

## A G E N D A

REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD JUNE 19, 2012, AT 6:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. BRIEF SUMMARY OF CURRENT EVENTS BY MAYOR, CITY COUNCIL AND/OR CITY MANAGER—THE PUBLIC BODY DOES NOT PROPOSE, DISCUSS, DELIBERATE OR TAKE LEGAL ACTION ON ANY MATTER BROUGHT UP DURING THIS SUMMARY UNLESS THE SPECIFIC MATTER IS PROPERLY NOTICED FOR LEGAL ACTION.
- V. INTRODUCTION OF NEW EMPLOYEES.
- VI. CALL TO THE PUBLIC—This portion of the agenda is set aside for the public to address the Council regarding an item that is not listed on the agenda for discussion. However, the Council cannot engage in discussion regarding any item that is not officially listed on the agenda for discussion and/or action (A.R.S. §38-431.02.H.) Comments are limited to a 5 minute time period.
- VII. APPROVAL OF MINUTES—Budget Work Sessions of May 21, 22, & 23, 2012.  
*Comments regarding agenda items are limited to a 5 minute time period per speaker.*
- VIII. OLD BUSINESS—None.
- IX. CONSENT AGENDA—The following items are considered to be routine and non-controversial by the Council and will be approved by one motion. There will be no separate discussion of these items unless a Council Member or a citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.
  1. AGREEMENT WITH THE OLD TOWN ASSOCIATION FOR THE FUNDING PROVIDED BY THE CITY FOR THE PROMOTION, DEVELOPMENT, AND ENCHNCEMENT OF OLD TOWN COTTONWOOD.
  2. AGREEMENT WITH THE VERDE VALLEY SENIOR CENTER FOR FUNDING.
  3. NEW LIQUOR LICENSE APPLICATION FOR MITCHELL D. LEVY, OWNER OF BURNING TREE CELLARS LOCATED 1040 NORTH MAIN STREET.
  4. SPECIAL EVENT LIQUOR LICENSE APPLICATION FOR THE VERDE VALLEY FAIR ASSOCIATION FOR AN EVENT SCHEDULED FOR AUGUST 11, 2012, AT THE VERDE VALLEY FAIRGROUNDS LOCATED AT 800 EAST CHERRY STREET.

A G E N D A  
June 19, 2012/Page 2

- X. NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.
  - 1. PRESENTATION FROM CRISTIE STATLER, EXECUTIVE DIRECTOR FOR THE ARIZONA STATE PARKS FOUNDATION, REGARDING THE NATIONAL RESOURCES PROTECTION ACT INITIATIVE.
  - 2. RESOLUTION NUMBER 2643—SUPPORTING THE PLACEMENT OF THE ARIZONA NATURAL RESOURCES PROTECTION ACT INITIATIVE ON THE BALLOT OF THE NOVEMBER 2012 ELECTION.
  - 3. RESOLUTION NUMBERS 2644 AND 2645—APPOINTING MEMBERS TO THE PARKS AND RECREATION COMMISSION.
  - 4. PUBLIC HEARING REGARDING ADOPTION OF THE CITY'S TENTATIVE BUDGET FOR FISCAL YEAR 2012-13.
  - 5. ADOPTION OF THE CITY'S TENTATIVE BUDGET & EXPENDITURE LIMITATION FOR FISCAL YEAR 2012-13.
  - 6. REQUEST FOR A PURCHASING EXEMPTION UNDER SECTION VI, PARAGRAPH C., OF THE CITY'S PROCUREMENT CODE, TO PURCHASE ROUTEMATCH PARATRANSIT MANAGEMENT SYSTEM SOFTWARE, TRAINING, AND SUPPORT FOR THE TRANSIT DEPARTMENT.
  - 7. APPROVAL OF AN AGREEMENT WITH THE COTTONWOOD CHAMBER OF COMMERCE TO RECEIVE THE CITY'S SPECIAL EXCISE TAX RECEIPTS TO BE USED FOR THE PROMOTION, DEVELOPMENT AND ENHANCEMENT OF TOURISM AND ECONOMIC DEVELOPMENT FOR THE CITY OF COTTONWOOD.
  - 8. RESOLUTION NUMBER 2646—APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH MINGUS UNION HIGH SCHOOL DISTRICT FOR USE OF THE CITY'S OUTDOOR AQUATICS CENTER.
  - 9. RESOLUTION NUMBER 2647—APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION MULTIMODAL PLANNING DIVISION (ADOT) FOR INTERIM FUNDING FOR THE CAT AND VERDE LYNX TRANSIT SYSTEMS.
  - 10. REQUEST TO HIRE AN ADDITIONAL TRANSPORTATION SUPERVISOR FOR THE CAT/VERDE LYNX TRANSIT SYSTEMS.
  - 11. REQUEST FOR COUNCIL CONTINGENCY FUNDS TO ASSIST IN BRINGING THE AMERICAN VETERANS TRAVELING TRIBUTE VIETNAM MEMORIAL WALL TO COTTONWOOD.
- XI. CLAIMS & ADJUSTMENTS
- XII. ADJOURNMENT

A G E N D A  
June 19, 2012/Page 3

Pursuant to A.R.S. § 38-431.03.(A) the Council may vote to go into executive session on any agenda item pursuant to A.R.S. § 38-431.03.(A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body.

The Cottonwood Council Chambers is accessible to the disabled in accordance with Federal "504" and "ADA" laws. Those with needs for special typeface print or hearing devices may request these from the City Clerk (TDD 634-5526.) All requests must be made 24 hours prior to the meeting.

Members of the City Council will attend either in person or by telephone conference call.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9 , subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Agreement with Old Town Association
Department:	Administrative Services
From:	Jesus R. Rodriguez, CGFM. Administrative Services General Manager

### **REQUESTED ACTION**

The City Council is requested to consider and approve an agreement with the Old Town Association regarding the use of financial support from the City and reporting requirements by the Old Town Association.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I move to approve the agreement between the City of Cottonwood and the Old Town Association including an addition to the agreement with the City allowing the City the option to cut or eliminate funding depending on the economy.

### **BACKGROUND**

In past budget discussions the City has agreed to contribute to several non-profit organizations, and requested that each contribution include an agreement with the involved non-profit outlining the required uses of the funding and reporting requirements to the City. The City Council approved a financial contribution to the Old Town Association in the amount of \$10,000 for the 2013 budget year to support projects and events that support economic development in Old Town.

### **JUSTIFICATION/BENEFITS/ISSUES**

The agreement represents the previous direction from the City Council related to supporting economic development in Old Town, sponsoring events, and completing other projects that support economic development in Old Town. Economic development efforts in Old Town are always important to the welfare of our businesses and also important to the financial health of the City. This has been a long standing agreement with the Old Town Association and their current leadership has made positive efforts to improve the economy and business owner involvement in Old Town.

**COST/FUNDING SOURCE**

The \$10,000 in funding to support the Old Town Association and their economic development efforts have been included in the 2013 budget. The agreement allows for quarterly disbursements of \$2,500.

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">6-19-12 Old Town Association Agreement.doc</a>	Old Town Association Agreement	Cover Memo

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## AGREEMENT

Contract for the promotion, development, and enhancement of Old Town Cottonwood and facilitation of the Arizona Main Street Program for Old Town Cottonwood.

This Agreement, entered into this 1st day of July 2012, by and between the City of Cottonwood, a municipal corporation of the State of Arizona, hereinafter referred to as "City", and the Old Town Association, Inc., an Arizona corporation, herein after referred to as the "Association".

### WITNESSTH:

WHEREAS, the City encourages the promotion, development, and enhancement of the Old Town Area; and

WHEREAS, the City wishes to pursue reinstatement into the Arizona Main Street Program; and

WHEREAS, the Association will facilitate the implementation of the Arizona Main Street Program in the Old Town Cottonwood area; and

WHEREAS, the Association will conduct special community events in the Old Town Cottonwood area to promote the area.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

#### Section 1. Purposes of Agreement

The City hereby contracts with the Association to promote, develop, and enhance the Old Town Cottonwood area and to facilitate the implementation of the Arizona Main Street Program.

#### Section 2. Scope of Services

- A. The Association shall facilitate the implementation of the Arizona Main Street Program and accept the responsibilities of the Old Town Association as set forth in the "Cottonwood Focus on Success Strategic Plan for Economic Development" by:
1. Holding public meetings and workshops to solicit public comment and participation in revitalization efforts.
  2. Prepare an annual work plan to implement goals and strategies for design, organization, promotion, and economic restructuring of the Old Town Cottonwood area. The work plan shall include three-year strategies with specific timetables, funding strategies, and performance measures.

3. Support the efforts of other organizations as they relate to economic development by coordinating activities and communicating regularly.
4. Conduct special events in the Old Town area to include at a minimum, Second Saturday Stroll, Walkin' on Main, Old Town Semi-Annual Yard Sale, and Chocolate Walk

### Section 3. Term

This agreement shall become effective upon full execution thereof and remain in effect until June 30, 2013, unless sooner terminated as provided herein.

### Section 4. Termination

This agreement may be terminated by either party upon 30 days written notice, for reasons that include but are not limited to the City's receipt of revenues that are less than those anticipated at the time of this Agreement. Upon termination, the Association shall be compensated only in an amount proportional to the number of months in the year-long term that the Association has provided services hereunder but, in any event, the Association shall not be compensated beyond that amount owed set forth in Section 5 of this Agreement.

### Section 5. Compensation, Matching Funds

- A. The City shall pay the Association, unless terminated, a maximum amount of Ten Thousand Dollars (\$10,000) during the term of this contract, as herein provided:
  1. Quarterly payments of Two Thousand Five Hundred Dollars (\$2,500) payable upon receipt of the applicable quarterly/annual reports.

Provided, however, that the failure to submit a required report within the time period set forth in Section 6 below shall result in forfeiture of the applicable quarterly payment.

### Section 6. Reporting

The Association agrees to report to the City on the following basis:

- A. Year-End Report: The Association shall prepare and deliver to the City Manager within forty-five (45) days after the end of the Association's fiscal year, a complete fiscal and performance report for the preceding fiscal year.
- B. Quarterly Report: The Association shall prepare and deliver to the City Manager within forty-five (45) days after the end of each successive quarter, a narrative summary of accomplishments and activities achieved during the respective quarter and a financial report for the same.

Section 7. Indemnification

The Association does hereby covenant and agree to indemnify and hold harmless the City, the Mayor and City Council, appointed boards and commissions, officers and employees, individually and collectively, from all fines, suits, claims, demands, actions, costs, obligations, attorney fees or liability of any kind, and does hereby agree to and does assume all the risk in the performance of this Agreement and shall be solely responsible and answerable for any and all accidents or injuries or property arising out of their performance of this Agreement.

The undersigned representatives of the City of Cottonwood and the Old Town Association, Inc, agree to the foregoing Agreement.

Section 8. Cancellation for Conflict of Interest

This Agreement may be cancelled pursuant to the provision of § A.R.S. 38-511, which are hereby incorporated into this Agreement as if fully set forth herein.

**OLD TOWN ASSOCIATION, INCORPORATED:**

\_\_\_\_\_

Old Town Association President

\_\_\_\_\_

Date

**CITY OF COTTONWOOD:**

\_\_\_\_\_

Diane Joens, Mayor

\_\_\_\_\_

Date

**A TEST:**

\_\_\_\_\_

Marianne Jiménez, City Clerk

\_\_\_\_\_

Date

**APPROVED AS TO FORM:**

\_\_\_\_\_

Steven B. Horton, Esq., City Attorney

\_\_\_\_\_

Date

# City of Cottonwood, Arizona

## City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Agreement - Verde Valley Senior Center
Department:	Administrative Services
From:	Jesus R. Rodriguez, CGFM, Administrative Services General Manager

### **REQUESTED ACTION**

Staff is requesting consideration to approve an Agreement with the Verde Valley Senior Citizens Association (VVSCA) to provide funding to supplement the senior services and programming offered at the Cottonwood Senior Center.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:  
I move to approve an Agreement with the Verde Valley Senior Citizens Association (VVSCA) to provide funding to supplement the senior services and programming offered at the Cottonwood Senior Center.

### **BACKGROUND**

The City of Cottonwood has been providing funding for the VVSCA for a number of years and would like to continue its relationship with the organization. Up until FY 2008, the City provided funding to the VVSCA totaling \$30,000.

In FY 2009, that amount was increased to \$45,000 for continued support of VVSCA endeavors. This fiscal year the City plans to continue its support and enter into an agreement outlining guidelines as well as the contribution amounts.

The agreement requires reporting by the VVSCA so that Council and staff can track the benefits of the funding provided by the Agreement.

### **JUSTIFICATION/BENEFITS/ISSUES**

The VVSCA receives federal funding from various sources on a reimbursement basis. These amounts unfortunately are capped and that is where the City comes in. The City provides the necessary local dollars to continue the services that are currently available to our seniors.

The appropriation amount was already approved during the budget process by the

City Council. The Agreement outlines the scope of service and reporting requirements to be provided. One new provision added this year provides that if the City's revenues do not meet expectations, the City may reduce the funding amount.

**COST/FUNDING SOURCE**

The fund source has been budgeted in the Council's budget.

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">6-19-12_Senior_Center_Agreement.doc</a>	Verde Valley Senior Center Agreement	Cover Memo

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## AGREEMENT

for  
Provision of Augmentation of Various Services  
Including Nutrition, Recreation, and Transportation  
for  
Qualified Senior Citizens Within the City of Cottonwood.

This Agreement is entered into by and between the City of Cottonwood, Yavapai County, Arizona, a municipal corporation of the state of Arizona (hereinafter "City" ), and the Verde Valley Senior Citizens Association, Inc., an Arizona, nonprofit corporation (hereinafter "Association").

WITNESSETH:

WHEREAS, pursuant to A.R.S. § 9-240(A) and A.R.S. § 11-952 *et seq.*, the City is authorized to take control of its finances and is authorized to enter into Agreements for the purpose of carrying-out its duties as deemed appropriate by the City Council; and ,

WHEREAS, the Association operates the Verde Valley Senior Center within the City of Cottonwood; and

WHEREAS, the Association provides needed services and programs to qualified senior citizens within the City of Cottonwood; and,

WHEREAS, the Cottonwood City Council recognizes the value and need of the services provided by the Association.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

### Section 1. Purpose of the Agreement

The purpose of this Agreement is to enhance, expand and support programming and services to qualified senior citizens through the Verde Valley Senior Center located within the City of Cottonwood.

### Section 2. Scope of Services

- A. The Association is a subcontractor to the *Area Agency on Aging*, and also a recipient of the *Federal Older American Act* funding. As a subcontractor, the Association provides general program services in the following program areas:

- Meals on Wheels
- Congregate Meals
- Transportation

B. The funding available under this Agreement is available for the following expenditures:

1. To supplement and expand the meals or services provided through the above meal and transportation program areas, and in conformance with those program's guidelines.
2. To provide the office space and support structure for the local provision of services available to seniors offered through the *Northern Arizona Council of Governments* such as, Legal Services for Seniors, Medicare Counseling, and other negotiated services through federal, state, and local agencies.
3. This Agreement shall not be interpreted as authorization to supplant any funding received by the Association by outside entities not a party to this Agreement.

### Section 3. Term

This Agreement shall become effective upon full execution thereof and remain in effect until June 30, 2013, unless sooner terminated as provided herein.

### Section 4. Termination

This Agreement may be terminated by either party upon thirty (30) days written notice to the other party, for reasons that include but are not limited to the City's receipt of revenues that are lower than those anticipated at the time of this Agreement. Upon termination, the Association shall be compensated only in the amount proportional to the number of months in the year-long term that the Association has provided services hereunder but, in any event, the Association shall not be compensated beyond that amount owed as set forth in Section 5 of this Agreement.

### Section 5. Compensation

- A. The City shall pay the Association, unless terminated as provided above, a maximum amount of Forty Five Thousand Dollars (\$45,000) during the term of this contract. The payments shall be disbursed as follows:

1. Quarterly payments Eleven Thousand Two Hundred Fifty Dollars (\$11,250), upon the City's receipt and acceptance of the applicable annual and/or quarterly reports required under Section 6(B) below. Provided, however, that the failure to provide any report required under Section 6 below within the prescribed period shall result in forfeiture of the applicable quarterly payment.

## Section 6. Reporting

The Association agrees to report on the following basis:

- A. Year-End Report: The Association shall prepare and deliver to the City Manager within sixty (60) days after the end of the Association's fiscal year, a complete fiscal and performance report for the preceding fiscal year.
- B. Quarterly Report: The Association shall prepare and deliver to the City Manager within thirty (30) days after the end of each successive quarter a narrative summary of accomplishments and activities achieved during the respective quarter, including a copy of the required reporting to the *Area Agency on Aging* for the services set forth in Section 2.(A) of this Agreement, including an accounting of the supplemental services provided through funding under this Agreement, and a quarterly financial report.
- C. Annual Budget: The Association shall prepare and deliver a copy of their annual budget to the City Manager with thirty (30) days of the beginning of the fiscal year.

## Section 7. Indemnification

The Association hereby covenants and agrees to indemnify and hold harmless the City, the Mayor and City Council, appointed boards and commissions, officers and employees, individually and collectively, from all fines, suits, claims, demands, actions, costs, obligations, attorney fees or liability of any kind, and does hereby agree to and does assume all the risk in the performance of this Agreement and shall be solely responsible and answerable for all accidents or injuries to persons or property arising out of its performance of this Agreement.

By execution of the respective officers of both parties, the undersigned representatives of the City of Cottonwood and the Verde Valley Senior Citizens

Association Inc., avow that both have read, understand, and agree with the contents of this agreement.

Section 8. Cancellation

This Agreement is subject to cancellation pursuant to Arizona Revised Statutes Section 38-511, the provisions of which are incorporated into this Agreement as if fully set forth herein.

**VERDE VALLEY SENIOR CITIZENS ASSOCIATION, INCORPORATED:**

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

**CITY OF COTTONWOOD:**

\_\_\_\_\_  
Diane Joens, Mayor

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
Marianne Jimenez, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Steven B. Horton, Esq.  
City Attorney

**City of Cottonwood, Arizona  
City Council Agenda Communication**



 [Print](#)

Meeting Date:	June 19, 2012
Subject:	Approval of a New Liquor License Application for Mitchell D. Levy, owner of Burning Tree Cellars, LLC.
Department:	City Clerk
From:	Marianne Jimenez, City Clerk

**REQUESTED ACTION**

Council consideration of recommending approval or denial of a new Liquor License Application for Mitchell D. Levy, owner of Burning Tree Cellars.

**SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

"I move to recommend approval of the new Liquor License Application submitted by Mitchell D. Levy, owner of Burning Tree Cellars located at 1040 North Main Street."

**BACKGROUND**

A new Liquor License Application was received from Mitchell D. Levy, owner of Burning Tree Cellars located at 1040 North Main Street. The application has been posted for 20 days, and no arguments for or against the application have been received.

**JUSTIFICATION/BENEFITS/ISSUES**

All Liquor License applications that are submitted to the Arizona Department of Liquor Licenses & Control (ADLLC) for establishments located within the City of Cottonwood are presented to the Council for its recommendation of approval or denial of the application. The Council's recommendation is taken into consideration by the ADLLC prior to their final approval of the application.

**COST/FUNDING SOURCE**

NA

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">6-19-12 Burning Tree Liquor License Application.pdf</a>	Burning Tree Cellars Liquor License Application	Cover Memo

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Arizona Department of Liquor Licenses and Control  
 800 West Washington, 5th Floor  
 Phoenix, Arizona 85007  
 www.azliquor.gov  
 602-542-5141

**APPLICATION FOR LIQUOR LICENSE**  
 TYPE OR PRINT WITH **BLACK INK**

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

**SECTION 1** This application is for a:

- MORE THAN ONE LICENSE
- INTERIM PERMIT *Complete Section 5*
- NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16*
- PERSON TRANSFER (Bars & Liquor Stores ONLY)  
*Complete Sections 2, 3, 4, 11, 13, 15, 16*
- LOCATION TRANSFER (Bars and Liquor Stores ONLY)  
*Complete Sections 2, 3, 4, 12, 13, 15, 16*
- PROBATE/WILL ASSIGNMENT/DIVORCE DECREE  
*Complete Sections 2, 3, 4, 9, 13, 16* (fee not required)
- GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16*

**SECTION 2** Type of ownership:

- J.T.W.R.O.S. *Complete Section 6*
- INDIVIDUAL *Complete Section 6*
- PARTNERSHIP *Complete Section 6*
- CORPORATION *Complete Section 7*
- LIMITED LIABILITY CO. *Complete Section 7*
- CLUB *Complete Section 8*
- GOVERNMENT *Complete Section 10*
- TRUST *Complete Section 6*
- OTHER (Explain) \_\_\_\_\_

12 MAY 15 14 PM 1:24

**SECTION 3** Type of license and fees LICENSE #(s): 13

1. Type of License(s): Domestic Farm Winery

13133032  
 Department Use Only  
 \$ 157.00

2. Total fees attached: \$

**APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.**

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

**SECTION 4** Applicant

- Owner/Agent's Name: Mr. Levy Mitchell DAVID  
(Insert one name ONLY to appear on license) Last First Middle
- Corp./Partnership/L.L.C.: BURNING TREE CELLARS LLC  
(Exactly as it appears on Articles of Inc. or Articles of Org.)
- Business Name: Burning Tree Cellars  
(Exactly as it appears on the exterior of premises)
- Principal Street Location: 1040 NORTH MAIN STREET COTTONWOOD YAVAPAI 86326  
(Do not use PO Box Number) City County Zip
- Business Phone: 602-301-2304 Pending Daytime Contact: 602-301-2304
- Is the business located within the incorporated limits of the above city or town?  YES  NO
- Mailing Address: 4122 W. WETHERFIELD RD PHOENIX AZ 85029  
City State Zip
- Price paid for license only bar, beer and wine, or liquor store: Type \_\_\_\_\_ \$ \_\_\_\_\_ Type \_\_\_\_\_ \$ \_\_\_\_\_

**DEPARTMENT USE ONLY**

Fees: 100.00 Application    \_\_\_\_\_ Interim Permit    \_\_\_\_\_ Agent Change    \_\_\_\_\_ Club    \_\_\_\_\_  
 + 13.00 Finger Prints \$    + 44.00    = 157.00  
**TOTAL OF ALL FEES**

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete?  YES  NO

Accepted by: JH Date: 05-15-12 Lic. # 13133032

**SECTION 5 Interim Permit:**

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. \_\_\_\_\_
4. Is the license currently in use?  YES  NO If no, how long has it been out of use? \_\_\_\_\_

**ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.**

I, \_\_\_\_\_, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

(Print full name)

State of \_\_\_\_\_ County of \_\_\_\_\_

X \_\_\_\_\_  
(Signature)

The foregoing instrument was acknowledged before me this

My commission expires on: \_\_\_\_\_

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Day Month Year

\_\_\_\_\_  
(Signature of NOTARY PUBLIC)

12 MAY 15 11:49 LIC PM 124

**SECTION 6 Individual or Partnership Owners:**

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Mailing Address	City State Zip

Partnership Name: (Only the first partner listed will appear on license) \_\_\_\_\_

General-Limited	Last	First	Middle	% Owned	Mailing Address	City State Zip
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						

) Y R A S S E C E N F I

2. Is any person, other than the above, going to share in the profits/losses of the business?  YES  NO  
If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Mailing Address	City, State, Zip	Telephone#

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

- CORPORATION Complete questions 1, 2, 3, 5, 6, 7, and 8.  
 L.L.C. Complete 1, 2, 4, 5, 6, 7, and 8.

1. Name of Corporation/L.L.C.: Burning Tree Cellars LLC  
 (Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: 4/29/2010 State where Incorporated/Organized: ARIZONA
3. AZ Corporation Commission File No.: \_\_\_\_\_ Date authorized to do business in AZ: \_\_\_\_\_
4. AZ L.L.C. File No: L1599209-1 Date authorized to do business in AZ: 5/4/2010
5. Is Corp./L.L.C. Non-profit?  YES  NO
6. List all directors, officers and members in Corporation/L.L.C.:

Last	First	Middle	Title	Mailing Address	City State Zip
Levy	Mitchell	David	Member	4122 W Wetherisfield Rd Phoenix	AZ 85029
Turnbull	Corey	Jonathan	Member	4621 Verde View Rd	Cottonwood AZ 86326

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

Last	First	Middle	% Owned	Mailing Address	City State Zip
Levy	Mitchell	David	50%	4122 W Wetherisfield Rd Phoenix	AZ 85029
Turnbull	Corey	Jonathan	50%	4621 Verde View Rd	Cottonwood AZ 86326

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

**SECTION 8 Club Applicants:**

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Name of Club: \_\_\_\_\_ Date Chartered: \_\_\_\_\_  
 (Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)
2. Is club non-profit?  YES  NO

3. List officer and directors:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

**SECTION 9 Probate, Will Assignment or Divorce Decree or an existing Bar or Liquor Store License:**

1. Current Licensee's Name: \_\_\_\_\_  
(Exactly as it appears on license) Last First Middle
2. Assignee's Name: \_\_\_\_\_  
Last First Middle
3. License Type: \_\_\_\_\_ License Number: \_\_\_\_\_ Date of Last Renewal: \_\_\_\_\_
4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

**SECTION 10 Government: (for cities, towns, or counties only)**

1. Governmental Entity: \_\_\_\_\_
2. Person/designee: \_\_\_\_\_  
Last First Middle Contact Phone Number

**A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.**

**SECTION 11 Person to Person Transfer:**

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06,07, and 09).

1. Current Licensee's Name: \_\_\_\_\_ Entity: \_\_\_\_\_  
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)
2. Corporation/L.L.C. Name: \_\_\_\_\_  
(Exactly as it appears on license)
3. Current Business Name: \_\_\_\_\_  
(Exactly as it appears on license)
4. Physical Street Location of Business: Street \_\_\_\_\_  
City, State, Zip \_\_\_\_\_
5. License Type: \_\_\_\_\_ License Number: \_\_\_\_\_
6. If more than one license to be transferred: License Type: \_\_\_\_\_ License Number: \_\_\_\_\_
7. Current Mailing Address: Street \_\_\_\_\_  
(Other than business) City, State, Zip \_\_\_\_\_

8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer?  YES  NO
9. Does the applicant intend to operate the business while this application is pending?  YES  NO If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, \_\_\_\_\_, hereby authorize the department to process this application to transfer the privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, \_\_\_\_\_, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are true, correct, and complete.

\_\_\_\_\_  
(Signature of CURRENT LICENSEE)

State of \_\_\_\_\_ County of \_\_\_\_\_  
The foregoing instrument was acknowledged before me this

\_\_\_\_\_  
Day Month Year

My commission expires on: \_\_\_\_\_

\_\_\_\_\_  
(Signature of NOTARY PUBLIC)

12 MAY 15 11:12 PM 124

**SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)**

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE

- Current Business: Name \_\_\_\_\_  
(Exactly as it appears on license) Address \_\_\_\_\_
- New Business: Name \_\_\_\_\_  
(Physical Street Location) Address \_\_\_\_\_
- License Type: \_\_\_\_\_ License Number: \_\_\_\_\_
- If more than one license to be transferred: License Type: \_\_\_\_\_ License Number: \_\_\_\_\_
- What date do you plan to move? \_\_\_\_\_ What date do you plan to open? \_\_\_\_\_

**SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):**

A.R.S. § 4-207 (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

12 MAY 15 Lic. Lic. PM 1 2426

- a) Restaurant license (§ 4-205.02)
- b) Hotel/motel license (§ 4-205.01)
- c) Government license (§ 4-205.03)
- d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: 2958 ft. Name of school COTTONWOOD Elem school  
Address 301 N WILLIAM ST COTTONWOOD AZ 86326  
City, State, Zip

2. Distance to nearest church: 1162 ft. Name of church COTTONWOOD Baptist church  
Address 102 E PINE ST COTTONWOOD AZ 86326  
City, State, Zip

3. I am the:  Lessee  Sublessee  Owner  Purchaser (of premises)

4. If the premises is leased give lessors: Name Cashmere Properties LLC  
Address 1042 N MAIN ST COTTONWOOD AZ 86326  
City, State, Zip

4a. Monthly rental/lease rate \$ 1500<sup>00</sup> What is the remaining length of the lease 5 yrs. 0 mos.

4b. What is the penalty if the lease is not fulfilled? \$ \_\_\_\_\_ or other Remainder of Lease and All Fees  
(give details - attach additional sheet if necessary)

5. What is the total **business** indebtedness for this license/location excluding the lease? \$ 0  
Please list lenders you owe money to.

Last	First	Middle	Amount Owed	Mailing Address	City State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? To sell wine to the public

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?  
 YES  NO If yes, attach explanation.
8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business?  YES  NO
9. Is the premises currently licensed with a liquor license?  YES  NO If yes, give license number and licensee's name:  
 License # \_\_\_\_\_ (exactly as it appears on license) Name \_\_\_\_\_

**SECTION 14 Restaurant or hotel/motel license applicants:**

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location?  YES  NO  
 If yes, give the name of licensee, Agent or a company name:  
 \_\_\_\_\_ and license #: \_\_\_\_\_  
Last First Middle
2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.
3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.
4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this  hotel/motel  restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

\_\_\_\_\_ applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary and the new inspection date you are requesting. To schedule your site inspection visit [www.azliquor.gov](http://www.azliquor.gov) and click on the "Information" tab.

MSJ  
 applicants initials

**SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)**

1. Check ALL boxes that apply to your business:  
 Entrances/Exits       Liquor storage areas      Patio:  Contiguous  
 Service windows       Drive-in windows       Non Contiguous
2. Is your licensed premises currently closed due to construction, renovation, or redesign?  YES  NO  
 If yes, what is your estimated opening date? July 15, 2012  
month/day/year
3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.
4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiritous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).
5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

MSJ  
 applicants initials

...in this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

Diagram Attached

12 MAY 15 11:49 AM '12

**SECTION 16 Signature Block**

I, Mitchell David Levy, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

(print full name of applicant)

X *Mitchell David Levy*  
(signature of applicant listed in Section 4, Question 1)

State of Az County of Maricopa



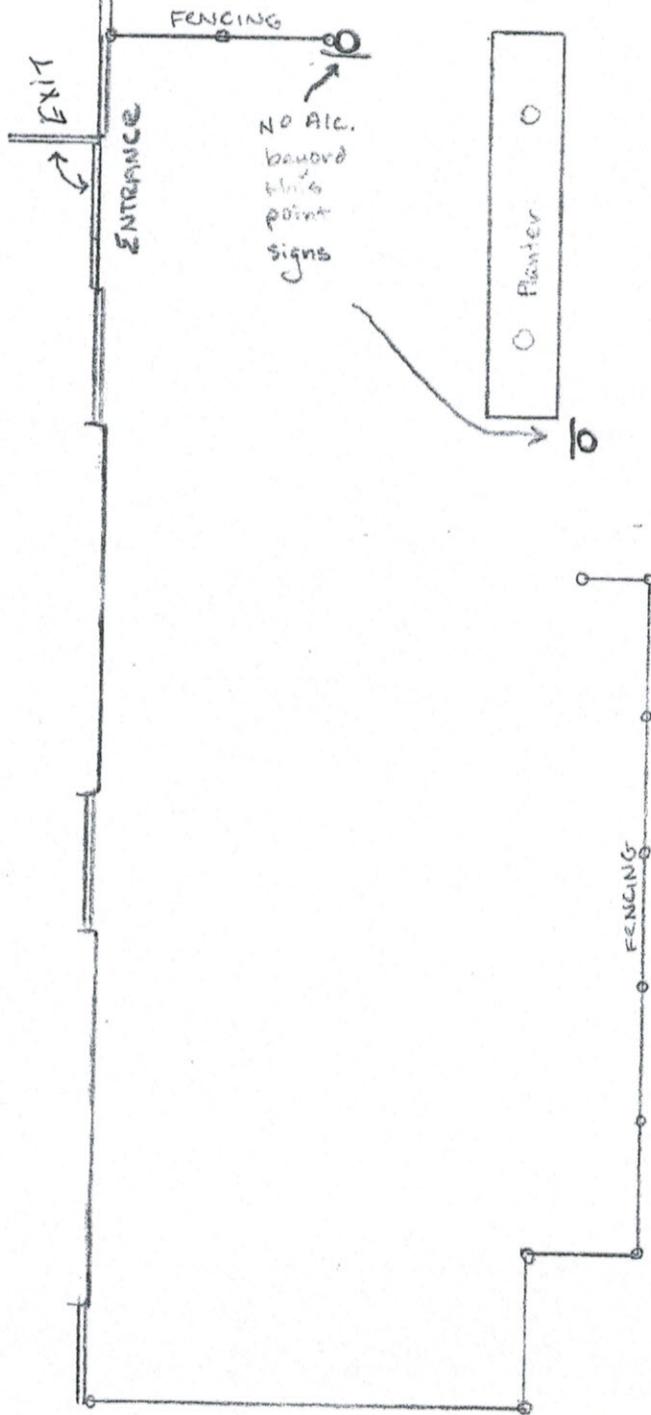
My commission expires on : \_\_\_\_\_  
Day Month Year

The foregoing instrument was acknowledged before me this 11 of May, 2012  
Day Month Year

*Michele Colegrove*  
signature of NOTARY PUBLIC

800 Sq. Ft.

EXTERIOR PATIO



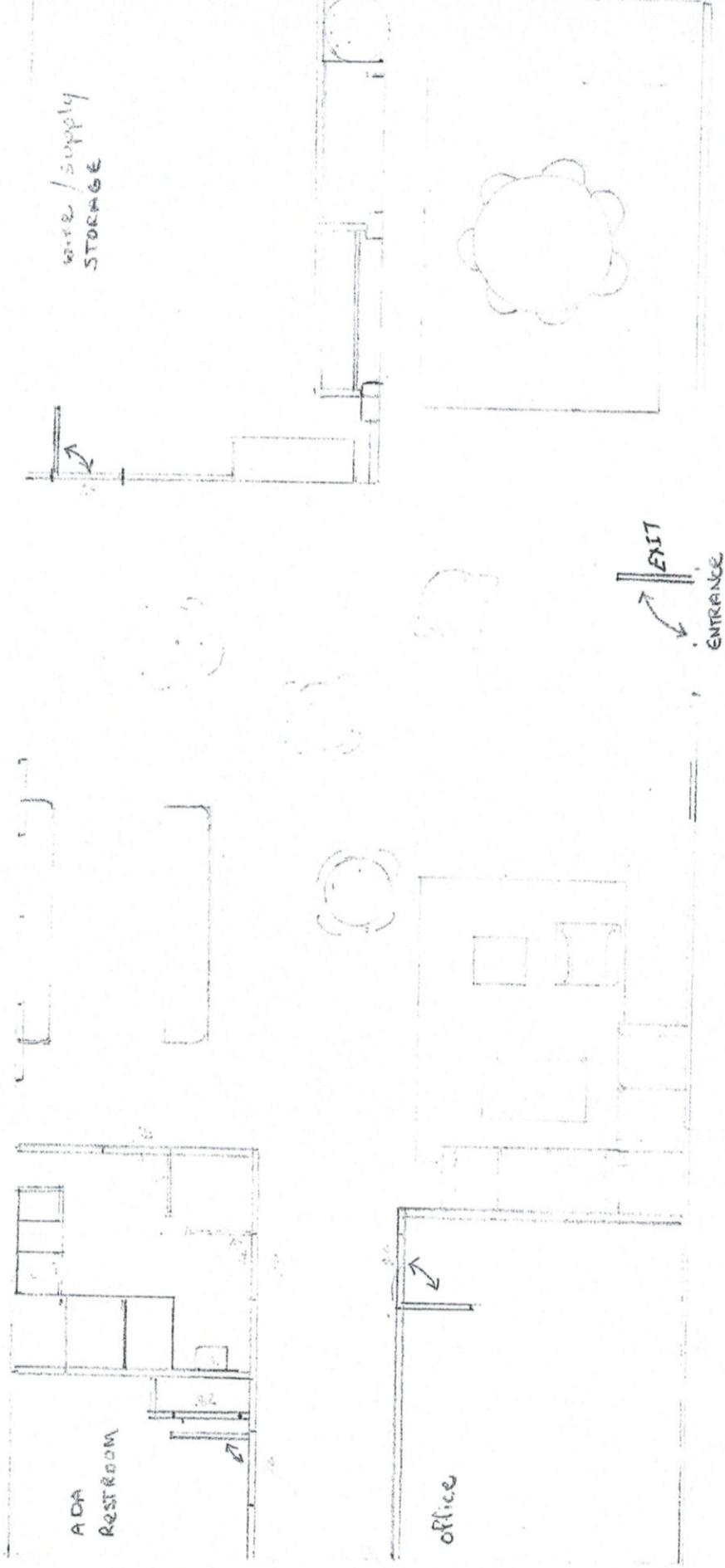
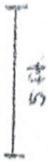
\*Both entrances to  
Patio are 4'2"

12 MAY 15 10:41 AM '24

MAIN STREET

1800 sq Ft

EVANING TREE CELLARS  
TASTING ROOM INTERIOR



12 MAY 15 11:47 AM '24

**City of Cottonwood, Arizona  
City Council Agenda Communication**



 Print

Meeting Date: June 19, 2012  
**Subject:** Special Event Liquor License Application for the Verde Valley Fair Association.  
Department: City Clerk  
From: Marianne Jimenez, City Clerk

**REQUESTED ACTION**

Consideration of recommendation of approval or denial of a Special Event Liquor License application submitted by Terra Shanks, applicant for the Verde Valley Fair Association.

**SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

"I move to recommend approval of the Special Event Liquor License Application submitted by Terra Shanks, applicant for the Verde Valley Fair Association, for an event scheduled for August 11, 2012."

**BACKGROUND**

Terra Shanks has submitted a Special Event Liquor License Application on behalf of the Cottonwood Chamber of Commerce for an event scheduled for August 11, 2012.

**JUSTIFICATION/BENEFITS/ISSUES**

All Special Event Liquor License applications that are submitted to the Arizona Department of Liquor Licenses & Control (ADLLC) for events located within the City of Cottonwood are presented to the Council for its recommendation of approval or denial of the application. The Council's recommendation is taken into consideration by the ADLLC prior to their final approval of the application.

**COST/FUNDING SOURCE**

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">6-19-12_VV_Fair_Special_Event_Liquor_License_Application.pdf</a>	Verde Valley Fair Special Event Liquor License	Cover Memo



10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?  
 YES  NO (attach explanation if yes)

11. This organization has been issued a special event license for <sup>10</sup>\_\_\_\_\_ days this year, including this event  
(not to exceed 10 days per year).

12. Is the organization using the services of a promoter or other person to manage the event?  YES  NO  
If yes, attach a copy of the agreement.

13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.  
**THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL  
EVENT LIQUOR SALES.**

Name Verde Valley Fair Association 100%  
Percentage

Address 800 E. Cherry Street Cottonwood, AZ 86326

Name \_\_\_\_\_ Percentage

Address \_\_\_\_\_  
(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

NOTE: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.  
"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT PREMISES."

15. What security and control measures will you take to prevent violations of state liquor laws at this event?  
(List type and number of security/police personnel and type of fencing or control barriers if applicable)

\_\_\_\_\_ # Police  Fencing  
<sup>7-10</sup>\_\_\_\_\_ # Security personnel  Barriers

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

16. Is there an existing liquor license at the location where the special event is being held?  YES  NO  
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use?  YES  NO

**(ATTACH COPY OF AGREEMENT)**

Verde Valley Fair Association ( 928 ) 634-3290  
Name of Business Phone Number

17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades or other control measures and security positions.

**THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1**

18. I, John O'Donnell declare that I am an Officer/Director/Chairperson appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X John O'Donnell President 10/17/12 (928) 300-5825  
(Signature) (Title/Position) (Date) (Phone #)



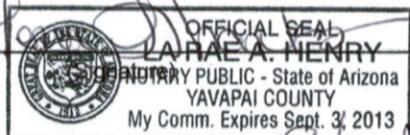
The foregoing instrument was acknowledged before me this 7 Day 6 Month 2012 Year

My Commission expires on: 7/3/13 (Date) La Rae A Henry (Signature of NOTARY PUBLIC)

**THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6**

19. I, Terra Shanks declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X Terra Shanks State of az County of yavapai  
The foregoing instrument was acknowledged before me this 7 Day 6 Month 2012 Year



My commission expires on: 7/3/13 (Date) La Rae A Henry (Signature of NOTARY PUBLIC)

**You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.**

**LOCAL GOVERNING BODY APPROVAL SECTION**

20. I, \_\_\_\_\_ hereby recommend this special event application  
(Government Official) (Title)  
on behalf of \_\_\_\_\_  
(City, Town or County) (Signature of OFFICIAL) (Date)

**FOR DLLC DEPARTMENT USE ONLY**

Department Comment Section:

\_\_\_\_\_  
(Employee) (Date)

APPROVED  DISAPPROVED BY: \_\_\_\_\_  
(Title) (Date)

**SPECIAL EVENT LICENSED PREMISES DIAGRAM**  
**(This diagram must be completed with this application)**

Special Event Diagram: (Show dimensions, serving areas, and label type of enclosure and security positions)  
NOTE: Show nearest cross streets, highway, or road if location doesn't have an address.

N↑

See Attached

12th Street

Parking Lot

Parking Lot

Participant Entrance

Main Entrance

Arena

Gyberg Building

Sheep & Swine Barn

Cattle Barn

Rest Rooms

Show Barn

Taylor Barn

Vendor Vendor Vendor Vendor

Vendor Vendor Vendor

Vendor Vendor Vendor Vendor

Dance Room

Fair Office

Beer Booth

Rest Rooms

Beer Booth

Vendor

Vendor

Vendor

Vendor

Vendor

Commercial Building

Vendor

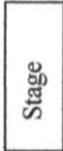
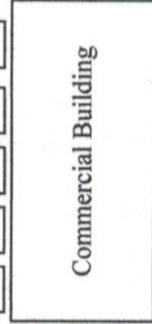
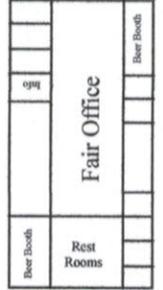
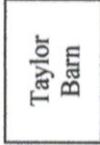
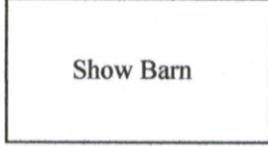
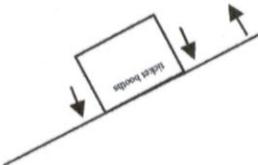
Vendor

Vendor

Main Stage

Stage

Fine Arts Building



## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
Subject:	<b>Resolution Number 2643 Supporting the Placement of the Arizona Natural Resources Protection Act Initiative on the Ballot of the November 2012 Election.</b>
Department:	City Clerk
From:	Mayor Diane Joens

### **REQUESTED ACTION**

Approval of Resolution Number 2643, supporting the placement of the Arizona Natural Resources Protection Act initiative on the ballot of the November 2012 election.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I move to approve Resolution Number 2643, supporting the placement of the Arizona National Resources Protection Act initiative on the ballot of the November 2012 election.

### **BACKGROUND**

Economic times have been challenging for all. The Arizona legislature has found it necessary to repeatedly divert funds from the Arizona State Parks, and now our parks and natural resources are at immediate risk. The park system is in dire need of funding for park operations, deferred maintenance, and capital improvement projects.

Arizona State Parks receives ZERO state General Fund dollars. In fact, the Arizona State Legislature allocates only one-fifth of one percent of the state General Fund Budget to care for Arizona's natural resources. Further, since 2009 the Arizona State Legislature has transferred away from Arizona State Parks more than \$15 million of the park system's earned income (gate fees, gift shop proceeds, donations, and reservation surcharge funds). Deferred maintenance and backlogged capital projects costs have piled up, now totaling approximately \$200 million.

The Arizona Natural Resources Protection Act initiative proposes that all Arizona school children, from pre-kindergarten through twelfth grade, receive free admission to Arizona State Parks when part of a school trip. It would also propose to protect Arizona State Parks funds and the Arizona Game and Fish Department's Heritage Fund allocation from legislative fund

sweeps. It would also re-establish the Arizona State Parks annual grant program for public and non-profit organizations. And it proposes that annually, Arizonans who register their non-commercial motor vehicles will have the option of making a voluntary \$14 per vehicle donation to help fund this measure.

**JUSTIFICATION/BENEFITS/ISSUES**

By attracting visitors and tourists, more than half of whom travel here from other states or countries, Arizona State Parks give life to local economies. According to a study conducted by Northern Arizona University, Arizona State Parks generate more than \$266 million in economic activity annually and support more than 3,000 jobs, primarily in Arizona's rural communities. By ensuring that parks are kept open, the Arizona Natural Resources Protection Act preserves very important jobs and local revenues.

Arizona State Parks manages 31 recreational and historic state parks and natural areas for the public benefit. Five State Parks and the Verde River Greenway are in the Sedona/Verde Valley area. Our state parks and the ecosystems, wildlife, and historic and natural resources they protect are part of what makes Arizona unique. The Arizona Natural Resources Protection Act would propose to provide secure funding for the Arizona State Parks system to keep state parks open, properly maintained and safe, preserve the opportunities they provide for family recreation, help our economy, and protect jobs.

**COST/FUNDING SOURCE**

No cost to the city.

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">AZ Natural Protection Act Letter to Mayors.pdf</a>	Letter to Mayors Requesting Support	Cover Memo
<a href="#">6-19-12 AZ Natural Resources Protection Act.pdf</a>	Arizona Natural Resources Protection Act	Cover Memo
<a href="#">AZ Natural Resources Protection Act Summary.doc</a>	AZ Natural Resources Protection Act Summary	Cover Memo
<a href="#">6-19-12 AZ Natural Protection Act FAQs.doc</a>	AZ Natural Resources Protection Act FAQs	Cover Memo
<a href="#">res2643.doc</a>	Resolution 2643	Resolution Letter

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May 29, 2012

Dear Fellow Mayors,

We are writing to you about a matter that directly impacts the economies of our communities and Arizona's natural resources.

You are probably aware that the long-term defunding of Arizona State Parks has resulted in reduced tourism and substantially diminished their economic benefits to cities and towns throughout Arizona. A proposed ballot measure, the Arizona Natural Resource Protection Act, deals with this persistent and recurring issue.

The Arizona Natural Resources Protection Act will provide:

- A guaranteed minimum of \$4 million per year to cities and towns as part of a larger \$10 million annual grant program at Arizona State Parks,
- Sustainable, voter-protected funding to the Arizona State Park system,
- Voter-protection of the Arizona Game and Fish \$10 million Heritage Fund allocation, and
- Free entry to state parks for school children when they are part of a school trip.

The campaign is bolstered by very positive polling results, and if we work together, our collaborative efforts can help ensure this initiative will pass. We believe this will provide substantial benefits to Arizona's cities and towns.

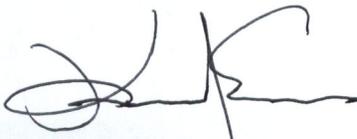
Please join us by exercising your leadership to support the initiative and consider taking the following actions within the next few weeks: Convene your business and community leaders for a campaign presentation; work with the campaign team to secure petition signatures; contribute to the campaign and seek contributions on its behalf; and, secure endorsement of the initiative by your town or city council.

Materials are enclosed that further explain the impacts of The Natural Resources Protection Act, including FAQ's, a one-sheet summary of the initiative, and the full ballot text.

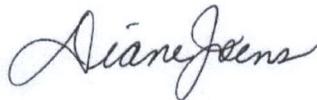
For further information, please contact Tim Landry, 602-315-8342, [tlandry1@fordham.edu](mailto:tlandry1@fordham.edu) or Andrew Atallah, 480-234-8878, [aatallah10@gmail.com](mailto:aatallah10@gmail.com).

Thank you, in advance, for your support and response to this call to action.

Respectfully,



Kenny Evans  
Mayor, Town of Payson



Diane Joens  
Mayor, City of Cottonwood



Doug von Gausig  
Mayor, Town of Clarkdale

OFFICIAL TITLE

AN INITIATIVE MEASURE

**THE ARIZONA NATURAL RESOURCES PROTECTION ACT**

AMENDING TITLE 41, CHAPTER 3, ARTICLE 1.2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-511.27, AMENDING TITLE 41, CHAPTER 3, ARTICLE 1.1 TO REPEAL SECTION 41-511.21 AND ADDING NEW SECTION 41-511.21; AMENDING TITLE 17, CHAPTER 2, ARTICLE 6, ARIZONA REVISED STATUTES, TO REPEAL SECTION 17-297 AND ADDING NEW SECTION 17-297; AMENDING TITLE 28, CHAPTER 16, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-5813; AMENDING TITLE 41, CHAPTER 3, ARTICLE 1.1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-511.17; AMENDING TITLE 5, CHAPTER 3, ARTICLE 3, ARIZONA REVISED STATUTES, BY AMENDING SECTION 5-323; AMENDING TITLE 5, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY AMENDING SECTION 5-522; AMENDING TITLE 28, CHAPTER 3, ARTICLE 20, ARIZONA REVISED STATUTES, BY AMENDING SECTIONS 28-1176 AND 28-1177; AMENDING TITLE 28, CHAPTER 16, ARTICLE 5, ARIZONA REVISED STATUTES, BY AMENDING SECTIONS 28-5926 AND 28-5927; AMENDING TITLE 28, CHAPTER 18, ARTICLE 2, ARIZONA REVISED STATUTES, BY AMENDING SECTION 28-6538; AMENDING TITLE 41, CHAPTER 3, ARTICLE 1.1, ARIZONA REVISED STATUTES, BY AMENDING TITLE 41, CHAPTER 3, ARTICLE 1.2, BY ADDING SECTION 41-511.28; RELATING TO ACCESS TO ARIZONA STATE PARKS, AND FUNDING FOR ARIZONA STATE PARKS AND THE ARIZONA GAME AND FISH COMMISSION HERITAGE FUND.

TEXT OF PROPOSED AMENDMENT

Be it enacted by the people of the State of Arizona:

Sec. 1. Short title.

This Act shall be known as "The Arizona Natural Resources Protection Act."

Sec. 2. Title 41, chapter 3, article 1.2 is amended by adding section 41-511.27, Arizona Revised Statutes, to read:

41-511.27. SCHOOL GROUP FREE ACCESS

ARIZONA SCHOOLCHILDREN IN ANY PUBLIC, PRIVATE, HOME, OR CHARTER SCHOOL, FROM PRE-KINDERGARTEN THROUGH GRADE TWELVE INCLUSIVE, SHALL BE ADMITTED FREE TO ANY ARIZONA STATE PARK OR MONUMENT WHEN PART OF A GROUP EDUCATIONAL TRIP.

Sec. 3. Repeal.

Section 41-511.21 is repealed.

Sec. 4. Title 41, chapter 3, article 1.1, Arizona Revised Statutes, is amended by adding a new section 41-511.21, to read:

41-511.21. STATE PARKS REVENUE FUND; PURPOSE; EXEMPTION

A. THE STATE PARKS REVENUE FUND IS ESTABLISHED CONSISTING OF:

1. MONIES RECEIVED FROM THE SALE OF PARK POSTERS, PARK POSTCARDS, BOOKS, SOUVENIRS AND SUNDRY ITEMS.

2. MONIES APPROPRIATED BY THE LEGISLATURE FOR THE PURPOSE OF ENHANCING STATE PARKS.

3. UNCONDITIONAL GIFTS AND DONATIONS SPECIFICALLY DESIGNATED TO THE REVENUE FUND, EXCEPT FOR UNCONDITIONAL GIFTS, DONATIONS, BEQUESTS AND ENDOWMENTS DEPOSITED IN THE STATE PARKS DONATIONS FUND PURSUANT TO SECTION 41-511.11.

4. ALL MONIES DERIVED FROM STATE PARK USER FEES, CONCESSION FEES AND OTHER REVENUE GENERATING ACTIVITIES.

5. SURCHARGES ON PARK RESERVATIONS.

6. SALE OF PARK ASSETS AND ALL LEASE REVENUES.

B. THE MONIES IN THE FUND ARE:

1. FOR THE OPERATION AND MAINTENANCE OF THE STATE PARK SYSTEM.

2. FOR USE BY THE BOARD TO ACQUIRE AND DEVELOP REAL PROPERTY AND IMPROVEMENTS AS STATE PARKS CONSISTENT WITH THE PURPOSES AND OBJECTIVES PRESCRIBED IN SECTION 41-511.03.

3. MONIES IN THE FUND SHALL NOT BE EXPENDED IN A MANNER THAT IS INCONSISTENT WITH RESTRICTIONS IN THE LEASE OR DEED TO THE PROPERTY.

C. THE BOARD MAY COLLECT MONIES AS A SURCHARGE ON PARK RESERVATIONS AND SHALL DETERMINE THE SURCHARGE RATE AS PROVIDED IN SECTION 41-511.05, PARAGRAPH 8, AFTER CONSIDERING THE COST TO PLAN AND ADMINISTER THE RESERVATION SYSTEM.

D. ON NOTICE FROM THE BOARD, THE STATE TREASURER SHALL INVEST AND DIVEST THE MONIES IN THE STATE PARKS REVENUE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

E. MONIES IN THE STATE PARKS REVENUE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM SECTION 35-190, RELATING TO LAPSING

OF APPROPRIATIONS. THE PURPOSES FOR WHICH MONIES WERE EXPENDED DURING THE PRECEDING FISCAL YEAR SHALL BE DELINEATED IN THE AGENCY'S ANNUAL REPORT PURSUANT OT SECTION 41-511.12.

Sec. 5. Section 17-297, Arizona Revised Statutes, is repealed.

Sec. 6. Title 17, chapter 2, article 6, Arizona Revised Statutes, is amended by adding a new section 17-297, to read:

17-297. ARIZONA GAME AND FISH COMMISSION HERITAGE FUND.

A. THE ARIZONA GAME AND FISH COMMISSION HERITAGE FUND IS ESTABLISHED CONSISTING OF MONIES:

1. DEPOSITED FROM THE STATE LOTTERY FUND PURSUANT TO SECTION 5-522 AND INTEREST EARNED ON THOSE MONIES; AND

2. PUBLIC AND PRIVATE GIFTS TO THE FUND.

B. THE FUND SHALL BE ADMINISTERED BY THE ARIZONA GAME AND FISH COMMISSION AND EXPENDITURES FROM THE FUND ARE NOT SUBJECT TO OUTSIDE APPROVAL NOTWITHSTANDING ANY PROVISION OF § 17-241 OR 17-261 OR ANY OTHER STATUTORY PROVISION. MONIES RECEIVED PURSUANT TO § 5-522 SHALL BE DEPOSITED DIRECTLY WITH THE ARIZONA GAME AND FISH COMMISSION HERITAGE FUND. ON NOTICE FROM THE ARIZONA STATE GAME AND FISH COMMISSION, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY § 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

C. ALL MONIES IN THE ARIZONA GAME AND FISH COMMISSION HERITAGE FUND SHALL BE SPENT BY THE ARIZONA GAME AND FISH COMMISSION ONLY FOR THE PURPOSES AND IN THE PERCENTAGES SET FORTH IN THIS ARTICLE. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF § 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

D. THE COMMISSION SHALL NOT USE ITS RIGHTS OF EMINENT DOMAIN TO ACQUIRE PROPERTY TO BE PAID FOR WITH MONIES IN THE ARIZONA GAME AND FISH COMMISSION HERITAGE FUND.

Sec. 7. Title 28, chapter 16, article 3, Arizona Revised Statutes, is amended by adding section 28-5813, to read:

28-5813. VOLUNTARY DONATION TO THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND

A. ANY PERSON REGISTERING A MOTOR VEHICLE, OTHER THAN A COMMERCIAL MOTOR VEHICLE AS DEFINED IN SECTION 28-601(1), SHALL HAVE THE OPTION OF MAKING A VOLUNTARY DONATION OF FOURTEEN DOLLARS,

FOR EACH YEAR OF THE MOTOR VEHICLE REGISTRATION TO THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND ESTABLISHED BY SECTION 41-511.17. THE DONATION SHALL NOT BE MANDATORY, AND ANYONE MAY FREELY OPT OUT OF MAKING THE DONATION BY CHECKING A BOX ON A MOTOR VEHICLE REGISTRATION OR LICENSING FORM, OR IN ANOTHER MANNER APPROVED BY THE STATE PARKS BOARD. IF A PERSON DOES NOT OPT OUT OF MAKING THE DONATION, THE DONATION SHALL BE COLLECTED WITH THE MONIES COLLECTED PURSUANT TO SECTION 28-5801.

B. THE DEPARTMENT OF TRANSPORTATION SHALL INCLUDE A CHECK BOX, OR SOME OTHER LINE OR SPACE APPROVED BY THE STATE PARKS BOARD, ON MOTOR VEHICLE REGISTRATION OR LICENSING FORMS THAT ALLOWS A PERSON REGISTERING MOTOR VEHICLES TO OPT OUT OF THE VOLUNTARY DONATION PROVIDED IN SUBSECTION A.

Sec. 8. Title 41, chapter 3, article 1.1, Arizona Revised Statutes, is amended by adding section 41-511.17, to read:

41-511.17. ARIZONA NATURAL RESOURCES PROTECTION ACT FUND

A. THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND IS ESTABLISHED CONSISTING OF:

1. ANY VOLUNTARY DONATIONS MADE PURSUANT TO SECTION 28-5813.
2. PUBLIC AND PRIVATE GIFTS TO THE FUND.
3. INTEREST AND INVESTMENT INCOME FROM THE FUND'S PRINCIPAL.

B. THE ARIZONA DEPARTMENT OF TRANSPORTATION SHALL REMIT TO THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND ANY FUNDS COLLECTED PURSUANT TO SECTION 28-5813 AS SOON AS PRACTICABLE, AND IN ANY EVENT WITHIN 20 CALENDAR DAYS OF THE END OF THE FISCAL QUARTER IN WHICH ANY SUCH FUNDS WERE COLLECTED. THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND AS PROVIDED BY SECTION 35-313.

C. THE FUNDS IN THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO THE LAPSING OF APPROPRIATIONS.

D. THE STATE PARKS BOARD SHALL HAVE SOLE AUTHORITY FOR EXPENDING FUNDS FROM THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND. NONE OF THE FUNDS IN THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND MAY BE USED TO ACQUIRE PROPERTY THROUGH EMINENT DOMAIN. THE FUNDS IN THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND SHALL BE SPENT AS FOLLOWS:

1. BASED ON APPLICATIONS SUBMITTED, THE STATE PARKS BOARD SHALL PROVIDE GRANTS TO CITIES, TOWNS, COUNTIES, INDIAN NATIONS, GOVERNMENT AGENCIES, NON-GOVERNMENTAL ORGANIZATIONS, OR NON-PROFIT ORGANIZATIONS WORKING IN ARIZONA, TO PROTECT WILDLIFE, SITES OF ARCHEOLOGICAL SIGNIFICANCE, PROMOTE THE MULTI-PURPOSE USE OF PUBLIC LAND, ASSIST HISTORIC PRESERVATION, OUTDOOR RECREATION, WILDLIFE EDUCATION, ENVIRONMENTAL IMPROVEMENT, HABITAT PROTECTION, TRAILS, OR OFF-ROAD VEHICLE PROJECTS IN THE STATE OF ARIZONA. THE MINIMUM AGGREGATE AMOUNT OF SUCH GRANTS IN ANY FISCAL YEAR SHALL BE THE LESSER OF \$10,000,000 OR ALL THE INCOME FOR THE ARIZONA NATURAL RESOURCES PROTECTION ACT FUND DURING THE FISCAL YEAR. AT LEAST FORTY PERCENT OF SUCH GRANTS SHALL BE ALLOCATED ANNUALLY TO ARIZONA CITIES AND TOWNS.

2. ANY INCOME NOT USED FOR THE GRANTS PROGRAM DESCRIBED IN SUBSECTION (D)(1) SHALL BE USED:

(a) TO HELP PAY FOR COSTS OF THE FREE ACCESS FOR SCHOOLCHILDREN PROVIDED IN SECTION 41-511.07(B);

(b) TO MAINTAIN, IMPROVE, ESTABLISH, AND OPERATE ARIZONA STATE PARKS AND MONUMENTS NOTWITHSTANDING ANY LIMITATION IN SECTION 41-511.05(3);

(c) TO ACQUIRE ANY AMOUNT OF REAL PROPERTY;

(d) TO CONDUCT ON ANY SITE ACTIVITIES THAT THE STATE PARKS BOARD DETERMINES TO BE CONSISTENT WITH THE PURPOSES AND OBJECTIVES OF THE ARIZONA STATE PARKS BOARD AS PROVIDED IN SECTION 41-511.03.

Sec. 9. Section 5-323, Arizona Revised Statutes, is amended to read:

5-323. Disposition of fees

Each month monies received from the registration fees received under this chapter for the numbering of watercraft shall be deposited, pursuant to sections 35-146 and 35-147, in a fund designated as the watercraft registration fee clearing account. Each month, on notification by the department, the state treasurer shall distribute the monies in the clearing account as follows:

1. All revenues collected from the registration fees collected pursuant to section 5-321, subsection A, paragraphs 1 and 2 shall be allocated as follows:

(a) Sixty-five percent shall be deposited in a special fund to be known as the watercraft licensing fund. The watercraft licensing fund is to be used by the department for administering and enforcing this chapter, providing an information and education program relating to boating and boating safety and administering any aquatic invasive species program established under this title or title 17. These monies are subject to legislative appropriation.

(b) Thirty-five percent of such revenues shall be further allocated as follows:

~~(i) Fifteen percent to the state lake improvement fund to be used as prescribed by section 5-382.~~

(i) FIFTEEN PERCENT TO THE STATE LAKE IMPROVEMENT FUND TO BE USED AS PRESCRIBED BY SECTION 5-382.

(ii) Eighty-five percent to the law enforcement and boating safety fund to be used as prescribed by section 5-383.

2. All revenues collected from any additional registration fees collected pursuant to section 5-321, subsection C shall be paid to an account designated by a multi-county water conservation district established under title 48, chapter 22 to be used solely for the lower Colorado river multispecies conservation program and for no other purpose.

Sec. 10. Section 5-522, Arizona Revised Statutes, is amended to read:

5-522. Use of monies in state lottery fund; report

A. The monies in the state lottery fund shall be expended for the expenses of the commission incurred in carrying out its powers and duties and in the operation of the lottery.

B. Of the monies remaining in the state lottery fund each fiscal year after appropriations and deposits authorized in subsection A of this section, three million five hundred thousand dollars shall be deposited in the Arizona competes fund established by section 41-1545.01.

~~C. Of the monies remaining in the state lottery fund each fiscal year after appropriations and deposits authorized in sub sections a and b of this section, ten million dollars shall be deposited in the Arizona game and fish commission heritage fund established by section 17-297.~~

C. OF THE MONIES REMAINING IN THE STATE LOTTERY FUND EACH FISCAL YEAR AFTER APPROPRIATIONS AND DEPOSITS AUTHORIZED IN SUB SECTIONS A AND B OF THIS SECTION, TEN MILLION DOLLARS SHALL BE DEPOSITED IN THE ARIZONA GAME AND FISH COMMISSION HERITAGE FUND ESTABLISHED BY SECTION 17-297.

D. Of the monies remaining in the state lottery fund each fiscal year after appropriations and deposits authorized in subsections A, B and C of this section, five million dollars shall be allocated to the department of economic security for the healthy families program established by section 8-701, four million dollars shall be allocated to the Arizona board of regents for the Arizona area health education system established by section 15-1643, three million dollars shall be allocated to the department of health services to fund the teenage pregnancy prevention programs established in Laws 1995, chapter 190, sections 2 and 3, two million dollars shall be allocated to the department of health services for the health start program established by section 36-697, two million dollars shall be deposited in the disease control research fund established by section 36-274 and one million dollars shall be allocated to the department of health services for the federal women, infants and children food program. The allocations in this subsection shall be

adjusted annually according to changes in the GDP price deflator as defined in section 41-563 and the allocations are exempt from the provisions of section 35-190, relating to lapsing of appropriations. If there are not sufficient monies available pursuant to this subsection, the allocation of monies for each program shall be reduced on a pro rata basis.

E. If the state lottery director determines that monies available to the state general fund may not equal eighty million six hundred fifty thousand dollars in a fiscal year, the director shall not authorize deposits to the Arizona game and fish commission heritage fund pursuant to subsection B of this section until the deposits to the state general fund equal eighty million six hundred fifty thousand dollars in a fiscal year.

F. Of the monies remaining in the state lottery fund each fiscal year after appropriations and deposits authorized in subsections A through E of this section, one million dollars or the remaining balance in the fund, whichever is less, is appropriated to the department of economic security for grants to nonprofit organizations, including faith based organizations, for homeless emergency and transitional shelters and related support services. The department of economic security shall submit a report on the amounts, recipients, purposes and results of each grant to the governor, the speaker of the house of representatives and the president of the senate on or before December 31 of each year for the prior fiscal year and shall provide a copy of this report to the secretary of state.

G. Beginning in fiscal year 2010-2011, of the monies remaining in the state lottery fund each fiscal year after appropriations and deposits authorized in subsections A through F of this section, and after a total of at least ninety-six million one hundred forty thousand dollars has been deposited in the state general fund, the remaining balance in the state lottery fund shall be deposited in the university capital improvement lease-to-own and bond fund established by section 15-1682.03, up to a maximum of eighty percent of the total annual payments of lease-to-own and bond agreements entered into by the Arizona board of regents.

H. All monies remaining in the state lottery fund after the appropriations and deposits authorized in this section shall be deposited in the state general fund.

I. Except for monies expended for prizes as provided in section 5-504, subsection G and section 41-1545.01, monies expended under subsection A of this section are subject to legislative appropriation.

Sec. 11. Section 28-1176, Arizona Revised Statutes, is amended to read:

28-1176. Off-highway vehicle recreation fund; annual reports; definition

A. An off-highway vehicle recreation fund is established. The fund consists of:

1. Monies appropriated by the legislature.

2. ~~Monies deposited pursuant to sections 28-1177 and 28-5927.~~

2. MONIES DEPOSITED PURSUANT TO SECTIONS 28-1177 AND 28-5927.

3. Federal grants and private gifts.

~~B. — Monies in the off-highway vehicle recreation fund are appropriated to the Arizona state parks board solely for the purposes provided in this article. Interest earned on monies in the fund shall be credited to the fund. Monies in the off-highway vehicle recreation fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations.~~

B. MONIES IN THE OFF-HIGHWAY VEHICLE RECREATION FUND ARE APPROPRIATED TO THE ARIZONA STATE PARKS BOARD SOLELY FOR THE PURPOSES PROVIDED IN THIS ARTICLE. INTEREST EARNED ON MONIES IN THE FUND SHALL BE CREDITED TO THE FUND. MONIES IN THE OFF-HIGHWAY VEHICLE RECREATION FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

C. The Arizona game and fish department shall spend thirty-five percent of the monies in the off-highway vehicle recreation fund for informational and educational programs related to safety, the environment and responsible use with respect to off-highway vehicle recreation and law enforcement activities relating to this article and for off-highway vehicle law enforcement pursuant to title 17, chapter 4, article 3, including seven full-time employees to enforce this article and title 17, chapter 4, article 3.

D. The state land department shall spend five percent of the monies in the off-highway vehicle recreational fund to allow occupants of off-highway vehicles with user indicia to cross state trust land on existing roads, trails and designated routes. The state land department shall use these monies for costs associated with off-highway vehicle use of lands within its jurisdiction, to mitigate damage to the land, for necessary environmental, historical and cultural clearance or compliance activities and to fund enforcement of off-highway vehicle laws.

~~E. — The Arizona state parks board shall spend sixty percent of the monies in the off-highway vehicle recreation fund for the following purposes:~~

~~1. — No more than twelve percent to fund staff support to plan and administer the off-highway vehicle recreation fund.~~

~~2. — To establish an off-highway vehicle program based on the priorities established in the off-highway vehicle recreational plan.~~

~~3. — To designate, construct, maintain, renovate, repair or connect off-highway vehicle routes and trails and to designate, manage and acquire land for access roads, off-highway vehicle recreation facilities and off-highway vehicle use areas. After expenditures pursuant to paragraph 1 of this subsection, the Arizona state parks board shall not spend more than thirty-five percent of the remaining monies received pursuant to this subsection for construction of new off-highway vehicle trails.~~

~~4. — For enforcement of off-highway vehicle laws.~~

~~5. For off-highway vehicle related informational and environmental education programs, information, signage, maps and responsible use programs.~~

~~6. For the mitigation of damages to land, revegetation and the prevention and restoration of damages to natural and cultural resources, including the closure of existing access roads, off-highway vehicle use areas and off-highway vehicle routes and trails.~~

~~7. For necessary environmental, historical and cultural clearance or compliance activities.~~

E. THE ARIZONA STATE PARKS BOARD SHALL SPEND SIXTY PERCENT OF THE MONIES IN THE OFF-HIGHWAY VEHICLE RECREATION FUND FOR THE FOLLOWING PURPOSES:

1. NO MORE THAN TWELVE PERCENT TO FUND STAFF SUPPORT TO PLAN AND ADMINISTER THE OFF-HIGHWAY VEHICLE RECREATION FUND.

2. TO ESTABLISH AN OFF-HIGHWAY VEHICLE PROGRAM BASED ON THE PRIORITIES ESTABLISHED IN THE OFF-HIGHWAY VEHICLE RECREATIONAL PLAN.

3. TO DESIGNATE, CONSTRUCT, MAINTAIN, RENOVATE, REPAIR OR CONNECT OFF-HIGHWAY VEHICLE ROUTES AND TRAILS AND TO DESIGNATE, MANAGE AND ACQUIRE LAND FOR ACCESS ROADS, OFF-HIGHWAY VEHICLE RECREATION FACILITIES AND OFF-HIGHWAY VEHICLE USE AREAS. AFTER EXPENDITURES PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION, THE ARIZONA STATE PARKS BOARD SHALL NOT SPEND MORE THAN THIRTY-FIVE PERCENT OF THE REMAINING MONIES RECEIVED PURSUANT TO THIS SUBSECTION FOR CONSTRUCTION OF NEW OFF-HIGHWAY VEHICLE TRAILS.

4. FOR ENFORCEMENT OF OFF-HIGHWAY VEHICLE LAWS.

5. FOR OFF-HIGHWAY VEHICLE RELATED INFORMATIONAL AND ENVIRONMENTAL EDUCATION PROGRAMS, INFORMATION, SIGNAGE, MAPS AND RESPONSIBLE USE PROGRAMS.

6. FOR THE MITIGATION OF DAMAGES TO LAND, REVEGETATION AND THE PREVENTION AND RESTORATION OF DAMAGES TO NATURAL AND CULTURAL RESOURCES, INCLUDING THE CLOSURE OF EXISTING ACCESS ROADS, OFF-HIGHWAY VEHICLE USE AREAS AND OFF-HIGHWAY VEHICLE ROUTES AND TRAILS.

7. FOR NECESSARY ENVIRONMENTAL, HISTORICAL AND CULTURAL CLEARANCE OR COMPLIANCE ACTIVITIES.

F. The allocation of the monies in subsection E, paragraphs 3 through 7 of this section and the percentages allocated to each of the purposes prescribed in subsection E, paragraphs 3 through 7 of this section shall be based on an off-highway vehicle recreational plan.

G. Monies in the off-highway vehicle recreation fund shall not be used to construct new off-highway vehicle trails or routes on environmentally or culturally sensitive land unless the appropriate land management agency determines that certain new trail construction would benefit or protect cultural or sensitive sites. For the purposes of this subsection, "environmentally or culturally sensitive land" means areas of lands that are either:

1. Administratively or legislatively designated by the federal government as any of the following:

- (a) A national monument.
- (b) An area of critical environmental concern.
- (c) A conservation area.
- (d) An inventoried roadless area.

2. Determined by the applicable land management agency to contain significant natural or cultural resources or values.

H. The Arizona state parks board shall examine applications for eligible projects and determine the amount of funding, if any, for each project. In determining the amount of monies for eligible projects, the Arizona state parks board shall give preference to applications for projects with mitigation efforts and for projects that encompass a large number of purposes described in subsection E, paragraphs 3 through 7 of this section.

I. Beginning September 1, 2011, and on or before September 1 of each subsequent year, each agency that receives monies from the off-highway vehicle recreation fund shall submit an off-highway vehicle report to the president of the senate, the speaker of the house of representatives, the chairperson of the senate natural resources and rural affairs committee, or its successor committee, and the chairperson of the house of representatives natural resources and public safety committee, or its successor committee. The report shall be made available to the public. The report shall include information on all of the following if applicable:

1. The amount of monies spent or encumbered in the fund during the preceding fiscal year for the purposes of off-highway vehicle law enforcement activities.

2. The amount of monies spent from the off-highway vehicle recreation fund during the preceding fiscal year for employee services.

3. The number of full-time employees employed in the preceding fiscal year in connection with off-highway vehicle law enforcement activities.

4. The amount of monies spent from the off-highway vehicle recreation fund during the preceding fiscal year for information and education.

5. The number and specific location of verbal warnings, written warnings and citations given or issued during the preceding fiscal year.

6. A specific and detailed accounting for all monies spent in accordance with this section for construction of new off-highway vehicle trails, mitigation of damages to lands, revegetation, the prevention and restoration of damages to natural and cultural resources, signage, maps and necessary environmental, historical and cultural clearance or compliance activities.

J. For the purposes of this section, "off-highway vehicle recreational plan" means a plan that is maintained by the Arizona state parks board pursuant to section 41-511.04.

Sec. 12. Section 28-1177, Arizona Revised Statutes, is amended to read:

28-1177. Off-highway vehicle user fee; indicia; registration; state trust land recreational permit; exception

A. A person shall not operate an all-terrain vehicle or an off-highway vehicle in this state without an off-highway vehicle user indicia issued by the department if the all-terrain vehicle or off-highway vehicle meets both of the following criteria:

1. Is designed by the manufacturer primarily for travel over unimproved terrain.
2. Has an unladen weight of eighteen hundred pounds or less.

B. A person shall apply to the department of transportation for the off-highway vehicle user indicia by submitting an application prescribed by the department of transportation and a user fee for the indicia in an amount to be determined by the director of the department of transportation in cooperation with the director of the Arizona game and fish department and the Arizona state parks board. The user indicia is valid for one year from the date of issuance and may be renewed. The department shall prescribe by rule the design and placement of the indicia.

C. When a person pays for an off-highway vehicle user indicia pursuant to this section, the person may request a motor vehicle registration if the vehicle meets all equipment requirements to be operated on a highway pursuant to article 16 of this chapter. If a person submits a signed affidavit to the department affirming that the vehicle meets all of the equipment requirements for highway use and that the vehicle will be operated primarily off of highways, the department shall register the vehicle for highway use and the vehicle owner is not required to pay the registration fee prescribed in section 28-2003. This subsection does not apply to vehicles that as produced by the manufacturer meet the equipment requirements to be operated on a highway pursuant to article 16 of this chapter.

~~D. The director shall deposit, pursuant to sections 35-146 and 35-147, seventy percent of the user fees collected pursuant to this section in the off highway vehicle recreation fund established by section 28-1176 and thirty percent of the user fees collected pursuant to this section in the Arizona highway user revenue fund.~~

D. THE DIRECTOR SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, SEVENTY PERCENT OF THE USER FEES COLLECTED PURSUANT TO THIS SECTION IN THE OFF HIGHWAY VEHICLE RECREATION FUND ESTABLISHED BY SECTION 28-1176 AND THIRTY PERCENT OF THE USER FEES COLLECTED PURSUANT TO THIS SECTION IN THE ARIZONA HIGHWAY USER REVENUE FUND.

MONIES IN THE ARIZONA HIGHWAY USER REVENUE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO THE LAPSING OF APPROPRIATIONS.

E. An occupant of an off-highway vehicle with a user indicia issued pursuant to this section who crosses state trust lands must comply with all of the rules and requirements under a state trust land recreational permit. All occupants of an off-highway vehicle with a user indicia shall obtain a state trust land recreational permit from the state land department for all other authorized recreational activities on state trust land.

F. This section does not apply to off-highway vehicles, all-terrain vehicles or off-road recreational motor vehicles that are used off-highway exclusively for agricultural, ranching, construction, mining or building trade purposes.

Sec. 13. Section 28-5926, Arizona Revised Statutes, is amended to read:

28-5926. Fuel used in watercraft; survey; costs

A. Every three years, the directors of the department of transportation, the Arizona game and fish department and the Arizona state parks board shall have a survey conducted by a public or private agency to determine at least the following information:

1. The percentage of the total taxes paid on motor vehicle fuel that is used for propelling watercraft.
2. The number of days of recreational watercraft use in each county.

B. The survey shall be completed by the fiscal year ending in 1982 and every three years thereafter.

C. The director shall:

1. Use the percentage determined pursuant to subsection A of this section to determine the amount of taxes collected on the sale of fuel used in watercraft.

~~2. Except as provided in subsection D of this section, deposit, pursuant to sections 35-146 and 35-147, the amount determined pursuant to paragraph 1 of this subsection on a monthly basis in the state lake improvement fund to be distributed pursuant to section 5-382.~~

2. EXCEPT AS PROVIDED IN SUBSECTION D OF THIS SECTION, DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, THE AMOUNT DETERMINED PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION ON A MONTHLY BASIS IN THE STATE LAKE IMPROVEMENT FUND TO BE DISTRIBUTED PURSUANT TO SECTION 5-382.

D. Of the percentage of motor vehicle tax paid on fuel used to propel watercraft, the department of transportation shall retain:

1. One percent to defray administrative expense.
2. An amount equal to the expenses of the survey provided for in subsection A of this section.

Sec. 14. Repeal.

Section 28-5927, Arizona Revised Statutes, is repealed.

Sec. 15. Title 28, article 5, Arizona Revised Statutes, is amended by adding a new section 28-5927, to read:

28-5927. Transfer; off-highway vehicle recreation fund

FIFTY-FIVE ONE HUNDRETHS OF ONE PERCENT OF THE TOTAL TAXES ON MOTOR VEHICLE FUEL SHALL BE TRANSFERRED FROM THE MONIES COLLECTED PURSUANT TO SECTION 28-5606 TO THE OFF-HIGHWAY VEHICLE RECREATION FUND ESTABLISHED BY SECTION 28-1176 ON A MONTHLY BASIS.

Sec. 16. Section 28-6538, Arizona Revised Statutes, is amended to read:

28-6538. Arizona highway user revenue fund distribution; remaining monies; highway fund distribution; contract authorization; regional transportation plan requirements

A. Each fiscal year the department shall allocate and the state treasurer shall distribute revenues of the Arizona highway user revenue fund remaining after the distribution provided in sections 28-6534 and 28-6537 as follows:

1. To the state highway fund, fifty and one-half percent.
2. To the counties, nineteen percent.
3. To the incorporated cities and towns, twenty-seven and one-half percent.
4. To incorporated cities with a population of three hundred thousand or more persons, three percent.

B. At least twelve and six-tenths percent of the revenues allocated each year to the state highway fund pursuant to subsection A of this section shall be further distributed in the following proportions and for the following purposes:

1. Seventy-five percent of the revenues shall be spent, pledged or accumulated in counties with a population of one million five hundred thousand or more persons for the design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan of the county and that are accepted into the state highway system either as a state route or as a state highway.

2. Twenty-five percent of the revenues shall be spent, pledged or accumulated in counties with a population of more than eight hundred thousand but less than one million five hundred thousand persons for:

(a) The design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan of the county and that are accepted into the state highway system either as a state route or as a state highway or related grade separations of controlled access highways that are included in the regional transportation plan of the county.

(b) Notwithstanding sections 28-6993 and 28-6995, the design, right-of-way purchase, construction, standard and reduced clearance grade separation, extension and widening of arterial streets and highways that are included in the regional transportation plan of the county.

~~C. — Of the monies allocated to the state highway fund pursuant to subsection a of this section, not more than five million dollars annually shall be spent for the acquisition, construction or improvement of entry roads to state parks or roads in state parks.~~

C. OF THE MONIES ALLOCATED TO THE STATE HIGHWAY FUND PURSUANT TO SUBSECTION A OF THIS SECTION, NOT MORE THAN FIVE MILLION DOLLARS ANNUALLY SHALL BE SPENT FOR THE ACQUISITION, CONSTRUCTION OR IMPROVEMENT OF ENTRY ROADS TO STATE PARKS OR ROADS IN STATE PARKS.

D. Expenditures for state matching monies for the federal interstate system shall be in addition to the amount provided in subsection B of this section.

E. The department may contract with a county, city or town to allow the county, city or town to construct the streets or highways prescribed in subsection B of this section.

F. A county described in subsection B of this section and the cities and towns in the county, through their regional planning agency, shall list transportation corridors by priority in the regional transportation plan. The regional transportation plan may also provide a suggested construction schedule for the transportation corridors contained in the plan.

Sec. 17. Title 41, chapter 3, article 1.2, Arizona Revised Statutes, is amended by adding section 41-511.28, to read:

41-511.28. NARROWING, LIMITING, OR ELIMINATING THE PURPOSES, DUTIES, AND POWERS OF THE STATE PARKS BOARD

THE LEGISLATURE SHALL NOT NARROW, LIMIT, OR ELIMINATE THE PURPOSES, OBJECTIVES, DUTIES, OR POWERS OF THE STATE PARKS BOARD AS PROVIDED IN SECTIONS 41-511.03, 41-511.04, AND 41-511.05 WITHOUT THE PRIOR CONSENT OF THE VOTERS.

Sec. 18. Severability

If any provision of this measure or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the measure that can be

given effect without the invalid provision or application, and to this end the provisions of this measure are severable.

Sec. 19.           Submission to voters

          The Secretary of State shall submit this initiative measure to the voters at the next general election as provided by Article IV, part 1, section 1, Constitution of Arizona.

## **The Arizona Natural Resources Protection Act**

This measure provides that all Arizona school children, from pre-kindergarten through twelfth grade, will receive free admission to Arizona State Parks when part of a school trip. It protects Arizona State Parks funds and the Arizona Game and Fish Department's Heritage Fund allocation from legislative fund sweeps. It re-establishes the Arizona State Parks annual grant program for public and non-profit organizations. Annually, Arizonans who register their non-commercial motor vehicles will have the option of making a voluntary \$14 per vehicle donation to help fund this measure.

# Frequently Asked Questions

**1) Q: What is the Arizona Natural Resources Protection Act?**

**A:** The Arizona Natural Resources Protection Act is an initiative seeking qualification for the November 2012 statewide ballot that provides voter-protected funding for the management and protection of our natural resources. This ballot measure ensures that current and future generations are able to enjoy the natural splendor, historic heritage and outdoor recreational opportunities offered at our Arizona parks and recreational areas.

**2) Q: What, specifically, would the Arizona Natural Resources Protection Act do?**

**A:** The initiative:

- 1) Guarantees all Arizona school children free entry to state parks when they are part of a school trip;
- 2) Voter-protects all Arizona State Parks funds and the Arizona Game & Fish Department's \$10 million annual Arizona Heritage Fund allocation from raids by the Arizona State Legislature;
- 3) Guarantees that the first \$10 million in revenues will be used to fund an Arizona State Parks annual grant program for Arizona cities, towns, counties, Indian nations, governmental organizations and non-profit organizations to finance watershed protection, trails, historic preservation, outdoor recreation, wildlife education, and archaeological protection; and
- 4) Provides the funds needed to operate and maintain Arizona State Parks and protect Arizona's natural and cultural resources through a \$14 voluntary vehicle registration opt-out donation program.

**3) Q: What does the Arizona State Parks system do?**

**A:** Arizona State Parks manages 31 recreational and historic state parks and natural areas for the public benefit. Our state parks—and the ecosystems, wildlife, and historic and natural resources they protect—are part of what makes Arizona unique. If we allow them to be degraded or shut down, they cannot be replaced. The Arizona Natural Resources Protection Act will provide secure funding for the Arizona State Parks system to keep state parks open, properly maintained and safe, preserve the opportunities they provide for family recreation, help our economy, and protect jobs.

**4) Q: How do Arizona State Parks help the Arizona economy?**

**A:** By attracting visitors and tourists, more than half of whom travel here from other states or countries, Arizona State Parks give life to local economies. According to a study conducted by Northern Arizona University, Arizona State Parks generate more than \$266 million in economic activity annually and support more than 3,000 jobs, primarily in Arizona's rural communities. By ensuring that parks are kept open, the Arizona Natural Resources Protection Act preserves very important jobs and local revenues.

**5) Q: Why does Arizona State Parks need funding?**

**A:** The Arizona legislature has repeatedly diverted funds from the Arizona State Parks, and now our parks and natural resources are at immediate risk. The park system is in dire need of funding for park operations, deferred maintenance, and capital improvement projects.

Arizona State Parks receives ZERO state General Fund dollars. In fact, the Arizona State Legislature allocates only one-fifth of one percent of the state General Fund Budget to care for Arizona's natural resources. Further, since 2009 the Arizona State Legislature has transferred away from Arizona State Parks more than \$15 million of the park system's earned income (gate fees, gift shop proceeds, donations, and reservation surcharge funds). While the Arizona State Legislature has neglected to fund our state parks over the last decade, deferred maintenance and backlogged capital projects costs have piled up, now totaling approximately \$200 million.

**6) Q: How is the park system operating now?**

**A:** Nineteen of our 31 state parks and natural areas are open to the public only because non-governmental entities have stepped forward to provide short-term, temporary funding for park operations. This financial support has only allowed our state parks to operate on seasonal and shortened schedules – and even that won't last long. Without the vital funding provided by this ballot measure, future generations of Arizonans will be robbed of the opportunity to experience the natural grandeur of Arizona found in our state parks. This measure preserves Arizona State Parks as a legacy for our children and grandchildren.

**7) Q: How much money do Arizona State Parks need to stay open and properly maintained?**

**A:** The agency requires \$30 to \$34 million annually to operate the existing Arizona State Parks system at full staff and maintenance capacity. These figures are the result

of a detailed analysis of the Arizona State Parks system entitled, "The Price of Stewardship: The Future of Arizona's State Parks," conducted by Arizona State University's Morrison Institute of Public Policy in 2009.

**8) Q: Why don't Arizona State Parks raise admission fees?**

**A:** The gate/admission fees at Arizona State Parks are currently among the highest in the United States. As state park revenues (gate fees, gift shop proceeds, donations and reservation surcharge funds) were swept away from the park system by the Arizona State Legislature (more than \$15 million since FY2009), park fees were raised to support park operations. However, increased park fees have provided only enough funding to support reduced schedules at most of our state parks.

**9) Q: What is Arizona State Parks presently doing in partnership with the private sector?**

**A:** Like parks systems around the country, Arizona State Parks has a long history of contracting with the private sector. Private visitor-related businesses have been operating within State Parks since the late 1960s and searching for new partnership opportunities continues to be a very high priority. In these times of severe budget restrictions, partnership opportunities are critical to Arizona State Parks. The agency will continue to seek private sector partnerships that enhance the visitor experience, reduce net costs and increase revenues, while still retaining control over the quality of management of our naturally and historically significant sites and assets. While these private partnerships are helping, they alone cannot solve the problems faced by Arizona State Parks. By providing secure funding, the Arizona Natural Resources Protection Act will fix the persistent problems of insufficient and insecure funding.

**10) Q: How much will the voluntary vehicle registration donation generate for Arizona State Parks?**

**A:** Findings from Governor Brewer's 2009 Tax Task Force suggest that approximately \$30 to \$40 million per year could be raised from the \$14 voluntary donation to support Arizona State Parks. These funds will be used to cover operations, maintenance, and capital projects costs, and also support an annual \$10 million grant program to finance programs that preserve our natural resources and historic heritage.

**11) Q: How does the voluntary vehicle registration donation work?**

**A:** When you register your vehicle with the state you can simply check a box on the vehicle registration forms to opt-out of making the donation. It's that easy.

**12) Q: Where does the donation money go? How do we know it won't be swept away and used for general state purposes?**

**A:** The Arizona Natural Resource Protection Act safeguards your donation from the state legislature. The money is collected by the Arizona Department of Transportation and distributed to Arizona State Parks quarterly. Your donation will never be diverted away from its intended purpose of protecting our state parks.

**13) Q: Who is supporting this initiative?**

**A:** Citizens to Save Arizona's Natural Resources is a broad-based, non-partisan, growing coalition of Arizonans coming together to protect our state's natural resources. Our top priority is protecting our state parks and natural resources by securing voter approval of the Arizona Natural Resources Protection Act.

**14) Q: What can I do to help?**

**A:** The campaign needs your support! Please volunteer and/or make a contribution to secure a place on the ballot for this important initiative.

RESOLUTION NUMBER 2643

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, SUPPORTING THE ARIZONA NATURAL RESOURCES PROTECTION ACT INITIATIVE.

WHEREAS, Arizona State Parks manages and conserves 31 natural, cultural, and recreational resources for the benefit of the people, five of which are in Sedona and the Verde Valley; and

WHEREAS, by attracting visitors and tourists to our state, Arizona State Parks gives life to local economies; and

WHEREAS, according to a study conducted by Northern Arizona University, Arizona State Parks generate more than \$266 million in economic activity annually and supports more than 3,000 jobs; and

WHEREAS, due to the economy the Arizona legislature has found it necessary to divert funds from the Arizona State Parks placing our public natural, cultural, and recreational resources in immediate risk; and

WHEREAS, the Arizona Natural Resources Protection Act is an initiative seeking qualification for the November 2012 statewide ballot to provide voter-protected funding for the management and protection of our natural resources.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA:

THAT, the Cottonwood City Council hereby supports the placement of the Arizona Natural Resources Protection Act on the statewide November 2012 ballot.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH DAY OF JUNE 2012.

---

Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

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Steve Horton, Esq., City Attorney

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Marianne Jiménez, City Clerk

**City of Cottonwood, Arizona  
City Council Agenda Communication**



 [Print](#)

Meeting Date:	June 19, 2012
<b>Subject:</b>	Parks and Recreation Commission Appointments
Department:	Community Services
From:	Jason Little

**REQUESTED ACTION**

Appointments to fill recently vacated seats on the Parks and Recreation Commission by resolution.

**SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I move to approve Resolution Number 2644 appointing \_\_\_\_\_ to fill the remainder of a two year term which expires August 16, 2013.

I move to approve Resolution Number 2645 appointing \_\_\_\_\_ to fill the remainder of a three year term which expires January 5, 2014.

**BACKGROUND**

With the departure of two Parks and Recreation Commissioners Ron Hollis (resignation) and Dennis Burke (change of address) the City of Cottonwood Parks and Recreation Department would like to fill the two vacated seats. The Human Resources Manager advertised the vacancies on the Parks and Recreation Commission for approximately six weeks in the local newspapers ending May 25, 2012. All of the applicants listed below have expressed an interest and desire to sit on the Parks and Recreation Commission and are asking for council consideration to be appointed to the commission. The prospective applicants are:

Cynthia Burton  
Albert Hilberger  
John Lupo  
C. Stoddard

Please see the attached copies of the Commission/Board Applications from the four (4) applicants for the two (2) open seats

**JUSTIFICATION/BENEFITS/ISSUES**

Issue: fill vacancies on the parks and Recreation Commission according to requirements by City Council for a seven member commission body.

**COST/FUNDING SOURCE**

N/A

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">P_R_Appls..pdf</a>	P&R Appls	Cover Memo
<a href="#">res2644.doc</a>	Resolution 2644	Resolution Letter
<a href="#">res2645.doc</a>	Resolution 2645	Resolution Letter

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CITY OF COTTONWOOD  
816 NORTH MAIN STREET  
COTTONWOOD, AZ 86326  
Phone (928) 634-0060 x217  
Fax (928) 634-3727  
Revised January 11, 2010

APPLICATION FOR PARKS & REC.  
(BOARD/COMMISSION/COMMITTEE)

NAME BURTON CYNTHIA (CINDY)\*\* LEE  
(Last) (First) (Middle)

MAILING ADDRESS 21 S. 13th ST. COTTONWOOD ARIZ. 86326  
(Route or Box) (City) (State) (Zip)

STREET ADDRESS 31 S. 13th St. COTTONWOOD, ARIZ, 86326  
(Number & Street) (City) (State) (Zip)

HOME PHONE (928) 567-8570 ← SAME (OR) CELL WORK/MESSAGE PHONE (928) 274-4525

EMAIL ADDRESS: NONE

**PLEASE TYPE OR PRINT CLEARLY IN INK ONLY.**

Professional Memberships, Registrations, Licenses, Etc. ABSOLUTELY NONE.

Education G.E.D. SOME NURSING CLASSES PAST YEARS -

Work Experience CHILD CARE (1988-1990), NURSING ASSIST. (1988-1998) & PATIENT CARE TECH @ UVMC (SEDONA NURSING - 1990-1997)  
LANDSCAPING & YARD CARE 2000-2010 (PART TIME SELF EMPLOYED)

Application for (Board/Commission/Committee)

Page 2

Please describe your qualifications for serving on Board/Commission/Committee: I LIVE IN COTTONWOOD CITY LIMITS -

- A DRIVE TO BE INVOLVED IN MY COMMUNITY AT ANY LEVEL I CAN HELP.
- DISABLED FOR WORK, BUT NOT FROM BEING ACTIVE IN MY COMMUNITY. I HAVE TOO MUCH TIME ON HAND.

List any community service organizations or projects you have been involved with (include a brief description of activities):

RED ROCK STATE PARK, HELPED PUT IN THE TRAIL IN 1993-1994 - PAINTING ON SITE STATE HOMES. (TIM)

Have you ever been convicted of, or pled "no contest" to any crime, including any convictions that were later set aside or expunged?  YES  NO

Does the City of Cottonwood employ any relative of yours?  YES  NO

Are you currently a resident of Cottonwood? If so, how long have you been a resident of the City?

YES, 9 YEARS - 1 MONTH AND 57 DAYS -

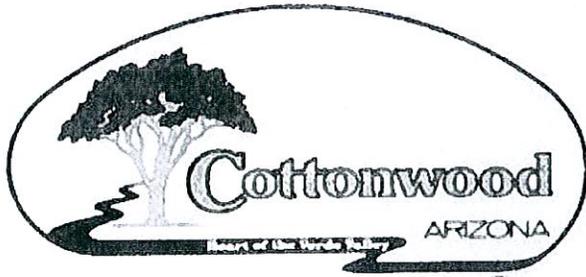
Signature 

Date 23RD April, 2012

**NOTE:** All applicants are strongly encouraged to attend the Council meeting at which their application will be considered. It is important for Council members to be able to assess applicants' qualifications and backgrounds during the selection process, and be able to ask questions for clarification.

Generally, the Council will conduct a brief interview process during the Council meeting.

Council meetings are held the first and third Tuesday of every month. Council agendas can be found under the City Council tab on the City website: [www.cottonwoodaz.gov](http://www.cottonwoodaz.gov).



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APPLICATION FOR PARKS AND RECREATION COMMISSION  
(BOARD/COMMISSION/COMMITTEE)

NAME HILBERGER ALBERT CARL  
(Last) (First) (Middle)

MAILING ADDRESS 890 S. 12TH ST. COTTONWOOD, AZ. 86326  
(Route or Box) (City) (State) (Zip)

STREET ADDRESS 890 S. 12TH ST. COTTONWOOD, AZ 86326  
(Number & Street) (City) (State) (Zip)

HOME PHONE 928/634-2957 WORK/MESSAGE PHONE \_\_\_\_\_

EMAIL ADDRESS: AL 92844@GMAIL.COM

**PLEASE TYPE OR PRINT CLEARLY IN INK ONLY.**

Professional Memberships, Registrations, Licenses, Etc. B-1 GENERAL CONTRACTORS LICENSE (INACTIVE), SAT ON THE BOARD OF DIRECTORS FOR ILWG CONSTRUCTION CO. AND WAS A VICE-PRESIDENT; AND OPERATIONS MANAGER FOR THEM ALSO. I HAVE A CURRENT REAL ESTATE LICENSE FOR THE STATE OF ARIZONA.

Education ASSOCIATE IN ARTS DEGREE FROM PASADENA CITY COLLEGE IN BUILDING CONSTRUCTION. - CONSTRUCTION INSPECTION COURSES AT SADDLEBACK COLLEGE.

Work Experience CITY OF COTTONWOOD RECREATION CENTER - MAINTENANCE DEPT, OVER 40 YEARS OF EXPERIENCE IN BUILDING COMMERCIAL AND RESIDENTIAL STRUCTURES. PRESIDENT OF HILBERGER CONSTRUCTION, INC. - GENERAL MANAGER FOR COPISTRAL HARLEY-DAVIDSON, COPISTRAL BEACH, CA.

(Please continue on reverse side)

Application for (Board/Commission/Committee)  
Page 2

Please describe your qualifications for serving on Board/Commission/Committee: PEOPLE  
PERSON - I HAVE DEALT WITH HUNDREDS OF PEOPLE  
IN THE CONSTRUCTION INDUSTRY AND I CONSIDER ALL  
OF THEM TO BE FRIENDS. I AM TOTALLY ETHICAL AND  
HONEST AND WOULD ALWAYS LEGISLATE WHAT IS BEST FOR  
THE CITY OF COTTONWOOD.

List any community service organizations or projects you have been involved with (include a brief description of activities):  
VOLUNTEER WITH THE VERDE VALLEY MEDICAL CENTER,  
HELPING IN MATERIALS MANAGEMENT AND THE  
MAINTENANCE DEPT. COORDINATING WITH PUBLIC WORKS  
TO REVIEW 12TH ST. IMPROVEMENTS. VOLUNTEER AT THE REC. CTR.

Have you ever been convicted of, or pled "no contest" to any crime, including any convictions that were later set aside or expunged? \_\_\_\_\_ YES  NO

Does the City of Cottonwood employ any relative of yours? \_\_\_\_\_ YES  NO

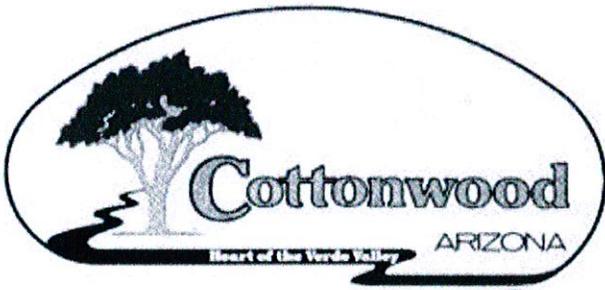
Are you currently a resident of Cottonwood? If so, how long have you been a resident of the City?  
YES 2+ YEARS

Signature Albert Carl Hillgren Date MAY 2, 2012

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Fax (928) 634-3727  
Revised January 11, 2010

APPLICATION FOR PARKS & RECREATION COMMISSION  
(BOARD/COMMISSION/COMMITTEE)

NAME LUPO JOHN  
(Last) (First) (Middle)

MAILING ADDRESS 258 512<sup>th</sup> St. Cottonwood AZ 86326  
(Route or Box) (City) (State) (Zip)

STREET ADDRESS SAME  
(Number & Street) (City) (State) (Zip)

HOME PHONE 928.254.1342 WORK/MESSAGE PHONE SAME

EMAIL ADDRESS: Johnny7-KAYAK@YAHOO.COM

**PLEASE TYPE OR PRINT CLEARLY IN INK ONLY.**

Professional Memberships, Registrations, Licenses, Etc. WASTEWATER & CERTIFICATION - 2012  
NATIONAL MOUNTAIN BIKE PATROLLER (1<sup>st</sup> AID/CPR), VERDE VALLEY CYCLIST  
COALITION MEMBER, FORMER AZ PARKS & RECREATION ASSOC. MEMBER, FORMER  
CERTIFIED PARKS & RECREATION PROFESSIONAL NATIONAL ACCREDITATION, PLEASE  
SEE RESUME FOR PERTINENT EXPERIENCE

Education BACHELOR OF SCIENCE - RECREATION & LEISURE  
SERVICES

Work Experience I CURRENTLY AM EMPLOYED WITH ENVIRONMENTAL BIOMASS  
SYSTEMS. PAST PERTINENT EXPERIENCE INCLUDES BRANCH & EXECUTIVE DIRECTOR  
OF BOYS & GIRLS CLUBS OF NORTHERN ARIZONA FOR 8<sup>+</sup> YEARS - I ALSO WORKED AS  
THE TEEN DIRECTOR FOR TWO YEARS WITH THE SAME ORGANIZATION, MOREOVER I  
HAVE SALES EXPERIENCE WITHIN THE SOLAR INDUSTRY AS WELL AS WITH THE  
YMCA AND AS A SR. LOAN OFFICER - PLEASE SEE RESUME FOR MORE DETAILED

(Please continue on reverse side) HISTORY

Application for (Board/Commission/Committee)

Page 2

Please describe your qualifications for serving on Board/Commission/Committee: ASIDE FROM MY YEARS WORKING IN YOUTH RECREATION, I AM THE FOUNDING PRESIDENT OF THE SEDONA DOG PARK NON-PROFIT, I HAVE EXPERIENCE IN MANY RECREATION BASED ACTIVITIES SUCH AS; COURSE COORDINATOR FOR THE SEDONA MARATHON, VOLUNTEER FOR BRIAN MCKELSEN MARATHON, COTTONWOOD YOUTH COMMISSION, FORMER PRESIDENT OF SEDONA SUNRISE KIWANIS, PAST ROTARIAN - AGAIN RESUME HAS MORE INFO.

List any community service organizations or projects you have been involved with (include a brief description of activities):

SEDONA DOG PARK, JACK MALMGREN SKATE PARK, KIWANIS, ROTARY BOYS & GIRLS CLUB PROFESSIONALS, NATIONAL MTN BIKE PATROLLER/INSTRUCTOR, BIG BROTHERS / BIG SISTERS VOLUNTEER, VALLEY CYCLIST COALITION MEMBER, FORMER FIREFIGHTER/EMT, AMERICAN RED CROSS 1st/PPR INSTRUCTOR

Have you ever been convicted of, or pled "no contest" to any crime, including any convictions that were later set aside or expunged? \_\_\_\_\_ YES \_\_\_\_\_ NO

Does the City of Cottonwood employ any relative of yours? \_\_\_\_\_ YES \_\_\_\_\_ NO

Are you currently a resident of Cottonwood? If so, how long have you been a resident of the City?

RESIDENT SINCE 3/09

Signature Jof

Date 4-19-12

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# ***John D. Lupo***

258 S 12<sup>th</sup> Street, Cottonwood AZ 86326

(928) 254.1342 cell

[Johnny7\\_kayak@yahoo.com](mailto:Johnny7_kayak@yahoo.com)

## **Education:**

Bachelor of Science in Recreation and Leisure Services,  
University of Maine at Presque Isle – August 1996

## **Professional Experience:**

### Environmental Biomass/Big Park Water Treatment Plant, 100 Hutson Lane, Sedona AZ 86351-Plant Operator May 2011 – Current

Operates treatment facilities to process wastewater, sludge and effluent. Operates valve and gates manually or by remote control, starts and stops pumps, engines and generators to control and adjust flow and treatment processes. Monitors gauges, meters and control panels. Observes and reports abnormalities to supervisor. Maintains shift log and records meter and gauge readings. Collects samples and performs routine lab tests and analyses. Performs routine maintenance functions and custodial duties. Ensure daily wasting occurs, NO<sub>3</sub>, P, D.O., Turbidity and Ph lab tests are performed. Document fecal results to ADEQ standards. Ensure blowers, mixers, sand filter and Effluent UV of plant are operating, ensure reuse has been documented to local golf course. General maintenance and repairs.

### Branch Director, August 2011-December 2012

Boys & Girls Club of Northern Arizona- Sedona Branch, Sedona AZ 86336

- Responsible for Branch operations including, program implementation, staffing, budgeting, fundraising etc (see description below)

### Larson Newspapers, 298 Van Deren, Sedona AZ- Advertising Executive

April 2010 – July 2010

Sold online and print advertising to local businesses. Duties include face to face and telephone visits with business owners to maintain and create new advertising accounts, collect current and delinquent accounts, design print advertising with clients, submit all paperwork to graphic and print departments and attend community functions that allowed me to increase client base.

### Arizona Solar Power, 2825 E. SR 89A, Cottonwood AZ – Solar Sales Consultant

March 2009 – Dec. 2009, Cottonwood, Dewey and Flagstaff Offices

Sale of photovoltaic solar systems to residential and commercial customers. Duties includes creating sales proposals/contracts to prospective clients, on site building assessments with customers, designing grid tied, off grid and hybrid solar systems. assignment of utility company rebates and credit reservations, leading weekly 2 hour

energy seminars, key speaker at Sunpower sponsored “community events”, create marketing materials for local sales office.

Shaylor Home Loans/1<sup>st</sup> Metropolitan Mortgage, Sr. Loan Officer

October 2004 – March 2009, 3190 W Hwy 89A, Ste 900, Sedona AZ 86336

Originate residential, commercial, lot, construction and private loans. Consistent, top producing loan officer for 100% commissioned position. Duties involve pre-qualifying clients for purchases and refinances. Knowledge of government, conventional lender and private lending guidelines is crucial. Credit counseling and tax knowledge is imperative. Marketing to existing clients, real estate agents and other prospects; created workshops/seminar for first time homebuyers, investors, FHA/VA, Rural Housing etc.

Sedona Teen Center Director, August 2002-September 2004

480 Posse Grounds Road, Sedona AZ 86336

- Generated \$50K+ in Grant money to assist building new Teen facility and programs
- Market saturation 33% of all local Teens to be members.
- Duties also included preparation/analysis of annual budget and managed expenditures in all program areas.
- Board fundraising liaison
- Coordinated scheduling and payroll for staff, contractors and volunteers

Director of Operations, May 2001 – August 2002

Boys & Girls Clubs of Northern Arizona, Sedona AZ 86336

- Directly managed all key branch managers, indirectly supervised 40 part time staff.
- Provide professional level staff assistance/training/education to branch managers.
- Responsible for human resource management of all staff and program volunteers.
- Assisted Executive Director with organizational fundraising and for main and auxiliary board development efforts
- Managed total operating budget in excess of \$750K
- Supervised grant administration for all club programs in excess of 100K.

Branch Director, September 1997 – October 2000

Boys & Girls Club of Northern Arizona- Sedona Branch, Sedona AZ 86336

- Responsible for screening, hiring, training, motivating and evaluating 6 program staff, 20+ volunteers.
- Increased membership from under 100 to over 300 members in first year
- Scheduled facility and equipment maintenance
- Responsible for recruiting and training all volunteers for fundraisers/special events.
- Assist with preparation of annual budget and managed expenditures in all program areas.
- 25% of my time was directly teaching members in a class like setting and instructing staff members about programs and operational procedures.

## **Volunteer Experience:**

### Oak Creek Water Improvement Project, Data Sampler, June 2011

Assist project leaders in gathering water data. Includes D.O., Ph, Turbidity, Temp. Water Velocity etc.

### Sedona Marathon Event, course coordinator 2011

Supervised volunteers and aid stations and assisted with course logistics.

National Mtn Bike Patrol 2011-Current/Verde Valley Cyclist Coalition Member 2006-current Non-profit cycling group designed to create trails and bicycling awareness in local communities.

### Cottonwood Youth Commission Committee – March 03 – October 04

To determine the need for a youth commission in Cottonwood and, if needed, recommend to the City of Cottonwood council the commission's structure and functions within a three-month period. The committee might also draft an ordinance to establish the commission.

### Sedona Focused Future II Action Team-October 03 – August 04

This is a ten-month committee member position to assist in updating the City of Sedona's strategic plan for economic development.

### Sedona Dog park Incorporated -President-'03-'10, Sedona AZ

Developed an off leash park for canines. Includes creating a non-profit corporation, filing for IRS tax exemption, obtaining approval through the City of Sedona planning process as well as raising over 150K to build the park. [www.sedonadogpark.com](http://www.sedonadogpark.com)

### Sedona Sunrise Kiwanis Club, President 99-00, Sedona AZ, Treasurer 98-99

Kiwanis is a worldwide service organization appealing to community leaders who have the desire to become personally involved in making communities better places to live. Local projects that assist youth, the aging, conservation of natural resources, development of community facilities and creation of international understanding and good will.

### Firefighter/EMT-Sedona Fire District, 99-00, Sedona AZ

National Firefighter I and II and EMT, duties include fire suppression (structural and wildland). Emergency Medical services, Ambulance and Transport units.

### Big Brother-Big Brothers, Big Sisters, 98-99, Cottonwood AZ

This one on one program is designed to guide youth by providing a positive role model. It is a progressive step from the mentoring program that allows visitations outside of a school setting.

### Outdoor Instructor-Outdoor Adventure Program International, 94-96, Presque Isle, ME

Assisted in organizing and leading whitewater rafting, kayaking and rock climbing trips.

## **Professional Organizations/Certifications**

American Health Care Academy 1<sup>st</sup> Aid/CPR certified

National Mountain Bike Patrol – 2011/2012

International Mountain Bike Association 2011 Member

Mountain Bike of Arizona Association 2011 Member

Sedona Verde Valley Association of Realtors “2008 Horizon Award” recipient

Verde Valley Cyclist Coalition member

Arizona League of Conservation Voters

Arizona & National Association of Mortgage Brokers

Private Money Lending Seminar, AAMB 2007

VA/FHA Seminar April 2005

Loan Originator Course September 2004

American Red Cross First Babysitting Instructor 2002

American Red Cross First Aid/CPR and AED Instructor 2001

2000 member International Who’s Who in Business Professionals

Certified Park and Recreation Professional National Accreditation (CPRP,lapsed)

Arizona Parks and Recreation Association Member (lapsed)

Association of Boys & Girls Clubs Professionals 2001-2004

Boys & Girls Club State Professionals Association Member (lapsed)

Advanced First Aid & CPR and Healthcare Provider – American Heart Association

Rescue 3 Swift water Rescue Technician (lapsed)

Wilderness First Responder/Anaphylaxis certification (lapsed)

Arizona Food Handler’s License

International Association of Firefighters, Infectious Diseases, Hazardous Material 1<sup>st</sup>

Responder

Confined Space Operations and Wild land Firefighting Course

**References Available upon request.**



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APPLICATION FOR PARKS & RECREATION COMMISSION  
(BOARD/COMMISSION/COMMITTEE)

NAME STODDARD C HALL  
(Last) (First) (Middle)

MAILING ADDRESS 1183W. ON THE GREENS COTTONWOOD AZ 86326  
(Route or Box) (City) (State) (Zip)

STREET ADDRESS 1183W. ON THE GREENS COTTONWOOD AZ 86326  
(Number & Street) (City) (State) (Zip)

HOME PHONE 928-300-6596 WORK/MESSAGE PHONE 928-300-6596

EMAIL ADDRESS: hall.stoddard@gmail.com

**PLEASE TYPE OR PRINT CLEARLY IN INK ONLY.**

Professional Memberships, Registrations, Licenses, Etc. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Education Two years of College

\_\_\_\_\_

Work Experience 22 years AUTO ADJUSTER

5 years LAW ENFORCEMENT

5 years AUTOMOBILE SERVICE MANAGER

\_\_\_\_\_

\_\_\_\_\_

Application for (Board/Commission/Committee)

Page 2

Please describe your qualifications for serving on Board/Commission/Committee: 5 years in Cheyenne, WY as President of the Softball Umpire Assoc; Basketball Assoc, and Volley Ball Assoc. Delt with the City in all negotiations dealing with CO-ED SPORTS.

List any community service organizations or projects you have been involved with (include a brief description of activities):

HAVE VOLUNTEERED QUITE A FEW TIMES @ DEAD HORSE RANCH S.P. VOLUNTEERED AT THE U.V. BIDDING FESTIVAL

Have you ever been convicted of, or pled "no contest" to any crime, including any convictions that were later set aside or expunged? \_\_\_\_\_ YES  NO

Does the City of Cottonwood employ any relative of yours? \_\_\_\_\_ YES  NO

Are you currently a resident of Cottonwood? If so, how long have you been a resident of the City?

YES, 4 years

Signature C. Hodges

Date 4-30-2012

**NOTE:** All applicants are strongly encouraged to attend the Council meeting at which their application will be considered. It is important for Council members to be able to assess applicants' qualifications and backgrounds during the selection process, and be able to ask questions for clarification.

Generally, the Council will conduct a brief interview process during the Council meeting.

Council meetings are held the first and third Tuesday of every month. Council agendas can be found under the City Council tab on the City website: [www.cottonwoodaz.gov](http://www.cottonwoodaz.gov).

RESOLUTION NUMBER 2644

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPOINTING \_\_\_\_\_ A MEMBER OF THE CITY OF COTTONWOOD PARKS AND RECREATION COMMISSION AND ESTABLISHING HIS TERM OF OFFICE.

WHEREAS, Ron Hollis has resigned as a member of the Parks and Recreation Commission; and

WHEREAS, it therefore is necessary to appoint a new member to said Commission to maintain the requisite number of seven members;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA:

THAT, in accordance with Section 2.68.030 of the City Code, \_\_\_\_\_, a resident of the City of Cottonwood, is hereby appointed a member of the City of Cottonwood Parks and Recreation Commission to fill the remainder of a two year term which expires August 16, 2013.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH DAY OF JUNE 2012.

\_\_\_\_\_  
Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Steven B. Horton, Esq.  
City Attorney

\_\_\_\_\_  
Marianne Jiménez, City Clerk

RESOLUTION NUMBER 2645

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPOINTING \_\_\_\_\_ A MEMBER OF THE CITY OF COTTONWOOD PARKS AND RECREATION COMMISSION AND ESTABLISHING HIS TERM OF OFFICE.

WHEREAS, Dennis Burke is no longer a resident of the City of Cottonwood and has resigned as a member of the Parks and Recreation Commission; and

WHEREAS, it therefore is necessary to appoint a new member to said Commission to maintain the requisite number of seven members;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA:

THAT, in accordance with Section 2.68.030 of the City Code, \_\_\_\_\_, a resident of the City of Cottonwood, is hereby appointed a member of the City of Cottonwood Parks and Recreation Commission to fill the remainder of a three year term which expires January 5, 2014.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH DAY OF JUNE 2012.

\_\_\_\_\_  
Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Steven B. Horton, Esq.  
City Attorney

\_\_\_\_\_  
Marianne Jiménez, City Clerk

# City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Adoption of the City of Cottonwood Fiscal Year 2013 Tentative Budget and Establishing an Expenditure Limitation
Department:	Administrative Services
From:	Carol Brown, Budget Analyst Jesus R. Rodriguez, C.G.F.M., Administrative Services General Manager

## **REQUESTED ACTION**

Submitted for City Council consideration and adoption is the Fiscal Year 2013 Tentative Budget. This adoption will also establish the FY 2013 expenditure limitation

## **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I move to adopt the Fiscal Year 2013 Tentative Budget and establish the City's fiscal year 2013 expenditure limitation as presented.

## **BACKGROUND**

### The Adoption Process

Prior to the adoption of the tentative budget, the City Council conducts a public hearing. During this public hearing, the Council invites public comment on the tentative budget. After the close of the public hearing, the Council convenes into the regular meeting and votes on the adoption of the tentative budget.

The tentative budget for the upcoming fiscal year is \$73,430,765. This is higher by \$10,127,730 than the 2012 Revised Budget due to updated numbers agreed to during this year's budget sessions, increase to the indirect costs, and adjustments to rollovers due to construction in progress, but not completed in the 2012 fiscal year. Changes to the budget can still be made between the tentative and the final budget as long as the final budget does not exceed the expenditure limitation established during the tentative budget adoption. The budget document has guidelines for such budgetary adjustments.

Within the motion to adopt the tentative budget, I would like the Council to again note many of the more general issues that were considered and approved during the budget

preparation process:

- Funding for the City's Merit program;
- Frozen positions discussed during the work-study sessions;
- There were no individual re-classifications or salary adjustments as discussed during the work-study sessions;
- Several temporary positions in the Fire Department were made permanent;
- Implementation of a comprehensive compensation study;
- Continue the present employee contribution structure toward dependent health insurance coverage;
- Give permission to purchase budgeted equipment on a delayed schedule using existing procurement procedures;
- Approved the acquisition, planning, and/or construction of budgeted capital projects using established guidelines and;
- Accepted the expenditures as noted in the budget document, as presented and discussed during the budget workshop sessions.

### **JUSTIFICATION/BENEFITS/ISSUES**

This budget reflects the changes identified during the budget work sessions with the Department Heads and Council during the May Work sessions. Also included are any adjustments for every item that may have been overlooked or needed revision. A schedule of major changes from the proposed to the tentative budget is attached.

### **COST/FUNDING SOURCE**

This is a balanced budget, meaning all expenditures have a revenue source. The nature of the income sources range from everyday operating revenues to grants and outside financing for major projects. The City is covering all operational and maintenance, current staffing, and capital equipment and projects costs. It is also maintaining its current reserve structure, and providing for a merit increase.

### **ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">☐ <u>changes to FY2013 budget - Proposed to Tentative.pdf</u></a>	Changed from Proposed to Tentative	Backup Material
<a href="#">☐ <u>6-19-12 FY 2013 Cottonwood Tentative.pdf</u></a>	FY2013 Tentative Budget	Backup Material

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**Major Changes to 2013 Proposed Budget**

C=Carryover R=Revenues E=Expenditures

Department	Description of Change	FY Affected	R/E/C	Inc. / (Dec.)
<b>General Fund Revenues</b>				
General Fund Revenues	Changes to Revenue Projections with more current data	12	R	(31,980)
General Fund Revenues	Changes to Revenue Projections with more current data	13	R	230,295
General Fund Revenues	Increased Carryover	13	R	2,075
<b>General Fund Expenditures</b>				
Administration	Increased Printing and Forms	12	E	500
Human Resources	Decreased Compensation Study	12	E	(5,000)
Human Resources	Decreased Equipment	13	E	(1,900)
Council	Decreased Council Contingency	12	E	(17,000)
Council	Decreased Recycle Program	12	E	(3,000)
Council	Decreased Recycle Program	13	E	(3,000)
Council	Decreased Trust Land Annexation	12	E	(20,000)
Council	Decreased Salary Implementation	13	E	(230,000)
Council	Decreased Growth Study Analysis	12	E	(150,000)
Council	Increased Growth Study Analysis	13	E	150,000
Council	Decreased YAN Distribution (will be paid in salaries)	13	E	(21,000)
Council	Decreased Library Repaving	12	E	(80,000)
Council	Increased Library Repaving	13	E	80,000
Council	Decreased Reserves (carryover)	13	E	(211,095)
Natural Resources	Increased Contractual Services (added back Bob Hardy)	13	E	30,000
Natural Resources	Decreased Salaries: (Car Allowance)	13	E	(900)
Finance	Increased Audit Expense (final cost)	12	E	1,050
Finance	Decreased Audit Expense (per 2012 Bid)	13	E	(11,000)
Finance	Decreased Equipment	13	E	(1,185)
Finance	Decreased contractual Services (F.A. Audit & E-Civis)	13	E	(43,000)
Police	Decreased GOHS (based on revenues received-Fire Dept.)	12	E	(31,710)
Police	Increased Equipment (carpet)	12	E	1,515
Police	Decreased Equipment (HVAC upgrade no longer needed)	13	E	(10,000)
Police	Increased Salaries: (Car Allowance)	13	E	3,600
Police	Decreased PD Misc. Grants (set to zero to match Rev.)	12	E	(3,000)
Police	Increased County Rico Grant (to match revenue receipts)	12	E	6,990
Fire Department	Salaries & Benefits (Recalculaiton of salaries & benefits)	13	E	(650)
Ordinance Enforcement	Increased Kennel Fees (VV Humane Society)	12	E	10,000
Ordinance Enforcement	Increased Kennel Fees (VV Humane Society)	13	E	10,000
Recreation Center Operations	Increased Contractual Services (Guarda Service)	13	E	3,500
Parks & Bldg Maintenance	Increased Equipment (parks, play apparatus x3)	13	E	40,000
Non-Departmental	Decreased LP City Wide Equip (no payment for FY12)	12	E	(53,900)
Non-Departmental	Decreased LP City Wide Interest (no payment for FY12)	12	E	(3,670)
Non-Departmental	Decreased LP Chamber (to match with bed tax )	13	E	(290)
Operating Transfers	Decreased HURF Streets (carry over projects)	12	E	(99,010)
Operating Transfers	Increased HURF Streets (carry over projects)	13	E	73,025
Operating Transfers	Decreased CAT/LYNX (bus moved to FY14)	13	E	(7,400)
Operating Transfers	Decreased CAT/LYNX (to Indirect Rev in kind)	13	E	(60,000)
Operating Transfers	Increased Library (Error)	12	E	521,460
Operating Transfers	Increased Library (Error)	13	E	554,515
Operating Transfers	Increased Cemetery (recalculated Indirect Cost)	12	E	(36,830)
Operating Transfers	Increased Cemetery (recalculated Indirect Cost)	13	E	(10,470)
Operating Transfers	Increased Airport (recalculated Indirect Cost)	12	E	(72,450)
Operating Transfers	Increased Airport (recalculated Indirect Cost)	13	E	(100,380)

**Major Changes to 2013 Proposed Budget**

C=Carryover R=Revenues E=Expenditures

Department	Description of Change	FY Affected	R/E/C	Inc. / (Dec.)
<b>Special Revenue Fund Expenditures</b>				
HURF/CAT ADMIN	Increased Indirect Rev In Kind	13	R	60,000
HURF/CAT ADMIN	Decreased Transfers-In	13	R	(67,400)
HURF/LYNX	Decreased STP-Flexible Spending (Grant-bus)	13	R	(80,000)
HURF/LYNX	Decreased Sedona's portion of the bus that moved to FY14	13	R	(12,600)
HURF/LYNX	Decreased Equipment (bus to be purchased in FY14)	13	E	(100,000)
HURF Streets Const	Decreased Street Contingency	13	E	(38,975)
HURF Streets Const	Decreased Transfers-In	12	R	(99,010)
HURF Streets Const	Increased Transfers-In	13	R	73,025
HURF Streets Const	Decreased Sidwalks	12	E	(80,000)
HURF Streets Const	Increased Sidwalks	13	E	80,000
HURF Streets Const	Decreased 6th Street Bridge	12	E	(4,010)
HURF Streets Ops	Decreased Other Financing (backhoe)	13	R	(33,500)
HURF Streets Ops	Decreased Cap Equip	12	E	(15,000)
HURF Streets Ops	Decreased Cap Equip	13	E	(1,500)
Library	Increased Transfers-In	13	R	11,160
Library	Increased Temp employees	13	E	16,470
Library	Increased Benefits	13	E	1,290
Library	Increased Computer Support	13	E	1,800
Library	Decreased collection Expenses	13	E	(500)
Library	Decreased Office Supplies	13	E	(500)
Library	Decreased Copier Supplies	13	E	(1,000)
Library	Decreased Telephone	13	E	(5,300)
Library	Decreased Youth Programs	13	E	(100)
Library	Decreased Postage/Freight	13	E	(1,000)
Airport	Decreased Transfers-In	13	R	(100,380)
Airport	Decreased Transfers-In	12	R	(72,450)
Airport	Decreased Indirect Cost	13	E	(100,380)
Airport	Decreased Indirect Cost	12	E	(72,450)
Cemetery	Decreased Transfers-In	13	R	(10,470)
Cemetery	Decreased Utilities	13	E	(10,470)
Cemetery	Decreased Transfers-In	12	R	(36,830)
Cemetery	Decreased Indirect Cost	12	E	(27,080)
Cemetery	Decreased Utilities	12	E	(9,750)
<b>Capital Improvements Fund Revenues &amp; Expenditures</b>				
Capital Projects Fund	Decreased Old Town Parking	12	E	(144,555)
Capital Projects Fund	Increased Reserves	12	E	144,555
Capital Projects Fund	Increased Carryover	13	R	144,555
Capital Projects Fund	Increased Old Town Parking	13	E	144,555
<b>Debt Service Fund Revenues &amp; Expenditures</b>				
<b>Enterprise Funds Revenues &amp; Expenditures</b>				
WasteWater-Construction	Increased Carryover	13	R	531,165
WasteWater-Construction	Increased Reserves	12	E	531,165
WasteWater-Construction	Decreased Construction-General	12	E	(171,165)
WasteWater-Construction	Decreased Construction-General	13	E	171,165
WasteWater-Construction	Decreased WWTP Upgrades	12	E	(360,000)
WasteWater-Construction	Increased WWTP Upgrades	13	E	360,000

**Major Changes to 2013 Proposed Budget**

C=Carryover R=Revenues E=Expenditures

<b>Department</b>	<b>Description of Change</b>	<b>FY Affected</b>	<b>R/E/C</b>	<b>Inc. / (Dec.)</b>
Water - Construction	Increased Carryover	13	R	76,100
Water - Construction	Decreased Equipment (generator)	12	E	(112,100)
Water - Construction	Increased Equipment (generator)	13	E	112,000
Water - Construction	Increased Reserves	12	E	76,100
Water - Construction	Decreased Reserves	13	E	(205,900)
Water - Construction	Increased Water System Upgrades	12	E	86,000
Water - Construction	Increased Water System Upgrades	13	E	20,000
Water - Construction	Decreased Fire Flo Improvements	12	E	(50,000)
Water - Construction	Increased Fire Flo Improvements	13	E	50,000
Water - Construction	Increased Storage/Well Booster	13	E	100,000
Water - Construction	Decreased Reserves	13	E	(26,430)
Water - Administration	Increased Salaries & Benefits (Billing Clerk)	13	E	26,430
Sewer - Administration	Increased Salaries & Benefits (Billing Clerk)	13	E	13,680
Sewer Construction	Decreased Reserves	13	E	(13,680)

# City of Cottonwood, AZ

Rhythm & Ribs



**BRIAN MICKELSEN**  
4th ANNUAL COTTONWOOD, ARIZONA  
MARATHON - HALF MARATHON - 10K - 2 MILE  
2012  
**MEMORIAL RUN/WALK**  
High School Rodeo



Daddy Daughter Date Night



Walking on Main  
HISTORIC 89A



Harvest Festival

CITY OF COTTONWOOD  
PRESENTS THE SPONSOR: CLIFF CASTLE CASINO HOTEL  
**THUNDER VALLEY**  
89A  
OLD TOWN  
11th Annual  
**RALLY**  
Boatlegging Capitol of Arizona  
Cottonwood, AZ  
September 16th, 17th, 18th  
Thank You! Pepsi, Budweiser, GMR Performance, Prescott Auto Body, Savapal Broadcasting, Grand Canyon Harley Davidson, MWA



Egg Hunt



Cottonwood Fall Classic Disc Golf

COTTONWOOD PARKS & REC  
**FARMERS MARKET AND JAMBOREE**



Volunteer Appreciation

# Annual Budget

July 1, 2012 to June 30, 2013

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June 14, 2012

The Honorable Mayor and City Council

**RE: Transmittal - Fiscal Year 2013 Budget**

It is my pleasure to present to you the FY 2013 Tentative Budget for your review. Since the Proposed Budget there have been several changes to the budget document. A separate listing is being provided for these changes that occurred. There have been several budget work sessions with Council and department heads to review, in detail, their staffing, programs, and project planned expenditures. This year's total tentative expenditures budget is \$73,430,765, including all estimated reserves, potential grants and financing options. Compare this to last fiscal year revised budget of \$63,603,035, which does not contain reserves, or financing options and grants that did not come to fruition; the overall increase is \$10,127,730. Other items that attribute to the difference are the reallocation of resources for continuing projects, and new projects being proposed for the new fiscal year. These substantial increases between revised and proposed are noted in any fund that has reserves, grants or financing options.

The largest planned single increase is in the HURF fund which includes some rollover street construction projects along with bringing the C.A.T. and LYNX bus system back on board as a city department. A general discussion about the funds follows; however, in-depth information is in the Key Issues section of this document.

The General Fund's overall budget is \$22,645,735, including transfers-out and reserves. This is a \$6,486,285 increase over the previous fiscal year revision of \$16,159,450. This increase includes \$4,352,395 in reserves of which \$600,000 has been put aside for the implementation of the Compensation Study. One additional Utility Billing Clerk, and two part time positions for the library were approved for FY 2013. Also some "interim" assignments were made permanent in the Fire department and an additional Firefighter position received paramedic certification pay.

The merit program has been budgeted for FY 2013, however, there is no Cost of Living Adjustment (COLA) planned. Public Safety Personnel Retirement contributions increased from 23.2% to 24.9% for the Police Department and 12.35% to 14.63% for the Fire Department. As for the contributions to the Arizona State Retirement System, rates increased from 10.74% to 11.14%. A current capital equipment and capital projects summary can be found towards the end of this transmittal letter on **page viii** and detail can be found on **pages 293-297**

The total budget for the Special Revenue Funds is \$9,750,335, including transfers out. This fund's expenditures increased by \$6,230,645 over last year's expenditures of \$3,519,710. This increase is primarily due to the reprogrammed rollover projects and new projects expected to be initiated in FY 2013. Currently planned for FY 2013 is continued work on the reconstruction of West Mingus Ave from 89A to Willard, and from Willard to Main and the 12<sup>th</sup> Street reconstruction from Fir Street to 89A. Funding for these projects will be from reserves and a \$4.74M financing mechanism.

The Cottonwood Area Transit (C.A.T.) will transition back to the City of Cottonwood from the Northern Arizona Intergovernmental Public Transportation Authority on July 1, 2012. Re-integration of services will also include the Verde Lynx system which will be providing connector/commuter services from Cottonwood to Sedona.

The Airport Fund shows an increase in contractual services/indirect costs due to additional time required by our staff to run operations. The CDBG and grant programs have several projects in the works including an Auto Weather Observation Station (AWOS), Pavement Preservation, and repair of the terminal parking lot; and a 10<sup>th</sup> Street improvement for roughly \$320,000. These projects increased the CDBG and Grant Fund by over \$940,000.

The Debt Service Fund is budgeted for \$3,282,540 which is \$9,240 more than last year's revised budget of \$3,273,300. This includes the restricted fund balance which rolled over to FY 2013. The Recreation Center Debt Service will continue through August 2027. The Library Debt Service will expire July 1, 2013. The two Greater Arizona Development Authority (GADA) loans for Public Safety and Rail Road Wash will be paid in full on July 1, 2013.

The City budgeted \$13,147,075 in Capital Projects which includes a transfer to the Sewer Fund of \$3.6M for construction of a water reclamation project at Riverfront Park. Other items of interest in the Capital Projects Fund are planning for a New City Hall, flood improvements, architectural and remodel work on some Old Town buildings. Still other great projects are solar water heating for the Recreation Center carried over from FY 2012, and continuing the feasibility study for a possible Regional Public Safety Communication Center. The Capital Projects Fund still has reserves being held for future Capital Project needs.

The Enterprise Fund budgets, which consists of water and wastewater, have decreased from last fiscal year's \$26,161,270 to \$24,224,100 for FY 2013. The \$1,937,170 decrease can be attributed to the reduction in reserves due to expenditures for maintenance and operations as well as infrastructure that continue to deplete these funds.

Fiduciary Fund aggregate total is up by \$30,800. The City's Volunteer Firefighters Pension Fund reserve is anticipated to increase in value by 44.2% to \$210,480 due to increased participation with a redesigned volunteer program and less withdrawal from this Fund. However, there is a decrease in the City's Employee Benefits Trust fund due to dropping interest rates and the City's short term disability being used heavily by the City's employees.

## **General Commentary**

The preparation of the budget continues to cause an extraordinary challenge to all departments. The last four years have been especially difficult with a continuous decline in some of our largest revenue sources. Prior cost containment measures are providing value back to the City of Cottonwood and helping maintain current personnel and services. Those same measures have played an integral part in surviving the downturn in our local economy. Some issues are out of our control such as rising health insurance rates, 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 issues along with the City's dedication to the citizens' insistence for quality services are one of its highest priorities causing an increased challenge to balancing this budget. On a more encouraging note, it has become apparent that our sales tax figures have started to improve.

## **KEY ISSUES - FISCAL YEAR 2013**

### **GENERAL FUND**

A slow recovery of the local economy and slow growth continue to be the major issues facing the City in the development of the budget. Below are listed some of the foremost issues to be addressed within this budget.

-  **Slow Recovery Of The Local Economy** – After three consecutive strong fiscal years, 2004 to 2006, FY 2007 brought with it the worst economic downturn seen in over 16 years. This downward spiral in the economy has leveled out but recovery is still slow. The most critical component of this fiscal decline has been the local sales tax which early on saw double digit decreases. Recently, however, single digit losses with some positive months are now more the norm. 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 on local transaction privilege tax, commonly called sales tax. Though successful for many years, it has displayed the fallacy of the notion that it can continue to provide quality services as a major source of revenue that is at the mercy of the economy. The City Council passed a .8% sales tax increase that went into effect in November 2008 and increased Cottonwood's tax rate to 3%. This increase along with cost cutting measures helps Cottonwood stay fiscally sound.
-  **State Shared Revenues** – These revenue sources are always of concern to municipalities. The budget reflects an increase in State Shared Income Tax of \$199,775 from last year's \$950,815. This is the first increase we've seen since FY 2009. State Shared Sales Tax is also up at a 9.1% increase over FY 2012, and is anticipated to generate \$941,980 in FY 2013.
-  **General Staffing & Compensation** – Even with the slow growth of our community, the need for services has not diminished. Most departments continue to provide the necessary basic coverage wherever they are needed. Budgetary constraints have caused a delay in a compensation study that was originally budgeted in FY 2009 and has further hampered our employees from being compensated at a rate equivalent to others in the same job descriptions as other places of business. Therefore, for FY 2013 we have budgeted \$600,000 in the City Council's reserves to implement the compensation study that was completed in FY 2012. Cottonwood is doing everything it can to keep its valuable employees.

-  **Recreation Center** - The Multigenerational Recreation Center was completed in February 2010 and opened May 1, 2010. This facility was anticipated to have a 70% cost recovery rate; however, the struggling economy has hampered these goals. Currently we are recovering slightly above 55% of the expenditures. The largest concerns stem around the future maintenance and operational costs of the facility during a slowing economy.
  
-  **Capital Infrastructure Planning** – The City has been struggling with capital planning due to the slowing economy. Some projects will be postponed until the markets get better. Other projects will however, move forward funded through planned resources or other financing sources.
  
-  **Water Issues** – The growth of Cottonwood and its neighboring communities continues the need for the City to maintain an active role in the water issues that are affecting the local area, as well as the Verde Valley region. Issues of water quality, availability, management, water rights, water system development, conservation, and fire protection are all critical issues in which we need to become more involved. The City received its 100 year water adequacy designation from the Arizona Department of Water Resources (ADWR), the first in the Verde Valley. Another recent issue is the downgrading of the Water Utility Bonds due to inadequate debt service coverage. This is being addressed resulting in an 8% rate increase in FY 2010 and a rate study being conducted in FY 2012. This 8% rate increase was not sufficient to satisfy the 1.35x debt service coverage ratio however, it did raise it from .87 to 1.16x.
  
-  **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 slower growth patterns, the City needs to move forward with satellite wastewater treatment facilities. The Riverfront Park Facility is expected to be the first satellite reclamation plant. These small package plants will be strategically placed to not only treat, but produce quality reclaimed water for use by City parks, home landscaping and fire sprinklers, dual plumbing, dust control, and many other possible uses.

**City Staffing**

The budget for FY 2013 includes funding of the employee merit program but no Cost of Living Adjustment (COLA) due to the economy. This year only two requests for additional staffing were added to the budget. Also, during FY 2012 two positions were approved by the City Council.

NEW PERSONNEL FY 2012						
Dept	Job Description	Range	Est. Salary	Estimated overtime	Benefits	Est. Annual Costs
IT	IT Technician	39	\$38,270	\$0	\$14,493	\$52,763
Eco Dev	Administrative Assistant	21	\$24,960	\$0	\$12,143	\$37,103
					Net Change	\$89,866
NEW PERSONNEL FY 2013						
Dept	Job Description	Range	Est. Salary	Estimated overtime	Benefits	Est. Annual Costs
Utilities	Utility Billing Clerk 65/35 split Water/Sewer	19	25,069	\$0	\$11,931	\$37,000
Library	2 Permanent Part-Time employees	17	19,760	\$0	\$3,832	\$23,592
					Net Change	\$60,592

Five reclassifications and certification pay for one firefighter were approved that involved minor adjustments. There were also 3 reclassification requests totaling \$12,756 that were not approved in FY 2013. The decision was to wait until the compensation study was implemented in FY 2013 and deal with it at that time.

RECLASSIFICATIONS							
Dept	Job Description	Previous Range	Approved Range	Current Salary	New Salary	Est. Increase Benefits	Est. Annual Costs
Fire	Interim Fire Lieutenant - Fire Lieutenant	43	48	55,911	55,911	-	\$0
Fire	Interim Fire Lieutenant - Fire Lieutenant	43	48	64,777	64,777	-	\$0
Fire	Interim Fire Lieutenant - Fire Lieutenant	39	48	47,826	48,520	174	\$868
Fire	Interim Engineer/Firefighter - Engineer/Firefighter	39	43	50,296	50,775	120	\$599
Fire	Interim Engineer/Firefighter - Engineer/Firefighter	39	43	52,057	52,553	124	\$620
Fire	Certified Paramedics (1)				4,500	861	\$5,361
							\$7,447
						<b>Total all Personnel Changes</b>	<b>\$68,039</b>

Total requests for additional personnel that were not approved were \$218,467. These would have been recurring costs if budgeted.

**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 their ability to allow new members to the Pool and contain costs. With the new name and the tough economic times came some adjustments to the plan which will increase rates 5% for FY 2013.

In the past few years there have been 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 APEHP Board.

These changes are required by ACA and took effect in July 2011:

-  Coverage will be available to dependent children regardless of marital status through age 26
-  Prohibits pre-existing condition exclusion for individuals under age 19
-  Removes lifetime benefit dollar maximum
-  New claims and appeals process
-  Over-the-counter medication no longer eligible for reimbursement through an FSA or HSA plan unless prescribed by a physician
-  Penalty for using Health Savings Account (HSA) funds for non-medical or non-medically related expenses increases from 10% to 20%

There are no major changes planned in health insurance coverage for FY 2013

Below is a summary of the total costs on health insurance for employees and their dependents. The APEHP has successfully contained costs of health coverage by way of plan changes, education, and sound health care management. For families in good general health, an employee can choose from two 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 still has the option to choose the Core Plan or the Co-Pay Core Plan. And for families with some health issues, there is the Core Plus Plan with its lower out of pockets and deductibles; however, it comes with a higher premium.

<b>Employee Health Care Rates Summary July 01, 2012 to June 30, 2013</b>								
<b>Category</b>	<b>Core/Co-Pay Plan</b>		<b>Core-Plus Plan</b>		<b>HDHP (\$1,500)*</b>		<b>HDHP (\$2,500)*</b>	
	<b>Employer</b>	<b>Employee</b>	<b>Employer</b>	<b>Employee</b>	<b>Employer</b>	<b>Employee</b>	<b>Employer</b>	<b>Employee</b>
Employee	550.00	0.00	550.00	89.00	550.00	(145.00)	550.00	(185.00)
Employee +Spouse	928.70	162.30	928.70	342.30	682.20	118.80	614.20	106.80
Employee + Children	835.60	71.40	835.60	220.40	613.80	52.20	553.00	47.00
Employee + Family	1046.20	330.80	1046.20	559.80	769.20	242.80	692.60	218.40

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

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

<b>Dental Coverage</b>		
<b>Category</b>	<b>Employer</b>	<b>Employee</b>
Employee	39.00	0.00
Employee +Spouse	67.00	12.00
Employee + Children	59.80	5.20
Employee + Family	75.60	24.40

<b>Voluntary Vision Coverage</b>		
<b>Category</b>	<b>Employer</b>	<b>Employee</b>
Employee	0.00	9.21
Employee +Spouse	0.00	13.90
Employee + Children	0.00	14.88
Employee + Family	0.00	23.78

## New Programs

-  **Weed Abatement** involves procuring a private company to spray for weed control alongside several city collector streets. These were previously handled by city staff and temporary employees with handheld sprayers and weed whackers both of which are large time consuming processes. There will be an offsetting saving in contractual services for the temp employees that will no longer be required.
-  **Street Sweeping Contract:** Currently the city owned street sweeper is in bad repair and would have required replacement in FY 2013 at an estimated cost of \$127,000. The sweeping contract will free up city staff time to conduct other projects and should also reduce overtime in that department.
-  **Solid Waste Transfer Station:** During 2012 the city took over the operations of the transfer station. It is estimated that revenues received will cover the operational costs to run this new program.
-  **HVAC Service Contract** involves procuring a service contract which includes bi-annual routine maintenance of City wide HVAC units which will prepare the units for both the summer and the winter seasons. City staff does not currently have the expertise to concisely provide routine service to these units.

## **BUDGET POLICIES - FISCAL YEAR 2013**

This budget reflects the fund balance policies of the City Council. This policy currently requires 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 to the policy brought this year's restricted fund balance reserve to \$2,249,300. This is also estimated to be about 60 days of expenditures coverage.

Additionally, an accumulating reserve of 2.67% of the previous year's general fund operating revenues is reserved for capital projects. This year represents the thirteenth year of this policy. In November 2006 the Council decided, with a recommendation from management, to fund an additional \$700,000 from excess sales tax into this capital accumulation fund.

With this fund now over \$1,000,000, the City Council, at the recommendation of Management, made the decision to cap this fund at \$1,000,000 and use any excess for everyday maintenance and operational costs until the economy improves. \$121,170 is currently available in additional capital reserves, which comes from the excess .2% Library Debt Service sales tax and a Public Safety CIP reserve of \$493,020 for capital projects. These policies, along with development of the five-year budget projections, will ensure the financial stability of the City into the future.

## **BUDGET DEVELOPMENT**

Long range financial planning played 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 demonstrated 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 33-41. All other funds will continue to operate within their respected revenues.

## LONG RANGE PROGRAMMATIC AND FINANCIAL PLANNING

Included within 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 2013, 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 2013

Included in the budget is \$17,829,595 in equipment acquisitions and construction projects. These items are detailed in each department's budget and summarized in the appendix of this budget on **pages 293-297**. 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 2013 are budgeted.

Capital Projects		Capital Projects	
Function	Estimated Cost	Function	Estimated Cost
General Government	\$ 87,250	General Government	\$894,155
Public Safety	1,776,080	Public Safety	78,550
Culture & Recreation	18,000	Culture & Recreation	636,500
Health & Sanitation	170,500	Health & Sanitation	8,545,165
Transportation (CAT & Airport)	0	Transportation (CAT & Airport)	728,995
Streets	35,000	Streets	5,923,195
<b>Total Capital Projects</b>	<b>\$ 2,087,330</b>	<b>Total Capital Projects</b>	<b>\$ 16,806,550</b>

### *Employee Vision, Mission Statement and Values*

#### ***Our Vision:***

*Our Vision is to be recognized by the community and our peers as a model city dedicated to progressive leadership, employee development, innovation, technology and economic, social and environmental sustainability as well as the successful provider of efficient and effective public services.*

#### ***Our Mission Statement:***

*Cottonwood employees are committed to providing responsive, innovative, respectful and sustainable services to our community members and visitors in an effort to effectively improve the quality of life in our community.*

#### ***Our Values:***

-  *Treat Everyone with Dignity and Respect*
-  *Ensure for Uncompromising Integrity*
-  *Communicate and Actively Listen*
-  *Be Responsive and Accountable*
-  *Be Innovative*
-  *Be a Professional in Attitude, Conduct, and Appearance*
-  *Strive to Provide Effective and Efficient Services*

## ACKNOWLEDGMENTS

The preparation of this municipal budget document is attributed to the many hours spent by our Budget Analyst in assembling this informative document. Special thanks to the Administrative Services Finance Division staff for the time spent in providing the financial information needed during the budget process. In addition, thanks to the rest of the General Managers, Department Heads, supervisors and staff that assisted in the development of the 2013 Annual Budget.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Bartosh", written over a horizontal line.

Doug Bartosh  
City Manager

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## Table of Contents

<b>City Manager’s Transmittal</b> .....	<b>i-x</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>PAGE</b>
City Profile - Demographic/Economics .....	1
Budget Philosophy/Policies .....	5
Budget Process .....	5
Process for Changing the Budget .....	6
Budget Monitoring .....	6
Budget Calendar .....	7
Fund Accounting .....	8
Budget Basis .....	9
Fiscal Policy .....	10
Debt Service Policy .....	11
Investment Policy .....	13
<b>STRATEGIC PLANNING</b>	
City Accomplishments FY 2012 .....	19
Organizational Goals FY 2013 .....	20
Organizational Goals FY 2014 - 2018 .....	28
5 year Capital Improvement Projects .....	33
Community Timeline .....	42
Long Range Financial Projections .....	45
Revenues and Expenditures Analysis .....	50
Organizational Chart .....	53
<b>FINANCIAL RESOURCES</b>	
City Sales Tax Revenues .....	55
State-Shared Income Tax Revenues .....	56
State-Shared Sales Tax Revenues .....	57
Motor Vehicle In-Lieu Revenues .....	58
Investment Revenues .....	59
Building Permit Revenues .....	60
Fines and Forfeitures .....	61
Franchise Tax Revenues .....	62
Highway User Revenues .....	63
Local Transportation Assistant Revenues .....	64
Wastewater Service Revenues .....	65
Water Utility User Fees .....	66
<b>CONSOLIDATED SUMMARY - ALL FUNDS</b>	
Revenues/Expenditures and Changes in Fund Balance - All Funds .....	67
Revenues - All Funds - Graph .....	68
Expenditures - All Funds - Graph .....	69
Budget Summary - By Fund .....	70

## Table of Contents

<b>GENERAL FUND .....</b>	<b>PAGE</b>
Description and Fund Balance Presentation .....	71
Revenues/Expenditures Summary .....	72
Revenues/Expenditures Comparison - Graph.....	73
Revenues Summaries - Charts & Graphs.....	74
Expenditures Summaries - Charts & Graphs .....	78
<b>General Government</b>	
Administration .....	81
Personnel.....	85
City Council.....	89
Natural Resources .....	93
City Clerk's Office.....	97
Finance.....	101
IT Services .....	105
Purchasing.....	109
Community Development.....	113
Economic Development.....	117
Municipal Court.....	121
Legal .....	125
Non-Departmental.....	129
Engineering.....	133
Public Works.....	137
<b>Public Safety</b>	
Police.....	149
Ordinance Enforcement .....	153
Communications .....	157
Fire.....	161
<b>Cultural and Recreation</b>	
Parks and Recreation.....	165
Recreation Center Operations .....	169
Parks and Building Maintenance .....	141
Custodial Services.....	145
<b>SPECIAL REVENUE FUND</b>	
Description and Fund Balance Presentation .....	173
Consolidated Revenues/Expenditures.....	174
Departmental Budgets	
HURF Revenues/Expenditures Summary.....	175
Street Department .....	179
Street Construction.....	183
Cottonwood Area Transit System (C.A.T.)/LINX.....	189
Library.....	195
Cemetery Trust Fund .....	201
Airport .....	207
Airport Improvement/Capital Fund .....	212
Other Grants.....	217

Community Development Block Grant .....	221
---	-----

## Table of Contents

<b>DEBT SERVICE FUND</b>	<b>PAGE</b>
Description and Revenues and Reserves Presentation.....	225
Debt Service.....	229
<b>Bonded Indebtedness</b>	
Indebtedness Summary .....	233
Library General Obligation Bonds Information .....	234
Greater Arizona Development Authority-Recreation Center .....	237
Computation of Direct and Overlapping Debt.....	238
Computation of Legal Debt Margin.....	239
Greater Arizona Development Authority (GADA) Information .....	241
 <b>CAPITAL PROJECTS FUND</b>	
Fund Description.....	245
Consolidated Revenues/Expenditures Summary .....	246
Railroad Wash Improvements.....	248
Library Expansion Project .....	256
Capital Projects Fund.....	260
Recreation Projects .....	264
 <b>PROPRIETARY/ENTERPRISE FUNDS</b>	
Fund Description.....	267
Revenues/Expenses Summary .....	268
Wastewater Department.....	271
Water System Department .....	277
Water System Revenue Bond 2004 .....	281
Water System Revenue Bond 2006 .....	282
 <b>FIDUCIARY FUNDS</b>	
Descriptions/Fund Balance .....	283
Consolidated Revenue/Expenditures Summary.....	284
Alternative Pension and Benefits Plan Fund .....	287
Employee Health Benefit Trust Fund .....	291

## Table of Contents

<b>APPENDIX .....</b>	<b>PAGE</b>
Capital Outlay .....	293-297
Salary Ranges.....	299
Authorized Position Classification Plan & Three Year Comparison.....	301-304
Resolution Adopting the FY 2009 Budget (not available at this time).....	305
<b>Schedules - (not available at this time)</b>	
Schedule A .....	306
Schedule C .....	307-310
Schedule D.....	311
Schedule E .....	312
Schedule F.....	313
Glossary of Terms.....	315-319
Glossary - Acronyms .....	321-322
City Map .....	323

## 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 Valley. The community was established in 1879 and incorporated in 1960, as the Town of Cottonwood.

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

Cottonwood, located in Yavapai County is approximately 100 miles north of Phoenix and 50 miles south of Flagstaff, near the geographic center of the entire state of Arizona, and close to Interstate 17 on State Highway 89A and 260. The City is at an elevation of 3,320 feet above sea level with a total geographic area of 15.91 square miles.

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

### Date of Incorporation - 1960

### Form of Government - Council-Manager

### Demographics/Economics

<u>Area - Square Miles</u>	<u>2011 Property Tax Assessed Valuation</u> (a)	
2007 – 15.75 Square Miles	Primary	\$ 118,014,127
	Secondary	\$ 122,594,325

### Paved Streets

38 Miles

### Cottonwood Labor Force Data (b)

	<u>2008</u>
Civilian Labor Force	5,305
Employed	4,981
Unemployed	324
Unemployment Rate	6.1%

Source:

- a) Arizona Department of Revenue, Property Tax Division
- b) Arizona Department of Commerce – Cottonwood Community Profile

<u>Year</u>	<u>Population</u> (a)	<u>Public School Enrollment</u> (b)	<u>Unemployment Rate</u> (c)
2011	11,237	2,889	9.5%
2010	11,265	3,418	10.5%
2009	12,180	2,876	8.4%
2008	11,260	3,369	6.1%
2007	11,130	3,008	4.1%
2006	10,925	3,190	4.0%
2005	10,860	3,432	4.4%
2004	10,665	2,981	3.7%
2003	10,240	2,642	4.3%
2002	10,020	2,559	4.5%

Sources:

- (a) Department of Economic Security - Research Administration Division – website - [www.workforce.az.gov](http://www.workforce.az.gov) adjusted for 2010 census number  
(b) School census - Cottonwood School Districts  
(c) Arizona Department of Commerce – Cottonwood Community Profile

<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>
2011	345,453,043	2011	16	2,307,088
2010	338,430,216	2010	14	1,510,901
2009	373,520,909	2009	19	1,235,804
2008	421,814,909	2008	76	8,667,927
2007	447,902,863	2007	58	5,651,406
2006	427,052,394	2006	165	18,546,037
2005	357,682,343	2005	81	7,587,717
2004	311,644,070	2004	73	14,908,544
2003	286,236,364	2003	79	7,193,014

Source:

- (a) City of Cottonwood Finance Department  
(b) City of Cottonwood Community Development

<u>Major Private Employers</u> (a)	<u>Education</u> (b)	
Verde Valley Medical Center	Elementary Schools	2
Wal-Mart - Retail	High School	1
	Exceptional Children Program	1
<u>Major Public Employers</u>	Community College	1
Arizona Public Service	Students:	
City of Cottonwood	Grades K-8	1,727
Cottonwood/Oak Creek Schools	Grades 9-12	1,162
Mingus Union High School	<b>Total Students</b>	<b>2,889</b>
Yavapai County		

Source:

- (a) Arizona Department of Commerce – Community Profile for Cottonwood, AZ  
(b) Arizona Department of Education Report <http://www.azed.gov/research-evaluation/files/2012/04/2012octoberenrollmentschoolbygrade.pdf>

## 2012 Service Statistics

<b><u>Fire Protection</u></b>		<b><u>Police Protection</u></b>	
Stations	1	Stations	1
Employees (Full-time)	28	Employees (Full-time)	49
Fire & Haz Mat Calls	255	Sworn	32
Rescue & Medical Calls	2,234	Non-Sworn	17
Public Assist Calls	365	Part I Crimes	525
Fire Inspections (various kinds)	2,063	Part II Crimes	18,066
Plan Reviews & Permits	502	Traffic Warnings	1,600
Public Ed Contact Hours	7,723	Traffic Citations	3,000
		Calls for Service Dispatched	19,134
<b><u>Public Works</u></b>		<b><u>Library</u></b>	
Engineering Reviews (ea. proj)	25	Items in Collections	106,535
Subdivisions (lots)	374	Total Items Circulated	195,849
Right of Way Permits (ea)	60	Circulation Transactions Per Day	790
Flood Plain Inquires	160		
Streets Inspected (LF)	10,000	<b><u>Municipal Parks</u></b>	
Contract Administration	4,700,000	Developed Parks	5
		Developed Acres	38.7
		Undeveloped Acres	91.3
		Swimming Pools	2
		Tennis Center	1
		Lighted Ball fields	8
		Community Recreation Centers	2
<b><u>Recreation Programs</u></b>		<b><u>Transit System</u></b>	
Participation:		Annual Ridership	59,365
Adult Sports	35,000	Miles Traveled	180,687
Special Events	23,000	Cottonwood Ridership	43,687
Recreational Swimming	19,000	Disabled Ridership Estimation	30%
Instructional Classes	21,000		
Youth Sports	10,500	<b><u>Water Utility</u></b>	
		Blue Stake Requests	1,500
		Pumping Capacity	10.0mgd
		Average Pumpage	3.4mgd
		Number of Wells	27
		Number of Storage Tanks	23
<b><u>Sewer</u></b>			
Sewer Line Inspected (LF)	18,000		
Miles of Line	48		
Average Daily Treatment	1.08mg		
Plant Capacity	1.5mgd		
Blue Stake Requests	1,050		
Reclaimed Water Sold	3.5 mg		
Number of Sewer Accounts	4,547		
Sewer Taps installed	5		

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

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

### **Governmental Organization and Services Provided**

The Mayor is elected directly by the voters and serves a four-year term. The voters elect six City Council representatives for staggered four-year terms. The City Council appoints a City Manager who is responsible for the general administrative operations of the various departments within the city. An organizational chart is shown on **page 53**.

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

## BUDGET POLICY

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

### **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 support 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 to execute the budget. A part of this execution is the desire to review issues, which 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 year's expenditures, such as: postponing expenditures, accruing future year's 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. A "beginning point" is the preparation of the base budget by each department head. These budgets are based on expenditures to date and the previous years' experience. The departments' base budgets, along with any requests for new positions, programs or services are then presented to the City Manager. City management then meets with each department head to review their base budget and requests for new services and/or programs. Once management has reviewed the departments' requests, a tentative budget is presented to the City Council by the City Manager in May.

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

Expenditures may not legally exceed the expenditure limitation of all fund types as a whole per state law. For management purposes, the City adopts a budget by department for each individual 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 to responding to the demands of the community. These activities lead directly to the preparation of next year's budget. Thus, some part of the budgetary process for the current year is occurring simultaneously with preparation for the next year's budget.

Prior to FY 1995-96, the City's budget process focused only on line item budgeting. City management recognized the need to improve the process and we 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 year.
-  Establish goals for their departments for the new fiscal year.

As in the past, all department heads were required to justify expenditures within their department consistent 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 City Council approves a request, necessary adjustments are made to the budget.

### **Budget Monitoring**

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

### Tentative Budget Calendar for FY 2013

The calendar is structured similar to those of past years and keeps the process moving forward. There can be additional items added to the calendar as needed. Ultimately, the process will produce a balanced budget that we can all live with, as well as a sound fiscal and capital plan. As a reminder, this budget is always subject to changes as the year progresses and revenue projections can be reasonably measured.

 Distribute Performance Measures info & request meetings	December 20, 2011
 Distribute Budget Worksheets & Instructions	February 10, 2012
 Distribute Personnel Request & Reclassification Forms	February 10, 2012
 Distribute Goals & Accomplishments Forms & Instructions	February 10, 2012
 Budget Worksheets, Personnel Requests & Reclassifications due to Finance	February 24, 2012
 Distribute Capital Improvements Schedules, Forms, & Instructions	February 24, 2012
 Revenue Review—Finance	February 27-29, 2012
 Potential Budget Issues & Goal Setting Meeting – City Manager	March 05-06 2012
 1 <sup>st</sup> . Round Departmental Budget Meetings	March 07-09, 2012
 Capital Improvement Forms due back to Finance	March 9, 2012
 Goals & Performance Measures due to Finance	March 9, 2012
 Capital Improvements Meeting (Finance & City Manager)	March 19-20, 2012
 2 <sup>nd</sup> Round Departmental CIP/Budget Meetings	March 20-23, 2012
 Revenue Update & Council Annual Goal Setting Workshop	March 22, 2012
 Review of 1 <sup>st</sup> . Budget Draft (Worksheets) with Finance & Administration	April 02 2012
 ***Final day for changes to the Proposed Budget***	April 06, 2012
 Review of Proposed (Pre Council) - Finance & Administration	April 23-24, 2012
 Present <i>Proposed</i> FY 2013 Budget to City Council	Mid May, 2012
 Budget Work Sessions with City Council @ Council Chambers	May 2012
o Introduction to the Budget / Personnel Matters / Capital Requests	May 21, 2012
o Departmental Presentations	May 22, 2012
o Departmental Presentations / Budgetary Wrap-up	May 23, 2012
o Reserved for additional Budget Meeting	May 24, 2012
 ***Final day for changes to the Tentative Budget***	May 31, 2012
 Present Tentative FY 2013 Budget to City Council	Early June 2012
 Public Hearings on Tentative Budget	June 19, 2012
 Adopt <i>Tentative</i> FY 2013 Budgets, set Expenditure Limitation	June 19, 2012
 ***Final day for changes to the Final Budget***	June 26, 2012
 Present Final FY 2013 Budget to City Council	Mid July, 2012
 Public Hearing on Final Budget	July 17, 2012
 Adopt <i>Final</i> FY 2013 Budget	July 17, 2012
 Budget Due to GFOA for Award Review	October 17, 2012

## **Fund Accounting**

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

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

## **Governmental Funds**

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

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

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

**Capital Project Fund** – Capital Project Funds are used 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 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 as well as 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 provided 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.

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### **Budget Basis**

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

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

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

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

Compensated absences and depreciation are not budgeted.

The Comprehensive Annual Financial Report 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 objective 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 which will be 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 in the use of one-time revenues to 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 insure 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 affects 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".

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, 2011 were secured by sales taxes and user fee revenues instead of property taxes.

<b>Computation of Legal Debt Margin</b>	
<b>June 30, 2011</b>	
Net secondary assessed valuation (Full Cash Value)	\$122,594,325
<b><u>Calculation of 20% Debt Limitation</u></b>	
20% of secondary net assessed valuation	\$24,518,865
Bonds outstanding	0
Net 20% Debt Limitation	\$24,518,865
<b><u>Calculation of 6% Debt Limitation</u></b>	
6% of secondary net assessed valuation	\$7,355,660
Bonds outstanding	0
Net 20% Debt Limitation	\$7,355,660
<b>Total Bonding Capacity</b>	<b>\$31,874,525</b>

### **Policy Statement**

-  A five year Capital Improvements Plan 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 E.M.M.A. – Electronic Municipal Market Access
-  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 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, 2012				
Project	Term	Principal	Interest	Funding Revenue
GO Bonds-Library Expansion	07/2013	150,000	8,300	0.2% Sales Tax
GADA-Railroad Wash Improvements	07/2013	95,000	5,700	0.2% Sales Tax
GADA-Public Safety Building	07/2013	260,000	11,700	0.2% Sales Tax
GADA – Recreational Center	08/2027	16,510,000	6,608,506	1.0% Sales Tax
MPC-Senior Lien Water Rev Bonds - 2004	07/2029	10,975,000	5,270,046	User Fees
MPC-Senior Lien Water Rev Bonds - 2006	07/2035	21,750,000	14,864,588	User Fees
	Total Debt Service		<u>\$49,740,000</u>	<u>\$26,768,840</u>

## INVESTMENT POLICY

### Policy

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

### Scope

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

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

### Objectives

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

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

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

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

### Standard of Care

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

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

large personal financial/investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales.

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

#### **Authorized Financial Dealers and Institutions**

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

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

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

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

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

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

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

## **Safekeeping and Custody**

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

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

Collateralization shall be required on two types of investments:

-  Certificates of deposits
-  Repurchase agreements

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

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

## **Suitable and Authorized Investments**

### **Authorized Investments**

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

-  Fully insured or collateralized certificates of deposit and other evidence of deposit at banks and savings and loan associations;
-  Interest bearing savings accounts in banks and savings and loan institutions doing business in Arizona whose accounts are insured by federal deposit insurance.
-  Repurchase agreements with a maximum maturity of one hundred eighty days, collateralized at no less than 102 percent, provided a signed PSA Master Repurchase Agreement is on file with the counterpart bank or broker\dealer;
-  Deposits in the local government investment pool operated by the Treasurer of the State of Arizona.
-  Bonds or other evidences of indebtedness of the United States or any of its agencies or instrumentalities if the obligations are guaranteed as to principal and interest by the United States or by any agency of instrumentality of the United States.
-  Bonds or other evidences of indebtedness of this state or any of its counties, incorporated cities or towns, school districts, or municipal improvement districts which 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 rating.
-  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 and 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 are the securities 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 over concentration 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 CD's	no more than 25%
	U.S. Treasuries and securities having principal and interest guaranteed by the U.S. Government or agencies or instrumentalities of the U.S. Government	100%
	State, county, school district and other district municipal bonds or debt with an A rating or better	no more than 25%
	Repurchase agreements	100%
	Local Government Investment Pool	100%

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

requirement, the Administrative Services General Manager may not invest any portion of the portfolio for a period greater than 5 years.

## **Reporting**

### **Method**

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

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

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

The Administrative Services General Manager shall include a market report on investment activity and returns in 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 City Manager and significant modifications thereto must be approved by the City Council.

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## STRATEGIC PLANNING

### City Accomplishments for Fiscal Year 2012

The following depicts the continued commitment of the City of Cottonwood to make the community a better place to live. Fiscal year 2012 goals obtained are summarized within this list of accomplishments:

#### **Physical Development**

-  Completed demolition and rehabilitation of the old court building into the City Clerk's Office
-  Successfully took over the operations of the Solid Waste Transfer Station
-  Completed design and awarded the Mingus Avenue reconstruction project
-  Solicitation and award of the Riverfront Wastewater Reclamation Plant design/build contract
-  Applied for and obtained a \$22,000 grant for a new beacon and lighted windsock at the Airport
-  Completion of 7,200 ft. 12" water main to Pine Shadows Mobile Home Park
-  Installation of 1,000 ft. of 8" water main on Fir Street to provide an interconnection between the Cottonwood water system and Verde Village #6

#### **Community and Economic Development**

-  Cottonwood Airfest 2011 was a successful public event at the airport with 3,000 people attending the event held on October 11, 2011
-  Hosted Thunder Valley Rally, Relay for Life, and the Bicycle Rodeo
-  Obtained Arthritis Foundation Certification for the Recreation Center & Aquatic facility training workshops and classes
-  Completed installation of our self-checkout stations and security gates at the public library
-  Library adult services went from 9 patron internet use computers to 17 internet use computers through the AZPac BTOP grant received by the State Library

#### **Public Safety**

-  Implemented the Electronic Citation Project
-  Reinstated the bicycle patrol program
-  Completed the implementation of Automatic Vehicle Locator (AVL) in MDC's
-  Took delivery of, equipped & placed in front line service, a new \$465,000 Rosenbauer fire engine with state of the art technology including compressed air foam & an advanced emissions system
-  Awarded a \$40,000 AFG Grant from FEMA. Purchased & placed in service 21 narrow band compliant mobile & portable radios
-  Hosted the bi-annual CFD open house where we sponsored the Pink Heals Tour Event that drew 500 attendees and raised \$2,300 for female cancer victims in the Cottonwood/Verde Valley area
-  Awarded a \$12,000 GOHS Grant. Purchased & placed in service rescue air bags & stabilization struts for use in rescue and extrication of trapped victims

#### **General**

-  Successfully hosted the City of Cottonwood's 100th year Anniversary of Incorporation Celebration
-  Completed a cost and benefit analysis of a regional public safety communications facility



Completed plans to transition the City's transit service from Northern Arizona intergovernmental Public Transit Authority to the City of Cottonwood

### **Organizational Goals - Fiscal Year 2013**

The following goals have been identified and included within the budget. These goals, established during budget planning sessions with the City Council, are integrated into departmental work plans for fiscal year 2013.

#### **Physical Development**

##### **Project – Utilities – Well Improvements (ongoing)**

This project was a prerequisite to installation of the arsenic remediation equipment mandated by the United States Environmental Protection Agency (USEPA). Continued construction and improvement of the well sites will enhance the ability of the utilities to take care of all the necessary arsenic remediation.

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

This \$100,000 project is funded through system improvements reserves. It provides a more efficient and reliable operation directly related to less crisis management and a reduction in the amount of time staff spends monitoring and maintaining the system.

##### **Project – Utilities – Fire Hydrant/Flow Upgrades (reprogrammed)**

This project will enhance the Fire Department's ability to provide fire suppression services by installing properly sized water lines and adding and/or replacing fire hydrants throughout the City's water service area.

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

The addition of fire hydrants coupled with properly sized water lines will lower the local fire departments ISO rating which will result in lower homeowners insurance rates for our customers. Having adequately sized water lines will allow more volume of water flow which in turn decreases the amount of water hammer and associated damage to the distribution system. The \$550,000 budgeted will be funded through water reserves.

##### **Project – Waste Water – Hwy 260 extension**

This project will extend the sanitary sewer collection system from Fir Street southeast to just before Goddard Road. The project involves installation of a gravity collection system, lift station and force mains.

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

This area currently does not have sanitary sewer service to a large commercial area which has stifled commercial growth. An increase in commercial activity and the associated sales tax revenues will be a fiscal bonus to the general fund. Currently the funding of \$40,000 is planned through existing reserves and other financing sources.

**Project – Waste Water – 12<sup>th</sup> Street: fir-89A Reclamation Lines**

Information not available at printing

**Fiscal/Programmatic Impact**

This project will be funded through existing capital reserves and is budgeted at \$125,000.

**Project – Waste Water – Bella Montana Subdivision**

Information not available at printing

**Fiscal/Programmatic Impact**

This project will be funded through existing capital reserves and is budgeted at \$100,000.

**Project – Waste Water – West Mingus Reconstruction- Reclaimed Water**

This project is for the installation of approximately 2500 lin/ft. of 12” diameter PVC waterline for reclaimed water distribution. This project is part of a much larger redesign/ upgrade of Mingus Ave. from 89A to Willard Ave. When complete, this reclaimed water line will loop through central Cottonwood supplying reclaimed irrigation water to parks, schools, and other public areas.

**Fiscal/Programmatic Impact**

This project could potentially eliminate or reduce water costs associated with irrigation of public site landscaping and will be funded through existing capital reserves budgeted at \$130,000.

**Project – Waste Water – Lift Station 4 Wet Well Expansion**

Information not available at printing

**Fiscal/Programmatic Impact**

This project will be funded through existing capital reserves and is budgeted at \$150,000.

**Project – Waste Water – Collections System Lining and Point Repair**

Cleaning and closed circuit television inspection of the collections system concluded in FY 2010. Areas of clay sewer pipe were broken, cracked and fractured. Wastewater staff identified areas and used a rating system beginning with the most crucial. This is a three-year program designed to address the areas requiring attention by utilizing a point repair and lining system. The first year would accommodate twenty-five point repairs and five areas of lining encompassing a total of 1600 ft of collections line.

**Fiscal/Programmatic Impact**

The use of a lining and point repair system substantially lowers the cost of the project compared to conventional underground repair or replacement work. Raw sewage spills can be quite costly to remediate and severe regulatory penalties may apply. The Arizona Department of Environmental Quality has the authority to levy penalties and fines. This project will be funded through existing capital reserves and is budgeted at \$90,000.

**Project – Waste Water – Riverfront Park Reclamation Facility Project**

This project is for the planned construction of new water reclamation facility at Riverfront Park to ease the burden on the current facility. The plant will recycle waste water and produce quality effluent to help with the irrigation needs at Riverfront Park. This project will help with the increasing need to take some of the load off of the Waste Water plant on Mingus Ave.

**Fiscal/Programmatic Impact**

As the current plant reaches capacity, the ability to safely and effectively treat wastewater begins to deteriorate. The new plant would allow the City to redirect wastewater flow from the southeastern side of the City to the new plant and reduce pumping distance and cost. This project will be funded through existing capital reserves and is budgeted at \$3,600,000 for FY 2013 for the design phase and \$4,000,000 estimated for FY 2014.

**Project – Water – 12<sup>th</sup> Street: fir-89A Reclamation Lines**

Information not available at printing

**Fiscal/Programmatic Impact**

This project will be funded through existing capital reserves and is budgeted at \$160,000.

**Project – Utilities – West Mingus Reconstruction – Water Line Replacement**

This project will replace approximately 2500 lin/ft of failing and inadequate potable water line. This is part of a larger street reconstruction project on Mingus Ave. between 89A and Willard Ave.

**Fiscal/Programmatic Impact**

This water system project will improve system hydraulics, fire flow availability, decreased maintenance and potential for damage due to major water leaks. Currently the funding of \$130,000 is planned through existing reserves and other financing sources.

**Project – Utilities – Hwy 260 Water Line Extension**

This project is for the installation of approximately 5000 lin/ft. of potable waterline along the west side of Hwy. 260.

**Fiscal/Programmatic Impact**

This project will be funded with current reserves. The total project will be \$1,250,000.

**Project – HURF – Pavement Maintenance (on-going)**

This project is to execute pavement maintenance contracts to extend the useful life of the streets. Pavement maintenance has typically been chip seal coating. Other types of seal coats such as slurry coats may also be used. Chip seals are the only affordable treatment for most “local streets”. Cottonwood historically gets a very long useful life out all pavement types, far in excess of the expected useful life. Routine pavement maintenance is required to keep the streets from “going to gravel”.

**Fiscal/Programmatic Impact**

The City’s Street Maintenance Department will be responsible for the program. Funds are being allocated every other year. For FY 2013 nothing has been allocated, but it is projected that \$600,000 will be allocated in FY 2014.

**Project – HURF – 12<sup>th</sup> Street. Reconstruction 89A to Fir (On Going)**

This is a 3700 foot reconstruction project from SR 89A to Fir Street. The existing collector street lacks a sidewalk and is constantly potholing due to clay sub-soils. The vertical alignment does not meet standards (hills too high and valleys too low). The project would need to address the poor sub-soils and add curb, gutter and sidewalk. Underground utility replacements are the responsibility of the utility companies.

**Fiscal/Programmatic Impact**

Pavement section will have a 20-year useful life. The City is planning to obtain a bond for this project and other streets projects in the amount of \$4,738,195. The total cost of this project is estimated at \$2,318,000 and \$1,600,000 is being programmed for FY 2013. No increased M&O costs are anticipated.

**Project – HURF – W. Mingus Reconstruction (On Going)**

This 1800-foot segment of Mingus Avenue, from SR 89A to Willard Street, is narrow, lacks sidewalk and bike lanes, and has poor drainage. Since the completion of the Mingus Avenue Extension to Cornville Road in 2004, trips on this segment of Mingus have grown to 6,000 per day. The existing pavement condition is poor. This project will not only rebuild the street, it will add sidewalks, bike lanes, curbs and gutter.

**Fiscal/Programmatic Impact-**

This project will be funded through bonding. The total project is estimated at \$2,338,195 and \$1,838,195 is being programmed for FY 2013. No increased M&O costs are anticipated.

**Project – HURF/CDBG – 10<sup>th</sup> Street Reconstruction**

From N. Main Street to Mingus Avenue, reconstruct the 1500-foot street adding curb, gutter and sidewalk on both sides. Mill and overlay the pavement to tie the project in.

**Fiscal/Programmatic Impact**

Create a safe place for pedestrians. Use local “Sidewalk” The distorted existing pavement will be completely replaced. Sidewalks will be added to a street that is close to the elementary and middle schools. Possible funding through CDBG, HURF, 1% sales tax and Street Reserves is anticipated to be \$320,000.

**Project – HURF – Mingus Ave; Willard to Main Street**

This 5200-foot segment of major collector street from Willard Street to Main Street has failing pavement and lacks sidewalk in some areas. Since Mingus Avenue was extended to Cornville Road in 2004, this segment of Mingus Ave has over 9000 average daily trips. The project is in two phases with the first, Willard to 10<sup>th</sup> Street, having federal grant funds.

**Fiscal/Programmatic Impact**

This project will be funded through bonding. The total project is estimated at \$2,300,000 and \$1,300,000 is being programmed for FY 2013. No increased M&O costs are anticipated.

**Project – HURF – Main Street Road Diet Study**

The Arizona Department of Transportation (ADOT) has designated Highway Safety Improvement Project (HSIP) funds which fund the study and often the construction of safety projects on and near roadways. Main Street is an ideal candidate for a road diet study and the City will be applying for funds for a road diet study during FY 13.

**Fiscal/Programmatic Impact**

This study is 100% grant funded through ADOT and \$50,000 has been budgeted for FY 2013. No additional M&O costs are anticipated for this project.

**Project – Flood Control Grants – Railroad Wash Improvement Project**

Rail Road Wash near Willard Street and SR 89A is undersized and is currently projected to overflow Willard Street during a 100 year storm.

**Fiscal/Programmatic Impact**

This is a 100% grant funded project through Yavapai County Flood control district and \$225,000 has been budgeted for FY 2013. No additional M&O costs are projected for this project.

**Project – Airport - Install Automatic Weather observation Station (AWOS)**

This project installs an automatic weather observation station (AWOS), a weather instrument with radio and phone communication capability that allows pilots to get remote, real-time weather information for the airport. This is required for instrument approaches and commuter service.

**Fiscal/Programmatic Impact**

This equipment provides accurate weather information and is an important safety issue for airport users as the airport becomes increasingly busy. The \$115,650 is funded 97.5% FAA and ADOT grant, with a 2.5% local share provided by the Airport Fund. This project is programmed in the 2003 Cottonwood Airport Master Plan and Airport Layout Plan (ALP). No increased M&O costs are anticipated.

**Project – Airport - Pavement Preservation**

The Arizona Department of Transportation (ADOT) has programmed a pavement preservation project for the Cottonwood Airport Runway due to poor runway conditions.

**Fiscal/Programmatic Impact**

The \$390,345 is funded 90% from ADOT and 10% from local share matching. Additional M&O costs are not anticipated for this project

**Project – Airport - Terminal Parking Lot**

The Cottonwood airport’s terminal parking lot is in bad repair and cannot contain enough vehicles for weekly meetings. Because the parking lot is not large enough, vehicles have begun parking inside the security fence.

**Fiscal/Programmatic Impact**

This \$210,000 project will be funded \$199,500 from FAA, \$5,250 from ADOT and \$5,250 from local share matching. No increased M&O costs are anticipated.

**Project – Administration - City Hall & Old Town Cultural Park**

This project is to design and ultimately construct a New City Hall and cultural park to be located in Old Town on city-owned property.

**Fiscal/Programmatic Impact**

The fiscal impact of about \$5,500,000 may be bonded to cover total cost over FY 2013 & FY 2014. Currently the facilities are over-crowded, old, and scattered throughout Old Town and the community. A new facility would be up to current life safety code standards, it would centralize more of city staff, eliminating unnecessary pedestrian and vehicle trips, for staff and the public. Increase in operating costs would be offset by vacating existing properties and selling them. For FY 2013 \$100,000 is being allocated for design.

**Project – Engineering/Public Works– Old Court Building Remodel (Continued)**

Information not available at printing

**Fiscal/Programmatic Impact**

For FY 2013 \$60,000 has been budgeted from the Capital Projects Fund.

**Project – Engineering/Public Works– Gardner Property Demolition (On Going)**

Demolition of the existing buildings located at 1032 N First Street.

**Fiscal/Programmatic Impact**

The buildings as currently configured are a liability to the City and a danger to the public. For FY 2013 \$55,000 has been allocated.

**Project – Parks – Riverfront Parking & Overlay (Reprogrammed)**

This project depicts the need for combined parking lot areas at Riverfront Park needing major renovations. The project includes the removal of current asphalt surface materials, site prep, and installation of new asphalt/concrete mix overlay. Project will also entail the installation of curb systems along the current northeast parking lot area (200 x 150 foot parking lot) and the inside island area of the Skate-park/Roller Hockey parking lot area.

**Fiscal/Programmatic Impact**

These combined projects will cost approximately \$108,600 in FY 2013 and will prevent further damage of the parking area and asphalt that is already there. Maintenance costs for the short term future are minimal, once completed.

## **Public Safety**

### **Project – Police - Vehicle Replacement Program (on-going)**

This project provides for the systematic replacement of police patrol vehicles before they become too costly to maintain. This year the Police Dept will purchase a motorcycle and four vehicles.

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

This year the budgeted amount for this program is \$149,325, which will be paid through the .2% sales tax reserve. By having a newer fleet, maintenance costs are reduced and down time is avoided.

### **Project – Public Safety – Communications/Radio/MCT’s Infrastructure**

In order to meet federal interoperability and narrow band frequency requirements, we will have to contribute to the communications infrastructure development in the Verde Valley. This includes but is not limited to radio towers, microwave links, digital paging, station alert systems, GIS programs, narrow band capable radios, mobile computer terminals. This project also includes funds to replace radio and paging equipment on an annual basis in subsequent years as needed due to obsolescence and normal wear and tear

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

Capital expenditures for FY 2013 are estimated at \$7,000. This project is funded through the .2% sales tax reserves and grant funds when available. Communication equipment requires routine maintenance and repairs; a service contract remains in place and is expected to be reduced approximately \$10,000 in FY 2013.

### **Project – Public Safety – Fire Prevention Safety House**

This project involves the purchase of a mobile Fire Prevention Safety House.

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

This project will provide a realistic training prop for Fire Prevention and Life Safety Training to the citizens of Cottonwood. Primary audience will be children, the elderly and other “at risk” groups. The project costs of \$75,000 are being allocated in FY 2013 and are funded through Grants.

### **Project – Public Safety – SCBA Replacement Program (Air Packs)**

This program entails the purchase of 30 Self Contained Breathing Apparatus (SCBA). Our current SCBA’s are almost 10 years old and have had numerous readiness issues that have been addressed and continue to be addressed by our personnel certified in their maintenance.

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

This program provides for the purchase of 25 SCBA units at a cost of \$5,000 per unit for a total cost of \$150,000. The purchase of these SCBA will enable CFD to meet the new 2012 NFPA standard for NFPA as well as provide us much increased interoperability with our automatic aid agencies who have already replaced their SCBA. This project is funded by lease purchase proceeds paid through the .2% sales tax revenue. Reduced maintenance costs are expected once the program is complete.

**Project – Public Safety – Aerial Ladder Truck (Quint)**

The acquisition of a 100' ladder truck (Quint) will enable the Fire Department to provide an increased level of safety for our firefighters while also providing increased fire suppression and rescue capabilities. This apparatus will be a “Quint” type apparatus. A Quint apparatus 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 our current ISO grading of Class 4. Operation and maintenance cost increases will be minimal. Estimated cost for this vehicle and necessary equipment is anticipated to be \$600,000. This project will be funded by Grants, partnerships with private sector development, and bonding which would be paid through the .2% sales tax reserves.

**Project – Public Safety – Fire Vehicle Replacement**

This project provides for the systematic replacement of Fire Vehicles before they become too costly to maintain.

**Fiscal/Programmatic Impact**

The budget amount for FY 2013 is \$97,000, \$50,000 of which is a carryover from FY 2012. This program will be funded by lease purchase paid through the .2% sales tax reserves. By having a newer fleet, maintenance costs are reduced as well as avoiding down time.

**Project – Public Safety – Regional Communications Building**

Design and construct a Regional Communications Building to handle all of the local dispatching for the Verde Valley Area. The new building will be constructed on land owned by the City next to the current Public Safety Building.

**Fiscal/Programmatic Impact**

The budget amount for this project is \$4,700,000 with \$500,000 being allocated in FY 2013. This project will be funded by bonding and paid through the .2% sales tax reserves.

**Project – Public Safety – Spillman IBM Server**

Purchase, configuration, and installation of a new IBM server which will house only Spillman applications used by the Cottonwood Police Dept., the Camp Verde Marshal's Office, the Clarkdale Police Dept., and the Yavapai-Apache Tribe Police Dept.

**Fiscal/Programmatic Impact**

The budget amount for this project is \$58,690 allocated in FY 2013. This project will be funded by lease purchase and paid through the .2% sales tax reserves.

## **Organizational Goals for the Future - Fiscal Year 2014-18**

The following long-range goals address issues facing the City in the future. The timing of the various programs and projects are reflected on the five-year Capital Improvement Plan on pages 33-40. The current year is included in the City's organizational goals – Fiscal year 2013 on **pages 20-27**.

### **Grant Funds**

#### **Project - Airport – Acquire Land II (11.6 acres)**

This program is to acquire 11.6 AC at the southwest line of the airport to meet standards for object free area (OFA) for the relocated Taxiway A. And to acquire property to meet standards for parallel taxiway object free area (OFA). This property adjoins the SW property line of the airport. The acquisition will allow for the taxiway parallel to the runway to move an additional 90' away from the runway.

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

This greater separation will increase safety for the Airport users. Funding for this project is \$675,000 and is anticipated that a 97.5% FAA and ADOT grant will assist along a City contribution of 2.5% local share from the Airport Fund. This project is programmed in the 2003 Cottonwood Airport Master Plan and Airport Layout Plan (ALP). There are no additional costs anticipated with maintenance or operations of this project.

#### **Project - Airport – Master Plan**

The Airport Master Plan periodically needs updating to ensure that the airport can continue to adapt and provide the necessary facilities required to meet increasing aviation demand.

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

This project updates the current Airport Master Plan in FY 2015. The \$80,000 expense is funded 97.5% FAA and ADOT grant funding, with 2.5% local share provided by the Airport Plan.

#### **Project - Airport – Grading for T-Hangars**

This project is for site preparation for new T-hangars in the vicinity of the current parachute drop zone. The site will need substantial excavation of material to bring it down to the airfield elevation.

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

This preliminary work prior to construction will provide additional safety by reducing the risk of vandalism/tampering of aircraft by providing more secure storage in hangars. The \$1,200,000 price tag is funded 97.5% FAA and ADOT grant, with a 2.5% local share provided by the Airport Fund. This project is programmed in the 2003 Cottonwood Airport Master Plan and ALP.

**Project - Airport – Environmental Review**

An environmental review is needed prior to acquiring additional land for the Cottonwood Airport. Purchase of 18 acres of land at the southwest line of the airport is contemplated for several projects: relocate skydive drop zone, relocate Taxiway A, relocate the segmented circle and install an AWOS.

**Fiscal/Programmatic Impact**

This Project creates access to the new parachute drop zone; relocate taxiway and AWOS needed for health and safety of the users. The \$200,000 cost is funded 97.5% FAA and ADOT grant, with a 2.5% local share provided by the Airport Fund. This project is programmed in the 2003 Cottonwood Airport Master Plan and ALP.

**Project - Airport – GPS Approach Survey**

Provide a detailed survey of the terrain and obstructions for the end of Runway 32.

**Fiscal/Programmatic Impact**

This Project provides a detailed survey of the terrain and obstructions for the end of Runway 32 so that a GPS approach can be created for the airport by the FAA. Currently, there are no instrument approaches for the airport. The \$80,000 cost is funded 97.5% FAA and ADOT grant, with a 2.5% local share provided by the Airport Fund. This project is programmed in the 2003 Cottonwood Airport Master Plan and ALP.

**Project - Airport – Install JetA Tank**

Provide the installation of a JetA tank at the airport.

**Fiscal/Programmatic Impact**

This Project provides the installation of a JetA tank at the airport. Cottonwood owns a 100LL (low load) fuel (aviation gasoline) tank but not a JetA tank. JetA fuel powers larger more sophisticated aircraft used for business including air ambulances, business travel and helicopters. The \$95,000 is anticipated to be funded through the State Aviation Loan Program and the Airport Fund.

**Physical Development****Project – Parks – Tennis Center Resurface**

This program is to install a polyurethane coating materials to the surface of the Cottonwood Tennis Center courts. The city has four (4) tennis center courts at Garrison Park which will be resurfaced and then have the lines and court interior/exterior boundaries marked.

**Fiscal/Programmatic Impact**

An estimated cost of \$135,000 is to be funded in FY 2016 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 – Urban Trail System**

This land purchase will enable the city to expand the current park acreage throughout the community to serve an ever growing community population base. The current park system and open space element has two small pocket/neighborhood parks throughout the 110 acre system. Additional trails are necessary to mitigate vehicular traffic, allow for the pursuit of outdoor recreation throughout the Cottonwood areas and provide various alternate flows for pedestrian traffic.

**Fiscal/Programmatic Impact**

General Fund obligation and potential for State Heritage Funds to offset most of the acquisition and construction costs are planned. This project begins FY 2016 and is planned over a period of three years.

**Project –Parks - Civic Center Rehabilitation**

This project is for the restoration of a valuable historical building in Old Town Cottonwood. Both internal and external renovations are needed. Such restoration would allow for the facility to continue being a functional “Civic Center” for meetings, social gatherings and cultural needs of residents.

**Fiscal/Programmatic Impact**

The rehabilitation is expected to carry a price tag of approximately \$130,000 and is scheduled for FY 2014. This project anticipates financing through the State Historic Preservation Office (SHPO) since the building is on the Historical Registry in the form of a grant. The General Fund would need a 50% match in funds. Maintenance and operation expenditures should go down as the building is restored.

**Project – HURF - 6<sup>th</sup> Street Reconstruction**

This reconstructs 2,600 feet of pavement from Mingus Avenue to SR 89A. The pavement thickness will be improved with the project, to ensure it can handle the weight and the volume of traffic. The drainage problem will also be addressed.

**Fiscal/Programmatic Impact**

This \$700,000 reconstruction will have a 20 year useful life. A street of this quality in industrial areas as this one promotes business retention and development. This is a HURF and 1% construction sales tax project.

**Project – HURF – North Main Street Paving**

Mill and overlay the pavement on North Main Street from the north city limits to Willard Street through Old Town

**Fiscal/Programmatic Impact**

This major collector street is cracked and distorted. The existing pavement is over 30-40 years old. This project is funded through HURF and Contracting Sales Tax. \$1,200,000 is budgeted in FY 2015

**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 chip seal coating.

**Fiscal/Programmatic Impact**

The first two years of the program will also include crack sealing. Other types of seal coats such as slurry coats may also be used. Chip seals are the only affordable treatment for most “local streets”. Cottonwood historically gets a very long useful life out of all pavement types, far in excess of the expected useful life. Routine pavement maintenance is required to keep the streets from “going to gravel”. This ongoing program is funded through HURF and the 1% construction sales tax initiated January 1, 2006.

**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 \$500,000 per year 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 \$500,000 in FY 2014 and \$250,000 annual cost will be provided through system improvement reserves and user fees.

**Public Safety****Project – Public Safety – Fire Vehicle Replacement**

This project provides for the systematic replacement of Fire Vehicles before they become too costly to maintain.

**Fiscal/Programmatic Impact**

The budget amounts for the next five years total \$250,000 and will be funded by lease purchase paid through the .2% sales tax reserves. By having a newer fleet, maintenance costs are reduced as well as avoiding down time.

**Project – Public Safety – Police Vehicle Replacement**

This project provides for the systematic replacement of police patrol vehicles before they become too costly to maintain.

**Fiscal/Programmatic Impact**

The budget amounts for the next five years total \$250,000 and will be funded by lease purchase paid through the .2% sales tax reserves. By having a newer fleet, maintenance costs are reduced as well as avoiding down time.

**Project – Public Safety – Fire Stations**

Design and construct a fire station on or near Bill Gray Road to serve the development and growth projections for the Cornville Road/Mingus Avenue & Hwy 89A annexation area. New development plans for that area indicate the need to establish a fire station in that area in the next two to three years. By establishing the City's presence in that area 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 \$1,620,000 with \$120,000 anticipated in FY 2014 for design review. The city already has the staffing at one fire house. Twelve firefighters would be moving to this new station along with one engine.

**Project – Public Safety – Aerial Ladder Truck (Quint)**

This is set here in case the grant purchase in FY 2013 is not received. It will not be a second Aerial Ladder Truck. The acquisition of a 100' ladder truck (Quint) will enable the Fire Department to provide an increased level of safety for our firefighters while also providing increase fire suppression and rescue capabilities. This apparatus will be a "Quint" type apparatus. A Quint apparatus 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 our current ISO grading of Class 4. Operation and maintenance costs increase will be minimal. Estimated cost for this vehicle and necessary equipment is anticipated to be \$1,100,000. This project will be funded by lease purchases proceeds *if grant funding is not available again in FY 2013*, partnerships with private sector development, and bonding which would be paid through the .2% sales tax reserves.

## 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 \$62,624,420. 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 and 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 and will continue 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 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 by staff for funding ability prior to application to ensure availability of matching funds.
-  Priority will be given to grant matching funds.
-  Sizeable matching funds and/or large percentage of contribution may keep some grants from being solicited.

<b>Funding Availability</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Transfers In		34,572	12,005	12,005	12,005
FAA Aeronautic Grants	482,618	1,201,081	988,000		
ADOT Grants		203,103			
ADOT Airport Matching	23,691	58,959	26,000		
LP - Jet A Tank	95,000				
Airport FAA Fund Matching	23,691	58,959	26,000		
<b>Funds Available</b>	<b>\$625,000</b>	<b>\$1,556,675</b>	<b>\$1,052,005</b>	<b>\$12,005</b>	<b>\$12,005</b>
<b>Financing Commitments</b>					
LP - Jet A Tank		12,005	12,005	12,005	12,005
Subtotal Commitments		12,005	12,005	12,005	12,005
Revenue (net of commitments)	\$625,000	\$1,544,670	\$1,040,000	\$0	\$0
<b>Planned Expenditures</b>					
<u>Airport</u>					
Relocate Segmented Circle		\$39,000			
Land Acquisition (11.6 acres)			\$675,000		
ADOT Taxiway Pavement Preservation		225,670			
FAA Aircraft Wash Rack	\$200,000				
FAA Aircraft Layout Plan		80,000			
Apron Expansion Grading		1,200,000			
FAA Environmental Assessment/Review	200,000				
FAA Design & Construct displaced Threshold	50,000				
Install JetA Tank	95,000				
FAA GPS Approach Survey - GRANT	80,000				
Extend Runway 32			365,000		
Subtotal Planned Expenditures	625,000	1,544,670	1,040,000	0	0
Resources Available	\$0	\$0	\$0	\$0	\$0

**0.2% SALES TAX**

This revenue source is derived from a .2% sales tax originally designated for the payment of debt service on the Public Library. November of 1998 voters requested that any amount collected above the necessary debt service be restricted to capital improvements. Any deficits showing in the five year plan will be covered by General Fund reserves.

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li> Current commitments are priority           <ul style="list-style-type: none"> <li>○ Library Debt Service</li> <li>○ Public Safety Building – GADA Loan</li> <li>○ Public Safety Lease Purchase</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li> Restricted to Public Safety capital           <ul style="list-style-type: none"> <li>○ 1<sup>st</sup> priority is fleet</li> <li>○ 2<sup>nd</sup> priority is to other projects</li> </ul> </li> </ul> |
|--|---|

Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Beginning Balance	(\$753,601)	\$1,326,247	(\$156,259)	(\$195,460)	\$2,382,394
Annual Deposit (net of DS)	669,790	689,880	714,030	739,020	768,580
<b>Grant Funding</b>					
None					
<b>Miscellaneous Income</b>					
Interest Income		26,525			47,648
<b>Other Financing Sources</b>					
LP - Fire Response Vehicles		200,000			650,000
LP - PD Vehicles - 10-14	307,000				
LP - FD Vehicles - 14-18	50,000	50,000	50,000	50,000	50,000
LP - FD Vehicles - Aerial Ladder Truck	1,100,000	50,000	50,000	50,000	50,000
GADA - Fire Stations - 2	1,620,000				
GADA - Fire Stations - 3				2,800,000	
Bonds - Regional Communications Bldg	4,200,000				
Revenue	\$7,193,189	\$2,342,652	\$657,771	\$3,443,560	\$3,948,621
<b>Financing Commitments</b>					
<b>Other Financing Uses</b>					
LP - PS Vehicles 09-10	44,760	22,380			
LP - Fire Vehicles	90,000	36,400	36,400	36,400	36,400
LP - Police Vehicles		11,400	11,400	11,400	11,400
LP - Fire Dept.	18,000	27,000			
LP - FD Engine Pumper Type I	46,200	97,015	97,015		
LP - FY12 City Wide Equip (25% PS)	31,631	31,631	31,631	31,631	
LP - Aerial Ladder Truck		84,565	84,565	84,565	84,565
LP - FY13 PS Veh & Equip	66,350	66,350	66,350	66,350	66,350
GADA - Fire Stations - 2			123,700	123,700	123,700
GADA - Regional Communications Bldg		272,170	272,170	272,120	272,120
Subtotal Commitments	296,941	648,911	723,231	626,166	594,535
Revenue (net of commitments)	\$6,896,247	\$1,693,741	(\$65,460)	\$2,817,394	\$3,354,086
<b>Planned Expenditures</b>					
<b>Fire</b>					
<u>Grant - Aerial Ladder Truck</u>	1,100,000				
Alternative Response Vehicle		200,000			
Fire Stations GADA - 2	120,000	1,500,000		300,000	2,500,000
Fire Engine Pumper Type 1					650,000
Fire Vehicle Replacements	50,000	50,000	50,000	50,000	50,000
Fire Suppression & Rescue Equipment	50,000	50,000	30,000	35,000	50,000
<b>Police</b>					
Police Vehicle Replacement	50,000	50,000	50,000	50,000	50,000
Regional Communications Bldg	4,200,000				
Subtotal Planned Expenditures	5,570,000	1,850,000	130,000	435,000	3,300,000
Resources Available	\$1,326,247	(\$156,259)	(\$195,460)	\$2,382,394	\$54,086

**1.0% SALES TAX**

This revenue source is derived from a 1.0% 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

<b>Funding Availability</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Balance	\$331,200	\$32,055	(\$134,054)	\$7,146,416	\$1,626,526
Annual Deposit	1,726,150	1,738,019	1,754,320	1,773,350	2,793,256
<b>Grant Funding</b>					
Urban Trails System			45,000	180,000	350,000
Tennis Center 6 Plex Facility			550,000		
Pocket Neighborhood Parks			250,000	450,000	
OT Field Conversion to Cultural Park		50,000	120,000		
<b>Miscellaneous Income</b>					
Interest Income	6,624	641	(2,681)	142,928	32,531
<b>Other Financing Sources</b>					
GADA-Youth/Adult Sports, Leisure & Open space Facilities			4,300,000		
GADA - Large Park Acreage - Future Ball Field			3,500,000		
<b>Funds Available</b>	<b>\$2,063,974</b>	<b>\$1,820,715</b>	<b>\$10,382,585</b>	<b>\$9,692,695</b>	<b>\$4,802,313</b>
<b>Financing Commitments</b>					
GADA - Recreation Center	1,542,275	1,539,875	1,541,275	1,541,275	1,539,875
LP - FY12 City Wide Equip (75% Gen Gov)	94,894	94,894	94,894	94,894	
GADA - Large Park Acreage - Future Ball Field					269,065
GADA-Youth/Adult Sports, Leisure & Open space Facilities					292,130
<b>Subtotal Commitments</b>	<b>1,637,169</b>	<b>1,634,769</b>	<b>1,636,169</b>	<b>1,636,169</b>	<b>2,101,070</b>
Revenue (net of commitments)	\$426,805	\$185,946	\$8,746,416	\$8,056,526	\$2,701,243
<b>Planned Expenditures</b>					
<b><u>Culture &amp; Recreation</u></b>					
Bicycle network Improvements (Planning)	42,750				
Urban Trail System - Heritage Grant			45,000	180,000	350,000
Tennis Center Resurface			135,000		
Tennis Center 6 Plex Facility - Grant Funded			550,000		
Large Park Acreage - Future Ball Field & Sports Park				2,000,000	1,500,000
Park Acreage-Pocket Neighborhood Parks - Grant Funded			250,000	450,000	
Kids Park Restroom Facility		165,000			
Kids Park Play Apparatus	42,000				
Youth/Adult Sports, Leisure & Open space Facilities			500,000	3,800,000	
Rainbow Colors Pool Play System/Rec Cntr Eqpt	200,000				
Park Open space & Master Plan Study	110,000				
Old Town Field Conversion to Cultural Park - Grant Funded		50,000	120,000		
Roller Hockey Court Board Replacement		60,000			
Skate Park Completion		45,000			
<b><u>General Government</u></b>					
None					
<b>Subtotal Planned Expenditures</b>	<b>394,750</b>	<b>320,000</b>	<b>1,600,000</b>	<b>6,430,000</b>	<b>1,850,000</b>
<b>Resources Available</b>	<b>\$32,055</b>	<b>(\$134,054)</b>	<b>\$7,146,416</b>	<b>\$1,626,526</b>	<b>\$851,243</b>

## **HIGHWAY USER REVENUE FUND AND TRANSIT**

These funding sources come from several areas. State HURF may be used for maintenance and operations as well as capital projects. The City also approved an increase in the city's tax on construction activities by 1% to be designated to street improvements. Another 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 & trails

<b>Funding Availability</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Balance	\$6,154,675	\$232,826	(\$251,597)	(\$1,468,660)	(\$2,273,962)
HURF Funds (net M&O)	38,975	40,144	41,750	43,420	45,157
1% Construction Sales Tax	225,136	236,393	248,212	260,623	273,654
<b>Grants</b>					
None					
<b>Other Financing Sources</b>					
Loan - N Main Mill&Fill, 6th St. Aspen-89A		1,900,000	3,000,000		
<b>Funds Available</b>	<b>\$6,418,786</b>	<b>\$2,409,363</b>	<b>\$3,038,365</b>	<b>(\$1,164,617)</b>	<b>(\$1,955,152)</b>
<b>Financing Commitments</b>					
GADA Loan - Mingus, W. Mingus, & 12th St.	760,960	760,960	760,960	760,960	760,960
GADA- N Main Mill & Fill, 6th St. Aspen-89A			146,065	146,065	146,065
Loan - N Main St 10th to Mingus				202,320	202,320
<b>Subtotal Commitments</b>	<b>760,960</b>	<b>760,960</b>	<b>907,025</b>	<b>1,109,345</b>	<b>1,109,345</b>
Revenue (net of commitments)	\$5,657,826	\$1,648,403	\$2,131,340	(\$2,273,962)	(\$3,064,497)
<b>Planned Expenditures</b>					
<b>(*Council Strategic Initiative)</b>					
<b>Streets Construction &amp; Maintenance</b>					
Pavement Maintenance Program	600,000		600,000		600,000
6th St. Reconstruction Aspen to 89A		700,000			
North Main Street Mill & Fill		1,200,000			
Mingus Ave. Reconstruction Willard to Main	1,000,000				
Main St to Mingus			3,000,000		
*12 S. St. Reconstruction 89A to Fir	1,900,000				
SR260 Sidewalk from Del Rio-Fir on East side	1,000,000				
ADOT TE Grant Bicycle Racilities	700,000				
Yavapai County Flood Control District-3 Grants	225,000				
<b>Subtotal Planned Expenditures</b>	<b>5,425,000</b>	<b>1,900,000</b>	<b>3,600,000</b>	<b>0</b>	<b>600,000</b>
Resources Available	\$232,826	(\$251,597)	(\$1,468,660)	(\$2,273,962)	(\$3,664,497)

**WASTERWATER USER FEES**

User fees for Wastewater are not sufficient enough to cover capital projects that are planned for the future in this department. Other revenue sources have been allocated to assist this enterprise fund with its capital needs.

<b>Funding Availability</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Balance	\$2,694,729	\$2,428,623	\$4,877,196	\$1,298,255	\$242,735
Interest Income	53,895	48,572	97,544	25,965	4,855
<b>Other Financing Sources</b>					
Bonding/WIFA Loan FY 2014		7,800,000			
Transfer in from Capital Construction Fund	4,000,000				
<b>Funds Available</b>	<b>\$6,748,623</b>	<b>\$10,277,196</b>	<b>\$4,974,740</b>	<b>\$1,324,220</b>	<b>\$247,589</b>
<b>Financing Commitments</b>					
Bonding / WIFA Loan FY 2015			581,485	581,485	581,485
<b>Subtotal Commitments</b>	<b>0</b>	<b>0</b>	<b>581,485</b>	<b>581,485</b>	<b>581,485</b>
<b>Revenue (net of commitments)</b>	<b>\$6,748,623</b>	<b>\$10,277,196</b>	<b>\$4,393,255</b>	<b>\$742,735</b>	<b>(\$333,896)</b>
<b>Planned Expenditures</b>					
Hwy 260 Line Extension		1,900,000			
General construction/Lining and point repair Collections System	95,000		95,000		95,000
Riverfront Wastewater Reclamation Plant	4,000,000				
Future Projects or Upgrades		500,000		500,000	
Bella Montana SubDivision		3,000,000	2,900,000		
12th Street: Fir-89A Reclamation Lines	125,000				
Wastewater Treatment Plant Upgrades	100,000		100,000		100,000
<b>Subtotal Planned Expenditures</b>	<b>4,320,000</b>	<b>5,400,000</b>	<b>3,095,000</b>	<b>500,000</b>	<b>195,000</b>
<b>Resources Available</b>	<b>\$2,428,623</b>	<b>\$4,877,196</b>	<b>\$1,298,255</b>	<b>\$242,735</b>	<b>(\$528,896)</b>

**WATER USER FEES**

The Water Utility, like the Wastewater, is designed to be self sufficient. It provides enough revenue to cover maintenance, operations, administration, debt service, and capital improvements. User fees provide the majority of the revenue for this utility. Upon acquisition of the water companies, the City included additional proceeds in the bond issue for future system improvements. That has come in useful since the system was in need of some serious attention.

<b>Funding Availability</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Balance	\$4,052,706	\$3,920,133	\$4,264,244	\$4,838,625	\$5,767,722
User Fees	3,725,248	4,023,268	4,345,130	4,692,740	5,068,159
Interest Income	81,054	78,403	85,285	96,772	115,354
<b>Other Funding Sources</b>					
Bonding or WIFA Loan Bella Montana		1,250,000			
<b>Funds Available</b>	<b>\$7,859,008</b>	<b>\$9,271,804</b>	<b>\$8,694,659</b>	<b>\$9,628,137</b>	<b>\$10,951,236</b>
<b>Financing Commitments</b>					
Bonding or WIFA Loan	2,484,275	2,552,960	2,546,834	2,551,215	2,553,085
Bonding or WIFA Loan Hwy 260	104,600	104,600	104,600	104,600	104,600
Bonding or WIFA Loan Bella Montana			104,600	104,600	104,600
<b>Subtotal Commitments</b>	<b>2,588,875</b>	<b>2,657,560</b>	<b>2,756,034</b>	<b>2,760,415</b>	<b>2,762,285</b>
<b>Revenue (net of commitments)</b>	<b>\$5,270,133</b>	<b>\$6,614,244</b>	<b>\$5,938,625</b>	<b>\$6,867,722</b>	<b>\$8,188,951</b>
<b>Planned Expenditures</b>					
Arsenic	250,000	250,000	250,000	250,000	250,000
Future Wells (Bella Montana Subdivision)		1,250,000			
Fire Flow Upgrades	500,000	250,000	250,000	250,000	250,000
Storage/Well Booster Station		100,000		100,000	
Water System Upgrades	500,000	500,000	500,000	500,000	500,000
Well Improvements	100,000	100,000	100,000	100,000	100,000
<b>Subtotal Planned Expenditures</b>	<b>1,350,000</b>	<b>2,350,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>
<b>Resources Available</b>	<b>\$3,920,133</b>	<b>\$4,264,244</b>	<b>\$4,838,625</b>	<b>\$5,767,722</b>	<b>\$7,088,951</b>

The City entered into an operating lease contract for its arsenic treatment equipment and hired an Arsenic Specialist to help defray cost and will explore new technologies as they develop in the future.

**WATER RESOURCE RESERVE FUND**

These reserve funds are accumulated from specific fees collected in the water utility for a very specific purpose. These sources are expected to cover the costs of acquiring water rights, defending legal challenges, and providing conservation incentives. It also includes ancillary costs involved with getting these objectives accomplished.

<b>Funding Availability</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Beginning Balance	\$4,887,498	\$5,595,156	\$6,316,971	\$7,053,223	\$7,804,199
Resource Development	475,191	475,192	475,192	475,192	475,192
WAC	38,011	38,012	38,012	38,012	38,012
Adjudication	55,066	55,067	55,067	55,067	55,067
Conservation	29,681	29,682	29,682	29,682	29,682
Interest Income	109,709	123,862	138,298	153,024	168,043
<b>Funds Available</b>	<b>\$5,595,156</b>	<b>\$6,316,971</b>	<b>\$7,053,223</b>	<b>\$7,804,199</b>	<b>\$8,570,195</b>

**Planned Expenditures**Water Development

Resource Development

Water Advisory

Adjudication

Conservation

Subtotal Planned Expenditures

Resources Available

0	0	0	0	0
\$5,595,156	\$6,316,971	\$7,053,223	\$7,804,199	\$8,570,195

**CAPITAL IMPROVEMENTS FUND**

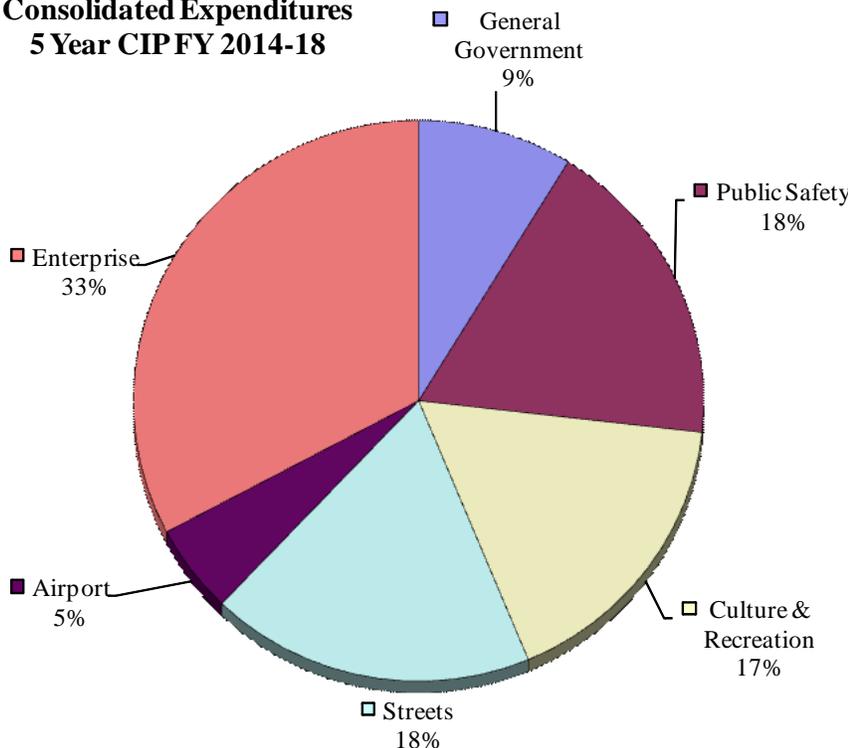
These accumulations are from an excess sales tax accumulated prior to July 1, 2007 and set aside for capital improvements throughout the City organization. During the recent recession it was decided to cap this fund at \$1,000,000 until the economy recovers and sales tax begins to see gains.

<b>Funding Availability</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Beginning Balance	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Interest Income	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Airport Reimbursement	\$23,490	\$23,490	\$23,490	\$23,490	\$23,490
Supplemental Contributions					
Annual Deposit					
<b>Funds Available</b>	<b>1,048,490</b>	<b>1,048,490</b>	<b>1,048,490</b>	<b>1,048,490</b>	<b>1,048,490</b>
<b>Financing Commitments</b>					
Transfer to GF	48,490	48,490	48,490	48,490	48,490
Subtotal Commitments	48,490	48,490	48,490	48,490	48,490
Revenue (net of commitments)	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Cap at \$1,000,000</b>					
Subtotal Planned Expenditures	0	0	0	0	0
Resources Available	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

**SUMMARY OF CAPITAL**

<b>Funding Availability</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Balance	\$25,495,542	\$11,748,517	\$12,715,117	\$16,056,154	\$12,933,369
Taxes	2,621,076	2,664,292	2,716,562	2,772,993	3,835,490
User Fees	3,725,248	4,023,268	4,345,130	4,692,740	5,068,159
Excess Revenue	38,975	40,144	41,750	43,420	45,157
Grants	625,000	1,572,103	2,005,000	630,000	350,000
Interest Income	276,282	303,003	343,446	443,689	393,431
Water Resource Fees	597,949	597,953	597,953	597,953	597,953
Other Financing Sources	11,300,490	11,308,062	10,935,495	2,935,495	785,495
<b>Revenue</b>	<b>\$44,680,562</b>	<b>\$32,257,342</b>	<b>\$33,700,453</b>	<b>\$28,172,444</b>	<b>\$24,009,054</b>
<b>Financing Commitments</b>					
Annual Debt Service - Bonds & Capital Leases	9,747,295	6,177,555	7,079,299	6,774,075	6,614,680
Subtotal Commitments	9,747,295	6,177,555	7,079,299	6,774,075	6,614,680
Revenue (net of commitments)	\$34,933,267	\$26,079,787	\$26,621,154	\$21,398,369	\$17,394,374
<b>Planned Expenditures</b>					
General Government	5,500,000	-	-	-	-
Public Safety	5,570,000	1,850,000	130,000	435,000	3,300,000
Culture & Recreation	394,750	320,000	1,600,000	6,430,000	1,850,000
Streets	5,425,000	1,900,000	3,600,000	-	600,000
Airport	625,000	1,544,670	1,040,000	-	-
Enterprise	5,670,000	7,750,000	4,195,000	1,600,000	1,295,000
Subtotal Planned Expenditures	23,184,750	13,364,670	10,565,000	8,465,000	7,045,000
Resources Available	\$11,748,517	\$12,715,117	\$16,056,154	\$12,933,369	\$10,349,374

**Consolidated Expenditures  
5 Year CIP FY 2014-18**

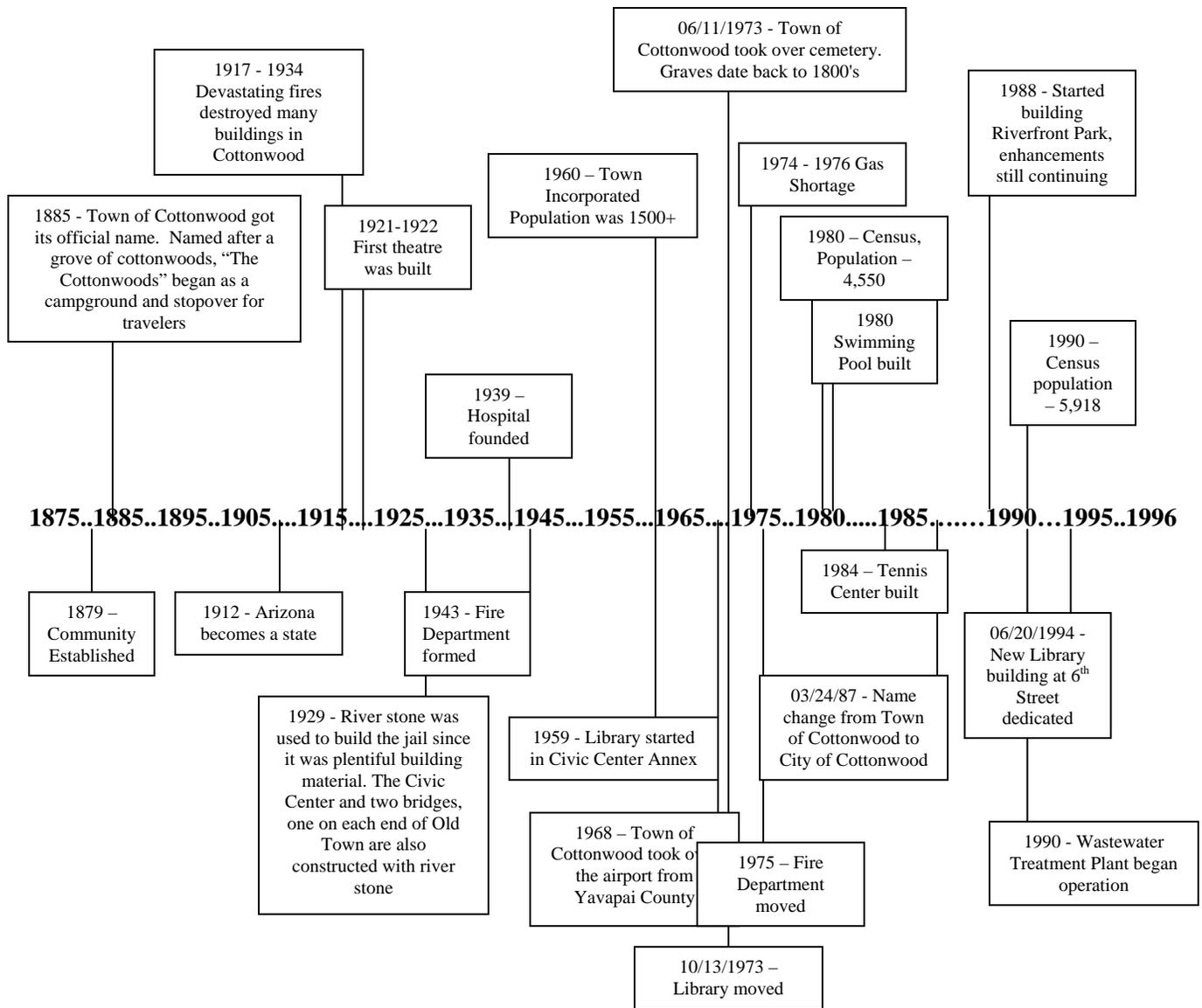


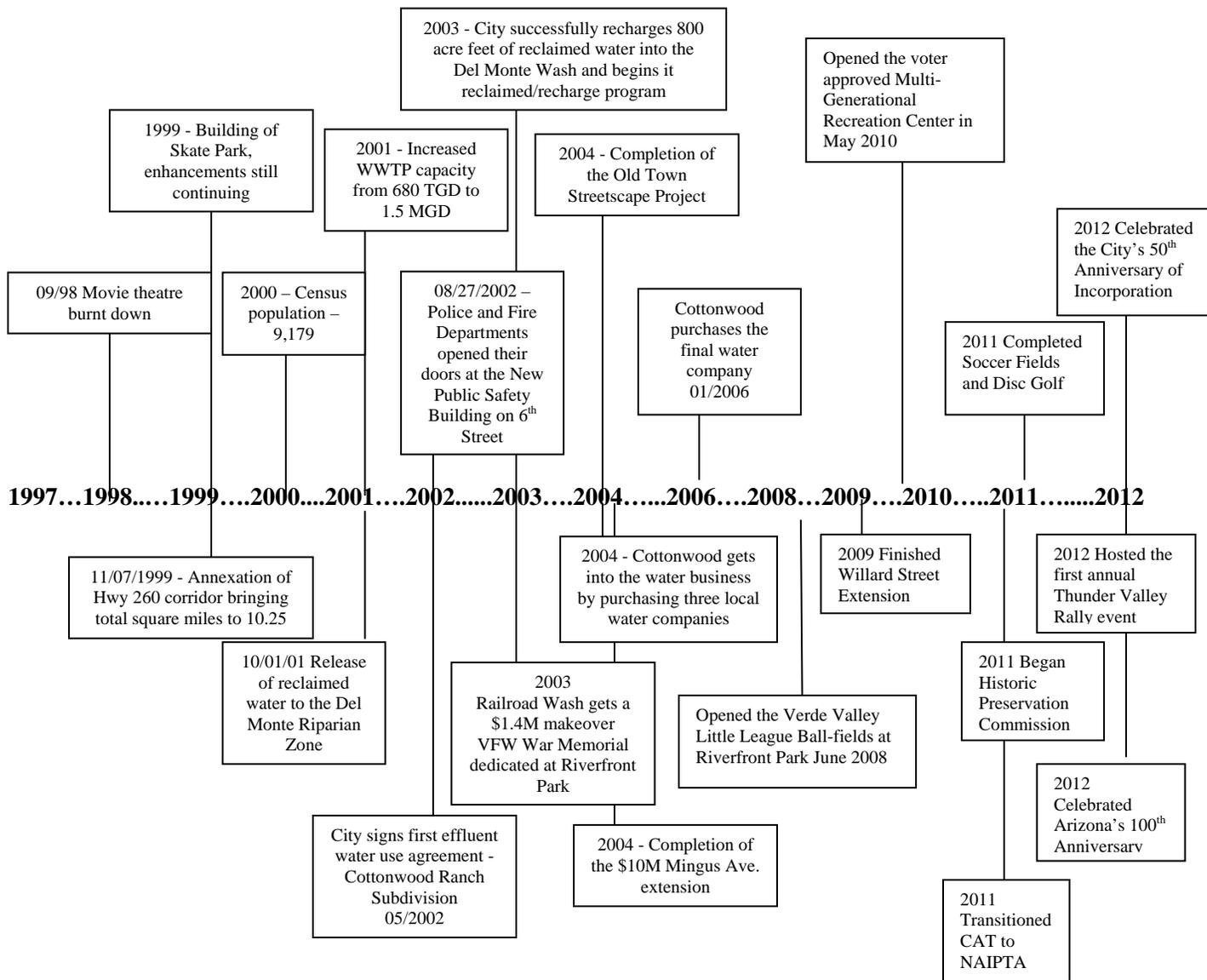
**Planned Expenditures**

General Government	5,500,000
Public Safety	11,285,000
Culture & Recreation	10,594,750
Streets	11,525,000
Airport	3,209,670
Enterprise	20,510,000
Capital Purchases	62,624,420
Other Financing Uses	36,392,904
<b>Total Capital &amp; Financing</b>	<b>\$99,017,324</b>

**Funding Availability**

Taxes	14,610,412
User Fees	21,854,545
Excess Revenue	209,446
Grants	5,182,103
Interest Income	1,759,851
Water Resource Fees	2,989,761
<b>Total Funding Sources</b>	<b>46,606,119</b>
Other Financing Sources	52,411,205
Use of Reserves	0
<b>Total Finance Available</b>	<b>\$99,017,324</b>





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**Long Range Financial Projections****GENERAL FUND**

<b><u>Revenues</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Taxes	\$8,868,780	\$9,130,465	\$9,398,865	\$9,719,600	\$10,047,380
Licenses and Permits	125,670	128,810	132,030	135,330	138,710
Intergovernmental Revenues	2,446,950	2,335,980	2,194,780	2,131,070	2,036,600
Charges for Services	2,202,300	2,233,770	2,266,110	2,299,310	2,333,400
Fines and Forfeitures	168,120	172,320	176,630	181,040	185,560
Use of Monies & Properties	16,400	16,810	17,230	17,660	18,100
Miscellaneous Revenues	37,540	38,470	39,440	40,420	41,440
Other Financing Sources	6,660	8,800	8,800	8,800	8,800
<b>Total Revenues</b>	<b>\$13,872,420</b>	<b>\$14,065,425</b>	<b>\$14,233,885</b>	<b>\$14,533,230</b>	<b>\$14,809,990</b>
<b><u>Expenditures</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
General Government	\$6,876,130	\$7,222,800	\$7,587,400	\$8,120,960	\$8,374,350
Public Safety	7,618,790	8,023,790	8,450,760	8,901,090	9,375,890
Culture & Recreation	2,074,780	2,180,780	2,292,200	2,409,410	2,532,570
<b>Total Expenditures</b>	<b>\$16,569,700</b>	<b>\$17,427,370</b>	<b>\$18,330,360</b>	<b>\$19,431,460</b>	<b>\$20,282,810</b>
<b>Gain/(Loss)</b>	<b>(\$2,697,280)</b>	<b>(\$3,361,940)</b>	<b>(\$4,096,475)</b>	<b>(\$4,898,230)</b>	<b>(\$5,472,820)</b>

**CONCLUSION**

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

Other issues that are out of the City's control are some of the rising employee benefits costs. Health insurance costs for employees and their dependents will increase after July 01, 2012. A 5% increase is reflected in this forecast. Workman's compensation will see a slight increase in FY 2013. The higher claims in FY 2011 increased the City's experience modifier (E-mod).

There are required capital reserves that need to be met. To fund these reserves the General Fund will run a deficit in current operating that will have to be covered by fund balance. That too, poses a different set of issues. The S.A.F.E.R. Grant revenue, which funded 90% of the cost of the 12 new firefighters in 2010, continues to reduce every year until it is completely eliminated in FY 2014. At that time the City will be solely responsible for funding the 12 new firefighters. The new Multi-generational Recreation Center became fully operational for a whole year starting in FY 2011 and is forecasted to cover slightly above 60% of its expenditures through its own revenue stream.

The above analysis reflects a conservative view of current City revenues sources and the Department Heads estimated costs to carry on 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 reserves.

**SPECIAL REVENUE FUND**

<b>Revenues</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Street Department	\$869,500	\$912,970	\$958,620	\$1,006,560	\$1,056,890
CAT/LINX	749,270	771,750	794,900	818,740	843,300
Library	864,860	908,100	953,510	1,001,200	1,051,260
Airport	296,110	305,000	314,160	323,590	333,300
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
<b>Total Revenues</b>	<b>\$2,779,740</b>	<b>\$2,897,820</b>	<b>\$3,021,190</b>	<b>\$3,150,090</b>	<b>\$3,284,750</b>
<b>Expenditures</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Street Department	\$920,985	\$968,790	\$1,019,110	\$1,072,070	\$1,127,840
CAT	678,720	712,650	748,290	785,700	824,970
Library	944,050	991,280	1,040,820	1,092,850	1,147,490
Airport	396,920	416,770	437,620	459,500	482,490
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$2,940,675</b>	<b>\$3,089,490</b>	<b>\$3,245,840</b>	<b>3,410,120</b>	<b>3,582,790</b>
<b>Gain/(Loss)</b>	<b>(\$160,935)</b>	<b>(\$191,670)</b>	<b>(\$224,650)</b>	<b>(\$260,030)</b>	<b>(\$298,040)</b>

**CONCLUSION****Street Department**

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

**Transit System**

CAT, the City's transit system was transitioned to NAIPTA during FY 2011 but is returning to City of Cottonwood on July 1, 2012.

**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**

<b><u>Revenues</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Interest Income	\$2,860	\$270	\$280	\$290	\$300
User Fees	0	0	0	0	0
City Sales Tax	2,121,040	1,620,350	1,660,860	1,702,380	1,744,940
<b>Total Revenues</b>	<b>\$2,123,900</b>	<b>\$1,620,620</b>	<b>\$1,661,140</b>	<b>\$1,702,670</b>	<b>\$1,745,240</b>
<b><u>Expenditures</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Trustee Fees	\$720	\$740	\$760	\$780	\$800
Interest Payments	786,575	716,075	683,075	648,775	613,075
Principal Payments	900,000	775,000	810,000	840,000	875,000
<b>Total Expenditures</b>	<b>\$1,687,295</b>	<b>\$1,491,815</b>	<b>\$1,493,835</b>	<b>\$1,489,555</b>	<b>\$1,488,875</b>
<b>Gain/(Loss)</b>	<b>\$436,605</b>	<b>\$128,805</b>	<b>\$167,305</b>	<b>\$213,115</b>	<b>\$256,365</b>

**CONCLUSION**

The special two-tenths of a percent (.2 %) city sales tax enacted in 1992, funds the debt service of the Library Project of 1992. The coverage of income to debt payment is expected to be 6.2x in FY 2012 and 6.2x in FY 2013. The trend is expected to increase as the economy recovers, demonstrating exceptional coverage. Final disposition of the library debt service is July 1, 2013.

The Debt Service for the recreation center is reflected in this 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 will be reflected in the Debt Services Fund until August 2027. The Carryover and Reserves are not calculated for M&O purposes.

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

**ENTERPRISE FUND – SEWER & WATER**

<b><u>Revenues</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Interest Income	18,570	19,020	19,490	19,970	20,450
User Fees	6,821,710	6,998,670	7,180,250	7,366,580	7,557,770
Miscellaneous Income	437,980	449,360	461,040	473,030	485,330
<b>Total Revenues</b>	<b>\$7,278,260</b>	<b>\$7,467,050</b>	<b>\$7,660,780</b>	<b>\$7,859,580</b>	<b>\$8,063,550</b>

<b><u>Expenses</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Operations	4,004,005	4,203,150	4,408,760	4,624,630	4,851,110
Administration	1,641,570	1,723,230	1,808,980	1,898,990	1,993,480
Debt Service	2,549,810	2,525,680	2,512,410	2,578,615	2,574,900
<b>Total Expenses</b>	<b>\$8,195,385</b>	<b>\$8,452,060</b>	<b>\$8,730,150</b>	<b>\$9,102,235</b>	<b>\$9,419,490</b>
<b>Gain/(Loss)</b>	<b>(\$917,125)</b>	<b>(\$985,010)</b>	<b>(\$1,069,370)</b>	<b>(\$1,242,655)</b>	<b>(\$1,355,940)</b>

**CONCLUSION**

The Enterprise Funds, which includes the Water and Wastewater Divisions are both 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 of this subsidy in FY 2001 and now relies predominately on user fees. Rates will have to increase to cover any operational and debt service short falls.

The Water Division also relies on only 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. Currently the City is reviewing possible rate increases for FY 2013 and future years that will help balance these operating deficits.

**FIDUCIARY FUND**

<b><u>Revenues</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Interest Income	41,200	42,440	43,710	45,020	46,370
Contributions	24,470	25,210	25,970	26,750	27,560
<b>Total Revenues</b>	<b>\$65,670</b>	<b>\$67,650</b>	<b>\$69,680</b>	<b>\$71,770</b>	<b>\$73,930</b>
<b><u>Expenditures</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Benefits Paid	38,430	40,360	42,380	44,060	8,430
<b>Total Expenditures</b>	<b>\$38,430</b>	<b>\$40,360</b>	<b>\$42,380</b>	<b>\$44,060</b>	<b>\$8,430</b>
<b>Gain/(Loss)</b>	<b>\$27,240</b>	<b>\$27,290</b>	<b>\$27,300</b>	<b>\$27,710</b>	<b>\$65,500</b>

**CONCLUSION**

The Fiduciary Fund includes our Employee Benefits Trust Fund, which used to be the City's health insurance for employees and dependents. In FY 2002, the City became a member of the Arizona Public Employers Health Pool (APEHP), which provides health, dental, and vision coverage for many of the schools and cities in the Verde Valley. This fund now funds the City's short-term disability coverage for the City employees. Reserves will be used to fund deficits. This fund has now been depleted and employees will be responsible for obtaining short-term disability insurance through one of our current carriers. The Fiduciary Fund also includes the Alternate Pension and Benefit Trust, which provides retirement benefits to Volunteer Firefighters.

## 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 2012 is showing signs of our local sales tax beginning to stabilize and for FY 2013 we are projecting that revenues will level out and only slight increases are projected over the next few years.

A listing of All Funds Consolidated Revenues by Sources is on **page 68**. A further breakdown by source and fund may be found on **page 70**.

### Consolidated Expenditures - All Funds

Expenditure projections for Fiscal Year 2013 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 5-7% due to anticipated increases being proposed by the various local utilities and rising cost of fuel. Several positions throughout the City are still frozen for FY 2013 but some are anticipated to be filled beginning in the FY 2014 projections. Salaries are also projected to increase at an annual rate of slightly over 4%, excluding any personnel requests and salary adjustments from the compensation study for future years beginning in FY 2014

With the completion of the base budget, departmental budget requests were reviewed. Requests for new programs, buildings projects, position reclassifications and equipment were reviewed 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 known at this time. General Fund Revenues Schedule is provided on **pages 74 and 75** of this document.

### Taxes

Special attention was given to our local city sales tax. With a .8% hike in FY 2009, the City Sales Tax continued to drop until FY2011. Local sales tax compared to total operating revenues is still important despite the current trend in sales tax and the transfer of sales tax to pay the Recreation Center Debt Service. Large fluctuations in the economy can dramatically affect this revenue source. Local Sales Tax constitutes 53.5 % of all General Fund revenues.

State shared revenues constitute 9.34% of total operating revenues or about \$2.1M for FY 2013. This is up from last year’s revenues by 15.3%. State finances as well as state legislation can have a dramatic affect on the City’s budget. These revenue sources are being watched closely for any legislative action that could trickle down to cities, especially with the current State Government economic climate.

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

**Licenses and Permits**

License and permit revenues which had peaked in FY 2006 and declined again due to the poor economy are budgeted at \$119,675 for FY 2013 which is an increase of 4.1% from FY 2012. It is expected to stay in the lower to mid \$100K for the next few years until the economy starts to improve and growth resumes.

**Intergovernmental Revenues**

Intergovernmental revenues are based on a sharing of state sales taxes, state income taxes and motor vehicle in-lieu tax on a per capita basis. Using the 2010 census and the Department of Economic Security (DES) population estimates, intergovernmental revenues were adjusted to the new per capita formula. The City can expect a combined increase of 25.4% for FY 2013, including all police and fire grants. The State Shared Income Tax is distributed to the cities based on collections two years prior.

**Charges for Services**

Charges for services have increased significantly over the past couple years mainly due to the opening of the Recreation Center. An additional increase of 6.28% is planned for FY 2013.

**Fines and Forfeitures**

Fines and forfeitures decreased an average of 7% per year over the past five years. However, FY 2011 saw the first increase since FY 2006. This increase is partly attributed to a new "Court Enhancement" fee that began in FY 2010 and doubled in FY 2011 at \$21,305. For the upcoming year, revenues in this area are expected to increase by 1% over FY 2012

**Uses of Monies and Properties**

The City adopted an investment policy to allow greater investment flexibility to capitalize on opportunities other than strictly 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 out of 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 to remain 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**

Total General Fund expenditures are projected to increase by 40% this fiscal year. This translates to a \$6,486,285 increase over the previous fiscal year of \$16,159,450. This net increase includes some rollover projects and \$3,963,490 in fund balance reserves. This increase also includes \$600,000 for the implementation of the new Salary Plan as defined in the compensation study of FY 2012; \$589,995 for other personnel increases unrelated to the compensation study such as merit, health insurance and other related taxes; and \$300,000 for the new city wide software which will be financed through a lease purchase instrument.

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 helped to keep the rate constant for two years but the rate was increased by 7% in FY 2012 and a 5% increase is anticipated for FY 2013.

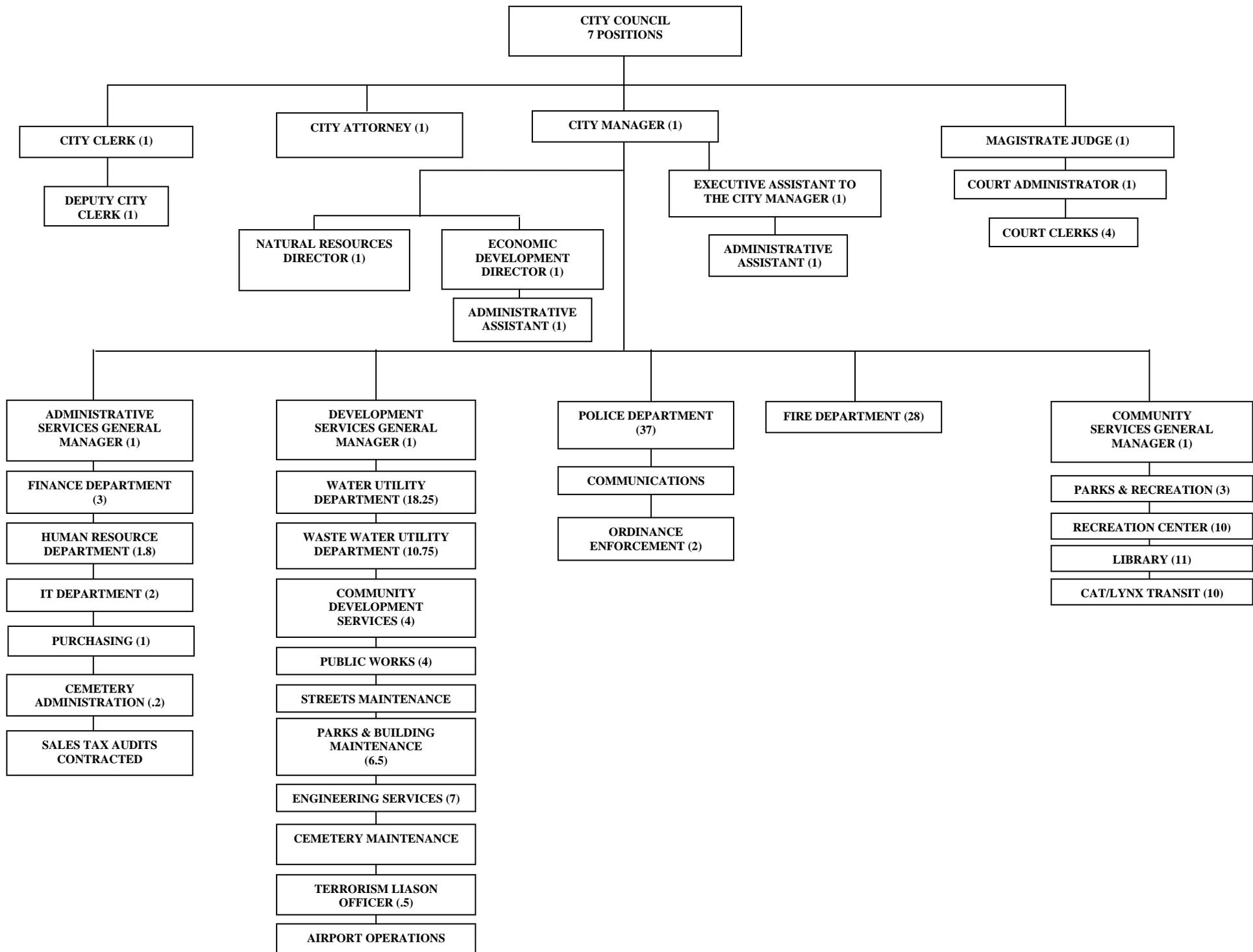
Operating supplies category has increased from \$718,775 last year to \$773,135 this year. This increase is due to the general growth of the City government and increases in cost charged by vendors due to the economy. Cost control measures set in place in previous years due to uncertain local economic slowdowns and the dependency on local and state shared sales tax revenues are keeping this category from escalating even further. Department heads take a very close look at their operating supplies and most are able to stay within their overall requests.

Contractual Services is anticipated to increase by 8%

Other Services and Charges reflect a 9% increase, which is mainly due to the cost of the CAT transit system, which is coming back to the City, moving from a service in the General Fund to an actual department of the HURF.

Capital Outlay increased by \$1,008,080 over last year's revised figure of \$921,300. This large increase is due to the rollover of the acquisition of the city-wide municipal software program and capital grants that are being budgeted this fiscal year.

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



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**Description:**

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

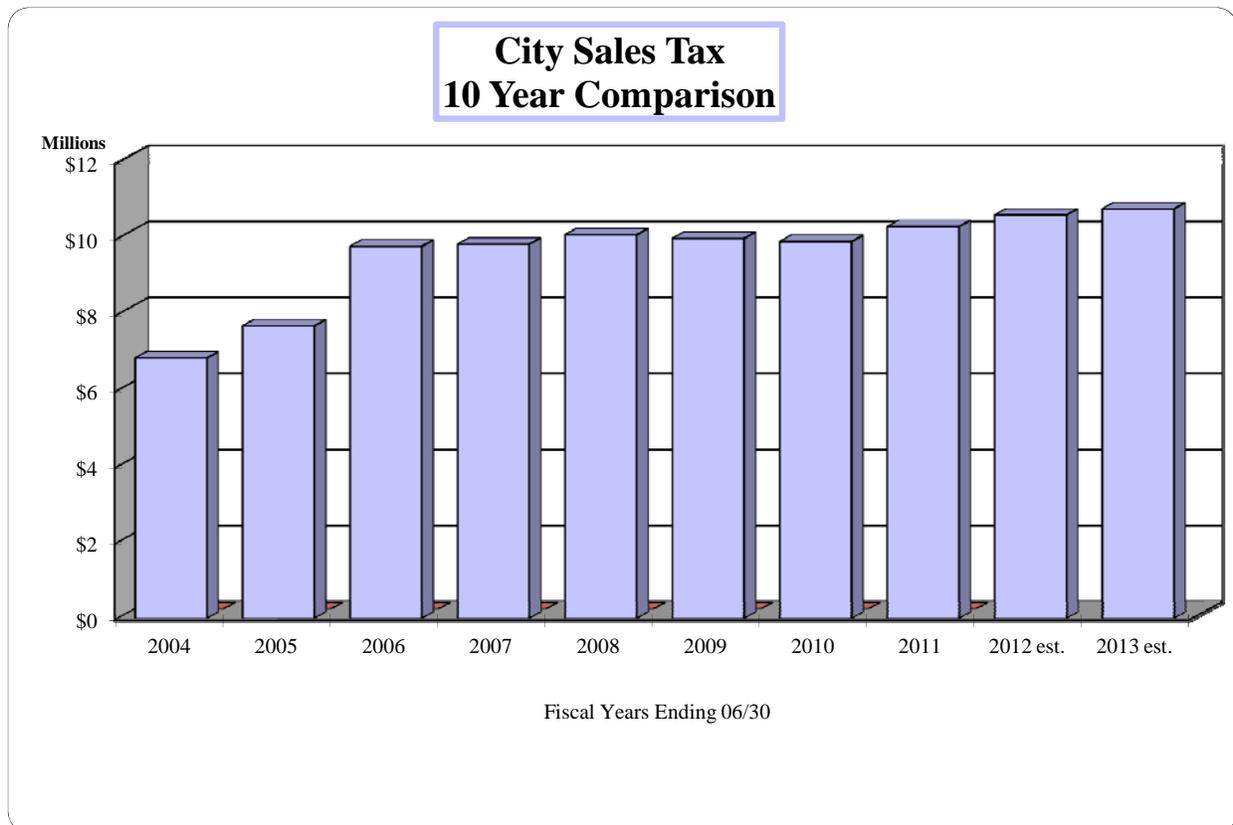
Please note: For this analysis we are not including the Bed Tax or the Utility Tax.

**Analysis:**

The City of Cottonwood serves as the retail center of the upper Verde Valley. In fiscal years 2004-2008 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 is clearly reflected in the FY 2009 figures. The first full year of the .8% sales tax increase is reflected in the increase in FY 2010. A decline was originally budgeted for FY 2011 however, actual sales tax revenues were higher than projected and the actual amount was 3.98% above FY 2010. The revised calculations for FY 2012 reflect a 2.95% increase and a modest 1.5% increase is projected for FY 2013

Fiscal Year Ending 6/30	Amount	% Inc. / Dec.
2004	6,856,170	11.01%
2005	7,703,224	12.35%
2006	9,798,510	27.20%
2007	9,853,864	0.56%
2008	10,102,433	2.52%
2009	10,007,515	-0.94%
2010	9,925,087	-0.82%
2011	10,319,948	3.98%
2012 est.	10,624,870	2.95%
2013 est.	10,784,245	1.50%



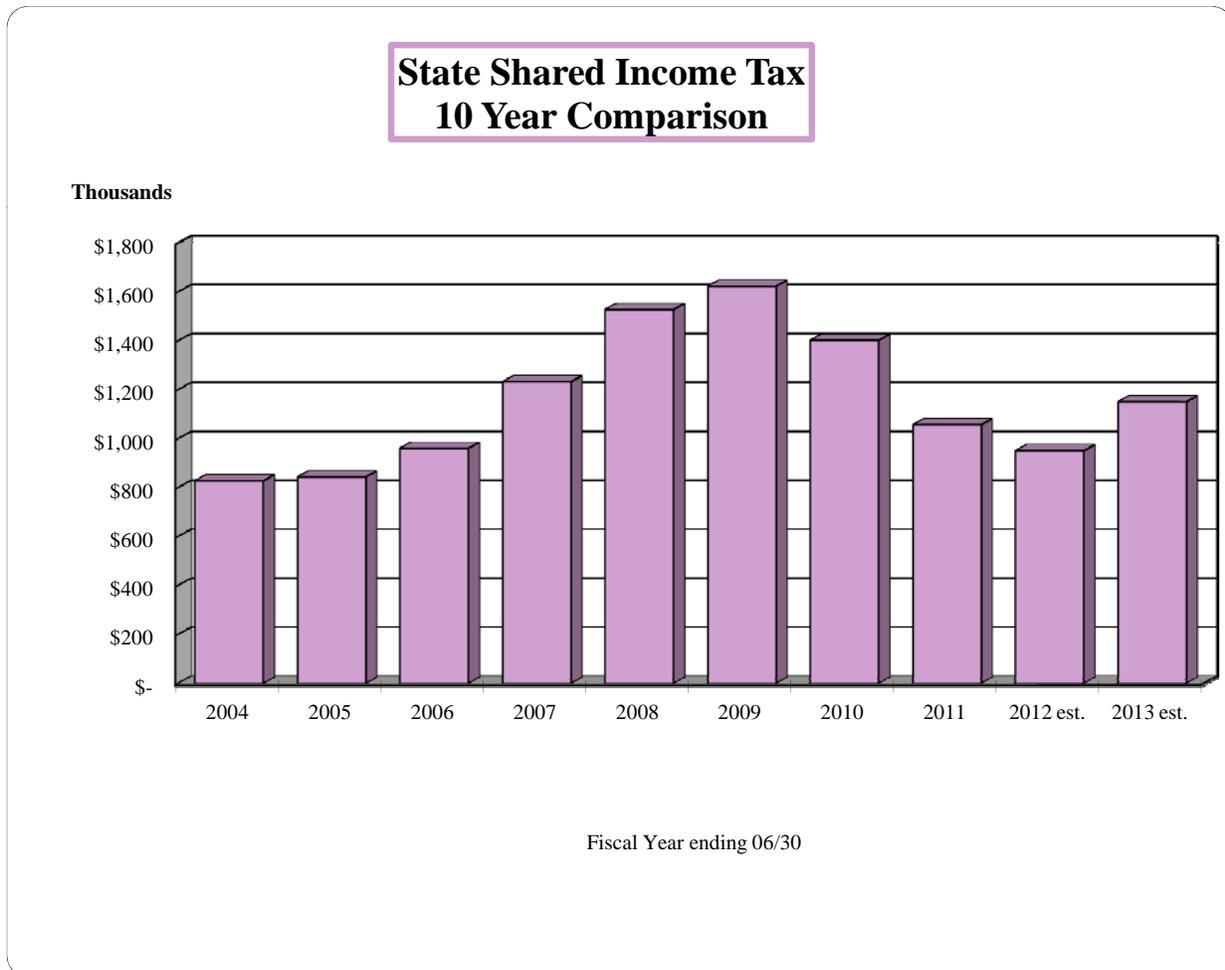
**Description:**

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:**

The growth of this revenue has not been very consistent with the economy over the past few years. In fiscal year 2004 and 2005, this source suffered due to the slowing of the economy in 2002 and 2003, forcing the loss of jobs and since the State Income Tax system closely mirrors the Federal Income Tax system with similar allowed deductions, federal tax cuts initiated by the federal government affected this State Shared revenue. The state estimates for FY 2012 are down by 10.05% over FY 2011 but increase significantly for FY 2013

Fiscal Year Ending 6/30	Amount	% Inc. / Dec.
2004	827,665	-15.28%
2005	843,803	1.95%
2006	961,036	13.89%
2007	1,232,997	28.30%
2008	1,528,328	23.95%
2009	1,623,403	6.22%
2010	1,402,140	-13.63%
2011	1,057,034	-24.61%
2012 est.	950,815	-10.05%
2013 est.	1,150,590	21.01%



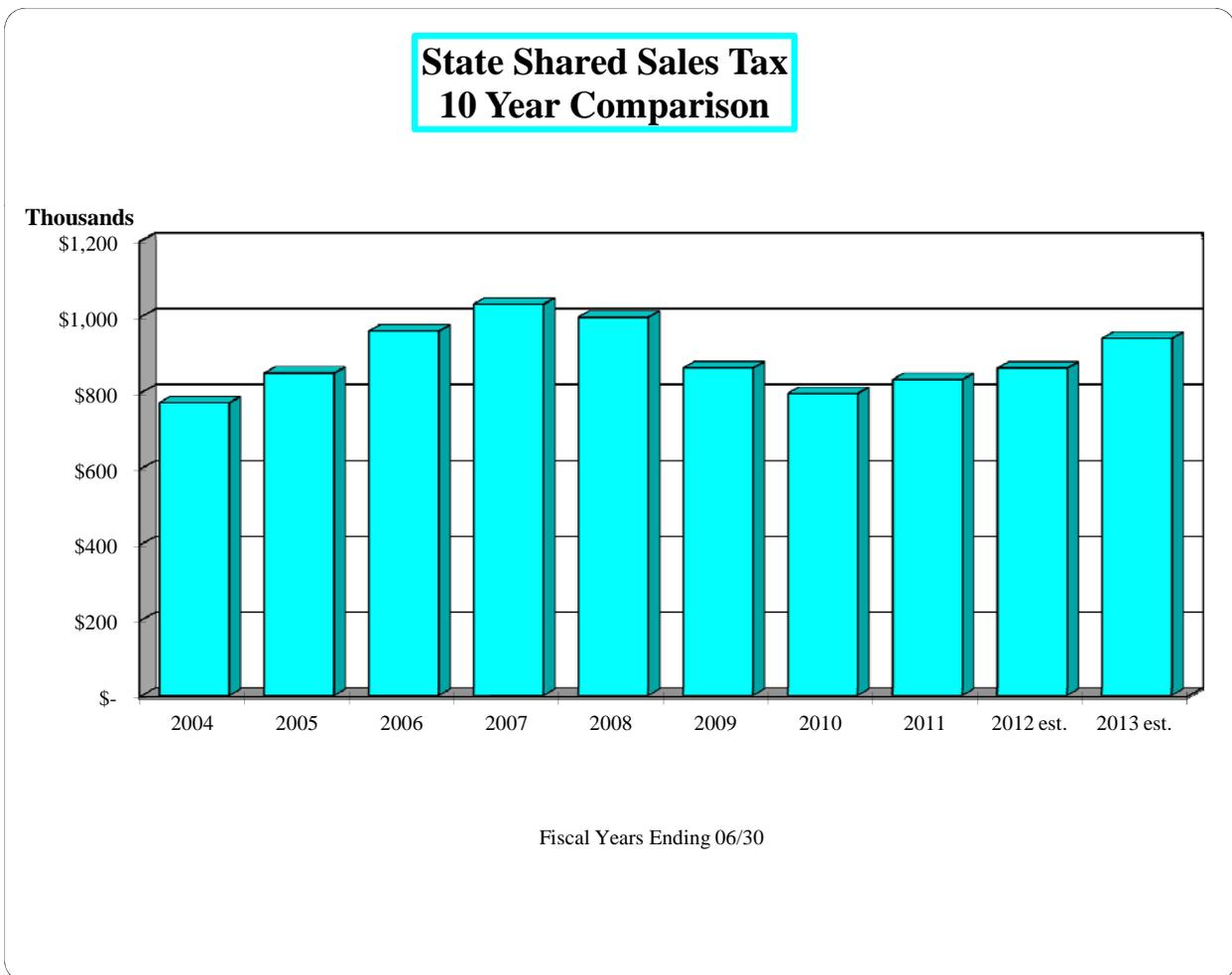
**Description:**

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 deferred the impact of the slowing economy until FY 2008 through FY 2010. Since then the economy has been showing signs of picking up with an increase in FY 2011 of 4.6%. The State is also projecting an increase in revenues of about of 3.6% for FY 2012 and 9.1% in FY 2013.

Fiscal Year	Amount	% Inc. / Dec.
Ending 6/30		
2004	772,232	7.57%
2005	850,346	10.12%
2006	961,036	13.02%
2007	1,032,214	7.41%
2008	998,077	-3.31%
2009	864,056	-13.43%
2010	796,966	-7.76%
2011	833,600	4.60%
2012 est.	863,590	3.60%
2013 est.	941,980	9.08%



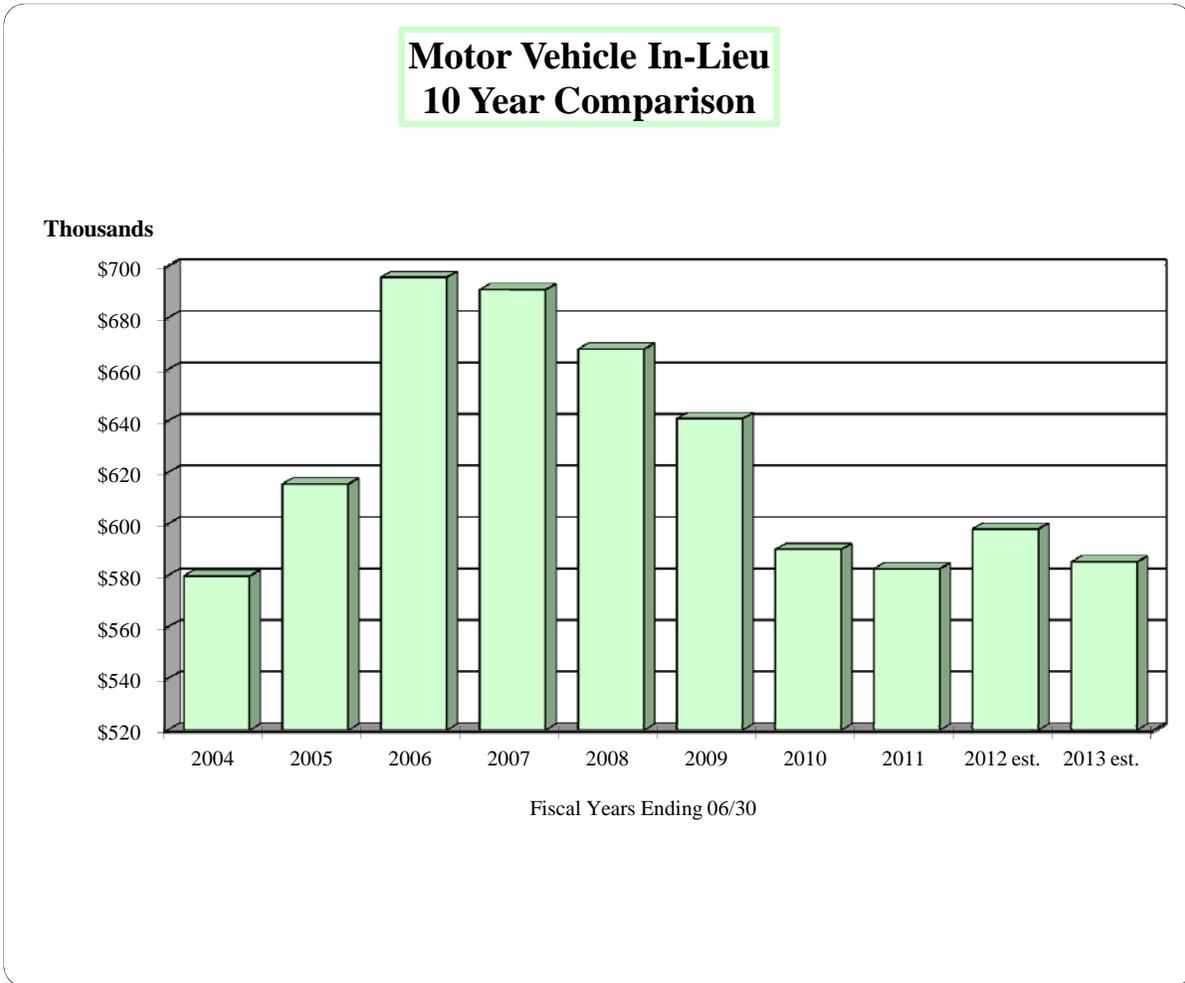
**Description:**

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

**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 projected in FY 2012 the League of Arizona Cities and Towns is projecting another decrease in these revenues for FY 2013

Fiscal Year	Amount	% Inc. / Dec.
Ending 6/30		
2004	579,864	-5.33%
2005	615,579	6.16%
2006	695,836	13.04%
2007	690,992	-0.70%
2008	667,929	-3.34%
2009	640,992	-4.03%
2010	590,201	-7.92%
2011	582,707	-1.27%
2012 est.	598,165	2.65%
2013 est.	585,369	-2.14%



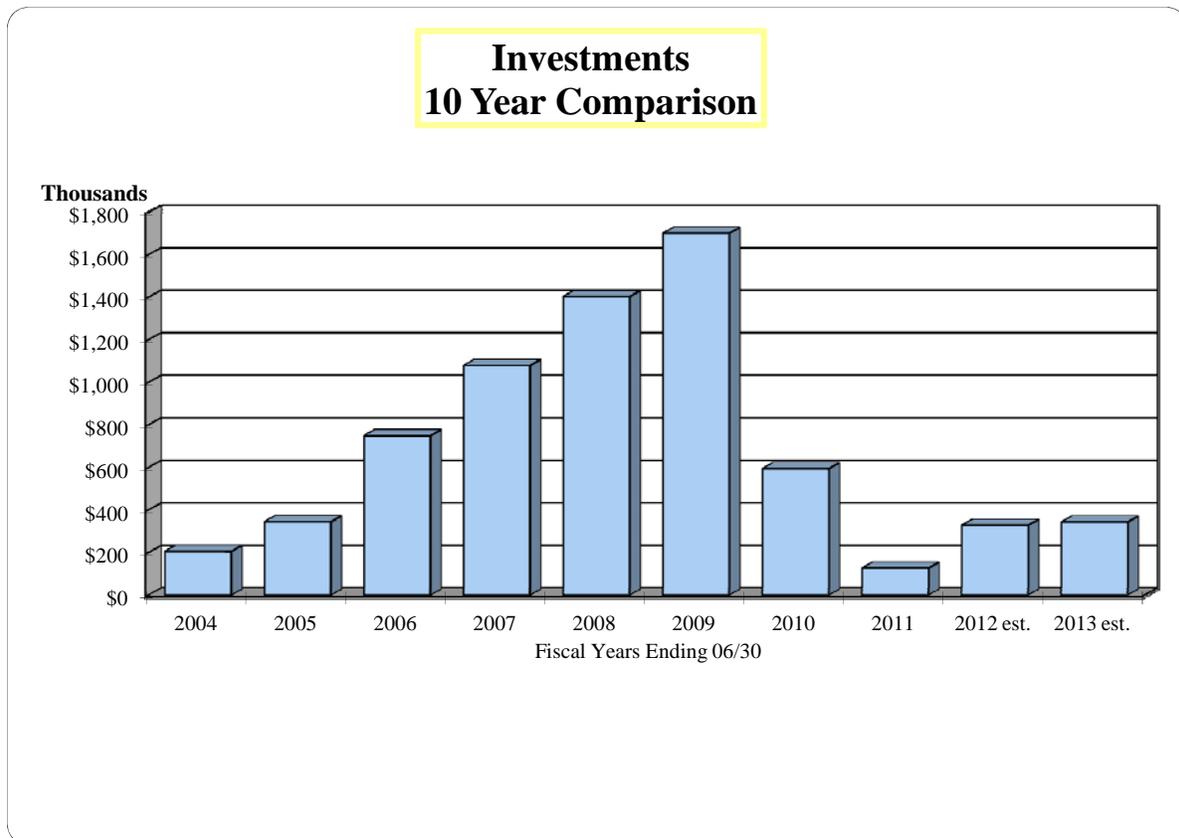
**Description:**

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.

**Analysis:**

In 2005, the rise in interest rates and the acquisition of four water companies requiring substantial debt service and capital improvement reserves were driving these revenues to such growth. The growth stopped in FY 2010 for these revenues as interest rates dropped dramatically and the City began to use funds from its capital reserves for major projects. FY 2012 has shown an improvement in these revenues and it is projected to show a slight increase in FY 2013

Fiscal Year	Amount	% Inc. / Dec.
Ending 6/30		
2004	206,174	-2.84%
2005	344,890	67.28%
2006	749,981	117.46%
2007	1,079,902	43.99%
2008	1,403,868	30.00%
2009	1,701,210	21.18%
2010	595,496	-65.00%
2011	128,312	-78.45%
2012 est.	328,950	156.37%
2013 est.	344,340	4.68%



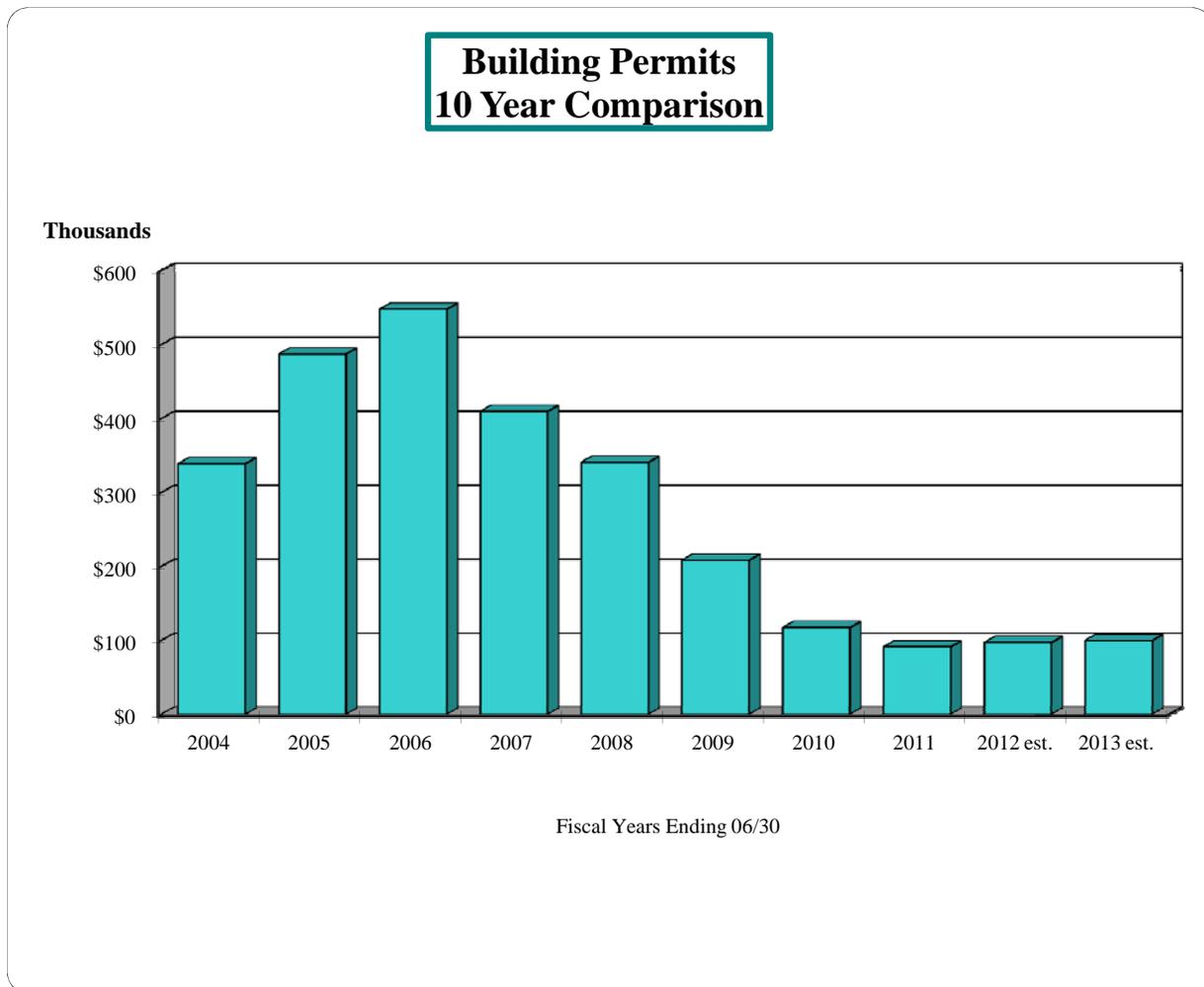
**Description:**

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 as the local hospital, medical facilities were expanded, and businesses were moving into Cottonwood. Included in the growth was a Wal-Mart Supercenter which opened its doors early in the third calendar quarter of 2004. In FY 2007, a slowing economy led to the decrease in the amount of building permits which has steadily decreased over the last few years. Current projections are showing a slight increase for fiscal years 2012 and 2013 although they are still down 70.7% from FY 2008 and down 81.8% since the peak in FY 2006

Fiscal Year	Amount	% Inc. / Dec.
Ending 6/30		
2004	338,815	70.28%
2005	487,417	43.86%
2006	547,891	12.41%
2007	409,752	-25.21%
2008	340,638	-16.87%
2009	208,297	-38.85%
2010	117,278	-43.70%
2011	91,084	-22.33%
2012 est.	97,080	6.58%
2013 est.	99,780	2.78%



**Description:**

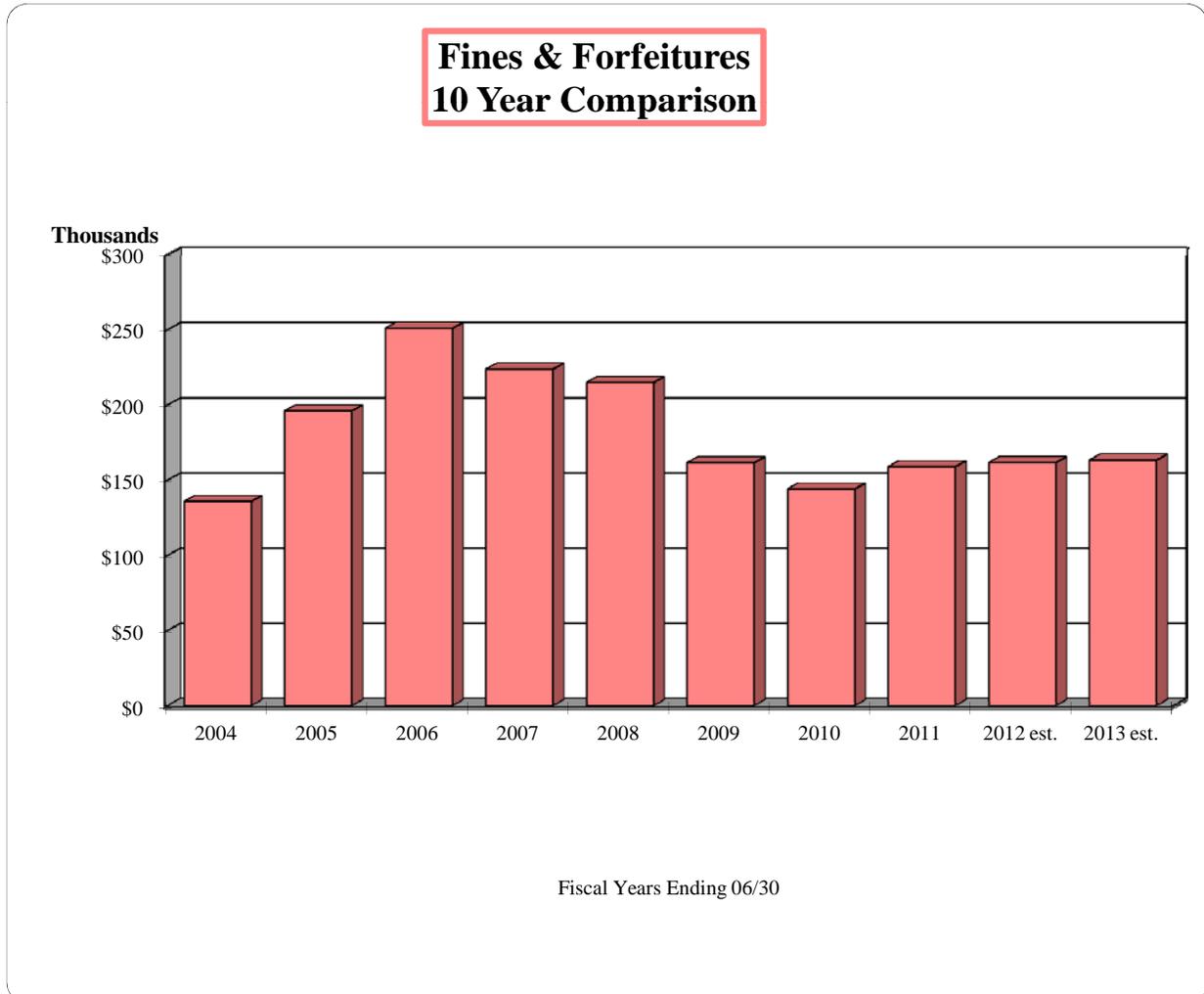
Fines and Forfeitures are generated as a result of imposed fines for the violation of various state laws and city ordinances. They include traffic violations, violations of city code and other criminal misdemeanors.

\* Beginning in FY 2010 the Court Appointed Attorney Reimbursements and Court Differed 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. An interim magistrate was appointed in early FY 2005 after the sitting magistrate resigned his position. The 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 was introduced in FY 2010; authorized by the State, this fee helps the court keep up to date with technology and other capital needs.

Fiscal Year Ending 6/30	Amount	% Inc. / Dec.
2004	135,839	-7.91%
2005	196,084	44.35%
2006	250,972	27.99%
2007	223,768	-10.84%
2008	214,940	-3.95%
2009	161,562	-24.83%
2010	144,122	-10.79%
2011	158,977	10.31%
2012 est.	161,690	1.71%
2013 est.	163,310	1.00%



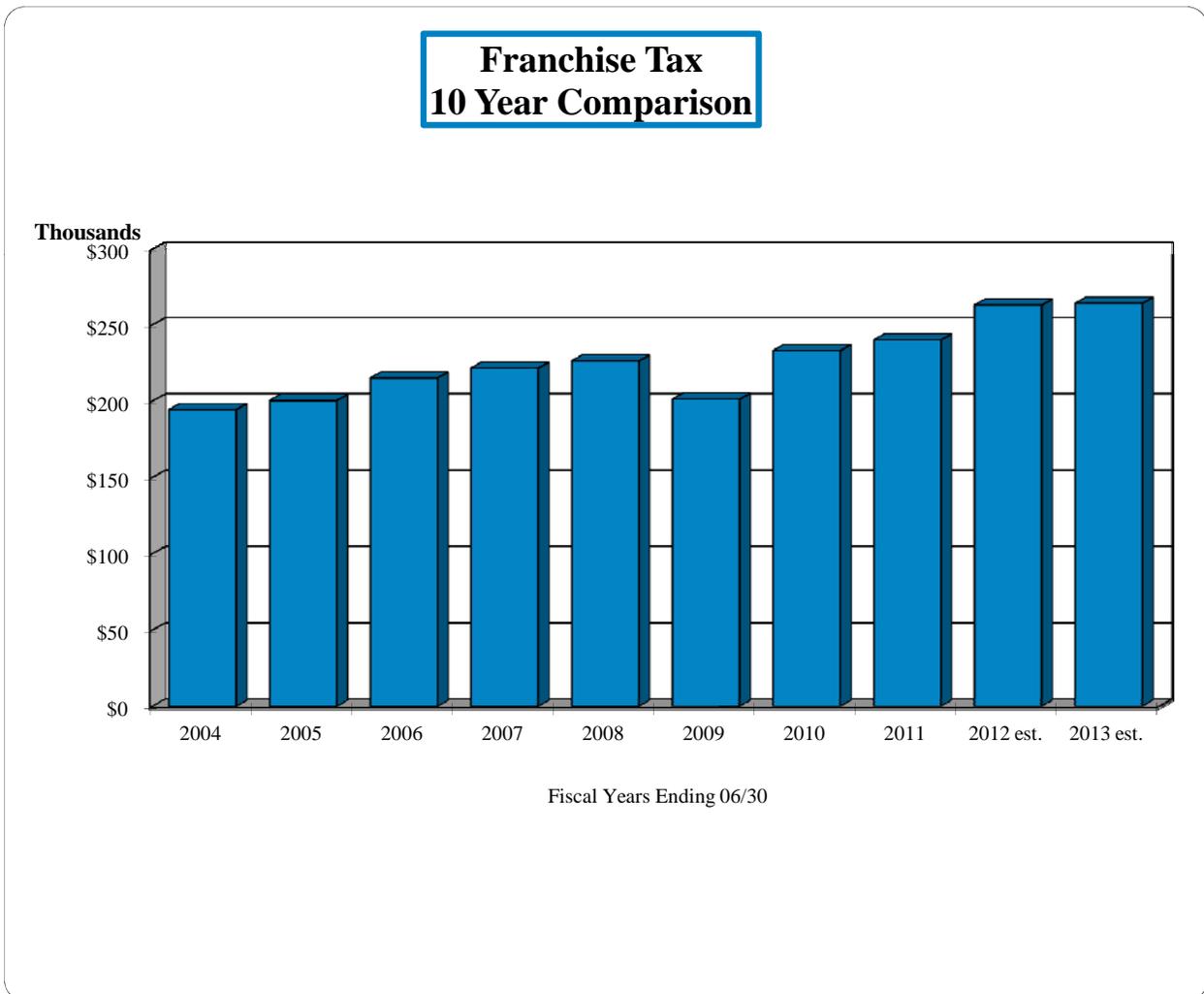
**Description:**

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

**Analysis:**

This revenue has shown a steady increase as the utility companies continue to increase their rates to cover costs. In FY 2009 a decrease was realized as the economy continued to falter. FY 2010 showed a rebound most likely due to the approved rate increase APS received from the Corporation Commission. This revenue continues to increase for fiscal years 2012 and 2013

Fiscal Year Ending 6/30	Amount	% Inc. / Dec.
2004	194,534	9.87%
2005	200,448	3.04%
2006	215,249	7.38%
2007	221,675	2.99%
2008	226,368	2.12%
2009	201,322	-11.06%
2010	233,129	15.80%
2011	240,140	3.01%
2012 est.	263,000	9.52%
2013 est.	264,200	0.46%



**Description:**

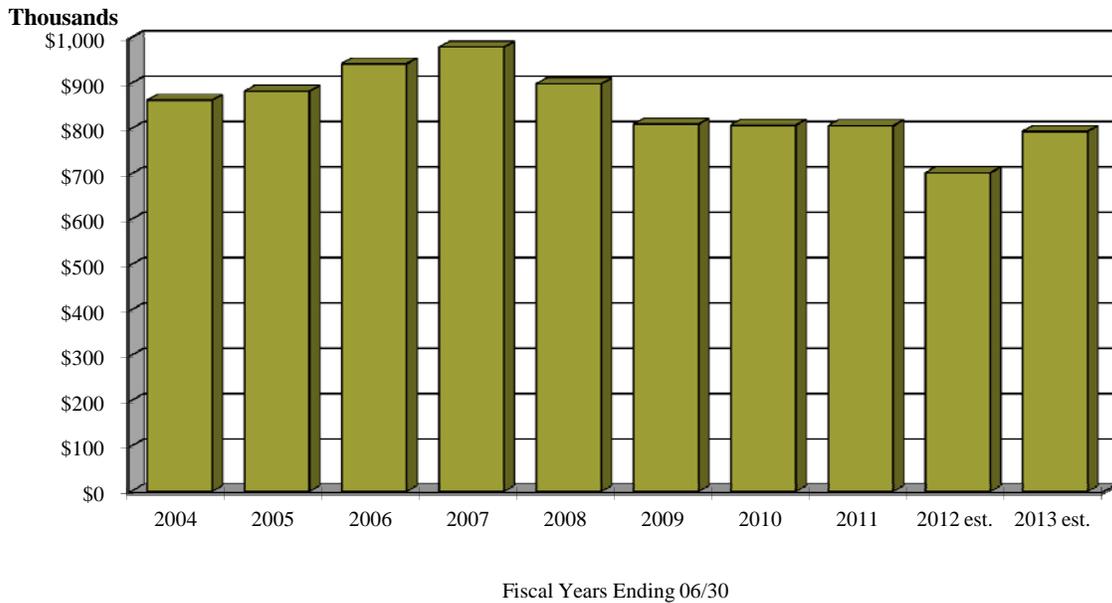
Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula is based on two separate calculations; the first half is based on a city's population in relation to the State's total population, the second is based on the county in which the revenues were generated. 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 a percentage of the fuel purchased. Fiscal year 2013 is up 13% as the portion of HURF funds that were being swept for use by the Motor Vehicle Division are back into the pot for the cities.

Fiscal Year Ending 6/30	Amount	% Inc. / Dec.
2004	862,813	11.22%
2005	882,656	2.30%
2006	943,333	6.87%
2007	979,659	3.85%
2008	899,089	-8.22%
2009	809,827	-9.93%
2010	807,864	-0.24%
2011	806,386	-0.18%
2012 est.	702,707	-12.86%
2013 est.	794,143	13.01%

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



**Local Transportation Assistance Fund Revenues - LTAF**

**Description:**

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

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

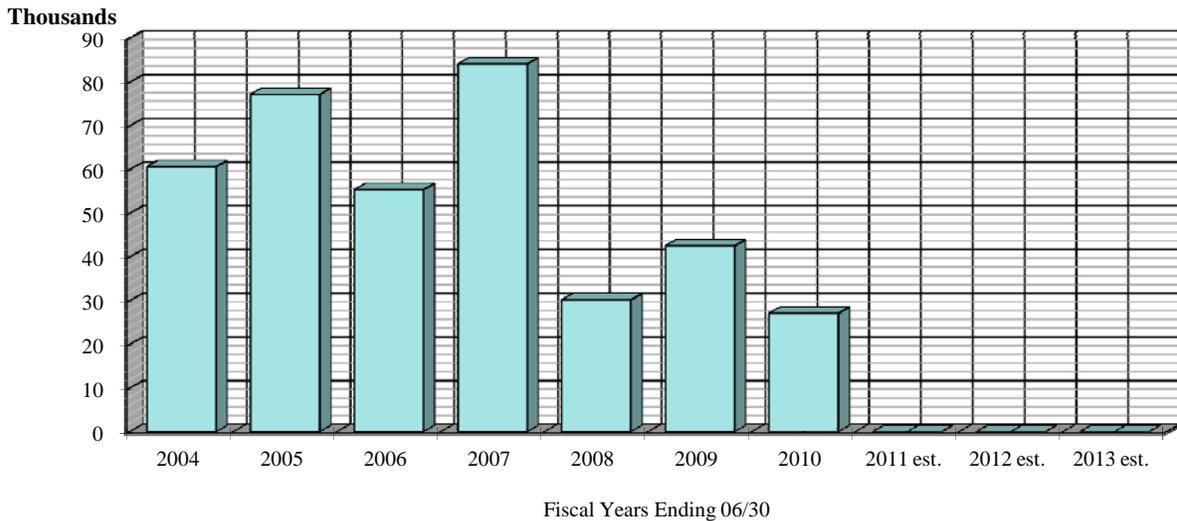
**Analysis:**

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

**Fiscal Year**

<u>Ending 6/30</u>	<u>Amount</u>	<u>% Inc. / Dec.</u>
2004	60,665	13.73%
2005	77,213	27.28%
2006	55,405	-28.24%
2007	84,155	51.89%
2008	30,207	-64.11%
2009	42,541	40.83%
2010	27,118	-36.25%
2011 est.	0	-100.00%
2012 est.	0	0.00%
2013 est.	0	0.00%

**Local Transportation Assistance Fund  
10 Year Comparison**



**Description:**

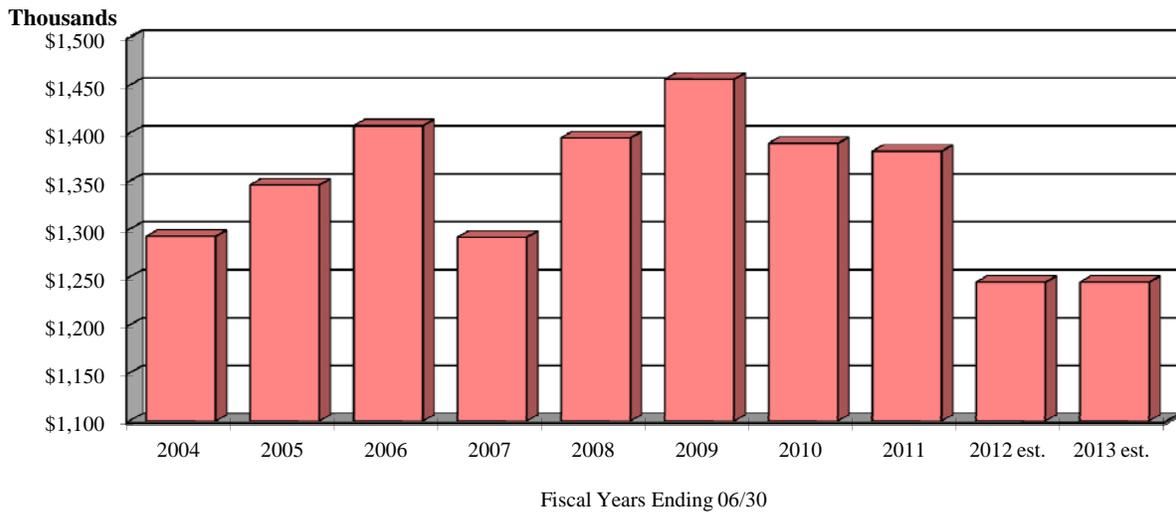
User Fees are charged to residential, commercial and industrial customers for the collection and treatment of wastewater. In addition, the City levies tap fees on all new construction.

**Analysis:**

These revenues had increased through FY 2009 due to steady city growth. The system became operational 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 the time froze for a five year period. The current rate is \$16.75; these fees are evaluated annually to determine if an increase is necessary. The last rate increase was in FY 2002. These revenues declined with the falling housing market in FY 2010-2012 and are still projecting below the FY 2007 levels.

Fiscal Year	Ending 6/30	Amount	% Inc. / Dec.
2004		1,292,709	5.27%
2005		1,346,191	4.14%
2006		1,408,017	4.59%
2007		1,291,744	-8.26%
2008		1,395,464	8.03%
2009		1,456,567	4.38%
2010		1,389,721	-4.59%
2011		1,381,487	-0.59%
2012 est.		1,244,830	-9.89%
2013 est.		1,244,830	0.00%

**Wastewater Service  
 10 Year Comparison**



**Description:**

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

**Analysis:**

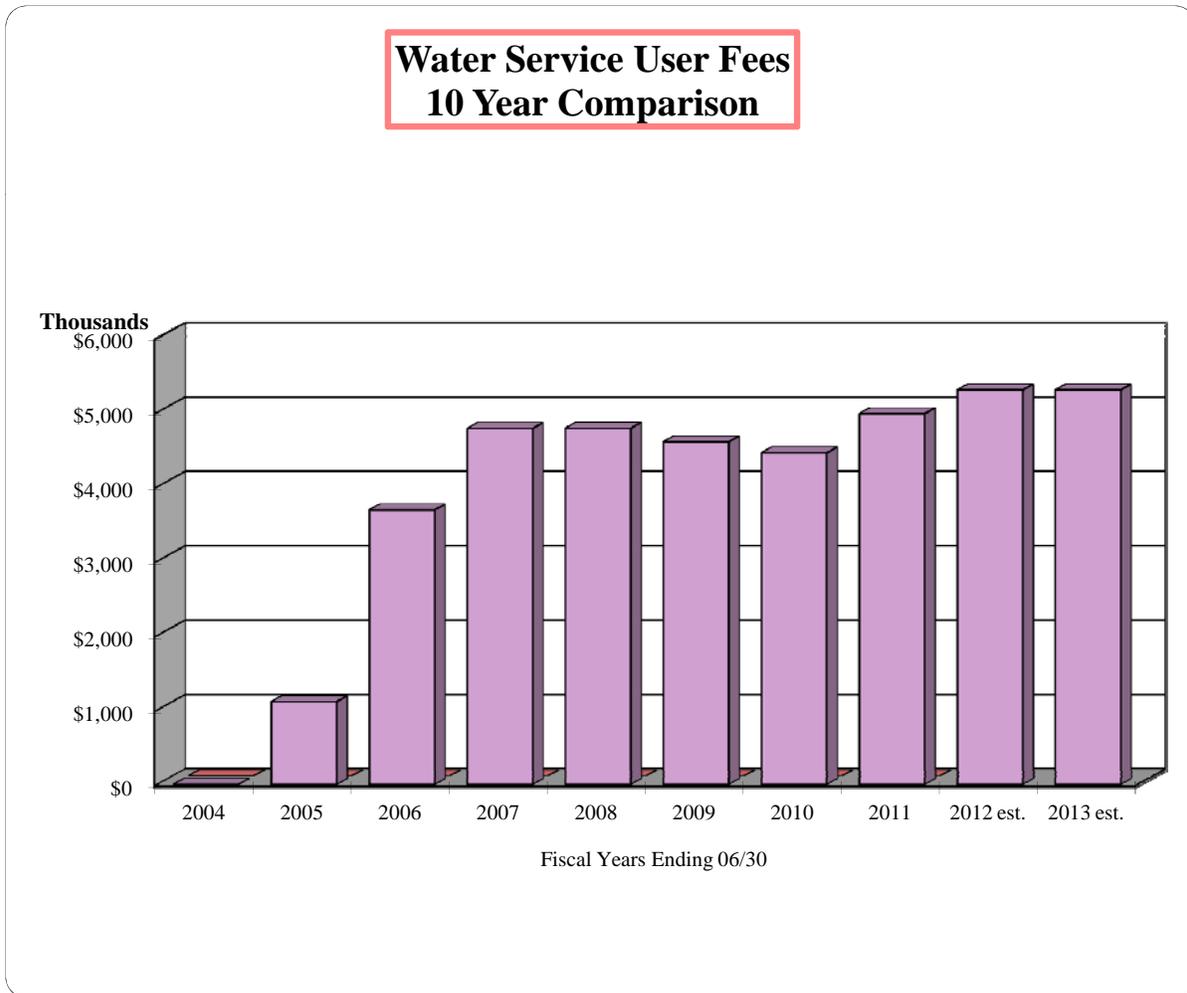
These revenues have been steadily growing since the acquisition of the last area water company in early 2006. FY 2012 reflects the eighth full year of the Cottonwood Municipal Water and Wastewater Utility. The base fee is \$23.74 for the first 1,000 gallons. A tiered structure above 1,000 gallons is as follows. These rates are evaluated annually to determine if an increase is necessary.

Block 1 (1,001-4,000 gal)	2.90
Block 2 (4,001-10,000 gal)	3.19
Block 3 (10,001-20,000 gal)	4.55
Block 4 (20,001 + gal)	6.48

The last rate increase was in FY 2011.

Fiscal Year

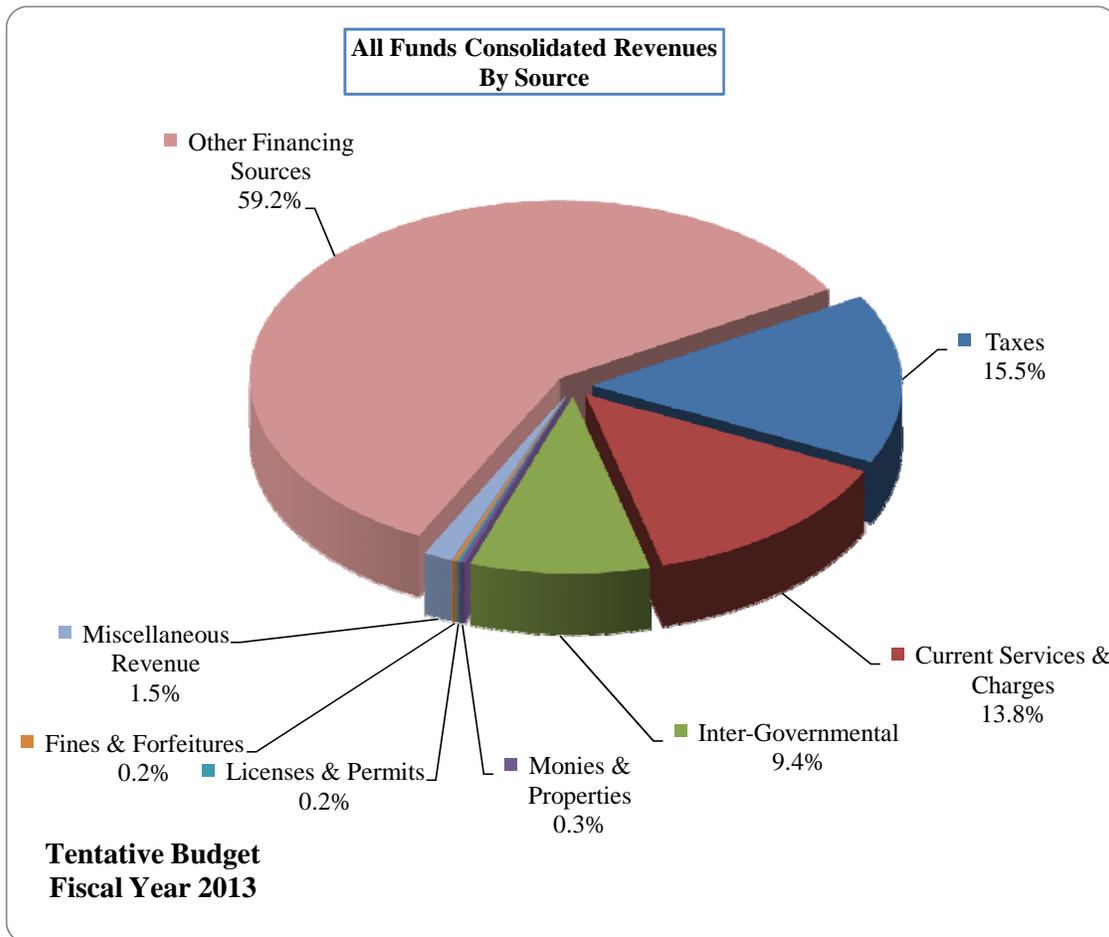
Ending 6/30	Amount	% Inc. / Dec.
2004	0	0.00%
2005	1,114,035	0.00%
2006	3,692,409	0.00%
2007	4,787,501	0.00%
2008	4,789,358	0.04%
2009	4,607,776	-3.79%
2010	4,459,160	-3.23%
2011	4,985,843	11.81%
2012 est.	5,305,020	6.40%
2013 est.	5,305,020	0.00%



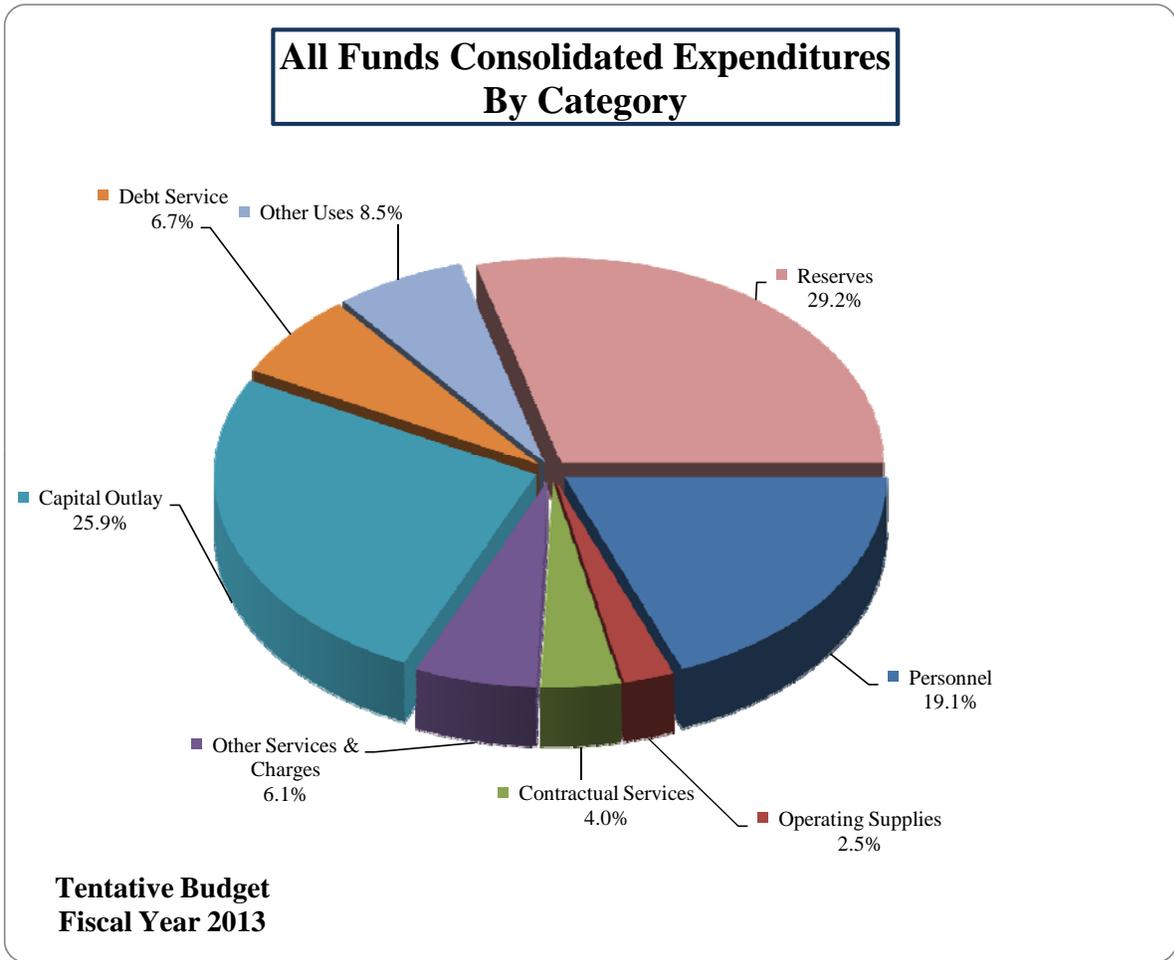
**Consolidated Summary of Revenues/Expenditures  
All Funds**

Fund	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenues Sources:</b>					
General Fund	\$14,078,486	\$14,856,155	\$14,647,900	\$15,894,855	8.51%
Special Revenue Funds	1,701,439	2,557,230	1,524,885	3,738,605	145.17%
Capital Projects Funds	(2,679)	405,000	236,945	475,000	100.47%
Debt Service Funds	2,071,077	2,063,435	2,063,175	2,073,225	0.49%
Enterprise Funds	7,485,594	7,290,870	7,685,560	7,740,555	0.72%
Fiduciary Funds	63,723	63,750	69,360	66,300	-4.41%
<b>Total Revenues</b>	<b>25,397,640</b>	<b>27,236,440</b>	<b>26,227,825</b>	<b>29,988,540</b>	<b>14.34%</b>
<b>Other Financing Sources:</b>					
Transfers In	650,912	3,910,525	1,678,255	4,740,350	182.46%
Carryover	40,087,109	34,910,535	40,464,800	33,405,170	-17.45%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	12,365,000	1,101,035	5,296,705	100.00%
<b>Total Other Financing Sources</b>	<b>40,738,021</b>	<b>51,186,060</b>	<b>43,244,090</b>	<b>43,442,225</b>	<b>0.46%</b>
<b>Total Available Resources</b>	<b>66,135,661</b>	<b>78,422,500</b>	<b>69,471,915</b>	<b>73,430,765</b>	<b>5.70%</b>
<b>Expenditures:</b>					
General Fund	13,633,509	16,543,255	15,406,570	17,311,965	12.37%
Special Revenue Funds	2,660,712	8,136,665	3,494,335	9,591,380	174.48%
Capital Projects Funds	738,511	12,079,260	12,939,145	9,547,075	-26.22%
Debt Service Funds	2,071,077	3,274,365	3,273,300	3,282,540	0.28%
Enterprise Funds	9,159,139	29,459,705	26,161,270	24,224,100	-7.40%
Fiduciary Funds	67,395	372,120	350,160	380,960	8.80%
<b>Total Expenditures</b>	<b>28,330,343</b>	<b>69,865,370</b>	<b>61,624,780</b>	<b>64,338,020</b>	<b>4.40%</b>
<b>Other Uses:</b>					
Transfers Out	650,912	3,910,525	1,678,255	4,740,350	182.46%
Reserves	0	4,646,605	0	4,352,395	0.00%
<b>Total Other Financing Uses</b>	<b>650,912</b>	<b>8,557,130</b>	<b>1,678,255</b>	<b>9,092,745</b>	<b>441.80%</b>
<b>Total Expenditures and Other Uses</b>	<b>28,981,255</b>	<b>78,422,500</b>	<b>63,303,035</b>	<b>73,430,765</b>	<b>16.00%</b>
Net Income	\$37,154,406	\$0	\$6,168,880	\$0	

<b>Revenues for All Funds</b>	
Taxes	\$11,399,400
Current Services & Charges	10,119,010
Inter-Governmental	6,878,895
Monies & Properties	191,390
Licenses & Permits	119,675
Fines & Forfeitures	163,310
Miscellaneous Revenue	1,116,860
Subtotal	<u>\$29,988,540</u>
Other Financing Sources	<u>43,442,225</u>
Total Revenues for All Funds	<u><u>\$73,430,765</u></u>



<b>Expenditures for All Funds</b>	
Personnel	\$13,997,750
Operating Supplies	1,870,360
Contractual Services	2,916,280
Other Services & Charges	4,501,750
Capital Outlay	19,024,490
Debt Service	4,907,815
Subtotal	<u>47,218,445</u>
Other Uses - Transfers Out	4,740,350
Reserves	<u>21,471,970</u>
Total Expenditures for All Funds	<u><u>\$73,430,765</u></u>



Fiscal Year 2013 Budget  
Consolidated Budget Summary - By Fund

Table of Contents

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
<b>Funding Sources</b>							
Taxes	\$9,112,110	\$214,415	\$2,072,875	\$0	\$0	\$0	\$11,399,400
Licenses & Permits	119,675	0	0	0	0	0	119,675
Intergovernmental	3,575,640	3,055,255	0	225,000	0	23,000	6,878,895
Charges for Services	2,591,495	286,950	0	0	7,240,565	0	10,119,010
Fines and Forfeitures	163,310	0	0	0	0	0	163,310
Uses of Monies & Prop.	43,130	87,240	350	0	18,120	42,550	191,390
Miscellaneous	289,495	94,745	0	250,000	481,870	750	1,116,860
<b>Total Revenues</b>	<b>15,894,855</b>	<b>3,738,605</b>	<b>2,073,225</b>	<b>475,000</b>	<b>7,740,555</b>	<b>66,300</b>	<b>29,988,540</b>
Other Financing Sources	6,750,880	6,011,750	1,209,315	12,672,075	16,483,545	314,660	43,442,225
<b>Total Revenue &amp; Other Financing Sources</b>	<b>22,645,735</b>	<b>9,750,355</b>	<b>3,282,540</b>	<b>13,147,075</b>	<b>24,224,100</b>	<b>380,960</b>	<b>73,430,765</b>
<b>Total Available All Sources</b>	<b>\$22,645,735</b>	<b>\$9,750,355</b>	<b>\$3,282,540</b>	<b>\$13,147,075</b>	<b>\$24,224,100</b>	<b>\$380,960</b>	<b>\$73,430,765</b>
<b>Expenditures</b>							
Personnel	10,891,465	1,345,605	0	0	1,760,680	0	13,997,750
Operating Supplies	773,135	475,700	0	0	621,525	0	1,870,360
Contractual Services	1,295,265	469,805	1,060	0	1,116,350	33,800	2,916,280
Other Services & Charges	2,089,930	680,785	0	0	1,729,335	1,700	4,501,750
Capital Outlay	1,929,380	6,462,790	0	1,916,655	8,715,665	0	19,024,490
Reserves	4,352,395	156,695	1,208,505	7,630,420	7,778,495	345,460	21,471,970
Debt Services	332,790	0	2,072,975	0	2,502,050	0	4,907,815
Subtotal of Expenditures	21,664,360	9,591,380	3,282,540	9,547,075	24,224,100	380,960	68,690,415
<b>Other Uses</b>							
Transfers Out	981,375	158,975	0	3,600,000	0	0	4,740,350
<b>Total Expenditures &amp; Other Uses</b>	<b>22,645,735</b>	<b>9,750,355</b>	<b>3,282,540</b>	<b>13,147,075</b>	<b>24,224,100</b>	<b>380,960</b>	<b>73,430,765</b>
<b>Net Income</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**GENERAL FUND**

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

**Fund Number**  
**01**

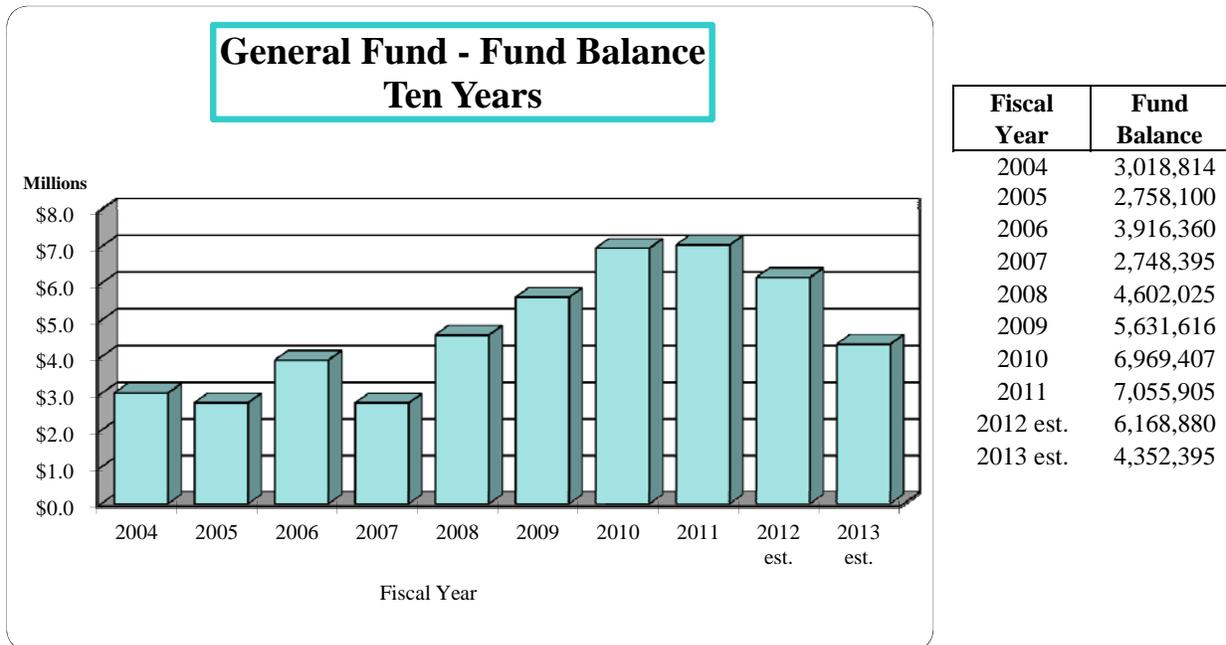
**Description**  
**General Fund**

The following departments are funded by the General Fund:

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

**Fund Balance:**

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

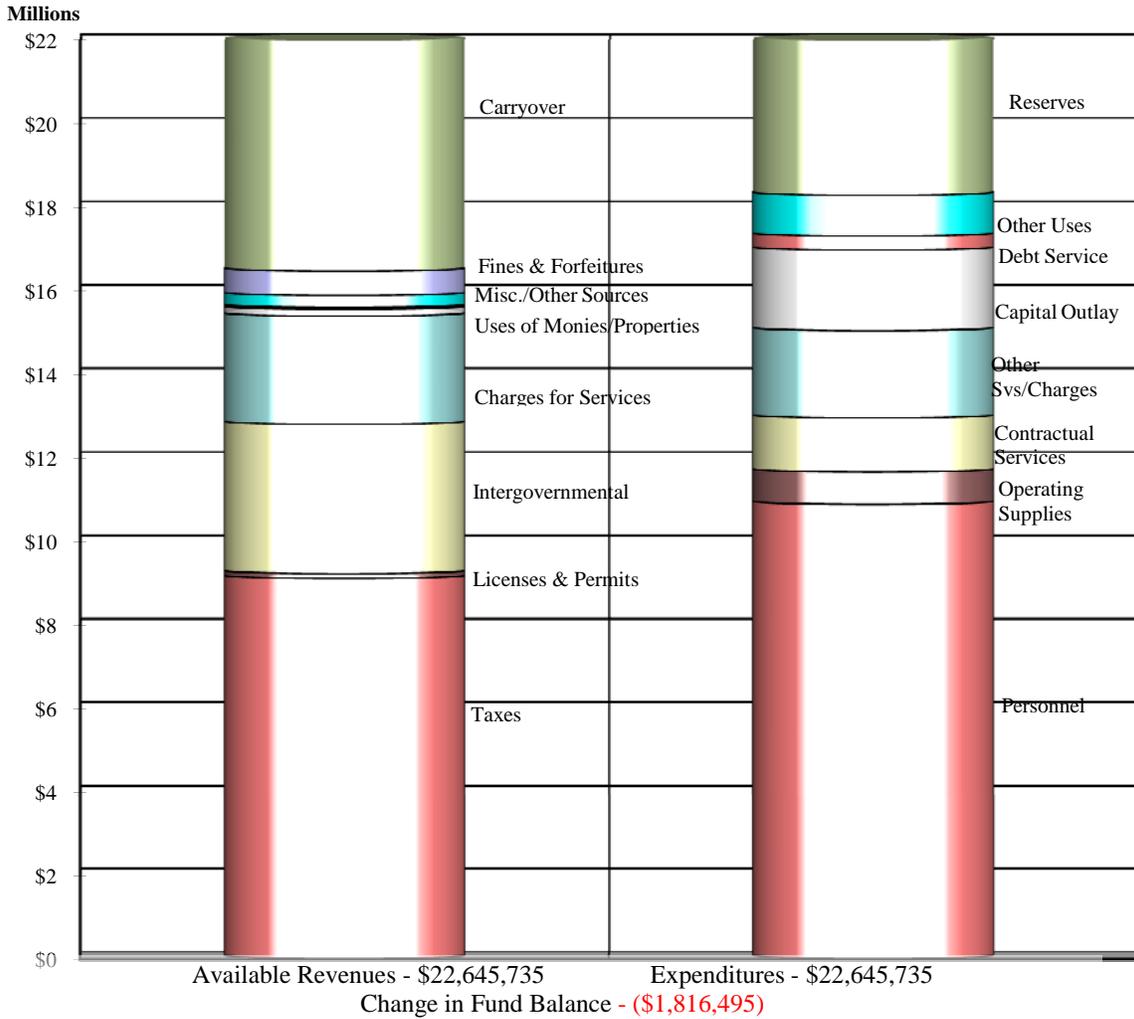


All transfers out affecting this fund balance can be viewed on **page 132**.

**General Fund Consolidated Revenues & Expenditures**

Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
<b>Revenue Sources:</b>				
Taxes	\$8,663,094	\$8,353,070	\$9,014,045	\$9,112,110
Licenses & Permits	119,305	122,000	115,000	119,675
Intergovernmental Revenues	3,192,910	3,294,470	2,850,370	3,575,640
Charges for Services	1,869,288	2,876,495	2,438,285	2,591,495
Fines & Forfeitures	167,162	153,000	161,690	163,310
Uses of Monies & Properties	23,752	22,500	42,960	43,130
Miscellaneous Revenues	42,976	34,620	25,550	289,495
<b>Total Revenue Sources</b>	<b>14,078,486</b>	<b>14,856,155</b>	<b>14,647,900</b>	<b>15,894,855</b>
<b>Other Financing Sources:</b>				
Transfers In	23,490	23,490	23,490	23,490
Carryforward	6,969,407	6,234,750	7,055,905	6,168,880
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	670,000	601,035	558,510
<b>Total Other Financing Sources</b>	<b>6,992,897</b>	<b>6,928,240</b>	<b>7,680,430</b>	<b>6,750,880</b>
<b>Total Available Resources</b>	<b>21,071,385</b>	<b>21,784,395</b>	<b>22,328,330</b>	<b>22,645,735</b>
<b>Expenditures:</b>				
Personnel	9,675,321	10,459,640	10,301,470	10,891,465
Operating Supplies	559,235	680,655	718,775	773,135
Contractual Services	1,137,365	1,164,810	1,199,220	1,295,265
Other Services and Charges	1,670,166	2,202,520	1,912,940	2,089,930
Capital Outlay	280,237	1,665,180	921,300	1,929,380
Debt Service	311,185	370,450	352,865	332,790
<b>Total Expenditures</b>	<b>13,633,509</b>	<b>16,543,255</b>	<b>15,406,570</b>	<b>17,311,965</b>
<b>Other Uses:</b>				
Transfers Out	627,422	594,535	752,880	981,375
Reserves	0	4,646,605	0	4,352,395
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>627,422</b>	<b>5,241,140</b>	<b>752,880</b>	<b>5,333,770</b>
<b>Total Expenditures and Other Uses</b>	<b>14,260,931</b>	<b>21,784,395</b>	<b>16,159,450</b>	<b>22,645,735</b>
Net Income / (Loss)	\$6,810,454	\$0	\$6,168,880	\$0

**Revenues vs. Expenditures  
Fiscal Year 2013 Budget**



Revenues		Expenditures	
Taxes	\$9,112,110	Personnel	\$10,891,465
Licenses & Permits	119,675	Operating Supplies	773,135
Intergovernmental Revenues	3,575,640	Contractual Services	1,295,265
Charges for Services	2,591,495	Other Services and Charges	2,089,930
Fines & Forfeitures	163,310	Capital Outlay	1,929,380
Uses of Monies & Properties	43,130	Debt Service	332,790
Miscellaneous Revenues	289,495	<b>Total Operating Expenditures</b>	<b>17,311,965</b>
<b>Total Operating Revenues</b>	<b>15,894,855</b>	Reserves	4,352,395
Carryover Balance	6,168,880	Other Uses	981,375
Other Sources	582,000	<b>Total Expenditures</b>	<b>\$22,645,735</b>
<b>Total Revenues Available</b>	<b>\$22,645,735</b>	<b>Changes in Fund Balance - Inc./(Dec.)</b>	<b>(\$1,816,485)</b>

Fiscal Year 2013 Budget  
**General Fund Revenues Schedule**

Table of Contents

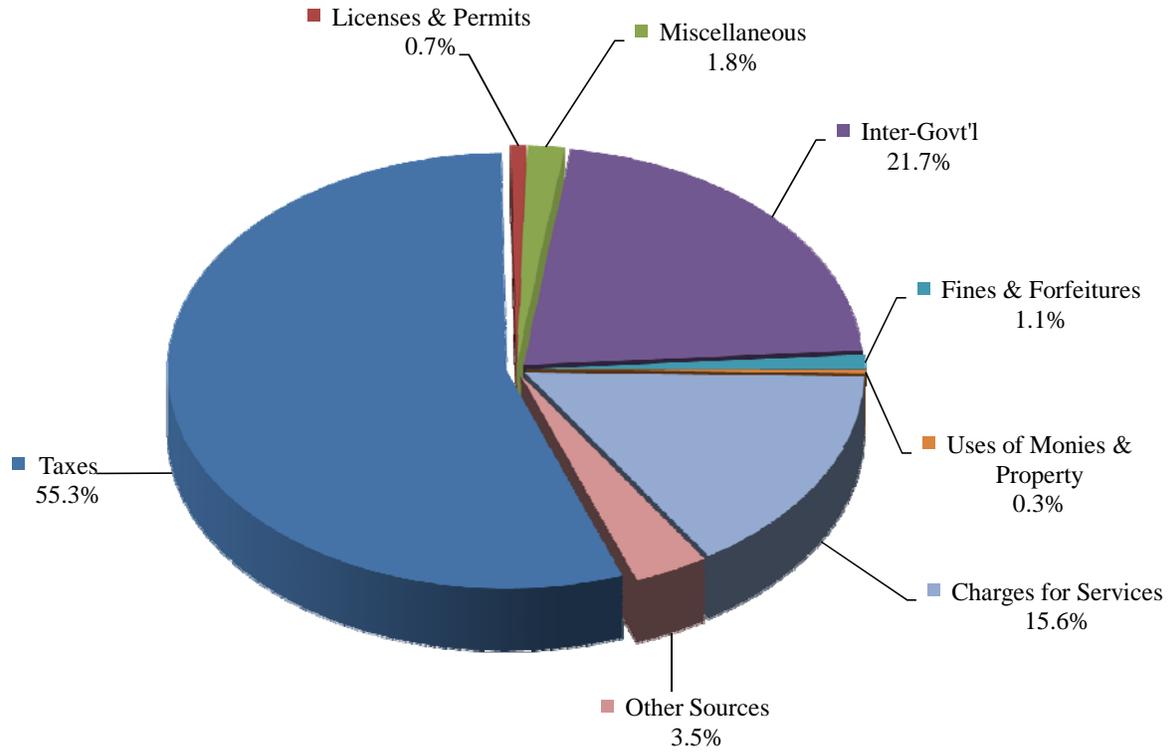
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Taxes</b>					
Franchise Taxes	240,140	\$221,000	\$295,000	\$302,000	2.37%
City Sales Tax	8,117,931	7,834,070	8,410,045	8,496,955	1.03%
Bed Tax	101,677	104,000	104,000	103,710	-0.28%
Utility Tax	203,346	194,000	205,000	209,445	2.17%
Subtotal	8,663,094	8,353,070	9,014,045	9,112,110	1.09%
<b>Licenses &amp; Permits</b>					
Business Licenses	31,728	30,000	30,000	32,045	6.82%
Construction Permits	73,894	89,000	73,000	74,630	2.23%
Planning & Zoning Fees	13,684	3,000	12,000	13,000	8.33%
Subtotal	119,305	122,000	115,000	119,675	4.07%
<b>Intergovernmental</b>					
M.V. Lieu Tax	582,707	598,165	598,165	585,370	-2.14%
State Revenue Sharing	1,057,034	950,815	950,815	1,150,590	21.01%
State Shared Sales Tax	833,600	852,270	863,590	941,980	9.08%
Post - Reimbursement	3,300	2,500	2,500	2,500	0.00%
Pant Grant	55,666	83,000	51,990	45,000	-13.44%
School Resource Grant	114,640	118,250	0	0	0.00%
Miscellaneous Police Grants	14,130	3,000	0	14,850	0.00%
Emergency Med Serv Grant	0	2,500	0	0	0.00%
GOHS Grant	27,243	58,940	27,230	41,000	50.57%
Victims Rights Grant	1,822	2,000	2,000	3,500	75.00%
Y.C. - FEMA/AFG Grants	0	152,590	40,585	570,000	1304.46%
Fire Act Grant	0	0	0	71,250	0.00%
AZ DUI Abatement Grant	2,397	2,400	2,400	0	-100.00%
Yav Co Dept of Emergency Svcs	0	0	2,500	2,500	0.00%
Homeland Security Grant	51,093	8,000	8,000	35,000	337.50%
Yavapai Apache Revenue Share	0	0	21,000	25,000	19.05%
State Land Dpt Reimbursement	17,666	0	1,905	0	-100.00%
Brown Field Grant	0	200,000	0	0	0.00%
NACOG-EWD OJT Funding	32,126	0	40,000	0	-100.00%
S.A.F.E.R Fire Grant	399,486	260,040	235,980	85,000	-63.98%
SB1398 Police Equipment	0	0	1,710	2,100	22.81%
Subtotal	3,192,910	3,294,470	2,850,370	3,575,640	25.44%
<b>Fines &amp; Forfeitures</b>					
Court Fines	138,307	135,000	139,690	141,090	1.00%
Court Restitution	7,550	3,000	0	0	0.00%
Court Enhancement Fee	21,305	15,000	22,000	22,220	1.00%
Subtotal	167,162	153,000	161,690	163,310	1.00%
<b>Uses of Monies &amp; Properties</b>					
Interest Income	17,139	16,000	37,260	37,430	0.46%
Building Rental	6,613	6,500	5,700	5,700	0.00%
Subtotal	23,752	22,500	42,960	43,130	0.40%

Fiscal Year 2013 Budget  
**General Fund Revenues Schedule**

Table of Contents

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Charges for Service</b>					
Spillman Fees	20,606	18,000	18,000	18,000	0.00%
Dispatch Fees	147,290	147,300	147,300	148,760	0.99%
Animal Control Fees	4,530	3,000	3,000	3,000	0.00%
Recreation Fees	11,741	15,000	3,000	3,000	0.00%
HURF - Indirect Cost	141,750	443,545	249,745	262,230	5.00%
Library - Indirect Cost	131,401	142,255	148,685	156,120	5.00%
Open/Close Graves	1,900	2,600	2,500	2,500	0.00%
Airport-Indirect Cost	70,554	60,055	84,730	64,660	-23.69%
Natural Resource Fees	0	2,600	0	0	0.00%
Engineering Fees	1,751	2,000	4,000	4,000	0.00%
Plan Check Fees	1,875	1,750	4,000	4,000	0.00%
Pool Revenue	21,317	14,000	25,000	25,500	2.00%
Sewer - Indirect Cost	89,620	371,055	200,160	210,170	5.00%
Rec/Fees-Softball Tournaments	34,960	30,000	30,000	30,000	0.00%
Rhythm & Ribs Revenue	27,830	54,000	21,700	23,000	5.99%
Sizzilin Salsa/Main Street	0	0	750	750	0.00%
Pool - Snack Bar Sales	6,786	4,000	8,000	8,250	3.13%
Pool - Swimming Lessons	8,905	9,000	9,000	9,090	1.00%
Equestrian CTR Rev	0	0	30	0	-100.00%
Court Atty Reimbursement	13,012	11,000	15,000	15,790	5.27%
Planning & Zoning Fines	0	0	150	0	-100.00%
Water - Indirect Cost	366,691	710,635	596,130	625,935	5.00%
10K Memorial Run	17,051	8,000	18,550	18,000	-2.96%
Cemetery-Indirect Cost	2,853	9,400	2,185	3,000	37.30%
Recreation Center Fees	661,833	700,000	680,000	700,000	2.94%
Recreation Center Building Rental	22,339	17,500	35,000	35,350	1.00%
Recreation Center Classes/Programs	47,330	46,000	50,000	52,000	4.00%
Thunder Valley Rally	0	40,700	31,870	32,190	1.00%
Riverfront Park - Snack Bar	12,541	11,000	9,000	9,200	2.22%
Batting Cage Revenue	1,772	1,500	1,500	1,500	0.00%
Sewer Inspection Fees	625	500	500	500	0.00%
Sewer Accounting Fees	425	100	0	0	0.00%
Tow Fee Revenues	0	0	11,300	15,000	32.74%
Transfer Station Revenue	0	0	27,500	110,000	300.00%
Subtotal	1,869,288	2,876,495	2,438,285	2,591,495	6.28%
<b>Miscellaneous Revenues</b>					
Other Income	24,383	22,000	16,000	279,945	1649.66%
Cash (Short)/Over	88	0	500	0	-100.00%
Police Donations - P.R.	2,720	2,000	500	1,000	100.00%
Donations	9,123	8,620	7,550	7,550	0.00%
Sale of City Property	6,662	2,000	1,000	1,000	0.00%
Arbor/Memorial Program	0	0	0	0	0.00%
Subtotal	42,976	34,620	25,550	289,495	1033.05%
<b>Other Financing Sources</b>					
Transfers In	23,490	23,490	23,490	23,490	0.00%
Carryover	6,969,407	6,234,750	7,055,905	6,168,880	-12.57%
Lease Purchase	0	670,000	601,035	558,510	-7.08%
Subtotal	6,992,897	6,928,240	7,680,430	6,750,880	-12.10%

**General Fund Revenues  
Fiscal Year 2013**



<b>General Fund Revenues</b>	
Taxes	\$9,112,110
Licenses & Permits	119,675
Miscellaneous	289,495
Inter-Gov't	3,575,640
Fines & Forfeitures	179,100
Uses of Monies & Property	43,130
Charges for Services	2,575,705
Other Sources	582,000
Carryover Balance	<u>6,168,880</u>
<b>Total General Fund Revenues</b>	<u><u>\$22,645,735</u></u>

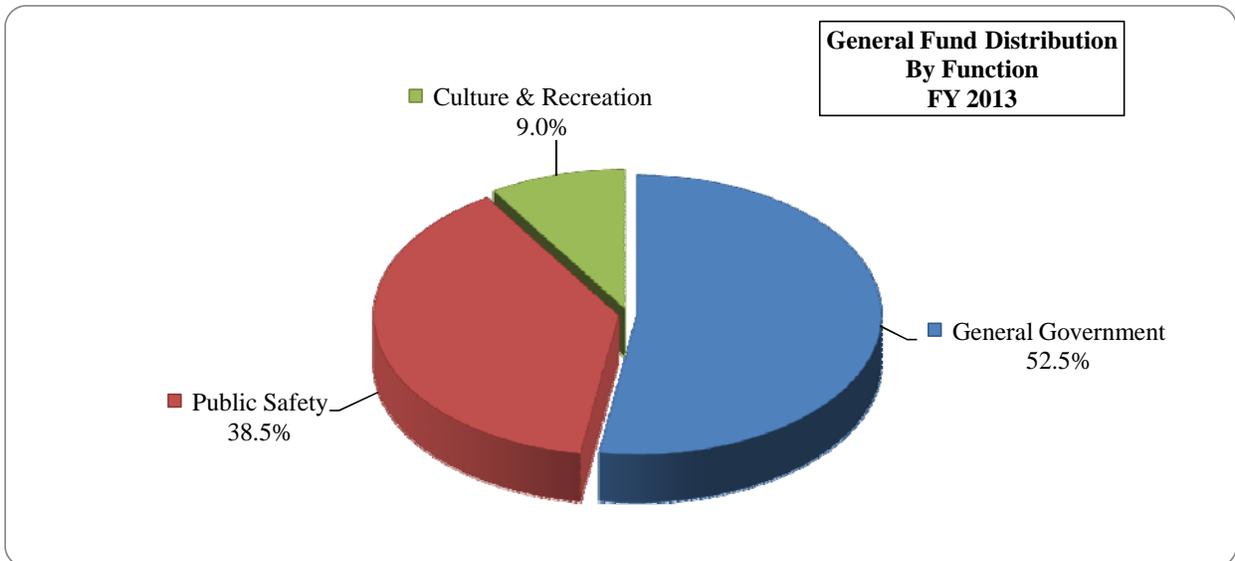
**General Fund Revenues**

	Taxes	Licenses & Permits	Inter- Gov't	Charges for Services	Fines & Forfeitures	Uses of Monie & Property	Misc. Revenue	Other Sources
Franchise Taxes	\$302,000							
City Sales Tax	8,496,955							
Bed Tax	103,710							
Utility Tax	209,445							
Business Licenses		\$32,045						
Construction Permits		74,630						
Planning & Zoning Fees		13,000						
State Revenue Sharing			\$1,150,590					
State Shared Sales Tax			941,980					
M.V. Lieu Tax			585,370					
Pant Grant			45,000					
Fire & Emergency Services Grants			726,250					
Miscellaneous Grants			20,850					
Police Grants			80,600					
Dispatch Fees				\$18,000				
Spillman Fees				148,760				
Animal Control Fees				3,000				
Recreation Fees/Rhythm & Ribs/10K Memorial Run/ Sizzilin Sa				44,750				
Thunder Valley Rally				32,190				
HURF - Indirect Cost				262,230				
Library - Indirect Cost				156,120				
Open/Close Graves				2,500				
Engineering Fees				4,000				
Plan Check Fees				4,000				
Tow Fee Revenues				15,000				
Transfer Station				110,000				
Pool Revenue				25,500				
Riverfront Park - Snack Bar				9,200				
Pool - Snack Bar Sales				8,250				
Batting Cage Revenues				1,500				
Pool - Swimming Lessons				9,090				
Rec/Fees-Softball Tournament				30,000				
Recreation Center Fees				787,350				
Airport - Indirect Costs				64,660				
Sewer - Indirect Costs				210,170				
Water - Indirect Costs				625,935				
Sewer Inspection Fees				500				
Cemetery-Indirect Cost				3,000				
Court Fines					\$141,090			
Court Reimbursements					15,790			
Court Deferred Surcharge					22,220			
Building Rental						\$5,700		
Interest Income						37,430		
Other Income							\$2,000	
Donations							287,495	
Carryover								\$6,168,880
Lease Purchase Proceeds								\$558,510
Transfers In								23,490
<b>Totals</b>	<b>\$9,112,110</b>	<b>\$119,675</b>	<b>\$3,575,640</b>	<b>\$2,575,705</b>	<b>\$179,100</b>	<b>\$43,130</b>	<b>\$289,495</b>	<b>\$6,750,880</b>
Total General Fund Revenues Available					<u><u>\$22,645,735</u></u>			

Fiscal Year 2013 Budget  
**General Fund Disbursement Schedule**

Table of Contents

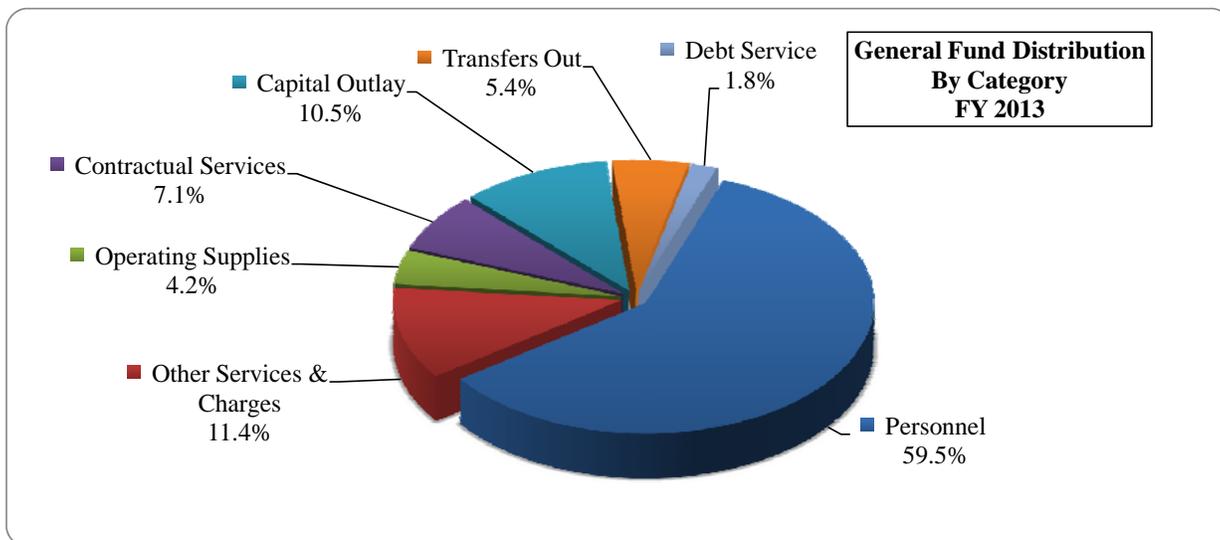
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>General Government</b>					
Administration	\$640,873	\$675,860	\$670,400	\$776,695	15.86%
Personnel	127,987	184,800	180,420	158,510	-12.14%
City Council	405,330	5,490,010	404,770	5,051,085	1147.89%
Natural Resource Project	48,854	164,195	116,210	167,510	44.14%
City Clerk	268,822	266,265	234,310	218,755	-6.64%
Finance	342,974	654,435	337,280	674,645	100.03%
IT Services	109,827	125,610	247,055	169,730	-31.30%
Purchasing	16,656	73,010	77,255	74,120	-4.06%
Planning & Zoning	314,558	313,285	311,905	329,010	5.48%
Economic Development	96,565	102,905	118,590	151,025	27.35%
Municipal Court	389,619	425,435	401,020	431,760	7.67%
Legal	301,270	317,580	281,975	323,835	14.85%
Non-Departmental	1,270,748	1,590,285	1,681,245	1,739,375	3.46%
Engineering	534,611	523,595	453,815	487,480	7.42%
Building Maintenance	524,433	427,645	440,060	582,420	32.35%
Custodial	112,252	132,000	133,700	140,200	4.86%
Public Works	262,574	311,830	362,150	406,810	12.33%
<b>Total General Government</b>	<b>5,767,953</b>	<b>11,778,745</b>	<b>6,452,160</b>	<b>11,882,965</b>	<b>84.17%</b>
<b>Public Safety</b>					
Police	3,586,168	3,715,985	3,728,210	4,074,690	9.29%
Ordinance Enforcement	150,571	185,800	183,510	190,750	3.95%
Communications	685,228	770,220	695,990	782,795	12.47%
Fire	2,430,067	3,393,395	3,192,470	3,673,955	15.08%
<b>Total Public Safety</b>	<b>6,852,034</b>	<b>8,065,400</b>	<b>7,800,180</b>	<b>8,722,190</b>	<b>11.82%</b>
<b>Culture &amp; Recreation</b>					
Parks & Recreation	419,845	503,690	530,080	536,865	1.28%
Recreation Center	1,221,099	1,436,560	1,377,030	1,503,715	9.20%
<b>Total Culture &amp; Recreation</b>	<b>1,640,944</b>	<b>1,940,250</b>	<b>1,907,110</b>	<b>2,040,580</b>	<b>7.00%</b>
<b>Total General Fund Expenditures</b>	<b>\$14,260,931</b>	<b>\$21,784,395</b>	<b>\$16,159,450</b>	<b>\$22,645,735</b>	<b>40.14%</b>



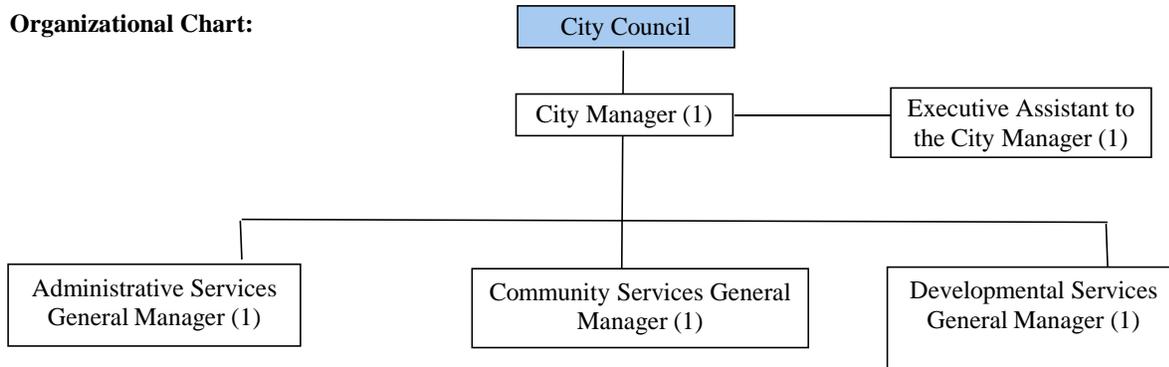
**General Fund Expenditures By Category**

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
<b>General Government</b>								
Administration	\$740,620	\$3,370	\$1,650	\$31,055	\$0	\$0	\$0	\$0
Personnel	104,550	6,865	7,465	39,630	0	0	0	0
City Council	48,540	1,700	267,360	251,090	130,000	0	0	4,352,395
City Clerk	170,520	5,300	435	42,500	0	0	0	0
Natural Resources	132,910	250	30,100	4,250	0	0	0	0
Finance	228,910	8,550	106,720	30,465	300,000	0	0	0
IT Services	136,230	2,250	26,000	5,250	0	0	0	0
Purchasing	69,580	1,500	120	2,920	0	0	0	0
Community Development	299,740	7,600	650	20,020	1,000	0	0	0
Economic Development	116,040	3,050	265	30,170	1,500	0	0	0
Municipal Court	342,780	8,070	48,800	32,110	0	0	0	0
Legal	187,260	125	129,000	7,450	0	0	0	0
Non-Departmental	0	0	1,500	423,710	0	981,375	332,790	0
Engineering Services	437,945	18,550	1,500	16,735	12,750	0	0	0
Building Maintenance	284,415	65,655	78,430	80,420	73,500	0	0	0
Custodial	0	200	140,000	0	0	0	0	0
Public Works	326,790	8,400	64,335	7,285	0	0	0	0
<b>General Government Totals</b>								
	3,626,830	141,435	904,330	1,025,060	518,750	981,375	332,790	4,352,395
<b>Public Safety</b>								
Police	3,112,730	281,500	38,560	242,770	399,130	0	0	0
Ordinance Enforcement	131,420	8,250	50,080	1,000	0	0	0	0
Communications	629,080	107,200	5,850	40,665	0	0	0	0
Fire	2,374,055	101,350	127,500	115,550	955,500	0	0	0
<b>Public Safety Totals</b>								
	6,247,285	498,300	221,990	399,985	1,354,630	0	0	0
<b>Culture &amp; Recreation</b>								
Parks & Recreation	117,490	33,400	22,480	363,495	0	0	0	0
Recreation Center	899,860	100,000	146,465	301,390	56,000	0	0	0
<b>Culture &amp; Recreation Totals</b>								
	1,017,350	133,400	168,945	664,885	56,000	0	0	0
<b>General Fund Category Totals</b>								
	\$10,891,465	\$773,135	\$1,295,265	\$2,089,930	\$1,929,380	\$981,375	\$332,790	\$4,352,395

Total General Fund Budget \$22,645,735



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**Administration****Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Organized the COC 50th year Anniversary of Incorporation Celebration
- \* Initiated second Community Survey to ascertain community's perception of City services
- \* Relocated Gardner's Recycling to a more compatible location
- \* Expanded the holiday lighting display in Old Town
- \* Initiated an employee compensation study
- \* Completed a cost and benefit analysis of a regional public safety communications center

**FY 2013 Goals:**

- \* Remodel/renovation of Old Town Jail
- \* Complete annexation of the 10 sections of state trust land
- \* Promote Neighborhood Clean-Ups through "Lookin' Good Cottonwood" Campaign
- \* Meet bonding requirements to allow refinancing of water bonds to improve interest rate and separate debt from Clarkdale
- \* Implement the recommendations of an employee compensation study
- \* Finalize the development of a new regional public safety communications center
- \* Finalize the design of a new city hall

**Budget Highlights:**

For FY 2013 an additional position was moved here from the City Clerk's Office. There is an offsetting savings in that department. No capital outlay has been budgeted for FY 2013

General Government		Administration		Fund 01 - General Fund		Cost Center		10-00	
<b>Performance Indicators</b>									
<b>Value Statement:</b>	Communicate and actively listen								
<b>Goal:</b>	Implement a citizen participation measurement and benchmark system.								
<b>Objective:</b>	Increase citizen participation and awareness of City departments and activities								
<b>Type of Measure:</b>	Outcome								
<b>Tool:</b>	Citizen Survey								
<b>Frequency:</b>	Bi-Annually								
<b>Scoring:</b>	Increase return of surveys mailed out								
<b>Trend:</b>	Up								
<b>Measures:</b>			Actual		Estimated	Anticipated			
	2010	2011	2012	2013					
Percentage Returned	N/A	13%	15%	16%					
<b>Value Statement:</b>	Be responsive and accountable								
<b>Goal:</b>	Implement a performance measurement and benchmark system for all departments.								
<b>Objective:</b>	Ascertain citizen satisfaction with departments and focus on methods of improvement								
<b>Type of Measure:</b>	Outcome								
<b>Tool:</b>	Citizen Survey								
<b>Frequency:</b>	Bi-Annually								
<b>Scoring:</b>	Increase satisfaction rates on surveys returned								
<b>Trend:</b>	Upward								
<b>Measures:</b>			Actual		Estimated	Anticipated			
	2010	2011	2012	2013					
Satisfaction Response Averages	N/A	3.9%	4.0%	4.2%					
<b>Value Statement:</b>	Communicate and actively listen								
<b>Goal:</b>	Public information notices and participate in televised outreach efforts								
<b>Objective:</b>	Increase citizen knowledge and participation in City activities								
<b>Type of Measure:</b>	Outcome								
<b>Tool:</b>	Quantity of Media Releases and Inside Cottonwood TV shows								
<b>Frequency:</b>	Monthly								
<b>Scoring:</b>	Increase outreach publication/TV events								
<b>Trend:</b>	Upward								
<b>Measures:</b>			Actual		Estimated	Anticipated			
	2010	2011	2012	2013					
Media Outreach Events	N/A	18	30	33					
<b>Value Statement:</b>	Maintain a uniquely desirable and sustainable community								
<b>Goal:</b>	Increase number of strategic initiative goals completed								
<b>Objective:</b>	Accomplish listed strategic initiatives								
<b>Type of Measure:</b>	Outcome								
<b>Tool:</b>	Quantity of initiatives and goals addressed								
<b>Frequency:</b>	Annually								
<b>Scoring:</b>	Increase number of strategic initiative goals completed and/or begun								
<b>Trend:</b>	Upward								
<b>Measures:</b>			Actual		Estimated	Anticipated			
	2010	2011	2012	2013					
Goals Completed Percentage	N/A	41%	48%	50%					

General Government	Administration	Fund 01 - General Fund			Cost Center	10-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$611,875	\$643,115	\$628,165	\$740,620	17.90%	
Operating Supplies	9,544	3,300	3,260	3,370	3.37%	
Contractual Services	857	650	1,650	1,650	0.00%	
Other Services and Charges	18,597	28,795	37,325	31,055	-16.80%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$640,873</b>	<b>\$675,860</b>	<b>\$670,400</b>	<b>\$776,695</b>	<b>15.86%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$776,695	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
City Manager	1.00	1.00	1.00	5856	8491	\$127,000
Executive Assistant	1.00	1.00	1.00	3082	4468	50,495
Administrative Svcs GM	1.00	1.00	1.00	7313	10604	104,090
Developmental Svcs GM	1.00	1.00	1.00	7313	10604	104,675
Community Services GM	1.00	1.00	1.00	7313	10604	102,030
Administrative Clerk	0.00	0.00	1.00	2076	3010	30,125
Car Allowance						9,000
Merit Contingency						16,525
Temporary / Reserves						0
Overtime						0
Retirement						60,600
Insurance & Taxes						135,570
Employee Related Expenses						510
<b>Totals</b>	<u>5.00</u>	<u>5.00</u>	<u>6.00</u>			<u>\$740,620</u>

General Government	Administration	Fund 01 - General Fund		Cost Center	10-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	1,780	1,500	1,500	1,500	0.00%
Copier Supplies	7,632	1,500	1,100	1,320	20.00%
Gas & Oil	13	25	25	100	300.00%
Vehicle Maint & Repairs	44	0	300	0	-100.00%
Equipment Maint & Repairs	0	125	235	300	27.66%
Postage & Freight	75	150	100	150	50.00%
<b>Total Supplies</b>	<b>9,544</b>	<b>3,300</b>	<b>3,260</b>	<b>3,370</b>	<b>3.37%</b>

**Contractual Services**

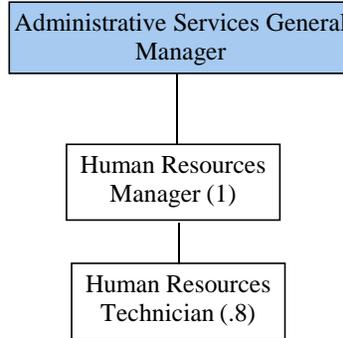
Computer Support	157	150	750	750	0.00%
Contractual Services	700	500	900	900	0.00%
<b>Total Contractual Services</b>	<b>857</b>	<b>650</b>	<b>1,650</b>	<b>1,650</b>	<b>0.00%</b>

**Other Services and Charges**

Travel & Training	1,397	1,500	325	1,000	207.69%
Subscriptions & Memberships	603	1,000	650	1,500	130.77%
Printing & Forms	129	5,000	4,000	5,000	25.00%
Utilities	5,059	5,640	6,850	7,055	2.99%
Telephone	5,842	5,655	6,500	6,500	0.00%
Legal Advertising	547	0	0	0	0.00%
Manager's Contingency	5,020	10,000	19,000	10,000	-47.37%
<b>Total Other Services &amp; Charges</b>	<b>18,597</b>	<b>28,795</b>	<b>37,325</b>	<b>31,055</b>	<b>-16.80%</b>

<b>Supplemental Data: Capital Outlay</b>										
Item Description	2011	2012		2013						
	Actual	Budget	Revised	Tentative						
N/A										
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td></td> </tr> </table>						\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0							

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Provided recruitment, employee orientation, supervisor/employee training and other employment-related services to departments, boards and commissions
- \* Tracked employee training for National Incident Management System (NIMS) that is required for some City employees
- \* Coordinated testing and remediation work on mold problems in several City buildings
- \* Worked with AMRRP on Loss Control Audits of City facilities
- \* Met with CAT employees, City staff, and NAIPTA staff to facilitate a smooth transition from NAIPTA back to City of Cottonwood
- \* Participated in several salary studies throughout the year
- \* Worked with NACOG to receive on-the-job funding for training new employees who meet qualifications of the program
- \* Coordinated cemetery actions between funeral homes and maintenance department to have grounds prepared and ready for services; research historical cemetery records for family members
- \* Reported and coordinate follow-up actions related to Worker's Compensation claims, Incident Reports and Liability Claims with insurance provider AMRRP
- \* Monitored board and commission expiration dates; work with departments to get seats filled; liaison to several boards or commissions, including Judicial Review Board, Personnel Board, and Employee Benefit Trust Board; also meet with other City groups, including the SARMC (safety committee) and the SSRT (employee event planning)
- \* Completed Compensation Study
- \* Served as team member for Temporary Use Permit process

**FY 2013 Goals:**

- \* Continue revising Employee Manual as issues, laws and regulations change
- \* Continue promoting and tracking NIMS training required for some employees
- \* Continue working with NACOG to obtain on-the-job training funds for eligible new employees
- \* Continue working with and educating employees about Certificates of Insurance and related requirements; make listing of current COI information available to employees on a shared drive; continue to make the COI process more efficient

**Budget Highlights:**

Contractual services is reduced substantially in FY 2013 due to the one time expense of the Compensation Study completed in FY 2012. No capital outlay has been budgeted for FY 2013

General Government	Personnel	Fund 01 - General Fund	Cost Center	10-01
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**Mission Statement:** Strive to Provide Effective and Efficient Services

**Goal:** To efficiently use City funds in productive, mission based activities by minimizing expenditures for accidents, injuries, and liability claims.

**Objective:** Lower number of Worker's Comp and Insurance Claims

**Type of Measure:** Program effectiveness

**Tool:** Risk management claims data

**Frequency:** Annual

**Scoring:** Progressing: Reduce more than 10%, Average: Reduce 0-10%, Caution: Increase <10%,

**Trend:** Down

	Actual		Estimated	Anticipated
	2010	2011	2012	2013
<b>Measures:</b>				
Worker's Compensation Claims	24	19	16	16
Percent Increase/Decrease of Workman's Comp Claims	N/A	-21%	-16%	0%
Insurance Claims/Incidents Filed	15	13	12	12
Percent Increase/Decrease of Insurance Claims	N/A	-13%	-8%	0%

**Mission Statement:** Strive to Provide Effective and Efficient Services

**Goal:** Recruitment of qualified applicants; retention of staff

**Objective:** Provide recruitment services to City staff to assist them to recruit the best qualified applicants.

**Type of Measure:** Outcome

**Tool:** Human Resources data

**Frequency:** Annual

**Scoring:** Increase/Decrease from Prior Year

**Trend:** Positions filled = increase; turnover rate = level

	Actual		Estimated	Anticipated
	2010	2011	2012	2013
<b>Measures:</b>				
Positions Filled (FT, PT, Transfers)	86	105	100	125
Percent of new Hires (FT) not completing orientation period	1%	1%	5%	5%
Employees (FT) Leaving Service	21	20	24	27
Turnover Rate (FT)	12.07%	11.11%*	13.26%	15.00%
Applications Received (FT, PT, Transfers)	1,098	645	750	800

**Mission Statement:** Ensure for Uncompromising Integrity

**Goal:** Maintaining a work environment that is free of discrimination, harassment, intimidation and retaliation.

**Objective:** Preventing and correcting unlawful discrimination and harassment in employment policies, procedures, practices and operations.

**Type of Measure:** Policy Outcome

**Tool:** Human Resources data

**Frequency:** Annual

**Scoring:** 0-1 Complaints with 100% resolution is Progressing at or above expectations, 2-3 Complaints with 95% resolution is Caution, and 4 or more Complaints with 90% resolution is Need to Review.

**Trend:**

	Actual		Estimated	Anticipated
	2010	2011	2012	2013
<b>Measures:</b>				
Number of Employee Grievances to Personnel Board	1	0	1	0
Number of EEO Complaints/Lawsuits	0	0	0	0
Complaints with substantiated findings	0	0	0	0
Number of EEO Complaints Dismissed *	2	2	0	0

\* One case still pending from 2009 - outcome unknown

General Government	Personnel	Fund 01 - General Fund			Cost Center	10-01
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$103,696	\$99,310	\$97,010	\$104,550	7.77%	
Operating Supplies	5,810	6,090	7,420	6,865	-7.48%	
Contractual Services	157	41,150	37,460	7,465	-80.07%	
Other Services and Charges	18,324	38,250	38,530	39,630	2.85%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$127,987</u>	<u>\$184,800</u>	<u>\$180,420</u>	<u>\$158,510</u>	-12.14%	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$158,510	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Human Resources Manager	1.00	1.00	1.00	3319	4812	\$45,645
Human Resource Tech.	0.80	0.80	0.80	1788	2593	25,370
Emp of the Qtr/Year						650
Merit Contingency						1,060
Temporary / Reserves						0
Overtime						0
Retirement						8,105
Insurance & Taxes						18,720
Employee Related Expenses						5,000
<b>Totals</b>	<u>1.80</u>	<u>1.80</u>	<u>1.80</u>			<u>\$104,550</u>

General Government	Personnel	Fund 01 - General Fund			Cost Center	10-01
<b>Supplemental Data: Expenditures</b>						
Item	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		

**Supplies**

Office Supplies	1,315	2,000	2,650	2,650	0.00%
Copier Supplies	2,602	2,700	2,265	2,265	0.00%
Gas & Oil	83	40	600	600	0.00%
Vehicle Maintenance	411	500	500	500	0.00%
Equipment Maintenance and Supplies	1,161	600	1,200	600	-50.00%
Postage & Freight	238	250	205	250	21.95%

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<b>Total Supplies</b>	5,810	6,090	7,420	6,865	-7.48%
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**Contractual Services**

Compensation Study	0	35,000	30,000	0	-100.00%
Computer Support	157	150	260	265	1.92%
Employee Physicals	0	6,000	7,200	7,200	0.00%

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<b>Total Contractual Services</b>	157	41,150	37,460	7,465	-80.07%
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**Other Services and Charges**

Travel & Training	364	700	800	800	0.00%
Subscriptions & Memberships	426	600	600	600	0.00%
Training Supplies	0	150	0	0	0.00%
Printing & Forms	183	100	430	430	0.00%
Utilities	4,115	4,500	3,900	4,000	2.56%
Telephone	1,814	2,000	1,800	1,800	0.00%
Recruitment Expense	2,912	8,000	8,000	9,000	12.50%
Safety Committee	1,639	2,200	3,000	3,000	0.00%
Unemployment Insurance (City)	6,871	20,000	20,000	20,000	0.00%

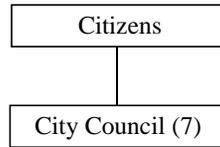
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<b>Total Other Services &amp; Charges</b>	18,324	38,250	38,530	39,630	2.85%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
N/A					
	\$0	\$0	\$0	\$0	

**Organizational Chart:**



**General Information:**

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

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

**FY 2012 Accomplishments:**

- \* Conducted a Council planning retreat and developed strategies to guide FY 2013 budget priorities
- \* Supported a strong and diversified economy through working the 3 to 5 year goals in the Focus on Success economic plan
- \* Revitalized Old Town through Gardner's Recycling relocation and purchase of lot to increase parking
- \* Participated in regional "shop local" campaign with the Cottonwood Chamber of Commerce
- \* Promoted government communication and transparency by creating City of Cottonwood's Verde Valley TV video link televising City Council meetings, upgrades to Web site and media policy with creation of Facebook page
- \* Completed plans to transition the City's transit service from Northern Arizona intergovernmental Public Transit Authority to Cottonwood Area Transit
- \* Promoted the Business Assistance Center's increased usage and supported start-up business with temporary office rentals
- \* Continued to meet regularly with community members through regular neighborhood meetings
- \* Conducted Arizona Statehood centennial celebrations

**FY 2012 Goals:**

- \* Work toward completion of City Council's 2013 Strategic Initiatives
- \* Develop water adequacy for our citizens through integrated water management plan
- \* Begin the process of updating Cottonwood General Plan including annexation of State Trust Lands
- \* Complete design and construction for 12th Street, Mingus west of Willard, Mingus between Main and Willard
- \* Complete analysis of need and costs of city-wide street improvements along with funding options
- \* Establish a truck route and weight limits for Main Street in Old Town and residential streets
- \* Support recreation, tourism, neighborhood health and quality of life through trails systems planning and development and implementation of a bike plan
- \* Protect the environment of the Verde Valley through creation of Riverfront Reclamation Facility
- \* Develop plans and secure funding for the renovation of the Civic Center
- \* Find location and design a new city hall and complete Old Town Jail renovation
- \* Build a strong and diversified economy that promotes local businesses through enhanced marketing that promotes the City's reputation as a business friendly city

**Budget Highlights:**

Council contingency is fully funded at \$35,000 and includes \$1,000 for the Community Orchard; \$500 for Fit Kids Disc Golf Program; and \$500 for the Community Garden Kids Project. \$600,000 has been set aside in the Council's reserves for the implementation of the compensation study. Capital outlay includes \$50,000 for the trust land annexation.

General Government	City Council	Fund 01 - General Fund	Cost Center	11-00
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**Performance Indicators**

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

**Supplemental Data: Capital Outlay**

Item	2011	2012		2013
	Actual	Budget	Revised	Tentative
Laptop Computers	\$8,520			
Library Parking Lot		\$80,000		\$80,000
Old Town Parking				
Trust Land Annexation	24,511	50,000	\$10,000	50,000
Property Cleanup	75	200,000		
<b>Total Capital Outlay</b>	<b>\$33,106</b>	<b>\$330,000</b>	<b>\$10,000</b>	<b>\$130,000</b>

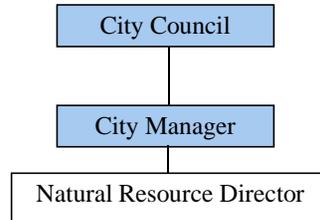
General Government		City Council		Fund 01 - General Fund		Cost Center	11-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
Personnel	\$48,531	\$48,540	\$48,540	\$48,540	0.00%		
Operating Supplies	1,467	1,500	1,500	1,700	13.33%		
Contractual Services	251,652	207,750	261,110	267,360	2.39%		
Other Services and Charges	70,574	255,615	83,620	251,090	200.28%		
Capital Outlay	33,106	330,000	10,000	130,000	1200.00%		
Reserves	0	4,646,605	0	4,352,395	0.00%		
<b>Department Totals</b>	<b>\$405,330</b>	<b>\$5,490,010</b>	<b>\$404,770</b>	<b>\$5,051,085</b>	<b>1147.89%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$698,690	13.83%
Grants	0	0.00%
Reserves/Fund Balance	4,352,395	86.17%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Mayor	1.00	1.00	1.00	750		\$9,000
Vice-Mayor	1.00	1.00	1.00	500		6,000
Council Members	5.00	5.00	5.00	500		30,000
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						3,540
Employee Related Expenses						0
<b>Totals</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>			<b>\$48,540</b>

General Government	City Council	Fund 01 - General Fund			Cost Center	11-00
<b>Supplemental Data: Expenditures</b>						
Item	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
<b>Supplies</b>						
Office Supplies	428	500	500	500	0.00%	
Copier Supplies	965	800	800	1,000	25.00%	
Postage & Freight	74	200	200	200	0.00%	
<b>Total Supplies</b>	<b>1,467</b>	<b>1,500</b>	<b>1,500</b>	<b>1,700</b>	<b>13.33%</b>	
<b>Contractual Services</b>						
Main Street Program & OTA	2,500	10,000	10,000	10,000	0.00%	
Large Item Pick-up	0	3,750	3,750	10,000	166.67%	
Recycle Program	23,533	24,000	21,000	21,000	0.00%	
Rodeo Drive St. Reimbursement	180,619	125,000	181,360	181,360	0.00%	
Senior Center	45,000	45,000	45,000	45,000	0.00%	
<b>Total Contractual Services</b>	<b>251,652</b>	<b>207,750</b>	<b>261,110</b>	<b>267,360</b>	<b>2.39%</b>	
<b>Other Services and Charges</b>						
Travel & Training	12,674	10,000	10,610	15,000	41.38%	
Subscriptions & Memberships	13,030	13,100	13,100	15,000	14.50%	
Computer Support	83	200	515	530	2.91%	
Christmas Lights	0	0	0	10,000	0.00%	
Public Relations	3,662	3,500	3,500	6,500	85.71%	
Parking Lot Lights	675	600	750	775	0.00%	
Utilities	5,359	5,040	5,280	5,415	2.56%	
Telephone	1,659	1,575	4,265	4,370	2.46%	
Annual Appreciation Event	180	1,000	1,000	1,000	0.00%	
Youth Commission	2,013	4,100	4,100	4,000	-2.44%	
50th Anniversary/Centennial Celebration	21,643	28,000	20,500	0	-100.00%	
Veterans Van	0	2,500	1,000	2,500	150.00%	
Building Comm Grant	99	0	0	0	0.00%	
Council Contingency	9,497	35,000	18,000	35,000	94.44%	
Growth Study & Analysis	0	150,000	0	150,000	0.00%	
Birding Festival	0	1,000	1,000	1,000	0.00%	
YAN Distribution	0	0	0	0	0.00%	
<b>Total Other Services &amp; Charges</b>	<b>70,574</b>	<b>255,615</b>	<b>83,620</b>	<b>251,090</b>	<b>200.28%</b>	
<b>Reserves</b>						
Carryover Restricted	0	2,108,300	0	2,038,205	0.00%	
Accumulation Fund	0	1,000,000	0	1,000,000	0.00%	
Undesignated	0	91,970	0	100,000	0.00%	
.2% Sales Tax Excess Capital Reserve	0	279,095	0	121,170	0.00%	
1% Sales Tax GF CIP	0	777,240	0	493,020	0.00%	
Employee Merit Program (distributed in each dept)	0	390,000	0	0	0.00%	
Salary Plan Implementation	0	0	0	600,000	0.00%	
<b>Total Reserves</b>	<b>\$0</b>	<b>\$4,646,605</b>	<b>\$0</b>	<b>\$4,352,395</b>	<b>0.00%</b>	

**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 established initially 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 2012 Accomplishments:**

- \* Continued participation in regional and statewide water related groups
- \* Continued efforts to regionally strategize and resolve water related issues
- \* Successfully hired a Director of Natural Resources at the end of the second quarter of FY2012

**FY 2013 Goals:**

- \* Continue participation in regional and statewide water related groups
- \* Continue efforts to regionally strategize and resolve water related issues
- \* Continue acquisition of surface water rights
- \* Continue development and updates of long-range water resource planning efforts
- \* Continue evaluation and implementation of water conservation programs

**Budget Highlights:**

Increases for FY 2013 are due to the Natural Resources Director's position being fully funded. No capital outlay has been budgeted for FY 2013.

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	11-01
<b>Performance Indicators</b>				
<b>Mission/Value Statement:</b>	Maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Continue participation in regional and statewide water related groups			
<b>Objective:</b>	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			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Internal Reports			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	Maintain projected attendance			
<b>Trend:</b>	Added new meeting FY 2012			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Regional Water related meetings attended	72	55	55	55
Yavapai Water Board related meetings attended	38	30	30	30
Statewide Water Resource Development Meetings	N/A	N/A	30	30

<b>Mission/Value Statement:</b>	Maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Provide guidance for long-term water planning, quantify the needed water resources and the necessary water infrastructure needed over time			
<b>Objective:</b>	Collect, analyze and provide information in one location in order to provide the most cost effective, reliable service to the City's utility customers			
<b>Type of Measure:</b>	Output			
<b>Tool:</b>	Development of an integrated water resource management plan			
<b>Frequency:</b>	N/A			
<b>Scoring:</b>	Plan should be 100% completed by FY 2013			
<b>Trend:</b>	N/A - New Goal			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Completion of the Plan	N/A	N/A	50%	100%

<b>Mission/Value Statement:</b>	Maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Monitor, track and provide feedback on legislation related to the regulation and management of water resources			
<b>Objective:</b>	Ensure the City's water resources and the utility services provided to its customers are not negatively impacted by statewide legislative efforts.			
<b>Type of Measure:</b>	Output/outcome			
<b>Tool:</b>	Weekly Legislative summary updates and recommendations to City Council			
<b>Frequency:</b>	Weekly during the legislative session			
<b>Scoring:</b>	20			
<b>Trend:</b>	N/A - New Measure FY 2012			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Summary Updates	N/A	N/A	20	20
Meetings with legislators and League of Cities legislative updates	N/A	N/A	20	20

General Government	Natural Resources	Fund 01 - General Fund			Cost Center	11-01
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$0	\$124,405	\$80,465	\$132,910	65.18%	
Operating Supplies	116	2,190	145	250	72.41%	
Contractual Services	48,329	32,100	32,075	30,100	-6.16%	
Other Services and Charges	409	5,500	3,125	4,250	36.00%	
Capital Outlay	0	0	400	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$48,854</u>	<u>\$164,195</u>	<u>\$116,210</u>	<u>\$167,510</u>	<u>44.14%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$167,510	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Natural Resources Director	0.00	1.00	1.00	7313	10604	\$97,500
Car Allowance						4,500
Merit Pay						3,250
Temporary / Reserves						0
Overtime						0
Retirement						11,830
Insurance & Taxes						15,830
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$132,910</u>

General Government	Natural Resources	Fund 01 - General Fund		Cost Center	11-01
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	94	190	95	150	57.89%
Copier Supplies	22	50	25	50	100.00%
Postage & Freight	0	100	25	50	100.00%
Gas & Oil	0	1,600	0	0	0.00%
Vehicle Maintenance	0	250	0	0	0.00%
<b>Total Supplies</b>	<b>116</b>	<b>2,190</b>	<b>145</b>	<b>250</b>	<b>72.41%</b>

**Contractual Services**

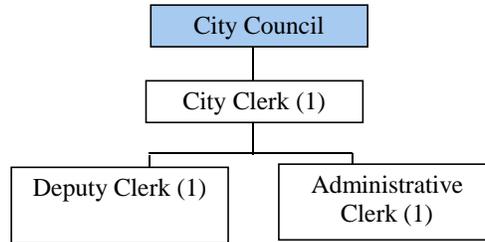
Contractual Services	48,265	32,000	32,000	30,000	-6.25%
Computer Support	64	100	75	100	33.33%
<b>Total Contractual Services</b>	<b>48,329</b>	<b>32,100</b>	<b>32,075</b>	<b>30,100</b>	<b>-6.16%</b>

**Other Services and Charges**

Travel & Training	401	2,500	1,500	2,000	33.33%
Subscriptions & Memberships	0	100	0	100	0.00%
Printing and Forms	0	1,000	200	500	150.00%
Utilities	8	900	675	900	33.33%
Telephone	0	1,000	750	750	0.00%
<b>Total Other Services &amp; Charges</b>	<b>409</b>	<b>5,500</b>	<b>3,125</b>	<b>4,250</b>	<b>36.00%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Computer (iPad)			\$400		
	\$0	\$0	\$400	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The City Clerk's department 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; process 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 2012 Accomplishments:**

- \* Implemented the new agenda automation software, trained staff to use the new software, and eliminated copying paper information packets for the council meetings
- \* Oversaw the remodeling of the new city clerk building and moving the city clerk, deputy clerk and city attorney into the new building; and transfer of records into the archive
- \* Coordinated the creation of the Community Orchard, donation of trees for the orchard, and placement of plaques for trees
- \* Assisted with the "Let's Move" program events
- \* Implemented and setup the new Mayor's Community Forum meetings
- \* Prepared 49 council meeting packets, summary minutes, and official minutes
- \* Processed 1,450 business registrations
- \* Organized archive room and disposed of records per state regulations

**FY 2013 Goals:**

- \* Conduct a primary and general election for the city
- \* Continue to provide the public and staff with public records/historical information on a timely basis

**Budget Highlights:**

The reduction in FY 2013 Personnel costs is due to the Administrative Clerk's position being moved to the Administration Department. Increases in "Other Service & Charges" is due to the election scheduled for FY 2013. No capital outlay has been budgeted for FY 2013

General Government	City Clerk	Fund 01 - General Fund	Cost Center	11-02
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**Performance Indicators**

**Value Statement:** Be Innovative  
**Goal:** Have local businesses comply with business registration requirement.  
**Objective:** To increase number of local businesses registering their business as required by Municipal Code  
 Educate local business owners about the requirement to register their businesses.  
**Type of Measure:** Outcome  
**Tool:** Outreach program to contact business owners.  
**Frequency:** Two hours a week contact business owners in person  
**Scoring:** Increase number of registrations from prior year.  
**Trend:** New Measure FY 2011

Measures:	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Registrations	N/A	1,450	1,525	not available at

**Mission/Value Statement:** \*Performances Indicators are still being developed for this department\*  
**Goal:**  
**Objective:**  
**Type of Measure:**  
**Tool:**  
**Frequency:**  
**Scoring:**  
**Trend:**

Measures:	Actual		Estimated	Anticipated
	2010	2011	2012	2013

General Government		City Clerk		Fund 01 - General Fund		Cost Center	11-02
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent		
	Actual	Budget	Revised	Tentative	Change		
Personnel	\$202,875	\$211,505	\$209,265	\$170,520	-18.51%		
Operating Supplies	6,808	7,010	6,450	5,300	-17.83%		
Contractual Services	161	4,440	425	435	2.35%		
Other Services and Charges	43,538	32,160	12,810	42,500	231.77%		
Capital Outlay	15,440	11,150	5,360	0	-100.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$268,822</u>	<u>\$266,265</u>	<u>\$234,310</u>	<u>\$218,755</u>	<u>-6.64%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$218,755	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
City Clerk	1.00	1.00	1.00	4463	6471	\$85,750
Deputy Clerk	1.00	1.00	1.00	2468	3578	32,290
Administrative Clerk	1.00	1.00	0.00	2076	3010	0
Merit Contingency						3,010
Temporary / Reserves						0
Overtime						1,000
Retirement						13,600
Insurance & Taxes						34,870
Employee Related Expenses						0
<b>Totals</b>	<u>3.00</u>	<u>3.00</u>	<u>2.00</u>			<u>\$170,520</u>

General Government	City Clerk	Fund 01 - General Fund		Cost Center	11-02
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	2,458	2,600	3,000	2,000	-33.33%
Copier Supplies	2,967	1,500	1,500	1,500	0.00%
Gas & Oil	88	150	150	150	0.00%
Vehicle Maint & Repairs	91	800	750	1,200	60.00%
Equipment Maint & Repairs	0	160	250	250	0.00%
Postage & Freight	1,204	1,800	800	200	-75.00%
<b>Total Supplies</b>	<b>6,808</b>	<b>7,010</b>	<b>6,450</b>	<b>5,300</b>	<b>-17.83%</b>

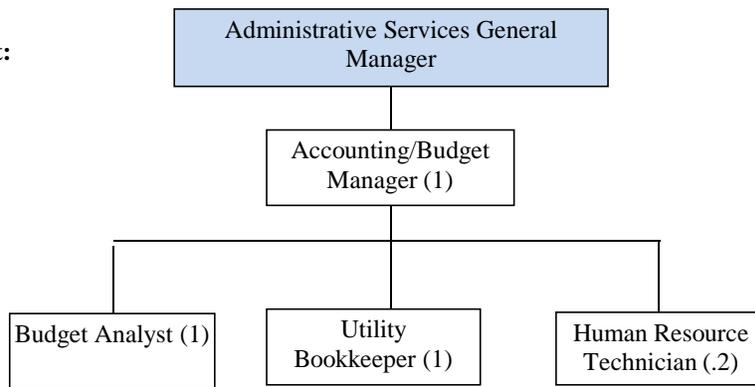
**Contractual Services**

Computer Support	157	140	425	435	2.35%
Contractual Services	4	4,300	0	0	0.00%
<b>Total Contractual Services</b>	<b>161</b>	<b>4,440</b>	<b>425</b>	<b>435</b>	<b>2.35%</b>

**Other Services and Charges**

Travel & Training	1,013	1,500	1,500	2,000	33.33%
Subscriptions & Memberships	3,355	2,600	2,000	2,600	30.00%
Printing & Forms	886	1,200	1,000	500	-50.00%
Utilities	7,594	8,660	5,960	4,800	-19.46%
Telephone	2,157	3,000	2,150	2,400	11.63%
Legal Advertising	398	200	200	200	0.00%
Election Expense	28,135	15,000	0	30,000	0.00%
<b>Total Other Services &amp; Charges</b>	<b>43,538</b>	<b>32,160</b>	<b>12,810</b>	<b>42,500</b>	<b>231.77%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Agenda Automation Software	\$15,440	\$9,650	\$3,860		
Computer Replacement		1,500	1,500		
<b>Total Capital Outlay</b>	<b>\$15,440</b>	<b>\$11,150</b>	<b>\$5,360</b>	<b>\$0</b>	

**Finance****Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Ninth year of producing the city employee newsletter "The Communiqué"
- \* Obtained 13th Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for Fiscal Year 2012
- \* Developed and organized the City's Water and Sewer Rate Committee
- \* The Finance Department obtained its 20th consecutive Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officers Association - (GFOA) for its Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2011 and is complying with all the new GASB requirements
- \* Reviewed and researched 4 software companies and made a decision on purchasing new city wide software

**FY 2013 Goals:**

- \* Prepare and submit the City's Comprehensive Annual Financial Report to the Government Finance Officers Associations' (GFOA) to compete for the Certificate of Achievement in Excellence in Financial Reporting for the 21st award
- \* Prepare and submit the City's Annual Budget for the Fiscal Year 2011 to the Government Finance Officers Association's (GFOA) for competition to obtain its 14th Distinguished Budget Presentation Award
- \* Research and obtain financing for Streets projects
- \* Continue developing new budget performance indicator plan based on actual performance percentages
- \* Implement the new City wide software to comply with government information and comprehensive reporting
- \* Implement the recommendations of the Employee Compensation Study

**Budget Highlights:**

The \$300,000 budgeted for the city wide software program rolls over from FY 2012 to FY 2013. Purchase and implementation is anticipated to begin early in the fiscal year. Contractual services is increased in FY 2013 due to the addition of the program maintenance costs of the new city wide software program. This is estimated to be around \$45,000 annually. The E-Civis program at \$18,000 will be eliminated in FY2013 which is offsetting the increase in the contractual services account.

General Government	Finance	Fund 01 - General Fund	Cost Center	12-00
<b>Performance Indicators</b>				
<b>Council Priority</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	To maintain external validation of Best Practices in governmental accounting and reporting			
<b>Objective:</b>	Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Produce Documents and Submit for Review			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Yes/No			
<b>Trend:</b>	Level			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
GFOA Certificate of Achievement	Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes
<b>Council Priority</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Increase the percent of ACH Payroll Deposits			
<b>Objective:</b>	Reduce the cost of processing Payroll			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Accounting Software Reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	ACH to total Checks and Direct Deposits - good 80%			
<b>Trend:</b>	Up			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Payroll Checks/Deposits Distributed	4,871	6,620	6,630	6,650
ACH Payroll Deposits	3,409	4,615	4,620	4,675
Increase in ACH Payroll Deposits	69.99%	69.71%	69.68%	70.30%
<b>Council Priority</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Decrease the number of voided Checks to less than 2%			
<b>Objective:</b>	Increase the integrity of the purchasing process, avoiding duplicate invoice/payments and reducing the cost of processing Accounts Payable			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Accounting Software Reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	< 2%			
<b>Trend:</b>	Up - FY 2010 the increase is mainly due to the frozen AP position			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Accounts Payable Checks Written	5,767	5,615	5,780	5,780
Accounts Payable Checks voided (incl. vendor lost and printer errors)	75	137	75	70
Increase(decrease) in Accounts Payable	1.30%	-2.64%	2.94%	0.00%
<b>Council Priority</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Increase tax payer awareness of tax responsibility			
<b>Objective:</b>	To collect all sales tax that is due to the City of Cottonwood			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Reports from Sales Tax Auditor			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Increase/Decrease from Prior Year			
<b>Trend:</b>	Steady			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Sales Tax Audits Completed	12	8	8	8
Sales Tax Assessments	72,362	100,000	35,000	35,000
Verification Letters Issued (New Measure FY 2012)	N/A	N/A	22	22
Verification Letters Completed (New Measure FY 2012)	N/A	N/A	31	31

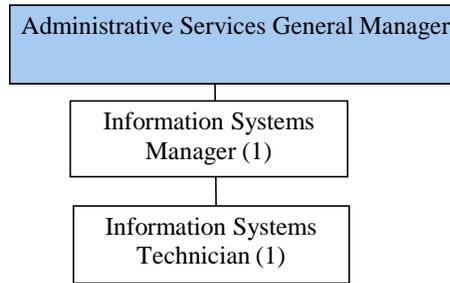
General Government	Finance	Fund 01 - General Fund			Cost Center	12-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$196,440	\$211,235	\$211,635	\$228,910	8.16%	
Operating Supplies	6,195	8,050	8,250	8,550	3.64%	
Contractual Services	87,638	81,650	86,475	106,720	23.41%	
Other Services and Charges	52,701	53,500	30,120	30,465	1.15%	
Capital Outlay	0	300,000	800	300,000	37400.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$342,974</b>	<b>\$654,435</b>	<b>\$337,280</b>	<b>\$674,645</b>	<b>100.03%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$674,645	100.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Accounting/Budget Manager	1.00	1.00	1.00	3487	5056	61,320
Human Resource Tech	0.20	0.20	0.20	447	648	6,340
Accounting Tech II	1.00	1.00	1.00	2933	4253	45,315
Budget Analyst	1.00	1.00	1.00	2933	4253	41,765
Merit Contingency						2,505
Temporary / Reserves						0
Longevity Pay						0
Retirement						17,520
Insurance & Taxes						54,145
Employee Related Expenses						0
<b>Totals</b>	<b>3.20</b>	<b>3.20</b>	<b>3.20</b>			<b>\$228,910</b>



**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Connected all locations to the microwave backbone and upgraded the connection to increase speed
- \* Acquired a CenturyLink 30 Mbps connection which has a lot less downtime
- \* Implemented Microsoft Exchange

**FY 2013 Goals:**

- \* Finish website migration to the Wordpress platform and hold training for all departments
- \* Assist in the successful migration to the municipal software package
- \* Setup new servers and backup service

**Budget Highlights:**

The 18% increase in personnel costs is due to the IT Technician position being funded for the full fiscal year. No capital outlay has been budgeted for FY 2013

General Government	IT Services	Fund 01 - General Fund	Cost Center	12-01
<b>Performance Indicators</b>				

<b>Value Statement:</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Continue to maintain a less than 2% down time			
<b>Objective:</b>	Reduce server down time by maintaining and upgrading servers as needed and responding quickly to service calls.			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Call Logs and system reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	98%			
<b>Trend:</b>	Level			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
File Server Uptime	99.93%	99.90%	99.00%	99.00%

<b>Value Statement:</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	To respond to service calls within two days			
<b>Objective:</b>	To provide responsive internal service to all departments thereby maximizing technology's effectiveness.			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Call Logs and system reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	2 days			
<b>Trend:</b>	Level			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Average Initial Helpdesk Response Time	1 day	1 day	1 day	1 day

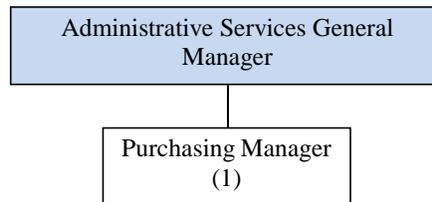
<b>Value Statement:</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	To post Agendas and Minutes to the website the same day they are made available to IT			
<b>Objective:</b>	To make the Agendas and Minutes available to the public as soon as possible			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Call Logs			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Same day			
<b>Trend:</b>	Level			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Time to Post Agendas and Minutes to Website	Same day	Same day	Same day	Same day

General Government	IT Services	Fund 01 - General Fund			Cost Center	12-01
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$67,717	\$66,955	\$115,215	\$136,230	18.24%	
Operating Supplies	1,116	3,000	2,290	2,250	-1.75%	
Contractual Services	25,328	19,500	37,000	26,000	-29.73%	
Other Services and Charges	2,089	3,850	4,050	5,250	29.63%	
Capital Outlay	13,577	32,305	88,500	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$109,827</u>	<u>\$125,610</u>	<u>\$247,055</u>	<u>\$169,730</u>	<u>-31.30%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$169,730	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
IT Manager	0.00	1.00	1.00	3849	5580	\$57,040
IT Technician	1.00	1.00	1.00	3238	4695	38,270
Merit Contingency						3,085
Temporary / Reserves						0
Overtime						0
Retirement						10,960
Insurance & Taxes						26,875
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$136,230</u>



**Purchasing****Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

The Purchasing Division, under direct supervision from the Administrative Services General Manager, is responsible for maximizing the effectiveness of the our citizen's tax dollar while providing timely and adequate support of 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 any state procurement statutes.

**FY 2012 Accomplishments:**

- \* Created a vendor handbook titled "How to do Business with the City of Cottonwood" and posted the handbook on the City's website
- \* Reviewed all purchasing documents for improvements
- \* Developed templates for bidding documents
- \* Developed templates for contract documents
- \* Concluded training by consultant on proper procurement procedures and methods
- \* Developed a vendor database consisting of currently used vendors from individual departments
- \* Published information in newspaper and on City's website for vendors regarding signing up on Public Purchase vendor listing

**FY 2013 Goals:**

- \* Consolidate all purchasing documents
- \* Establish standard operating procedures for purchasing activities
- \* Create a Purchasing Manual for City employees
- \* Develop periodic notes/useful facts containing information for departments to reinforce purchasing policies and procedures and encourage compliance
- \* Aid in the acquisition of and implementation of the new City-wide software system
- \* Continue to streamline the formal solicitation process to reduce individual departmental staff time and purchasing staff time due to the duplication of efforts in gathering information

**Budget Highlights:**

No capital outlay has been budgeted for FY 2013. Contracural services has decreased due to the one time service to create templates for bidding and contracts which was completed in FY 2012.

General Government	Purchasing	Fund 01 - General Fund	Cost Center	12-02	
<b>Performance Indicators</b>					
<b>Value Statement:</b>	Operating in an efficient and effective manner				
<b>Goal:</b>	To process requisitions into purchase orders within a 24 hour time period after requisitions have been approved				
<b>Objective:</b>	To make purchases for requested material goods, services and construction in a timely manner				
<b>Type of Measure:</b>	Outcome				
<b>Tool:</b>	Total or length of time				
<b>Frequency:</b>	Annually				
<b>Scoring:</b>	100% = Excellent; 90% = Good; 80% = Fair; below 80% = Poor				
<b>Trend:</b>	N/A - New Measure				
<b>Measures:</b>		2010	2011	2012	2013
Percentage of requisitions processed into purchase orders within a 24 hour time period after the requisition has been approved.		N/A	N/A	N/A	95%

<b>Value Statement:</b>	Operating in an efficient and effective manner				
<b>Goal:</b>	To process formal solicitation requests within two (2) weeks of receiving completed specifications				
<b>Objective:</b>	To issue solicitations for requested material goods, services and construction in a timely manner.				
<b>Type of Measure:</b>	Outcome				
<b>Tool:</b>	Total or length of time				
<b>Frequency:</b>	Annually				
<b>Scoring:</b>	100% = Excellent; 90% = Good; 80% = Fair; below 80% = Poor				
<b>Trend:</b>	N/A - New Measure				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2010	2011	2012	2013
Percentage of formal solicitation requests processed within two (2) weeks of receiving completed specifications.		N/A	N/A	N/A	95%

General Government	Purchasing	Fund 01 - General Fund			Cost Center	12-02
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$8,194	\$65,640	\$66,045	\$69,580	5.35%	
Operating Supplies	30	1,180	1,945	1,500	-22.88%	
Contractual Services	6,218	3,240	4,800	120	-97.50%	
Other Services and Charges	691	2,950	4,465	2,920	-34.60%	
Capital Outlay	1,523	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$16,656</u>	<u>\$73,010</u>	<u>\$77,255</u>	<u>\$74,120</u>	<u>-4.06%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$74,120	100.00%
	<b>Total Funding</b>	<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Purchasing Manager	1.00	1.00	1.00	3487	5056	\$52,005
Merit Contingency						345
Temporary / Reserves						0
Longevity Pay						0
Retirement						5,830
Insurance & Taxes						11,400
Employee Related Expenses						0
<b>Totals</b>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$69,580</u>

General Government	Purchasing	Fund 01 - General Fund		Cost Center	12-02
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	0	500	500	500	0.00%
Copier Supplies	30	380	695	700	0.72%
Postage & Freight	0	300	50	100	100.00%
Vehicle Maintenance & Repair	0	0	250	100	
Gas & Oil	0	0	0	0	0.00%
Equipment Maint/Repairs	0	0	450	100	-77.78%
<b>Total Supplies</b>	<b>30</b>	<b>1,180</b>	<b>1,945</b>	<b>1,500</b>	<b>-22.88%</b>

**Contractual Services**

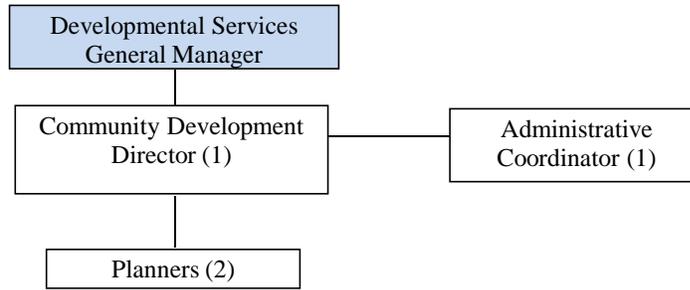
Computer Support	479	160	100	120	20.00%
Sales Tax Audits	0	80	0	0	0.00%
Contractual Services	5,739	3,000	4,700	0	-100.00%
<b>Total Contractual Services</b>	<b>6,218</b>	<b>3,240</b>	<b>4,800</b>	<b>120</b>	<b>-97.50%</b>

**Other Services and Charges**

Travel & Training	269	500	2,800	1,000	-64.29%
Subscriptions & Memberships	399	400	455	500	9.89%
Printing & Forms	0	150	75	150	100.00%
Utilities	23	900	500	520	4.00%
Telephone	0	500	490	500	4.00%
Bank Charges	0	0	0	0	2.04%
Legal Advertising	0	500	145	250	72.41%
<b>Total Other Services &amp; Charges</b>	<b>691</b>	<b>2,950</b>	<b>4,465</b>	<b>2,920</b>	<b>-34.60%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Desktop Computers	\$1,523				
	<b>\$1,523</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

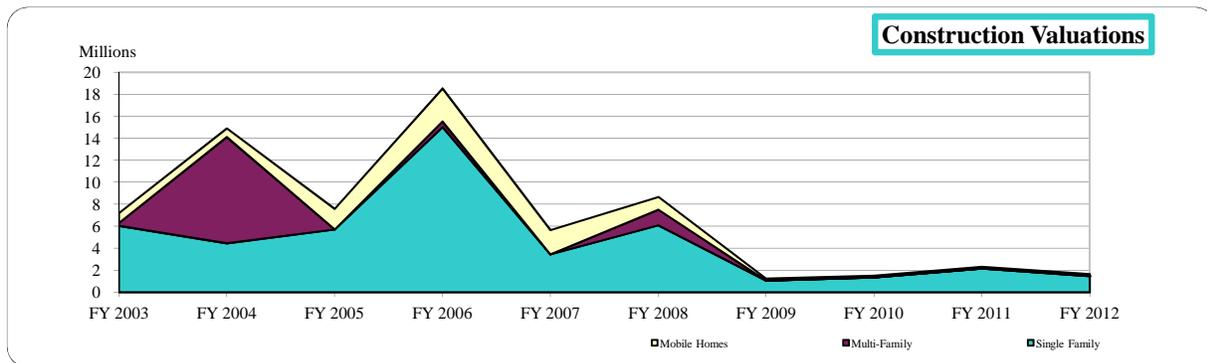
Organizational Chart:



**General Information:**

Note: Only unshaded boxes are included in this budget.

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



**FY 2012 Accomplishments:**

- \* Initiated annexation of Verde Santa Fe
- \* Continued planning process for State Trust lands on 89A
- \* Continued integration of multiple departments within the code enforcement and Hearing Officer processes
- \* Conclusion of CDBG process associated with 10th Street improvements
- \* Initiated development of design standards manual in support of Design Review process
- \* Assembled a Historic Preservation Commission and developed mission/scope
- \* Assembled a Bicycle Advisory Committee and began implementation process
- \* Assisted with acquisition of key easements for Blow Out Wash trail segment

**FY 2013 Goals:**

- \* Initiate public involvement process and special area planning associated with pending re-adoption of General plan
- \* Continued development of design manual in support of Design Review process; and in preparation for GP special area planning
- \* Complete State Board process associated with annexation of 89A/State Trust. Continued facilitation of Verde Santa Fe annexation
- \* Assist CEDC with development of shovel ready sites program and other Focus on Success objectives
- \* Completion of inventory associated with Old Town Historic District. Develop related zoning ordinance and design review process
- \* Continued implementation of bicycle plan objectives, including achievement of Bronze classification; promotional mapping and other public info; key system links, public facility bike racks, etc
- \* Assist with facilitation of slag pile processing
- \* Review of new codes pertaining to green development (including preservation of slopes/washes); and electronic signs
- \* Install Certificate of Compliance processes as follow up to hearing actions and make improvements to development applications
- \* Enhancements to department data system, GIS and front counter mapping. Upgrade department website and develop e-newsletter as monthly department summary regarding development activity

**Budget Highlights:**

For FY 2013 \$3,000 has been allocated for implementation of the General Plan and capital outlay includes \$1,000 for Bike Racks & Trail Signage. The increase in contractual services is due to the anticipated print jobs for the public involvement process associated with the pending re-adoption of the General Plan

General Government	Community Development	Fund 01 - General Fund	Cost Center	13-00
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Performance Indicators				
<b>Council Priority</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Upgrade Staff Technologies			
<b>Objective:</b>	Enhancements to web, GIS and tracking of permits & enforcement			
<b>Type of Measure</b>	Completion of this process			
<b>Tool:</b>	Acquisition and installation of software			
<b>Frequency:</b>	5 yrs			
<b>Scoring:</b>	100% by 2014			
<b>Trend:</b>	N/A New Measure			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Percent of Completion	N/A	N/A	0%	50%

<b>Council Priority</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	To preserve the integrity of the City's General Plan			
<b>Objective:</b>	Re-Adoption of the City's General Plan by 2015			
<b>Type of Measure</b>	Completion of this process			
<b>Tool:</b>	General Plan Re-Adoption Calendar			
<b>Frequency:</b>	10 Years			
<b>Scoring:</b>	100% by 2015			
<b>Trend:</b>	N/A New Measure			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Percent of Completion	N/A	N/A	30%	40%

<b>Council Priority</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Current emphasis: Environment, Historic preservation, Bicycle Plan			
<b>Objective:</b>	Codes re: Historic Dist Zoning, Green Development, & Bronze Bicycle Classification			
<b>Type of Measure</b>	Adoption of these codes			
<b>Tool:</b>	Process Calendars			
<b>Frequency:</b>	Continuous			
<b>Scoring:</b>	100% BY 2014			
<b>Trend:</b>	N/A New Measure			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Percent of Completion	N/A	N/A	N/A	100%

<b>Council Priority</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Annexation of 10 Square miles of State Trust Block on 89A			
<b>Objective:</b>	Completion of state board process			
<b>Type of Measure</b>	State Board approval of land use, planning and pre-annexation agreement			
<b>Tool:</b>	Process Calendars			
<b>Frequency:</b>	Once			
<b>Scoring:</b>	100% by 2014			
<b>Trend:</b>	N/A New Measure			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Percent of Completion	N/A	N/A	N/A	50%

General Government		Community Development		Fund 01 - General Fund		Cost Center	13-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
Personnel	\$291,195	\$294,710	\$287,550	\$299,740	4.24%		
Operating Supplies	7,013	7,000	7,900	7,600	-3.80%		
Contractual Services	314	370	630	650	3.17%		
Other Services and Charges	11,121	11,205	15,825	20,020	26.51%		
Capital Outlay	4,915	0	0	1,000	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$314,558</u>	<u>\$313,285</u>	<u>\$311,905</u>	<u>\$329,010</u>	<u>5.48%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$329,010	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Community Development Director	1.00	1.00	1.00	4689	6799	\$78,075
Planner	2.00	2.00	2.00	3319	4812	108,645
Administrative Coordinator	1.00	1.00	1.00	2235	3241	32,230
Merit Contingency						4,065
Temporary / Reserves						0
Overtime						0
Retirement						24,840
Insurance & Taxes						51,885
Employee Related Expenses						0
<b>Totals</b>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>			<u>\$299,740</u>

General Government	Community Development	Fund 01 - General Fund		Cost Center	13-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	1,207	1,500	1,900	1,500	-21.05%
Copier Supplies	2,942	3,000	3,000	3,000	0.00%
Postage & Freight	966	600	1,000	1,000	0.00%
Gas & Oil	579	800	600	800	33.33%
Vehicle Maint & Repairs	783	800	800	800	0.00%
Equipment Maint & Repairs	536	300	600	500	-16.67%

<b>Total Supplies</b>	7,013	7,000	7,900	7,600	-3.80%
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**Contractual Services**

Computer Support	314	370	630	650	3.17%
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<b>Total Contractual Services</b>	314	370	630	650	3.17%
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**Other Services and Charges**

Travel & Training	1,109	1,500	3,000	3,000	0.00%
Subscriptions & Memberships	864	600	1,500	1,500	0.00%
Printing & Forms	182	0	500	1,500	200.00%
Utilities	4,510	5,820	5,500	5,640	2.55%
Telephone	1,921	2,085	2,325	2,380	2.37%
Legal Advertising	2,535	1,200	3,000	3,000	0.00%
General Plan Expense	0	0	0	3,000	0.00%

<b>Total Other Services &amp; Charges</b>	11,121	11,205	15,825	20,020	26.51%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Desktop computer	\$4,915				
Bike Racks & Trail Signage				\$1,000	
	\$4,915	\$0	\$0	\$1,000	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Completed year 2 of 5 - year Economic Development Plan (Focus on Success)
- \* Submitted Revolving Loan Fund Grant Request
- \* Continued to identify niche businesses and industries that complement our community character
- \* Continued to provide resources to existing businesses to help them grow
- \* Continued to provide services to help existing businesses
- \* Provided marketing and public relations support for business community
- \* Provided leadership for the Cottonwood Economic Development Center (CEDC)
- \* Provided economic development value to Cottonwood by actively partnering with The Verde Valley Regional Economic Organization, the Arizona Wine Growers Association, Arizona Commerce Authority, United States Department of Ag, Northern AZ Council of Governments, Local First AZ, Arizona office of Tourism, Sustainable Economic Development Initiative, AZ Town Hall, United Way, Verde Valley Ag Coalition, Yavapai College, Old Town Association and other communities
- \* Fully utilized the leasable space at the BAC. Four start-up businesses are presently located and paying monthly rent at the BAC

**FY 2013 Goals:**

- \* Cottonwood Branding
- \* Initiate year-3 of the Cottonwood Economic Development Council 5-year plan
- \* Continue to work with the organizations listed in the 2012 Accomplishments listed above
- \* Continue to build the reputation and offerings at the BAC
- \* Continue to work towards completion of the strategic initiatives and the goals listed in the City Council strategic plan related to economic development

**Budget Highlights:**

For FY 2013 \$20,000 has been allocated for Focus on Success and capital outlay includes \$1,500 for a desktop computer. The 23.7% increase in personnel costs is due to the Administrative Assistant position being fully funded.

General Government	Economic Development	Fund 01 - General Fund	Cost Center	15-00
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**Performance Indicators**

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Increase the level of business retention and expansion of existing business			
<b>Objective:</b>	Help increase local business effectiveness leading to better retention rates and expansion			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Business retention and expansion surveys			
<b>Frequency:</b>	Yearly			
<b>Scoring:</b>	Increase/decrease yearly			
<b>Trend:</b>	N/A new measure FY 2013			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Number of businesses retained	N/A	N/A	N/A	5
Number of expansions	N/A	N/A	N/A	10

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Increase the level of new businesses interested in locating in Cottonwood			
<b>Objective:</b>	Increase lead activity			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	County reports, business registrations			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Increase/decrease from prior year			
<b>Trend:</b>	up			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Unemployment Rate (Yavapai County)	10%	10%	10%	9%
Number of new businesses	N/A	N/A	5	10

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Provide excellent customer service and more value added use of facility and 100% occupancy			
<b>Objective:</b>	Increase usage of facility			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Usage reports, training surveys			
<b>Frequency:</b>	Yearly			
<b>Scoring:</b>	Desired growth would be 50 new customers per year			
<b>Trend:</b>	level			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Number of business people using facility	100	150	200	250
Number of leases (maximum occupancy 4 businesses)	N/A	N/A	2	4
Number of satisfied trainees	N/A	N/A	N/A	250

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Increase exposure to outside value added resources, i.e. ACA, AAED, etc			
<b>Objective:</b>	Increase the level of support from outside sources to help grow our economy			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	Arizona Commerce Authority reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Steady increase desired			
<b>Trend:</b>	Increasing			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Number of Leads from Arizona Commerce Authority	10	10	15	20
Grant dollars received	\$50,000	\$0	\$200,000	\$250,000

General Government	Economic Development	Fund 01 - General Fund		Cost Center	15-00
<b>Summary By Category</b>					
Expenditure Category	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
Personnel	\$75,466	\$74,180	\$93,825	\$116,040	23.68%
Operating Supplies	1,155	1,310	3,080	3,050	-0.97%
Contractual Services	75	75	225	265	17.78%
Other Services and Charges	17,160	25,840	19,960	30,170	51.15%
Capital Outlay	2,709	1,500	1,500	1,500	0.00%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<b>\$96,565</b>	<b>\$102,905</b>	<b>\$118,590</b>	<b>\$151,025</b>	<b>27.35%</b>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$151,025	100.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Economic Development Directo	1.00	1.00	1.00	3487	5056	\$58,655
Administrative Assistant	0.00	1.00	1.00	2076	3010	24,960
Merit Contingency						1,075
Temporary / Reserves						0
Overtime						0
Retirement						9,430
Insurance & Taxes						21,920
Employee Related Expenses						0
<b>Totals</b>	<b><u>1.00</u></b>	<b><u>2.00</u></b>	<b><u>2.00</u></b>			<b><u>\$116,040</u></b>

General Government	Economic Development	Fund 01 - General Fund		Cost Center	15-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	7	200	300	300	0.00%
Copier Supplies	909	960	2,100	2,100	0.00%
Postage & Freight	1	0	20	0	-100.00%
Gas & Oil	153	150	150	150	0.00%
Vehicle Maint & Repairs	85	0	10	0	-100.00%
Equipment Maint & Repairs	0	0	500	500	0.00%

<b>Total Supplies</b>	1,155	1,310	3,080	3,050	-0.97%
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**Contractual Services**

Computer Support	75	75	225	265	17.78%
Contractual Services	0	0	0	0	0.00%

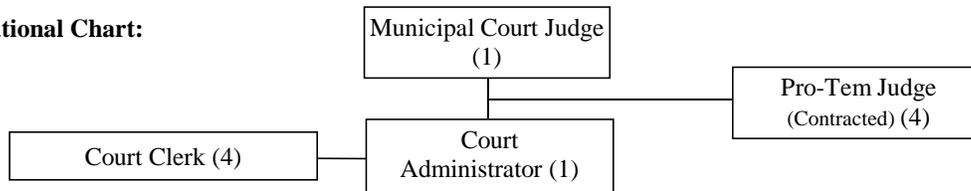
<b>Total Contractual Services</b>	75	75	225	265	17.78%
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**Other Services and Charges**

Travel & Training	300	1,500	1,500	1,500	0.00%
Subscriptions & Memberships	216	0	1,000	1,000	0.00%
Printing & Forms	0	0	500	500	0.00%
Utilities	4,063	4,755	6,000	6,180	3.00%
Telephone	1,234	1,585	960	990	3.13%
Focus on Success	11,347	18,000	10,000	20,000	100.00%

<b>Total Other Services &amp; Charges</b>	17,160	25,840	19,960	30,170	51.15%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Copier	\$2,709				
Computer		\$1,500	\$1,500	\$1,500	
	\$2,709	\$1,500	\$1,500	\$1,500	

**Municipal Court****Organizational Chart:****General Information:**

The Municipal Court ensures compliance with judicial orders on all Arizona Revised Statute and City Ordinance citations or complaints written within the city limits of Cottonwood. This includes maintaining effective control of criminal and civil traffic matters, issuance of domestic violence and harassment orders, misdemeanor violations as well as the issuance of search warrants. The court conducts pretrial conferences, trials and civil hearings. As a condition of the various orders issued by the Judge, the court maintains control of accounts receivable for defendants and supervises the work alternative programs. The court is also involved with the Victims Rights program funded through the Attorney General's office. The court is required to prepare monthly, quarterly and yearly statistical reports for the Supreme Court, the City Council and other agencies. The court ensures compliance with the minimum accounting standards and mandatory academic standards as established by the Arizona Supreme Court.

The mission of the Cottonwood Municipal Court is to foster a positive and productive environment which promotes the efficient and effective administration of justice; insure the independence of the judicial branch; provide timely service and enforcement of Court Orders to the public served by the Court; manage cases in compliance with all legal requirements; and insure the rights of defendants and victims are protected.

**FY 2012 Accomplishments:**

- \* Fulfilled COJET training requirements for existing court staff
- \* Associate Magistrate successfully completed New Judge Orientation
- \* Hosted continuing education sessions for court staff, as well as other court staff in the Verde Valley area, reducing travel and training expenses
- \* Completed storage area in multi-purpose room
- \* Installed new media technology in the courtroom and the multi-purpose room for video presentations and web training
- \* Expanded the Court's pay by website capabilities by implementing the Justice EZ Trac website for civil traffic and parking violations
- \* Assisted Cottonwood Police Department with the Electronic Citation Project implementation
- \* In accordance with the Arizona Supreme Court and Title VI of the Civil Rights Act of 1964, drafted and implemented a Title VI Language Access Plan effective January 1, 2012
- \* Implemented Phase I of the Administrative Office of the Court's (AOC) electronic document management scanning (EDMS) program. Installed a document scanner at the court window and a touch screen monitor on the Judge's bench in the courtroom

**FY 2013 Goals:**

- \* Develop a Municipal Court webpage within the city website with links to social media websites, third party vendors, and the Arizona Supreme Court
- \* Incorporate court administration succession planning by enrolling the Civil Traffic Hearing Officer in the Arizona Supreme Court Leadership Institute Arizona Court Supervisor certificate program
- \* Develop implementation plan with the Arizona Department of Public Safety to report criminal case dispositions electronically to the criminal history repository
- \* Implement Phase II of the AOC's EDMS program. Prepare current case files for scanning. Develop policy and procedure in cooperation with the AOC and train court personnel on scanning process

**Budget Highlights:**

For FY 2013 no capital outlay has been budgeted.

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	17-00
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Performance Indicators					
<b>Council Priority</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Goal:</b>	Ensure public receives adequate access to court services and is treated fairly				
<b>Objective:</b>	Measure public access and fairness by conducting an annual survey				
<b>Type of Measure:</b>	Outcome				
<b>Tool:</b>	Survey				
<b>Frequency:</b>	Annual				
<b>Scoring:</b>	Rating of 90-100%				
<b>Trend:</b>	N/A New Measure				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2010	2011	2012	2013
National Center for State Courts Court Tools Survey	n/a	n/a		91%	92%

<b>Council Priority</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Goal:</b>	Manage cases in compliance with all legal requirements				
<b>Objective:</b>	Measure case filings and terminations to clearance rates				
<b>Type of Measure:</b>	Number of outgoing cases as a percentage to number of incoming cases				
<b>Tool:</b>	Total Incoming Cases ÷ Total Outgoing Cases				
<b>Frequency:</b>	Annual by Calendar Year				
<b>Scoring:</b>	Clearance rate of 90 - 100%				
<b>Trend:</b>	N/A New Measure				
<b>Measures:</b>		Actual		Estimated	Anticipated
		2010	2011	2012	2013
National Center for State Courts Court Tools Measure 2	96	104		88*	97
*Jan & Feb Only					

General Government	Municipal Court	Fund 01 - General Fund			Cost Center	17-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$294,993	\$313,435	\$306,870	\$342,780	11.70%	
Operating Supplies	7,412	8,200	8,070	8,070	0.00%	
Contractual Services	49,543	70,750	48,750	48,800	0.10%	
Other Services and Charges	22,978	27,550	31,830	32,110	0.88%	
Capital Outlay	14,693	5,500	5,500	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$389,619</b>	<b>\$425,435</b>	<b>\$401,020</b>	<b>\$431,760</b>	<b>7.67%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$431,760	100.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Municipal Judge	1.00	1.00	1.00	Contract		\$91,930
Court Clerk	3.00	3.00	3.00	2076	3010	92,550
Court Administrator	1.00	1.00	1.00	3159	4580	45,860
Court Clerk - Position Frozen	1.00	1.00	1.00	2076	3010	0
Merit Contingency						5,240
Temporary / Reserves/Pro Temp						4,500
Overtime						0
Retirement						26,240
Insurance & Taxes						76,460
Employee Related Expenses						0
<b>Totals</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>			<b>\$342,780</b>

General Government	Municipal Court	Fund 01 - General Fund		Cost Center	17-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	4,125	4,500	4,500	4,500	0.00%
Copier Supplies	522	800	800	800	0.00%
Gas & Oil	0	0	50	50	0.00%
Vehicle Maint & Repairs	0	0	10	10	0.00%
Equipment Maint & Repairs	2,257	2,400	2,500	2,500	0.00%
Postage & Freight	508	500	210	210	0.00%

<b>Total Supplies</b>	7,412	8,200	8,070	8,070	0.00%
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**Contractual Services**

	0				
Computer Support	6,579	8,750	8,750	8,800	0.57%
Court Appointed Attorney	29,494	52,000	31,000	31,000	0.00%
Contractual Services	8,970	10,000	9,000	9,000	0.00%
Court Audit	4,500	0	0	0	0.00%

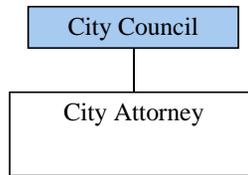
<b>Total Contractual Services</b>	49,543	70,750	48,750	48,800	0.10%
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**Other Services and Charges**

Travel & Training	1,242	3,500	3,500	3,500	0.00%
Subscriptions & Memberships	3,500	4,980	4,200	4,200	0.00%
Printing & Forms	258	500	1,500	1,500	0.00%
Utilities	9,412	12,125	11,250	11,530	2.49%
Telephone	5,827	5,945	5,880	5,880	0.00%
Jury Fee	0	500	500	500	0.00%
JCEF Fund Expenses	2,739	0	2,500	2,500	0.00%
FTG-Fill The Gap Expense	0	0	2,500	2,500	0.00%

<b>Total Other Services &amp; Charges</b>	22,978	27,550	31,830	32,110	0.88%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
E-Citation	\$6,500				
Office Furniture - Court Enhancement Fee	8,193				
Multi Purpose Storage Room		\$5,500	\$5,500		
	\$14,693	\$5,500	\$5,500	\$0	

**Legal**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Attended and served as legal advisor in approximately 60 public meetings of the City Council and various boards and commissions
- \* Drafted and/or reviewed approximately 40 Resolutions and 8 Ordinances, on matters including the keeping of chickens; land exchanges required in connection with the Mingus Avenue Improvement Project; regulating political and campaign signs in public rights-of-way; regulating parking and loading in Old Town; permitting and regulating horse-drawn carriages in Old Town; and a blanket prohibition on the possession, use, display and sale of a variety dangerous substances commonly referred to as "Bath Salts"
- \* Advised and assisted with numerous capital projects, procurements and contracts, including the following: Riverfront WWTP DB Preconstruction Services Agreement; Airport Solar PV Installation; Regional Communications Center Feasibility Study; Highway 260 Waterline; Old Courthouse Remodel; 2011 Pavement Preservation Program; Biosolids Removal and Disposal; WWTP Influent Screen, Washer and Compactor; Electrical Generator Maintenance and Repair; Historic Jail Remodel; Library HVAC Replacement; 10th Street Improvement Project (Engineering Services); City Vehicle Fleet Maintenance; Recreation Center Solar Thermal Project
- \* Assisted the Development Services Department in the acquisition of numerous parcels of real property and rights-of-way required in connection with the Mingus Avenue Improvement Project
- \* Assisted in the acquisition of two parcels of vacant real property in Old Town, and made substantial progress toward clearing title to Yavapai Street in anticipation of future capital improvements in that area
- \* Monitored and coordinated with insurance defense counsel in pending and recently concluded litigation - including the Mulcaire, ACRD/Kuhlt, and Carl cases, along with three pending lawsuits arising out of the 2010 Airfest -including reviewing/editing draft pleadings; coordinating and reviewing the City's responses to plaintiffs' discovery requests; attending depositions and other proceedings on the City's behalf; and keeping the City Council and City Management updated as appropriate
- \* Oversaw an efficient and effective misdemeanor prosecution/ordinance enforcement program that received no complaints from the court, the hearing officer, the police department, attorneys, defendants, respondents, or the public. Assisted the City Prosecutor in successfully defending a motion for the return of marijuana seized from a defendant. Researched and re-negotiated contract terms with court-appointed indigent defense counsel

**FY 2013 Goals:**

- \* \*Not available at printing\*

**Budget Highlights:**

For FY 2013 no capital outlay has been budgeted.

<b>Performance Indicators</b>				
<i>* New Performance Indicators are being developed for this department *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

General Government	Legal	Fund 01 - General Fund			Cost Center	18-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$174,317	\$175,160	\$169,080	\$187,260	10.75%	
Operating Supplies	469	320	350	125	-64.29%	
Contractual Services	119,541	134,000	104,000	129,000	24.04%	
Other Services and Charges	6,943	8,100	6,860	7,450	8.60%	
Capital Outlay	0	0	1,685	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$301,270</b>	<b>\$317,580</b>	<b>\$281,975</b>	<b>\$323,835</b>	<b>14.85%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$323,835	100.00%
<b>Total Funding</b>		<b>100.00%</b>

General Government	Legal	Fund 01 - General Fund			Cost Center	18-00
<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Attorney	1.00	1.00	1.00	9,133	13,243	\$141,750
Legal Services Coordinator	0.00	0.00	0.00	3,082	4,468	0
Vehicle Allowance						5,400
Merit Contingency						2,600
Temporary / Reserves						0
Overtime						0
Retirement						16,680
Insurance & Taxes						20,830
Employee Related Expenses						0
<b>Totals</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>\$187,260</b>

General Government	Legal	Fund 01 - General Fund			Cost Center	18-00
<b>Supplemental Data: Expenditures</b>						
Item	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		

**Supplies**

Office Supplies	27	125	275	50	-81.82%
Copier Supplies	420	155	50	50	0.00%
Postage & Freight	22	40	25	25	0.00%
<b>Total Supplies</b>	<b>469</b>	<b>320</b>	<b>350</b>	<b>125</b>	<b>-64.29%</b>

**Contractual Services**

Prosecuting Attorney	77,000	84,000	84,000	84,000	0.00%
Contract Services	42,541	50,000	20,000	45,000	125.00%
<b>Total Contractual Services</b>	<b>119,541</b>	<b>134,000</b>	<b>104,000</b>	<b>129,000</b>	<b>24.04%</b>

**Other Services and Charges**

Travel & Training	603	1,500	260	750	188.46%
Subscriptions & Memberships	3,184	3,500	3,500	3,500	0.00%
Utilities	1,046	1,200	1,200	1,250	4.17%
Telephone Expense	2,110	1,900	1,900	1,950	2.63%
Printing & Forms	0	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>6,943</b>	<b>8,100</b>	<b>6,860</b>	<b>7,450</b>	<b>8.60%</b>

<b>Supplemental Data: Capital Outlay</b>						
Item Description	2011	2012		2013		
	Actual	Budget	Revised	Tentative		
Laptop			\$1,685			
	\$0	\$0	\$1,685	\$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 2012 Accomplishments:**

- \* Continued prompt payment of all City capital leases
- \* Continued prompt payment of all City debt Service
- \* Settled all claims promptly through the Risk Management Manager

**FY 2013 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:**

N/A

General Government	Non-Departmental	Fund 01 - General Fund	Cost Center	23-00
<i>* New Performance Indicators are being developed for this department *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2010	2011	2012
				2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2010	2011	2012
				2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2010	2011	2012
				2013

General Government		Non-Departmental		Fund 01 - General Fund		Cost Center	23-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	1,812	1,500	1,500	1,500	0.00%		
Other Services and Charges	330,329	623,800	574,000	423,710	-26.18%		
Operating Transfers	627,422	594,535	752,880	981,375	30.35%		
Debt Service	311,185	370,450	352,865	332,790	-5.69%		
<b>Department Totals</b>	<u>\$1,270,748</u>	<u>\$1,590,285</u>	<u>\$1,681,245</u>	<u>\$1,739,375</u>	<u>3.46%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$1,739,375	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Not Applicable						
Temporary / Reserves						
Overtime						
Retirement						
Insurance & Taxes						
Employee Related Expenses						
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

General Government	Non-Departmental	Fund 01 - General Fund			Cost Center	23-00
<b>Supplemental Data: Expenditures</b>						
Item	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		

**Supplies**

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

**Contractual Services**

Auction Fees	1,812	1,500	1,500	1,500	0.00%
Trustee Fees	0	0	0	0	0.00%
<b>Total Contractual Services</b>	1,812	1,500	1,500	1,500	0.00%

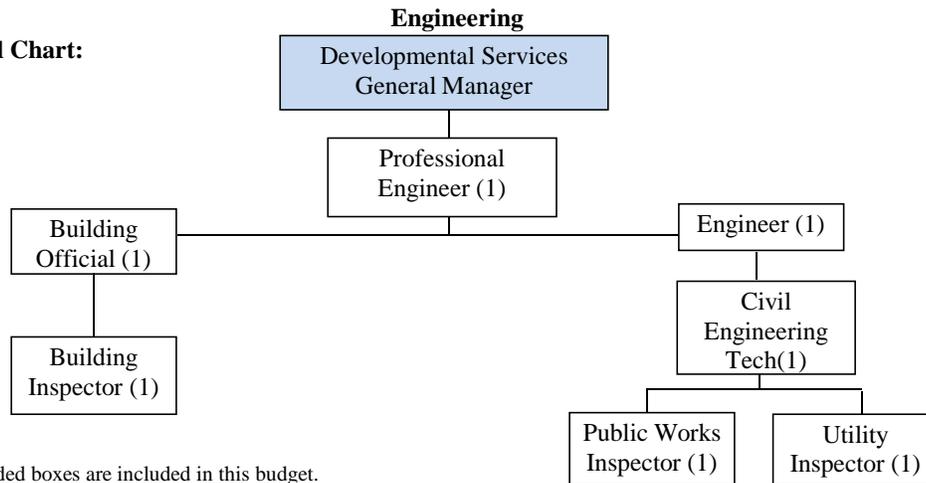
**Other Services and Charges**

Liability Insurance	227,408	200,000	270,000	270,000	0.00%
Liability-Claims Deductible	11,983	100,000	50,000	50,000	0.00%
Chamber of Commerce	90,938	104,000	104,000	103,710	-0.28%
NAIPTA CONT SVS	0	219,800	150,000	0	-100.00%
<b>Total Other Services &amp; Charges</b>	330,329	623,800	574,000	423,710	-26.18%

**Debt Service**

Lease Payment - Police Cars- 09/10	44,719	39,540	41,930	41,080	-2.03%
Lease Payment - Fire Truck - SunTrust	47,250	80,670	78,830	80,675	2.34%
Lease Payment - Mobile Data Terminals	157,216	156,990	155,290	81,100	-47.78%
Lease Payment - FY2012 City Wide	0	0	0	105,770	0.00%
Lease Payment - Police Cars- SunTrust	53,455	69,930	49,715	0	-100.00%
Interest -LP PD VEH 09-10	0	5,220	5,960	3,680	-38.26%
Interest -LP Fire Rescue	0	9,330	11,170	9,330	-16.47%
Interest -LP Mobile Data	8,545	8,770	8,770	1,785	-79.65%
Interest -LP - FY12 CITY WIDE	0	0	0	9,370	0.00%
Interest -LP police Fleet	0	0	1,200	0	-100.00%
<b>Total Debt Service</b>	311,185	370,450	352,865	332,790	-5.69%

<b>Supplemental Data: Operating Transfers</b>						
Item Description	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Operating Transfers - HURF-Streets			\$72,800	\$73,025	0.31%	
Operating Transfers - HURF-Transit				145,390	0.00%	
Operating Transfers - Library	\$585,202	\$556,230	607,375	644,100	6.05%	
Operating Transfers - Cemetery	18,184	18,690	21,480	24,130	12.34%	
Operating Transfers - Airport	24,036	19,615	51,225	94,730	84.93%	
Operating Transfers - Debt Services					0	
	\$627,422	\$594,535	\$752,880	\$981,375		

**Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Completed design and awarded the Mingus Avenue reconstruction project
- \* Completed specifications and awarded potable water reservoir construction project
- \* Solicitation and award of Riverfront Wastewater Reclamation Plant design/build contract
- \* Orion parking lot design plans
- \* Library parking lot reconstruction plans
- \* 10th Street CDBG design SOQ

**FY 2013 Goals:**

- \* Manage Mingus Avenue reconstruction project
- \* Manage potable water reservoir constructions
- \* Complete 12th Street reconstruction plans
- \* Complete 10th Street CDBG plans
- \* Manage construction of Orion parking lot

**Budget Highlights:**

Capital Outlay for FY 2013 includes \$3,000 for laptops and \$9,750 for an Auto CADD system

General Government	Engineering	Fund 01 - General Fund	Cost Center	19-00
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Performance Indicators				
<i>* Not available at printing</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual	Estimated	Estimated	Anticipated
	2010	2011	2012	2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual	Estimated	Estimated	Anticipated
	2010	2011	2012	2013

General Government	Engineering	Fund 01 - General Fund			Cost Center	19-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$436,225	\$493,385	\$422,375	\$437,945	3.69%	
Operating Supplies	13,098	13,150	16,105	18,550	15.18%	
Contractual Services	1,612	1,500	1,400	1,500	7.14%	
Other Services and Charges	9,354	15,560	13,720	16,735	21.98%	
Capital Outlay	74,322	0	215	12,750	5830.23%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$534,611</b>	<b>\$523,595</b>	<b>\$453,815</b>	<b>\$487,480</b>	<b>7.42%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$487,480	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Staff Engineer	1.00	0.00	0.00	3574	5182	\$0
Public Works & Utility Inspector	1.00	1.00	1.00	2468	3578	32,990
Building Official	1.00	1.00	1.00	2235	3241	73,485
Building Inspector	1.00	1.00	1.00	3319	4812	44,335
Professional Engineer	1.00	1.00	1.00	4043	5863	64,645
Utility Inspector	1.00	1.00	1.00	2468	3578	35,880
Civil Engineering Technician	1.00	1.00	1.00	3006	4359	44,370
Merit Contingency						5,880
Temporary / Reserves						0
Overtime						735
Retirement						33,650
Insurance & Taxes						100,475
Employee Related Expenses						1,500
<b>Totals</b>	<b>7.00</b>	<b>6.00</b>	<b>6.00</b>			<b>\$437,945</b>

General Government	Engineering	Fund 01 - General Fund		Cost Center	19-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	735	750	3,000	1,500	-50.00%
Copier Supplies	1,164	2,250	2,250	2,500	11.11%
Gas & Oil	3,165	2,750	4,705	5,500	16.90%
Vehicle Maint & Repairs	7,029	3,500	3,500	4,000	14.29%
Equipment Maint & Repairs	8	1,200	1,600	1,500	-6.25%
Operational Supplies	968	2,500	1,000	3,500	250.00%
Postage & Freight	29	200	50	50	0.00%

<b>Total Supplies</b>	13,098	13,150	16,105	18,550	15.18%
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**Contractual Services**

Computer Support	1,612	1,500	1,400	1,500	7.14%
Contractual Services	0	0	0	0	0.00%

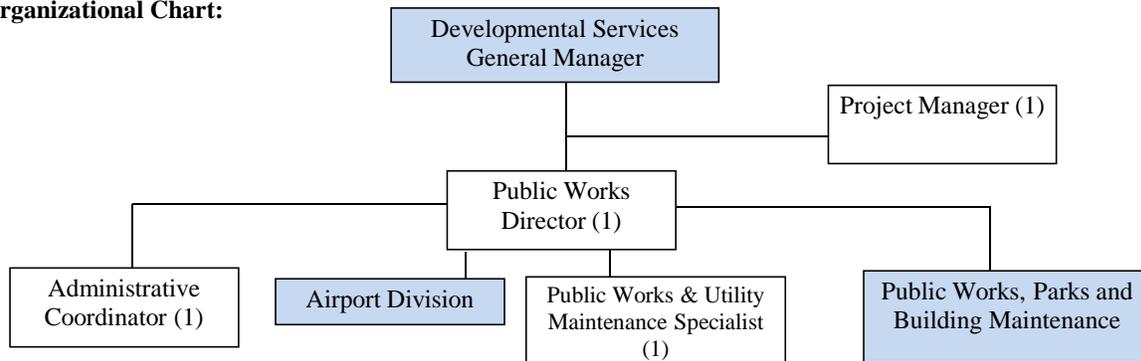
<b>Total Contractual Services</b>	1,612	1,500	1,400	1,500	7.14%
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**Other Services and Charges**

Travel & Training	102	4,500	3,000	5,000	66.67%
Subscriptions & Memberships	325	1,200	500	1,200	140.00%
Printing & Forms	126	0	135	200	48.15%
Utilities	4,498	5,330	5,535	5,675	2.53%
Telephone	4,183	4,530	4,550	4,660	2.42%
Legal Advertising	120	0	0	0	0.00%

<b>Total Other Services &amp; Charges</b>	9,354	15,560	13,720	16,735	21.98%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Laptops/Toughbooks				\$3,000	
Auto CADD				9,750	
Total Station - Survey Equipment	\$14,568				
Soils & Asphalt Testing Equipment	9,746				
Survey Equipment	50,008				
Public Parking Arrow Signs			\$215		
	\$74,322	\$0	\$215	\$12,750	

**Public Works****Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Completed demolition and rehab of old court building into City Clerk's Office
- \* Completed rehab of old town jail
- \* Selected design build contractor for recreation center solar thermal project
- \* Completed the airport solar voltaic project
- \* Maintained and serviced existing street, sidewalk, storm water and airport infrastructure and facilities
- \* Took over the operations of the Solid Waste Transfer Station
- \* Completed renovation of airport beacon and windsock

**FY 2013 Goals:**

- \* Continue operation of solid waste transfer station
- \* Implementation of new regional solid waste transfer station
- \* Construct new City entrance signs in three locations
- \* Complete installations of City limit signs
- \* Implement contract to maintain and service the City's one traffic signal
- \* Implement contract for weekly street sweeping of 60 miles of City streets
- \* Procure new street striping contractor for bi-annual City wide street striping
- \* Conduct large item pick up for City residents
- \* Oversee runway overlay project
- \* Design and Installation of airport Automated Weather Observation System (AWOS)
- \* Procure an on call airport design consultant to assist with budgeted projects

**Budget Highlights:**

For FY 2013 the significant increases to contractual services is due to the addition of the Transfer Station. No capital outlay has been budgeted.

General Government	Public Works	Fund 01 - General Fund	Cost Center	22-00
<b>Performance Indicators</b>				
<b>Value Statement:</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Keep the Transfer Station open to the public as much as possible			
<b>Objective:</b>	Increase hours of operations at the transfer station while maintaining a positive cash flow			
<b>Type of Measure:</b>	Efficiency			
<b>Tool:</b>	Cash Reconciliation Sheets			
<b>Frequency:</b>	Weekly			
<b>Scoring:</b>	Average monthly cost recovery (Revenue ÷ Cost) is positive			
<b>Trend:</b>	N/A New Measure FY 2012			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Hours of Operation (weekly)	29	28	48	48
Revenue (monthly)	unknown	unknown	\$9,500	\$10,000
Operational Cost (monthly)	unknown	unknown	\$8,750	\$8,750
Cost recovery (monthly)	unknown	unknown	109%	114%

<b>Value Statement:</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Analyze the current work stream to verify work is being completed in a timely manner			
<b>Objective:</b>	Begin tracking work orders and show that 75% of work orders are begun within 48 hours			
<b>Type of Measure:</b>	Efficiency			
<b>Tool:</b>	Work Orders			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	Percent completed within 48 hours are >75% = Excellent: 70%-75% = Acceptable: <70% needs review			
<b>Trend:</b>	N/A New Measure FY 2013			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Total number of work order	Unknown	Unknown	Unknown	Unknown
% Work orders begun within 48 hours	n/a	n/a	70%	75%

General Government	Public Works	Fund 01 - General Fund			Cost Center	22-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$250,668	\$295,870	\$332,935	\$326,790	-1.85%	
Operating Supplies	4,110	8,650	6,565	8,400	27.95%	
Contractual Services	1,983	1,575	16,930	64,335	280.01%	
Other Services and Charges	5,813	5,735	5,720	7,285	27.36%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$262,574</u>	<u>\$311,830</u>	<u>\$362,150</u>	<u>\$406,810</u>	<u>12.33%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$296,810	72.96%
Transfer Station Fees	110,000	27.04%
	<b>Total Funding</b>	<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Public Works Director	1.00	0.00	0.00	4689	6799	\$0
Developmental Svcs Ops Mgr	0.00	1.00	1.00	4248	6160	61,900
Administrative Coordinator	1.00	1.00	1.00	2235	3241	31,970
Program Manager	1.00	1.00	1.00	3319	4812	53,320
Public Works & Utility Mtce. Sp.	0.00	1.00	1.00	2468	3578	40,420
Merit Contingency						4,740
Temporary / Reserves						33,670
Overtime						2,500
Retirement						25,460
Insurance & Taxes						72,810
Employee Related Expenses						0
<b>Totals</b>	<u>3.00</u>	<u>4.00</u>	<u>4.00</u>			<u>\$326,790</u>

General Government	Public Works	Fund 01 - General Fund		Cost Center	22-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	732	2,600	2,000	2,600	30.00%
Copier Supplies	2,350	2,550	2,000	2,550	27.50%
Gas & Oil	183	650	900	900	0.00%
Vehicle Maint & Repairs	138	2,000	1,000	1,000	0.00%
Equipment Maint & Repairs	178	150	100	150	50.00%
Operational Supplies	347	450	250	950	280.00%
Postage & Freight	182	250	315	250	-20.63%

<b>Total Supplies</b>	4,110	8,650	6,565	8,400	27.95%
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**Contractual Services**

Computer Support	1,545	1,575	1,200	1,185	-1.25%
Contractual Services	438	0	15,730	63,150	301.46%

<b>Total Contractual Services</b>	1,983	1,575	16,930	64,335	280.01%
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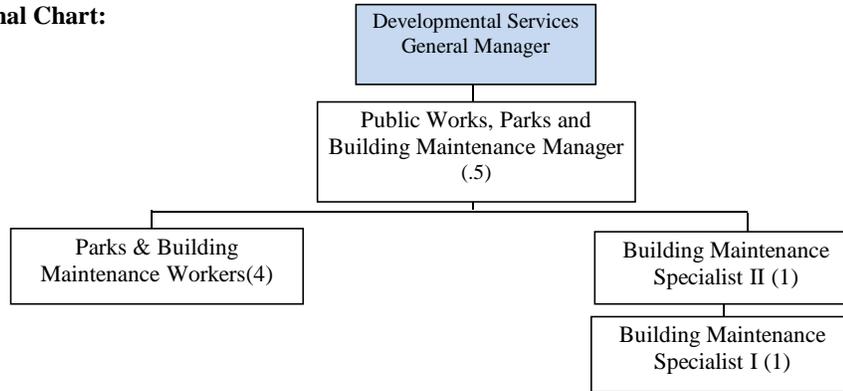
**Other Services and Charges**

Travel & Training	1,313	1,000	200	1,000	400.00%
Subscriptions & Memberships	96	325	300	300	0.00%
Utilities	2,285	2,100	2,220	2,910	31.08%
Telephone	2,119	2,310	3,000	3,075	2.50%

<b>Total Other Services &amp; Charges</b>	5,813	5,735	5,720	7,285	27.36%
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<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
N/A					
\$0                  \$0                  \$0                  \$0					

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Provided a safe work environment for all employees through safety training, awareness and education programming
- \* Continued to improve the administration portion of the overall grounds/buildings maintenance program through prioritization of incoming work and project load
- \* No work related injuries were reported
- \* Expanded the new Disc Golf Course to include an additional 9 holes
- \* Created a new City Orchard
- \* Worked with the Utilities Department pertaining to site planning and future anticipated site location of the new regional sewer plant operation at Riverfront Park

**FY 2013 Goals:**

- \* Have no work related injuries resulting in lost time for the department and city. Provide a safe work environment for all employees through safety training, awareness and education programming
- \* Continue to improve the administration portion of the overall grounds/buildings maintenance program through prioritization of incoming work and project load
- \* Continue improving inspection programs involving identification of building/facility hazards, needs and inspection programs

**Budget Highlights:**

For FY 2013 a new program has been added for the HVAC Service Contract. This new service will help extend the useful life of the City's HVAC systems. Capital outlay for FY 2013 includes \$33,500 for three mowers.

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund	Cost Center	21-00								
<i>* Performance Indicators will be developed for this department in FY 2013</i>												
<b>Goal:</b>												
<b>Objective:</b>												
<b>Type of Mea</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
<table border="1"> <tr> <td colspan="2">Actual</td> <td>Estimated</td> <td>Anticipated</td> </tr> <tr> <td>2010</td> <td>2011</td> <td>2012</td> <td>2013</td> </tr> </table>					Actual		Estimated	Anticipated	2010	2011	2012	2013
Actual		Estimated	Anticipated									
2010	2011	2012	2013									
<b>Measures:</b>												

<b>Mission/Value Statement:</b>												
<b>Goal:</b>												
<b>Objective:</b>												
<b>Type of Measure:</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
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Actual		Estimated	Anticipated									
2010	2011	2012	2013									
<b>Measures:</b>												

<b>Mission/Value Statement:</b>												
<b>Goal:</b>												
<b>Objective:</b>												
<b>Type of Measure:</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
<table border="1"> <tr> <td colspan="2">Actual</td> <td>Estimated</td> <td>Anticipated</td> </tr> <tr> <td>2010</td> <td>2011</td> <td>2012</td> <td>2013</td> </tr> </table>					Actual		Estimated	Anticipated	2010	2011	2012	2013
Actual		Estimated	Anticipated									
2010	2011	2012	2013									
<b>Measures:</b>												

Culture & Recreation		Parks & Building Maintenance		Fund 01 - General Fund		Cost Center	21-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
Personnel	\$336,698	\$260,420	\$258,760	\$284,415	9.91%		
Operating Supplies	50,431	58,400	61,900	65,655	6.07%		
Contractual Services	34,040	44,600	39,130	78,430	100.43%		
Other Services and Charges	96,753	53,425	71,770	80,420	12.05%		
Capital Outlay	6,511	10,800	8,500	73,500	764.71%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$524,433</u>	<u>\$427,645</u>	<u>\$440,060</u>	<u>\$582,420</u>	<u>32.35%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$582,420	100.00%
Total Funding		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
P.W., Parks, & Bldg. Mtce. Manager	1.00	0.50	0.50	1659	2406	\$27,540
Parks & Building Maintenance Workers	5.00	4.00	4.00	1976	2865	109,375
Building Maint. Specialist II - Frozen	1.00	1.00	1.00	2407	3491	0
Building Maint. Specialist I	1.00	1.00	1.00	1976	2865	28,960
Merit Contingency						5,180
Holiday Pay						75
Clothing Allowance						2,500
Park Host (in salaries)						4,800
Overtime						7,000
Retirement						19,840
Insurance & Taxes						77,645
Employee Related Expenses						1,500
Totals	<u>8.00</u>	<u>6.50</u>	<u>6.50</u>			<u>\$284,415</u>

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund		Cost Center	21-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	191	200	2,400	300	-87.50%
Gas & Oil	15,235	15,000	17,000	18,655	9.74%
Vehicle Maint & Repairs	4,788	3,200	4,000	3,200	-20.00%
Equipment Maint & Repairs	5,386	10,000	8,500	8,500	0.00%
Grounds/Parks Maintenance Supplies	24,831	30,000	30,000	35,000	16.67%
<b>Total Supplies</b>	<b>50,431</b>	<b>58,400</b>	<b>61,900</b>	<b>65,655</b>	<b>6.07%</b>

**Contractual Services**

Computer Support	79	100	130	130	0.00%
Contractual Services	33,373	32,000	30,000	65,800	119.33%
Ground Maintenance Contract	588	12,500	9,000	12,500	38.89%
<b>Total Contractual Services</b>	<b>34,040</b>	<b>44,600</b>	<b>39,130</b>	<b>78,430</b>	<b>100.43%</b>

**Other Services and Charges**

Travel & Training	100	1,000	500	1,000	100.00%
Utilities	3,951	5,000	7,770	8,005	3.02%
Telephone	487	525	500	515	3.00%
Tools	782	2,000	2,000	2,000	0.00%
Equipment Rental	773	3,000	2,000	3,000	50.00%
Maintenance & Repairs (city buildings)	90,607	40,700	57,800	64,700	11.94%
Vandalism Repairs	53	1,200	1,200	1,200	0.00%
<b>Total Other Services &amp; Charges</b>	<b>96,753</b>	<b>53,425</b>	<b>71,770</b>	<b>80,420</b>	<b>12.05%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
17 % share with HURF for Forklift	\$6,511				
Sod Cutter		\$4,500	\$3,500		
Batting Cage Netting		6,300	5,000		
Mowers (3)				\$33,500	
Playground Apparatus (for parks x3)				40,000	
	<b>\$6,511</b>	<b>\$10,800</b>	<b>\$8,500</b>	<b>\$73,500</b>	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Contracting of services has continued to provide a healthful work atmosphere to staff employees and the visiting public
- \* Outsource of these services has continued to save the City approximately \$50,000 to \$75,000 annually for city-wide, full service cleaning operations in the past
- \* The cost of outsourcing verses in-house service was reviewed in 2011 and these savings calculations are still accurate for this budget cycle

**FY 2013 Goals:**

- \* Continue to provide and offer quality full service operations (seeking out ways to increase efficiency in operations with less funding available to support services)
- \* Work with Contractor as to meeting present service requests and needs as established by departmental priority and need
- \* Provide cross over communications from contractor personnel to city staff through communication logs, inspection reports and email system reports/evaluations.
- \* Provide proper accountability, communications and quality control through monthly contract evaluation forms from each department/facility. Keep response times from contractor to within one (1) hour of department complaint or concern

**Budget Highlights:**

During FY 2011 many cleaning services were cut back in an effort to save money during the declining economy. Several of those services returned in FY 2012 due to some locations starting to look rundown.

Culture & Recreation	Custodial Services	Fund 01 - General Fund	Cost Center	21-01
<b>Performance Indicators</b>				
<b>Value Statement:</b>	Providing excellence and quality in delivering a healthful and sanitary work environment to staff employees and the visiting public at all city buildings and facilities.			
<b>Goal:</b>	Continue to provide quality full service custodial operations with a constant reliance upon efficiency and safety.			
<b>Objective:</b>	Increase quality control and effective operational support to staff thereby mitigating poor services city wide.			
<b>Type of Measure:</b>	Monthly quality control and operations review through facility staff critique of services			
<b>Tool:</b>	Monthly Evaluation totals on Service Review forms			
<b>Frequency:</b>	Monthly			
<b>Scoring:</b>	Increase in monthly average totals			
<b>Trend:</b>	upward			
<b>Measures:</b>		Actual	Estimated	Anticipated
	2010	2011	2012	2013
Increase in overall monthly averages as totaled on an annual basis	21%	-17%	24%	20%

Culture & Recreation		Custodial Services		Fund 01 - General Fund		Cost Center	21-01
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	200	200	0.00%		
Contractual Services	112,252	132,000	133,500	140,000	4.87%		
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%		
<b>Department Totals</b>	<u>\$112,252</u>	<u>\$132,000</u>	<u>\$133,700</u>	<u>\$140,200</u>	<u>4.86%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$140,200	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	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
<b>Totals</b>	<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	21-01
<b>Supplemental Data: Expenditures</b>						
Item	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		

**Supplies**

Janitorial Supplies	0	0	200	200	0.00%
<b>Total Supplies</b>	<u>0</u>	<u>0</u>	<u>200</u>	<u>200</u>	<u>0.00%</u>

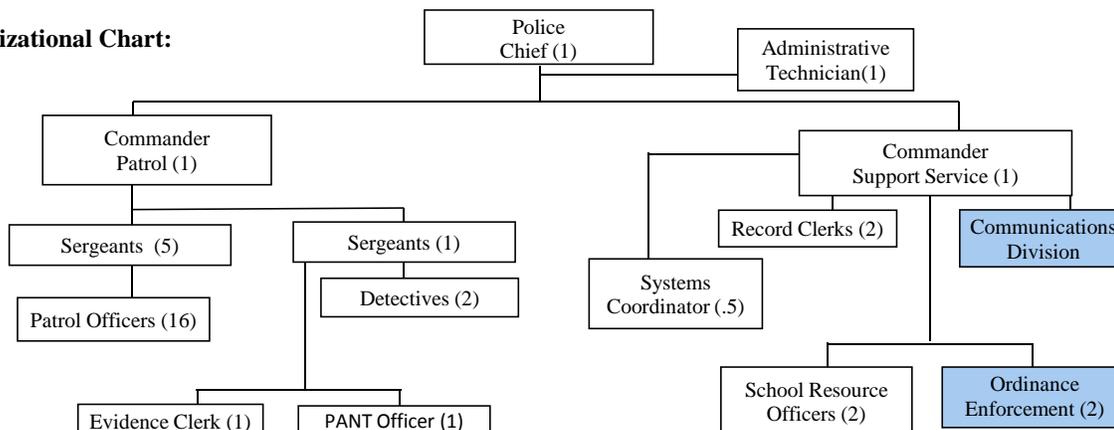
**Contractual Services**

Custodial Contract	112,252	132,000	133,500	133,500	0.00%
Contractual Services	0	0	0	6,500	0.00%
<b>Total Contractual Services</b>	<u>112,252</u>	<u>132,000</u>	<u>133,500</u>	<u>140,000</u>	<u>4.87%</u>

**Other Services and Charges**

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

<b>Supplemental Data: Capital Outlay</b>						
Item Description	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
N/A						
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	

**Police****Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Completed the implementation of Automatic Vehicle Locator (AVL) in MDC's
- \* Completed the implementation of the police computer domain
- \* Implemented electronic ticketing devices
- \* Implemented policy compliance software for standardization and CALEA accreditation
- \* Received Prop 202 funding for salary reimbursement for School Safety Officer \$21,106
- \* Held National Night Out event (over 800 attendees)
- \* Reinstated bicycle patrol program
- \* Planned and implemented active shooter training at CMS
- \* Provided Gang instruction for agencies in and outside of Yavapai County (85 participants)
- \* Provided Computer Crime instruction to computer enthusiasts to reduce the amount of fraud and identity theft complaints (45 participants).

**FY 2013 Goals:**

- \* Repeal existing general orders and implement new format
- \* Seek approval for enrollment into CALEA Accreditation program
- \* Obtain funding for School Safety Officer (SSO) position
- \* Complete entire directory of General Orders to prepare for CALEA Accreditation program

**Budget Highlights:**

Capital outlay for FY 2013 includes a Spillman server for \$58,690, Mobile Data Computing laptops for \$120,000, two Tahoes at \$55,000 each and a motorcycle at \$39,325. Additional capital outlay can be viewed on the next page.

Public Safety	Police	Fund 01 - General Fund	Cost Center	14-00	
<b>Performance Indicators</b>					
<b>Value Statement:</b> Be Responsive and Accountable					
<b>Goal:</b> Ensure the safety of the citizens through public safety efforts and programs					
<b>Objective:</b> Improve solved crime rate and improve public image of law enforcement to foster future partnership while staying in touch and work with our ever changing socio-economic climate					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> System reports					
<b>Frequency:</b> Annual					
<b>Scoring:</b> Increase from prior year incidents					
<b>Trend:</b> Steady					
<b>Measures:</b>		Actual		Estimated	Anticipated
		2010	2011	2012	2013
Programs to Civic Groups and School Presentations	Input	75	180	200	not available
Number of People Contacted	Input	2,684	2,864	5,000	at printing
Total Calls for Service	Work load	16,737	14,560	15,000	
Crimes Reported	Work load	1640	1492	1600	
Crimes Solved	Input	662	596	650	
Solved Crime Rate	Outcome	40%	40%	41%	

<b>Value Statement:</b> Be Responsive and Accountable					
<b>Goal:</b> Ensure the safety of the citizens through public safety efforts and programs					
<b>Objective:</b> Reduce the number of traffic crashes and Alcohol related crashes in the city					
<b>Type of Measure:</b> Outcome					
<b>Tool:</b> System reports and <a href="http://www.azdot.gov/mvd/statistics/crash/">http://www.azdot.gov/mvd/statistics/crash/</a>					
<b>Frequency:</b> Annual					
<b>Scoring:</b> Reduce from prior year incidents					
<b>Trend:</b> Down					
<b>Measures:</b>		Actual		Estimated	Anticipated
		2010	2011	2012	2013
Traffic: Citations	Work load	2,116	2,084	2,084	not available
Traffic: Written Warnings	Work load	824	644	644	at printing
Total traffic crashes reported in city	Outcome	308	276	250	
Alcohol related traffic crashes	Outcome	24	19	10	

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Computers, Spillman, other technology	\$7,596	\$2,000	\$2,000	\$83,390	
K-9 Equipment				3,550	
Vehicles	45,422	88,030	88,030	149,325	
Bicycle Patrol Program (possible grant funding)				3,000	
Building Security Hardware		1,800	1,800	13,900	
Firearms Training Equip		10,000	10,000		
Tasers and Peripherals		9,100	9,100		
Police Mobile Data Terminals		9,000	9,000	120,000	
Spillman E-Citation Interface		16,530	16,530		
Audio/Visual Equipment		11,505	11,505		
Carpet - Admin Offices & Records Room		13,000	14,515		
Tahoe Storage Boxes				12,975	
File Storage Movable Units				7,000	
Animal Control Restraint				3,390	
Rifles				2,600	
Phones		500	500		
	\$53,018	\$161,465	\$162,980	\$399,130	

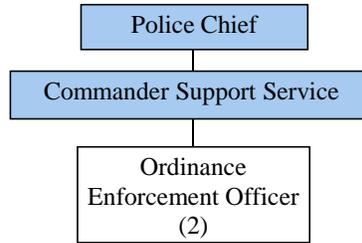
Public Safety	Police	Fund 01 - General Fund			Cost Center	14-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$2,950,911	\$3,095,250	\$3,072,330	\$3,112,730	1.31%	
Operating Supplies	204,614	205,505	265,940	281,500	5.85%	
Contractual Services	53,205	33,210	38,380	38,560	0.47%	
Other Services and Charges	324,420	220,555	188,580	242,770	28.74%	
Capital Outlay	53,018	161,465	162,980	399,130	144.90%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$3,586,168</b>	<b>\$3,715,985</b>	<b>\$3,728,210</b>	<b>\$4,074,690</b>	<b>9.29%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$3,559,460	87.36%
Inter-local Govt'l Contracts	45,000	1.10%
Lease Purchase	352,715	8.66%
Grants	117,515	2.88%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Police Chief	1.00	1.00	1.00	4689	6799	\$87,125
Commander	2.00	2.00	2.00	4248	6160	149,925
Sergeant	6.00	6.00	7.00	3663	5311	401,580
PANT Officer	1.00	1.00	1.00	3082	4468	48,600
Police Officer	19.00	21.00	19.00	3082	4468	844,370
School Resource Officer (SRO)	2.00	1.00	1.00	3082	4468	46,330
Property & Evidence Technician	1.00	1.00	1.00	2349	3406	40,310
Police Administrative Technician	1.00	1.00	1.00	2291	3322	34,415
Records Clerk	2.00	2.00	2.00	2076	3010	66,850
System Coordinator	0.50	0.50	0.50	1296	1880	24,070
Terrorism Liaison Officer	0.50	0.50	0.50	1832	2656	20,990
Clothing Allowance						35,000
Holiday Pay						45,000
Merit Contingency						37,665
Car Allowance						9,000
Certification Pay						17,110
Overtime						130,000
Retirement						436,600
Insurance & Taxes						637,790
Employee Related Expenses						0
<b>Totals</b>	<b>36.00</b>	<b>37.00</b>	<b>36.00</b>			<b>\$3,112,730</b>

Public Safety	Police	Fund 01 - General Fund		Cost Center	14-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Supplies</b>					
Office Supplies	13,279	16,000	16,000	17,000	6.25%
Copier Supplies	1,677	1,500	1,500	1,500	0.00%
Invest / Detective Expenses	2,018	1,500	2,000	2,000	0.00%
Training Supplies	10,020	15,000	15,000	15,000	0.00%
Gas & Oil	85,913	75,000	107,390	118,000	9.88%
Vehicle Maint & Repairs	61,764	75,000	100,000	100,000	0.00%
Film & Developing	4	0	50	0	-100.00%
DUI Expenses	372	500	1,000	1,000	0.00%
Equipment Maint & Repairs	8,845	8,505	8,500	12,000	41.18%
Operational Supplies	2,282	2,000	2,000	2,000	0.00%
Postage & Freight	1,577	1,500	1,500	1,500	0.00%
Building Supplies	1,876	2,500	2,500	2,500	0.00%
Canine Vet & Feed	6,987	1,500	3,500	4,000	14.29%
Protective Clothing	8,000	5,000	5,000	5,000	0.00%
<b>Total Supplies</b>	<b>204,614</b>	<b>205,505</b>	<b>265,940</b>	<b>281,500</b>	<b>5.85%</b>
<b>Contractual Services</b>					
Computer Support	49,378	30,000	35,000	35,000	0.00%
Contractual Services	2,017	1,560	1,560	1,560	0.00%
Medical Testing	348	1,000	320	500	56.25%
Towing Expense	1,462	400	1,500	1,500	0.00%
Medical Investigation Expenses	0	250	0	0	0.00%
<b>Total Contractual Services</b>	<b>53,205</b>	<b>33,210</b>	<b>38,380</b>	<b>38,560</b>	<b>0.47%</b>
<b>Other Services and Charges</b>					
Travel & Training	20,459	20,000	20,000	20,000	0.00%
Subscriptions & Memberships	1,185	2,000	2,000	2,000	0.00%
Printing & Forms	1,785	1,500	1,500	1,500	0.00%
Utilities	34,727	39,470	35,000	36,000	2.86%
Telephone	21,675	26,145	24,500	25,120	2.53%
Legal Advertising	138	0	0	0	0.00%
Explorer Program	107	1,200	500	1,200	140.00%
Safety Expense	678	600	600	600	0.00%
Community Policing	5,583	5,500	5,500	5,500	0.00%
Reserve Program	757	1,200	1,500	1,500	0.00%
SWAT Equipment	19,828	20,000	20,000	20,000	0.00%
LLBG 0-144 Grant match	3	0	0	0	0.00%
Homeland Security Grant	51,881	8,000	8,260	35,000	323.73%
Highway Safety Grant	10,982	46,940	15,230	31,000	103.55%
100 CLUB AZ Safety	13,853	0	0	0	0.00%
County RICO Grant	140,779	43,000	51,990	45,000	-13.44%
Misc. Grants	0	5,000	2,000	18,350	817.50%
<b>Total Other Services &amp; Charges</b>	<b>324,420</b>	<b>220,555</b>	<b>188,580</b>	<b>242,770</b>	<b>28.74%</b>

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

The Police Department also provides for the enforcement of state and local animal ordinances through the position of an ordinance enforcement officer. As well as the enforcement of building and fire codes through the ordinance enforcement officers.

**FY 2012 Accomplishments:**

- \* Reduced the number of stray animals (anecdotal & observational evidence)
- \* Reduced the number of feral cats through trapping efforts (anecdotal & observational evidence)
- \* Identified a significant number of ordinance enforcement issues for referral
- \* Conducted proactive education and awareness of illegal dumping

**FY 2013 Goals:**

- \* Complete City Ordinance revision of animal and ordinance enforcement codes
- \* Further reduce the number of strays
- \* Establish database for monitoring zoning ordinance violations
- \* Develop public information/press releases with animal control suggestions
- \* Restart the chemical immobilization program
- \* Develop a public relations folder with animal control information
- \* Participate in National Night Out and other public events with informational brochures
- \* Implement Graffiti abatement notice and streamline abatement process
- \* Obtain training from National Animal Control Association Training Academy (Level 1)
- \* Revise Animal Control General Order and draft Ordinance Enforcement General Order

**Budget Highlights:**

No capital outlay has been budgeted for FY 2013.

Public Safety	Ordinance Enforcement	Fund 01 - General Fund	Cost Center	14-01
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<b>Performance Indicators</b>				
<b>Value Statement:</b>	Strive to Provide Effective and Efficient Services			
<b>Goal:</b>	Reduce animal disease and cruelty issues.			
<b>Objective:</b>	Reduction through education and enforcement			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	System reports			
<b>Frequency:</b>	Annual			
<b>Scoring:</b>	Reduce from prior year incidents			
<b>Trend:</b>	Down			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Programs to Civic Groups and School Presentations	N/A	50	200	not
Cruelty cases	10	20	18	available at
At-large	278	325	293	
Animal Bite	44	48	43	

<b>*Additional Indicators are still being developed for this department</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

Public Safety	Ordinance Enforcement	Fund 01 - General Fund			Cost Center	14-01
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$105,239	\$129,300	\$123,680	\$131,420	6.26%	
Operating Supplies	2,346	5,500	8,250	8,250	0.00%	
Contractual Services	42,916	50,000	50,080	50,080	0.00%	
Other Services and Charges	70	1,000	1,500	1,000	-33.33%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$150,571</u>	<u>\$185,800</u>	<u>\$183,510</u>	<u>\$190,750</u>	<u>3.95%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$190,750	100.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Ordinance Enforcement Officer	2.00	2.00	2.00	2349	3406	\$77,760
Holiday Pay						2,000
Merit Contingency						2,510
Temporary / Reserves						0
Overtime						2,500
Retirement						9,180
Insurance & Taxes						37,470
Employee Related Expenses						0
<b>Totals</b>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$131,420</u>

Public Safety	Ordinance Enforcement	Fund 01 - General Fund			Cost Center	14-01
<b>Supplemental Data: Expenditures</b>						
Item	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		

**Supplies**

Gas & Oil	2,220	3,000	7,000	7,000	0.00%
Vehicle Maint & Repairs	23	1,500	500	500	0.00%
Equipment Maint & Repairs	0	500	250	250	0.00%
Small Tools	103	500	500	500	0.00%
<b>Total Supplies</b>	<b>2,346</b>	<b>5,500</b>	<b>8,250</b>	<b>8,250</b>	<b>0.00%</b>

**Contractual Services**

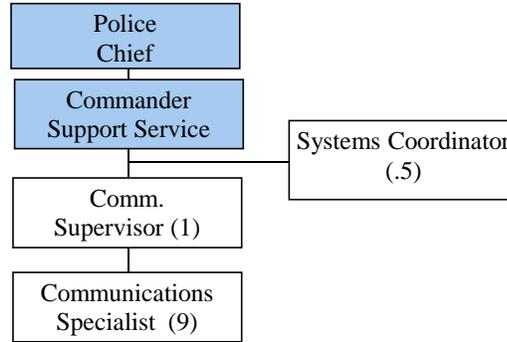
Computer Support	78	0	80	80	0.00%
Kennel Fees	42,838	50,000	50,000	50,000	0.00%
<b>Total Contractual Services</b>	<b>42,916</b>	<b>50,000</b>	<b>50,080</b>	<b>50,080</b>	<b>0.00%</b>

**Other Services and Charges**

Travel & Training	0	1,000	1,500	1,000	-33.33%
Subscriptions & Memberships	70	0	0	0	0.00%
<b>Total Other Services &amp; Charges</b>	<b>70</b>	<b>1,000</b>	<b>1,500</b>	<b>1,000</b>	<b>-33.33%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
N/A					
	\$0	\$0	\$0	\$0	

**Organizational Chart:**



Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Completed Domain/Win 7 upgrade
- \* Completed install of AVL and GPS equipment and software in vehicles and dispatch
- \* Reconfigure workstations to enhance ergonomic functionality
- \* Began engineer's evaluation of HVAC needs for Communications Center
- \* Began implementation of Emergency Notification System
- \* Upgrade Public Safety Building security computer to Win 7 operating system
- \* Completed Dispatch Consolidation Business Case Study

**FY 2013 Goals:**

- \* Begin design phase of new communications center
- \* Complete troubleshooting of AVL/GPS issues to allow for the program to be functional.
- \* Identify options to decrease the amount of down time of MDC's
- \* Utilize full functionality of MDC's to include hyperlinks
- \* Move forward with Domain/Win 7 upgrade to include functionality of SharePoint
- \* Complete MediaCoach installation (SQL) for Communications Supervisor to resume quality assurance reviews
- \* Re-cable Network Room for better organization and efficiency
- \* Install new Spillman server to replace existing server which is outdated
- \* Replace the current, outdated inventory of MDCs with new Getac laptops
- \* Install new Hybrid Digital DVR that is compatible with existing, analog cameras and Windows 7 so evidentiary video is viewable by county attorneys, defense attorneys, and the courts
- \* Add an additional surveillance camera and audio to the booking area for increased officer safety and evidentiary purposes. Provide a larger monitor in the communications center to allow for adequate monitoring of each camera
- \* Complete Federal mandated narrow banding of radio bases systems, licenses, and communications equipment, to include handheld radio alert identification equipment for dispatch
- \* Complete APCO general order requirements to meet CALEA standards.
- \* Complete Mass Notification System installation, set up groups and features, and complete community education program on its uses for opt-in program

**Budget Highlights:**

No capital outlay has been budgeted for FY 2013.

Public Safety	Communications	Fund 01 - General Fund	Cost Center	14-02
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<b>Performance Indicators</b>				
<i>* New Performance Indicators are being developed for this department *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Calls Dispatched	29,962	31,460	not available at printing	

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

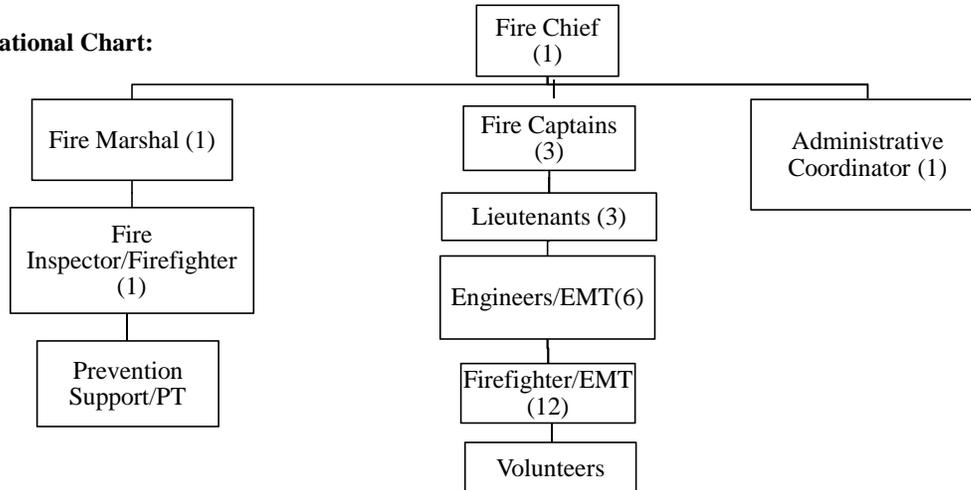
<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

Public Safety	Communications	Fund 01 - General Fund			Cost Center	14-02
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$573,191	\$585,930	\$562,680	\$629,080	11.80%	
Operating Supplies	70,856	132,450	87,200	107,200	22.94%	
Contractual Services	4,800	10,600	5,850	5,850	0.00%	
Other Services and Charges	36,381	39,740	38,760	40,665	4.91%	
Capital Outlay	0	1,500	1,500	0	-100.00%	
<b>Department Totals</b>	<u>\$685,228</u>	<u>\$770,220</u>	<u>\$695,990</u>	<u>\$782,795</u>	<u>12.47%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$616,035	78.70%
Dispatch & Spillman Fees	166,760	21.30%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Systems Coordinator	0.50	0.50	0.50	1296	1880	\$24,070
Communications Supervisor	1.00	1.00	1.00	2592	3759	50,105
Communications Specialist	9.00	9.00	9.00	2349	3406	321,105
Clothing Allowance						500
Holiday Pay						12,000
Merit Contingency						9,160
Temporary / Reserves						0
Overtime						30,000
Retirement						49,960
Insurance & Taxes						132,180
Employee Related Expenses						0
<b>Totals</b>	<u>10.50</u>	<u>10.50</u>	<u>10.50</u>			<u>\$629,080</u>



**Fire Department****Organizational Chart:****General Information:**

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

**FY 2012 Accomplishments:**

- \* Took delivery of, equipped & placed in front line service, a new \$465,000 Rosenbauer fire engine with state of the art technology including compressed air foam & an advanced emissions system
- \* Awarded a \$40,000 AFG Grant from FEMA. Purchased & placed in service 21 narrow band compliant mobile & portable radios
- \* Awarded a \$12,000 GOHS Grant. Purchased & placed in service rescue air bags & stabilization struts for use in rescue and extrication of trapped victims
- \* Completed an evaluation of the pros & cons of City participation in a Joint Powers to provide Fire & EMS services throughout the Verde Valley and determined it was not in the best interest of the City
- \* Developed & implemented a CFD Tactical Medic Program to participate with the CPD SWAT Team
- \* Two firefighters completed a 2 year training program to become AZ Certified Paramedics. CFD now has 17 Certified Paramedics providing Advanced Life Support care to our citizens 99+% of the time
- \* Hosted bi-annual CFD open house where we sponsored the Pink Heals Tour Event that drew 500 attendees and raised \$2,300 for female cancer victims in the Cottonwood/Verde Valley area
- \* Responded to 3 in-state Wildfires (Wallow, Monument, Bruce) generating nearly \$80,000 in revenue

**FY 2013 Goals:**

- \* Exercise our Emergency Ops Center in cooperation with Yavapai County Emergency Management
- \* Update the Municipal code to reflect the roles and responsibilities of the Fire Department to include Fire, Rescue, EMS, and Disaster Response & Management in the City
- \* Assume fire department coverage responsibility for the Quail Canyon Annexation area
- \* Pursue cooperative partnership with VVAC to share in medical transport and/or support legislation to allow the City of Cottonwood to obtain a Certificate of Need to provide medical transport
- \* Evaluate current fire department status and records in preparation for upcoming ISO regrade
- \* Evaluate potential site locations and initiate preliminary design work to construct second fire station in the area of Hwy 89A and Cornville Rd or in the area of Hwy 260 and Hwy 89A
- \* Evaluate, purchase & place in service 30 Self Contained Breathing Apparatus replacing 10 year old SCBA, improving firefighter safety and efficiency

**Budget Highlights:**

Capital outlay includes \$600,000 for a grant funded Aerial Ladder truck, \$150,000 for SCBA Air Packs, and \$97,000 for two vehicles. Additional capital outlay can be found on the next page.

Public Safety	Fire Department	Fund 01 - General Fund	Cost Center	16-00		
<b>Performance Indicators</b>						
<i>*Performance Measures are being developed for this department*</i>						
<b>Goal:</b>						
<b>Objective:</b>						
<b>Type of Mea</b>						
<b>Tool:</b>						
<b>Frequency:</b>						
<b>Scoring:</b>						
<b>Trend:</b>						
<b>Measures:</b> listed by Calendar Year			Actual		Estimated	Anticipated
			2010	2011	2012	2013

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
Office Furnishings		\$5,000	\$4,960	
Personal Computers	\$7,905	3,000	6,000	
Software		3,000		
EMS Equipment	3,020	10,000	9,780	\$5,000
Rescue Special Ops Equipment	4,170	10,000	8,035	
Fire Suppression & Safety Equipment	22,563	25,000	28,330	20,000
Fire Engine/Pumper		498,870	476,210	
Vehicle Replacement (2)		50,000		97,000
Pagers, Radios, & Station alert Devices	3,788	5,000	4,995	
Pagers & Radios (FEMA AFG Grant 95/5)		40,090	40,090	
Air Packs SCBA	2,800	125,000		150,000
Physical Fitness Equipment		2,000	3,560	1,500
Communication Equipment		6,000	6,000	7,000
Fire Extinguisher Training Equip. (100% Grant Funded)		12,000		
Kitchen Remodel	11,016			
Aerial Ladder Truck (Grant Funded 95/5)				600,000
Fire Safety HS Grant 95/5				75,000
Emergency Operation Center Equipment			20,000	
	<u>\$55,262</u>	<u>\$794,960</u>	<u>\$607,960</u>	<u>\$955,500</u>

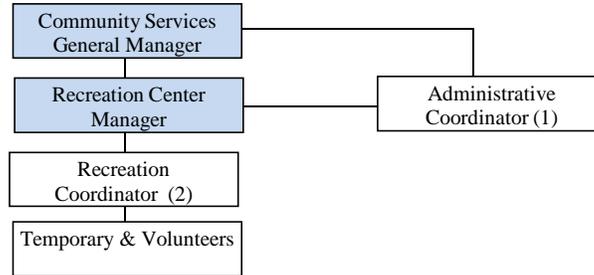
Public Safety	Fire Department	Fund 01 - General Fund			Cost Center	16-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$2,105,848	\$2,245,785	\$2,262,945	\$2,374,055	4.91%	
Operating Supplies	68,303	93,550	86,050	101,350	17.78%	
Contractual Services	132,649	148,500	137,500	127,500	-7.27%	
Other Services and Charges	68,005	110,600	98,015	115,550	17.89%	
Capital Outlay	55,262	794,960	607,960	955,500	57.16%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$2,430,067</b>	<b>\$3,393,395</b>	<b>\$3,192,470</b>	<b>\$3,673,955</b>	<b>15.08%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$2,751,955	74.90%
Misc Grants	675,000	18.37%
Lease Purchase	247,000	6.72%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Fire Chief	1.00	1.00	1.00	4689	6799	\$90,010
Fire Captain	3.00	3.00	3.00	4463	6471	231,780
Fire Inspector	1.00	1.00	1.00	2862	4149	34,340
Engineer/EMT	6.00	6.00	6.00	3574	5182	316,375
Administrative Coordinator	1.00	1.00	1.00	2235	3241	34,475
Fire Marshal	1.00	1.00	1.00	3663	5311	54,235
Firefighter/EMT	12.00	12.00	12.00	3238	4695	509,970
Fire Lieutenant	3.00	3.00	3.00	3574	5182	153,105
Holiday Pay						33,845
Car Allowance						0
Clothing Allowance						21,060
Merit						51,160
Certification Contingency						97,010
Temporary / Reserves						26,000
Overtime						50,000
Retirement						240,470
Insurance & Taxes						420,220
Employee Related Expenses						10,000
<b>Totals</b>	<b>28.00</b>	<b>28.00</b>	<b>28.00</b>			<b>\$2,374,055</b>

Public Safety	Fire Department	Fund 01 - General Fund		Cost Center	16-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Supplies</b>					
Office Supplies	1,358	2,000	1,200	1,500	25.00%
Copier Supplies	2,866	3,500	3,000	3,000	0.00%
Gas & Oil	20,721	30,000	25,000	30,000	20.00%
Vehicle Maint & Repairs	25,635	33,000	20,000	30,000	50.00%
Equipment Maint & Repairs	8,374	10,000	10,000	12,000	20.00%
Protective Clothing	9,036	12,000	12,000	12,000	0.00%
Postage & Freight	313	550	350	350	0.00%
Emergency Service Grant	0	2,500	2,500	2,500	0.00%
GOHS - FIRE Grant	0	0	12,000	10,000	-16.67%
<b>Total Supplies</b>	<b>68,303</b>	<b>93,550</b>	<b>86,050</b>	<b>101,350</b>	<b>17.78%</b>
<b>Contractual Services</b>					
Radio Maintenance	380	3,500	1,000	2,000	100.00%
Computer Support	5,792	7,000	3,500	5,500	57.14%
Contractual Services	126,477	128,000	124,000	110,000	-11.29%
Medical Testing	0	10,000	9,000	10,000	11.11%
<b>Total Contractual Services</b>	<b>132,649</b>	<b>148,500</b>	<b>137,500</b>	<b>127,500</b>	<b>-7.27%</b>
<b>Other Services and Charges</b>					
Travel & Training	10,371	22,500	22,500	25,000	11.11%
Subscriptions & Memberships	1,469	2,000	1,000	2,000	100.00%
Operational Equipment & Supplies	6,114	9,500	8,000	10,000	25.00%
EMS Expenses	6,951	9,000	9,000	9,500	5.56%
Utilities	20,815	27,000	27,000	30,000	11.11%
Telephone	6,453	7,500	7,000	7,000	0.00%
Fire Prevention	6,775	7,000	7,000	7,500	7.14%
Emergency Management	3,855	5,000	5,000	6,000	20.00%
Legal Advertising	336	600	250	250	0.00%
Training Center	2,951	2,700	1,765	2,500	41.64%
Volunteer Fireperson Training	0	8,000	4,200	7,000	66.67%
Volunteer Fireperson Misc	1,915	8,000	3,500	7,000	100.00%
Retired Volunteers	0	1,800	1,800	1,800	0.00%
<b>Total Other Services &amp; Charges</b>	<b>68,005</b>	<b>110,600</b>	<b>98,015</b>	<b>115,550</b>	<b>17.89%</b>

**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 2012 Accomplishments:**

- \* Continued to expand special interest class activities meeting the needs of the community
- \* Increased opportunities for focusing on family/youth programs by offering additional activities/services and recreation pursuits for the public where identified or needed
- \* Continued working on new opportunities for expansion of services within the community for a variety of program and project needs
- \* Hosted Thunder Valley Rally in Old Town Cottonwood
- \* Partnered with the County and hosted the Bicycle Rodeo
- \* Hosted the annual Relay for Life event at Riverfront Park
- \* Planned and implemented a full marathon held in conjunction with the Brian Mickelsen Half Marathon, 10K and 2 Mile Fun Walk

**FY 2013 Goals:**

- \* Create additional partnerships with outside agencies to defray costs of special events
- \* Partner with Tournament Sports to bring additional tournaments to Riverfront Park
- \* Host additional junior rodeo's to boost sales tax revenues
- \* Complete netting project for Softball Fields

**Budget Highlights:**

No capital outlay has been budgeted for this department. The increase in contractual services is due to the anticipated increased costs of the Fire Works display on July 4th.

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund	Cost Center	20-00
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Performance Indicators				
<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Customer Satisfaction with special event programs that include Rhythm and Ribs and Thunder Valley Rally			
<b>Objective:</b>	Increase overall attendance figures at special events by creating positive leisure experiences for all			
<b>Type of Measure:</b>	Program attendance and outcome			
<b>Tool:</b>	Internal Records			
<b>Frequency:</b>	Annually			
<b>Scoring:</b>	Increases in attendance			
<b>Trend:</b>	upward			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Increase in overall attendance measured by factual counting methods		2,600	3,500	4,500

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Participant satisfaction pertaining to the Brian Mickelsen Run Race			
<b>Objective:</b>	Increase event attendance figures for this special event.			
<b>Type of Measure:</b>	Program attendance and outcome.			
<b>Tool:</b>	Internal Records			
<b>Frequency:</b>	Annually			
<b>Scoring:</b>	Overall Increase in attendance			
<b>Trend:</b>	Upwards			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Increase in overall attendance based on actual registrations	330	560	620	680

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Increase attendance figures of seniors within the recreation center by adding senior programs			
<b>Objective:</b>	Engage seniors through physicians and health care providers to market the amenities of the Recreation Center			
<b>Type of Measure:</b>				
<b>Tool:</b>	Internal Records			
<b>Frequency:</b>	Quarterly Reviews			
<b>Scoring:</b>	10 percent increase annually			
<b>Trend:</b>	upward			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Increase in overall attendance measured by factual counting methods	928	1,450	1,800	1,980

<b>Vision Statement:</b>	We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
<b>Goal:</b>	Increase the number of facility rentals by 10 percent annually			
<b>Objective:</b>	Market recreation center amenities internally and externally			
<b>Type of Measure:</b>	Annual increase in facility rentals			
<b>Tool:</b>	Monthly rental figures and customer feedback			
<b>Frequency:</b>	Quarterly			
<b>Scoring:</b>	Quarterly increases in rentals			
<b>Trend:</b>	upward			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Increase rentals through the production of marketing literature pertaining to banquet and party room rentals	220	360	400	440

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund			Cost Center	20-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$107,247	\$128,490	\$108,735	\$117,490	8.05%	
Operating Supplies	27,266	32,000	31,905	33,400	4.69%	
Contractual Services	18,560	28,350	19,460	22,480	15.52%	
Other Services and Charges	263,209	298,850	346,080	363,495	5.03%	
Capital Outlay	3,563	16,000	23,900	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$419,845</b>	<b>\$503,690</b>	<b>\$530,080</b>	<b>\$536,865</b>	<b>1.28%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$536,865	100.00%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Administrative Coordinator	1.00	1.00	1.00	2235	3241	\$42,355
* Rec. Coordinator Frozen FY2010	2.00	2.00	2.00	2291	3322	0
Holiday Pay						300
Clothing Allowance						1,000
Merit Contingency						75
Temporary / Reserves						48,500
Overtime						750
Retirement						4,840
Insurance & Taxes						19,670
Employee Related Expenses						0
<b>Totals</b>	<b><u>3.00</u></b>	<b><u>3.00</u></b>	<b><u>3.00</u></b>			<b><u>\$117,490</u></b>

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund		Cost Center	20-00
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	460	400	0	0	0.00%
Copier Supplies	27	0	5	0	-100.00%
Gas & Oil	32	150	100	500	400.00%
Vehicle Maint & Repairs	836	1,400	300	400	33.33%
Equipment Maint & Repairs	3,028	2,500	3,000	3,500	16.67%
Riverfront Snack Bar	9,185	9,500	9,500	10,000	5.26%
Postage & Freight	18	50	1,000	500	-50.00%
Pool Supplies	11,286	15,000	15,000	15,000	0.00%
Snack Bar Supplies	2,394	3,000	3,000	3,500	16.67%
<b>Total Supplies</b>	<b>27,266</b>	<b>32,000</b>	<b>31,905</b>	<b>33,400</b>	<b>4.69%</b>

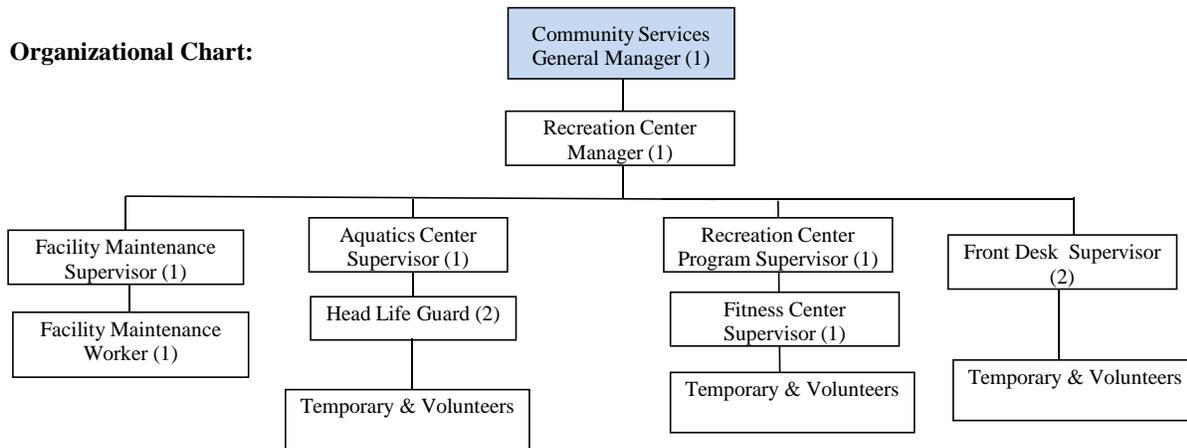
**Contractual Services**

Computer Support	392	350	960	980	2.08%
Fireworks	17,000	17,000	17,000	20,000	17.65%
Contractual Labor	400	6,000	500	500	0.00%
Contractual Services	768	5,000	1,000	1,000	0.00%
<b>Total Contractual Services</b>	<b>18,560</b>	<b>28,350</b>	<b>19,460</b>	<b>22,480</b>	<b>15.52%</b>

**Other Services and Charges**

Travel & Training	0	0	625	600	-4.00%
Subscriptions & Memberships	2,905	3,400	2,500	2,600	4.00%
Printing & Forms	167	200	100	200	100.00%
Rec Programs	23,205	25,000	28,000	28,000	0.00%
Verde River Days	1,016	1,000	1,000	1,000	0.00%
Softball Tournaments	12,950	27,000	28,000	30,000	7.14%
Public Relations	4,302	9,000	5,000	10,500	110.00%
Utilities	151,745	107,000	161,640	162,310	0.41%
Telephone	2,924	1,250	2,715	2,785	2.58%
Summer Youth Program	4,551	3,500	3,500	4,500	28.57%
Rhythm & Ribs	38,203	52,000	49,000	50,000	2.04%
Sizzilin Salsa/Walking Main Street	3,362	7,500	2,000	8,000	300.00%
10K Memorial Run	14,135	18,000	17,000	18,000	5.88%
Thunder Valley Rally	3,744	44,000	45,000	45,000	0.00%
<b>Total Other Services &amp; Charges</b>	<b>263,209</b>	<b>298,850</b>	<b>346,080</b>	<b>363,495</b>	<b>5.03%</b>

<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
RF Ball Field All Weather Netting	\$3,563	\$13,000	\$16,200		
Equestrian Center Lighting and Sound		3,000	3,000		
Tennis Center Resurface			4,700		
	<b>\$3,563</b>	<b>\$16,000</b>	<b>\$23,900</b>	<b>\$0</b>	

**Recreation Center****Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Successfully implemented United Healthcare's Silver Sneakers program for inclusion into Recreation Center membership format. Met the departmental goal of capturing a 25% increase in senior memberships (approximately 400 senior citizens)
- \* Obtained Arthritis Foundation Certification for Recreation Center & Aquatic facility training workshops and classes
- \* Continued expanding Center special interest classes to fit both public requests and program standards required.
- \* Continued to work towards attaining a minimum of 70% cost recovery ratio of total facility maintenance and operations costs
- \* Continued to strive towards meeting "green" operational directives and guidelines thereby minimizing energy and utility waste.
- \* Continued to work with Public Works towards providing a complete solar water heating system for all indoor/outdoor pool facilities thereby reducing utility costs for pool operations

**FY 2013 Goals:**

- \* Continue to work with Public Works towards providing a complete solar water heating system for all indoor/outdoor pool facilities thereby reducing utility costs for operations
- \* Explore commercial leasing options within the recreation center to increase annual cost recovery ratios
- \* Develop a brochures specific to the Community Events Hall and Party Rooms with an emphasis on corporate and birthday party package pricing
- \* Continue to explore options pertaining to the possible installation of a Rainbow Color's System to increase cost recovery projections
- \* Strive towards meeting all feasibility study elements
- \* Explore the possibility of introducing tile into the foyer of the Community Recreation Center to reduce custodial maintenance costs

**Budget Highlights:**

Capital outlay includes \$25,000 for the equipment replacement program; \$13,000 for tile installation in the foyer; \$8,000 for a NuStep machine which can be utilized by individuals with ambulatory restraints; and \$10,000 for a Scissors Lift, which is estimated to save the city \$2,500 per year in contractual services and maintenance fees.

Culture & Recreation	Recreation Center	Fund 01 - General Fund	Cost Center	20-03
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**Performance Indicators**

**Value Statement:** Strive to Provide Effective and Efficient Services  
**Goal:** Increase the attendance figures of seniors in the recreation center by adding the Silver Sneakers Program  
**Objective:** Engage third party insurance providers and explore payment options for seniors  
**Type of Measure:** Outcome  
**Tool:** Monthly attendance figures and program surveys  
**Frequency:** Quarterly  
**Scoring:** 5 % increase quarterly or 20 % annually  
**Trend:** N/A

	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Senior Memberships	928	1609	1700	1800
Percent increase from prior year	N/A	57.7%	9.5%	9.4%

**Value Statement:** Strive to Provide Effective and Efficient Services  
**Goal:** Increase the number of facility rentals by 20 percent annually  
**Objective:** Market recreation center amenities internally and with outside marketing outlets.  
**Type of Measure:** Annual increases in facility rentals  
**Tool:** Monthly rental figures and customer feedback  
**Frequency:** Quarterly  
**Scoring:** Quarterly increases in rentals  
**Trend:** N/A

	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Quarterly increases in rentals compared to previous years	280	310	350	400
Production of marketing literature pertaining to banquet and party room rentals.	0	3,000 units	5,000 units	5,000 units

Culture & Recreation	Recreation Center	Fund 01 - General Fund			Cost Center	20-03
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	733,995	\$897,020	\$843,365	\$899,860	6.70%	
Operating Supplies	71,076	82,300	104,000	100,000	-3.85%	
Contractual Services	143,723	117,300	140,890	146,465	3.96%	
Other Services and Charges	270,707	339,940	286,275	301,390	5.28%	
Capital Outlay	1,598	0	2,500	56,000	2140.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$1,221,099</b>	<b>\$1,436,560</b>	<b>\$1,377,030</b>	<b>\$1,503,715</b>	<b>9.20%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
General Fund	\$716,365	47.64%
Recreation Center Fees	700,000	46.55%
Recreation Center Building Rental	35,350	2.35%
Recreation Center Classes/Programs	52,000	3.46%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Recreation Center Manager	1.00	1.00	1.00	3849	5580	\$58,835
Aquatics Center Supervisor	1.00	1.00	1.00	3082	4468	43,460
Recreation Center Program Superviso	1.00	1.00	1.00	3082	4468	43,870
Fitness Center Supervisor	1.00	1.00	1.00	2407	3491	30,915
Facility Maintenance Supervisor	1.00	1.00	1.00	2407	3491	39,635
Facility Maintenance Worker	1.00	1.00	1.00	1976	2865	28,265
Front Desk Supervisor	2.00	2.00	2.00	2128	3085	54,660
Head Life Guard	2.00	2.00	2.00	2076	3010	56,175
Holiday Pay						700
Clothing Allowance						2,500
Merit Contingency						5,805
Temporary / Reserves						300,000
Overtime						5,000
Retirement						40,920
Insurance & Taxes						189,120
Employee Related Expenses						0
<b>Totals</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>			<b>\$899,860</b>

Culture & Recreation	Recreation Center	Fund 01 - General Fund		Cost Center	20-03
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

Office Supplies	13,047	8,000	8,000	8,000	0.00%
Copier Supplies	125	1,200	500	500	0.00%
Gas & Oil	1,320	1,100	4,000	4,000	0.00%
Vehicle Maint & Repairs	507	1,000	3,000	2,000	-33.33%
Equipment Maint & Repairs	12,042	30,000	33,000	40,000	21.21%
Pool Supplies	36,437	35,000	33,000	35,000	6.06%
Postage & Freight	247	2,000	500	500	0.00%
Tools/Operational Supplies	7,351	4,000	22,000	10,000	-54.55%
<b>Total Supplies</b>	<b>71,076</b>	<b>82,300</b>	<b>104,000</b>	<b>100,000</b>	<b>-3.85%</b>

**Contractual Services**

Computer Support	2,617	2,300	2,890	2,965	2.60%
Contractual Services	122,280	112,000	120,000	123,500	2.92%
Contractual Services Active Network	18,826	3,000	18,000	20,000	11.11%
<b>Total Contractual Services</b>	<b>143,723</b>	<b>117,300</b>	<b>140,890</b>	<b>146,465</b>	<b>3.96%</b>

**Other Services and Charges**

Travel & Training	1,143	1,000	1,200	3,000	150.00%
Subscriptions & Memberships	447	1,000	1,000	1,500	50.00%
Printing & Forms	336	800	500	800	60.00%
Rec Programs	20,919	26,000	24,000	33,000	37.50%
Public Relations	13,984	24,000	19,000	26,000	36.84%
Utilities	183,432	223,000	188,000	183,000	-2.66%
Telephone	10,804	12,800	12,400	12,710	2.50%
Legal Advertising	0	2,000	0	1,000	0.00%
Rental Equipment	303	10,000	4,000	1,000	-75.00%
Lease Purchase Rec Cntr Equipment	39,339	39,340	36,175	39,380	8.86%
<b>Total Other Services &amp; Charges</b>	<b>270,707</b>	<b>339,940</b>	<b>286,275</b>	<b>301,390</b>	<b>5.28%</b>

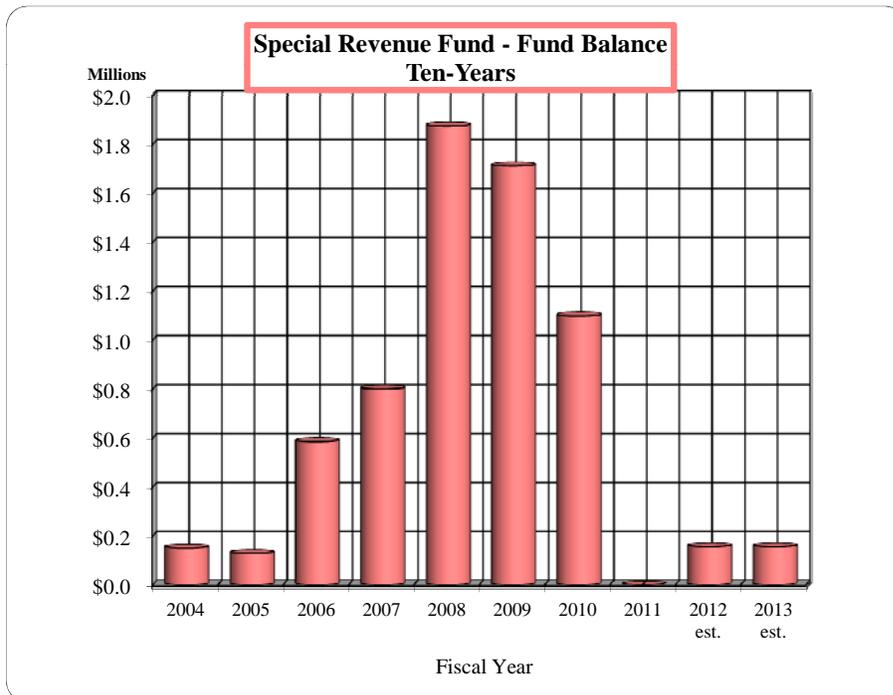
<b>Supplemental Data: Capital Outlay</b>					
Item Description	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Recycling Receptacles	\$1,598				
Rental Laptops (2)			\$2,500		
Tile Installation				\$13,000	
NuStep				8,000	
Scissors Lift				10,000	
Equip Replacement Fund				25,000	
	<b>\$1,598</b>	<b>\$0</b>	<b>\$2,500</b>	<b>\$56,000</b>	

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

<u>Fund/Account Number</u>	<u>Description</u>
<u>02</u>	<u>HURF - Streets/Transit Fund</u> Street Department Street Construction Cottonwood Area Transit (CAT)
<u>03</u>	<u>Cottonwood Library</u>
<u>04</u>	<u>Cottonwood Cemetery</u>
<u>05</u>	<u>Airport Fund</u>
<u>07</u> <u>07-14-XX</u>	<u>Grants Fund</u> <u>Airport Improvement Projects</u> Other Grants Heritage Grants
<u>08</u>	<u>CDBG Grants</u>

**Fund Balances:**

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



<b>Fiscal Year Ending 6/30</b>	<b>Fund Balance</b>
2004	150,644
2005	129,173
2006	586,077
2007	800,979
2008	1,874,971
2009	1,712,685
2010	1,099,115
2011	0
2012 est.	156,695
2013 est.	156,695

The continued fluctuation of the Special Revenues Fund is dependent on the projects being worked and time availability to complete those projects. The Street Department has a larger projects listing for FY 2013 than in FY 2012. This is due to rollover projects that were not completed in FY 2012. A description of all the projects are reflected in the department's budget summary sheets on **pages 180 and 186**.

Fiscal Year 2013 Budget  
**Consolidated Statement of Revenues/Expenditures**

Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
<b>Revenue Sources:</b>				
Taxes	132,270	152,270	152,000	214,415
Intergovernmental Revenues	1,278,748	2,089,450	1,079,680	3,055,255
Charges for Services	88,948	200,700	190,150	286,950
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	109,858	88,290	87,240	87,240
Miscellaneous Revenues	91,615	26,520	15,815	94,745
<b>Total Revenue Sources</b>	<b>1,701,439</b>	<b>2,557,230</b>	<b>1,524,885</b>	<b>3,738,605</b>
<b>Other Financing Sources:</b>				
Transfers In	627,422	602,035	754,765	1,116,860
Carryover	1,160,467	533,390	740,060	156,695
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	4,475,000	500,000	4,738,195
<b>Total Other Financing Sources</b>	<b>1,787,889</b>	<b>5,610,425</b>	<b>1,994,825</b>	<b>6,011,750</b>
<b>Total Available Resources</b>	<b>3,489,328</b>	<b>8,167,655</b>	<b>3,519,710</b>	<b>9,750,355</b>
<b>Expenditures:</b>				
Personnel	1,048,691	766,225	770,995	1,345,605
Operating Supplies	258,385	270,305	262,900	475,700
Contractual Services	781,923	304,230	319,370	469,805
Other Services and Charges	410,058	767,265	544,385	680,785
Capital Outlay	161,655	6,028,640	1,439,990	6,462,790
Reserves	0	0	156,695	156,695
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>2,660,712</b>	<b>8,136,665</b>	<b>3,494,335</b>	<b>9,591,380</b>
<b>Other Uses:</b>				
Transfers Out	23,490	30,990	25,375	158,975
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>23,490</b>	<b>30,990</b>	<b>25,375</b>	<b>158,975</b>
<b>Total Expenditures and Other Uses</b>	<b>2,684,202</b>	<b>8,167,655</b>	<b>3,519,710</b>	<b>9,750,355</b>
Net Income	\$805,130	\$0	\$0	\$0

**HURF Fund Revenues/Expenses/Changes in Fund Balance**

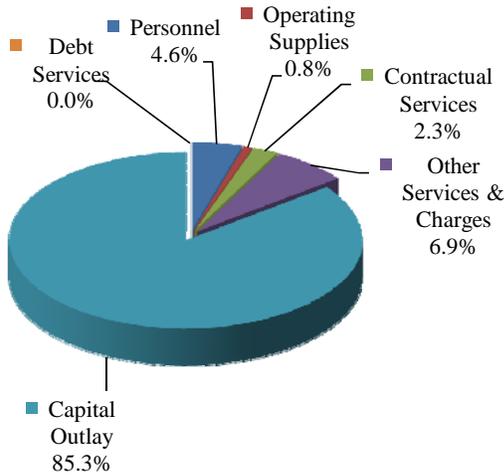
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes	132,270	152,000	152,000	214,415	41.06%
Intergovernmental Revenues	1,082,729	702,705	732,705	1,465,050	99.95%
Services & Charges	27,570	0	0	85,000	0.00%
Uses of Monies & Properties	1,345	2,000	450	450	0.00%
Miscellaneous Revenues	73,321	12,000	0	80,000	0.00%
<b>Total Revenue Sources</b>	<b>1,317,235</b>	<b>868,705</b>	<b>885,155</b>	<b>1,844,915</b>	<b>108.43%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	72,800	218,415	200.02%
Carryover	939,523	447,840	583,365	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	4,475,000	500,000	4,738,195	847.64%
<b>Total Other Financing Sources</b>	<b>939,523</b>	<b>4,922,840</b>	<b>1,156,165</b>	<b>4,956,610</b>	<b>328.71%</b>
<b>Total Available Resources</b>	<b>2,256,758</b>	<b>5,791,545</b>	<b>2,041,320</b>	<b>6,801,525</b>	<b>233.19%</b>
<b>Expenditures:</b>					
Personnel	536,057	255,525	269,730	842,455	212.33%
Operating Supplies	165,545	56,600	58,700	263,800	349.40%
Contractual Services	568,912	85,155	74,900	232,825	210.85%
Other Services and Charges	245,745	572,620	351,855	486,150	38.17%
Capital Outlay	161,352	4,821,645	1,286,135	4,913,795	282.06%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>1,677,611</b>	<b>5,791,545</b>	<b>2,041,320</b>	<b>6,739,025</b>	<b>230.13%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	62,500	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62,500</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>1,677,611</b>	<b>5,791,545</b>	<b>2,041,320</b>	<b>6,801,525</b>	<b>233.19%</b>
Net Income / (Loss)	\$579,147	\$0	\$0	\$0	

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

**HURF - Streets Fund Expenditures By Category**

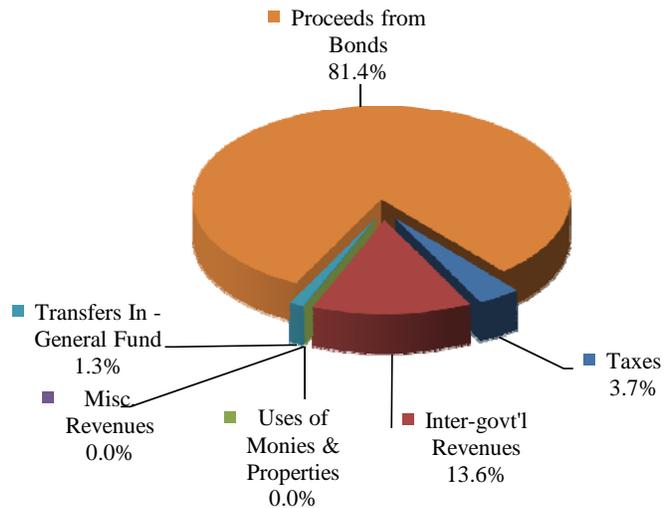
	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$263,560	\$47,800	\$132,425	\$400,150	\$4,913,795	\$0	\$5,757,730
	\$263,560	\$47,800	\$132,425	\$400,150	\$4,913,795	\$0	\$5,757,730

**Highway User Revenue Fund - Streets Expenditures by Category**



<b>HURF - Streets Fund Summary</b>	
Revenues	\$1,009,010
Expenditures	(5,757,730)
Transfers Out	(62,500)
Revenues over (under)	
Expenditures	(4,811,220)
Other Funding Sources/Uses	73,025
	4,738,195
Use of Fund Balance	\$0

**Highway User Revenue Fund - Streets Revenues by Source**



<b>HURF - Streets Fund Revenues By Source</b>	
Taxes	\$214,415
Inter-gov't'l Revenues	794,145
Uses of Monies & Properties	450
Misc. Revenues	0
Transfers In - General Fund	73,025
Proceeds from Bonds	4,738,195
<b>Total Resources Available</b>	<b>\$5,820,230</b>

**Street Department Revenues:**

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

**Street Department Expenditures:**

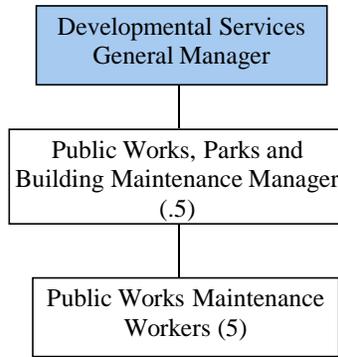
Major commitments totaling \$4,738,195 for various street projects are programmed for FY 2013. Detail can be viewed on **page 186**. Bonding will be utilized to fund these larger construction projects.

## Streets Maintenance &amp; Construction - Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes	132,270	152,000	152,000	214,415	41.06%
Intergovernmental Revenues					
Highway User Revenue Fund - HURF	806,386	702,705	702,705	794,145	13.01%
Local Transportation Assistance					
Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ISTEA - Phase III Grant	0	0	0	0	0.00%
12th Street 89A to Fir HELP Loan	0	0	0	0	0.00%
Fed Grant - Willard St. Ext.	0	0	0	0	0.00%
CDBG - 12th Street	39,823	0	30,000	0	-100.00%
Uses of Monies & Properties					
Interest Income	1,345	2,000	450	450	0.00%
Miscellaneous Revenues					
Other Income	28,033	12,000	0	0	0.00%
<b>Total Revenue Sources</b>	<b>1,007,857</b>	<b>868,705</b>	<b>885,155</b>	<b>1,009,010</b>	<b>13.99%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	72,800	73,025	-100.00%
Carryover	939,523	447,840	583,365	0	-100.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	4,475,000	500,000	4,738,195	847.64%
<b>Total Other Financing Sources</b>	<b>939,523</b>	<b>4,922,840</b>	<b>1,156,165</b>	<b>4,811,220</b>	<b>316.14%</b>
<b>Total Available Resources</b>	<b>1,947,380</b>	<b>5,791,545</b>	<b>2,041,320</b>	<b>5,820,230</b>	<b>185.12%</b>
<b>Expenditures:</b>					
Personnel	250,725	255,525	269,730	263,560	-2.29%
Operating Supplies	75,305	56,600	58,700	47,800	-18.57%
Contractual Services	71,041	85,155	74,900	132,425	76.80%
Other Services and Charges	230,788	572,620	351,855	400,150	13.73%
Capital Outlay	161,352	4,821,645	1,286,135	4,913,795	282.06%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>789,211</b>	<b>5,791,545</b>	<b>2,041,320</b>	<b>5,757,730</b>	<b>182.06%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	62,500	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62,500</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>789,211</b>	<b>5,791,545</b>	<b>2,041,320</b>	<b>5,820,230</b>	<b>185.12%</b>
Net Income	\$1,158,169	\$0	\$0	\$0	

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**Organizational Chart:**



Note: only unshaded boxes are included in this budget.

**General Information:**

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

**FY 2012 Accomplishments:**

\* \*Not available at printing\*  
\*

\*

**FY 2013 Goals:**

\*  
\*  
\*  
\*

**Budget Highlights:**

Capital outlay for FY 2013 includes \$32,000 for a Backhoe. A new program for outsourcing the street sweeping duties has been funded in contractual services at \$31,000. This program will have a cost savings in equipment purchases and employee overtime. In addition \$18,000 has been budgeted in contractual services for a weed abatement program.

Public Works	Street Department	Fund 02 - HURF	Cost Center	10-00
<b>Performance Indicators</b>				
<i>* Performance Measures are being developed for this department *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2010	2011	2012
				2013

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
Street Improvements			\$1,600	\$1,600
Backhoe				32,000
Bus Bay Expansion			18,535	
Trailer for Temp Signage				2,000
Forklift 83% share with GF	\$30,898			
Equipment Rental	2,096			
Pavement Roller & Trailer			17,000	
Vehicle Broom		\$5,000	5,000	
Plate Compactor		2,500	2,500	
Message Board		19,500	15,405	
Gannon Tractor		31,000	26,000	
Water Truck		40,000	30,095	
		<u>\$32,994</u>	<u>\$98,000</u>	<u>\$116,135</u>
				<u>\$35,600</u>

Public Works	Street Department	Fund 02 - HURF			Cost Center	10-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$250,725	\$255,525	\$269,730	\$263,560	-2.29%	
Operating Supplies	75,305	56,600	58,700	47,800	-18.57%	
Contractual Services	71,041	85,155	74,900	132,425	76.80%	
Other Services and Charges	230,788	572,620	351,855	400,150	13.73%	
Capital Outlay	32,994	98,000	116,135	35,600	-69.35%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$660,853</b>	<b>\$1,067,900</b>	<b>\$871,320</b>	<b>\$879,535</b>	<b>0.94%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
HURF / LTAF	879,085	99.95%
Miscellaneous	450	0.05%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
P.W., Parks, & Bldg. Mtce. Manage	1.00	0.50	0.50	1659	2406	\$27,535
Public Works Maint. Worker	4.00	4.00	4.00	1976	2865	125,925
P.W. Maint. Worker --Frozen	1.00	1.00	1.00	1976	2865	0
Merit Contingency						3,825
Clothing Allowance						2,000
Temporary / Reserves						0
Overtime						3,000
Retirement						17,860
Insurance & Taxes						82,915
Employee Related Expenses						500
<b>Totals</b>	<b><u>6.00</u></b>	<b><u>5.50</u></b>	<b><u>5.50</u></b>			<b><u>\$263,560</u></b>

Public Works	Street Department	Fund 02 - HURF		Cost Center	10-00
<b>Supplemental Data: Expenditures</b>					
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Supplies</b>					
Office Supplies	44	300	2,500	500	-80.00%
Operational Supplies	1,765	1,800	800	1,800	125.00%
Postage & Freight	24	200	100	200	100.00%
Gas & Oil	17,988	19,000	18,000	20,000	11.11%
Vehicle Maint & Repairs	6,106	10,000	7,000	10,000	42.86%
Equipment Maint & Repairs	16,191	25,000	30,000	15,000	-50.00%
Building Maint & Repairs	33,187	300	300	300	0.00%
<b>Total Supplies</b>	<b>75,305</b>	<b>56,600</b>	<b>58,700</b>	<b>47,800</b>	<b>-18.57%</b>
<b>Contractual Services</b>					
Computer Support	1,388	1,155	900	925	2.78%
Street Lights	41,112	46,000	46,500	48,500	4.30%
Engineering Services	500	0	0	0	0.00%
Contractual Services	24,577	33,000	25,000	78,000	212.00%
Pavement Preservation	3,464	5,000	2,500	5,000	100.00%
<b>Total Contractual Services</b>	<b>71,041</b>	<b>85,155</b>	<b>74,900</b>	<b>132,425</b>	<b>76.80%</b>
<b>Other Services and Charges</b>					
Travel & Training	20	500	250	500	100.00%
Subscriptions & Memberships	85	150	100	100	0.00%
Utilities	8,295	8,925	7,500	8,000	6.67%
Telephone	1,901	1,890	1,860	1,905	2.42%
Legal Advertising	0	450	150	450	200.00%
Bank Charges	427	300	100	300	200.00%
Tools	3,249	3,000	3,000	3,000	0.00%
Equipment Rental	2,694	10,500	5,000	10,000	100.00%
Liability Insurance	13,058	13,860	18,250	19,165	5.01%
Liability Claims Deductible	0	0	200	0	-100.00%
Indirect Cost to General Fund	141,750	443,545	249,745	262,230	5.00%
Culverts	301	5,000	3,000	5,000	66.67%
Materials	21,428	20,000	17,000	20,000	17.65%
Street Signs	14,146	14,000	14,000	14,000	0.00%
Street Marking	21,092	47,000	30,000	52,000	73.33%
Street Light Contingency	2,342	3,500	1,700	3,500	105.88%
<b>Total Other Services &amp; Charges</b>	<b>230,788</b>	<b>572,620</b>	<b>351,855</b>	<b>400,150</b>	<b>13.73%</b>
<b>Debt Service</b>					
Principal - Bonds	0	0	0	0	0.00%
Interest - Bonds	0	0	0	0	0.00%
<b>Total Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

**Organizational Chart:**

None

**General Information:**

Street construction projects are built by contractors solicited through a sealed bid process.

**FY 2012 Accomplishments:**

- \* Completed design and awarded Mingus Avenue reconstruction
- \* 10th Street CDBG design SOQ

**FY 2013 Goals:**

- \* Manage Mingus Avenue reconstruction project
- \* Complete 12th Street reconstruction plans
- \* Complete 10th Street CDBG plans

**Budget Highlights:**

The major projects scheduled for FY 2013 are listed below and additional projects can be viewed on **page 187**

W. Mingus Reconstruction	1,838,195
12th St. 89A to Fir	1,600,000
Mingus Willard to Main	1,300,000
<hr/>	<hr/>
Total Programmed projects	<u>\$4,738,195</u>

There is outside financing programmed to assist in the construction of these projects

Public Works	Street Construction	Fund 02 - HURF	Cost Center	10-01								
<b>Performance Indicators</b>												
<i>* Performance Measures are being developed for this department *</i>												
<b>Goal:</b>												
<b>Objective:</b>												
<b>Type of Mea</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
<table border="1"> <tr> <td colspan="2" style="text-align: center;">Actual</td> <td style="text-align: center;">Estimated</td> <td style="text-align: center;">Anticipated</td> </tr> <tr> <td style="text-align: center;">2010</td> <td style="text-align: center;">2011</td> <td style="text-align: center;">2012</td> <td style="text-align: center;">2013</td> </tr> </table>					Actual		Estimated	Anticipated	2010	2011	2012	2013
Actual		Estimated	Anticipated									
2010	2011	2012	2013									
<b>Measures:</b>												
N/A												

<b>Mission/Value Statement:</b>												
<b>Goal:</b>												
<b>Objective:</b>												
<b>Type of Mea</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
<table border="1"> <tr> <td colspan="2" style="text-align: center;">Actual</td> <td style="text-align: center;">Estimated</td> <td style="text-align: center;">Anticipated</td> </tr> <tr> <td style="text-align: center;">2010</td> <td style="text-align: center;">2011</td> <td style="text-align: center;">2012</td> <td style="text-align: center;">2013</td> </tr> </table>					Actual		Estimated	Anticipated	2010	2011	2012	2013
Actual		Estimated	Anticipated									
2010	2011	2012	2013									
<b>Measures:</b>												

<b>Mission/Value Statement:</b>												
<b>Goal:</b>												
<b>Objective:</b>												
<b>Type of Measure:</b>												
<b>Tool:</b>												
<b>Frequency:</b>												
<b>Scoring:</b>												
<b>Trend:</b>												
<table border="1"> <tr> <td colspan="2" style="text-align: center;">Actual</td> <td style="text-align: center;">Estimated</td> <td style="text-align: center;">Anticipated</td> </tr> <tr> <td style="text-align: center;">2010</td> <td style="text-align: center;">2011</td> <td style="text-align: center;">2012</td> <td style="text-align: center;">2013</td> </tr> </table>					Actual		Estimated	Anticipated	2010	2011	2012	2013
Actual		Estimated	Anticipated									
2010	2011	2012	2013									
<b>Measures:</b>												

Public Works		Street Construction		Fund 02 - HURF		Cost Center		10-01	
<b>Summary By Category</b>									
Expenditure Category	2011		2012		2013		Percent Change		
	Actual	Budget	Budget	Revised	Tentative				
Personnel	\$0	\$0	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0	0	0.00%		
Capital Outlay	128,358	4,723,645	1,170,000	1,170,000	4,878,195	4,878,195	316.94%		
Reserves	0	0	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$128,358</u>	<u>\$4,723,645</u>	<u>\$1,170,000</u>	<u>\$1,170,000</u>	<u>\$4,878,195</u>	<u>\$4,878,195</u>	<u>316.94%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
HURF	\$1,057,770	21.68%
Bond	3,747,400	76.82%
Transfer in - GF	73,025	1.50%
Use of Fund Balance	0	0.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Public Works	Street Construction	Fund 02 - HURF		Cost Center	10-01
<b>Supplemental Data: Expenditures</b>					
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Supplies**

N/A

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<b>Total Supplies</b>	0	0	0	0	0.00%
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**Contractual Services**

N/A

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<b>Total Contractual Services</b>	0	0	0	0	0.00%
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**Other Services and Charges**

N/A

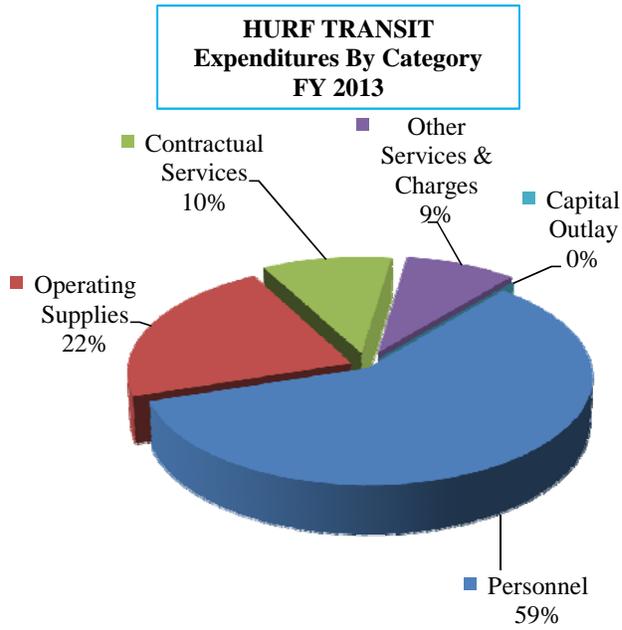
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<b>Total Other Services &amp; Charges</b>	0	0	0	0	0.00%
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<b>Supplemental Data: Capital Outlay</b>					
Expenditure Category	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Pavement Preservation	\$17,455	\$632,000	\$632,000		
Street Contingency		851,050			
Mingus/Main Signal			4,000	\$10,000	
Willard Extension	75,716				
W. Mingus Reconstruction	10,782	2,338,195	500,000	1,838,195	
12th St. 89A to Fir	3,477	695,400	30,000	1,600,000	
Sidewalk Additions	20,928	137,000		80,000	
6th Street Bridge		10,000	3,990		
Willard Street Bridge		10,000	10		
Pima Street Asphalt & Gabions					
10th Street & Main Project		50,000			
Mingus Willard to Main				1,300,000	
Main Street Road Diet Grant				50,000	
	<u>\$128,358</u>	<u>\$4,723,645</u>	<u>\$1,170,000</u>	<u>\$4,878,195</u>	

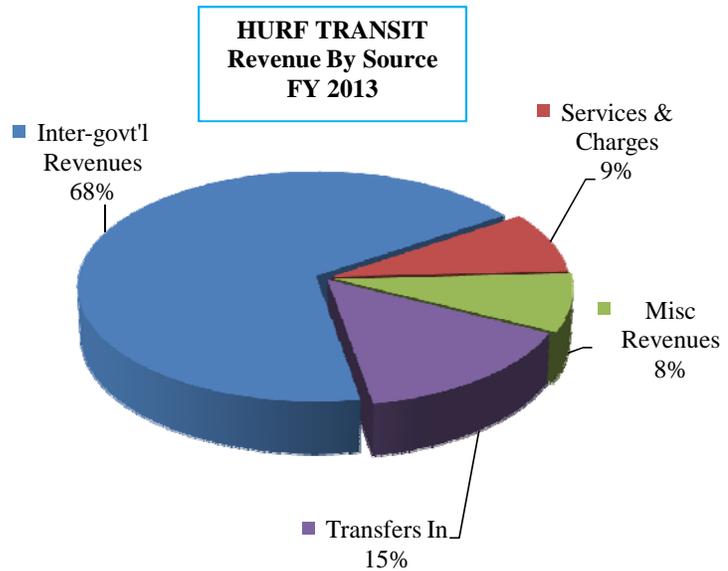
**Cottonwood Area Transit System Fund Expenditures By Category**

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$578,895	\$216,000	\$100,400	\$86,000	\$0	\$0	\$981,295
	\$578,895	\$216,000	\$100,400	\$86,000	\$0	\$0	\$981,295



<b>Cottonwood Area Transit Fund Summary</b>	
Revenues	\$835,905
Expenditures	<u>(981,295)</u>
Other Funding Sources/Uses	<u>145,390</u>
Use of Fund Balance	<u>\$0</u>

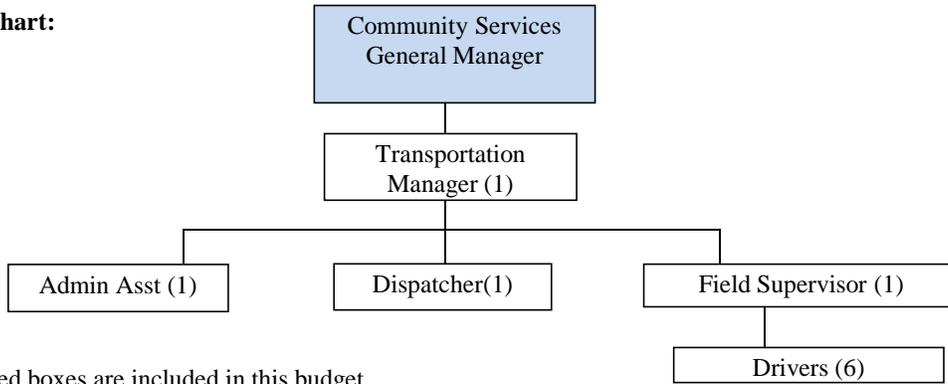
<b>Cottonwood Area Transit Fund Revenues by Source</b>	
Inter-govt'l Revenues	\$670,905
Services & Charges	85,000
Misc Revenues	80,000
Transfers In	<u>145,390</u>
Total Resources Available	<u>\$981,295</u>



## Cottonwood Area Transit System - Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes	0	0	0	0	0.00%
Intergovernmental Revenues					
Yavapai Co.	0	0	0	33,725	0.00%
Clarkdale	0	0	0	30,825	0.00%
Sedona	0	0	0	88,510	0.00%
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	236,520	0	0	517,845	0.00%
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	27,570	0	0	85,000	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	45,288	0	0	80,000	0.00%
<b>Total Revenue Sources</b>	<b>309,378</b>	<b>0</b>	<b>0</b>	<b>835,905</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	145,390	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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>145,390</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>309,378</b>	<b>0</b>	<b>0</b>	<b>981,295</b>	<b>0.00%</b>
<b>Expenditures:</b>					
Personnel	285,332	0	0	578,895	0.00%
Operating Supplies	90,240	0	0	216,000	0.00%
Contractual Services	497,871	0	0	100,400	0.00%
Other Services and Charges	14,957	0	0	86,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>888,400</b>	<b>0</b>	<b>0</b>	<b>981,295</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>888,400</b>	<b>0</b>	<b>0</b>	<b>981,295</b>	<b>0.00%</b>
Net Income / (Loss)	<b>(\$579,022)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>

**Organizational Chart:**

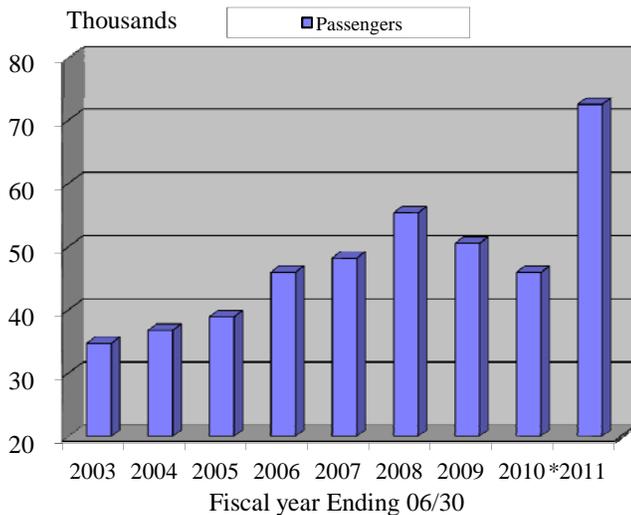


Note: only unshaded boxes are included in this budget.

**General Information:**

The Cottonwood Area Transit (C.A.T.) and Verde Lynx systems provide public transportation services to the City of Cottonwood, City of Sedona, Town of Clarkdale, Yavapai College and the Unincorporated Verde Village Units. Services include full fixed route systems along with ADA demand and ADA + programming (affording services to those confined to wheelchairs or otherwise limited in their mobility). The Red Route system is an hourly route system throughout Cottonwood and Clarkdale through Old Town and incorporates Yavapai College. The Blue Route serves the rural community of the Verde Villages of Yavapai County linking southern rural neighborhoods to Cottonwood’s downtown business district. The Verde Lynx provides a connector/commuter operation connects with the CAT system at the 6th Street Transit Transfer site with inter-city trips between Cottonwood and Sedona. These two transit systems provide contract services to multiple agencies and organizations in addition to offering demand services and Taxi Voucher programs to the public.

**Cottonwood Area Transit Ridership**



FY ending 06/30	Passengers
2003	34,722
2004	36,745
2005	38,886
2006	45,947
2007	48,212
2008	55,330
2009	50,521
2010	45,915
*2011	72,500

\* FY 2011 is the first year to include Verde LYNX

**FY 2012 Accomplishments:**

\* The City of Cottonwood will be taking over all operational, administrative and capital services to the public beginning July 1, 2012. Re-integration of services will also include the Verde Lynx system which will be providing connector/commuter services from Cottonwood to Sedona. Total ridership numbers this past year were logged at approximately 72,500 with revenue miles of 270,700 and revenue hours logged at 13,690. The two transit systems are rapidly becoming more of a “regional transportation” service provider within the state and will continue to move more that direction over the next five years

**FY 2013 Goals:**

Successfully transition back to the City of Cottonwood

**Budget Highlights:**

No capital has been budgeted for FY 2013

Social Services	CATS./LYNX	Fund 02 - Transit	Cost Center	33-0X
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**Performance Indicators**

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

<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
		Actual	Estimated	Anticipated
<b>Measures:</b>	2010	2011	2012	2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
		Actual	Estimated	Anticipated
<b>Measures:</b>	2010	2011	2012	2013

<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
		Actual	Estimated	Anticipated
<b>Measures:</b>	2010	2011	2012	2013

Social Services	CATS./LYNX	Fund 02 - Transit		Cost Center	33-0X
<b>Summary By Category</b>					
Expenditure Category	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
Personnel	\$285,332	\$0	\$0	\$578,895	0.00%
Operating Supplies	90,240	0	0	216,000	0.00%
Contractual Services	497,871	0	0	100,400	0.00%
Other Services and Charges	14,957	0	0	86,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<b>\$888,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$981,295</b>	<b>0.00%</b>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$670,905	0.00%
Services & Charges	85,000	0.00%
Miscellaneous Revenues	80,000	0.00%
Use of HURF Fund Balance	145,390	0.00%
<b>Total Funding</b>		<b>0.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Transportation Manager	1.00	0.00	1.00	3755	5444	\$64,000
Administrative Assistant	0.00	0.00	1.00	2076	3010	35,405
Driver / Dispatcher	2.00	0.00	1.00	2076	3010	31,945
Field Supervisor	0.00	0.00	1.00	2076	3010	35,275
Drivers	7.00	0.00	6.00	1976	2865	182,915
Merit Contingency						10,735
Holiday Pay						1,350
Clothing Allowance						2,500
Temporary / Reserves						30,000
Overtime						4,000
Retirement						40,730
Insurance & Taxes						140,040
Employee Related Expenses						0
<b>Totals</b>	<b>10.00</b>	<b>0.00</b>	<b>10.00</b>			<b>\$578,895</b>

Social Services	CATS./LYNX	Fund 02 - Transit		Cost Center	33-0X
<b>Supplemental Data: Expenditures</b>					
Item	2011	2012		2013	Percent
Description	Actual	Budget	Revised	Tentative	Change

**Supplies**

Office Supplies	1,022	0	0	6,700	0.00%
Copier Supplies	201	0	0	600	0.00%
Gas & Oil	31,797	0	0	110,000	0.00%
Vehicle Maint & Repairs	56,298	0	0	97,200	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Postage & Freight	922	0	0	1,500	0.00%

<b>Total Supplies</b>	90,240	0	0	216,000	0.00%
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**Contractual Services**

Computer Support	0	0	0	5,000	0.00%
Contractual Services	461,586	0	0	33,000	0.00%
Radio Maintenance	100	0	0	2,400	0.00%
Indirect Cost to G/F	36,185	0	0	60,000	0.00%

<b>Total Contractual Services</b>	497,871	0	0	100,400	0.00%
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**Other Services and Charges**

Travel & Training	1,162	0	0	3,400	0.00%
Subscriptions & Membershi	797	0	0	1,500	0.00%
Utilities	0	0	0	18,000	0.00%
Telephone	0	0	0	8,965	0.00%
Printing & Forms	133	0	0	3,500	0.00%
Advertising	1,920	0	0	22,065	0.00%
Liability Insurance	10,145	0	0	26,000	0.00%
Audit Expense	800	0	0	1,410	0.00%
Employee Physicals/Drug Testing	0	0	0	1,160	0.00%

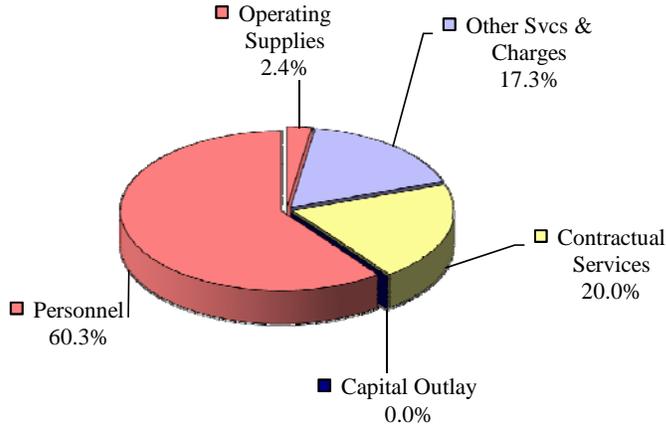
<b>Total Other Services &amp; Charges</b>	14,957	0	0	86,000	0.00%
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<b>Supplemental Data: Capital Outlay</b>					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Tentative	
N/A					
	\$0	\$0	\$0	\$0	

**Cottonwood Library System Fund Expenditures By Category**

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$503,150	\$20,300	\$167,120	\$144,265	\$0	\$0	\$834,835

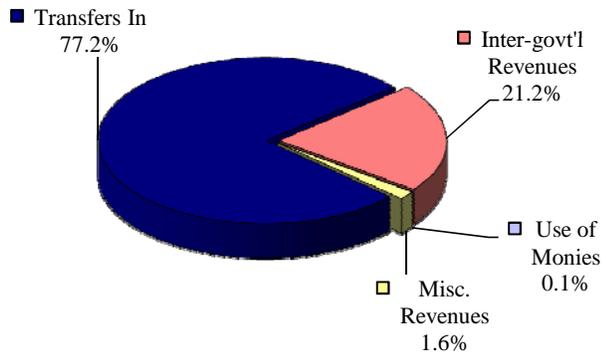
Cottonwood Library Expenditures by Category



Cottonwood Library System Fund Summary	
Revenues	\$190,735
Expenditures	(834,835)
Revenues over (under) Expenditures	(644,100)
Other Funding Sources/Uses	644,100
Use of Fund Balance	\$0

Cottonwood Library Revenues by Source

Cottonwood Library System Fund Revenues By Source	
Inter-gov't'l Revenues	\$176,695
Use of Monies	640
Misc. Revenues	13,400
Transfers In	644,100
Total Resources Available	\$834,835



**Library Revenues:**

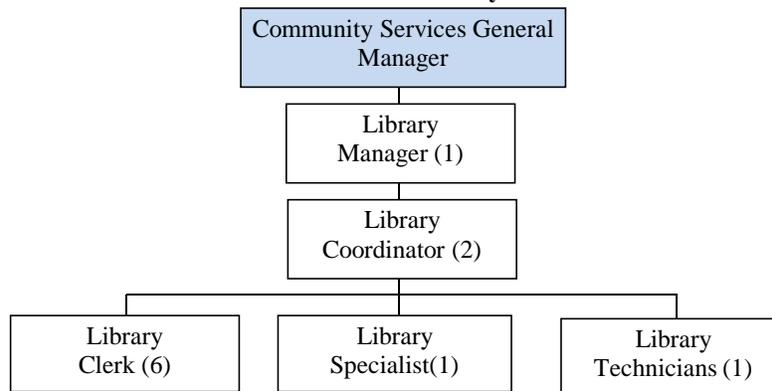
Over 98% of the Cottonwood Library operating revenues come from Intergovernmental and transfers in sources. \$176,695 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in \$644,100 this year for maintenance and operation of 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. This \$2.9M expansion alleviated the need for additional space to house more collection materials.

## Cottonwood Library System Fund Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	0	270	0	0	0.00%
Intergovernmental Revenues					
Yavapai County	196,019	197,250	205,505	176,695	-14.02%
HVAC Grant	0	39,000	39,000	0	
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	138	130	640	640	0.00%
Miscellaneous Revenues					
Other Income	17,015	13,420	13,390	13,400	0.07%
<b>Total Revenue Sources</b>	<b>213,172</b>	<b>250,070</b>	<b>258,535</b>	<b>190,735</b>	<b>-26.22%</b>
<b>Other Financing Sources:</b>					
Transfers In	585,202	556,230	607,375	644,100	6.05%
Carryover	74,051	74,050	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>659,253</b>	<b>630,280</b>	<b>607,375</b>	<b>644,100</b>	<b>6.05%</b>
<b>Total Available Resources</b>	<b>872,425</b>	<b>880,350</b>	<b>865,910</b>	<b>834,835</b>	<b>-3.59%</b>
0.00%					
<b>Expenditures:</b>					
Personnel	512,634	510,700	501,265	503,150	0.38%
Operating Supplies	21,609	22,205	22,300	20,300	-8.97%
Contractual Services	135,531	147,045	155,355	167,120	7.57%
Other Services and Charges	129,324	151,400	137,990	144,265	4.55%
Capital Outlay	0	49,000	49,000	0	-100.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>799,098</b>	<b>880,350</b>	<b>865,910</b>	<b>834,835</b>	<b>-3.59%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>799,098</b>	<b>880,350</b>	<b>865,910</b>	<b>834,835</b>	<b>-3.59%</b>
Net Income / (Loss)	\$73,327	\$0	\$0	\$0	

**Cottonwood Library**

Note: only unshaded boxes are included in this budget

**General Information:**

The Cottonwood Public Library serves as a cultural, recreational, educational, and research resource. We are mandated by intergovernmental agreement to provide service to any citizen in Yavapai County. The library selects, processes and maintains an organized collection of information in print and non-print formats for its service population. The library provides checkout privileges for many of its possessions to registered patrons, in-library viewing of loan-restricted materials, and attempts to answer questions of an informational nature referred to it. The library also locates material not available on-site when requested to do so by patrons. In all cases the library strives to be an unbiased source of information. The library through its programs and by referral to area literacy programs, educational institutions and other self-help organizations attempts to foster a lifelong love of learning in its users and an individual sense of responsibility for self-advancement.

**FY 2012 Accomplishments:**

- \* Adult Services went from 9 patron Internet use computers to 17 Internet use computers through the AZPac BTOP Grant received by the State Library
- \* The AZPac Grant BTOP II grant provided the library with a Job Service Workstation with a printer for job seekers
- \* Installation of our self-checkout stations and security gates were completed
- \* Introduced eBook and basic computer training workshops in the library
- \* Introduced “Kinect with your peers” Xbox game in Youth Services
- \* Youth Services is providing more programming than previous years
- \* Additions to our webpage have included Overdrive, Tutor.com, KidsPac and TeenPac and incorporated 3 different areas to submit comments and requests
- \* Became a VITA tax preparation through Catholics Charities satellite station
- \* Featured the “Great Depression Traveling Exhibit,” provided by the Arizona State Library History and Archives Division and showed movies depicting that era for an entire month
- \* Completed installation of the replacement of 2 air conditioners

**FY 2013 Goals:**

- \* Be a learning center of our community by enhancing the job search computer through updates and continuing basic computer training
- \* Maintain high service levels to library visitors, despite reduced resources and library hours by providing more cost effective training for staff as needed
- \* Continue to look for avenues to meet the community needs for programming and meeting room activity thru subscription services and movie licensing
- \* Continue to add downloadable eBooks to the downloadable audio book service (Overdrive) available to our patrons
- \* Continue to strive for more outreach services to the schools and public by providing an increase in publicity and attending local events to highlight our services
- \* Reduce patron waiting times via use of self-check service technology
- \* Continue to provide and offer quality full service operations (seeking out ways to increase efficiency in operations with less funding available to support services), utilizing training webinars provided by the State Library and resources within the Yavapai Library Network

**Budget Highlights:**

The personnel costs have dropped slightly due to the retirement of the Library Director in FY 2012. The Library will follow suit with the rest of the city, in having a manager rather than a director in that position. The budget for library books will be increased 60% in FY 2013. This item was cut back in fiscal years 2010-2012 due to the failing economy but will again be fully budgeted. No capital outlay has been budgeted for FY 2013.

Culture and Recreation	Library	Fund 03 - Library Fund	Cost Center	10-00
<b>Performance Indicators</b>				
<b>Value Statement:</b>	Strive to provide effective and efficient services to the public that we serve			
<b>Goal:</b>	Increase the attendance in Adult and Youth Services programming			
<b>Objective:</b>	Provide more free and cultural programming to the public and increase public awareness of our service			
<b>Type of Measure:</b>	Program attendance and outcome			
<b>Tool:</b>	Monthly attendance figures and surveys			
<b>Frequency:</b>	Monthly/Weekly			
<b>Scoring:</b>	5% increase in attendance			
<b>Trend:</b>	upward			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Adult staff sponsored programs attendance	N/A	389	408	428
Youth Services staff sponsored programs attendance	3,633	3,236	3,398	3,568
Adult programs attendance	2,519	2,889	3,033	3,363
Youth Services Programs attendance	N/A	494	519	545
<b>TOTALS</b>	<b>6,152</b>	<b>7,008</b>	<b>7,358</b>	<b>7,904</b>
Percent increase/decrease from prior year	n/a	14%	5%	7%

<b>Value Statement:</b>	Strive to provide effective and efficient services to the public that we serve			
<b>Goal:</b>	Increase availability of library services			
<b>Objective:</b>	Increased hours will provide more availability to our patrons for circulation, internet and job service			
<b>Type of Measure:</b>	Surveys and statistics			
<b>Tool:</b>	monthly statistics			
<b>Frequency:</b>	Daily/weekly/monthly			
<b>Scoring:</b>	5-10% increase in attendance			
<b>Trend:</b>	upward			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Job Service computer usage	n/a	n/a	50	100
Youth Service computer usage	3,137	2,213	2,324	2,440
Adult Services computer usage	17,634	17,626	18,507	19,432
Internet Guest card usage	6,972	7,661	8,044	8,446
<b>Total Usage</b>	<b>27,743</b>	<b>27,500</b>	<b>28,925</b>	<b>30,371</b>
Percent increase/decrease from prior year	n/a	-1%	5%	5%
Circulation of library items	233,579	223,644	234,826	246,567
** Decrease reflects difference of 54 hr/ work week vs. 40 hr/work week **		**		
Library hours of operation	54	40	40	46
Percent increase/decrease from prior year	n/a	-4%	5%	5%

Culture and Recreation	Library	Fund 03 - Library Fund			Cost Center	10-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$512,634	\$510,700	\$501,265	\$503,150	0.38%	
Operating Supplies	21,609	22,205	22,300	20,300	-8.97%	
Contractual Services	135,531	147,045	155,355	167,120	7.57%	
Other Services and Charges	129,324	151,400	137,990	144,265	4.55%	
Capital Outlay	0	49,000	49,000	0	-100.00%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$799,098</b>	<b>\$880,350</b>	<b>\$865,910</b>	<b>\$834,835</b>	<b>-3.59%</b>	

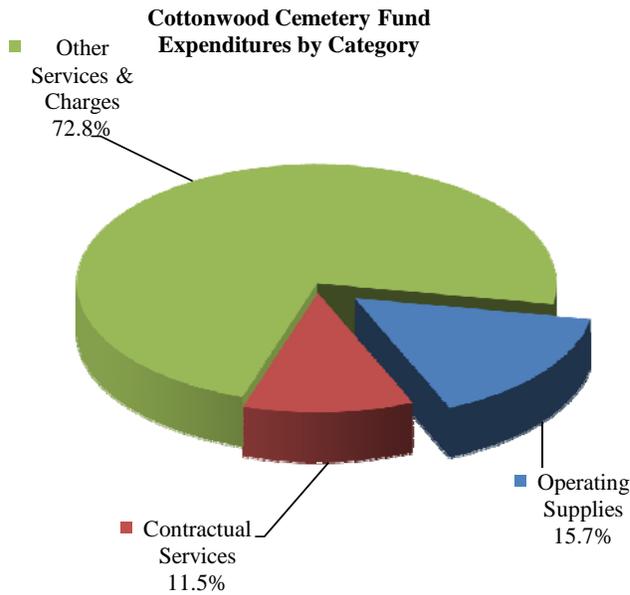
<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$176,695	21.17%
Uses of Monies	640	0.08%
Miscellaneous Income	13,400	1.61%
Use of Fund Balance	0	0.00%
Transfers In - General Fund	644,100	77.15%
<b>Total Funding</b>		<b>100.0%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Library Director	1.00	0.00	0.00	4463	6471	\$0
Library Manager	0.00	1.00	1.00	3755	5444	61,730
Library Coordinator	1.00	1.00	1.00	3082	4468	40,000
Library Specialist	1.00	1.00	1.00	2657	3853	40,060
Library Technician	1.00	1.00	1.00	2128	3085	42,595
Library Clerk	5.00	5.00	5.00	1881	2727	138,575
Library Clerk - Position Frozen	1.00	1.00	1.00	1881	2727	0
Youth Services Coordinator-Frozen	1.00	1.00	1.00	2657	3853	0
Merit Contingency						9,060
Temporary / Reserves						35,220
Holiday Pay						0
Retirement						36,990
Insurance & Taxes						98,920
Employee Related Expenses						0
<b>Totals</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>			<b>\$503,150</b>



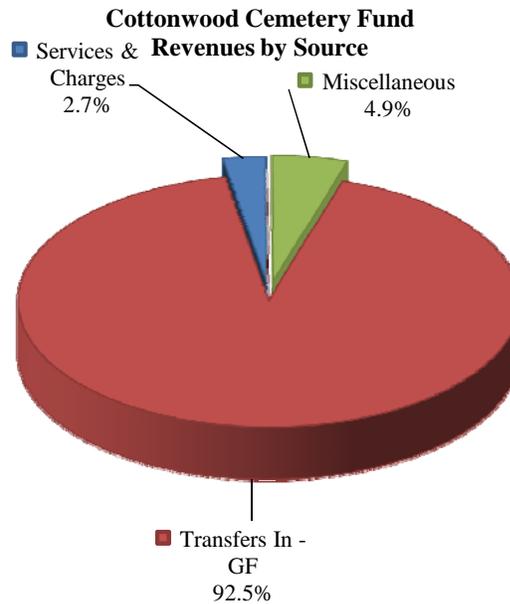
**Cottonwood Cemetery Fund Expenditures By Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Totals	\$0	\$4,100	\$3,000	\$19,000	\$0	\$0	\$26,100
	\$0	\$4,100	\$3,000	\$19,000	\$0	\$0	\$26,100



Revenues	\$1,970
Expenditures	(26,100)
Revenues over (under) Expenditures	(24,130)
Other Funding Sources/Uses	24,130
Use of Fund Balance	\$0

Services & Charges	\$700
Use of Monies	0
Miscellaneous	1,270
Transfers In - GF	24,130
<b>Total Resources Available</b>	<b>\$26,100</b>



**Cottonwood Cemetery Revenues/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	0	0	0	0	0.00%
Charges for Services					
Sale of Grave liners	350	700	400	700	75.00%
Uses of Monies & Properties					
Interest Income	3	10	0	0	0.00%
Miscellaneous Revenues					
Other Income	1,050	1,000	2,365	1,270	-46.30%
<b>Total Revenue Sources</b>	<b>1,403</b>	<b>1,710</b>	<b>2,765</b>	<b>1,970</b>	<b>-28.75%</b>
<b>Other Financing Sources:</b>					
Transfers In	18,184	18,690	21,480	24,130	12.34%
Carryover	0	11,500	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>18,184</b>	<b>30,190</b>	<b>21,480</b>	<b>24,130</b>	<b>12.34%</b>
<b>Total Available Resources</b>	<b>19,587</b>	<b>31,900</b>	<b>24,245</b>	<b>26,100</b>	<b>7.65%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	627	3,500	2,900	4,100	41.38%
Contractual Services	2,853	9,400	2,185	3,000	37.30%
Other Services and Charges	16,108	19,000	19,160	19,000	-0.84%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>19,588</b>	<b>31,900</b>	<b>24,245</b>	<b>26,100</b>	<b>7.65%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>19,588</b>	<b>31,900</b>	<b>24,245</b>	<b>26,100</b>	<b>7.65%</b>
Net Income / (Loss)	<b>(\$1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**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 2012 Accomplishments:**

\* N/A

**FY 2013 Goals:**

\* N/A

**Budget Highlights:**

None

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	10-00
<b>Performance Indicators</b>				
<i>* Performance Measures are being developed for this department *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
<b>Mission/Value Statement:</b>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Measure:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013

Cemeteries		Cottonwood Cemetery		Fund 04 - Cemetery		Cost Center		10-00	
<b>Summary By Category</b>									
Expenditure Category	2011		2012		2013		Percent Change		
	Actual	Budget	Revised	Tentative					
Personnel	\$0	\$0	\$0	\$0	\$0	0.00%			
Operating Supplies	627	3,500	2,900	4,100	41.38%				
Contractual Services	2,853	9,400	2,185	3,000	37.30%				
Other Services and Charges	16,108	19,000	19,160	19,000	-0.84%				
Capital Outlay	0	0	0	0	0.00%				
Debt Service	0	0	0	0	0.00%				
<b>Department Totals</b>	<u>\$19,588</u>	<u>\$31,900</u>	<u>\$24,245</u>	<u>\$26,100</u>	<u>7.65%</u>				

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Charges for Service	\$700	2.68%
Interest Income	0	0.00%
Miscellaneous Fees	1,270	4.87%
Carryover	0	0.00%
Transfer In - General Fund	24,130	92.45%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Merit Contingency						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

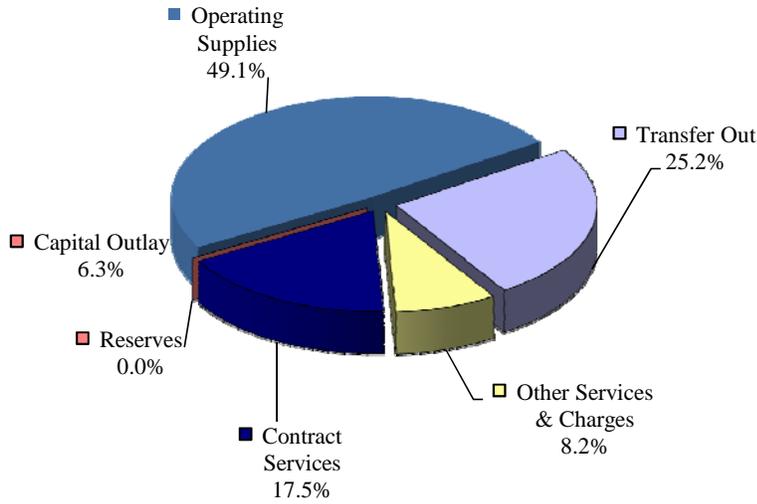
Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	10-00	
<b>Supplemental Data: Expenditures</b>					
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Supplies</b>					
Grave Liners	0	3,000	2,000	3,000	50.00%
Equipment Maint & Repairs	0	0	600	600	0.00%
Misc. Expense	627	500	300	500	66.67%
<b>Total Supplies</b>	<u>627</u>	<u>3,500</u>	<u>2,900</u>	<u>4,100</u>	<u>41.38%</u>
<b>Contractual Services</b>					
Indirect Cost to General Fund	2,853	9,400	2,185	3,000	37.30%
<b>Total Contractual Services</b>	<u>2,853</u>	<u>9,400</u>	<u>2,185</u>	<u>3,000</u>	<u>37.30%</u>
<b>Other Services and Charges</b>					
Utilities	15,663	19,000	19,000	19,000	0.00%
Telephone	445.00	0	160	0	-100.00%
<b>Total Other Services &amp; Charges</b>	<u>16,108</u>	<u>19,000</u>	<u>19,160</u>	<u>19,000</u>	<u>-0.84%</u>

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
N/A				
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Airport Fund Expenditures By Category**

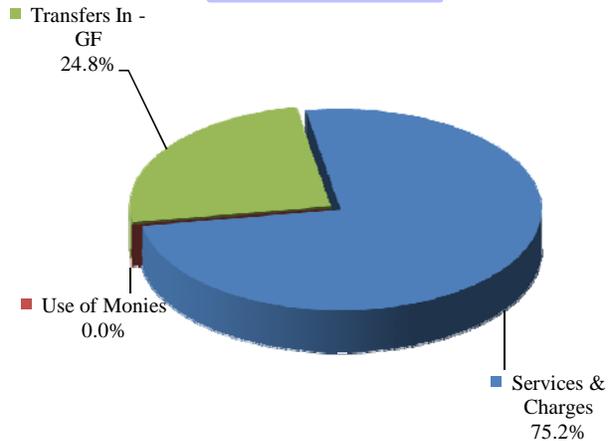
Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Totals	\$0	\$187,500	\$66,860	\$31,370	\$0	\$0	\$96,475	\$382,205
	\$0	\$187,500	\$66,860	\$31,370	\$0	\$0	\$96,475	\$382,205

**Airport Fund Expenditures by Category**



Airport Fund Summary	
Revenues	\$287,475
Expenditures	(382,205)
Revenues over (under) Expenditures	(94,730)
Other Funding Sources/Uses	94,730
Use of Fund Balance	\$0

**Airport Fund Revenues by Source**



Airport Fund Revenues By Source	
Services & Charges	\$287,400
Use of Monies	75
Transfers In - GF	94,730
Total Resources Available	\$382,205

**Airport Revenues:**

Most of this department's funding comes from the fuel sales and rental of properties and hangars. However, it is still being largely supported by the General Fund through Transfers-In to maintain operations.

**Airport Expenditures:**

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

Fiscal Year 2013 Budget  
**Airport Fund Revenues/Expenditures**

Table of Contents

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	61,028	200,000	189,750	201,250	6.06%
Uses of Monies & Properties					
Tie Down Rent	18,527	22,500	22,500	22,500	0.00%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	24,647	0	0	0	0.00%
Land Lease Fees	36,685	33,000	33,000	33,000	0.00%
City Hangar Lease Fees	28,513	30,650	30,650	30,650	0.00%
Miscellaneous Revenues					
Other Income	229	100	60	75	25.00%
<b>Total Revenue Sources</b>	<b>169,629</b>	<b>286,250</b>	<b>275,960</b>	<b>287,475</b>	<b>4.17%</b>
<b>Other Financing Sources:</b>					
Transfers In	24,036	19,615	51,225	94,730	84.93%
Carryover	(10,103)	0	0	0	0.00%
Residual Equity Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>13,933</b>	<b>19,615</b>	<b>51,225</b>	<b>94,730</b>	<b>84.93%</b>
<b>Total Available Resources</b>	<b>183,562</b>	<b>305,865</b>	<b>327,185</b>	<b>382,205</b>	<b>16.82%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	70,604	188,000	179,000	187,500	4.75%
Contractual Services	74,627	62,630	86,930	66,860	-23.09%
Other Services and Charges	18,881	24,245	35,380	31,370	-11.33%
Capital Outlay	0	0	500	0	-100.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>164,112</b>	<b>274,875</b>	<b>301,810</b>	<b>285,730</b>	<b>-5.33%</b>
<b>Other Uses:</b>					
Transfers Out	23,490	30,990	25,375	96,475	280.20%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>23,490</b>	<b>30,990</b>	<b>25,375</b>	<b>96,475</b>	<b>280.20%</b>
<b>Total Expenditures and Other Uses</b>	<b>187,602</b>	<b>305,865</b>	<b>327,185</b>	<b>382,205</b>	<b>16.82%</b>
Net Income / (Loss)	<b>(\$4,040)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

- \* Cottonwood Airfest 2011 was a successful, public event at the airport with 3000 people attending the event held October 11, 2011
- \* Installed solar voltaic panels at the airport which were funded by a grant from the Arizona Department of Commerce Energy Office for \$91,000. The solar system will decrease the airport's monthly electric bill by generating renewable energy
- \* Applied for and obtained a \$22,000 grant for a new beacon and lighted windsock

**FY 2013 Goals:**

- \* Have a successful, public event at the airport, Cottonwood Airfest 2012, to be held October 11, 2012
- \* Install Automated Weather Observation System (AWOS)
- \* Oversee runway overlay project, 1" asphalt
- \* Procure an on call airport design consultant to assist with budgeted projects

**Budget Highlights:**

Transfers-In and Indirect Costs increased substantially in FY 2012 due to the additional costs of the city taking over the operations from an FBO. No Capital Outlay has been budgeted for this department in FY 2013, however capital projects have been scheduled for the airport and can be seen in the Airport Improvement Fund.

Airports	Airport	Fund 05 - Airport	Cost Center	10-00										
<b>Performance Indicators</b>														
<i>* Performance Measures are being developed for this department *</i>														
<b>Goal:</b>														
<b>Objective:</b>														
<b>Type of Measure:</b>														
<b>Tool:</b>														
<b>Frequency:</b>														
<b>Scoring:</b>														
<b>Trend:</b>														
<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;">2010</td> <td style="text-align: center;">2011</td> <td style="text-align: center;">2012</td> <td colspan="2" style="text-align: center;">2013</td> </tr> </table>					Actual		Estimated	Anticipated		2010	2011	2012	2013	
Actual		Estimated	Anticipated											
2010	2011	2012	2013											
<b>Measures:</b>														

<b>Mission/Value Statement:</b>														
<b>Goal:</b>														
<b>Objective:</b>														
<b>Type of Measure:</b>														
<b>Tool:</b>														
<b>Frequency:</b>														
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Actual		Estimated	Anticipated											
2010	2011	2012	2013											
<b>Measures:</b>														

<b>Mission/Value Statement:</b>														
<b>Goal:</b>														
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Actual		Estimated	Anticipated											
2010	2011	2012	2013											
<b>Measures:</b>														

Airports	Airport	Fund 05 - Airport			Cost Center	10-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	70,604	188,000	179,000	187,500	4.75%	
Contractual Services	74,627	62,630	86,930	66,860	-23.09%	
Other Services and Charges	18,881	24,245	35,380	31,370	-11.33%	
Capital Outlay	0	0	500	0	-100.00%	
Reserves	0	0	0	0	0.00%	
Transfers Out	23,490	30,990	25,375	96,475	280.20%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<b>\$187,602</b>	<b>\$305,865</b>	<b>\$327,185</b>	<b>\$382,205</b>	<b>16.82%</b>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Fuel Sales	\$201,250	52.65%
User & Rental Fees	86,225	22.56%
Fund Balance	0	0.00%
Transfers In - General Fund	94,730	24.79%
<b>Total Funding</b>		<b><u>100.00%</u></b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>			<b><u>\$0</u></b>

Airports	Airport	Fund 05 - Airport			Cost Center	10-00
<b>Supplemental Data: Expenditures</b>						
Item Description	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		

**Supplies**

Vehicle Maint & Repairs	0	0	0	1,000	0.00%
Equipment Maint & Repairs	6,579	8,000	8,000	8,000	0.00%
Building Maint & Repairs	10,545	3,000	1,000	1,500	50.00%
Fuel Expenses	51,766	175,000	165,000	175,000	6.06%
Operational Supplies	1,714	2,000	5,000	2,000	-60.00%
<b>Total Supplies</b>	<b>70,604</b>	<b>188,000</b>	<b>179,000</b>	<b>187,500</b>	<b>4.75%</b>

**Contractual Services**

Misc. Expenses/Bank charges	1,915	475	100	100	0.00%
Contractual Services	2,158	2,100	2,100	2,100	0.00%
Airport-Indirect Costs to General Fund	70,554	60,055	84,730	64,660	-23.69%
<b>Total Contractual Services</b>	<b>74,627</b>	<b>62,630</b>	<b>86,930</b>	<b>66,860</b>	<b>-23.09%</b>

**Other Services and Charges**

Airport Annual Event	6,471	6,000	10,380	6,000	-42.20%
Utilities	11,595	12,075	12,000	12,000	0.00%
Telephone	739	870	800	870	8.75%
Bank Charges	0	0	6,500	6,500	0.00%
Liability Insurance	76	5,300	5,700	6,000	5.26%
<b>Total Other Services &amp; Charges</b>	<b>18,881</b>	<b>24,245</b>	<b>35,380</b>	<b>31,370</b>	<b>-11.33%</b>

<b>Supplemental Data: Capital Outlay</b>					
Expenditure Category	2011	2012		2013	
	Actual	Budget	Revised	Tentative	
Office Furniture			\$500		
	\$0	\$0	\$500	\$0	

## Airport Improvement Fund Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
ADOT - Runway 32	0	5,000	0	0	0.00%
ADOT - Terminal Parking	0	0	0	9,385	0.00%
ADOT - Design Lighting & Runway Imp.	0	0	0	0	0.00%
ADOT -Construction Electrical	0	0	0	0	0.00%
ADOT - Pavement Preservation	0	0	0	0	0.00%
FAA - Runway 32	0	200,000	0	0	0.00%
FAA - AWOS	0	0	0	104,085	0.00%
FAA - Pavement Preservation	0	0	0	351,310	0.00%
FAA - Terminal Parking	0	0	0	191,230	0.00%
Beacon & LED Windsocks	0	22,500	16,975	0	-100.00%
Energy Efficient Block Grant	0	72,995	72,995	0	-100.00%
<b>Total Revenue Sources</b>	0	300,495	89,970	656,010	629.14%
<b>Other Financing Sources:</b>					
Transfers In	0	7,500	1,885	72,985	297.88%
Carryover	156,996	0	156,695	156,695	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	156,996	7,500	158,580	229,680	44.84%
<b>Total Available Resources</b>	156,996	307,995	248,550	885,690	256.34%
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	303	307,995	91,855	728,995	693.64%
Reserves	0	0	156,695	156,695	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	303	307,995	248,550	885,690	256.34%
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	0	0	0	0	0.00%
<b>Total Expenditures and Other Uses</b>	303	307,995	248,550	885,690	256.34%
Net Income / (Loss)	\$156,693	\$0	\$0	\$0	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

\* N/A They are the same as the Airport

**FY 2013 Goals:**

\* N/A

\*

**Budget Highlights:**

Capital projects for FY 2013 include ADOT grants for pavement preservation and an automatic weather observation station estimated at \$390,345 and \$115,650 respectively; an FAA grant for \$210,000 for the terminal parking lot and a city project for the Skydive building retaining wall estimated at \$13,000

Airports	Airport Improvement Fund	Fund 07 - Grants			Cost Center	14-0X
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
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	303	307,995	91,855	728,995	693.64%	
Reserves	0	0	156,695	156,695	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$303</u>	<u>\$307,995</u>	<u>\$248,550</u>	<u>\$885,690</u>	<u>256.34%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
FAA Grant	\$646,625	73.01%
Misc Grants	\$0	0.00%
ADOT Grant	9,385	1.06%
Airport Transfer In	72,985	8.24%
<b>Total Funding</b>		<u>82.31%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>



Fiscal Year 2013 Budget  
**Grants Fund Revenues/Expenditures**

Table of Contents

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes	0	0	0	0	0.00%
Intergovernmental Revenues	0	500,000	0	500,000	0.00%
Miscellaneous Revenue	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0.00%</b>
 Net Income / (Loss)	 \$0	 \$0	 \$0	 \$0	

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

**Other Grants Fund Revenues/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
State Grants	0	0	0	0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	500,000	0	500,000	0.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	0	500,000	0	500,000	0.00%
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover		0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	0	0	0	0	0.00%
<b>Total Available Resources</b>	0	500,000	0	500,000	0.00%
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	0	500,000	0	500,000	0.00%
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	0	0	0	0	0.00%
<b>Total Expenditures and Other Uses</b>	0	500,000	0	500,000	0.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

\* None

**FY 2013 Goals:**

\* Obtain grants for multiple projects

**Budget Highlights:**

This fund has \$500,000 allocated for any possible grant that may arise.

Grants	Other Grants Fund	Fund 07 - Grants	Cost Center	15-00
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual		Estimated
		2010	2011	2012
				Anticipated
				2013
N/A				

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
Grant Projects		\$500,000		\$500,000
		\$0	\$500,000	\$0
		\$0	\$500,000	\$0

Grants	Other Grants Fund	Fund 07 - Grants			Cost Center	15-00
<b>Summary By Category</b>						
Expenditure Category	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0.00%	
Capital Outlay	0	500,000	0	500,000	0.00%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$0</u>	<u>\$500,000</u>	<u>\$0</u>	<u>\$500,000</u>	<u>0.00%</u>	

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

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

## Community Development Block Grant Fund Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
State Grants	0	0	0	0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	350,000	12,500	257,500	1960.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	0	350,000	12,500	257,500	1960.00%
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	62,500	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%
<b>Total Other Financing Sources</b>	0	0	0	62,500	0.00%
<b>Total Available Resources</b>	0	350,000	12,500	320,000	2460.00%
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	350,000	12,500	320,000	2460.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	0	350,000	12,500	320,000	2460.00%
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	0	0	0	0	0.00%
<b>Total Expenditures and Other Uses</b>	0	350,000	12,500	320,000	2460.00%
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 2012 Accomplishments:**

\* None

**FY 2013 Goals:**

\* Obtain grants for multiple projects

**Budget Highlights:**

This year's budget includes \$320,000 for a CDBG construction project on 10th Street. A Transfer-In from the HURF fund of \$62,500 will supplement the \$257,500 expected from the grant.

Public Works	CDBG	Fund 08 - CDBG	Cost Center	1X-00
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
CDBG 10th St Construction Grant		\$350,000	\$12,500	\$320,000
	\$0	\$350,000	\$12,500	\$320,000

Public Works		CDBG		Fund 08 - CDBG		Cost Center	1X-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
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	350,000	12,500	320,000	2460.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$12,500</b>	<b>\$320,000</b>	<b>2460.00%</b>		

<b>Departmental Fund Sources</b>			
Funding Sources	Amount	% of Funding	% of Funding
Federal Grants	\$257,500	80%	
HURF Fund	\$62,500	20%	
	<b>Total Funding</b>	<b>100.00%</b>	

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>\$0</b>

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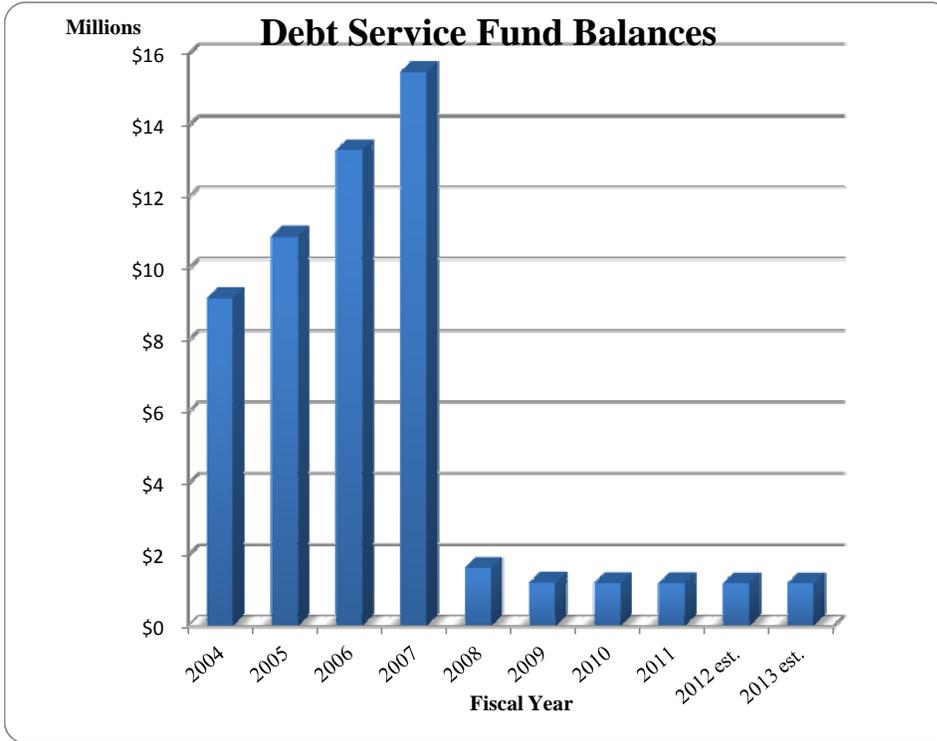
The Debt Service Fund is set up to account for the accumulation of resources and the payment of general long term debt principal and interest.

**Fund/Account Number**

13

**Description**

Debt Service



Fiscal Year	Balance
2004	9,179,655
2005	10,905,003
2006	13,322,698
2007	15,510,865
2008	1,637,437
2009	1,229,290
2010	1,210,129
2011	1,210,129
2012 est.	1,209,315
2013 est.	1,208,505

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

**Consolidated Statement of Revenues/Expenditures**

Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
<b>Revenue Sources:</b>				
Taxes	2,069,747	2,062,585	2,062,825	2,072,875
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	1,330	850	350	350
Miscellaneous Revenues	0	0	0	0
<b>Total Revenue Sources</b>	<b>2,071,077</b>	<b>2,063,435</b>	<b>2,063,175</b>	<b>2,073,225</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Carryover	1,210,129	1,210,930	1,210,125	1,209,315
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>1,210,129</b>	<b>1,210,930</b>	<b>1,210,125</b>	<b>1,209,315</b>
<b>Total Available Resources</b>	<b>3,281,206</b>	<b>3,274,365</b>	<b>3,273,300</b>	<b>3,282,540</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	1,049	360	1,060	1,060
Other Services and Charges	0	0	0	0
Capital Outlay	0	0	0	0
Reserves	0	1,211,080	1,209,315	1,208,505
Debt Service	2,070,028	2,062,925	2,062,925	2,072,975
<b>Total Expenditures</b>	<b>2,071,077</b>	<b>3,274,365</b>	<b>3,273,300</b>	<b>3,282,540</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>2,071,077</b>	<b>3,274,365</b>	<b>3,273,300</b>	<b>3,282,540</b>
Net Income / (Loss)	\$1,210,129	\$0	\$0	\$0

**Debt Service Fund Revenues/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	1,911,515	1,906,875	1,906,875	1,914,675	0.41%
City Sales Tax - Library	158,232	155,710	155,950	158,200	1.44%
Charges for Services					
User Fees - Water Co. Debt Serv	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	1,330	850	350	350	0.00%
<b>Total Revenue Sources</b>	<b>2,071,077</b>	<b>2,063,435</b>	<b>2,063,175</b>	<b>2,073,225</b>	<b>0.49%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover Funds	1,210,125	1,210,930	1,210,125	1,209,315	-0.07%
Residual Equity Interfund Transf	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>1,210,125</b>	<b>1,210,930</b>	<b>1,210,125</b>	<b>1,209,315</b>	<b>-0.07%</b>
<b>Total Available Resources</b>	<b>3,281,202</b>	<b>3,274,365</b>	<b>3,273,300</b>	<b>3,282,540</b>	<b>0.28%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,049	360	1,060	1,060	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	1,211,080	1,209,315	1,208,505	-0.07%
Debt Service	2,070,028	2,062,925	2,062,925	2,072,975	0.49%
<b>Total Expenditures</b>	<b>2,071,077</b>	<b>3,274,365</b>	<b>3,273,300</b>	<b>3,282,540</b>	<b>0.28%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transf	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>\$2,071,077</b>	<b>\$3,274,365</b>	<b>\$3,273,300</b>	<b>\$3,282,540</b>	<b>0.28%</b>
Net Income / (Loss)	\$1,210,125	\$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 2012 Accomplishments:**

- \* Consistently maintained timely payments of Special Debt Service accounts by setting up monthly deposits

**FY 2013 Goals:**

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

**Budget Highlights:**

No significant changes are planned for this department.

Interest & Sinking	Debt Service Fund	Fund 13 - Debt Service	Cost Center	10-0X
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable for this fund*</i>				

<b>Supplemental Data: Expenditures</b>					
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	

**Contractual Services**

Trustee Fees - Library	689	0	700	700	0.00%
Trustee Fees - WIFA	360	360	360	360	0.00%

<b>Total Contractual Services</b>	<u>\$1,049</u>	<u>\$360</u>	<u>\$1,060</u>	<u>\$1,060</u>	<u>0.00%</u>
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**Debt Service**

Interest - FmHA Loan - Library	10,000	6,750	6,750	3,500	-48.15%
Principal - FmHA Loan - Library	65,000	65,000	65,000	70,000	7.69%
Interest - Library Bonds	13,500	9,300	9,300	4,800	-48.39%
Principal - Library Bonds	70,000	75,000	75,000	80,000	6.67%
Interest - GADA - Recreation Center	793,275	763,275	763,275	732,275	-4.06%
Principal - GADA - Recreation Center	750,000	775,000	775,000	810,000	4.52%
Interest GADA-RR Wash	15,423	10,875	10,875	5,700	-47.59%
Principal GADA-RR Wash	85,000	90,000	90,000	95,000	5.56%
Interest GADA-PS Building	32,830	22,725	22,725	11,700	-48.51%
Principal GADA-PS Building	235,000	245,000	245,000	260,000	6.12%

<b>Total Other Services &amp; Charges</b>	<u>\$2,070,028</u>	<u>\$2,062,925</u>	<u>\$2,062,925</u>	<u>\$2,072,975</u>	<u>0.49%</u>
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**Reserves**

GADA Reserve	0	1,211,080	1,209,315	1,208,505	-0.07%
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<b>Total Reserves</b>	<u>\$0</u>	<u>\$1,211,080</u>	<u>\$1,209,315</u>	<u>\$1,208,505</u>	<u>-0.07%</u>
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Interest & Sinking	Debt Service Fund	Fund 13 - Debt Service		Cost Center	10-0X
<b>Summary By Category</b>					
Expenditure Category	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	1,049	360	1,060	1,060	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Transfers Out	0	0	0	0	0.00%
Debt Service	2,070,028	2,062,925	2,062,925	2,072,975	0.49%
<b>Department Totals</b>	<u>\$2,071,077</u>	<u>\$3,274,365</u>	<u>\$3,273,300</u>	<u>\$3,282,540</u>	<u>0.28%</u>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Other Income	\$350	0.01%
Taxes	2,072,875	63.15%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	1,209,315	36.84%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Transfers Out</b>					
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
Transfers Out - Sewer	\$0	\$0	\$0	\$0	0.00%
Transfers Out - Library	0	0	0	0	0.00%
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>

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**BONDED INDEBTEDNESS  
Summary**

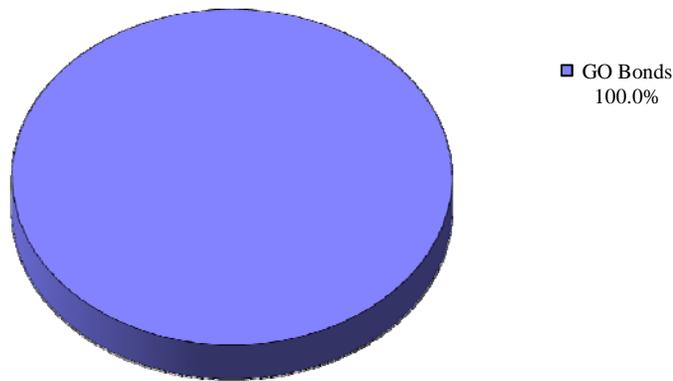
The City presently has three different types of securities outstanding; Sewer Revenue bonds, General Obligation bonds and Municipal Facilities Corporation revenue bonds ("MPC" Bonds) secured by certain excise taxes. In addition, the City has entered into loan agreements with two state agencies, the Water Infrastructure Loan Authority ("WIFA") and the Greater Arizona Development Authority ("GADA"). These loan arrangements commit the City to make periodic principal and interest payments over a prescribed period of time, similar to bonds, and therefore they are included in this summary.

The majority of bonds issued by the City have been used to construct and to make improvements to the Wastewater Collection and Treatment system. In addition, the City has financed a new city library, which was financed with general obligation bonds in 1993. For financing a portion of the wastewater system and the library, the City has taken full advantage of low cost federal loans from the Farmers Home Administration, which has served to considerably lower the annual debt service costs associated with these projects. For example, in 1994, the City was able to successfully refinance \$900,000 or 50% of the total cost of the city library through Farmers Home at a below-market, long-term interest rate of 5.0%. In addition, the City entered into a low interest rate loan agreement with WIFA in 1999 in order to raise funds for additional expansion and improvements of the Sewer System. In FY 2000 and again in FY 2001, the City borrowed \$895,000 and \$2,500,000 from GADA to finance the cost of constructing a wash flood control project and the Public Safety Building, respectively. Both state agency loans are secured by city sales tax.

<b>Total Outstanding Debt by Type of Bonds June 30, 2011</b>		
--	--	--

GO Bonds	Library General Obligation Bonds	158,300
	Total Indebtedness	\$158,300

**Total Bond Indebtedness  
By Type of Bond**



**LIBRARY GENERAL OBLIGATION BONDS**

On January 7, 1992, the qualified electors of the city authorized the sale of \$1,800,000 aggregate principal amount of general obligation bonds. The general obligation bonds were authorized to provide funds to design, construct, equip and furnish a municipal library facility complete with interior furnishings, books and periodicals, acquire land for the municipal library facility, improve the grounds of the municipal library facility so constructed (the "Project"), and pay all expenses incidental thereto and to the issuance and sale of the general obligation bonds.

The voters authorized the enactment of a special two-tenths of a percent special city sales tax to fund the project. The tax will end on July 1, 2013, with the payment of the last outstanding bonds. The city has two outstanding bond issues with the Library Project of 1992.

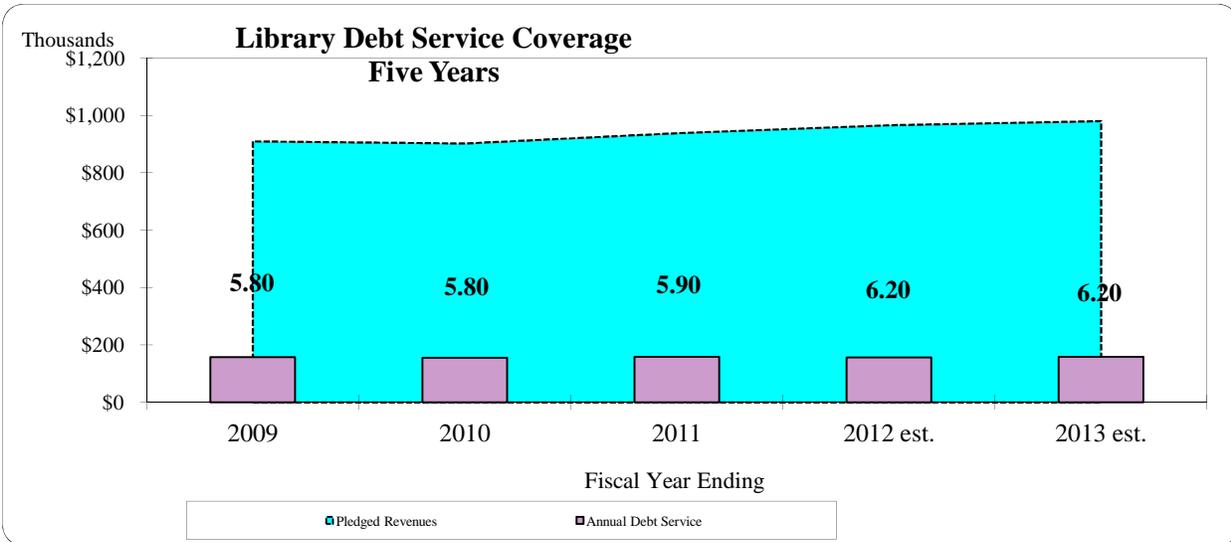
-Farmers Home Administration (FmHA) - \$900,000: The bonds were issued on July 1, 1994, at an interest rate of 5%.

-General Obligation Library Bonds \$900,000: The bonds were used on July 1, 1993, at an average interest rate of 5.67%.

In November, 1998, the voters authorized the two-tenths percent special city sales tax to have a dual purpose, library debt service payment and capital improvement reserves. The arrangement is to cover the annual debt service with any surplus to return to the General Fund and be restricted for Capital Improvements.

Despite this change of usage, the city still tracks and compares the coverage ratio. The City's estimated coverage ratio (annual revenues as compared to annual bond payments) is estimated at 5.8x coverage for fiscal year 2012. The coverage ratio has held steady since FY 2008, demonstrating excellent coverage, or the city's ability to meet its debt obligation. Example: 2.5x coverage would be \$2,500,000 in annual revenues to meet \$1,000,000 in annual debt payments.

Coverage Ratio (5 yrs)			
Fiscal Year Ending 06/30	Pledged Revenues	Annual Debt Service	Debt Service Coverage Ratio
2009	909,773	157,000	5.80
2010	902,280	155,400	5.80
2011	938,176	158,500	5.90
2012 est.	965,896	156,050	6.20
2013 est.	980,385	158,300	6.20



<b>General Obligation Bonds, Series A 1993 - Library Project</b> <b>Project of 1992 - ("Baa" Moody's)</b>
--

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
January 1, 2013					4,800	
July 1, 2013	80,000	895,000	5,000	6.00%	0	\$84,800
Totals	\$80,000				\$4,800	\$84,800

<b>General Obligation Refunding Bonds, Series 1994</b>						
<b>FmHA - Library Project - ("Baa" Moody's)</b>						

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
January 1, 2013					3,500	
July 1, 2013	70,000	900,000	0	5.00%	0	\$73,500
Totals	\$70,000				\$3,500	\$73,500



**Computation of Direct and Overlapping Bonded Debt  
June 30, 2011**

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	\$290,000	100.00%	\$290,000
Yavapai County	2,800,000	0.00%	0
Yavapai Community College District	44,150,000	4.55%	2,008,825
Cottonwood/Oak Creek School District	0	38.37%	0
Mingus Union High School District	12,950,000	44.98%	5,824,910
<b>Total Direct and Overlapping Debt</b>			<b><u>\$8,123,735</u></b>

Jurisdiction	Total Assessed Valuation
City of Cottonwood	\$146,396,047
Yavapai County	3,274,078,347
Yavapai Community College District	3,824,935,514
Cottonwood/Oak Creek School District	373,753,610
Mingus Union High School District	454,794,192

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, 2010 were secured by sales taxes instead of property taxes.

**Computation of Legal Debt Margin  
June 30, 2011**

Net secondary assessed valuation (Full Cash Value)	\$122,594,325
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**Calculation of 20% Debt Limitation**

20% of secondary net assessed valuation	24,518,865
Bonds outstanding	0
Net 20% Debt Limitation	24,518,865

**Calculation of 6% Debt Limitation**

6% of secondary net assessed valuation	7,355,660
Bonds outstanding	0
Net 20% Debt Limitation	7,355,660

Total Bonding Capacity	\$31,874,525
------------------------	--------------

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 above, the City may issue bonds for general improvement purposes or for specific projects.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2011 were secured by sales taxes instead of property taxes.

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**GADA INFRASTRUCTURE REVENUE BONDS - SERIES 2000A**

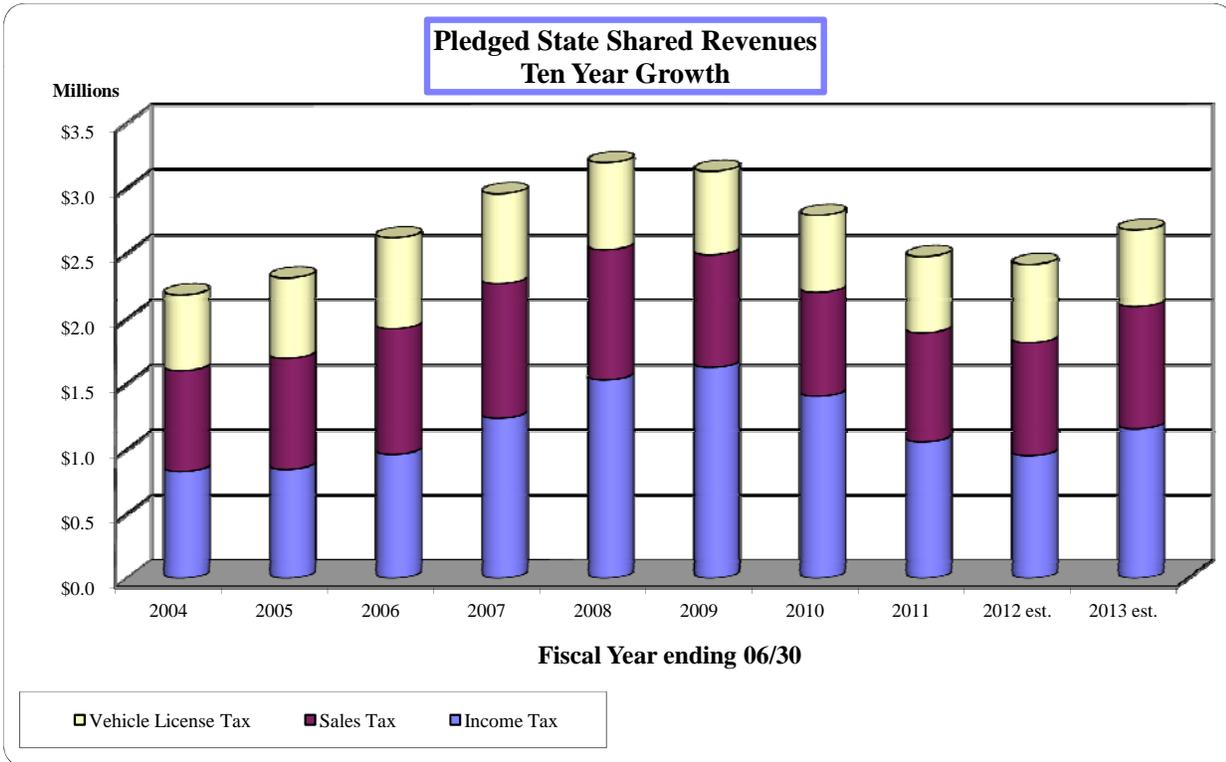
The Greater Arizona Development Authority (GADA) was created by the legislature of the State of Arizona in 1997. It is a body corporate and politic, established to assist in the planning and financing of local public projects. GADA has powers to issue bonds to provide financial assistance for construction and improvement of infrastructure, finance infrastructure projects, and guarantee debt obligations to political subdivisions, special districts and Indian tribes. It also provides technical assistance through staff or other professional assistance.

The GADA Fund consists of monies appropriated by the State Legislature; monies received from the United States government to carry out the purposes of GADA; monies received from political subdivisions, special districts and Indian tribes as loan repayments, interest, administrative fees and penalties; interest and other income received from investing monies in the fund; gifts, grants and donations received from any public or private source to carry out the purposes of GADA.

In May, 2000, GADA issued \$18,930,000 in bonds to provide funds through loans to the City of Cottonwood and Town of Gilbert to assist in financing certain projects. Plans for improvements to the Railroad Wash as a flood control project were estimated at a cost of \$1,262,300. \$895,000 and was being financed using GADA funds from the nearly \$19M issued, \$279,400 being funded through the Yavapai County Flood Control District with the remaining \$87,900 coming from interest earned while the project was under construction.

In February, 2001, GADA again issued \$2,750,000 in bonds to provide funds through loans to the City of Cottonwood and City of Holbrook. The City of Cottonwood completed the construction phase of the Public Safety Building at an estimated cost of \$3.7M. \$2.5M of the project is from GADA proceeds, \$871,000 was from the General Fund Capital Projects reserve fund and the remaining amount came from interest earned from these funds while the project was completed.

The revenues pledged to this obligation are state shared revenues, including state shared sales tax and urban revenue sharing funds, similar to those pledged for the Municipal Facilities Revenue Bonds.



<b>Greater Arizona Development Authority - Railroad Wash Improvements</b> <b>Infrastructure Revenue Bonds - Series 2000A ("AAA" S&amp;P / "Aaa" Moody's)</b>
---

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
January 1, 2013					5,700	
July 1, 2013	95,000	890,000	5,000	5.75%	0	\$100,700
Totals	<u>\$95,000</u>				<u>\$5,700</u>	<u>\$100,700</u>

<b>Greater Arizona Development Authority - Public Safety Building Construction          Infrastructure Revenue Bonds - Series 2001A ("AAA" S&amp;P / "Aaa" Moody's)</b>
---

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
January 1, 2013					5,850	
July 1, 2013	260,000	2,420,000	10,000	4.50%	5,850	\$271,700
Totals	<u>\$260,000</u>				<u>\$11,700</u>	<u>\$271,700</u>

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

<b><u>Fund/Account Number</u></b>	<b><u>Description</u></b>
<u>11-10-01</u>	<u>Railroad Wash Improvements</u>
<u>07-10-00</u>	<u>Heritage Grant - Riverfront Park Project</u>
<u>11-10-02</u>	<u>Library Expansion Project</u>
<u>11-10-03</u>	<u>Capital Projects Fund</u>
<u>11-14-00</u>	<u>Recreation Center Projects</u>
<u>11-15-00</u>	<u>Evidence Storage Building</u>
<u>11-16-00</u>	<u>Land Acquisition</u>

**Consolidated Statement of Revenues/Expenditures**

Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
<b>Revenue Sources:</b>				
Taxes	0	0	0	0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	405,000	0	225,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	(2,679)	0	236,945	250,000
<b>Total Revenue Sources</b>	<b>(2,679)</b>	<b>405,000</b>	<b>236,945</b>	<b>475,000</b>
<b>Other Financing Sources:</b>				
Transfers In	0	285,000	0	0
Carryover	14,152,370	14,674,260	13,602,200	12,672,075
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>14,152,370</b>	<b>14,959,260</b>	<b>13,602,200</b>	<b>12,672,075</b>
<b>Total Available Resources</b>	<b>14,149,691</b>	<b>15,364,260</b>	<b>13,839,145</b>	<b>13,147,075</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	999	0	400	0
Capital Outlay	737,512	7,607,600	266,670	1,916,655
Reserves	0	4,471,660	12,672,075	7,630,420
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>738,511</b>	<b>12,079,260</b>	<b>12,939,145</b>	<b>9,547,075</b>
<b>Other Uses:</b>				
Transfers Out	0	3,285,000	900,000	3,600,000
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>3,285,000</b>	<b>900,000</b>	<b>3,600,000</b>
<b>Total Expenditures and Other Uses</b>	<b>738,511</b>	<b>15,364,260</b>	<b>13,839,145</b>	<b>13,147,075</b>
Net Income / (Loss)	\$13,411,180	\$0	\$0	\$0

**Capital Projects - Railroad Wash Improvements Fund Revenues/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
Yavapai County	0	405,000	0	225,000	0.00%
A.D.O.T.	0	0			0.00%
<b>Total Intergov'tl Revenue</b>	0	405,000	0	225,000	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	0	0	0	0	0.00%
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	0	0	0	0	0.00%
<b>Total Available Resources</b>	0	405,000	0	225,000	0.00%
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	405,000	0	225,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	0	405,000	0	225,000	0.00%
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	0	0	0	0	0.00%
<b>Total Expenditures and Other Uses</b>	0	405,000	0	225,000	0.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

Not applicable

**FY 2013 Goals:**

Not applicable

**Budget Highlights:**

Capital for FY 2013 includes \$225,000 for Railroad Wash. Funding is coming from a county Flood Improvement Tax that will be passed to the City for this project.

Public Works	Railroad Wash Improvements	Fund 11 - Capital Projects	11-00
<b>Performance Indicators</b>			
<i>* Performance Measures are not applicable to this fund *</i>			

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
Railroad Wash Improvements		\$165,000		\$225,000
6th Street and Silver Springs Wet Crossing		120,000		
Camino Real Street and Oak Wash Wet Crossing		120,000		
		\$0	\$405,000	\$0
		\$0	\$225,000	

Public Works		Railroad Wash Improvements		Fund 11 - Capital Projects		Cost Center	11-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
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	405,000	0	225,000	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$0</u>	<u>\$405,000</u>	<u>\$0</u>	<u>\$225,000</u>	<u>0.00%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Yavapai County	\$225,000	100.00%
GADA Loan Proceeds(carryover)	0	0.00%
Interest Income	0	0.00%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

**Capital Projects - Heritage Grant Revenues/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Yavapai County & APS	0	0	0	0	0.00%
<b>Total Intergovernmental</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Miscellaneous Income					
Other Income	3	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Net Income / (Loss)	\$3	\$0	\$0	\$0	

**Organizational Chart:**

None

**General Information:**

Project complete.

**FY 2012 Accomplishments:**

Not applicable

**FY 2013 Goals:**

Not applicable

**Budget Highlights:**

Not applicable

Culture & Recreation	Heritage Grant	Fund 07 - Grants	Cost Center	10-00
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
		Actual	Estimated	Anticipated
<b>Measures:</b>		2010	2011	2012
				2013
N/A				

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
None				
		\$0	\$0	\$0
		\$0	\$0	\$0

Culture & Recreation		Heritage Grant		Fund 07 - Grants		Cost Center	10-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	0	0	0	0	0.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Intergovernmental	\$0	0.00%
Other Income	0	0.00%
Carry forward	0	0.00%
Transfers In - General Fund	0	0.00%
<b>Total Funding</b>		<u>0.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

## Capital Projects - Library Expansion Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Yavapai County & APS	0	0	0	0	0.00%
<b>Total Intergovernmental</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Miscellaneous Income					
Other Income	930	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>930</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
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%
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Available Resources</b>	<b>930</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Net Income / (Loss)	\$930	\$0	\$0	\$0	

**Organizational Chart:**

None

**General Information:**

With the growing population of the Verde Valley, it became a priority to expand the Public Library to accommodate the walk in traffic of the facility. Monies set aside from a .2% sales tax and its interest was accumulating until November 1999 when a public vote decided to release any future revenues for general capital project that the City deemed necessary. The remaining balance at the time, however, was to be for Library expansion and construction only. The expansion of the Library was completed in FY 2010

**FY 2012 Accomplishments:**

\* N/A

**FY 2013 Goals:**

\* N/A

**Budget Highlights:**

N/A

Culture & Recreation	CIP Library Expansion	Fund 11 - Capital Projects	Cost Center	10-02
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				

<b>Supplemental Data: Capital Outlay</b>					
Expenditure Category	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
None					
	\$0	\$0	\$0	\$0	0.00%

Culture & Recreation		CIP Library Expansion		Fund 11 - Capital Projects		Cost Center	10-02
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013		Percent Change	
	Actual	Budget	Revised	Tentative			
Personnel	\$0	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	0	0	0	0	0	0.00%	
Contractual Services	0	0	0	0	0	0.00%	
Other Services and Charges	0	0	0	0	0	0.00%	
Capital Outlay	0	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0	0.00%	
<b>Department Totals</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Capital Reserves	\$0	0.00%
Interest Income	0	0.00%
<b>Total Funding</b>		<u>0.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

**Capital Projects - Capital Projects Fund-Revenue/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Yavapai County & APS	0	0	0	0	0.00%
<b>Total Intergovernmental</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
Miscellaneous Income					
Other Income	(3,734)	0	236,945	250,000	5.51%
<b>Total Revenue Sources</b>	<b>(3,734)</b>	<b>0</b>	<b>236,945</b>	<b>250,000</b>	<b>5.51%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	14,152,370	14,074,260	13,602,200	12,672,075	-6.84%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>14,152,370</b>	<b>14,074,260</b>	<b>13,602,200</b>	<b>12,672,075</b>	<b>-6.84%</b>
<b>Total Available Resources</b>	<b>14,148,636</b>	<b>14,074,260</b>	<b>13,839,145</b>	<b>12,922,075</b>	<b>-6.63%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	965	0	0	0	0.00%
Capital Outlay	448,820	6,317,600	241,170	593,155	145.95%
Reserves	0	4,471,660	12,672,075	7,630,420	-39.79%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>449,785</b>	<b>10,789,260</b>	<b>12,913,245</b>	<b>8,223,575</b>	<b>-36.32%</b>
<b>Other Uses:</b>					
Transfers Out	0	3,285,000	900,000	3,600,000	300.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>3,285,000</b>	<b>900,000</b>	<b>3,600,000</b>	<b>300.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>449,785</b>	<b>14,074,260</b>	<b>13,813,245</b>	<b>11,823,575</b>	<b>-14.40%</b>
Net Income / (Loss)	\$13,698,851	\$0	\$25,900	\$1,098,500	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

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

**FY 2013 Goals:**

- \* NA

**Budget Highlights:**

Several projects have been budgeted for FY 2013. A listing can be viewed on the following pages. Further detail can also be found on pages 20-27

General Government	CIP Capital Projects Fund	Fund 11 - Capital Projects	Cost Center	10-03
<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>		Actual	Estimated	Anticipated
		2010	2011	2012
				2013
N/A				

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
Land Acquisition	\$302,710	\$50,000	\$81,405	
Building Purchase - New Court Bldg.	68,239			
Remodel - New Court Bldg.				
Architecture Design - City Hall		100,000		\$100,000
Capital Projects		5,500,000		
Portal Signs to the City		10,000		
Old Town Jail remodel	22,311	60,200	55,200	5,000
Remodel - Old Court Bldg.	16,610	102,800	68,120	60,000
Library Parking Lot Reconstruction				
Old Town Parking	36,679	190,000	15,445	144,555
Riverfront Park Improvements & Ramada Parki	1,321	114,600	6,000	108,600
Fire Station 2 (GADA) design/consulting		120,000		120,000
Garrison Park	950			
Gardner Property Demo		70,000	15,000	55,000
	<u>\$448,820</u>	<u>\$6,317,600</u>	<u>\$241,170</u>	<u>\$593,155</u>

General Government		CIP Capital Projects Fund		Fund 11 - Capital Projects		Cost Center	10-03
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
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	965	0	0	0	0.00%		
Capital Outlay	448,820	6,317,600	241,170	593,155	145.95%		
Reserves	0	4,471,660	12,672,075	7,630,420	-39.79%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<u>\$449,785</u>	<u>\$10,789,260</u>	<u>\$12,913,245</u>	<u>\$8,223,575</u>	<u>-36.32%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Capital Reserves	\$7,973,575	96.96%
Interest Income	250,000	3.04%
<b>Total Funding</b>		<u>100.00%</u>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

## Capital Projects - Recreation Projects Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
City Sales Tax	0	0	0	0	0.00%
Intergovernmental Revenues					0.00%
Yavapai County & APS	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	122	0	0	0	0.00%
<b>Total Revenue Sources</b>	<u>122</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
<b>Other Financing Sources:</b>					
Transfers In	0	285,000	0	0	0.00%
Carryover	0	600,000	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<u>0</u>	<u>885,000</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
<b>Total Available Resources</b>	<u>122</u>	<u>885,000</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
					0
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	34	0	400	0	-100.00%
Capital Outlay	288,692	885,000	25,500	1,098,500	4207.84%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<u>288,726</u>	<u>885,000</u>	<u>25,900</u>	<u>1,098,500</u>	<u>4141.31%</u>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
<b>Total Expenditures and Other Uses</b>	<u>288,726</u>	<u>885,000</u>	<u>25,900</u>	<u>1,098,500</u>	<u>4141.31%</u>
Net Income / (Loss)		<u>(\$288,604)</u>	<u>\$0</u>	<u>(\$1,098,500)</u>	

**Organizational Chart:**

None

**General Information:**

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

**FY 2012 Accomplishments:**

\* N/A

**FY 2013 Goals:**

N/A

**Budget Highlights:**

The Recreation Center's solar project with \$598,500 remaining, rolls over to FY 2013 and \$500,000 has been budgeted for the new communications building design.

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

<b>Supplemental Data: Capital Outlay</b>				
Expenditure Category	2011	2012		2013
	Actual	Budget	Revised	Tentative
Communications building architectural design	\$75,443	\$285,000	\$24,000	\$500,000
Evidence bldg	29,753			
Rec Center Construction	161,522			
Rec Center Furnishing & Equip	20,847			
Rec Center Architectural	1,127			
Land Acquisition				
Rec Center Solar Project		600,000	1,500	598,500
	<u>\$288,692</u>	<u>\$885,000</u>	<u>\$25,500</u>	<u>\$1,098,500</u>

Culture & Recreation		CIP Rec Projects Expansion		Fund 11 - Capital Projects		Cost Center	14-00
<b>Summary By Category</b>							
Expenditure Category	2011	2012		2013	Percent Change		
	Actual	Budget	Revised	Tentative			
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	34	0	400	0	-100.00%		
Capital Outlay	288,692	885,000	25,500	1,098,500	4207.84%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
<b>Department Totals</b>	<b>\$288,726</b>	<b>\$885,000</b>	<b>\$25,900</b>	<b>\$1,098,500</b>	<b>4141.31%</b>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Capital Reserves	\$1,098,500	100.00%
Interest Income	0	0.00%
Transfers In	0	0.00%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
<b>Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>\$0</b>

**ENTERPRISE FUNDS**

Enterprise funds are used to account operations:

1) that are financed and operated in 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 revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes to the residents.

**Fund/Account Number****Description**06-10-0XWastewater Treatment Fund16-10-0XWater System Fund

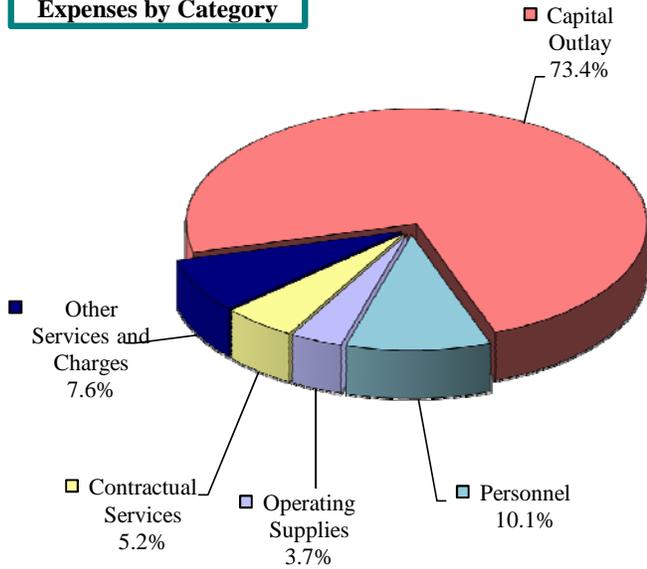
**Consolidated Statement of Revenues/Expenses**

Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
<b>Revenue Sources:</b>				
Taxes	0	0	0	0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	6,994,971	6,846,930	7,240,565	7,240,565
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	65,247	68,900	18,125	18,120
Miscellaneous Revenues	425,376	375,040	426,870	481,870
<b>Total Revenue Sources</b>	<b>7,485,594</b>	<b>7,290,870</b>	<b>7,685,560</b>	<b>7,740,555</b>
<b>Other Financing Sources:</b>				
Transfers In	0	3,000,000	900,000	3,600,000
Carryover	16,318,069	11,948,835	17,575,710	12,883,545
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	7,220,000	0	0
<b>Total Other Financing Sources</b>	<b>16,318,069</b>	<b>22,168,835</b>	<b>18,475,710</b>	<b>16,483,545</b>
<b>Total Available Resources</b>	<b>23,803,663</b>	<b>29,459,705</b>	<b>26,161,270</b>	<b>24,224,100</b>
<b>Expenses:</b>				
Personnel	1,647,370	1,641,090	1,655,950	1,760,680
Operating Supplies	671,820	724,050	619,965	621,525
Contractual Services	972,252	1,485,590	1,030,620	1,116,350
Other Services and Charges	1,084,937	1,315,910	1,679,400	1,729,335
Depreciation	1,896,179	0	0	0
Capital Outlay	346,843	7,791,100	2,434,505	8,715,665
Reserves	24,434	13,974,655	16,213,520	7,778,495
Debt Service	2,515,304	2,527,310	2,527,310	2,502,050
<b>Total Expenses</b>	<b>9,159,139</b>	<b>29,459,705</b>	<b>26,161,270</b>	<b>24,224,100</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenses and Other Uses</b>	<b>9,159,139</b>	<b>29,459,705</b>	<b>26,161,270</b>	<b>24,224,100</b>
Net Income / (Loss)	\$14,644,524	\$0	\$0	\$0

Fiscal Year 2013 Budget  
**Wastewater Facility Fund Expenses By Category**

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-Total	\$670,780	\$243,950	\$342,060	\$502,820	\$4,857,665	\$0	\$7,988,865
Total	\$670,780	\$243,950	\$342,060	\$502,820	\$4,857,665	\$0	\$7,988,865

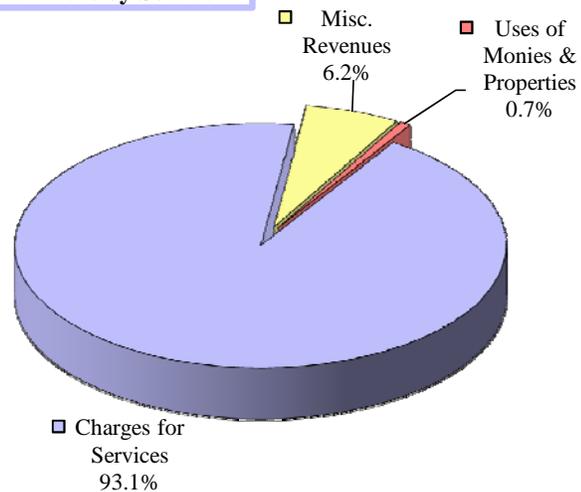
**Wastewater Facility Fund Expenses by Category**



Wastewater Facility Fund Summary	
Revenues	\$1,350,470
Expenses	(7,988,865)
Revenues over (under) Expenses	(6,638,395)
Other Funding Sources/Uses	6,638,395
(Use)/Source of Retained Earnings	\$0

**Wastewater Facility Fund Revenues by Source**

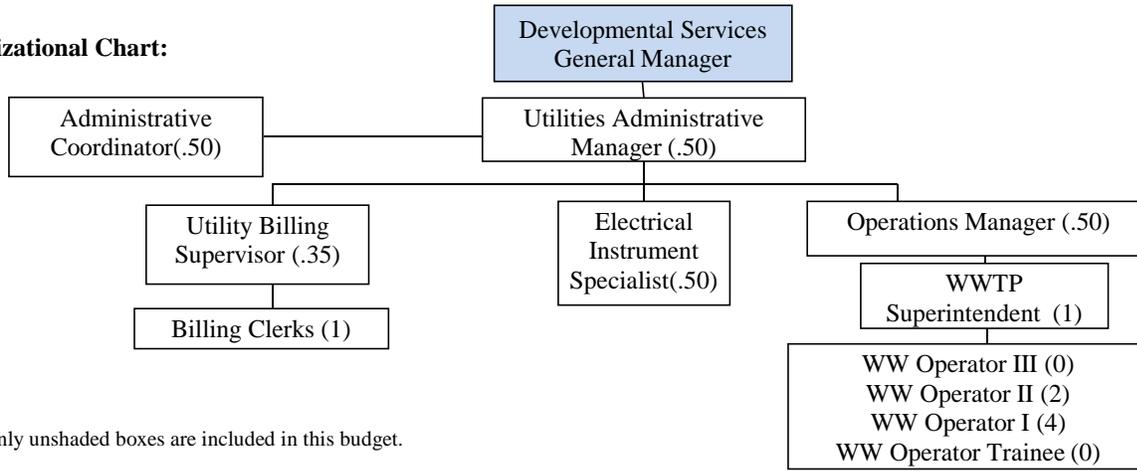
Wastewater Facility Fund Revenues By Source	
Uses of Monies & Properties	\$9,705
Charges for Services	1,257,045
Misc. Revenues	83,720
Other Sources	6,638,395
Total Resources Available	\$7,988,865



**Wastewater Facility Fund Revenues/Expenses**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax (Portion of 1%)	0	0	0	0	0.00%
Charges for Services					
User Fees	1,381,487	1,412,900	1,244,830	1,244,830	0.00%
Tap Fees	58,097	500	420	420	0.00%
Effluent Revenue	18,817	9,000	11,795	11,795	0.00%
Uses of Monies & Properties					
Interest Income	23,641	10,000	9,705	9,705	0.00%
Miscellaneous Revenue					
Other Income	68,667	33,500	83,720	83,720	0.00%
<b>Total Revenue Sources</b>	<b>1,550,709</b>	<b>1,465,900</b>	<b>1,350,470</b>	<b>1,350,470</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	3,000,000	900,000	3,600,000	300.00%
Carryover	3,628,101	3,461,340	3,584,695	3,038,395	-15.24%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	4,000,000	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>3,628,101</b>	<b>10,461,340</b>	<b>4,484,695</b>	<b>6,638,395</b>	<b>48.02%</b>
<b>Total Available Resources</b>	<b>5,178,810</b>	<b>11,927,240</b>	<b>5,835,165</b>	<b>7,988,865</b>	<b>36.91%</b>
<b>Expenses:</b>					
Personnel	590,404	599,440	597,150	670,780	12.33%
Operating Supplies	221,593	248,550	215,695	243,950	13.10%
Contractual Services	200,960	529,655	305,420	342,060	12.00%
Other Services and Charges	449,090	493,900	487,775	502,820	3.08%
Depreciation	543,271	0	0	0	0.00%
Capital Outlay	62,441	4,181,750	1,190,730	4,857,665	307.96%
Reserves	0	5,873,945	3,038,395	1,371,590	-54.86%
Debt Service	0	0	0	0	0.00%
<b>Total Expenses</b>	<b>2,067,759</b>	<b>11,927,240</b>	<b>5,835,165</b>	<b>7,988,865</b>	<b>36.91%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>2,067,759</b>	<b>11,927,240</b>	<b>5,835,165</b>	<b>7,988,865</b>	<b>36.91%</b>
Net Income / (Loss)	\$3,111,051	\$0	\$0	\$0	

**Organizational Chart:**

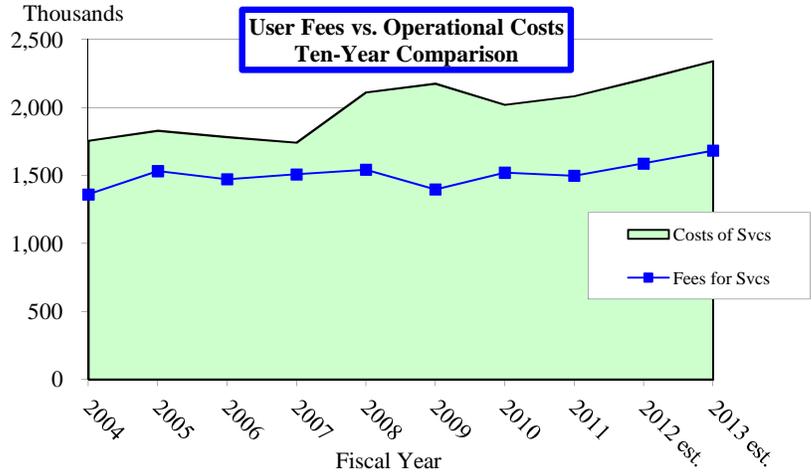


Note: Only unshaded boxes are included in this budget.

**General Information:**

The Wastewater Division is responsible for the operation and maintenance of 1.5 million gallons per day (MGD) wastewater treatment facility, 52 miles of collection system, five sewage lift stations, approximately 80 acres of effluent reuse area, and the Del Monte Riparian Zone. The Wastewater Division is also responsible for tap installations for new homes and businesses, operation of Reclaimed Water Delivery System, and field locating (blue staking) of the underground collection system.

	Costs of Svcs	Fees for Svcs
2004	1,756,288	1,360,739
2005	1,829,552	1,532,600
2006	1,783,106	1,472,875
2007	1,741,877	1,508,667
2008	2,111,798	1,542,468
2009	2,175,251	1,397,594
2010	2,020,026	1,520,972
2011	2,083,265	1,497,939
2012 est.	2,208,261	1,587,815
2013 est.	2,340,757	1,683,084



**FY 2012 Accomplishments:**

- \* Awarded bid for HEADWORKS influent flow screen and completed design of HEADWORKS building modifications
- \* Completed 1st phase of lining and point repair of the collections system
- \* Completed design of the concrete and steel for roll offs

**FY 2013 Goals:**

- \* Start of construction for Riverfront WRF
- \* Complete UV re-lamp 2nd year
- \* Start 2nd phase of the lining and point repair to the collections system

**Budget Highlights:**

FY 2013 budget includes \$3.6 million for beginning construction on the Riverfront Wastewater Reclamation Plant, \$150,000 for lift station 4 wet well expansion, \$130,000 for W. Mingus reclamation lines and \$125,000 for 12th St. from Fir to 89A reclamation lines. Additional capital outlay can be viewed on the next page. Also scheduled for FY 2013 is the repair of the roof on the old fire station/ ambulance building estimated at \$20,000 which is reflected in the Building Maint & Repairs account under the supplies category. The Sludge Disposal account in contractual services is projected to increase by \$15,000 because of a change in the way that the sludge will need to be disposed of.

Health and Sanitation		Fund 06 - Enterprise Fund		Cost Center	10-0X
<b>Performance Indicators</b>					
<b>Council Priority:</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Goal:</b>	Provide wastewater treatment that meets or exceeds Federal, State and Local compliance				
<b>Objective:</b>	Improve influent/effluent treatment plant quality				
<b>Type of Measure:</b>	Outcome Based				
<b>Tool:</b>	System Monitoring, reporting and operational feedback				
<b>Frequency:</b>	Daily, Weekly, Monthly, Quarterly, Semi-Annual and Annual Reports				
<b>Scoring:</b>	Percentage above required 85% from previous				
<b>Trend:</b>	Steady Improvement				
<b>Measures:</b>	Actual		Estimated	Anticipated	
	2010	2011	2012	2013	
Wastewater Treated (millions of gallons)	343.0	354.0	389.0	427.7	
WWTP Efficiency (Permit Required):					
BOD (85% Required)	98%	98%	98%	98%	
TSS (85% Required)	98%	96%	98%	98%	
<b>Performance Indicators</b>					
<b>Council Priority:</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Goal:</b>	Ensure regulatory compliance of effluent (reclaimed water) and encourage use of reclaim				
<b>Objective:</b>	Produce and distribute reclaimed water that meets or exceeds regulatory standards				
<b>Type of Measure:</b>	Outcome				
<b>Tool:</b>	Laboratory testing, metering				
<b>Frequency:</b>	Daily, Monthly, Quarterly, Semi-Annual, Annual testing, reports				
<b>Scoring:</b>	Exceedances :1-3= 90% 4-6= 75% >6= 50%, Sold = steady improvement				
<b>Trend:</b>	Steady improvement				
<b>Measures:</b>	Actual		Estimated	Anticipated	
	2010	2011	2012	2013	
Reclaimed Water Sold(millions)	1.5	3.0	3.5	4.0	
Number of regulatory permit exceedances	7	5	2	2	

<b>Council Priority:</b>	Strive to maintain a uniquely desirable and sustainable community				
<b>Goal:</b>	Maintain reliable infrastructure				
<b>Objective:</b>	Reduce the number of Sanitary Sewer Overflows through proper maintenance and inspection				
<b>Type of Measure:</b>	Outcome				
<b>Tool:</b>	System monitoring, visual observation and reports				
<b>Frequency:</b>	Ongoing Project				
<b>Scoring:</b>	Blockages= percent reduction from previous, Cleaning and video taping (ft)= 1,000-10,000 =50% 11,000-20,000=75% 20,000+ =100%				
<b>Trend:</b>	Steady improvement				
<b>Measures:</b>	Actual		Estimated	Anticipated	
	2010	2011	2012	2013	
Sewer Line Video Taped (ft)	600	0	15,840	18,000	
Sewer Line Cleaned(ft)	1,600	2,400	16,000	20,000	
Number of Main Line Blockages	4	3	1	0	

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
Hwy 260 Line Extensions		\$100,000		\$40,000
Parking Lot Reconstruction		57,000		57,000
Bella Montana Reclamation Facility				100,000
12th St: Fir-89A Reclamation Lines				125,000
Lift Station 4 Wet Well Expansion		150,000	\$50,000	150,000
Riverfront Wastewater Reclamation Plant		3,000,000	900,000	3,600,000
W. Mingus reconstruction - Reclaimed water lines	\$5,883	255,000	125,000	130,000
Upgrades - WWTP Construction		400,000	40,000	360,000
General Constuction/Lining and Point Repair/Pump Upgrades		85,000	40,980	261,165
Concrete/Steel for Centrifuge Processing Area		60,000		
ADEQ Brownsfield Grant (Gardner Property)	3,148			
Equipment & Vehicles - Details on <b>page 296</b>	53,410	74,750	34,750	34,500
	\$62,441	\$4,181,750	\$1,190,730	\$4,857,665

Health and Sanitation	Wastewater Facility Fund	Fund 06 - Enterprise Fund	Cost Center	10-0X	
<b>Summary By Category</b>					
Expenditure Category	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
Personnel	\$590,404	\$599,440	\$597,150	\$670,780	12.33%
Operating Supplies	221,593	248,550	215,695	243,950	13.10%
Contractual Services	200,960	529,655	305,420	342,060	12.00%
Other Services and Charges	449,090	493,900	487,775	502,820	3.08%
Depreciation (net)	543,271	0	0	0	0.00%
Capital Outlay	62,441	4,181,750	1,190,730	4,857,665	307.96%
Reserves	0	5,873,945	3,038,395	1,371,590	-54.86%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<b>\$2,067,759</b>	<b>\$11,927,240</b>	<b>\$5,835,165</b>	<b>\$7,988,865</b>	<b>36.91%</b>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Service	1,257,045	15.73%
Other Income	93,425	1.17%
Other Sources	6,638,395	83.10%
<b>Total Funding</b>		<b><u>100.00%</u></b>

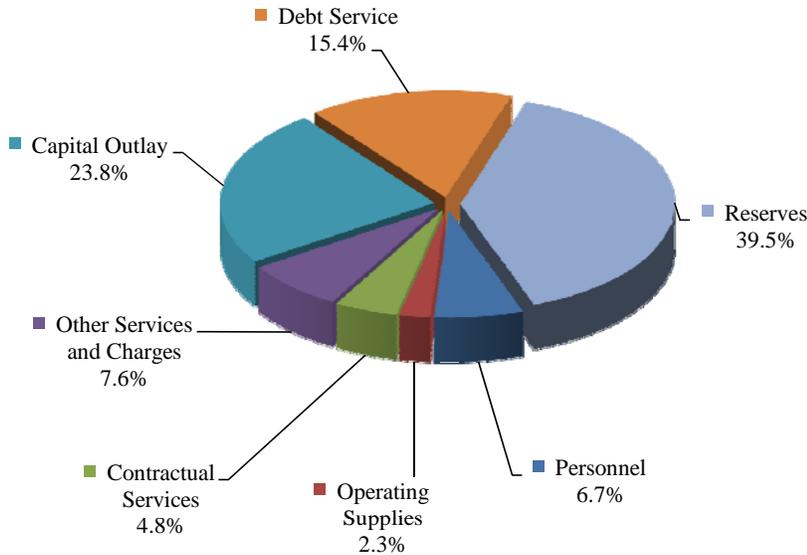
<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Utilities Administrative Manager	0.50	0.50	0.50	1972	2860	\$30,755
Operations Manager	0.50	0.50	0.50	1787	2591	29,455
WWTP Superintendent	1.00	1.00	1.00	3238	4695	50,885
WW Operator III	1.00	1.00	0.00	2407	3491	0
WW Operator II	3.00	3.00	2.00	2291	3322	74,455
WW Operator I	2.00	2.00	4.00	2076	3010	125,580
Administrative Coordinator	0.50	0.50	0.50	1118	1621	18,170
Electrical Inst. Specialist	0.50	0.50	0.50	1467	2127	24,890
Utility Billing Supervisor	0.35	0.35	0.35	1079	1564	16,360
Utility Billing Clerk	1.05	1.05	1.40	1976	2865	37,935
Holiday Pay & Overtime						47,000
Clothing Allowance						2,500
Car Allowance & Cert pay						960
Merit Contingency						10,485
Retirement						52,010
Insurance & Taxes						148,840
Other Related Expenses						500
<b>Totals</b>	<b>10.40</b>	<b>10.40</b>	<b>10.75</b>			<b>\$670,780</b>

Health and Sanitation	0	Fund 06 - Enterprise Fund			Cost Center	10-0X
<b>Supplemental Data: Expenditures</b>						
Item Description	2011	2012		2013	Percent Change	
	Actual	Budget	Revised	Tentative		
<b>Supplies</b>						
Office Supplies	1,792	1,900	2,750	2,750	0.00%	
Copier Supplies	549	750	500	600	20.00%	
Gas & Oil	12,261	11,000	10,000	11,000	10.00%	
Vehicle Maint & Repairs	5,015	7,000	7,000	7,000	0.00%	
Equipment Maint & Repairs	156,261	150,000	151,360	150,000	-0.90%	
Chlorine	2,142	2,500	2,150	2,500	16.28%	
Polymer	14,105	16,000	13,600	16,000	17.65%	
Operational Supplies	17,593	28,000	15,000	15,000	0.00%	
Postage & Freight	11,352	8,400	11,500	11,500	0.00%	
Odor Control Supplies	44	0	0	0	0.00%	
Building Maint & Repairs	479	23,000	1,835	27,600	1404.09%	
<b>Total Supplies</b>	<b>221,593</b>	<b>248,550</b>	<b>215,695</b>	<b>243,950</b>	<b>13.10%</b>	
<b>Contractual Services</b>						
Computer Support	5,692	4,000	1,410	1,440	2.13%	
Contractual Services	22,814	54,000	28,450	32,450	14.06%	
Sludge Disposal	58,579	100,000	75,000	90,000	20.00%	
Employee Physicals	0	100	0	0	0.00%	
Legal Advertising	173	500	400	3,000	650.00%	
General Counsel	0	0	0	5,000	0.00%	
Indirect Cost to General Fund	113,702	371,055	200,160	210,170	5.00%	
<b>Total Contractual Services</b>	<b>200,960</b>	<b>529,655</b>	<b>305,420</b>	<b>342,060</b>	<b>12.00%</b>	
<b>Other Services and Charges</b>						
Travel & Training	1,419	2,000	2,000	2,000	0.00%	
Subscriptions & Memberships	87	750	750	750	0.00%	
Printing & Forms	1,098	750	2,200	2,400	9.09%	
Utilities	343,669	367,600	378,280	387,735	2.50%	
Telephone	4,172	3,400	4,470	4,580	2.46%	
Bad Debt Expense	3,843	12,000	0	0	0.00%	
Lab/Testing	45,516	50,000	47,000	50,000	6.38%	
Tools	2,457	1,500	1,500	1,500	0.00%	
Equipment Rental	782	1,500	1,000	1,500	50.00%	
Liability Insurance	30,169	38,600	35,175	36,955	5.06%	
ADEQ Annual Fee	15,651	15,000	15,000	15,000	0.00%	
Investment Expense	227	400	400	400	0.00%	
Bank Charges	0	400	0	0	0.00%	
<b>Total Other Services &amp; Charges</b>	<b>449,090</b>	<b>493,900</b>	<b>487,775</b>	<b>502,820</b>	<b>3.08%</b>	

**Water System Facility Fund Expenses By Category**

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category	\$1,089,900	\$377,575	\$774,290	\$1,226,515	\$3,858,000	\$2,502,050	\$16,235,235
	\$1,089,900	\$377,575	\$774,290	\$1,226,515	\$3,858,000	\$2,502,050	\$16,235,235

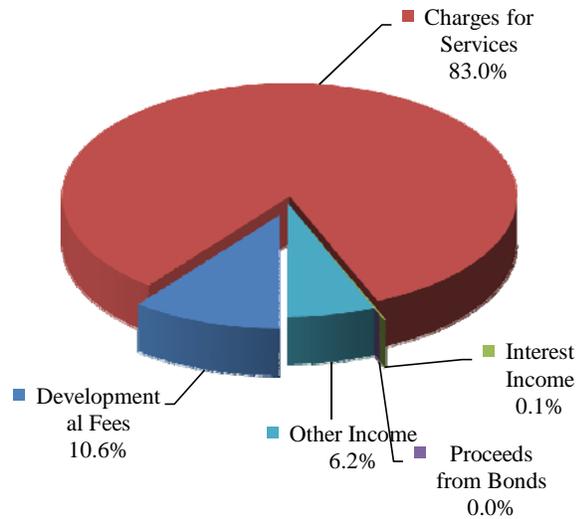
**Water System Facility Fund Expenses by Category**



Revenues	\$ 6,390,085
Expenses	<u>(16,235,235)</u>
Revenues over (under) Expenses	<u>(9,845,150)</u>
Other Funding Sources/Uses	<u>9,845,150</u>
(Use)/Source of Retained Earnings	<u>-</u>

**Water System Facility Fund Revenues by Source**

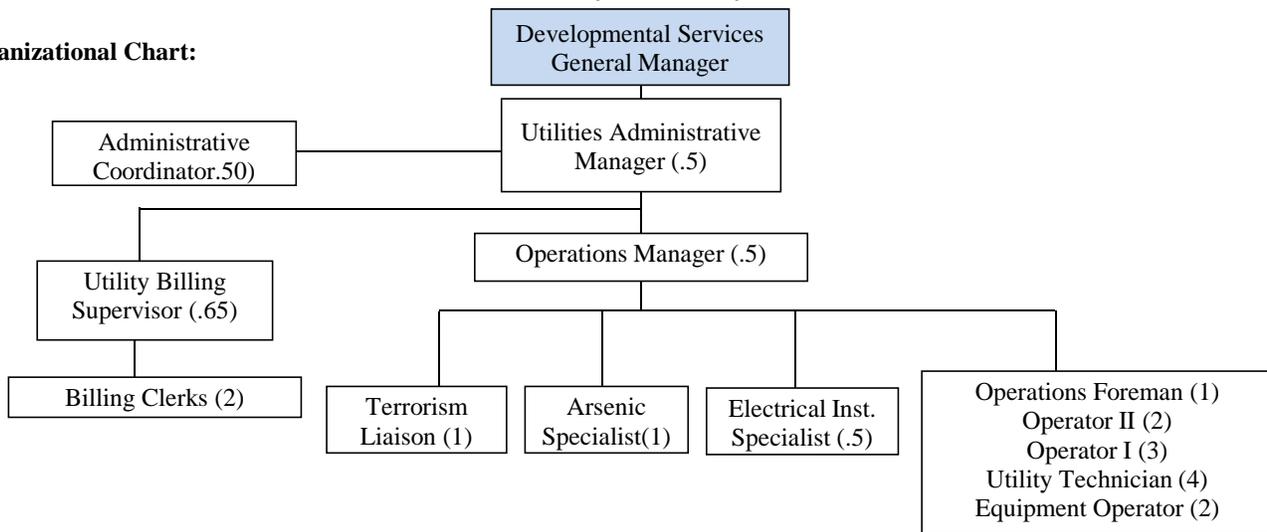
Developmental Fees	\$ 678,500
Charges for Services	5,305,020
Interest Income	8,415
Proceeds from Bonds	-
Other Income	398,150
Other Sources	<u>9,845,150</u>
Total Resources Available	<u>\$16,235,235</u>



## Water System Facility Fund Revenues/Expenses

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
City Sales Tax	0	0	0	0	0.00%
Charges for Services					
User Fees	4,985,843	4,902,530	5,305,020	5,305,020	0.00%
Reserves	550,727	522,000	678,500	678,500	0.00%
Uses of Monies & Properties					
Interest Income	41,606	58,900	8,420	8,415	-0.06%
Miscellaneous Revenue					
Other Income	356,709	341,540	343,150	398,150	16.03%
<b>Total Revenue Sources</b>	<b>5,934,885</b>	<b>5,824,970</b>	<b>6,335,090</b>	<b>6,390,085</b>	<b>0.87%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	12,689,968	8,487,495	13,991,015	9,845,150	-29.63%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	3,220,000	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>12,689,968</b>	<b>11,707,495</b>	<b>13,991,015</b>	<b>9,845,150</b>	<b>-29.63%</b>
<b>Total Available Resources</b>	<b>18,624,853</b>	<b>17,532,465</b>	<b>20,326,105</b>	<b>16,235,235</b>	<b>-20.13%</b>
<b>Expenses:</b>					
Personnel	1,056,966	1,041,650	1,058,800	1,089,900	2.94%
Operating Supplies	450,227	475,500	404,270	377,575	-6.60%
Contractual Services	771,292	955,935	725,200	774,290	6.77%
Other Services and Charges	635,847	822,010	1,191,625	1,226,515	2.93%
Depreciation	1,352,908	0	0	0	0.00%
Capital Outlay	284,402	3,609,350	1,243,775	3,858,000	210.18%
Reserves	24,434	8,100,710	13,175,125	6,406,905	-51.37%
Debt Service	2,515,304	2,527,310	2,527,310	2,502,050	-1.00%
<b>Total Expenses</b>	<b>7,091,380</b>	<b>17,532,465</b>	<b>20,326,105</b>	<b>16,235,235</b>	<b>-20.13%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>7,091,380</b>	<b>17,532,465</b>	<b>20,326,105</b>	<b>16,235,235</b>	<b>-20.13%</b>
Net Income / (Loss)	\$11,533,473	\$0	\$0	\$0	0.00%

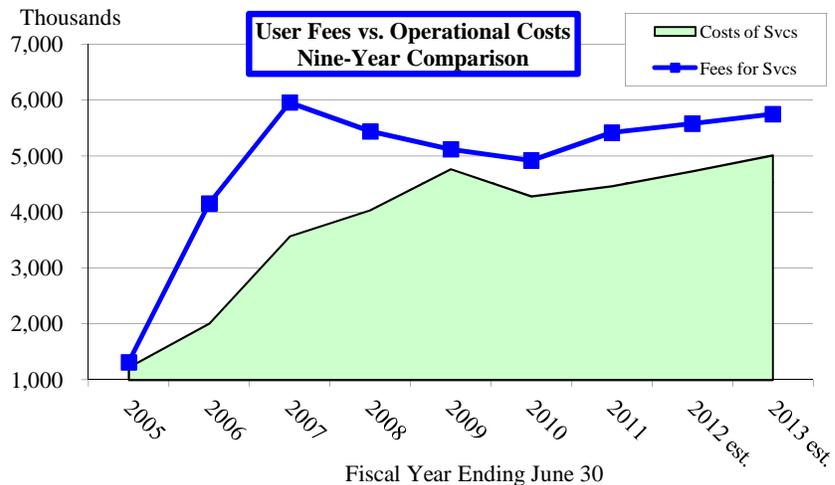
**Organizational Chart:**



**General Information:**

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

	Costs of Svcs	Fees for Svcs
2005	1,222,234	1,314,993
2006	2,007,321	4,152,316
2007	3,566,309	5,955,818
2008	4,030,530	5,439,508
2009	4,764,688	5,120,693
2010	4,279,726	4,920,251
2011	4,462,193	5,417,637
2012 est.	4,729,925	5,580,166
2013 est.	5,013,720	5,747,571



**FY 2012 Accomplishments:**

- \* Completion of 7200 ft. 12" water main to Pine Shadows Mobile Home Park
- \* Realignment and up-sizing of 700 ft. of onsite water supply piping at Well 5 reservoir and Lower 5 Booster station
- \* Installation of 1000 ft. of 8" water main on Fir Street to provide an interconnection between Cottonwood water system and Verde Village #6
- \* Installation of 300 ft. of 8" water main, interconnect between Well 5 and Well 8/9 service areas
- \* Rebuilt Cactus Well site
- \* Installation of SCADA telemetry at wells 2-2, 8-2, and Quail Canyon

**FY 2013 Goals:**

- \* Completion of radio read meters in Cottonwood Ranch, currently at +/- 50%
- \* Old Town water main replacement
- \* Installation of standby generator at Well 8/9
- \* Installation of 2nd pump and motor at Lower 5 booster station
- \* SCADA telemetry installation at Well 4

**Budget**

Several capital projects are budgeted for FY 2013 including waterline improvements for Hwy 260 - \$1,250,000; W. Mingus Ave - \$130,000; and 12th Street 89A to Fir - \$160,000. Additional projects can be viewed on the following page and in the appendix.

Health and Sanitation	Water System Facility Fund	Fund 16 - Enterprise Fund	Cost Center	10-0X
<b>Performance Indicators</b>				
<b>Council Priority:</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Improve reliability of potable water service to residents of Cottonwood and adjacent areas			
<b>Objective:</b>	Improve supply and distribution systems to improve water quality and reduce customer service disruptions			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	System monitoring, service reports, and Operator feedback,			
<b>Frequency:</b>	Daily, Weekly, Monthly and Annual reports			
<b>Scoring:</b>	numerical reduction in leaks from previous year			
<b>Trend:</b>	Steady improvement			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
System leaks repaired	218	124	120	120
Water Main Replaced LF	5500	9,950	9000	9000

<b>Council Priority:</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Ensure regulatory arsenic compliance of potable water service to residents of Cottonwood and adjacent areas			
<b>Objective:</b>	consistent testing and treatment practices at all affected sites			
<b>Type of Measure:</b>	Outcome			
<b>Tool:</b>	analytical results, arsenic treatment operator logs			
<b>Frequency:</b>	Daily, Weekly, Monthly and Annual reports			
<b>Scoring:</b>	Percentage ADEQ/EPA compliance based on # of sites per quarter per year =100%			
<b>Trend:</b>	Steady improvement			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Number of process (in-house) arsenic tests performed	397	1,220	1,250	1,250
Number of compliance sample tests performed	99	75	80	80
Percentage ADEQ/EPA compliance	NA	98.75%	98.75%	98.75%
Arsenic Regeneration procedures performed	481	843	850	850

<b>Council Priority:</b>	Strive to maintain a uniquely desirable and sustainable community			
<b>Goal:</b>	Improve Utility Billing customer satisfaction rating			
<b>Objective:</b>	Combine water and sewer billing			
<b>Type of Measure:</b>	Outcome based			
<b>Tool:</b>	numerical data			
<b>Frequency:</b>	ongoing project			
<b>Scoring:</b>	numerical reduction in separate water/sewer accounts			
<b>Trend:</b>	Steady improvement			
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
Number of combined residential water/sewer accounts	NA	904	1,100	2,500
Number of combined commercial water/sewer accounts	NA	0	0	250
Number of remaining water/sewer accounts to be merged	NA	2,460	2,264	864

<b>Supplemental Data: Capital Outlay</b>				
Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
Computers/Laptops	\$12,701	\$6,250	\$6,250	
Building Purchase & Remodel & Trust Land Annexation	2,749		565	
Aid in Lieu of Const (Moved to M&O FY12)	117,374	130,000		
Water Storage/Well Booster	16,175	750,000	100,000	\$700,000
Line Extensions	(3,122)		100,000	
Water System Upgrades	39,016	500,000	330,000	170,000
Well Improvements & Construction-General Plan	53,999	214,000	90,000	100,000
Fire Hydrant/Flow Improvements	(3,284)	250,000	200,000	550,000
Equipment, Vehicles & Arsenic Mitigation Equip	43,592	253,100	135,960	788,000
Hwy 260 Water Systems Upgrades	450	1,250,000		1,250,000
W. Mingus Reconstruction - Waterline Improvements	4,752	256,000	126,000	130,000
12th Street 89A to Fir - Waterline Improvements			155,000	160,000
Terrorist Liaison Equipment				10,000
	\$284,402	\$3,609,350	\$1,243,775	\$3,858,000

Health and Sanitation	Water System Facility Fund	Fund 16 - Enterprise Fund			Cost Center	10-0X
<b>Summary By Category</b>						
Expenditure Category		2011	2012		2013	Percent Change
		Actual	Budget	Revised	Tentative	
Personnel	1,056,966	\$1,056,966	\$1,041,650	\$1,058,800	\$1,089,900	2.94%
Operating Supplies		450,227	475,500	404,270	377,575	-6.60%
Contractual Services		771,292	955,935	725,200	774,290	6.77%
Other Services and Charges		635,847	822,010	1,191,625	1,226,515	2.93%
Depreciation (net)		1,352,908	0	0	0	0.00%
Capital Outlay		284,402	3,609,350	1,243,775	3,858,000	210.18%
Reserves		24,434	8,100,710	13,175,125	6,406,905	-38.52%
Transfers out - Debt Service		0	0	0	0	
Debt Service		2,515,304	2,527,310	2,527,310	2,502,050	-1.00%
<b>Department Totals</b>		<b>\$7,091,380</b>	<b>\$17,532,465</b>	<b>\$20,326,105</b>	<b>\$16,235,235</b>	<b>-20.13%</b>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Development Reserves	\$678,500	4.18%
Charges for Service	5,305,020	32.68%
Other Income	406,565	2.50%
Fund Balance	9,845,150	60.64%
<b>Total Funding</b>		<b>100.00%</b>

<b>Supplemental Data: Personnel</b>						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2013
	2011	2012	2013	Minimum	Maximum	Budget
Utilities Administrative Manager	0.50	0.50	0.50	1972	2860	\$30,755
Operations Manager	0.50	0.50	0.50	1787	2591	29,450
Utility Billing Supervisor	0.65	0.65	0.65	2211	3206	30,370
Utility Technician	3.00	3.00	5.00	2003	2904	134,460
Utility Billing Clerk	1.95	1.95	2.60	1976	2865	70,455
Operator I	3.00	3.00	1.00	1976	2865	35,810
Operator II	2.00	2.00	2.00	2076	3010	73,730
Operations Foreman	1.00	1.00	1.00	2291	3322	44,960
Electrical Inst. Specialist	0.50	0.50	0.50	1329	1927	24,895
Administrative Coordinator	0.50	0.50	0.50	1467	2127	18,165
Arsenic Specialist	1.00	1.00	1.00	2235	3241	41,125
Terrorism Liaison Officer	0.50	0.50	0.50	1234	1789	20,985
Utility Equipment Operator	2.00	2.00	2.00	3319	4812	61,050
Utility Technician - Frozen	1.00	1.00	1.00	2529	3667	0
Overtime						114,160
Holiday Pay						2,000
Car & Clothing Allowance						6,000
Merit Contingency						17,440
Retirement						81,190
Insurance & Taxes						252,400
Employee Related Expenses						500
<b>Totals</b>	<b>18.10</b>	<b>18.10</b>	<b>18.75</b>			<b>\$1,089,900</b>

Health and Sanitation	Water System Facility Fund	Fund 16 - Enterprise Fund	Cost Center	10-0X	
<b>Supplemental Data: Expenditures</b>					
Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Supplies</b>					
Office Supplies	16,879	11,000	10,000	11,000	10.00%
Copier Supplies	2,293	1,500	2,000	2,000	0.00%
Gas & Oil	38,780	40,000	46,270	48,475	4.77%
Vehicle Maint & Repairs	15,468	12,000	28,000	16,000	-42.86%
Equipment Maint & Repairs	247,460	240,000	160,500	151,000	-5.92%
Chemicals	59,795	100,000	70,000	75,000	7.14%
Operational Supplies	15,782	25,000	22,000	22,000	0.00%
Postage & Freight	40,488	37,500	41,500	43,500	4.82%
Tools	5,999	4,000	3,000	4,000	33.33%
Building Maint & Repairs	7,283	4,500	21,000	4,600	-78.10%
<b>Total Supplies</b>	<b>450,227</b>	<b>475,500</b>	<b>404,270</b>	<b>377,575</b>	<b>-6.60%</b>
<b>Contractual Services</b>					
Computer Support	7,161	4,500	3,375	3,460	2.52%
Contractual Services	75,354	205,800	82,000	91,000	10.98%
Contractual Services M&O	312,112	0	35,000	35,000	0.00%
Contractual Services Billing	5,555	0	0	0	0.00%
Contractual Services GP	28,500	30,000	0	0	0.00%
General Counsel	0	5,000	3,000	7,500	150.00%
Indirect Cost to General Fund	342,610	710,635	596,130	625,935	5.00%
Lease Purchase Payments	0	0	5,695	11,395	0.96%
<b>Total Contractual Services</b>	<b>771,292</b>	<b>955,935</b>	<b>725,200</b>	<b>774,290</b>	<b>6.77%</b>
<b>Other Services and Charges</b>					
Travel & Training	4,197	8,500	8,575	9,500	10.79%
Subscriptions & Memberships	1,130	1,600	1,365	1,500	9.89%
Verde River Days	1,000	1,000	1,000	1,000	0.00%
Printing & Forms	7,658	14,000	14,000	16,000	14.29%
Public Relations	5,040	0	0	0	0.00%
Utilities	347,336	339,200	426,455	437,095	2.49%
Telephone	46,109	28,420	14,120	14,475	2.51%
Legal Advertising	521	3,000	3,000	3,000	0.00%
Lab/Testing	7,647	25,000	12,000	20,000	66.67%
Equipment Rental	76	2,000	1,000	2,000	100.00%
Liability Insurance	60,788	80,290	61,915	65,010	5.00%
ADEQ Annual Fee	24,517	50,000	25,000	25,000	0.00%
Arsenic Systems Maintenance	115,903	250,000	470,000	470,000	0.00%
Aide in Lieu of Constructions	0	0	121,250	130,000	7.22%
Payment Assistance Program	10,500	15,500	15,500	15,500	0.00%
State annual Municipality Fee	0	0	14,035	14,035	0.00%
Bank Charges	0	0	10	0	-100.00%
Investment Expense	3,425	3,500	2,400	2,400	0.00%
<b>Total Other Services &amp; Charges</b>	<b>635,847</b>	<b>822,010</b>	<b>1,191,625</b>	<b>1,226,515</b>	<b>2.93%</b>
<b>Debt Service</b>					
Interest - 2004 MPC Bond	521,034	507,440	507,440	492,980	-2.85%
Principal - 2004 MPC Bond	435,000	445,000	445,000	460,000	3.37%
Trustee Fees - 2004 MPC Bond	1,500	1,500	1,500	1,500	0.00%
Interest - 2006 MPC Bond	1,071,270	1,051,870	1,051,870	1,031,070	-1.98%
Principal - 2006 MPC Bond	485,000	520,000	520,000	515,000	-0.96%
Trustee Fees - 2006 MPC Bond	1,500	1,500	1,500	1,500	0.00%
<b>Total Other Debt Service</b>	<b>2,515,304</b>	<b>2,527,310</b>	<b>2,527,310</b>	<b>2,502,050</b>	<b>-1.00%</b>

<b>Municipal Property Corporation</b> <b>Senior Lien Water System Revenue Bonds, Series 2004 ("AAA" S&amp;P / "AAA" Moody's)</b>
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Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2013					247,239	
July 1, 2013	460,000	3,065,000	10,515,000	3.38%	247,239	\$954,478
January 1, 2014					239,477	
July 1, 2014	475,000	3,540,000	10,040,000	3.50%	239,477	\$953,954
January 1, 2015					231,164	
July 1, 2015	495,000	4,035,000	9,545,000	3.63%	231,164	\$957,328
January 1, 2016					222,192	
July 1, 2016	510,000	4,545,000	9,035,000	3.75%	222,192	\$954,384
January 1, 2017					212,630	
July 1, 2017	530,000	5,075,000	8,505,000	3.75%	212,630	\$955,260
January 1, 2018					202,692	
July 1, 2018	550,000	5,625,000	7,955,000	4.00%	202,692	\$955,384
January 1, 2019					191,692	
July 1, 2019	570,000	6,195,000	7,385,000	4.00%	191,692	\$953,384
January 1, 2020					180,292	
July 1, 2020	595,000	6,790,000	6,790,000	4.13%	180,292	\$955,584
January 1, 2021					168,020	
July 1, 2021	620,000	7,410,000	6,170,000	4.20%	168,020	\$956,040
January 1, 2022					155,000	
July 1, 2022	645,000	8,055,000	5,525,000	4.31%	155,000	\$955,000
January 1, 2023					138,875	
July 1, 2023	680,000	8,735,000	4,845,000	4.41%	138,875	\$957,750
January 1, 2024					121,875	
July 1, 2024	710,000	9,445,000	4,135,000	4.55%	121,875	\$953,750
January 1, 2025					104,125	
July 1, 2025	750,000	10,195,000	3,385,000	4.55%	104,125	\$958,250
January 1, 2026					85,375	
July 1, 2026	785,000	10,980,000	2,600,000	4.55%	85,375	\$955,750
January 1, 2027					65,750	
July 1, 2027	825,000	11,805,000	1,775,000	4.55%	65,750	\$956,500
January 1, 2028					45,125	
July 1, 2028	865,000	12,670,000	910,000	4.55%	45,125	\$955,250
January 1, 2029					23,500	
July 1, 2029	910,000	13,580,000	0	5.00%	23,500	\$957,000
Totals	<u>\$10,975,000</u>				<u>\$5,270,046</u>	<u>\$16,245,046</u>

## Municipal Property Corporation

## Senior Lien Water System Revenue Bonds, Series 2006 ("AAA" S&amp;P / "AAA" Moody's)

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2013					515,535	
July 1, 2013	515,000	2,730,000	21,235,000	5.00%	515,535	\$1,546,070
January 1, 2014					502,660	
July 1, 2014	525,000	3,255,000	20,710,000	3.75%	502,660	\$1,530,320
January 1, 2015					492,816	
July 1, 2015	610,000	3,865,000	20,100,000	3.80%	492,816	\$1,595,633
January 1, 2016					481,226	
July 1, 2016	630,000	4,495,000	19,470,000	5.00%	481,226	\$1,592,453
January 1, 2017					465,476	
July 1, 2017	665,000	5,160,000	18,805,000	5.00%	465,476	\$1,595,953
January 1, 2018					448,851	
July 1, 2018	700,000	5,860,000	18,105,000	4.00%	448,851	\$1,597,703
January 1, 2019					434,851	
July 1, 2019	725,000	6,585,000	17,380,000	4.00%	434,851	\$1,594,703
January 1, 2020					420,351	
July 1, 2020	760,000	7,345,000	16,620,000	4.00%	420,351	\$1,600,703
January 1, 2021					405,151	
July 1, 2021	790,000	8,135,000	15,830,000	4.10%	405,151	\$1,600,303
January 1, 2022					388,956	
July 1, 2022	820,000	8,955,000	15,010,000	4.13%	388,956	\$1,597,913
January 1, 2023					372,044	
July 1, 2023	855,000	9,810,000	14,155,000	1.25%	372,044	\$1,599,088
January 1, 2024					353,875	
July 1, 2024	890,000	10,700,000	13,265,000	5.00%	353,875	\$1,597,750
January 1, 2025					331,625	
July 1, 2025	935,000	11,635,000	12,330,000	5.00%	331,625	\$1,598,250
January 1, 2026					308,250	
July 1, 2026	980,000	12,615,000	11,350,000	5.00%	308,250	\$1,596,500
January 1, 2027					283,750	
July 1, 2027	1,030,000	13,645,000	10,320,000	5.00%	283,750	\$1,597,500
January 1, 2028					258,000	
July 1, 2028	1,080,000	14,725,000	9,240,000	5.00%	258,000	\$1,596,000
January 1, 2029					231,000	
July 1, 2029	1,135,000	15,860,000	8,105,000	5.00%	231,000	\$1,597,000
January 1, 2030					202,625	
July 1, 2030	1,190,000	17,050,000	6,915,000	5.00%	202,625	\$1,595,250
January 1, 2031					172,875	
July 1, 2031	1,255,000	18,305,000	5,660,000	5.00%	172,875	\$1,600,750
January 1, 2032					141,500	
July 1, 2032	1,315,000	19,620,000	4,345,000	5.00%	141,500	\$1,598,000
January 1, 2033					108,625	
July 1, 2033	1,375,000	20,995,000	2,970,000	5.00%	108,625	\$1,592,250
January 1, 2034					74,250	
July 1, 2034	1,450,000	22,445,000	1,520,000	5.00%	74,250	\$1,598,500
January 1, 2035					38,000	
July 1, 2035	1,520,000	23,965,000	0	5.00%	38,000	\$1,596,000
Totals	<u>\$21,750,000</u>				<u>\$14,864,588</u>	<u>\$36,614,588</u>

**FIDUCIARY FUNDS**

These funds are used to account for assets held in trust by a government in a trustee capacity or agency capacity for others and which therefore cannot be used to support the government's own programs.

**Fund/Account Number**

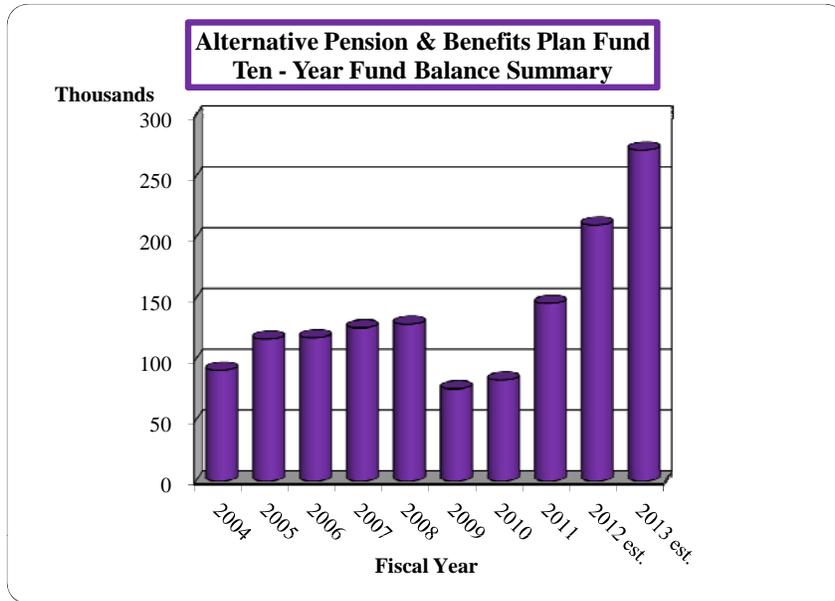
**Description**

09

Alternative Pension and Benefits Plan Fund

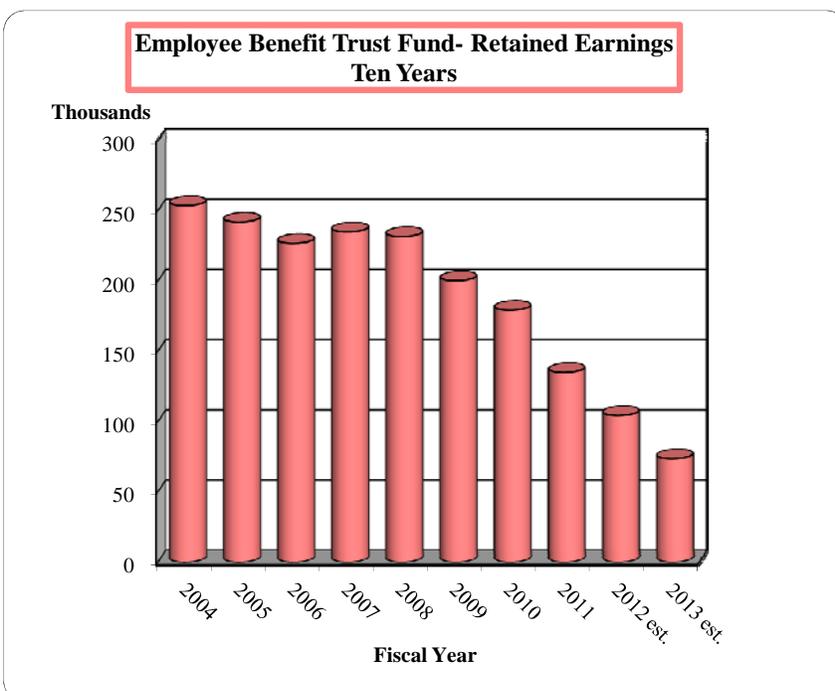
10

Employee Benefit Trust Fund



Fiscal Year	Fund Balance
2004	91,127
2005	116,761
2006	117,891
2007	126,025
2008	129,017
2009	75,900
2010	82,973
2011	145,970
2012 est.	210,480
2013 est.	271,930

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	Fund Balance
2004	253,466
2005	241,814
2006	226,721
2007	234,811
2008	231,573
2009	200,101
2010	179,117
2011	134,830
2012 est.	104,180
2013 est.	73,530

**Consolidated Statement of Revenues/Expenditures**

Item Description	2011	2012		2013
	Actual	Budget	Revised	Tentative
<b>Revenue Sources:</b>				
Taxes	0	0	0	0
Intergovernmental Revenues	24,723	23,000	23,000	23,000
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	38,565	40,000	40,550	42,550
Miscellaneous Revenues	435	750	5,810	750
<b>Total Revenue Sources</b>	<b>63,723</b>	<b>63,750</b>	<b>69,360</b>	<b>66,300</b>
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
Carryover	276,667	308,370	280,800	314,660
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
<b>Total Other Financing Sources</b>	<b>276,667</b>	<b>308,370</b>	<b>280,800</b>	<b>314,660</b>
<b>Total Available Resources</b>	<b>340,390</b>	<b>372,120</b>	<b>350,160</b>	<b>380,960</b>
<b>Expenditures:</b>				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	47,517	37,400	33,800	33,800
Other Services and Charges	19,878	4,200	1,700	1,700
Capital Outlay	0	0	0	0
Reserves	0	330,520	314,660	345,460
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>67,395</b>	<b>372,120</b>	<b>350,160</b>	<b>380,960</b>
<b>Other Uses:</b>				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Other Uses</b>	<b>67,395</b>	<b>372,120</b>	<b>350,160</b>	<b>380,960</b>
Net Income / (Loss)	\$272,995	\$0	\$0	\$0

## Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Taxes					
Sales Tax	0	0	0	0	0.00%
Intergovernmental Revenues					
City Contribution / Fire Ins Premium	24,723	23,000	23,000	23,000	0.00%
Uses of Monies & Properties					
Interest Income	38,932	40,000	40,000	42,000	5.00%
Miscellaneous Revenues					
Other Income	435	750	5,810	750	-87.09%
<b>Total Revenue Sources</b>	<b>64,090</b>	<b>63,750</b>	<b>68,810</b>	<b>65,750</b>	<b>-4.45%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	97,549	136,400	145,970	210,480	44.19%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>97,549</b>	<b>136,400</b>	<b>145,970</b>	<b>210,480</b>	<b>44.19%</b>
<b>Total Available Resources</b>	<b>161,639</b>	<b>200,150</b>	<b>214,780</b>	<b>276,230</b>	<b>28.61%</b>
<b>Expenditures:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	7,400	3,800	3,800	0.00%
Other Services and Charges	19,878	3,000	500	500	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	189,750	210,480	271,930	29.20%
Debt Service	0	0	0	0	0.00%
<b>Total Expenditures</b>	<b>23,478</b>	<b>200,150</b>	<b>214,780</b>	<b>276,230</b>	<b>28.61%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenditures and Other Uses</b>	<b>23,478</b>	<b>200,150</b>	<b>214,780</b>	<b>276,230</b>	<b>28.61%</b>
Net Income / (Loss)	\$138,161	\$0	\$0	\$0	

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**Organizational Chart:**

None

**General Information:**

Alternative Pension and Benefits Plan Fund accounts for the defined contribution pension plan which is administrated by the city and a board of trustees for the city's volunteer firefighters.

Revenues are received from the state's Fire Insurance Premium Tax, contributions from the city and members, and interest on investments.

**FY 2012 Accomplishments:**

- \* Maintained the financial health of the pool

**FY 2013 Goals:**

- \* Continue to search for ways to improve plan
- \* Maintain the financial stability of the pool

**Budget Highlights:**

Not Applicable

Fiduciary Fund	Alternative Pension and Benefits Plan		Fund 09	Cost Center	10-00
<b>Summary By Category</b>					
Expenditure Category	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	3,600	7,400	3,800	3,800	0.00%
Other Services and Charges	19,878	3,000	500	500	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	189,750	210,480	271,930	29.20%
Debt Service	0	0	0	0	0.00%
<b>Department Totals</b>	<u>\$23,478</u>	<u>\$200,150</u>	<u>\$214,780</u>	<u>\$276,230</u>	<u>28.61%</u>

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Contributions	\$129,300	46.81%
Interest Income	42,000	15.20%
Other Income	750	0.27%
Fund Balance	104,180	37.71%
<b>Total Funding</b>		<u><u>100.00%</u></u>

<b>Performance Indicators</b>				
<i>* Performance Measures are not applicable to this fund *</i>				
<b>Goal:</b>				
<b>Objective:</b>				
<b>Type of Mea:</b>				
<b>Tool:</b>				
<b>Frequency:</b>				
<b>Scoring:</b>				
<b>Trend:</b>				
<b>Measures:</b>	Actual		Estimated	Anticipated
	2010	2011	2012	2013
N/A				

**Employee's Benefit Trust Fund Revenues/Expenditures**

Item Description	2011	2012		2013	Percent Change
	Actual	Budget	Revised	Tentative	
<b>Revenue Sources:</b>					
Uses of Monies & Properties					
Interest Income	(367)	0	550	550	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
<b>Total Revenue Sources</b>	<b>(367)</b>	<b>0</b>	<b>550</b>	<b>550</b>	<b>0.00%</b>
<b>Other Financing Sources:</b>					
Transfers In	0	0	0	0	0.00%
Carryover	179,118	171,970	134,830	104,180	-22.73%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
<b>Total Other Financing Sources</b>	<b>179,118</b>	<b>171,970</b>	<b>134,830</b>	<b>104,180</b>	<b>-22.73%</b>
<b>Total Available Resources</b>	<b>178,751</b>	<b>171,970</b>	<b>135,380</b>	<b>104,730</b>	<b>-22.64%</b>
<b>Expenses:</b>					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	43,917	30,000	30,000	30,000	0.00%
Other Services and Charges	0	1,200	1,200	1,200	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	140,770	104,180	73,530	-29.42%
Debt Service	0	0	0	0	0.00%
<b>Total Expenses</b>	<b>43,917</b>	<b>171,970</b>	<b>135,380</b>	<b>104,730</b>	<b>-22.64%</b>
<b>Other Uses:</b>					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
<b>Total Other Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Expenses and Other Uses</b>	<b>43,917</b>	<b>171,970</b>	<b>135,380</b>	<b>104,730</b>	<b>-22.64%</b>
Net Income / (Loss)	\$134,834	\$0	\$0	\$0	0.00%

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**Organizational Chart:**

None

**General Information:**

The Employee Benefits Trust Fund accounted for the City's partially self-funded health & medical insurance for many years. Currently, the trust no longer provides the services since the City is a member of the Verde Valley Employee Benefit Pool.

**FY 2012 Accomplishments:**

- \* The City Council approved the elimination of this trust

**FY 2013 Goals:**

- \* The successful elimination of this trust

**Budget Highlights:**

The only change in this department is the reserve fund. The City will no longer continue to fund the Short Term Disability program out of this budget.

Internal Services		Employee Benefit Trust		Fund 10		Cost Center		10-00	
<b>Summary By Category</b>									
Expenditure Category	2011		2012		2013		Percent Change		
	Actual	Budget	Budget	Revised	Tentative				
Personnel	\$0	\$0	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0	0	0.00%		
Contractual Services	43,917	30,000	30,000	30,000	30,000	30,000	0.00%		
Other Services and Charges	0	1,200	1,200	1,200	1,200	1,200	0.00%		
Capital Outlay	0	0	0	0	0	0	0.00%		
Reserves	0	140,770	104,180	104,180	73,530	73,530	-29.42%		
Debt Service	0	0	0	0	0	0	0.00%		
Department Totals	<u>\$43,917</u>	<u>\$171,970</u>	<u>\$135,380</u>	<u>\$135,380</u>	<u>\$104,730</u>	<u>\$104,730</u>	<u>-22.64%</u>		

<b>Departmental Fund Sources</b>		
Funding Sources	Amount	% of Funding
Interest Income	\$550	0.53%
Miscellaneous Revenues	0	0.00%
Retained Earnings	104,180	99.47%
Total Funding		<u>100.00%</u>

<b>Performance Indicators</b>	
<i>* Performance Measures are not applicable to this fund *</i>	

**Capital Outlay**

<b>General Fund</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>City Council</b>	Library Parking Lot	80,000	80,000
	Trust Land Annaxation	50,000	50,000
	Subtotal	130,000	130,000
<b>Finance</b>	Citywide Software Plan	300,000	300,000
	Subtotal	300,000	300,000
<b>Economic Development</b>	Desktop Computer	1,500	1,500
	Subtotal	1,500	1,500
<b>Police</b>	Desktop Computers	30,000	12,000
	Animal Control Restraint System	3,389	3,390
	Booking Area Audio & Video	7,200	7,200
	Building Security Hardware	3,000	0
	Chemical Biological Protection	30,328	0
	CPD Bicycle Patrol Program (Possible Grant Funding)	6,000	3,000
	Desktop Comp Peripherals	1,500	0
	Digital CCTV System	13,900	13,900
	File Storage Movable Units	14,000	7,000
	IBM Console Kit	1,150	0
	KVM Switch	1,000	0
	Network Room Power & Cabling	2,500	2,500
	Phones	1,000	0
	Police K9 Upgrade (high heat notification system)	3,000	0
	Police K9 Upgrade (storage container)	3,550	3,550
	Radio Dispatch Console Upgrade	3,000	3,000
	Rifles	2,600	2,600
	Tahoe Storage Boxes (5)	12,975	12,975
	Police Vehicle Replacement	149,322	149,325
	Spillman IBM Server	58,687	58,690
Mobile Data Computing Laptops	120,000	120,000	
Communication Center Design	500,000	500,000	
Subtotal	968,101	899,130	

## Capital Outlay

<b>General Fund</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>Fire</b>	Computer & Software Replacement Program	20,000	0
	Officer & Station Equip	5,000	0
	Physical Fitness Equip	3,000	1,500
	Station Apron Repair -	28,000	0
	Communications/Radio/MCT' Infr	20,000	7,000
	EMS Equip-	10,000	5,000
	Aerial Ladder Truck - Grant Funded	600,000	600,000
	Fire Vehicle Replacements	47,000	97,000
	Fire Suppression & Rescue Equipment	30,000	20,000
	SCBA Replacement Program	150,000	150,000
	Fire Prevention Safety House - Grant Funded 95/5	75,000	75,000
	Subtotal	988,000	955,500
<b>Parks &amp; Recreation</b>	Rec Cntr - Laptops for Renting	1,500	0
	Rec Cntr -Tile Installation	13,000	13,000
	Rec Cntr - NuStep	8,000	8,000
	Rec Cntr - Scissors Lift	10,000	10,000
	Rec Cntr - 5-year Cap Repl Fund	25,000	25,000
	Rainbow Colors Pool Play System	200,000	0
	Recreation Center Solar	598,500	598,500
	Subtotal	856,000	654,500
<b>Community Dev</b>	Bike Racks and Trail Signage	4,160	1,000
	Bicycle Network Improvements	42,750	0
	Subtotal	46,910	1,000
<b>Engineering</b>	Auto CADD Civil 3D 2012	9,250	9,250
	Concrete Testing Equipment	11,200	0
	Nuclear Density Gauge	8,000	0
	Asphalt/Concrete Core Machine	2,300	0
	Computer Replacement Program (2 laptops)	3,000	3,000
	Subtotal	33,750	12,250
<b>Parks &amp; Bldg Mtce</b>	Three Mowers	33,500	33,500
	Playground Apparatus (for parks x3)	40,000	40,000
	Subtotal	73,500	73,500
<b>Public Works</b>	Re-Sealing of Library & Public Safety Bldgs	11,900	0
	Subtotal	11,900	0
<b>Total General Fund Capital Outlay</b>		<b>\$3,279,661</b>	<b>\$2,897,380</b>

**Capital Outlay**

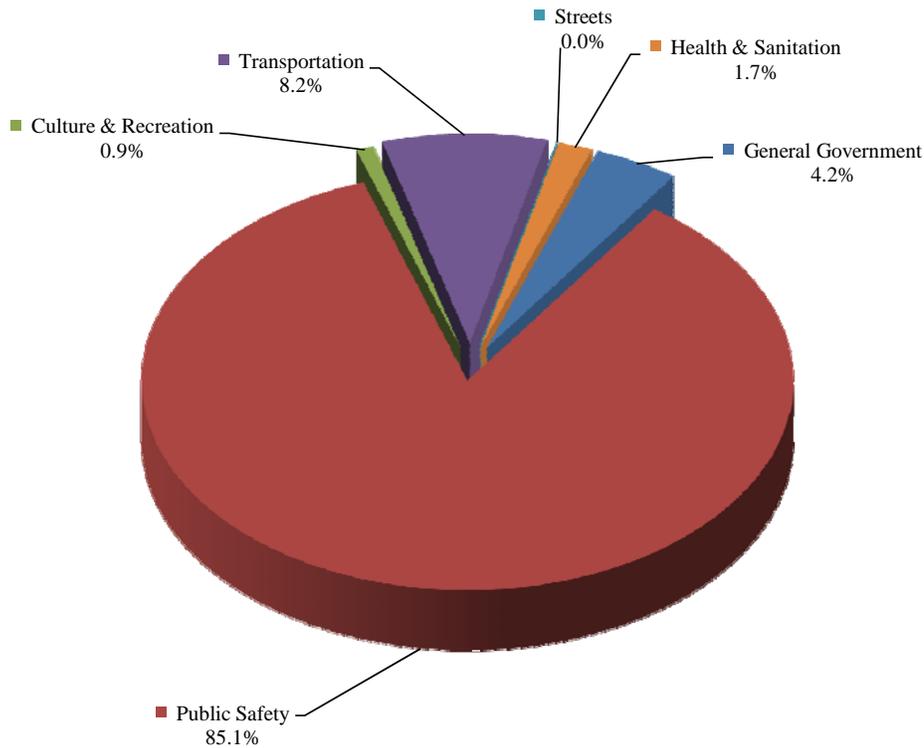
<b>Special Revenue Funds</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>Streets-Construction</b>	Mingus Ave. Reconstruction Willard to Main	1,300,000	1,300,000
	State Grant Main Street Road diet Study	50,000	50,000
	W. Mingus Ave. Reconstr. 89A to Willard	1,838,195	1,838,195
	12 S. St. Reconstruction 89A to Fir	1,600,000	1,600,000
	SR260 Sidewalk (pushed out one year)	1,000,000	0
	TE Grant Bicycle Facilities (pushed out 1 year)	700,000	0
	Sidewalk Additions	80,000	80,000
	Mingus & Main Signal	10,000	10,000
	Subtotal	6,578,195	4,878,195
<b>Streets - Operations</b>	Trailer for Temp signage	2,000	2,000
	Side Mounted Mower	3,800	0
	Pavement Roller and Trailer	33,500	33,500
	Subtotal	39,300	35,500
<b>CAT</b>	Bus (moved out to FY14)	100,000	
	Sub-total	100,000	0
<b>Other Grants</b>	Misc Grants	500,000	500,000
	CDBG GRANT (10th Main to Mingus.)	320,000	320,000
	Yav. Cnty Flood Control Dist- Railroad Wash	225,000	225,000
	Sub-total	1,045,000	1,045,000
<b>Airport Grants</b>	Install AWOS ( All Weather Operating Sys.)	115,650	115,650
	ADOT Runway Pavement Preservation	390,345	390,345
	FAA Terminal Parking lot	210,000	210,000
	Skydrive Building retaining wall	13,000	13,000
	Design & Construct displaced Threshold	50,000	0
	Sub-total	778,995	728,995
<b>Total Special Revenue Fund Capital Outlay</b>		\$8,541,490	\$6,687,690
<b>Capital Projects Fund</b>	Architecture -City Hall	100,000	100,000
	Old Town Jail Remodel	5,000	5,000
	Old Court Bldg Remodel	60,000	60,000
	Riverfront Park Ramada Parking	108,600	108,600
	Gardner Bldg Demo	55,000	55,000
	Old Town Parking	144,555	144,555
	Fire Station 2 (GADA) design/consulting	120,000	120,000
	Sub-total	593,155	593,155
<b>Total Capital Projects Fund Capital Outlay</b>		\$593,155	\$593,155

<b>Enterprise Funds</b>			
<b>Department</b>	<b>Equipment &amp; Project Description</b>	<b>Requested</b>	<b>Budgeted</b>
<b>Sewer Construction</b>	Hwy 260 Line Extension	40,000	40,000
	Parking Lot Reconstructing	57,000	57,000
	General Constuction/ & Pump Upgrades		171,165
	Lining and point repair Collections System	90,000	90,000
	Riverfront Wastewater Reclamation Plant	3,600,000	3,600,000
	Bella Montana Subdivision	100,000	100,000
	W. Mingus reconstruction - Reclamation lines	130,000	130,000
	Lift Station 4 Wet Well Expansion	150,000	150,000
	12th Street: Fir-89A Reclamation Lines	125,000	125,000
	Upgrades - WWTP Construction	360,000	360,000
		Sub-total	4,652,000
<b>Sewer O&amp;M</b>	Sewer Inspection Equip	15,000	15,000
	Ultrasonic Level Sensor Replacement	15,000	15,000
	WW Plant/Lift Station Door Lock Replacement	4,500	4,500
		Sub-total	34,500
<b>Water Construction</b>	Arsenic Mediation System	550,000	550,000
	Fire Flow Upgrades	500,000	550,000
	Storage/Well Booster Station	600,000	700,000
	Water System Upgrades	150,000	170,000
	Well Improvements	100,000	100,000
	W. Mingus Reconst. - Replace Failing Water Lines	130,000	130,000
	Hwy 260 Water System Upgrades	1,250,000	1,250,000
	12th Street 89A to Fir Waterline Improvements	160,000	160,000
	Generator	112,000	112,000
	Sub-total	3,552,000	3,722,000
<b>Water O&amp;M</b>	Terrorism Liaison Officer (TLO) Equipment	10,000	10,000
	Water Utility Operator Trucks (2) Replacement	55,000	55,000
	Security Camera's	71,000	71,000
		Sub-total	136,000
<b>Total Enterprise Fund Capital Outlay</b>		8,374,500	8,715,665
<b>Grand Total - All Capital and Equipment &amp; Project</b>		20,788,806	18,893,890

Economic Dev. & Community Dev.
Finance/Human Resources
Police
Fire
Engineering & Public Works,
Parks & Recreation / Pool / Weight room
Library
Building Maintenance
Street Maintenance & Construction
Street Operations
HURF Transit Fund
Airport
Sewer Operations & Maintenance
Water Construction & Design
Capital Projects Fund

Capital	
Equipment	Project
1,500	1,000
0	300,000
895,580	3,550
880,500	75,000
12,250	0
18,000	636,500
0	0
73,500	0
0	5,923,195
35,500	0
0	0
0	728,995
34,500	4,823,165
136,000	3,722,000
0	593,155
<b>2,087,330</b>	<b>16,806,560</b>

**FY 2013 CAPITAL EQUIPMENT**



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Salary Range	Minimum	Midpoint	Maximum	Salary Range	Minimum	Midpoint	Maximum
1	\$15,202	\$18,622	\$22,043	46	\$46,182	\$56,573	\$66,964
2	\$15,582	\$19,088	\$22,594	47	\$47,337	\$57,988	\$68,638
3	\$15,972	\$19,565	\$23,159	48	\$48,520	\$59,437	\$70,354
4	\$16,371	\$20,054	\$23,738	49	\$49,733	\$60,923	\$72,113
5	\$16,780	\$20,556	\$24,331	50	\$50,977	\$62,446	\$73,916
6	\$17,200	\$21,070	\$24,940	51	\$52,251	\$64,007	\$75,764
7	\$17,630	\$21,596	\$25,563	52	\$53,557	\$65,608	\$77,658
8	\$18,070	\$22,136	\$26,202	53	\$54,896	\$67,248	\$79,599
9	\$18,522	\$22,690	\$26,857	54	\$56,269	\$68,929	\$81,589
10	\$18,985	\$23,257	\$27,529	55	\$57,675	\$70,652	\$83,629
11	\$19,460	\$23,838	\$28,217	56	\$59,117	\$72,418	\$85,720
12	\$19,946	\$24,434	\$28,922	57	\$60,595	\$74,229	\$87,863
13	\$20,445	\$25,045	\$29,645	58	\$62,110	\$76,085	\$90,059
14	\$20,956	\$25,671	\$30,386	59	\$63,663	\$77,987	\$92,311
15	\$21,480	\$26,313	\$31,146	60	\$65,254	\$79,936	\$94,619
16	\$22,017	\$26,971	\$31,925	61	\$66,886	\$81,935	\$96,984
17	\$22,567	\$27,645	\$32,723	62	\$68,558	\$83,983	\$99,409
18	\$23,132	\$28,336	\$33,541	63	\$70,272	\$86,083	\$101,894
19	\$23,710	\$29,045	\$34,379	64	\$72,028	\$88,235	\$104,441
20	\$24,303	\$29,771	\$35,239	65	\$73,829	\$90,441	\$107,052
21	\$24,910	\$30,515	\$36,120	66	\$75,675	\$92,702	\$109,729
22	\$25,533	\$31,278	\$37,023	67	\$77,567	\$95,019	\$112,472
23	\$26,171	\$32,060	\$37,948	68	\$79,506	\$97,395	\$115,284
24	\$26,826	\$32,861	\$38,897	69	\$81,494	\$99,830	\$118,166
25	\$27,496	\$33,683	\$39,870	70	\$83,531	\$102,325	\$121,120
26	\$28,184	\$34,525	\$40,866	71	\$85,619	\$104,884	\$124,148
27	\$28,888	\$35,388	\$41,888	72	\$87,760	\$107,506	\$127,252
28	\$29,610	\$36,273	\$42,935	73	\$89,954	\$110,193	\$130,433
29	\$30,351	\$37,180	\$44,009	74	\$92,203	\$112,948	\$133,694
30	\$31,109	\$38,109	\$45,109	75	\$94,508	\$115,772	\$137,036
31	\$31,887	\$39,062	\$46,236	76	\$96,870	\$118,666	\$140,462
32	\$32,684	\$40,038	\$47,392	77	\$99,292	\$121,633	\$143,973
33	\$33,502	\$41,039	\$48,577	78	\$101,774	\$124,674	\$147,573
34	\$34,339	\$42,065	\$49,792	79	\$104,319	\$127,790	\$151,262
35	\$35,198	\$43,117	\$51,036	80	\$106,927	\$130,985	\$155,044
36	\$36,077	\$44,195	\$52,312	81	\$109,600	\$134,260	\$158,920
37	\$36,979	\$45,300	\$53,620	82	\$112,340	\$137,616	\$162,893
38	\$37,904	\$46,432	\$54,961	83	\$115,148	\$141,057	\$166,965
39	\$38,851	\$47,593	\$56,335	84	\$118,027	\$144,583	\$171,139
40	\$39,823	\$48,783	\$57,743	85	\$120,978	\$148,198	\$175,418
41	\$40,818	\$50,002	\$59,187	86	\$124,002	\$151,903	\$179,803
42	\$41,839	\$51,253	\$60,666	87	\$127,102	\$155,700	\$184,298
43	\$42,885	\$52,534	\$62,183	88	\$130,280	\$159,593	\$188,906
44	\$43,957	\$53,847	\$63,737	89	\$133,537	\$163,583	\$193,628
45	\$45,056	\$55,193	\$65,331	90	\$136,875	\$167,672	\$198,469

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Fiscal Year 2013 Budget  
**Authorized Positions by Fiscal Year**

Table of Contents

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2011	FY 2012	FY 2013	Min	Max	
<b>Administration</b>						
City Manager	1.00	1.00	1.00	5,856	8,491	63
Executive Assistant	1.00	1.00	1.00	3,082	4,468	37
Administrative Svcs GM	1.00	1.00	1.00	7,313	10,604	72
Developmental Svcs GM	1.00	1.00	1.00	7,313	10,604	72
Community Services GM	1.00	1.00	1.00	7,313	10,604	72
Administrative Assistant	0.00	0.00	1.00	2,076	3,010	21
Total	5.00	5.00	6.00			
<b>City Clerks Office</b>						
City Clerk	1.00	1.00	1.00	4,463	6,471	52
Deputy Clerk	1.00	1.00	1.00	2,468	3,578	28
Administrative Assistant	1.00	1.00	0.00	2,076	3,010	21
Total	2.00	3.00	2.00			
<b>Administration - Personnel Division</b>						
Human Resources Manager	1.00	1.00	1.00	3,319	4,812	40
Human Resource Tech.	0.80	0.80	0.80	1,788	2,593	24
Total	1.80	1.80	1.80			
<b>Natural Resources</b>						
Natural Resources Director	0.00	1.00	1.00	7,313	10,604	72
Total	0.00	1.00	1.00			
<b>Finance Department</b>						
Accounting/Budget Manager	1.00	1.00	1.00	3,487	5,056	42
Human Resource Tech	0.20	0.20	0.20	447	648	24
Accounting Tech II	1.00	1.00	1.00	2,933	4,253	35
Budget Analyst	1.00	1.00	1.00	2,933	4,253	35
Total	3.20	3.20	3.20			
<b>IT Services</b>						
IT Manager	0.00	1.00	1.00	3,849	5,580	46
IT Technician	1.00	1.00	1.00	3,238	4,695	39
Total	1.00	2.00	2.00			
<b>Purchasing</b>						
Purchasing Manager	1.00	1.00	1.00	3,487	5,056	42
Total	1.00	1.00	1.00			
<b>Community Development</b>						
Community Development Director	1.00	1.00	1.00	4,689	6,799	54
Planner	2.00	2.00	2.00	3,319	4,812	40
Administrative Coordinator	1.00	1.00	1.00	2,235	3,241	24
Total	4.00	4.00	4.00			
<b>Economic Development</b>						
Economic Development Director	1.00	1.00	1.00	3,487	5,056	42
Administrative Assistant	0.00	1.00	1.00	2,076	3,010	21
Total	1.00	2.00	2.00			

Fiscal Year 2013 Budget  
**Authorized Positions by Fiscal Year**

Table of Contents

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2011	FY 2012	FY 2013	Min	Max	
<b>Municipal Court</b>						
Municipal Judge	1.00	1.00	1.00	Contract		62
Court Clerk	3.00	3.00	3.00	3,159	4,580	38
Court Administrator	1.00	1.00	1.00	2,076	3,010	21
Court Clerk - Position Frozen	1.00	1.00	1.00	2,076	3,010	21
Total	6.00	6.00	6.00			
<b>Legal Department</b>						
Attorney	1.00	1.00	1.00	9,133	13,243	81
Legal Services Coordinator	0.00	0.00	0.00	3,082	4,468	37
Total	1.00	1.00	1.00			
<b>Engineering Services Department</b>						
Staff Engineer	1.00	0.00	0.00	3,574	5,182	43
Public Works & Utility Inspector	1.00	1.00	1.00	2,468	3,578	28
Building Official	1.00	1.00	1.00	2,235	3,241	24
Building Inspector	1.00	1.00	1.00	3,319	4,812	40
Professional Engineer	1.00	1.00	1.00	4,043	5,863	48
Utility Inspector	1.00	1.00	1.00	2,468	3,578	28
Civil Engineering Technician	1.00	1.00	1.00	3,006	4,359	36
Total	7.00	6.00	6.00			
<b>Public Works</b>						
Public Works Director	1.00	0.00	0.00	4,689	6,799	54
Developmental Svcs Ops Mgr	0.00	1.00	1.00	4,248	6,160	50
Administrative Coordinator	1.00	1.00	1.00	2,235	3,241	24
Program Manager	1.00	1.00	1.00	3,319	4,812	40
Public Works & Utility Mtce Spec	0.00	1.00	1.00	2,468	3,578	28
Total	3.00	4.00	4.00			
<b>Police Department</b>						
Police Chief	1.00	1.00	1.00	4,689	6,799	54
Commander	2.00	2.00	2.00	4,248	6,160	50
Sergeant	6.00	6.00	7.00	3,663	5,311	44
PANT Officer	1.00	1.00	1.00	3,082	4,468	37
Police Officer	19.00	21.00	19.00	3,082	4,468	37
School Resource Officer (SRO)	2.00	1.00	1.00	3,082	4,468	37
Property & Evidence Technician	1.00	1.00	1.00	2,349	3,406	26
Police Administrative Technician	1.00	1.00	1.00	2,291	3,322	25
Records Clerk	2.00	2.00	2.00	2,076	3,010	21
System Coordinator	0.50	0.50	0.50	1,296	1,880	30
Terrorism Liaison Officer	0.50	0.50	0.50	1,832	2,656	44
Total	36.00	37.00	36.00			
<b>Police - Ordinance Enforcement</b>						
Ordinance Enforcement Officer	2.00	2.00	2.00	2,349	3,406	26
Ordinance Enforcement Officer	0.00	0.00	0.00	2,349	3,406	26
Total	2.00	2.00	2.00			

Fiscal Year 2013 Budget  
**Authorized Positions by Fiscal Year**

Table of Contents

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2011	FY 2012	FY 2013	Min	Max	
<b>Police - Communications Division</b>						
Systems Coordinator	0.50	0.50	0.50	1,296	1,880	30
Communications Supervisor	1.00	1.00	1.00	2,592	3,759	30
Communications Specialist	9.00	9.00	9.00	2,349	3,406	26
Total	10.50	10.50	10.50			
<b>Fire Department</b>						
Fire Chief	1.00	1.00	1.00	4,689	6,799	54
Fire Captain	3.00	3.00	3.00	4,463	6,471	52
Fire Inspector	1.00	1.00	1.00	2,862	4,149	34
Engineer/EMT	6.00	6.00	6.00	3,574	5,182	43
Administrative Coordinator	1.00	1.00	1.00	2,235	3,241	24
Fire Marshal	1.00	1.00	1.00	3,663	5,311	44
Firefighter/EMT	12.00	12.00	12.00	3,238	4,695	39
Fire Lieutenant	3.00	3.00	3.00	3,574	5,182	43
Total	28.00	28.00	28.00			
<b>Parks and Recreation Department</b>						
Administrative Coordinator	1.00	1.00	1.00	2,235	3,241	24
* Rec. Coordinator Frozen FY2010	2.00	2.00	2.00	2,291	3,322	25
Total	3.00	3.00	3.00			
<b>Recreation Department</b>						
Recreation Center Manager	1.00	1.00	1.00	3,849	5,580	46
Aquatics Center Supervisor	1.00	1.00	1.00	3,082	4,468	37
Recreation Center Program Supervisor	1.00	1.00	1.00	3,082	4,468	37
Fitness Center Supervisor	1.00	1.00	1.00	2,407	3,491	27
Facility Maintenance Supervisor	1.00	1.00	1.00	2,407	3,491	27
Facility Maintenance Worker	1.00	1.00	1.00	1,976	2,865	19
Front Desk Supervisor	2.00	2.00	2.00	2,128	3,085	22
Head Life Guard	2.00	2.00	2.00	2,076	3,010	21
Total	10.00	10.00	10.00			
<b>Building Maintenance</b>						
P.W., Parks, & Bldg. Mtce. Manager	1.00	0.50	0.50	1,659	2,406	40
Parks & Building Maintenance Worker:	5.00	4.00	4.00	1,976	2,865	19
Building Maint. Specialist II - Frozen	1.00	1.00	1.00	2,407	3,491	27
Building Maint. Specialist I	1.00	1.00	1.00	1,976	2,865	19
Total	8.00	6.50	6.50			
<b>Streets Maintenance</b>						
P.W., Parks, & Bldg. Mtce. Manager	1.00	0.50	0.50	1,659	2,406	40
Public Works Maint. Worker	4.00	4.00	4.00	1,976	2,865	19
P.W. Maint. Worker --Frozen	1.00	1.00	1.00	1,234	1,789	28
Total	6.00	5.50	5.50			
<b>CAT/LINKS</b>						
Transportation Manager	1.00	0.00	1.00	3,755	5,444	45
Administrative Assistant	0.00	0.00	1.00	2,076	3,010	21
Driver / Dispatcher	2.00	0.00	1.00	2,076	3,010	21
Field Supervisor	0.00	0.00	1.00	2,076	3,010	21
Drivers	7.00	0.00	6.00	1,976	2,865	19
Total	10.00	0.00	10.00			

Fiscal Year 2013 Budget  
**Authorized Positions by Fiscal Year**

Table of Contents

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2011	FY 2012	FY 2013	Min	Max	
<b>Library Services</b>						
Library Director	1.00	0.00	0.00	4,463	6,471	52
Library Manager	0.00	1.00	1.00	3,755	5,444	45
Library Coordinator	1.00	1.00	1.00	3,082	4,468	37
Library Specialist	1.00	1.00	1.00	2,657	3,853	31
Library Technician	1.00	1.00	1.00	2,128	3,085	22
Library Clerk	5.00	5.00	5.00	1,881	2,727	17
Library Clerk - Position Frozen	1.00	1.00	1.00	1,881	2,727	17
Youth Services Coordinator-Frozen	1.00	1.00	1.00	2,657	3,853	31
Total	11.00	11.00	11.00			
<b>Cemetery</b>						
Construction & Maintenance Mgr.	0.00	0.00	0.00	308	447	37
Construction & Maint. Worker	0.00	0.00	0.00	198	286	19
Total	0.00	0.00	0.00			
<b>Wastewater Treatment Facility</b>						
Utilities Administrative Manager	0.50	0.50	0.50	1,972	2,860	47
Operations Manager	0.50	0.50	0.50	1,787	2,591	43
WWTP Superintendent	1.00	1.00	1.00	3,238	4,695	39
WW Operator III	1.00	1.00	0.00	2,407	3,491	27
WW Operator II	3.00	3.00	2.00	2,291	3,322	25
WW Operator I	2.00	2.00	4.00	2,076	3,010	21
Administrative Coordinator	0.50	0.50	0.50	1,118	1,621	24
Electrical Instrument Specialist	0.50	0.50	0.50	1,467	2,127	35
Utility Billing Supervisor	0.35	0.35	0.35	1,079	1,564	37
Utility Billing Clerk	1.05	1.05	1.40	1,976	2,865	19
Total	10.40	10.40	10.75			
<b>Water Distribution System</b>						
Utilities Administrative Manager	0.50	0.50	0.50	1,972	2,860	47
Operations Manager	0.50	0.50	0.50	1,787	2,591	43
Utility Billing Supervisor	0.65	0.65	0.65	2,211	3,206	41
Utility Technician	3.00	3.00	5.00	2,003	2,904	37
Utility Billing Clerk	1.95	1.95	2.60	1,976	2,865	19
Operator I	3.00	3.00	1.00	1,976	2,865	19
Operator II	2.00	2.00	2.00	2,076	3,010	21
Operations Foreman	1.00	1.00	1.00	2,291	3,322	25
Electrical Inst. Specialist	0.50	0.50	0.50	1,329	1,927	31
Administrative Coordinator	0.50	0.50	0.50	1,467	2,127	35
Arsenic Specialist	1.00	1.00	1.00	2,235	3,241	24
Terrorism Liaison Officer	0.50	0.50	0.50	1,234	1,789	28
Utility Equipment Operator	2.00	2.00	2.00	3,319	4,812	40
Utility Technician - Frozen	1.00	1.00	1.00	2,529	3,667	29
Total	18.10	18.10	18.75			
Total City-wide Authorized Full-Time Equivalents	189.00	182.00	192.00			

Resolution

Insert Schedule A

Insert Schedule C1

Insert Schedule C2

Insert Schedule C3

Insert Schedule C4

Insert Schedule D

Insert Schedule E



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**Glossary**

**Action Zone Grant** - A program within the CDBG program funding neighborhood improvements as identified by a steering committee made up of selected community representatives. This program is administrated by the Arizona Department of Commerce.

**Alternative Expenditure Limitation** - A voter approved alternative to the state imposed annual expenditure limitation. The alternative to the state plan is effective for a four year period. This alternative allows local government to establish its own spending cap each year.

**Appropriation** - A legal authorization granted by City Council to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and duration as to when it may be expended.

**Arizona Department of Transportation (ADOT)** - A State of Arizona agency responsible for the administration of state highways, transportation and aeronautics. ADOT administrates and funds various road, transit and airport grants.

**Arizona Revised Statutes** - Laws governing the State of Arizona, as amended by the state legislature.

**Base Budget** - Cost of continuing the existing levels of service in the current budget year.

**Bonds** - A written instrument to pay a sum of money at a specified interest rate, on a specific date or dates in the future, called maturity dates. The interest payments and the repayment of the principal are detailed in a bond resolution or ordinance. Two common types of bonds are general obligation and revenue bonds which are most commonly used for construction of large capital projects such as buildings, streets and sewers.

**Budget** - A plan of financial operation representing an estimate of Final expenditures and the Final means of financing them for a given period. This official public document reflects decisions, measures service needs, establishes the allocation of resources and is the pecuniary plan for achieving goals and objectives.

**Budget Calendar** - The schedule of key dates or events which the city follows in the preparation, adoption, and administration of the budget.

**Capital Outlay** - Expenditures resulting in the acquisition or addition to the government's general fixed assets. These assets generally have a useful life of more than one year.

**Capital Projects Fund** - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by propriety funds and fiduciary funds).

**Classification Plan** - Employee positions, which are authorized in the 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. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Contractual Services** - Professional, technical or maintenance expertise typically purchased from external sources.

**Cost-of-living Adjustment (COLA)** - An increase in salaries to offset the adverse effect of inflation on compensation.

**Cottonwood Area Transit System (CATS)** - A local public transportation system which receives its funding through contributions from the Town of Clarkdale, Yavapai County, user fares, and the ADOT transit division.

**Debt** - An obligation resulting from borrowing money or from the purchase of goods and services. Types of governmental debts includes bonds, loans, time warrants and notes.

**Debt Service** - The long-term payment of principal and interest on borrowed funds.

**Debt Service Fund** - A fund organized to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit** - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

**Department** - The basic organizational unit of government which is functionally unique in its delivery of services.

**Department of Commerce** - An agency of the state responsible for the administration of grants and other programs relating to the improvements to neighborhoods, business development, and the promotion of tourism.

**Designated Reserves** - Those portions of fund balance that are not appropriable for expenditure or that are legally segregated for a specific future use.

**Drug Awareness Resistance Education (DARE)** - A national program designed to provide drug and alcohol education to youth.

**Employee Benefit Trust Fund** - Accounts for the city's partially self-funded health and accident insurance program for the city's employees and their dependents.

**Enterprise Fund** - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The governing body's intention is to finance or recover operation costs through user fees.

**Expendable Trust Fund** - A trust fund whose resources, including both principal and earnings, may be expended.

**Expenditure** - Decreases in net financial resources in accordance with budgeted appropriations. Expenditures include operating expenses such as the acquisition of assets or goods and services.

**FACTS** - Database software used by the municipal court.

**Farmers Home Administration** - An agency of the federal government within the Department of Agriculture which provides low interest loans to governmental and/or private agencies or individuals for qualifying capital improvements.

**Federal Aviation Administration (FAA)** - An agency of the federal government with oversight responsibility for airports in the country.

**Fiduciary Funds** - Funds used to account for assets held by a government unit in a trustee capacity (i.e., Alternative Pension and Benefits Plan Fund, Employee Benefit Trust Fund).

**Fines & Forfeitures** - Income received through the assessments of fines and penalties through the municipal court.

**Fiscal Year** - A time period designated by the city signifying the beginning and ending period for recording financial transactions. The City of Cottonwood has a fiscal year beginning July 1 and ending June 30.

**Glossary**

**Franchise Fee** - A fee paid by public service business for the special privilege to use city streets, alley and property in providing their services to the citizens of the community. Services requiring franchise fees include electricity, water, natural gas, and cable television.

**Full-time Equivalent Position (FTE)** - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

**Fund** - An accounting entity having a set of self-balancing accounts and records all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitations.

**Fund Balance** - Fund balance is the excess of assets over liabilities of governmental and fiduciary funds.

**Greater Arizona Development Authority** - Created by the Arizona Legislature to assist local and tribal governments and 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, helping accelerate project development and lower costs of financing.

**General Fund** - The operating fund established to account for resources and uses of general operating functions of city departments that are not required to be accounted for in another fund. Resources are, in the majority, provided by taxes.

**General Obligation Bonds** - Bonds that finance a variety of public projects and require voter approval. These bonds are backed by the full faith and credit of the city. Limitations for bonding capacity are set by State Statute.

**Generally Accepted Accounting Principles (GAAP)** - Uniform minimum standards and guidelines for financial accounting and reporting.

**Governmental Funds** - Funds used to account for the acquisition, use and balances of expendable financial resources and related current liabilities, except those accounted for in propriety funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund).

**Governors Alliance Against Drugs (GAAD)** - A division of the state's governors office funding grants providing alternative activities for youth at risk for drug and alcohol abuse.

**Grant** - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity or facility.

**Heritage Fund** - A state grant program funded through lottery proceeds (LTAF funds) dedicated to open space and park improvements.

**Indirect Cost** - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one 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.

**Line-item Budget** - A budget prepared along departmental lines that focuses on what is to be bought.

**Local Transportation Assistance Fund** - A state fund established and funded by lottery proceeds to provide grants for local transit systems, parks and other open space needs, and street maintenance and improvements.

**Long-term Debt** - Debt with a maturity of more than one year after the date of issuance.

**Municipal Property Corporation** - A component unit of the city established for the purposes of providing funding for capital projects which directly benefit the city.

**Objective** - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable with a specific time frame.

**Obligations** - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

**Operating Budget** - Plan of current expenditures and the prepared means to finance them. This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, contractual services, operating supplies and operating capital items. The budget is the primary measure of controlling financing, acquisition, spending and delivering of services of the entity.

**Operating Expenses** - The cost for personnel, materials and equipment required for a department to function.

**Operating Revenue** - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

**Pension Plan Fund** - A trust fund used to account for the volunteer firefighters retirement fund. This fund uses the accrual basis of accounting and has a capital maintenance measurement focus.

**Proprietary Funds** - Funds used to account for a government's ongoing activities that are similar to those often found in the private sector (i.e., Water & Wastewater Enterprise Funds).

**Public Hearing** - A hearing, publically advertised to promote public input into the annual budget process, held each year prior to the adoption of the Final and Final budget.

**Reserve** - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

**Resolution** - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

**Resources** - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

**Revenue** - Sources of income financing the operations of government.

**Revenue Bonds** - Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

**Rural Economic Development Initiative (REDI)** - A state certification of a community, by the Arizona Department of Commerce, for its readiness for economic development.

**Glossary**

**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 is created out of receipts of specific revenues.

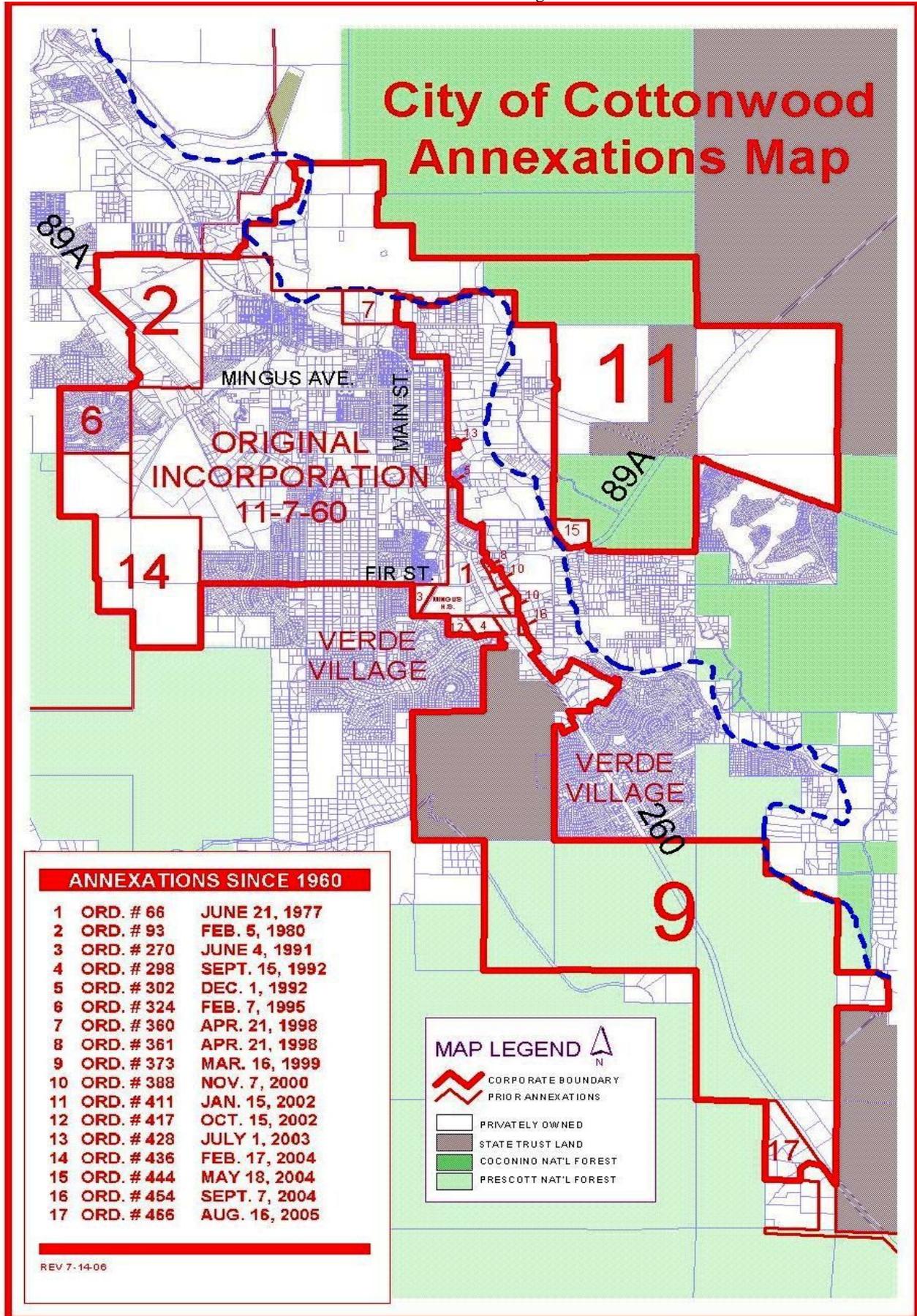
**Unreserved Fund Balance** - Undesignated monies available for appropriations.

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**Acronyms**

AAED - Arizona Association for Economic Development	EEOC - Equal Employment Opportunity Compliance
AMRRP - Arizona Municipal Risk Retention Pool	EMS - Emergency Medical Services
ACA - Arizona Commerce Authority	EMT - Emergency Medical Technician
ACAP - AZ Court Automation Project	FAA - Federal Aviation Administration
ACJC - As Criminal Justice Commission	FARE - Fines/fees And Restitution Enforcement
ACJIS - AZ Criminal Justice Information System	FBO - Fixed Base Operations
ADA - American with Disabilities Act	FBI - Federal Bureau of Investigation
ADOT - Arizona Department of Transportation	FD - Fire Department
ADS - Animal Disaster Services	FEMA - Federal Emergency Management Administration
ADWR - Arizona Department of Water Resource	FHWA - Federal Highway Administration
AFG - Assistance to Firefighters Grant	FLSA - Fair Labor Standards Act
AFIS - Automated Fingerprint Identification System	FmHA - Farmers Home Administration
Ag - Agriculture	FSA - Flexible Spending Account
AIP - Airport Improvements Project	FTE - Full Time Equivalent
ALF - American LaFrance	FY - Fiscal Year
ALP - Airport Layout Plan	GO Bond - General Obligation Bond
AOC - Administrative Office of the Court	GAAP - Generally Accepted Accounting Principles
APS - Arizona Public Service	GAAD - Governor's Alliance Against Drugs
ARS - Arizona Revised Statutes	GADA - Greater Arizona Development Authority
A/V - Audio Visual	GASB - Government Accounting Standards Board
AVL - Automatic Vehicle Locator	GFOA - Government Finance Officers Association
AWOS - Automatic Weather Observation Station	GM - General Manager
AZ - Arizona	GOHS - Governor's Office of Highway Safety
AZPac - Arizona Public Access Computers	HDHP - High Deductible Health Plan
BAC - Business Assistance Center	HELP - Highway Expansion and Extension Loan Program
BOD - Biological Oxygen Demand	HIPAA - Health Insurance Portability & Accountability Act
BTOP - Broadband Technology Opportunities Program	HR - Human Resources
CAD - Computer Aided Dispatch	HSA - Health Saving Account
CAFR - Comprehensive Annual Financial Report	HURF - Highway User Revenue Fund
CAFS - Compressed Air Foam System	ICC - International Code Council
C.A.L.E.A - Commission on Accreditation for Law Enforcement Agencies	ID - Identification
CAT - Cottonwood Area Transit	ISO - Insurance Service Organization
CCR - Cardio Cerebral Resuscitation	ISTEA - Intermodal Surface Transportation Efficiency Act
CDBG - Community Development Block Grant	JPA - Joint Powers Agreement
CEDC - Cottonwood Economic Development Council	JCEF - Judicial Collection Enhancement Fund
CFD - Cottonwood Fire Department	LDH - Large Diameter Hose
CJEF - Criminal Justice Enhancement Fund	LLBG - Local Law Enforcement Block Grant
CPI - Consumer Price Index	LTAF - Local Transportation Assistance Fund
CPR - Cardiac Pulmonary Resuscitation	M&O - Maintenance & Operations
COC - Chamber of Commerce	MATForce - Methamphetamine Task Force
COJET - Committee On Judicial Education and Training	MDC - Mobil Data Communication
COLA - Cost of Living Adjustment	MPC - Municipal Property Corporation
COP - Citizens on Patrol	MUHS - Mingus Union High School
COPS - Community Oriented Policing Services	MV - Motor Vehicle
CWRF - Clean Water Revolving Fund	MVD - Motor Vehicle Division
DARE - Drug Awareness Resistance Education	NACOG - Northern Arizona Council of Governments
DEA - Drug Enforcement Agency	NAIPTA - Northern Arizona Inter-Governmental Public Transit Authority
DNS - Domain Name Services	NAU - Northern Arizona University
DPS - Department of Public Safety	NCIC - National Crime Information Center
DUI - Driving Under the Influence	NFPA - National Fire Protection Association
DWRF - Drinking Water Revolving Fund	NIMS - National Incident Management System
ED - Economic Development	NRMSIR - Nationally Recognized Municipal Securities Information Repository
EDMS - electronic document management scanning	

OFA - Object Free Area  
OSC - Orders to Show Cause  
OSHA - Occupational Safety & Health Administration  
OTA - Old Town Association  
PANT - Prescott Area Narcotics Taskforce  
PAPI - Precision Approach Path Indicator  
PARD - Parks and Recreation Department  
PC - Personal Computer  
PD - Police Department  
PPV - Positive Pressure Ventilation  
PHSG - Peacock, Hislop, Staley, & Givens, Inc.  
PS - Public Safety  
P&Z - Planning and Zoning  
REDI - Rural Economic Development Initiative  
RFP - Request for Proposal  
RFQ - Request for Qualifications  
SAFER - Staffing for Adequate Fire Emergency Response  
SARMC - Safety Awareness & Risk Management Committee  
SCBA - Self Contained Breathing Apparatus  
SHPO - State Historical Preservation Office  
SLIM - Specialty Light Manufacturing Association of Yavapai  
County  
SR - State Route  
SRO - School Resource Officer  
SSRT - Super Secret Response Team  
SVCS - Services  
SWAT - Strategic Weapons Attack Team  
TES - Tavasci Elementary School  
TIA - Traffic Impact Analysis  
TIP- Trauma Intervention Program  
TSS - Total Suspended Solids  
US - United States  
USDA - United States Department of Agriculture  
USEPA - United States Environmental Protection Agency  
VCTC - Verde Consolidated Therapeutic Court  
VOMP - Victim Offender Mediation Program  
VV - Verde Valley  
VVAC - Verde Valley Arts Council  
VVAC - Verde Valley Ambulance Company  
VVEBP- Verde Valley Employee Benefits Pool  
VVL - Verde Valley Leadership  
VVMC- Verde Valley Medical Center  
VVREDC - Verde Valley Regional Economic Development  
Committee  
VVREO - Verde Valley Regional Economic Organization  
VVWC - Verde Valley Wine Consortium  
WC - Workers Compensation  
WIFA - Water Infrastructure Finance Authority  
WMA - Wastewater Management Authority  
WSVS - Windows Server update Services



Cover Design: Kirsten Lennon, Accounting/Budget Manager

Photos: Diane Joens, Mayor

Robin Babbitt Administrative Assistant Recreation Center

Hezekiah Allen, Aquatics/ Special Events Supervisor



## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Approval for a Purchasing Exemption under Section VI Paragraph C of the Procurement Code to acquire Transit Management System Software and services.
Department:	Administrative Services
From:	Jesus R. Rodriguez, C.G.F.M., Administrative Services General Manager

### **REQUESTED ACTION**

Staff is requesting that Council approve the request for a purchasing exemption under Section VI Paragraph C of the Procurement Code to purchase RouteMatch TS Paratransit Management System Software, training and support services for the Transit Department.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I move to approve the request for a purchasing exemption under Section VI, Paragraph C of the Procurement Code to purchase RouteMatch TS Paratransit Management System Software, training and support services for the Transit Department as presented.

### **BACKGROUND**

The Transit Department is in need of paratransit management system software, training and support services that will provide a value-added solution for the scheduling, routing, and management operations of Cottonwood Area Transit/LYNX (CAT/LYNX). This software and services must be acquired and implemented by July 1, 2012 to allow for a smooth transition of CATS/LYNX from NAIPTA. The cost of the system is anticipated to be \$24,939 including Optional Hosting Fees. The Optional Hosting Fees allow for the software to be hosted by the software provider. This is necessary to ensure that CAT/LYNX is operational and not waiting for a server on the transition date.

Because of the shortened timeline with which staff has to fully implement this system, staff does not have the time needed to conduct a comprehensive solicitation of other systems.

Staff viewed three similar applications before making the decision to go with RouteMatch. The other applications were Novus Trapeze and StratGen, both being more expensive. The quotes are attached for review.

Staff also researched other entities that use this same system for the possibility of "piggy-backing" on their existing contract, however, there were no entities that satisfied the requirements of the Financial Operations Guide (FOG) - Procurement Code.

Section VI. Exemptions of the Procurement Code, Section C states:

C. Waiver by City Council. The City Council may waive any provision or requirement of this Procurement Policy upon a finding that doing so is in the best interests of the City. Circumstances justifying waiver include, but are not limited to situations in which timing/expediency is critical; special or unique qualifications of an individual, firm, vendor or item(s); the procurement of additional goods or services under an existing contract; or to comply with specific requirements of a gift or grant.

Staff believes that the timing/expediency requirements of this section are met with the rapid approach of the transition from NAIPTA to Cottonwood.

**JUSTIFICATION/BENEFITS/ISSUES**

Approval of this request will allow staff to smoothly transition from NAIPTA by July 1, 2012.

**COST/FUNDING SOURCE**

Staff is working with ADOT to acquire funding for the many items that are needed to make the transition as seamless as possible.

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">06_07_2012 - City of Cottonwood - Paratransit Managment System.pdf</a>	RouteMatch Software Proposal	Backup Material
<a href="#">06_08_2012 - COC Trapeze Quote.pdf</a>	Novus Trapeze Proposal	Backup Material
<a href="#">06_12_2012 - COC StratGEn Quote.pdf</a>	StatGEn Proposal	Backup Material

---

# RouteMatch *Software* Proposal

**Budget Proposal For:**

**Cottonwood Area Transit (CAT)**

**Submitted By:**

Robert Hennig  
RouteMatch Software  
1675 Broadway, Suite 1045  
Denver, CO 80202  
(303) 997-1507  
[www.routematch.com](http://www.routematch.com)

**Submitted On:**

June 7, 2012



**RouteMatch**  
*Software*<sup>™</sup>



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## **Confidentiality Notice**

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## Contents

1.0	Introduction .....	4
1.1	Scope of Services.....	4
1.2	RouteMatch TS Paratransit Management System .....	4
1.3	RouteMatch Implementation Methodology (RIM) .....	5
1.4	RouteMatch Customer Support & Maintenance .....	5
2.0	Cost Proposal .....	6
2.1	Detailed Cost Proposal – RouteMatch TS.....	6
2.2	Optional Hosting Fees .....	7
2.3	Notes & Assumptions.....	7

# 1.0 Introduction

RouteMatch is pleased to provide the following cost proposal for a turn-key transportation management system including all requested components and related implementation, training and support services for the Cottonwood Area Transit. RouteMatch has carefully reviewed the requirements of your project and is very confident our solutions combined with our excellent project team will provide your organization and extremely valuable solution and assist in leveraging technology to automate your operations. We look forward to delivering our products and services which will ensure a successful deployment and provide a value-added solution for the scheduling, routing, and management operations of the Cottonwood Area Transit.

## 1.1 Scope of Services

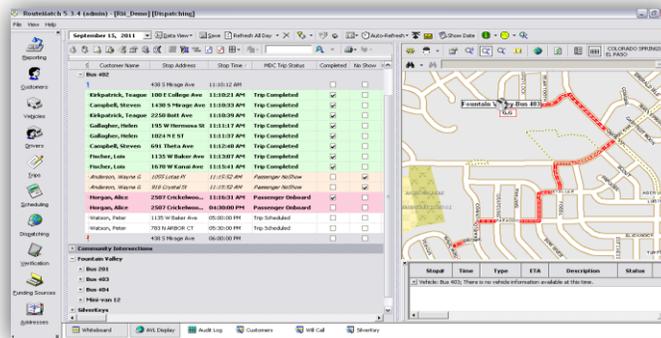
The scope of services for this engagement consists of the following components

1. RouteMatch TS Paratransit Management System, licensed for two (2) users and a fleet of Three (3) vehicles.
2. Implementation, training, project management, and support services to install, configure, and train your organization on utilizing the modules
3. Ongoing customer support and technology maintenance to ensure a successful utilization of your RouteMatch system and to leverage RouteMatch’s investment in new product features and functionality.

These components are further itemized below.

## 1.2 RouteMatch TS Paratransit Management System

RouteMatch TS is our flagship solution that incorporates advanced logistics algorithms and geographic information systems to accomplish fully automated scheduling, computer-assisted scheduling, and manual routing and scheduling for the paratransit and demand response industry. With integrated data management, scheduling, routing, dispatching, billing, reporting, and database maintenance functionality, RouteMatch Software enhances customer service while providing greater efficiency and reduced operating costs.





### 1.3 RouteMatch Implementation Methodology (RIM)

The RouteMatch Professional Services Organization (PSO) has institutionalized a standard proven pragmatic and adaptable implementation methodology that capitalizes on our collective experience with Go Lives at over 450 locations across the USA. This internally developed methodology RIM (RouteMatch Implementation Methodology) has evolved through the hundreds of installations that we have completed. RIM takes into account the proper staffing to meet Cottonwood Area Transit's timelines and the proper procedures and documentation results in a successful implementation of our systems. RIM fundamentals include teamwork, structured client involvement, discrete, flexible stages with concrete deliverables. The stages and components of the RouteMatch Software RIM approach include:

- **Phase 0: Project Initiation** - A structured transition from contract award to project kickoff.
- **Phase 1: Design** - Determines the details required to implement RouteMatch Software's solutions in the client's environment.
- **Phase 2: Build** – Software and hardware install, configuration, and Vendor Assembly Testing; prepares the project teams for operation in the client's environment.
- **Phase 3: Educate** – End to End system overviews ensures knowledge share of the updated operational inputs and outputs including end user training in distinct levels of training.
- **Phase 4: Deployment** - Integration, regression and user acceptance testing; confirms the solutions ability to execute a production environment in the client's current IT environment. Integrates the system and operations in a production environment for the client. Includes Go Live.
- **Phase 5: System Acceptance** - happens once the client is fully operational and ready for transition to customer support. Transition to RouteMatch's Customer Support Organization (CSO)
- **Project Management** – occurs throughout all phases to ensure project goals, objectives, timeline and budget are being met.
- **Account Management** – ensures customer satisfaction is maintained over course of entire project, and that transition into RouteMatch's Customer Support Organization (software maintenance) is successful through meeting all project objectives.
- **Executive Sponsorship** – aligns the project's objectives to RouteMatch's corporate goals to ensure that client satisfaction and return on investment meet organizational expectations for all parties.

### 1.4 RouteMatch Customer Support & Maintenance

The RouteMatch Customer Services Organization (PCO) provides an industry leading, unmatched Support & Maintenance Program. Following the successful deployment and go-live of the project, Cottonwood Area Transit will be transitioned to the customer support team. Our experienced professionals are dedicated to providing our customers with the highest level of customer support possible.

In an integrated, multi-technology project, accessible support becomes a very important factor to the project's overall success. The goal is to eliminate barriers to communication and issue resolution. We do that through a simplified, single point of contact approach. RouteMatch Software is consistently striving to improve its software and product offerings to better meet the needs of its customer base. RouteMatch



partners with its customers to better understand the constantly changing landscape of the transportation industry, and to build and enhance its core products. RouteMatch Support provides multiple methods to contact staff to obtain system wide support and assistance, submit a product, issue, or bug, and to request workflow or product feature enhancements.

- **Solution Support**
  - Single Point of Contact for ALL issues
  - 24/7/365 via phone, web, email, fax
  - Average Response Time: 15 Minutes
  - My.RouteMatch.com
  
- **Solution Maintenance**
  - Software Updates and Upgrades
  - Feature Requests
  
- **Solution Hosting Available**
  - Managed IT Services via RM Hosted Services
  
- **Continuing Education**
  - Documentation Downloads
  - Computer Based Training
  - Web Based Training
  - User-Defined Web Based Training
  - RouteMatch “In the Field”
  - RouteMatch User’s Conference

## 2.0 Cost Proposal

RouteMatch Software, Inc. has offered to present this cost proposal based on the following scenario. Cottonwood Area Transit has requested a cost proposal for a RouteMatch TS implementation, with the RouteMatch Mobile Data system, via a client-server implementation.

### 2.1 Detailed Cost Proposal – RouteMatch TS

For this scenario, RouteMatch assumes the following relevant information.

- RouteMatch TS Licensing for two (2) users and three (3) vehicles
- Professional Services to manage, install, and train drivers and users
- Required Premium Support and Maintenance

RouteMatch Software -- Base License Fees	
RouteMatch Software TS™	\$12,000
<b>Sub-Total</b>	<b>\$12,000</b>
RouteMatch Software Implementation Services	
Project Management	\$880
Phase 0 – Initiate	\$440



Phase 1 – Design	\$1,760
Phase 2 – Build	\$1,760
Phase 3 – Educate	\$2,640
Phase 4 – Deployment	\$2,640
Phase 5 - System Acceptance	\$440
Software and Training Documentation for 2 Users	\$99
Travel Estimate	<i>As Incurred</i>
<b>Sub-Total</b>	<b>\$10,659</b>
<b>Required 3<sup>rd</sup> Party Components</b>	
GIS Mapping Data	\$480
<b>Sub-Total</b>	<b>\$480</b>
<b>TOTAL</b>	<b>\$23,139</b>
<b>OPTIONAL Ongoing Fees</b>	
Year One Premium (24x7) Maintenance and Support	<i>Included</i>
Ongoing Annual Premium (24x7) Maintenance and Support	\$2,100

## 2.2 Optional Hosting Fees

<b>OPTIONAL Hosting Fees</b>	
Annual Fee for ASP Hosting Solution	\$1,800

## 2.3 Notes & Assumptions

- RouteMatch will invoice goods and services as they are delivered.
- Travel and reimbursable expenses are extra and will be billed separately as incurred. Cottonwood Area Transit will reimburse the vendor directly at cost.
- This is a cost proposal, requested by and provided to Cottonwood Area Transit. It is based upon the information known to RouteMatch Software, Inc. at the time of this proposal and is subject to change in the event of material differences in the information used to form the proposal.
- The proposal assumes that Cottonwood Area Transit will provide all necessary hardware and system software for the scheduling software application, including a local area network connection, internet connections, and computer infrastructure that meet the minimum system requirements.

**Proposed Pricing  
Novus with optional DriverMate  
for  
Cottonwood Transit**

**1.0 Application Software**

Item	Description	Novus	Optional DriverMate	Grand Total
1	Net Application License Fees	\$20,000	\$10,280	\$30,280
2	Implementation Services	\$18,150	\$18,150	\$36,300
3	3rd Party Licenses	\$2,500	\$0	\$2,500
3/4	Expenses	\$3,625	\$5,325	\$8,950
<b>TOTAL (US\$)</b>		<b>\$38,150</b>	<b>\$28,430</b>	<b>\$66,580</b>

**2.0 Software Maintenance**

Item	Description	Novus	Optional DriverMate	Grand Total
1	Warranty (90 days from installation)	<i>included</i>	<i>included</i>	<i>included</i>
2	1st Year Maintenance	\$4,500	\$2,056	\$6,556
<b>Grand Total</b>		<b>\$4,500</b>	<b>\$2,056</b>	<b>\$6,556</b>

\* Prices in effect until 09/30/2012

\* Licenses are provided for 75 trips per day and 4 vehicles

\* Warranty period valid for 90 days from installation

\* Applicable taxes are not included

**PRICE QUOTE**

**Trapeze Confidential - Not to be Disclosed**

**StrataGen Systems, Inc.**  
 4040 Lake Washington Blvd NE suite 201  
 Kirkland, WA 98033-7874



Date: 12 Jun 2012  
 Quotation for: Budgetary Cottonwood AZ  
 Prepared by: Barry Felker

Deliverables	Qty	Unit Price with Warranty US \$	Extended Price with Warranty US \$	Unit Service/ Month US \$	Extended Service/ Month US \$
<b>ADEPT Software</b>					
ADEPT 6.x Transit Software Suite	1	\$17,025	\$17,025	\$225	\$225
3/4 Mile ADA Module	1	\$2,270	\$2,270	\$30	\$30
<b>Total ADEPT Software</b>			<b>\$19,295</b>		<b>\$255</b>
<b>Third Party Products for ADEPT Software</b>					
Tom-Tom Maps	1	\$666	\$666	\$10	\$10
<b>Total ADEPT 3rd Party Products</b>			<b>\$666</b>		<b>\$10</b>
<b>Implementation Services</b>					
Project Management	1	\$1,200	\$1,200	\$0	\$0
System Installation	3	\$1,200	\$3,600	\$0	\$0
System Configuration	2	\$1,200	\$2,400	\$0	\$0
System Training	5	\$1,200	\$6,000	\$0	\$0
System Go-Live	5	\$1,200	\$6,000	\$0	\$0
<b>Total Implementation Services</b>			<b>\$19,200</b>		<b>\$0</b>
<b>Expenses</b>					
Number of Trips	2	\$650	\$1,300	\$0	\$0
Car Rental Days	7	\$50	\$350	\$0	\$0
Daily Expenses Days	7	\$70	\$490	\$0	\$0
Hotel Accommodations	7	\$130	\$910	\$0	\$0
Travel Time	2	\$1,200	\$2,400	\$0	\$0
<b>Total Expenses</b>			<b>\$5,450</b>		<b>\$0</b>
<b>StrataGen System Totals in US\$</b>			<b>\$44,611</b>		<b>\$265</b>

**Notes:**

- This quote is valid until: 10 Sep 2012
- All prices are quoted in US \$
- Prices are exclusive of all taxes and duties
- Payment terms are:
  - Services and Software Licenses
    - 30% on placement of order
    - 30% on installation of software
    - 30% on completion of implementation
    - 10% on system acceptance or beneficial use of the system
  - Hardware
    - 30% on placement of order
    - 70% on delivery of hardware

**Assumptions:**

1. Cottonwood AZ will provide internet connection for access by Customer Support Staff and will allow StrataGen Systems access through
2. Cottonwood AZ is responsible for protecting the system and LAN from intruders and viruses by installing an appropriate Firewall and Anti-Virus protection software.

# City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Cottonwood Chamber of Commerce Agreement
Department:	Administrative Services
From:	Jesus R. Rodriguez, CGFM, Administrative Services General Manager

## **REQUESTED ACTION**

Staff is requesting review and approval of a new three-year contract with the Cottonwood Chamber of Commerce

## **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I move that we approve a new three-year contract with the Cottonwood Chamber of Commerce

## **BACKGROUND**

For several years the City has entered into an agreement with the Cottonwood Chamber of Commerce to promote, develop, and enhance tourism and economic development for the City. Through this agreement the City provides the Chamber with the all the bed tax revenues collected by the City to provide the aforementioned services.

The current three-year agreement with the Chamber expired July 1, 2011. This is the same agreement that expired on the previously mentioned date, including the required references to A.R.S. 38-511 pertaining to cancellation for conflict of interest, Executive Order 99-4 regarding non-discrimination in employment.

## **JUSTIFICATION/BENEFITS/ISSUES**

The Cottonwood Chamber of Commerce is an integral part of the local economy which promotes, develops, and enhances tourism to the region. This support is only a small part of the funds needed to continue their high quality of services to the local businesses.

## **COST/FUNDING SOURCE**

All the monies for this commitment by the City Council are strictly bed tax revenues collected by the city and forwarded to the Chamber. No other revenues are used for this agreement.

**ATTACHMENTS:**

Name:

Description:

Type:

 [Agreements 2012 -  
Chamber Funding Agreement.doc](#)

Revised Agreement

Cover Memo

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AGREEMENT  
FOR THE PROMOTION,  
DEVELOPMENT AND ENHANCEMENT OF  
TOURISM AND ECONOMIC DEVELOPMENT

This Agreement, entered into this 1st day of July, 2012, by and between the CITY OF COTTONWOOD, a municipal corporation of the State of Arizona, hereinafter called the 'CITY' and the COTTONWOOD CHAMBER OF COMMERCE, a corporation not for profit organized under the laws of the State of Arizona, hereinafter called the "CHAMBER".

Whereas, the City desires to obtain for its benefit the facilities, special knowledge and experience of the Chamber to perform specific professional services for the City and the Chamber desires to provide such services; and

NOW, THEREFORE, the parties hereto agree as follows:

I. PURPOSE OF AGREEMENT

The City hereby retains the Chamber to promote, develop and enhance tourism and economic development for the City and its environs, and to render specific professional and technical services to the City. It is understood and agreed that the Chamber, while retained under this Agreement, will also be rendering other services to its members.

II. SCOPE OF SERVICES

The Chamber shall provide services in the following areas:

- A. Development, enhancement and promotion of tourism, including recreational, scenic and historical attractions of the City and its environs.
- B. Promotion, development and enhancement of the continual effort toward economic development through a close liaison with state agencies, memberships in development organizations and utilization of advertising, promotion, exhibition and publicity.

III. TERM

This Agreement shall extend to June 30, 2013, and shall automatically renew annually on July 1, 2013 and July 1, 2014, unless the City notifies the Chamber in writing of its intent not to renew the Agreement by May 1 of the then-current fiscal year.

IV. TERMINATION

In the event that a dispute between the parties arises as to the service to be provided under the contract, then the City and the Chamber shall attempt to resolve said dispute and, if unable to do

so, this agreement may only be terminated on the annual renewal date and upon written notification of intent not to renew the contract as set forth in Section III of this agreement.

#### V. COMPENSATION, MATCHING FUNDS

- A. The City shall remit to the Chamber for each fiscal year that this Agreement is in effect those revenues collected by the City on the special excise tax (transient tax) during the year. These funds will be disbursed on a monthly basis in amounts determined by the by the Administrative Services General Manager. Payments will commence during the first half of the month of September 2012, based on the tax collected from the month of July 2012, and will be tendered during the first half of each month thereafter.
- B. The Chamber shall continually raise funds through its normal membership dues and fund-raisers, and to utilize any matching funds acquired through any state, or other related organizations, or cooperative agreements.
- C. Fifteen percent (15%) of the funds received from the City shall be deposited into the Cottonwood Economic Development Council bank account to be used specifically for economic development activities. All other funds received from the City may be used by the Chamber for its general and administrative expenses and for tourism program expenses.

#### VI. REPORTING

The Chamber agrees to report to the City on the following basis:

- A. **YEAR-END REPORT:** The Chamber shall prepare and deliver to the City Manger within sixty (60) days after the end of the Chamber's calendar year, a complete fiscal and performance report for the preceding calendar year.
- B. **QUARTERLY REPORT:** The Chamber shall prepare and deliver to the City Manager, thirty (30) days after the end of each successive quarter, a narrative summary of accomplishments achieved during the respective quarter, under the Agreement, and a proposed budget and narrative brief for tourism and economic development, on the Chamber's ensuing calendar year, shall be included with its first quarter report.

#### VII. CONTRACTOR'S STATUS

It is understood and agreed by the parties that the Chamber is and shall remain an independent contractor under this Agreement.

#### VIII. INDEMNIFICATION

The Chamber shall indemnify and hold harmless the City, its Mayor, the City Council, appointed Boards and Commissions, Officers and Employees, individually and collectively, from all fines, suits, claims, demands, actions, costs, obligations, attorney's fees or liability of any kind, and

does hereby agree to and does assume all the risk in the performance of the Agreement and shall be solely responsible and answerable for any and all accidents or injuries to persons or property arising out of their performance of the Agreement.

IX. NON-DISCRIMINATION IN EMPLOYMENT

The parties warrant that they do and shall continue to comply with Executive Order 99-4, regarding non-discrimination in employment.

X. CANCELLATION FOR CONFLICT OF INTEREST

Pursuant to A.R.S. §38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Agreement is subject to cancellation by the City or its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the City or its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee or agent of any other party to the Agreement in any capacity or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

CITY OF COTTONWOOD:

\_\_\_\_\_  
Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Steve Horton, Esq., City Attorney

\_\_\_\_\_  
Marianne Jiménez, City Clerk

COTTONWOOD CHAMBER OF COMMERCE:

\_\_\_\_\_  
Lana Tolleson, President, CEO  
Cottonwood Chamber of Commerce

## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
Subject:	<b>Resolution No. 2646 - Approving an Intergovernmental Agreement with Mingus Union High School for Management and Operation at the Cottonwood Aquatics Center</b>
Department:	Community Services
From:	Richard Faust, Community Services General Manager

### **REQUESTED ACTION**

Approval of an Intergovernmental Agreement with the Mingus Union High School - School District for full use of the Cottonwood Aquatics Center facility from August to November each year.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

"I move to approve Resolution Number 2646, approving an Intergovernmental Agreement with Mingus Union High School - School District for use of the Cottonwood Aquatics Center from August to November of each year."

### **BACKGROUND**

Over the past twenty-five years, the City has provided Mingus Union High School use of facilities at the Cottonwood Aquatics Center without cost. Costs have continued to escalate over the past ten (10) years with high chemical costs, utilities (electricity, natural gas and water) along with increases of transportation costs of chemicals. Currently costs are fluctuating between \$17,000 and \$22,000 from the months of mid-August through the first part of November when the High School utilizes the facilities almost exclusively for their High School Swim Team activities. The agreement provides a direction for this process each year whereby previous year's costs are assessed and divided between both agencies. The School paid \$8,500 to the City last year (2011) for the use of City facilities, however; has not approved the agreement for this year. According to the 1993 Parks & Recreation Code, costs for youth programs and services are to be recovered at 50% of the total costs. It was felt that this would in turn promote positive relations between the City and the High School in the future.

## **JUSTIFICATION/BENEFITS/ISSUES**

Cottonwood has contributed approximately \$100,000 to \$120,000 to the Mingus Union High School swim team activities over the past ten (10) years involving total operational costs of the Aquatics Center facility from August to November of each year. This is the period of time when the high school swim team has exclusive use of the outdoor pool. It should be noted that these costs have increased with the \$1,000,000 plus remodel of the aquatic center and the addition of two additional swim lanes as requested by the swim teams.

The City is desirous of cost sharing pertaining to such activities whereby the High School has a need to utilize City facilities such as the Cottonwood Aquatics Center. With the incredibly high cost of operation to run a 300,000 gallon commercial pool facility, staff has felt that a 50% cost recovery obligation should be borne by both parties with this type of youth programming. In review of other City/Town entities throughout the State of Arizona, it was found that some City's charge for the operational services from the School Districts on a majority cost basis. In other words, the School Districts are required to pay for the major costs of operation of the pool facilities during these times of semi-exclusive use. It was also noted that several City entities charge only for chemicals and/or utilities during times of School use. Others still charge a per lap lane charge of up to \$12 to \$15 per hour use. It was therefore felt that an equitable solution was a 50% cost share basis with the High School which would be more beneficial to both parties.

Over the past two years, the City has not had need to utilize any High School facility for events or programming, especially since the construction of the Cottonwood Recreation Center in 2010. Prior to that time, the City utilized the High School Gym for several hours a week for the Adult Volleyball program during a three month period of time along with Police Department programming and utilization of School facilities. Even during these time frames, there was a disproportionate cost to the city for facility costs involving the massive pool facilities on the City side of the equation.

## **COST/FUNDING SOURCE**

Under the agreement, costs for exclusive use of the Cottonwood Aquatics Center facility would be unilaterally shared by both agencies towards promoting youth programming into the future. All costs pertaining to pool chemicals, electricity, gas, water, sewer, maintenance operations, and custodial operations costs will be shared equally between the two agencies. Also in accordance with the agreement, in subsequent years, the City shall notify the District of its proportional share of the cost of operating the pool in that year (based on the best available information which shall be provided to the District on request) by or before July 1 of that year, and the District shall pay that sum to the City in accordance with the agreement (not to exceed 10% from the previous year's sum total).

## **ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">IGA for MUHS Use of Outdoor Pool (2011) - Revised 5-3-12.docx</a>	IGA between the City of Cottonwood and Mingus Union High School	Cover Memo
<a href="#">res2646.doc</a>	Resolution Number 2646	Cover Memo

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INTERGOVERNMENTAL AGREEMENT  
BETWEEN THE CITY OF COTTONWOOD AND  
MINGUS UNION HIGH SCHOOL  
(Cottonwood Outdoor Aquatics Center)

This Intergovernmental Agreement (“Agreement”) is made and entered into this 4th day of May, 2012, between CITY OF COTTONWOOD, an Arizona municipal corporation (“City”), and MINGUS UNION HIGH SCHOOL DISTRICT of YAVAPAI COUNTY, ARIZONA, a political subdivision of the State of Arizona (“School District”), hereinafter collectively referred to as the “parties”.

RECITALS:

- A. Pursuant to A.R.S. § 11-951 *et seq.*, City and School District may contract for services or jointly exercise any powers common to the contracting parties and may enter into intergovernmental agreements with one another for joint or cooperative action.
- B. City is authorized by A.R.S. §§ 9-240 and 9-276, to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of City.
- C. School District is authorized by A.R.S. § 15-364 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of School District.
- D. City upgraded and expanded its outdoor aquatics facility (“Aquatics Facility”) in July, 2010, and desires to make that facility available to School District for its use from a varying, agreed-upon date in August of each year this Agreement is in effect through a varying, agreed-upon date in November of each such year, under the terms and conditions set forth herein, which terms and conditions shall include the School District’s payment of a proportional share of the costs of utilities (APS, UNS Gas, Water and Sewer Utilities), chemicals, and labor (*i.e.*, lifeguards, pool maintenance, and custodial service) required and used to operate the facility during the months of use for each year that this Agreement is in effect.

NOW, THEREFORE, in consideration of the above recitals and mutual promises set forth below, City and School District agree as follows:

- 1. City Grant of License to Use Aquatics Facility. City hereby grants to School District a limited license subject to School District control pursuant to this Agreement to use the Aquatics Facility to provide physical education classes, lap swim programs, and extracurricular athletic activities at the Aquatics Facility for the benefit of students at Mingus Union High School, and to use the parking area of the Aquatics Facility for benefit of students and members of the public attending Mingus Union High School athletic events.
  - 1.1. The license granted to School District is subject to the terms and conditions stated in this Agreement.
  - 1.2. The license granted shall commence upon an agreed-upon date in August and last through November 15 of each year.
- 2. Scheduling and Use of Aquatics Facility by School District. On or before August 1 of each year that

this Agreement is in effect, the parties shall develop a schedule for the School District's use of the Aquatics Facility for the upcoming season, including classes and other educational programs; practices; meets/tournaments; and other events and activities for which the School District anticipates a need to use the Aquatics Facility, including any use of the Aquatics Facility by third-parties associated with School District. All proposed uses shall be subject to City review and approval.

3. Aquatics Facility Operations & Maintenance. City shall provide all management of facilities for use of the Aquatics Facility involving pool mechanical operations, cleaning and overall maintenance and upkeep to keep facilities attractive and safe for all School District users. This will include all pool vacuuming, chemical feeding, monitoring of chemical feed systems, and management of pool pumps, motors and apparatus. City will make available all bath-house changing rooms/restroom/shower facilities for use and year-round deck space for a 12' x 16' storage shed area.
4. School District Operation/Ownership of Scoreboard and Electronic Touchpad Systems. City will authorize the School District's construction and installation of scoreboard/timing and underground electronic control systems at the Aquatics Facility. City will not be responsible for loss, damage or vandalism of the systems nor will City be responsible for the upgrades, maintenance, or repairs to such systems on City property at any time, unless damage is incurred by the negligence of City staff, or damages occur during the course of normal operating hours during a City program/event. (See Section 10).
5. School District Payment. Within 30 days of the date this Agreement is approved by both parties, the District shall pay the City the sum of eight thousand, five hundred dollars (\$8,500.00) as the District's proportional (50% cost recovery) share of the cost of operating the pool in 2012. In subsequent years, the City shall notify the District of its proportional share of the cost of operating the pool in that year (based on the best available information, which shall be provided to the District on request) by or before July 1 of that year, and the District shall pay that sum to the City within 30 days of commencing to use the pool in that year, provided, however, that the District's payment obligation for any year of this Agreement shall not be increased by more than 10 percent over its payment obligation in the preceding year.
6. Scope of School District Use:
  - 6.1. School District shall have use of the Aquatics Facility for all athletic competitions, practice and educational activities benefiting students at Mingus Union High School from 3:00 p.m. to 6:00 p.m. Monday through Friday, 7:00 a.m. to 10:00 a.m. on Saturdays, or as dictated by events or scheduling activities identified to City Recreation Center staff.
  - 6.2. School District shall be able to use the Aquatics Facility for school-related activities or other activities as authorized by City, whereby School District shall supervise all activities as scheduled.
  - 6.3. School District shall have the right to use any available parking spaces in the parking area for the benefit of students and members of the public attending any event, activity or program as scheduled.
7. City Responsibilities.
  - 7.1. City shall have general responsibility for operation and maintenance of the Aquatics

Facility. Without limiting the generality of the foregoing, City shall:

- a. Provide for American Red Cross certified lifeguards necessary for supervising safe use of the pool and the facility where necessary when School District does not have personnel available with these credentials. City shall charge School District for such staff and labor at normal City pay rates for personnel, not to exceed \$15.00 per hour per guard or supervisor.
- b. Reserve use of facilities, as necessary, for use by School District.
- c. Provide all necessary equipment for the operation of the Aquatics Facility safely and efficiently and ensure that City staff operate said the mechanical systems and pumps for proper facility operations.
- d. Provide proper supervision to ensure that the Aquatics Facility, including without limitation, diving structures, lane lines, and pool equipment, are properly used and that pool users follow established rules and regulations of the City's Aquatics Facility Manual in regards to safe use of the pool and outlying facilities.
- e. Provide all custodial maintenance operations for bathhouse and restroom facilities at City cost during the School District's use of the Aquatics Facility from the agreed-upon date in August through November 15 of each year. Custodial services will be provided three times a week with a local company in order to keep the facilities clean and sanitized for School District use.
- f. Have the right to operate or contract to have operated a concession stand at the Aquatics Facility, and any profits, fees or charges in connection therewith being retained by City.
- g. Charge School District all costs associated with energy needs at the Aquatics Facility from the agreed-upon date in August through November 15 pertaining to Arizona Public Service electrical use, UNS Gas use, City water use, all chemical charges to run mechanical chemical feed systems for the sanitation of water at the facility per State requirements and specifications, and any other costs associated with the School District's use of the Aquatics Facility. City shall invoice School District monthly and will provide copies of all billing information for School District review and records.
- h. Not charge admission fees or charges to the public, however it will allow School District to do so, should School District authorize such fees for program activities.
- i. Contact School District Athletic Director (or designee) in the event of any power outage or other condition which would prompt the shut-down of the Aquatics Facility pending power restoration or repairs.

7.2. Except as stated in Section 8.1(a) below, City shall have responsibility for general maintenance and upkeep of the Facility, including without limitation, maintenance of the pool equipment, heaters, diving structure, supplies, water chemistry, vacuuming and cleaning.

7.3. A cleaning and vacuuming schedule shall be coordinated with School District pursuant to which City shall be allowed three (3) days each week, for a minimum of four (4) hours per day, to maintain proper cleaning and maintenance of the Aquatics Facility.

7.4. At all times, City shall oversee routine maintenance, including but not limited to, backwashing, daily equipment checks and/or adjustments, equipment repairs and/or replacement.

7.5. At all times, City shall have responsibility for the condition of the equipment and water chemistry of the Aquatics Facility. Periodically, City shall evaluate pool conditions for safe swimming, and shall have the authority to close the pool at any time when it determines that pool conditions are unsafe, subject to any ruling or determination made by the Yavapai County Health Department and regulations as specified.

## 8. School District Responsibilities.

8.1. While the School District is exercising its license to use the Aquatics Facility, School District shall:

- a. Be responsible for safe pool use and for hosing off the pool deck, trash pick-up and supervision of students, swim teams, or other persons using the Aquatics Facility for education, athletic or competition purposes. School District shall also be responsible for maintaining its storage area in a clean and orderly manner.
- b. Provide supervision to ensure that the pool facility, including without limitation, diving structures, lane lines, and pool equipment, are properly used and that pool users follow established rules and regulations of the City's Aquatics Facility Manual in regard to safe use of pool facilities. School District personnel **MUST KEEP POOL GATES AND DOORS LOCKED AT ALL TIMES**. School District personnel should also take proper action with students who abuse pool rules, equipment and diving structures in order to ensure a safe aquatic environment. School District personnel should provide adequate training on use of equipment and use of facilities.
- c. Provide American Red Cross certified lifeguards necessary for supervising safe use of the pool and Aquatics Facility. School District personnel supervising any activity must hold current American Red Cross life-saving certification to avoid the assignment of City staff to supervise the activity. If assistance of City staff is needed for any School District sponsored activity or function, School District shall reimburse City for the time and labor of City staff needed for the activity.
- d. Be responsible for training system, kick boards and other equipment associated with, and used by, swim teams.
- e. Pay in a timely manner the invoices submitted to it by the City on a monthly basis, as more fully described in Section 7.1(g).

## 9. Coordination of Use.

9.1. School District shall cooperate with City to coordinate use and scheduling of the Aquatics Facility through Cottonwood Community Services Department, Aquatics Division, whose mailing address and phone number are, respectively: 827 North Main Street, Cottonwood, Arizona 86326; (928) 639-3200.

9.2. Pool heaters on site at the Aquatics Facility shall be used as necessary for the School

District. School District may require the use of such heaters during its use of the pool facility. In such event, City shall start, monitor, operate and turn off the pool heaters, as required. The heaters shall be operated at a "set" temperature mutually agreed upon by the parties. School District personnel shall not operate pool heaters.

9.3. City shall notify School District when maintenance or repairs will require the water to be shut off in and around the pool areas during any time period that the School District has a right to or is otherwise scheduled to use the Aquatics Facility.

9.4. City and School District shall mutually establish rules, regulations and policies, where necessary, including so called "pool rules," pertaining to the safe use of the pool and the Aquatics Facility in a cooperative manner. All formal pool rules shall be in accordance with the City's Aquatics Facility Manual, whereby it shall be in the best interest of both parties to cooperate with each other in effectively operating and maintaining the Facility.

#### 10. Reimbursements and Capital Repairs.

10.1. City shall reimburse School District for any repair or replacement of School District property, or the School District storage area or equipment damaged by City or damaged during the use of the Aquatics Facility by City or during City sponsored or approved activities. School District shall reimburse City for any repair or replacement of City property, equipment or fixtures damaged by School District or damaged during the School District's use of the Aquatics Facility or during use of the Aquatics Facility for any School District sponsored activity at the Aquatics Facility.

10.2. In the event that damage to the Aquatics Facility requiring repair or replacement does not arise from the negligence or willful misconduct of either party, and is of a type that under generally accepted accounting principles is to be capitalized or depreciated, the parties shall equally share the cost of such repair or replacement. The parties shall mutually determine when the cost of such repair or replacement will be incurred.

#### 11. Insurance.

11.1. Each of the parties shall secure and maintain during the life of this agreement: statutory worker's compensation insurance with employer's liability policy limits in the amount of \$1,000,000 for each incident for bodily injury, \$1,000,000 for bodily injury by disease, and \$1,000,000 for each employee for bodily injury by disease; commercial general liability, including contractual liability for assumption of the tort liability under this agreement, and personal injury liability, with limits of not less than \$10,000,000 per occurrence; and commercial automobile liability insurance for any owned, hired or non-owned autos, with a limit of not less than \$1,000,000 each accident. Each party shall retain the option of discharging this obligation by means of funded self-insurance, or by membership and participation in a statutorily authorized public-entity insurance pool. Should coverage be provided on a claims-made basis, the reporting period for claims shall be written so that it can be extended for not less than two (2) years.

11.2. City shall secure and maintain property insurance coverage protecting the Aquatics Facility, including the structural portion of the School District's storage area, and any City personal property at the Aquatics Facility against all risk of physical damage and loss for its full replacement cost. School District shall obtain similar coverage for the personal property it maintains in the Aquatics Facility. School District and City hereby mutually waive their

respective rights of recovery against each other for any loss insured by property insurance coverage existing for the benefit of the respective parties with the exception that City shall be entitled to any insurance proceeds received for damage loss to the swimming pool structure if the funds are not used to repair or rebuild the structure. City and School District shall provide at least thirty (30) days' notice of cancellation of material change in coverage. Each party shall list the other party as an additional insured on all applicable insurance policies. The parties agree to review annually the limits and types of insurance required herein and may, by mutual agreement, amend the requirements of Section 11, as they deem necessary.

11.3. City's responsibility, whether by insurance or self-insurance, shall be primary or designated as primary in respect to the acts and omissions of its employees and its operation of the Aquatics Facility. School District's responsibility, whether by insurance or self-insurance, shall be primary or designated as primary in respect to the acts and omissions of its employees and its operation or use of the Aquatics Facility.

## 12. Hold Harmless and Indemnification.

12.1. To extent permitted by law, City shall defend, indemnify and hold harmless School District, its officers, employees and agents, from and against any and all claims, demands, suits, actions or proceedings of any kind or nature, for damages to property or injuries to or death of any person or persons, including employees or agents of School District, and including, but not by way of limitation, worker's compensation claims, resulting from or arising out of the negligent or wrongful acts, errors or omissions of City, its officers, employees, agents, consultants, contractors or subcontractors. This paragraph 12.1 shall survive the termination of the Agreement.

12.2. To extent permitted by law, School District shall defend, indemnify and hold harmless City, its officers, employees and agents, from and against any and all claims, demands, suits, actions or proceedings of any kind or nature, for damages to property or injuries to or death of any person or persons, including employees or agents of City, and including, but not by way of limitation, worker's compensation claims, resulting from or arising out of the negligent or wrongful acts, errors or omissions of School District, its officers, employees, agents, students, guests, consultants, contractors or subcontractors. This paragraph 12.2 shall survive the termination of the Agreement.

12.3. In the event of any third party legal action against both School District and City, the parties agree to discuss and analyze the benefits of a common, mutual defense.

## 13. Expiration or Termination.

13.1. Unless renewed by mutual agreement of the parties, this Agreement and the license granted hereunder to School District to use the Aquatics Facility shall automatically terminate without further action required by either party on the yearly anniversary of the Commencement Date. However, if requested by City, School District shall execute and record an instrument evidencing the termination of the license granted under this Agreement.

13.2. In the event that the City fails to observe or perform any of the covenants, conditions and terms of this Agreement which are required to be observed or performed by City, where such failure shall continue for a period of thirty (30) days after written notice thereof from School District, then School District may terminate this Agreement within a 30-day period by any lawful means or proceed with whatever steps School District may deem necessary in

order to enforce the rights and remedies available to School District under this Agreement, at law or equity, including, without limitation, the right of specific performance of this Agreement or the right to recover its damages from City.

13.3. In the event that School District fails to observe or perform any of the covenants, conditions and terms of this Agreement which are required to be observed or performed by School District, where such failure shall continue for a period of thirty (30) days after written notice thereof from City, then City may terminate this Agreement within a 30 day period by any lawful means or proceed with whatever steps City may deem necessary in order to enforce the rights and remedies available to City under this Agreement, at law or equity, including, without limitation, the right of specific performance of this Agreement of the right to recover its damages from School District.

14. Assignment. This Agreement and the rights accorded to and the obligations required of the parties hereunder shall not be assigned, delegated, granted, conveyed or otherwise transferred to any third party without the express, written consent of the other party, and such assignment, delegation, grant, conveyance, or other transfer made by a party without the consent of the other party shall be deemed void and shall constitute good cause for the termination of this Agreement and the rights granted hereunder.
15. Nature of License to Use. The revocable license granted herein to School District is expressly intended *not* to run with the land or be appurtenant to the land upon which the Aquatics Facility is situated or Mingus Union High School is located, but is expressly intended to be personal for the benefit of the School District for the limited purposes stated herein.
16. No Third-party Beneficiaries. Failure to comply with the terms of this Agreement shall not provide the basis of any third party action against either of the parties, and there are no third party beneficiaries of this Agreement.
17. Lack of School District Funding. If funding is not available to School District pursuant to A.R.S. § 15-910 to discharge its financial obligations pursuant to this Agreement, the parties shall attempt to renegotiate the terms of this Agreement related to payment of utilities so as to establish or identify a source of funding for the obligations under Sections 6, 7.1(g), and 8.1(e). In the event the School District cannot or does not meet its financial obligations to the City under this Agreement for the reasons stated herein, City shall have the right to immediately discontinue heating of the swimming pool and all other operations on the School District's behalf at the Aquatics Facility, and/or to terminate this Agreement and School District's license hereunder.
18. Execution and Recordation. This Agreement shall become effective as of August 1, 2011. The terms and conditions of this Agreement shall remain in full force and effect unless modified in writing by the parties.
19. Notice. Whenever a notice or other communication is required or permitted to be given, it shall be given in writing and delivered personally, or delivered by the postal service, certified mail, return receipt requested, to the other party at the address indicated below, or at such other address as may be designated by either party:

If to City:	City of Cottonwood 827 North Main Street Cottonwood, Arizona 86326
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With a Copy to: City of Cottonwood – City Attorney’s Office  
827 North Main Street  
Cottonwood, Arizona 86326

If to School District: Mingus Union High School  
Superintendent  
1801 East Fir Street  
Cottonwood, Arizona 86326

20. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

21. Conflict of Interest. This Agreement is subject to termination pursuant to A.R.S. § 38-511.

IN WITNESS WHEREOF, the parties have executed this Agreement by signing their names on the day and date first written above.

CITY OF COTTONWOOD

MINGUS UNION HIGH SCHOOL DISTRICT

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Board President

APPROVAL OF SCHOOL DISTRICT AND ATTORNEYS

The Undersigned hereby state that each has reviewed the proposed Intergovernmental Agreement between the City of Cottonwood and the Mingus Union High School District, and do declare the Agreement to be in proper form and within the powers and authority granted to their respective governing bodies under the law of the State of Arizona.

By: \_\_\_\_\_  
Cottonwood City Attorney

By: \_\_\_\_\_  
Attorney for Mingus Union High School District

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

RESOLUTION NUMBER 2646

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH MINGUS UNION HIGH SCHOOL DISTRICT FOR USE OF THE CITY'S OUTDOOR AQUATICS CENTER.

WHEREAS, pursuant to A.R.S. § 11-951 et seq., the City and School District may contract for services or jointly exercise any powers common to the contracting parties and may enter into intergovernmental agreements with one another for joint or cooperative action; and

WHEREAS, the City is authorized by A.R.S. §§ 9-240 and 9-276, to enter into this Agreement and the School District is authorized by A.R.S. § 15-364 to enter into this Agreement; and

WHEREAS, the City upgraded and expanded its outdoor aquatics facility in July, 2010, and desires to make that facility available to the School District for its use from a varying, agreed-upon date in August through a varying, agreed-upon date in November of each year this intergovernmental agreement is in effect; and

WHEREAS, under the terms and conditions set forth within the intergovernmental agreement it shall include the School District's payment of a proportional share of the costs of utilities (APS, UNS Gas, Water and Sewer Utilities), chemicals, and labor (i.e., lifeguards, pool maintenance, and custodial service) required and used to operate the facility during the months of use of the Cottonwood Outdoor Aquatics Center by the School District.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Cottonwood, Yavapai County, Arizona, that the intergovernmental agreement with Mingus Union High School District is hereby approved.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, ARIZONA THIS 19TH DAY OF JUNE 2012.

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Diane Joens, Mayor

RESOLUTION NUMBER 2646  
Page 2

APPROVED AS TO FORM:

ATTEST:

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Steven B. Horton, Esq., City Attorney

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Marianne Jiménez, City Clerk

## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Resolution Number 2647 - Agreeing to enter into an Intergovernmental Agreement with the Arizona Department of Transportation Multimodal Planning Division for Interim Funding & Reimbursement's for Operation of the CAT & Verde Lynx Systems .
Department:	Community Services
From:	Richard Faust, Community Services General Manager

### **REQUESTED ACTION**

Approval of agreeing to enter into an Intergovernmental Agreement with the State of Arizona ADOT for Cottonwood's management and operation of the Cottonwood Area Transit (CAT) and Verde Lynx systems involving interim funding costs and reimbursement authorization from July 1, through September 30, 2012.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

"I move to approve Resolution Number 2647, agreeing to enter into an Intergovernmental Agreement with the Arizona Department of Transportation Multimodal Planning Division pertaining to Cottonwood's management and operations of residual 5311 Rural Transportation Grant funding with regard to reimbursable costs for the CAT & Verde Lynx Transit systems from July 1<sup>st</sup> through September 30<sup>th</sup>. 2012."

### **BACKGROUND**

As part of the re-integration of the Cottonwood Area Transit (CAT) system and the inclusion of the Verde Lynx Transit system as requested by the City of Sedona in January 2012, both communities dissolved IGA's with the Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) also in January 2012. This placed the two (2) transit systems back into the City's management structure by the impending date of July 1, 2012. This subsequent action required that the City of Cottonwood take on all operations regarding the transition of both systems including all personnel, facilities and capital beginning on the date of July 1<sup>st</sup>, 2012. This integration process has caused a transition to also occur as it pertains with the securing of reimbursable costs associated with both transit systems within the realm of 5311 Rural Transportation Grant funding. City staff was concerned with obtaining reimbursements for all obligations associated with both systems in the submission of these costs to NAIPTA. City staff contacted ADOT authorities to request the possibility of implementation of an IGA whereby all costs of services, administration and operations would

be born out of the original grant with NAIPTA, be transferred over to Cottonwood, thereby withdrawing NAIPTA from the picture allowing Cottonwood to simply do business with the State of Arizona for a three (3) month period (last quarter of the Federal fiscal cycle of the 5311 ADOT 2012 grant).

**JUSTIFICATION/BENEFITS/ISSUES**

Cottonwood has all of the necessary management and line personnel and other resources to operate both CAT and the Verde Lynx systems efficiently and effectively, including the ability and authority to seek state, federal and other outside funds on the "regions" behalf both now and in the future. By entering into the agreement document with the State of Arizona, Cottonwood will be able to enjoy the more simplistic avenue of dealing directly with State authorities instead of dealing with NAIPTA who would then request reimbursements from the State on the City of Cottonwood's behalf. Such an operation and approach would instigate a non-efficient cycle of funding for reimbursement of operations and services for the City. Implementation of an IGA between Cottonwood and the State would provide for a more rapid and systematic approach to finances, billings and other areas of responsibility and need.

**COST/FUNDING SOURCE**

Under the agreement, the State will receive reimbursement requests directly from Cottonwood regarding full costs of operations on a monthly basis and submit funding directly back to the City of Cottonwood. This IGA would be for a three (3) month period, until the 2013 ADOT - 5311 Rural Transportation grant begins on October 1, 2012.

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">ADOT - City of Cottonwood FY12 5311 Grant Agreement.pdf</a>	ADOT IGA with Cottonwood for 5311 Transportation Grant	Cover Memo
<a href="#">RES2647.doc</a>	Resolution Number 2647	Cover Memo

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**Agreement No** JPA 12-140  
**AG Contract No**  
**Advantage Project No** Refer to Exhibit A  
**Project Name** Formula Grants for Non-Urbanized Areas:  
49 USC 5311– CFDA 20.509

**GRANT AGREEMENT**  
BETWEEN  
THE ARIZONA DEPARTMENT OF TRANSPORTATION  
MULTIMODAL PLANNING DIVISION acting for and on behalf of  
THE STATE OF ARIZONA  
AND  
CITY OF COTTONWOOD, a Public Agency

THIS GRANT AGREEMENT is entered into \_\_\_\_\_, 2012, between the ARIZONA DEPARTMENT OF TRANSPORTATION MULTIMODAL PLANNING DIVISION (ADOT) acting for and on behalf of THE STATE OF ARIZONA herein referred to as the STATE, established pursuant to Arizona Revised Statutes (A.R.S.) § 28-334 and CITY OF COTTONWOOD, herein referred to as the RECIPIENT. The STATE and the RECIPIENT are collectively referred to as the “Parties”, and individually as STATE, RECIPIENT, and “Party”.

**I. RECITALS**

- 1) STATE is authorized to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of STATE.
- 2) RECIPIENT is authorized to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of RECIPIENT.
- 3) 49 U.S.C. 5311 provides funding for the purpose of supporting public transportation in rural areas, with population of less than 50,000. The goal is to enhance access of people in non-urbanized areas to health care, shopping, education, employment, public services, and recreation; to assist in the maintenance, development, improvement, and use of public transportation systems in non-urbanized areas; to encourage and facilitate the most efficient use of all transportation funds used to provide passenger transportation in non-urbanized areas through the coordination of programs and services; to assist in the development and support of intercity bus transportation; and to provide for the participation of private transportation providers in non-urbanized transportation.
- 4) 49 U.S.C. 5311 is authorized under the provisions set forth in the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Section 3013 (s) of SAFETEA-LU designates eligible subrecipients of the program to include a State or local governmental authority, nonprofit organization, or an operator of public transportation or intercity bus service that receives federal transit program grant funds indirectly through a recipient. 49 U.S.C. 52311(c) additionally designates tribes, not federally recognized, as an eligible subrecipient.
- 5) The Governor of the STATE of Arizona, in accordance with a request by the Federal Transit Administration, hereinafter referred to as FTA, has designated the Department of Transportation as the responsible agency to evaluate and select proposed projects and to coordinate the grant applications. The ADOT 5311 Program Handbook and Application, incorporated herein by reference, prescribes the STATE's Administrative Policies and Requirements for the Program.
- 6) The STATE and the RECIPIENT desire to secure funding for capital, operating, intercity, and/or administrative expenses using the expenditure of FTA funds to meet the transportation needs of rural communities in the State of Arizona within the RECIPIENT's service area which will be carried out according to this Agreement and under the applicable section(s) of 49 USC Chapter 53.

- 7) The STATE and the RECIPIENT desire defining their respective responsibilities related to the reimbursement of up to the amount of funds described in Exhibit A and referred to as the PROJECT.
- 8) RECIPIENT qualified local match will be due over the life of the awarded PROJECT(s) as indicated in Exhibit A.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

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## II. SCOPE

- 1) RECIPIENT shall provide activities related to eligible funding for capital, operating, intercity, and/or administrative expenses for public transportation projects, herein called the PROJECT, in accordance with the RECIPIENT'S application(s), incorporated herein as referenced and as allowable under 49 U.S.C. 5311.
- 2) The PROJECT activities are described and detailed in Exhibit A.
- 3) PROJECT-appropriate capital, operating, intercity, and/or administrative expenses supported by receipts and other suitable and appropriate documentation are eligible for reimbursement beginning on October 1, 2011. Expenses paid for prior to this date are ineligible for reimbursement.
- 4) Approved Capital expenditures must be incurred within the expiration date of: the earlier of spend-down of the funds awarded or the September 30, two calendar years forward. Expenses incurred outside that period are ineligible for reimbursement under this Agreement. Final reimbursement requests must be received no later than November 30 of the expiration year to be eligible for reimbursement.
- 5) Approved Operating, Intercity, and/or Administrative expenditures must be incurred within the expiration date of: the earlier of spend-down of the funds awarded or 365 days from the eligible date. Expenditures outside that period are ineligible for reimbursement under this Agreement. Final reimbursement requests must be received no later than November 30 of the expiration year to be eligible for reimbursement.
- 6) The recipient shall provide a monthly reimbursement request and progress spreadsheet report to ADOT. ADOT will provide the reporting form and the due dates prescribing when each report shall be submitted. Information regarding measurements over the existing service conditions to be reported according to the data requested in the spreadsheet. The data required may include but is not limited to: rides provided/shared, miles increased/replaced, cost savings and other related improvements. Each month the signed original reimbursement request is due the last Friday of the month following when the expenses were paid for by the RECIPIENT.

## III. RESPONSIBILITIES

- 1) **ADOT will:**
  - a. Review PROJECTS for compliance with statutory and program guidance.
  - b. Review documentation supporting PROJECT expenditures for eligibility and ensure program match requirements are met.
  - c. Review reimbursement requests, when appropriate to the Grant Award, from RECIPIENT and reimburse RECIPIENT within 30 days after receipt and approval of reimbursement requests, in a total amount not to exceed the lesser of the approved costs or the Grant Award.
  - d. Have the authority to re-distribute funds, if this Agreement is not received, signed by the parties herein and executed by December 31, 2011.**
  - e. Communicate with RECIPIENT and FTA as necessary to facilitate program compliance and procedural efficiency.
- 2) **RECIPIENT will:**
  - a. Take necessary steps to ensure this Agreement is signed and returned to ADOT no later than September 15, 2011, to allow sufficient time to execute no later than October 1, 2011.
  - b. Apply qualified MATCH requirements with applicable reimbursement requests and/or as indicated in the Recitals and Exhibit A. Local match must be remitted from funds of the program for which it was

awarded as qualified under the applicable 49 USC regulations. Most federally-funded programs cannot use federal funds to provide match but 49 USC does provide certain exceptions to that stipulation. The RECIPIENT will ensure that matching funds qualify under the appropriate section of 49 USC 5311 as appropriate to the awarded PROJECT(s) indicated in Exhibit A.

- c. Comply with all terms of the Grant Program in accordance with the RECIPIENT'S application(s) and the applicable Program Handbook in effect at the time of application or subsequently revised in writing and by notice, incorporated herein as referenced.
- d. Obtain prior written concurrence of the State before assigning any portion of the work to be performed under this Agreement or execute any contract, amendment, or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this Agreement.
- e. Communicate contractual requirements to contractors and sub-contractors and ensure all the requirements of this Agreement are incorporated by means of a contract or other legally binding documents stipulating the contractor and/or sub-contractor's responsibility to comply with this Agreement.
- f. Communicate with STATE and FTA as necessary to facilitate program compliance and procedural efficiency.
- g. Provide all required reports as prescribed by the Program Handbook or as requested by ADOT in a timely manner and as required by the STATE.
- h. Ensure users of PROJECT equipment and/or services meet applicable federal and state regulations and statutes.
- i. Review documentation supporting PROJECT expenditures for eligibility and ensure program match requirements are met.
- j. Report to the STATE quarterly that no expenditures occurred or, on the form provided by ADOT, submit a reimbursement request to the STATE on the last Friday of the month following when the expenses were paid for by the RECIPIENT for categorized reimbursable capital, operating, intercity, and/or administrative expense costs awarded as demonstrated in Exhibit A, as authorized and allowable under the federal grant requirements, and supported as required with vendor invoices, original receipts, or other suitable and appropriate documentation. The supporting documentation is to be maintained by the RECIPIENT. Only a system-generated ledger report and program-required spreadsheet must be submitted with the reimbursement request. Each reimbursement request must include the Agreement Number, the Advantage Project number, and the Grant Program Name with expenditures billed separately according to the Tracking Number(s) from Exhibit A.
- k. Submit reimbursement requests invoicing eligible expenses along with adequate documentation consisting of a system-generated expenditure ledger by email to ADOT MPD Finance & Administration at [mroder@azdot.gov](mailto:mroder@azdot.gov).
- l. Submit required reports of procurement activities according to *MISCELLANEOUS PROVISIONS: Criteria for Federal Funds* and reports of contract activities via email to [acochran@azdot.gov](mailto:acochran@azdot.gov) in a spreadsheet template provided by the ADOT Program Manager.

#### **IV. MISCELLANEOUS PROVISIONS**

- 1) **Term Incorporation:** This Agreement is governed according to the laws of the State of Arizona. All cited statutes, public law, executive orders, and policies cited in this Agreement are incorporated by reference as a part of this Agreement. It is the RECIPIENT'S responsibility to ensure that any Agreement between RECIPIENT and its CONTRACTORS for use of grant funds shall incorporate the provisions contained herein.

**Duration:** This Agreement shall become effective upon signature by the parties hereto and shall remain in force and effect until PROJECT satisfaction and completion. This Agreement may be cancelled at any time prior to the commencement of performance under this Agreement, upon thirty (30) days written notice to the other party.

For operating, intercity, administrative, and/or other capital cost PROJECTS awarded, the life of this Agreement will be the earlier of spend-down of the awarded funds or two (2) years from the date authorized under this Agreement's Section II: *SCOPE* unless extended by amendment.

For vehicle PROJECTS, the life of this Agreement shall continue through the useful life of the vehicle(s) as determined by FTA rules and explained under this Agreement's section titled *MISCELLANEOUS PROVISIONS: Liens on Equipment* unless extended by amendment or as otherwise provided herein.

- 2) **Amendments:** This Agreement may be amended upon mutual agreement of the Parties at any time when in the best interest of FTA, STATE, or RECIPIENT. Modifications to Exhibit A describing the details of the approved PROJECT may be modified without enacting an amendment to this Agreement; acceptance of the modification shall be indicated on the modified Exhibit A.
- 3) **Matching and Federal Funding:** PROJECT award amounts and match requirements are indicated in Exhibit A. The RECIPIENT will provide, from eligible sources as prescribed in 49 USC 5311 as appropriate to the Award(s) in Exhibit A, the Match amount required as indicated. The applied Match shall be demonstrated on reimbursement requests from the RECIPIENT.
- 4) **Availability of Funds:** Every payment obligation of STATE under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by STATE at the end of the period for which the funds are available. No liability shall accrue to STATE in the event this provision is exercised, and STATE shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
- 5) **Liens on Equipment:** The purchase of PROJECT equipment shall be undertaken by the RECIPIENT. The PROJECT equipment shall be titled in the name of the RECIPIENT. To the extent of financial assistance provided, the STATE shall hold a first lien on all capital equipment acquired under this Agreement in the amount of the federal share of the equipment cost. The lien placed on vehicle equipment will remain in effect for at least four years or 100,000 miles but will extend through the useful life of the vehicle(s) and until the remaining asset value is less than \$5,000 or is no longer in service, whichever occurs first, from issuance of title unless this Agreement is otherwise terminated under terms of this Agreement or four years from issuance of equipment if not a vehicle. Lien release is incumbent upon the RECIPIENT's submission of a written request for a lien release and compliance of all requirements and guidance during the course of the lien period. These requirements include but are not limited to: maintenance of the equipment, annual reporting to the STATE of administrative and vehicle performance data, annual vehicle inspections, timely incident reporting and situation resolution, and other requirements as specified in the applicable Program Handbook and Application.
- 6) **Property and Equipment, Use, Inventory, and Disposal:** Title to real property under a grant will vest under acquisition in the RECIPIENT or their CONTRACTOR as applicable. The RECIPIENT or their CONTRACTOR is, however, responsible for adherence to any applicable federal program compliance requirement under 49 CFR 18 Section 32. Except as otherwise provided by statute, property and equipment shall be used for the originally authorized purposes as long as needed for that purpose. When no longer needed for the originally authorized purpose, the RECIPIENT and/or their CONTRACTOR will request disposition instructions from the STATE. RECIPIENT agrees to inventory, to maintain records of, and to ensure the proper use, control, and disposal of all property and equipment acquired pursuant to ADOT Policy FIN 11.08, incorporated herein by reference.
- 7) **Modifications and Other Changes to Grant Equipment:** Prior to any substantive modifications or other changes made or elimination, reduction, or addition to grant equipment, written approval from an

authorized State grant program official must first be obtained. Examples include but are not limited to the elimination of wheelchair positions and additions of ambulatory seating, reduction in number or addition of passenger assist stanchions, rails, steps, secondary manufacturer and aftermarket vehicle components provided by the STATE, and other devices requiring or otherwise exposing or altering mechanical or structural modification to the vehicle.

- 8) **Statutory Compliance:** All parties shall comply with all applicable federal, state and local requirements including all applicable provision of Title 49 (United States Department of Transportation) and other applicable Codes of Federal Regulations where and when relevant.
- 9) **Incorporation of Federal Transit Administration (FTA) Terms:** All contractual provisions required by the U.S. Department of Transportation are hereby incorporated by reference. All applicable clauses shown in the FTA Master Agreement apply to this Agreement. The Federal Transit Administration Master Agreement can be viewed in its entirety at <http://www.fta.dot.gov/documents/12-Master.doc>.
- 10) **Conflict of Interest:** This Agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards to conflicts of interest on behalf of STATE employees.
- 11) **Audit and Recordkeeping:** All PARTIES and/or their CONTRACTORS shall retain all data, books, and other records relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by the STATE at reasonable times as set forth in A.R.S. 35-214, 49 CFR 18.26 and the requirements of applicable OMB Circulars.
- 12) **Dispute Resolution / Arbitration:** In the event of any controversy, the Parties agree that it is in their mutual best interest to promptly meet with the purpose of resolving said Dispute. In the event that the Parties cannot resolve their dispute informally, the parties hereto agree to abide by required arbitration as set forth for in Arizona Revised Statutes Section 12-1518.
  - a. **(TRIBAL) Limited Waiver of Sovereign Immunity:** For purposes of this Agreement, and subject to the terms of this section, the Nation, consents and agrees to a limited waiver of its sovereign immunity from suit and consents to be sued on an arbitration award. The Nation represents that this limited waiver of sovereign immunity has been duly approved by the Nation's Tribal Council, as required by the Nation's Constitution. The Nation is not waiving its right to assert the defense of sovereign immunity except as expressly set forth, referred to, and provided for, in this Agreement. This limited waiver is enforceable solely by the State as limited hereunder and does not create any additional third party beneficiary rights to suits or private causes of action in favor of third Parties. The Parties agree that this section provides a limited waiver of sovereign immunity solely for the purpose of enforcing the provisions of this Agreement and enforcing any arbitration award hereunder and for no other purpose.
  - b. **(TRIBAL) Dispute Resolution:** In the event of a dispute, claim or controversy ("Dispute") arising out of or related to this Agreement, the Parties agree that it is in their mutual best interest to meet as promptly as possible for the purpose of informally resolving said Dispute. In the event the Parties cannot resolve their Dispute informally after attempting to work in good faith, the Parties hereto agree to abide by arbitration as set forth below and that arbitration shall be a requisite before any Party may seek relief of any kind in State or Tribal court.
  - c. **(TRIBAL) Arbitration:** If a party in good faith concludes that a Dispute arising out of or related to this Agreement is not likely to be resolved by informal dispute resolution then, upon notice by that Party to the other, said Dispute shall be finally and exclusively settled by submission of such Dispute to the American Arbitration Association ("AAA") under its then prevailing procedural rules contained in the AAA's Commercial Arbitration Rules to the extent that such rules shall not be interpreted to diminish, limit, or void the limited waiver of sovereign immunity set forth in Section 1 above or to increase the enforcement rights of the Parties. Within ten (10) days after the commencement of arbitration, each party shall select one person to act as arbitrator and the two selected shall select a third arbitrator within ten (10) days of their appointment. The third

arbitrator shall be a practicing attorney, actively engaged in the practice of law for at least ten (10) years and a member in good standing of the bar of the State of Arizona. Alternatively, the third arbitrator may be a retired judge of the federal court or the trial court of the state of Arizona. At least one of the arbitrators shall be knowledgeable with federal Indian law and one arbitrator shall have AAA-acknowledged expertise in the appropriate subject matter. All arbitration proceedings shall be held in Maricopa County or at such other place as shall be agreed by the Parties.

- d. **(TRIBAL) Award:** The award shall be made within thirty (30) days of the filing of the notice of intent to arbitrate, and the arbitrators shall agree to comply with the schedule before accepting appointment. However, this time limit may be extended by agreement of the Parties or by the majority of the arbitrators, if necessary. Any award rendered in any such arbitration proceeding shall be final and binding upon all Parties to the proceeding. Review of an arbitration award must be made within 90 days after delivery of the award by the arbitrator(s).
  - e. **(TRIBAL) Governing Law:** This Agreement, including any claim or dispute arising hereunder submitted to binding arbitration shall be governed by the laws of the State of Arizona.
  - f. **(TRIBAL) Enforcement:** Judgment upon any award rendered by the arbitrators against either Party may be entered in the Nation's tribal court system ("Tribal Court") or the Arizona State Court System ("State Court") and interpreted and/or enforced pursuant to the terms of this Agreement, and/or pursuant to the terms of the AAA's Commercial Arbitration Rules, and/or pursuant to the terms and provisions of the statutes, rules and regulations governing or providing for interpretation or enforcement of judgments applicable in any State of Arizona court.
- 13) **Third Party Antitrust Violations:** The Recipient assigns to the STATE any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Recipient toward fulfillment of this Agreement.
- 14) **General Indemnification:** The Grantee shall indemnify, defend, save and hold harmless The State of Arizona, its departments, agencies, boards, commissions, universities and its Officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the Grantee or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the Grantee from and against any and all claims. It is agreed that the Grantee will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this Agreement, the Grantee agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona. *This indemnity shall not apply if the Recipient or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.*
- 15) **Minimum Required Insurance Coverage:** Grant recipients are responsible for acquiring and maintaining current, appropriate insurance on their vehicles while under ADOT lien, listing ADOT as loss-payee and additional insured, as well as other large capital assets.

Program participants must maintain adequate property and liability insurance coverage. The current minimum requirement for automobile liability insurance is based on vehicle size, and is as follows:

- Combined Single Limit (CSL) of \$5,000,000 for vehicles carrying nine (9) or more passengers

- Combined Single Limit (CSL) of \$2,000,000 for vehicles carrying less than nine (9) but more than four (4) passengers
- Combined Single Limit (CSL) of \$1,000,000 for vehicles carrying less than four (4) or passengers

In addition, Grantee must maintain collision and comprehensive coverage for the full fair market value of each vehicle provided under this Program. The deductible for such coverage shall not exceed five thousand dollars (\$5,000).

Insurance policies for vehicles on which the State of Arizona or ADOT is listed on the title as vehicle owner or lien holder must also show the State of Arizona or ADOT as “loss payee.”

ADOT shall be an “additional insured” on all insurance policies required under this Program. Insurance policies shall be endorsed to include the following additional insured language: The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Grantee, involving automobiles owned, leased, hired or borrowed by the Grantee.

The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Grantee, even if those limits of liability are in excess of those required by this Program.

The Grantees insurance coverage shall be primary insurance with respect to all other available sources.

Policies required under this Program shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees.

Grantee and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Recipient, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Grantee from liabilities that might arise out of the performance of the work under this Agreement by the Recipient, its agents, representatives, employees or subcontractors, and the Grantee is free to purchase additional insurance.

It is critical that the vehicle Grantee-operator ensure that it retains on file up-to-date insurance, that this information is readily available for review by ADOT and its auditors, and that a current insurance card is located in the vehicle at all times.

The Certificate of Insurance and card must be submitted to ADOT prior to receipt of the vehicle(s). In addition, a current copy of the Certificate must be included with the Annual Report/Notice of Impending Vehicle Inspection, and submitted or returned to ADOT.

**NOTICE OF CANCELLATION:** Any changes material to compliance with the insurance coverage required under this Program shall require thirty (30) days written notice to ADOT. Such notice shall be sent directly to Multimodal Planning Division of the Arizona Department of Transportation (ADOT) and shall be sent by certified mail, return receipt requested.

**ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an “A.M. Best” rating of not less than A- VII. ADOT in no way warrants that the above-required minimum insurer rating is sufficient to protect the Grantees from potential insurer insolvency.

**VERIFICATION OF COVERAGE:** The Grantee shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona). The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy must be in effect at or prior to commencement of work and remain in effect for the duration of the project.

All certificates required by this Agreement shall be sent directly to ADOT-MPD Community/Grants Services, 206 South 17th Avenue 340B, Phoenix, Arizona 85007. The State of Arizona project/Agreement number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by the Grant Agreement at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

**SUBCONTRACTORS:** Grantees certificate(s) shall include all subcontractors as insured's under its policies or Recipient shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.

**APPROVAL:** Any modification or variation from these insurance requirements shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Agreement amendment, but may be made by administrative action.

**EXCEPTIONS:** In the event the Grantee or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-insurance. If the Recipient or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

- 16) **Discrimination:** This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 USC. 12101-12213) and all applicable Federal regulations under the ACT. RECIPIENT or its CONTRACTORS shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, Arizona State Executive Order 2009-09, or A.R.S. 41-1461 through 1465, which mandates that all persons, regardless of race, color, religion, sex age, national origin or political affiliation shall have equal access to employment opportunities, and all other applicable state and federal employment laws, rules and regulations, including the Americans With Disabilities Act. The RECIPIENT shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, age, national origin or political affiliation or disability.
- 17) **Title VI Of The Civil Rights Act Of 1964:** The RECIPIENT hereby agrees that as a condition to receiving any Federal financial assistance from the Department of Transportation it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the Act), the Civil Rights Restoration Act of 1987 (Public Law 100.259) and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the Regulations) and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the Department of Transportation, including the Federal Highway Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this Agreement.

During the performance of this Agreement, the RECIPIENT, for itself, its assignees and successors in interest agrees as follows:

(1) Compliance with Regulations. The RECIPIENT shall comply with the regulations relative to non-discrimination in federally assisted programs of the U.S. Department of Transportation (USDOT), 49 CFR 21 and Executive Order 99-4, as they may be amended from time to time, which is herein incorporated by reference and made a part of the Agreement.

(2) Nondiscrimination. The RECIPIENT, with regard to the work performed by it during the Agreement will not discriminate on the grounds of race, color, disability, sex, or national origin in the selection and retention of contractors and subcontractors, including procurement of material and leases of equipment. The RECIPIENT will not participate either directly or indirectly in discrimination prohibited by 49 CFR 21.5, including employment practices when the Agreement covers a program set forth in Appendix A of 49 CFR part 21.

(3) Solicitations for contractors, including procurement of real property, materials, and equipment. In all solicitations made by competitive bidding or negotiation by the RECIPIENT for work to be performed under a contract or subcontract, including procurement of real property, materials, and purchase or lease of equipment, each potential contractor, subcontractor, supplier, or lessor shall be notified by the RECIPIENT of the RECIPIENT's obligations under this Agreement and the regulations relative to nondiscrimination on the grounds of race, color, disability, sex, or national origin. Any contract or agreement established shall contain the language from this Agreement's Appendix A and B, and where appropriate, Appendix C.

(4) Information and Reports. The RECIPIENT shall provide all information and reports required by the regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by ADOT, FHWA, and FTA to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information required of the RECIPIENT is in the exclusive possession of another who fails or refuses to furnish this information, the RECIPIENT shall so certify to ADOT, FHWA, and FTA, as appropriate, and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Non-Compliance. In the event of the RECIPIENT's non-compliance with the non-discrimination provisions of this Agreement, ADOT shall impose such sanctions as it, FHWA and FTA determine to be appropriate, including, but not limited to: withholding of payments to the RECIPIENT under the Agreement until the RECIPIENT complies, and/or cancellation, termination, or suspension of the Agreement, in whole or in part.

The RECIPIENT will include the provisions of Paragraphs (1) through (5) above in every contract, including procurement of materials and leases of equipment, unless exempt by the regulations, order, or instruction issued pursuant thereto. The RECIPIENT will take such action with respect to any subcontract or procurement as ADOT, FHWA, and FTA may direct as a means of enforcing such provisions, including sanctions for noncompliance, provided, however, that, in the event the RECIPIENT becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the RECIPIENT may request the State to enter into such litigation to protect the interests of the State, and in addition, may request the United States to enter into such litigation to protect the interests of the United States.

- 18) **Disadvantaged Business Enterprises (DBE):** The RECIPIENT shall include the following statement in all solicitations for bids for work or material made in connection with funds received under this Agreement.

The issuing agency, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C 2000d to 2000d-4 and Title 49, the Civil Rights Restoration Act of 1987 (Public Law 100.259). Code of Federal Regulations, Department of Transportation, Subtitle A, Office the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this solicitation, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be

discriminated against on the grounds of race, color, or national origin in consideration for an award.

- 19) **Immigration:** To the extent applicable under Arizona Revised Statutes Section 41-4401, each Party and its subcontractors warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under Arizona Revised Statutes Section 23-214(A). A breach of the above-mentioned warranty by any Party or its subcontractors shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the non-breaching Parties. Each Party retains the legal right to randomly inspect the papers and records of the other Parties or its subcontractor employees who work on the Agreement to ensure that the Parties or its subcontractors are complying with the above-mentioned warranty.
- 20) **Scrutinized Business Operations:** Pursuant to Arizona Revised Statutes Sections 35-391 and 35-393, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in Arizona Revised Statutes Section 35-391 or 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.
- 21) **Debarment and Suspension.** The RECIPIENT agrees to comply, and assures the compliance of each third-party contractor and sub-recipient at any tier, with Executive Orders Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. § 6101 note, and U.S. DOT regulations, "Government-wide Debarment and Suspension Non-procurement)," 49 C.F.R. Part 29. The RECIPIENT agrees to and assures that its third party contractors and sub-recipients will review the Excluded Parties Listing System at <http://epls.arnet.gov/> before entering into any contracts.
- 22) **Termination for Convenience:** Either Party has the right to terminate the Agreement, in whole or in part at any time, when in the best interests of the FTA, RECIPIENT, or STATE without penalty or recourse.
- 23) **Transparency Act:** Because ADOT receives federal funds, ADOT is required to comply with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments. The reporting requirements and levels of reporting due to FTA are currently under development. Accordingly, ADOT is not currently aware of reporting requirements that might become required from RECIPIENTS. Should requirements be stipulated wherein information is required from RECIPIENTS, such information will be requested. The RECIPIENT herein agrees that in a timely manner, and in the method specified by the STATE, the RECIPIENT will provide information that is requested by the STATE to enable the STATE's compliance with the requirements as may be applicable.
- 24) **Termination for Default:** STATE reserves the right to terminate this Agreement in whole or in part due to failure of RECIPIENT to carry out any term, promise, or condition of the Agreement. STATE will issue a written ten (10) day cure notice to RECIPIENT for failure to adequately perform, or if there is reason for STATE to believe that the RECIPIENT cannot or will not adequately perform the requirements of the Agreement. If RECIPIENT does not submit a Corrective Action Plan to the satisfaction of STATE within the ten (10) day period, then STATE may pursue action in accordance with Section III: Arbitration.
- 25) **Federal Fiscal Year 2012 Certifications and Assurances for FTA Assistance Programs:** Pursuant to 49 U.S.C. 5323(n), the FTA consolidated the certifications and assurances required by Federal law or regulations for its programs with an effective date of October 1, 2010. The applicant for any project financed under the authority of 49 U.S.C. Chapter 53, Title 23, United States Code or any other Federal statute was required to submit new Federal FY 2012 Certifications and Assurances to FTA for any funding received through FTA during Federal FY 2012. The Arizona Department of Transportation (ADOT) is considered the Applicant for allocated and obligated federal monies used in various projects including but not limited to the 5310, 5311, 5316, 5317 grant programs, research projects, study projects, planning projects, regardless of whether the funds are expended by ADOT, reimbursed to grant applicants / recipients / sub-recipients / contractors, or passed through to grant applicants / recipients / sub-recipients /

contractors and is required to submit annual Certifications and Assurances to FTA. Attorney affirmation of authority to certify and assure is also required.

Annual Certifications and Assurances to FTA generally remain in effect for either the duration of the Grant or Cooperative Agreement supporting the Project until the Project is closed out or for the duration of the Project or Project property when a useful life or industry standard is in effect, whichever occurs later. If, however, the Applicant provides Certifications and Assurances to FTA in a later year that differ from the Certifications and Assurances previously provided, the later Certifications and Assurances will apply to the Grant, Cooperative Agreement, Project, or Project property unless an exception is granted by FTA in writing. The effect of this is that ADOT must sign new certifications and assurances annually since changes typically occur annually.

As the applicant, ADOT is responsible for compliance with the provisions of the FTA Certifications and Assurances by each recipient or sub-recipient. Accordingly, each sub-recipient that will be implementing projects is required to affirm compliance by submitting an annual Certification and Assurances to ADOT.

The FTA Certification and Assurances required of ADOT and its recipients / sub-recipients are found in Exhibit B. Throughout the document, the term “Applicant” referred to ADOT in the original certification to the FTA and now refers to ADOT’s recipients / sub-recipients in this certification. Completion and Signing of this FTA Certification and Assurances document is a requirement and a condition to receive federal funding through ADOT and does not relieve the sub-recipient of any obligation of other certifications or assurances required in any application or contracting process, and should be treated as an addition to such certifications and assurances. Specific FTA Certification and Assurances may not be immediately applicable to funding or programs for the RECIPIENT. All are required in the event that, through the life of this Agreement, they may become applicable.

- 26) **Entire Agreement.** This Agreement may be amended, modified, or waived only by an instrument in writing signed by both Parties. Should the PROJECT awarded under this Agreement be completed at a lower cost than the amount awarded, or for any other reason should any of these funds not be expended, or expended in other than in strict accordance with the terms and conditions of this Agreement, a proportionate amount of the funds provided shall be reimbursed to the STATE. Except as identified in the PROJECT the RECIPIENT shall not assign any portion of the PROJECT or execute any agreement, contract, amendment, or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this Agreement without the prior written concurrence of the STATE.
- 27) **Communication:** All notices or demands upon any party relating to this Agreement shall be in writing delivered in person or sent by mail addressed as follows:

**STATE Agreement Contact:**

**Contact** Arizona Department of Transportation  
Sally J. Palmer  
Contracts Administrator

**Mailing Address** Multimodal Planning Division  
Mail Drop 310B  
206 S. 17<sup>th</sup> Avenue  
Phoenix, AZ 85007

**Phone** 602-712-6732

**Fax** 602-712-3046

**Email** [spalmer@azdot.gov](mailto:spalmer@azdot.gov)

**STATE Reimbursement Contact:**

**Arizona Department of Transportation**  
Mary Ann Roder  
Finance & Administration Manager

Multimodal Planning Division  
Mail Drop 310B  
206 S. 17<sup>th</sup> Avenue  
Phoenix, AZ 85007

602-712-7333  
602-712-3046  
[mroder@azdot.gov](mailto:mroder@azdot.gov)

**STATE Program Contact:**

**Contact** Arizona Department of Transportation  
Ann Cochran

**RECIPIENT Program Contact:**

**City of Cottonwood**  
Jesus “Rudy” Rodriguez,

**Mailing Address** Management Analyst III  
 Mail Drop 340B  
 206 S. 17<sup>th</sup> Avenue  
 Phoenix, AZ 85007

**Phone** 602-712-7463  
**Fax** 602-712-3046  
**Email** [achochran@azdot.gov](mailto:achochran@azdot.gov)

Finance Director  
 816 North Main Street  
 Cottonwood, AZ 86326

(928) 340-2710  
 (928) 634-3727  
[rrodriguez@cottonwoodaz.gov](mailto:rrodriguez@cottonwoodaz.gov)

**V. RESPONSIBILITY MATRIX**

<b>Actions (from inception to completion)</b>	<b>RECIPIENT Responsible Person</b>	<b>STATE / ADOT Responsible Person</b>	<b>Due Date</b>
Provide transit services to service area	Transit Manager		Ongoing
Submit progress report and reimbursement requests on a monthly basis	Grant Accountant		Monthly
Submit vehicle specifications for review and approval prior to purchase	Transit Manager		Prior to vehicle procurement
Approve vehicle specifications		5311 Administrator (Sam Chavez)	Within 5 days of receipt
Submit procurement information	Transit Manager		Prior to reimbursement
Review and approve procurement package		5311 Administrator (Sam Chavez)	Within 5 days of receipt
Review progress reports and reimbursement requests for program compliance		5311 Administrator (Sam Chavez)	Within 5 days of receipt
Submit reimbursement requests to grant accountant	Grant Accountant	Management Analyst (Ann Cochran)	Within 5 days of receipt
Process reimbursement requests for payment		Grant Accountant (Jeff Sloan)	Within 2 weeks of receipt
DBE Report	Transit Manager		Annual
Procurement Process	Transit Manager	5311 Administrator (Sam Chavez)	As Needed
Compliance with Agreement	Transit Manager		Ongoing
Final Capital Invoice Due	Transit Manager		October 1, 2011

## **VI. CRITERIA FOR FUNDING**

Refer to the *Capital and Facility Procurement Handbook* located on the Multimodal Planning (MPD) website Section 5311, Rural Public Transportation Program page:  
[http://mpd.azdot.gov/MPD/Community\\_Grant\\_Services/Section5311.asp](http://mpd.azdot.gov/MPD/Community_Grant_Services/Section5311.asp)

### **Vehicles Purchases – Required Information**

- Submission of vehicle specifications and approval from ADOT Program Manager
- Date RFP Out For Bid
- Contract Awarded Date
- First Vehicle Delivery Date
- All Vehicles Delivered Date
- Contract Complete

### **Piggyback Purchases – Obtain Information from Original Requestor**

- Must include a copy of the original Agreement
- Date RFP Out For Bid
- Contract Awarded Date
- First Vehicle Delivery Date
- All Vehicles Delivered Date
- Contract Complete

### **Prior to Reimbursement of Vehicles the Following Information Must Be Provided to ADOT:**

- All vehicles must have ADOT as the listed lienholder – ADOT lienholder Number G00004004
- Proof of insurance
- Original Title
- Copy of Invoice

### **All Other Capital**

- Date RFP Out For Bid
- Date Contract Awarded
- Date Contract Complete

## **VI. SECURITY AGREEMENT**

- 1) In consideration of the STATE / FTA funding for the purchase of any PROJECT equipment identified in Exhibit A including any equipment added, the RECIPIENT hereby grants ADOT a security interest in the PROJECT equipment in the amount of indicated in Exhibit A as the “Federal Portion” payable to the Department upon its demand, if and only if:
  - a. The RECIPIENT by itself or any agent sells, transfers, offers or attempts to sell or transfer, in whole or in part, the PROJECT equipment, or,
  - b. The PROJECT equipment is totally destroyed or is lost, stolen or otherwise disappears, or,
  - c. This Agreement by and between the STATE and the RECIPIENT is terminated.
- 2) In the event of the occurrences described in Paragraphs 1 or 3 above, the RECIPIENT shall be liable for no more than the fair market value of the PROJECT equipment on the date of the occurrence of such event.

- 3) In the event the PROJECT is totally destroyed, lost, stolen, or disappears, the obligation herein may be extinguished by assigning to ADOT the proceeds of insurance covering such an event, provided the assignment and the ultimate payment is equal to the fair market value of the PROJECT equipment on the date of occurrence of such event.
- 4) Upon the occurrence of any other event described herein which would allow the STATE to demand payment under this Agreement, the obligation assured herein may be extinguished by assigning the herein PROJECT equipment to ADOT in as good a condition as when received, normal wear and tear excepted, thereby no longer having any further obligation to reimburse the STATE should the STATE exercise its right to terminate the Agreement under the terms of the Agreement under paragraph (2) of Section III. ADOT may refuse to accept such assignment, if in its sole judgment the PROJECT equipment has been abused or is in such condition as to substantially impair its value.
- 5) During the useful, economical life of the PROJECT equipment, as defined in the applicable Program Handbook and Application for the grant year, the equipment may be returned to ADOT subject to its acceptance, and the obligation herein will be extinguished.
- 6) In the event of a vehicle transfer back to ADOT during useful life, the Secondary Manufacturer and Aftermarket Vehicle Components, in addition to the original equipment manufacturer (OEM) components (as supplied by the manufacturer or vendor to the STATE or ADOT) or their equivalent—must remain with the vehicle as delivered by ADOT to the RECIPIENT and are considered to be included in the lien.
- 7) **Secondary Manufacturer and Aftermarket Vehicle Components As Part of the Lien for Lift-Equipped Vehicles:** In addition to the Original Equipment Manufacturer (OEM—i.e., Ford, Dodge, Chevrolet, etc.) chassis, the Secondary Manufacturer adds to this chassis the following equipment, non-inclusive, which are considered part of the vehicle and therefore remain on lien with the vehicle, along with OEM components (Note: as a part of the vehicle modifications, the Secondary Manufacturer may also remove some OEM parts, replacing with after-market items):
  - a. Fast idle system, after-market alternator (200A) replacing OEM unit, related wiring, accessory drive belts and pulleys (varies by vehicle type, alternator and A/C compressor configuration), inside vehicle-located electrical fuse, fuse block and breaker box with key(s),
  - b. Under-hood or elsewhere on chassis, dual deep cycle marine batteries, in some vehicles combined with an isolator system,
  - c. Adjacent to, behind and above the front windshield area, a separate or modified body which is manufactured and installed in the driver and passenger compartment area to accommodate the driver, his/her vehicle and accessory system controls, and passenger, mobility-device and safety equipment. This body construction or modification typically includes related after-market windows, passenger service entry door(s), emergency rear door(s), and emergency exit/access door (i.e., hatch, roof mounted). The degree to which OEM equipment and body parts (including doors, windows, etc.) are removed permanently by the secondary manufacturer for the latter's vehicle modification purposes varies by whether the vehicle is a dual-rear wheel cutaway or single rear wheel raised roof lift van,
  - d. Passenger (and on some vehicles, driver's) seats and, where required, seat belts,
  - e. Passenger ingress, egress and other assist stanchions and handrails, modesty panels,
  - f. Wheelchair lift door, lift mechanism and related control apparatus at the lift and driver area, related transmission/brake interlock equipment preventing unwanted motion of the vehicle when door is ajar and/or lift is otherwise in operation,
  - g. Wheelchair position components, related restraint and securement belts and belt storage,
  - h. Added springs or other weight compensating devices to suspension,
  - i. Additional equipment related to dual battery installation (in some units),
  - j. Basic first aid kit and other emergency/safety items, typically including flares, reflector triangles and fire extinguisher, wide-view internal rearview mirror, and outside rearview "RV-style" mirrors, internal and external lighting for lift, access doors and interior of vehicle, reverse alarm (some vehicles),
  - k. Rear heater and related lines and under-body flow controls,

- l. Air conditioning equipment for rear passenger area including added condenser(s) (street-side “skirt” mounted), rear compartment evaporator, related refrigerant lines, air outlets and controls, on some units added (second) compressor and related belts and pulleys.
  - m. If the recipient-agency returning the vehicle to ADOT is uncertain regarding any particular component, it may contact ADOT or the issuing vendor regarding that component(s). The RECIPIENT should otherwise assume that any component supplied on or with the vehicle at the time of delivery to the RECIPIENT should be returned to ADOT in its originally-removed state.
  - n. Other equipment purchased by ADOT (on behalf of the recipient-agency) is to remain with vehicle or otherwise be returned to ADOT.
  - o. After-market communication radios or other communication equipment supplied by ADOT, if ADOT agrees that the RECIPIENT should have further legitimate use of the equipment should be returned to ADOT.
  - p. This list includes only “major” items added by the after-market supplier and shall not be considered all-inclusive. The vendor and ADOT retain on file complete parts listings that will be reviewed by ADOT upon return of the vehicle to ADOT and/or prior to transfer of the vehicle to another recipient agency.
- 8) This security Agreement and its terms shall not inure to the benefit of any assignee, purchaser for value, or any other person acquiring an interest herein, and this security interest herein created shall not be extinguished until and unless the STATE receives the fair market value of the PROJECT equipment on the date of assignment, purchase, or acquisition of other interest.

**FEDERAL FISCAL YEAR 2012 CERTIFICATIONS AND ASSURANCES FOR  
FEDERAL TRANSIT ADMINISTRATION ASSISTANCE PROGRAMS**

<b>Name of RECIPIENT</b>	<b>City of Cottonwood</b>	
<p>The Applicant / Recipient / Sub-Recipient agrees to comply with provisions of the Categories indicated herein applicable to the Award indicated in Exhibit A. Details of each category are further explained in Exhibit B. Even if every category is not applicable to RECIPIENTs current award you must indicate by initialing that should the category become applicable during the life of this agreement, that RECIPIENT will at that time comply. <b>Initial every right-hand box on this form to indicate that the RECIPIENT agrees to comply.</b></p>		
<b>Category / Item</b>	<b>Description</b>	<b>Initial Each Box</b>
<b>1</b>	<b>Assurances Required for Each RECIPIENT</b>	
A	<i>Assurance of Authority of the RECIPIENT and Its Representative</i>	
B	<i>Standard Assurances</i>	
C	<i>Intergovernmental Review Assurance</i>	
D	<i>Nondiscrimination Assurance</i>	
E	<i>Assurance of Nondiscrimination on the Basis of Disability</i>	
F	<i>Suspension and Debarment</i>	
G	U.S. OMB Assurances	
2	Lobbying	
3	Procurement Compliance	
4	Protections for Private Transportation Providers	
5	Public Hearing	
6	Acquisition of Rolling Stock for Use in Revenue Service	
7	Acquisition of Capital Assets by Lease	
8	Bus Testing	
9	Charter Service Agreement	
10	School Transportation Agreement	
11	Demand Responsive Service	
12	Alcohol Misuse and Prohibited Drug Use	
13	Interest and Other Financing Costs	
14	Intelligent Transportation Systems	
15	Urbanized Area Formula Program	
16	Clean Fuels Grant Program	
17	Elderly Individuals and Individuals with Disabilities Formula Program and Pilot Program	
18	Non-Urbanized Area Formula Program for States	
19	Job Access and Reverse Commute Program	
20	New Freedom Program	
21	Paul S. Sarbanes Transit in Parks Program	
22	Tribal Transit Program	
23	TIFIA Projects	
24	Deposits of Federal Financial Assistance to a State Infrastructure Bank	

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IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

**RECIPIENT**  
City of Cottonwood

**STATE OF ARIZONA**  
Arizona Department of Transportation

**By**

**By**

\_\_\_\_\_  
City of Cottonwood

\_\_\_\_\_  
Jennifer Toth, Division Director  
Multimodal Planning Division

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Date Signed

**Attest**

\_\_\_\_\_  
Print Signatory Name and Title:

\_\_\_\_\_  
Date Signed

**FEDERAL FISCAL YEAR 2012 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE**  
*(Required of all Applicants for FTA funding and all FTA Grantees with an active capital or formula project)*

AFFIRMATION OF APPLICANT

Name of Applicant: \_\_\_\_\_

Name and Relationship of Authorized Representative: \_\_\_\_\_

BY SIGNING BELOW, on behalf of the Applicant, I declare that the Applicant has duly authorized me to make these certifications and assurances and bind the Applicant's compliance. Thus, the Applicant agrees to comply with all Federal statutes and regulations, and follow applicable Federal directives, and comply with the certifications and assurances as indicated on the foregoing page applicable to each application it makes to the Federal Transit Administration (FTA) in Federal Fiscal Year 2012.

FTA intends that the certifications and assurances the Applicant selects on the other side of this document, as representative of the certifications and assurances, should apply, as provided, to each project for which the Applicant seeks now, or may later seek FTA funding during Federal Fiscal Year 2012.

The Applicant affirms the truthfulness and accuracy of the certifications and assurances it has made in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31 apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. 1001 apply to any certification, assurance, or submission made in connection with a Federal public transportation program authorized in 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing certifications and assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_  
Authorized Representative of Applicant

AFFIRMATION OF APPLICANT'S ATTORNEY

For (Name of Applicant): \_\_\_\_\_

As the undersigned Attorney for the above named Applicant, I hereby affirm to the Applicant that it has authority under State, local, or tribal government law, as applicable, to make and comply with the certifications and assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the certifications and assurances have been legally made and constitute legal and binding obligations on the Applicant.

I further affirm to the Applicant that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these certifications and assurances, or of the performance of the project.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_

APPROVAL OF CITY OF COTTONWOOD

I have reviewed the above referenced proposed Grant Agreement, BETWEEN the STATE OF ARIZONA, by and through its ARIZONA DEPARTMENT OF TRANSPORTATION, MULTIMODAL PLANNING DIVISION and CITY OF COTTONWOOD, and declare this Agreement to be in proper form and within the powers and authority granted to the CITY OF COTTONWOOD under the laws of the State of Arizona. No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2012

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Attorney for the CITY OF COTTONWOOD

**EXHIBIT A  
PROJECT  
TO BE DETERMINED**

**EXHIBIT A  
PROJECT**

**EXHIBIT A  
PROJECT**

**EXHIBIT A  
PROJECT**

**EXHIBIT B**  
**FEDERAL FISCAL YEAR 2012 CERTIFICATIONS AND ASSURANCES**  
**FOR FEDERAL TRANSIT ADMINISTRATION ASSISTANCE PROGRAMS**

**GROUP 01. ASSURANCES REQUIRED FOR EACH APPLICANT**

*You must select the following assurances in Group 01.*

A. *Assurance of Authority of the Applicant and Its Representative.* Both you and the Applicant's attorney who sign these certifications, assurances, and agreements, affirm that both the Applicant and you as its authorized representative may, under their State, local, or Indian tribal law and regulations, and the Applicant's bylaws or internal rules, undertake the following activities on behalf of the Applicant:

1. Execute and file its application for Federal funds,
2. Execute and file its certifications, assurances, and agreements binding its compliance, and
3. Execute Grant Agreements or Cooperative Agreements, or both, with FTA.

B. *Standard Assurances.* The Applicant assures that:

1. It has sufficient authority under its State, local, or Indian tribal law, regulations by-laws and internal rules to carry out each FTA funded project as required by Federal laws and regulations,
2. It will comply with all applicable Federal statutes and regulations to carry out any FTA funded project,
3. It is under a continuing obligation to comply with the terms and conditions of the FTA Grant Agreement or Cooperative Agreement for the project, including the FTA Master Agreement incorporated by reference and made part of the latest amendment to Grant Agreement or Cooperative Agreement,
4. It recognizes that Federal laws and regulations may be modified from time to time and those modifications may affect project implementation,
5. It understands that Presidential executive orders and Federal directives, including Federal policies and program guidance, may be issued concerning matters affecting the Applicant or its project, and
6. It agrees that the most recent Federal laws, regulations, and directives will apply to the project, unless FTA determines otherwise in writing.

C. *Intergovernmental Review Assurance.* *This assurance does not apply to Indian tribe or organization or a tribal organization that applies for funding under FTA's Tribal Transit Program, 49 U.S.C. 5311(c)(1).* The Applicant assures that it has or will submit each Federal funding application to the appropriate State and local agencies for intergovernmental review to facilitate compliance with U.S. Department of Transportation (U.S. DOT) regulations, "Intergovernmental Review of Department of Transportation Programs and Activities," 49 CFR part 17.

D. *Nondiscrimination Assurance.*

1. The Applicant assures that it will comply with the following laws and United States will be denied the benefits of, or otherwise be subjected to discrimination in any U.S. DOT or FTA funded program or activity (particularly in the level and quality of transportation services and transportation-related benefits on the basis of race, color, national origin, creed, sex, or age:
  - a. Federal transit law, specifically 49 U.S.C. 5332 (prohibiting discrimination on the basis of race, color, creed, national origin, sex, or age, and in employment or business opportunity),
  - b. Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d, and
  - c. U.S. DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act," 49 CFR part 21.
2. As required by 49 CFR 21.7, the Applicant assures that:
  - a. It will comply with 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 in the manner:
    - (1) It conducts each project,
    - (2) It undertakes property acquisitions, and
    - (3) It operates the project facilities, including:
      - (a) Its entire facilities, and
      - (b) Its facilities operated in connection with its project,
  - b. This assurance applies to its entire project and entire facilities, including facilities operated in connection with its project,
  - c. It will promptly take the necessary actions to carry out this assurance, including:
    - (1) Notifying the public that discrimination complaints about transportation-related services or benefits may be filed with U.S. DOT or FTA, and
    - (2) Submitting information about its compliance with these provisions to U.S. DOT or FTA upon their request,
  - d. If it transfers FTA funded real property, structures, or improvements to another party, any deeds and instruments recording that transfer will contain a covenant running with the land assuring nondiscrimination:

- (1) While the property is used for the purpose that the Federal funding is extended,
- (2) While the property is used for another purpose involving the provision of similar services or benefits,
- e. The United States has a right to seek judicial enforcement of any matter arising under:
  - (1) Title VI of the Civil Rights Act, 42 U.S.C. 2000d,
  - (2) U.S. DOT regulations, 49 CFR part 21, and
  - (3) This assurance,
- f. It will make any changes in its Title VI implementing procedures as U.S. DOT or FTA may request to comply with:
  - (1) Title VI of the Civil Rights Act, 42 U.S.C. 2000d,
  - (2) U.S. DOT regulations, 49 CFR part 21, and
  - (3) Federal transit law, 49 U.S.C. 5332,
- g. It will extend the requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 to each third party participant, including:
  - (1) Any subrecipient,
  - (2) Any transferee,
  - (3) Any third party contractor or subcontractor at any tier,
  - (4) Any successor in interest,
  - (5) Any lessee, or
  - (6) Any other participant in the project,
- h. It will include adequate provisions to extend the requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 to each third party agreement, including:
  - (1) Each subagreement,
  - (2) Each property transfer agreement,
  - (3) Each third party contract or subcontract at any tier,
  - (4) Each lease, or
  - (5) Each participation agreement,
- i. The assurances it has made will remain in effect for the longest of the following:
  - (1) As long as Federal funding is extended to the project,
  - (2) As long as the Project property is used for a purpose for which the Federal funding is extended,
  - (3) As long as the Project property is used for a purpose involving the provision of similar services or benefits, or
  - (4) As long as the Applicant retains ownership or possession of the project property.

*E. Assurance of Nondiscrimination on the Basis of Disability.*

- 1. The Applicant assures that it and its project implementation and operations will comply with all applicable requirements of:
  - a. The Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, et seq.,
  - b. The Americans with Disabilities Act of 1990, as amended, 42 U.S.C. 12101 et seq., c. U.S. DOT regulations, specifically 49 CFR parts 27, 37, and 38, and
  - d. Any other applicable Federal laws that may be enacted or Federal regulations that may be promulgated,
- 2. As required by U.S. DOT regulations, “Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance,” 49 CFR part 27, specifically 49 CFR 27.9, the Applicant assures that:
  - a. The following prohibition against discrimination on the basis of disability is a condition to the approval or extension of any FTA funding awarded to:
    - (1) Construct any facility,
    - (2) Obtain any rolling stock or other equipment,
    - (3) Undertake studies,
    - (4) Conduct research, or
    - (5) Participate in or obtain any benefit from any FTA administered program,
  - b. In any program or activity receiving or benefiting from Federal funding FTA or any entity within U.S. DOT administers, no otherwise qualified people with a disability will, because of their disability, be:
    - (1) Excluded from participation,
    - (2) Denied benefits, or
    - (3) Otherwise subjected to discrimination.

*F. Suspension and Debarment.*

- 1. U.S. DOT regulations, “Nonprocurement Suspension and Debarment,” 2 CFR part 1200, which adopts and supplements the provisions of U.S. Office of Management and Budget (U.S. OMB) “Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” 2 CFR part 180, permit certifications to assure the Applicant acknowledges that:
- 2. The Applicant certifies to the best of its knowledge and belief that, it, its principals, and first tier subrecipients:

- a. Are eligible to participate in covered transactions of any Federal department or agency and are not presently:
    - (1) Debarred,
    - (2) Suspended,
    - (3) Proposed for debarment,
    - (4) Declared ineligible, or
    - (5) Voluntarily excluded, or
    - (6) Disqualified,
  - b. Have not within a three-year period preceding its latest application or proposal been convicted of or had a civil judgment rendered against any of them for:
    - (1) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction, or contract under a public transaction,
    - (2) Violation of any Federal or State antitrust statute, or
    - (3) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property,
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in the preceding Section 2.b of this certification,
  - d. Have not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this certification,
  - e. Will promptly provide any information to the FTA if at a later time any information contradicts the statements of subparagraphs (1) through (4) above, and
  - f. Will treat each lower tier contract or lower tier subcontract under the Project as a covered lower tier contract for purposes of 2 CFR part 1200 and 2 CFR part 180 if it:
    - (1) Equals or exceeds \$25,000,
    - (2) Is for audit services, or
    - (3) Requires the consent of a Federal official,
  - g. Will require that each covered lower tier contractor and subcontractor:
    - (1) Comply with the Federal requirements of 2 CFR part 1200 and 2 CFR part 180, and
    - (2) Assure that each lower tier participant in the Project is not presently declared by any Federal department or agency to be:
      - (a) Debarred from participation in the federally funded project,
      - (b) Suspended from participation in the federally funded project,
      - (c) Proposed for debarment from participation in the federally funded project,
      - (d) Declared ineligible to participate in the federally funded project,
      - (e) Voluntarily excluded from participation in the federally funded project, or
      - (f) Disqualified from participation in the federally funded Project.
3. The Applicant will provide a written explanation indicated on its Signature Page or a page attached in FTA's TEAM if it or any of its principals, including any of its first tier subrecipients or lower tier participants, is unable to certify to the preceding statements in this certification.

*G. U.S. OMB Assurances in SF-424B and SF-424D. (These assurances are consistent with U.S. OMB assurances required in SF-424B and SF-424D.)*

- 1. *Administrative Activities.* The Applicant assures that:
  - a. For every project described in any application it submits, it has adequate resources to properly plan, manage, and complete the project, including:
    - (1) The legal authority to apply for Federal funding, and
    - (2) The institutional capability,
    - (3) The managerial capability, and
    - (4) The financial capability (including funds sufficient to pay the non-Federal share of project cost).
  - b. It will give access and the right to examine project-related materials, including but not limited to:
    - (1) FTA,
    - (2) The Comptroller General of the United States, and,
    - (3) If appropriate, the State, through any authorized representative,
  - c. It will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
  - d. It will establish safeguards to prohibit employees from using their positions for a purpose that:
    - (1) Results in a personal or organizational conflict of interest, or personal gain, or
    - (2) Presents the appearance of a personal or organizational conflict of interest or personal gain.
- 2. *Project Specifics.* The Applicant assures that:
  - a. Following receipt of FTA award, it will begin and complete Project work within the applicable time periods,
  - b. For FTA funded construction projects:

- (1) It will comply with FTA provisions concerning the drafting, review, and approval of construction plans and specifications
- (2) It will to the extent practicable provide and maintain competent and adequate engineering supervision at the construction site to assure that the completed work conforms with the approved plans and specifications,
- (3) It will include a covenant in the title of federally funded real property acquired to assure nondiscrimination during the useful life of the project,
- (4) To the extent FTA requires, it will record the Federal interest in the title to FTA assisted real property or interests in real property, and
- (5) To the extent practicable, without permission and instructions from FTA, it will not alter the site of the FTA funded construction project or facilities by:

- (a) Disposing of the underlying real property or other interest in the site and facilities,
- (b) Modifying the use of the underlying real property or other interest in the site and facilities, or
- (c) Changing the terms of the underlying real property title or other interest in the site and facilities.

c. It will furnish progress reports and other information as FTA or the State may require.

3. *Statutory and Regulatory requirements.* The Applicant assures that:

a. It will comply with all applicable Federal statutes relating to nondiscrimination including, but not limited to the:

- (1) Prohibitions against discrimination on the basis of race, color, or national origin of Title VI of the Civil Rights Act, 42 U.S.C. 2000d,
- (2) Prohibitions against discrimination on the basis of sex of:
  - (a) Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681–1683, and 1685–1687, and
  - (b) U.S. DOT regulations, “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,” 49 CFR part 25,
- (3) Prohibitions against discrimination on the basis of age in federally assisted programs of the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101–6107,
- (4) Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of disability,
- (5) Prohibitions against discrimination on the basis of disability of Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794,
- (6) Nondiscrimination requirements relating to the sale, rental, or financing of housing of Title VIII of the Civil Rights Act, 42 U.S.C. 3601 *et seq.*,
- (7) Prohibitions against discrimination on the basis of drug abuse of the Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. 1101 *et seq.*,
- (8) Prohibitions against discrimination on the basis of alcohol abuse of the Comprehensive Alcohol Abuse and Alcoholism Prevention Act of 1970, as amended, 42 U.S.C. 4541 *et seq.*,
- (9) Confidentiality requirements for the records of alcohol and drug abuse patients of the Public Health Service Act, as amended, 42 U.S.C. 290dd–290dd–2, and
- (10) Nondiscrimination provisions of any other statute(s) that may apply to the project,

b. Regardless of whether Federal funding has been provided for any of the real property acquired for Project purposes, it will provide for fair and equitable treatment of displaced persons or persons whose property is acquired as a result of federally assisted programs, and:

- (1) It has the necessary legal authority under State and local law to comply with:
  - (a) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (Uniform Relocation Act) 42 U.S.C. 4601 *et seq.*, as specified by sections 210 and 305 of that Act, 42 U.S.C. 4630 and 4655, respectively, and
  - (b) U.S. DOT regulations, “Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs,” 49 CFR part 24, specifically 49 CFR 24.4.
- (2) It has complied with or will comply with the Uniform Relocation Act and implementing U.S. DOT regulations including but not limited to doing the following:
  - (a) It will adequately inform each affected person of the benefits, policies, and procedures provided for in 49 CFR part 24,
  - (b) As required by 42 U.S.C. 4622, 4623, and 4624, and 49 CFR part 24, it will provide fair and reasonable relocation payments and assistance for displacement, resulting from any FTA funded project, of:
    - 1 Families and individuals,
    - 2 Partnerships, corporations, or associations,

(c) As provided by 42 U.S.C. 4625 and 49 CFR part 24, it will provide relocation assistance programs offering the services described in to the U.S. DOT regulations to such displaced:

- 1 Families and individuals,
- 2 Partnerships, corporations, or associations,

(d) As required by 42 U.S.C. 4625(c)(3), within a reasonable time before displacement it will make available comparable replacement dwellings to families and individuals,

(e) It will:

- 1 Carry out the relocation process to provide displaced persons with uniform and consistent services, and
- 2 Make available replacement housing in the same range of choices with respect to such housing to all displaced persons regardless of race, color, religion, or national origin,

(f) It will be guided to the greatest extent practicable under State law, by the real property acquisition policies of 42 U.S.C. 4651 and 4652,

(g) It will pay or reimburse property owners for their necessary expenses as specified in 42 U.S.C. 4653 and 4654, understanding that FTA will provide Federal funding for its eligible costs of providing payments for those expenses, as required by 42 U.S.C. 4631,

(h) It will execute the necessary implementing amendments to third party contracts and subagreements financed with FTA funding, and

(i) It will execute, furnish, and be bound by such additional documents as FTA may determine necessary to effectuate or implement these assurances, and

(j) It will incorporate these assurances by reference into and make them a part of any third party contract or subagreement, or any amendments thereto, relating to any FTA funded project involving relocation or land acquisition, and

(k) It will provide in any affected document that these relocation and land acquisition provisions must supersede any conflicting provisions,

c. To the extent practicable, it will comply with the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4831(b), which prohibits the use of leadbased paint in the construction or rehabilitation of residence structures,

d. It will, to the extent practicable, comply with the protections for human subjects involved in research, development, and related activities supported by Federal funding of:

- (1) The National Research Act, Pub. L. 93-348, July 12, 1974, as amended, 42 U.S.C. 289 *et seq.*, and
- (2) U.S. DOT regulations, "Protection of Human Subjects," 49 CFR part 11,

e. It will, to the extent practicable, comply with the labor standards and protections for federally funded projects of:

- (1) The Davis-Bacon Act, as amended, 40 U.S.C. 3141 *et seq.*,
- (2) Sections 1 and 2 of the Copeland "Anti-Kickback" Act, as amended, 18 U.S.C. 874, and 40 U.S.C. 3145, respectively,
- (3) The Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. 3701 *et seq.*,

f. It will, to the extent practicable, comply with any applicable environmental standards that may be prescribed to implement the following Federal laws and executive orders, including but not limited to the following:

- (1) It will comply with the institution of environmental quality control measures under the National Environmental Policy Act of 1969, as amended, 42 U.S.C. 4321-4335 and Executive Order No. 11514, as amended, 42 U.S.C. 4321 note,
- (2) It will comply with notification of violating facilities pursuant to Executive Order No. 11738, 42 U.S.C. 7606 note,
- (3) It will comply with protection of wetlands pursuant to Executive Order No. 11990, 42 U.S.C. 4321 note,
- (4) It will comply with evaluation of flood hazards in floodplains in accordance with Executive Order No. 11988, 42 U.S.C. 4321 note,
- (5) It will comply with an assurance of project consistency with the approved State management program developed pursuant to the requirements of the Coastal Zone Management Act of 1972, as amended, 16 U.S.C. 1451-1465,
- (6) It will comply with Conformity of Federal actions to State (Clean Air) Implementation Plans under section 176(c) of the Clean Air Act of 1955, as amended, 42 U.S.C. 7401-7671q,
- (7) It will comply with protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. 300f-300j-6,
- (8) It will comply with protection of endangered species under the Endangered Species Act of 1973, as amended, 16 U.S.C. 1531-1544, and
- (9) It will comply with environmental protections for Federal transportation programs, including, but not limited to, protections for parks, recreation areas, or wildlife or waterfowl refuges of

national, State, or local significance or any land from a historic site of national, State, or local significance to be used in a transportation project as required by 49 U.S.C. 303(b) and 303(c),  
(10) It will comply with protection of the components of the national wild and scenic rivers systems, as required under the Wild and Scenic Rivers Act of 1968, as amended, 16 U.S.C. 1271–1287, and

(11) It will comply with and facilitate compliance with

(a) Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470f,

(b) The Archaeological and Historic Preservation Act of 1974, as amended, 16 U.S.C. 469–469c, and

(c) Executive Order No. 11593 (identification and protection of historic properties), 16 U.S.C. 470 note,

g. To the extent practicable, it will comply with Federal requirements for the care, handling, and treatment of warm blooded animals held or used for research, teaching, or other activities supported by Federal funding of:

(1) The Animal Welfare Act, as amended, 7 U.S.C. 2131 *et seq.*, and

(2) U.S. Department of Agriculture regulations, “Animal Welfare,” 9 CFR subchapter A, parts 1, 2, 3, and 4,

h. To the extent practicable, before accepting delivery of any FTA funded building it will obtain a certificate of compliance with the seismic design and construction requirements of U.S. DOT regulations, “Seismic Safety,” 49 CFR part 41, specifically 49 CFR 41.117(d),

i. To the extent practicable, it and its subrecipients located in special flood hazard areas will comply with section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), by:

(1) Participating in the Federal flood insurance program,

(2) Purchasing flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more,

j. To the extent practicable, it will comply with:

(1) The Hatch Act, 5 U.S.C. 1501– 1508, 7324–7326, which limits the political activities of State and local agencies and their officers and employees whose primary employment activities are financed in whole or part with Federal funds including a Federal loan, grant agreement, or cooperative agreement, and

(2) 49 U.S.C. 5307(k)(2) and 23 U.S.C. 142(g), which provide an exception from Hatch Act restrictions for a nonsupervisory employee of a public transportation system (or of any other agency or entity performing related functions) receiving FTA funding to whom the Hatch Act does not otherwise apply,

k. It will have performed the financial and compliance audits as required by:

(1) The Single Audit Act Amendments of 1996, 31 U.S.C. 7501 *et seq.*,

(2) U.S. OMB Circular A–133, “Audits of States, Local Governments, and Non- Profit Organizations,” Revised, and

(3) The most recent applicable U.S. OMB A–133 Compliance Supplement provisions for the U.S. DOT, and l. It will, to the extent practicable, comply with all applicable provisions of all other Federal laws or regulations, and follow Federal directives governing the project, except to the extent that FTA has expressly approved otherwise in writing.

## **GROUP 02. LOBBYING CERTIFICATION**

*You must select the following certifications in Group 02 because ADOT’s cooperative agreement exceeds \$100,000, or a loan (including a line of credit), loan guarantee, or loan insurance exceeding \$150,000, except if you are applying on behalf of an Indian tribe, tribal organization, or other Indian organization.*

As required by 31 U.S.C. 1352 and U.S. DOT regulations, “New Restrictions on Lobbying,” specifically 49 CFR 20.110, you and your Applicant understand that:

a. The lobbying restrictions of your certification apply to your Applicant’s requests for:

(1) \$100,000 or more in Federal funding for a grant or cooperative agreement, and

(2) \$150,000 or more in Federal funding for a loan, line of credit, or loan guarantee,

b. Its certification covers the lobbying activities of:

(1) It,

(2) Its principals, and

(3) Its first tier subrecipients:

Therefore, on behalf of your Applicant, you certify to the best of your knowledge and belief, that:

1. No Federal appropriated funds have been or will be paid by or on its behalf to any person:

- a. To influence or attempt to influence:
    - (1) An officer or employee of any Federal agency,
    - (2) A Member of Congress, an employee of a member of Congress, or an officer or employee of Congress,
  - b. Regarding the award of a:
    - (1) Federal grant or cooperative agreement, or
    - (2) Federal loan, line of credit, loan guarantee, or loan insurance
2. It will submit a complete OMB Standard Form-LLL, “Disclosure of Lobbying Activities (Rev. 7-97),” in accordance with its instructions, if any funds other than Federal appropriated funds have been or will be paid to any person:
- a. To influence or attempt to influence:
    - (1) An officer or employee of any Federal agency,
    - (2) A Member of Congress, an employee of a Member of Congress, or an officer or employee of Congress, or
  - b. Regarding any application for a:
    - (1) Federal grant or cooperative agreement,
    - (2) Federal loan, line of credit, loan guarantee, or loan insurance, and
3. It will include the language of this certification in the award documents for all subawards at all tiers including, but not limited to:
- a. Subcontracts,
  - b. Subgrants,
  - c. Subagreements, and
  - d. Third party contracts under a:
    - (1) Federal grant or cooperative agreement, or
    - (2) Federal loan, line of credit, loan guarantee, or loan insurance, and
4. It understands that:
- a. This certification is a material representation of fact that the Federal Government relies on, and b. It must submit this certification before the Federal Government may award funding for a transaction covered by 31 U.S.C. 1352, including a:
    - (1) Federal grant or cooperative agreement, or
    - (2) Federal loan, line of credit, loan guarantee, or loan insurance, and
5. It also understands that any person who does not file a required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**GROUP 03. PROCUREMENT COMPLIANCE**

*You must select Group 03, especially if your Applicant is a State, local, or Indian tribal government with a certified procurement system, as provided in 49 CFR 18.36(g)(3)(ii).*

The Applicant certifies that its procurements and procurement system will comply with all applicable Federal laws and regulations in accordance with applicable Federal directives, except to the extent FTA has approved otherwise in writing.

**GROUP 04. PROTECTIONS FOR PRIVATE TRANSPORTATION PROVIDERS**

*Applies to awards for 49 U.S.C. chapter 53 funding to:*

- Acquire property of a private transit operator, or*
- Operate public transit in competition with or in addition to a private transit provider*

As required by 49 U.S.C. 5323(a)(1), the Applicant certifies that:

- 1. Before it:
  - a. Acquires the property or an interest in the property of a private provider of public transportation, or
  - b. Operates public transportation equipment or facilities:
    - (1) In competition with transportation service provided by an existing public transportation company, or
    - (2) In addition to transportation service provided by an existing public transportation company,
- 2. It has or will have:
  - a. Determined that the funding is essential to carrying out a program of projects as required by 49 U.S.C. 5303, 5304, and 5306,
  - b. Provided for the participation of private companies engaged in public transportation to the maximum extent feasible, and
  - c. Paid just compensation under State or local law to the company for any franchise or property acquired.

## **GROUP 05. PUBLIC HEARING**

*Applies to awards for 49 U.S.C. chapter 53 funding for a capital project that will substantially affect a community or its transit service.*

As required by 49 U.S.C. 5323(b), the Applicant certifies that:

1. Before submitting an application for a capital project that:
  - a. Will substantially affect:
    - (1) A community, or
    - (2) The public transportation service of a community, and
  - b. Also will affect:
    - (1) Significant economic interests,
    - (2) Significant social interests, or
    - (3) Significant environmental interests, It will:
      - (1) Provide an adequate opportunity for public review and comment on the project, after giving notice that:
        - (a) Includes a concise description of the proposed project; and
        - (b) Has been published in a newspaper of general circulation in the geographic area the project.
      - (2) Hold a public hearing on the project if the project affects:
        - (a) Significant economic interests,
        - (b) Significant social interests, or
        - (c) Significant environmental interests,
  2. It will have considered the economic, social, and environmental effects of the project, and
  3. It will have determined that the project is consistent with official plans for developing the community.

## **GROUP 06. ACQUISITION OF ROLLING STOCK FOR USE IN REVENUE SERVICE**

*Applies to awards for 49 U.S.C. chapter 53 funding to acquire any rolling stock for use in revenue service.*

The Applicant certifies that in procuring revenue service rolling stock, it will comply with:

1. Federal transit law, specifically 49 U.S.C. 5323(m),
2. FTA regulations, “Pre-Award and Post-Delivery Audits of Rolling Stock Purchases,” 49 CFR part 663, specifically 49 CFR 663.7, as modified by amendments authorized by section 3023(k) of SAFETEA–LU, including the requirements to:
  - a. Conduct or cause to be conducted the required preaward and post delivery reviews, and
  - b. Maintain on file the certifications required by 49 CFR part 663, subparts B, C, and D.

## **GROUP 07. ACQUISITION OF CAPITAL ASSETS BY LEASE**

*Applies to awards for 49 U.S.C. chapter 53 funding to acquire capital assets by lease.*

As required by FTA regulations, “Capital Leases,” 49 CFR part 639, specifically 639.15(b)(1) and 639.21, if the Applicant acquires any capital asset by lease financed with Federal funding authorized under 49 U.S.C. chapter 53, the Applicant certifies as follows:

1. It will not use Federal funding authorized under 49 U.S.C. chapter 53 to finance the cost of leasing any capital asset until:
  - a. It performs calculations demonstrating that leasing the capital asset would be more cost-effective than purchasing or constructing a similar asset, and
  - b. It completes these calculations before the later of:
    - (1) Entering into the lease, or
    - (2) Receiving a capital grant for the asset, and
2. It will not enter into a capital lease for which FTA can provide only incremental Federal funding unless it has adequate financial resources to meet its future lease obligations if Federal funding is not available.

## **GROUP 08. BUS TESTING**

*Applies to awards for 49 U.S.C. chapter 53 funding to acquire any new or newly configured bus or a bus with new major components.*

The Applicant certifies that:

1. It will comply with Federal transit law, specifically 49 U.S.C. 5318,
2. FTA regulations, “Bus Testing,” 49 CFR part 665, specifically 49 CFR 665.7, requires that
  - a. Before:
    - (1) Spending any Federal funds to acquire:
      - (a) The first bus of any new bus model,
      - (b) The first bus with a new major change in configuration or components, or
    - (2) Authorizing final acceptance of a new bus model or a bus model with a major change in components or configuration:
  - b. It will:
    - (1) Ensure that the bus model has been tested at FTA’s bus testing facility, and
    - (2) Have received a copy of the test report prepared on the bus model.

#### **GROUP 09. CHARTER SERVICE AGREEMENT**

*Applicable to any awards for funding to acquire or operate transit facilities and equipment, unless Applicant qualifies for an exception under Federal law and regulations.*

As required by 49 U.S.C. 5323(d) and (g) and FTA regulations, “Charter Service,” 49 CFR part 604, specifically 49 CFR 604.4, the Applicant understands and agrees that:

1. Except in certain circumstances described in its regulations, FTA’s “Charter Service” regulations restrict transportation by charter service using facilities and equipment acquired by FTA for transportation projects with Federal funding derived from:
  - (1) Federal transit laws, 49 U.S.C. chapter 53, or
  - (2) 23 U.S.C. §§ 133 or 142,
2. FTA’s charter service restrictions extend to:
  - a. The Applicant when it becomes a recipient of Federal funding under:
    - (1) Federal transit laws, 49 U.S.C. chapter 53, or
    - (2) 23 U.S.C. §§ 133 or 142,
  - b. Any third party participant that receives Federal funding derived from:
    - (1) Federal transit laws, 49 U.S.C. chapter 53, or (2) 23 U.S.C. §§ 133 or 142,
  - c. A third party participant includes a:
    - (1) Subrecipient at any tier,
    - (2) Lessee,
    - (3) Third party contractor or subcontractor at any tier, and
    - (4) Other participant in the project,
3. Neither the Applicant nor any third party participant involved in its Project will engage in charter service operations, except as permitted under:
  - a. Federal transit laws, specifically 49 U.S.C. 5323(d) and (g),
  - b. FTA regulations, “Charter Service,” 49 C.F.R. Part 604,
  - c. Any other Federal Charter Service regulations, or
  - d. Federal directives, except as FTA determines otherwise in writing.
4. The Applicant agrees that the latest Charter Service Agreement it has selected in its latest annual Certifications and Assurances is incorporated by reference in and made part of the underlying Agreement accompanying an award of FTA funding.
5. The Applicant agrees that:
  - a. FTA may require corrective measures or impose remedies on it or any subrecipient that has engaged in a pattern of violations of FTA’s Charter Service regulations by:
    - (1) Conducting charter operations prohibited by Federal transit laws and FTA’s Charter Service regulations, or
    - (2) Otherwise violating the Applicant’s Charter Service Agreement it has elected in its latest annual Certifications and Assurances.
  - b. These corrective measures and remedies may include:
    - (1) Barring it or any third party participant operating public transportation under the Project that has provided prohibited charter service from receiving FTA funds, or

- (2) Withholding an amount of Federal funds as provided by Appendix D to FTA's Charter Service regulations.

## **GROUP 10. SCHOOL TRANSPORTATION AGREEMENT**

*Applies to awards for funding to acquire or operate transit facilities and equipment, unless Applicant qualifies for an exception under Federal law and regulations.*

As required by 49 U.S.C. 5323(f) and (g) and FTA regulations, "School Bus Operations," 49 CFR part 605, to the extent consistent with 49 U.S.C. 5323(f) and (g), the Applicant understands and agrees that:

1. FTA's "School Bus Operations" regulations restrict school bus service as defined in the FTA regulations using facilities and equipment acquired with Federal funding derived from:
  - (1) Federal transit laws, 49 U.S.C. chapter 53, or
  - (2) 23 U.S.C. §§ 133 or 142,
2. FTA's school bus operations restrictions extend to:
  - a. The Applicant when it becomes a recipient of Federal funding under:
    - (1) Federal transit laws, 49 U.S.C. chapter 53, or
    - (2) 23 U.S.C. §§ 133 or 142,
  - b. Any third party participant that receives Federal funding derived from:
    - (1) Federal transit laws, 49 U.S.C. chapter 53, or
    - (2) 23 U.S.C. §§ 133 or 142,
  - c. A third party participant includes a:
    - (1) Subrecipient at any tier,
    - (2) Lessee,
    - (3) Third party contractor or subcontractor at any tier, and
    - (4) Other participant in the project,
3. Neither the Applicant nor any third party participant involved in its Project will engage in school transportation operations in competition with private operators of school transportation, except as permitted under:
  - a. Federal transit laws, specifically 49 U.S.C. § 5323(f) and (g),
  - b. FTA regulations, "School Bus Operations," 49 C.F.R. Part 605, to the extent consistent with 49 U.S.C. § 5323(f) and (g),
  - c. Any other Federal School Transportation regulations, or
  - d. Federal directives, except as FTA determines otherwise in writing.
4. The Applicant agrees that the latest School Transportation Agreement it has selected in its latest annual Certifications and Assurances is incorporated by reference in and made part of the underlying Agreement accompanying an award of FTA funding.
5. The Applicant agrees that FTA will bar the Applicant or any third party participant that has violated this School Transportation Agreement from receiving Federal transit funding in an amount FTA considers appropriate.

## **GROUP 11. DEMAND RESPONSIVE SERVICE**

*Applies to awards for demand responsive service and to awards for 49 U.S.C. chapter 53 funding to acquire non rail transit vehicles.*

As required by U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR part 37, specifically 49 CFR 37.77(d), the Applicant certifies that:

1. The following public transportation services it offers are equivalent in level and quality of service:
  - a. Its demand responsive service offered to individuals with disabilities, including individuals who use wheelchairs,
  - b. Its service offered to individuals without disabilities,
2. Viewed in its entirety, the Applicant's service for individuals with disabilities is:
  - a. Provided in the most integrated setting feasible, and
  - b. Equivalent to the service it offers individuals without disabilities with respect to:
    - (1) Response time,
    - (2) Fares,
    - (3) Geographic service area,
    - (4) Hours and days of service,
    - (5) Restrictions on trip purpose,

- (6) Availability of information and reservation capability, and
- (7) Constraints on capacity or service availability.

## **GROUP 12. ALCOHOL MISUSE AND PROHIBITED DRUG USE**

*You must select the following certification if FTA regulations, “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,” 49 CFR part 655, require Applicant to provide a certification concerning its activities to prevent alcohol misuse and prohibited drug use in its public transportation operations.*

As required by FTA regulations, “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,” specifically 49 CFR part 655, subpart I, the Applicant certifies that it:

1. Has established and implemented:
  - a. An alcohol misuse program and
  - b. An anti-drug program, and
2. Has complied with or will comply with all applicable requirements of this part.

## **GROUP 13. INTEREST AND OTHER FINANCING COSTS**

*Applies to awards to reimburse interest or other financing costs with Urbanized Area Formula Program, Capital Investment Program, or Paul S. Sarbanes Transit in Parks Program funding*

The Applicant certifies that:

1. It will not seek reimbursement for interest or other financing costs:
  - a. Unless it is eligible to receive Federal funding for those costs,
  - b. Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require, and
2. It will comply with:
  - a. Urbanized Area Formula Program interest provisions of 49 U.S.C. 5307(g)(3),
  - b. Capital Investment Program provisions of 49 U.S.C. 5309(g)(2)(B)(iii),
  - c. Capital Investment Program provisions of 49 U.S.C. 5309(g)(3)(B)(iii),
  - d. Capital Investment Program provisions of 49 U.S.C. 5309(i)(2)(C), and
  - e. Paul S. Sarbanes Transit in Parks Program provisions of 49 U.S.C. 5320(h)(2)(C).

## **GROUP 14. INTELLIGENT TRANSPORTATION SYSTEMS**

*Applies to awards for an Intelligent Transportation Systems (ITS) project or a project in support of an ITS project. An Applicant for ITS project funding that fails to provide this assurance, without providing other documentation assuring its commitment to comply with applicable Federal ITS standards and protocols, may be ineligible for award of Federal funding for that ITS project.*

As used in this assurance, the term Intelligent Transportation Systems (ITS) project is defined to include any project that in whole or in part finances the acquisition of technologies or systems of technologies that provide or significantly contribute to the provision of one or more ITS user services as defined in the “National ITS Architecture.” The Applicant assures that:

1. As provided in subsection 5307(c) of SAFETEA–LU, 23 U.S.C. 512 note:
  - a. “Intelligent transportation system projects carried out using funds made available from the Highway Trust Fund, including funds made available under this subtitle to deploy intelligent transportation system technologies, [will] conform to the national architecture, applicable standards or provisional standards, and protocols developed under subsection (a) [of section 5307 of SAFETEA–LU].”
  - b. ITS standards will not apply if it obtains an exception to subsection 5307(c) of SAFETEA–LU, 23 U.S.C. 512 note.
2. It will use its best efforts to assure that any ITS project it undertakes will not preclude interface with other intelligent transportation systems in the Region, if supported with Federal funding not derived from:
  - a. Title 49, United States Code, or
  - b. Title 23, United States Code.
3. To facilitate compliance with subsection 5307(c) of 23 U.S.C. 512 note, except as the Federal Government determines otherwise in writing, the Applicant assures that it will comply with:
  - a. FTA Notice, “FTA National ITS Architecture Policy on Transit Projects,” 66 FR 1455, January 8, 2001, specifically:
    - (1) Applicable provisions of Section V (Regional ITS Architecture, and

- (2) Section VI (Project Implementation), and
- b. Other FTA policies that may be issued in connection with any ITS project it undertakes financed with funds authorized under Title 49 or Title 23, United States Code,

#### **GROUP 15. URBANIZED AREA FORMULA PROGRAM**

*Applies to awards for Urbanized Area Formula Program funding, 49 U.S.C. 5307. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made. Each Applicant is required by 49 U.S.C. 5307(d)(1)(J) to spend at least one (1) percent of its Urbanized Area Formula Program funding for public transportation security projects, unless it has certified that such expenses are not necessary. Information about its intentions must be recorded in the "Security" tab page of the TEAM-Web "Project Information" window when it submits its Urbanized Area Formula Program application in TEAM-Web.*

We may not award Urbanized Area Formula Program funding to any Applicant that is required by 49 U.S.C. 5307(d)(1)(K) to spend one (1) percent of its Urbanized Area Formula Program funding for eligible transit enhancements unless its quarterly report for the fourth quarter of the preceding Federal fiscal year has been submitted to FTA and includes the required list or sufficient information to demonstrate that the Designated Recipients in its area together have spent one (1) percent of the amount of Urbanized Area Program funding made available to them for transit enhancement projects or have included the same information in a separate report attached in TEAM-Web.

The following certifications apply to each Applicant for funding under the Urbanized Area Formula Program authorized under 49 U.S.C. 5307. The Applicant certifies that:

1. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
  - a. Legal capacity to carry out its proposed projects,
  - b. Financial capacity to carry out its proposed projects,
  - c. Technical capacity to carry out its proposed projects,
  - d. Safety aspects of its proposed projects, and
  - e. Security aspects of its proposed projects,
2. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
3. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
4. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5307:
  - a. Elderly individuals,
  - b. Individuals with disabilities, or
  - c. Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 *et seq.* or 42 U.S.C. 1395 *et seq.*),
5. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under 49 U.S.C. 5307, it will:
  - a. Use competitive procurement (as defined or approved by FTA),
  - b. Not use exclusionary or discriminatory specifications in its procurements,
  - c. Comply with applicable Buy America laws, and
  - d. Comply with the:
    - (1) General provisions for FTA programs of 49 U.S.C. 5323, and
    - (2) Third party procurement requirements of 49 U.S.C. 5325,
6. As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply with 49 U.S.C. 5307(c) because it:
  - a. Has informed or will inform the public of the amounts of its Urbanized Area Formula Program funds available under 49 U.S.C. 5307, and the projects it proposes to undertake,
  - b. Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
  - c. Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,

- d. Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
  - e. Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal Government source other than U.S. DOT,
  - f. Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
  - g. Has made or will make the final list of projects available to the public,
7. As required by 49 U.S.C. 5307(d)(1)(G), it:
- a. Has or will have the amount of funds required for the local share,
  - b. Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - c. Will provide the local share funds when needed,
8. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
- a. The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - (1) Maximize the safe, secure, and efficient mobility of people,
    - (2) Minimize environmental impacts, and,
    - (3) Minimize transportation-related fuel consumption and reliance on foreign oil,
  - b. The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - (1) Design public transportation for elderly individuals and individuals with disabilities, and
    - (2) Provide public transportation for elderly individuals and individuals with disabilities, and
  - c. The requirements of 49 U.S.C. 5303—5306 for:
    - (1) Metropolitan and State Planning, and
    - (2) Private enterprise participation,
9. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
- a. Raising a fare, or
  - b. Implementing a major reduction of public transportation,
10. As required by 49 U.S.C. 5307(d)(1)(J), if it serves an urbanized area with a population of at least 200,000:
- a. Each fiscal year, it will spend at least one (1) percent of its 49 U.S.C. 5307 funding for public transportation security projects (limited to capital projects in the case of an Applicant serving an urbanized area with a population of 200,000 or more), or
  - b. That fiscal year, it will certify that such expenses for transportation security projects are not necessary,
  - c. Public transportation security projects include:
    - (1) Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),
    - (2) Increased camera surveillance of an area in or adjacent to that system,
    - (3) Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and
    - (4) Any other project intended to increase the security and safety of an existing or planned public transportation, and
11. As required by 49 U.S.C. 5307(d)(1)(K), if it serves an urbanized area with a population of at least 200,000:
- a. Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined in 49 U.S.C. 5302(a),
  - b. It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and
  - c. The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

**GROUP 16. CLEAN FUELS GRANT PROGRAM**

*Applies to awards for Clean Fuels Grant Program funding, 49 U.S.C. 5308. Applicant itself is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.*

The following certifications apply to each Applicant for funding under the Clean Fuels Grant Program authorized under 49 U.S.C. 5308:

1. As required by FTA regulations, “Clean Fuels Grant Program, 49 CFR part 624, specifically 49 CFR 624.7, the Applicant certifies it will operate vehicles purchased with Federal funding provided under the Clean Fuels Grant Program, 49 U.S.C. 5308 only with clean fuels.
2. Under 49 U.S.C. 5308(d)(1), the requirements of 49 U.S.C. 5307 apply to the Clean Fuels Grant Program. To comply with those requirements, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:
  - a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
    - (1) Legal capacity to carry out its proposed projects,
    - (2) Financial capacity to carry out its proposed projects,
    - (3) Technical capacity to carry out its proposed projects,
    - (4) Safety aspects of its proposed projects, and
    - (5) Security aspects of its proposed projects,
  - b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
  - c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
  - d. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5308:
    - (1) Elderly individuals,
    - (2) Individuals with disabilities, or
    - (3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
  - e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under 49 U.S.C. 5308, it will:
    - (1) Use competitive procurement (as defined or approved by FTA),
    - (2) Not use exclusionary or discriminatory specifications in its procurements,
    - (3) Comply with applicable Buy America laws, and
    - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
    - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
  - f. As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply with 49 U.S.C. 5307(c) because it:
    - (1) Has informed or will inform the public of the amounts of its Clean Fuels Grant Program funds available under 49 U.S.C. 5308, and the projects it proposes to undertake,
    - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
    - (3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
    - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
    - (5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
    - (6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
    - (7) Has made or will make the final list of projects available to the public,
  - g. As required by 49 U.S.C. 5307(d)(1)(G), it:
    - (1) Has or will have the amount of funds required for the local share,
    - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
    - (3) Will provide the local share funds when needed,
  - h. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
    - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
      - (a) Maximize the safe, secure, and efficient mobility of people,
      - (b) Minimize environmental impacts, and
      - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
    - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
      - (a) Design public transportation for elderly individuals and individuals with disabilities, and
      - (b) Provide public transportation for elderly individuals and individuals with disabilities, and
    - (3) The requirements of 49 U.S.C. 5303—5306 for:
      - (a) Metropolitan and State Planning, and
      - (b) Private enterprise participation, and
  - i. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
    - (1) Raising a fare, or

- (2) Implementing a major reduction of public transportation.

## **GROUP 17. ELDERLY INDIVIDUALS AND INDIVIDUALS WITH DISABILITIES FORMULA GRANT PROGRAM AND PILOT PROGRAM**

*Applies to awards as the direct Applicant for Elderly Individuals and Individuals with Disabilities Formula Grant Program funding 49 U.S.C. 5310, and, if qualified, for Elderly Individuals and Individuals with Disabilities Pilot Program funding, subsection 3012(b) of SAFETEA–LU. Only a State or a State organization acting as the Recipient on behalf of a State may be a direct recipient of this funding. Your State or State organization Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage your State or State organization Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.*

The following certifications and assurances apply to each State or State organization serving as Applicant for funding and each subrecipient of funding under the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized under 49 U.S.C. 5310, and the Elderly Individuals and Individuals with Disabilities Pilot Program authorized under subsection 3012(b) of SAFETEA–LU.

1. The State or State organization Applicant assures that:

a. Each subrecipient is:

- (1) Recognized under State law as a private nonprofit organization with the legal capability to contract with the State to carry out the proposed project, or
- (2) A public body that has met the statutory requirements to receive Federal funding authorized for 49 U.S.C. 5310,

b. The State or State organization Applicant can conclude from information in a private nonprofit subrecipient’s application for 49 U.S.C. 5310 funding that:

- (1) The transit service provided or offered to be provided by existing public or private transit operators cannot meet the special needs of elderly individuals and individuals with disabilities, because it is:
  - (a) Unavailable,
  - (b) Insufficient, or
  - (c) Inappropriate,

c. As required by 49 U.S.C. 5310(d)(2)(A) and subsection 3012(b)(2) of SAFETEA–LU, the State certifies that, before it transfers funds to a project funded under 49 U.S.C. 5336, the project has been or will have been coordinated with private nonprofit providers of services under 49 U.S.C. 5310,

d. As required by 49 U.S.C. 5310(d)(2)(C), the Applicant certifies that allocations to subrecipients 49 U.S.C. 5310 funding or subsection 3012(b) funding will be distributed on a fair and equitable basis, and

e. As required by 49 U.S.C. 5310(d)(2)(B) and subsection 3012(b)(2) of SAFETEA–LU, the Applicant certifies that:

- (1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
  - (a) Locally developed, and
  - (b) Coordinated, and
- (2) That locally developed, coordinated plan was produced through a process that included:
  - (a) Representatives of public, private, and nonprofit transportation providers,
  - (b) Representatives of public, private, and nonprofit human services providers, and
  - (c) Participation by the public.

2. As permitted by 49 U.S.C. 5310(d), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5307 to be appropriate for the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized by 49 U.S.C. 5310, and the Elderly Individuals and Individuals with Disabilities Pilot Program authorized by subsection 3012(b) of SAFETEA–LU, 49 U.S.C. 5310 note, of which some require certifications. Therefore, as specified under 49 U.S.C. 5307(d)(1), the State or State organization Applicant certifies that:

a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:

- (1) Legal capacity to carry out its proposed projects,
- (2) Financial capacity to carry out its proposed projects,
- (3) Technical capacity to carry out its proposed projects,
- (4) Safety aspects of its proposed projects, and
- (5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,

- d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized by 49 U.S.C. 5310, or the Elderly Individuals and Individuals with Disabilities Pilot Program authorized by subsection 3012(b) of SAFETEA–LU, 49 U.S.C. 5310 note, it and each subrecipient will:
  - (1) Use competitive procurement (as defined or approved by FTA),
  - (2) Not use exclusionary or discriminatory specifications in its procurements,
  - (3) Comply with applicable Buy America laws, and
  - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
  - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- e. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:
  - (1) Has or will have the amount of funds required for the local share,
    - (a) As required by 49 U.S.C. 5310(c), and
    - (b) Subsections 3012(b)(3) and (4) of SAFETEA–LU, if applicable,
  - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (3) Will provide the local share funds when needed, and
- f. As required by 49 U.S.C. 5307(d)(1)(H), it and each subrecipient will comply with:
  - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - (a) Maximize the safe, secure, and efficient mobility of people,
    - (b) Minimize environmental impacts, and
    - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
  - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - (a) Design public transportation for elderly individuals and individuals with disabilities, and (b) Provide public transportation for elderly individuals and individuals with disabilities, and
  - (3) The requirements of 49 U.S.C. 5303—5306 for:
    - (a) Metropolitan and State Planning, and
    - (b) Private enterprise participation.

#### **GROUP 18. NONURBANIZED AREA FORMULA PROGRAM FOR STATES**

*Applies to awards for Nonurbanized Area Formula Program funding, 49 U.S.C. 5311(b). Applicant itself is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.*

Only a State or a State organization acting as the Recipient on behalf of a State (State) may be a direct recipient of this Nonurbanized Area Formula Program funding. Separate certifications and assurances have been established in Group 22 for an Indian tribe that is an Applicant for Tribal Transit Program funding, 49 U.S.C. 5311(c)(1). The following certifications and assurances apply to each State or State organization serving as the Applicant for funding under the Nonurbanized Area Formula Program authorized under 49 U.S.C. 5311.

The Applicant assures that:

1. It has or will have the necessary legal, financial, and managerial capability to:
  - a Apply, receive and disburse 49 U.S.C. 5311(c)(1) funding, and
  - b. Carry out each project, including the:
    - (1) Safety aspects of its proposed projects, and
    - (2) Security aspects of its proposed projects,
2. It has or will have satisfactory continuing control over the use of project equipment and facilities,
3. The project equipment and facilities will be adequately maintained,
4. As required by 49 U.S.C. 5311(b)(2)(C)(i), its program has provided for a fair distribution of Federal funding authorized for 49 U.S.C. 5311 within the State, including Indian reservations within the State,
5. As required by 49 U.S.C. 5311(b)(2)(C)(ii), its program provides or will provide the maximum feasible coordination of public transportation service to receive funding under 49 U.S.C. 5311 with transportation service assisted by other Federal sources,
6. The projects in its Nonurbanized Area Formula Program are included in:
  - a. The Statewide Transportation Improvement Program, and
  - b. To the extent applicable, a metropolitan Transportation Improvement Program,

7. It has or will have the amount of funds required for the local share, as required by 49 U.S.C. 5311(g), and
  - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (3) Will provide the local share funds when needed, and
8. As required by 49 U.S.C. 5311(f), each fiscal year:
  - a. It will spend at least fifteen (15) percent of its 49 U.S.C. 5311 funding available that fiscal year to develop and support intercity bus transportation within the State, with eligible activities including:
    - (1) Planning and marketing for intercity bus transportation,
    - (2) Capital grants for intercity bus shelters,
    - (3) Joint-use stops and depots,
    - (4) Operating grants through purchase-of-service agreements, userside subsidies, and demonstration projects, and
    - (5) Coordinating rural connections between small public transportation operations and intercity bus carriers, or
  - b. It will provide to the Federal Transit Administrator a certification of the State's chief executive officer that:
    - (1) After consulting with the affected intercity bus service providers about the intercity bus needs of the State,
    - (2) The State's intercity bus service needs are being met adequately.

#### **GROUP 19. JOB ACCESS AND REVERSE COMMUTE (JARC) FORMULA GRANT PROGRAM**

*Applies to awards for Job Access and Reverse Commute (JARC) Formula Grant funding, 49 U.S.C. 5316, Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.*

The following certifications and assurances apply to each Applicant for and subrecipient of funding under the Job Access and Reverse Commute (JARC) Formula Grant funding authorized under 49 U.S.C. 5316.

1. The Applicant certifies that:
  - a. As required by 49 U.S.C. 5316(d)(4), it will make awards of JARC funding on a competitive basis following:
    - (1) An area wide solicitation in cooperation with the appropriate metropolitan planning organization for applications for funding under 5316(c)(1)(A) (see 49 U.S.C. 5316(d)(1)), and
    - (2) A statewide solicitation for applications for JARC funding under 49 U.S.C. 5316(c)(1)(B) or 49 U.S.C. 5316(c)(1)(C), (see 49 U.S.C. 5316(d)(2)) and
  - b. As required by 49 U.S.C. 5316(f)(2), any allocations to subrecipients of funding authorized under 49 U.S.C. 5316 will be distributed on a fair and equitable basis,
  - c. As required by 49 U.S.C. 5316(g)(3):
    - (1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
      - (a) Locally developed, and
      - (b) Coordinated,
    - (2) That locally developed, coordinated plan was produced through a process that included:
      - (a) Representatives of public, private, and nonprofit transportation providers,
      - (b) Representatives of public, private, and nonprofit human services providers, and
      - (c) Participation by the public, and
  - d. As required by 49 U.S.C. 5316(g)(2), before it transfers funds to a project funded under 49 U.S.C. 5336, that project has been or will have been coordinated with private nonprofit providers of services, and
  - e. As required by 49 U.S.C. 5316(c)(3), before using funds apportioned for projects serving an area other than that for which funding was apportioned under 49 U.S.C. 5316(c)(1)(B) or (C):
    - (1) The State's chief executive officer, or his or her designee, will have certified that all the JARC program objectives of 49 U.S.C. 5316 are being met in the area from which the funding would be derived,
    - (2) If the State has a statewide program for meeting the JARC program objectives of 49 U.S.C. 5316, the funds can be used for projects anywhere in the State.
2. Under 49 U.S.C. 5316(f)(1), the requirements of 49 U.S.C. 5307 apply to the JARC Program, authorized under 49 U.S.C. 5316. Therefore, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that
  - a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:
    - (1) Legal capacity to carry out its proposed projects,
    - (2) Financial capacity to carry out its proposed projects,
    - (3) Technical capacity to carry out its proposed projects,
    - (4) Safety aspects of its proposed projects, and

- (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(D), it and each subrecipient will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5316:
- (1) Elderly individuals,
  - (2) Individuals with disabilities, or
  - (3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
- e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the JARC Program, 49 U.S.C. 5316, it will:
- (1) Use competitive procurement (as defined or approved by FTA),
  - (2) Not use exclusionary or discriminatory specifications in its procurements,
  - (3) Comply with applicable Buy America laws,
  - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
  - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- f. As required by 49 U.S.C. 5307(d)(1)(F), it and each subrecipient has complied with or will comply with 49 U.S.C. 5307(c) because it:
- (1) Has informed or will inform the public of the amount of its JARC Program funds available under 49 U.S.C. 5316, and the projects it proposes to undertake,
  - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
  - (3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
  - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
  - (5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
  - (6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
  - (7) Has made or will make the final list of projects available to the public,
- g. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:
- (1) Has or will have the amount of funds required for the local share,
  - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (3) Will provide the local share funds when needed,
- h. As required by 49 U.S.C. 5307(d)(1)(H), it and each subrecipient will comply with:
- (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - (a) Maximize the safe, secure, and efficient mobility of people,
    - (b) Minimize environmental impacts, and
    - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
  - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - (a) Design public transportation for elderly individuals and individuals with disabilities, and
    - (b) Provide public transportation for elderly individuals and individuals with disabilities, and
  - (3) The requirements of 49 U.S.C. 5303—5306 for:
    - (a) Metropolitan and State Planning, and
    - (b) Private enterprise participation, and
- i. As required by 49 U.S.C. 5307(d)(1)(I), it and each subrecipient has a locally developed process to solicit and consider public comment before:
- (1) Raising a fare, or
  - (2) Implementing a major reduction of public transportation.

## **GROUP 20. NEW FREEDOM PROGRAM**

*Applies to awards for New Freedom Program funding, 49 U.S.C. 5317. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the*

*appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.*

1. The Applicant certifies that:

- a. As required by 49 U.S.C. 5317(d)(4), it will make awards of New Freedom funding on a competitive basis following:
  - (1) An areawide solicitation in cooperation with the appropriate metropolitan planning organization for applications for funding under 5317(c)(1)(A) (see 49 U.S.C. 5317(d)(1)), and
  - (2) A statewide solicitation for applications for JARC funding under 49 U.S.C. 5317(c)(1)(B) or 49 U.S.C. 5317(c)(1)(C), (see 49 U.S.C. 5317(d)(2)),
- b. As required by 49 U.S.C. 5317(e)(2), any allocations to subrecipients of funding authorized under 49 U.S.C. 5317 will be distributed on a fair and equitable basis,
- c. As required by 49 U.S.C. 5317(f)(3):
  - (1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
    - (a) Locally developed, and
    - (b) Coordinated,
  - (2) That locally developed, coordinated plan was produced through a process that included:
    - (a) Representatives of public, private, and nonprofit transportation providers,
    - (b) Representatives of human services public, private, and nonprofit providers, and
    - (c) Participation by the public, and
- d. As required by 49 U.S.C. 5316(f)(2), before it transfers funds to a project funded under 49 U.S.C. 5336, that project has been or will have been coordinated with private nonprofit providers of services.

2. As permitted by 49 U.S.C. 5317(e)(1), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5310 and 49 U.S.C. 5307 to be appropriate for the New Freedom Program, of which some require certifications. Therefore, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:

- a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:
  - (1) Legal capacity to carry out its proposed projects,
  - (2) Financial capacity to carry out its proposed projects,
  - (3) Technical capacity to carry out its proposed projects,
  - (4) Safety aspects of its proposed projects, and
  - (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the New Freedom Program authorized by 49 U.S.C. 5317, it and each subrecipient will:
  - (1) Use competitive procurement (as defined or approved by FTA),
  - (2) Not use exclusionary or discriminatory specifications in its procurements,
  - (3) Comply with applicable Buy America laws, and
  - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
  - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- e. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:
  - (1) Has or will have the amount of funds required for the local share,
  - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (3) Will provide the local share funds when needed, and
- f. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
  - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - (a) Maximize the safe, secure, and efficient mobility of people,
    - (b) Minimize environmental impacts, and
    - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
  - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - (a) Design public transportation for elderly individuals and individuals with disabilities, and (b) Provide public transportation for elderly individuals and individuals with disabilities, and
  - (3) The requirements of 49 U.S.C. 5303—5306 for:
    - (a) Metropolitan and State Planning, and
    - (b) Private enterprise participation.

**GROUP 21. PAUL S. SARBANES TRANSIT IN PARKS PROGRAM**

*Applies to awards for Paul S. Sarbanes Transit in Parks Program (Parks Program) funding, 49 U.S.C. 5320.*

The following certifications apply to each Applicant for funding under the Paul S. Sarbanes Transit in Parks Program (Parks Program) authorized under 49 U.S.C. 5320:

1. As required by 49 U.S.C. 5320(e)(D), the Applicant assures that it will consult with the appropriate Federal land management agency during the planning process.

2. As permitted by 49 U.S.C. 5320(i), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5307 to be appropriate for the Parks Program, of which some require certifications. Therefore as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:

- a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
  - (1) Legal capacity to carry out its proposed projects,
  - (2) Financial capacity to carry out its proposed projects,
  - (3) Technical capacity to carry out its proposed projects,
  - (4) Safety aspects of its proposed projects, and
  - (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the Parks Program, 49 U.S.C. 5320, it will:
  - (1) Use competitive procurement (as defined or approved by FTA),
  - (2) Not use exclusionary or discriminatory specifications in its procurements,
  - (3) Comply with applicable Buy America laws, and
  - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
  - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- e. As required by 49 U.S.C. 5307(d)(1)(F) and 49 U.S.C. 5320(e)(2)(C), it has complied with or will comply with the requirements of 49 U.S.C. 5307(c). Specifically, it:
  - (1) Has made available, or will make available, to the public information on the amounts available for the Parks Program, 49 U.S.C. 5320, and the projects it proposes to undertake,
  - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, projects to be financed,
  - (3) Has published or will publish a list of proposed projects in a way that affected citizens, private transportation providers, and local elected officials have the opportunity to examine the proposed projects and submit comments on the proposed projects and the performance of the Applicant,
  - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
  - (5) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
  - (6) Has made or will make the final list of projects available to the public,
- f. As required by 49 U.S.C. 5307(d)(1)(G), it:
  - (1) Has or will have the amount of funds required for the local share,
  - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (3) Will provide the local share funds when needed,
- g. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
  - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - (a) Maximize the safe, secure, and efficient mobility of people,
    - (b) Minimize environmental impacts, and
    - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
  - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - (a) Design public transportation for elderly individuals and individuals with disabilities, and
    - (b) Provide public transportation for elderly individuals with disabilities, and
  - (3) The requirements of 49 U.S.C. 5303—5306 for:
    - (a) Metropolitan and State Planning, and
    - (b) Private enterprise participation, and
- h. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
  - (1) Raising a fare, or
  - (2) Implementing a major reduction of public transportation.

## **GROUP 22. TRIBAL TRANSIT PROGRAM**

*Applies to awards for Tribal Transit Program funds, 49 U.S.C. 5311(c)(1).*

As permitted by 49 U.S.C. 5311(c)(1) the Federal Transit Administrator has established terms and conditions for direct grants funded under FTA's Tribal Transit Program authorized under 49 U.S.C. 5311(c)(1) for Indian tribal governments. To ensure compliance with those requirements, the Indian tribal government serving as the Applicant certifies and assures that:

1. It has or will have the necessary legal, financial, and managerial capability to:
  - a. Apply, receive and disburse 49 U.S.C. 5311(c)(1) funding, and
  - b. Carry out each project, including the:
    - (1) Safety aspects of its proposed projects, and
    - (2) Security aspects of its proposed projects,
2. It has or will have satisfactory continuing control over the use of project equipment and facilities,
3. The project equipment and facilities will be adequately maintained,
4. Its project will achieve maximum feasible coordination with transportation service assisted by other Federal sources,
5. It will:
  - a. Have a procurement system that complies with U.S. DOT regulations, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 C.F.R. part 18, specifically 49 CFR 18.36, or
  - b. Inform FTA promptly that its procurement system does not comply with those U.S. DOT regulations, and
6. It will comply with the certifications, assurances, and agreements in:
  - a. Group 08 (Bus Testing),
  - b. Group 09 (Charter Bus Agreement),
  - c. Group 10 (School Transportation Agreement),
  - d. Group 11 (Demand Responsive Service),
  - e. Group 12 (Alcohol Misuse and Prohibited Drug Use), and
  - f. Group 14 (National Intelligent Transportation Systems Architecture and Standards).

## **GROUP 23. TIFIA PROJECTS**

*Applies to awards for Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance authorized under 23 U.S.C. chapter 6.*

The following certifications apply to each Applicant for funding under the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program authorized under 23 U.S.C. chapter 6:

1. Federal transit law, specifically 49 U.S.C. 5323(o) requires an Applicant for TIFIA credit assistance funded under 23 U.S.C. chapter 6 and its project to comply with 49 U.S.C. 5307. As required by 49 U.S.C. 5307(d)(1), the Applicant certifies that:
  - a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
    - (1) Legal capacity to carry out its proposed projects,
    - (2) Financial capacity to carry out its proposed projects,
    - (3) Technical capacity to carry out its projects,
    - (4) Safety aspects of its proposed projects, and
    - (5) Security aspects of its proposed projects,
  - b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
  - c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
  - d. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 23 U.S.C. chapter 6:
    - (1) Elderly individuals,
    - (2) Individuals with disabilities, or
    - (3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
  - e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement supported with TIFIA funding under 23 U.S.C. chapter 6, it will:
    - (1) Use competitive procurement (as defined or approved by FTA),
    - (2) Not use exclusionary or discriminatory specifications in its procurements,
    - (3) Comply with applicable Buy America laws, and

- (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
- (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- f. As required by 49 U.S.C. 5307(d)(1)(F), it has complied or will comply with 49 U.S.C. 5307(c) because it:
  - (1) Has informed or will inform the public of the amounts of its TIFIA credit assistance available under 23 U.S.C. chapter 6, and the projects it proposes to undertake,
  - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects it proposes to fund,
  - (3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
  - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
  - (5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
  - (6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
  - (7) Has made or will make the final list of projects available to the public,
- g. As required by 49 U.S.C. 5307(d)(1)(G), it:
  - (1) Has or will have the amount of funds required for the local share,
  - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (3) Will provide the local share funds when needed,
- h. As required by 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with:
  - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - (a) Maximize the safe, secure, and efficient mobility of people,
    - (b) Minimize environmental impacts, and
    - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
  - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - (a) Design public transportation for elderly individuals and individuals with disabilities, and
    - (b) Provide public transportation for elderly individuals and individuals with disabilities, and
  - (3) The requirements of 49 U.S.C. 5303–5306
    - (a) Metropolitan and State Planning, and
    - (b) Private enterprise participation,
- i. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
  - (1) Raising a fare, or
  - (2) Implementing a major reduction of public transportation,
- j. As required by 49 U.S.C. 5307(d)(1)(J), if it serves an urbanized area with a population of at least 200,000:
  - (1) Each fiscal year it will spend at least one (1) percent of its funding attributed to 49 U.S.C. 5307 for public transportation security projects, or
  - (2) That fiscal year, it will certify that such expenses for transportation security projects are not necessary,
  - (3) Public transportation security projects include:
    - (a) Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),
    - (b) Increased camera surveillance of an area in or adjacent to that system,
    - (c) Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and
    - (d) Any other project intended to increase the security and safety of an existing or planned public transportation, and
- k. As required by 49 U.S.C. 5307(d)(1)(K), if it serves an urbanized area with a population of at least 200,000:
  - (1) Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined at 49 U.S.C. 5302(a),
  - (2) It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and
  - (3) The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

2. Federal transit law at 49 U.S.C. 5323(o) requires an Applicant for TIFIA credit assistance funded under 23 U.S.C. chapter 6 and its project to comply with 49 U.S.C. 5309. As required by 49 U.S.C. 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), and 5309(i)(2)(C), the Applicant certifies that it will not seek reimbursement for interest and other financing costs incurred in connection with the Project unless:

- a. It is eligible to receive Federal funding for those expenses, and

- b. Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

## **GROUP 24. DEPOSITS OF FEDERAL FINANCIAL FUNDING TO STATE INFRASTRUCTURE BANKS**

*Applies to awards for 49 U.S.C. chapter 53 funding on behalf of a State Applicant that intends to deposit the funding in a State Infrastructure Bank (SIB). Unless we determine otherwise in writing, the State Applicant itself is ultimately responsible for compliance with its certifications and assurances even though the SIB and a subrecipient may participate in a project financed with our funds deposited in the SIB. Consequently, we encourage the Applicant to take appropriate measures to obtaining sufficient documents from the SIB and each subrecipient, to assure the validity of all certifications and assurances the State Applicant has made.*

The following certifications apply to each Applicant for funding under the State Infrastructure Bank Program authorized under 23 U.S.C. 610. The State organization, serving as the Applicant for funding for its State Infrastructure Bank (SIB) Program, assures the agreement of both its SIB and each recipient of SIB funding (subrecipient) that each public transportation project financed with SIB funds will be administered in accordance with:

1. The applicable Federal laws establishing the various SIB programs since 1995:
  - a. Section 1602 of SAFETEA–LU, now codified in 23 U.S.C. 610, or
  - b. Section 1511 of TEA–21, 23 U.S.C. 181 note, or
  - c. Section 350 of the National Highway System Designation Act of 1995, as amended, 23 U.S.C. 181,
2. The Cooperative Agreement establishing the State’s SIB program between:
  - a. The State Applicant and Federal parties (FHWA, FRA, and FTA), or
  - b. The State Applicant and Federal parties (FHWA and FTA),
3. The Grant Agreement with the State Applicant that provides FTA funding for the SIB, except that any provision of the FTA Master Agreement incorporated by reference into that Grant Agreement will not apply if it conflicts with any provision of:
  - a. Section 1602 of SAFETEA–LU, now codified in 23 U.S.C. 610,
  - b. Section 1511 of TEA–21, 23 U.S.C. 181 note, or section 350 of the National Highway System Designation Act of 1995, as amended, 23 U.S.C. 181 note, or
  - c. Federal guidance pertaining to the SIB Program,
  - d. The Cooperative Agreement establishing the State’s SIB Program, or
  - e. The FTA Grant Agreement,
4. As required by 49 U.S.C. 5323(o), Federal transit laws, specifically 49 U.S.C. 5307 and 49 U.S.C. 5309, apply to any project under 49 U.S.C. chapter 53 that receives SIB support or financing under 23 U.S.C. 610 (or any support from 23 U.S.C. 601–608.). Therefore:
  - a. To comply with 49 U.S.C. 5307, specifically 49 U.S.C. 5307(d)(1), the Applicant certifies that:
    - (1) As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
      - (a) Legal capacity to carry out its proposed projects,
      - (b) Financial capacity to carry out its proposed projects,
      - (c) Technical capacity to carry out its proposed projects,
      - (d) Safety aspects of its proposed projects, and
      - (e) Security aspects of its proposed projects,
    - (2) As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
    - (3) As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
    - (4) As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 23 U.S.C. chapter 6:
      - (a) Elderly individuals,
      - (b) Individuals with disabilities, or
      - (c) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
    - (5) As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement supported by the SIB program, 23 U.S.C. 610, it will:
      - (a) Use competitive procurement (as defined or approved by FTA),
      - (b) Not use exclusionary or discriminatory specifications in its procurements,
      - (c) Comply with applicable Buy America laws, and
      - (d) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
      - (e) Comply with the third party procurement requirements of 49 U.S.C. 5325,

- (6) As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply 49 U.S.C. 5307(c) because it:
- (a) Has informed or will inform the public of the amounts of its SIB funding under 23 U.S.C. 610, and the projects it proposes to undertake,
  - (b) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
  - (c) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
  - (d) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
  - (e) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
  - (f) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
  - (g) Has made or will make the final list of projects available to the public,
- (7) As required by 49 U.S.C. 5307(d)(1)(G), it:
- (a) Has or will have the amount of funds required for the local share,
  - (b) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
  - (c) Will provide the local share funds when needed,
- (8) As required by 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with:
- (a) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    - 1 Maximize the safe, secure, and efficient mobility of people,
    - 2 Minimize environmental impacts, and
    - 3 Minimize transportation-related fuel consumption and reliance on foreign oil,
  - (b) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    - 1 Design public transportation for elderly individuals and individuals with disabilities, and
    - 2 Provide public transportation for elderly individuals and individuals with disabilities, and
  - (c) The requirements of 49 U.S.C. 5303–5306 for:
    - 1 Metropolitan and State Planning, and
    - 2 Private enterprise participation,
- (9) As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
- (a) Raising a fare, or
  - (b) Implementing a major reduction of public transportation,
- (10) As required by 49 U.S.C. 5307(d)(1)(J), if it will be using 49 U.S.C. 5307 funds and it serves an urbanized area with a population of at least 200,000:
- (a) Each fiscal year, it will spend at least one (1) percent of its 49 U.S.C. 5307 funding for public transportation security projects, or
  - (b) That fiscal year, it will certify that such expenses for transportation security projects are not necessary,
  - (c) Public transportation security projects include:
    - 1 Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),
    - 2 Increased camera surveillance of an area in or adjacent to that system,
    - 3 Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and
    - 4 Any other project intended to increase the security and safety of an existing or planned public transportation project, and
- (11) As required by 49 U.S.C. 5307(d)(1)(K), if it will be using 49 U.S.C. 5307 funds and it serves an urbanized area with a population of at least 200,000:
- (a) Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined in 49 U.S.C. 5302(a),
  - (b) It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and
  - (c) The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

b. To comply with 49 U.S.C. 5309, specifically 49 U.S.C. 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), and 5309(i)(2)(C), the Applicant certifies that it will not seek reimbursement for interest and other financing costs incurred in connection with the Project unless:

- (1) It is eligible to receive Federal funding for those expenses, and
- (2) Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

3. Federal guidance that may be issued and amendments thereto, unless FTA has provided written approval of an alternative procedure or course of action.

## APPENDIX A

### Title VI Agreement / Contract Requirements

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

(1) Compliance with Regulations: The contractor shall comply with the Regulation relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

(2) Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, or sex in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

(3) Solicitations for Subcontractors, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, or sex.

(4) Information and Reports: The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Arizona Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the Arizona Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Arizona Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

- a) withholding of payments to the contractor under the contract until the contractor complies, and/or
- b) cancellation, termination or suspension of the contract, in whole or in part.

(6) Incorporation of Provisions: The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The contractor shall take such action with respect to any subcontract or procurement as the Arizona Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Arizona Department of Transportation to enter into such litigation to protect the interests of the Arizona Department of Transportation, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

## APPENDIX B

### Title VI Agreement / Contract Requirements

**The following clauses shall be included in any and all deeds effecting or recording the transfer of real property, structures or improvements thereon, or interest therein from the United States.**

#### **(GRANTING CLAUSE)**

NOW, THEREFORE, the Department of Transportation, as authorized by law, and upon the condition that the Arizona Department of Transportation will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code the Regulations for the Administration of Federal Aid for Highways and the policies and procedures prescribed by Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter referred to as the Regulations) pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. .2000d to 2000d-4), and the Civil Rights Restoration Act of 1987 (Public Law 100.259) does hereby remise, release, quitclaim and convey unto the Arizona Department of Transportation all the right, title and interest of the Department of Transportation in and to said lands described in Exhibit "A" attached hereto and made a part hereof.

#### **(HABENDUM CLAUSE)**

TO HAVE AND TO HOLD said lands and interests therein unto Arizona Department of Transportation and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on the Arizona Department of Transportation, its successors and assigns.

The Arizona Department of Transportation, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on over or under such lands hereby conveyed [and]\* (2) that the Arizona Department of Transportation shall use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of -the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and the Civil Rights Restoration Act of 1987 (Public Law 100.259) and as said Regulations may be amended and (3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the Department shall have a right to re-enter said lands and facilities on said land, and the above described land and facilities shall thereon revert to and vest in and become the absolute property of the Department of Transportation and its assigns as such interest existed prior to this instruction.\*

**\*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.**

## APPENDIX C

### Title VI Agreement / Contract Requirements

**The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the Arizona Department of Transportation pursuant to the provisions of Assurance 7(a).**

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987 (Public Law 100.259) and as said Regulations may be amended.

[Include in licenses, leases, permits, etc.]\*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [licenses, lease, permit, etc.] had never been made or issued.

[Include in deeds]\*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of Arizona Department of Transportation and its assigns.

**The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by Arizona Department of Transportation pursuant to the provisions of Assurance 7(b).**

The (grantee, licensee, lessee, permittee, etc. as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that (1) no person on the ground of race, color, national origin, or sex shall be excluded from participation in, denied the benefits of, or he otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the ground of, race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations. Department of Transportation, Subtitle A, Office of the Secretary. Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), and the Civil Rights Restoration Act of 1987 (Public Law 100.259) and as said Regulations may be amended.

[Include in licenses, leases, permits, etc.]\*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [license, lease, permit, etc.] had never been made or issued.

[Include in deeds]\*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of Arizona Department of Transportation and its assigns.

**\*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.**

RESOLUTION NUMBER 2647

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, AGREEING TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION MULTIMODAL PLANNING DIVISION (ADOT) FOR RESIDUAL 5311 RURAL TRANSPORTATION GRANT FUNDING FOR THE COTTONWOOD AREA TRANSIT & VERDE LYNX TRANSPORTATION SYSTEMS FROM JULY 1 THROUGH SEPTEMBER 30, 2012.

WHEREAS, the State is empowered by A.R.S. § 28-401 and § 28-334 to enter into this Agreement; and

WHEREAS, the City of Cottonwood is empowered by A.R.S. § 48-572 to enter into this Agreement; and

WHEREAS, beginning July 1, 2012, the City of Cottonwood will assume the management and operation of the Cottonwood Area Transit (CAT) and the Verde Lynx transportation systems from the Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA); and

WHEREAS, NAIPTA applied for Section 5311 Rural Public Transportation grant funds from ADOT for the operation of CAT and Verde Lynx for the 2012 fiscal year and has agreed to the City receiving said grant funding from the state for the remaining three months of the 2012 fiscal year; and

WHEREAS, it is necessary to enter into an intergovernmental agreement with ADOT to receive said remaining funding.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA:

THAT, the City Council agrees to enter into an Intergovernmental Agreement with the State of Arizona, through its Department of Transportation Multimodal Planning Division, to provide Section 5311 Rural Public Transportation funds for the operation of the Cottonwood Area Transit and Verde Lynx transportation

RESOLUTION NUMBER 2647

Page 2

systems for the remainder of the 2012 fiscal subject to review and approval of the Agreement by the City Attorney.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, ARIZONA THIS 19TH DAY OF JUNE 2012.

---

Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

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Steven B. Horton, Esq., City Attorney

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Marianne Jiménez, City Clerk

## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	Position Request - Transportation Field Supervisor
Department:	Community Services
From:	Richard Faust, Community Services General Manager

### **REQUESTED ACTION**

Council consideration of a new Transportation Field Supervisor position request from the Transportation Services Department.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:  
I move to approve a Transportation Supervisor for the CAT/Verde Lynx operations at a Range 21, and authorize staff to proceed with hiring within the requirements set forth by the Cottonwood Employee Manual.

### **BACKGROUND**

With the advent of the transportation transition plan and subsequent City start-up of transportation operations with both the Cottonwood Area Transit (CAT) and Verde Lynx systems, Cottonwood City Council has authorized the 2012/13 budget cycle. Management has since learned that two Supervisors will be necessary for the complete transition of employee services for start-up on July 1, 2012 totally mimicking the current NAIPTA system operations.

### **JUSTIFICATION/BENEFITS/ISSUES**

As a requirement of the Cottonwood Employee Manual, positions that are not presently approved in the budget, have to be approved by the City Council. Authorization of this request would provide for optimum operations transportation fleet management within the context of both the CAT and Verde Lynx systems. When staff came to Council in February and March 2012 for authorization to hire both the Transportation Manager and additional Transit positions, it was noted recently that we had left out a critical position component of the transit system. Staff felt that even though NAIPTA was running the two operations with two (2) Transit Field Supervisors, we would only need one. However, this is not the case. We did not take into consideration that the two pronged system would need a supervisor under the Transportation Manager for both the CAT and also the Lynx. Both systems need a Supervisor in order to be on site by 6:00 a.m. to establish both Driver (Fit For Duty) and bus unit readiness involving safety and security for passenger transport. The large problem that was noted was in regard to a 6:00 a.m. to 7:00 p.m. work schedule for both the CAT and the Lynx. In addition,

the Lynx runs commuter/connector services to Sedona and back seven (7) days a week, 52 weeks a year at eight (8) times per day. One Supervisor will not be able to handle 13 hour days at seven days a week plus working weekends. Therefore, the need for two (2) Transportation Supervisors instead of just one. Staff is requesting Council consider an additional Transportation Supervisor at a Range 21 (\$24,910 to \$36,120) thereby meeting required service priorities to the public and thereby providing continuity of transit services mimicking the current NAIPTA operations program.

**COST/FUNDING SOURCE**

Total cost for the position will increase budget amounts by approximately \$45,000 to \$50,000 out of the General Fund including benefits. It should be noted that within the context of staff's completion of the State ADOT 5311 Rural Transportation Grant in December 2011, funding for this position was authorized by the State within the Administrative and Operational sections of the budget. Total amount requested by Cottonwood to operate and administer the joint CAT and Verde Lynx program personnel budget was totaled at \$666,625 (includes temporary employees and benefits). Total authorized within the context of the Cottonwood 2012/2013 budget was \$578,895 (includes all benefits, overtime, Holiday pay and temporary employees). Totals for the Cottonwood budget included potential costs for the Merit Contingency program as well. Therefore, there is an excess of funding available from the 5311 Rural Transportation Grant fund in the amount of approximately \$87,730 for additional personnel where necessary. Subtracting the \$45,000 to \$50,000 from the Grant budget would still allow for an excess of nearly \$37,000 in funding should there be emergency needs in the future over the next 12 months.

**ATTACHMENTS:**

Name:	Description:	Type:
<a href="#">195-Field Supervisor - Transportation 4-11-12.doc</a>	Transportation Field Supervisor Position Description	Cover Memo
<a href="#">ADOT 5311 Rural Transportation Grant - Administrative Operating Budgets 2013.pdf</a>	5311 Rural Transportation Fund Grant - Administrative & Operating Budgets	Cover Memo
<a href="#">Cottonwood Area Transit System Fund Expenditures by Category.pdf</a>	Cottonwood Fiscal Year 2013 Budget - CAT-Lynx Transit System Fund Expenditures	Cover Memo

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Job Description  
Job Code: 195  
Range: 21

## **FIELD SUPERVISOR - TRANSPORTATION**

**DEFINITION:** Under direct supervision of the Transportation Manager, ensures that bus transit routes are staffed by trained operators and that equipment is up and running safely on a daily basis. Ensures that all policies and procedures are followed, to respond to emergency situations, and to provide overall backup and support to drivers in all phases of transit route, conduct, operator training and evaluations. Performs related duties as assigned.

**CLASSIFICATION:** This is a non-exempt, full-time, classified position with full benefits.

**ESSENTIAL FUNCTIONS:** Essential functions, as defined under the Americans with Disabilities Act, may include the following tasks, knowledge, skills and other characteristics. This list is ILLUSTRATIVE ONLY, and is not a comprehensive listing of all functions and tasks performed by incumbents of this classification.

### **TASKS:**

- Responsible for all duties under Transportation Driver job description.
- Ensures that all operators are fit for duty prior to operating a vehicle.
- Ensures that all routes have vehicles and drivers, that vehicles are fueled and safe to operate.
- As directed by Transportation Manager, assists to provide various training needs, including providing behind-the-wheel training for all new transit operators in the CAT/LYNX system.
- Provides refresher training, operation lifesaver, wheel chair securement, pre- and post-trip and emergency training
- Routinely conducts road checks to ensure customer service, on time performance, route compliance, and operational safety; discusses results and provides reports to Transportation Manager.
- Assists, advises and directs transit operators while in the field, pre tripping vehicles, and completing work records and reports.
- Ensures that all City of Cottonwood, and CAT/LYNX policies, procedures and safety requirements are followed and documented, and facility open/close procedures are followed at all times.
- May perform dispatch functions.
- As trained by supervisor, may utilize fixed route and para-transit scheduling software.
- Responds to accidents and incidents and tasks associated with emergency response.
- May assist fleet services as needed.
- May perform basic vehicle repairs including washing and cleaning buses
- Performs other work as assigned.

### **KNOWLEDGE, SKILLS, AND OTHER CHARACTERISTICS:**

- Knowledge of public transportation, facilities maintenance, and material management requirements, practices, and processes.
- Knowledge of environmental, ADOT, OSHA and FTA safety laws and regulations.
- Knowledge of principles of supervision, training, work scheduling, and discipline.
- Knowledge of correct English usage, spelling and vocabulary.
- Maintain a positive work environment.
- Prepare and maintain records and reports.
- Interact with a culturally diverse population.

Field Supervisor - Transportation – (Continued)

- Establish effective working relationships with employees, local law enforcement and other agencies.
- Follow written and verbal instructions.
- Communicate rules, regulations and service limitations with employees and the general public.
- Communicate effectively verbally and in writing.

**PHYSICAL REQUIREMENT:** This position requires physical effort such as walking, lifting, standing, squatting, reaching, pulling and manual dexterity. This position often works onboard moving vehicles and requires sitting, standing and holding balance for long periods of time. Additional requirements are listed in available ADA Essential Functions Survey.

**MINIMUM QUALIFICATIONS:** High School graduation or GED, OR any equivalent combination of education, training and experience, which demonstrates the ability to perform the duties of the position. Minimum of 2 years prior similar work experience

Must be available to work days, nights, weekends, holidays and a varied schedule, as needed. – Must be able to obtain CDL License Class B with P Endorsement within 30 days of start date. First Aid and CPR certification is required. Experience with Microsoft Word, Excel and PowerPoint desirable.

**SPECIAL CONDITIONS:** All personnel who are required to work with solvents, fluids, and other industrial agents while on duty are required to use only FTA, OSHA, or DOL approved goggles, work boots, protective masks, protective helmets, cover-alls, other tools and equipment when cleaning, repairing, inspecting areas within CAT/LYNX premises and facilities.

Employee's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Prepared by: R.Faust 4/11/12

Reviewed by: I.Dobler 4/11/12

**ADMINISTRATIVE BUDGET**

(Whole \$ Only)

<b>A. EXPENSES</b>			<b>FY 2012 Budget</b>
<b>Personnel</b>	<b>Annual \$</b>	<b>% Time</b>	
Transit Operations Manager	81,000	0.75	\$60,750
Community Services & Administrative Mgmt.	208,000	0.14	\$29,120
Administrative Assistant	62,000	0.02	\$1,240
Financial Assistant	42,000	0.04	\$1,680
Human Resources Manager	58,000	0.05	\$2,900
Fringe Benefits for Admin. Personnel	9,569	0	\$9,569
<b>SUBTOTAL PERSONNEL</b>			<b>\$105,259</b>
<b>Other Administrative Expenses</b>			
Space Rental	0		\$0
Program Audit	14,100		\$14,100
Utilities	21,000		\$21,000
Marketing / Advertising	24,300		\$24,300
Printing	9,000		\$9,000
Rental Equipment	0		\$0
Admin. Supplies	1,800		\$1,800
Office Phone/Cell Phone	1,020		\$1,020
Other (specify below)			\$0
Travel Expenses	3,400		\$3,400
<b>SUBTOTAL OTHER ADMIN</b>			<b>\$74,620</b>
<b>Substance Abuse Program</b>			
Collection Site(s)	150		\$150
Medical Review Officer	480		\$480
Laboratory Testing	860		\$860
Related Travel			\$0
<b>SUBTOTAL SUBSTANCE ABUSE</b>			<b>\$1,490</b>
<b>B. ADMINISTRATIVE SUBTOTAL</b>			<b>\$181,369</b>
The Administrative Budget, divided by the Federal share of Administrative Budget plus the Federal share of Operating Budget, cannot exceed a ratio of 40%.			35.02%
<b>C. LOCAL SHARE (at least 20% of subtotal)</b>			<b>\$36,274</b>
<b>D. FEDERAL SHARE* (No more than 80% of subtotal)</b>			<b>\$145,095</b>
<b>E. LOCAL SHARE SOURCE:</b>			
List each source and amount. All in-kind contributions used as part of local match must be listed as cost items in the Administrative expenses above.			
1 City of Cottonwood - 43%			\$15,598
2 City of Sedona - 13%			\$4,716
3 Town of Clarkdale - 18%			\$6,529
4 Yavapai County - 26%			\$9,431
5			\$0
<b>SUBTOTAL LOCAL SHARE</b>			<b>\$36,274</b>

**OPERATING BUDGET**

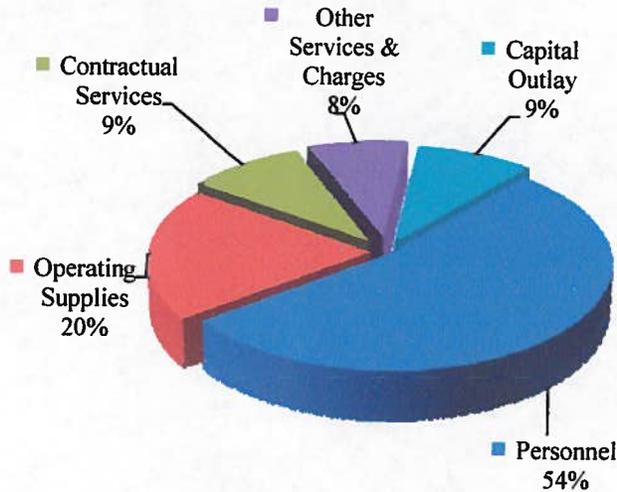
(Whole \$ Only)

			<b>FY 2012 Budget</b>
<b>A. OPERATING EXPENSES</b>			
<b>Personnel</b>	<b>FT</b>	<b>PT</b>	
Driver Salaries (8 FT/5 PT)	275,000	30,000	\$305,000
Other Salaries (specify below)	0	0	\$0
Dispatcher (2 FT)	65,300	0	\$65,300
Driver/Maint. Supervisor	0	0	\$0
Mechanic	0	0	\$0
Total Fringe Benefits	153,325		\$153,325
<b>SUBTOTAL PERSONNEL</b>			<b>\$523,625</b>
<b>Other Operating Expenses</b>			
Fuel and Oil	122,000		\$122,000
Tires, Parts, Maintenance	88,500		\$88,500
Vehicle Licenses	0		\$0
Vehicle Insurance	41,700		\$41,700
Uniform/Purchase	2,500		\$2,500
Uniform/Cleaning	0		\$0
Vehicle Radio/Cell Phone Service	2,400		\$2,400
Operating Supplies	13,200		\$13,200
Janitorial	5,000		\$5,000
Software/Computer Expenses and Maintenance	1,000		\$1,000
<b>SUBTOTAL OTHER OPERATING EXPENSE</b>			<b>\$276,300</b>
<b>OPERATING EXPENSE SUBTOTAL</b>			<b>\$799,925</b>
<b>B. OPERATING REVENUES</b>			
Fare Revenues			\$157,250
Other Operating Revenues (includes advertising)			\$0
<b>OPERATING REVENUE SUBTOTAL</b>			<b>\$157,250</b>
<b>C. NET OPERATING COSTS</b>			
(Subtract Operating Revenue Subtotal from Operating Expense Subtotal)			<b>\$642,675</b>
<b>D. LOCAL SHARE (at least 42% of "C")</b>			
			<b>\$269,924</b>
<b>E. FEDERAL SHARE (no more than 58% of "C")</b>			
			<b>\$372,751</b>
<b>F. LOCAL SHARE SOURCE</b>			
			<b>\$269,924</b>
List each source and amount. All in-kind contributions used as part of local match must be listed as cost items in the Administrative expenses above.			
1 City of Cottonwood		\$134,963	\$150,561
2 City of Sedona		\$86,375	\$91,091
3 Town of Clarkdale		\$24,293	\$30,822
4 Yavapai County		\$24,293	\$33,724
5			\$0
<b>SUBTOTAL LOCAL SHARE</b>			<b>\$306,198</b>

**Cottonwood Area Transit System Fund Expenditures By Category**

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$578,895	\$216,000	\$100,400	\$86,000	\$100,000	\$0	\$1,081,295
	\$578,895	\$216,000	\$100,400	\$86,000	\$100,000	\$0	\$1,081,295

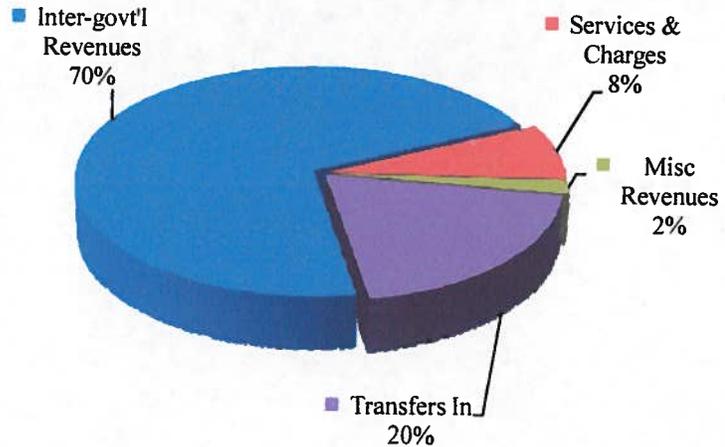
**HURF TRANSIT Expenditures By Category FY 2013**



Revenues	\$868,505
Expenditures	(1,081,295)
Other Funding Sources/Uses	212,790
Use of Fund Balance	\$0

Inter-gov't'l Revenues	\$763,505
Services & Charges	85,000
Misc Revenues	20,000
Transfers In	212,790
<b>Total Resources Available</b>	<b>\$1,081,295</b>

**HURF TRANSIT Revenue By Source FY 2013**



## City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	June 19, 2012
<b>Subject:</b>	<b>American Veterans Traveling Tribute (AVTT) Traveling Wall</b>
Department:	City Clerk
From:	Mayor Diane Joens/City Manager Doug Bartosh

### **REQUESTED ACTION**

Consideration of funding \$2000 for the Traveling Wall honoring Vietnam Veterans.

### **SUGGESTED MOTION**

If the Council desires to approve this item the suggested motion is:

I recommend providing funding \$2000 for the American Veterans Traveling Tribute (AVTT) Traveling Wall from Council's 2011/2012 contingency funds.

### **BACKGROUND**

The Vietnam War was fought in the Republic of South Vietnam from 1961 to 1975, and involved the North Vietnamese regular forces and Viet Cong guerrilla forces in armed conflict with the United States Armed Forces and the Army of the Republic of Vietnam. By the end of 1965, there were 80,000 United States troops in Vietnam, and by 1969, a peak of approximately 543,000 troops was reached. There were 623 men and women from Arizona who gave the ultimate sacrifice. About a year ago, the U.S. Senate officially declared March 30th to be "Welcome Home Vietnam Veterans Day." The City Councils in the Verde Valley signed proclamations and the City of Sedona hosted an event in 2012. The City of Cottonwood and local Veterans assisted Sedona with the first Verde Valley Welcome Home Vietnam Veterans Day. Cottonwood plans to host the event in our community on Saturday, March 30, 2013. A group of community Veterans is working to bring an outdoor Traveling Wall to honor Vietnam Veterans and create a forum for communities to raise local awareness for its Vietnam veterans. The Traveling Wall includes the Wall and 14 flags that are displayed on it. This is the largest traveling replica of the Vietnam Veterans Memorial Wall and is 360 feet in length and 8 feet at its apex. It is an 80% replica in size and 100% in content.

### **JUSTIFICATION/BENEFITS/ISSUES**

Recognizing "Welcome Home Vietnam Veterans Day" is a gesture of acceptance, gratitude and honor to the members of our community who risked their lives to serve

our country during the Vietnam War - this includes Veterans and their families. Because a large part of the population had misgivings about the war, many Vietnam Veterans returned home to an unsupportive public. Local Vietnam veterans will now have the opportunity to celebrate and have the community honor their service. Short of visiting the Vietnam Veterans Memorial in Washington DC, nowhere can community members experience the thrill and awe of visiting the American Veterans Traveling Tribute (AVTT) Traveling Wall. It is the country's only 80% scale tribute to the men and women who served and paid the ultimate price in the Vietnam war. There is no better way to HONOR, RESPECT & REMEMBER those who gave so much. The sponsorship fee for the Traveling Wall is \$6000 with \$3000 due June 30. A total of \$1,000 has already been raised for the first payment; there is a need for \$2000 to complete the first half payment. The remaining \$3000 is due 60 days prior to the event. The Veterans planning group plans to fundraise the remaining \$3000 from local individuals, businesses and other contributors. A video of the Traveling Wall can be viewed at <http://www.youtube.com/watch?v=KehztlyGS2Q>. If the event cannot take place due to Sponsor/Host reasons before 90 days prior to the event, a refund will be issued.

The organization Community Counts, a 501(c)3 has agreed to be the fiduciary for the event. They will accept donations and make payments.

**COST/FUNDING SOURCE**

Cottonwood City Council Contingency Funds FY ending June 30, 2012.

**ATTACHMENTS:**

Name:	Description:	Type:
No Attachments Available		



