



2019 Budget



City of Cottonwood

Arizona

BUDGET DOCUMENT OVERVIEW

This overview serves to assist the reader in navigating through this budget document as understanding and reading it can be challenging if one is not familiar with its layout. This budget document consists of several sections and their content can be found by referencing the Table of Contents on the page i-vi.

There are six key sections in this document.

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

Strategic Plan—This is an overview of projected five-year capital needs requested by Department Heads, future development, and projected five-year operational revenues and expenditures.

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

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

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

1. General Fund—General Government, Culture and Recreation, and Public Safety
2. Special Revenue Funds—HURF (Street Construction & Operations), Transit, Library, Cemetery, Airport, and Grant Funds
3. Enterprise/Proprietary Funds—Water Utility and Wastewater Utility
4. Fiduciary Funds—Employee Benefit Trust Fund, and Alternative Pension and Benefits Plan Fund (for Fire Fighters)
5. Debt Service
6. Capital Improvements Fund

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

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

Supplementary Information—Appendix, Glossary, Capital Outlay Listing & Personnel Information.

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July 27, 2018

The Honorable Mayor and City Council

RE: Transmittal – Fiscal Year 2019 Budget

It is my pleasure to present to you the FY 2019 Final Budget for your review. There have been several budget work sessions with department heads to review, in detail, their staffing, programs, and planned project expenditures. This year's total approved expenditures budget is \$69,528,685, including all estimated reserves, potential grants and financing options, compared to last fiscal year's revised budget of \$66,481,415 which does not contain reserves or financing options or grants that did not come to fruition. Items that attributed to the difference with FY 2018 were the reallocation of resources for continuing projects, and new projects that were part of the 2018 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 ten years.

FY 2019 Final Budget – \$69,528,685

Fiscal Year	Original Budget	Revised Budget	Original vs Revised
2009	\$88,545,340	\$77,346,715	(\$11,198,625)
2010	\$132,562,405	\$68,688,930	(\$63,873,475)
2011	\$100,876,915	\$60,723,320	(\$40,153,595)
2012	\$78,422,500	\$63,260,685	(\$15,161,815)
2013	\$73,417,765	\$54,231,275	(\$19,186,490)
2014	\$70,875,846	\$57,895,580	(\$12,980,266)
2015	\$86,638,905	\$76,488,750	(\$10,150,155)
2016	\$117,084,020	\$73,953,055	(\$43,130,965)
2017	\$73,112,570	\$64,934,025	(\$8,178,545)
2018	\$85,054,740	\$66,481,415	(\$18,573,325)

The largest planned single increase is in the General Fund and includes increased revenues based on the anticipated sales tax increase of .5%, if it comes to fruition. A general discussion about the funds will follow; however, in-depth information is in the Key Issues section of this document.

The General Fund's overall budget is \$27,216,135, including transfers out and reserves. This is a \$6,064,475 increase over the previous fiscal year's revision of \$21,151,660. This increase includes \$4,214,065 in reserves, fully budgeted staffing and budgeted capital requests.

The merit program has been budgeted for FY 2019 but reduced from a maximum of 5% to a maximum of 4%. The Social Security Administration determined a 2% COLA for 2018 but no Cost of Living Adjustment (COLA) is budgeted for FY 2019 due to budgeting constraints. Although the funding for the COLA is not budgeted, the salary ranges will be increased by 2.3%. This percentage is made up of the current year's established COLA of 2% and .3% for 2017. The Public Safety Personnel Retirement contributions saw another increase for FY 2019 due to the large unfunded liability that the retirement system has developed. The employer contribution rate for Public Safety Personnel Retirement for FY 2019 has increased by about 1.4% and is much higher than for the Arizona State Retirement System. It has gone up from 47.6% to 48.21% for the Police Department and from 26.61% to 27.44% for the Fire & Medical Department. As for the employer contributions to the Arizona State Retirement System, rates increased slightly from 11.5% to 11.8%. A current capital equipment and capital projects summary can be found towards the end of this transmittal letter on page ix, and details can be found on pages 279-283.

The total budget for the Special Revenue Funds is \$8,899,945 which includes transfers out and carryovers. These funds' expenditures decreased over last year's revised expenditures of \$10,171,705. Fiscal year 2019 shows a decrease due to the completion of major projects in FY 2018 and fewer new projects for FY 2019. The reconstruction project of Mingus Avenue from 8th Street to Main Street is a major portion of the Special Revenue Funds Costs. This project was split up between FY2018 and FY 2019, and the first half was completed in FY 2018. This stretch of Mingus Avenue is expected to cost over \$4M in total.

The Transit department transferred from Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) to the City on July 1, 2012. Both the LYNX system and the Cottonwood Area Transit (CAT) added additional services in FY 2014. The Transit System budget of \$2,127,850 shows an increase of \$148,710 for FY 2019 due to a budgeted amount for a new bus. The Transit System is supported through fares, neighboring community financial support, state and federal grants, and City contributions.

The Airport Fund shows a significant decrease due to the hiring of an FBO (Fixed Base Operator) that will handle most maintenance and fuel costs for FY 2019. The budget reflects a transfer out to the Grants Fund as a match for the grants for several airport related projects. Those projects include grants to develop an Airport Master Plan and to raise the height of a portion of the Airport Fence.

The Community Development Block Grant (CDBG) for the Civic Center rehabilitation was completed in FY 2018. Other Grants include \$450,000 for any occasional grants that come along and were not budgeted. Four new grant prospects have been budgeted for a total of \$577,000; these grants are for a Drainage Master Plan, Storm Water Diversion Plan, Civic Center Upgrades Grant and Verde Recreational Trails Plan.

The Debt Service Fund is budgeted for \$2,633,605, which is slightly lower than last year's revised budget of \$2,634,250. The Recreation Center Debt Service was refinanced in FY 2017 and will be finalized in FY 2018. The Library Debt Service expired July 1, 2013. The two loans of the Greater Arizona Development Authority (GADA) for Public Safety and Railroad Wash were also paid in full on July 1, 2013. The Excise Tax Bond was funded at the end of FY 2015 and split between the Funds where the projects were expensed and can therefore also be found in the Streets Capital Improvements, and the Water and Wastewater budgets.

The City budgeted \$3,701,665 in Capital Projects Fund, which is \$2,142,975 less than for FY 2018. The expenses include a final transfer to the Sewer Fund for construction of the water reclamation project at Riverfront Park. The rehabilitation of the restrooms at the parks was finished in FY 2017, but the HVAC-installation for the Civic Center has been completed and included in the CDBG fund for FY 2018.

The Enterprise Fund budget, which consists of Water and Wastewater, has increased slightly from last fiscal year's revised amount of \$26,396,290 to \$26,765,165 for FY 2019. The \$368,875 increase can, in part, be attributed to the planned Hwy 260 Water Line Project for \$2M. The refunding of the 2004 Water Bonds was completed with a Water Infrastructure Finance Authority (WIFA) loan in FY 2015 and the 2006 Water Bonds in FY 2016, also a WIFA loan. These two refundings will save the City money over the term of the new loans due to lower interest rates.

The Fiduciary Fund aggregate total is up by \$29,300. Both the City's Alternate Pension and Benefits Plan and the Employee Benefits Trust Fund are earning small amounts of interest. The Employee Benefits Trust Board was disbanded in FY 2013; the only activity is interest on the remaining fund balance.

General Commentary

The preparation of the budget continues to be an extraordinary challenge for all departments. Our largest revenue sources have shown signs of improvement since 2013, partially due to the .8% increase in sales tax implemented in 2010, but are not keeping up with the costs of doing business. Prior cost containment measures are providing value back to the City of Cottonwood and helping maintain the current level of staffing and services. Those same measures have played an integral role in surviving the downturn in our local economy as a result of that financial crisis of 2007-2008. To combat the increase of costs and lack of revenues, City Staff is recommending an increase of the Transaction Privilege Tax (TPT).

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

KEY ISSUES – FISCAL YEAR 2019

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 revenue growth ranging from 2% - 5%. Though not a significant growth number, it is an improvement from prior years' double digit declines. The local economy is still the single largest challenge the City of Cottonwood is facing.
- **Taxes** – The City of Cottonwood has prided itself on managing its affairs through local Transaction Privilege Tax (TPT), commonly referred to as sales tax. Though successful for many years, it has shown the fallacy of the notion that it can continue to provide quality services as a major revenue source that is at the mercy of the economy. The City Council passed a .8% sales tax increase that went into effect in November 2008 to counter the declining economy. This increase brought the total Cottonwood local sales tax rate to 3%, and along with cost cutting measures it helps Cottonwood stay fiscally sound. Cottonwood does not collect a property tax for services. City staff is recommending an increase in the TPT tax rate by .5% for FY 2019. If the Council approves the rate increase, the funds will largely be designated to Streets, HURF and paying down the unfunded pension liabilities.
- **Underfunded Pension Liabilities** – The City of Cottonwood has always funded the annual amount requested by both the Public Safety Personnel Retirement System (PSPRS) and the Arizona State Retirement System (ASRS), even though the requested amount did not fully cover the liability for the City's future pensions. Prior to FY 2015, the unfunded liability was only reported by the individual retirement systems. In FY 2015, the Governmental Accounting Standards Board (GASB) implemented GASB #68, an accounting policy change that requires entities to record their own underfunded liability amounts. As a whole, the Public Safety Personnel Retirement System is about 52% underfunded, which amounts to a shortfall of \$8.5B at the end of FY 2017. The City's portion of that is approximately \$12.6M. The City of Cottonwood is looking at different options to pay down this liability, such as prepaying its estimated annual contribution at the beginning of the fiscal year and contributing additional funding from any savings due to vacancies throughout the year. The City's portion of the \$16.1B Arizona State Retirement System liability is \$12.7M. These two systems are organized and managed differently with the ASRS handling this liability through continued increases in annual contribution amounts.
- **State Shared Revenues** – These revenue sources are always of concern to municipalities due to the State's history of trying to reallocate them for state purposes. The budget reflects a decrease in State Shared Income Tax of \$29,135 from last year's \$1,485,075. State Shared Sales Tax is anticipated to increase by 6.7% over FY 2018 estimated budget figures of \$1,122,640 and is anticipated to generate \$1,198,680 in FY 2019. 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 keep on providing 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 2019, a Cost of Living Adjustment (COLA) is not funded, but the salary ranges will be increased by 2.3% to keep up with the current employment market. The Longevity Program is currently not budgeted. The City of Cottonwood is doing everything it can to recruit and keep its valuable employees.
- **Recreation Center** – The multigenerational Cottonwood Recreation Center was completed in February 2010 and opened May 1, 2010. This facility was anticipated to have a 70% cost recovery rate; however, the struggling economy has hampered the achievement of this goal. Presently, it is recovering slightly above 60% of the expenditures. The largest concern stems from future maintenance and operational costs of the facility. To counter rising costs and improve the recovery rate, the City has eliminated many of the offered discounts and restructured the management portion of the operations. The staff will examine additional options to increase revenues and reduce costs.
- **Capital Infrastructure Planning** – The City has been struggling with capital planning due to the slow pace of recovery of the local economy. Some projects will continue to be postponed until the economy improves more. Other projects will, however, move forward, funded through planned resources or other financing sources.
- **Water Issues** – The growth of the Verde Valley region continues the need for the City to maintain an active role in the water issues that are affecting the region and the City of Cottonwood. Water quality and availability, water management and conservation, water rights, water system development, and fire protection are all critical issues in which we need to become more involved. Another issue is the downgrading by Standard and Poor’s of the Water Utility Bonds due to inadequate debt service coverage. This was addressed during the budget process in FY 2015 and in FY 2016 with rate increases, and will be looked at again in FY 2018. A rate increase is not calculated into the budget due to the uncertainty of it coming to fruition.
- **Wastewater Issues** – The City of Cottonwood Wastewater Treatment Facility is slowly reaching its capacity and the infrastructure is getting more difficult to maintain. It is expected that even with the current slow growth patterns, the City will need to move forward with satellite wastewater treatment facilities. The Riverfront Water Reclamation Facility is expected to be the first satellite reclamation plant. Small package plants will be strategically placed to not only treat but also produce quality reclaimed water for use by city parks, home landscaping, fire sprinklers, dual plumbing, dust control, and many other possible uses. This enterprise is requesting a rate increase to counter the large drops in available fiscal resources. The increased rate is not reflected in the budget due to the uncertainty of it coming to fruition at this time.

City Staffing

The budget for FY 2019 includes funding for the employee merit program with an adjustment to the maximum percentage of merit from 5% to 4%. There were ten requests for additional full-time staffing and two for part-time staffing; two new full-time staff are included in the budget, contingent upon the Council approving a .5% TPT tax increase.

FY 2019 – REQUESTED NEW FULL-TIME POSITIONS							
Dept.	Job Title	Requested Range	Range Parameters		Est. Salary (minimum + 5%)	Est. Benefits	Est. FY 2019 Costs
			min	max			
P&Z/Comm Dev	Building Official	23	50,021	73,712	52,522	23,635	76,157
Econ. Dev.	Business Specialist (grant funded for FY 2018)	18	39,193	57,756	41,153	18,519	59,671
Maintenance	Maintenance Technician III	17	37,326	55,006	39,192	17,637	56,829
Finance	Accounting Specialist	13	30,709	43,098	32,244	14,510	46,754
Transit	Training/Safety/Security Supervisor	14	32,244	47,515	33,856	15,235	49,091
Police	Records Clerk	13	30,709	45,253	32,244	14,510	46,754
Municipal Court	Court Clerk I	13	30,709	43,098	32,244	14,510	46,754
Engineering	Project Manager - Utilities (funding by Utilities)	25	55,148	81,267	57,905	26,057	83,963
Streets	Maintenance Technician II	13	30,709	45,253	32,244	14,510	46,754
Comm	Communications Specialist (reinstatement from FY 2018 cut position)	15	33,856	49,892	35,549	15,997	51,546
Total Amount Requested					389,155	175,120	564,275

FY 2019 – NEW FULL-TIME POSITIONS APPROVED							
Dept.	Job Title	Requested Range	Range Parameters		Est. Salary (min +5%)	Est. Benefits	Est. FY 2019 Costs
			min	max			
P&Z/Comm Dev	Building Official	23	51,171	75,409	53,730	24,179	77,909
Engineering	Project Manager - Utilities (funding by Utilities)	25	56,417	83,137	59,237	26,657	85,894
Total Amount Requested					\$ 564,275		
Total Amount Not Budgeted					\$ 400,472		
Total Amount Budgeted					\$ 163,803		

There were forty-three reclassification and range increase requests made and forty-two were approved. It involves an allocation of \$258,200 to upgrade some ranges in the Library, Maintenance and the Recreation Center to keep up with minimum wage rising to \$11.00 in January of 2019. It was also approved to raise all the ranges at the Communications Center to stay in the market for the job classification; the remaining requests will be at no cost for FY 2019 and will only allow for more compensation growth in the future so these positions remain competitive in the job market. The total requested amount for additional personnel that were not approved was \$400,472. If budgeted, these positions would have been recurring costs.

Contributions to Dependent Health Insurance Coverage

In fiscal year 2010, the Verde Valley Employee Benefits Pool (VVEBP), the City's health insurance provider, changed its name to Arizona Public Employers Health Pool (APEHP) to broaden its ability to attract new members to the Pool to help contain costs. In FY 2018, the City transitioned with APEHP to a new health insurance pool called Kairos Health Arizona, Inc. The transition to Kairos has reduced costs since it is a much larger pool of organizations. For FY 2019, we will see a 3% increase in the health insurance rates.

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

Listed below are some of the changes taking effect on July 1, 2018:

-  Supplemental life rate modifications
-  New Identification Cards will be issued with the medical/prescription coverage
-  BlueCare Anywhere – virtual physician visit benefits will be offered
-  Enhanced wellness and preventive services will be provided

The tables on this page summarize the total costs for health insurance for the City, our employees and their dependents. For families in good general health, an employee can choose from three High Deductible Health Plans and save on their dependent coverage, while taking advantage of the City's increased contribution into their Health Savings Account (HSA). For moderately healthy families, an employee has the option to choose either the Core Plan or the Copay Plan.

CORE PLAN & COPAY PLAN W/OUT DENTAL			HDHP \$2500 W/OUT DENTAL		
Core Plan	Employer Cost	Employee Cost Monthly	HDHP \$2500	Employer Cost	Employee Cost Monthly
Employee	734.00	-	Employee	485.00	(249.00)
Spouse	515.20	220.80	Spouse	338.80	145.20
Children	388.80	97.20	Children	254.40	63.60
Family	673.80	449.20	Family	444.60	296.40
HDHP \$1500 W/OUT DENTAL			HDHP \$5000 W/OUT DENTAL		
HDHP \$1500	Employer Cost	Employee Cost Monthly	HDHP \$5000	Employer Cost	Employee Cost Monthly
Employee	539.00	(195.00)	Employee	412.00	(287.50)
Spouse	375.90	161.10	Spouse	288.40	123.60
Children	282.40	70.60	Children	217.60	54.40
Family	494.40	329.60	Family	378.00	252.00

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

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 Costs
Employee Only	42.00	-	42.00
Employee & Spouse	71.40	12.60	84.00
Employee & Children	63.60	5.40	69.00
Employee & Family	81.00	26.00	107.00
Voluntary Vision Coverage	Employer Pays	Bi-Monthly	Monthly
Employee Only	-	3.79	7.58
Employee & Spouse	-	7.58	15.16
Employee & Children	-	8.11	16.22
Employee & Family	-	12.96	25.92

Vision coverage is strictly voluntary

Supporting Programs

- 
Building Community Grants: The City will continue to fund this program for FY 2019 in order to assist local 501(c)(3) organizations that do not qualify for the outside agency program.
- 
Funding Outside Agencies: The Old Town Association is in the process of rebuilding the organization and dealing with some fraud issues in their organization. These facts have made the City decide to not fund them this year. Some of the other local agencies that will receive financial support in FY 2019 from the City of Cottonwood are listed below. These agencies include:

Old Town Association	FY 2018 - \$10,000	FY 2019 - \$0
Verde Valley (VV) Senior Center	FY 2018 - \$55,000	FY 2019 - \$55,000
VV Human Society–Adopt for Life	FY 2018 - \$43,880	FY 2019 - \$43,880
Old Town Center for the Arts	FY 2018 - \$20,000	FY 2019 - \$20,000

BUDGET POLICIES – FISCAL YEAR 2019

This budget reflects the fund balance policies of the City Council. Currently, these policies require the City to restrict an amount equal to 16.67% of the previous year’s operating revenues as part of its fund balance. This requirement brought this year’s restricted fund balance reserve to \$3,114,065. This is also estimated to be about 60 days of expenditures coverage.

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

Due to the heavy use of this fund over the last few years to cover Capital Improvements, there is presently nothing budgeted or available in additional capital reserves, which comes from a 1% sales tax that is used to work on some General Fund capital projects.

These policies, along with the development of the five-year budget projections, will ensure the financial stability of the City into the future. The City is proposing a .5% TPT tax increase that will begin in September 2018. The increase will only be approved by Council with the stipulation that there is a large portion reserved for streets, transit and reserves.

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 37-45. All other funds will continue to operate within their respective anticipated revenues.

LONG RANGE PROGRAMMATIC AND FINANCIAL PLANNING

Included in the budget is a section establishing long-range organizational programmatic goals and the five-year capital improvement plan. The organizational goals identified are presented programmatically, including a statement of operational fiscal impact to the City. Goals identified for fiscal year 2019 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 2019

Included in the budget is \$871,500 in equipment acquisitions and \$9,837,000 in construction projects. These items are listed in detail in each department's budget and summarized in the appendix of this budget on pages 279-283. 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 2019 are budgeted.

ACKNOWLEDGMENTS

The preparation of this municipal budget document is attributed to the many hours spent by our Accounting/Budget Manager Kirsten Lennon and Budget Analyst Helen Bartels, who met with representatives from the various departments and compiled their departmental data. In addition, thanks to the General Managers, Department Heads, supervisors and staff who assisted in the development of the 2019 Annual Budget document.

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

Vision and Mission Statement

Mission

Inspiring a Vibrant Community

Vision

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

Sincerely,

Doug Bartosh
City Manager

EXECUTIVE SUMMARY

City Profile

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

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

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

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

Date of Incorporation – 1960

Form of Government – Council-Manager

Demographics/Economics

<u>Area – Square Miles</u>	<u>2017 Property Tax Assessed Valuation</u> (a)	
2015 – 16.65 Square Miles	Primary	\$91,121,033
	Secondary	\$ 120,046,140
<u>Paved Streets</u>		
52 Miles		

Yavapai County Labor Force Data (b)

	<u>2018</u>
Civilian Labor Force	104,095
Employed	100,374
Unemployed	3,721
Unemployment Rate	3.6%

Source:

- a) Arizona Department of Revenue, Property Tax Division
- b) Arizona Department of Administration

<u>Year</u>	<u>Population</u> (a)	<u>Public School Enrollment</u> (b)	<u>Unemployment Rate</u> (c)
2017	11,974		3.6%
2016	11,818	3,060	5.4%
2015	11,532	3,191	5.5%
2014	11,402	3,331	6.3%
2013	11,313	3,102	7.9%
2012	11,224	2,889	8.2%
2011	11,237	3,108	10.4%
2010	11,265	2,722	9.7%
2009	12,180	2,876	9.1%
2008	11,260	3,369	5.1%
2007	11,130	3,008	3.7%
2006	10,925	3,190	3.9%
2005	10,860	3,432	4.4%

Sources:

- (a) Department of Economic Security - Research Administration Division—website:
<https://population.az.gov/sites/default/files/documents/files/pop-estimates2015-04pla.pdf>
- (b) School census—Cottonwood School Districts
- (c) Arizona Department of Administration—Yavapai County

<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>
2017	\$485,619,633	2017	373	\$18,252,623
2016	408,910,513	2016	379	26,750,004
2015	404,669,000	2015	304	22,306,303
2014	391,129,000	2014	343	15,891,831
2013	372,907,000	2013	26	4,033,518
2012	351,940,000	2012	27	4,113,790
2011	344,346,000	2011	10	1,467,400
2010	358,070,000	2010	13	1,510,901
2009	364,689,000	2009	19	1,235,804
2008	436,982,000	2008	76	8,667,927
2007	447,904,000	2007	58	5,651,406

Sources:

- (a) City of Cottonwood
- (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	2,078
City of Cottonwood	Grades 9-12	1,135
Cottonwood/Oak Creek Schools		
Mingus Union High School		
Yavapai County	Total Students	3,213

Sources:

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

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

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

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

2018 Service Statistics

<u>Fire Protection</u>		<u>Police Protection</u>	
Stations	1	Stations	1
Employees (Full-time)	28	Employees (Full-time)	58
Fire & Hazmat Calls	305	Sworn	34
Rescue & Medical Calls	2,974	Non-Sworn	24
Public Assist Calls	376	Part I Crimes	534
Fire Inspections (various kinds)	1,306	Part II Crimes	14,596
Plan Reviews & Permits	569	Traffic Warnings	293
Public Ed Contact Hours	9,334	Traffic Citations	2,821
		Arrests – Charged	1,777
<u>Public Works</u>		<u>Library</u>	
Engineering Reviews (ea. Proj.)		Items in Collections	107,919
Subdivisions (lots)	31	Total Items Circulated	191,838
Right of Way Permits (ea.)	599	Circulation Transactions per Day	565
Flood Plain Inquiries	87		
Contract Administration	182		
	13,400,000	<u>Municipal Parks</u>	
<u>Recreation & Parks Department</u>		Developed Parks	5
Community Recreation Centers	2	Developed Acres	38.7
Swimming Pools	2	Undeveloped Acres	91.3
Youth Center	1	Tennis Center	1
Instructional Classes	50,082	Lighted Ball fields	8
CRC Rentals	228		
CRC Annual Visitors	231,216	<u>CAT/LYNX Transit System</u>	
CRC Current Membership	4,354	Annual Ridership	163,606
		Miles Traveled	447,924
<u>Sewer</u>		CAT Ridership	91,327
Sewer Line Inspected (LF)		LYNX Ridership	52,212
Miles of Line	11,583	ADA Ridership	20,064
Average Daily Treatment	60		
Plant Capacity	.949 mgd	<u>Water Utility</u>	
Blue Stake Requests	1.5 mgd	Blue Stake Requests	1541
Reclaimed Water Sold	526	Pumping Capacity	10.0mgd
Number of Sewer Accounts	10.5mg	Average Pumpage	3.3 mgd
Sewer Taps installed	4,211	Number of Wells	27
	1	Number of Storage Tanks	25

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 57.

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, wastewater system, cemetery and municipal airport.

BUDGET POLICIES AND PHILOSOPHY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PROCESS FOR CHANGING THE BUDGET

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

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

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

BUDGET MONITORING

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

BUDGET CALENDAR FOR FY 2019

This budget calendar serves to illustrate the progression of the budget process and has been structured 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.

Date	Items/Actions	Due
November	22 Distribution of Goals, Accomplishments & Performance Indicators Forms & Instructions to Department Heads/Managers	Dec-18-2017
December	8 City Council—Strategic Planning Retreat	
	15 Distribution of Personnel Request & Reclassification Forms to Department Heads/Managers	Jan-5-2018
	15 Distribution of Capital Improvement Plan (CIP) Schedules & Instructions to Department Heads/Managers	Jan-26-2018
January	9 Department Presentations (Administration, City Clerk, City Council, and Natural Resources)	
	16 Informative Budget Presentation by the Finance Department—Budget Process Overview & Revenue Streams Review	
	23 Final Review of Personnel Requests/Reclassifications Listing	Jan-26-2018
February	13 Department Presentations (Finance—Revenue and Cost Cutting Discussion, Economic Development, Library, Parks & Recreation [incl. City Pool & Youth Center], Recreation Center [incl. Custodial])	
	23 Distribution of Budget Worksheets and Instructions	Mar-9-2018
March	12 Begin Departmental Budget Meetings	Mar-23-2018
	13 Department Presentations (Legal Department, Municipal Court, Water and Wastewater, Police, Communications, Ordinance Enforcement, Fire, and Transit)	
April	6 Finance Department & City Manager—Review of Potential Budget Issues	
	10 Department Presentations (Finance, Human Resources, Purchasing, IT, Community Development, Engineering, Public Works [incl. Transfer Station], Maintenance, Airport, Cemetery, and Streets)	
	24 Budget Work Session with City Council in Council Chamber—Overview of FY 2019 Budget	
	26 Budget Work Session with City Council in Council Chamber—Overview of FY 2019 Budget	
May	8 Budget Work Session with City Council in Council Chamber	
May	10 Budget Work Session with City Council in Council Chamber	
June	5 Formal Presentation of Proposed FY 2019 Budget Document to City Council	
	20 Final Day for Changes to the Tentative FY 2019 Budget	Jun-20-2018
June	25 Formal Presentation of Tentative FY 2019 Budget in Council Chamber	
	25 Public Hearing on Tentative FY 2019 Budget in Council Chamber	
	25 Adoption of Tentative FY 2019 Budget; Set Expenditure Limitation	Jun-26-2018
	25 Final Day for Changes to the Final FY 2019 Budget	Jun-26-2018
August	7 Formal Presentation of Final FY 2019 Budget Document to City Council	
	7 Public Hearing on Final FY 2019 Budget in Council Chamber	
	7 Adoption of Final FY 2019 Budget	Aug-7-2018
November	5 Submission of Adopted FY 2019 Budget Document to the Government Finance Office Administration (GFOA) for Award Review	Nov-5-2018

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 – The 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 – The 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 also are 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, 2018

Net secondary assessed valuation (Full Cash Value)	<u>\$120,046,140</u>
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	24,009,228
Bonds outstanding	<u>0</u>
Net 20% Debt Limitation	<u>24,009,228</u>

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	7,202,768
Bonds outstanding	<u>0</u>
Net 6% Debt Limitation	<u>7,202,768</u>

Total Bonding Capacity	<u>\$31,211,996</u>
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General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation above, the City may issue bonds for general improvement purposes or for specific projects. For statutory purposes, the City's current outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2018 were secured by sales taxes and user fee revenues instead of property taxes.

Policy Statement

- A five-year Capital Improvements Plan (CIP) will be developed and updated annually along with corresponding funding sources.
- Financing of Capital projects will not exceed the useful life of the project.
- Debt Service Schedules will be prepared and included in the Annual Budget as well as the Five-Year Capital Improvement Plan with annual updates.
- Debt Service payment will be scheduled in equal installments over the life of the bonds.
- Efforts will be made to maintain and improve the City's bond rating.
- Timely submittal to the Electronic Municipal Market Access (EMMA).
- Pay-as-you-go financing will be an essential part of the City's Capital Improvement Plan.
- The City will carefully monitor compliance with all bond covenants.

Debt Performance

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

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

Total Outstanding Debt by Type of Bond				
As of June 30, 2018				
Project	Term	Principal	Interest	Funding Source
US Bank Pledged Revenue Refunding	7/1/2027	\$10,435,000	\$4,329,975	Sales Tax
Recreation Center Refinance	7/1/2027	10,315,000	2,061,900	Sales Tax
2015 – Water Infrastructure Finance Authority Loan	7/1/2030	9,530,420	1,181,590	Water User Fees
2016 – Water Infrastructure Finance Authority Loan	7/1/2035	13,819,920	1,898,665	Water User Fees
Total Debt Service		\$44,100,340	\$9,472,130	

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 the 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 Deputy City Manager and derived from the Arizona Revised Statutes §35-323. Procedures for investing of Trust and Sinking Funds are specified in Arizona Revised Statutes §35-324 and §35-328. Investments in the State Treasurer’s Pool investment fund for collective investments of public funds are authorized in Arizona Revised Statutes §35-326. Responsibility for the operation of the investment program is hereby delegated to the Deputy City 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 in 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 Deputy City 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 Deputy City Manager shall maintain a list of financial institutions that 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 Deputy City Manager.

All financial institutions and brokers/dealers who desire to become qualified bidders for investment transactions must supply the Deputy City 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 Deputy City Manager.

A current audited financial statement is required to be on file for each financial institution and broker/dealer with whom 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 Deputy City 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 Deputy City 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 Deputy City Manager shall be required to diversify maturities. To the extent possible, the Deputy City 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 Deputy City Manager may not invest more than 25% of the portfolio for a period greater than three years. Unless matched to a specific requirement, the Deputy City Manager may not invest any portion of the portfolio for a period greater than five years.

Reporting

Method

The Deputy City 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 an 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 Deputy City 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 Deputy City 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 Deputy City Manager and significant modifications thereto must be approved by the City Council.

STRATEGIC PLANNING

City Accomplishments - Fiscal Year 2018

The City Council met in January 2017 to develop a new Strategic Plan for the City of Cottonwood. The planning session was a two-day event starting on Friday, January 20, 2017, with community organizations speaking on the needs in the Verde Valley and how the City of Cottonwood can assist with those needs. January 21st was used for discussion among Council and staff to determine and re-write the Vision and Mission for the City of Cottonwood and establish strategic directives for City staff to follow. The City Council then reviewed the strategic plan at a meeting on December 8, 2017 to review the progress and further develop their strategic goals.

The City Council formulated the following Vision Statement:

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

The following depicts the continued commitment of the City of Cottonwood to make the community a better place to live. The obtained goals for fiscal year 2018 are summarized within this list of accomplishments:

Community Engagement

- Completed the revision of the employment application process that enables online submissions through the City's website
- Successfully streamlined the orientation process for new hires by creating a packet of easy fillable pdf-forms to be completed before the new hires' orientation appointment on their first day of work
- Assisted with the implementation of a new evaluation process for Board and Commission applicants that provides for a larger involvement of the Council in the appointment of board and commission members
- Held an Open Meeting Law Training at the Cottonwood Recreation Center that was open to the general public and presented by a representative of the Ombudsman's Office
- Successfully conducted the administration of the City of Cottonwood's primary and general election

-  Completed the FY 2017 Financial Audit by providing accurate and transparent accounting for citizens
-  Worked together with City staff to develop a comprehensive and fiscally responsible budget
-  Successful deployment of the "My Cottonwood" mobile app through CivicMobile, a free app that keeps citizens informed and provides easy access to a variety of resources
-  Received an LSTA (Library Services and Technology Act) grant from the Institute of Museum and Library Services (IMLS) in the amount of \$16,700. This funding allowed for the creation of a larger public meeting room and provided new technology and furnishings. The grant application was done by two library staff members.
-  Partnered with Community Legal Services (CLS) in offering a free legal clinic for low-income people

Manage Future Growth

-  Was awarded a US Department of Agriculture (USDA) Rural Economic Development grant in the amount of \$75,000 for the hiring of a full-time Business Specialist for the Business Assistance Center (BAC) whose counseling efforts generated 75 business starts and 90 jobs
-  Incubation support to two startup businesses that graduated and moved out of the BAC into commercial office space

Promoting a Vibrant, Healthy and Educated Community

-  As part of the Riverfront Trails Plan, acquired easements to allow for a trail through the Del Monte Wash that will stretch from Dead Horse State Park to Mingus Mountain
-  Established an Arts, Culture and Entertainment District that follows North Main Street from the boundary with Clarkdale to the intersection of Main Street and SR 89A
-  Expanded the Community Garden plots and started the growing season with the garden plots being leased 100%
-  Successfully maintained the specialty court program titled Homeless/Mental Health Court that provides alternative sentencing options through deferred prosecution programs (where a defendant can earn dismissal of charges) or plea agreements with special provisions. This program emphasizes mental health treatment at Spectrum, drug/alcohol treatment programs and community service as well as referring defendants to Catholic Charities for assistance in finding low income housing. This program helps reduce new offenses, which also keeps citizens and businesses from becoming victims.
-  Assisted in the drafting of an ordinance authorizing and regulating temporary emergency cold weather drop-in shelters
-  Reduced incidences of aggressive panhandling through proactive and consensual encounters between panhandlers and officers, and through closer working relationships with social service providers
-  Published the Five-Year Strategic Plan in the Police Department's section on the City of Cottonwood's website and launched 78 first-year initiatives. The strategic plan aims to improve the service levels to the community.

- Decreased the response time for a call to be dispatched to first responders at the Police and Fire departments by streamlining call-taking/dispatching processes
- Received a donation of 30 smoke detectors from Kidde Fire Safety to improve fire safety in dwellings in Old Town neighborhoods
- For the year ending 6/30/2017, the total number of logged revenue passenger miles (miles traveled during revenue hours) is 417,644 and the total number of logged revenue hours (the hours that vehicles are scheduled to or actually travel) is 23,485
- Over 3,100 rides have been provided in FY 2017, per agreement with Cottonwood Area Transit, to a selected number of clients of the Verde Valley Caregivers Coalition (VVCC) who have special transportation needs

Marketing Cottonwood

- Developed strategies to enhance the Cottonwood Farmers' Market and Jamboree.
- Achieved designation of Old Town Cottonwood as an arts, culture and entertainment district
- Achieved almost full business occupancy in Old Town Cottonwood
- Provided main community events/signature series—4th of July celebration, Annual Easter Egg Hunt, and Farmers' Market Jamboree, including Thunder Valley Rally (TVR) and Walkin' On Main. Over approx. 27,000 Cottonwood residents, tourists, and locals participated

Promote and Preserve Historic and Natural Resources

- Completed the feasibility analysis of the injection well for recharging reclaimed water at the Riverfront Water Reclamation Facility (RWRF)
- Obtained the Aquifer Protection Permit (APP) from the Arizona Department of Environmental Quality (AZDEQ) for the injection well located west of the Mingus Avenue Wastewater Treatment Plant
- The Dark Sky Ordinance is anticipated to be finalized by end of FY 2018
- Coordinated an erosion protection project with the Arizona Department of Transportation (ADOT) along SR 89A between Willard Street and 6th Street

Develop Support and Maintain Infrastructure

- Completed the construction of the Riverfront Water Reclamation Facility (RWRF) that will provide reclaimed water to water sport fields and replenish the aquifers
- Completed the installation of a new water line on Mingus Avenue and the reconstruction of the Mingus Avenue alignment between Willard Street and 8th Street
- Completed the design of the 2nd phase of the road alignment of Mingus Avenue between the intersections with 8th Street and Main Street
- Completed the installation of two reclaimed water injection wells
- Completed the road diet design for Mingus Avenue between the intersections with Main Street and 10th Street
- Increased funding by 20% for pavement preservation and new sidewalks
- Construction of the Cottonwood Civic Center renovation was completed

-  As part of a multi-year contracted program, 8,513 feet of sanitary sewer lines have been rehabilitated
-  Completed the installation of a new waterline on Mingus Avenue from the stretch of Willard Street to Main Street

Organizational Goals – Fiscal Year 2019

The following goals have been identified and included in the budget. These goals, established during budget planning sessions with the City Council and the Strategic Planning sessions, are integrated into departmental work plans for fiscal year 2019.

Community Engagement

City Council

Determine a desired selection process for the position of City Manager.

Administration

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

City Clerk

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

City Clerk

Establish a process for board and commission chairpersons to report to the City Council bi-annually with updates on the progress of their respective board or commission.

Finance Department

Review and update, where necessary, the current "Transparency" page to make it more user-friendly so financial information can be easier accessed, and also to increase community engagement.

Information Technology Department

Provide free public Wi-Fi throughout most City buildings.

Manage Future Growth

Administration

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

Economic Development

Provide Verde Valley Regional Economic Organization (VVREO) revolving loan funding to at least two new Cottonwood businesses.

Fire & Medical Department

Evaluate potential site locations and initiate preliminary design work for the construction of a 2nd fire station in the area of State Route (SR) 260 and Fir Street or in the area of State Route 89A and Cornville Road.

Airport

Increase the potential for more corporate traffic by adjusting the IFR (Instrument Flight Rules)-Approach to include night operations now that physical obstacles to the flight path have been removed.

Transit

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

Promoting a Vibrant, Healthy and Educated Community**Administration**

Complete the Riverfront Trails Plan (including a trail through Del Monte Wash) and start its implementation.

Administration

Achieve Silver award status for Bicycle Friendly Community from The League of American Bicyclists.

Human Resources

Create a more enticing environment to retain valuable and productive employees and attract new employees by highlighting the benefits of working at the City and living in Cottonwood and the surrounding area.

Economic Development

Start implementation of the Cottonwood Riverfront and Recreation Master Plan pending grant funding by the State Parks. Grant applications will be submitted.

Economic Development

Conduct 10 entrepreneurial workforce trainings to core sectors, i.e. healthcare, tourism, arts & culture, light manufacturing, agriculture, transportation and logistics, and retail.

Police

Implement a marketing plan for the Neighborhood Officer Program to make citizens aware of its existence.

Police

Develop a Project Lifesaver Program that will provide strategies and services for serving community members who are at risk for wandering and getting lost due to medical conditions, such as Alzheimer's disease, dementia, and autism.

Ordinance Enforcement

Collaborate with City departments to improve the overall beauty of Cottonwood by using available departmental resources, enforcing ordinances and providing education on how to keep the environment beautiful.

Ordinance Enforcement

Review, revise and update city ordinances specific to health, safety, public order and overall quality of life of Cottonwood's citizens.

Promote and Preserve Historic and Natural Resources**Administration**

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

Legal

Conclude negotiations for the development of 89A and Vine, on the north side of Cornville Road, including preliminary and final plats for Phase 1.

Legal

Assist in drafting an ordinance for the regulation of Wireless Communication Facilities (WCF) in the City's rights-of-way.

Legal

Complete review, update and adoption of the Uniform Codes of the IAPMO (International Association of Plumbing and Mechanical Officials) from the 2009 to 2012 editions, including building, residential, fire, plumbing, electrical, and mechanical and energy.

Community Development

Protect future home owners by developing an ordinance requiring all private streets to be developed according to public street standards.

Develop Support and Maintain Infrastructure**Economic Development**

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

Natural Resources

Complete and submit the required applications for an Underground Storage Facility (USF) permit and an Aquifer Storage and Recovery (ASR) permit with Arizona Department of Water Resources (ADWR) for recharging reclaimed water at the Cottonwood Kids Park injection well.

Public Works

Develop a connection trail/path from Riverfront Park to Old Town which can be safely used by the public at night and for major events.

Public Works

Procure right-of-way for the proposed Date Street/Skyline Drive connection from 12th Street to 16th Street, per the approved City transportation plan. The construction of this project may be completed in future years or through private development, if the right-of-way is secured.

Public Works

Complete a study on the general and handicapped parking needs in Old Town Cottonwood

Public Works

Complete a study on the impact of delivery vehicles in Old Town and propose a plan to the City Council

Parks & Building Maintenance

Improve the irrigation water system to the Little League facility for future conversion to winter rye grass through either reclaimed water or improved ditch-water usage.

Parks & Building Maintenance

Develop a playground maintenance training and inspection program.

Streets

Develop a policy for the maintenance of drainage ways and non-City operated easements to provide clarity for the public.

Streets Construction

Complete the reconstruction of Mingus Avenue between the intersections with 8th Street and Main Street.

Waste Water Facility

As part of a multi-year replacement program, start the process for the installation of new wastewater centrifuges at the Mingus Wastewater Reclamation Plant for processing sludge into biosolids.

Waste Water Facility

Commence the underwater inspection process for two circular 60-foot diameter clarifiers that were built in 1990.

Waste Water Facility

Start inspection/assessment process of the aeration basin roof to determine if repair or replacement is needed.

Water System Facility

The water main at North Willard Street will be replaced, pending the successful acquisition of easements.

Water System Facility

Complete the bidding process for the acquisition of two generators to be installed at the Lower 5 Booster Pumps (supplies the Verde Valley Medical Center) and the Verde Santa Fe well site to maintain water pressure and ensure a continued water supply during electrical outages.

Water System Facility

Begin the engineering and design phase of arsenic treatment backwash recycling projects proposed for installation at three well sites (sites 4/7, 5, and 8/9 respectively). This is to enable the recycling of large quantities of backwash water, i.e. water that has been pumped backwards through water filters and cleansed of impurities, currently being drained into the city's sewer system.

ORGANIZATIONAL GOALS FOR THE FUTURE – FISCAL YEARS 2020-2024

The following are some of the long-range goals that address issues facing the City in the future. The timing of the various programs and projects are reflected in the Five-Year Capital Improvement Plan on pages 37-44.

Grant Funds

Project – Airport - Install Jet A Tank

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

Fiscal/Programmatic Impact

Cottonwood will get revenue from the sale of Jet A fuel, currently at a rate of \$0.10 per gallon. The total cost of \$556,400 would be funded over five years and be partially reimbursed through federal and state grant funding.

Project – Airport - Extend Runway 32

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

Fiscal/Programmatic Impact

To allow for small business jets to take off out of the Cottonwood Municipal Airport, we can increase the use of the airport and increase fuel sales. This project would cost approximately \$90,000 in FY 2020. The project would be partially funded with FAA and ADOT grant funding.

Project – Airport - Airport Hangars

Fiscal/Programmatic Impact

Project – Engineering - Flood Mitigation Project

Completion of this project will result in drainage improvements to Del Monte Wash to implement flood mitigation improvement project identified in the "Old Town" Floodplain Delineation Study (currently underway). Funding for this project is anticipated to be through a grant from the Arizona Department of Emergency and Military Affairs under the FEMA Hazard Mitigation Grant Program.

Fiscal/Programmatic Impact

This grant program has a 25% matching requirement. The total cost would be \$2,717,193 for FY 2020 with a City match of \$679,300. Engineering is exploring the possibility of getting a low interest loan from WIFA to cover the City's match portion of the funding. The WIFA loan offers 20% principal forgiveness and this would be the second project funded through the program. The General Fund would have to cover the City match.

Project – Engineering - Railroad Wash detailed Floodplain Study

The completion of a detailed study from SR 89A south to the City Limits would include studying the Cottonwood Airport and Industrial Park and their impacts on the watershed. This project would include a task for submitting the Letter of Map Revision (LOMR) for the grant funded work performed at Cottonwood Village in 2017. The submission of the LOMR will allow the FEMA FIRM Panel to be revised to show the assisted living facility as being outside of the 100-year floodplain.

Fiscal/Programmatic Impact

The cost for this study will be approximately \$150,000 in FY 2021 and FY 2022. The funding for this project is anticipated to be from the remaining \$150,000.00 grant funds from the Yavapai County Flood Control District.

Physical Development

Project – Parks - Tennis Center Resurface

The City has four courts at the tennis center located near Garrison Park which will be resurfaced and then have the lines and court interior/exterior boundaries marked. This project will allow for the complete subsurface of the Tennis Center courts to be rebuilt with new asphalt materials and new elastomeric layered paint materials.

Fiscal/Programmatic Impact

An estimated cost for FY 2020 is \$36,000 to patch the current surface and then \$178,000 is to be funded in FY 2022 from the City's 1% sales tax dedicated to general government facilities. The resurface will extend the life of the courts which are used heavily year-round.

Project – Parks - Open Park Space, Trails and Recreation Master Plan

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

Fiscal/Programmatic Impact

This would provide for optimum study of community direction, needs, and desires for the future of the municipality. Study of this nature would give future Council Members and Parks & Recreation Commission members the opportunity to provide guidance from community surveys, public forums and professional guidelines for community growth of parks, trails, open space and recreation. This project is scheduled for FY 2020 at \$140,000.

Project – Retrofit all Sports Lighting

This project would involve replacing/retrofitting all of the lighting at the fields to LED. The Riverfront Park fields, the Little League Fields, the Tennis Center and the Skate Park use a lot of power and need to be retrofitted for LED lighting.

Fiscal/Programmatic Impact

The upfront costs to retrofit all the fields would be approximately \$120,000 in FY 2021, \$960,000 in 2023 and \$450,000 in FY 2024 to do all of the locations. By changing out the lighting to LED, there might be some major cost savings in utilities and future maintenance.

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

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

Fiscal/Programmatic Impact

This project would extend the life of the parking lots and add to the overall aesthetics of the Park. The project is projected to take place in FY 2020 for a total cost of \$185,000.

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

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

Fiscal/Programmatic Impact

This project could possibly be grant funded and is currently estimated to be spread over two fiscal years, FY 2021 and 2022 respectively, for a total cost of \$200,000.

Project HURF – Pavement Maintenance Program (Ongoing)

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

Fiscal/Programmatic Impact

As part of the strategic plan, Council has asked that the amount for Pavement Maintenance be increased to \$750,000 and be budgeted every other year. Other types of seal coats, such as slurry coats, may also be used. Chipseals are the only affordable treatment for most “local streets.” Cottonwood historically gets a very long useful life out of all pavement types, far in excess of the expected useful life. Routine pavement maintenance is required to keep the streets from “going to gravel.” This ongoing program is funded through the Highway User Revenue Fund (HURF) and the 1% construction sales tax initiated on January 1, 2006.

Project HURF – 6th Street - Mingus Avenue to Aspen Street

This project would involve reconstruction and drainage improvements to 6th street from Mingus Avenue to Aspen Street. The roadway is in need of reconstruction due to high traffic. This would be the first phase of this project that would also include drainage improvements and sidewalks.

Fiscal/Programmatic Impact

The cost of this project would be partially funded by the HURF revenues with the General Fund supplementing any additional costs. The projected amount is \$160,100 for design in FY 2021 and \$1,150,000 for FY 2023.

Project HURF – 6th Street - Aspen Street to State Route 89A

This project would involve reconstruction and drainage improvements to 6th street from Aspen Street to SR 89A. The roadway is in need of reconstruction due to high traffic. This would be the second phase of this project and would also include drainage improvements and sidewalks.

Fiscal/Programmatic Impact

The cost of this project would be partially funded by the HURF revenues with the General Fund supplementing any additional costs. The projected amount is design of \$210,000 for FY 2022 and \$1,540,000 for construction in FY 2024.

Project HURF – 6th Street Mingus Avenue Sidewalks - Westside

This project would involve sidewalks and drainage improvements to 6th street from Mingus Avenue to SR 89A. This is a project to provide sidewalks on the west side of 6th Street during the reconstruction of the road along with drainage improvements.

Fiscal/Programmatic Impact

The cost of this project would be partially funded by the HURF revenues with the General Fund supplementing any additional costs. The projected amount is estimated to be \$406,000 and is currently programmed for FY 2023.

Project HURF – Sidewalk Additions

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

Fiscal/Programmatic Impact

The budget for this project is included in the Capital Improvements Plan at \$100,000 a year and on an as needed basis.

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

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

Fiscal/Programmatic Impact

Fiscal impact will be a total of \$650,000 over the next five years to cover needed maintenance and construction to the existing water lines and to further develop the water system. These funds will be covered by the current water reserves.

Project – Utilities Fire Flow Upgrades (on-going)

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

Fiscal/Programmatic Impact

This program will allow increased fire protection capability and replace substandard and/or defective water lines which inhibit safe delivery of potable water. It will also reduce the amount of waterline repairs. The \$270,000 annual cost will be provided through system improvement reserves and user fees.

Project – Utilities - Aeration Blowers, Diffuser

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

Fiscal/Programmatic Impact

If the blowers fail, all wastewater treatment at the plant will be lost. The biological processes require air to keep the microorganisms functioning. Normal operation is two blowers running with one on standby. Each of these is rotated into service on a regular basis. All blowers have the same amount of run hours on the motors. This project is scheduled to begin in FY 2019 with the engineering analysis at \$500,000 and construction beginning in FY 2020 with a total estimated cost of \$1,200,000.

Project – Utilities - Reclaimed Vault Screening

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

Fiscal/Programmatic Impact

To utilize the reclaimed piping that was installed and give prospective reclaimed clients water, the vault must be retrofitted to accommodate for growth and expansion. This project will be spread over two years and is projected to cost \$50,000 in FY 2019 and \$265,000 in FY 2020.

Project – Utilities - Centrifuge Replacement

The Centrifuge is used to dewater biosolids at the Mingus Waste Water Treatment plant and it needs to be designed and replaced. The Centrifuge is several years past its lifetime usage and is starting to malfunction. This project would need to be designed and then implemented over the course of several years.

Fiscal/Programmatic Impact

The cost of the design to replace units 1 and 2 would be \$110,000 in FY 2019. The construction would be done in phases. Unit 1 would be replaced in FY 2020 at a cost of \$700,000 with Unit 2 being replaced in FY 2021 for an additional cost of \$700,000.

Public Safety

Project – Public Safety - Fire Vehicle Replacement

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

Fiscal/Programmatic Impact

The budget amounts for the FYs 2021 to 2024 to a total of \$286,000 and will be funded by lease purchase paid through sales tax reserves. By having a newer fleet, maintenance costs are reduced and downtime avoided.

Project – Public Safety - Fire Stations

A new Satellite Fire Station. Purchase land, design and construct a Satellite Fire Station in the Fir St/SR 260 or Mingus Ave/SR 89A area to serve the southern commercial corridor and annexation areas of the City. By establishing the City's presence with a future fire station, the City is positioned for the expected growth and development and for future annexations of areas to the north and east.

Fiscal/Programmatic Impact

The fiscal impact would be to obtain bonding to fund the construction and design of the new building; the planned costs are \$3,000,000 in FY 2020. The City already has the staffing at one fire house. Twelve firefighters would be moving to this new station along with one fire engine.

Project – Public Safety - SCBA Equipment

The Control Head on the SCBA (Airpack breathing air compressor) needs to be replaced to make sure that the air breathed in is safe for our OSHA mandated airpacks for firefighting. The equipment needs to be periodically upgraded to remain according to standard.

Fiscal/Programmatic Impact

The fiscal impact of the compressor would be a cost of \$250,000 in FY 2023.

Project – Public Safety - Aerial Ladder Truck

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

Fiscal/Programmatic Impact

This purchase will replace the 1987 ladder apparatus and is needed for the above stated reasons as well as to maintain the current ISO grading of Class 4. The increase in operation and maintenance costs will be minimal. Estimated cost for this vehicle and necessary equipment is anticipated to be \$1,300,000. This project may be funded by lease purchases proceeds in FY 2020, partnerships with private sector development, and/or bonding which would be paid through the sales tax reserves.

Project – Public Safety - New EKG Monitor/Defibrillators

EKG monitor/defibrillators are crucial equipment utilized by paramedics to provide emergency cardiac care. They need to be replaced every 5 years. This project provides for replacement of three monitor/defibrillators

Fiscal/Programmatic Impact

This is a need to replace old equipment. The costs for the equipment would be approximately \$90,000.

Project – Public Safety - Police Department Design and Build New Evidence Building

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

Fiscal/Programmatic Impact

Currently, the Police Department utilizes space in three different locations for the storage of property and evidence. It will consolidate this into one public safety campus. This building will also co-locate City departments. It will allow for the Utility Departments, Public Works and the City to properly recapture the space and to utilize those resources in a more efficient manner. The costs for the design portion would be budgeted for \$485,000 in FY 2020 with construction being budgeted for FY 2023 at \$4,500,000. The City would need to bond for the design and construction costs.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

A Capital Improvement Plan (CIP) is a multi-year plan that projects spending for anticipated capital projects. The City's CIP represents a five-year program totaling \$56,125,671. This figure is imposing and cannot realistically be funded from normal operating revenues (pay-as-you-go financing). It will be necessary for many of the proposed improvements to be funded through other sources. Such funding sources may be the issuance of bonds, lease purchases and grants.

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

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

GRANTS FUND POLICY

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

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$0	\$0	\$0	\$10,106	\$0
Transfers In	4,500	156,500	36,210	785,000	35,000
FAA Aeronautic Grants	81,954		859,086		
FEMA Grant	2,037,895				
Grant Funding - Old Town Street Scape	2,250,000			2,250,000	
ADOT Grants	4,500		36,210		
NACOG - STPBG Funds	300,000	300,000			
Misc Grants					
LP - Jet A Tank					400,000
Funds Available	\$4,678,849	\$456,500	\$931,506	\$3,045,106	\$435,000
Financing Commitments					
Subtotal Commitments	0	0	0	0	0
Revenue (net of commitments)	\$4,678,849	\$456,500	\$931,506	\$3,045,106	\$435,000
Planned Expenditures					
<u>Airport</u>					
Extend Runway 32	90,000				
Install JetA Tank	80,000				400,000
Airport Hangars		121,500	810,000		
Crack Seal Runway	7,100				
<u>Other Grants</u>					
Drainage Flood Mitigation Projects - FEMA Grant	2,717,193				
Mingus Avenue Stormwater Diversion	200,000	150,000			
Silver Springs Gulch Detailed Floodplain Study	150,000	150,000			
Casa Del Sol Drainage Improvement					
Stormwater Management Funds	35,000	35,000		35,000	35,000
Bicycle Plan: Feasibility Study			35,000		
Old Town Streetscape Phase I	3,000,000				
Old Town Streetscape Phase II				3,000,000	
Subtotal Planned Expenditures	6,279,293	456,500	921,400	3,035,000	435,000
Resources Available	(\$1,600,444)	\$0	\$10,106	\$10,106	\$0

PUBLIC SAFETY FUNDS

This revenue source was derived from a .2% sales tax, originally designated for the payment of debt service on the Public Library. In November of 1998, voters requested that any amount collected above the necessary debt service be restricted to capital improvements. During the economic downturn 2008 to present, the .2% sales tax was redirected to cover General Fund expenses. Any deficits showing in the five-year plan will be covered by General Fund reserves.

- 📍 Current commitments are priority
 - Public Safety Lease Purchase
- 📍 Restricted to Public Safety capital
 - 1st priority is fleet–Developing a new Enterprise lease program
 - 2nd priority is other projects

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$1,000,000	\$305,735	(\$405,830)	(\$1,040,395)	(\$6,763,395)
Annual Deposit (net of DS)	250,000	250,000	250,000	250,000	250,000
Grant Funding					
Miscellaneous Income					
Other Financing Sources					
LP -PD & Fire Dept Equip. - 2019		200,000			
LP - FD - Aerial Ladder Truck	1,300,000				
GADA - Fire Stations - 1	3,000,000				
Revenue	\$5,550,000	\$755,735	(\$155,830)	(\$790,395)	(\$6,513,395)
Financing Commitments					
GADA - Public Safety Building					
Other Financing Uses					
LP - FY12 City Wide Equip (25% PS)					
LP - Aerial Ladder Truck		165,000	165,000	165,000	165,000
LP - FY17 PS Veh & Equip	164,565	164,565	164,565		
LP - Fire Enginer Pumper			120,000	120,000	120,000
GADA - Fire Stations - 2		315,000	315,000	315,000	315,000
Subtotal Commitments	164,565	644,565	764,565	600,000	600,000
Revenue (net of commitments)	5,385,435	111,170	(920,395)	(1,390,395)	(7,113,395)
Planned Expenditures					
Fire					
Aerial Ladder Truck	1,300,000				
Comminications/Radio/MCT Infrastructure	50,000				50,000
EMS Equipment - Defibrillators	90,000				
Brush Truck		200,000			
Fire Stations	3,000,000				
Fire Engine Pumper Type 1				800,000	
Fire Vehicle Replacements		67,000	70,000	73,000	76,000
Repaint Exterior of Public Safety Build.	50,000				
Fire Suppression & Rescue Equipment	40,000		50,000		60,000
EMS Equipment - EKG monitors					
SCBA Replacement Program		250,000			
Physical Fitness Equipment	15,000				
Police					
Design New Evidence Building	485,000			4,500,000	
Tasers	4,200				
Night Vision for Swat	14,000				
Key Management System	8,500				
In-car/Body Worn Camera's and Server	23,000				
Subtotal Planned Expenditures	5,079,700	517,000	120,000	5,373,000	186,000
Resources Available	\$305,735	(\$405,830)	(\$1,040,395)	(\$6,763,395)	(\$7,299,395)

1% SALES TAX

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

**Anticipated commitment of funds**

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

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$519,938	(\$276,961)	(\$305,222)	\$4,746,991	\$661,379
Annual Deposit	2,121,757	2,249,850	2,248,200	2,253,950	2,253,950
Miscellaneous Income					
Interest Income	2,000	2,000	2,000	2,000	2,000
Other Financing Sources					
GADA- Youth/Adult Sports, Leisure & Open space			6,300,000		
Funds Available	\$2,643,695	\$1,974,889	\$8,244,978	\$7,002,941	\$2,917,329
Financing Commitments					
GADA - Recreation Center					
Recreation Center Refinancing	1,373,025	1,374,850	1,373,200	1,378,950	1,374,600
Excise Bond - CIP	267,087	267,261	267,949	267,775	267,268
GADA - Large Park Acreage - Future Ball Field			688,838	688,838	688,838
Enterprise Fleet Management Program	318,000	318,000	318,000	318,000	318,000
GADA- Youth/Adult Sports, Leisure & Open space					
Subtotal Commitments	1,958,112	1,960,111	2,647,987	2,653,563	2,648,706
Revenue (net of commitments)	\$685,583	\$14,778	\$5,596,991	\$4,349,379	\$268,623
Culture & Recreation					
Recreation Center Water Softener System	33,000				
Purchase & Installation of new Park Signage	31,000				
Kids Park @ Elm Viejo Park Play Aparatus	72,000				
Pool Deck Resurface Outdoor Pool	6,000				
Tennis Center Resurface	36,000			178,000	
Trail Design Study	50,000				
Riverfront Parking Lot Curb & Asphalt Overlay Project	185,000				
Skate Park Slab					
Large Park Acreage - Future Ball Field & Sports Park			800,000	2,500,000	3,000,000
Tennis Center LED		120,000			
Riverfront Youth Ball Park LED				480,000	
Park Open space & Master Plan Study	140,000				
Old Town Field Conversion to Cultural Park - Grant Fu	50,000	150,000			
Riverfront Park LED Lighting & Roller Hockey LED				480,000	450,000
Civic Center Audio Visual	100,000				
General Government					
Economic Dev Flooring	7,000				
Replacement Serves	37,000				
Parks & Recreation Replace Gym Divider	13,500				
Copier - Economic Development	9,000				
Neighborhood Drainage Projects	97,500				
5th Street Trail	19,000				
City Wide Roofing program	20,000	20,000	20,000	20,000	20,000
Additional Spillman Modules	26,544				
City Wide Computer Replacement Program	30,000	30,000	30,000	30,000	30,000
Finance ERP System Upgrade					450,000
Subtotal Planned Expenditures	962,544	320,000	850,000	3,688,000	3,950,000
Resources Available	(\$276,961)	(\$305,222)	\$4,746,991	\$661,379	(\$3,681,377)

HIGHWAY USER REVENUE FUND AND TRANSIT

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

👁️ 1% construction sales tax will be used by this fund

- 👁️ Uses of these revenue resources
 - Street Department M&O
 - Street Construction
 - Street Capital

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

- Sidewalks
- Landscape
- Bike paths and trails

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$2,873,770	\$2,119,678	\$2,960,060	\$2,240,744	\$1,002,603
HURF Funds (net M&O)	100,869	104,904	109,100	113,464	118,002
1% Construction Sales Tax	267,750	281,138	295,195	309,995	325,453
General Fund Contribution (including portion of .5% Sales Tax)	625,000	625,000	625,000	625,000	625,000
Grants					
6th Street HURF Exchange		695,050			
Other Financing Sources					
Funds Available	\$3,867,388	\$3,825,770	\$3,989,354	\$3,289,203	\$2,071,058
Financing Commitments					
GADA Loan - Mingus, W. Mingus, & 12th St.					
Excise Bond 2015	392,600	392,600	392,600	392,600	392,600
GADA- N Main Mill & Fill		10,000	100,000	100,000	100,000
Loan - 6th Street					
Subtotal Commitments	392,600	402,600	492,600	492,600	492,600
Planned Expenditures					
(*Council Strategic Initiative)					
<u>Streets Construction</u>					
Pavement Maintenance Program	750,000		750,000		750,000
Sidewalk Additions Alternative	100,000		100,000		100,000
6th Street Mingus to Aspen (Design & Construction)		160,100		1,150,000	
6th Street Aspen to SR89A (Design & Construction)			210,000		1,540,000
6th St Sidewalk Improvements Mingus to SR89A West Side				203,000	
Drainage Improvements 6th Street				406,000	
Main Street Sidewalk - Old Town jail to Hippie Emporium	97,500				
Main Street Sidewalk - Hippie to Gray Fox		54,500			
12th St. Sidewalk- Cherry to DMV and Pueblo Apts		52,500			
Mickelsen Parkway Sidewalks					73,000
<u>Street Department</u>					
Backhoe	85,000				
Crack Seal Machine/Material	60,000				
Street Striping	161,010	161,010	161,010		
Local Road Repair Program	35,000	35,000	35,000	35,000	35,000
Old Town Street Lights to LED	6,000				
Crossing beacons (2)	33,000				
Wet Crossing Beacon (2)	27,600				
Subtotal Planned Expenditures	1,355,110	463,110	1,256,010	1,794,000	2,498,000
Resources Available	\$2,119,678	\$2,960,060	\$2,240,744	\$1,002,603	(\$919,542)

WASTEWATER USER FEES

User fees for wastewater are currently not sufficient enough to cover operations and maintenance costs as well as capital projects that are planned for the future in the Wastewater Utility. There are plans underway for a possible rate increase in FY 2019. Other revenue sources have been allocated to assist this enterprise fund with its capital needs.

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$0	\$0	\$0	\$0	\$0
User Fees	2,811,375	2,951,944	3,099,541	3,254,518	3,417,244
Other Financing Sources					
Yavapai College					
Funds Available	\$2,811,375	\$2,951,944	\$3,099,541	\$3,254,518	\$3,417,244
Financing Commitments					
Operational Costs	2,538,260	2,665,173	2,798,432	2,938,353	3,085,271
Bonding / Excise Bond FY 2015	187,920	188,042	188,526	188,404	188,407
Subtotal Commitments	2,726,180	2,853,215	2,986,958	3,126,757	3,273,678
Revenue (net of commitments)	\$85,195	\$98,729	\$112,583	\$127,761	\$143,566
Planned Expenditures					
Lift Station Rehab All Sites	320,000	325,000	305,000	225,000	90,000
Mingus Basin Roof Repair	345,000				
Clarifier Bypass Unit 2	110,000				
Centrifuge Replacement	700,000	700,000			
Aeration Blower Replacement	400,000	400,000	400,000		
Reclaimed Water Vault Screening Upgrades	265,000				
Subtotal Planned Expenditures	2,140,000	1,425,000	705,000	225,000	90,000
Resources Available	(\$2,054,805)	(\$1,326,271)	(\$592,417)	(\$97,239)	\$53,566

WATER USER FEES

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

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$13,928,785	\$19,020,353	\$24,552,420	\$30,446,012	\$36,791,153
User Fees	8,010,000	8,410,500	8,831,025	9,272,576	9,736,205
Interest Income	10,000	10,000	10,000	10,000	10,001
Other Funding Sources					
Funds Available	\$21,948,785	\$27,440,853	\$33,393,445	\$39,728,588	\$46,537,359
Financing Commitments					
WIFA 2015	834,100	834,100	834,100	834,100	834,100
WIFA 2016	923,793	923,793	923,793	923,793	923,794
Excise Bond 2015	75,540	75,540	75,541	75,542	75,543
Subtotal Commitments	1,833,433	1,833,433	1,833,434	1,833,435	1,833,437
Revenue (net of commitments)	\$20,115,353	\$25,607,420	\$31,560,012	\$37,895,153	\$44,703,923
Planned Expenditures					
SR 260 Wellsite & Pipeline	25,000	25,000	25,000	25,000	25,000
Arsenic Treatment Recycling	75,000	75,000	75,000	75,000	75,000
Arsenic Mitigation	300,000	300,000	300,000	300,000	200,000
Fire Hydrant Improvements	40,000	40,000	40,000	40,000	40,000
Line Replacements & Extensions	270,000	270,000	270,000	270,000	270,000
Well Booster	120,000	80,000	120,000	120,000	120,000
Well Improvements	150,000	140,000	140,000	143,000	143,000
Water System Upgrades	115,000	125,000	144,000	131,000	135,000
Subtotal Planned Expenditures	1,095,000	1,055,000	1,114,000	1,104,000	1,008,000
Resources Available	\$19,020,353	\$24,552,420	\$30,446,012	\$36,791,153	\$43,695,923

The City entered into an operating lease contract for its arsenic treatment equipment and an in-house Arsenic Specialist was hired several years ago. In FY 2014, the City obtained a lease to purchase the arsenic equipment to help reduce the cost. The final payment will be made in FY 2019.

WATER RESOURCE RESERVE FUND

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

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$6,374,334	\$6,796,725	\$7,227,563	\$7,667,022	\$8,115,275
Resource Development	475,190	475,190	475,191	475,192	475,193
WAC	38,010	38,010	38,011	38,012	38,013
Adjudication	55,065	55,065	55,066	55,067	55,068
Conservation	29,680	29,680	29,681	29,682	29,683
Interest Income	139,446	147,893	156,510	165,300	174,265
Funds Available	\$7,111,725	\$7,542,563	\$7,982,022	\$8,430,275	\$8,887,496
Planned Expenditures					
<u>Water Development</u>					
Resource Development	150,000	150,000	150,000	150,000	150,001
Water Advisory	10,000	10,000	10,000	10,000	10,001
Adjudication	80,000	80,000	80,000	80,000	80,001
Conservation	75,000	75,000	75,000	75,000	75,001
Subtotal Planned Expenditures	315,000	315,000	315,000	315,000	315,004
Resources Available	\$6,796,725	\$7,227,563	\$7,667,022	\$8,115,275	\$8,572,492

CAPITAL IMPROVEMENTS FUND

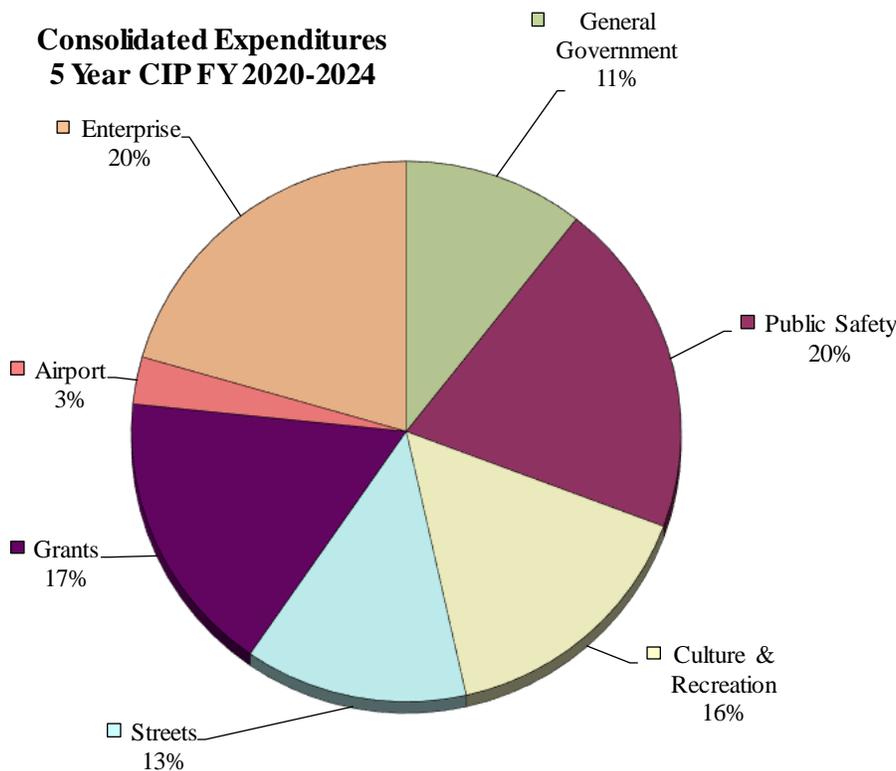
These accumulations are from an excess sales tax collected prior to July 1, 2007 and are set aside for capital improvements throughout the City organization. During the recent recession, it was decided to cap this fund at \$1,000,000 until the economy recovers and sales tax begins to see gains.

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$1,000,100	\$1,000,200	(\$499,700)	(\$1,999,600)	(\$3,499,500)
Miscellaneous Income					
Interest Income	100	100	100	100	101
Other Financing Sources					
Bonds - City Hall	5,500,000				
Funds Available	6,500,200	1,000,300	(499,600)	(1,999,500)	(3,499,399)
Financing Commitments					
Bonds - City Hall		1,500,000	1,500,000	1,500,000	1,500,000
Transfers Out - Sewer Fund					
Subtotal Commitments	0	1,500,000	1,500,000	1,500,000	1,500,000
Revenue (net of commitments)	\$6,500,200	(\$499,700)	(\$1,999,600)	(\$3,499,500)	(\$4,999,399)
Planned Expenditures					
<u>Culture & Recreation</u>					
<u>General Government</u>					
<u>Capital Projects - Bonding</u>					
<u>Architecture Design - City Hall</u>	5,500,000				
Transfer to GF					
Subtotal Planned Expenditures	5,500,000	0	0	0	0

SUMMARY OF CAPITAL

Funding Availability	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Balance	\$24,876,830	\$28,129,230	\$32,676,062	\$41,200,583	\$35,419,803
Taxes	3,115,376	3,260,892	3,277,495	3,302,409	3,322,405
User Fees	10,821,375	11,362,444	11,930,566	12,527,094	13,153,449
Excess Revenue	254,500	406,500	286,210	1,035,000	285,000
Grants	4,674,349	995,050	895,296	\$2,250,000	\$400,000
Interest Income	151,546	159,993	168,610	177,400	186,367
Water Resource Fees	597,945	597,945	597,949	597,953	597,957
Other Financing Sources	9,800,000	200,000	6,300,000	-	-
Revenue	\$54,291,920	\$45,112,054	\$56,132,188	\$61,090,438	\$53,364,981
Financing Commitments					
Annual Debt Service - Bonds & Capital Leases	7,074,890	9,193,924	10,225,543	10,206,354	10,348,420
Subtotal Commitments	7,074,890	9,193,924	10,225,543	10,206,354	10,348,420
Revenue (net of commitments)	\$47,217,030	\$35,918,131	\$45,906,645	\$50,884,084	\$43,016,561
Planned Expenditures					
General Government	5,759,544	50,000	50,000	50,000	50,000
Public Safety	5,079,700	517,000	120,000	5,373,000	186,000
Culture & Recreation	703,000	270,000	800,000	3,638,000	3,450,000
Streets	1,355,110	463,110	1,256,010	1,794,000	2,498,000
Airport	177,100	121,500	886,400	-	400,000
Grants	6,102,193	335,000	35,000	3,035,000	35,000
Enterprise	3,550,000	2,795,000	2,134,000	1,644,000	1,413,004
Subtotal Planned Expenditures	22,726,647	4,551,610	5,281,410	15,534,000	8,032,004
Resources Available	\$24,490,383	\$31,366,521	\$40,625,235	\$35,350,084	\$34,984,557

**Consolidated Expenditures
5 Year CIP FY 2020-2024**



Planned Expenditures

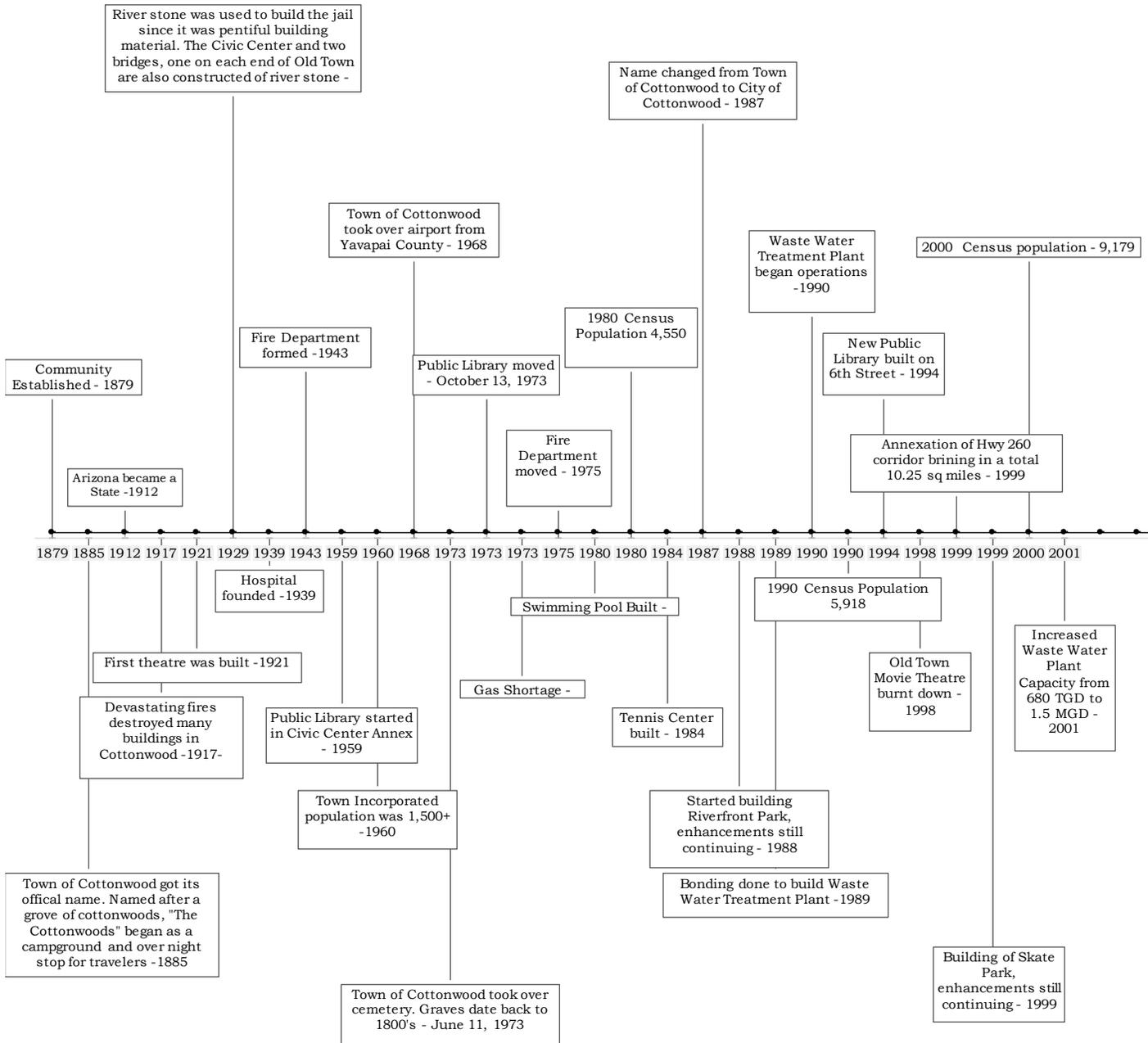
General Government	\$5,959,544
Public Safety	\$11,275,700
Culture & Recreation	\$8,861,000
Streets	\$7,366,230
Grants	\$9,542,193
Airport	\$1,585,000
Enterprise	\$11,536,004

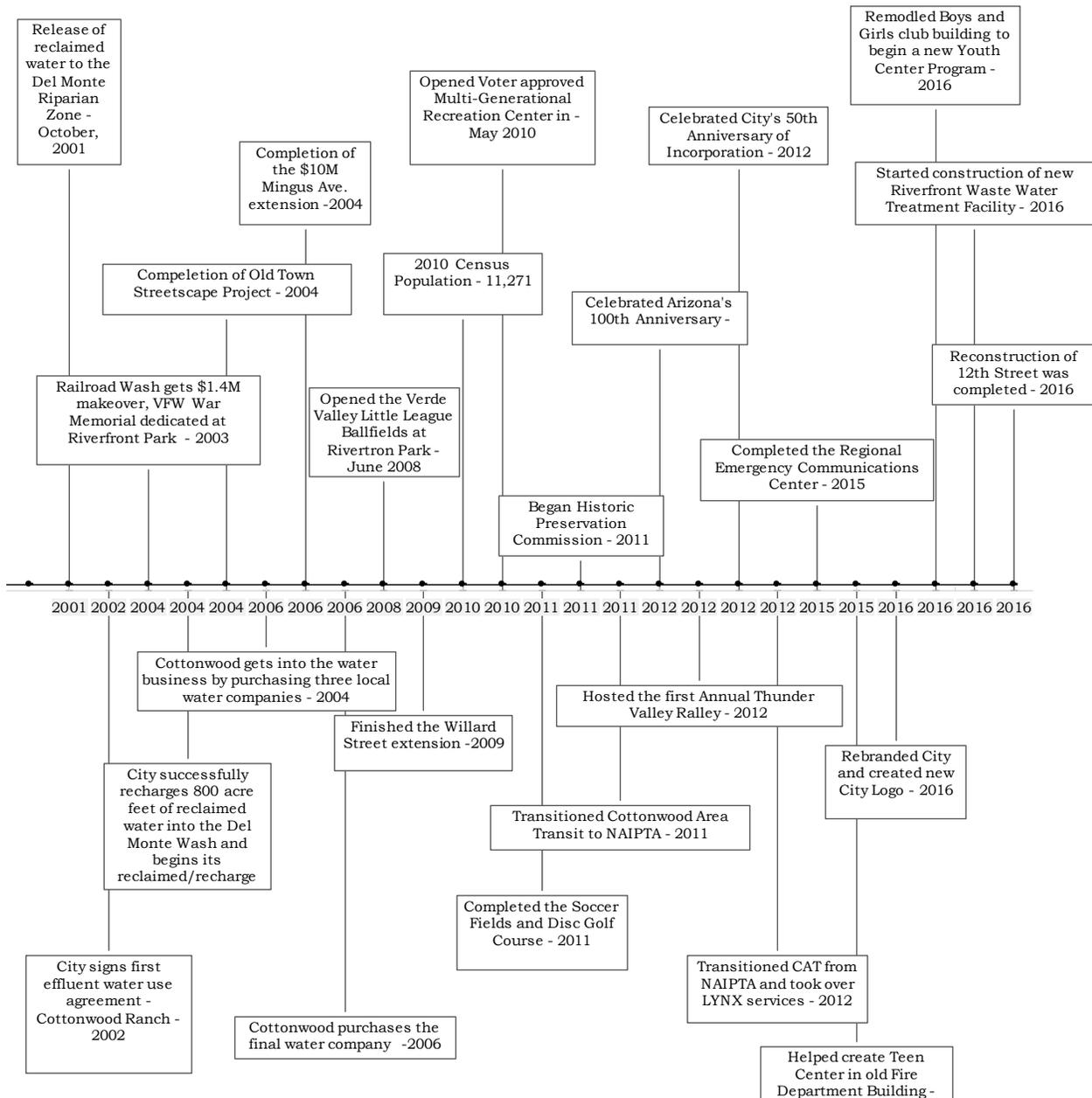
Capital Purchases	56,125,671
Other Financing Uses	\$47,049,130
Total Capital & Financing	\$103,174,801

Funding Availability

Taxes	\$162,302,508
User Fees	\$59,794,928
Excess Revenue	\$2,267,210
Grants	\$9,214,695
Interest Income	\$843,915
Water Resource Fees	\$2,989,749
Total Funding Sources	\$237,413,005
Other Financing Sources	\$16,300,000
Use of Reserves	-
Total Finance Available	253,713,005

COMMUNITY TIMELINE





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LONG RANGE FINANCIAL PROJECTIONS**GENERAL FUND**

Revenues	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Taxes	\$13,742,550	\$14,328,860	\$14,962,040	\$15,650,280	\$16,403,760
Licenses and Permits	339,280	347,760	356,460	365,370	374,510
Intergovernmental Revenues	3,624,450	3,751,260	3,882,510	4,018,350	4,158,930
Charges for Services	3,194,950	3,280,240	3,278,650	3,360,600	3,444,640
Fines and Forfeitures	176,300	180,700	185,220	189,850	194,600
Use of Monies & Properties	48,210	49,040	49,880	50,740	51,630
Miscellaneous Revenues	106,140	108,860	111,630	114,420	117,270
Other Financing Sources	0	0	0	0	0
Total Revenues	\$21,231,880	\$22,046,720	\$22,826,390	\$23,749,610	\$24,745,340

Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Government	\$8,384,322	\$8,792,925	\$9,222,632	\$9,510,043	\$9,958,375
Public Safety	11,339,350	11,891,900	12,472,070	13,081,250	13,720,840
Culture & Recreation	2,564,635	2,689,195	2,819,936	2,913,667	3,057,915
Total Expenditures	\$22,288,307	\$23,374,020	\$24,514,638	\$25,504,960	\$26,737,130
Gain/(Loss)	(\$1,056,430)	(\$1,327,300)	(\$1,688,250)	(\$1,755,350)	(\$1,991,790)

CONCLUSION

This five-year analysis of the General Fund demonstrates that operating revenues will not keep up with operating expenditures for the next five years. This reflects the City's inability to substantially increase the current revenue streams via rate increases or by diversifying the current revenues with additional fees or charges for services. The projections were developed with the current economic outlook in mind but do not forecast any type of major economic downturn. Any downturn in the economy will impact the major revenue stream for the City and cause major deficits in future years.

Other issues that are out of the City's control are some of the rising employee benefits costs. Health insurance costs for employees and their dependents will increase as of July 1, 2018. A 3% increase is reflected in this forecast. Worker's compensation will see a slight increase in FY 2019 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 SAFER (Staffing for Adequate Fire and Emergency Response) Grant revenue, which funded 90% of the cost of 12 new firefighters in 2010, was completely eliminated in FY 2014. At this time, the City is solely responsible for funding these firefighters. The Recreation Center has been fully operational since FY 2011 and is forecasted to cover slightly below 60% of its expenditures through its own revenue stream. The new Cottonwood Public Safety Communications Center was built in FY 2015 and will increase the General Fund Expenditures due to additional employees and facility maintenance. These costs are not fully covered by Dispatch Fees.

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

SPECIAL REVENUE FUND

Revenues	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Street Department	\$1,660,070	\$1,711,360	\$1,764,400	\$1,819,230	\$1,875,920
CAT/LYNX	1,662,180	1,712,050	1,763,410	1,816,310	1,870,790
Library	1,104,410	1,159,080	1,216,470	1,276,710	1,339,960
Airport	121,960	125,610	129,380	133,250	137,240
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Revenues	\$4,548,620	\$4,708,100	\$4,873,660	\$5,045,500	\$5,223,910
Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
HURF / Streets	\$2,139,565	\$1,434,480	\$2,232,265	\$1,495,750	\$1,148,090
CATS	1,895,620	1,990,440	2,089,980	2,194,451	2,304,161
Library	1,098,520	1,146,740	1,197,120	1,249,720	1,304,640
Airport	124,330	130,550	137,070	143,930	151,130
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Expenditures	\$5,258,035	\$5,463,630	\$4,919,725	\$5,886,445	\$5,368,811
Gain/(Loss)	(\$709,415)	\$5,890	(\$782,775)	(\$38,351)	\$315,889

CONCLUSION

Streets Department

Revenues are a bit more stable in the HURF due to the City Council's approval of a 1% Contracting Activities Sales Tax designated for street improvements. Annual fuel tax contributed by the State of Arizona is unstable due to the State raiding the HURF Funds. The Capital Projects Fund will help ease this fund's fiscal problems where larger projects are planned.

Transit System

The City provides CAT (Cottonwood Area Transit) fixed route system and paratransit programs in Cottonwood, Verde Village and Clarkdale areas. The LYNX system connects Cottonwood with Sedona as a commuter service. The transit system is partially funded by ADOT funds, fares and through inter-city revenues. Even with the funding received by other agencies, the General Fund has to transfer funds in to cover shortages.

Other Departments

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

DEBT SERVICE FUND

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

CONCLUSION

The special two-tenths of a percent (.2 %) city sales tax, enacted in 1992, funded the debt service of the Library Project of 1992. The trend is expected to accelerate 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 Cottonwood 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, Cottonwood Water Works, Inc. Currently, this fund has ample reserves to cover this deficit.

ENTERPRISE FUND – SEWER & WATER

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

Expenses	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Operations	\$4,645,420	\$4,858,550	\$5,081,580	\$5,314,960	\$5,233,690
Administration	1,389,780	1,457,390	1,528,320	1,602,680	1,577,120
Debt Service	1,996,305	1,996,470	1,971,880	1,981,360	1,498,035
Total Expenses	\$8,031,505	\$8,312,410	\$8,581,780	\$8,899,000	\$8,308,845
Gain/(Loss)	\$2,185,855	\$2,160,390	\$2,150,140	\$2,101,210	\$2,966,385

CONCLUSION

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

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

The Water Division also relies only on its user fees to fund all of its operations, including capital projects and debt service. Original bond distributions assist the company to handle some system improvements. Other revenue sources for both divisions are interest on investments, building rentals, sale of effluent, and miscellaneous income. The City established a rate increase in FY 2015 and in FY 2016 with differential rates for inside and outside the City limits to help with the debt service coverage. Currently, the City is considering possible rate increases for FY 2018 and future years that will help balance any operating deficits.

FIDUCIARY FUND

Revenues	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Interest Income	\$41,900	43,140	44,410	45,720	47,070
Contributions	-	-	-	-	-
Total Revenues	\$26,450	\$27,220	\$28,020	\$28,840	\$29,680

Expenditures	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Benefits Paid	\$9,060	\$9,330	\$9,620	\$9,920	\$10,240
Total Expenditures	\$9,060	\$9,330	\$9,620	\$9,920	\$10,240
Gain/(Loss)	\$32,840	\$33,810	\$34,790	\$35,800	\$36,830

CONCLUSION

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

REVENUE AND EXPENDITURE ANALYSIS

Consolidated Revenues - All Funds

Revenue projections were based on several different factors this year, including a detailed analysis of the past five years and economic factors provided by the State. Special attention was given to our local sales tax and the economic situation at the State and Federal level. FY 2018 showed revenue from our local sales tax improving and for FY 2019 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 71. A further breakdown by source and fund may be found on page 66.

Consolidated Expenditures - All Funds

Expenditure projections for FY 2019 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 2019. 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 78 and 79 of this document.

Taxes

Special attention was given to our local city sales tax. City Sales Tax dropped from FY 2008 until FY 2013 due to the economic downturn. Local sales tax compared to total operating revenues is important despite the current trend in sales tax and the transfer of sales tax to pay the Recreation Center Debt Service. Large fluctuations in the economy can dramatically affect this revenue source. Local Sales Tax constitutes 57.7% of all General Fund revenues.

State shared revenues constitute 12.8% of total operating revenues or about \$3.5M for FY 2019. This is up by 2% from last year's revenues. State finances as well as state legislation can have a dramatic effect on the City’s budget. These revenue sources are being watched closely for any legislative action that could trickle down to cities, especially with the current State Government economic climate.

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

Licenses and Permits

License and permit revenues, which had peaked in FY 2006 and then declined due to the poor economy, are budgeted at \$331,000 for FY 2019 which is an increase of 2.26% from the FY 2018 revised budget. It is slowly increasing and expected to slowly increase for the next few years as the economy begins to improve and growth resumes.

Intergovernmental Revenues

Intergovernmental revenues are based on a sharing of state sales taxes, state income taxes and motor vehicle in-lieu tax on a per capita basis. The state was using the 2010 census and the Department of Economic Security (DES) population estimates. Until FY 2018, intergovernmental revenues were adjusted to the new per capita formula. As of FY 2019, the revenues are estimated based on the current U.S. Census numbers to reflect a more accurate population estimate. The City can expect a combined increase of 1.27% for FY 2019, including all police and fire grants. The State Shared Income Tax is distributed to the cities based on collections from two years prior.

Charges for Services

Charges for services had increased significantly over the past couple of years, mainly due to the opening of the Recreation Center. These revenues have stabilized and the estimate for FY 2019 is expected to decrease .39% due to the Transfer Station being transferred to Patriot Disposal at the end of FY 2018.

Fines and Forfeitures

Since FY 2011 and the creation of a new “Court Enhancement” fee, these revenues have increased slightly every year. For the upcoming year, revenues in this area are budgeted to 6.9% higher than in FY 2018.

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 28.7% from the FY 2018 revised budget. This translates to an increase of \$6,064,475 over that of the previous fiscal year of \$21,151,660. This net increase includes some rollover projects and \$4,164,065 in fund balance reserves. The increase of funds for personnel is due to the merit program, health insurance, and other related taxes. The \$1,026,660 increase of funds for personnel is due to the merit program, health insurance, retirement and other related taxes.

The City provides paid health insurance coverage for all employees and part of dependent coverage based on a tiered system, implemented as a cost containment measure to offset rising premiums. The tiered system is based on the number of dependents being covered dictating the amount of contribution from the employee. A containment effort by the Arizona Public Employers Health Pool (APEHP) helped to keep the rate constant for two years, but in FY 2015 the rate was increased by 9%, in FY 2016 by 7%, and for FY 2017 there is a slight increase of 2%. With health care costs continuing to rise, APEHP and the City of Cottonwood decided to move all members out of APEHP starting FY 2018 into a new insurance pool called Kairos Health Arizona, Inc. Moving to Kairos will keep rates from increasing drastically by spreading the liability over more pool participants. FY 2018 will show a 3% increase in health insurance rates.

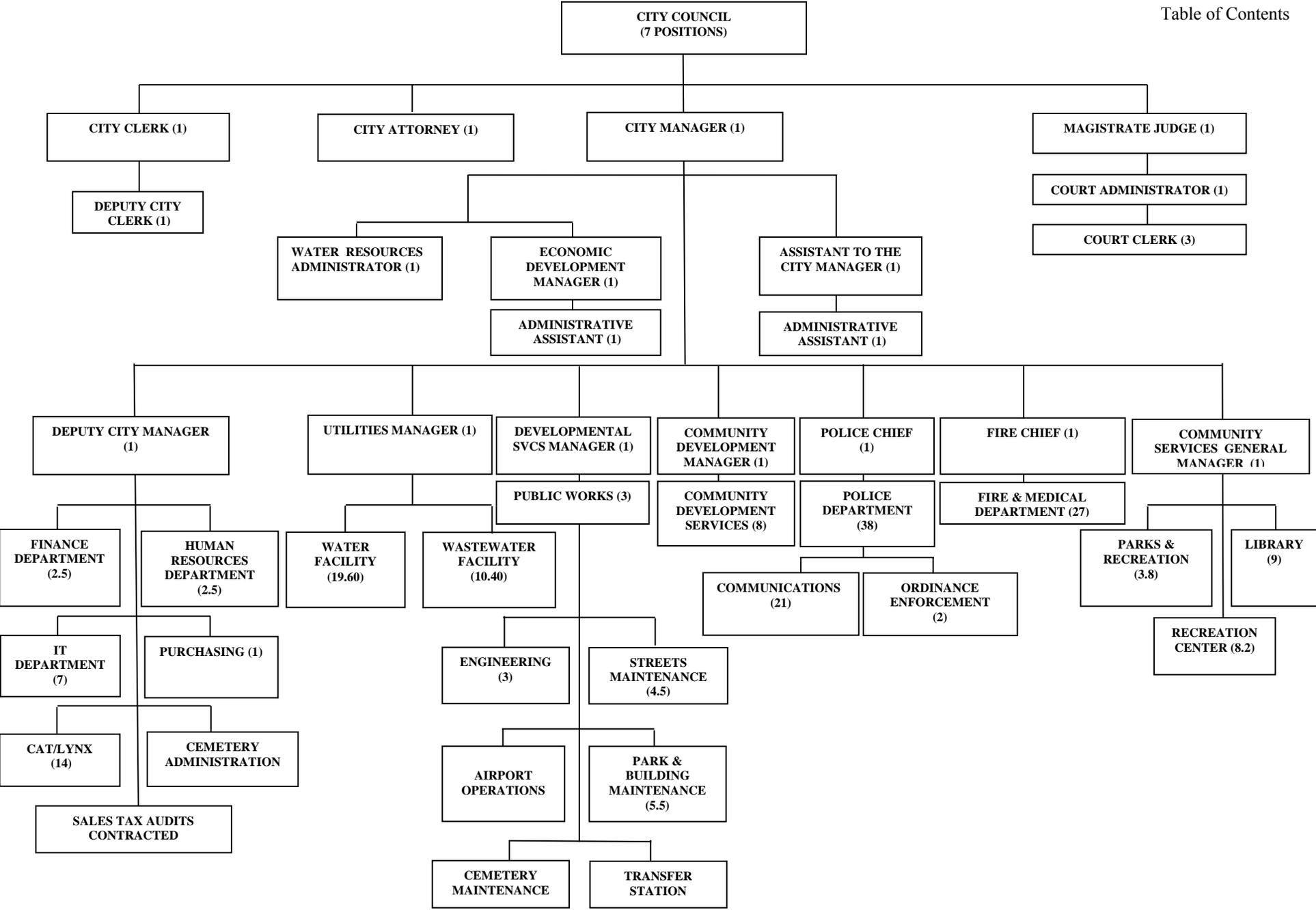
The Operating Supplies category has decreased by \$60,960 from \$575,895 last year to \$514,935 for this year. This decrease is the result of a re-evaluation of each department's needs after cutting operating budgets in previous years. Department heads continued to take a very close look at their operating supplies and most were able to stay within their overall requests.

Contractual Services is anticipated to decrease by 1.9%.

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

Capital Outlay is budgeted to decrease with the City only budgeting major projects and postponing capital purchases to future fiscal years.

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



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Description:

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

Analysis:

The City of Cottonwood serves as the retail center of the upper Verde Valley. In fiscal years 2010-2018, gross business sales continued to increase proportionally to the population increase in the upper Verde Valley Area. Most of the population growth continues to be in the unincorporated areas. The economic decline that affected the entire nation in 2007 also affected the City of Cottonwood. The City increased sales tax by .8% in 2010 to help with the declining economy. A revenue decline was originally anticipated for FY 2011 but actual sales tax revenues turned out to be 3.98% higher than in FY 2010. The continued growth in sales tax since the FY 2010 decrease is partially due to the .8% sales tax increase and a slowly recovering economy. Both fiscal years 2013 and 2014 showed large increases as consumers became more confident in the economy. Since FY 2014, there has been a steady increase in the revenue but the taxable sales did not reach pre-recession numbers until FY 2017. FY 2019 sales tax projections are estimated to increase 4.44% over FY 2018 estimates. The City of Cottonwood has moved forward with the Notice of Intent to increase sales tax by .5%. If passed, the increase will go into effect in November 2018.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	9,925,087	-0.82%
2011	10,319,948	3.98%
2012	10,265,356	-0.53%
2013	11,329,353	10.36%
2014	12,276,615	8.36%
2015	12,774,861	4.06%
2016	13,385,255	4.78%
2017	13,767,921	2.86%
2018 est.	14,397,885	4.58%
2019 est.	15,036,570	4.44%



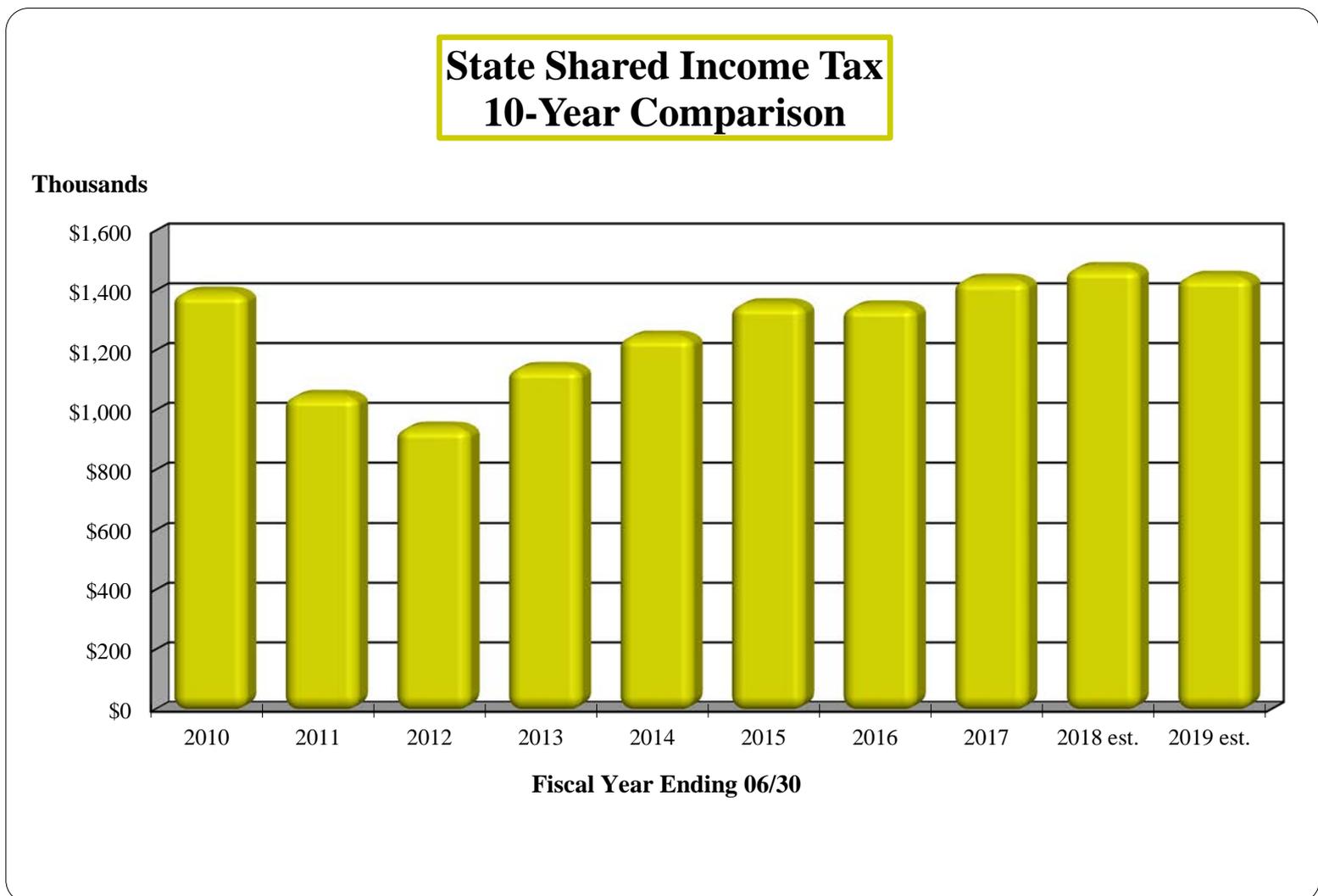
Description:

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

Analysis:

In 2012, the State implemented new tax percentages, not based on the IRS deductions, which increased this revenue in the following years. Both FY 2013 and FY 2014 showed signs of an improving economy, but the growth tapered off and was fairly flat over fiscal years 2015 and 2016. There was a small spike in the revenue in FY 2017 that was the result of the improving economy but it has since leveled out and is estimated to only increase by 2.71% for FY 2018 over 2017 and decrease by 1.96% for FY 2019 over FY 2018.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	1,402,140	-13.63%
2011	1,057,034	-24.61%
2012	950,774	-10.05%
2013	1,150,696	21.03%
2014	1,255,627	9.12%
2015	1,363,698	8.61%
2016	1,356,305	-0.54%
2017	1,445,847	6.60%
2018 est.	1,485,075	2.71%
2019 est.	1,455,940	-1.96%



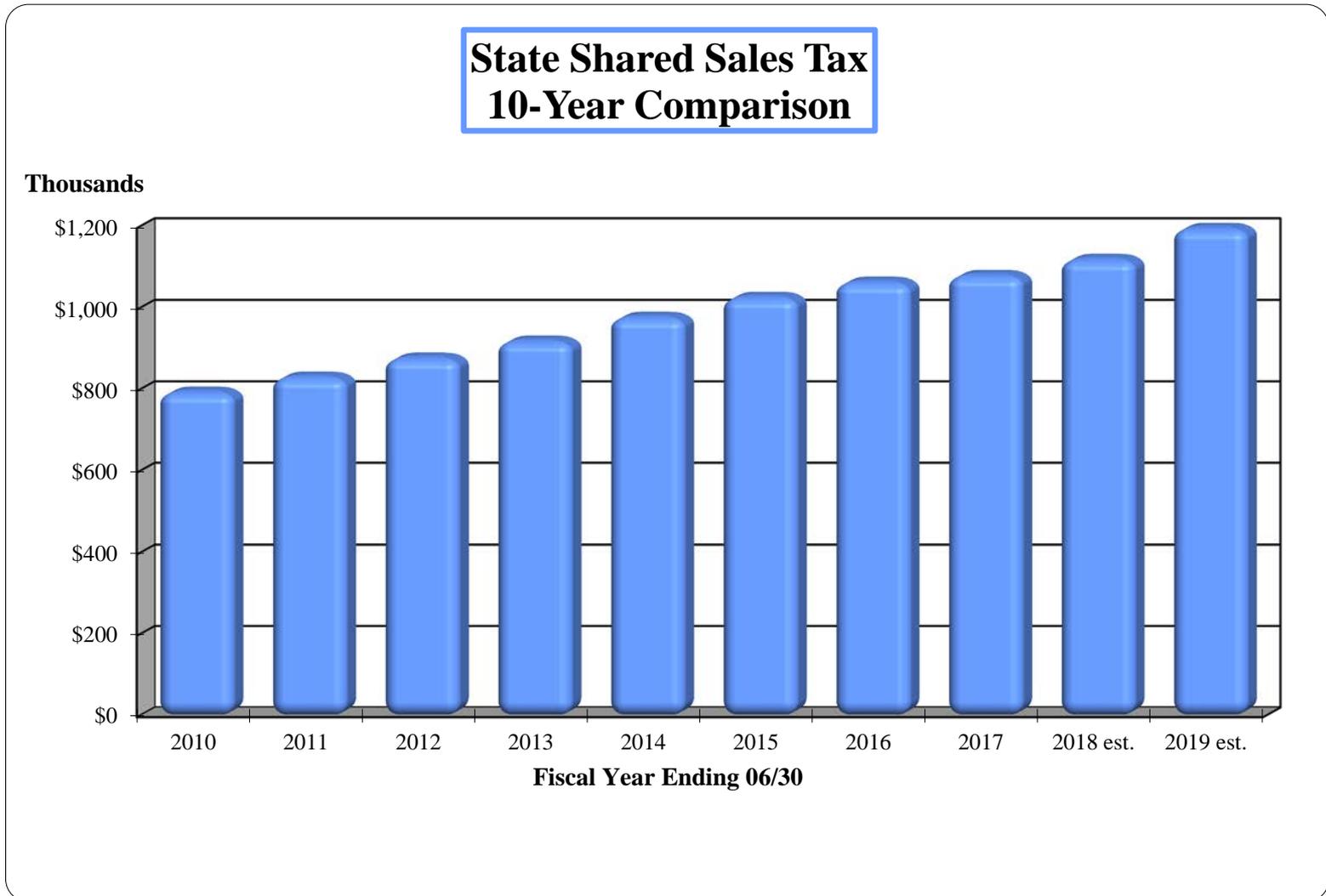
Description:

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

Analysis:

The increase in population numbers before 2006 deferred the impact of the slowing economy until FY 2008 through FY 2010. Since then, the economy has been showing signs of recovery with steady increases from FY 2011 to FY 2016. The growth of this revenue is based on the current economic expansion and the growing population in Arizona. For FY 2019 an increase of 6.77% in this revenue source is projected due to increased estimates at the state level and an anticipated growth of the population in Arizona. The State may adjust these numbers later in the year depending on the state's economy.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	796,966	-7.76%
2011	833,600	4.60%
2012	880,250	5.60%
2013	922,061	4.75%
2014	980,537	6.34%
2015	1,029,494	4.99%
2016	1,066,539	3.60%
2017	1,083,047	1.55%
2018 est.	1,122,640	3.66%
2019 est.	1,198,680	6.77%



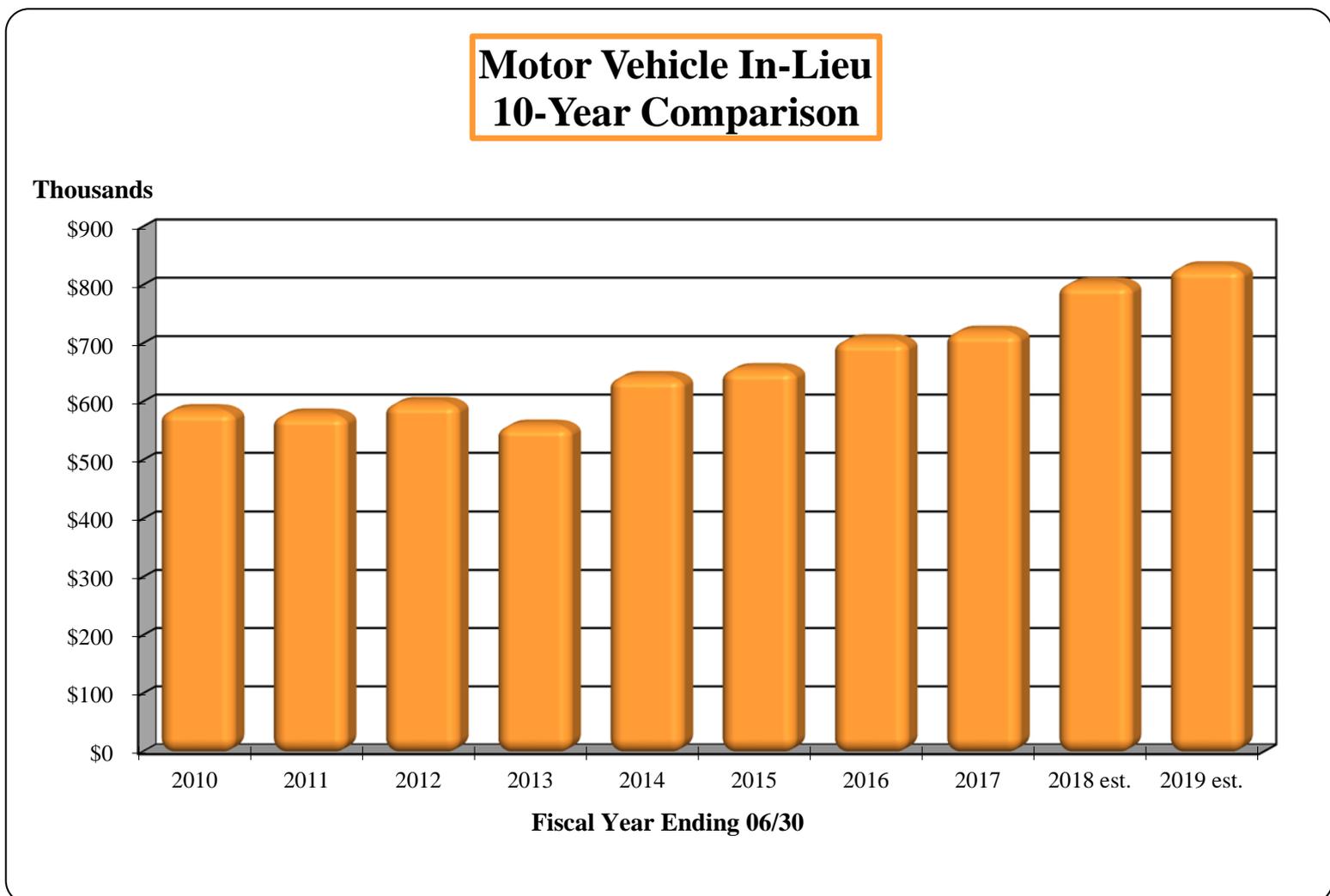
Description:

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

Analysis:

The falling auto sales in FY 2008 through FY 2010 is reflected in this chart. These revenues were still declining in FY 2011 and although there was a slight increase in FY 2012, the following year showed a relatively sharp decline which The League of Arizona Cities and Towns had already projected. There was a large rebound in FY 2014. The revenues received starting in FY 2015 are closer to the level of 2008 and have not yet showed signs of slowing. The current economy is a catalyst for motor vehicle sales. This revenue for FY 2018 is estimated to be over 11% higher than FY 2017 and shows that the economy has almost fully recovered. The State estimates that FY 2019 revenues will be 3.44% higher than FY 2018.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	590,201	-7.92%
2011	582,707	-1.27%
2012	602,832	3.45%
2013	563,851	-6.47%
2014	647,250	14.79%
2015	660,786	2.09%
2016	710,155	7.47%
2017	725,012	2.09%
2018 est.	807,600	11.39%
2019 est.	835,355	3.44%



Description:

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

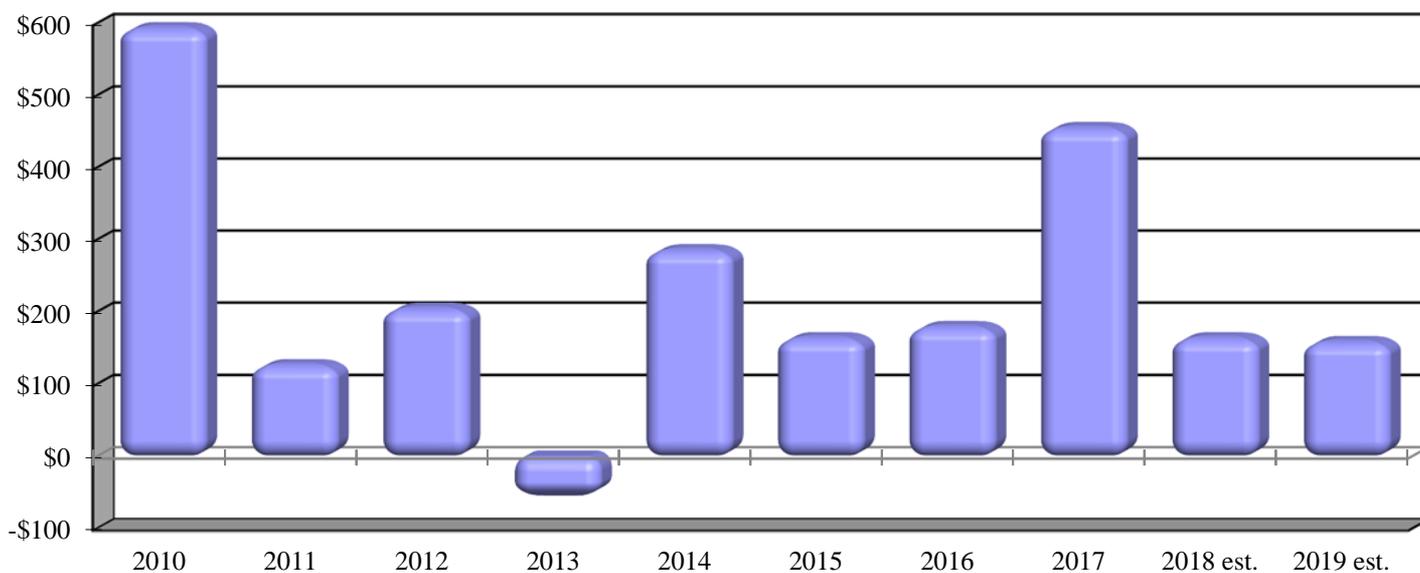
Analysis:

The growth of these revenues began to slow in FY 2010 as interest rates had started dropping dramatically due to the downturned economy. The City began to use funds from its capital reserves for major projects in order to bolster the local economy. By FY 2013, with interest rates in the .03% range and much of the capital reserves having been used, the City began cashing in investments and taking a loss on those investments. The City has since 2014 increased its cash position and stopped investing any excess funds in order to have better availability to these resources. The revenue for FY 2019 is expected to decrease due to the use of these funds for capital projects and interest

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	595,496	-65.00%
2011	128,312	-78.45%
2012	206,489	60.93%
2013	(57,590)	-127.89%
2014	287,425	-599.09%
2015	165,704	-42.35%
2016	181,159	9.33%
2017	456,811	152.16%
2018 est.	165,540	-63.76%
2019 est.	160,395	-3.11%

**Investments
 10-Year Comparison**

Thousands



Fiscal Year Ending 06/30

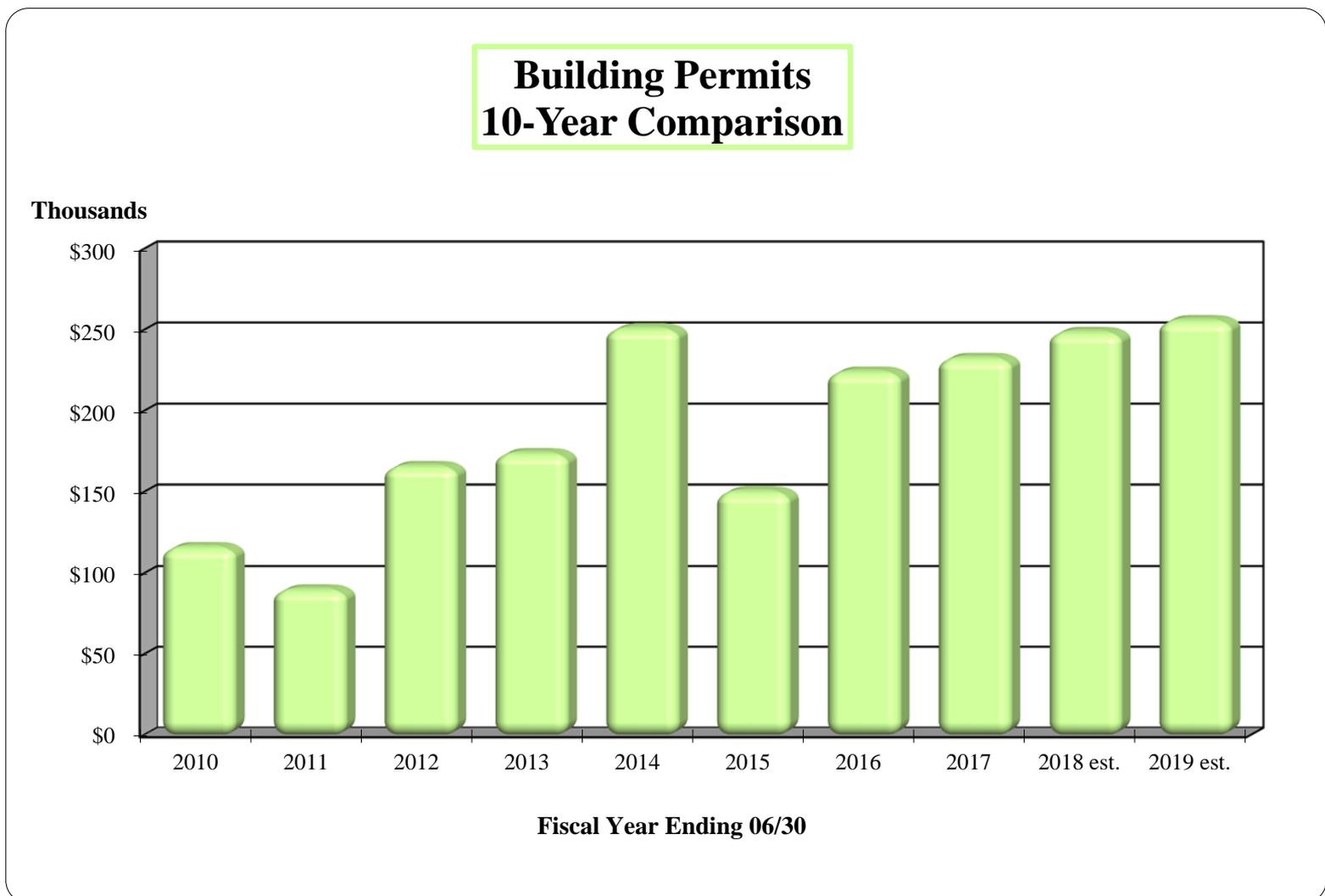
Description:

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

Analysis:

From FY 2004 through FY 2006, the City saw growth of these revenues as the local hospital and medical facilities were expanded, and businesses were moving into Cottonwood. Included in the growth was a Walmart Supercenter which opened its doors early in the third calendar quarter of 2004. Since FY 2008, the slowing economy has led to a continued decrease in revenue. The decrease came to a halt in FY 2012 when the economy started to turn around and in FY 2014 reached a revenue level that exceeded that of FY 2009. FY 2016 showed a strong increase due to growth in the commercial sector, but the revenue for FY 2018 and FY 2019 are being forecasted at a modest increase. Currently, there are two large residential home developments being planned and hopefully this the revenue will increase as these homes are built and sold. FY 2019 is anticipated to increase by 2.93% over FY

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	117,278	-43.70%
2011	91,054	-22.36%
2012	167,007	83.42%
2013	174,930	4.74%
2014	252,014	44.07%
2015	151,390	-39.93%
2016	225,261	48.80%
2017	233,723	3.76%
2018 est.	249,690	6.83%
2019 est.	257,000	2.93%



Description:

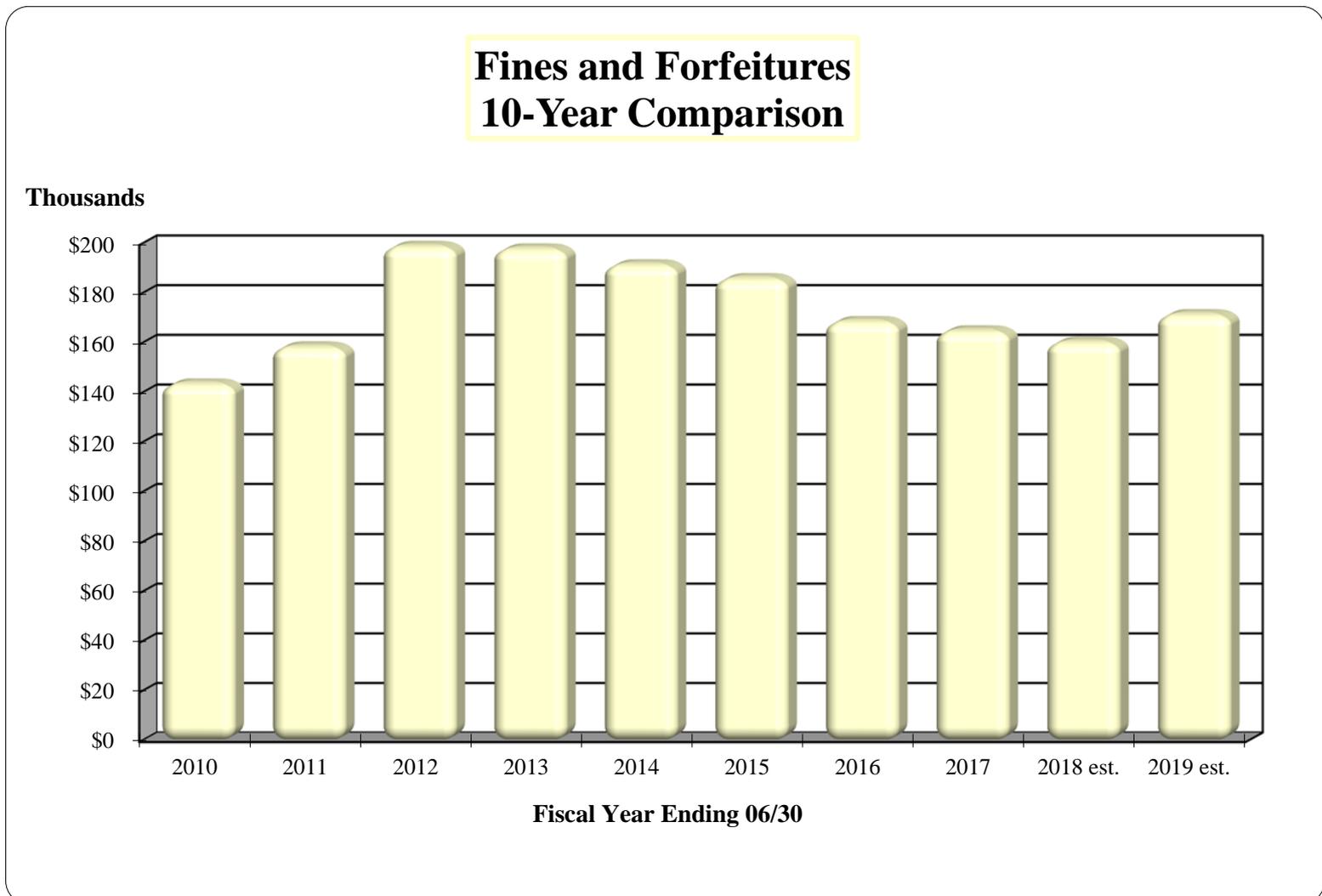
Fines and Forfeitures are generated as a result of imposed fines for the violation of various state laws and city ordinances. They include traffic violations, violations of city code and other criminal misdemeanors.

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

Analysis:

This City revenue fluctuates each year based on traffic enforcement. In FY 2005, a new interim magistrate made some major changes in the way the Court conducted business which in turn improved the collections. Since that time, a full-time magistrate has been appointed by the City Council. The Court Enhancement Fee, introduced in FY 2010 and authorized by the State, helps the Court stay current with technology and other capital needs. Since FY 2013, this revenue has remained pretty steady. The revenues for FY 2018 are anticipated to decrease by 2.75% over FY 2017, and are anticipated to increase for FY 2019 by 6.89% over FY 2018 estimates.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	144,122	-4.50%
2011	158,977	10.31%
2012	199,445	25.46%
2013	198,445	-0.50%
2014	192,054	-3.22%
2015	186,504	-2.89%
2016	169,218	-9.27%
2017	165,464	-2.22%
2018 est.	160,920	-2.75%
2019 est.	172,000	6.89%



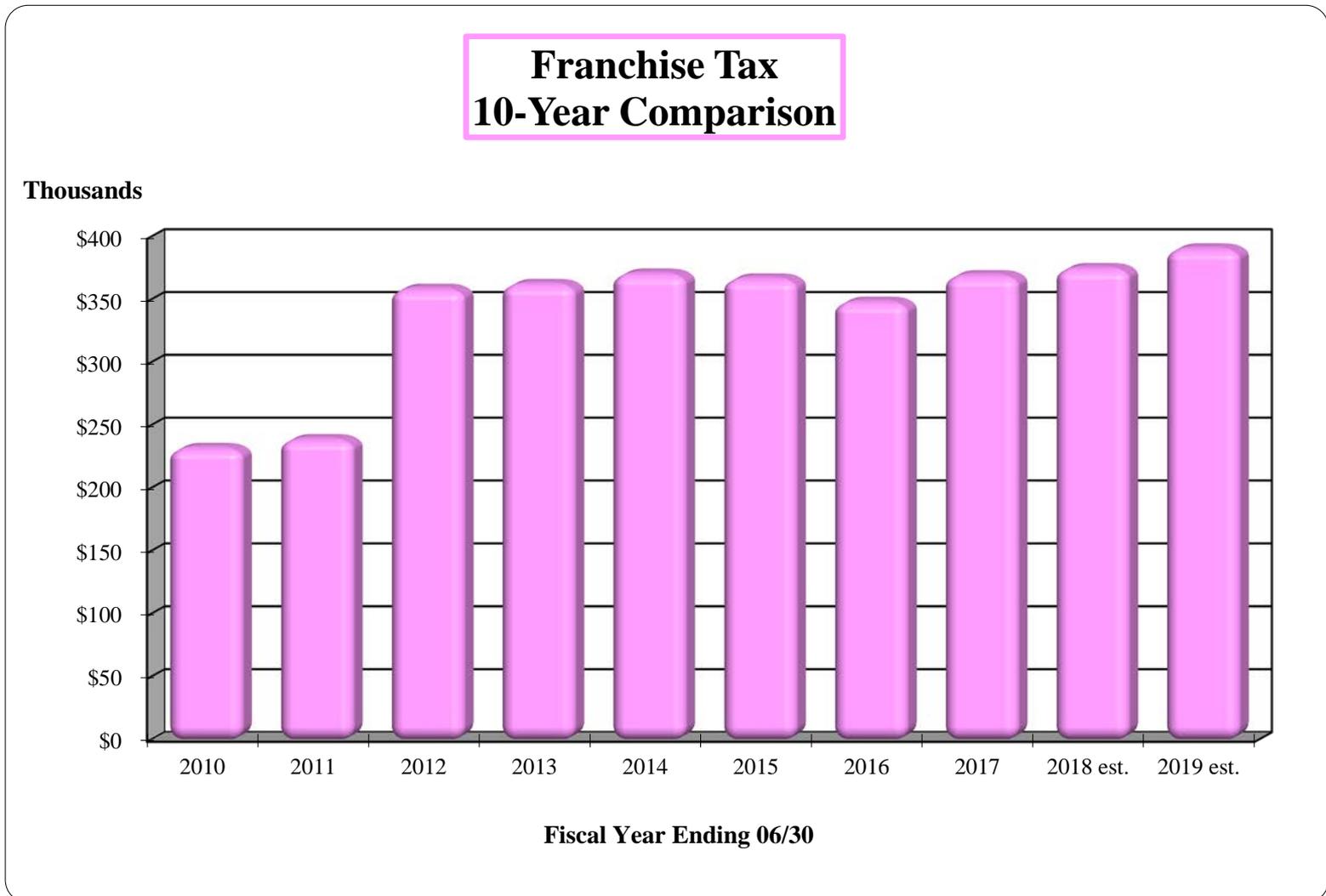
Description:

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:

These revenues have shown a steady increase as the utility companies need to continue to increase their rates to cover costs. In FY 2009, there was a decrease as the economy continued to falter. FY 2010 showed a rebound, most likely due to the rate increase APS got approved by the Corporation Commission. FY 2012 showed a strong surge, followed by a sharp decline in the following year. Since FY 2013, these revenues have been hovering around the same level. FY 2017 and FY 2018 show increases as Cottonwood is seeing residential growth as the economy is improving.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	233,129	15.80%
2011	240,140	3.01%
2012	359,872	49.86%
2013	363,653	1.05%
2014	371,886	2.26%
2015	368,062	-1.03%
2016	349,537	-5.03%
2017	370,646	6.04%
2018 est.	376,300	1.53%
2019 est.	391,920	4.15%



Description:

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

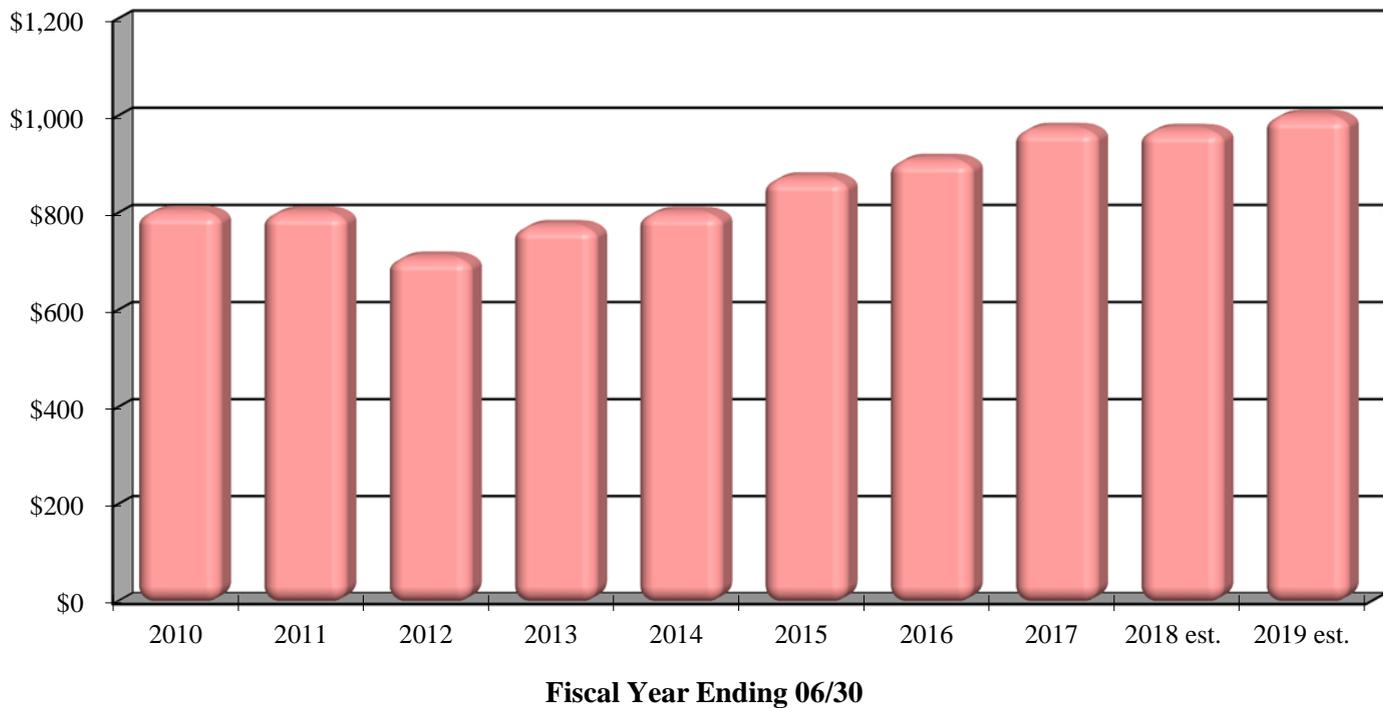
Analysis:

This state shared revenue has been fluctuating. The tax is based on a fixed charge per gallon of fuel and not on a percentage of the fuel purchased. The State continues to raid these funds as needed to balance the state budget. The FY 2017 estimate from the state showed a decrease of .87% over FY 2016 but the year ended with an increase of 7.01%. FY 2018 shows a slight decrease in the estimate based on current revenues received and FY 2019 has a slight increase budgeted by the State.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	807,864	-0.24%
2011	806,386	-0.18%
2012	713,231	-11.55%
2013	778,265	9.12%
2014	805,540	3.50%
2015	876,817	8.85%
2016	914,640	4.31%
2017	978,739	7.01%
2018 est.	976,380	-0.24%
2019 est.	1,005,475	2.98%

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

Thousands



Local Transportation Assistance Fund Revenues - LTAF

Description:

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

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

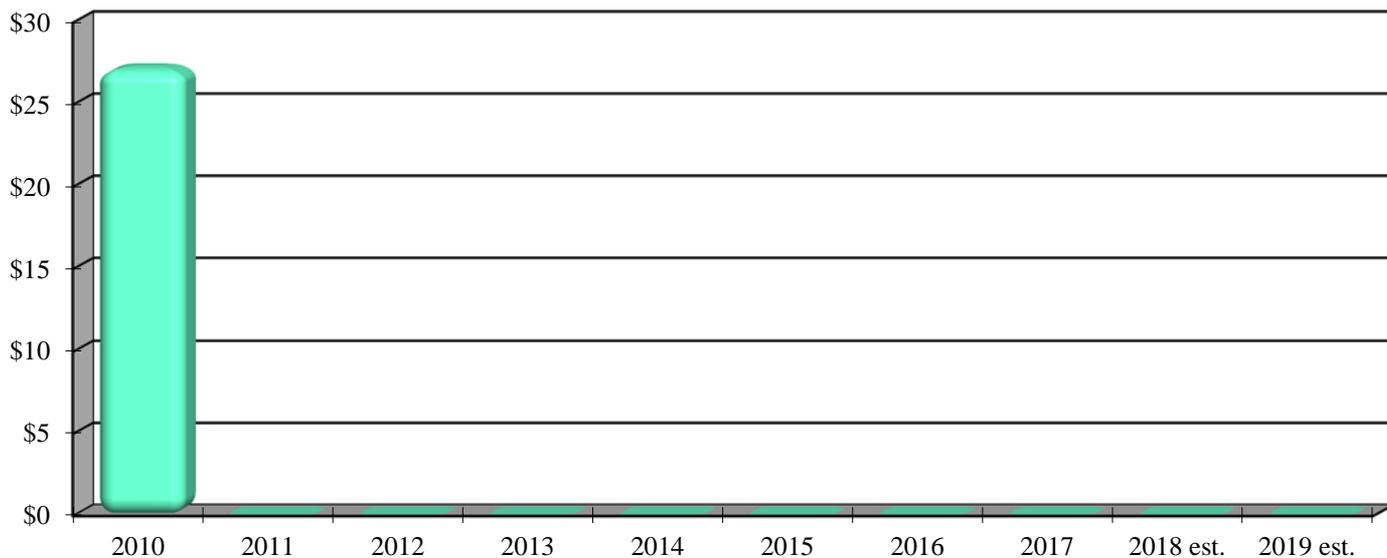
Analysis:

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

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	27,118	-36.25%
2011	0	-100.00%
2012	0	0.00%
2013	0	0.00%
2014	0	0.00%
2015	0	0.00%
2016	0	0.00%
2017	0	0.00%
2018 est.	0	0.00%
2019 est.	0	0.00%

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

Thousands



Fiscal Year Ending 06/30

Description:

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

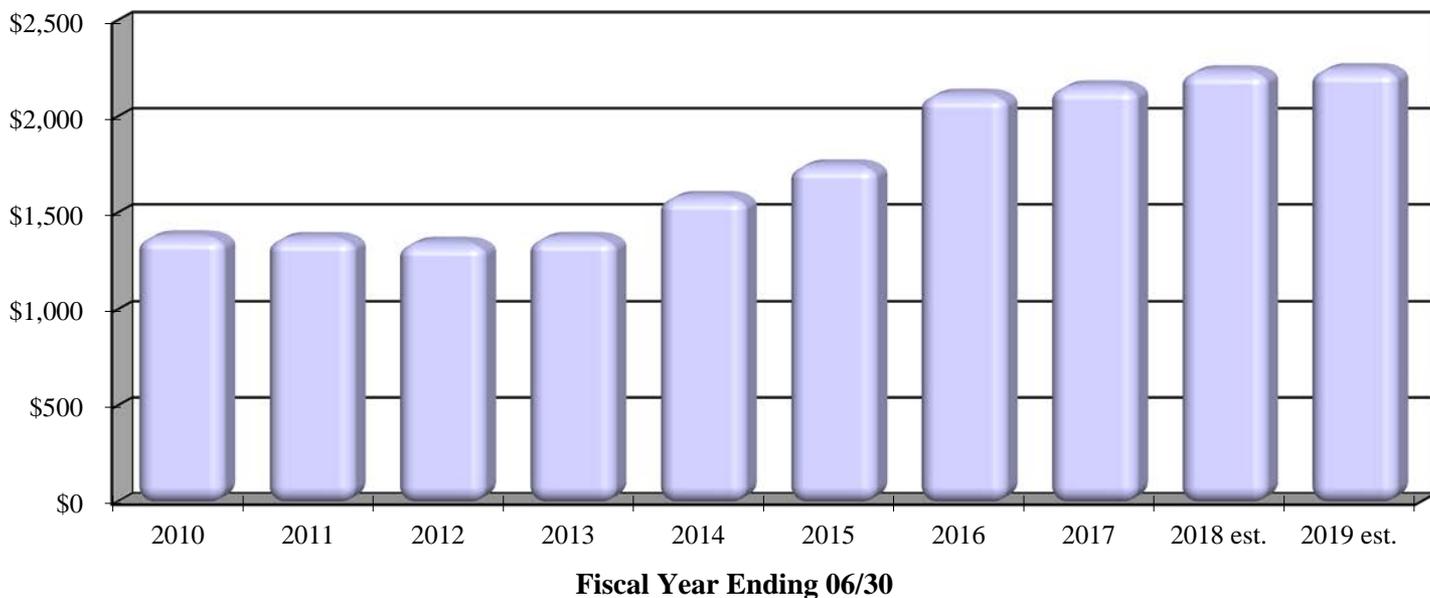
Analysis:

The wastewater system became operational on October 1, 1990. The initial residential user fee was \$6.75 per month. The rate was increased in 1995 to \$13.20 per month, which the Council at that time froze for a five-year period. In 2002, the new rate of \$16.75 was established. With city growth and the aging system, a rate study was done in FY 2014 and the rate was increased to \$26.25, effective October 1, 2014. In January 2015 and March 2016, the rate was increased again after another rate study showed the need for increased revenues to cover the cost of system maintenance, upgrades and rehabilitation, and equipment. The current rate is \$32.00. The revenue from these fees will be evaluated annually to determine if a rate increase is necessary.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	1,389,721	-4.59%
2011	1,381,487	-0.59%
2012	1,356,438	-1.81%
2013	1,381,902	1.88%
2014	1,594,815	15.41%
2015	1,759,260	10.31%
2016	2,126,351	20.87%
2017	2,169,989	2.05%
2018 est.	2,248,185	3.60%
2019 est.	2,259,325	0.50%

**Wastewater Service
 10-Year Comparison**

Thousands



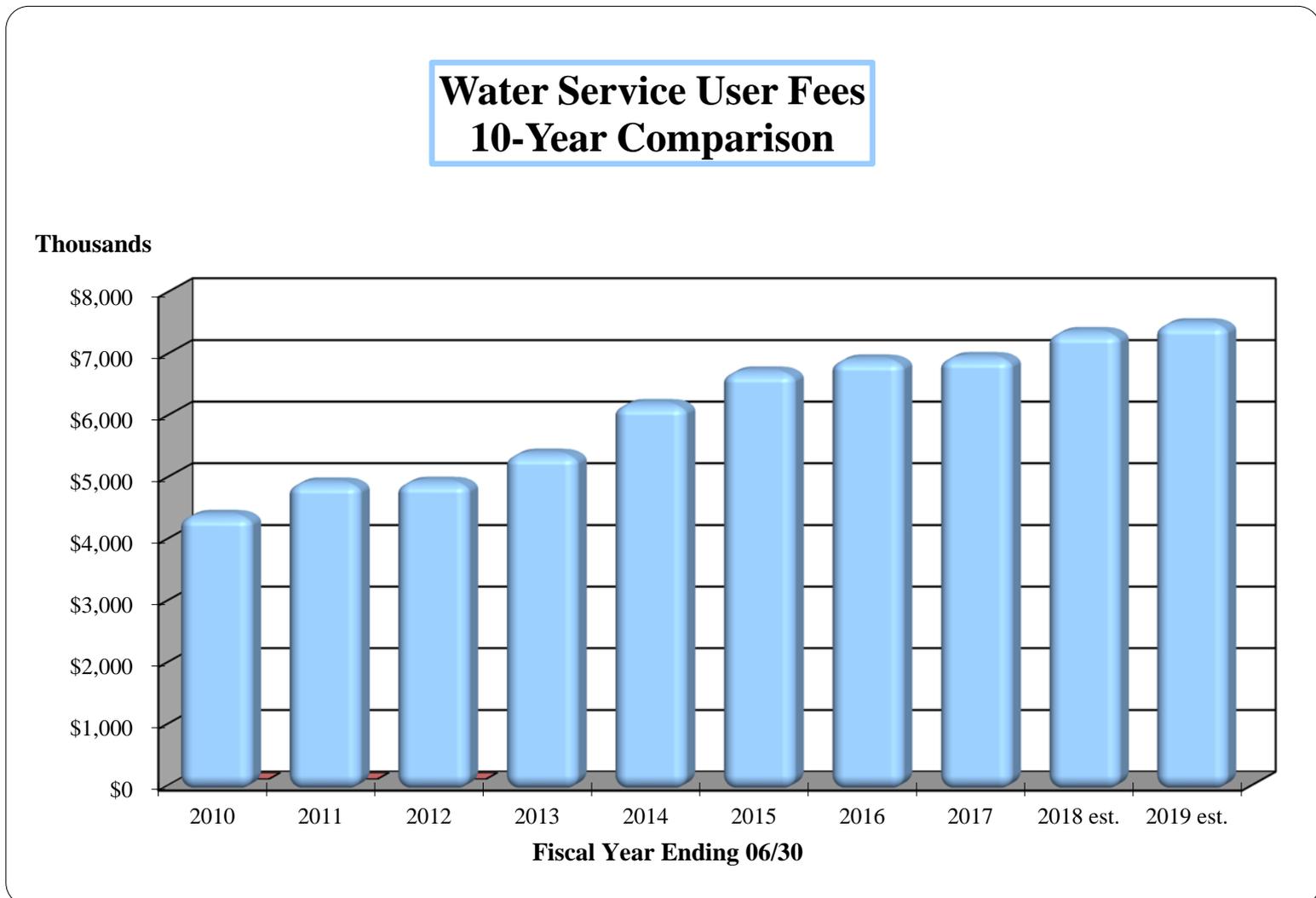
Description:

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

Analysis:

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

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
2010	4,459,160	-3.23%
2011	4,985,843	11.81%
2012	4,997,833	0.24%
2013	5,453,178	9.11%
2014	6,259,609	14.79%
2015	6,787,255	8.43%
2016	6,981,671	2.86%
2017	7,022,609	0.59%
2018 est.	7,426,730	5.75%
2019 est.	7,569,000	1.92%



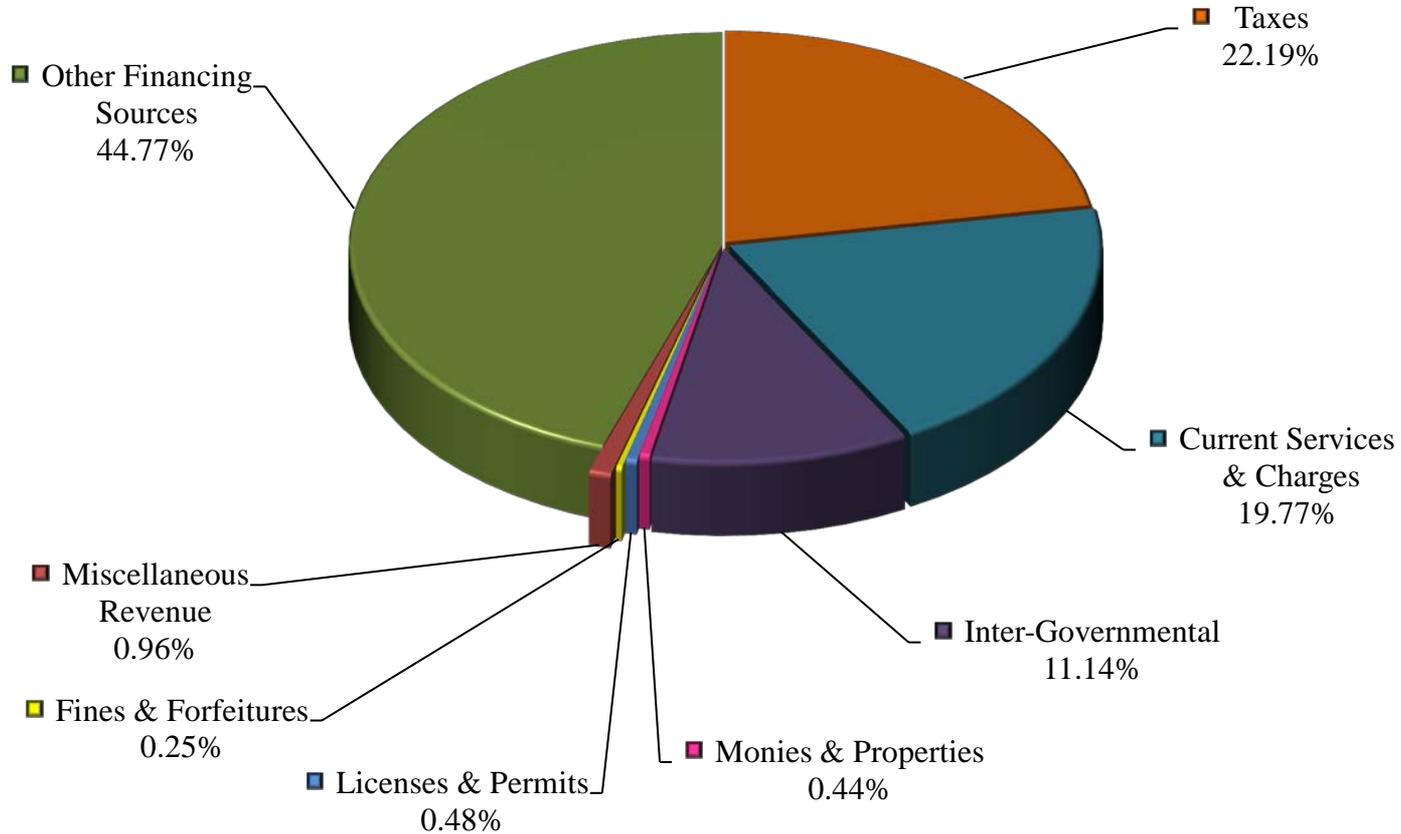
**Comprehensive Summary Revenues & Expenditures
All Funds**

Fund	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenues Sources:					
General Fund	\$19,593,364	\$20,683,075	\$20,373,025	\$20,887,265	2.52%
Special Revenue Funds	5,524,201	8,524,955	5,648,285	4,722,465	-16.39%
Capital Projects Funds	112,539	255,000	0	144,500	0.00%
Debt Service Funds	1,701,802	1,644,705	1,644,865	1,645,620	0.05%
Enterprise Funds	10,602,461	10,811,650	10,819,330	10,957,870	1.28%
Fiduciary Funds	43,854	25,700	40,100	40,100	0.00%
Total Revenues	37,578,221	41,945,085	38,525,605	38,397,820	-0.33%
Other Financing Sources:					
Transfers In	2,037,683	5,490,895	3,313,820	3,513,225	6.02%
Carryover	0	36,477,430	29,091,540	25,738,320	-11.53%
Other Financing Sources	0	1,141,330	0	1,879,320	0.00%
Residual Equity Interfund Transfe	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Capital Lease Proceeds	1,194,232	0	0	0	0.00%
Proceeds from Bonds	13,874,485	0	0	0	0.00%
Total Other Financing Sources	17,106,400	43,109,655	32,405,360	31,130,865	-3.93%
Total Available Resources	54,684,621	85,054,740	70,930,965	69,528,685	-1.98%
Expenditures:					
General Fund	19,317,215	20,999,930	20,179,540	21,155,315	4.84%
Special Revenue Funds	7,985,913	12,687,015	7,559,435	8,678,850	14.81%
Capital Projects Funds	683,762	354,150	15,280	152,000	894.76%
Debt Service Funds	15,517,827	15,520,200	1,646,265	1,647,070	0.05%
Enterprise Funds	7,310,646	17,922,325	12,042,795	13,069,880	8.53%
Fiduciary Funds	9,836	15,400	10,800	10,800	0.00%
Total Expenditures	50,825,199	67,499,020	41,454,115	44,713,915	7.86%
Other Uses:					
Transfers Out	2,037,684	5,489,895	3,313,820	3,513,225	6.02%
Reserves	217,362	12,065,825	21,713,480	21,301,545	-1.90%
Total Other Uses	2,255,046	17,555,720	25,027,300	24,814,770	-0.85%
Total Expenditures and Other Uses	53,080,245	85,054,740	66,481,415	69,528,685	4.58%
Net Income / (Loss)	\$1,604,377	\$0	\$4,449,550	\$0	-100.00%

Revenues for All Funds

Taxes	\$15,428,490
Current Services & Charges	13,745,945
Inter-Governmental	7,746,300
Monies & Properties	304,895
Licenses & Permits	331,000
Fines & Forfeitures	172,000
Miscellaneous Revenue	669,190
Subtotal	<u>38,397,820</u>
Other Financing Sources	31,130,865
Total Revenues for All Funds	<u><u>\$69,528,685</u></u>

**All Funds Consolidated Revenues
by Source**

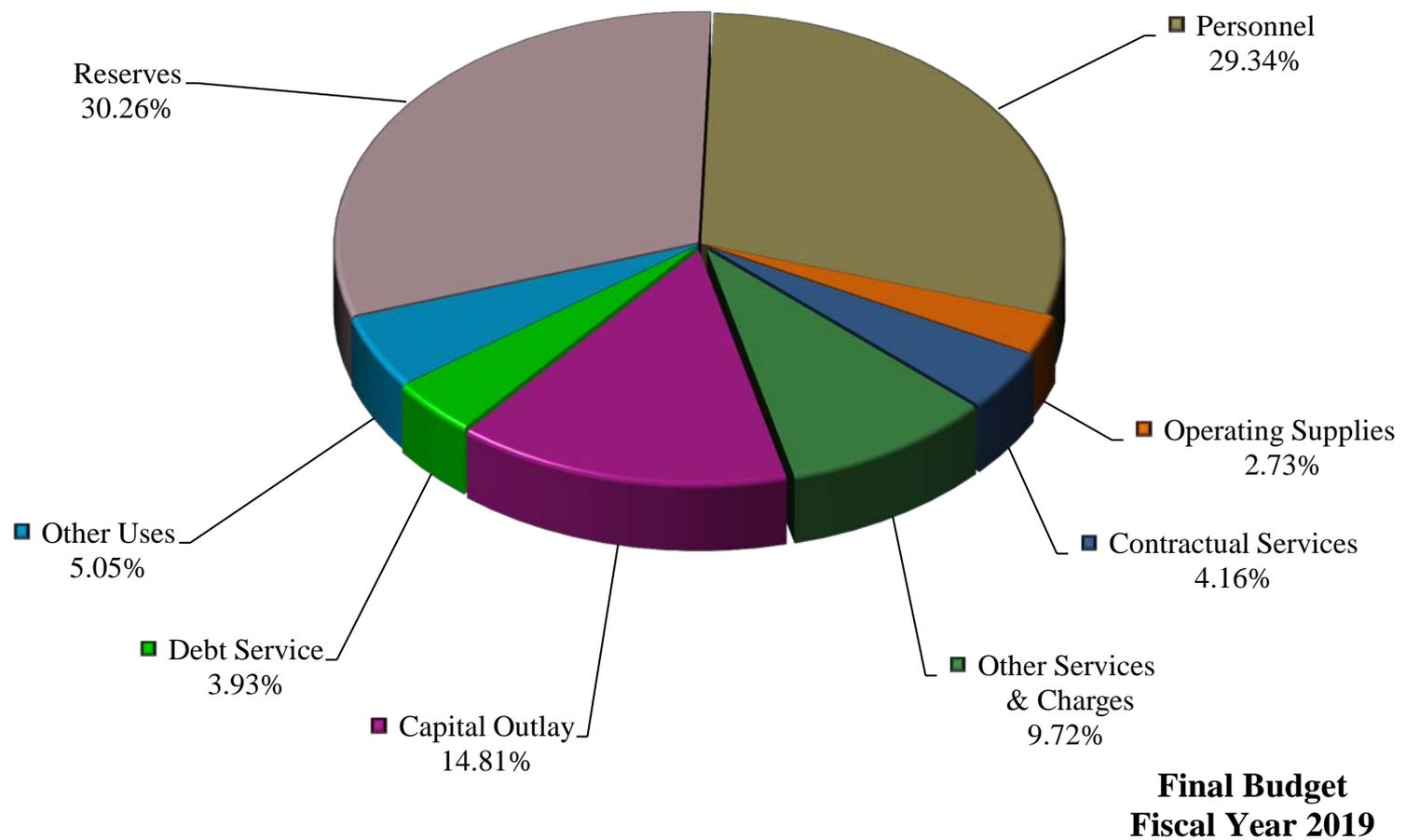


**Final Budget
Fiscal Year 2019**

Expenditures for All Funds

Personnel	\$20,401,250
Operating Supplies	1,899,100
Contractual Services	2,885,970
Other Services & Charges	6,502,825
Capital Outlay	10,293,135
Debt Service	2,731,635
	<hr/>
Subtotal	44,713,915
Other Uses - Transfers Out	3,513,225
	<hr/>
Reserves	21,301,545
	<hr/>
Total Expenditures for All Funds	<u><u>\$69,528,685</u></u>

**All Funds Consolidated Expenditures
by Category**



Fiscal Year 2019 Budget
Consolidated Budget Summary – By Fund

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	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Funding Sources							
Taxes	\$13,137,160	\$646,110	\$1,645,220	\$0	\$0	\$0	\$15,428,490
Licenses & Permits	331,000	0	0	0	0	0	331,000
Intergovernmental	3,989,985	3,613,315	0	143,000	0	0	7,746,300
Charges for Services	3,106,220	206,800	0	0	10,432,925	0	13,745,945
Fines and Forfeitures	172,000	0	0	0	0	0	172,000
Uses of Monies & Prop.	47,400	121,745	400	0	95,350	40,000	304,895
Miscellaneous	103,500	134,495	0	1,500	429,595	100	669,190
Total Revenues	20,887,265	4,722,465	1,645,620	144,500	10,957,870	40,100	38,397,820
Other Financing Sources	6,328,870	4,177,480	987,985	3,557,165	15,807,295	272,070	31,130,865
Total Revenue & Other Financing Sources	27,216,135	8,899,945	2,633,605	3,701,665	26,765,165	312,170	69,528,685
Total Available All Sources	27,216,135	8,899,945	2,633,605	3,701,665	26,765,165	312,170	69,528,685
Expenditures							
Personnel	15,949,300	2,112,670	0	0	2,339,280	0	20,401,250
Operating Supplies	514,935	620,365	0	0	763,800	0	1,899,100
Contractual Services	1,288,180	427,530	1,850	0	1,162,810	5,600	2,885,970
Other Services & Charges	2,391,110	826,165	1,645,220	9,000	1,626,130	5,200	6,502,825
Capital Outlay	669,130	4,301,005	0	143,000	5,180,000	0	10,293,135
Debt Services	342,660	391,115	0	0	1,997,860	0	2,731,635
Subtotal of Expenditures	21,155,315	8,678,850	1,647,070	152,000	13,069,880	10,800	44,713,915
Other Uses							
Transfers Out	1,634,715	0	0	1,878,510	0	0	3,513,225
Reserves	4,426,105	221,095	986,535	1,671,155	13,695,285	301,370	21,301,545
Subtotal Other Uses	6,060,820	221,095	986,535	3,549,665	13,695,285	301,370	24,814,770
Total Expenditures & Other Uses	27,216,135	8,899,945	2,633,605	3,701,665	26,765,165	312,170	69,528,685
Net Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Use of Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Commitments and Fund Balances	\$27,216,135	\$8,899,945	\$2,633,605	\$3,701,665	\$26,765,165	\$312,170	\$69,528,685

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

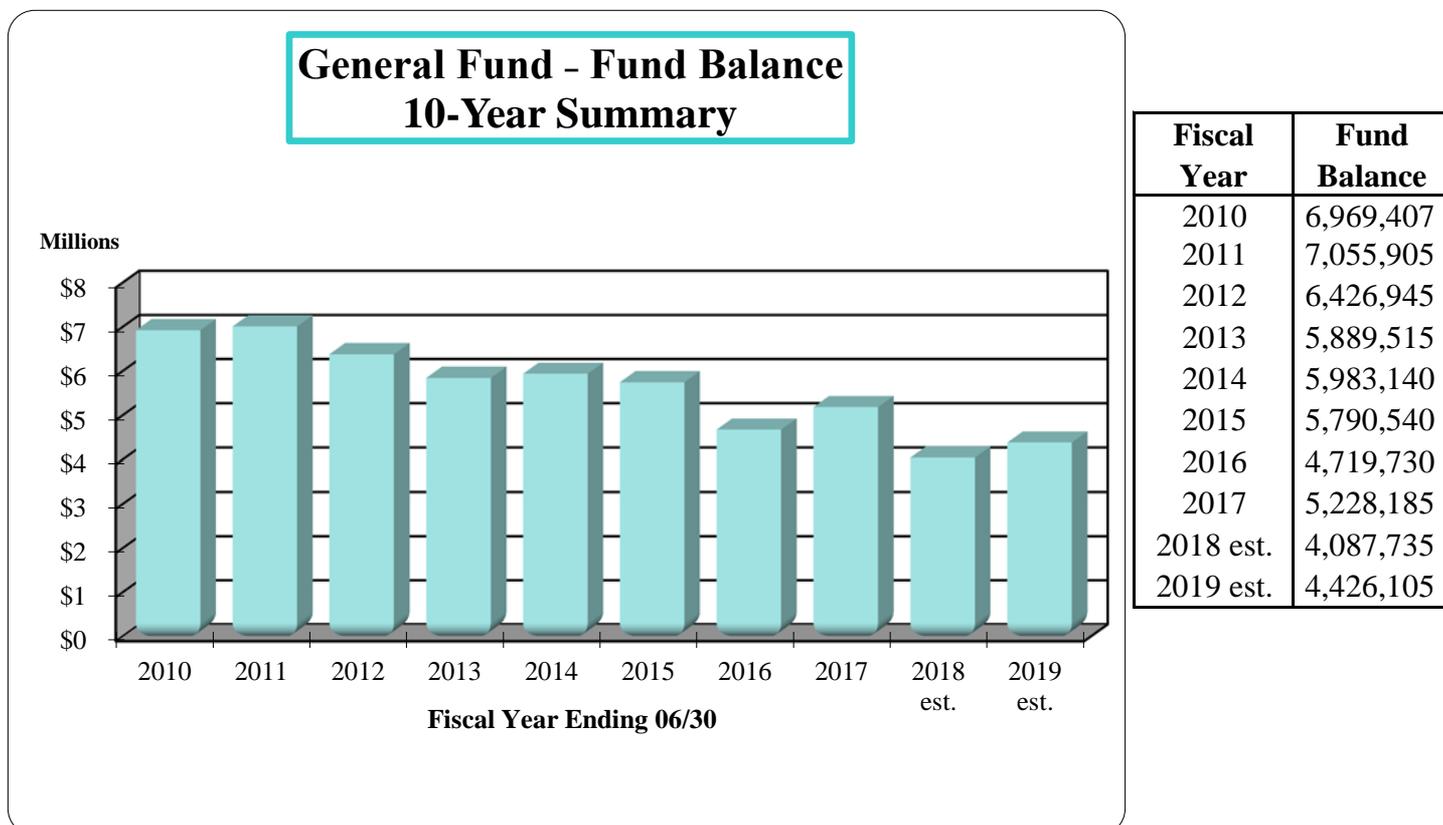
<u>Fund Number</u>	<u>Description</u>
01	General Fund

The following departments are funded by the General Fund:

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

Fund Balance:

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

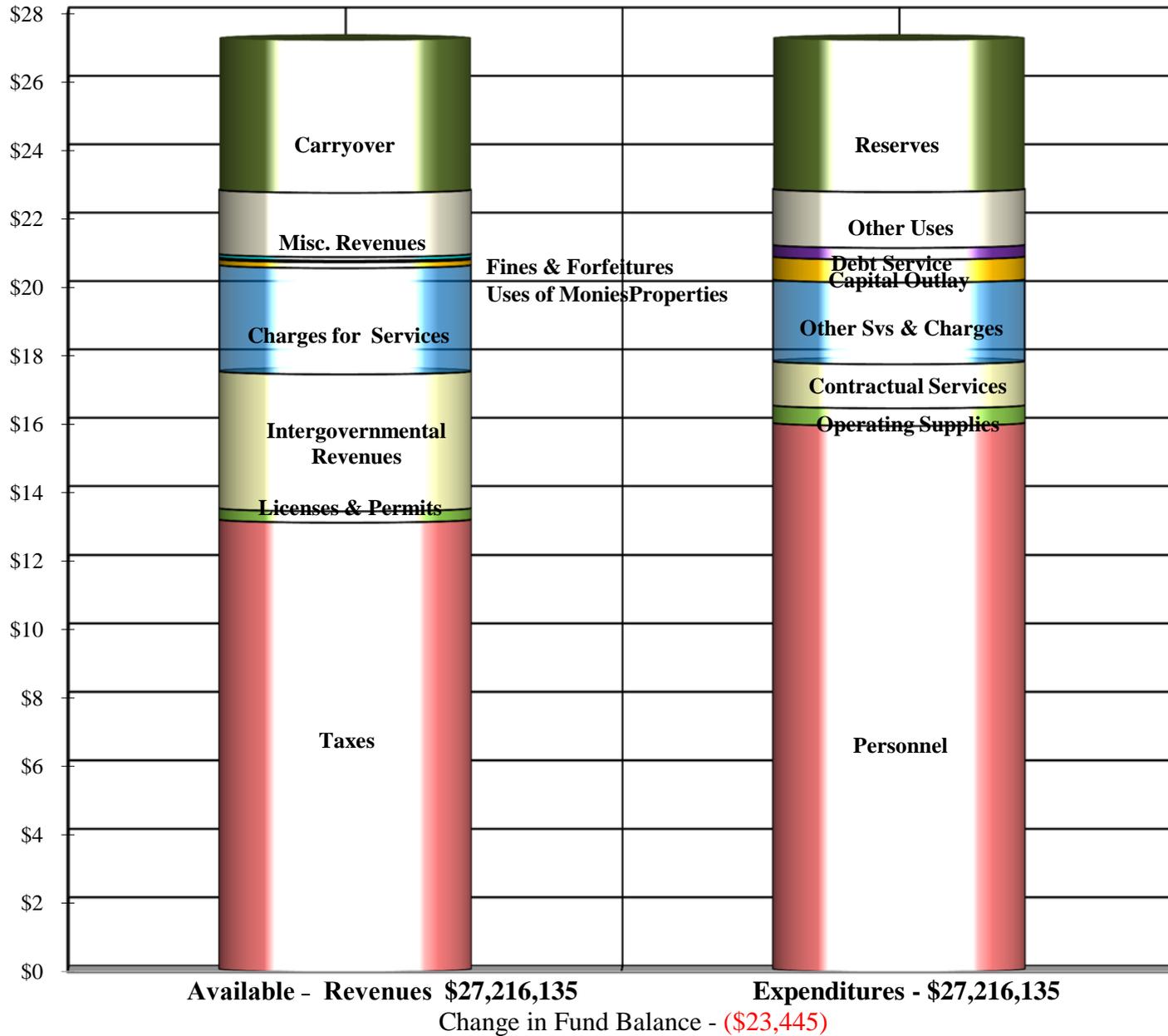


General Fund Consolidated Statement of Revenues & Expenditures

Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Beginning Fund Balance				\$0
Less: Designated Reserves	0	0	0	0
Cash Reserves			0	
Appropriated Fund Balance	0	0	0	0
Revenue Sources:				
Taxes	\$11,839,092	\$13,046,090	\$12,493,950	\$13,137,160
Licenses & Permits	300,404	309,850	323,690	331,000
Intergovernmental Revenues	3,521,456	3,687,205	3,939,900	3,989,985
Charges for Services	3,328,631	3,360,330	3,118,435	3,106,220
Fines & Forfeitures	165,464	187,000	160,920	172,000
Uses of Monies & Properties	32,113	42,100	43,230	47,400
Miscellaneous Revenues	406,204	50,500	292,900	103,500
Total Revenue Sources	19,593,364	20,683,075	20,373,025	20,887,265
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	6,426,120	5,228,185	4,449,550
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Capital Lease Proceeds	1,194,232	0	0	0
Proceeds from Bonds	0	0	0	0
Other Financing Sources	0	0	0	1,879,320
Total Other Financing Sources	1,194,232	6,426,120	5,228,185	6,328,870
Total Available Resources	20,787,596	27,109,195	25,601,210	27,216,135
Expenditures:				
Personnel	14,273,706	15,328,010	14,922,640	15,949,300
Operating Supplies	646,328	517,660	575,895	514,935
Contractual Services	1,343,007	1,480,790	1,313,290	1,288,180
Other Services and Charges	1,989,160	2,318,750	2,114,900	2,391,110
Capital Outlay	641,070	883,250	781,350	669,130
Debt Service	423,944	471,470	471,465	342,660
Total Expenditures	19,317,215	20,999,930	20,179,540	21,155,315
Other Uses:				
Transfers Out	1,931,160	2,021,530	972,120	1,634,715
Reserves	2,500	4,087,735	0	4,426,105
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	1,933,660	6,109,265	972,120	6,060,820
Total Expenditures and Other Uses	21,250,874	27,109,195	21,151,660	27,216,135
Net Income / (Loss)	(\$463,278)	\$0	\$4,449,550	\$0

Revenues vs. Expenditures Fiscal Year 2019 Budget

Millions



Revenues		Expenditures	
Taxes	\$13,137,160	Personnel	\$15,949,300
Licenses & Permits	331,000	Operating Supplies	514,935
Intergovernmental Revenues	3,989,985	Contractual Services	1,288,180
Charges for Services	3,106,220	Other Services and Charges	2,391,110
Fines & Forfeitures	172,000	Capital Outlay	669,130
Uses of Monies & Properties	47,400	Debt Service	342,660
Miscellaneous Revenues	103,500		
Total Operating Revenues	20,887,265	Total Operating Expenditures	21,155,315
Carryover Balance	4,449,550	Reserves	4,426,105
Other Sources	1,879,320	Other Uses	1,634,715
Total Revenues Available	\$27,216,135	Total Expenditures	\$27,216,135
Changes in Fund Balance - INCR./ (DECR.)		(\$23,445)	

Fiscal Year 2019 Budget
General Fund Revenues Schedule

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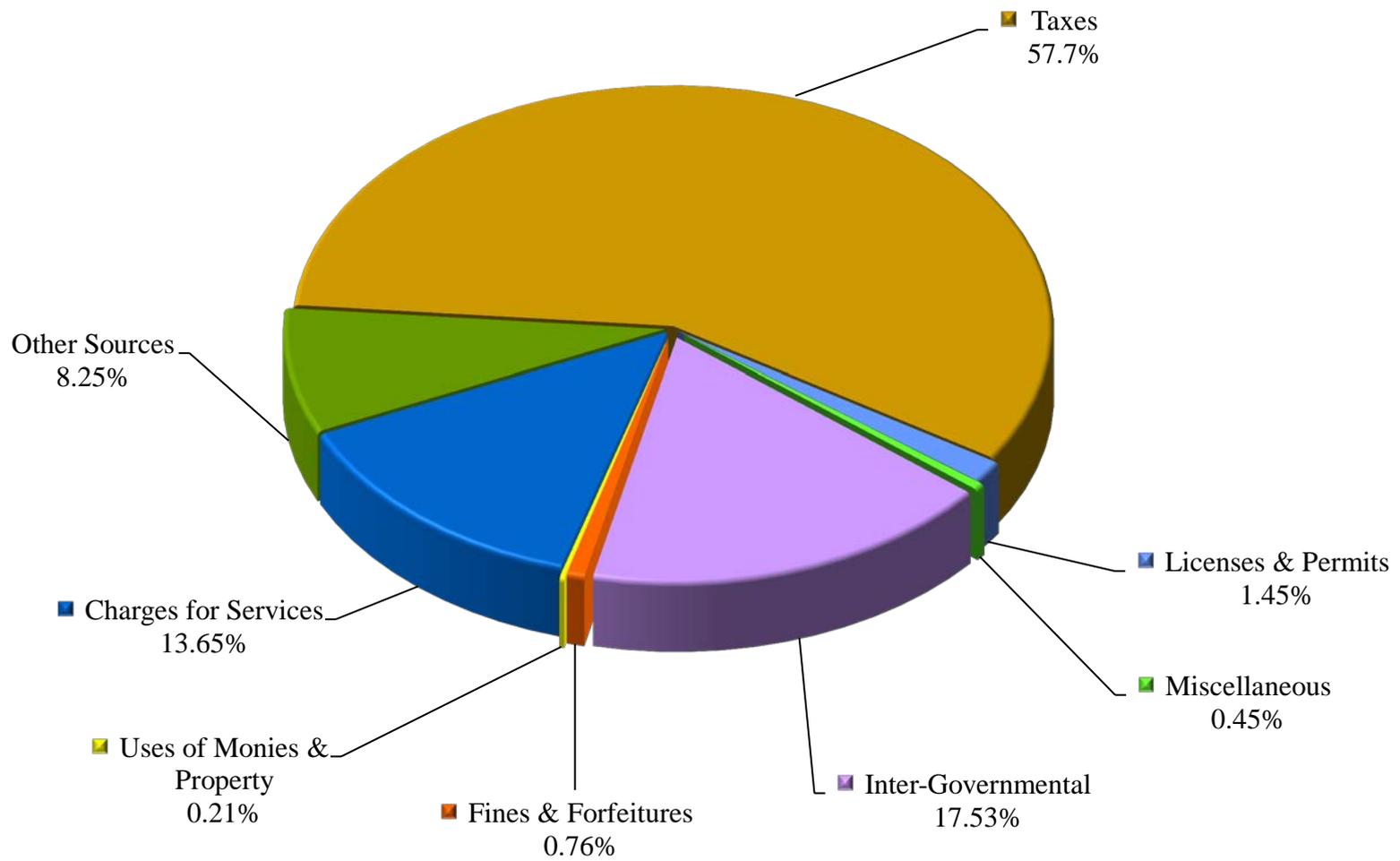
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Taxes					
Franchise Taxes	\$370,646	\$383,950	\$376,300	\$391,920	4.15%
City Sales Tax	11,029,081	12,209,140	11,643,450	12,265,240	5.34%
Bed Tax	214,976	213,000	240,000	240,000	0.00%
Utility Tax	224,390	240,000	234,200	240,000	2.48%
Subtotals	<u>11,839,092</u>	<u>13,046,090</u>	<u>12,493,950</u>	<u>13,137,160</u>	<u>5.15%</u>
Licenses & Permits					
Business Licenses	89,186	87,350	89,000	89,000	0.00%
Construction Permits	190,628	200,000	216,000	220,000	1.85%
Planning & Zoning Fees	20,590	22,500	18,690	22,000	17.71%
Subtotals	<u>300,404</u>	<u>309,850</u>	<u>323,690</u>	<u>331,000</u>	<u>2.26%</u>
Intergovernmental Revenue					
M.V. Lieu Tax	725,012	768,770	807,600	835,355	3.44%
Urban Revenue Sharing	1,445,847	1,409,135	1,485,075	1,455,940	-1.96%
State Shared Sales Tax	1,083,047	1,067,120	1,122,640	1,198,680	6.77%
Post - Reimbursement	0	0	165	0	-100.00%
Pant Grant	150,289	130,000	145,000	145,000	0.00%
School Resource Grant	20,000	25,000	91,030	111,730	22.74%
Misc. Police Grants/DOJ Grant	45,531	60,500	55,445	82,310	48.45%
GOHS Grant	27,435	37,500	37,500	63,800	70.13%
Victims Rights Grant	1,560	1,380	1,250	1,250	0.00%
Miscellaneous Fire Grants	0	5,000	0	20,000	0.00%
Business Assistance Center Grant	0	75,000	0	0	0.00%
Homeland Security Grant	0	32,500	0	0	0.00%
Yav Cty Dept of Emergency Mgmt	0	0	0	5,000	0.00%
NACOG-EWD OJT Funding	871	0	0	0	0.00%
Rico Grant Funds	0	0	0	0	0.00%
Yavapai Apache Revenue Share	18,774	20,000	17,600	20,000	13.64%
ED – Grant Revenues and Match	0	0	69,160	18,750	-72.89%
AZ DEMA Grant Cottonwood Village	0	0	105,935	0	-100.00%
Spay Neuter Grant	0	5,000	0	5,000	0.00%
Miscellaneous Grants	0	0	0	0	0.00%
Fire Grant	0	47,500	0	23,750	0.00%
SB1398 Police Equipment	3,091	2,800	1,500	3,420	128.00%
Subtotals	<u>3,521,456</u>	<u>3,687,205</u>	<u>3,939,900</u>	<u>3,989,985</u>	<u>1.27%</u>
Fines & Forfeitures					
Court Fines	144,958	165,000	140,000	150,000	7.14%
Court Restitution	340	0	0	0	0.00%
Court Enhancement Fee & Deferred Surcharge	20,166	22,000	20,920	22,000	5.16%
Subtotals	<u>165,464</u>	<u>187,000</u>	<u>160,920</u>	<u>172,000</u>	<u>6.89%</u>
Uses of Monies & Properties					
Interest Income	9,387	17,000	25,530	25,000	-2.08%
Building Rental	22,727	25,100	17,700	22,400	26.55%
Subtotals	<u>32,113</u>	<u>42,100</u>	<u>43,230</u>	<u>47,400</u>	<u>9.65%</u>

Fiscal Year 2019 Budget
General Fund Revenues Schedule

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Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Charges for Services					
Spillman Fees	\$8,138	\$0	\$0	\$0	0.00%
Dispatch Fees	756,312	794,130	794,130	833,840	5.00%
Animal Control Fees	3,678	4,500	3,000	3,200	6.67%
Recreation Fees	2,938	4,500	2,500	2,500	0.00%
Open/Close Graves	1,300	2,000	2,000	2,000	0.00%
Community Garden Revenue	4,281	1,500	1,500	1,500	0.00%
Court Atty Reimbursement	8,298	9,100	7,400	7,500	1.35%
Engineering Fees	22,505	15,000	15,000	15,000	0.00%
Plan Check Fees	0	2,500	0	0	0.00%
Pool Revenue	24,563	20,000	23,450	25,000	6.61%
Rec/Fees – Softball Tournaments	20,079	20,000	13,400	28,000	108.96%
Walkin on Main Street	264	5,000	12,000	5,000	-58.33%
Old Town Historic Tour	3,566	4,400	4,010	4,000	-0.25%
Pool – Snack Bar Sales	6,077	6,000	6,000	6,000	0.00%
Pool – Swimming Lessons	17,849	15,800	17,515	17,500	-0.09%
10K Memorial Run	18,543	22,000	18,000	21,000	16.67%
Recreation Center Fees	699,496	650,000	702,860	704,000	0.16%
Recreation Center Building Rental	36,614	33,000	(8,250)	40,000	0.00%
Recreation Center Classes/Programs	74,001	50,000	56,100	60,000	6.95%
Youth Center Fees	35,157	30,000	33,500	40,000	19.40%
Summer Youth Program	2,992	0	0	0	0.00%
Thunder Valley Rally	105,319	112,500	154,935	150,000	-3.19%
Riverfront Park – Snack Bar	6,435	7,500	5,000	7,500	50.00%
Tow Fee Revenues	4,009	8,000	6,200	6,200	0.00%
Transfer Station Revenue	171,106	210,000	83,265	0	-100.00%
Airport – Indirect Cost	65,945	50,000	68,000	20,000	-70.59%
HURF – Indirect Cost	334,983	337,000	256,000	256,000	0.00%
Library – Indirect Cost	206,836	194,000	196,980	196,980	0.00%
Cemetery – Indirect Cost	24,872	19,900	18,000	18,000	0.00%
Water – Indirect Cost	383,425	450,000	415,500	415,500	0.00%
Sewer – Indirect Cost	279,056	282,000	210,440	220,000	4.54%
Subtotals	3,328,631	3,360,330	3,118,435	3,106,220	-0.39%
Miscellaneous Revenues					
Other Income	361,818	25,000	244,500	40,000	-83.64%
Cash Over/(Short)	6	0	0	0	0.00%
Police Donations–P.R.	1,330	1,200	800	1,200	50.00%
Mineral Royalty Payments	23,230	0	23,000	0	-100.00%
Donations (Misc.)	7,165	4,300	4,600	4,300	-6.52%
Sale of City Property	12,656	20,000	20,000	58,000	190.00%
Subtotals	406,204	50,500	292,900	103,500	-64.66%
Other Financing Sources					
Transfers In	0	0	0	0	0.00%
Carryover	0	6,426,120	5,228,185	4,449,550	-14.89%
Other Financing Sources	0	0	0	1,879,320	0.00%
Lease Purchase	0	0	0	0	0.00%
Capital Lease Proceeds	1,194,232	0	0	0	0.00%
Bond Proceeds	0	0	0	0	0.00%
Subtotals	1,194,232	6,426,120	5,228,185	6,328,870	21.05%
Total Revenues	\$20,787,596	\$27,109,195	\$25,601,210	\$27,216,135	6.31%

**General Fund Revenues
Fiscal Year 2019**



General Fund Revenues	
Taxes	\$13,137,160
Licenses & Permits	331,000
Miscellaneous	103,500
Inter-Governmental	3,989,985
Fines & Forfeitures	172,000
Uses of Monies & Property	47,400
Charges for Services	3,106,220
Other Sources	1,879,320
Sub Total	22,766,585
Carryover Balance	4,449,550
Total General Fund Revenues	\$27,216,135

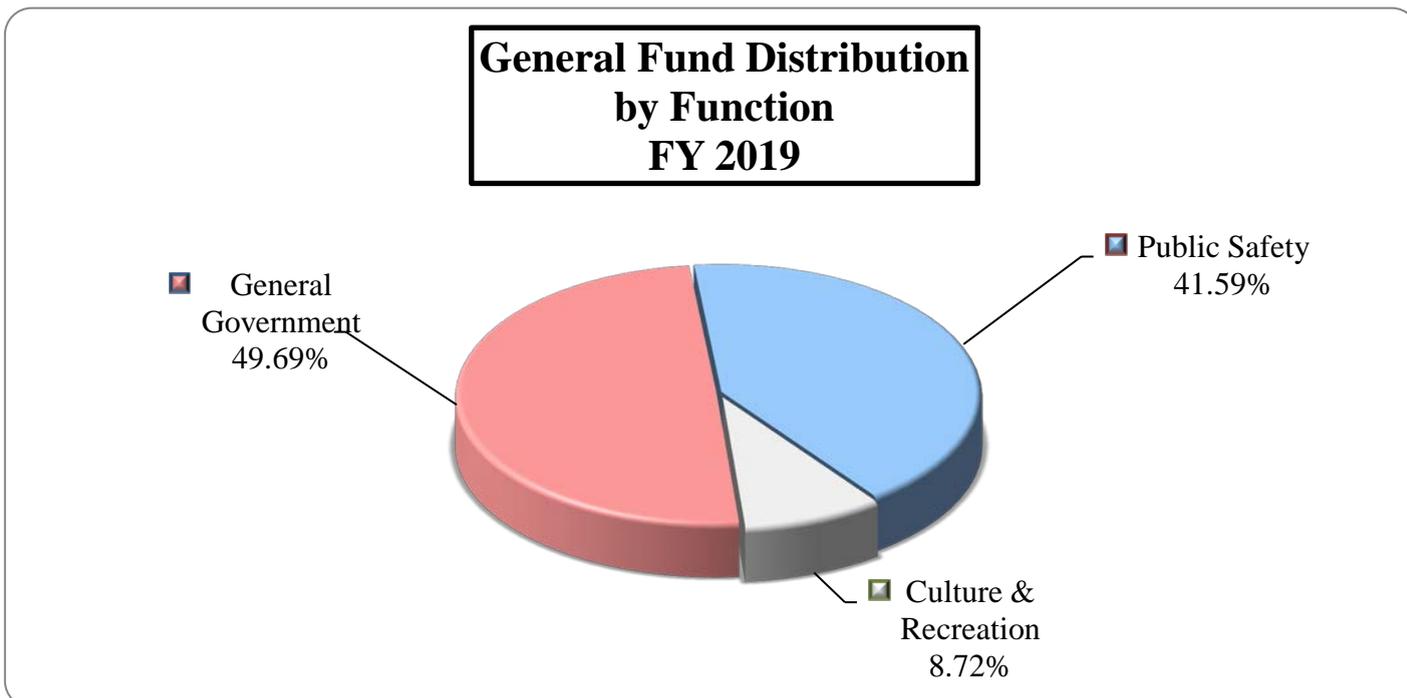
General Fund Revenues

Item Description	Taxes	Licenses & Permits	Inter-Gov't Revenue	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
Franchise Taxes	\$391,920							
City Sales Tax	12,265,240							
Bed Tax	240,000							
Utility Tax	240,000							
Business Licenses		\$89,000						
Construction Permits		220,000						
Planning & Zoning Fees		22,000						
State Revenue Sharing			\$1,455,940					
State Shared Sales Tax			1,198,680					
M.V. Lieu Tax			835,355					
Pant Grant			145,000					
School Resource Officer/COC Shared Services			111,730					
Fire & Emergency Services Grants			43,750					
Miscellaneous Grants			112,310					
Police Grants			67,220					
Dispatch Fees				\$833,840				
Spillman Fees				0				
Animal Control Fees				3,200				
Recr. Fees/Rhythm & Ribs/10K Memorial Run/Walkin' on Main				28,500				
Open/Close Graves				2,000				
Community Garden				1,500				
Engineering Fees				15,000				
Pool Revenue				25,000				
Rec/Fees-Softball Tournament				28,000				
Old Town Historic Tour				4,000				
Pool - Snack Bar Sales				6,000				
Pool - Swimming Lessons				17,500				
Recreation Center Fees /Building Rental/Classes & Programs				804,000				
Youth Center Fees				40,000				
Thunder Valley Rally				150,000				
Riverfront Park - Snack Bar				7,500				
Tow Fee Revenues				6,200				
Transfer Station				0				
Airport - Indirect Costs				20,000				
Cemetery-Indirect Cost				18,000				
HURF - Indirect Cost				256,000				
Library - Indirect Cost				196,980				
Sewer - Indirect Costs				220,000				
Water - Indirect Costs				415,500				
Court Restitutions/Atty Reimbursements				7,500				
Court Fines					\$150,000			
Court Deferred Surcharge					22,000			
Building Rental						\$22,400		
Interest Income						25,000		
Other Income							\$98,000	
Donations							5,500	
Carryover								\$4,449,550
Lease Purchase Proceeds								0
Other Financing Sources								1,879,320
Transfers In								0
Totals	\$13,137,160	\$331,000	\$3,989,985	\$3,106,220	\$172,000	\$47,400	\$103,500	\$6,328,870

Total General Fund Revenues Available \$27,216,135

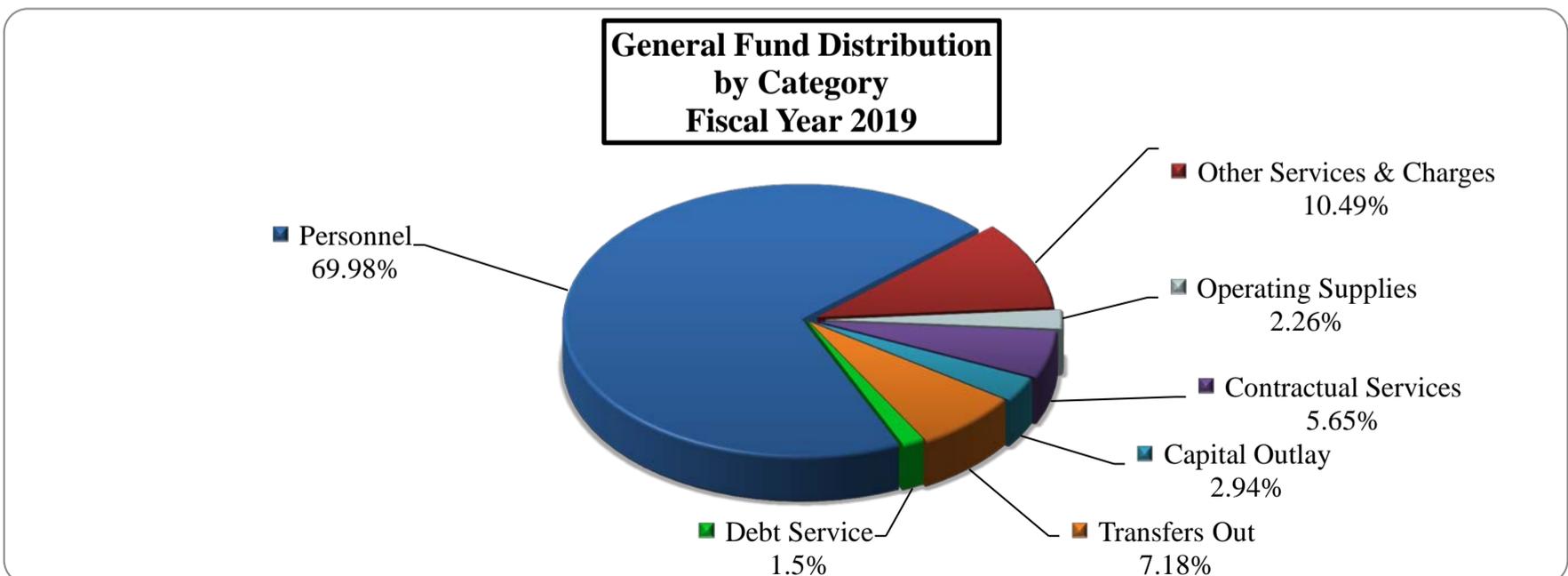
General Fund Disbursement Schedule

	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
General Government					
Administration	\$722,902	\$752,160	\$732,295	\$782,250	6.82%
Personnel	270,596	264,300	240,910	255,395	6.01%
City Council	318,329	4,298,950	254,930	4,696,855	1742.41%
Natural Resources	166,409	175,545	174,475	182,285	4.48%
City Clerk	254,166	273,885	240,365	275,690	14.70%
Finance	409,383	445,100	444,740	451,285	1.47%
IT Services	557,144	781,905	787,690	832,400	5.68%
Purchasing	98,774	104,680	102,290	106,965	4.57%
Community Development	517,452	622,620	564,185	643,450	14.05%
Economic Development	238,199	323,520	313,415	270,910	-13.56%
Municipal Court	512,369	598,480	578,750	536,820	-7.24%
Legal	447,574	452,700	424,115	447,975	5.63%
Non-Departmental	2,871,679	3,028,000	2,005,215	2,541,385	26.74%
Engineering	491,456	335,760	314,475	442,125	40.59%
Building Maintenance	470,703	409,570	345,340	461,495	33.63%
Custodial	140,042	210,000	131,000	136,000	3.82%
Public Works	496,095	617,900	613,765	459,640	-25.11%
Total General Government	8,983,273	13,695,075	8,267,955	13,522,925	63.56%
Public Safety					
Police	5,066,264	5,250,170	5,147,750	5,882,725	14.28%
Ordinance Enforcement	202,561	219,275	201,630	240,115	19.09%
Communications	1,539,738	1,756,330	1,513,710	1,941,070	28.23%
Fire & Medical	3,064,391	3,895,910	3,774,595	3,255,015	-13.77%
Total Public Safety	9,872,953	11,121,685	10,637,685	11,318,925	6.40%
Culture & Recreation					
Parks & Recreation	926,159	974,865	942,075	992,605	5.36%
Recreation Center	1,468,490	1,317,570	1,303,945	1,381,680	5.96%
Total Culture & Recreation	2,394,648	2,292,435	2,246,020	2,374,285	5.71%
Total General Fund Expenditures	\$21,250,874	\$27,109,195	\$21,151,660	\$27,216,135	28.67%



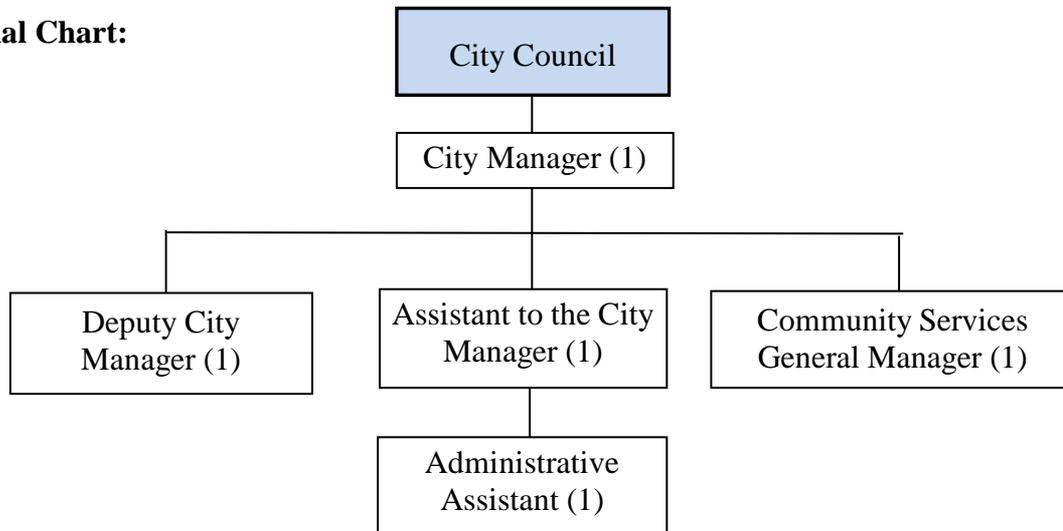
General Fund Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
General Government								
Administration	\$737,600	\$1,900	\$3,100	\$27,250	\$12,400	\$0	\$0	\$0
Personnel	197,780	4,650	19,930	33,035	0	0	0	0
City Council	49,985	865	129,000	90,900	0	0	0	4,426,105
City Clerk	232,490	1,675	990	40,535	0	0	0	0
Natural Resources	180,720	5	200	1,360	0	0	0	0
Finance	272,200	8,800	107,475	62,810	0	0	0	0
Information Technology	569,350	11,600	219,900	31,550	0	0	0	0
Purchasing	102,050	775	1,350	2,790	0	0	0	0
Community Development	601,650	7,300	7,600	26,900	0	0	0	0
Economic Development	223,550	3,185	1,875	42,300	0	0	0	0
Municipal Court	430,555	7,800	58,020	40,445	0	0	0	0
Legal	257,725	150	183,600	6,500	0	0	0	0
Non-Departmental	0	0	10	564,000	0	1,634,715	342,660	0
Engineering Services	300,810	8,100	4,300	17,275	111,640	0	0	0
Building Maintenance	317,810	42,500	2,000	99,185	0	0	0	0
Custodial	0	0	136,000	0	0	0	0	0
Public Works	382,540	1,850	11,650	14,600	49,000	0	0	0
General Government Totals								
	4,856,815	101,155	887,000	1,101,435	173,040	1,634,715	342,660	4,426,105
Public Safety								
Police	5,036,525	189,550	42,800	199,050	414,800	0	0	0
Ordinance Enforcement	158,320	6,450	43,880	1,000	30,465	0	0	0
Communications	1,651,920	3,000	17,000	269,150	0	0	0	0
Fire & Medical	2,984,100	95,900	75,500	77,915	21,600	0	0	0
Public Safety Totals								
	9,830,865	294,900	179,180	547,115	466,865	0	0	0
Culture & Recreation								
Parks & Recreation	427,790	34,950	41,150	463,500	25,215	0	0	0
Recreation Center	833,830	83,930	180,850	279,060	4,010	0	0	0
Culture & Recreation Totals								
	1,261,620	118,880	222,000	742,560	29,225	0	0	0
General Fund Category Totals								
	\$15,949,300	\$514,935	\$1,288,180	\$2,391,110	\$669,130	\$1,634,715	\$342,660	\$4,426,105
General Fund Expenditures				\$22,790,030				
Anticipated Reserves				4,426,105				
Total General Fund Budget				\$27,216,135				



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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, Deputy City Manager and the General Manager, the Administration Department directs the work of other City departments and coordinates the general activities of the city government with other governmental entities.

FY 2018 Accomplishments:

- * Completed the construction of the Riverfront Water Reclamation Facility (RWRF)
- * Completed the installation of a new water line on Mingus Avenue and the reconstruction of the Mingus Avenue alignment between Willard Street and 8th Street
- * Completed the design of the 2nd phase of the road alignment of Mingus Avenue between the intersections with 8th Street and Main Street
- * Completed the installation of two reclaimed water injection wells
- * Completed the road diet design for Mingus Avenue between the intersections with Main Street and 10th Street
- * As part of the Riverfront Trails Plan, acquired easements to allow for a trail through Del Monte Wash that will stretch from Dead Horse State Park to Mingus Mountain

FY 2019 Goals:

- * Increase the use of social and traditional media to market Cottonwood and also to market Cottonwood as the Heart of Arizona Wine Country and as a tourist destination
- * Complete the reconstruction of Mingus Avenue between the intersections with 8th Street and Main Street
- * Complete the Riverfront Trails Plan (including a trail through Del Monte Wash) and start its implementation
- * Provide direction for the design of the Old Town (Main Street) streetscape extension to 10th Street
- * Implement key performance indicators to better measure performance for benchmarking
- * Achieve Silver award status for Bicycle Friendly Community from The League of American Bicyclists

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Capital for the lease payment has been budgeted in the amount of \$12,400 for Enterprise Fleet Vehicles.

General Government	Administration Department	Fund 01 – General Fund	Cost Center	1100	
Performance Indicators					
Strategic Directive:	Community Engagement				
Department Goal:	Increase the use of social media and other traditional media to market Cottonwood				
Objective:	Increase citizens' knowledge of and participation in City activities				
Tool:	Newsletters, Inside Cottonwood TV shows and media releases				
Type of Measure:	Volume				
Frequency:	Daily, weekly, monthly				
Scoring:	Number of publications/postings				
Trend:	Upward				
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
Number of postings to all forms of social and traditional media		81	90	120	150

Strategic Directive:	Promote and preserve historic and natural resources				
Department Goal:	Initiate and complete the Riverfront Trails Plan (to include a trail through the Del Monte Wash) and start its implementation				
Objective:	Work and coordinate with staff and other resources to acquire funding to initiate, complete and implement the Riverfront Trails Plan				
Type of Measure:	Riverfront Trails Plan				
Tool:					
Frequency:					
Scoring:					
Trend:					
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
Development of plan				30%	100%
Plan implementation					50%

General Government	Administration Department	Fund 01 – General Fund			Cost Center	1100
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$696,029	\$731,060	\$709,915	\$737,600	3.90%	
Operating Supplies	2,334	1,450	2,500	1,900	-24.00%	
Contractual Services	2,919	2,500	3,020	3,100	2.65%	
Other Services and Charges	21,621	17,150	16,860	27,250	61.63%	
Capital Outlay	0	0	0	12,400	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$722,902	\$752,160	\$732,295	\$782,250	6.82%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$782,250	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
City Manager (CM)	1.00	1.00	1.00	11,880	17,507	\$173,660
Deputy City Manager	0	1.00	1.00	10,262	15,123	147,065
Administrative Svcs General Manager	1.00	0	0	8,470	12,442	0
Community Services General Manager	1.00	1.00	1.00	8,470	12,442	138,920
Developmental Services General Manager	0	0	0	8,470	12,442	0
Assistant to CM	1.00	1.00	1.00	3,868	5,700	47,550
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	31,475
COLA						0
Car Allowance						5,400
Merit Contingency						16,230
Longevity						0
Overtime						0
Temporary / Reserves						0
Retirement						66,120
Insurance & Taxes						111,180
Employee Related Expenses						0
Totals	5.00	5.00	5.00			\$737,600

General Government Administration Department	Fund 01 – General Fund			Cost Center	1100
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	976	400	900	600	-33.33%
Copier Supplies	1,018	700	1,200	1,200	0.00%
Gas & Oil	285	300	300	0	-100.00%
Vehicle Maintenance & Repairs	0	0	0	0	0.00%
Equipment Maintenance & Repairs	0	0	0	0	0.00%
Postage & Freight	54	50	100	100	0.00%

Total Supplies	2,334	1,450	2,500	1,900	-24.00%
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Contractual Services

Computer Support	1,919	1,500	1,920	2,000	4.17%
Contractual Services	1,000	1,000	1,100	1,100	0.00%

Total Contractual Services	2,919	2,500	3,020	3,100	2.65%
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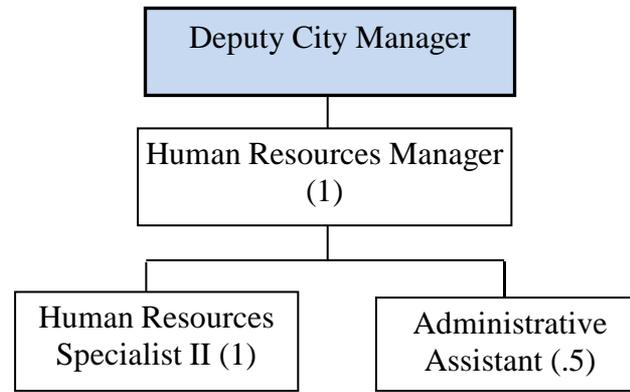
Other Services and Charges

Travel & Training	1,260	1,000	1,200	2,500	108.33%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,041	1,500	1,600	1,600	0.00%
Printing & Forms	1,326	2,000	2,500	2,500	0.00%
Utilities	4,779	6,500	6,000	6,300	5.00%
Telephone	5,742	6,150	5,560	5,850	5.22%
Legal Advertising	0	0	0	0	0.00%
Manager's Contingency	7,472	0	0	8,500	0.00%

Total Other Services & Charges	21,621	17,150	16,860	27,250	61.63%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Enterprise Fleet Lease Payments				\$12,400	
Totals	\$0	\$0	\$0	\$12,400	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2018 Accomplishments:

- * Completed the revision of the employment application process that enables online submissions through the City's website
- * The 2017 National Conference of the Public Risk Management Association in Phoenix was attended by the Human Resources Manager. This conference offers information on the latest trends and changes in public sector risk management.
- * Successfully streamlined the orientation process for new hires by creating a packet of easy fillable pdf-forms to be completed before the new hires' orientation appointment on their first day of work
- * Implemented a new performance evaluation process that facilitates better communication between supervisors and staff
- * Assisted with the implementation of a new evaluation process for Board and Commission applicants that provides for a larger involvement of the Council in the appointment of board and commission members
- * Organized a Certificate of Insurance training by AMRRP (Arizona Municipal Risk Retention Pool) for all City employees whose duties include obtaining and reviewing required Certificates of Insurance (COIs)
- * Updated sections of the Personnel Operations Guide
- * Held an Open Meeting Law Training at the Cottonwood Recreation Center that was open to the general public and presented by a representative of the Ombudsman's Office

FY 2019 Goals:

- * Develop and introduce new risk management programs in conjunction with the City's Regulatory, Compliance, Safety, and Education Administrator in an effort to decrease the number of claims due to
- * Work together with the Purchasing Division in researching the availability and implementation costs of tracking software programs for COIs so one can be purchased in FY 2020
- * Create a more enticing environment to retain valuable and productive employees and attract new employees by highlighting the benefits of working at the City and living in Cottonwood and the

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. No Capital is budgeted for FY 2019.

General Government	Human Resources Department	Fund 01 – General Fund	Cost Center	1210	
Performance Indicators					
Strategic Directive:	Promote a vibrant, healthy and educated community				
Department Goal:	Efficiently and effectively conduct risk management				
Objective:	Decrease the number of workplace injuries and claims through a safety campaign that includes bi-monthly trainings and addressing safety issues on a quarterly basis in the City's employee newsletter "Communiqué"				
Type of Measure:	Claims data				
Tool:	Electronic maintenance and operational data				
Frequency:	Annual reports				
Scoring:	The Experience Modifier (EMOD) should be ≤ 1. It determines the City's workers' comp rate in comparison to other cities/towns				
Trend:	FY 2017 shows a decrease in claims and cost and higher EMOD				
Measures:		Actual		Estimated	Anticipated
		2016	2017	2018	2019
Total number of trainings completed by all employees	2,911	3,546	3,600	3,600	
Total number of Communiqué articles submitted	0	1	4	4	
Total number of Workers' Compensation (WC) claims	26	12	15	15	
— Percent change in WC claims		54%	-25%	0%	
Total cost of WC claims	67,900	13,674	30,000	30,000	
— Percent change in cost of WC claims		-80%	119%	0%	
Average cost of individual WC claims	2,058	651	1,000	1,000	
EMOD	1.21	1.60	1.60	1.60	

Strategic Directive:	Promote Cottonwood as a vibrant, healthy and educated community				
Department Goal:	Provide recruitment services to City staff to assist them in recruiting the best qualified applicants				
Objective:	Retain valuable and productive employees				
Type of Measure:	Employment data				
Tool:	Human Resources Department data				
Frequency:	Annual reports				
Scoring:	Increase/decrease from prior year				
Trend:	Positions filled = increase; turnover rate = level				
Measures: as of 3/16/2018		Actual		Estimated	Anticipated
		2016	2017	2018	2019
Total number of full-time and part-time positions opened	106	72	100	100	
Total number of full-time positions filled	35	22	30	30	
Total number of applications received	582	630	700	700	
Full-time transfers	8	10	9	9	
Full-time employees - Voluntary termination	22	20	20	20	
Full-time employees - Termination after completion of Orientation Period	1	1	1	1	
Full-time employees - Termination during Orientation Period	4	4	4	4	
Full-time employees - Retirement	6	4	8	5	

General Government Human Resources Department		Fund 01 – General Fund			Cost Center	1210
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$233,525	\$190,150	\$188,955	\$197,780	4.67%	
Operating Supplies	4,557	4,550	3,900	4,650	19.23%	
Contractual Services	13,711	28,000	16,590	19,930	20.13%	
Other Services and Charges	18,802	41,600	31,465	33,035	4.99%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$270,596	\$264,300	\$240,910	\$255,395	6.01%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$255,395	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Human Resources Manager	1.00	1.00	1.00	6,000	8,842	\$73,905
Safety Training Specialist	0.00	0.00	0.00	4,936	7,274	0
Human Resources Specialist II	0.00	1.00	1.00	3,868	5,700	46,505
Human Resources Specialist	1.00	0.00	0.00	2,749	4,051	0
Administrative Assistant	0.50	0.50	0.50	2,618	3,858	16,520
COLA						0
Employee Awards						950
Merit Contingency						1,350
Longevity						0
Overtime						0
Temporary / Reserves						0
Retirement						16,390
Insurance & Taxes						42,160
Employee Related Expenses						0
Totals	2.50	2.50	2.50			\$197,780

General Government	Human Resources Department	Fund 01 – General Fund		Cost Center	1210
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,184	1,400	1,400	1,500	7.14%
Copier Supplies	914	1,000	1,000	1,000	0.00%
Gas & Oil	226	500	200	500	150.00%
Vehicle Maintenance	751	500	300	500	66.67%
Equipment Maintenance and Supplies	400	900	900	1,000	11.11%
Postage & Freight	83	250	100	150	50.00%

Total Supplies	4,557	4,550	3,900	4,650	19.23%
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Contractual Services

Compensation Study		0	800	2,000	150.00%
Computer Support	2,663	7,000	2,790	2,930	5.02%
Employee Physicals/Drug Tests	10,475	14,000	8,000	10,000	25.00%
Contractual Services	574	7,000	5,000	5,000	0.00%

Total Contractual Services	13,711	28,000	16,590	19,930	20.13%
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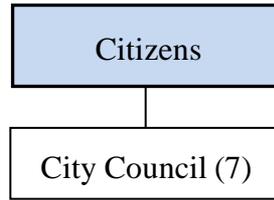
Other Services and Charges

Travel & Training	1,788	6,000	700	4,200	9.09%
Subscriptions & Memberships	1,087	800	810	985	33.33%
Training Supplies	0	200	0	0	100.00%
Printing & Forms	70	100	50	100	0.00%
Advertising	0	0	0	0	0.00%
Utilities	3,951	4,600	4,500	4,600	10.84%
Telephone	722	900	1,300	1,400	11.11%
Recruitment Expense	1,895	9,000	9,000	4,000	143.24%
Safety/Personnel Committee	2,527	4,000	4,065	5,750	0.00%
Unemployment Insurance (City)	6,762	16,000	11,040	12,000	33.33%

Total Other Services & Charges	18,802	41,600	31,465	33,035	4.99%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2018 Accomplishments:

- * Created a new selection process for commission and board members
- * Developed strategies to enhance the Cottonwood Farmers' Market and Jamboree
- * Established an Arts, Culture and Entertainment District that follows North Main Street from the boundary with Clarkdale to the intersection of Main Street and State Route 89A
- * Increased funding by 20% for pavement preservation and new sidewalks
- * Completed the construction of the Riverfront Water Reclamation Facility (RWRF) that will provide reclaimed water to water sport fields and replenish the aquifers

FY 2019 Goals:

- * Maintain participation in the planning meetings of the Verde Front, a regional collaborative in the Sedona-Verde Valley that fosters proactive dialogue, coordination and collective action on stewardship of natural and cultural resources
- * Obtain the "Silver" designation for Bicycle Friendly Community from The League of American
- * Increase the use of social and traditional media to market Cottonwood also market Cottonwood as the Heart of Arizona Wine Country and as a tourist destination
- * Determine a desired selection process for the position of City Manager

Budget Highlights:

For FY 2019, reductions in proposed budgets for various departments have been made, including in the Undesignated Reserves of the Council's budget. The City Council has approved a reduction in merit pay percentages by 1% to a 4% maximum, with an annual minimum eligibility of 2%. For the City to remain marketplace-competitive, the salary range structure has been adjusted with 2.3% for Cost of Living. The City Council will vote on a sales tax increase of 0.5% that if approved will become effective in November 2018. The resulting estimated revenue increase will be partially allocated to the funding of several position reclassifications, new personnel, and a small number of capital projects. The remaining additional revenue will be assigned to Reserves (15%), HURF (25%), Transit (20%), Pension Liability (10%), and Infrastructure/Capital [General Fund] (10%) in future years.

General Government	City Council	Fund 01 – General Fund	Cost Center	1000	
Performance Indicators					
Strategic Directive:	Community Engagement				
Department Goal:	Increase the use of social media and other traditional media to market Cottonwood				
Objective:	Increase the citizens & business community awareness to Cottonwood both locally and nationally				
Tool:	Newsletters, Inside Cottonwood TV shows and media releases				
Type of Measure:	Number of media postings				
Frequency:	Weekly, monthly				
Scoring:	Number of publications/postings				
Trend:	Upward				
Measures:	Actual		Estimated	Anticipated	
	2016	2017	2018	2019	
Number of postings to all forms of social and traditional media		81	90	120	150

Strategic Directive:	Promote and preserve historic and natural resources			
Department Goal:	Maintain participation in the planning meetings of the Verde Front, a regional collaborative in the Sedona–Verde Valley that fosters proactive dialogue, coordination and collective action on stewardship of natural and cultural resources.			
Objective:	Support and participate in regional planning efforts of the Verde Front			
Type of Measure:	Riverfront Trails Plan			
Tool:	Attendance at Verde Front meetings			
Frequency:	Quarterly			
Scoring:	4 meetings			
Trend:	Upward			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Meetings to attend			4	4

Supplemental Data: Capital Outlay				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Permit HVAC for City Council Chamber	\$210			
Totals	<u>\$210</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

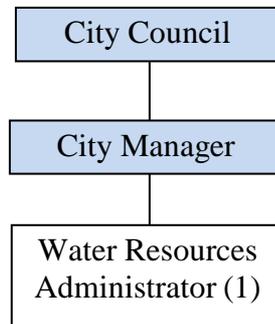
General Government	City Council	Fund 01 – General Fund			Cost Center	1000
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$47,171	\$49,765	\$49,755	\$49,985	0.46%	
Operating Supplies	2,210	1,050	865	865	0.00%	
Contractual Services	182,932	74,000	116,000	129,000	11.21%	
Other Services and Charges	83,306	86,400	88,310	90,900	2.93%	
Capital Outlay	210	0	0	0	0.00%	
Reserves	2,500	4,087,735	0	4,426,105	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$318,329</u>	<u>\$4,298,950</u>	<u>\$254,930</u>	<u>\$4,696,855</u>	<u>1742.41%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$270,750	5.76%
Grants	0	0.00%
Reserves/Fund Balance	4,426,105	94.24%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	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
Overtime						0
Temporary / Reserves						0
Retirement						1,265
Insurance & Taxes						3,720
Employee Related Expenses						0
Totals	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>			<u>\$49,985</u>

General Government	City Council	Fund 01 – General Fund			Cost Center	1000
Supplemental Data: Expenditures						
Item Description	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Supplies						
Office Supplies	2,125	1,000	800	800	0.00%	
Copier Supplies	0	0	0	0	0.00%	
Postage & Freight	85	50	65	65	0.00%	
Total Supplies	2,210	1,050	865	865	0.00%	
Contractual Services						
Main Street Program & Old Town Association	10,000	10,000	10,000	0	-100.00%	
Large Item Pick-up	9,583	9,000	9,000	9,000	0.00%	
Recycle Program	0	0	0	0	0.00%	
Rodeo Drive St. Reimbursement	108,349	0	0	0	0.00%	
Verde Valley Senior Center	55,000	55,000	55,000	55,000	0.00%	
Contractual Services	0	0	42,000	65,000	54.76%	
Total Contractual Services	182,932	74,000	116,000	129,000	11.21%	
Other Services and Charges						
Travel & Training	4,422	6,000	5,000	6,000	20.00%	
Subscriptions & Memberships	25,570	15,000	15,000	15,000	0.00%	
Gas & Oil	42	100	0	0	0.00%	
Vehicle Maintenance & Repair	156	250	250	250	0.00%	
Computer Support	1,384	1,200	1,435	1,510	5.23%	
Christmas Lights	692	600	600	600	0.00%	
Public Relations	2,015	1,200	1,000	1,000	0.00%	
Legal Advertising	0	0	0	0	0.00%	
Parking Lot Lights	2,549	2,200	2,760	2,980	0.00%	
Utilities	4,358	6,000	4,500	4,860	8.00%	
Telephone	754	1,750	265	0	-100.00%	
Community Garden	1,992	600	2,000	1,200	-40.00%	
Council Contingency	6,699	10,000	14,000	14,000	0.00%	
Annual Appreciation Event	840	1,500	1,500	1,500	0.00%	
Youth Commission	834	4,000	4,000	4,000	0.00%	
Veterans Van/Events	0	0	0	2,000	0.00%	
Outside Agencies	15,000	20,000	20,000	20,000	0.00%	
Growth Study & Analysis	0	0	0	0	0.00%	
Birding Festival	1,000	1,000	1,000	1,000	0.00%	
Building Community Grants	15,000	15,000	15,000	15,000	0.00%	
Old Town Parking	0	0	0	0	0.00%	
Total Other Services & Charges	83,306	86,400	88,310	90,900	2.93%	
Reserves						
Carryover Restricted	0	3,037,990	0	3,114,065	0.00%	
Accumulation Fund	0	1,000,000	0	1,000,000	0.00%	
Undesignated	2,500	49,745	0	50,000	0.00%	
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%	
Pension Reserves - 0.5 Sales Tax Reserve	0	0	0	262,040	0.00%	
Employee Merit Program (distributed in each dept)	0	0	0	0	0.00%	
Salary Plan Implementation	0	0	0	0	0.00%	
Total Reserves	2,500	4,087,735	0	4,426,105	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 2018 Accomplishments:

- * Completed the feasibility analysis of the injection well for recharging reclaimed water at the Riverfront Water Reclamation Facility (RWRF)
- * Completed the feasibility testing of the new injection well at the Cottonwood Kids Park, adjacent to the Fairgrounds. The Kids Park was identified as the new recharging site after the earlier injection well at the RWRF (see previous accomplishment) was ultimately determined to be hydrogeologically unsuitable
- * Obtained the Aquifer Protection Permit (APP) from the Arizona Department of Environmental Quality (AZDEQ) for the injection well located west of the Mingus Avenue Wastewater Treatment Plant
- * Completed and submitted the required permit applications for an Underground Storage Facility (USF) and an Aquifer Storage and Recovery (ASR) to the Arizona Department of Water Resources (ADWR) for the injection well at the Mingus Wastewater Treatment Plant (WWTP)
- * Completed site identification and drilling of the required Point of Compliance (POC) monitoring well (hole) for the injection well at the Mingus WWTP

FY 2019 Goals:

- * Complete and submit the required applications for an Underground Storage Facility (USF) permit and an Aquifer Storage and Recovery (ASR) permit with ADWR for recharging reclaimed water at the Cottonwood Kids Park injection well
- * Upon approval of the USF and ASR permits, start the construction of the required infrastructure to facilitate the injection of reclaimed water from the Mingus WWTP into the Mingus Injection well
- * Begin construction of the necessary infrastructure to facilitate the injection of reclaimed water from RWRF to the Kids Park injection well

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. No Capital is budgeted for FY 2019.

General Government	Natural Resources	Fund 01 – General Fund	Cost Center	1700
Performance Indicators				
Strategic Directive:	Maintain a uniquely desirable and sustainable community			
Department Goal:	Maintain 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			
Tool:	Meetings			
Type of Measure:	Internal reporting			
Frequency:	Monthly reporting			
Scoring:	Maintain projected attendance			
Trend:	n/a			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Regional Water related meetings attended	40	40	20	20
Yavapai Water Board related meetings attended	15	2	2	2
Statewide Water Resource Development Meetings	20	20	37	40

Strategic Directive:	Maintain a uniquely desirable and sustainable community			
Department Goal:	Provide guidance for long-term water planning, quantify the required 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			
Tool:	US Geological survey database, AWDR reports and field measurements			
Type of Measure:	Develop reports containing comprehensive water use data, including information on conservation and recharge			
Frequency:	Continuous			
Scoring:	n/a			
Trend:	n/a			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Riverfront Water Reclamation Facility - Recharge project			50%	75%
Mingus Avenue Wastewater Treatment Plant - Recharge project			80%	100%

Strategic Directive:	Maintain a uniquely desirable and sustainable community			
Department Goal:	Ensure the City's water resources and the utility services provided to its customers are not negatively impacted by statewide legislative efforts			
Objective:	Monitor, track and provide feedback on legislation related to the regulation and management of water resources			
Tool:	Arizona legislative tracking database, Federal Register, Legislative Updates			
Type of Measure:	Legislative summary updates and recommendations to the City Council			
Frequency:	Weekly monitoring and tracking during the legislative session			
Scoring:	Maintain projected number of updates and meetings			
Trend:	n/a			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Summary updates	25	25	25	25
Meetings with legislators and AZ League of Cities & Towns Legislative Updates	20	20	17	20

General Government	Natural Resources	Fund 01 – General Fund			Cost Center	1700
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$164,995	\$173,930	\$172,985	\$180,720	4.47%	
Operating Supplies	4	105	0	5	0.00%	
Contractual Services	171	150	180	200	11.11%	
Other Services and Charges	1,239	1,360	1,310	1,360	3.82%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$166,409	\$175,545	\$174,475	\$182,285	4.48%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$182,285	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Water Resources Administrator	1.00	1.00	1.00	8,470	12,442	\$133,665
COLA						0
Car Allowance						5,400
Merit Contingency						3,565
Longevity						0
Overtime						0
Temporary / Reserves						0
Retirement						16,830
Insurance & Taxes						21,260
Employee Related Expenses						0
Totals	1.00	1.00	1.00			\$180,720

General Government	Natural Resources	Fund 01 – General Fund		Cost Center	1700
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

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

Total Supplies	4	105	0	5	0.00%
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Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	171	150	180	200	11.11%

Total Contractual Services	171	150	180	200	11.11%
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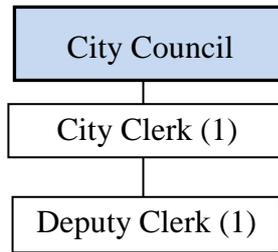
Other Services and Charges

Travel & Training	0	0	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Printing and Forms	0	0	0	0	0.00%
Utilities	279	400	350	400	14.29%
Telephone	960	960	960	960	0.00%

Total Other Services & Charges	1,239	1,360	1,310	1,360	3.82%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2018 Accomplishments:

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

FY 2019 Goals:

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

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. No Capital is budgeted for FY 2019.

General Government	City Clerk	Fund 01 – General Fund	Cost Center	1010												
Performance Indicators																
Mission/Value Statement:																
Strategic Directive: Strive to provide effective and efficient services																
Department Goal: Provide excellent customer service to the public and staff																
Type of Measure: Outcome																
Tool: Number of requests																
Frequency: Annual																
Scoring: Increase/decrease/level																
Trend: Up																
<table border="1"> <tr> <td colspan="2">Actual</td> <td>Estimated</td> <td>Anticipated</td> </tr> <tr> <td>2016</td> <td>2017</td> <td>2018</td> <td>2019</td> </tr> <tr> <td>Increase</td> <td>Level</td> <td>Level</td> <td>Level</td> </tr> </table>					Actual		Estimated	Anticipated	2016	2017	2018	2019	Increase	Level	Level	Level
Actual		Estimated	Anticipated													
2016	2017	2018	2019													
Increase	Level	Level	Level													
Measures:																

Strategic Directive: Strive to provide effective and efficient services																
Department Goal: Respond to the legislative needs of the City Council and their constituents																
Type of Measure: Outcome																
Tool: Produce meeting agenda packets																
Frequency: Monthly																
Scoring: Yes/No																
Trend: Level																
<table border="1"> <tr> <td colspan="2">Actual</td> <td>Estimated</td> <td>Anticipated</td> </tr> <tr> <td>2016</td> <td>2017</td> <td>2018</td> <td>2019</td> </tr> <tr> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> </tr> </table>					Actual		Estimated	Anticipated	2016	2017	2018	2019	Yes	Yes	Yes	Yes
Actual		Estimated	Anticipated													
2016	2017	2018	2019													
Yes	Yes	Yes	Yes													
Measures:																

General Government		City Clerk		Fund 01 – General Fund		Cost Center		1010	
Summary by Category									
Expenditure Category		2017	2018		2019	Percent			
		Actual	Budget	Revised	Final	Change			
Personnel		\$219,002	\$229,560	\$223,870	\$232,490	3.85%			
Operating Supplies		1,633	1,725	1,125	1,675	48.89%			
Contractual Services		904	700	940	990	5.32%			
Other Services and Charges		32,627	41,900	14,430	40,535	180.91%			
Capital Outlay		0	0	0	0	0.00%			
Debt Service		0	0	0	0	0.00%			
Department Totals		<u>\$254,166</u>	<u>\$273,885</u>	<u>\$240,365</u>	<u>\$275,690</u>	<u>14.70%</u>			

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$275,690	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
City Clerk	1.00	1.00	1.00	Contract		\$113,530
Deputy Clerk	1.00	1.00	1.00	3,341	4,924	49,465
COLA						0
Merit Contingency						5,855
Longevity						0
Overtime						1,400
Temporary / Reserves						0
Retirement						20,090
Insurance & Taxes						42,150
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$232,490</u>

General Government	City Clerk	Fund 01 – General Fund		Cost Center	1010
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,182	700	700	700	0.00%
Copier Supplies	376	500	400	500	25.00%
Gas & Oil	34	50	0	0	0.00%
Vehicle Maintenance & Repairs	40	450	0	450	0.00%
Equipment Maintenance & Repairs	0	0	0	0	0.00%
Postage & Freight	1	25	25	25	0.00%

Total Supplies	1,633	1,725	1,125	1,675	48.89%
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Contractual Services

Computer Support	904	700	940	990	5.32%
Contractual Services	0	0	0	0	0.00%

Total Contractual Services	904	700	940	990	5.32%
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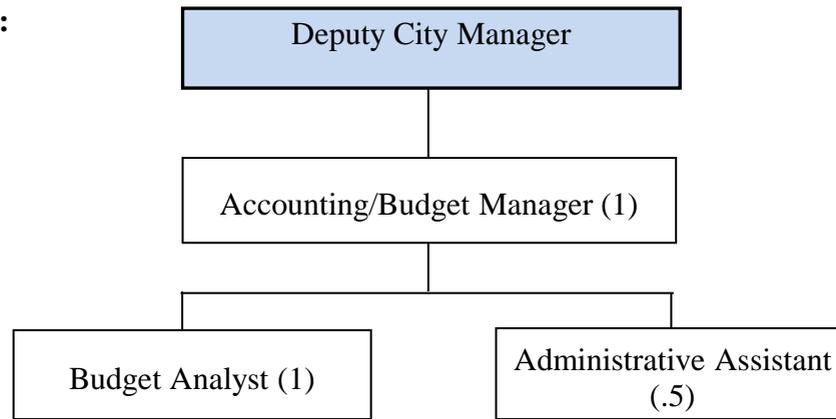
Other Services and Charges

Travel & Training	1,058	600	800	800	0.00%
Subscriptions & Memberships	6,503	8,000	7,000	7,000	0.00%
Printing & Forms	137	0	0	0	0.00%
Utilities	2,187	3,000	2,530	2,735	8.10%
Telephone	1,576	2,300	1,600	2,000	25.00%
Legal Advertising	0	0	0	0	0.00%
Election Expense	21,165	28,000	2,500	28,000	1020.00%

Total Other Services & Charges	32,627	41,900	14,430	40,535	180.91%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2018 Accomplishments:

- * Reached 14th anniversary of the City's employee newsletter "Communiqué"
- * Was awarded the 27th consecutive Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the department's Comprehensive Annual Financial Report (CAFR) for the year ending June 2017
- * Received for the 18th time the Distinguished Budget Presentation Award from the GFOA for FY 2017
- * Successfully facilitated the City of Cottonwood in maintaining an AA++ bond rating
- * Completed the FY 2017 Financial Audit by providing accurate and transparent accounting for citizens
- * Worked together with City staff to develop a comprehensive and fiscally responsible budget

FY 2019 Goals:

- * Review and update, where necessary, the current "Transparency" page to make it more user-friendly so financial information can be easier accessed and also to increase community engagement
- * Complete the audit of the City's fixed assets
- * Prepare and submit for the 28th time the City's FY 2018 CAFR to GFOA to compete for the Certificate of Achievement in Excellence in Financial Reporting
- * Prepare and submit application to the GFOA for the 19th time to acquire the Distinguished Budget Presentation Award for the City's FY 2018 Annual Budget
- * Start employing the Extended Budgeting Module in the Springbrook software that will enable a more comprehensive and detailed budget process for each department
- * Initiate a new performance indicator plan to measure departmental performance based on the City's Strategic Plan
- * Streamline the budget planning and review process

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. The proposed budgeted amount for Computer Support by Springbrook has been reduced by \$4,000 due to reduced services. Pending City Council's approval of a 0.5% sales tax increase, the position of Accounting/Budget Manager will be reclassified to Financial Services Manager with a salary range change but no salary adjustment. No Capital has been budgeted for FY 2019.

General Government	Finance Department	Fund 01 – General Fund	Cost Center	1200																								
Performance Indicators																												
Strategic Directive: 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: Attainment certificate awards																												
Tool: Preparation of budget document and submission for review to the GFOA																												
Frequency: Annual																												
Scoring: Yes/No																												
Trend:																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table>					Actual		Estimated	Anticipated	2016	2017	2018	2019	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes								
Actual		Estimated	Anticipated																									
2016	2017	2018	2019																									
Yes	Yes	Yes	Yes																									
Yes	Yes	Yes	Yes																									
Measures:																												
GFOA Certificate of Achievement																												
GFOA Distinguished Budget Presentation Award																												
Strategic Directive: Strive to provide effective and efficient services																												
Department Goal: Increase the percentage of ACH Payroll Deposits																												
Objective: Increase the cost-effectiveness of Payroll processing																												
Type of Measure: Number of Direct Deposit distributions																												
Tool: Accounting software reports																												
Frequency: Annual																												
Scoring: Percent calculation of ACH payroll deposits to total Checks and Direct Deposits: 80% = good																												
Trend: Slightly down																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>7,671</td> <td>7,670</td> <td>7,700</td> <td>7,800</td> </tr> <tr> <td>6,291</td> <td>6,357</td> <td>6,300</td> <td>6,400</td> </tr> <tr> <td>82.01%</td> <td>82.88%</td> <td>81.82%</td> <td>82.05%</td> </tr> </tbody> </table>					Actual		Estimated	Anticipated	2016	2017	2018	2019	7,671	7,670	7,700	7,800	6,291	6,357	6,300	6,400	82.01%	82.88%	81.82%	82.05%				
Actual		Estimated	Anticipated																									
2016	2017	2018	2019																									
7,671	7,670	7,700	7,800																									
6,291	6,357	6,300	6,400																									
82.01%	82.88%	81.82%	82.05%																									
Measures:																												
Payroll checks/Deposits distributed																												
ACH Payroll Deposits																												
ACH Payroll Deposits (%)																												
Strategic Directive: Strive to provide effective and efficient services																												
Department Goal: Decrease the number of voided Checks for Accounts Payable to less than 2%																												
Objective: Increase the integrity of the purchasing process, avoid duplicate invoice/payments and reduce the cost of processing Accounts Payable																												
Type of Measure: Number of voided checks																												
Tool: Accounting software reports																												
Frequency: Annual																												
Scoring: < 2%																												
Trend: Down																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Actual</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>5,202</td> <td>5,043</td> <td>5,000</td> <td>5,000</td> </tr> <tr> <td>37</td> <td>93</td> <td>40</td> <td>40</td> </tr> <tr> <td>0.7%</td> <td>1.8%</td> <td>0.8%</td> <td>0.8%</td> </tr> </tbody> </table>					Actual		Estimated	Anticipated	2016	2017	2018	2019	5,202	5,043	5,000	5,000	37	93	40	40	0.7%	1.8%	0.8%	0.8%				
Actual		Estimated	Anticipated																									
2016	2017	2018	2019																									
5,202	5,043	5,000	5,000																									
37	93	40	40																									
0.7%	1.8%	0.8%	0.8%																									
Measures:																												
Accounts Payable – Checks written																												
Accounts Payable – Checks voided (incl. lost by vendor and printer errors)																												
Percentage increase/decrease in voided Checks																												
Strategic Directive: Strive to provide effective and efficient services																												
Department Goal: Increase tax payers' awareness of their tax responsibility to the City of Cottonwood																												
Objective: To collect all sales tax that is due to the City of Cottonwood																												
Type of Measure: Number of sales tax audits and amount of sales tax assessment																												
Tool: Reports from the sales tax auditor and issuance of verification letters																												
Frequency: Annual																												
Scoring: Increase/decrease from prior year																												
Trend: Sales tax audits and assessments up/Verification letters issued and completed down																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Actual (Revised)</th> <th>Estimated</th> <th>Anticipated</th> </tr> <tr> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>8</td> <td>10</td> <td>10</td> </tr> <tr> <td>\$20,000</td> <td>\$22,000</td> <td>\$25,000</td> <td>\$25,000</td> </tr> <tr> <td>120</td> <td>130</td> <td>75</td> <td>75</td> </tr> <tr> <td>55</td> <td>70</td> <td>40</td> <td>40</td> </tr> </tbody> </table>					Actual (Revised)		Estimated	Anticipated	2016	2017	2018	2019	5	8	10	10	\$20,000	\$22,000	\$25,000	\$25,000	120	130	75	75	55	70	40	40
Actual (Revised)		Estimated	Anticipated																									
2016	2017	2018	2019																									
5	8	10	10																									
\$20,000	\$22,000	\$25,000	\$25,000																									
120	130	75	75																									
55	70	40	40																									
Measures:																												
Sales Tax Audits completed																												
Sales Tax Assessments																												
Verification letters issued																												
Verification letters completed																												

General Government	Finance Department	Fund 01 – General Fund		Cost Center	1200
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$248,506	\$262,630	\$267,545	\$272,200	1.74%
Operating Supplies	10,832	7,370	9,100	8,800	-3.30%
Contractual Services	90,838	116,000	110,500	107,475	-2.74%
Other Services and Charges	59,207	59,100	57,595	62,810	9.05%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$409,383	\$445,100	\$444,740	\$451,285	1.47%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$451,285	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
* Accounting/Budget Manager	1.00	1.00	1.00	6,000	8,842	\$103,720
Budget Analyst	1.00	1.00	1.00	3,868	5,700	66,005
Administrative Assistant	0.50	0.50	0.50	1,309	1,929	16,525
*Pending the City Council's approval of a 0.5% sales tax increase, this position will be reclassified starting November 2018 as Financial Services Manager with a salary range change to range 33; no salary adjustment will be made.						
COLA						0
Merit Contingency						1,170
Longevity						0
Overtime						500
Temporary / Reserves						0
Retirement						22,170
Insurance & Taxes						62,110
Employee Related Expenses						0
Totals	2.50	2.50	2.50			\$272,200

General Government	Finance Department	Fund 01 – General Fund		Cost Center	1200
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	4,147	3,000	3,800	4,200	10.53%
Copier Supplies	914	870	900	900	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance/Repairs	0	0	0	0	0.00%
Equipment Maintenance/Repairs	1,186	1,000	1,200	1,200	0.00%
Postage & Freight	4,584	2,500	3,200	2,500	-21.88%
Total Supplies	10,832	7,370	9,100	8,800	-3.30%

Contractual Services

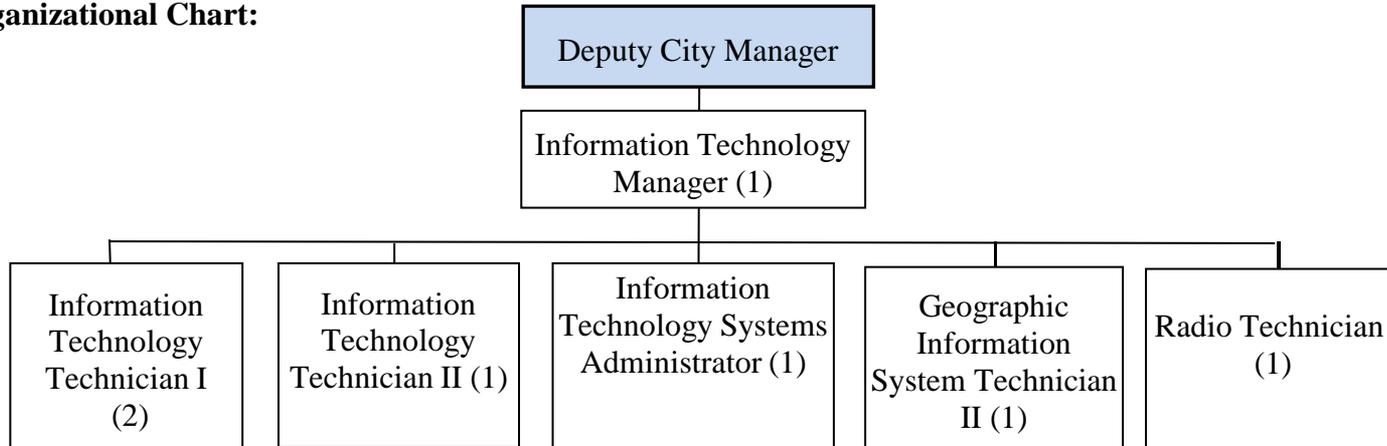
Computer Support	15,890	18,000	18,000	14,000	-22.22%
Contractual Services	35,098	40,000	40,000	40,000	0.00%
Audit Expense	19,845	38,000	32,500	33,475	3.00%
Sales Tax Audits	20,005	20,000	20,000	20,000	0.00%
Total Contractual Services	90,838	116,000	110,500	107,475	-2.74%

Other Services and Charges

Travel & Training	4,906	3,500	6,500	5,500	-15.38%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,647	1,600	1,650	1,650	0.00%
Printing & Forms	2,645	2,500	3,000	2,500	-16.67%
Utilities	3,969	5,500	5,250	6,000	14.29%
Telephone	2,506	2,500	2,300	2,500	14.29%
Legal Advertising	4,146	2,500	2,500	2,500	0.00%
State Annual Municipality Fee	24,087	25,000	24,295	29,160	20.02%
Bank Charges	15,301	16,000	12,100	13,000	8.70%
Total Other Services & Charges	59,207	59,100	57,595	62,810	9.05%

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The Information Technology (IT) Department maintains all computer equipment and computer software, as well as the maintenance of all City servers, under the direction from the Deputy City Manager. IT Services is also responsible for researching new technology and software updates and implementing these changes. Additionally, IT maintains the City website and mobile app. Other services provided include GIS mapping and support, and radio and microwave support and maintenance.

FY 2018 Accomplishments:

- * Increased Internet bandwidth from 30Mbps to 200 Mbps resulting in a reduction of monthly cost
- * Successful deployment of the "My Cottonwood" mobile app through CivicMobile, a free app that keeps citizens informed and provides easy access to a variety of resources
- * The redesign of the City network to allow for full bandwidth usage and routing is in progress and anticipated to be completed this fiscal year
- * The migration of all users to a single VoIP (Voice over Internet Protocol) phone system is currently in progress and anticipated to be completed. Having data stored into one single network will be more cost-effective and increase manageability
- * The migration from the old to the new public safety system (Spillman) is completed
- * Recovered 70% (\$8,275) of Wireless Enhanced 911 tax funds for FY 2017 from Yavapai County to assist with the GIS (Geographical Information System) costs for the Communications Division that serves as the 9-1-1 answering point (Public Safety Answering Point (PSAP) for the City of Cottonwood and the
- * Saved the Public Safety a considerable amount of money by having the Radio Technician troubleshoot and resolve electrical issues in public safety vehicles

FY 2019 Goals:

- * Extend GIS services through the implementation of an ArcGIS Server (this system software makes geographical information available) that will be beneficial to all City departments
- * Streamline and increase effectiveness of public safety information technology by the end of 2018 by hiring a new Information Technology/Public Safety Technician I under the supervision of Information
- * Provide free public Wi-Fi throughout most City buildings

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. No Capital has been budgeted for FY 2019.

General Government	Information Technology Department	Fund 01– General Fund	Cost Center	1220
Performance Indicators				
Strategic Directive:	Operate in an efficient and professional manner			
Department Goal:	Close Help Desk Tickets quickly to provide better customer service			
Objective:	Resolve 90% of Help Desk requests within one (1) week			
Type of Measure:	Number of Help Desk Tickets submitted and resolved			
Tool:	Help Desk application reports			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Help Desk Tickets submitted	2,111	1,622	2,400	1,850
Help Desk Tickets resolved within one week	1,790	1,438	2,175	1,700
Percentage of Help Desk Tickets resolved in one week	84.79%	88.66%	90.63%	91.89%

Strategic Directive:	Operate in an efficient and professional manner			
Department Goal:	Provide better customer service by contacting customers quickly			
Objective:	Respond to Help Desk Tickets within five (5) hours			
Type of Measure:	First response time to customer			
Tool:	Help Desk application reports			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Average Help Desk Ticket - First response time to customer (h:mm)	25:59	2:56	2:30	2:25
Response time change	13:19	-10:23	-0:26	-0:05

Strategic Directive:	Operate in an efficient and professional manner			
Department Goal:	Survey customers to ensure the appropriate service is provided			
Objective:	Score an average of 4.5 or better			
Type of Measure:	Survey results			
Tool:	Survey			
Frequency:	Annual			
Scoring:	> 4.5			
Trend:	N/A			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of responses	48	43	51	61
Percentage scoring of 4 or above	n/a	70%	73%	75%
Average score	4.52	4.36	4.55	4.60

General Government Information Technology Department Fund 01– General Fund Cost Center 1220					
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$406,755	\$512,125	\$517,940	\$569,350	9.93%
Operating Supplies	17,115	6,900	11,250	11,600	3.11%
Contractual Services	74,123	143,680	145,000	219,900	51.66%
Other Services and Charges	16,212	31,500	28,500	31,550	10.70%
Capital Outlay	42,939	87,700	85,000	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$557,144	\$781,905	\$787,690	\$832,400	5.68%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$832,400	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
IT Manager	1.00	1.00	1.00	6,946	10,236	\$96,420
IT Systems Administrator	1.00	1.00	1.00	4,264	6,284	52,200
Radio & Telecom Technician	1.00	1.00	1.00	4,264	6,284	60,099
GIS Technician II	1.00	1.00	1.00	3,868	5,700	55,181
IT Technician II	1.00	1.00	1.00	3,868	5,700	46,505
IT Technician I	1.00	1.00	2.00	3,508	5,170	84,280
COLA						0
Merit Contingency						8,675
Longevity						0
Clothing Allowance						400
Overtime						0
Temporary / Reserves						0
Holiday Pay						250
Retirement						47,630
Insurance & Taxes						117,710
Employee Related Expenses						0
Totals	6.00	6.00	7.00			\$569,350

General Government	Information Technology Department	Fund 01 – General Fund	Cost Center	1220	
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	9,478	5,000	6,500	6,000	-7.69%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	418	700	700	700	0.00%
Vehicle Maintenance & Repair	1,056	500	200	850	325.00%
Equipment Maintenance/Repairs	5,862	500	3,800	4,000	5.26%
Printing & Forms	0	0	0	0	0.00%
Postage & Freight	301	200	50	50	0.00%

Total Supplies	17,115	6,900	11,250	11,600	3.11%
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Contractual Services

Computer Support	47,418	65,000	65,000	70,000	7.69%
Bank Charges	7	0	0	0	0.00%
Contractual Services	26,698	78,680	80,000	149,900	87.38%

Total Contractual Services	74,123	143,680	145,000	219,900	51.66%
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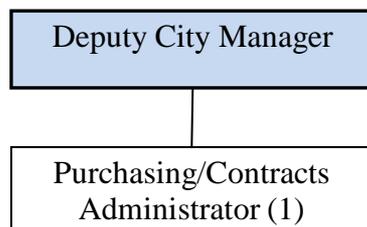
Other Services and Charges

Travel & Training	4,528	11,900	9,400	9,000	-4.26%
Subscriptions & Memberships	2,194	9,700	6,700	9,500	41.79%
Advertising	395	300	0	300	0.00%
Employee Physicals/Drug Tests	975	200	200	0	-100.00%
Continuing Education	0	0	0	0	0.00%
Utilities	4,440	6,000	5,900	6,200	5.08%
Telephone	3,680	3,400	6,300	6,550	3.97%

Total Other Services & Charges	16,212	31,500	28,500	31,550	10.70%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Servers - File and Email Retention Server					
Miscellaneous/Replacement/New Equipment	\$31,872				
City Wi-Fi					
IPad, Laptops	10,269				
Computers - City-wide					
Replacement Switches	797		\$4,300		
Security Door Proximity System			2,700		
Computers/Servers		\$22,000	10,300		
City Mobile App		5,700	5,700		
Spillman Server		60,000	62,000		
Totals	\$42,939	\$87,700	\$85,000	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget

General Information:

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

FY 2018 Accomplishments:

- * Regularly attended quarterly PRIMA (Public Risk Management Association) meetings which allowed for the opportunity to develop a network of professionals who specialize in contracts, insurance and risk management for other Arizona municipalities
- * The Purchasing/Contract Administrator was awarded a scholarship which covered all the costs associated with the attendance of the National PRIMA 2017 conference in Phoenix. This conference provides PRIMA members an opportunity to further their public sector risk management education and professional development.
- * Developed a network of local purchasing professionals in an effort to explore shared bulk purchasing opportunities between and for local governments and schools
- * Collaborated with the Parks and Recreation Department in developing a City-wide logo use policy and application process, designed to protect the City's brand

FY 2019 Goals:

- * Work directly with local purchasing professionals from outside organizations to identify specific bulk purchase opportunities between and for local governments and schools. As soon as opportunities have been identified, lead at least one cooperative process for cheaper bulk purchases of commodities and/or services in an effort to obtain economies of scale by fiscal year end.
- * Research availability and implementation costs of various contract management/COI (Certificate of Insurance) tracking software programs that meet the needs of the City's Legal Department, Risk Manager, and Purchasing/Contract Administrator; select one program that can be purchased in FY 2020
- * Process and convert purchase requisitions into purchase orders within two business days after requisitions have been approved by the Finance Department
- * Ensure compliance with the business registration requirement for all businesses that are located within the City limits and outside businesses entities that conduct business within the City limits by contacting and educating business owners of new and/or unregistered businesses of their responsibility to register per the conditions stipulated in the Municipal Code
- * Start utilizing the Arizona State cooperative contract for Job Order Contracting (JOC) to determine if state prices are competitive with current JOC program prices

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. No Capital has been budgeted for FY 2019.

General Government	Purchasing Division	Fund 01 – General Fund	Cost Center	1230	
Performance Indicators					
Strategic Directive:	Develop, support and maintain infrastructure				
Department Goal:	Process and convert requisitions into purchase orders within two business days after requisitions have been approved by the Finance Department				
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:	Actual		Estimated	Anticipated	
	2016	2017	2018	2019	
Number of approved requisitions processed		n/a	n/a	160	160
Number of approved requisitions processed within 2 business days		n/a	n/a	152	154
Percentage of requisitions processed within 2 business days		n/a	n/a	95%	96%

Strategic Directive:	Promote a vibrant, healthy and educated community				
Department Goal:	Ensure local businesses within the City limits and outside businesses entities that conduct business within the City limits comply with the requirement to register their business with the City				
Objective:	Educate business owners of new and/or unregistered businesses on their responsibility to register the conditions stipulated in the Municipal Code in order to reduce Code Enforcement notifications				
Type of Measure:	Mailing of business registration renewal letters, monitoring of Chamber of Commerce memberships and Code Enforcement notifications				
Tool:	Springbrook software, Chamber of Commerce magazine and Code Enforcement				
Frequency:	Weekly				
Scoring:					
Trend:					
Measures:	Actual		Estimated	Anticipated	
	2016	2017	2018	2019	
Total number of mailed out business registration renewals		1,303	1,356	1,370	1,375
— Number of business registration renewals paid for on-time		n/a	n/a	n/a	(87.3%)
— Number of new business registrations		n/a	n/a	n/a	75 (5.4%)
— Number of registrations/renewals based on Code Enforcement		n/a	n/a	n/a	100 (7.3%)

General Government	Purchasing Division	Fund 01 – General Fund			Cost Center	1230
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$94,421	\$100,010	\$97,950	\$102,050	4.19%	
Operating Supplies	622	725	750	775	3.33%	
Contractual Services	1,711	1,800	1,290	1,350	4.65%	
Other Services and Charges	2,019	2,145	2,300	2,790	21.30%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$98,774	\$104,680	\$102,290	\$106,965	4.57%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$106,965	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Purchasing/Contract Administrator	0.00	1.00	1.00	6,000	8,842	\$73,945
Purchasing Agent	1.00	0.00	0.00	4,061	5,985	0
COLA						0
Merit Contingency						2,955
Longevity Pay						0
Temporary / Reserves						0
Retirement						9,070
Insurance & Taxes						16,080
Employee Related Expenses						0
Totals	1.00	1.00	1.00			\$102,050

General Government	Purchasing Division	Fund 01 – General Fund		Cost Center	1230
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	190	325	400	325	-18.75%
Copier Supplies	323	250	200	250	25.00%
Postage & Freight	16	0	50	50	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maintenance/Repairs	94	150	100	150	50.00%

Total Supplies	622	725	750	775	3.33%
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Contractual Services

Computer Support	1,711	1,800	1,290	1,350	4.65%
Contractual Services	0	0	0	0	0.00%

Total Contractual Services	1,711	1,800	1,290	1,350	4.65%
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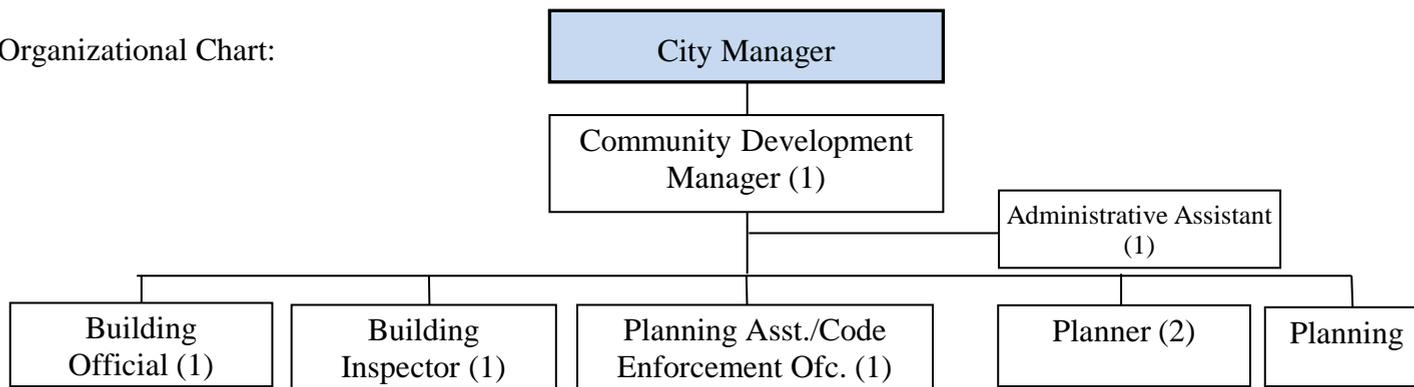
Other Services and Charges

Travel & Training	262	375	375	750	100.00%
Subscriptions & Memberships	318	270	360	390	8.33%
Printing & Forms	0	0	0	0	0.00%
Utilities	569	550	600	625	4.17%
Telephone	870	950	965	1,025	4.17%
Legal Advertising	0	0	0	0	0.00%

Total Other Services & Charges	2,019	2,145	2,300	2,790	21.30%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

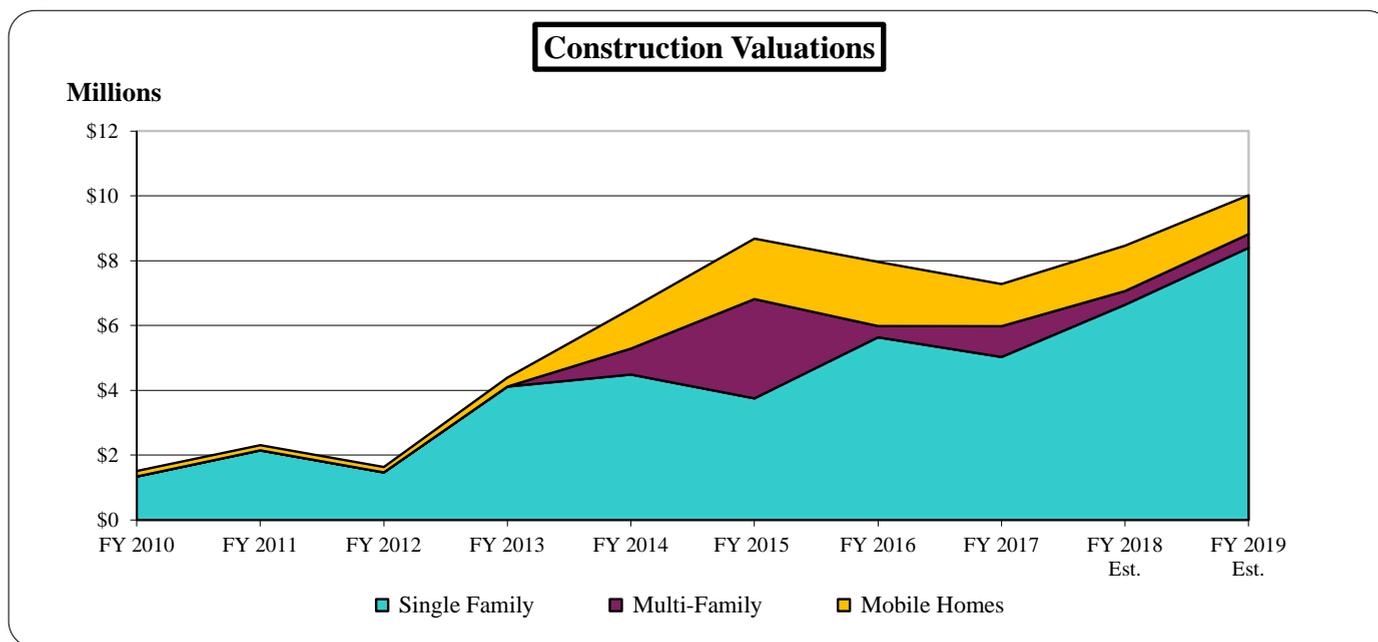
Organizational Chart:



Note: Only unshaded boxes are included in this budget

General Information:

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 2018 Accomplishments:

- * The updated 2012 *International Building Codes*, which is now in accordance with the State's codes, will be formally adopted and effective by June 30, 2018
- * The Dark Sky Ordinance is anticipated to be finalized by end of FY 2018
- * The construction portion of the Cottonwood Civic Center renovation will be completed by end of FY 2018
- * Completed the 4th annual Cottonwood Historic Home & Building Tour
- * Was awarded a grant from the State Historic Preservation Office (SHPO) to conduct a historic survey in the amount of \$12,000, which was matched by an amount of \$8,000 from the City of Cottonwood
- * Anticipated approval for final ordinance of One-Stop Shop

FY 2019 Goals:

- * Update sections of the Cottonwood Zoning Ordinance
- * Conduct community outreach to inform and educate community on code enforcement rules and regulations
- * Begin implementation process of a 'One-Stop Shop' pending approval of One-Stop Shop ordinance

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Estimated expenditures for Contractual Services have been reduced since a Building Official will be hired pending City Council's approval of a sales tax increase of 0.5%. No Capital has been budgeted for FY 2019.

General Government	Community Development	Fund 01 – General Fund	Cost Center	1400
Performance Indicators				
Strategic Directive:	Ensure the health and safety of residents			
Department Goal:	To ensure the health and safety of residents by the Code Enforcement Division as it relates to property, maintenance, zoning regulations, education, and enforcement .			
Objective:	Reduce ordinance violations by encouraging residents to maintain their property to achieve a healthy and beautiful living environment			
Type of Measure:	Number of inspections based on sightings and complaints and resulting cases			
Tool:	Code enforcement case logs of reported complaints and Springbrook software reports			
Frequency:	Annual reporting			
Scoring:	-			
Trend:	Reduce number of violations and increase number of resolved cases			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Total number of inspections	204	208	343	340
Total number of resolved cases based on violation findings	91 (44.6%)	112 (53.8%)	247 (72%)	300 (88.2%)
— Number of cases resolved cases through forced compliance	112 (54.9%)	40 (19.2%)	40 (11.6%)	30 (8.8%)
— Number of unresolved cases from the previous year	1 (0.5%)	56 (27%)	56 (16.4%)	10 (3%)
Avg. number of week days between inspection and voluntary compliance	n/a	20	15	10
Avg. number of week days between inspection and forced compliance	n/a	30	30	30
Strategic Directive: Ensure the safety of buildings within the city limits				
Department Goal: To ensure the safety of buildings within the city limits by the Building Safety Division by reviewing, approving, and inspecting new developments, owner/tenant improvements and restorations.				
Objective: Provide guidance for building safety to ensure that all structures built and/or remodeled comply with the adopted city building codes				
Type of Measure: Building inspections conducted in a timely				
Tool: Required building inspections				
Frequency: Ongoing				
Scoring: -				
Trend: -				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Total number of permits issued	379	373	517	550
Total number of building inspections performed resulting from issued permi	1,815	1,265	1,843	2,300
— Number of Commercial/Industrial development inspections	n/a	346	420	400
— Number of Residential development inspections	n/a	919	1,423	1,900
Avg. number of days between inspection request and inspection (commercia	n/a	1 - 2	1 - 2	1 - 2
Avg. number of days between inspection request and inspection (residential)	n/a	1 - 2	1 - 2	1 - 2
Strategic Directive: Strive to provide effective and efficient services				
Department Goal: Provide a broad range of services required for new developments, building improvements and restorations				
Objective: Create a 'one-stop shop' for conveniently and efficiently obtaining services				
Type of Measure: Phased implementation process of the 'one-stop shop'				
Tool: Monitoring of the implementation process of the 'one-stop shop'				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Preliminary ordinance approval	100%			
Final ordinance approval			100%	
Implementation process - Test phase				50%

General Government		Community Development		Fund 01 – General Fund		Cost Center	1400
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$456,382	\$566,670	\$504,465	\$601,650	19.26%		
Operating Supplies	9,084	5,700	6,500	7,300	12.31%		
Contractual Services	30,702	30,100	30,100	7,600	-74.75%		
Other Services and Charges	21,284	20,150	23,120	26,900	16.35%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$517,452</u>	<u>\$622,620</u>	<u>\$564,185</u>	<u>\$643,450</u>	<u>14.05%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$643,450	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Community Development Manager	1.00	1.00	1.00	6,000	8,842	\$91,450
Planner	2.00	2.00	2.00	4,264	6,284	109,545
*Building Official	0.00	0.00	1.00	4,264	6,284	51,170
Asst. Planner/Code Enforcement Ofc.	1.00	1.00	1.00	3,684	5,428	48,890
Building Inspector	1.00	1.00	1.00	3,341	5,428	53,460
Planning Technician	1.00	1.00	1.00	3,031	4,466	35,550
Senior Administrative Assistant	0.00	0.00	0.00	3,031	4,466	0
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	35,485
* Hiring of this position is pending City Council's approval of 0.5% sales tax increase						
COLA						0
Merit Contingency						5,780
Car Allowance						5,400
Longevity Pay						0
Overtime						500
Temporary / Reserves						0
Retirement						51,590
Insurance & Taxes						112,830
Employee Related Expenses						0
Totals	<u>7.00</u>	<u>7.00</u>	<u>8.00</u>			<u>\$601,650</u>

General Government	Community Development	Fund 01 – General Fund		Cost Center	1400
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,615	2,200	2,200	2,200	0.00%
Copier Supplies	1,339	1,500	1,800	2,000	11.11%
Postage & Freight	1,583	700	1,100	1,100	0.00%
Gas & Oil	489	500	900	1,000	11.11%
Vehicle Maintenance & Repairs	3,059	800	500	1,000	100.00%
Equipment Maintenance & Repairs	0	0	0	0	0.00%

Total Supplies	9,084	5,700	6,500	7,300	12.31%
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Contractual Services

Contractual Services	28,439	27,500	27,500	5,000	-81.82%
Computer Support	2,263	2,600	2,600	2,600	0.00%

Total Contractual Services	30,702	30,100	30,100	7,600	-74.75%
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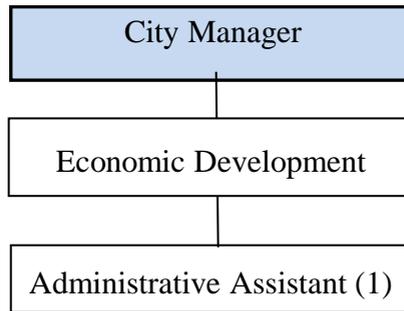
Other Services and Charges

Travel & Training	4,636	4,000	4,200	6,500	54.76%
Subscriptions & Memberships	1,642	1,800	2,000	2,000	0.00%
Printing & Forms	295	150	480	600	25.00%
Utilities	7,256	7,500	8,200	8,600	4.88%
Telephone	3,804	4,500	4,240	4,500	6.13%
Legal Advertising	3,632	2,000	4,000	4,500	12.50%
Recruitment Expense	20	0	0	0	0.00%
General Plan Expense	0	200	0	200	0.00%

Total Other Services & Charges	21,284	20,150	23,120	26,900	16.35%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget

General Information:

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

FY 2018 Accomplishments:

- * Achieved designation of Old Town Cottonwood as an arts, culture and entertainment district
- * Haunted Group expansion of Tavern Hotel
- * Facilitated \$750,000 in capital formation and \$375,000 in sales
- * Achieved almost full occupancy in Old Town Cottonwood
- * Completed the renovation of the Cottonwood Civic Center and developed a business plan for its use
- * Selected the business Seeds Natural Fiber Clothing to occupy the City-owned Historic Old Town Jail
- * Was awarded a US Department of Agriculture (USDA) Rural Economic Development grant in the amount of \$75,000 for the hiring of a full-time Business Specialist for the BAC whose counseling efforts generated 75 business starts and 90 jobs
- * The CEDC received grant awards totaling \$8,000: \$1, 000 from AZ Commission for the Arts to incubate an Old Town Arts Fest (year 2), and \$2,000 from One for the Verde and \$5,000 from Verde River Greenway for the City to support Riverfront Park signage
- * Two startup businesses graduated and moved out of the BAC into commercial office space
- * The CEDC provided the City with \$5,000 to complete an airport study to facilitate the decision-making regarding market-based rent

FY 2019 Goals:

- * Identify new hospitality (hotel) opportunities within Cottonwood that will generate additional bed tax
- * Research development opportunities associated with the SR 89A & Vine and The Vineyards at SR 89A
- * Provide Verde Valley Regional Economic Organization (VVREO) revolving loan funding to at least two new Cottonwood businesses
- * Provide business incubation space at the BAC for three startup businesses and facilitate their expansion ('graduation') into our local economy
- * Provide business counseling through the BAC that will lead to the launch of 100 business startups and 120 jobs with a capital investment of \$1,000,000 and forecasted sales of products and services of \$500,000
- * Produce a retail leakage study that will be useful for developers in identifying opportunities
- * Provide assistance to the Old Town District in securing grant funding for streetscape infrastructure
- * Start implementation of the Cottonwood Riverfront and Recreation Master Plan pending grant funding by the State Parks. Grant applications will be submitted
- * Conduct 10 entrepreneurial workforce trainings to core sectors, i.e. healthcare, tourism, arts & culture, light manufacturing, agriculture, transportation and logistics, and retail
- * Provide business assistance to the Airport Commission regarding its revenue and development objectives
- * Search for new grant opportunities that support economic development initiatives by the City

Budget Highlights:

For FY 2019, there is a reduced budgeted amount for Contractual Services due to the termination of the USDA grant and the removal of a request for a media lab. The changes to merit pay percentages and the salary range structure also apply to this department. No Capital has been budgeted .

General Government	Economic Development	Fund 01 – General Fund	Cost Center	6000
Performance Indicators				
Strategic Directive:	Enhance our position as the economic center of the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department Goal:	Expand, retain and attract growth sector businesses and increase revenue stream			
Objective (s):	Provide support services to businesses			
Type of Measure:	Business retention and growth			
Tool:	Business license tracking system			
Frequency:	Annually			
Scoring:	Number of businesses retained and new businesses			
Trend:	Increase			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of businesses retained	1,093	1,148	1,300	1,350
Number of new businesses	210	208	312	350
Totals	1,303	1,356	1,612	1,700

Strategic Directive:	Manage future growth by enhancing our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department Goal:	Acquire grant funding for projects and business assistance			
Objective:	Identify and apply for grant opportunities			
Type of Measure:	Grant award and receipt of funding			
Tool:	Grant application and submission			
Frequency:	Depending upon proper identification of grant opportunities			
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Economic Development Administration grant				\$ 2,700,000
USDA grant for Business Assistance Counselor (Business Specialist)			\$75,000	75,000
Grants for Cottonwood Riverfront and Recreation Master Plan				160,000
Miscellaneous grants			8,000	

General Government		Economic Development		Fund 01 – General Fund		Cost Center	6000
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$194,144	\$205,100	\$260,800	\$223,550	-14.28%		
Operating Supplies	2,148	3,375	3,985	3,185	-20.08%		
Contractual Services	367	2,325	7,270	1,875	-74.21%		
Other Services and Charges	41,540	37,720	41,360	42,300	2.27%		
Capital Outlay	0	75,000	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$238,199	\$323,520	\$313,415	\$270,910	-13.56%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$270,910	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Economic Development Manager	1.00	1.00	1.00	6,300	9,284	\$108,905
Business Specialist	0.00	0.75	0.25	grant funded		11,335
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	36,245
COLA						0
Merit Contingency						845
Longevity						0
Overtime						0
Temporary / Reserves						0
Retirement						18,570
Insurance & Taxes						47,650
Employee Related Expenses						0
Totals	2.00	2.75	2.25			\$223,550

General Government	Economic Development	Fund 01 – General Fund	Cost Center	6000	
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	1,401	2,250	2,250	2,250	0.00%
Copier Supplies	300	600	400	400	0.00%
Postage & Freight	24	25	35	35	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repairs	0	0	0	0	0.00%
Equipment Maintenance & Repairs	422	500	1,300	500	-61.54%

Total Supplies	2,148	3,375	3,985	3,185	-20.08%
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Contractual Services

Computer Support	367	325	350	375	7.14%
Contractual Services	0	2,000	6,920	1,500	-78.32%

Total Contractual Services	367	2,325	7,270	1,875	-74.21%
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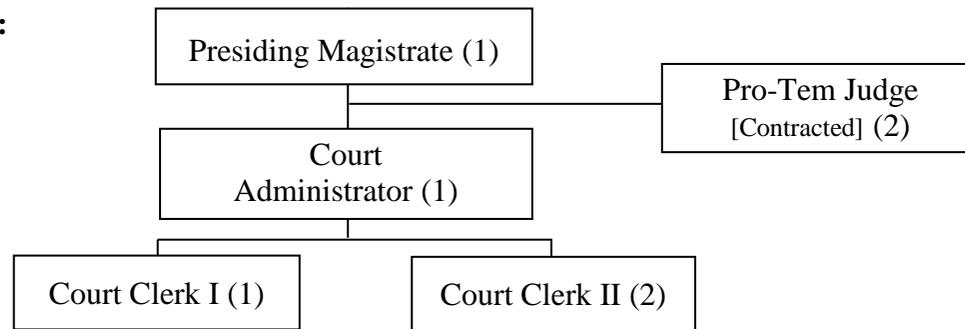
Other Services and Charges

Travel & Training	4,266	0	2,640	3,000	13.64%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	3,586	1,400	2,000	2,000	0.00%
Printing & Forms	0	0	500	500	0.00%
Utilities	8,544	10,000	10,100	10,600	4.95%
Telephone	1,368	1,600	1,400	1,500	7.14%
Legal Advertising	842	0	0	0	0.00%
Focus on Success	22,934	24,720	24,720	24,700	-0.08%
Nature Conservancy Grant	0	0	0	0	0.00%

Total Other Services & Charges	41,540	37,720	41,360	42,300	2.27%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
USDA Grant - Business Specialist		\$75,000			
Computer					
City Branding					
Miscellaneous Building Accessories					
Totals	\$0	\$75,000	\$0	\$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 officiations. 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 2018 Accomplishments:

- * Successfully maintained the specialty court program titled Homeless/Mental Health Court that provides alternative sentencing options through deferred prosecution programs (where a defendant can earn dismissal of charges) or plea agreements with special provisions. This program emphasizes mental health treatment at Spectrum, drug/alcohol treatment programs and community service as well as referring defendants to Catholic Charities for assistance in finding low income housing. This program helps reduce new offenses, which also keeps citizens and businesses from becoming victims.
- * As required by the Administrative Office of the Court (AOC), all Court employees, including judicial staff, fulfilled 16 hours of COJET (Committee on Judicial Education and Training)
- * Conducted an additional security assessment of the Court building with the IT Department, the Police Department and a security vendor. Needs have been identified for the development of a Court security standards plan and addressed. Video surveillance and software have been successfully installed and are operational. A security access control system will also be installed. These security components have been funded by Court Enhancement funds.
- * Completed the installation of the Arizona Judicial Automated Case System (AJACS), a state-wide web-based court case management and cash management system that manages all the court records and improves financial accountability. The court records are also accessible to other state courts.
- * Created and implemented the Court Assistance Program that allows for qualified defendants to have their revoked/suspended driver's license legally reinstated so they can resume (finding) employment. For this purpose, they enter into a contract that stipulates compliance with court orders and includes a payment plan for their outstanding court fines and fees.

FY 2019 Goals:

- * The Court Clerk's Office has been understaffed for nine years and will be requesting an additional Court Clerk I position due to the steady increase of filings, the implementation of the Arizona Judicial Automated Case System (AJACS), and the need to meet the requirements for retention and destruction of records
- * Provide court employees with the necessary training in the use of AJACS that will create a relatively paper-free office within the next two years.
- * Apply for grant funding to secure exterior protection for the court building by installing barriers to the building's immediate surroundings to prevent vehicle-into-building crashes. If grant funding cannot be obtained, Court Enhancement Funds will be used.
- * Implement a records destruction program that will be in compliance with the Administrative Office of the Court (AOC) retention schedule
- * Grant submission to the AOC for a court compliance officer who can maintain order and security in the court room as well as monitor offender compliance with court orders and report to the Court on progress and violations

Budget Highlights:

For FY 2019, the changes to merit pay percentages and the salary range structure also apply to this department. Court Enhancement Funds will cover the cost for and installation of a Metal Detector and for Part-time Security. Pending Council's approval of a 0.5% sales tax increase, one Court Clerk I position will be reclassified to Court Clerk II. No Capital has been budgeted for FY 2019.

General Government	Municipal Court	Fund 01 – General Fund	Cost Center	1310
Performance Indicators				
Strategic Directive:	Provide timely services for enforcement of court orders			
Department Goal:	Manage court cases			
Objective:	Consider, process, and close court cases			
Type of Measure:	Number of completions of court filings			
Tool:	CASPER, a statistical reporting application available on the Court's ACAP (Arizona Court Automation Project) computers provided by the Administrative Office of the Court			
Frequency:	Annual			
Scoring:	Clearance rate of 90-100%			
Trend:	Clearance rate exceeds 100% due to the closure of old cases. Clearance rate is anticipated to remain steady			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Case clearance rate (Number of completed cases versus total number of filings)	108%	102%	105%	105%

Strategic Directive:	Provide timely services for enforcement of court orders			
Department Goal:	Provide qualified defendants the opportunities to have their revoked/suspended driving privileges reinstated so they can resume (finding) employment			
Objective:	Restore driving privileges through the negotiation of contracts with the Court for compliance with court orders, including payments of fines and fees			
Type of Measure:	Number of driver's license reinstatements			
Tool:	Court Assistance Program & Arizona Judicial Automated Case System (AJACS)			
Frequency:	Annual			
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of driver's license reinstatements (CAP has become effective since January 2018)	n/a	n/a	10	100

General Government Municipal Court		Fund 01 – General Fund			Cost Center	1310
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$408,477	\$440,030	\$408,880	\$430,555	5.30%	
Operating Supplies	6,342	7,650	7,800	7,800	0.00%	
Contractual Services	77,249	46,500	57,340	58,020	1.19%	
Other Services and Charges	20,302	104,300	104,730	40,445	-61.38%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$512,369	\$598,480	\$578,750	\$536,820	-7.24%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$536,820	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Presiding Magistrate	1.00	1.00	1.00	Contract		\$120,330
Court Administrator	1.00	1.00	1.00	4,478	6,598	63,560
Court Clerk II	0.00	1.00	1.00	2,886	4,253	45,125
* Court Clerk I	3.00	2.00	2.00	2,618	3,858	81,140
*Pending the City Council's approval of the 0.5% sales tax increase, one Court Clerk I position will be reclassified starting November 2018 as Court Clerk II with salary range 15 and a salary adjustment						
COLA						0
Merit Contingency						4,365
Longevity						0
Overtime						0
Temporary / Reserves/ Pro Temp						0
Retirement						37,110
Insurance & Taxes						78,925
Employee Related Expenses						0
Totals	5.00	5.00	5.00			\$430,555

General Government	Municipal Court	Fund 01 – General Fund		Cost Center	1310
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,379	3,500	3,500	3,500	0.00%
Copier Supplies	408	400	3,000	3,000	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repairs	0	0	0	0	0.00%
Equipment Maintenance & Repairs	2,904	2,950	600	600	0.00%
Postage & Freight	651	800	700	700	0.00%

Total Supplies	6,342	7,650	7,800	7,800	0.00%
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Contractual Services

Computer Support	10,884	10,500	10,780	11,320	5.01%
Court Appointed Attorney	49,516	31,000	40,000	40,000	0.00%
Contractual Services	15,752	5,000	6,560	6,700	2.13%
Court Audit	1,096	0	0	0	0.00%

Total Contractual Services	77,249	46,500	57,340	58,020	1.19%
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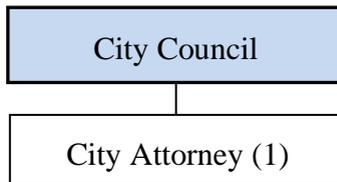
Other Services and Charges

Travel & Training	2,258	4,300	4,300	4,400	2.33%
Subscriptions & Memberships	877	1,300	1,000	1,000	0.00%
Printing & Forms	25	1,000	850	850	0.00%
Legal Advertising	0	0	0	0	0.00%
Utilities	9,989	12,000	11,000	12,000	9.09%
Telephone	2,584	3,000	3,080	3,000	-2.60%
Jury Fees	180	200	0	200	0.00%
JCEF Fund Expenses	3,776	1,000	0	1,000	0.00%
FTG-Fill The Gap Expense	0	1,500	4,500	1,500	-66.67%
Court Enhancement Expenses	595	80,000	80,000	16,495	-79.38%
Miscellaneous Expense	18	0	0	0	0.00%

Total Other Services & Charges	20,302	104,300	104,730	40,445	-61.38%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget

General Information:

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

FY 2018 Accomplishments:

- * Assisted in the successful negotiation of the development, infrastructure, and assurance agreements for major development projects, including The Vineyards and Mesquite Hills (Phase 1–Unit 3)
- * Successfully negotiated the Intergovernmental Agreement (IGA) with the Arizona Department of Environmental Quality (ADEQ) for the installation of groundwater monitoring wells in the City's rights-of-way
- * Provided significant assistance to the City management for the City's proposed response to the ADEQ investigation of water & wastewater laboratory issues
- * Assisted in the substantial rewrite of the City's Outdoor Lighting Code
- * Assisted in the drafting of an ordinance authorizing and regulating temporary emergency cold weather drop-in shelters
- * Assisted in the drafting of a new transit employee substance abuse policy
- * Provided substantial legal assistance in negotiating the final agreement with APS for the interconnection of the Riverfront Water Reclamation Facility's solar power system to the statewide power grid
- * Assisted in the resolution of significant contractual issues/disputes, including custodial services and brush burning contracts, without the need for litigation
- * Assisted the Human Resources Department/City Management in the successful resolution of several complicated and challenging personnel issues without the need for a hearing
- * Provided substantial and ongoing assistance to City staff on the Civic Center improvement (renovation) project

FY 2019 Goals:

- * Conclude negotiations for the development of 89 and Vine, on the north side of Cornville Road, including preliminary and final plats for Phase 1
- * Complete review, update and adoption of the Uniform Codes of the IAPMO (International Association of Plumbing and Mechanical Officials) from the 2009 to 2012 editions, including building, residential, fire, plumbing, electrical, mechanical and energy
- * Assist in the acquisition and financing of a new City Hall, as appropriate and directed by the City Council
- * Assist in the disposition of surplus City property, as appropriate and directed by the City Council
- * Assist in drafting an ordinance for the regulation of Wireless Communication Facilities (WCF) in the City's rights-of-way
- * Provide legal assistance and direction in resolving title issues, and acquiring easements and rights-of-way required by the City, including those for the North Willard Street waterline project as well as for cemetery and street projects

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. No Capital has been budgeted for FY 2019.

General Government	Legal Department	Fund 01 – General Fund	Cost Center	1300
** Performance Indicators are planned to be developed **				
Strategic Directive:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual		Estimated
		2016	2017	2018
				Anticipated
				2019

Strategic Directive:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual		Estimated
		2016	2017	2018
				Anticipated
				2019

Strategic Directive:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual		Estimated
		2016	2017	2018
				Anticipated
				2019

Strategic Directive:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual		Estimated
		2016	2017	2018
				Anticipated
				2019

General Government	Legal Department	Fund 01 – General Fund			Cost Center	1300
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$245,953	\$262,000	\$248,985	\$257,725	3.51%	
Operating Supplies	484	50	150	150	0.00%	
Contractual Services	194,942	183,600	168,600	183,600	8.90%	
Other Services and Charges	6,196	7,050	6,380	6,500	1.88%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$447,574	\$452,700	\$424,115	\$447,975	5.63%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$447,975	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
City Attorney	1.00	1.00	1.00	Contract		\$193,930
COLA						0
Vehicle Allowance						5,400
Merit Contingency						7,110
Longevity						0
Overtime						0
Temporary / Reserves						0
Retirement						24,360
Insurance & Taxes						26,925
Employee Related Expenses						0
Totals	1.00	1.00	1.00			\$257,725

General Government	Legal Department	Fund 01 – General Fund		Cost Center	1300
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	460	0	100	100	0.00%
Copier Supplies	0	0	0	0	0.00%
Postage & Freight	24	50	50	50	0.00%
Total Supplies	484	50	150	150	0.00%

Contractual Services

Prosecuting Attorney	90,000	93,600	93,600	93,600	0.00%
Contractual Services	104,942	90,000	75,000	90,000	20.00%
Total Contractual Services	194,942	183,600	168,600	183,600	8.90%

Other Services and Charges

Travel & Training	158	800	600	600	0.00%
Subscriptions & Memberships	4,057	3,750	4,000	4,000	0.00%
Printing & Forms	301	300	0	0	0.00%
Utilities	279	350	380	400	5.26%
Telephone Expense	1,402	1,850	1,400	1,500	7.14%
Legal Advertising	0	0	0	0	0.00%
Total Other Services & Charges	6,196	7,050	6,380	6,500	1.88%

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Computer					
Totals	\$0	\$0	\$0	\$0	

General Information:

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

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

FY 2018 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 2019 Goals:

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

Budget Highlights:

Budget changes are mostly due to increases in Transfers to other funds. The HURF Transit funds will receive additional revenues due to the pending City Council's approval of a 0.5% sales tax increase.

General Government	Non-Departmental Department	Fund 01 – General Fund	Cost Center	1800
Performance Indicators				
Strategic Directive: * <i>New Performance Indicators are being developed for this department</i> * Department Goal: Objective: Type of Measure: Tool: Frequency: Scoring: Trend:				
		Actual	Estimated	Anticipated
Measures:		2016	2017	2018

Strategic Directive: Department Goal: Objective: Type of Measure: Tool: Frequency: Trend:				
		Actual	Estimated	Anticipated
Measures:		2016	2017	2018

Strategic Directive: Department Goal: Objective: Type of Measure: Tool: Frequency: Scoring: Trend:				
		Actual	Estimated	Anticipated
Measures:		2016	2017	2018

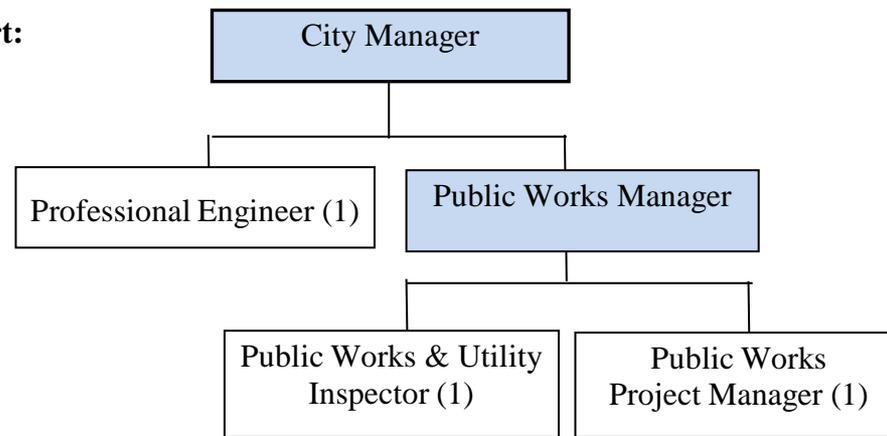
General Government		Non -Departmental Department		Fund 01 – General Fund		Cost Center	1800
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	1,575	2,000	10	10	0.00%		
Other Services and Charges	515,000	533,000	561,620	564,000	0.42%		
Operating Transfers	1,931,160	2,021,530	972,120	1,634,715	68.16%		
Debt Service	423,944	471,470	471,465	342,660	-27.32%		
Department Totals	<u>\$2,871,679</u>	<u>\$3,028,000</u>	<u>\$2,005,215</u>	<u>\$2,541,385</u>	<u>26.74%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,541,385	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

General Government Non-Departmental Department		Fund 01 – General Fund		Cost Center	1800
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
N/A	0	0	0	0	0.00%
Total Supplies	0	0	0	0	0.00%
Contractual Services					
Auction Fees	1,575	2,000	10	10	0.00%
State and Federal Fines & Fees	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Trustee Fees	0	0	0	0	0.00%
Total Contractual Services	1,575	2,000	10	10	0.00%
Other Services and Charges					
Liability Insurance	297,288	300,000	331,000	331,000	0.00%
Liability – Claims Deductible	4,182	20,000	20,000	20,000	0.00%
Chamber of Commerce	213,530	213,000	210,620	213,000	1.13%
Total Other Services & Charges	515,000	533,000	561,620	564,000	0.42%
Debt Service					
Lease Payment – Fire Truck - SunTrust	0	0	0	0	0.00%
Lease Payment – Mobile Data Terminals	0	0	0	0	0.00%
Lease Payment – City-wide FY 12	114,016	0	0	0	0.00%
Lease Payment – Communications Center	168,218	172,700	172,700	175,760	1.77%
Lease Payment – FY 13 City-wide	124,273	127,290	127,290	0	-100.00%
Lease Payment – FY 17 City-wide Equipment	0	151,485	151,485	155,050	2.35%
Interest – LP PD VEH 09-10	0	0	0	0	0.00%
Interest – LP Fire Rescue	0	0	0	0	0.00%
Interest – LP Mobile Data	0	0	0	0	0.00%
Interest – LP - FY12 City-wide	3,019	0	0	0	0.00%
Interest – LP Communications Center	9,866	5,380	5,380	2,330	-56.69%
Interest – LP FY13 City-wide	4,553	1,535	1,535	0	-100.00%
Interest – LP FY 17 City-wide Equipment	0	13,080	13,075	9,520	-27.19%
Total Debt Service	423,944	471,470	471,465	342,660	-27.32%
Supplemental Data: Operating Transfers					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Operating Transfers – HURF	\$998,298	\$987,190	\$0	\$207,520	0.00%
Operating Transfers – Library	839,860	825,290	878,140	878,855	0.08%
Operating Transfers – Cemetery	51,359	62,210	47,970	55,350	15.38%
Operating Transfers – Airport	33,656	11,840	46,010	510	-98.89%
Operating Transfers – Grant	0	135,000	0	0	0.00%
Operating Transfers – Transit	0	0	0	492,480	0.00%
Operating Transfers – CDBG	7,986	0	0	0	0.00%
Totals	\$1,931,160	\$2,021,530	\$972,120	\$1,634,715	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2018 Accomplishments:

- * Received a \$150,000 grant from the Yavapai County Flood Control District to complete a detailed floodplain study of the Old Town/Del Monte Wash
- * Coordinated an erosion protection project with the Arizona Department of Transportation (ADOT) along State Route 89A between Willard Street and 6th Street
- * Completed the design phase of Mingus Avenue roadway improvements: Willard Street to 8th Street Wash

FY 2019 Goals:

- * Complete the construction phase of Mingus Avenue between Willard Street to 8th Street Wash
- * Seek funding from outside sources to fund drainage improvement projects
- * Develop a Stormwater Enforcement Ordinance
- * Complete the design phase of the State Route 260 Waterline Project
- * Complete the design phase of the State Route 260 Well Site and Reservoir Project
- * Complete the design phase of the Mingus Avenue reconstruction between 8th Street Wash and Main
- * Complete the design phase of the Cactus Street sidewalk improvements
- * Complete the design phase of the Willard Street sidewalk improvements

Budget Highlights:

For FY 2019, a proposed budgeted amount for Continuing Education for the Professional Engineer has been removed. Merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Pending City Council's approval of a 0.5% sales tax increase, the position of City Engineer will be reclassified starting November 2019 with a salary range change and salary adjustment. Capital has been budgeted in the amount of \$111,640.

General Government	Engineering Services Department	Fund 01 – General Fund	Cost Center	1410	
Performance Indicators					
Strategic Directive:	Develop, support and maintain infrastructure				
Department Goal:	Ensure that all structures, utilities and construction within the city limits complies with the minimum safety standards established by the Federal, State and Local Building codes				
Objective:	Create plans and designs of roadway projects and perform oversight of the construction				
Type of Measure:	Completion of engineering phases and construction of roadway projects				
Tool:	Project plans				
Frequency:	Annual				
Scoring:	Meeting intermittent milestones (30%, 60%, 90% Design)				
Trend:	One time				
Measures:		Actual	Estimated	Estimated	Anticipated
		2016	2017	2018	2019
(1) State Route 260 Waterline Project					
- Planning phase				100%	
- Design phase				100%	
- Construction phase					100%
(2) State Route 260 Well Site and Reservoir Project					
- Planning phase				100%	
- Design phase				100%	
- Construction phase					100%
(3) Mingus Avenue Reconstruction between Willard Street to 8th Street Wash					
- Planning phase				100%	
- Design phase					100%
- Construction phase					
(4) Mingus Avenue Reconstruction between 8th Street Wash and Main Street					
- Planning phase				100%	
- Design phase					100%
- Construction phase					
(5) Old Town Flood Study					
- Study phase				100%	
- Design phase					100%
- Seek alternative funding options				25%	100%
Strategic Directive: Develop, support and maintain infrastructure					
Department Goal: Ensure that all structures, utilities and construction within the city limits complies with the minimum safety standards established by the Federal, State and Local Building codes					
Objective: Create plans and designs of sidewalk improvements and perform oversight of the construction					
Type of Measure: Completion of engineering phases and construction of sidewalk improvement projects					
Tool: Project plans					
Frequency: Meeting intermittent milestones (30%, 60%, 90% Design)					
Trend: One time					
Measures:		Actual		Estimated	Anticipated
		2016	2017	2018	2019
(1) Cactus Street Sidewalk Improvements					
- Planning phase				90%	100%
- Design phase					100%
- Construction phase					
(2) Willard Street Sidewalk Improvements					
- Planning phase				90%	100%
- Design phase					100%
- Construction phase					

General Government	Engineering Services Department	Fund 01 – General Fund	Cost Center	1410	
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$301,219	\$277,560	\$281,780	\$300,810	6.75%
Operating Supplies	8,064	4,700	7,300	8,100	10.96%
Contractual Services	2,541	2,000	4,045	4,300	6.30%
Other Services and Charges	18,919	16,400	10,450	17,275	65.31%
Capital Outlay	160,713	35,100	10,900	111,640	924.22%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$491,456</u>	<u>\$335,760</u>	<u>\$314,475</u>	<u>\$442,125</u>	<u>40.59%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$442,125	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
* City Engineer	1.00	1.00	1.00	5,442	8,020	\$88,200
PW Manager	0.00	0.00	0.00	5,183	7,638	0
PW Project Manager	1.00	1.00	1.00	3,868	5,700	66,860
Drafter/Designer	0.00	0.00	0.00	3,508	5,170	0
Public Works & Utility Inspector	1.00	1.00	1.00	3,341	4,924	40,175
*Pending City Council's approval of a 0.5% sales tax increase, this position will be reclassified as of November 2018 with a salary range change to range 30 and salary adjustment						
COLA						0
Merit Contingency						3,500
Longevity						0
Overtime						350
Clothing Allowance						800
Retirement						24,530
Insurance & Taxes						67,580
Employee Related Expenses						8,815
Totals	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>			<u>\$300,810</u>

General Government	Engineering Services Department	Fund 01 – General Fund	Cost Center	1410	
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,704	1,400	1,300	1,400	7.69%
Copier Supplies	0	0	0	500	0.00%
Gas & Oil	3,187	1,500	3,600	4,000	11.11%
Vehicle Maintenance & Repairs	1,372	1,000	1,000	1,000	0.00%
Equipment Maintenance & Repairs	0	150	150	150	0.00%
Operational Equipment & Supplies	450	500	650	1,000	53.85%
Clothing Allowance	325	100	550	0	-100.00%
Postage & Freight	26	50	50	50	0.00%
Total Supplies	8,064	4,700	7,300	8,100	10.96%

Contractual Services

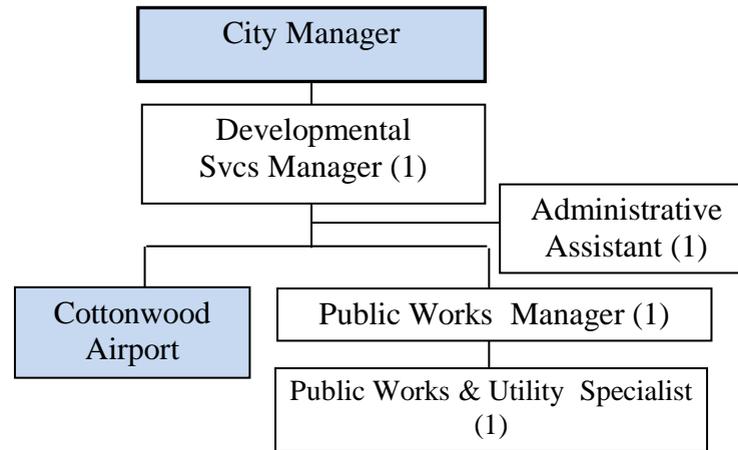
Computer Support	1,341	1,000	3,245	3,500	7.86%
Contractual Services	1,200	1,000	800	800	0.00%
Total Contractual Services	2,541	2,000	4,045	4,300	6.30%

Other Services and Charges

Travel & Training	4,427	500	2,000	5,500	175.00%
Subscriptions & Memberships	4,364	2,000	1,250	3,975	218.00%
Printing & Forms	0	0	0	0	0.00%
Legal Advertising	0	0	0	0	0.00%
Utilities	5,784	9,000	2,600	3,000	15.38%
Telephone	4,343	4,900	4,600	4,800	4.35%
Total Other Services & Charges	18,919	16,400	10,450	17,275	65.31%

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Riverfront/Old Town Connection Trail		\$18,000	\$5,000	\$18,000	
Drainage Plan and Project for Cottonwood Villag	\$138,152				
Silver Springs Wash				93,640	
Stormwater Program	21,521	10,000	5,900		
Furniture	1,041				
Software Update					
Drainage Facility Policy/Project		7,100			
Totals	\$160,713	\$35,100	\$10,900	\$111,640	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

Public Works provides technical and administrative support for the Streets, Engineering Services, Parks & Building Maintenance Departments, Transfer Station, the Cottonwood Municipal Airport and Cemetery. Support for vertical and horizontal capital improvement projects is also included.

FY 2018 Accomplishments:

- * Procured a contractor to execute new street striping and bi-annual street striping
- * Procured a private company that will operate the Transfer Station
- * Completed the road safety improvements on Main Street, including a pedestrian beacon at the Cherry Street crossing
- * Completed the fee analysis for the departments supported by Public Works and made a recommendation for new fees to the City Council

FY 2019 Goals:

- * Complete the grading and cleanup of the rear yard behind the Transfer Station and the Mingus Wastewater Treatment Plant
- * Develop an internal City policy for the disposal of materials from the Mingus Wastewater Treatment Plant's rear yard to keep it in compliance with the city code
- * Develop a connection trail/path from Riverfront Park to Old Town which can be safely used by the public at night and for major events
- * Design and complete the Wet Crossing Improvement Project on Aspen Street
- * Develop a policy for wireless towers within the City's rights-of-way and on City's property
- * Complete a study on the conversion of all City street lights to LED
- * Complete a study on the general and handicapped parking needs in Old Town Cottonwood
- * Complete a study on the impact of delivery vehicles in Old Town and propose a plan to the City Council
- * Complete a study on the trash/recycling receptacle needs in Old Town Cottonwood
- * Complete the requirements as laid out in the Cottonwood Bicycle Plan
- * Rewrite the "offsite improvements" section of the city code to bring it up to modern standards and all development to be treated equally
- * Protect future home owners by developing an ordinance requiring all private streets to be developed according to public street standards
- * Develop a security program for all City parks and facilities
- * Develop a method for economical disposal of green waste at the Transfer Station.
- * Procure right-of-way for the proposed Date Street/Skyline Drive connection from 12th Street to 16th Street, per the approved City transportation plan. The construction of this project may be completed in future years or through private development, if the right-of-way is secured.

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Pending Council's approval of a 0.5% sales tax increase, \$49,000 will be designated for Drainage Projects.

General Government	Public Works	Fund 01 – General Fund			Cost Center	1600
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$288,541	\$385,650	\$414,405	\$382,540	-7.69%	
Operating Supplies	11,821	3,950	5,670	1,850	-67.37%	
Contractual Services	180,554	211,550	180,615	11,650	-93.55%	
Other Services and Charges	15,178	16,750	13,075	14,600	11.66%	
Capital Outlay	0	0	0	49,000	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$496,095	\$617,900	\$613,765	\$459,640	-25.11%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$459,640	100.00%
Transfer Station Fees	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Developmental Svcs Manager	1.00	1.00	1.00	6000	8842	\$89,930
Public Works (PW) Manager	0.00	1.00	1.00	5183	7638	73,405
PW Project Manager	1.00	0.00	0.00	4701	6928	0
PW & Utility Specialist	1.00	1.00	1.00	3031	4466	52,385
Administrative Assistant	1.00	1.00	1.00	2618	3858	41,090
COLA						0
Merit Contingency						3,680
Longevity						0
Overtime						2,500
Temporary / Reserves						500
Holiday Pay						110
Retirement						31,100
Insurance & Taxes						87,840
Employee Related Expenses						0
Totals	4.00	4.00	4.00			\$382,540

General Government	Public Works	Fund 01 – General Fund		Cost Center	1600
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	614	1,200	3,000	1,000	-66.67%
Copier Supplies	3,067	750	1,600	800	-50.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance & Repairs	386	250	0	0	0.00%
Equipment Maintenance & Repairs	2,040	1,050	1,000	0	-100.00%
Operational Supplies	5,480	650	20	0	-100.00%
Postage & Freight	234	50	50	50	0.00%
Total Supplies	11,821	3,950	5,670	1,850	-67.37%

Contractual Services

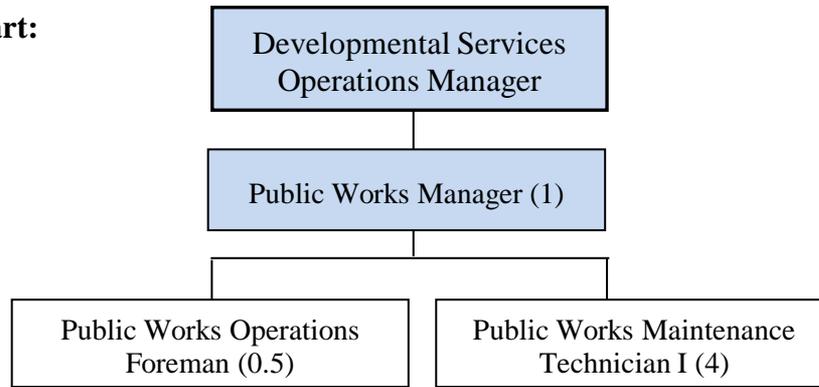
Computer Support	621	550	615	650	5.69%
Contractual Services	179,933	211,000	180,000	11,000	-93.89%
Total Contractual Services	180,554	211,550	180,615	11,650	-93.55%

Other Services and Charges

Travel & Training	967	250	500	2,000	300.00%
Subscriptions & Memberships	1,138	400	400	400	0.00%
Utilities	5,818	7,500	4,900	4,500	-8.16%
Telephone	7,255	8,600	7,275	7,700	5.84%
Legal Advertising	0	0	0	0	0.00%
Total Other Services & Charges	15,178	16,750	13,075	14,600	11.66%

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Miscellaneous Drainage Projects				\$49,000	
Totals	\$0	\$0	\$0	\$49,000	

Organizational Chart:



Note: Only unshaded boxes are included in this budget

General Information:

The Parks & Building Maintenance Department provides necessary and functional support for 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 2018 Accomplishments:

- * Renovated the landscaping at the Public Safety building

FY 2019 Goals:

- * Develop a pro-active roof maintenance program for all City buildings
- * Develop a pro-active HVAC maintenance program for all City facilities
- * Install vandal-proof water fountains at the basketball court in Old Town and Riverfront Park
- * Install vandal-proof fixtures at the Little League restroom facility
- * Replace damaged benches at Riverfront Park
- * Complete retaining walls and landscaping at the Little League Park
- * Improve the irrigation water system to the Little League facility for future conversion to winter rye grass through either reclaimed water or improved ditch-water usage
- * Develop a plan for either the repair, remodeling or removal of the batting cages in cooperation with the City Council and the Parks & Recreation Commission
- * Bring all swing sets in City parks in compliance with safety standards; this may include, among others, new seats, chains, sand, and concrete curbing
- * Reconstruct the electrical service to the City Hall and the Business Assistance Center (BAC) and make it safe
- * Develop a playground maintenance training and inspection program
- * Improve the Christmas light stands on the roofs of City Hall and the BAC to prevent roof leaks
- * Convert all the lights of the City-owned parking lots in Old Town to LED

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Pending City Council's approval of a 0.5% sales tax increase, the positions of PW Maintenance Tech I will be reclassified starting November 2018 with a salary range change and, where applicable, a salary adjustment. No Capital has been budgeted for FY 2019.

General Government	Parks & Building Maintenance Department	Fund 01 – General Fund	Cost Center	1610
Performance Indicators				
Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Water conservation			
Objective:	Remove the cemetery irrigation system from the municipal water system			
Type of Measure:	Water usage			
Tool:	Water metering			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Reduction of water use				100%

Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Proactive planning for routine maintenance and repairs of City buildings			
Objective:	Building maintenance and repair			
Type of Measure:	Assessment of completed maintenance and repairs			
Tool:	Maintenance program for roofs and HVAC			
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Implementation of new maintenance program for roofs and HVAC				100%

General Government Parks & Building Maintenance Department Fund 01 – General Fund Cost Center 1610					
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$327,212	\$329,530	\$265,265	\$317,810	19.81%
Operating Supplies	51,556	38,600	40,970	42,500	3.73%
Contractual Services	2,425	3,200	1,800	2,000	11.11%
Other Services and Charges	42,852	38,240	37,305	99,185	165.88%
Capital Outlay	46,660	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$470,703	\$409,570	\$345,340	\$461,495	33.63%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$461,495	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Public Works Superintendent	0.00	0.00	0.00	4,478	6,598	\$0
PW Operations Foreman	0.50	0.50	0.50	3,684	5,428	25,025
Facilities Maintenance Technician III	0.00	0.00	0.00	2,374	3,499	0
* PW Maintenance Technician I	5.00	5.00	5.00	2,262	3,333	146,235
*Pending City Council's approval of a 0.5% sales tax increase, these positions will be reclassified starting November 2018 with a change in salary range to range 12 and, where applicable, a salary adjustment						
COLA						0
Merit Contingency						3,420
Longevity						0
Overtime						6,000
Temporary Employees						38,500
Holiday Pay						100
Clothing Allowance						1,400
Retirement						21,330
Insurance & Taxes						75,800
Employee Related Expenses						0
Totals	5.50	5.50	5.50			\$317,810

General Government Parks & Building Maintenance Department Fund 01 – General Fund Cost Center 1610					
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	116	100	0	0	0.00%
Gas & Oil	6,602	8,000	8,470	8,000	-5.55%
Vehicle Maintenance & Repairs	4,693	4,000	4,500	5,000	11.11%
Equipment Maintenance & Repairs	5,911	1,500	3,000	4,500	50.00%
Grounds/Parks Maintenance Supplies	34,222	25,000	25,000	25,000	0.00%
Postage/Freight	12	0	0	0	0.00%

Total Supplies	51,556	38,600	40,970	42,500	3.73%
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Contractual Services

Computer Support	1,711	3,200	1,800	2,000	11.11%
Contractual Services	714	0	0	0	0.00%
Ground Maintenance Contract	0	0	0	0	0.00%

Total Contractual Services	2,425	3,200	1,800	2,000	11.11%
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Other Services and Charges

Travel & Training	1,394	1,500	900	2,000	122.22%
Utilities	12,990	17,500	8,200	12,000	46.34%
Telephone	1,320	1,440	520	520	0.00%
Tools	3,629	2,000	2,000	2,000	0.00%
Equipment Rental	328	150	225	250	11.11%
Maintenance & Repairs (city buildings)	20,790	12,650	23,260	79,915	243.57%
Vandalism Repairs	2,400	3,000	2,200	2,500	13.64%

Total Other Services & Charges	42,852	38,240	37,305	99,185	165.88%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Miscellaneous Supplies					
Tires (for Terex)	\$6,000				
Maintenance Public Parking Lots	35,663				
Rehabilitation (ongoing) of Park Irrigation Systems					
Repainting of Public Works Building	3,500				
Blinds for Public Works Building	1,497				
Little League Complex - Maintenance					
Ground Maintenance Supplies for Park Improvements					
Totals	\$46,660	\$0	\$0	\$0	

Organizational Chart: None

General Information:

Custodial Services is a division of the Community Services Department. It handles the cleaning and sanitizing of City-owned buildings, totaling approximately 157,560 square feet. This division does not deal with

FY 2018 Accomplishments:

- * Began contracting custodial services with Melton & Sons LLC, located in Cottonwood. By contracting locally, the City was able to avoid a cost increase of \$100,000 over a 3-year period.
- * Provided startup services (included in the contract) for the City's new water treatment plant, the Riverfront Water Reclamation Facility, along with the new public restroom units at Garrison Centennial Park and Cottonwood Kids Park.
- * Contracting of custodial services continues to provide for a clean and sanitary work environment for City staff and the visiting public

FY 2019 Goals:

- * Maintain quality full custodial service operations while seeking ways that will increase efficiency of services and minimize overall operational costs
- * Ensure quality assurance through monthly service reviews by all departments that rate the level of performance, and working with contractor in meeting service requests and needs as per departmental priorities, incl. evaluation scoring. The contractor is required to maintain a minimum average rating score
- * Ensure adequate resolution of complaints and/or concerns by tracking contractor's response time (within one [1] hour of reporting) and complaint remedy
- * Provide crossover communications between City staff and contractor personnel through communication logs, monthly inspection reports, and departmental evaluations as well as daily exchanges with contractor, where necessary, for all City facilities.

Budget Highlights:

For FY 2019, as a result of contracting locally, the budgeted amount for contracted janitorial services was substantially reduced.

Culture & Recreation	Custodial Services	Fund 01 – General Fund	Cost Center	1620
Performance Indicators				
Strategic Directive:	Providing quality in and sustainability of delivery of custodial services			
Department Goal:	Maintain a clean and sanitary work and recreational environment			
Objective:	Conduct monthly departmental service reviews			
Type of Measure:	Evaluation of departmental service reviews			
Tool:	Service reviews			
Frequency:	Monthly			
Scoring:	Required overall minimum average score of 7.5 annually. Any delinquencies in meeting the average minimum score will be subject to contractual rectification procedures			
Trend:				
	Actual		Estimated	Anticipated
Measures:	2016	2017	2018	2019
Overall annual average score	7.2	7.5	7.6	7.8
Occurrence of delinquency	1	0	0	0
Strategic Directive: Providing quality in and sustainability of delivery of custodial services				
Department Goal: Ensure adequate resolution of complaints and/or concerns				
Objective: Monitor response time to and remedy of reported complaints and/or concerns				
Type of Measure: Tracking data of response time to and remedy of complaints/concerns				
Tool: On-site inspection(s) and determination of remedy by contractor				
Frequency: As complaints/concerns are reported				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2016	2017	2018	2019
Number of reported complaints/concerns				0
Number of times required response time was met				0
Resolution of reported complaints/concerns				100%

Culture & Recreation Custodial Services		Fund 01 – General Fund			Cost Center	1620
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	140,042	210,000	131,000	136,000	3.82%	
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>\$140,042</u>	<u>\$210,000</u>	<u>\$131,000</u>	<u>\$136,000</u>	<u>3.82%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$136,000	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	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 Description	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		

Supplies

Janitorial Supplies	0	0	0	0	0.00%
Total Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>

Contractual Services

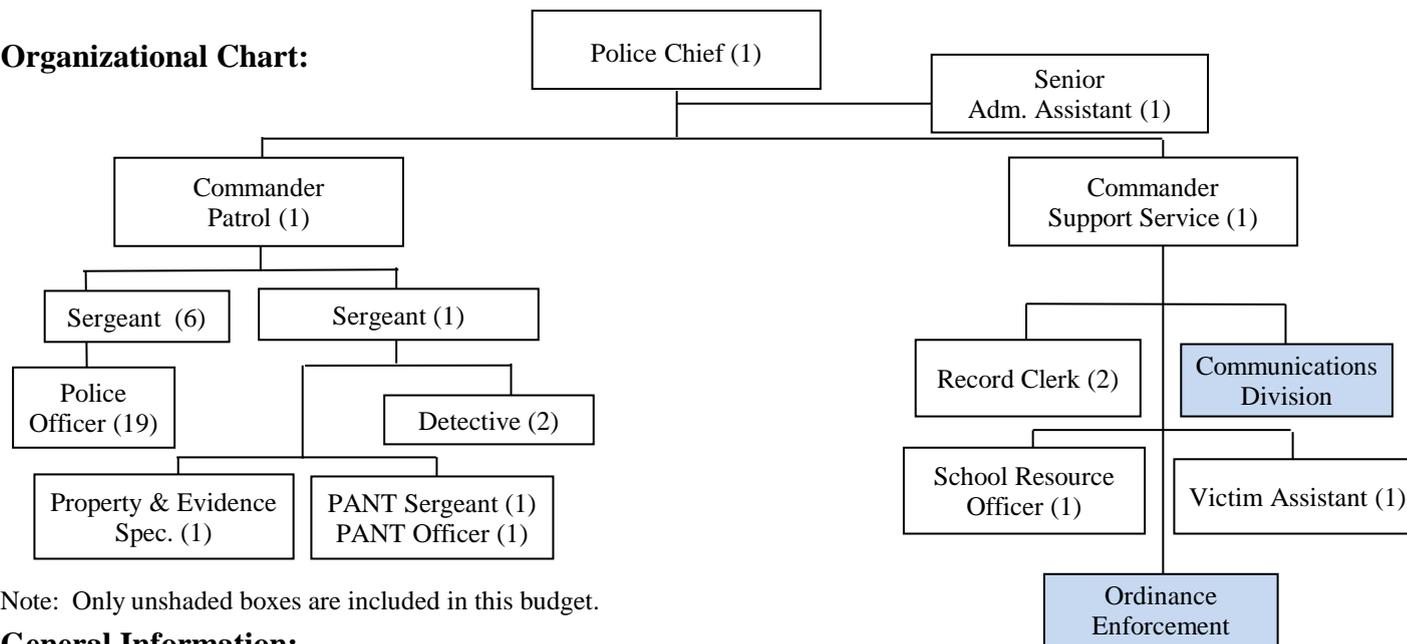
Custodial Contract	140,042	210,000	131,000	136,000	3.82%
Total Contractual Services	<u>140,042</u>	<u>210,000</u>	<u>131,000</u>	<u>136,000</u>	<u>3.82%</u>

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	2017	2018		2019		
	Actual	Budget	Revised	Final		
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The Police Department initiated a Strategic Plan that incorporates both the department's continued commitment to addressing community concerns through insightful examinations of emerging city issues and a commitment to the department's employees by assisting them in developing their abilities and skills to ensure ethical and progressive policing practices in this economically challenging time.

FY 2018 Accomplishments:

- * Published the Five-Year Strategic Plan in the Police Department's section on the City of Cottonwood's website and launched 78 first-year initiatives. The strategic plan aims to improve the service levels to the community.
- * Collaborated with the City Prosecutor, Public Defender, Municipal Court, and Mental Health and Social Service Providers to reduce recidivism among habitual low-level offenders with mental health problems or substance addictions
- * Collaborated with the Chamber of Commerce and the business community in creating the Safe Shopper program focused on reducing panhandling on business properties
- * Reduced incidences of aggressive panhandling through proactive and consensual encounters between panhandlers and officers, and through closer working relationships with social service providers
- * Completed comprehensive audit of property and evidence procedures and practices as well as of the storage facility
- * Expanded the Crime-Free Multi-Housing Program, aimed at reducing crime in apartment complexes, through increased participation of apartment property management companies
- * Reviewed and augmented current K-9 Program that employs police dogs in law enforcement; also acquired a new K-9
- * Partnered with Habitat of Humanities (previously with Spectrum Healthcare), the Chamber of Commerce and Matforce to create the Customer Cares program through which citizens can make tax-deductible donations to programs designed to aid those who are transitioning out of homelessness
- * Inclusion of court orders in the Spillman database has improved the tracking of alternative sentencing participants

FY 2019 Goals:

- * Implement a marketing plan for the Neighborhood Officer Program to make citizens aware of its existence
- * Reconcile, reorganize and reduce property and evidence backlog
- * Add an additional records clerk position to assist with the increased clerical and administrative workload
- * Acquire the Dashboard module of the Spillman Record Management System (RMS) to enhance crime analysis capabilities
- * Publish a comprehensive Cottonwood Police Department Annual Report
- * Review current officers' off-duty employment practices to limit liability for the City and the employee
- * Partner with community stakeholders in participating in mock active shooter drills
- * Develop a Project Lifesaver Program that will provide strategies and services for serving community members who are at risk for wandering and getting lost due to medical conditions, such as Alzheimer's disease, dementia, and
- * Conduct annual DUI checkpoint operations

Budget Highlights:

For FY 2019, the changes in merit pay percentages and salary range structure also apply here. Capital has been programmed for a 2018 Harley Davidson Police Motorcycle (Grant) and for Lease Payments for and Upfitting of Enterprise Fleet Vehicles, totaling \$414,800.

Public Safety	Police Department	Fund 01 – General Fund	Cost Center	2000
Performance Indicators				
Strategic Directive:	Provide the highest level of service to the community			
Department Goal:	Launch annual initiatives identified in the Strategic Plan pertaining to reducing crime, promoting organizational excellence, strengthening of relationships with community, enhancing traffic safety,			
Objective:	Complete annual initiatives			
Type of Measure:	Number of completed strategic initiatives			
Tool:	Police Department's Five-Year Strategic Plan			
Frequency:	Annual assessment			
Scoring:	Percentage of yearly completed strategic initiatives			
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of launched first-year strategic initiatives			78	55
Completed strategic initiatives			54	40
Deferred strategic initiatives			24	0
Percentage of completed yearly strategic initiatives			69%	72%

Strategic Directive:	Improve the Police Departments transparency and value to the community			
Department Goal:	Increase the 'value' of the Police Department to the community			
Objective:	Establish and provide interactive community programs			
Type of Measure:	Number of community programs			
Tool:	Reports			
Frequency:	Annual			
Scoring:				
Trend:	Increase			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Program Totals			8	12
			16	19

Supplemental Data: Capital Outlay				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Copier				
Vista Wearable Camera Warranty				
Patrol Vehicles (2) [Lease]	\$136,127			
K9	4,000			
Duty Weapons				
Tasers and Peripherals, and Firearms				
2018 Harley Davidson Police Motorcycle (Grant)				\$35,000
Enterprise Fleet Lease Payments				379,800
Vehicle cameras				
Datalogic Memory X3 Barcode Scanner & Dock	2,001			
Remodeling of Former Communications Center				
Rifles	255			
Getac Computer Equipment				
Holding Cell Cameras		\$6,500	\$6,500	
Tasers	10,354	10,950	10,950	
Security Camera Upgrade Evidence Building and Impound Lot		8,000	8,000	
Miscellaneous (Gym Equipment, Remodel, etc.)	7,599			
Totals	\$160,336	\$25,450	\$25,450	\$414,800

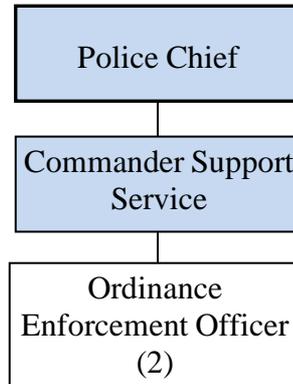
Public Safety	Police Department	Fund 01 – General Fund		Cost Center	2000
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$4,438,466	\$4,670,180	\$4,706,420	\$5,036,525	7.01%
Operating Supplies	242,994	210,130	239,300	189,550	-20.79%
Contractual Services	66,891	51,195	42,000	42,800	1.90%
Other Services and Charges	157,577	293,215	134,580	199,050	47.90%
Capital Outlay	160,336	25,450	25,450	414,800	1529.86%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$5,066,264</u>	<u>\$5,250,170</u>	<u>\$5,147,750</u>	<u>\$5,882,725</u>	<u>14.28%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$5,568,775	94.66%
Inter-local Governmental Contracts	256,730	4.36%
Lease Purchase	0	0.00%
SB1398 Police Equipment	3,420	0.06%
Grants	53,800	0.91%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Police Chief	1.00	1.00	1.00	8,470	12,442	\$126,860
Commander	2.00	2.00	2.00	6,946	10,236	218,315
Sergeant	7.00	7.00	7.00	5,183	7,638	554,910
PANT Officer/Sergeant	2.00	2.00	2.00	5,183	7,638	73,825
Police Officer	20.00	18.00	21.00	4,061	5,985	1,262,350
School Resource Officer (SRO)	1.00	1.00	1.00	4,061	5,985	62,215
Terrorist Liaison Officer	1.00	1.00	0.00	4,061	5,985	0
Communications System Coordinator	0.50	0.50	0.00	3,182	4,689	0
Property & Evidence Specialist	1.00	1.00	1.00	3,031	4,466	41,900
Senior Administrative Assistant	1.00	1.00	1.00	3,031	4,466	44,515
Victim Assistant	1.00	1.00	1.00	3,031	4,466	37,255
Records Clerk	2.00	2.00	2.00	2,618	3,858	90,505
COLA						0
Car Allowance						0
Merit Contingency						54,900
Longevity						0
Certification Pay						32,100
Overtime						170,000
Holiday Pay						55,000
Clothing Allowance						25,000
Retirement						1,288,940
Insurance & Taxes						897,935
Employee Related Expenses						0
Totals	<u>39.50</u>	<u>37.50</u>	<u>39.00</u>			<u>\$5,036,525</u>

Public Safety	Police Department	Fund 01 – General Fund		Cost Center	2000
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	17,559	17,000	17,000	17,000	0.00%
Copier Supplies	870	1,500	800	1,200	50.00%
Invest / Detective Expenses	2,261	2,000	2,000	5,450	172.50%
Training Supplies	15,164	17,500	17,500	19,200	9.71%
Gas & Oil	51,006	55,000	58,000	58,000	0.00%
Vehicle Maintenance & Repairs	104,321	77,130	110,000	60,000	-45.45%
Film & Developing	0	0	0	0	0.00%
DUI Expenses	733	500	300	400	33.33%
Equipment Maintenance & Repairs	16,939	15,000	8,000	8,000	0.00%
Operational Supplies	8,899	9,000	9,000	2,500	-72.22%
Postage & Freight	2,121	1,000	1,400	1,500	7.14%
Building Supplies	6,078	7,500	6,800	6,800	0.00%
Canine Vet & Feed	3,514	2,000	3,500	4,500	28.57%
Protective Clothing	13,529	5,000	5,000	5,000	0.00%
Total Supplies	242,994	210,130	239,300	189,550	-20.79%
Contractual Services					
Computer Support	46,266	41,195	28,000	32,800	17.14%
Contractual Services	16,868	5,000	9,000	5,000	-44.44%
Medical Testing	3,282	3,500	3,000	3,500	16.67%
Towing Expense	475	1,500	2,000	1,500	-25.00%
Medical Investigation Expenses	0	0	0	0	0.00%
Total Contractual Services	66,891	51,195	42,000	42,800	1.90%
Other Services and Charges					
Travel & Training	18,814	20,000	20,000	20,000	0.00%
Subscriptions & Memberships	1,961	2,500	2,000	2,500	25.00%
Printing & Forms	1,811	1,500	1,500	1,500	0.00%
Utilities	36,451	48,550	37,880	40,000	5.60%
Telephone	48,311	53,000	44,000	50,000	13.64%
Recruitment Program	0	2,000	2,000	2,000	0.00%
DOJ Grant - Victim Asst.	3,425	0	0	0	0.00%
Explorer Program	493	750	0	750	0.00%
Safety Expense	1,655	2,915	2,000	2,000	0.00%
Community Policing	9,278	5,000	5,000	9,000	80.00%
Reserve/VIP Program	2,628	2,000	3,000	2,500	-16.67%
SWAT Equipment	16,755	15,000	15,000	15,000	0.00%
LLBG 0-144 Grant match	0	0	0	0	0.00%
Homeland Security Grant	0	65,000	0	0	0.00%
Highway Safety Grant	0	37,500	0	28,800	0.00%
County RICO Grant	15,994	30,000	1,700	0	-100.00%
Misc. Grants	0	7,500	500	25,000	4900.00%
Total Other Services & Charges	157,577	293,215	134,580	199,050	47.90%

Organizational Chart:



Note: Only unshaded boxes are included in this budget

General Information:

The Police Department's Ordinance Enforcement Division responds to calls for service regarding zoning and code violations as well as enforcement of animal control regulations and ordinances. Officers make contact with complainants and violators, and 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 2018 Accomplishments:

- * Assumed primary responsibility for Code Enforcement within the City of Cottonwood

FY 2019 Goals:

- * Increase proactive code enforcement efforts in contacts with code violators as well as complainants by educating them about the city's ordinances, their rights and responsibilities
- * Encourage voluntary compliance with city ordinances by addressing violations, providing corrective measures and by raising awareness of available (and appropriate) resources helpful in resolving the
- * Reduce leash law (dog-at large) violations and complaints
- * Negotiate an acceptable time frame with Community Development and the Municipal Court for resolving ordinance violations
- * Collaborate with City departments to improve the overall beauty of Cottonwood by using available departmental resources, by enforcing ordinances and providing education on how to keep the environment beautiful
- * Review, revise and update city ordinances specific to health, safety, public order and overall quality of life of Cottonwood's citizens

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Capital has been programmed for Enterprise Fleet Lease Payments in the amount of \$30,465.

Public Safety	Ordinance Enforcement Division	Fund 01 – General Fund	Cost Center	2200	
Performance Indicators					
Strategic Directive:	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 and animal bites				
Tool:	Spillman reports				
Frequency:	Annual (Calendar year)				
Scoring:					
Trend:					
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
Programs for civic groups and school presentations		100	150	180	200
Cruelty cases		8	95	80	60
Animal bites		31	62	50	35

Strategic Directive:	Strive to provide effective and efficient services				
Department Goal:	Reduce leash law (dog-at-large) violations and complaints				
Objective:	Proactive approach to violations and complaints by providing education about the leash law and pursue enforcement in cases of non-compliance				
Type of Measure:	Number of dog-at-large calls and sightings by ordinance enforcer				
Tool:	Reports				
Frequency:	Annual (Calendar year)				
Scoring:					
Trend:	FY 2017 showed an increase in sightings and calls due to a more proactive approach to dog-at-large occurrences				
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
Dog-at-large sightings by ordinance enforcer		78	204	200	180
Dog-at-large calls		182	332	300	280
Totals		381	536	500	460

Public Safety	Ordinance Enforcement Division	Fund 01 – General Fund			Cost Center	2200
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$149,438	\$158,975	\$151,650	\$158,320	4.40%	
Operating Supplies	5,502	9,320	5,800	6,450	11.21%	
Contractual Services	47,621	49,980	43,880	43,880	0.00%	
Other Services and Charges	0	1,000	300	1,000	233.33%	
Capital Outlay	0	0	0	30,465	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$202,561	\$219,275	\$201,630	\$240,115	19.09%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$240,115	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Ordinance Enforcement Officer	2.00	2.00	2.00	3,031	4,466	\$98,335
COLA						0
Merit Contingency						1,525
Longevity						0
Overtime						2,000
Holiday Pay						3,500
Clothing Allowance						750
Retirement						12,260
Insurance & Taxes						39,950
Employee Related Expenses						0
Totals	2.00	2.00	2.00			\$158,320

Public Safety	Ordinance Enforcement Division	Fund 01 – General Fund		Cost Center	2200
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	467	250	100	250	150.00%
Copier Supplies	185	200	200	200	0.00%
Gas & Oil	3,500	4,500	4,500	4,500	0.00%
Vehicle Maintenance & Repairs	139	2,870	0	0	0.00%
Equipment Maintenance & Repairs	0	0	0	0	0.00%
Small Tools	1,211	1,500	1,000	1,500	50.00%

Total Supplies	5,502	9,320	5,800	6,450	11.21%
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Contractual Services

Computer Support	1,147	1,100	0	0	0.00%
Spay/Neuter Grant Expense	2,590	5,000	0	0	0.00%
Kennel Fees	43,884	43,880	43,880	43,880	0.00%

Total Contractual Services	47,621	49,980	43,880	43,880	0.00%
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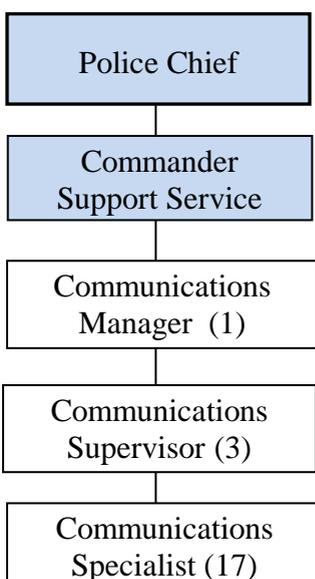
Other Services and Charges

Travel & Training	0	1,000	300	1,000	233.33%
Subscriptions & Memberships	0	0	0	0	0.00%

Total Other Services & Charges	0	1,000	300	1,000	233.33%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Enterprise Fleet Lease Payments				\$30,465	
Totals	\$0	\$0	\$0	\$30,465	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The Communications Division of the Police Department is staffed 24/7 and provides public safety communications services for the Cottonwood Police Department and the Cottonwood Fire & Medical Services Department. Public safety communications services are provided by subscription to area Fire and EMS agencies. This division is the Public Safety Answering Point (PSAP), which is a primary 9-1-1 answering point for the City of Cottonwood, the unincorporated areas around Cottonwood, Cornville, Village of Oak Creek, and Lake Montezuma/Rimrock areas, as well as specified cellular towers throughout the Verde Valley. The Communications Division serves as a secondary, backup PSAP for the communications centers of the Sedona Police Department, Camp Verde Marshal's Office, and Payson PD (Gila County).

FY 2018 Accomplishments:

- * Successfully implemented strategies designed to recruit and retain quality employees, such as the revalidation of the Criticalall™ software for more 'objective' testing of Communications Specialist applicants and placing more emphasis on employee recognition and professional training in the communications profession
- * Standardized the call processing using the International Academies of Emergency Dispatch® (IAED®) protocols for Fire, EMS and Police to ensure accurate and complete information is obtained
- * Decreased the response time for a call to be dispatched to first responders at the Police and Fire departments by streamlining call-taking/dispatching processes
- * Enhanced emergency preparedness through participation in trainings, work group meetings, and policy group meetings with the Cottonwood Fire and Medical Department and other stakeholders

FY 2019 Goals:

- * Obtain communication center accreditation with the International Academies of Emergency Dispatch® (IAED®), establishing the Communications Center's superior performance in training, quality assurance and improvement processes, medical oversight, and compliance to protocol. The accreditation process will take five years to complete and requires meeting the accreditation performance standards for Emergency Medical Dispatcher (EMD), Emergency Police Dispatcher (EPD) and Emergency Fire Dispatcher (EFD). Upon successful completion, the Communications Center will be awarded the "Accredited Center of Excellence" designation by IAED.
- * Evaluate and improve, where needed, the ability to disseminate critical public safety information to the public using the Emergency Notification system (ENS)
- * Adopt the testing requirements for the hiring of new employees as well as for current employees as recommended by NENA (National Emergency Number Association) Hearing Standards for Public Safety Telecommunicators
- * Collaborate with various City departments to minimize service interruptions and downtime of essential systems, such as the Spillman dispatch software, radio infrastructure, and also per the adopted standards of the National Fire Protection Agency, of the backup power

Budget Highlights:

For FY 2019, the changes to merit pay percentages and the salary range structure also apply to this department. Pending City Council's approval of a 0.5% sales tax increase, Communications positions will be reclassified starting November 2018 with a salary range change and salary adjustment. No Capital has been budgeted for FY 2019.

Public Safety	Communications Division	Fund 01 – General Fund	Cost Center	2010	
Performance Indicators					
Strategic Directive:	Value the safety of our public safety personnel and citizens				
Department Goal:	Obtain Communications Center Accreditation with the International Academies of Emergency Dispatch® (IAED®)				
Objective:	Complete the first year of the 5-year accreditation process				
Type of Measure:	Demonstrate that the call-taking performance meets the scoring requirements for the Standards for Accreditation				
Tool:	Standards for Accreditation				
Frequency:	Monthly reports				
Scoring:	Partial Compliance Level: 10% or less (of call performance reviews) Low Compliance Level: 10% or less (of call performance reviews) Non-Compliant Level: 7% or less (of call performance reviews) Percentage of Critical Deviations: 3% or less (of call performance reviews) Percentage of Major Deviations: 3% or less (of call performance reviews) Percentage of Moderate Deviations: 3% or less (of call performance reviews) Percentage of Minor Deviations: 3% or less (of call performance reviews)				
Trend:					
		Actual	Estimated	Anticipated	
Measures:		2016	2017	2018	2019
Partial Compliance Level: 10% or less (of call performance reviews)		n/a	n/a	n/a	≤10%
Low Compliance Level: 10% or less (of call performance reviews)		n/a	n/a	n/a	≤10%
Non-Compliant Level: 7% or less (of call performance reviews)		n/a	n/a	n/a	≤7%
Percentage of Critical Deviations: 3% or less (of call performance reviews)		n/a	n/a	n/a	≤3%
Percentage of Major Deviations: 3% or less (of call performance reviews)		n/a	n/a	n/a	≤3%
Percentage of Moderate Deviations: 3% or less (of call performance review		n/a	n/a	n/a	≤3%
Percentage of Minor Deviations: 3% or less (of call performance reviews)		n/a	n/a	n/a	≤3%

Public Safety	Communications Division	Fund 01 – General Fund			Cost Center	2010
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$1,305,689	\$1,550,840	\$1,337,140	\$1,651,920	23.54%	
Operating Supplies	3,149	3,000	4,000	3,000	-25.00%	
Contractual Services	15,518	21,000	17,360	17,000	-2.07%	
Other Services and Charges	215,382	181,490	155,210	269,150	73.41%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$1,539,738</u>	<u>\$1,756,330</u>	<u>\$1,513,710</u>	<u>\$1,941,070</u>	<u>28.23%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$1,107,230	57.04%
Dispatch & Spillman Fees	833,840	42.96%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
* Communications Manager	1.00	1.00	1.00	4,701	6,928	\$83,070
* Communications Supervisor	3.00	3.00	3.00	3,684	5,428	166,365
* Communications Systems Coordinator	0.50	0.50	0.00	3,182	4,689	0
* Communications Specialist	18.00	17.00	17.00	2,886	4,253	708,030
* Pending City Council's approval of a 0.5% sales tax increase, these positions will be reclassified starting November 2018 with a change in salary ranges and a salary adjustment						
COLA						0
Merit Contingency						19,505
Longevity						0
Certification Pay						4,300
Overtime						200,000
Holiday Pay						25,000
Clothing Allowance						2,000
Retirement						142,340
Insurance & Taxes						301,310
Employee Related Expenses						0
Totals	<u>22.50</u>	<u>21.50</u>	<u>21.00</u>			<u>\$1,651,920</u>

Public Safety	Communications Division	Fund 01 – General Fund		Cost Center	2010
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,695	2,500	3,500	2,500	-28.57%
Copier Supplies	454	500	500	500	0.00%

Total Supplies	3,149	3,000	4,000	3,000	-25.00%
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Contractual Services

Contractual Services	0	0	0	0	0.00%
Computer Support	1,575	6,000	2,360	2,000	-15.25%
Repeater Expense	13,943	15,000	15,000	15,000	0.00%

Total Contractual Services	15,518	21,000	17,360	17,000	-2.07%
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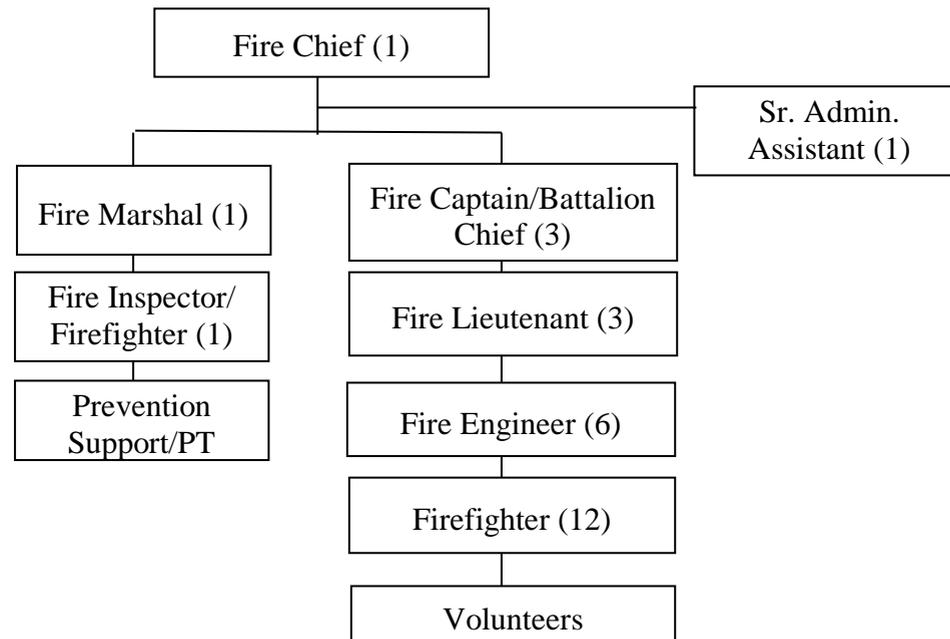
Other Services and Charges

Travel & Training	21,094	12,500	12,500	12,500	0.00%
Employee Physicals/Drug Tests	3,080	2,500	4,500	4,500	0.00%
Community Policing	137	200	200	200	0.00%
Subscriptions & Memberships	1,021	1,100	1,100	1,100	0.00%
Postage/Freight	0	100	0	0	0.00%
Equipment Maintenance & Repairs	114,280	63,000	58,000	6,500	-88.79%
Safety Expenses	441	600	600	600	0.00%
Utilities	35,803	48,290	39,600	42,400	7.07%
Telephone	9,345	20,000	7,250	168,000	2217.24%
Liability Insurance	30,181	33,200	31,460	33,350	6.01%

Total Other Services & Charges	215,382	181,490	155,210	269,150	73.41%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Organizational Chart:



General Information:

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

FY 2018 Accomplishments:

- * (Anticipate) Adoption of updated City Emergency Operations Plan
- * (Anticipate) Adoption of 2012 International Fire Code and applicable appendices as the City of Cottonwood Fire Code
- * (Anticipate) Put into service new fire pumper that will replace the current apparatus for which no replacement parts can be obtained anymore due to its manufacturer having closed down
- * Received a donation of 30 smoke detectors from Kidde Fire Safety to improve fire safety in dwellings in Old Town neighborhoods in order to improve fire safety
- * Was awarded a grant in FY 2017 by the Homeland Security Grant Program (HSGP) in the amount of \$4,400 for 4 ballistic vests and 4 ballistic helmets to be used when personnel responds to active assailant
- * With one firefighter having successfully completed Paramedic certification testing, CFMD has now 15 Certified Paramedics providing Advanced Life Support care to our citizens
- * Implemented the *Milo & Moxie: Smart Safety Ranger* program in Cottonwood-Oak Creek School District schools and in private and charter schools in the City of Cottonwood that teaches children on how to prevent burn injury and be fire safe in and around the home
- * Hosted bi-annual Cottonwood Fire and Medical Department's Open House to display the department's capabilities in fire suppression, EMS operations, fire prevention and fire & life safety education

FY 2019 Goals:

- * Expand the fire safety program for our local senior population by focusing on multi-family senior living centers
- * Identify funding sources for grant submission for smoke detectors in order to expand the smoke detector program in high risk/low income community areas
- * Evaluate potential site locations and initiate preliminary design work for the construction of a 2nd fire station in the area of State Route 260 and Fir Street or in the area of State Route 89A and Cornville Road
- * Purchase new ladder apparatus to replace the current 30 year-old ladder equipment
- * Conduct a drill/training exercise of the Emergency Operations Center in cooperation with Yavapai County Emergency Management
- * Maintain collaborative planning and operational activities with fire agencies in the Verde Valley
- * Pursue grant opportunities for fire suppression equipment and public fire & life safety equipment

Budget Highlights:

For FY 2019, the changes to merit pay percentages and the salary range structure also apply to this department. Pending City Council's approval of a 0.5% sales tax increase, a stipend for Acting Captain pay will become effective November 2018. Capital for a Large Diameter Hose Replacement (\$21,600) has been budgeted.

Public Safety	Fire & Medical Department	Fund 01 – General Fund	Cost Center	2100	
Performance Indicators					
Strategic Directive:	Maintain public safety				
Department Goal:	Have each firefighter complete an average of 240 hours per year of fire suppression related training				
Objective:	To ensure each firefighter completes two hours of fire/rescue training per shift per ISO guidelines				
Type of Measure:	Average number of trainin				
Tool:	Monthly/annual reports				
Frequency:	Annually				
Scoring:	≥240 hours/year = meeting goal; < 240 hours = needing improvement.				
Trend:					
Measures:		Actual		Estimated	Anticipated
		2016	2017	2018	2019
Number of training hours per person/average completed in support of ISO		227	200	190	220

Strategic Directive:	Maintain public safety				
Department Goal:	Conduct an average of 60 commercial building and/or new construction inspections per month				
Objective:	To help ensure fire safety in our community, our fire prevention division will perform at least 60 inspections of commercial buildings or new construction per month.				
Type of Measure:	Number of inspections				
Tool:	Monthly reports				
Frequency:	Annually				
Scoring:	60 inspections/month average = meeting goal. < 60 inspections/month average = needing improvement				
Trend:	Bringing the number of inspections back up to 60				
Measures:		Actual		Estimated	Anticipated
		2016	2017	2018	2019
Average number of commercial building and/or new construction inspections per month		62	55	55	60

Supplemental Data: Capital Outlay				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Fire Suppression & Safety Equipment - Jaws of Life (2)		\$60,000	\$60,000	
Fire Engine (Type 1) [Lease]		600,000	600,000	
Back Driveway				
Multifunction Printer	\$6,089			
Computer Equipment	2,913			
Emergency Response Kits - Active Shooter Program	852			
Miscellaneous Equipment	4,749			
Large Diameter Hose Replacement				\$21,600
Totals	\$14,603	\$660,000	\$660,000	\$21,600

Public Safety	Fire & Medical Department	Fund 01 – General Fund		Cost Center	2100
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$2,896,028	\$2,977,190	\$2,917,310	\$2,984,100	2.29%
Operating Supplies	79,213	77,900	104,800	95,900	-8.49%
Contractual Services	19,978	100,000	23,730	75,500	218.16%
Other Services and Charges	54,569	80,820	68,755	77,915	13.32%
Capital Outlay	14,603	660,000	660,000	21,600	-96.73%
Debt Service	0	0	0	0	0.00%
Department Totals	\$3,064,391	\$3,895,910	\$3,774,595	\$3,255,015	-13.77%

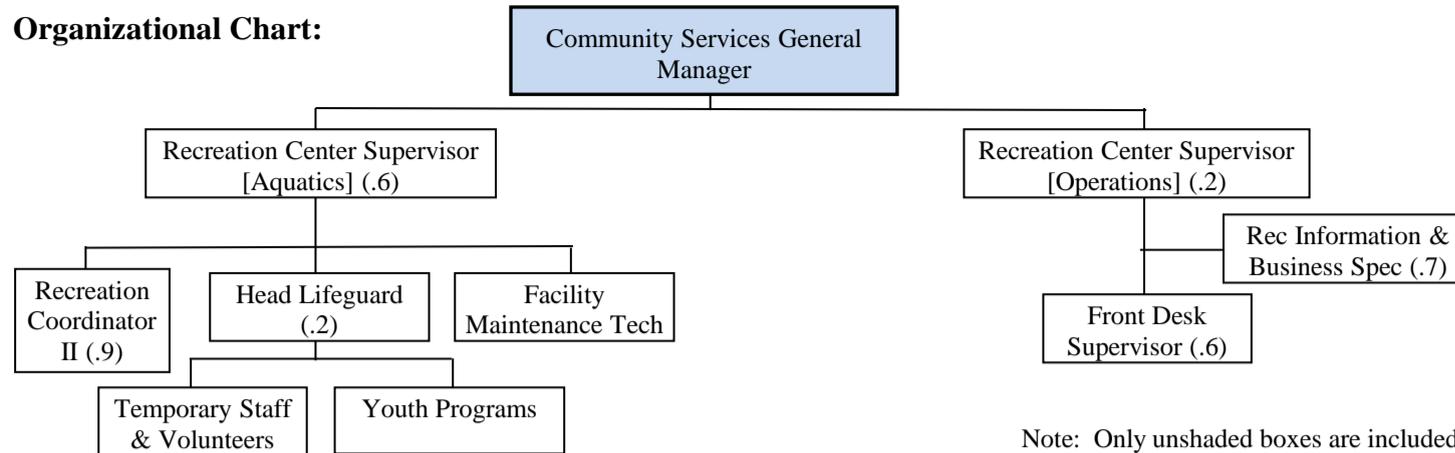
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$3,205,015	98.46%
Misc. Grants	50,000	1.54%
Lease Purchase	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Fire Chief	1.00	1.00	1.00	7,658	11,285	\$119,155
Fire Marshal	1.00	1.00	1.00	6,000	8,842	93,280
Fire Captain/Battalion Chief	3.00	3.00	3.00	5,715	8,421	270,835
Fire Lieutenant	3.00	3.00	3.00	4,936	7,274	227,690
Fire Engineer	6.00	6.00	6.00	4,061	5,985	375,895
Fire Inspector	1.00	1.00	1.00	4,061	5,985	58,670
Firefighter	12.00	12.00	12.00	3,684	5,428	601,915
Senior Administrative Assistant	1.00	1.00	1.00	3,031	4,466	38,790
COLA						0
Merit Contingency						53,360
Longevity						0
Certification Pay						71,995
*Stipend						5,455
Temporary / Reserves						7,500
Overtime						30,000
Holiday Pay						45,000
Clothing Allowance						21,060
Retirement						433,800
Insurance & Taxes						514,700
Employee Related Expenses						15,000
Totals	28.00	28.00	28.00			\$2,984,100

* Pending City Council's approval of a 0.5% sales tax increase, this stipend will become effective November 2018

Public Safety	Fire & Medical Department	Fund 01 – General Fund		Cost Center	2100
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	1,123	1,500	1,500	1,500	0.00%
Copier Supplies	930	1,800	1,800	1,800	0.00%
Gas & Oil	13,707	20,000	17,000	20,000	17.65%
Vehicle Maintenance & Repairs	42,179	30,000	60,000	40,000	-33.33%
Equipment Maintenance & Repairs	8,843	12,000	12,000	12,000	0.00%
Protective Clothing	11,979	12,000	12,000	20,000	66.67%
Postage & Freight	452	600	500	600	20.00%
Total Supplies	79,213	77,900	104,800	95,900	-8.49%
Contractual Services					
Radio Maintenance & Repair	563	2,000	1,000	2,000	100.00%
Computer Support	5,520	5,000	4,230	5,000	18.20%
Contractual Services	3,087	3,000	3,500	3,500	0.00%
Employee Physicals/Medical Tests	10,808	15,000	15,000	15,000	0.00%
Emergency Service Grant	0	5,000	0	5,000	0.00%
GOHS - FIRE Grant	0	50,000	0	25,000	0.00%
GOHS - Safety Grant	0	20,000	0	20,000	0.00%
FEMA Grant	0	0	0	0	0.00%
Total Contractual Services	19,978	100,000	23,730	75,500	218.16%
Other Services and Charges					
Travel & Training	4,215	8,000	5,000	8,000	60.00%
Subscriptions & Memberships	2,461	3,000	2,500	3,000	20.00%
Operational Equipment & Supplies	4,238	12,000	12,000	12,000	0.00%
EMS Expenses	7,510	12,000	12,000	13,000	8.33%
Utilities	22,761	28,220	21,325	22,390	4.99%
Telephone	2,252	3,300	1,930	2,025	4.92%
Fire Prevention	3,874	5,000	5,000	6,000	20.00%
Emergency Management	4,844	5,000	5,000	5,000	0.00%
Legal Advertising	0	0	0	0	0.00%
Training Center	2,200	2,500	2,500	4,000	60.00%
Volunteer Fireperson Training	22	1,000	1,000	1,500	50.00%
Volunteer Fireperson Misc.	191	800	500	1,000	100.00%
Vol Fire Retirement	0	0	0	0	0.00%
Total Other Services & Charges	54,569	80,820	68,755	77,915	13.32%

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 2018 Accomplishments:

- * The Thunder Valley Rally (TVR) committee organized the 2017 TVR festival which reached a cost recovery of +/- 94%, up from +/- 73% the year prior. TVR shuttle numbers increased by 216 riders. Local charities collected \$25,932 and cash sponsorship increased by 53% from \$21,500 to \$33,000.
- * Walkin' On Main enjoyed another banner year showcasing the largest car show since the event's inception with 104 cars to an average of 50 in past years. P&R partnered with the Verde Valley Wine Consortium for the event's wine tasting to promote the city's brand and with the proceeds benefiting the local wine industry.
- * Provided main community events/signature series—4th of July celebration, Annual Easter Egg Hunt, and Farmers' Market Jamboree. Including TVR and Walkin' On Main, over approx. 27,000 Cottonwood residents, tourists, and locals participated
- * In FY 2016-17, the youth basketball league counted 25 teams with 252 players, up 6% in participation compared to 237 participants and 23 teams in FY 2015-16
- * Completion of the 2nd phase (of 3) of the Verde Valley Military Service Park at Garrison Centennial Park with the installation of five service monuments with granite inscribed plaques, honoring our veterans
- * Co-created the Cottonwood Marketing Committee with representation from the Cottonwood Chamber of Commerce, the Old Town Association, and Economic Development
- * Assisted the Chamber of Commerce and Old Town Association with the Arizona Office of Tourism co-op marketing opportunity, including exposure at both the Cactus League and the College National Championship
- * The Bicycle Advisory Committee released its pocket-sized bike map to the public, completed the design on the bike corral in Old Town, and developed a partnership bike donation program with Chain Reaction/Police Department to those in need of transportation. The Committee also partnered with the Police Department and Verde Valley Bicycles to provide bicycle patrol officers with four (4) new state of the art bicycles. In addition, the Business Assistance Center worked with Planning & Zoning to create a bike parking ordinance.

FY 2019 Goals:

- * Create additional revenue streams and increase partnerships/sponsors to defray costs of special events (Farmers' Market Jamboree, Fantastic Family Fourth, Walkin' on Main) by an additional 20%
- * Recover 100% of the cost for TVR 2018
- * Achieve 100% cost recovery for the Youth Center
- * Increase TVR customer satisfaction for parking logistics and shuttle services, while maintaining all other guest satisfaction levels
- * Implement Phase 1 (of 3) of the Cottonwood Riverfront Trails and Recreation Master Plan
- * Develop a Parks & Recreation Master Plan
- * Complete the update of/revisions to the community-wide Bicycle Plan
- * Create a new city brand inspired special event through a collaborative approach
- * Intensify outreach for the Farmers' Market Jamboree to the local Verde Valley community and search for opportunities to create public-private partnerships to encourage participation by produce vendors

Budget Highlights:

For FY 2019, the changes in merit pay percentages and salary range structure also apply to this department. Pending City Council's approval of a 0.5% sales tax increase, starting November 2018 the position of Administrative Assistant will be reclassified to Recreation Information and Business Specialist. Capital has been programmed for Enterprise Fleet Lease Payments, totaling \$25,215.

Culture & Recreation	Parks and Recreation Department	Fund 01 – General Fund	Cost Center	4100	
Performance Indicators					
Strategic Directive:	Serve the citizens through value driven programming and facilities focused on serving our guests				
Department Goal:	Maintain/increase customer satisfaction levels to sustain/grow attendance at Thunder Valley Rally				
Objective:	Improve parking and shuttle logistics/communications and maintain current satisfaction levels				
Type of Measure:	Statistical survey analysis				
Tool:	NAU (Northern Arizona University) Descriptive Data Report				
Frequency:	Annual				
Scoring:	1-5 (1=lowest score, 5=highest score)				
Trend:	Up				
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
Friendliness - Helpfulness of staff		4.6	4.4	4.5	4.6
Musical performances		4.5	4.4	4.7	4.7
Shuttle service/logistics/parking/vendors		4.2	4.0	4.5	4.5
Poker Run/Beverage service		4.2	4.2	4.3	4.4
Organization event layout		4.3	4.1	4.2	4.5

Strategic Directive:	Promote recreational opportunities				
Department Goal:	Increase service use rates of parks, trails and athletic fields				
Objective:	Increase number of annual visits to parks, trails and athletic facilities				
Type of Measure:	Survey analysis				
Tool:	Annual cross-sectional community survey				
Frequency:	Annual				
Scoring:	Volume of visits				
Trend:		Actual	Estimated	Anticipated	
Measures:		2016	2017	2018	2019
Parks - Total number of visits / surveyed population		184 / 356		3K / 1K	3.5K / 1K
Trails - Total number of visits / surveyed population		144 / 356		2K / 1K	3K / 1K
Athletic Fields - Total number of visits / surveyed population		41 / 356		1K / 1K	1.5K / 1K

Strategic Directive:	Promote a vibrant, healthy and educated community				
Department Goal:	Increase participation by 20% in the After School Program (ASP) and Summer Camp				
Objective:	Create a comprehensive marketing plan/public relations approach to garner more exposure				
Type of Measure:	Attendance numbers				
Tool:	Active.Net, a recreation management software				
Frequency:	Annual				
Scoring:	Average attendance				
Trend:		Actual	Estimated	Anticipated	
Measures:		2016	2017	2018	2019
ASP - Average attendance		27	18	25	30
Summer Camp - Average attendance		40	40	40	40

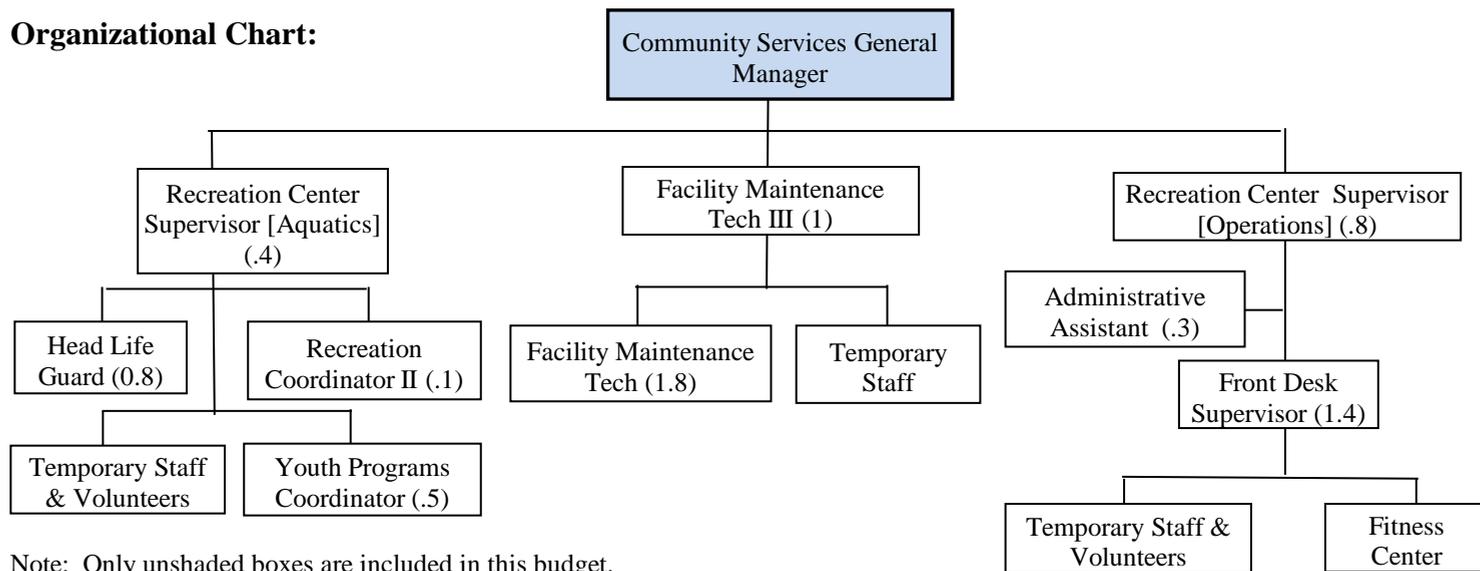
Culture & Recreation		Parks and Recreation Department Fund 01 – General Fund			Cost Center	4100
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$402,000	\$452,855	\$423,645	\$427,790	0.98%	
Operating Supplies	61,979	47,060	35,950	34,950	-2.78%	
Contractual Services	40,290	42,610	40,820	41,150	0.81%	
Other Services and Charges	412,895	432,340	441,660	463,500	4.94%	
Capital Outlay	8,995	0	0	25,215	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$926,159	\$974,865	\$942,075	\$992,605	5.36%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$992,605	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Aquatics Center Supervisor	0.60	0.60	0.60	4,264	6,284	42,745
Recreation Center Program Supervisor	0.20	0.20	0.00	4,264	6,284	0
Recreation Coordinator III	0.00	0.00	0.00	3,508	5,170	4,700
Recreation Coordinator II	0.90	0.90	0.90	3,031	4,466	34,650
Youth Programs Coordinator	0.50	0.50	1.00	3,031	4,466	40,000
* Administrative Assistant	0.70	0.70	0.70	2,618	3,858	31,675
Front Desk Supervisor	0.60	0.60	0.60	2,618	3,858	22,665
Head Lifeguard	0.40	0.20	0.00	2,374	3,499	0
Facility Maintenance Technician	0.00	0.00	0.00	2,374	3,499	0
*Pending the City Council's approval of a 0.5% sales tax increase, this position will be reclassified starting November 2018 to Recreation Information and Business Specialist with a salary range change to range 17; no salary adjustment will be made.						
COLA						0
Merit Contingency						1,015
Longevity						0
Overtime						7,500
Temporary / Reserves						125,500
Holiday Pay						850
Clothing Allowance						1,750
Retirement						21,920
Insurance & Taxes						92,820
Employee Related Expenses						0
Totals	3.90	3.70	3.80			\$427,790

Culture & Recreation		Parks and Recreation Department		Fund 01 – General Fund		Cost Center	4100
Supplemental Data: Expenditures							
Item Description	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Supplies							
Office Supplies	3,219	3,000	1,500	1,500	0.00%		
Copier Supplies	0	0	0	0	0.00%		
Gas & Oil	1,410	2,400	1,600	1,100	-31.25%		
Vehicle Maintenance & Repairs	3,688	3,500	1,800	1,500	-16.67%		
Operational Equip & Supplies	1,331	2,000	3,500	3,300	-5.71%		
Equipment Maintenance & Repairs	32,853	19,700	12,700	12,700	0.00%		
Riverfront Snack Bar	3,900	3,110	1,400	1,400	0.00%		
Postage & Freight	0	50	50	50	0.00%		
Pool Supplies	12,345	11,400	11,500	11,500	0.00%		
Snack Bar Supplies	3,233	1,900	1,900	1,900	0.00%		
Total Supplies	61,979	47,060	35,950	34,950	-2.78%		
Contractual Services							
Computer Support	2,835	3,650	3,420	3,650	6.73%		
Fireworks	20,600	23,000	22,900	22,900	0.00%		
Custodial Contract	0	0	6,800	6,900	1.47%		
Contractual Services	16,854	15,960	7,700	7,700	0.00%		
Total Contractual Services	40,290	42,610	40,820	41,150	0.81%		
Other Services and Charges							
Travel & Training	3,302	3,200	4,150	4,000	-3.61%		
Subscriptions & Memberships	858	3,200	3,200	3,200	0.00%		
Printing & Forms	0	0	0	0	0.00%		
Rec Programs	34,946	23,000	24,600	24,600	0.00%		
Verde River Days	0	1,000	1,000	1,000	0.00%		
Softball Programming/Tournaments	3,827	4,000	3,000	8,000	166.67%		
Public Relations	14,230	6,850	6,300	6,850	8.73%		
Advertising	508	120	0	0	0.00%		
Utilities	165,655	192,860	192,700	198,850	3.19%		
Telephone	6,238	6,110	5,760	5,900	2.43%		
Old Town Home Tour	626	2,000	1,000	1,000	0.00%		
Summer Youth Programs	3,861	3,500	3,600	3,600	0.00%		
Youth Programs	6,165	5,500	5,000	5,500	10.00%		
Rhythm & Ribs	0	0	0	0	0.00%		
Walking on Main Street	20,646	13,000	23,350	23,000	-1.50%		
Wine Festival	1,941	0	0	0	0.00%		
10K Memorial Run	15,448	18,000	18,000	18,000	0.00%		
Thunder Valley Rally	134,642	150,000	150,000	160,000	6.67%		
Tilted Earth Festival	0	0	0	0	0.00%		
Total Other Services & Charges	412,895	432,340	441,660	463,500	4.94%		
Supplemental Data: Capital Outlay							
Item Description	2017	2018		2019			
	Actual	Budget	Revised	Final			
Turnkey Installation	\$1,745						
Enterprise Fleet Lease Payments				\$11,650			
Enterprise Fleet Lease Payments – Youth Center				13,565			
Riverfront Park Control Link	7,250						
Totals	\$8,995	\$0	\$0	\$25,215			

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 and has now 11 full-time and approximately 40 part-time employees. The Community Recreation Center provides office facilities for the entire Parks & Recreation Department. Programming operations include the following: special events; special 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

FY 2018 Accomplishments:

- * This year's annual *Looking Good Cottonwood* program had 260 participants. A program survey conducted among them in which 44 people participated indicated that 50% was able to achieve their personal health goal through the program
- * The United Healthcare's exercise program for active seniors, called SilverSneakers, was successfully offered for the 6th consecutive year. 65% of the 4,319 active Recreation Center members are seniors and 53% of them are either SilverSneakers or Silver&Fit program members. These two exercise programs are offered by various health plans.
- * The Center was the hosting location for the 2017 Operation Graduation and for the 6th year in 2017 as the hosting location for the Toys for Tots
- * A record number of 255 participants competed in the youth basketball program in FY 2016-2017
- * Pickleball continues to grow in popularity with 5,509 visits in FY 2016-2017, about a 27% increase over FY 2015-2016 that showed 4,350 visits

FY 2019 Goals:

- * Maintain utility costs for FY 2017 to FY 2018 by installing LED lights throughout the facility
- * Locker storage units to remain free of charge to prevent theft
- * Encourage online registration for memberships and programs by embedding registration links on the Center's website page and social media

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Pending City Council's approval of a 0.5% sales tax increase, starting November 2018 the position of Aquatics Coordinator will be reclassified to Aquatics Coordinator II and Facility Maintenance Tech will be reclassified with a salary range change and, where applicable, a salary adjustment. Capital has been programmed for Enterprise Fleet Lease Payments in the amount of \$4,010.

Culture & Recreation	Community Recreation Center	Fund 01 – General Fund	Cost Center	4110	
Performance Indicators					
Strategic Directive:	Create a culture of health and wellness for the citizens of the Verde Valley				
Department Goal:	Increase user visits of the Cottonwood Recreation Center				
Objective:	Engage all demographics in the well-being of the community				
Type of Measure:	Attendance figures and user numbers				
Tool:	ActiveNet registration software				
Frequency:	Monthly review				
Scoring:					
Trend:					
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
User visits		204,234	227,228	229,500	231,795
Increase (%) in user visits			11%	1%	1%

Strategic Directive:	Commitment to providing high quality and economically feasible rental options				
Department Goal:	Maintain facility rental revenue stream				
Objective:	Market Recreation Center amenities, internally and externally, via social media, radio, and local TV				
Type of Measure:	Facility rental revenue				
Tool:	ActiveNet registration software				
Frequency:	Monthly				
Scoring:					
Trend:					
Measures:		Actual	Estimated	Anticipated	
		2016	2017	2018	2019
Revenue generated		36,735	46,468	30,700	35,000

Culture & Recreation		Community Recreation Center		Fund 01 – General Fund		Cost Center	4110
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$749,753	\$802,200	\$772,980	\$833,830	7.87%		
Operating Supplies	124,685	82,350	84,180	83,930	-0.30%		
Contractual Services	155,003	157,900	171,200	180,850	5.64%		
Other Services and Charges	232,435	275,120	275,585	279,060	1.26%		
Capital Outlay	206,614	0	0	4,010	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$1,468,490	\$1,317,570	\$1,303,945	\$1,381,680	5.96%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$577,680	41.81%
Recreation Center Fees	704,000	50.95%
Recreation Center Building Rental	40,000	2.90%
Recreation Center Classes/Programs	60,000	4.34%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2018
	2016	2017	2018	Minimum	Maximum	Budget
Aquatics Center Supervisor	0.40	0.40	0.40	4,264	6,284	\$29,485
Recreation Center Program Supervisor	0.80	0.80	0.00	4,264	6,284	0
Recreation Coordinator III	0.00	0.00	1.00	3,508	5,170	42,275
Recreation Coordinator II	0.10	0.10	0.10	3,031	4,466	3,850
Facility Maintenance Tech III	1.00	1.00	1.00	3,182	4,689	41,175
Fitness Center Coordinator	1.00	1.00	1.00	3,031	4,466	43,990
Youth Programs Coordinator	0.50	0.50	0.00	3,031	4,466	0
* Administrative Assistant	0.30	0.30	0.30	3,182	4,689	13,575
Front Desk Supervisor	1.40	1.40	1.40	2,618	3,858	52,890
* Aquatics Coordinator	0.00	0.00	1.00	2,374	3,499	35,545
Head Life Guard	1.60	0.80	0.00	2,374	3,499	0
* Facility Maintenance Tech	1.00	1.80	2.00	2,374	3,499	60,220
*Pending the City Council's approval of a 0.5% sales tax increase, these positions will be reclassified starting November 2018: For Administrative Assistant, see Parks & Rec Dept. Facility Maintenance Tech - salary range change to range 12 and, where applicable, a salary adjustment; Aquatics Coordinator - reclassification to Aquatics Coordinator II and salary range change to range 16 with salary adjustment.						
COLA						0
Merit Contingency						6,305
Longevity						0
Overtime						4,750
Temporary / Reserves						310,000
Holiday Pay						250
Clothing Allowance						1,800
Retirement						39,450
Insurance & Taxes						148,270
Employee Related Expenses						0
Totals	8.10	8.10	8.20			\$833,830

Culture & Recreation	Community Recreation Center	Fund 01 – General Fund	Cost Center	4110	
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	2,580	3,000	3,000	3,000	0.00%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	656	1,300	1,000	1,000	0.00%
Vehicle Maintenance & Repairs	0	200	500	250	-50.00%
Equipment Maintenance & Repairs	95,799	56,000	58,000	58,000	0.00%
Pool Supplies	24,650	20,500	20,500	20,500	0.00%
Postage & Freight	141	150	180	180	0.00%
Tools/Operational Supplies	859	1,200	1,000	1,000	0.00%
Total Supplies	124,685	82,350	84,180	83,930	-0.30%

Contractual Services

Computer Support	236	2,500	1,600	1,750	9.38%
Employee Physicals/Medical Testing	104	0	0	0	0.00%
Recruitment Expense	360	400	400	400	0.00%
Custodial Contract	0	0	107,000	116,500	8.88%
Contractual Services	108,437	115,000	25,200	25,200	0.00%
Contractual Services Active Network	45,865	40,000	37,000	37,000	0.00%
Total Contractual Services	155,003	157,900	171,200	180,850	5.64%

Other Services and Charges

Travel & Training	2,115	2,800	5,325	2,800	-47.42%
Subscriptions & Memberships	490	750	750	750	0.00%
Printing & Forms	0	0	0	0	0.00%
Rec Programs	11,135	16,000	9,500	10,000	5.26%
Public Relations	12,637	10,000	10,000	10,000	0.00%
Utilities	194,770	211,820	195,000	200,000	2.56%
Telephone	11,288	12,000	11,500	12,000	4.35%
Legal Advertising	0	0	0	0	0.00%
Rental Equipment	0	0	0	0	0.00%
Lease Purchase Rec Center Equipment	0	21,750	43,510	43,510	0.00%
Total Other Services & Charges	232,435	275,120	275,585	279,060	1.26%

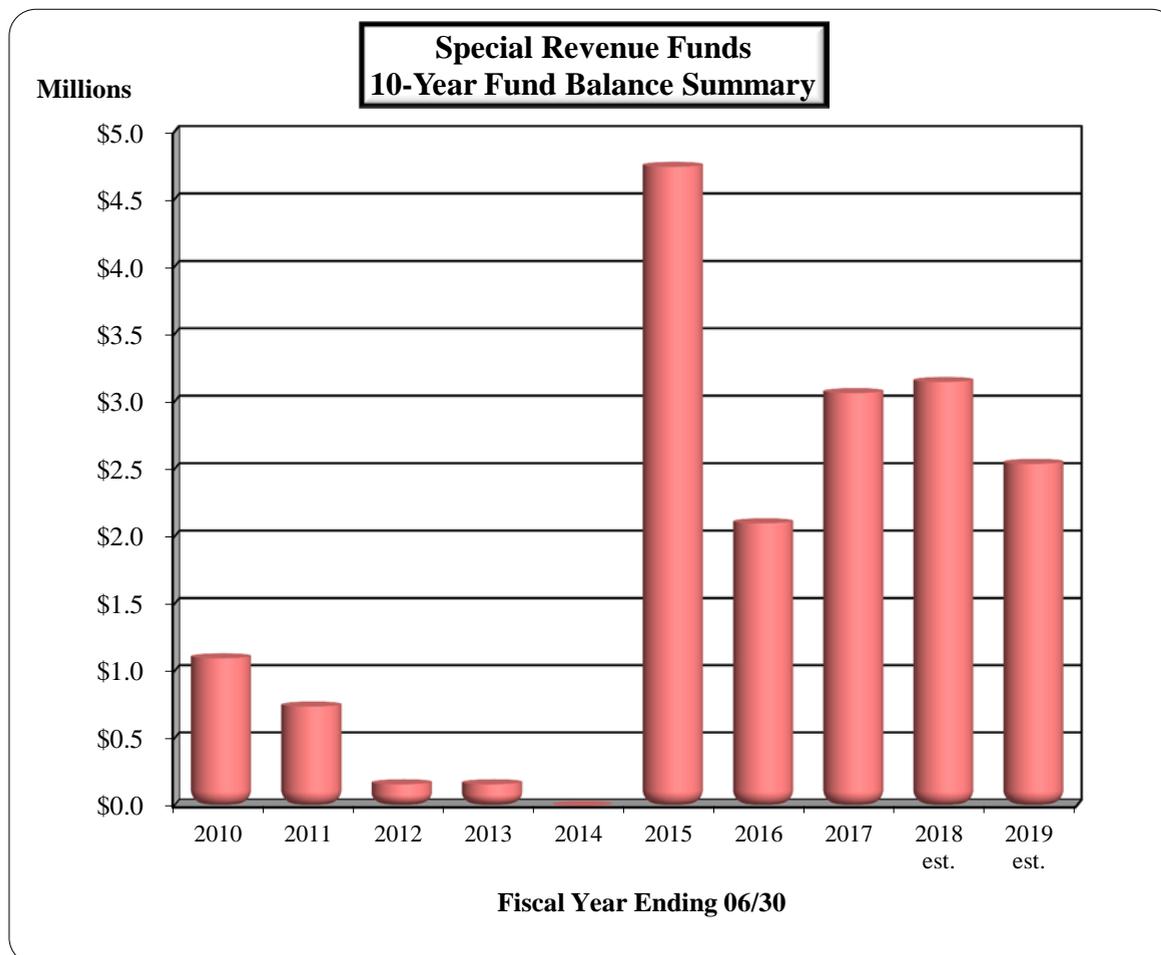
Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Copier and Accessories					
Enterprise Fleet Lease Payments				\$4,010	
Renovation/Replacement Indoor Pool Cool Decking					
Cardio Machines Replacements	\$206,614				
Totals	\$206,614	\$0	\$0	\$4,010	

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

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

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
2009	1,712,685
2010	1,099,115
2011	740,060
2012	161,640
2013	161,640
2014	0
2015	4,745,120
2016	2,101,860
2017	3,067,432
2018 est.	3,150,020
2019 est.	2,542,765

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

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balances

Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$598,406	\$600,820	\$635,820	\$646,110
Intergovernmental Revenues	4,195,535	7,343,145	4,365,920	3,613,315
Charges for Services	444,386	462,800	505,340	206,800
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	200,171	98,920	120,695	121,745
Miscellaneous Revenues	85,703	19,270	20,510	134,495
Total Revenue Sources	5,524,201	8,524,955	5,648,285	4,722,465
Other Financing Sources:				
Transfers In	2,037,683	2,094,730	1,373,400	1,634,715
Carryover	0	2,140,530	3,150,020	2,542,765
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	2,037,683	4,235,260	4,523,420	4,177,480
Total Available Resources	7,561,884	12,760,215	10,171,705	8,899,945
Expenditures:				
Personnel	1,994,082	2,091,670	2,039,735	2,112,670
Operating Supplies	613,730	602,625	906,685	620,365
Contractual Services	514,059	449,855	479,990	427,530
Other Services and Charges	747,453	830,650	690,525	826,165
Capital Outlay	3,723,543	8,321,405	3,051,690	4,301,005
Debt Service	393,045	390,810	390,810	391,115
Total Expenditures	7,985,913	12,687,015	7,559,435	8,678,850
Other Uses:				
Transfers Out	106,524	73,200	69,505	0
Reserves	8,433	0	2,542,765	221,095
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	114,957	73,200	2,612,270	221,095
Total Expenditures and Other Uses	8,100,870	12,760,215	10,171,705	\$8,899,945
Net Income / (Loss)	(\$538,986)	\$0	\$0	\$0

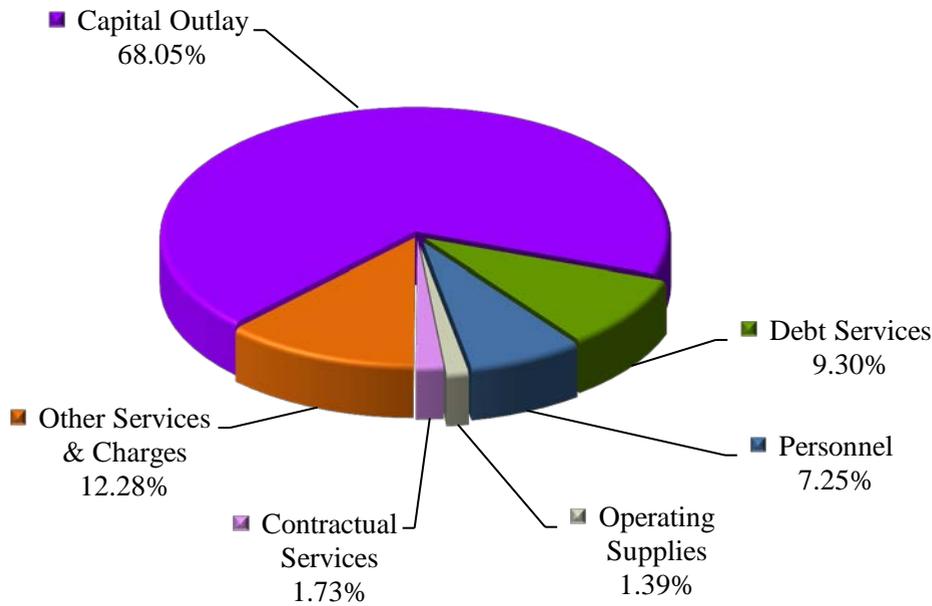
Streets Maintenance & Construction – Revenues/Expenditures

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$598,406	\$600,820	\$635,820	\$646,110	1.62%
Intergovernmental Revenues					
Highway User Revenue Fund – HURF	978,739	976,380	976,380	1,005,475	2.98%
Local Transportation Assistance					
Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ADOT Road Diet Grant	0	0	0	0	0.00%
12 th Street Federal Grant	845,000	0	0	0	0.00%
Mingus Willard to 10 th Street	0	0	0	0	0.00%
Fed Grant – 12 th Street	7,228	0	0	0	0.00%
HSIP Sign Replacement Grant	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	1,537	2,000	7,900	5,000	-36.71%
Miscellaneous Revenues					
Other Income	33,841	0	1,000	115,000	11400.00%
Total Revenue Sources	2,464,751	1,579,200	1,621,100	1,771,585	9.28%
Other Financing Sources:					
Transfers In	998,298	987,190	0	207,520	0.00%
Carryover	0	2,068,990	3,067,430	2,430,175	-20.77%
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	998,298	3,056,180	3,067,430	2,637,695	-14.01%
Total Available Resources	3,463,049	4,635,380	4,688,530	4,409,280	-5.96%
Expenditures:					
Personnel	302,896	322,110	304,770	305,170	0.13%
Operating Supplies	43,317	38,500	44,000	58,500	32.95%
Contractual Services	63,400	73,735	69,200	72,725	5.09%
Other Services and Charges	442,349	478,170	386,645	516,485	33.58%
Capital Outlay	2,451,460	3,085,000	578,750	2,862,000	394.51%
Debt Service	393,045	390,810	390,810	391,115	0.08%
Total Expenditures	3,696,466	4,388,325	1,774,175	4,205,995	137.07%
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	2,430,175	203,285	-91.63%
Total Expenditures and Other Uses	3,696,466	4,388,325	4,204,350	4,409,280	4.87%
Net Income / (Loss)	(\$233,417)	\$247,055	\$484,180	\$0	

HURF - Streets Fund Revenues & Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$305,170	\$58,500	\$72,725	\$516,485	\$2,862,000	\$391,115	\$4,205,995
Totals	\$305,170	\$58,500	\$72,725	\$516,485	\$2,862,000	\$391,115	\$4,205,995

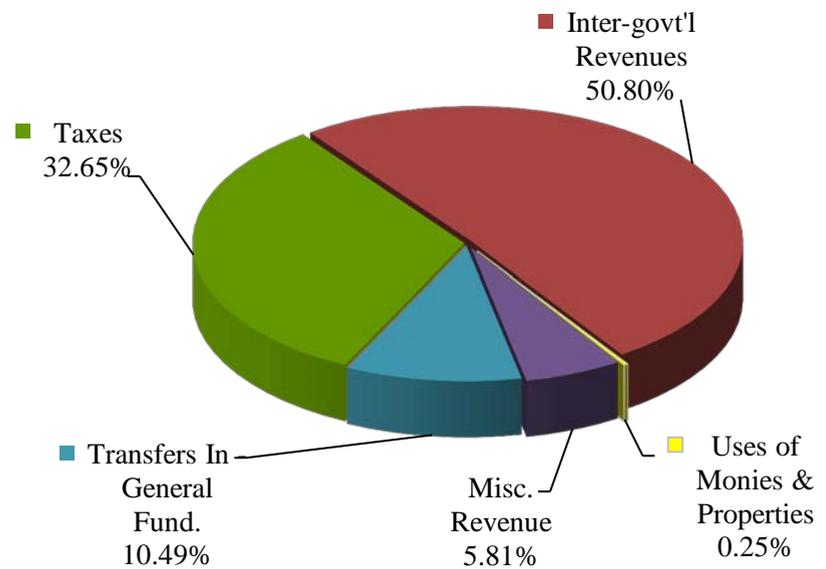
Highway User Revenue Fund - Streets Expenditures by Category



HURF - Streets Fund Summary	
Revenues	\$1,656,585
Expenditures	(4,205,995)
Transfers Out	0
Revenues over (under) Expenditures	(2,549,410)
Other Funding Sources/Uses	2,549,410
Use of Fund Balance	\$0

Highway User Revenue Fund - Streets Revenues by Source

HURF - Streets Fund Revenues by Source	
Taxes	\$646,110
Inter-gov't'l Revenues	1,005,475
Uses of Monies & Properties	5,000
Miscellaneous Revenue	115,000
Transfers In - General Fund	207,520
Proceeds from Bonds	0
Total Resources Available	\$1,979,105



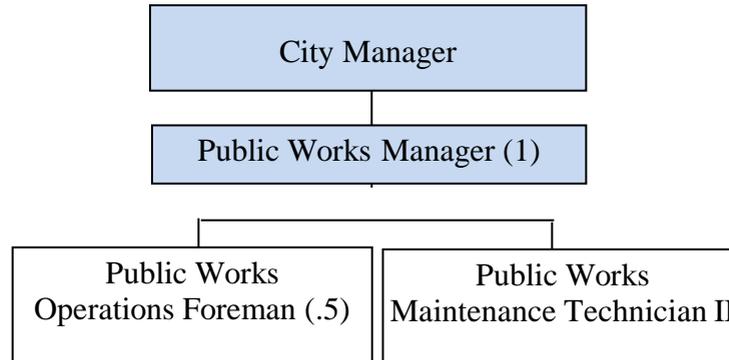
Streets Department Revenues:

The Street Department receives its primary funding from the City's share of state taxes imposed on gasoline, diesel fuels and other related fees to be used solely for street and highway projects. Fuel taxes are shared on a per capita basis similar to the general fund intergovernmental revenues.

Streets Department Expenditures:

For FY 2019, pending City Council's approval of a 0.5% sales tax increase, \$161,010 has been budgeted for Street Marking/Striping and additional \$207,520 has been transferred in from the General Fund.

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 repair, sweeping, debris removal, weed control, sign maintenance, drainage maintenance, sidewalk repair, pavement maintenance, and traffic signal maintenance. The Streets Division often assists with the construction of engineering projects, such as roads, sidewalks, drainage structures, annual city clean-up days, airport maintenance, trash pickup and removal, and transient camp cleanups.

FY 2018 Accomplishments:

- * Convert Old Town street lights to LEDs
- * Developed a pro-active pavement maintenance program which enables tracking of the age, type, condition and maintenance of city streets
- * Developed a schedule to routinely sweep streets in residential neighborhoods
- * Developed an employee training program for large equipment operations. This program can possibly include ADOT's Local Technical Assistance Program (LTAP) resources and programs.

FY 2019 Goals:

- * Develop a policy for the maintenance of drainage ways and non-City operated easements to provide clarity for the public
- * Create a program, budgeted at \$35,000, for the annual repair of local and neighborhood streets by developing a priority list, to be approved by the City Council, of residential local streets in need of minor capital repairs. The program may include pavement replacement/repair, seal coats, and shoulder repair.
- * Create an easy accessible filing/mapping system for operations staff to peruse documents outlining the City's responsibility and liability for maintenance and upkeep of property, right-of-ways, drainage and sidewalk easements, Intergovernmental Agreements (IGAs) for sidewalk and street maintenance, etc.
- * Pave approx. 500 feet of roadway on Ogden Ranch Road, up the hill from State Highway 260 to improve safety of the steep part of the road
- * Improve the hillside on Willard Street between Main Street and Mingus Avenue where the soil is eroding and running off onto the street (Willard Street hillside protection project)
- * Improve the hillside on Main Street, between Kindra Heights and the On the Greens community where the soil continues to erode onto the street. This may be a cooperative program with private development.
- * Make drainage improvements in the alley, between Pima St. and Pinal St., and Main St. and First St.; this may also include paving of the alley
- * Improve neighborhood safety by installing three (3) street lights as requested by citizens in residential neighborhoods
- * Develop a method to protect Old Town street lights from being hit by vehicles
- * Complete the repairs to the bridge on Pima Street at the Del Monte Wash as recommended in the ADOT Bridge Inspection Report
- * Provide a sufficient number of department vehicles so the employees can work independently
- * Install flashing beacons at wet crossing that are routinely closed multiple times during the monsoon season in order to increase their safety as well as cut staff time and cost

Budget Highlights:

For FY 2019, changes to merit pay percentages and the salary range structure also apply to this department. Pending City Council's approval of a 0.5% sales tax increase, the positions of PW Maintenance Tech II will be reclassified starting November 2018 with a salary range change and, where applicable, a salary adjustment.

Public Works	Streets Department	Fund 10 – HURF	Cost Center	3100	
Performance Indicators					
Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Increase the usability, safety and appearance of the city's local and residential streets				
Objective:	Develop a program which will improve one minor local street annually based on the priorities of 1) safety, 2) usability, and 3) appearance				
Type of Measure:	Street improvement based				
Tool:	Streets improvement program				
Frequency:	Annual				
Scoring:	Completion of the improvement of one minor local street				
Trend:					
		Actual		Estimated	Anticipated
Measures:		2016	2017	2018	2019
Completion of the improvement of one minor local street					100%

Strategic Directive:	Value the tax dollar and maintain sound fiscal policies				
Department Goal:	Improve the appearance of residential streets				
Objective:	Develop a pro-active program to sweep streets on a schedule by zones				
Type of Measure:	Completion of the development of pro-active program				
Tool:	Pro-active program				
Frequency:	Annual				
Scoring:					
Trend:					
		Actual		Estimated	Anticipated
Measures:		2016	2017	2018	2019
Full development of a pro-active program					100%

Supplemental Data: Capital Outlay				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Streets Improvements (Minor)	\$1,344	\$2,000	\$2,000	\$2,000
Traffic Control Cones and Barricades	3,006			
Sweeper Repair				
Street Sweeper	190,477			
RSA Response Design		25,000		
In-Street Pedestrian Signs	1,200			
Traffic Signal Controller	5,800			
Street Crack Seal Program		8,000	7,800	
Crack Seal Material	1,860			
Sidewalk Repair (Safety)				
Sidewalk Enhancements	3,055			
Concrete Sidewalk Grinder	6,257			
Street Striping				
Miscellaneous Materials	1,400			
Totals	\$214,399	\$35,000	\$9,800	\$2,000

Public Works	Streets Department	Fund 10 – HURF		Cost Center	3100
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$302,896	\$322,110	\$304,770	\$305,170	0.13%
Operating Supplies	43,317	38,500	44,000	58,500	32.95%
Contractual Services	63,400	73,735	69,200	72,725	5.09%
Other Services and Charges	442,349	478,170	386,645	516,485	33.58%
Capital Outlay	214,399	35,000	9,800	2,000	-79.59%
Reserves	0	0	2,430,175	203,285	-91.63%
Debt Service	393,045	390,810	390,810	391,115	0.08%
Department Totals	<u>\$1,459,405</u>	<u>\$1,338,325</u>	<u>\$3,635,400</u>	<u>\$1,549,280</u>	<u>-57.38%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues – HURF	0	0.00%
Taxes	0	0.00%
Use of Monies & Properties	5,000	0.32%
Miscellaneous Revenues	115,000	7.42%
Use of Fund Balance	1,221,760	78.86%
Transfers In – General Fund	207,520	13.39%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Public Works Superintendent	0.00	0.00	0.00	4478	6598	\$0
Public Works Operations Foreman	0.50	0.50	0.50	3684	5428	25,025
* PW Maintenance Technician II	4.00	4.00	4.00	2618	3858	152,550
*Pending City Council's approval of a 0.5% sales tax increase, these positions will be reclassified starting November 2018 with a change in salary range to range 12 and, where applicable, a salary adjustment						
COLA						0
Merit Contingency						2,095
Longevity						0
Overtime						4,250
Temporary / Reserves						0
Clothing Allowance						1,000
Retirement						21,700
Insurance & Taxes						98,550
Employee Related Expenses						0
Totals	<u>4.50</u>	<u>4.50</u>	<u>4.50</u>			<u>\$305,170</u>

Public Works	Streets Department	Fund 10 – HURF		Cost Center	3100
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	120	0	0	0	0.00%
Operational Supplies	1,951	1,000	1,000	14,000	1300.00%
Postage & Freight		0	0	0	0.00%
Gas & Oil	16,458	14,500	15,000	15,500	3.33%
Vehicle Maintenance & Repairs	5,156	4,000	3,000	4,000	33.33%
Equipment Maintenance & Repairs	19,631	19,000	25,000	25,000	0.00%
Building Maintenance & Repairs	0	0	0	0	0.00%
Total Supplies	43,317	38,500	44,000	58,500	32.95%
Contractual Services					
Computer Support	227	225	210	225	7.14%
General Counsel		0	0	0	0.00%
Street Lights	56,678	65,510	61,490	65,000	5.71%
Engineering Services		0	0	0	0.00%
Contractual Services	6,495	8,000	7,500	7,500	0.00%
Pavement Preservation		0			0.00%
Total Contractual Services	63,400	73,735	69,200	72,725	5.09%
Other Services and Charges					
Travel & Training	75	500	500	5,000	900.00%
Subscriptions & Memberships		0	0	0	0.00%
Utilities	10,254	11,030	13,275	14,335	7.98%
Telephone	1,218	1,400	880	925	5.11%
Legal Advertising		0	120	0	-100.00%
Bank Charges	494	1,000	900	900	0.00%
Small Tools	2,582	500	500	500	0.00%
Employee Physicals/Medical Testing	160	500	160	500	212.50%
Equipment Rental		0	0	0	0.00%
Liability Insurance	35,213	52,820	20,975	21,980	4.79%
Liability Claims Deductible		0	0	0	0.00%
Indirect Cost to General Fund	334,984	337,000	256,000	256,000	0.00%
Culverts	347	500	0	500	0.00%
Street Materials	25,782	10,000	10,000	10,000	0.00%
Street Signs	3,118	500	1,500	3,000	100.00%
Street Marking	26,871	40,000	40,000	161,010	302.53%
Street Light Contingency	951	1,500	0	0	0.00%
LP-FY17 City Wide Equipment Lease-Princip:	0	19,040	38,510	39,415	2.35%
LP-FY17 City Wide Equipment Lease-Interest	0	1,880	3,325	2,420	-27.22%
2015 Excise Bond-Trustee Fees	300	0	0	0	0.00%
Bond Issuance Costs	0	0	0	0	0.00%
LTAF Cultural Expense	0	0	0	0	0.00%
Total Other Services & Charges	442,349	478,170	386,645	516,485	33.58%
Debt Service					
Principal - Bonds	197,730	197,440	193,370	189,430	-2.04%
Interest - Bonds	195,315	193,370	197,440	201,685	2.15%
Total Debt Service	393,045	390,810	390,810	391,115	0.08%

Organizational Chart:

None

General Information:

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

FY 2018 Accomplishments:

- * Completed the planning phase of the Main Street Road Diet
- * Completed the design phase of the FY 2018 Pavement Preservation
- * Completed the design phase of the FY 2018 Pavement Marking

FY 2019 Goals:

- * Complete the construction phase of the FY 2018 Pavement Preservation
- * Complete the design phase of the Main Street Road Diet
- * Complete the Construction phase of the Main Street Road Diet
- * Complete the construction phase of the FY 2018 Pavement Marking

Budget Highlights:

For FY 2019, various capital projects have been budgeted for a total amount of \$2,860,000.

Public Works	Streets Construction	Fund 10 – HURF	Cost Center	3110
Performance Indicators				
Strategic Directive:	Develop, support and main infrastructure			
Department Goal:	Complete the FY 2018 Pavement Preservation			
Objective:	Complete physical improvements			
Type of Measure:	Placement of proposed pavement preservation treatment			
Tool:	Field inspections			
Frequency:	Annual			
Scoring:	Construction progress of physical improvements			
Trend:	One time			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Design phase			100%	
Construction phase			100%	

Strategic Directive:	Develop, support and main infrastructure			
Department Goal:	Execute the Main Street Road Diet project			
Objective:	Complete the Main Street Road Diet project			
Type of Measure:	Completion of the design and construction phases of the project			
Tool:	Project plans			
Frequency:				
Scoring:				
Trend:	One time			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Design phase			100%	
Construction phase			100%	

Strategic Directive:	Develop, support and maintain infrastructure			
Department Goal:	Complete the FY 2018 Pavement Marking			
Objective:	Accomplish the physical improvements			
Type of Measure:	Placement of proposed pavement markings			
Tool:	Field inspections			
Frequency:	Annual			
Scoring:	Construction progress of the physical improvements			
Trend:	One time			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Construction phase			100%	

Public Works	Streets Construction	Fund 10 – HURF			Cost Center	3110
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	2,237,061	3,050,000	568,950	2,860,000	402.68%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$2,237,061</u>	<u>\$3,050,000</u>	<u>\$568,950</u>	<u>\$2,860,000</u>	<u>402.68%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues – HURF	\$1,005,475	35.16%
Bonds	0	0.00%
Grants	0	0.00%
Sales Tax	646,110	22.59%
Use of Fund Balance	1,208,415	42.25%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Public Works	Streets Construction	Fund 10 – HURF		Cost Center	3110
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

N/A

Total Supplies	0	0	0	0	0.00%
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Contractual Services

N/A

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

N/A

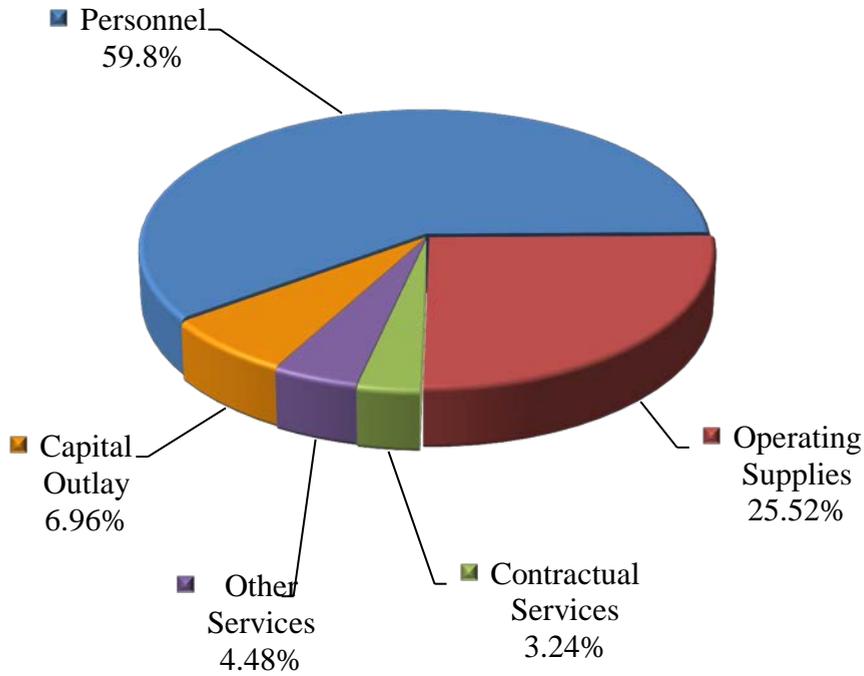
Total Other Services & Charges	0	0	0	0	0.00%
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Supplemental Data: Capital Outlay					
Item/Project Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Pavement Preservation (Carryover)		\$750,000	\$350,000	\$400,000	
6 th Street Mingus Ave to Aspen Street (Grant)				120,000	
Mingus/Main Signal	\$9,810				
W. Mingus Reconstruction					
12 th St. 89A to Fir Street	348				
Sidewalk Improvements/Additions		100,000	20,000	80,000	
Willard Street Bridge					
10 th Street & Main Street Project					
Reconstr. Mingus Ave from Willard St. to 10 th St.	2,140,525		18,100		
Main Street Road Diet Grant				160,000	
HSIP Sign Replacement					
Reconstr. Mingus Ave. from 10 th St. to Main St.	86,378	2,200,000	180,850	2,100,000	
Totals	<u>\$2,237,061</u>	<u>\$3,050,000</u>	<u>\$568,950</u>	<u>\$2,860,000</u>	

Transit Fund Revenues & Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-totals	\$1,159,920	\$495,065	\$62,875	\$86,880	\$135,000	\$0	\$1,939,740
Totals	\$1,159,920	\$495,065	\$62,875	\$86,880	\$135,000	\$0	\$1,939,740

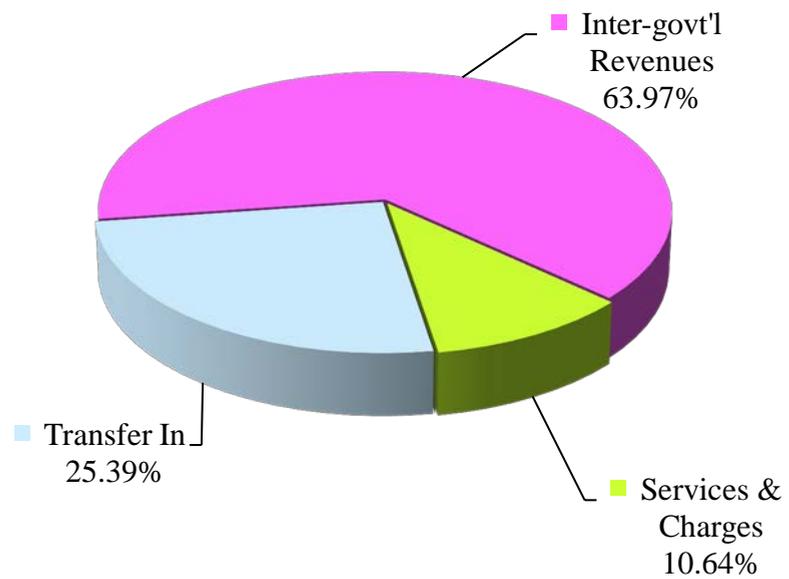
HURF TRANSIT Expenditures by Category



Revenues	\$1,447,260
Expenditures	(1,939,740)
	(492,480)
Other Funding Sources/Uses	492,480
Use of Fund Balance	\$0

Inter-govt'l Revenues	\$1,240,860
Services & Charges	206,400
Misc. Revenues	0
Transfer In	492,480
Total Resources Available	\$1,939,740

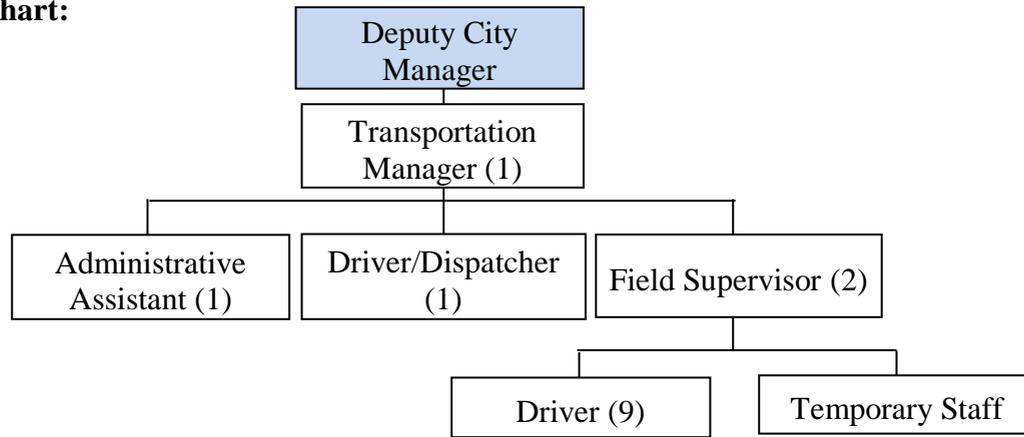
HURF TRANSIT Revenues by Source



Cottonwood Area Transit – Revenues/Expenditures

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	20,645	20,670	22,030	22,580	2.50%
Clarkdale	24,650	32,560	32,550	33,770	3.75%
Sedona	125,539	112,000	121,000	140,000	15.70%
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	978,545	1,037,840	1,114,480	1,044,510	-6.28%
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	207,002	202,400	204,900	206,400	0.73%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	800	0	0	0	0.00%
Total Revenue Sources	1,357,181	1,405,470	1,494,960	1,447,260	-3.19%
Other Financing Sources:					
Transfers In	0	0	0	492,480	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	492,480	0.00%
Total Available Resources	1,357,181	1,405,470	1,494,960	1,939,740	29.75%
Expenditures:					
Personnel	1,085,183	1,137,780	1,083,950	1,159,920	7.01%
Operating Supplies	334,648	332,105	589,065	495,065	-15.96%
Contractual Services	62,562	49,940	65,510	62,875	-4.02%
Other Services and Charges	95,703	112,700	84,415	86,880	2.92%
Capital Outlay	95,737	20,000	156,200	135,000	-13.57%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,673,833	1,652,525	1,979,140	1,939,740	-1.99%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	\$1,673,833	\$1,652,525	\$1,979,140	\$1,939,740	-1.99%
Net Income / (Loss)	(\$316,652)	(\$247,055)	(\$484,180)	\$0	0.00%

Organizational Chart:



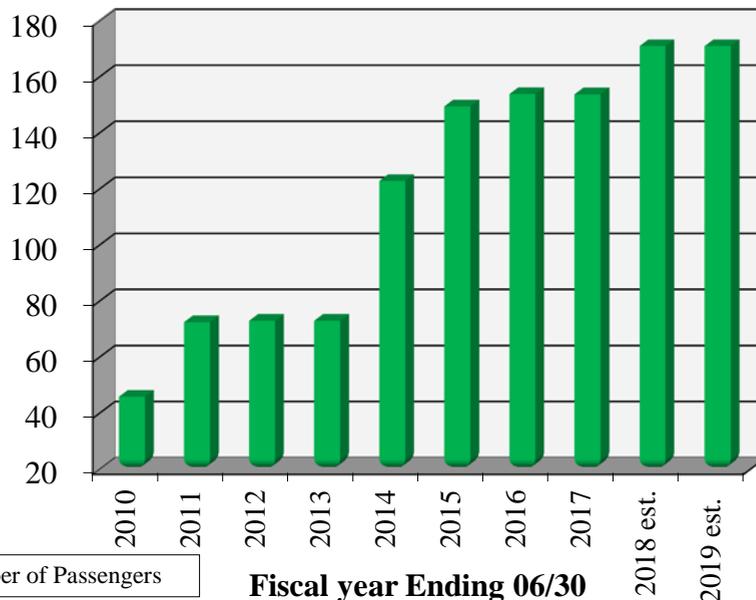
Note: only unshaded boxes are included in this budget.

General Information:

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

Cottonwood Area Transit Ridership

Thousands



FY ending 06/30	Number of Passengers
2010	45,915
2011	72,500
2012	73,000
2013	73,000
2014	122,874
2015	149,492
2016	153,889
2017	153,793
2018 est.	171,000
2019 est.	171,000

FY 2018 Accomplishments:

- * For the year ending 6/30/2017, the total number of logged revenue passenger miles (miles traveled during revenue hours) is 417,644 and the total number of logged revenue hours (the hours that vehicles are scheduled to or actually travel) is 23,485
- * Over 3,100 rides have been provided in FY 2017, per agreement with CAT, to a selected number of clients of the Verde Valley Caregivers Coalition (VVCC) who have special transportation needs

FY 2019 Goals:

- * Improve on-time pick up performance for ADA and on-time route performance for CAT and Verde LYNX
- * Research cost involved for CAT service on Saturdays and its impact on the fare structure before possibly starting a limited Saturday service on a trial basis
- * Negotiate funding with stakeholders for a viable and sustainable service to the unincorporated communities of Cornville and Village of Oak Creek for which the routes have already been designed and costs estimated
- * Complete an analysis of potential revenue generated through a bus advertising program

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. A Bus Replacement has been budgeted for in the amount of \$135,000.

Social Services	CAT/LYNX	Fund 15 – Transit	Cost Center	15XX
Performance Indicators				
Strategic Directive:	Strive to Provide Effective and Efficient Services			
Department Goal:	Improve ADA on time pickup performance			
Objective:	Achieve 95% of all pickups to be on time			
Type of Measure:	Calculation of percentage of on time pickups			
Tool:	RouteMatch Software Tools			
Frequency:	Monthly and annually			
Scoring:	Anticipate to achieve 95% of all pickups to be on time			
Trend:	Anticipated increase for 2019 in the number of riders in the Verde Valley due to contracts with care giver agencies. However, as a result of this on-time pickups is anticipated to decrease due to increased distances between their clients' pickup locations and drop off destinations			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of riders	15,864	18,216	21,034	24,288
Number of on time pickups of riders	14,387	17,972	20,308	23,074
Percentage of on time pickups	90.69%	98.66%	96.55%	95.00%

Strategic Directive:	Strive to Provide Effective and Efficient Services			
Department Goal:	Improve CAT on time route performance			
Objective:	Achieve 95% on time adherence to printed schedule			
Type of Measure:	Calculation percentage of on time adherence to printed schedule			
Tool:	RouteMatch Software Tools			
Frequency:	Monthly and annually			
Scoring:	Increase compared to prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of riders	77,969	80,366	82,837	86,979
Number of on time pickup of riders	66,663	65,932	70,411	78,210
Percentage adherence to printed schedule	85.50%	82.04%	85.00%	89.92%

Strategic Directive:	Strive to Provide Effective and Efficient Services			
Department Goal:	Improve LYNX on time route performance			
Objective:	Achieve 95% on time adherence to printed schedule			
Type of Measure:	Calculate percentage of on time adherence to printed schedule			
Tool:	RouteMatch Software Tools			
Frequency:	Monthly and annually			
Scoring:	Increase compared to prior year			
Trend:	Up			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Number of riders	60,056	55,211	55,889	56,575
Number of on time pickup of riders	52,849	46,035	47,506	50,918
Percentage adherence to printed schedule	88.00%	83.38%	85.00%	90.00%

Social Services	CAT/LYNX	Fund 15 – Transit		Cost Center	15XX
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$1,085,183	\$1,137,780	\$1,083,950	\$1,159,920	7.01%
Operating Supplies	334,648	332,105	589,065	495,065	-15.96%
Contractual Services	62,562	49,940	65,510	62,875	-4.02%
Other Services and Charges	95,703	112,700	84,415	86,880	2.92%
Capital Outlay	95,737	20,000	156,200	135,000	-13.57%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$1,673,833</u>	<u>\$1,652,525</u>	<u>\$1,979,140</u>	<u>\$1,939,740</u>	<u>-1.99%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$1,240,860	63.97%
Services & Charges	206,400	10.64%
Miscellaneous Revenues	0	0.00%
Transfers In-General Fund	492,480	25.39%
Use of Fund Balance	0	0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Transportation Manager	1.00	1.00	1.00	5183	7638	\$77,875
Field Supervisor	2.00	2.00	2.00	3031	4466	85,880
Administrative Assistant	1.00	1.00	1.00	2618	3858	30,710
Driver / Dispatcher	1.00	1.00	1.00	2618	3858	45,250
Drivers	12.00	9.00	9.00	2493	3674	298,910
COLA						0
Merit Contingency						9,685
Longevity						0
Overtime						63,500
Temporary / Reserves						180,000
Holiday Pay						10,850
Clothing Allowance						1,400
Retirement						70,710
Insurance & Taxes						285,150
Employee Related Expenses						0
Totals	<u>17.00</u>	<u>14.00</u>	<u>14.00</u>			<u>\$1,159,920</u>

Social Services	CAT/LYNX	Fund 15 – Transit		Cost Center	15XX
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	5,926	5,700	6,000	6,000	0.00%
Copier Supplies	896	625	1,785	1,785	0.00%
Gas & Oil	119,437	122,000	132,000	128,000	-3.03%
Vehicle Maintenance	207,422	200,000	440,000	350,000	-20.45%
Equipment Maintenance & Repairs	143	2,500	8,000	8,000	0.00%
Postage & Freight	252	280	280	280	0.00%
Small Tools	572	1,000	1,000	1,000	0.00%

Total Supplies	334,648	332,105	589,065	495,065	-15.96%
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Contractual Services

Computer Support	29,036	31,290	42,275	40,175	-4.97%
Contractual Service	20,823	3,500	7,115	6,820	-4.15%
Custodial Contract	6,068	6,500	5,880	5,880	0.00%
Radio Maintenance	6,457	6,150	8,000	8,000	0.00%
Indirect Cost to G/I	0	0	0	0	0.00%
Building/Grounds Mtce	178	2,500	2,240	2,000	-10.71%

Total Contractual Services	62,562	49,940	65,510	62,875	-4.02%
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Other Services and Charges

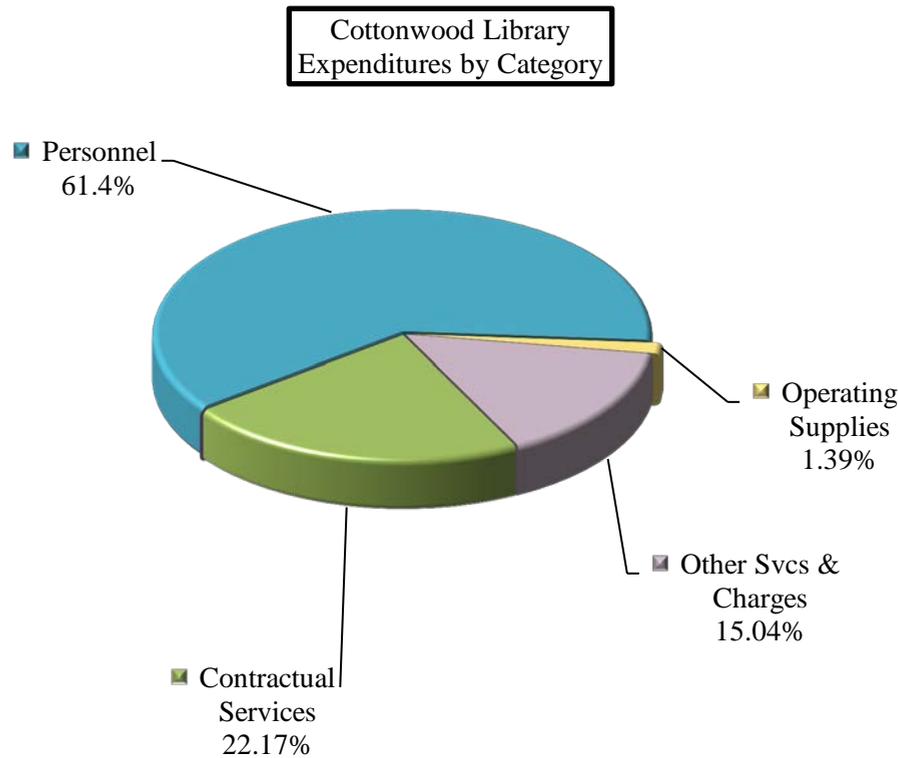
Travel & Training	3,972	6,000	6,000	6,000	0.00%
Subscriptions & Memberships	2,242	2,500	2,270	2,270	0.00%
Utilities	8,340	19,490	8,165	8,170	0.06%
Telephone	11,059	10,290	11,000	11,000	0.00%
Printing & Forms	15,110	12,000	8,090	8,090	0.00%
Advertising	13,953	18,000	11,870	12,870	8.42%
Liability Insurance	35,211	37,320	31,620	31,630	0.03%
Audit Expense	3,000	3,500	3,500	3,500	0.00%
Continued Education	0	0	0	0	0.00%
Employee Physicals/Drug Testing	2,817	3,600	1,900	3,350	76.32%

Total Other Services & Charges	95,703	112,700	84,415	86,880	2.92%
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Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Route Match Software					
Bus Replacement				\$135,000	
Buses (4)	\$5,500				
Sidewalk Repairs ADA	78,191	\$20,000	\$156,200		
Miscellaneous	12,047				
Totals	\$95,737	\$20,000	\$156,200	\$135,000	

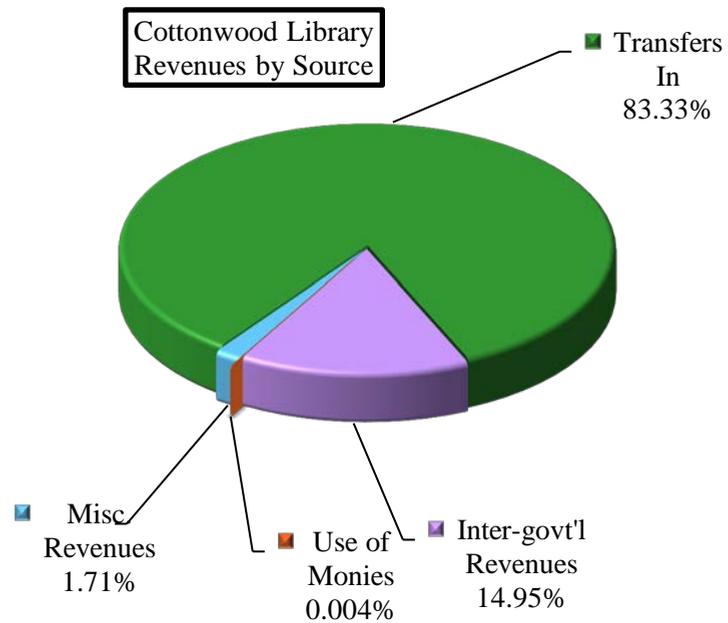
Cottonwood Library System Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$647,580	\$14,700	\$233,780	\$158,600	\$0	\$0	\$1,054,660
Totals	\$647,580	\$14,700	\$233,780	\$158,600	\$0	\$0	\$1,054,660



Cottonwood Library System Fund Summary	
Revenues	\$175,805
Expenditures	(1,054,660)
Revenues over (under) Expenditures	(878,855)
Other Funding Sources/Uses	878,855
Use of Fund Balance	\$0

Cottonwood Library System Fund Revenues by Source	
Inter-gov't'l Revenues	\$157,760
Use of Monies	45
Misc. Revenues	18,000
Transfers In – General Fund	878,855
Total Resources Available	\$1,054,660



Library Revenues:

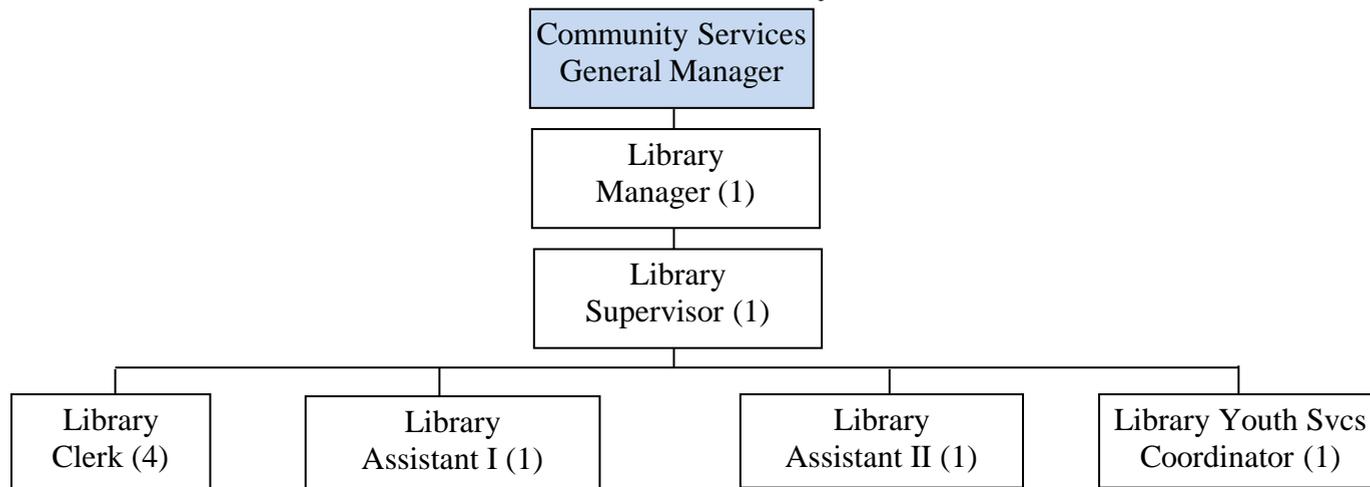
About 83% of the Cottonwood Library operating revenues come from intergovernmental revenues and transfers in sources. \$157,760 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in \$878,855 this year for maintenance and operation 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	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	154,250	204,100	159,325	157,760	-0.98%
HVAC Grant		0			0.00%
Grant Revenues	5,500	21,105	16,700	0	-100.00%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	44	20	45	45	0.00%
Miscellaneous Revenues					
Other Income	18,076	18,000	18,000	18,000	0.00%
Total Revenue Sources	177,870	243,225	194,070	175,805	-9.41%
Other Financing Sources:					
Transfers In	839,860	825,290	878,140	878,855	0.08%
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	839,860	825,290	878,140	878,855	0.08%
Total Available Resources	1,017,730	1,068,515	1,072,210	1,054,660	-1.64%
Expenditures:					
Personnel	606,003	631,780	651,015	647,580	-0.53%
Operating Supplies	14,916	14,000	14,400	14,700	2.08%
Contractual Services	230,058	232,030	235,130	233,780	-0.57%
Other Services and Charges	140,842	150,600	149,665	158,600	5.97%
Capital Outlay	25,911	40,105	22,000	0	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,017,730	1,068,515	1,072,210	1,054,660	-1.64%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	1,017,730	1,068,515	1,072,210	1,054,660	-1.64%
Net Income / (Loss)	\$0	\$0	\$0	\$0	



Note: only unshaded boxes are included in this budget

General Information:

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

FY 2018 Accomplishments:

- * Exterior Wi-Fi network access points equipment were installed on the building through E-Rate funding
- * Successful installation of ADA compliant automatic doors at the entrance of the Youth Services within the library
- * A new custom-made reference desk was given to the library by the Bookmarks-Friends of the Cottonwood Public Library
- * Received an LSTA (Library Services and Technology Act) grant from the Institute of Museum and Library Services (IMLS) in the amount of \$16,700. This funding allowed for the creation of a larger public meeting room and provided new technology and furnishings. The grant application was done by two library staff members.
- * Renowned authors J.A. Jance and David Childress held book signings and presentations; 184 people and 121 were in attendance respectively
- * The Teen Library Council (TLC) won the grand prize in the Annual Cottonwood Christmas Parade
- * Outreach was done by the Library Manager, together with the Kiwanis Club, at the Verde Valley Senior Center to discuss services that the library offers. Twenty-five people were in attendance
- * Partnered with Community Legal Services (CLS) in offering a free legal clinic for low-income people
- * Partnered with Goodwill and Maverick in providing a room for a hiring fest; also provided a meeting room for a Social Security Benefits Workshop.
- * Held the library's 5th annual local Authors' Book Fair at the Verde Valley Fairgrounds with 490 people in attendance
- * Participated for the 4th year in the Verde Valley SciTech Festival with 122 families visiting
- * Featured local artists in the library's monthly "Artist's Corner" to share their craft and artwork with the community; 581 visitors viewed their work
- * Partnered with the Verde Thumbs Gardening Club in bringing back the Seed Library that was visited by 402 people

FY 2019 Goals:

- * Produce a family LEGO® building project during the Verde Valley SciTech Festival
- * Expand library sponsored programming to increase participation in the Adult and Youth Services Department
- * Develop a strategic plan for the library in cooperation with the Cottonwood Public Library Board

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. Pending City Council's approval of a 0.5% sales tax increase, these positions will be reclassified starting November 2018 resulting in a salary range change and where applicable a salary adjustment. No Capital is budgeted for FY 2019.

Culture and Recreation	Cottonwood Public Library	Fund 03 – Library Fund	Cost Center	4000
Performance Indicators				
Strategic Goal:	Promote a vibrant, healthy and educated community			
Department Goal:	Increase the attendance in Adult and Youth Services programming			
Objective:	Fulfill the needs of the community with quality programming			
Type of Measure:	Monthly attendance figures and surveys			
Tool:	Attendance logs and surveys			
Frequency:	Monthly and weekly			
Scoring:	5% increase in attendance			
Trend:	Upward			
Measures:		Actual	Estimated	Anticipated
		2016	2017	2018
Attendance adult staff sponsored programs		2,683	5,600	5,880
Attendance Youth Services staff sponsored programs		10,604	9,885	10,379
	Totals	13,287	15,485	16,259
Percentage increase/(decrease) from prior year			17%	5%

Strategic Goal:	Encourage participation in Science, Technology, Engineering, Art and Math (STEAM)			
Goal:	Increase awareness for STEAM during the annual Verde Valley SciTech Festival			
Objective:	Produce a family LEGO® building project that engages families in fostering a passion for science, technology, engineering, art and math			
Type of Measure:	Number of families participating			
Tool:	Family LEGO® building project			
Frequency:	Once a year			
Scoring:				
Trend:				
Measures:		Actual	Estimated	Anticipated
		2016	2017	2018
Number of participating families		171	122	141
Percentage increase/(decrease) of number of families participating			-28.65%	15.57%

Culture and Recreation		Cottonwood Public Library		Fund 03 – Library Fund		Cost Center	4000
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$606,003	\$631,780	\$651,015	\$647,580	6.86%		
Operating Supplies	14,916	14,000	14,400	14,700	2.08%		
Contractual Services	230,058	232,030	235,130	233,780	-0.57%		
Other Services and Charges	140,842	150,600	149,665	158,600	5.97%		
Capital Outlay	25,911	40,105	22,000	0	-100.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$1,017,730</u>	<u>\$1,068,515</u>	<u>\$1,072,210</u>	<u>\$1,054,660</u>	<u>-1.64%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$157,760	14.96%
Uses of Monies	45	0.00%
Miscellaneous Income	18,000	1.71%
Use of Fund Balance	0	0.00%
Transfers In - General Fund	878,855	83.33%
Total Funding		<u>100.0%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Library Manager	1.00	1.00	1.00	5,183	7,638	\$77,990
Library Supervisor	1.00	1.00	1.00	3,684	5,428	55,037
Library Youth Svcs Coordinator	0.00	1.00	1.00	3,182	4,689	42,205
Library Public Service & Outreach	1.00	1.00	1.00	3,182	4,689	43,652
Library Technical Assistant I	1.00	1.00	1.00	2,749	4,051	39,555
* Library Specialist	5.00	4.00	4.00	2,374	3,499	138,006
**Pending the City Council's approval of a 0.5% sales tax increase, these positions will be reclassified starting November 2018 resulting in a salary range change and where applicable a salary adjustment						
COLA						0
Merit Contingency						8,205
Longevity						0
Overtime						0
Temporary / Reserves						45,000
Holiday Pay						0
Retirement						47,750
Insurance & Taxes						150,180
Employee Related Expenses						0
Totals	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>			<u>\$647,580</u>

Culture and Recreation	Cottonwood Public Library	Fund 03 – Library Fund	Cost Center	4000	
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	3,401	4,000	5,000	4,500	-10.00%
Copier Supplies	2,677	2,000	2,100	2,200	4.76%
Equipment Maintenance & Repairs	5,281	5,500	5,500	5,500	0.00%
Postage & Freight	3,558	2,500	1,800	2,500	38.89%
Total Supplies	14,916	14,000	14,400	14,700	2.08%

Contractual Services

Computer Support	4,821	6,000	4,850	5,000	3.09%
Collection Expenses	1,835	2,000	1,800	1,800	0.00%
Contractual Services	0	0	1,500	0	-100.00%
Bank Charges	0	30	0	0	0.00%
Building Maintenance. & Repair	26,472	30,000	30,000	30,000	0.00%
Indirect Cost to General Fund	196,930	194,000	196,980	196,980	0.00%
Total Contractual Services	230,058	232,030	235,130	233,780	-0.57%

Other Services and Charges

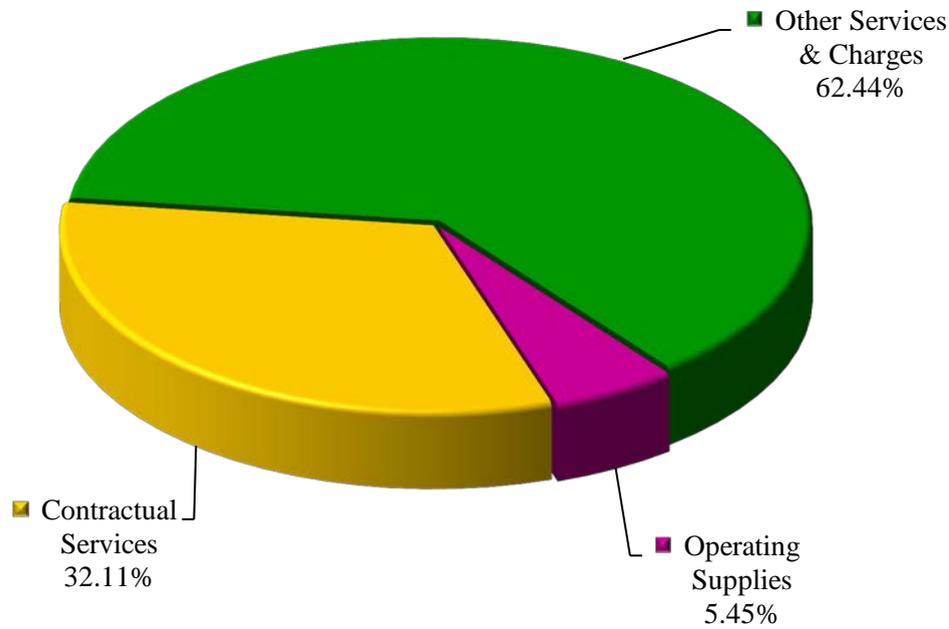
Travel & Training	939	650	800	1,000	25.00%
Subscriptions & Memberships	(480)	0	0	1,000	0.00%
Advertising	0	0	0	0	0.00%
Utilities	49,623	57,250	52,750	55,000	4.27%
Telephone	1,525	2,700	1,100	1,500	36.36%
Youth Programs	419	500	550	600	9.09%
Book Purchases	43,467	42,000	42,000	46,000	9.52%
Network/Technology Exps	28,929	30,000	35,000	35,000	0.00%
Annual Volunteer Appreciation Event	808	1,000	1,000	1,000	0.00%
Liability Insurance	15,092	16,000	15,965	17,000	6.48%
Recruitment Expense	520	500	500	500	0.00%
Total Other Services & Charges	140,842	150,600	149,665	158,600	5.97%

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Lighting and Ballast Replacement					
Roof Repair	\$17,500				
Furnishing	1,201				
County Capital Contribution					
Automatic Door System		\$11,000			
E-Rate Consultant and Purchasing	2,915	8,000			
LSTA Grant	4,295	21,105	\$22,000		
Totals	\$25,911	\$40,105	\$22,000	\$0	

Cottonwood Cemetery Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Subtotals	\$0	\$3,050	\$18,000	\$35,000	\$0	\$0	\$56,050
Totals	\$0	\$3,050	\$18,000	\$35,000	\$0	\$0	\$56,050

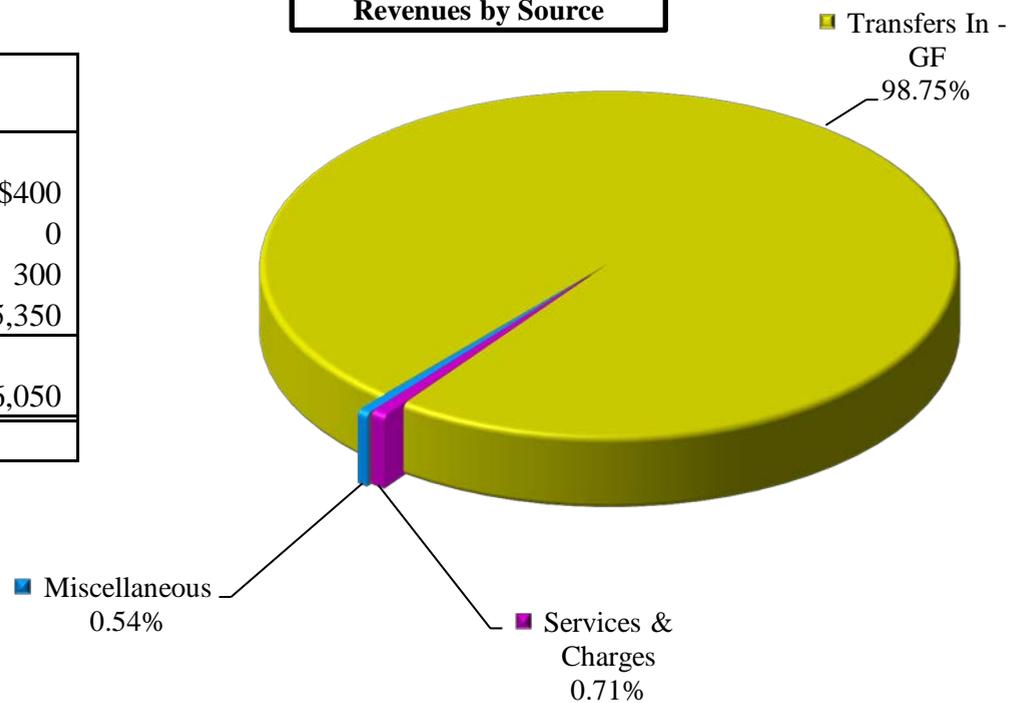
Cottonwood Cemetery Fund Expenditures by Category



Cottonwood Cemetery Fund Summary	
Revenues	\$700
Expenditures	(56,050)
Revenues over (under) Expenditures	(55,350)
Other Funding Sources/Uses	55,350
Use of Fund Balance	\$0

Cottonwood Cemetery Fund Revenues by Source	
Services & Charges	\$400
Use of Monies	0
Miscellaneous	300
Transfers In - General Fund	55,350
Total Resources Available	\$56,050

Cottonwood Cemetery Fund Revenues by Source



Cottonwood Cemetery Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	0	400	400	400	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	325	500	300	300	0.00%
Total Revenue Sources	325	900	700	700	0.00%
Other Financing Sources:					
Transfers In	51,359	62,210	47,970	55,350	15.38%
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	51,359	62,210	47,970	55,350	15.38%
Total Available Resources	51,684	63,110	48,670	56,050	15.16%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	176	3,210	170	3,050	1694.12%
Contractual Services	19,973	19,900	18,000	18,000	0.00%
Other Services and Charges	31,535	40,000	30,500	35,000	14.75%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	51,684	63,110	48,670	56,050	15.16%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	51,684	63,110	48,670	56,050	15.16%
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 2018 Accomplishments:

- * (Anticipated) In cooperation with an outside law firm, secured the easement to connect irrigation water from Riverfront Park to the cemetery

FY 2019 Goals:

- * Connect the cemetery irrigation system to the Riverfront Park's irrigation system in order to conserve water. This connection may enable the delivery of reclaimed water to the cemetery. No longer potable municipal water will be required to irrigate the cemetery. These water conservation efforts will result in substantial cost savings for the City.
- * Purchase equipment that can fit in between grave sites so as not to damage head stones and existing facilities
- * Resetting head stones that are leaning due to poor installation

Budget Highlights:

N/A

Cemetery	Cottonwood Cemetery	Fund 04 – Cemetery	Cost Center	4200
Performance Indicators				
Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Improve the public's experience and pride in the Cemetery and its historical value			
Objective:	Reset all headstones which are leaning or have fallen			
Type of Measure:	Progress of the headstone resetting process			
Tool:				
Frequency:				
Scoring:				
Trend:	Project to be completed in one year			
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Project completion				100%

Strategic Directive:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019

Strategic Directive:				
Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019

Cemetery	Cottonwood Cemetery	Fund 04 – Cemetery	Cost Center	4200	
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	176	3,210	170	3,050	1694.12%
Contractual Services	19,973	19,900	18,000	18,000	0.00%
Other Services and Charges	31,535	40,000	30,500	35,000	14.75%
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	<u>\$51,684</u>	<u>\$63,110</u>	<u>\$48,670</u>	<u>\$56,050</u>	<u>15.16%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Charges for Services	\$400	0.71%
Uses of Monies & Properties–Interest Income	0	0.00%
Miscellaneous Revenues	300	0.54%
Carryover	0	0.00%
Transfer In–General Fund	55,350	98.75%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Cemetery	Cottonwood Cemetery	Fund 04 – Cemetery	Cost Center	4200	
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Grave Liners	0	3,000	0	3,000	0.00%
Equipment Maintenance & Repairs	84	160	0	0	0.00%
Misc. Expense	92	50	170	50	-70.59%
Total Supplies	<u>176</u>	<u>3,210</u>	<u>170</u>	<u>3,050</u>	<u>1694.12%</u>

Contractual Services					
Indirect Cost to General Fund	19,973	19,900	18,000	18,000	0.00%
Total Contractual Services	<u>19,973</u>	<u>19,900</u>	<u>18,000</u>	<u>18,000</u>	<u>0.00%</u>

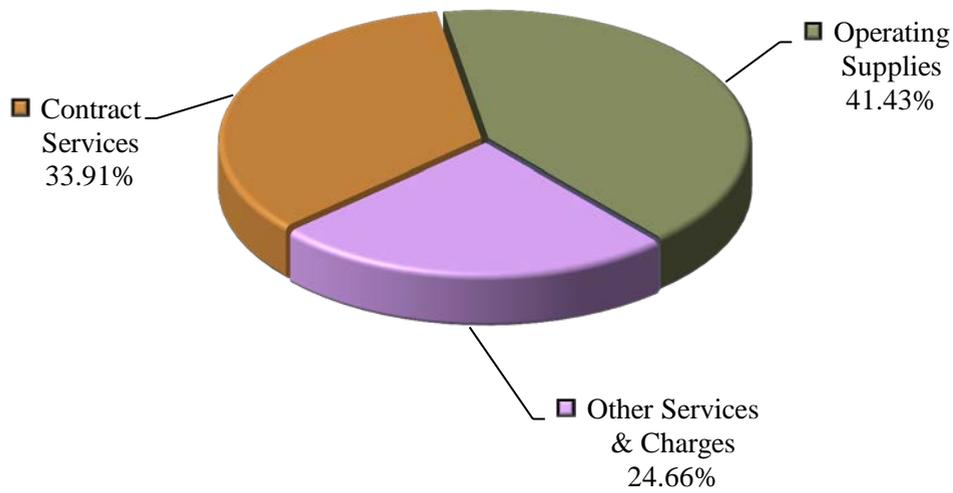
Other Services and Charges					
Utilities	31,535	40,000	30,500	35,000	14.75%
Telephone	0	0	0	0	0.00%
Total Other Services & Charges	<u>31,535</u>	<u>40,000</u>	<u>30,500</u>	<u>35,000</u>	<u>14.75%</u>

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

Airport Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Subtotals	\$0	\$49,050	\$40,150	\$29,200	\$0	\$0	\$0	\$118,400
Totals	\$0	\$49,050	\$40,150	\$29,200	\$0	\$0	\$0	\$118,400

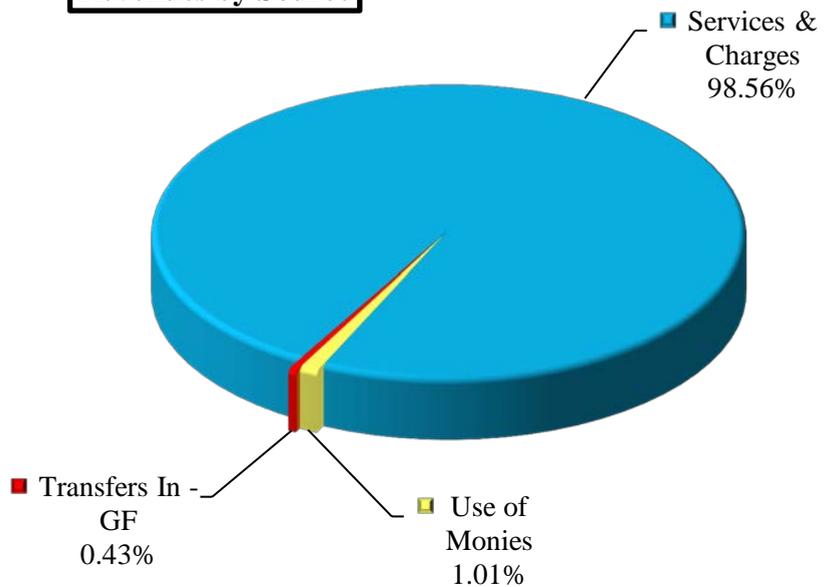
Airport Fund Expenditures by Category



Airport Fund Fund Summary	
Revenues	\$117,890
Expenditures	(118,400)
Revenues over (under) Expenditures	(510)
Other Funding Sources/Uses	510
Use of Fund Balance	\$0

Airport Fund Revenues by Source	
Services & Charges	\$116,700
Use of Monies	1,190
Carryover	0
Transfers In - GF	510
Total Resources Available	\$118,400

Airport Fund Revenues by Source



Airport Revenues:

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

Airport Expenditures:

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

Airport Authority Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	237,384	260,000	300,040	0	-100.00%
Uses of Monies & Properties					
Tie Down Rent	21,499	21,600	23,200	23,200	0.00%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	0	0	0	15,000	0.00%
Land Lease Fees	88,365	40,700	42,050	42,500	1.07%
City Hangar Lease Fees	88,726	34,600	47,500	36,000	-24.21%
Miscellaneous Revenues					
Other Income	32,657	770	1,205	1,190	-1.24%
Total Revenue Sources	468,631	357,670	413,995	117,890	-71.52%
Other Financing Sources:					
Transfers In	33,656	11,840	46,010	510	-98.89%
Carryover	0	41,930	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	33,656	53,770	46,010	510	-98.89%
Total Available Resources	502,287	411,440	460,005	118,400	-74.26%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	220,674	214,810	259,050	49,050	-81.07%
Contractual Services	138,066	74,250	92,150	40,150	-56.43%
Other Services and Charges	37,023	49,180	39,300	29,200	-25.70%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	395,763	338,240	390,500	118,400	-69.68%
Other Uses:					
Transfers Out	106,524	73,200	69,505	0	-100.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	106,524	73,200	69,505	0	-100.00%
Total Expenditures and Other Uses	502,287	411,440	460,005	118,400	-74.26%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

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

FY 2018 Accomplishments:

- * The Ordinance for the Airport Minimum Operating Standards, allowing for fair use of the airport facility, was approved by the City Council on December 20, 2017 and took effect on January 1, 2018
- * Developed an Unmanned Aircraft Systems (UAS)/drone policy that is in compliance with the standards of the Federal Aviation Administration (FAA) in order to protect the City from future liability
- * Security lighting has been added at the fuel station and in the tie-down areas
- * Increased safety measures by installing a new fuel hose, reel and nozzles that are easy to use for pilots
- * Conducted a market rent study that compared the fee structure at the Cottonwood Municipal Airport with that of other airports

FY 2019 Goals:

- * Conduct a Request for Proposal (RFP) for the lease of Hangar B, the former skydive building and the terminal offices
- * Study the 1983 lease and make recommendations to the City Council
- * Complete an agreement between the Airport and other City departments (Public Works and Wastewater) for the use of Airport land to ensure compliance with the grant assurances of the FAA
- * Increase the potential for more corporate traffic by adjusting the IFR (Instrument Flight Rules)-Approach to include night operations now that physical obstacles to the flight path have been removed
- * Assign a separate radio frequency for the AWOS (Automated Weather Observing System) to minimize confusion on the UNICOM (Universal Communications)
- * Complete a crack seal project on the taxiways
- * Develop a new airport fee schedule
- * Develop a standardized long-term lease template for the Airport
- * Replace current airport lights with cost-effective LED lights that also have a longer lifespan
- * Update the software for the airport fuel card system so it continues to run safely and efficiently
- * Add security cameras to the airport gates and in the tie-down areas

Budget Highlights:

The City is moving forward with contracting with a Fixed-base Operator (FBO) that will reduce expenditures.

Airport	Cottonwood Municipal Airport	Fund 05 – Airport	Cost Center	1500
Performance Indicators				
Strategic Directive:	Create targeted economic development strategies			
Department Goal:	Increase the attractiveness of the Airport for all businesses that would like to be located near the airport			
Objective:	Contract with a private company that provides the daily aviation operations of the Airport as a fixed based operator (FBO)			
Type of Measure:	Completion of the processes for contracting with an FBO			
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Completion of FBO contract				100%

Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Increase the potential for more corporate traffic			
Objective:	Adjust the IFR (Instrument Flight Rules)-Approach to include night operations since physical obstacles to the flight path have been removed			
Type of Measure:	Complete the IFR-approach adjustment			
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019
Complete the adjustment of IFR approach				100%

Airport	Cottonwood Municipal Airport	Fund 05 – Airport		Cost Center	1500
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	220,674	214,810	259,050	49,050	-81.07%
Contractual Services	138,066	74,250	92,150	40,150	-56.43%
Other Services and Charges	37,023	49,180	39,300	29,200	-25.70%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Transfers Out	106,524	73,200	69,505	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	\$502,287	\$411,440	\$460,005	\$118,400	-74.26%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Services & Charges–Fuel Sales	\$0	0.00%
Uses of Monies & Properties–User & Rental Fees	117,890	99.57%
Fund Balance	0	0.00%
Transfers In–General Fund	510	0.43%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
N/A						
Totals	0.00	0.00	0.00			\$0

Airport	Cottonwood Municipal Airport	Fund 05 – Airport		Cost Center	1500
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Supplies

Office Supplies	662	150	150	150	0.00%
Vehicle Maintenance & Repairs	55	0	1,550	0	-100.00%
Equipment Maintenance & Repairs	7,528	500	13,000	30,700	136.15%
Building Maintenance & Repairs	781	150	150	18,000	11900.00%
Fuel Expenses	208,469	210,000	240,000	0	-100.00%
Oil Expense	5	10	0	0	0.00%
Operational Supplies	3,174	4,000	4,200	200	-95.24%
Total Supplies	220,674	214,810	259,050	49,050	-81.07%

Contractual Services

Misc. Expenses	0	0	0	0	0.00%
Computer Support	171	150	150	150	100.00%
General Counsel	38	100	0	0	0.00%
Contractual Services	32,223	24,000	24,000	20,000	-16.67%
Airport-Indirect Costs to General Fund	105,634	50,000	68,000	20,000	-70.59%
Total Contractual Services	138,066	74,250	92,150	40,150	-56.43%

Other Services and Charges

Airport Annual Event	0	0	0	0	0.00%
Utilities	14,996	16,200	14,000	16,200	15.71%
Telephone	1,292	1,630	1,000	1,000	0.00%
Bank Charges	11,309	12,500	13,400	0	-100.00%
Liability Insurance	9,426	18,850	10,900	12,000	10.09%
Total Other Services & Charges	37,023	49,180	39,300	29,200	-25.70%

Supplemental Data: Capital Outlay					
Item Description	2017	2018		2019	
	Actual	Budget	Revised	Final	
Totals	\$0	\$0	\$0	\$0	

Grants Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues	985,982	4,671,190	1,658,655	1,209,220	-27.10%
Miscellaneous Revenue	0	0	0	0	0.00%
Total Revenue Sources	985,982	4,671,190	1,658,655	1,209,220	-27.10%
Other Financing Sources:					
Transfers In	106,524	208,200	69,505	0	-100.00%
Carryover	0	29,610	82,590	112,590	36.32%
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	106,524	237,810	152,095	112,590	-25.97%
Total Available Resources	1,092,506	4,909,000	1,810,750	1,321,810	-27.00%
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	1,072,989	4,909,000	1,698,160	1,304,000	-23.21%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,072,989	4,909,000	1,698,160	1,304,000	-23.21%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	8,433	0	112,590	17,810	-84.18%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	8,433	0	112,590	17,810	-84.18%
Total Expenditures and Other Uses	1,081,422	4,909,000	1,810,750	1,321,810	-27.00%
Net Income / (Loss)	\$11,084	\$0	\$0	\$0	

The grant funding for specific projects can be found on page **XXXX**.

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Airport Improvement Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
ADOT - Airport Masterplan	\$0	\$0	\$0	\$0	0.00%
ADOT - Design Lighting & Runway Im	0	0	0	0	0.00%
ADOT - Pavement Preservation	4,217	84,930	99,500	0	-100.00%
ADOT Grant	0	17,880	0	12,375	0.00%
FAA - AWOS	6,580	0	0	0	0.00%
FAA - Fence Extension	0	0	0	138,410	0.00%
FAA - Master Plan	0	364,240	0	113,825	0.00%
FAA - Pavement Preservation	975,185	1,730,140	1,415,845	0	-100.00%
Total Revenue Sources	985,982	2,197,190	1,515,345	264,610	-82.54%
Other Financing Sources:					
Transfers In	106,524	73,200	69,505	0	5.32%
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	106,524	73,200	69,505	0	-100.00%
Total Available Resources	1,092,506	2,270,390	1,584,850	264,610	-83.30%
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	1,072,989	2,300,000	1,554,850	277,000	-82.18%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,072,989	2,300,000	1,554,850	277,000	-82.18%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	1,072,989	2,300,000	1,554,850	277,000	-82.18%

Organizational Chart:

None

General Information:

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

FY 2018 Accomplishments:

- * Completed the second and final phase of the airport apron reconstruction project

FY 2019 Goals:

- * Complete Airport Pavement Preservation project pending funding
- * Update current Airport Master Plan pending funding

Budget Highlights:

For FY 2019, Capital has been programmed, totaling \$277,000, for the Airport Master Plan (\$125,000) and the Airport Security Fence Replacement (\$152,000).

Airport	Airport Improvement Fund	Fund 11 – Grants	Cost Center	1500										
Performance Indicators														
Strategic Directive:														
Department Goal:														
Objective:														
Type of Measure:														
Tool:														
Frequency:														
Scoring:														
Trend:														
<table border="1"> <tr> <td colspan="2" style="text-align: center;">Actual</td> <td style="text-align: center;">Estimated</td> <td colspan="2" style="text-align: center;">Anticipated</td> </tr> <tr> <td style="text-align: center;">2016</td> <td style="text-align: center;">2017</td> <td style="text-align: center;">2018</td> <td colspan="2" style="text-align: center;">2019</td> </tr> </table>					Actual		Estimated	Anticipated		2016	2017	2018	2019	
Actual		Estimated	Anticipated											
2016	2017	2018	2019											
Measures:														

Supplemental Data: Capital Outlay				
Item/Project Description	2017	2018		2019
	Actual	Budget	Revised	Final
Airport Apron				
FAA – Airport Master Plan		\$400,000		\$125,000
Automatic Weather Observation Station (AWOS)				
FAA – Pavement Preservation	\$1,072,987	1,900,000	\$1,554,850	
FAA – Fence Extension				152,000
Totals	<u>\$1,072,987</u>	<u>\$2,300,000</u>	<u>\$1,554,850</u>	<u>\$277,000</u>

Airport	Airport Improvement Fund		Fund 11 – Grants		Cost Center	1500
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	1,072,987	2,300,000	1,554,850	277,000	-82.18%	
Reserves	0	0		0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$1,072,987</u>	<u>\$2,300,000</u>	<u>\$1,554,850</u>	<u>\$277,000</u>	<u>-82.18%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenue–FAA Grants	\$252,235	91.06%
Intergovernmental Revenue–ADOT Grants	12,375	4.47%
Miscellaneous Grants	0	0.00%
Transfers In–Airport	12,390	4.47%
Fund Balance	0	0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	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>

Other Grants Fund Revenues/Expenditures

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Bicycle Feasibility Study	0	64,000	0	0	0.00%
City Wide Master Drainage Plan	0	220,000	0	113,000	0.00%
Drainage Improvement Plans	0	325,000	0	0	0.00%
EDA Grant - Main St	0	1,215,000	0	0	0.00%
Old Town Flood Plain Study	0	150,000	143,310	0	-100.00%
Civic Center Upgrades	0	0	0	80,000	0.00%
Mingus Ave Stormwater Diversion	0	0	0	150,000	0.00%
Verde River Rec Trails Plan	0	0	0	101,610	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	2,474,000	143,310	944,610	559.14%
Other Financing Sources:					
Transfers In	0	135,000	0	0	0.00%
Carryover	0	29,610	82,590	112,590	36.32%
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	164,610	82,590	112,590	36.32%
Total Available Resources	0	2,638,610	225,900	1,057,200	367.99%
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	2,609,000	143,310	1,027,000	616.63%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	2,609,000	143,310	1,027,000	616.63%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	8,433	0	112,590	17,810	-84.18%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	8,433	0	112,590	17,810	-84.18%
Total Expenditures and Other Uses	8,433	2,609,000	255,900	1,044,810	308.29%

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 2018 Accomplishments:

- * None

FY 2019 Goals:

- * Obtain grants for multiple projects

Budget Highlights:

For FY 2019, various grant funded projects have been scheduled, totaling \$1,027,000.

Grants	Other Grants Fund	Fund 07 – Grants	Cost Center	0000
Performance Indicators				
Strategic Directive:	<i>* Performance Measures are not applicable to this fund *</i>			
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2016	2017	2018	2019

Supplemental Data: Capital Outlay				
Item/Project Description	2017	2018		2019
	Actual	Budget	Revised	Final
Miscellaneous Grant Projects		\$500,000		\$450,000
Bicycle Feasibility Study		64,000		
City Wide Master Drainage Plan		220,000		120,000
Drainage Improvement Plans		325,000		
EDA Grant - Main St		1,350,000		
Old Town Flood Plain Study		150,000	\$143,310	
Civic Center Upgrades				100,000
Verde River Recreation & Trails Master Plan				157,000
Mingus Avenue Stormwater Diversion				200,000
Totals		<u>\$0</u>	<u>\$2,609,000</u>	<u>\$1,027,000</u>

Grants	Other Grants Fund	Fund 07 – Grants		Cost Center	0000
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	2,609,000	143,310	1,027,000	616.63%
Reserves	8,433	0	112,590	17,810	-84.18%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$8,433</u>	<u>\$2,609,000</u>	<u>\$255,900</u>	<u>\$1,044,810</u>	<u>308.29%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$1,027,000	98%
Transfer In–General Fund	17,810	2%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	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 (CDBG) Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Brownfield Grant Revenues	32,597	0	5,210	0	-100.00%
Federal Grants	36,860	267,300	259,590	0	-100.00%
Miscellaneous Revenue					
Interest Income	4	0	5	5	0.00%
Total Revenue Sources	69,461	267,300	264,805	5	-100.00%
Other Financing Sources:					
Transfers In	7,986	0	331,775	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	7,986	0	331,775	0	-100.00%
Total Available Resources	77,447	267,300	596,580	5	-100.00%
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	77,447	267,300	596,580	5	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	77,447	267,300	596,580	5	-100.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	77,447	267,300	596,580	5	-100.00%
Net Income / (Loss)	\$0	\$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 2018 Accomplishments:

- * N/A

FY 2019 Goals:

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

Budget Highlights:

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

Supplemental Data: Capital Outlay				
Item/Project Description	2017	2018		2019
	Actual	Budget	Revised	Final
Civic Center Upgrades	\$77,447	\$267,300	\$596,580	\$5
Totals	<u>\$77,447</u>	<u>\$267,300</u>	<u>\$596,580</u>	<u>\$5</u>

Public Works		Community Development Block Grant		Fund 08 – CDBG		Cost Center	3110
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	77,447	267,300	596,580	5	-100.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$77,447</u>	<u>\$267,300</u>	<u>\$596,580</u>	<u>\$5</u>	<u>-100.00%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$0	0%
Interest Income	5	100%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	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>

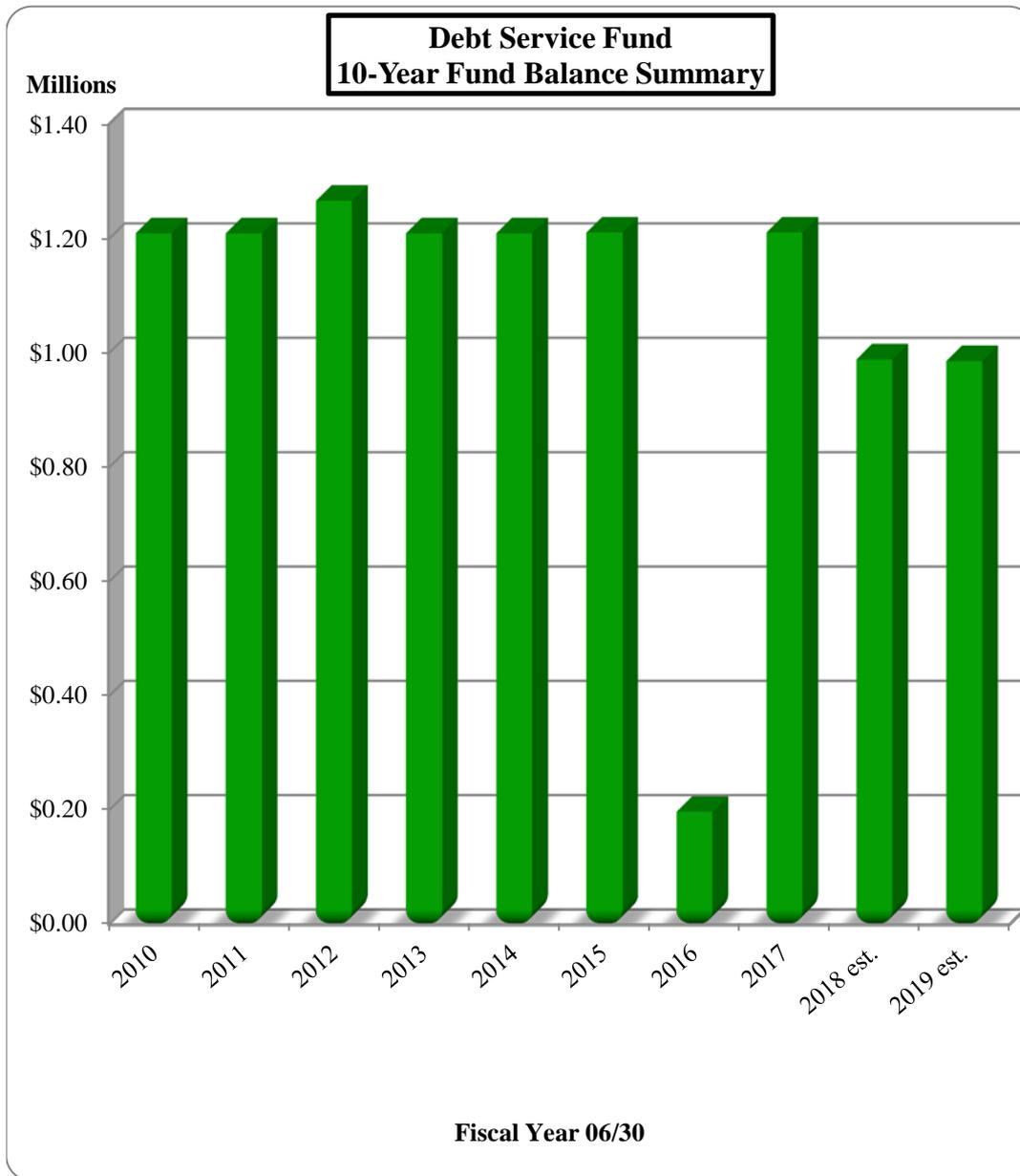
The Debt Service Fund is set up to account for the accumulation of resources and the payment of general long-term debt principal and interest.

Fund/Account Number

Description

20

Debt Service



Fiscal Year 06/30	Balance
2010	1,210,130
2011	1,210,125
2012	1,267,020
2013	1,210,130
2014	1,210,130
2015	1,211,500
2016	197,840
2017	1,211,535
2018 est.	989,385
2019 est.	986,535

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$1,701,070	\$1,644,415	\$1,644,415	\$1,645,220
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	732	290	450	400
Miscellaneous Revenues	0	0	0	0
Total Revenue Sources	1,701,802	1,644,705	1,644,865	1,645,620
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	14,824,420	989,385	987,985
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	13,874,485	0	0	0
Total Other Financing Sources	13,874,485	14,824,420	989,385	987,985
Total Available Resources	15,576,287	16,469,125	2,634,250	2,633,605
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	660	1,300	1,850	1,850
Other Services and Charges	15,517,167	15,518,900	1,644,415	1,645,220
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	15,517,827	15,520,200	1,646,265	1,647,070
Other Uses:				
Transfers Out	0	948,925	0	0
Reserves	0	0	987,985	986,535
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	948,925	987,985	986,535
Total Expenditures and Other Uses	15,517,827	16,469,125	2,634,250	2,633,605
Net Income / (Loss)	\$58,460	\$0	\$0	\$0

Debt Service Fund Revenues/Expenditures/Changes in fund Balance

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
City Sales Tax	\$1,701,070	\$1,644,415	\$1,644,415	\$1,645,220	0.05%
City Sales Tax - Library	0	0	0	0	0.00%
Charges for Services					
User Fees - Water Co. Debt Service	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	732	290	450	400	-11.11%
Total Revenue Sources	1,701,802	1,644,705	1,644,865	1,645,620	0.05%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	14,824,420	989,385	987,985	-0.14%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	13,874,485	0		0	0.00%
Total Other Financing Sources	13,874,485	14,824,420	989,385	987,985	-0.14%
Total Available Resources	15,576,287	16,469,125	2,634,250	2,633,605	-0.02%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	660	1,300	1,850	1,850	0.00%
Other Services and Charges	15,517,167	15,518,900	1,644,415	1,645,220	0.05%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	15,517,827	15,520,200	1,646,265	1,647,070	0.05%
Other Uses:					
Transfers Out	0	948,925	0	0	0.00%
Reserves	0	0	987,985	986,535	-0.15%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	948,925	987,985	986,535	-0.15%
Total Expenditures and Other Uses	15,517,827	16,469,125	2,634,250	2,633,605	-0.02%
Net Income / (Loss)	\$58,460	\$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 2018 Accomplishments:

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

FY 2019 Goals:

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

Budget Highlights:

The Recreation Center bond and the 2015 Excise Bond are budgeted in the Debt Service Fund. The City continues to pursue other financing resources to help fund some current Streets and Capital Improvement

Interest & Sinking	Debt Service Fund	Fund 20 – Debt Service		Cost Center	8XXX
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	660	1,300	1,850	1,850	0.00%
Other Services and Charges	15,517,167	15,518,900	1,644,415	1,645,220	0.05%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	987,985	986,535	-0.15%
Transfers Out	0	948,925	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$15,517,827</u>	<u>\$16,469,125</u>	<u>\$2,634,250</u>	<u>\$2,633,605</u>	<u>-0.02%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Other Income	\$400	0.02%
Taxes	1,645,220	62.47%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	987,985	37.51%
Total Funding		<u>100.00%</u>

Supplemental Data: Transfers Out				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Transfers Out - Sewer		\$948,925		
Transfers Out - Library				
Totals	<u>\$0</u>	<u>\$948,925</u>	<u>\$0</u>	<u>\$0</u>

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	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	

Contractual Services

Trustee Fees - Library	0	1,000	0	0	0.00%
Trustee Fees - WIFA	0	0	0	0	0.00%
Trustee Fees - GADA Loan	360	0	0	0	0.00%
Trustee Fees - 2017 Pledge Rev Rfnd	0	0	1,500	1,500	0.00%
Trustee Fees - 2015 Excise Bond	300	300	350	350	0.00%
Total Contractual Services	660	1,300	1,850	1,850	0.00%

Debt Service

Interest - FmHA Loan - Library	0	0	0	0	0.00%
Principal - FmHA Loan - Library	0	0	0	0	0.00%
Interest - Library Bonds	0	0	0	0	0.00%
Principal - Library Bonds	0	0	0	0	0.00%
Interest - GADA - Recreation Center	0	0	0	0	0.00%
Principal - GADA - Recreation Center	13,613,249	13,874,485	0	0	0.00%
Interest GADA-RR Wash	0	0	0	0	0.00%
Principal GADA-RR Wash	0	0	0	0	0.00%
Interest GADA-PS Building	0	0	0	0	0.00%
Principal GADA-PS Building	0	0	0	0	0.00%
2017 Pledge Rev Rfnd-Interest	342,000	397,675	397,675	368,275	-7.39%
2017 Pledge Rev Rfnd-Principal	1,055,003	980,000	980,000	1,010,000	3.06%
Bond Issuance Costs	238,961	0	0	0	0.00%
2015 Excise Bond - Interest	134,646	131,980	131,980	129,290	-2.04%
2015 Excise Bond -Principal	133,308	134,760	134,760	137,655	2.15%
Total Other Services & Charges	15,517,167	15,518,900	1,644,415	1,645,220	0.05%

Reserves

GADA Reserve	0	0	987,985	986,535	-0.15%
Total Reserves	0	0	987,985	986,535	-0.15%

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

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
January 1, 2019					184,138	
July 1, 2019	1,010,000	3,045,000	9,305,000	2.500%	184,138	\$1,378,275
January 1, 2020					171,513	
July 1, 2020	1,030,000	4,075,000	8,275,000	2.250%	171,513	\$1,373,025
January 1, 2021					159,925	
July 1, 2021	1,055,000	5,130,000	7,220,000	3.000%	159,925	\$1,374,850
January 1, 2022					144,100	
July 1, 2022	1,085,000	6,215,000	6,135,000	5.000%	144,100	\$1,373,200
January 1, 2023					116,975	
July 1, 2023	1,145,000	7,360,000	4,990,000	3.000%	116,975	\$1,378,950
January 1, 2024					99,800	
July 1, 2024	1,175,000	8,535,000	3,815,000	4.000%	99,800	\$1,374,600
January 1, 2025					76,300	
July 1, 2025	1,225,000	9,760,000	2,590,000	4.000%	76,300	\$1,377,600
January 1, 2026					51,800	
July 1, 2026	1,270,000	11,030,000	1,320,000	4.000%	51,800	\$1,373,600
January 1, 2027					26,400	
July 1, 2027	1,320,000	12,350,000	0	4.000%	26,400	\$1,372,800
	<u>\$10,315,000</u>				<u>\$2,061,900</u>	<u>\$12,376,900</u>

Pledged Revenue Obligations, Series 2015

Maturity	Principal			Int/Fees	Debt Service
	Payments	Retired	Balance		
January 1, 2019				223,063	
July 1, 2019	475,000	1,400,000	9,960,000	223,063	921,125
January 1, 2020				218,313	
July 1, 2020	485,000	1,885,000	9,475,000	218,313	921,625
January 1, 2021				208,613	
July 1, 2021	505,000	2,390,000	8,970,000	208,613	922,225
January 1, 2022				202,300	
July 1, 2022	520,000	2,910,000	8,450,000	202,300	924,600
January 1, 2023				194,500	
July 1, 2023	535,000	3,445,000	7,915,000	194,500	924,000
January 1, 2024				181,125	
July 1, 2024	560,000	4,005,000	7,355,000	181,125	922,250
January 1, 2025				167,125	
July 1, 2025	590,000	4,595,000	6,765,000	167,125	924,250
January 1, 2026				152,375	
July 1, 2026	620,000	5,215,000	6,145,000	152,375	924,750
January 1, 2027				136,875	
July 1, 2027	650,000	5,865,000	5,495,000	136,875	923,750
January 1, 2028				120,625	
July 1, 2028	680,000	6,545,000	4,815,000	120,625	921,250
January 1, 2029				103,625	
July 1, 2029	715,000	7,260,000	4,100,000	103,625	922,250
January 1, 2030				85,750	
July 1, 2030	750,000	8,010,000	3,350,000	85,750	921,500
January 1, 2031				67,000	
July 1, 2031	790,000	8,800,000	2,560,000	67,000	924,000
January 1, 2032				51,200	
July 1, 2032	820,000	9,620,000	1,740,000	51,200	922,400
January 1, 2033				34,800	
July 1, 2033	855,000	10,475,000	885,000	34,800	924,600
January 1, 2034				17,700	
July 1, 2034	885,000	11,360,000	0	17,700	920,400
Totals	<u>\$10,435,000</u>			<u>\$4,329,975</u>	<u>\$14,764,975</u>

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

**Computation of Direct and Overlapping Bonded Debt
June 30, 2018**

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	\$45,610,000	100.00%	\$23,760,075
Yavapai County	0	0.00%	0
Yavapai Community College District	28,600,000	42.98%	12,292,280
Cottonwood/Oak Creek School District	0	0.00%	0
Mingus Union High School District	14,995,000	11.39%	1,707,931
Total Direct and Overlapping Debt			<u>\$37,760,286</u>

Jurisdiction	Total Assessed Valuation
City of Cottonwood	\$120,046,140
Yavapai County	2,599,537,841
Yavapai Community College District	2,599,537,841
Cottonwood/Oak Creek School District	231,293,929
Mingus Union High School District	283,737,698
	<u>\$5,834,153,449</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, 2018 were secured by sales taxes instead of property taxes.

**Computation of Legal Debt Margin
June 30, 2018**

Net secondary assessed valuation (Full Cash Value)	<u>\$120,046,140</u>
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	24,009,228
Bonds outstanding	<u>0</u>
Net 20% Debt Limitation	<u>24,009,228</u>

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	7,202,768
Bonds outstanding	<u>0</u>
Net 6% Debt Limitation	<u>7,202,768</u>

Total Bonding Capacity	<u><u>\$31,211,996</u></u>
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The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent of secondary assessed valuation can be used for all other "general uses."

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

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, 2018 were secured by sales taxes instead of property taxes.

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

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

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	106,868	220,000	0	143,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	5,671	35,000	0	1,500
Total Revenue Sources	112,539	255,000	0	144,500
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	2,545,390	5,844,640	3,557,165
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	2,545,390	5,844,640	3,557,165
Total Available Resources	112,539	2,800,390	5,844,640	3,701,665
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	13,111	9,500	8,280	9,000
Capital Outlay	670,651	344,650	7,000	143,000
Debt Service	0	0	0	0
Total Expenditures	\$683,762	\$354,150	\$15,280	\$152,000
Other Uses:				
Transfers Out	0	2,446,240	2,272,195	1,878,510
Reserves	0	0	3,557,165	1,671,155
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	2,446,240	5,829,360	3,549,665
Total Expenditures and Other Uses	683,762	2,800,390	5,844,640	3,701,665
Net Income / (Loss)	(\$571,223)	\$0	\$0	\$0

Capital Projects – Railroad Wash Improvements Fund Revenues/Expenditures

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Intergovernmental Revenues					
Yavapai County	\$106,868	\$220,000	\$0	\$143,000	0.00%
A.D.O.T.	0	0	0	0	0.00%
Total Intergovernmental Revenue	106,868	220,000	0	143,000	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	106,868	220,000	0	143,000	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	106,868	220,000	0	143,000	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	105,998	220,000	7,000	143,000	1942.86%
Debt Service	0	0	0	0	0.00%
Total Expenditures	105,998	220,000	7,000	143,000	1942.86%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	105,998	220,000	7,000	143,000	1942.86%
Net Income / (Loss)	\$871	\$0	(\$7,000)	\$0	

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Organizational Chart:

None

General Information:

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

FY 2018 Accomplishments:

N/A

FY 2019 Goals:

N/A

Budget Highlights:

N/A

Public Works		Railroad Wash Improvements		Fund 30 – Capital Projects		Cost Center	2300
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	105,998	220,000	7,000	143,000	1942.86%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$105,998</u>	<u>\$220,000</u>	<u>\$7,000</u>	<u>\$143,000</u>	<u>1942.86%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues–Yavapai County	\$143,000	100.00%
GADA Loan Proceeds (Carryover)	0	0.00%
Miscellaneous Revenues	0	0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

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

Supplemental Data: Capital Outlay				
Item/Project Description	2017	2018		2019
	Actual	Budget	Revised	Final
Railroad Wash Improvements / Flood Plain Study	\$105,998	\$220,000	\$7,000	\$143,000
Totals	<u>\$105,998</u>	<u>\$220,000</u>	<u>\$7,000</u>	<u>\$143,000</u>

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

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Intergovernmental	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	5,671	35,000	0	1,500	0.00%
Total Revenue Sources	5,671	35,000	0	1,500	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	2,545,390	5,844,640	3,557,165	-39.14%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	2,545,390	5,844,640	3,557,165	-39.14%
Total Available Resources	5,671	2,580,390	5,844,640	3,558,665	-39.11%
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	13,111	9,500	8,280	9,000	8.70%
Capital Outlay	564,654	124,650	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	577,765	134,150	8,280	9,000	8.70%
Other Uses:					
Transfers Out	0	2,446,240	2,272,195	1,878,510	-17.33%
Reserves	0	0	3,557,165	1,671,155	-53.02%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	2,446,240	5,829,360	3,549,665	-39.11%
Total Expenditures and Other Uses	577,765	2,580,390	5,837,640	3,558,665	-39.04%
Net Income / (Loss)	(\$572,093)	\$0	\$7,000	\$0	

Organizational Chart:

None

General Information:

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

FY 2018 Accomplishments:

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

FY 2019 Goals:

N/A

Budget Highlights:

General Government		CIP – Capital Projects Fund		Fund 30 – Capital Projects Cost Center		XXXX
Summary by Category						
Expenditure Category	2017	2018		2019	Percent Change	
	Actual	Budget	Revised	Final		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	13,111	9,500	8,280	9,000	8.70%	
Capital Outlay	564,654	124,650	0	0	0.00%	
Reserves	0	0	3,557,165	1,671,155	-53.02%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$577,765</u>	<u>\$134,150</u>	<u>\$3,565,445</u>	<u>\$1,680,155</u>	<u>-52.88%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	\$1,680,155	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	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>

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

Supplemental Data: Capital Outlay				
Item/Project Description	2017	2018		2019
	Actual	Budget	Revised	Final
Capital Projects–Highland Senior Condominium				
Court Building Remodel				
Civic Center HVAC	\$5,337	\$124,650		
Communications Center				
Architecture Design – City Hall				
Software – City Wide				
Miscellaneous				
Old Town Parking				
Kids Park Restrooms	254,515			
Riverfront Rehabilitation	102,064			
Garrison Park Relocation and Rehab	202,737			
Totals	<u>\$564,654</u>	<u>\$124,650</u>	<u>\$0</u>	<u>\$0</u>

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.

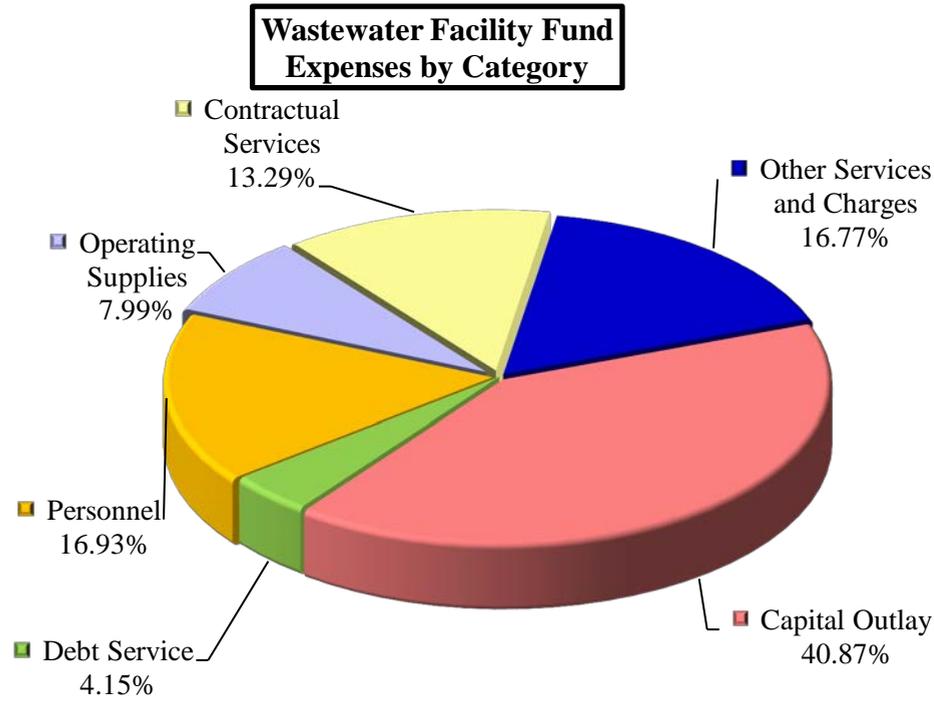
<u>Fund/Account Number</u>	<u>Description</u>
51	Wastewater Facility Fund
50	Water System Fund

Consolidated Statement of Revenues/Expenses

Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	9,796,059	10,354,320	10,278,315	10,432,925
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	398,884	30,150	98,565	95,350
Miscellaneous Revenues	407,517	427,180	442,450	429,595
Total Revenue Sources	10,602,461	10,811,650	10,819,330	10,957,870
Other Financing Sources:				
Transfers In	0	3,396,165	1,940,420	1,878,510
Carryover	0	10,318,570	13,636,540	13,928,785
Other Financing Resources	0	1,141,330	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	14,856,065	15,576,960	15,807,295
Total Available Resources	10,602,461	25,667,715	26,396,290	26,765,165
Expenses:				
Personnel	2,192,528	2,167,890	2,154,115	2,339,280
Operating Supplies	556,149	699,700	605,450	763,800
Contractual Services	1,048,101	1,159,190	927,270	1,162,810
Other Services and Charges	851,351	2,830,025	1,422,325	1,626,130
Depreciation	1,749,871	0	0	0
Capital Outlay	231,174	9,018,695	4,886,045	5,180,000
Debt Service	681,473	2,046,825	2,047,590	1,997,860
Total Expenses	7,310,646	17,922,325	12,042,795	13,069,880
Other Uses:				
Transfers Out	0	0	0	0
Reserves	206,429	7,745,390	14,353,495	13,695,285
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	206,429	7,745,390	14,353,495	13,695,285
Total Expenses and Other Uses	7,517,075	25,667,715	26,396,290	26,765,165
Net Income / (Loss)	\$3,085,386	\$0	\$0	\$0

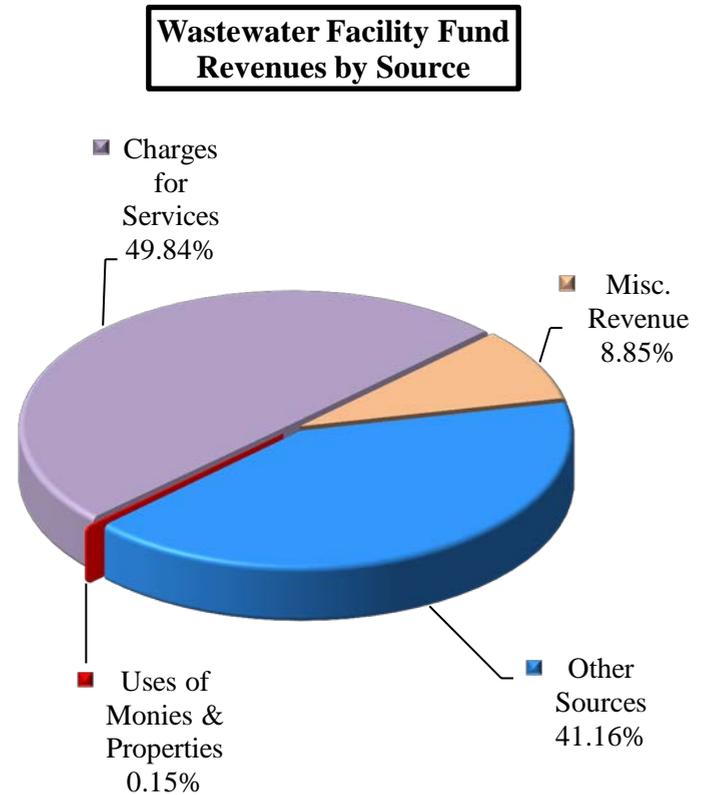
Wastewater Facility Fund Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Reserves	Total
Subtotals	\$772,455	\$364,450	\$606,640	\$765,430	\$1,865,000	\$189,515	\$0	\$4,563,490
Totals	\$772,455	\$364,450	\$606,640	\$765,430	\$1,865,000	\$189,515	\$0	\$4,563,490



Revenues	\$2,684,980
Expenses	(4,563,490)
Revenues over/(under) Expenses	(1,878,510)
Other Funding Sources/Uses	1,878,510
(Use)/Source of Retained Earnings	\$0

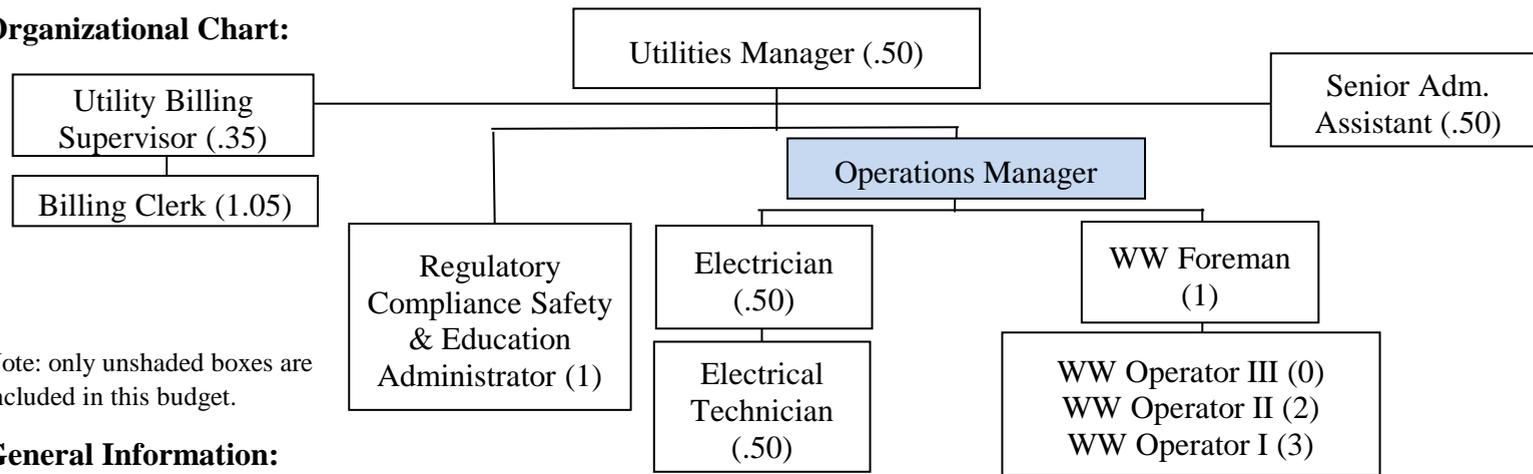
Uses of Monies & Properties	\$7,000
Charges for Services	2,274,325
Miscellaneous Revenue	403,655
Other Financing Sources	1,878,510
Total Resources Available	\$4,563,490



Wastewater Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	2,169,987	2,193,500	2,248,185	2,259,325	0.50%
Tap Fees	0	0	0	0	0.00%
Effluent Revenue	17,234	13,120	14,800	15,000	1.35%
Uses of Monies & Properties					
Interest Income	2,904	2,200	7,000	7,000	0.00%
Miscellaneous Revenue					
Other Income	398,161	404,600	403,610	403,655	0.01%
Total Revenue Sources	2,588,286	2,613,420	2,673,595	2,684,980	0.43%
Other Financing Sources:					
Transfers In	0	3,396,165	1,940,420	1,878,510	-3.19%
Carryover	0	0	785,040	0	-100.00%
Other Financing Sources	0	1,141,330	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	4,537,495	2,725,460	1,878,510	-31.08%
Total Available Resources	2,588,286	7,150,915	5,399,055	4,563,490	-15.48%
Expenses:					
Personnel	834,518	762,120	751,640	772,455	2.77%
Operating Supplies	194,735	360,350	289,150	364,450	26.04%
Contractual Services	574,514	525,500	378,280	606,640	60.37%
Other Services and Charges	467,428	690,410	661,010	765,430	15.80%
Depreciation	546,901	0	0	0	0.00%
Capital Outlay	41,116	4,623,695	3,129,670	1,865,000	-40.41%
Debt Service	190,201	188,840	189,305	189,515	0.11%
Total Expenses	2,849,413	7,150,915	5,399,055	4,563,490	-15.48%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	2,849,413	7,150,915	5,399,055	4,563,490	-15.48%
Net Income / (Loss)	(\$261,127)	\$0	\$0	\$0	

Organizational Chart:



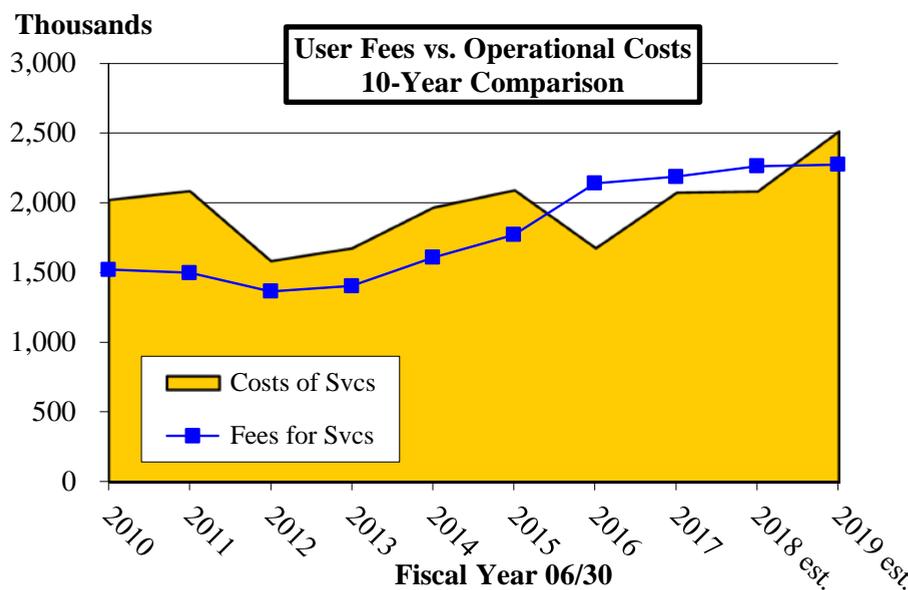
Note: only unshaded boxes are included in this budget.

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
2010	2,020,026	1,520,972
2011	2,083,265	1,497,939
2012	1,582,321	1,365,235
2013	1,672,573	1,403,485
2014	1,963,705	1,607,438
2015	2,088,784	1,771,337
2016	1,671,818	2,139,662
2017	2,071,195	2,187,221
2018 est.	2,080,080	2,262,985
2019 est.	2,508,975	2,274,325

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



FY 2018 Accomplishments:

- * As part of a multi-year contracted program, 8,513 feet of sanitary sewer lines have been rehabilitated
- * Completed the procurement process for and the construction of the injection well at the Cottonwood Kids Park
- * The Parshall flume at the Mingus Wastewater Reclamation Plant has been purchased and in-house design for installation is underway ensuring the accurate measurement of the influent water flow necessary for wastewater
- * The Riverfront Wastewater Reclamation Facility (RWRf) has been placed in service and is currently 50% operational. As soon as the reclaimed water transmission pipeline from Riverfront Park to the Cottonwood Kids Park has been installed and successfully tested, it will become 100% operational.
- * Upgraded the Supervisory Control and Data Acquisition (SCADA), the computer-based wastewater plant control system, at the Mingus Wastewater Reclamation Plant so it can interface with the Riverfront Wastewater Reclamation Facility as well as meeting, among others, higher security standards and functionality

FY 2019 Goals:

- * Start the installation of the reclaimed water transmission line from Riverfront Park to the Cottonwood Kids Park
- * As part of a multi-year replacement program, start the process for the installation of new wastewater centrifuges at the Mingus Wastewater Reclamation Plant for processing sludge into biosolids
- * Begin the bidding process for sandblasting and coating of the concrete well of the city's largest pump station (Lift Station 4) at Garrison Centennial Park
- * Commence the underwater inspection process for two circular 60-foot diameter clarifiers that were built in 1990
- * Start inspection/assessment process of the aeration basin roof to determine if repair or replacement is needed

Budget Highlights:

For FY 2019, the changes in merit pay percentages and salary range structure also apply here. The equipment and projects for which Capital has been programmed can be found on page XXX.

Health and Sanitation	Wastewater Facility	Fund 51 – Enterprise Fund Cost Center		71XX	
Performance Indicators					
Strategic Directive:	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:	Wastewater quality testing				
Tool:	System monitoring, reporting and operational feedback				
Frequency:	Daily, weekly, monthly, quarterly, semi-annual and annual reports				
Scoring:	Treated = gallons of effluent (relative to water conservation efforts); Efficiency-85% = 50%; 85%-95% = 75%; and 96%-99% = 100%				
Trend:	Steady	Actual		Estimated	Anticipated
Measures:		2016	2017	2018	2019
Wastewater treated (millions of gallons)		333	349	351	346
WWTP efficiency (Permit Required): Biochemical oxygen demand (85% required)		98%	98%	98%	98%
Total suspended solids (85% required)		99%	98%	98%	98%
Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Ensure regulatory compliance of effluent (reclaimed water)				
Objective:	Produce and distribute reclaimed water that meets or exceeds regulatory standards				
Type of Measure:	Wastewater quality testing				
Tool:	Laboratory testing, metering				
Frequency:	Daily, monthly, quarterly, semi-annual, annual testing, and reports				
Scoring:	Exceedances :1-3= 90%; 4-6= 75%; >6= 50%; sold = steady improvement				
Trend:	Compliance and steady improvement	Actual		Estimated	Anticipated
Measures:		2016	2017	2018	2019
Reclaimed water sold (millions of gallons)		15.8	14.2	15.2	15.5
Number of regulatory permit exceedances		3	2	2	2

Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Maintain reliable infrastructure through rehabilitation, maintenance and inspections				
Objective:	Reduce the number of sanitary sewer overflows and rehabilitation of aging infrastructure				
Type of Measure:	Videotaping and cleaning of sewer lines to assess extent of required rehabilitation				
Tool:	System monitoring, visual observation and repair reports				
Frequency:	Continuous process				
Scoring:	Blockages = percent reduction from previous, Cleaning and video taping (ft.) = 1,000-10,000 = 50%; 11,000-20,000 = 75%; 20,000 ⁺ = 100%; rehabilitation (spots/areas): 2-5 = 50%; 6-8 = 75%; 9 ⁺ = 100%				
Trend:	Steady improvement	Actual		Estimated	Anticipated
Measures:		2016	2017	2018	2019
Sewer line video taped (ft.)		12,500	8,513	9,000	9,000
Sewer line cleaned (ft.)		12,500	8,513	9,000	9,000
Number of main line blockages		14	5	6	4
Sewer line rehabilitation (spot/areas)		1	22	6	10

Supplemental Data: Capital Outlay				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Fencing and Security	\$903			
RWRF Furnishing, Misc. Equipment and Construction		\$70,200		
Lift Station 4 Wet Well Expansion/Rehabilitation		300,000		\$390,000
RWRF(incl. UV-System) – Waterline Riverfront to Kids Parl	(8,579)	3,000,000	\$3,050,970	350,000
Clarifier Repair (Pending Inspection Result)				110,000
WWTP Construction & Centrifuge & Digester/Aeration Blow	2,320	1,068,495	19,500	670,000
Generator Replacement & Crane Truck Replacement				180,000
Gen. Construction & Recl. Pump and Lines, Flume, Materials	9,829	110,000	23,000	110,000
Water/Wastewater Master Plan	30,788		22,200	
Reclaimed Line Mingus/89A & Selna Project	5,855	75,000	14,000	55,000
Totals	\$41,116	\$4,623,695	\$3,129,670	\$1,865,000

Health and Sanitation		Wastewater Facility		Fund 51 – Enterprise Fund		Cost Center	71XX
Summary by Category							
Expenditure Category	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Personnel	\$834,518	\$762,120	\$751,640	\$772,455	2.77%		
Operating Supplies	194,735	360,350	289,150	364,450	26.04%		
Contractual Services	574,514	525,500	378,280	606,640	60.37%		
Other Services and Charges	467,428	690,410	661,010	765,430	15.80%		
Depreciation (net)	546,901	0	0	0	0.00%		
Capital Outlay	41,116	4,623,695	3,129,670	1,865,000	-40.41%		
Reserves	0	0	0	0	0.00%		
Debt Service	190,201	188,840	189,305	189,515	0.11%		
Department Totals	\$2,849,413	\$7,150,915	\$5,399,055	\$4,563,490	-15.48%		

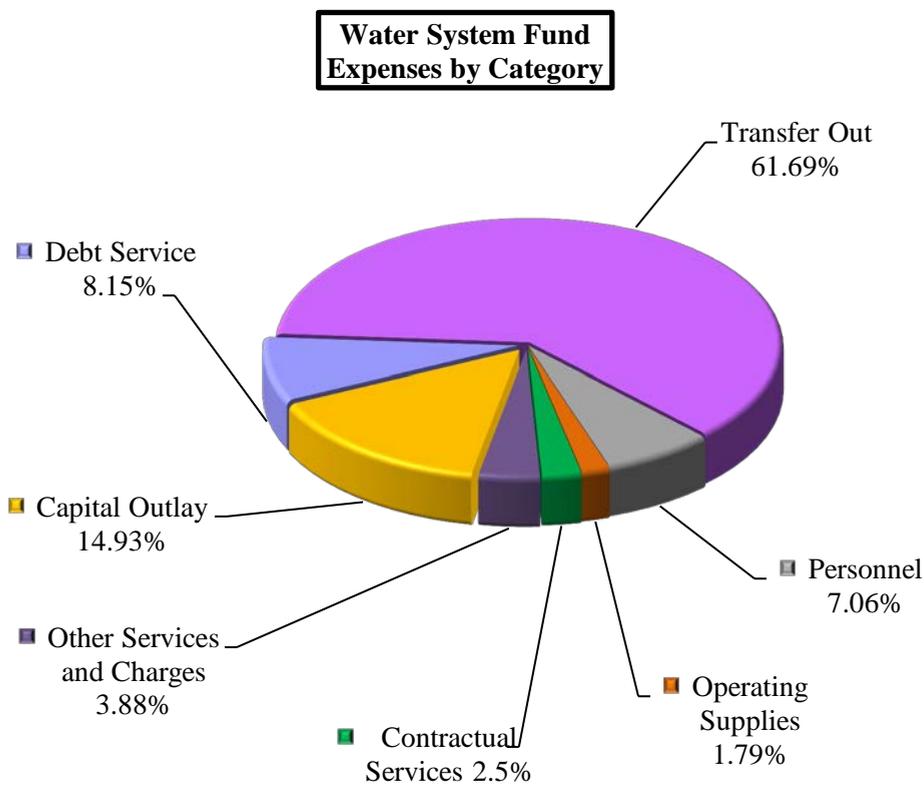
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Services	2,274,325	49.84%
Miscellaneous Revenue	410,655	9.00%
Other Financing Sources	1,878,510	41.16%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,715	8,421	\$43,905
Utility Ops Manager	0.00	0.00	0.00	4,936	7,274	0
WWTP Superintendent	0.00	0.00	0.00	4,061	5,985	0
Regul. Compl. Safety & Educ. Admi	1.00	1.00	1.00	4,061	5,985	69,050
WW Foreman	1.00	1.00	1.00	3,684	5,428	46,140
WW Operator III	0.00	0.00	0.00	3,341	4,924	0
*WW Operator II	2.00	2.00	2.00	3,031	4,466	51,430
*WW Operator I *	2.00	2.00	2.00	2,749	4,051	100,560
WW Operator Trainee	1.00	1.00	1.00	2,493	3,674	29,245
Senior Administrative Assistant	0.50	0.50	0.50	3,031	4,466	26,195
Electrician	0.50	0.50	0.50	3,684	5,428	24,955
Electrical Technician	0.50	0.50	0.50	2,886	4,253	19,440
Utility Billing Supervisor	0.35	0.35	0.35	3,868	5,700	17,435
Utility Billing Clerk	1.05	1.05	1.05	2,493	3,674	33,070
*These positions rotate as required certifications have been earned						
COLA						0
Merit Contingency						10,815
Longevity						0
Overtime						58,250
Holiday Pay						2,250
Clothing Allowance						1,750
Retirement						62,870
Insurance & Taxes						175,095
Employment Related Expenses						0
Totals	10.40	10.40	10.40			\$772,455

Health and Sanitation		Wastewater Facility		Fund 51 – Enterprise Fund		Cost Center	71XX
Supplemental Data: Expenditures							
Item Description	2017	2018		2019	Percent Change		
	Actual	Budget	Revised	Final			
Supplies							
Office Supplies	2,594	4,150	3,100	4,150	33.87%		
Copier Supplies	0	0	0	0	0.00%		
Gas & Oil	7,906	10,000	7,800	10,000	28.21%		
Vehicle Maintenance & Repairs	3,256	5,000	4,700	5,000	6.38%		
Equipment Maintenance & Repairs	120,935	255,000	200,000	255,000	27.50%		
Chlorine	2,389	5,700	4,800	5,700	18.75%		
Polymer	28,159	17,000	22,500	22,500	0.00%		
Operational Equipment & Supplies	16,237	39,000	25,000	39,000	56.00%		
Postage & Freight	12,724	16,500	21,100	22,100	4.74%		
Odor Control Supplies	0	7,000	0	0	0.00%		
Building Maintenance & Repairs	535	1,000	150	1,000	566.67%		
Total Supplies	194,735	360,350	289,150	364,450	26.04%		
Contractual Services							
Computer Support	3,242	5,100	3,100	3,300	6.45%		
Contractual Services	136,148	145,000	65,340	282,940	333.03%		
Custodial Contract	0	0	1,400	1,400	0.00%		
Sludge Disposal	110,422	93,000	98,000	99,000	1.02%		
Employee Physicals	344	400	0	0	0.00%		
Legal Advertising	0	0	0	0	0.00%		
General Counsel	0	0	0	0	0.00%		
Auction Fees	46	0	0	0	0.00%		
Indirect Cost to General Fund	324,312	282,000	210,440	220,000	4.54%		
Total Contractual Services	574,514	525,500	378,280	606,640	60.37%		
Other Services and Charges							
Travel & Training	2,109	2,000	2,400	2,500	4.17%		
Subscriptions & Memberships	980	850	0	0	0.00%		
Printing & Forms	162	250	0	0	0.00%		
Utilities	357,746	515,910	530,600	581,100	9.52%		
Telephone	5,508	8,100	6,860	7,200	4.96%		
Bad Debt Expense	0	0	0	0	0.00%		
Lab/Testing	43,809	88,000	66,000	88,000	33.33%		
Tools	447	3,100	1,000	3,100	210.00%		
Equipment Rental	0	0	0	0	0.00%		
Liability Insurance	30,182	32,700	41,945	51,825	23.55%		
ADEQ Annual Fee	25,991	34,000	11,500	31,000	169.57%		
ASRS Pension Expense	0	5,000	0	0	0.00%		
Bank Charges	494	500	705	705	0.00%		
Total Other Services & Charges	467,428	690,410	661,010	765,430	15.80%		
Debt Service							
2015 Excise Bond - Principal	93,794	94,815	94,815	96,850	2.15%		
2015 Excise Bond - Interest	94,737	92,860	92,860	90,965	-2.04%		
Bond Issuance Costs	0	0	0	0	0.00%		
2015 Excise Bond-Trustee Fees	300	0	250	300	20.00%		
Investment Expense	1,370	1,165	1,380	1,400	1.45%		
Total Debt Service	190,201	188,840	189,305	189,515	0.11%		

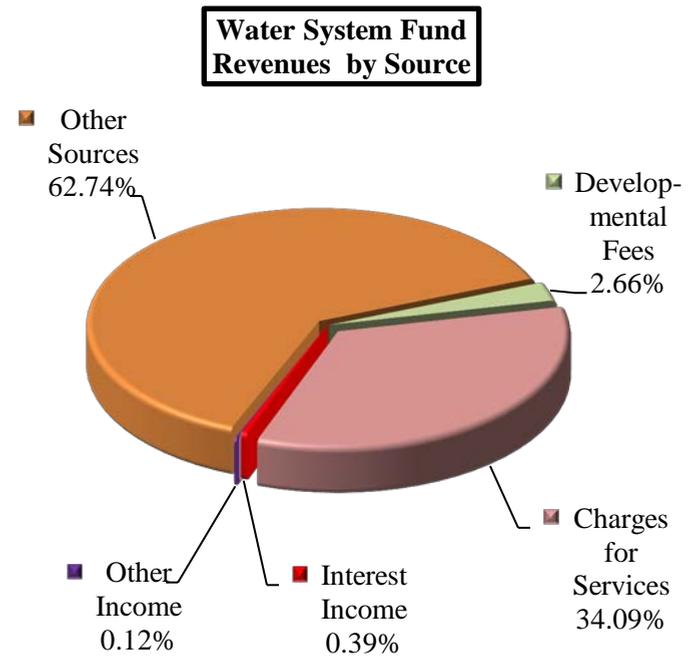
Water System Facility Fund Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services and	Capital Outlay	Debt Service	Reserves	Total
Subtotals	\$1,566,825	\$399,350	\$556,170	\$860,700	\$3,315,000	\$1,808,345	\$13,695,285	\$22,201,675
Totals	\$1,566,825	\$399,350	\$556,170	\$860,700	\$3,315,000	\$1,808,345	\$13,695,285	\$22,201,675



Water System Fund Fund Summary	
Revenues	\$8,272,890
Expenses	(\$8,506,390)
Revenues over/(under) Expenses	(\$233,500)
Other Funding Sources/Uses	233,500
(Use)/Source of Retained Earnings	\$0

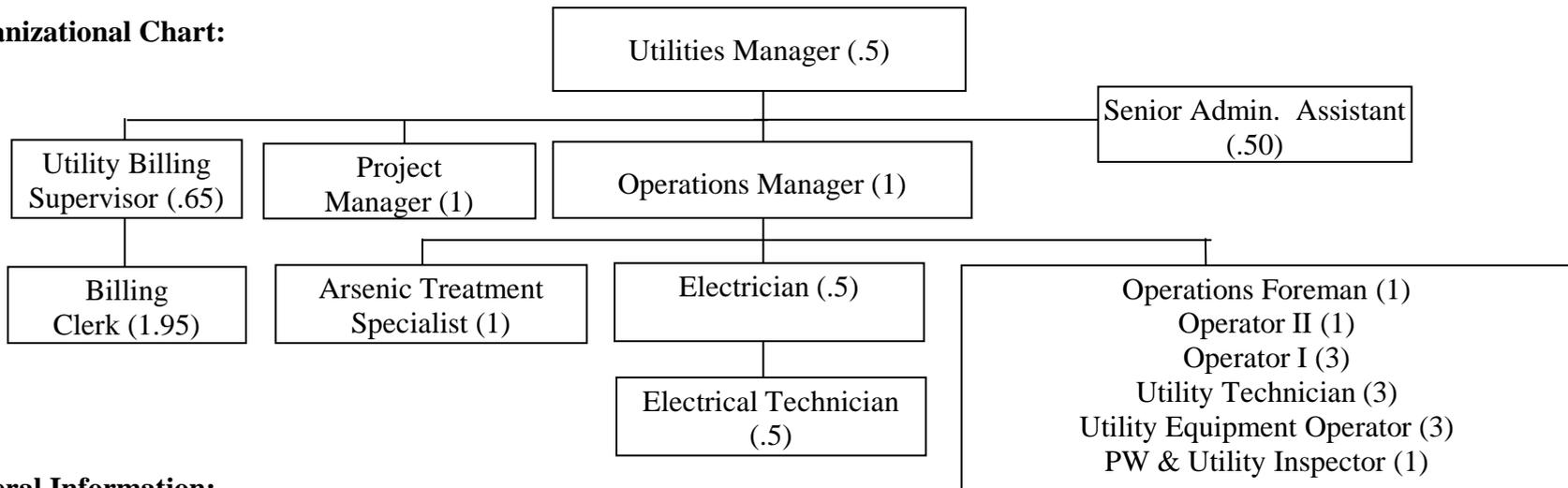
Water System Fund Revenues by Source	
Developmental Fees	\$589,600
Charges for Services	7,569,000
Interest Income	88,350
Proceeds from Bonds	-
Other Income	25,940
Other Financing Sources	13,928,785
Total Resources Available	\$22,201,675



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

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	7,022,609	7,562,000	7,426,730	7,569,000	1.92%
Reserves	586,229	585,700	588,600	589,600	0.17%
Uses of Monies & Properties					
Interest Income	395,980	27,950	91,565	88,350	-3.51%
Miscellaneous Revenue					
Other Income	9,356	22,580	38,840	25,940	-33.21%
Total Revenue Sources	8,014,175	8,198,230	8,145,735	8,272,890	1.56%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	10,318,570	12,851,500	13,928,785	8.38%
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	10,318,570	12,851,500	13,928,785	8.38%
Total Available Resources	8,014,175	18,516,800	20,997,235	22,201,675	5.74%
Expenses:					
Personnel	1,358,010	1,405,770	1,402,475	1,566,825	11.72%
Operating Supplies	361,414	339,350	316,300	399,350	26.26%
Contractual Services	473,587	633,690	548,990	556,170	1.31%
Other Services and Charges	383,923	2,139,615	761,315	860,700	13.05%
Depreciation	1,202,970	0	0	0	0.00%
Capital Outlay	190,058	4,395,000	1,756,375	3,315,000	88.74%
Debt Service	491,272	1,857,985	1,858,285	1,808,345	-2.69%
Total Expenses	4,461,233	10,771,410	6,643,740	8,506,390	28.04%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	206,429	7,745,390	14,353,495	13,695,285	-4.59%
Other Finances Uses	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	206,429	7,745,390	14,353,495	13,695,285	-4.59%
Total Expenses and Other Uses	4,667,662	18,516,800	20,997,235	22,201,675	5.74%
Net Income / (Loss)	\$3,346,513	\$0	\$0	\$0	

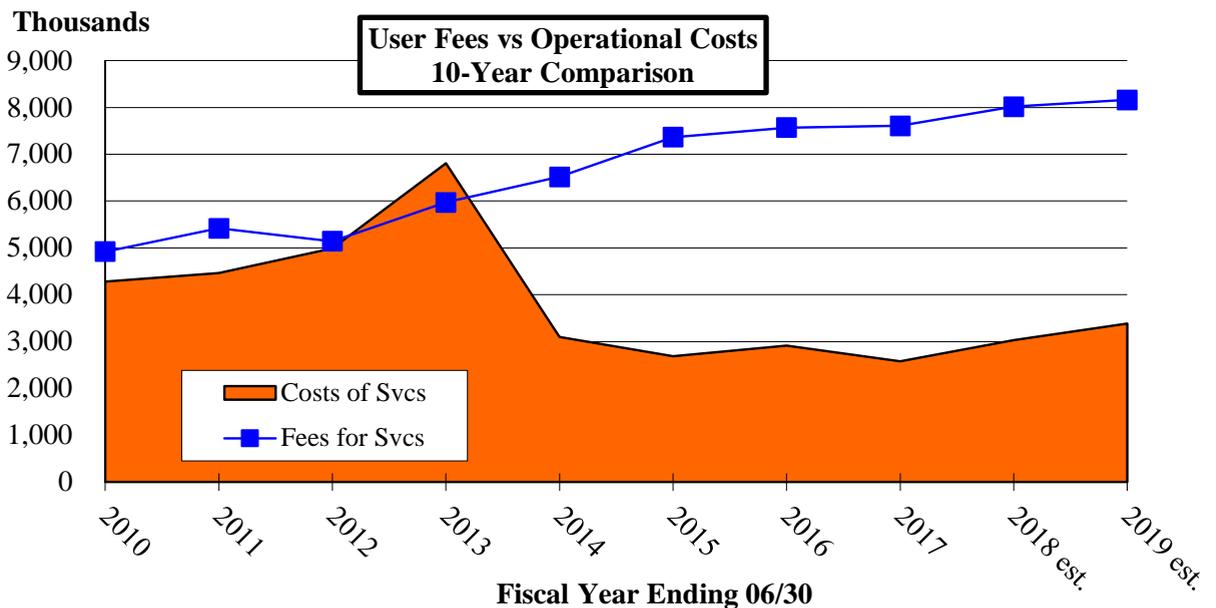
Organizational Chart:



General Information:

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

	Costs of Svcs	Fees for Svcs
2010	4,279,726	4,920,251
2011	4,462,193	5,417,637
2012	4,989,135	5,141,046
2013	6,806,885	5,972,270
2014	3,097,043	6,516,660
2015	2,685,508	7,364,008
2016	2,912,104	7,568,612
2017	2,576,933	7,608,838
2018 est.	3,029,080	8,015,330
2019 est.	3,383,045	8,158,600



FY 2018 Accomplishments:

- * Completed the installation of a new waterline on Mingus Avenue from the stretch of Willard Street to Main Street
- * Completed the engineering (design) phase for the equipment and water storage of the well site near Hwy 260 (behind D & K Service Cycle and ATV)
- * Concluded the procurement process for and the construction of the injection well at the Cottonwood Kids Park

FY 2019 Goals:

- * The water main at North Willard Street will be replaced, pending the successful acquisition of easements
- * Complete the bidding process for the acquisition of two generators to be installed at the Lower 5 Booster Pumps (supplies the Verde Valley Medical Center) and the Verde Santa Fe well site to maintain water pressure and ensure a continued water supply during electrical outages
- * Begin the engineering and design phase of arsenic treatment backwash recycling projects proposed for installation at three well sites (sites 4/7, 5, and 8/9 respectively). This is to enable the recycling of large quantities of backwash water, i.e. water that has been pumped backwards through water filters and cleansed of impurities, currently being drained into the city's sewer system

Budget Highlights:

For FY 2019, merit pay percentages have been decreased by 1% to a 4% maximum, with an annual minimum eligibility of 2%. In order for the City to remain competitive in the marketplace, the salary range structure has been adjusted with 2.3% for Cost of Living. A Project Manager is scheduled to be hired. The equipment and projects for which Capital has been programmed can be found on page XXX.

Health and Sanitation	Water System Facility	Fund 50 – Enterprise Fund	Cost Center	7XXX
Performance Indicators				
Strategic Directive:	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 better water quality and reduce service disruptions			
Type of Measure:	Water quality measures			
Tool:	System monitoring, service reports, and operator feedback,			
Frequency:	Daily, weekly, monthly and annual reports			
Scoring:	Numerical reduction in system leaks			
Trend:	Varies depending upon system requirements			
Measures:		Actual	Estimated	Anticipated
		2016	2017	2018
System leaks repaired		120	141	120
Water main replaced (linear feet)		8,200	7,900	7,500
				8,000
Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Ensure regulatory arsenic compliance (ADEQ/EPA)			
Objective:	Conduct arsenic mitigation activities			
Type of Measure:	Constant testing, treatment, and documenting at all affected sites			
Tool:	Regulatory notification; operator logs; improved documentation			
Frequency:	Daily, weekly, monthly and annual reports			
Scoring:	ADEQ/EPA compliance based on number of sites per quarter			
Trend:	Constant improvement			
Measures:		Actual	Estimated	Anticipated
		2016	2017	2018
Number of (in-house) arsenic tests performed		1,290	1,310	1,350
Arsenic regeneration procedures performed		950	975	975
Number of (external) contract laboratory tests performed/Number of compli		98 / 97	105 / 104	112 / 111
Percentage ADEQ/EPA compliance		99%	99%	99%
				99%
Strategic Directive:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Provide education on and encourage understanding of reclaimed water and water conservation			
Objective:	Conduct educational tours at the Mingus Wastewater Treatment Plant and Riverfront Water Reclamation Facility, and participate in public events			
Type of Measure:	Number of tours and events			
Tool:	Tours of the premises, PowerPoint presentations and educational booklets			
Frequency:	Varies			
Scoring:	Conduct a minimum of 15 tours and participate in a minimum of three (3) suitable public events			
Trend:		Actual	Estimated	Anticipated
Measures:		2016	2017	2018
Number of tours given		15	16	17
Number of events attended		4	5	5
				6

Supplemental Data: Capital Outlay				
Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Water System Upgrades & Reservoir / Water Line – Hwy 260	\$16,763	\$2,185,000	\$97,000	\$2,128,000
MS Surface Pro & Accessories (2015) / Printer (2017)	7,077			
Asphalt Paver Machine/Parking Lot Upgrade/Misc. Equipment				
Mesquite Hills & Line Replacements and Extensions	81,558	400,000	178,300	250,000
Water Storage Reservoir Inspection and Cleaning	22,306			
W Mingus Reconstruction & System Upgrade	(541)	600,000	973,680	
Water Storage/Well Booster		75,000	95,000	
Well-site Generators & Dump Truck		185,000	249,995	
Well Improvements, Booster & Construction – General Plan	34,231	275,000	107,400	222,000
Fire Hydrants Improvements & Quail Canyon Reservoir & Water Line Riverfront to Kids Park	28,664	225,000	5,000	340,000
Arsenic Mitigation Equip & Trailer, Generator & Trailer		450,000	50,000	375,000
	\$190,058	\$4,395,000	\$1,756,375	\$3,315,000

Health and Sanitation	Water System Facility	Fund 50 – Enterprise Fund		Cost Center	7XXX
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$1,358,010	\$1,405,770	\$1,402,475	\$1,566,825	11.72%
Operating Supplies	361,414	339,350	316,300	399,350	26.26%
Contractual Services	473,587	633,690	548,990	556,170	1.31%
Other Services and Charges	383,923	2,139,615	761,315	860,700	13.05%
Depreciation (net)	1,202,970	0	0	0	0.00%
Capital Outlay	190,058	4,395,000	1,756,375	3,315,000	88.74%
Reserves	206,429	7,745,390	14,353,495	13,695,285	-4.59%
Transfers Out – Debt Service	0	0	0	0	0.00%
Debt Service	491,272	1,857,985	1,858,285	1,808,345	-2.69%
Department Totals	\$4,667,662	\$18,516,800	\$20,997,235	\$22,201,675	5.74%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Development Reserves	\$589,600	2.66%
Charges for Services	7,569,000	34.09%
Miscellaneous Revenue	114,290	0.51%
Fund Balance	13,928,785	62.74%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTEs			Salary Range		2019
	2017	2018	2019	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,715	8,421	\$43,910
Project Manager	0.00	0.00	1.00	4,701	6,928	56,415
Operations Supervisor	1.00	1.00	1.00	4,936	7,274	74,885
Operations Foreman	1.00	1.00	1.00	3,341	4,924	63,675
PW & Utility Inspector	1.00	1.00	1.00	3,341	4,924	49,815
Utility Equipment Operator	3.00	3.00	3.00	3,031	4,466	122,575
Operator II	2.00	1.00	1.00	3,031	4,466	52,305
*Operator I	2.00	3.00	3.00	2,749	4,051	118,895
Utility Technician	3.00	3.00	3.00	2,493	3,674	99,440
Arsenic Treatment Specialist	1.00	1.00	1.00	3,508	5,170	55,375
Terrorism Liaison Officer	0.00	0.00	0.00	3,684	5,428	0
Senior Administrative Assistant	0.50	0.50	0.50	3,031	4,466	26,195
Electrician	0.50	0.50	0.50	3,684	5,428	23,765
Electrical Technician	0.50	0.50	0.50	2,886	4,253	19,440
Utility Billing Supervisor	0.65	0.65	0.65	3,868	5,700	32,380
Utility Billing Clerk	1.95	1.95	1.95	2,493	3,674	61,410
<i>*These positions rotate as required certifications have been earned</i>						
COLA						0
Merit Contingency						16,680
Longevity						0
Overtime						122,690
Holiday Pay						4,200
Car & Clothing Allowance						5,500
Retirement						123,200
Insurance & Taxes						394,075
Employee Related Expenses						0
Totals	18.60	18.60	19.60			\$1,566,825

Health and Sanitation	Water System Facility	Fund 50 – Enterprise Fund		Cost Center	7XXX
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Supplies					
Office Supplies	6,172	6,000	6,200	6,000	-3.23%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	24,741	35,000	25,500	32,000	25.49%
Vehicle Maintenance & Repairs	27,264	17,000	10,000	16,500	65.00%
Equipment Maintenance & Repairs	196,432	175,000	174,450	235,000	34.71%
Chemicals	20,273	40,000	35,000	40,000	14.29%
Operational Supplies	46,426	26,000	26,000	26,000	0.00%
Postage & Freight	30,069	32,750	32,850	36,250	10.35%
Small Tools	5,112	3,600	2,500	3,600	44.00%
Building Maintenance & Repairs	4,924	4,000	3,800	4,000	5.26%
Total Supplies	361,414	339,350	316,300	399,350	26.26%
Contractual Services					
Computer Support	7,634	8,300	4,600	5,000	8.70%
Contractual Services - M&O	152,503	163,000	110,000	123,250	12.05%
Employee Physicals	309	1,000	500	500	0.00%
Custodial Contract	0	0	7,000	7,000	0.00%
General Counsel	0	0	0	0	0.00%
Indirect Cost to General Fund	282,743	450,000	415,500	415,500	0.00%
Lease Financing Principal	9,245	0	0	0	0.00%
Lease Purchase Payments	21,154	11,390	11,390	4,920	-56.80%
Total Contractual Services	473,587	633,690	548,990	556,170	1.31%
Other Services and Charges					
Travel & Training	4,440	7,060	3,250	7,100	118.46%
Subscriptions & Memberships	2,527	2,500	2,500	2,500	0.00%
Verde River Days	0	1,000	1,000	1,000	0.00%
Printing & Forms	2,393	3,000	0	0	0.00%
Utilities	416,158	524,500	484,900	525,300	8.33%
Telephone	15,436	16,750	15,200	15,500	1.97%
Legal Advertising	122	0	500	500	0.00%
Lab/Testing	4,610	28,000	12,000	33,000	175.00%
Equipment Rental	0	1,000	1,850	1,000	-45.95%
Liability Insurance	65,395	88,400	57,675	67,300	16.69%
ADEQ Annual Fee	25,257	26,000	26,000	26,000	0.00%
Arsenic Systems Maintenance	76,795	150,000	65,000	100,000	53.85%
Aide in Lieu of Construction	83,030	100,000	40,000	30,000	-25.00%
Auction Fees	244	0	500	500	0.00%
Payment Assistance Program	0	12,000	12,000	12,000	0.00%
Public Relations	0	0	0	0	0.00%
Bank Charges	32,576	33,000	33,000	33,000	0.00%
Bad Debt	(68,389)	0	0	0	0.00%
Investment Expense	7,083	5,075	5,940	6,000	1.01%
Trustee Fees-2015 Excise Bond	0	0	0	0	0.00%
Bond Issuance Costs	(343,740)	0	0	0	0.00%
Other Financing Uses	0	1,141,330	0	0	0.00%
ASRS Pension Expense	59,986	0	0	0	0.00%
Total Other Services & Charges	383,923	2,139,615	761,315	860,700	13.05%

Health and Sanitation Water System Facility		Fund 50 - Enterprise Fund		Cost Center	8XXX
Supplemental Data: Expenditures					
Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Debt Service					
Interest - 2004 MPC Bond	\$0	\$0	\$0	\$0	0.00%
Principal - 2004 MPC Bond	0	0	0	0	0.00%
Trustee Fees - 2004 MPC Bond	0	0	0	0	0.00%
Principal - 2006 MPC Bond	0	0	0	0	0.00%
Trustee Fees - 2006 MPC Bond	1,250	0	0	0	0.00%
Issuance Costs	0	0	0	0	0.00%
Principal - 2015 WIFA Bond	0	636,805	636,805	650,815	2.20%
Interest - 2015 WIFA Bond	183,894	170,190	170,190	156,175	-8.23%
Trustee Fees - 2015 WIFA Bond	1,000	1,000	1,000	1,000	0.00%
Issuance Costs	0	0	0	0	0.00%
Principal - 2016 WIFA Bond	(11,925)	695,870	695,870	707,730	1.70%
Interest - 2016 WIFA Bond	278,793	277,920	277,920	216,065	-22.26%
Trustee Fees - 2016 WIFA Bond	0	1,000	1,000	1,000	0.00%
Issuance Costs	0	0	0	0	0.00%
Trustee Fees - 2015 Excise Bond	300	0	300	300	0.00%
Principal - 2015 Excise Bond	(0)	37,990	37,990	38,810	2.16%
Interest - 2015 Excise Bond	37,960	37,210	37,210	36,450	-2.04%
Total Debt Service	491,272	1,857,985	1,858,285	1,808,345	-2.69%

Water Infrastructure Finance Authority
2015 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2019					91,643	
July 1, 2019	650,812	2,539,199	7,680,328	2.200%	91,643	834,097
January 1, 2020					84,484	
July 1, 2020	665,130	3,204,328	7,015,198	2.200%	84,484	834,097
January 1, 2021					77,167	
July 1, 2021	679,763	3,884,091	6,335,435	2.200%	77,167	834,097
January 1, 2022					69,690	
July 1, 2022	694,718	4,578,809	5,640,718	2.200%	69,690	834,097
January 1, 2023					62,048	
July 1, 2023	710,001	5,288,810	4,930,716	2.200%	62,048	834,097
January 1, 2024					54,238	
July 1, 2024	725,621	6,014,431	4,205,095	2.200%	54,238	834,097
January 1, 2025					46,256	
July 1, 2025	741,585	6,756,016	3,463,510	2.200%	46,256	834,097
January 1, 2026					38,099	
July 1, 2026	757,900	7,513,916	2,705,610	2.200%	38,099	834,097
January 1, 2027					29,762	
July 1, 2027	774,574	8,288,490	1,931,037	2.200%	29,762	834,097
January 1, 2028					21,241	
July 1, 2028	791,614	9,080,104	1,139,422	2.200%	21,241	834,097
January 1, 2029					12,534	
July 1, 2029	809,030	9,889,134	330,392	2.200%	12,534	834,097
January 1, 2030					3,634	
July 1, 2030	826,828	10,715,963	-496,436	2.200%	3,634	834,097
Totals	\$8,827,576				\$1,181,589	\$10,009,165

*The balance of the loan is based on funds drawn to date.

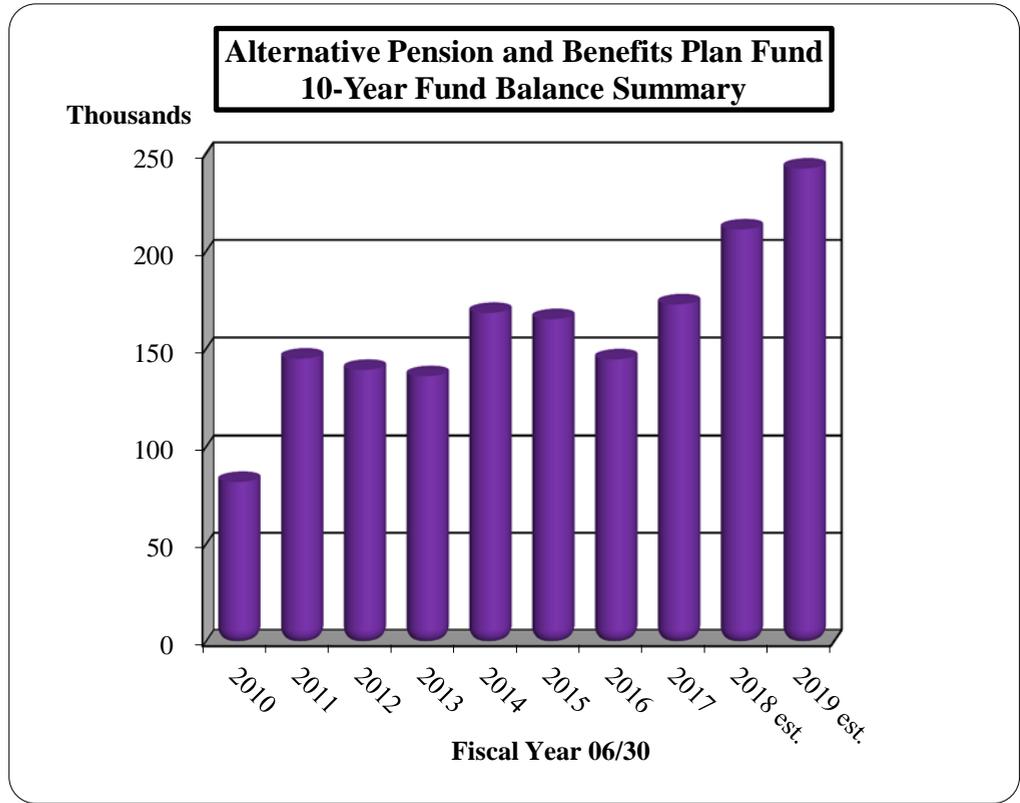
Water Infrastructure Finance Authority
2016 Loan

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2019					117,746	
July 1, 2019	707,727	2,087,806	13,112,194	1.704%	117,746	943,218
January 1, 2020					111,716	
July 1, 2020	719,786	2,807,592	12,392,408	1.704%	111,716	943,218
January 1, 2021					105,583	
July 1, 2021	732,051	3,539,644	11,660,356	1.704%	105,583	943,218
January 1, 2022					99,346	
July 1, 2022	744,526	4,284,169	10,915,831	1.704%	99,346	943,218
January 1, 2023					93,003	
July 1, 2023	757,212	5,041,382	10,158,618	1.704%	93,003	943,218
January 1, 2024					86,551	
July 1, 2024	770,115	5,811,497	9,388,503	1.704%	86,551	943,218
January 1, 2025					79,990	
July 1, 2025	783,238	6,594,735	8,605,265	1.704%	79,990	943,218
January 1, 2026					73,317	
July 1, 2026	796,584	7,391,319	7,808,681	1.704%	73,317	943,218
January 1, 2027					66,530	
July 1, 2027	810,158	8,201,478	6,998,522	1.704%	66,530	943,218
January 1, 2028					59,627	
July 1, 2028	823,963	9,025,441	6,174,559	1.704%	59,627	943,218
January 1, 2029					52,607	
July 1, 2029	838,004	9,863,444	5,336,556	1.704%	52,607	943,218
January 1, 2030					45,467	
July 1, 2030	852,283	10,715,728	4,484,272	1.704%	45,467	943,218
January 1, 2031					38,206	
July 1, 2031	866,806	11,582,534	3,617,466	1.704%	38,206	943,218
January 1, 2032					30,821	
July 1, 2032	881,576	12,464,110	2,735,890	1.704%	30,821	943,218
January 1, 2033					23,310	
July 1, 2033	896,599	13,360,709	1,839,291	1.704%	23,310	943,218
January 1, 2034					15,671	
July 1, 2034	911,877	14,272,585	927,415	1.704%	15,671	943,218
January 1, 2035					7,902	
July 1, 2035	927,415	15,200,000	0	1.704%	7,902	943,218
Totals	<u>\$13,819,921</u>				<u>\$2,214,787</u>	<u>\$16,034,708</u>

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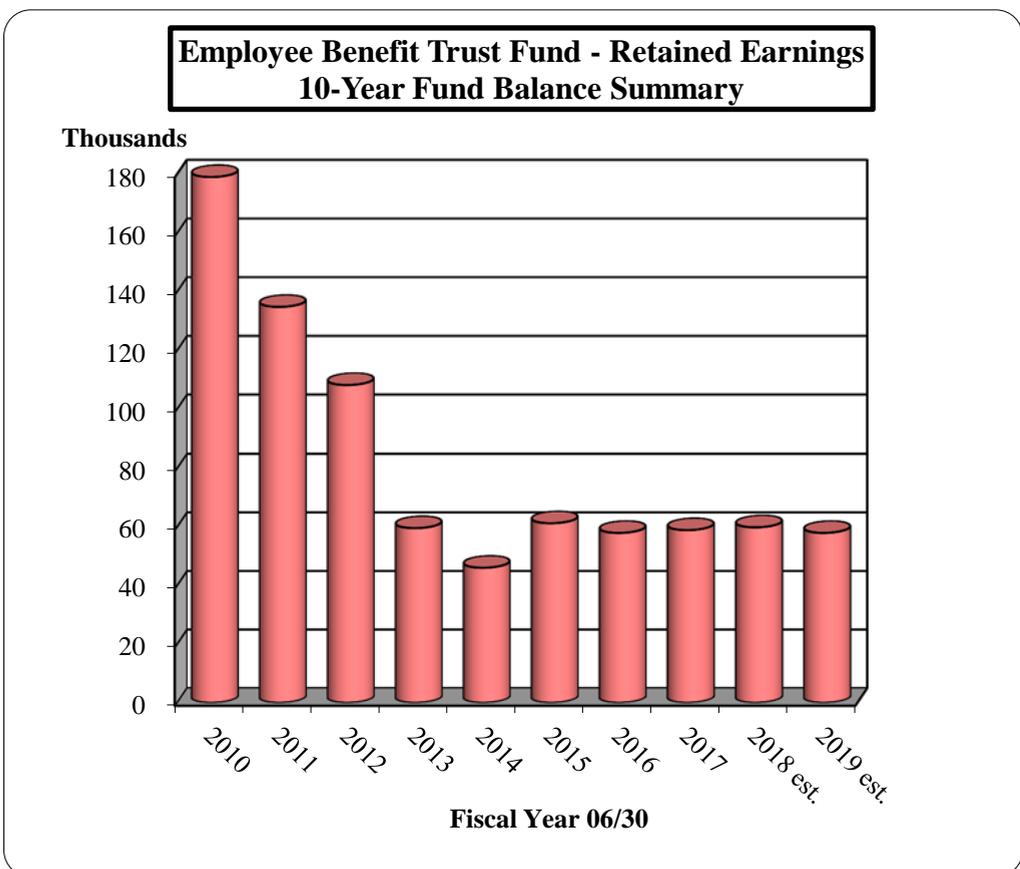
These funds are used to account for assets held in trust by a government in a trustee capacity or agency capacity for others and which therefore cannot be used to support the government's own programs.

<u>Fund/Account Number</u>	<u>Description</u>
<u>70</u>	Alternative Pension and Benefits Plan Fund
<u>60</u>	Employee Benefit Trust Fund



Fiscal Year 06/30	Fund Balance
2010	82,973
2011	145,970
2012	140,245
2013	136,970
2014	169,420
2015	166,230
2016	145,600
2017	173,800
2018 est.	212,220
2019 est.	243,420

The following represents a ten-year illustration of retained earnings for this fund. The fund balance is providing short term disability for all employees.



Fiscal Year 06/30	Fund Balance
2010	179,117
2011	134,830
2012	108,191
2013	59,580
2014	46,060
2015	61,250
2016	57,950
2017	58,900
2018 est.	59,850
2019 est.	57,950

Consolidated Statement of Revenues/Expenditures

Item Description	2017	2018		2019
	Actual	Budget	Revised	Final
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	43,743	25,000	40,000	40,000
Miscellaneous Revenues	111	700	100	100
Total Revenue Sources	43,854	25,700	40,100	40,100
Other Financing Sources:				
Transfers In	0	0	0	0
Carryover	0	222,400	242,770	272,070
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	222,400	242,770	272,070
Total Available Resources	43,854	248,100	282,870	312,170
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	5,111	5,600	5,600	5,600
Other Services and Charges	4,725	9,800	5,200	5,200
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	9,836	15,400	10,800	10,800
Other Uses:				
Transfers Out	0	0	0	0
Reserves	0	232,700	272,070	301,370
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	232,700	272,070	301,370
Total Expenditures and Other Uses	9,836	248,100	282,870	312,170
Net Income / (Loss)	\$34,018	\$0	\$0	\$0

Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
City Contribution / Fire Ins Premium	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	43,743	25,000	40,000	40,000	-37.50%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	43,743	25,000	40,000	40,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	162,200	181,020	212,220	17.24%
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	162,200	181,020	212,220	17.24%
Total Available Resources	43,743	187,200	221,020	252,220	14.12%
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	4,725	9,800	5,200	5,200	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	8,325	13,400	8,800	8,800	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	173,800	212,220	243,420	14.70%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	173,800	212,220	243,420	14.70%
Total Expenditures and Other Uses	8,325	187,200	221,020	252,220	14.12%
Net Income / (Loss)	\$35,418	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

Alternative Pension and Benefits Plan Fund accounts for the defined contribution pension plan which is administrated by the City and a board of trustees for the City's volunteer firefighters.

Revenues are received from the state's Fire Insurance Premium Tax, contributions from the City and members, and interest on investments.

FY 2018 Accomplishments:

- * Maintained the financial health of the pool

FY 2019 Goals:

- * Continue to search for ways to improve plan
- * Maintain the financial stability of the pool

Budget Highlights:

No significant changes to this fund are planned.

Fiduciary Fund	Alternative Pension and Benefits Plan		Fund 70	Cost Center	70-XXXX
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	3,600	3,600	3,600	0.00%
Other Services and Charges	4,725	9,800	5,200	5,200	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	173,800	212,220	243,420	14.70%
Debt Service	0	0	0	0	0.00%
Department Totals	\$8,325	\$187,200	\$221,020	\$252,220	14.12%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Contributions	\$167,370	66.36%
Interest Income	25,000	9.91%
Other Income	0	0.00%
Fund Balance	59,850	23.73%
Total Funding		100.00%

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

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Employee Benefit Trust Fund Revenues/Expenditures

Item Description	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Revenue Sources:					
Uses of Monies & Properties					
Interest Income	\$449	\$500	\$500	\$500	0.00%
Miscellaneous Revenues					
Other Income	(338)	200	(400)	(400)	0.00%
Total Revenue Sources	111	700	100	100	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	60,200	61,750	59,850	-3.08%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	60,200	61,750	59,850	-3.08%
Total Available Resources	111	60,900	61,850	59,950	-3.07%
Expenses:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,511	2,000	2,000	2,000	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenses	1,511	2,000	2,000	2,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Reserves	0	58,900	59,850	57,950	-3.17%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	58,900	59,850	57,950	-3.17%
Total Expenses and Other Uses	1,511	60,900	61,850	59,950	-3.07%
Net Income / (Loss)	(\$1,400)	\$0	\$0	\$0	0.00%

Organizational Chart:

None

General Information:

The Employee Benefit Trust Fund accounted for the City's partially self-funded health and medical insurance for many years. The trust no longer provides the services. Currently, the City is a member of Kairos.

FY 2018 Accomplishments:

N/A

FY 2019 Goals:

N/A

Budget Highlights:

The City used this fund to cover short term disabilities. In FY 2014, the trust was eliminated. The balance of this fund will be used for a future employee benefit.

Internal Services	Employee Benefit Trust Fund	Fund 60	Cost Center	60-XXXX	
Summary by Category					
Expenditure Category	2017	2018		2019	Percent Change
	Actual	Budget	Revised	Final	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,511	2,000	2,000	2,000	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	58,900	59,850	57,950	-3.17%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$1,511</u>	<u>\$60,900</u>	<u>\$61,850</u>	<u>\$59,950</u>	<u>-3.07%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Interest Income	\$500	0.83%
Miscellaneous Revenues	(400)	-0.67%
Retained Earnings	59,850	99.83%
Total Funding		<u>100.00%</u>

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

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Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
Admin	Enterprise Fleet Lease Payments	\$12,400	\$12,400
	City Hall	5,500,000	0
	Subtotal	5,512,400	12,400
Information Technology	Replacement Servers/Storage Array	\$37,000	\$0
	Additional Spillman Modules	26,545	0
	Security Door Card Reader	5,000	0
	Network Switches	7,200	0
	Computers–City-wide	28,000	0
	Webcam Old Town	6,875	0
	Subtotal	\$110,620	\$0
Engineering	Stormwater Program	\$35,000	\$0
	Silver Spring Wash Retaining Wall	60,000	0
	Riverfront/Old Town Connection Trail–Carryover	18,000	18,000
	Subtotal	\$113,000	\$18,000
Public Works	Misc. Drainage Projects	\$49,000	\$49,000
	Feasibility Study–Drainage Issues	64,000	0
	5th Street Trail	18,000	0
	Alley Drainage & Pavement –Old Town	33,500	0
	Dispose of Brush	20,000	0
	Clean up Debris Piles	60,000	0
	Mingus Mountain to Dead Horse Trail	13,200	0
	Subtotal	\$257,700	\$49,000
Municipal Court	Metal Detector and Part-time Security	\$16,495	\$0
	Exterior Barrier–Boulders and Bollards	5,705	0
	Subtotal	\$22,200	\$0
Economic Development	Flooring–Business Assistance Center	\$7,000	\$0
	Copier–Business Assistance Center	9,000	0
	Subtotal	\$16,000	\$0

Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
Fire & Medical	EMS Equipment Replacements	\$9,000	\$0
	Physical Fitness Equipment	15,000	0
	Large Diameter Hose Replacement	21,600	21,600
	EKG Monitor/Defibrillators	90,000	0
	Aerial Ladder Truck (Quint)	1,300,000	0
	Subtotal	\$1,435,600	\$21,600
Police	Key Management System	\$8,500	\$0
	Tasers	4,200	0
	Pepper ball Launcher and Equipment	2,500	0
	Simmunition Training Guns and Conversion Kits	4,500	0
	Dragoneye Compact Lidar	6,000	0
	Prisoner Compartment (2) Tahoe's	6,000	0
	Replace Body Worn Camera Equipment	23,000	0
	2018 Harley Davidson Police Motorcycle (Grant)	35,000	35,000
	Design Property and Evidence Building	485,000	0
	Enterprise Fleet Lease Payments	379,800	379,800
	Subtotal	\$954,500	\$414,800
Ordinance Enforcement	Enterprise Fleet Lease Payments	\$30,465	\$30,465
	Subtotal	\$30,465	\$30,465
Recreation Center	Re-Surface Indoor Aquatic Center Outer Deck Ring	\$14,790	\$0
	Re-Surface Outdoor Aquatic Center Inner Deck Ring	15,600	0
	Replace Draper Fold up Gym Divider	13,500	0
	Tennis Center Asphalt Court Restoration	36,000	0
	Trails Design/Studies	50,000	0
	Enterprise Fleet Lease Payments	4,010	4,010
Subtotal	\$133,900	\$4,010	
Parks & Recreation	Civic Center–Window and Stage Curtains	\$22,500	\$0
	Enterprise Fleet Lease & Maintenance	11,650	11,650
	Youth Center Enterprise Fleet Lease Payments	13,565	13,565
	Subtotal	\$47,715	\$25,215
Building Maintenance	City-wide Roofing Program	\$20,000	\$0
	City-wide HVAC Maintenance Program	8,000	0
	City Parking Lot Lighting–LEDs	25,500	0
	Metal Building for Storage	30,000	0
	Subtotal	\$83,500	\$0
Total General Fund–Capital Outlay		\$8,717,600	\$575,490

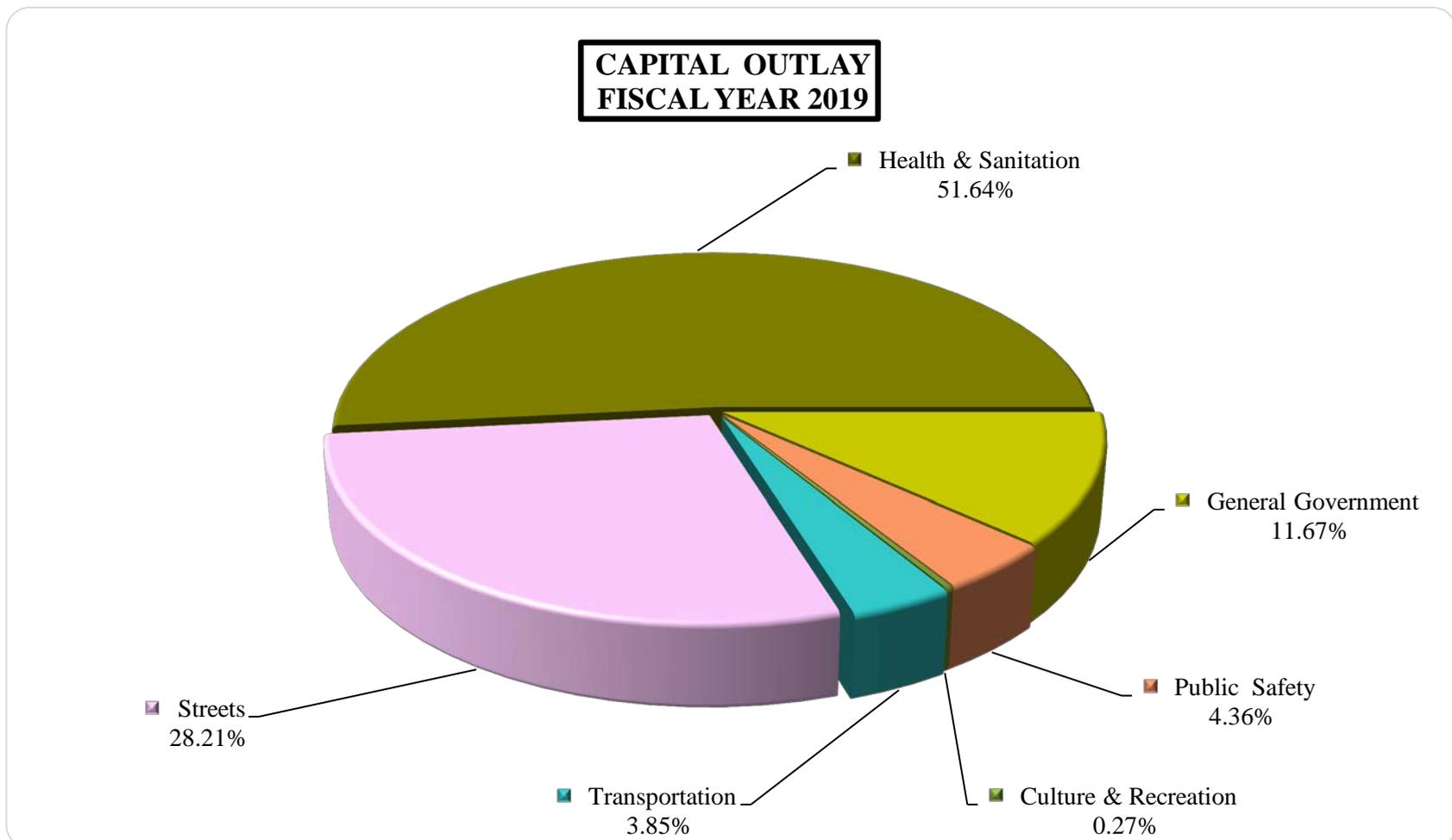
Capital Outlay

Special Revenue Funds			
Department	Equipment & Project Description	Requested	Budgeted
Streets – Construction	6 th Street Mingus Ave to Aspen Street (Grant)	\$120,000	\$120,000
	Reconstruction Mingus Ave from 10 th St. to Main St.	2,100,000	2,100,000
	Sidewalk Improvements	80,000	80,000
	Main Street Road Diet	160,000	160,000
	Spectrum Hillside Sight Distance Improvements	80,000	0
	Pavement Preservation (Carryover)	400,000	400,000
	Subtotal		\$2,940,000
Streets – Operations	RRFB at Main Street Crosswalks	\$33,000	\$0
	Spare Controller For Traffic Signal	12,000	0
	Wet Crossing Beacons	27,600	0
	Backhoe	85,000	0
	Crack Seal Machine/Material	60,000	0
	Minor Street Improvements	161,010	161,010
	Subtotal		\$378,610
Transit	Bus Replacement <30Ft	\$135,000	\$135,000
	Bus Shelters	50,000	0
	Subtotal		\$185,000
Other Grants	Flood Mitigation Project–FEMA	\$2,717,195	\$0
	Mingus Avenue Stormwater Diversion	200,000	200,000
	City-wide Master Drainage Plan	120,000	120,000
	Railroad Wash Flood Plain Study	143,000	143,000
	Miscellaneous Grants	500,000	450,000
	Verde River Recreation & Trails Master Plan	160,000	157,000
	Civic Center Upgrades	100,000	100,000
Subtotal		\$3,940,195	\$1,170,000
Airport	Hangar B–Heater	\$6,500	\$0
	Disposing Non-Aeronautical Land	14,300	0
	Public Works Agreement for Airport Property	8,400	0
	Crack Seal Taxiway	7,100	0
	Airport Sweeper	4,500	0
	Security Cameras	6,500	0
	New Front Gate Controller and Card Reader	20,000	0
	Airport Master Plan	125,000	125,000
	Airport Security Fence Replacement	152,000	152,000
	Airport Fixed Base Operator (FBO)–Reimbursement of Insurance Cost	25,000	0
	Subtotal		\$369,300
Total Special Revenue Funds–Capital Outlay		\$7,813,105	\$4,603,010

Capital Outlay

Capital Projects Fund			
Department	Equipment & Project Description	Requested	Budgeted
Enterprise Funds			
Sewer Construction	Parshall Flume Replacement	\$110,000	\$110,000
	Aeration Blowers	500,000	500,000
	Clarifier Repair–Pending Inspection Result	110,000	110,000
	WWTP Centrifuge	110,000	110,000
	Reclaimed. H2O Line Riverfront to Kids Park	350,000	350,000
	Lift Station Odor Control System	45,000	45,000
	Ongoing Vehicle Replacement	50,000	0
	Generator Replacement	100,000	100,000
	Reclaim Water Vault Screening & Pump	55,000	55,000
	Crane Truck Replacement	80,000	80,000
	Lift Station Expansion Rehabilitation	345,000	345,000
	Mingus Plant Roof Repair	60,000	60,000
	Subtotal	\$1,915,000	\$1,865,000
Water Construction	Vehicle Replacement Program	\$65,000	\$0
	Quail Canyon Reservoir	300,000	300,000
	Water Line to Kids Park - Water Resource Dev. Res.		350,000
	Arsenic Media Replacement	300,000	300,000
	Arsenic Mitigation	75,000	75,000
	Fire Hydrant Improvements	40,000	40,000
	Line Replacements and Extensions	250,000	250,000
	Well Booster	80,000	80,000
	Well Improvements	142,000	142,000
	Water System Upgrades	138,000	138,000
	Hwy 260–Water Line	1,990,000	1,990,000
	Subtotal	\$3,380,000	\$3,665,000
Total Enterprise Funds–Capital Outlay		\$5,295,000	\$5,530,000
Grand Total – All Capital Equipment & Projects		\$21,825,705	\$10,708,500

	Capital	
	Equipment	Project
Administration	\$12,400	\$0
Economic Development	0	0
Information Technology	0	0
Municipal Court	0	0
Engineering	18,000	0
Police	414,800	0
Fire & Medical	21,600	0
Ordinance Enforcement	30,465	0
Recreation Center	4,010	0
Parks & Recreation	25,215	0
Building Maintenance	0	0
Public Works	49,000	0
Streets–Construction	0	2,860,000
Streets–Operations	161,010	0
Transit	135,000	0
Library	0	0
CDBG Grant	0	0
Airport Grants	0	277,000
Other Grants	0	1,170,000
Capital Projects Fund	0	0
Sewer Construction	0	1,865,000
Sewer Operations & Maintenance	0	0
Water Construction	0	3,665,000
Water Admin	0	0
Water Operations & Maintenance	0	0
Total Capital Equipment & Projects	\$871,500	\$9,837,000



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Salary Ranges

New Hire Range

Salary Range	1st Quartile	2nd Quartile	Mid Point	4th Quartile	Maximum
1	\$14,400	\$17,099	\$19,800	\$22,499	\$25,198
2	\$15,120	\$17,955	\$20,790	\$23,624	\$26,458
3	\$15,876	\$18,852	\$21,828	\$24,805	\$27,781
4	\$16,670	\$19,796	\$22,920	\$26,046	\$29,171
5	\$17,503	\$20,785	\$24,066	\$27,348	\$30,629
6	\$18,379	\$21,824	\$25,270	\$28,715	\$32,161
7	\$19,297	\$22,915	\$26,533	\$30,150	\$33,768
8	\$20,262	\$24,061	\$27,860	\$31,658	\$35,457
9	\$21,276	\$25,263	\$29,253	\$33,241	\$37,230
10	\$22,339	\$27,138	\$31,422	\$35,706	\$39,991
11	\$23,456	\$28,494	\$32,993	\$37,492	\$41,991
12	\$24,630	\$29,920	\$34,643	\$39,366	\$44,089
13	\$25,861	\$31,415	\$36,375	\$41,334	\$46,294
14	\$27,153	\$32,985	\$38,193	\$43,401	\$48,608
15	\$28,511	\$34,635	\$40,103	\$45,571	\$51,040
16	\$29,936	\$36,366	\$42,108	\$47,849	\$53,591
17	\$31,433	\$38,185	\$44,214	\$50,243	\$56,271
18	\$33,004	\$40,094	\$46,424	\$52,754	\$59,084
19	\$34,655	\$42,098	\$48,745	\$55,391	\$62,038
20	\$36,388	\$44,204	\$51,183	\$58,162	\$65,141
21	\$38,208	\$46,414	\$53,742	\$61,069	\$68,397
22	\$40,119	\$48,734	\$56,429	\$64,123	\$71,817
23	\$42,123	\$51,171	\$59,250	\$67,329	\$75,409
24	\$44,230	\$53,730	\$62,212	\$70,695	\$79,178
25	\$46,441	\$56,417	\$65,323	\$74,230	\$83,137
26	\$48,764	\$59,237	\$68,590	\$77,942	\$87,294
27	\$51,202	\$62,199	\$72,019	\$81,839	\$91,658
28	\$53,762	\$65,309	\$75,620	\$85,931	\$96,241
29	\$56,450	\$68,575	\$79,401	\$90,227	\$101,054
30	\$59,273	\$72,003	\$83,371	\$94,739	\$106,107
31	\$62,237	\$75,604	\$87,540	\$99,476	\$111,412
32	\$65,348	\$79,385	\$91,941	\$104,486	\$117,031
33	\$68,615	\$83,352	\$96,512	\$109,671	\$122,830
34	\$72,046	\$87,520	\$101,338	\$115,156	\$128,973
35	\$75,649	\$91,897	\$106,405	\$120,914	\$135,422
36	\$79,431	\$96,491	\$111,726	\$126,959	\$142,193
37	\$83,403	\$101,639	\$117,312	\$133,307	\$149,302
38	\$87,572	\$106,382	\$123,177	\$139,973	\$156,768
39	\$91,951	\$111,700	\$129,336	\$146,971	\$164,606
40	\$96,548	\$117,286	\$135,802	\$154,319	\$172,836
41	\$101,377	\$123,149	\$142,593	\$162,036	\$181,478
42	\$106,445	\$129,308	\$149,722	\$170,137	\$190,551
43	\$111,767	\$135,773	\$157,208	\$178,644	\$200,079
44	\$117,355	\$142,562	\$165,068	\$187,575	\$210,082
45	\$123,222	\$149,691	\$173,322	\$196,955	\$220,587
46	\$129,384	\$157,175	\$181,988	\$206,802	\$231,616
47	\$135,854	\$165,032	\$191,088	\$217,143	\$243,198
48	\$142,646	\$173,285	\$200,642	\$228,000	\$255,357
49	\$149,778	\$181,948	\$210,674	\$239,400	\$268,125
50	\$157,268	\$191,046	\$221,208	\$251,370	\$281,531

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Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTEs			Salary Range		Range Number
	FY 2017	FY 2018	FY 2019	Min	Max	
Administration Department						
City Manager (CM)	1.00	1.00	1.00	11,880	17,507	44
Deputy City Manager	0.00	1.00	1.00	10,262	15,123	41
Administrative Svcs General Manager	1.00	0.00	0.00	8,470	12,442	37
Community Services General Manager	1.00	1.00	1.00	8,470	12,442	37
Developmental Services General Manager	0.00	0.00	0.00	8,470	12,442	37
Assistant to CM	1.00	1.00	1.00	3,868	5,700	21
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	13
Total	5.00	5.00	5.00			
City Clerk's Office						
City Clerk	1.00	1.00	1.00	Contract		
Deputy Clerk	1.00	1.00	1.00	3,341	4,924	18
Total	2.00	2.00	2.00			
Human Resources Department						
Human Resources Manager	1.00	1.00	1.00	6,000	8,842	30
Safety Training Specialist	0.00	0.00	0.00	4,936	7,274	26
Human Resources Specialist II	0.00	1.00	1.00	3,868	5,700	21
Human Resources Specialist	1.00	0.00	0.00	2,749	4,051	14
Administrative Assistant	0.50	0.50	0.50	2,618	3,858	13
Total	2.50	2.50	2.50			
Natural Resources						
Water Resources Administrator	1.00	1.00	1.00	8,470	12,442	37
Total	1.00	1.00	1.00			
Finance Department						
Accounting/Budget Manager	1.00	1.00	1.00	6,000	8,842	30
Budget Analyst	1.00	1.00	1.00	3,868	5,700	21
Administrative Assistant	0.50	0.50	0.50	2,618	3,858	13
Total	2.50	2.50	2.50			
IT Services						
IT Manager	1.00	1.00	1.00	6,946	10,236	33
IT Systems Administrator	1.00	1.00	1.00	4,264	6,284	23
Radio & Telecom Technician	1.00	1.00	1.00	4,264	6,284	23
GIS Technician II	1.00	1.00	1.00	3,868	5,700	21
IT Technician II	1.00	1.00	1.00	3,868	5,700	21
IT Technician I	1.00	1.00	2.00	3,508	5,170	19
Total	6.00	6.00	7.00			
Purchasing Division						
Purchasing/Contract Administrator	0.00	1.00	1.00	6,000	8,842	30
Purchasing Agent	1.00	0.00	0.00	4,061	5,985	22
Total	1.00	1.00	1.00			
Community Development						
Community Development Manager	1.00	1.00	1.00	6,000	8,842	30
Planner	2.00	2.00	2.00	4,264	6,284	23
Building Official	0.00	0.00	1.00	4,264	6,284	23
Asst. Planner/Code Enforcement Ofc.	1.00	1.00	1.00	3,684	5,428	20
Building Inspector	1.00	1.00	1.00	3,341	4,924	18
Planning Technician	1.00	1.00	1.00	3,031	4,466	16
Senior Administrative Assistant	0.00	0.00	0.00	3,031	4,466	16
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	13
Total	7.00	7.00	8.00			

Fiscal Year 2019 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTEs			Salary Range		Range Number
	FY 2017	FY 2018	FY 2019	Min	Max	
Economic Development						
Economic Development Manager	1.00	1.00	1.00	6,300	9,284	31
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	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	4,478	6,598	24
Court Clerk II	0.00	1.00	1.00	2,886	4,253	15
Court Clerk I	3.00	2.00	2.00	2,618	3,858	13
Total	5.00	5.00	5.00			
Legal Department						
City Attorney	1.00	1.00	1.00	Contract		41
Total	1.00	1.00	1.00			
Engineering Services Department						
City Engineer	1.00	1.00	1.00	5,442	8,020	28
Public Works Manager	0.00	0.00	0.00	5,183	7,638	27
PW Project Manager	1.00	1.00	1.00	3,868	5,700	21
Drafter/Designer	0.00	0.00	0.00	3,508	5,170	19
Public Works & Utility Inspector	1.00	1.00	1.00	3,341	4,924	18
Total	3.00	3.00	3.00			
Public Works						
Developmental Svcs Manager	1.00	1.00	1.00	6,000	8,842	30
Public Works (PW) Manager	0.00	1.00	1.00	5,183	7,638	27
PW Project Manager	1.00	0.00	0.00	4,701	6,928	25
Public Works & Utility Mtce Spec	1.00	1.00	1.00	3,031	4,466	16
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	13
Total	4.00	4.00	4.00			
Police Department						
Police Chief	1.00	1.00	1.00	8,470	12,442	37
Commander	2.00	2.00	2.00	6,946	10,236	33
Sergeant	7.00	7.00	7.00	5,183	7,638	27
PANT Officer/Sergeant	2.00	2.00	2.00	5,183	7,638	27
Police Officer	20.00	18.00	21.00	4,061	5,985	22
School Resource Officer (SRO)	1.00	1.00	1.00	4,061	5,985	22
Terrorism Liaison Officer	1.00	1.00	0.00	4,061	5,985	22
Communications System Coordinator	0.50	0.50	0.00	3,182	4,689	17
Property & Evidence Specialist	1.00	1.00	1.00	3,031	4,466	16
Senior Administrative Assistant	1.00	1.00	1.00	3,031	4,466	16
Victim Assistant <i>Grant Funded</i>	1.00	1.00	1.00	3,031	4,466	16
Records Clerk	2.00	2.00	2.00	2,618	3,858	13
Total	39.50	37.50	39.00			
Ordinance Enforcement Division						
Ordinance Enforcement Officer	2.00	2.00	2.00	3,031	4,466	16
Total	2.00	2.00	2.00			

Fiscal Year 2019 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTEs			Salary Range		Range Number
	FY 2017	FY 2018	FY 2019	Min	Max	
Communications Division						
Communications Manager	1.00	1.00	1.00	4,701	6,928	25
Communications Supervisor	3.00	3.00	3.00	3,684	5,428	20
Communications Systems Coordinator	0.50	0.50	0.00	3,182	4,689	17
Communications Specialist	18.00	17.00	17.00	2,886	4,253	15
Total	22.50	21.50	21.00			
Fire & Medical Services Department						
Fire Chief	1.00	1.00	1.00	7,658	11,285	35
Fire Marshal	1.00	1.00	1.00	6,000	8,842	30
Fire Captain/Battalion Chief	3.00	3.00	3.00	5,715	8,421	29
Fire Lieutenant	3.00	3.00	3.00	4,936	7,274	26
Fire Engineer	6.00	6.00	6.00	4,061	5,985	22
Fire Inspector	1.00	1.00	1.00	4,061	5,985	22
Firefighter	12.00	12.00	12.00	3,684	5,428	20
Senior Administrative Assistant	1.00	1.00	1.00	3,031	4,466	16
Total	28.00	28.00	28.00			
Parks and Recreation						
Aquatics Center Supervisor	0.60	0.60	0.60	4,264	6,284	23
Recreation Center Program Supervisor	0.20	0.20	0.00	4,264	6,284	23
Recreation Coordinator III	0.00	0.00	0.00	3,508	5,170	19
Recreation Coordinator II	0.90	0.90	0.90	3,031	4,466	16
Youth Programs Coordinator	0.50	0.50	1.00	3,031	4,466	16
Administrative Assistant	0.70	0.70	0.70	2,618	3,858	13
Front Desk Supervisor	0.60	0.60	0.60	2,618	3,858	13
Head Lifeguard	0.40	0.20	0.00	2,374	3,499	11
Facility Maintenance Technician	0.00	0.00	0.00	2,374	3,499	11
Total	3.90	3.70	3.80			
Community Recreation Center						
Aquatics Center Supervisor	0.40	0.40	0.40	4,264	6,284	23
Recreation Center Program Supervisor	0.80	0.80	0.00	4,264	6,284	23
Recreation Coordinator III	0.00	0.00	1.00	3,508	5,170	19
Recreation Coordinator II	0.10	0.10	0.10	3,031	4,466	16
Facility Maintenance Tech III	1.00	1.00	1.00	3,182	4,689	17
Fitness Center Coordinator	1.00	1.00	1.00	3,031	4,466	16
Youth Programs Coordinator	0.50	0.50	0.00	3,031	4,466	16
Administrative Assistant	0.30	0.30	0.30	3,182	4,689	17
Front Desk Supervisor	1.40	1.40	1.40	2,618	3,858	13
Aquatics Coordinator	0.00	0.00	1.00	2,374	3,499	11
Head Life Guard	1.60	0.80	0.00	2,374	3,499	11
Facility Maintenance Tech	1.00	2.00	2.00	2,374	3,499	11
Total	8.10	8.30	8.20			
Parks & Building Maintenance Department						
Public Works Superintendent	0.00	0.00	0.00	4,478	6,598	24
PW Operations Foreman	0.50	0.50	0.50	3,684	5,428	20
Facilities Maintenance Technician III	0.00	0.00	0.00	2,374	3,499	11
PW Maintenance Technician I	5.00	5.00	5.00	2,262	3,333	10
Total	5.50	5.50	5.50			
Streets Maintenance						
Public Works Superintendent	0.00	0.00	0.00	4,478	6,598	24
PW Operations Foreman	0.50	0.50	0.50	3,684	5,428	20
PW Maintenance Technician II	4.00	4.00	4.00	2,618	3,858	13
Total	4.50	4.50	4.50			

Fiscal Year 2019 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTEs			Salary Range		Range Number
	FY 2017	FY 2018	FY 2019	Min	Max	
CAT/LYNX						
Transportation Manager	1.00	1.00	1.00	5,183	7,638	27
Field Supervisor	2.00	2.00	2.00	3,031	4,466	16
Driver / Dispatcher	1.00	1.00	1.00	2,618	3,858	13
Administrative Assistant	1.00	1.00	1.00	2,618	3,858	13
Drivers	12.00	9.00	9.00	2,493	3,674	12
Total	17.00	14.00	14.00			
Cottonwood Public Library						
Library Manager	1.00	1.00	1.00	5,183	7,638	27
Library Supervisor	1.00	1.00	1.00	3,684	5,428	20
Library Youth Svs Coordinator	0.00	1.00	1.00	3,182	4,689	17
Library Public Service & Outreach Coord	1.00	1.00	1.00	3,182	4,689	17
Library Technical Assistant I	1.00	1.00	1.00	2,749	4,051	14
Library Specialist	5.00	4.00	4.00	2,374	3,499	11
Total	9.00	9.00	9.00			
Wastewater Facility						
Utilities Manager	0.50	0.50	0.50	5,715	8,421	29
Utility Ops Manager	0.00	0.00	0.00	4,936	7,274	26
WWTP Superintendent	0.00	0.00	0.00	4,061	5,985	22
Regul. Compl. Safety & Educ. Adminr.	1.00	1.00	1.00	4,061	5,985	22
WW Foreman	1.00	1.00	1.00	3,684	5,428	20
WW Operator III	0.00	0.00	0.00	3,341	4,924	18
WW Operator II	2.00	2.00	2.00	3,031	4,466	16
WW Operator I	2.00	2.00	2.00	2,749	4,051	14
WW Operator Trainee	1.00	1.00	1.00	2,493	3,674	12
Senior Administrative Assistant	0.50	0.50	0.50	3,031	4,466	16
Electrician	0.50	0.50	0.50	3,684	5,428	20
Electrical Technician	0.50	0.50	0.50	2,886	4,253	15
Utility Billing Supervisor	0.35	0.35	0.35	3,868	5,700	21
Utility Billing Clerk	1.05	1.05	1.05	2,493	3,674	12
Total	10.40	10.40	10.40			
Water System Facility						
Utilities Manager	0.50	0.50	0.50	5,715	8,421	29
Project Manager	0.00	0.00	1.00	4,701	6,928	25
Operations Supervisor	1.00	1.00	1.00	4,936	7,274	26
Operations Foreman	1.00	1.00	1.00	3,341	4,924	18
PW & Utility Inspector	1.00	1.00	1.00	3,341	4,924	18
Utility Equipment Operator	3.00	3.00	3.00	3,031	4,466	16
Operator II	2.00	1.00	1.00	3,031	4,466	16
Operator I	2.00	3.00	3.00	2,749	4,051	14
Utility Technician	3.00	3.00	3.00	2,493	3,674	12
Arsenic Treatment Specialist	1.00	1.00	1.00	3,508	5,170	19
Terrorism Liaison Officer	0.00	0.00	0.00	3,684	5,428	20
Senior Administrative Assistant	0.50	0.50	0.50	3,031	4,466	16
Electrician	0.50	0.50	0.50	3,684	5,428	20
Electrical Technician	0.50	0.50	0.50	2,886	4,253	15
Utility Billing Supervisor	0.65	0.65	0.65	3,868	5,700	21
Utility Billing Clerk	1.95	1.95	1.95	2,493	3,674	12
Total	18.60	18.60	19.60			
Total City-wide Authorized Full-Time Equivalents	211.00	205.00	209.00			

Resolution

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CITY OF COTTONWOOD - Final
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2019

Fiscal Year	Description	FUNDS								Total All Funds
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Judiciary Funds		
2018	Adopted/Adjusted Budgeted Expenditures/Expenses*	20,179,540	10,171,705	2,634,230	5,844,840	282,870	26,309,295	0	65,009,295	
2018	Actual Expenditures/Expenses**	20,179,540	10,171,705	2,634,230	5,844,840	282,870	26,309,295	0	65,009,295	
2019	Fund Balance/Net Position at July 1***	4,449,850	2,430,175	987,985	3,057,165	272,070	13,928,785		25,835,730	
2019	Primary Property Tax Levy	0	0						0	
2019	Secondary Property Tax Levy								0	
2019	Estimated Revenues Other than Property Taxes	21,840,905	2,146,880	1,645,620	1,500	40,100	10,987,870	0	36,432,075	
2019	Other Financing Sources	0	0	0	0	0	0	0	0	
2019	Other Financing (Uses)	0	0	0	0	0	0	0	0	
2019	Interfund Transfers In	0	1,634,715	0	0	0	1,879,910	0	3,513,225	
2019	Interfund Transfers (Out)	(1,634,715)	0	0	(1,879,910)	0	0	0	(3,513,225)	
2019	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									
2019	Total Financial Resources Available	27,234,370	6,211,770	2,633,605	5,437,175	312,170	24,765,985	0	69,084,255	
2019	Budgeted Expenditures/Expenses	25,581,420	8,899,945	2,633,605	3,701,895	312,170	26,765,985	0	67,893,970	

EXPENDITURE LIMITATION COMPARISON

	2018	2019
1. Budgeted expenditures/expenses	\$ 65,009,295	\$ 67,893,970
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	\$ 65,009,295	\$ 67,893,970
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 65,009,295	\$ 67,893,970
6. EEC expenditure limitation	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

- * Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.
- ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
- *** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**CITY OF COTTONWOOD - Final
Revenues Other Than Property Taxes
Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 12,209,140	\$ 11,643,450	\$ 12,265,240
Bed Tax	213,000	240,000	240,000
Utility Tax	240,000	234,200	240,000
Franchises	383,950	376,300	391,920
Licenses and permits			
Business Licenses	87,350	89,000	89,000
Construction Permits	215,000	231,000	235,000
Planning & Zoning Fees	25,000	18,960	22,000
Intergovernmental			
Federal Revenue	175,500	91,665	164,860
State Revenue	2,476,255	2,607,715	2,654,620
County (Including Motor Vehicle Tax)	768,770	807,600	835,355
Other Entities	257,800		
Charges for services			
Dispatch & Spillman Services	794,130	794,130	833,840
Recreation Fees	952,200	1,042,520	1,112,000
Animal Control Fees	4,500	3,000	3,200
Other Services			
Fines and forfeits			
Municipal Court	197,480	169,570	180,750
Interest on investments			
Interest Income	17,000	25,530	25,000
In-lieu property taxes			
Contributions			
Voluntary contributions	5,500	5,400	5,500
Miscellaneous			
Miscellaneous Income	302,500	810,365	440,100
Lease Proceeds			
Rentals	25,100	17,700	22,400
Other Financing Sources			1,879,320
Total General Fund	\$ 19,350,175	\$ 19,208,105	\$ 21,640,105

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

**CITY OF COTTONWOOD - Final
Revenues Other Than Property Taxes
Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Fuel Tax	\$ 976,380	\$ 997,643	\$ 1,005,475
Additional Sales Tax	600,820	635,820	646,110
Federal Grants			
State Grants			
Other Income	2,000	8,900	120,000
Total Street Maintenance & Construction	\$ 1,579,200	\$ 1,642,363	\$ 1,771,585
COTTONWOOD AREA TRANSIT SYSTEM			
Intergovernmental			
State Grant	\$ 1,037,840	1,114,480	1,044,510
Other Entities	165,230	175,580	196,350
	\$ 1,203,070	1,290,060	1,240,860
Charges for services			
Fare Box	\$ 187,500	190,000	191,500
Miscellaneous			
Other Income	\$ 14,900	14,900	14,900
Total Cottonwood Area Transit System	\$ 1,405,470	\$ 1,494,960	\$ 1,447,260
LIBRARY FUND			
Intergovernmental			
County Library	\$ 204,100	159,325	157,760
Charges for services			
Collection Income	\$ 18,000	18,000	18,000
Interest on Investment			
Interest Income	\$ 20	45	45
Miscellaneous			
Other Income (including grants)	\$ 21,105	16,700	-
Total Library Fund	\$ 243,225	\$ 194,070	\$ 175,805
CEMETERY			
Charges for services			
Sale of Grave Liners	\$ 400	300	300
Uses of monies & properties			
Other Income	500	400	400
Total Cemetery	\$ 900	\$ 700	\$ 700
AIRPORT			
Intergovernmental			
Federal Grants	2,094,380	1,415,845	252,235
Charges for services			
Fuel Sales & Oil Sales	\$ 260,020	300,055	
Uses of monies & properties			
Rental & Leases	\$ 96,900	113,790	116,700
Other Income	103,560	99,650	12,525
Total Airport Authority	\$ 2,554,860	\$ 1,929,340	\$ 381,460
OTHER GRANTS			
Intergovernmental Revenues	\$ 2,474,000	643,310	944,610
Total Other Grants Fund	\$ 2,474,000	\$ 643,310	\$ 944,610
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			
COMMUNITY DEVELOPMENT BLOCK GRANTS			
Intergovernmental			
Federal Grants	\$ 267,300	259,590	-
Other Entities		5,210	-
Total Community Development Block Grants	\$ 267,300		
Total Special Revenue Funds	\$ 8,524,955	\$ 1,917,115	\$ 2,146,880

**CITY OF COTTONWOOD - Final
Revenues Other Than Property Taxes
Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
Fiduciary Funds			
EXPENDABLE TRUST FUNDS			
Health & Benefits Trust Fund	\$ 25,000	\$ 40,000	\$ 40,000
Alternative Pension Fund	700	100	100
Total Expendable Trust Funds	\$ 25,700	\$ 40,100	\$ 40,100
DEBT SERVICE FUNDS			
Local Taxes			
City Sales Tax	\$ 1,644,415	\$ 1,644,415	\$ 1,645,220
Charges for services			
Water User Fees - Debt Service	\$ -	\$ -	\$ -
Interest			
Interest Income	\$ 290	\$ 450	\$ 400
Total Debt Service Funds	\$ 1,644,705	\$ 1,644,865	\$ 1,645,620
CAPITAL PROJECTS FUNDS			
Intergovernmental			
Federal Grants	\$ -	\$ -	\$ -
State Grants	-	-	-
County Revenue	220,000		
City Sales Tax			
Miscellaneous			
Other Income	\$ -	\$ -	\$ -
Interest Income	35,000	-	1,500
Total Capital Projects Funds	\$ 255,000	\$ -	\$ 1,500
ENTERPRISE FUNDS			
WASTEWATER			
City Sales Tax	\$ -	\$ -	\$ -
User Fees	2,206,620	2,363,185	2,374,600
Interest Income	2,200	7,000	7,000
Other Financing Sources	1,141,330	-	-
Other Income	1,853,600	303,380	303,380
Total Wastewater Enterprise	\$ 5,203,750	\$ 2,673,565	\$ 2,684,980
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			
WATER			
City Sales Tax	\$ -	\$ -	\$ -
User Fees	7,562,000	7,426,730	7,569,000
Interest Income	27,950	91,565	88,350
Clarkdale Reimbursements			
Other Income	608,280	627,440	615,540
Total Water Enterprise	\$ 8,198,230	\$ 8,145,735	\$ 8,272,890
Total Enterprise Funds	\$ 13,401,980	\$ 10,819,300	\$ 10,957,870
TOTAL ALL FUNDS	\$ 43,202,515	\$ 33,629,485	\$ 36,432,075
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			

**CITY OF COTTONWOOD - Final
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2019**

FUND	OTHER FINANCING 2019		INTERFUND TRANSFERS 2019	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Operating Transfer Out - HURF	\$	\$	\$	\$ (207,520)
Operating Transfer Out - Transit				(492,480)
Operating Transfer Out - Library				(878,855)
Operating Transfer Out - Cemetery				(55,350)
Operating Transfers Out - Airport				(510)
Operating Transfer Out - Grants				
Total General Fund	\$	\$	\$	\$ (1,634,715)
SPECIAL REVENUE FUNDS				
Transfer Out Airport - Airport Improvements	\$	\$	\$	\$
Transfer in Airport Improvements - Airport Fund				
Operating Transfer In for Library - General Fund			878,855	
Operating Transfer in for Cemetery - General Fund			55,350	
Operating Transfer in for Airport - General Fund			510	
Operating Transfer in for Transit-General Fund			492,480	
Operating Transfer in for HURF - General Fund			207,520	
Total Special Revenue Funds	\$	\$	\$ 1,634,715	\$
DEBT SERVICE FUNDS				
	\$	\$	\$	\$
Total Debt Service Funds	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS				
Transfer out - Sewer Fund	\$	\$	\$	\$ (1,878,510)
Total Capital Projects Funds	\$	\$	\$	\$ (1,878,510)
PERMANENT FUNDS				
	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Transfer in - Capital Projects	\$	\$	\$ 1,878,510	\$
Total Enterprise Funds	\$	\$	\$ 1,878,510	\$
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 3,513,225	\$ (3,513,225)

**CITY OF COTTONWOOD - Final
Expenditures/Expenses by Department
Fiscal Year 2019**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Highway User Revenue Fund				
HURF	\$ 4,610,380	\$ (406,030)	\$ 4,204,350	\$ 4,409,280
General Fund				
Department Total	\$ 4,610,380	\$ (406,030)	\$ 4,204,350	\$ 4,409,280
Cottonwood Area Transit - CAT/LYNX				
Transit	\$ 1,405,470	\$ 573,670	\$ 1,979,140	\$ 1,939,740
General Fund				
Department Total	\$ 1,405,470	\$ 573,670	\$ 1,979,140	\$ 1,939,740
Library				
Library Fund	\$ 1,068,515	\$ 3,695	\$ 1,072,210	\$ 1,054,660
General Fund				
Department Total	\$ 1,068,515	\$ 3,695	\$ 1,072,210	\$ 1,054,660
Cemetery				
Cemetery Fund	\$ 63,110	\$ (14,440)	\$ 48,670	\$ 56,050
General Fund				
Department Total	\$ 63,110	\$ (14,440)	\$ 48,670	\$ 56,050
Municipal Airport				
Airport Fund	\$ 411,440	\$ 48,565	\$ 460,005	\$ 118,400
General Fund				
Department Total	\$ 411,440	\$ 48,565	\$ 460,005	\$ 118,400
Debt Service				
Debt Services Fund	\$ 16,649,125	\$ 188,775	\$ 2,634,250	\$ 2,633,605
General Fund				
Department Total	\$ 16,649,125	\$ 188,775	\$ 2,634,250	\$ 2,633,605
Grants Fund				
Grants Fund	\$ 4,909,000	\$ (3,098,250)	\$ 1,810,750	\$ 1,321,810
Airport Improvement Fund				
HURF				
Department Total	\$ 4,909,000	\$ (3,098,250)	\$ 1,810,750	\$ 1,321,810
Capital Improvements Fund				
Capital Improvements Fund	\$ 2,800,390	\$ 3,044,250	\$ 5,844,640	\$ 3,701,665
HURF				
Department Total	\$ 2,800,390	\$ 3,044,250	\$ 5,844,640	\$ 3,701,665
Wastewater Enterprise Fund				
Wastewater Enterprise Fund	\$ 7,150,915	\$ (1,751,860)	\$ 5,399,055	\$ 4,563,490
Department Total	\$ 7,150,915	\$ (1,751,860)	\$ 5,399,055	\$ 4,563,490
Water Enterprise Fund				

**CITY OF COTTONWOOD - Final
Full-Time Employees and Personnel Compensation
Fiscal Year 2019**

FUND	Full-Time Equivalent (FTE) 2019	Employee Salaries and Hourly Costs 2019	Retirement Costs 2019	Healthcare Costs 2019	Other Benefit Costs 2019	Total Estimated Personnel Compensation 2019
GENERAL FUND	149	\$ 10,153,735	\$ 2,346,865	\$ 1,825,475	\$ 1,168,610	\$ 15,494,685
SPECIAL REVENUE FUNDS						
Highway User Revenue Fund-HURF	5	\$ 185,442	\$ 21,760	\$ 58,050	\$ 40,608	\$ 305,860
Cottonwood Area Transit-CAT / LYNX	14	\$ 646,085	\$ 70,990	\$ 162,030	\$ 110,425	\$ 989,530
Library	9	\$ 402,740	\$ 47,525	\$ 107,600	\$ 38,945	\$ 596,810
Total Special Revenue Funds	28	\$ 1,234,267	\$ 140,275	\$ 327,680	\$ 189,978	\$ 1,892,200
DEBT SERVICE FUNDS						
		\$	\$	\$	\$	\$
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
		\$	\$	\$	\$	\$
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Wastewater Treatment	12	\$ 523,675	\$ 112,385	\$ 63,180	\$ 76,570	\$ 775,810
Water System Operations	20	\$ 993,140	\$ 123,200	\$ 230,940	\$ 219,550	\$ 1,566,860
Total Enterprise Funds	32	\$ 1,516,815	\$ 235,585	\$ 294,120	\$ 296,120	\$ 2,342,640
INTERNAL SERVICE FUND						
		\$	\$	\$	\$	\$
Total Internal Service Fund		\$	\$	\$	\$	\$
TOTAL ALL FUNDS	209	\$ 12,904,817	\$ 2,722,725	\$ 2,447,275	\$ 1,654,708	\$ 19,729,525

A

Action Zone Grant

A program within the CDBG program funding neighborhood improvements as identified by a steering committee made up of selected community representatives. This program is administrated by the Arizona Department of Commerce.

Alternative Expenditure Limitation

A voter approved alternative to the state imposed annual expenditure limitation. The alternative to the state limitation is effective for a four year period. It allows local government to establish its own spending cap each year.

Appropriation

A legal authorization granted by City Council to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and duration as to when it may be expended.

Arizona Department of Transportation (ADOT)

A State of Arizona agency responsible for the administration of state highways, transportation and aeronautics. ADOT administrates and funds various road, transit and airport grants.

Arizona Revised Statutes

Laws governing the State of Arizona as amended by the state legislature.

B

Base Budget

Cost of continuing the existing levels of service in the current budget year.

Bonds

A written instrument to pay a sum of money at a specified interest rate, on a specific date or dates in the future, called maturity dates. The interest payments and the repayment of the principal are detailed in a bond resolution or ordinance. Two common types of bonds are general obligation and revenue bonds, which are most commonly used for construction of large capital projects such as buildings, streets and sewers.

Budget

A plan of financial operation representing an estimate of Final expenditures and the Final means of financing them for a given period. This official public document reflects decisions, measures service needs, and establishes the allocation of resources. It is the pecuniary plan for achieving goals and objectives.

Budget Calendar

The schedule of key dates or events which the city follows in the preparation, adoption, and administration of the budget.

C

Capital Outlay

Expenditures resulting in the acquisition of or addition to the government's general fixed assets. These assets generally have a useful life of more than one year.

Capital Projects Fund

A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and fiduciary funds).

Classification Plan

Employee positions which are authorized in the Final budget to be filled during the year.

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. This index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services

Professional, technical or maintenance expertise, typically purchased from external sources.

Cost-of-Living Adjustment (COLA)

An increase in salaries to offset the adverse effect of inflation on compensation.

Cottonwood Area Transit (CAT)

The local public transportation system which receives its funding through contributions from the Town of Clarkdale, Yavapai County, user fares, and the ADOT transit division.

D

Debt

An obligation resulting from borrowing money or from the purchase of goods and services. Types of governmental debts include bonds, loans, time warrants and notes.

Debt Service

The long-term payment of principal and interest on borrowed funds.

Debt Service Fund

A fund organized to account for the accumulation of resources for and the payment of general long-term debt principal and interest.

Deficit

The excess of an entity's liabilities over its assets, or the excess of expenditures or expenses over revenues during a single accounting period.

Department

The basic organizational unit of government which is functionally unique in its delivery of services.

Department of Commerce

An agency of the state responsible for the administration of grants and other programs relating to neighborhood improvements, business development, and the promotion of tourism.

Designated Reserves

Those portions of fund balance that are not appropriable for expenditure or that are legally segregated for a specific future use.

Drug Awareness Resistance Education (DARE)

A national program designed to provide drug and alcohol education to youth.

E

Employee Benefit Trust Fund

This fund accounts for the City's partially self-funded health and accident insurance program for the City's employees and their dependents.

Enterprise Fund

A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The governing body's intention is to finance or recover operation costs through user fees.

Expendable Trust Fund

A trust fund whose resources, including both principal and earnings, may be expended.

Expenditure

Decreases in net financial resources in accordance with budgeted appropriations. Expenditures include operating expenses such as the acquisition of assets or goods and services.

F

Farmers Home Administration (FHA)

An agency of the federal government within the Department of Agriculture which provides low interest loans to governmental and/or private agencies or individuals for qualifying capital improvements.

Federal Aviation Administration (FAA)

An agency of the federal government with oversight responsibility for airports in the country.

Fiduciary Funds

Funds used to account for assets held by a government unit in a trustee capacity (i.e., Alternative Pension and Benefits Plan Fund and Employee Benefit Trust Fund).

Fines & Forfeitures

Income received through the assessments of fines and penalties through the Municipal Court.

Fiscal Year

A time period designated by the City signifying the beginning and ending date for recording financial transactions. The City of Cottonwood has a fiscal year beginning July 1 and ending June 30.

Franchise Fee

A fee paid by a public service business for the special privilege to use city streets, alleys and property in providing their services to the citizens of the community. Services requiring franchise fees include electricity, water, natural gas, and cable

Full-time Equivalent (FTE) Position

An FTE of 1.0 is equivalent to a full-time employee. A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

Fund

An accounting entity that has a set of self-balancing accounts and records all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitations.

Fund Balance

Fund balance is the excess of assets over liabilities of governmental and fiduciary funds.

G

Greater Arizona Development Authority (GADA)

Created by the Arizona State Legislature to assist local and tribal governments as well as special districts with the development of public infrastructure. Housed in the Arizona Department of Commerce, this \$20 million bond authority leverages funding for infrastructure projects and aims to help accelerate project development and lower costs of financing.

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 proprietary funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, and Capital Projects Fund).

Governor's Alliance Against Drugs (GAAD)

A division of the state's governor's office funding grants providing alternative activities for youth at risk for drug and alcohol abuse.

Grant

Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity or facility.

H

Heritage Fund

A state grant program funded through lottery proceeds (LTAF funds) dedicated to open space and park improvements.

I

Indirect Cost

A cost necessary for the functioning of the organization as a whole but which cannot be directly assigned to one service.

Infrastructure

The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Insurance Service Organization (ISO)

A national program designed by the insurance industry to review and evaluate a community's ability to suppress fires.

Intergovernmental Revenue

Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Fund

A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

L

Line-item Budget

A budget prepared along departmental lines that focuses on what is to be bought.

Local Transportation Assistance Fund

A state fund established and funded by lottery proceeds to provide grants for local transit systems, parks and other open space needs, and street maintenance and improvements.

Long-term Debt

Debt with a maturity of more than one year after the date of issuance.

M

Municipal Property Corporation

A component unit of the City established for the purposes of providing funding for capital projects which directly benefit the city.

O

Objective

Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations

Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget

Plan of current expenditures and the prepared means to finance them. This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, contractual services, operating supplies and operating capital items. The budget is the primary measure of controlling financing, acquisition, spending and delivering of services of the entity.

Operating Expenses

The cost for personnel, materials and equipment required for a department to function.

Operating Revenue

Funds that the government receives as income to pay for ongoing operations. They include such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

P

Pension Plan Fund

A trust fund used to account for the volunteer firefighters retirement fund. This fund uses the accrual basis of accounting and has a capital maintenance measurement focus.

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

A hearing held each year prior to the adoption of the Final budget publically advertised to promote public input into the annual budget process

R

Reserve

An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution

A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources

Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue

Sources of income financing the operations of government.

Revenue Bonds

Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

Rural Economic Development Initiative (REDI)

A state certification of a community by the Arizona Department of Commerce for its readiness for economic development.

S

Service Level

Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Special Revenue Fund

A fund used to finance distinct activities and created out of receipts of specific revenues.

U

Unreserved Fund Balance

Undesignated monies available for appropriations.

A

AAED	Arizona Association for Economic Development
ACA	Arizona Commerce Authority
ACAP	AZ Court Automation Project
ACIP	Airport Capital Improvement Plan
ACJC	Arizona Criminal Justice Commission
ACJIS	Arizona Criminal Justice Information System
ADA	American with Disabilities Act
ADOSH	AZ Division of Occupational Safety & Health
ADOT	Arizona Department of Transportation
ADS	Animal Disaster Services
ADWR	Arizona Department of Water Resources
AFG	Assistance to Firefighters Grant
AFIS	Automated Fingerprint Identification System
AG	Agriculture
AIP	Airport Improvements Project
ALF	American LaFrance
ALP	Airport Layout Plan
AMRRP	Arizona Municipal Risk Retention Pool
AOC	Administrative Office of the Court
APCO	Association of Public Safety Communications Officials
ANS	American National Standards (APCO)
APS	Arizona Public Service
ARS	Arizona Revised Statutes
ASL	American Sign Language
A/V	Audio Visual
AVL	Automatic Vehicle Locator
AWOS	Automatic Weather Observation Station
AZ	Arizona
AZDEQ	AZ Department of Environmental Quality
AZPac	Arizona Public Access Computers

B

BAC	Business Assistance Center
BOD	Biological Oxygen Demand
BTOP	Broadband Technology Opportunities Program

C

CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CAFS	Compressed Air Foam System
CALEA	Commission on Accreditation for Law Enforcement Agencies
CAT	Cottonwood Area Transit
CCR	Cardio Cerebral Resuscitation
CDBG	Community Development Block Grant
CEDC	Cottonwood Economic Development Council
CENS	Community Emergency Notification System
CFM	Cottonwood Fire & Medical Services Department
CJEF	Criminal Justice Enhancement Fund
CM	City Manager
CPI	Consumer Price Index
CPR	Cardiac Pulmonary Resuscitation
CPS	Child Passenger Safety
CPSCC	Cottonwood Public Safety Communications Center

COC	Chamber of Commerce
COI	Certificate of Insurance
COJET	Committee on Judicial Education and Training
COLA	Cost of Living Adjustment
COP	Citizens on Patrol
COPS	Community Oriented Policing Services
CP	Community Paramedicine
CPSCC	Cottonwood Public Safety Communications Center
CPST	Child Passenger Safety Technician
CWRF	Clean Water Revolving Fund

D

DARE	Drug Awareness Resistance Education
DEA	Drug Enforcement Agency
DNS	Domain Name Services
DOHS	Department of Homeland Security
DPS	Department of Public Safety
DUI	Driving Under the Influence
DVP	Delivery vs. Payment
DWRF	Drinking Water Revolving Fund

E

ED	Economic Development
EDA	Economic Development Administration
EDMS	Electronic Document Management Scanning
EEOC	Equal Employment Opportunity Compliance
EFD	Emergency Fire Dispatcher
EMMA	Electronic Municipal Market Access
EMD	Emergency Medical Dispatcher
EMS	Emergency Medical Services
EMT	Emergency Medical Technician
ENP	Emergency Number Professional
EPD	Emergency Police Dispatcher
ETA	Estimated Time of Arrival

F

FAA	Federal Aviation Administration
FARE	Fines/fees and Restitution Enforcement
FBO	Fixed Base Operations
FBI	Federal Bureau of Investigation
FEMA	Federal Emergency Management Administration
FHWA	Federal Highway Administration
FLSA	Fair Labor Standards Act
FmHA	Farmers Home Administration
FSA	Flexible Spending Account
FTE	Full-Time Equivalent
FY	Fiscal Year

G

GO Bond	General Obligation Bond
GAAD	Governor's Alliance Against Drugs
GAAP	Generally Accepted Accounting Principles
GADA	Greater Arizona Development Authority
GASB	Government Accounting Standards Board

GFOA Government Finance Officers Association
 GIMP GNU Image Manipulation Program (Image Editing)
 GIS Geographic Information Systems
 GM General Manager
 GOHS Governor's Office of Highway Safety

H

HDHP High Deductible Health Plan
 HELP Highway Expansion and Extension Loan Program
 HHS U.S. Department of Health and Human Services
 HIPAA Health Insurance Portability & Accountability Act
 HR Human Resources
 HAS Health Savings Account
 HSIP Highway Safety Improvement Program
 HURF Highway User Revenue Fund
 HVAC Heating, Ventilation and Air Conditioning

I

ICC International Code Council
 ID Identification
 IFR Instrument Flight Rules
 IGA Intergovernmental Agreement
 ILMs Institute of Museum and Library Services
 ISO Insurance Service Organization
 ISTEAs Intermodal Surface Transportation Efficiency Act

J

JPA Joint Powers Agreement
 JCEF Judicial Collection Enhancement Fund

L

LED LED - Light Emitting Diode
 LDH LDH - Large Diameter Hose
 LLBG LLBG - Local Law Enforcement Block Grant
 LSTA LSTA - Library Services and Technology Act
 LTAF LTAF - Local Transportation Assistance Fund

M

M & O Maintenance & Operations
 MATForce Methamphetamine Task Force
 MDC Mobil Data Communication
 MPC Municipal Property Corporation
 MRAP Mine Resistant Ambush Protected Vehicle
 MTD Mobile Data Terminal
 MUHS Mingus Union High School
 MV Motor Vehicle
 MVD Motor Vehicle Division

N

NACOG NACOG - Northern Arizona Council of Governments
 NAIPTA Northern Arizona Inter-Governmental Public Transit Authority
 NAMWUA Northern Arizona Municipal Water Users Association
 NAU Northern Arizona University
 NCICI National Crime Information Center
 NCMEC National Center for Missing and Exploited Children
 NENA National Emergency Number Association

NFPA National Fire Protection Association
 NIMS National Incident Management System
 NRCD Natural Resource Conservation District
 NRMSIR Nationally Recognized Municipal Securities
 Information Repository

O

OFA Object Free Area
 OSC Orders to Show Cause
 OSHA Occupational Safety and Health Administration
 OTA Old Town Association

P

P & Z Planning and Zoning
 PANT Prescott Area Narcotics Taskforce
 PAPI Precision Approach Path Indicator
 PARD Parks and Recreation Department
 PC Personal Computer
 PD Police Department
 PHI Protected Health Information
 PPV Positive Pressure Ventilation
 PHSG Peacock, Hislop, Staley & Givens, Inc.
 PRIMA Public Risk Management Association
 PS Public Safety
 PSA Public Securities Association
 PSAP Public Safety Answering Point
 PW Public Works

R

REDI Rural Economic Development Initiative
 RF Riverfront
 RFP Request for Proposal
 RFQ Request for Qualifications
 RICO Act Racketeer Influenced and Corrupt Organizations
 Act
 RMS Records Management System
 RWRP Riverfront Water Reclamation Facility

S

SAFER Staffing for Adequate Fire Emergency Response
 SARMC Safety Awareness and Risk Management
 Committee
 SCBA Self Contained Breathing Apparatus
 SciTech Science and Technical features.
 SDS Safety Data Sheets
 SHPO State Historical Preservation Office
 SIP Session Initiation Protocol
 SLIM Specialty and Light Manufacturing Association
 of Yavapai County
 SR State Route
 SRO School Resource Officer
 SSRT Super Secret Response Team
 STEAM Science, Technology, Engineering, Arts, Math
 Services
 SWAT Strategic Weapons Attack Team

T

TES	Tavasci Elementary School
TIA	Traffic Impact Analysis
TIP	Trauma Intervention Program
TLC	Teen Library Council
TPT	Transaction Privilege Tax
TSS	Total Suspended Solids

U

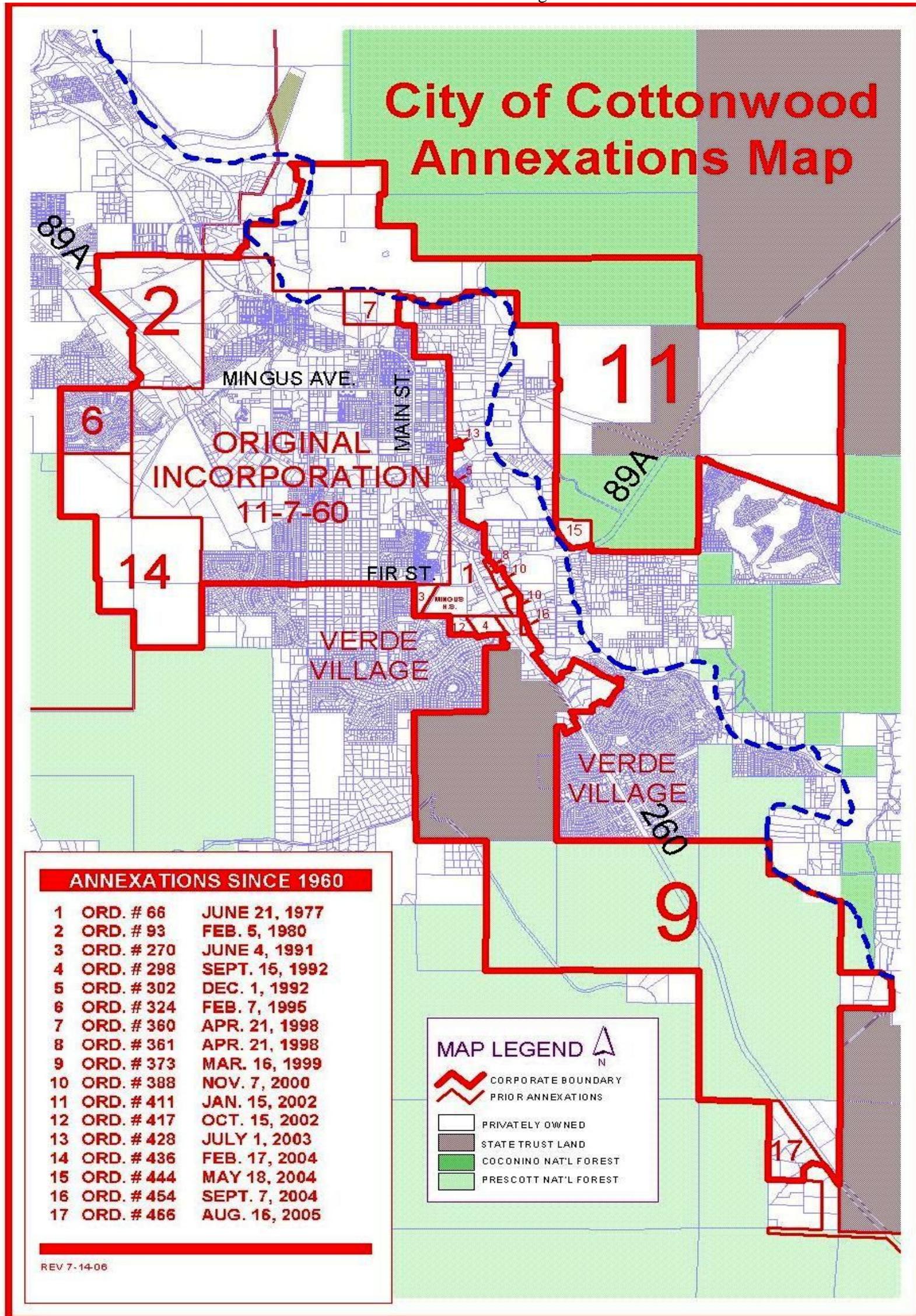
UAS	Unmanned Aircraft System
UNICOM	Universal Communication
US	United States
USDA	United States Department of Agriculture
USEPA	United States Environmental Protection Agency
USF	Underground Storage Facility
UV	Ultraviolet

V

VCTC	Verde Consolidated Therapeutic Court
VFW	Veterans of Foreign Wars
VoIP	Voice over Internet Protocol
VOMP	Victim Offender Mediation Program
VPN	Virtual Private Network
VV	Verde Valley
VVAC	Verde Valley Arts Council
VVAC	Verde Valley Ambulance Company
VVEBP	Verde Valley Employee Benefits Pool
VVREDC	Verde Valley Regional Economic Development Committee
VVREO	Verde Valley Regional Economic Organization
VVTPO	Verde Valley Transportation Planning Organization
VVWC	Verde Valley Wine Consortium

W

WC	Workers' Compensation
WIFA	Water Infrastructure Finance Authority
WMA	Wastewater Management Authority
WSUS	Windows Server Update Services
WWTP	Wastewater Treatment Plant





2019 Budget

City of Cottonwood

Arizona