

City of Cottonwood

Budget FY 2022-2023



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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 2023 Final 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 and economic growth over the last several budget cycles. During the FY 2021 budget planning with the closing of City offices and businesses in general due to the coronavirus pandemic, the budget was re-evaluated last minute. 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 2022 budgeted revenues. However, the anticipated revenue reductions in FY 2021 were not experienced and the measures that the City took to plan for those losses actually allowed for unexpected increases in carry-over revenues into FY 2022.

Increases in revenue for FY 2022 are anticipated to be around 10%, and for FY 2023 the City is budgeting an additional 7% increase over FY 2022. Increased carry-over revenues that were added to the reserves of FY 2021 and FY 2022, in addition to the anticipated revenue increases for FY 2023, will allow the City to invest in infrastructure (including roads, sidewalks and parks), employees, community services, and strengthening reserves in the future. The backdrop to this booming economy and record breaking tax collections had the side effect of contributing to an inflation rate of 8% to 10% and increased costs City-wide. The City continues to be conservative in that its reoccurring expenses are less than its reoccurring revenues. If there is a slow-down in the economy in the next few years, the City strives to be well positioned so it can address any hardships presented.

This year's total approved expenditures budget is \$139,423,660, 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 \$100,658,095 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 2023 are the reallocation of resources for continuing projects and new projects that were requested for the FY 2023 budget.

FY 2023 Adopted Budget - \$139,423,660

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
2022	\$120,593,060

The Local Economy

The largest planned single increases are in the General Fund, HURF Fund and Enterprise Funds due to projects 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 (Transaction Privilege Tax) 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 10%. 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](#) as well as [the full Strategic Plan document](#), which can be viewed online, 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 Coffee 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 completed in FY 2022, and a Mobile Home Part Mart was opened.

One local housing development and one planned development along with State Trust Land and Federal Forest were annexed, adding 11 square miles in FY 2021 to Cottonwood city proper and providing future population growth opportunities. FY 2022 included planning on future annexations of three different areas.

Taxes

The City of Cottonwood has prided itself on managing its affairs through local transaction privilege tax (TPT), commonly called sales tax. Cottonwood does not collect a property tax for services and continues to rely heavily on the TPT tax. TPT as a main revenues source is at the mercy of the economy and can fluctuate during a downturn. 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 \$18,635,970 in general fund reserves shows in the FY 2023 budget. This is an \$5,318,780 increase over the FY 2022 reserves of \$13,317,190. This increase includes, among others, the .5% reserves as designated by the council in the amount of \$368,250 as well as an increase of just over \$4.4M in undesignated reserves and the addition of a new reserve for future capital replacement in the amount of \$803,910.

Projects

There are several projects budgeted for FY 2023. The funding for these projects is in part possible because of the savings from spending conservatively and keeping expenses low in FY 2020, FY 2021 and FY 2022.

Furthermore, the budget includes over \$400k for a *sidewalk project on Monte Tesoro* and an additional year for *pavement preservation* of \$750,000. Typically, pavement preservation is only budgeted biennially but due to the economy we are able to fund an additional year.

Funding has also been budgeted for the design of repaving Main Street from the 89A intersection to Clarkdale, for a *historic property survey* that is 80% grant funded, for a *Splash pad* at one of the local parks, 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

To name a few of the equipment purchases for the upcoming budget year, the budget includes carry-over funds in the General Fund for a *ladder truck* for the Fire & Medical Department, an additional *Fire truck* to replace an older unit, a *Reach Lift* for Maintenance, several lease vehicles for various departments, replacing the Zetron system at Communications, funding to replace the Fire Department's personal protective equipment, along with funds for the Streets Department to *design the repaving of 6th Street* and *generators* for the Water Department. Cost cutting measures over the last several budget cycles and conservative budgeting has allowed the City to invest funds into one-time expenditures in FY 2023.

Airport Fund

A significant increase in this fund is due to the conversion of the Airport Manager position to full-time and is 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 2022, which will direct future development of the Airport and projects, such as designing the taxi-way, increasing the fence height for security, and an environmental assessment of pavement preservation in FY 2023 at a total cost of \$761,160.

Grants Fund

The Community Development Block Grant (CDBG) for the Verde Valley Homeless Coalition's pass through grant to develop Transitional Housing is budgeted while other Grants include the airport grants. Small grants are budgeted in the individual departments and the ADOT Transit Grant funding is budgeted in the Transit budget.

State Shared Revenues

These revenue sources are always of concern to municipalities because the state's history of trying to reallocate the funds for state purposes. At the creation of this budget, the State had not yet calculated updated figures for FY 2023, therefore the budget shows estimates from the League of Arizona Cities and Towns based on the 2020 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 an increase in State Shared Income Tax of \$733,225 over last year's \$1,588,475; this is a project 46% increase.

State Shared Sales Tax is anticipated to increase by 4% over FY 2022 estimated budget figures of \$1,661,215 and generate an estimated total of \$1,727,665 in FY 2023. 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 2023, a 6% Cost of Living Adjustment (COLA) was funded with moving the salary range scale by 3%. The Longevity Program is not budgeted for FY 2023. The City is funding a merit program with increases from 2% to 4% for FY 2023, based on longevity. 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 implemented in FY 2022 with a minimum of a 4% increase for all positions.

The goal, annually, is to ensure that the City's total compensation package does not outgrow its reoccurring revenues. For FY 2023, the anticipated increase in sales tax revenue is 7% but inflation in Arizona is at the moment hovering around 10%. The current budgeted COLA and Merit will increase employees by a minimum of 5%.

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 continue to examine additional options to increase revenues and reduce costs in the future.

Capital Infrastructure Planning

The City has struggled with capital planning over the last several years due to funding issues, the economy, and the need to fund services. The current economic outlook allows for the City to increase its investment in capital and infrastructure.

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 saving measures and increased revenues will allow the City to reserve additional amounts for the Capital Improvements Plan (CIP) fund to finance future capital needs. The additional amount that will be funded in FY 2023 is over \$800k, which brings the total allocation to the CIP fund in FY 2023 to \$1,172,160.

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 and the City of Cottonwood as well. 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 was approved by Council as part of its four-year rate increase plan, beginning in FY 2021. For FY 2023, staff has recommended to Council to not implement the proposed rate increase but to hold off until FY 2024 and evaluate the need for the increase at that time.

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, managers, supervisors and staff who assisted in the development of the 2023 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

Our MISSION

Inspiring a Vibrant Community

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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General Commentary

The **General Fund's** overall budget is \$51,266,515, which includes transfers out and reserves. This amount is \$19,941,145 more than the previous fiscal year's revised amount of \$31,325,370. This increase is comprised of \$18,823,275 in reserves, fully budgeted staffing, a budgeted COLA and merit program, and budgeted capital requests.

The FY 2022 and FY 2023 budgets for the General Fund show both a substantial increase in budget authority 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 and an anticipated increase in revenues.

The merit program has been budgeted for FY 2023 with increases being implemented based on longevity and a passing review based on the City's new Core Values. In the past, the City of Cottonwood used the figure of the Social Security Administration's annual Cost of Living Adjustment (COLA) to determine if a COLA would be given in that budget cycle. The Social Security Administration established a 5.9% COLA for the current year. However, the City is budgeting a 6% COLA for employees and raising the ranges by 3% to allow for an increase for employees who are at the maximum of their range.

In the past, the City has tried to always implement some type of increase when funds were available. In FY 2021, an increase was not budgeted. But when during the year the revenue projections came in much higher than anticipated, Council approved to do two—2% checks to all employees, one in December and one in January. These payments did not increase employees' annual salaries but allowed the City to reward them. For FY 2022, a compensation study was planned and \$750k was budgeted to implement the results. After the completion of the study, all employees received a minimum of a 4% increase.

The City of Cottonwood has always funded the annual amounts requested by both the Public Safety Personnel Retirement System (PSPRS) and the Arizona State Retirement System (ASRS), even though the requested amounts did not fully cover the liability for the City's future pensions. Prior to FY 2015, the unfunded liability was only reported by the individual retirement systems. In FY 2015, the Governmental Accounting Standards Board (GASB) implemented GASB #68, an accounting policy change that requires entities to record their own underfunded liability amounts.

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 is taxable and was finalized on June 29, 2021. The final bond was for \$20,380,000 and it fully funded both the Police and Fire's unfunded liability amounts with Public Safety Retirement. Also, reserve fund was created to help pay down any future unfunded liabilities. Due to the bonding and payment of the unfunded liability the contribution rates for FY 2023 for the Police and Fire departments are closer to the amounts that employees are contributing. The contribution for the Police department was anticipated to be 68.12% in FY 2022 and due to funding the unfunded liability went down to 11.64% for FY 2022 and to 9.84% in FY 23. The Fire & Medical Department's anticipated FY 2022 rate was 33.55% and bonding reduced it to 13.77% in FY 2022 and 13.34% for FY 2023.

The City's portion of the \$13.1B Arizona State Retirement System (ASRS) liability was \$9.78M at the end of FY 2021. 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 decreased slightly from 12.41% to 12.17%.

A current **Capital Equipment and Capital Projects summary** can be found toward the end of this transmittal letter on [page xi](#) and details can be found on the [pages 255-260](#).

The total budget for the **Special Revenue Funds** is \$15,591,500, including transfers out and carryovers. This is an decrease in these funds' expenditures over last year's revised expenditures of \$18,043,970. This decrease is because of the completion 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 8th Street and Main Street is a major portion of the Special Revenue Funds costs in FY 2022. This project was split between several years and is scheduled to be completed in FY 2022. The FY 2023 Budget includes the design of resurfacing Main Street from the intersection with Hwy 89A to where Main street meets Clarkdale as well as reserves for future construction of this road.

The **Transit System** consists of both the Verde Shuttle system, formerly Verde LYNX, which connects central Cottonwood with Sedona, and the Cottonwood Area Transit (CAT). The Verde Shuttle hours and program were expanded in FY 2020, increasing the then 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 \$4,054,230. For the transit program, it is hoped that several buses can be replaced and a new awning for the bus shelter built in FY 2023.

FY 2023 reflects a large increase of \$1,579,070 from the revised FY 2022 budget of \$2,457,1600. The Transit System is supported through fares, neighboring communities' financial support, state and federal grants, and City contributions.

The Arizona Department of Transportation (ADOT) that handles the grant fund distribution for the Federal Transit Administration (FTA) awarded CARES Act funding that fully funded the Transit programs throughout all of FY2021. The City of Cottonwood stopped collecting fares for rides in May 2020 to help citizens during the pandemic and reinstated the collection of fares at the beginning of FY 2022 when the CARES Act funding stopped.

The **Airport Fund** shows a slight decrease in expenses resulting from the completion of an agreement with a new Fixed Base Operator (FBO) that will take over the fuel sales at the airport and the day-to-day operations. 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 2022 and will help plan the future capital needs for the Airport.

The FY 2023 budget for airport grants includes funds for *pavement preservation, an environmental assessment of Runway Strengthening & Extension, the designing and engineering of Taxiway A, and Fence upgrades*. The Community Development Block Grant (CDBG), a pass-through grant for the Verde Valley Homeless Coalition for \$1.75M started in FY 2022 and has a budget of \$750,000 for FY 2023.

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 being transferred to the General Fund to help with Housing and Development. The funds from the American Rescue Plan Act, more commonly known as ARPA, are being allocated to the Wastewater Fund to cover operational costs and help with major repairs at the Mingus Wastewater Treatment Plant.

The **Debt Service Fund** is budgeted for \$2,013,135, which is slightly higher than last year's revised budget of \$2,007,820. 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, 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 Debt Service for the bonding of the Public Safety Unfunded Liability is found in the Police and Fire Department budgets.

The City budgeted \$19,688,250 in the **Capital Projects Fund**, which is \$16,450,545 more than the revised budget for FY 2022. 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. City Council has directed staff to increase reserve amounts when possible.

During the FY 2022 budget cycle, a 2.75% reserve was set aside for future capital equipment replacement at \$634,825 and FY 2023 will show an additional \$803,910 added to Capital Improvement Projects (CIP) for this replacement fund. The main project for the CIP fund in FY 2022 was the purchase of a building to be remodeled for a future City Hall. The design and construction of the building are budgeted in FY 2023 at a total of approximately \$18M. This project may be funded by bonding in FY 2023, which is included in the budget.

The budget for the **Enterprise Fund**, which consists of Water and Wastewater Utilities, has increased from last fiscal year's revised amount of \$45,658,600 to \$50,115,230 for FY 2023. This increase can, in part, be attributed to projects being carried over to FY 2023, the anticipated ARPA funding for FY 2024, and to new projects.

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 2023. The Utilities Department is developing plans to update the Mingus plant and to determine the future of the Riverfront Park Treatment plant that currently is not functioning as intended. The Riverfront plant may be shut off until a future plan can be developed for that property.

The **Fiduciary Fund** aggregate total is up by \$4,400. 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 and planning for future growth. Those same measures have played an integral role in allowing the City to work towards rebuilding 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, the current inflation increases, lack of affordable housing, 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 2023 does include funding for a longevity based employee merit program and a Cost of Living Adjustment. The merit program will be re-evaluated in every budget cycle.

There were 17 requests for additional full-time staffing, none for part-time staff. Eleven new full-time staff are included in the budget, along with funding the two positions of Police Officer that were not funded in FY 2022. The Police Department was having difficulties filling Police Officer positions and the City's Administration wanted to make the positions available as over-fill positions in case the department reaches full staffing. During the FY 2022 budget year, the Police Department did reach full staffing and thus filled the unfunded positions. There were three reclassifications and range increase request made, and four were approved because one of the requests for a new position was changed to a reclassification for the current budget cycle.

The minimum wage for part-time employees is increasing in January 2023, 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 minimum wage rate in Arizona is \$12.80 per hour.

The total requested amount for additional personnel that were not approved was \$441,711. 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 member organizations.

For FY 2023, there's an increase in the health insurance rates, specific to each plan, and in the cost of the plan to the insurance pool. The increases of health insurance ranged from 9% for the Core Plan to 2% for the \$5,000 HDHP plan, and there was a 5% decrease in the vision insurance rates. The City decided to absorb these increases and kept the employee contributions at the same rate as they were in FY 2022.

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, 2022:

- Coverage for hearing aids has been added for up to \$3,000 per impaired ear for every 3 years.
- The allowable contributions for Health Savings Account (HSA) are going up.
- Delta Dental now allows for Virtual Visits, which provides for 24/7 care.
- KAIROS is adding a Participant Advocate Team to answer questions of members and help them navigate the healthcare systems.

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, the Co-Pay Plan or the \$1200 PPO Deductible plan.

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

Insurance Rates FY 2022-23												
Core Plan				Co - Pay Plan				PPO 1200				
Employee	Spouse	Children	Family	Employee	Spouse	Children	Family	Employee	Spouse	Children	Family	
980.00	1,027.00	693.00	1,544.00	935.00	937.00	619.00	1,430.00	850.00	766.00	477.00	1,214.00	
Core Plan				Co - Pay Plan				PPO 1200				
Core Plan	Employer Cost	Employee Cost Monthly	Employee Cost Bi-Monthly	Core Plan	Employer Cost	Employee Cost Monthly	Employee Cost Bi-Monthly	Core Plan	Employer Cost	Employee Cost Monthly	Employee Cost Bi-Monthly	
Employee	935.00	45.00	22.50	Employee	935.00	-	-	Employee	850.00	-	-	
Spouse	718.90	308.10	154.05	Spouse	666.70	270.30	135.15	Spouse	536.20	229.80	114.90	
Children	554.40	138.60	69.30	Children	500.00	119.00	59.50	Children	381.60	95.40	47.70	
Family	926.40	617.60	308.80	Family	880.00	550.00	275.00	Family	728.40	485.60	242.80	
HDHP \$1500				HDHP \$2500				HDHP \$2500				
Employee	Spouse	Children	Family	Employee	Spouse	Children	Family	Employee	Spouse	Children	Family	
686.00	685.00	451.00	1,049.00	618.00	615.00	404.00	943.00	515.00	514.00	339.00	786.00	
HDHP \$1500 W/OUT DENTAL				HDHP \$2500 W/OUT DENTAL				HDHP \$5000 W/OUT DENTAL				
HDHP \$1500	Employer Cost	Employee Cost Monthly	Employee Cost Bi-Monthly	HDHP \$2500	Employer Cost	Employee Cost Monthly	Employee Cost Bi-Monthly* Max IRS Contribution is \$3650 Annually	HDHP \$1500	Employer Cost	Employee Cost Monthly	Employee Cost Bi-Monthly* Max IRS Contribution is \$3650 Annually	
Employee	686.00	(249.00)	(124.50)	Employee	618.00	(304.16)	(152.08)	Employee	515.00	(304.16)	(152.08)	
Spouse	487.60	197.40	98.70	Spouse	437.40	177.60	88.80	Spouse	362.80	151.20	75.60	
Children	364.40	86.60	43.30	Children	326.20	77.80	38.90	Children	272.60	66.40	33.20	
Family	645.80	403.20	201.60	Family	580.20	362.80	181.40	Family	478.00	308.00	154.00	
Dental				Vision Insurance								
	Employer Cost	Employee Cost Monthly	Employee Cost Bi-monthly	Vision	Employer Cost	Employee Cost Monthly	Employee Bi-Monthly					
Employee	41.00	-		Employee	-	7.19	3.60					
Spouse	70.40	12.60	6.30	Spouse	-	14.39	7.20					
Children	63.40	5.60	2.80	Children	-	15.39	7.70					
Family	80.60	26.40	13.20	Family	-	24.60	12.30					

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. The selection process was made more competitive and allows smaller agencies a chance to receive funding. The program is funded at \$150,000 for FY2023

BUDGET POLICIES – FISCAL YEAR 2023

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. Corresponding with the strategic plan, City staff has budgeted the restricted reserves at 25% instead of 16.67%. This increase shows the staff's dedication to meeting this reserve policy and increasing reserves.

The 16.67% reserve requirement brought this year's restricted fund balance reserve to \$4,873,134. This amount is estimated to be about 60 days of general fund expenditures coverage. By increasing the restricted reserve to 25% in FY 2023, the budget reserve increased by \$2.4 million to \$7,308,240.

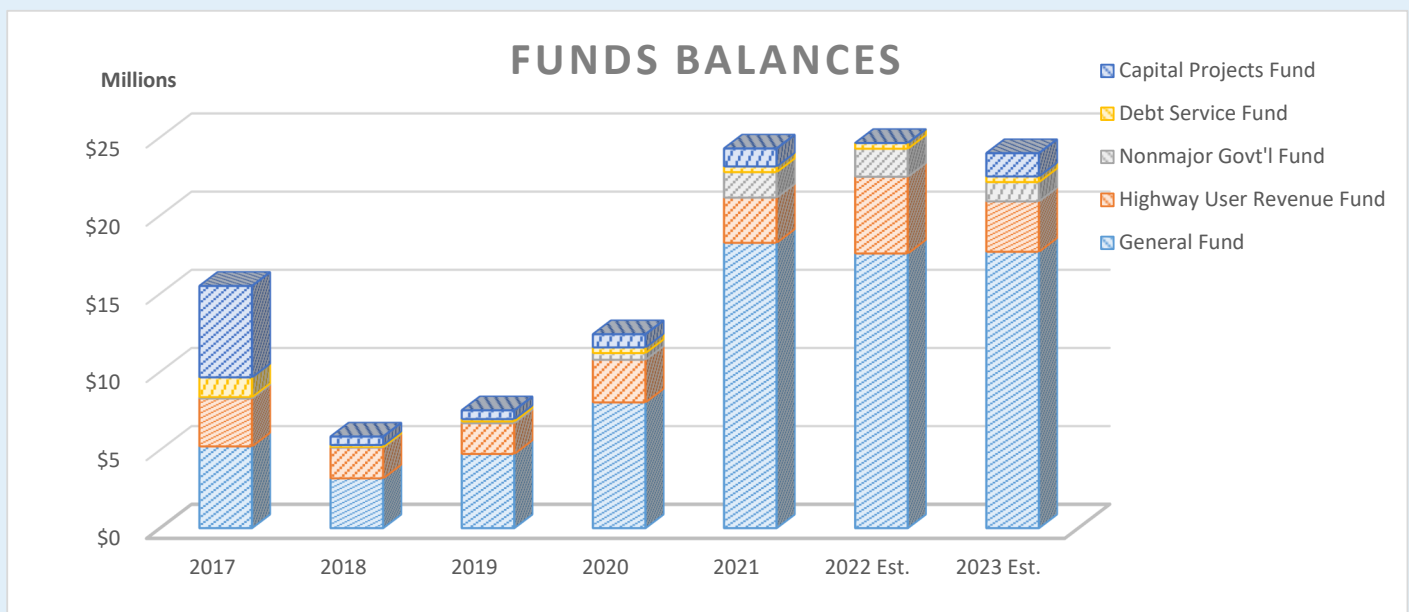
In November 2006, the Council decided, based on a recommendation from management, to fund an additional \$700,000 from excess sales tax into the Capital Accumulation Fund. With this fund reaching over \$1,000,000, the City Council, at the recommendation of management, made the decision to cap this fund 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 was \$1.5M. Staff used 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 and will continue this practice by adding an additional \$803,905 for FY 2023.

As part of the TPT tax increase of .5% in FY 2019, Council requested that there also be some additional reserves from these revenues for Capital and Programs. The budget reflects those additional reserves of \$368,250.

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 Est.	2023 Est.
General Fund	\$5,228,183	\$3,183,980	\$4,745,160	\$8,042,502	\$18,251,425	\$17,569,665	\$17,678,450
Highway User Revenue Fund	\$3,067,432	\$1,965,848	\$1,965,848	\$2,726,585	\$2,891,310	\$4,906,365	\$3,222,715
Nonmajor Gov't'l Fund	\$82,589	\$9,483	\$109,866	\$429,954	\$1,631,205	\$1,795,420	\$1,235,800
Debt Service Fund	\$1,267,788	\$159,310	\$156,292	\$360,260	\$362,187	\$362,195	\$362,195
Capital Projects Fund	\$5,844,637	\$537,964	\$557,988	\$842,316	\$1,147,423	\$0	\$1,485,520
Fund balances @ year end	\$15,490,629	\$5,856,585	\$7,535,154	\$12,401,617	\$24,283,550	\$24,633,645	\$23,984,680
	(\$3,387,150)	(\$10,686,552)	(\$7,955,475)	\$6,545,032	\$16,748,396	\$12,232,028	(\$298,870)



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 28-32](#).

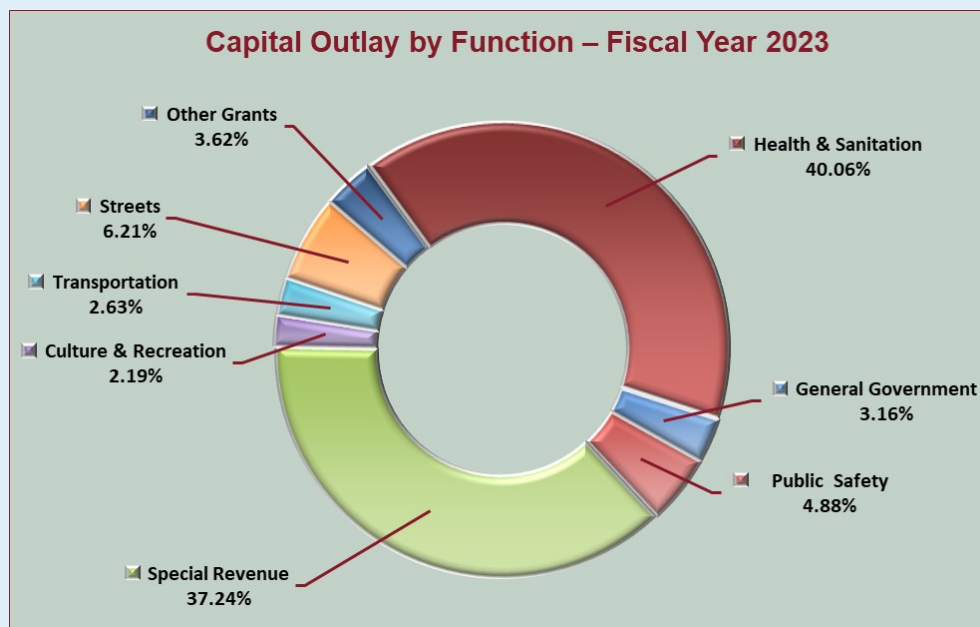
LONG RANGE PROGRAMMATIC AND FINANCIAL PLANNING

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 2023 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	\$1,513,875	General Government	\$41,000
Public Safety	2,402,330	Public Safety	0
Special Revenues	115,000	Special Revenue	18,198,330
Culture & Recreation	\$678,000	Culture & Recreation	400,000
Health & Sanitation	1,437,500	Health & Sanitation	18,265,930
Transportation (CAT & Airport)	1,293,000	Transportation (CAT & Airport)	0.00
Other Grants	\$0	Other Grants	\$1,781,160
Streets	206,500	Streets	2,847,615
Total Capital Equipment	7,646,205	Total Capital Projects	41,534,035

The budget includes \$7,646,205 in equipment acquisitions and \$41,534,035 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 255-260](#). 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 2023 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
2022 Property Tax Assessed Valuation [a]	Primary—\$112,917,238 Secondary—\$162,914,975
Civilian Labor Force (2022) [b]	106,480
Employed (2022) [b]	103,392
Unemployed (2022) [b]	3,087
Unemployment (2022) [b]	2.9%

[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

Jackie Nairn



Council Member

Tosca Henry



Council Member

Michael Mathews



Council Member

Helaine Kurot



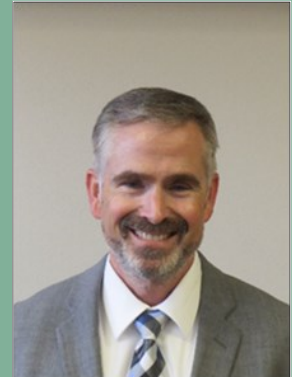
Council Member

Doug Hulse



Council Member

Debbie Wilden

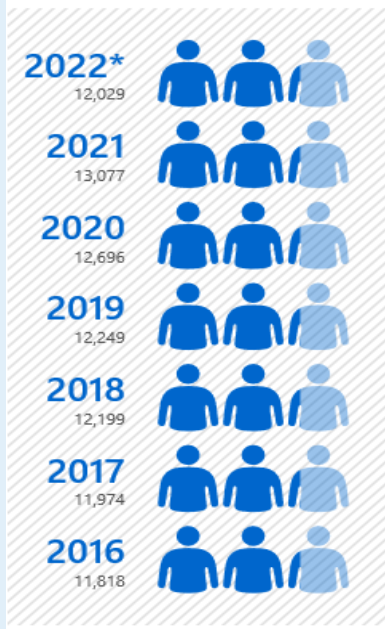


City Manager

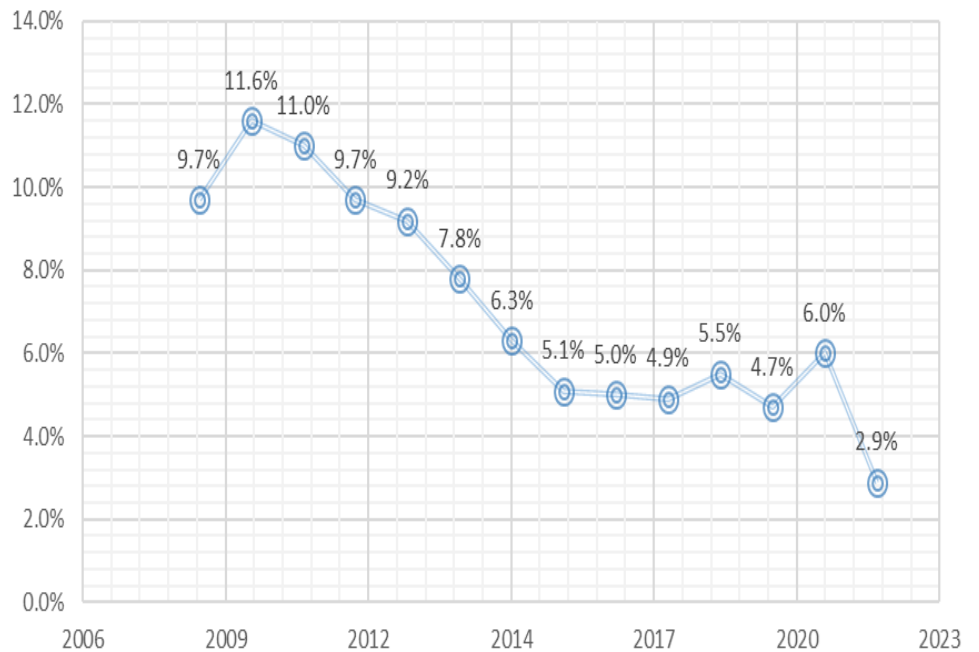
Ron Corbin

Demographics and Economics

Population



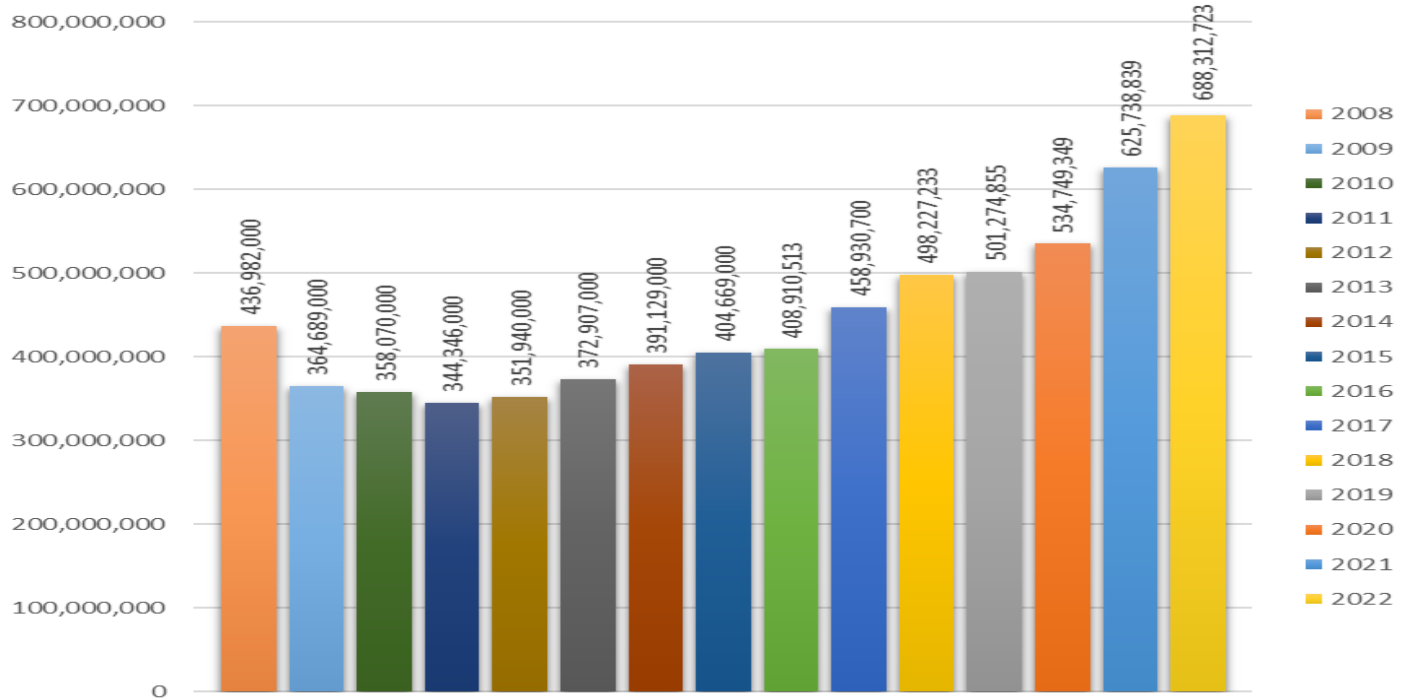
Yavapai County Unemployment



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

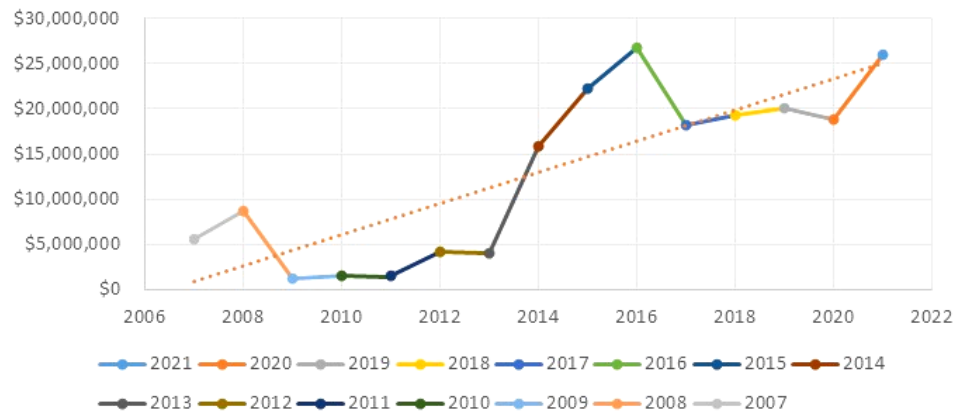
Cottonwood/Oak Creek Schools

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

2022

Public School

Enrollment

2022 3,129

2021 2,850

2020 3,049

2019 3,283

2018 2,828

2017 3,000

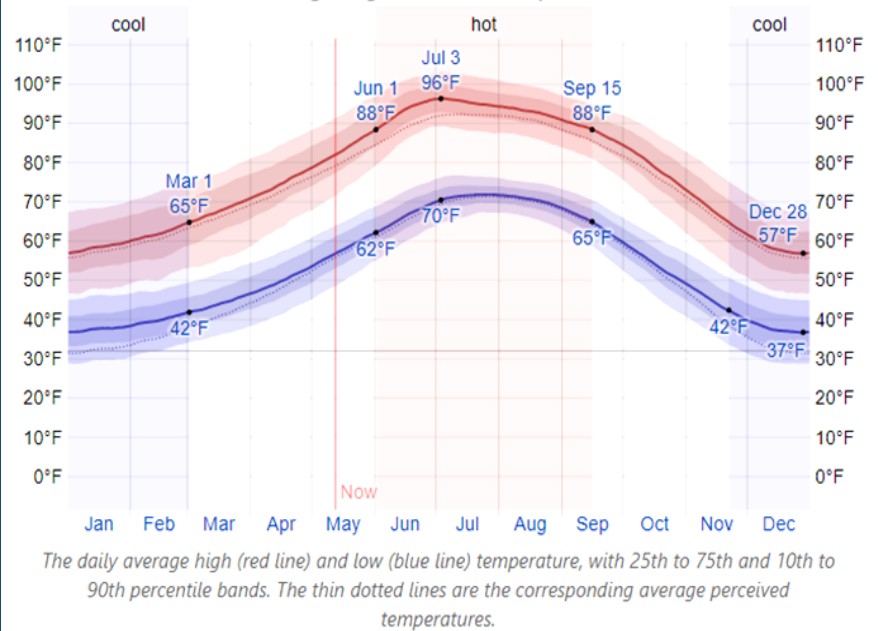
Grades K-8 1,896

Grades 9-12 1,233

Total Students 3,129

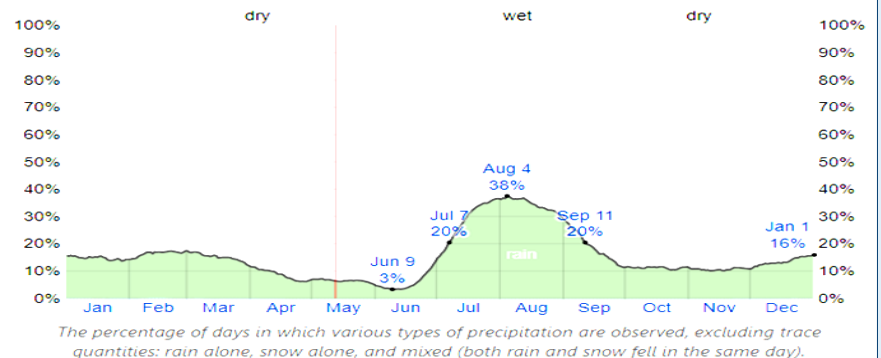
Temperature

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 2022 Service Statistics

Fire Protection

Stations	1
Employees (Full-time)	28
Fire & Hazmat Calls	295
Rescue & Medical Calls	2,696
Public Assist Calls	406
Fire Inspections (various kinds)	1,279
Plan Reviews & Permits	630
Public Ed Contact Hours	10,584

Police Protection

Stations	1
Employees (Full-time)	61
Sworn	36
Non-Sworn	26
Part I Crimes	442
Calls for Services	14,700
Traffic Warnings	1802
Traffic Citations	1,100
Arrests – Charged	952

Recreation & Parks Department

Community Recreation Centers	2
Swimming Pools	2
Youth Center	1
Instructional Classes	9,000
CRC Rentals	343
CRC Annual Visitors	76002
CRC Current Membership	4347

CAT/LYNX Transit System

Annual Ridership	121,709
Miles Traveled	440,185
CAT Ridership	56,144
Verde Shuttle Ridership	54,191
ADA Ridership	11,374

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

Municipal Parks

Developed Parks	6
Developed Acres	38.7
Undeveloped Acres	91.3
Tennis Center	1
Lighted Ball fields	8

Library

Items in Collections	92,000
Ebooks & Audio in Collection	49,000
Total Items Circulated	191,500
Ebooks and Audio Circulated	27,000
Circulation Transactions Per Day	6000

Sewer

Sewer Line Inspected (LF)	500
Miles of Line	60
Average Daily Treatment	0.89
Plant Capacity	1.8 mgd
Blue Stake Requests	1138
Reclaimed Water Sold	25.5 mg
Number of Sewer Accounts	4,488
Sewer Taps installed	7

Public Works

Engineering Reviews (ea. Proj.)	115
Right of Way Permits (ea.)	70
Flood Plain Inquires	180

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 that are in line with the Council's most recent strategic plan.

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 2023

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 2021	22	Distribute Forms for FY 2023 Personnel and Reclassifications Requests Due: December 13, 2021
	29	Distribute Forms for FY 2022 Accomplishments and FY 2022 Performance Indicators Due: January 3, 2022
January 2022	7	Distribute Forms for FY 2023 Goals and FY 2023 Performance Indicators Due: February 4, 2022
	7	Distribute Forms for the Departmental Five-Year Capital Improvement Plans (CIP) Due: February 4, 2022
	21	City Council & Staff - Strategic Planning Retreat
February 2022	1-4	Meetings with Finance and Departmental Staff Regarding Departmental CIPs (Optional)
	8	Council Work Session - Presentation of FY 2022 Departmental Accomplishments and FY 2022 Performance Indicators by Finance Staff
	14	Distribute Departmental Budget Work Sheets Due: March 4, 2022
March 2022	1-31	Budget Meetings with Finance and Departmental Staff Due: March 31, 2022
April 2022	12	Council Work Session - Presentation of FY 2023 Departmental Goals by Finance Staff
	18	Budget Discussion between Mayor and Administration/Finance Staff
May 2022	5	Council Work Session - Presentation of Revenue Projections and Changes
	5	Informal Public Meeting - Presentation of Proposed FY 2023 Budget
	6	Employee Staff Meeting
	5	Council Work Session - Overview of the FY 2023 Budget
	5	Council Regular Meeting - Formal Presentation of Proposed FY 2023 Budget
	5	Council Regular Meeting - Final Day for Changes to Proposed FY 2023 Budget
	5	Council Regular Meeting - Adoption of Proposed FY 2023 Budget
	9	Employee Staff Meeting
	TBD	Budget Meetings with Staff and Individual Council Members (Optional)
June 2022	24	Town Hall Meeting - Presentation of Proposed FY 2023 Budget
	16	Budget Presentation to Citizens - Cottonwood Bible Church
	16	Budget Presentation to Citizens - Crestview HOA
	21	Council Regular Meeting - Formal Presentation of Tentative FY 2023 Budget
	21	Council Regular Meeting - Public Hearing on Tentative FY 2023 Budget
	21	Council Regular Meeting - Final Day for Changes Tentative FY 2023 Budget
	21	Council Regular Meeting - Adoption of Tentative FY 2023 Budget
	21	Council Regular Meeting - Setting Expenditure Limitation
	30	Budget Presentation to Citizens - Chamber Breakfast
July 2022	19	Council Regular Meeting - Formal Presentation of Final FY 2023 Budget
	19	Council Regular Meeting - Public Hearing on Final FY 2023 Budget
	19	Council Regular Meeting - Final Day for Changes Final FY 2023 Budget
	19	Council Regular Meeting - Adoption of Final FY 2023 Budget
October 2022	17	Submission of Adopted FY 2023 Budget Document for the Distinguished Budget
	17	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. As part of the annual process, all departmental budgets are adjusted during the budget process for the next fiscal year and a new department head estimate is established. This department head estimate for the current year is adopted with the next year budget when presented to Council.

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 Annual Comprehensive Financial Report (ACFR) 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 ACFR for enterprise funds), and
2. Compensated absences (accrued but unused sick and vacation leave) are treated slightly differently in the budget and in the ACFR.

Compensated absences and depreciation are not budgeted.

The Annual Comprehensive Financial Report (ACFR) 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.

The City of Cottonwood has maintained this Fiscal Policy and strives to continue this practice in the current Budget year.

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, 2022

Net secondary assessed valuation (Full Cash Value)	<u>\$162,914,975</u>
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	32,582,995
Bonds outstanding	<u>0</u>
Net 20% Debt Limitation	<u>32,582,995</u>









Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	9,774,899
Bonds outstanding	<u>0</u>
Net 6% Debt Limitation	<u>9,774,899</u>



Total Bonding Capacity	<u>\$42,357,894</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, 2022, 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 @ 07/01/2022	Total Due By End of FY23	Principal Balance @ 07/01/2023	Funding Source
WIFA 2004 Refinancing 2015	7/1/2030	H2O	\$6,338,838.00	\$818,132.00	\$5,645,878.00	User Fees
WIFA 2006 Refinancing 2016	7/1/2035	H2O	9,775,831.00	923,792.16	\$9,018,619.00	User Fees
Excise Bond	7/1/2034	H2O, WW, GF, HURF	8,450,000.00	924,000.00	\$7,915,000.00	Sales Tax
Recreation Center	7/1/2027	GF	6,135,000.00	1,378,950.00	\$4,990,000.00	Sales Tax
PSPRS	7/1/2038	GF	20,090,000.00	1,109,267.50	\$19,390,000.00	Sales Tax
			<u>\$50,789,669.00</u>	<u>\$5,154,141.66</u>	<u>\$46,959,497.00</u>	

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.

City of Cottonwood Strategic Plan 2021-2023



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 improve 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



"Inspiring a Vibrant Community"

See appendix for the full City of Cottonwood Strategic Plan 2021-2023 document.



OUR STRATEGIC PLANNING

Accomplishments for Fiscal Year 2022

Biennially, the City Council with staff assistance develops a Strategic Plan for the upcoming two fiscal years. In 2020, the council met on December 10 and 11 to discuss a new two-year strategic plan for FY 2022 and FY 2023. A two-day session was held after which the Council agreed to five main points of emphasis for future development:

-  Foster Sustainable Growth and Development
-  Ensure our Quality of Life
-  Lead with Environmental Stewardship
-  Improve our Infrastructure
-  Embrace Financial Accountability and Transparency

Based on these five initiatives, City staff then worked on developing strategic goals and initiatives. On January 21, 2022, the City Council and City staff met again to update the goals and to further develop them for the FY 2023 budget cycle.

Listed on the following pages are just several of the many FY 2022 Strategic Plan accomplishments that were achieved in Fiscal year 2022.

STRATEGIC INITIATIVES



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.**

Hired a Housing Manager in partnership with City of Sedona; implemented the Down Payment Assistance program for City of Cottonwood employees and employees of Cottonwood businesses.

Became the designated marketing organization for Cottonwood, hired a organization to improve marketing and assisted the marketing firm in revamping the Visit Cottonwood website.

Expanded the Community Garden to the full potential of 53 plots and 100 percent of plots were leased in 2021.

Assisted the Historic Preservation Commission (HPC) with its first annual virtual home tour video production, coordinated marketing and leading the project to meet deadlines.

Developed professional videos to promote Cottonwood with Red Rock TV and Sedona NOW TV, and provided professional photos taken by Blushing Cactus Photography.

Launched outdoor billboards, Google Ad Words, and retargeted campaigns highlighting Visit Cottonwood and “You Are Welcome Here.”

Opened digital media lab utilizing grant funding from the Library Services and Technology Act to encourage teens and small businesses to build skills in social media creation, graphic design, and podcasting.

Assisted the new fixed base operator (TBD) in becoming fully operational.

Invested reserve funds in a Arizona-based bank as a way to support local commerce.

Worked with the Verde Valley Homeless Coalition, the Arizona Council of Governments, the Arizona Department of Housing, and City staff to secure a Community Development Block Grant pass-through grant in the amount of \$1.775 million for the purchase and improvement of the Coalition's emergency overnight homeless shelter and expansion of services to include transitional housing.

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 partnership 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.**

Created a regional non-profit coalition called Verde Valley Community Coalition of Nonprofits.

Engaged citizens by organizing two Council neighborhood meetings for Neighborhood Officer Zones CW1 and CW2.

Implemented Volunteer Leave to help incentivize employee volunteerism.

Outreach Services Officer Program was implemented and has successfully assisted in providing resources, direction, community services, and life changing programs to unsheltered individuals within the city.

Engaged community stakeholder in the Firewise program for wildfire preparedness by providing two presentations to community groups.

Successfully provided 15 public safety and educational programs, such as CPR and First Aid courses.

Collaborated with the Verde Valley Wine Fest in moving the event from Clarkdale to Cottonwood to add a significant Wine Themed event to our special events listing.

Began feasibility study on a “Wine Line” to promote our community and support our tagline “The Heart of Arizona Wine Country.”

Increased the amount of art, including several murals by local artist Joan Bourque utilizing grant funding.



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 reuse of reclaimed water**
- 3.5 Encourage the State to fund agencies that support the adjudication process.**

Installed four new arsenic treatment systems at wells that experience elevated levels of arsenic to ensure compliance with safe drinking water requirements.

Completed the replacement of more than 1,390 manual read meters with remote read meters to improve and enhance the accuracy and efficiency of collecting and entering monthly water use data.

Replaced the media at Mesquite Hills arsenic treatment system.

Replaced an aging water line in the alley between 5th and 6th Streets off of Main Street to ensure more reliable water delivery service in Old Town.

Replaced the check valves at Quail Canyon well-site to eliminate water hammering and protect the integrity of the water distribution system.

Completed the initial feasibility assessment of modifying the Mingus Wastewater Treatment Plant (WWTP) to produce potable quality water for direct potable reuse (DPR)

Initiated the engineering and design of the wellhead and necessary infrastructure to facilitate the recharge of reclaimed water via injection well at the Mingus WWTP. (Recharge of reclaimed water projected to begin around middle 2022)

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 for 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.**

Acquired building at 635 N Main Street for the new City Hall location, issued a Request for Proposal for architectural services and initiated the buildout of the building.

Developed a new Citywide vehicle maintenance and repair agreement with an award to multiple service providers in an effort to expedite services, and promote competition and customer service provided to the City.

Developed a capital replacement program, funded at 2.75% of budgeted revenues for FY 2022.

Dramatically reduced 9-1-1 radio system issues by building in some redundancy and attending to needed repairs.

Added infrastructure by awarding a construction for 2,000 LF of sidewalk on Fir Street.

Completed reconstruction of Mingus Avenue from the intersection with 8th Street to Main Street.

Converted 40 fixtures to LED or other energy efficient bulbs.

Applied 45,000 lbs. of crack seal in preparation of pavement preservation.

Completed the installation of the replacement Automated Weather Observing System (AWOS) system.

Completed the installation of airport security enhancement projects for access controls and security camera system

Completed the initial assessment of blower and maintenance issues at the Mingus Wastewater Treatment Plant (WWTP).

Initiated the engineering and design of the selected solution to address the blower and maintenance at the Mingus WWTP.

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.**

Increased the City's Restricted reserves to match 25% of prior year revenues and allocated another \$4M to undesignated reserve.

Developed a survey to engage citizens in the budget process..

Completed and submitted the FY 2021 Annual Comprehensive Financial Reporting (ACFR) to the Government Finance Officers Association (GFOA) for which the Finance Department received its 31st GFOA Certificate of Achievement in Excellence in Financial Reporting.

Revised three sections of the Employee Manual (1, 6, 8) to update policies regarding Employment Rights and Responsibilities, Compensated Time and Leave, and Corrective Action.

Implemented the approved compensation plan that resulted from the Compensation Study.

Implemented additional payment methods and access for defendants - telephonic and electronic with little or no access/use fee and installation of an exterior payment drop box for payments and court correspondence.

Assisted in the issuance of approximately \$20 million in pledged revenue obligations used to refinance the City's public safety pension liability.

Provided significant assistance in the negotiations, due diligence and purchase of the Rough Cut building, during which time the City received several significant price concessions from the seller.

Implementation of subscriber agreements with the Town of Jerome Police and the Town of Clarkdale Police to provide 911 dispatch services and successful transition into Communications operation on November 1, 2021.

Created standard operating procedures to give staff direction on task-related responsibilities and to create an acceptable standard for those tasks.

Removed late fees from the Materials Borrowing Policy to reduce the number of patrons excluded from utilization of the library due to overdue fees.



OUR STRATEGIC PLANNING

Goals for Fiscal Year 2023

Biennially, the City Council with staff assistance develops a Strategic Plan for the upcoming two fiscal years. On January 21, 2022, the City Council and City staff met to update the goals and to further develop them for the FY 2023 budget cycle.

Listed below are just a few of the many FY 2022 Strategic Plan Goals that staff plans on achieving in fiscal year 2023.

Council

Allocate more funds to improve road infrastructure.
Increase volunteerism in the community.

Admin

Develop the plan for buildout, design and construction of the New City Hall located at 635 N Main Street.

Determine which City owned properties will be sold as a result of the new City Hall and begin the designing of a new Town Square, park, and parking in Old Town.

Create a "We are Cottonwood" program that promotes volunteerism and community pride.

Clerk

Schedule three Council neighborhood meetings.
Hold a candidate meet and greet for 2022 election.

Legal

Assist Management and Council as needed and requested with the process of recruiting for, selecting, contracting with and onboarding a new City Attorney.
Assist in the preparation of a proposed set of affordable housing guidelines and development incentives for consideration and approval by Council.

Finance

Publish first Budget-in-brief of the FY 2023 budget document.
Develop a comprehensive five-year capital plan..

Human Resources

Update at least one additional section of the Employee Manual.
Create and implement a Community Pride program for City employees.

Purchasing

Approve 90% of purchase order requisitions within two business days.
Implement the use of Docusign software for electronic contract signatures



FUTURE ORGANIZATIONAL GOALS FOR 2024-2028

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 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. 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.

Airport: T-Hangar Planning and 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 load for it.

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 storage space for property and evidence in three different locations. A new building will consolidate the storage onto one public safety campus. This building will co-locate with City departments and allow for the Utility and Public Works departments as well as the City in general to properly recapture the current storage spaces so they can be utilized 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 fiscal year 2023 from the City's sales tax or possible by 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 -Stations. Purchase land and design and construct a Satellite Station in the area of Fir Street/State Route 260 or Mingus Avenue/State Route 89A 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 of \$146,000 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 Improvements & Parking Lot

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. The additional parking will 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 is the second phase of the 6th Street project and involves reconstruction and drainage improvements to 6th 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 10th Street

This project would involve the reconstruction and drainage improvements to Main Street for the stretch between the intersections with Grey Fox Ridge and 10th 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 10th Street to State Route 89A

This project would involve reconstruction and drainage improvements to Main Street for the stretch between the intersection with 10th 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 water service quality by replacing undersized, substandard and defective water lines that currently do not 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 had only 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 the program will be funded through system improvement reserves and user fees.

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 manual-read meters have been 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 is anticipated to end in FY 2028 at a total cost of \$3.9M.



LONG RANGE FINANCIAL PROJECTIONS

GENERAL FUND

General Fund

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Taxes	\$22,276,850	\$22,758,610	\$23,450,980	\$24,164,490	\$24,904,300
Licenses & Permits	748,040	766,740	785,910	805,560	825,700
Intergovernmental Revenue	4,850,910	5,020,460	5,195,930	5,377,540	5,565,500
Charges for Services	3,310,720	3,410,750	3,514,640	3,622,570	3,713,130
Fines & Forfeitures	251,790	258,090	264,540	271,150	277,930
Uses of Monies & Properties	54,270	56,000	57,770	59,610	61,510
Micellaneous Revenues	37,060	38,160	39,280	40,440	41,680
Total Revenues	\$31,529,640	\$32,308,810	\$33,309,050	\$34,341,360	\$35,389,750
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
General Government	\$11,292,430	\$11,788,944	\$12,306,059	\$12,782,038	\$13,337,363
Public Safety	13,136,822	13,796,167	14,522,988	14,962,987	15,530,973
Culture & Recreation	2,641,350	2,750,190	2,863,580	2,981,660	3,104,360
Total Expenditures	\$27,070,602	\$28,335,301	\$29,692,627	\$30,726,685	\$31,972,696
Gain/(Loss)	\$4,459,038	\$3,973,509	\$3,616,423	\$3,614,675	\$3,417,054

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. There is a slight downturn forecasted in FY 2024 with revenues increasing by only 1% over the previous year in anticipation of that decline. Currently, inflation is really high and the federal government is increasing interest rates to try to stop the increases in inflation.

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 of the City of Cottonwood and has also helped in 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, 2022 by 4% to 9% based on the plan that employee chooses.

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 decreases in the employer matching contributions.

Even though these types of increases and decreases 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, completed in 2010, its 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. At the present time, the General Fund has the reserves to handle any of these deficits, but efforts will continue to be made to avoid tapping into them.

SPECIAL REVENUE FUNDS

Special Funds

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
HURF / Streets	\$2,874,190	\$2,924,690	\$2,975,560	\$3,026,794	\$3,078,435
CATS	3,290,730	3,338,880	3,387,950	3,437,940	3,488,870
Library	1,210,700	1,261,290	1,314,050	1,369,050	1,426,420
Cemetery	-	-	-	-	-
Airport	146,530	149,490	152,500	155,570	762,780
Airport Grants	-	-	-	-	-
Other Grants	-	-	-	-	-
CDBG	-	-	-	-	-
Total Revenues	\$7,522,150	\$7,674,350	\$7,830,060	\$7,989,354	\$8,756,505
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
HURF / Streets	\$2,629,360	\$1,937,850	\$2,748,140	\$2,060,334	\$2,874,545
CATS	4,255,640	3,129,480	3,262,050	3,400,430	3,544,800
Library	1,210,700	1,261,290	1,314,050	1,369,050	1,426,420
Cemetery	-	-	-	-	-
Airport	291,680	303,340	315,480	328,100	1,579,820
Airport Grants	-	-	-	-	-
Other Grants	-	-	-	-	-
CDBG	-	-	-	-	-
Total Expenditures	\$8,387,380	\$6,631,960	\$7,639,720	\$7,157,914	\$9,425,585
Gain/(Loss)	(\$865,230)	\$1,042,390	\$190,340	\$831,440	(\$669,080)

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 Shuttle 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

Debt Service

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Interest Income	10	10	10	10	10
User Fees	-	-	-	-	-
City Sales Tax	1,644,360	1,647,945	1,644,090	1,642,995	267,970
Total Revenues:	\$1,644,370	\$1,647,955	\$1,644,100	\$1,643,005	\$267,980
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Trustee Fees	2,500	2,500	2,500	2,500	1,000
Principal Payments	1,337,290	1,395,985	1,449,680	1,508,370	197,065
Interest Payments	304,580	249,470	191,920	132,135	69,915
Total Expenditures:	\$1,644,370	\$1,647,955	\$1,644,100	\$1,643,005	\$267,980
Gain/(Loss)	\$0	\$0	\$0	\$0	\$0

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 Community Gardens

ENTERPRISE FUNDS—WATER AND WASTEWATER UTILITIES

Enterprise Fund

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Taxes	-	-	-	-	-
Interest Income	79,010	80,990	83,010	85,090	87,210
User Fees	11,274,430	11,556,280	11,845,200	12,141,320	12,444,850
Miscellaneous Income	4,792,450	2,815,000	2,885,370	2,957,500	3,031,430
Total Enterprise Revenues:	\$16,145,890	\$14,452,270	\$14,813,580	\$15,183,910	\$15,563,490
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Construction	\$1,168,020	\$1,203,060	\$1,239,160	\$1,276,340	\$1,314,630
Operations	5,283,540	5,503,090	5,731,980	5,731,100	5,970,170
Administration	1,553,490	1,617,810	1,684,790	1,754,620	1,827,400
Water & Waste Water Debt Service Exp.	2,010,125	2,010,698	2,030,270	2,010,550	2,009,835
Total Enterprise Expenses:	\$10,015,175	\$10,334,658	\$10,686,200	\$10,772,610	\$11,122,035
Gain / (Loss)	\$6,130,715	\$4,117,612	\$4,127,380	\$4,411,300	\$4,441,455

ANALYSIS

The Enterprise Funds pertain to the Water and Wastewater Divisions that are self-sufficient and depend on the 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 were 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 the wastewater division as well—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. The FY 2023 budget does not include a rate increase, after evaluating the increase staff proposed to Council to skip the increase for the water for FY 2023.



FIDUCIARY FUND

Fiduciary Fund

Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Interest Income	11,850	12,210	12,580	12,960	13,350
Contributions	-	-	-	-	-
Total Revenues	\$11,850	\$12,210	\$12,580	\$12,960	\$13,350
Expenditures	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Benefits Paid	1,850	1,910	1,970	2,030	2,090
Total Expenditures	\$1,850	\$1,910	\$1,970	\$2,030	\$2,090
Gain/(Loss)	\$10,000	\$10,300	\$10,610	\$10,930	\$11,260

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 2023 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, it 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 positive and we anticipate that the FY 2022 will show another increase of 10% over FY 2021 sales tax figures and FY 2023 will show an increase of 7% over FY 2022.

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 2023 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 FY 2023 has an additional 11 positions added to the budget. 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 in 2008 but since then has been rising at least 7% 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 62% of all General Fund revenues.

State Shared Revenues constitute 15.1% of total operating revenues or about \$5M for FY 2023. This is up by 19.37% 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 stagnant in the past five years.

Licenses and Permits

License and Permit Revenues are budgeted at \$729,795. This is a decrease of 17.35% in FY 2023 from FY 2022. Construction had been increasing at the beginning of FY 2020 with a new Dutch Bros Coffee, Starbucks 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 was completed in FY 2022.

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 1,937% for FY 2023, 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 2023 is expected to increase 4.25% over the year end figure for FY 2022; a moderate increase, partially because of the anticipated increase of 5% for dispatching fees and the fact that revenues for FY 2022 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 FY 2023, revenues in this area are budgeted to be up about 1%.

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 2022 or FY 2023. This revenue is budgeted to be up in FY 2023 by 20.5% from FY 2022 mainly due to the Federal Government increasing interest rates to curb inflation.

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 28.63% from FY 2022.

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 decrease by 15.81% from the FY 2022 original budgeted amount. This translates in an increase of \$19,991,415 over that of the previous fiscal year's revised budget of \$31,300,235. This net increase includes some rollover projects and \$18,823,275 in fund balance reserves.

The increase in funds for **Personnel** is because of a Cost of Living Adjustment of 6%, the merit program, increases in health insurance, retirement and other related taxes. The increase is also because of adding 11 new positions in the FY 2023 budget.

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 can be kept from increasing drastically. FY 2023 will show a 9% to 4% increase in health insurance rates depending on the coverage.

The **Operating Supplies** category has increased by \$1,550 from \$896,560 in the last fiscal year to \$898,110 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 67.5%. This is partially due to the continued need for specific services that will be performed by independent contractors and adding some Housing Services in the current budget year.

Other Services and Charges reflect an decrease that is mainly due to departments adding services to the budget that are deemed necessary.

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 2023.

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

CITIZENS**CITY COUNCIL****MAGISTRATE
JUDGE****Municipal Court****CITY ATTORNEY****CITY MANAGER****CITY CLERK****Assistant to the
City Manager****Human Resources**

- Community Development
- Ordinance Enforcement

- Cemetery
- Engineering Services
- Public Works
- Transfer Station
- Maintenance

- Police
- Communications

Fire & Medical**Tourism & Economic
Development****Airport****Streets****Utilities****DEPUTY CITY
MANAGER****Finance****Information
Technology****Purchasing**

- Parks & Recreation
- Youth Center
- Recreation Center
- Pool

Transit**Library**

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 on the [City's website](#).

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
 - 1st priority is fleet—developing a new Enterprise lease program
 - 2nd 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

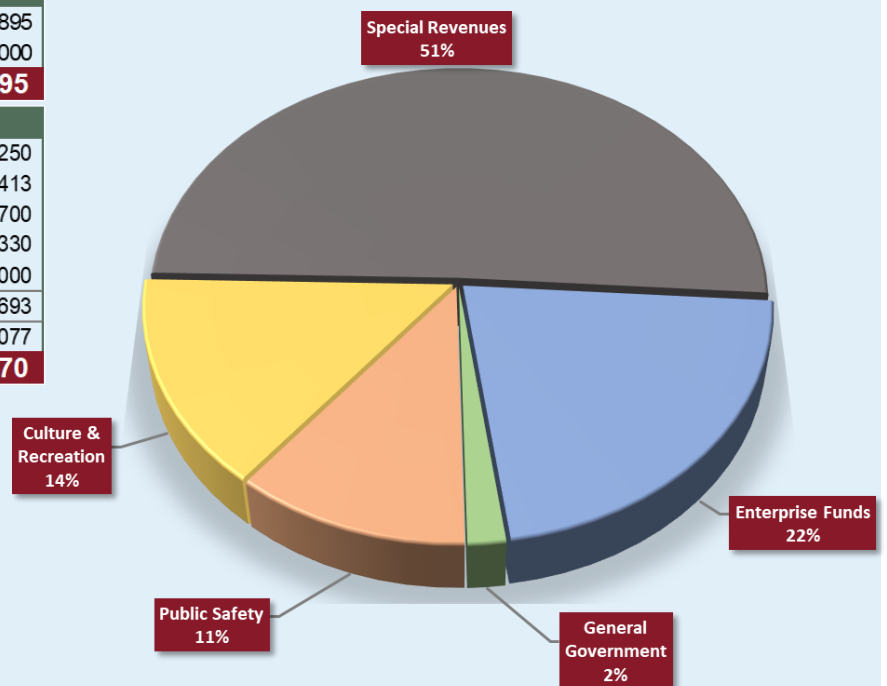
Department	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Five Year Total CIP
Administration	\$0	\$0	\$0	\$0	\$0	\$0
City Clerk	-	-	-	-	-	0
Community Development	-	-	-	-	-	0
Engineering	30,000	-	50,000	-	-	80,000
Finance	-	-	45,000	-	-	45,000
Human Resources	-	-	-	-	-	0
Information Technology	400,250	150,000	98,000	113,000	113,000	761,250
Maintenance	50,000	55,000	72,000	59,000	-	236,000
Fire & Medical	235,000	95,000	90,000	165,000	140,000	585,000
Police Department	545,604	5,765,604	45,604	484,400	7,200	6,841,213
Parks & Recreation	3,914,500	4,241,000	25,000	252,000	-	8,432,500
Recreation Center	135,400	326,400	375,400	69,000	40,000	906,200
Youth Center	-	-	-	-	-	0
Library	315,000	40,000	80,000	-	-	435,000
Airport Grants	1,992,700	853,795	970,000	-	-	3,816,495
Cemetery	-	-	-	-	-	0
CDBG	450,000	-	-	-	-	450,000
Grants Fund	-	-	-	-	-	0
Streets	5,934,135	666,000	5,912,000	291,000	850,000	12,803,135
Transit	263,700	6,000	6,000	6,000	-	281,700
CIP Fund	16,000,000	-	-	-	-	16,000,000
Water	3,990,000	3,215,000	1,915,000	1,590,000	1,590,000	10,710,000
Wastewater	1,380,000	362,000	350,000	300,000	-	2,392,000
Totals	\$35,636,289	\$15,775,799	\$10,034,004	\$3,329,400	\$2,740,200	\$64,775,493

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Fund – Revenues	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total Five Years
Revenues/Reserves/Other Financing Sources						
General Fund	\$5,032,239	\$5,386,944	\$6,437,653	\$6,361,570	\$3,930,740	\$27,149,146
Special Revenue Funds	2,944,796	2,186,596	3,132,599	2,345,629	2,411,815	\$13,021,435
Enterprise Funds	27,168,146	28,425,414	29,265,456	30,135,272	31,036,026	\$146,030,314
Total Available Revenues and Reserves	\$35,145,181	\$35,998,954	\$38,835,709	\$38,842,471	\$37,378,581	\$186,200,895
Other Financing Sources						
General Fund – Other Financing Sources	3,195,000	21,375,000	0	0	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
Total Other Financing Sources	\$3,195,000	\$21,375,000	\$0	\$0	\$0	\$28,970,000
Total Revenues/Reserves/Other Financing Sources	\$ 38,340,181	\$ 57,373,954	\$ 38,835,709	\$ 38,842,471	\$ 37,378,581	\$ 215,170,895
Fund – Expenditures						
Expenditures and Other Financing Uses						
General Fund – Other Financing Commitments	\$3,975,254	\$3,452,785	\$5,410,506	\$4,455,594	\$2,845,071	\$20,139,210
Special Revenues – Other Financing Commitments	2,083,380	2,143,655	2,143,655	2,143,655	2,143,656	\$10,658,001
Enterprise Funds – Other Financing Uses	9,131,863	9,370,111	9,621,229	9,884,903	10,161,760	\$48,169,866
Other Financing Uses	\$15,190,497	\$14,966,551	\$17,175,390	\$16,484,152	\$15,150,487	\$78,967,077
General Fund Expenditures						
General Fund – General Government	480,250	205,000	265,000	172,000	113,000	1,235,250
General Fund – Public Safety	780,604	5,860,604	135,604	649,400	147,200	7,573,413
General Fund – Culture & Recreation	4,364,900	4,607,400	480,400	321,000	40,000	9,813,700
Special Revenue Funds – HURF and Transit	24,640,535	1,525,795	6,888,000	297,000	850,000	34,201,330
Enterprise Funds	5,370,000	3,577,000	2,265,000	1,890,000	1,590,000	14,692,000
Total Expenditures	\$35,636,289	\$15,775,799	\$10,034,004	\$3,329,400	\$2,740,200	\$67,515,693
Total Expenditures and Other Financing Uses	\$ 50,826,786	\$ 30,742,351	\$ 27,209,394	\$ 19,813,552	\$ 17,890,687	\$ 146,482,770

**Consolidated Expenditures
Five-Year CIP for FY 2024-2028**

Planned Revenues	
Reserves, Revenues and Fees	\$186,200,895
Other Financing Sources	28,970,000
Total Available Revenues	\$215,170,895
Planned Expenditures	
General Government	\$1,235,250
Public Safety	7,573,413
Culture & Recreation	9,813,700
Special Revenues	34,201,330
Enterprise Funds	14,692,000
Total Expenses	\$67,515,693
Total Financing Uses	\$78,967,077
Total Expenditures and Uses	\$146,482,770



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.

CAPITAL BUDGET IMPACT 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 2024	FY 2025	FY 2026	FY 2027	FY 2028
General Fund					
Finance- Software upgrades & Maintenance	(50,000.00)	(50,000.00)	(50,000.00)	(50,000.00)	(50,000.00)
Administration - Consolidated City Hall - Utilities Reduction & Staff Reduction	-	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)
Community Dev - New Vehicle - Maintenance	(1,500.00)	(1,500.00)	(1,500.00)	(1,500.00)	(1,500.00)
Engineering - Topcon Robotic	-	-	-	-	-
Engineering - Replacement Truck - Maintenance	-	-	-	(1,500.00)	(1,500.00)
Fire - Truck (Maintenance)	(25,000.00)	(20,000.00)	(15,000.00)	(25,000.00)	(25,000.00)
Fire & Medical and Police - Substation - Utilities & Maintenance	-	-	-	10,000.00	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)	(1,000.00)
Maintenance - Utility Truck - Maintenance	1,500.00	1,500.00	2,000.00	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	1,200.00
P&R - River Front Park Trails - Develop Riverfront Park - Maintenance	-	-	1,200.00	10,000.00	10,000.00
P&R - Soccer Fields - Maintenance & Upkeep	80,000.00	8,000.00	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)	(1,500.00)
P&R - Old Town Activity Park - Cultural Park - Maintenance & utilities	-	2,500.00	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	1,200.00
Police Department - Evidence Facility- Maintenance & Utilities	10,000.00	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)	(1,200.00)
Recreation Center - Generator- Utilities	-	5,000.00	5,000.00	5,000.00	5,000.00
Recreation Center - Solar Electric	-	-	(10,000.00)	(10,000.00)	(10,000.00)
Recreation Center - Cardio Equipment - Maintenance	(2,500.00)	(2,500.00)	(2,000.00)	(1,500.00)	(1,500.00)
Recreation Center - Exterior Paint	-	-	-	-	-
Recreation Center - Indoor Pool Resurfacing	-	-	-	-	-
Recreation Center - Roof Repair	-	-	-	-	-
Additional (Reduction) Operations & Maintenance Costs	10,500.00	(73,500.00)	(76,800.00)	(68,500.00)	(68,500.00)
Special Revenue Funds					
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	100,000	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	-	-	-	-	-
Additional (Reduction) Operations & Maintenance Costs	110,000	108,000	108,000	108,500	110,000
Enterprise Funds					
Water - VMeter Replacements - Salaries and Benefit Savings	(30,000)	(45,000)	(60,000)	(15,000)	(14,999)
Water - Arsenic Systems for Well 8/9 - Media Costs	(10,000)	(10,000)	(10,000)	-	-
Water - Fire Hydrant Improvements	-	-	-	-	-
Water - Trucks - Maintenance	(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	-	-	-	-	-
Additional (Reduction) Operations & Maintenance Costs	(42,000)	(55,000)	(70,000)	(15,000)	(14,999)



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City Sales Tax Revenues

Description

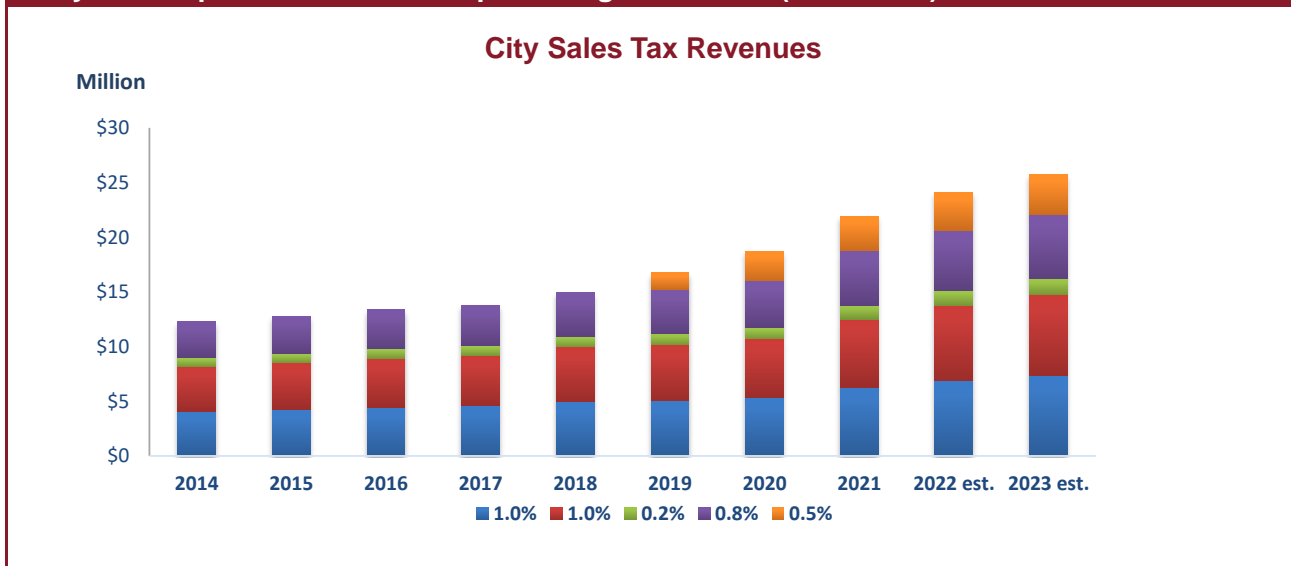
The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved 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.)
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	6,257,388	6,257,388	1,251,478	5,005,911	3,128,694	21,900,859	17.02%
2022 est.	6,883,127	6,883,127	1,376,625	5,506,502	3,441,564	24,090,945	10.00%
2023 est.	7,364,946	7,364,946	1,472,989	5,891,957	3,682,473	25,777,311	7.00%

The City of Cottonwood serves as the retail center of the upper Verde Valley. To mitigate the effect of the declining economy in FY 2008 and again in FY 2018, the City increased its sales tax by .8% in 2008 to 3% and by .5% in 2018 to 3.5%. 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 anticipated slowing in sales tax did not happen and FY 2020 actually ended 11.83% over FY 2019, and there was an increase of 17.02% in FY 2021. The strong economy has continued into FY 2022 and the forecasting for FY 2022 has anticipated increases of 10% and 4% respectively.

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





Urban Revenue Shared Income Tax Revenue



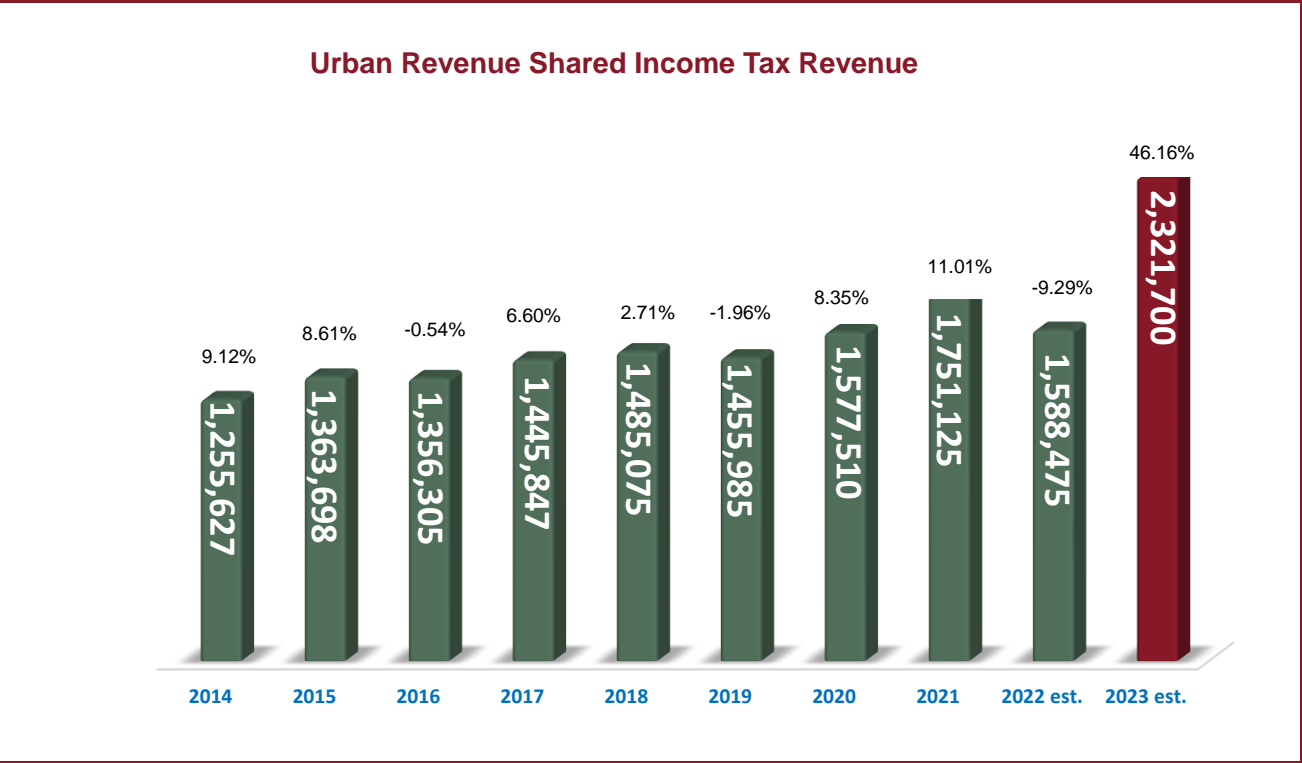
Description

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

In 2012, the State of Arizona implemented new tax percentages that were not tied to the IRS deductions 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 until the current budget year when this revenue is anticipated to grow by 46% to \$2,321,700. These increases can be attributed to job growth and an increase in the State's minimum wage. Fiscal year 2022 shows an anticipated decrease of this revenue source of 9.29% from FY 2021. A factor that will impact this revenue in future years is the shutdown during fiscal year 2020 due to the COVID pandemic and the loss of jobs and increases in unemployment. These tax revenue figures are based on collections by the State of Arizona from two years prior. There is discussion at the state level to implement a lower flat tax for all and that would impact this revenue in the future.

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



State Shared Sales Tax Revenue



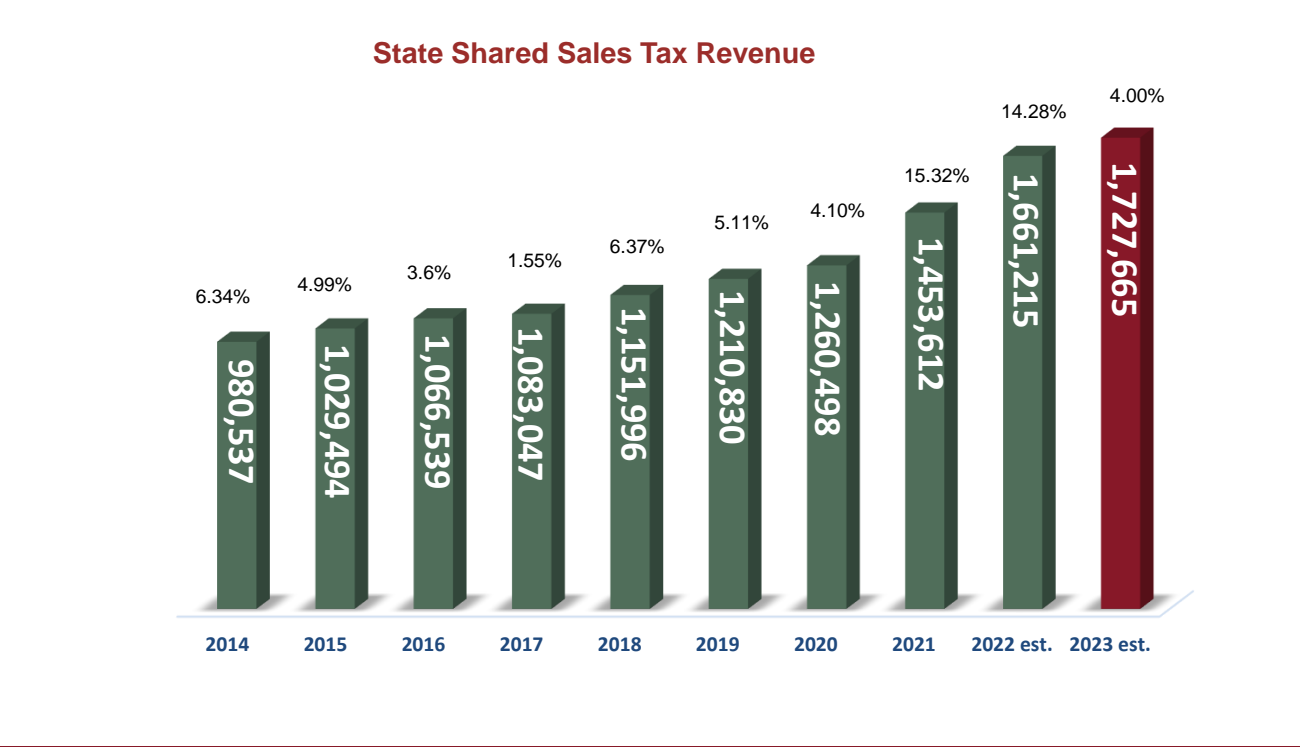
Description

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 forward. The growth of this revenue is based on the current economic expansion and the growing population in Arizona. 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. Cities receive 25% of the base amount projected by the State of Arizona and that amount is divided up between Cities and Towns based on population. FY 2022 is estimated to be 37.06% higher than fiscal year 2021, and fiscal year 2023 reflects a 18.85% increase 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

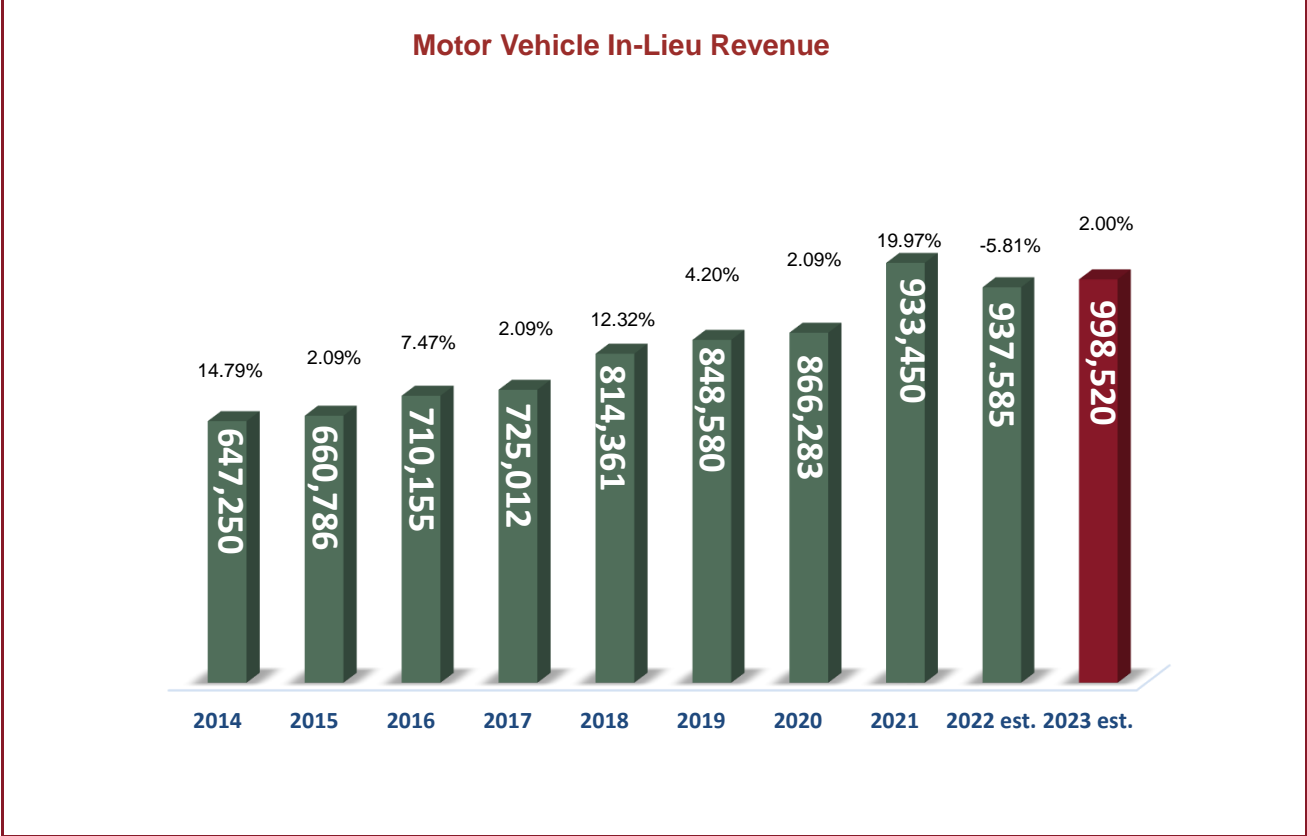
Arizona cities receive a 20% share of the net revenues collected from the licensing of vehicles in their related county. Each city's share within their county is determined based on the city's population in relation to that of the county as a whole. These revenues are distributed by the State Treasurer. 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. Starting in FY 2015, the revenues received are closer to the level of 2008 and they have grown at a pretty steady pace since then. This revenue for FY 2021 was 13% higher than that of FY 2020 and this was partially due to lower interest rates and more vehicle sales, and it shows that the economy had almost fully recovered. However, the estimate for FY 2022 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 62% in the ten-year period of 2014 to 2023.

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



Investment Revenues



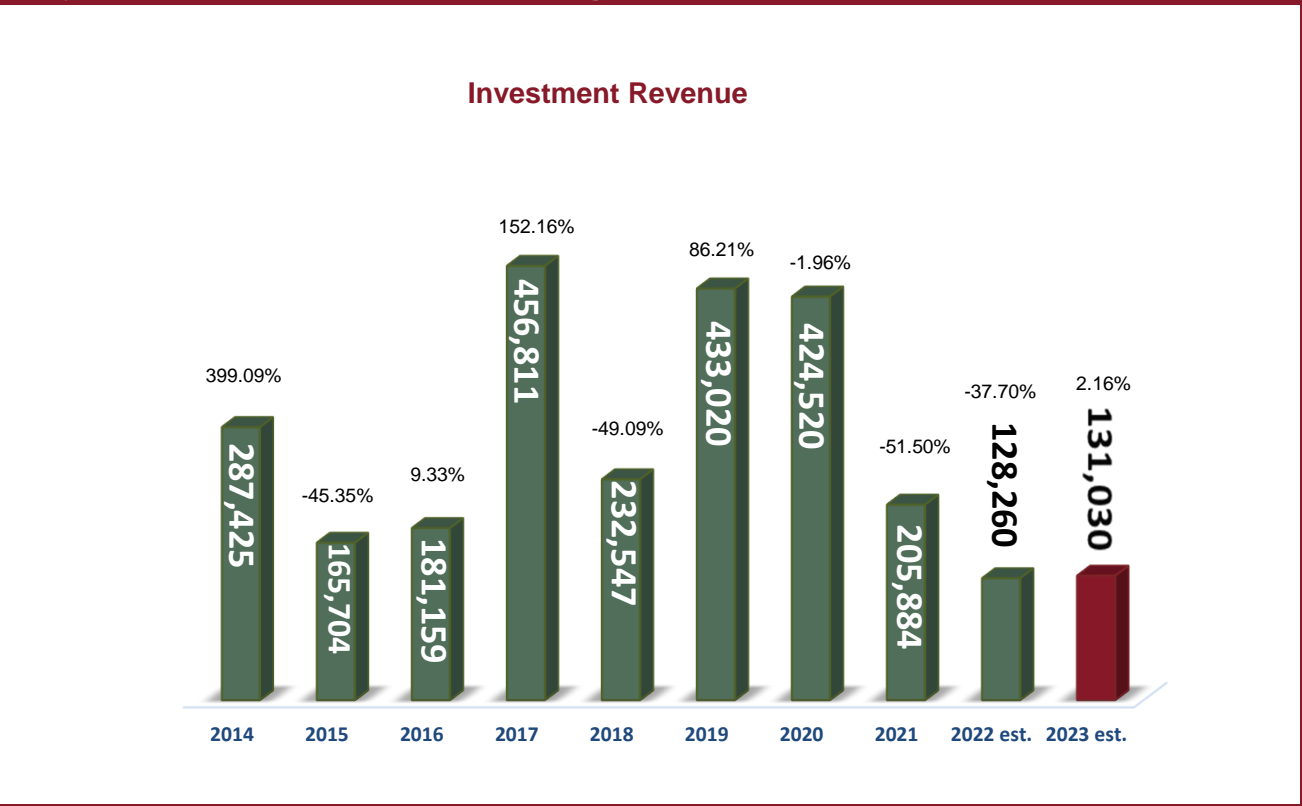
Description

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.

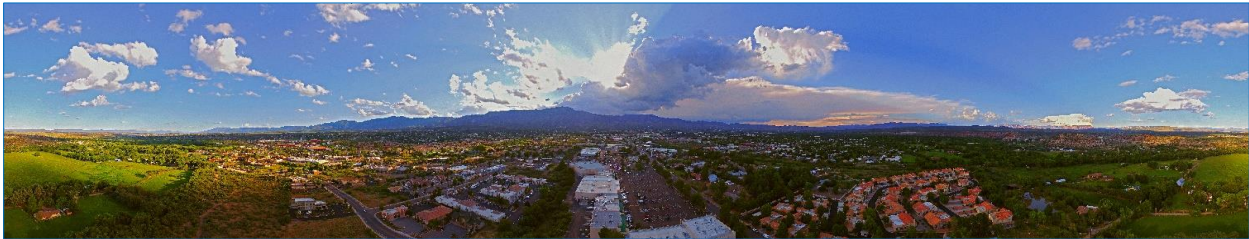
Analysis

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 its 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 remaining low, this revenue source will still not see any significant growth for FY 2022 or FY 2023.

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



Building Permits Revenues



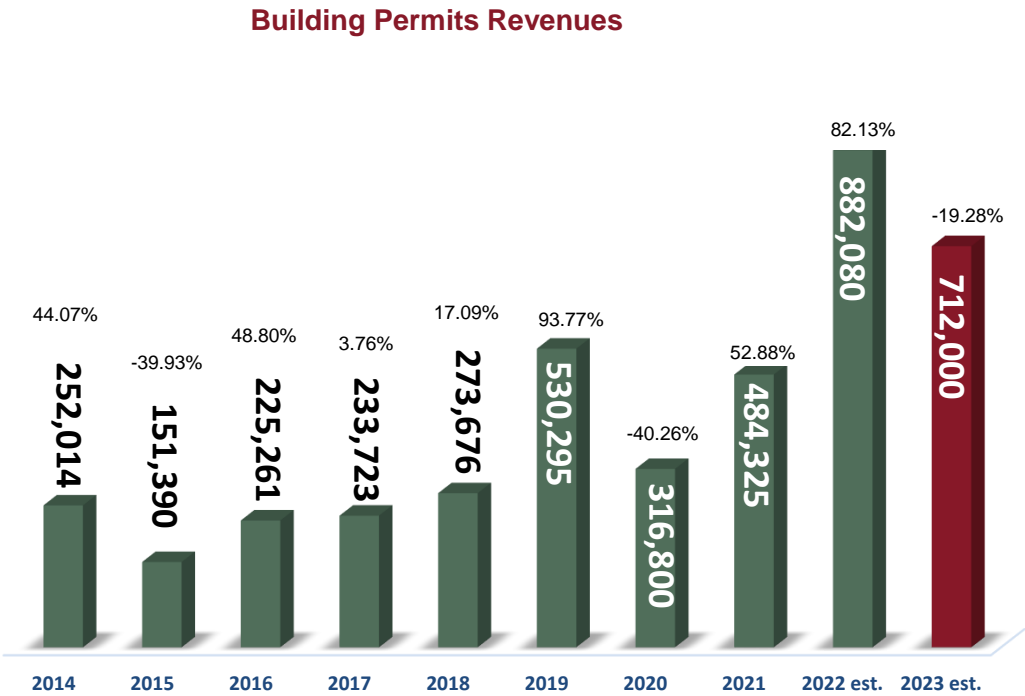
Description

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, which 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 due to housing and business growth in the area. 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 fee rates were increased in FY 2020. Revenues for FY 2020, however, were to be down by 40.26% from FY 2019 as COVID-19 seemingly stopped construction. FY 2022 is projected to increase by 82.13% over FY 2021 with the economy improving but fiscal year 2023 is projected to decrease slightly due to increased costs in lumber, inflation on all products, and the labor shortage in a very tough labor market.

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



Fines and Forfeitures Revenues



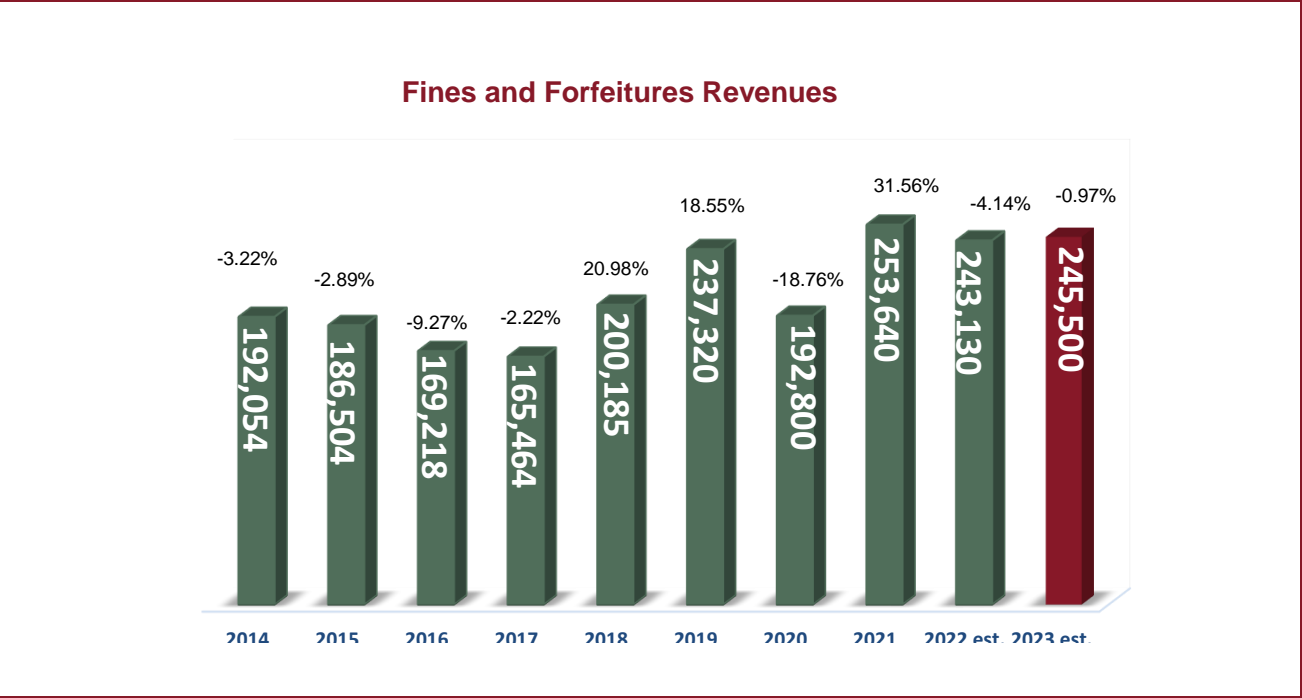
Description

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 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 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 this is continuing into the FY 2023 budget. The numbers for FY 2020 were down due to the COVID-19 pandemic that led to a lot of businesses being shut down for several months. FY 2021 showed a slight increase as the world went back to work. FY 2022 showed a decrease as the Court learned how to function during the continued issues of the COVID-19 pandemic, and FY 2023 is showing slight increases as the Police Department becomes fully staffed and added two officers in late FY 2022.

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





Franchise Tax Revenues



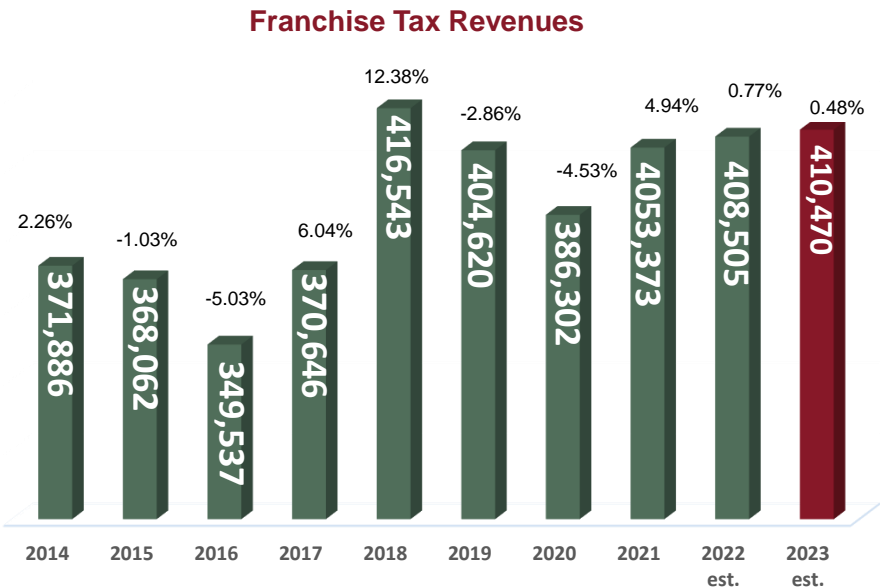
Description

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 costs. Since FY 2014, these revenues have been hovering around the same level with a small uptick in fiscal years 2017 and 2018. Over the last ten years, franchise fees have increased by 10.37% as a whole and they show that Cottonwood has seen slow and steady population growth in the last ten years.

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





Highway User Revenue Funds (HURF)

Description

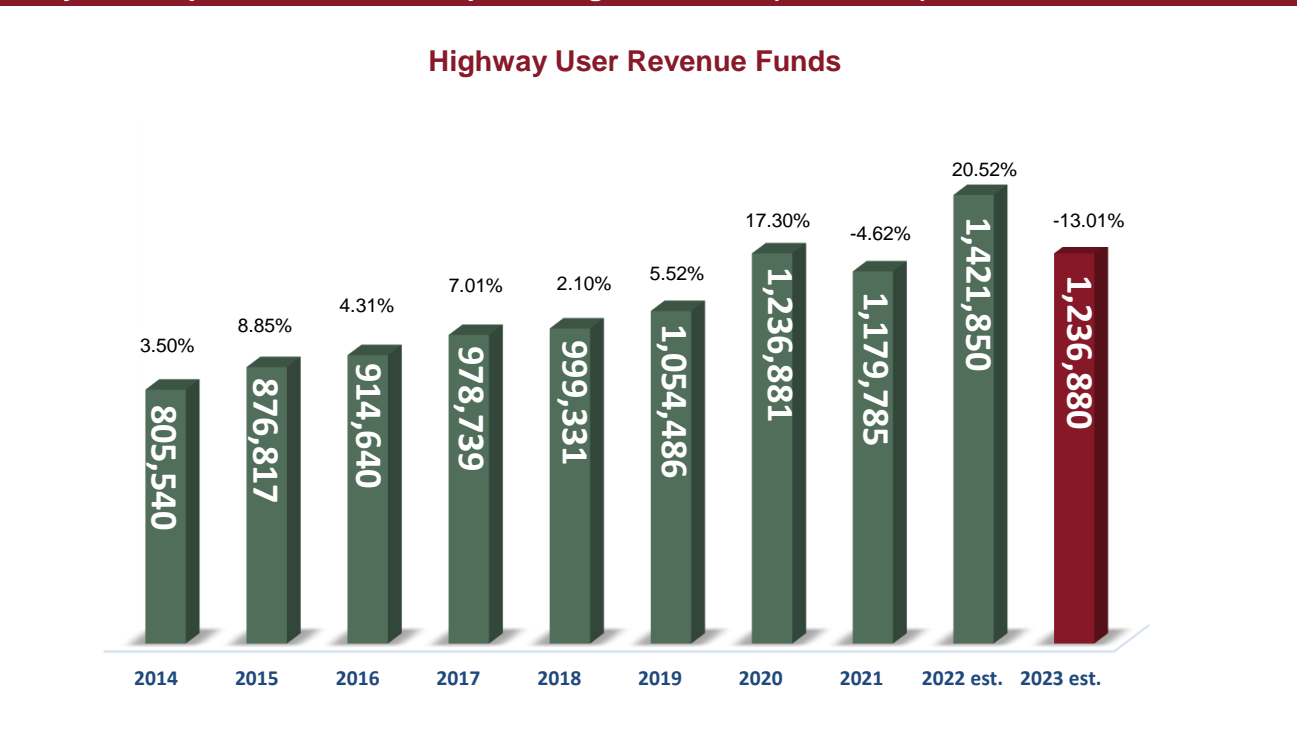
Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula used is based on two separate calculations; the first calculation (half) is based on a city's population in relation to the state's total population, the second is based on the county in which the 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 was projected to decrease by 9.03% but actually decreased by 4.62%, partially because the additional State revenue was a one-time payment only and the COVID-19 pandemic had an effect on travel and fuel sales. Fiscal year 2023 is also projected to be down, by 13.01%, due to a decrease in fuel sales as fuel costs have been rising across the nation.

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



Wastewater Service User Fees

Description



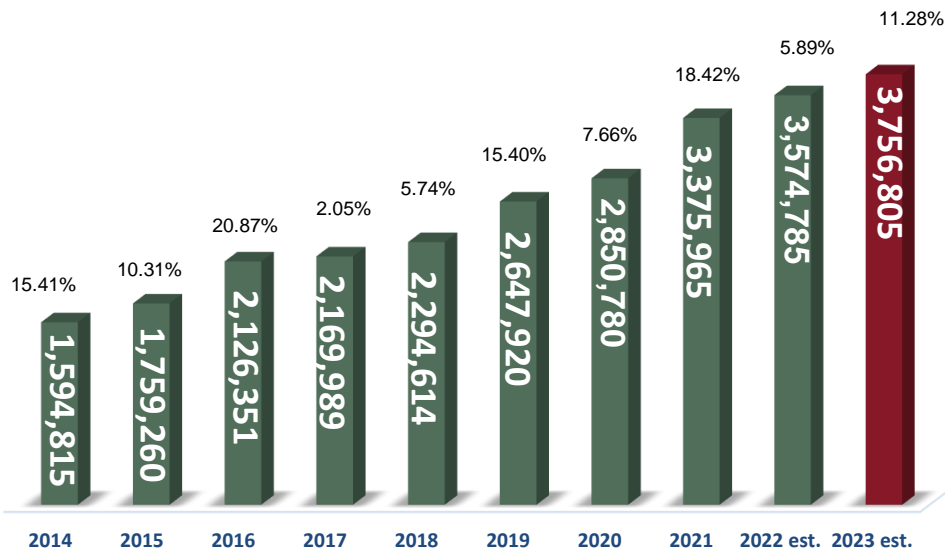
User fees are charged to residential, commercial and industrial customers for the collection and treatment of wastewater. In addition, the City levies tap fees on all new construction.

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 in 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 starting September 2019 and then every July thereafter for the next five years. The rate as of July 1, 2021, was \$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

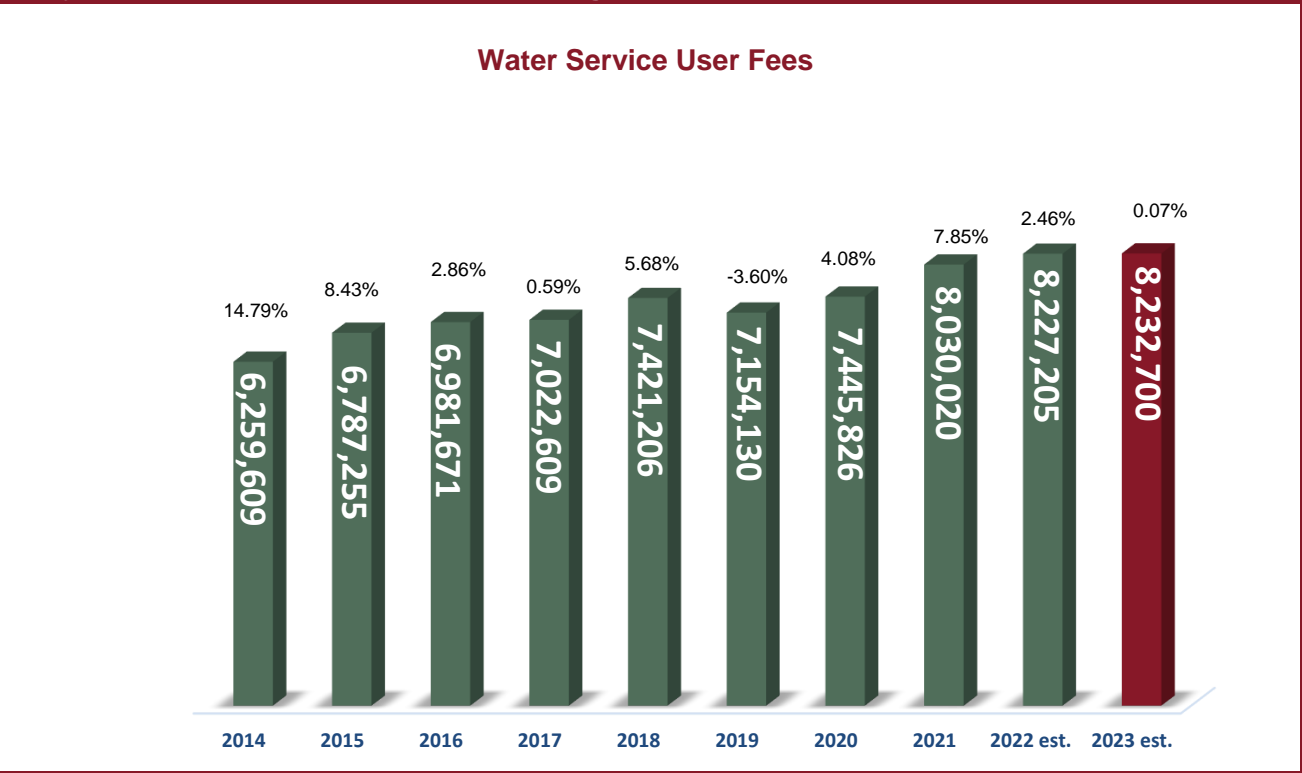
User fees are charged to residential, commercial and industrial customers for the distribution of water. These User Fees are not only used for the maintenance and operations of the system, but also for administration, utility billing, debt service payments as well as future capital improvements to the 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 were scheduled to increase as of July 1, 2020, and will continue to 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





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Comprehensive Summary of Revenues & Expenditures All Funds

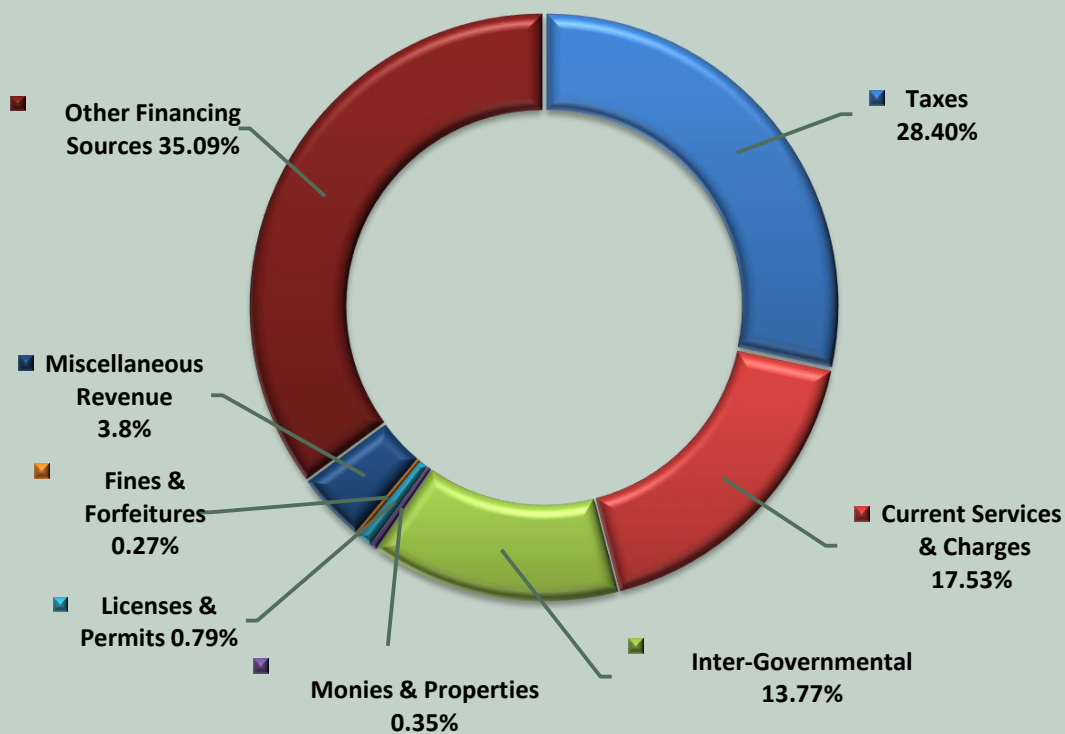
Fund	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Balances (07/01)	\$42,413,106	\$44,312,115	\$54,701,985	\$58,132,980	6.27%
Less: Designated Reserves	42,413,106	37,008,150	42,228,785	47,211,205	11.80%
Cash Reserves	203,340	0	0	0	0.00%
Appropriated Balances	(203,340)	7,303,965	12,473,200	10,921,775	-12.44%
Revenues Sources:					
General Fund	\$28,100,329	\$26,321,920	\$29,849,675	\$32,815,385	9.94%
Special Revenue Funds	6,789,266	11,218,500	7,236,795	8,545,420	18.08%
Capital Projects Funds	337,130	621,075	436,555	688,250	57.65%
Debt Service Funds	1,646,811	1,645,725	1,645,635	1,650,940	0.32%
Enterprise Funds	12,446,337	13,526,160	15,602,220	16,145,890	3.48%
Fiduciary Funds	96,795	13,000	22,580	11,500	-49.07%
Total Revenues	49,416,668	53,346,380	54,793,460	59,857,385	9.24%
Other Financing Sources:					
Transfers In	1,192,082	1,644,565	8,788,380	1,883,295	-78.57%
Other Financing Sources	20,380,000	21,290,000	0	0	0.00%
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	275,400	550,000	99.71%
Proceeds from Bonds	0	0	0	19,000,000	0.00%
Total Other Financing Sources	21,572,082	22,934,565	9,063,780	21,433,295	136.47%
Total Available Resources	70,785,410	83,584,910	76,330,440	92,212,455	20.81%
Expenditures:					
General Fund	37,060,017	44,536,190	23,434,550	30,801,370	31.44%
Special Revenue Funds	7,785,928	17,088,935	11,624,135	12,118,395	4.25%
Capital Projects Funds	32,024	1,120,000	3,237,705	18,202,730	462.21%
Debt Service Funds	1,648,836	1,645,625	1,645,625	1,650,930	0.32%
Enterprise Funds	8,496,109	17,570,910	11,346,050	27,546,935	142.79%
Fiduciary Funds	7,216	8,800	7,100	8,800	23.94%
Total Expenditures	55,030,130	81,970,460	51,295,165	90,329,160	76.10%
Other Uses:					
Transfers Out	1,192,082	1,614,450	7,134,145	1,883,295	-73.60%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	1,192,082	1,614,450	7,134,145	1,883,295	-73.60%
Total Expenditures and Other Uses	56,222,212	83,584,910	58,429,310	92,212,455	57.82%
Ending Fund Balances/ Retained Earnings Designation					
Operating Surplus / (Losses)	14,563,199	0	17,901,130	0	-100.00%
Designated Reserves FYs prior to 2023	5,085,335	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	5,564,324	6,645,715	6,246,545	11,829,660	89.38%
Committed	0	634,825	634,825	803,910	26.63%
Assigned	21,120,819	2,907,500	15,965	2,853,770	17775.16%
Unassigned	8,095,837	26,820,110	35,331,450	31,723,865	-10.21%
ENDING FUND BALANCES (06/30)	\$54,429,514	\$37,008,150	\$60,129,915	\$47,211,205	-21.48%



Revenues for All Funds

Taxes		\$26,187,785
Current Services & Charges		16,166,400
Inter-Governmental		12,695,615
Monies & Properties		321,390
Licenses & Permits		729,795
Fines & Forfeitures		245,650
Miscellaneous Revenue		3,510,750
	Subtotal	59,857,385
Other Financing Sources		32,355,070
Total Revenues for All Funds		\$92,212,455

All Funds—Consolidated Revenues by Source





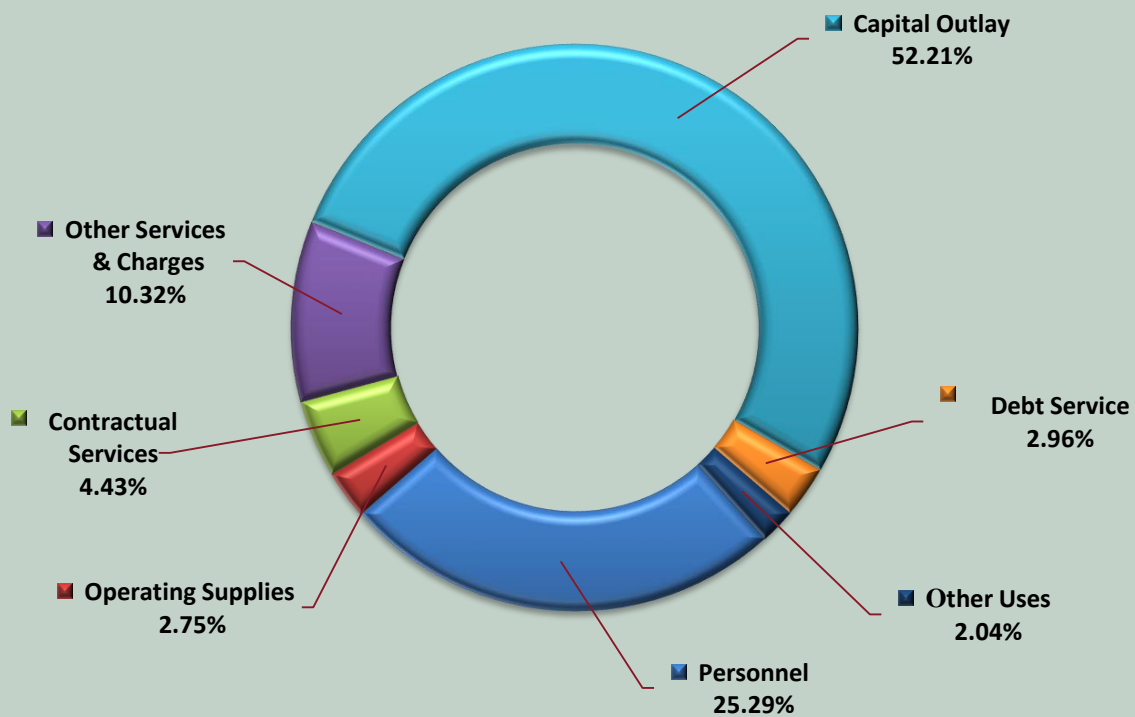
Expenditures for All Funds

Personnel	\$23,320,535
Operating Supplies	2,534,320
Contractual Services	4,085,535
Other Services & Charges	9,513,365
Capital Outlay	48,148,160
Debt Service	2,727,245
	<hr/>
Subtotal	90,329,160
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Other Uses – Transfers Out	1,883,295

Total Expenditures for All Funds

\$92,212,455

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	\$22,026,935	\$2,141,670	\$1,650,930	\$368,250	\$0	\$0	\$26,187,785
Licenses & Permits	729,795	0	0	0	0	0	729,795
Intergovernmental	6,369,480	6,011,135	0	315,000	0	0	12,695,615
Charges for Services	3,310,925	229,050	0	0	12,626,425	0	16,166,400
Fines and Forfeitures	245,650	0	0	0	0	0	245,650
Uses of Monies & Prop.	88,600	142,270	10	0	79,010	11,500	321,390
Miscellaneous	44,000	21,295	0	5,000	3,440,455	0	3,510,750
Total Revenues	32,815,385	8,545,420	1,650,940	688,250	16,145,890	11,500	59,857,385
Other Financing Sources	550,000	1,883,295	0	19,000,000	0	0	21,433,295
Total Revenue & Other Financing Sources	33,365,385	10,428,715	1,650,940	19,688,250	16,145,890	11,500	81,290,680
Total Available All Sources	51,266,515	15,951,500	2,013,135	19,688,250	50,115,230	389,030	139,423,660
Expenditures							
Personnel	16,884,150	3,089,815	0	0	3,346,570	0	23,320,535
Operating Supplies	898,110	757,260	0	0	878,950	0	2,534,320
Contractual Services	2,613,695	582,950	4,200	0	880,890	3,800	4,085,535
Other Services & Charges	5,321,290	1,052,765	1,646,730	4,400	1,483,180	5,000	9,513,365
Capital Outlay	4,759,125	6,243,275	0	18,198,330	18,947,430	0	48,148,160
Debt Services	325,000	392,330	0	0	2,009,915	0	2,727,245
Total of Expenditures	30,801,370	12,118,395	1,650,930	18,202,730	27,546,935	8,800	90,329,160
Other Uses							
Transfers Out	1,829,175	54,120	0	0	0	0	1,883,295
Total Other Uses	1,829,175	54,120	0	0	0	0	1,883,295
Total Expenditures & Other Uses	32,630,545	12,172,515	1,650,930	18,202,730	27,546,935	8,800	92,212,455
Estimated Ending Balance @ 06/30/2023	\$18,635,970	\$3,778,985	\$362,205	\$1,485,520	\$22,568,295	\$380,230	\$47,211,205
Total Commitments and Fund Balances	\$51,266,515	\$15,951,500	\$2,013,135	\$19,688,250	\$50,115,230	\$389,030	\$139,423,660



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

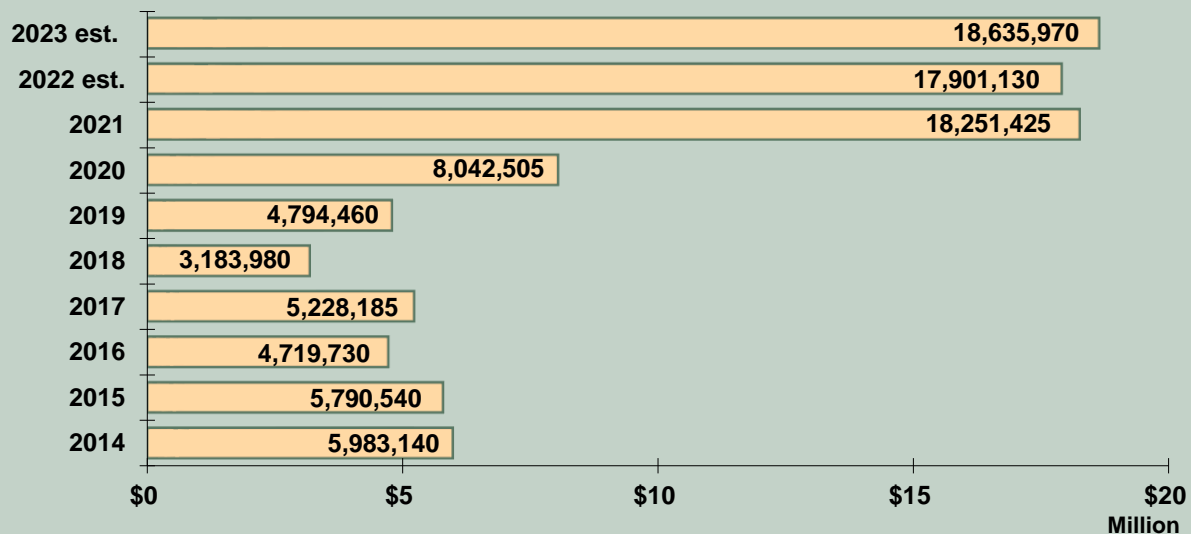
Public Safety

Police	Fire & Medical
Communications	Ordinance Enforcement

Culture and Recreation

Parks & Recreation	Recreation Center
Pool	Youth Center

General Fund Fund Balance – 10-Year Summary





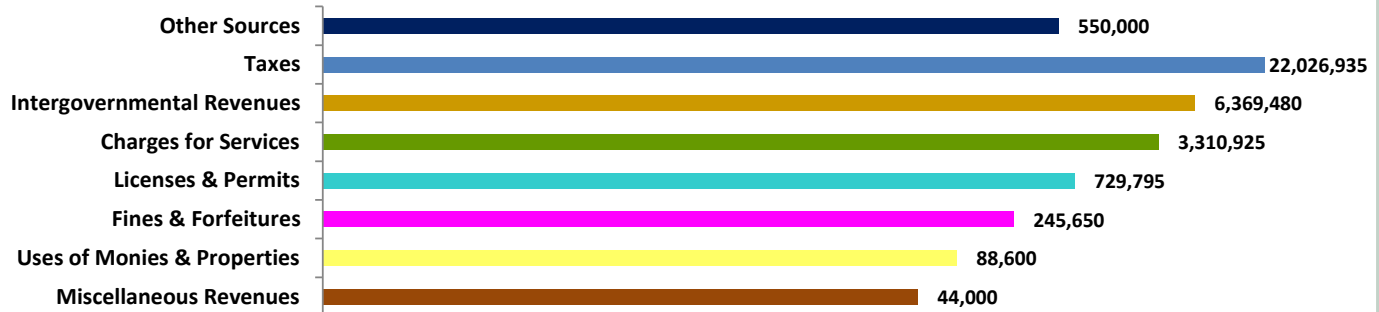
General Fund – Consolidated Statement of Revenues & Expenditures

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$18,251,425	\$11,790,640	\$18,251,425	\$17,901,130
Less: Designated Reserves	18,251,425	13,317,190	1,653,725	18,635,970
Cash Reserves	50,000	0	0	0
Appropriated Balances	(50,000)	(1,526,550)	16,597,700	(734,840)
Revenue Sources:				
Taxes	\$18,902,899	\$17,582,120	\$20,401,345	\$22,026,935
Licenses & Permits	497,865	472,900	882,975	729,795
Intergovernmental Revenues	4,688,549	4,701,080	5,010,990	6,369,480
Charges for Services	2,668,138	3,205,270	3,175,935	3,310,925
Fines & Forfeitures	253,716	229,150	243,280	245,650
Uses of Monies & Properties	20,251	83,600	73,500	88,600
Miscellaneous Revenues	1,068,911	47,800	61,650	44,000
Total Revenue Sources	28,100,329	26,321,920	29,849,675	32,815,385
Other Financing Sources:				
Transfers In	0	0	850,000	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Capital Lease Proceeds	0	0	275,400	550,000
Proceeds from Bonds	0	0	0	0
Other Financing Sources	20,380,000	21,290,000	0	0
Total Other Financing Sources	20,380,000	21,290,000	1,125,400	550,000
Total Available Resources	48,430,329	46,085,370	47,572,775	32,630,545
Expenditures:				
Personnel	32,314,068	14,533,230	14,752,850	16,884,150
Operating Supplies	561,331	689,180	896,560	898,110
Contractual Services	1,544,939	1,784,875	1,560,345	2,613,695
Other Services and Charges	2,083,865	24,759,495	4,295,600	5,321,290
Capital Outlay	143,231	2,363,825	1,494,630	4,759,125
Debt Service	412,583	405,585	434,565	325,000
Total Expenditures	37,060,017	44,536,190	23,434,550	30,801,370
Other Uses:				
Transfers Out	1,161,387	1,549,180	6,237,095	1,829,175
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	1,161,387	1,549,180	6,237,095	1,829,175
Total Expenditures and Other Uses	38,221,404	46,085,370	29,671,645	32,630,545
Ending Fund Balance Designation				
Operating Surplus/(Losses)	10,208,926	0	17,901,130	0
Designated Reserves FYs prior to 2023	50,000	0	0	0
Cash Reserves FYs prior to 2023	0	0	0	0
Restricted	0	5,771,120	0	7,308,240
Committed		634,825	634,825	803,910
Assigned	50,000	2,226,300	0	1,368,250
Unassigned	7,942,499	4,684,945	1,018,900	9,155,570
ENDING FUND BALANCE	\$18,251,425	\$13,317,190	\$19,554,855	\$18,635,970

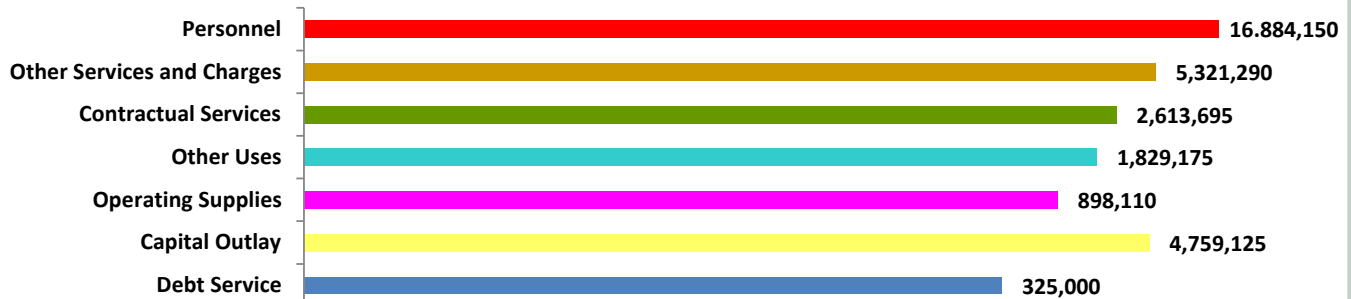


General Fund - Revenues versus Expenditures

Revenues



Expenditures



Available Revenues – \$33,365,385

Expenditures – \$32,630,545

Change in Fund Balance – 734,840

Revenues

Taxes	\$22,026,935
Licenses & Permits	729,795
Intergovernmental Revenues	6,369,480
Charges for Services	3,310,925
Fines & Forfeitures	245,650
Uses of Monies & Properties	88,600
Miscellaneous Revenues	44,000
Total Operating Revenues	32,815,385
Other Sources	550,000
Total Revenues Available	<u>\$33,365,385</u>

Expenditures

Personnel	\$16,884,150
Operating Supplies	898,110
Contractual Services	2,613,695
Other Services and Charges	5,321,290
Capital Outlay	4,759,125
Debt Service	325,000
Total Operating Expenditures	30,801,370
Other Uses	1,829,175
Total Expenditures	<u>\$32,630,545</u>

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

734,840

General Fund – Revenues Schedule

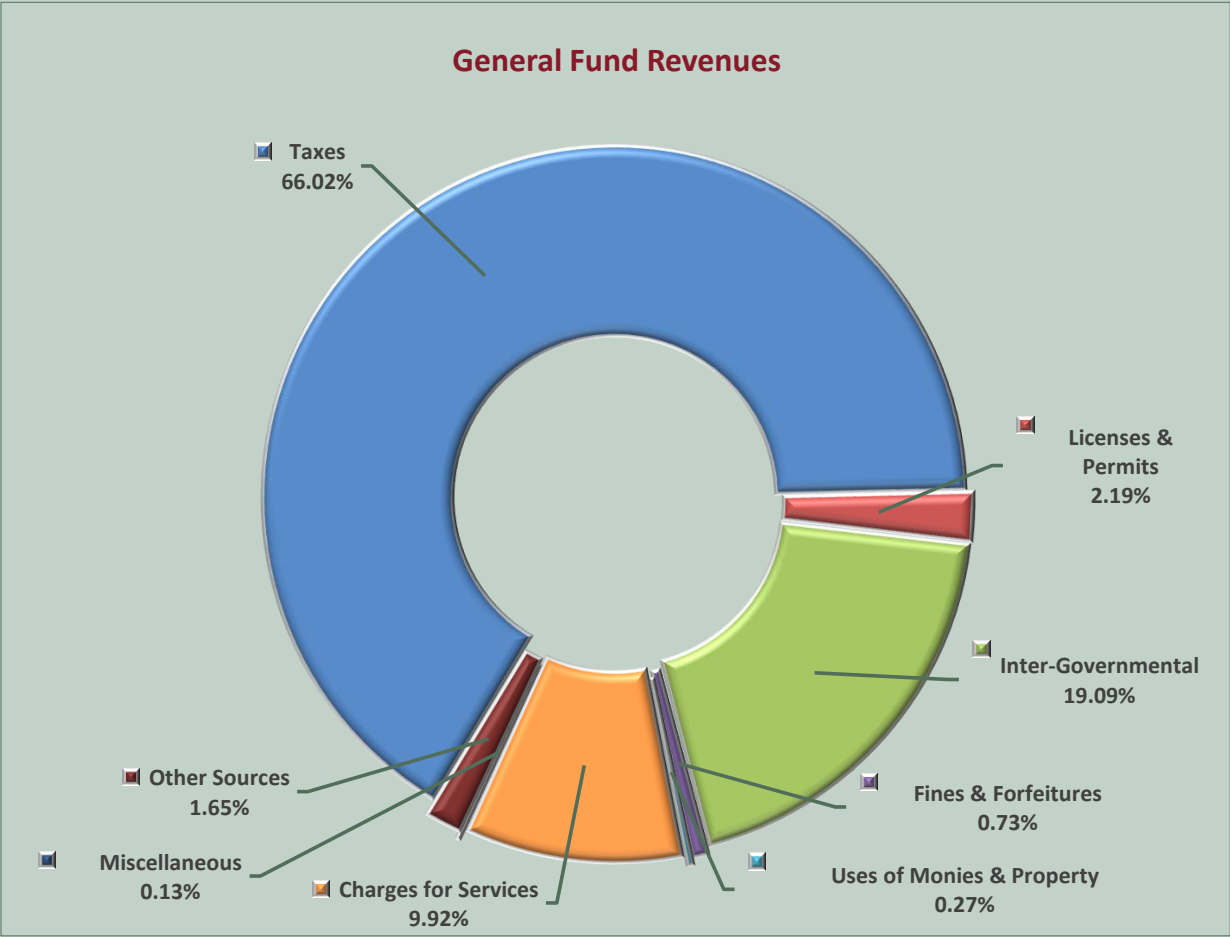
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Taxes					
City Sales Tax	\$17,646,918	\$16,422,730	\$19,071,550	\$20,676,755	8.42%
Bed Tax	465,588	368,920	538,000	548,760	2.00%
Utility Tax	385,020	383,290	383,290	390,950	2.00%
Franchise Taxes	405,373	407,180	408,505	410,470	0.48%
Subtotals	18,902,899	17,582,120	20,401,345	22,026,935	7.97%
Licenses and Permits					
Business Licenses	89,191	90,900	90,975	92,795	2.00%
Construction Permits	277,578	255,000	625,000	500,000	-20.00%
Planning & Zoning Fees	131,096	127,000	167,000	137,000	-17.96%
Subtotals	497,865	472,900	882,975	729,795	-17.35%
Intergovernmental Revenue					
State Shared Sales	1,453,612	1,438,690	1,661,215	1,727,665	4.00%
Urban Revenue Sharing	1,751,125	1,598,720	1,588,475	2,321,700	46.16%
Motor Vehicle In-Lieu Tax	1,039,271	937,585	978,940	998,520	2.00%
NACOG-EWD OJT Funding	27,558	7,700	0	0	0.00%
Shared Services Revenue	0	0	25,100	100,400	300.00%
Victims Rights Grant & FTG Funds	1,677	1,900	1,800	1,800	0.00%
Historic Preservation Grant	0	12,000	12,000	12,000	0.00%
Old Town Historic Tour	0	0	2,840	3,000	5.63%
Miscellaneous Grants	64,239	14,000	0	0	0.00%
Yavapai Apache Revenue Share	14,863	18,300	18,300	18,300	0.00%
SB1398 Police Equipment	3,173	2,950	3,000	3,000	0.00%
Smart and Safe AZ Revenues (PD)	15,434	0	56,050	90,000	60.57%
Post-Reimbursement	59	0	0	0	0.00%
Pant Grant	36,081	96,300	71,930	79,125	10.00%
School Resource Grant	72,797	99,710	93,620	95,630	2.15%
Miscellaneous Police Grants	2,825	137,000	120,000	159,000	32.50%
GOHS Grant	47,332	113,225	121,500	170,330	40.19%
DPS Grants-Voca	57,019	58,000	56,930	58,550	2.85%
AZ Auto Theft Grant	25,000	0	0	20,000	0.00%
Homeland Security Grant (PD)	13,915	50,000	113,400	33,000	-70.90%
Rico Grant Funds (incl. Federal)	33,642	0	0	0	0.00%
Smart and Safe AZ Revenues (Fire)	10,079	0	65,230	90,000	37.97%
Miscellaneous Fire Grants	18,114	20,000	20,660	332,460	1509.20%
Safer Fire Grant	734	90,000	0	50,000	0.00%
Spay Neuter Grant Funds	0	5,000	0	5,000	0.00%
Subtotals	4,688,549	4,701,080	5,010,990	6,369,480	27.11%
Fines & Forfeitures					
Court Enhancement Fee	18,055	20,500	20,500	20,500	0.00%
Court Fines	235,442	208,500	222,630	225,000	1.06%
Court Restitution	143	0	0	0	0.00%
Confidential Address Fees	76	150	150	150	0.00%
Subtotals	253,716	229,150	243,280	245,650	0.97%
Uses of Monies & Properties					
Interest Income	7,604	65,000	30,800	35,000	13.64%
Building Rental	12,647	18,600	42,700	53,600	25.53%
Subtotals	20,251	83,600	73,500	88,600	20.54%



General Fund – Revenues Schedule

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Charges for Services					
Court Atty Reimbursements	\$5,706	\$5,500	\$8,865	\$6,000	-32.32%
Engineering Fees	75,650	31,000	90,080	75,000	-16.74%
Indirect Costs–Airport	100,796	52,000	14,100	20,000	41.84%
Indirect Costs–HURF	440,682	400,000	446,560	446,560	0.00%
Indirect Costs–Library	280,095	280,000	280,000	280,000	0.00%
Indirect Costs–Cemetery	16,309	25,000	17,000	17,000	0.00%
Indirect Costs–Water	252,044	290,000	260,000	260,000	0.00%
Indirect Costs–Wastewater	198,254	200,000	200,000	200,000	0.00%
Towing Fee Revenues	5,700	0	9,000	8,000	-11.11%
Dispatch Fees	919,302	965,270	1,053,050	1,105,700	5.00%
Animal Control Fees	435	800	1,350	1,200	-11.11%
Recreation Fees	5,529	7,500	4,500	10,500	133.33%
Riverfront Park–Snack Bar	0	1,000	0	0	0.00%
Rec/Fees–Softball Tournaments	5,428	12,000	5,830	8,000	37.22%
Community Garden Revenues	2,676	2,300	2,330	2,400	3.00%
Walkin' on Main	0	8,000	8,150	8,150	0.00%
10K Memorial Run	9,040	20,000	0	0	0.00%
Thunder Valley Rally	24	136,000	120,000	162,000	35.00%
Tilted Earth Revenues–Wine Event	0	0	0	37,500	0.00%
COCSD-Shared Svc Revenue	76	0	0	0	0.00%
Recreation Center Fees	289,263	630,000	518,750	520,000	0.24%
Recreation Center Classes/Programs	7,931	35,000	17,175	20,000	16.45%
Recreation Center Building Rental	11,205	20,000	35,915	35,915	0.00%
Pool Revenue	22,184	20,900	32,980	33,000	0.06%
Pool – Snack Bar Sales	0	1,000	0	0	0.00%
Pool – Swimming Lessons	6,161	15,000	12,550	15,000	19.52%
Youth Center Fees	11,758	45,000	35,750	37,000	3.50%
Open/Close Graves	1,890	2,000	2,000	2,000	0.00%
Subtotals	2,668,138	3,205,270	3,175,935	3,310,925	4.25%
Miscellaneous Revenues					
Other Income	61,043	7,200	21,500	10,000	-53.49%
Cash Over/(Short)	(3,348)	0	0	0	0.00%
Sale of City Property	985,538	14,000	21,450	13,000	-39.39%
Mineral Royalty Payments	21,231	20,000	15,000	13,000	-13.33%
Donations (Police)	4,176	6,600	3,700	8,000	116.22%
Donations (Miscellaneous)	271	0	0	0	0.00%
Subtotals	1,068,911	47,800	61,650	44,000	-28.63%
Other Financing Sources					
Transfers In	0	0	850,000	0	-100.00%
Capital Lease Proceeds	0	0	275,400	550,000	99.71%
Other Financing Sources	20,380,000	21,290,000	0	0	0.00%
Lease Purchase	0	0	0	0	0.00%
Bond Proceeds	0	0	0	0	0.00%
Subtotals	20,380,000	21,290,000	1,125,400	550,000	-51.13%
Total Revenues	\$48,480,329	\$47,611,920	\$30,975,075	\$33,365,385	7.72%

General Fund Revenues



Taxes	\$22,026,935
Licenses & Permits	729,795
Inter-Governmental	6,369,480
Fines & Forfeitures	245,650
Uses of Monies & Property	88,600
Charges for Services	3,310,925
Miscellaneous	44,000
Other Sources	550,000
Carryover Balance	0

Total General Fund Revenues	\$33,365,385
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General Fund Revenues by Category

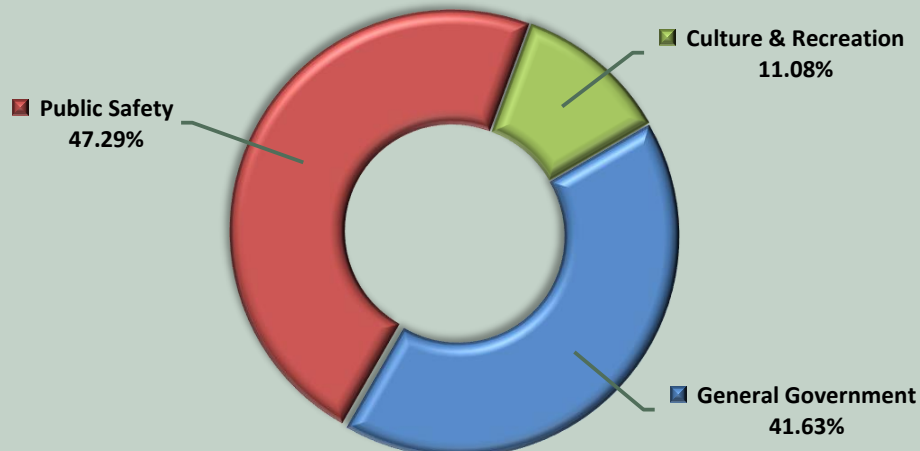
Item Description	Taxes	Licenses and Permits	Inter-Gov't'l Revenue	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
City Sales Tax	\$20,676,755							
Bed Tax	548,760							
Utility Tax	390,950							
Franchise Taxes	410,470							
Business Licenses		\$92,795						
Construction Permits		500,000						
Planning & Zoning Fees		137,000						
State Shared Sales Tax			\$1,727,665					
Urban Revenue Sharing			2,321,700					
MV In-Lieu Tax			998,520					
Yavapai Apache Revenue Share			18,300					
Police Grants			708,635					
Fire & Emergency Services Grants			472,460					
Miscellaneous Funding and Grants			122,200					
Court Restitutions / Attorney Reimbursements				\$6,000				
Engineering Fees				75,000				
Indirect Costs–Airport				20,000				
Indirect Costs–HURF				446,560				
Indirect Costs–Library				280,000				
Indirect Costs–Cemetery				17,000				
Indirect Costs–Water				260,000				
Indirect Costs–Wastewater				200,000				
Towing and Dispatch Fees				1,113,700				
Animal Control Fees				1,200				
Community Events				207,650				
Recreation Fees				18,500				
Recreation Center - Fees, Classes & Programs, Rental				575,915				
Community Gardens				2,400				
Pool–Fees, Swimming Lessons, and Concessions				48,000				
Youth Center Fees				37,000				
Cemetery Fees				2,000				
Court Fines & Deferred Surcharge					\$245,500			
Confidential Address Fees					150			
Interest Income						\$35,000		
Building Rental						53,600		
Other Income							\$10,000	
Miscellaneous Revenue							26,000	
Donations							8,000	
Transfers In								\$0
Capital Lease Proceeds								550,000
Other Financing Sources								0
Carryover								0
Totals	\$22,026,935	\$729,795	\$6,369,480	\$3,310,925	\$245,650	\$88,600	\$44,000	\$550,000
Total General Fund Revenues Available				\$33,365,385				



General Fund - Disbursement Schedule

	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
General Government					
City Council	\$245,234	\$538,110	\$319,115	\$563,190	76.48%
City Clerk	267,118	269,300	276,525	308,510	11.57%
Administration	638,864	584,540	597,405	709,780	18.81%
Finance	460,178	487,260	525,425	820,030	56.07%
Personnel	281,698	311,225	257,235	469,390	82.48%
IT Services	1,116,604	1,423,400	1,710,365	2,167,565	26.73%
Purchasing	115,432	116,460	124,930	132,350	5.94%
Natural Resources	0	0	0	0	0.00%
Economic Development	295,347	393,740	397,505	566,650	42.55%
Housing	0	0	711,600	711,600	0.00%
Legal	401,398	426,805	420,140	510,830	21.59%
Municipal Court	490,552	584,520	537,040	733,580	36.60%
Community Development	688,640	774,355	812,200	1,002,965	23.49%
Engineering Services	455,488	429,800	368,760	565,460	53.34%
Public Works	212,544	216,520	192,105	198,570	3.37%
Building Maintenance	584,576	886,580	723,155	1,314,110	81.72%
Non-Departmental	2,347,931	2,490,080	7,239,755	2,811,530	-61.17%
Custodial	0	0	0	0	0.00%
Total General Government	8,601,604	9,932,695	15,213,260	13,586,110	-10.70%
Public Safety					
Police	18,812,314	21,711,390	6,426,935	7,004,785	8.99%
Communications	1,687,810	1,857,200	1,779,245	2,015,510	13.28%
Ordinance Enforcement	217,924	228,595	226,595	253,855	12.03%
Fire & Medical	7,264,877	10,132,820	3,917,195	6,155,405	57.14%
Total Public Safety	27,982,925	33,930,005	12,349,970	15,429,555	24.94%
Culture & Recreation					
Parks & Recreation	486,977	915,005	744,690	2,032,285	172.90%
Youth Center	70,468	146,385	83,465	134,290	60.89%
Recreation Center	1,079,430	1,161,280	1,280,260	1,448,305	13.13%
Total Culture & Recreation	1,636,875	2,222,670	2,108,415	3,614,880	71.45%
Total General Fund Expenditures	\$38,221,404	\$46,085,370	\$29,671,645	\$32,630,545	9.97%

General Fund Distribution by Function



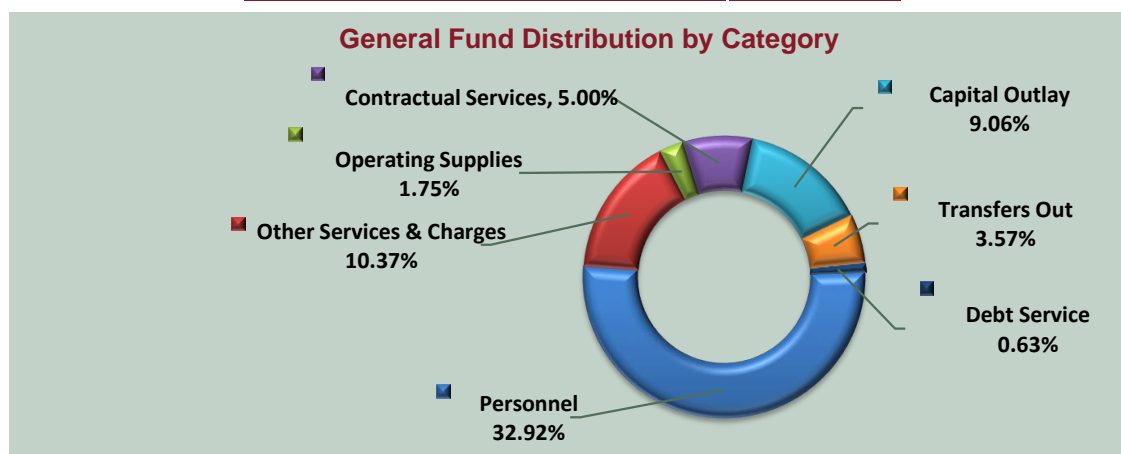


General Fund - Expenditures by Category

Department	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service
General Government							
City Council	\$49,150	\$1,080	\$290,000	\$222,960	\$0	\$0	\$0
City Clerk	239,420	2,760	14,000	52,330	0	0	0
Administration	646,740	2,500	5,960	54,580	0	0	0
Finance	516,570	7,450	133,835	55,070	107,105	0	0
Personnel	305,320	2,420	16,050	145,600	0	0	0
IT Services	698,660	62,000	556,035	80,120	770,750	0	0
Purchasing	122,500	750	4,260	4,840	0	0	0
Natural Resources	0	0	0	0	0	0	0
Economic Development	169,620	1,550	10,550	384,930	0	0	0
Housing & Development	0	0	61,600	650,000	0	0	0
Legal	327,400	10	147,500	35,920	0	0	0
Municipal Court	544,210	10,800	109,500	69,070	0	0	0
Community Development	806,010	13,600	24,070	40,220	119,065	0	0
Engineering Services	402,740	9,650	27,580	24,490	101,000	0	0
Public Works	158,300	2,050	21,750	16,470	0	0	0
Building Maintenance	667,210	67,100	61,530	61,315	456,955	0	0
Non-Departmental	0	0	181,480	475,875	0	1,829,175	325,000
Custodial	0	0	0	0	0	0	0
General Government Totals	5,653,850	183,720	1,665,700	2,373,790	1,554,875	1,829,175	325,000
Public Safety							
Police	4,833,660	284,410	55,050	1,515,415	316,250	0	0
Communications	1,903,950	17,500	5,820	88,240	0	0	0
Ordinance Enforcement	179,810	12,500	57,315	4,230	0	0	0
Fire & Medical	3,117,870	232,050	533,310	462,175	1,810,000	0	0
Public Safety Totals	10,035,290	546,460	651,495	2,070,060	2,126,250	0	0
Culture & Recreation							
Parks & Recreation	337,610	53,780	59,795	607,100	974,000	0	0
Youth Center	98,250	7,100	11,480	17,460	0	0	0
Recreation Center	759,150	107,050	225,225	252,880	104,000	0	0
Culture & Recreation Totals	1,195,010	167,930	296,500	877,440	1,078,000	0	0
General Fund Category Totals	16,884,150	898,110	2,613,695	5,321,290	4,759,125	1,829,175	325,000

General Fund Expenditures \$32,630,545

Total General Fund Expenditures Budget \$32,630,545





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CITY COUNCIL



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 2022

Bonding



Partnerships



Reserves



Local Business Support



Increased the City's Restricted Reserves to match 25% of prior year's revenues and allocated another \$4M to undesignated reserves.

Bonded the City's Public Safety Personnel Retirement System's unfunded liability for an anticipated savings of \$9.6 million over the life of the bond.

Created a regional non-profit coalition, called Verde Valley Community Coalition of Nonprofits.

Invested reserve funds in an Arizona-based bank, supporting local commerce.

Our Strategic Goals for FY 2023

Sustainable Growth & Development



Ensure Quality of Life



Improve Infrastructure



Financial Accountability & Transparency



Allocate more funds to improve road infrastructure.

Allocate funding for infrastructure to begin the implementation of the Parks Master Plan.

Increase volunteerism in the community.

After the election, working with the elected Council to create a new or updated Council Strategic Plan for the next two fiscal years.



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

Strategic Direction		4. Improve our Infrastructure		
Overall Key Priority		Streets and Sidewalks		
Overall Guiding Principle		4.1. Continue to Prioritize Infrastructure Projects		
Overall Strategic Goal		Allocate funds for sidewalks and streets		
Overall Strategic Initiative				
Performance Indicator(s)	2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
Allocate funds to add sidewalks to the City's infrastructure.		\$276,156	\$618,000	\$468,250
Allocate funds to preserve, improve, and/or replace roads		\$455,232	\$700,000	\$750,000
Process Status:				

Strategic Direction		5. Embrace Financial Accountability and Transparency		
Overall Key Priority		Budgets and Finance		
Overall Guiding Principle		5.4. Remain Fiscally Conservative		
Overall Strategic Goal		Maintain a Healthy Reserve		
Overall Strategic Initiative				
Performance Indicator(s)	2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
Designated Reserves: General Fund		\$50,000	\$634,825	\$1,172,160
Undesignated Reserves: General Fund	\$10,000		\$1,018,900	\$9,155,570
Process Status:				

Supplemental Data: Capital Outlay				
Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
	\$0	\$0	\$0	\$0



General Government	City Council	Fund 01 - General Fund		Cost Center: 1000	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$49,169	\$49,200	\$49,380	\$49,150	-0.47%
Operating Supplies	141	1,085	7,825	1,080	-86.20%
Contractual Services	68,609	269,000	45,000	290,000	544.44%
Other Services and Charges	127,315	218,825	216,910	222,960	2.79%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$245,234	538,110	\$319,115	\$563,190	76.48%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$563,190	100.00%
Grants	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
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				580
Insurance and Taxes				3,570
Employee Related Expenses				0
Totals	7.00	7.00	7.00	\$49,150



General Government	City Council	Fund 01 - General Fund	Cost Center: 1000		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	85	1,000	7,750	1,000	-87.10%
Copier Supplies	45	75	65	70	7.69%
Postage & Freight	11	10	10	10	0.00%
Total Supplies	141	1,085	7,825	1,080	-86.20%

Contractual Services

Contractual Services	54,260	51,000	45,000	56,000	24.44%
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	200,000	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	14,349	18,000	0	34,000	0.00%
Total Contractual Services	68,609	269,000	45,000	290,000	544.44%

Other Services and Charges

Public Relations	751	3,000	2,250	3,000	33.33%
Legal Advertising	1,002	250	250	250	0.00%
Computer Support	1,893	1,900	1,860	1,950	4.84%
Utilities	4,575	4,725	6,040	6,340	4.97%
Parking Lot Lights	3,028	3,350	3,260	3,420	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Youth Commission	0	4,000	4,000	4,000	0.00%
Building Community Grants	0	0	0	0	0.00%
Veterans Van/Events	0	0	0	0	0.00%
Christmas Lights	179	600	250	500	100.00%
Outside Agencies	100,625	150,000	150,000	150,000	0.00%
Community Garden	1,923	1,500	1,500	1,500	0.00%
Birding Festival	0	1,000	1,500	1,500	0.00%
Annual Appreciation Event	357	2,000	3,000	3,000	0.00%
Travel & Training	1,465	7,500	4,000	7,500	87.50%
Subscriptions & Memberships	11,517	25,000	25,000	26,000	4.00%
Gardner Property	0	0	0	0	0.00%
Council Contingency	0	14,000	14,000	14,000	0.00%
Total Other Services & Charges	127,315	218,825	216,910	222,960	2.79%



CITY CLERK



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 2022

Community Outreach



Community Engagement



Coordinated two Council neighborhood meetings for Neighborhood Officer Zones CW1 and CW2.

Compiled and prepared 40 council meeting agendas and informational packets

Expanded Community Gardens to full potential of 53 plots and leased 100 percent of plots in 2022.

Our Strategic Goals for FY 2023


Ensure Quality of Life




Schedule three Council neighborhood meetings.

Hold a candidate Meet and Greet for the 2022 city council election.

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

	Strategic Direction	2. Ensure Our Quality of Life			
	Key Priority	Citizen engagement			
	Guiding Principle	2.4 Encourage and develop community pride by			
	Strategic Goal	coordinating four neighborhood meetings for the Council that will			
	Strategic Initiative	2.4.7. provide council members the opportunity to engage directly with citizens in their own neighborhood.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.4.7. Coordinate Council/neighborhood meetings				2	3
Process Status:					

	Strategic Direction	2. Ensure Our Quality of Life			
	Key Priority	Citizen engagement			
	Guiding Principle	2.4 Encourage and develop community pride by			
	Strategic Goal	providing assistance for a Wine & Arts event by			
	Strategic Initiative	2.2.i scheduling artists for the event in the spring of 2022.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.2.i. Inform rotating artists regarding wine & art events (spring 2023)					100%
Process Status:					





General Government	City Clerk	Fund 01 - General Fund		Cost Center: 1010	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$239,565	\$234,670	\$240,330	\$239,420	-0.38%
Operating Supplies	916	2,180	2,355	2,760	17.20%
Contractual Services	1,009	1,160	950	14,000	1373.68%
Other Services and Charges	25,628	18,030	17,890	52,330	192.51%
Capital Outlay	0	13,260	15,000	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$267,118	\$269,300	\$276,525	\$308,510	11.57%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$308,510	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
City Clerk	1.00	1.00	1.00	\$116,435
Deputy City Clerk	1.00	1.00	1.00	47,840
Cost of Living Adjustment				6,365
Merit Contingency				2,810
Overtime				0
Temporary / Reserves				0
Retirement				21,110
Insurance and Taxes				44,660
Employee Related Expenses				200
Totals	2.00	2.00	2.00	\$239,420

General Government	City Clerk	Fund 01 - General Fund		Cost Center: 1010	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	701	800	950	1,200	26.32%
Copier Supplies	140	500	400	500	25.00%
Gas & Oil	30	50	75	75	0.00%
Vehicle Maintenance & Repair	38	800	900	800	-11.11%
Equipment Maintenance & Repair	0	0	0	150	0.00%
Postage & Freight	7	30	30	35	16.67%
Total Supplies	916	2,180	2,355	2,760	17.20%

Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	1,009	1,160	950	14,000	1373.68%
Total Contractual Services	1,009	1,160	950	14,000	1373.68%

Other Services and Charges

Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	3,471	3,680	3,420	3,590	4.97%
Telephone	1,473	1,550	1,470	1,540	4.76%
Election Expense	14,781	0	0	28,000	0.00%
Travel & Training	25	800	1,000	1,200	20.00%
Subscriptions & Memberships	5,878	12,000	12,000	18,000	50.00%
Total Other Services & Charges	25,628	18,030	17,890	52,330	192.51%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Granicus - Agenda Management Softw.		\$13,260	\$15,000	
Totals	\$0	\$13,260	\$15,000	\$0

ADMINISTRATION DEPARTMENT



Ron Corbin, City Manager, and **Sandra Salas**, Executive Assistant

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 2022

Housing Solutions

8

Marketing & Tourism



Funding of City Hall

8

Branding



In partnership with the City of Sedona hired a Housing Manager and implemented the down payment assistance program for the City's employees and employees of Cottonwood businesses.

Became the designated marketing entity for Cottonwood, hired an organization to improve marketing, and assisted the marketing firm in revamping the Visit Cottonwood website.

Acquires the building at 635 N Main Street (was Rough Cut building) in Cottonwood as the location for the new City Hall; issued an Request for Proposal (RFP) for architectural services and initiated the buildout of the building.

Created an organizational set of our core values, based on the premise of "Accountable in Service to Others."

Our Strategic Goals for FY 2023

Improve Infrastructure

8

Financial Accountability & Transparency



Sustainable Growth & Development



Develop the plan for buildout, design and construction of the new City Hall, located at 635 N Main Street.

Determine which City-owned properties will be sold as a result of acquisition of the building for the new City Hall.

Create development incentives and guidelines for affordable housing and working toward developing new multi-family projects and securing workforce affordable units.

Create a "We are Cottonwood" program that promotes volunteerism and community pride.



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.

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
Create housing units with guaranteed below-market rental rates	n/a	n/a		100%
Down payment Assistance Program::				
- Implementation			100%	
- Increase participation annually to increase home ownership (units=families helped)			5	15

Process Status:



General Government	Administration Department	Fund 01—General Fund		Cost Center: 1100	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$609,000	\$527,935	\$543,330	\$646,740	19.03%
Operating Supplies	2,026	2,675	2,575	2,500	-2.91%
Contractual Services	4,388	5,180	4,340	5,960	37.33%
Other Services and Charges	23,450	48,750	47,160	54,580	15.73%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$638,864	\$584,540	\$597,405	\$709,780	18.81%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$709,780	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2021	2022	2023	2023
City Manager	1.00	1.00	1.00	\$156,000
Deputy City Manager	1.00	1.00	1.00	162,305
Assistant to City Manager	1.00	0.00	0.00	0
Airport Manager	1.00	0.00	0.00	0
Executive Assistant	0.00	1.00	1.00	52,460
Management/Economic Analyst	0.00	0.00	1.00	41,165
Fac Res/Airport Coordinator	0.00	0.50	0.50	20,020
Temporary Employees / Reserves				0
Cost of Living Adjustment				16,557
Car Allowance				10,800
Merit Contingency				15,423
Longevity				0
Overtime				0
Retirement				57,770
Insurance and Taxes				104,020
Employee Related Expenses				10,220
Totals	4.00	3.50	4.50	\$646,740

General Government	Administration Department	Fund 01 - General Fund	Cost Center: 1100		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	1,567	1,600	1,600	1,400	-12.50%
Copier Supplies	180	725	675	800	18.52%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	265	300	300	300	0.00%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	14	50	0	0	0.00%
Total Supplies	2,026	2,675	2,575	2,500	-2.91%

Contractual Services

Contractual Services	1,803	1,900	1,900	3,400	78.95%
Computer Support	2,585	3,280	2,440	2,560	4.92%
Total Contractual Services	4,388	5,180	4,340	5,960	37.33%

Other Services and Charges

Legal Advertising	0	0	0	0	0.00%
Printing & Forms	660	1,900	1,900	2,800	47.37%
Utilities	6,943	5,880	11,120	11,680	5.04%
Telephone	5,652	6,880	4,990	5,240	5.01%
Travel & Training	1,711	17,690	11,500	15,000	30.43%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,066	2,750	4,000	6,500	62.50%
Manager's Contingency	6,338	12,800	12,800	12,800	0.00%
Enterprise Fleet Lease Expense	1,080	850	850	560	-34.12%
Total Other Services & Charges	23,450	48,750	47,160	54,580	15.73%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0

FINANCE DEPARTMENT



From l. to r.: **Kirsten Lennon**, Financial Services Director; **Helen Bartels**, Budget Analyst; **Danielle Gressly**, Administrative Assistant

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 2022

Maintain Physical Resources

8

Citizen's Budget Involvement



Financial Reporting



Developed a capital replacement program, funded at 2.7% of budgeted revenues for FY 2022.

Developed a survey to engage citizens in the budget process.

Developed a Budget-in-Brief.

Completed and submitted the FY 2021 Annual Comprehensive Financial Reporting (ACFR) to the Government Finance Officers Association (GFOA) for which the Finance Department received its 31st GFOA Certificate of Achievement in Excellence in Financial Reporting. Also received the 22nd GFOA Distinguished Budget Presentation Award for the City's FY 2022 Budget document.

Our Strategic Goals for FY 2023

Financial Accountability & Transparency



Improve Infrastructure



Publish first "Budget-in-brief" of the FY 2023 budget document.


Develop a comprehensive five-year capital plan.


Develop a biennial Fixed Asset Audit program.





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

Performance Indicators

	Strategic Direction	5. Embrace Financial Accountability and Transparency			
	Key Priority	Budgetary accountability and transparency			
	Guiding Principle	5.1 Ensure accessible and transparent budget information is available to the community through			
	Strategic Goal	[1] the publication of easy to read and understandable budget documents and [2] provide opportunities for citizen involvement with			
	Strategic Initiative	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)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
5.1.1.	Creation of budget-in-brief & financial reports	0	0	0	1
5.1.2.	Opportunities for citizen engagement	3	2	3	5
Process Status:					

	Strategic Direction	5. Embrace Financial Accountability and Transparency			
	Key Priority	Maintaining a long-range financial perspective			
	Guiding Principle	5.4 Maintain a fiscally conservative approach by strengthening the City's Cash Reserves by			
	Strategic Goal	5.4.1. identifying percentage benchmarks for the City's cash reserves and meeting benchmark reserve amounts.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
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	5. Embrace Financial Accountability and Transparency			
	Key Priority	Manage physical resources			
	Guiding Principles	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			
	Strategic Goal	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.			
Strategic Initiative					
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
5.5.1	Capital assets replacement program	n/a	n/a	50%	100%
5.5.1.	Council's approval of program	n/a	n/a	Yes	Yes
Process Status:					

	Strategic Direction	5. Embrace Financial Accountability and Transparency			
	Key Priority	Excellence in budgetary & financial reporting			
	Guiding Principles	5.1 Ensure accessible and transparent budget information is available to the community by			
	Strategic Goal	providing award worthy budgets and financial reports by			
	Strategic Initiative	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)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$337,772	\$338,680	\$357,110	\$516,570	44.65%
Operating Supplies	6,899	7,025	6,300	7,450	18.25%
Contractual Services	66,037	65,135	86,415	133,835	54.87%
Other Services and Charges	49,470	76,420	66,100	55,070	-16.69%
Capital Outlay	0	0	9,500	107,105	1027.42%
Debt Service	0	0	0	0	0.00%
Department Totals	\$460,178	\$487,260	\$525,425	\$820,030	56.07%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$820,030	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Financial Services Director	1.00	1.00	1.00	\$114,525
Accounting Manager	0.00	0.00	1.00	94,430
Budget Analyst	1.00	1.00	1.00	71,480
Accounting Specialist II	1.00	1.00	1.00	47,010
Administrative Assistant	0.50	0.50	0.50	19,760
Temporary / Reserves				0
COLA				13,020
Merit Contingency				5,915
Overtime				0
Car Allowance				5,400
Retirement				45,220
Insurance & Taxes				99,450
Employee Related Expenses				360
Totals	3.50	3.50	4.50	\$516,570

General Government	Finance Department	Fund 01—General Fund		Cost Center: 1200	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	1,747	3,000	2,000	3,000	50.00%
Copier Supplies	786	875	800	800	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	963	150	0	150	0.00%
Postage & Freight	3,403	3,000	3,500	3,500	0.00%
Total Supplies	6,899	7,025	6,300	7,450	18.25%

Contractual Services

Contractual Services	45,580	24,875	52,275	79,575	52.22%
Audit Expense	19,339	31,000	32,880	45,000	36.86%
Sales Tax Audits	0	8,000	0	8,000	0.00%
Computer Support	1,118	1,260	1,260	1,260	0.00%
Total Contractual Services	66,037	65,135	86,415	133,835	54.87%

Other Services and Charges

Bank Charges	3,430	4,000	4,000	4,000	4.96%
Legal Advertising	3,847	5,000	4,000	4,000	0.00%
Printing & Forms	2,252	3,500	2,500	2,500	0.00%
Utilities	3,390	4,730	4,770	5,010	5.03%
Telephone	2,805	3,020	2,820	2,960	5.03%
State Annual Municipality Fee	31,551	31,670	31,735	10,000	-68.49%
Travel & Training	570	3,700	2,750	5,000	81.82%
Continuing Education	0	20,000	12,000	20,000	66.67%
Subscriptions & Memberships	1,625	800	1,525	1,600	4.92%
Total Other Services & Charges	49,470	76,420	66,100	55,070	-16.69%

Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
Debt Book Program (GASB #87)			\$9,500	\$107,105	
Totals	\$0	\$0	\$9,500	\$107,105	

HUMAN RESOURCES DEPARTMENT



Amanda Wilber, Human Resources Director [l]; Emily Carter, Human Resources Specialist II [r]

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 2022

Financial
Accountability



Ensure Quality of
Life



Revised three sections of the Employee Manual (1, 6, 8) to update policies regarding Employment Rights and Responsibilities, Compensated Time and Leave, and Corrective Action.

Implemented the approved compensation plan that resulted from the Compensation Study.

Implemented Volunteer Leave to help incentivize employee volunteerism.

Our Strategic Goals for FY 2023

Financial
Accountability &
Transparency



Ensure Quality of
Life



Update at least one additional section of the Employee Manual.

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

Create and implement a Community Pride program for City employees.



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

Performance Indicators

**Strategic Directive**

Key Priority

Guiding Principle

Strategic Goals

Strategic Initiative

5. Embrace Financial Accountability and Transparency
Manage employee pool**5.2** Retain and recruit highly qualified employees through [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%;**5.2.2.** Adjusting the current pay structure based on a market-based compensation study and implement new compensation plan, if any;**5.2.3.** Establishing a professional certification bonus or salary escalator, or increased accrual amounts;**5.2.4.** Evaluating employee benefits currently not offered;**5.2.5.** Evaluating funding and implement incentivizing strategies for selected applicants to accept City positions;**5.2.6.** Evaluating each department's succession plan and addressing any deficiencies.

Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
5	Increase full-time employee retention rate to at least 90%				80%
5.2.2.	Conduct market-based compensation study		100%	n/a	50%
	- Implementation of compensation plan			100%	n/a
5.2.3.	Establish new vacation accruals; implemented			100%	n/a
5.2.4.	Evaluate additional employee benefits; implemented			100%	100%
5.2.5.	Evaluate recruitment strategies				
5.2.6.	Evaluate departmental succession plans (15 depts.)			13%	13%

Process Status: 5.2.5 Evaluation has been postponed until further notice

5.2.6 Evaluation is done intermittently, based on need

**Strategic Directive**

Key Priority

Guiding Principle

Strategic Goals

Strategic Initiative

2. Ensure Our Quality of Life**Encourage volunteerism****2.5** Encourage volunteerism in areas of interest that are consistent with our brand by

promoting and increasing employees' volunteerism by means of

2.5.4 creating programs or incentives that entice employees to volunteer.

Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.5.4.	Develop employee volunteer leave; and implementation				100%

Process Status:



General Government	Human Resources Department		Fund 01-General Fund		Cost Center: 1210	
Summary by Category						
Expenditure Category	2021	2022		2023	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$201,067	\$202,060	\$193,610	\$305,320	57.70%	
Operating Supplies	2,171	2,920	2,215	2,420	9.26%	
Contractual Services	33,415	17,630	14,070	16,050	14.07%	
Other Services and Charges	45,045	88,615	47,340	145,600	207.56%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$281,698	\$311,225	\$257,235	\$469,390	82.48%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$469,390	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Human Resources Director	1.00	1.00	1.00	\$89,860
Risk Management & Safety Analyst	0.00	0.00	1.00	50,510
Human Resources Specialist II	1.00	1.00	1.00	47,655
Administrative Assistant	0.50	0.50	0.50	19,760
Temporary / Reserves				0
Cost of Living Adjustment				9,435
Employee Awards				650
Merit Contingency				1,380
Longevity				0
Overtime				0
Car Allowance				5,400
Retirement				27,590
Insurance & Taxes				52,700
Employee Related Expenses				380
Totals	2.50	2.50	3.50	\$305,320

General Government	Human Resources Department	Fund 01-General Fund	Cost Center: 1210		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	629	1,000	800	800	0.00%
Copier Supplies	785	1,000	800	800	0.00%
Gas & Oil	83	500	300	500	66.67%
Vehicle Maintenance & Repair	107	300	300	300	0.00%
Equipment Maintenance & Repair	523	100	0	0	0.00%
Postage & Freight	44	20	15	20	33.33%
Total Supplies	2,171	2,920	2,215	2,420	9.26%

Contractual Services

Contractual Services	2,046	2,500	2,400	2,400	0.00%
Employee Physicals/Drug Tests	8,387	8,300	8,000	8,800	10.00%
Compensation Study	19,500	3,000	0	0	0.00%
Computer Support	3,482	3,830	3,670	4,850	32.15%
Total Contractual Services	33,415	17,630	14,070	16,050	14.07%

Other Services and Charges

Advertising	0	0	450	0	0.00%
Printing & Forms	0	200	60	100	0.00%
Utilities	3,288	4,420	4,030	4,230	10.84%
Telephone	1,393	1,520	1,400	1,470	11.11%
Safety/Personnel Committee	6,329	7,300	7,000	10,000	0.00%
Referral Program	0	0	0	15,000	0.00%
Presumptive Cancer & EAPP	0	0	0	49,000	0.00%
Safety Expenses	466	1,000	500	1,000	0.00%
Travel & Training	335	5,625	4,000	6,850	9.09%
Continuing Education	2,617	14,000	12,000	15,000	33.33%
Subscriptions & Memberships	2,302	2,900	2,900	3,000	33.33%
Recruitment Expense	6,395	11,650	10,000	29,950	143.24%
Unemployment Insurance (City)	21,920	40,000	5,000	10,000	33.33%
Total Other Services & Charges	45,045	88,615	47,340	145,600	207.56%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0

INFORMATION TECHNOLOGY DEPARTMENT



from l. to r.: **Kevin Rose**, System Administrator; **Henning Beck**, Radio & Telecom Technician; **Gregory Emmanuel**, GIS Coordinator; **Jamie Jacobs**, IT Technician I; **Doug Reddell**, Public Safety Technician I; **Steve Hensyel**, IT Technician II; and **John Carter**, IT Director.

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 2022

Optimize IT Services



Improve IT Infrastructure



Completed merger of 3CX phone systems into one system that is redundant.

Dramatically reduced 9-1-1 radio system issues by building in some redundancy and attending to needed repairs.

Replaced five mobile data computers (MDCs) at the Police Department and five at the Fire & Medical Department.

Updated Police Department's WatchGuard server that stores and retrieves body cam footage and added four Community Development body cams.

Our Strategic Goals for FY 2023

Financial Accountability & Transparency



Improve Infrastructure



Move from E1 (Enterprise) to G1 (Government) license for MS Office 365.

Institute two-factor authentication for MS Office 365 and computer system login to enhance cyber security.

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

Performance Indicators

**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) to ensure IT's workflow optimization, security and City operations are responsive, modern, and efficient by means of

4.5.4 [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

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
4.5.4 [1] Merging of the existing 3CX phone systems		100%	n/a	n/a
4.5.4 [2] Replacement of mobile data computers (MDCs)	5%	12%	25%	50%

Process Status:

**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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
4.5.4. Help desk tickets submitted	1,675	1,457	1,928	2,244
4.5.4 Help desk tickets resolved within one week	1,579	1,392	1,821	2,030
4.5.4. % of help desk tickets resolved in one week	94.27%	95.54%	94.45%	90.46%
4.5.4. % change (YOY)		-1%	1%	4%

Process Status:



General Government	IT Department	Fund 01—General Fund	Cost Center: 1220		
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$631,010	\$618,000	\$664,070	\$698,660	5.21%
Operating Supplies	35,174	69,650	178,575	62,000	-65.28%
Contractual Services	401,887	461,170	470,000	556,035	18.31%
Other Services and Charges	48,533	62,900	61,905	80,120	29.42%
Capital Outlay	0	211,680	335,815	770,750	129.52%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,116,604	\$1,423,400	\$1,710,365	\$2,167,565	26.73%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,167,565	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2021	2022	2023	2023
IT Director	1.00	1.00	1.00	\$105,860
IT Systems Administrator	1.00	1.00	1.00	60,820
Radio & Telecom Technician	1.00	1.00	1.00	64,470
GIS Technician II	1.00	1.00	1.00	60,875
IT Technician II	1.00	1.00	2.00	52,460
IT Technician I	2.00	2.00	1.00	99,140
COLA				22,770
Merit Contingency				6,795
Longevity				0
Clothing Allowance				500
Temporary Employees / Reserves				0
Overtime				1,300
Car Allowance				5,400
Holiday Pay				0
Retirement				58,440
Insurance & Taxes				159,830
Employee Related Expenses				0
Totals	7.00	7.00	7.00	\$698,660



General Government	IT Department	Fund 01—General Fund	Cost Center: 1220		
Supplemental Data: Expenditures					
Item	2021	2022		2023	Percent Change
Description	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	4,550	7,000	2,500	2,500	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	168	600	250	250	0.00%
Vehicle Maintenance & Repair	639	2,500	550	450	-18.18%
Equipment Maintenance & Repair	29	3,600	75	0	-100.00%
Radio Maintenance & Repair	29,702	55,700	175,000	58,500	-66.57%
Postage & Freight	86	250	200	300	50.00%
Total Supplies	35,174	69,650	178,575	62,000	-65.28%

Contractual Services

Contractual Services	212,936	247,735	235,000	280,400	19.32%
Computer Support	188,951	213,435	235,000	275,635	17.29%
Total Contractual Services	401,887	461,170	470,000	556,035	18.31%

Other Services and Charges

Employee Physicals/Drug Tests	175	350	0	0	0.00%
Advertising	0	0	500	500	0.00%
Utilities	3,753	3,750	12,700	13,970	10.00%
Telephone	7,443	8,200	7,330	7,700	5.05%
Repeater Expense	0	0	0	11,000	0.00%
Homeland Security Grant	7,456	0	2,725	0	-100.00%
Travel & Training	0	13,050	1,100	11,050	904.55%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	29,706	37,550	37,550	35,900	-4.39%
Total Other Services & Charges	48,533	62,900	61,905	80,120	29.42%

Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
Mobile Data Computers		\$21,000	\$8,790		
WatchGuard Server—PD		27,355	38,075		
Mobile Data Computers—PD		36,000	10,950		
Command Staff, Community Dashboards		52,325	55,000		
Utility Vans		75,000	135,000		
Portable Radios			88,000		
Servers—Annual Lease & Maintenance				\$82,000	
Zetron Novus—Replacement				320,000	
Police Department-MDC Replacement				36,000	
Fire & Medical Port. Radios Replacement				54,000	
Audiovisual Equipment Replacement				96,000	
Police Department-Mobile Radios Repl.				81,000	
Public Safety Complex-Surv. Syst. Repl.				27,000	
Radio Towers DHSP & Prairie Lane				12,000	
Rapid Notifications—HipLink				14,000	
Spillman Interface Module—Accident Softw.				30,000	
City Wi-Fi Unit Replacement				18,750	
Totals	\$0	\$211,680	\$335,815	\$770,750	



PURCHASING DIVISION



Jason Leslie, Contract/Purchasing Administrator ([l]; **Jeff Cook**, Accounting Manager [r])

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 2022

Airport
Development



Local Business
Opportunities



Agreement
Compliance



Developed a new City-wide vehicle maintenance and repair agreement with an award to multiple service providers in an effort to expedite services, and promote competition and customer service provided to the City.

Contracted with a new Fixed Base Operator that is able to perform aircraft maintenance and repair services at the Cottonwood Municipal Airport.

Completed airport gate project and maintained forward progress on contract approval for the airport's Automated Weather Observing System (AWOS) project as interim Airport Manager.

Developed a new towing services agreement for the Police Department to provide better controls to the towing program.

Our Strategic Goals for FY 2023

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)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.2.3	Number of (approved) requisitions processed	153	191	250	250
	• Requisitions approved within 2 business days	137	160	200	225
	• % of requisitions approved within 2 business days	89.54%	83.77%	80.00%	90.00%
Process Status:					

	Strategic Direction	1. Foster Sustainable Growth and Development			
	Key Priority	Economic development			
	Guiding Principle	1.2 Start and end with "The City is open for business."			
	Strategic Goal	Improve turnaround time acquiring signatures for contracts by			
	Strategic Initiative	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.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
1.2.3. Implementation process of DocuSign on the purchasing level				25%	100%
Process Status:					



Strategic Direction

Key Priority

Guiding Principles

Strategic Goal

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.

Strategic Initiative

Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.2.3.	Total number of mailed out business registration renewals	1,410	1,440	1,500	1,500
	- Number of renewals paid on-time	1,014	1,093	1,000	1,000
	- Number of completely new business registrations	272	253	TBD	TBD
	- Number of registrations/renewals based on late notices and/or Code Enforcement	124	TBD	TBD	TBD

Process Status:



General Government	Purchasing Division	Fund 01—General Fund		Cost Center: 1230	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$108,674	\$105,710	\$116,350	\$122,500	5.29%
Operating Supplies	703	950	625	750	20.00%
Contractual Services	4,119	6,790	4,140	4,260	2.90%
Other Services and Charges	1,936	3,010	3,630	4,840	33.33%
Capital Outlay	0	0	185	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$115,432	\$116,460	\$124,930	\$132,350	5.94%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$132,350	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Purchasing/Contract Administrator	1.00	1.00	1.00	\$80,990
COLA				
Merit Contingency				4,860
Longevity Pay				2,430
Temporary / Reserves				0
Retirement				10,740
Insurance & Taxes				23,160
Employee Related Expenses				320
Totals	1.00	1.00	1.00	\$122,500

General Government	Purchasing Division	Fund 01-General Fund		Cost Center: 1230	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	242	350	225	350	55.56%
Copier Supplies	277	400	400	400	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	184	200	0	0	0.00%
Postage & Freight	0	0	0	0	0.00%
Total Supplies	703	950	625	750	20.00%

Contractual Services

Contractual Services	1,838	1,800	1,800	1,800	0.00%
Computer Support	2,281	4,990	2,340	2,460	5.13%
Total Contractual Services	4,119	6,790	4,140	4,260	2.90%

Other Services and Charges

Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	484	440	1,690	1,770	4.73%
Telephone	1,157	1,220	1,160	1,220	4.73%
Travel & Training	325	1,000	750	1,500	100.00%
Subscriptions & Memberships	(30)	350	30	350	1066.67%
Total Other Services & Charges	1,936	3,010	3,630	4,840	33.33%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Miscellaneous Expenses			\$185	
Totals	\$0	\$0	\$185	\$0

LEGAL DEPARTMENT



Steve Horton
(Photo courtesy Verdenews.com)

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 2022

Infrastructure



Revenue



Participated in the preparation, review, and approval of approximately 40 Council meeting packets.

Assisted in the issuance of approximately \$20 million in pledged revenue obligations, used to refinance the City's public safety pension liability.

Provided significant assistance in the negotiations, due diligence and purchase of the Rough Cut building at 635 N Main Street in Cottonwood during which the City received several significant price concessions from the seller.

Worked with the Verde Valley Homeless Coalition, Northern Arizona Council of Governments (NACOG), the Arizona Department of Housing, and City staff to secure a CDBG (Community Development Block Grant) pass-through grant in the amount of \$1.775 million for the purchase and improvement of the Coalition's emergency overnight homeless shelter and expansion of services to include transitional housing.

Our Strategic Goals for FY 2023

Financial Accountability & Transparency



Ensure Quality of Life



Improve Infrastructure



Sustainable Growth and Development



Assist Management and Council as needed and requested with the process of recruiting for, selecting of, contracting with, and onboarding a new City Attorney.

Assist with the negotiation and development of a contract for the design and construction of administration services for the buildout of the new City Hall, using the construction-manager-at-risk (CMAR) procurement process.

Assist in the preparation of a proposed set of affordable housing guidelines and development incentives for consideration and approval by Council.



General Government Legal Department Fund 01—General Fund Cost Center: 1300

**** 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

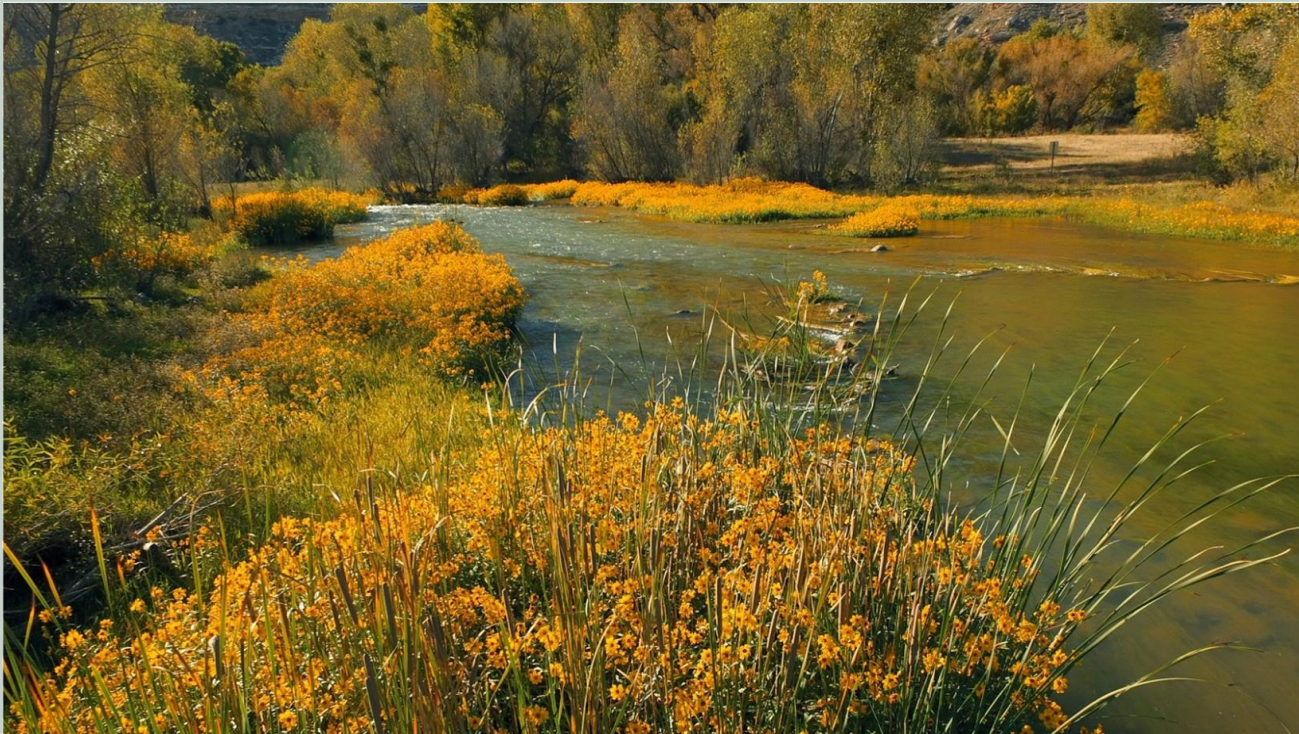
5.2.6.i. Initiate conversation on succession planning;

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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
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				TBD
- develop outline and calendar for the onboarding process of successor (TBD in FY 2023)				TBD

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	2021	2022		2023	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$251,820	\$244,640	\$257,985	\$327,400	26.91%		
Operating Supplies	0	435	10	10	0.00%		
Contractual Services	140,450	173,600	153,850	147,500	-4.13%		
Other Services and Charges	9,128	8,130	8,295	35,920	333.03%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$401,398	\$426,805	\$420,140	\$510,830	21.59%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$510,830	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
City Attorney	1.00	1.00	1.00	\$185,100
COLA				950
Vehicle Allowance				5,400
Merit Contingency				3,395
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				23,710
Insurance & Taxes				108,845
Employee Related Expenses				0
Totals	1.00	1.00	1.00	\$327,400

General Government	Legal Department	Fund 01-General Fund		Cost Center: 1300	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies					
Office Supplies	0	420	0	0	0.00%
Copier Supplies	0	10	0	0	0.00%
Postage & Freight	0	5	10	10	0.00%
Total Supplies	0	435	10	10	0.00%

Contractual Services					
Contractual Services	46,850	80,000	80,450	81,500	1.31%
Prosecuting Attorney	93,600	93,600	73,400	66,000	-10.08%
Total Contractual Services	140,450	173,600	153,850	147,500	-4.13%

Other Services and Charges					
Legal Advertising	158	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	695	850	700	740	5.71%
Telephone	1,378	1,530	1,590	1,670	5.03%
Travel & Training	513	300	500	7,500	1400.00%
Subscriptions & Memberships	6,384	5,450	5,505	26,010	372.48%
Total Other Services & Charges	9,128	8,130	8,295	35,920	333.03%

Supplemental Data: Capital Outlay					
Item Description	2021	2022		2023	
	Actual	Budget	Revised	Adopted	
Totals	\$0	\$0	\$0	\$0	

MUNICIPAL COURT



from l. to r.: **Anna Kremer**, Court Clerk II; **Carol Markussen**, Court Room Assistant; **Kathi Raley**, Security Officer; **Judge Catherine Kelley**, Presiding Judge; **Lynn Riordan**, Court Administrator/Associate Magistrate; **Tonyia Gosik**, Court Clerk I - Clarkdale; **Michelle Allen**, Court Clerk I; **Diana Lassen-Jones**, Court Clerk I.

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 2022

Streamline
Payment Process

Security



Continued transitioning from a traditional court room calendar event to a one-on-one appearance process to accommodate CDC and COVID-19 safety protocols, with the Court remaining open and fully staffed.

Upgraded and maintained front and rear door security lock system.

Implemented additional payment methods and access for defendants—telephonic and electronic with little or no access/use fee and installation of an exterior drop box for payments and court correspondence.

Recruited and trained a Court Volunteer.

Our Strategic Goals for FY 2023

Ensure Quality of
LifeFinancial
Accountability

Make successful transition of Clarkdale Municipal Court co-location/IGA.

Maintain excellent time to disposition, prevent backlog of cases, and continue to keep the Court open, staffed and accessible while meeting CDC and Supreme Court safety protocols for COVID-19.

Provide staff with training opportunities.



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

Performance Indicators



Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

2. Ensure Our Quality of Life

Municipal judicial functions

2.x. Effectively execute judicial functions in the community by efficiently managing the time from filing to disposition of court cases (considering, completing, administering and processing) aimed at

Strategic Initiative 2.x.x. closing out all court cases during the year.

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.x.x. Types of court cases closed out:				
- Civil	100%	100%	100%	100%
- Criminal	100%	100%	98%	95%
- Protective orders	100%	100%	100%	100%

Process Status:



Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

2. Ensure Our Quality of Life

Municipal judicial functions

2.x. Effectively administer judicial functions in the community by improving operational efficiency and processing of cases aimed at

Strategic Initiative 2.x.x. increasing the collection rate of payments and active payment contracts.

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.x.x. Collection or payment contracts	99%	100%	100%	100%

Process Status:





General Government	Municipal Court	Fund 01—General Fund	Cost Center: 1310		
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$366,937	\$413,990	\$389,220	\$544,210	39.82%
Operating Supplies	6,609	8,600	8,160	10,800	32.35%
Contractual Services	82,676	94,840	95,820	109,500	14.28%
Other Services and Charges	34,330	67,090	43,840	69,070	57.55%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$490,552	\$584,520	\$537,040	\$733,580	36.60%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$733,580	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Presiding Magistrate	0.80	0.80	0.80	\$95,180
Court Administrator	1.00	1.00	1.00	70,120
Court Clerk II	1.00	1.00	1.00	49,070
Court Clerk I	2.00	2.00	2.00	77,785
COLA				17,530
Merit Contingency				1,545
Longevity				29,870
Overtime				0
Temporary / Reserves				75,340
Retirement				44,250
Insurance & Taxes				83,110
Employee Related Expenses				410
Totals	4.80	4.80	4.80	\$544,210



General Government	Municipal Court	Fund 01-General Fund	Cost Center:	1310	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	3,368	4,000	3,800	5,000	31.58%
Copier Supplies	1,922	2,000	2,000	2,400	20.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	345	1,000	860	1,000	16.28%
Postage & Freight	974	1,600	1,500	2,400	60.00%
Total Supplies	6,609	8,600	8,160	10,800	32.35%

Contractual Services

Contractual Services	9,215	14,000	12,000	12,000	0.00%
Court Audit	0	0	0	3,500	0.00%
Computer Support	12,015	12,240	11,420	16,000	40.11%
Court Appointed Attorney	59,270	65,000	70,000	75,000	7.14%
Pro Tem Services	2,176	3,600	2,400	3,000	25.00%
Total Contractual Services	82,676	94,840	95,820	109,500	14.28%

Other Services and Charges

Jury Fees	0	0	330	600	81.82%
Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Recruitment Expense	0	0	20	50	150.00%
Utilities	10,258	11,340	11,060	11,830	6.96%
Telephone	1,851	2,050	1,990	2,090	5.03%
JCEF Fund Expenses	7,369	1,650	1,650	1,700	3.03%
FTG-Fill The Gap Expense	0	0	0	0	0.00%
Court Enhancement Expenses	13,486	45,000	25,000	45,000	80.00%
Travel & Training	383	4,800	1,200	4,800	300.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	983	2,250	2,590	3,000	15.83%
Miscellaneous Expense	0	0	0	0	0.00%
Total Other Services & Charges	34,330	67,090	43,840	69,070	57.55%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted



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 2022

N/A

Our Strategic Goals for FY 2023

N/A

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





General Government		Natural Resources		Fund 01—General Fund		Cost Center: 1700	
Summary by Category							
Expenditure Category	2021	2022		2023	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	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$0	\$0	\$0	\$0	0.00%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$0	0.00%
Total Funding		0.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Water Resources Administrator	0.00	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
Totals	0.00	0.00	0.00	\$0

General Government		Natural Resources		Fund 01—General Fund		Cost Center: 1700	
Supplemental Data: Expenditures							
Item Description	2021	2022		2023	Percent Change		
	Actual	Budget	Revised	Adopted			

Operating Supplies

Office Supplies	0	0	0	0	0.00%
Copier Supplies	0	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%
Total Supplies	0	0	0	0	0.00%

Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	0	0	0	0	0.00%
Total Contractual Services	0	0	0	0	0.00%

Other Services and Charges

Printing and Forms	0	0	0	0	0.00%
Utilities	0	0	0	0	0.00%
Telephone	0	0	0	0	0.00%
Travel & Training	0	0	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Total Other Services & Charges	0	0	0	0	0.00%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



TOURISM & ECONOMIC DEVELOPMENT



Council member Doug Hulse and **Tricia Lewis**, Tourism & Economic Development Director [not pictured Laura Herera]

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 2022

Local Business Support



Promote Tourism



Community Engagement



Purchased Smith Travel Research (STR) subscription for hoteliers in Cottonwood. Data allows for occupancy rate, average daily rate and lead-time for reservations.

Assisted Historic Preservation Commission (HPC) with first annual virtual home tour. Video production and coordination, marketing and leading project to meet deadlines. Efforts included guidance from team on website, social media, logo/branding, layout and content coordination for e-book and printed book.

Two professional videos created to promote Cottonwood. Red Rock TV and Sedona NOW TV. Provided professional photos taken by Blushing Cactus Photography (Taken in Sept 2021).

Maximized opportunity to advertise the Destination Marketing Organization (DMO) with AZ Office of Tourism (AOT) with \$75,000 and created new opportunities for travel writers with added value of over \$100,000 in editorial exposure. Outdoor billboards, Google Ad Words, and Retargeting campaigns launched.

Our Strategic Goals for FY 2023

Sustainable Growth and Development



Ensure Quality of Life



Create a Business Retention and Expansion Program.

Continue with current marketing and tourism direction. Enhance and increase marketing opportunities for the DMO.

Position the airport as an economic driver for development, business expansion and marketing opportunities.


Support signature events and enhance branding opportunities with wine-themed events.

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

Performance Indicators

	Strategic Direction	1. Foster Sustainable Growth and Development			
	Key Priority	Promote tourism			
	Guiding Principle	1.6 Continue with current marketing and tourism direction by providing continued support to the Chamber of Commerce and increase tourism by			
	Strategic Initiative	1.8.4 To enhance communications, marketing and social media. Keep tourism efforts transparent, active and attractive. This effort is vital in a normal economy and throughout health crises.			
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.6.4. Maximize sustainable tourism			50%	85%	95%
1.6 Bed Tax (actual amounts)					
Process Status:		1.8.4. Manage, enhance and continue with partnerships with Chamber of Commerce, Old Town Association, TAC to push out effective tourism campaigns and materials.			

	Strategic Direction	1. Foster Sustainable Growth and Development			
	Key Priority	Workforce Development			
	Guiding Principle	1.5 Support educational institutions & organizations engaged in workforce development.			
	Strategic Goal	Connect with local, regional partners, like SBDC, NACOG, MUSH & Yavapai College to promote, nurture opportunities for workforce development.			
	Strategic Initiative	1.5.2 Partner with business community stakeholders to identify and implement workforce development solutions.			
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.5.2. Partnering with business community		25%	50%	65%	85%
Process Status:		1.5.2. Continue to support, provide and enhance workforce development opportunities as it relates to housing and staff shortages many business owners are experiencing.			



Strategic Direction

Key Priority

Guiding Principles

Strategic Goal

Strategic Initiative

1. Foster Sustainable Growth and Development

Economic development

1.1 Focus on business retention (and expansion) - BR&E

1.1 Provide more proactive support, resources, and training for small, local businesses.

Establish and implement an updated BR&E program that attracts and enhances business culture in Cottonwood.

1.1.2 Coordinate Shop Local programs and marketing efforts.

1.1.4 Implement new support programs for Spanish-speaking businesses

1.1.6 Expand partnerships with community partners, who help local businesses succeed.

Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.1.1	Develop a program that supports business retention and expansion		20%	50%	75%
1.1.4	Work with SBDC for workshop series and engage with Spanish-speaking businesses		10%	50%	75%

Process Status:

1.7.1. Existing businesses account for most of the local employment and are job generators. A strong BR&E program is essential for maintaining a healthy commerce and community.



General Government	Tourism & Economic Development	Fund 01—General Fund	Cost Center: 6000		
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$178,980	\$148,010	\$154,760	\$169,620	9.60%
Operating Supplies	748	1,700	1,505	1,550	2.99%
Contractual Services	617	530	520	10,550	1928.85%
Other Services and Charges	115,002	243,500	240,720	384,930	59.91%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$295,347	\$393,740	\$397,505	\$566,650	42.55%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$566,650	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Tourism & Econ. Development Director	1.00	1.00	1.00	\$84,230
Marketing & Public Information Spec.	1.00	0.50	0.50	23,830
Admin. Asst./Facilities Rental Coord.	1.00	0.00	0.00	0
COLA				6,480
Merit Contingency				600
Longevity				0
Vehicle Allowance				5,400
Overtime				0
Temporary / Reserves				0
Retirement				14,670
Insurance & Taxes				34,410
Employee Related Expenses				0
Totals	3.00	1.50	1.50	169,620

General Government	Tourism & Economic Development	Fund-01-General Fund		Cost Center: 6000	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	705	1,500	1,500	1,500	0.00%
Copier Supplies	43	150	0	0	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	0	50	5	50	900.00%
Total Supplies	748	1,700	1,505	1,550	2.99%

Contractual Services

Contractual Services	123	0	0	10,000	0.00%
Computer Support	494	530	520	550	5.77%
Total Contractual Services	617	530	520	10,550	1928.85%

Other Services and Charges

Advertising	0	5,000	3,000	5,000	66.67%
Marketing & Tourism Development	88,534	200,000	200,000	340,000	70.00%
Printing & Forms	0	500	500	500	0.00%
Utilities	4,642	1,470	2,730	2,870	5.13%
Telephone	1,379	1,530	1,490	1,560	4.70%
Focus on Success	18,198	30,000	30,000	30,000	0.00%
Travel & Training	1,090	3,000	1,500	3,000	100.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,159	2,000	1,500	2,000	33.33%
Total Other Services & Charges	115,002	243,500	240,720	384,930	59.91%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



General Government	Housing & Development		Fund 01—General Fund		Cost Center: 6200	
Summary by Category						
Expenditure Category	2021	2022		2023	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	61,600	61,600	0.00%	
Other Services and Charges	0	0	650,000	650,000	0.00%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$0	\$0	\$711,600	\$711,600	0.00%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$711,600	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
N/A				
COLA				0
Merit Contingency				0
Longevity				0
Overtime				0
Temporary / Reserves				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
Totals	0.00	0.00	0.00	0

General Government	Housing & Development	Fund-01-General Fund	Cost Center: 6200		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	0	0	0	0	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	0	0	0	0	0.00%
Total Supplies	0	0	0	0	0.00%

Contractual Services

Contractual Services	0	0	61,600	61,600	0.00%
Computer Support	0	0	0	0	0.00%
Total Contractual Services	0	0	61,600	61,600	0.00%

Other Services and Charges

Advertising	0	0	0	0	0.00%
Hosing Assistance Program	0	0	650,000	650,000	0.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	0	0	0	0	0.00%
Telephone	0	0	0	0	0.00%
Focus on Success	0	0	0	0	0.00%
Travel & Training	0	0	0	0	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Total Other Services & Charges	0	0	650,000	650,000	0.00%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



COMMUNITY DEVELOPMENT



from l. to r. **Steve Jackson**, Building Inspector; **Megan Russell**, Permit Specialist; **Clover Pinion**, Assistant Planner; **Christina Papa**, Code Enforcement/Administrative Support Supervisor; **Scott Ellis**, Community Development Director; **Cody Blazer**, Building Official; not pictured: Kelly Jobe, Gary Davis, and Kristina Hayden.

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 2022

Residential
Development



Trail Infrastructure



Recreation



Created a new sub-planning area for an area of Old Town with design guidelines that allow residents to opt-in to modified development and to accommodate smaller lot sizes.

Streamlined and provided opportunities for development to occur with less requirements by getting zoning ordinance amendments approved.

Developed and sent a letter with the City's dark-sky requirement information and what that means to businesses together with the annual business registration renewal notices.

Completed the Riverfront Park Trail Loop between the 5th and 10th Streets as well as the Blowout Trail from the Mingus Avenue/Airpark Road intersection to Mesquite Hill subdivision.

Published and printed 1,000 Bike & Trail Maps, published an online interactive version, and installed approximately 20 trail wayfinding signs.

Our Strategic Goals for FY 2023

Sustainable
Growth and
Development



Ensure Quality of
Life



Improve
Infrastructure



Establish a General Plan Steering Committee and sub-committees to begin the process of updating the City's 10-year General Plan.

Continue updating the Zoning Ordinance to bring outdated portions current and help reduce unnecessary development issues.

Create a property beautification recognition program for local businesses and residences.



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

- (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

- 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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.2.4. Implementation of online permit program	25%	75%	100%	n/a
1.2.3. Streamline plan review/approval process		25%	100%	n/a
1.2.2. Community outreach events	25%	30%	35%	40%

Process Status:



Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

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

establishing a committee of volunteers that will work together with Community Development and Parks & Recreation to clean, maintain and develop trails by

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

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.3.1. Form a committee of volunteers		25%	100%	n/a

Process Status:



General Government	Community Development	Fund 01—General Fund	Cost Center: 1400		
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$574,609	\$637,560	\$670,115	\$806,010	20.28%
Operating Supplies	9,867	14,600	14,100	13,600	-3.55%
Contractual Services	65,418	13,950	31,880	24,070	-24.50%
Other Services and Charges	22,228	33,045	41,105	40,220	-2.15%
Capital Outlay	16,518	75,200	55,000	119,065	116.48%
Debt Service	0	0	0	0	0.00%
Department Totals	\$688,640	\$774,355	\$812,200	\$1,002,965	23.49%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$987,965	98.50%
Intergovernmental Grants	15,000	1.50%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Community Development Director	1.00	1.00	1.00	\$89,860
Senior Planner	0.00	1.00	1.00	60,240
Planner	2.00	1.00	1.00	56,335
Building Official	1.00	1.00	1.00	73,000
Asst. Planner/Code Enforce. Coord.	1.00	1.00	0.00	53,955
Code Enforcement & Admin Supp. Svs	0.00	0.00	1.00	
Building Inspector	1.00	1.00	1.00	58,690
Assistant Planner	0.00	0.00	1.00	41,165
Permit Technician/Specialist	0.00	1.00	1.00	37,480
Administrative Assistant	1.00	1.00	1.00	45,110
Temporary / Reserves				27,715
COLA				5,025
Merit Contingency				0
Car Allowance				5,400
Longevity Pay				0
Overtime				300
Clothing Allowance				360
Retirement				67,460
Insurance & Taxes				183,375
Employee Related Expenses				540
Totals	7.00	8.00	9.00	\$806,010

General Government	Community Development	Fund 01-General Fund		Cost Center: 1400	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	2,213	3,600	3,600	3,600	0.00%
Copier Supplies	955	1,500	2,000	2,000	0.00%
Gas & Oil	1,385	2,500	2,000	2,500	25.00%
Vehicle Maintenance & Repair	1,368	2,500	1,500	2,500	66.67%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	3,946	4,500	5,000	3,000	-40.00%
Total Supplies	9,867	14,600	14,100	13,600	-3.55%

Contractual Services

Contractual Services	61,681	10,000	28,000	20,000	-28.57%
Computer Support	3,737	3,950	3,880	4,070	4.90%
Total Contractual Services	65,418	13,950	31,880	24,070	-24.50%

Other Services and Charges

Legal Advertising	6,446	7,000	6,500	10,000	53.85%
Printing & Forms	464	1,000	1,000	1,000	0.00%
Recruitment Expense	0	0	20	0	-100.00%
Utilities	7,010	8,780	8,550	9,410	10.06%
Telephone	2,996	3,440	3,000	3,150	5.00%
Old Town Home Tour	0	800	4,010	5,000	24.69%
Travel & Training	3,047	6,000	14,500	6,000	-58.62%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	906	2,000	1,000	2,000	100.00%
Enterprise Fleet Lease Expense	1,359	1,025	1,025	660	-35.61%
General Plan Expense	0	3,000	1,500	3,000	100.00%
Total Other Services & Charges	22,228	33,045	41,105	40,220	-2.15%

Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
Ctwd Historic Property Survey (Grant)	\$16,400	\$20,000	\$3,600	\$20,000	
Wayfinding Signs		20,000			
Trucks (Enterprise Fleet)		27,000		42,000	
Multi-function Printer - Carryover FY 22		8,200		5,065	
Body Worn Cameras			9,400		
Dude Solutions Software			42,000		
Miscellaneous Items	118				
Plotter				15,000	
Supplemental Plan Review Software				7,000	
Vehicle (Enterprise Fleet)				30,000	
Totals	\$16,518	\$75,200	\$55,000	\$119,065	



ENGINEERING SERVICES DEPARTMENT



From l. to r.: **Martin Smith**, Project Manager; **Jennifer Somit**, PW & Utility Inspector; **Jeff Jones**, PW & Utility Inspector; **Jolten Larremore**, Stormwater Specialist; **James Bramble**, Senior Engineer

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 2022

Add/Preserve
Infrastructure

8

Capital
Improvement Plan



Added infrastructure by awarding a construction contract for the Fir Street sidewalk (2,000 linear feet).

Completed reconstruction of the stretch of Mingus Avenue between the intersection with 8th Street and Main Street.

Bid for and completed budgeted pavement preservation projects.

Completed comprehensive Capital Improvement Plan for sidewalk and pavement preservation priorities.

Our Strategic Goals for FY 2023

Improve
Infrastructure

8

Financial
Accountability &
Transparency



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

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

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

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.x. designing and bidding out 1,500 lineal feet for sidewalk
construction (every fiscal year) and

4.1.1. designing and bidding out eight (8) lane miles for pavement
preservation (every other fiscal year).

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
4.x.x. 1,500 linear feet of sidewalk:				
Planning		100%	100%	100%
Project Design		95%	100%	100%
Bid/Award		0%	100%	100%
4.1.1 Pavement Preservation for eight (8) lane miles:				
Planning		75%	100%	100%
Project Design		75%	100%	100%
Bid/Award		75%	100%	100%

Process Status:





General Government	Engineering Services Department	Fund 01—General Fund		Cost Center: 1410	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$264,722	\$313,580	\$313,920	\$402,740	28.29%
Operating Supplies	4,985	13,175	10,450	9,650	-7.66%
Contractual Services	96,776	3,080	1,500	27,580	1738.67%
Other Services and Charges	18,258	22,260	19,700	24,490	24.31%
Capital Outlay	70,747	77,705	23,190	101,000	335.53%
Debt Service	0	0	0	0	0.00%
Department Totals	\$455,488	\$429,800	\$368,760	\$565,460	53.34%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$565,460	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Public Works Director	1.00	0.00	0.00	\$0
City Engineer	1.00	0.00	0.00	0
Senior Engineer	0.00	1.00	1.00	97,500
Public Works Project Manager	1.00	1.00	1.00	73,765
Public Works Inspector	1.00	1.00	1.00	53,995
Stormwater Specialist	0.00	0.00	1.00	47,655
COLA				
Merit Contingency				16,375
Longevity				2,120
Overtime				0
Vehicle Allowance				5,400
Clothing Allowance				1,300
Retirement				30,320
Insurance & Taxes				74,310
Employee Related Expenses				
Totals	4.00	3.00	4.00	\$402,740

General Government		Engineering Services Department		Fund 01-General Fund	Cost Center:	1410
Supplemental Data: Expenditures						
Item	2021	2022		2023	Percent	
Description	Actual	Budget	Revised	Adopted	Change	
Operating Supplies						
Office Supplies	341	2,900	2,900	600	-79.31%	
Copier Supplies	246	500	500	500	0.00%	
Gas & Oil	1,842	5,000	2,500	5,000	100.00%	
Operational Equipment & Supplies	900	2,725	2,500	1,000	-60.00%	
Vehicle Maintenance & Repair	1,656	1,500	2,000	2,000	0.00%	
Equipment Maintenance & Repair	0	500	0	500	0.00%	
Postage & Freight	0	50	50	50	0.00%	
Total Supplies	4,985	13,175	10,450	9,650	-7.66%	
Contractual Services						
Contractual Services	94,861	1,000	0	26,000	0.00%	
Employee Physicals/Drug Tests	235	0	0	0	0.00%	
Computer Support	1,680	2,080	1,500	1,580	5.33%	
Total Contractual Services	96,776	3,080	1,500	27,580	1738.67%	
Other Services and Charges						
Legal Advertising	181	500	0	500	0.00%	
Printing & Forms	0	500	0	500	0.00%	
Utilities	2,163	2,230	2,550	2,680	5.10%	
Telephone	2,704	3,530	3,150	3,310	5.08%	
Travel & Training	1,407	4,500	3,000	4,500	50.00%	
Subscriptions & Memberships	11,803	11,000	11,000	13,000	18.18%	
Total Other Services & Charges	18,258	22,260	19,700	24,490	24.31%	
Supplemental Data: Capital Outlay						
Item	2021	2022		2023		
Description	Actual	Budget	Revised	Adopted		
Ricoh Plotter		\$7,205	\$7,566			
Grants for Trails	\$6,062	8,500	15,624			
Del Monte Trail (Northeast Corner)		12,000		\$21,000		
Additional Trails		20,000				
Truck (Enterprise Fleet)		30,000		35,000		
Drainage Improvement Project	64,685					
New Truck (Storm specialist)				45,000		

PUBLIC WORKS



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 2022

Sidewalk Infrastructure

8

Capital Improvement Plan



Added infrastructure by awarding a construction contract for the Fir Street sidewalk (2,000 linear feet).

Completed reconstruction of the stretch of Mingus Avenue between the intersection with 8th Street and Main Street.

Bid for and completed budgeted pavement preservation projects.

Completed comprehensive Capital Improvement Plan for sidewalk and pavement preservation priorities.

Our Strategic Goals for FY 2023

Improve Infrastructure

8

Financial Accountability & Transparency



Finish the Design for the City Hall.

Continue to Develop comprehensive capital improvement plan for sidewalk priorities.

Continue to 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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
4.x.i. CIP Plan for Sidewalks:				
Project ranking	100%	100%	100%	100%
Planning	100%	95%	100%	50%
Cost estimates	100%	100%	100%	75%
Monitoring	100%	100%	50%	50%
Closing	100%			75%
4.x.ii. CIP Plan for Pavement Preservation:				
Project Ranking	100%	100%	95%	75%
Planning	100%	100%	95%	50%
Cost estimates	100%	100%	100%	50%
Monitoring	100%	100%	95%	50%
Closing	100%	100%	100%	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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$181,748	\$175,950	\$123,210	\$158,300	28.48%
Operating Supplies	2,608	2,800	2,235	2,050	-8.28%
Contractual Services	13,221	21,830	51,910	21,750	-58.10%
Other Services and Charges	9,867	15,940	14,750	16,470	11.66%
Capital Outlay	5,100	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$212,544	\$216,520	\$192,105	\$198,570	3.37%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$198,570	100.00%
Transfer Station Fees	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Public Works (PW) Director	0.00	0.00	0.50	\$44,930
Streets Superintendent	0.25	0.00	0.00	0
Public Works & Utility Specialist	1.00	1.00	1.00	56,850
Administrative Assistant	1.00	1.00	0.00	0
COLA				6,110
Merit Contingency				3,640
Longevity				0
Vehicle Allowance				2,700
Temporary Employees / Reserves				0
Overtime				500
Holiday Pay				0
Retirement				13,960
Insurance & Taxes				29,600
Employee Related Expenses				10
Totals	2.25	2.00	1.50	\$158,300

General Government	Public Works	Fund 01—General Fund		Cost Center: 1600	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	832	750	435	750	72.41%
Copier Supplies	927	1,000	1,000	250	-75.00%
Gas & Oil	0	0	0	0	0.00%
Operational Equipment & Supplies	827	1,000	800	1,000	25.00%
Vehicle Maintenance & Repair	15	0	0	0	0.00%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage & Freight	7	50	0	50	0.00%
Total Supplies	2,608	2,800	2,235	2,050	-8.28%

Contractual Services

Contractual Services	513	1,000	1,000	1,000	0.00%
Computer Support	708	830	710	750	5.63%
Large Item Pick-Up/Community Clean Up	12,000	20,000	50,200	20,000	-60.16%
Total Contractual Services	13,221	21,830	51,910	21,750	-58.10%

Other Services and Charges

Legal Advertising	0	0	0	0	0.00%
Utilities	3,337	4,730	4,200	4,520	7.62%
Telephone	6,462	6,960	6,300	6,700	6.35%
Travel & Training	0	4,000	4,000	5,000	25.00%
Subscriptions & Memberships	68	250	250	250	0.00%
Total Other Services & Charges	9,867	15,940	14,750	16,470	11.66%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
HVAC Replacement for PW Bldg.	\$5,100			
Totals	\$5,100	\$0	\$0	\$0



PARKS & BUILDING MAINTENANCE DEPARTMENT



Front row, from l. to r.: **Mark Larremore**, Public Works (PW) Superintendent; **Tony Allen**, PW Maintenance Technician I; **Kevin Flores**, PW Maint Tech II; **Bill Huggins**, PW Lead Maint. Tech. I; **Jim Wixom**, PW & Utility Specialist; **Javier Anguiano**, PW Lead Maint. Tech. II; **Claudiu Magos**, PW Maint. Tech. II

Back row, from l. to r.: **Clayton Holt**, PW Maint Tech II; **Troy Elliott**, PW Facility Maintenance Technician I; **Frank Tingle**, PW Maintenance Technician I; **Bradley VandeWege**, PW Maint. Tech. II; **Dave Ayers**, PW Maintenance Technician II; **Billy Mundine**, PW Maintenance Technician I. [Not pictured: David Hausaman, Kahlil Rinaldi and David Norman]

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 2022

Infrastructure Improvements

8

Cost Saving Lighting



Converted 40 fixtures to LED or energy efficient bulbs.

Established a training program for Maintenance staff in servicing HVACs.

Our Strategic Goals for FY 2023

Improve Infrastructure

8

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:

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.

Strategic Initiative: 5.5.3.i. training of staff, and**5.5.3.ii. reprogramming and/or replacement of equipment/fixtures.**

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
5.5.3.i. Training of staff to conduct maintenance			50%	100%
5.5.3.ii. Lighting replacement at City locations			75%	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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$492,723	\$553,325	\$528,190	\$667,210	26.32%
Operating Supplies	48,591	57,650	87,400	67,100	-23.23%
Contractual Services	2,207	1,510	22,335	61,530	175.49%
Other Services and Charges	41,055	102,140	82,230	61,315	-25.43%
Capital Outlay	0	171,955	3,000	456,955	15131.83%
Debt Service	0	0	0	0	0.00%
Department Totals	\$584,576	\$886,580	\$723,155	\$1,314,110	81.72%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$1,314,110	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Facilities Superintendent	1.00	1.00	1.00	\$63,860
PW Operations Foreman	0.00	0.00	0.00	0
Facility Maintenance Technician I	1.00	4.00	4.00	140,565
PW Maintenance Technician I	5.00	4.00	4.00	137,295
COLA				20,505
Merit Contingency				6,215
Longevity				0
Temporary Employees				60,000
Overtime				18,000
Holiday Pay				2,000
Clothing Allowance				2,800
Retirement				47,280
Insurance & Taxes				168,350
Employee Related Expenses				340
Totals	7.00	9.00	9.00	\$667,210



General Government	Parks & Bldg Maintenance Dept.	Fund 01 - General Fund	Cost Center: 1610		
Supplemental Data: Expenditures					
Item	2021	2022		2023	Percent Change
Description	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	75	50	0	0	0.00%
Gas & Oil	11,254	12,000	16,000	18,000	12.50%
Grounds/Parks Maintenance Supplies	26,099	32,000	42,000	33,500	-20.24%
Vehicle Maintenance & Repair	5,895	8,600	23,600	8,600	-63.56%
Equipment Maintenance & Repair	5,268	5,000	5,800	7,000	20.69%
Postage/Freight		0			0.00%
Total Supplies	48,591	57,650	87,400	67,100	-23.23%

Contractual Services

Contractual Services	444	0	20,865	60,000	187.56%
Employee Physicals/Drug Tests	500	300	300	300	0.00%
Computer Support	1,132	1,210	1,170	1,230	5.13%
Ground Maintenance Contract	131	0	0	0	0.00%
Total Contractual Services	2,207	1,510	22,335	61,530	175.49%

Other Services and Charges

Utilities	6,609	7,870	10,500	11,030	5.05%
Telephone	1,315	1,450	1,410	1,480	4.96%
Small Tools	1,290	1,000	1,000	1,300	30.00%
Vandalism Repairs	2,454	2,500	500	2,500	400.00%
Maintenance & Repair (City buildings)	25,480	86,400	65,700	37,400	-43.07%
Travel & Training	1,945	1,100	1,800	2,700	50.00%
Enterprise Fleet Lease Expense	1,841	1,320	1,320	4,405	233.71%
Equipment Rental	121	500	0	500	0.00%
Total Other Services & Charges	41,055	102,140	82,230	61,315	-25.43%

Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
Mower		\$11,400		\$11,400	
Tractor		37,000			
Vehicle/Truck (Enterprise Fleet)-Carryover		45,000		45,000	
Generator (Public Safety)-Carryover		78,555		78,555	
Bobcat-Cemetery & Parks				57,000	
Reach Lift				237,000	
ATV (side-by-side) Weed Sprayer				20,000	
Sodcutter				8,000	
Generator Pad			\$3,000		
Totals	\$0	\$171,955	\$3,000	\$456,955	



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 2022

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 2023

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	2021	2022		2023	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	\$0	0	0	0.00%	
Contractual Services	133,917	\$139,440	122,220	181,480	48.49%	
Other Services and Charges	640,044	\$395,875	445,875	475,875	6.73%	
Operating Transfers	1,161,387	\$1,549,180	6,237,095	1,829,175	-70.67%	
Debt Service	412,583	\$405,585	434,565	325,000	-25.21%	
Department Totals	\$2,347,931	\$2,490,080	\$7,239,755	\$2,811,530	-61.17%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,811,530	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
N/A				
Totals	0.00	0.00	0.00	\$0



General Government	Non-Departmental	Department	Fund 01 - General Fund	Cost Center: 1800	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Operating Supplies					
N/A	0	0	0	0	0.00%
Total Supplies	0	0	0	0	0.00%
Contractual Services					
Custodial Contract	133,917	139,440	122,220	181,480	48.49%
Auction Fees	0	0	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%
Total Contractual Services	133,917	139,440	122,220	181,480	48.49%
Other Services and Charges					
Chamber of Commerce	72,356	70,000	70,000	80,000	14.29%
Land Lease Fees - Airport	0	25,875	25,875	25,875	0.00%
Other Financing Uses	409,013	0	0	0	0.00%
Liability Insurance	176,251	280,000	330,000	350,000	6.06%
Liability—Claims Deductible	(17,576)	20,000	20,000	20,000	0.00%
Total Other Services & Charges	640,044	395,875	445,875	475,875	6.73%
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.	157,560	162,615	162,615	0	-100.00%
Interest—LP Fire Rescue	0	0	0	0	0.00%
Interest—LP Mobile Data	0	0	0	0	0.00%
Interest—LP FY12 City-wide	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	7,004	1,950	1,950	0	-100.00%
Enterprise Lease	248,019	241,020	270,000	325,000	20.37%
Total Debt Service	412,583	405,585	434,565	325,000	-25.21%
Supplemental Data: Capital Outlay					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Operating Transfers—HURF		\$305,695	\$5,244,160	\$368,250	-92.98%
Operating Transfers—Library	\$897,579	985,870	932,685	1,108,245	18.82%
Operating Transfers—Cemetery	91,159	66,200		121,645	0.00%
Operating Transfers—Airport	65,826	191,415	60,250	231,035	283.46%
Operating Transfers-Grants	25,340				0.00%
Operating Transfers-Transit	76,298				0.00%
Operating Transfers—CDBG	5,185				0.00%
Totals	\$1,161,387	\$1,549,180	\$6,237,095	\$1,829,175	



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POLICE DEPARTMENT



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 2022

Security



Community Outreach



Safety & Risk Management



Updated body-worn camera program server and successfully transferred all data.

Outreach Services Officer Program was implemented and has successfully assisted in providing resources, direction, community services, and life changing programs to unsheltered individuals within the city.

Implemented and installed License Plate Reader technology throughout the city, which has increased crime solvability and law enforcement response to missing persons, drug trafficking, and stolen vehicles.

Purchase a Spillman command module to enhance crime analysis capabilities.

Our Strategic Goals for FY 2023

Ensure Quality of Life



Financial Accountability



Enhance participation in the regional Field Force Task Force to strengthen responses to civil unrest and that of partnerships throughout the county.


Enhance crime analysis capabilities.


Acquire an early intervention and training module to track employee accountability and training in a more efficient and effective manner.

Implement a monthly mandatory training program for sworn personnel to ensure success, professional growth, and retention.



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

	Strategic Direction	2. Ensure Our Quality of Life			
	Key Priority	Enhance public safety (Police and Fire)			
	Guiding Principle	2.6. Support policies and programs for safer neighborhoods			
	Strategic Goal	(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.			
	Strategic Initiative	2.6.1 Improve existing services provided by the Police Department Neighborhood Officer Program (NOP);			
		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.			
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.6.1.	Improving existing NOP services in terms of personnel, communication and events presence	50%	80%	100%	100%
2.6.2.	Identify PCOP staffing, work hours, and project assignments	25%	75%	100%	100%
Process Status:					

	Strategic Direction	2. Ensure Our Quality of Life			
	Key Priority	Enhance public safety (Police and Fire)			
	Guiding Principle	2.6. Support policies and programs for safer neighborhoods			
	Strategic Goal	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			
	Strategic Initiative	2.6.4 Assess feasibility of collaborating with residents with exterior web-enabled cameras to reduce crime in neighborhoods			
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.6.4	Awareness of video surveillance to prevent and solve crimes	0%	0%	50%	100%
Process Status:					

Supplemental Data: Capital Outlay				
Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
K9, Academy; Rifle Program	\$32,046	\$17,000		
K9 and Vehicle Retrofit		27,500	\$19,000	
Enterprise Fleet Replacements and Additions		50,000	242,665	\$150,000
Portable Handheld Radios		73,675	75,000	
Comstat Dashboard			57,110	
Motorola			11,265	
K9 Kennel Area				15,000
Connex Storage for Fire Arms (at range)				9,000
SWAT Robot-Throw Bot (only if grant funded)				20,000
Additional SWAT Body Armor				20,000
Traffic Accident Investigative Equip-Leica (Grant)				23,750
Traffic Accident Investigative Equip-Total Station				7,500
Swat Shields Replacement (2)				5,000
AZ State Park - UTV Grant				60,000
Outreach Services Trailer				6,000
Totals	\$32,046	\$168,175	\$405,040	\$316,250

Public Safety	Police Department	Fund 01—General Fund		Cost Center: 2000	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$18,155,490	\$4,286,840	\$4,366,810	\$4,833,660	10.69%
Operating Supplies	224,471	222,010	338,510	284,410	-15.98%
Contractual Services	106,518	61,670	45,050	55,050	22.20%
Other Services and Charges	293,789	16,972,695	1,271,525	1,515,415	19.18%
Capital Outlay	32,046	168,175	405,040	316,250	-21.92%
Debt Service	0	0	0	0	0.00%
Department Totals	\$18,812,314	\$21,711,390	\$6,426,935	\$7,004,785	8.99%

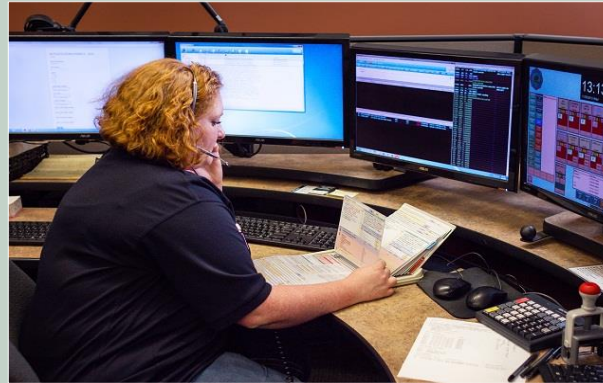
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$6,299,150	89.93%
Inter-local Governmental Contracts	174,755	2.49%
Lease Purchase	0	0.00%
Grants	530,880	7.58%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Police Chief	1.00	1.00	1.00	\$139,955
Commander	2.00	2.00	2.00	184,720
Sergeant	8.00	8.00	8.00	660,845
PANT Officer/Sergeant	1.00	2.00	2.00	131,345
Police Officer	21.00	22.00	22.00	1,296,520
School Resource Officer (SRO)	1.00	1.00	1.00	68,635
Police Aides	0.00	2.00	2.00	72,570
Property & Evidence Specialist	1.00	1.00	1.00	40,505
Senior Administrative Assistant	1.00	1.00	1.00	49,110
Victim Assistant	1.00	1.00	1.00	41,100
Records Clerk	2.00	2.00	3.00	132,660
COLA				164,020
Car Allowance				8,100
Merit Contingency				48,075
Longevity				0
Temporary Employees				69,160
Certification Pay				5,540
Overtime				220,000
Holiday Pay				60,000
Clothing Allowance				30,000
Retirement				373,220
Insurance & Taxes				1,035,330
Employee Related Expenses				2,250
Totals	39.00	43.00	44.00	\$4,833,660



Public Safety	Police Department	Fund 01-General Fund		Cost Center:	2000
Supplemental Data: Expenditures					
Item	2021	2022		2023	Percent
Description	Actual	Budget	Revised	Adopted	Change
Operating Supplies					
Office Supplies	19,769	17,000	20,000	25,000	25.00%
Copier Supplies	953	750	750	750	0.00%
Gas & Oil	66,166	65,000	101,000	75,000	-25.74%
Operational Equipment & Supplies	2,788	2,500	3,500	2,500	-28.57%
Training Supplies	48,996	62,200	85,000	62,200	-26.82%
Range Supplies	0	0	0	2,500	0.00%
Building Supplies	2,491	2,200	2,200	5,200	136.36%
Protective Clothing	8,326	12,100	13,800	10,000	-27.54%
Vehicle Maintenance & Repair	46,434	40,000	86,000	55,000	-36.05%
Equipment Maintenance & Repair	8,493	5,000	7,000	7,000	0.00%
Invest / Detective Expenses	8,305	5,400	5,400	25,400	370.37%
DUI Expenses	622	860	860	860	0.00%
Canine Vet & Feed	9,885	7,500	11,500	11,500	0.00%
Postage & Freight	1,243	1,500	1,500	1,500	0.00%
Total Supplies	224,471	222,010	338,510	284,410	-15.98%
Contractual Services					
Contractual Services	7,328	6,500	6,500	6,500	0.00%
Employee Physicals/Drug Testing	7,035	6,500	5,500	6,500	18.18%
Computer Support	26,356	28,670	29,550	29,550	0.00%
Vehicle Towing Expense	3,599	5,000	2,000	5,000	150.00%
Towing Revenues Expenditures	62,200	15,000	1,500	7,500	400.00%
Total Contractual Services	106,518	61,670	45,050	55,050	22.20%
Other Services and Charges					
Legal Advertising	99	0	0	0	0.00%
Printing & Forms	203	1,200	2,000	2,500	25.00%
Utilities	35,903	40,770	32,630	34,260	5.00%
Telephone	46,645	45,840	47,810	51,400	7.51%
SWAT Equipment	18,581	17,000	26,800	25,500	-4.85%
Safety Expense	3,067	3,600	3,600	3,600	0.00%
SB1398 Police Equipment	3,544	6,000	7,330	6,000	-18.14%
DRMO Expenses	0	0	0	3,000	0.00%
Community Policing	2,443	5,000	5,000	17,000	240.00%
Explorer Program	0	750	750	750	0.00%
Reserve/VIP Program	0	2,500	500	2,500	400.00%
Homeland Security Grant	34,207	50,000	205,115	33,000	-83.91%
DOJ Grants - Victim Asst.	2,448	1,700	4,000	4,000	0.00%
Governor's Highway Safety Grant	25,511	86,500	86,500	140,330	62.23%
AZ Auto Theft Grant	1,513	0	0	20,000	0.00%
County Rico Grant	0	30,400	30,400	30,000	-1.32%
Federal Rico Grant	3,242	0	0	20,000	0.00%
Miscellaneous Grants	0	120,000	149,000	109,000	-26.85%
Yavapai County Grant	0	0	0	8,000	0.00%
Travel & Training	25,509	24,000	30,000	47,500	58.33%
Subscriptions & Memberships	2,444	2,500	2,500	2,500	0.00%
Enterprise Fleet Lease Expense	88,430	90,000	93,200	95,000	0.87%
PSPRS - Bonding Payment	0	15,803,840	0	0	0.87%
PSPRS - Bond Principal	0	641,095	224,590	542,115	141.38%
PSPRS - Bond Interest	0	0	319,300	316,960	-0.73%
PSPRS - Bond Trustee Fees	0	0	500	500	0.00%
Total Other Services & Charges	293,789	16,972,695	1,271,525	1,515,415	19.18%

COMMUNICATIONS DIVISION



Cottonwood Public Safety Communications Center

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 2022

Expand Dispatch Svs



Partner Collaborations



IT Development



Implementation of subscriber agreements with the police departments of the Town of Jerome and the Town of Clarkdale to provide 911 dispatch services and completed successful transition into Communications operations on November 1, 2021.

Implemented FirstNet interoperability solution, which enhances radio coverage by providing officers enhances push-to-talk (PTT) devices that have the functionality to communicate over a traditional land mobile radio (LMR) system.

Collaborated with public safety partners to standardize burn permit regulations, applications, and activations. And successfully launched multi-agency public burn permit application and permit activation on website.

Created a mechanism for collaboration on improving technology, communication, processes, procedures, equipment and project management between Police, Fire & Medical, Communications, and IT operations.

Our Strategic Goals for FY 2023

Financial Accountability



Ensure Quality of Life



Work with subscribers and City staff to evaluate current subscriber agreements and solicit input for possible modifications by comparing these agreements against industry best practices in order to develop a sustainable and transparent cost model.



Asses communications workload for effectiveness of current staffing models and provide a roadmap for future staffing needs.

Evaluated options and locations for a back-up communications center, and develop and implement back-p communications center contingency plans.



Evaluate, develop, and implement a standardized shift briefing report that communicates important information, such as significant incidents, technology issues, staffing, and training to share with command staff and subscriber agencies.



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

	Strategic Direction	5. Embrace Financial Accountability and Transparency			
	Key Priority Guiding Principle Strategic Goal	Budgetary accountability and transparency			
		5.4 Remain fiscally conservative			
		Increase the number of partner subscriber agencies that participate in the Cottonwood Public Safety Communications Center by			
	Strategic Initiative	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.			

Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
5.4.4. Exploring feasibility of adding partners to the Regional Communications Center:					
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			100%	
4.	Develop transition project with anticipated completion date of November 1, 2021			100%	
Process Status:					

 	Strategic Direction	2. Ensure Our Quality of Life			
	Key Priority	Enhance Public Safety (Police & Fire)			
	Guiding Principle	2.6 Support Safe Neighborhood Policies and Programs			
	Strategic Goal	Implement communications technology upgrades through			
	Strategic Initiative	2.6.x. 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.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.6.x. Implementation of communications technology upgrades:					
1.	Evaluate, procure and install RapidDeploy in coordination with State of Arizona's 911 office and vendors.	100%			
2.	Implement training and procedural changes on the RapidDeploy technology and RapidSOS technology enhancements	100%			
3.	Provide public education about the use of advanced emergency response capabilities	100%			
4.	Monitor program's effectiveness and the performance of staff, and adjust procedures and training accordingly.		75%	100%	
Process Status:					



Public Safety	Communications Division		Fund 01—General Fund		Cost Center: 2010
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,580,540	\$1,714,360	\$1,665,630	\$1,903,950	14.31%
Operating Supplies	12,517	17,500	13,500	17,500	29.63%
Contractual Services	16,258	21,360	16,195	5,820	-64.06%
Other Services and Charges	78,495	103,980	83,920	88,240	5.15%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,687,810	\$1,857,200	\$1,779,245	\$2,015,510	13.28%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$909,810	45.14%
Dispatch & Spillman Fees	1,105,700	54.86%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Communications Manager	1.00	1.00	1.00	\$92,640
Communications Supervisor	3.00	3.00	3.00	165,435
Communications Specialist	17.00	17.00	17.00	767,840
COLA				61,555
Merit Contingency				14,170
Longevity				0
Certification Pay				4,750
Overtime				200,000
Holiday Pay				25,000
Clothing Allowance				1,500
Retirement				162,030
Insurance & Taxes				408,420
Employee Related Expenses				610
Totals	21.00	21.00	21.00	\$1,903,950

Public Safety	Communications Division	Fund 01-General Fund	Cost Center:	2010	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	6,577	12,000	8,000	12,000	50.00%
Copier Supplies	455	500	500	500	0.00%
Equipment Maintenance & Repair	5,485	5,000	5,000	5,000	0.00%
Postage/Freight	0	0	0	0	0.00%
Total Supplies	12,517	17,500	13,500	17,500	29.63%

Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	5,894	6,360	5,540	5,820	5.05%
Repeater Expense	10,364	15,000	10,655	0	-100.00%
Total Contractual Services	16,258	21,360	16,195	5,820	-64.06%

Other Services and Charges

Utilities	36,314	44,130	36,600	38,430	5.00%
Telephone	9,775	11,660	11,820	12,410	4.99%
Employee Physicals/Drug Testing	1,225	2,000	2,000	2,000	0.00%
Safety Expenses	1,079	1,000	1,000	1,000	0.00%
Community Policing	0	1,000	1,000	1,000	0.00%
Travel & Training	12,094	12,500	12,000	12,500	4.17%
Subscriptions & Memberships	521	3,000	1,500	2,000	33.33%
Liability Insurance	17,487	28,690	18,000	18,900	5.00%
Total Other Services & Charges	78,495	103,980	83,920	88,240	5.15%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0

FIRE & MEDICAL DEPARTMENT



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 2022

Education



Citizen Engagement



Engaged community stakeholders in the Firewise program for wildfire preparedness by providing two presentations to community groups.

Successfully provided 15 public safety and educational programs, such as CPR and First Aid courses.

Supported multiple days of vaccination clinics in our region, i.e., Cottonwood, Sedona, Clarkdale, Jerome and Camp Verde; provided in excess of 16,000 vaccinations.

Supported the county-wide effort for Covid testing in coordination with the City of Cottonwood and the Yavapai County Community Health Department.

Our Strategic Goals for FY 2023

Sustainable Growth and Development



Ensure Quality of Life




Support the community with continued Covid-19 testing and vaccination needs in coordination with the City of Cottonwood and the Yavapai County Community Health Department.


Conduct public education and community outreach via Vacation Fire School, presentations at senior care facilities, "Coffee with the Fire Chief" program, Firewise presentation, and individual/community preparedness training.

Continue the Fire Department Fuels Mitigation program.



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

	Strategic Direction	2. Ensure Our Quality of Life			
	Key Priority	Awareness and education			
	Guiding Principle	2.2. Offer awareness and educational programs for residents			
	Strategic Goal	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			
	Strategic Initiative	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.			
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.2.6. Community/town hall style meetings				100%	100%
Process Status:		2.2.6. To include more neighborhoods to join, annually, different community groups will be approached for these meetings.			

	Strategic Direction	3. Lead Environmental Stewardship			
	Key Priority	Preservation of local natural habitats			
	Guiding Principle	3.3. Support local conservation programs to nurture a culture of preservation by			
	Strategic Goal	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.			
	Strategic Initiative	3.3.x. Create new fuels mitigation program (aligns with initiative 2.7.4.) to protect natural resources and private property.			
Performance Indicator(s)		2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
3.3.x.i. Wildland firefighting training (all employees)			95%	100%	100%
3.3.x.ii Wildland firefighting certification (optional to employees)			20%	50%	60%
Fuel mitigation measures to be performed:					
• create and maintain defensible space				50%	100%
• obtain Fire-wise certification for the City				100%	100%
• establish and maintain monthly mitigations				100%	100%
• coordinate mitigation projects with partners				50%	70%
• create wildland firefighting models				50%	100%
• create and maintain a Wildfire Protection Plan				60%	100%
• annually identify new wildfire dangers				100%	100%
• obtain grant funding for wildfire mitigation					100%
Process Status:		3.3.x.ii Complete wildland firefighting training and initiate mitigation program with implementation of measures over the course of the next 5 years.			

Supplemental Data: Capital Outlay				
Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Defibrillators		\$66,950	\$67,000	
Aerial Fire Apparatus		1,500,000	500,000	\$1,000,000
Fire Engine-New				800,000
Furniture				10,000
Totals	\$0	\$1,566,950	\$567,000	\$1,810,000



Public Safety	Fire & Medical Department		Fund 01—General Fund		Cost Center: 2100	
Summary by Category						
Expenditure Category	2021	2022		2023	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$7,050,563	\$2,821,450	\$2,940,405	\$3,117,870	6.04%	
Operating Supplies	116,290	105,800	98,600	232,050	135.34%	
Contractual Services	18,325	163,250	56,680	533,310	840.91%	
Other Services and Charges	79,699	5,475,370	254,510	462,175	81.59%	
Capital Outlay	0	1,566,950	567,000	1,810,000	219.22%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$7,264,877	\$10,132,820	\$3,917,195	\$6,155,405	57.14%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$5,682,945	92.32%
Miscellaneous Intergovernmental Grants	472,460	7.68%
Lease Purchase	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Fire Chief	1.00	1.00	1.00	\$104,025
Fire Marshal	1.00	1.00	1.00	107,540
Fire Battalion Chief	3.00	3.00	3.00	298,405
Fire Lieutenant	3.00	3.00	3.00	240,765
Fire Engineer	6.00	6.00	6.00	402,510
Fire Inspector	1.00	1.00	1.00	60,660
Firefighter	12.00	12.00	12.00	660,780
Senior Administrative Assistant	1.00	1.00	1.00	41,560
COLA				110,645
Merit Contingency				38,960
Longevity				0
Certification Pay				72,000
Stipend				5,500
Temporary Employees / Reserves				3,600
Overtime				50,000
Holiday Pay				42,250
Clothing Allowance				21,800
Retirement				246,320
Insurance & Taxes				609,520
Employee Related Expenses				1,030
Totals	28.00	28.00	28.00	\$3,117,870



Public Safety	Fire & Medical Department	Fund 01-General Fund	Cost Center: 2100		
Supplemental Data: Expenditures					
Item	2021	2022		2023	Percent
Description	Actual	Budget	Revised	Adopted	Change
Operating Supplies					
Office Supplies	1,465	8,700	4,000	3,000	-25.00%
Copier Supplies	714	1,200	1,200	1,200	0.00%
Gas & Oil	14,414	20,000	23,000	20,000	-13.04%
Protective Clothing	34,249	14,500	25,000	128,400	413.60%
Vehicle Maintenance & Repair	50,988	45,000	31,000	56,200	81.29%
Equipment Maintenance & Repair	14,089	16,000	14,000	22,850	63.21%
Postage & Freight	371	400	400	400	0.00%
Total Supplies	116,290	105,800	98,600	232,050	135.34%
Contractual Services					
Contractual Services	3,114	2,500	2,500	2,500	0.00%
Employee Physicals/Medical Tests	4,205	16,000	16,000	16,000	0.00%
Recruitment Expense	0	500	0	500	0.00%
Computer Support	6,199	12,250	20,330	21,350	5.02%
Radio Maintenance & Repair	484	2,000	500	500	0.00%
Governor's Highway—Fire Safety Grant	0	20,000	17,350	20,000	15.27%
Miscellaneous Grants	0	0	0	382,460	0.00%
Fire Act Grant	0	110,000	0	90,000	0.00%
YC Emergency Management Grant	4,323	0	0	0	0.00%
Total Contractual Services	18,325	163,250	56,680	533,310	840.91%
Other Services and Charges					
Legal Advertising	0	0	0	0	0.00%
Utilities	17,218	21,080	17,320	18,190	5.02%
Telephone	4,308	4,580	6,600	6,930	5.00%
Operational Equipment & Supplies	13,594	20,000	20,000	65,000	225.00%
EMS Expenses	16,569	18,000	18,000	21,000	16.67%
Fire Prevention	5,044	8,000	8,000	14,000	75.00%
Emergency Management	0	5,000	5,000	5,000	0.00%
Training Center	4,185	4,185	4,185	4,185	0.00%
Evaluation Expenses	0	0	0	2,500	0.00%
Volunteer Fireperson Misc.	0	1,000	500	1,000	100.00%
Travel & Training	7,753	12,700	8,500	46,175	443.24%
Volunteer Fireperson Training	572	1,500	0	0	0.00%
Continuing Education	7,282	11,000	5,000	25,000	400.00%
Subscriptions & Memberships	3,174	3,000	3,000	3,000	0.00%
PSPRS - Bonding Payment	0	5,156,160	0	0	0.00%
PSPRS - Bond Principal	0	209,165	65,410	157,885	141.38%
PSPRS - Bond Interest	0	0	92,995	92,310	-0.74%
Total Other Services & Charges	79,699	5,475,370	254,510	462,175	81.59%

ORDINANCE ENFORCEMENT DIVISION



Code Enforcement Officers **Autumn Durnez** and **Al Ponce**

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 2022

Quality of Life



Financial Accountability



Received grant for spay/neuter program to help citizens in need to have their pets spayed/neutered.

Provided public outreach by mailing an Ordinance Enforcement brochure about outdoor lighting, together with the business registration renewals and utility bills.

Created an Ordinance Enforcement webpage with a Q & A section for most common concerns.

Our Strategic Goals for FY 2023

Ensure Quality of Life



Financial Accountability & Transparency



Finalize the lien process to assist with funding City abatement programs and replenishing funds.

Assist the community in regards to humanely protecting companion animals by educating citizens about animal control ordinances and enforcement.

Apply for grants that help fund the 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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
2.5.i. Creation of informational Code Enforcement web page		100%	n/a	n/a
2.5.ii. Creation and implementation of neighborhood enforcement program		100%	n/a	n/a
2.5.iii. Applied for and received spay/neuter grant funding	n/a	n/a	Awarded	Re-Apply
2.5.x. Compliance with Dark Sky community:				
a. create and go live with Dark Sky community webpage on the City's website	n/a	n/a	100%	100%
b. "FAQ" direct mailing to businesses and residents	n/a	n/a	100%	100%

Process Status:





Public Safety	Ordinance Enforcement Division	Fund 01—General Fund	Cost Center: 2200		
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$163,953	\$164,510	\$169,820	\$179,810	5.88%
Operating Supplies	1,190	6,250	1,960	12,500	537.76%
Contractual Services	52,781	56,485	53,400	57,315	7.33%
Other Services and Charges	0	1,350	1,415	4,230	198.94%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$217,924	\$228,595	\$226,595	\$253,855	12.03%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$248,855	98.03%
Intergovernmental Grants	5,000	1.97%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Ordinance Enforcement Officer	2.00	2.00	2.00	\$106,205
COLA				4,690
Merit Contingency				2,795
Longevity				0
Overtime				1,500
Holiday Pay				2,000
Clothing Allowance				750
Retirement				14,260
Insurance & Taxes				47,360
Employee Related Expenses				250
Totals	2.00	2.00	2.00	\$179,810

Public Safety	Ordinance Enforcement Division	Fund 01 - General Fund	Cost Center: 2200		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	295	250	500	1,000	100.00%
Copier Supplies	0	0	0	500	0.00%
Small Tools	895	1,500	1,000	1,000	0.00%
Gas & Oil	0	4,500	0	4,500	0.00%
Vehicle Maintenance & Repair	0	0	360	2,500	594.44%
Equipment Maintenance & Repair	0	0	0	0	0.00%
Postage	0	0	100	3,000	2900.00%
Total Supplies	1,190	6,250	1,960	12,500	537.76%

Contractual Services

Contractual Services	546	1,200	400	1,200	200.00%
Employee Physicals/Drug Tests	235	235	0	235	
Kennel Fees	52,000	50,050	48,000	50,880	6.00%
Spay/Neuter Grant Expense	0	5,000	5,000	5,000	0.00%
Total Contractual Services	52,781	56,485	53,400	57,315	7.33%

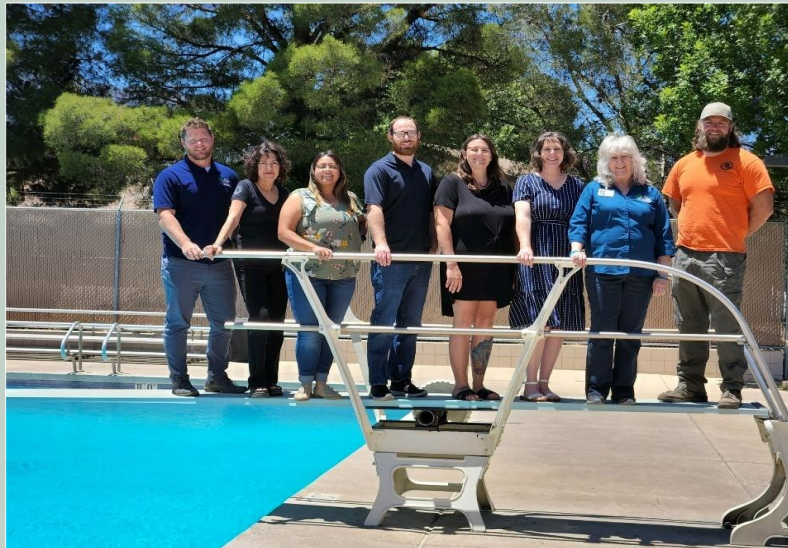
Other Services and Charges

Printing and Forms	0	350	250	350	40.00%
Travel & Training	0	1,000	0	1,000	0.00%
Subscriptions & Memberships	0	0	0	250	0.00%
Enterprise Fleet Lease	0	0	1,165	2,630	125.75%
Total Other Services & Charges	0	1,350	1,415	4,230	198.94%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0

PARKS & RECREATION DEPARTMENT



From l. to r.: **Jak Teel**, Parks & Recreation Director; **Rosa Cays**, Customer Service and Reservation Specialist; **Jessica Chacon**, Recreation Coordinator II; **Travis Wilson**, Recreation Coordinator II-Sports & Fitness; **Julia Root**, Recreation Coordinator II-Admin Svs; **Dana Dowell**, Recreation Coordinator II-Youth; **Lisa Wright**, Front Desk Supervisor; **Joe Sulfaro**, Recreation Coordinator II.

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 2022

Park Facility Improvements



Event Hosting & Support



Increase Facility Use



Installed new playground equipment at the Cottonwood Kids Park through a Community Build Day to construct the equipment.

Collaborated with the Verde Valley Wine Fest to move the event from Clarkdale to Cottonwood and by doing so, added a significant wine themed event to our special event listing.

Distributed regional trail maps throughout the community.

Increased lap swim times through the summer to encourage more usage of the facility

Our Strategic Goals for FY 2023

Sustainable Growth & Development



Ensure Quality of Life



Financial Accountability & Transparency



Design and construction of phase 2 of the Riverfront Loop Trail.


Create an annual sponsorship package for community events to allow businesses to sponsor programs.

Create a sponsorship package for the outdoor pool that allows business to sponsor free times at the facility.

Provide three new senior oriented programs.

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

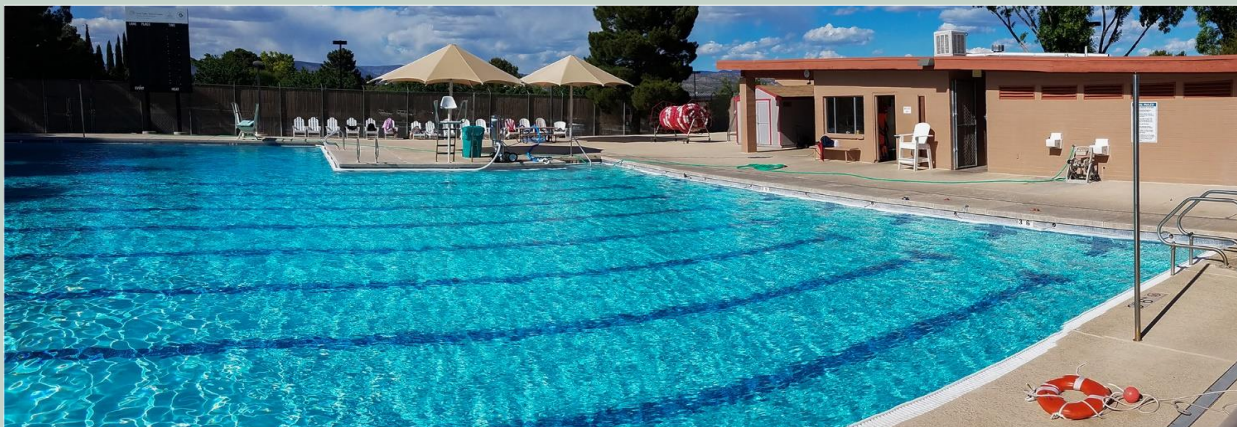
1.3.7. supporting community partners and their outdoor activities and events.

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.3.7 Number of outside events being facilitated	1	6	8	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.

	Strategic Direction	2. Ensure Quality of Life			
	Key Priority	Citizen engagement			
	Guiding Principle	2.5. Encourage volunteerism in areas of interest that are consistent with our brand by			
	Strategic Goal	increasing the number of volunteers through			
	Strategic Initiative	2.5.2. the implementation of a Parks & Recreation Volunteer Program.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.5.2. Increase the number of volunteers annually			20	35	40
Process Status: 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	2021	2022		2023	Percent	
	Actual	Budget	Revised	Adopted	Change	
Personnel	\$230,036	\$287,815	\$239,510	\$337,610	40.96%	
Operating Supplies	16,673	31,030	25,610	53,780	110.00%	
Contractual Services	40,835	41,460	44,000	59,795	35.90%	
Other Services and Charges	199,433	527,200	408,070	607,100	48.77%	
Capital Outlay	0	27,500	27,500	974,000	3441.82%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$486,977	\$915,005	\$744,690	\$2,032,285	172.90%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,032,285	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Parks & Recreation Director	0.00	0.50	0.50	\$19,605
Parks & Recreation Manager	0.55	0.00	0.00	0
Marketing and PI Specialist	0.00	0.50	0.50	23,830
Recreation Coordinator II	0.60	1.90	2.00	55,320
Fitness Center Coordinator	0.10	0.00	0.00	0
Facilities Maintenance Technician I	2.00	0.00	0.00	0
Head Lifeguard	0.00	0.00	0.30	10,870
Youth Programs Coordinator	0.10	0.00	0.10	0
Recreation Information & Business Spec.	0.75	0.00	0.00	0
Facilities Reservation Coordinator	0.00	0.25	0.50	10,010
Front Desk Supervisor	0.15	0.15	0.15	6,395
COLA				7,560
Merit Contingency				1,570
Car Allowance				2,700
Longevity				0
Temporary Employees / Reserves				105,000
Overtime				6,000
Holiday Pay				500
Interim Pay				0
Clothing Allowance				2,700
Retirement				17,570
Insurance & Taxes				67,420
Employee Related Expenses				560
Totals	4.25	3.30	4.05	\$337,610



Culture & Recreation	P & R Department	Fund 01—General Fund	Cost Center: 4100		
Supplemental Data: Expenditures					
Item	2021	2022		2023	Percent Change
Description	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	183	1,500.00	1,000.00	1,500	50.00%
Copier Supplies	23	5.00	0.00	5	0.00%
Gas & Oil	0	0.00	0.00	400	0.00%
Vehicle Maintenance & Repair	155	0.00	100.00	100	0.00%
Equipment Maintenance & Repair	5,308	8,000.00	7,500.00	28,000	273.33%
Building Maintenance & Repair	168	0.00	1,000.00	3,750	275.00%
Riverfront Snack Bar	0	1,500.00	0.00	0	0.00%
Snack Bar Supplies	0	0.00	0.00	0	0.00%
Pool Supplies	10,835	20,000.00	16,000.00	20,000	25.00%
Postage & Freight	1	25.00	10.00	25	150.00%
Total Supplies	16,673	31,030	25,610	53,780	110.00%

Contractual Services

Contractual Services	13,089	4,200	6,300	10,725	70.24%
Computer Support	2,924	4,210	2,700	3,070	13.70%
Fireworks	24,822	33,050	35,000	46,000	31.43%
Custodial Contract	0	0	0	0	0.00%
Total Contractual Services	40,835	41,460	44,000	59,795	35.90%

Other Services and Charges

Advertising	136	0	250	0	-100.00%
Utilities	163,520	185,000	211,660	222,240	5.00%
Telephone	4,602	4,820	4,880	5,130	5.12%
Public Relations	1,196	7,000	100	4,750	4650.00%
Softball Programming/Tournaments	1,471	5,000	3,800	5,500	44.74%
Rec Programs	11,912	28,000	24,000	58,000	141.67%
Youth Programs	3,200	4,000	4,000	4,000	0.00%
Verde River Days	0	1,000	1,000	1,000	0.00%
Special Annual Events	0	5,000	0	5,000	0.00%
Rhythm & Ribs	0	0	0	0	0.00%
Walkin' on Main	778	20,000	10,000	15,000	50.00%
10K Memorial Run	7,900	25,000	20,000	21,000	5.00%
Thunder Valley Rally	1,442	160,000	110,000	180,000	63.64%
Wine Festival	0	75,000	5,000	75,000	1400.00%
Travel & Training	970	4,500	5,600	6,600	17.86%
Subscriptions & Memberships	1,801	2,500	7,400	3,500	-52.70%
Enterprise Fleet Lease Expense	505	380	380	380	0.00%
Continuing Education	0	0	0	0	0.00%
Total Other Services & Charges	199,433	527,200	408,070	607,100	48.77%

Supplemental Data: Capital Outlay

Item	2021	2022		2023
Description	Actual	Budget	Revised	Adopted
Wayfinding Signs (New Park)		\$5,500	\$5,500	
ADA Pool Lift, VFD Pool Pumps, LG Chair		22,000	22,000	
Design/Cons RF Trail and Sports Field				\$400,000
Tennis Center Resurface				
Splash Pad and Outdoor Equipment				574,000
Totals	\$0	\$27,500	\$27,500	\$974,000

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

Performance indicators



Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

2. Ensure Quality of Life

Awareness and education

2.2. Offer awareness and educational programs for residents to 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

Strategic Initiative 2.2.5. hosting a Kids at Hope Town Hall.

Performance Indicator(s)	2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
2.2.5. Host a Kids at Hope Town Hall				In Discussion

Process Status: 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.



Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

5 Embrace Financial Accountability and Transparency

Employee retention

5.2. Recruit and retain highly qualified employees by developing a succession planning process and
Strategic Initiative 5.2.6. address any deficiencies for succession within the department.

Performance Indicator(s)	2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
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	Youth Center	Fund 01—General Fund		Cost Center: 4140	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$55,711	\$109,230	\$58,805	\$98,250	67.08%
Operating Supplies	1,645	8,520	3,500	7,100	102.86%
Contractual Services	5,133	12,445	8,720	11,480	31.65%
Other Services and Charges	7,979	16,190	12,440	17,460	40.35%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$70,468	\$146,385	\$83,465	\$134,290	60.89%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$134,290	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Parks & Recreation Director	0.05	0.05	0.05	3,880
Youth Programs Coordinator	0.80	0.90	0.90	35,285
COLA				2,350
Merit Contingency				715
Longevity				0
Temporary Employees / Reserves				30,000
Overtime				1,000
Holiday Pay				200
Clothing Allowance				1,000
Retirement				5,290
Insurance & Taxes				18,330
Employee Related Expenses				200
Totals	0.85	0.95	0.95	\$98,250

Culture & Recreation	Youth Center	Fund 01—General Fund		Cost Center: 4140	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	242	800	500	800	60.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	115	1,000	1,000	1,000	0.00%
Vehicle Maintenance & Repair	720	720	500	800	60.00%
Equipment Maintenance & Repair	299	3,500	500	3,500	600.00%
Operational Equip & Supplies	269	2,500	1,000	1,000	0.00%
Postage & Freight	0	0	0	0	0.00%
Total Supplies	1,645	8,520	3,500	7,100	102.86%

Contractual Services

Contractual Services	1,490	3,220	1,500	2,200	46.67%
Computer Support	1,191	1,225	1,220	1,280	4.92%
Custodial Contract	2,452	8,000	6,000	8,000	33.33%
Total Contractual Services	5,133	12,445	8,720	11,480	31.65%

Other Services and Charges

Public Relations	0	0	0	0	0.00%
Advertising	0	800	100	800	700.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	3,222	5,000	5,470	5,740	4.94%
Telephone	476	500	480	500	4.17%
Youth Program	502	6,500	3,000	8,000	166.67%
Travel & Training	0	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	3,779	2,890	2,890	1,920	-33.56%
Total Other Services & Charges	7,979	16,190	12,440	17,460	40.35%

Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
N/A					
Totals	\$0	\$0	\$0	\$0	



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RECREATION CENTER



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 2022

Administrative Processes



Increase Revenue



Created standard operating procedures to give staff direction on task-related responsibilities and to establish an acceptable standard for those tasks.

Worked with the Information Technology department to set seasonal light schedules for the facility in order to decrease the energy use of the facility by more closely matching the Center's needs in regards to the schedule.

Increased the center's revenue streams by creating a marketing agreement and a commissary kitchen use agreement for the building.

Our Strategic Goals for FY 2023

Ensure Quality of Life



Financial Accountability & Transparency



Develop and present a rate adjustment to help increase revenue from membership

Increase senior memberships by offering targeting programs, such as knitting, crafting, and field trips that appeal to the population.



Increase the safety of our pools by implementing a drowning prevention system and a lifeguard entry notification system.

Add monthly themed program nights, such a 80s night, by installing technology to stream content from our current radio system.



Culture & 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 maintaining 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	5 Embrace Financial Accountability and Transparency			
	Key Priority	Employee retention			
	Guiding Principle	5.2. Recruit and retain highly qualified employees by			
	Strategic Goal	developing a succession planning process and			
	Strategic Initiative	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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$589,978	\$585,715	\$710,290	\$759,150	6.88%
Operating Supplies	67,107	112,625	90,550	107,050	18.22%
Contractual Services	190,343	153,360	169,750	225,225	32.68%
Other Services and Charges	213,181	258,180	256,270	252,880	-1.32%
Capital Outlay	18,821	51,400	53,400	104,000	94.76%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,079,430	\$1,161,280	\$1,280,260	\$1,448,305	13.13%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$872,390	60.24%
Recreation Center Fees	520,000	35.90%
Recreation Center Building Rental	35,915	2.48%
Recreation Center Classes/Programs	20,000	1.38%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Parks & Recreation Director	0.00	0.45	0.45	\$34,930
Parks & Recreation Manager	0.45		0.00	0
Recreation Coordinator II	0.40	2.10	2.00	105,855
(Head) Lifeguard	0.00	0.00	1.70	72,480
Fitness Center Coordinator	0.90	0.00	0.00	0
Youth Programs Coordinator	0.10	0.10	0.10	1,960
Recr. Information & Business Spec.	0.25	0.00	0.00	0
Front Desk Supervisor	0.85	0.85	0.85	36,240
COLA				15,090
Merit Contingency				1,785
Longevity				0
Overtime				3,000
Holiday Pay				300
Temporary Employees				300,000
Clothing Allowance				4,000
Retirement				33,110
Insurance & Taxes				147,260
Employee Related Expenses				3,140
Totals	2.95	3.50	5.10	\$759,150



Culture & Recreation	Community Recreation Center	Fund 01—General Fund		Cost Center: 4110	
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	6,244	4,500	4,500	6,700	48.89%
Copier Supplies	1,227	0	0	0	0.00%
Gas & Oil	1,071	500	500	500	0.00%
Small Tools	400	500	300	500	66.67%
Vehicle Maintenance & Repairs	146	300	200	300	50.00%
Equipment Maintenance & Repairs	40,945	75,000	55,000	69,000	25.45%
Pool Supplies	17,044	31,800	30,000	30,000	0.00%
Postage & Freight	30	25	50	50	0.00%
Total Supplies	67,107	112,625	90,550	107,050	18.22%

Contractual Services

Contractual Services	17,616	0	14,000	14,000	0.00%
Contractual Services Active Network	32,253	16,000	16,000	16,000	0.00%
Employee Physicals/Medical Testing	0	0	0	0	0.00%
Recruitment Expense	20	150	150	150	0.00%
Computer Support	1,685	1,210	3,600	3,600	0.00%
Custodial Contract	138,769	136,000	136,000	191,475	40.79%
Total Contractual Services	190,343	153,360	169,750	225,225	32.68%

Other Services and Charges

Legal Advertising	100	0	0	0	0.00%
Public Relations	600	12,000	2,500	10,000	300.00%
Printing & Forms	0	0	0	0	0.00%
Utilities	158,968	178,500	194,580	204,310	5.00%
Telephone	4,596	5,120	3,880	4,070	4.90%
Rec Programs	3,476	15,000	9,100	24,500	169.23%
Travel & Training	1,326	3,000	2,000	8,500	325.00%
Subscriptions & Memberships	102	500	150	1,000	566.67%
Enterprise Fleet Lease Expense	505	550	550	500	-9.09%
Lease Purchase Rec Center Equipment	43,508	43,510	43,510	0	-100.00%
Total Other Services & Charges	213,181	258,180	256,270	252,880	-1.32%

Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
Pump		\$5,400	\$5,400		
Variable Frequency Drives (Indoor Pool)		6,000	6,000		
HVAC Compressors		40,000	42,000		
Gym Divider–Grant Funded	\$18,821				
Miscellaneous					
Cameras-Equipment & Installation				\$10,000	
Gym Radio-Equipment & Installation				6,000	
Indoor Pool Slide Renovation				22,000	
Pool Filtration System-Replacement				30,000	
Tot Slide Replacement				17,000	
Streaming Service-Equipment & Install				19,000	
Totals	\$18,821	\$51,400	\$53,400	\$104,000	



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 Shuttle
Cottonwood Public Library

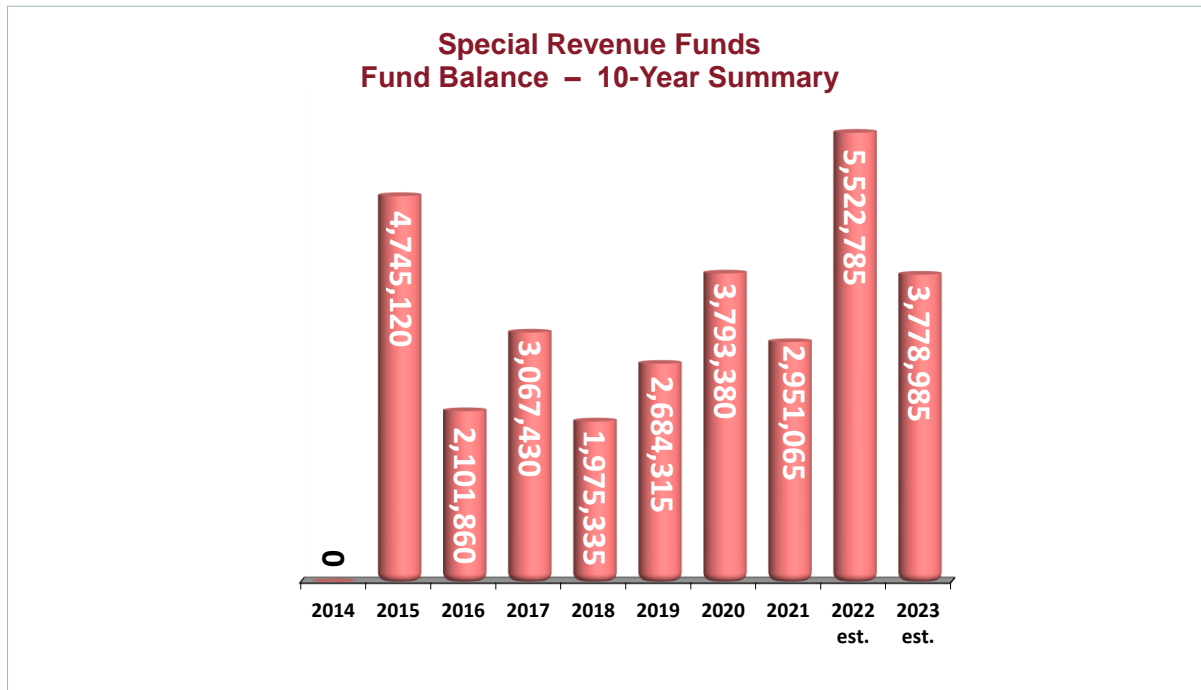
Cemetery and Airport

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



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.

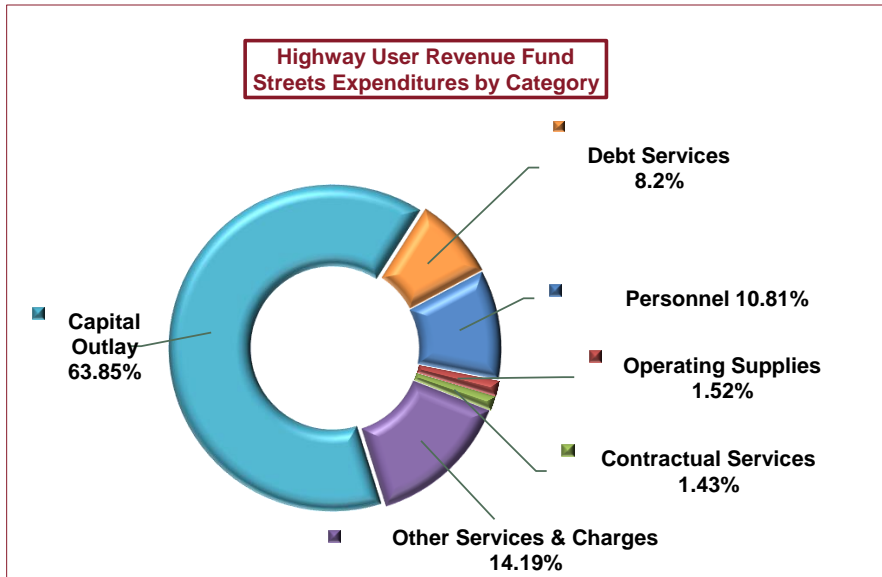


Special Revenue Funds—Consolidated Statement of Revenues & Expenditures/Changes in Fund Balances

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$4,508,590	\$4,524,970	\$4,522,520	\$5,522,785
Less: Designated Reserves	4,508,590	233,830	5,522,785	3,778,985
Cash Reserves	0	0	0	0
Appropriated Fund Balance	0	4,291,140	(1,000,265)	1,743,800
Revenue Sources:				
Taxes	\$1,448,070	1,699,495	1,943,765	2,141,670
Intergovernmental Revenues	4,420,812	8,925,760	4,647,540	6,011,135
Charges for Services	14,055	51,550	349,620	229,050
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	101,293	153,895	142,270	142,270
Miscellaneous Revenues	805,036	387,800	153,600	21,295
Total Revenue Sources	6,789,266	11,218,500	7,236,795	8,545,420
Other Financing Sources:				
Transfers In	1,192,082	1,644,565	6,284,655	1,883,295
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	1,192,082	1,644,565	6,284,655	1,883,295
Total Available Resources	7,981,348	17,154,205	12,521,185	12,172,515
Expenditures:				
Personnel	2,321,828	2,615,560	2,424,995	3,089,815
Operating Supplies	637,996	573,450	782,570	757,260
Contractual Services	631,674	551,820	557,170	582,950
Other Services and Charges	1,023,477	1,084,240	1,066,750	1,052,765
Capital Outlay	2,779,377	11,871,280	6,400,065	6,243,275
Debt Service	391,576	392,585	392,585	392,330
Total Expenditures	7,785,928	17,088,935	11,624,135	12,118,395
Other Uses:				
Transfers Out	30,695	65,270	897,050	54,120
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	30,695	65,270	897,050	54,120
Total Expenditures and Other Uses	7,816,623	17,154,205	12,521,185	\$12,172,515
Ending Fund Balance Designation				
Operating Surplus/(Losses)	164,725	0	(0)	0
Designated Reserves FYs prior to 2023	0	0	0	0
Cash Reserves FYs prior to 2023	0	0	0	0
Restricted	4,357,795	233,830	5,506,820	3,778,985
Committed	0	0	0	0
Assigned	0	0	15,965	0
Unassigned	0	0	0	0
ENDING FUND BALANCE	\$4,522,520	\$233,830	\$5,522,785	\$3,778,985

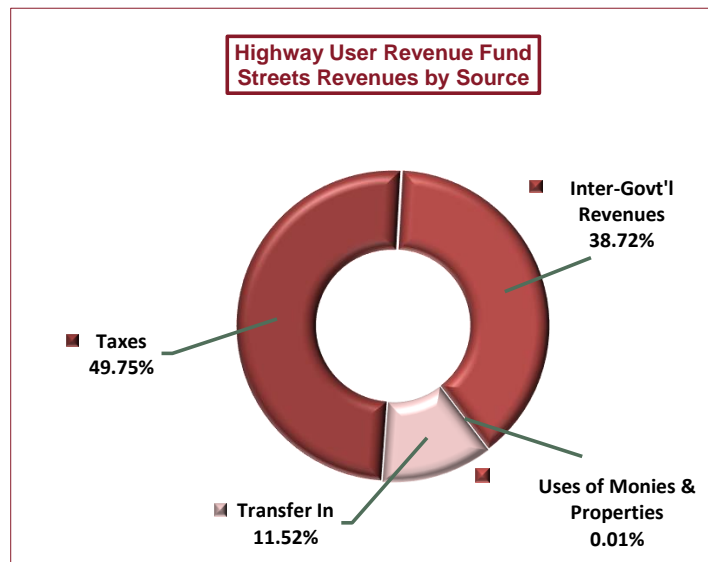
**HURF—Streets Fund—Revenues & Expenditures by Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service		Total
Subtotals	\$517,120	\$72,500	\$68,260	\$678,570	\$3,054,115	\$392,330		\$4,782,895
Totals	\$517,120	\$72,500	\$68,260	\$678,570	\$3,054,115	\$392,330		\$4,782,895



HURF—Streets Fund Summary	
Revenues	\$4,414,645
Expenditures	<u>(4,782,895)</u>
Revenues over (under) Expenditures	<u>(368,250)</u>
Other Funding Sources/Uses	<u>368,250</u>
Use of Fund Balance	<u>0</u>

HURF—Streets Fund Revenues by Source	
Taxes	\$1,589,300
Inter-Gov't'l Revenues	1,236,880
Uses of Monies & Properties	320
Other Financing Sources	0
Transfer In	368,250
Miscellaneous Revenues	<u>0</u>
Total Resources Available	<u>\$3,194,750</u>

**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 in the Capital Outlay.



Streets Maintenance & Construction—Revenues/Expenditures

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$3,090,700	\$3,118,245	\$2,891,310	\$4,503,360	55.76%
Less: Designated Reserves	3,090,700	233,830	4,503,360	2,919,215	-35.18%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	2,884,415	(1,612,050)	1,584,145	0.00%
Revenue Sources:					
Taxes	\$1,448,070	\$1,391,215	\$1,514,915	\$1,589,300	4.91%
Intergovernmental Revenues					
Highway User Revenue Fund – HURF	1,179,785	1,058,260	1,421,850	1,236,880	-13.01%
Local Transportation Assistance Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ADOT Road Diet Grant	0	0	0	0	0.00%
12 th Street Federal Grant	0	0	0	0	0.00%
Mingus Willard to 10 th Street	0	0	0	0	0.00%
Fed Grant – 12 th Street	0	0	0	0	0.00%
Rehab Pima Bridge Grant	0	0	438,745	0	-100.00%
6 th Street Reconstruction	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	1,493	3,500	320	320	0.00%
Miscellaneous Revenues					
Other Income	747,902	0	4,160	4,000	-3.85%
Total Revenue Sources	3,377,250	2,452,975	3,379,990	2,830,500	-16.26%
Other Financing Sources:					
Transfers In	0	305,695	5,244,160	368,250	-94.17%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	305,695	5,244,160	368,250	-92.98%
Total Available Resources	3,377,250	5,643,085	7,012,100	4,782,895	-31.79%
Expenditures:					
Personnel	384,385	435,980	438,850	517,120	17.84%
Operating Supplies	57,569	40,000	41,500	72,500	74.70%
Contractual Services	65,933	74,880	71,490	68,260	-4.52%
Other Services and Charges	709,720	706,575	712,705	678,570	-4.79%
Capital Outlay	1,603,342	3,993,065	5,354,970	3,054,115	-42.97%
Debt Service	391,576	392,585	392,585	392,330	-0.06%
Total Expenditures	3,212,525	5,643,085	7,012,100	4,782,895	-31.79%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	3,212,525	5,643,085	7,012,100	4,782,895	-31.79%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	164,725	0	(0)	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	2,726,585	233,830	4,503,360	2,919,215	1825.91%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING FUND BALANCE	\$2,891,310	\$233,830	\$4,503,360	\$2,919,215	-35.18%

STREETS MAINTENANCE



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 2022

Pavement
Preservation

8

Applied 45,000 lbs. of crack seal in preparation of pavement preservation

Developed a detailed map for sweeping routes.

Our Strategic Goals for FY 2023

Ensure Quality of
Life


8

Improve
Infrastructure

8

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	4. Improve Our Infrastructure			
	Key Priority	Streets and sidewalks			
	Guiding Principle	4.1 Continue to prioritize infrastructure projects			
	Strategic Goal	Develop, maintain, and improve the city's infrastructure with biennial funding for pavement preservation to, among others,			
	Strategic Initiative	4.1.1. reduce the amount of unsightly buildup and debris along city roadways.			
Performance Indicator(s)		2019 <i>Actual</i>	2020 <i>Actual</i>	2021 <i>Estimate</i>	2022 <i>Anticipated</i>
4.1.1. Reduce buildup and debris along roadways					
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	2021	2022		2023
	Actual	Budget	Revised	Adopted
Vehicle Lift (Shared Expense with Utilities)		\$6,000	\$7,100	
Truck (Enterprise Fleet) - Carryover FY 2022		30,000		\$30,000
Backhoe		100,000	99,860	
Truck (Enterprise Fleet)				40,000
Crack Seal Material				49,500
Replacement Dump Truck				80,000
Replacement Flail Mower Attachment				7,000
Totals	\$0	\$136,000	\$106,960	\$206,500



Public Works	Streets Department	Fund 10—HURF	Cost Center:	3100	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$384,385	\$435,980	\$438,850	\$517,120	17.84%
Operating Supplies	57,569	40,000	41,500	72,500	74.70%
Contractual Services	65,933	74,880	71,490	68,260	-4.52%
Other Services and Charges	709,720	706,575	712,705	678,570	-4.79%
Capital Outlay	0	136,000	106,960	206,500	93.06%
Debt Service	391,576	392,585	392,585	392,330	-0.06%
Department Totals	\$1,609,183	\$1,786,020	\$1,764,090	\$1,935,280	9.70%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues–HURF	0	0.00%
Taxes	0	0.00%
Use of Monies & Properties	320	0.02%
Miscellaneous Revenues	4,000	0.21%
Transfers In–General Fund	1,930,960	99.78%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Streets Superintendent	0.75	0.00	0.00	\$0
Public Works Director	0.00	0.75	0.50	44,930
Lead PW Maintenance Tech	0.00	0.00	1.00	43,225
Public Works Operations Foreman	0.00	0.00	0.00	0
PW Maintenance Technician II	4.00	5.00	5.00	209,140
COLA				17,840
Merit Contingency				4,545
Longevity				0
Temporary Employees / Reserves				0
Overtime				5,000
Car Allowance				2,700
Clothing Allowance				1,450
Retirement				39,900
Insurance & Taxes				148,010
Employee Related Expenses				380
Totals	4.75	5.75	6.50	\$517,120

Public Works		Streets Department		Fund 10-HURF		Cost Center: 3100	
Supplemental Data: Expenditures							
Item	2021	2022		2023	Percent		
Description	Actual	Budget	Revised	Adopted	Change		
Operating Supplies							
Office Supplies	0	0	0	0	0.00%		
Gas & Oil	12,282	11,500	15,000	18,000	20.00%		
Operational Equipment & Supplies	1,914	2,000	2,000	13,000	550.00%		
Vehicle Maintenance & Repair	5,439	6,500	4,500	6,500	44.44%		
Equipment Maintenance & Repair	37,924	20,000	20,000	35,000	75.00%		
Postage & Freight	10	0	0	0	0.00%		
Total Supplies	57,569	40,000	41,500	72,500	74.70%		
Contractual Services							
Contractual Services	9,620	8,900	16,000	10,000	-37.50%		
Pavement Preservation	0	0	0	0	0.00%		
Computer Support	317	250	490	510	4.08%		
General Counsel	0	0	0	0	0.00%		
Street Lights	55,996	65,730	55,000	57,750	5.00%		
Engineering Services	0	0	0	0	0.00%		
Total Contractual Services	65,933	74,880	71,490	68,260	-4.52%		
Other Services and Charges							
Legal Advertising	0	0	0	0	0.00%		
Small Tools	502	500	500	800	60.00%		
Street Materials	17,624	35,000	22,000	25,000	13.64%		
Street Signs	3,059	7,000	7,000	7,000	0.00%		
Street Marking	175,888	180,000	161,010	161,010	0.00%		
Bank Charges	74	150	0	0	0.00%		
Employee Physicals/Medical Testing	1,540	1,500	500	1,500	200.00%		
Utilities	13,473	15,040	14,960	15,710	5.01%		
Telephone	835	1,070	1,140	1,200	5.26%		
Culverts	489	500	500	2,000	300.00%		
Travel & Training	1,139	1,300	1,300	1,300	0.00%		
Equipment Rental	325	500	500	500	0.00%		
Subscriptions & Memberships	0	0	0	0	0.00%		
Liability Insurance	11,713	18,180	10,900	11,990	10.00%		
Liability Claims Deductible	0	0	0	0	0.00%		
Indirect Cost to General Fund	440,682	400,000	446,560	446,560	0.00%		
Street Light Contingency	0	0	0	0	0.00%		
LP–FY17 City-wide Equip. Lease-Prin.	40,054	41,340	41,340	0	-100.00%		
LP–FY17 City-wide Equip. Lease-Int.	1,780	495	495	0	-100.00%		
Street Improvements	543	4,000	4,000	4,000	0.00%		
Bond Issuance Costs	0	0	0	0	0.00%		
Total Other Services & Charges	709,720	706,575	712,705	678,570	-4.79%		
Debt Service							
2015 Excise Bond–Principal	214,422	220,790	220,790	227,160	2.89%		
2015 Excise BondInterest	177,154	171,795	171,795	165,170	-3.86%		
Total Debt Service	391,576	392,585	392,585	392,330	-0.06%		

STREETS CONSTRUCTION



What We Do

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

Our Accomplishments for FY 2022

Pavement
Preservation



Applied 45,000 lbs. of crack seal in preparation of pavement preservation.

Our Strategic Goals for FY 2023

Ensure Quality of
Life



Improve
Infrastructure



Financial
Accountability &
Transparency



Budget and complete crack seal program prior to regularly scheduled pavement preservation for FY 2024.

Public Works Streets Construction Fund 10 - HURF Cost Center: 3110

Performance Indicators

Strategic Direction

Key Priority

Guiding Principle

Strategic Goal



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,

Strategic Initiative 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)

2020

Actual

2021

Actual

2022

Estimate

2023

Anticipated

4.1.1. Crack sealing roadways:

Planning	15%	100%	100%	100%
Construction: Crack seal applied (lbs.)	6,750		45,000	50,000
Monitoring			100%	

Process Status: 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.



Public Works	Streets Construction	Fund 10-HURF	Cost Center: 3110		
Summary by Category					
Expenditure Category	2021	2022		2023	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	1,603,342	3,857,065	5,248,010	2,847,615	-45.74%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,603,342	\$3,857,065	\$5,248,010	\$2,847,615	-45.74%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues–HURF	\$1,236,880	43.44%
Bonds	0	0.00%
Grants	0	0.00%
Sales Tax	1,589,300	55.81%
Use of Fund Balance	21,435	0.75%
Total Funding		<u><u>100.00%</u></u>

Supplemental Data: Personnel					
Authorized Positions	Number of FTEs				Budget
Job Classifications	2021	2022	2023		2023
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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

N/A

Total Supplies	0	0	0	0	0.00%
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Contractual Services

N/A

0.00%

Total Contractual Services	0	0	0	0	0.00%
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Other Services and Charges

N/A

Total Other Services & Charges	0	0	0	0	0.00%
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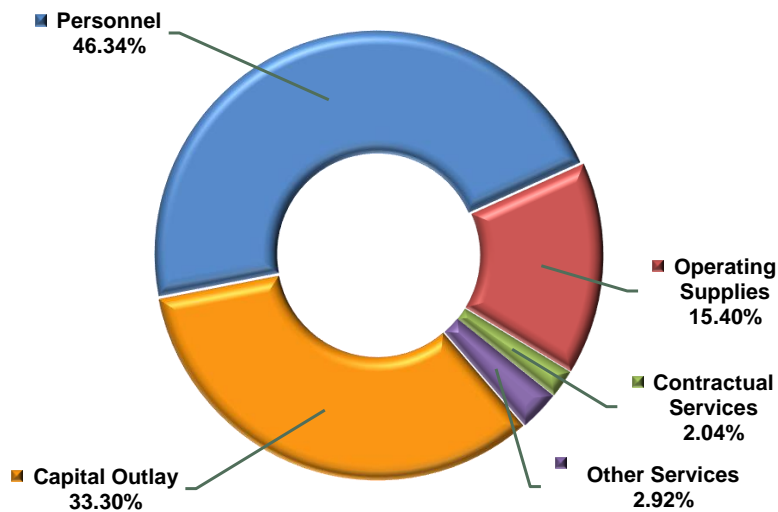
Supplemental Data: Capital Outlay

Item	2021	2022		2023	
Description	Actual	Budget	Revised	Adopted	
Rehab Pima Bridge	\$14,250	\$438,745	\$1,235,010		
Sidewalk Improvements/Additions	276,156	653,320	618,000	\$468,250	
Pavement Preservation	455,232	750,000	700,000	750,000	
Reconstr. Mingus Avenue: from 10 th Street to Main Street	21,673	2,015,000	2,695,000		
Street Contingency–Groseta Road	747,902			450,000	
Willard Street Extension	88,129				
6 th Street Design & Pavement Repl.				84,000	
Main Street to Grey Fox-Design and Construction				480,400	
Hwy 89A-Bridgeport to Main Street-HURF Exchange				534,965	
10 th Street - Roundabout Design				80,000	
Totals	\$1,603,342	\$3,857,065	\$5,248,010	\$2,847,615	



Transit Fund Revenues & Expenditures by Category

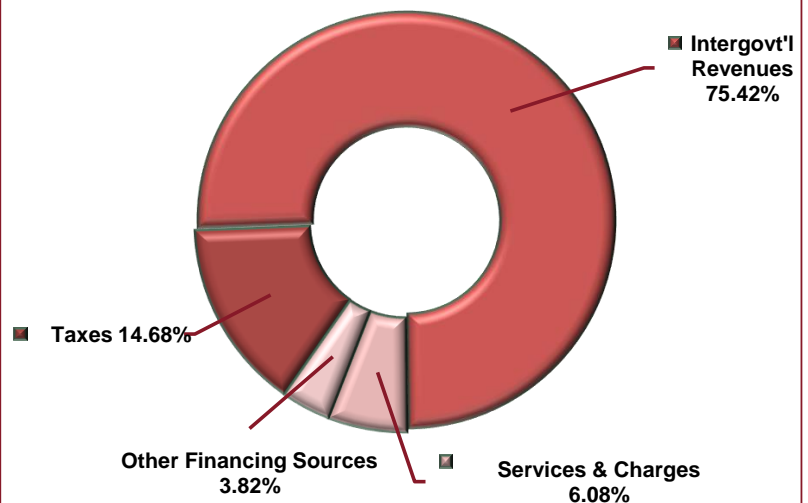
Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-totals	\$1,743,625	\$579,350	\$76,710	\$109,665	\$1,253,000	\$0	\$3,762,350
Totals	\$1,743,625	\$579,350	\$76,710	\$109,665	\$1,253,000	\$0	\$3,762,350

Transit Fund
Revenues by CategoryTransit
Fund Summary

Revenues	\$3,618,660
Expenditures	(3,762,350)
Revenues over (under) Expenditures	(143,690)
Other Funding Sources/Uses	143,690
Use of Fund Balance	\$0

Transit Fund
Revenues by Source

Taxes	\$552,370
Inter-govt'l Revenues	2,837,440
Services & Charges	228,850
Miscellaneous Revenues	0
Other Financing Sources	143,690
Total Resources Available	\$3,762,350

Transit Fund
Revenues by Source



Cottonwood Area Transit–Revenues & Expenditures

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$213,320	\$435,570	104.19%
Less: Designated Reserves	0	0	435,570	291,880	-32.99%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	(222,250)	143,690	0.00%
Revenue Sources:					
Taxes	\$0	\$308,280	\$428,850	\$552,370	28.80%
Intergovernmental Revenues					
Yavapai County	0	70,125	35,000	92,900	165.43%
Clarkdale	0	56,145	34,500	58,385	69.23%
Sedona	0	165,800	165,000	200,000	21.21%
HURF – Fuel Tax	0	0	0	0	0.00%
Local Transportation Assistance	0	0	0	0	0.00%
Fund/Transit					0.00%
ADOT Grant	2,721,686	2,074,900	1,443,270	2,486,155	72.26%
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	415	51,350	141,420	228,850	61.82%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	2,025	0	13,800	0	-100.00%
Total Revenue Sources	2,724,126	2,726,600	2,261,840	3,618,660	59.99%
Other Financing Sources:					
Transfers In	76,298	30,115	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	76,298	30,115	0	0	0.00%
Total Available Resources	2,800,424	2,756,715	2,039,590	3,762,350	84.47%
Expenditures:					
Personnel	1,333,270	1,449,540	1,268,385	1,743,625	37.47%
Operating Supplies	527,724	492,150	575,250	579,350	0.71%
Contractual Services	122,755	67,360	80,120	76,710	-4.26%
Other Services and Charges	83,068	107,665	94,085	109,665	16.56%
Capital Outlay	733,607	640,000	21,750	1,253,000	5660.92%
Debt Service	0	0	0	0	0.00%
Total Expenditures	2,800,424	2,756,715	2,039,590	3,762,350	84.47%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	\$0	0.00%
Total Expenditures and Other Uses	\$2,800,424	\$2,756,715	\$2,039,590	\$3,762,350	84.47%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	213,320	0	435,570	291,880	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING FUND BALANCE	\$213,320	\$0	\$435,570	\$291,880	-32.99%

COTTONWOOD AREA TRANSIT/VERDE LYNX



What We Do

The Cottonwood Area Transit (CAT), which includes the Verde Shuttle 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 2022

Feasibility Study



Budget



Begin feasibility study of a "Wine Line" to promote our community and support our tagline "The Heart of Arizona Wine Country."

Submit the bi-annual ADOT/FTA 5311 budget to include an extension of transit availability to the Town of Jerome with a weekly one-day-three-trips service.

Implemented the online purchasing of Transit passes with the assistance of the Finance Department.

Our Strategic Goals for FY 2023

Sustainable Growth and Development



Ensure Quality of Life



Financial Accountability & Transparency





Complete a feasibility study of a "Wine Line" and meet with area partners to develop a budget and funding mechanism for the "Wine Line" implementation.

Ensure the comfort and safety of the passengers as well as increase ridership by upgrading the Cottonwood Area Transit fleet.

Increase local and tourist ridership, and reduce carbon footprint by rebranding the Cottonwood Area Transit program and marketing the services with a fresh new look on new buses.

Social Services	Public Transportation	Fund 15 - Transit	Cost Center: 15XX
Performance Indicators			

	Strategic Direction	1. Foster Sustainable Growth and Development			
	Key Priority	Promote tourism			
	Guiding Principle	1.8 Promote sustainable tourism by			
	Strategic Goal	transporting riders visiting local tasting rooms and wineries by			
	Strategic Initiative	1.8.5 Develop and initiate a regional "Wine Line" bus service, funded through the City's General Fund and other partnering agencies.			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
1.8.5. Develop a regional "Wine Line":					
- Conduct a feasibility study					100%
- Solicit support from municipal partners				75%	100%
- Prepare a budget and submit for approval				100%	
- Acquire needed equipment and hire staffing				25%	100%
- Develop performance benchmarks				TBD	TBD
- Initiate the "Wine Line" Route				TBD	TBD
- Monitor progress using performance benchmarks				TBD	100%
Process Status : 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.					



Strategic Direction

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)	2020 Actual	2021 Actual	2022 Estimate	2023 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%	100%
- Initiate the 1 day, 3 trip route schedule				100%
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>				

	Strategic Direction	5. Embrace Financial Accountability and Transparency			
	Key Priority	Provide opportunities for employee growth			
	Guiding Principle	5.2 Recruit and retain highly qualified employees			
	Strategic Goal	Develop cross training opportunities for all staff members			
	Strategic Initiative	5.2.6 Evaluate each department's succession plan and address any deficiencies			
Performance Indicator(s)		2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
5.2.6	Develop staff cross training opportunities:				
-	Evaluate staff for growth opportunities			50%	100%
-	Develop cross training program			50%	75%
-	Initiate cross training program			25%	25%
Process Status: 5.2.6. Cross training will be helpful during vacancies and provide promotion opportunities. Training has already begun for administrative and supervisory staff.					

Social Services	Public Transportation	Fund 15—Transit		Cost Center: 15XX	
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,333,270	\$1,449,540	\$1,268,385	\$1,743,625	37.47%
Operating Supplies	527,724	492,150	575,250	579,350	0.71%
Contractual Services	122,755	67,360	80,120	76,710	-4.26%
Other Services and Charges	83,068	107,665	94,085	109,665	16.56%
Capital Outlay	733,607	640,000	21,750	1,253,000	5660.92%
Debt Service	0	0	0	0	0.00%
Department Totals	\$2,800,424	\$2,756,715	\$2,475,160	\$4,054,230	63.80%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$552,370	13.62%
Intergovernmental Revenues	2,837,440	69.99%
Services & Charges	228,850	5.64%
Miscellaneous Revenues	0	0.00%
Use of Fund Balance	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2020	2022	2023	2023
Transportation Manager	1.00	1.00	1.00	\$88,000
Field Supervisor	3.00	3.00	3.00	126,810
Administrative Assistant	1.00	1.00	1.00	40,035
Transportation Dispatcher/Scheduler	1.00	1.00	1.00	49,105
Transportation Driver	13.00	13.00	15.00	551,785
COLA				51,344
Merit Contingency				15,645
Longevity				0
Temporary Employees / Reserves				146,900
Overtime				91,000
Holiday Pay				16,330
Clothing Allowance				6,000
Retirement				143,240
Insurance & Taxes				416,711
Employee Related Expenses				720
Totals	19.00	19.00	21.00	\$1,743,625



Social Services	Public Transportation	Fund 15 - Transit	Cost Center: 15XX		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies

Office Supplies	11,638	8,000	7,500	8,000	6.67%
Copier Supplies	1,532	1,850	1,600	1,600	0.00%
Gas & Oil	138,840	124,160	205,000	205,000	0.00%
Small Tools	1,580	7,000	9,500	9,500	0.00%
Vehicle Maintenance & Repair	373,899	350,000	341,000	350,000	2.64%
Equipment Maintenance & Repair	120	1,000	10,400	5,000	-51.92%
Postage & Freight	115	140	250	250	0.00%
Total Supplies	527,724	492,150	575,250	579,350	0.71%

Contractual Services

Contractual Services	44,722	8,560	22,120	13,800	-37.61%
Building Maintenance & Repair	22,444	6,000	1,700	5,000	194.12%
Radio Maintenance & Repair	11,742	12,000	15,500	11,600	-25.16%
Computer Support	39,055	36,000	36,000	37,800	5.00%
Custodial Contract	4,792	4,800	4,800	8,510	77.29%
Indirect Cost to G/F	0	0	0	0	0.00%
Total Contractual Services	122,755	67,360	80,120	76,710	-4.26%

Other Services and Charges

Employee Physicals/Drug Testing	5,028	5,000	5,000	5,000	0.00%
Advertising	15,936	17,000	21,500	21,500	0.00%
Printing & Forms	4,283	13,500	16,500	13,000	-21.21%
Audit Expense	3,675	3,700	3,700	3,700	0.00%
Utilities	8,350	10,000	8,930	9,380	5.04%
Telephone	17,141	14,270	16,090	16,900	5.03%
Travel & Training	607	7,000	1,000	5,000	400.00%
Continued Education	0	0	0	0	0.00%
Land Lease Fees Airport	0	7,565	7,565	7,565	0.00%
Subscriptions & Memberships	1,781	2,530	2,300	2,600	13.04%
Liability Insurance	26,267	27,100	11,500	25,020	117.57%
Total Other Services & Charges	83,068	107,665	94,085	109,665	16.56%

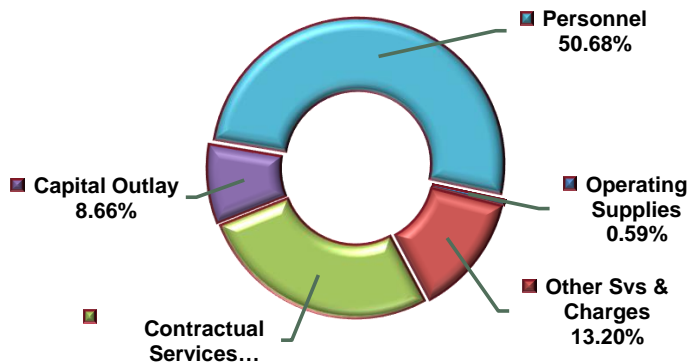
Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Transit Bus Parking Canopy Extension (LYNX)		\$200,000		\$230,000
Bus Shelter-Carryover		25,000		35,000
Topo Survey for Bus Shelters			\$21,750	
Bus Replacement and Route Software (CAT)				
Monitors, Bus Stops, Office Security				
Bus (2), Van (1), and ROW for Bus Stops		415,000		988,000
Recording Assets (from Grants & Donations)	\$733,607			
Compensation Adjustments				
Receptacles				
Totals	\$733,607	\$640,000	\$21,750	\$1,253,000



Cottonwood Library Fund—Expenditures by Category

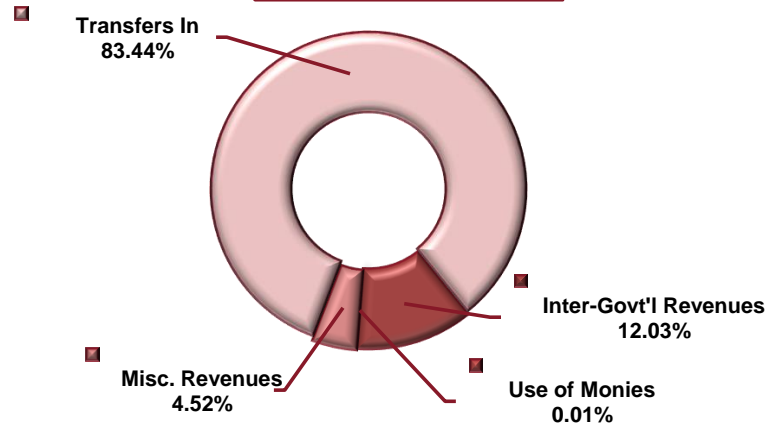
Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$673,130	\$7,800	\$356,920	\$175,370	\$115,000	\$0	\$1,328,220
Totals	\$673,130	\$7,800	\$356,920	\$175,370	\$115,000	\$0	\$1,328,220

Cottonwood Library Fund
Expenditures by CategoryCottonwood Library Fund
Fund Summary

Revenues	\$219,975
Expenditures	(1,328,220)
Revenues over (under) Expenditures	(1,108,245)
Other Funding Sources/Uses	1,108,245
Use of Fund Balance	\$0

Cottonwood Library Fund
Revenues by Source

Inter-gov't'l Revenues	\$159,775
Use of Monies	200
Miscellaneous Revenues	60,000
Transfers In—General Fund	1,108,245
Total Resources Available	\$1,328,220

Cottonwood Library Fund
Revenues by Source

Library Revenues:

Just over 80% of the Cottonwood Library's operating revenues are intergovernmental. Contributions are from the Yavapai County Library System based on total circulation for the facility. This year, a General Fund transfer will take place 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 2023, several capital items are budgeted.



Cottonwood Public Library–Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	164,738	163,810	163,220	159,775	-2.11%
HVAC Grant					0.00%
Grant Revenues	4,000	77,000	92,170	50,000	-45.75%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	152	200	200	200	0.00%
Miscellaneous Revenues					
Other Income	3,516	2,500	10,400	10,000	-3.85%
Total Revenue Sources	172,406	243,510	265,990	219,975	-17.30%
Other Financing Sources:					
Transfers In	897,579	985,870	932,685	1,108,245	18.82%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	897,579	985,870	932,685	1,108,245	18.82%
Total Available Resources	1,069,985	1,229,380	1,198,675	1,328,220	10.81%
Expenditures:					
Personnel	604,173	596,180	603,450	673,130	11.55%
Operating Supplies	7,219	8,500	6,700	7,800	16.42%
Contractual Services	301,767	310,650	302,110	356,920	18.14%
Other Services and Charges	152,820	183,050	171,415	175,370	2.31%
Capital Outlay	4,006	131,000	115,000	115,000	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,069,985	1,229,380	1,198,675	1,328,220	10.81%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	1,069,985	1,229,380	1,198,675	1,328,220	10.81%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	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%
Ending Fund Balance	\$0	\$0	\$0	\$0	0.00%



COTTONWOOD PUBLIC LIBRARY



From l. to r.: **John Stabe, Jr.**, Library Specialist-AV; **Nancy Gooslin**, Library Assistant II; **Danielle Ave**, Youth Svcs Supervisor; **Elizabeth Kruger Hansen**, Library Specialist-Teens; **Jamie Shea**, Library Supervisor; **Adela Martinez**, Library Specialist-Early Literacy; **Sierra Hutchinson**, Library Specialist-References; **Ryan Bigelow**, Library Director.

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 2022

Ensure Quality of Life



Opened digital media lab, utilizing LSTA grant funding, to encourage teens and small businesses to build skills in social media creation, graphic design, and podcasting.

Increased the amount of art pieces, including several murals by local artist Joan Bourque, through grant funding.

Implemented the Culture Pass program to allow families access to Arizona-based museums, science centers, other cultural spaces, etc. for free exploration of art and cultural treasures.

Removed late fees from the Materials Borrowing Policy to reduce the number of patrons excluded from utilization of the library due to overdue fees.

Our Strategic Goals for FY 2023

Ensure Quality of Life



Sustainable Growth and Development



Improve essential technical assistance to patrons by expanding programming that allows one-on-one service for technology needs.

Expand community connectivity by providing increased Wi-Fi hotspot with a laptop device.

Utilize tools within the Digital Media Lab to assist the community in a video/photo contest that celebrates life in Cottonwood.



Culture and Recreation Public Library Fund 03-Library Fund Cost Center: 4000

Performance Indicators



Strategic Directive

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

2. Ensure Our Quality of Life

Awareness and education

2.2 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

2.x.x. creating and developing a digital media room with grant funding for the purchase of equipment

Performance Indicator(s)	2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.x.x. Applied for and received LSTA grant	Yes			
2.x.x. Digital media creation and development usage	Opening of Space		263	600
Process Status: 2.x.x. Ordered materials for opening of room				



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)	2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
2.2.4. Number of art pieces displayed	40	45	50	55
Percentage increase of displayed art pieces		13%	11.11%	22.22%
Process Status:				





Culture and Recreation	Public Library	Fund 03—Library Fund	Cost Center: 4000		
Summary by Category					
Expenditure Category	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$604,173	\$596,180	\$603,450	\$673,130	11.41%
Operating Supplies	7,219	8,500	6,700	7,800	16.42%
Contractual Services	301,767	310,650	302,110	356,920	18.14%
Other Services and Charges	152,820	183,050	171,415	175,370	2.31%
Capital Outlay	4,006	131,000	115,000	115,000	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$1,069,985	\$1,229,380	\$1,198,675	\$1,328,220	10.81%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$209,775	15.79%
Uses of Monies	200	0.02%
Miscellaneous Revenues	10,000	0.75%
Transfers In—General Fund	1,108,245	83.44%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Library Director	1.00	1.00	1.00	\$85,860
Library Supervisor	1.00	1.00	1.00	47,655
Library Youth Svcs Coordinator	1.00	1.00	1.00	46,340
Library Assistant II	1.00	1.00	1.00	40,510
Library Technical Assistant I	0.00	0.00	0.00	0
Library Specialist	4.00	4.00	4.00	147,240
COLA				22,060
Merit Contingency				6,165
Car Allowance				5,400
Longevity				0
Temporary Employees / Reserves				76,260
Overtime				0
Holiday Pay				0
Retirement				48,830
Insurance & Taxes				145,480
Employee Related Expenses				1,330
Totals	8.00	8.00	8.00	\$673,130

Culture and Recreation	Public Library	Fund 03-Library Fund	Cost Center: 4000		
Supplemental Data: Expenditures					
Item Description	2021	2022		20023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies					
Office Supplies	3,857	3,000	2,400	2,500	4.17%
Copier Supplies	440	3,000	2,000	3,000	50.00%
Equipment Maintenance & Repairs	2,533	2,000	2,000	2,000	0.00%
Postage & Freight	389	500	300	300	0.00%
Total Supplies	7,219	8,500	6,700	7,800	16.42%

Contractual Services					
Building Maintenance & Repair	13,345	15,000	12,000	15,000	25.00%
Contractual Services	1,223	1,000	1,100	1,100	0.00%
Collection Expenses	0	500	1,000	960	-4.00%
Bank Charges	0	0	10	0	-100.00%
Computer Support	7,104	14,150	8,000	8,800	10.00%
Custodial Contract	0	0	0	51,060	0.00%
Indirect Cost to General Fund	280,095	280,000	280,000	280,000	0.00%
Total Contractual Services	301,767	310,650	302,110	356,920	18.14%

Other Services and Charges					
Advertising	186	1,000	2,125	1,000	-52.94%
Utilities	40,396	49,630	43,010	45,160	5.00%
Telephone	2,694	1,910	2,130	2,260	6.10%
Network/Technology Exps	42,599	55,000	55,000	55,000	0.00%
Youth Programs	524	1,000	1,000	1,000	0.00%
Annual Volunteer Appreciation Event	1,383	1,250	1,250	1,250	0.00%
Travel & Training	953	1,500	800	1,200	50.00%
Subscriptions & Memberships	1,760	1,500	1,500	1,500	0.00%
Book Purchases	53,301	60,000	60,000	62,000	3.33%
Liability Insurance	8,744	9,560	4,000	4,400	10.00%
Recruitment Expense	280	700	600	600	0.00%
Total Other Services & Charges	152,820	183,050	171,415	175,370	2.31%

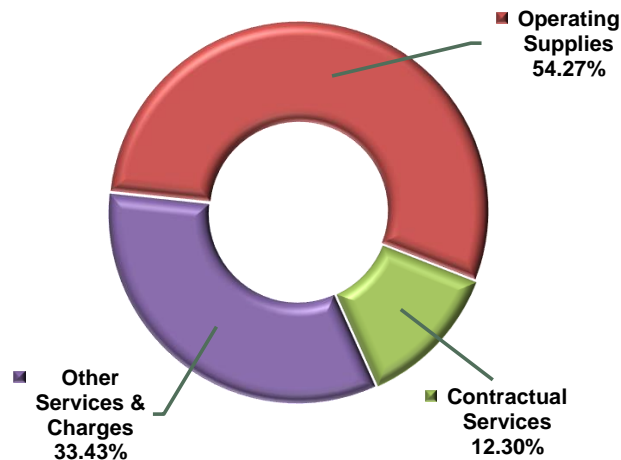
Supplemental Data: Capital Outlay				
Item Description	2021	202		2023
	Actual	Budget	Revised	Adopted
LSTA Grant	\$4,006	\$4,000		
Roof Repair		20,000	\$9,400.00	
Sidewalk Extension Project (Grant)		50,000	47,130	
LSTA Grant Opportunity		36,000	36,895	
APRA Grant		21,000	21,575	
Restrooms				\$15,000
Acoustic Ceiling Tiles				15,000
Security Gates				35,000
Grant Projects				50,000
Totals	\$4,006	\$131,000	\$115,000	\$115,000



Cottonwood Cemetery Fund—Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$0	\$75,000	\$17,000	\$46,210	\$0	\$0	\$138,210
Totals	\$0	\$75,000	\$17,000	\$46,210	\$0	\$0	\$138,210

Cottonwood Cemetery Fund Expenditures by Category



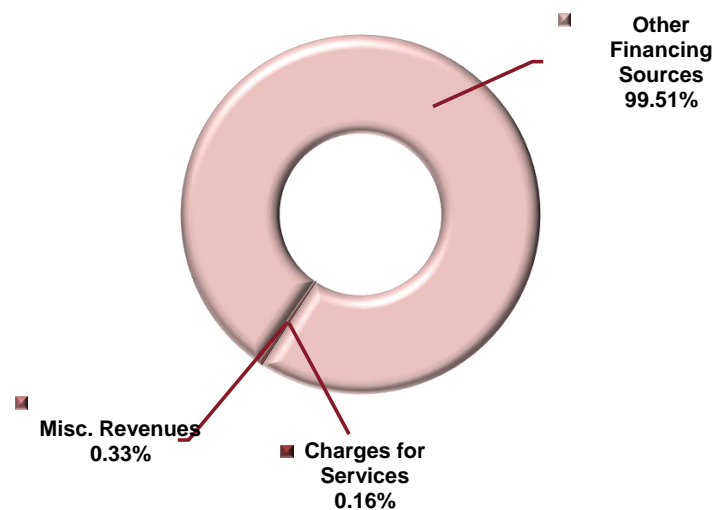
Cottonwood Cemetery Fund Summary

Revenues	\$15,965
Expenditures	138,210
Revenues over (under) Expenditures	(122,245)
Other Funding Sources/Uses	122,245
Use of Fund Balance	\$0

Cottonwood Cemetery Fund Revenues by Source

Charges for Services	\$200
Use of Monies	0
Miscellaneous Revenues	400
Other Financing Sources	121,645
Total Resources Available	\$122,245

Cottonwood Cemetery Fund Revenues by Source





Cottonwood Cemetery–Revenues/Expenditures/Changes in Fund Balance

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$15,965	0.00%
Less: Designated Reserves	0	0	15,965	0	-100.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	(15,965)	15,965	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	0	200	200	200	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	250	368,900	76,775	400	-99.48%
Total Revenue Sources	250	369,100	76,975	600	-99.22%
Other Financing Sources:					
Transfers In	91,159	66,200	0	121,645	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	91,159	66,200	0	121,645	0.00%
Total Available Resources	91,409	435,300	61,010	138,210	126.54%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	32,000	0	0	75,000	0.00%
Contractual Services	16,309	25,000	17,000	17,000	0.00%
Other Services and Charges	43,100	41,800	44,010	46,210	5.00%
Capital Outlay	0	368,500	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	91,409	435,300	61,010	138,210	126.54%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	91,409	435,300	61,010	138,210	126.54%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	15,965	0	-100.00%
Unassigned	0	0	0	0	0.00%
Ending Fund Balance	\$0	\$0	\$15,965	\$0	-100.00%



COTTONWOOD CEMETERY



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 2022

Environmental Stewardship



Worked with property owner to obtain necessary easements for reclaimed waterline to cemetery.

Our Strategic Goals for FY 2023

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



Strategic Direction

Key Priority

Guiding Principle

Strategic Goal

Strategic Initiative

3. Lead With Environmental Stewardship

Water reclamation

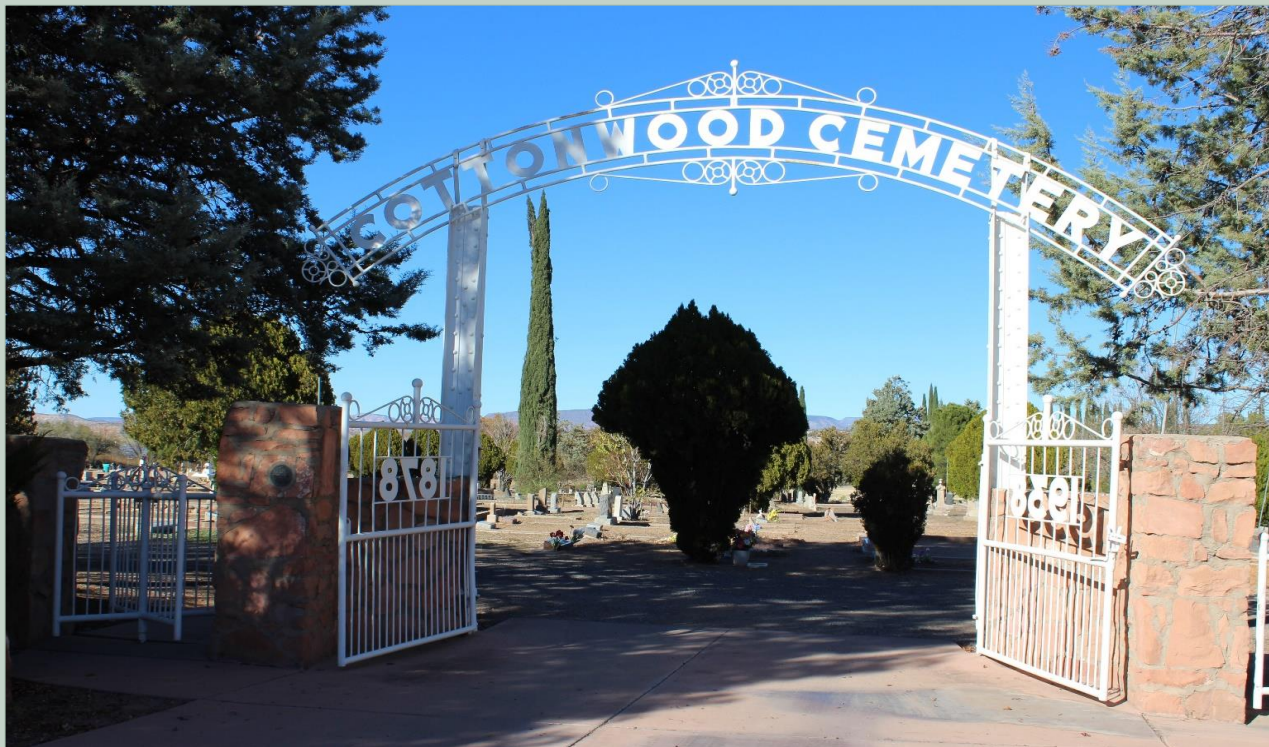
3.4 Maximize the Injection and reuse of reclaimed water

Reuse reclaimed water

3.4.2 Implement the use of reclaimed water at the Cottonwood Cemetery

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	32,000	0	0	75,000	0.00%
Contractual Services	16,309	25,000	17,000	17,000	0.00%
Other Services and Charges	43,100	41,800	44,010	46,210	5.00%
Capital Outlay	0	368,500	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$91,409	\$435,300	\$61,010	\$138,210	126.54%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Charges for Services	\$200	0.14%
Uses of Monies & Properties—Interest Income	0	0.00%
Miscellaneous Revenues	400	0.29%
Carryover	0	0.00%
Transfer In—General Fund	121,645	88.01%
Total Funding		<u>88.45%</u>

Supplemental Data: Personnel					
Authorized Positions	Number of FTEs				Budget
Job Classifications	2021	2022	2023		2023
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	2021	2022		2023	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	32,000	0	0	75,000	0.00%
Total Supplies	32,000	0	0	75,000	0.00%

Contractual Services

Indirect Cost to General Fund	16,309	25,000	17,000	17,000	0.00%
Total Contractual Services	16,309	25,000	17,000	17,000	0.00%

Other Services and Charges

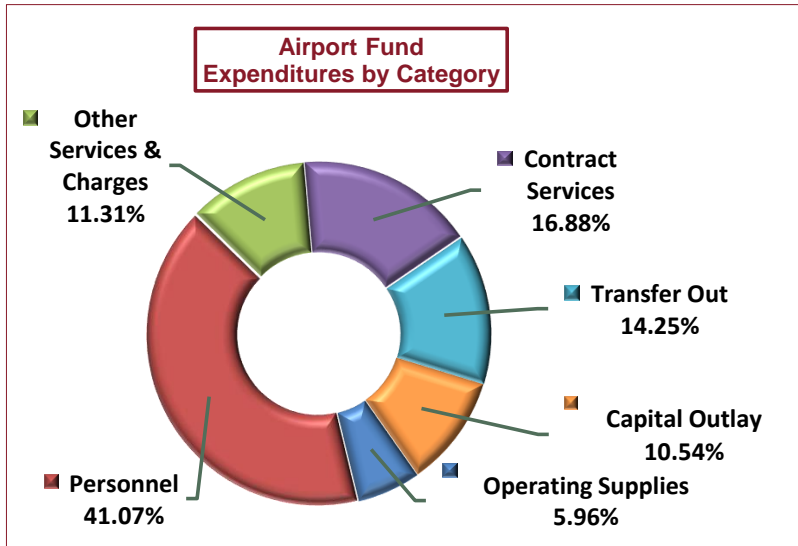
Utilities	43,100	41,800	44,010	46,210	5.00%
Telephone	0	0	0	0	0.00%
Total Other Services & Charges	43,100	41,800	44,010	46,210	5.00%

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Irrigation Switchover to Effluent		\$368,500		
Totals	\$0	\$368,500	\$0	\$0

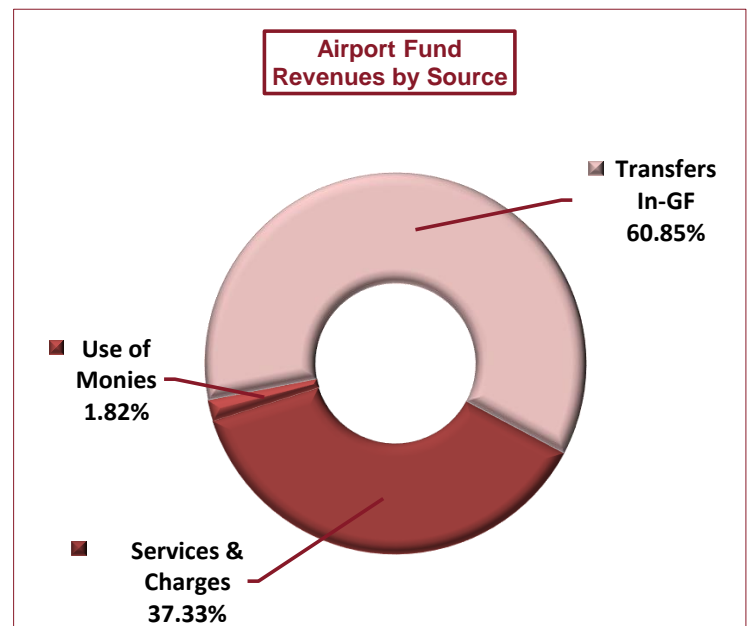
Airport Fund—Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Transfer Out		Total
Subtotals	\$155,940	\$22,610	\$64,060	\$42,950	\$40,000	\$54,120		\$379,680
Totals	\$155,940	\$22,610	\$64,060	\$42,950	\$40,000	\$54,120		\$379,680



Airport Fund Fund Summary	
Revenues	\$148,645
Expenditures	(379,680)
Revenues over (under) Expenditures	(231,035)
Other Funding Sources/Uses	231,035
Use of Fund Balance	\$0

Airport Fund Revenues by Source	
Services & Charges	\$141,750
Use of Monies	6,895
Other Financing Sources	0
Transfers In - GF	231,035
Total Resources Available	\$379,680



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	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	13,640	0	208,000	0	-100.00%
Uses of Monies & Properties					
Tie Down Rent	17,556	16,950	18,100	18,100	0.00%
Airpark Rents	0		0		0.00%
FBO Building Rental	0	12,000	0	0	0.00%
Land Lease Fees	43,390	82,245	84,650	84,650	0.00%
City Hangar Lease Fees	38,702	39,000	39,000	39,000	0.00%
Miscellaneous Revenues					
Other Income	51,343	16,400	48,465	6,895	-85.77%
Total Revenue Sources	164,631	166,595	398,215	148,645	-62.67%
Other Financing Sources:					
Transfers In	65,826	191,415	60,250	231,035	283.46%
Residual Equity Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	65,826	191,415	60,250	231,035	283.46%
Total Available Resources	230,457	358,010	458,465	379,680	-17.18%
Expenditures:					
Personnel	0	133,860	114,310	155,940	36.42%
Operating Supplies	13,484	32,800	159,120	22,610	-85.79%
Contractual Services	124,910	73,930	86,450	64,060	-25.90%
Other Services and Charges	34,769	45,150	44,535	42,950	-3.56%
Capital Outlay	26,599	7,000	7,000	40,000	471.43%
Debt Service	0	0	0	0	0.00%
Total Expenditures	199,762	292,740	411,415	325,560	-20.87%
Other Uses:					
Transfers Out	30,695	65,270	47,050	54,120	15.03%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	30,695	65,270	47,050	54,120	15.03%
Total Expenditures and Other Uses	230,457	358,010	458,465	379,680	-17.18%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	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%
ENDING FUND BALANCE	\$0	\$0	\$0	\$0	0.00%



COTTONWOOD MUNICIPAL AIRPORT



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 2022

Improve
Infrastructure



Ensure Quality
of Life



Sustainable
Growth



Completed the installation of the Automated Weather Observing System (AWOS) replacement.

Completed the installation of airport security enhancements for access controls and the security camera system.

Assisted the new fixed base operator (TBD) in becoming fully operational.

Completed general repairs to Taxiway A (crack seal and pavement repairs).

Our Strategic Goals for FY 2023

Improve
Infrastructure



Ensure Quality of
Life



Sustainable
Growth &
Development



Complete the Airport Master Plan update process.

Develop the environmental assessment for the runway strengthening and extension project.

Complete the design phase for the Taxiway A reconstruction/extension project.

Implement the 2018 Noise Action Plan objects; add new action items as needed to address community concerns.



Airport Cottonwood Municipal Airport Fund 05-Airport Cost Center: 1500

** Performance indicators are to be determined **



Strategic Direction

Overall Key Priority

1. Foster Sustainable Growth and Development

Overall Guiding Principle 1.10 and promote the airport as an aviation hub for travel and

1.10.1. Develop and promote the airport as an aviation hub for travel and

Overall Strategic Goal

[1] Attract out-of-town tourism-related use of the airport

[2] Establish Cottonwood as a designation for hang gliding and skydiving

Overall Strategic Initiative

[2]

Performance Indicator(s)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
1.10.1 Attract new aviation businesses	n/a	n/a	0	2
1.10.2 Complete development of glider port	n/a	n/a	0	1
1.10.3 Complete establishment of skydiving operation	n/a	n/a	0	1
1.10.4 Promote airport for AZ Wine Country	n/a	n/a	Yes	Yes

Process Status:



Airport	Cottonwood Municipal Airport		Fund 05—Airport		Cost Center: 1500	
Summary by Category						
Expenditure Category	2021	2022		2023	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$0	\$133,860	\$114,310	\$155,940	36.42%	
Operating Supplies	13,484	32,800	159,120	22,610	-85.79%	
Contractual Services	124,910	73,930	86,450	64,060	-25.90%	
Other Services and Charges	34,769	45,150	44,535	42,950	-3.56%	
Capital Outlay	26,599	7,000	7,000	40,000	471.43%	
Transfers Out	30,695	65,270	27,970	54,120	93.49%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$230,457	\$358,010	\$439,385	\$379,680	-13.59%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Services & Charges–Fuel Sales	\$0	0.00%
Uses of Monies & Properties–Fees	148,645	39.15%
Fund Balance	0	0.00%
Transfers In–General Fund	231,035	60.85%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Airport Manager	0.00	1.00	1.00	\$89,000
Fac. Reservation/Airport Coordinator	0.00	0.25	0.25	10,010
Cost of Living Adjustment				5,940
Merit Contingency				1,260
Temporary / Reserves				0
Overtime				0
Retirement				12,930
Insurance & Taxes				36,640
Employee Related Expenses				160
Totals	0.00	1.25	1.25	\$155,940

Airport	Cottonwood Municipal Airport	Fund 05-Airport	Cost Center: 1500		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies					
Operational Supplies	2,098	5,000	6,110	7,800	27.66%
Fuel Expenses	0	0	140,000	0	-100.00%
Oil Expense	0	0	0	0	0.00%
Office Supplies	2,195	1,500	1,500	1,500	0.00%
Vehicle Maintenance & Repairs	0	500	0	500	0.00%
Equipment Maintenance & Repairs	1,335	11,000	8,500	8,800	3.53%
Building Maintenance & Repairs	6,126	2,800	3,000	4,000	4700.00%
Building M & R - FBO Building	1,724	12,000	0	0	0.00%
Postage & Freight	6	0	10	10	0.00%
Total Supplies	13,484	32,800	159,120	22,610	-85.79%

Contractual Services					
Contractual Services	3,260	6,600	52,300	13,500	-74.19%
Computer Support	647	330	5,050	5,560	100.00%
General Counsel	19,925	15,000	15,000	25,000	0.00%
Airport-Indirect Costs to General Fund	100,796	52,000	14,100	20,000	41.84%
Miscellaneous Expenses	282	0	0	0	0.00%
Total Contractual Services	124,910	73,930	86,450	64,060	-25.90%

Other Services and Charges					
Utilities	15,021	19,950	13,980	15,380	10.01%
Telephone	1,368	1,420	2,280	2,510	10.09%
Airport Annual Event	0	5,000	2,000	0	-100.00%
Bank Charges	178	0	2,000	250	-87.50%
Travel & Training	0	0	4,700	3,100	-34.04%
Subscriptions & Memberships	314	0	800	2,000	150.00%
Liability Insurance	17,888	18,780	18,775	19,710	4.98%
Total Other Services & Charges	34,769	45,150	44,535	42,950	-3.56%

Supplemental Data: Capital Outlay				
Item	2021	2022		2023
Description	Actual	Budget	Revised	Adopted
Security Fencing		\$7,000	\$7,000	
Small Vehicle or ATV				\$40,000
Security Cameras and Accessories	\$26,599			
Totals	\$26,599	\$7,000	\$7,000	\$40,000



Grants Fund Revenues / Expenditures / Changes in Fund Balance

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$1,417,890	\$1,406,725	\$1,417,890	\$567,890	-59.95%
Less: Designated Reserves	1,417,890	0	567,890	567,890	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	1,406,725	850,000	0	-100.00%
Revenue Sources					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues	294,562	3,266,605	496,250	977,040	96.88%
Miscellaneous Revenue	0	0	0	0	0.00%
Total Revenue Sources	294,562	3,266,605	496,250	977,040	96.88%
Other Financing Sources					
Transfers In	56,035	65,270	47,560	54,120	13.79%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	56,035	65,270	47,560	54,120	13.79%
Total Available Resources	350,597	4,738,600	1,393,810	1,031,160	-26.02%
Expenditures					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	350,597	4,738,600	543,810	1,031,160	89.62%
Debt Service	0	0	0	0	0.00%
Total Expenditures	350,597	4,738,600	543,810	1,031,160	89.62%
Other Uses					
Transfers Out	0	0	850,000	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	850,000	0	-100.00%
Total Expenditures and Other Uses	350,597	4,738,600	1,393,810	1,031,160	-26.02%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	1,417,890	0	567,890	567,890	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING FUND BALANCE	\$1,417,890	\$0	\$567,890	\$567,890	0.00%



Airport Improvement Fund—Revenues / Expenditures / Changes in Fund Balance					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources					
Intergovernmental Revenues					
ADOT - Airport Masterplan	\$0	\$0	\$0	\$0	0.00%
ADOT - Design Lighting & Runway Imp.	0	0	0	0	0.00%
ADOT Grant	4,557	20,920	5,880	186,580	3073.13%
FAA - AWOS	13,892	399,150	370,590	0	-100.00%
FAA - Fence Extension	0	127,485	0	318,000	0.00%
FAA - Master Plan	159,905	0	119,780	0	-100.00%
FAA - Helipad Plan & Build	0	84,685	0	0	0.00%
FAA - Runway Rehab Plan & Build	0	213,990	0	273,180	0.00%
FAA - Pavement Preservation	0	0	0	0	0.00%
Total Revenue Sources	178,354	846,230	496,250	777,760	56.73%
Other Financing Sources					
Transfers In	30,695	65,270	47,050	54,120	38.72%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	30,695	65,270	47,050	54,120	15.03%
Total Available Resources	209,049	911,500	543,300	831,880	53.12%
Expenditures					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	209,049	911,500	543,300	831,880	53.12%
Debt Service	0	0	0	0	0.00%
Total Expenditures	209,049	911,500	543,300	831,880	53.12%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	209,049	911,500	543,300	831,880	53.12%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	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%
ENDING FUND BALANCE	\$0	\$0	\$0	\$0	0.00%



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 2022

N/A

Our Strategic Goals for FY 2023

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	2021	2022		2023
	Actual	Budget	Revised	Adopted
FAA–Airport Master Plan	\$177,310		\$131,535	
Automatic Weather Observation Station	31,739	\$443,500	411,765	
Runway 14/32		235,000		\$300,000
Fence - Increase Height		140,000		318,000
Taxiway Reconsruction/Extension				191,740
Helipad Planning & Construction		93,000		
Pavement Preservation				22,140
Totals	\$209,049	\$911,500	\$543,300	\$831,880



Airport	Airport Improvement Fund		Fund 11--Grants		Cost Center: 1500	
Summary by Category						
Expenditure Category	2021	2022		2023	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	209,049	911,500	543,300	831,880	53.12%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$209,049	\$911,500	\$543,300	\$831,880	53.12%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenue–FAA Grants	\$591,180	71.07%
Intergovernmental Revenue–ADOT Grants	186,580	22.43%
Miscellaneous Grants	0	0.00%
Transfers in–Airport	54,120	6.51%
Fund Balance	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
N/A				
Temporary / Reserves				0
Overtime				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
Totals	0.00	0.00	0.00	\$0



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Other Grants Fund—Revenues / Expenditures / Changes in Fund Balance					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$1,417,890	\$1,406,725	\$1,417,890	\$567,890	-59.95%
Less: Designated Reserves	1,417,890	0	567,890	567,890	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	1,406,725	850,000	0	-100.00%
Revenue Sources					
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	199,280	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	0	0	0	0.00%
Civic Center Upgrades	0	0	0	0	0.00%
Mingus Ave Stormwater Diversion	0	0	0	0	0.00%
Verde River Rec Trails Plan	116,208	8,500	0	0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Other Grants	0	2,411,875	0	0	0.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
Total Revenue Sources	116,208	2,420,375	0	199,280	0.00%
Other Financing Sources					
Transfers In	25,340	0	510	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	25,340	0	510	0	-100.00%
Total Available Resources	141,548	3,827,100	850,510	199,280	-76.57%
Expenditures					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	141,548	3,827,100	510	199,280	38974.51%
Debt Service	0	0	0	0	0.00%
Total Expenditures	141,548	3,827,100	510	199,280	38974.51%
Other Uses:					
Transfers Out	0	0	850,000	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	850,000	0	-100.00%
Total Expenditures and Other Uses	141,548	3,827,100	850,510	199,280	-76.57%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	1,417,890	0	567,890	567,890	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING FUND BALANCE	\$1,417,890	\$0	\$567,890	\$567,890	0.00%



OTHER GRANTS FUND

The Purpose of This Fund

This fund accounts for all funds that are applied for and approved but have not specifically been budgeted. Grants, such as the Greenwood Chipping grant, Riverfront Park grant and others, fall under this fund's budget. This fund serves as a buffer to prevent the possible loss of grant opportunities.

Benefits of This Fund in FY 2022

N/A

Our Strategic Goals for FY 2023

N/A



Grants	Other Grants Fund	Fund 11–Grants	Cost Center: XXXX
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**** Performance indicators do not apply to this fund ****



Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Miscellaneous Grant Projects		\$2,356,725		
Federal Grants (ARPA)		1,461,875		
ADOT-Pavement Preservation				\$199,280
Verde River Recreation & Trails Plan	\$141,548	8,500	\$510	
Totals	\$141,548	\$3,827,100	\$510	\$199,280



Grants		Other Grants Fund		Fund 11–Grants		Cost Center: XXXX	
Summary by Category							
Item Description	2021	2022		2023	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	141,548	3,827,100	510	199,280	38974.51%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$141,548	\$3,827,100	\$510	\$199,280	38974.51%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
(Inter)Governmental Grants	\$199,280	100%
Transfer In–General Fund	0	0%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
N/A				
Temporary / Reserves				0
Overtime				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
Totals	0.00	0.00	0.00	\$0



Community Development Block Grant (CDBG) Fund—Revenues/Expenditures/Changes in Fund Balance

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%

Revenue Sources:

Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
CDBG VVHC Transitional Housing	0	1,750,000	107,920	750,000	594.96%
Greenwood Chipping Grant	0	0	0	0	0.00%
Brownfield Grant Revenues	0	0	0	0	0.00%
Federal Grants	56,041	243,115	249,615	0	-100.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
Total Revenue Sources	56,041	1,993,115	357,535	750,000	109.77%

Other Financing Sources:

Transfers In	5,185	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	5,185	0	0	0	0.00%
Total Available Resources	61,226	1,993,115	357,535	750,000	109.77%

Expenditures:

Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	61,226	1,993,115	357,535	750,000	109.77%
Debt Service	0	0	0	0	0.00%
Total Expenditures	61,226	1,993,115	357,535	750,000	109.77%

Other Uses:

Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	61,226	1,993,115	357,535	750,000	109.77%

Ending Fund Balance Designation

Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	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%
ENDING FUND BALANCE	\$0	\$0	\$0	\$0	0.00%

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 2022

N/A

ItsStrategic Goals for FY 2023

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 ****

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Parks Master Plan	\$61,226	\$243,115	\$246,610	
CDBG Verde Valley Homeless Coalition		1,750,000	110,925	\$750,000
Totals	\$61,226	\$1,993,115	\$357,535	\$750,000



Grants	Community Development Block Grant		Fund 12–CDBG		Cost Center: XXXX	
Summary by Category						
Item	2021	2022		2023	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	0	0	0	0	0.00%	
Capital Outlay	61,226	1,993,115	357,535	750,000	109.77%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$61,226	\$1,993,115	\$357,535	\$750,000	109.77%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$750,000	100%
Interest Income	0	0%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions Job Classifications	Number of FTEs			Budget
	2021	2022	2023	2023
N/A				
Temporary / Reserves				0
Overtime				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
Totals	0.00	0.00	0.00	\$0

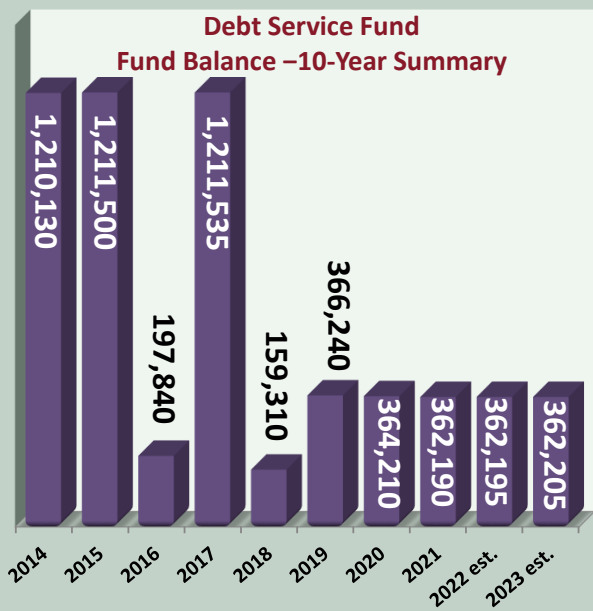
DEBT SERVICE FUND

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	2021	2022		2023
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$348,010	\$360,160	\$362,185	\$362,195
Less: Designated Reserves	348,010	360,260	362,195	362,205
Cash Reserves	0	0	0	0
Appropriated Fund Balance	0	(100)	(10)	(10)
Revenue Sources:				
Taxes	\$1,646,808	\$1,645,625	\$1,645,625	\$1,650,930
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	3	100	10	10
Miscellaneous Revenues	0	0	0	0
Total Revenue Sources	1,646,811	1,645,725	1,645,635	1,650,940
Other Financing Sources:				
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
Total Other Financing Sources	0	0	0	0
Total Available Resources	1,646,811	1,645,625	1,645,625	1,650,930
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	4,700	4,200	4,200	4,200
Other Services and Charges	1,644,136	1,641,425	1,641,425	1,646,730
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	1,648,836	1,645,625	1,645,625	1,650,930
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenditures and Other Uses	1,648,836	1,645,625	1,645,625	1,650,930
Ending Fund Balance Designation				
Operating Surplus/(Losses)	(2,025)	0	0	0
Designated Reserves FYs prior to 2023	0	0	0	0
Cash Reserves FYs prior to 2023	0	0	0	0
Restricted	364,210	360,260	362,195	362,205
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
ENDING FUND BALANCE	\$362,185	\$360,260	\$362,195	\$362,205



Debt Service Fund—Revenues / Expenditures / Changes in Fund Balance

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$348,010	360,160	362,185	362,195	0.00%
Less: Designated Reserves	348,010	360,260	362,195	362,205	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	(100)	(10)	(10)	0.00%
Revenue Sources:					
Taxes					
City Sales Tax	\$1,646,808	\$1,645,625	\$1,645,625	\$1,650,930	0.32%
City Sales Tax - GADA	0	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	3	100	10	10	0.00%
Total Revenue Sources	1,646,811	1,645,725	1,645,635	1,650,940	0.32%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	1,646,811	1,645,625	1,645,625	1,650,930	0.32%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	4,700	4,200	4,200	4,200	0.00%
Other Services and Charges	1,644,136	1,641,425	1,641,425	1,646,730	0.32%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,648,836	1,645,625	1,645,625	1,650,930	0.32%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	1,648,836	1,645,625	1,645,625	1,650,930	0.32%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	(2,025)	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	364,210	360,260	362,195	362,205	100.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING FUND BALANCE	\$362,185	\$360,260	\$362,195	\$362,205	0.00%



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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 2022

Strategic Planning



Budget



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

Our Strategic Goals for FY 2023

Sustainable
Growth &
Development



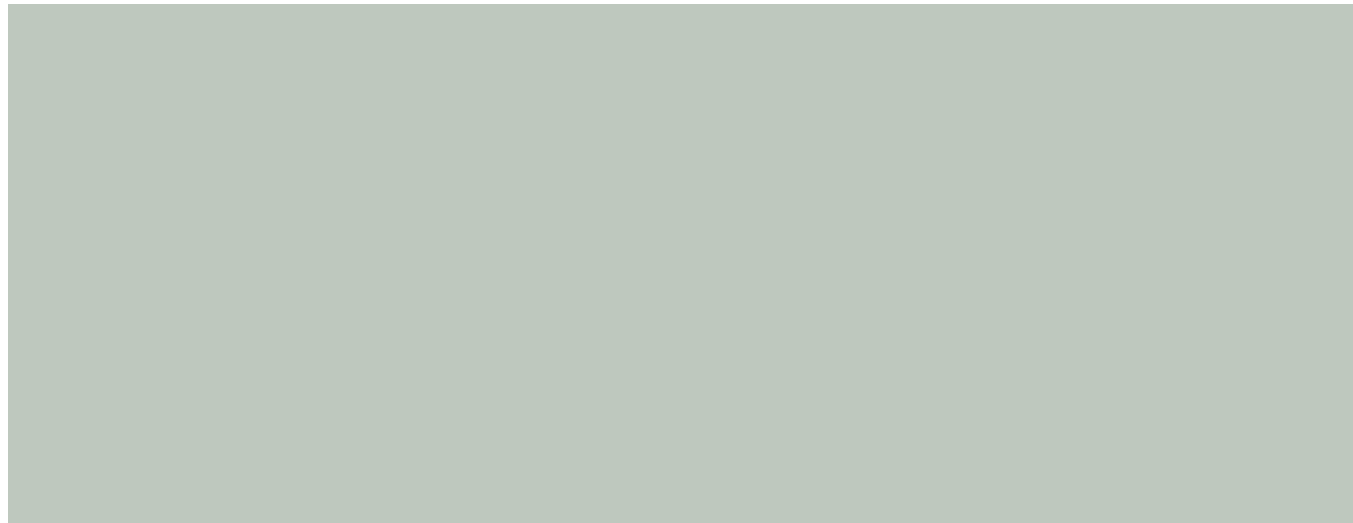
Financial
Accountability



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	2021	2022		2023	
	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	0	1,500	1,500	1,500	0.00%
Trustee Fees–2015 Excise Bond	4,700	2,700	2,700	2,700	0.00%
Total Contractual Services	4,700	4,200	4,200	4,200	0.00%

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	321,875	288,200	288,200	233,950	-18.82%
2017 Pledge Rev Rfnd–Principal	1,055,000	1,085,000	1,085,000	1,145,000	5.53%
Bond Issuance Costs	0	0	0	0	0.00%
2015 Excise Bond– Interest	120,912	117,525	117,525	112,735	-4.08%
2015 Excise Bond–Principal	146,349	150,700	150,700	155,045	2.88%
Total Other Services & Charges	1,644,136	1,641,425	1,641,425	1,646,730	0.32%

Reserves					
GADA Reserve	0	360,260	360,160	360,260	0.03%
Total Reserves	0	360,260	360,160	360,260	0.03%

Interest & Sinking		Debt Service Fund		Fund 20–Debt Service		Cost Center: 8XXX	
Summary by Category							
Item Description	2021	2022		2023	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	4,700	4,200	4,200	4,200	0.00%		
Other Services and Charges	1,644,136	1,641,425	1,641,425	1,646,730	0.32%		
Capital Outlay	0	0	0	0	0.00%		
Reserves	0				0.00%		
Transfers Out	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$1,648,836	\$1,645,625	\$1,645,625	\$1,650,930	0.32%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Other Income	\$10	0.00%
Taxes	1,650,930	100.00%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	0	0.00%
Total Funding		<u><u>100.00%</u></u>

Supplemental Data: Transfers Out				
Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Totals	\$0	\$0	\$0	\$0



US Bank Pledged Revenue Refunding of GADA Recreation Center Bond 'Infrastructure Revenue Bonds

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
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
					\$742,550	\$6,877,550
					\$6,135,000	





Pledged Revenue Obligations, Series 2015

Maturity	Principal			Int/Fees	Debt Service
	Payments	Retired	Balance		
January 1, 2023				194,500	
July 1, 2023	535,000	3,445,000	7,915,000	194,500	924,000
January 1, 2024				181,125	
July 1, 2024	560,000	4,005,000	7,355,000	181,125	922,250
January 1, 2025				167,125	
July 1, 2025	590,000	4,595,000	6,765,000	167,125	924,250
January 1, 2026				152,375	
July 1, 2026	620,000	5,215,000	6,145,000	152,375	924,750
January 1, 2027				136,875	
July 1, 2027	650,000	5,865,000	5,495,000	136,875	923,750
January 1, 2028				120,625	
July 1, 2028	680,000	6,545,000	4,815,000	120,625	921,250
January 1, 2029				103,625	
July 1, 2029	715,000	7,260,000	4,100,000	103,625	922,250
January 1, 2030				85,750	
July 1, 2030	750,000	8,010,000	3,350,000	85,750	921,500
January 1, 2031				67,000	
July 1, 2031	790,000	8,800,000	2,560,000	67,000	924,000
January 1, 2032				51,200	
July 1, 2032	820,000	9,620,000	1,740,000	51,200	922,400
January 1, 2033				34,800	
July 1, 2033	855,000	10,475,000	885,000	34,800	924,600
January 1, 2034				17,700	
July 1, 2034	885,000	11,360,000	0	17,700	920,400
Totals	\$8,450,000			\$2,625,400	\$11,075,400

Notes: (1) Payments are paid out of HURF, CIP, Water, and Wastewater based on the percentage of projects being paid by the bond.

(2) Standard & Poor's rating for these obligations is A+ long term.



Pledged Revenue Obligations, Series 2021

Maturity	Principal Payments	Retired	Balance	Int/Fees	Debt Service
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
Totals	\$20,090,000			\$4,389,911	\$24,479,911

Notes: (1) Payments are made out of the Police and Fire Department budgets based on that departments percentage of the unfunded liability financed.

(2) Fitch rating for these obligations is AA and also AA for IDR.



Computation of Direct and Overlapping Bonded Debt June 30, 2021 (Update tbd)

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>\$41,068,310</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
Total	<u>\$9,140,950,346</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, 2022

Net secondary assessed valuation (Full Cash Value)	<u><u>\$162,914,975</u></u>
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	32,582,995
Bonds outstanding	<u>0</u>
Net 20% Debt Limitation	<u><u>32,582,995</u></u>

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	9,774,899
Bonds outstanding	<u>0</u>
Net 6% Debt Limitation	<u><u>9,774,899</u></u>

Total Bonding Capacity	<u><u>\$42,357,894</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	2021	2022		2023
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$1,147,425	\$1,180,125	\$1,147,425	\$0
Less: Designated Reserves	1,147,425	681,200	0	1,485,520
Cash Reserves	0	0	0	0
Appropriated Fund Balance	0	498,925	1,147,425	(1,485,520)
Revenue Sources:				
Taxes	\$314,277	294,675	344,160	\$368,250
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	21,471	315,000	86,995	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	1,382	11,400	5,400	5,000
Total Revenue Sources	337,130	621,075	436,555	688,250
Other Financing Sources:				
Transfers In	0	0	1,653,725	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	19,000,000
Total Other Financing Sources	0	0	1,653,725	19,000,000
Total Available Resources	337,130	1,120,000	3,237,705	18,202,730
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	4,403	5,000	4,400	4,400
Capital Outlay	27,621	1,115,000	3,233,305	18,198,330
Debt Service	0	0	0	0
Total Expenditures	\$32,024	1,120,000	3,237,705	\$18,202,730
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenditures and Other Uses	32,024	1,120,000	3,237,705	18,202,730
Ending Fund Balance Designation				
Operating Surplus/(Losses)	305,106	0	0	0
Designated Reserves FYs prior to 2023	0	0	0	0
Cash Reserves FYs prior to 2023	0	0	0	0
Restricted	842,319	0	0	0
Committed	0	0	0	0
Assigned	0	681,200	0	1,485,520
Unassigned	0	0	0	0
ENDING FUND BALANCE	\$1,147,425	681,200	0	\$1,485,520



Capital Improvement Plan—Capital Projects Fund—Revenues / Expenditures / Changes in Fund Balance

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$1,147,425	\$1,180,125	\$1,147,425	\$0	-100.00%
Less: Designated Reserves	1,147,425	681,200	0	1,485,520	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	498,925	1,147,425	(1,485,520)	-229.47%
Revenue Sources:					
Taxes	\$314,277	\$294,675	\$344,160	\$368,250	7.00%
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Intergovernmental	21,471	315,000	86,995	315,000	262.09%
Miscellaneous Income					
Other Income	1,382	11,400	5,400	5,000	-7.41%
Total Revenue Sources	337,130	621,075	436,555	688,250	57.65%
Other Financing Sources:					
Transfers In	0	0	1,653,725	0	-100.00%
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	19,000,000	0.00%
Total Other Financing Sources	0	0	1,653,725	19,000,000	1048.92%
Total Available Resources	337,130	1,120,000	3,237,705	18,202,730	462.21%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	4,403	5,000	4,400	4,400	0.00%
Capital Outlay	27,621	1,115,000	3,233,305	18,198,330	462.84%
Debt Service	0	0	0	0	0.00%
Total Expenditures	32,024	1,120,000	3,237,705	18,202,730	462.21%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	32,024	1,120,000	3,237,705	18,202,730	462.21%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	305,106	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	842,319	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	681,200	0	1,485,520	0.00%
Unassigned	0	0	0	0	0.00%
ENDING FUND BALANCE	\$1,147,425	\$681,200	\$0	\$1,485,520	0.00%

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 2022

Strategic Planning



All accomplishments for this fund are reflected in the departments that are responsible for the projects.

Our Strategic Goals for FY 2023

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

**** Performance indicators do not apply to this fund ******Supplemental Data: Capital Outlay**

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Railroad Wash Improvements/Flood Plain Study	\$27,621	\$315,000	\$86,995	\$315,000
City Hall–Architecture		800,000	285,870	1,383,330
City Hall–Remodel/Construction			5,000	16,500,000
Land Acquisition			2,855,440	
Totals	\$27,621	\$1,115,000	\$3,233,305	\$18,198,330



General Government	Capital Projects (CIP) Fund	Fund 30—Capital Projects	Cost Center: XXXX		
Summary by Category					
Item	2021	2022		2023	Percent Change
Description	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	4,403	5,000	4,400	4,400	0.00%
Capital Outlay	27,621	1,115,000	3,233,305	18,198,330	462.84%
Debt Service	0	0	0	0	0.00%
Department Totals	\$32,024	\$1,120,000	\$3,237,705	\$18,202,730	462.21%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	\$18,202,730	100.00%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
N/A				
Temporary / Reserves				0
Overtime				0
Retirement				0
Insurance & Taxes				0
Employee Related Expenses				0
Totals	0.00	0.00	0.00	\$0

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.





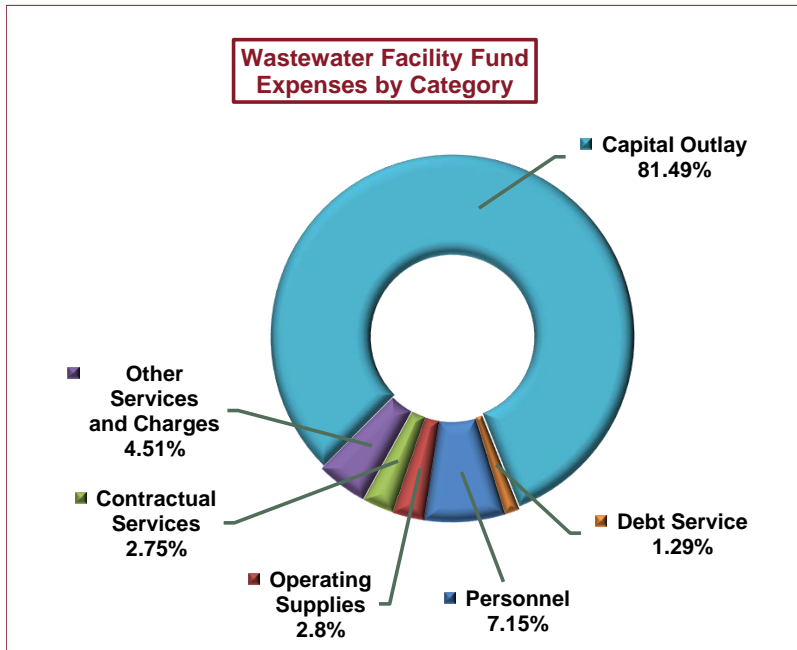
Enterprise Funds—Consolidated Statement of Revenues/Expenses

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Beginning Retained Earnings	\$17,952,181	\$26,179,915	\$30,056,380	\$33,969,340
Less: Designated Reserves	17,952,181	22,135,165	34,312,550	22,568,295
Cash Reserves	153,340	0	0	0
Appropriated Retained Earnings	(153,340)	4,044,750	(4,256,170)	11,401,045
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	12,035,575	12,701,813	12,437,470	12,626,425
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	97,530	92,400	68,960	79,010
Miscellaneous Revenues	313,232	731,947	3,095,790	3,440,455
Total Revenue Sources	12,446,337	13,526,160	15,602,220	16,145,890
Other Financing Sources:				
Transfers In	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
Total Other Financing Sources	0	0	0	0
Total Available Resources	12,292,997	17,570,910	11,346,050	27,546,935
Expenses:				
Personnel	2,500,319	2,876,870	2,787,390	3,346,570
Operating Supplies	838,275	996,750	644,410	878,950
Contractual Services	871,735	887,445	857,000	880,890
Other Services and Charges	1,263,366	1,332,680	1,241,825	1,483,180
Depreciation	1,946,742	0	0	0
Capital Outlay	620,343	9,483,395	3,805,340	18,947,430
Debt Service	455,329	1,993,770	2,010,085	2,009,915
Total Expenses	8,496,109	17,570,910	11,346,050	27,546,935
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenses and Other Uses	8,496,109	17,570,910	11,346,050	27,546,935
Ending Retained Earnings Designation				
Operating Surplus/(Losses)	3,796,888	0	0	0
Designated Reserves FYs prior to 2023	5,035,335	0	0	0
Cash Reserves FYs prior to 2023	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	21,070,819	0	0	0
Unassigned	153,338	22,135,165	34,312,550	22,568,295
ENDING RETAINED EARNINGS	\$30,056,380	\$22,135,165	\$34,312,550	\$22,568,295



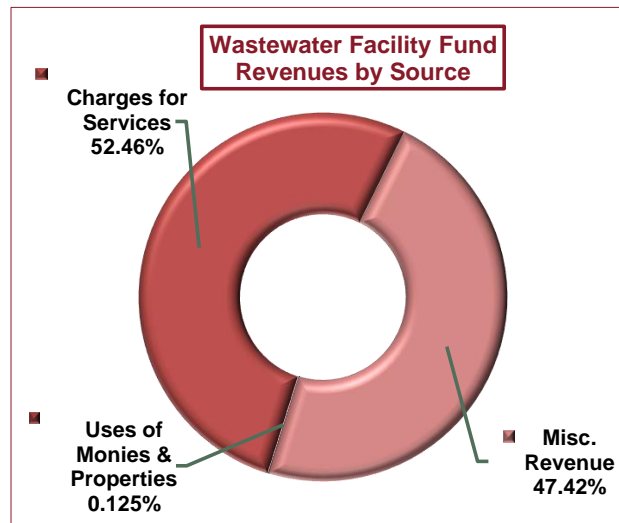
Wastewater Facility Fund—Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$1,047,810	\$410,450	\$402,890	\$660,300	\$11,934,000	\$189,490	\$14,644,940
Totals	\$1,047,810	\$410,450	\$402,890	\$660,300	\$11,934,000	\$189,490	\$14,644,940



Wastewater Facility Fund Summary	
Revenues	\$14,644,940
Expenses	14,644,940
Revenues over/(under) Expenses	0
Other Funding Sources/Uses	0
(Use)/Source of Retained Earnings	\$0

Wastewater Facility Fund Revenues by Source	
Uses of Monies & Properties	\$9,000
Charges for Services	3,782,775
Miscellaneous Revenue	3,419,055
Other Financing Sources	0
Total Resources Available	\$7,210,830





Wastewater Facility Fund–Revenues / Expenses / Changes in Retained Earnings

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Retained Earnings	\$6,065,307	\$4,064,370	\$5,534,990	\$8,579,220	55.00%
Less: Designated Reserves	6,065,307	0	8,579,220	1,145,110	-86.65%
Cash Reserves	0	0	0	0	0.00%
Appropriated Retained Earnings	0	4,064,370	(3,044,230)	7,434,110	0.00%
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	3,375,965	3,548,243	3,574,785	3,756,805	5.09%
Tap Fees	0	0	0	0	0.00%
Effluent Revenue	21,654	16,550	24,500	25,970	6.00%
Uses of Monies & Properties					
Interest Income	1,638	12,000	7,380	9,000	21.95%
Miscellaneous Revenues					
Other Income	637,834	712,507	3,063,790	3,419,055	11.60%
Total Revenue Sources	4,037,091	4,289,300	6,670,455	7,210,830	8.10%
Other Financing Sources:					
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%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	4,037,091	8,353,670	3,626,225	14,644,940	303.86%
Expenses:					
Personnel	793,920	891,650	866,990	1,047,810	20.86%
Operating Supplies	385,619	570,750	287,900	410,450	42.57%
Contractual Services	375,713	386,735	385,910	402,890	4.40%
Other Services and Charges	635,001	654,110	629,475	660,300	4.90%
Depreciation	817,458	0	0	0	0.00%
Capital Outlay	289,862	5,660,095	1,266,340	11,934,000	842.40%
Debt Service	86,523	190,330	189,610	189,490	-0.06%
Total Expenses	3,384,096	8,353,670	3,626,225	14,644,940	303.86%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	3,384,096	8,353,670	3,626,225	14,644,940	303.86%
Ending Retained Earnings Designation					
Operating Surplus/(Losses)	652,995	0	0	0	0.00%
Designated Reserves FYs prior to 2023	4,881,995	0	0	0	0.00%
Cash Reserves FYs prior to 2023	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	8,579,220	1,145,110	-86.65%
ENDING RETAINED EARNINGS	\$5,534,990	\$0	\$8,579,220	\$1,145,110	-86.65%

WASTEWATER DEPARTMENT

Trevor Elliot, Mathew Westcott, William Burden, Ryker Ullery, Wally Wilburn, Brandon Dahshan, and Manuel Durbin.



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 2022

Expand Infrastructure

8

Potable Water Reuse

1

Completed the initial assessment of blower and maintenance issues at the Mingus Wastewater Treatment Plant (WWTP)

Initiated the engineering and design of the selected solution to address the blower and maintenance at Mingus WWTP.

Completed the acoustic scanning, evaluation, and mapping of the entire wastewater collection system.

Initiated the engineering and design of the wellhead and necessary infrastructure to facilitate the recharge of reclaimed water via injection well at the Mingus WWTP. (Recharge is projected to begin around mid-2002)

Completed the initial feasibility assessment of modifying the Mingus WWTP to produce quality potable water for direct potable reuse (DPR).

Initiated the engineering and design of a new lift station #2.

Completed the installation of the Parshall flume at Mingus WWTP.

Our Strategic Goals for FY 2023

Improve Infrastructure

8

Ensure Quality of Life

1

Lead with Environmental Stewardship

1

Financial Accountability

1

Recharge up to 300 acre-feet of reclaimed water annually via the Mingus injection well.

Initiate the construction and required upgrades of the complete aeration system, plant drain lift station, newly designed swing basin, operating software, and programmable logic controllers (PLC) at the Mingus WWTP.

Complete the engineering and design for a new Lift Station 2 to replace the current aging and undersized one.

Complete the engineering evaluation and recommended solution(s) to the effective operability of the Riverfront WWTP.

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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
3.1.1. Complete DPR feasibility assessment study	10%	100%		
3.1.2. Present results of DPR feasibility assessment		100%		
3.4.1. Complete injection well and begin recharging reclaimed water	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)	2020 Actual	2021 Actual	2022 Estimate	2023 Anticipated
4.5.3. Complete assessment of blower system	10.00%	100%		
4.5.9. Finalize engineering analysis and complete cost estimate for MWTP upgrade		50	100%	

Process Status:

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Lift Station SCADA Upgrade		\$100,000		\$170,000
Collection System - Cleaning & Repair		500,000		
Riverfront - Grit Chamber & Oxygen. Probes		185,000	\$160,000	100,000
Lift Stations - Generator (#5), Rehab (#2)		865,000	230,000	1,630,000
Odor Control (#3), Valves				
MWTP Headworks	\$117,655		320	
Mingus Wastewater Plant Upgrades	49,880	3,687,095	395,000	8,375,000
General Equipment, Construction & Line Ext		323,000	481,020	1,659,000
Submersible Pumps				
Effluent Disposal System	122,327			
Totals	\$289,862	\$5,660,095	\$1,266,340	\$11,934,000

Health and Sanitation	Wastewater Department		Fund 51—Enterprise Fund		Cost Center: 71XX	
Summary by Category						
Item	2021	2022		2023	Percent Change	
Description	Actual	Budget	Revised	Adopted		
Personnel	\$793,920	\$891,650	\$866,990	\$1,047,810	20.86%	
Operating Supplies	385,619	570,750	287,900	410,450	42.57%	
Contractual Services	375,713	386,735	385,910	402,890	4.40%	
Other Services and Charges	635,001	654,110	629,475	660,300	4.90%	
Depreciation (net)	817,458	0	0	0	0.00%	
Capital Outlay	289,862	5,660,095	1,266,340	11,934,000	842.40%	
Debt Service	86,523	190,330	189,610	189,490	-0.06%	
Department Totals	\$3,384,096	\$8,353,670	\$3,626,225	\$14,644,940	303.86%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Services	3,782,775	25.83%
Miscellaneous Revenues	3,428,055	23.41%
Other Financing Sources	7,434,110	50.76%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Utilities Manager	0.50	0.50	0.50	\$47,895
Wastewater & Compliance Manager	1.00	1.00	1.00	83,380
Electrician (Lead)	0.50	0.00	0.00	0
Electrician	0.00	1.00	1.00	57,290
Utility Billing Supervisor	0.35	0.35	0.35	19,235
WW Foreman	1.00	1.00	1.00	55,825
WW Operator III	1.00	1.00	1.00	45,785
WW Operator II	3.00	3.00	3.00	46,205
WW Operator I	2.00	2.00	2.00	122,545
WW Operator I/Trainee	0.00	0.00	0.00	42,010
Senior Administrative Assistant	0.50	0.50	0.50	20,735
Electrical Technician	0.50	0.00	0.00	0
Utility Billing Clerk	1.05	1.05	1.05	35,650
COLA				34,575
Merit Contingency				12,690
Longevity				0
Overtime				76,000
Holiday Pay				4,000
Certification Pay				18,000
Clothing Allowance				3,000
Retirement				87,850
Insurance & Taxes				233,510
Employment Related Expenses				1,630
Totals	11.40	11.40	11.40	\$1,047,810

Health and Sanitation	Wastewater Department	Fund 51–Enterprise Fund		Cost Center: 7XXX	
Supplemental Data: Expenditures					
Item	2021	2022		2023	Percent
Description	Actual	Budget	Revised	Adopted	Change

Operating Supplies

Office Supplies	3,323	3,750	2,250	4,450	97.78%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	3,794	5,500	7,000	8,000	14.29%
Operational Equipment & Supplies	20,503	28,000	15,000	25,000	66.67%
Chlorine	5,949	6,000	3,000	3,000	0.00%
Polymer	23,045	34,000	25,000	30,000	20.00%
Odor Control Supplies	0	0	0	0	0.00%
Vehicle Maintenance & Repairs	19,517	7,500	4,000	7,000	75.00%
Equipment Maintenance & Repairs	277,159	300,000	200,000	300,000	50.00%
Building Maintenance & Repairs	3,445	2,500	2,400	2,000	-16.67%
Postage & Freight	28,884	183,500	29,250	31,000	5.98%
Total Supplies	385,619	570,750	287,900	410,450	42.57%

Contractual Services

Contractual Services	53,282	55,000	50,200	56,650	12.85%
Computer Support	5,988	6,220	3,870	4,060	4.91%
Custodial Contract	8,593	8,640	8,600	8,640	0.47%
Employee Physicals/Medical Testing	95	300	300	600	100.00%
Sludge Disposal	109,501	102,000	110,000	120,000	9.09%
Land Lease Fees Airport	0	14,575	12,940	12,940	0.00%
Auction Fees	0	0	0	0	0.00%
Indirect Cost to General Fund	198,254	200,000	200,000	200,000	0.00%
Total Contractual Services	375,713	386,735	385,910	402,890	4.40%

Other Services and Charges

Small Tools	2,295	2,500	2,000	5,000	150.00%
Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Bank Charges	956	1,080	1,080	1,150	6.48%
Utilities	503,138	521,780	506,515	531,840	5.00%
Telephone	5,005	5,450	4,790	5,030	5.01%
Travel & Training	5,963	8,500	20,500	12,500	-39.02%
Liability Insurance	20,402	23,000	13,490	13,680	1.41%
Subscriptions & Memberships	527	800	1,100	1,100	0.00%
Bad Debt Expense	6,726	0	0	0	0.00%
Lab/Testing	40,870	60,000	55,000	60,000	9.09%
ADEQ Annual Fee	21,794	31,000	25,000	30,000	20.00%
Equipment Rental	0	0	0	0	0.00%
ASRS OPEB Expense	(1,301)	0	0	0	0.00%
ASRS Pension Expense	28,626	0	0	0	0.00%
Total Other Services & Charges	635,001	654,110	629,475	660,300	4.90%

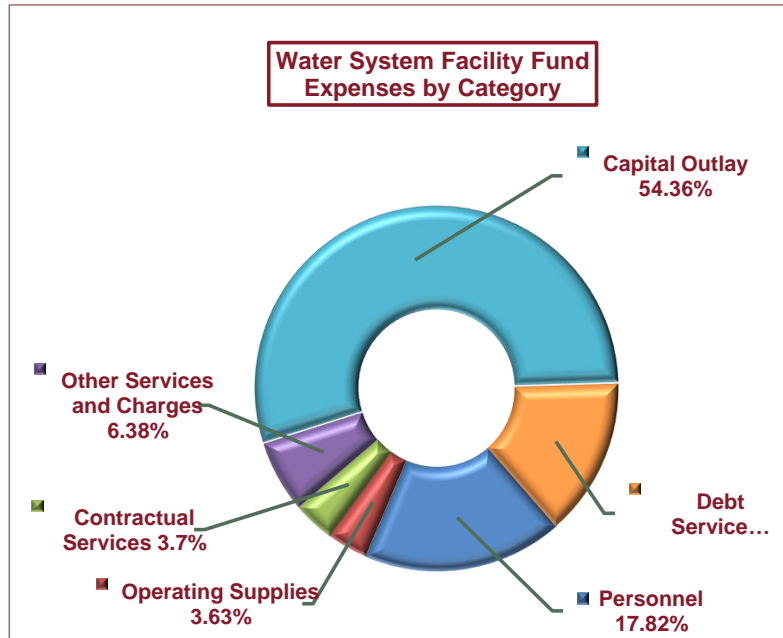
Debt Service

2015 Excise Bond–Principal	0	106,030	106,030	109,090	2.89%
2015 Excise Bond–Interest	85,072	82,500	82,500	79,320	-3.85%
Bond Issuance Costs	0	0	0	0	0.00%
2015 Excise Bond–Trustee Fees	0	0	0	0	0.00%
Investment Expense	1,451	1,800	1,080	1,080	0.00%
Total Debt Service	86,523	190,330	189,610	189,490	-0.06%



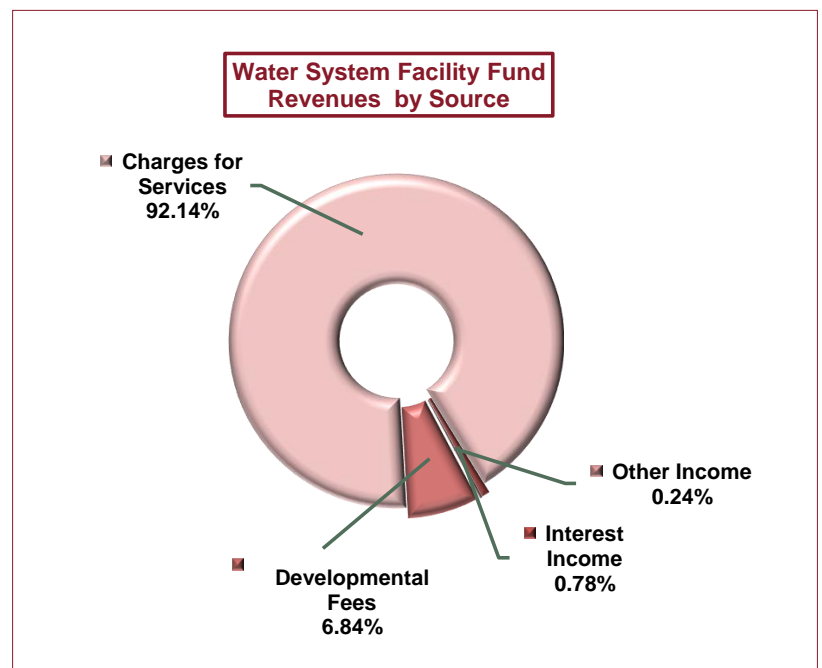
Water System Facility Fund—Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services and Charges	Capital Outlay	Debt Service		Total
Subtotals	\$2,298,760	\$468,500	\$478,000	\$822,880	\$7,013,430	\$1,820,425		\$12,901,995
Totals	\$2,298,760	\$468,500	\$478,000	\$822,880	\$7,013,430	\$1,820,425		\$12,901,995



Water System Fund Fund Summary	
Revenues	\$12,901,995
Expenses	12,901,995
Revenues over/(under) Expenses	\$0
Other Funding Sources/Uses	\$0
(Use)/Source of Retained Earnings	\$0

Water System Facility Fund Revenues by Source	
Developmental Fees	\$610,950
Charges for Services	8,232,700
Interest Income	70,010
Other Income	21,400
Other Financing Sources	0
Proceeds from Bonds	0
Total Resources Available	\$8,935,060





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

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Retained Earnings	\$11,886,874	\$22,115,545	\$24,521,390	\$25,390,120	3.54%
Less: Designated Reserves	11,886,874	22,135,165	25,733,330	21,423,185	-16.75%
Cash Reserves	153,340	0	0	0	0.00%
Appropriated Retained Earnings	(153,340)	(19,620)	(1,211,940)	3,966,935	0.00%
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	8,030,020	8,528,095	8,227,205	8,232,700	0.07%
Reserves	607,936	608,925	610,980	610,950	0.00%
Uses of Monies & Properties					
Interest Income	95,892	80,400	61,580	70,010	13.69%
Miscellaneous Revenues					
Other Income	(324,602)	19,440	32,000	21,400	-33.13%
Total Revenue Sources	8,409,246	9,236,860	8,931,765	8,935,060	0.04%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	8,255,906	9,217,240	7,719,825	12,901,995	67.13%
Expenses:					
Personnel	1,706,399	1,985,220	1,920,400	2,298,760	19.70%
Operating Supplies	452,656	426,000	356,510	468,500	31.41%
Contractual Services	496,022	500,710	471,090	478,000	1.47%
Other Services and Charges	628,365	678,570	612,350	822,880	34.38%
Depreciation	1,129,284	0	0	0	0.00%
Capital Outlay	330,481	3,823,300	2,539,000	7,013,430	176.23%
Debt Service	368,806	1,803,440	1,820,475	1,820,425	0.00%
Total Expenses	5,112,013	9,217,240	7,719,825	12,901,995	67.13%
Other Uses:					
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%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	5,112,013	9,217,240	7,719,825	12,901,995	67.13%
Ending Retained Earnings Designation					
Operating Surplus/(Losses)	3,143,893	0	0	0	0.00%
Designated Reserves FYs prior to 2023	153,340	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	21,070,819	0	0	0	0.00%
Unassigned	153,338	22,135,165	25,733,330	21,423,185	-16.75%
ENDING RETAINED EARNINGS	\$24,521,390	\$22,135,165	\$25,733,330	\$21,423,185	-16.75%

WATER DEPARTMENT



Top row, l. to r.: Ryker Ullery, Mike Traynor, Anthony Rojas, Bo Dashan, Geoffrey Ray, Manny Durbin, Ajaye Waterfield, Tom Whitmer, Tony Luna, Russell Frey, Tracen Hinds, Cody Bailey, Terry van Hecke, Matt Westcott, Martin Felix, Billy Bolton, Bill Burden, Ashton Talbert Jr., Jesse Fransk, Hector Zapata-Sandoz, Mike Voit and Wailly Wilburn.

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 2022

Financial
Accountability



Improve
Infrastructure



Employee
Retention



Completed the audit of the Utility Department.

Installed four new arsenic treatment systems at wells that experience elevated levels of arsenic to ensure compliance with safe drinking water requirements.

Completed the replacement of more than 1,39 manual read meters with remote read meter to improve and enhance the accuracy and efficiency of collecting and entering monthly water use data.

Replaced the media at Mesquite Hills arsenic treatment system.

Replaced an aging water line in the alley between 5th and 6th streets, off of Main Street to ensure more reliable water delivery service to Old Town.

Replaced the check valves at Quail Canyon wellsite to eliminate water hammering and protect the integrity of the water distribution system.

Implemented a program to incentivize Utilities staff to obtain advanced certifications in treatment, collection and distribution of water and wastewater.

Our Strategic Goals for FY 2023

Sustainable
Growth &
Development



Ensure Quality of
Life



Improve
Infrastructure



Financial
Accountability



Replace aging and deteriorating arsenic removal systems at wells 1-1, 1-2, and 4-2.

Replace manually read water meters with new remotely read water meters in neighborhoods that fall specifically in billing cycle 2.

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

Upgrade Quail Canyon well #2 in order to increase capacity and also install pipeline from this well to the newly constructed Quail Canyon #1 storage reservoir.



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)

	2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <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		50%	100%	
3.3.3. Project WET - Water festival	\$1,000		\$1,000	\$1,000

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

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)

	2020 <i>Actual</i>	2021 <i>Actual</i>	2022 <i>Estimate</i>	2023 <i>Anticipated</i>
4.5.x. Replace water meters		20%	100%	
4.5.x. Replace arsenic removal systems		20	30%	40%

Process Status:

Supplemental Data: Capital Outlay

Item Description	2021	2022		2023
	Actual	Budget	Revised	Adopted
Water System Upgrades & Reservoir / Water Line – Hwy 260	\$160,359	\$1,375,000	\$875,000	\$3,973,430
Valve Repair		100,000		420,000
Line Replacements & Extensions	14,619	250,000	15,000	475,000
W Mingus Reconstr. & Syst. Upgr.				
Water Storage/Well Booster Station	101,323	100,000	62,000	160,000
Well Improv., Booster & Constr.	9,106	435,000	150,000	625,000
Fire Hydrants Improv. & Quail Cyn Res.	12,822	40,000	15,000	25,000
Utility Backhoe Replacement		808,300	450,000	635,000
Arsenic Mitigation Equipment	32,252	715,000	972,000	700,000
Totals	\$330,481	\$3,823,300	\$2,539,000	\$7,013,430



Health and Sanitation	Water System Facility	Fund 50—Enterprise Fund	Cost Center: 7XXX		
Summary by Category					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,706,399	\$1,985,220	\$1,920,400	\$2,298,760	19.70%
Operating Supplies	452,656	426,000	356,510	468,500	31.41%
Contractual Services	496,022	500,710	471,090	478,000	1.47%
Other Services and Charges	628,365	678,570	612,350	822,880	34.38%
Depreciation (net)	1,129,284	0	0	0	0.00%
Capital Outlay	330,481	3,823,300	2,539,000	7,013,430	176.23%
Transfers Out—Debt Service	0	0	0	0	0.00%
Debt Service	368,806	1,803,440	1,820,475	1,820,425	0.00%
Department Totals	\$5,112,013	\$9,217,240	\$7,719,825	\$12,901,995	67.13%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Development Reserves	\$610,950	4.74%
Charges for Services	8,232,700	63.81%
Miscellaneous Revenues	91,410	0.71%
Fund Balance	3,966,935	30.75%
Total Funding		100.00%

Supplemental Data: Personnel				
Authorized Positions	Number of FTEs			Budget
Job Classifications	2021	2022	2023	2023
Utilities Director	1.00	1.00	1.00	\$156,035
Utilities Manager	0.50	0.50	0.50	47,895
Utility Operations Manager	1.00	1.00	1.00	81,035
Utility Engineer	0.00	1.00	1.00	85,800
Utility Billing Supervisor	0.65	0.65	0.65	35,720
GIS Technician II	0.00	1.00	1.00	43,225
Engineering Assistant	1.00	0.00	0.00	0
Operations Foreman	1.00	1.00	1.00	54,305
Electrician (Lead)	0.50	1.00	1.00	57,290
Arsenic Treatment Specialist III	1.00	1.00	1.00	44,105
PW & Utility Inspector	1.00	1.00	1.00	53,905
Water System Operator III	1.00	1.00	1.00	42,940
Arsenic Treatment Specialist II	1.00	1.00	1.00	48,625
Equipment Operator	3.00	3.00	3.00	150,075
Water System Operator II	3.00	3.00	3.00	56,855
Senior Administrative Assistant	0.50	0.50	0.50	20,735
Electrical Technician	0.50	0.00	0.00	0
Field Services Specialist	1.00	1.00	1.00	51,565
Water System Operator I	1.00	1.00	1.00	133,885
Utility Technician	3.00	3.00	3.00	114,560
Utility Billing Clerk	1.95	1.95	1.95	66,210
COLA				74,685
Merit Contingency				17,770
Overtime				133,000
Holiday Pay				6,000
Certification Pay				18,000
Car & Clothing Allowance				12,900
Retirement				194,010
Insurance & Taxes				496,130
Employee Related Expenses				1,500
Totals	23.60	24.60	24.60	\$2,298,760



Health and Sanitation	Water System Facility	Fund 50—Enterprise Fund	Cost Center: 7XXX		
Supplemental Data: Expenditures					
Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	

Operating Supplies					
Office Supplies	7,666	7,500	7,000	8,000	14.29%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	32,733	36,000	36,000	40,000	11.11%
Operational Supplies	72,386	35,000	40,000	50,000	25.00%
Small Tools	13,804	5,000	5,000	5,000	0.00%
Other Chemicals	34,148	27,000	41,000	45,000	9.76%
Vehicle Maintenance & Repairs	25,195	25,000	25,000	25,000	0.00%
Equipment Maintenance & Repairs	229,923	250,000	160,000	250,000	56.25%
Building Maintenance & Repairs	256	2,000	2,400	2,000	-16.67%
Postage & Freight	36,545	38,500	40,110	43,500	8.45%
Total Supplies	452,656	426,000	356,510	468,500	31.41%

Contractual Services					
Contractual Services - M&O	229,164	195,000	200,000	205,000	2.50%
Computer Support	7,760	8,210	6,190	6,500	5.01%
General Counsel	0	0	0	0	0.00%
Custodial Contract	3,879	4,000	3,800	4,000	5.26%
Employee Physicals/Drug Tests	2,178	2,500	1,100	2,500	127.27%
Recruitment Expense	997	1,000	0	0	0.00%
Indirect Cost to General Fund	252,044	290,000	260,000	260,000	0.00%
Lease Financing Principal	0	0	0	0	0.00%
Lease Purchase Payments	0	0	0	0	0.00%
Total Contractual Services	496,022	500,710	471,090	478,000	1.47%

Other Services and Charges					
Legal Advertising	0	0	0	0	0.00%
Printing & Forms	0	0	0	0	0.00%
Bank Charges	6,135	6,150	6,150	6,150	0.00%
Auction Fees	0	0	0	0	0.00%
Utilities	413,953	419,770	430,110	451,630	5.00%
Telephone	10,765	12,610	13,500	14,180	5.04%
Payment Assistance Program	10,750	15,000	0	15,000	0.00%
Travel & Training	9,837	12,000	9,050	14,800	63.54%
Subscriptions & Memberships	1,502	2,000	1,800	2,000	11.11%
Liability Insurance	32,061	45,040	17,430	31,120	78.54%
Liability Insurance Deductible	3,387	0	0	0	0.00%
Bad Debt	31,994	0	0	0	0.00%
Arsenic System Maintenance	62,795	85,000	95,000	225,000	136.84%
Lab/Testing	19,393	30,000	12,900	25,000	93.80%
ADEQ Annual Fee	3,000	27,000	12,000	12,000	0.00%
Aid in Lieu of Construction	8,638	8,000	410	0	-100.00%
Verde River Days	0	1,000	0	1,000	0.00%
Equipment Rental	0	1,000	0	0	0.00%
Trust Land Annexation	0	0	0	11,000	0.00%
Investment Expense	14,155	14,000	14,000	14,000	0.00%
Trustee Fees-2015 Excise Bond	0	0	0	0	0.00%
Bond Issuance Costs	0	0	0	0	0.00%
Total Other Services & Charges	628,365	678,570	612,350	822,880	34.38%



Health and Sanitation	Water System Facility	Fund 50–Enterprise Fund	Cost Center: 8XXX
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Supplemental Data: Expenditures
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Item Description	2021	2022		2023	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%
Issuance Costs	0	0	0	0	0.00%
Principal - 2006 MPC Bond	0	0	0	0	0.00%
Intreest - 2006 MPC Bond	(29,672)	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	16,316	694,720	678,045	692,960	2.20%
Interest - 2015 WIFA Bond	154,334	139,380	140,090	125,180	-10.64%
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	711,525	744,525	757,215	1.70%
Interest - 2016 WIFA Bond	191,741	179,270	179,270	166,580	-7.08%
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	34,087	33,060	33,060	31,780	-3.87%
Principal - 2015 Excise Bond	-	42,485	42,485	43,710	2.88%
Trustee Fees - 2015 Excise Bond	1,000	1,000	1,000	1,000	0.00%
Total Debt Service	368,806	1,803,440	1,820,475	1,820,425	0.00%



Water Infrastructure Finance Authority 2015 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
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
Totals	\$5,640,717				\$535,623	\$6,176,340

*The balance of the loan is based on funds drawn to date.
Moody's rating for this loan is Baa2.



Water Infrastructure Finance Authority 2016 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
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
Totals	\$10,915,831				\$1,346,004	\$12,261,835

Moody's rating for this loan is Baa2.



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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.

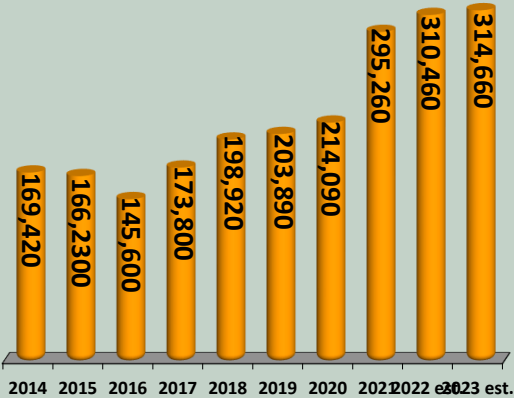
Fiduciary Funds

Alternative Pension and Benefits Plan Fund

Employee Benefit Trust Fund

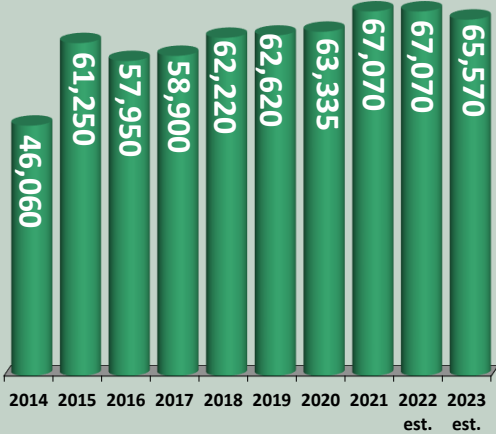
Fund Balance Summary - FYE 06/30

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	2021	2022		2023
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	205,475	276,305	362,050	377,530
Less: Designated Reserves	205,475	280,505	377,530	380,230
Cash Reserves	0	0	0	0
Appropriated Fund Balance	0	(4,200)	(15,480)	(2,700)
Revenue Sources:				
Taxes	\$0	0	0	\$0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	97,723	13,000	22,580	11,500
Miscellaneous Revenues	(928)	0	0	0
Total Revenue Sources	96,795	13,000	22,580	11,500
Other Financing Sources:				
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
Total Other Financing Sources	0	0	0	0
Total Available Resources	96,795	8,800	7,100	8,800
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	2,130	3,800	2,100	3,800
Other Services and Charges	5,086	5,000	5,000	5,000
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	7,216	8,800	7,100	8,800
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenditures and Other Uses	7,216	8,800	7,100	8,800
Ending Retained Earnings				
Operating Surplus/(Losses)	89,579	0	0	0
Designated Reserves FYs prior to 2023	0	0	0	0
Cash Reserves FYs prior to 2023	0	0	0	0
Restricted	0	280,505	377,530	380,230
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
ENDING RETAINED EARNINGS	\$89,579	\$280,505	\$377,530	\$380,230



Alternative Pension and Benefits Plan Fund Revenues / Expenditures

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$205,475	\$209,675	\$295,260	\$310,460	5.15%
Less: Designated Reserves	205,475	213,875	310,460	314,660	1.35%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	(4,200)	(15,200)	(4,200)	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
City Contribution / Fire Ins Premium	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	96,671	11,000	22,000	11,000	-50.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	96,671	11,000	22,000	11,000	-50.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	96,671	6,800	6,800	6,800	0.00%
Expenditures:					
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	5,086	5,000	5,000	5,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	6,886	6,800	6,800	6,800	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	6,886	6,800	6,800	6,800	0.00%
Ending Retained Earnings					
Operating Surplus/(Losses)	89,785	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	205,475	213,875	310,460	314,660	1.35%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING RETAINED EARNINGS	\$295,260	\$213,875	\$310,460	\$314,660	1.35%



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ALTERNATIVE PENSION AND BENEFITS PLAN FUND

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 2022

Financial Health



Maintained the financial health of the pool.

The Strategic Goals for FY 2023

Financial Accountability & Transparency



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	2021	2022		2023	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	5,086	5,000	5,000	5,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$6,886	\$6,800	\$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%
Total Funding		<u>100.00%</u>

****Performance indicators do not apply to this fund****



Employee Benefit Trust Fund Revenues / Expenditures

Item Description	2021	2022		2023	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Retained Earnings	\$0	\$66,630	\$66,790	\$67,070	0.42%
Less: Designated Reserves	0	66,630	67,070	65,570	-2.24%
Cash Reserves	0	0		0	0.00%
Appropriated Retained Earnings	0	0	(280)	1,500	0.00%
Revenue Sources:					
Uses of Monies & Properties					
Interest Income	\$1,052	\$2,000	\$580	\$500	-13.79%
Miscellaneous Revenues					
Other Income	(928)	0	0	0	0.00%
Total Revenue Sources	124	2,000	580	500	-13.79%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	124	2,000	300	2,000	566.67%
Expenses:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	330	2,000	300	2,000	566.67%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenses	330	2,000	300	2,000	566.67%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	330	2,000	300	2,000	566.67%
Ending Retained Earnings					
Operating Surplus/(Losses)	(206)	0	0	0	0.00%
Designated Reserves FYs prior to 2023	0	0	0	0	0.00%
Cash Reserves FYs prior to 2023	0	0	0	0	0.00%
Restricted	0	66,630	67,070	65,570	-2.24%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
ENDING RETAINED EARNINGS	(206)	\$66,630	\$67,070	\$65,570	-2.24%



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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 2022

N/A

The Strategic Goals for FY 2023

N/A



Internal Services	Employee Benefit Trust Fund		Fund 60		Cost Center: XXXX	
Summary by Category						
Item	2021	2022		2023	Percent Change	
Description	Actual	Budget	Revised	Adopted		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	330	2,000	300	2,000	566.67%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$330	\$2,000	\$300	\$2,000	566.67%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Interest Income	\$500	25.00%
Miscellaneous Revenues	0	0.00%
Retained Earnings	1,500	75.00%
Total Funding		<u>100.00%</u>

****Performance indicators do not apply to this fund****



CAPITAL OUTLAY

GENERAL FUND

Department	Equipment & Project Description	Requested	Budgeted
Finance Department	Servers–Annual Lease & Maintenance	\$107,105	\$107,105
	Subtotal	\$107,105	\$107,105
Information Technology	Servers–Annual Lease & Maintenance	\$82,000	\$82,000
	ZetronNovus–Replacement	320,000	320,000
	Police Department–MDC replacement	36,000	36,000
	Fire & Medical–Portable Radios Replacement	54,000	54,000
	Audiovisual Equipment Replacement	96,000	96,000
	Public Safety Bldg.–AV & Software Replacement	88,000	-
	PD - Mobile Radio Replacement	81,000	81,000
	Public Safety Complex–Surveillance System Replc.	27,000	27,000
	Radio Towers at Dead Horse State Park and at Prairie Lane	12,000	12,000
	Council Chambers–Projector Replacement		
	Rapid Notifications–Replace or reduce HipLink	14,000	14,000
	Spillman Interface Module link TracS–Accident Software	30,000	30,000
	City Wi-Fi Unit Replacements–One Area at a time	18,750	18,750
	Network Switches and Firewalls	147,500	-
	Subtotal	\$1,006,250	\$770,750
Engineering Services	Truck–Carryover from FY 2022	\$35,000	\$35,000
	Del-Monte Wash and Trail Funds–Carryover FY 2022	21,000	21,000
	New Truck–Storm Water Specialist	45,000	45,000
	Subtotal	\$101,000	\$101,000
Community Development	Truck–Carryover from FY 2022	\$42,000	\$42,000
	Supplemental Plan Review Software	7,000	7,000
	Historic Preservation Grant	20,000	20,000
	Plotter–Replacement	15,000	15,000
	New Community Development Vehicle	30,000	30,000
	Multi-function Printer - Carryover FY 2022	5,065	5,065
	Subtotal	\$119,065	\$119,065
Parks & Building Maintenance	John Deere Mower	\$11,400	\$11,400
	Generator (Public Safety Building)–Carryover	78,555	78,555
	New Truck–Carryover FY 2022	45,000	45,000
	Bobcat–Cemetery & Parks	57,000	57,000
	Reach Lift	237,000	237,000
	ATV (Side by Side) Weed Sprayer	20,000	20,000
	Sodcutter	8,000	8,000
	Subtotal	\$456,955	\$456,955
Fire & Medical Services	Aerial Fire Apparatus–Rollover from FY 2022	\$1,000,000	\$1,000,000
	First Responder Fire Apparatus	800,000	800,000
	Staff Vehicle	70,000	-
	Furniture	10,000	10,000
	Subtotal	\$1,880,000	\$1,810,000



Capital Outlay

GENERAL FUND

Department	Equipment & Project Description	Requested	Budgeted
Police Department	Evidence Building	\$500,000	-
	Unmanned Aerial Drone–Grant	32,500	-
	K-9 Kennel Area	15,000	\$15,000
	Connex Storage for Fire Arms–At Range	9,000	9,000
	SWAT Robot-Throw Bot–small robot to use at SWAT Scene–Grant Only	20,000	20,000
	SWAT Body Armor (Vests & Masks–New Additional)	20,000	20,000
	Traffic Accident Investigative Equipment– Leica RTC360 Laser Scanner Grant	23,750	23,750
	Traffic Accident Investigative Equipment–Total Station Grant	7,500	7,500
	Two (2) SWAT Shields–Replacements	5,000	5,000
	Various–GOHS Grants & Other Grants	276,080	276,080
	AZ State Parks–ATV Grant	60,000	60,000
	Surveillance Security Trailer–For Events	65,000	-
	Outreach Service Outreach Services Trailer	6,000	6,000
	Vehicles (3)	150,000	150,000
	Subtotal	\$1,189,830	\$592,330
Parks & Recreation (incl. Pool)	Move Dog Park	\$32,500	-
	Phase 2 Riverfront Trail Design	20,000	\$20,000
	Phase 2 Riverfront Trail Construction	130,000	130,000
	Design and Install Splash Pad	560,000	560,000
	New Sport Field Design - Riverfront Park	250,000	250,000
	Outdoor Pool Equipment	14,000	14,000
	Subtotal	\$1,006,500	\$974,000
Recreation Center	Cameras–Equipment & Installation	\$10,000	\$10,000
	Fix Gym Radio–Equipment & Installation	6,000	6,000
	Renovate Indoor Pool Slide	22,000	22,000
	Pump	5,400	-
	Replace Cardio Equipment	85,200	-
	Streaming Service–Equipment & Installation	19,000	19,000
	Upgrade Alarm	6,000	-
	Replace Pool Filtration System–Equipm. & Installation	30,000	30,000
	Replace Carpet	15,000	-
	Replace Counters	15,000	-
	Replace Tot Slide	17,000	17,000
	Subtotal	\$230,600	\$104,000
Total General Fund–Capital Outlay		\$6,097,305	\$5,035,205



Capital Outlay

SPECIAL REVENUE FUNDS

Department	Equipment & Project Description	Requested	Budgeted
Streets Maintenance & Operations	Truck—Carryover FY 2022	\$30,000	\$30,000
	Truck—New	40,000	40,000
	Crack Seal Material	49,500	49,500
	Replacement Dump Truck	80,000	80,000
	Replacement Flail Mower Attachment	7,000	7,000
	Subtotal	\$206,500	\$206,500
Streets Construction	Club House Parking Lot	\$837,600	
	Public Safety—Parking Lot Paving	890,000	
	Groseta Ranch Road	450,000	\$450,000
	Annual Sidewalk Maintenance	100,000	100,000
	Sidewalk of S Monte Tesoro Drive	368,250	368,250
	Pavement Replacement—Design 6 th Street	84,000	84,000
	Design—From 89A down Main Street to Grey Fox Ridge	480,400	480,400
	Construction—from 89A down Main Street to Grey Fox Ridge	4,804,000	-
	Design—Roundabout 10 th and Main Street	80,000	80,000
	Hwy 89A—Bridgeport to Main Street—HURF Exchange	534,965	534,965
	Pavement Preservation	750,000	750,000
	Subtotal	\$9,379,215	\$2,847,615
Transit	Canopy—Carryover	\$260,000	\$230,000
	Bus Shelter—Carryover	17,500	35,000
	Van (1)	63,000	63,000
	Buses (5)	925,000	925,000
	Subtotal	1,265,500	\$1,253,000
Library	Restrooms	\$15,000	\$15,000
	Acoustic Ceiling Tiles	15,000	15,000
	Security Gates	35,000	35,000
	Grant Projects	50,000	50,000
	Subtotal	\$115,000	\$115,000
Cemetery	Discharge Line	\$386,500	
	Subtotal	\$386,500	\$0
Airport	Small Vehicle or ATV	\$40,000	\$40,000
	Subtotal	40,000	\$40,000



Capital Outlay

SPECIAL REVENUE FUNDS

Department	Equipment & Project Description	Requested	Budgeted
Other Grants	Fuel Farm–100% City	\$25,000	
	Taxiway A–Design & Engineering	191,740	\$191,740
	Fencing–Security Upgrades	318,000	318,000
	Environmental Assessment Runway Strengthening & Extension	300,000	300,000
	Pavement Preservation of Runway 14/32	221,420	221,420
	Subtotal	1,056,160	\$1,031,160
CDBG	Verde Valley Homeless Coalition–Transitional Housing	\$750,000	\$750,000
	Subtotal	\$750,000	\$750,000
Capital Projects Fund	Railroad Wash Improvements	\$315,000	\$315,000
	City Hall–Design & Build	18,260,000	17,883,330
	Subtotal	\$18,575,000	\$18,198,330
Total Special Revenue Funds–Capital Outlay		\$31,773,875	\$24,441,605



Capital Outlay

ENTERPRISE FUNDS

Department	Equipment & Project Description	Requested	Budgeted
Wastewater Construction	Rehabbing Lift Station 2–Construction & Equipment	\$1,540,000	\$1,540,000
	Blower Aeration Improvements	7,400,000	7,400,000
	Mingus WWTP Generator	750,000	750,000
	Odor Control–Lift Station 3	22,500	22,500
	Underground Repairs	100,000	100,000
	Sand Replacement–Mingus	20,000	20,000
	SCADA - Mingus	170,000	170,000
	Injection Well Design & Development	910,000	910,000
	Lift Station 5–Generator	67,500	67,500
	TSS Probes	20,000	20,000
	Pipeline Inspection System–Camera & Van	319,000	319,000
	Odor Control Unit–Mingus Wastewater Treatment Plant (WWTP)	130,000	130,000
	Electric Gates–Mingus (WWTP)	30,000	30,000
	Mingus WWTP–Walk Way	65,000	65,000
	Manhole Monitoring	65,000	65,000
	Crossover Utility Vehicle	20,000	20,000
	Centrifuge Assessment	150,000	150,000
	Replace Sand Filter at Riverfront	750,000	750,000
	Direct Potable Reuse Study	100,000	100,000
	Drying Bed Repair	50,000	50,000
Subtotal		\$12,679,000	\$12,679,000
Water Administration	Injection Well–Design and Construction Reserve Funds	\$750,000	\$750,000
	Software Backflow–Cross Connection Control	11,000	11,000
Subtotal		\$761,000	\$761,000
Water Construction	Meter Replacements	\$525,000	\$525,000
	Fire Hydrant Improvements	25,000	25,000
	Dump Truck	80,000	80,000
	New Roof Barn–Building Maintenance	200,000	200,000
	Well Booster and Fire Pumps	160,000	160,000
	Trucks–Carryover	80,000	80,000
	Water System Valves (GPS)	420,000	420,000
	Water System Upgrade–SCADA	350,000	350,000
	Wells Improvements	380,000	380,000
	Well 3-1 Reservoir–Inspection and Repair or Replacement	200,000	200,000
	Water Main Replacement	450,000	450,000
	Covers–Arsenic Units 6-2, 8-2, 8-9 & Yuma	50,000	50,000
	Water Model Development per ADA Requirement	250,000	250,000
	Line Extension Design & Construction	25,000	25,000
	Water System Upgrades–Highway 260 (SCADA)	2,098,430	2,098,430
	Reservoir Inspection	45,000	45,000
	Generator	275,000	275,000
	Arsenic Systems	650,000	650,000
Subtotal		6,263,430	6,263,430
Total Enterprise Funds–Capital Outlay		\$19,703,430	\$19,703,430
Grand Total–All Capital Equipment & Projects		\$57,574,610	\$49,180,240

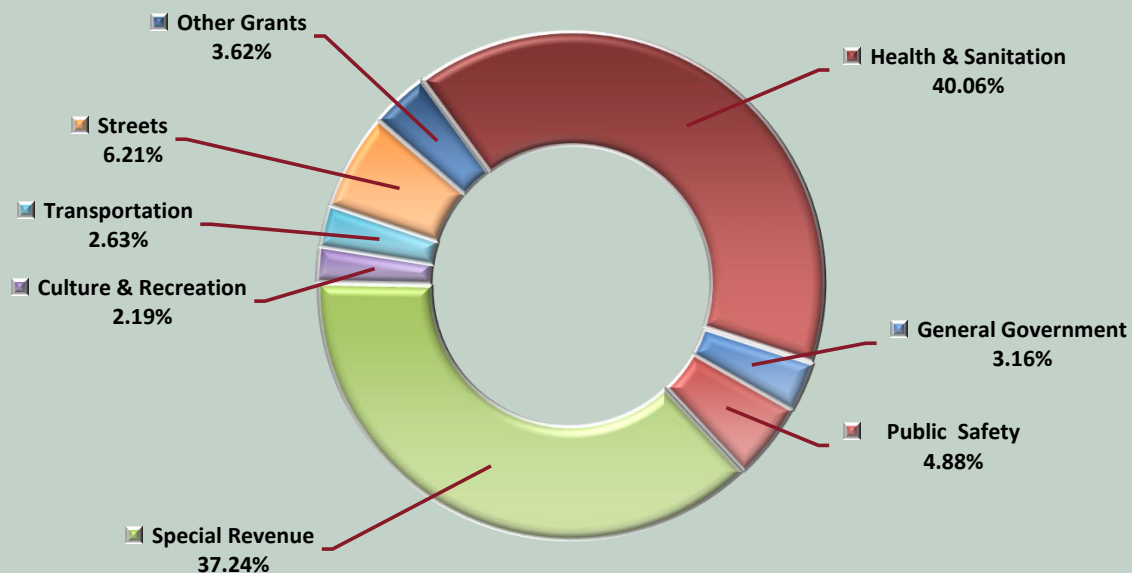


Capital Outlay Summary

Function	Department	Capital	
		Equipment	Project
General Fund	Administration	\$0	
	Finance Department	107,105	
	Information Technology	770,750	
	Community Development	99,065	\$20,000
	Engineering	80,000	21,000
	Parks & Building Maintenance	456,955	
Public Safety	Police	592,330	
	Fire & Medical Services	1,810,000	
Culture & Recreation	Parks & Recreation	574,000	400,000
	Recreation Center	104,000	
Special Revenue	Streets Operations	206,500	
	Streets Construction		2,847,615
	Transit	1,253,000	
	Airport	40,000	
	Library	115,000	
	Cemetery		
	Other Grants		1,031,160
	CDBG		750,000
	Capital Projects Fund		18,198,330
	Water Administration		761,000
Health & Sanitation	Water Construction	580,000	5,683,430
	Wastewater Construction	857,500	11,821,500

Total Capital Equipment & Projects
\$7,646,205
\$41,534,035

Capital Outlay by Function – Fiscal Year 2023





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				Salary Range		Range Number
Job Classifications	2021	2022	2023	Min	Max	
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
Airport Manager	1.00	0.00	0.00	6,469	9,703	33
Assistant to City Manager	1.00	0.00	0.00	3,602	5,403	21
Executive Assistant	0.00	1.00	1.00	4,170	6,255	24
Facility Reservation/Airport Coordinator	0.00	0.50	0.50	3,112	4,667	18
Management Analyst	0.00	0.00	1.00	3,971	5,957	23
Total	4.00	3.50	4.50			
City Clerk's Office						
City Clerk	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			
Economic Development						
Tourism & Econ. Development Director	1.00	1.00	1.00	5,867	8,801	31
Marketing & Public Information Spec.	1.00	0.50	0.50	3,971	5,957	23
Facs. Rsvn. & Airport Coordinator	1.00	0.25	0.00	3,112	4,667	18
Administrative Assistant	0.00	0.00	0.00	2,438	3,657	13
Total	3.00	1.75	1.50			
Finance Department						
Financial Services Director	1.00	1.00	1.00	7,863	11,794	37
Accounting Manager	0.00	0.00	1.00	6,469	9,703	33
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	4.50			
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
Rish Management and Safety Analyst	0.00	0.00	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	3.50			
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	2.00	3,971	5,957	23
IT Technician I	2.00	2.00	1.00	3,602	5,403	21
Total	7.00	7.00	7.00			
Purchasing Division						
Purchasing/Contract Administrator	1.00	1.00	1.00	5,068	7,603	28
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)	0.80	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	1.00	1.00	1.00	2,963	4,445	17
Court Clerk I	2.00	2.00	2.00	2,688	4,032	15
Total	4.80	4.80	4.80			

Authorized Positions by Fiscal Year

Authorized Positions				Salary Range		Range Number
Job Classifications	2021	2022	2023	Min	Max	
Community Development						
Community Development Director	1.00	1.00	1.00	7,488	11,232	36
Senior Planner	0.00	1.00	1.00	4,827	7,240	27
Planner	2.00	1.00	1.00	4,378	6,567	25
Building Official	1.00	1.00	1.00	3,971	5,957	23
Assistant Planner/CE Coordinator	1.00	1.00	1.00	3,602	5,403	21
Assistant Planner	0.00	0.00	1.00	3,430	5,146	20
Building Inspector	1.00	1.00	1.00	3,112	4,667	18
Permit Technician/Specialist	0.00	1.00	1.00	3,112	4,667	18
Administrative Assistant	1.00	1.00	1.00	2,688	4,032	15
Total	7.00	8.00	9.00			
Engineering Services Department						
Public Works Director	1.00	0.00	0.00	7,488	11,232	36
City Engineer	1.00	0.00	0.00	5,588	8,382	30
Senior Engineer	0.00	1.00	1.00	6,469	9,703	33
Stormwater Specialist	0.00	0.00	1.00	3,602	5,403	21
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	4.00	3.00	4.00			
Public Works						
Public Works (PW) Director	0.25	1.00	0.50	6,469	9,703	33
Public Works & Utility Mtce Spec	1.00	1.00	1.00	2,822	4,233	16
Administrative Assistant	1.00	1.00	0.00	2,438	3,657	13
Total	2.25	3.00	1.50			
Parks & Bldg Maintenance Dept						
Facilities Superintendent	1.00	1.00	1.00	5,322	7,983	29
Lead Maintenance Tech I	0.00	0.00	1.00	3,112	4,667	18
PW Facilities Maintenance Tech. I	3.00	3.00	3.00	2,822	4,233	16
PW Maintenance Technician I	5.00	5.00	4.00	2,822	4,233	16
Total	9.00	9.00	9.00			
Parks and Recreation						
Parks & Recreation Director	0.00	0.00	0.50	6,469	9,703	33
Parks & Recreation Manager	0.55	0.50	0.00	4,378	6,567	25
Marking & PI Specialist	0.00	0.50	0.50	3,971	5,957	23
Recreation Coordinator II	0.70	0.90	2.35	3,267	4,901	19
Fitness Center Coordinator	0.10	0.00	0.00	2,822	4,233	16
Recr. Information & Bus. Spec.	0.75	0.00	0.00	2,963	4,445	17
Recreation Aide (Cust Svs & Res. Spc)	0.00	0.25	0.25	3,112	4,667	18
Head Lifeguard	0.00	0.00	0.30	2,822	4,233	16
Front Desk Supervisor	0.15	0.15	0.15	2,822	4,233	16
Total	2.25	2.30	4.05			
Youth Center						
Parks & Recreation Manager	0.05	0.05	0.05	6,469	9,703	33
Recreation Coordinator II - Youth	0.80	0.90	0.90	3,267	4,901	19
Total	0.80	0.95	0.95			



Authorized Positions by Fiscal Year

Authorized Positions				Salary Range		Range
Job Classifications	2021	2022	2023	Min	Max	Number
Community Recreation Center						
Parks & Recreation Director	0.00	0.00	0.45	6,469	9,703	33
Parks & Recreation Manager	0.45	0.45	0.00	4,378	6,567	25
Recreation Coordinator II	0.40	2.20	2.75	3,267	4,901	19
(Head) Lifeguard	0.00	0.00	1.70	2,822	4,233	16
Fitness Center Coordinator	0.90	0.00	0.00	2,822	4,233	16
Recreation Coordinator II - Youth	0.10	0.00	0.00	2,822	4,233	16
Recr. Information & Bus. Spec.	0.25	0.00	0.00	2,963	4,445	17
Front Desk Supervisor	0.85	0.85	0.85	2,822	4,233	16
Total	2.95	3.50	5.75			
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	8.00	8.00	8.00	5,322	7,983	29
Pant Officer	1.00	2.00	2.00	4,170	6,255	24
Police Officer	21.00	22.00	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	2.00	2.00	2,688	4,032	15
Records Clerk	2.00	2.00	3.00	2,688	4,032	15
Total	39.00	43.00	44.00			
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			
General Fund Totals	147.05	150.80	159.05			



Authorized Positions by Fiscal Year

Authorized Positions				Salary Range		Range Number
Job Classifications	2021	2022	2023	Min	Max	
Streets Maintenance						
Streets Superintendent	0.75	0.75	0.00	4,827	7,240	27
Public Works (PW) Director	0.00	0.00	0.50	7,488	11,232	36
Lead PW Maintenance Technician II	0.00	0.00	1.00	3,430	5,146	20
PW Maintenance Technician II	4.00	5.00	5.00	2,560	3,840	14
Total	4.75	5.75	6.50			
CAT/LYNX						
Transportation Manager	1.00	1.00	1.00	5,322	7,983	29
Transportation Field Supervisor	3.00	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	15.00	2,688	4,032	15
Total	19.00	19.00	21.00			
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	0.00	0.00	0.00	2,560	3,840	14
Library Specialist	4.00	4.00	4.00	2,822	4,233	16
Total	8.00	8.00	8.00			
Municipal Airport						
Airport Manager	0.00	1.00	1.00	6,469	9,703	33
Facilities Reservationi/Airport Coordinator	0.00	0.25	0.25	3,112	4,667	18
Total	0.00	1.25	1.25			
Special Revenue Funds	31.75	34.00	36.75			



Authorized Positions by Fiscal Year

Authorized Positions				Salary Range		Range
Job Classifications	2021	2022	2023	Min	Max	Number

Wastewater Facility

Utilities Manager	0.50	0.50	0.50	5,322	7,983	29
Wastewater & Compliance Manager	1.00	1.00	1.00	5,322	7,983	29
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	0.00	0.00	4,597	6,896	26
Electrician	0.00	1.00	1.00	3,971	5,957	23
Wastewater Operator III	1.00	1.00	1.00	3,430	5,146	20
Wastewater Operator II	3.00	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	0.00	0.00	3,112	4,667	18
Wastewater Operator I	2.00	2.00	2.00	2,560	3,840	14
Wastewater Operator Trainee	0.00	0.00	0.00	2,322	3,483	12
Utility Billing Clerk	1.05	1.05	1.05	2,688	4,032	15
Total	11.40	11.40	11.40			

Water System Facility

Utilities Director	1.00	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	1.00	1.00	3,782	5,673	22
Utility Engineer	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	0.50	1.00	1.00	4,597	6,896	26
Arsenic Treatment Specialist III	1.00	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	0.00	0.00	3,112	4,667	18
Field Services Specialist	1.00	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	1.00	1.00	1.00	3,112	4,667	18
Water System Operator II	3.00	3.00	3.00	3,430	5,146	20
Water System Operator III	1.00	1.00	1.00	3,782	5,673	22
Total	23.60	24.60	24.60			

Enterprise Funds

35.00	36.00	36.00
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Total City-wide Authorized Full-Time Equivalents

213.80	220.80	231.80
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Resolution

RESOLUTION NUMBER 3141

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2022-2023 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 21, 2022, at which meeting any citizen was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses; and

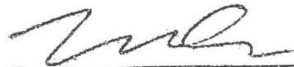
WHEREAS, publication has been duly made as required by law of said estimates, together with a notice that the City Council would meet on June 21, 2022, for the purpose of hearing citizen's comments; and

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, 2022 and ending June 30, 2023..

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 2022-2023, and establishing an expenditure limitation of \$139,423,660.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH OF JULY 2022.



Tim Elinski, Mayor

ATTEST:



Mariamne 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 2023

Fiscal year		Funds							Total all funds	
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds		
2022	Adopted/adjusted budgeted expenditures/expenses*	1	31,325,370	18,043,370	2,007,820	3,237,705	384,630	45,558,600	0	100,658,095
2022	Actual expenditures/expenses**	2	31,325,370	18,043,370	2,007,820	3,237,705	384,630	45,558,600	0	100,658,085
2023	Beginning fund balance/(deficit) or net position/(deficit) at July 1***	3	0	0	0	0	0	0	0	0
2023	Primary property tax levy	4	0							0
2023	Secondary property tax levy	5								0
2023	Estimated revenues other than property taxes	6	33,365,385	8,541,420	1,629,335	13,688,250	11,500	16,145,830	#REF!	#REF!
2023	Other financing sources	7	17,901,130	5,522,785	362,195	0	377,530	33,963,340	0	58,132,380
2023	Other financing (uses)	8	0	0	0	0	0	0	0	0
2023	Interfund transfers in	9	0	1,883,295	0	0	0	0	0	1,883,295
2023	Interfund Transfers (out)	10	1,823,175	54,120	0	0	0	0	0	1,883,295
2023	Line 11: Reduction for fund balance reserved for future budget year expenditures									
	Maintained for future debt retirement									0
	Maintained for future capital projects	11	1,803,910	3,278,585	362,195		380,230	26,535,230		32,360,550
	Maintained for future financial stability		17,019,365							17,019,365
										0
										0
2023	Total financial resources available	12	30,614,065	12,614,395	1,629,335	13,688,250	8,800	23,580,000	#REF!	#REF!
2023	Budgeted expenditures/expenses	13	51,266,515	15,951,500	2,013,135	13,688,250	385,030	50,115,230	0	139,423,680

Expenditure limitation comparison		
1	Budgeted expenditures/expenses	2022 \$ 100,658,095 2023 \$ 139,423,680
2	Add/subtract: estimated net reconciling items	(54,701,365) (48,379,515)
3	Budgeted expenditures/expenses adjusted for reconciling items	45,956,730 90,043,745
4	Less: estimated exclusions	26,722,632
5	Amount subject to the expenditure limitation	\$ 45,956,110 \$ 63,321,113
6	EEC expenditure limitation	\$ 67,165,947 \$ 67,219,900

Expenditure limitation comparison

1 Budgeted expenditures/expenses	2022	2023
2 Add/subtract: estimated net reconciling items	\$ 100,658,085	\$ 139,423,680
3 Budgeted expenditures/expenses adjusted for reconciling items	(\$4,701,385)	(48,273,315)
4 Less: estimated exclusions	45,955,110	50,043,745
5 Amount subject to the expenditure limitation	\$ 45,955,110	\$ 63,321,113
6 EEC expenditure limitation	\$ 67,165,947	\$ 67,219,800

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/expenses 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 beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts 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 2023			
Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
General Fund			
Local taxes			
City Sales Tax	\$ 16,422,730	\$ 19,071,550	\$ 20,676,755
Bed Tax	368,920	538,000	548,760
Utility Tax	383,290	383,290	390,950
Franchises	407,180	408,505	410,470
Licenses and permits			
Business Licenses	90,900	90,975	92,795
Construction Permits	286,000	715,080	575,000
Planning & Zoning Fees	127,000	167,000	137,000
Intergovernmental			
Federal Revenue	348,825	444,490	835,340
State Revenue	3,037,410	3,249,690	4,049,365
County (including Motor Vehicle Tax)	937,585	978,940	998,520
Other Entities			
Charges for services			
Dispatch & Spillman Services	965,270	1,053,050	1,105,700
Recreation Fees	958,700	813,430	914,965
Animal Control Fees	800	1,350	1,200
Other Services			
Fines and forfeits			
Municipal Court	236,550	253,945	253,450
Interest on investments			
Interest Income	65,000	30,800	35,000
In-lieu property taxes			
Contributions			
Voluntary contributions	2,000		
Miscellaneous			
Miscellaneous Income	423,160	1,263,220	548,955
Lease Proceeds			
Rentals	13,600	18,700	17,600
Other Financing Sources	22,537,000	1,493,060	1,773,560
Total General Fund	\$ 47,611,920	\$ 30,975,075	\$ 33,365,385
* 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.			
Special revenue funds			
HIGHWAY USER REVENUE FUNDS			
Fuel Tax	\$ 1,058,260	\$ 1,421,850	1,236,880
Additional Sales Tax	1,391,215	1,514,915	1,589,300
Federal Grants		438,745	
State Grants			
Other Income	3,500	4,480	320



Revenues Other Than Property Taxes (Schedule C-page 2)

City of Cottonwood Final Revenues other than property taxes Fiscal Year 2023			
Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
Total Street Maintenance & Construction	\$ 2,452,975	\$ 3,379,990	\$ 2,826,500
	3,118,245	2,891,310	4,503,360
COTTONWOOD AREA TRANSIT SYSTEM			
Intergovernmental			
Federal Grant	\$ 2,074,900	1,443,270	2,486,155
City Sales Tax	308,280	428,850	552,370
Other Entities	292,070	234,500	351,285
Charges for services			
Fare Box	\$ 51,350	141,420	228,850
Miscellaneous			
Other Income	\$ -	13,800	-
Total Cottonwood Area Transit System	\$ 2,726,600	\$ 2,261,840	\$ 3,618,660
	30,115	213,320	435,570
LIBRARY FUND			
Intergovernmental			
County Library	\$ 163,810	163,220	159,775
Charges for services			
Collection Income	\$ 2,500	-	-
Interest on investment			
Interest Income	\$ 200	200	200
Miscellaneous			
Other Income (including grants)	\$ 77,000	102,570	60,000
Total Library Fund	\$ 243,510	\$ 265,990	\$ 219,975
CEMETERY			
Intergovernmental			
State Grants	\$ -	-	-
Federal Grants	-	-	-
Charges for services			
Sale of Grave Liners	\$ 600	200	200
Uses of monies & properties			
Rental & Leases	\$ -	-	-
Other Income	368,500	76,775	400
Total Cemetery	\$ 369,100	\$ 76,975	600
AIRPORT			
Intergovernmental			
State Grants	\$ -	376,470	385,860
Federal Grants	421,160	119,780	591,180
Charges for services			
Fuel Sales & Oil Sales	\$ -	208,000	-
Uses of monies & properties			
Rental & Leases	\$ 138,195	190,215	148,645
Other Income	-	-	-
Total Airport Authority	\$ 559,355	\$ 894,465	1,125,685
OTHER GRANTS			
Intergovernmental Revenues	\$ 2,840,445	-	-
Total Other Grants Fund	\$ 2,840,445	-	-
COMMUNITY DEVELOPMENT BLOCK GRANTS			
Intergovernmental			
Federal Grants	\$ 1,993,115	107,920	750,000
Other Entities	-	-	-
Total Community Development Block Grants	\$ 1,993,115	107,920	750,000
Total Special Revenue Funds	\$ 11,185,100	\$ 1,714,410	\$ 8,541,420
* 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.			
Fiduciary Funds			
EXPENDABLE TRUST FUNDS			



Revenues Other than Property Taxes (Schedule C-page 3)

**City of Cottonwood Final
Revenues other than property taxes
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
Health & Benefits Trust Fund	\$ 2,000	500	500
Alternative Pension Fund	11,000	22,000	11,000
Total Expendable Trust Funds	\$ 13,000	\$ 22,500	\$ 11,500
DEBT SERVICE FUNDS			
Local Taxes			
City Sales Tax	\$ 1,645,625	1,645,625	1,650,930
Charges for services			
Water User Fees - Debt Service	\$	\$	
Interest			
Interest income	\$ 100	5	5
Total debt service funds	\$ 1,645,725	\$ 1,645,630	\$ 1,650,935
Capital projects funds			
Intergovernmental			
Federal Grants	\$ -	-	-
State Grants	-	-	-
County Revenue	315,000	86,995	315,000
City Sales Tax	294,675	344,160	368,250
Miscellaneous			
Other Income	\$	\$	\$
Interest income	11,400	5,400	5,000
Other Financing Sources			19,000,000
Total capital projects funds	\$ 621,075	\$ 436,555	\$ 19,688,250
* 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.			
Enterprise funds			
WASTEWATER			
City Sales Tax	\$ -	-	-
User Fees	4,116,500	6,663,075	7,201,830
Interest income	12,000	7,380	9,000
Other Financing Sources			
Other Income	160,795	-	-
Total Wastewater Enterprise	\$ 4,289,295	\$ 6,670,455	\$ 7,210,830
WATER			
City Sales Tax	\$ -	-	-
User Fees	8,528,095	7,918,100	7,918,100
Interest income	80,400	61,580	70,010
Clarkdale Reimbursements			
Other Income	628,365	952,085	946,950
Total Water Enterprise	\$ 9,236,860	\$ 8,931,765	\$ 8,935,060
Total Enterprise funds	\$ 13,526,155	\$ 15,602,220	\$ 16,145,890
* 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.			
Total all funds	\$ 74,602,975	\$ 50,396,470	\$ 79,403,380
* 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 2023				
Fund	Other financing 2023		Interfund transfers 2023	
	Sources	(Uses)	In	(Out)
General Fund				
Operating Transfer Out - HURF	\$	\$	\$	\$ 368,250
Operating Transfer Out - Transit				
Operating Transfer Out - Library				1,108,245
Operating Transfer Out - Cemetery				121,645
Operating Transfers Out - Airport				231,035
Operating Transfer Out - Grants				
Fund Balance	17,901,130			
Total General Fund	\$ 17,901,130	\$	\$	\$ 1,829,175
Special revenue funds				
Transfer Out Airport - Airport Improve	\$	\$	\$	\$ 54,120
Transfer in Airport Improvements - Airport Fund			54,120	
Transfer in to Grant fund - CIP Fund				
Operating Transfer In for Library - General Fund			1,108,245	
Operating Transfer in for Cemetery - General Fund			121,645	
Operating Transfer in for HURF - General Fund			368,250	
Operating Transfer in for Grant-General Fund				
Operating Transfer in for Airport			231,035	
Fund Balance	5,522,785			
Total special revenue funds	\$ 5,522,785	\$	\$ 1,883,295	\$ 54,120
Debt service funds				
	\$	\$	\$	\$
Fund Balance	362,195			
Total debt service funds	\$ 362,195	\$	\$	\$
Capital projects funds				
	\$	\$	\$	\$
Fund Balance				
Total capital projects funds	\$	\$	\$	\$
Permanent funds				
	\$	\$	\$	\$
Fund Balance	377,530			
Total permanent funds	\$ 377,530	\$	\$	\$
Enterprise funds				
	\$	\$	\$	\$
Fund Balance	33,969,340			
Total enterprise funds	\$ 33,969,340	\$	\$	\$
Internal service funds				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
Total all funds	\$ 58,132,980	\$	\$ 1,883,295	\$ 1,883,295

Expenditures/Expenses by Fund (Schedule E)

City of Cottonwood Final Expenditures/expenses by fund Fiscal year 2023				
Fund/Department	Adopted budgeted expenditures/ expenses 2022	Expenditure/ expense adjustments approved 2022	Actual expenditures/ expenses* 2022	Budgeted expenditures/ expenses 2023
General Fund				
Administration	\$ 584,540	\$ 12,885	\$ 597,405	\$ 709,780
Personnel	311,225	(53,990)	257,235	469,390
City Council	13,855,300	(11,882,460)	1,972,840	19,199,160
Natural Resource Project				
City Clerk	299,300	7,225	276,525	306,510
Finance	487,260	38,165	525,425	820,030
IT Services	1,423,400	269,985	1,710,385	2,167,565
Purchasing	116,460	8,470	124,930	132,350
Community Development	774,355	37,845	812,200	1,002,965
Economic Development	393,740	3,785	397,505	566,850
Municipal Court	584,520	(47,480)	537,040	733,580
Legal	426,805	(6,885)	420,140	510,830
Non-Departmental	940,900	61,790	1,002,690	982,355
Engineering	429,800	(61,040)	368,760	565,460
Building Maintenance	696,560	(163,425)	723,155	1,314,110
Custodial				
Public Works	215,020	(24,300)	190,720	197,070
Police	21,711,390	(15,284,455)	6,426,935	7,004,785
Ordinance Enforcement	228,595	(2,000)	226,595	253,855
Communications	1,857,200	(77,955)	1,779,245	2,015,510
Fire	10,132,820	(6,215,825)	3,917,195	6,155,405
Parks & Recreation	744,855	(172,325)	572,530	1,823,230
Recreation Center	1,181,280	119,980	1,280,260	1,448,305
Transfer Station	1,500	(115)	1,385	1,500
Pool	170,150	1,990	172,140	209,055
Youth Center	146,385	(82,620)	63,465	134,260
Operating Transfers	1,549,180	4,687,915	6,237,095	1,829,175
Housing & Development		711,600	711,600	711,600
Total General Fund	\$ 56,402,560	\$ (28,077,190)	\$ 31,325,370	\$ 51,266,515
Special revenue funds				
Highway User Revenue Fund-HUF	\$ 5,876,915	\$ 5,638,545	\$ 11,515,460	\$ 7,702,110
Cottonwood Area Transit-CAT / LYNO	2,756,715	(281,555)	2,475,160	4,054,230
Library	1,229,380	(30,705)	1,198,675	1,328,220
Cemetery	435,300	(258,325)	176,975	138,210
Airport Fund	358,010	100,455	458,465	379,680
Grants	4,739,600	(2,779,900)	1,961,700	1,590,050
Community Development Block Grant	1,993,115	(1,635,580)	357,535	750,000
Total special revenue funds	\$ 17,388,035	\$ 655,935	\$ 18,043,970	\$ 15,951,500
Debt service funds				
Debt Service	\$ 2,005,885	\$ 1,935	\$ 2,007,820	\$ 2,013,135
Total debt service funds	\$ 2,005,885	\$ 1,935	\$ 2,007,820	\$ 2,013,135
Capital projects funds				
Capital Projects Fund	\$ 1,801,200	\$ 1,436,505	\$ 3,237,705	\$ 19,688,250
Total capital projects funds	\$ 1,801,200	\$ 1,436,505	\$ 3,237,705	\$ 19,688,250
FIDUCIARY FUNDS				
Volunteer Firefighter Fund	\$ 220,675	\$ 96,585	\$ 317,260	\$ 321,480
Health Fund	88,630	(1,260)	87,370	87,570
Total permanent funds	\$ 289,305	\$ 95,325	\$ 384,630	\$ 389,030
Enterprise funds				
Wastewater Treatment	\$ 8,353,670	\$ 3,851,775	\$ 12,205,445	\$ 15,790,050
Water System Operations	31,352,405	2,100,750	33,453,155	34,325,180
Total enterprise funds	\$ 39,706,075	\$ 5,952,525	\$ 45,658,600	\$ 50,115,230
Internal service funds				
Total internal service funds	\$	\$	\$	\$
Total all funds	\$ 120,593,060	\$ (19,934,965)	\$ 100,658,095	\$ 139,423,660

* 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 2023						
Fund	Full-time equivalent (FTE) 2023	Employee salaries and hourly costs 2023	Retirement costs 2023	Healthcare costs 2023	Other benefit costs 2023	Total estimated personnel compensation 2023
General Fund	158.80	\$ 12,153,902	\$ 1,316,860	\$ 2,362,440	\$ 1,082,928	\$ 16,915,920
Special revenue funds						
Highway User Revenue Fund (HURF)	6.75	\$ 329,205	\$ 39,900	\$ 100,690	\$ 47,315	\$ 517,110
Cottonwood Area Transit	21.00	\$ 1,183,679	\$ 143,240	\$ 275,145	\$ 141,426	\$ 1,743,490
Library	8.00	\$ 478,821	\$ 48,830	\$ 103,220	\$ 42,259	\$ 673,130
Airport	1.25	\$ 106,365	\$ 12,830	\$ 28,200	\$ 8,435	\$ 155,830
Total special revenue funds	37.00	\$ 1,991,705	\$ 231,970	\$ 479,055	\$ 231,000	\$ 2,833,730
Debt service funds						
		\$	\$	\$	\$	\$
Total debt service funds		\$	\$	\$	\$	\$
Capital projects funds						
		\$	\$	\$	\$	\$
Total capital projects funds		\$	\$	\$	\$	\$
Permanent funds						
		\$	\$	\$	\$	\$
Total permanent funds		\$	\$	\$	\$	\$
Enterprise funds						
Wastewater Treatment	11.40	\$ 726,107	\$ 87,810	\$ 177,990	\$ 55,503	\$ 1,047,410
Water System Operations	24.60	\$ 1,597,379	\$ 192,840	\$ 332,740	\$ 162,521	\$ 2,285,280
Total enterprise funds	36.00	\$ 2,323,486	\$ 280,450	\$ 510,730	\$ 218,024	\$ 3,332,690
Internal service funds						
		\$	\$	\$	\$	\$
Total internal service fund		\$	\$	\$	\$	\$
Total all funds	231.80	\$ 16,469,093	\$ 1,829,070	\$ 3,362,225	\$ 1,531,952	\$ 23,182,340

3/22 Arizona Auditor General

Schedule G

Official City/Town 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 Expenditures (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 publicly 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

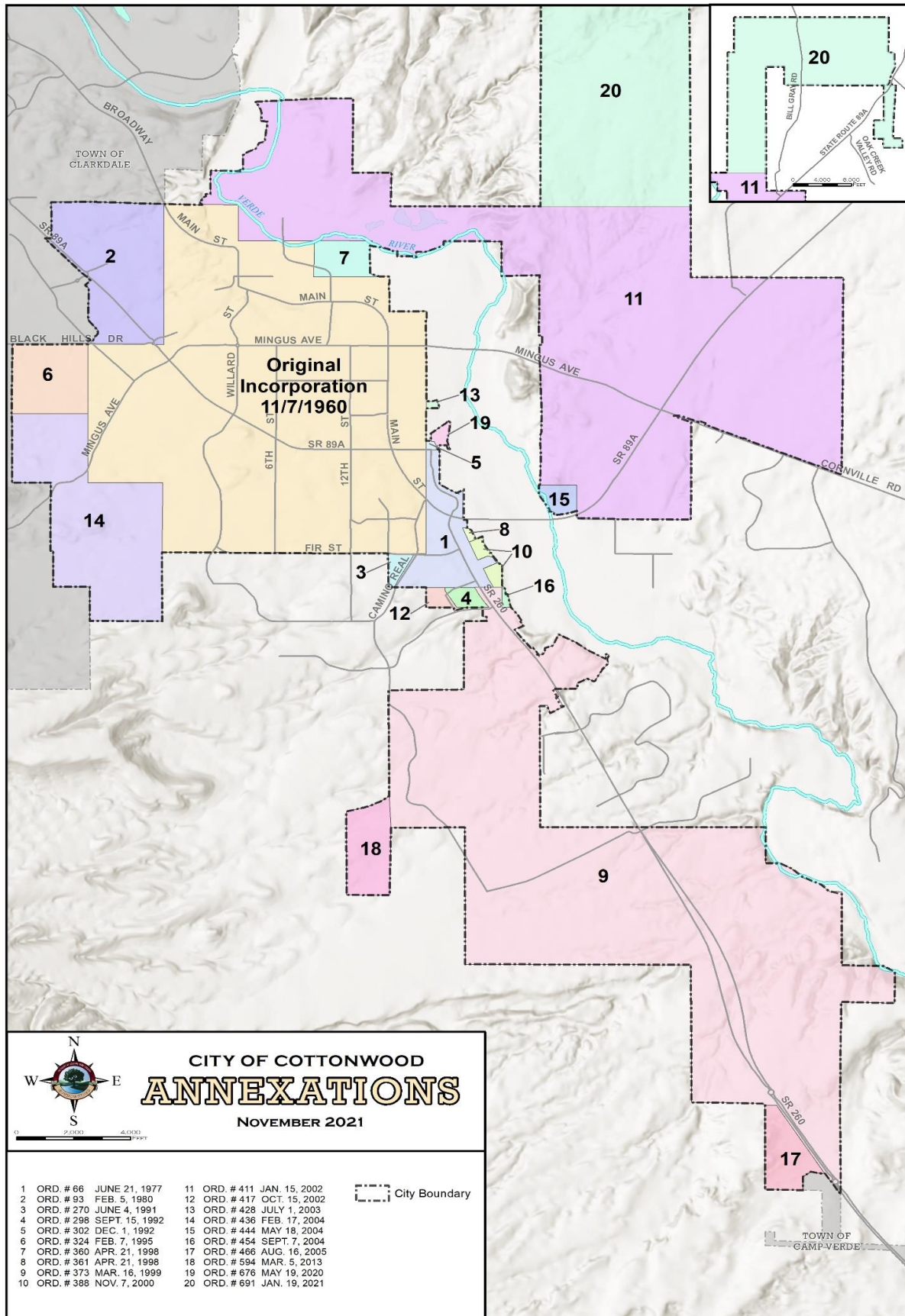
TFO	Task Force Officer
TIP	Trauma Intervention Program
TLC	Teen Library Council
TPT	Transaction Privilege Tax

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





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