



May 4, 2016

The Honorable Mayor and City Council

RE: Transmittal - Fiscal Year 2017 Budget

It is my pleasure to present to you the FY 2017 Proposed budget for your review. There have been several budget work sessions with department heads to review, in detail, their staffing, programs, and planned project expenditures. This year's total approved expenditures budget is \$72,809,135 including all estimated reserves, potential grants and financing options. Compared to last fiscal year's revised budget of \$73,877,055, which did not contain reserves or financing options and grants that did not come to fruition, the overall decrease is \$1,067,920. Items that attributed to the difference for FY2016 were the reallocation of resources for continuing projects, the 2004 and 2006 Water Bond refinancing, and new projects that were part of the 2016 original budget. These substantial decreases between original and revised budgets are noted in any fund that has reserves, grants or financing options. The chart below shows how the budget changed from adopted to revised over the past nine years.

FY 2017 Proposed Budget - \$72,809,135

Fiscal Year	Original Budget	Revised Budget	Original Vs Revised
2008	\$89,139,395	\$79,158,556	(\$9,980,839)
2009	\$88,545,340	\$77,346,715	(\$11,198,625)
2010	\$132,562,405	\$68,688,930	(\$63,873,475)
2011	\$100,876,915	\$60,723,320	(\$40,153,595)
2012	\$78,422,500	\$63,260,685	(\$15,161,815)
2013	\$73,417,765	\$54,231,275	(\$19,186,490)
2014	\$70,875,846	\$57,895,580	(\$12,980,266)
2015	\$86,638,905	\$76,488,750	(\$10,150,155)
2016	\$117,084,020	\$73,877,055	(\$43,206,965)

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

The General Fund's overall budget is \$25,396,945, including transfers-out and reserves. This is a \$5,581,040 increase over the previous fiscal year's revision of \$19,815,905. This increase includes

\$3,878,915 in reserves. There are five additional staff positions included in the budget for FY 2017 and there is one reclassification that was approved, totaling only \$29,972.

The merit program has been budgeted for FY 2017. There is no Cost of Living Adjustment (COLA) budgeted for FY 2017 since the Social Security Administration did not include a COLA for FY 2017. The Public Safety Personnel Retirement contributions saw a substantial increase for FY 2016 due to the large unfunded liability that the retirement system has developed. The employer contribution rate for Public Safety Personnel Retirement for FY 17 has only increased slightly but is still higher than Arizona State Retirement and has gone from 37.37% to 37.72% for the Police Department and from 18.38% to 18.78% for the Fire Department. As for the employer contributions to the Arizona State Retirement System, rates increased slightly from 11.47% to 11.48%. A current capital equipment and capital projects summary can be found towards the end of this transmittal letter on [page viii](#) and detail can be found on [pages 275-278](#).

The total budget for the Special Revenue Funds is \$10,464,780, including transfers-out and carryovers. This fund's expenditures increased by \$763,535 over last year's revised expenditures of \$9,017,910. Fiscal year 2015 showed a large increase due to the funding of a bond to cover streets projects. The balance is reprogrammed and carried over to provide for projects expected to be completed in FY 2017. Reconstruction of Mingus Avenue from Willard Street to Main Street project is a major portion of the Special Revenue Funds increases. This stretch of Mingus Avenue is expected to cost \$4,112,500.

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

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

The Debt Service Fund is budgeted for \$1,738,075, which is \$1,212,900 less than last year's revised budget of \$2,950,975. The FY 2016 budget includes the restricted fund balance which rolled over from FY 2015 and will be used in FY2017 to build the new reclamation plant. The Recreation Center Debt Service will continue through August 2027. The Library Debt Service expired July 1, 2013. The two Greater Arizona Development Authority (GADA) loans for Public Safety and Rail Road Wash were also paid in full on July 1, 2013. The Excise Tax Bond that was funded at the end of FY 2015 can be found in the Streets budget, Capital Improvements budget, Water and Waste Water budgets. This bond was split between these Funds where the projects were expensed.

The City budgeted \$1,381,250 in Capital Projects which is \$7,703,840 less than FY 2016 which included a transfer to the Sewer Fund of \$8,007,860 for construction of a water reclamation project at Riverfront Park. Other items of interest in the Capital Projects Fund are the construction and rehabilitation of the bathrooms at the local parks and HVAC for the Civic Center. The construction of the Emergency Communication Center for approximately \$3.7M was completed in FY 2015.

The Enterprise Fund budget, which consists of water and wastewater, has increased from last fiscal year's revised amount of \$32,779,695 to \$33,607,315 for FY 2017. The \$827,620 increase can, in part, be attributed to the Riverfront Wastewater Reclamation Plant for which construction began in FY 2016. The refunding of the 2004 Water Bonds was completed in FY2015 and the 2006 Water Bonds in FY 2016

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

General Commentary

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

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

KEY ISSUES - FISCAL YEAR 2017

GENERAL FUND

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

- 
Slow Recovery of the Local Economy – After nearly six years of declining revenues, the City has started to show some slow revenue growth ranging from 2% – 5%. Though not a significant growth number, it is an improvement from prior year's double digit declines. The local economy is still the single largest challenge the City of Cottonwood is facing.
- 
Taxes – The City of Cottonwood has prided itself on managing its affairs through local transaction privilege tax, commonly called sales tax. Though successful for many years, it has shown the fallacy of the notion that it can continue to provide quality services based on a major revenue source that is at the mercy of the economy. The City Council passed a .8% sales tax increase that went into effect in November 2008 to counter the declining economy. This increase brought the total Cottonwood local sales tax rate to 3%, and along with cost cutting measures it helps Cottonwood stay fiscally sound. Cottonwood does not collect a property tax for services. Recent research reveals that, even with rising sales tax numbers due to increases in the sales tax rate, actual taxable sales are still lagging behind when compared to pre-great recession numbers.

-  **Underfunded Pension Liabilities** - The Public Safety Personnel Retirement System is about 50% underfunded which amounts to a shortfall of \$6.6B for the entire system. The City of Cottonwood's portion of the underfunding is approximately \$9.1M. The City of Cottonwood is looking for ways to pay down this liability by prepaying its estimated annual contribution at the beginning of the fiscal year and contributing additional funding from any savings due to vacancies throughout the year.
-  **State Shared Revenues** – These revenue sources are always of concern to municipalities due to the state's history of trying to reallocate them for state purposes. The budget reflects a increase in State Shared Income Tax of \$46,686 from last year's \$1,356,305. State Shared Sales Tax is up at a 4.5% increase over FY 2016 and is anticipated to generate \$1,111,240 in FY 2017. Both of these revenues are projected by the Arizona Department of Revenue.
-  **General Staffing & Compensation** – Even with the slow recovery in our community, the need for services continues to increase. Most departments continue to provide the necessary basic coverage with few enhancements. In FY 2013, a compensation study was completed and implemented at a cost of nearly \$500,000. For FY 2017, a Cost of Living Adjustment (COLA) is not included in the budget. The Longevity Program is not currently budgeted. The City of Cottonwood is doing everything it can to recruit and keep its valuable employees.
-  **Recreation Center** - The Multigenerational Recreation Center was completed in February 2010 and opened May 1, 2010. This facility was anticipated to have a 70% cost recovery rate; however, the struggling economy has hampered this goal. Currently, it is recovering slightly above 61% of the expenditures. The largest concern stems from future maintenance and operational costs of the facility. To counter rising costs and improve the recovery rate, the City has eliminated many of the offered discounts and restructured the management portion of the operations. The staff will look at additional options to increase revenues and reduce costs.
-  **Capital Infrastructure Planning** – The City has been struggling with capital planning due to the slow recovery of the local economy. Some projects will continue to be postponed until the economy improves. Other projects will however, move forward, funded through planned resources or other financing sources.
-  **Water Issues** – The growth of the Verde Valley Region continues the need for the City to maintain an active role in the water issues that are affecting the region as well as the City of Cottonwood. Water quality, availability, management, water rights, water system development, conservation, and fire protection are all critical issues in which we need to become more involved. Another issue is the downgrading by Standard and Poor's of the Water Utility Bonds due to inadequate debt service coverage. This was addressed during the budget process in FY 2015 and FY 2016 with rate increases and will be looked at again in FY 2017. A rate increase is not calculated into the budget due to its uncertainty of coming to fruition. Any rate increase should guarantee the 1.35X coverage required by the bond covenants.
-  **Wastewater Issues** – The City of Cottonwood Wastewater Treatment Facility is slowly reaching its capacity and the infrastructure is getting more difficult to maintain. It is expected that even with the current slow growth patterns, the City needs to move forward with satellite wastewater treatment facilities. The Riverfront Park Facility is expected to be the first satellite reclamation plant. Small package plants will be strategically placed to not only treat but also produce quality reclaimed water for use by city parks, home landscaping, fire sprinklers, dual plumbing, dust control, and many other possible uses. This enterprise is requesting a rate increase to counter the large drops in available

fiscal resources. The increased rates are not reflected in the budget due to their uncertainty of coming to fruition at this time.

City Staffing

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

PERSONNEL REQUESTS								
Dept	Job Description	Requested Range	Range Parameters			Est. Salary (min +5%)	Benefits	Est. Annual Costs
Fire	Deputy Fire Chief (FT)	31	73,901	85,572	97,243	77,596	31,038.42	\$108,634
IT	Radio Technician (FT)	23	50,019	57,919	65,818	52,520	21,007.98	73,528
Library	Library Clerk - Youth Services (FT)	11	27,852	32,251	36,650	29,245	11,697.84	40,942
Library	Library Clerk - Adult Services (FT)	11	27,852	32,251	36,650	29,245	11,697.84	40,942
Police	Records and Evidence Technician (FT)	15	33,855	39,202	44,548	35,548	14,219.10	49,767
Planning	Administrative Assistant	13	30,707	35,557	45,254	32,242	12,896.94	45,139
Transit	Transit Drivers (3) - 3/4 of the year	12	29,245	33,864	43,099	92,122	36,848.70	128,970
Total Requested						348,517	139,407	\$487,924

PERSONNEL REQUESTS - BUDGETED								
IT	Radio Technician (FT)	23	50,019	57,919	65,818	52,520	21,007.98	73,528
Planning	Administrative Assistant	13	30,707	35,557	45,254	32,242	12,896.94	45,139
Transit	Transit Drivers (3) - 3/4 of the year	12	29,245	33,864	43,099	92,122	36,848.70	128,970
Total Budgeted						176,884	70,754	247,638
Total Not Budgeted								\$240,286

There were three reclassification requests but only one was approved. It involves an allocation of \$29,972 to upgrade a position from Purchasing Agent to Purchasing/Contracts Administrator. The total requested amount for additional personnel that were not approved was \$351,672.79. If budgeted, these positions would have been recurring costs.

Contributions to Dependent Health Insurance Coverage

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

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

Listed below are some of the changes taking effect on July 1, 2017:

- 🔍 The CVS/Caremark will be the new pharmacy benefit manager.
- 🔍 Health Savings Account (HSA) contributions will be set at \$3,350 for individuals and \$6,750 for family coverage,
- 🔍 New Identification cards will be issued with the medical/prescription coverage
- 🔍 The out of pocket limit will decrease for the HDHP 1500 and HDHP 2500 family plans
- 🔍 Health Care Flexible Spending Account (FSA) and Dependent Care FSA's will not be available in the new plan year

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

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

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

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

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

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

Vision coverage is strictly voluntary

Supporting Programs

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

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

BUDGET POLICIES - FISCAL YEAR 2017

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

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

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

BUDGET DEVELOPMENT

Long range financial planning plays an integral part in the budget development. Revenues and expenditures were prepared for a five-year period for all funds. These projections are included within the budget. The result of this five-year analysis demonstrates that revenues barely keep up with operational expenditures for the next five years. This is mainly due to the economy and the state's future financial picture. Any capital acquisition would require some financing alternatives, see pages 29-40. All other funds will continue to operate within their respected revenues.

LONG RANGE PROGRAMMATIC AND FINANCIAL PLANNING

Included in the budget is a section establishing long-range organizational programmatic goals and the five-year capital improvement plan. The organizational goals identified are presented programmatically, including a statement of operational fiscal impact to the City. Goals identified for fiscal year 2016, have been integrated into the work plans of the appropriate department responsible for implementation. A summary depicting the funding resources available for the many projects is also presented.

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

CAPITAL ACQUISITION PLAN – FISCAL YEAR 2016

Included in the budget is \$24,030,030 in equipment acquisitions and construction projects. These items are detailed in each department's budget and summarized in the appendix of this budget on pages 275-278. A summary by function is provided for review and does not necessarily reflect the full cost of ongoing projects. Only those amounts to be expended for fiscal year 2017 are budgeted.

Capital Equipment		Capital Projects	
Function	Estimated Cost	Function	Estimated Cost
General Government	\$257,000	General Government	\$1,254,190
Public Safety	834,065	Public Safety	0
Culture & Recreation	287,000	Culture & Recreation	304,150
Health & Sanitation	444,780	Health & Sanitation	16,333,195
Transportation (CAT & Airport)	125,000	Transportation (CAT & Airport)	1,810,000
Streets	249,000	Streets	2,131,650
Total Capital Equipment	\$2,196,845	Total Capital Projects	\$21,833,185

ACKNOWLEDGMENTS

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

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

Employee Vision, Mission Statement and Values***Purpose: “Why” We Exist***

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

Mission “What” We Do:

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

Vision “Where” We’re Going:

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

Sincerely,

Doug Bartosh
City Manager

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EXECUTIVE SUMMARY

City Profile

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

In 1874, soldiers from nearby Camp Verde were based in an adobe structure where the City of Cottonwood currently stands. 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 State Highway 89A and 260. The city lies at an elevation of 3,320 feet above sea level with a total geographic area of 16.65 square miles.

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

Date of Incorporation - 1960

Form of Government - Council-Manager

Demographics/Economics

<u>Area - Square Miles</u>	<u>2015 Property Tax Assessed Valuation</u> (a)	
2015 – 16.65 Square Miles	Primary	\$ 79,596,647
	Secondary	\$ 87,115,421

Paved Streets

52 Miles

Cottonwood Labor Force Data (b)

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

Source:

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

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

Sources:

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

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

Sources:

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

<u>Major Private Employers</u> (a)	<u>Education</u> (b)	
Verde Valley Medical Center	Elementary Schools	2
Wal-Mart - Retail	Exceptional Children Program	1
	Middle School	1
	High School	1
	Community College	1
<u>Major Public Employers</u>	Students:	
Arizona Public Service	Grades K-8	2,150
City of Cottonwood	Grades 9-12	1,181
Cottonwood/Oak Creek Schools	Total Students	3,331
Mingus Union High School		
Yavapai County		

Sources:

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

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

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

Governmental Organization and Services Provided

The Mayor is elected directly by the voters and serves a four-year term. The voters elect six City Council representatives for staggered four-year terms. The City Council appoints a City Manager who is responsible for the general administrative operations of the various departments within the City. An organizational chart is shown on page 49.

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

BUDGET POLICIES

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

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

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

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

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

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

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

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

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

Per state law, expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the City adopts a budget by department for each separate fund and establishes

the legal level of local budgetary control at this level. The adopted budget cannot be amended in any way without City Council approval.

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

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

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

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

Process for Changing the Budget

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

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

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

Budget Monitoring

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

Tentative Budget Calendar for FY 2017

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

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

Fund Accounting

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

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

Fiduciary Funds

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

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

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

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

Budget Basis

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

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

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

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

Compensated absences and depreciation are not budgeted.

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

FISCAL POLICY

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

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

Financial stability of the City

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

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

DEBT SERVICE POLICY

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

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

Computation of Legal Debt Margin
June 30, 2015

Net secondary assessed valuation (Full Cash Value)	\$102,237,396
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	20,447,479
Bonds outstanding	0
Net 20% Debt Limitation	20,447,479

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	6,134,244
Bonds outstanding	0
Net 6% Debt Limitation	6,134,244

Total Bonding Capacity	\$26,581,723
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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, 2016 were secured by sales taxes and user fee revenues instead of property taxes.

Policy Statement

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

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

Debt Performance

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

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

**This page is still
UNDER CONSTRUCTION**

INVESTMENT POLICY

Policy

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

Scope

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

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

Objectives

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

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

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

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

Standard of Care

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

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

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

Authorized Financial Dealers and Institutions

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

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

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

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

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

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

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

Safekeeping and Custody

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

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

Collateralization shall be required on two types of investments:

-  Certificates of deposits
-  Repurchase agreements

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

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

Suitable and Authorized Investments

Authorized Investments

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

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

carry as a minimum one of the A ratings of Moody's Investors Service or one of the A ratings of Standard and Poor's Rating Service or their successors

-  Commercial Paper with an A-1/P-1 rating or higher
-  Mortgage-backed securities.

Prohibited Investments

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

Investment Pools

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

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

Diversification and Maturity Limitations

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

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

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

Reporting

Method

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

- Comments on fixed income markets and economic conditions
 - Discussions regarding restrictions on percentage of investment by category
 - Possible changes in portfolio structure going forward, and
 - Thoughts on investment strategies.
- Any schedule should include:
- A listing of individual securities held at the end of the reporting period by authorized investment category
 - Weighted average maturity and final maturity of all investments listed
 - Coupon, discount or earnings rate
 - Par Value, Amortized Book Value and Market Value
 - Percentage of the portfolio represented by each investment category.

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

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

Performance Standards

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

Investment Policy Adoption

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

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Long Range Financial Projections**GENERAL FUND**

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

CONCLUSION

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

Other issues that are out of the City's control are some of the rising employee benefits costs. Health insurance costs for employees and their dependents will increase after July 1, 2015. A 2% increase is reflected in this forecast. Worker's compensation will see a slight increase in FY 2017 as will both Retirement Systems.

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

The above analysis reflects a conservative view of current City revenue sources and the Department Heads estimated costs to carry on the current level of services into the projected periods. Staff will monitor and

make recommendations as the various budget periods come up for funding. Currently, the General Fund has reserves to handle any of these deficits, but efforts will be made to avoid tapping into them.

SPECIAL REVENUE FUND

Revenues	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Street Department	\$1,806,160	\$1,884,460	\$1,966,440	\$2,052,270	\$2,142,140
CAT/LYNX	1,884,410	1,940,940	1,999,170	2,059,150	2,120,930
Library	1,064,540	1,117,220	1,172,510	1,230,560	1,291,500
Airport	350,180	360,680	371,500	382,640	394,121
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Revenues	\$5,105,290	\$5,303,300	\$5,509,620	\$5,724,620	\$5,948,691

Expenditures	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
HURF / Streets	\$1,443,170	\$1,493,060	\$1,545,190	\$1,599,875	\$1,657,875
CATS	1,812,110	1,902,740	1,997,840	2,097,730	2,202,600
Library	1,059,740	1,106,280	1,154,940	1,205,730	1,258,770
Airport	312,570	328,210	344,640	361,880	379,980
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Expenditures	\$4,627,590	\$4,830,290	\$5,042,610	\$5,265,215	\$5,499,225
Gain/(Loss)	\$477,700	\$473,010	\$467,010	\$459,405	\$449,466

CONCLUSION**Street Department**

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

Transit System

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

Other Departments

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

DEBT SERVICE FUND

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

CONCLUSION

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

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

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

ENTERPRISE FUND – SEWER & WATER

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

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

CONCLUSION

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

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

FIDUCIARY FUND

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

CONCLUSION

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

REVENUE AND EXPENDITURE ANALYSIS

Consolidated Revenues - All Funds

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

A listing of All Funds Consolidated Revenues by Sources is on page 63. A further breakdown by source and fund may be found on page 66.

Consolidated Expenditures - All Funds

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

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

General Fund - Revenues

Revenue projections for the General Fund are based on both historic years’ receipts and the best future assumptions that can be made at this time. General Fund Revenues Schedule is provided on pages 70 and 71 of this document.

Taxes

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

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

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

Licenses and Permits

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

Intergovernmental Revenues

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

Charges for Services

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

Fines and Forfeitures

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

Uses of Monies and Properties

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

Miscellaneous

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

General Fund - Expenditures

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

Expenditures

This fiscal year's total General Fund expenditures are projected to increase by 28.16% which translates to an increase of \$5,581,040 over that of the previous fiscal year of \$19,815,905. This net increase includes some rollover projects and \$3,878,915 in fund balance reserves. The \$658,543 increase of funds for personnel increases is due to the merit program, health insurance, and other related taxes.

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

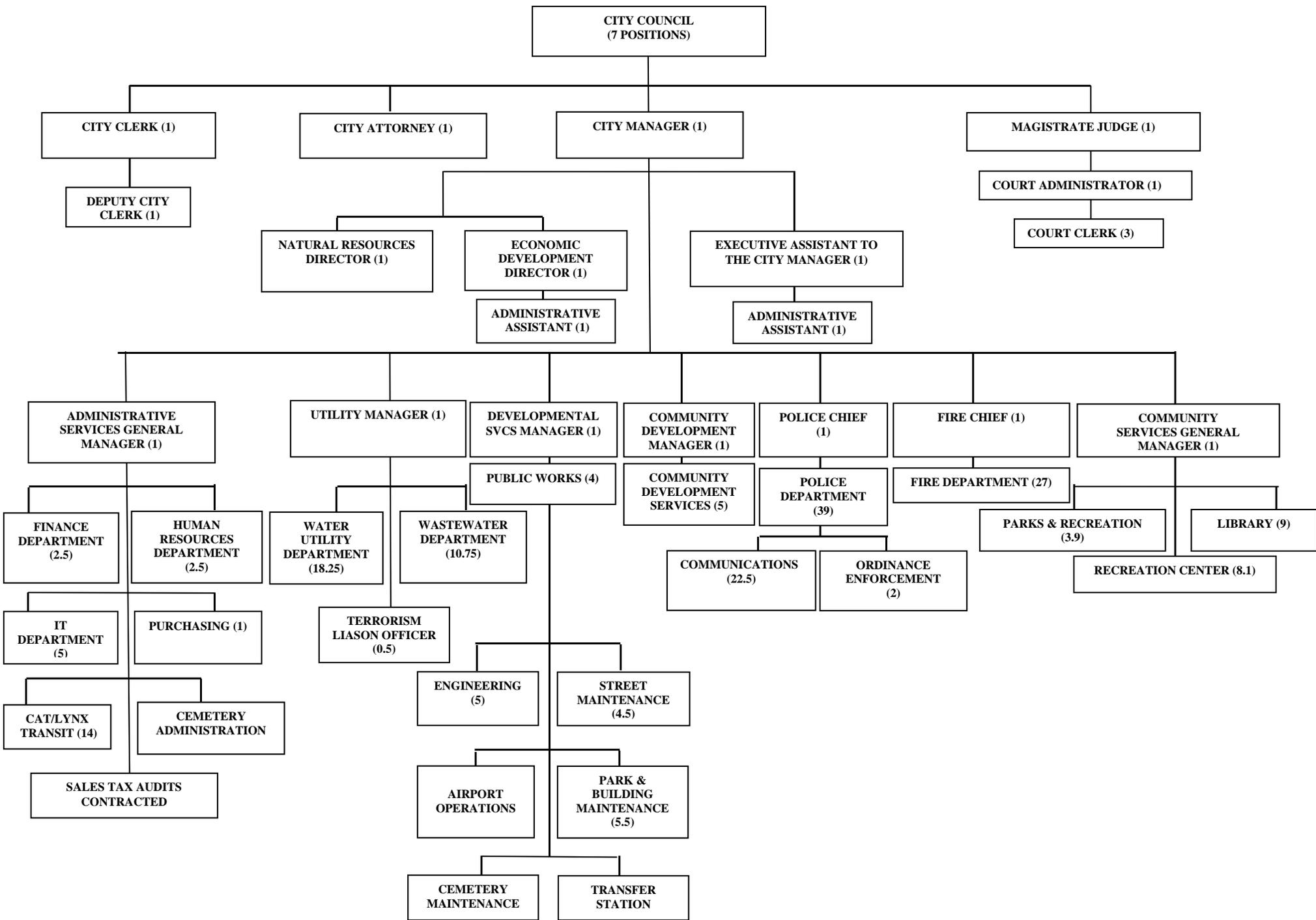
The Operating Supplies category has increased by \$23,280 for last year to \$555,665 for this year. This increase is the result of a re-evaluation of each department's needs after cutting operating budgets in previous years and finding that things that were necessary needed to be added back to the budget.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

Contractual Services is anticipated to increase by 10.92%.

Other Services and Charges reflects a decrease, which is mainly due to the departments removing services from the budget that were deemed unnecessary.

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

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



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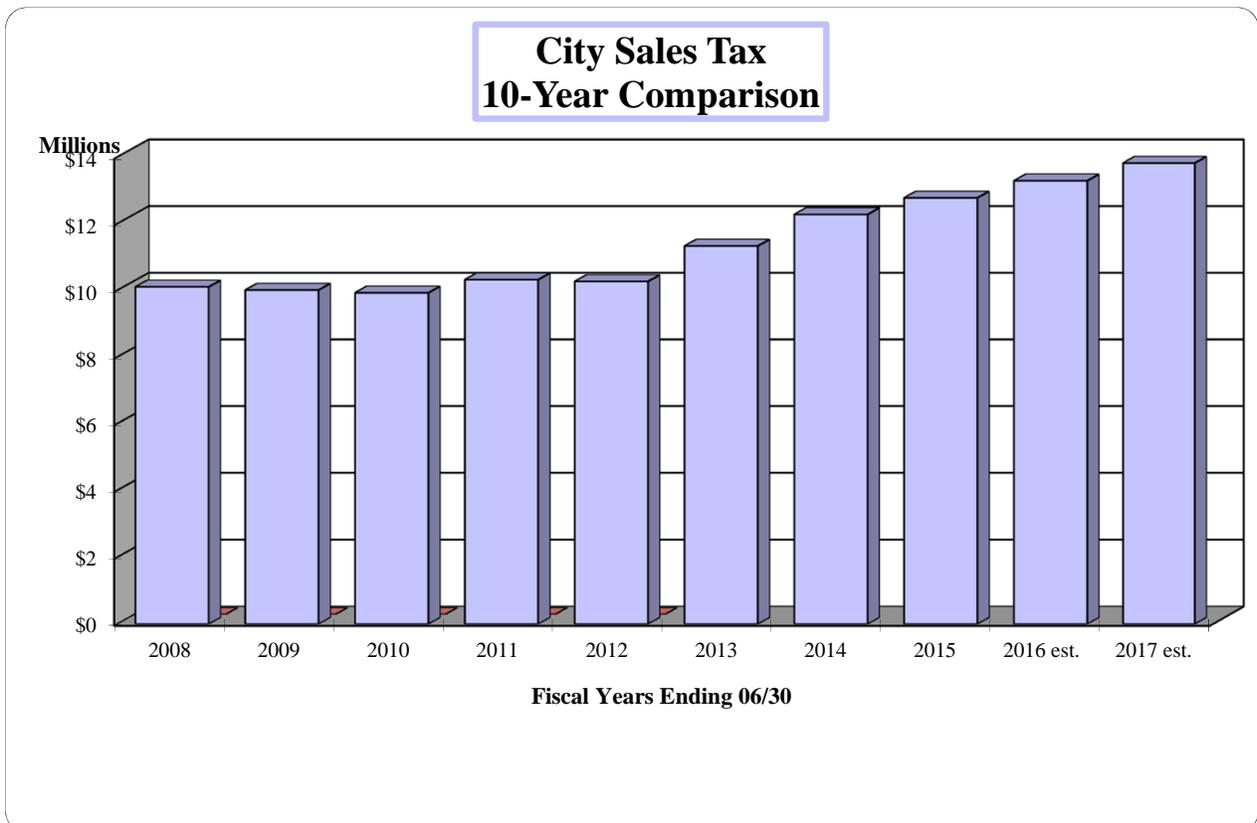
Description:

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

Analysis:

Narrative is in progress

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



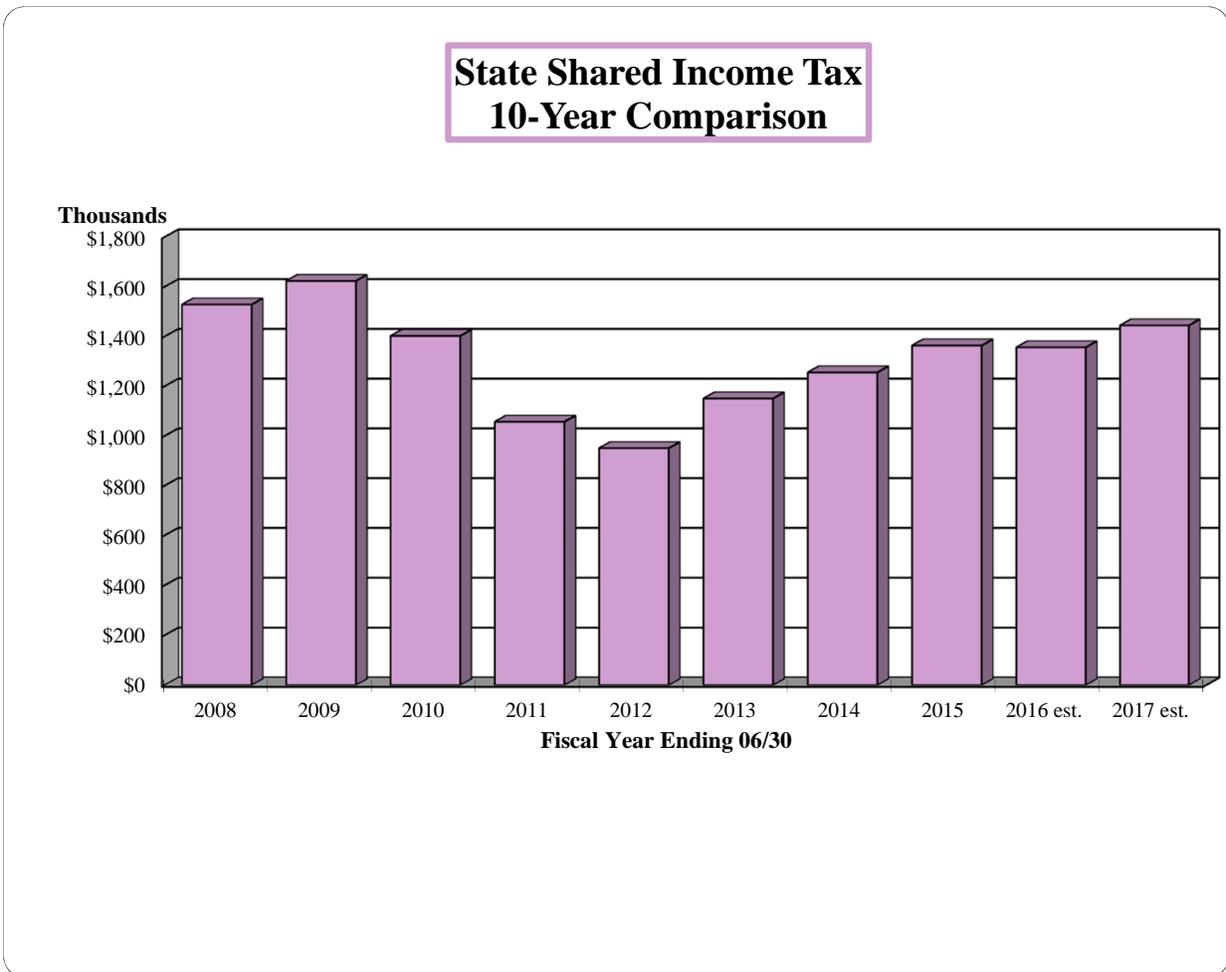
Description:

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

Analysis:

Narrative is in progress

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



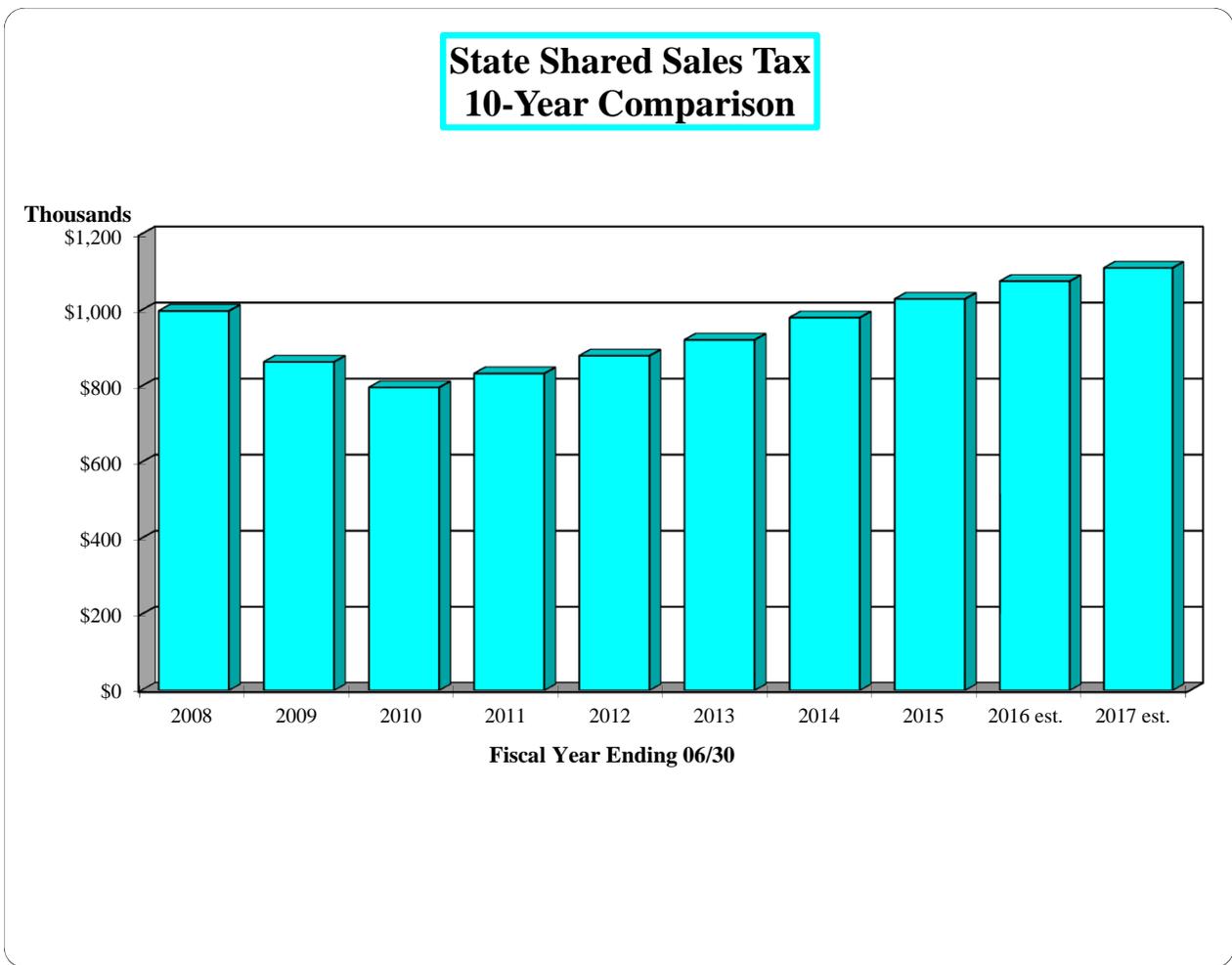
Description:

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

Analysis:

Narrative is in progress

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



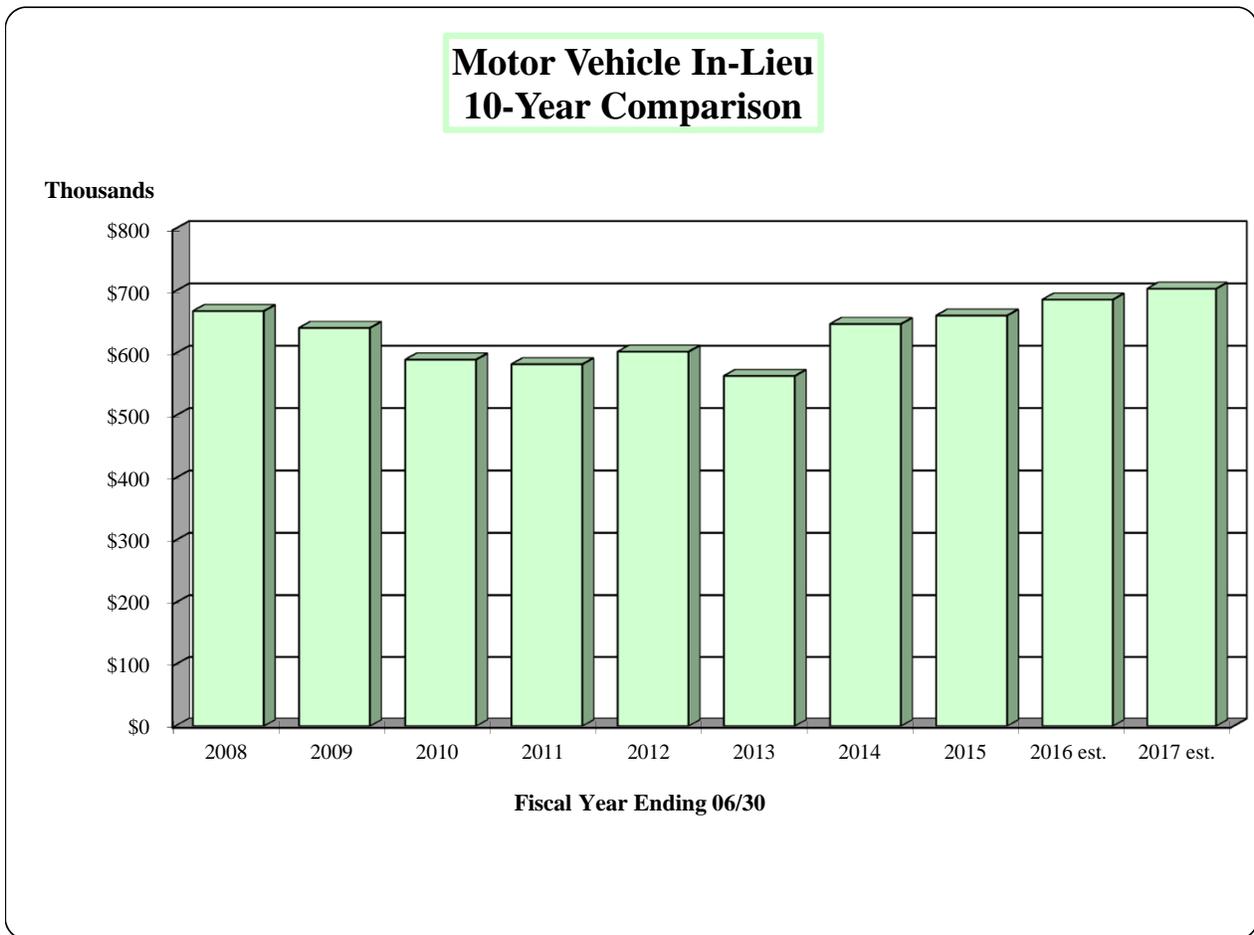
Description:

Arizona cities receive a 25% share of the net revenues collected for the licensing of vehicles in their related county. Each city's share within their county is determined based on the city's population in relation to 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:

Narrative is in progress

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



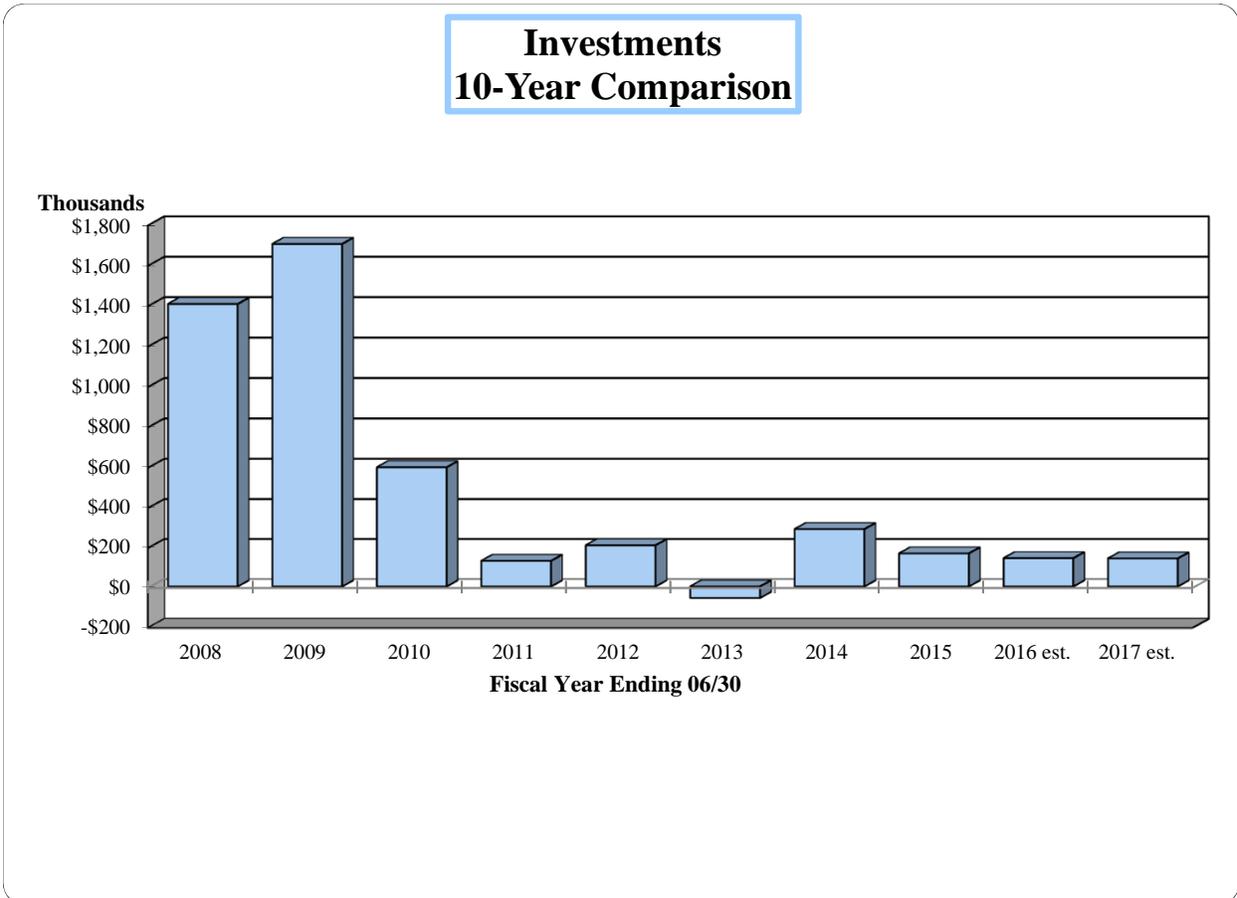
Description:

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

Analysis:

Narrative is in progress

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



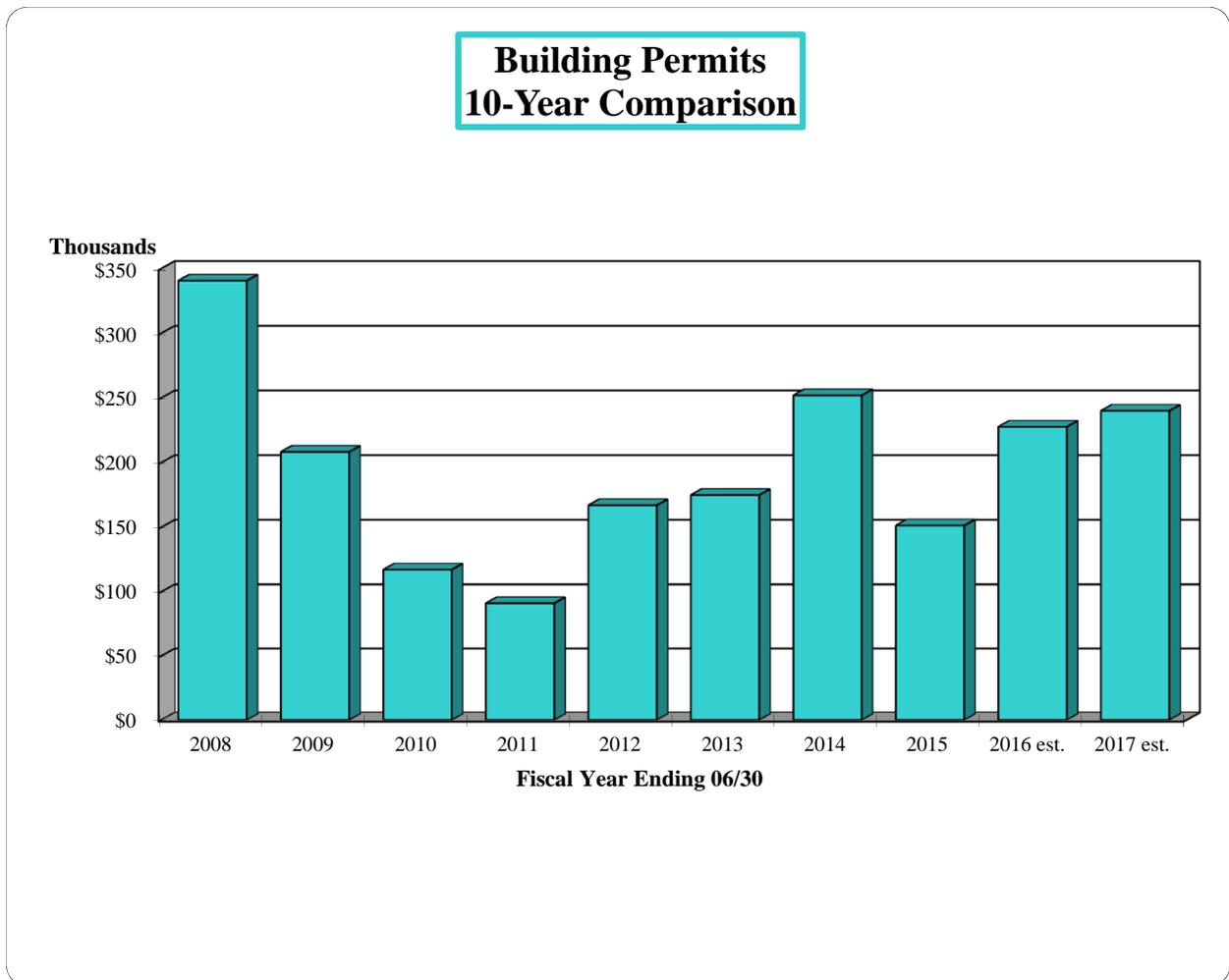
Description:

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

Analysis:

Narrative is in progress

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



Description:

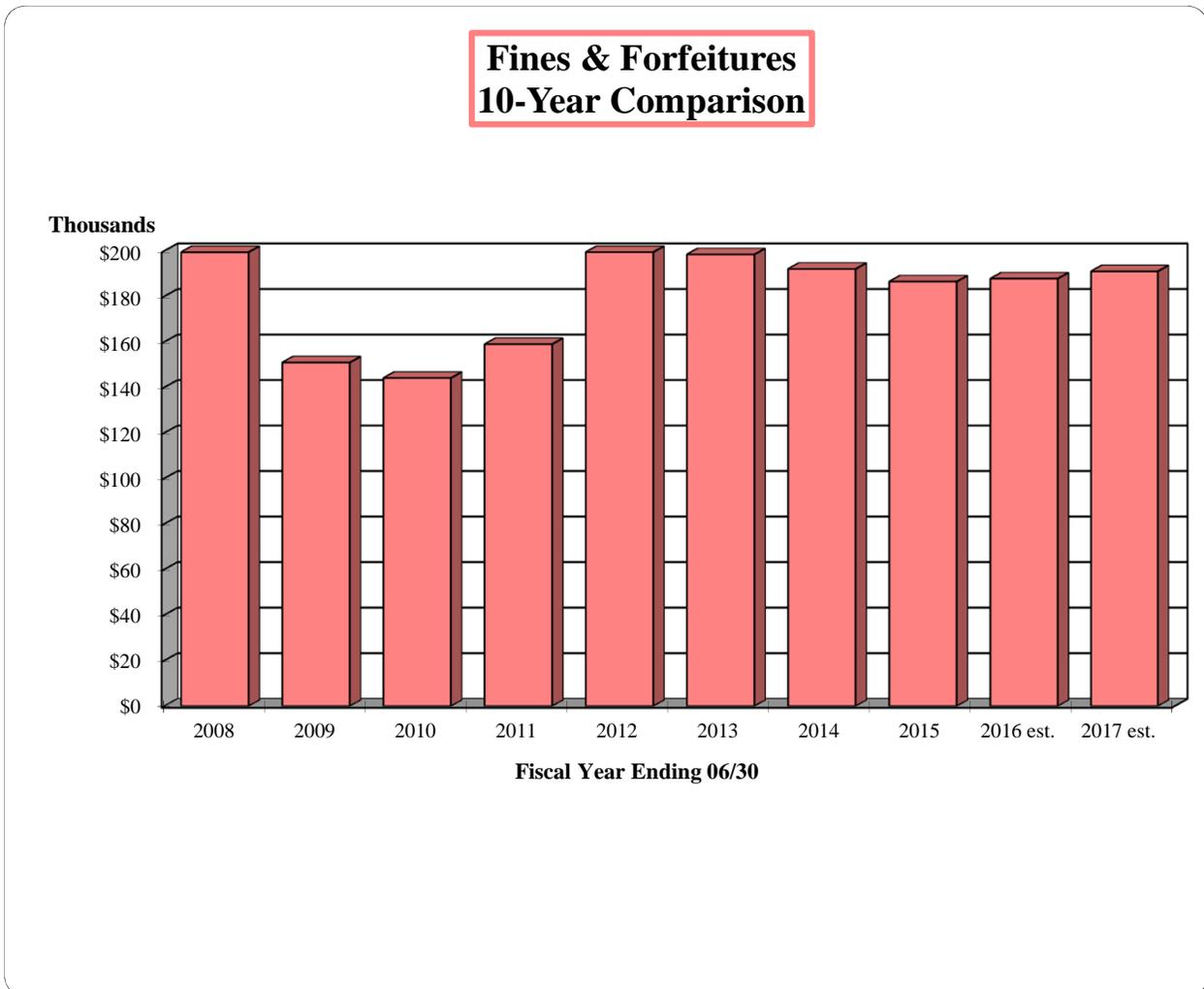
Fines and Forfeitures are generated as a result of imposed fines for the violation of various state laws and city ordinances. They include traffic violations, violations of city code and other criminal misdemeanors.

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

Analysis:

Narrative is in progress

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



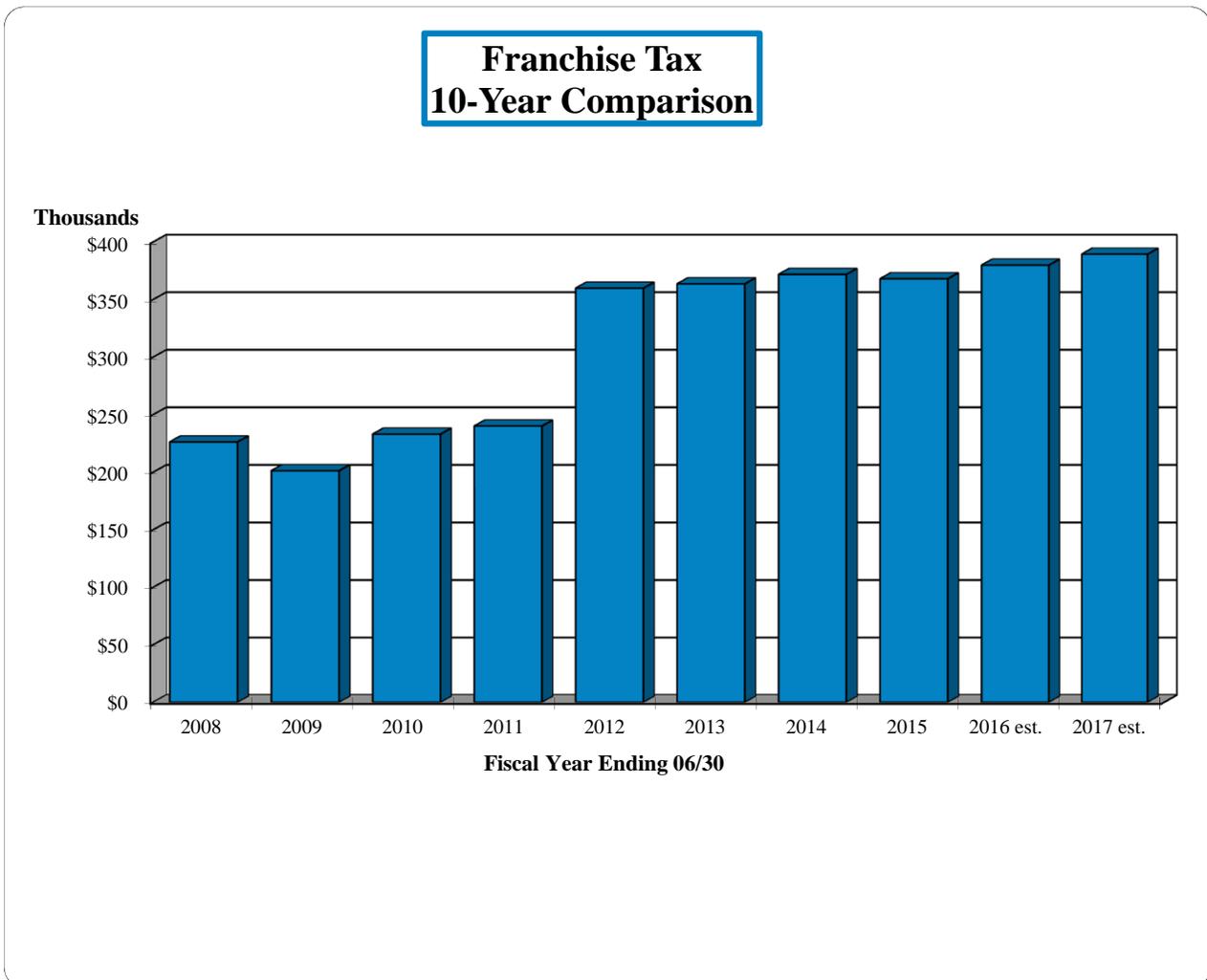
Description:

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

Analysis:

Narrative is in progress

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



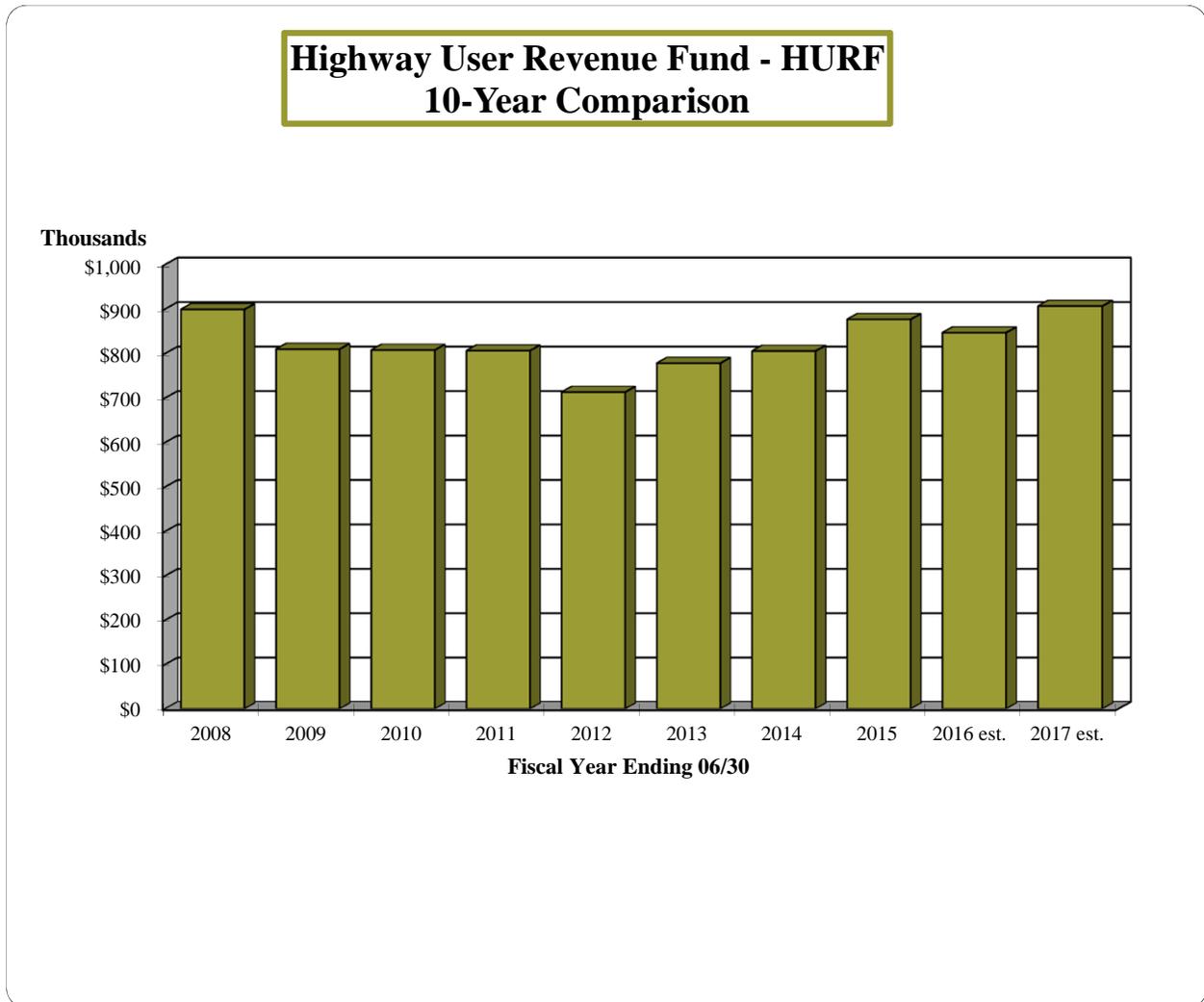
Description:

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

Analysis:

Narrative is in progress

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



Local Transportation Assistance Fund Revenues - LTAF

Description:

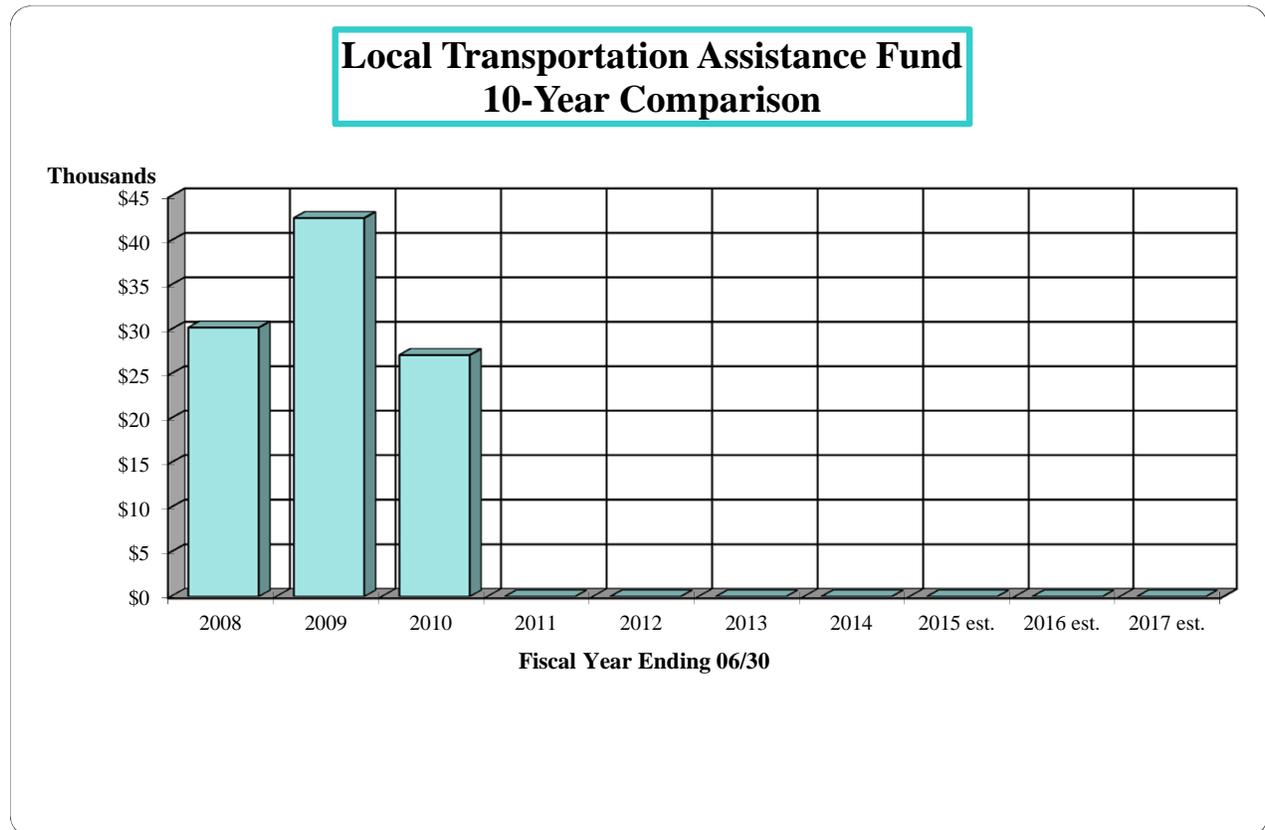
Local Transportation Assistance Fund Revenues (LTAF) consist of two LTAF distributions, LTAF and LTAF II. LTAF monies are derived from the State Lottery Fund. Arizona cities have been receiving a portion of the proceeds of the Arizona lottery since 1982. The original LTAF allocation was based on individual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

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

Analysis:

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

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



Description:

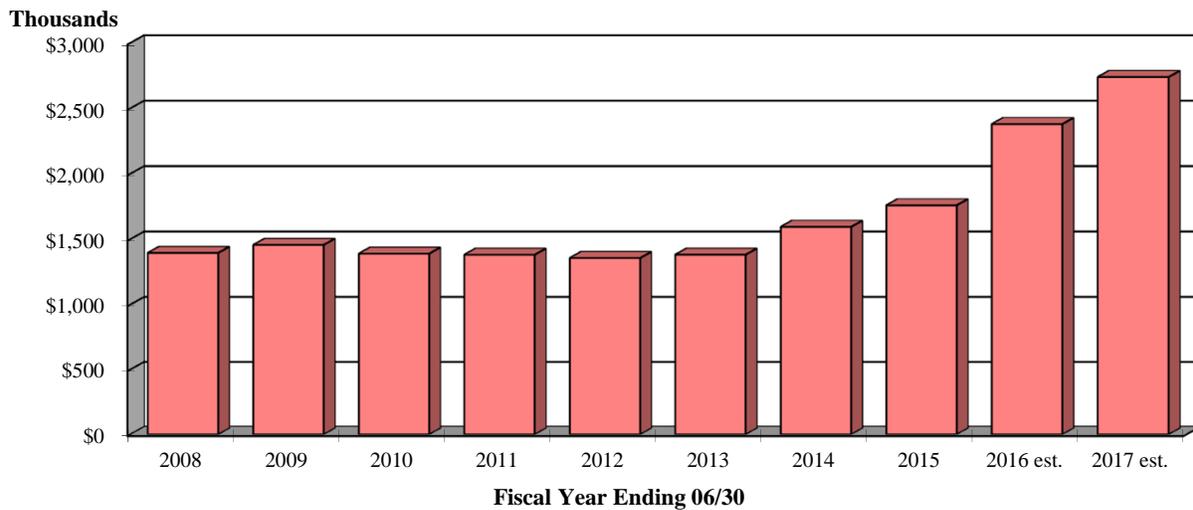
User Fees are charged to residential, commercial and industrial customers for the collection and treatment of wastewater. In addition, the City levies tap fees on all new construction.

Analysis:

Narrative is in progress

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$1,395,464	8.03%
2009	1,456,567	4.38%
2010	1,389,721	-4.59%
2011	1,381,487	-0.59%
2012	1,356,438	-1.81%
2013	1,381,902	1.88%
2014	1,594,815	15.41%
2015	1,759,259	10.31%
2016 est.	2,380,125	35.29%
2017 est.	2,739,750	15.11%

**Wastewater Service
 10-Year Comparison**



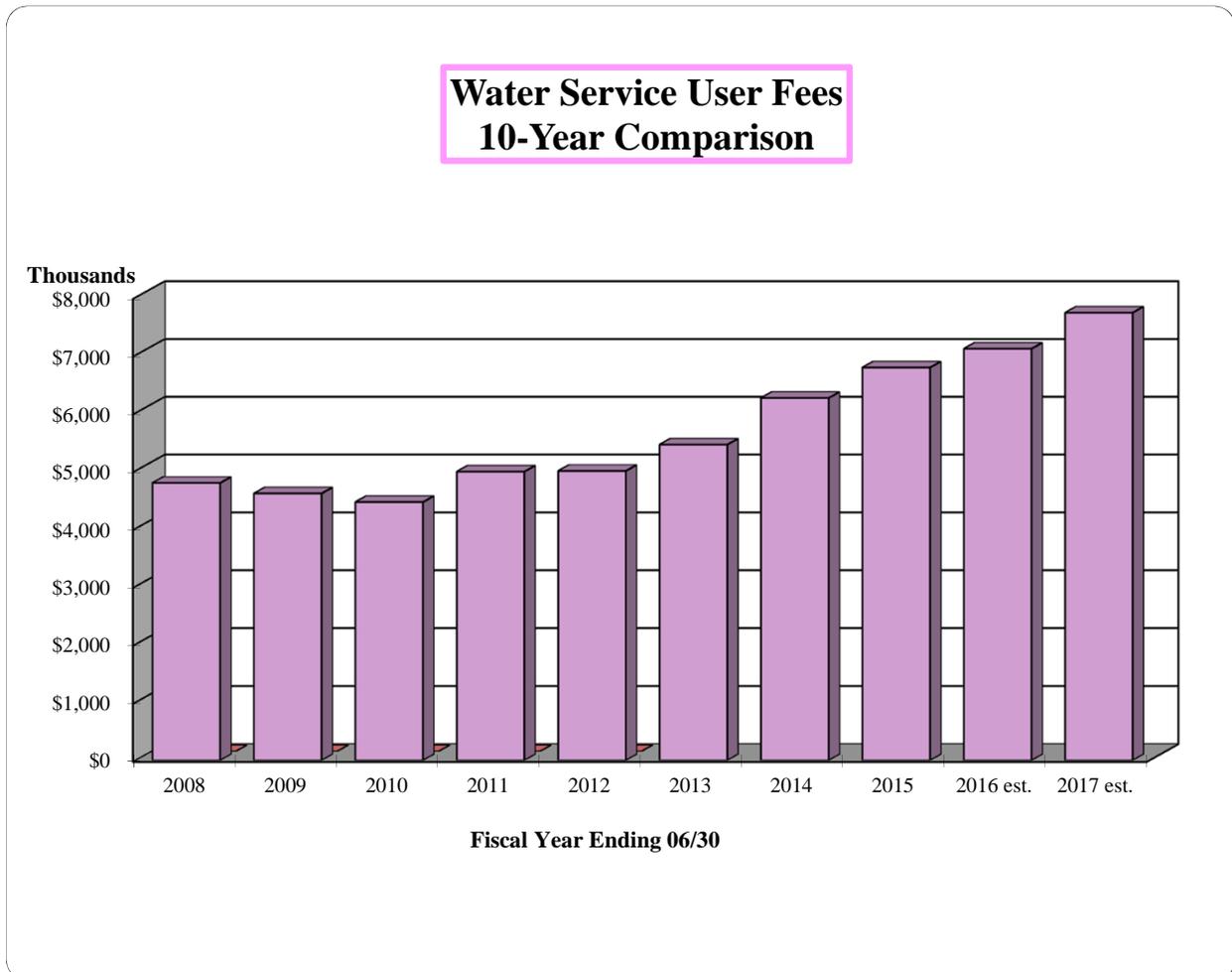
Description:

User Fees are charged to residential, commercial and industrial customers for the distribution of water. These User Fees are not only 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:

Narrative is in progress

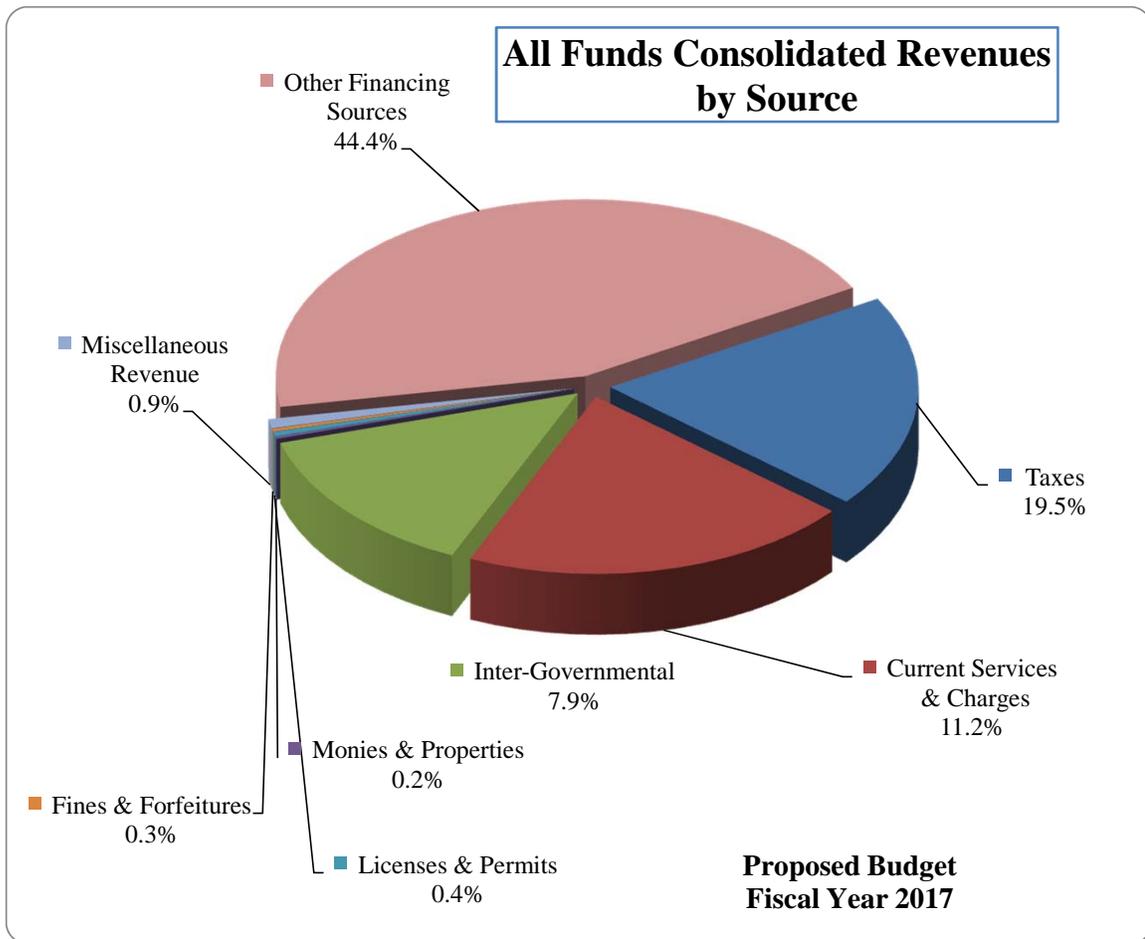
Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2008	\$4,789,358	0.04%
2009	4,607,776	-3.79%
2010	4,459,160	-3.23%
2011	4,985,843	11.81%
2012	4,997,833	0.24%
2013	5,453,178	9.11%
2014	6,259,609	14.79%
2015	6,787,253	8.43%
2016 est.	7,112,680	4.79%
2017 est.	7,736,050	8.76%



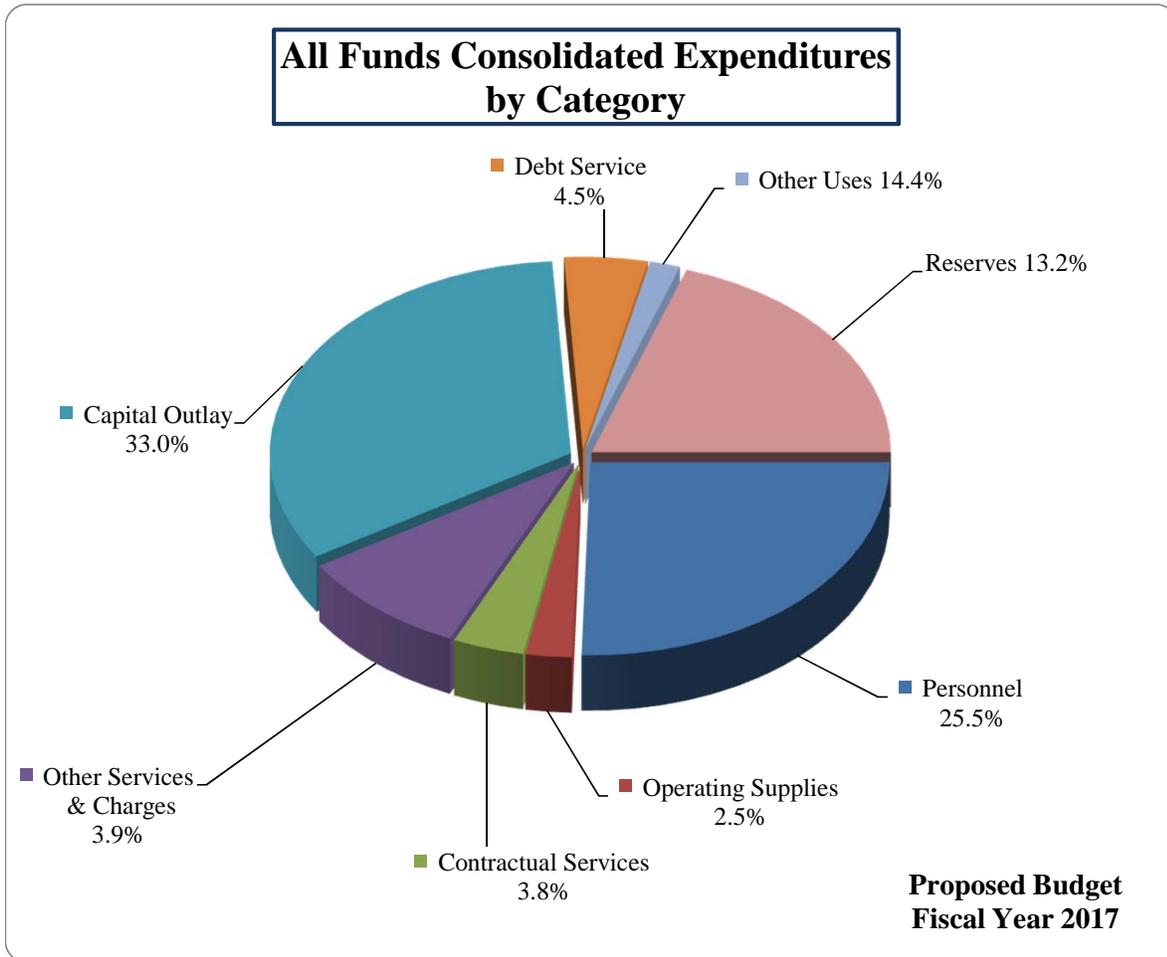
Comprehensive Summary Revenues & Expenditures
All Funds

Fund	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenues Sources:					
General Fund	\$17,973,944	\$18,297,625	\$18,745,095	\$19,482,980	3.94%
Special Revenue Funds	2,680,176	6,377,755	3,401,550	7,188,015	111.32%
Capital Projects Funds	113,383	0	461,025	723,960	57.03%
Debt Service Funds	1,543,006	2,072,335	1,739,475	1,540,235	-11.45%
Enterprise Funds	9,863,729	10,523,005	10,734,595	11,514,490	7.27%
Fiduciary Funds	25,301	15,625	600	700	16.67%
Total Revenues	32,199,539	37,286,345	35,082,340	40,450,380	15.30%
Other Financing Sources:					
Transfers In	3,935,797	15,175,210	11,584,045	1,188,850	-89.74%
Carryover	0	44,022,465	31,380,400	29,175,670	-7.03%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	1,194,235	0.00%
Proceeds from Bonds	8,716,936	20,600,000	550,000	800,000	100.00%
Total Other Financing Sources	12,652,733	79,797,675	43,514,445	32,358,755	-25.64%
Total Available Resources	44,852,271	117,084,020	78,596,785	72,809,135	-7.36%
Expenditures:					
General Fund	17,463,724	18,855,010	18,980,690	20,387,230	7.41%
Special Revenue Funds	6,568,358	14,067,165	5,387,275	9,635,870	78.86%
Capital Projects Funds	1,662,120	819,000	419,940	1,381,250	228.92%
Debt Service Funds	1,541,635	1,541,635	1,541,635	1,540,235	-0.09%
Enterprise Funds	8,911,302	53,274,765	11,155,870	24,183,225	116.78%
Fiduciary Funds	25,659	85,435	227,480	220,770	-2.95%
Total Expenditures	36,172,798	88,643,010	37,712,890	57,348,580	52.07%
Other Uses:					
Transfers Out	816,749	15,117,570	11,581,050	1,188,850	-89.73%
Reserves	3,276,605	13,323,440	24,583,115	14,271,705	-41.95%
Total Other Financing Uses	4,093,354	28,441,010	36,164,165	15,460,555	-57.25%
Total Expenditures and Other Uses	40,266,152	117,084,020	73,877,055	72,809,135	-1.45%
Net Income	4,586,119	0	4,719,730	0	-100.00%

Revenues for All Funds	
Taxes	\$14,206,855
Current Services & Charges	14,900,635
Inter-Governmental	10,068,770
Monies & Properties	153,040
Licenses & Permits	308,500
Fines & Forfeitures	191,000
Miscellaneous Revenue	621,580
Subtotal	\$40,450,380
Other Financing Sources	32,358,755
Total Revenues for All Funds	\$72,809,135



Expenditures for All Funds	
Personnel	\$18,535,730
Operating Supplies	1,798,625
Contractual Services	2,777,540
Other Services & Charges	6,736,790
Capital Outlay	24,030,030
Debt Service	3,256,505
Subtotal	57,135,220
Other Uses - Transfers Out	1,188,850
Reserves	14,485,065
Total Expenditures for All Funds	\$72,809,135



Fiscal Year 2017 Budget
Consolidated Budget Summary - By Fund

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	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Beginning Balance @ 07/01/2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Funding Sources							
Taxes	\$11,776,210	\$622,730	\$1,539,955	\$267,960	\$0	\$0	\$14,206,855
Licenses & Permits	308,500	0	0	0	0	0	308,500
Intergovernmental	3,717,570	6,001,200	0	350,000	0	0	10,068,770
Charges for Services	3,387,485	450,600	0	0	11,062,550	0	14,900,635
Fines and Forfeitures	191,000	0	0	0	0	0	191,000
Uses of Monies & Prop.	51,700	94,360	280	0	6,700	0	153,040
Miscellaneous	50,515	19,125	0	106,000	445,240	700	621,580
Total Revenues	19,482,980	7,188,015	1,540,235	723,960	11,514,490	700	40,450,380
Other Financing Sources	5,913,965	3,276,765	197,840	657,290	22,092,825	220,070	32,358,755
Total Revenue & Other Financing Sources	25,396,945	10,464,780	1,738,075	1,381,250	33,607,315	220,770	72,809,135
Total Available All Sources	\$25,396,945	\$10,464,780	\$1,738,075	\$1,381,250	\$33,607,315	\$220,770	\$72,809,135
Expenditures							
Personnel	14,341,270	2,143,590	0	0	2,050,870	0	18,535,730
Operating Supplies	555,665	584,660	0	0	656,300	2,000	1,798,625
Contractual Services	1,354,830	412,270	360	0	1,006,480	3,600	2,777,540
Other Services & Charges	2,380,910	925,950	1,539,875	359,100	1,529,145	1,810	6,736,790
Capital Outlay	1,321,065	5,176,800	0	754,190	16,777,975	0	24,030,030
Debt Services	433,490	392,600	0	267,960	2,162,455	0	3,256,505
Subtotal of Expenditures	20,387,230	9,635,870	1,540,235	1,381,250	24,183,225	7,410	57,135,220
Other Uses							
Transfers Out	1,130,800	58,050	0	0	0	0	1,188,850
Reserves	3,878,915	770,860	197,840	0	9,424,090	213,360	14,485,065
	5,009,715	828,910	197,840	0	9,424,090	213,360	15,673,915
Total Expenditures & Other Uses	25,396,945	10,464,780	1,738,075	1,381,250	33,607,315	220,770	72,809,135
Net Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Use of Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Ending Balance @ 06/30/2016	0	0	0	0	0	0	0
Total Commitments and Fund Balances	\$25,396,945	\$10,464,780	\$1,738,075	\$1,381,250	\$33,607,315	\$220,770	\$72,809,135

GENERAL FUND

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

Fund Number
01

Description
General Fund

The following departments are funded by the General Fund:

General Government

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

Public Safety

- Police
- Ordinance Enforcement
- Communications
- Fire

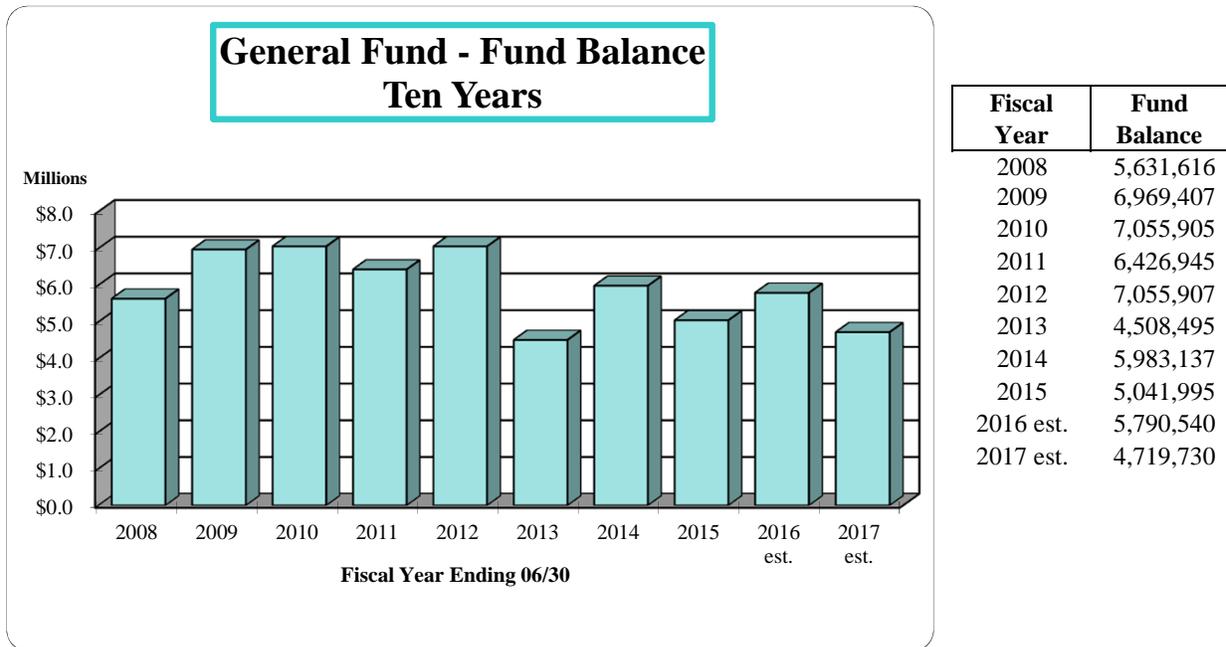
Culture & Recreation

- Parks & Recreation
- Recreation Center

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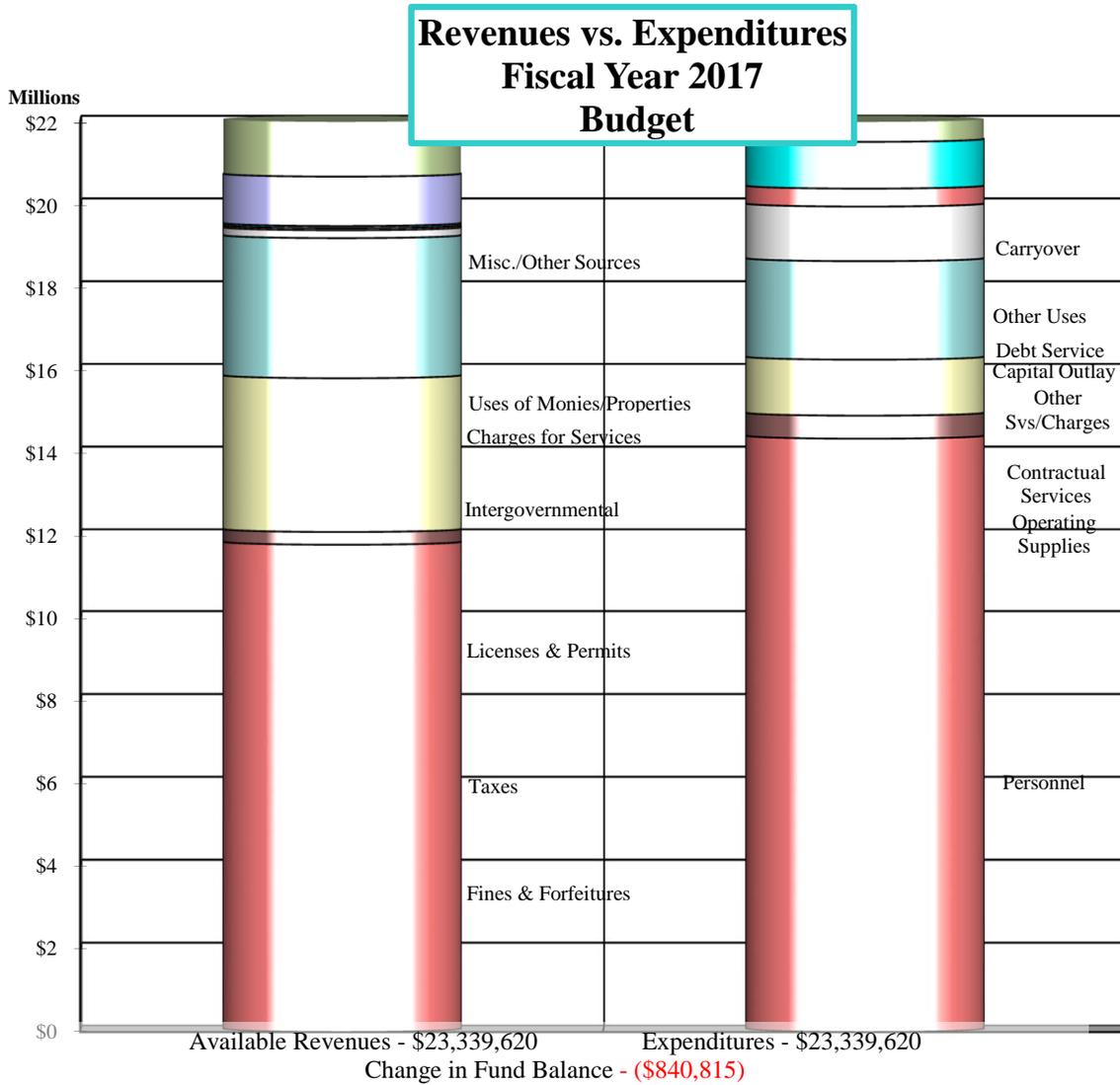
Fund Balance:

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



General Fund Consolidated Revenues & Expenditures

Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Revenue Sources:				
Taxes	\$11,388,659	\$11,105,755	\$11,368,760	\$11,776,210
Licenses & Permits	238,814	336,100	306,700	308,500
Intergovernmental Revenues	3,402,736	3,670,865	3,568,680	3,717,570
Charges for Services	2,496,590	2,909,405	3,195,275	3,387,485
Fines & Forfeitures	186,504	200,000	187,800	191,000
Uses of Monies & Properties	56,481	46,000	51,700	51,700
Miscellaneous Revenues	204,159	29,500	66,180	50,515
Total Revenue Sources	17,973,944	18,297,625	18,745,095	19,482,980
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	5,041,995	5,790,540	4,719,730
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	1,194,235
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	5,041,995	5,790,540	5,913,965
Total Available Resources	17,973,944	23,339,620	24,535,635	25,396,945
Expenditures:				
Personnel	12,520,153	13,682,395	13,682,727	14,341,270
Operating Supplies	674,677	537,020	532,385	555,665
Contractual Services	1,392,864	1,446,725	1,520,933	1,354,830
Other Services and Charges	2,054,793	2,242,045	2,280,955	2,380,910
Capital Outlay	337,040	513,350	530,245	1,321,065
Debt Service	484,197	433,475	433,445	433,490
Total Expenditures	17,463,724	18,855,010	18,980,690	20,387,230
Other Uses:				
Transfers Out	816,749	826,810	832,915	1,130,800
Reserves	0	3,657,800	2,300	3,878,915
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	816,749	4,484,610	835,215	5,009,715
Total Expenditures and Other Uses	18,280,473	23,339,620	19,815,905	25,396,945
Net Income / (Loss)	(\$306,529)	\$0	\$4,719,730	\$0



Revenues		Expenditures	
Taxes	\$11,776,210	Personnel	\$14,341,270
Licenses & Permits	308,500	Operating Supplies	555,665
Intergovernmental Revenues	3,717,570	Contractual Services	1,354,830
Charges for Services	3,387,485	Other Services and Charges	2,380,910
Fines & Forfeitures	191,000	Capital Outlay	1,321,065
Uses of Monies & Properties	51,700	Debt Service	433,490
Miscellaneous Revenues	50,515		
Total Operating Revenues	19,482,980	Total Operating Expenditures	20,387,230
Carryover Balance	4,719,730	Reserves	3,878,915
Other Sources	1,194,235	Other Uses	1,130,800
Total Revenues Available	\$25,396,945	Total Expenditures	\$25,396,945
Changes in Fund Balance - Inc./(Dec.)			(\$840,815)

Fiscal Year 2017 Budget
General Fund Revenues Schedule

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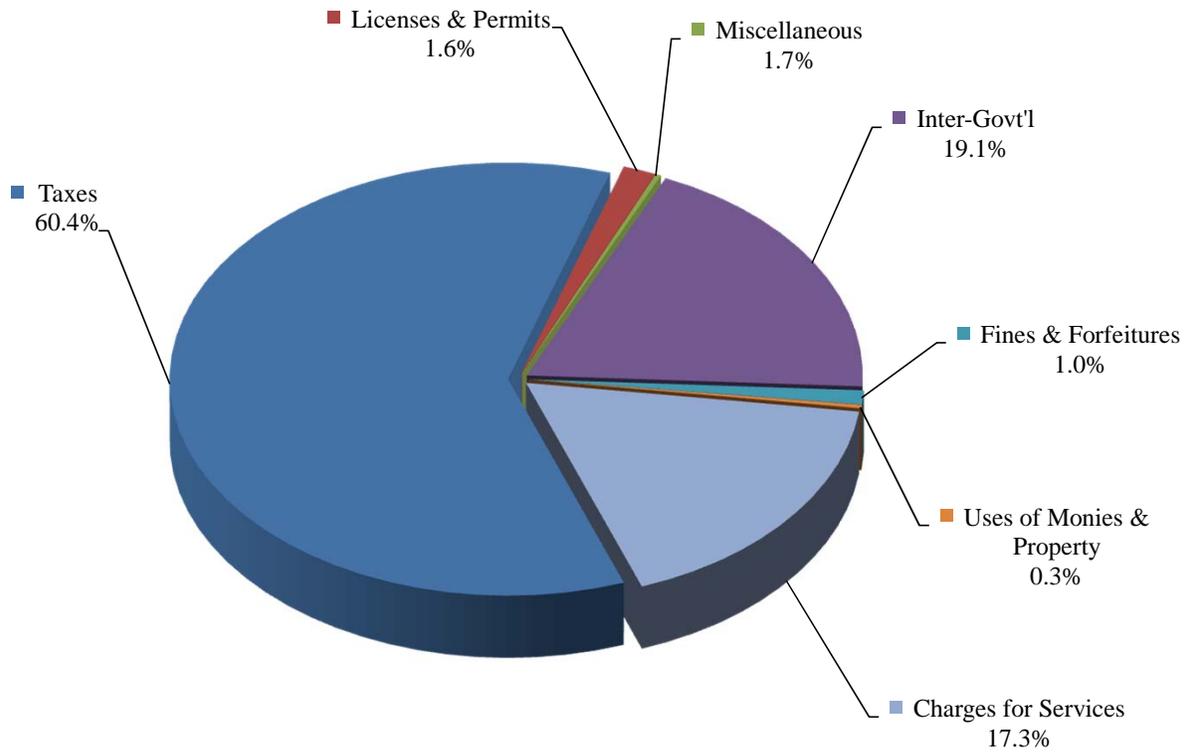
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Taxes					
Franchise Taxes	368,062	\$377,620	\$379,890	\$389,450	2.52%
City Sales Tax	10,636,032	10,357,835	10,568,610	10,935,760	3.47%
Bed Tax	161,960	130,000	176,260	201,000	14.04%
Utility Tax	222,605	240,300	244,000	250,000	2.46%
Subtotal	11,388,659	11,105,755	11,368,760	11,776,210	3.58%
Licenses & Permits					
Business Licenses	101,974	100,000	94,000	86,000	-8.51%
Construction Permits	127,836	210,000	198,000	200,000	1.01%
Planning & Zoning Fees	9,004	26,100	14,700	22,500	53.06%
Subtotal	238,814	336,100	306,700	308,500	0.59%
Intergovernmental					
M.V. Lieu Tax	660,786	667,580	686,380	703,780	2.54%
Cottonwood Oak Creek Shared Services	20,077	0	0	0	0.00%
Urban Revenue Sharing	1,363,698	1,356,310	1,356,305	1,444,370	6.49%
State Shared Sales Tax	1,029,494	1,076,180	1,076,180	1,111,240	3.26%
Post - Reimbursement	764	2,500	0	2,500	0.00%
Pant Grant	150,383	175,000	126,650	130,500	3.04%
School Resource Grant	20,000	20,000	20,000	20,000	0.00%
Miscellaneous Police Grants	2,075	0	2,000	2,000	0.00%
GOHS Grant	20,485	163,390	93,800	33,000	-64.82%
Victims Rights Grant	1,387	2,075	1,680	1,680	0.00%
Miscellaneous Fire Grants	1,559	10,000	0	10,000	0.00%
Yav Co Dept of Emergency Svcs	0	5,000	0	0	0.00%
Homeland Security Grant	0	30,000	100,655	65,000	-35.42%
GIITEM Grant Funding	72,593	71,330	0	0	0.00%
Rico Grant Funds	26,500	30,000	30,400	25,000	-17.76%
Yavapai Apache Revenue Share	16,875	0	20,630	25,000	21.18%
State Land Dpt Reimbursement	2,289	0	0	0	0.00%
Spay Neuter Grant	10,000	10,000	5,000	5,000	0.00%
Nature Conservancy Grant	0	0	45,000	0	-100.00%
Miscellaneous Grants	0	0	0	87,000	0.00%
S.A.F.E.R Fire Grant	0	47,500	0	47,500	0.00%
SB1398 Police Equipment	3,772	4,000	4,000	4,000	0.00%
Subtotal	3,402,736	3,670,865	3,568,680	3,717,570	4.17%
Fines & Forfeitures					
Court Fines	160,626	170,000	165,000	165,000	0.00%
Court Restitution	(364)	0	0	0	0.00%
Court Enhancement Fee	26,242	30,000	22,800	26,000	14.04%
Subtotal	186,504	200,000	187,800	191,000	1.70%
Uses of Monies & Properties					
Interest Income	36,040	25,000	25,000	25,000	0.00%
Building Rental	20,442	21,000	26,700	26,700	0.00%
Subtotal	56,481	46,000	51,700	51,700	0.00%

Fiscal Year 2017 Budget
General Fund Revenues Schedule

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Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Charges for Service					
Spillman Fees	30,470	25,000	0	0	0.00%
Dispatch Fees	139,777	453,750	595,270	756,310	27.05%
Animal Control Fees	4,064	4,000	4,500	4,500	0.00%
Recreation Fees	4,458	5,000	4,500	4,500	0.00%
Open/Close Graves	2,900	3,500	2,900	3,000	3.45%
Community Garden Revenue	966	700	1,680	1,500	-10.71%
Engineering Fees	15,750	5,500	14,960	15,000	0.27%
Plan Check Fees	(1,200)	4,500	0	2,500	0.00%
Pool Revenue	23,301	19,000	23,000	23,000	0.00%
Rec/Fees-Softball Tournaments	27,140	32,500	30,770	30,000	-2.50%
Rhythm & Ribs Revenue	5,303	0	0	0	0.00%
Walkin on Main Street	302	300	5,015	5,000	-0.30%
Old Town Historic Tour	2,145	2,600	4,410	5,000	13.38%
Pool - Snack Bar Sales	7,924	4,000	6,000	6,000	0.00%
Pool - Swimming Lessons	13,771	16,900	13,500	14,175	5.00%
Equestrian CTR Rev	30	0	0	0	0.00%
Court Atty Reimbursement	12,900	15,000	12,000	13,000	8.33%
10K Memorial Run	22,234	26,000	28,950	26,000	-10.19%
Recreation Center Fees	651,234	600,000	650,910	650,000	-0.14%
Recreation Center Building Rental	34,140	30,000	50,000	45,000	-10.00%
Recreation Center Classes/Programs	121,082	97,000	99,540	100,000	0.46%
Summer Youth Program	3,337	0	0	0	0.00%
Thunder Valley Rally	16,857	4,000	67,960	70,000	3.00%
Riverfront Park - Snack Bar	11,856	12,000	12,000	12,000	0.00%
Batting Cage Revenue	0	0	0	0	0.00%
Sewer Accounting Fees	0	300	0	0	0.00%
Tow Fee Revenues	12,435	16,200	10,950	11,000	0.46%
Transfer Station Revenue	126,826	130,000	175,610	220,000	25.28%
Airport-Indirect Cost	59,293	50,000	45,900	50,000	8.93%
HURF - Indirect Cost	588,450	475,000	438,500	475,000	8.32%
Library - Indirect Cost	190,822	175,500	182,450	185,000	1.40%
Cemetery-Indirect Cost	10,986	1,125	9,000	10,000	11.11%
Water - Indirect Cost	185,844	450,000	530,000	450,000	-15.09%
Sewer - Indirect Cost	171,194	250,030	175,000	200,000	14.29%
Subtotal	2,496,590	2,909,405	3,195,275	3,387,485	6.02%
Miscellaneous Revenues					
Other Income	21,536	16,000	39,700	25,000	-37.03%
Cash (Short)/Over	(1,010)	0	0	0	0.00%
Police Donations - P.R.	(1,539)	1,200	960	1,200	25.00%
Donations (Misc)	8,960	6,300	5,520	4,315	-21.83%
Sale of City Property	176,212	6,000	20,000	20,000	0.00%
Subtotal	204,159	29,500	66,180	50,515	-23.67%
Other Financing Sources					
Transfers In	0	0	0	0	0.00%
Carryover	0	5,041,995	5,790,540	4,719,730	-18.49%
Other Financing Sources	0	0	0	0	0.00%
Lease Purchase	0	0	0	1,194,235	0.00%
Bond Proceeds	0	0	0	0	0.00%
Subtotal	0	5,041,995	5,790,540	5,913,965	2.13%
Total Revenues	\$17,973,944	\$23,339,620	\$24,535,635	\$25,396,945	3.51%

**General Fund Revenues
Fiscal Year 2017**



General Fund Revenues	
Taxes	\$11,776,210
Licenses & Permits	308,500
Miscellaneous	50,515
Inter-Gov't	3,717,570
Fines & Forfeitures	204,000
Uses of Monies & Property	51,700
Charges for Services	3,374,485
Other Sources	1,194,235
Sub Total	20,677,215
Carryover Balance	4,719,730
Total General Fund Revenues	\$25,396,945

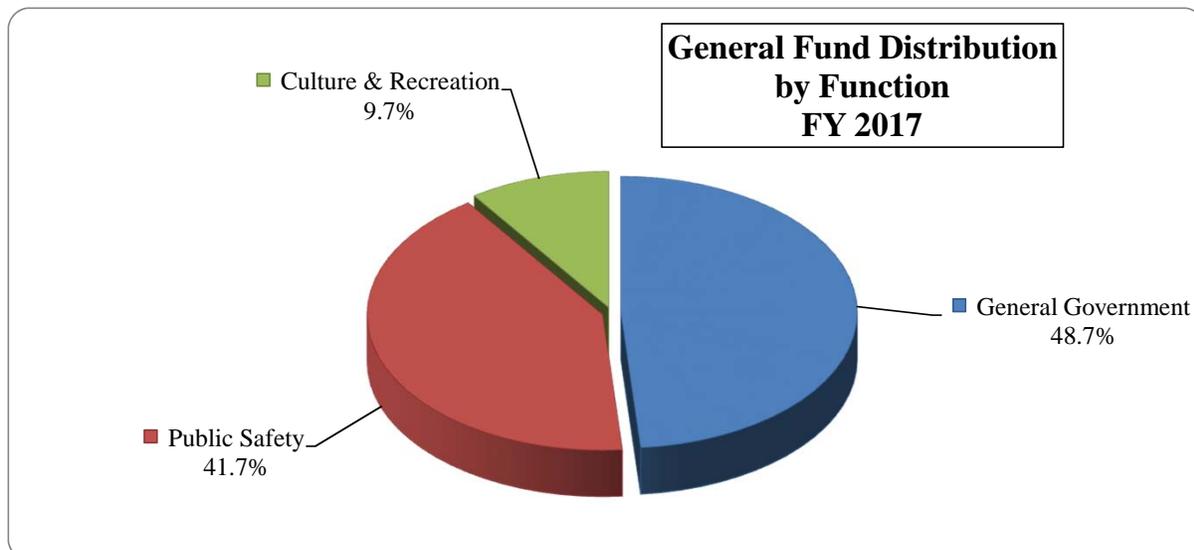
General Fund Revenues

	Taxes	Licenses & Permits	Inter- Gov't'l	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
Franchise Taxes	\$389,450							
City Sales Tax	10,935,760							
Bed Tax	201,000							
Utility Tax	250,000							
Business Licenses		\$86,000						
Construction Permits		200,000						
Planning & Zoning Fees		22,500						
State Revenue Sharing			\$1,444,370					
State Shared Sales Tax			1,111,240					
M.V. Lieu Tax			703,780					
GIITEM Funds			0					
Pant Grant			130,500					
School Resource Officer/COC Shared Services			20,000					
Fire & Emergency Services Grants			57,500					
Miscellaneous Grants			123,180					
Police Grants			102,000					
Dispatch Fees				\$0				
Spillman Fees				756,310				
Animal Control Fees				4,500				
Recreation Fees/Rhythm & Ribs/10K Memorial Run/ Sizzilin Sal:				35,500				
Thunder Valley Rally				70,000				
Old Town Historic Tour				5,000				
HURF - Indirect Cost				475,000				
Library - Indirect Cost				185,000				
Open/Close Graves				3,000				
Engineering Fees				15,000				
Plan Check Fees				2,500				
Tow Fee Revenues				11,000				
Transfer Station				220,000				
Pool Revenue				23,000				
Riverfront Park - Snack Bar				12,000				
Pool - Snack Bar Sales				6,000				
Batting Cage Revenues				0				
Pool - Swimming Lessons				14,175				
Community Garden				1,500				
Rec/Fees-Softball Tournament				30,000				
Recreation Center Fees				795,000				
Airport - Indirect Costs				50,000				
Sewer - Indirect Costs				200,000				
Water - Indirect Costs				450,000				
Sewer Accounting Fees				0				
Cemetery-Indirect Cost				10,000				
Court Fines					\$165,000			
Court Reimbursements					13,000			
Court Deferred Surcharge					26,000			
Building Rental						\$26,700		
Interest Income						25,000		
Other Income							\$21,200	
Donations							29,315	
Carryover								\$4,719,730
Lease Purchase Proceeds								1,194,235
Transfers In								0
Totals	\$11,776,210	\$308,500	\$3,717,570	\$3,374,485	\$204,000	\$51,700	\$50,515	\$5,913,965

Total General Fund Revenues Available \$25,396,945

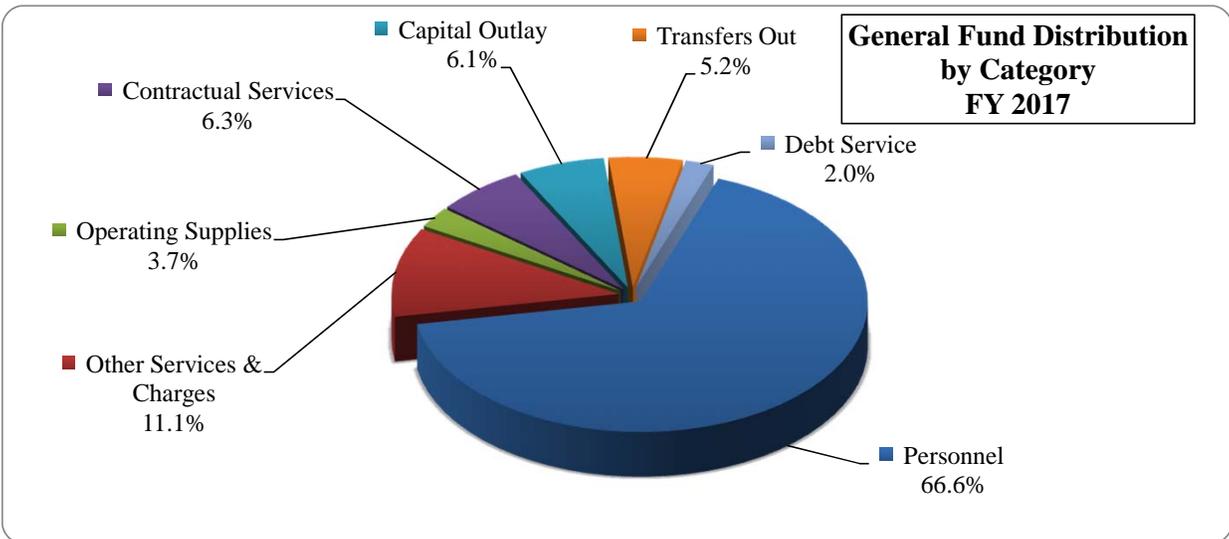
Fiscal Year 2017 Budget
General Fund Disbursement Schedule

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Proposed	
General Government					
Administration	\$855,476	\$734,220	\$734,770	\$741,910	0.97%
Personnel	225,026	294,855	259,065	301,040	16.20%
City Council	538,261	4,006,355	496,695	4,087,355	722.91%
Natural Resources	151,113	155,350	161,930	167,085	3.18%
City Clerk	231,003	231,460	228,280	249,965	9.50%
Finance	356,936	424,675	427,660	445,025	4.06%
IT Services	424,768	517,380	525,050	615,980	17.32%
Purchasing	68,305	72,650	72,580	99,680	37.34%
Community Development	462,055	511,010	524,115	586,115	11.83%
Economic Development	228,846	236,505	285,525	245,330	-14.08%
Municipal Court	496,457	569,445	548,850	584,065	6.42%
Legal	401,868	412,195	424,580	441,465	3.98%
Non-Departmental	1,739,806	1,707,785	1,762,370	2,082,790	18.18%
Engineering	401,659	421,125	360,280	424,700	17.88%
Building Maintenance	389,352	765,870	757,285	441,675	-41.68%
Custodial	151,249	225,510	157,000	160,000	1.91%
Public Works	510,578	512,645	518,670	685,190	32.11%
Total General Government	7,632,759	11,799,035	8,244,705	12,359,370	49.91%
Public Safety					
Police	4,406,882	4,707,310	4,633,685	4,997,535	7.85%
Ordinance Enforcement	205,056	210,150	204,130	210,580	3.16%
Communications	1,127,398	1,668,390	1,659,475	1,749,755	5.44%
Fire	2,780,016	2,925,790	2,875,140	3,623,035	26.01%
Total Public Safety	8,519,352	9,511,640	9,372,430	10,580,905	12.89%
Culture & Recreation					
Parks & Recreation	677,421	816,075	941,320	955,365	1.49%
Recreation Center	1,450,941	1,212,870	1,257,450	1,501,305	19.39%
Total Culture & Recreation	2,128,362	2,028,945	2,198,770	2,456,670	11.73%
Total General Fund Expenditures	\$18,280,473	\$23,339,620	\$19,815,905	\$25,396,945	28.16%



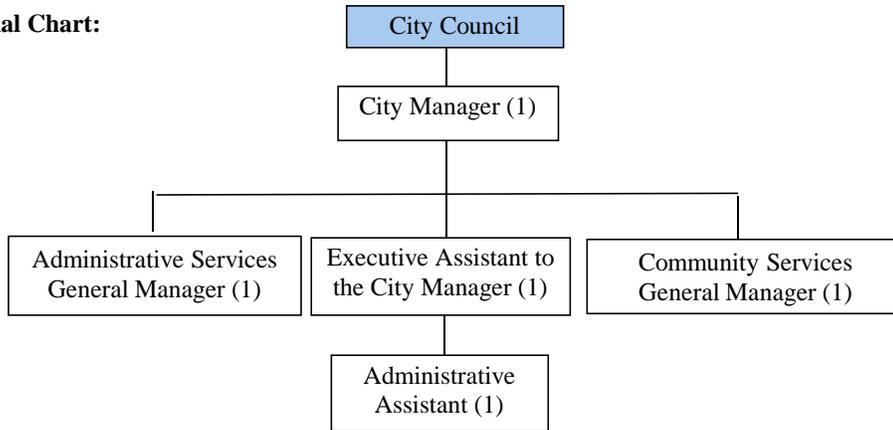
General Fund Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
General Government								
Administration	\$711,610	\$3,100	\$2,300	\$24,900	\$0	\$0	\$0	\$0
Personnel	207,990	4,000	48,000	41,050	0	0	0	0
City Council	48,940	1,250	70,000	86,750	1,500	0	0	3,878,915
City Clerk	218,760	3,325	680	27,200	0	0	0	0
Natural Resources	165,370	260	120	1,335	0	0	0	0
Finance	253,005	8,700	123,820	59,500	0	0	0	0
IT Services	493,130	8,350	58,500	11,000	45,000	0	0	0
Purchasing	95,055	600	1,750	2,275	0	0	0	0
Community Development	545,565	7,400	13,500	19,650	0	0	0	0
Economic Development	196,410	770	250	47,900	0	0	0	0
Municipal Court	424,155	7,510	72,500	79,900	0	0	0	0
Legal	244,140	25	190,000	7,300	0	0	0	0
Non-Departmental	0	0	3,500	515,000	0	1,130,800	433,490	0
Engineering Services	267,100	9,500	3,000	17,600	127,500	0	0	0
Building Maintenance	318,875	59,400	500	36,900	26,000	0	0	0
Custodial	0	0	160,000	0	0	0	0	0
Public Works	370,090	6,300	240,500	11,300	57,000	0	0	0
General Government Totals								
	4,560,195	120,490	988,920	989,560	257,000	1,130,800	433,490	3,878,915
Public Safety								
Police	4,280,195	228,130	53,980	284,165	151,065	0	0	0
Ordinance Enforcement	149,730	9,870	49,980	1,000	0	0	0	0
Communications	1,473,430	3,000	16,000	257,325	0	0	0	0
Fire	2,709,235	71,650	86,700	72,450	683,000	0	0	0
Public Safety Totals								
	8,612,590	312,650	206,660	614,940	834,065	0	0	0
Culture & Recreation								
Parks & Recreation	355,155	42,050	29,800	519,360	9,000	0	0	0
Recreation Center	813,330	80,475	129,450	257,050	221,000	0	0	0
Culture & Recreation Totals								
	1,168,485	122,525	159,250	776,410	230,000	0	0	0
General Fund Category Totals								
	\$14,341,270	\$555,665	\$1,354,830	\$2,380,910	\$1,321,065	\$1,130,800	\$433,490	\$3,878,915
General Fund Expenditures				\$21,518,030				
Anticipated Reserves				3,878,915				
Total General Fund Budget				<u>\$25,396,945</u>				



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Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

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

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

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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$741,910	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
City Manager	1.00	1.00	1.00	11,613	17,113	\$169,343
Executive Assistant to CM	1.00	1.00	1.00	3,781	5,572	46,505
Administrative Svcs GM	1.00	1.00	1.00	8,253	12,162	134,033
Developmental Svcs GM	1.00	1.00	0.00	8,253	12,162	0
Community Services GM	1.00	1.00	1.00	8,253	12,162	127,826
Administrative Asst	1.00	1.00	1.00	2,559	3,771	34,304
COLA						0
Car Allowance						5,400
Merit Contingency						21,369
Temporary / Reserves						0
Overtime						0
Longevity						0
Retirement						61,850
Insurance & Taxes						110,980
Employee Related Expenses						0
Totals	6.00	6.00	5.00			\$711,610

General Government	Administration	Fund 01 - General Fund			Cost Center	1100
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

Office Supplies	1,601	1,400	1,400	1,400	0.00%
Copier Supplies	3,726	1,500	1,500	1,500	0.00%
Gas & Oil	323	0	150	150	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Postage & Freight	42	200	40	50	25.00%
Total Supplies	5,691	3,100	3,090	3,100	0.32%

Contractual Services

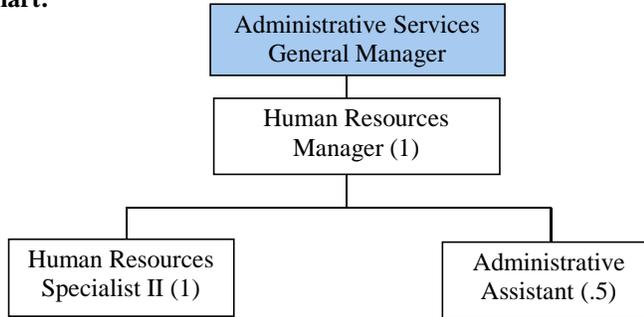
Computer Support	1,431	1,200	1,200	1,300	8.33%
Contractual Services	875	1,000	1,000	1,000	0.00%
Total Contractual Services	2,306	2,200	2,200	2,300	4.55%

Other Services and Charges

Travel & Training	2,272	1,000	1,000	1,000	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	848	1,100	1,500	1,500	0.00%
Printing & Forms	403	1,500	1,400	1,400	0.00%
Utilities	6,780	7,500	6,000	6,500	8.33%
Telephone	6,133	6,000	5,620	6,000	6.76%
Legal Advertising	0	0	0	0	0.00%
Manager's Contingency	6,621	8,500	8,500	8,500	0.00%
Total Other Services & Charges	23,057	25,600	24,020	24,900	3.66%

Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Multi-function Copier	\$8,812				
	<u>\$8,812</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

General Government	Human Resources Division	Fund 01 - General Fund	Cost Center	1210
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City Council Goal: Strive to provide effective and efficient services
Department Goal: To use City funds efficiently by minimizing expenditures for accidents, injuries and liability
Objective: Lower number of worker's compensation and insurance claims
Type of Measure: Program effectiveness
Tool: Risk management claims data
Frequency: Annual
Scoring: Progressing: Reduce more than 10%, Average: Reduce 0-10%, Caution: Increase <10%
Trend: Caution

	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Measures:				
Workers' compensation claims	19	22	25	23
Percent increase/decrease of workers' compensation claims	0%	16%	14%	-8%
Insurance claims/Incidents filed	19	13	17	17
Percent increase/decrease of insurance claims filed	0%	-32%	31%	0%

City Council Goal: Strive to provide effective and efficient services
Department Goal: Recruitment of qualified applicants; retention of staff
Objective: Provide recruitment services to City staff to assist them to recruit the best qualified applicants
Type of Measure: Outcome
Tool: Human Resources Department data
Frequency: Annual
Scoring: Increase/decrease from prior year
Trend: Positions filled = increase; turnover rate = level

	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Measures:				
Positions filled (FT, PT, Transfers)	83	104	110	115
Percent of new hires (FT) not completing orientation period	18%	5%	10%	15%
Employees (FT) leaving service	20	17	22	22
Turnover rate (FT)	10.00%	8.50%	10%*	12%*
Applications received (FT, PT, Transfers)	782	802	850	875

* Expect more turnover in coming years due to retirements

City Council Goal: Ensure for uncompromising integrity
Department Goal: Maintaining a work environment that is free of discrimination, harassment, intimidation and retaliation.
Objective: Prevent and correct unlawful discrimination and harassment in employment policies, procedures, practices and operations.
Type of Measure: Policy outcome
Tool: Human Resources data
Frequency: Annual
Scoring: 0-1 Complaints with 100% resolution is Progressing at or above expectations, 2-3 Complaints with 95% resolution is Caution, and 4 or more Complaints with 90% resolution is Need to Review.
Trend:

	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Measures:				
Number of employee grievances to Personnel Board	0	0	1	1
Number of EEO complaints/Lawsuits	0	1	0	0
Complaints with substantiated findings	1*	0	0	0
Number of EEO complaints dismissed *	0	1**	0	0

* One case from 2009 closed in 2013; ** One complaint to HR in 2014; nothing substantiated during internal investigation.

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

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

Supplemental Data: Personnel							
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016	
	2015	2016	2017	Minimum	Maximum	Budget	
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	\$85,586	
Human Resources Specialist	0.80	1.00	0.00	2,687	3,960	0	
Human Resources Specialist II	0.00	0.00	1.00	3,781	5,572	46,505	
Safety Training Specialist	0.00	1.00	0.00	4,825	7,111	0	
Administrative Assistant	0.00	0.50	0.50	1,280	1,886	17,031	
COLA						0	
Employee of the Qtr/Year						650	
Merit Contingency						5,318	
Temporary / Reserves						0	
Overtime						0	
Longevity						0	
Retirement						18,130	
Insurance & Taxes						34,770	
Employee Related Expenses						0	
Totals	<u>1.80</u>	<u>3.50</u>	<u>2.50</u>			<u>\$207,990</u>	

General Government	Human Resources Division	Fund 01 - General Fund			Cost Center	1210
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

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

Total Supplies	2,792	3,400	3,400	4,000	17.65%
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Contractual Services

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

Total Contractual Services	25,569	68,750	22,580	48,000	112.58%
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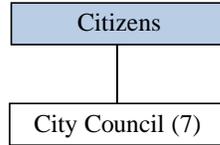
Other Services and Charges

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

Total Other Services & Charges	27,793	28,300	34,240	41,050	19.89%
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Supplemental Data: Capital Outlay									
Item Description	2015	2016		2017					
	Actual	Budget	Revised	Proposed					
N/A									
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> </table>						\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0						

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

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

Not Applicable: The Performance Indicators are gathered from the various departments for City Council's review

Supplemental Data: Capital Outlay

Item	2015	2016		2017
	Actual	Budget	Revised	Proposed
Council Chambers Broadcasting Equip Upgrade	\$3,120			
Library Parking Lot				
Old Town Parking				
Trust Land Annexation	\$4,006	5,000	500	\$1,500
Property Cleanup				
	<u>\$7,126</u>	<u>\$5,000</u>	<u>\$500</u>	<u>\$1,500</u>

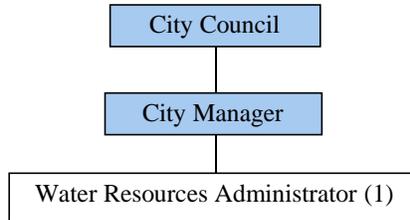
General Government		City Council		Fund 01 - General Fund		Cost Center	1000
Summary by Category							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Proposed			
Personnel	\$48,562	\$48,580	\$48,895	\$48,940	0.09%		
Operating Supplies	1,610	1,550	800	1,250	56.25%		
Contractual Services	299,128	210,000	361,835	70,000	-80.65%		
Other Services and Charges	181,834	83,425	82,365	86,750	5.32%		
Capital Outlay	7,126	5,000	500	1,500	200.00%		
Reserves	0	3,657,800	2,300	3,878,915	168548.48%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$538,261</u>	<u>\$4,006,355</u>	<u>\$496,695</u>	<u>\$4,087,355</u>	<u>722.91%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$203,440	4.98%
Grants	5,000	0.12%
Reserves/Fund Balance	3,878,915	94.90%
Total Funding		<u>100.00%</u>

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

General Government	City Council	Fund 01 - General Fund			Cost Center	1000
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Supplies						
Office Supplies	492	500	750	1,200	60.00%	
Copier Supplies	1,025	1,000	0	0	0.00%	
Postage & Freight	94	50	50	50	0.00%	
Total Supplies	1,610	1,550	800	1,250	56.25%	
Contractual Services						
Main Street Program & OTA	11,000	10,000	5,000	10,000	100.00%	
Large Item Pick-up	7,628	5,000	5,000	5,000	0.00%	
Recycle Program	0	0	0	0	0.00%	
Rodeo Drive St. Reimbursement	225,500	140,000	296,835	0	-100.00%	
Verde Valley Senior Center	55,000	55,000	55,000	55,000	0.00%	
Total Contractual Services	299,128	210,000	361,835	70,000	-80.65%	
Other Services and Charges						
Travel & Training	4,573	6,000	6,000	7,000	16.67%	
Subscriptions & Memberships	12,723	12,500	12,500	15,200	21.60%	
Gas & Oil	26	300	100	100	0.00%	
Vehicle Maintenance & Repair	130	225	400	500	25.00%	
Computer Support	1,034	1,000	960	1,000	4.17%	
Christmas Lights	2,127	0	265	300	13.21%	
Public Relations	1,937	1,500	1,500	1,200	-20.00%	
Legal Advertising	264	0	0	0	0.00%	
Parking Lot Lights	2,311	2,600	2,100	2,200	0.00%	
Utilities	5,914	6,300	4,940	5,500	11.34%	
Telephone	1,884	2,000	1,600	1,750	9.38%	
Community Garden	344	500	500	500	0.00%	
Council Contingency	6,514	10,000	10,000	10,000	0.00%	
Annual Appreciation Event	541	500	1,500	1,500	0.00%	
Youth Commission	3,435	4,000	4,000	4,000	0.00%	
50 th Anniversary/Centennial Celebration	0	0	0	0	0.00%	
Veterans Van	0	0	0	0	0.00%	
Outside Agencies	20,000	20,000	20,000	20,000	0.00%	
Growth Study & Analysis	0	0	0	0	0.00%	
Birding Festival	0	1,000	1,000	1,000	0.00%	
Building Community Grants	0	15,000	15,000	15,000	0.00%	
Gardner Property	0	0	0	0	0.00%	
Old Town Parking	118,078	0	0	0	0.00%	
Total Other Services & Charges	181,834	83,425	82,365	86,750	5.32%	
Reserves						
Carryover Restricted	0	2,557,800	0	2,851,240	0.00%	
Accumulation Fund	0	1,000,000	0	1,000,000	0.00%	
Undesignated	0	100,000	2,300	27,675	1103.26%	
Reserves for Capital/Programs	0	0	0	0	0.00%	
.2% Sales Tax Excess Capital Reserve	0	0	0	0	0.00%	
1% Sales Tax GF CIP	0	0	0	0	0.00%	
Employee Merit Program (distributed in each dept.)	0	0	0	0	0.00%	
Salary Plan Implementation	0	0	0	0	0.00%	
Total Reserves	0	3,657,800	2,300	3,878,915	0.00%	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

- * Obtain the Aquifer Protection Permit from the Arizona Department of Environmental Quality for the Mingus Avenue Plant and start recharging reclaimed water via the injection well
- * Complete the feasibility analysis of recharging reclaimed water at the proposed Riverfront Reclamation Plant and, if feasible, construct the injection well for facilitating the recharge of reclaimed water

Budget Highlights:

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

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	1700	
Performance Indicators					
City Council Goal:	Maintain a uniquely desirable and sustainable community				
Department Goal:	Continue participation in regional and statewide water related groups				
Objective:	Stay abreast of current and future water resource development and funding efforts both regionally and statewide and ensure the City's interests are protected and their concerns are fully addressed				
Type of Measure:	Outcome				
Tool:	Internal Reports				
Frequency:	Monthly				
Scoring:	Maintain projected attendance				
Trend:	Added new meeting FY 2012				
Measures:			Actual	Estimated	Anticipated
	2013	2014	2015	2016	
Regional Water related meetings attended	55	55	40	40	
Yavapai Water Board related meetings attended	36	30	15	2	
Statewide Water Resource Development Meetings	30	30	20	20	

City Council Goal:	Maintain a uniquely desirable and sustainable community				
Department Goal:	Provide guidance for long-term water planning, quantify the needed water resources and the necessary water conservation needed over time, and the utilization of reclaimed water				
Objective:	Collect, analyze and provide information in one location in order to provide the most cost effective, reliable service to the City's utility customers				
Type of Measure:	Output				
Tool:	Development of a comprehensive water resource conservation program and recharge project				
Frequency:	N/A				
Scoring:	Plan should be 100% completed by FY 2015				
Trend:	N/A - New Goal				
Measures:			Actual	Estimated	Anticipated
	2013	2014	2015	2016	
Completion of the Plan			100%	100%	
Completion of Recharge			75%	100%	

City Council Goal:	Maintain a uniquely desirable and sustainable community				
Department Goal:	Monitor, track and provide feedback on legislation related to the regulation and management of water resources				
Objective:	Ensure the City's water resources and the utility services provided to its customers are not negatively impacted by statewide legislative efforts.				
Type of Measure:	Output/outcome				
Tool:	Weekly legislative summary updates and recommendations to City Council				
Frequency:	Weekly during the legislative session				
Scoring:	20				
Trend:	N/A - New Measure FY 2012				
Measures:			Actual	Estimated	Anticipated
	2013	2014	2015	2016	
Summary Updates	21	25	25	25	
Meetings with legislators and League of Cities legislative updates	20	20	20	20	

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	\$121,239
COLA						0
Car Allowance						5,400
Merit Pay						4,041
Temporary / Reserves						0
Overtime						0
Retirement						15,000
Insurance & Taxes						19,690
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$165,370</u>

General Government	Natural Resources	Fund 01 - General Fund			Cost Center	1700
Supplemental Data: Expenditures						
Item	2015		2016		2017	Percent Change
	Actual	Budget	Revised	Proposed		

Supplies

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

Contractual Services

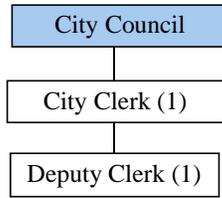
Contractual Services	0	0	0	0	0.00%
Computer Support	120	120	120	120	0.00%
Total Contractual Services	120	120	120	120	0.00%

Other Services and Charges

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

Supplemental Data: Capital Outlay					
Item Description	2015		2016		2017
	Actual	Budget	Revised	Proposed	
N/A					
\$0 \$0 \$0 \$0					

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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FY 2017 Goals:

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Budget Highlights:

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

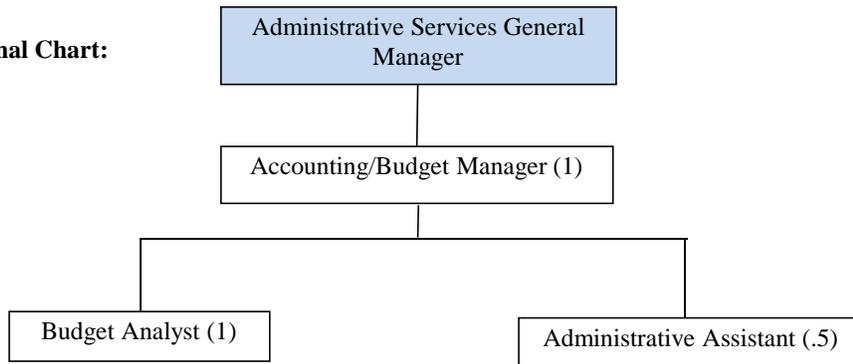
General Government	City Clerk	Fund 01 - General Fund	Cost Center	1010
Performance Indicators				
Mission/Value Statement:	*Performances Indicators are still being developed for this department*			
City Council Goal:				
Department Goal:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend: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

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
City Clerk	1.00	1.00	1.00	5,586	8,232	\$108,123
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	45,082
COLA						0
Merit Contingency						6,905
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						18,500
Insurance & Taxes						39,150
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$218,760</u>

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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FY 2016 Goals:

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Budget Highlights:

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

General Government	Finance	Fund 01 - General Fund	Cost Center	1200	
Performance Indicators					
City Council Goal: Strive to Provide Effective and Efficient Services					
Department Goal: To maintain external validation of Best Practices in governmental accounting and reporting					
Objective: Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award					
Type of Measure: Outcome					
Tool: Produce Documents and Submit for Review					
Frequency: Annual					
Scoring: Yes/No					
Trend: Level					
		Actual		Estimated	Anticipated
Measures:		2014	2015	2016	2017
GFOA Certificate of Achievement		Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award		Yes	Yes	Yes	Yes
City Council Goal: Strive to Provide Effective and Efficient Services					
Department Goal: Increase the percent of ACH Payroll Deposits					
Objective: Reduce the cost of processing Payroll					
Type of Measure: Outcome					
Tool: Accounting Software Reports					
Frequency: Annual					
Scoring: ACH to total Checks and Direct Deposits - good 80%					
Trend: Up					
		Actual		Estimated	Anticipated
Measures:		2013	2014	2015	2016
Payroll Checks/Deposits Distributed		6,825	8,603	7,645	8,000
ACH Payroll Deposits		5,160	6,911	6,147	6,400
Increase in ACH Payroll Deposits		75.60%	80.33%	80.41%	80.00%
City Council Goal: Strive to provide effective and efficient services					
Department Goal: Decrease the number of voided Checks to less than 2%					
Objective: Increase the integrity of the purchasing process, avoiding duplicate invoice/payments and reducing the cost of processing Accounts Payable					
Type of Measure: Outcome					
Tool: Accounting Software Reports					
Frequency: Annual					
Scoring: < 2%					
Trend: Up - FY 2010 the increase is mainly due to the frozen AP position					
		Actual		Estimated	Anticipated
Measures:		2013	2014	2015	2016
Accounts Payable Checks Written		2,014	2,015	2,016	2,017
Accounts Payable Checks voided (incl. vendor lost and printer errors)		96	178	109	55
Increase(decrease) in Accounts Payable		4.8%	8.8%	5.4%	2.7%
City Council Goal: Strive to provide effective and efficient services					
Department Goal: Increase tax payer awareness of tax responsibility					
Objective: To collect all sales tax that is due to the City of Cottonwood					
Type of Measure: Outcome					
Tool: Reports from Sales Tax Auditor					
Frequency: Annual					
Scoring: Increase/Decrease from Prior Year					
Trend: Steady					
		Actual		Estimated	Anticipated
Measures:		2013	2014	2015	2016
Sales Tax Audits Completed		8	6	5	5
Sales Tax Assessments		\$100,000	\$18,802	\$20,000	\$40,000
Verification Letters Issued (New Measure FY 2012)		N/A	20	15	30
Verification Letters Completed (New Measure FY 2012)		N/A	8	15	30

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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$445,025	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	\$99,838
Budget Analyst	1.00	1.00	1.00	3,781	5,572	60,154
Administrative Assistant	0.00	0.50	0.50	1,280	1,886	17,031
COLA						0
Merit Contingency						8,247
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						21,380
Insurance & Taxes						45,355
Employee Related Expenses						0
Totals	2.00	2.50	2.50			\$253,005

General Government	Finance Department	Fund 01 - General Fund			Cost Center	1200
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

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

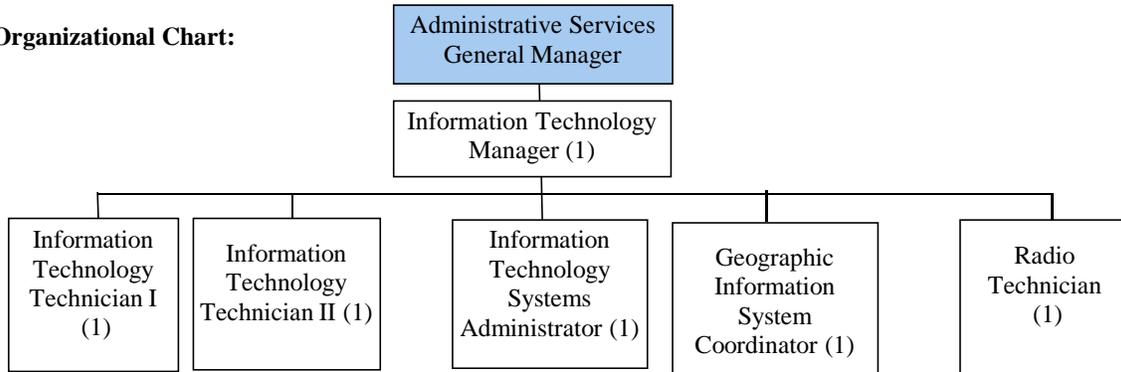
Contractual Services

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

Other Services and Charges

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

Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
N/A					
\$0 \$0 \$0 \$0					

IT Services**Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

General Government	IT Services	Fund 01 - General Fund	Cost Center	1220
Performance Indicators				

City Council Goal: Strive to provide effective and efficient services				
Department Goal: Continue to maintain a less than 2% down time				
Objective: Reduce server down time by maintaining and upgrading servers as needed and responding quickly to service calls.				
Type of Measure: Outcome				
Tool: Call logs and system reports				
Frequency: Annual				
Scoring: 98%				
Trend: Improved				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
File Server Uptime	99.00%	98.70%	99.00%	99.00%
Email Server Uptime	98.50%	99.00%	99.00%	99.00%

City Council Goal: Strive to provide effective and efficient services				
Department Goal: To respond to service calls within two days				
Objective: To provide responsive internal service to all departments thereby maximizing technology's effectiveness.				
Type of Measure: Outcome				
Tool: Call Logs and system reports				
Frequency: Annual				
Scoring: 2 days				
Trend: Level				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Average Initial Helpdesk Response Time	1 day	1 day	1 day	1 day

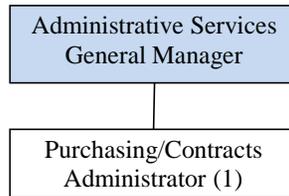
City Council Goal: Strive to provide effective and efficient services				
Department Goal: To post Agendas and Minutes to the website the same day they are made available to IT				
Objective: To make the Agendas and Minutes available to the public as soon as possible				
Type of Measure: Outcome				
Tool: Call Logs				
Frequency: Annual				
Scoring: Same day				
Trend: Level				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Time to Post Agendas and Minutes to Website	Same day	Same day	Same day	Same day

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
IT Manager	1.00	1.00	1.00	6,790	10,006	\$92,109
IT Systems Administrator	0.00	0.00	1.00	4,596	6,772	51,275
IT GIS Technician II	0.00	0.00	1.00	3,429	5,054	50,022
Radio Technician	0.00	0.00	1.00	4,168	6,143	50,019
IT Technician II	1.00	1.00	1.00	3,781	5,572	46,505
IT Technician I	1.00	1.00	1.00	3,429	5,054	41,153
COLA						0
Merit Contingency						12,517
Longevity						0
Temporary / Reserves						20,000
Overtime						5,000
Holiday Pay						500
Retirement						40,080
Insurance & Taxes						83,950
Employee Related Expenses						0
Totals	3.00	3.00	6.00			\$493,130

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

General Government	Purchasing	Fund 01 - General Fund	Cost Center	1230	
Performance Indicators					
City Council Goal: Operating in an efficient and effective manner					
Department Goal: Process requisitions into purchase orders within a 24 hour time period after requisitions have been					
Objective: Purchase requested material goods, services and construction in a timely manner					
Type of Measure: Processing time					
Tool: Requisition log and Springbrook software					
Frequency: Occurrence of requisitions					
Scoring: 100% = Above Average; 95% = Average; 90% = Below Average; 85% or below = Poor					
Trend: Score at least 95% or higher					
Measures:		2014	2015	2016	2017
		95%	95%	96%	96%
City Council Goal: Be Innovative					
Department Goal: Ensure local businesses comply with the requirement to register their business with the City					
Objective: Educate local business owners on the conditions stipulated in the Municipal Code requiring a business registration					
Type of Measure: Mailing of business registration renewal letters, monitoring of Chamber memberships and Code Enforcement notifications					
Tool: Outreach program to personally contact (new) business owners					
Frequency: One hour per week					
Scoring:					
Trend:					
Measures:		Actual		Estimated	Anticipated
		2014	2015	2016	2017
Registrations - the decline in registration is due to new State legislation that does not allow registration of rentals		1,299	1,350	1,100	1,200

General Government	Purchasing	Fund 01 - General Fund		Cost Center	1230
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

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

Contractual Services

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

Other Services and Charges

Travel & Training	116	700	155	500	222.58%
Subscriptions & Memberships	258	500	285	300	5.26%
Printing & Forms	0	0	0	0	0.00%
Utilities	385	500	510	550	7.84%
Telephone	885	950	880	925	7.84%
Legal Advertising	0	0	0	0	0.00%
Total Other Services & Charges	1,644	2,650	1,830	2,275	24.32%

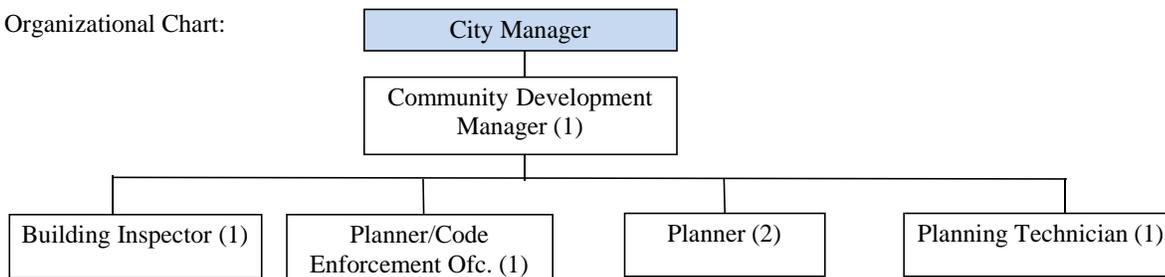
Supplemental Data: Capital Outlay										
Item Description	2015	2016		2017						
	Actual	Budget	Revised	Proposed						
N/A										
<table border="1" style="width: 100%;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">\$0</td> </tr> </table>							\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0						

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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$99,680	100.00%
Total Funding		100.00%

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

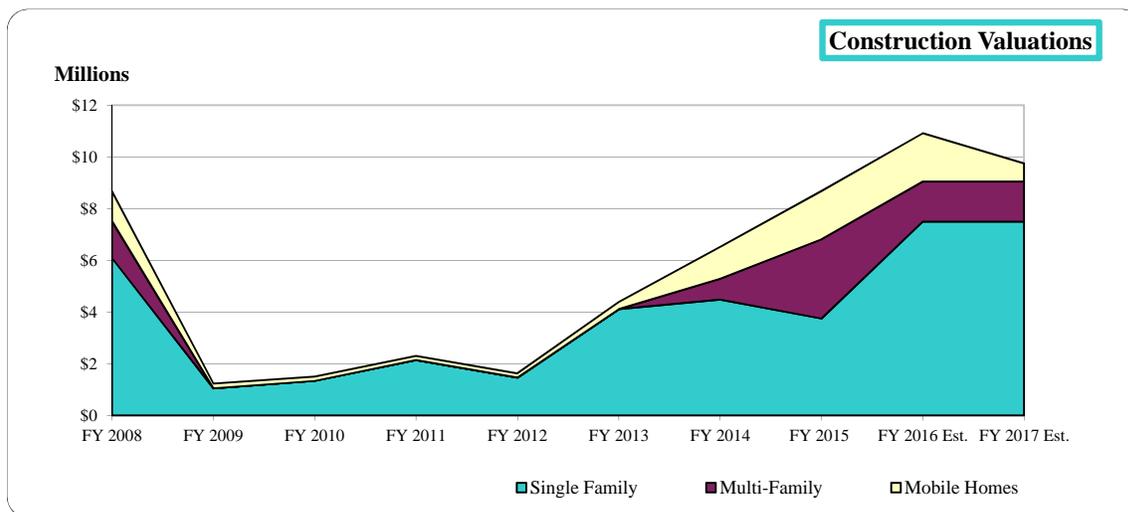
Organizational Chart:



General Information:

Note: Only unshaded boxes are included in this budget.

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



FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

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

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

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

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

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Community Development Manager	1.00	1.00	1.00	5,320	7,840	\$82,948
Planner	2.00	2.00	2.00	4,168	6,143	131,390
Planner/Code Enforcement Officer	0.00	0.00	1.00	3,266	4,813	44,290
Senior Administrative Assistant	1.00	1.00	0.00	2,962	4,365	0
Administrative Assistant	0.00	0.00	1.00	2,559	3,771	30,707
Planning Technician	0.00	0.00	1.00	2,962	4,365	41,298
Building Official	1.00	1.00	0.00	4,168	6,143	0
Building Inspector	1.00	1.00	1.00	3,266	4,813	48,491
COLA						0
Merit Contingency						10,636
Longevity Pay						0
Car Allowance						5,400
Temporary / Reserves						2,000
Overtime						500
Retirement						45,420
Insurance & Taxes						102,485
Employee Related Expenses						0
Totals	<u>6.00</u>	<u>6.00</u>	<u>7.00</u>			<u>\$545,565</u>

General Government	Community Development	Fund 01 - General Fund		Cost Center	1400
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

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

Total Supplies	10,012	8,300	6,900	7,400	7.25%
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Contractual Services

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

Total Contractual Services	3,692	8,655	6,390	13,500	111.27%
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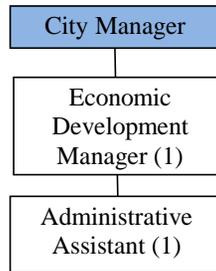
Other Services and Charges

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

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

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000
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Performance Indicators

City Council Goal:	Enhance our position as the economic center of the Verde Valley, providing retail, medical, education, transportation, recreation and tourism																				
Department Goal:	Increase the level of business retention and expansion of existing business																				
Objective:	Help increase local business effectiveness leading to better retention rates and expansion																				
Type of Measure:																					
Tool:	Business retention and expansion surveys																				
Frequency:	Yearly																				
Scoring:	Increase/decrease yearly																				
Trend:																					
Measures:	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Number of businesses retained</td> <td>10</td> <td>10</td> <td>10</td> <td>11</td> </tr> <tr> <td>Number of expansions</td> <td>15</td> <td>15</td> <td>15</td> <td>15</td> </tr> </tbody> </table>		Actual		Estimated	Anticipated		2014	2015	2016	2017	Number of businesses retained	10	10	10	11	Number of expansions	15	15	15	15
	Actual		Estimated	Anticipated																	
	2014	2015	2016	2017																	
Number of businesses retained	10	10	10	11																	
Number of expansions	15	15	15	15																	

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism																				
Department Goal:	Increase the level of new businesses interested in locating in Cottonwood																				
Objective:	Increase lead activity																				
Type of Measure:																					
Tool:	County reports, business registrations																				
Frequency:	Annual																				
Scoring:	Increase/decrease from prior year																				
Trend:	up																				
Measures:	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Unemployment Rate (Yavapai County)</td> <td>8%</td> <td>5%</td> <td>5%</td> <td>5%</td> </tr> <tr> <td>Number of new businesses</td> <td>10</td> <td>10</td> <td>10</td> <td>11</td> </tr> </tbody> </table>		Actual		Estimated	Anticipated		2014	2015	2016	2017	Unemployment Rate (Yavapai County)	8%	5%	5%	5%	Number of new businesses	10	10	10	11
	Actual		Estimated	Anticipated																	
	2014	2015	2016	2017																	
Unemployment Rate (Yavapai County)	8%	5%	5%	5%																	
Number of new businesses	10	10	10	11																	

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism																									
Department Goal:	Provide excellent customer service and more value added use of facility and 100% occupancy																									
Objective:	Increase usage of facility																									
Type of Measure:																										
Tool:	Usage reports, training surveys																									
Frequency:	Yearly																									
Scoring:	Desired growth would be 50 new customers per year																									
Trend:	level																									
Measures:	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Number of business people using facility</td> <td>300</td> <td>300</td> <td>300</td> <td>300</td> </tr> <tr> <td>Number of leases (maximum occupancy 4 businesses)</td> <td>3</td> <td>3</td> <td>3</td> <td>4</td> </tr> <tr> <td>Number of satisfied trainees</td> <td>250</td> <td>200</td> <td>200</td> <td>200</td> </tr> </tbody> </table>		Actual		Estimated	Anticipated		2014	2015	2016	2017	Number of business people using facility	300	300	300	300	Number of leases (maximum occupancy 4 businesses)	3	3	3	4	Number of satisfied trainees	250	200	200	200
	Actual		Estimated	Anticipated																						
	2014	2015	2016	2017																						
Number of business people using facility	300	300	300	300																						
Number of leases (maximum occupancy 4 businesses)	3	3	3	4																						
Number of satisfied trainees	250	200	200	200																						

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism																				
Department Goal:	Increase exposure to outside value added resources, i.e. ACA, AAED, etc.																				
Objective:	Increase the level of support from outside sources to help grow our economy																				
Type of Measure:																					
Tool:	Arizona Commerce Authority reports																				
Frequency:	Annual																				
Scoring:	Steady increase desired																				
Trend:																					
Measures:	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Number of Leads from Arizona Commerce Authority</td> <td>3</td> <td>5</td> <td>n/a</td> <td>3</td> </tr> <tr> <td>Grant dollars received</td> <td>\$50,000</td> <td>\$60,000</td> <td>\$45,000</td> <td>\$60,000</td> </tr> </tbody> </table>		Actual		Estimated	Anticipated		2014	2015	2016	2017	Number of Leads from Arizona Commerce Authority	3	5	n/a	3	Grant dollars received	\$50,000	\$60,000	\$45,000	\$60,000
	Actual		Estimated	Anticipated																	
	2014	2015	2016	2017																	
Number of Leads from Arizona Commerce Authority	3	5	n/a	3																	
Grant dollars received	\$50,000	\$60,000	\$45,000	\$60,000																	

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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$245,330	100.00%
Total Funding		100.00%

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

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000	
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

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

Total Supplies	3,014	1,075	620	770	24.19%
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Contractual Services

Computer Support	328	250	250	250	0.00%
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Total Contractual Services	328	250	250	250	0.00%
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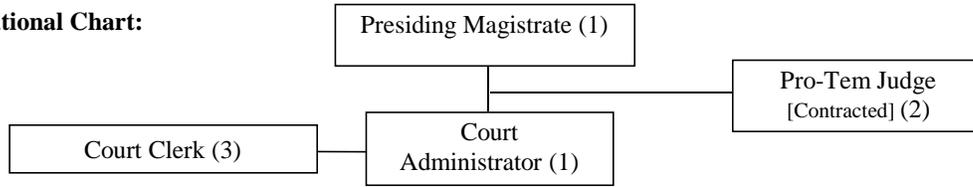
Other Services and Charges

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

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

Organizational Chart:



General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	1310
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Performance Indicators				
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Promote public confidence in the court and ensure public receives adequate access to court services and is treated fairly			
Objective:	Measure public access and fairness by conducting an annual survey			
Type of Measure:	Outcome			
Tool:	Survey			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Rating of 90 - 100%			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
National Center for State Courts (NCSC) Court Tools Survey Measure 1 Access & Fairness Survey	90%	90%	84%	90%

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Promote efficient and effective administration of justice by managing cases in compliance with all legal requirements			
Objective:	Measure case filings and terminations to clearance rates			
Type of Measure:	Number of filings to term			
Tool:	Calculate total incoming cases divided by total outgoing cases			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Clearance rate of 90 - 100%			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
National Center for State Courts (NCSC) Court Tools Measure 2 Clearance rates *January and February only	105%	104%	*108%	*100%

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Provide timely service and enforcement of court order by continuously improving operational efficiency processing			
Objective:	Measure payments collected as a percentage of total monetary penalties			
Type of Measure:	Number of payments to total receivables			
Tool:	Calculation of total incoming payments divided by outstanding receivables			
Frequency:	Annual (each calendar year)			
Scoring:	Increase/decrease from prior year			
Trend:	Rating of 90 - 100%			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
National Center for State Courts (NCSC) Court Tools Measure 7 Collection of Monetary Penalties	88%	90%	100%	100%

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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$584,065	100.00%
Total Funding		100.00%

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

General Government	Municipal Court	Fund 01 - General Fund		Cost Center	1310
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

Office Supplies	4,506	4,400	3,000	3,500	46.67%
Copier Supplies	323	500	500	500	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	1,959	2,600	2,710	2,710	-4.06%
Postage & Freight	775	800	800	800	0.00%

Total Supplies	7,563	8,300	7,010	7,510	7.13%
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Contractual Services

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

Total Contractual Services	76,124	66,950	66,500	72,500	9.02%
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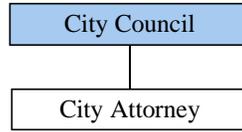
Other Services and Charges

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

Total Other Services & Charges	43,518	84,200	70,245	79,900	13.74%
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Supplemental Data: Capital Outlay											
Item Description	2015	2016		2017							
	Actual	Budget	Revised	Proposed							
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">\$0</td> <td></td> </tr> </table>							\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0							

Legal



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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FY 2017 Goals:

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Budget Highlights:

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

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

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

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

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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$441,465	100.00%
Total Funding		100.00%

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

General Government	Legal	Fund 01 - General Fund			Cost Center	1300
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

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

Contractual Services

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

Other Services and Charges

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

Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Computer	\$2,015	\$0	\$0	\$0	
	\$2,015	\$0	\$0	\$0	

General Information:

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

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

There are no significant changes to this budget.

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

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

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

General Government		Non-Departmental		Fund 01 - General Fund		Cost Center	1800
Summary by Category							
Expenditure Category	2015		2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed			
Personnel	\$0	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0	0.00%	
Contractual Services	2,879	3,500	5,750	3,500		-39.13%	
Other Services and Charges	435,981	444,000	490,260	515,000		5.05%	
Operating Transfers	816,749	826,810	832,915	1,130,800		35.76%	
Debt Service	484,197	433,475	433,445	433,490		0.01%	
Department Totals	<u>\$1,739,806</u>	<u>\$1,707,785</u>	<u>\$1,762,370</u>	<u>\$2,082,790</u>		<u>18.18%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,082,790	100.00%
Total Funding		<u>100.00%</u>

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

General Government	Non-Departmental	Fund 01 - General Fund		Cost Center	1800
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

N/A	0	0	0	0	0.00%
Total Supplies	0	0	0	0	0.00%

Contractual Services

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

Other Services and Charges

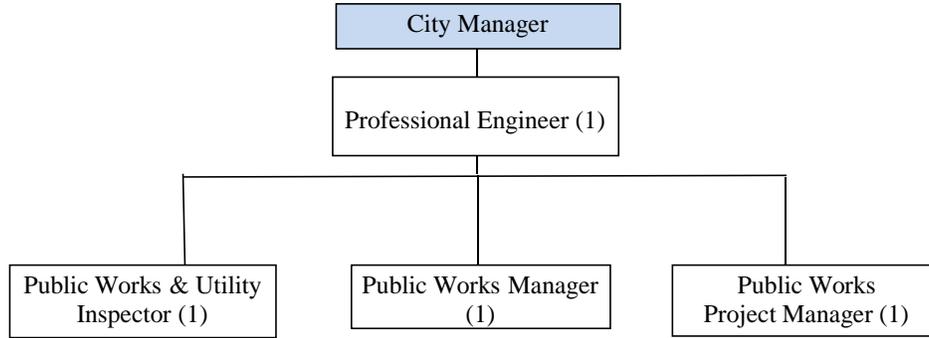
Liability Insurance	257,681	294,000	294,000	294,000	0.00%
Liability-Claims Deductible	16,996	20,000	20,000	20,000	0.00%
Chamber of Commerce	161,305	130,000	176,260	201,000	14.04%
Total Other Services & Charges	435,981	444,000	490,260	515,000	5.05%

Debt Service

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

Supplemental Data: Operating Transfers					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Operating Transfers - HURF-Streets/Transit					0.00%
Operating Transfers - HURF-Transit				\$ 200,000	0.00%
Operating Transfers - Library	785,690	\$ 801,285	\$ 790,715	877,860	11.02%
Operating Transfers - Cemetery	31,059	25,525	33,200	37,200	12.05%
Operating Transfers - Airport			9,000	15,740	74.89%
Operating Transfers - Debt Services					0.00%
	\$816,749	\$826,810	\$832,915	\$1,130,800	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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FY 2017 Goals:

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Budget Highlights:

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

General Government	Engineering	Fund 01 - General Fund	Cost Center	1410	
Performance Indicators					
City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	Keep the turn around time on plans within three weeks for receipt				
Objective:	Return comments to applicants within three weeks of receipt of plan(s) by the Department				
Type of Measure:					
Tool:	Plans submitted				
Frequency:	As necessary				
Scoring:	≥ 90% or greater response time within three weeks time frame				
Trend:	New measure				
Measures:		Actual	Estimated	Estimated	Anticipated
		2013	2014	2015	2016
Percentage of instances in which response time was ≤ 3 weeks		N/A	N/A	90%	90%

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

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Public Works & Utility Inspector	2.00	2.00	1.00	3,266	4,813	\$39,193
Professional Engineer	1.00	1.00	1.00	5,320	7,840	74,501
Civil Engineer Tech I	1.00	1.00	0.00	3,429	5,054	0
Drafter/Designer	1.00	1.00	0.00	3,781	5,572	0
Public Works Project Manager	1.00	1.00	1.00	3,781	5,572	60,954
Public Works Manager	0.00	0.00	0.00	5,067	7,466	0
COLA						0
Merit Contingency						6,772
Longevity						0
Overtime						350
Retirement						20,870
Insurance & Taxes						64,460
Employee Related Expenses						
Totals	6.00	6.00	3.00			\$267,100

General Government	Engineering	Fund 01 - General Fund			Cost Center	1410
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

Office Supplies	701	1,000	500	600	20.00%
Copier Supplies	162	0	50	50	0.00%
Gas & Oil	4,045	5,000	4,200	4,500	7.14%
Vehicle Maint & Repairs	1,503	1,500	1,800	1,500	-16.67%
Equipment Maint & Repairs	19	500	0	300	0.00%
Operational Supplies	1,677	1,000	2,200	1,500	-31.82%
Clothing Allowance	845	800	910	1,000	9.89%
Postage & Freight	281	50	50	50	0.00%
Total Supplies	9,235	9,850	9,710	9,500	-2.16%

Contractual Services

Computer Support	1,004	1,000	1,000	1,000	0.00%
Contractual Services	7,433	2,000	21,000	2,000	
Total Contractual Services	8,436	3,000	22,000	3,000	-86.36%

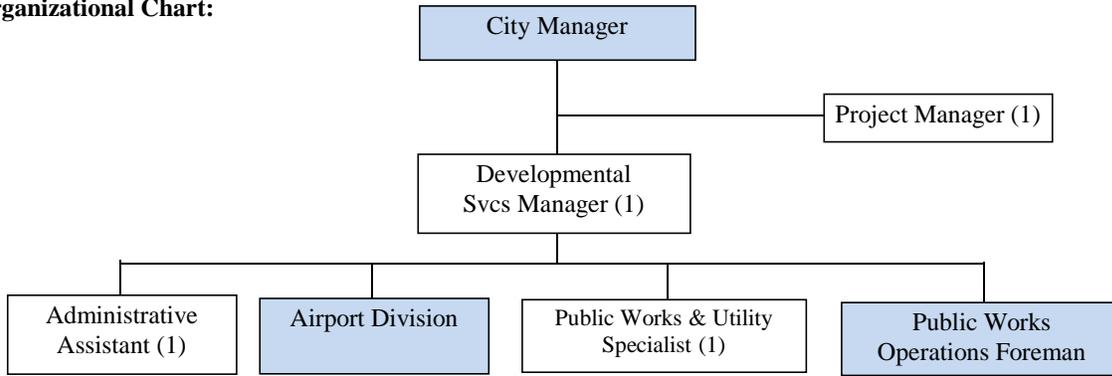
Other Services and Charges

Travel & Training	1,523	1,000	4,000	2,500	-37.50%
Subscriptions & Memberships	1,128	2,200	3,000	3,000	0.00%
Printing & Forms	89	50	50	50	0.00%
Legal Advertising	295	0	0	0	0.00%
Utilities	11,633	14,000	7,600	8,000	5.26%
Telephone	3,560	3,500	3,895	4,050	3.98%
Total Other Services & Charges	18,227	20,750	18,545	17,600	-5.10%

Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Riverfront/Old Town Connection Trail				\$18,000	
Drainage Plan for Cottonwood Village (Assisted Living)				69,000	
Stormwater Program				40,500	
	\$0	\$0	\$0	\$127,500	

Public Works

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

General Government	Public Works	Fund 01 - General Fund	Cost Center	1600
Performance Indicators				
City Council Goal:	Strive to provide effective and efficient services			
Department Goal:	Keep the Transfer Station open to the public as much as possible			
Objective:	Increase hours of operations at the transfer station while maintaining a positive cash flow			
Type of Measure:	Efficiency			
Tool:	Cash Reconciliation Sheets			
Frequency:	Weekly			
Scoring:	Average monthly cost recovery (Revenue ÷ Cost) is positive			
Trend:	N/A New Measure FY 2012			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Hours of Operation (weekly)	48	48	48	48
Revenue (monthly)	\$ 10,097	\$ 10,670	\$ 10,800	\$ 10,800
Operational Cost (monthly)	\$ 8,750	\$ 10,900	\$ 10,900	\$ 10,900
Cost recovery (monthly)	113%	98%	99%	99%

City Council Goal:	Strive to provide effective and efficient services			
Department Goal:	Analyze the current work stream to verify work is being completed in a timely manner			
Objective:	Begin tracking work orders and show that 75% of work orders are begun with 48 hours			
Type of Measure:	Efficiency			
Tool:	Work Orders			
Frequency:	Monthly			
Scoring:	Percent completed within 48 hours are >75% = Excellent: 70%-75% = Acceptable: <70% needs review			
Trend:	N/A New Measure FY 2013			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Total number of work order	Unknown	Unknown	Unknown	Unknown
% Work orders begun within 48 hours	75%	75%	75%	75%

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

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

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

General Government	Public Works	Fund 01 - General Fund		Cost Center	1600
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

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

Total Supplies	6,005	3,950	5,375	6,300	17.21%
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Contractual Services

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

Total Contractual Services	171,305	150,500	240,500	240,500	0.00%
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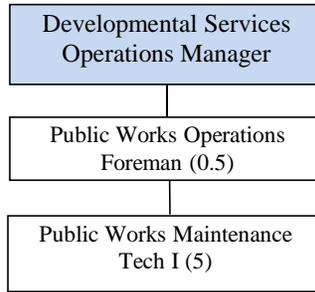
Other Services and Charges

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

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

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

- * Completed the improvements of the irrigation system at the Riverfront Park
- * Successfully implement weed spraying program

FY 2017 Goals:

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

Budget Highlights:

Capital has been budgeted for Blinds for the Public Works Building (\$1,500), Repainting of the Public Works Building (\$3,500), Tires for the Terex (\$6,000), New Dirt for the Softball and Little League Fields (\$12,000), and Maintenance of the Little League Complex (\$3,000). Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

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

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

Culture & Recreation		Parks & Building Maintenance		Fund 01 - General Fund		Cost Center	1610
Summary by Category							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Proposed			
Personnel	\$233,139	\$325,350	\$328,215	\$318,875	-2.85%		
Operating Supplies	46,826	48,720	50,500	59,400	17.62%		
Contractual Services	32,900	3,200	500	500	0.00%		
Other Services and Charges	75,256	38,600	48,070	36,900	-23.24%		
Capital Outlay	1,231	350,000	330,000	26,000	-92.12%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$389,352</u>	<u>\$765,870</u>	<u>\$757,285</u>	<u>\$441,675</u>	<u>-41.68%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$441,675	100.00%
Total Funding		<u>100.00%</u>

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

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

Supplies

Office Supplies	60	0	500	500	-100.00%
Gas & Oil	10,414	14,000	8,500	10,500	64.71%
Vehicle Maint & Repairs	4,165	4,700	8,000	6,200	-41.25%
Equipment Maint & Repairs	7,010	5,000	8,500	8,200	-41.18%
Grounds/Parks Maintenance Supplies	25,170	25,000	25,000	34,000	0.00%
Postage/Freight	6	20	0		0.00%
Total Supplies	46,826	48,720	50,500	59,400	17.62%

Contractual Services

Computer Support	685	1,200	500	500	140.00%
Contractual Services	19,276	2,000	0	0	0.00%
Ground Maintenance Contract	12,938	0	0	0	0.00%
Total Contractual Services	32,900	3,200	500	500	0.00%

Other Services and Charges

Travel & Training	1,076	1,000	1,200	4,000	-16.67%
Utilities	15,294	7,500	10,650	11,200	-29.58%
Telephone	843	1,000	1,200	1,200	-16.67%
Tools	2,252	3,000	3,000	3,000	0.00%
Equipment Rental	0	800	350	500	128.57%
Maintenance & Repairs (city buildings)	53,415	24,100	30,670	16,000	-21.42%
Vandalism Repairs	2,376	1,200	1,000	1,000	20.00%
Total Other Services & Charges	75,256	38,600	48,070	36,900	-23.24%

Supplemental Data: Capital Outlay

Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Miscellaneous - Identify	\$1,231.18			
Tires (Terex)				\$6,000
Maintenance Public Parking Lots		\$300,000	\$300,000	
Rehabilitation (ongoing) of Park Irrigation Systems		30,000	30,000	
Repainting of Public Works Building				3,500
Blinds at Public Works Building				1,500
Dirt for Softball and Little League Fields				12,000
Maintenance of Little League Complex				3,000
Ground Maintenance Supplies for Park Improvements		20,000		
	\$1,231	\$350,000	\$330,000	\$26,000

Organizational Chart:

None

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

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

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

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

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

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

Supplies

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

Contractual Services

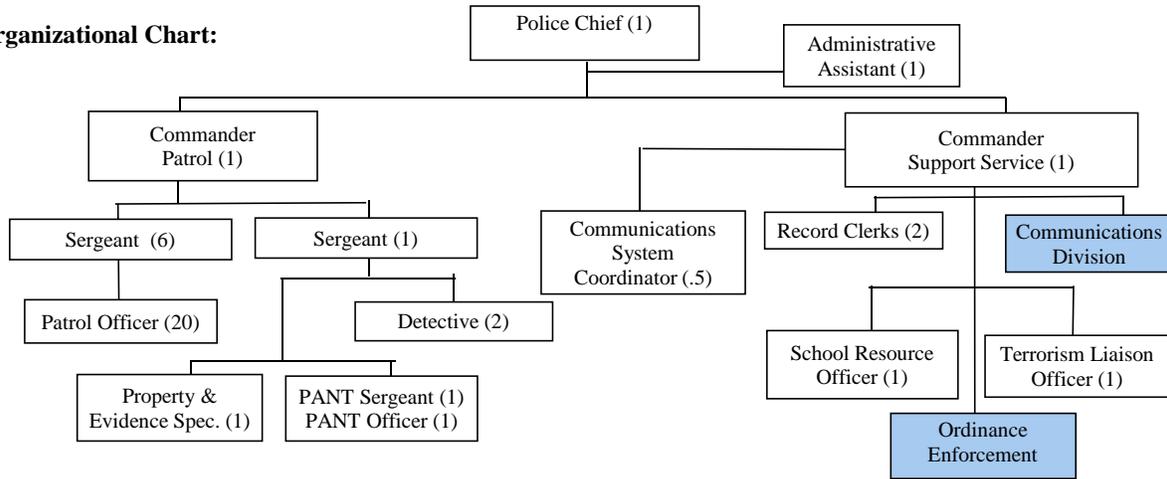
Custodial Contract	149,428	225,510	157,000	160,000	1.91%
Total Contractual Services	<u>149,428</u>	<u>225,510</u>	<u>157,000</u>	<u>160,000</u>	<u>1.91%</u>

Other Services and Charges

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

Supplemental Data: Capital Outlay						
Item Description	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
N/A						
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

Capital has been budgeted in the amount of \$216,065 for equipment and patrol vehicles. Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

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

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

Supplemental Data: Capital Outlay				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Copier		\$7,100	\$7,100	
Vista wearable camera warranty				\$6,380
2 Vehicles (Lease Purchase)				126,235
Accessories Lync System	\$757			
Duty weapons				1,500
Tasers and peripherals and firearms	17,451			10,950
HVAC Upgrade				
Security camera upgrades & watchguard camera	28,191			
Vehicle cameras	32,243			
Datalogic memory X3 scanner & dock		1,300	1,300	1,000
Remodeling former Communication Center				5,000
Rifles	4,216	5,000	5,000	
Getac computer equipment			16,830	
	\$82,858	\$13,400	\$30,230	\$151,065

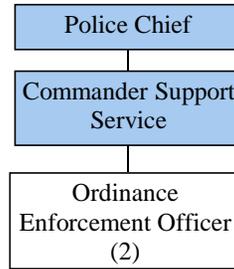
Public Safety	Police	Fund 01 - General Fund			Cost Center	2000
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$3,752,878	\$4,051,670	\$4,103,935	\$4,280,195	4.29%	
Operating Supplies	324,356	241,000	218,300	228,130	4.50%	
Contractual Services	25,973	27,000	42,400	53,980	27.31%	
Other Services and Charges	220,817	374,240	238,820	284,165	18.99%	
Capital Outlay	82,858	13,400	30,230	151,065	399.72%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$4,406,882	\$4,707,310	\$4,633,685	\$4,997,535	7.85%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$4,613,645	92.32%
Inter-local Governmental Contracts	153,000	3.06%
Lease Purchase	91,390	1.83%
SB1398 Police Equipment	4,000	0.08%
Grants	135,500	2.71%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Police Chief	1.00	1.00	1.00	7,486	11,031	\$114,999
Commander	2.00	2.00	2.00	6,159	9,076	198,020
Sergeant	7.00	7.00	7.00	4,596	6,772	486,779
PANT Officer/Sergeant	2.00	2.00	2.00	3,601	5,306	128,706
Police Officer	21.00	21.00	20.00	3,601	5,306	1,080,284
School Resource Officer (SRO)	0.00	2.00	1.00	3,601	5,306	57,576
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	50,816
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	40,380
Records Clerk	2.00	2.00	2.00	2,559	3,771	84,629
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	27,503
Terrorist Liaison Officer	0.50	0.50	1.00	3,601	5,306	0
COLA						0
Merit Contingency						61,957
Clothing Allowance						27,755
Holiday Pay						50,000
Car Allowance						0
Certification Pay						39,001
Overtime						150,000
Retirement						921,940
Insurance & Taxes						759,850
Employee Related Expenses						0
Totals	38.00	40.00	38.50			\$4,280,195

Public Safety	Police	Fund 01 - General Fund		Cost Center	2000
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Supplies					
Office Supplies	16,657	13,500	13,500	15,000	11.11%
Copier Supplies	1,081	1,500	1,500	1,500	0.00%
Invest / Detective Expenses	2,463	2,000	2,000	2,000	0.00%
Training Supplies	12,041	15,000	15,000	20,000	33.33%
Gas & Oil	73,264	100,000	65,000	70,000	7.69%
Vehicle Maint & Repairs	89,061	85,000	79,000	77,130	-2.37%
Film & Developing	0	0	0	0	0.00%
DUI Expenses	215	500	500	500	0.00%
Equipment Maint & Repairs	118,752	10,000	28,000	28,000	0.00%
Operational Supplies	2,322	2,500	2,300	2,500	8.70%
Postage & Freight	1,643	1,500	1,500	1,500	0.00%
Building Supplies	2,266	2,500	3,000	3,000	0.00%
Canine Vet & Feed	2,595	2,000	2,000	2,000	0.00%
Protective Clothing	1,996	5,000	5,000	5,000	0.00%
Total Supplies	324,356	241,000	218,300	228,130	4.50%
Contractual Services					
Computer Support	18,852	20,000	29,400	35,980	22.38%
Contractual Services	2,877	3,000	3,000	13,000	333.33%
Medical Testing	2,734	2,500	5,500	3,500	-36.36%
Towing Expense	1,510	1,500	4,500	1,500	-66.67%
Medical Investigation Expenses	0	0	0	0	0.00%
Total Contractual Services	25,973	27,000	42,400	53,980	27.31%
Other Services and Charges					
Travel & Training	20,384	20,000	20,000	20,000	0.00%
Subscriptions & Memberships	2,710	2,500	2,500	2,500	0.00%
Printing & Forms	1,910	1,500	1,500	1,500	0.00%
Utilities	39,754	48,000	35,270	44,000	24.75%
Telephone	47,370	48,000	50,175	53,000	5.63%
Legal Advertising	0	0	0	0	0.00%
Explorer Program	40	750	750	750	0.00%
Safety Expense	1,146	1,300	1,300	2,915	124.23%
Community Policing	5,387	7,000	7,000	7,000	0.00%
Reserve Program	1,488	2,000	2,000	2,000	0.00%
SWAT Equipment	8,781	15,000	15,000	15,000	0.00%
Homeland Security Grant	67,091	30,000	30,000	65,000	116.67%
Highway Safety Grant	0	163,390	38,525	33,000	-14.34%
County RICO Grant	24,756	30,000	30,000	30,000	0.00%
Misc. Grants	0	4,800	4,800	7,500	56.25%
Total Other Services & Charges	220,817	374,240	238,820	284,165	18.99%

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

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

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

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

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

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

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

Public Safety	Ordinance Enforcement	Fund 01 - General Fund			Cost Center	2200
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

Gas & Oil	5,124	6,000	3,500	5,000	71.43%
Vehicle Maint & Repairs	0	0	0	2,870	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Small Tools	339	2,000	2,000	2,000	0.00%
Total Supplies	5,463	8,000	5,500	9,870	79.45%

Contractual Services

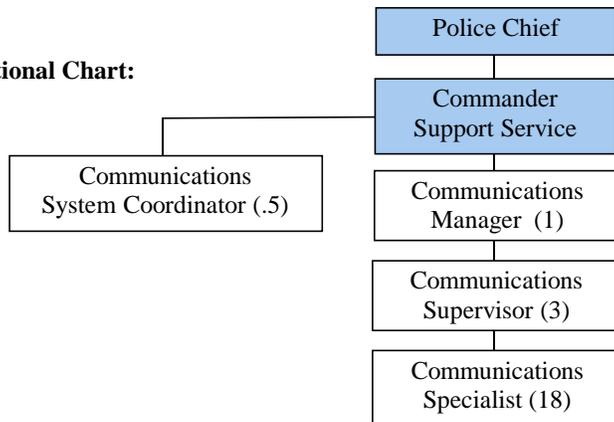
Computer Support	1,157	500	1,100	1,100	-54.55%
Spay/Neuter Grant Expense	14,224	16,000	5,000	5,000	220.00%
Kennel Fees	43,951	43,880	43,880	43,880	0.00%
Total Contractual Services	59,333	60,380	49,980	49,980	0.00%

Other Services and Charges

Travel & Training	1,079	1,000	250	1,000	300.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Total Other Services & Charges	1,079	1,000	250	1,000	300.00%

Supplemental Data: Capital Outlay													
Item Description	2015	2016		2017									
	Actual	Budget	Revised	Proposed									
N/A													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> <td colspan="2"></td> </tr> </table>								\$0	\$0	\$0	\$0		
	\$0	\$0	\$0	\$0									

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

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

City Council Goal: Value the safety of our public safety personnel and citizens
Department Goal: Standardize call processing system to ensure accurate and complete information is obtained quickly
Objective: Successful completion of ProQA-training and certification in Emergency Medical Dispatcher (EMD), Emergency Police Disptacher (EPD) and Emergency Fire Dispatcher (EFD)
Type of Measure: Outcome
Tool: Certification
Frequency: Annual
Scoring: Yes/No
Trend: Level

Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
EMD Certification	Yes	Yes	Yes	Yes
EPD Certification	Yes	Yes	Yes	Yes
EFD Certification	Yes	Yes	Yes	Yes

City Council Goal: Be Responsive and Accountable
Department Goal: Decrease the amount of time needed for a call to be dispatched
Objective: Improve response time for Public Safety responders
Type of Measure: Response time
Tool: Reports
Frequency: Monthly
Scoring: Increase/decrease from prior year
Trend: Decrease

Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Average call processing time prior to dispatch	≤ 2 min.	1.5 min.	≤ 60 sec.	≤ 60 sec.
Number of dispatch calls	15,688	24,256	31,169	32,727

Strategic Goal/Value: Value the safety of our Public Safety Personnel and Citizens
Goal: Reduce number of calls into Comm Center for burn permits, information requests, civil issues, etc.
Objective: Utilize technology such as web and/or smart phone applications
Type of Measure: Outcome
Tool: Reports
Frequency: Monthly
Scoring: Increase/Decrease from prior year
Trend: Decrease

Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Average number of calls into Comm Center		40,283	36,255	32,630

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Communications Systems Coor.	0.50	0.50	0.50	3,111	4,584	\$27,503
Communications Supervisor	1.00	2.00	3.00	3,601	5,306	149,694
Communications Specialist	9.00	12.00	18.00	2,821	4,158	637,761
Communications Manager	0.00	1.00	1.00	4,596	6,772	67,153
COLA						0
Merit Contingency						24,312
Certification Pay						3,637
Longevity						0
Clothing Allowance						2,000
Holiday Pay						36,000
Overtime						95,000
Retirement						119,510
Insurance & Taxes						310,860
Employee Related Expenses						0
Totals	<u>10.50</u>	<u>15.50</u>	<u>22.50</u>			<u>\$1,473,430</u>

Public Safety	Communications	Fund 01 - General Fund		Cost Center	2010
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

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

Total Supplies	1,949	3,000	3,000	3,000	0.00%
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Contractual Services

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

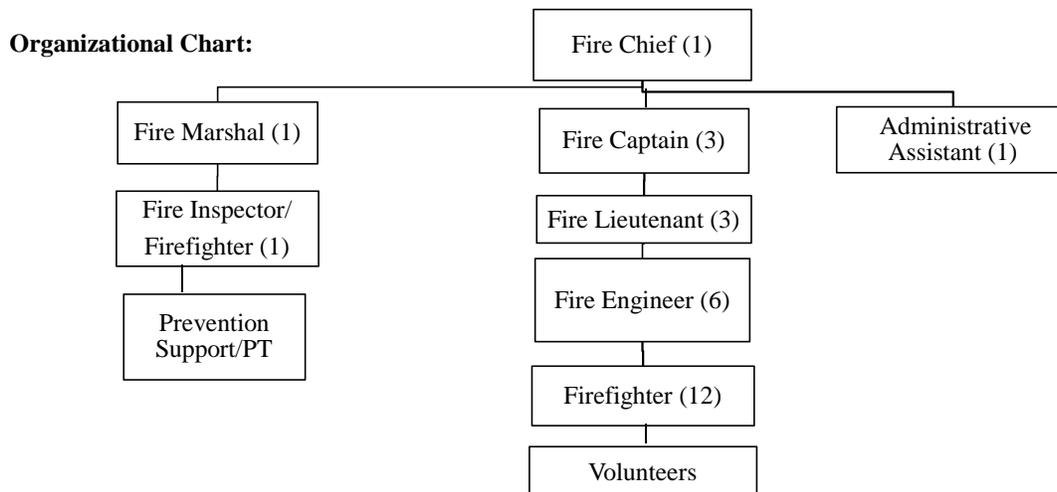
Total Contractual Services	21,854	16,000	16,000	16,000	0.00%
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Other Services and Charges

Travel & Training	11,465	18,000	13,000	25,350	38.46%
Employee Physicals/Drug Tests	0	0	0	385	0.00%
Community Policing	0	0	50	0	-100.00%
Subscriptions & Memberships	685	1,100	1,100	1,100	0.00%
Postage/Freight	121	250	250	250	0.00%
Equipment Maint & Repairs	23,596	130,000	125,000	141,170	4.00%
Safety Expenses	0	0	0	1,600	0.00%
Utilities	27,971	30,000	33,520	36,000	-10.50%
Telephone	14,350	19,000	21,800	23,000	-12.84%
Liability Insurance	18,059	18,960	28,470	28,470	-33.40%

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



General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

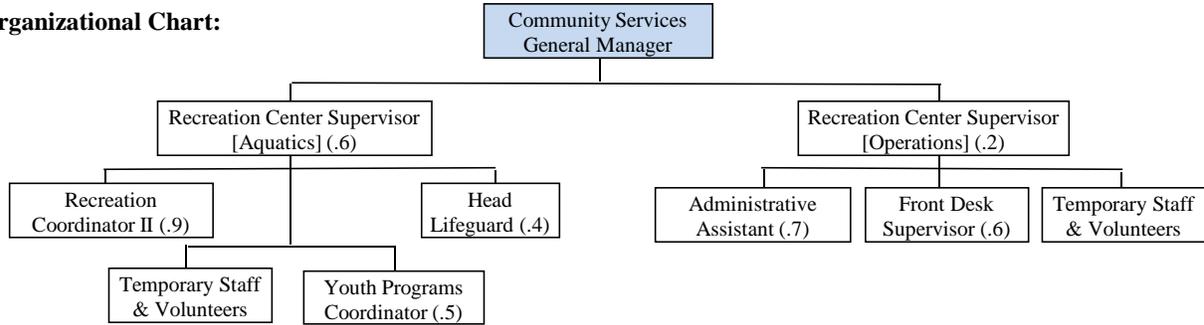
Public Safety	Fire & Medical Services De	Fund 01 - General Fund			Cost Center	2100
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$2,443,079	\$2,648,790	\$2,636,515	\$2,709,235	2.76%	
Operating Supplies	67,489	69,450	69,150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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$3,518,035	97.10%
Misc Grants	50,000	1.38%
Lease Purchase	55,000	1.52%
Total Funding		100.00%

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

Public Safety	Fire & Medical Services Dep	Fund 01 - General Fund		Cost Center	2100
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Supplies					
Office Supplies	1,076	1,200	1,000	1,500	20.00%
Copier Supplies	1,812	1,800	1,800	1,800	0.00%
Gas & Oil	18,061	25,000	15,000	20,000	66.67%
Vehicle Maint & Repairs	25,083	25,000	35,000	25,000	-28.57%
Equipment Maint & Repairs	9,518	10,000	10,000	11,000	0.00%
Protective Clothing	11,513	6,000	6,000	12,000	0.00%
Postage & Freight	427	450	350	350	28.57%
Total Supplies	67,489	69,450	69,150	71,650	3.62%
Contractual Services					
Radio Maintenance	1,171	1,500	500	1,500	200.00%
Computer Support	3,178	3,500	3,200	6,500	9.38%
Contractual Services	2,422	2,500	2,425	2,700	3.09%
Medical Testing	11,106	4,000	4,000	13,500	0.00%
Emergency Service Grant	0	5,000	0	2,500	0.00%
GOHS - FIRE Grant	0	50,000	0	50,000	0.00%
GOHS - Safety Grant	0	10,000	0	10,000	0.00%
FEMA Grant	0	0	0	0	0.00%
Total Contractual Services	17,877	76,500	10,125	86,700	756.30%
Other Services and Charges					
Travel & Training	15,048	8,000	8,000	10,000	0.00%
Subscriptions & Memberships	2,091	2,100	2,100	2,400	0.00%
Operational Equipment & Supplies	4,739	5,000	5,000	7,000	0.00%
EMS Expenses	8,727	8,000	8,000	9,000	0.00%
Utilities	21,554	26,000	22,000	23,000	18.18%
Telephone	5,762	5,600	5,600	5,900	0.00%
Fire Prevention	5,205	4,000	4,000	5,500	0.00%
Emergency Management	4,844	4,850	4,850	4,850	0.00%
Legal Advertising	0	0	0	0	0.00%
Training Center	1,785	2,200	2,200	2,500	0.00%
Volunteer Fireperson Training	858	1,000	500	1,500	100.00%
Volunteer Fireperson Misc	183	800	600	800	33.33%
Vol Fire Retirement	0	0			0.00%
Total Other Services & Charges	70,795	67,550	62,850	72,450	15.27%

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2015 Accomplishments:

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

FY 2016 Goals:

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

Budget Highlights:

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

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund	Cost Center	4100
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Performance Indicators				
City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department Goal:	Customer Satisfaction with special event programs that include Rhythm and Ribs and Thunder Valley Rally			
Objective:	Increase overall attendance figures at special events by creating positive leisure experiences for all			
Type of Measure:	Program attendance and outcome			
Tool:	Internal Records			
Frequency:	Annually			
Scoring:	Increases in attendance			
Trend:	upward			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Increase in overall attendance measured by factual counting methods (Drop in attendance in 2015 due to the discontinuation of Rhythm and Ribs)	13450	17,500	7,000	10,000

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department Goal:	Participant satisfaction pertaining to the Brian Mickelsen Run Race			
Objective:	Increase event attendance figures for this special event.			
Type of Measure:	Program attendance and outcome.			
Tool:	Internal Records			
Frequency:	Annually			
Scoring:	Overall Increase in attendance			
Trend:	Upwards			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Increase in overall attendance based on actual registrations	584	559	548	550

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

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

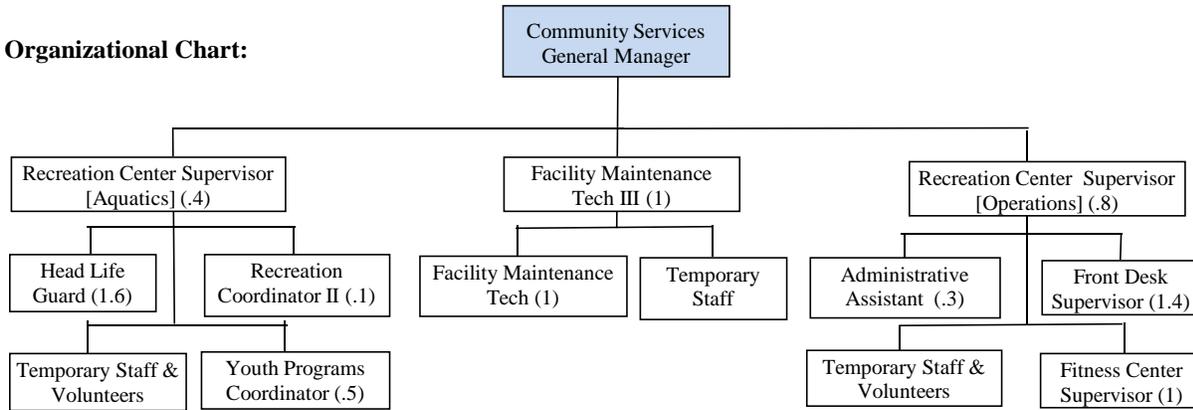
Culture & Recreation	Parks and Recreation	Fund 01 - General Fund			Cost Center	4100
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$195,450	\$321,715	\$336,370	\$355,155	5.58%	
Operating Supplies	52,258	42,150	48,950	42,050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

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$955,365	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Administrative Assistant	1.00	1.00	0.70	2,559	3,771	\$31,678
Recreation Coordinator II	0.00	1.00	0.90	2,962	4,365	36,599
Aquatics Center Supervisor	0.00	0.00	0.60	3,970	5,850	40,713
Recreation Center Program Supervisor	0.00	0.00	0.20	3,970	5,850	12,875
Head Lifeguard	0.00	0.00	0.40	2,321	3,421	12,306
Youth Programs Coordinator	0.00	0.00	0.50	2,962	4,365	19,186
Front Desk Supervisor	0.00	0.00	0.60	2,559	3,771	20,767
COLA						0
Merit Contingency						2,596
Holiday Pay						300
Clothing Allowance						1,875
Temporary / Reserves						78,000
Overtime						3,500
Retirement						20,720
Insurance & Taxes						74,040
Employee Related Expenses						0
Totals	1.00	2.00	3.90			\$355,155

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund		Cost Center	4100
Supplemental Data: Expenditures					
Item	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Supplies					
Office Supplies	1,137	1,000	1,600	1,600	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	2,308	2,400	2,300	2,300	0.00%
Vehicle Maint & Repairs	323	2,000	4,200	2,500	-40.48%
Equipment Maint & Repairs	16,297	14,500	22,500	14,500	-35.56%
Riverfront Snack Bar	7,984	6,500	7,200	7,200	0.00%
Postage & Freight	37	50	50	50	0.00%
Pool Supplies	19,952	14,000	9,200	12,000	30.43%
Snack Bar Supplies	4,220	1,700	1,900	1,900	0.00%
Total Supplies	52,258	42,150	48,950	42,050	-14.10%
Contractual Services					
Computer Support	2,147	1,500	2,000	2,000	0.00%
Fireworks	20,000	20,400	20,600	22,000	6.80%
Contractual Services	3,422	1,500	6,200	5,800	-6.45%
Total Contractual Services	25,569	23,400	28,800	29,800	3.47%
Other Services and Charges					
Travel & Training	2,983	4,000	4,000	2,200	-45.00%
Subscriptions & Memberships	2,960	3,100	3,200	3,200	0.00%
Printing & Forms	9	0	0	0	0.00%
Rec Programs	27,360	25,000	27,000	27,000	0.00%
Verde River Days	2,000	1,000	1,000	1,000	0.00%
Softball Tournaments	7,534	11,500	11,000	8,000	-27.27%
Public Relations	12,690	11,000	11,900	9,000	-24.37%
Advertising	183	0	0	0	0.00%
Utilities	190,736	217,000	197,000	203,000	3.05%
Telephone	2,929	2,760	3,600	3,960	10.00%
Old Town Home Tour	0	0	2,000	2,000	0.00%
Summer Youth Program	6,946	7,250	7,000	7,000	0.00%
Rhythm & Ribs	48,188	0	0	0	0.00%
Walking on Main Street	13,812	13,500	17,500	13,000	-25.71%
10K Memorial Run	15,225	20,000	20,000	18,000	-10.00%
Thunder Valley Rally	49,740	86,000	150,000	150,000	0.00%
Tilted Earth Festival	20,000	20,000	72,000	72,000	0.00%
Total Other Services & Charges	403,294	422,110	527,200	519,360	-1.49%

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

Recreation Center**Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

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

Culture & Recreation	Recreation Center	Fund 01 - General Fund	Cost Center	4110
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Performance Indicators

City Council Goal: Strive to provide effective and efficient services
Department Goal: Increase the attendance figures of seniors in the recreation center by adding the Silver Sneakers Program
Objective: Engage third party insurance providers and explore payment options for seniors
Type of Measure: Outcome
Tool: Monthly attendance figures and program surveys
Frequency: Quarterly
Scoring: 5% increase quarterly or 20% annually
Trend: N/A

Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Senior Memberships	2,900	3,000	3,000	2,400
Percent increase from prior year	70.6%	3.4%	0.0%	0.0%

City Council Goal: Strive to provide effective and efficient Services
Department Goal: Increase the number and revenue of facility rentals by 5 percent annually
Objective: Market recreation center amenities internally and with outside marketing outlets.
Type of Measure: Annual increases in facility rentals
Tool: Monthly rental figures and customer feedback (verbal, forms, surveys, follow-up contact)
Frequency: Quarterly
Scoring: Quarterly increases in rentals
Trend: N/A

Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Quarterly increases in rentals compared to previous years	386	401	417	425
Revenue generated	\$ 23,473	\$ 34,128	\$ 31,000	\$ 32,550
and party room rentals.	5,000 units	5,000 units	5,000 units	5,000 units

City Council Goal: Strive to provide effective and efficient services
Department Goal: Develop a healthy cost-benefit aquatics center
Objective: Develop data collection points to review user visits
Type of Measure: Service Utilization Output
Tool: Active.net
Frequency: Annual
Scoring: Annual increase of 3% each year, shown through credits
Trend: Economic Impact Level

Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Service Utilization Output	\$8,205	\$8,498	\$8,500	\$8,500

City Council Goal: Strive to provide effective and efficient services
Department Goal: Develop a healthy cost-benefit aquatics center
Objective: Increase participation in annual "Learn to Swim" program by 3% annually, showcased by credits
Type of Measure: Service Utilization Output
Tool: Active.net
Frequency: Annual
Scoring: Annual increase of 3% each year, shown through credits
Trend: Economic Impact Level

Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Service Utilization Output	\$14,745	\$15,187	\$15,200	\$15,200

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

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

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Recreation Center Manager	1.00	0.00	0.00	Position Eliminated		\$0
Aquatics Center Supervisor	1.00	1.00	0.40	3,970	5,850	27,142
Recreation Center Program Supervisor	1.00	1.00	0.80	3,970	5,850	54,020
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	39,214
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	38,184
Youth Programs Coordinator	1.00	1.00	0.50	2,962	4,365	19,186
Front Desk Supervisor	2.00	2.00	1.40	2,559	3,771	48,457
Facility Maintenance Tech	1.00	1.00	1.00	2,321	3,421	29,499
Head Life Guard	2.00	2.00	1.60	2,321	3,421	49,221
Administrative Assistant	0.00	0.00	0.30	2,559	3,771	13,576
Recreation Coordinator II	0.00	0.00	0.10	2,962	4,365	4,067
COLA						0
Merit Contingency						7,294
Holiday Pay						250
Clothing Allowance						1,800
Temporary / Reserves						290,000
Overtime						4,000
Retirement						38,360
Insurance & Taxes						149,060
Employee Related Expenses						0
Totals	11.00	10.00	8.10			\$813,330

Culture & Recreation	Recreation Center	Fund 01 - General Fund			Cost Center	4110
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

Office Supplies	4,434	3,000	2,800	2,800	0.00%
Copier Supplies	185	300	0	0	0.00%
Gas & Oil	2,801	250	1,000	1,000	0.00%
Vehicle Maint & Repairs	1,246	200	200	200	0.00%
Equipment Maint & Repairs	79,944	40,740	56,000	56,000	0.00%
Pool Supplies	18,599	17,000	19,500	19,500	0.00%
Postage & Freight	312	150	175	175	0.00%
Tools/Operational Supplies	2,482	1,200	1,200	800	-33.33%

Total Supplies	110,002	62,840	80,875	80,475	-0.49%
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Contractual Services

Computer Support	2,147	2,580	2,200	2,200	0.00%
Recruitment Expense	360	250	250	250	0.00%
Contractual Services	91,516	118,000	100,000	95,000	-5.00%
Contractual Services Active Network	36,785	29,000	32,000	32,000	0.00%

Total Contractual Services	130,808	149,830	134,450	129,450	-3.72%
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Other Services and Charges

Travel & Training	3,017	3,500	3,400	2,800	-17.65%
Subscriptions & Memberships	630	750	750	750	0.00%
Printing & Forms	0	0	0	0	0.00%
Rec Programs	16,567	16,000	17,000	16,000	-5.88%
Public Relations	18,417	17,000	16,650	16,000	-3.90%
Utilities	216,456	215,000	200,000	210,000	5.00%
Telephone	11,705	11,500	10,700	11,500	7.48%
Legal Advertising	0	0	0	0	0.00%
Rental Equipment	0	0	0	0	0.00%
Lease Purchase Rec Cntr Equipment	39,339	0	0	0	0.00%

Total Other Services & Charges	306,131	263,750	248,500	257,050	3.44%
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Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Copier and Accessories	\$10,174				
Indoor Pool Cool Decking (Renovation/Replacement)				\$13,000	
Cardio Machines Replacement (Lease)				208,000	
	\$10,174	\$0	\$0	\$221,000	

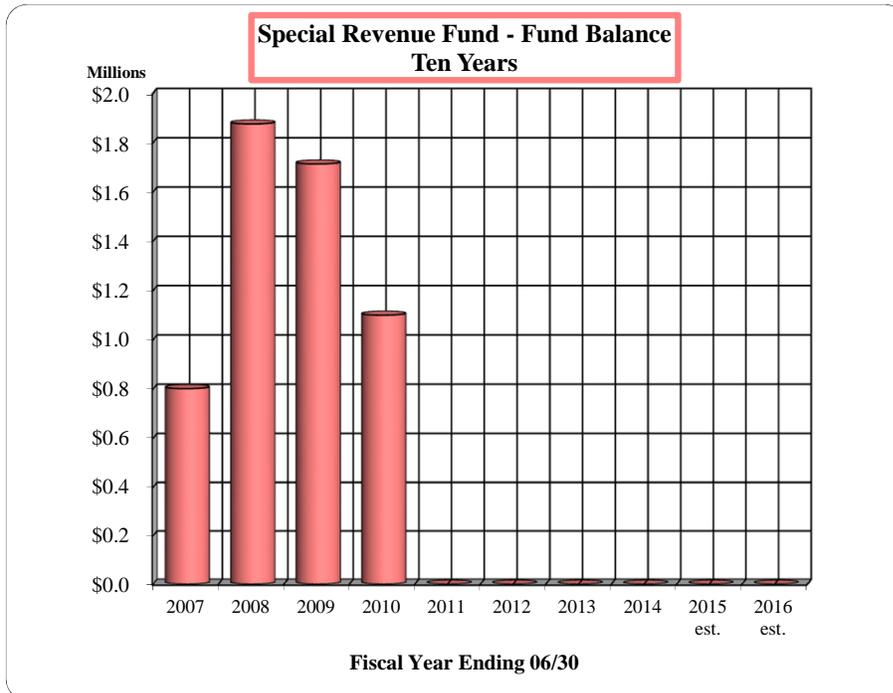
The Special Revenue Fund budgets are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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

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Fund Balances:

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



Fiscal Year Ending 06/30	Fund Balance
2007	800,979
2008	1,874,971
2009	1,712,685
2010	1,099,115
2011	0
2012	0
2013	0
2014	0
2015 est.	0
2016 est.	0

The continued fluctuation of the Special Revenues Fund is dependent on the projects being worked and time availability to complete those projects. The Streets Department has one major project listed for FY 2016. A description of all the projects are reflected in the department's budget summary sheets on pages xx.

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balances

Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Revenue Sources:				
Taxes	\$212,989	\$250,000	\$422,830	622,730
Intergovernmental Revenues	1,955,711	5,613,025	2,407,120	6,001,200
Charges for Services	403,467	414,600	457,400	450,600
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	90,342	83,575	95,085	94,360
Miscellaneous Revenues	17,667	16,555	19,115	19,125
Total Revenue Sources	2,680,176	6,377,755	3,401,550	7,188,015
Other Financing Sources:				
Transfers In	3,935,797	992,380	871,240	1,188,850
Carryover	0	9,497,605	4,745,120	2,087,915
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	5,180,866	0	0	0
Total Other Financing Sources	9,116,663	10,489,985	5,616,360	3,276,765
Total Available Resources	11,796,839	16,867,740	9,017,910	10,464,780
Expenditures:				
Personnel	1,729,631	1,893,060	1,847,920	2,143,590
Operating Supplies	540,578	505,150	523,220	584,660
Contractual Services	392,911	797,815	403,040	412,270
Other Services and Charges	1,033,022	881,615	894,095	925,950
Capital Outlay	2,872,216	9,989,525	1,521,170	5,176,800
Debt Service	0	0	197,830	392,600
Total Expenditures	6,568,358	14,067,165	5,387,275	9,635,870
Other Uses:				
Transfers Out	0	2,790,760	1,528,775	58,050
Reserves	0	9,815	2,101,860	770,860
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	2,800,575	3,630,635	828,910
Total Expenditures and Other Uses	6,568,358	16,867,740	9,017,910	\$10,464,780
Net Income	\$5,228,481	\$0	\$0	\$0

HURF Fund Revenues/Expenses/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes	\$212,989	\$250,000	\$422,830	\$622,730	47.28%
Intergovernmental Revenues	1,683,652	2,758,235	2,144,220	3,393,950	58.28%
Services & Charges	199,640	189,000	201,000	203,200	1.09%
Uses of Monies & Properties	1,287	100	3,500	2,000	-42.86%
Miscellaneous Revenues	0	0	0	0	0.00%
Total Revenue Sources	2,097,567	3,197,335	2,771,550	4,221,880	52.33%
Other Financing Sources:					
Transfers In	3,119,048	0	0	200,000	0.00%
Carryover	0	9,395,535	4,666,500	1,984,065	-57.48%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	5,180,866	0	0	0	0.00%
Total Other Financing Sources	8,299,915	9,395,535	4,666,500	2,184,065	-53.20%
Total Available Resources	10,397,482	12,592,870	7,438,050	6,405,945	-13.88%
Expenditures:					
Personnel	1,155,443	1,298,060	1,270,415	1,541,150	21.31%
Operating Supplies	349,518	328,950	292,720	360,210	23.06%
Contractual Services	120,978	527,090	119,050	125,780	5.65%
Other Services and Charges	824,646	675,570	680,355	709,695	4.31%
Capital Outlay	2,844,868	7,080,370	1,400,170	2,505,650	78.95%
Reserves	0	0	1,984,065	770,860	-61.15%
Debt Service	0	0	197,830	392,600	98.45%
Total Expenditures	5,295,452	9,910,040	5,944,605	6,405,945	7.76%
Other Uses:					
Transfers Out	0	2,682,830	1,493,445	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	2,682,830	1,493,445	0	-100.00%
Total Expenditures and Other Uses	5,295,452	12,592,870	7,438,050	6,405,945	-13.88%
Net Income / (Loss)	\$5,102,030	\$0	\$0	\$0	

Note: The HURF fund accounts for Street Maintenance, Street Construction and Cottonwood Area Transit (CAT). The revenues and expenditures have been extracted for the Streets and CAT divisions since there is special interest in the CAT program and its budget.

Streets Maintenance & Construction - Revenues/Expenditures

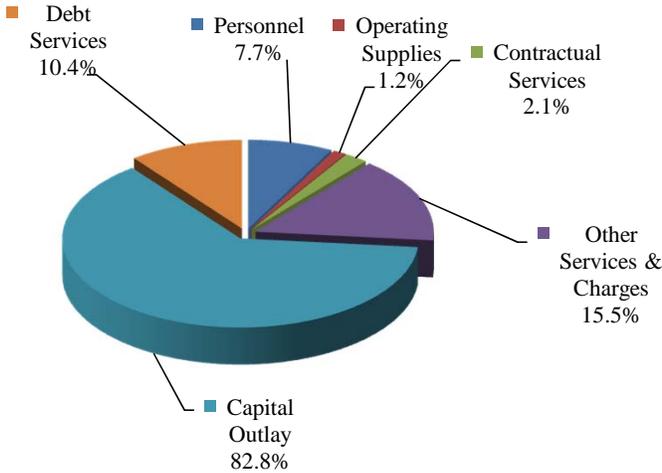
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes	212,989	250,000	422,830	622,730	47.28%
Intergovernmental Revenues					
Highway User Revenue Fund - HURF	876,817	846,670	846,670	906,640	7.08%
Local Transportation Assistance					
Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ADOT Road Diet Grant	0	0	0	0	0.00%
12 th Street Fed Grant	0	850,000	0	845,000	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%
HSIP Sign Replacement Grant	0	0	44,590	16,000	-64.12%
Uses of Monies & Properties					
Interest Income	1,287	100	3,500	2,000	-42.86%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	1,091,093	1,946,770	1,317,590	2,392,370	81.57%
Other Financing Sources:					
Transfers In	3,119,048	0	0	200,000	0.00%
Carryover	0	9,395,535	4,666,500	1,984,065	-57.48%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	5,180,866	0	0	0	0.00%
Total Other Financing Sources	8,299,915	9,395,535	4,666,500	2,184,065	-53.20%
Total Available Resources	9,391,008	11,342,305	5,984,090	4,576,435	-23.52%
Expenditures:					
Personnel	275,673	283,045	289,425	291,920	0.86%
Operating Supplies	44,826	49,700	43,230	45,000	4.09%
Contractual Services	80,565	487,815	76,940	79,825	3.75%
Other Services and Charges	747,018	596,255	577,520	586,250	1.51%
Capital Outlay	2,780,357	6,820,370	1,104,120	2,380,650	115.62%
Reserves	0	0	1,984,065	770,860	-61.15%
Debt Service	0	0	197,830	392,600	98.45%
Total Expenditures	3,928,439	8,237,185	4,273,130	4,547,105	6.41%
Other Uses:					
Transfers Out	0	2,682,830	1,493,445	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	2,682,830	1,493,445	0	-100.00%
Total Expenditures and Other Uses	3,928,439	10,920,015	5,766,575	4,547,105	-21.15%
Net Income	\$5,462,568	\$422,290	\$217,515	\$29,330	

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HURF - Streets Fund Revenues & Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$291,920	\$45,000	\$79,825	\$586,250	\$2,380,650	\$392,600	\$3,776,245
	\$291,920	\$45,000	\$79,825	\$586,250	\$2,380,650	\$392,600	\$3,776,245

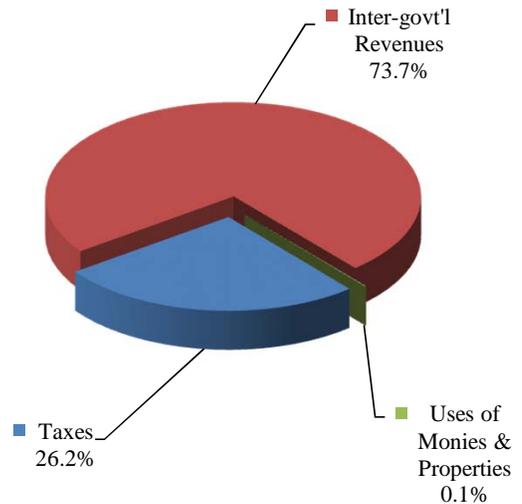
Highway User Revenue Fund - Streets Expenditures by Category



HURF - Streets Fund Summary	
Revenues	\$2,376,370
Expenditures	(3,776,245)
Transfers Out	0
Revenues over (under)	
Expenditures	(1,399,875)
Other Funding Sources/Uses	1,399,875
	0
Use of Fund Balance	\$0

HURF - Streets Fund Revenues by Source	
Taxes	\$622,730
Inter-govt'l Revenues	1,751,640
Uses of Monies & Properties	2,000
Misc. Revenues	0
Transfers In - General Fund	200,000
Proceeds from Bonds	0
Total Resources Available	\$2,576,370

Highway User Revenue Fund - Streets Revenues by Source



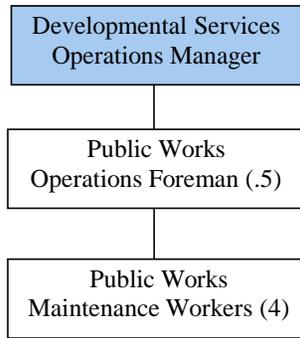
Street Department Revenues:

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.

Street Department Expenditures:

Major commitments, totaling \$2,358,650 for various street projects, are programmed for FY 2017. Details can be viewed on [page XXX](#). Bonding will be utilized to fund these larger construction projects.

Organizational Chart:



Note: only unshaded boxes are included in this budget.

General Information:

The Streets Division of Public Works is responsible for providing safe, well maintained streets and sidewalks for the public. The routine maintenance of the city streets includes: grading, pothole patching, pavement marking, sweeping and debris removal, weed control, sign maintenance, drainage maintenance, sidewalk repair and pavement maintenance. The Streets Division commonly constructs engineering projects such as roads, sidewalks and drainage structures.

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Capital expenditures have been budgeted in the amount of \$249,000 for Traffic Control Cones and Barricades (\$1,000), In-Street Pedestrian Signs (\$1,200), Street Improvements (\$2,000), a Traffic Signal Controller (\$5,800), an RSA Response Design (\$19,000), a Side Trip Hazard Grinder (\$20,000), and a Sweeper (\$200,000).

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

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Provide street maintenance and respond in a timely manner			
Objective:	Begin tracking work orders and respond to 75% of work orders within 48 hours			
Type of Measure:	Volume of work orders			
Tool:	Work orders			
Frequency:	Monthly			
Scoring:	>75%			
Trend:	Maintain response and strive for steady improvement			
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Percentage of work orders responded to within 48 hours	75%	75%	75%	75%

Supplemental Data: Capital Outlay				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Street Improvements	\$1,481		\$1,100	\$2,000
Traffic Control Cones				1,000
Sweeper Repair	6,493			
New Sweeper				200,000
RSA Response Design				19,000
Pedestrian Signs				1,200
Traffic Signal Controller				5,800
Plate Compactor				
Vehicle Repair	6,941			
Sidewalk Repair (Safety)		10,000		
Sidewalk Enhancements				
Sidewalk Trip Hazard/Grinder				20,000
Street Sign Equip & Misc.				
	<u>\$14,915</u>	<u>\$10,000</u>	<u>\$1,100</u>	<u>\$249,000</u>

Public Works	Streets Department	Fund 10 - HURF			Cost Center	3100
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$275,673	\$283,045	\$289,425	\$291,920	0.86%	
Operating Supplies	44,826	49,700	43,230	45,000	4.09%	
Contractual Services	80,565	487,815	76,940	79,825	3.75%	
Other Services and Charges	747,018	596,255	577,520	586,250	1.51%	
Capital Outlay	14,915	10,000	1,100	249,000	22536.36%	
Reserves	0	0	1,984,065	770,860	-61.15%	
Debt Service	0	0	197,830	392,600	98.45%	
Department Totals	\$1,162,997	\$1,426,815	\$3,170,110	\$2,415,455	-23.81%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
HURF	906,640	37.53%
Use of Fund Balance	1,306,815	54.10%
Miscellaneous	2,000	0.08%
Transfers In from General Fund	200,000	8.28%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Public Works Superintendent	0.50	0.50	0.00	4377	6450	\$0
Public Works Operations Foreman	0.00	0.00	0.50	3601	5306	22,698
PW Maint Tech II	4.00	4.00	4.00	2559	3771	153,871
COLA						0
Merit Contingency						3,321
Longevity						0
Clothing Allowance						1,200
Temporary / Reserves						0
Overtime						3,000
Retirement						21,000
Insurance & Taxes						86,830
Employee Related Expenses						0
Totals	4.50	4.50	4.50			\$291,920

Public Works	Streets Department	Fund 10 - HURF		Cost Center	3100
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Supplies					
Office Supplies	0	100	100	100	0.00%
Operational Supplies	1,460	1,200	1,600	2,000	25.00%
Postage & Freight	36	0			0.00%
Gas & Oil	15,996	20,000	13,130	14,500	10.43%
Vehicle Maint & Repairs	9,848	8,400	8,400	8,400	0.00%
Equipment Maint & Repairs	17,487	20,000	20,000	20,000	0.00%
Building Maint & Repairs	0	0			0.00%
Total Supplies	44,826	49,700	43,230	45,000	4.09%
Contractual Services					
Computer Support	171	225	225	225	0.00%
General Counsel	0	0	0	0	
Street Lights	59,215	68,590	57,715	60,600	5.00%
Engineering Services	0	0	0	0	0.00%
Contractual Services	21,178	415,000	15,000	15,000	0.00%
Pavement Preservation	0	4,000	4,000	4,000	0.00%
Total Contractual Services	80,565	487,815	76,940	79,825	3.75%
Other Services and Charges					
Travel & Training	808	500	1,300	2,000	53.85%
Subscriptions & Memberships	0	0			0.00%
Utilities	9,690	9,300	9,955	10,450	4.97%
Telephone	2,722	2,500	1,250	1,500	20.00%
Legal Advertising	0	0	0	0	0.00%
Bank Charges	15	25	0	0	0.00%
Tools	3,467	2,000	2,000	2,000	0.00%
Employee Physicals	112	1,000	600	1,000	66.67%
Equipment Rental	108	1,000	0	0	0.00%
Liability Insurance	36,119	37,930	23,725	24,200	2.00%
Liability Claims Deductible	0	0	0	0	0.00%
Indirect Cost to General Fund	588,450	475,000	438,500	475,000	8.32%
Culverts	0	1,000	500	1,000	100.00%
Materials	18,641	16,000	10,000	10,000	0.00%
Street Signs	2,631	4,000	4,000	4,000	0.00%
Street Marking	1,135	42,500	30,000	51,600	72.00%
Street Light Contingency	1,282	3,500	3,500	3,500	0.00%
Trustee Fees-2015 Excise Bond	0	0	3,570	0	-100.00%
Bond Issuance Costs	81,837	0	48,620	0	-100.00%
LTA Cultural Expense	0	0	0	0	0.00%
Total Other Services & Charges	747,018	596,255	577,520	586,250	1.51%
Debt Service					
Principal - Bonds	0	0	0	195,320	0.00%
Interest - Bonds	0	0	197,830	197,280	-0.28%
Total Debt Service	0	0	197,830	392,600	98.45%

Organizational Chart:

None

General Information:

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

FY 2016 Accomplishments:

- *
- *
- *

FY 2017 Goals:

- *
- *
- *

Budget Highlights:

The major capital item in this year's budget is the Reconstructon of Mingus Avenue from Willard Street to 10th Street. More information on these projects can be found on page **XXX**.

Public Works	Street Construction	Fund 02 - HURF	Cost Center	3110
Performance Indicators				
City Council Goal: * <i>Performance Measures are being developed for this department</i> * Department Goal: Objective: Type of Measure: Tool: Frequency: Scoring: Trend:				
		Actual	Estimated	Anticipated
Measures:	2014	2015	2016	2017
N/A				

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

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

Public Works		Street Construction		Fund 02 - HURF		Cost Center		3110	
Summary by Category									
Expenditure Category	2015		2016		2017		Percent Change		
	Actual	Budget	Revised	Proposed					
Personnel	\$0	\$0	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0	0	0.00%		
Capital Outlay	2,765,442	6,810,370	1,103,020	2,131,650	2,131,650		93.26%		
Reserves	0	0	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0	0	0.00%		
Department Totals	<u>\$2,765,442</u>	<u>\$6,810,370</u>	<u>\$1,103,020</u>	<u>\$2,131,650</u>	<u>\$2,131,650</u>		<u>93.26%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
HURF	\$0	0.00%
Bond	0	0.00%
Grants	845,000	39.64%
Sales Tax	622,730	29.21%
Use of Fund Balance	663,920	31.15%
Total Funding		<u>100.00%</u>

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

Public Works	Street Construction	Fund 02 - HURF		Cost Center	3110
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

N/A

Total Supplies	0	0	0	0	0.00%
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Contractual Services

N/A

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

N/A

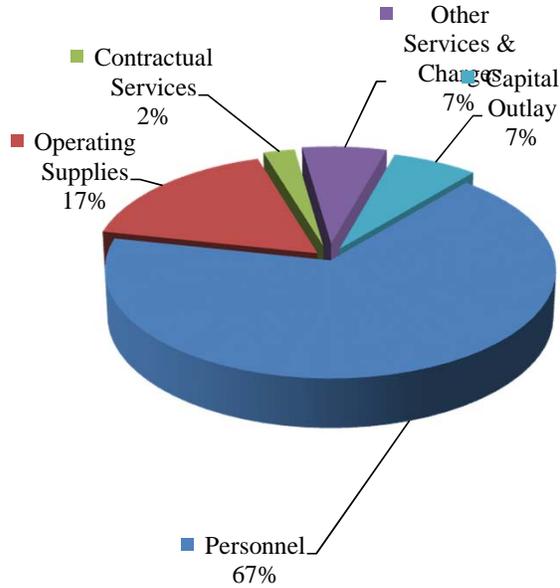
Total Other Services & Charges	0	0	0	0	0.00%
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Supplemental Data: Capital Outlay					
Expenditure Category	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Pavement Preservation	\$232,399				
Street Contingency					
Mingus/Main Signal					
W. Mingus Reconstruction	7				
12 th St. 89A to Fir	2,399,001	\$337,220	\$676,520		
Sidewalk Additions	36,841	123,150	128,000		
Willard Street Bridge					
10th Street & Main Project	43,992				
Mingus Willard to Main	30,867	6,350,000	278,500	\$1,861,650	
Main Street Road Diet Grant					
HSIP Sign Replacement	22,335		20,000	20,000	
Mingus Ave, 10 th Street & Main Project				250,000	
	<u>\$2,765,442</u>	<u>\$6,810,370</u>	<u>\$1,103,020</u>	<u>\$2,131,650</u>	

Transit System Fund Revenues & Expenditures by Category

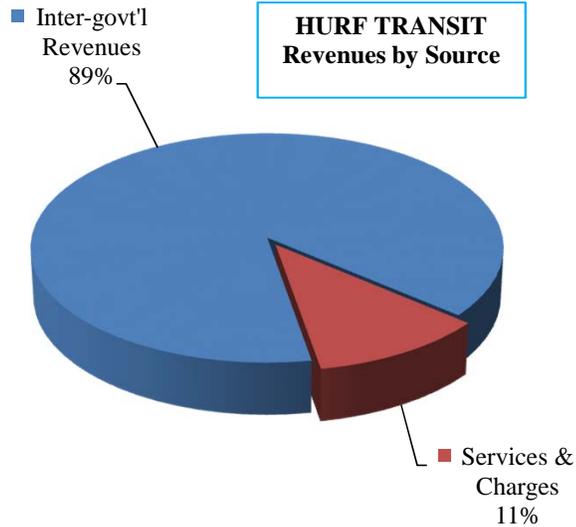
	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$1,249,230	\$315,210	\$45,955	\$123,445	\$125,000	\$0	\$1,858,840
	\$1,249,230	\$315,210	\$45,955	\$123,445	\$125,000	\$0	\$1,858,840

HURF TRANSIT Expenditures by Category



Revenues	\$1,829,510
Expenditures	(1,858,840)
	(29,330)
Other Funding Sources/Uses	29,330
Use of Fund Balance	\$0

Inter-govt'l Revenues	\$1,626,310
Services & Charges	203,200
Misc Revenues	0
Transfers In	0
Total Resources Available	\$1,829,510



Cottonwood Area Transit System - Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes	0	0	0	0	0.00%
Intergovernmental Revenues					
Yavapai Co.	20,340	20,670	20,340	20,670	1.62%
Clarkdale	32,610	37,820	33,500	33,500	0.00%
Sedona	84,265	109,895	116,980	190,000	62.42%
HURF - Fuel Tax	0	0	0	0	0.00%
Local Transportation Assistance	0	0	0	0	0.00%
Fund/Transit	0	0	0	0	0.00%
ADOT Grant	669,620	893,180	1,082,140	1,382,140	27.72%
HB2565 Grant	0	0	0	0	0.00%
STP Flexible Spending Grant	0	0	0	0	0.00%
HB2565/STP/LTAF Match	0	0	0	0	0.00%
Services & Charges					
Fare Box	199,640	189,000	201,000	203,200	1.09%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	1,006,474	1,250,565	1,453,960	1,829,510	25.83%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	1,006,474	1,250,565	1,453,960	1,829,510	25.83%
Expenditures:					
Personnel	879,770	1,015,015	980,990	1,249,230	27.34%
Operating Supplies	304,692	279,250	249,490	315,210	26.34%
Contractual Services	40,412	39,275	42,110	45,955	9.13%
Other Services and Charges	77,628	79,315	102,835	123,445	20.04%
Capital Outlay	64,511	260,000	296,050	125,000	-57.78%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,367,013	1,672,855	1,671,475	1,858,840	11.21%
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	1,367,013	1,672,855	1,671,475	1,858,840	11.21%

Social Services	CATS/LYNX	Fund 10 - Transit	Cost Center	15XX
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Performance Indicators

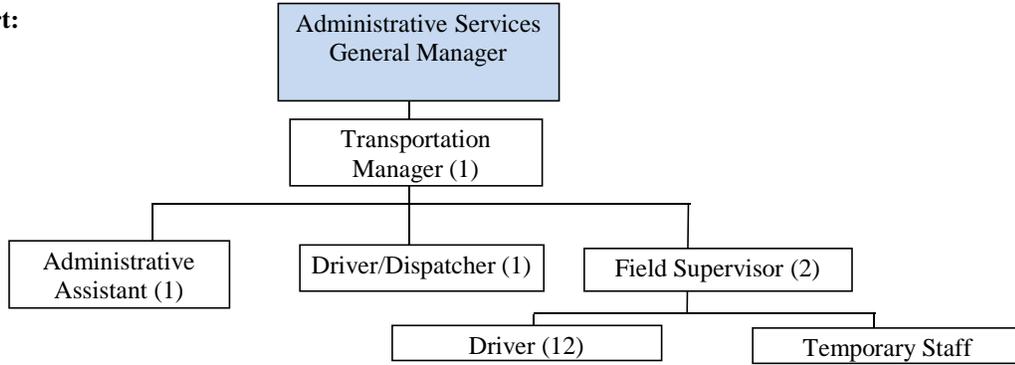
** New Performance Measures are being developed for this department**

City Council				
Department				
Type of Mea				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017

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

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

Organizational Chart:

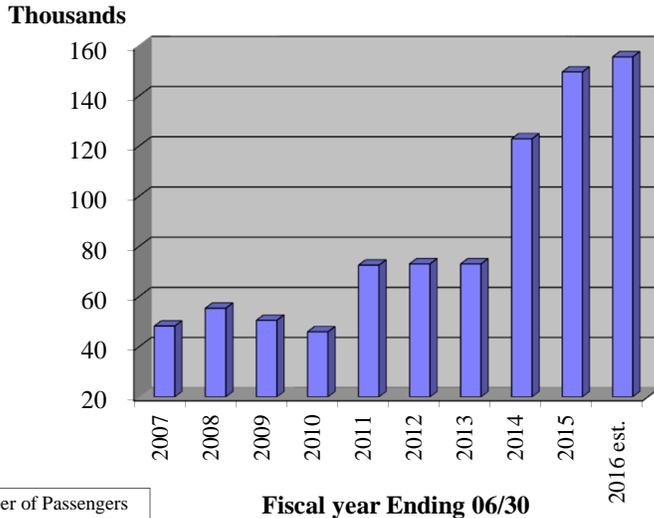


Note: only unshaded boxes are included in this budget.

General Information:

The Cottonwood Area Transit (CAT) and Verde Lynx systems provide public transportation services to the City of Cottonwood, City of Sedona, Town of Clarkdale, Yavapai College, and the unincorporated areas around Cottonwood. Services include fixed route and complementary ADA Paratransit services. CAT routes within Cottonwood, Clarkdale, and unincorporated areas run five days a week from 6:45am to 6:45pm. CAT also provides contract services to local agencies, such as human services, to transport people in need to them so that they can get the care they require. CAT also connects with the Yavapai Apache Nation Transit that provides connections to the southern end of the Verde Valley, Camp Verde, and the Greyhound bus station in Camp Verde. The Verde Lynx provides service to and from Sedona, including Uptown Sedona and south on SR 179 to Poco Diablo Resort.

Cottonwood Area Transit Ridership



FY ending 06/30	Number of Passengers
2007	48,212
2008	55,330
2009	50,521
2010	45,915
2011	72,500
2012	73,000
2013	73,000
2014	122,874
2015	149,492
2016 est.	155,500

FY 2016 Accomplishments:

- * Assisted the Yavapai Apache Nation Transit in securing a contract with Greyhound Lines, Inc. to add a bus stop on the Yavapai Apache Nation in Camp Verde.

FY 2017 Goals:

- * Negotiate local funding with potential stakeholders to provide transit to Village of Oak Creek and Cornville
- * Carry out Paratransit service in the Sedona area
- * Implement bus advertising program to generate additional operating revenue
- * Assess the feasibility of a new fare structure and providing CAT-service on Saturdays
- * Add technological features on buses to enable fare payment with smart cards, debit and credit cards; bus tracking with smart phones; animated map showing the location of buses and their estimated time of arrival (ETA).

Budget Highlights:

This budget reflects a significant increase in Personnel costs due to the addition of three full-time drivers plus the merit increases. Capital is budgeted at \$125,000 for three vans. Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat.

Social Services	CATS/LYNX		Fund 10 - Transit		Cost Center	15XX
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$879,770	\$1,015,015	\$980,990	\$1,249,230	27.34%	
Operating Supplies	304,692	279,250	249,490	315,210	26.34%	
Contractual Services	40,412	39,275	42,110	45,955	9.13%	
Other Services and Charges	77,628	79,315	102,835	123,445	20.04%	
Capital Outlay	64,511	260,000	296,050	125,000	-57.78%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$1,367,013	\$1,672,855	\$1,671,475	\$1,858,840	11.21%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$1,626,310	87.49%
Services & Charges	203,200	10.93%
Miscellaneous Revenues	0	0.00%
Transfers In General Fund	0	0.00%
Use of HURF Fund Balance	29,330	1.58%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Transportation Manager	1.00	1.00	1.00	5067	7466	\$71,316
Administrative Assistant	1.00	1.00	1.00	2559	3771	33,229
Driver / Dispatcher	1.00	1.00	1.00	2559	3771	40,115
Field Supervisor	2.00	2.00	2.00	2962	4365	80,292
Drivers	7.00	8.00	12.00	2437	3591	359,636
COLA						0
Merit Contingency						16,054
Holiday Pay						9,250
Clothing Allowance						2,760
Temporary / Reserves						248,000
Overtime						26,000
Retirement						73,005
Insurance & Taxes						289,573
Employee Related Expenses						0
Totals	12.00	13.00	17.00			\$1,249,230

Social Services	CATS/LYNX	Fund 10 - Transit		Cost Center	15XX
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

Office Supplies	4,427	5,000	5,000	5,000	0.00%
Copier Supplies	14	200	0	0	0.00%
Gas & Oil	146,384	177,500	110,600	143,750	29.97%
Vehicle Maint & Repairs	147,724	95,000	128,120	161,000	25.66%
Equipment Maint & Repairs	0	0	1,500	1,725	
Postage & Freight	304	250	270	285	5.56%
Tools	5,839	1,300	4,000	3,450	-13.75%

Total Supplies	304,692	279,250	249,490	315,210	26.34%
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Contractual Services

Computer Support	5,121	3,950	9,900	10,485	5.91%
Contractual Services	17,209	16,500	10,760	11,780	9.48%
Custodial Contract	6,634	6,475	12,300	13,205	7.36%
Radio Maintenance	5,460	5,250	4,050	5,235	29.26%
Indirect Cost to G/F		0			0.00%
Building/Grounds Mtce	5,988	7,100	5,100	5,250	2.94%

Total Contractual Services	40,412	39,275	42,110	45,955	9.13%
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Other Services and Charges

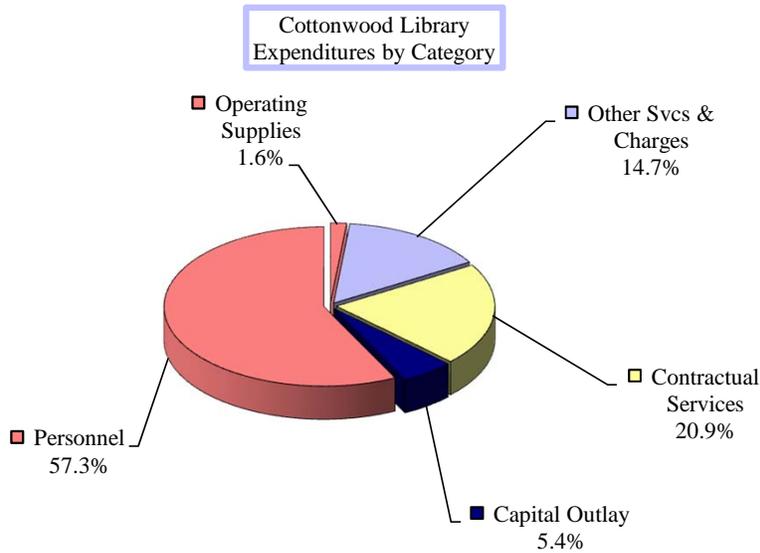
Travel & Training	4,516	3,750	5,000	5,250	5.00%
Subscriptions & Membershi	1,475	2,500	1,545	16,225	950.16%
Utilities	7,886	10,000	11,595	12,950	11.69%
Telephone	8,736	7,400	7,520	8,380	11.44%
Printing & Forms	14,814	9,875	9,375	9,845	5.01%
Advertising	6,859	12,000	28,300	29,715	5.00%
Liability Insurance	27,635	29,000	33,300	34,250	2.85%
Audit Expense	3,000	3,000	3,000	3,150	5.00%
Continued Education	0	0	0	0	0.00%
Employee Physicals/Drug Testing	2,706	1,790	3,200	3,680	15.00%

Total Other Services & Charges	77,628	79,315	102,835	123,445	20.04%
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Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Route Match Software					
Vans (3)	\$64,511			\$125,000	
Buses (4)		\$260,000	\$296,050		
Sidewalk Repairs ADA					
Computers					
	\$64,511	\$260,000	\$296,050	\$125,000	

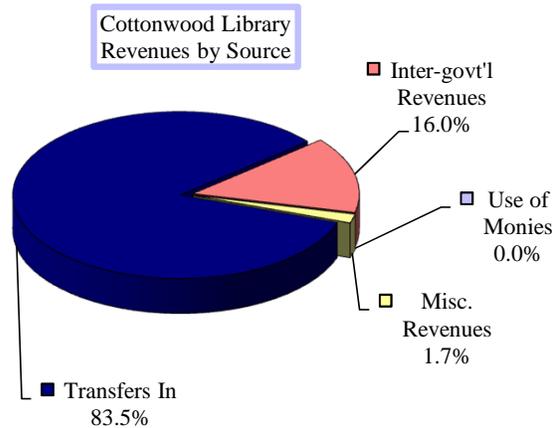
Cottonwood Library System Fund Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$602,440	\$17,100	\$219,380	\$154,950	\$57,000	\$0	\$1,050,870



Revenues	\$173,010
Expenditures	<u>(1,050,870)</u>
Revenues over (under) Expenditures	<u>(877,860)</u>
Other Funding Sources/Uses	<u>877,860</u>
Use of Fund Balance	<u><u>\$0</u></u>

Inter-govt'l Revenues	\$155,000
Use of Monies	10
Misc. Revenues	18,000
Transfers In	<u>877,860</u>
Total Resources Available	<u><u>\$1,050,870</u></u>



Library Revenues:

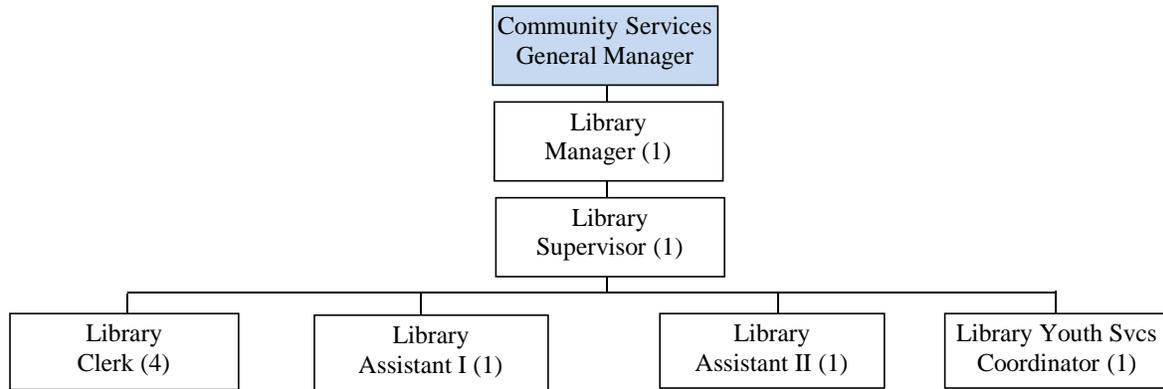
About 98% of the Cottonwood Library operating revenues come from Intergovernmental revenues and transfers in sources. \$171,165 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in \$801,285 this year for maintenance and operation of the library.

Library Expenditures:

The Library has struggled to keep up with the growth of walk-in patrons and the need for additional services. The Library completed its expansion project in fiscal year 2010. This \$2.9M expansion alleviated the need for additional space to house more collection materials.

Cottonwood Library System Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	156,840	155,640	155,000	155,000	0.00%
HVAC Grant	0	0	0	0	0.00%
Grant Revenues	0	0	0	0	0.00%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	59	25	10	10	0.00%
Miscellaneous Revenues					
Other Income	15,856	15,500	18,000	18,000	0.00%
Total Revenue Sources	172,755	171,165	173,010	173,010	0.00%
Other Financing Sources:					
Transfers In	785,690	801,285	790,715	877,860	11.02%
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	785,690	801,285	790,715	877,860	11.02%
Total Available Resources	958,445	972,450	963,725	1,050,870	9.04%
Expenditures:					
Personnel	574,188	595,000	577,505	602,440	4.32%
Operating Supplies	21,126	17,700	16,400	17,100	4.27%
Contractual Services	195,037	209,500	216,980	219,380	1.11%
Other Services and Charges	152,273	150,250	152,840	154,950	1.38%
Capital Outlay	15,821	0	0	57,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	958,445	972,450	963,725	1,050,870	9.04%
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	958,445	972,450	963,725	1,050,870	9.04%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

Cottonwood Library

Note: only unshaded boxes are included in this budget

General Information:

The Cottonwood Public Library serves as a cultural, recreational, educational and research center for residents of the City of Cottonwood and Yavapai County. The library selects processes and maintains an organized collection of information in print and -non-print form. Through its programs and referral to area literacy programs, educational institutions and other self-help organizations, it attempts to foster a lifelong love for learning and an individual sense of responsibility for self-advancement.

FY 2016 Accomplishments:

- * Successfully hosted the 3rd Annual Author's Forum featuring several local authors; 130 people were in attendance. Bestselling mystery author J.A. Jance visited the library too promoting her new book
- * Partnered with the Verde Valley Thumbs Gardeners, a program of Gardens for Humanity, and started the "Verde Valley Seed Library" reviving the over 10,000-year old tradition of saving and sharing seeds. A request to the City Council from the seed library's initiators for funding for a dedicated computer to catalogue the holdings resulted in a \$500 donation. More than 270 participants "checked out" seed packets and returned seeds to share again.
- * Began the "Artist's Corner" featuring live art demonstrations by local artists designed to not only showcase and promote the work of amazing local artists but also to inspire patrons to learn about and create art themselves; over 360 visitors to the Corner enjoyed the different mediums featured over a three-month period
- * Held the inaugural Adult Summer Reading Program with the theme "Book Shelf Bingo" with 169 patrons reading different genres to achieve a "Bingo!" and receive prizes. It was a great success and many requested to do it again.
- * Hosted a visit from a representative of the Arizona Talking Book Library (of the Arizona State Library, Archives and Public Records) to discuss their free audio listening services for people having difficulty reading the printed word
- * Participated for the second year in the Arizona Sci-Tech Verde Valley Festival for a one-day event that attracted about 170 attendees.
- * Began a bi-monthly "Paws to Read" program for youth, pairing dogs and their handlers with a youngster who reads a story to them; 83 people attended the program
- * Started a community jigsaw puzzle table that can be worked on by any patron who passes by and thus far close to 300 patrons have tally marked to have worked on them prompting a puzzle exchange where patrons "leave a puzzle, take a puzzle."
- * Organized the inaugural Comic Expo Fundraiser for the library that attracted over 300 participants from Northern Arizona and California.

FY 2017 Goals:

- * Maintain high service levels despite reduced resources and library hours by providing cost effective employee training methods and seeking out ways to increase efficiency in operations
- * Increase programming offerings to adults by offering *Sketching and Adult Coloring Book* classes
- * Be a learning commons that fosters learning and understanding by offering opportunities, such as American Sign Language (ASL) and Spanish classes, for participatory learning
- * Form more partnerships with libraries in the Verde Valley to co-sponsor events that can be brought to the individual libraries.

Budget Highlights:

Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases. Capital outlay is for E-Rate Equipment (\$7,000) and Roofing Repair (\$50,000).

Culture and Recreation	Cottonwood Library	Fund 03 - Library Fund	Cost Center	4000
Performance Indicators				
City Council Goal:	Strive to provide effective and efficient services to the public that we serve			
Department Goal:	Increase the attendance in Adult and Youth Services programming			
Objective:	Provide more free and cultural programming to the public and increase public awareness of our service			
Type of Measure:	Program attendance			
Tool:	Attendance logs and surveys			
Frequency:	Monthly/weekly			
Scoring:	5% increase in attendance			
Trend:	upward			
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Adult staff sponsored programs attendance	744	658	691	726
Youth Services staff sponsored programs attendance	14,262	8,383	8,802	9,242
Adult programs attendance	3,328	2,869	3,012	3,163
Youth Services programs attendance	693	468	491	516
Youth Services interactive table	207	6,148	6,455	6,778
Youth Services Early Literacy Tablets	127	1,603	1,683	1,767
Steam kits/other		1,584	1,663	1,746
	Totals			
	19,361	21,713	22,797	23,938
Percent increase/decrease from prior year		12.15%	4.99%	5.01%

City Council Goal:	Strive to provide effective and efficient services to the public that we serve			
Department Goal:	Increase availability of library services			
Objective:	Increased hours will provide more availability to our patrons for circulation, internet and job service			
Type of Measure:	Computer usage			
Tool:	Statistics			
Frequency:	Daily/weekly/monthly			
Scoring:	5-10% increase in attendance			
Trend:	upward			
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Job Service computer usage	402	382	401	420
Youth Service computer usage	2,872	6,354	6,672	7,006
Adult Services computer usage	26,828	27,540	28,917	30,363
Internet guest card usage	9,933	9,370	9,839	10,331
Circulation of library items	255,113	252,267	264,880	278,124
Circulation of eBook usage	9,676	8,983	9,432	9,904
	Totals			
	304,824	304,896	320,141	336,148
Percent increase/decrease from prior year		0.02%	5.00%	5.00%

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

Culture and Recreation		Cottonwood Library		Fund 03 - Library Fund		Cost Center	4000
Summary by Category							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Proposed			
Personnel	\$574,188	\$595,000	\$577,505	\$602,440	4.92%		
Operating Supplies	21,126	17,700	16,400	17,100	4.27%		
Contractual Services	195,037	209,500	216,980	219,380	1.11%		
Other Services and Charges	152,273	150,250	152,840	154,950	1.38%		
Capital Outlay	15,821	0	0	57,000	0.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$958,445	\$972,450	\$963,725	\$1,050,870	9.04%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$155,000	14.75%
Uses of Monies	10	0.00%
Miscellaneous Income	18,000	1.71%
Use of Fund Balance	0	0.00%
Transfers In - General Fund	877,860	83.54%
Total Funding		100.0%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Library Manager	1.00	1.00	1.00	5,067	7,466	\$78,069
Library Supervisor	1.00	1.00	1.00	3,601	5,306	50,403
Library Youth Svcs Coordinator	0.00	0.00	1.00	2,321	3,421	39,023
Library Asst II	1.00	1.00	1.00	3,111	4,584	38,072
Library Asst I	1.00	1.00	1.00	2,687	3,960	36,398
Library Clerk	5.00	5.00	4.00	2,321	3,421	125,939
COLA						0
Merit Contingency						13,316
Longevity						0
Temporary / Reserves						45,000
Holiday Pay						0
Retirement						43,760
Insurance & Taxes						132,460
Employee Related Expenses						0
Totals	9.00	9.00	9.00			\$602,440

Culture and Recreation	Cottonwood Library	Fund 03 - Library Fund			Cost Center	4000
Supplemental Data: Expenditures						
Item	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		

Supplies

Office Supplies	3,929	4,000	4,000	4,000	1.82%
Copier Supplies	6,662	2,500	3,100	3,100	-62.47%
Equipment Maint & Repairs	5,930	6,000	6,000	6,000	1.18%
Postage & Freight	4,606	5,200	3,300	4,000	12.91%

Total Supplies	21,126	17,700	16,400	17,100	4.27%
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Contractual Services

Computer Support	2,246	2,000	2,250	2,350	-10.95%
Collection Expenses	1,906	2,000	2,250	2,000	4.91%
Advertising	0	0	0	0	0.00%
Bank Charges	0	0	30	30	
Building Maint. & Repair	63	30,000	30,000	30,000	
Indirect Cost to General Fund	190,822	175,500	182,450	185,000	-8.03%

Total Contractual Services	195,037	209,500	216,980	219,380	1.11%
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Other Services and Charges

Travel & Training	1,212	800	850	850	-33.98%
Subscriptions & Memberships	0	0	0	0	0.00%
Utilities	53,943	55,000	52,710	55,000	1.96%
Telephone	2,665	2,700	2,420	2,500	1.30%
Youth Programs	387	450	460	500	16.39%
Book Purchases	42,336	41,000	41,000	42,000	-3.16%
Network/Technology Exps	36,914	35,000	36,500	35,000	-5.19%
Annual Volunteer Appreciation Event	911	800	800	800	-12.23%
Liability Insurance	13,545	14,000	17,800	17,800	3.36%
Recruitment Expense	360	500	300	500	38.89%

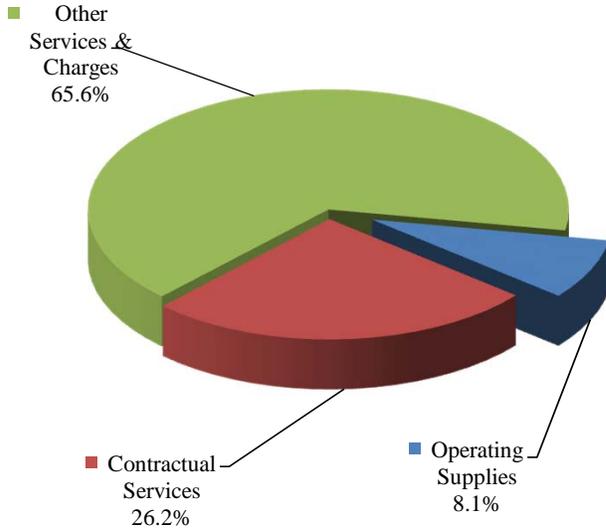
Total Other Services & Charges	152,273	150,250	152,840	154,950	1.38%
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Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Lighting and Ballast Replacement					
Re-roofing /Roof Repair				\$50,000	
Grant Expenditures	\$15,821				
E-Rate Equipment				7,000	
	<u>\$15,821</u>	<u>\$0</u>	<u>\$0</u>	<u>\$57,000</u>	

Cottonwood Cemetery Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Totals	\$0	\$3,100	\$10,000	\$25,000	\$0	\$0	\$38,100
	\$0	\$3,100	\$10,000	\$25,000	\$0	\$0	\$38,100

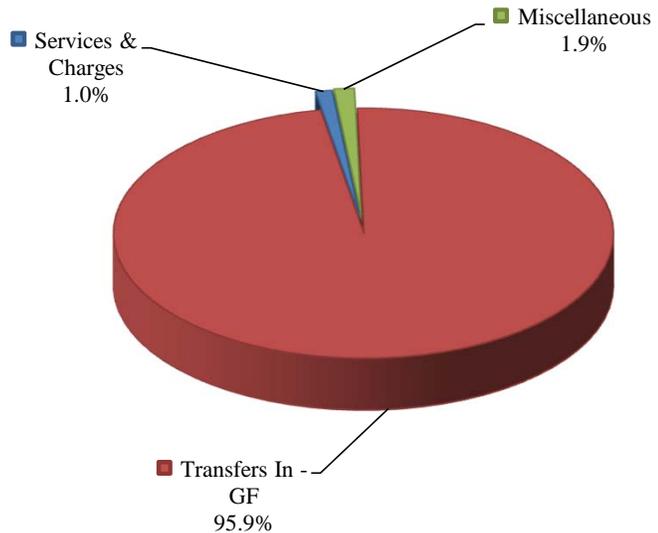
Cottonwood Cemetery Fund Expenditures by Category



Cottonwood Cemetery Fund Summary	
Revenues	\$900
Expenditures	(38,100)
Revenues over (under) Expenditures	(37,200)
Other Funding Sources/Uses	37,200
Use of Fund Balance	\$0

Cottonwood Cemetery Fund Revenues by Source	
Services & Charges	\$400
Use of Monies	0
Miscellaneous	500
Transfers In - GF	37,200
Total Resources Available	\$38,100

Cottonwood Cemetery Fund Revenues by Source



Cottonwood Cemetery Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	21016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	550	600	400	400	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	980	500	500	500	0.00%
Total Revenue Sources	1,530	1,100	900	900	0.00%
Other Financing Sources:					
Transfers In	31,059	25,525	33,200	37,200	12.05%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	31,059	25,525	33,200	37,200	12.05%
Total Available Resources	32,589	26,625	34,100	38,100	11.73%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	357	3,500	100	3,100	3000.00%
Contractual Services	10,986	1,125	9,000	10,000	11.11%
Other Services and Charges	21,246	22,000	25,000	25,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	32,589	26,625	34,100	38,100	11.73%
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	32,589	26,625	34,100	38,100	11.73%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

The Cemetery Fund accounts for the contribution received by the City for which principal and interest are to be used solely for the maintenance of the Cottonwood Cemetery.

Revenues are generated from the sale of grave liners, the opening and closing of grave sites, and support from the General Fund.

FY 2016 Accomplishments:

* N/A

FY 2017 Goals:

* N/A

Budget Highlights:

None

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200
Performance Indicators				
City Council Goal:	<i>* Performance Measures are being developed for this department *</i>			
Department				
Objective:				
Type of Mea				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
City Council Goal:				
Department				
Objective:				
Type of Mea				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Mission/Value Statement:				
Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017

Cemeteries		Cottonwood Cemetery		Fund 04 - Cemetery		Cost Center	4200
Summary by Category							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Proposed			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	357	3,500	100	3,100	3000.00%		
Contractual Services	10,986	1,125	9,000	10,000	11.11%		
Other Services and Charges	21,246	22,000	25,000	25,000	0.00%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$32,589</u>	<u>\$26,625</u>	<u>\$34,100</u>	<u>\$38,100</u>	<u>11.73%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Charges for Service	\$400	1.05%
Interest Income	0	0.00%
Miscellaneous Fees	500	1.31%
Carryover	0	0.00%
Transfer In - General Fund	37,200	97.64%
Total Funding		<u>100.00%</u>

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

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200	
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

Grave Liners	0	3,000	0	3,000	0.00%
Equipment Maint & Repairs	34	500	100	100	0.00%
Misc. Expense	323	0	0	0	0.00%
Total Supplies	357	3,500	100	3,100	3000.00%

Contractual Services

Indirect Cost to General Fund	10,986	1,125	9,000	10,000	11.11%
Total Contractual Services	10,986	1,125	9,000	10,000	11.11%

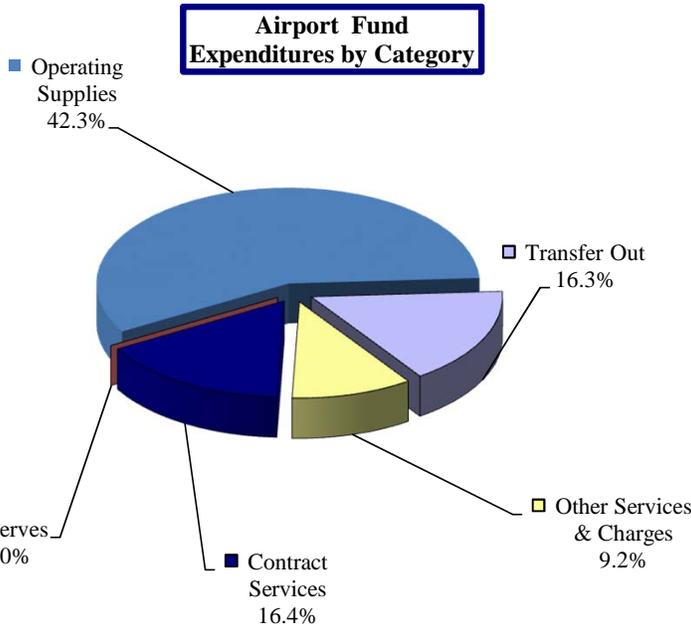
Other Services and Charges

Utilities	21,246	22,000	25,000	25,000	0.00%
Telephone	0	0			0.00%
Total Other Services & Charges	21,246	22,000	25,000	25,000	0.00%

Supplemental Data: Capital Outlay					
Expenditure Category	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
N/A					
\$0 \$0 \$0 \$0					

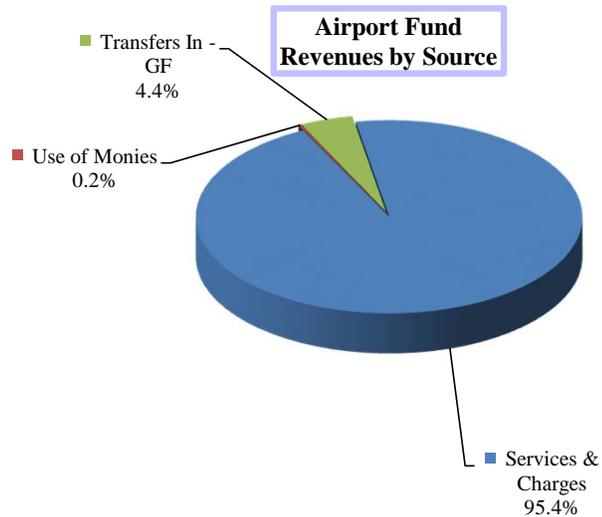
Airport Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Totals	\$0	\$204,250	\$57,110	\$36,300	\$0	\$0	\$58,050	\$355,710
	\$0	\$204,250	\$57,110	\$36,300	\$0	\$0	\$58,050	\$355,710



Airport Fund Summary	
Revenues	\$339,970
Expenditures	(355,710)
Revenues over (under) Expenditures	(15,740)
Other Funding Sources/Uses	15,740
Use of Fund Balance	\$0

Airport Fund Revenues by Source	
Services & Charges	\$339,350
Use of Monies	620
Transfers In - GF	15,740
Total Resources Available	\$355,710



Airport Revenues:

Most of this department's funding comes from fuel sales, and rental of properties, hangars and tie-downs.

Airport Expenditures:

The airport is being managed by City of Cottonwood staff and is charged through indirect cost for their services.

Airport Authority Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
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	203,277	225,000	256,000	247,000	-3.52%
Uses of Monies & Properties					
Tie Down Rent	17,893	17,000	18,500	18,900	2.16%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	0	0	0	0	0.00%
Land Lease Fees	37,253	32,900	38,850	38,850	0.00%
City Hangar Lease Fees	33,850	33,550	34,225	34,600	1.10%
Miscellaneous Revenues					
Other Income	670	550	610	620	1.64%
Total Revenue Sources	292,943	309,000	348,185	339,970	-2.36%
Other Financing Sources:					
Transfers In	0	57,640	9,000	15,740	74.89%
Carryover	0	0	0	0	0.00%
Residual Equity Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	57,640	9,000	15,740	74.89%
Total Available Resources	292,943	366,640	357,185	355,710	-0.41%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	169,577	155,000	214,000	204,250	-4.56%
Contractual Services	65,910	60,100	58,010	57,110	-1.55%
Other Services and Charges	34,857	33,795	35,900	36,300	1.11%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	9,815	13,945	0	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	270,344	258,710	321,855	297,660	-7.52%
Other Uses:					
Transfers Out	0	107,930	35,330	58,050	64.31%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	107,930	35,330	58,050	64.31%
Total Expenditures and Other Uses	270,344	366,640	357,185	355,710	-0.41%
Net Income / (Loss)	\$22,599	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

The operation of the Cottonwood Airport is provided by the City. The City is responsible for the collection of rents, fuel purchase and building and airfield maintenance. Public Works staff provides airport management including staffing the Airport Commission, airport planning, capital improvements, grant management, and airport grounds, equipment and facility maintenance.

FY 2016 Accomplishments:

- *
- *
- *

FY 2017 Goals:

- *
- *
- *

Budget Highlights:

The FY 2017 budget shows no significant changes and no capital.

Airport	Airport	Fund 05 - Airport	Cost Center	1500
Performance Indicators				
City Council Goal:	Value the tax dollar and maintain sound fiscal policies			
Department Goal:	Maintain adequate and safe fuel levels			
Objective:	Maintain an adequate fuel level in order to not lose any sales due to lack of fuel			
Type of Measure:	Outcome			
Tool:	Fuel Level			
Frequency:	weekly			
Scoring:	Fuel Sales			
Trend:	Fuel level never below 2,000 gallons			
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Minimum monthly fuel level		1,500	1,500	1,500

City Council Goal:	Value the tax dollar and maintain sound fiscal policies			
Department Goal:	Decrease cost of electric power used at the airport			
Objective:	Measure the amount of power consumed at the airport			
Type of Measure:	Outcome Based			
Tool:	System Monitoring			
Frequency:	Monthly			
Scoring:	Percentage decrease in power consumed			
Trend:	N/A - New Measure FY 2015			
Measures:	Actual		Estimated	Anticipated
	2014	2015	2016	2017
Decrease in electric consumption		30%	n/a	n/a

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

Airport	Airport	Fund 05 - Airport			Cost Center	1500
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	169,577	155,000	214,000	204,250	-4.56%	
Contractual Services	65,910	60,100	58,010	57,110	-1.55%	
Other Services and Charges	34,857	33,795	35,900	36,300	1.11%	
Capital Outlay	0	0	0	0	0.00%	
Reserves	0	9,815	13,945	0	-100.00%	
Transfers Out	0	107,930	35,330	58,050	64.31%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$270,344</u>	<u>\$366,640</u>	<u>\$357,185</u>	<u>\$355,710</u>	<u>-0.41%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Fuel Sales	\$247,000	69.44%
User & Rental Fees	92,970	26.14%
Fund Balance	0	0.00%
Transfers In - General Fund	15,740	4.42%
Total Funding		<u>100.00%</u>

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

Airport	Airport	Fund 05 - Airport		Cost Center	1500
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Supplies

Office Supplies	119	150	50	50	0.00%
Vehicle Maint & Repairs	102	150	200	200	0.00%
Equipment Maint & Repairs	4,710	3,500	2,500	2,500	0.00%
Building Maint & Repairs	1,255	500	750	500	-33.33%
Fuel Expenses	160,575	150,000	209,000	200,000	-4.31%
Oil Expense	46	0	0	0	0.00%
Operational Supplies	2,771	700	1,500	1,000	-33.33%

Total Supplies	169,577	155,000	214,000	204,250	-4.56%
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Contractual Services

Misc. Expenses	0	0	0	0	0.00%
Computer Support	120	100	110	110	100.00%
General Counsel	0	0	0	0	0.00%
Contractual Services	6,498	10,000	12,000	7,000	-41.67%
Airport-Indirect Costs to General Fund	59,293	50,000	45,900	50,000	8.93%

Total Contractual Services	65,910	60,100	58,010	57,110	-1.55%
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Other Services and Charges

Airport Annual Event	0	0	0	0	0.00%
Utilities	14,263	12,410	14,500	14,500	0.00%
Telephone	1,317	1,185	1,200	1,300	8.33%
Bank Charges	11,077	12,000	12,000	12,000	0.00%
Liability Insurance	8,200	8,200	8,200	8,500	3.66%

Total Other Services & Charges	34,857	33,795	35,900	36,300	1.11%
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Supplemental Data: Capital Outlay										
Expenditure Category	2015	2016		2017						
	Actual	Budget	Revised	Proposed						
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> </table>						\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0						

Airport Improvement Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Intergovernmental Revenues					
ADOT - Runway 32	\$0	\$0	\$0	\$0	0.00%
ADOT - Terminal Parking	0	0	0	0	0.00%
ADOT - Design Lighting & Runway Imp.	0	0	0	0	0.00%
ADOT -Fence Extension	0	0	0	0	0.00%
ADOT - Pavement Preservation	476	1,755,000	102,900	0	-100.00%
FAA - Fence Extension	0	135,000	0	136,500	0.00%
FAA - Airport Apron	0	0	0	0	0.00%
FAA - AWOS	114,743	0	0	0	0.00%
FAA - Pavement Preservation	0	0	0	1,147,360	0.00%
FAA - Terminal Parking	0	0	0	0	0.00%
FAA - Master Plan	0	0	0	364,240	0.00%
Beacon & LED Windsocks	0	0	0	0	0.00%
Energy Efficient Block Grant	0	0	0	0	0.00%
Total Revenue Sources	115,219	1,890,000	102,900	1,648,100	1501.65%
Other Financing Sources:					
Transfers In	0	107,930	35,330	58,050	205.49%
Carryover	0	102,070	78,620	103,850	32.09%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	210,000	113,950	161,900	42.08%
Total Available Resources	115,219	2,100,000	216,850	1,810,000	734.68%
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	11,528	2,100,000	113,000	1,810,000	1501.77%
Reserves	0	0	103,850	0	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	11,528	2,100,000	216,850	1,810,000	734.68%
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	11,528	2,100,000	216,850	1,810,000	734.68%
Net Income / (Loss)	\$103,691	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

This fund was established to track major airport improvements primarily funded by the Federal Aviation Administration (FAA) and the State of Arizona Department of Transportation - (ADOT) - Aeronautics Division and the City of Cottonwood.

FY 2016 Accomplishments:

* They are the same as the Airport

FY 2017 Goals:

* N/A

Budget Highlights:

Capital in the amount of \$150,000 to increase the fence height at the Airport and \$1,950,000 for Pavement Preservation are included for FY 2016. Both projects have offsetting revenue sources from Arizona Department of Transportation (AZDOT) and the Federal Aviation Administration (FAA).

Airport	Airport Improvement Fund	Fund 11- Grants			Cost Center	1500
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	11,528	2,100,000	113,000	1,810,000	1501.77%	
Reserves	0	0	103,850	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$11,528</u>	<u>\$2,100,000</u>	<u>\$216,850</u>	<u>\$1,810,000</u>	<u>734.68%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
FAA Grant	\$1,648,100	91.06%
Misc Grants	0	0.00%
ADOT Grant	0	0.00%
Airport Transfer In	58,050	3.21%
Fund Balance	103,850	5.74%
Total Funding		<u>100.00%</u>

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

Grants Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues	0	500,000	0	500,000	0.00%
Miscellaneous Revenue	0	0	0	0	0.00%
Total Revenue Sources	0	500,000	0	500,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	\$0	\$500,000	\$0	\$500,000	0.00%
Expenditures:					
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	500,000	0	500,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	\$0	\$500,000	\$0	\$500,000	0.00%
 Net Income / (Loss)	 \$0	 \$0	 \$0	 \$0	

The Grants Fund accounts for several grants which are depicted on the following pages. The revenues and expenditures have been extracted for each of the grants individually.

Other Grants Fund Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	500,000	0	500,000	0.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
Total Revenue Sources	0	500,000	0	500,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	\$0	\$500,000	\$0	\$500,000	0.00%
Expenditures:					
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	500,000	0	500,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	\$0	\$500,000	\$0	\$500,000	0.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

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

FY 2016 Accomplishments:

* None

FY 2017 Goals:

* Obtain grants for multiple projects

Budget Highlights:

N/A

Grants	Other Grants Fund	Fund 07 - Grants	Cost Center	0000
Performance Indicators				
City Council Goal:	<i>* Performance Measures are not applicable to this fund *</i>			
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
N/A				

Supplemental Data: Capital Outlay				
Expenditure Category	2015	2016		2017
	Actual	Budget	Revised	Proposed
Grant Projects		\$500,000		\$500,000
		\$0	\$500,000	\$0
		\$0	\$500,000	\$0

Grants	Other Grants Fund	Fund 07 - Grants			Cost Center	0000
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	0	500,000	0	500,000	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$0</u>	<u>\$500,000</u>	<u>\$0</u>	<u>\$500,000</u>	<u>0.00%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$500,000	100%
Total Funding		<u>100.00%</u>

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

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

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	309,150	5,000	304,150	5983.00%
Miscellaneous Revenue					
Interest Income	161	5	5	5	0.00%
Total Revenue Sources	161	309,155	5,005	304,155	5977.02%
Other Financing Sources:					
Transfers In	0	0	2,995	0	-100.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	2,995	0	-100.00%
Total Available Resources	161	309,155	8,000	304,155	3701.94%
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	5	0.00%
Capital Outlay	0	309,155	8,000	304,150	3701.88%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	309,155	8,000	304,155	3701.94%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	309,155	8,000	304,155	3701.94%
Net Income / (Loss)	\$161	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

The Community Development Department, which includes Developmental Services work closely with the Northern Arizona Council of Governments (NACOG) and the State of Arizona to obtain Community Development Block Grants (CDBG) funds. Intergovernmental agreements and partnerships have been formed to successful completion of a variety of neighborhood improvement projects.

FY 2016 Accomplishments:

* None

FY 2017 Goals:

* Obtain grants for multiple projects

Budget Highlights:

N/A

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

Supplemental Data: Capital Outlay				
Expenditure Category	2015	2016		2017
	Actual	Budget	Revised	Proposed
CDBG 10th St Construction Grant				
Civic Center Upgrades		\$309,155	\$8,000	\$304,150
	\$0	\$309,155	\$8,000	\$304,150

Public Works Community Development Block Grant		Fund 08 - CDBG			Cost Center	3110
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
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	5	0.00%	
Capital Outlay	0	309,155	8,000	304,150	3701.88%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$0	\$309,155	\$8,000	\$304,155	3701.94%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$224,155	74%
HURF Fund	80,000	26%
Total Funding		100.00%

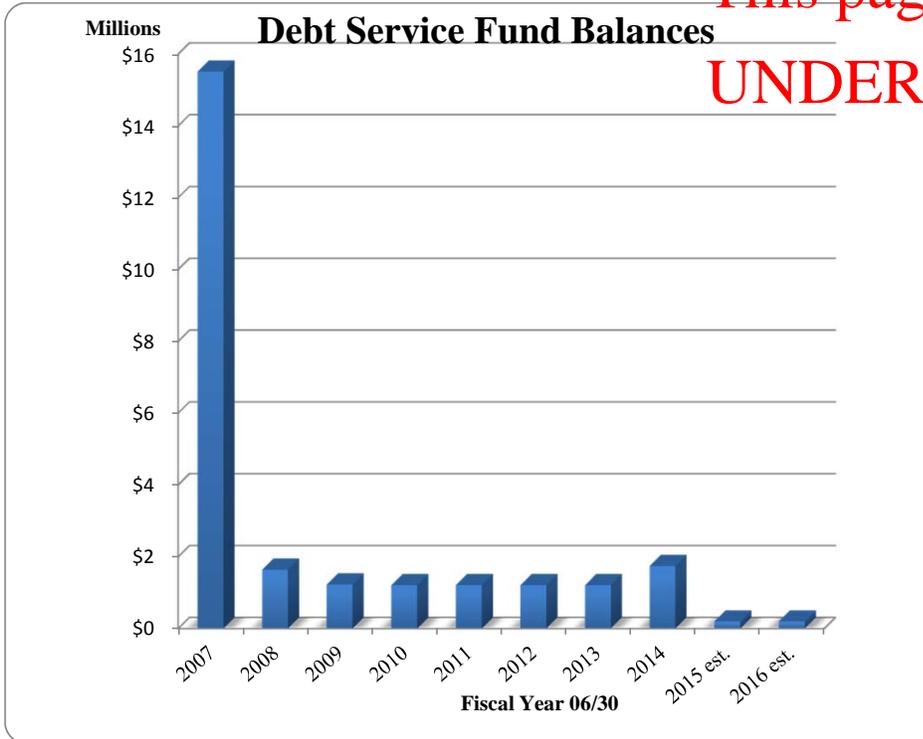
Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00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

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

<u>Fund/Account Number</u>	<u>Description</u>
20	Debt Service

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Fiscal Year 06/30	Balance
2007	15,510,865
2008	1,637,437
2009	1,229,290
2010	1,210,129
2011	1,210,129
2012	1,209,315
2013	1,209,315
2014	1,740,825
2015 est.	197,840
2016 est.	197,840

Sewer debt service reserves reflected a sharp decrease due to the transfer of these funds in FY 2008 to the Capital Projects Fund.

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Revenue Sources:				
Taxes	\$1,541,275	\$2,072,185	\$1,739,195	\$1,539,955
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	1,731	150	280	280
Miscellaneous Revenues	0	0	0	0
Total Revenue Sources	1,543,006	2,072,335	1,739,475	1,540,235
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	1,740,830	1,211,500	197,840
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	1,740,830	1,211,500	197,840
Total Available Resources	1,543,006	3,813,165	2,950,975	1,738,075
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	360	360	360	360
Other Services and Charges	1,541,275	1,541,275	1,541,275	1,539,875
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	1,541,635	1,541,635	1,541,635	1,540,235
Other Uses:				
Transfers Out	0	0	1,211,500	0
Reserves	0	2,271,530	197,840	197,840
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	2,271,530	1,409,340	197,840
Total Expenditures and Other Uses	1,541,635	3,813,165	2,950,975	1,738,075
Net Income / (Loss)	\$1,371	\$0	\$0	\$0

Debt Service Fund Revenues/Expenditures/Changes in fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes					
City Sales Tax	\$1,541,275	\$1,541,485	\$1,541,355	\$1,539,955	-0.09%
City Sales Tax - Library	0	530,700	197,840	0	-100.00%
Charges for Services					
User Fees - Water Co. Debt Serv	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	1,731	150	280	280	0.00%
Total Revenue Sources	1,543,006	2,072,335	1,739,475	1,540,235	-11.45%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover Funds	0	1,740,830	1,211,500	197,840	-83.67%
Residual Equity Interfund Transf	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	1,740,830	1,211,500	197,840	-83.67%
Total Available Resources	1,543,006	3,813,165	2,950,975	1,738,075	-41.10%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	360	360	360	360	0.00%
Other Services and Charges	1,541,275	1,541,275	1,541,275	1,539,875	-0.09%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	2,271,530	197,840	197,840	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,541,635	3,813,165	1,739,475	1,738,075	-0.08%
Other Uses:					
Transfers Out	0	0	1,211,500	0	-100.00%
Residual Equity Interfund Transf	0	0	0	0	0.00%
Total Other Uses	0	0	1,211,500	0	-100.00%
Total Expenditures and Other Uses	1,541,635	3,813,165	2,950,975	1,738,075	-41.10%
Net Income / (Loss)	\$1,371	\$0	\$0	\$0	

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Organizational Chart:

None

General Information:

The Debt Service Fund plans the payment of general obligation bond principal and interest payments and the accumulation of reserves for future payments from government resources. The City has two outstanding debt issues, the public library project of 1992 and the Recreation Center. Principal and interest for both projects are paid from special sales taxes. Currently, the City does not have a debt policy in place.

A city sales tax of 1% was enacted July 1, 1987 for the wastewater project, and a city sales tax of .2%, effective April 1, 1992, funds the library project.

FY 2016 Accomplishments:

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

FY 2017 Goals:

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

Budget Highlights:

The Recreation Center bond is the only remaining bond for this fund. The City continues to pursue other financing resources to help fund some current Streets and Capital Improvement Projects.

Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service	Cost Center	8XXX
Performance Indicators				
<i>* Performance Measures are not applicable for this fund*</i>				

Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	

Contractual Services

Trustee Fees - Library	0	0	0	0	0.00%
Trustee Fees - WIFA	360	360	360	360	0.00%
Total Contractual Services	<u>360</u>	<u>360</u>	<u>360</u>	<u>360</u>	<u>0.00%</u>

Debt Service

Interest - FmHA Loan - Library	0	0	0	0	0.00%
Principal - FmHA Loan - Library	0	0	0	0	0.00%
Interest - Library Bonds	0	0	0	0	0.00%
Principal - Library Bonds	0	0	0	0	0.00%
Interest - GADA - Recreation Center	666,275	631,275	631,275	594,875	-5.77%
Principal - GADA - Recreation Center	875,000	910,000	910,000	945,000	3.85%
Interest GADA-RR Wash	0	0	0	0	0.00%
Principal GADA-RR Wash	0	0	0	0	0.00%
Interest GADA-PS Building	0	0	0	0	0.00%
Principal GADA-PS Building	0	0	0	0	0.00%
Total Other Services & Charges	<u>1,541,275</u>	<u>1,541,275</u>	<u>1,541,275</u>	<u>1,539,875</u>	<u>-0.09%</u>

Reserves

GADA Reserve	0	2,271,530	197,840	197,840	0.00%
Total Reserves	<u>0</u>	<u>2,271,530</u>	<u>197,840</u>	<u>197,840</u>	<u>0.00%</u>

Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service			Cost Center	8XXX
Summary by Category						
Expenditure Category	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	360	360	360	360	0.00%	
Other Services and Charges	1,541,275	1,541,275	1,541,275	1,539,875	-0.09%	
Capital Outlay	0	0	0	0	0.00%	
Reserves	0	2,271,530	197,840	197,840	0.00%	
Transfers Out	0	0	1,211,500	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$1,541,635	\$3,813,165	\$2,950,975	\$1,738,075	-41.10%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Other Income	\$280	0.02%
Taxes	1,539,955	88.60%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	197,840	11.38%
Total Funding		100.00%

Supplemental Data: Transfers Out					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Transfers Out - Sewer	\$0	\$0	\$1,211,500	\$0	-100.00%
Transfers Out - Library	0	0	0	0	0.00%
	\$0	\$0	\$1,211,500	\$0	-100.00%

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

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
February 1, 2016					\$315,638	
August 1, 2016	910,000	6,860,000	13,075,000	4.000%	315,638	\$1,541,275
February 1, 2017					297,438	
August 1, 2017	945,000	7,805,000	12,130,000	4.000%	297,438	\$1,539,875
February 1, 2018					278,538	
August 1, 2018	985,000	8,790,000	11,145,000	5.000%	278,538	\$1,542,075
February 1, 2019					253,913	
August 1, 2019	1,035,000	9,825,000	10,110,000	5.000%	253,913	\$1,542,825
February 1, 2020					228,038	
August 1, 2020	1,085,000	10,910,000	9,025,000	4.000%	228,038	\$1,541,075
February 1, 2021					206,338	
August 1, 2021	1,130,000	12,040,000	7,895,000	4.125%	206,338	\$1,542,675
February 1, 2022					183,031	
August 1, 2022	1,175,000	13,215,000	6,720,000	4.125%	183,031	\$1,541,063
February 1, 2023					158,797	
August 1, 2023	1,225,000	14,440,000	5,495,000	4.250%	158,797	\$1,542,594
February 1, 2024					132,766	
August 1, 2024	1,275,000	15,715,000	4,220,000	5.000%	132,766	\$1,540,531
February 1, 2025					100,891	
August 1, 2025	1,340,000	17,055,000	2,880,000	5.000%	100,891	\$1,541,781
February 1, 2026					67,391	
August 1, 2026	1,405,000	18,460,000	1,475,000	5.000%	67,391	\$1,539,781
February 1, 2027					32,266	
August 1, 2027	1,475,000	19,935,000	0	4.375%	32,266	\$1,539,531
	<u>\$13,985,000</u>				<u>\$4,510,081</u>	<u>\$18,495,081</u>

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

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	\$45,610,000	0.00%	\$0
Yavapai County	0	100.00%	0
Yavapai Community College District	37,395,000	4.55%	1,701,473
Cottonwood/Oak Creek School District	0	38.37%	0
Mingus Union High School District	9,995,000	44.98%	4,495,751
Total Direct and Overlapping Debt			<u><u>\$6,197,224</u></u>

Jurisdiction	Total Assessed Valuation
City of Cottonwood	\$94,167,958
Yavapai County	2,435,926,055
Yavapai Community College District	2,435,926,055
Cottonwood/Oak Creek School District	222,512,683
Mingus Union High School District	277,201,553
	<u><u>\$5,465,734,304</u></u>

Debt allocation is based on distribution of assessed valuation within overlapping tax districts.

The secondary assessed valuation is used in Yavapai Community College District, Cottonwood/Oak Creek and Mingus Union High School District. The primary assessed valuation is used for Yavapai County.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2015 were secured by sales taxes instead of property taxes.

Computation of Legal Debt Margin June 30, 2016

Net secondary assessed valuation (Full Cash Value)	\$102,237,396
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	20,447,479
Bonds outstanding	0
Net 20% Debt Limitation	20,447,479

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	6,134,244
Bonds outstanding	0
Net 6% Debt Limitation	6,134,244

Total Bonding Capacity	\$26,581,723
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The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent of secondary assessed valuation can be used for all other "general uses."

General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation listed above, the City may issue bonds for general improvement purposes or for specific projects.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2015 were secured by sales taxes instead of property taxes.

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Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

<u>Fund/Account Number</u>	<u>Description</u>
<u>30-2300</u>	<u>Railroad Wash Improvements</u>
<u>30-1800</u>	<u>Capital Projects Fund</u>
<u>30-4110</u>	<u>Recreation Center Projects</u>
<u>30-4000</u>	<u>Library Expansion</u>
<u>30-2000</u>	<u>Emergency Communications Center</u>

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Beginning Fund Balance				
Less: Designated Reserves	\$0	\$0	\$0	\$0
Cash Reserves	0	0	0	0
Appropriated Fund Balance	0	0	0	\$0
Revenue Sources:				
Taxes	0	0	135,025	267,960
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	16,560	0	220,000	350,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	96,823	0	106,000	106,000
Total Revenue Sources	113,383	0	461,025	723,960
Other Financing Sources:				
Transfers In	0	2,682,830	1,493,445	0
Carryover	0	9,818,330	7,130,620	657,290
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	3,536,069	0	0	0
Total Other Financing Sources	3,536,069	12,501,160	8,624,065	657,290
Total Available Resources	3,649,452	12,501,160	9,085,090	1,381,250
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	25,690	9,000	229,050	359,100
Capital Outlay	1,636,430	810,000	55,865	754,190
Debt Service	0	0	135,025	267,960
Total Expenditures	1,662,120	819,000	419,940	\$1,381,250
Other Uses:				
Transfers Out	0	11,500,000	8,007,860	0
Reserves	3,119,048	182,160	657,290	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	3,119,048	11,682,160	8,665,150	0
Total Expenditures and Other Uses	4,781,168	12,501,160	9,085,090	1,381,250
Net Income / (Loss)	(\$1,131,716)	\$0	\$0	\$0

Capital Projects - Railroad Wash Improvements Fund Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Intergovernmental Revenues					
Yavapai County	16,560	0	220,000	350,000	59.09%
A.D.O.T.	0	0	0	0	0.00%
Total Intergovernmental Revenue	16,560	0	220,000	350,000	59.09%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	16,560	0	220,000	350,000	59.09%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	16,560	0	220,000	350,000	59.09%
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	16,560	0	220,000	350,000	59.09%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	16,560	0	220,000	350,000	59.09%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	16,560	0	220,000	350,000	59.09%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

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Organizational Chart:

None

General Information:

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

FY 2016 Accomplishments:

N/A

FY 2017 Goals:

N/A

Budget Highlights:

There is nothing budgeted for this project for FY 2017.

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

Supplemental Data: Capital Outlay				
Expenditure Category	2015	2016		2017
	Actual	Budget	Revised	Proposed
Railroad Wash Improvements	\$16,560		\$220,000	\$350,000
	<u>\$16,560</u>	<u>\$0</u>	<u>\$220,000</u>	<u>\$350,000</u>

Public Works		Railroad Wash Improvements		Fund 30 - Capital Projects		Cost Center	2300
Summary by Category							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Proposed			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	16,560	0	220,000	350,000	59.09%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$16,560</u>	<u>\$0</u>	<u>\$220,000</u>	<u>\$350,000</u>	<u>59.09%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Yavapai County	\$350,000	0.00%
GADA Loan Proceeds(carryover)	0	0.00%
Interest Income	0	0.00%
Total Funding		<u>0.00%</u>

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

Capital Projects - Capital Projects Fund-Revenue/Expenditures/Changes in Fund Balance

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes	0	0	135,025	267,960	98.45%
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Intergovernmental	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	96,823	0	106,000	106,000	0.00%
Total Revenue Sources	96,823	0	241,025	373,960	55.15%
Other Financing Sources:					
Transfers In	0	2,682,830	1,493,445	0	-100.00%
Carryover	0	9,818,330	7,130,620	657,290	-90.78%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	3,536,069	0	0	0	0.00%
Total Other Financing Sources	3,536,069	12,501,160	8,624,065	657,290	-92.38%
Total Available Resources	3,632,892	12,501,160	8,865,090	1,031,250	-88.37%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	9,130	9,000	9,050	9,100	0.55%
Capital Outlay	1,636,430	810,000	55,865	754,190	1250.02%
Reserves	3,119,048	182,160	657,290	0	-100.00%
Debt Service	0	0	135,025	267,960	98.45%
Total Expenditures	4,764,608	1,001,160	857,230	1,031,250	20.30%
Other Uses:					
Transfers Out	0	11,500,000	8,007,860	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	11,500,000	8,007,860	0	-100.00%
Total Expenditures and Other Uses	4,764,608	12,501,160	8,865,090	1,031,250	-88.37%
Net Income / (Loss)	(\$1,131,716)	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

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

FY 2016 Accomplishments:

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

FY 2017 Goals:

* NA

Budget Highlights:

The Capital Improvements Fund carries major projects for many different departments. For FY 2016, \$ 160,000 has been appropriated for the Civic Center HVAC and \$650,000 for bathrooms at Riverfront Park, Garrison Park and the Kids Park

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

Supplemental Data: Capital Outlay				
Expenditure Category	2015	2016		2017
	Actual			Proposed
Capital Projects-Highland Senior Condominium				
Court Building Remodel				
Civic Center HVAC	\$2,069	\$160,000	\$28,055	\$132,000
Communications Center	1,515,785			
Architecture Design - City Hall				
Software - City Wide	46,397			
Miscellaneous	31,902			
Old Town Parking	40,276			
Kids Park Restrooms		250,000	9,270	240,730
Riverfront Rehabilitation		150,000	9,270	140,730
Garrison Relocation and Rehab		250,000	9,270	240,730
	<u>\$1,636,430</u>	<u>\$810,000</u>	<u>\$55,865</u>	<u>\$754,190</u>

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects		Cost Center	XXXX
Summary by Category					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	9,130	9,000	9,050	9,100	0.55%
Capital Outlay	1,636,430	810,000	55,865	754,190	1250.02%
Reserves	3,119,048	182,160	657,290	0	-100.00%
Debt Service	0	0	135,025	267,960	98.45%
Department Totals	<u>\$4,764,608</u>	<u>\$1,001,160</u>	<u>\$857,230</u>	<u>\$1,031,250</u>	<u>20.30%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	\$925,250	89.72%
Interest Income	106,000	10.28%
Total Funding		<u>100.00%</u>

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

Capital Projects - Recreation Projects Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
City Sales Tax	0	0	0	0	0.00%
Intergovernmental Revenues					0.00%
Yavapai County & APS	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	0	0	0	0	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	0	0	0	0	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	0	0	0	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	0	0	0	0.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

With the culmination of the voter's initiative on November 7, 2006, voters approved the building of a \$17 million Recreation Aquatics Center facility. The construction of this capital improvement project provides the community with a state-of-the-art Aquatics/Multigenerational Center. The City bonded out for the project on July 1, 2007, with direction from the City Council on Architectural Design and the hiring of various firms to initiate construction documents shortly thereafter. Construction phase of this project was completed on February 20, 2010.

FY 2016 Accomplishments:

* N/A

FY 2017 Goals:

N/A

Budget Highlights:

N/A

Culture & Recreation	CIP Rec Projects Expansion	Fund 11 - Capital Projects	Cost Center	14-00
Performance Indicators				
<i>* Performance Measures are not applicable to this fund *</i>				

Supplemental Data: Capital Outlay				
Expenditure Category	2015	2016	2017	2016
	Actual	Budget	Revised	Proposed
N/A				
	\$0	\$0	\$0	\$0

Culture & Recreation		CIP Rec Projects Expansion		Fund 11 - Capital Projects		Cost Center	14-00
Summary by Category							
Expenditure Category	2015	2016		2017	Percent Change		
	Actual	Budget	Revised	Proposed			
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%		
Reserves	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
Capital Reserves	\$0	0.00%
Interest Income	0	0.00%
Transfers In	0	0.00%
Total Funding		0.00%

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

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Enterprise funds are used to account for operations:

1) that are financed and operated in a manner similar to a private business enterprise - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or

2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes to the residents.

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

Consolidated Statement of Revenues/Expenses

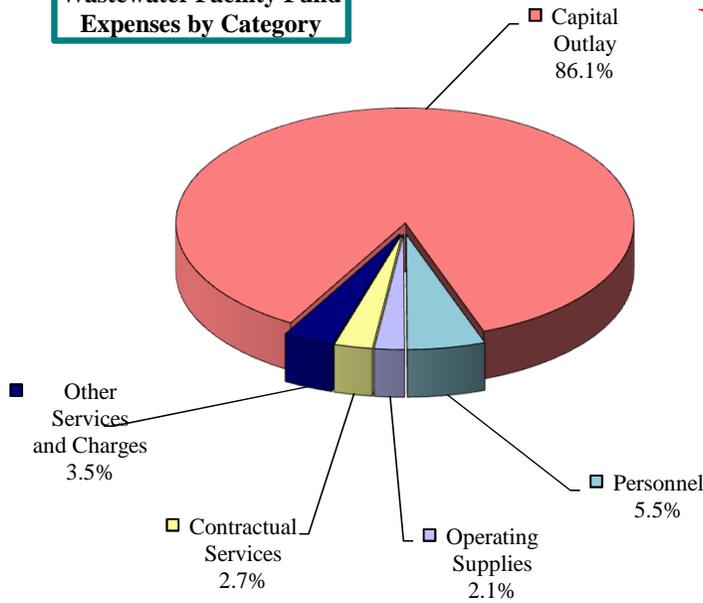
Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	9,135,346	9,770,840	10,081,805	11,062,550
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	6,644	2,735	6,700	6,700
Miscellaneous Revenues	721,739	749,430	646,090	445,240
Total Revenue Sources	9,863,729	10,523,005	10,734,595	11,514,490
Other Financing Sources:				
Transfers In	0	11,500,000	9,219,360	0
Carryover	0	17,853,895	12,275,740	21,292,825
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	20,600,000	550,000	800,000
Total Other Financing Sources	0	49,953,895	22,045,100	22,092,825
Total Available Resources	9,863,729	60,476,900	32,779,695	33,607,315
Expenses:				
Personnel	1,959,210	2,118,650	1,983,685	2,050,870
Operating Supplies	518,045	654,700	543,026	656,300
Contractual Services	660,497	1,456,170	1,064,500	1,006,480
Other Services and Charges	1,636,540	1,610,240	1,170,080	1,529,145
Depreciation	1,873,084	0	0	0
Capital Outlay	199,959	15,701,050	3,728,650	16,777,975
Debt Service	2,063,968	31,733,955	2,665,930	2,162,455
Total Expenses	8,911,302	53,274,765	11,155,870	24,183,225
Other Uses:				
Transfers Out	0	0	0	0
Reserves	157,557	7,202,135	21,623,825	9,424,090
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	157,557	7,202,135	21,623,825	9,424,090
Total Expenses and Other Uses	9,068,859	60,476,900	32,779,695	33,607,315
Net Income / (Loss)	\$794,870	\$0	\$0	\$0

Wastewater Facility Fund Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-Total	\$725,270	\$279,350	\$357,710	\$469,365	\$11,378,195	\$188,535	\$13,398,425
Total	\$725,270	\$279,350	\$357,710	\$469,365	\$11,378,195	\$188,535	\$13,398,425

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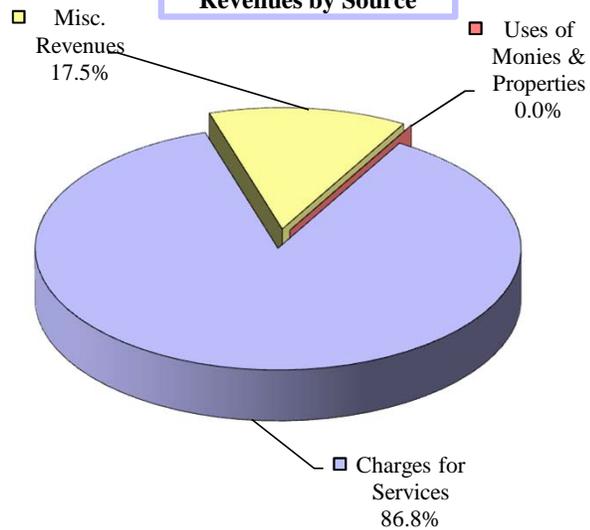
Wastewater Facility Fund Expenses by Category



Revenues	\$3,167,465
Expenses	(13,209,890)
Revenues over (under) Expenses	(10,042,425)
Other Funding Sources/Uses	10,230,960
(Use)/Source of Retained Earnings	\$188,535

Uses of Monies & Properties	\$100
Charges for Services	2,749,750
Misc. Revenues	417,615
Other Sources	10,230,960
Total Resources Available	\$13,398,425

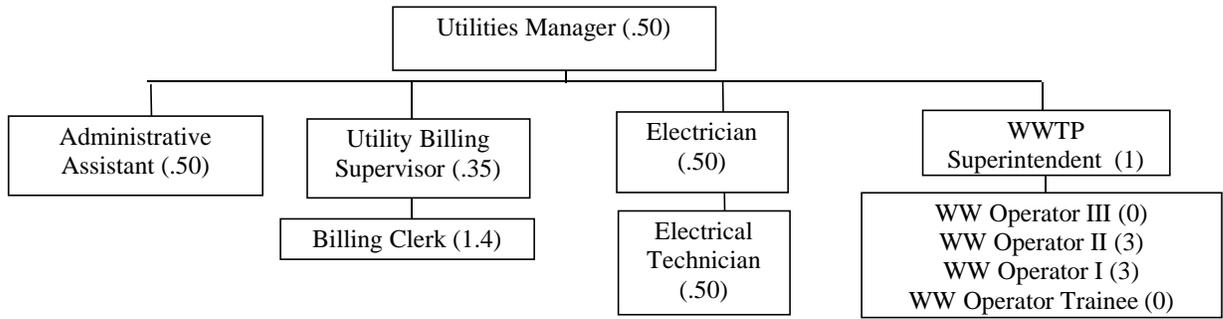
Wastewater Facility Fund Revenues by Source



Wastewater Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	1,759,259	2,053,940	2,380,125	2,739,750	15.11%
Tap Fees	0	0			0.00%
Effluent Revenue	12,078	10,000	10,000	10,000	0.00%
Uses of Monies & Properties					
Interest Income	1,548	100	100	100	0.00%
Miscellaneous Revenue					
Other Income	405,031	437,500	327,785	417,615	27.41%
Total Revenue Sources	2,177,916	2,501,540	2,718,010	3,167,465	16.54%
Other Financing Sources:					
Transfers In	0	11,500,000	9,219,360	0	-100.00%
Carryover	0	783,525	3,200,890	10,230,960	219.63%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	500,000	0	0	0.00%
Total Other Financing Sources	0	12,783,525	12,420,250	10,230,960	-17.63%
Total Available Resources	2,177,916	15,285,065	15,138,260	13,398,425	-11.49%
Expenses:					
Personnel	691,859	766,270	707,670	725,270	2.49%
Operating Supplies	241,455	274,500	280,950	279,350	-0.57%
Contractual Services	276,624	407,080	361,570	357,710	-1.07%
Other Services and Charges	878,846	515,855	478,360	469,365	-1.88%
Depreciation	537,188	0	0	0	0.00%
Capital Outlay	41,041	12,775,700	2,983,750	11,378,195	281.34%
Debt Service	0	0	95,000	188,535	98.46%
Total Expenses	2,667,013	14,739,405	4,907,300	13,398,425	173.03%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	545,660	10,230,960	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	545,660	10,230,960	0	-100.00%
Total Expenses and Other Uses	2,667,013	15,285,065	15,138,260	13,398,425	-11.49%
Net Income / (Loss)	(\$489,097)	\$0	\$0	\$0	

Organizational Chart:

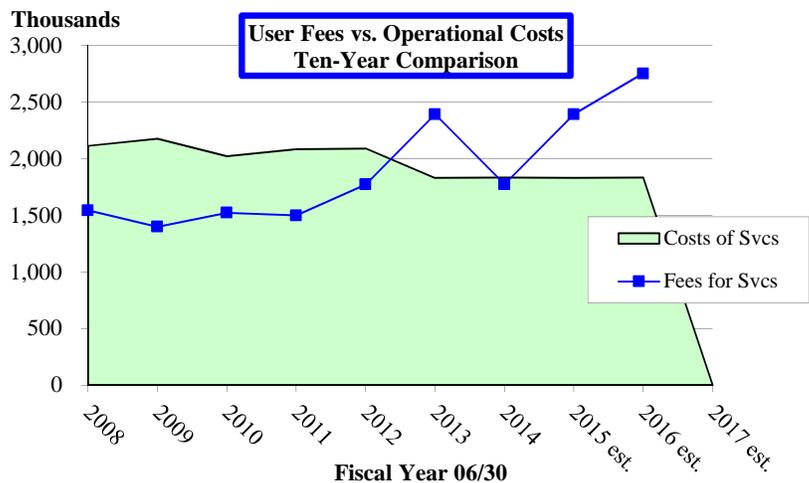


Note: Only unshaded boxes are included in this budget.

General Information:

The Wastewater Division is responsible for the operation and maintenance of a 1.5 million gallons per day (MGD) wastewater treatment facility, 55 miles of collection system main lines, five sewage lift stations, the Reclaimed Water Delivery System including the developments of Del Webb and Mesquite Hills as well as the Yavapai College reclaimed pump station, stand pipe, and of approximately 80 acres of effluent reuse and the Del Monte Riparian Zone. The Wastewater Division is also responsible for tap installations for new homes and businesses, for field locating (blue staking) of the underground collection system and completion of public information requests.

	Costs of Svcs	Fees for Svcs
2008	2,111,798	1,542,468
2009	2,175,251	1,397,594
2010	2,020,026	1,520,972
2011	2,083,265	1,497,939
2012	2,088,784	1,771,337
2013	1,828,550	2,390,125
2014	1,831,695	1,772,885
2015 est.	1,828,550	2,390,225
2016 est.	1,831,695	2,749,850
2017 est.	Check CAFR	



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

FY 2016 Accomplishments:

- * Completed drilling and testing of injection well on Mingus Avenue , awaiting regulatory agency permit
- * Started installation of reclaimed pipe on Mingus Avenue
- * Completed the overhaul of nine diffuser rack systems in the aeration basins
- * The Plant Drain Lift Station relocation project (procuring parts and schedule) and the Parshall Flume Project (vault replacement, procuring parts) are slated to be completed by June 2016.

FY 2017 Goals:

- * The 2nd year of the 3-year Trenchless Spot Repair Program will be underway
- * Complete the Riverfront Water Reclamation Facility
- * Complete rehabilitation, instead of expansion, of Lift Station 4 wet well
- * Complete the coating of manholes to protect them against deterioration
- * Complete all the phases of the injection well project at the Mingus Avenue Plant serving the aquifers' rejuvenation
- * Complete evaluation and recommendation for the clarifier and centrifuge.

Budget Highlights:

Budgeted capital totaling \$11,378,195 for FY 2017 has been listed on page XXX and includes the Riverfront Waste Water Reclamation Facility, Lift Station 4, and general construction. Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit increases.

Health and Sanitation		Fund 51 - Enterprise Fund		Cost Center	71XX
Performance Indicators					
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Provide wastewater treatment that meets or exceeds Federal, State and Local compliance requirements				
Objective:	Improve influent/effluent treatment plant quality				
Type of Measure:	Outcome Based				
Tool:	System Monitoring, reporting and operational feedback				
Frequency:	Daily, Weekly, Monthly, Quarterly, Semi-Annual and Annual Reports				
Scoring:	Percentage above required 85% from previous				
Trend:	Steady Improvement		Actual	Estimated	Anticipated
Measures:	2014	2015	2016	2017	
Wastewater Treated (millions of gallons)	350	345	347	355	
WWTP Efficiency (Permit Required):					
BOD (85% Required)	98%	98%	98%	98%	
TSS (85% Required)	98%	98%	98%	98%	
City Council Goal: Strive to maintain a uniquely desirable and sustainable community					
Department Goal: Ensure regulatory compliance of effluent (reclaimed water) and encourage use of reclaimed water					
Objective: Produce and distribute reclaimed water that meets or exceeds regulatory standards					
Type of Measure: Outcome					
Tool: Laboratory testing, metering					
Frequency: Daily, Monthly, Quarterly, Semi-Annual, Annual testing, reports					
Scoring: Exceedances :1-3= 90% 4-6= 75% >6= 50%, Sold = steady improvement					
Trend: Steady improvement		Actual	Estimated	Anticipated	
Measures:		2014	2015	2016	2017
Reclaimed Water Sold(millions)	4.0	7.8	9.4	10.2	
Number of regulatory permit exceedances	8	8	2	2	

City Council Goal: Strive to maintain a uniquely desirable and sustainable community					
Department Goal: Maintain reliable infrastructure					
Objective: Reduce the number of Sanitary Sewer Overflows through proper maintenance and inspection					
Type of Measure: Outcome Based					
Tool: System monitoring, visual observation and reports					
Frequency: Ongoing Project					
Scoring: Blockages= percent reduction from previous, Cleaning and video taping (ft)= 1,000-10,000 =50% 11,000-20,000=75% 20,000+ =100%					
Trend: Steady improvement		Actual	Estimated	Anticipated	
Measures:		2014	2015	2016	2017
Sewer Line Video Taped (ft)	1,800	4,800	13,750	15,000	
Sewer Line Cleaned(ft)	2,500	3,600	13,750	15,000	
Number of Main Line Blockages	1	3	2	1	

Supplemental Data: Capital Outlay				
Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
Plant Fiber Grate and Gate Replacement		\$22,000		\$24,800
Lining and Point Repair & Ultraviolet Transmittance Unit	\$40,528	114,850	95,000	
Lift Station 4 Wet Well Expansion/Rehab		300,000	\$300,000	300,000
Riverfront Wastewater Reclamation Plant		11,500,000	2,250,000	9,250,000
Driveway Repair at Plant		27,350	27,350	
Upgrades - WWTP Construction/Digester Blower	224	191,000	67,000	1,508,495
General Construction		585,000	55,000	191,000
Truck		35,500	35,500	
Water/Wastewater Master Plan			28,900	28,900
Mingus (Selna Line)			125,000	75,000
Color Printer	289			
	\$41,041	\$12,775,700	\$2,983,750	\$11,378,195

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund	Cost Center	71XX	
Summary by Category					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Personnel	\$691,859	\$766,270	\$707,670	\$725,270	2.49%
Operating Supplies	241,455	274,500	280,950	279,350	-0.57%
Contractual Services	276,624	407,080	361,570	357,710	-1.07%
Other Services and Charges	878,846	515,855	478,360	469,365	-1.88%
Depreciation (net)	537,188	0	0	0	0.00%
Capital Outlay	41,041	12,775,700	2,983,750	11,378,195	281.34%
Reserves	0	545,660	10,230,960	0	-100.00%
Debt Service	0	0	95,000	188,535	98.46%
Department Totals	\$2,667,013	\$15,285,065	\$15,138,260	\$13,398,425	-11.49%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Service	2,749,750	20.52%
Other Income	417,715	3.12%
Other Sources	10,230,960	76.36%
Total Funding		<u>100.00%</u>

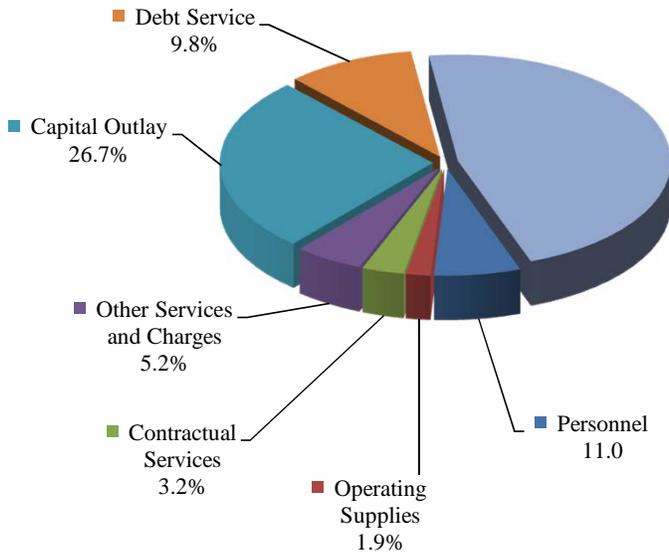
Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$40,595
Utility Ops Manager	0.50	0.50	0.00	4,825	7,111	0
WWTP Superintendent	1.00	1.00	1.00	3,970	5,850	66,695
WW Operator III	0.00	0.00	0.00	3,266	4,813	0
WW Operator II	2.00	3.00	3.00	2,962	4,365	87,122
WW Operator I	4.00	3.00	3.00	2,687	3,960	105,984
WW Operator Trainee	0.00	0.00	0.00	2,437	3,591	29,247
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	25,089
Electrician	0.50	0.50	0.50	3,601	5,306	22,037
Electrical Technician	0.00	0.50	0.50	2,821	4,158	19,116
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	16,277
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	31,169
COLA						0
Holiday Pay & Overtime						52,100
Clothing Allowance						2,000
Car Allowance & Cert pay						0
Merit Contingency						14,429
Retirement						58,530
Insurance & Taxes						154,880
Other Related Expenses						0
Totals	<u>10.75</u>	<u>11.25</u>	<u>10.75</u>			<u>\$725,270</u>

Health and Sanitation		Fund 51 - Enterprise Fund			Cost Center	71XX
Supplemental Data: Expenditures						
Item Description	2015	2016		2017	Percent Change	
	Actual	Budget	Revised	Proposed		
Supplies						
Office Supplies	1,830	3,100	3,050	2,650	-13.11%	
Copier Supplies	0	0	0	0	0.00%	
Gas & Oil	9,272	14,000	4,900	10,000	104.08%	
Vehicle Maint & Repairs	4,605	5,500	7,000	6,000	-14.29%	
Equipment Maint & Repairs	160,139	200,000	200,000	200,000	0.00%	
Chlorine	1,299	2,700	5,000	3,500	-30.00%	
Polymer	15,133	16,700	14,900	16,700	12.08%	
Operational Supplies	19,681	17,000	30,000	25,000	-16.67%	
Postage & Freight	15,471	10,500	15,200	14,500	-4.61%	
Odor Control Supplies	0	0	0	0	0.00%	
Building Maint & Repairs	14,025	5,000	900	1,000	11.11%	
Total Supplies	241,455	274,500	280,950	279,350	-0.57%	
Contractual Services						
Computer Support	2,982	4,600	4,300	4,300	0.00%	
Contractual Services	20,432	60,000	92,000	60,000	-34.78%	
Sludge Disposal	80,811	92,000	90,000	92,700	3.00%	
Employee Physicals	77	450	220	660	200.00%	
Legal Advertising	79	0	50	50	0.00%	
General Counsel	0	0	0	0	0.00%	
Impact Fee Study	1,049	0	0	0	0.00%	
Indirect Cost to General Fund	171,194	250,030	175,000	200,000	14.29%	
Total Contractual Services	276,624	407,080	361,570	357,710	-1.07%	
Other Services and Charges						
Travel & Training	802	2,400	2,000	2,000	0.00%	
Subscriptions & Memberships	874	700	0	0	0.00%	
Printing & Forms		250	0	0	0.00%	
Utilities	409,583	395,500	339,000	356,500	5.16%	
Telephone	5,684	5,050	3,700	4,000	8.11%	
Bad Debt Expense	326,196	0	0	0	0.00%	
Lab/Testing	44,135	45,000	40,000	45,000	12.50%	
Tools	1,425	1,400	1,600	1,600	0.00%	
Equipment Rental	522	500	0	0	0.00%	
Liability Insurance	33,800	36,055	37,965	37,770	-0.51%	
ADEQ Annual Fee	4,227	16,500	24,000	16,500	-31.25%	
Investment Expense	794	0	795	795	0.00%	
Bond Issuance Costs	39,300	0	24,100	0	-100.00%	
ASRS Pension Expense	5,156	0	5,200	5,200	0.00%	
Bank Charges	6,348	12,500	0	0	0.00%	
Total Other Services & Charges	878,846	515,855	478,360	469,365	-1.88%	

Water System Facility Fund Expenses by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category	\$1,325,600	\$376,950	\$648,770	\$1,059,780	\$5,399,780	\$1,973,920	\$20,208,890
	\$1,325,600	\$376,950	\$648,770	\$1,059,780	\$5,399,780	\$1,973,920	\$20,208,890

Water System Facility Fund Expenses by Category

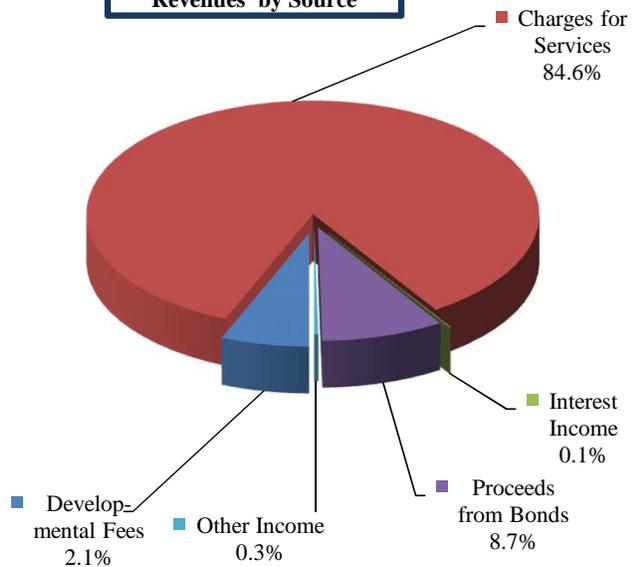


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Revenues	\$ 8,347,025
Expenses	(\$10,784,800)
Revenues over (under) Expenses	(\$2,437,775)
Other Funding Sources/Uses	8,446,280
(Use)/Source of Retained Earnings	\$6,008,505

Developmental Fees	\$ 576,750
Charges for Services	7,736,050
Interest Income	6,600
Proceeds from Bonds	800,000
Other Income	27,625
Sub Total	9,147,025
Other Sources	17,070,370
Total Resources Available	\$35,364,420

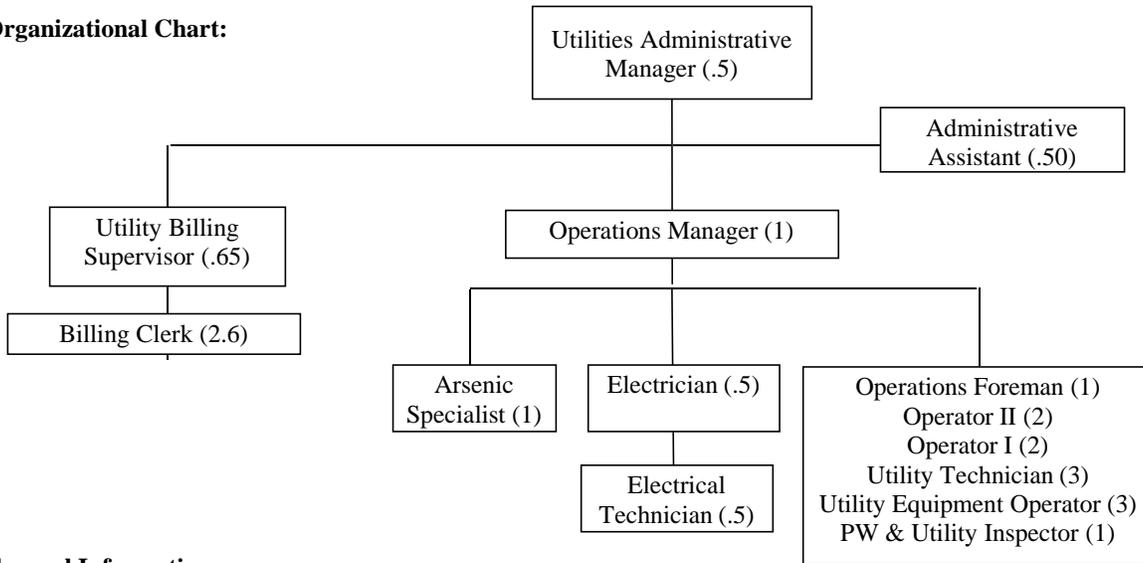
Water System Facility Fund Revenues by Source



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

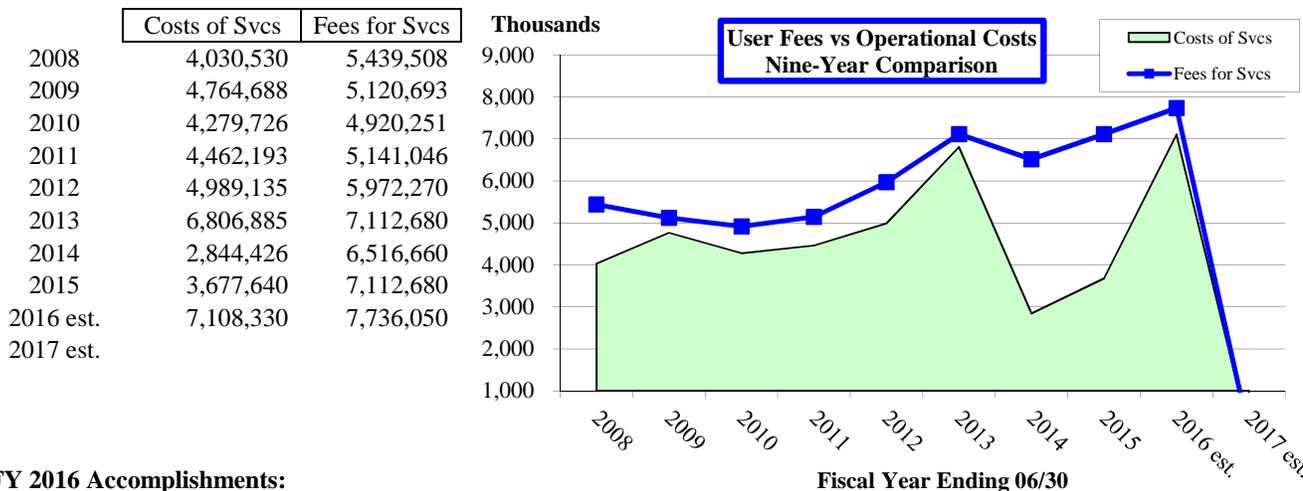
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	6,787,253	7,130,170	7,112,680	7,736,050	8.76%
Reserves	576,756	576,730	579,000	576,750	-0.39%
Uses of Monies & Properties					
Interest Income	5,096	2,635	6,600	6,600	0.00%
Miscellaneous Revenue					
Other Income	316,708	311,930	318,305	27,625	-91.32%
Total Revenue Sources	7,685,813	8,021,465	8,016,585	8,347,025	4.12%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	17,070,370	9,074,850	11,061,865	88.11%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds		20,100,000	550,000	800,000	45.45%
Total Other Financing Sources	0	37,170,370	9,624,850	11,861,865	23.24%
Total Available Resources	7,685,813	45,191,835	17,641,435	20,208,890	14.55%
Expenses:					
Personnel	1,267,351	1,352,380	1,276,015	1,325,600	3.89%
Operating Supplies	276,590	380,200	262,076	376,950	43.83%
Contractual Services	383,873	1,049,090	702,930	648,770	-7.70%
Other Services and Charges	757,694	1,094,385	691,720	1,059,780	53.21%
Depreciation	1,335,895	0	0	0	0.00%
Capital Outlay	158,918	2,925,350	744,900	5,399,780	624.90%
Debt Service	2,063,968	31,733,955	2,570,930	1,973,920	-23.22%
Total Expenses	6,244,289	38,535,360	6,248,570	10,784,800	72.60%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	157,557	6,656,475	11,392,865	9,424,090	-17.28%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	157,557	6,656,475	11,392,865	9,424,090	-17.28%
Total Expenses and Other Uses	6,401,846	45,191,835	17,641,435	20,208,890	14.55%
Net Income / (Loss)	\$1,283,967	\$0	\$0	\$0	0.00%

Organizational Chart:



General Information:

The Water Utilities Department is responsible for the operation and maintenance of the water department, installing water line, repairing water line, billing for water usage, arsenic remediation and all functions that pertain to the Cottonwood Municipal Water and Wastewater Utilities.



FY 2016 Accomplishments:

- * Completed the arsenic media replacement and sludge handling facilities, resulting in reduced water usage for backwash purposes, disposal of the arsenic laden sludge on a regular land fill, and reduction of bio-solid arsenic levels enabling to return to land application or beneficial reuse purposes
- * Completed installation of a natural gas powered emergency generator at Well 3-1 that ensures continued water service during electrical service interruptions in Verde Village 3
- * Completion of Mesquite Hills water transmission line that will replace the Clarkdale feed into Cottonwood Del Webb Ranch and improve system operations.

FY 2016 Goals:

- * Proceed with Old Town waterline replacement program involving the water mains and fire hydrants replacement on portions of Pinal, Pima and Main Street that will result in improved water quality, pressure and flows
- * Generator installation at the Mesquite Hills treatment facility to ensure consistent water pressure during electrical outages and installation of SCADA system to establish remote monitoring
- * Continue valve replacements in the Verde Villages of inoperable valves and adding new water main valves
- * Installation of new booster pump and preparation of 250,000 gallon reservoir pad at Quail Canyon well site to provide for consistent flows and relieve the constant short cycling of the existing well.

Budget Highlights:

The capital items budgeted for FY 2017 totaling \$5,399,780 are listed on page xxx. There are changes in Personnel costs due to the merit program. Since the City's Cost of Living Adjustment (COLA) is based on the annual Social Security Benefits' COLA, there will be no COLA this year as the Social Security Benefits remain flat. The most significant change is in the Personnel costs due to the merit

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
Performance Indicators					
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Improve reliability of potable water service to residents of Cottonwood and adjacent areas				
Objective:	Improve supply and distribution systems to improve water quality and reduce customer service disruptions				
Type of Measure:	Outcome based				
Tool:	System monitoring, service reports, and operator feedback,				
Frequency:	Daily, weekly, monthly and annual reports				
Scoring:	Numerical reduction in system leaks				
Trend:	Trending downward				
Measures:	Actual		Estimated	Anticipated	
	2013	2014	2015	2016	
System leaks repaired	125	122	120	118	
Water main replaced LF	9,000	9,700	6,000	9,000	
Performance Indicators					
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Ensure regulatory compliance				
Objective:	Constant testing, treatment and documentation at tall affected sites				
Type of Measure:	Outcome based				
Tool:	Regulatory notification; operator logs; improved documentation				
Frequency:	Daily, weekly, monthly and annual reports				
Scoring:	ADEQ/EPA compliance based on number of sites per quarter year =100%				
Trend:	Steady improvement				
Measures:	Actual		Estimated	Anticipated	
	2013	2014	2015	2016	
Number of process (in-house) arsenic tests performed	1,250	1,250	1,300	1,310	
Number of compliance sample tests performed	80	80	90	1,000	
Percentage ADEQ/EPA compliance	99%	99%	100%	100%	
Arsenic Regeneration procedures performed	850	850	900	950	
Performance Indicators					
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Improve utility billing customer satisfaction rating				
Objective:	Combine water and sewer billing				
Type of Measure:	Outcome based				
Tool:	Numerical data				
Frequency:	Monthly				
Scoring:	Numerical reduction in separate water/sewer accounts				
Trend:	Steady improvement				
Measures:	Actual		Estimated	Anticipated	
	2013	2014	2015	2016	
Number of combined residential water/sewer accounts	2,500				
Number of combined commercial water/sewer accounts	250				
Number of remaining water/sewer accounts to be merged	864				
Combined percentage of water/sewer bill consolidation			70%	100%	100%
Supplemental Data: Capital Outlay					
Item Description	2015	2016		2017	
	Actual	Budget	Revised	Proposed	
Water System Upgrades & Reservoir	\$15,086	\$160,000	\$35,000	\$2,160,000	
Printer				2,980	
Asphalt Paver Machine/Parking Lot Upgrade/Misc. Equipment		72,950	71,341	40,000	
Mesquite Hills & Line Extensions		250,000	14,000	460,000	
Water Storage Reservoir inspection and Cleaning		26,000	26,000	26,000	
W Mingus Reconstruction & System Upgrade		1,055,900		1,055,900	
Water Storage/Well Booster	4,885	150,000	55,000	150,000	
Well Generator				50,000	
Well Improvements & Construction-General Plan	31,160	100,000	128,900	307,900	
Fire Hydrant/Flow Improvements	63,594	350,000	120,000	350,000	
Arsenic Mitigation Equip & Trailer,Generator & Tailer	32,306	725,000	250,000	500,000	
Scada Upgrades, Plotter, Trace Detect & Impact Study	11,887		10,323	27,500	
Cleanup of Stock Pile				29,500	
Utility Trucks (6)		35,500	34,336	240,000	
	\$158,918	\$2,925,350	\$744,900	\$5,399,780	

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
Summary by Category					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Personnel	\$1,267,351	\$1,352,380	\$1,276,015	\$1,325,600	3.89%
Operating Supplies	276,590	380,200	262,076	376,950	43.83%
Contractual Services	383,873	1,049,090	702,930	648,770	-7.70%
Other Services and Charges	757,694	1,094,385	691,720	1,059,780	53.21%
Depreciation (net)	1,335,895	0	0	0	0.00%
Capital Outlay	158,918	2,925,350	744,900	5,399,780	624.90%
Reserves	157,557	6,656,475	11,392,865	9,424,090	-41.57%
Transfers out - Debt Service	0	0	0	0	0.00%
Debt Service	2,063,968	31,733,955	2,570,930	1,973,920	-23.22%
Department Totals	\$6,401,846	\$45,191,835	\$17,641,435	\$20,208,890	14.55%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Development Reserves	\$576,750	2.85%
Charges for Service	7,736,050	38.28%
Other Income	34,225	0.17%
Fund Balance	11,861,865	58.70%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2015	2016	2017	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$40,595
Operations Supervisor	0.50	0.50	1.00	4,825	7,111	67,922
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	30,229
Utility Technician	5.00	3.00	3.00	2,437	3,591	90,855
Utility Billing Clerk	2.60	2.60	2.60	2,437	3,591	58,361
Operator I	1.00	2.00	2.00	2,687	3,960	114,219
Operator II	2.00	2.00	2.00	2,962	4,365	47,445
Operations Foreman	1.00	1.00	1.00	3,266	4,813	57,608
PW & Utility Inspector	0.00	0.00	1.00	3,266	4,813	44,962
Electrician	0.50	0.50	0.50	3,601	5,306	22,037
Electrical Technician	0.00	0.50	0.50	2,821	4,158	19,116
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	25,089
Arsenic Treatment Specialist	1.00	1.00	1.00	3,429	5,054	52,738
Terrorism Liaison Officer	0.50	0.50	0.00	3,601	5,306	0
Utility Equipment Operator	2.00	3.00	3.00	2,962	4,365	125,285
COLA						0
Overtime						105,000
Holiday Pay						2,500
Car & Clothing Allowance						5,500
Merit Contingency						27,739
Retirement						106,960
Insurance & Taxes						281,440
Employee Related Expenses						
Totals	17.75	18.25	19.25			\$1,325,600

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund	Cost Center	7XXX	
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Supplies					
Office Supplies	7,400	8,500	5,001	6,000	19.99%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	36,160	45,000	20,000	45,000	125.00%
Vehicle Maint & Repairs	12,030	15,000	16,500	15,000	-9.09%
Equipment Maint & Repairs	128,441	176,000	130,700	180,700	38.26%
Chemicals	38,988	63,000	30,000	60,000	100.00%
Operational Supplies	19,693	24,000	12,000	22,000	83.33%
Postage & Freight	36,842	41,200	40,375	40,750	0.93%
Tools	3,359	3,500	3,500	3,500	0.00%
Building Maint & Repairs	(6,323)	4,000	4,000	4,000	0.00%
Total Supplies	276,590	380,200	262,076	376,950	43.83%
Contractual Services					
Computer Support	7,423	10,400	10,400	10,400	0.00%
Contractual Services - M&O	152,080	165,000	128,000	160,000	25.00%
Employee Physicals	944	1,000	1,000	1,000	0.00%
Impact Fee Study	0	0	0	0	0.00%
General Counsel	0	0	0	0	0.00%
Indirect Cost to General Fund	185,844	450,000	530,000	450,000	-15.09%
Lease Purchase Payments	37,582	422,690	33,530	27,370	-18.37%
Total Contractual Services	383,873	1,049,090	702,930	648,770	-7.70%
Other Services and Charges					
Travel & Training	2,290	4,500	4,500	4,500	0.00%
Subscriptions & Memberships	945	2,500	1,500	2,500	66.67%
Verde River Days	1,000	1,000	1,700	1,000	-41.18%
Printing & Forms	6,055	6,500	6,000	6,500	8.33%
Utilities	425,703	350,700	369,970	388,500	5.01%
Telephone	16,254	13,400	12,950	13,650	5.41%
Legal Advertising	1,092	2,000	250	250	0.00%
Lab/Testing	10,032	28,000	11,000	28,000	154.55%
Equipment Rental	434	1,000	600	1,000	66.67%
Liability Insurance	65,528	72,085	77,110	68,800	-10.78%
ADEQ Annual Fee	20,605	26,000	26,000	26,000	26000.00%
Arsenic Systems Maintenance	40,139	460,000	51,000	400,000	684.31%
Aide in Lieu of Construction	99,662	100,000	100,000	100,000	0.00%
Payment Assistance Program	0	12,000	12,000	12,000	0.00%
Bank Charges	6,393	12,700	0	0	0.00%
Bad Debt	39,353	0	0	0	0.00%
Investment Expense	2,077	2,000	2,080	2,080	0.00%
Trustee Fees-2015 Excise Bond	0	0	700	0	-100.00%
Bond Issuance Costs	15,747	0	9,360	0	-100.00%
ASRS Pension Expense	4,385	0	5,000	5,000	0.00%
Total Other Services & Charges	757,694	1,094,385	691,720	1,059,780	53.21%

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund	Cost Center	8XXX	
Supplemental Data: Expenditures					
Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Debt Service					
Interest - 2004 MPC Bond	\$460,828	\$0	\$0	\$0	0.00%
Principal - 2004 MPC Bond	495,000	30,140,000	0	0	0.00%
Trustee Fees - 2004 MPC Bond	1,650	0	0	0	0.00%
Interest - 2006 MPC Bond	968,242	962,455	962,450	0	-100.00%
Principal - 2006 MPC Bond	(0)	630,000	630,000	0	-100.00%
Trustee Fees - 2006 MPC Bond	1,650	1,500	0	0	0.00%
Principal - 2015 WIFA Bond	0	0	609,680	623,095	2.20%
Interest - 2015 WIFA Bond	0	0	243,180	221,180	-9.05%
Trustee Fees - 2015 WIFA Bond	0	0	1,000	1,000	0.00%
Issuance Costs	136,599	0	86,555	200,000	131.07%
Principal - 2016 WIFA Bond	0	0	0	536,495	0.00%
Interest - 2016 WIFA Bond	0	0	0	315,610	0.00%
Trustee Fees - 2016 WIFA Bond	0	0	0	1,000	0.00%
Principal - 2015 Excise Bond	0	0	0	37,580	0.00%
Interest - 2015 Excise Bond	0	0	38,065	37,960	-0.28%
Total Other Debt Service	2,063,968	31,733,955	2,570,930	1,973,920	-23.22%

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Municipal Property Corporation

Senior Lien Water System Revenue Bonds, Series 2004 ("AAA" S&P / "AAA" Moody's)

UNDER CONSTRUCTION

Maturity	Principal		Balance	Rate	Int/Fees	Debt Service
	Payments	Retired				
January 1, 2017					212,630	
July 1, 2017	530,000	5,075,000	8,505,000	3.75%	212,630	\$955,260
January 1, 2018					202,692	
July 1, 2018	550,000	5,625,000	7,955,000	4.00%	202,692	\$955,384
January 1, 2019					191,692	
July 1, 2019	570,000	6,195,000	7,385,000	4.00%	191,692	\$953,384
January 1, 2020					180,292	
July 1, 2020	595,000	6,790,000	6,790,000	4.13%	180,292	\$955,584
January 1, 2021					168,020	
July 1, 2021	620,000	7,410,000	6,170,000	4.20%	168,020	\$956,040
January 1, 2022					155,000	
July 1, 2022	645,000	8,055,000	5,525,000	4.31%	155,000	\$955,000
January 1, 2023					138,875	
July 1, 2023	680,000	8,735,000	4,845,000	4.41%	138,875	\$957,750
January 1, 2024					121,875	
July 1, 2024	710,000	9,445,000	4,135,000	4.55%	121,875	\$953,750
January 1, 2025					104,125	
July 1, 2025	750,000	10,195,000	3,385,000	4.55%	104,125	\$958,250
January 1, 2026					85,375	
July 1, 2026	785,000	10,980,000	2,600,000	4.55%	85,375	\$955,750
January 1, 2027					65,750	
July 1, 2027	825,000	11,805,000	1,775,000	4.55%	65,750	\$956,500
January 1, 2028					45,125	
July 1, 2028	865,000	12,670,000	910,000	4.55%	45,125	\$955,250
January 1, 2029					23,500	
July 1, 2029	910,000	13,580,000	0	5.00%	23,500	\$957,000
Totals	<u>\$9,035,000</u>				<u>\$3,389,902</u>	<u>\$12,424,902</u>

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Municipal Property Corporation

Senior Lien Water System Revenue Bonds, Series 2006 ("AAA" S&P / "AAA" Moody's)

UNDER CONSTRUCTION

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2017					465,476	
July 1, 2017	665,000	5,160,000	18,805,000	5.00%	465,476	\$1,595,952
January 1, 2018					448,851	
July 1, 2018	700,000	5,860,000	18,105,000	4.00%	448,851	\$1,597,703
January 1, 2019					434,851	
July 1, 2019	725,000	6,585,000	17,380,000	4.00%	434,851	\$1,594,703
January 1, 2020					420,351	
July 1, 2020	760,000	7,345,000	16,620,000	4.00%	420,351	\$1,600,703
January 1, 2021					405,151	
July 1, 2021	790,000	8,135,000	15,830,000	4.10%	405,151	\$1,600,303
January 1, 2022					388,956	
July 1, 2022	820,000	8,955,000	15,010,000	4.13%	388,956	\$1,597,913
January 1, 2023					372,044	
July 1, 2023	855,000	9,810,000	14,155,000	1.25%	372,044	\$1,599,088
January 1, 2024					353,875	
July 1, 2024	890,000	10,700,000	13,265,000	5.00%	353,875	\$1,597,750
January 1, 2025					331,625	
July 1, 2025	935,000	11,635,000	12,330,000	5.00%	331,625	\$1,598,250
January 1, 2026					308,250	
July 1, 2026	980,000	12,615,000	11,350,000	5.00%	308,250	\$1,596,500
January 1, 2027					283,750	
July 1, 2027	1,030,000	13,645,000	10,320,000	5.00%	283,750	\$1,597,500
January 1, 2028					258,000	
July 1, 2028	1,080,000	14,725,000	9,240,000	5.00%	258,000	\$1,596,000
January 1, 2029					231,000	
July 1, 2029	1,135,000	15,860,000	8,105,000	5.00%	231,000	\$1,597,000
January 1, 2030					202,625	
July 1, 2030	1,190,000	17,050,000	6,915,000	5.00%	202,625	\$1,595,250
January 1, 2031					172,875	
July 1, 2031	1,255,000	18,305,000	5,660,000	5.00%	172,875	\$1,600,750
January 1, 2032					141,500	
July 1, 2032	1,315,000	19,620,000	4,345,000	5.00%	141,500	\$1,598,000
January 1, 2033					108,625	
July 1, 2033	1,375,000	20,995,000	2,970,000	5.00%	108,625	\$1,592,250
January 1, 2034					74,250	
July 1, 2034	1,450,000	22,445,000	1,520,000	5.00%	74,250	\$1,598,500
January 1, 2035					38,000	
July 1, 2035	1,520,000	23,965,000	0	5.00%	38,000	\$1,596,000
Totals	<u>\$19,470,000</u>				<u>\$10,880,113</u>	<u>\$30,350,113</u>

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FIDUCIARY FUNDS

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

Fund/Account Number

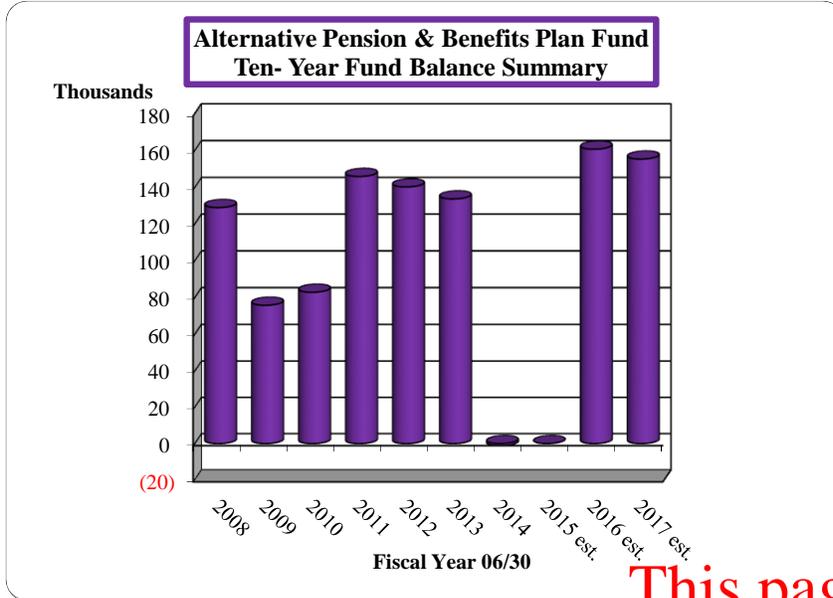
Description

70

Alternative Pension and Benefits Plan Fund

60

Employee Benefit Trust Fund

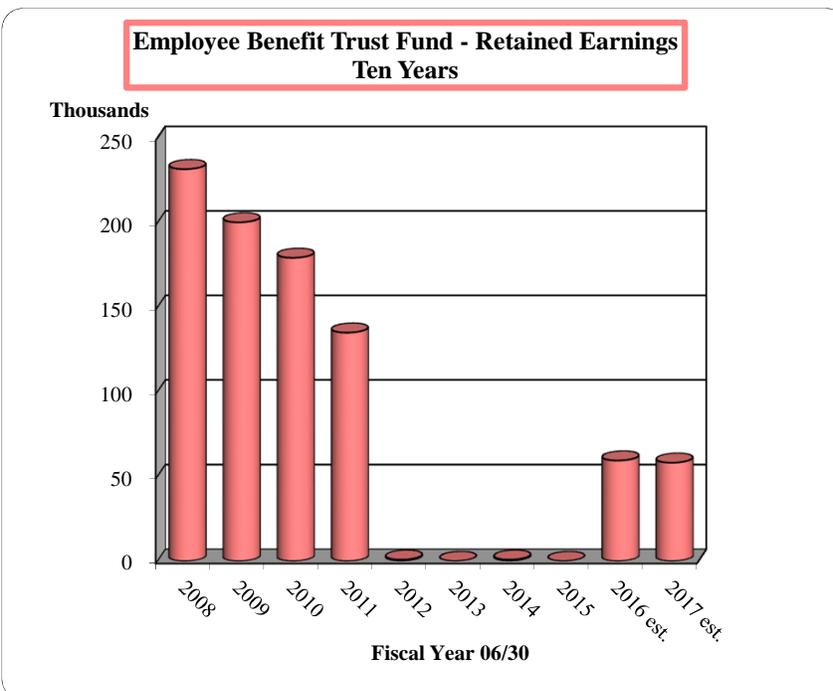


Fiscal Year	Fund Balance
2008	129,017
2009	75,900
2010	82,973
2011	145,970
2012	140,244
2013	133,735
2014	(1,191)
2015 est.	0
2016 est.	160,820
2017 est.	155,410

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The following represents a ten-year illustration of retained earnings for this fund. The fund balance is providing short term disability for all employees.

UNDER CONSTRUCTION



Fiscal Year	Fund Balance
2008	231,573
2009	200,101
2010	179,117
2011	134,830
2012	834
2013	0
2014	834
2015	0
2016 est.	59,250
2017 est.	57,950

Consolidated Statement of Revenues/Expenditures

Item Description	2015	2016		2017
	Actual	Budget	Revised	Proposed
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	24,468	15,000	0	0
Miscellaneous Revenues	834	625	600	700
Total Revenue Sources	25,301	15,625	600	700
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	69,810	226,880	220,070
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	69,810	226,880	220,070
Total Available Resources	25,301	85,435	227,480	220,770
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	2,000	2,000	2,000
Contractual Services	3,600	3,600	3,600	3,600
Other Services and Charges	22,059	2,000	1,810	1,810
Capital Outlay	0	0	0	0
Reserves	0	77,835	220,070	213,360
Debt Service	0	0	0	0
Total Expenditures	25,659	85,435	227,480	220,770
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	25,659	85,435	227,480	220,770
Net Income / (Loss)	(\$358)	\$0	\$0	\$0

Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
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	24,468	15,000	0	0	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	24,468	15,000	0	0	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	9,430	166,230	160,820	-3.25%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	9,430	166,230	160,820	-3.25%
Total Available Resources	24,468	24,430	166,230	160,820	-3.25%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	3,600	3,600	3,600	0.00%
Other Services and Charges	22,059	2,000	1,810	1,810	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	18,830	160,820	155,410	-3.36%
Debt Service	0	0	0	0	0.00%
Total Expenditures	25,659	24,430	166,230	160,820	-3.25%
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	25,659	24,430	166,230	160,820	-3.25%
Net Income / (Loss)	(\$1,191)	\$0	\$0	\$0	

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Organizational Chart:

None

General Information:

Alternative Pension and Benefits Plan Fund accounts for the defined contribution pension plan which is administrated by the City and a board of trustees for the City's volunteer firefighters.

Revenues are received from the state's Fire Insurance Premium Tax, contributions from the city and members, and interest on investments.

FY 2016 Accomplishments:

- * Maintained the financial health of the pool

FY 2017 Goals:

- * Continue to search for ways to improve plan
- * Maintain the financial stability of the pool

Budget Highlights:

No significant changes are planned for this department.

Fiduciary Fund	Alternative Pension and Benefits Plan		Fund 09	Cost Center	10-00
Summary by Category					
Expenditure Category	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	3,600	3,600	3,600	0.00%
Other Services and Charges	22,059	2,000	1,810	1,810	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	18,830	160,820	155,410	-3.36%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$25,659</u>	<u>\$24,430</u>	<u>\$166,230</u>	<u>\$160,820</u>	<u>-3.25%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Contributions	\$137,520	85.51%
Interest Income	15,000	9.33%
Other Income	0	0.00%
Fund Balance	8,300	5.16%
Total Funding		<u>100.00%</u>

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

Employee's Benefit Trust Fund Revenues/Expenditures

Item Description	2015	2016		2017	Percent Change
	Actual	Budget	Revised	Proposed	
Revenue Sources:					
Uses of Monies & Properties					
Interest Income	\$385	\$625	\$600	\$700	16.67%
Miscellaneous Revenues					
Other Income	449	0	0	0	0.00%
Total Revenue Sources	834	625	600	700	16.67%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	60,380	60,650	59,250	-2.31%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	60,380	60,650	59,250	-2.31%
Total Available Resources	834	61,005	61,250	59,950	-2.12%
Expenses:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	2,000	2,000	2,000	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	59,005	59,250	57,950	-2.19%
Debt Service	0	0	0	0	0.00%
Total Expenses	0	61,005	61,250	59,950	-2.12%
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 Expenses and Other Uses	0	61,005	61,250	59,950	-2.12%
Net Income / (Loss)	\$834	\$0	\$0	\$0	0.00%

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Organizational Chart:

None

General Information:

The Employee Benefits Trust Fund accounted for the City's partially self-funded health & medical insurance for many years. Currently, the trust no longer provides the services since the City is a member of the Verde Valley Employee Benefit Pool.

FY 2016 Accomplishments:

N/A

FY 2017 Goals:

NA

Budget Highlights:

The City used these funds to cover short term disabilities. In FY 2014, the trust has been eliminated. The balance of these funds will be used for a future employee benefit.

Internal Services		Employee Benefit Trust		Fund 10		Cost Center		10-00	
Summary by Category									
Expenditure Category	2015		2016		2017		Percent Change		
	Actual	Budget	Budget	Revised	Proposed	Proposed			
Personnel	\$0	\$0	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	2,000	2,000	2,000	2,000	2,000	0.00%		
Contractual Services	0	0	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0	0	0.00%		
Capital Outlay	0	0	0	0	0	0	0.00%		
Reserves	0	59,005	59,250	59,250	57,950	57,950	-2.19%		
Debt Service	0	0	0	0	0	0	0.00%		
Department Totals		<u>\$0</u>	<u>\$61,005</u>	<u>\$61,250</u>	<u>\$61,250</u>	<u>\$59,950</u>	<u>-2.12%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Interest Income	\$700	1.17%
Miscellaneous Revenues	0	0.00%
Retained Earnings	59,250	98.83%
Total Funding		<u>100.00%</u>

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

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General Fund			
Department	Equipment & Project Description	Requested	Budgeted
City Council	Trust Land Annexation	1,500	1,500
	Subtotal	1,500	1,500
IT	Replacement Servers (2)	12,000	12,000
	Computers - City-wide	33,000	33,000
	New Vehicles (2)	54,000	0
	New Building	300,000	0
	Subtotal	399,000	45,000
Engineering	Riverfront/Old Town Connection Trail	18,000	18,000
	Stormwater Program	40,500	40,500
	Cottonwood Village Drainage Plan	69,000	69,000
	School Zone Study	14,000	0
	Skyline Dr/Date Street Connection	24,000	0
	Mt. Mingus Drive Drainage Improvements	61,000	0
	Old Town Flood Plain Study	130,000	0
	City-wide Master Drainage Plan	220,000	0
	Subtotal	576,500	127,500
Municipal Court	Bicycle Rack Installation	2,000	0
	Subtotal	2,000	0
Police	Datalogic Memor X3 Barcode Scanner	1,000	1,000
	Duty Weapons	1,500	1,500
	Remodeling of Former Communications Center	2,500	5,000
	Vista Wearable Camera Warranty	6,380	6,380
	Tasers	10,950	10,950
	Patrol Vehicles	126,232	126,235
	Crystal Reports - Software Licenses	1,000	0
	Detective Division's Office - New Flooring	6,300	0
	Holding Cell - Cameras	6,500	0
	Evidence Room - Wired-up Fire Alarm System	7,600	0
	Repainting of Exterior of Public Safety Building	40,000	0
	Spillman CompStat Management and Community Dashboard	60,320	0
		Subtotal	270,282
Fire	Copier	8,000	8,000
	EMS Equipment Replacements	21,149	15,000
	Fire Suppression & Rescue Equipment-Jaws of Life (2)	60,000	60,000
	Fire Engine (Type 1)	600,000	600,000
	Office Equipment/Furnishings	8,000	0
	EMS Equipment Replacement Program	20,000	0
	Physical Fitness Equipment	25,000	0
	Communications/Radio Equipment	30,000	0
	Aerial Ladder Truck (Quint)	1,200,000	0
	Infrastructure - New Fire Station	2,500,000	0
	Subtotal	4,472,149	683,000

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Fiscal Year 2017 Budget

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Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
Recreation Center	Renovation/Replacement of Indoor Pool Cool Deck	13,000	13,000
	Replacement Cardio Machines	208,000	208,000
	Soft Water System Installation	32,000	0
	Subtotal	253,000	221,000
Parks & Recreation	Riverfront Park Adult Softball Complex - Automatic Lighting	9,000	9,000
	Lounge Chairs/Furniture/Life Guard Stands	5,100	0
	ADA Pool Observation Deck-Riser	7,000	0
	Portable Light Towers	12,000	0
	Traffic Signage (Special Events)	12,000	0
	Riverfront Park and Kids' Park Signage	25,000	0
	Urban Trail System	35,000	0
	Riverfront Park - Earthen Stage Construction	35,000	0
	Vehicles (2)	36,000	0
	Tennis Center Resurface Project	168,000	0
Subtotal	344,100	9,000	
Parks & Bldg Mtnc	Blinds for Public Works Building	4,500	1,500
	Repainting of Public Works Building	3,500	3,500
	Tires for Terex	6,000	6,000
	Dirt for Softball and Little League Fields	12,000	12,000
	Little League - Complex Maintenance	75,000	3,000
	Skate Park - Drinking Fountain	5,500	0
	Hockey Rink Surface and Walls	9,000	0
	Mini-Excavator	12,000	0
	Complete Maintenance Maps of All City Facilities	14,000	0
	Civic Center Kiosk	17,000	0
	Hockey Rink - New Chain Link Enclosure	23,000	0
	Truck	25,000	0
	Little League - Retaining Wall and Slope	32,000	0
	Skate Park - Slab	59,000	0
	Skate Park - Restroom Sidewalk	86,000	0
Subtotal	383,500	26,000	
Public Works	Transfer Station Safety Improvements	55,000	27,500
	Clean Up of Stock Pile	59,000	29,500
	Security Systems for Multiple Locations	19,500	0
	Air Curtain Burner	201,000	0
Subtotal	334,500	57,000	
Total General Fund Capital Outlay		\$7,036,531	\$1,321,065

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Capital Outlay

Special Revenue Funds			
Department	Equipment & Project Description	Requested	Budgeted
Streets-Construction	HSIP Sign Replacement	20,000	20,000
	Reconstruction Mingus Ave to Main St	1,972,340	250,000
	Reconstruction Mingus Ave from Willard St. to 10 th St.	2,140,146	1,861,650
	Hard surface for N. Catclaw Road	17,000	0
	Rectangular Rapid Flashing Beacon for Main/Cherry St	17,500	0
	Pavement Preservation	600,000	0
	Subtotal		4,766,986
Streets - Operations	Traffic Control Cones and Barricades	4,250	1,000
	In-Street Pedestrian Signs	1,200	1,200
	Street Improvements	2,000	2,000
	Traffic Signal Controller	5,800	5,800
	RSA Response Design	19,000	19,000
	Side Trip Hazard Grinder	10,000	20,000
	Sweeper	200,000	200,000
	Sweeper AC	3,000	0
	Rock Screen	8,000	0
	Wet Crossing Signage	14,000	0
	Truck	25,000	0
	Road Repair	80,000	0
	Subtotal		372,250
Transit	Light Duty 20-30 Ft Van (3)	125,000	125,000
	Sub-total		125,000
Library	E-Rate Equipment	7,000	7,000
	Re-roofing/Roof repair	50,000	50,000
	Installation of Automatic Door Opener System	5,000	0
	Ceiling Installation - Manager's Office	7,400	0
	Interior Painting in Original Building	25,500	0
	Chair Re-upholstery Project	35,000	0
	Exterior Painting of Building	50,000	0
Sub-total		179,900	57,000
CDBG Grants	CDBG - Civic Center Grant	0	304,150
	Sub-total		304,150
Other Grants	Misc. Grants	500,000	500,000
	Sub-total		500,000
Airport Grants	Fence Increase	150,000	150,000
	Update Master Plan	400,000	400,000
	Airport Apron Reconstruction	1,260,000	1,260,000
	Airport Fuel Hose Reel	6,200	0
	Airport Fixed Base Operator	25,000	0
	Airport Hazard Removal	32,200	0
	Sub-total		1,873,400
Total Special Revenue Fund Capital Outlay		\$7,817,536	\$5,176,800

UNDER CONSTRUCTION

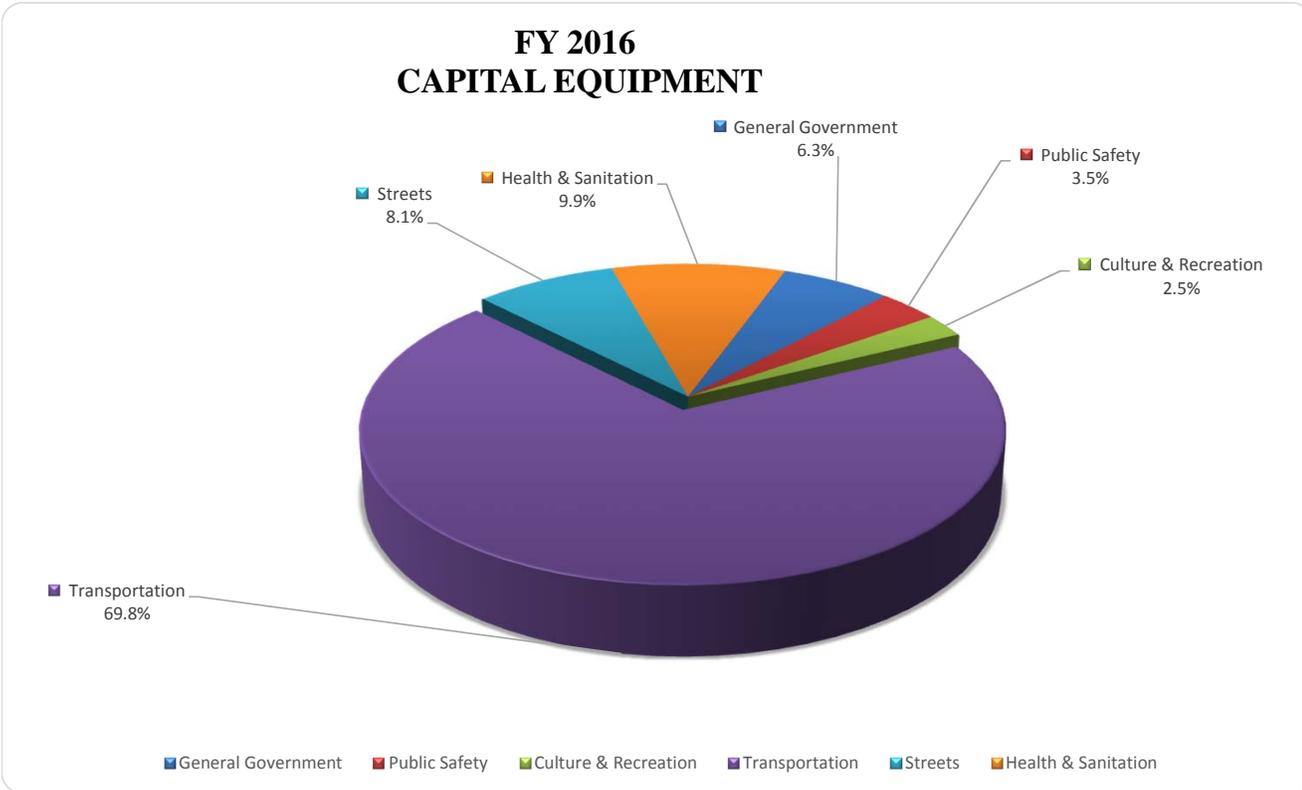
Enterprise Funds			
Department	Equipment & Project Description	Requested	Budgeted
Capital Projects Fund			
	Civic Center HVAC Project	132,000	132,000
	Riverfront Rehabilitation	140,730	140,730
	Kids Park Restrooms	240,730	240,730
	Garrison Relocation and Rehabilitation	240,730	240,730
	Sub-total	754,190	754,190
Total Capital Projects Fund Capital Outlay		\$754,190	\$754,190
Sewer Construction	Water/Waste Water Master Plan	59,000	28,900
	Digester Blower	50,000	50,000
	Mingus Project by Selna Plant	75,000	75,000
	Pump-Reclaimed, materials, etc.	191,000	191,000
	Lift Station 4 Rehabilitation	300,000	300,000
	UV Replacement and WWTP Upgrades	1,458,495	1,458,495
	Wastewater Reclamation Facility	9,250,000	9,250,000
	Polymer Blending Unit	38,000	0
	Wastewater Storage Canopy and Shelter	40,000	0
	Reclaimed Vault/Pond/Screening	50,000	0
	Basin Roof Rehabilitation	50,000	0
	Sub-total	11,561,495	11,353,395
Sewer O&M	Plant Fiber Grate and Gate Replacement	24,800	24,800
	Trailer Mounted 4" Pump	17,500	0
	RTU for Dell Webb/Mesquite Hills/YC Reclaimed Tar	24,300	0
	Truck	35,500	0
	Sub-total	102,100	24,800
Water Construction	Water/Wastewater Master Plan	57,800	28,900
	Well Improvements	120,000	120,000
	Well Booster Pack - Quail Canyon	150,000	150,000
	Well 3-1 Reservoir Replacement	155,000	155,000
	Water System Upgrades	160,000	160,000
	Line Replacements	210,000	210,000
	Line Extensions	250,000	250,000
	Water Line Crossing Gila & Main St	350,000	350,000
	Arsenic Mitigation	500,000	500,000
	Mingus Waterline Project	1,055,900	1,055,900
	Water Line - Hwy 260	2,000,000	2,000,000
	Sub-total	5,008,700	4,979,800
Water O&M	Pump (2)	4,000	4,000
	Printer	2,980	2,980
	Trench Compaction Equipment (2)	6,000	6,000
	Water Storage Reservoir Inspection and Cleaning	26,000	26,000
	Computer for SCADA software	27,500	27,500
	Midi Excavator	34,000	34,000
	Generator for the Mesquite Hills Site	50,000	50,000
	Clean Up of Stock Pile	59,000	29,500
	Vehicle Replacement (6)	120,000	240,000
	Sub-total	329,480	419,980
Total Enterprise Fund Capital Outlay		17,001,775	16,777,975
Grand Total - All Capital and Equipment & Project		32,610,032	24,030,030

Capital	
Equipment	Project

City Council	1,500	0
IT	45,000	0
Engineering	127,500	0
Municipal Court	0	0
Police	151,065	0
Fire	683,000	0
Recreation Center	221,000	0
Parks & Recreation	9,000	0
Parks & Bldg Mtce	26,000	0
Public Works	57,000	0
Streets - Construction	0	2,131,650
Streets - Operations	249,000	0
Transit	125,000	0
Library	57,000	0
CDBG Grant	0	304,150
Other Grants	0	500,000
Airport Grants	0	1,810,000
Capital Projects Fund	0	754,190
Sewer Construction	0	11,353,395
Sewer O&M	24,800	0
Water Construction	0	4,979,800
Water O&M	419,980	0
	2,196,845	21,833,185

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Total Capital Equipment & Projects



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Fiscal Year 2017 Budget
Salary Ranges

New Hire Range

Salary Range	1st Quartile	2nd Quartile	Mid Point	4th Quartile	Maximum
1	\$14,400	\$17,099	\$19,800	\$22,499	\$25,198
2	\$15,120	\$17,955	\$20,790	\$23,624	\$26,458
3	\$15,876	\$18,852	\$21,828	\$24,805	\$27,781
4	\$16,670	\$19,796	\$22,920	\$26,046	\$29,171
5	\$17,503	\$20,785	\$24,066	\$27,348	\$30,629
6	\$18,379	\$21,824	\$25,270	\$28,715	\$32,161
7	\$19,297	\$22,915	\$26,533	\$30,150	\$33,768
8	\$20,262	\$24,061	\$27,860	\$31,658	\$35,457
9	\$21,276	\$25,263	\$29,253	\$33,241	\$37,230
10	\$22,339	\$26,528	\$30,715	\$34,903	\$39,092
11	\$23,456	\$27,853	\$32,251	\$36,648	\$41,047
12	\$24,630	\$29,247	\$33,863	\$38,480	\$43,098
13	\$25,861	\$30,709	\$35,557	\$40,405	\$45,253
14	\$27,153	\$32,244	\$37,335	\$42,425	\$47,515
15	\$28,511	\$33,856	\$39,202	\$44,546	\$49,892
16	\$29,936	\$35,549	\$41,162	\$46,774	\$52,386
17	\$31,433	\$37,326	\$43,219	\$49,112	\$55,006
18	\$33,004	\$39,193	\$45,380	\$51,568	\$57,756
19	\$34,655	\$41,152	\$47,650	\$54,147	\$60,643
20	\$36,388	\$43,210	\$50,031	\$56,854	\$63,676
21	\$38,208	\$45,371	\$52,534	\$59,696	\$66,859
22	\$40,119	\$47,639	\$55,160	\$62,682	\$70,203
23	\$42,123	\$50,021	\$57,918	\$65,816	\$73,712
24	\$44,230	\$52,522	\$60,814	\$69,106	\$77,397
25	\$46,441	\$55,148	\$63,854	\$72,561	\$81,267
26	\$48,764	\$57,905	\$67,048	\$76,190	\$85,331
27	\$51,202	\$60,801	\$70,400	\$79,999	\$89,598
28	\$53,762	\$63,841	\$73,920	\$83,999	\$94,078
29	\$56,450	\$67,034	\$77,616	\$88,198	\$98,782
30	\$59,273	\$70,384	\$81,497	\$92,609	\$103,721
31	\$62,237	\$73,904	\$85,572	\$97,239	\$108,907
32	\$65,348	\$77,600	\$89,850	\$102,100	\$114,352
33	\$68,615	\$81,478	\$94,343	\$107,206	\$120,069
34	\$72,046	\$85,552	\$99,059	\$112,566	\$126,073
35	\$75,649	\$89,831	\$104,012	\$118,194	\$132,377
36	\$79,431	\$94,321	\$109,214	\$124,105	\$138,996
37	\$83,403	\$99,039	\$114,674	\$130,310	\$145,945
38	\$87,572	\$103,990	\$120,407	\$136,825	\$153,243
39	\$91,951	\$109,189	\$126,428	\$143,666	\$160,905
40	\$96,548	\$114,649	\$132,750	\$150,850	\$168,950
41	\$101,377	\$120,381	\$139,386	\$158,392	\$177,398
42	\$106,445	\$126,401	\$146,356	\$166,312	\$186,267
43	\$111,767	\$132,720	\$153,675	\$174,628	\$195,580
44	\$117,355	\$139,356	\$161,358	\$183,358	\$205,359
45	\$123,222	\$146,325	\$169,426	\$192,527	\$215,628
46	\$129,384	\$153,641	\$177,897	\$202,154	\$226,409
47	\$135,854	\$161,322	\$186,792	\$212,261	\$237,730
48	\$142,646	\$169,389	\$196,132	\$222,873	\$249,616
49	\$149,778	\$177,858	\$205,938	\$234,017	\$262,097
50	\$157,268	\$186,750	\$216,235	\$245,718	\$275,201

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UNDER CONSTRUCTION

Authorized Positions by Fiscal Year

Authorized Position Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
Administration						
City Manager	1.00	1.00	1.00	11,613	17,113	44
Executive Assistant to CM	1.00	1.00	1.00	3,781	5,572	21
Administrative Svcs GM	1.00	1.00	1.00	8,253	12,162	37
Developmental Svcs GM	1.00	1.00	0.00	8,253	12,162	37
Community Services GM	1.00	1.00	1.00	8,253	12,162	37
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	6.00	6.00	5.00			
City Clerk's Office						
City Clerk	1.00	1.00	1.00	5,586	8,232	29
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	18
Total	2.00	2.00	2.00			
Human Resources						
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	30
Human Resources Specialist	0.80	1.00	0.00	2,687	3,960	14
Human Resources Specialist II	0.00	0.00	1.00	3,781	5,572	21
Safety Training Specialist	0.00	1.00	0.00	4,825	7,111	26
Administrative Assistant	0.00	0.50	0.50	2,559	3,771	13
Total	1.80	3.50	2.50			
Natural Resources						
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	37
Total	1.00	1.00	1.00			
Finance Department						
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	30
Budget Analyst	1.00	1.00	1.00	3,781	5,572	21
Human Resources Specialist	0.20	0.00	0.00	2,687	3,960	14
Administrative Assistant	0.00	0.50	0.50	2,559	3,771	13
Total	2.20	2.50	2.50			
IT Services						
IT Manager	1.00	1.00	1.00	6,790	10,006	33
IT Systems Administrator	0.00	0.00	1.00	4,596	6,772	25
GIS Coordinator	0.00	0.00	1.00	3,429	5,054	19
IT Technician II	1.00	1.00	1.00	3,781	5,572	21
IT Technician I	1.00	1.00	1.00	3,429	5,054	19
Radio Technician	0.00	0.00	1.00	4,168	6,143	23
Total	3.00	3.00	6.00			
Purchasing						
Purchasing/Contracts Administrator	0.00	0.00	1.00	5,865	8,643	30
Purchasing Agent	1.00	1.00	0.00	3,970	5,850	22
Total	0.00	0.00	1.00			
Community Development						
Community Development Manager	1.00	1.00	1.00	5,320	7,840	28
Planner	2.00	2.00	2.00	4,168	6,143	23
Senior Administrative Assistant	1.00	1.00	0.00	2,962	4,365	16
Administrative Assistant	0.00	0.00	1.00	2,559	3,771	13
Planning Technician	0.00	0.00	1.00	2,962	4,365	16
Planner/Code Enforcement	0.00	0.00	1.00	3,266	4,813	18
Building Official	1.00	1.00	0.00	4,168	6,143	23
Building Inspector	1.00	1.00	1.00	3,266	4,813	18

UNDER CONSTRUCTION Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
Economic Development						
Economic Development Manager	1.00	1.00	1.00	6,159	9,076	31
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	2.00	2.00	2.00			
Municipal Court						
Presiding Magistrate	1.00	1.00	1.00	Contract		32
Court Administrator	1.00	1.00	1.00	4,377	6,450	24
Court Clerk II	0.00	1.00	1.00	2,821	4,158	15
Court Clerk I	3.00	2.00	2.00	2,559	3,771	13
Total	5.00	5.00	5.00			
Legal						
City Attorney	1.00	1.00	1.00	Contract		41
Legal Services Coordinator	0.00	0.00	0.00	3,266	4,813	18
Total	1.00	1.00	1.00			
Engineering Department						
Public Works & Utility Inspector	2.00	2.00	1.00	3,266	4,813	18
Professional Engineer	1.00	1.00	1.00	5,320	7,840	28
Drafter/Designer	1.00	1.00	0.00	3,429	5,054	19
Public Works Manager	1.00	1.00	1.00	5,067	7,466	27
Public Works Project Manager	1.00	1.00	1.00	3,781	5,572	21
Total	6.00	6.00	4.00			
Public Works						
Developmental Svcs Manager	1.00	1.00	1.00	5,865	8,643	30
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
PW Project Manager	1.00	1.00	1.00	4,596	6,772	25
Public Works & Utility Mtce Spec	1.00	1.00	1.00	2,962	4,365	16
Total	4.00	4.00	4.00			
Police Department						
Police Chief	1.00	1.00	1.00	7,486	11,031	35
Commander	2.00	2.00	2.00	6,159	9,076	31
Sergeant	7.00	7.00	7.00	4,596	6,772	25
PANT Officer/Sergeant	2.00	2.00	2.00	3,601	5,306	20
Police Officer	21.00	21.00	20.00	3,601	5,306	20
School Resource Officer (SRO)	0.00	2.00	1.00	3,601	5,306	20
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	16
Police Administrative Technician	1.00	1.00	1.00	2,962	4,365	16
Records Clerk	2.00	2.00	2.00	2,559	3,771	13
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	17
Terrorism Liaison Officer	0.50	0.50	1.00	3,601	5,306	20
Total	38.00	40.00	38.50			
Ordinance Enforcement						
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	16
Total	2.00	2.00	2.00			

UNDER CONSTRUCTION Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
Communications Division						
Communications Systems Coord.	0.50	0.50	0.50	3,111	4,584	17
Communications Supervisor	1.00	2.00	3.00	3,601	5,306	20
Communications Specialist	9.00	12.00	18.00	2,821	4,158	15
Communications Manager	0.00	1.00	1.00	4,596	6,772	25
Total	10.50	15.50	22.50			
Fire Department						
Fire Chief	1.00	1.00	1.00	7,486	11,031	35
Fire Captain	3.00	3.00	3.00	5,067	7,466	27
Fire Inspector	1.00	1.00	1.00	3,970	5,850	22
Fire Engineer	6.00	6.00	6.00	3,970	5,850	22
Senior Administrative Asst.	1.00	1.00	1.00	2,962	4,365	16
Fire Marshal	1.00	1.00	1.00	5,320	7,840	28
Firefighter	12.00	12.00	12.00	3,601	5,306	20
Fire Lieutenant	3.00	3.00	3.00	4,596	6,772	25
Total	28.00	28.00	28.00			
Parks and Recreation Department						
Administrative Assistant	1.00	1.00	0.70	2,559	3,771	13
Recreation Coordinator II	0.00	1.00	0.90	2,962	4,365	16
Aquatics Center Supervisor	0.00	0.00	0.60	3,970	5,850	22
Recreation Center Program Supervisor	0.00	0.00	0.20	3,970	5,850	22
Head Lifeguard	0.00	0.00	0.40	2,321	3,421	11
Youth Programs Coordinator	0.00	0.00	0.50	2,962	4,365	16
Front Desk Supervisor	0.00	0.00	0.60	2,559	3,771	13
Total	1.00	2.00	3.90			
Recreation Department						
Recreation Center Manager	1.00	1.00	0.00	5,586	8,232	29
Aquatics Center Supervisor	1.00	1.00	0.40	3,970	5,850	22
Recreation Center Program Supervisor	1.00	1.00	0.80	3,970	5,850	22
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	17
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	16
Youth Programs Coordinator	1.00	1.00	0.50	2,962	4,365	16
Front Desk Supervisor	2.00	2.00	1.40	2,559	3,771	13
Facility Maintenance Tech	1.00	1.00	1.00	2,321	3,421	11
Head Life Guard	2.00	2.00	1.60	2,321	3,421	11
Administrative Assistant	0.00	0.00	0.30	2,559	3,771	13
Recreation Coordinator II	0.00	0.00	0.10	2,962	4,365	16
Total	11.00	11.00	8.10			
Parks & Building Maintenance						
Public Works Superintendent	0.50	0.50	0.00	4,377	6,450	24
PW Operations Foreman	0.00	0.00	0.50	3,601	5,306	20
Public Works Maintenance Tech. I	4.00	4.00	5.00	2,211	3,258	10
Facilities Maint Tech III	1.00	1.00	0.00	2,321	3,421	11
Total	5.50	5.50	5.50			
Streets Maintenance						
Public Works Superintendent	0.50	0.50	0.00	4,377	6,450	24
PW Operations Foreman	0.00	0.00	0.50	3,601	5,306	20
PW Maint Tech II	4.00	4.00	4.00	2,559	3,771	13
Total	4.50	4.50	4.50			

UNDER CONSTRUCTION

Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2015	FY 2016	FY 2017	Min	Max	
CAT/LYNX						
Transportation Manager	1.00	1.00	1.00	5,067	7,466	27
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Driver / Dispatcher	1.00	1.00	1.00	2,559	3,771	13
Field Supervisor	2.00	2.00	2.00	2,962	4,365	16
Drivers	7.00	8.00	12.00	2,437	3,591	12
Total	12.00	13.00	17.00			
Library Services						
Library Manager	1.00	1.00	1.00	5,067	7,466	27
Library Supervisor	1.00	1.00	1.00	3,601	5,306	20
Library Youth Svs Coordinator	0.00	0.00	1.00	3,111	4,584	17
Library Asst II	1.00	1.00	1.00	3,111	4,584	17
Library Asst I	1.00	1.00	1.00	2,687	3,960	14
Library Clerk	5.00	5.00	4.00	2,321	3,421	11
Total	9.00	9.00	9.00			
Wastewater Treatment Facility						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Utility Ops Manager	0.50	0.50	0.00	4,825	7,111	26
WWTP Superintendent	1.00	1.00	1.00	3,970	5,850	22
WW Operator III	0.00	0.00	0.00	3,266	4,813	18
WW Operator II	2.00	3.00	3.00	2,962	4,365	16
WW Operator I	4.00	3.00	3.00	2,687	3,960	14
WW Operator Trainee	0.00	0.00	0.00	2,437	3,591	12
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	16
Electrician	0.50	0.50	0.50	3,601	5,306	20
Electrical Technician	0.00	0.50	0.50	2,821	4,158	15
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	21
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	12
Total	10.75	11.25	10.75			
Water Distribution System						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Operations Supervisor	0.50	0.50	1.00	4,825	7,111	26
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	21
Utility Technician	5.00	3.00	3.00	2,437	3,591	12
Utility Billing Clerk	2.60	2.60	2.60	2,437	3,591	12
Operator I	1.00	2.00	2.00	2,687	3,960	14
Operator II	2.00	2.00	2.00	2,962	4,365	16
Operations Foreman	1.00	1.00	1.00	3,266	4,813	18
PW & Utility Inspector	0.00	0.00	1.00	3,266	4,813	18
Electrician	0.50	0.50	0.50	3,601	5,306	20
Electrical Technician	0.00	0.50	0.50	2,821	4,158	15
Senior Administrative Assistant	0.50	0.50	0.50	2,962	4,365	16
Arsenic Treatment Specialist	1.00	1.00	1.00	3,429	5,054	19
Terrorism Liaison Officer	0.50	0.50	0.00	3,601	5,306	20
Utility Equipment Operator	2.00	3.00	3.00	2,962	4,365	16
	17.75	18.25	19.25			
Total City-wide Authorized Full-Time Equivalents	190.00	202.00	212.00			

Resolution

Insert Schedule A

Insert Schedule C1

Insert Schedule C2

Insert Schedule C3

Insert Schedule C4

CITY OF COTTONWOOD Revenues Other Than Property Taxes Fiscal Year 2015

Insert Schedule D

Insert Schedule E

Insert Schedule F

Insert Schedule F

Action Zone Grant - A program within the CDBG program funding neighborhood improvements as identified by a steering committee made up of selected community representatives. This program is administrated by the Arizona Department of Commerce.

Alternative Expenditure Limitation - A voter approved alternative to the state imposed annual expenditure limitation. The alternative to the state plan is effective for a four year period. This alternative allows local government to establish its own spending cap each year.

Appropriation - A legal authorization granted by City Council to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and duration as to when it may be expended.

Arizona Department of Transportation (ADOT) - A State of Arizona agency responsible for the administration of state highways, transportation and aeronautics. ADOT administrates and funds various road, transit and airport grants.

Arizona Revised Statutes - Laws governing the State of Arizona, as amended by the state legislature.

Base Budget - Cost of continuing the existing levels of service in the current budget year.

Bonds - A written instrument to pay a sum of money at a specified interest rate, on a specific date or dates in the future, called maturity dates. The interest payments and the repayment of the principal are detailed in a bond resolution or ordinance. Two common types of bonds are general obligation and revenue bonds which are most commonly used for construction of large capital projects such as buildings, streets and sewers.

Budget - A plan of financial operation representing an estimate of Proposed expenditures and the Proposed means of financing them for a given period. This official public document reflects decisions, measures service needs, establishes the allocation of resources, and is the pecuniary plan for achieving goals and objectives.

Budget Calendar - The schedule of key dates or events which the city follows in the preparation, adoption, and administration of the budget.

Capital Outlay - Expenditures resulting in the acquisition or addition to the government's general fixed assets. These assets generally have a useful life of more than one year.

Capital Projects Fund - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by propriety funds and fiduciary funds).

Classification Plan - Employee positions, which are authorized in the Proposed budget, to be filled during the year.

Community Development Block Grant (CDBG) - A grant program administrated through the state's Department of Commerce focusing on neighborhood rehabilitation and other community based needs.

Community Oriented Policing Services (COPS) - A federal grant funding new police officer positions focused on community based policing.

Comprehensive Annual Financial Report (CAFR) - The official annual audited financial report of the City.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Professional, technical or maintenance expertise typically purchased from external sources.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Cottonwood Area Transit System (CATS) - A local public transportation system which receives its funding through contributions from the Town of Clarkdale, Yavapai County, user fares, and the ADOT transit division.

Debt - An obligation resulting from borrowing money or from the purchase of goods and services. Types of governmental debts includes bonds, loans, time warrants and notes.

Debt Service - The long-term payment of principal and interest on borrowed funds.

Debt Service Fund - A fund organized to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - The basic organizational unit of government which is functionally unique in its delivery of services.

Department of Commerce - An agency of the state responsible for the administration of grants and other programs relating to the improvements to neighborhoods, business development, and the promotion of tourism.

Designated Reserves - Those portions of fund balance that are not appropriable for expenditure or that are legally segregated for a specific future use.

Drug Awareness Resistance Education (DARE) - A national program designed to provide drug and alcohol education to youth.

Employee Benefit Trust Fund - Accounts for the City's partially self-funded health and accident insurance program for the City's employees and their dependents.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The governing body's intention is to finance or recover operation costs through user fees.

Expendable Trust Fund - A trust fund whose resources, including both principal and earnings, may be expended.

Expenditure - Decreases in net financial resources in accordance with budgeted appropriations. Expenditures include operating expenses such as the acquisition of assets or goods and services.

FACTS - Database software used by the Municipal Court.

Farmers Home Administration - An agency of the federal government within the Department of Agriculture which provides low interest loans to governmental and/or private agencies or individuals for qualifying capital improvements.

Federal Aviation Administration (FAA) - An agency of the federal government with oversight responsibility for airports in the country.

Fiduciary Funds - Funds used to account for assets held by a government unit in a trustee capacity (i.e., Alternative Pension and Benefits Plan Fund, Employee Benefit Trust Fund).

Fines & Forfeitures - Income received through the assessments of fines and penalties through the municipal court.

Fiscal Year - A time period designated by the City signifying the beginning and ending date for recording financial transactions. The City of Cottonwood has a fiscal year beginning July 1 and ending June 30.

Franchise Fee - A fee paid by a public service business for the special privilege to use city streets, alleys and property in providing their services to the citizens of the community. Services requiring franchise fees include electricity, water, natural gas, and cable television.

Full-time Equivalent Position (FTE) - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

Fund - An accounting entity having a set of self-balancing accounts and that records all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitations.

Fund Balance - Fund balance is the excess of assets over liabilities of governmental and fiduciary funds.

Greater Arizona Development Authority - Created by the Arizona Legislature to assist local and tribal governments as well as special districts with the development of public infrastructure. Housed in the Arizona Department of Commerce, this \$20 million bond authority leverages funding for infrastructure projects and aims to help accelerate project development and lower costs of financing.

General Fund - The operating fund established to account for resources and uses of general operating functions of City departments that are not required to be accounted for in another fund. Resources are, in the majority, provided by taxes.

General Obligation Bonds - Bonds that finance a variety of public projects and require voter approval. These bonds are backed by the full faith and credit of the city. Limitations for bonding capacity are set by State Statute.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting.

Governmental Funds - Funds used to account for the acquisition, use and balances of expendable financial resources and related current liabilities, except those accounted for in propriety funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund).

Governor's Alliance Against Drugs (GAAD) - A division of the state's governor's office funding grants providing alternative activities for youth at risk for drug and alcohol abuse.

Grant - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity or facility.

Heritage Fund - A state grant program funded through lottery proceeds (LTAF funds) dedicated to open space and park improvements.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Insurance Service Organization (ISO) - A national program designed by the insurance industry to review and evaluate a community's ability to suppress fires.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Fund - A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

Line-item Budget - A budget prepared along departmental lines that focuses on what is to be bought.

Local Transportation Assistance Fund - A state fund established and funded by lottery proceeds to provide grants for local transit systems, parks and other open space needs, and street maintenance and improvements.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Municipal Property Corporation - A component unit of the City established for the purposes of providing funding for capital projects which directly benefit the city.

Objective - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - Plan of current expenditures and the prepared means to finance them. This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, contractual services, operating supplies and operating capital items. The budget is the primary measure of controlling financing, acquisition, spending and delivering of services of the entity.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Pension Plan Fund - A trust fund used to account for the volunteer firefighters retirement fund. This fund uses the accrual basis of accounting and has a capital maintenance measurement focus.

Proprietary Funds - Funds used to account for a government's ongoing activities that are similar to those often found in the private sector (i.e. Water & Wastewater Enterprise Funds).

Public Hearing - A hearing, publically advertised to promote public input into the annual budget process, held each year prior to the adoption of the Proposed budget.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

Rural Economic Development Initiative (REDI) - A state certification of a community, by the Arizona Department of Commerce, for its readiness for economic development.

Service Level - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Special Revenue Fund - A fund used to finance distinct activities and created out of receipts of specific revenues.

Unreserved Fund Balance - Undesignated monies available for appropriations.

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

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

