



**NOTICE OF PUBLIC MEETING
OF THE
MUNICIPAL PROPERTY CORPORATION BOARD OF DIRECTORS
OF THE CITY OF COTTONWOOD**

Pursuant to A.R.S. §38-431.02 notice is hereby given to the members of the Municipal Property Corporation Board of Directors of the City of Cottonwood and to the general public that the Municipal Property Corporation Board of Directors of the City of Cottonwood will hold its Annual Meeting, which is open to the public on:

September 22, 2009
7:30 a.m.
Finance Director's Office
816 North Main Street
Cottonwood, Arizona

The agenda for the meeting is as follows:

- I. CALL TO ORDER
- II. INTRODUCTIONS AND ROLL CALL
- III. APPROVAL OF MINUTES – MEETING OF SEPTEMBER 23, 2008
- IV. DISCUSSION OF POSSIBILITY OF FUND OPPORTUNITIES FOR CITY OF COTTONWOOD INFRASTRUCTURE
- V. ANNUAL FINANCIAL REPORT
- VI. ADJOURNMENT

A copy of the agenda for the meeting will be available at the Cottonwood City Hall, 827 North Main Street, Cottonwood, Arizona, at least twenty-four (24) hours in advance of the meeting.

Dated: September 17, 2009
CITY OF COTTONWOOD

Jesus R. Rodriguez, Administrative Services General Manager

A G E N D A

THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE MUNICIPAL PROPERTY CORPORATION OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD SEPTEMBER 22, 2009 AT 7:30 A.M. AT THE FINANCE DIRECTOR'S OFFICE, 816 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

- I. CALL TO ORDER
- II. INTRODUCTIONS AND ROLL CALL
- III. APPROVAL OF MINUTES – MEETING OF SEPTEMBER 23, 2008
- VII. DISCUSSION OF POSSIBILITY OF FUND OPPORTUNITIES FOR CITY OF COTTONWOOD INFRASTRUCTURE
- IV. ANNUAL FINANCIAL REPORT
- V. ADJOURNMENT

MINUTES OF THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE MUNICIPAL PROPERTY CORPORATION OF THE CITY OF COTTONWOOD, ARIZONA, HELD SEPTEMBER 23, 2008 AT 7:30 A.M. AT THE FINANCE DIRECTORS'S OFFICE , 816 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

Call to Order

President Jauregui called the meeting to order at 7:30 a.m. Roll call was taken as follows:

Introductions and Roll Call

Board members present:

Ruben Jauregui, President
Frank Leupold, Vice President
Mark Hobson, Secretary/Treasurer (telephonically)

Board member absent:

City staff present:

Jesus R. Rodriguez, Finance Director

Visitors:

The Board was informed that Frank Leupold's term was up and that the City would be soliciting for membership and bring it before both City Council and the MPC Board.

Approval of the Minutes of the September 24, 2007 meeting

Vice President Leupold motioned to approve the minutes as presented, Secretary Hobson seconded the motion. Motion passed unanimously

Annual Financial Reports

City Finance Director presented the annual un-audited MPC financial reports for the year ending June 30, 2008. The reports reflect assets matching the liabilities to the total of \$37,005,000. Vice-President Leupold motioned to approve the reports as presented; Secretary Hobson seconded and passed unanimously.

Adjournment

There not being any further business, Secretary Hobson motioned to adjourn the meeting, Board member Leupold seconded, motion passed unanimously. Meeting adjourned at 7:52 a.m.

Attest:

President

Secretary

City of Cottonwood, Arizona
Municipal Property Corporation
Agenda Communication



Meeting Date: September 22, 2009
Subject: Discussion of Possible Funding Opportunities for City of Cottonwood Infrastructure
Department: Finance
From: Jesus R. Rodriguez, Finance Director

REQUESTED ACTION

Staff is requesting some time to discuss the possibility of using the MPC to provide funding for the City of Cottonwood for major capital infrastructure.

BACKGROUND

The City of Cottonwood has been moving forward with its planned capital infrastructure and will need some funding mechanism in order to continue its capital improvement plans. There are several options available to the City, however, our Financial Consultants; Stone & Youngberg would like to get some feedback from the MPC as a possible candidate for funding.

ISSUE

The projects in mind at this time are:

12 th Street Reconstruction	\$2,300,000
Mingus Avenue Reconstruction	1,450,000
Evidence Building Remodel	660,000
Communications Center	4,060,000
<u>Total</u>	<u>\$8,470,000</u>

By using the MPC, the City issuance of bonds is more streamlined and can be accomplished at any time of the year. In contrast, GADA loans are scheduled at only certain time of the year. Our financial consultants feel that the City would benefit to have its own funding rather than going through the state. Grant Hamill from Stone & Youngberg and I will be traveling to San Francisco, CA to talk to our rating agencies and try to upgrade our rating to help lower our interest rates on borrowings.

CITY OF COTTONWOOD
Municipal Property Corporation
Balance Sheet - Consolidated
June 30, 2009

ASSETS

Current Assets:

Cash	\$0	
Trade Notes and accounts receivable (less allowance for bad debt)	0	
Inventories	0	
Other current assets	0	
Total Current Assets	0	
Land, buildings and other fixed assets (net of accumulated depreciation)	0	
Other assets - Lease Agreement	36,735,000	
Total Assets	\$36,735,000	

LIABILITIES

Current Liabilities:

Accounts Payable	0	
Mortgages, notes, bonds (payable in less than one year)	0	
Other current liabilities	0	
Total Current Liabilities	0	
Mortgages, notes, bonds (payable in more than one year)	36,735,000	

Fund Balances:

Restricted	0	
Unrestricted	0	
Total Fund Balances	0	
Total Liabilities and Fund Balances	\$36,735,000	

Prepared by: Jesus R. Rodriguez, CGFM

Date: September 22, 2009

CITY OF COTTONWOOD
Senior Lien Water System Revenue Bonds, Series 2004
Balance Sheet
June 30, 2009

ASSETS

Current Assets:

Cash	\$0	
Trade Notes and accounts receivable (less allowance for bad debt)	0	
Inventories	0	
Other current assets	0	
Total Current Assets	<u>0</u>	
Land, buildings and other fixed assets (net of accumulated depreciation)		0
Other assets - Lease Agreement		13,040,000
Total Assets		<u><u>\$13,040,000</u></u>

LIABILITIES

Current Liabilities:

Accounts Payable	0	
Mortgages, notes, bonds (payable in less than one year)	0	
Other current liabilities	0	
Total Current Liabilities	<u>0</u>	
Mortgages, notes, bonds (payable in more than one year)		13,040,000

Fund Balances:

Restricted	0	
Unrestricted	0	
Total Fund Balances	<u>0</u>	
Total Liabilities and Fund Balances		<u><u>\$13,040,000</u></u>

Prepared by: Jesus R. Rodriguez, CGFM

Date: September 22, 2009

CITY OF COTTONWOOD
Senior Lien Water System Revenue Bonds, Series 2006
Balance Sheet
June 30, 2009

ASSETS

Current Assets:

Cash	\$0	
Trade Notes and accounts receivable (less allowance for bad debt)	0	
Inventories	0	
Other current assets	0	
Total Current Assets	0	
Land, buildings and other fixed assets (net of accumulated depreciation)	0	
Other assets - Lease Agreement	23,695,000	
Total Assets	\$23,695,000	

LIABILITIES

Current Liabilities:

Accounts Payable	0	
Mortgages, notes, bonds (payable in less than one year)	0	
Other current liabilities	0	
Total Current Liabilities	0	
Mortgages, notes, bonds (payable in more than one year)	23,695,000	

Fund Balances:

Restricted	0	
Unrestricted	0	
Total Fund Balances	0	
Total Liabilities and Fund Balances	\$23,695,000	

Prepared by: Jesus R. Rodriguez, CGFM

Date: September 22, 2009