	4,000	5,000	25.00%
Telephone	435	480	480	500	4.17%
Youth Program	3,019	6,500	1,200	6,500	441.67%
Travel & Training	520	500	500	500	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Enterprise Fleet Lease Expense	4,611	4,700	3,790	2,890	-23.75%
<b>Total Other Services &amp; Charges</b>	<b>10,881</b>	<b>15,260</b>	<b>10,170</b>	<b>16,190</b>	<b>59.19%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
N/A					
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	



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# RECREATION CENTER



Only unshaded boxes are included in this budget.

## What We Do

The Cottonwood Recreation Center operates on the concept of bringing multigenerational families, youth and active senior adults together to enjoy and share in the recreational benefits provided that contribute to the city's quality of life. The center provides community wellness options, gathering spaces, community events and athletic programming opportunities that serve a wide range of guests. The facility is open 363 days a year.

### Our Accomplishments for FY 2021

Administrative  
Processes



Safety



Recreation



Successfully transitioned to new recreation software systems to reduce transaction fees.

Designed and implemented a new Parks & Recreation website to allow for online reservations and membership renewals.

Implemented a self-service kiosk at the Guest Services counter to allow for day pass purchases without staff assistance.

### Our Strategic Goals for FY 2022

Ensure Quality of  
Life



Financial  
Accountability &  
Transparency



Implement Volunteer program.



Increase the number of members in the senior category by 10% (1,250) by offering targeted and specific classes.

Perform a service level audit to determine efficiencies that can be used to increase usage of the facility and promote a sense of facility pride.

Create a formalized facility-wide maintenance and operations guide.

Culture &amp; Recreation Community Recreation Center Fund 01-General Fund Cost Center: 4110

## Performance Indicators

Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

5. Embrace Financial Accountability and Transparency

Budget and finance

5.4. Remain fiscally conservative by reaching a 80% cost recovery while maintaing customer service level



5.4.5. the implementation of best operating policies and procedures at the Cottonwood Recreation Center

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
5.4.5. Cost recovery percentage			70%	80%

Process Status:

5.4.5.

Reporting methods have been changed that allow us to see the bigger picture and a more full story of the Center's costs. This will allow for targeted decision making to reach our goal. Improvements have also been made improvements to the infrastructure, which have helped control costs. Two new revenue streams have been added with the commissary kitchen and marketing programs, but the fees will likely need to be raised to reach this goal. A fee schedule change will be presented to council for FY 2022.

Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

5 Embrace Financial Accountability and Transparency

Employee retention

5.2. Recruit and retain highly qualified employees by developing a succession planning process and

5.2.6. address any deficiencies for succession within the department.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
5.2.6. Implement a Succession Plan			Yes	Yes

Process Status:

5.2.6. Already through the compensation study in FY 2021, positions within the department that were below-market could be identified. During the budget process for FY 2022, these positions could be compensation according to market rate, and they will continually be reviewed, and adjusted as needed.

Culture & Recreation	Community Recreation Center	Fund 01—General Fund	Cost Center: 4110		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$698,855	\$653,375	\$608,705	\$585,715	-3.78%
Operating Supplies	86,850	86,910	84,525	112,625	33.24%
Contractual Services	172,750	176,135	161,080	153,360	-4.79%
Other Services and Charges	233,657	275,160	185,945	258,180	38.85%
Capital Outlay	18,696	18,000	0	51,400	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,210,809	\$1,209,580	\$1,040,255	\$1,161,280	11.63%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$476,280	41.01%
Recreation Center Fees	630,000	54.25%
Recreation Center Building Rental	20,000	1.72%
Recreation Center Classes/Programs	35,000	3.01%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Parks & Recreation Director	0.50	0.00	0.00	\$0
Parks & Recreation Manager	0.00	0.45	0.45	25,895
Recreation Services Supervisor	0.40	0.00	0.00	0
Recreation Coordinator III	0.25	0.00	0.00	0
Recreation Coordinator II	0.20	0.40	2.10	79,940
Facility Maintenance Technician III	0.60	0.00	0.00	0
Facility Maintenance Technician I	1.20	0.00	0.00	0
Fitness Center Coordinator	0.95	0.90	0.00	0
Youth Programs Coordinator	0.10	0.10	0.10	3,960
Recr. Information & Business Spec.	0.20	0.25	0.00	0
Front Desk Supervisor	1.50	0.85	0.85	34,845
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				300,000
Overtime				3,000
Holiday Pay				300
Clothing Allowance				3,000
Retirement				18,360
Insurance & Taxes				112,810
Employee Related Expenses				3,605
<b>Totals</b>	<b>5.90</b>	<b>2.95</b>	<b>3.50</b>	<b>\$585,715</b>

Culture & Recreation	Community Recreation Center	Fund 01—General Fund	Cost Center: 4110		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	4,593	3,000	4,500	4,500	0.00%
Copier Supplies	795	0	0	0	0.00%
Gas & Oil	719	1,000	500	500	0.00%
Small Tools	24	500	500	500	0.00%
Vehicle Maintenance & Repairs	539	410	200	300	50.00%
Equipment Maintenance & Repairs	59,647	60,000	55,000	75,000	36.36%
Pool Supplies	20,524	21,800	23,800	31,800	33.61%
Postage & Freight	10	200	25	25	0.00%
<b>Total Supplies</b>	<b>86,850</b>	<b>86,910</b>	<b>84,525</b>	<b>112,625</b>	<b>33.24%</b>

**Contractual Services**

Contractual Services	10,983	10,000	8,720	0	-100.00%
Contractual Services Active Network	37,398	30,000	15,055	16,000	6.28%
Employee Physicals/Medical Testing	0	0	0	0	0.00%
Recruitment Expense	380	500	150	150	0.00%
Computer Support	1,199	1,575	1,155	1,210	4.76%
Custodial Contract	122,790	134,060	136,000	136,000	0.00%
<b>Total Contractual Services</b>	<b>172,750</b>	<b>176,135</b>	<b>161,080</b>	<b>153,360</b>	<b>-4.79%</b>

**Other Services and Charges**

Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	169,038	194,250	129,755	178,500	37.57%
Telephone	5,059	6,300	4,880	5,120	4.92%
Rec Programs	5,536	15,000	3,000	15,000	400.00%
Travel & Training	936	3,000	3,000	3,000	0.00%
Public Relations	7,686	12,000	1,000	12,000	1100.00%
Equipment Rental	0	0	0	0	0.00%
Subscriptions & Memberships	0	500	200	500	150.00%
Enterprise Fleet Lease	1,894	600	600	550	-8.33%
Lease Purchase Rec Center Equipment	43,508	43,510	43,510	43,510	0.00%
<b>Total Other Services &amp; Charges</b>	<b>233,657</b>	<b>275,160</b>	<b>185,945</b>	<b>258,180</b>	<b>38.85%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Pump				\$5,400	
Variable Frequency Drives (Indoor Pool)				6,000	
HVAC Compressors				40,000	
Gym Divider—Grant Funded		\$18,000			
Network Video Recorder (NVR) Camera	\$18,696				
<b>Totals</b>	<b>\$18,696</b>	<b>\$18,000</b>	<b>\$0</b>	<b>\$51,400</b>	



## SPECIAL REVENUE FUNDS

### General Information

The Special Revenue Funds 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.

#### Public Works

Highway-User Revenue Fund (HURF) -  
Streets Department  
Streets Construction

#### Social Services & Culture and Recreation

Cottonwood Area Transit (CAT) / Verde LYNX  
Cottonwood Public Library

#### Cemetery and Airport

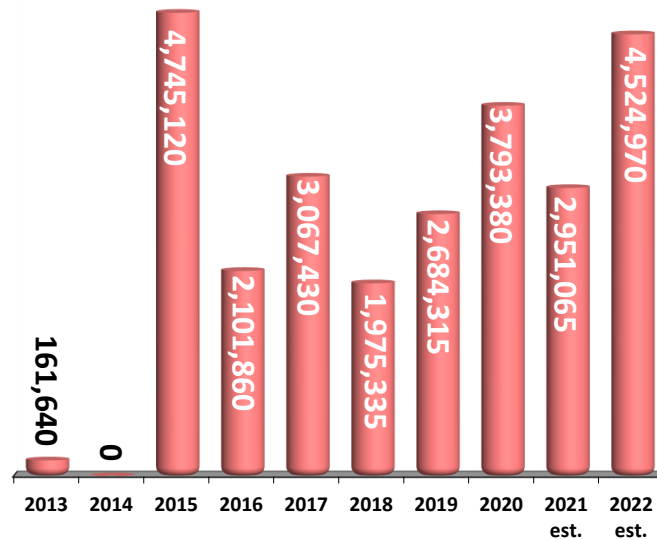
Cottonwood Cemetery  
Airport Fund

#### Grants

Grants Fund  
Airport Improvement Projects  
Other Grants  
Heritage Grants  
Community Block Development Grants (CDBG)

### Fund Balance Summary - FYE 06/30

**Special Revenue Funds  
Fund Balance – 10-Year Summary**



The continued fluctuation of the Special Revenue Funds is dependent on the projects being done and the time availability to complete those projects. A description of all the projects is reflected on the departments' budget summary sheets.



## Special Revenue Funds—Consolidated Statement of Revenues &amp; Expenditures/Changes in Fund Balances

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
<b>Beginning Fund Balance</b>	\$1,912,118	\$2,759,380	\$2,951,065	\$4,555,085
Less: Designated Reserves	1,912,118	874,965	4,615,085	233,830
Cash Reserves	0	0	0	0
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>1,884,415</b>	<b>(1,664,020)</b>	<b>4,321,255</b>
<b>Revenue Sources:</b>				
Taxes	\$1,518,857	\$1,412,310	\$1,356,975	\$1,699,495
Intergovernmental Revenues	3,537,067	7,739,755	6,356,920	8,925,760
Charges for Services	154,367	224,050	0	51,550
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	120,477	115,805	102,970	153,895
Miscellaneous Revenues	23,256	190,315	814,760	387,800
<b>Total Revenue Sources</b>	<b>5,354,024</b>	<b>9,682,235</b>	<b>8,631,625</b>	<b>11,218,500</b>
<b>Other Financing Sources:</b>				
Transfers In	1,100,854	1,779,055	1,350,785	1,614,450
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>1,100,854</b>	<b>1,779,055</b>	<b>1,350,785</b>	<b>1,614,450</b>
<b>Total Available Resources</b>	<b>6,454,878</b>	<b>13,345,705</b>	<b>8,318,390</b>	<b>17,154,205</b>
<b>Expenditures:</b>				
Personnel	2,172,915	2,378,235	2,347,070	2,615,560
Operating Supplies	648,644	661,900	612,320	573,450
Contractual Services	472,169	626,210	675,845	551,820
Other Services and Charges	819,160	1,180,620	1,192,385	1,084,240
Capital Outlay	907,424	8,093,525	3,081,100	11,871,280
Debt Service	391,321	391,580	391,580	392,585
<b>Total Expenditures</b>	<b>5,411,633</b>	<b>13,332,070</b>	<b>8,300,300</b>	<b>17,088,935</b>
<b>Other Uses:</b>				
Transfers Out	4,235	13,635	18,090	65,270
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>4,235</b>	<b>13,635</b>	<b>18,090</b>	<b>65,270</b>
<b>Total Expenditures and Other Uses</b>	<b>5,415,868</b>	<b>13,345,705</b>	<b>8,318,390</b>	<b>\$17,154,205</b>
<b>Ending Fund Balance Designation</b>				
Operating Surplus/(Losses)	1,039,010	0	0	0
Designated Reserves FYs prior to 2022	0	0	0	0
Cash Reserves FYs prior to 2022	0	0	0	0
Restricted	2,066,748	874,965	4,615,085	233,830
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
<b>ENDING FUND BALANCE</b>	<b>\$3,105,758</b>	<b>\$874,965</b>	<b>\$4,615,085</b>	<b>\$233,830</b>

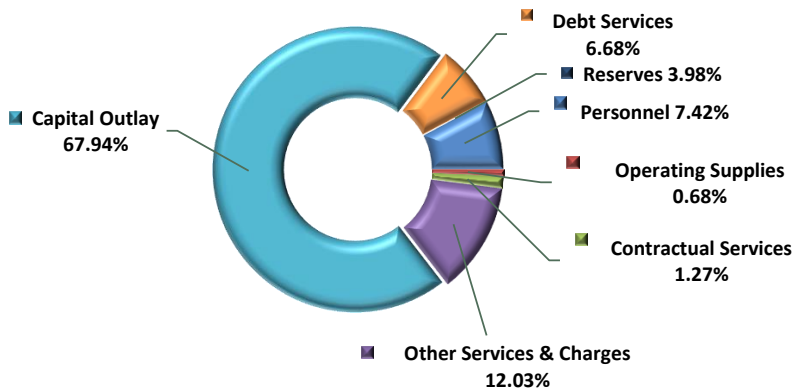




## HURF—Streets Fund—Revenues &amp; Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service		Total
Subtotals	\$435,980	\$40,000	\$74,880	\$706,575	\$3,993,065	\$392,585		\$5,643,085
<b>Totals</b>	<b>\$435,980</b>	<b>\$40,000</b>	<b>\$74,880</b>	<b>\$706,575</b>	<b>\$3,993,065</b>	<b>\$392,585</b>		<b>\$5,643,085</b>

**Highway User Revenue Fund  
Streets Expenditures by Category**



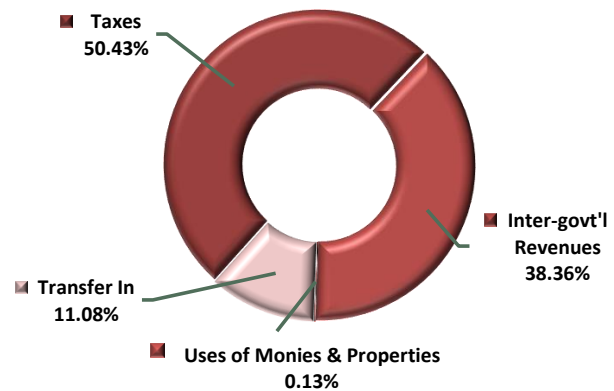
**HURF—Streets  
Fund Summary**

Revenues	\$2,452,975
Expenditures	<u>(5,643,085)</u>
Revenues over (under) Expenditures	<u>(3,190,110)</u>
Other Funding Sources/Uses	<u>305,695</u>
Use of Fund Balance	<u>(2,884,415)</u>

**HURF—Streets Fund  
Revenues by Source**

Taxes	\$1,391,215
Inter-govt'l Revenues	1,058,260
Uses of Monies & Properties	3,500
Other Financing Sources	0
Transfer In	305,695
Miscellaneous Revenues	0
<b>Total Resources Available</b>	<b><u>\$2,758,670</u></b>

**Highway User Revenue Fund  
Streets Revenues by Source**



## Streets Department Revenues

The Street Department receives its primary funding from the city's share of state taxes imposed on gasoline, diesel fuels and other related fees to be used solely for street and highway projects. Fuel taxes are shared on a per capita basis, similar to the general fund intergovernmental revenues.

## Streets Department Expenditures

The details for these expenditures can be viewed on page 255.

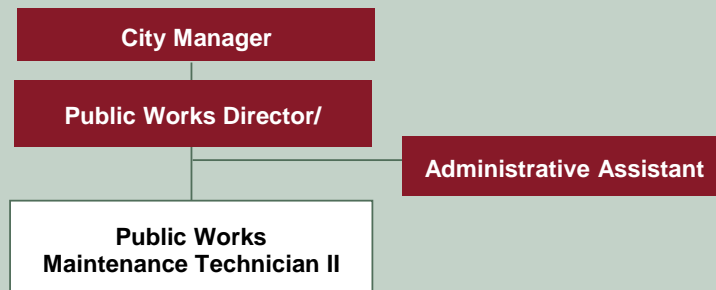


## Streets Maintenance &amp; Construction—Revenues/Expenditures

Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$1,900,953	\$2,748,215	\$2,726,585	\$3,118,245	14.36%
Less: Designated Reserves	1,900,953	863,800	3,178,245	233,830	-92.64%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>1,884,415</b>	<b>(451,660)</b>	<b>2,884,415</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes	\$1,385,332	\$1,245,815	\$1,356,975	\$1,391,215	2.52%
Intergovernmental Revenues					
Highway User Revenue Fund – HURF	1,236,881	1,037,110	1,125,250	1,058,260	-5.95%
Local Transportation Assistance Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ADOT Road Diet Grant	0	0	0	0	0.00%
12 <sup>th</sup> Street Federal Grant	0	0	0	0	0.00%
Mingus Willard to 10 <sup>th</sup> Street	0	0	0	0	0.00%
Fed Grant – 12 <sup>th</sup> Street	0	0	0	0	0.00%
Rehab Pima Bridge Grant	0	235,750	413,745	0	-100.00%
6 <sup>th</sup> Street Reconstruction	0	155,000	0	0	0.00%
Uses of Monies & Properties					
Interest Income	24,539	18,000	2,170	3,500	61.29%
Miscellaneous Revenues					
Other Income	7,014	0	747,900	0	-100.00%
<b>Total Revenue Sources</b>	<b>2,653,766</b>	<b>2,691,675</b>	<b>3,646,040</b>	<b>2,452,975</b>	<b>-32.72%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	241,525	241,785	305,695	-0.11%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>241,525</b>	<b>241,785</b>	<b>305,695</b>	<b>26.43%</b>
<b>Total Available Resources</b>	<b>2,653,766</b>	<b>4,817,615</b>	<b>3,436,165</b>	<b>5,643,085</b>	<b>64.23%</b>
<b>Expenditures:</b>					
Personnel	307,456	357,020	390,500	435,980	11.65%
Operating Supplies	43,957	44,200	63,000	40,000	-36.51%
Contractual Services	69,341	83,240	70,005	74,880	6.96%
Other Services and Charges	508,928	845,460	884,695	706,575	-20.13%
Capital Outlay	507,551	3,096,115	1,636,385	3,993,065	144.02%
Debt Service	391,321	391,580	391,580	392,585	0.26%
<b>Total Expenditures</b>	<b>1,828,554</b>	<b>4,817,615</b>	<b>3,436,165</b>	<b>5,643,085</b>	<b>64.23%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,828,554</b>	<b>4,817,615</b>	<b>3,436,165</b>	<b>5,643,085</b>	<b>64.23%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	825,212	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	2,055,583	863,800	3,118,245	233,830	260.99%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$2,880,795</b>	<b>\$863,800</b>	<b>\$3,118,245</b>	<b>\$233,830</b>	<b>-92.50%</b>



## STREETS MAINTENANCE



Only unshaded boxes are included in this budget.

### What We Do

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 repair, sweeping, debris removal, weed control, sign maintenance, drainage maintenance, sidewalk repair, pavement maintenance, and traffic signal maintenance. The Streets Division also assists with the construction of engineering projects, annual city clean-up days, airport maintenance, trash pickup and removal, and transient camp cleanups.

### Our Accomplishments for FY 2021

#### Infrastructure



#### Recreation



Conducted street sweepings along the highway, arterial and collector streets, and on City-owned parking lots.  
Completed the Riverfront Park Trail.

### Our Strategic Goals for FY 2022

#### Ensure Quality of Life



#### Improve Infrastructure



Develop a detailed map for sweeping and initiate a stringent schedule to follow to ensure all areas are completed.

Public Works Streets Department Fund 10-HURF Cost Center: 3100

## Performance Indicators



## Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

## 4. Improve Our Infrastructure

Streets and sidewalks

## 4.1 Continue to prioritize infrastructure projects

Develop, maintain, and improve the city's infrastructure with biennial funding for pavement preservation to, among others,

4.1.1. reduce the amount of unsightly buildup and debris along city roadways.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
<b>4.1.1. Reduce buildup and debris along roadways:</b>				
Project Mapping	100%	100%	50%	100%
Planning	100%	100%	65%	100%
Miles Swept	1,109	936	1,100	1,200
Monitoring			75%	100%

Process Status:

## Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Vehicle Lift (Shared Expense with Utilities)				\$6,000
Truck (Enterprise Fleet)				30,000
Backhoe				100,000
Uninterrupted Power System for Traffic Light: –Main Street and Mingus Avenue	\$10,535			
LED Street Lighting–Old Town	4,895			
<b>Totals</b>	<b>\$15,430</b>	<b>\$0</b>	<b>\$0</b>	<b>\$136,000</b>

Public Works	Streets Department	Fund 10—HURF	Cost Center: 3100		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$307,456	\$357,020	\$390,500	\$435,980	11.65%
Operating Supplies	43,957	44,200	63,000	40,000	-36.51%
Contractual Services	69,341	83,240	70,005	74,880	6.96%
Other Services and Charges	508,928	845,460	884,695	706,575	-20.13%
Capital Outlay	15,430	0	0	136,000	0.00%
Debt Service	391,321	391,580	391,580	392,585	0.26%
Department Totals	\$1,336,433	\$1,721,500	\$1,799,780	\$1,786,020	-0.76%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues–HURF	0	0.00%
Taxes	0	0.00%
Use of Monies & Properties	3,500	0.20%
Miscellaneous Revenues	0	0.00%
Use of Fund Balance	0	0.00%
Transfers In–General Fund	1,782,520	99.80%
<b>Total Funding</b>		<b><u>100.00%</u></b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Streets Superintendent	0.75	0.75	0.00	\$64,240
Public Works Operations Foreman	0.00	0.00	0.00	0
PW Maintenance Technician II	4.00	4.00	5.00	194,610
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				0
Overtime				5,000
Car Allowance				4,050
Clothing Allowance				1,250
Retirement				33,340
Insurance & Taxes				132,500
Employee Related Expenses				990
<b>Totals</b>	<b>4.00</b>	<b>4.00</b>	<b>5.00</b>	<b>\$435,980</b>

Public Works		Streets Department		Fund 10-HURF		Cost Center: 3100	
Supplemental Data: Expenditures							
Item	2020	2021		2022	Percent		
Description	Actual	Budget	Revised	Adopted	Change		
Operating Supplies							
Office Supplies	0	200	0	0	0.00%		
Gas & Oil	13,663	11,500	11,500	11,500	0.00%		
Operational Equipment & Supplies	1,576	6,000	6,000	2,000	-66.67%		
Vehicle Maintenance & Repair	16,093	6,500	6,500	6,500	0.00%		
Equipment Maintenance & Repair	12,625	20,000	39,000	20,000	-48.72%		
Postage & Freight	0	0	0	0	0.00%		
Total Supplies	43,957	44,200	63,000	40,000	-36.51%		
Contractual Services							
Contractual Services	9,958	8,500	8,900	8,900	0.00%		
Pavement Preservation	0	0	0	0	0.00%		
Computer Support	253	270	240	250	4.17%		
General Counsel	0	0	0	0	0.00%		
Street Lights	59,130	74,470	60,865	65,730	7.99%		
Engineering Services	0	0	0	0	0.00%		
Total Contractual Services	69,341	83,240	70,005	74,880	6.96%		
Other Services and Charges							
Legal Advertising	0	0	0	0	0.00%		
Small Tools	411	500	500	500	0.00%		
Street Materials	18,144	19,000	19,000	35,000	84.21%		
Street Signs	1,547	3,000	5,000	7,000	40.00%		
Street Marking	5,334	344,000	213,050	180,000	-15.51%		
Bank Charges	130	260	150	150	0.00%		
Employee Physicals/Medical Testing	706	250	1,500	1,500	0.00%		
Utilities	13,358	15,660	14,325	15,040	4.99%		
Telephone	787	860	1,020	1,070	4.90%		
Culverts	207	500	500	500	0.00%		
Travel & Training	1,270	1,300	1,300	1,300	0.00%		
Equipment Rental	0	0	200	500	150.00%		
Subscriptions & Memberships	0	0	0	0	0.00%		
Liability Insurance	14,000	14,290	17,310	18,180	5.03%		
Liability Claims Deductible	0	0	0	0	0.00%		
Indirect Cost to General Fund	411,199	400,000	565,000	400,000	-29.20%		
Street Light Contingency	0	0	0	0	0.00%		
LP–FY17 City-wide Equip. Lease-Prin.	40,047	40,690	40,690	41,340	1.60%		
LP–FY17 City-wide Equip. Lease-Int.	1,788	1,150	1,150	495	-56.96%		
Street Improvements	0	4,000	4,000	4,000	0.00%		
Bond Issuance Costs	0	0	0	0	0.00%		
Total Other Services & Charges	508,928	845,460	884,695	706,575	-20.13%		
Debt Service							
2015 Excise Bond - Principal	205,930	214,425	214,425	220,790	2.97%		
2015 Excise Bond - Interest	185,391	177,155	177,155	171,795	-3.03%		
Total Debt Service	391,321	391,580	391,580	392,585	0.26%		



## STREETS CONSTRUCTION



### What We Do

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

### Our Accomplishments for FY 2021

#### Infrastructure



Crack sealed City-owned parking lots.

Completed the road diet on Main Street in Old Town Cottonwood.

Completed the dip repair on Willard Street and the sight distance on Cottonwood Street.

### Our Strategic Goals for FY 2022

#### Ensure Quality of Life



#### Improve Infrastructure



#### Financial Accountability & Transparency




Institute a pre-payment preservation crack seal program to ensure roads are sealed prior to any future repair.



Public Works      Streets Construction      Fund 10 - HURF      Cost Center: 3110

### Performance Indicators




**Strategic Direction**

**Key Priority**

**Guiding Principle**

**Strategic Goal**

**Strategic Initiative**



**4. Improve Our Infrastructure**

**Streets and sidewalks**

**4.1 Continue to prioritize infrastructure projects**

Develop, maintain, and improve the city's infrastructure with biennial funding for pavement preservation to, among others,

**4.1.1. preserve local, arterial and collector streets, and the City's parking lots by crack sealing them first to prevent major maintenance in the future.**

Performance Indicator(s)	2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
<b>4.1.1. Crack sealing roadways:</b>				
Planning		15%	50%	100%
Construction: Crack seal applied (lbs.)		6,750	10,125	11,250
Monitoring				
<p><b>Process Status:</b> 4.1.1. Crack sealing is performed based on need; monitoring based on mileage is not feasible as pavement conditions vary from roadway to roadway.</p>				

Public Works	Streets Construction	Fund 10-HURF	Cost Center: 3110		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
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	492,121	3,096,115	1,636,385	3,857,065	135.71%
Debt Service	0	0	0	0	0.00%
Department Totals	\$492,121	\$3,096,115	\$1,636,385	\$3,857,065	135.71%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues—HURF	\$1,058,260	27.44%
Bonds	0	0.00%
Grants	0	0.00%
Sales Tax	1,391,215	36.07%
Use of Fund Balance	1,407,590	36.49%
Total Funding		<u><u>100.00%</u></u>

Supplemental Data: Personnel					
Authorized Positions	Number of FTEs				Budget
Job Classifications	2020	2021	2022		2022
N/A					
Totals	0.00	0.00	0.00		\$0

Public Works	Streets Construction	Fund 10-HURF	Cost Center: 3110		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

N/A

<b>Total Supplies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
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**Contractual Services**

N/A

<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
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<b>Total Contractual Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
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**Other Services and Charges**

N/A

<b>Total Other Services &amp; Charges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
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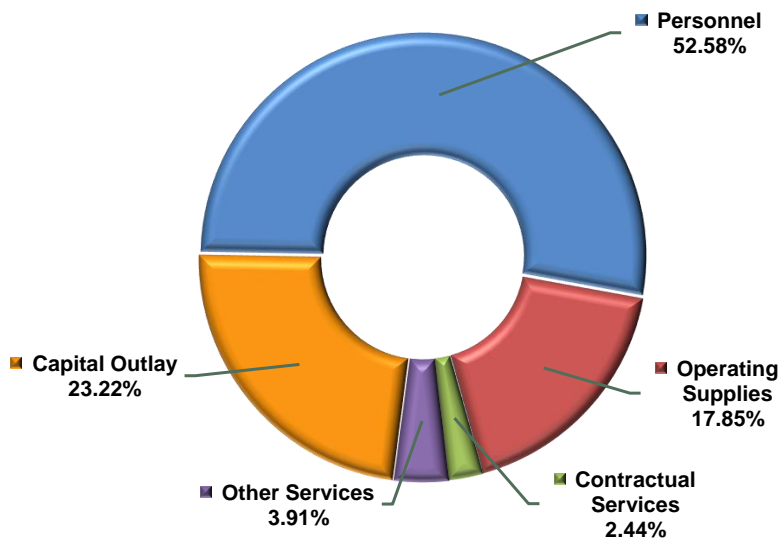
**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Rehab Pima Bridge (Grant)		\$250,000	\$14,250	\$438,745	
Sidewalk Improvements/Additions	\$58,206	472,985	220,000	653,320	
Pavement Preservation	336,376	493,130	455,235	750,000	
Reconstr. Mingus Avenue:	46,091	1,550,000	100,000	2,015,000	
from 10 <sup>th</sup> Street to Main Street					
Street Contingency	50,000		747,900		
Willard Street -Extension	1,448	175,000	99,000		
6 <sup>th</sup> Street:		155,000			
Mingus Ave to Aspen St (Grant)					
<b>Totals</b>	<b>\$492,121</b>	<b>\$3,096,115</b>	<b>\$1,636,385</b>	<b>\$3,857,065</b>	



## Transit Fund Revenues &amp; Expenditures by Category

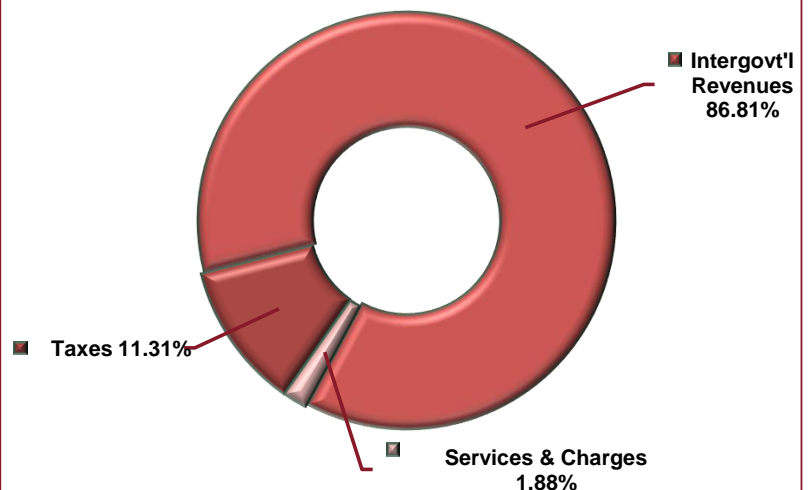
Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-totals	\$1,449,540	\$492,150	\$67,360	\$107,665	\$640,000	\$0	\$2,756,715
<b>Totals</b>	<b>\$1,449,540</b>	<b>\$492,150</b>	<b>\$67,360</b>	<b>\$107,665</b>	<b>\$640,000</b>	<b>\$0</b>	<b>\$2,756,715</b>

Transit Fund  
Revenues by CategoryTransit  
Fund Summary

Revenues	\$2,726,600
Expenditures	(2,756,715)
Revenues over (under) Expenditures	(30,115)
Other Funding Sources/Uses	0
Use of Fund Balance	(\$30,115)

Transit Fund  
Revenues by Source

Taxes	\$308,280
Inter-govt'l Revenues	2,366,970
Services & Charges	51,350
Miscellaneous Revenues	0
Other Financing Sources	0
<b>Total Resources Available</b>	<b>\$2,726,600</b>

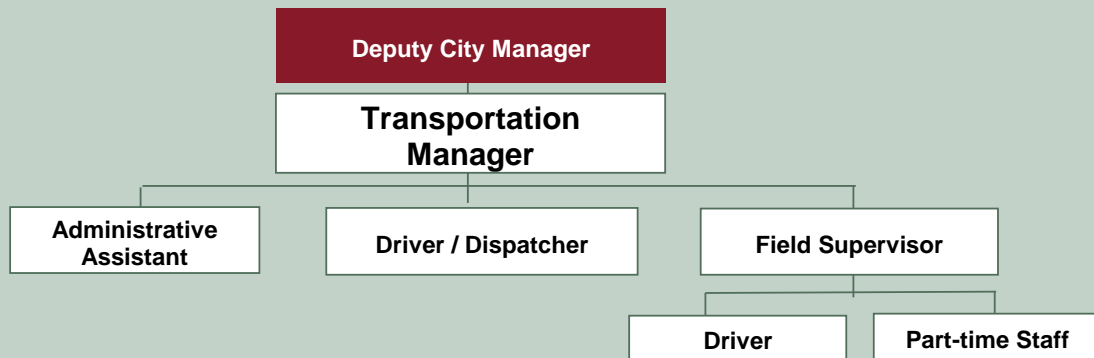
Transit Fund  
Revenues by Source



Cottonwood Area Transit—Revenues & Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$0	\$0	\$213,315	\$30,115	-85.88%
Less: Designated Reserves	0	0	30,115	0	-100.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>183,200</b>	<b>30,115</b>	<b>-83.56%</b>
<b>Revenue Sources:</b>					
Taxes	\$133,525	\$166,495	\$0	\$308,280	0.00%
Intergovernmental Revenues					
Yavapai County	35,000	83,150	0	70,125	0.00%
Clarkdale	34,500	66,575	0	56,145	0.00%
Sedona	144,747	346,910	50,000	165,800	231.60%
HURF – Fuel Tax	0	0	0	0	0.00%
Local Transportation Assistance	0	0	0	0	0.00%
Fund/Transit					0.00%
ADOT Grant	1,657,753	2,596,930	2,703,560	2,074,900	-23.25%
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	154,367	223,850	0	51,350	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	0	0	1,025	0	-100.00%
<b>Total Revenue Sources</b>	<b>2,159,892</b>	<b>3,483,910</b>	<b>2,754,585</b>	<b>2,726,600</b>	<b>-1.02%</b>
<b>Other Financing Sources:</b>					
Transfers In	217,180	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>217,180</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>2,377,072</b>	<b>3,483,910</b>	<b>2,937,785</b>	<b>2,756,715</b>	<b>-6.16%</b>
<b>Expenditures:</b>					
Personnel	1,280,219	1,424,940	1,346,905	1,449,540	7.62%
Operating Supplies	559,328	583,700	517,470	492,150	-4.89%
Contractual Services	104,742	125,240	122,790	67,360	-45.14%
Other Services and Charges	92,125	96,830	79,880	107,665	34.78%
Capital Outlay	126,924	1,253,200	870,740	640,000	-26.50%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>2,163,338</b>	<b>3,483,910</b>	<b>2,937,785</b>	<b>2,756,715</b>	<b>-6.16%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>\$2,163,338</b>	<b>\$3,483,910</b>	<b>\$2,937,785</b>	<b>\$2,756,715</b>	<b>-6.16%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	213,734	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$213,734</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>



## COTTONWOOD AREA TRANSIT/VERDE LYNX



Only unshaded boxes are included in this budget.

## What We Do

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 in Yavapai County. Services include full fixed route services coupled with ADA paratransit service for passengers who are wheelchair-confined or otherwise limited in mobility.

## Our Accomplishments for FY 2021

## Infrastructure



## Budget



Kept Transit services running despite the COVID-19 pandemic.

Added two purpose-built van replacements for ADA transportation.

Received federal funding for federal fiscal years 2021 and 2022.

## Our Strategic Goals for FY 2022

## Sustainable Growth and Development



## Ensure Quality of Life



## Financial Accountability &amp; Transparency



Develop a "wine Line" outside of the CAT/LYNX system.



Partner with Town of Jerome to develop a one-day-a-week transit program for their community.


Start the use of online purchasing of transit card and touchless fare collection on buses.





Social Services	Public Transportation	Fund 15 - Transit	Cost Center: 15XX
Performance Indicators			

 	<b>Strategic Direction</b>	<b>1. Foster Sustainable Growth and Development</b>			
	<b>Key Priority</b>	<b>Promote tourism</b>			
	<b>Guiding Principle</b>	<b>1.8 Promote sustainable tourism by</b>			
	<b>Strategic Goal</b>	transporting riders visiting local tasting rooms and wineries by			
	<b>Strategic Initiative</b>	<b>1.8.5 Develop and initiate a regional "Wine Line" bus service, funded through the City's General Fund and other partnering agencies.</b>			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
<b>1.8.5. Develop a regional "Wine Line":</b>					
-	Conduct a feasibility study				100%
-	Solicit support from municipal partners				100%
-	Prepare a budget and submit for approval				50%
-	Acquire needed equipment and hire staffing				TBD
-	Develop performance benchmarks				TBD
-	Initiate the "Wine Line" Route				TBD
-	Monitor progress using performance benchmarks				TBD
<b>Process Status :</b> 1.8.5. The TBD items are pending completion of feasibility study and council has had an opportunity to weigh in on the sustainability of the program to determine how it will move forward from there.					



8

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

4. Improve Our Infrastructure



Expand essential transit services

4.5 Continue to prioritize city infrastructure projects

Develop a one day, three trip daily route for the Town of Jerome

4.5.7 Plan for potential transit expansion to Jerome, Cornville, and to new developments, such as the Vineyards, 89 & Vine, and Spring Creek Ranch.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
4.5.7 Develop Town of Jerome route:				
- Conduct micro study for the Town of Jerome				100%
- Prepare & submit budget to ADOT for Jerome				100%
- Obtain ADOT approval to start route				75%
- Initiate the 1 day, 3 trip route schedule				75%
4.5.7 Develop a route to/from Cornville				TBD
4.5.7 Develop a route to/from the Vineyards				TBD
4.5.7 Develop a route to/from 89 & Vine				TBD
4.5.7. Develop a route Spring Creek Ranch				TBD
<div> <div>Process Status:</div> <div>4.5.7. The four TBD routes are pending determination of sufficient traffic flow to warrant additional transit infrastructure.</div> </div>				

  	<b>Strategic Direction</b>	<b>5. Embrace Financial Accountability and Transparency</b>			
	<b>Key Priority</b>	<b>Provide opportunities for employee growth</b>			
	<b>Guiding Principle</b>	<b>5.2 Recruit and retain highly qualified employees</b>			
	<b>Strategic Goal</b>	Develop cross training opportunities for all staff members			
	<b>Strategic Initiative</b>	<b>5.2.6 Evaluate each department's succession plan and address any deficiencies</b>			
<b>Performance Indicator(s)</b>		<b>2019 <i>Actual</i></b>	<b>2020 <i>Actual</i></b>	<b>2021 <i>Estimate</i></b>	<b>2022 <i>Anticipated</i></b>
<b>5.2.6</b>	<b>Develop staff cross training opportunities:</b>				
-	Evaluate staff for growth opportunities				100%
-	Develop cross training program				75%
-	Initiate cross training program				25%
<b>Process Status:</b> 5.2.6. Cross training will be helpful during vacancies and provide promotion opportunities. Training has already begun for administrative and supervisory staff with the current absence of the transit manager.					

Social Services	Public Transportation	Fund 15—Transit		Cost Center: 15XX	
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,280,219	\$1,424,940	\$1,346,905	\$1,449,540	7.62%
Operating Supplies	559,328	583,700	517,470	492,150	-4.89%
Contractual Services	104,742	125,240	122,790	67,360	-45.14%
Other Services and Charges	92,125	96,830	79,880	107,665	34.78%
Capital Outlay	126,924	1,253,200	870,740	640,000	-26.50%
Reserves	0	0		0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$2,163,338	\$3,483,910	\$2,937,785	\$2,756,715	-6.16%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$308,280	11.18%
Intergovernmental Revenues	2,366,970	85.86%
Services & Charges	51,350	1.86%
Miscellaneous Revenues	0	0.00%
Transfers In–General Fund	0	0.00%
Use of Fund Balance	30,115	1.09%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Transportation Manager	1.00	1.00	1.00	\$81,425
Field Supervisor	2.00	3.00	3.00	120,570
Administrative Assistant	1.00	1.00	1.00	38,496
Dispatcher/Scheduler	1.00	1.00	1.00	47,219
Drivers	13.00	13.00	13.00	423,970
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				146,900
Overtime				91,000
Holiday Pay				16,300
Clothing Allowance				1,600
Retirement				119,870
Insurance & Taxes				361,660
Employee Related Expenses				530
<b>Totals</b>	<b>18.00</b>	<b>19.00</b>	<b>19.00</b>	<b>\$1,449,540</b>



Social Services	Public Transportation	Fund 15 - Transit	Cost Center: 15XX		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	10,364	7,000	12,300	8,000	-34.96%
Copier Supplies	1,868	2,400	1,850	1,850	0.00%
Gas & Oil	140,495	165,000	123,000	124,160	0.94%
Small Tools	7,359	7,000	3,500	7,000	100.00%
Vehicle Maintenance & Repair	398,032	400,000	376,180	350,000	-6.96%
Equipment Maintenance & Repair	1,070	2,000	500	1,000	100.00%
Postage & Freight	140	300	140	140	0.00%
<b>Total Supplies</b>	<b>559,328</b>	<b>583,700</b>	<b>517,470</b>	<b>492,150</b>	<b>-4.89%</b>

**Contractual Services**

Contractual Services	40,607	46,940	46,330	8,560	-81.52%
Building Maintenance & Repair	11,919	21,500	19,100	6,000	-68.59%
Radio Maintenance & Repair	11,379	14,100	14,500	12,000	-17.24%
Computer Support	35,053	37,100	38,060	36,000	-5.41%
Custodial Contract	5,784	5,600	4,800	4,800	0.00%
Indirect Cost to G/F	0	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>104,742</b>	<b>125,240</b>	<b>122,790</b>	<b>67,360</b>	<b>-45.14%</b>

**Other Services and Charges**

Employee Physicals/Drug Testing	2,962	3,500	5,000	5,000	0.00%
Advertising	15,517	15,500	16,720	17,000	1.67%
Printing & Forms	15,592	18,500	13,260	13,500	1.81%
Audit Expense	3,675	3,675	3,675	3,700	0.68%
Utilities	8,269	9,430	9,520	10,000	5.04%
Telephone	17,062	13,020	13,590	14,270	5.00%
Travel & Training	4,286	7,000	2,000	7,000	250.00%
Continued Education	0	0	0	0	0.00%
Land Lease Fees Airport	0	0	0	7,565	0.00%
Subscriptions & Memberships	2,363	2,845	2,530	2,530	0.00%
Liability Insurance	22,399	23,360	13,585	27,100	99.48%
<b>Total Other Services &amp; Charges</b>	<b>92,125</b>	<b>96,830</b>	<b>79,880</b>	<b>107,665</b>	<b>34.78%</b>

**Supplemental Data: Capital Outlay**

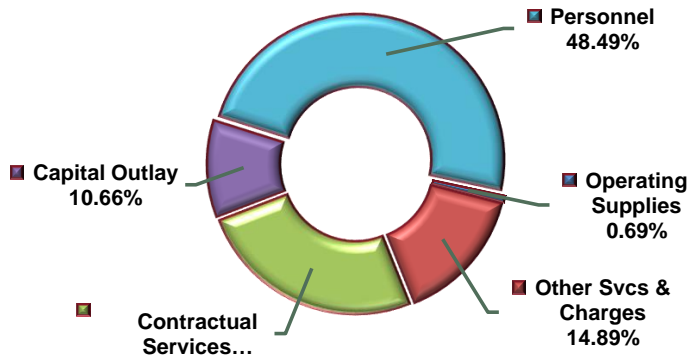
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Transit Bus Parking Canopy Extension (LYNX)		\$125,000	\$100,000	\$200,000
Bus Shelter at Stop Hwy 260 & Rodeo Dr. (LYNX)		100,000		25,000
Commuter Bus Replacement (LYNX)		550,000	292,540	
Bus Replacement and Route Software (CAT)		455,000	455,000	
Monitors, Bus Stops, Office Security		23,200	23,200	
Bus (2), Van (1), and ROW for Bus Stops				415,000
Bus Replacement (City-portion)	\$14,007			
Compensation Adjustments	112,328			
Receptacles	589			
<b>Totals</b>	<b>\$126,924</b>	<b>\$1,253,200</b>	<b>\$870,740</b>	<b>\$640,000</b>



## Cottonwood Library Fund—Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$596,180	\$8,500	\$310,650	\$183,050	\$131,000	\$0	\$1,229,380
<b>Totals</b>	<b>\$596,180</b>	<b>\$8,500</b>	<b>\$310,650</b>	<b>\$183,050</b>	<b>\$131,000</b>	<b>\$0</b>	<b>\$1,229,380</b>

Cottonwood Library Fund Expenditures by Category



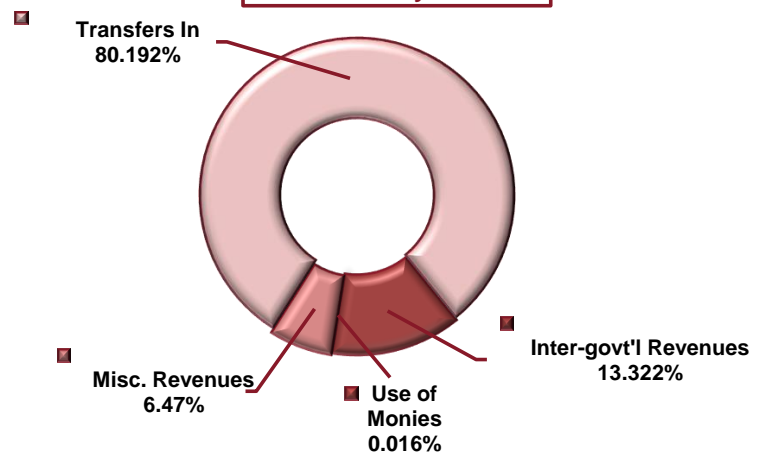
Cottonwood Library Fund Summary

Revenues	\$243,510
Expenditures	(1,229,380)
Revenues over (under) Expenditures	(985,870)
Other Funding Sources/Uses	985,870
Use of Fund Balance	\$0

Cottonwood Library Fund Revenues by Source

Inter-gov't'l Revenues	\$163,810
Use of Monies	200
Miscellaneous Revenues	79,500
Transfers In—General Fund	985,870
<b>Total Resources Available</b>	<b>\$1,229,380</b>

Cottonwood Library Fund Revenues by Source



## Library Revenues:

Just over 80% of the Cottonwood Library's operating revenues are intergovernmental. \$168,210 is contributed by the Yavapai County Library System based on total circulation for the facility. This year, \$859,860 will be transferred in from the General Fund for maintenance and operations of the library.

## Library Expenditures:

Staffing and contractual service costs are the two largest expenditures in the Library budget but provide the most value to the Library patrons. The Cottonwood Public Library isn't just a Library but provides various programming to the community and strives to provide services that aren't available elsewhere. For FY 2021 there is one capital items budgeted for sidewalk improvements.

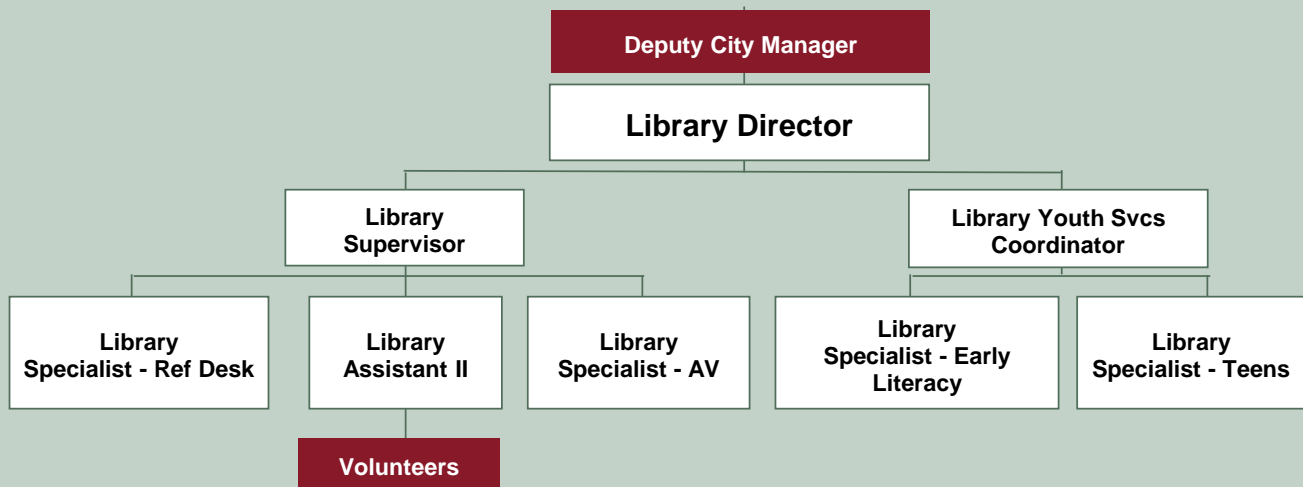


Cottonwood Public Library–Fund Revenues/Expenditures/Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	168,210	168,210	164,740	163,810	-0.56%
HVAC Grant					0.00%
Grant Revenues	4,000	17,500	4,000	77,000	1825.00%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	156	60	200	200	0.00%
Miscellaneous Revenues					
Other Income	12,078	18,000	5,020	2,500	-50.20%
<b>Total Revenue Sources</b>	<b>184,444</b>	<b>203,770</b>	<b>173,960</b>	<b>243,510</b>	<b>39.98%</b>
<b>Other Financing Sources:</b>					
Transfers In	817,022	859,860	899,985	985,870	9.54%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>817,022</b>	<b>859,860</b>	<b>899,985</b>	<b>985,870</b>	<b>9.54%</b>
<b>Total Available Resources</b>	<b>1,001,466</b>	<b>1,063,630</b>	<b>1,073,945</b>	<b>1,229,380</b>	<b>14.47%</b>
					0.00%
<b>Expenditures:</b>					
Personnel	585,240	596,275	609,665	596,180	-2.21%
Operating Supplies	10,890	12,500	4,750	8,500	78.95%
Contractual Services	252,952	264,440	304,140	310,650	2.14%
Other Services and Charges	148,590	155,415	151,390	183,050	20.91%
Capital Outlay	3,794	35,000	4,000	131,000	3175.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>1,001,466</b>	<b>1,063,630</b>	<b>1,073,945</b>	<b>1,229,380</b>	<b>14.47%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,001,466</b>	<b>1,063,630</b>	<b>1,073,945</b>	<b>1,229,380</b>	<b>14.47%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	(0)	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>Ending Fund Balance</b>	<b>(0)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>





## COTTONWOOD PUBLIC LIBRARY



Only unshaded boxes are included in this budget.

## What We Do

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 for and maintains an organized collection of information in print and non-print form. Through its programs and referrals 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.

## Our Accomplishments for FY 2021

## Budget



## Infrastructure



## Education



Received \$4,000 LSTA (Library Services and Technology Act) grant that provided for additional Wi-Fi hotspots for students who had to transition to online learning due to the COVID-19 pandemic.

Received funding from the State Grants-in-Aid Construction (SGIAC) in the amount of \$15,462.09 for the sidewalk extension that will connect the main library entrance to the Biran Mickelsen Parkway.

Implemented the STEAM (Science, technology, engineering, art, and mathematics) kit checkout program so children and parents can utilize STEAM kits at home.

Expanded online presence with virtual programming and the creation of a YouTube channel, and additional online resources, such as tutor.com.

## Our Strategic Goals for FY 2022

## Ensure Quality of Life



## Sustainable Growth and Development



Create and develop a digital media room to encourage teens and small businesses to build skills in social media creation, graphic design, and podcasting.



Create a centralized web-based volunteer notice board for all City departments that also supports volunteer opportunities at local non-profit agencies.



Increase the number of local art pieces in the library by 20 percent (over FY 2020) so that the library reflects our art community.



Culture and Recreation      Public Library      Fund 03-Library Fund      Cost Center: 4000

### Performance Indicators

  	<b>Strategic Directive</b>	<b>2. Ensure Our Quality of Life</b>			
	<b>Key Priority</b>	<b>Awareness and education</b>			
	<b>Guiding Principle</b>	<b>2.2</b> Offer awareness and educational programs for residents through skills building for teens and small businesses in the use of social media, graphic design & podcasting by			
	<b>Strategic Goal</b>	<b>2.x.x.</b> creating and developing a digital media room with grant funding for the purchase of equipment			
<b>Performance Indicator(s)</b>		<b>2019</b> <i>Actual</i>	<b>2020</b> <i>Actual</i>	<b>2021</b> <i>Estimate</i>	<b>2022</b> <i>Anticipated</i>
2.x.x. Applied for and received LSTA grant			Yes		
2.x.x. Digital media creation and development				100%	
<b>Process Status:</b>					

Strategic Directive

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

2. Ensure Our Quality of Life

Citizen engagement

2.4. Encourage and develop community pride

Make the library a reflection of our community's art expression by

2.2.4. collaborating with local artists and having their artwork increasingly more (20%/over FY 2020) displayed.

Performance Indicator(s)	2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
2.2.4. Number of art pieces displayed	30	40	45	50
Percentage increase of displayed art pieces		33%	12.50%	25.00%

Process Status:



Culture and Recreation	Public Library	Fund 03—Library Fund	Cost Center: 4000		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$585,240	\$596,275	\$609,665	\$596,180	1.87%
Operating Supplies	10,890	12,500	4,750	8,500	78.95%
Contractual Services	252,952	264,440	304,140	310,650	2.14%
Other Services and Charges	148,590	155,415	151,390	183,050	20.91%
Capital Outlay	3,794	35,000	4,000	131,000	3175.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,001,466	\$1,063,630	\$1,073,945	\$1,229,380	14.47%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$240,810	19.59%
Uses of Monies	200	0.02%
Miscellaneous Revenues	2,500	0.20%
Use of Fund Balance	0	0.00%
Transfers In—General Fund	985,870	80.19%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Library Director	1.00	1.00	1.00	\$82,555
Library Supervisor	1.00	1.00	1.00	45,090
Library Youth Svcs Coordinator	1.00	1.00	1.00	44,555
Library Assistant II	1.00	1.00	1.00	38,950
Library Technical Assistant I	1.00	0.00	0.00	0
Library Specialist	4.00	4.00	4.00	142,660
COLA				0
Merit Contingency				0
Longevity				0
Temporary Employees / Reserves				50,000
Overtime				0
Holiday Pay				0
Retirement				43,910
Insurance & Taxes				147,680
Employee Related Expenses				780
<b>Totals</b>	<b>9.00</b>	<b>8.00</b>	<b>8.00</b>	<b>\$596,180</b>

Culture and Recreation	Public Library	Fund 03-Library Fund	Cost Center: 4000		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

<b>Operating Supplies</b>					
Office Supplies	5,629	4,000	2,500	3,000	20.00%
Copier Supplies	1,121	2,500	500	3,000	500.00%
Equipment Maintenance & Repairs	3,301	4,500	1,250	2,000	60.00%
Postage & Freight	839	1,500	500	500	0.00%
<b>Total Supplies</b>	<b>10,890</b>	<b>12,500</b>	<b>4,750</b>	<b>8,500</b>	<b>78.95%</b>

<b>Contractual Services</b>					
Building Maintenance & Repair	14,370	15,000	15,000	15,000	0.00%
Contractual Services	0	0	1,000	1,000	0.00%
Collection Expenses	1,262	1,000	0	500	0.00%
Bank Charges	1	0	0	0	0.00%
Computer Support	7,175	8,140	8,140	14,150	73.83%
Indirect Cost to General Fund	230,144	240,300	280,000	280,000	0.00%
<b>Total Contractual Services</b>	<b>252,952</b>	<b>264,440</b>	<b>304,140</b>	<b>310,650</b>	<b>2.14%</b>

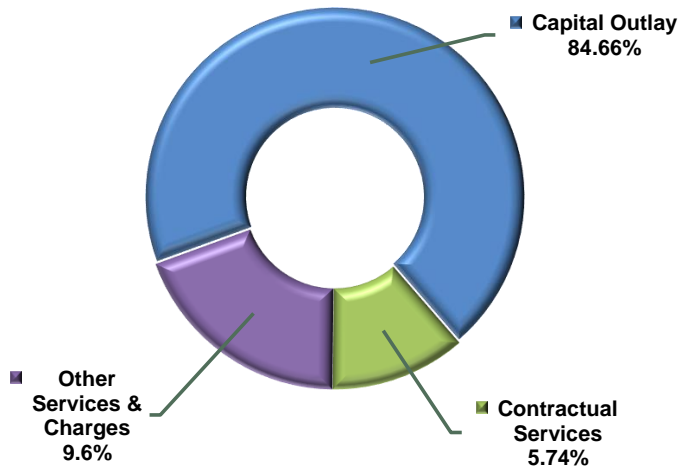
<b>Other Services and Charges</b>					
Advertising	611	750	750	1,000	33.33%
Utilities	41,478	49,560	47,270	49,630	4.99%
Telephone	1,800	1,900	1,820	1,910	4.95%
Network/Technology Exps	42,512	35,000	35,000	55,000	57.14%
Youth Programs	399	1,000	700	1,000	42.86%
Annual Volunteer Appreciation Event	411	1,250	1,250	1,250	0.00%
Travel & Training	1,203	1,500	500	1,500	200.00%
Subscriptions & Memberships	1,531	2,000	1,500	1,500	0.00%
Book Purchases	49,906	53,000	53,000	60,000	13.21%
Liability Insurance	8,400	8,755	9,100	9,560	5.05%
Recruitment Expense	340	700	500	700	40.00%
<b>Total Other Services &amp; Charges</b>	<b>148,590</b>	<b>155,415</b>	<b>151,390</b>	<b>183,050</b>	<b>20.91%</b>

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
LSTA Grant	\$3,794		\$4,000	\$4,000
Roof Repair				20,000
Sidewalk Extension Project (Grant)		\$35,000		50,000
LSTA Grant Opportunity				36,000
APRA Grant				21,000
<b>Totals</b>	<b>\$3,794</b>	<b>\$35,000</b>	<b>\$4,000</b>	<b>\$131,000</b>



## Cottonwood Cemetery Fund—Expenditures by Category

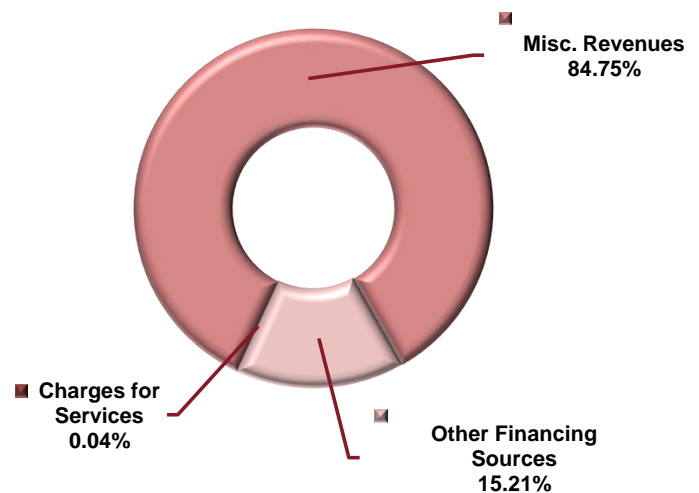
Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$0	\$0	\$25,000	\$41,800	\$368,500	\$0	\$435,300
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$41,800</b>	<b>\$368,500</b>	<b>\$0</b>	<b>\$435,300</b>

Cottonwood Cemetery Fund  
Expenditures by CategoryCottonwood Cemetery  
Fund Summary

Revenues	\$369,100
Expenditures	(435,300)
Revenues over (under) Expenditures	(66,200)
Other Funding Sources/Uses	66,200
Use of Fund Balance	\$0

Cottonwood Cemetery Fund  
Revenues by Source

Charges for Services	\$200
Use of Monies	0
Miscellaneous Revenues	368,900
Other Financing Sources	66,200
<b>Total Resources Available</b>	<b>\$435,300</b>

Cottonwood Cemetery Fund  
Revenues by Source



Cottonwood Cemetery—Revenues/Expenditures/Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	0	200	0	200	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	400	100,400	0	368,900	0.00%
<b>Total Revenue Sources</b>	<b>400</b>	<b>100,600</b>	<b>0</b>	<b>369,100</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	53,473	108,250	63,000	66,200	5.08%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>53,473</b>	<b>108,250</b>	<b>63,000</b>	<b>66,200</b>	<b>5.08%</b>
<b>Total Available Resources</b>	<b>53,873</b>	<b>208,850</b>	<b>63,000</b>	<b>435,300</b>	<b>590.95%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	5,606	5,000	0	0	0.00%
Contractual Services	16,440	17,000	25,000	25,000	0.00%
Other Services and Charges	31,828	36,850	38,000	41,800	10.00%
Capital Outlay	0	150,000	0	368,500	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>53,873</b>	<b>208,850</b>	<b>63,000</b>	<b>435,300</b>	<b>590.95%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>53,873</b>	<b>208,850</b>	<b>63,000</b>	<b>435,300</b>	<b>590.95%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>



# COTTONWOOD CEMETERY

Organizational Chart: N/A

## What We Do

The Cemetery Fund accounts for the contributions 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 gravesites, and financial support from the General Fund.

## Our Accomplishments for FY 2021

N/A

## Our Strategic Goals for FY 2022

Lead with  
Environmental  
Stewardship





Implement the use of reclaimed water at the Cottonwood Cemetery



Cemetery Cottonwood Cemetery Fund 04-Cemetery Fund Cost Center: 4200

### Performance Indicators

 	<b>Strategic Direction</b>	<b>3. Lead With Environmental Stewardship</b>				
	<b>Key Priority</b>	Water reclamation				
	<b>Guiding Principle</b>	3.4 Maximize the Injection and reuse of reclaimed water				
	<b>Strategic Goal</b>	Reuse reclaimed water				
	<b>Strategic Initiative</b>	3.4.2 Implement the use of reclaimed water at the Cottonwood Cemetery				
Performance Indicator(s)		2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated	
3.4.2. Cemetery Reclaimed Water Line Project						
Project design				95%	100%	
Planning				95%	100%	
Construction					100%	
Monitoring				25%	100%	
Closing				.	100%	
Process Status:						



Cemetery	Cottonwood Cemetery	Fund 04—Cemetery Fund	Cost Center: 4200		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	5,606	5,000	0	0	0.00%
Contractual Services	16,440	17,000	25,000	25,000	0.00%
Other Services and Charges	31,828	36,850	38,000	41,800	10.00%
Capital Outlay	0	150,000	0	368,500	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$53,873	\$208,850	\$63,000	\$435,300	590.95%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Charges for Services	\$200	0.05%
Uses of Monies & Properties—Interest Income	0	0.00%
Miscellaneous Revenues	368,900	84.75%
Carryover	0	0.00%
Transfer In—General Fund	66,200	15.21%
Total Funding		<u><u>100.00%</u></u>

Supplemental Data: Personnel					
Authorized Positions	Number of FTEs				Budget
Job Classifications	2020	2021	2022		2022
N/A					
Totals	0.00	0.00	0.00		\$0

Cemetery	Cottonwood Cemetery	Fund 04-Cemetery Fund		Cost Center: 4200	
Supplemental Data: Expenditures					
Item Description	200	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

## Operating Supplies

Grave Liners	0	0	0	0	0.00%
Equipment Maintenance & Repairs	0	0	0	0	0.00%
Misc. Expense	5,606	5,000	0	0	0.00%
<b>Total Supplies</b>	<b>5,606</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

## Contractual Services

Indirect Cost to General Fund	16,440	17,000	25,000	25,000	0.00%
<b>Total Contractual Services</b>	<b>16,440</b>	<b>17,000</b>	<b>25,000</b>	<b>25,000</b>	<b>0.00%</b>

## Other Services and Charges

Utilities	31,828	36,850	38,000	41,800	10.00%
Telephone	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>31,828</b>	<b>36,850</b>	<b>38,000</b>	<b>41,800</b>	<b>10.00%</b>

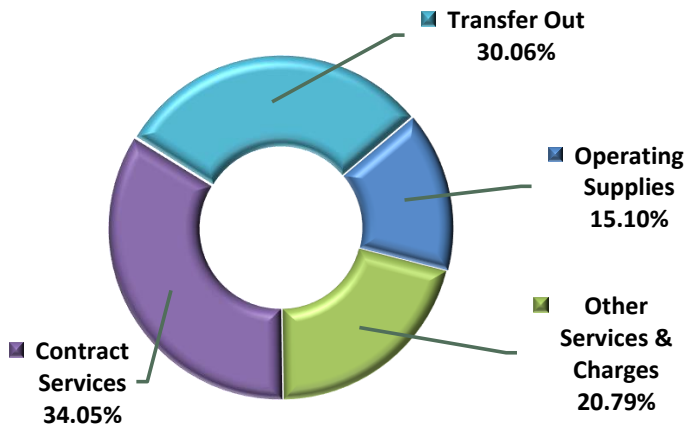
### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Irrigation Switchover to Effluent		\$150,000		\$368,500
Totals	\$0	\$150,000	\$0	\$368,500

### Airport Fund—Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Transfer Out		Total
Subtotals	\$133,860	\$32,800	\$73,930	\$45,150	\$7,000	\$65,270		\$358,010
<b>Totals</b>	<b>\$133,860</b>	<b>\$32,800</b>	<b>\$73,930</b>	<b>\$45,150</b>	<b>\$7,000</b>	<b>\$65,270</b>		<b>\$358,010</b>

**Airport Fund  
Expenditures by Category**



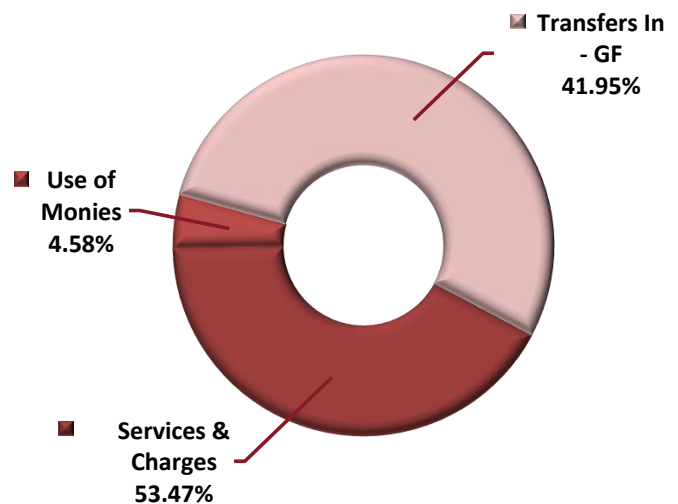
**Airport Fund  
Fund Summary**

Revenues	\$166,595
Expenditures	(358,010)
Revenues over (under) Expenditures	(191,415)
Other Funding Sources/Uses	191,415
Use of Fund Balance	\$0

**Airport Fund  
Revenues by Source**

Services & Charges	\$150,195
Use of Monies	16,400
Other Financing Sources	0
Transfers In - GF	191,415
<b>Total Resources Available</b>	<b>\$358,010</b>

**Airport Fund  
Revenues by Source**



#### Airport Revenues

Most of this department's funding comes from fuel sales, and rental of properties, hangars and tie-downs.

#### Airport Expenditures

The Airport is being managed by a fixed-base operator (FBO) as well as by City of Cottonwood staff and is charged through indirect cost for their services.





Airport Fund—Revenues/Expenditures/Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	0	0	0	0	0.00%
Uses of Monies & Properties					
Tie Down Rent	14,315	16,950	18,500	16,950	-8.38%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	0	0	0	12,000	0.00%
Land Lease Fees	41,795	41,795	43,400	82,245	89.50%
City Hangar Lease Fees	39,672	39,000	38,700	39,000	0.78%
Miscellaneous Revenues					
Other Income	3,764	71,915	60,815	16,400	-73.03%
<b>Total Revenue Sources</b>	<b>99,546</b>	<b>169,660</b>	<b>161,415</b>	<b>166,595</b>	<b>3.21%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	42,830	103,405	191,415	85.11%
Residual Equity Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>42,830</b>	<b>103,405</b>	<b>191,415</b>	<b>85.11%</b>
<b>Total Available Resources</b>	<b>99,546</b>	<b>212,490</b>	<b>264,820</b>	<b>358,010</b>	<b>35.19%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	133,860	0.00%
Operating Supplies	28,864	16,500	27,100	32,800	21.03%
Contractual Services	28,695	136,290	153,910	73,930	-51.97%
Other Services and Charges	37,689	46,065	38,420	45,150	17.52%
Capital Outlay	0	0	27,300	7,000	-74.36%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>95,247</b>	<b>198,855</b>	<b>246,730</b>	<b>292,740</b>	<b>18.65%</b>
<b>Other Uses:</b>					
Transfers Out	4,235	13,635	18,090	65,270	260.81%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>4,235</b>	<b>13,635</b>	<b>18,090</b>	<b>65,270</b>	<b>260.81%</b>
<b>Total Expenditures and Other Uses</b>	<b>99,482</b>	<b>212,490</b>	<b>264,820</b>	<b>358,010</b>	<b>35.19%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	64	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$64</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>





# COTTONWOOD MUNICIPAL AIRPORT



Only unshaded boxes are included in this budget.

## What We Do

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. The Airport Manager provides airport management services, including staffing the Airport Commission, airport and capital improvement planning. The Public works staff administers, where possible and necessary, maintenance of the airport grounds, equipment and facility maintenance.

## Our Accomplishments for FY 2021

### Infrastructure



### Budget



Installed a new Virtower (virtual tower) that will track aeronautical activity and provide a more accurate accounting of aircraft activity and fleet mix, and improve the ability of the airport to acquire more funding from the Arizona Department of Revenue and the Federal Aviation Administration.

Received an emergency ADOT grant to replace the automated weather observation system (AWOS).

The final phases of the Airport Master Plan and the FAA Airport Layout Plan have been completed by Kimley-Horn, an engineering consultancy. These are the first plans for these types of projects that have been drawn up since 2006.

Assisted the new fixed-base operator (FBO), Wiseman Aviation LLC, in becoming fully operational.

## Our Strategic Goals for FY 2022

### Improve Infrastructure



### Ensure Quality of Life



### Sustainable Growth & Development



Work with Sparklight to provide broadband Internet at the airport and possibly in the surrounding areas.

Assist in the completion of the excavation and relocation of approximately 200,000 cube yards of earth from the south end of the apron (ramp), which will create space for new hangars.

Host Cottonwood Aviation Day and Viticurean Festival at the airport.

Implement additional security measures.

Airport	Cottonwood Municipal Airport	Fund 05-Airport	Cost Center: 1500
** Performance indicators are to be determined **			



Airport	Cottonwood Municipal Airport	Fund 05—Airport	Cost Center: 1500		
Summary by Category					
Expenditure Category	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$133,860	0.00%
Operating Supplies	28,864	16,500	27,100	32,800	21.03%
Contractual Services	28,695	136,290	153,910	73,930	-51.97%
Other Services and Charges	37,689	46,065	38,420	45,150	17.52%
Capital Outlay	0	0	27,300	7,000	-74.36%
Transfers Out	4,235	13,635	18,090	65,270	260.81%
Debt Service	0	0	0	0	0.00%
Department Totals	\$99,482	\$212,490	\$264,820	\$358,010	35.19%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Services & Charges–Fuel Sales	\$0	0.00%
Uses of Monies & Properties–Fees	166,595	46.53%
Fund Balance	0	0.00%
Transfers In–General Fund	191,415	53.47%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Airport Manager	0.00	0.00	1.00	\$85,030
Fac. Reservation/Airport Coordinator	0.00	0.00	0.25	9,640
Temporary / Reserves				0
Overtime				0
Retirement				11,750
Insurance & Taxes				27,440
Employee Related Expenses				0
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>1.25</b>	<b>\$133,860</b>

Airport	Cottonwood Municipal Airport		Fund 05-Airport	Cost Center: 1500	
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Operational Supplies	3,648	5,000	3,500	5,000	42.86%
Fuel Expenses	10,054	0	0	0	0.00%
Oil Expense	26	0	0	0	0.00%
Office Supplies	264	500	1,500	1,500	0.00%
Vehicle Maintenance & Repairs	0	750	0	500	0.00%
Equipment Maintenance & Repairs	14,394	10,000	11,000	11,000	0.00%
Building Maintenance & Repairs	478	250	11,100	2,800	4700.00%
Building M & R - FBO Building	0	0	0	12,000	0.00%
<b>Total Supplies</b>	<b>28,864</b>	<b>16,500</b>	<b>27,100</b>	<b>32,800</b>	<b>21.03%</b>

**Contractual Services**

Contractual Services	4,850	4,000	6,600	6,600	0.00%
Computer Support	240	290	310	330	100.00%
General Counsel	0	0	15,000	15,000	0.00%
Airport-Indirect Costs to General Fund	23,605	132,000	132,000	52,000	-60.61%
Miscellaneous Expenses	0	0	0	0	0.00%
<b>Total Contractual Services</b>	<b>28,695</b>	<b>136,290</b>	<b>153,910</b>	<b>73,930</b>	<b>-51.97%</b>

**Other Services and Charges**

Utilities	19,721	27,140	19,000	19,950	5.00%
Telephone	1,351	1,490	1,350	1,420	5.19%
Airport Annual Event	0	0	0	5,000	0.00%
Bank Charges	300	300	180	0	-100.00%
Liability Insurance	16,317	17,135	17,890	18,780	4.97%
<b>Total Other Services &amp; Charges</b>	<b>37,689</b>	<b>46,065</b>	<b>38,420</b>	<b>45,150</b>	<b>17.52%</b>

**Supplemental Data: Capital Outlay**

Item	2020	2021		2022	
Description	Actual	Budget	Revised	Adopted	
Furnishing and Equipment			\$27,000	\$7,000	
Airport Improvements			300		
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,300</b>	<b>\$7,000</b>	



Grants Fund Revenues / Expenditures / Changes in Fund Balance					
Item	2020	2021		2022	Percent Change
Description	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$11,165	\$11,165	\$11,165	\$1,406,725	12499.42%
Less: Designated Reserves	11,165	11,165	1,406,725	0	-100.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>(1,395,560)</b>	<b>1,406,725</b>	<b>0.00%</b>
<b>Revenue Sources</b>					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues	205,889	2,765,720	1,848,085	3,266,605	76.76%
Miscellaneous Revenue	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>205,889</b>	<b>2,765,720</b>	<b>1,848,085</b>	<b>3,266,605</b>	<b>76.76%</b>
<b>Other Financing Sources</b>					
Transfers In	9,734	526,590	42,610	65,270	53.18%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>9,734</b>	<b>526,590</b>	<b>42,610</b>	<b>65,270</b>	<b>53.18%</b>
<b>Total Available Resources</b>	<b>215,623</b>	<b>3,292,310</b>	<b>495,135</b>	<b>4,738,600</b>	<b>857.03%</b>
<b>Expenditures</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	215,623	3,292,310	495,135	4,738,600	857.03%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>215,623</b>	<b>3,292,310</b>	<b>495,135</b>	<b>4,738,600</b>	<b>857.03%</b>
<b>Other Uses</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>215,623</b>	<b>3,292,310</b>	<b>495,135</b>	<b>4,738,600</b>	<b>857.03%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	11,165	11,165	1,406,725	0	-100.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$11,165</b>	<b>\$11,165</b>	<b>\$1,406,725</b>	<b>\$0</b>	<b>-100.00%</b>



Airport Improvement Fund—Revenues / Expenditures / Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Revenue Sources</b>					
Intergovernmental Revenues					
ADOT - Airport Masterplan	\$0	\$0	\$0	\$0	0.00%
ADOT - Dsgn Lighting & Runway Imp.	0	0	0	0	0.00%
ADOT Grant	4,234	13,635	13,805	20,920	51.54%
FAA - AWOS	0	0	38,565	399,150	935.01%
FAA - Fence Extension	0	0	0	127,485	0.00%
FAA - Master Plan	86,260	277,735	281,240	0	-100.00%
FAA - Helipad Plan & Build	0	0	0	84,685	0.00%
FAA - Runway Rehab Plan & Build	0	0	0	213,990	0.00%
FAA - Pavement Preservation	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>90,494</b>	<b>291,370</b>	<b>333,610</b>	<b>846,230</b>	<b>153.66%</b>
<b>Other Financing Sources</b>					
Transfers In	4,234	13,635	18,090	65,270	-24.63%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>4,234</b>	<b>13,635</b>	<b>18,090</b>	<b>65,270</b>	<b>260.81%</b>
<b>Total Available Resources</b>	<b>94,728</b>	<b>305,005</b>	<b>351,700</b>	<b>911,500</b>	<b>159.17%</b>
<b>Expenditures</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	94,728	305,000	351,700	911,500	159.17%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>94,728</b>	<b>305,000</b>	<b>351,700</b>	<b>911,500</b>	<b>159.17%</b>
<b>Other Uses:</b>					
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%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>94,728</b>	<b>305,000</b>	<b>351,700</b>	<b>911,500</b>	<b>159.17%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	0	5	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$0</b>	<b>\$5</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>



# AIRPORT IMPROVEMENT FUND

Organizational Chart: N/A

## The Purpose of This Fund

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.

## Benefits of This Fund in FY 2021

N/A

## Our Strategic Goals for FY 2022

Sustainable  
Growth &  
Development



Financial  
Accountability



Complete Airport Master Plan.





Airport	Airport Improvement Fund	Fund 11–Grants	Cost Center: 1500
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**\*\* Performance indicators are to be determined \*\***

Supplemental Data: Capital Outlay				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
FAA–Airport Master Plan	\$94,728	\$305,000	\$308,850	
Automatic Weather Observation Station			42,850	\$443,500
Airport - Taxiway Rehab Planning & Build				235,000
FAA–Fence Extension				140,000
Airport - Helipad Planning & Construction				93,000
<b>Totals</b>	<b>\$94,728</b>	<b>\$305,000</b>	<b>\$351,700</b>	<b>\$911,500</b>



Airport	Airport Improvement Fund		Fund 11—Grants		Cost Center: 1500	
Summary by Category						
Expenditure Category	2020	2021		2022	Percent Change	
	Actual	Budget	Revised	Adopted		
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	94,728	305,000	351,700	911,500	159.17%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$94,728	\$305,000	\$351,700	\$911,500	159.17%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenue–FAA Grants	\$0	0.00%
Intergovernmental Revenue–ADOT Grants	20,920	2.30%
Miscellaneous Grants	0	0.00%
Transfers in–Airport	65,270	7.16%
Fund Balance	0	0.00%
<b>Total Funding</b>		<b>9.46%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
N/A				
Temporary / Reserves				0
Overtime				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>



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Other Grants Fund—Revenues / Expenditures / Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$11,165	\$11,165	\$11,165	\$1,406,725	12499.42%
Less: Designated Reserves	11,165	11,165	1,406,725	0	-100.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>(1,395,560)</b>	<b>1,406,725</b>	<b>0.00%</b>
<b>Revenue Sources</b>					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Bicycle Feasibility Study	0	0	0	0	0.00%
City-wide Master Drainage Plan	0	0	0	0	0.00%
ADOT - Pavement Preservation	0	0	0	0	0.00%
Drainage Improvement Plans	0	0	0	0	0.00%
EDA Grant - Main St	0	0	0	0	0.00%
Old Town Flood Plain Study	0	1,222,740	0	0	0.00%
Civic Center Upgrades	0	0	0	0	0.00%
Mingus Ave Stormwater Diversion	115,395	150,000	0	0	0.00%
Verde River Rec Trails Plan	0	101,610	107,750	8,500	-92.11%
Greenwood Chipping Grant	0	0	0	0	0.00%
Other Grants	0	1,000,000	1,406,725	2,411,875	71.45%
Miscellaneous Revenue	0	0	0	0	0.00%
Interest Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>115,395</b>	<b>2,474,350</b>	<b>1,514,475</b>	<b>2,420,375</b>	<b>59.82%</b>
<b>Other Financing Sources</b>					
Transfers In	5,500	512,955	24,520	0	-100.00%
Carryover	0	11,165	11,165	1,406,725	12499.42%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>5,500</b>	<b>524,120</b>	<b>35,685</b>	<b>1,406,725</b>	<b>3842.06%</b>
<b>Total Available Resources</b>	<b>120,895</b>	<b>2,998,470</b>	<b>154,600</b>	<b>5,233,825</b>	<b>3285.40%</b>
<b>Expenditures</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	120,895	2,987,310	143,435	3,827,100	2568.18%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>120,895</b>	<b>2,987,310</b>	<b>143,435</b>	<b>3,827,100</b>	<b>2568.18%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Reserves	0	11,165	1,406,725	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>11,165</b>	<b>1,406,725</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>120,895</b>	<b>2,998,475</b>	<b>1,550,160</b>	<b>3,827,100</b>	<b>146.88%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	0	(5)	0	1,406,725	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	11,165	11,165	1,406,725	0	-100.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$11,165</b>	<b>\$11,160</b>	<b>\$1,406,725</b>	<b>\$1,406,725</b>	<b>0.00%</b>







Grants	Other Grants Fund	Fund 11–Grants	Cost Center: XXXX
<b>** Performance indicators do not apply to this fund **</b>			

Supplemental Data: Capital Outlay				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Old Town Flood Plain Study		\$1,630,310		
Mingus Avenue Stormwater Diversion	\$115,395	200,000		
Miscellaneous Grant Projects		1,000,000		\$2,356,725
Federal Grants (ARPA)				1,461,875
Verde River Recreation & Trails Plan	5,500	157,000	\$143,435	8,500
<b>Totals</b>	<b>\$120,895</b>	<b>\$2,987,310</b>	<b>\$143,435</b>	<b>\$3,827,100</b>



Grants		Other Grants Fund		Fund 11–Grants		Cost Center: XXXX	
Summary by Category							
Item Description	2020	2021		2022	Percent Change		
	Actual	Budget	Revised	Adopted			
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	120,895	2,987,310	143,435	3,827,100	2568.18%		
Reserves	0	11,165	1,406,725	0	-100.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$120,895	\$2,998,475	\$1,550,160	\$3,827,100	146.88%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
(Inter)Governmental Grants	\$3,827,100	100%
Transfer In–General Fund	0	0%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
N/A				
Temporary / Reserves				0
Overtime				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>



Community Development Block Grant (CDBG) Fund—Revenues/Expenditures/Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
CDBG VVHC Transitional Housing	0	0	0	1,750,000	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Brownfield Grant Revenues	0	0	0	0	0.00%
Federal Grants	50,087	266,900	47,540	243,115	411.39%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>50,087</b>	<b>266,900</b>	<b>47,540</b>	<b>1,993,115</b>	<b>4092.50%</b>
<b>Other Financing Sources:</b>					
Transfers In	3,445	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>3,445</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>53,532</b>	<b>266,900</b>	<b>47,540</b>	<b>1,993,115</b>	<b>4092.50%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	53,532	266,900	47,540	1,993,115	4092.50%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>53,532</b>	<b>266,900</b>	<b>47,540</b>	<b>1,993,115</b>	<b>4092.50%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>53,532</b>	<b>266,900</b>	<b>47,540</b>	<b>1,993,115</b>	<b>4092.50%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>

Community Development Block Grant

Organizational Chart: N/A

The Purpose of This Fund

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.

The Fund's Benefits in FY 2021

N/A

Our Strategic Goals for FY 2022

Sustainable  
Growth &  
Development



Financial  
Accountability



Obtain grants for multiple projects.

Develop Parks Master Plan





Grants	Community Development Block Grant	Fund 12-CDBG	Cost Center: XXXX
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**\*\* Performance indicators do not apply to this fund \*\***

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Parks Master Plan	\$53,532	\$266,900	\$47,540	\$243,115
CDBG Verde Valley Homeless Coalition				1,750,000
<b>Totals</b>	<b>\$53,532</b>	<b>\$266,900</b>	<b>\$47,540</b>	<b>\$1,993,115</b>



Grants	Community Development Block Grant		Fund 12–CDBG		Cost Center: XXXX	
Summary by Category						
Item Description	2020	2021		2022	Percent Change	
	Actual	Budget	Revised	Adopted		
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	53,532	266,900	47,540	1,993,115	4092.50%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$53,532	\$266,900	\$47,540	\$1,993,115	4092.50%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$1,993,115	100%
Interest Income	0	0%
<b>Total Funding</b>		<b><u>100.00%</u></b>

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2020	2021	2022	2022
N/A				
Temporary / Reserves				
Overtime				
Retirement				
Insurance & Taxes				
Employee Related Expenses				
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>



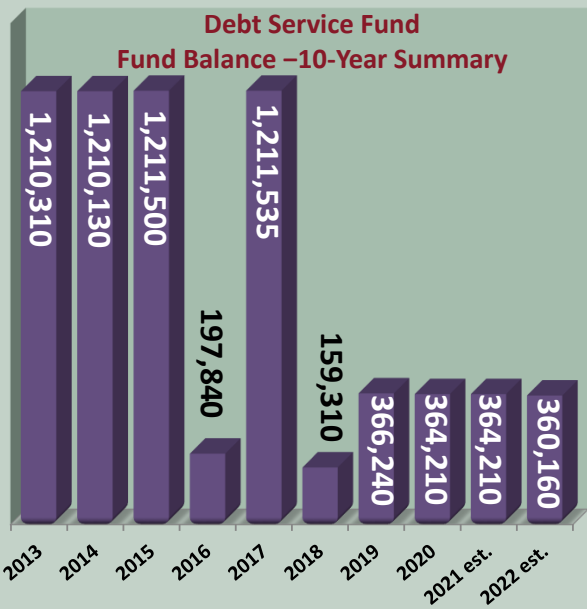
# DEBT SERVICE FUND

## The Purpose of This Fund

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 Balance Summary - FYE 06/30





Debt Service Fund—Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
<b>Beginning Fund Balance</b>	\$366,235	\$366,240	\$364,210	\$360,160
Less: Designated Reserves	366,235	366,240	360,160	360,260
Cash Reserves	0	0	0	0
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>4,050</b>	<b>(100)</b>
<b>Revenue Sources:</b>				
Taxes	\$1,642,174	\$1,644,160	\$1,644,160	\$1,645,625
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	638	650	100	100
Miscellaneous Revenues	0	0	0	0
<b>Total Revenue Sources</b>	<b>1,642,812</b>	<b>1,644,810</b>	<b>1,644,260</b>	<b>1,645,725</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Available Resources</b>	<b>1,642,812</b>	<b>1,644,810</b>	<b>1,648,310</b>	<b>1,645,625</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	2,700	2,700	6,200	4,200
Other Services and Charges	1,642,137	1,642,110	1,642,110	1,641,425
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>1,644,837</b>	<b>1,644,810</b>	<b>1,648,310</b>	<b>1,645,625</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>1,644,837</b>	<b>1,644,810</b>	<b>1,648,310</b>	<b>1,645,625</b>
<b>Ending Fund Balance Designation</b>				
Operating Surplus/(Losses)	(2,025)	0	0	0
Designated Reserves FYs prior to 2022	0	0	0	0
Cash Reserves FYs prior to 2022	0	0	0	0
Restricted	366,235	366,240	360,160	360,260
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
<b>ENDING FUND BALANCE</b>	<b>\$364,210</b>	<b>\$366,240</b>	<b>\$360,160</b>	<b>\$360,260</b>



Debt Service Fund—Revenues / Expenditures / Changes in Fund Balance					
Item	2020	2021		2022	Percent Change
Description	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$366,240	\$366,240	\$364,210	\$360,160	-1.11%
Le: Designated Reserves	366,240	366,240	360,160	360,260	0.03%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>0</b>	<b>4,050</b>	<b>(100)</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	\$1,640,113	\$1,644,160	\$1,644,160	\$1,645,625	0.09%
City Sales Tax - GADA	2,061	0	0	0	0.00%
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	638	650	100	100	0.00%
<b>Total Revenue Sources</b>	<b>1,642,812</b>	<b>1,644,810</b>	<b>1,644,260</b>	<b>1,645,725</b>	<b>0.09%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>1,642,812</b>	<b>1,644,810</b>	<b>1,648,310</b>	<b>1,645,625</b>	<b>-0.16%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	2,700	2,700	6,200	4,200	-32.26%
Other Services and Charges	1,642,137	1,642,110	1,642,110	1,641,425	-0.04%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>1,644,837</b>	<b>1,644,810</b>	<b>1,648,310</b>	<b>1,645,625</b>	<b>-0.16%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,644,837</b>	<b>1,644,810</b>	<b>1,648,310</b>	<b>1,645,625</b>	<b>-0.16%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	(2,025)	0	0	0	0.00%
Designated Reserves FYs prior to 2021	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	366,235	366,240	360,160	360,260	100.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$364,210</b>	<b>\$366,240</b>	<b>\$360,160</b>	<b>\$360,260</b>	<b>0.03%</b>



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# DEBT SERVICE FUND

Organizational Chart: N/A

## The Purpose of This Fund

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.

### Our Accomplishments for FY 2021

Strategic Planning



Budget



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

### Our Strategic Goals for FY 2022

Sustainable  
Growth &  
Development



Financial  
Accountability



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



Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service	Cost Center: 8XXX
** Performance indicators do not apply to this fund **			

## Supplemental Data: Capital Outlay

Item Description	2020	2021		2022	
	Actual	Budget	Revised	Adopted	
Contractual Services					
Trustee Fees–Library	0	0	0	0	0.00%
Trustee Fees–WIFA	0	0	0	0	0.00%
Trustee Fees–GADA Loan	0	0	0	0	0.00%
Trustee Fees–2017 Pledge Rev Rfnd	1,500	1,500	1,500	1,500	0.00%
Trustee Fees–2015 Excise Bond	1,200	1,200	4,700	2,700	0.00%
Total Contractual Services	2,700	2,700	6,200	4,200	-32.26%

## 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	0	0	0	0	0.00%
Principal–GADA–Recreation Center	0	0	0	0	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	345,050	319,850	319,850	288,200	-9.90%
2017 Pledge Rev Rfnd–Principal	1,030,000	1,055,000	1,055,000	1,085,000	2.84%
Bond Issuance Costs	0	0	0	0	0.00%
2015 Excise Bond– Interest	126,534	120,910	120,910	117,525	-2.80%
2015 Excise Bond–Principal	140,553	146,350	146,350	150,700	2.97%
<b>Total Other Services &amp; Charges</b>	<b>1,642,137</b>	<b>1,642,110</b>	<b>1,642,110</b>	<b>1,641,425</b>	<b>-0.04%</b>

## Reserves

GADA Reserve	0	366,240	360,160	360,260	0.03%
<b>Total Reserves</b>	<b>0</b>	<b>366,240</b>	<b>360,160</b>	<b>360,260</b>	<b>0.03%</b>



Interest & Sinking		Debt Service Fund		Fund 20–Debt Service		Cost Center: 8XXX	
Summary by Category							
Item Description	2020	2021		2022	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	2,700	2,700	6,200	4,200	-32.26%		
Other Services and Charges	1,642,137	1,642,110	1,642,110	1,641,425	-0.04%		
Capital Outlay	0	0	0	0	0.00%		
Transfers Out	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$1,644,837	\$1,644,810	\$1,648,310	\$1,645,625	-0.16%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Other Income	\$100	0.01%
Taxes	1,645,625	100.00%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	(100)	-0.01%
<b>Total Funding</b>		<b>100.00%</b>

Supplemental Data: Transfers Out				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Transfers Out–Sewer				
Transfers Out–Library				
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



## US Bank Pledged Revenue Refunding of GADA Recreation Center Bond 'Infrastructure Revenue Bonds - 2017 S&P Rating AA-

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
January 1, 2022					144,100	
July 1, 2022	1,085,000	6,215,000	6,135,000	5.000%	144,100	1,373,200
January 1, 2023					116,975	
July 1, 2023	1,145,000	7,360,000	4,990,000	3.000%	116,975	1,378,950
January 1, 2024					99,800	
July 1, 2024	1,175,000	8,535,000	3,815,000	4.000%	99,800	1,374,600
January 1, 2025					76,300	
July 1, 2025	1,225,000	9,760,000	2,590,000	4.000%	76,300	1,377,600
January 1, 2026					51,800	
July 1, 2026	1,270,000	11,030,000	1,320,000	4.000%	51,800	1,373,600
January 1, 2027					26,400	
July 1, 2027	1,320,000	12,350,000	0	4.000%	26,400	1,372,800
					<b>\$7,220,000</b>	<b>\$1,030,750</b>
						<b>\$8,250,750</b>





## Pledged Revenue Obligations, Series 2015 - S&amp;P Rating A+

Maturity	Principal			Int/Fees	Debt Service
	Payments	Retired	Balance		
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
<b>Totals</b>	<b>\$8,970,000</b>			<b>\$3,030,000</b>	<b>\$12,000,000</b>

**Note:** Payments are paid out of HURF, CIP, Water, and Wastewater based on the percentage of projects being paid by the bond.



## Pledged Revenue Obligations, Series 2021 - S&amp;P Rating AA

Maturity	Principal			Int/Fees	Debt Service
	Payments	Retired	Balance		
July 1, 2021			20,380,000		
January 1, 2022				207,285	
July 1, 2022	290,000	290,000	20,090,000	205,007	702,292
January 1, 2023				204,634	
July 1, 2023	700,000	990,000	19,390,000	204,634	1,109,268
January 1, 2024				203,206	
July 1, 2024	905,000	1,895,000	18,485,000	203,206	1,311,412
January 1, 2025				200,369	
July 1, 2025	1,070,000	2,965,000	17,415,000	200,369	1,470,738
January 1, 2026				195,334	
July 1, 2026	1,285,000	4,250,000	16,130,000	195,334	1,675,668
January 1, 2027				188,003	
July 1, 2027	1,195,000	5,445,000	14,935,000	188,003	1,571,006
January 1, 2028				179,047	
July 1, 2028	1,220,000	6,665,000	13,715,000	179,047	1,578,094
January 1, 2029				168,988	
July 1, 2029	1,240,000	7,905,000	12,475,000	168,988	1,577,976
January 1, 2030				157,487	
July 1, 2030	1,260,000	9,165,000	11,215,000	157,487	1,574,974
January 1, 2031				144,414	
July 1, 2031	1,290,000	10,455,000	9,925,000	144,414	1,578,828
January 1, 2032				130,386	
July 1, 2032	1,315,000	11,770,000	8,610,000	130,386	1,575,772
January 1, 2033				115,099	
July 1, 2033	1,345,000	13,115,000	7,265,000	115,099	1,575,198
January 1, 2034				98,791	
July 1, 2034	1,380,000	14,495,000	5,885,000	98,791	1,577,582
January 1, 2035				81,368	
July 1, 2035	1,415,000	15,910,000	4,470,000	81,368	1,577,736
January 1, 2036				62,796	
July 1, 2036	1,450,000	17,360,000	3,020,000	62,796	1,575,592
January 1, 2037				43,040	
July 1, 2037	1,490,000	18,850,000	1,530,000	43,040	1,576,080
January 1, 2038				21,994	
July 1, 2038	1,530,000	20,380,000	0	21,994	1,573,988
<b>Totals</b>	<b>\$20,380,000</b>			<b>\$4,802,203</b>	<b>\$25,182,203</b>

**Note:** Payments are made out of the Police and Fire Department budgets based on that departments percentage of the unfunded liability financed.



## Computation of Direct and Overlapping Bonded Debt June 30, 2021

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	\$38,130,000	100.00%	\$38,130,000
Yavapai County	14,021,000	3.55%	498,391
Yavapai Community College Di	10,540,000	3.55%	374,655
Cottonwood/Oak Creek School	12,566,000	8.95%	1,124,279
Mingus Union High School Dist	8,835,046	10.65%	940,985
Total Direct and Overlapping Debt			<u><u>\$41,068,310</u></u>

Jurisdiction	Total Assessed Valuation
City of Cottonwood	\$145,606,774
Yavapai County	4,096,285,296
Yavapai Community College District	4,096,285,296
Cottonwood/Oak Creek School District	366,494,384
Mingus Union High School District	436,278,596
<b>Total</b>	<u><u><b>\$9,140,950,346</b></u></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, 2021 were secured by sales taxes instead of property taxes.



### Computation of Legal Debt Margin 'June 30, 2021

Net secondary assessed valuation (Full Cash Value)	<u><u>\$145,606,774</u></u>
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### Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	29,121,355
Bonds outstanding	<u>0</u>
<b>Net 20% Debt Limitation</b>	<u><u>29,121,355</u></u>

### Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	8,736,406
Bonds outstanding	<u>0</u>
<b>Net 6% Debt Limitation</b>	<u><u>8,736,406</u></u>

<b>Total Bonding Capacity</b>	<u><u><b>\$37,857,761</b></u></u>
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The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent of secondary assessed valuation can be used for all other "general uses."

General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation listed above, the City may issue bonds for general improvement purposes or for specific projects.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2019 were secured by sales taxes instead of property taxes.



## CAPITAL PROJECTS (Capital Improvements Plan–CIP) FUND

### General Information

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.

#### Capital Projects

##### Railroad Wash Improvements

##### Capital Projects Fund



## Capital Projects (CIP) Fund—Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
<b>Beginning Fund Balance</b>	\$557,989	\$813,665	\$842,320	\$1,180,125
Le: Designated Reserves	557,989	1,053,340	1,166,890	681,200
Cash Reserves	0	0	0	0
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>(239,675)</b>	<b>(324,570)</b>	<b>498,925</b>
<b>Revenue Sources:</b>				
Taxes	\$270,952	241,525	286,090	\$294,675
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	94,064	143,000	50,690	315,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	21,147	3,150	11,400	11,400
<b>Total Revenue Sources</b>	<b>386,163</b>	<b>387,675</b>	<b>348,180</b>	<b>621,075</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Available Resources</b>	<b>386,163</b>	<b>148,000</b>	<b>23,610</b>	<b>1,120,000</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	3,979	5,000	5,000	5,000
Capital Outlay	97,854	143,000	18,610	1,115,000
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>\$101,833</b>	<b>148,000</b>	<b>23,610</b>	<b>\$1,120,000</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>101,833</b>	<b>148,000</b>	<b>23,610</b>	<b>1,120,000</b>
<b>Ending Fund Balance Designation</b>				
Operating Surplus/(Losses)	284,330	0	0	0
Designated Reserves FYs prior to 2022	0	0	0	0
Cash Reserves FYs prior to 2022	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	1,053,340	1,166,890	681,200
Unassigned	0	0	0	0
<b>ENDING FUND BALANCE</b>	<b>\$284,330</b>	<b>1,053,340</b>	<b>1,166,890</b>	<b>\$681,200</b>



Capital Improvement Plan—Capital Projects Fund—Revenues / Expenditures / Changes in Fund Balance					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$557,989	\$813,665	\$842,320	\$1,180,125	40.10%
Less: Designated Reserves	557,989	1,053,340	1,166,890	681,200	-41.62%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>(239,675)</b>	<b>(324,570)</b>	<b>498,925</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes	\$270,952	\$241,525	\$286,090	\$294,675	3.00%
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Intergovernmental	94,064	143,000	50,690	315,000	521.42%
Miscellaneous Income					
Other Income	21,147	3,150	11,400	11,400	0.00%
<b>Total Revenue Sources</b>	<b>386,163</b>	<b>387,675</b>	<b>348,180</b>	<b>621,075</b>	<b>78.38%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>386,163</b>	<b>148,000</b>	<b>23,610</b>	<b>1,120,000</b>	<b>4643.75%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	3,979	5,000	5,000	5,000	0.00%
Capital Outlay	97,854	143,000	18,610	1,115,000	5891.40%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>101,833</b>	<b>148,000</b>	<b>23,610</b>	<b>1,120,000</b>	<b>4643.75%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>101,833</b>	<b>148,000</b>	<b>23,610</b>	<b>1,120,000</b>	<b>4643.75%</b>
<b>Ending Fund Balance Designation</b>					
Operating Surplus/(Losses)	284,330	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	1,053,340	1,180,125	681,200	-42.28%
Unassigned	0	0	0	0	0.00%
<b>ENDING FUND BALANCE</b>	<b>\$284,330</b>	<b>\$1,053,340</b>	<b>\$1,180,125</b>	<b>\$681,200</b>	<b>-42.28%</b>

# CAPITAL IMPROVEMENT PLAN (CIP) FUND

## General Description

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

## Our Accomplishments for FY 2021

### Strategic Planning



All accomplishments for this fund are reflected in the departments that are responsible for the projects.

## Our Strategic Goals for FY 2022

Sustainable  
Growth &  
Development



Lead with  
Environmental  
Stewardship



Improve  
Infrastructure



Provide funding for Capital Improvements Projects.



General Government	Capital Projects (CIP) Fund	Fund 30-Capital Projects	Cost Center: XXXX
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**\*\* Performance indicators do not apply to this fund \*\***

Supplemental Data: Capital Outlay				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Railroad Wash Improvements/Flood Plain Study	\$97,854	\$143,000	\$18,610	\$315,000
City Hall - Plan Development				800,000
<hr/>				
<b>Totals</b>	<b>\$97,854</b>	<b>\$143,000</b>	<b>\$18,610</b>	<b>\$1,115,000</b>



General Government	Capital Projects (CIP) Fund	Fund 30—Capital Projects	Cost Center: XXXX		
Summary by Category					
Item	2020	2021		2022	Percent
Description	Actual	Budget	Revised	Adopted	Change
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	3,979	5,000	5,000	5,000	0.00%
Capital Outlay	97,854	143,000	18,610	1,115,000	5891.40%
Debt Service	0	0	0	0	0.00%
Department Totals	\$101,833	\$148,000	\$23,610	\$1,120,000	4643.75%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	\$1,120,000	100.00%
<b>Total Funding 100.00%</b>		

Supplemental Data: Personnel					
Authorized Positions		Number of FTEs			Budget
Job Classifications		2020	2021	2022	2022
N/A					
Temporary / Reserves					0
Overtime					0
Retirement					0
Insurance & Taxes					0
Employee Related Expenses					0
<b>Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>



# ENTERPRISE FUNDS

## General Description

### 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.



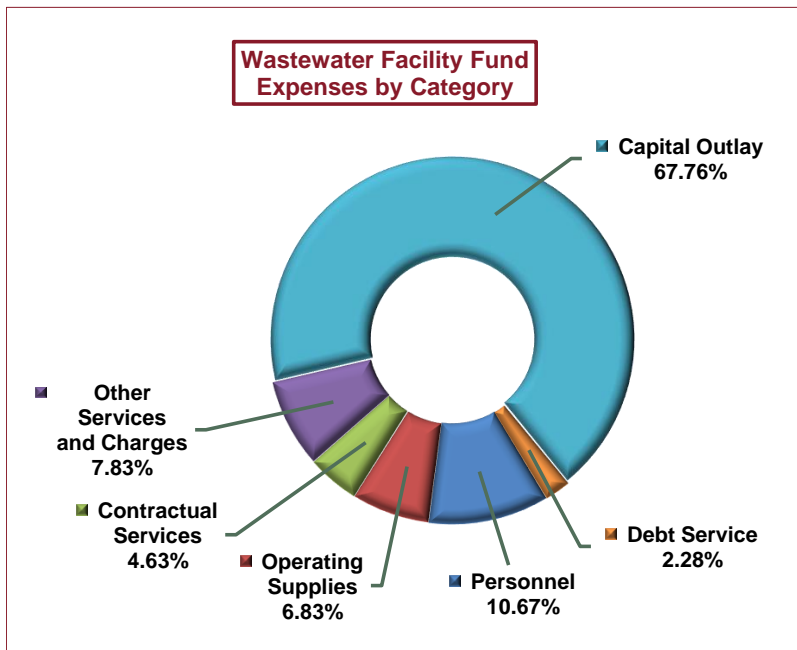


Enterprise Funds—Consolidated Statement of Revenues/Expenses				
Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
<b>Beginning Retained Earnings</b>	\$11,903,493	\$22,180,735	\$3,641,270	\$26,179,915
Less: Designated Reserves	11,903,493	16,951,975	5,918,385	22,135,165
Cash Reserves	0	0	0	0
Appropriated Retained Earnings	0	5,228,760	(2,277,115)	4,044,750
<b>Revenue Sources:</b>				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	10,916,075	11,853,855	12,264,045	12,701,813
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	285,876	221,550	77,600	92,400
Miscellaneous Revenues	474,634	117,940	650,400	731,947
<b>Total Revenue Sources</b>	11,676,585	12,193,345	12,992,045	13,526,160
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Carryover	0	0	0	0
Other Financing Resources	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	0	0	0	0
<b>Total Available Resources</b>	11,676,585	17,422,105	10,714,930	17,570,910
<b>Expenses:</b>				
Personnel	2,758,104	2,759,670	2,735,445	2,876,870
Operating Supplies	619,762	798,710	744,805	996,750
Contractual Services	858,456	840,460	896,005	887,445
Other Services and Charges	1,177,913	1,367,665	1,296,810	1,332,680
Depreciation	1,990,126	0	0	0
Capital Outlay	153,869	9,629,510	3,015,775	9,483,395
Debt Service	501,333	2,026,090	2,026,090	1,993,770
<b>Total Expenses</b>	8,059,563	17,422,105	10,714,930	17,570,910
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Reserves	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	0	0	0	0
<b>Total Expenses and Other Uses</b>	8,059,563	17,422,105	10,714,930	17,570,910
<b>Ending Retained Earnings Designation</b>				
Operating Surplus/(Losses)	3,617,022	0	0	0
Designated Reserves FYs prior to 2022.	2,004,324	0	0	0
Cash Reserves FYs prior to 2022	0	0	0	0
Restricted	1,407,568	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	16,951,975	5,918,385	22,135,165
<b>ENDING RETAINED EARNINGS</b>	<b>\$7,028,914</b>	<b>\$16,951,975</b>	<b>\$5,918,385</b>	<b>\$22,135,165</b>



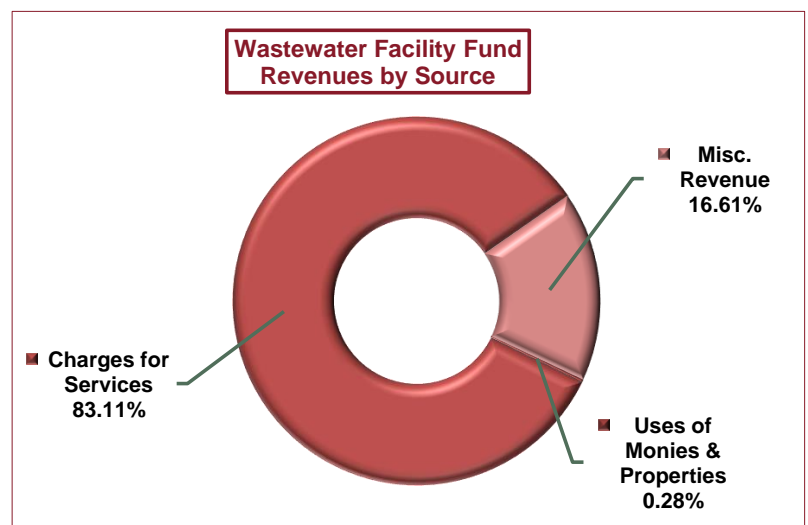
## Wastewater Facility Fund—Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Reserves	Total
Subtotals	\$891,650	\$570,750	\$386,735	\$654,110	\$5,660,095	\$190,330	\$0	\$8,353,670
Totals	\$891,650	\$570,750	\$386,735	\$654,110	\$5,660,095	\$190,330	\$0	\$8,353,670



Wastewater Facility Fund Summary	
Revenues	\$4,289,300
Expenses	8,353,670
Revenues over/(under) Expenses	(4,064,370)
Other Funding Sources/Uses	0
(Use)/Source of Retained Earnings	(4,064,370)

Wastewater Facility Fund Revenues by Source	
Uses of Monies & Properties	\$12,000
Charges for Services	3,564,793
Miscellaneous Revenue	712,507
Other Financing Sources	0
Total Resources Available	\$4,289,300



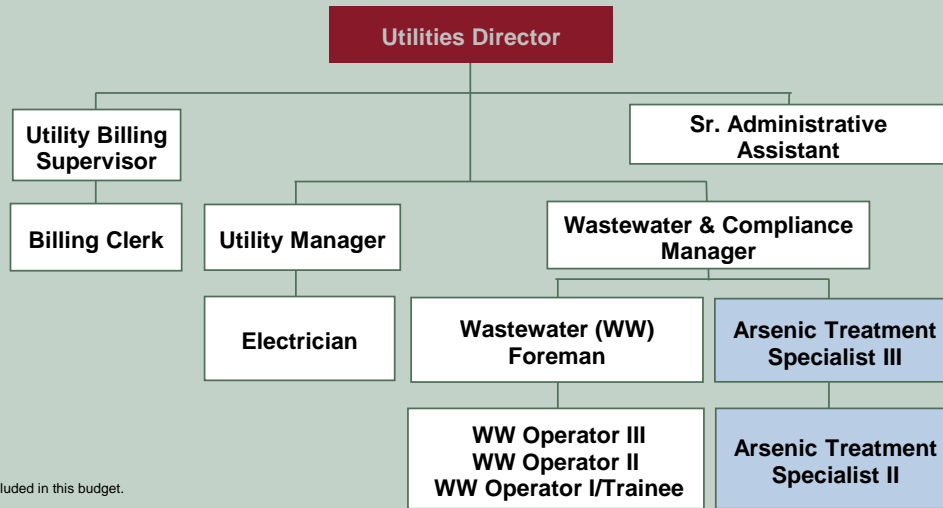


## Wastewater Facility Fund—Revenues / Expenses / Changes in Retained Earnings

Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Retained Earnings</b>	\$2,423,753	\$3,878,910	\$3,641,270	\$4,064,370	11.62%
Less: Designated Reserves	2,423,753	3,940	4,064,370	0	-100.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Retained Earnings</b>	<b>0</b>	<b>3,874,970</b>	<b>(423,100)</b>	<b>4,064,370</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	2,850,780	3,340,500	3,328,305	3,548,243	6.61%
Tap Fees	0	0	0	0	0.00%
Effluent Revenue	16,555	15,030	18,450	16,550	-10.30%
Uses of Monies & Properties					
Interest Income	39,924	26,000	10,230	12,000	17.30%
Miscellaneous Revenues					
Other Income	399,564	84,500	633,960	712,507	12.39%
<b>Total Revenue Sources</b>	<b>3,306,823</b>	<b>3,466,030</b>	<b>3,990,945</b>	<b>4,289,300</b>	<b>7.48%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Other Financing Sources	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>3,306,823</b>	<b>7,341,000</b>	<b>3,567,845</b>	<b>8,353,670</b>	<b>134.14%</b>
<b>Expenses:</b>					
Personnel	787,859	871,490	847,045	891,650	5.27%
Operating Supplies	230,498	405,450	366,625	570,750	55.68%
Contractual Services	346,095	337,980	364,655	386,735	6.06%
Other Services and Charges	554,948	643,850	672,175	654,110	-2.69%
Depreciation	812,765	0	0	0	0.00%
Capital Outlay	16,952	4,892,385	1,127,500	5,660,095	402.00%
Debt Service	90,688	189,845	189,845	190,330	0.26%
<b>Total Expenses</b>	<b>2,839,805</b>	<b>7,341,000</b>	<b>3,567,845</b>	<b>8,353,670</b>	<b>134.14%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>2,839,805</b>	<b>7,341,000</b>	<b>3,567,845</b>	<b>8,353,670</b>	<b>134.14%</b>
<b>Ending Retained Earnings Designation</b>					
Operating Surplus/(Losses)	467,018	0	0	0	0.00%
Designated Reserves FYs prior to 2022	2,004,324	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	1,407,568	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	3,940	4,064,370	0	-100.00%
<b>ENDING RETAINED EARNINGS</b>	<b>\$3,878,910</b>	<b>\$3,940</b>	<b>\$4,064,370</b>	<b>\$0</b>	<b>-100.00%</b>



# WASTEWATER DEPARTMENT



Only unshaded boxes are included in this budget.

## What We Do

The Wastewater Department is responsible for the operation and maintenance of two wastewater treatment facilities, the Mingus Wastewater Treatment Plant (MWTP) and the Riverfront Water Reclamation Facility (RWRf), with a total capacity of 1.8 MGD. The division also maintains 61 miles of collection system main lines, six sewage lift stations and the reclaimed water delivery system. The reclaimed water delivery system provides water for construction via a standpipe and for irrigation to the developments of Del Webb and Mesquite Hills, and the vineyards at Yavapai College. The Wastewater Division is also responsible for tap installations for new homes and businesses, conducting field location (blue staking) of the underground collection system, performing educational outreach and for completion of public information requests.

## Our Accomplishments for FY 2021

### Infrastructure



### Cost Savings



Purchased and initiated the installation of three new adsorption arsenic systems at well sites Yuma, 6-2, and 8-2.

Completed the installation of SCADA systems at three additional well sites.

Complete and submitted risk and resiliency assessment reports for the three largest water systems as required by the Environmental Protection Agency.

Complete the audit of the Utility Department as part of an effort to enhance the efficiency and effectiveness of the Utility Department.

## Our Strategic Goals for FY 2022

### Sustainable Growth & Development



### Ensure Quality of Life



### Lead with Environmental Stewardship



### Financial Accountability



Eradicate the fresh water invertebrates (Bryozoa) that are currently inhabiting the wastewater treatment tanks at the Riverfront Water Reclamation Facility.

Complete construction at the Mingus injection well so the recharging of reclaimed water can be started.

Finalize engineering analysis and complete cost estimate for upgrading the Mingus Wastewater Treatment Plant.

Initiate and complete Phase II of the direct Potable Water Reuse (DPWR) study for the Mingus Wastewater Treatment Plant, which will provide the necessary information required to determine whether or not to implement DPWR at the Mingus Wastewater Treatment Plant.

Health and Sanitation      Wastewater Department      Fund 51 - Enterprise Fund      Cost Center: 7XXX

## Performance Indicators

## Strategic Direction



Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative



## 3. Lead with Environmental Stewardship

Ensure sustainability of our natural resources

## 3.1. Implement direct potable water reuse

Maximize efficient use and reuse of water through

3.1.1. a feasibility assessment of modifying the Mingus Wastewater Treatment Plant to produce potable quality water Direct Potable Reuse (DPR) and

3.1.2. presenting the assessment results of the DPR to the City Council and

3.4.1. completing the design, engineering, and construction of necessary infrastructure and begin injecting reclaimed water in the Mingus Wastewater Treatment Plant injection well.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
3.1.1. Complete DPR feasibility assessment study		10%	40%	100%
3.1.2. Present results of DPR feasibility assessment				100%
3.4.1. Complete injection well and begin recharging reclaimed water	10%	30%	40%	100%

Process Status:

## Strategic Direction



Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative



## 4. Improve Our Infrastructure

Develop, maintain and improve the city's infrastructure

## 4.5. Continue to prioritize city infrastructure projects to

modify and upgrade the Mingus Wastewater Treatment Plant (MWTP) to enhance reliability and treatment capacity, and begin recharging reclaimed water by

4.5.3. completing the assessment of the blower system at MWTP and implementing recommended changes, and

4.5.9. completing the engineering design of the preferred optimization scenario for the MWTP and initiate implementation of the engineered scenario.

Performance Indicator(s)	2019 Actual	2020 Actual	2021 Estimate	2022 Anticipated
4.5.3. Complete assessment of blower system		10%	100%	
4.5.9. Finalize engineering analysis and complete cost estimate for MWTP upgrade			50%	100%

Process Status:

## Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Lift Station SCADA Upgrade				\$100,000
Collection System - Cleaning & Repair				500,000
Riverfront - Grit Chamber & Oxygen. Probes				185,000
Lift Stations - Generator (#5), Rehab (#2)		\$650,000	\$650,000	865,000
Odor Control (#3), Valves				
MWTP Headworks		108,000	30,500	
Mingus Wastewater Plant Upgrades	\$8,896	3,944,385	297,000	3,687,095
General Equipment	8,056	100,000		323,000
Effluent Disposal System		90,000	150,000	
<b>Totals</b>	<b>\$16,952</b>	<b>\$4,892,385</b>	<b>\$1,127,500</b>	<b>\$5,660,095</b>



Health and Sanitation	Wastewater Department	Fund 51—Enterprise Fund	Cost Center: 71XX		
Summary by Category					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$787,859	\$871,490	\$847,045	\$891,650	5.27%
Operating Supplies	230,498	405,450	366,625	570,750	55.68%
Contractual Services	346,095	337,980	364,655	386,735	6.06%
Other Services and Charges	554,948	643,850	672,175	654,110	-2.69%
Depreciation (net)	812,765	0	0	0	0.00%
Capital Outlay	16,952	4,892,385	1,127,500	5,660,095	402.00%
Debt Service	90,688	189,845	189,845	190,330	0.26%
Department Totals	\$2,839,805	\$7,341,000	\$3,567,845	\$8,353,670	134.14%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Services	3,564,793	42.67%
Miscellaneous Revenues	724,507	8.67%
Other Financing Sources	4,064,370	48.65%
<b>Total Funding</b>		<b><u>100.00%</u></b>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2021	2022	2022
Utilities Manager	0.50	0.50	0.50	\$46,130
Wastewater & Compliance Manager	0.00	1.00	1.00	80,170
Regul. Compl. Safety & Educ. Adminr.	1.00	0.00	0.00	0
Electrician	0.50	0.50	1.00	55,145
Utility Billing Supervisor	0.35	0.35	0.35	18,490
WW Foreman	1.00	1.00	1.00	45,090
WW Operator III	0.00	1.00	1.00	40,895
WW Operator II	2.00	3.00	3.00	0
WW Operator I	2.00	2.00	2.00	174,710
WW Operator I/Trainee	1.00	0.00	0.00	0
Senior Administrative Assistant	0.50	0.50	0.50	19,470
Electrical Technician	0.50	0.50	0.00	0
Utility Billing Clerk	1.05	1.05	1.05	34,280
COLA				0
Merit Contingency				0
Longevity				0
Overtime				93,200
Holiday Pay				2,500
Certification Pay				0
Clothing Allowance				3,000
Retirement				75,710
Insurance & Taxes				201,620
Employment Related Expenses				1,240
<b>Totals</b>	<b>10.40</b>	<b>11.40</b>	<b>11.40</b>	<b>\$891,650</b>

Health and Sanitation	Wastewater Department	Fund 51—Enterprise Fund	Cost Center: 7XXX		
Supplemental Data: Expenditures					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	

**Operating Supplies**

Office Supplies	2,347	3,750	3,250	3,750	15.38%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	4,061	4,500	4,500	5,500	22.22%
Operational Equipment & Supplies	16,355	25,000	22,000	28,000	27.27%
Chlorine	2,042	5,700	5,400	6,000	11.11%
Polymer	26,409	32,000	32,000	34,000	6.25%
Odor Control Supplies	0	0	0	0	0.00%
Vehicle Maintenance & Repairs	5,025	5,000	17,800	7,500	-57.87%
Equipment Maintenance & Repairs	143,580	300,000	250,000	300,000	20.00%
Building Maintenance & Repairs	1,959	2,500	2,500	2,500	0.00%
Postage & Freight	28,720	27,000	29,175	183,500	528.96%
<b>Total Supplies</b>	<b>230,498</b>	<b>405,450</b>	<b>366,625</b>	<b>570,750</b>	<b>55.68%</b>

**Contractual Services**

Contractual Services	48,582	45,000	43,700	55,000	25.86%
Computer Support	3,772	3,960	5,925	6,220	4.98%
Custodial Contract	8,396	8,640	8,640	8,640	0.00%
Employee Physicals/Medical Testing	1,100	380	190	300	57.89%
Sludge Disposal	104,661	100,000	100,000	102,000	2.00%
Land Lease Fees Airport	0	0	0	14,575	0.00%
Auction Fees	0	0	0	0	0.00%
Indirect Cost to General Fund	179,584	180,000	206,200	200,000	-3.01%
<b>Total Contractual Services</b>	<b>346,095</b>	<b>337,980</b>	<b>364,655</b>	<b>386,735</b>	<b>6.06%</b>

**Other Services and Charges**

Small Tools	2,225	2,500	2,500	2,500	0.00%
Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Bank Charges	1,079	1,080	910	1,080	18.68%
Utilities	424,618	497,450	570,535	521,780	-8.55%
Telephone	5,434	6,290	5,190	5,450	5.01%
Travel & Training	2,899	11,100	6,500	8,500	30.77%
Liability Insurance	19,600	20,430	20,440	23,000	12.52%
Subscriptions & Memberships	51	0	1,100	800	-27.27%
Bad Debt Expense	14,332	0	0	0	0.00%
Lab/Testing	71,874	80,000	40,000	60,000	50.00%
ADEQ Annual Fee	12,836	25,000	25,000	31,000	24.00%
Equipment Rental	0	0	0	0	0.00%
ASRS Pension Expense	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>554,948</b>	<b>643,850</b>	<b>672,175</b>	<b>654,110</b>	<b>-2.69%</b>

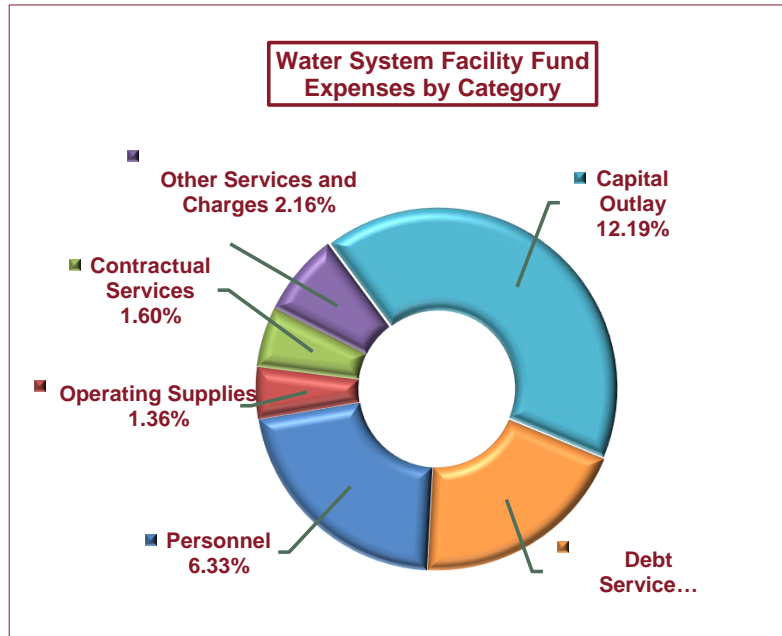
**Debt Service**

2015 Excise Bond–Principal	0	102,970	102,970	106,030	2.97%
2015 Excise Bond–Interest	89,028	85,075	85,075	82,500	-3.03%
Bond Issuance Costs	0	0	0	0	0.00%
2015 Excise Bond–Trustee Fees	0	0	0	0	0.00%
Investment Expense	1,660	1,800	1,800	1,800	0.00%
<b>Total Debt Service</b>	<b>90,688</b>	<b>189,845</b>	<b>189,845</b>	<b>190,330</b>	<b>0.26%</b>



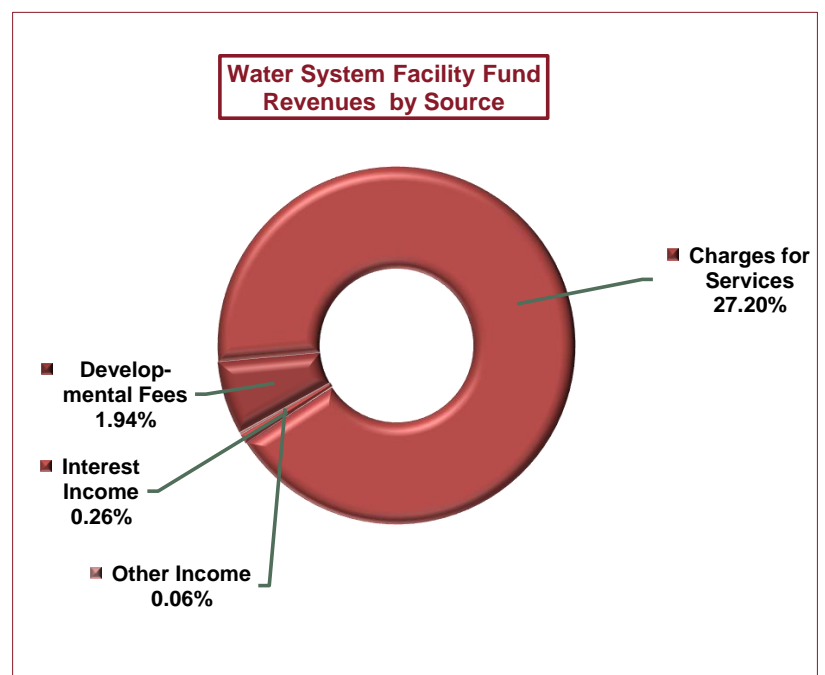
## Water System Facility Fund—Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services and Charges	Capital Outlay	Debt Service	Reserves	Total
Subtotals	\$1,985,220	\$426,000	\$500,710	\$678,570	\$3,823,300	\$1,803,440	\$0	\$9,217,240
<b>Totals</b>	<b>\$1,985,220</b>	<b>\$426,000</b>	<b>\$500,710</b>	<b>\$678,570</b>	<b>\$3,823,300</b>	<b>\$1,803,440</b>	<b>\$0</b>	<b>\$9,217,240</b>



Water System Fund Fund Summary	
Revenues	\$9,236,860
Expenses	9,217,240
Revenues over/(under) Expenses	<b>\$19,620</b>
Other Funding Sources/Uses	\$0
(Use)/Source of Retained Earnings	<b>\$19,620</b>

Water System Facility Fund Revenues by Source	
Developmental Fees	\$608,925
Charges for Services	8,528,095
Interest Income	80,400
Other Income	19,440
Other Financing Sources	0
Proceeds from Bonds	0
<b>Total Resources Available</b>	<b>\$9,236,860</b>

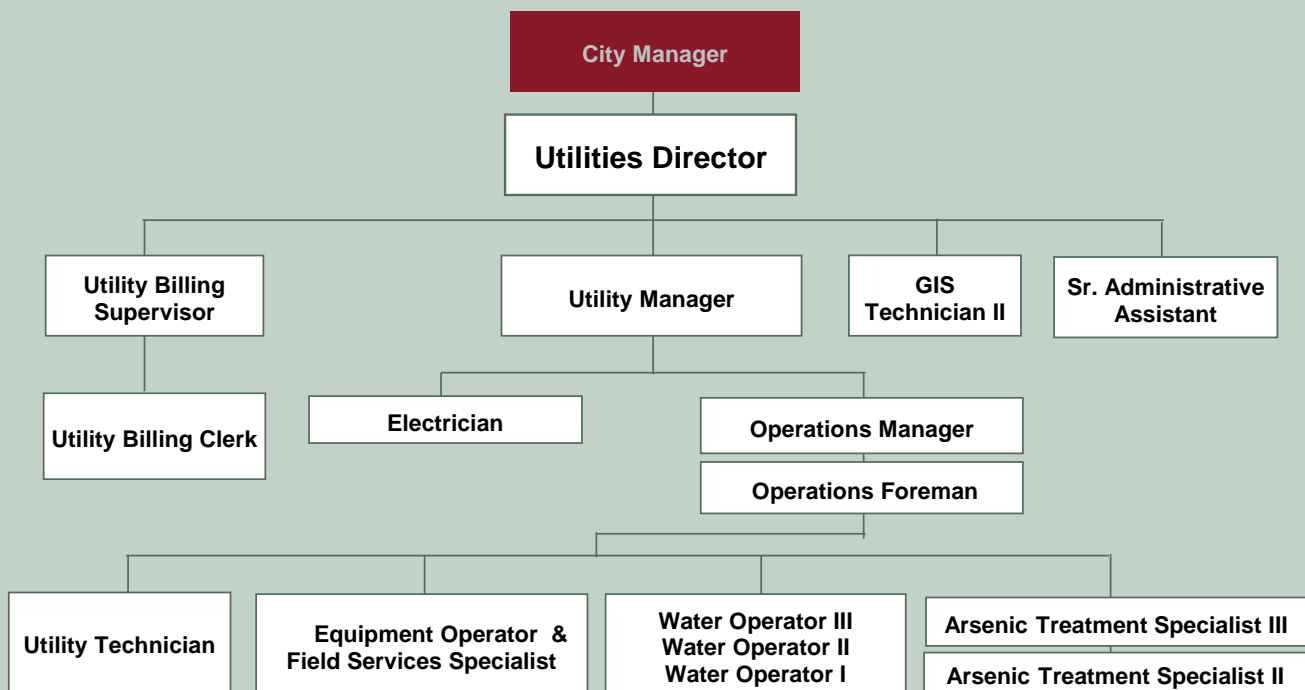




Water System Facility Fund—Revenues / Expenses / Changes in Retained Earnings					
Item	2020	2021		2022	Percent Change
Description	Actual	Budget	Revised	Adopted	
<b>Beginning Retained Earnings</b>	\$9,479,740	\$18,301,825	\$0	\$22,115,545	0.00%
Less: Designated Reserves	9,479,740	16,948,035	1,854,015	22,135,165	1093.90%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Retained Earnings</b>	<b>0</b>	<b>1,353,790</b>	<b>(1,854,015)</b>	<b>(19,620)</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	7,445,826	7,907,550	8,302,765	8,528,095	2.71%
Reserves	602,914	590,775	614,525	608,925	-0.91%
Uses of Monies & Properties					
Interest Income	245,952	195,550	67,370	80,400	19.34%
Miscellaneous Revenues					
Other Income	75,070	33,440	16,440	19,440	18.25%
<b>Total Revenue Sources</b>	<b>8,369,762</b>	<b>8,727,315</b>	<b>9,001,100</b>	<b>9,236,860</b>	<b>2.62%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>8,369,762</b>	<b>10,081,105</b>	<b>7,147,085</b>	<b>9,217,240</b>	<b>28.97%</b>
<b>Expenses:</b>					
Personnel	1,970,245	1,888,180	1,888,400	1,985,220	5.13%
Operating Supplies	389,264	393,260	378,180	426,000	12.64%
Contractual Services	512,361	502,480	531,350	500,710	-5.77%
Other Services and Charges	622,965	723,815	624,635	678,570	8.63%
Depreciation	1,177,361	0	0	0	0.00%
Capital Outlay	136,917	4,737,125	1,888,275	3,823,300	102.48%
Debt Service	410,645	1,836,245	1,836,245	1,803,440	-1.79%
<b>Total Expenses</b>	<b>5,219,758</b>	<b>10,081,105</b>	<b>7,147,085</b>	<b>9,217,240</b>	<b>28.97%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Other Finances Uses	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>5,219,758</b>	<b>10,081,105</b>	<b>7,147,085</b>	<b>9,217,240</b>	<b>28.97%</b>
<b>Ending Retained Earnings Designation</b>					
Operating Surplus/(Losses)	3,150,004	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	16,948,035	1,854,015	22,135,165	1093.90%
<b>ENDING RETAINED EARNINGS</b>	<b>\$3,150,004</b>	<b>\$16,948,035</b>	<b>\$1,854,015</b>	<b>\$22,135,165</b>	<b>1093.90%</b>



# WATER DEPARTMENT



## What We Do

The Water Department is responsible for the operation and maintenance of more than 170 miles of distribution system, 30 active wells, 18 arsenic treatment systems, one injection well and four monitoring wells. The operation and maintenance of that system includes installing new water lines, repairing and replacing water lines, valves and meters, installing and maintaining pumps, reading meters, billing for water usage and for completing all other tasks and functions as necessary for the efficient and successful operation of the Cottonwood Municipal Utilities.

## Our Accomplishments for FY 2021

### Infrastructure



### Cost Savings



Completed the refurbishment and upgrade of Lift Station 4.

Completed replacement of the Parshall flume, adjoining manhole, flow meter and sampler, as required by ADEQ.

Initiated the sewer main inspection, camera and cleaning, which is projected to be a three-year program. This project was also listed as a goal for FY 2020.

## Our Strategic Goals for FY 2022

### Sustainable Growth & Development



### Ensure Quality of Life



### Improve Infrastructure



### Financial Accountability



Replace aging and deteriorating arsenic removal systems.

Complete meter change out in the neighborhoods, specific to billing cycles 2 and 3.

Continue providing all customers with reliable and safe water delivery service that meets or exceeds safe drinking water standards.

Provide financial for and technical support to the Verde Natural Resource Conservation District Education Center for the continuation of the conservation education program for K-8<sup>th</sup> grade.



Health and Sanitation      Water System Facility      Fund 50 - Enterprise Fund      Cost Center: 7XXX

### Performance Indicators



#### Strategic Direction

Key Priority

Guiding Principle

Strategic Goal



#### 3. Lead with Environmental Stewardship

Ensure the sustainability of our natural resources

##### 3.1. Support local programs that promote a culture of conservation

Create a culture of conservation to ensure the sustainability of natural resources by

##### 3.1.1. Continuing to provide funding for water conservation for K-8th grade in all private and charter schools and

3.1.2. efforts of the Education Center (NRCDED) to create a Discovery Learning Center as well as

3.1.3. providing funding for and support to "project WET" for the annual water festival to promote increased awareness and knowledge of water resources.

#### Performance Indicator(s)

	2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
3.3.1. Funding for water conservation education to K-8th Grade	\$17,760	\$17,760	\$17,760	\$17,760
3.3.2. Creation of Discovery Center		25%	75%	100%
3.3.3. Project WET - Water festival	\$1,000	\$1,000	\$1,500	\$1,500

Process Status:



#### Strategic Direction

Key Priority

Guiding Principle

Strategic Goal



Strategic Initiative

#### 4. Improve Our Infrastructure

Develop, maintain and improve the city's water treatment and distribution infrastructure

##### 4.5 Continue to prioritize city infrastructure projects by

enhancing water treatment and flow monitoring technologies to ensure compliance with safe drinking water requirements and optimizing the accuracy and effectiveness of monitoring customer water use in real time by

4.5.x. replacing manual read water meters with remote read water meters

4.5.x. replacing ion exchange arsenic removal systems with the upgraded and more effective E-33 media arsenic removal system, and upgrading the coagulation/filtration arsenic systems as well.

#### Performance Indicator(s)

	2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
4.5.x. Replace water meters			20%	40%
4.5.x. Replace arsenic removal systems			25%	50%

Process Status:

### Supplemental Data: Capital Outlay

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
Water System Upgrades & Reservoir / Water Line – Hwy 260	\$33,402	\$2,248,430	\$540,000	\$1,375,000
Valve Repair		160,000	160,000	100,000
Miscellaneous Equipment		43,195	55,275	
Line Replacements & Extensions	(4,392)	250,000	45,000	250,000
W Mingus Reconstr. & Syst. Upgr.	1,026			
Water Storage/Well Booster Station	6,948	75,000	104,000	100,000
Well Improv., Booster & Constr.	51,011	347,000	120,000	435,000
Fire Hydrants Improv. & Quail Cyn Res.	11,916	540,000	20,000	40,000
Utility Backhoe Replacement		290,000	144,000	808,300
Arsenic Mitigation Equipment	37,006	783,500	700,000	715,000
<b>Totals</b>	<b>\$136,917</b>	<b>\$4,737,125</b>	<b>\$1,888,275</b>	<b>\$3,823,300</b>



Health and Sanitation	Water System Facility	Fund 50—Enterprise Fund	Cost Center: 7XXX		
Summary by Category					
Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,970,245	\$1,888,180	\$1,888,400	\$1,985,220	5.13%
Operating Supplies	389,264	393,260	378,180	426,000	12.64%
Contractual Services	512,361	502,480	531,350	500,710	-5.77%
Other Services and Charges	622,965	723,815	624,635	678,570	8.63%
Depreciation (net)	1,177,361	0	0	0	0.00%
Capital Outlay	136,917	4,737,125	1,888,275	3,823,300	102.48%
Transfers Out—Debt Service	0	0	0	0	0.00%
Debt Service	410,645	1,836,245	1,836,245	1,803,440	-1.79%
Department Totals	\$5,219,758	\$10,081,105	\$7,147,085	\$9,217,240	28.97%
Departmental Fund Sources					
Funding Sources	Amount	% of Funding			
Development Reserves	\$608,925	6.61%			
Charges for Services	8,528,095	92.52%			
Miscellaneous Revenues	99,840	1.08%			
Fund Balance	(19,620)	-0.21%			
Total Funding		100.00%			
Supplemental Data: Personnel					
Authorized Positions	Number of FTEs			Budget 2022	
Job Classifications	2020	2021	2022		
Utilities Director	0.00	1.00	1.00	\$152,290	
Utilities Manager	0.50	0.50	0.50	46,125	
Utility Operations Manager	1.00	1.00	1.00	77,920	
Utility Engineer	0.00	0.00	1.00	82,500	
Utility Billing Supervisor	0.65	0.65	0.65	34,345	
GIS Technician II	0.00	0.00	1.00	45,090	
Engineering Assistant	1.00	1.00	0.00	0	
Operations Foreman	1.00	1.00	1.00	52,210	
Electrician	0.50	0.50	1.00	55,145	
Arsenic Treatment Specialist III	1.00	1.00	1.00	36,400	
PW & Utility Inspector	1.00	1.00	1.00	37,095	
Water Operator III	0.00	1.00	1.00	42,940	
Arsenic Treatment Specialist II	0.00	1.00	1.00	42,845	
Equipment Operator	3.00	3.00	3.00	125,043	
Water Operator II	1.00	3.00	3.00	54,661	
Senior Administrative Assistant	0.50	0.50	0.50	19,470	
Electrical Technician	0.50	0.50	0.00	0	
Field Services Specialist	0.00	1.00	1.00	49,580	
Water Operator I	3.00	1.00	3.00	109,795	
Utility Technician	3.00	3.00	3.00	94,826	
Utility Billing Clerk	1.95	1.95	1.95	63,660	
COLA				0	
Merit Contingency				0	
Longevity				0	
Overtime				120,200	
Holiday Pay				4,500	
Certification Pay				18,000	
Car & Clothing Allowance				17,800	
Retirement				170,020	
Insurance & Taxes				431,980	
Employee Related Expenses				780	
Totals	19.60	23.60	26.60	\$1,985,220	



Health and Sanitation		Water System Facility		Fund 50—Enterprise Fund		Cost Center: 7XXX	
Supplemental Data: Expenditures							
Item	2020	2021		2022	Percent Change		
Description	Actual	Budget	Revised	Adopted			
Operating Supplies							
Office Supplies	5,462	6,500	8,130	7,500	-7.75%		
Copier Supplies	0	0	0	0	0.00%		
Gas & Oil	28,618	36,000	36,000	36,000	0.00%		
Operational Supplies	31,747	35,000	35,000	35,000	0.00%		
Small Tools	4,671	11,000	11,000	5,000	-54.55%		
Chemicals	28,567	43,000	23,000	27,000	17.39%		
Vehicle Maintenance & Repairs	25,533	21,560	26,500	25,000	-5.66%		
Equipment Maintenance & Repairs	228,427	200,000	200,000	250,000	25.00%		
Building Maintenance & Repairs	1,626	2,000	500	2,000	300.00%		
Postage & Freight	34,613	38,200	38,050	38,500	1.18%		
Total Supplies	389,264	393,260	378,180	426,000	12.64%		
Contractual Services							
Contractual Services - M&O	214,047	200,000	244,360	195,000	-20.20%		
Computer Support	6,343	6,980	7,820	8,210	4.99%		
General Counsel	0	0	0	0	0.00%		
Custodial Contract	3,800	4,000	4,000	4,000	0.00%		
Employee Physicals/Drug Tests	3,201	1,500	2,470	2,500	1.21%		
Recruitment Expense	0	0	1,000	1,000	0.00%		
Indirect Cost to General Fund	284,970	290,000	271,700	290,000	6.74%		
Lease Financing Principal	0	0	0	0	0.00%		
Lease Purchase Payments	0	0	0	0	0.00%		
Total Contractual Services	512,361	502,480	531,350	500,710	-5.77%		
Other Services and Charges							
Legal Advertising	87	300	0	0	0.00%		
Printing & Forms	0	0	0	0	0.00%		
Bank Charges	15,302	15,400	6,150	6,150	0.00%		
Auction Fees	0	500	0	0	0.00%		
Utilities	394,026	422,000	399,780	419,770	5.00%		
Telephone	10,969	12,970	12,010	12,610	5.00%		
Payment Assistance Program	0	15,000	15,000	15,000	0.00%		
Travel & Training	3,475	10,500	9,525	12,000	25.98%		
Subscriptions & Memberships	1,815	2,500	1,500	2,000	33.33%		
Liability Insurance	30,798	32,145	43,310	45,040	3.99%		
Liability Insurance Deductible	1,000	0	720	0	-100.00%		
Bad Debt	16,555	0	0	0	0.00%		
Arsenic System Maintenance	84,058	120,000	65,000	85,000	30.77%		
Lab/Testing	22,459	30,000	23,000	30,000	30.43%		
ADEQ Annual Fee	26,876	26,000	26,000	27,000	3.85%		
Aid in Lieu of Construction	578	20,000	8,640	8,000	-7.41%		
Verde River Days	1,000	1,000	0	1,000	0.00%		
Equipment Rental	0	1,000	0	1,000	0.00%		
Investment Expense	13,967	14,500	14,000	14,000	0.00%		
ASRS Pension Expense	0	0	0	0	0.00%		
ASRS OPEB Expense	0	0	0	0	0.00%		
Total Other Services & Charges	622,965	723,815	624,635	678,570	8.63%		



Health and Sanitation	Water System Facility	Fund 50–Enterprise Fund	Cost Center: 8XXX
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### Supplemental Data: Expenditures

Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
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	0	0	0	0	0.00%
Principal - 2006 MPC Bond	0	0	0	0	0.00%
Trustee Fees - 2006 MPC Bond	0	0	0	0	0.00%
Issuance Costs	0	0	0	0	0.00%
Principal - 2015 WIFA Bond	0	679,760	679,760	694,720	2.20%
Interest - 2015 WIFA Bond	168,967	154,345	154,345	139,380	-9.70%
Trustee Fees - 2015 WIFA Bond	0	1,000	1,000	1,000	0.00%
Issuance Costs	0	0	0	0	0.00%
Principal - 2016 WIFA Bond	0	732,050	732,050	711,525	-2.80%
Interest - 2016 WIFA Bond	204,006	191,740	191,740	179,270	-6.50%
Trustee Fees - 2016 WIFA Bond	1,000	1,000	1,000	1,000	0.00%
Issuance Costs	0	0	0	0	0.00%
Interest - 2015 Excise Bond	35,672	34,090	34,090	33,060	-3.02%
Principal - 2015 Excise Bond	-	41,260	41,260	42,485	2.97%
Trustee Fees - 2015 Excise Bond	1,000	1,000	1,000	1,000	0.00%
Total Debt Service	410,645	1,836,245	1,836,245	1,803,440	-1.79%



### Water Infrastructure Finance Authority 2015 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2021					77,167	
July 1, 2021	679,763	3,884,091	6,335,435	2.200%	77,167	834,097
January 1, 2022					69,690	
July 1, 2022	694,718	4,578,809	5,640,718	2.200%	69,690	834,097
January 1, 2023					62,048	
July 1, 2023	710,001	5,288,810	4,930,716	2.200%	62,048	834,097
January 1, 2024					54,238	
July 1, 2024	725,621	6,014,431	4,205,095	2.200%	54,238	834,097
January 1, 2025					46,256	
July 1, 2025	741,585	6,756,016	3,463,510	2.200%	46,256	834,097
January 1, 2026					38,099	
July 1, 2026	757,900	7,513,916	2,705,610	2.200%	38,099	834,097
January 1, 2027					29,762	
July 1, 2027	774,574	8,288,490	1,931,037	2.200%	29,762	834,097
January 1, 2028					21,241	
July 1, 2028	791,614	9,080,104	1,139,422	2.200%	21,241	834,097
January 1, 2029					12,534	
July 1, 2029	809,030	9,889,134	330,392	2.200%	12,534	834,097
January 1, 2030					3,634	
July 1, 2030	330,392	10,219,526	0	2.200%	3,634	337,661
<b>Totals</b>	<b>\$7,015,198</b>				<b>\$829,337</b>	<b>\$7,844,535</b>

\*The balance of the loan is based on funds drawn to date.



### Water Infrastructure Finance Authority 2016 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2021					105,583	
July 1, 2021	732,051	3,539,644	11,660,356	1.704%	105,583	943,218
January 1, 2022					99,346	
July 1, 2022	744,526	4,284,169	10,915,831	1.704%	99,346	943,218
January 1, 2023					93,003	
July 1, 2023	757,212	5,041,382	10,158,618	1.704%	93,003	943,218
January 1, 2024					86,551	
July 1, 2024	770,115	5,811,497	9,388,503	1.704%	86,551	943,218
January 1, 2025					79,990	
July 1, 2025	783,238	6,594,735	8,605,265	1.704%	79,990	943,218
January 1, 2026					73,317	
July 1, 2026	796,584	7,391,319	7,808,681	1.704%	73,317	943,218
January 1, 2027					66,530	
July 1, 2027	810,158	8,201,478	6,998,522	1.704%	66,530	943,218
January 1, 2028					59,627	
July 1, 2028	823,963	9,025,441	6,174,559	1.704%	59,627	943,218
January 1, 2029					52,607	
July 1, 2029	838,004	9,863,444	5,336,556	1.704%	52,607	943,218
January 1, 2030					45,467	
July 1, 2030	852,283	10,715,728	4,484,272	1.704%	45,467	943,218
January 1, 2031					38,206	
July 1, 2031	866,806	11,582,534	3,617,466	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	13,360,709	1,839,291	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
<b>Totals</b>	<b>\$12,392,408</b>				<b>\$1,755,863</b>	<b>\$14,148,271</b>



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# FIDUCIARY FUNDS

## What We Do

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.

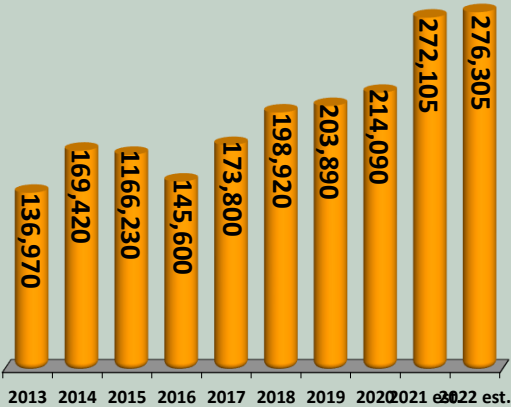
Fudiciary Funds

Alternative Pension and Benefits Plan Fund

Employee Benefit Trust Fund

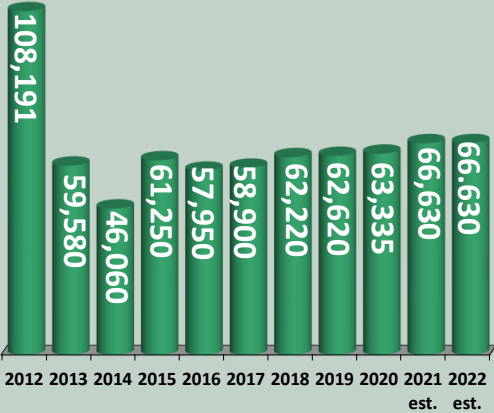
## Fund Balance Summary - FYE 06/30

Alternative Pension and Benefits Plan Fund - Retained Earnings Fund Balance – 10-Year Summary



The following represents a ten-year illustration of retained earnings for this fund. The fund balance is providing short term disability for all employees.

Employee Benefit Trust Fund - Retained Earnings Fund Balance – 10-Year Summary





## Fiduciary Funds—Consolidated Statement of Revenues / Expenditures

Item Description	2020	2021		2022
	Actual	Budget	Revised	Adopted
<b>Beginning Fund Balance</b>	205,473	277,425	272,105	276,305
Less: Designated Reserves	205,473	286,325	276,305	280,505
Cash Reserves	0	0	0	0
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>(8,900)</b>	<b>(4,200)</b>	<b>(4,200)</b>
<b>Revenue Sources:</b>				
Taxes	\$0	0	0	\$0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	10,246	20,700	13,000	13,000
Miscellaneous Revenues	624	0	0	0
<b>Total Revenue Sources</b>	<b>10,870</b>	<b>20,700</b>	<b>13,000</b>	<b>13,000</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Available Resources</b>	<b>10,870</b>	<b>11,800</b>	<b>8,800</b>	<b>8,800</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	1,800	3,800	3,800	3,800
Other Services and Charges	5,703	8,000	5,000	5,000
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>7,503</b>	<b>11,800</b>	<b>8,800</b>	<b>8,800</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>7,503</b>	<b>11,800</b>	<b>8,800</b>	<b>8,800</b>
<b>Ending Retained Earnings</b>				
Operating Surplus/(Losses)	3,367	0		0
Designated Reserves FYs prior to 2022	0	0	0	0
Cash Reserves FYs prior to 2022	0	0	0	0
Restricted	268,738	286,325	276,305	280,505
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
<b>ENDING RETAINED EARNINGS</b>	<b>\$272,105</b>	<b>\$286,325</b>	<b>\$276,305</b>	<b>\$280,505</b>



## Alternative Pension and Benefits Plan Fund Revenues / Expenditures

Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Fund Balance</b>	\$205,473	\$214,090	\$205,475	\$209,675	2.04%
Less Designated Reserves	205,473	224,290	209,675	213,875	2.00%
Cash Reserves	0	0	0	0	0.00%
<b>Appropriated Fund Balance</b>	<b>0</b>	<b>(10,200)</b>	<b>(4,200)</b>	<b>(4,200)</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
City Contribution / Fire Ins Premium	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	8,713	20,000	11,000	11,000	81.82%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>8,713</b>	<b>20,000</b>	<b>11,000</b>	<b>11,000</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>8,713</b>	<b>9,800</b>	<b>6,800</b>	<b>6,800</b>	<b>0.00%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,800	1,800	1,800	1,800	0.00%
Other Services and Charges	5,327	8,000	5,000	5,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>7,127</b>	<b>9,800</b>	<b>6,800</b>	<b>6,800</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>7,127</b>	<b>9,800</b>	<b>6,800</b>	<b>6,800</b>	<b>0.00%</b>
<b>Ending Retained Earnings</b>					
Operating Surplus/(Losses)	1,586	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	203,889	224,290	209,675	213,875	2.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING RETAINED EARNINGS</b>	<b>\$205,475</b>	<b>\$224,290</b>	<b>\$209,675</b>	<b>\$213,875</b>	<b>2.00%</b>



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# ALTERNATIVE PENSION AND BENEFITS PLAN FUND

Organizational Chart: N/A

## What This Fund Does

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.

## Its Accomplishments for FY 2021

Finance



Maintained the financial health of the pool.

## The Strategic Goals for FY 2022

Financial  
Accountability



Continue to search for ways to improve plan.

Maintain the financial stability of the pool



Fiduciary Fund	Alternative Pension and Benefits Plan Fund			Fund 70	Cost Center XXXX
Summary by Category					
Item	2020	2021		2022	Percent Change
Description	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,800	1,800	1,800	1,800	0.00%
Other Services and Charges	5,327	8,000	5,000	5,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$7,127	\$9,800	\$6,800	\$6,800	0.00%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Contributions	(\$4,200)	-61.76%
Interest Income	11,000	161.76%
Other Income	0	0.00%
Fund Balance	0	0.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

**\*\*Performance indicators do not apply to this fund\*\***





## Employee Benefit Trust Fund Revenues / Expenditures

Item Description	2020	2021		2022	Percent Change
	Actual	Budget	Revised	Adopted	
<b>Beginning Retained Earnings</b>	\$0	\$63,335	\$66,630	\$66,630	0.00%
Less: Designated Reserves	0	62,035	66,630	66,630	0.00%
Cash Reserves	0	0		0	0.00%
<b>Appropriated Retained Earnings</b>	<b>0</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Revenue Sources:</b>					
Uses of Monies & Properties					
Interest Income	\$1,533	\$700	\$2,000	\$2,000	0.00%
Miscellaneous Revenues					
Other Income	624	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>2,157</b>	<b>700</b>	<b>2,000</b>	<b>2,000</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>2,157</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>0.00%</b>
<b>Expenses:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	2,000	2,000	2,000	0.00%
Other Services and Charges	376	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenses</b>	<b>376</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>376</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>0.00%</b>
<b>Ending Retained Earnings</b>					
Operating Surplus/(Losses)	1,781	0	0	0	0.00%
Designated Reserves FYs prior to 2022	0	0	0	0	0.00%
Cash Reserves FYs prior to 2022	0	0	0	0	0.00%
Restricted	64,849	62,035	66,630	66,630	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
<b>ENDING RETAINED EARNINGS</b>	<b>\$66,630</b>	<b>\$62,035</b>	<b>\$66,630</b>	<b>\$66,630</b>	<b>0.00%</b>



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# EMPLOYEE BENEFIT TRUST FUND

Organizational Chart: N/A

## What the Fund Does

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 Health Arizona.

## Its Accomplishments for FY 2021

N/A

## The Strategic Goals for FY 2022

N/A



Internal Services	Employee Benefit Trust Fund		Fund 60		Cost Center: XXXX	
Summary by Category						
Item	2020	2021		2022	Percent	
Description	Actual	Budget	Revised	Adopted	Change	
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	2,000	2,000	2,000	0.00%	
Other Services and Charges	376	0	0	0	0.00%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$376	\$2,000	\$2,000	\$2,000	0.00%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Interest Income	\$2,000	100.00%
Miscellaneous Revenues	0	0.00%
Reserves	0	0.00%
Retained Earnings	0	0.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

**\*\*Performance indicators do not apply to this fund\*\***



## CAPITAL OUTLAY

## GENERAL FUND

Department	Equipment & Project Description	Requested	Budgeted
City Clerk's Office	Granicius Software	\$13,260	\$13,260
	Subtotal	\$13,260	\$13,260
Information Technology	Mobile Data Computers (for Fire & Medical Dept.	\$21,000	\$21,000
	WatchGuard Server (for Police Department)	27,355	27,355
	Mobile Data Computers (for Police Department)	36,000	36,000
	Command Staff, Community Dashboards	52,325	52,325
	Utility Vans	32,000	75,000
	Servers for Annual Replacement Storage (EEC)	49,000	-
	Subtotal	\$217,680	\$211,680
Community Development	Multi-function Printer	\$8,200	\$8,200
	Cottonwood Historic Property Survey		20,000
	Wayfinding Signs		20,000
	Trucks (2)	54,000	27,000
	Subtotal	\$62,200	\$75,200
Engineering Services	Ricoh Plotter	\$7,205	\$7,205
	Del Monte Trail (Northeast Corner)		12,000
	Trail Related Projects		28,500
	Truck	30,000	30,000
	Subtotal	\$37,205	\$77,705
Parks & Building Maintenance	John Deere Mower	\$11,400	\$11,400
	Tractor	37,000	37,000
	Utility Truck	45,000	45,000
	Generator (Public Safety Building)	78,555	78,555
	Subtotal	\$171,955	\$171,955
Police	SWAT Robot - <i>Grant Funded</i>	\$17,000	\$17,000
	K9 and Vehicle Retrofit	27,500	27,500
	Fleet Additions	50,000	50,000
	Portable Handheld Radios (34)	73,675	73,675
	Evidence Building	500,000	-
	Subtotal	\$668,175	\$168,175
Fire & Medical Services	Defibrillator (2)	\$66,950	\$66,950
	Personal Protective Equipment - Grant Funded	110,000	110,000
	Aerial Fire Apparatus	1,500,000	1,500,000
	First Responder Fire Apparatus	760,000	-
	Subtotal	\$2,436,950	\$1,676,950



## Capital Outlay

## GENERAL FUND

Department	Equipment & Project Description	Requested	Budgeted
Parks & Recreation (incl. Pool)	Wayfinding Signs - New Park	\$5,500	\$5,500
	Variable Frequency Drives for Pool Pumps	6,000	6,000
	ADA Pool Lift Replacement	8,000	8,000
	Lifeguard Chair (Aquatic Center)	8,000	8,000
	Subtotal	\$27,500	\$27,500
Recreation Center	Pump	\$5,400	\$5,400
	Variable Frequency Drives (Indoor Pool)	6,000	6,000
	HVAC Compressors	40,000	40,000
	Gym Divider and Motor	18,000	-
	Cardio Equipment Replacement	35,000	-
	Subtotal	\$104,400	\$51,400
Total General Fund—Capital Outlay		\$3,739,325	\$2,473,825





## Capital Outlay

## SPECIAL REVENUE FUNDS

Department	Equipment & Project Description	Requested	Budgeted
Streets Maintenance & Operations	Vehicle Lift (Shared Expense with Utilities)	\$6,000	\$6,000
	Truck	30,000	30,000
	Backhoe	100,000	100,000
	Subtotal	\$136,000	\$136,000
Streets Construction	Pima Street - <i>Grant Funded</i>	\$438,745	\$438,745
	Fir Street Sidewalk - Incl. Sidewalk Maintenance (FY 2021 C/O)	653,320	653,320
	Pavement Preservation - Biennial	750,000	750,000
	Annual Sidewalk Maintenance (See Fir Street Sidewalk)	100,000	-
	Public Safety - Parking Lot	861,000	-
	Mingus Avenue - Reconstruction	2,015,000	2,015,000
	Subtotal	\$4,818,065	\$3,857,065
Transit	Right of Way (for Bus Pull-outs)	50,000	60,000
	Canopy - Carryover		200,000
	Bus Shelter - Carryover		25,000
	Van (1)	55,000	55,000
	Buses (2) <30 Foot	300,000	300,000
	Subtotal	\$405,000	\$640,000
Library	Roof Repair	\$20,000	\$20,000
	Grant Projects	\$4,000	\$111,000
	Subtotal	\$24,000	\$131,000
Cemetery	Discharge Line	\$368,500	\$368,500
	Subtotal	\$368,500	\$368,500
Airport	Fuel Farm	\$25,000	-
	Generator	40,000	-
	Taxiway Repair	16,000	-
	Parking Lot Paving	88,300	-
	Security Fencing		\$7,000
	Subtotal	\$169,300	\$7,000



## Capital Outlay

## SPECIAL REVENUE FUNDS

Department	Equipment & Project Description	Requested	Budgeted
Other Grants	Trails Grant		\$8,500
	Airport - AWOS Grant		\$443,500
	Airport - Taxiway Lighting	\$36,000	36,000
	Airport - Taxiway Rehab Planning	30,000	30,000
	Airport - Taxiway Rehab Repair	168,000	169,000
	Airport - Helipad Planning	15,000	15,000
	Airport - Helipad Stripping	18,000	18,000
	Airport - Helipad Construction	60,000	60,000
	Airport - Fence Height Increase and Additional Gate	140,000	140,000
	Airport - Entitlement Funding (Federal Aviation Administration)	450,000	450,000
	American Recovery Program Funds		1,461,875
	Other Grants Revenue		1,906,725
	Subtotal	\$917,000	\$4,738,600
CDBG	Verde Valley Homeless Coalition - Transitional Housing		\$1,750,000
	Parks Master Plan - Carryover		\$243,115
	Subtotal	\$0	\$1,993,115
Capital Projects Fund	Railroad Wash Improvements	\$315,000	\$315,000
	City Hall - Architecture (Building Design)	800,000	800,000
	Subtotal	\$1,115,000	\$1,115,000
Total Special Revenue Funds—Capital Outlay		\$7,952,865	\$12,986,280



## Capital Outlay

## ENTERPRISE FUNDS

Department	Equipment & Project Description	Requested	Budgeted
Wastewater Construction	Mingus Wastewater Plant - Air Conditioning Unit for Laboratory	\$8,000	\$8,000
	Lift Station 3 - Odor Control	12,500	12,500
	Mingus Wastewater Plant - Booster Pack	30,000	30,000
	Riverfront Water Reclamation Facility - Oxygen Probes and Cont.	35,000	35,000
	Mesquite Hills - Flow Meters	35,000	35,000
	Lift Station - Valves	35,000	35,000
	Turbidity Meter	40,000	40,000
	Lift Station 5 - Generator	67,500	67,500
	Mingus Wastewater Plant - Bagger System	70,000	70,000
	Wastewater System Upgrade (Supervisory Control and Data Acquisition - SCADA)	100,000	100,000
	Riverfront Water Reclamation Facility - Grit Chamber	150,000	150,000
	Truck Jetter	240,000	240,000
	Collection System - Cleaning	250,000	250,000
	Underground Repairs	250,000	250,000
	Mingus Wastewater Plant - Generator	350,000	350,000
	Station 2 - Rehab	750,000	750,000
	Blower Aeration Improvements	5,200,000	3,237,095
Subtotal		\$7,623,000	\$5,660,095
Water Administration	Injection Well - Design and Construction* Reserve Funds	\$500,000	\$0
	Subtotal	\$500,000	\$0
Water Construction	Vehicle Lift (Shared Expense with Streets)	\$6,000	\$6,000
	Fire Hydrant Improvements	40,000	40,000
	Water Reservoirs - Inspection and Cleaning	45,000	45,000
	TraceDetect - Unit Replacement & Auto Sampler for Field Arsenic Sar	69,700	69,700
	Well Booster and Fire Pumps - Well Site 2-1 and Quail Canyon	100,000	100,000
	Trucks	100,000	100,000
	Water System Valves (GPS)	100,000	100,000
	Water System Upgrade - SCADA	175,000	175,000
	Wells Improvements	190,000	190,000
	Well 3-1 Reservoir - Inspection and Repair or Replacement	200,000	200,000
	Water Main Replacement	250,000	250,000
	Water Model Development per ADA Requirement	250,000	250,000
	Meter Replacements - Verde Villages	450,000	450,000
	Water System Upgrades - Highway 260 (Supervisory Control and Data Acquisition - SCADA)	500,000	500,000
	Generator - <i>Grant Funded</i> (FEMA)	632,600	632,600
	Arsenic Systems - Well 8/9	715,000	715,000
Subtotal		\$3,823,300	\$3,823,300
Total Enterprise Funds—Capital Outlay		\$11,946,300	\$9,483,395
Grand Total—All Capital Equipment & Projects		\$23,638,490	\$24,943,500

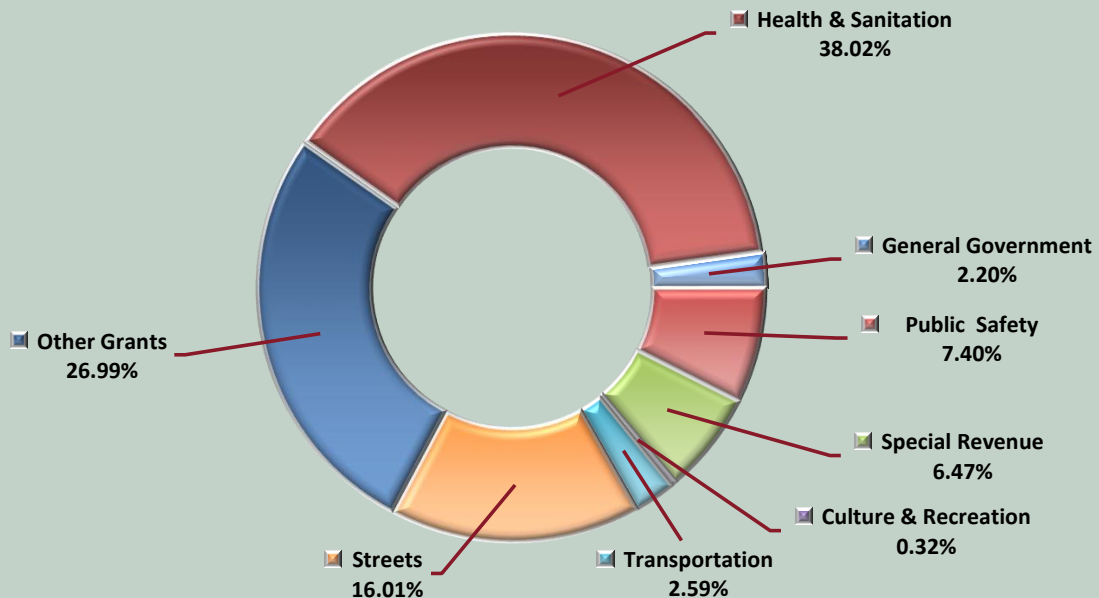


## Capital Outlay Summary

Function	Department	Capital	
		Equipment	Project
General Fund	Administration		
	City Clerk	\$13,260	
	Information Technology	211,680	
	Community Development	75,200	
	Engineering	77,705	
	Parks & Building Maintenance	93,400	78,555
Public Safety	Police	168,175	
	Fire & Medical Services	1,676,950	
Culture & Recreation	Parks & Recreation	21,500	6,000
	Recreation Center	51,400	
Streets	Streets Operations	136,000	
	Streets Construction		3,857,065
Transportation	Transit	580,000	60,000
Airport	Airport	7,000	0
	Library		131,000
	Cemetery		368,500
Other Grants	Other Grants		4,738,600
	CDBG		1,993,115
Special Revenue	Capital Projects Fund	800,000	315,000
Health & Sanitation	Water Administration		0
	Water Construction	1,358,300	2,465,000
	Wastewater Construction	2,333,300	3,326,795

**Total Capital Equipment & Projects**
**\$7,603,870**
**\$17,339,630**

### Capital Outlay by Function – Fiscal Year 2022





## SALARY RANGES

### New Hire Range

Salary Range	Minimum		Mid Point		Maximum
10	25,272		31,590		37,908
11	26,536		33,170		39,803
12	27,862		34,828		41,794
13	29,255		36,569		43,883
14	30,718		38,398		46,077
15	32,254		40,318		48,381
16	33,867		42,334		50,800
17	35,560		44,450		53,340
18	37,338		46,673		56,007
19	39,205		49,006		58,808
20	41,165		51,457		61,748
21	43,224		54,030		64,836
22	45,385		56,731		68,077
23	47,654		59,568		71,481
24	50,037		62,546		75,055
25	52,539		65,673		78,808
26	55,166		68,957		82,748
27	57,924		72,405		86,886
28	60,820		76,025		91,230
29	63,861		79,826		95,792
30	67,054		83,818		100,581
31	70,407		88,009		105,610
32	73,927		92,409		110,891
33	77,624		97,029		116,435
34	81,505		101,881		122,257
35	85,580		106,975		128,370
36	89,859		112,324		134,788
37	94,352		117,940		141,528
38	99,070		123,837		148,604
39	104,023		130,029		156,034
40	109,224		136,530		163,836
41	114,685		143,357		172,028
42	120,420		150,525		180,629
43	126,441		158,051		189,661
44	132,763		165,953		199,144
45	139,401		174,251		209,101
46	146,371		182,963		219,556
47	153,689		192,112		230,534
48	161,374		201,717		242,061
49	169,442		211,803		254,164
50	177,915		222,393		266,872



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## AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions	Number of FTEs			Salary Range		Range
Job Classifications	2020	2021	2022	Min	Max	Number
Administration Department						
City Manager	1.00	1.00	1.00	11,064	16,595	44
Deputy City Manager	1.00	1.00	1.00	9,557	14,336	41
Community Svcs General Manager	1.00	0.00	0.00	7,863	11,794	37
Airport Manager	0.00	1.00	0.00	6,469	9,703	33
Assistant to City Manager	1.00	1.00	0.00	3,602	5,403	21
Executive Assistant to City Manager	0.00	0.00	1.00	4,170	6,255	24
Facility Reservation/Airport Coordinator	0.00	0.00	0.50	3,112	4,667	18
Administrative Assistant	1.00	0.00	0.00	2,688	4,032	15
Total	5.00	4.00	3.50			
City Clerk's Office						
City Clerk (Contract)	1.00	1.00	1.00	6,469	9,703	33
Deputy Clerk	1.00	1.00	1.00	3,782	5,673	22
Total	2.00	2.00	2.00			
Finance Department						
Financial Services Director	1.00	1.00	1.00	7,863	11,794	37
Budget Analyst	1.00	1.00	1.00	3,971	5,957	23
Accounting Specialist II	1.00	1.00	1.00	3,267	4,901	19
Administrative Assistant	0.50	0.50	0.50	2,688	4,032	15
Total	3.50	3.50	3.50			
Human Resources Department						
Human Resources Director	1.00	1.00	1.00	7,488	11,232	36
Human Resources Specialist II	1.00	1.00	1.00	3,971	5,957	23
Administrative Assistant	0.50	0.50	0.50	2,688	4,032	15
Total	2.50	2.50	2.50			
IT Services						
IT Director	1.00	1.00	1.00	7,488	11,232	36
IT Systems Administrator	1.00	1.00	1.00	5,068	7,603	28
Radio & Telecommunications Tech.	1.00	1.00	1.00	5,068	7,603	28
GIS Technician II	1.00	1.00	1.00	4,378	6,567	25
IT Technician II	1.00	1.00	1.00	3,971	5,957	23
IT [Public Safety] Technician I	2.00	2.00	2.00	3,602	5,403	21
Total	7.00	7.00	7.00			
Purchasing Division						
Purchasing/Contract Administrator	1.00	1.00	1.00	5,867	8,801	31
Total	1.00	1.00	1.00			
Legal Department						
City Attorney (Contract)	1.00	1.00	1.00	10,035	15,052	42
Total	1.00	1.00	1.00			
Municipal Court						
Presiding Magistrate (Contract)	0.60	0.80	0.80	8,256	12,384	38
Court Administrator	1.00	1.00	1.00	5,322	7,983	29
Court Clerk II	2.00	1.00	1.00	2,963	4,445	17
Court Clerk I	1.00	2.00	2.00	2,688	4,032	15
Total	4.60	4.80	4.80			
Natural Resources						
Water Resources Administrator	1.00	0.00	0.00	7,863	11,794	37
Total	1.00	0.00	0.00			



## Authorized Positions by Fiscal Year

Authorized Positions	Number of FTEs			Salary Range		Range
Job Classifications	2020	2021	2022	Min	Max	Number
Community Development						
Community Development Director	1.00	1.00	1.00	7,488	11,232	36
Senior Planner	0.00	0.00	1.00	4,827	7,240	27
Planner	2.00	2.00	1.00	4,378	6,567	25
Building Official	1.00	1.00	1.00	3,971	5,957	23
Planning Assist./Code Enforce. Ofc.	1.00	1.00	1.00	3,602	5,403	21
Building Inspector	1.00	1.00	1.00	3,112	4,667	18
Planning Technician	1.00	0.00	0.00	3,112	4,667	18
Permit Technician/Specialist	0.00	0.00	1.00	3,112	4,667	18
Administrative Assistant	1.00	1.00	1.00	2,688	4,032	15
Total	8.00	7.00	8.00			
Economic Development						
Economic Development Director	1.00	0.00	0.00	5,867	8,801	31
Tourism & Econ. Development Director	0.00	1.00	1.00	5,867	8,801	31
Marketing & Public Information Spec.	1.00	1.00	0.50	3,971	5,957	23
Facs. Rsvn. & Airport Coordinator	0.00	1.00	0.00	3,112	4,667	18
Administrative Assistant	1.00	0.00	0.00	2,438	3,657	13
Total	3.00	3.00	1.50			
Engineering Services Department						
Public Works Director	1.00	1.00	0.00	7,488	11,232	36
City Engineer	0.00	1.00	0.00	5,588	8,382	30
Senior Engineer	0.00	0.00	1.00	6,469	9,703	33
Public Works Project Manager	1.00	1.00	1.00	4,827	7,240	27
Public Works Inspector	1.00	1.00	1.00	3,602	5,403	21
Total	3.00	4.00	3.00			
Public Works						
Public Works (PW) Manager	1.00	0.00	0.25	6,469	9,703	33
Superintendent Streets	0.00	0.25	0.00	4,827	7,240	27
Public Works & Utility Mtce Spec	1.00	1.00	1.00	2,822	4,233	16
Administrative Assistant	1.00	1.00	1.00	2,438	3,657	13
Total	3.00	2.25	2.25			
Parks & Bldg Maintenance Dept						
Facilities Superintendent	0.00	1.00	1.00	5,322	7,983	29
PW Operations Foreman	0.50	0.00	0.00	3,430	5,146	20
PW Facilities Maintenance Tech. I	0.00	1.00	4.00	2,822	4,233	16
PW Maintenance Technician I	5.00	5.00	4.00	2,822	4,233	16
Total	5.50	7.00	9.00			
Police Department						
Police Chief	1.00	1.00	1.00	8,669	13,003	39
Commander	2.00	2.00	2.00	7,132	10,697	35
Sergeant	7.00	8.00	8.00	5,322	7,983	29
Pant Officer	2.00	1.00	2.00	4,170	6,255	24
Police Officer	21.00	21.00	22.00	4,170	6,255	24
School Resource Officer (SRO)	1.00	1.00	1.00	4,170	6,255	24
Property & Evidence Specialist	1.00	1.00	1.00	3,112	4,667	18
Senior Administrative Assistant	1.00	1.00	1.00	3,112	4,667	18
Victim Assistant	1.00	1.00	1.00	2,822	4,233	16
Police Aide	0.00	0.00	2.00	2,688	4,032	15
Records Clerk	2.00	2.00	2.00	2,688	4,032	15
Total	39.00	39.00	43.00			



## Authorized Positions by Fiscal Year

Authorized Positions	Number of FTEs			Salary Range		Range
Job Classifications	2020	2021	2022	Min	Max	Number
Communications Division						
Communications Manager	1.00	1.00	1.00	5,867	8,801	31
Communications Supervisor	3.00	3.00	3.00	4,170	6,255	24
Communications Specialist	17.00	17.00	17.00	3,430	5,146	20
Total	21.00	21.00	21.00			
Ordinance Enforcement Division						
Ordinance Enforcement Officer	2.00	2.00	2.00	3,112	4,667	18
Total	2.00	2.00	2.00			
Fire & Medical Services Department						
Fire Chief	1.00	1.00	1.00	8,669	13,003	39
Fire Marshal	1.00	1.00	1.00	6,469	9,703	33
Fire Battalion Chief	3.00	3.00	3.00	6,161	9,241	32
Fire Lieutenant	3.00	3.00	3.00	5,068	7,603	28
Fire Engineer	6.00	6.00	6.00	4,378	6,567	25
Fire Inspector	1.00	1.00	1.00	4,378	6,567	25
Firefighter	12.00	12.00	12.00	3,782	5,673	22
Senior Administrative Assistant	1.00	1.00	1.00	3,112	4,667	18
Total	28.00	28.00	28.00			
Parks and Recreation						
Parks & Recreation Director	0.50	0.00	0.00	5,588	8,382	30
Parks & Recreation Manager	0.00	0.55	0.50	4,378	6,567	25
Marketing & Public Information Specialist	0.00	0.00	0.50	3,430	5,146	20
Recreation Coordinator III	0.70	0.00	0.00	3,267	4,901	19
Recreation Services Supervisor	0.60	0.00	0.00	3,971	5,957	23
Recreation Coordinator II	0.80	0.60	0.90	3,267	4,901	19
Fitness Center Coordinator	0.05	0.10	0.00	2,822	4,233	16
Facilities Maintenance Tech. III	0.40	0.00	0.00	2,963	4,445	17
Facility Maintenance Tech. I	0.80	0.00	0.00	2,322	3,483	12
Youth Programs Coordinator	0.10	0.10	0.00	3,267	4,901	19
Recr. Information & Bus. Spec.	0.80	0.75	0.00	2,963	4,445	17
Facilities Reservation/Airport Coordinator	0.00	0.00	0.25	3,112	4,667	18
Front Desk Supervisor	0.50	0.15	0.15	2,822	4,233	16
Total	5.25	2.25	2.30			
Community Recreation Center						
Parks & Recreation Director	0.50	0.00	0.00	5,588	8,382	30
Parks & Recreation Manager	0.00	0.45	0.45	6,469	9,703	33
Recreation Services Supervisor	0.40	0.00	0.00	3,971	5,957	23
Recreation Coordinator III	0.25	0.00	0.00	3,267	4,901	19
Recreation Coordinator II	0.20	0.40	2.10	3,267	4,901	19
Facilities Maintenance Tech. III	0.60	0.00	0.00	2,963	4,445	17
Facility Maintenance Tech. I	1.20	0.00	0.00	2,322	3,483	12
Fitness Center Coordinator	0.95	0.90	0.00	2,822	4,233	16
Youth Programs Coordinator	0.10	0.10	0.10	2,822	4,233	16
Recr. Information & Bus. Spec.	0.20	0.25	0.00	2,963	4,445	17
Front Desk Supervisor	1.50	0.85	0.85	2,822	4,233	16
Total	5.90	2.95	3.50			



## Authorized Positions by Fiscal Year

Authorized Positions	Number of FTEs			Salary Range		Range Number
Job Classifications	2020	2021	2022	Min	Max	
Youth Center						
Parks & Recreation Manager	0.00	0.05	0.05	6,469	9,703	33
Recreation Coordinator III	0.05	0.00	0.00	3,267	4,901	19
Youth Programs Coordinator	0.80	0.80	0.90	3,267	4,901	19
Total	0.85	0.80	0.95			
Streets Maintenance						
Streets Superintendent	0.00	0.75	0.00	4,827	7,240	27
Public Works Manager	0.00	0.00	0.75			
PW Operations Foreman	0.50	0.00	0.00	3,430	5,146	20
PW Maintenance Technician II	4.00	4.00	5.00	2,560	3,840	14
Total	4.50	4.75	5.75			
CAT/LYNX						
Transportation Manager	1.00	1.00	1.00	5,322	7,983	29
Transportation Field Supervisor	2.00	3.00	3.00	3,430	5,146	20
Transportation Dispatcher/Scheduler	1.00	1.00	1.00	2,822	4,233	16
Administrative Assistant	1.00	1.00	1.00	2,688	4,032	15
Transportation Driver	13.00	13.00	13.00	2,688	4,032	15
Total	18.00	19.00	19.00			
Cottonwood Public Library						
Library Director	1.00	1.00	1.00	6,469	9,703	33
Library Supervisor	1.00	1.00	1.00	3,971	5,957	23
Library Youth Svs Coordinator	1.00	1.00	1.00	3,430	5,146	20
Library Assistant II	1.00	1.00	1.00	3,267	4,901	19
Library Technical Assistant I	1.00	0.00	0.00	2,560	3,840	14
Library Specialist	4.00	4.00	4.00	2,822	4,233	16
Total	9.00	8.00	8.00			
Municipal Airport						
Airport Manager	0.00	0.00	1.00	6,469	9,703	33
Facilities Reservationi/Airport Coordinator	0.00	0.00	0.25	3,112	4,667	18
Total	0.00	0.00	1.25			
Wastewater Facility						
Utilities Manager	0.50	0.50	0.50	5,322	7,983	29
Wastewater & Compliance Manager	0.00	1.00	1.00	5,322	7,983	29
Regul. Compl. Safety & Educ. Adminr.	1.00	0.00	0.00	4,597	6,896	26
Utility Billing Supervisor	0.35	0.35	0.35	4,170	6,255	24
WW Foreman	1.00	1.00	1.00	4,378	6,567	25
Electrician (Lead)	0.50	0.50	1.00	4,597	6,896	26
Electrican	0.00	0.00	0.50	3,971	5,957	23
WW Operator III	0.00	1.00	1.00	3,430	5,146	20
WW Operator II	2.00	3.00	3.00	3,430	5,146	20
Senior Administrative Assistant	0.50	0.50	0.50	3,112	4,667	18
Electrical Technician	0.50	0.50	0.00	3,112	4,667	18
WW Operator I	2.00	2.00	2.00	2,560	3,840	14
WW Operator Trainee	1.00	0.00	0.00	2,322	3,483	12
Utility Billing Clerk	1.05	1.05	1.05	2,688	4,032	15
Total	10.40	11.40	11.90			



## Authorized Positions by Fiscal Year

Authorized Positions	Number of FTEs			Salary Range		Range
Job Classifications	2020	2021	2022	Min	Max	Number

**Water System Facility**

Utilities Director	0.00	1.00	1.00	8,669	13,003	39
Utilities Manager	0.50	0.50	0.50	5,322	7,983	29
Utility Operations Manager	1.00	1.00	1.00	5,068	7,603	28
Utility Billing Supervisor	0.65	0.65	0.65	4,170	6,255	24
GIS Technician II	0.00	0.00	1.00	3,782	5,673	22
Engineering Assistant	1.00	1.00	1.00	3,430	5,146	20
Operations Foreman	1.00	1.00	1.00	4,378	6,567	25
Electrician (Lead)	0.50	0.50	0.50	4,597	6,896	26
Electrician	0.00	0.00	0.50	3,971	5,957	23
Arsenic Treatment Specialist III	0.00	1.00	1.00	3,971	5,957	23
Arsenic Treatment Specialist II	1.00	1.00	1.00	3,602	5,403	21
Electrical Technician	0.50	0.50	0.00	3,112	4,667	18
Field Services Specialist	0.00	1.00	1.00	3,267	4,901	19
PW & Utility Inspector	1.00	1.00	1.00	3,112	4,667	18
Senior Administrative Assistant	0.50	0.50	0.50	2,822	4,233	16
Utility Billing Clerk	1.95	1.95	1.95	2,688	4,032	15
Utility Equipment Operator	3.00	3.00	3.00	3,267	4,901	19
Utility Technician	3.00	3.00	3.00	2,822	4,233	16
Water System Operator I	3.00	1.00	1.00	3,112	4,667	18
Water System Operator II	1.00	3.00	3.00	3,430	5,146	20
Water System Operator III	0.00	1.00	1.00	3,782	5,673	22
<b>Total</b>	<b>19.60</b>	<b>23.60</b>	<b>24.60</b>			

**Total City-wide Authorized****Full-Time Equivalents**

<b>213.60</b>	<b>211.80</b>	<b>220.30</b>
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## Resolution

## RESOLUTION NUMBER 3103

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2021-2022 AND ESTABLISHING AN EXPENDITURE LIMITATION.

WHEREAS, in accordance with the provisions of Arizona Revised Statutes (A.R.S.) Title 42, Chapter 17 Articles 1-5, the City Council of the City of Cottonwood, Arizona, on June 15, 2021, made an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Council met on June 15, 2021, at which meeting any citizen was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses; and

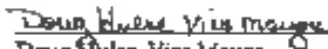
WHEREAS, publication has been duly made as required by law of said estimates, together with a notice that the City Council would meet on June 15, 2021, for the purpose of hearing citizen's comments; and

WHEREAS, the document outlining said expenditures/expenses for the ensuing year is on file with the office of the City Clerk of the City of Cottonwood, Arizona, is hereby referred to, adopted, and made a part hereof as fully set forth in this resolution as the official annual budget of the City of Cottonwood for the fiscal year beginning July 1, 2021, and ending June 30, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA:

THAT, the said estimates of revenues and expenditures/expenses and accompanying schedules, as now increased, reduced, or changed are hereby adopted as the budget of the City of Cottonwood, Arizona, for fiscal year 2021-2022, and establishing an expenditure limitation of \$120,593,060.

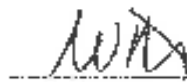
PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 6TH OF JULY 2021.

  
Doug Hulse, Vice Mayor

ATTEST:

  
Mariam Jimenez, City Clerk

APPROVED AS TO FORM:

  
Steven B. Horton, Esq.  
City Attorney

## Summary Schedule of Estimated Revenues and Expenditures/Expenses (Schedule A)

CITY OF COTTONWOOD - FINAL  
Summary Schedule of Estimated Revenues and Expenditures/Expenses  
Fiscal Year 2022

Fiscal Year	S c h		FUNDS								Enterprise Funds Available	Internal Service Funds	Total All Funds
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Fiduciary Fund						
2021	E	1	Adopted/Adjusted Budgeted Expenditures/Expenses*	43,419,755	14,317,670	2,011,050	1,201,340	298,125		18,220,910	0	79,488,850	
2021	E	2	Actual Expenditures/Expenses**	42,596,210	12,933,475	2,008,470	1,190,500	285,405		16,633,315	0	75,647,075	
2022		3	Fund Balance/Net Position at July 1***	11,790,640	4,555,085	360,160	1,180,125	276,305		26,179,915		44,342,230	
2022	B	4	Primary Property Tax Levy	0								0	
2022	B	5	Secondary Property Tax Levy									0	
2022	C	6	Estimated Revenues Other than Property Taxes	47,611,920	12,832,950	1,645,725	621,075	13,000		13,526,160	0	76,250,830	
2022	D	7	Other Financing Sources	0	0	0	0	0		0	0	0	
2022	D	8	Other Financing (Uses)	0	0	0	0	0		0	0	0	
2022	D	9	Interfund Transfers In	0	1,614,450	0	0	0		0	0	1,614,450	
2022	D	10	Interfund Transfers (Out)	1,549,180	65,270	0	0	0		0	0	1,614,450	
2022		11	Reduction for Amounts Not Available:										
LESS:			Amounts for Future Debt Retirement:									0	
			Future Capital Projects	1,634,825	233,830	360,260	681,200	280,505		22,135,165		25,325,785	
			Maintained Fund Balance for Financial Stability	446,300								446,300	
			Amounts for Operating Reserve Policies	5,771,120								5,771,120	
2022		12	Total Financial Resources Available	50,001,135	18,703,385	1,645,625	1,120,000	8,800		17,570,910	0	89,049,855	
2022	E	13	Budgeted Expenditures/Expenses	59,402,560	17,388,035	2,005,885	1,801,200	289,305		39,706,075	0	120,593,060	

## 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 expenditure limitation	

	2021	2022
\$	79,488,850	\$ 120,593,060
	79,488,850	120,593,060
\$	79,488,850	\$ 120,593,060

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 the current year from Schedule E

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

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



## Revenues Other Than Property Taxes (Schedule C-page 1)

CITY OF COTTONWOOD - FINAL  
Revenues Other Than Property Taxes  
Fiscal Year 2022

SOURCE OF REVENUES	ESTIMATED REVENUES 2021	ACTUAL REVENUES* 2021	ESTIMATED REVENUES 2022
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
City Sales Tax	\$ 12,906,350	\$ 16,003,760	16,422,730
Bed Tax	235,025	361,685	368,920
Utility Tax	290,180	375,775	383,290
Franchises	397,000	398,320	407,180
<b>Licenses and permits</b>			
Business Licenses	85,000	90,900	90,900
Construction Permits	280,000	285,600	286,000
Planning & Zoning Fees	121,180	120,075	127,000
<b>Intergovernmental</b>			
Federal Revenue	258,920	353,070	348,825
State Revenue	2,923,780	3,036,550	3,037,410
County (including Motor Vehicle Tax)	824,360	933,450	937,585
Other Entities			
<b>Charges for services</b>			
Dispatch & Spillman Services	919,300	919,300	965,270
Recreation Fees	787,500	432,560	958,700
Animal Control Fees	3,000	500	800
Other Services			
<b>Fines and forfeits</b>			
Municipal Court	240,040	237,020	236,550
<b>Interest on investments</b>			
Interest Income	25,000	80,000	65,000
<b>In-lieu property taxes</b>			
<b>Contributions</b>			
Voluntary contributions	4,000	2,000	2,000
<b>Miscellaneous</b>			
Miscellaneous Income	194,335	260,280	423,160
Lease Proceeds			
Rentals	9,600	13,600	13,600
Other Financing Sources	1,259,300	22,439,900	22,537,000
<b>Total General Fund</b>	<b>\$ 21,763,870</b>	<b>\$ 46,344,345</b>	<b>\$ 47,611,920</b>

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



## Revenues Other Than Property Taxes (Schedule C-page 2)

**CITY OF COTTONWOOD - FINAL**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2022**

SOURCE OF REVENUES	ESTIMATED REVENUES 2021	ACTUAL REVENUES* 2021	ESTIMATED REVENUES 2022
<b>SPECIAL REVENUE FUNDS</b>			
<b>HIGHWAY USER REVENUE FUNDS</b>			
Fuel Tax	\$ 1,037,110	\$ 1,125,250	1,058,260
Additional Sales Tax	1,245,815	1,356,975	1,391,215
Federal Grants	390,750	413,745	
State Grants			
Other Income	18,000	750,070	309,195
Total Street Maintenance & Construction	\$ 2,691,675	\$ 3,646,040	\$ 2,758,670
<b>COTTONWOOD AREA TRANSIT SYSTEM</b>			
Intergovernmental			
State Grant	\$ 2,596,930	2,703,560	2,074,900
City Sales Tax	166,495		308,280
Other Entities	496,635	50,000	292,070
Charges for services			
Fare Box	\$ 223,850	-	51,350
Miscellaneous			
Other Income	\$	1,025	-
Total Cottonwood Area Transit System	\$ 3,483,910	\$ 2,754,585	\$ 2,726,600
<b>LIBRARY FUND</b>			
Intergovernmental			
County Library	\$ 168,210	164,740	163,810
Charges for services			
Collection Income	\$ 18,000	5,020	2,500
Interest on investment			
Interest Income	\$ 60	200	200
Miscellaneous			
Other Income (including grants)	\$ 17,500	4,000	1,062,870
Total Library Fund	\$ 203,770	\$ 173,960	\$ 1,229,380
<b>CEMETERY</b>			
Charges for services			
Sale of Grave Liners	\$ 200		600
Uses of monies & properties			
Other Income	100,400		434,700
Total Cemetery	\$ 100,600	\$	435,300
<b>AIRPORT</b>			
Intergovernmental			
Federal Grants	277,735	281,240	421,160
Charges for services			
Fuel Sales & Oil Sales	\$		
Uses of monies & properties			
Rental & Leases	\$ 97,745	100,600	166,595
Other Income	85,550		191,415
Total Airport Authority	\$ 461,030	\$ 381,840	779,170
<b>OTHER GRANTS</b>			
Intergovernmental Revenues	\$ 2,474,350	1,566,845	2,910,715
Total Other Grants Fund	\$ 2,474,350	\$ 1,566,845	\$ 2,910,715
<b>COMMUNITY DEVELOPMENT BLOCK GRANTS</b>			
Intergovernmental			
Federal Grants	\$ 266,900	47,540	1,993,115
Other Entities	-		
Total Community Development Block Grants	\$ 266,900	47,540	1,993,115
Total Special Revenue Funds	\$ 9,682,235	\$ 4,482,685	\$ 12,832,950

\* 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.



## Revenues Other than Property Taxes (Schedule C-page 3)

**CITY OF COTTONWOOD - FINAL**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2022**

SOURCE OF REVENUES	ESTIMATED REVENUES 2021	ACTUAL REVENUES* 2021	ESTIMATED REVENUES 2022
<b>Fiduciary Funds</b>			
<b>EXPENDABLE TRUST FUNDS</b>			
Health & Benefits Trust Fund	\$ 700	-	-
Alternative Pension Fund	20,000	13,000	13,000
<b>Total Expendable Trust Funds</b>	<b>\$ 20,700</b>	<b>\$ 13,000</b>	<b>\$ 13,000</b>
<b>DEBT SERVICE FUNDS</b>			
<b>Local Taxes</b>			
City Sales Tax	\$ 1,644,160	\$ 1,644,160	1,645,625
<b>Charges for services</b>			
Water User Fees - Debt Service	\$ -	\$ -	-
<b>Interest</b>			
Interest Income	\$ 650	\$ 100	100
<b>Total Debt Service Funds</b>	<b>\$ 1,644,810</b>	<b>\$ 1,644,260</b>	<b>\$ 1,645,725</b>
<b>CAPITAL PROJECTS FUNDS</b>			
<b>Intergovernmental</b>			
Federal Grants	\$ -	\$ -	-
State Grants	-	-	-
County Revenue	143,000	50,690	315,000
City Sales Tax	241,525	286,090	294,675
<b>Miscellaneous</b>			
Other Income	\$ -	\$ -	\$ -
Interest Income	3,150	11,400	11,400
<b>Total Capital Projects Funds</b>	<b>\$ 387,675</b>	<b>\$ 348,180</b>	<b>621,075</b>
<b>ENTERPRISE FUNDS</b>			
<b>WASTEWATER</b>			
City Sales Tax	\$ -	\$ -	-
User Fees	3,355,530	3,839,335	4,116,500
Interest Income	26,000	10,230	12,000
Other Financing Sources	-	-	-
Other Income	84,500	141,335	160,800
<b>Total Wastewater Enterprise</b>	<b>\$ 3,466,030</b>	<b>\$ 3,990,900</b>	<b>\$ 4,289,300</b>
<b>WATER</b>			
City Sales Tax	\$ -	\$ -	-
User Fees	7,907,550	8,302,765	8,528,095
Interest Income	195,550	67,370	80,400
Clarkdale Reimbursements	-	-	-
Other Income	624,215	630,965	628,365
<b>Total Water Enterprise</b>	<b>\$ 8,727,315</b>	<b>\$ 9,001,100</b>	<b>\$ 9,236,860</b>
<b>Total Enterprise Funds</b>	<b>\$ 12,193,345</b>	<b>\$ 12,992,000</b>	<b>\$ 13,526,160</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 45,692,635</b>	<b>\$ 65,824,470</b>	<b>\$ 76,250,830</b>

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



## Other Financing Sources (Uses) and Interfund Transfers (Schedule D)

**CITY OF COTTONWOOD - FINAL**  
**Other Financing Sources/(Uses) and Interfund Transfers**  
**Fiscal Year 2022**

FUND	OTHER FINANCING 2022		INTERFUND TRANSFERS 2022	
	SOURCES	(USES)	IN	(OUT)
<b>GENERAL FUND</b>				
Operating Transfer Out - HURF	\$	\$	\$	\$ 305,695
Operating Transfer Out - Transit				
Operating Transfer Out - Library				985,870
Operating Transfer Out - Cemetery				66,200
Operating Transfers Out - Airport				191,415
Operating Transfer Out - Grants				
Operating Reserves				
	\$	\$	\$	\$ 1,549,180
<b>SPECIAL REVENUE FUNDS</b>				
Transfer Out Airport - Airport Improvements	\$	\$	\$	\$ 65,270
Transfer in Airport Improvements - Airport Fund			65,270	
Transfer in to Grant fund - CIP Fund				
Operating Transfer In for Library - General Fund			985,870	
Operating Transfer in for Cemetery - General Fund			66,200	
Operating Transfer in for HURF - General Fund			305,695	
Operating Transfer in for Grant-General Fund				
Operating Transfer in for Airport			191,415	
<b>Total Special Revenue Funds</b>	\$	\$	\$ 1,614,450	\$ 65,270
<b>DEBT SERVICE FUNDS</b>				
	\$	\$	\$	\$
<b>Total Debt Service Funds</b>	\$	\$	\$	\$
<b>CAPITAL PROJECTS FUNDS</b>				
Operating Transfers Out - Grant Funds	\$	\$	\$	\$
<b>Total Capital Projects Funds</b>	\$	\$	\$	\$
<b>PERMANENT FUNDS</b>				
	\$	\$	\$	\$
<b>Total Permanent Funds</b>	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>				
Indirect Costing - Water			\$	\$
Indirect Costing - Wastewater				
<b>Total Enterprise Funds</b>	\$	\$	\$	\$
<b>INTERNAL SERVICE FUNDS</b>				
	\$	\$	\$	\$
<b>Total Internal Service Funds</b>	\$	\$	\$	\$
<b>TOTAL ALL FUNDS</b>	\$	\$	\$ 1,614,450	\$ 1,614,450

## Expenditures/Expenses by Fund (Schedule E)

CITY OF COTTONWOOD - FINAL  
Expenditures/Expenses by Fund  
Fiscal Year 2022

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
<b>GENERAL FUND</b>				
Administration	\$ 657,140	\$	\$ 651,765	\$ 584,540
Human Resources	283,765		321,540	311,225
City Council	5,218,385	(3,846,830)	255,410	13,855,300
Natural Resource Project				
City Clerk	261,780		275,435	269,300
Finance	489,685		460,365	487,260
IT Services	1,134,250		1,111,300	1,423,400
Purchasing	113,360		118,445	116,460
Community Development	642,865		694,860	774,355
Economic Development	390,210		316,830	393,740
Municipal Court	568,245		502,755	584,520
Legal	404,460		396,495	426,805
Non-Departmental	477,965		777,065	940,900
Engineering	362,850		453,255	429,800
Building Maintenance	535,040		591,380	886,580
Custodial				
Public Works	234,620		225,615	215,020
Police	6,065,570	15,000,000	21,871,445	21,711,390
Ordinance Enforcement	225,080		222,370	228,595
Communications	1,845,200		1,716,075	1,857,200
Fire	3,518,670	5,000,000	8,654,900	10,132,820
Parks & Recreation	612,475		353,335	744,855
Recreation Center	1,191,580		1,040,255	1,161,280
Transfer Station	1,500		1,255	1,500
Pool	127,020		175,625	170,150
Youth Center	139,450		75,740	146,385
Operating Transfers	1,765,420		1,332,695	1,549,180
<b>Total General Fund</b>	<b>\$ 27,266,585</b>	<b>\$ 16,153,170</b>	<b>\$ 42,596,210</b>	<b>\$ 59,402,560</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund-HU	\$ 5,778,415	\$	\$ 6,614,410	\$ 5,876,915
Cottonwood Area Transit-CAT / LYN	3,483,910		2,967,900	2,756,715
Library	1,063,630		1,073,945	1,229,380
Cemetery	208,850		63,000	435,300
Airport Fund	212,490		264,820	358,010
Grants	3,303,475		1,901,860	4,738,600
Community Development Block Grant	266,900		47,540	1,993,115
<b>Total Special Revenue Funds</b>	<b>\$ 14,317,670</b>	<b>\$</b>	<b>\$ 12,933,475</b>	<b>\$ 17,388,035</b>
<b>DEBT SERVICE FUNDS</b>				
Debt Service	\$ 2,011,050	\$	\$ 2,008,470	\$ 2,005,885
<b>Total Debt Service Funds</b>	<b>\$ 2,011,050</b>	<b>\$</b>	<b>\$ 2,008,470</b>	<b>\$ 2,005,885</b>
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Projects Fund	\$ 1,201,340	\$	\$ 1,190,500	\$ 1,801,200
<b>Total Capital Projects Funds</b>	<b>\$ 1,201,340</b>	<b>\$</b>	<b>\$ 1,190,500</b>	<b>\$ 1,801,200</b>
<b>FIDUCIARY FUNDS</b>				
Volunteer Firefighter Fund	\$ 234,090	\$	\$ 216,475	\$ 220,675
Health Fund	64,035		68,630	68,630
<b>Total Permanent Funds</b>	<b>\$ 298,125</b>	<b>\$</b>	<b>\$ 285,105</b>	<b>\$ 289,305</b>
<b>ENTERPRISE FUNDS</b>				
Wastewater Treatment	\$ 7,344,940	\$	\$ 7,632,215	\$ 8,353,670
Water System Operations	27,029,140	(16,153,170)	9,001,100	31,352,405
<b>Total Enterprise Funds</b>	<b>\$ 34,374,080</b>	<b>\$ (16,153,170)</b>	<b>\$ 16,633,315</b>	<b>\$ 39,706,075</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 79,468,850</b>	<b>\$</b>	<b>\$ 75,647,075</b>	<b>\$ 120,593,060</b>

\* 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.



## Full-time Employees and Personnel Compensation (Schedule G)

CITY OF COTTONWOOD - FINAL  
Full-Time Employees and Personnel Compensation  
Fiscal Year 2022

FUND	Full-Time Equivalent (FTE) 2022	Employee Salaries and Hourly Costs 2022	Retirement Costs 2022	Healthcare Costs 2022	Other Benefit Costs 2022	Total Estimated Personnel Compensation 2022
<b>GENERAL FUND</b>	150	\$ 10,256,436	\$ 2,740,620	\$ 1,272,174	\$ 275,000	\$ 14,544,230
<b>SPECIAL REVENUE FUNDS</b>						
Airport	1	\$ 94,670	11,750		27,440	\$ 133,860
Highway User Revenue fund -HURF	6	\$ 231,450	33,340	67,640	103,550	\$ 435,980
Cottonwood Area Transit - CAT/Lynx	19	967,480	119,870	228,840	133,350	1,449,540
Library	8	403,810	43,907	113,480	34,983	596,180
<b>Total Special Revenue Funds</b>	33	\$ 1,602,740	\$ 197,117	\$ 409,960	\$ 271,883	\$ 2,615,560
<b>DEBT SERVICE FUNDS</b>						
		\$	\$	\$	\$	\$
<b>Total Debt Service Funds</b>		\$	\$	\$	\$	\$
<b>CAPITAL PROJECTS FUNDS</b>						
		\$	\$	\$	\$	\$
<b>Total Capital Projects Funds</b>		\$	\$	\$	\$	\$
<b>PERMANENT FUNDS</b>						
		\$	\$	\$	\$	\$
<b>Total Permanent Funds</b>		\$	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>						
Wastewater Treatment	11	\$ 610,080	75,710	201,620	4,240	\$ 891,650
Water System Operations	25	1,364,640	170,020	431,980	18,580	1,985,220
<b>Total Enterprise Funds</b>	36	\$ 1,974,720	\$ 245,730	\$ 633,600	\$ 22,820	\$ 2,876,870
<b>INTERNAL SERVICE FUND</b>						
		\$	\$	\$	\$	\$
<b>Total Internal Service Fund</b>		\$	\$	\$	\$	\$
<b>TOTAL ALL FUNDS</b>	219	\$ 13,833,896	\$ 3,183,467	\$ 2,315,734	\$ 569,703	\$ 20,036,660

4/19 Arizona Auditor General's Office

SCHEDULE G

Official City/Towns Budget Forms

## GLOSSARY OF TERMS

### A

#### **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 limitation is effective for a four year period. It 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 adminstrates and funds various road, transit and airport grants.

#### **Arizona Revised Statutes**

Laws governing the State of Arizona as amended by the state legislature.

### B

#### **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, and establishes the allocation of resources. It 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.

### C

#### **Capital Outlay**

Expenditures resulting in the acquisition of 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 proprietary funds and fiduciary funds).

#### **Classification Plan**

Employee positions which are authorized in the Final budget to be filled during the year.

## Glossary of Terms

### C cont'd

**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.

**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. This 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 (CAT)**

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.

### D

**Debt**

An obligation resulting from borrowing money or from the purchase of goods and services. Types of governmental debts include 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 neighborhood improvements, 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.

## Glossary of Terms

### E

#### **Employee Benefit Trust Fund**

This 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.

### F

#### **Farmers Home Administration (FmHA)**

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 and 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 (FTE) Position**

An FTE of 1.0 is equivalent to a full-time employee. 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 that has a set of self-balancing accounts and 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.

## Glossary of Terms

### G

#### **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.

#### **Generally Accepted Accounting Principles (GAAP)**

Uniform minimum standards and guidelines for financial accounting and reporting.

#### **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.

#### **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 proprietary funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, and 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.

#### **Greater Arizona Development Authority (GADA)**

Created by the Arizona State 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.

### H

#### **Heritage Fund**

A state grant program funded through lottery proceeds (LTAF funds) dedicated to open space and park improvements.

### I

#### **Indirect Cost**

A cost necessary for the functioning of the organization as a whole but which cannot be directly assigned to one service.

#### **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.



## Glossary of Terms

### I cont'd

#### **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.

### L

#### **Line-item Budget**

A budget prepared along departmental lines that focuses on what is to be bought.

#### **Local Transportation Assistance Fund (LTAF)**

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.

### M

#### **Municipal Property Corporation**

A component unit of the City established for the purposes of providing funding for capital projects that directly benefit the city.

### O

#### **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. They include such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

### P

#### **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.



## Glossary of Terms

### P cont'd

#### **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 and Wastewater Enterprise Funds).

#### **Public Hearing**

A hearing held each year prior to the adoption of the Final budget publically advertised to promote public input into the annual budget process

### R

#### **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.

### S

#### **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.

### U

#### **Unreserved Fund Balance**

Undesignated monies available for appropriations.





## ACRONYMS & INITIALISMS

### A

AAED	AZ Association for Economic Development
ACA	Arizona Commerce Authority
ACA	Affordable Care Act
ACAP	AZ Court Automation Project
ACIP	Airport Capital Improvement Plan
ACJC	Arizona Criminal Justice Commission
ACJIS	Arizona Criminal Justice Information System
ADA	American with Disabilities Act
ADOSH	AZ Division of Occupational Safety & Health
ADOT	Arizona Department of Transportation
ADS	Animal Disaster Services
ADWR	Arizona Department of Water Resources
AIP	Airport Improvements Project
AMRRP	Arizona Municipal Risk Retention Pool
AOC	Administrative Office of the Court
ANS	American National Standards (ANS)
APCO	Association of Public Safety Communications Officials
APEHP	Arizona Public Employers Health Pool
APP	Aquifer Projection Permit
APS	Arizona Public Service
ARS	Arizona Revised Statutes
ASRS	Arizona State Retirement System
AV	Audio Visual
AWOS	Automatic Weather Observation Station
AZ	Arizona
AZDEQ	AZ Department of Environmental Quality

### B

BAC	Business Assistance Center
BAC	Business Advisory Committee

### C

CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CAT	Cottonwood Area Transit
CD	Certificates of Deposit
CDBG	Community Development Block Grant
CEDC	Cottonwood Economic Development Council
CENS	Community Emergency Notification System
CIP	Capital Improvement Plan
CJEF	Criminal Justice Enhancement Fund
CM	City Manager
COC	Chamber of Commerce
COI	Certificate of Insurance
COJET	Committee on Judicial Education and Training
COLA	Cost of Living Adjustment
COP	Citizens on Patrol

### C cont'd

COPS	Community Oriented Policing Services
CPR	Cardiac Pulmonary Resuscitation
CPSCC	Cottonwood Public Safety Communications Center
CPST	Child Passenger Safety Technician
CWRF	Clean Water Revolving Fund

### D

DEA	Drug Enforcement Agency
DES	Department of Economic Security
DNS	Domain Name Services
DOHS	Department of Homeland Security
DPS	Department of Public Safety
DUI	Driving Under the Influence
DVP	Delivery vs. Payment

### E

ED	Economic Development
EDA	Economic Development Administration
EDMS	Electronic Document Management Scanning
EEOC	Equal Employment Opportunity Compliance
EFD	Emergency Fire Dispatcher
EKG	Electrocardiogram
EMD	Emergency Medical Dispatcher
EMMA	Electronic Municipal Market Access
EMS	Emergency Medical Services
EMT	Emergency Medical Technician
EPD	Emergency Police Dispatcher

### F

FAA	Federal Aviation Administration
FARE	Fines/Fees and Restitution Enforcement
FBO	Fixed Base Operations
FBI	Federal Bureau of Investigation
FEMA	Federal Emergency Management Administration
FLSA	Fair Labor Standards Act
FmHA	Farmers Home Administration
FTE	Full-time Equivalent
FY	Fiscal Year



## Acronyms and Initialisms

### G

GAAD	Governor's Alliance Against Drugs
GAAP	Generally Accepted Accounting Principles
GADA	Greater Arizona Development Authority
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
GO Bond	General Obligation Bond
GOHS	Governor's Office of Highway Safety

### H

HDHP	High Deductible Health Plan
HIPAA	Health Insurance Portability & Accountability Act
HR	Human Resources
HSA	Health Savings Account
HSIP	Highway Safety Improvement Program
HURF	Highway User Revenue Fund
HVAC	Heating, Ventilation and Air Conditioning

### I

ICC	International Code Council
ID	Identification
IFR	Instrument Flight Rules
IGA	Intergovernmental Agreement
ILMS	Institute of Museum and Library Services
ISO	Insurance Service Organization
ISTEA	Intermodal Surface Transportation Efficiency Act

### J

JCEF	Judicial Collection Enhancement Fund
JPA	Joint Powers Agreement

### L

LED	LED - Light Emitting Diode
LGIP	Local Government Investment Pool
LLBG	LLBG - Local Law Enforcement Block Grant
LSTA	LSTA - Library Services and Technology Act
LTAF	LTAF - Local Transportation Assistance Fund

### M

M & O	Maintenance & Operations
MDC	Mobil Data Communication
MDT	Mobile Data Terminal
MPC	Municipal Property Corporation
MVD	Motor Vehicle Division

### N

NACOG	Northern Arizona Council of Governments
NAIPTA	Northern Arizona Intergovernmental Public Transportation Authority
NAMWUA	Northern Arizona Municipal Water Users Association
NCIC	National Crime Information Center
NENA	National Emergency Number Association
NFPA	National Fire Protection Association
NIBRS	National Incident-Based Reporting System
NIMS	National Incident Management System
NRCD	Natural Resource Conservation District

### O

OJT	On-the-Job Training
OSHA	Occupational Safety and Health Administration
OTA	Old Town Association

### P

P & Z	Planning and Zoning
PANT	Prescott Area Narcotics Taskforce
PARD	Parks and Recreation Department
PC	Personal Computer
PD	Police Department
PHI	Protected Health Information
PRIMA	Public Risk Management Association
PS	Public Safety
PSA	Public Securities Association
PSAP	Public Safety Answering Point
PSPRS	Public Safety Personnel Retirement System
PW	Public Works

### R

REDI	Rural Economic Development Initiative
RF	Riverfront
RFP	Request for Proposal
RFQ	Request for Qualifications
RICO Act	Racketeer Influenced and Corrupt Organizations Act
RMS	Records Management System
RRFB	Rectangular Rapid-Flashing Beacon
RWRF	Riverfront Water Reclamation Facility

## Acronyms and Initialisms

### S

SAFER	Staffing for Adequate Fire Emergency Response
SARMC	Safety Awareness and Risk Management Committee
SCBA	Self Contained Breathing Apparatus
SDS	Safety Data Sheets
SHPO	State Historical Preservation Office
SR	State Route
SRO	School Resource Officer
STEAM	Science, Technology, Engineering, Arts, Mathematics
SVCS	Services
SWAT	Strategic Weapons Attack Team

### W

WC	Workers' Compensation
WIFA	Water Infrastructure Finance Authority
WMA	Wastewater Management Authority
WOM	Walkin' on Main
WSUS	Windows Server Update Services
WWTP	Wastewater Treatment Plant

### T

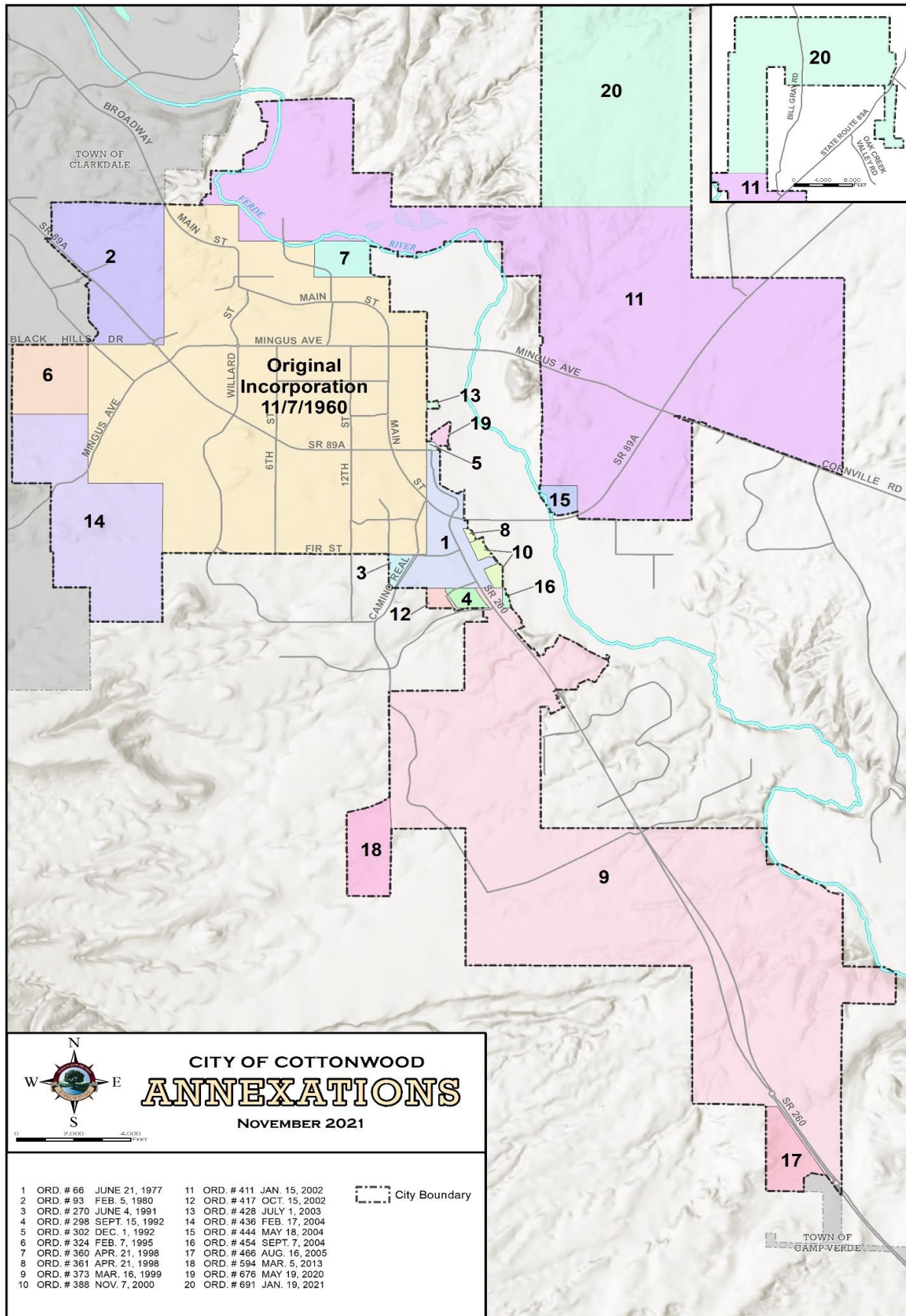
TFO	Task Force Officer
TIP	Trauma Intervention Program
TLC	Teen Library Council
TPT	Transaction Privilege Tax

### U

UAS	Unmanned Aircraft System
UNICOM	Universal Communication
US	United States
USDA	United States Department of Agriculture
USEPA	United States Environmental Protection Agency
USF	Underground Storage Facility
UV	Ultraviolet
UTV	Utility Terrain Vehicle

### V

VCTC	Verde Consolidated Therapeutic Court
VoIP	Voice over Internet Protocol
VOMP	Victim Offender Mediation Program
VPN	Virtual Private Network
VV	Verde Valley
VVAC	Verde Valley Ambulance Company
VVAC	Verde Valley Arts Council
VVEBP	Verde Valley Employee Benefits Pool
VVREDC	Verde Valley Regional Economic Development Committee
VVREO	Verde Valley Regional Economic Organization
VVTPO	Verde Valley Transportation Planning Organization
VVWC	Verde Valley Wine Consortium







# CITY OF COTTONWOOD STRATEGIC PLAN 2021-2023



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THE CITY OF



COTTONWOOD

## OUR 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 services, 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.



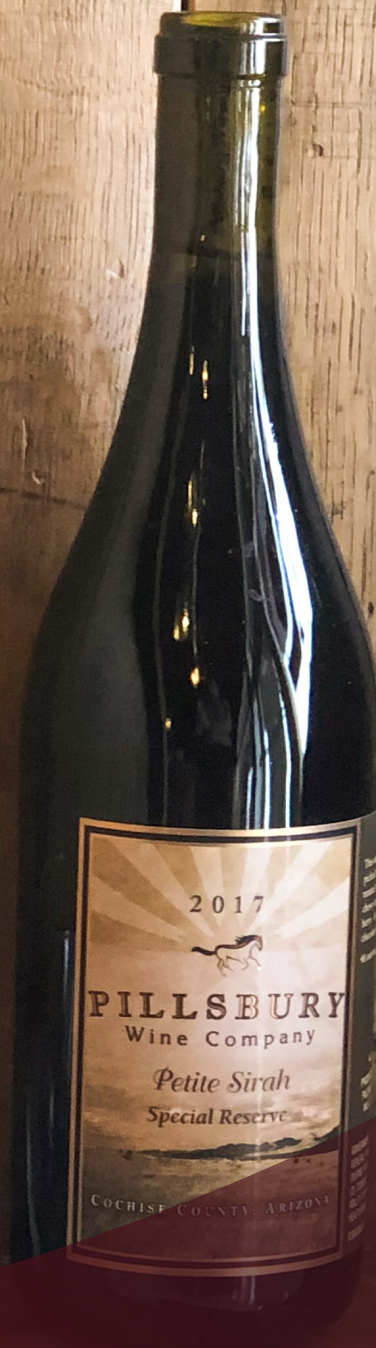




OUR TAGLINE

YOU ARE WELCOME HERE





# OUR BRAND THE HEART OF ARIZONA WINE COUNTRY







OUR MISSION  
INSPIRING A  
VIBRANT COMMUNITY



# STRATEGIC DIRECTIONS







1

# FOSTER SUSTAINABLE GROWTH AND DEVELOPMENT





# 1 FOSTER SUSTAINABLE GROWTH AND DEVELOPMENT



Cottonwood will provide opportunities for our residents and local businesses to ensure the city's economic future, vitality and diversity.

## Key Priorities

- Economic Development
- Housing
- Airport
- Tourism
- Branding
- Workforce Development
- Annexation

**1.1 GUIDING PRINCIPLE: FOCUS ON BUSINESS RETENTION** - provide more proactive support, resources, and training for small, local businesses.

### STRATEGIC INITIATIVES:

- 1.1.1.** Provide the business community with information that enhances their ability to navigate challenging business realities. (TED)
- 1.1.2.** Coordinate Shop Local programs and marketing efforts. (TED)
- 1.1.3.** Implement new support programs for Spanish-speaking businesses. (TED) (FY 22)
- 1.1.4.** Provide or coordinate educational programs on a quarterly basis for small businesses. (FIN, TED, PUR, CD)
- 1.1.5.** Utilize local financial institutions for some City reserves and savings. (FIN) (FY 21)
- 1.1.6.** Expand partnerships with community partners who help local businesses succeed. (TED) (FY 22)
- 1.1.7.** Identify grants to fund the beautification of streets and neighborhoods to include Main Street. (TED, PW, CD)

**1.2 GUIDING PRINCIPLE: START AND END WITH "THE CITY IS OPEN FOR BUSINESS."**

### STRATEGIC INITIATIVES:

- 1.2.1.** Implement formal strategies that enable staff to FIND the YES. (All Departments)
- 1.2.2.** Identify a single point of contact for businesses interfacing with the City. (TED, CD) (FY 21)
- 1.2.3.** Streamline business registration and other City processes. (CD, CRB, P&Z, Council) (FY 22)
- 1.2.4.** Implement an online permit program. (CD, IT) (FY 22)
- 1.2.5.** Conduct updated customer service training every two years. (CM, HR, P&R) (FY 23)
- 1.2.6.** Implement online purchasing for Transit Fare cards. (TR, FIN, IT) (FY 22)
- 1.2.7.** Invest resources and time in upgrading the City's website to be user friendly, transparent, and easy to maintain. (IT) (FY 22)

**1.3 GUIDING PRINCIPLE: SUPPORT OUTDOOR ECONOMICS.**

### STRATEGIC INITIATIVES:

- 1.3.1.** Prioritize City resources on outdoor events and programming. (P&R) (FY 22 & 23)

**1.3.2.** Maintain, improve, and develop the City's trails system. (P&R, CD, PW) (FY 22 & 23)

**1.3.3.** Implement a geocaching program. (P&R) (FY 22)

**1.3.4.** Produce paper and digital trail maps. (P&R, CD, TED, IT) (FY 21)

**1.3.5.** Promote the Mingus Mountain hang-gliding launch site. (TED, P&R) (FY 22)

**1.3.6.** Host disc golf programming and competitions. (P&R) (FY 22 & 23)

**1.3.7.** Support community partners and their outdoor activities and events. (P&R, TED)

**1.3.8.** Support astronomy events that highlight the City's International Dark Sky Community designation. (TED, CD, P&R)

#### **1.4 GUIDING PRINCIPLE: EVALUATE OPPORTUNITIES FOR ANNEXATION.**

##### **STRATEGIC INITIATIVES:**

**1.4.1.** Provide education on the process and potential outcomes of annexation to interested property owners. (CD) (FY 22)

**1.4.2.** Annex land in support of state parks. (CD)

**1.4.3.** Evaluate smaller annexation areas that enhance connectivity with city boundaries and services. (CD)

**1.4.4.** Assess potential annexation of state land along SR 89A and SR 260. (CD) (FY 22)

**1.4.5.** Evaluate potential expansion of infrastructure and services into potential annexable areas. (U, TED, CD) (FY 23)

#### **1.5 GUIDING PRINCIPLE: SUPPORT EDUCATIONAL INSTITUTIONS AND ORGANIZATIONS ENGAGED IN WORKFORCE DEVELOPMENT.**

##### **STRATEGIC INITIATIVES:**

**1.5.1.** Strengthen the City's internship opportunities with Northern Arizona Council of Governments, Mingus Union High School, and Yavapai College. (HR)

**1.5.2.** Partner with business community stakeholders to identify and implement workforce development solutions. (TED) (FY 22)

**1.5.3.** Connect Northern Arizona University mentorship program with regional

partners to identify internships that lead to permanent employment. (HR, TED) (FY 22)

**1.5.4.** Create and market the Library Digital Media Lab to provide technology to local businesses and teens by offering graphic design, website, social media, podcasts assistance, and education. (LIB) (FY 22)

#### **1.6 GUIDING PRINCIPLE: CONTINUE WITH CURRENT MARKETING AND TOURISM DIRECTION.**

##### **STRATEGIC INITIATIVES:**

**1.6.1.** Market Parks & Recreation events and programs that align with the City's economic development priorities to a wider audience. (P&R)

**1.6.2.** Design, launch and evaluate the new Visit Cottonwood website. (TED) (FY 21)

**1.6.3.** Launch a retargeting online campaign to attract additional demographics to the City's tourism website. (TED) (FY 22)

**1.6.4.** Refine relationship with the Chamber of Commerce as it relates to marketing responsibilities. (CM, TED) (FY 22)

**1.6.5.** Develop seasonal itinerary programs for business writers, travel bloggers, and tourists. (TED) (FY 23)

**1.6.6.** Track tourism and economic development outcomes by researching and monitoring the hotel/motel and short-term rental revenues. (FIN, TED) (FY 22)

#### **1.7 GUIDING PRINCIPLE: CREATE ORGANIZATIONAL FLEXIBILITY IN SUPPORT OF LOCAL BUSINESSES AND HOUSING.**

##### **STRATEGIC INITIATIVES:**

**1.7.1.** Conduct annual needs assessment survey of local businesses. (TED) (FY 22)

**1.7.2.** Develop an action plan to evaluate and implement the results of the business needs assessment. (TED) (FY 23)

**1.7.3.** Evaluate and amend the Zoning Ordinance to ensure flexible land-use requirements. (CD, Council) (FY 22)

**1.7.4.** Create Historic Design Guidelines for an established historic district in the Old Town area. (CD) (FY 22)

**1.7.5** Adopt pre-approved single-family residential home plans as an option for residents and home builders. (CD) (FY 21)

## **1.8 GUIDING PRINCIPLE: PROMOTE SUSTAINABLE TOURISM.**

### **STRATEGIC INITIATIVES:**

**1.8.1.** Host a Tourism Information booth at community events. (P&R, TED)

**1.8.2.** Host and maintain a public calendar of events that entices visitors to return. (TED, P&R, IT, ACM) (FY 22)

**1.8.3.** Collaborate with neighboring communities to develop marketing strategies that encourage respect for our environment and natural resources. (TED) (FY 22)

**1.8.4.** Implement a balanced approach to tourism while there are still pandemic health concerns. (TED, CM)

**1.8.5.** Expand the transit system to include a regional "Wine Line," servicing riders visiting local tasting rooms and wineries. (TRT, FIN) (FY 22)

## **1.9 GUIDING PRINCIPLE: EXPLORE MORE DIVERSITY IN HOUSING SOLUTIONS.**

### **STRATEGIC INITIATIVES:**

**1.9.1.** Pursue the development of a regional housing authority. (CD, CM, FIN) (FY 22)

**1.9.2.** Explore opportunities to provide incentives for the development of housing. (CD, CM) (FY 21)

**1.9.3.** Explore opportunities to work with non-profits to develop workforce housing. (CD, DCM, TED)

**1.9.4.** Complete the Verde Valley Regional Housing Study and develop an action plan to address identified issues. (CM, CD, TED, DCM) (FY 22)

## **1.10 GUIDING PRINCIPLE: THE AIRPORT IS AN ECONOMIC DRIVER.**

### **STRATEGIC INITIATIVES:**

**1.10.1.** Develop and promote the airport as an aviation hub for travel and tourism. (AP, TED) (FY 22)

**1.10.2.** Encourage aviation-related development at the airport. (AP, TED)

**1.10.3.** Create a welcoming environment that attracts students, instructors, and aviation experts. (AP)

**1.10.4.** Encourage training young aviators and provide an aviation mentoring program for future aviation administrators, aviators, and educators. (AP) (FY 22)

**1.10.5.** Host community events at the airport. (AP) (FY 22)







2

ENSURE OUR QUALITY OF LIFE



## 2 ENSURE OUR QUALITY OF LIFE



Cottonwood will commit resources to improve the quality of life of our community.

### Key Priorities

- Parks & Trails
- Awareness & Education
- Police & Fire
- Events
- Citizen Engagement

#### 2.1 GUIDING PRINCIPLE: HOST AND SUPPORT EVENTS CONSISTENT WITH OUR BRAND.

##### STRATEGIC INITIATIVES:

- 2.1.1. Develop and host a signature wine-themed event. (TED, P&R, DCM) (FY 22)
- 2.1.2. Create a marketing standards guide. (P&R, TED) (FY 22)
- 2.1.3. Include the wine industry in appropriate Parks & Recreation events. (P&R)
- 2.1.4. Assess potential improvements to the current Thunder Valley Rally format. (P&R) (FY 22)
- 2.1.5. Host or support a community artist and wine event. (CC, P&R) (3<sup>rd</sup> Qtr. FY 22)

#### 2.2 GUIDING PRINCIPLE: OFFER AWARENESS AND EDUCATIONAL PROGRAMS FOR RESIDENTS.

##### STRATEGIC INITIATIVES:

- 2.2.1. Assist or coordinate local non-profit efforts to reduce/eliminate redundancies. (DCM, LIB, P&R) (FY 21)
- 2.2.2. Increase American Red Cross educational offerings. (P&R) (FY 22)
- 2.2.3. Increase "Learn To Swim" opportunities to include winter lessons. (P&R) (FY 22)

2.2.4. Enhance the Bike Rodeo and Bicycle Safety Awareness Program. (P&R) (FY 22)

2.2.5. Host a "Kids at Hope Town Hall." (P&R) (FY 22)

2.2.6. Engage community stakeholders with "Fire-Wise" information to promote resilience and sustainability. (FD) (FY 22)

2.2.7. Expand public safety and educational programs. (FD) (FY 22)

#### 2.3 GUIDING PRINCIPLE: ENHANCE PARTNERSHIPS WITH COMMUNITY GROUPS TO IMPROVE PARK FACILITIES.

##### STRATEGIC INITIATIVES:

- 2.3.1. Partner with community groups to help develop, clean, and maintain trails. (P&R, DCM, CD) (FY 22)
- 2.3.2. Create an "Adopt a Park" program that allows civic groups the opportunity to service dedicated City parks. (P&R) (FY 22)
- 2.3.3. Create an "Adopt a Trail" program that allows civic groups to maintain a dedicated trail. (P&R) (FY 22)
- 2.3.4. Work with community partners to assist with the purchasing and installation of additional playground equipment. (P&R, PW) (FY 22)
- 2.3.5. Work with community partners to improve the City's hockey rink and skate



park. (P&R, DCM) (FY 23)

## **2.4 GUIDING PRINCIPLE: ENCOURAGE AND DEVELOP COMMUNITY PRIDE.**

### **STRATEGIC INITIATIVES:**

- 2.4.1.** Implement a community pride program for City employees. (CM, HR) (FY 22)
- 2.4.2.** Continue to foster community involvement in local events. (P&R)
- 2.4.3.** Launch a “You are Welcome Here” campaign targeting both residents and visitors. (TED) (FY 22)
- 2.4.4.** Collaborate with local artists to make the library a reflection of our community’s expression. (LIB) (FY 22)
- 2.4.5.** Sponsor video/photo contests that celebrate life in Cottonwood and showcase entries in marketing products. (LIB, P&R, TED) (FY 22)
- 2.4.6.** Create a landscaping beautification recognition program. (CD, P&R) (FY 22)
- 2.4.7.** Increase event opportunities for city council members to engage directly with citizens in neighborhoods throughout the city. (CC, P&R, CD) (FY 22)
- 2.4.8.** Create a community recognition program for local leaders, volunteers, philanthropists, etc. (TED, CM) (3<sup>rd</sup> Qtr. FY 22)
- 2.4.9.** Introduce the community to local businesses, institutions, and destinations through free programming that educates, informs, and entertains. (LIB) (FY 22)

## **2.5 GUIDING PRINCIPLE: ENCOURAGE VOLUNTEERISM IN AREAS OF INTEREST THAT ARE CONSISTENT WITH OUR BRAND.**

### **STRATEGIC INITIATIVES:**

- 2.5.1.** Identify a method to have citizen involvement and/or oversight of the city’s trails system. (P&R, CD, TED, PW) (FY 22)
- 2.5.2.** Implement a Parks & Recreation Volunteer program. (P&R) (FY 21)
- 2.5.3.** Create, maintain and promote a centralized web-based volunteer notice board. (LIB, P&R, IT) (FY 21)
- 2.5.4.** Promote City employee volunteerism. (HR) (FY 22)

**2.5.5.** Implement an “Adopt a Street” program. (PW) (FY 22)

## **2.6 GUIDING PRINCIPLE: SUPPORT SAFE NEIGHBORHOOD POLICIES AND PROGRAMS.**

### **STRATEGIC INITIATIVES:**

- 2.6.1.** Support and enhance the Police Department’s Neighborhood Officer program. (PD) (FY 22)
- 2.6.2.** Implement a Police Community Outreach program improving interface with the homeless community and stakeholders to include service providers. (PD) (FY 22)
- 2.6.3.** Explore Drug Resistance Education and Domestic Violence Awareness Education with both Cottonwood Oak Creek School and MUHS. (PD) (FY 22)
- 2.6.4.** Assess feasibility of collaboration with residents with exterior web-enabled cameras to reduce crime in neighborhoods. (PD) (FY 22)
- 2.6.5.** Acquire Crime Analysis Module (Spillman Command Solutions) that incorporates public interface capability. (PD) (FY 22)
- 2.6.6.** Develop and implement Community Emergency Response Team (CERT) to promote community awareness, safety, and support for emergency response. (FD) (FY 22)
- 2.6.7.** Conduct Aircraft Rescue Firefighting (ARFF) training at the airport. (AP, FD) (FY 23)





## 2.7 GUIDING PRINCIPLE: SUPPORT THE CREATION OF THIRD SPACES FOR INCREASED SOCIALIZATION.

### STRATEGIC INITIATIVES:

- 2.7.1.** Provide monthly opportunities for community connections by utilizing the Cottonwood Recreation Event Hall or the Cottonwood Community Club House. (P&R) (FY 22)
- 2.7.2.** Add new recreational opportunities to the Cottonwood parks system. (P&R) (FY 22)
- 2.7.3.** Expand library capacity by creating outdoor seating areas for patrons to read, wait for the bus, or utilize the Wi-Fi. (LIB) (FY 23)
- 2.7.4.** Develop and maintain a Fire Department Fuels Mitigation program to support “Fire-Wise” communities and City Parks & Recreation sites and facilities in coordination with Public Works. (FD) (FY 22)

## 2.8 GUIDING PRINCIPLE: BEGIN WORK TO UPDATE THE CITY’S GENERAL PLAN.

### STRATEGIC INITIATIVES:

- 2.8.1.** Dedicate adequate resources to create a plan for updating the City’s General Plan. (All Departments) (FY 23)





3

**LEAD WITH ENVIRONMENTAL  
STEWARDSHIP**





## 3 LEAD WITH ENVIRONMENTAL STEWARDSHIP



Cottonwood will actively work to ensure the sustainability of our natural resources in a manner that promotes the diverse use of and accessibility to our natural resources.

### Key Priorities

- Water
- Land
- Preservation of Open Space
- Preservation of Local Natural Habitats

### 3.1 GUIDING PRINCIPLE: IMPLEMENT DIRECT POTABLE WATER REUSE.

#### STRATEGIC INITIATIVES:

- 3.1.1.** Complete the feasibility assessment for modifying the Mingus Wastewater Treatment Plant to treat effluent to potable water standards for Direct Potable Reuse (DPR). (U)
- 3.1.2.** Present results of Direct Potable Reuse (DPR) feasibility assessment and staff recommendations to City Council. (U) (FY 23)

### 3.2 GUIDING PRINCIPLE: PURSUE OPPORTUNITIES TO ACQUIRE SURFACE WATER RIGHTS.

#### STRATEGIC INITIATIVES:

- 3.2.1.** Continue to explore and evaluate potential opportunities to acquire valid surface water rights. (U)

### 3.3 GUIDING PRINCIPLE: SUPPORT LOCAL PROGRAMS TO INCREASE A CULTURE OF CONSERVATION.

#### STRATEGIC INITIATIVES:

- 3.3.1.** Continue funding the K-8th grade water conservation education program. (U)

**3.3.2.** Continue working with the Verde Natural Resource Conservation District Education Center to bring the Discovery Center to fruition. (U)

**3.3.3.** Continue to support "Project Wet" by providing funding assistance and resources for annual water festival. (U)

**3.3.4.** Re-examine various ordinances/requirements in the Zoning Ordinance and Subdivision Ordinance to enhance minimum open space, landscaping, streetscape design, etc. (CD) (FY 22)

**3.3.5.** Partner with the Nature Conservancy to create and implement a stormwater management plan at the Cottonwood Public Library. (LIB) (FY 23)

### 3.4 GUIDING PRINCIPLE: MAXIMIZE THE INJECTION AND THE REUSE OF RECLAIMED WATER.

#### STRATEGIC INITIATIVES:

**3.4.1.** Complete the design, engineering and construction of the necessary infrastructure and begin injecting reclaimed water at the Mingus Wastewater Treatment Plant. (U) (FY 21)

**3.4.2.** Implement the use of reclaimed water at the Cottonwood Cemetery. (PW, U) (FY 22)



**3.4.3.** Evaluate and implement, where cost-effective, the use of reclaimed water at City parks. (U, PW)

**3.5 GUIDING PRINCIPLE: ENCOURAGE THE STATE TO FUND AGENCIES THAT SUPPORT THE ADJUDICATION PROCESS.**

**STRATEGIC INITIATIVES:**

**3.5.1.** Continue to lobby the Arizona State Legislature to ensure appropriate funding of Arizona Department of Water Resources and other priorities that ensure Cottonwood's future natural resources. (NR, CM)

**3.5.2.** Educate the state legislature on the city's water priorities. (NR, CM)





4

# IMPROVE OUR INFRASTRUCTURE



## 4 IMPROVE OUR INFRASTRUCTURE



Cottonwood will develop, maintain, and improve the City's infrastructure.

### Key Priorities

- Wastewater Treatment
- Streets & Sidewalks
- Transit
- Traffic

#### 4.1 GUIDING PRINCIPLE: CONTINUE TO PRIORITIZE INFRASTRUCTURE PROJECTS.

##### STRATEGIC INITIATIVES:

- 4.1.1. Provide \$750k biennially for pavement preservation. (PW, FIN)
- 4.1.2. Prioritize funding of sidewalk infill projects. (PW, FIN)
- 4.1.3. Complete flood study for Railroad Wash and Silver Spring Gulch. (PW) (FY 22)
- 4.1.4. Design and complete pavement preservation on Main Street. (PW) (FY 23)
- 4.1.5. Complete the construction of Mingus Avenue from 8<sup>th</sup> Street to Main Street. (PW) (FY 22)
- 4.1.6. Complete design and construction of the Fir Street sidewalk project. (PW) (FY 22)
- 4.1.7. Design and construct additional parking lots in Old Town. (PW) (FY 23)
- 4.1.8. Seek Economic Development grants for infrastructure expansion. (TED)

#### 4.2 GUIDING PRINCIPLE: ADVOCATE FOR THE MAINTENANCE AND CARE OF STATE-OWNED ROADS AND IMPROVED SIGNAGE.

##### STRATEGIC INITIATIVES:

- 4.2.1. Work with ADOT to identify and fund pavement preservation projects on SR89A. (PW)
- 4.2.2. Seek grant funding for wayfinding

and gateway signage. (PW, P&R, CD)

#### 4.3 GUIDING PRINCIPLE: IDENTIFY OPTIONS AND A STRATEGY FOR FUNDING A CONSOLIDATED CITY HALL FACILITY.

##### STRATEGIC INITIATIVES:

- 4.3.1. Assess potential locations for a consolidated City Hall. (DCM) (FY 21)
- 4.3.2. Obtain financing with the option for early debt retirement. (DCM, FIN) (FY 21)
- 4.3.3. Look for tenants as an option to assist with debt service. (DCM) (FY 22)
- 4.3.4. Liquidate identified City-owned buildings, applying proceeds to offset costs incurred through acquisition of a consolidated City Hall. (DCM) (FY 23)

#### 4.4 GUIDING PRINCIPLE: PRIORITIZE REGIONAL AND LOCAL BROADBAND INITIATIVES.

##### STRATEGIC INITIATIVES:

- 4.4.1. Pursue federal funding for broadband development. (FIN, TED) (FY 22)
- 4.4.2. Cooperate with Verde Valley Regional Economic Organization (VVREO) and other regional partners in support of their Economic Development Administration (EDA) grant application for the design



and construction of the “middle mile” for broadband. (TED)

#### **4.5 GUIDING PRINCIPLE: CONTINUE TO PRIORITIZE CITY INFRASTRUCTURE PROJECTS.**

##### **STRATEGIC INITIATIVES:**

**4.5.1.** Prioritize infrastructure projects, grant applications, and appropriate development on airport property. (AP, TED)

**4.5.2.** Explore opportunities to implement the completed Parks & Recreation Master Plan. (P&R)

**4.5.3.** Complete the assessment of the blower systems at Mingus Wastewater Treatment Plant and implement recommended changes. (U) (FY 21)

**4.5.4.** Invest in the City’s IT infrastructure and operating systems to ensure workflow optimization, and enhanced security and City operations are responsive, modern, and efficient. (IT)

**4.5.5.** Establish protected internal service fund during FY 22 budget process. (IT, FIN) (FY 22)

**4.5.6.** Add to internal service fund during FY 23 budget process (and all future budgets). (IT, FIN) (FY 23)

**4.5.7.** Plan for potential Transit expansion to Jerome, Cornville, and new developments, such as The Vineyards, 89 and Vine, and Spring Creek Ranch. (TR) (FY 23)

**4.5.8.** Identify viable funding source for proposed multi-departmental (PD/IT/FD) building on the public safety campus. (PD, CM, FIN)

**4.5.9.** Complete engineering design of the preferred optimization scenario for the Mingus Wastewater Treatment Plant and initiate implementation of the engineered scenario. (U, PW)





# City of Cottonwood



## FINANCE DEPARTMENT

## RESOURCES

# 5

# EMBRACE FINANCIAL ACCOUNTABILITY & TRANSPARENCY





# 5 EMBRACE FINANCIAL ACCOUNTABILITY AND TRANSPARENCY



Cottonwood will foster a culture of transparency and fiscal responsibility that maintains a long-range perspective.

## Key Priorities

- Budget
- Employees
- Finances
- Physical Resources

### 5.1 GUIDING PRINCIPLE: PREPARE AN ACCESSIBLE AND TRANSPARENT BUDGET THAT IS EASY TO READ AND UNDERSTAND. STRATEGIC INITIATIVES:

- 5.1.1.** Create “budget in brief” document for easy reading and understanding by residents, Council, and staff. (FIN) (FY 22, 4<sup>th</sup> Qtr.)
- 5.1.2.** Develop additional opportunities for citizen involvement in the budget process. (FIN) (FY 22)

### 5.2 GUIDING PRINCIPLE: RECRUIT AND RETAIN HIGHLY QUALIFIED EMPLOYEES. STRATEGIC INITIATIVES:

- 5.2.1.** Continually evaluate position qualifications and market availability, and ensure recruitment marketing highlights City employment benefits, and the quality of life the Verde Valley offers. (HR)
- 5.2.2.** Conduct a compensation study to ensure employees are appropriately placed in the City’s pay structure according to market findings. (HR, FIN) (FY 21, 4<sup>th</sup> Qtr.)
- 5.2.3.** Establish a professional certification bonus or salary escalator, or increased

accrual amounts. (HR, CM, FIN) (FY 22)

**5.2.4.** Evaluate employee benefits currently not offered: tuition reimbursement, vacation buyback, vacation conversion to sick time, etc. (HR, FIN) (FY 22)

**5.2.5.** Evaluate, implement, and fund strategies to incentivize selected applicants to accept City positions. (HR, FIN) (FY 22)

**5.2.6.** Evaluate each department’s succession plan and address any deficiencies. (All Departments) (FY 22)

### 5.3 GUIDING PRINCIPLE: CONTINUE TO RIGHT-SIZE CITY STAFFING CONSISTENT WITH COMMUNITY NEEDS. STRATEGIC INITIATIVES:

- 5.3.1.** Assess and evaluate each vacancy before filling positions. (CM, HR)
- 5.3.2.** Evaluate current operations within the departments and analyze appropriate service levels. (All Departments)
- 5.3.3.** Evaluate the number of FTEs currently budgeted versus the actual number of service hours needed and then make adjustments where necessary. (P&R)

## 5.4 GUIDING PRINCIPLE: REMAIN FISCALLY CONSERVATIVE.

### STRATEGIC INITIATIVES:

- 5.4.1.** Identify a percentage benchmark for City (cash) reserves. (FIN) (FY 21)
- 5.4.2.** Implement technology solutions that expand online access to City services and increase organizational capacity through improving or automating services. (All Departments)
- 5.4.3.** Collaborate with Yavapai County Flood Control District for projects/solutions for 6<sup>th</sup> Street drainage. (PW)
- 5.4.4.** Explore adding partners to the Regional Communications Center. (PD) (FY 22)
- 5.4.5.** Implement best operating policies and procedures at the Cottonwood Recreation Center with the goal of reaching an 80% cost recovery while maintaining exceptional customer service and delivering the best in class services. (P&R)

**5.5.2.** Adopt a five-year Capital Improvement Plan that is 100% deliverable as presented. (FIN, CM) (FY 22)

**5.5.3.** Create a maintenance schedule for HVAC, painting, and roof and flooring replacements for all buildings. (PW) (FY 22)

**5.5.4.** Continue to analyze and study the City of Cottonwood's drainage areas. (PW) (FY 23)

## 5.6 GUIDING PRINCIPLE: ENSURE UPDATED BUDGET INFORMATION IS AVAILABLE TO THE COMMUNITY.

### STRATEGIC INITIATIVES:

**5.6.1.** Develop and publish monthly budget reports (budget in brief), to include posting budget updates on the City's website and the City's social media sites. (FIN) (FY 22)

**5.6.2.** Conduct community budget priority survey. (FIN) (FY 22)

## 5.5 GUIDING PRINCIPLE: MAINTAIN PHYSICAL RESOURCES.

### STRATEGIC INITIATIVES:

- 5.5.1.** Create a replacement program for all City capital assets. (FIN, CM, PW) (FY 22)











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