A G E N D A

REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD JULY 17, 2012, AT 6:00 P.M., AT THE COTTONWOOD PUBLIC SAFETY BUILDING, 191 SOUTH 6TH 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.

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.

V. PRESENTATION OF A PLAQUE OF APPRECIATION TO THE CITY BY THE COTTONWOOD/OAK CREEK SCHOOL DISTRICT.

VI. EMPLOYEE OF THE QUARTER AWARD—NIKKI ARBEITER, PLANNER.

VII. EMPLOYEE QUARTERLY SAFETY AWARD—TOM HALL, BUILDING INSPECTOR.

VIII. APPROVAL OF MINUTES—Regular Meetings of 6/5/12 and 6/19/12.

Comments regarding items listed on the agenda are limited to a 5 minute time period per speaker.

IX. UNFINISHED BUSINESS—None.

X. 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. APPLICATION FOR EXTENSION OF PREMISES/PATIO LIQUOR LICENSE PERMIT SUBMITTED BY LARRY PRITCHARD, LICENSEE FOR PLAYERS SPORTS BAR & GRILL LOCATED AT 1100 SOUTH HIGHWAY 260 FOR AN EVENT SCHEDULED FOR AUGUST 4, 2012.

2. SPECIAL EVENT LIQUOR LICENSE APPLICATIONS SUBMITTED BY TERRA SHANKS ON BEHALF OF THE VERDE VALLEY FAIR ASSOCIATION FOR EVENTS SCHEDULED FOR SEPTEMBER 29, OCTOBER 19 & 20, AND NOVEMBER 17, 2012, AT THE VERDE VALLEY FAIRGROUNDS LOCATED AT 800 EAST CHERRY STREET.

3. ACCEPTANCE OF A GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT IN THE AMOUNT OF $6,000 FOR POLICE DEPARTMENT OVERTIME EXPENSES INCURRED DURING SELECTIVE TRAFFIC ENFORCEMENT DETAILS AND APPROVAL OF THE GRANT CONTRACT.

4. ACCEPTANCE OF A GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT IN THE AMOUNT OF $15,000 FOR OVERTIME EXPENSES INCURRED DURING DUI PATROLS AND APPROVAL OF THE GRANT CONTRACT.

5. ACCEPTANCE OF A YAVAPAI COUNTY COMMUNITY FOUNDATION 2012 CANINE ENFORCEMENT GRANT, CONTRACT NUMBER 20130879, FOR VETERINARY EXPENSES FOR THE POLICE DEPARTMENT'S CANINES AND APPROVAL OF THE GRANT CONTRACT.

6. AWARD OF JOB ORDER CONTRACTING FOR UNDERGROUND CONTRACTING SERVICES FOR THE CITY'S UTILITY DEPARTMENT.

7. REJECTION OF ALL BIDS RECEIVED FOR THE PURCHASE OF TWO EMERGENCY GENERATORS FOR THE CITY'S UTILITY DEPARTMENT.

8. RENEWAL OF THE CITY'S WASTE/RECYCLING SERVICES FOR AN ADDITIONAL ONE YEAR PERIOD WITH NORTH AMERICAN WASTE SYSTEMS FOR CITY FACILITIES.

XI. NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.

1. DISCUSSION, CONSIDERATION, AND POSSIBLE LEGAL ACTION REGARDING THE CITY'S CONTINUED INVOLVEMENT AND PARTICIPATION IN A TAXI-VOUCHER PILOT PROGRAM, INCLUDING A PROPOSED MEMORANDUM OF UNDERSTANDING WITH THE NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG) AREA AGENCY ON AGING.

2. PUBLIC HEARING REGARDING THE ADOPTION OF THE CITY'S FINAL BUDGET FOR FISCAL YEAR 2012-2013.

3. RESOLUTION NUMBER 2649—ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2012-2013 AND ESTABLISHING AN EXPENDITURE LIMITATION.

4. RESOLUTION NUMBER 2650--APPROVING A JOINT PROJECT AGREEMENT WITH THE STATE OF ARIZONA THROUGH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR AN ASPHALT OVERLAY PROJECT AT THE COTTONWOOD AIRPORT.

5. CONFIRMATION OF THE APPOINTMENT OF MIKE KUYKENDALL AS THE FIRE CHIEF OF THE CITY AS RECOMMENDED BY THE CITY MANAGER.

6. CREATING A NEW FULL-TIME POSITION IN THE PARKS AND RECREATION DEPARTMENT TO BE SHARED WITH AND JOINTLY FUNDED BY THE COTTONWOOD/OAK CREEK SCHOOL DISTRICT.

7. REQUEST FROM ARIZONA STRONGHOLD VINEYARDS FOR WAIVER OF SECTION 9.12.030, A., ALCOHOLIC BEVERAGES, OF THE MUNICIPAL CODE, IN ORDER TO SERVE AND SELL WINE AT THE OLD TOWN ACTIVITY PARK FOR AN EVENT SCHEDULED FOR AUGUST 25, 2012.

8. CONSIDERATION OF A REQUEST BY SEDONA/VERDE VALLEY PRIDE FOR WAIVER OF SECTION 9.12.030, A., ALCOHOLIC BEVERAGES, OF THE MUNICIPAL CODE, IN ORDER TO SERVE AND SELL BEER AND WINE AT THE OLD TOWN ACTIVITY PARK FOR AN EVENT SCHEDULED FOR SEPTEMBER 29, 2012.

9. AUTHORIZING THE CITY ATTORNEY TO REPRESENT THE CITY AT THE ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL BOARD HEARING SCHEDULED FOR AUGUST 2, 2012, REGARDING THE SAMPLING PRIVILEGE LIQUOR LICENSE APPLICATION SUBMITTED BY THE DON'S SMOKE SHOP AND RECOMMENDED FOR DENIAL BY THE CITY COUNCIL.

XII. CLAIMS & ADJUSTMENTS

XIII. ADJOURNMENT

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.

Americans With Disabilities Act Notice: The Cottonwood Public Safety Facility is wheelchair accessible. Those with needs for special typeface print, hearing devices or other special accommodations may request these through the Cottonwood City Clerk at 928-340-2727 (TDD 928-634-5526). Requests should be made as early as possible to allow the City sufficient time to arrange for the necessary accommodations.

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.

Cottonwood
ARIZONA

2nd QUARTER, 2012
EMPLOYEE *or* SAFETY EMPLOYEE
(please designate which)
RECOGNITION NOMINATION

(Please circle the category for which you are nominating this employee.)

Submit to the HR office by June 15, 2012

Please use the format shown below. You may write or type on an additional sheet of paper, if you wish.

SUBMISSION DATE: JUNE 15, 2012

NAME OF EMPLOYEE: NIKKI ARBEITER

DEPARTMENT: COMMUNITY DEVELOPMENT

POSITION: PLANNER

WHAT ACTION DID THE EMPLOYEE DO TO DESERVE THIS NOMINATION:

- **IMPROVEMENTS TO HEARING OFFICER PROCESS**
- **FACILITATION OF BICYCLE COMMITTEE, IDENTIFICATION AND IMPLEMENTATION OF CERTAIN SAFETY IMPROVEMENTS; AND RECENT ACHIEVEMENT OF BRONZE LEVEL "BICYCLE FRIENDLY" CLASSIFICATION AWARDED BY THE LEAGUE OF AMERICAN BICYCLISTS.**

WHAT IS THE IMPACT/BENEFIT TO THE CITY:

- **MORE EFFECTIVE CODE ENFORCEMENT PROCESS AND RELATED NEIGHBORHOOD IMPROVEMENTS.**
- **ADDED BICYCLE SAFETY AS WELL AS NOTORIETY FROM THE NATIONAL LEVEL BICYCLE COMMUNITY, WHICH IS KNOWN FOR SPONSORING MANY TYPES OF BICYCLE EVENTS AND BICYCLE-RELATED TOURISM. THE BRONZE CLASSIFICATION HAS HELPED TO ATTRACT THE ATTENTION OF THIS GROUP.**

SIGNATURE OF NOMINATOR: _____ DATE: JUNE 15, 2012

PRINT NAME OF SUBMITTING NOMINATOR: GEORGE GEHLERT

2nd QUARTER, 2012

EMPLOYEE *or* SAFETY EMPLOYEE

(please designate which)

RECOGNITION NOMINATION

(Please circle the category for which you are nominating this employee.)

Submit to the HR office by June 15, 2012

Please use the format shown below. You may write or type on an additional sheet of paper, if you wish.

SUBMISSION DATE: June 15, 2012

NAME OF EMPLOYEE: Nikki Arbeiter

DEPARTMENT: Community Development

POSITION: Planner

WHAT ACTION DID THE EMPLOYEE DO TO DESERVE THIS NOMINATION:

The City of Cottonwood was recently designated a Bicycle Friendly Community at the Bronze level by The League of American Bicyclists. Cottonwood is one of only 9 communities in the state with this designation. Nikki Arbeiter is the city staff person who filled out and submitted the application, and worked with the bicycle advisory committee and staff to gather the information required for the application. The application process was referred to as "a challenging process" by Chris Mosely, the Executive Director of the Coalition of Arizona Bicyclists. Nikki spent approximately 44-50 hours on the application process, and it is due to her diligent and dedicated work that the city received this prestigious designation. In addition to working on this application, Nikki is the city staff person who works with the bicycle advisory committee and coordinated the city's "Bike to Work Day" in May.

WHAT IS THE IMPACT/BENEFIT TO THE CITY:

The Bronze designation is recognized nationally and will attract bicycle tourists to Cottonwood, adding to the economic vitality of our city.

SIGNATURE OF NOMINATOR: M Jiménez DATE: 6-15-12

PRINT NAME OF SUBMITTING NOMINATOR: Marianne Jiménez

2nd QUARTER, 2012
SAFETY EMPLOYEE
RECOGNITION NOMINATION

Submit to the HR office by June 15, 2012

Please use the format shown below. You may write or type on an additional sheet of paper, if you wish.

SUBMISSION DATE: 6/5/2012

NAME OF EMPLOYEE: Tom Hall

DEPARTMENT: Community Development/Building Department

POSITION: Building Inspector

WHAT ACTION DID THE EMPLOYEE DO TO DESERVE THIS NOMINATION:

Tom has completed and received over seventy certifications through the FEMA testing. Not only did he complete his required tests but he went above and beyond to complete more tests. Tom spends a great deal of time out in the field conducting inspections for building permits. Tom also helps educate people when they need to seek a professional contractor, contact the Yavapai County Health Department or the Fire Department. Tom also assists the Code Enforcement by inspecting dangerous or dilapidated buildings.

WHAT IS THE IMPACT/BENEFIT TO THE CITY:

Tom is constantly willing and wanting to gain more knowledge in the affairs of Building Safety and because of this he helps enable our local contractors and home owners to maintain safety awareness on job sites and personal property.

SIGNATURE OF NOMINATOR: *Leslie Wager* DATE: 6/5/2012

PRINT NAME OF SUBMITTING NOMINATOR: Leslie Wager

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD JUNE 5, 2012, AT 6:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

CALL TO ORDER AND ROLL CALL

Mayor Joens called the regular meeting to order at 6:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
Jesse Dowling, Council Member
Tim Elinski, Council Member
Ruben Jauregui, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Steve Horton, City Attorney
Matthew McLean, Deputy Clerk
George Gehlert, Community Development Director
Jody Fanning, Chief of Police
Richard Faust, Community Services General Manager
Rudy Rodriguez, Administrative Services General Manager
Bruce Morrow, Transportation Manager
Kyla Allen, Executive Assistant to the City Manager

PLEDGE OF ALLEGIANCE

Mr. Gehlert led the Pledge of Allegiance.

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

Mr. Bartosh announced the following: the speed limit of 6th Street has been changed; last week the Recreation Center hosted operation graduation; and the fire department is setting up for their vacation fire school and safe sitter program.

Council Member Pratt announced on May 29 he went to events at Riverfront Park sponsored by Verde Valley Parenting Partnership and Parents as Teachers.

Council Member Jauregui stated he attended the VFW event.

Mr. Bartosh stated the intersection of Mingus and Willard is closed due to the construction of the roundabout.

Mayor Joens announced the following: On May 26 she met with Connie Dietrich of the Boys and Girls Club; on May 22 she attended a meeting at the Verde Valley Medical Center about health care needs in the community; on May 23 was Chief Casson's retirement; on May 24 she attended the intergovernmental meeting; this month on Inside Cottonwood she interviewed Cristie Statler of the Arizona Parks Foundation, and Chip Norton of the Friends of the Verde River Greenway.

CALL TO THE PUBLIC

Kami Mulcaire, a business owner in Cottonwood (Bed Rock), addressed the Council in regards to a proposed truck route ordinance and voiced her opposition to it.

Mayor Joens asked the City Manager to follow up with Mrs. Mulcaire.

Tom Mulcaire, a business owner in Cottonwood (Bed Rock), addressed the Council and stated they were taking freedom away by passing a truck route ordinance.

Dr. Bob Richards requested the Council consider funding the construction of a public bathroom facility at the Kids Park on 12th Street this upcoming fiscal year.

Karl Prigee gave a brief update of the status of his skydiving business.

Fred Piper stated bicyclists were on the road at night and could not be seen and they should be required to have lights.

PRESENTATION OF CERTIFICATE DESIGNATING COTTONWOOD, ARIZONA, AS A BICYCLE FRIENDLY COMMUNITY, BY THE LEAGUE OF AMERICAN BICYCLISTS

Chris Mosley, the Executive Director of the Coalition of Arizona Bicyclists presented the Council with a Bronze Award designating the City of Cottonwood as a Bicycle Friendly Community, and indicated the city was one of only nine cities in the state to receive the designation.

APPROVAL OF MINUTES—Regular Meeting of 5/15/12

Vice Mayor Pfeifer moved to approve the minutes of May 15, 2012. The motion was seconded by Council Member Norman and carried unanimously.

NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.

RESOLUTION NUMBER 2642--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH YAVAPAI COUNTY, EMERGENCY SERVICES DEPARTMENT FOR THE CONTINUATION OF UNIFIED EMERGENCY SERVICES

Mrs. Jiménez stated this is an annual intergovernmental agreement the city has entered into with Yavapai County since 1986. The agreement establishes a unified emergency services organization for the purpose of preparing plans for the preservation and safety of life and property and making provisions for the execution of these plans in the event of an enemy attack upon the United States of America and/or in the event of any nuclear or non-nuclear disaster within the county or city.

Council Member Jauregui moved to approve Resolution Number 2642 approving the Intergovernmental Agreement with Yavapai County for Unified Emergency Management. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution 2642 by title only.

ANNUAL CONSIDERATION OF APPOINTMENT OF A VICE MAYOR

Mayor Joens stated she puts this on the agenda every year since it is the council's decision.

Council Member Pratt stated he is comfortable with Vice Mayor Pfeifer continuing.

Council Member Norman stated she has done a great job.

Mayor Joens stated she has done a fantastic job.

Council Member Pratt moved to appoint Karen Pfeifer to serve as the Vice Mayor of the City of Cottonwood. The motion was seconded Council Member Elinski, and carried unanimously.

COUNCIL REPRESENTATIVE APPOINTMENTS TO VARIOUS COMMITTEES RELATED TO INTERGOVERNMENTAL MATTERS

Mayor Joens stated the Yavapai County Water Advisory Committee (WAC) has a technical advisory committee (TAC) which is appointed by the WAC. Tom Whitmer has been a part of the TAC since 1998, and she supported him being assigned to the TAC and as alternative for the WAC. Mayor Von Gausig has stated that Mr. Whitmer should not be on the TAC and we should not be appointing people from our cities and towns.

The Council agreed to members serving as the representatives on the following:

- Northern Arizona Council of Governments (NACOG): Mayor Joens with Council Member Norman as alternate.
- Northern Arizona Municipal Water Users' Association: Vice Mayor Pfeifer with Mayor Joens as alternate.

- Yavapai County Water Advisory Committee: Mayor Joens with Council Member Elinski as alternate (with Natural Resources Director, Tom Whitmer to fill in as necessary.)
- Verde Valley Transportation Planning Organization: Council Member Norman with Council Member Dowling as alternate.
- Verde River Basin Partnership: Mayor Joens with Council Member Pratt as an alternate.
- Cottonwood Personnel Board: Vice Mayor Pfeifer.
- Verde Valley Land Preservation Institute: Council Member Pratt with Council Member Dowling as an alternate.
- Verde Valley Regional Organization: Council Member Norman with Vice Mayor Pfeifer as alternate.

CONSIDERATION OF APPROVING FUNDS IN THE AMOUNT OF $3,500 FROM THE COUNCIL'S CONTINGENCY FUND FOR FENCING MATERIALS FOR THE COMMUNITY GARDEN AND A "LET'S MOVE" LUAU

Mayor Joens stated she was looking for funding for fencing for the community orchard and the Let's Move luau event. The fencing for the orchard would be about $2,500. Ms. Jiménez has been involved heavily with the community orchard and it has turned into a Let's Move event. She also thanked Dan Lueder and his crew for all the work they have done at the orchard, and indicated we will start planting trees across the road after the current orchard is full.

Vice Mayor Pfeifer asked what variety of fruit we have out there now.

Mayor Joens stated we have apricots, figs, apples and peaches.

Mrs. Jiménez stated the community orchard provided healthy food to the community and the kids, and people could donate a tree in memory of a loved one. She and the Mayor had talked about getting a fence along the sidewalk to add some protection for the orchard. The fencing they were talking about putting in is white vinyl picket fencing that is four feet high. The orchard plot was triangular in shape and had barbwire fencing on the other two sides.

Council Member Pratt stated he would support this. He attended the luau last year and it was well attended.

Mayor Joens stated last year Bobbi Gooslin purchased a lot of the items, but she didn't think she would be doing that again this year. She (Mayor Joens) had purchased all of the leis and the decorations last year, and was asking the council to do that this year. The Let's Move luau is scheduled for the second Saturday of August from 2 pm to 4 pm. Fit Kids will be providing all the food so the Verde Valley Medical Center will be partners.

Council Member Pratt moved to approve $3,500 from council contingency funds to be used for fencing materials for the community orchard and a summer luau. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

CLAIMS & ADJUSTMENTS

Council Member Norman moved to pay the Claims and Adjustments. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

PINE SHADOWS COLLECTIONS MATTER - EXECUTIVE SESSION---A.R.S. § 38-431.03.(A)(3) AND/OR (4) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY; DISCUSSION OR CONSULTATION WITH THE ATTORNEYS OF THE PUBLIC BODY IN ORDER TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE PUBLIC BODY'S POSITION REGARDING CONTRACTS THAT ARE THE SUBJECT OF NEGOTIATIONS, IN PENDING OR CONTEMPLATED LITIGATION OR IN SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION

Mayor Joens moved to enter into executive session. The motion was seconded by Council Member Pratt, and carried unanimously.

Mayor Joens moved to enter into regular session. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

After discussion with the city attorney under executive session, the council made no comments nor took any action on this item.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Council Member Norman, and carried unanimously. The regular meeting adjourned at 7:45 p.m.

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

CALL TO ORDER AND ROLL CALL

Mayor Joens called the regular meeting to order at 6:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
Jesse Dowling, Council Member
Tim Elinski, Council Member
Ruben Jauregui, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Marianne Jiménez, City Clerk
Steve Horton, City Attorney
George Gehlert, Community Development Director
Jody Fanning, Chief of Police
Richard Faust, Community Services General Manager
Rudy Rodriguez, Administrative Services General Manager
Bruce Morrow, Transportation Manager
Kyla Allen, Executive Assistant to the City Manager

PLEDGE OF ALLEGIANCE

Cristie Statler lead the pledge of allegiance, and Mayor Joens presented her with a certificate of appreciation.

CALL TO THE PUBLIC

James Michael Barker, a resident of Cottonwood, stated he was homeless but had the use of a vehicle and a camper. The city's camping ordinance prohibits camping on public property, which he could understand to an extent. What he was questioning and would like someone to answer for him was in the exceptions. It says for a commercial parking lot if you have consent that is expressed or implied if you park there for less than 23 hours, and there are some other stipulations, that was an exception to the ordinance. Twenty three hours in front of a business with a camper like his, he did not want to do that. He did not want to do anything that might disrupt that person's business, but he did need a place to spend the

night. What he wanted to know was why he had to exit completely over to the Wal-Mart or out of the city limits completely.

Mayor Joens stated they were not allowed to talk about it or answer any questions, but she suggested he get together with the city manager and discuss it with him and possibly he could alleviate some of his concerns.

Mr. Barker stated he knew there were a few others like him, and they would appreciate having someplace in a reasonable area they could park at. They would think that city property would be okay as the designated area, but there was nothing designated right now and he didn't see that a citizen should have to exit the city just because the sun goes down and he wants to go to sleep.

BRIEF SUMMARY OF CURRENT EVENTS

Mr. Bartosh stated last weekend we had our annual Daddy Daughter Dance and we had 88 people participate which was more than they usually do; July 5 at 5 p.m. behind City Hall was our first Farmer's Market of the season; July 4 we have our fireworks celebration planned and unless we have real high winds it should be a go; and the police department recently had a bike sale where they got rid of all their bikes and everything was sold out within 15 minutes.

Vice Mayor Pfeifer commented on the cooperation and how well the fire departments, Forest Service, water company, and ambulance company worked together at the fire at the Catholic church. She got there about 6:30 p.m. and left at 10:30. Sedona brought their ladder truck in and without that ladder she did not think they would have saved the church.

Council Member Pratt stated he did go see our citizen who had concerns about the dog park and the nuisance. He visited her three times and the second time Council Member Dowling went with him. It was apparent that there were issues there and he immediately talked to the city manager who has directed his staff to enact some solutions. He just wanted to assure that person the city does care about its citizens and takes those issues seriously.

Mayor Joens announced the following:

- For Our City met a couple of weeks ago and the City Clerk and Chief of Police attended. The project they were looking at was a youth center, and there were a lot of people in the community that were interested in such a thing.
- She attended a tour of Rennie Radoccia's house, who had just gotten appointed to the Clarkdale council and he was a past Mayor, through Fit Kids as part of their summer youth program. It was interesting to see the garden and the house that was solar.
- She and the City Clerk attended an AARP meeting last week that was held to apprise the community of some of the issues and changes that may be coming with social security and Medicare.

- She attended the flag raising for Flag Day at the VFW on June 14.

INTRODUCTION OF NEW EMPLOYEES

Iris Dobler introduced the new Human Resources Technician, Amanda Wilber.

APPROVAL OF MINUTES—Budget Work Sessions of May 21, 22, & 23, 2012

Council Member Dowling moved to approve the minutes. The motion was seconded by Council Member Norman and carried unanimously.

OLD BUSINESS—None

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.

AGREEMENT WITH THE OLD TOWN ASSOCIATION FOR THE FUNDING PROVIDED BY THE CITY FOR THE PROMOTION, DEVELOPMENT, AND ENCHNCEMENT OF OLD TOWN COTTONWOOD

AGREEMENT WITH THE VERDE VALLEY SENIOR CENTER FOR FUNDING

NEW LIQUOR LICENSE APPLICATION FOR MITCHELL D. LEVY, OWNER OF BURNING TREE CELLARS LOCATED 1040 NORTH MAIN STREET

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

Council Member Pratt moved to accept the consent agenda. The motion was seconded by Council Member Elinski, and carried unanimously.

NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.

PRESENTATION FROM CRISTIE STATLER, EXECUTIVE DIRECTOR FOR THE ARIZONA STATE PARKS FOUNDATION, REGARDING THE NATIONAL RESOURCES PROTECTION ACT INITIATIVE

Cristie Statler, Executive Director for the Arizona State Parks Foundation, gave a presentation on the Arizona Natural Resources Protection Act, which was an initiative seeking qualification for the November 2012 statewide ballot that provides voter-protected funding for the management and protection of Arizona State Parks.

Mayor Joens stated we have five state parks in the Verde Valley.
Council Member Pratt stated all we are saying is that this should go to the voters. He

thought it was a great initiative, but even if you are against it you should want it on the ballot and let the voters decide.

Council Member Jauregui asked if these funds are protected from the sweeps from the state.

Mrs. Statler stated they would be voter protected if it was placed on the ballot and the voters approved it.

RESOLUTION NUMBER 2643--SUPPORTING THE PLACEMENT OF THE ARIZONA NATURAL RESOURCES PROTECTION ACT INITIATIVE ON THE BALLOT OF THE NOVEMBER 2012 ELECTION

Council Member Jauregui moved to approve Resolution Number 2643, supporting the placement of the Arizona Natural Resources Protection Act Initiative on the ballot of the November 2012 election. The motion was seconded by Council Member Pratt, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution Number 2643 by title only.

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.

RESOLUTION NUMBERS 2644 AND 2645--APPOINTING MEMBERS TO THE PARKS AND RECREATION COMMISSION

Mr. Little stated with the departure of two Parks and Recreation Commissioners, Ron Hollis and Dennis Burke, the Commission had two openings. They advertised the openings for five weeks and had four applicants apply for two open seats. The applicants were Cynthia Burton, Albert Hilberger, John Lupo, and C. Stoddard. The appointments would be filling the remainder of terms.

Council Member Pratt stated he would like to hear why they want to serve on the commission.

Ms. Burton, Mr. Lupo, and Mr. Hilberger briefly described their background and why they had applied to serve on the Parks and Recreation Commission.

Council Member Pratt stated when he saw the names of the people that applied he thought they really had quality people in Cottonwood willing to step up, and there was one that really stood out to him. He had never met the person, but knew him by reputation and that he had done some work with parks and recreation and he thought he would be a great member of the commission.

Council Member Pratt then moved to approve Resolution Number 2645, appointing Al Hilberger to fill the remainder of a three year term which expires January 5, 2014. The motion was seconded by Mayor Joens, and carried unanimously.

Mayor Joens questioned Council Member Pratt which motion he was appointing him for, and he replied it was 2645.

Mayor Joens requested the City Clerk read Resolution Number 2645 by title only.

RESOLUTION NUMBER 2645

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

Council Member Jauregui stated he liked all the candidates, but was struck by Cynthia Burton's application which stated she had a desire to get involved with parks and recreation and with her community. Not to say that the other applicants were not outstanding; they were and had great resumes. He liked the idea that this person just simply wanted to get involved, which is the reason to have these volunteer positions and is the way he got involved.

Council Member Jauregui then moved to appoint Cynthia Burton to the parks and recreation commission, for Resolution Number 2644. The motion was seconded by Council Member Elinski, and carried unanimously.

Mayor Joens stated Iris Dobler would keep the applications for Mr. Lupo and Mr. Stoddard on file for six months, so if another opportunity came up they may be able to appoint others. She agreed with Council Member Jauregui. Back in the late 80's she saw an ad in the paper asking for someone to serve on planning and zoning. She didn't know a thing about it but wanted to serve her community and she applied and was chosen for it. It was a great experience for her and hoped she did some good service for the community.

Mayor Joens then requested the City Clerk read Resolution Number 2644 by title only.

RESOLUTION NUMBER 2644

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

Ms. Jiménez stated for the record, this appointment was to fill the remainder of a two year term which expires August 16, 2013.

PUBLIC HEARING REGARDING ADOPTION OF THE CITY'S TENATIVE BUDGET FOR FISCAL YEAR 2012-13

Mr. Rodriguez stated every year about this time they hold a public hearing on the tentative budget. They do this for the tentative and final budget. We've had three long meetings to discuss the details of the budget.

Mayor Joens then opened the public hearing regarding the adoption of the city's tentative budget for fiscal year 2012-2013.

Mr. Bob Oliphant, a Cottonwood resident, stated he wanted to address an item that was found on page 277 of the proposed budget, which was the completion of the radio read water meters in Cottonwood Ranch. His concern was the city did not have a comprehensive water meter replacement public policy, which most cities do have, which sets forth criteria that guides staff in implementing the replacement policy. This makes the replacement of a water meter objective, rather than the subjective decision based on a well meaning member of the staff. Second, he had a concern about the funds that are needed to complete this project. The best information he had been able to obtain is that a water meter costs the city about $81.98. His estimate was it takes about $20 of city time and effort to install a new meter. In Cottonwood Ranch there were approximately 525 homes, which means each home will cost the city about $100 and overall the project will cost about $52,500. He questioned what about the remaining 94 percent of water users. The city provides water to somewhere between 8,000 and more than 8,000 now with Pine Shadows added. It was going to cost the city about $800,000 to carry forward this project. He questioned where the city was going to get this kind of money, and would it raise water rates to accomplish it. Third, is only a perception, that the implementation of this particular project could be viewed by some as discriminatory. Obviously, the water department intends to recoup more than $50,000 in new revenue from 525 homeowners, otherwise they would not be replacing the water meters. If the city can't carry out a comprehensive program, what will be left is just Cottonwood Ranch paying an extra $50,000 simply because there is not a public policy replacement meter criteria in effect. Finally, the water department does not produce sufficient information about whether Cottonwood Ranch water meters are functioning adequately or not. They speculate, and most will agree, that water meters over time do slow down and no longer report accurately, but the age of the water meter is very important. The water meters in Cottonwood Ranch appear to be among the very newest water meters in the city and it seems odd that the city would select these meters and not others in the city that are much older. This may be a waste of taxpayers' money, it may be unfair, and can be perceived as discriminatory. He asked the council table this particular item until it can create a rationale water meter replacement policy that is objective and fair to all the citizens in the city of Cottonwood.

Darold Smith, a Cottonwood resident, stated on page 271 in the budget highlights it says the budget includes 3.6 million for beginning construction on the Riverfront reclamation plant. He was curious as to when the citizens of Cottonwood were ever going to be able to see something on this; a design on it or anything like that, before construction. Before they voted on it he would appreciate an opportunity to see exactly how it is and comment. He

thought the citizens have a right to take a look at it before it is voted on.

Mr. Bartosh stated they were close to 30 percent design and staff was getting ready to meet with the designers. Once we approve the 30 percent design it will move quicker, and at that point we will be able to get something that is meaningful to the citizens to see. As the council is aware, we are planning on a couple of different community meetings sometime this summer; probably in August. Even though they hadn't seen the plans, this was simply a planning document (the budget) so the approval of the funding for the continuation of this project does not necessarily mean that it will be spent and we have to have the spending authority.

Council Member Pratt stated he would agree with Mr. Oliphant's comments that it does seem odd that some of the newest meters in the city are the ones targeted for this replacement.

Mr. Bartosh stated this was not a maintenance project. This was an operational project where they were moving to meters that can be radio read, meaning they cut down on the number of staff required to read the meters every month. The reason we started with Cottonwood Ranch was their meters were very close together, accessible and easy to reach. The intention was to outfit the entire city with these new meters as we move along.

Council Member Elinski stated he recently changed out his meter and his bill went way up because he had a very old meter. He did not think Cottonwood Ranch was going to be discriminated against in any way, shape, or form, because they were fairly newer meters.

There being no further comments from the public, Mayor Joens closed the public hearing.

Council Member Dowling stated regarding the mention of Pine Shadows, if he was not mistaken, the entire thing only had two meters.

Mr. Bartosh stated he did not know if you would describe it as two meters; there was a high and low flow meter.

Council Member Dowling stated there was the mention that there would have to be $50,000 in new revenue from the meter to pay for the switch, whereas, some of that revenue may come from costs savings on the reading. He did not know if any one area was going to be penalized with an increase in rates just to cover their meter. Regarding replacing them, he could see where in more standardized areas it would be easier to do, but he was sure there was some plan as new things come in for that and it would be a good idea to have at least a stated rule saying here is when we replace meters.

Mr. Bartosh stated they could look into what other cities have in the way of a policy. He did not think the Council wanted to get into determining what meter should be replaced. We do have a standard practice for when and how we replace meters when there is concern about the accuracy of the meter and we also have a standard procedure of how that is tested. There were a lot of improvements they were making to the system. With the number of staff

we have, we have to budget to make the replacements that we can actually do in a year. We will get to everybody eventually.

ADOPTION OF THE CITY'S TENTATIVE BUDGET & EXPENDITURE LIMITATION FOR FISCAL YEAR 2012-13

Mayor Joens asked if the council had any questions, and there were none. She then stated the key issues were an excellent synopsis of the budget. They spent several days going over the budget in great detail, line by line.

Council Member Pratt moved to adopt the fiscal year 2013 tentative budget and establish the city's fiscal year 2013 expenditure limitation as presented. The motion was seconded by Council Member Norman, and carried unanimously.

Mayor Jones thanked Mr. Rodriguez and his staff for a lot of hard work.

Mr. Rodriguez stated for the public record that the tentative budget was $73,430,000, which was about $10,000,000 above our revised budget. He then read off the list of things they were approving: the funding of the city's merit program; the frozen positions discussed during the work study sessions; there were no individual reclassifications or salary adjustments as discussed during the work study sessions; several temporary positions were made permanent in the fire department; they were starting to compile the compensation study to be implemented and retro back to July 1; they will continue the present employee contribution for dependent coverage on our health insurance part; they are giving permission to purchase budgeted equipment, and we will be delaying a lot of it until after January 1 to make sure our revenues are coming in appropriately; approve the acquisition, planning, and/or construction of capital projects; accepting the expenditures as noted in the budget document as presented and discussed during the budget work sessions. It was a balanced budget as required by Arizona state statute.

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

Mr. Rodriguez stated the transition from NAIPTA of the CAT/LYNX system was moving very quickly. One of the issues required the moving of data which was critical for the transit system. In the past we didn't track it and our concern is that they have accrued a lot of data such as mileage, pickups and ridership information. We do not want to lose that data by going through a 45-60 day purchasing procedure. We can ask for an exemption from our policy, provided we bring it to council. We are up against a timeline and need this taken care of immediately. We looked at three different programs, and Routematch was considerably less than the other two programs. Bruce Morrow has worked with it in the past and is comfortable with it. We will not be asking for any matching funds from Sedona, so we will have to come up with the match for this particular program.

Council Member Elinski stated he was comfortable with it as long as staff is comfortable

with it.

Mr. Morrow stated he is very comfortable with the software and staff will find it comparable to something they have used in the past. There are a few things that are different, but it is going to look and feel the same as what they are currently using, and we need it to maintain the service levels that we currently have.

Council Member Norman stated we are looking at ten to twelve days before the end of the month before this system is ours, and asked if this can be installed and going by that time.

Mr. Morrow stated no, but they can have it installed in about three weeks.

Mayor Joens stated this is something that is just necessary.

Council Member Norman moved 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. The motion was seconded by Council Member Pratt, and carried unanimously.

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

Vice Mayor Pfeifer and Council Member Pratt declared a conflict and stepped down from the dais.

Mr. Rodriguez stated this is for the approval of a three year contract with the Cottonwood Chamber of Commerce that actually lapsed in 2011. This is a three year contract whereby the city gives them all of our bed tax that is collected. They have to provide us with a year-end statement and quarterly reports.

Mayor Joens stated it is really important and it is a shot in the arm for the CEDC.

Council Member Dowling moved that we approve a new three-year contract with the Cottonwood Chamber of Commerce. The motion was seconded by Mayor Joens and carried unanimously.

RESOLUTION NUMBER 2646--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH MINGUS UNION HIGH SCHOOL DISTRICT FOR USE OF THE CITY'S OUTDOOR AQUATICS CENTER

Mr. Faust stated we have been working on this for 18 months. For the last 25 years we have not charged the high school because we have used their facilities too, but we have not done that for two years. It costs about $140,000 a year to run the pool and we only bring in about

$40,000 in revenues. The cost to run the program is about $22,000 and we would split this cost between the city and the high school.

Council Member Pratt stated we have talked about this for awhile and it is time for them to bear the burden some of the cost. He thought it was a fair agreement and it is about time.

Council Member Pratt then moved to approve Resolution Number 2646 approving an Intergovernmental Agreement with Mingus Union High School District for use of the Cottonwood Aquatics Center from August to November of each year. The motion was seconded by Council Member Elinski, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution Number 2646 by title only.

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.

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

Mr. Faust stated one of the things we needed to work out was how we were going to be reimbursed for a three month period from July 1 to September 30, 2012. NAIPTA has requested that we obtain an agreement with ADOT for the 5311 grant for those three months. The grant normally goes from October 1 to September 30. NAIPTA's last day of service will be June 30 and that funding would normally go to NAIPTA, and in order the city to receive that funding we have to enter into a new agreement. There are some negotiations still involved with the agreement that need to be worked out.

Council Member Dowling 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 through September 30, 2012. The motion was seconded by Council Member Norman, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution Number 2647 by title only.

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.

REQUEST TO HIRE AN ADDITIONAL TRANSPORTATION SUPERVISOR FOR THE CAT/VERDE LYNX TRANSIT SYSTEMS

Mr. Faust stated the CAT/Verde Lynx is in need of a field supervisor. This was overlooked in February as it pertained to positions when we forgot that we are moving into a seven day operation and not a five day operation. The Verde Lynx operates seven days a week, so we need one additional Transportation Field Supervisor. There is money for this position in the 5311 grant funding.

Council Member Jauregui asked what the salary would be for this position.

Mr. Faust stated it would be $50,000 with benefits.

Council Member Jauregui moved to hire an additional transportation supervisor for the CAT/Verde Lynx transit systems. The motion was seconded by Council Member Norman, and carried unanimously.

REQUEST FOR COUNCIL CONTINGENCY FUNDS TO ASSIST IN BRINGING THE AMERICAN VETERANS TRAVELING TRIBUTE VIETNAM MEMORIAL WALL TO COTTONWOOD

Mayor Joens stated there are two different groups that had walls and we were trying to figure out what we could get. We wanted to have one when we sponsor the Vietnam Veteran's Welcome Home Day. The one we can get at this time costs $6,000. It is an exact replica of the wall in Washington, DC. In order to secure this wall, the group has to pay $3,000 by June 30. They have fund raised $1,000, and the group has already started work to secure the remaining $3,000. In order to make the deadline, they need $2,000 and she is requesting it to come from this year's contingency fund.

Mr. Rodriguez stated we will have to take it out of our fund balance for this year, since the contingency fund has already been used.

Council Member Pratt stated anything we can do to honor them we should take part in.

Council Member Jauregui stated this gives us an opportunity to show our youth how we got to where we are at today.
Vice Mayor Pfeifer stated the travelling wall is really inspirational. The children also need to

know how they were disrespected when they came home, and we don't need to do that with anyone coming home involved in a war.

Council Member Pratt recommended providing funding $2,000 for the American Veterans Traveling Tribute Traveling Wall from council's 2011/2012 contingency funds. The recommendation (motion) was seconded by Vice Mayor Pfeifer, and carried unanimously.

CLAIMS & ADJUSTMENTS

Council Member Norman moved to pay the claims and adjustments. The motion was seconded by Council Member Elinski, and carried unanimously.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Council Member Norman, and carried unanimously. The regular meeting adjourned at 8:02 p.m.

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Application for Extension of Premises Liquor License Permit for Player's Sports Bar & Grill.
Department:	City Clerk
From:	Marianne Jimenez, City Clerk

REQUESTED ACTION

Council consideration of recommending approval or denial of an application for a temporary Extension of Premises Liquor License permit submitted by Larry Pritchard, licensee for Players Sports Bar & Grill located at 1100 South Highway 260.

SUGGESTED MOTION

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

"I move to recommend approval of the Application for Extension of Premises Liquor License Permit submitted by Larry Pritchard, licensee for Players Sports Bar & Grill located at 1100 South Highway 260 for an event scheduled for August 4, 2012."

BACKGROUND

An Application for Extension of Premises Liquor License Permit was received from Larry Pritchard, licensee for Players Sports Bar & Grill located at 1100 South Highway 260 to extend the liquor serving area of the building to the parking lot for an International Kick Boxing Federation Championships/Beach Party event scheduled for August 4, 2012.

JUSTIFICATION/BENEFITS/ISSUES

All applications for Extension of Premises Liquor License Permits that are requested of 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

N/A

ATTACHMENTS:

Name:	Description:	Type:
7-17-12_Larry_Pritchard_Letter.pdf	Letter from Larry Pritchard	Cover Memo
Player_s_Special_Event_Liqour_License.pdf	Player's Liquour LIcense Application	Backup Material

TO: COTTONWOOD CITY COUNCIL

EVENT DATE: AUGUST 4, 2012

EVENT: INTERNATIONAL KICK BOXING FEDERATION CHAMPIONSHIPS / BEACH PARTY

PROPOSAL PLACE: PLAYERS SPORTS BAR AND GRILL PARKING LOT

EVENT ORGANIZATION: GOLDEN COBRA CENTER OF FITNESS INC.

THANK YOU,

THIS WILL BE THE SECOND TIME WE HAVE THIS EVENT.

LARRY PRITCHARD

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
www.azliquor.gov
(602) 542-5141

Date payment received _____
CSR Initials _____

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT

THIS APPLICATION MUST BE RETURNED TO THE DEPARTMENT OF LIQUOR

☐ Permanent change of area of service – List specific purpose for change: _____

☒ Temporary change for date(s) of: 08/04/2012 through 08/05/2012 List specific purpose for change: _____

INTERNATIONAL KICK BOXING CHAMPIONSHIPS RING WILL BE SET UP IN PARKING LOT FOR EVENT ONLY

1. Licensee's Name: Pritchard (Last) Larry (First) Wayne (Middle)
2. Mailing Address: 4741 EAST WINDMILL LANE (City) COTTONWOOD (State) ARIZONA (Zip) 86326
3. Business Name: PLAYERS SPORTS BAR & GRILL LICENSE #: 06130008
4. Business Address: 1100 HWY 260 S. (City) COTTONWOOD (COUNTY) YAVAPAI (State) AZ (Zip) 86326
5. Business Phone: (928) 634-3966 Residence Phone: (928) 634-6750
6. Do you understand Arizona Liquor Laws and Regulations? ☒ YES ☐ NO Fax #: (928) 634-6751
7. Have you received approved Liquor Law Training? ☐ NO ☒ YES If so, when does your Certificate expire? 08/01/2015
8. What security precautions will be taken to prevent liquor violations in the extended area? FENCE ENTIRE AREA WITH SECURITY AT EACH GATE
9. Does this extension bring your premises within 300 feet of a church or school? ☐ YES ☒ NO
10. IMPORTANT: ATTACH THE REVISED FLOOR PLAN CLEARLY DEPICTING YOUR LICENSED PREMISES AND WHAT YOU PROPOSE TO ADD.

☒ Barrier Exemption: an exception to the requirement of barriers surrounding a patio/outdoor serving area may be requested. Barrier exemptions are granted based on public safety, pedestrian traffic, and other factors unique to a licensed premises. List specific reasons for exemption: BOXING RING WITH BE SET UP IN PARKING LOT WHICH WILL BE FENCED WITH REQUIRED FIRE LANES IN PLACE.

Investigation Recommendation ☐ Approval ☐ Disapproval by: _____ Date: __/__/__

******After completing sections 1-10, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.**

This change in premises is RECOMMENDED by the local Board of Supervisors, City Council or Designate:

_____ (Authorized Signature) _____ (Title) _____ (Agency)

I, LARRY WAYNE PRITCHARD (Print full name), being first duly sworn upon oath, hereby depose, swear and declare, under penalty of perjury, that I am the APPLICANT making the foregoing application. I have read this application and the contents and all statements are true, correct and complete.

OFFICIAL SEAL
MICHELLE DERMO
NOTARY PUBLIC - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Nov. 11, 2014

X _____ (Signature of Owner or Agent)

State of ARIZONA County of YAVAPAI
SUBSCRIBED IN MY PRESENCE AND SWORN TO before me this date
20TH (Day) JUNE (Month) 2012 (Year)

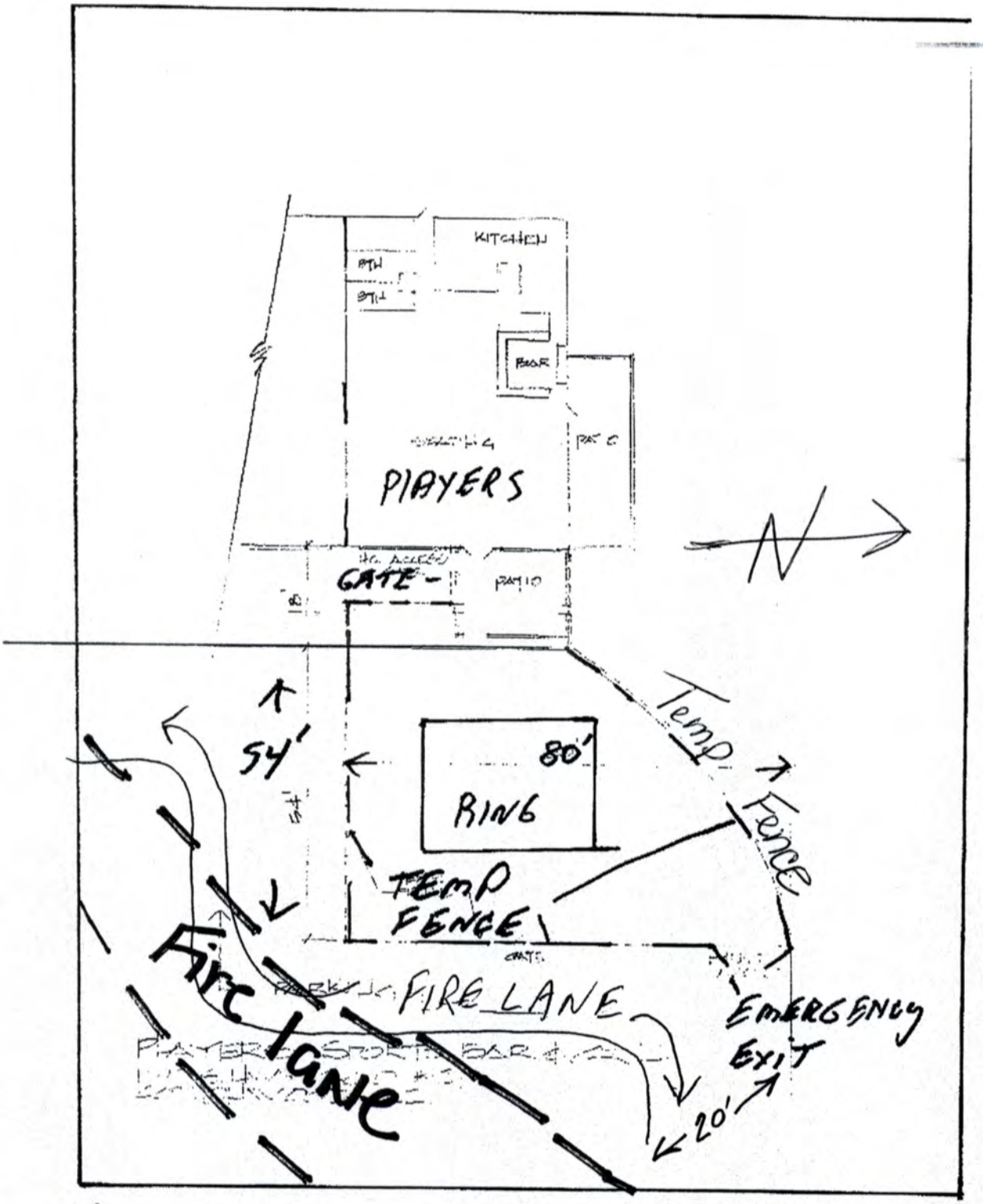
My commission expires on: 11/11/14

Michelle Dermo (Signature of NOTARY PUBLIC)

Investigation Recommendation ☐ Approval ☐ Disapproval by: _____ Date: __/__/__

Director Signature required for Disapprovals _____ Date: __/__/__

4/16/2012 *Disabled individuals requiring special accommodation, please call the Department(602) 542-9027.



* Fire lanes are to Be 20' wide & Have a Vertical Clearance of 13'6"

F. Cortez
Fire Marshal

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Special Event Liquor License Applications for the Verde Valley Fair Association.
Department:	City Clerk
From:	Marianne Jimenez, City Clerk

REQUESTED ACTION

Consideration of recommendation of approval or denial of the Special Event Liquor License applications 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 Applications submitted by Terra Shanks, applicant for the Verde Valley Fair Association, for events scheduled for September 29, October 19 and 20, and November 17, 2012."

BACKGROUND

Terra Shanks has submitted the Special Event Liquor License Applications on behalf of the Verde Valley Fair Association for events scheduled for September 29, October 19 and 20, and November 17, 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:
VVFA_Special_Event_LL_Sept29.pdf	Sept. 29th Special Event Liquor License	Backup Material

VVFA_Special_Event_LL_Oct_1920.pdf	Oct. 19-20 Special Event Liqour License	Backup Material
VVFA_Special_Event_LL_Nov17.pdf	Nov. Special Event Liqour License	Backup Material

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix, Arizona 85007-2934
(602) 542-5141

APPLICATION FOR SPECIAL EVENT LICENSE

Fee = $25.00 per day for 1-10 day events only
A service fee of $25.00 will be charged for all dishonored checks (A.R.S.§ 44-6852)

NOTE: THIS DOCUMENT MUST BE FULLY COMPLETED OR IT WILL BE RETURNED.
PLEASE ALLOW **10** BUSINESS DAYS FOR PROCESSING.

****Application must be approved by local government before submission to Department of Liquor Licenses and Control. (Section #20)**

DLLC USE ONLY
LICENSE #

1. Name of Organization: Verde Valley Fair Association, Inc
2. Non-Profit/I.R.S. Tax Exempt Number: 95-3551427
3. The organization is a: (check one box only)

   ☐ Charitable ☐ Fraternal (must have regular membership and in existence for over 5 years)

   ☑ Civic ☐ Religious ☐ Political Party, Ballot Measure, or Campaign Committee
4. What is the purpose of this event? ☑ on-site consumption ☐ off-site consumption (auction) ☐ both

   30 Year High School Reunion
5. Location of the event: 800 E. Cherry Street (Address of physical location (Not P.O. Box)) Cottonwood (City) Yavapai (County) 86326 (Zip)

Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)

6. **Applicant**: Shanks (Last) Terra (First) Michelle (Middle) 9/7/1978 (Date of Birth)
7. Applicant's Mailing Address: P.O. Box 1974 (Street) Cottonwood (City) AZ (State) 86326 (Zip)
8. Phone Numbers: (928) 634-3290 (Site Owner #) (928) 634-3290 (Applicant's Business #) (928) 301-1094 (Applicant's Home #)
9. Date(s) & Hours of Event: (see A.R.S. 4-244(15) and (17) for legal hours of service)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	September 29, 2012	Saturday	6:00 am	2:00 am
Day 2:				
Day 3:				
Day 4:				
Day 5:				
Day 6:				
Day 7:				
Day 8:				
Day 9:				
Day 10:				

***Disabled individuals requiring special accommodations, please call (602) 542-9027**

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 1 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
5 # 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

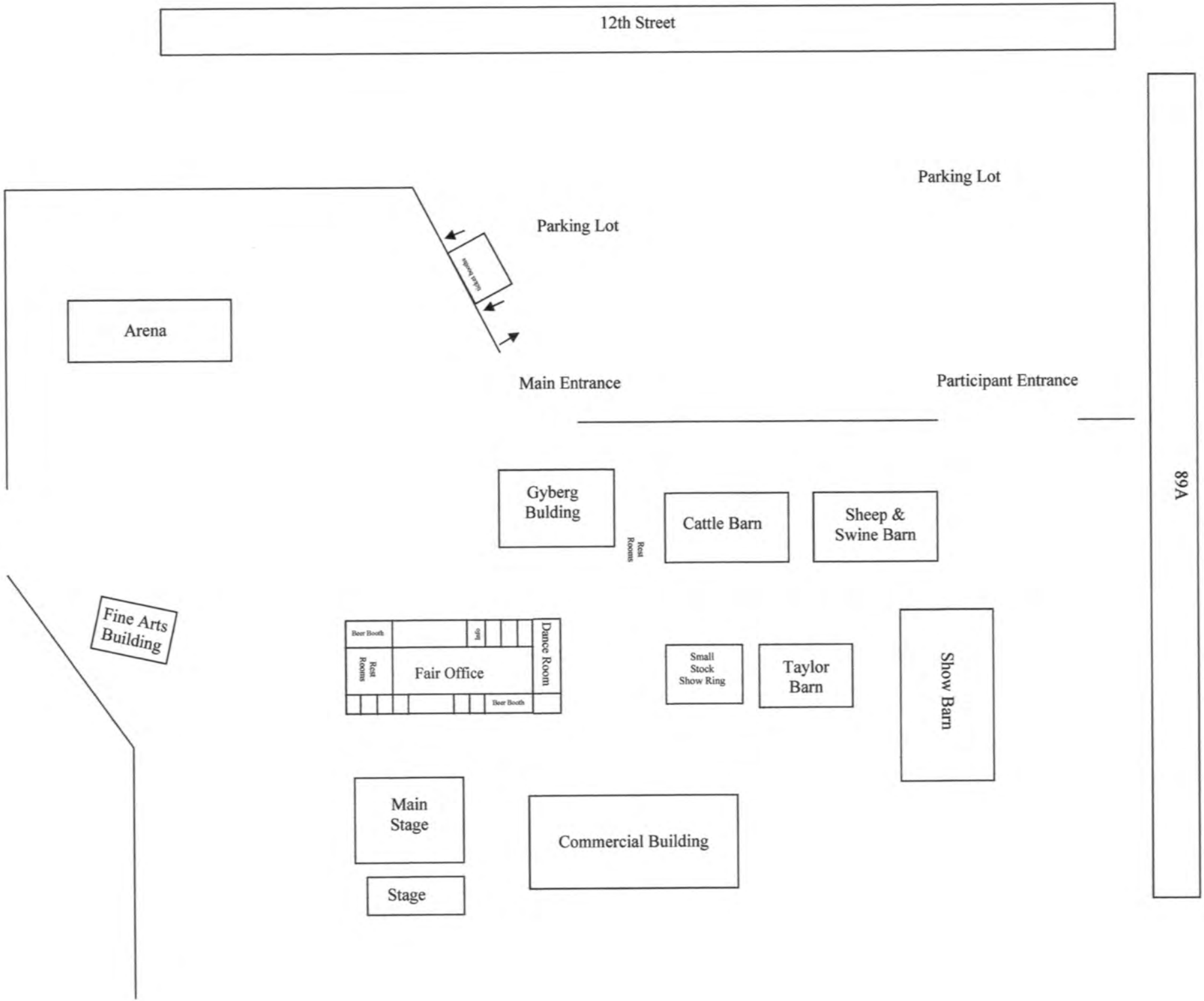
17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades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

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
89A
Parking Lot
Parking Lot
Gate Booths
Arena
Main Entrance
Participant Entrance
Gyberg Bulding
Rest Rooms
Cattle Barn
Sheep & Swine Barn
Fine Arts Building
Beer Booth
Info
Dance Room
Rest Rooms
Fair Office
Beer Booth
Small Stock Show Ring
Taylor Barn
Show Barn
Main Stage
Commercial Building
Stage

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

18. I, John O'Donnell (Print full name) 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 (Signature) President (Title/Position) 7-3-12 (Date) (928) 300-5825 (Phone #)

State of Arizona County of Yavapai

The foregoing instrument was acknowledged before me this 3 (Day) July (Month) 2012 (Year)

MADISEN R SANDOVAL
NOTARY PUBLIC - ARIZONA
Yavapai County
My Commission Expires
April 11, 2016

My Commission expires on: April 11, 2016 (Date) Madisen R Sandoval (Signature of NOTARY PUBLIC)

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

19. I, Terra Shanks (Print full name) 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 (Signature)

State of Arizona County of Yavapai

The foregoing instrument was acknowledged before me this 3 (Day) July (Month) 2012 (Year)

MADISEN R SANDOVAL
NOTARY PUBLIC - ARIZONA
Yavapai County
My Commission Expires
April 11, 2016

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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, _____ (Government Official) _____ (Title) hereby recommend this special event application 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)

SERIES: **15 SPECIAL EVENT LICENSE (Temporary)**

Non-transferable

On-sale retail privileges

PURPOSE:

Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

The applicant for a special event license must request a special event application from the Department and file the application with the governing body of the city or town, or Board of Supervisors of an unincorporated area of a county (where the special event is to take place) for approval or disapproval. Some local governing bodies may require approximately 60 days prior notice.

If the application is approved by the local authority, and the event meets the requirements for granting the license, the Director will issue a special event license to the qualifying organization.

Qualifying organizations will be granted a special event license for no more than ten (10) days in a calendar year. Events must be held on consecutive days and at the same location or additional licenses will be required. The license is automatically terminated upon closing of the last day of the event or the expiration of the license, whichever occurs first.

The qualified organization must receive at least twenty-five percent (25 %) of the gross revenues of the special event liquor sales.

A person selling spirituous liquor under a special event license must purchase the spirituous liquor from the holder of a license authorized to sell off-sale; *except that,* in the case of a non-profit organization which has obtained a special event license for the purpose of charitable fund raising activities, a person may receive the spirituous liquor from a wholesaler as a donation.

AVERAGE APPROVAL TIME: **One (1) to seven (7) days.**

PERIOD OF ISSUANCE:

Issued for no more than a cumulative total of ten (10) days in a calendar year. A special event may be held for more than one (1) day, but it must be held on consecutive days and at the same location or additional licenses will be required.

FEES: **$25.00 per day.**

ARIZONA STATUTES AND REGULATIONS:

ARS 4-203.02, 4-244, 4-261; Rule R19-1-228, R19-1-235, R19-1-309.

Disabled individuals requiring special accommodations please call (602) 542-9027

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix, Arizona 85007-2934
(602) 542-5141

APPLICATION FOR SPECIAL EVENT LICENSE

Fee = $25.00 per day for 1-10 day events only
A service fee of $25.00 will be charged for all dishonored checks (A.R.S.§ 44-6852)

NOTE: THIS DOCUMENT MUST BE FULLY COMPLETED OR IT WILL BE RETURNED.
PLEASE ALLOW **10** BUSINESS DAYS FOR PROCESSING.

****Application must be approved by local government before submission to Department of Liquor Licenses and Control. (Section #20)**

DLLC USE ONLY
LICENSE #

1. Name of Organization: Verde Valley Fair Association, Inc
2. Non-Profit/I.R.S. Tax Exempt Number: 95-3551427
3. The organization is a: (check one box only)

   ☑ Charitable ☐ Fraternal (must have regular membership and in existence for over 5 years)

   ☐ Civic ☐ Religious ☐ Political Party, Ballot Measure, or Campaign Committee
4. What is the purpose of this event? ☑ on-site consumption ☐ off-site consumption (auction) ☐ both

   Fund Raiser - Spook Night
5. Location of the event: 800 E. Cherry Street | Cottonwood | Yavapai | 86326
   Address of physical location (Not P.O. Box) | City | County | Zip

Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)

6. **Applicant**: Shanks (Last) | Terra (First) | Michelle (Middle) | 9/7/1978 (Date of Birth)
7. Applicant's Mailing Address: P.O. Box 1974 (Street) | Cottonwood (City) | AZ (State) | 86326 (Zip)
8. Phone Numbers: (928) 634-3290 (Site Owner #) | (928) 634-3290 (Applicant's Business #) | (928) 301-1094 (Applicant's Home #)
9. Date(s) & Hours of Event: (see A.R.S. 4-244(15) and (17) for legal hours of service)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:				
Day 2:	October 19, 2012	Friday	6:00 am	2:00 am
Day 3:	October 20, 2012	Saturday	6:00 am	2:00 am
Day 4:				
Day 5:				
Day 6:				
Day 7:				
Day 8:				
Day 9:				
Day 10:				

***Disabled individuals requiring special accommodations, please call (602) 542-9027**

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 3 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
5 # 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

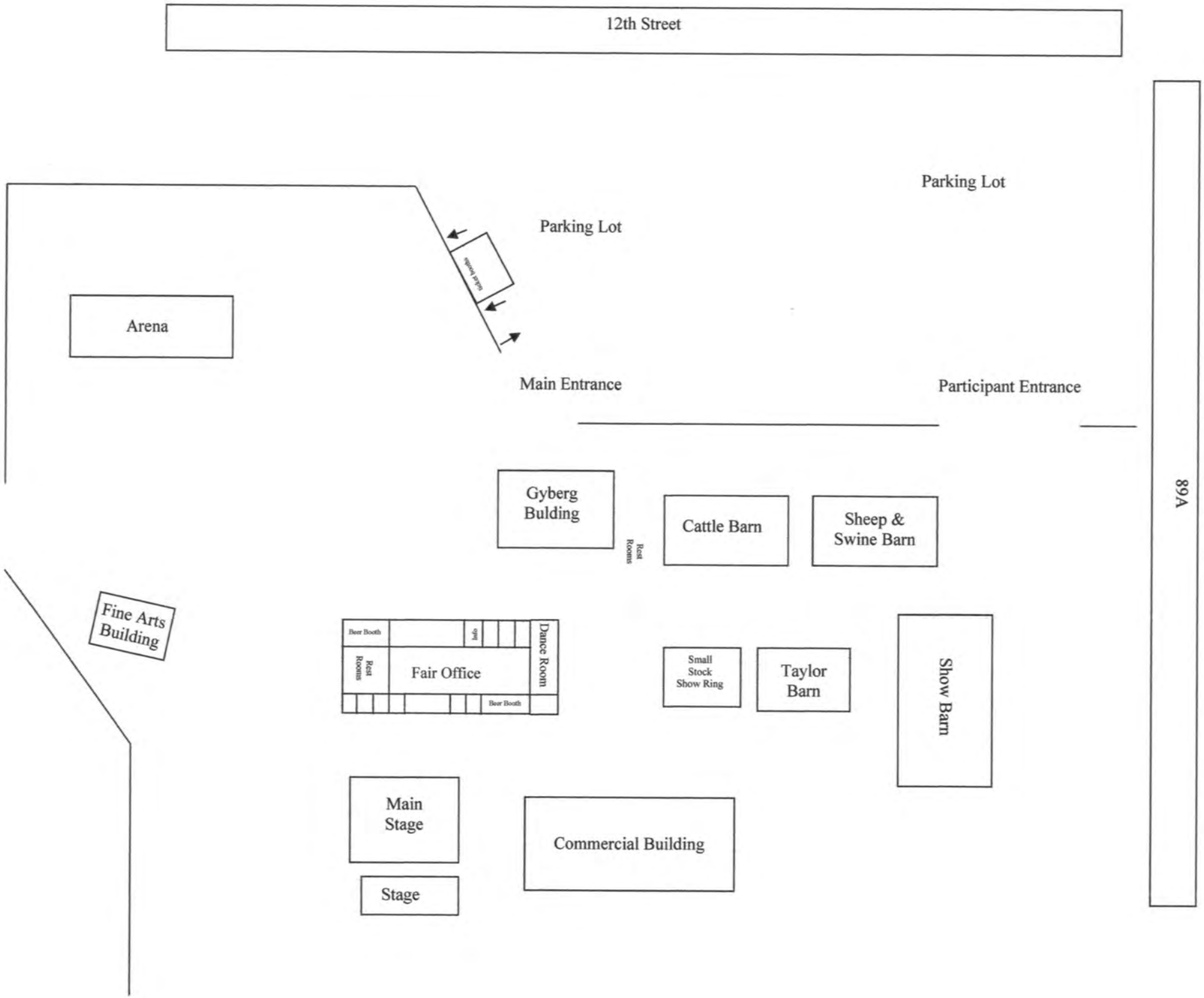
17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades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

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
Arena
Main Entrance
Participant Entrance
Gyberg Bulding
Rest Rooms
Cattle Barn
Sheep & Swine Barn
Fine Arts Building
Beer Booth
Info
Rest Rooms
Fair Office
Dance Room
Beer Booth
Small Stock Show Ring
Taylor Barn
Show Barn
Main Stage
Stage
Commercial Building
89A

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

18. I, John O'Donnell (Print full name) 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 (Signature) President (Title/Position) 7-3-12 (Date) (928) 300-5825 (Phone #)

State of Arizona County of Yavapai

The foregoing instrument was acknowledged before me this 3 (Day) July (Month) 2012 (Year)

MADISEN R SANDOVAL NOTARY PUBLIC - ARIZONA Yavapai County My Commission Expires April 11, 2016

My Commission expires on: April 11, 2016 (Date) Madisen R Sandoval (Signature of NOTARY PUBLIC)

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X Terra Shanks (Signature)

State of Arizona County of Yavapai

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LOCAL GOVERNING BODY APPROVAL SECTION

20. I, _____ (Government Official) _____ (Title) hereby recommend this special event application 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)

SERIES: **15 SPECIAL EVENT LICENSE (Temporary)**

Non-transferable

On-sale retail privileges

PURPOSE:

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ADDITIONAL RIGHTS AND RESPONSIBILITIES:

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Qualifying organizations will be granted a special event license for no more than ten (10) days in a calendar year. Events must be held on consecutive days and at the same location or additional licenses will be required. The license is automatically terminated upon closing of the last day of the event or the expiration of the license, whichever occurs first.

The qualified organization must receive at least twenty-five percent (25 %) of the gross revenues of the special event liquor sales.

A person selling spirituous liquor under a special event license must purchase the spirituous liquor from the holder of a license authorized to sell off-sale; *except that,* in the case of a non-profit organization which has obtained a special event license for the purpose of charitable fund raising activities, a person may receive the spirituous liquor from a wholesaler as a donation.

AVERAGE APPROVAL TIME: **One (1) to seven (7) days.**

PERIOD OF ISSUANCE:

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FEES: **$25.00 per day.**

ARIZONA STATUTES AND REGULATIONS:

ARS 4-203.02, 4-244, 4-261; Rule R19-1-228, R19-1-235, R19-1-309.

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   ☑ Charitable ☐ Fraternal (must have regular membership and in existence for over 5 years)

   ☐ Civic ☐ Religious ☐ Political Party, Ballot Measure, or Campaign Committee
4. What is the purpose of this event? ☑ on-site consumption ☐ off-site consumption (auction) ☐ both

   Toy Run
5. Location of the event: 800 E. Cherry Street | Cottonwood | Yavapai | 86326
   Address of physical location (Not P.O. Box) | City | County | Zip

Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)

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9. Date(s) & Hours of Event: (see A.R.S. 4-244(15) and (17) for legal hours of service)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:				
Day 2:				
Day 3:				
Day 4:	November 17, 2012	Saturday	6:00 am	2:00 am
Day 5:				
Day 6:				
Day 7:				
Day 8:				
Day 9:				
Day 10:				

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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 4 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.
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Name Verde Valley Fair Association 100% Percentage

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Name _____ _____ Percentage

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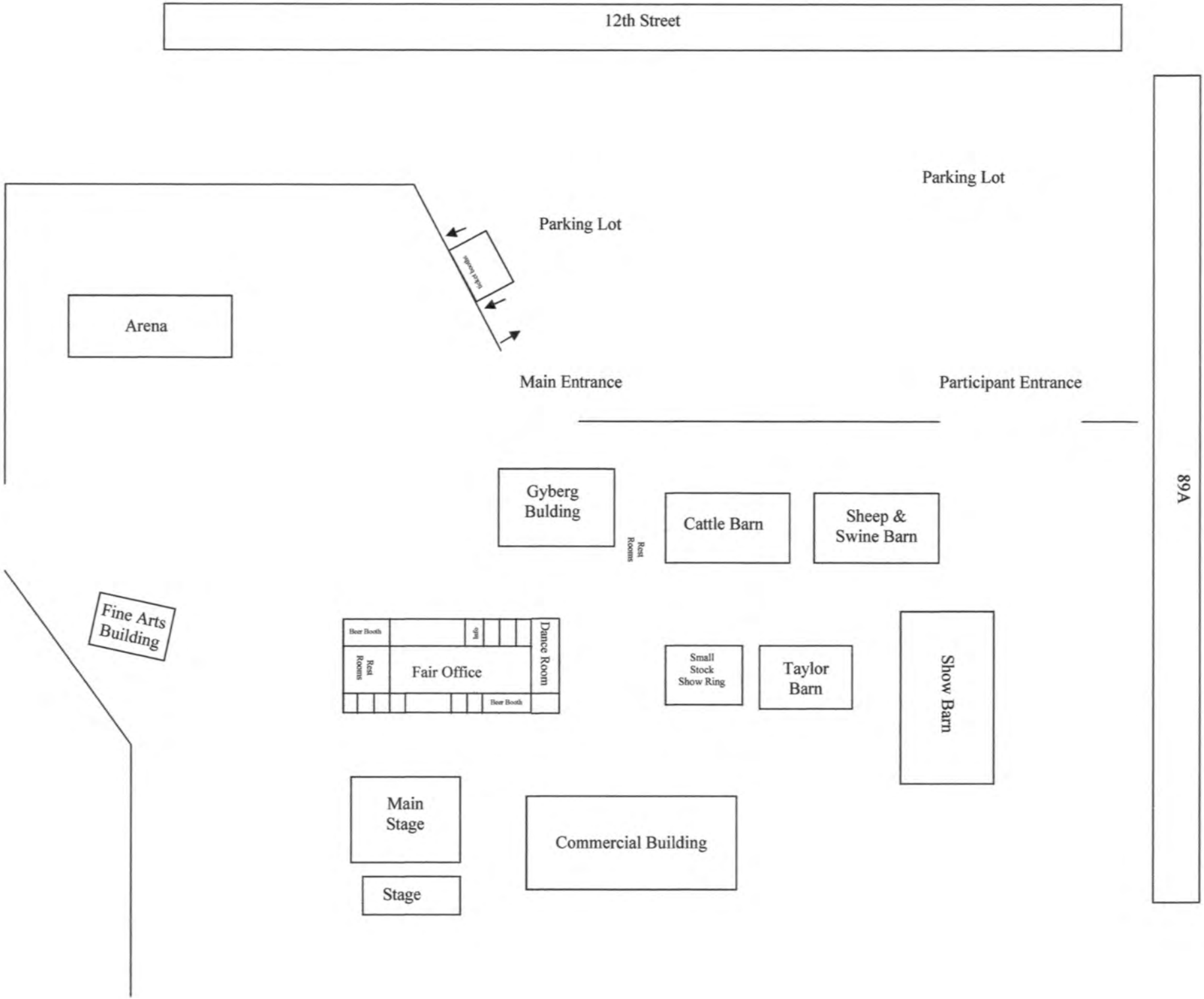
12th Street
89A
Parking Lot
Parking Lot
Ticket booths
Arena
Main Entrance
Participant Entrance
Gyberg Bulding
Rest Rooms
Cattle Barn
Sheep & Swine Barn
Fine Arts Building
Beer Booth
Info
Rest Rooms
Fair Office
Dance Room
Beer Booth
Small Stock Show Ring
Taylor Barn
Show Barn
Main Stage
Commercial Building
Stage

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18. I, John O'Donnell (Print full name) 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.

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NOTARY PUBLIC - ARIZONA
Yavapai County
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April 11, 2016

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NOTARY PUBLIC - ARIZONA
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FOR DLLC DEPARTMENT USE ONLY

Department Comment Section:

_____

_____ (Employee) _____ (Date)

☐ APPROVED ☐ DISAPPROVED BY: _____

_____ (Title) _____ (Date)

SERIES: **15 SPECIAL EVENT LICENSE (Temporary)**

Non-transferable

On-sale retail privileges

PURPOSE:

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AVERAGE APPROVAL TIME: **One (1) to seven (7) days.**

PERIOD OF ISSUANCE:

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FEES: **$25.00 per day.**

ARIZONA STATUTES AND REGULATIONS:

ARS 4-203.02, 4-244, 4-261; Rule R19-1-228, R19-1-235, R19-1-309.

Disabled individuals requiring special accommodations please call (602) 542-9027

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	**Governor's Office of Highway Safety Grant Contract Number: 2013-PT-0154 Speed/STEP Enforcement**
Department:	Police
From:	Chief Jody Fanning

REQUESTED ACTION

Approval for the City Manager and Chief of Police signing the attached GOHS contract to provide $6,000.00 for overtime expenses that will be incurred from October 1, 2012 through September 30, 2013 for Selective Traffic Enforcement Details (STEP).

SUGGESTED MOTION

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

"I move to approve the Governor's Office of Highway Safety Grant, Contract Number 2013-PT-015, and authorize the City Manager and Police Chief to sign said contract."

BACKGROUND

The Governor's Office of Highway Safety (GOHS) has consistently provided the City of Cottonwood Police Department (CPD) with grant opportunities, providing funding of many thousands of dollars. In the past several years GOHS has awarded CPD with funding to purchase the Mobile Command Vehicle, participate in hundreds of overtime hours for DUI Saturation and Check-Point Details, Red Light Running Details, Traffic Enforcement Details as well as Child and Infant Car Safety Seat Events. This funding is the only way CPD is able to participate in these special details and events.

JUSTIFICATION/BENEFITS/ISSUES

Signature is required before further evaluation and award of funds can occur. This funding is significant in that it will cover $6,000.00 worth of overtime expenses incurred during Selective Traffic Enforcement Details. This funding allows the Department to participate in selective traffic enforcement such as, Red Light Running Details, School Zone Details and patrol areas of Cottonwood where traffic has become an issue.

COST/FUNDING SOURCE

Governor's Office of Highway Safety

ATTACHMENTS:

Name:	Description:	Type:
2013-PT-015.pdf	GOHS Grant 2013-PT-015	Cover Memo

JANICE K. BREWER
GOVERNOR

ALBERTO GUTIER
DIRECTOR
GOVERNOR'S HIGHWAY SAFETY REPRESENTATIVE

June 25, 2012

PROJECT REFERENCE:
Contract No.: 2013-PT-015
Contract Title: Selective Traffic Enforcement

Chief Jody Fanning
Cottonwood Police Department
199 S. 6th St.
Cottonwood, Arizona 86326

Dear Chief Fanning:

Enclosed are two (2) copies of the referenced Highway Safety Contract for your review and signature. This is ***not*** an authorization to proceed with the project.

Please complete the following steps:

1. Please review the entire contract as there have been **significant changes** throughout the contract;
2. As Project Director, sign and date the signature page of both copies;
3. Obtain the signature of Doug Bartosh, City Manager, City of Cottonwood, as the Authorized Official of Governmental Unit, on the signature page of both copies;
4. Have your fiscal staff complete the Reimbursement Instructions (page 21) of both copies;
5. Return all signed copies of the Contract to 3030 North Central Avenue, Suite 1550, Phoenix, AZ 85012.

Please ***do not*** incur any costs at this time as it would nullify the Contract. Once the signed copies are received, I will approve and sign the Contract as the GOHS Director/Governor's Highway Safety Representative and an original executed Contract with a letter of authorization to proceed will be forwarded to you.

Sincerely,

Alberto Gutier, Director
Governor's Highway Safety Representative

Enclosures
AG:

3030 NORTH CENTRAL AVENUE, SUITE 1550, PHOENIX, ARIZONA 85012
TELEPHONE (602) 255-3216 | TOLL FREE (877) 355-3216 | FAX (602) 255-1265
WWW.AZGOHS.GOV

GOVERNOR'S OFFICE OF
HIGHWAY SAFETY

STATE OF ARIZONA

HIGHWAY SAFETY CONTRACT

This page, the Project Director's Manual and attached hereto and incorporated herein by reference, constitute the entire contract between the parties hereto unless deviation is authorized in writing by the Governor's Highway Safety Representative.

		CFDA 20.600
1.	**APPLICANT AGENCY** Cottonwood Police Department	**GOHS CONTRACT NUMBER** **2013-PT-015**
	ADDRESS 199 S. 6th St. Cottonwood, AZ 86326	**PROGRAM AREA 402 – PT** **TASK 1**
2.	**GOVERNMENTAL UNIT** City of Cottonwood	**AGENCY CONTACT** Christine Christensen
	ADDRESS 827 N. Main St. Cottonwood, AZ 86326	**3. PROJECT TITLE** Selective Traffic Enforcement(STEP)
4.	**GUIDELINES** 402 – Police Traffic (PT)	

5. BRIEFLY STATE PURPOSE OF PROJECT:
Federal (402) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance Selective Traffic Enforcement and Education throughout the City of Cottonwood.

6.	**BUDGET** **COST CATEGORY**	**Project Period** **FY 2013**
I.	**Personnel Services**	$5,000.00
II.	**Employee Related Expenses**	$1,000.00
III.	**Professional and Outside Services**	$0.00
IV.	**Travel In-State**	$0.00
V.	**Travel Out-of-State**	$0.00
VI.	**Materials and Supplies**	$0.00
VII.	**Capital Outlay**	$0.00
	TOTAL ESTIMATED COSTS	**$6,000.00**

PROJECT PERIOD	**FROM:** Effective Date (*Date of GOHS Director Signature*)	**TO:** 09-30-2013
CURRENT GRANT PERIOD	**FROM:** 10-01-2012	**TO:** 09-30-2013

TOTAL FEDERAL FUNDS OBLIGATED THIS FY: $6,000.00

A political subdivision or state agency that is mandated to provide a certified resolution or ordinance authorizing entry into this contract must do so prior to incurring any expenditures. Failure to do so may result in termination of the awarded contract.

PROBLEM IDENTIFICATION AND RESOLUTION:

Agency Background:

The City of Cottonwood encompasses approximately 714 square miles and is located in Yavapai County which encompasses approximately 8800 square miles. It is the largest city in the Verde Valley and serves as its hub as well. The City of Cottonwood has a population of more than 11,265 with the Verde Villages, Verde Santa Fe and Cornville located in Yavapai County bordering the City of Cottonwood, combined bring in another 11,000 people. Along with the growth in population in the area, there is also a steady growth of tourism. Tourism during big event weekends can increase the City's population by 10% to 20%. The City serves this entire population whether they live within or outside the City limits and the Police Department also assists other agencies such as the Clarkdale Police Department, Jerome Police Department and Yavapai County Sheriff's Office.

The Cottonwood Police Department consists of 31 sworn officers, 16 civilian personnel and 15 volunteers. To keep up with the continued growth of our area, the Department takes an innovative approach to police services and strives to remain proactive in their efforts.

Agency Problem:

The City of Cottonwood has only 13 traffic signals, but still has the same issues as any other big city - Red Light Running. The City is very lucky to have an average of 1-2 fatalities per year at these intersections, but with the increase of traffic in the City this average is not going to remain stable unless traffic enforcement is increased.

The City of Cottonwood has one (1) high school, one (1) junior high school, three (3) elementary schools and several charter and private schools. The Department and the C.O.P.s (Citizens On Patrol) make a point of being at most of these locations at the beginning of the school year to remind the community that school is back in session and to be alert to the children, school buses and additional vehicle traffic. Unfortunately, the Department does not have the manpower to continue this type of enforcement throughout the school year.

Agency Attempts to Solve Problem:

As part of their routine job, officers while patrolling are constantly looking for traffic offenses, but traffic offenses are not their only responsibility during their shift and the officers are often called away to handle other issues unrelated to traffic. Unfortunately, if it is a busy shift, traffic offenses become a non-priority issue. In high speed areas, the Department does set up the traffic trailer to slow down traffic, but as soon as the trailer is moved and without constant patrolling the traffic speed has the potential to get back to the high speeds again. Red-light running and school zone offenses are stopped if the officer just happens to be in the area and observes the offense. This is not a common occurrence. Constant patrolling through saturation details seems to be the only option to handle these continual traffic issues.

Agency Funding:

Federal (402) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance Selective Traffic Enforcement and Education throughout the City of Cottonwood.

How Agency Will Solve Problem With Funding:

The funds will support the Personnel Services (overtime) and Employee Related Expenses to enhance Speed and Selective Traffic Enforcement throughout the City of Cottonwood. The Department will participate in multiple speed enforcement details by September 30, 2013.

STEP will be utilized by officers wishing to conduct additional traffic enforcement overtime details or participate in specific holiday/event overtime details. On scheduled STEP details, the enforcement will focus on, but will not be limited to specific high traffic residential areas, saturation details during the beginning of the school year and Red-light running. The Department will try to hold a STEP detail monthly to address these traffic issues.

The Cottonwood Police Department will carry out an enforcement and public awareness program. The Mobile DUI Enforcement Vehicle will be stationed at different events throughout the year, as not only a sub-station, but as a tool to educate the public regarding DUI's, Aggressive Drivers, Seat Belts and Child Restraints. The Cottonwood Police Department agrees that the key to a long-term solution to the problem of impaired and errant drivers is education. This program will actively participate in a public information and education campaign using both the electronic and printed media.

TRAFFIC DATA SUMMARY

DESCRIPTION	LAST YEAR (2011)	TWO YEARS AGO (2010)	THREE YEARS AGO (2009)
TOTAL FATAL COLLISIONS	2	0	2
TOTAL INJURY COLLISIONS	82	85	7
TOTAL COLLISIONS INVESTIGATED	0	0	0
ALCOHOL-RELATED FATALITIES	1	0	0
ALCOHOL-RELATED INJURIES	9	2	5
SPEED-RELATED FATALITIES	1	0	0
SPEED-RELATED INJURIES	6	28	24
PEDESTRIAN FATALITIES	3	0	1
PEDESTRIAN INJURIES	3	10	8
BICYCLE FATALITIES	0	0	0
BICYCLE INJURIES	4	3	3
TOTAL DUI ARRESTS	156	129	168
TOTAL MISDEMEANOR DUI ARRESTS	130	105	133
TOTAL AGGRAVATED DUI ARRESTS	26	24	35
TOTAL EXTREME DUI .15 ARRESTS	34	26	30
TOTAL DUI-DRUG ARRESTS	15	7	27
TOTAL DRE EVALUATIONS	67	48	20
SOBER DESIGNATED DRIVERS CONTACTED	67	48	20
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4	3	12	0
UNDERAGE DUI ARRESTS	76	47	124
UNDERAGE DUI-DRUG ARRESTS	15	7	27
TOTAL AGENCY CITATIONS	1854	1619	1499
SPEED CITATIONS	511	564	467
RED LIGHT RUNNING CITATIONS	24	64	77
SEAT BELT CITATIONS	68	14	73
CHILD SAFETY SEAT CITATIONS	11	6	12

GOALS/OBJECTIVES:

Federal (402) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance Selective Traffic Enforcement and Education throughout the City of Cottonwood. The following goals and objectives shall be accomplished as a result of this funding:

- Expend funding for Personnel Services (overtime) and Employee Related Expenses provided for Speed/STEP activities by September 30, 2013.
- To reduce or maintain the total number of persons killed in traffic collisions through Speed Enforcement by December 31, 2013.
- To reduce or maintain the total number of persons injured in traffic collisions through Speed Enforcement by December 31, 2013.
- To increase the total number of speed citations by **5%** percent from the calendar 2011 base year total of **511 to 536** by December 31, 2013.
- To increase the total number of total agency citations by **5%** percent from the calendar 2011 base year total of **1,854 to 1,946** by December 31, 2013.
- To conduct **Three (3)** highly publicized Speed/STEP enforcement operations by September 30, 2013.
- To make **Three (3)** training presentations to law enforcement personnel related to DUI, Speed, Occupant Restraints etc., by September 30, 2013.
- Provide **Two (2)** certified training courses in speed measurement devices by September 30, 2013.
- To prepare complete press release information for media (television, radio, print and on-line) during each campaign period including a main press release, schedule of events, departmental plans and relevant data. **The material will emphasize the campaign's purpose, aggressive enforcement and the high cost of Aggressive Driving in terms of money, criminal and human consequences.**

METHOD OF PROCEDURE:

The Cottonwood Police Department will implement the following strategies to meet the outlined goals and objectives:

- Increase enforcement capabilities by implementing additional personnel services (overtime) to participate in Speed/Selective Traffic Enforcement Program (STEP).
- To improve the enforcement of traffic safety laws intended to reduce death, injury and property damage and promote roadway safety, by strict and consistent enforcement.
- Identify most dangerous roads (Speed-Related Issues) within specific geographic area respective community. Deploy enforcement efforts based upon identification process.
- Include speed and traffic enforcement as part of other enforcement programs (i.e., DUI and occupant protection).

- Provide public information and education on the effects of excessive vehicle speed and hazardous traffic violations.

- To encourage law enforcement agencies to use changeable message signs to promote traffic safety messages and operations.

- To develop a Speed/STEP Operational Plan to establish the method of operation with goals and objectives applicable upon initiation of contracted grant program.

And, in addition, it is the responsibility of the Cottonwood Police Department to report all holiday task force or individual agency sustained enforcement statistics to GOHS on-line at the GOHS website **no later than 10:00a.m. the morning following each day of the event.**

The holidays and special events include but not limited to: Super Bowl Sunday, Valentine's Day, President's Day, St. Patrick's Day, Spring Break, Easter, Cinco de Mayo, Prom Night, Memorial Day, Graduation Day, Independence Day, Labor Day, Columbus Day, Halloween, and the Thanksgiving through New Year's details.

PLEASE NOTE: Failure to report statistics on time and correctly may result in reimbursements being delayed until completed.

PRESS RELEASE:

Agencies are required to develop and distribute a press release announcing this grant award (a copy of this press release shall be sent to the GOHS Director at the same time it is sent to the media). This press release shall include the objective and specify that the funding is from the Governor's Office of Highway Safety.

BAC TESTING AND REPORTING REQUIREMENTS:

Alcohol impairment is a major contributing factor in fatality and serious injury motor vehicle collisions. Accurate data on alcohol involvement is essential to understanding the full extent of the role of alcohol and to assess progress toward reducing impaired driving.

Arizona is presently and consistently below the documented average among the states in the Blood Alcohol (BAC) testing of drivers involved in fatality motor vehicle collisions.

Each law enforcement agency that receives an enforcement-related grant is required to ensure that this accurate data on all drivers involved are reported. Failure to comply may result in withholding funds and cancellation of the enforcement contract until this requirement is met.

PURSUIT POLICY:

All law enforcement agencies receiving federal funds are encouraged to follow the guidelines established for vehicular pursuits issued by the International Association of Chiefs of Police (IACP) that are currently in effect.

Requirements for Professional and Outside Services:

A copy of all contracts for "Professional and Outside Services" must be submitted to the GOHS Director for written approval before execution.

Requirements for Public Information and Education Materials:

Prior to the printing and distribution of public information and education materials, a sample will be provided to the GOHS Director for review and written approval.

Requirements for Paid Media:

All paid media must be pre-approved by the GOHS Director to ensure that consistent messages are sent statewide. Requests for paid media must include, *at a minimum,* scripts, description of target audience (to include methodology for identifying target audience), type of media to be utilized (electronic, print), campaign schedule, and budget. Additional information may be requested on a case by case basis.

PROJECT EVALUATION:

This project shall be administratively evaluated to ensure that the objectives have been met.

Quarterly Report

The Quarterly Report (QR) purpose is to provide information on contracted grant activities conducted at the conclusion of each respective quarter. The information provided is used to review progress of the funded project and the successfulness in meeting outlined goals and objectives. The information, photos, highlights, obstacles, and mandatory statistical data provided in this report are analyzed by the assigned project coordinator. It is critical that the on-line report contains the following information:

- Description of projects/activities conducted to achieve goals and objectives supported by the funding.
- Progress towards the completion of the project meeting the goals and objectives of the funded project. Examples additionally include public information, educational activities, electronic and printed media activities (include newspaper clippings)
- Report of status of procurement process as well as the current and federal fiscal year-to-date program expenditures (equipment materials/supplies etc.)
- Specific problem areas encountered and solutions identified (if applicable)
- Quarterly Enforcement Form
- Original signatures on all Quarterly Reports and RCI's
  - Signatures must include Project Director unless prior authorization for another is on file with GOHS.

Report Schedule

Reporting Period	Due Date
Quarterly Report (October 1 to December 31)	January 15
Quarterly Report (January 1 to March 31)	April 15
Quarterly Report (April 1 to June 30)	July 15
Quarterly Report (July 1 to September 30)	October 31
Final Statement of Accomplishment	October 31

The Quarterly Report **shall be completed on the available on-line form and submitted by mail** to the Governor's Office of Highway Safety. ***Note:*** The "Quarterly Summary Enforcement Report must be included with each Quarterly Report and Final Statement of Accomplishment.

Final Statement of Accomplishments

The Project Director shall submit a Final Statement of Accomplishments Report to the GOHS **no later than 30 days following the contract end date.** All agencies receiving funding are required to submit a Final Statement of Accomplishments Report. The report is a summary overview of the contracted project and is reviewed by the GOHS project coordinator to determine the following:

- How effective was the funded project in reducing or eliminating the identified traffic safety problem?
- Were the goals and objectives outlined in the contract achieved?
- What positive accomplishments or obstacles/deficiencies did the grantee face in pursuit of their respective goals and objectives?
- Evaluate the overall worth of the project.
- Will the project be continued in the future (Describe in detail) regardless of assistance from GOHS?

Note: Failure to comply with the outlined GOHS reporting requirements may result in withholding of federal funds or termination of the contract.

PROFESSIONAL AND TECHNICAL PERSONNEL:

Jody Fanning, Chief, Cottonwood Police Department, shall serve as Project Director.

Christine Christensen, Police Administrative Technician, Cottonwood Police Department, shall serve as Project Administrator.

Benjamin Deemer, Governor's Office of Highway Safety, shall serve as Project Coordinator.

REPORT OF COSTS INCURRED (RCI):

The Project Director shall submit a Report of Costs Incurred (RCI) with supporting documentation attached, to the Governor's Office of Highway Safety at a minimum on a quarterly basis in correlation required report. Agencies may submit additional RCI's forms for expenditures when funds have been expended for which reimbursement is being requested.

RCI's shall be typed and delivered via mail or hand with appropriate supporting documentation, delivered to the Governor's Office of Highway Safety. **Electronically submitted RCI's will not be accepted.** Final RCI's will not be accepted after thirty (30) days after the conclusion of each federal fiscal year (September 30th). **Expenditures submitted after the expiration date will not be reimbursed and the agency will accept fiscal responsibility.**

The Governor's Office of Highway Safety will provide the RCI template and instructions with this contract. Failure to meet this requirement may be cause to terminate the project.

PROJECT MONITORING:

Traffic safety grant project monitoring is used by GOHS project coordinators to track the progress of project objectives, performance measures and compliance with applicable procedures, laws, and regulations.

The process is used throughout the duration of the contracted project and serves as a continuous management tool. Project monitoring also presents a good opportunity for developing partnerships, sharing information and providing assistance to contracted agencies. Additionally, project monitoring outlines a set of procedures for project review and documentation.

Project monitoring also serves as a management tool for:

- Detecting and preventing problems
- Helping to identify needed changes
- Identifying training or assistance needed
- Obtaining data necessary for planning, and evaluation
- Identifying exemplary projects

Types of Monitoring

Monitoring is formal and informal, financial and operational. The most common types of monitoring are:

- Ongoing contact with the contracted grantee through phone calls, e-mails, correspondence, and meetings
- On-Site and/or In-House monitoring reviews of project operations, management, and financial records and systems
- Review of project Quarterly Reports
- Review and approval of Requests for Cost Incurred (RCIs)
- Desk review of other documents in the project-grant files for timely submission and completeness

Monitoring Schedule

Total Awarded Amount	Type of Monitoring
Under $50,000.00	Desk Review/Phone Conference.
$50,000.01-$99,999.99	In-House GOHS Review
$100,000+	On-Site
Capital Outlay Greater than $25,000.00 (combined)	On-Site
Desk Review and Phone Conference	Internal Review of all written documentation related to contractual project including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. A phone conference call conducted during the course of the project which includes the date and time of the call, the person/s contacted

	and the results. Serves as an informational review to determine progress of programmatic/financial activities. Both the designated project administrator and fiscal contact should be present, if possible, during the phone conference. If identified financial or operational problems are present, GOHS reserves the right to bring the grantee in for an in-house meeting at GOHS. Monitoring form written by Project Coordinator, any findings or areas of improvement, concern or recognition will be provided to the grantee.
In-House Review	Documents performance review results including project activities, reimbursement claims review, equipment purchases, approvals, and other information. Reviews applicable information related to the project(s) including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Completed at GOHS in a meeting with appropriate operational and financial personnel. Monitoring form written by Project Coordinator, any findings or areas of improvement, concern or recognition will be provided to the grantee.
On-Site Monitoring	Documents performance review results including project activities, reimbursement claims review, equipment purchases, and other information. Reviews applicable information related to the project(s) including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Conducted on-site at the grantee's agency with monitoring form completed on-site by Project Coordinator. Any findings or areas of improvement, concern, or recognition, will be provided to the grantee.

Documentation

All findings will be documented on the GOHS Monitoring Form and placed in the grantee's respective federal file. Findings will be discussed with the grantee designated contract representative (project administrator, fiscal specialist) by phone and/or e-mail. All noted deficiencies will be provided to the grantee with guidance for improvement and solutions to problems. Grantees that exhibit significantly poor performance with be placed on a performance plan as outlined by the project coordinator. Grantee monitoring information will additionally provide documentation for potential funding in subsequent fiscal year grant proposal review.

PROJECT PERIOD:

The Project Period shall commence on the date the GOHS Director signs the Highway Safety Contract and terminate on September 30 of that or subsequent year as indicated on the Highway Safety Contract.

DURATION:

Contracts shall be effective on the date the Governor's Office of Highway Safety Director signs the contract and expire at the end of the project period.

If the Agency is unable to expend the funds in the time period specified and needs an extension, a typed extension request shall be signed by the Project Director on the Agency's letterhead and submitted via mail or hand delivered to the Director of the Governor's Office of Highway Safety within ninety (90) days before the end of the project period.

Electronic, handwritten and verbal requests to alter the Contract in any manner will not be accepted.

Failure to comply may result in cancellation of the contract. Any unexpended funds remaining at the termination of the contract shall be released back to the Governor's Office of Highway Safety.

ESTIMATED COSTS:

I.	Personnel Services (overtime)	$5,000.00
II.	Employee Related Expenses	$1,000.00
III.	Professional and Outside Services	$0.00
IV.	Travel In-State	$0.00
V.	Travel Out-of-State	$0.00
VI.	Materials and Supplies	$0.00
VII.	Capital Outlay	$0.00
	TOTAL ESTIMATED COSTS	***$6,000.00**

*Includes all applicable training, tax, freight, and advertising costs. The GOHS reserves the right to limit reimbursement of Employee Related Expenses from zero (0) to a maximum rate of 40 percent. This is the maximum ERE amount to be reimbursed. It is agreed and understood that the Cottonwood Police Department shall absorb any and all expenditures in excess of **$6,000.00**.

DAILY ENFORCEMENT REPORT
(For Agency Use Only)

_____
Month Day Year

DESCRIPTION	CONTRACT ACTIVITY	AGENCY ACTIVITY
TOTAL FATAL COLLISIONS		
TOTAL INJURY COLLISIONS		
TOTAL COLLISIONS INVESTIGATED		
ALCOHOL-RELATED FATALITIES		
ALCOHOL-RELATED INJURIES		
SPEED-RELATED FATALITIES		
SPEED-RELATED INJURIES		
PEDESTRIAN FATALITIES		
PEDESTRIAN INJURIES		
BICYCLE FATALITIES		
BICYCLE INJURIES		
TOTAL DUI ARRESTS		
TOTAL MISDEMEANOR DUI ARRESTS		
TOTAL EXTREME DUI .15 ARRESTS		
TOTAL AGGRAVATED DUI ARRESTS		
TOTAL DUI DRUG ARRESTS		
TOTAL DRE EVALUATIONS		
SOBER DESIGNATED DRIVERS CONTACTED		
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4		
UNDERAGE DUI ARRESTS		
UNDERAGE DUI-DRUG ARRESTS		
TOTAL AGENCY CITATIONS		
SPEED CITATIONS		
RED LIGHT RUNNING CITATIONS		
SEAT BELT CITATIONS		
CHILD SAFETY SEAT CITATIONS		

QUARTERLY ENFORCEMENT REPORT
(Submitted to GOHS)

_____
Reporting Period

DESCRIPTION	CONTRACT ACTIVITY	AGENCY ACTIVITY
TOTAL FATAL COLLISIONS		
TOTAL INJURY COLLISIONS		
TOTAL COLLISIONS INVESTIGATED		
ALCOHOL-RELATED FATALITIES		
ALCOHOL-RELATED INJURIES		
SPEED-RELATED FATALITIES		
SPEED-RELATED INJURIES		
PEDESTRIAN FATALITIES		
PEDESTRIAN INJURIES		
BICYCLE FATALITIES		
BICYCLE INJURIES		
TOTAL DUI ARRESTS		
TOTAL MISDEMEANOR DUI ARRESTS		
TOTAL EXTREME DUI .15 ARRESTS		
TOTAL AGGRAVATED DUI ARRESTS		
TOTAL DUI DRUG ARRESTS		
TOTAL DRE EVALUATIONS		
SOBER DESIGNATED DRIVERS CONTACTED		
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4		
UNDERAGE DUI ARRESTS		
UNDERAGE DUI-DRUG ARRESTS		
TOTAL AGENCY CITATIONS		
SPEED CITATIONS		
RED LIGHT RUNNING CITATIONS		
SEAT BELT CITATIONS		
CHILD SAFETY SEAT CITATIONS		

CERTIFICATIONS AND AGREEMENTS

This CONTRACT, is made and entered into by and between the STATE OF ARIZONA, by and through the Governor's Office of Highway Safety (GOHS) hereinafter referred to as "STATE", and the Cottonwood Police Departmentd in this Contract, hereinafter referred to as "AGENCY".

WHEREAS, the National Highway Safety Act of 1966, as amended (23 USC §§401-404), provides Federal funds to STATE for approved highway safety projects; and

WHEREAS, STATE may make said funds available to various state, county, tribal, or municipal agencies, governments, or political subdivisions upon application and approval by STATE and the United States Department of Transportation (USDOT); and

WHEREAS, AGENCY must comply with the requirements listed herein to be eligible for Federal funds for approved highway safety projects; and

WHEREAS, AGENCY has submitted an application for Federal funds for highway safety projects;

NOW, THEREFORE, IN CONSIDERATION OF MUTUAL PROMISES AND OTHER GOODS AND VALUABLE CONSIDERATION, it is mutually agreed that AGENCY will strictly comply with the following terms and conditions and the following Federal and State Statutes, Rules, and Regulations:

I. Project Monitoring, Reports, and Inspections

A. AGENCY agrees to fully cooperate with representatives of STATE monitoring the project, either on-site or by telephone, during the life of the Contract.

B. AGENCY will submit Quarterly Reports (one for each three-month period of the project year) to STATE in the form and manner prescribed by STATE. Notice of the specific requirements for each report will be given in this Contract or at any time thereafter by giving thirty (30) days written notice to AGENCY by ordinary mail at the address listed on the Contract. Failure to comply with Quarterly Report requirements may result in withholding of Federal funds or termination of this Contract.

C. AGENCY will submit a Final Report/Statement of Accomplishment at completion of the Contract to include all financial, performance, and other reports required as a condition of the grant to STATE within thirty (30) days of the completion of the Contract.

D. Representatives authorized by STATE and the National Highway Traffic Safety Administration (NHTSA) will have the right to visit the site and inspect the work under this Contract whenever such representatives may determine such inspection is necessary.

II. Reimbursement of Eligible Expenses

A. AGENCY'S Project Director, or Finance Personnel, will submit a Report of Costs Incurred Form (RCI) to STATE each time there have been funds expended for which reimbursement is being requested. Failure to meet this requirement may be cause to terminate the project under section XIX herein, "Termination and Abandonment".

B. AGENCY will reimburse STATE for any ineligible or unauthorized expenses for which Federal funds have been claimed and reimbursement received, as may have been determined by a State or Federal audit.

C. STATE will have the right to withhold any installments equal to the reimbursement received by AGENCY for prior installments which have been subsequently determined to be ineligible or unauthorized.

III. Property Agreement

A. AGENCY will immediately notify STATE if any equipment purchased under this Contract ceases to be used in the manner as set forth by this Contract. In such event, AGENCY further agrees to either give credit to the project cost or to another active highway safety project for the residual value of such equipment in an amount to be determined by STATE or to transfer or otherwise dispose of such equipment as directed by STATE.

B. No equipment will be conveyed, sold, salvaged, transferred, etc., without the express written approval of STATE, or unless otherwise provided elsewhere in this Contract.

C. AGENCY will maintain or cause to be maintained for its useful life, any equipment purchased under this Contract.

D. AGENCY will incorporate any equipment purchased under this Contract into its inventory records.

E. AGENCY will insure any equipment purchased under this Contract for the duration of its useful life. Self-insurance meets the requirements of this section.

IV. Travel

In-State and Out-of-State Travel

In-state and out-of-state travel claims will be reimbursed at rates provided by AGENCY'S regulations, provided that such regulations are as restrictive as those of STATE. Where they are less restrictive, ARS §38-624 will apply.

All out-of-state travel must be approved in writing in advance by STATE.

V. Standard of Performance

AGENCY hereby agrees to perform all work and services herein required or set forth, and to furnish all labor, materials, and equipment, except that labor, material, and equipment as STATE agrees to furnish pursuant to this Contract.

VI. Hold Harmless Agreement

Neither party to this agreement agrees to indemnify the other party or hold harmless the other party from liability hereunder. However, if the common law or a statute provides for either a right to indemnify and/or a right to contribution to any party to this agreement then the right to pursue one or both of these remedies is preserved.

VII. Non-Assignment and Sub-Contracts

This Contract is not assignable nor may any portion of the work to be performed be sub-contracted unless specifically agreed to in writing by STATE. No equipment purchased hereunder may be assigned or operated by other than AGENCY unless agreed to in writing by STATE.

VIII. Work Products and Title to Commodities and Equipment

A. The work product and results of the project are the property of STATE, unless otherwise specified elsewhere in this Contract. All property, instruments, non-consumable materials, supplies, and the like, which are furnished or paid for by STATE under the terms of this Contract, unless otherwise provided for elsewhere in this Contract, are and remain the property of STATE and will be returned at the completion of this project upon request of STATE. The work product and results of the project will be furnished to STATE upon request, if no provision is otherwise made by this Contract.

B. The provisions of subparagraph A apply whether or not the project contracted for herein is completed.

IX. Copyrights and Patents

Any copyrightable materials, patentable discovery, or invention produced in the course of this project may be claimed by STATE and a copyright or patent obtained by it at its expense. In the event STATE does not wish to obtain such copyright or patent, AGENCY may do so, but in any event, provision will be made by AGENCY for royalty-free, nonexclusive, nontransferable, and irrevocable licenses to be given the United States Government and STATE and its political subdivisions to use such copyrightable material, patented discoveries, or inventions in any manner they see fit. The STATE reserves the right to impose such other terms and conditions upon the use of such copyrights or patents as may be deemed in the best interest of STATE in the event AGENCY is allowed to obtain a copyright or patent.

X. "Common Rule" and OMB Circular No. A-102 (Revised)

"Common Rule" (49 CFR, Part 18): *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*

OMB Circular No. A-102 (Revised): *Grants and Cooperative Agreements with State and Local Governments*

The application of USDOT "Common Rule" and Circular A-102 requires that:

AGENCY and sub-grantees will use their own procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law. The most stringent purchasing requirement at each level must be met.

The Arizona Procurement Code (ARS, §41-2501, et. seq.) and promulgated rules (A.A.C. Title 2, Chapter 7) are a part of this Contract as if fully set forth herein and AGENCY agrees to fully comply with these requirements for any procurement using grant monies from this Contract.

XI. Equal Opportunity

A. Pursuant to the requirements of the Federal-Aid Highway Act of 1968 (U.S.C. §103 et. seq.), AGENCY, as a condition to receiving approval of this Contract submitted under the Highway Safety Act of 1966, as amended, hereby gives its assurance that employment in connection with the subject Highway Safety Project will be provided without regard to race, color, creed, sex, or national origin, and that any contract it enters into with any private agency pursuant hereto will include provisions in compliance with this paragraph (XI).

As a condition of receiving approval of this Contract, AGENCY will be subject to and will comply with Title VI of the Civil Rights Act of 1964 and all applicable requirements of the Department of Commerce regulations as adopted by the USDOT, providing that no person in the United States shall on the ground of race, color, creed, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the subject Highway Safety Project.

B. If AGENCY fails or refuses to comply with its undertaking as set forth in these provisions, STATE or the USDOT may take any or all of the following actions.

1. Cancel, terminate, or suspend, in whole or in part, the agreement, contract, or other arrangement with respect to which the failure or refusal occurred; and

2. Refrain from extending any further Federal financial assistance to AGENCY under the Highway Safety Program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from AGENCY.

C. Pursuant to the requirement of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794), AGENCY must operate this Highway Safety Project so that it is accessible and otherwise non-discriminatory to handicapped persons.

XII. Executive Order 2009-09

It is mutually agreed that AGENCY will comply with the terms and conditions of Executive Order 2009-09, *Non-Discrimination in Employment by Government Contractors and Subcontractors*. Executive Order 2009-09 is located in Part II of the Project Director's Manual.

XIII. Application of Hatch Act

AGENCY will notify all of its employees whose principal employment is in connection with any highway safety project, financed in whole or in part by loans or grants under the Highway Safety Act of 1966, as amended, of the provisions of the Hatch Act (5 U.S.C. §7321 et. seq.).

XIV. Minority Business Enterprises (MBE) Policy and Obligation

A. Policy: It is the policy of the USDOT that minority business enterprises as defined in 49 CFR, Part 23, will have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Contract. Consequently, the minority business enterprises requirements of 49 CFR, Part 23 apply to this Contract.

B. Obligation: The recipient or its contractor agrees to ensure that minority business enterprises as defined in 49 CFR, Part 23 have the subcontracts financed in whole or in part with Federal funds provided under this Contract. In this regard, all recipients or contractors will take all necessary and reasonable steps in accordance with 49 CFR, Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. Recipients and their contractors will not discriminate on the basis of race, color, creed, sex, or national origin in the award and performance of USDOT-assigned contracts.

XV. Arbitration Clause, ARS §12-1518

Pursuant to ARS §12-1518, the parties agree to use arbitration, after exhausting applicable administrative reviews, to resolve disputes arising out of this Contract where the provisions of mandatory arbitration apply.

XVI. Inspection and Audit, ARS §35-214

Pursuant to ARS §35-214, all books, accounts, reports, files, and other records relating to this Contract will be subject at all reasonable times to inspection and audit by STATE for five (5) years after completion of this Contract. The records will be produced at the Governor's Office of Highway Safety.

XVII. Appropriation of Funds by U.S. Congress

It is agreed that in no event will this Contract be binding on any party hereto unless and until such time as funds are appropriated and authorized by the U.S. Congress and specifically allocated to the project submitted herein and then only for the fiscal year for which such allocation is made. In the event no funds are appropriated by the U.S. Congress or no funds are allocated for the project proposed herein for subsequent fiscal years, this Contract will be null and void, except as to that portion for which funds have then been appropriated or allocated to this project, and no right of action or damages will accrue to the benefit of the parties hereto as to that portion of the Contract or project that may so become null and void.

XVIII. Continuation of Highway Safety Program

It is the intention of AGENCY to continue the Highway Safety Program identified in this Contract once Federal funding is completed. This intended continuation will be based upon cost effectiveness and an evaluation by AGENCY of the program's impact on highway safety.

XIX. E-Verify

Both Parties acknowledge that immigration laws require them to register and participate with the E-Verify program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this state. Both Parties warrant that they have registered with and participate with E-Verify. If either Party later determines that the other non-compliant Party has not complied with E-Verify, it will notify the non-compliant Party by certified mail of the determination and of the right to appeal the determination.

XX. Sudan and Iran

Pursuant to ARS § 35-391.06 and 35.393.06, both of the Parties hereby warrant, and represent that they do not have, and its subcontractors do not have, and during the term hereof will not have a scrutinized business operation in either Sudan or Iran.

XXI. Termination and Abandonment

A. The STATE and AGENCY hereby agree to the full performance of the covenants contained herein, except that STATE reserves the right, at its discretion, to terminate or abandon any portion of the project for which services have not been already performed by AGENCY.

B. In the event STATE abandons the services or any part of the services as herein provided, STATE will notify AGENCY in writing and within twenty-four (24) hours after receiving such notice, AGENCY will discontinue advancing the work under this Contract and proceed to close said operations under the Contract.

C. The appraisal value of work performed by AGENCY to the date of such termination or abandonment shall be made by STATE on a basis equitable to STATE and AGENCY and a final reimbursement made to AGENCY on the basis of costs incurred. Upon termination or abandonment, AGENCY will deliver to STATE all documents, completely or partially completed, together with all unused materials supplied by STATE.

D. AGENCY may terminate or abandon this Contract upon thirty (30) days written notice to STATE, provided there is subsequent concurrence by STATE. Termination or abandonment by AGENCY will provide that costs can be incurred against the project up to and including sixty (60) days after notice is given to STATE.

E. Any equipment or commodities which have been purchased as a part of this Contract and which have not been consumed or reached the end of its useful life will be returned to STATE upon its written request.

XXII. Cancellation Statute

All parties are hereby put on notice that this Contract is subject to cancellation pursuant to ARS §38-511, the provisions of which are stated below.

In accordance with ARS §38-511, this Contract may be cancelled without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the STATE, its political subdivisions or any department or agency of either, is at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter or the Contract.

The cancellation shall be effective when written notice from the Governor or chief executive officer or governing body of the political subdivision is received by all other parties to the Contract unless the notice specifies a later time.

REIMBURSEMENT INSTRUCTIONS

1. ***Agency Official authorized by Project Director to certify and sign Reports of Costs Incurred (RCIs):***

   Name: _____

   Title: _____

   Telephone Number: _____ Fax Number: _____

   E-mail Address: _____

2. ***Agency's Fiscal Contact:***

   Name: _____

   Title: _____

   Telephone Number: _____ Fax Number: _____

   E-mail Address: _____

   Federal Identification Number: _____

3. ***REIMBURSEMENT INFORMATION:***

   Warrant/Check to be made payable to:

   _____

   Warrant/Check to be mailed to:

   _____
   (Agency)

   _____
   (Address)

   _____
   (City, State, Zip Code)

AGREEMENT OF UNDERSTANDING AND CERTIFICATION OF COMPLIANCE

Acceptance of Condition

It is understood and agreed by the undersigned that a grant received as a result of this Contract is subject the Highway Safety Act of 1966, as amended (23 U.S.C.A. §§401-404), ARS §28-602, and all administrative regulations governing grants established by the USDOT and STATE. It is expressly agreed that this Highway Safety Project constitutes an official part of the STATE's Highway Safety Program and that AGENCY will meet the requirements as set forth in the accompanying Project Director's Manual, which are incorporated herein and made a part of this Contract. All State and Federal Statutes, Rules, Regulations, and Circulars referenced in this Contract are a part of this document as if fully set forth herein. It is also agreed that no work will be performed nor any obligation incurred until AGENCY is notified in writing that this project has been approved by the Governor's Highway Safety Representative.

Certificate of Compliance

This is to certify that AGENCY will comply with all of the State and Federal Statutes, Rules and Regulations identified in this Contract.

Certification of Non-Duplication of Grant Funds Expenditure

This is to certify that AGENCY has no ongoing nor completed projects under contract with other Federal fund sources which duplicate or overlap any work contemplated or described in this Contract. It is further certified that any pending or proposed request for other Federal grant funds which would duplicate or overlap work described in the Contract will be revised to exclude any such duplication of grant fund expenditures. It is understood that any such duplication of Federal funds expenditures subsequently determined by audit will be subject to recovery by STATE.

Single Audit Act

If your political subdivision has had an independent audit meeting the requirements of the Single Audit Act of 1984, (31 U.S.C.A. §7501 et. seq.), please forward a copy to GOHS, Attention: Fiscal Services Officer, within thirty (30) days of the effective date of this Contract. If such audit has not been performed, please advise when it is being scheduled.

Lobbying Restrictions

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients will certify and disclose accordingly.

D. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 USC §1352. Any person who fails to file the 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.

Signature of Project Director:

Jody Fanning, Chief
Cottonwood Police Department

_____

_____
Date Telephone

Signature of Authorized Official of Governmental Unit:

Doug Bartosh, City Manager
City of Cottonwood

_____

_____
Date Telephone

Cottonwood Police Department	GOHS HIGHWAY SAFETY CONTRACT	2013-PT-015

AUTHORITY & FUNDS

1. This Project is authorized by 23 U.S.C. §**402**, and regulations promulgated there under, more particularly Volume 102, and if State funds are involved, this project is authorized by ARS § 28-602.

   The funds authorized for this Project have been appropriated and budgeted by the U.S. Department of Transportation. The expenses are reimbursable under Arizona's Highway Safety Plan Program Area **402-PT, Task 1**, as approved for by the National Highway Traffic Safety Administration.

2. **A. EFFECTIVE DATE:** — *Authorization to Proceed Date*

   B. FEDERAL FUNDS: — **$6,000.00**

3. **AGREEMENT AND AUTHORIZATION TO PROCEED**
   by State Official responsible to Governor for the
   administration of the State Highway Safety Agency

Alberto Gutier, Director
Governor's Office of Highway Safety
Governor's Highway Safety Representative

Approval Date

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Governor's Office of Highway Safety Grant Contract Number: 2013-AL-016 DUI Enforcement
Department:	Police
From:	Chief Jody Fanning

REQUESTED ACTION

Acceptance of the City Manager and Chief of Police signing the attached GOHS contract to provide $15,000.00 for overtime expenses that will be incurred from October 1, 2012 through September 30, 2013 for DUI Task Force Details.

SUGGESTED MOTION

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

"I move to approve the Governor's Office of Highway Safety Grant, Contract Number 2013-AL-016, and authorize the City Manager and Police Chief to sign said contract."

BACKGROUND

The Governor's Office of Highway Safety (GOHS) has consistently provided the City of Cottonwood Police Department (CPD) with grant opportunities that has provided funding of many thousands of dollars. Several years ago CPD received funding to purchase the Mobile Command Vehicle which has been a valuable assist to the Department. Also, GOHS has funded overtime for DUI Task Force Saturation Details and Check-Points for several years. The DUI Task Force Patrols focus on day to day DUI patrols (Saturation Details) as well as targeting special holiday patrols, i.e. prom night, graduation, Thanksgiving weekend, the holiday season, and several other major holidays. This funding is the only way CPD is able to participate in these special patrols and to help with purchasing equipment to assist the officers on the DUI Task Force Details.

JUSTIFICATION/BENEFITS/ISSUES

Signature is required before further evaluation and award of funds can occur. This funding is significant in that it will cover $15,000 of overtime expenses incurred during DUI patrols. This funding allows us to participate in DUI task force patrols and check-points within our jurisdiction as well as allows us to participate in Multi-Agency Task Force activities by covering the monetary expense. Without this funding the Department would not be able to hold the DUI Task Force details.

COST/FUNDING SOURCE

Governor's Officer of Highway Safety

ATTACHMENTS:

Name:	Description:	Type:
Contract_2013-AL-016.pdf	GOHS Grant 2013-AL-016	Cover Memo

JANICE K. BREWER
GOVERNOR

ALBERTO GUTIER
DIRECTOR
GOVERNOR'S HIGHWAY SAFETY REPRESENTATIVE

June 25, 2012

PROJECT REFERENCE:
Contract No.: 2013-AL-016
Contract Title: DUI Enforcement

Chief Jody Fanning
Cottonwood Police Department
199 S. 6th St.
Cottonwood, Arizona 86326

Dear Chief Fanning:

Enclosed are two (2) copies of the referenced Highway Safety Contract for your review and signature. This is ***not*** an authorization to proceed with the project.

Please complete the following steps:

1. Please review the entire contract as there have been **significant changes** throughout the contract;
2. As Project Director, sign and date the signature page of both copies;
3. Obtain the signature of Doug Bartosh, City Manager, City of Cottonwood, as the Authorized Official of Governmental Unit, on the signature page of both copies;
4. Have your fiscal staff complete the Reimbursement Instructions (page 21) of both copies;
5. Return all signed copies of the Contract to 3030 North Central Avenue, Suite 1550, Phoenix, AZ 85012.

Please ***do not*** incur any costs at this time as it would nullify the Contract. Once the signed copies are received, I will approve and sign the Contract as the GOHS Director/Governor's Highway Safety Representative and an original executed Contract with a letter of authorization to proceed will be forwarded to you.

Sincerely,

Alberto Gutier, Director
Governor's Highway Safety Representative

Enclosures
AG:

3030 NORTH CENTRAL AVENUE, SUITE 1550, PHOENIX, ARIZONA 85012
TELEPHONE (602) 255-3216 | TOLL FREE (877) 355-3216 | FAX (602) 255-1265
WWW.AZGOHS.GOV

GOVERNOR'S OFFICE OF HIGHWAY SAFETY

STATE OF ARIZONA

HIGHWAY SAFETY CONTRACT

This page, the Project Director's Manual and attached hereto and incorporated herein by reference, constitute the entire contract between the parties hereto unless deviation is authorized in writing by the Governor's Highway Safety Representative.

		CFDA 20.600
1.	**APPLICANT AGENCY** Cottonwood Police Department	**GOHS CONTRACT NUMBER** **2013-AL-016**
	ADDRESS 199 S. 6th St. Cottonwood, AZ 86326	**PROGRAM AREA 402 – AL** **TASK 1**
2.	**GOVERNMENTAL UNIT** City of Cottonwood	**AGENCY CONTACT** Christine Christensen
	ADDRESS 827 N. Main St. Cottonwood, AZ 86326	**3. PROJECT TITLE** DUI Enforcement
4.	**GUIDELINES** 402 – Alcohol (AL)	

5. BRIEFLY STATE PURPOSE OF PROJECT:
Federal (402) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance DUI Enforcement and Education throughout the City of Cottonwood.

6.	**BUDGET COST CATEGORY**	**Project Period FY 2013**
I.	**Personnel Services**	$12,500.00
II.	**Employee Related Expenses**	$2,500.00
III.	**Professional and Outside Services**	$0.00
IV.	**Travel In-State**	$0.00
V.	**Travel Out-of-State**	$0.00
VI.	**Materials and Supplies**	$0.00
VII.	**Capital Outlay**	$0.00
	TOTAL ESTIMATED COSTS	**$15,000.00**

PROJECT PERIOD	**FROM:** Effective Date (*Date of GOHS Director Signature*)	**TO:** 09-30-2013
CURRENT GRANT PERIOD	**FROM:** 10-01-2012	**TO:** 09-30-2013

TOTAL FEDERAL FUNDS OBLIGATED THIS FY: $15,000.00

A political subdivision or state agency that is mandated to provide a certified resolution or ordinance authorizing entry into this contract must do so prior to incurring any expenditures. Failure to do so may result in termination of the awarded contract.

PROBLEM IDENTIFICATION AND RESOLUTION:

Agency Background:

The City of Cottonwood encompasses approximately 714 square miles and is located in Yavapai County which encompasses approximately 8800 square miles. It is the largest city in the Verde Valley and serves as its hub as well. The City of Cottonwood has a population of more than 11,265 with the Verde Villages, Verde Santa Fe and Cornville located in Yavapai County bordering the City of Cottonwood, combined bring in another 11,000 people. Along with the growth in population in the area, there is also a steady growth of tourism. Tourism during big event weekends can increase the City's population by 10% to 20%. The City serves this entire population whether they live within or outside the City limits and the Police Department also assists other agencies such as the Clarkdale Police Department, Jerome Police Department and Yavapai County Sheriff's Office.

The Cottonwood Police Department consists of 31 sworn officers, 16 civilian personnel and 15 volunteers. To keep up with the continued growth of our area, the Department takes an innovative approach to police services and strives to remain proactive in their efforts.

Agency Problem:

Impaired drivers continue to be a serious problem in the City of Cottonwood and the surrounding areas. Data from the Cottonwood Police Department and other law enforcement agencies within Yavapai County show that crimes are committed with persons consuming alcohol under the age of 21. From 2006 to 2008 there were over 3000 citations/arrest of persons under 21 consuming alcohol in Yavapai County. Research as reported by Yavapai County law enforcement agencies show that not only are people under the age of 21 consuming alcohol but they tend to get involved in various other crimes including, assaults, drugs, burglaries, thefts, arson, sexual assaults, kidnapping, and weapons violations.

Agency Attempts to Solve Problem:

The Cottonwood Police Department is a member of the Yavapai County Underage Drinking Task Force which was formed to partner law enforcement agencies together in Yavapai County, to bring enforcement and education to the public on people drinking under the age 21 and to get the arrests of persons under 21 consuming alcohol decreased. The Department also participates with MATTForce in Victim Impact Panels. The Department needs to continue their Underage Enforcement details and the Covert Underage Buyers (CUB) Program to get the under 21 consuming alcohol offenders off the street and to prevent stores and bars from selling alcohol to minors.

Educating the public about drinking and driving is an ongoing activity with the Department, through media and the city's special events. At these special events the Mobile Command Unit is parked displaying information on traffic safety and DUIs, with officers available to talk with and answer questions.
The City of Cottonwood along with the Tri City DUI Task Force has held many enforcement activities throughout the years. They have at least one (1) DUI Detail a month, but try to participate in two (2) and at least three (3) Detail during the Thanksgiving/Christmas Holiday season.

Agency Funding:

Federal (402) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance DUI Enforcement and Education throughout the City of Cottonwood.

How Agency Will Solve Problem With Funding:

DUI task force operations will be utilized by officers to conduct additional enforcement details in holiday DUI Task Force and they will be focusing on traffic and DUI laws. The Tri City Task Force will only be using officers and/or deputies that, at a minimum, are certified in Standardized Field Sobriety Testing (SFSTs), which is required if using the overtime through this contract.

The Cottonwood Police Department and the Yavapai County Underage Drinking Task Force have multiple enforcement programs that work to prevent Underage Drinking in the City of Cottonwood and Yavapai County. One program is the Covert Underage Buyers (CUB) Program. During these details officers observe underage persons going into establishments that sell alcohol and observe if the clerk, bartender, or other representatives for the establishment serves or sell alcohol to the underage person. If the sell or service happens, an officer from the task force will arrest and cite the person for selling the alcohol to the underage persons. Reports are also forwarded to the Arizona Department of Liquor and Licensing Commission for their follow-up on violations of liquor licensing.

TRAFFIC DATA SUMMARY

DESCRIPTION	LAST YEAR (2011)	TWO YEARS AGO (2010)	THREE YEARS AGO (2009)
TOTAL FATAL COLLISIONS	2	0	2
TOTAL INJURY COLLISIONS	82	85	7
TOTAL COLLISIONS INVESTIGATED	0	0	0
ALCOHOL-RELATED FATALITIES	1	0	0
ALCOHOL-RELATED INJURIES	9	2	5
SPEED-RELATED FATALITIES	1	0	0
SPEED-RELATED INJURIES	6	28	24
PEDESTRIAN FATALITIES	3	0	1
PEDESTRIAN INJURIES	3	10	8
BICYCLE FATALITIES	0	0	0
BICYCLE INJURIES	4	3	3
TOTAL DUI ARRESTS	156	129	168
TOTAL MISDEMEANOR DUI ARRESTS	130	105	133
TOTAL AGGRAVATED DUI ARRESTS	26	24	35
TOTAL EXTREME DUI .15 ARRESTS	34	26	30
TOTAL DUI-DRUG ARRESTS	15	7	27
TOTAL DRE EVALUATIONS	67	48	20
SOBER DESIGNATED DRIVERS CONTACTED	67	48	20
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4	3	12	0
UNDERAGE DUI ARRESTS	76	47	124
UNDERAGE DUI-DRUG ARRESTS	15	7	27
TOTAL AGENCY CITATIONS	1854	1619	1499
SPEED CITATIONS	511	564	467
RED LIGHT RUNNING CITATIONS	24	64	77
SEAT BELT CITATIONS	68	14	73
CHILD SAFETY SEAT CITATIONS	11	6	12

GOALS/OBJECTIVES:

Federal (402) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance DUI Enforcement and Education throughout the City of Cottonwood. The following goals and objectives shall be accomplished as a result of this funding:

- Expend funding for Personnel Services (overtime) and Employee Related Expenses provided for DUI activities by September 30, 2013.
- To reduce or maintain the total number of alcohol involved traffic fatalities through DUI enforcement by December 31, 2013.
- To reduce or maintain the total number of alcohol involved traffic injuries through DUI enforcement by December 31, 2013.
- To increase total department-wide DUI arrests by **5%** percent from the calendar 2011 base year total of **156 to 163** by December 31, 2013.
- To conduct **Two (2)** DUI Saturation Patrols by September 30, 2013 and participate in an additional **Two (2)** DUI Task Force Operations by September 30, 2013.
- To conduct **One (1)** DUI training sessions for enforcement personnel by September 30, 2013.

METHOD OF PROCEDURE:

The Cottonwood Police Department will implement the following strategies to meet the outlined goals and objectives:

- Increase enforcement capabilities by implementing additional personnel services (overtime) to participate in DUI activities.
- Implement a system of programs to deter alcohol/drug impaired driving, which will include aggressive enforcement of current laws, as well as visible and aggressive prosecution of violators.
- Develop DUI enforcement projects that will provide highly visible patrols and selective enforcement methods utilizing up-to-date field sobriety techniques.
- Develop comprehensive community DUI prevention projects that employ collaborative efforts in the development and execution of strategic information and education campaigns targeting youth and adults, and focusing specific attention to those who engage in high-risk behaviors.
- Provide DRE training for enforcement officers, prosecutors, and judges to facilitate in the arrest, prosecution, and adjudication of alcohol and/or drug impaired drivers.
- Develop Public information and educational campaigns to raise awareness specific to Arizona's goals and objectives in reducing impaired driving fatalities and collisions. These activities shall include print, radio, television, on-line electronic and other possible innovative projects.

- Work in correlation with the statewide GOHS funded traffic safety prosecutor that is available to all police agencies and adjudicating prosecuting attorney's offices, particularly for cases that may set a state precedent.

- Provide training opportunities for laboratory technicians, law enforcement and prosecutors on use of current technology and new phlebotomy projects.

- Participation is mandatory in multi-agency task forces, specifically the statewide Arizona DUI Task Forces. The mission of these Task Forces is to ***"Unite Arizona communities to implement a coordinated public information and education campaign along with combined DUI enforcement activities with an emphasis on holidays and specific event days throughout the year."***

- The Agency will provide a schedule of their respective DUI Task Force details or planned participation in other agency DUI Task Force details a minimum of Three (3) weeks prior to each Mandatory Reporting Period.

- To develop a DUI Operational Plan to establish the method of operation with goals and objectives applicable upon initiation of contracted grant program.

And, in addition, it is the responsibility of the Cottonwood Police Department to report all holiday task force or individual agency sustained enforcement statistics to GOHS on-line at the GOHS website **no later than 10:00a.m. the morning following each day of the event.**

The holidays and special events include but not limited to: Super Bowl Sunday, Valentine's Day, President's Day, St. Patrick's Day, Spring Break, Easter, Cinco de Mayo, Prom Night, Memorial Day, Graduation Day, Independence Day, Labor Day, Columbus Day, Halloween, and the Thanksgiving through New Year's details.

PLEASE NOTE: Failure to report statistics on time and correctly may result in reimbursements being delayed until completed.

PRESS RELEASE:

Agencies are required to develop and distribute a press release announcing this grant award (a copy of this press release shall be sent to the GOHS Director at the same time it is sent to the media). This press release shall include the objective and specify that the funding is from the Governor's Office of Highway Safety.

BAC TESTING AND REPORTING REQUIREMENTS:

Alcohol impairment is a major contributing factor in fatality and serious injury motor vehicle collisions. Accurate data on alcohol involvement is essential to understanding the full extent of the role of alcohol and to assess progress toward reducing impaired driving.

Arizona is presently and consistently below the documented average among the states in the Blood Alcohol (BAC) testing of drivers involved in fatality motor vehicle collisions.

Each law enforcement agency that receives an enforcement-related grant is required to ensure that this accurate data on all drivers involved are reported. Failure to comply may result in withholding funds and cancellation of the enforcement contract until this requirement is met.

PURSUIT POLICY:

All law enforcement agencies receiving federal funds are encouraged to follow the guidelines established for vehicular pursuits issued by the International Association of Chiefs of Police (IACP) that are currently in effect.

Requirements for Professional and Outside Services:

A copy of all contracts for "Professional and Outside Services" must be submitted to the GOHS Director for written approval before execution.

Requirements for Public Information and Education Materials:

Prior to the printing and distribution of public information and education materials, a sample will be provided to the GOHS Director for review and written approval.

Requirements for Paid Media:

All paid media must be pre-approved by the GOHS Director to ensure that consistent messages are sent statewide. Requests for paid media must include, *at a minimum*, scripts, description of target audience (to include methodology for identifying target audience), type of media to be utilized (electronic, print), campaign schedule, and budget. Additional information may be requested on a case by case basis.

PROJECT EVALUATION:

This project shall be administratively evaluated to ensure that the objectives have been met.

Quarterly Report

The Quarterly Report (QR) purpose is to provide information on contracted grant activities conducted at the conclusion of each respective quarter. The information provided is used to review progress of the funded project and the successfulness in meeting outlined goals and objectives. The information, photos, highlights, obstacles, and mandatory statistical data provided in this report are analyzed by the assigned project coordinator. It is critical that the on-line report contains the following information:

- Description of projects/activities conducted to achieve goals and objectives supported by the funding.
- Progress towards the completion of the project meeting the goals and objectives of the funded project. Examples additionally include public information, educational activities, electronic and printed media activities (include newspaper clippings)
- Report of status of procurement process as well as the current and federal fiscal year-to-date program expenditures (equipment materials/supplies etc.)
- Specific problem areas encountered and solutions identified (if applicable)
- Quarterly Enforcement Form
- Original signatures on all Quarterly Reports and RCI's
    - Signatures must include Project Director unless prior authorization for another is on file with GOHS.

Report Schedule

Reporting Period	Due Date
Quarterly Report (October 1 to December 31)	January 15
Quarterly Report (January 1 to March 31)	April 15
Quarterly Report (April 1 to June 30)	July 15
Quarterly Report (July 1 to September 30)	October 31
Final Statement of Accomplishment	October 31

The Quarterly Report **shall be completed on the available on-line form and submitted by mail** to the Governor's Office of Highway Safety. ***Note:*** The "Quarterly Summary Enforcement Report must be included with each Quarterly Report and Final Statement of Accomplishment.

Final Statement of Accomplishments

The Project Director shall submit a Final Statement of Accomplishments Report to the GOHS **no later than 30 days following the contract end date.** All agencies receiving funding are required to submit a Final Statement of Accomplishments Report. The report is a summary overview of the contracted project and is reviewed by the GOHS project coordinator to determine the following:

- How effective was the funded project in reducing or eliminating the identified traffic safety problem?
- Were the goals and objectives outlined in the contract achieved?
- What positive accomplishments or obstacles/deficiencies did the grantee face in pursuit of their respective goals and objectives?
- Evaluate the overall worth of the project.
- Will the project be continued in the future (Describe in detail) regardless of assistance from GOHS?

Note: Failure to comply with the outlined GOHS reporting requirements may result in withholding of federal funds or termination of the contract.

PROFESSIONAL AND TECHNICAL PERSONNEL:

Jody Fanning, Chief, Cottonwood Police Department, shall serve as Project Director.

Christine Christensen, Police Administrative Technician, Cottonwood Police Department, shall serve as Project Administrator.

Benjamin Deemer, Governor's Office of Highway Safety, shall serve as Project Coordinator.

REPORT OF COSTS INCURRED (RCI):

The Project Director shall submit a Report of Costs Incurred (RCI) with supporting documentation attached, to the Governor's Office of Highway Safety at a minimum on a quarterly basis in correlation required report. Agencies may submit additional RCI's forms for expenditures when funds have been expended for which reimbursement is being requested.

RCI's shall be typed and delivered via mail or hand with appropriate supporting documentation, delivered to the Governor's Office of Highway Safety. **Electronically submitted RCI's will not be accepted.** Final RCI's will not be accepted after thirty (30) days after the conclusion of each federal fiscal year (September 30th). **Expenditures submitted after the expiration date will not be reimbursed and the agency will accept fiscal responsibility.**

The Governor's Office of Highway Safety will provide the RCI template and instructions with this contract. Failure to meet this requirement may be cause to terminate the project.

PROJECT MONITORING:

Traffic safety grant project monitoring is used by GOHS project coordinators to track the progress of project objectives, performance measures and compliance with applicable procedures, laws, and regulations.

The process is used throughout the duration of the contracted project and serves as a continuous management tool. Project monitoring also presents a good opportunity for developing partnerships, sharing information and providing assistance to contracted agencies. Additionally, project monitoring outlines a set of procedures for project review and documentation.

Project monitoring also serves as a management tool for:

- Detecting and preventing problems
- Helping to identify needed changes
- Identifying training or assistance needed
- Obtaining data necessary for planning, and evaluation
- Identifying exemplary projects

Types of Monitoring

Monitoring is formal and informal, financial and operational. The most common types of monitoring are:

- Ongoing contact with the contracted grantee through phone calls, e-mails, correspondence, and meetings
- On-Site and/or In-House monitoring reviews of project operations, management, and financial records and systems
- Review of project Quarterly Reports
- Review and approval of Requests for Cost Incurred (RCIs)
- Desk review of other documents in the project-grant files for timely submission and completeness

Monitoring Schedule	
Total Awarded Amount	**Type of Monitoring**
Under $50,000.00	Desk Review/Phone Conference.
$50,000.01-$99,999.99	In-House GOHS Review
$100,000+	On-Site
Capital Outlay Greater than $25,000.00 (combined)	On-Site

Desk Review and Phone Conference	Internal Review of all written documentation related to contractual project including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. A phone conference call conducted during the course of the project which includes the date and time of the call, the person/s contacted and the results. Serves as an informational review to determine progress of programmatic/financial activities. Both the designated project administrator and fiscal contact should be present, if possible, during the phone conference. If identified financial or operational problems are present, GOHS reserves the right to bring the grantee in for an in-house meeting at GOHS. Monitoring form written by Project Coordinator, any findings or areas of improvement, concern or recognition will be provided to the grantee.
In-House Review	Documents performance review results including project activities, reimbursement claims review, equipment purchases, approvals, and other information. Reviews applicable information related to the project(s) including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Completed at GOHS in a meeting with appropriate operational and financial personnel. Monitoring form written by Project Coordinator, any findings or areas of improvement, concern or recognition will be provided to the grantee.
On-Site Monitoring	Documents performance review results including project activities, reimbursement claims review, equipment purchases, and other information. Reviews applicable information related to the project(s) including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Conducted on-site at the grantee's agency with monitoring form completed on-site by Project Coordinator. Any findings or areas of improvement, concern, or recognition, will be provided to the grantee.

Documentation

All findings will be documented on the GOHS Monitoring Form and placed in the grantee's respective federal file. Findings will be discussed with the grantee designated contract representative (project administrator, fiscal specialist) by phone and/or e-mail. All noted deficiencies will be provided to the grantee with guidance for improvement and solutions to problems. Grantees that exhibit significantly poor performance with be placed on a performance plan as outlined by the project coordinator. Grantee monitoring information will additionally provide documentation for potential funding in subsequent fiscal year grant proposal review.

PROJECT PERIOD:

The Project Period shall commence on the date the GOHS Director signs the Highway Safety Contract and terminate on September 30 of that or subsequent year as indicated on the Highway Safety Contract.

DURATION:

Contracts shall be effective on the date the Governor's Office of Highway Safety Director signs the contract and expire at the end of the project period.

If the Agency is unable to expend the funds in the time period specified and needs an extension, a typed extension request shall be signed by the Project Director on the Agency's letterhead and submitted via mail or hand delivered to the Director of the Governor's Office of Highway Safety within ninety (90) days before the end of the project period.

Electronic, handwritten and verbal requests to alter the Contract in any manner will not be accepted.

Failure to comply may result in cancellation of the contract. Any unexpended funds remaining at the termination of the contract shall be released back to the Governor's Office of Highway Safety.

ESTIMATED COSTS:

I.	Personnel Services (overtime)	$12,500.00
II.	Employee Related Expenses	$2,500.00
III.	Professional and Outside Services	$0.00
IV.	Travel In-State	$0.00
V.	Travel Out-of-State	$0.00
VI.	Materials and Supplies	$0.00
VII.	Capital Outlay	$0.00
	TOTAL ESTIMATED COSTS	***$15,000.00**

*Includes all applicable training, tax, freight, and advertising costs. The GOHS reserves the right to limit reimbursement of Employee Related Expenses from zero (0) to a maximum rate of 40 percent. This is the maximum ERE amount to be reimbursed. It is agreed and understood that the Cottonwood Police Department shall absorb any and all expenditures in excess of **$15,000.00**.

DAILY ENFORCEMENT REPORT
(For Agency Use Only)

_____
Month Day Year

DESCRIPTION	CONTRACT ACTIVITY	AGENCY ACTIVITY
TOTAL FATAL COLLISIONS		
TOTAL INJURY COLLISIONS		
TOTAL COLLISIONS INVESTIGATED		
ALCOHOL-RELATED FATALITIES		
ALCOHOL-RELATED INJURIES		
SPEED-RELATED FATALITIES		
SPEED-RELATED INJURIES		
PEDESTRIAN FATALITIES		
PEDESTRIAN INJURIES		
BICYCLE FATALITIES		
BICYCLE INJURIES		
TOTAL DUI ARRESTS		
TOTAL MISDEMEANOR DUI ARRESTS		
TOTAL EXTREME DUI .15 ARRESTS		
TOTAL AGGRAVATED DUI ARRESTS		
TOTAL DUI DRUG ARRESTS		
TOTAL DRE EVALUATIONS		
SOBER DESIGNATED DRIVERS CONTACTED		
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4		
UNDERAGE DUI ARRESTS		
UNDERAGE DUI-DRUG ARRESTS		
TOTAL AGENCY CITATIONS		
SPEED CITATIONS		
RED LIGHT RUNNING CITATIONS		
SEAT BELT CITATIONS		
CHILD SAFETY SEAT CITATIONS		

QUARTERLY ENFORCEMENT REPORT
(Submitted to GOHS)

_____
Reporting Period

DESCRIPTION	CONTRACT ACTIVITY	AGENCY ACTIVITY
TOTAL FATAL COLLISIONS		
TOTAL INJURY COLLISIONS		
TOTAL COLLISIONS INVESTIGATED		
ALCOHOL-RELATED FATALITIES		
ALCOHOL-RELATED INJURIES		
SPEED-RELATED FATALITIES		
SPEED-RELATED INJURIES		
PEDESTRIAN FATALITIES		
PEDESTRIAN INJURIES		
BICYCLE FATALITIES		
BICYCLE INJURIES		
TOTAL DUI ARRESTS		
TOTAL MISDEMEANOR DUI ARRESTS		
TOTAL EXTREME DUI .15 ARRESTS		
TOTAL AGGRAVATED DUI ARRESTS		
TOTAL DUI DRUG ARRESTS		
TOTAL DRE EVALUATIONS		
SOBER DESIGNATED DRIVERS CONTACTED		
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4		
UNDERAGE DUI ARRESTS		
UNDERAGE DUI-DRUG ARRESTS		
TOTAL AGENCY CITATIONS		
SPEED CITATIONS		
RED LIGHT RUNNING CITATIONS		
SEAT BELT CITATIONS		
CHILD SAFETY SEAT CITATIONS		

CERTIFICATIONS AND AGREEMENTS

This CONTRACT, is made and entered into by and between the STATE OF ARIZONA, by and through the Governor's Office of Highway Safety (GOHS) hereinafter referred to as "STATE", and the Cottonwood Police Departmentd in this Contract, hereinafter referred to as "AGENCY".

WHEREAS, the National Highway Safety Act of 1966, as amended (23 USC §§401-404), provides Federal funds to STATE for approved highway safety projects; and

WHEREAS, STATE may make said funds available to various state, county, tribal, or municipal agencies, governments, or political subdivisions upon application and approval by STATE and the United States Department of Transportation (USDOT); and

WHEREAS, AGENCY must comply with the requirements listed herein to be eligible for Federal funds for approved highway safety projects; and

WHEREAS, AGENCY has submitted an application for Federal funds for highway safety projects;

NOW, THEREFORE, IN CONSIDERATION OF MUTUAL PROMISES AND OTHER GOODS AND VALUABLE CONSIDERATION, it is mutually agreed that AGENCY will strictly comply with the following terms and conditions and the following Federal and State Statutes, Rules, and Regulations:

I. Project Monitoring, Reports, and Inspections

A. AGENCY agrees to fully cooperate with representatives of STATE monitoring the project, either on-site or by telephone, during the life of the Contract.

B. AGENCY will submit Quarterly Reports (one for each three-month period of the project year) to STATE in the form and manner prescribed by STATE. Notice of the specific requirements for each report will be given in this Contract or at any time thereafter by giving thirty (30) days written notice to AGENCY by ordinary mail at the address listed on the Contract. Failure to comply with Quarterly Report requirements may result in withholding of Federal funds or termination of this Contract.

C. AGENCY will submit a Final Report/Statement of Accomplishment at completion of the Contract to include all financial, performance, and other reports required as a condition of the grant to STATE within thirty (30) days of the completion of the Contract.

D. Representatives authorized by STATE and the National Highway Traffic Safety Administration (NHTSA) will have the right to visit the site and inspect the work under this Contract whenever such representatives may determine such inspection is necessary.

II. Reimbursement of Eligible Expenses

A. AGENCY'S Project Director, or Finance Personnel, will submit a Report of Costs Incurred Form (RCI) to STATE each time there have been funds expended for which reimbursement is being requested. Failure to meet this requirement may be cause to terminate the project under section XIX herein, "Termination and Abandonment".

B. AGENCY will reimburse STATE for any ineligible or unauthorized expenses for which Federal funds have been claimed and reimbursement received, as may have been determined by a State or Federal audit.

C. STATE will have the right to withhold any installments equal to the reimbursement received by AGENCY for prior installments which have been subsequently determined to be ineligible or unauthorized.

III. Property Agreement

A. AGENCY will immediately notify STATE if any equipment purchased under this Contract ceases to be used in the manner as set forth by this Contract. In such event, AGENCY further agrees to either give credit to the project cost or to another active highway safety project for the residual value of such equipment in an amount to be determined by STATE or to transfer or otherwise dispose of such equipment as directed by STATE.

B. No equipment will be conveyed, sold, salvaged, transferred, etc., without the express written approval of STATE, or unless otherwise provided elsewhere in this Contract.

C. AGENCY will maintain or cause to be maintained for its useful life, any equipment purchased under this Contract.

D. AGENCY will incorporate any equipment purchased under this Contract into its inventory records.

E. AGENCY will insure any equipment purchased under this Contract for the duration of its useful life. Self-insurance meets the requirements of this section.

IV. Travel

In-State and Out-of-State Travel

In-state and out-of-state travel claims will be reimbursed at rates provided by AGENCY'S regulations, provided that such regulations are as restrictive as those of STATE. Where they are less restrictive, ARS §38-624 will apply.

All out-of-state travel must be approved in writing in advance by STATE.

V. Standard of Performance

AGENCY hereby agrees to perform all work and services herein required or set forth, and to furnish all labor, materials, and equipment, except that labor, material, and equipment as STATE agrees to furnish pursuant to this Contract.

VI. Hold Harmless Agreement

Neither party to this agreement agrees to indemnify the other party or hold harmless the other party from liability hereunder. However, if the common law or a statute provides for either a right to indemnify and/or a right to contribution to any party to this agreement then the right to pursue one or both of these remedies is preserved.

VII. Non-Assignment and Sub-Contracts

This Contract is not assignable nor may any portion of the work to be performed be sub-contracted unless specifically agreed to in writing by STATE. No equipment purchased hereunder may be assigned or operated by other than AGENCY unless agreed to in writing by STATE.

VIII. Work Products and Title to Commodities and Equipment

A. The work product and results of the project are the property of STATE, unless otherwise specified elsewhere in this Contract. All property, instruments, non-consumable materials, supplies, and the like, which are furnished or paid for by STATE under the terms of this Contract, unless otherwise provided for elsewhere in this Contract, are and remain the property of STATE and will be returned at the completion of this project upon request of STATE. The work product and results of the project will be furnished to STATE upon request, if no provision is otherwise made by this Contract.

B. The provisions of subparagraph A apply whether or not the project contracted for herein is completed.

IX. Copyrights and Patents

Any copyrightable materials, patentable discovery, or invention produced in the course of this project may be claimed by STATE and a copyright or patent obtained by it at its expense. In the event STATE does not wish to obtain such copyright or patent, AGENCY may do so, but in any event, provision will be made by AGENCY for royalty-free, nonexclusive, nontransferable, and irrevocable licenses to be given the United States Government and STATE and its political subdivisions to use such copyrightable material, patented discoveries, or inventions in any manner they see fit. The STATE reserves the right to impose such other terms and conditions upon the use of such copyrights or patents as may be deemed in the best interest of STATE in the event AGENCY is allowed to obtain a copyright or patent.

X. "Common Rule" and OMB Circular No. A-102 (Revised)

"Common Rule" (49 CFR, Part 18): *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*

OMB Circular No. A-102 (Revised): *Grants and Cooperative Agreements with State and Local Governments*

The application of USDOT "Common Rule" and Circular A-102 requires that:

AGENCY and sub-grantees will use their own procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law. The most stringent purchasing requirement at each level must be met.

The Arizona Procurement Code (ARS, §41-2501, et. seq.) and promulgated rules (A.A.C. Title 2, Chapter 7) are a part of this Contract as if fully set forth herein and AGENCY agrees to fully comply with these requirements for any procurement using grant monies from this Contract.

XI. Equal Opportunity

A. Pursuant to the requirements of the Federal-Aid Highway Act of 1968 (U.S.C. §103 et. seq.), AGENCY, as a condition to receiving approval of this Contract submitted under the Highway Safety Act of 1966, as amended, hereby gives its assurance that employment in connection with the subject Highway Safety Project will be provided without regard to race, color, creed, sex, or national origin, and that any contract it enters into with any private agency pursuant hereto will include provisions in compliance with this paragraph (XI).

As a condition of receiving approval of this Contract, AGENCY will be subject to and will comply with Title VI of the Civil Rights Act of 1964 and all applicable requirements of the Department of Commerce regulations as adopted by the USDOT, providing that no person in the United States shall on the ground of race, color, creed, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the subject Highway Safety Project.

B. If AGENCY fails or refuses to comply with its undertaking as set forth in these provisions, STATE or the USDOT may take any or all of the following actions.

1. Cancel, terminate, or suspend, in whole or in part, the agreement, contract, or other arrangement with respect to which the failure or refusal occurred; and

2. Refrain from extending any further Federal financial assistance to AGENCY under the Highway Safety Program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from AGENCY.

C. Pursuant to the requirement of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794), AGENCY must operate this Highway Safety Project so that it is accessible and otherwise non-discriminatory to handicapped persons.

XII. Executive Order 2009-09

It is mutually agreed that AGENCY will comply with the terms and conditions of Executive Order 2009-09, *Non-Discrimination in Employment by Government Contractors and Subcontractors*. Executive Order 2009-09 is located in Part II of the Project Director's Manual.

XIII. Application of Hatch Act

AGENCY will notify all of its employees whose principal employment is in connection with any highway safety project, financed in whole or in part by loans or grants under the Highway Safety Act of 1966, as amended, of the provisions of the Hatch Act (5 U.S.C. §7321 et. seq.).

XIV. Minority Business Enterprises (MBE) Policy and Obligation

A. Policy: It is the policy of the USDOT that minority business enterprises as defined in 49 CFR, Part 23, will have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Contract. Consequently, the minority business enterprises requirements of 49 CFR, Part 23 apply to this Contract.

B. Obligation: The recipient or its contractor agrees to ensure that minority business enterprises as defined in 49 CFR, Part 23 have the subcontracts financed in whole or in part with Federal funds provided under this Contract. In this regard, all recipients or contractors will take all necessary and reasonable steps in accordance with 49 CFR, Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. Recipients and their contractors will not discriminate on the basis of race, color, creed, sex, or national origin in the award and performance of USDOT-assigned contracts.

XV. Arbitration Clause, ARS §12-1518

Pursuant to ARS §12-1518, the parties agree to use arbitration, after exhausting applicable administrative reviews, to resolve disputes arising out of this Contract where the provisions of mandatory arbitration apply.

XVI. Inspection and Audit, ARS §35-214

Pursuant to ARS §35-214, all books, accounts, reports, files, and other records relating to this Contract will be subject at all reasonable times to inspection and audit by STATE for five (5) years after completion of this Contract. The records will be produced at the Governor's Office of Highway Safety.

XVII. Appropriation of Funds by U.S. Congress

It is agreed that in no event will this Contract be binding on any party hereto unless and until such time as funds are appropriated and authorized by the U.S. Congress and specifically allocated to the project submitted herein and then only for the fiscal year for which such allocation is made. In the event no funds are appropriated by the U.S. Congress or no funds are allocated for the project proposed herein for subsequent fiscal years, this Contract will be null and void, except as to that portion for which funds have then been appropriated or allocated to this project, and no right of action or damages will accrue to the benefit of the parties hereto as to that portion of the Contract or project that may so become null and void.

XVIII. Continuation of Highway Safety Program

It is the intention of AGENCY to continue the Highway Safety Program identified in this Contract once Federal funding is completed. This intended continuation will be based upon cost effectiveness and an evaluation by AGENCY of the program's impact on highway safety.

XIX. E-Verify

Both Parties acknowledge that immigration laws require them to register and participate with the E-Verify program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this state. Both Parties warrant that they have registered with and participate with E-Verify. If either Party later determines that the other non-compliant Party has not complied with E-Verify, it will notify the non-compliant Party by certified mail of the determination and of the right to appeal the determination.

XX. Sudan and Iran

Pursuant to ARS § 35-391.06 and 35.393.06, both of the Parties hereby warrant, and represent that they do not have, and its subcontractors do not have, and during the term hereof will not have a scrutinized business operation in either Sudan or Iran.

XXI. Termination and Abandonment

A. The STATE and AGENCY hereby agree to the full performance of the covenants contained herein, except that STATE reserves the right, at its discretion, to terminate or abandon any portion of the project for which services have not been already performed by AGENCY.

B. In the event STATE abandons the services or any part of the services as herein provided, STATE will notify AGENCY in writing and within twenty-four (24) hours after receiving such notice, AGENCY will discontinue advancing the work under this Contract and proceed to close said operations under the Contract.

C. The appraisal value of work performed by AGENCY to the date of such termination or abandonment shall be made by STATE on a basis equitable to STATE and AGENCY and a final reimbursement made to AGENCY on the basis of costs incurred. Upon termination or abandonment, AGENCY will deliver to STATE all documents, completely or partially completed, together with all unused materials supplied by STATE.

D. AGENCY may terminate or abandon this Contract upon thirty (30) days written notice to STATE, provided there is subsequent concurrence by STATE. Termination or abandonment by AGENCY will provide that costs can be incurred against the project up to and including sixty (60) days after notice is given to STATE.

E. Any equipment or commodities which have been purchased as a part of this Contract and which have not been consumed or reached the end of its useful life will be returned to STATE upon its written request.

XXII. Cancellation Statute

All parties are hereby put on notice that this Contract is subject to cancellation pursuant to ARS §38-511, the provisions of which are stated below.

In accordance with ARS §38-511, this Contract may be cancelled without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the STATE, its political subdivisions or any department or agency of either, is at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter or the Contract.

The cancellation shall be effective when written notice from the Governor or chief executive officer or governing body of the political subdivision is received by all other parties to the Contract unless the notice specifies a later time.

REIMBURSEMENT INSTRUCTIONS

1. ***Agency Official authorized by Project Director to certify and sign Reports of Costs Incurred (RCIs):***

   Name: _____

   Title: _____

   Telephone Number: _____ Fax Number: _____

   E-mail Address: _____

2. ***Agency's Fiscal Contact:***

   Name: _____

   Title: _____

   Telephone Number: _____ Fax Number: _____

   E-mail Address: _____

   Federal Identification Number: _____

3. ***REIMBURSEMENT INFORMATION:***

   Warrant/Check to be made payable to:

   _____

   Warrant/Check to be mailed to:

   _____
   (Agency)

   _____
   (Address)

   _____
   (City, State, Zip Code)

AGREEMENT OF UNDERSTANDING AND CERTIFICATION OF COMPLIANCE

Acceptance of Condition

It is understood and agreed by the undersigned that a grant received as a result of this Contract is subject the Highway Safety Act of 1966, as amended (23 U.S.C.A. §§401-404), ARS §28-602, and all administrative regulations governing grants established by the USDOT and STATE. It is expressly agreed that this Highway Safety Project constitutes an official part of the STATE's Highway Safety Program and that AGENCY will meet the requirements as set forth in the accompanying Project Director's Manual, which are incorporated herein and made a part of this Contract. All State and Federal Statutes, Rules, Regulations, and Circulars referenced in this Contract are a part of this document as if fully set forth herein. It is also agreed that no work will be performed nor any obligation incurred until AGENCY is notified in writing that this project has been approved by the Governor's Highway Safety Representative.

Certificate of Compliance

This is to certify that AGENCY will comply with all of the State and Federal Statutes, Rules and Regulations identified in this Contract.

Certification of Non-Duplication of Grant Funds Expenditure

This is to certify that AGENCY has no ongoing nor completed projects under contract with other Federal fund sources which duplicate or overlap any work contemplated or described in this Contract. It is further certified that any pending or proposed request for other Federal grant funds which would duplicate or overlap work described in the Contract will be revised to exclude any such duplication of grant fund expenditures. It is understood that any such duplication of Federal funds expenditures subsequently determined by audit will be subject to recovery by STATE.

Single Audit Act

If your political subdivision has had an independent audit meeting the requirements of the Single Audit Act of 1984, (31 U.S.C.A. §7501 et. seq.), please forward a copy to GOHS, Attention: Fiscal Services Officer, within thirty (30) days of the effective date of this Contract. If such audit has not been performed, please advise when it is being scheduled.

Lobbying Restrictions

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients will certify and disclose accordingly.

D. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 USC §1352. Any person who fails to file the 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.

Signature of Project Director:

Jody Fanning, Chief
Cottonwood Police Department

_____

_____
Date Telephone

Signature of Authorized Official of Governmental Unit:

Doug Bartosh, City Manager
City of Cottonwood

_____

_____
Date Telephone

Cottonwood Police Department	GOHS HIGHWAY SAFETY CONTRACT	2013-AL-016

AUTHORITY & FUNDS

1. This Project is authorized by 23 U.S.C. §**402**, and regulations promulgated there under, more particularly Volume 102, and if State funds are involved, this project is authorized by ARS § 28-602.

   The funds authorized for this Project have been appropriated and budgeted by the U.S. Department of Transportation. The expenses are reimbursable under Arizona's Highway Safety Plan Program Area **402-AL**, **Task 1**, as approved for by the National Highway Traffic Safety Administration.

2. **A. EFFECTIVE DATE:** *Authorization to Proceed Date*

   B. FEDERAL FUNDS: **$15,000.00**

3. **AGREEMENT AND AUTHORIZATION TO PROCEED**
   by State Official responsible to Governor for the
   administration of the State Highway Safety Agency

Alberto Gutier, Director
Governor's Office of Highway Safety
Governor's Highway Safety Representative

Approval Date

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	YCCF 2012 Canine Enforcement Grant Contract
Department:	Police
From:	Chief Jody Fanning

REQUESTED ACTION

Approval for the Chief of Police signing the YCCF contract for $3500 for the veterinary expenses for the Departments two (2) canines.

SUGGESTED MOTION

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

" I move to approve the Yavapai County Community Foundation (YCCF) 2012 Canine Enforcement Grant, contract number 20130879, and authorize the Police Chief to sign said contract."

BACKGROUND

Both canines, Rio and Jax, have contracted Valley Fever and need constant veterinary care and monthly medication. The awarded grant funds are to help the K-9 budget with this unexpected expense. Through the last few years YCCF has helped purchase and train several canines and their handlers. YCCF has also assisted in veterinary expenses and purchased training equipment. YCCF has been a great asset for the Department's K-9 Units.

JUSTIFICATION/BENEFITS/ISSUES

The awarded funds will help with the veterinary expenses for the two (2) canines.

COST/FUNDING SOURCE

Yavapai County Community Foundation

ATTACHMENTS:

Name:	Description:	Type:
Grant_Contract_12-13.pdf	YCCF Grant Contract 2012	Cover Memo

June 15, 2012

Ms. Christine C. Christensen
Cottonwood Police Department
199 S. Sixth Street
Cottonwood, AZ 86326

Re: Grant #20130879:

Dear Ms. Christensen,

Congratulations! The Arizona Community Foundation (ACF), on behalf of Yavapai County Community Foundation (YCCF), is pleased to approve a grant of $3500 to Cottonwood Police Department.

Funds are expressly earmarked for the project entitled, "2012-2013 Police K-9 Units Support". The Foundation requests that you submit a final report at the conclusion of the project. You will be notified one month prior to the required submission date and the report format will be provided at that time. Please note that timely receipt of the final evaluation is required when determining eligibility for future grants.

Payment shall be made upon executing and returning the enclosed grant agreement with the conditions attached thereto. **The Foundation requests that you sign and return the attached grant agreement no later than June 30, 2012. Please fax or email the grant agreement to the attention of Kristen Nelson, ACF Philanthropic Services Assistant, at 602.381.1575 or knelson@azfoundation.org.**

If you have any questions, please contact Tracey McConnell, YCCF Grants & Operations Coordinator, at 928.499.9795 or tmcconnell@azfoundation.org.

We wish you and Cottonwood Police Department every success with the project.

Sincerely,

Carol Chamberlain
Manager, North Central Region | Yavapai County Community Foundation

GRANT AGREEMENT

Date: June 15, 2012

Grantor: Arizona Community Foundation (ACF), on behalf of Yavapai County Community Foundation (YCCF)

Grant Number: 20130879

Grant recipient: Cottonwood Police Department

Grant Period: June 2012 – June 2013

Grant Amount: $3500

Special Conditions: Signed Grant Agreement

Final Report Due: August 1, 2013

As consideration for the grant, the Grantee agrees to the following conditions:

1. **Use of Grant Money.** The Grantee shall use the Grant Money only for the Project, in accordance with the proposal and budget previously submitted to and approved by the Yavapai County Community Foundation (YCCF). The Grantee shall not make any significant change in the Project without the prior approval of YCCF. At the end of the grant period, the Grantee shall promptly return to YCCF any unused portion of the Grant Money.

2. **Reports.** The Grantee shall submit a written, final report on the accomplishments of this Project as well as an accounting of expenditure of grant funds. Reporting and documentation required by YCCF shall be provided as outlined in the Grantee Final Report. The Grantee shall provide YCCF with copies (if available) of any press releases, photographs and published material about the Grant Money and the work it made possible.

3. **Meeting Requirement**. The Grantee may be asked to attend a meeting at YCCF, to be set later, to discuss your project. Discussions on capacity building in the future and other topics will also take place.

4. **Publicity.** You will allow YCCF to review and approve the text, including quotes, of any proposed publicity concerning this grant *prior* to its release. ACF and YCCF may include information regarding this grant, including the amount and purpose of the grant, any photographs you may have provided, your logo or trademark, or other information or materials about your organization and its activities, in ACF's or YCCF's periodic public reports, newsletters, news releases or any other printed materials distributed by the Foundations. Please ensure that all publicity (including printed material, press releases and Web sites) states "*funding provided by the Yavapai County Community Foundation, an affiliate of the Arizona Community Foundation"* If you require an electronic copy of ACF's or YCCF's official logo please contact ACF's Marketing/Communications department at 800.222.8221.

5. **Retention of Records.** The Grantee shall keep all financial records pertaining to the Project for at least four years and shall make such records available to YCCF at reasonable times upon the YCCF request.

6. **Revocation of Grant Money**. The Grantee must return all unexpended grant funds immediately upon request by YCCF if (1) the Foundation, at its sole discretion, determines that the Grantee has not performed in accordance with this Agreement, or (2) the Grantee loses its exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the) "Code" and is classified as other than a private foundation under Section 509(a) of the IRS Code.

7. **Grant Does Not Create a Partnership**. The Grantee shall not in any manner indicate, nor shall the grant or any documents related thereto be in any manner deemed to create or construed as creating, any kind of partnership, joint venture or other similar relationship between YCCF and the Grantee or other party. YCCF shall not be deemed in any manner responsible for the debts, liabilities or other obligations of the Grantee, including any such debts relating to this Project.

8. **Amendment.** This Grant Agreement shall not be amended or revised except by a written document signed by the parties hereto.

9. **Changes or Problems Occurring During Grant Year.** Any changes or problems in the Grantee Agency that affects the Project must be reported to YCCF immediately.

The parties have entered into this Grant Agreement as of the day and year first above written.

Arizona Community Foundation, on behalf of Yavapai County Community Foundation

By: _____

Steve Seleznow, CEO

_____

The Grantee

By: _____

Name/Title

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Job Order Contracting for Underground Contracting
Department:	Development Services
From:	Dan Lueder

REQUESTED ACTION

Consider award of Job Order Contracting (JOC) for Underground Contracting Services located within the City of Cottonwood and its service areas.

SUGGESTED MOTION

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

I move to award the Job Order Contracting (JOC) for Underground Contracting Services to Arizona Northern Equipment, Tiffany Construction and Kinney Construction Services and authorize the Mayor to execute the contracts for these services.

BACKGROUND

The City of Cottonwood is in need of non-emergency underground contracting services which include but is not limited to:

- Replacement of water and sewer service lines.
- Replacement of water and sewer main lines.
- Installation of new water and sewer main and service lines.
- Sewer manhole installation and rehabilitation.
- Mainline water valve replacement and new installation.
- Replacement and installation of fire hydrants.
- General excavating, compaction and grading.
- Confined space pipefitting and repair.

- Potholing for utility location.
- Pipefitting and replacement/installation of booster stations, wells and wastewater system components.
- Asphalt patching and surfacing including subgrade and base preparation.
- Concrete work including slabs, sidewalks, curb and gutter, etc.
- Flood control and drainage work.
- Demolition of structures.
- Other Miscellaneous tasks as required.

The city first awarded a contract for these JOC services in November of 2008; however, the original contract and extensions for these services has expired so the purchasing department initiated a new solicitation for JOC. In order to ensure this highly technical and closely regulated work was performed according to applicable State and Federal regulations, staff again utilized the Job Order Contracting qualifications based selection process as authorized by Arizona Revised Statute 34-601 through 34-611. Seven (7) statements of qualifications were received by the date and time specified in the advertisement and those qualification packets were reviewed by the JOC selection committee which consisted of utility engineer Troy Odell PE, purchasing manager Lisa Elliot, utility administrative manager Roger Biggs, utility operations manager Mike Traynor, project manager Scott Mangarpan and Lynden Bluth from Blucor Contracting. The submissions were scored by the committee and the composite scores are as follows:

Tiffany Construction Co.: 584

Arizona Northern Equipment: 522

Kinney Construction Services: 512

Rocky Construction Inc.: 483

Mike Mulcaire Excavating: 471

Mulcaire and Son: 444

Earth resources Corporation: 430

A detailed scoring matrix is attached to this staff report.

JUSTIFICATION/BENEFITS/ISSUES

The City of Cottonwood has numerous complex underground infrastructure projects planned and having multiple contractors contracted to perform this work is in the City's best interest. By utilizing the Job Order Contracting delivery method for this non-emergency work we are assured that the work will be performed by qualified contractors and still utilize competitive pricing to ensure fair competition. The city's experience with JOC since 2008 has been very

positive for both the city and JOC contractors. Should Council again authorize this method of project delivery, each of the three firms selected would receive plans for a particular project, submit pricing quotes for the complete project to the City and the award of each project would be based on the price quote which is in the City's best interest. Any projects in an amount over $50,000 up to $250,000 would be submitted to Council for approval on a project by project basis. Projects in an amount of less than $50,000 would be approved by the Administrative General Manager and City Manager per the city procurement policy.

COST/FUNDING SOURCE

Utility capital and operations funds

ATTACHMENTS:

Name:	Description:	Type:
Scoring_Matrix_JOC_2012.pdf	Detailed scoring matrix	Cover Memo

Job Order Contracting for Underground Contracting
Combined Scoring Matrix

Contractor	Experience & Qualifications (0-25 points)	Experience & Qualifications of the Team (0-25 points)	Experience of the Applicant on Similar Projects (0-30 points)	Experience with Job Order Contracting (0-20 points)	Total Score in Points	Total Combined Score in Points	Rank (1=highest)
Mulcaire & Son	20 21 3 18 25 20	23 12 15 20 25 25	24 19 15 20 30 20	18 11 15 15 15 15	85 63 48 73 95 80	444	6
Arizona Northern Equipment, Inc.	25 20 18 24 25 25	24 11 18 23 25 25	26 17 20 28 30 25	20 13 20 20 20 20	95 61 76 95 100 95	522	2
Earth Resources Corporation	23 24 12 20 25 25	23 20 12 20 25 25	25 22 12 24 30 30	10 8 0 0 10 5	81 74 36 64 90 85	430	7
Mike Mulcaire Excavating, Inc.	17 18 20 19 20 20	22 17 20 21 25 25	23 12 25 26 25 20	17 11 15 18 15 20	79 58 80 84 85 85	471	5
Rocky Construction, Inc.	20 17 18 22 25 20	23 18 15 22 20 20	23 15 20 27 25 20	18 15 20 20 20 20	84 65 73 91 90 80	483	4
Tiffany Construction Co.	25 25 25 23 25 25	24 24 20 23 25 25	27 30 30 28 30 30	20 20 20 20 20 20	96 99 95 94 100 100	584	1
Kinney Construction Services	24 24 15 22 25 25	24 22 15 22 25 20	22 25 15 28 30 25	18 18 15 18 15 20	88 89 60 90 95 90	512	3

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Utility Generator Bid Rejection
Department:	Development Services
From:	Roger Biggs

REQUESTED ACTION

Consider rejection of all received bids for Utility Department emergency generators

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:
I move to reject all bids for the Utility Department generators.

BACKGROUND

A bid was advertised for the purchase of two (2) generators with a third trailer mounted generator as an add/alternate. The two hard bid units were for Well 8/9 on Willard Street and Lift Station One on Cottonwood Street. The trailer mounted unit was for various sites and was bid as an add/alternate to be purchased only if the total bid was within the budget appropriation. Two completed bid packets were returned by the due date and a review of the bids found several technical issues which along with the lack of additional bids concerned staff. Should Council approve rejection of the two bids staff will re-advertise the bid and contact additional vendors in an effort to have a greater number of bid packets submitted.

JUSTIFICATION/BENEFITS/ISSUES

Funds for this purchase in the amount of $145,000 were appropriated in FY 2011/12 and carried over to FY 2012/13. The emergency generators provide continuation of service in the event of a short or prolonged power outage.

COST/FUNDING SOURCE

Water and Wastewater capital funds

ATTACHMENTS:

Name:	Description:	Type:

AGM_Sales__Service_-_without_generator_detail.pdf	AGM	Cover Memo
Kimbrell_Electric_Inc_.pdf	Kimbrell	Cover Memo

Exhibit B
BIDDER INFORMATION

1. BIDDER INFORMATION
Firm Name: A. G.M SALES + SER.
Contact Name: GENE JOHNSON
Address: P.O. BOX 1090 CLARKDALE ARIZ 86324
Phone: 928-634-2223 Fax: 928-639-1158
E-Mail: g-johnson@agmpowersystems.com
Federal Tax ID #: 86-0797146 Arizona Transaction Privilege Tax #: 13033110-2

2. REFERENCES (Must be provided)
Provide names, addresses and telephone numbers of government agencies/businesses to which you have provided similar goods or services.

A. Company Name: S.R.P Telephone: 602-980-2724
Contact Name: RON THORTON
Address: PHOENIX ARIZONA

B. Company Name: City of SEDNA. Telephone: 203-5080
Contact Name: John Smith
Address: SEDONA DATA Centre

C. Company Name: YAV. Fire DIST. Telephone: 776-4617
Contact Name: Chief CURTIS
Address: 8555 E YAVAPAI PRESCOTT ARIZ

3. RECEIPT OF ADDENDA:
Bidder acknowledges receipt of the following Solicitation Addenda:

Addendum No.	Date

4. Intent to be Bound by Bid: [signature]
(Signature of Individual Authorized to Sign Bid)
GENE JOHNSON
(Printed Name of Individual Authorized to Sign Bid)

Exhibit C
BID SECTION
Generator 1 (Standby Generator)

Bid Submitted By (Firm Name): A.G.M SALES + SERV

1. Delivery within 75 calendar days ARO.

2. Vendor agrees to hold price firm for 60 days in order for any additional agencies to participate, should they desire.

3. Generator offered: GENERAC

Make	Model	Year	Description	Price	Quantity	Extension
GENERAC	SD400	2012	400 KW STAND BY RUN	74,198.00	1	74,198.00
			Applicable Tax	7679.49	1	
			Freight (non-taxable)	1,100.00	1	1,100.00
			TOTAL	$ 82,977.49		

4. Specify indicated information on the engine proposed in this bid:

Diesel Engine Make: VOLVO

Diesel Engine Model: V136Z

Number of Cylinders: 6 Bore and Stroke: 131 x 158

Displacement: 132 cubic inches Gross Horsepower: 601 @ 1800 rpm

Peak Torque: 998 ft. lbs. _____ @ 1400 rpm

5. Please list the fuel tank capacity and usage rate below:

Fuel Capacity U. S. Gallons	Fuel Use Per Engine Hour @ full load
693	29.6

6. List of locations within Arizona from which warranty work will be administered:

- Company Name: A.G.M SALES + SERV Telephone: 634-2223
  Address: P.O. BOX 1040 CLARKDALE ARIZONA
- Company Name: _____ Telephone: _____
  Address: _____
- Company Name: _____ Telephone: _____
  Address: _____

Sig.:

7. List of current users or owners of the product or equipment.

- Company Name: SRP Telephone: 602 980-2724
  Contact Name: RON THORTON
  Address: Phoenix ARIZON
- Company Name: City of SEDONA Telephone: 203-5080
  Contact Name: John Smith
  Address: SEDONA DATA Center
- Company Name: FREEPORT MCMORAN Telephone: 713-2448
  Contact Name: Duff
  Address: Phoenix ARIZONA
- Company Name: YAVAPAI Fire DIST Telephone: 776-4617
  Contact Name: Chief Curtis
  Address: 8555 E YAVAPAI PRESCOTT ARIZ
- Company Name: SAFE WAY INC Telephone: 682-8196
  Contact Name: MAIN. DEPT.
  Address: Phoenix ARIZ.

Generator 2 (Lift Station 1 Generator)

Bid Submitted By (Firm Name): A.G.M SALES + SERV.

1. Delivery within 75 calendar days ARO.

2. Vendor agrees to hold price firm for 60 days in order for any additional agencies to participate, should they desire.

3. Generator offered: GENERAC

Make	Model	Year	Description	Price	Quantity	Extension
GENERAC	SG080	2012	80 KW NATURAL GAS GEN	23,472.00	1	23,472.00
			Applicable Tax	2,429.35	1	2,429.35
			INSTALL	8850.00	1	8850.00
			TOTAL			$ 34,751.35

4. Specify indicated information on the engine proposed in this bid:

Natural Gas Engine Make: GENERAC (FORD)

Natural Gas Engine Model: V10 FORD

Number of Cylinders: 10 Bore and Stroke: 3.55 x 4.12

Displacement: 414.96 cubic inches Gross Horsepower: 108 @ 2300 rpm

Peak Torque: 311 ft. lbs. _____ @ 2200 rpm

5. List of locations within Arizona from which warranty work will be administered:

- Company Name: A.G.M SALES + SERV Telephone: 634-2223
  Address: P.O. BOX 1090 CLARKDALE ARIZ
- Company Name: _____ Telephone: _____
  Address: _____
- Company Name: _____ Telephone: _____
  Address: _____

6. List of current users or owners of the product or equipment.

- Company Name: SRP Telephone: 980-2724
  Contact Name: RON THORLAN
  Address: PHOENIX ARIZ

- Company Name: Sedona City Telephone: 203-5080

  Contact Name: John Smith

  Address: Sedona Data Center

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

(NEW)

Add Alternate Generator 3 (Portable Generator)

Bid Submitted By (Firm Name): A.G.M SALES + SERVICE

1. Delivery within 75 calendar days ARO.

2. Vendor agrees to hold price firm for 60 days in order for any additional agencies to participate, should they desire.

3. Generator offered: Generac

Make	Model	Year	Description	Price	Quantity	Extension
GENERAC	MMG175	2012	Mobil Generator	76808.00	1	
			Applicable Tax	7,949.63		
			Freight (non-taxable)	00		
			TOTAL	$84,757.63		

4. Specify indicated information on the engine proposed in this bid:

Diesel Engine Make: John Deere

Diesel Engine Model: PE6068HFG94

Number of Cylinders: 6 Bore and Stroke: 4.17 x 5.00

Displacement: 6.8 L cubic inches Gross Horsepower: 185 @ 2200 rpm

Peak Torque: 409 ft. lbs. _____ @ 1400 rpm

5. Weight (lbs) for which the trailer is rated: 7000 lbs.

6. Electrical distribution equipment Standby k-W Rating: 161

7. Please list the fuel tank capacity and usage rate below:

Fuel Capacity U. S. Gallons	Fuel Use Per Engine Hour @ full load
342	10.9

8. List of locations within Arizona from which warranty work will be administered:

- Company Name: A.G.M SALES + SER Telephone: 634-2223
  Address: P.O. BOX 1090 CLARKDALE ARIZ
- Company Name: _____ Telephone: _____
  Address: _____

- Company Name: _____ Telephone: _____

  Address: GENERATOR JUST CAME OUT

9. List of current users or owners of the product or equipment.

- Company Name: UNITE EQ. Telephone: _____

  Contact Name: Rental Fleet

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

Exhibit D
CONTRACTOR IMMIGRATION WARRANTY

(To Be Completed by Contractor Prior to Execution of Contract)

A.R.S. § 41-4401 (Government procurement, E-verify requirement, definitions) requires as a condition of your Contract, verification of compliance by the Contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the Contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number: 2012-PW-15		
Name (as listed in the contract): A.G.M SALES + SERV		
Street Name and Number: Po Box 1090		
City: CLARIDALE	**State:** ARIZ	**Zip Code:** 86324

I hereby attest that:

1. The Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this Contract;

2. The Contractor shall verify, through the U.S. Department of Homeland Security's E-Verify program, the employment eligibility of each employee who provides services or labor in Arizona for wages or other remuneration, and that it shall require its subcontractors and sub-subcontractors to provide the same warranties to Contractor.

3. All subcontractors performing work under this Contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

4. The Contractor acknowledges that a breach of this warranty by the Contractor or by any subcontractor or sub-subcontractor under this Contract shall be deemed a material breach of this Contract, and is grounds for penalties, including termination of this Contract, by Owner.

5. Owner retains the legal right to inspect the papers of Contractor, and any subcontractor and sub-subcontractor employee who performs work under this Contract, and to conduct random verification of the employment records of Contractor and each subcontractor and sub-subcontractor who works on this Contract, to ensure that Contractor and each subcontractor and sub-subcontractor is complying with the warranties set forth above.

Signature of Contractor (Employer) or Authorized Designee:

Gene Johnson

Printed Name: GENE JOHNSON

Title: PRESEDENT

Date (month/day/year): 6-27-2012

Exhibit E
DISCLOSURE OF RESPONSIBILITY STATEMENT

A. List any convictions of any person, subsidiary, or affiliate of the company, arising out of obtaining, or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.

NONE

B. List any convictions of any person, subsidiary, or affiliate of this company for offenses such as embezzlement, theft, fraudulent schemes, etc. or any other offenses indicating a lack of business integrity or business honesty, which affects the responsibility of the contractor.

N/A

C. List any convictions or civil judgments under state or federal antitrust statutes.

N/A

D. List any violations of contract provisions such as failing to perform (without good cause), or unsatisfactory performance, in accordance with the specifications of a contract.

N/A

E. List any prior suspensions or debarments by any governmental agency.

N/A

F. List any contracts not completed on time.

N/A

G. List any penalties imposed for time delays and/or quality of materials and workmanship.

N/A

H. List any documented violations of federal or state labor laws, regulations, or standards, occupational safety and health rules.

N/A

I, _____, as _____
Name of individual — Title & Authority

of A.G.M SALES + SON., declare under oath that the above statements, including
Company Name

any supplemental responses attached hereto, are true.

By: _____
(Signature of Individual/Representative)

STATE OF: Arizona)
) ss.
COUNTY OF: Yavapai)

On this the 21 day of June, 2012, before me, the undersigned NOTARY PUBLIC, personally appeared Gene Johnson, who acknowledged to me that they executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Madisen R Sandoval

NOTARY PUBLIC
My Commission Expires: 4/11/2016

MADISEN R SANDOVAL
NOTARY PUBLIC - ARIZONA
Yavapai County
My Commission Expires
April 11, 2016

Exhibit F
NON-COLLUSION AFFIDAVIT

STATE OF: ARIZONA)
) ss
CITY OF: COTTONWOOD)

A.G.M SALES + SER
(Name of Company, Representative)

being first duly sworn, deposes and says:

That she/he is PRESIDENTS of A.G.M SALES + SER
(Title) (Name of Company)

and

That pursuant to Section 112 (C) of Title 23 USC or other applicable laws, he/she certifies as follows:

That neither he/she nor anyone associated with the said

A.G.M SALES + SERV.
(Name of Company)

has, directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding for the bid for the:

Utility Department Generators

This bid is genuine and not made in the interest of or on behalf of any undisclosed firm or corporations and is not submitted to conform to any agreement or rules of any group, association, organization or corporation. Bidder has not submitted a false bid or solicited whether directly or indirectly with any other Bidder to submit a false bid which would give one particular bid any advantage over others or the owner.

By: _____
(Signature of Individual/Representative)

STATE OF: Arizona)
) ss.
COUNTY OF: Yavapai)

On this the 27 day of June, 2012, before me, the undersigned NOTARY PUBLIC, personally appeared Gene Johnson, who acknowledged to me that they executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Madison R Sandoval
NOTARY PUBLIC

My Commission Expires: 4/11/2016

MADISEN R SANDOVAL
NOTARY PUBLIC - ARIZONA
Yavapai County
My Commission Expires
April 11, 2016

Exhibit G
CERTIFICATE OF INSURABILITY

I hereby certify that as a Bidder to City of Cottonwood (City) for Solicitation No. _____, I am fully aware of insurance requirements contained in the Contract and by the submission of this bid. I hereby assure City that I am able to produce the insurance coverage required should I be selected to be awarded the Contract.

Should I be awarded the Contract by City and then become unable to produce the insurance coverage specified within ten (10) working days, I am fully aware and understand that this shall constitute a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract at the sole discretion of the City. I also understand and am fully aware that I may not be considered for further projects by City.

Gene [illegible]
Signature of Bidder

A.G M SAles + Ser
Company

6-27-2012
Date

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/06/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
JL Equine Insurance, Inc.
PO Box 5039
Goodyear, AZ 85338

CONTACT NAME:
PHONE (A/C, No, Ext): 602-765-8846 FAX (A/C, No): 602-765-8921
E-MAIL ADDRESS: jl_equine@cox.net

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: STATE AUTO	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
AGM Sales Service
PO Box 1090
Cottonwood AZ 86324

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC			PBP 2611258	12/08/2013	12/08/2013	EACH OCCURRENCE	$	1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$	100,000
							MED EXP (Any one person)	$	5,000
							PERSONAL & ADV INJURY	$	1,000,000
							GENERAL AGGREGATE	$	2,000,000
							PRODUCTS - COMP/OP AGG	$	2,000,000
								$	
A	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS X SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			BAP 2339370	12/08/2012	12/08/2013	COMBINED SINGLE LIMIT (Ea accident)	$	1,000,000
							BODILY INJURY (Per person)	$	
							BODILY INJURY (Per accident)	$	
							PROPERTY DAMAGE (Per accident)	$	
								$	
A	UMBRELLA LIAB OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			PBP 2611258	12/08/2012	12/08/2013	EACH OCCURRENCE	$	1,000,000
							AGGREGATE	$	2,000,000
								$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N Y If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WCP 2190197	12/08/2012	12/08/2013	WC STATU-TORY LIMITS OTH-ER		
							E.L. EACH ACCIDENT	$	1,000,000
							E.L. DISEASE - EA EMPLOYEE	$	1,000,000
							E.L. DISEASE - POLICY LIMIT	$	1,000,000
A	RENTAL EQUIPMENT GARAGE KEEPERS			PBP 2611258	12/08/2012	12/08/2013	250,000 LIMIT 500,000 LIMIT		

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

GENERATOR REPAIR- SERVICE CONTRACT

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CITY OF COTTONWOOD
PURCHASE CONTRACT
Utility Department Generators
Solicitation No. 2012-PW-15

THIS CONTRACT is made and entered into this 27 day of JUNE, 2012 by and between the City of Cottonwood, a Municipal Corporation of the State of Arizona, hereinafter referred to as "City", and A.G.M SALES & SERV., hereinafter referred to as "Contractor".

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATION AND OPERATION

1.1 Contract Administrator. Contractor shall act under the authority and approval of the Cottonwood Utilities Department, Utility Administrative Manager, Roger Biggs (Contract Administrator), to provide the goods and merchandise required by this Contract.

1.2 Ordering Instructions. Authorization for purchases under the terms and conditions of this Contract will be made only upon issuance of a City Purchase Order.

1.3 Ordering Process. Upon award of Contract by the City, any designated department may procure the specific product, equipment or material awarded by the issuance of a City Purchase Order to the appropriate Contractor. Each City Purchase Order must cite the correct City contract number.

2. GOODS AND MERCHANDISE TO BE PROVIDED

Contractor shall provide to City the goods and merchandise listed on the Technical Specifications, attached hereto and made a part hereof by reference, at the prices listed on the Bid Section, attached hereto and made a part hereof by reference, all as more specifically set forth in the specifications and details included therein.

2.1 Safety Standards. All items supplied pursuant to this Contract must comply with the current applicable Occupational Safety and Health standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.

2.2 Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.

2.3 Product Discontinuance (Categories). In the event that a required product or model is discontinued by the manufacturer, City at its sole discretion may allow Contractor to provide a substitute for the discontinued item. Contractor shall request permission to substitute a new product or model and provide the following:

2.3.1 A formal announcement from the manufacturer that the product or model has been discontinued.

2.3.2 Documentation from the manufacturer that names the replacement product or model.

2.3.3 Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.

IN WITNESS WHEREOF, the Parties have hereunto subscribed their names to this _____ day of _____ _____, 20___.

FOR THE CITY OF COTTONWOOD

_____

Diane Joens, Mayor

ATTEST:

_____

Marianne Jiménez, City Clerk

APPROVED AS TO FORM:

_____

Steve Horton, City Attorney

FOR THE CONTRACTOR

By: _____

Signature

ATTEST (if corporation):

_____

Secretary

SEAL

Exhibit B
BIDDER INFORMATION

1. BIDDER INFORMATION
Firm Name: Kimbrell Electric, INC

Contact Name: John Kimbrell

Address: 7593 North 73rd Drive, Glendale, Az 85303

Phone: 602-265-2111 Fax: 623-931-9963

E-Mail: johnk@kimbrellelectric.com

Federal Tax ID #: 86-0671603 Arizona Transaction Privilege Tax #: 07-4113891-1

2. REFERENCES (Must be provided)
Provide names, addresses and telephone numbers of government agencies/businesses to which you have provided similar goods or services.

A. Company Name: City of Phoenix Telephone: _____

Contact Name: Shawan Sundal - Retired

Address: 200 W Washington St Phx, Az 85003

B. Company Name: City of chandler Telephone: 480-782-3314

Contact Name: Dar Griffith

Address: _____

C. Company Name: Sun City Fire Department Telephone: 623 566-3211

Contact Name: Ron Brooks

Address: _____

3. RECEIPT OF ADDENDA:
Bidder acknowledges receipt of the following Solicitation Addenda:

Addendum No.	Date

4. Intent to be Bound by Bid: _____
(Signature of Individual Authorized to Sign Bid)

John Kimbrell
(Printed Name of Individual Authorized to Sign Bid)

Exhibit C
BID SECTION
Generator 1 (Standby Generator)

Bid Submitted By (Firm Name): Kimbrell Electric INC

1. Delivery within _____ calendar days ARO.

2. Vendor agrees to hold price firm for _____ days in order for any additional agencies to participate, should they desire.

3. Generator offered:

Make	Model	Year	Description	Price	Quantity	Extension
GENERAC	SD400	2012	400KW	100,000.00	1	100,000.00
			Applicable Tax			6,180.00
			Freight (non-taxable)			0
			TOTAL			106,180.00

4. Specify indicated information on the engine proposed in this bid:

Diesel Engine Make: VOLVO

Diesel Engine Model: 13.0L

Number of Cylinders: 6 Bore and Stroke: 5.16" x 6.22"

Displacement: 793 cubic inches Gross Horsepower: 601 @ 1800 rpm

Peak Torque: _____ ft. lbs. _____ @ _____ rpm

5. Please list the fuel tank capacity and usage rate below:

Fuel Capacity U. S. Gallons	Fuel Use Per Engine Hour @ full load
693	29.6 GALLON

6. List of locations within Arizona from which warranty work will be administered:

- Company Name: GEN-TECH Telephone: 623-937-1719
  Address: 7901 N. 70TH AVE, GLENDALE, AZ 85303
- Company Name: _____ Telephone: _____
  Address: _____
- Company Name: _____ Telephone: _____
  Address: _____

7. List of current users or owners of the product or equipment.

- Company Name: WELLS FARGO BANK Telephone: _____

  Contact Name: _____

  Address: PHOENIX, AZ

- Company Name: GRAND CANYON WEST AIRLINES Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: WILDLIFE WORLD ZOO Telephone: _____

  Contact Name: _____

  Address: WADDEL, AZ

- Company Name: HOSPICE OF THE VALLEY Telephone: _____

  Contact Name: _____

  Address: PHOENIX

- Company Name: MT GRAHAM MEDICAL Telephone: _____

  Contact Name: _____

  Address: SAFFORD, AZ

Generator 2 (Lift Station 1 Generator)

Bid Submitted By (Firm Name): Kimbrell Electric INC

1. Delivery within _____ calendar days ARO.

2. Vendor agrees to hold price firm for _____ days in order for any additional agencies to participate, should they desire.

3. Generator offered:

Make	Model	Year	Description	Price	Quantity	Extension
GENERAC	SG080	2012	SOLD	94,000.00	1	94,000.00
			Applicable Tax			5,809.20
			Freight (non-taxable)			Ø
			TOTAL			99,809.20

4. Specify indicated information on the engine proposed in this bid:

Natural Gas Engine Make: GENERAC

Natural Gas Engine Model: 6.8L

Number of Cylinders: 10 Bore and Stroke: 3.55" x 4.17"

Displacement: 415 cubic inches Gross Horsepower: 128 @ 2300 rpm

Peak Torque: _____ ft. lbs. _____ @ _____ rpm

5. List of locations within Arizona from which warranty work will be administered:

- Company Name: GEN-TECH Telephone: 623-937-1719
  Address: 7901 N. 70TH AVE, GLENDALE, AZ 85303
- Company Name: _____ Telephone: _____
  Address: _____
- Company Name: _____ Telephone: _____
  Address: _____

6. List of current users or owners of the product or equipment.

- Company Name: CITY OF PHOENIX Telephone: _____
  Contact Name: SEVERAL FIRE STATIONS
  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

Add Alternate Generator 3 (Portable Generator)

Bid Submitted By (Firm Name): Kimbrell Electric INC

1. Delivery within _____ calendar days ARO.

2. Vendor agrees to hold price firm for _____ days in order for any additional agencies to participate, should they desire.

3. Generator offered:

Make	Model	Year	Description	Price	Quantity	Extension
GENERAC ~~MACHINE~~	MMG175	2012	TOWABLE GENERATOR	25,204.00	1	25,204.00
			Applicable Tax			1557.41
			Freight (non-taxable)			0
			TOTAL			26,761.41

4. Specify indicated information on the engine proposed in this bid:

Diesel Engine Make: JOHN DEERE

Diesel Engine Model: RE6068HF694

Number of Cylinders: 6 Bore and Stroke: _____ X _____

Displacement: 415 cubic inches Gross Horsepower: ~~217~~ @ ~~1800~~ rpm

Peak Torque: _____ ft. lbs. _____ @ 241 @ 1800 rpm

5. Weight (lbs) for which the trailer is rated: 14,000 lbs.

6. Electrical distribution equipment Standby k-W Rating: 161

7. Please list the fuel tank capacity and usage rate below:

Fuel Capacity U. S. Gallons	Fuel Use Per Engine Hour @ full load
360	10.9 GPH

8. List of locations within Arizona from which warranty work will be administered:

- Company Name: GEN-TECH Telephone: 623-937-1719

  Address: 7901 N. 70TH AVE., GLENDALE, AZ 85303

- Company Name: _____ Telephone: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Address: _____

9. List of current users or owners of the product or equipment.

- Company Name: MANY - Telephone: _____

  Contact Name: CAN PROVIDE WITH A LITTLE

  Address: MORE TIME

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

- Company Name: _____ Telephone: _____

  Contact Name: _____

  Address: _____

Exhibit D
CONTRACTOR IMMIGRATION WARRANTY
(To Be Completed by Contractor Prior to Execution of Contract)

A.R.S. § 41-4401 (Government procurement, E-verify requirement, definitions) requires as a condition of your Contract, verification of compliance by the Contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the Contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number:			
Name (as listed in the contract): Kimbrell Electric INC			
Street Name and Number: 7593 N 73rd Drive			
City: Glendale	**State:** AZ	**Zip Code:** 85303	

I hereby attest that:

1. The Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this Contract;

2. The Contractor shall verify, through the U.S. Department of Homeland Security's E-Verify program, the employment eligibility of each employee who provides services or labor in Arizona for wages or other remuneration, and that it shall require its subcontractors and sub-subcontractors to provide the same warranties to Contractor.

3. All subcontractors performing work under this Contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

4. The Contractor acknowledges that a breach of this warranty by the Contractor or by any subcontractor or sub-subcontractor under this Contract shall be deemed a material breach of this Contract, and is grounds for penalties, including termination of this Contract, by Owner.

5. Owner retains the legal right to inspect the papers of Contractor, and any subcontractor and sub-subcontractor employee who performs work under this Contract, and to conduct random verification of the employment records of Contractor and each subcontractor and sub-subcontractor who works on this Contract, to ensure that Contractor and each subcontractor and sub-subcontractor is complying with the warranties set forth above.

Signature of Contractor (Employer) or Authorized Designee:

_____

Printed Name: John Kimbrell

Title: Vice President

Date (month/day/year): June 28, 2012

Exhibit E
DISCLOSURE OF RESPONSIBILITY STATEMENT

A. List any convictions of any person, subsidiary, or affiliate of the company, arising out of obtaining, or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.

NA

B. List any convictions of any person, subsidiary, or affiliate of this company for offenses such as embezzlement, theft, fraudulent schemes, etc. or any other offenses indicating a lack of business integrity or business honesty, which affects the responsibility of the contractor.

NA

C. List any convictions or civil judgments under state or federal antitrust statutes.

NA

D. List any violations of contract provisions such as failing to perform (without good cause), or unsatisfactory performance, in accordance with the specifications of a contract.

NA

E. List any prior suspensions or debarments by any governmental agency.

NA

F. List any contracts not completed on time.

NA

G. List any penalties imposed for time delays and/or quality of materials and workmanship.

NA

H. List any documented violations of federal or state labor laws, regulations, or standards, occupational safety and health rules.

NA

I, John Kimbrell, as Vice President
Name of individual — Title & Authority

of Kimbrell Electric, INC, declare under oath that the above statements, including
Company Name

any supplemental responses attached hereto, are true.

By: _____
(Signature of Individual/Representative)

STATE OF: Arizona)
) ss.
COUNTY OF: Maricopa)

On this the 28 day of June, 2012, before me, the undersigned NOTARY PUBLIC, personally appeared John Kimbrell, who acknowledged to me that they executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Brenda T Arthur
NOTARY PUBLIC
My Commission Expires: November 13, 2012

Brenda T. Arthur
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
November 13, 2012

Exhibit F
NON-COLLUSION AFFIDAVIT

STATE OF: Arizona)
) ss
CITY OF: Glendale)

Kimbrell Electric, INC John Kimbrell
(Name of Company, Representative)

being first duly sworn, deposes and says:

That she/he is Vice President of Kimbrell Electric INC
(Title) (Name of Company)

and

That pursuant to Section 112 (C) of Title 23 USC or other applicable laws, he/she certifies as follows:

That neither he/she nor anyone associated with the said

Kimbrell Electric INC
(Name of Company)

has, directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding for the bid for the:

Utility Department Generators

This bid is genuine and not made in the interest of or on behalf of any undisclosed firm or corporations and is not submitted to conform to any agreement or rules of any group, association, organization or corporation. Bidder has not submitted a false bid or solicited whether directly or indirectly with any other Bidder to submit a false bid which would give one particular bid any advantage over others or the owner.

By: _____
(Signature of Individual/Representative)

STATE OF: Arizona)
) ss.
COUNTY OF: Maricopa)

On this the 28 day of June, 20 12, before me, the undersigned NOTARY PUBLIC, personally appeared John Kimbrell, who acknowledged to me that they executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Brenda T Arthur
NOTARY PUBLIC

My Commission Expires: November 13, 2012

SEAL

Brenda T Arthur
NOTARY PUBLIC -- ARIZONA
MARICOPA COUNTY
My Commission Expires
November 13, 2012

Exhibit G
CERTIFICATE OF INSURABILITY

I hereby certify that as a Bidder to City of Cottonwood (City) for Solicitation No. 2012-PW-15 I am fully aware of insurance requirements contained in the Contract and by the submission of this bid. I hereby assure City that I am able to produce the insurance coverage required should I be selected to be awarded the Contract.

Should I be awarded the Contract by City and then become unable to produce the insurance coverage specified within ten (10) working days, I am fully aware and understand that this shall constitute a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract at the sole discretion of the City. I also understand and am fully aware that I may not be considered for further projects by City.

Signature of Bidder

Kimbrell Electric Inc
Company

June 28, 2012
Date

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	**North American Waste Systems (N.A.W.S.) - Request for Contract Extension/Option for Renewal - Approving City-wide Waste/Recycling Services (1st Year Extension)**
Department:	Community Services
From:	Richard Faust, Community Services General Manager

REQUESTED ACTION

Council consideration of request to extend Contract Services with "North American Waste Systems - N.A.W.S", which approves the "Option for Renewal" of the contract agreement for an additional one (1) year period beginning August 24th, 2012 through August 24th, 2013. The current Agreement with the contractor provides for an additional two year contract clause for Waste/Recycling Services (in one year increments) at the same contract price as requested in 2009.

SUGGESTED MOTION

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

I move to approve the "Option for Renewal" with "North American Waste Systems", for an additional one year period for city-wide Waste/Recycling Services from August 24th 2012 through August 24th 2013.

BACKGROUND

In 2009, staff advertised a request for "City Wide - Waste/Recycling Services" pertaining to removal of waste and recycling materials from public buildings and parks facilities throughout the City of Cottonwood. The City of Cottonwood awarded the contract to "North American Waste Systems" due to low bid and the Company's prior experience with waste and recycling hauling. This company has continued to provide good services for the City of Cottonwood over the past three (3) years.

Under Section "A" of Article II - CONTRACT TIMES: it states the following:

Contract Period of the agreement document states the following:

"The Effective Term of this Agreement is from August 24, 2009, to August 24, 2012.

This contract may be extended for up to two additional one-year terms, subject to the availability of funds for the period beyond the current fiscal year and at the sole discretion of the Cottonwood City Council. If the Owner exercises its option to renew the agreement for an additional term, the successful bidder shall request in writing the intent to provide services for an additional year at the exact same terms and conditions as specified in this contract and at the option of the City (at the Owner's satisfaction)."

In addition, on page three (3) of the "Request for Bid - Waste Removal & Recycling Services" it states the following under Contract Period:

*Contract shall not exceed three (3) years beginning **August 24th, 2009**, to and including the **24th of August, 2012**. This contract agreement may be extended under the following conditions:*

Pursuant to an "option for renewal" for a fourth and fifth year, whereby the contractor advises the Department Director, not less than sixty (60) days before the end of the existing yearly term, whether the contractor requests to continue services, shall under the same contract document, under exact same terms and conditions. Should contractor wish to negotiate increased fees for said services, contractor would therefore be required by state law to allow the City to advertise for bids as it pertains to said services. Otherwise, award for continuation of services under this contract would be at the pleasure of the City Council*and would be accomplished in a three-year increment based upon said services as outlined in the contract document. Service indicators observed under this contract document shall be observed by the contract representative as to quality assurance standards and performance requirements of this contract, thereby relayed to the City Council at time of request for contract continuation.*

JUSTIFICATION/BENEFITS/ISSUES

The City of Cottonwood has had a positive and safe working relationship with the Contractor for over the past three (3) years. This includes all City wide facilities. "North American Waste System" is a regional business and hires many local residents throughout the Cottonwood and upper Verde Valley area.

COST/FUNDING SOURCE

Funding shall continue to come from the General fund and deducted from each City facility budgetary line item.

ATTACHMENTS:

Name:	Description:	Type:
N.A.W.S. Letter of Request for Contract Extension (1 Year).pdf	Letter from NAWS - Request for Contract Extension/Option for Renewal	Cover Memo
Waste-RecyclingServ2009Agreement.doc	Contract Agreement Document - Waste Recycling Services	Cover Memo
Council Communications - Bid Award - Waste-Recycling Services Bids.doc	Council Agenda Communication - August 18, 2009	Cover Memo

N.A.W.S.

North American Waste Systems
PO Box 360
Rimrock, AZ 86335
Phone: (928)567-0250
Fax: (928)592-0329

June 14, 2012

Richard Faust
City of Cottonwood
Community Services General Manager
827 N Main St.
Cottonwood, AZ 86326

Dear Mr. Faust

After careful review of the current contract with the City of Cottonwood, we have decided to ask for consideration of an option for renewal for "like" terms and conditions. We look forward to hearing from you as to when this would be up for consideration so we can have representative present to address any questions or concerns. It's been our pleasure to have served the City of Cottonwood over the last several years. We especially like to be involved with City Functions, like 4th of July, Rhythm & Ribs, Etc. and either donate services or do them at discounted rates. Thank you for your consideration on this matter.

Sincerely

Roger Brown
d.b.a. owner

CITY OF COTTONWOOD
"WASTE/RECYCLING SERVICES"

CONTRACT FOR SERVICES

THIS AGREEMENT, made and entered into this **24th** day of **August, 2009** by and between the City of Cottonwood, Arizona, a municipal corporation organized and existing under and by virtue of laws of the State of Arizona, hereinafter designated the OWNER, and **NORTH AMERICAN WASTE SYSTEMS**, organized and existing under and by virtue of the laws of the State of Arizona, hereinafter designated the CONTRACTOR.

W I T N E S E T H : That the said CONTRACTOR, for and in consideration of the sum to be paid him by the said OWNER, in the manner and at the time hereinafter provided, and of the other covenants and agreements herein contained, and under the penalties expressed in the Contract Documents provided, hereby agrees, for him/herself, his/her heirs, executors, administrators, successors, and assigns as follows:

ARTICLE I – SCOPE OF WORK

The CONTRACTOR shall provide waste and recycling services throughout City facilities as identified in the specifications of Exhibit A and B of this Agreement, to the City of Cottonwood as described at all addresses and per number of units specified for each location. All trash, waste shall be disposed of in a proper manner per state guidelines, and recyclable materials shall be taken to a current licensed Recycling center in the state of Arizona.

ARTICLE II – CONTRACT TIMES

A. The Effective Term of this Agreement is from August 24, 2009, to August 24, 2012. This contract may be extended for up to two additional one-year terms, subject to the availability of funds for the period beyond the current fiscal year and at the sole discretion of the Cottonwood City Council. If the Owner exercises its option to renew the agreement for an additional term, the successful bidder shall request in writing the intent to provide services for an additional year at the exact same terms and conditions as specified in this contract and at the option of the City (at the Owner's satisfaction).

B. Throughout its term this agreement may be cancelled by either party at the end of sixty (60) days after the receipt of written notice by the other party (written notice shall mean

upon the receipt and signing of return mail). There shall be no penalty to the canceling party for such early termination nor shall the other party be entitled to any damages due to the early cancellation. In the event that the OWNER gives notice of cancellation, it shall only be responsible for paying any outstanding charges for work performed prior to the effective date of cancellation, in accordance with this agreement, no later than 5:00 p.m., on the day following receipt of notice of cancellation.

ARTICLE III -- INDEMNIFICATION AND INSURANCE

A. The CONTRACTOR assumes and agrees to hold harmless, indemnify and defend the OWNER, its officers, agents and representatives from and against all losses, claims, demands, payments, suits, actions for recovery, judgments and all liability of every kind, nature, and description for injury to persons including wrongful death, or damage to property or both occurring during or in consequence of the performance by the CONTRACTOR where such injury or damage is due to any defect in services delivered hereunder, or to the action or negligence of the CONTRACTOR, its employees, subcontractors, or agents. The OWNER assumes no liability, obligation, or responsibility of any nature, whatsoever, in connection with this contract except for payment of price or consideration as stated or referred to herein or allowed by law. The CONTRACTOR'S obligation under this section shall not extend to any liability caused by the sole negligence of the OWNER or its employees.

B. The CONTRACTOR shall provide and maintain, and cause its subcontractors to provide and maintain, the following minimum insurance coverage in accordance with the Certificate of Insurance included in the Bid Package:

B.1. Comprehensive general liability insurance with a minimum combined single limit of two million dollars ($2,000,000) each occurrence. The policy shall include coverage for bodily and personal injury, broad form property damage, blanket contractual, CONTRACTOR'S protective, and products and completed operations.

B.2. Comprehensive automobile liability insurance with a combined single limit for bodily injury and property damage of not less than one million dollars ($1,000,000) each occurrence with respect to CONTRACTOR'S vehicles (whether owned, hired, non-owned), assigned to or utilized in the performance of a Contract.

B.3. Worker's Compensation (statutory limits), and Employer's Liability Insurance ($500,000 each occurrence).

C. Additional insurance coverage may be required at the OWNER'S discretion where the services to be performed are deemed to be hazardous in nature.

D. The policies required by section B.1. and B.2. shall name the OWNER, and its respective agents, officials, and employees as additional insured, and shall specify that the insurance

afforded CONTRACTOR shall be primary insurance and that any insurance coverage carried by the OWNER or its employees shall be excess coverage and not contributory insurance to that provided by the CONTRACTOR. Said policy shall contain a severability of interests' provision.

E. Failure on the part of the CONTRACTOR to procure and maintain the required liability insurance and provide proof thereof to the OWNER within thirty (30) days following the commencement of a new policy period, shall constitute a material breach of a Contract upon which the OWNER may immediately terminate the Contract. Prior to the effective date of the Contract, the CONTRACTOR shall furnish the OWNER with copies of the State of Arizona Certificate of Insurance (RM-7200.1), drawn in conformity with the above insurance requirements. The OWNER reserves the right to request and receive certified copies of any or all of the above policies and/or endorsements.

ARTICLE IV -- CANCELLATION OF AGREEMENT

Pursuant to A.R.S. Section 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Contract is subject to cancellation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of one of the parties at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity, or a Consultant to any other party of the Contract with respect to the subject matter of the Contract.

ARTICLE V -- NON-DISCRIMINATION

The CONTRACTOR shall comply with Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1975, and Federal Executive Order No. 11246, State Executive Order No. 94-4, and A.R.S. Section 41-1461 et. Seq., which mandates that all persons, regardless of race, color, religion, sex, age, national origin, or political affiliation, shall have access to employment opportunities. The CONTRACTOR shall comply with Section 503 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. The CONTRACTOR shall comply with Title VI of the Civil Rights Act of 1964, as amended, which prohibits the denial of benefits or participation in contract services on the basis of race, color, or national origin. The CONTRACTOR shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, and with the Americans With Disabilities Act of 1990, which prohibits discrimination on the basis of handicap in delivering contract services.

ARTICLE VI -- NOTICE

Any notice given in connection with this Contract shall be given in writing and shall be delivered either by hand to the party or by certified mail, return receipt requested, to the party at the party's address stated below. Any party may change its address stated herein by giving notice of the change in accordance with this paragraph.

North American Waste Systems	City of Cottonwood
c/o_____	c/o_____
_____	_____
_____	_____

ARTICLE VII -- CHOICE OF LAW AND VENUE

Any dispute under this Contract or related to this Contract shall be decided in accordance with the laws of the State of Arizona and filed with the Arizona Superior Court of Yavapai County.

ARTICLE VIII -- SEVERABILITY

If any part of this Contract shall be held unenforceable, the rest of the Contract will nevertheless remain in full force and effect.

ARTICLE IX -- PAYMENT

The CONTRACTOR agrees that this Contract, as awarded, is for the stated work, and understands that payment for the total work will be made on the basis of the indicated amount(s), as bid in the Proposal. The proposal is attached hereto as Exhibit C. Payment for services shall be made by the OWNER within thirty (30) days after receipt of invoice. The CONTRACTOR will be utilized as stated in the bid document with frequency as dictated in Exhibit A and B of the Contract document and as attached.

ARTICLE X – SPECIFICATIONS

1. CONTRACTOR shall furnish all waste and recycling containers as identified in the bid contract document as per gallons or cubic yards specified for containment purposes and for recycling bins as requested and approved by OWNER. Containers shall be placed in locations at various City facilities as directed by OWNER'S staff. The CONTRACTOR will supply plastic, disposable liners where necessary at locations whereby the OWNER has current concrete, metal or plastic containers as specified in Exhibit A and B of the contract.
2. CONTRACTOR must be able to pick-up containers as stated in Exhibit A and B the days described or when requested either weekly, bi-weekly or monthly.
3. Container units and the servicing thereof shall conform to all other applicable laws and regulations as enforced by federal, state and county health department guidelines.
4. All services and cleaning/disinfecting shall be accomplished in the conformance with industry standards and federal, state, county and municipal regulations/statutes.

The CONTRACTOR assumes total liability for the waste materials and recycling materials from the time they are loaded at the OWNER'S site locations as identified up to and through the materials proper disposal. Upon request of the OWNER, the CONTRACTOR will provide proof of the disposal location, method, and quantity.

The CONTRACTOR shall secure and pay for all applicable Federal, State, County, or local permits and licenses, including a CITY BUSINESS LICENSE, and comply with all applicable Federal, State, County, or local laws, codes, ordinances, regulations, and safety standards.

ARTICLE XI-ASSIGNMENT

The OWNER and CONTRACTOR respectively bind themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in this Agreement. Neither party to the Agreement shall assign the Agreement as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Agreement.

North American Waste Systems

_____ _____
Name Date of Signing

_____
Title

City of Cottonwood, Mayor

By: _____ _____
Diane Joens Date of Signing

Attest:

_____
Marianne Jimenez, Clerk City of Cottonwood

Approved as to form:

By: _____
Steve Horton
City Attorney

City of Cottonwood, Arizona
City Council Agenda Communication

Meeting Date: August 18, 2009

Subject: Award of Bid – Waste/Recycling Removal Services (City Wide Contract)

Department: Parks & Recreation

From: Richard Faust, Parks & Recreation Director

REQUESTED ACTION

Staff is requesting Council consider awarding the "Waste/Recycling Services" contract to North American Waste Systems for a three (3) year contract operation.

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

Motion to approve the awarding of the Waste/Recycling Services contract to North American Waste Systems in the amount of $13,200.00.

BACKGROUND

Council has authorized services for this city wide contract over the past 17 years pertaining to removal of waste product at all city buildings, facilities and park areas. Council rejected Waste Removal Service Bids on April 7, 2009 and re-directed staff to research combined recycling and waste removal opportunities for all future city-wide operations. Three (3) bids were received in July from advertisements as follows:

Bid Contractor	Amount
Taylor Waste, Inc. P.O. Box 3218 Cottonwood, Arizona 86326	**$16,948.00**
North American Waste Systems P.O. Box 602 Cornville, Arizona 86325	**$13,200.00**
Waste Management of Arizona 23355 hwy. 169 – mp 11 Dewey, Arizona 86327	**$39,688.05**

JUSTIFICATION/BENEFITS?ISSUES

This item (contract service) is an integral part of the FY 09/10 budgeted accounts from each department throughout the City. This bid was advertised as a three (3) year bid package with opportunity for same services at the same price for two successive years as authorized by the City Council.

Original bid in 2005/2006 (three year operation) was for $15,180.00 involving waste removal services (only) at multiple city sites. Council approval is required for all bid contract services over $10,000. Discussions were held with NAWS Owner/Manager Roger Brown, pertaining to handling of Recycling Services. Upon contract NAWS identified that they will be working directly with Mattera Enterprises, (685 South Could Water Lane, Prescott Valley, Arizona) as their Recycling Agent who will handle and process all recyclables obtained through the City of Cottonwood. Staff also made contact with Mr. Josepth Mattera, Owner of Mattera Enterprises of Prescott Valley. Mr. Mattera indicated that NAWS is currently doing recycling business with his company.

COST/FUNDING SOURCE

Staff can identify that low bid was received at $13,200.00 from North American Waste Systems. The local company of North American Waste Systems is a reputable regional company in the Verde Valley. Costs will be split out per department as in previous years through general funds identified for this type of service.

REVIEWED BY

City Manager: _____ City Attorney Approval: _____

ATTACHMENTS

Five (5) attachments as follows:

- Bid Estimate – Taylor Waste, Inc.
- Bid Estimate – North American Waste Systems
- Bid Estimate - Waste Management of Arizona
- Bid Document
- Bid Chart

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	**Discussion, consideration, and possible legal action regarding the City's continued involvement and participation in a taxi-voucher pilot program, including a proposed Memorandum of Understanding with the Northern Arizona Council of Governments (NACOG) Area Agency on Aging**
Department:	Community Services
From:	Richard Faust, Community Services General Manager

REQUESTED ACTION

Discussion, consideration and possible legal action regarding the City's involvement and participation in a taxi-voucher ("ADA-Plus") para-transit program.

SUGGESTED MOTION

To be determined.

BACKGROUND

As part of the re-integration of the Cottonwood Area Transit (CAT) and the inclusion of the Verde Lynx Transit system, the City of Cottonwood applied for a Section 5317 "New Freedom Formula" grant in the amount of $10,000 in February, 2012. Funding amounts were provided by the Area Agency on Aging through NACOG in the amount of $5,000 with an additional $5,000 being matched by the State of Arizona ADOT for the Taxi Voucher program for the Verde Valley region involving expanded transportation mobility options available to people with disabilities beyond the requirements of the ADA as set into law in 1990. This program is an ADA plus program whereby individuals can apply for vouchers through direct application with our transit system using the current Para-Transit application process.

JUSTIFICATION/BENEFITS/ISSUES

There are significant benefits as well as significant challenges associated with this program. The benefits are that the program expands the availability of transportation services to eligible individuals outside of the City's regular ADA-paratransit system's normal operating hours, or when that system is otherwise not available. The challenges include the fact that there is substantial evidence that the program has been used for purposes other than those for which it was intended; the relatively small

amount and uncertain nature of continued funding for this program; liability concerns; and substantial contractual obligations that include requiring the City to subcontract with, oversee, and accept responsibility for the performance of the participating taxi service providers.

At the time of this writing, staff was in the process of exploring other options and alternatives for continuing this program, including having the services provided by a non-profit organization that already provides transportation services as part of its menu of services under direct contract with NACOG; and having the City expand its para-transit program operations. Staff expects to be able to provide additional information about these alternatives to the Council at the meeting.

COST/FUNDING SOURCE

The proposed program would be funded 50% by the ADOT Section 5317 Grant Program and 50% by NACOG AAA transportation grant program for the interim term of July 1, 2012 through September 30, 2012 with extended funding from October 1, 2012 to June 30, 2013. These State Grant opportunities coinciding with match funding from NACOG are designed to be a 100% partnership from Federal 5317 Grants.

ATTACHMENTS:

Name:	Description:	Type:
NACOG_AAA-CAT_MOU_FY12_13.docx	Memorandum of Understanding with NACOG - Section 5317 Taxi Voucher Program	Cover Memo

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into effective as of the ____day of _____, 20___ (the "Effective Date"), by and between the City of Cottonwood, a body politic and corporate of the State of Arizona ("CITY"), and the Northern Arizona Council of Governments-Area Agency on Aging, ("NACOG-AAA"). CITY and NACOG-AAA may be referred to in this MOU collectively as the Parties, and each individually as a Party.

RECITALS

A. WHEREAS, the CITY is a local government entity providing transportation services under contract with the Arizona Department of Transportation on behalf of the Federal Transportation Administration; and

B. WHEREAS, the NACOG-AAA is an organization established under the Older Americans Act of 1965 (OAA) to respond to the needs of Older Adults; and

C. WHEREAS, the CITY and NACOG-AAA wish to cooperate by partnering to better facilitate the mobility of seniors (60+) and disabled persons in Verde Valley, Arizona, in accordance with the terms of this MOU, and pursuant to all applicable laws, including but not limited to the Americans with Disabilities Act ("ADA"), the Health Insurance Portability and Accountability Act ("HIPPA"), and the Standards for Privacy of Individually Identifiable Health Information ("Privacy Rules") attached hereto as Exhibit "A"; and

D. WHEREAS, the Parties wish to set forth the terms and conditions pursuant to which they will cooperatively fund and implement a voucher transportation program in FY12/13, (the "Project"); and

E. WHEREAS, the Parties anticipate that their activities in implementing the Project will include (but may not be limited to), conducting a survey of the transit needs of the elderly disabled; exchanging technical data relating to the Project, including but not limited to standardization of services and conducting a conformity assessment; participating in courses, workshops, exhibitions and other joint meetings; and identifying; and seeking additional partnerships to improve the viability and sustainability of the Project.

AGREEMENTS

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. <u>The Project</u>. The Project will include two service provisions:

   1.1. A transportation voucher program ("Voucher Program") for CITY Para-transit clients.

   1.2. A trips program ("Trips Program") that includes transporting seniors to/from the Verde Valley Senior Center, for essential and non-essential needs, provided that such trips and activities are acceptable to both Parties and meet transportation criteria set forth by the Federal Transit Administration (FTA) and the State of Arizona Department of Economic Security – Division of Aging & Adult Services ("DES - DAAS").

   1.3. Joint activities that support the Project, including but not limited to courses, workshops and exhibitions agreed to by the Parties. Such joint activities may be described in Addendums to this

MOU, and the attachment of such Addendums, in the discretion of the staffs of both Parties, may not require a modification of this MOU.

2. CITY's Responsibilities:

2.1. Contribute 50% of the cost of the Project.

2.2. Enter into contracts with local, qualified providers (i.e. taxis) to provide services for the Program.

2.3. Otherwise establish and administer the Project, except as otherwise specifically set forth in this MOU.

2.4. Collect, maintain and provide monthly invoices to NACOG-AAA by the 10th of each month. Reports shall include Expense and Unit totals, and Social Service Report client data:

2.4.1. Expense and Unit Totals for all programs

2.4.2. Voucher Program

2.4.2.1. CITY costs (personnel and operating)
2.4.2.2. Total vouchers, cost of said vouchers, miles driven per voucher
2.4.2.3. Units served (unduplicated riders)
2.4.2.4. Total trips
2.4.2.5. Ongoing listing of destinations to facilitate program monitoring

2.4.3. Trips Program

2.4.3.1. Program costs (personnel and operating)
2.4.3.2. Trip Type (i.e. medical, social/recreational, shopping, meal service)
2.4.3.3. Total Trips
2.4.3.4. Units served (unduplicated riders)
2.4.3.5. Miles driven

2.4.4. Social Service Report

2.4.4.1. Total unduplicated riders receiving NACOG services

2.6 Provide to NACOG insurance documents that meet specified limits as set forth in the NACOG General Provisions Section 3.05 and DES Special Provisions Section 16.DES and NACOG shall be indemnified and held harmless by Contractor.

2.7 Provide NACOG a current IRS W-9 Form (Vendor Authorization Form) prior to receiving reimbursement for services.

2.8 Follow fingerprint clearance requirements and guidelines as set forth by the DES - DAAS Policy # 1930.1, ARS Statute 46-141 and NACOG AAA Provider Procedure for Background Clearance.

2.9 Ensure all drivers and those directly associated with the transportation service are trained by the guidelines set forth in the DES Provisions.

2.10 Follow all guidelines for vehicle maintenance by the guidelines set forth in the DES Provisions.

2.11 Obtain approval from the NACOG AAA Director to use specified Subcontractor(s).

2.12 Ensure Subcontractors must follow Insurance and Fingerprint clearance guidelines as set forth in the NACOG General Provisions and DES Provisions.

2.13 CITY will consult with NACOG-AAA regularly regarding the development and evaluation of the Project.

3. NACOG-AAA's Responsibilities. NACOG-AAA will:

3.1. Contribute up to a maximum of $10,000.00 in Fiscal Year 2012/2013: $2,500.00 will be dedicated to the term July 1, 2012 through September 30, 2012 as match funding for the remainder of the Federal Fiscal Year (FFY) 2011/2012 contract with ADOT; $7,500.00 is dedicated to the term October 1, 2012 through June 30, 2013 pending contract award by ADOT for the FFY 12/13. Additional allocations are dependent on funding availability.

3.2. Review in a timely fashion and provide timely feedback to CITY regarding the Project.

3.3. Pay CITY monthly for NACOG's costs incurred in running the Project up to, but not to exceed, 110% of the monthly budget allocation.

3.4. Reserve the right to re-evaluate its funding contribution.

3.5. Funding operations only; capital expenditures are excluded from NACOG-AAA match. Capital items are defined by the ADOT Coordinated Mobility Program handbook.

4. Cooperation. NACOG-AAA and CITY will cooperate in programs and undertakings intended to enhance the pilot taxi voucher program, which may include but are not limited to:

4.1. Joint or cooperative programs that utilize the local senior centers and local AHCCCS providers;

4.2. Mutual cooperation in regional organizations relating to standardization, conformity assessment and ADA Compliances;

4.3. Organizations of and participation in courses, workshops, exhibitions and other joint meetings of mutual interest;

4.4. Exchange of technical data and information relating to standardization, conformity assessment while using HIPPA privacy rules;

4.5. To survey the needs of the elderly 60+ and disabled in order improve their standards of life; and

4.6. Other forms of cooperation as agreed by the Parties, including meetings between the two Parties on a regular basis.

Cooperative activities are subject to the availability of funds and personnel, as determined by each Party in its sole discretion

5. Term. This MOU shall be effective until June 30, 2013 unless terminated earlier by either Party, upon ninety (90) days' prior written notice to the other Party, provided that the duration of projects started prior

to such termination, and fully funded, shall not be affected by such termination. The term of this MOU may also be renewed with written consent of both parties, and is subject to availability of funding.

6. Records and Audit Rights. Each Party's work and accounting records (hard copy, as well as computer readable data, and any other supporting evidence deemed necessary by the other Party to substantiate charges and claims related to this MOU) shall be open to inspection and subject to audit and/or reproduction by authorized representatives of the other Party, to adequately permit evaluation and verification of the performance and cost of the work, and to conduct and prepare all audits and reports required by law. Representatives of each Party shall be afforded access, at all reasonable times and places, to all of the other Party's records and personnel, pursuant to the provisions of this Section, throughout the term of this MOU (including Renewal Terms), and for a period of five (5) years after last or final payment. Pre-merger. Once we merge, this is moot

7. Public Records and Confidentiality. The Parties understand and agree that documents in the possession of CITY are subject to the Arizona Public Records Law, and that some documents may be confidential under the ADA, HIPPA, or other provisions of law. The Parties agree that they will consult with each other before any records or information derived from cooperative activities under this MOU is disclosed. However, in the event that the Parties cannot agree on whether information and/or records are subject to disclosure by law, the attorney for the Party served with a request for information and/or records will make the determination whether disclosure is required, and such disclosure shall not be considered to be a breach of this MOU, and no liability shall accrue to the disclosing Party.

8. General Provisions.

   8.1. Incorporation of Recitals and Exhibits. The Recitals are acknowledged by the Parties to be substantially true and correct, and are hereby incorporated as agreements of the Parties. All exhibits referenced herein and attached hereto, are hereby incorporated into this MOU.

   8.2. Entire Agreement. This MOU constitutes the entire understanding of the Parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This MOU may not be modified or amended, except by written documents, signed by authorized representatives of each Party.

   8.3. Arizona Law. This MOU shall be governed and interpreted according to the laws of the State of Arizona.

   8.4. Modifications. Except as otherwise specifically provided in this MOU, any amendment, modification or variation from the terms of this MOU shall be in writing and shall be effective only after written approval of all Parties.

   8.5. Compliance with Immigration Laws and Regulations. Pursuant to the provisions of A.R.S. §41-4401, each Party warrants to the other Party that the warranting Party and all its subconsultants are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. §23-214(A). Each Party acknowledges that a breach of this warranty by the warranting Party or any of its subconsultants is a material breach of this MOU subject to penalties up to and including termination of this MOU or any subcontract. Each Party retains the legal right to inspect the papers of any employee of the other Party or any subconsultant who works on this MOU to ensure compliance with this warranty.

   A Party may conduct random verification of the employment records of the other Party and any of its subconsultants to ensure compliance with this warranty.

A Party will not consider the other Party or any of its subconsultants in material breach of the foregoing warranty if the warranting Party and its subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

The provisions of this Article must be included in any contract a Party enters into with any and all of its subconsultants who provide services under this MOU or any subcontract. As used in this Section, "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

8.6. Prohibition of Doing Business with Sudan and Iran. Pursuant to A.R.S. §§35-391.06 and 35-393-06, each Party hereby certifies to the other Party that the certifying Party does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either Sudan or Iran. The certifying Party acknowledges that, in the event either of the certifications contained in this paragraph is determined by the other Party to be false, that Party may terminate this MOU and exercise other remedies as provided by law, in accordance with A.R.S. §§35-391.06 and 35-393-06.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties have executed this MOU effective as of the Effective Date set forth above.

NACOG-AAA:

By: _____
Chris Fetzer, Executive Sweet

CITY:

By:_____
Its: _____

EXHIBIT A

PRIVACY RULES

TITLE 45 - PUBLIC WELFARE

SUBTITLE A - DEPARTMENT OF HEALTH AND HUMAN

CHAPTER I - SERVICES, GENERAL ADMINISTRATION

SUBCHAPTER C - ADMINISTRATIVE DATA STANDARDS AND RELATED REQUIREMENTS

PART 160 - GENERAL ADMINISTRATIVE REQUIREMENTS

subpart a - GENERAL PROVISIONS

160.103 - Definitions.

Except as otherwise provided, the following definitions apply to this subchapter: Act means the Social Security Act.

ANSI stands for the American National Standards Institute.

Business associate: (1) Except as provided in paragraph (2) of this definition, business associate means, with respect to a covered entity, a person who: (i) On behalf of such covered entity or of an organized health care arrangement (as defined in 164.501 of this subchapter) in which the covered entity participates, but other than in the capacity of a member of the workforce of such covered entity or arrangement, performs, or assists in the performance of: (A) A function or activity involving the use or disclosure of individually identifiable health information, including claims processing or administration, data analysis, processing or administration, utilization review, quality assurance, billing, benefit management, practice management, and repricing; or (B) Any other function or activity regulated by this subchapter; or (ii) Provides, other than in the capacity of a member of the workforce of such covered entity, legal, actuarial, accounting, consulting, data aggregation (as defined in 164.501 of this subchapter), management, administrative, accreditation, or financial services to or for such covered entity, or to or for an organized health care arrangement in which the covered entity participates, where the provision of the service involves the disclosure of individually identifiable health information from such covered entity or arrangement, or from another business associate of such covered entity or arrangement, to the person.

(2) A covered entity participating in an organized health care arrangement that performs a function or activity as described by paragraph (1)(i) of this definition for or on behalf of such organized health care arrangement, or that provides a service as described in paragraph (1)(ii) of this definition to or for such organized health care arrangement, does not, simply through the performance of such function or activity or the provision of such service, become a business associate of other covered entities participating in such organized health care arrangement.

(3) A covered entity may be a business associate of another covered entity.

CMS stands for Centers for Medicare & Medicaid Services within the Department of Health and Human Services.

Compliance date means the date by which a covered entity must comply with a standard, implementation specification, requirement, or modification adopted under this subchapter.

Covered entity means: (1) A health plan.

(2) A health care clearinghouse.

(3) A health care provider who transmits any health information in electronic form in connection with a transaction covered by this subchapter.

Disclosure means the release, transfer, provision of, access to, or divulging in any other manner of information outside the entity holding the information.

EIN stands for the employer identification number assigned by the Internal Revenue Service, U.S. Department of the Treasury. The EIN is the taxpayer identifying number of an individual or other entity (whether or not an employer) assigned under one of the following: (1) 26 U.S.C. 6011(b), which is the portion of the Internal Revenue Code dealing with identifying the taxpayer in tax returns and statements, or corresponding provisions of prior law.

(2) 26 U.S.C. 6109, which is the portion of the Internal Revenue Code dealing with identifying numbers in tax returns, statements, and other required documents.

Electronic media means: (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

Electronic protected health information means information that comes within paragraphs (1)(i) or (1)(ii) of the definition of protected health information as specified in this section.

Employer is defined as it is in 26 U.S.C. 3401(d).

Group health plan (also see definition of health plan in this section) means an employee welfare benefit plan (as defined in section 3(1) of the Employee Retirement Income and Security Act of 1974 (ERISA), 29 U.S.C. 1002(1)), including insured and self-insured plans, to the extent that the plan provides medical care (as defined in section 2791(a)(2) of the Public Health Service Act (PHS Act), 42 U.S.C. 300gg91(a)(2)), including items and services paid for as medical care, to employees or their dependents directly or through insurance, reimbursement, or otherwise, that: (1) Has 50 or more participants (as defined in section 3(7) of ERISA, 29 U.S.C. 1002(7)); or (2) Is administered by an entity other than the employer that established and maintains the plan.

HHS stands for the Department of Health and Human Services.

Health care means care, services, or supplies related to the health of an individual. Health care includes, but is not limited to, the following: (1) Preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care, and counseling, service, assessment, or procedure with respect to the physical or mental condition, or functional status, of an individual or that affects the structure or function of the body; and (2) Sale or dispensing of a drug, device, equipment, or other item in accordance with a prescription.

Health care clearinghouse means a public or private entity, including a billing service, repricing company, community health management information system or community health information system, and value-added networks and switches, that does either of the following functions: (1) Processes or facilitates the processing of health information received from another entity in a nonstandard format or containing nonstandard data content into standard data elements or a standard

transaction.

(2) Receives a standard transaction from another entity and processes or facilitates the processing of health information into nonstandard format or nonstandard data content for the receiving entity.

Health care provider means a provider of services (as defined in section 1861(u) of the Act, 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in section 1861(s) of the Act, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business.

Health information means any information, whether oral or recorded in any form or medium, that: (1) Is created or received by a health care provider, health plan, public health authority, employer, life insurer, school or university, or health care clearinghouse; and (2) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual.

Health insurance issuer (as defined in section 2791(b)(2) of the PHS Act, 42 U.S.C. 300gg91(b)(2) and used in the definition of health plan in this section) means an insurance company, insurance service, or insurance organization (including an HMO) that is licensed to engage in the business of insurance in a State and is subject to State law that regulates insurance. Such term does not include a group health plan.

Health maintenance organization (HMO) (as defined in section 2791(b)(3) of the PHS Act, 42 U.S.C. 300gg91(b)(3) and used in the definition of health plan in this section) means a federally qualified HMO, an organization recognized as an HMO under State law, or a similar organization regulated for solvency under State law in the same manner and to the same extent as such an HMO.

Health plan means an individual or group plan that provides, or pays the cost of, medical care (as defined in section 2791(a)(2) of the PHS Act, 42 U.S.C. 300gg91(a)(2)).

(1) Health plan includes the following, singly or in combination: (i) A group health plan, as defined in this section.

(ii) A health insurance issuer, as defined in this section.

(iii) An HMO, as defined in this section.

(iv) Part A or Part B of the Medicare program under title XVIII of the Act.

(v) The Medicaid program under title XIX of the Act, 42 U.S.C. 1396, et seq.

(vi) An issuer of a Medicare supplemental policy (as defined in section 1882(g)(1) of the Act, 42 U.S.C. 1395ss(g)(1)).

(vii) An issuer of a long-term care policy, excluding a nursing home fixed-indemnity policy.

(viii) An employee welfare benefit plan or any other arrangement that is established or maintained for the purpose of offering or providing health benefits to the employees of two or more employers.

(ix) The health care program for active military personnel under title 10 of the United States Code.

(x) The veterans health care program under 38 U.S.C. chapter 17.

(xi) The Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) (as defined in 10 U.S.C. 1072(4)).

(xii) The Indian Health Service program under the Indian Health Care Improvement Act, 25 U.S.C. 1601, et seq.

(xiii) The Federal Employees Health Benefits Program under 5 U.S.C.

8902, et seq.

(xiv) An approved State child health plan under title XXI of the Act, providing benefits for child health assistance that meet the requirements of section 2103 of the Act, 42 U.S.C. 1397, et seq.

(xv) The Medicare+Choice program under Part C of title XVIII of the Act, 42 U.S.C. 1395w21 through 1395w28.

(xvi) A high risk pool that is a mechanism established under State law to provide health insurance coverage or comparable coverage to eligible individuals.

(xvii) Any other individual or group plan, or combination of individual or group plans, that provides or pays for the cost of medical care (as defined in section 2791(a)(2) of the PHS Act, 42 U.S.C. 300gg91(a)(2)).

(2) Health plan excludes: (i) Any policy, plan, or program to the extent that it provides, or pays for the cost of, excepted benefits that are listed in section 2791(c)(1) of the PHS Act, 42 U.S.C. 300gg91(c)(1); and (ii) A government-funded program (other than one listed in paragraph (1)(i)(xvi) of this definition): (A) Whose principal purpose is other than providing, or paying the cost of, health care; or (B) Whose principal activity is: (1) The direct provision of health care to persons; or (2) The making of grants to fund the direct provision of health care to persons.

Implementation specification means specific requirements or instructions for implementing a standard.

Individual means the person who is the subject of protected health information.

Individually identifiable health information is information that is a subset of health information, including demographic information collected from an individual, and: (1) Is created or received by a health care provider, health plan, employer, or health care clearinghouse; and (2) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and (i) That identifies the individual; or (ii) With respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Modify or modification refers to a change adopted by the Secretary, through regulation, to a standard or an implementation specification.

Organized health care arrangement means: (1) A clinically integrated care setting in which individuals typically receive health care from more than one health care provider; (2) An organized system of health care in which more than one covered entity participates and in which the participating covered entities: (i) Hold themselves out to the public as participating in a joint arrangement; and (ii) Participate in joint activities that include at least one of the following: (A) Utilization review, in which health care decisions by participating covered entities are reviewed by other participating covered entities or by a third party on their behalf; (B) Quality assessment and improvement activities, in which treatment provided by participating covered entities is assessed by other participating covered entities or by a third party on their behalf; or (C) Payment activities, if the financial risk for delivering health care is shared, in part or in whole, by participating covered entities through the joint arrangement and if protected health information created or received by a covered entity is reviewed by other participating covered entities or by a third party on their behalf for the purpose of administering the sharing of financial risk.

(3) A group health plan and a health insurance issuer or HMO with respect to such group health plan, but only with respect to protected health information created or received by such health insurance issuer or HMO that relates to individuals who are or who have been participants or beneficiaries in such group health plan; (4) A group health plan and one or more other group health plans each of which are maintained by the same plan sponsor; or (5) The group health plans described in paragraph (4) of this definition and health insurance issuers or HMOs with respect to such group health plans, but only with respect to protected health information created or received by such health insurance issuers or HMOs that relates to individuals who are or have been participants or beneficiaries in any of such group health plans.

Protected health information means individually identifiable health information: (1) Except as provided in paragraph (2) of this definition, that is: (i) Transmitted by electronic media; (ii) Maintained in electronic media; or (iii) Transmitted or maintained in any other form or medium.

(2) Protected health information excludes individually identifiable health information in: (i) Education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. 1232g; (ii) Records described at 20 U.S.C. 1232g(a)(4)(B)(iv); and (iii) Employment records held by a covered entity in its role as employer.

Secretary means the Secretary of Health and Human Services or any other officer or employee of HHS to whom the authority involved has been delegated.

Small health plan means a health plan with annual receipts of $5 million or less.

Standard means a rule, condition, or requirement: (1) Describing the following information for products, systems, services or practices: (i) Classification of components.

(ii) Specification of materials, performance, or operations; or (iii) Delineation of procedures; or (2) With respect to the privacy of individually identifiable health information.

Standard setting organization (SSO) means an organization accredited by the American National Standards Institute that develops and maintains standards for information transactions or data elements, or any other standard that is necessary for, or will facilitate the implementation of, this part.

State refers to one of the following: (1) For a health plan established or regulated by Federal law, State has the meaning set forth in the applicable section of the United States Code for such health plan.

(2) For all other purposes, State means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

Trading partner agreement means an agreement related to the exchange of information in electronic transactions, whether the agreement is distinct or part of a larger agreement, between each party to the agreement. (For example, a trading partner agreement may specify, among other things, the duties and responsibilities of each party to the agreement in conducting a standard transaction.) Transaction means the transmission of information between two parties to carry out financial or administrative activities related to health care.

It includes the following types of information transmissions: (1) Health care claims or equivalent encounter information.

(2) Health care payment and remittance advice.

(3) Coordination of benefits.

(4) Health care claim status.

(5) Enrollment and disenrollment in a health plan.

(6) Eligibility for a health plan.

(7) Health plan premium payments.

(8) Referral certification and authorization.

(9) First report of injury.

(10) Health claims attachments.

(11) Other transactions that the Secretary may prescribe by regulation.

Use means, with respect to individually identifiable health information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.

Workforce means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a covered entity, is under the direct control of such entity, whether or not they are paid by the covered entity.

[65 FR 82798, Dec. 28, 2000, as amended at 67 FR 38019, May 31, 2002; 67 FR 53266, Aug. 14, 2002; 68 FR 8374, Feb. 20, 2003]

EXHIBIT B

NORTHERN ARIZONA COUNCIL OF GOVERNMENTS
AREA AGENCY ON AGING

GENERAL PROVISIONS

AGENCY means the NACOG Area Agency on Aging

ANNEX A is the annex to this contract, which contains a description of the services to be delivered pursuant to this contract.

ANNEX B is the annex to this contract, which defines the contracted unit rate and/or reimbursement ceilings and outlines the reimbursement procedures pursuant to this contract.

CONTRACT means this Contract, between the Agency and the Provider, which is allowed under the contract between the Department of Economic Security, Aging and Adult Administration, and the NACOG Area Agency on Aging.

CONTRACT EXPENDITURES means expenditures made by the Provider during the term of this Contract and pursuant to the approved budget for contract services set forth in Annex B.

CONTRACT SERVICES means the services to be delivered by the Provider, which are so designated in Annex A.

DAYS means calendar days.

ELIGIBLE PERSONS means the persons determined eligible for services in accordance with the criteria and procedures set forth herein.

REIMBURSEMENT CEILING means the amount so designated in Annex B and is the maximum amount payable by the Agency to the Provider under this contract.

SPECIAL PROVISIONS means the section of this contract, which contains specific terms and conditions. If General Provisions and Special Provisions contradict, Special Provisions shall govern.
II. BASIC RIGHTS AND OBLIGATIONS OF THE AREA AGENCY ON AGING

SECTION 2.01 ADDITIONAL FUNDING SOURCES Any additional funding sources identified by the Agency, for the current contracted services, will be governed by these General and Special Provisions.

SECTION 2.02 MONITORING For all contracts or subcontracts, the Agency will monitor contract services delivered and facilities maintained by the provider or subcontractor to this contract and all provisions of Section 2.03 Visitation, Inspection and Copying shall apply.

SECTION 2.03 PROGRAM EVALUATION The Agency will be entitled during the term of the contract to evaluate Contract Services. Evaluation will assess the quality and impact of Contract Services, either in isolation or in comparison with other similar services, and will assess the Provider's progress and/or success in achieving the goals and objectives set forth in Annex A. All provisions of Section 2.03 Visitation, Inspection and Copying shall apply. Evaluation reports prepared pursuant to this Section will be made available to the Provider.

SECTION 2.04 VISITATION, INSPECTION AND COPYING Provider's or subcontractor's facilities, services, books and records (including but not limited to Contract Services) shall be available for visitation, inspections and copying by the Agency and any other appropriate agent of State or Federal Government.

At the direction of the Agency, visitation, inspection and copying may be at any time during regular business hours announced or unannounced. At the request of the Provider, any report(s) prepared pursuant to this section will be made available to the Provider. If the Agency deems it to be an emergency situation, it may at any time visit and inspect the Provider's or Subcontractor's facilities and services, as well as inspect and copy their books and records.

SECTION 2.05 TECHNICAL ASSISTANCE The Agency, upon request, will provide technical assistance to the Provider relative to the terms and conditions, policies and procedures governing this Contract. The Agency may, but shall not be obligated to provide technical assistance to the Provider in the administration of Contract Services. Notwithstanding the foregoing, the provider shall not be relieved of full responsibility and accountability for the provision of Contract Services in accordance with the terms and conditions set forth herein.

SECTION 2.06 PAYMENT FOR CONTRACT SERVICES The Agency shall reimburse the provider for contract expenditures in accordance with Section 4.04 Payment and Annex B of this contract.

SECTION 2.07 BUDGET REDUCTION The Agency may reduce or terminate this contract without further recourse, obligation or penalty to the event that insufficient amounts are appropriated by the State or Federal Government for the purposes of this Contract or in the event that appropriated amounts are reduced or eliminated by the state or federal government during the term of this contract.

SECTION 2.08 FINANCIAL AUDIT At any time during the term of this contract, or within five (5) years after termination of this contract, the provider's overall financial operations are subject to audit by the Agency and by any other appropriate agent of State or Federal Government. At the discretion of the Agency, a private firm retained for such purposes by the Agency or the Provider will perform a final audit. Final financial settlement of this Contract shall be contingent upon the final audit. A copy of final audit will be submitted to the Agency.

The Agency shall ensure that audits required pursuant to federal or state laws, rules or regulations are conducted as provided in the U.S.C. Section 7500 et. Seq. and A.R.S. Section 35-181.03 and any other applicable laws, rules, regulations and standards.

The Federal Single Audit Act of 1984 (p. 98-502) and OMB Circular A-122, require that a contractor with state and/or federal funds totaling $300,000 or more to have a yearly audit conducted in accordance with the prescribed audit and reporting standards.

The Agency will require contractors with state and/or federal funds, more than or equal to $300,000, to meet the prescribed audit and reporting requirements. Unless request by NACOG.

Those contractors with state and/or federal funds totaling at least $50,000 but less than $300,000 will be required to have an audit once every three years. The agency will determine the year that will need to be audited. The audit will be conducted in accordance with the same audit and reporting requirements. The two years wherein an audit is not required, will be subject to financial reviews from a Certified Public Accountant.

Those contractors with state and/or federal totaling less than $50,000 will be subject to financial reviews from a Certified Public Accountant.

The audit must include a report on the financial statements, a report on internal controls, a report on compliance and schedule of federal financial assistance. The Agency's contract numbers and award amounts should be either included in the schedule of federal financial assistance or in a separate report submitted to the Office of Internal Audit.

III. BASIC RIGHTS AND OBLIGATIONS OF THE PROVIDER

SECTION 3.01 CONTRACT SERVICES The provider shall provide Contract Services to eligible persons and to the Agency in accordance with all terms and conditions of this contract.

SECTION 3.02 COMPLIANCE WITH LAWS, RULES AND REGULATIONS The provider shall comply with all applicable Federal, State and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this contract. Provider, by execution of this contract, certifies that they have not been debarred or suspended by any federal agency.

The laws and regulations of the State shall govern the rights of the parties, the performance of this contract and any disputes there under. If any action relating to this contract is held invalid or unenforceable, the remaining provisions shall continue valid and enforceable to the full extend permitted by law. Any changes in the governing laws, rules and regulations during the term of this contract shall apply but do not require an amendment pursuant to Section 4.03 Amendments.

1. The provider shall comply with the laws, rules, regulations and standards contained within the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) including Section 2352 "Title XX Block Grants"; Title 45 Code of Federal Regulations, Parts 74 and 96; and, the Arizona Title XX Social Services Plan.

2. The provider shall comply with the laws, rules, regulations and standards contained within Title III of the Older Americans Act, as amended; Title 45 Code of Federal Regulations, Parts 74 (except Subpart N); Title 45 of the Code of Federal Regulations Parts 1320, 1321, 1324, and 1326. In accordance with Title 45 code of Federal Regulations, Part 1321.51, the state agency shall afford the provider an opportunity for a hearing when required by the provisions of this part.

3. The provider shall comply with the provisions of A.R.S. Sections 46-251 through 46-253.

SECTION 3.03 CLIENT FEES AND PROGRAM INCOME Unless specified within Special Provisions, the provider shall impose no fees or charges of any kind upon recipients of contract services. Any program income generated and received by the provider as a result of contract services shall be disposed of and reported in accordance with applicable Agency policies and procedures and in accordance with applicable State or Federal regulations.

SECTION 3.04 ASSIGNMENTS AND SUBCONTRACTS No rights or obligations of the provider under this contract shall be assigned. No rights or obligations of the provider under this contract shall be subcontracted by the provider without prior written approval of the Agency. All subcontracts will incorporate the laws, rules and regulations governing this contract. The provider shall bear full responsibility for performance under all approved subcontracts, shall forward copies of such to the Agency and shall retain copies on file.

SECTION 3.05 INDEMNIFICATION AND INSURANCE Provider agrees to hold harmless NACOG and its departments, agencies, boards and commissions and all officers, agents, and employees thereof (hereinafter "indemnities"), each severally and separately, against any and all liabilities, demands, claims, damages, losses, costs and expense of whatsoever kind or nature including, without limitations, any and all direct and indirect costs of defense made against, incurred or suffered by; any such indemnities as a direct or indirect consequence of injury, sickness or disease, including death, to persons, injury to or destruction of property including without limitation, the loss of use of property or any other cause of action whatsoever arising out of, or resulting from, or which would not have occurred or existed but for this contract.

Provider shall maintain at all times during the term of this contract, an adequate limit, as determined by the Agency of comprehensive general liability and property insurance and automobile liability and property damage insurance naming Department of Economic Security and NACOG as an additional insured. Prior to execution of this contract, provider shall furnish the Agency a Certificate of Insurance. The Agency reserves the right to continue payments of premium, for which reimbursement with interest at the prime rate will be deducted from amounts due or subsequently due provider.

Also, prior to the execution of this contract, Provider shall furnish the Agency a Certificate of Insurance that assures that all personnel hired to deliver contract services will be covered through the Workers' Compensation and Employers' Liability Insurance.

SECTION 3.06 CONTRACT PERSONNEL Unless otherwise provided for, pursuant to Section 3.04 Assignments and Subcontracts, the personnel delivering contract services shall be employees or volunteers of the provider, shall satisfy any qualifications and carry out any duties set forth in Annex A, and shall work the hours and receive the compensation set forth in this contract. Personnel policies and practices shall be uniform for all employees of the provider. Provider's employees shall not be considered officers, employees or agents of the State nor the Agency. Provider certifies that no individual or agent has been employed or retained to solicit or secure this contract for commission, percentage, brokerage or contingent fee except a bona fide employee maintained by the provider to secure business.
When applicable, Contract personnel shall be fingerprinted and comply with all provisions of A.R.S. 46-141 as incorporated in Special Provisions.

SECTION 3.07 COMPLIANCE WITH NON-DISCRIMINATION LAWS Provider shall comply with Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, and State Executive Order No. 75-5 which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities. The provider shall comply with the Rehabilitation Act of 1973 as amended, which prohibits discrimination in the employment or advancement of employment of qualified persons because of physical or mental handicap. The Provider shall comply with the requirements of the Fair Labor Standards Act of 1938, as amended.
The provider shall comply with Title IV of the Civil Rights Act of 1964, which prohibits the denial of benefits or no participation in contract services on the basis of race, color, or national origin. The provider shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, in delivering contract services.

SECTION 3.08 PROFESSIONAL STANDARDS AND LEVELS OF SERVICE The provider will deliver contract services in a humane and respectful manner, and in accordance with any and all applicable professional accreditation standards. The provider shall obtain and maintain all applicable licenses, permits and authority required to provide contract services.

The provider shall attain and maintain during the term of this contract the units of service set forth in Annex B.

SECTION 3.09 CONFIDENTIALITY Provider shall observe and abide by all applicable State and Federal statutes and regulations regarding use or disclosure information, including, but not limited to, information concerning applicants for and recipients of contract services.

SECTION 3.10 FAIR HEARINGS AND SERVICE RECIPIENT GRIEVANCES The provider shall advise all applicants for and recipients of contract services of their right, at any time and for any reason, to present to the Agency any grievances arising from the delivery of contract services, including but not limited to ineligibility determination, service reduction, suspension or termination, or quality of service.

SECTION 3.11 RATE OR BUDGET CERTIFICATION Provider certifies that the contract budget set forth in Annex B was prepared in accordance with applicable Agency guidelines and procedures. The provider further certifies that (a) the information which was provided to the Agency by the provider for use as a basis in approving the Annex B is accurate; (b) similar types of costs were accorded consistent accounting treatment in the development of Annex B; and (c) no costs are included in both direct and indirect costs.
The provider certifies that funds received under this contract will be expended to achieve the purposes of this contract and to meet costs defined as allowable in applicable federal or state laws, rules, regulations and guidelines.

SECTION 3.12 COMPETITIVE BIDDING Provider is authorized to purchase the supplies and equipment itemized in Annex B for utilization in the delivery of contract service. Provider shall procure all such supplies and equipment at the lowest practicable cost, and shall purchase all non-expendable items,

having a useful life of more than one year and an acquisition cost of more than $300, through general accepted and reasonable competitive bidding processes.

SECTION 3.13 CONTRACT EQUIPMENT The provider is authorized to purchase equipment itemized in Annex B for utilization in the delivery of contract services. The provider shall maintain complete and up-to-date inventory records for all equipment purchased thereunder.
The Agency shall retain an equitable interest, equal to a fair estimate of appraisal of current market value, in all equipment purchased under this or a predecessor contract. The Agency shall be included as a co-insured on any insurance policy, which covers equipment purchased under this or a predecessor contract.

The provider shall not dispose of any equipment purchased under this or a predecessor contract without the prior written consent of the Agency. Such consent, if given, may include direction as to means of disposition and utilization of proceeds including any necessary adjustments to Annex B.

SECTION 3.14 BOOKS AND RECORDS The provider shall keep adequate books and records relating to contract services and contract expenditures. Contract service records will be maintained in accordance with prescribed Agency policies and procedures. Financial records shall meet the following standards at a minimum: (1) adequately identify the service and application for contract and subcontract activities; (2) include personnel records which contain applications for employment, job titles and descriptions, hire and termination dates, wage rates, effective dates of personnel actions affecting any of these items; (3) include time and attendance records for individual employees to support all salaries and wages paid; (4) include records of the source of all receipts and the deposit of all funds received by the provider; (5) include original copies of invoices, statement, sales tickets, billings for services, etc., and a cash disbursement journal and canceled checks to reflect all disbursements applicable to the contract; (6) include a complete general ledger with accounts for the collection of al costs and/or fees applicable to the contract; (7) include a copy of the written, approved cost allocation plan to reflect the manner in which indirect costs were to be charged to the contract; and (8) include copies of lease/rental agreements, mortgages or other agreements which in any way may affect contract expenditures. Any such records not maintained shall mandate an audit exception in the amount of the inadequately documented expenditures.
Provider shall retain all such records and support documents for four years following termination of the contract or until after resolution of the final audit pursuant to Section 2.07 Financial Audit, whichever is the latter.

SECTION 3.15 REPORTING REQUIREMENTS No later than the 10th day following each month during the contract term, the provider shall submit to the Agency programmatic and financial reports in the form set forth in Annex B. Such reports shall cover contract services and contract expenditures for the preceding month and shall be certified as to their truth and accuracy by the provider. Failure to submit accurate and complete reports by the 10th day following the end of a month may result, at the option of the Agency, in forfeiture of right to payment.

No later than the 30th day following termination of this contract, provider shall submit to the Agency a final program and fiscal report. Failure to submit the final program and fiscal report within the above time period may result, at the option of the Agency, in forfeiture of right to final payment.

SECTION 3.16 SUPPORTING DOCUMENTS AND INFORMATION In addition to any documents, reports or information required by any other section of this contract, provider shall furnish the Agency with any further documents and information deemed necessary by the Agency.

SECTION 3.17 IDENTIFICATION OF FUNDING AND COPYRIGHTS All advertisements, publications and printed materials which are produced by the Provider and refer to contract services shall state that such services are funded under contract with the Agency, and where federal funds are involved, state by reference the specific funding source.
The provider shall not copyright any materials or products developed through contract services or contract expenditures without prior written approval by the Agency. Upon approval, the agency shall have a non-exclusive irrevocable license to reproduce, publish or otherwise use or authorize the use of any copyrighted material.

SECTION 3.18 CONFLICT OF INTEREST Provider shall not make any payments, either directly or indirectly to any person partnership, corporation, trust, or any other organization which has a substantial interest in provider's organization or with which (or one of its directors, officers, owners, trust certificate holders or a relative thereof) has a substantial interest.

In addition to any other transactions, any request for approval of leases or rental agreements or purchase of real property in which there is a potential conflict of interest as set forth in Paragraph A of this section shall be accompanied by an independent commercial appraisal of fair market rental or lease value.

For the purpose of this Section, the terms "substantial interest" and "relative" shall have the same meanings as in A.R.S. 38-502.

IV. BASIC RIGHTS AND OBLIGATIONS OF THE AGENCY AND THE PROVIDER

SECTION 4.01 NOTICES All notices under this contract shall be in writing and shall be directed to the persons and addresses specified for such purpose in Annex A or to such other persons and/or addresses as either party may designate to the other by notice.

SECTION 4.02 EXERCISE OF RIGHTS Failure to exercise any right, power or privilege under this contract shall not operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of that or any other right, power or privilege.

SECTION 4.03 AMENDMENTS Any change to this contract shall be carried out in accordance with amendment policies and procedures promulgated by the Agency, including the following:

A written amendment signed by both parties to this contract shall be required for every standard purpose listed below:

1. Whenever there is a change in reimbursement ceiling.

2. Whenever the term of this contract is extended and whenever the term is reduced without terminating the contract.

3. Whenever there is a change in contract services, the service delivery methodology as set forth in Annex A or the level of service as defined in Annex B.

4. In fixed rate and negotiated rate contracts, whenever there is a change in the rate.

5. In cost reimbursement or unit fee contracts, whenever any budget category in Annex B is increased or decreased by an amount equal to or greater than 10 percent during the term of this contract.

SECTION 4.04 PAYMENT The provider shall report contract expenditures to the Agency in the manner prescribed pursuant to Section 3.15 Reporting Requirements. Upon receipt of applicable, accurate, and complete reports, the Agency will authorize payment in accordance with the reimbursement method contained within Annex B no later than 30 days after receipt, subject to availability of funds.

If the provider is in any manner in default in the performance of any obligation under this contract, or if audit exceptions are identified, the Agency may, at its option and in addition to other available remedies, either adjust the amount of payment or withhold payment until satisfactory resolution of the default or exception. The provider shall have the right only to notice of the Agency's action of adjusting the amount of payment or withholding payment. The provider shall have the right to submit

to the Agency a written explanation of its position on the proposed payment adjustment or payment withholding.

Under no circumstances will the Agency authorize payment to the provider that exceeds the reimbursement ceiling contained within Annex B without an amendment to this contract in accordance with Section 4.03 Amendments nor will the Agency authorize final payment to the provider until after receipt of final reports in accordance with Section 3.15 Reporting Requirements.

Section 4.05 PAYMENT RECOUPMENT Provider must reimburse the Agency upon demand or the Agency may deduct from future payments the following;

1. Any amounts received by provider from the Agency for contract services which have been inaccurately reported or are found to be unsubstantiated.

2. Any amounts paid by the provider to a subcontractor not authorized in writing by the Agency.

3. Any amount or benefit paid directly or indirectly to an individual or organization as specified in Section 3.18Conflict of Interest.

4. Any amount paid by the Agency for services which either duplicate services covered by other specific grants and contracts, or amounts determined by the Agency as unallowable.

5. Any amounts expended for items or purposes determined unallowable by the Agency.

6. Any amounts paid by the Agency for which the provider's books, record, and other documents are not sufficient to clearly substantiate that those amounts were used by the provider to perform contract services as described in Annex A.

7. Any amount identified as a financial audit exception.

If any Agency determines by an audit that the provider has improperly spent any moneys paid to it under this contract, the provider agrees that the Agency immediately may record or obtain a lien in the amount of such determination against real property and any other assets of the provider, and the provider shall sign all documents the Agency deems necessary to perfect such liens.

Section 4.06 DEFAULT If the provider fails to comply with one or more provisions of this contract; the Agency may, by notice to the provider, specify a period of time not less than 14 days nor more than 60 days from receipt of notification by which such noncompliance must be remedied. The provider shall be notified that should such noncompliance fail to be remedied within the specified time period, the Agency may interrupt funding, amend, or terminate the contract.

Section 4.07 TERMINATION This contract may be terminated without cause upon 30 days notice by either party during the term of this contract. The Agency has the right to terminate this contract upon 24-hour notice when the Agency deems the health or welfare of the service recipients is endangered or provider noncompliance jeopardizes Federal Financial Participation. The State may cancel this contract as provided in A.R.S. 38-511. If not terminated by one of the above methods, this contract will terminate upon the expiration of the term of this contract as stated in Annex A.

Section 4.08 PREDECESSOR AND SUCCESSOR CONTRACTS. The execution or termination of this contract shall not be considered a waiver by the Agency of any and all rights it may have for damages suffered through a breach of this or a prior contract with the provider. The Agency has no obligation to renew this contract.

Section 4.09 RENEWABLE CONTRACT If so stated in the Special Provisions, this contract and all rights and obligations thereunder may be renewed in their entirety or in part for a period equal to the original contract term, but in no case longer than 12 months, upon agreement by the parties to this

contract.

EXHIBIT C

NACOG
AREA AGENCY ON AGING

SPECIAL PROVISIONS

I. DEFINITIONS

Area Agency on Aging is the organizational unit for Region III (hereinafter referred to as Agency) planning and service are designated to carry out the functions of the local plan on aging services in Apache, Coconino, Navajo, and Yavapai Counties.

II. BASIC RIGHTS AND OBLIGATIONS OF THE AGENCY

Section 2.08 Financial Audit. *All contractors are subject to the programmatic and fiscal monitoring requirements of each Agency program to ensure accountability of the delivery of all goods and services, as required under Single Audit.*

The Agency will require contractors with state and/or federal funds, more than or equal to $100,000, to meet the prescribed audit and reporting requirements outlined in the General Provisions. Those contractors with state and/or federal funds totaling less than $100,000 will be required to submit an annual Financial Review from a Certified Public Accountant.

Those contractors that have annual audits, due to the fiscal requirements of other funding sources, will be required to submit a copy to the Agency.

III. BASIC RIGHTS AND OBLIGATIONS OF THE PROVIDER

__X___Section 3.02 Compliance with Laws, Rules and Regulations

The provider shall comply with the laws, rules, regulations and standards contained within the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) including Section 2352 "Title XX Block Grants"; Title 45 Code of Federal Regulations, Parts 74 and 96; and the Arizona Title XX Social Services Plan.

__X___ The provider shall comply with the laws, rules, regulations and standards contained within Title III of the Older Americans Acts, as amended; Title 45 Code of Federal Regulations, Parts 74 (except Subpart N); Title 45 of the Code of Federal Regulations Parts 1321, 1324 and 1326. In accordance with Title 45 Code of Federal Regulations, Part 1321.51, the Agency shall afford the provider an opportunity for a hearing when required by the provisions of this part.

__X___The provider shall comply with the provisions of A.R.S. 46-251 through 46-253, Supplemental Payment Program.

_____Section 3.03 Client Fees and Program Income

The provider may impose fees upon recipients of the Contract Title XX funded service. A fee policy must have written approval by the Agency prior to implementation. The provider must comply with any restriction or stipulation set by the Agency. Income generated by client fees shall be used to expand program services.

__X___**Section 3.05 Indemnification and Insurance**

The provider shall comply with Rules 1 through 5 of NACOG Administrative Policy No. 100-110 *Workers' Compensation* requirements for Sub-contractors

._X___**Section 3.07 Compliance with Non-Discrimination Laws.** (Tribal Intergovernmental Agreements) It shall be permissible for the provider to engage in preference in hiring pursuant to applicable Tribal codes, policies or procedures.

_____**Section 3.08 Professional Standards and Level of Service**
The provider will be required to utilize a standardized assessment process including an instrument which meets at a minimum certain functional status requirements established by the Agency prior to implementation or usage of an assessment instrument, the Agency will review and approve the instrument to be employed.

__X___**Section 3.15 Reporting Requirements**
No later than the 10th day following each month during the contract term, the provider shall submit to the Agency, programmatic and financial reports in the form set forth in Annex B.

__X___**Section 3.18 Conflict of Interest**
The provider shall comply with all pertinent federal lobbying and disclosure rules (31 U.S.C. Section 1352) and sign, copy and keep on file the *Lobbying Certification* form completed as part of this subcontract.

EXHIBIT D

STATE OF ARIZONA
UNIFORM TERMS & CONDITIONS

1 Definition of Terms. As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1 *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2 *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3 "*Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4 *"Contractor"* means any person who has a Contract with the State.

1.5 *"Days"* means calendar days unless otherwise specified.

1.6 *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7 *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8 "*Materials"* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9 *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10 *"Services"* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11 *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12 *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13 *"State Fiscal Year"* means the period beginning with July 1 and ending June 30,

2 Contract Interpretation

2.1 Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2 Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

2.3 Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1 Special Terms and Conditions;
2.3.2 Uniform Terms and Conditions;
2.3.3 Statement or Scope of Work;
2.3.4 Specifications;
2.3.5 Attachments;
2.3.6 Exhibits;
2.3.7 Documents referenced or included in the Solicitation.

2.4 Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5 Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6 No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7 No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3 Contract administration and operation.

3.1 Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2 Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3 Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4 Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5 Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6 Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7 Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8 Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, tradename, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor (s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

4 Costs and Payments

4.1 Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2 Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3 Applicable Taxes.

4.3.1 Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2 State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3 Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4 IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4 Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5 Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1 Accept a decrease in price offered by the contractor;
4.5.2 Cancel the Contract
4.5.3 Cancel the contract and re-solicit the requirements.

5 Contract changes

5.1 Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2 Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3 Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6 Risk and Liability

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2 Indemnification

6.2.1 Contractor/Vendor Indemnification (Not Public Agency). The parties to this contract agree that the State of Arizona, its' departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its' departments, agencies, boards and commissions shall be responsible for its' own negligence. Each party to this contract is responsible for its' own negligence.

6.2.2 Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its' officers, officials, agents, employees, or volunteers."

6.3 Indemnification - Patent and Copyright**.** The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4 Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *"force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2 Force Majeure shall not include the following occurrences:

6.4.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2 Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and

condition; or

6.4.2.3 Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4 Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5 Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7 Warranties

7.1 Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2 Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1 Of a quality to pass without objection in the trade under the Contract description;

7.2.2 Fit for the intended purposes for which the materials are used;

7.2.3 Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4 Adequately contained, packaged and marked as the Contract may require; and

7.2.5 Conform to the written promises or affirmations of fact made by the Contractor.

7.3 Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5 Year 2000.

7.5.1 Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related data Year 2000 issues. This warranty shall survive the expiration or termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data Year 2000 issues.

7.5.2 Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including but not limited to calculation, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the State in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other State information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the State for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data Year 2000 issues.

7.6 Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.7 Survival of Rights and Obligations after Contract Expiration or Termination.

7.7.1 Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.7.2 Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8 State's Contractual Remedies

8.1 Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2 Stop Work Order.

8.2.1 The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2 If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3 Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4 Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5 Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9 Contract Termination

9.1 Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2 Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been

debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4 Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5 Termination for Default.

9.5.1 In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3 The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6 Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10 **Contract Claims.** All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11 **Arbitration**

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

EXHIBIT E

DEPARTMENT OF ECONOMIC SECURITY
SPECIAL TERMS AND CONDITIONS

1. **Definition of Terms.** In addition to the terms and conditions defined in section 1 of the Uniform Terms and Conditions, the following shall apply:

   As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

   A. **"Equipment"** means all vehicles, furniture, machinery, electronic data processing (EDP) equipment, software and all other equipment costing $1,000.00 or more, including all normal and necessary expenses incurred to make the equipment ready for its intended use (e.g., taxes, freight, installation, assembly and testing charges, etc.), and with a useful life of greater than one year. Equipment as used herein does not include real property (e.g., land, buildings, structures, or facilities' improvements).

   B. **"Department"** means the Arizona Department of Economic Security (DES), unless otherwise indicated.

   C. **"Effective Date"** means the date that the Procurement Officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the contract.

2. **Audit.** In addition to the terms and conditions in section 3.3 of the Uniform Terms and Conditions, the following shall apply:

   A. In compliance with the Federal Single Audit Act (31 U.S.C. Sections 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), Contractors designated as subrecipients, as prescribed by the President's Council on Integrity and Efficiency Position Statement No. 6, expending Federal funds from all sources totaling $300,000 or more ($500,000 for fiscal years ending after December 31, 2003), must have a yearly audit conducted in accordance with the audit and reporting standards as prescribed in OMB Circular A-133 (A-133). The audit must include the Reporting Package as outlined in A-133. The Department's contract numbers and award amounts must be included in a separate schedule, if not included on the Schedule of Federal Financial Assistance. A copy of the Audit Report, Management Letter and Auditors Opinion must be submitted to the Department's Office of Audit and Management Services within thirty (30) days after completion of the audit to the Department person designated to receive notices.

   B. All Contractors are subject to the programmatic and fiscal monitoring requirements of each Department program to insure accountability of the delivery of all goods and services, as required under the Federal Single Audit Act. A minimum fiscal requirement for all Contractors designated as vendors is an annual financial audit which includes Department contract numbers and award amounts. The Audit Report, Management Letter and Auditor's Opinion must be submitted to the Department person designated to receive notices within thirty (30) days after completion of the audit.

   C. As prescribed in OMB Circular A-133, for-profit subrecipients are subject to compliance requirements established by the Department. Methods to ensure compliance for Federal

awards made to for-profit subrecipients may include pre-award audits, Department monitoring during the contract, and post-award audits.

D. Audits of non-profit corporations receiving Federal or State monies required pursuant to Federal or State law must be conducted as provided in 31 U.S.C. Section 7501 et seq. and A.R.S. Section 35-181.03 and any other applicable statutes, rules, regulations and standards.

3. **Availability of Funds.** The Department may reduce payments or terminate this contract without further recourse, obligation or penalty in the event that insufficient funds are appropriated or allocated. The Director of the Department shall have the sole and unfettered discretion in determining the availability of funds. The Department and the Contractor may mutually agree to reduce reimbursement to the Contractor when the payment type is Fixed Price with Price Adjustment by executing a contract amendment.

4. **Certification of Cost or Pricing Data.** By signing the offer and contract award form, the contract, change order, contract amendment or other official form, the Contractor is certifying that, to the best of the Contractor's knowledge and belief, any cost or pricing data submitted is accurate, complete and current as of the date submitted or other mutually agreed upon date. Furthermore, the price to the State shall be adjusted to exclude any significant amounts by which the State finds the price was increased because the Contractor-furnished cost or pricing data was inaccurate, incomplete or not current as of the date of certification. Such adjustment by the State may include overhead, profit or fees. The certifying of cost or pricing data does not apply when contract rates are set by law or regulation.

5. **Competitive Bidding.** The Contractor is authorized to purchase the supplies and equipment itemized in the contract for utilization in the delivery of contract services. Contractor shall procure all such supplies and equipment at the lowest practicable cost and shall purchase all non-expendable items having a useful life of more than one year and an acquisition cost of $1,000 or more, through generally accepted and reasonable competitive bidding processes. Any procurement in violation of this provision shall be considered a financial audit exception.

6. **Compliance with Applicable Laws.** In addition to the terms and conditions in section 7.6 of the Uniform Terms and Conditions, the following shall apply:

A. In accordance with A.R.S. §36-557 (Purchase of community developmental disabilities services; application; contracts; limitation), as applicable, all recipients of contract services shall have all of the same specified rights as they would have if enrolled in a service program operated directly by the State.

B. Nothing in this contract shall be construed as a waiver of an Indian tribe's sovereign immunity; nothing shall be construed as an Indian tribe's consent to be sued, or as consent by an Indian tribe to jurisdiction of any State Court.

C. The Contractor shall comply with the requirements related to reporting to a peace officer or child protective services incidents of crimes against children as specified in A.R.S. §13-3620.

D. The Contractor shall comply with P.L. 101-121, Section 319 (31 U.S.C. section 1352) and 29 C.F.R. Part 93 which prohibit the use of Federal funds for lobbying and which state, in part: Except with the express authorization of Congress, the Contractor, its

employees or agents, shall not utilize any Federal funds under the terms of this contract to solicit or influence, or to attempt to solicit or influence, directly or indirectly, any member of Congress regarding pending or prospective legislation. Indian tribes, tribal organizations and any other Indian organizations are exempt from these lobbying restrictions with respect to expenditures that are specifically permitted by other Federal law.

7. **Confidentiality.** The Contractor shall observe and abide by all applicable State and Federal statutes, rules and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. To the extent permitted by law, the Contractor shall release information to the Department and the Attorney General's Office as required by the terms of this contract, by law or upon their request.

8. **Contract Extension.** The State has no obligation to extend or renew this contract. However, this contract may be extended or renewed for multiple periods, or may be established as a multi-year contract in its entirety or in part at the sole option of the State. The Department's Procurement Officer may exercise the Department's option to extend or renew the contract by unilateral contract amendment; a written amendment to the contract signed by both parties shall not be necessary. Any extension or renewal must be made prior to the end of the contract period specified in this contract.

9. **Contract Term.** The term of this contract shall be the period of time from the contract begin date to the contract termination date as awarded or extended. The begin date of the contract term is the date that the Contractor may start to provide services under this contract. The Contractor will not be paid or reimbursed for contract services provided prior to the begin date. However, payments or reimbursements shall not be made under this contract until the effective date of this contract.

10. **Cooperation.** The Department may undertake or award other contracts for additional work related to the work performed by the Contractor, and the Contractor shall fully cooperate with such other Contractors and State employees, and carefully fit its own work to such other Contractors' work. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor or by State employees. The Contractor shall cooperate as the State deems necessary, with the transfer of work, services, case records and files performed or prepared by the Contractor to other Contractor(s).

11. **Equipment.**

    A. If the Contractor is authorized to purchase equipment, it shall be itemized in the contract for utilization in the delivery of contract services. If equipment is purchased as authorized by this contract, the Contractor shall maintain complete and up-to-date inventory records for all equipment purchased hereunder. Equipment specifically designated within this contract, to be purchased in whole or part with the Department funds, shall be reported in accordance with Department inventory policies and procedures. The Contractor shall report equipment purchased with contract funds to the Department within thirty (30) days of purchase, perform an annual inventory of all equipment purchased with Department funds and submit the equipment inventory form to the Department person designated to receive notices.

    B. The Department shall retain an equitable interest equal to the purchase price paid, or a fair estimate or appraisal of current market value, whichever is greater, in all equipment purchased under this contract. The Department shall be included as a co-insured on any insurance policy which covers equipment purchased under this contract.

C. The Contractor shall not dispose of any equipment purchased under this contract without the prior written consent of the Department during and after the contract term. Such consent, if given, may include direction as to the means of disposition and the utilization of proceeds, including any necessary adjustments to the contract.

D. Upon termination of this contract, any equipment purchased under this contract shall be disposed of as directed by the Department and, if sold, the Department shall be compensated in the amount of its equitable interest.

12. **Evaluation.** The Department may evaluate, and the Contractor shall cooperate in the evaluation of, contract services. Evaluation may assess the quality and impact of contract services, either in isolation or in comparison with other similar services, and assess the Contractor's progress and/or success in achieving the goals, objectives and deliverables set forth in this contract.

13. **Fair Hearings and Service Recipients' Grievances.**

A. The Contractor shall advise all applicants for and recipients of contract services of their right, at any time and for any reason, to present to the Contractor and to the Department any grievances arising from the delivery of contract services, including, but not limited to, ineligibility determination, reduction of services, suspension or termination of services, or quality of services. The Department may assert its jurisdiction to hear the grievance or refer the matter to the appropriate authority.

B. The Contractor, whenever authorized by law, shall maintain a formal system acceptable to and approved by the Department for reviewing and adjudicating grievances by service recipients or subcontractors arising from this contract.

14. **Fees and Program Income.** Unless specifically authorized in the contract, the Contractor shall impose no fees or charges of any kind upon recipients for contract services.

15. **Fingerprinting.** The provisions of A.R.S. § 46-141 (as may be amended) are hereby incorporated in their entirety as provisions of this contract. For reference, these provisions include, but are not limited to, the following:

A. Personnel who are employed by the Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles shall have a valid class one or class two fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1, or shall apply for a class one or class two fingerprint clearance card within seven working days of employment.

B. The provider shall assume the costs of fingerprint checks and may charge these costs to its fingerprinted personnel. The department may allow all or part of the costs of fingerprint checks to be included as an allowable cost in a contract.

C. Except as provided in A.R.S. § 46-141, this contract may be cancelled or terminated immediately if a person employed by the Contractor and who has contact with juveniles certifies pursuant to the provisions of A.R.S. § 46-141 (as may be amended) that the person is awaiting trial or has been convicted of any of the offenses listed therein in this state, or of acts committed in another state that would be offenses in this state, or if the person does not possess or is denied issuance of a valid fingerprint clearance card.

D. Personnel who are employed by any provider, whether paid or not, and who are required or allowed to provide services directly to juveniles shall certify on forms provided by the Department of Economic Security and notarized whether they are awaiting trial on or have ever been convicted of any of the offenses described in A.R.S. § 46-141 (F) (as may be amended).

E Personnel who are employed by any provider, whether paid or not, and who are required or allowed to provide services directly to juveniles shall certify on forms provided by the Department of Economic Security and notarized whether they have ever committed any act of sexual abuse of a child, including sexual exploitation and commercial sexual exploitation, or any act of child abuse.

F. Federally recognized Indian tribes or military bases may submit and the Department of Economic Security shall accept certifications that state that no personnel who are employed or who will be employed during the contract term have been convicted of, have admitted committing or are awaiting trial on any offense as described in A.R.S. § 46-141 (F) (as may be amended).

16. Indemnification and Insurance

INDEMNIFICATION CLAUSE:

The parties to this contract agree that the State of Arizona and the Department of Economic Security (DES) shall be indemnified and held harmless by Contractor)for the vicarious liability of the State and/or DES as a result of entering into this contract. However, the parties further agree that the State of Arizona and DES shall each be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, 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 Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona and DES in no way warrant that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Blanket Contractual Liability – Written and Oral	$1,000,000
• Fire Legal Liability	$ 50,000
• Each Occurrence	$1,000,000

a. The policy shall be endorsed to **include coverage for sexual abuse and molestation**.

b. The policy 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 Contractor".

c. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)	$1,000,000

The policy 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 Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".***

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$ 500,000
Disease – Each Employee	$ 500,000
Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. **Professional Liability (Errors and Omissions Liability)**

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed. The requirement for a policy Annual Aggregate of $2,000,000 above under this paragraph 4 may also be substituted with an endorsement to the contractor's or subcontractor's (as the case may be) showing "Unimpaired Annual Aggregate $1,000,000 for the Named Insured with respect to contracts with the State of Arizona, Department of Economic Security."

b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

c. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. The State of Arizona Department of Economic Security wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

2 The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.

3. The Additional Insured endorsement(s), where applicable to liability policies required under these provisions, and which extend policy rights to the State of Arizona (Contracting agency), shall insure only the vicarious liability to the extent stated in the Indemification Clause.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to **(State of Arizona Department Representative's Name & Address)** and shall be sent by certified mail, return receipt requested.

D. **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. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. 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 required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to **(State of Arizona Department Representative's Name and Address)**. The State of Arizona project/contract 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 this Contract at any time**. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK**

MANAGEMENT SECTION.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies **or** Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. **EXCEPTIONS:** For any Contractor or subcontractor,

1. Which is a state university (in the State of Arizona), then the indemnification and insurance requirements set forth above shall not apply.

2. Which is a public entity (but not a state agency or state university referred to in paragraph H1 above) the indemnification and insurance requirements are replaced in their entirety by the following:

INDEMNIFICATION:

Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

In addition, Contractor shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, 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 Contractor's contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. 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 such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

For subcontractors which are not public entities, insurance provisions A through G above shall apply.

3. Which is a Tribal government, the indemnification and insurance requirements are replaced in their entirety by the following:

Each party is responsible for its own negligence. Contractor is insured under the federal tort claims act.

4. Which does not perform professional services under certification or licensure, then paragraph A.4. Professional Liability above shall not be required with respect to such person(s).

5. Which does not provide professional services under certification or licensure to children or disabled persons, then paragraph A.1.a. above shall not apply.

17. Levels of Service.

A. If the Contractor determines service recipient eligibility, the Contractor shall maintain and regulate the units or services set forth in this contract to ensure continuity and availability of services to eligible persons during the term of this contract and during any transition to a subsequent Contractor.

B. The Department makes no guarantee to purchase specific quantities of goods or services, or to refer eligible persons as may be identified or specified herein. Further, it is understood and agreed that this contract is for the sole convenience of the Department and that the Department reserves the right to obtain like goods or services from other sources when such need is determined necessary by the Department.

C. Any administration within the Department may obtain services under this contract.

D. Contract services may be moved or expanded to other site locations within the geographic area awarded only by a written contract amendment.

E. The Department makes no guarantee to purchase all of the service units authorized or to provide any number of referrals. If quantities of units are specified, they are estimates only and the Department may decrease and/or increase them by providing written notice to the Contractor.

F. When the method of compensation for the service is **Fixed Price with Price Adjustment,** the contract may be amended, by mutual agreement, to purchase additional services by increasing the contract service budget and/or budget summary.

18. Monitoring. The Department may monitor the Contractor and/or subcontractor and they shall cooperate in the monitoring of services delivered, facilities and records maintained and fiscal practices.

19. Non-Discrimination. In addition to the terms and conditions in section 3.2 of the Uniform Terms and Conditions, the following shall apply:

A. Unless exempt under Federal law the Contractor shall comply with Title VII of the Civil Rights Act of 1964 as amended. Contractor shall comply with the Age Discrimination in Employment Act. The Contractor shall comply with the Rehabilitation Act of 1973, as

amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. The Contractor shall comply with the requirements of the Fair Labor Standards Act of 1938, as amended.

B. If Contractor is an Indian Tribal Government, Contractor shall comply with the Indian Civil Rights Act of 1968. It shall be permissible for an Indian Tribal Contractor to engage in Indian preference in hiring.

C. The Contractor shall comply with Title VI of the Civil Rights Act of 1964, which prohibits the denial of benefits of or participation in contract services on the basis of race, color, or national origin. The Contractor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of handicap, in delivering contract services; and with Title II of the Americans with Disabilities Act, and the Arizona Disability Act, which prohibit discrimination on the basis of physical or mental disabilities in the provision of contract programs, services and activities.

D. The following shall be included in all publications, forms, flyers, etc. that are distributed to recipients of contract services:

"Under the Americans with Disabilities Act, the (*insert Contractor name here*) must make a reasonable accommodation to allow a person with a disability to take part in a program, service, or activity. For example, this means that if necessary, the (*insert Contractor name here*) must provide sign language interpreters for people who are deaf, a wheelchair accessible location, or enlarged print materials. It also means that the (*insert Contractor name here*) will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. Please contact: (*insert Contractor contact person and phone number here*)"

20. **Notices.** In addition to the terms and conditions in section 3.5 of the Uniform Terms and Conditions, the following shall apply:

All notices shall reference the contract number.

The Contractor shall give written notice to the Department of changes to the following, and a written amendment to the contract shall not be necessary:

1. Change of address of business office;

2. Change of telephone number;

3. Changes in the name and/or address of the person to whom notices are to be sent;

4. Changes in contract-related personnel positions of the Contractor which do not affect staffing ratios, staff qualifications or specific individuals required under this contract;

5. Change in the name of the Contractor, where the ownership or responsible entity remains the same; or,

6. In a fixed price with price adjustment contract, whenever there is less than a 10% increase in any budget category; any such increase must be offset by an equal value decrease in another budget category or categories.

21. **Payments.** In addition to the terms and conditions in section 4.1 of the Uniform Terms and Conditions, the following shall apply:

A. Payments shall be made according to the type of payment defined as follows:

1. **Rate (or) Fixed Price**- The Contractor is paid a specified amount for each unit of service or deliverable as designated in the contract, not to exceed the maximum number of authorized units if indicated by the Department for each contract service/deliverable.

2. **Fixed Price with Price Adjustment** - Reimbursement to the Contractor is in accordance with actual, allowable costs incurred consistent with each service budget and/or budget summary not to exceed the service reimbursement ceiling. The Contractor shall furnish the Department with an accounting of actual costs incurred consistent with the categories set forth in the service budget. Budget categories, to include cost items in a category, may be deleted, added, or modified by a contract amendment, provided that the Total DES Service Cost shall not increase unless a price increase is permitted by renewal or extension of the contract.

B. The Contractor shall report to the Department in the manner prescribed by the "Reporting Requirements" section of these terms and conditions. Upon receipt of applicable, accurate and complete reports, the Department shall authorize payment or reimbursement in accordance with the type of payment indicated by this contract.

C. If the Contractor is in any manner in default in the performance of any obligation under this contract, or if audit exceptions are identified, the Department may, at its option and in addition to other available remedies, either adjust the amount of payment or withhold payment until satisfactory resolution of the default or exception.

D. Under no circumstances shall the Department make payment to the Contractor that exceeds the contract or service reimbursement ceiling without an amendment to this contract. Under no circumstances shall the Department make payment to the Contractor for services performed prior to or after the term of the contract without timely extension or renewal of the contract.

E. The Contractor may offer a price reduction adjustment at any time during the term of the contract. Any price reduction shall be executed by a contract amendment.

22. **Payment Recoupment.** The Contractor must reimburse the Department upon demand or the Department may deduct from future payments the following:

A. Any amounts received by the Contractor from the Department for contract services which have been inaccurately reported or are found to be unsubstantiated;

B. Any amounts paid by the Contractor to a subcontractor not authorized in writing by the Department;

C. Any amount or benefit paid directly or indirectly to an individual or organization not in accordance with the "Substantial Interest" section of these terms and conditions;

D. Any amounts paid by the Department for services which duplicate services covered or reimbursed by other specific grants, contracts, or payments;

E. Any amounts expended for items or purposes determined unallowable by the Department when this contract provides for the reimbursement of costs, see the "**Unallowable Costs**" section of these terms and conditions;

F. Any amounts paid by the Department for which the Contractor's books, records, and other documents are not sufficient to clearly substantiate that those amounts were used by the Contractor to perform contract services;

G. Any amounts received by the Contractor from the Department which are identified as a financial audit exception;

H. Any amounts paid or reimbursed in excess of the contract or service reimbursement ceiling;

I. Any amounts paid to the Contractor which are subsequently determined to be defective pursuant to the "Certification of Cost or Pricing Data" section of these terms and conditions.

J. Any payments made for services rendered before the contract begin date or after the contract termination date.

23. **Personnel.** The Contractor's personnel shall satisfy all qualifications, carry out all duties, and work the hours as set forth in this contract.

24. **Predecessor and Successor Contracts.** The execution or termination of this contract shall not be considered a waiver by the Department of any rights it may have for damages suffered through a breach of this or a prior contract with the Contractor.

25. **Professional Standards.** The Contractor shall deliver contract services in a humane and respectful manner and in accordance with any and all applicable professional accreditation standards. Levels of staff qualifications, professionalism, numbers of staff and individuals identified by name must be maintained as presented in the contract.

26. **Records.** In addition to the terms and conditions in section 3.1 of the Uniform Terms and Conditions, the following shall apply:

Contract service records will be maintained in accordance with this contract. Records shall, as applicable, meet the following standards:

A. Adequately identify the service provided and each service recipient's application for contract and subcontract activities;

B. Include personnel records which contain applications for employment, job titles and descriptions, hire and termination dates, a copy of the fingerprint clearance card, wage rates, and effective dates of personnel actions affecting any of these items;

C. Include time and attendance records for individual employees to support all salaries and wages paid;

D. Include records of the source of all receipts and the deposit of all funds received by the Contractor;

E. Include original copies of invoices, statements, sales tickets, billings for services, deposit slips, etc., and a cash disbursement journal and cancelled checks to reflect all disbursements applicable to the contract;

F. Include a complete general ledger with accounts for the collection of all costs and/or fees applicable to the contract; and,

G. Include copies of lease/rental agreements, mortgages and/or any other agreements which in any way may affect contract expenditures.

Any such records not maintained shall mandate an audit exception in the amount of the inadequately documented expenditures.

27. Reporting Requirements.

A. Unless otherwise provided in this contract, reporting shall adhere to the following schedule: no later than the 15th day following each month during the contract term the Contractor shall submit programmatic and financial reports to the Department in the form set forth in the contract. Failure to submit accurate and complete reports by the 15th day following the end of a month may result, at the option of the Department, in retention of payment. Failure to provide such report within 45 days following the end of a month may result, at the option of the Department, in a forfeiture of such payment.

B. No later than the 45th day following the termination of this contract, Contractor shall submit to the Department a final program and fiscal report. Failure to submit the final program and fiscal report within the above time period may result, at the option of the Department, in forfeiture of final payment.

C. All reports shall reference the contract number and be submitted to the person designated by the Department.

28. Subcontracts. In addition to the terms and conditions in section 5.2 of the Uniform Terms and Conditions, the following shall apply:

The Contractor shall provide copies of subcontracts relating to the provision of contract services to the Department upon request.

29. Substantial Interest Disclosure.

A. Contractor shall not make any payments, either directly or indirectly, to any person, partnership, corporation, trust, or any other organization which has a substantial interest in Contractor's organization or with which Contractor (or one of its directors, officers, owners, trust certificate holders or a relative thereof) has a substantial interest, unless Contractor has made a full written disclosure of the proposed payments, including amounts, to the Department.

B. Leases or rental agreements or purchase of real property which would be covered by Paragraph A of this section shall be in writing and accompanied by an independent commercial appraisal of fair market rental, lease, or purchase value, as appropriate.

C. For the purpose of this Section, "relative" shall have the same meaning as in A.R.S. §38-502.

30. **Supporting Documents and Information.** In addition to any documents, reports or information required by any other section of this contract, Contractor shall furnish the Department with any further documents and information deemed necessary by the Department.

31. **Technical Assistance.** The Department may, but shall not be obligated to, provide technical assistance to the Contractor in the administration of contract services, or relating to the terms and conditions, policies and procedures governing this contract. Notwithstanding the foregoing, the Contractor shall not be relieved of full responsibility and accountability for the provision of contract services in accordance with the terms and conditions set forth herein.

32. **Termination for Any Reason.**

A. In the event the contract is terminated, with or without cause, or expires, the Contractor, whenever determined appropriate by the Department, shall assist the Department in the transition of services or eligible persons to other Contractors. Such assistance and coordination shall include, but not be limited to, the forwarding of program and other records as may be necessary to assure the smoothest possible transition and continuity of services. The cost of reproducing and forwarding such records and other materials shall be borne by the Contractor. The Contractor must make provisions for continuing all management/administrative services until the transition of services or eligible persons is complete and all other requirements of this contract are satisfied.

B. In the event of termination or suspension of the contract by the Department, such termination or suspension shall not affect the obligation of the Contractor to indemnify the Department and the State for any claim by any other party against the State or Department arising from the Contractor's performance of this contract and for which the Contractor would otherwise be liable under this contract. To the extent such indemnification is excluded by A.R.S. §41-621 et seq. or an obligation is unauthorized under A.R.S. §35-154, the provisions of this paragraph shall not apply.

C. In the event of early termination, any funds advanced to the Contractor shall be returned to the Department within ten (10) days after the date of termination or upon receipt of notice of termination of the contract, whichever is earlier.

33. **Termination for Default.** In addition to the terms and conditions in section 9.5 of the Uniform Terms and Conditions, the following shall apply:

This contract may immediately be terminated if the Department determines that the health or welfare or safety of service recipients is endangered.

34. **Unallowable Costs.** The cost principles set forth in the Code of Federal Regulations, 48 CFR, Chapter 1, Subchapter e, Part 31, (October 1, 1991), excluding later amendments and editions, on file with the Arizona Secretary of State and incorporated by this reference, shall be used to determine the allowability of incurred costs for the purpose of reimbursing costs under contract provisions that provide for the reimbursement of costs. Those costs which are specifically

defined as unallowable therein will not be submitted for reimbursement by the Contractor and may not be reimbursed with Department funds.

In addition, the Contractor shall comply with the following publications, as applicable:

A. OMB Circular A-87 for State, local and Indian Tribal Governments.

B. OMB Circular A-122 for private non-profit organizations other than institutions of higher education, hospitals or others specified in A-122.

C. OMB Circular A-21 for educational institutions.

D. OMB Circular A-133 for audits of institutions of higher education and other non-profit institutions.

35. **Visitation, Inspection and Copying.** Contractor's or subcontractor's facilities, services and individuals served, books and records pertaining to the contract shall be available for visitation, inspection and copying by the Department and any other appropriate agent of the State or Federal Government. At the discretion of the Department, visitation, inspection and copying may be at any time during regular business hours, announced or unannounced. If the Department deems it to be an emergency situation, it may at any time visit and inspect the Contractor's or subcontractor's facilities, services and individuals served, as well as inspect and copy their contract-related books and records.

36. **Offshore Performance of Work Prohibited.** Due to security and identity protection concerns, all services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

EXHIBIT F

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
AGING AND ADULT ADMINISTRATION

SPECIAL TERMS AND CONDITIONS

1. **REPORTING REQUIREMENTS, Section 27 of the DES Special Terms and Conditions**

   The following replaces section A:

   No later than the 30th day following the end of each month during the Contract Term, the Contractor shall submit to the Department programmatic and financial reports identified in the Aging and Adult Administration Policies and Procedures Manual Chapter 1600 and as may be amended periodically. Failure to submit accurate and complete reports by the 30th day following the end of a month may result, at the option of the Department, in retention of the next scheduled payment.

2. **PAYMENT REQUIREMENTS, Section 21 of the DES Special Terms and Conditions**

   The following replaces Sections A.1. and A.2.

   A. Payments shall be made according to the type of payment defined as follows:

   1. Rate (or) Fixed price – The Contractor is paid a specified amount for each unit of service or deliverable as designated by the contract, not to exceed the maximum number of authorized units if indicated by the Department for each service/deliverable. The Department may authorize units in incremental amounts throughout the term of the contract by amending the contract or through the process of issuing release orders.

   2. Fixed Price with Price Adjustment – Reimbursement to the Contractor is in accordance with actual, allowable costs incurred consistent with each service budget and/or budget summary not to exceed the service reimbursement ceiling. The Contractor shall furnish the Department with an accounting of actual costs incurred consistent with the categories set forth in the service budget. Budget categories, to include cost items in a category, may be deleted, added, or modified by a contract amendment or through the process of issuing release orders, provided that the Total DES Service Cost shall not increase unless a price increase is permitted by renewal or extension of the contract.

   The following replaces Section D.

   Under no circumstances shall the Department make payment to the Contractor that exceeds (a) the specified contract amount (rate or fixed price amount X number of authorized units) in the case of contracts entered into under Section A.1 (as amended) above or (b) the service reimbursement ceiling in the case of contracts entered into under Section A.2 (as amended) above, unless in either case, DES has issued a release order for additional units or funds, or the contract is amended. Under no circumstances shall the Department make payment to the Contractor for services performed prior to or after the term of the contract without timely extension or renewal of the contract.

   The following replaces Section 20, 6.

5. In a fixed price with price adjustments contract, written amendment shall not be necessary to shift costs among budget categories. The contractor shall give written notice to the Department that includes justification for the changes and receive written approval by the Department. Any such increase must be offset by an equal decrease in any budget category and categories. A maximum of 3 adjustments can be made within any Alert period.

EXHIBIT G

NACOG
AREA AGENCY ON AGING

Provider Procedure for BACKGROUND CLEARANCE

1. All staff/volunteers that work directly with vulnerable adults in an unsupervised setting MUST be cleared. Area Agency on Aging and sub-contractors are BOTH required to maintain secure files of the documents described in section 2.

2. The following documentation must be completed and sent to NACOG AAA via Kurtis Kegley. **For new staff please send all three documents together when they are obtained.**

   a. A **Central Registry** form must be completed. We will submit to Division of Children Youth and Families for a search. We will notify by phone or email when each person is cleared on this search. If a person is not cleared on Central Registry AAA will be notified and we will contact the individual directly. AAA Staff

   b. **CRIMINAL HISTORY AFFIDAVIT** –Notarized (LCR-1034A FORNA [9-09])

   c. A copy **(front and back)** of a valid "**LEVEL ONE fingerprint CLEARANCE card".** Staff or Volunteer applies for this card directly from DPS.
   Rolled Fingerprint Card, Application and Payment are to be sent to:
   Arizona Department of Public Safety
   Fingerprint Clearance Card Application
   P.O. Box 18390
   Phoenix, Arizona 85005-8390
   Cost: $67 for employees and $65 for volunteers.

   MONTLY UPDATES

3. **Each month sub-contractors are required to send us a list of new fingerprint card applicants. Also please list any volunteers or staff no longer working for your organization so we may update our records.**

4. Per the State Terms and conditions volunteers must clear **Central Registry and obtain valid LEVEL ONE fingerprint clearance card, and complete affidavit)** in order to provide unsupervised direct services to vulnerable adults. Sub-contractors may NOT have staff/volunteers working directly with NACOG clients until all items are received and cleared. However, staff/volunteers may train under the direct supervision of an employee or volunteer that has been cleared.

5. If we find a sub-contractor in violation of procedure they will be given a corrective action to obtain the required items listed above.

SB 1082

ARS 46-141.

Level One Card-Law Reference

A. Each licensee granted by the department of economic security and each contract entered into between the department of economic security and any contract provider for the provision of services to juveniles OR VULNERABLE ADULTS shall provide that, as a condition of employment, personnel who are employed by the licensee or contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles OR VULNERABLE ADULTS shall have a valid fingerprint clearance card issued pursuant to section 41-1758.07 or shall apply for a fingerprint clearance card within seven working days of employment.

Revised-May 2012

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Resolution Number 2649--Adoption of the City of Cottonwood's Fiscal Year 2013 Final Budget
Department:	Administrative Services
From:	Carol Brown, Budget Analyst Jesus R. Rodriguez, Administrative Service General Manager

REQUESTED ACTION

Submitted for City Council consideration is Resolution Number 2649, which adopts the city's Fiscal Year 2013 Final Budget. This adoption does not exceed the FY 2013 expenditure limitation established at the Tentative Budget adoption.

SUGGESTED MOTION

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

I move to approve Resolution Number 2649, adopting the Fiscal Year 2013 Final Budget with the previously established City's fiscal year 2013 expenditure limitation as presented.

BACKGROUND

The Adoption Process

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

The final budget for the upcoming fiscal year is $73,430,765. This is in line with the previously established expenditure limitation threshold set at the June 19, 2012 regular council meeting. Changes to the budget can still be made during the course of the year provided that the final budget does not exceed the expenditure limitation established during the tentative budget adoption. The budget document has established guidelines for such budgetary adjustments.

Within the motion to adopt the final 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;
- Continue the present employee contribution structure toward dependent health insurance
- Implementation of a comprehensive compensation study;
- 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 June work study sessions. Also included are any adjustments for every item that may have been overlooked or needed revision. A schedule of major changes from the tentative to the final 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:
res2649.doc	Resolution 2649	Cover Memo
changes_to_FY2013_budget_-_Tentative_to_Final.pdf	Changes Tentative to Final Budget	Backup Material
FY_2013_Cottonwood_Final.pdf	FY 2013 Final Budget	Backup Material

RESOLUTION NUMBER 2649

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2012-2013 AND ESTABLISHING AN EXPENDITURE LIMITATION.

WHEREAS, in accordance with the provisions of Arizona Revised Statutes (A.R.S.) Title 42, Chapter 17 Articles 1-5, the City Council of the City of Cottonwood, Arizona, on July 17, 2012, made an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Council met on July 17, 2012, at which meeting any citizen was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses; and

WHEREAS, publication has been duly made as required by law of said estimates, together with a notice that the City Council would meet on June 19, 2012, and July 17, 2012, for the purpose of hearing citizen's comments; and

WHEREAS, the document outlining said expenditures/expenses for the ensuing year is on file with the office of the City Clerk of the City of Cottonwood, Arizona, and said document was made a public record by Resolution Number 2649 and is hereby referred to, adopted, and made a part hereof as fully set forth in this resolution as the official annual budget of the City of Cottonwood for the fiscal year beginning July 1, 2012, and ending June 30, 2013.

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

THAT, the said estimates of revenues and expenditures/expenses and accompanying schedules, as now increased, reduced, or changed are hereby adopted as the budget of the City of Cottonwood, Arizona, for fiscal year 2012-2013, and establishing an expenditure limitation of $_____.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 17TH OF JULY 2012.

_____
Diane Joens, Mayor

ATTEST:

_____
Marianne Jiménez, City Clerk

APPROVED AS TO FORM:

_____
Steven B. Horton, Esq.
City Attorney

Major Changes to 2013 Tentative

C=Carryover R=Revenues E=Expenditures

Department	Description of Change	FY Affected	R/E/C	Inc. / (Dec.)
General Fund Revenues				
General Fund Revenues	Increase - RICO/PANT (actual receipts)	12		1,705
General Fund Revenues	Increase - Carryover	13		44,055
General Fund Revenues	Decrease - RICO/PANT	13		(45,000)
General Fund Revenues	Increase - Dispatch Fees	13		945
General Fund Expenditures				
Council	Decrease - Reserves (to balance)	13	E	(8,775)
Finance	Increase - Capital (Rudy's PC, Software Travel)	12	E	3,140
Finance	Decrease - Capital (Software Travel paid in FY12)	13	E	(1,250)
Police	Decrease - RICO Expenditures (funds discontinuing)	13	E	(30,000)
Police	Decrease - RICO Expenditures	12	E	(6,990)
Police	Decrease - Fuel & Veh Repair	12	E	(16,000)
Police	Decrease - Fuel & Veh Repair	13	E	(18,000)
Police	Increase - Phone (aircards that were charged to grant)	13	E	16,525
Parks	Increase - Capital (bankcard reader & iPad)	13	E	2,500
Recreation Center	Decrease - Capital (laptops/of podium - CM contingency)	12	E	(2,500)
Fire	Decrease - Capital (Emergency Ops Cntr & Fire Safety)	12	E	(20,000)
Fire	Increase - Capital (Emergency Ops Cntr & Fire Safety)	13	E	20,000
Bldg & Parks Mtce	Increase - Capital (Field Groomer)	13	E	5,000
Custodial	Increase - Contract Svcs (added Utility & Transit bldgs)	13	E	14,000
Enterprise Funds Revenues & Expenditures				
Water Operations	Increase - Contractual Services M&O (Old Town waterline)	12	E	42,000
Water Construction	Decrease - Reserves	12	E	(42,000)

City of Cottonwood, AZ

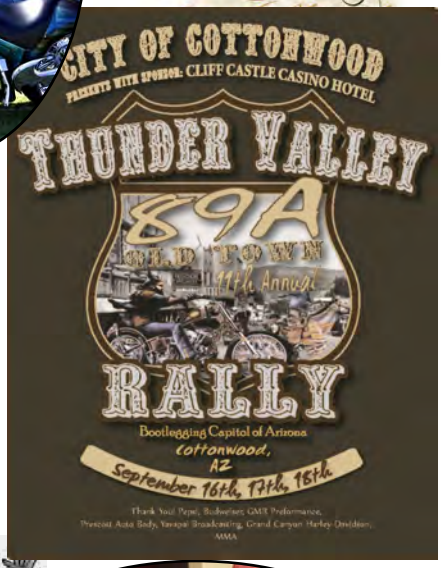
BRIAN MICKELSEN MEMORIAL RUN/WALK

High School Rodeo

Daddy Daughter Date Night

Egg Hunt

Harvest Festival



Cottonwood Fall Classic Disc Golf

COTTONWOOD PARKS & REC FARMERS MARKET AND JAMBOREE

Volunteer Appreciation

Annual Budget

July1, 2012 to June 30, 2013

Cover Design: Kirsten Lennon, Accounting/Budget Manager

Photos: Diane Joens, Mayor

Robin Babbitt Administrative Assistant Recreation Center

Hezekiah Allen, Aquatics/ Special Events Supervisor

July 11, 2012

The Honorable Mayor and City Council

RE: Transmittal - Fiscal Year 2013 Budget

It is my pleasure to present to you the FY 2013 Final Budget for your review. Since the Tentative Budget there have been a few 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 $63,260,685, which does not contain reserves, or financing options and grants that did not come to fruition; the overall increase is $10,170,080. 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 chart below shows how the budget changed from the Adopted to the Revised over the past 9 years.

Current combined FY 2013 budget $73,430,765

Annual Budget			
FY	Adopted	Revised	Difference
2004	54,777,312	26,117,710	(28,659,602)
2005	66,844,263	43,566,815	(23,277,448)
2006	70,848,170	58,187,340	(12,660,830)
2007	57,529,125	41,534,840	(15,994,285)
2008	86,539,475	78,172,895	(8,366,580)
2009	88,545,340	77,346,715	(11,198,625)
1010	132,562,405	68,688,930	(63,873,475)
2011	100,876,915	60,969,920	(39,906,995)
2012	78,422,500	63,260,685	(15,161,815)

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 $6,528,635 increase over the previous fiscal year revision of $16,117,100. This increase includes $4,343,620 in reserves of which $600,000 has been put aside for the implementation of the Compensation Study. One additional Utility Billing Clerk in the utility fund 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 $6,230,625 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 12th 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 10th 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. It is expected to be completely depleted in FY 2013.

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 at 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 52% 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
					Total all Personnel Changes		$68,039

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.

Employee Health Care Rates Summary July 01, 2012 to June 30, 2013								
Category	**Core/Co-Pay Plan**		**Core-Plus Plan**		**HDHP ($1,500)***		**HDHP ($2,500)***	
	Employer	**Employee**	**Employer**	**Employee**	**Employer**	**Employee**	**Employer**	**Employee**
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.

Dental Coverage		
Category	**Employer**	**Employee**
Employee	39.00	0.00
Employee +Spouse	67.00	12.00
Employee + Children	59.80	5.20
Employee + Family	75.60	24.40

Voluntary Vision Coverage		
Category	**Employer**	**Employee**
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 $2,029,430. 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 $19,050,740 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	
Function	**Estimated Cost**
General Government	$ 92,750
Public Safety	1,786,080
Culture & Recreation	48,000
Health & Sanitation	170,500
Transportation (CAT & Airport)	0
Streets	35,000
Total Capital Projects	**$ 2,132,930**

Capital Projects	
Function	**Estimated Cost**
General Government	$1,022,905
Public Safety	88,550
Culture & Recreation	609,000
Health & Sanitation	8,545,165
Transportation (CAT & Airport)	728,995
Streets	5,923,195
Total Capital Projects	**$ 16,917,810**

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,

Doug Bartosh
City Manager

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EXECUTIVE SUMMARY

City Profile

The City of Cottonwood is situated in central Arizona bordering the Verde River to its north and is the retail and services center for the picturesque 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

Area - Square Miles	**2012 Property Tax Assessed Valuation** (a)	
2012 – 15.91 Square Miles	Primary	$ 116,253,848
	Secondary	$ 113,106,325

Paved Streets

38 Miles

Cottonwood Labor Force Data (b)

	2012 (Jan-May)
Civilian Labor Force	4,886
Employed	4,415
Unemployed	471
Unemployment Rate	9.6%

Source:

a) Arizona Department of Revenue, Property Tax Division
b) http://www.workforce.az.gov/local-area-unemployment-statistics.aspx

Year	Population (a)	Public School Enrollment (b)	Unemployment Rate (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 adjusted for 2010 census number

(b) School census - Cottonwood School Districts

(c) Arizona Department of Commerce – Cottonwood Community Profile

Gross Taxable Sales (a)		Building Permits (b)		
		Year	Number	Value
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

Major Private Employers (a)	Education (b)	
Verde Valley Medical Center	Elementary Schools	2
Wal-Mart - Retail	High School	1
	Exceptional Children Program	1
Major Public Employers	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	**Total Students**	2,889
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

Fire Protection	
Stations	1
Employees (Full-time)	28
Fire & Haz Mat Calls	255
Rescue & Medical Calls	2,234
Public Assist Calls	365
Fire Inspections (various kinds)	2,063
Plan Reviews & Permits	502
Public Ed Contact Hours	7,723

Public Works	
Engineering Reviews (ea. proj)	25
Subdivisions (lots)	374
Right of Way Permits (ea)	60
Flood Plain Inquires	160
Streets Inspected (LF)	10,000
Contract Administration	4,700,000

Recreation Programs	
Participation:	
Adult Sports	35,000
Special Events	23,000
Recreational Swimming	19,000
Instructional Classes	21,000
Youth Sports	10,500

Sewer	
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

Police Protection	
Stations	1
Employees (Full-time)	49
Sworn	32
Non-Sworn	17
Part I Crimes	525
Part II Crimes	18,066
Traffic Warnings	1,600
Traffic Citations	3,000
Calls for Service Dispatched	19,134

Library	
Items in Collections	106,535
Total Items Circulated	195,849
Circulation Transactions Per Day	790

Municipal Parks	
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

Transit System	
Annual Ridership	59,365
Miles Traveled	180,687
Cottonwood Ridership	43,687
Disabled Ridership Estimation	30%

Water Utility	
Blue Stake Requests	1,500
Pumping Capacity	10.0mgd
Average Pumpage	3.4mgd
Number of Wells	27
Number of Storage Tanks	23

Weather

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

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

Governmental Organization and Services Provided

The Mayor is elected directly by the voters and serves a four-year term. The voters elect six City Council representatives for staggered four-year terms. The City Council appoints a City Manager who is responsible for the general administrative operations of the various departments within the city. An organizational chart is shown on **page 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
1st. 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
2nd ·Round Departmental CIP/Budget Meetings	March 20-23, 2012
Revenue Update & Council Annual Goal Setting Workshop	March 22, 2012
Review of 1st. 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 *Proposed* 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 *Tentative* 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 *Final* 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 was used to account for accumulated resources designated to providing City employees with benefits not provided through normal avenues. This fund has since been depleted and it will no longer provide any services to City employees beginning in FY 2013.

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.

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

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

Budget Basis

The budgets of general government type funds (for example, the General Fund, Special Revenue, Debt Service, and Capital Projects 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, 2012 were secured by sales taxes and user fee revenues instead of property taxes.

Computation of Legal Debt Margin June 30, 2012	
Net secondary assessed valuation (Full Cash Value)	$105,439,689
Calculation of 20% Debt Limitation	
20% of secondary net assessed valuation	$21,087,938
Bonds outstanding	0
Net 20% Debt Limitation	$21,087,938
Calculation of 6% Debt Limitation	
6% of secondary net assessed valuation	$6,326,381
Bonds outstanding	0
Net 20% Debt Limitation	$6,326,381
Total Bonding Capacity	$27,414,319

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		$49,740,000	$26,768,840	

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 Statues §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.

CITY OF COTTONWOOD
CITY COUNCIL

MAYOR
Diane Joens

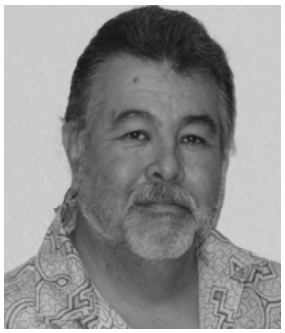
VICE MAYOR
Karen Pfeifer

COUNCILMEMBER
Linda Norman

COUNCILMEMBER
Jesse Dowling

COUNCILMEMBER
Terrence Pratt

COUNCIL MEMBER
Tim Elinski



COUNCILMEMBER
Ruben Jaurequi

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
- 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
- Reinstituted 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 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 – 12th Street: fir-89A Reclamation Lines
This project is for the installation of approximately 4000 lin/ft. of 12" diameter PVC waterline for reclaimed water distribution. This project is part of a much larger redesign of 12th Street from 89A to Fir St. 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 will be funded through existing capital reserves and is budgeted at $125,000.

Project – Waste Water – Bella Montana Subdivision
On hold at this time

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
Location of new wetwell relocated. Specifications are being revised.

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 – 12th Street: fir-89A Reclamation Lines
This project is for the installation of approximately 4000 lin/ft. of 12" diameter PVC waterline for reclaimed water distribution. This project is part of a much larger redesign of 12th Street from 89A to Fir Street. 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 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 – 12th 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 – 10th 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 10th 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.
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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)
Plans for the remodel are being reviewed. Project will be bid upon plan approval.

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 though 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.

<u>Physical Development</u>

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 - 6th 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.

Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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		
Funds Available	$625,000	$1,556,675	$1,052,005	$12,005	$12,005
Financing Commitments					
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
Planned Expenditures					
Airport					
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.

- Current commitments are priority
  - Library Debt Service
  - Public Safety Building – GADA Loan
  - Public Safety Lease Purchase
- Restricted to Public Safety capital
  - 1st priority is fleet
  - 2nd priority is to other projects

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
Grant Funding					
None					
Miscellaneious Income					
Interest Income		26,525			47,648
Other Financing Sources					
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
Financing Commitments					
Other Financing Uses					
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
Planned Expenditures					
Fire					
Grant - Aerial Ladder Truck	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
Police					
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

Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Grant Funding					
Urban Trails System			45,000	180,000	350,000
Tennis Center 6 Plex Facility			550,000		
Pocket Neigborhood Parks			250,000	450,000	
OT Field Conversion to Cultural Park		50,000	120,000		
Miscellaneous Income					
Interest Income	6,624	641	(2,681)	142,928	32,531
Other Financing Sources					
GADA-Youth/Adult Sports, Leisure & Open space Facilities			4,300,000		
GADA - Large Park Acreage - Future Ball Field			3,500,000		
Funds Available	$2,063,974	$1,820,715	$10,382,585	$9,692,695	$4,802,313
Financing Commitments					
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
Subtotal Commitments	1,637,169	1,634,769	1,636,169	1,636,169	2,101,070
Revenue (net of commitments)	$426,805	$185,946	$8,746,416	$8,056,526	$2,701,243
Planned Expenditures					
Culture & Recreation					
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 Neigborhood 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			
General Government					
None					
Subtotal Planned Expenditures	394,750	320,000	1,600,000	6,430,000	1,850,000
Resources Available	$32,055	($134,054)	$7,146,416	$1,626,526	$851,243

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

Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Grants					
None					
Other Financing Sources					
Loan - N Main Mill&Fill, 6th St. Aspen-89A		1,900,000	3,000,000		
Funds Available	$6,418,786	$2,409,363	$3,038,365	($1,164,617)	($1,955,152)
Financing Commitments					
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
Subtotal Commitments	760,960	760,960	907,025	1,109,345	1,109,345
Revenue (net of commitments)	$5,657,826	$1,648,403	$2,131,340	($2,273,962)	($3,064,497)
Planned Expenditures (*Council Strategic Initiative)					
Streets Construction & Maintenance					
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				
Subtotal Planned Expenditures	5,425,000	1,900,000	3,600,000	0	600,000
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.

Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Other Financing Sources					
Bonding/WIFA Loan FY 2014		7,800,000			
Transfer in from Capital Construction Fund	4,000,000				
Funds Available	$6,748,623	$10,277,196	$4,974,740	$1,324,220	$247,589
Financing Commitments					
Bonding / WIFA Loan FY 2015			581,485	581,485	581,485
Subtotal Commitments	0	0	581,485	581,485	581,485
Revenue (net of commitments)	$6,748,623	$10,277,196	$4,393,255	$742,735	($333,896)
Planned Expenditures					
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 Reclimation Lines	125,000				
Wastewater Treatment Plant Upgrades	100,000		100,000		100,000
Subtotal Planned Expenditures	4,320,000	5,400,000	3,095,000	500,000	195,000
Resources Available	$2,428,623	$4,877,196	$1,298,255	$242,735	($528,896)

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.

Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Other Funding Sources					
Bonding or WIFA Loan Bella Montana		1,250,000			
Funds Available	$7,859,008	$9,271,804	$8,694,659	$9,628,137	$10,951,236
Financing Commitments					
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
Subtotal Commitments	2,588,875	2,657,560	2,756,034	2,760,415	2,762,285
Revenue (net of commitments)	$5,270,133	$6,614,244	$5,938,625	$6,867,722	$8,188,951
Planned Expenditures					
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
Subtotal Planned Expenditures	1,350,000	2,350,000	1,100,000	1,100,000	1,100,000
Resources Available	$3,920,133	$4,264,244	$4,838,625	$5,767,722	$7,088,951

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.

Funding Availability	FY2014	FY2015	FY2016	FY2017	FY2018
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
Funds Available	$5,595,156	$6,316,971	$7,053,223	$7,804,199	$8,570,195
Planned Expenditures					
Water Development					
Resource Development					
Water Advisory					
Adjudication					
Conservation					
Subtotal Planned Expenditures	0	0	0	0	0
Resources Available	$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.

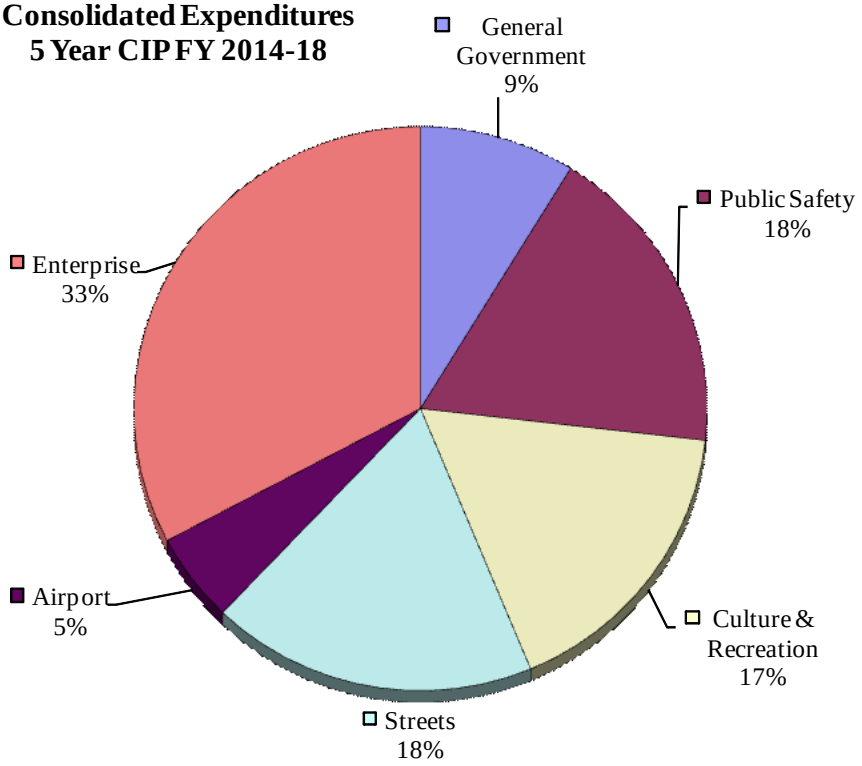
Funding Availability	FY2014	FY2015	FY2016	FY2017	FY2018
Beginning Balance	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Interest Income	$25,000	$25,000	$25,000	$25,000	$25,000
Airport Reimbursement	$23,490	$23,490	$23,490	$23,490	$23,490
Supplemental Contributions					
Annual Deposit					
Funds Available	1,048,490	1,048,490	1,048,490	1,048,490	1,048,490
Financing Commitments					
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
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

Cap at $1,000,000

SUMMARY OF CAPITAL

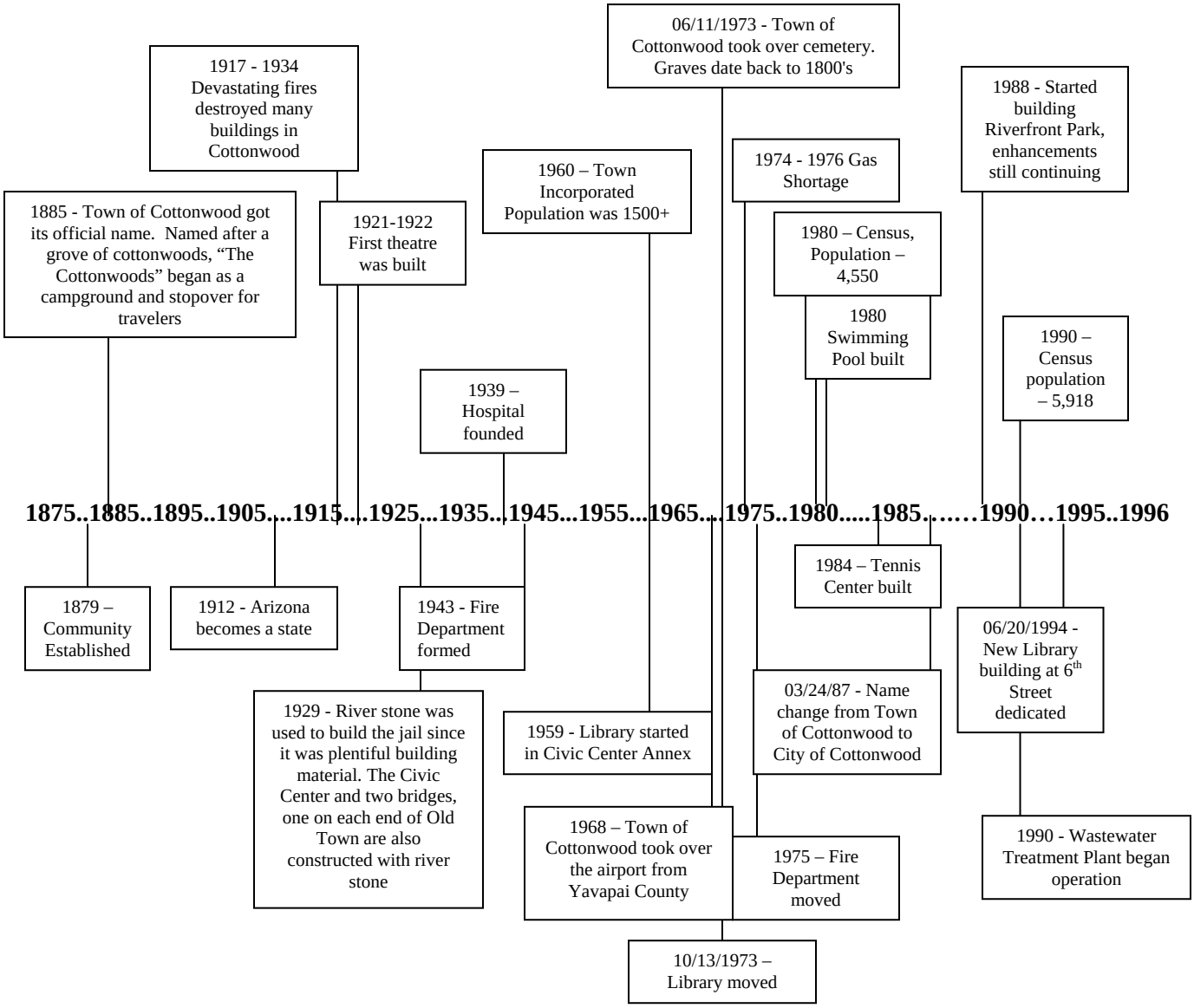
Funding Availability	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Beginning Balance	$25,495,542	$11,748,517	$12,715,117	$16,056,154	$12,933,369
Taxes	2,621,076	2,664,292	2,716,562	2,772,993	3,835,490
User Fees	3,725,248	4,023,268	4,345,130	4,692,740	5,068,159
Excess Revenue	38,975	40,144	41,750	43,420	45,157
Grants	625,000	1,572,103	2,005,000	630,000	350,000
Interest Income	276282	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
Revenue	$44,680,562	$32,257,342	$33,700,453	$28,172,444	$24,009,054
Financing Commitments					
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
Planned Expenditures					
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

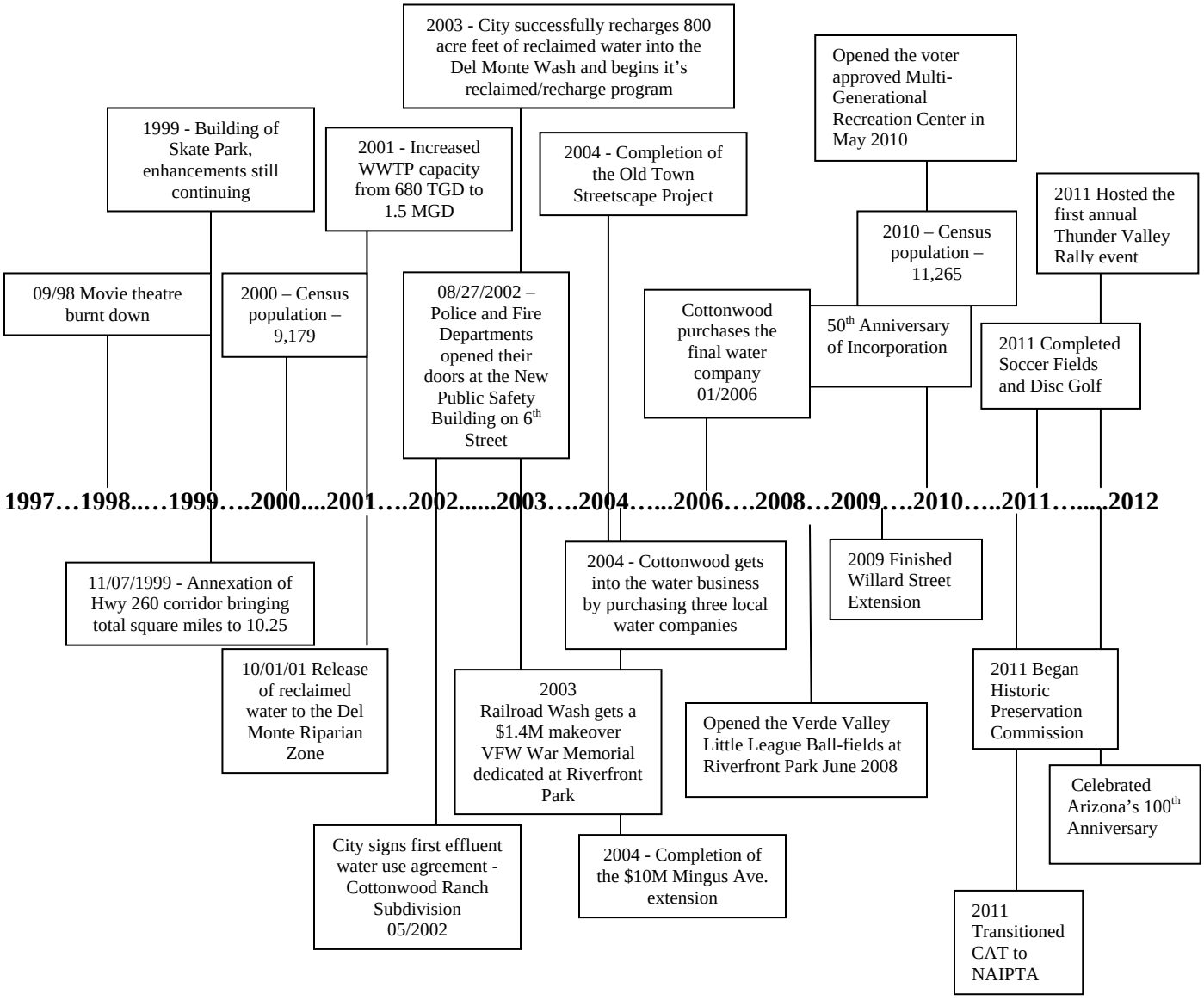
Consolidated Expenditures
5 Year CIP FY 2014-18



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
Total Capital & Financing	$99,017,324

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
Total Funding Sources	46,606,119
Other Financing Sources	52,411,205
Use of Reserves	0
Total Finance Available	$99,017,324


06/11/1973 - Town of Cottonwood took over cemetery. Graves date back to 1800's
1917 - 1934 Devastating fires destroyed many buildings in Cottonwood
1988 - Started building Riverfront Park, enhancements still continuing
1974 - 1976 Gas Shortage
1960 – Town Incorporated Population was 1500+
1885 - Town of Cottonwood got its official name. Named after a grove of cottonwoods, "The Cottonwoods" began as a campground and stopover for travelers
1921-1922 First theatre was built
1980 – Census, Population – 4,550
1980 Swimming Pool built
1990 – Census population – 5,918
1939 – Hospital founded
1875..1885..1895..1905...1915...1925...1935...1945...1955...1965...1975..1980.....1985.....1990…1995..1996
1984 – Tennis Center built
1879 – Community Established
1912 - Arizona becomes a state
1943 - Fire Department formed
06/20/1994 - New Library building at 6th Street dedicated
03/24/87 - Name change from Town of Cottonwood to City of Cottonwood
1929 - River stone was used to build the jail since it was plentiful building material. The Civic Center and two bridges, one on each end of Old Town are also constructed with river stone
1959 - Library started in Civic Center Annex
1968 – Town of Cottonwood took over the airport from Yavapai County
1975 – Fire Department moved
1990 - Wastewater Treatment Plant began operation
10/13/1973 – Library moved


2003 - City successfully recharges 800 acre feet of reclaimed water into the Del Monte Wash and begins it's reclaimed/recharge program
Opened the voter approved Multi-Generational Recreation Center in May 2010
1999 - Building of Skate Park, enhancements still continuing
2001 - Increased WWTP capacity from 680 TGD to 1.5 MGD
2004 - Completion of the Old Town Streetscape Project
2011 Hosted the first annual Thunder Valley Rally event
2010 – Census population – 11,265
09/98 Movie theatre burnt down
2000 – Census population – 9,179
08/27/2002 – Police and Fire Departments opened their doors at the New Public Safety Building on 6th Street
Cottonwood purchases the final water company 01/2006
50th Anniversary of Incorporation
2011 Completed Soccer Fields and Disc Golf
1997…1998..…1999….2000....2001….2002.....2003….2004…...2006….2008…2009….2010…..2011….....2012
2004 - Cottonwood gets into the water business by purchasing three local water companies
2009 Finished Willard Street Extension
11/07/1999 - Annexation of Hwy 260 corridor bringing total square miles to 10.25
10/01/01 Release of reclaimed water to the Del Monte Riparian Zone
2003 Railroad Wash gets a $1.4M makeover VFW War Memorial dedicated at Riverfront Park
Opened the Verde Valley Little League Ball-fields at Riverfront Park June 2008
2011 Began Historic Preservation Commission
Celebrated Arizona's 100th Anniversary
City signs first effluent water use agreement - Cottonwood Ranch Subdivision 05/2002
2004 - Completion of the $10M Mingus Ave. extension
2011 Transitioned CAT to NAIPTA

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Long Range Financial Projections

GENERAL FUND

Revenues	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Revenues	**$13,872,420**	**$14,065,425**	**$14,233,885**	**$14,533,230**	**$14,809,990**

Expenditures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Expenditures	**$16,569,700**	**$17,427,370**	**$18,330,360**	**$19,431,460**	**$20,282,810**
Gain/(Loss)	**($2,697,280)**	**($3,361,940)**	**($4,096,475)**	**($4,898,230)**	**($5,472,820)**

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

Revenues	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Revenues	**$2,779,740**	**$2,897,820**	**$3,021,190**	**$3,150,090**	**$3,284,750**

Expenditures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Expenditures	**$2,940,675**	**$3,089,490**	**$3,245,840**	**3,410,120**	**3,582,790**
Gain/(Loss)	**($160,935)**	**($191,670)**	**($224,650)**	**($260,030)**	**($298,040)**

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

Revenues	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Revenues	**$2,123,900**	**$1,620,620**	**$1,661,140**	**$1,702,670**	**$1,745,240**

Expenditures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Expenditures	**$1,687,295**	**$1,491,815**	**$1,493,835**	**$1,489,555**	**$1,488,875**
Gain/(Loss)	**$436,605**	**$128,805**	**$167,305**	**$213,115**	**$256,365**

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

Revenues	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Revenues	**$7,278,260**	**$7,467,050**	**$7,660,780**	**$7,859,580**	**$8,063,550**

Expenses	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
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
Total Expenses	**$8,195,385**	**$8,452,060**	**$8,730,150**	**$9,102,235**	**$9,419,490**
Gain/(Loss)	**($917,125)**	**($985,010)**	**($1,069,370)**	**($1,242,655)**	**($1,355,940)**

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

Revenues	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Interest Income	41,200	42,440	43,710	45,020	46,370
Contributions	24,470	25,210	25,970	26,750	27,560
Total Revenues	**$65,670**	**$67,650**	**$69,680**	**$71,770**	**$73,930**

Expenditures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Benefits Paid	38,430	40,360	42,380	44,060	8,430
Total Expenditures	**$38,430**	**$40,360**	**$42,380**	**$44,060**	**$8,430**
Gain/(Loss)	**$27,240**	**$27,290**	**$27,300**	**$27,710**	**$65,500**

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. The balance in this fund was used for the City's short-term disability coverage for the City employees. However, it 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 53.6 % of all General Fund revenues.

State shared revenues constitute 9.24% 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 23.8% 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 6.32% is planned for FY 2013.

Fines and Forfeitures

Fines and forfeitures decreased an average of 7% per year over the past six 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 to $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 $6,528,635 increase over the previous fiscal year of $16,117,100. This net increase includes some rollover projects and $3,743,620 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 $298,750 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.

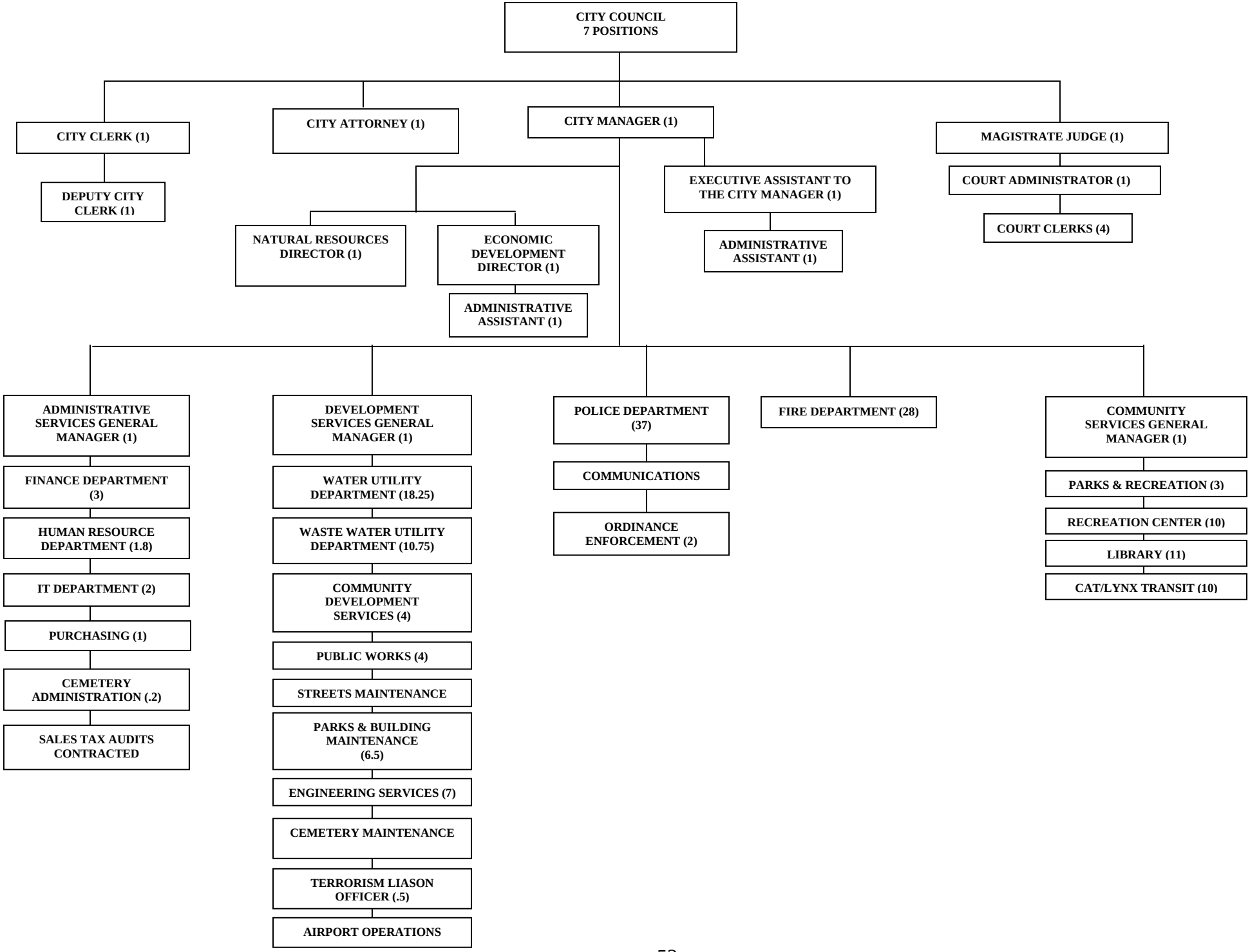
Operating supplies category has increased from $617,775 last year to $650,135 this year. This increase is due to the general growth of the City government and increases in cost charged by vendors due to the economy. Cost control measures set in place in previous years due to uncertain local economic 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 9.2%

Other Services and Charges reflect a 9.6% 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 $1,053,690 over last year's revised figure of $901,940. This large increase is mainly 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.


CITY COUNCIL
7 POSITIONS
CITY CLERK (1)
DEPUTY CITY CLERK (1)
CITY ATTORNEY (1)
CITY MANAGER (1)
NATURAL RESOURCES DIRECTOR (1)
ECONOMIC DEVELOPMENT DIRECTOR (1)
ADMINISTRATIVE ASSISTANT (1)
EXECUTIVE ASSISTANT TO THE CITY MANAGER (1)
ADMINISTRATIVE ASSISTANT (1)
MAGISTRATE JUDGE (1)
COURT ADMINISTRATOR (1)
COURT CLERKS (4)
ADMINISTRATIVE SERVICES GENERAL MANAGER (1)
FINANCE DEPARTMENT (3)
HUMAN RESOURCE DEPARTMENT (1.8)
IT DEPARTMENT (2)
PURCHASING (1)
CEMETERY ADMINISTRATION (.2)
SALES TAX AUDITS CONTRACTED
DEVELOPMENT SERVICES GENERAL MANAGER (1)
WATER UTILITY DEPARTMENT (18.25)
WASTE WATER UTILITY DEPARTMENT (10.75)
COMMUNITY DEVELOPMENT SERVICES (4)
PUBLIC WORKS (4)
STREETS MAINTENANCE
PARKS & BUILDING MAINTENANCE (6.5)
ENGINEERING SERVICES (7)
CEMETERY MAINTENANCE
TERRORISM LIASON OFFICER (.5)
AIRPORT OPERATIONS
POLICE DEPARTMENT (37)
COMMUNICATIONS
ORDINANCE ENFORCEMENT (2)
FIRE DEPARTMENT (28)
COMMUNITY SERVICES GENERAL MANAGER (1)
PARKS & RECREATION (3)
RECREATION CENTER (10)
LIBRARY (11)
CAT/LYNX TRANSIT (10)

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City Sales Tax Revenue

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.

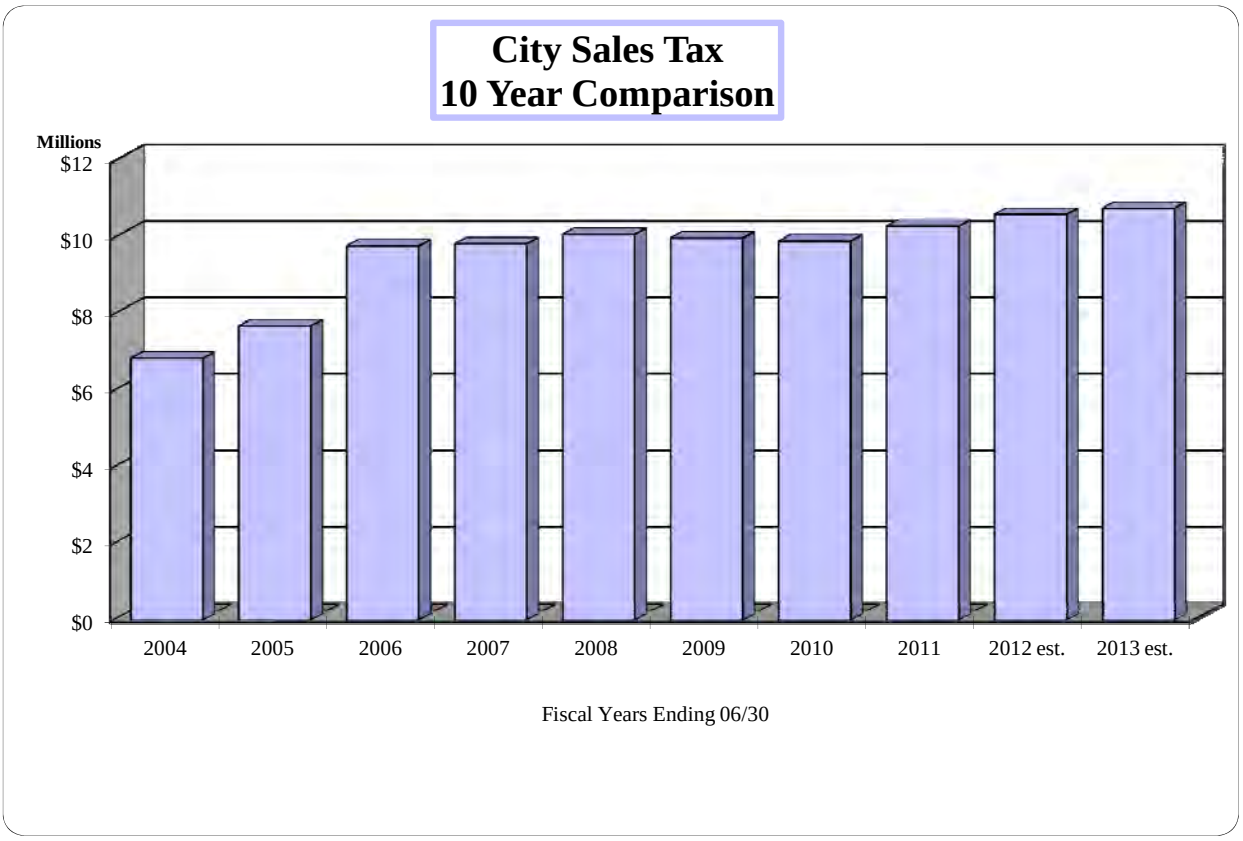
Please note: For this analysis we are not including the Bed Tax or the Utility Tax.

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%



State Shared Income Tax Revenue

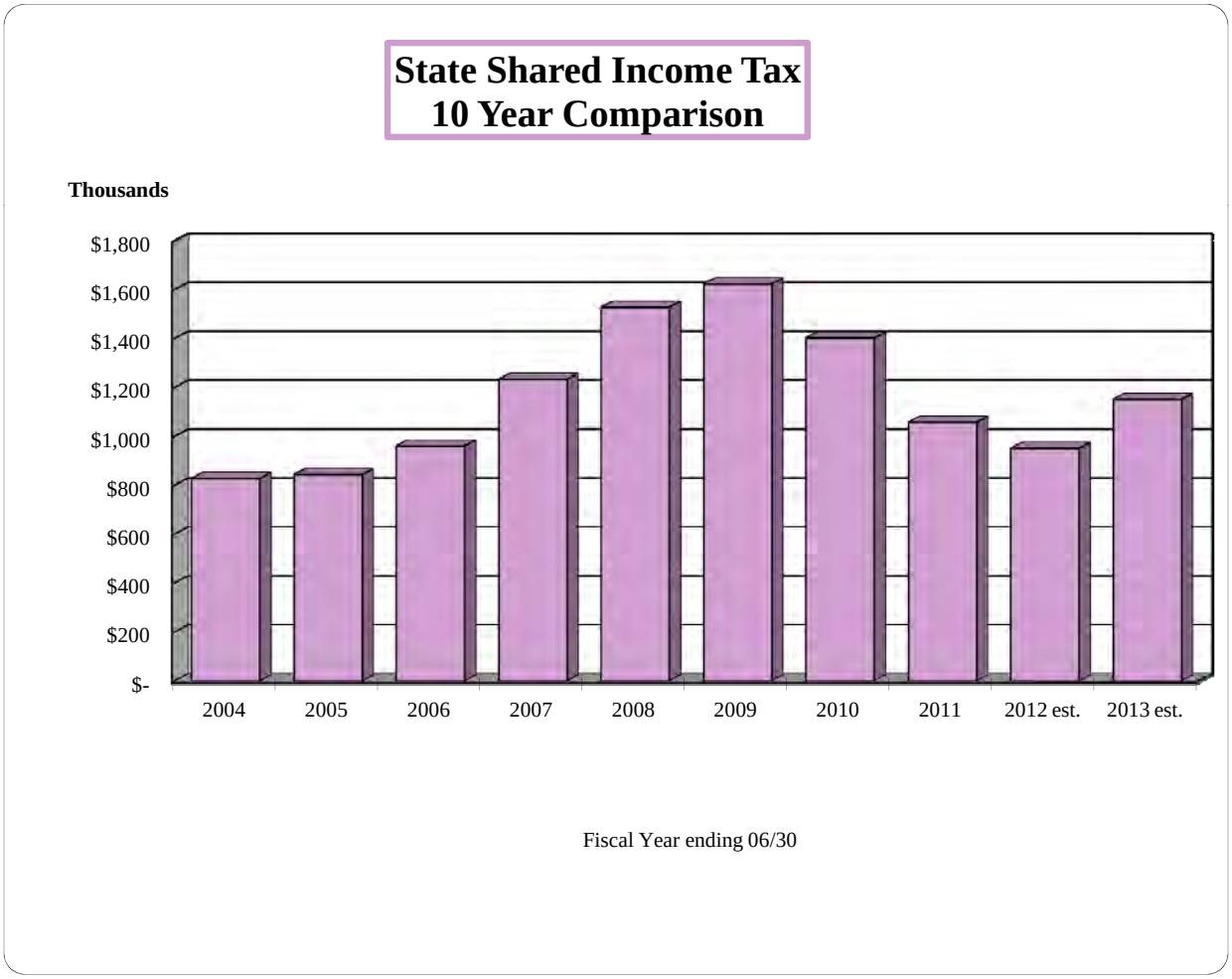
Description:

Arizona cities and towns share a portion of the total amount collected from the State Income Tax. A city's portion of the State Income Tax is based on the relationship of its population to the total population of all cities and towns within the state. 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%

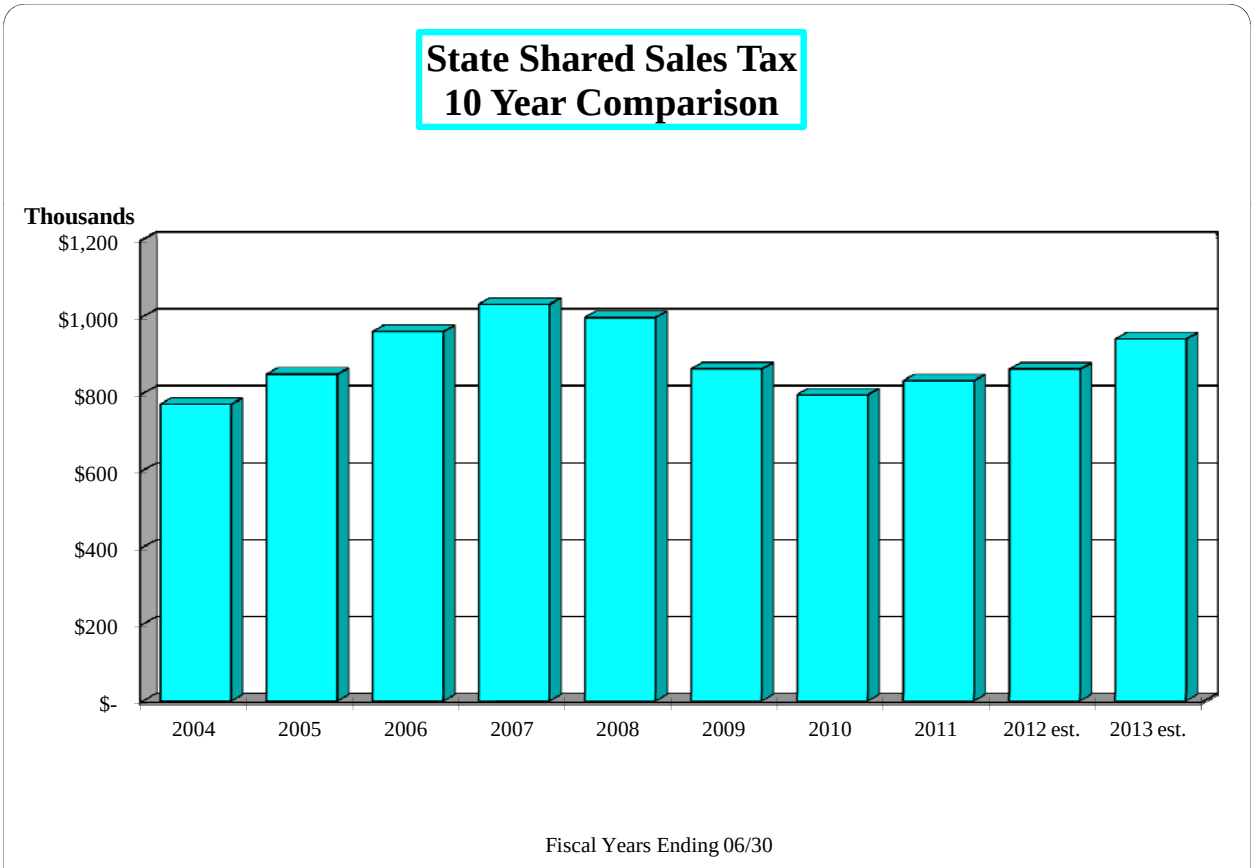


State Shared Sales Tax Revenue

Description:
Arizona cities and towns share a portion of the total amount collected from the State Sales Tax. A city's portion of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the state. The State has a separate tax code that differs from the City. For example, the State does not tax food whereas the City does. 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 Ending 6/30	Amount	% Inc. / Dec.
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%

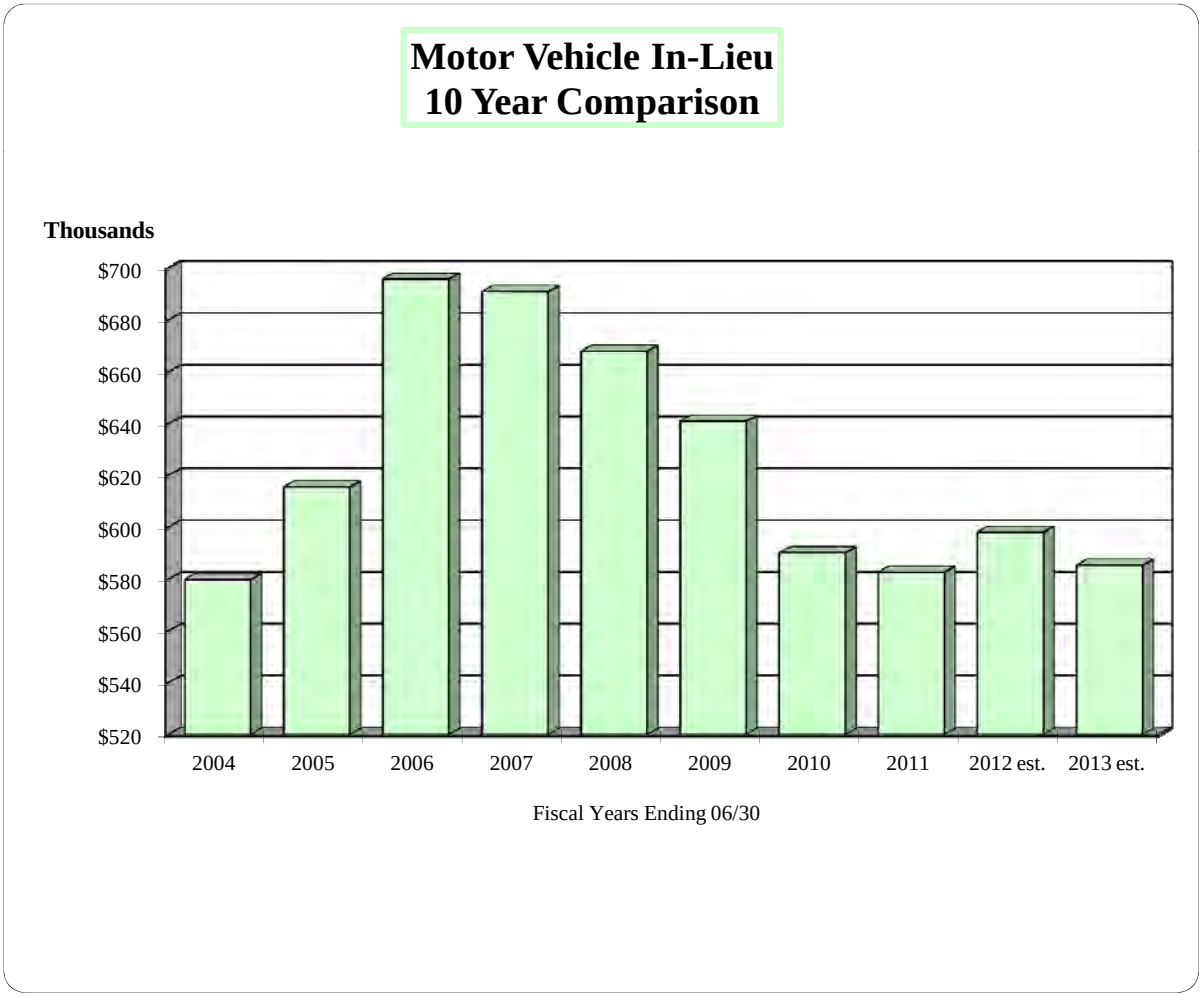


Motor Vehicle In-Lieu Revenue

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 Ending 6/30	Amount	% Inc. / Dec.
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%

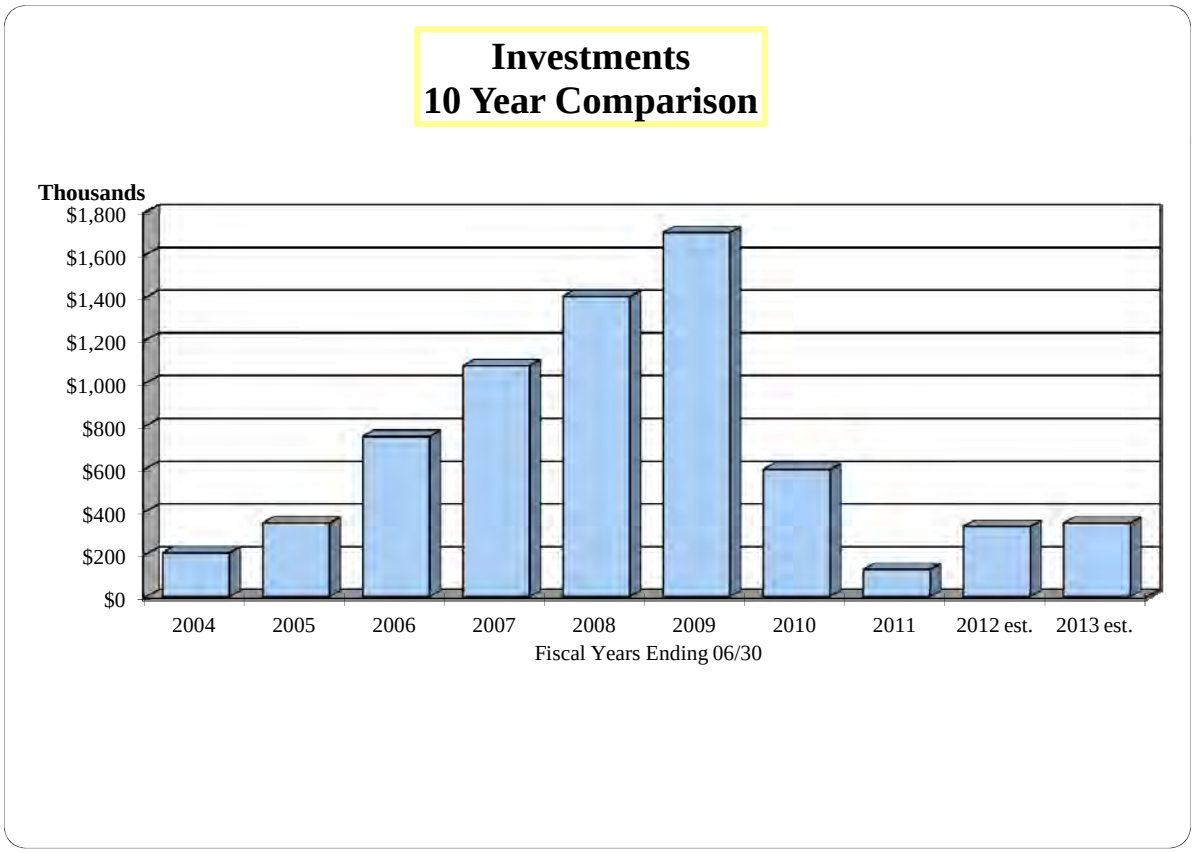


Investment Revenues

Description:
Investment income is derived from idle funds which include the proceeds from bonds during the time of construction, planned reserves, fund balances and operating funds received in advance of required needs.

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 Ending 6/30	Amount	% Inc. / Dec.
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%

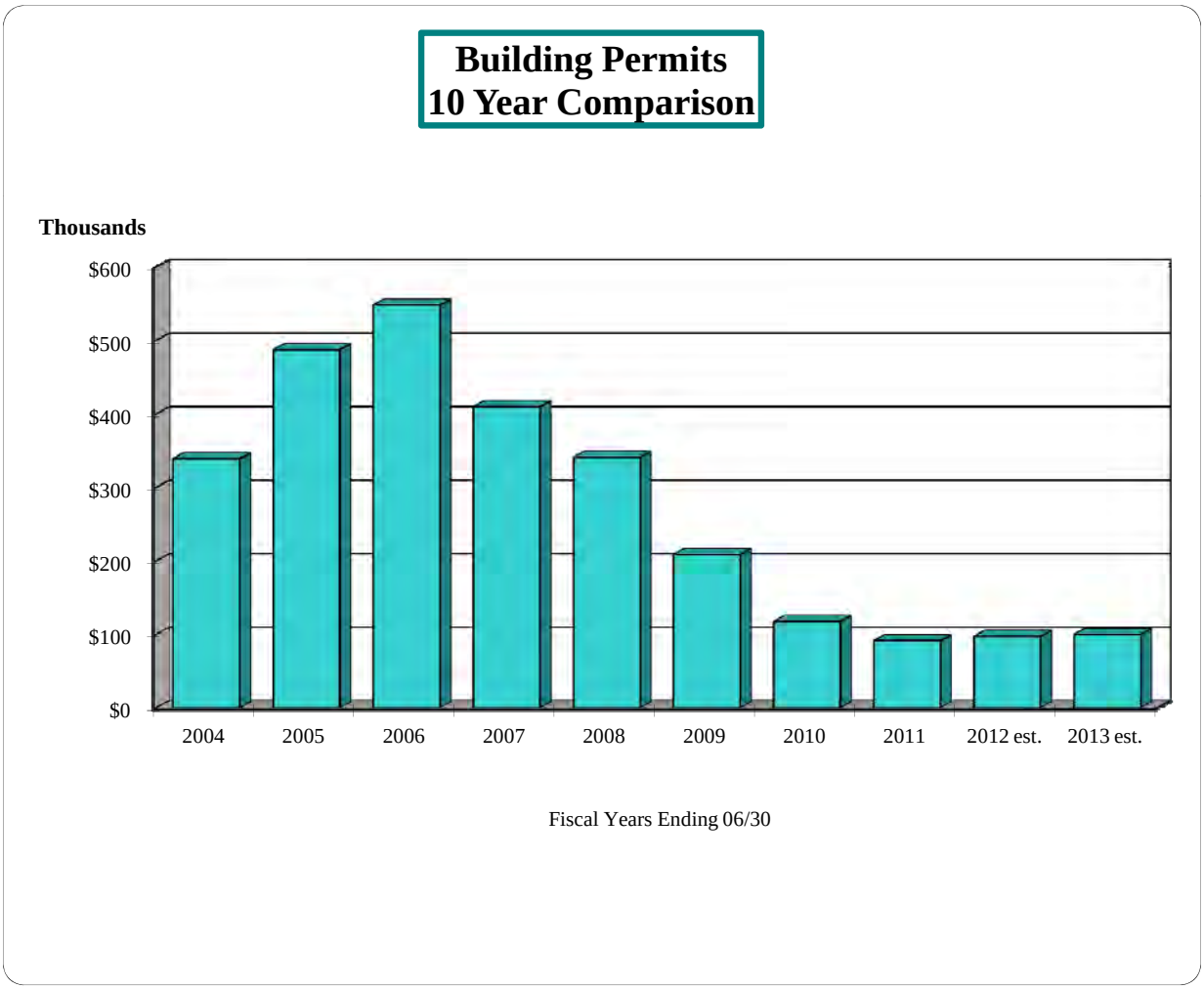


Building Permits Revenue

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 peek in FY 2006

Fiscal Year Ending 6/30	Amount	% Inc. / Dec.
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%



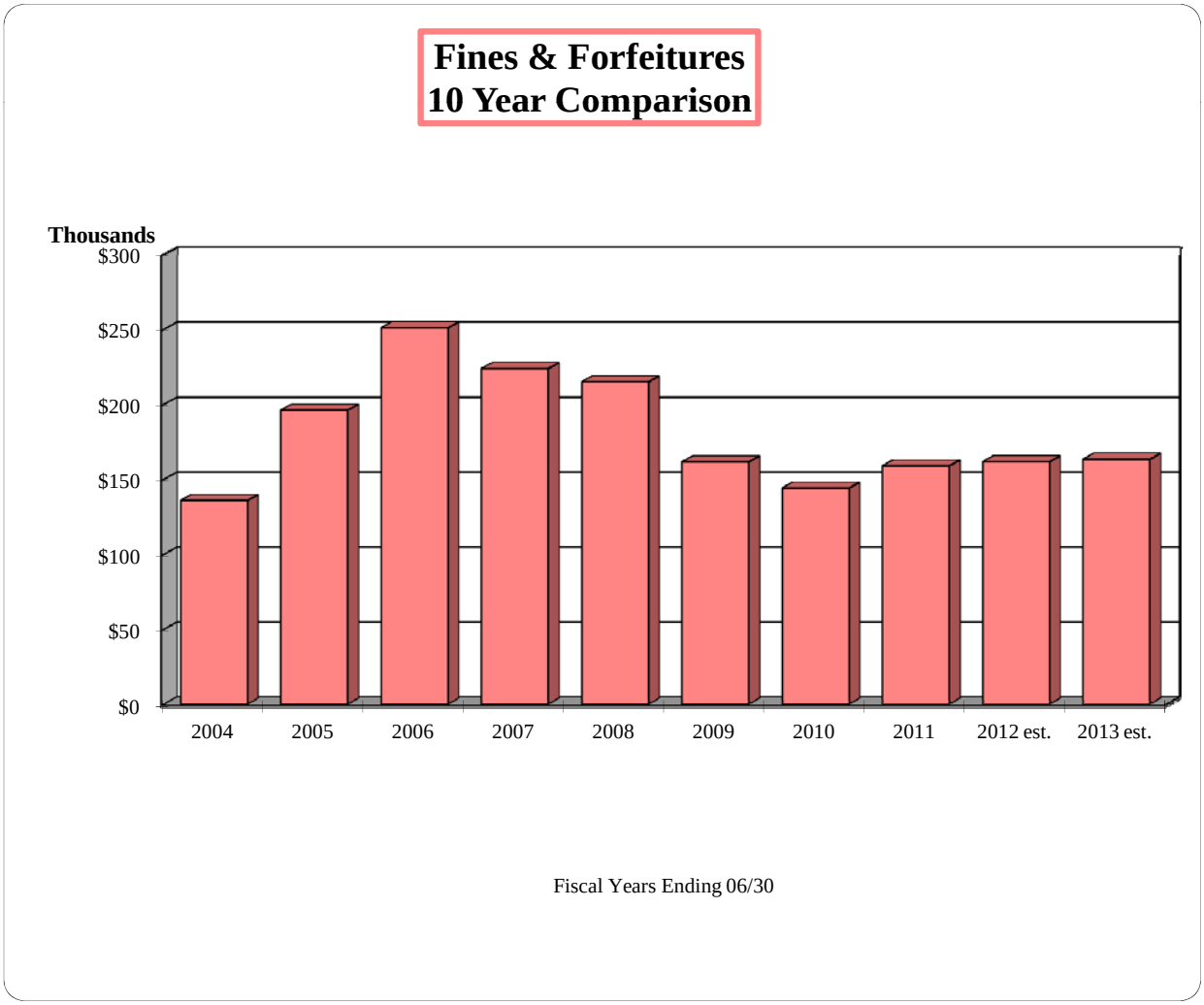
Fines And Forfeitures

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%

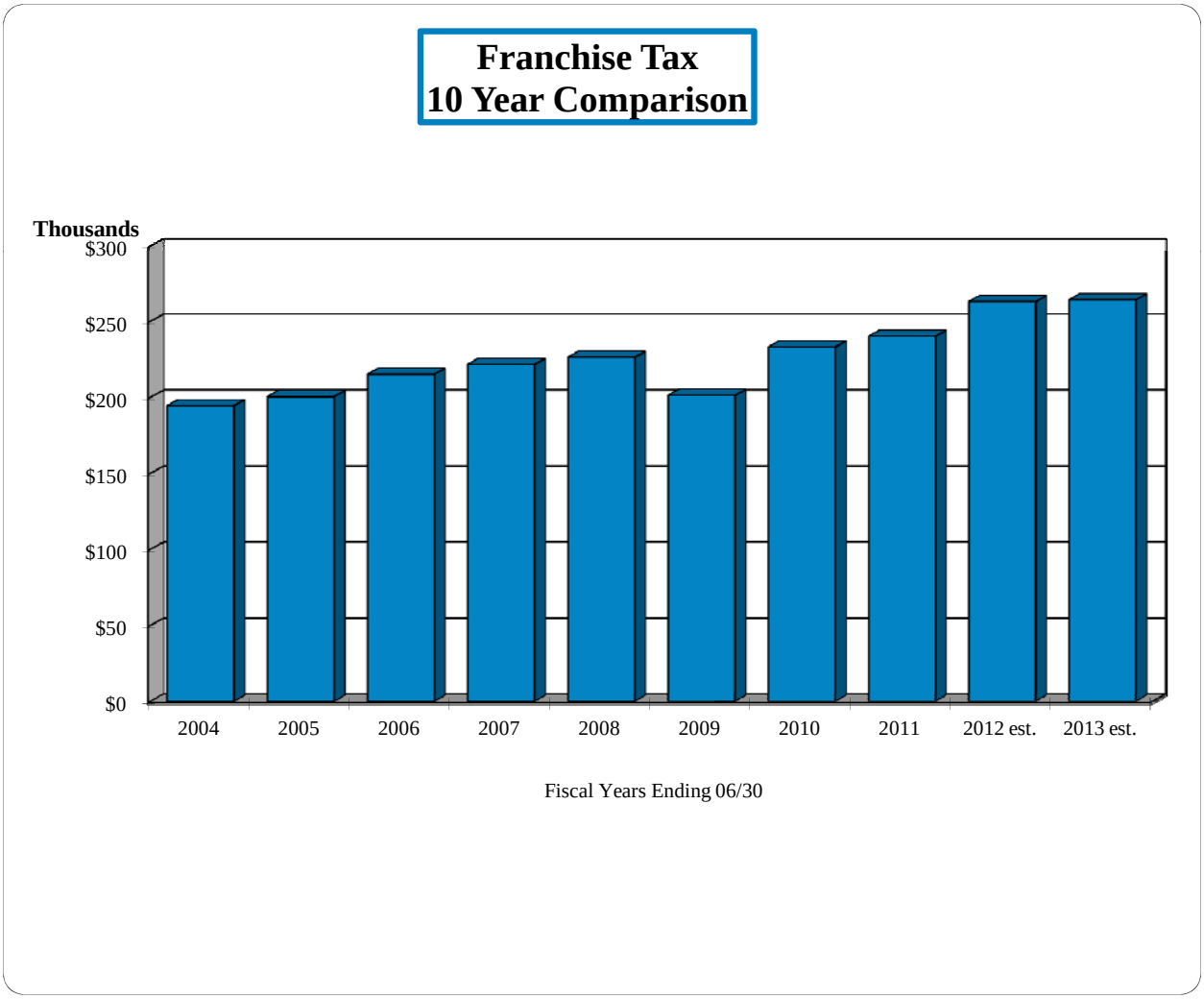


Franchise Tax Revenues

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%

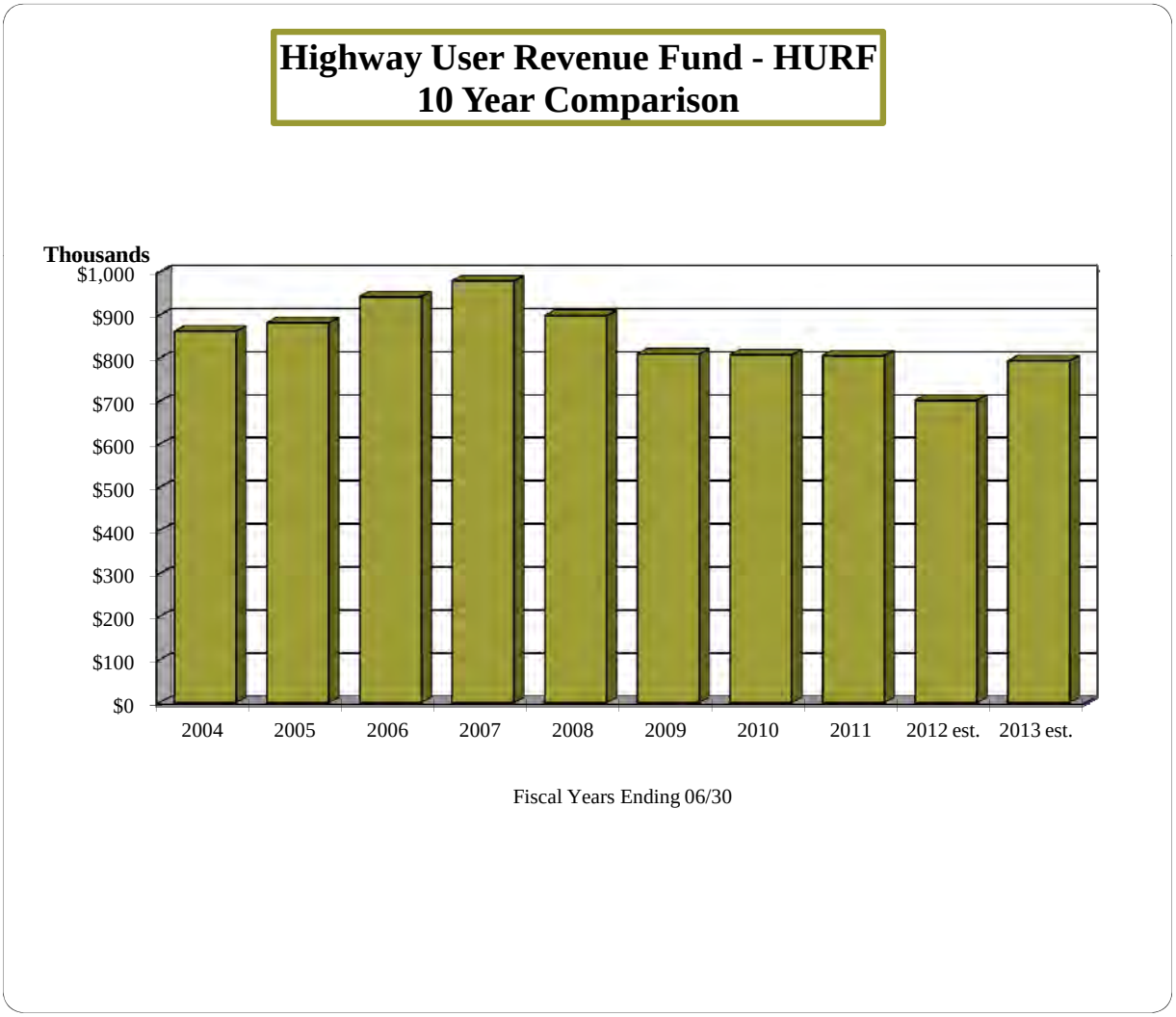


Highway User Revenue Funds - HURF

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%



Local Transportation Assistance Fund Revenues - LTAF

Description:

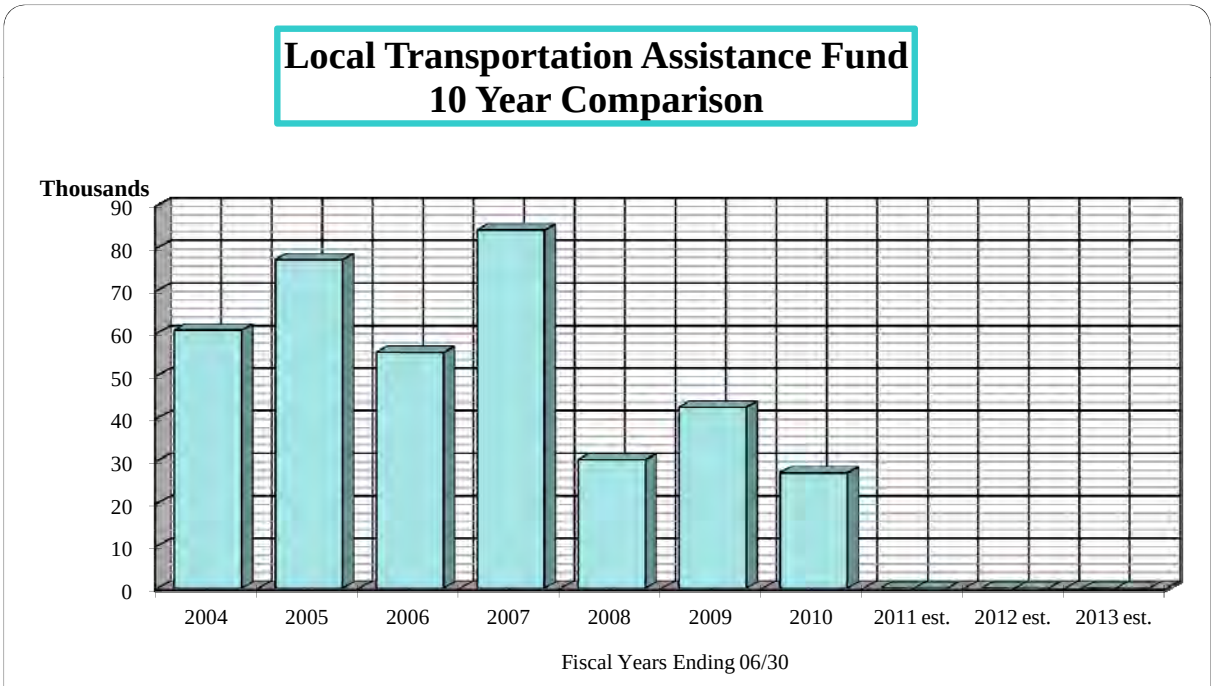
Local Transportation Assistance Fund Revenues (LTAF) consist of two LTAF distributions, LTAF and LTAF II. LTAF monies are derived from the State Lottery Fund. Arizona cities have been receiving a portion of the proceeds of the Arizona lottery since 1982. The original LTAF allocation was based on individual 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 Ending 6/30	Amount	% Inc. / Dec.
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%



Wastewater User Fees

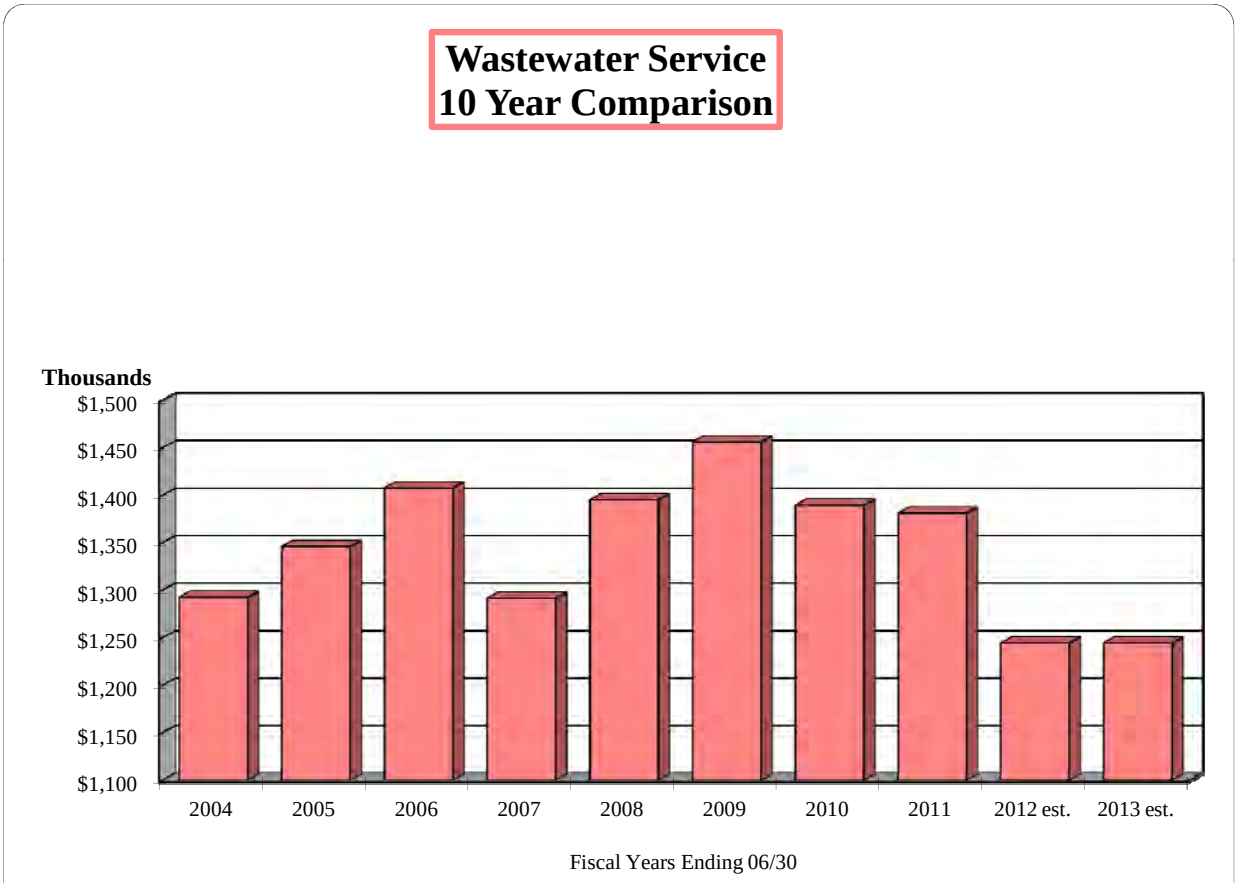
Description:

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

Analysis:

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%



Water Utility User Fees

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.

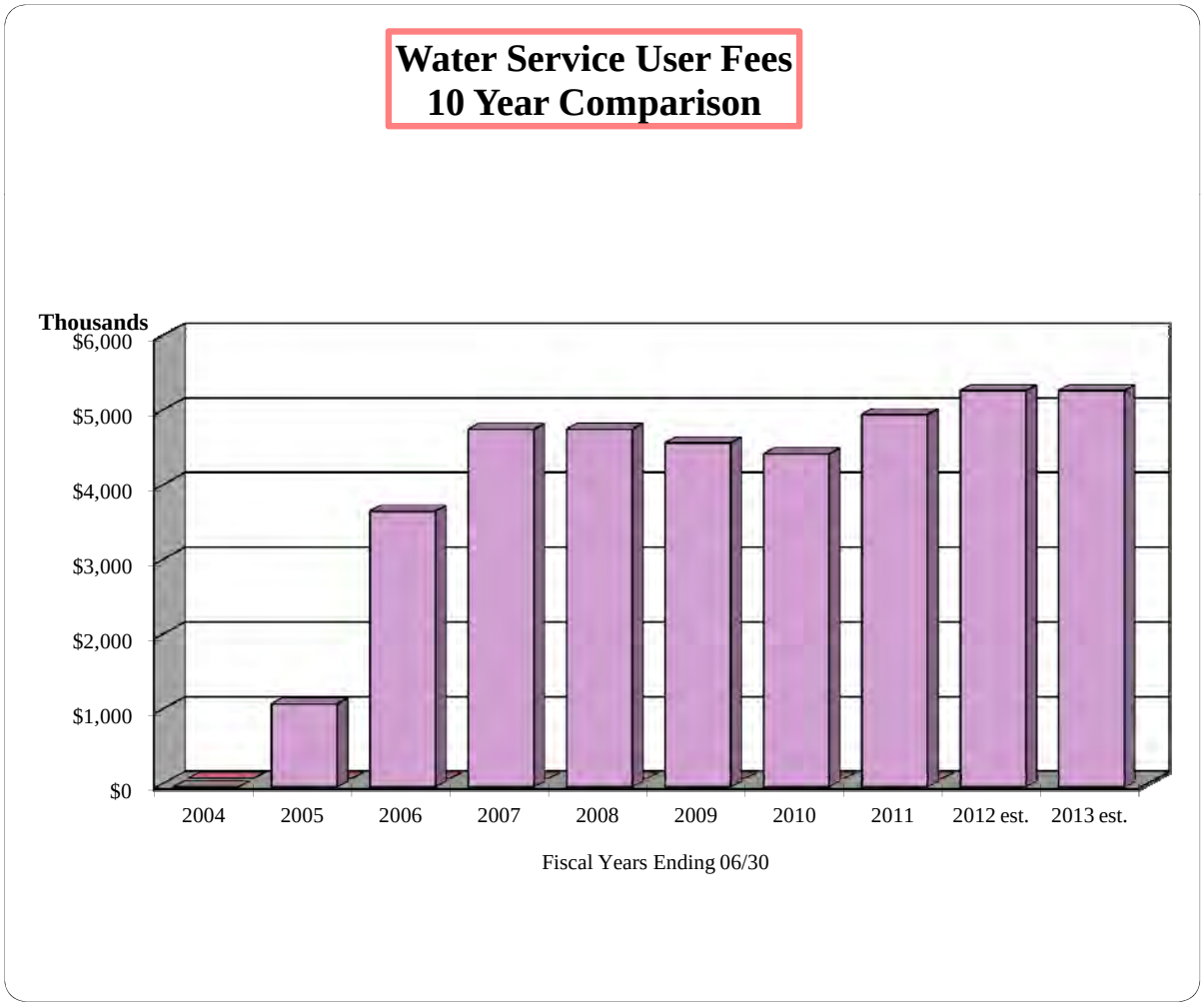
Analysis:

These revenues have been steadily growing since the acquisition of the last area water company in early 2006. 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%



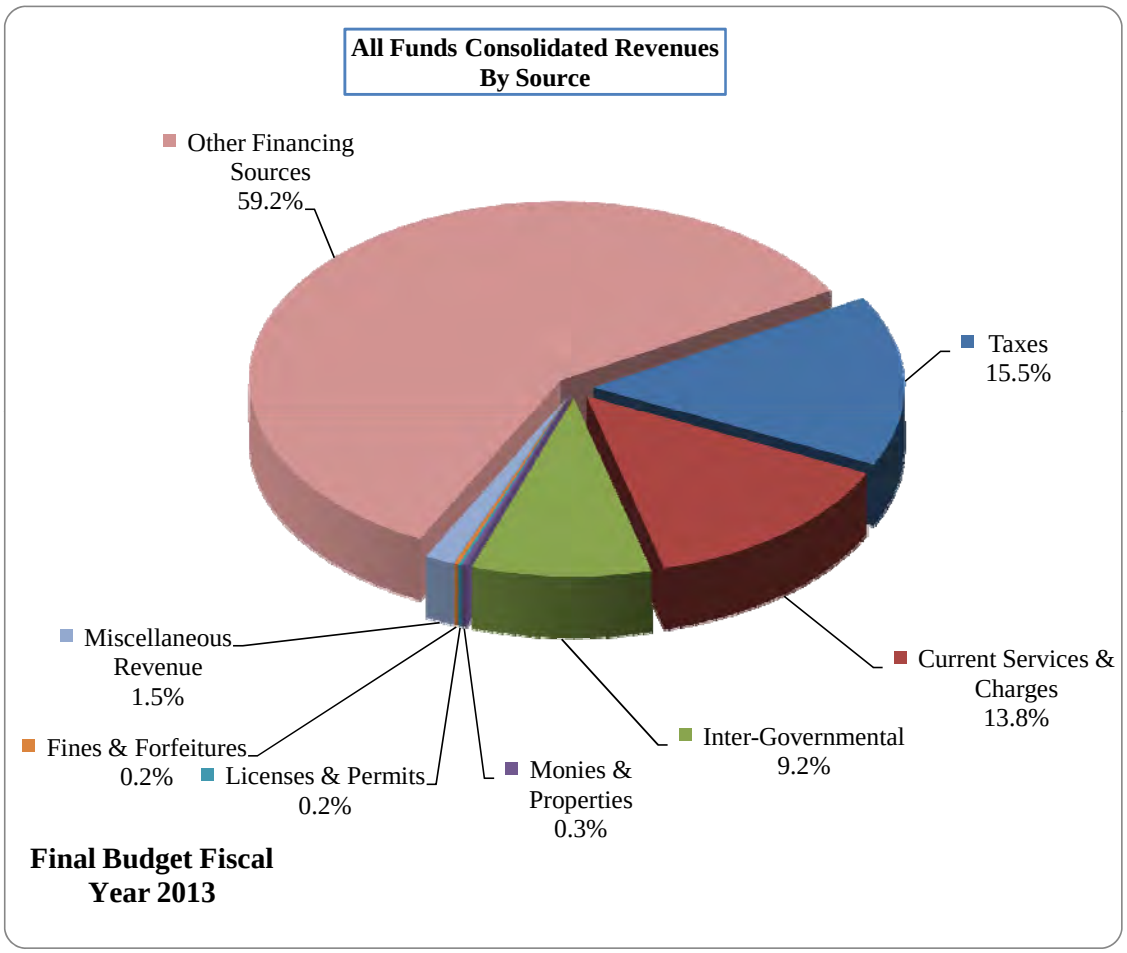
Fiscal Year 2013 Budget

Consolidated Summary of Revenues/Expenditures

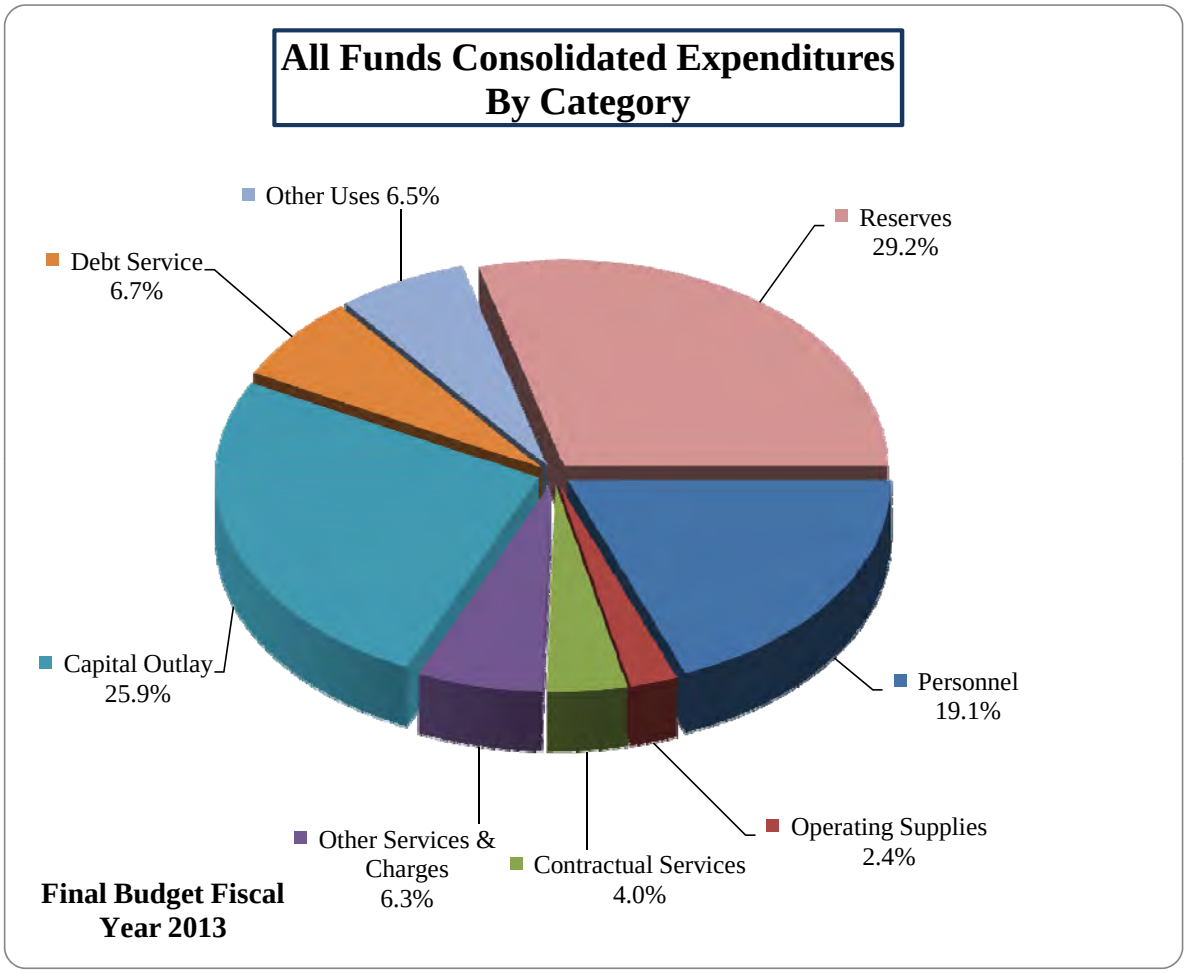
All Funds

Fund	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenues Sources:					
General Fund	$14,078,486	$14,856,155	$14,649,605	$15,850,800	8.20%
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%
Total Revenues	25,397,640	27,236,440	26,229,530	29,944,485	14.16%
Other Financing Sources:					
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	33,449,225	-17.34%
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%
Total Other Financing Sources	40,738,021	51,186,060	43,244,090	43,486,280	0.56%
Total Available Resources	66,135,661	78,422,500	69,473,620	73,430,765	5.70%
Expenditures:					
General Fund	13,633,509	16,543,255	15,364,220	17,320,740	12.73%
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%
Total Expenditures	28,330,343	69,865,370	61,582,430	64,346,795	4.49%
Other Uses:					
Transfers Out	650,912	3,910,525	1,678,255	4,740,350	182.46%
Reserves	0	4,646,605	0	4,343,620	0.00%
Total Other Financing Uses	650,912	8,557,130	1,678,255	9,083,970	441.27%
Total Expenditures and Other Uses	28,981,255	78,422,500	63,260,685	73,430,765	16.08%
Net Income	$37,154,406	$0	$6,212,935	$0	

Revenues for All Funds	
Taxes	$11,399,400
Current Services & Charges	10,119,955
Inter-Governmental	6,833,895
Monies & Properties	191,390
Licenses & Permits	119,675
Fines & Forfeitures	163,310
Miscellaneous Revenue	1,116,860
Subtotal	$29,944,485
Other Financing Sources	43,486,280
Total Revenues for All Funds	$73,430,765



Expenditures for All Funds	
Personnel	$13,997,750
Operating Supplies	1,747,360
Contractual Services	2,930,280
Other Services & Charges	4,593,275
Capital Outlay	19,050,740
Debt Service	4,907,815
Subtotal	47,227,220
Other Uses - Transfers Out	4,740,350
Reserves	21,463,195
Total Expenditures for All Funds	$73,430,765



Fiscal Year 2013 Budget
Consolidated Budget Summary - By Fund

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Funding Sources							
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	3,530,640	3,055,255	0	225,000	0	23,000	6,833,895
Charges for Services	2,592,440	286,950	0	0	7,240,565	0	10,119,955
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
Total Revenues	15,850,800	3,738,605	2,073,225	475,000	7,740,555	66,300	29,944,485
Other Financing Sources	6,794,935	6,011,750	1,209,315	12,672,075	16,483,545	314,660	43,486,280
Total Revenue & Other Financing Sources	22,645,735	9,750,355	3,282,540	13,147,075	24,224,100	380,960	73,430,765
Total Available All Source	$22,645,735	$9,750,355	$3,282,540	$13,147,075	$24,224,100	$380,960	$73,430,765
Expenditures							
Personnel	10,891,465	1,345,605	0	0	1,760,680	0	13,997,750
Operating Supplies	650,135	475,700	0	0	621,525	0	1,747,360
Contractual Services	1,309,265	469,805	1,060	0	1,116,350	33,800	2,930,280
Other Services & Charges	2,181,455	680,785	0	0	1,729,335	1,700	4,593,275
Capital Outlay	1,955,630	6,462,790	0	1,916,655	8,715,665	0	19,050,740
Reserves	4,343,620	156,695	1,208,505	7,630,420	7,778,495	345,460	21,463,195
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
Other Uses							
Transfers Out	981,375	158,975	0	3,600,000	0	0	4,740,350
Total Expenditures & Other Uses	22,645,735	9,750,355	3,282,540	13,147,075	24,224,100	380,960	73,430,765
Net Income	$0	$0	$0	$0	$0	$0	$0

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.

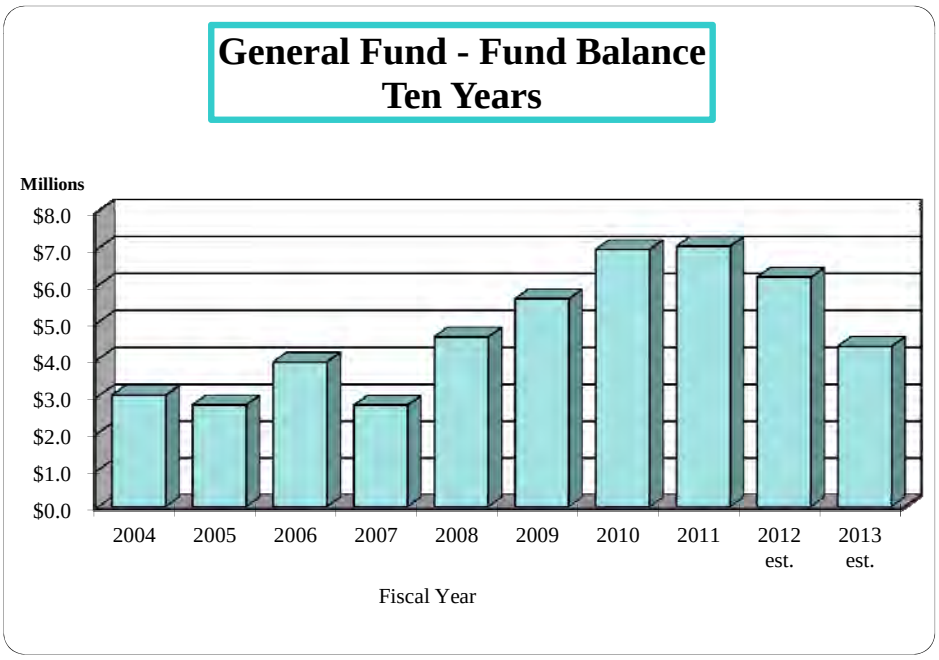
Fund Number	Description
01	General Fund

The following departments are funded by the General Fund:

General Government		Public Safety	Culture & Recreation
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:



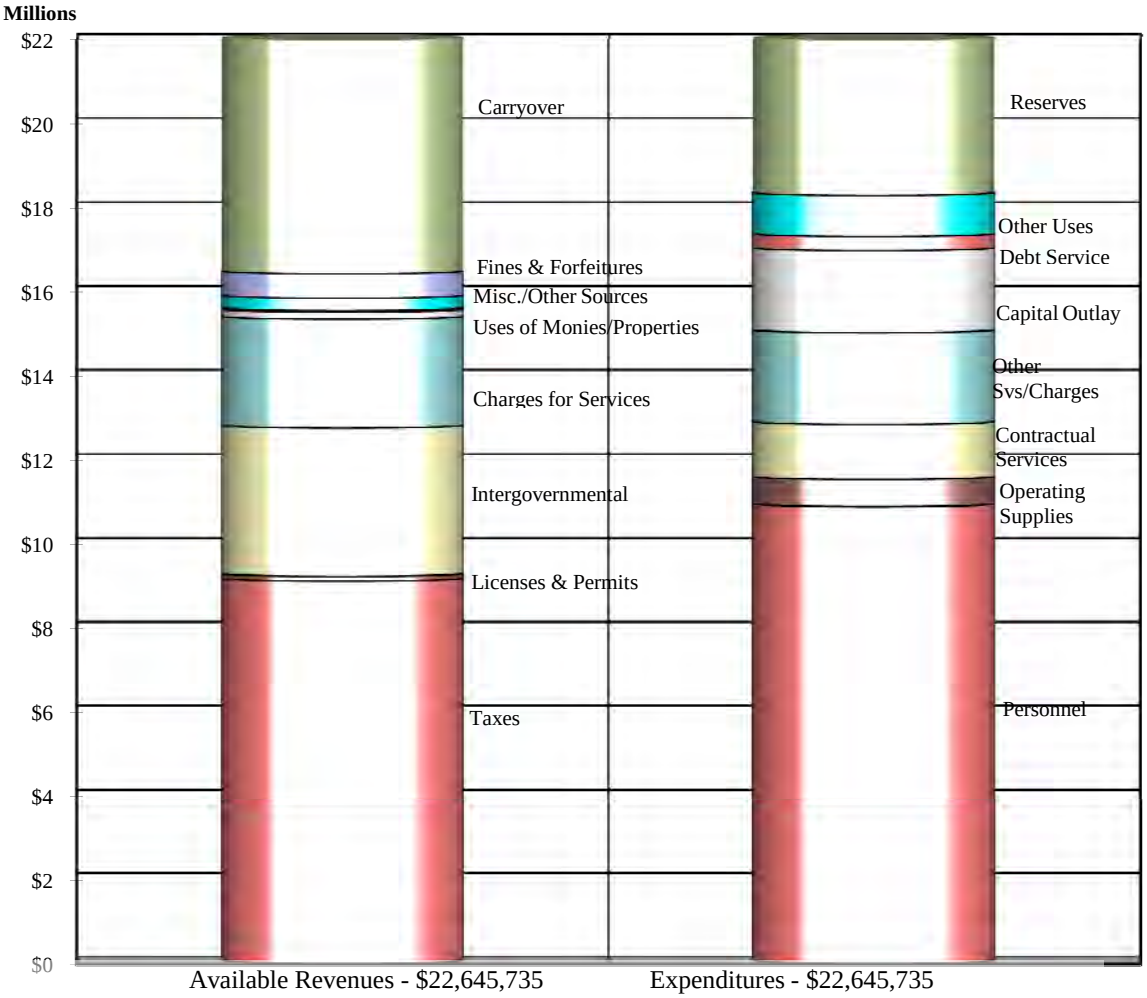
Fiscal Year	Fund Balance
2004	3,018,814
2005	2,758,100
2006	3,916,360
2007	2,748,395
2008	4,602,025
2009	5,631,616
2010	6,969,407
2011	7,055,905
2012 est.	6,212,935
2013 est.	4,343,620

All transfers out affecting this fund balance can be viewed on **page 132.**

General Fund Consolidated Revenues & Expenditures

Item	2011	2012		2013
Description	Actual	Budget	Revised	Final
Revenue Sources:				
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	2,852,075	3,530,640
Charges for Services	1,869,288	2,876,495	2,438,285	2,592,440
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
Total Revenue Sources	14,078,486	14,856,155	14,649,605	15,850,800
Other Financing Sources:				
Transfers In	23,490	23,490	23,490	23,490
Carryforward	6,969,407	6,234,750	7,055,905	6,212,935
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
Total Other Financing Sources	6,992,897	6,928,240	7,680,430	6,794,935
Total Available Resources	21,071,385	21,784,395	22,330,035	22,645,735
Expenditures:				
Personnel	9,675,321	10,459,640	10,301,470	10,891,465
Operating Supplies	490,478	550,655	617,775	650,135
Contractual Services	1,137,365	1,164,810	1,199,220	1,309,265
Other Services and Charges	1,738,923	2,332,520	1,990,950	2,181,455
Capital Outlay	280,237	1,665,180	901,940	1,955,630
Debt Service	311,185	370,450	352,865	332,790
Total Expenditures	13,633,509	16,543,255	15,364,220	17,320,740
Other Uses:				
Transfers Out	627,422	594,535	752,880	981,375
Reserves	0	4,646,605	0	4,343,620
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	627,422	5,241,140	752,880	5,324,995
Total Expenditures and Other Uses	14,260,931	21,784,395	16,117,100	22,645,735
Net Income / (Loss)	$6,810,454	$0	$6,212,935	$0

Revenues vs. Expenditures
Fiscal Year 2013 Budget



Available Revenues - $22,645,735 Expenditures - $22,645,735
Change in Fund Balance - ($1,869,315)

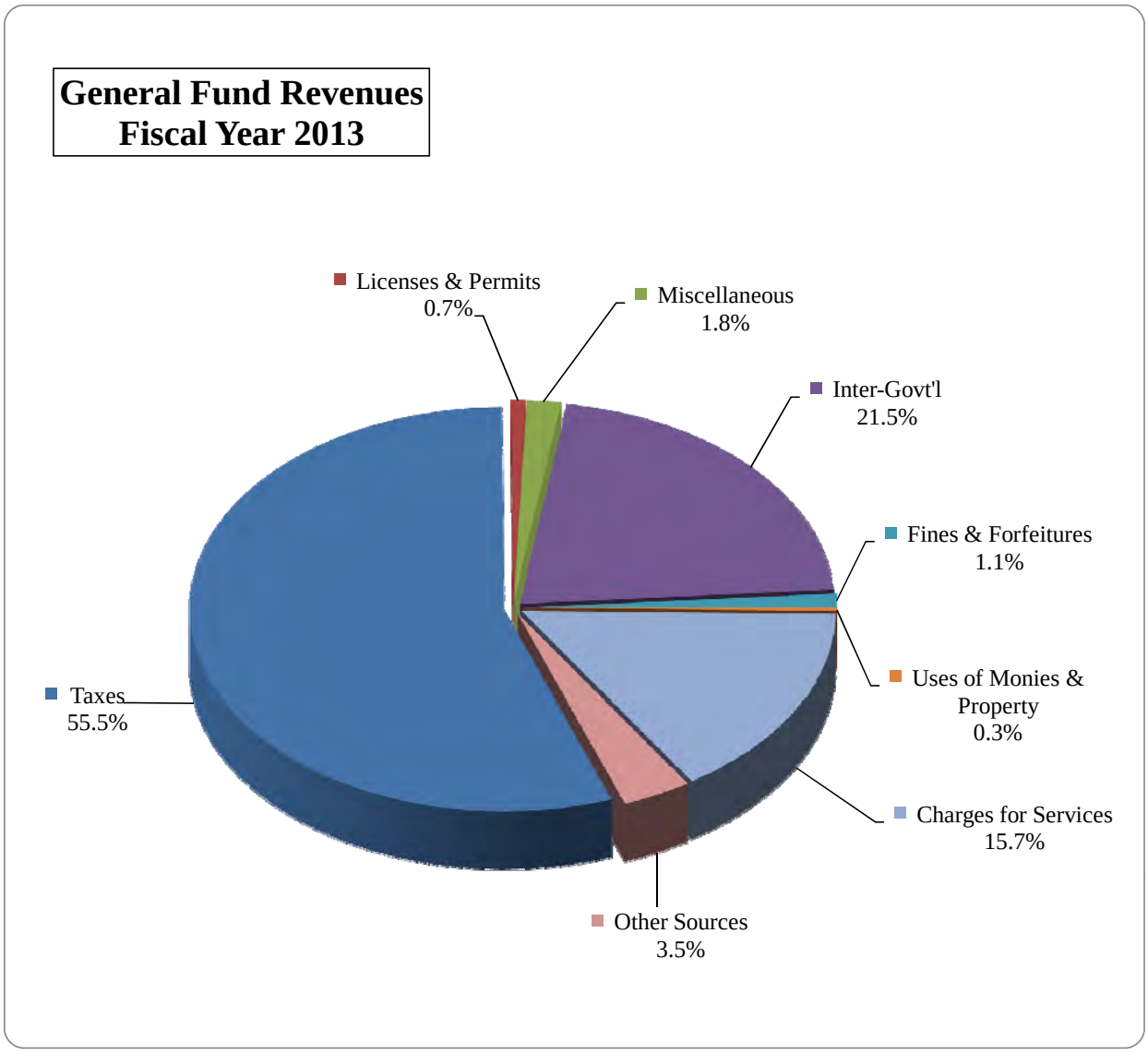
Revenues		Expenditures	
Taxes	$9,112,110	Personnel	$10,891,465
Licenses & Permits	119,675	Operating Supplies	650,135
Intergovernmental Revenues	3,530,640	Contractual Services	1,309,265
Charges for Services	2,592,440	Other Services and Charges	2,181,455
Fines & Forfeitures	163,310	Capital Outlay	1,955,630
Uses of Monies & Properties	43,130	Debt Service	332,790
Miscellaneous Revenues	289,495		
		Total Operating Expenditures	17,320,740
Total Operating Revenues	15,850,800		
Carryover Balance	6,212,935	Reserves	4,343,620
Other Sources	582,000	Other Uses	981,375
Total Revenues Available	$22,645,735	Total Expenditures	$22,645,735
Changes in Fund Balance - Inc./(Dec.)			($1,869,315)

General Fund Revenues Schedule

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Taxes					
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%
Licenses & Permits					
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%
Intergovernmental					
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	53,695	0	-100.00%
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	2,852,075	3,530,640	23.79%
Fines & Forfeitures					
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%
Uses of Monies & Properties					
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%

General Fund Revenues Schedule

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Charges for Service					
Spillman Fees	20,606	18,000	18,000	18,000	0.00%
Dispatch Fees	147,290	147,300	147,300	149,705	1.63%
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	2,592,440	6.32%
Miscellaneous Revenues					
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%
Subtotal	42,976	34,620	25,550	289,495	1033.05%
Other Financing Sources					
Transfers In	23,490	23,490	23,490	23,490	0.00%
Carryover	6,969,407	6,234,750	7,055,905	6,212,935	-11.95%
Lease Purchase	0	670,000	601,035	558,510	-7.08%
Subtotal	6,992,897	6,928,240	7,680,430	6,794,935	-11.53%
Total Revenues	$21,071,383	$21,784,395	$22,330,035	$22,645,735	1.41%



General Fund Revenues	
Taxes	$9,112,110
Licenses & Permits	119,675
Miscellaneous	289,495
Inter-Govt'l	3,530,640
Fines & Forfeitures	179,100
Uses of Monies & Property	43,130
Charges for Services	2,576,650
Other Sources	582,000
Sub Total	16,432,800
Carryover Balance	6,212,935
Total General Fund Revenues	$39,078,535

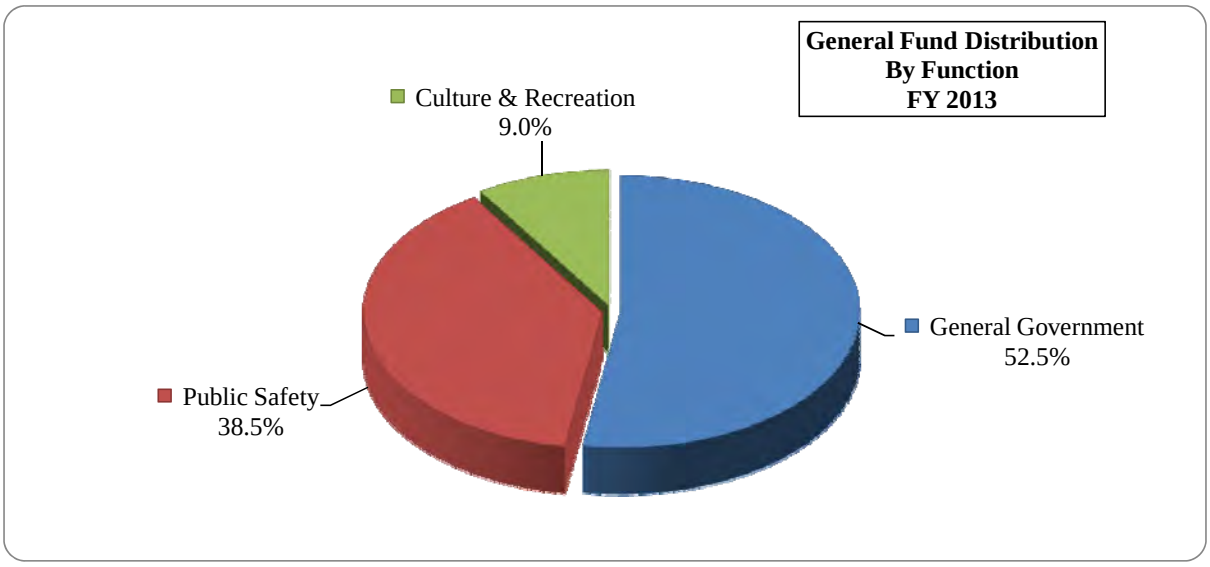
General Fund Revenues

	Taxes	Licenses & Permits	Inter-Govt'l	Charges for Services	Fines & Forfeitures	Uses of Monies & 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			0					
Fire & Emergency Services Grants			726,250					
Miscellaneous Grants			20,850					
Police Grants			80,600					
Dispatch Fees				$18,000				
Spillman Fees				149,705				
Animal Control Fees				3,000				
Recreation Fees/Rhythm & Ribs/10K Memorial Run/ Sizzilin S				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								$6,212,935
Lease Purchase Proceeds								$558,510
Transfers In								23,490
Totals	$9,112,110	$119,675	$3,530,640	$2,576,650	$179,100	$43,130	$289,495	$6,794,935

Total General Fund Revenues Available $22,645,735

General Fund Disbursement Schedule

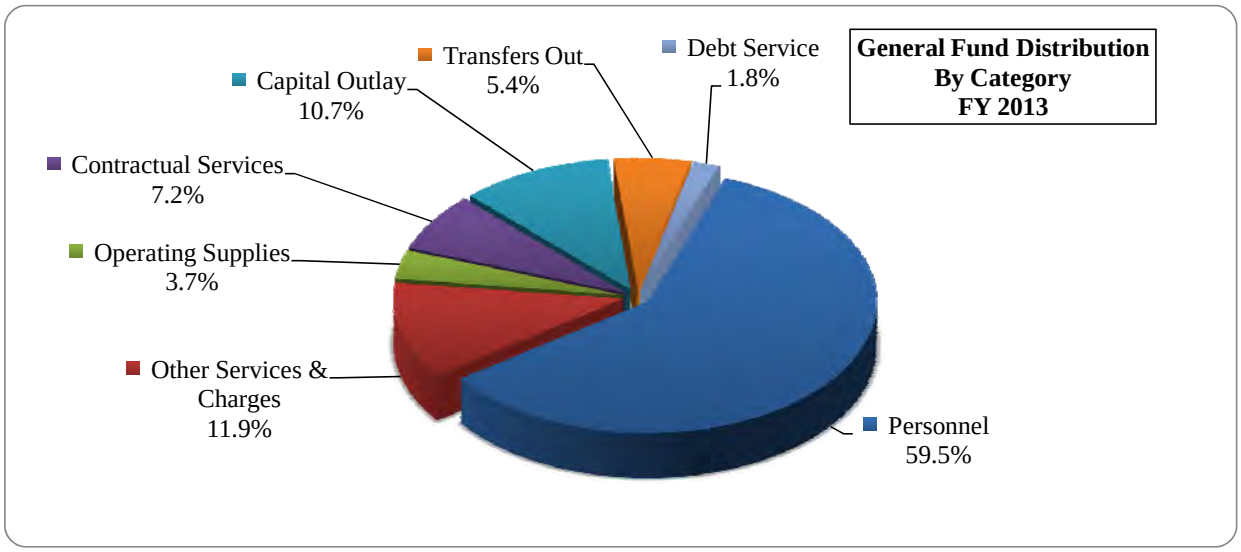
Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
General Government					
Administration	$640,873	$675,860	$670,400	$776,695	15.86%
Personnel	127,987	184,800	180,420	158,510	-12.14%
City Council	405,330	5,490,010	404,770	5,042,310	1145.72%
Natural Resource Project	48,854	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	340,420	673,395	97.81%
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	587,420	33.49%
Custodial	112,252	132,000	133,700	154,200	15.33%
Public Works	262,574	311,830	362,150	406,810	12.33%
Total General Government	5,767,953	11,778,745	6,455,300	11,891,940	84.22%
Public Safety					
Police	3,586,168	3,715,985	3,705,220	4,043,215	9.12%
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	3,172,470	3,693,955	16.44%
Total Public Safety	6,852,034	8,065,400	7,757,190	8,710,715	12.29%
Culture & Recreation					
Parks & Recreation	419,845	503,690	530,080	539,365	1.75%
Recreation Center	1,221,099	1,436,560	1,374,530	1,503,715	9.40%
Total Culture & Recreation	1,640,944	1,940,250	1,904,610	2,043,080	7.27%
Total General Fund Expenditures	$14,260,931	$21,784,395	$16,117,100	$22,645,735	40.51%



General Fund Expenditures By Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
General Government								
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	4,343,620
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	298,750	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	78,500	0	0	0
Custodial	0	200	154,000	0	0	0	0	0
Public Works	326,790	8,400	64,335	7,285	0	0	0	0
General Government Totals	3,626,830	141,435	918,330	1,025,060	522,500	981,375	332,790	4,343,620
Public Safety								
Police	3,112,730	263,500	38,560	229,295	399,130	0	0	0
Ordinance Enforcement	131,420	8,250	50,080	1,000	0	0	0	0
Communications	629,080	2,200	5,850	145,665	0	0	0	0
Fire	2,374,055	101,350	127,500	115,550	975,500	0	0	0
Public Safety Totals	6,247,285	375,300	221,990	491,510	1,374,630	0	0	0
Culture & Recreation								
Parks & Recreation	117,490	33,400	22,480	363,495	2,500	0	0	0
Recreation Center	899,860	100,000	146,465	301,390	56,000	0	0	0
Culture & Recreation Totals	1,017,350	133,400	168,945	664,885	58,500	0	0	0
General Fund Category Totals	$10,891,465	$650,135	$1,309,265	$2,181,455	$1,955,630	$981,375	$332,790	$4,343,620

Total General Fund Budget $22,645,735



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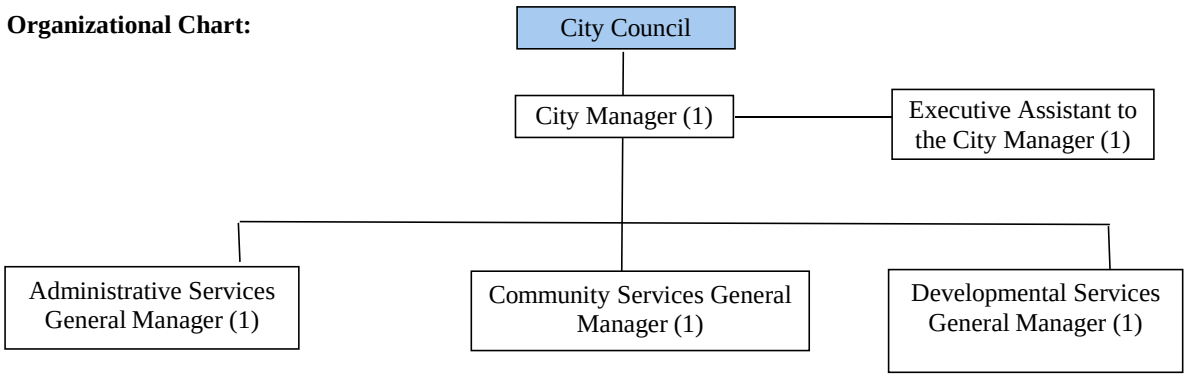
Administration

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:

The departments major change for FY 2013 would be the additional position tht was moved here from the City Clerk's Office. There is an offsetting savings in that department. No capital outlay has been programmed for FY 2013

General Government	Administration	Fund 01 - General Fund	Cost Center	10-00

Performance Indicators

Value Statement: Communicate and actively listen
Goal: Implement a citizen participation measurement and benchmark system.
Objective: Increase citizen participation and awareness of City departments and activities
Type of Measure: Outcome
Tool: Citizen Survey
Frequency: Bi-Annually
Scoring: Increase return of surveys mailed out
Trend: Up

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Percentage Returned	N/A	13%	15%	16%

Value Statement: Be responsive and accountable
Goal: Implement a performance measurement and benchmark system for all departments.
Objective: Ascertain citizen satisfaction with departments and focus on methods of improvement
Type of Measure: Outcome
Tool: Citizen Survey
Frequency: Bi-Annually
Scoring: Increase satisfaction rates on surveys returned
Trend: Upward

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Satisfaction Response Averages	N/A	3.9%	4.0%	4.2%

Value Statement: Communicate and actively listen
Goal: Public information notices and participate in televised outreach efforts
Objective: Increase citizen knowledge and participation in City activities
Type of Measure: Outcome
Tool: Quantity of Media Releases and Inside Cottonwood TV shows
Frequency: Monthly
Scoring: Increase outreach publication/TV events
Trend: Upward

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Media Outreach Events	N/A	18	30	33

Value Statement: Maintain a uniquely desirable and sustainable community
Goal: Increase number of strategic initiative goals completed
Objective: Accomplish listed strategic initiatives
Type of Measure: Outcome
Tool: Quantity of initiatives and goals addressed
Frequency: Annually
Scoring: Increase number of strategic initiative goals completed and/or begun
Trend: Upward

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Goals Completed Percentage	N/A	41%	48%	50%

General Government	Administration	Fund 01 - General Fund	Cost Center	10-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$640,873	$675,860	$670,400	$776,695	15.86%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$776,695	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	5.00	5.00	6.00			$740,620

General Government	Administration	Fund 01 - General Fund	Cost Center	10-00

Supplemental Data: Expenditures

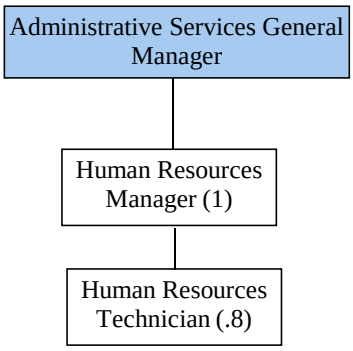
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	1,780	1,500	1,500	1,500	0.00%
Copier Supplies	7,632	1,500	1,100	1,320	20.00%
Gas & Oil	13	25	25	100	300.00%
Vehicle Maint & Repairs	44	0	300	0	-100.00%
Equipment Maint & Repairs	0	125	235	300	27.66%
Postage & Freight	75	150	100	150	50.00%
Total Supplies	9,544	3,300	3,260	3,370	3.37%
Contractual Services					
Computer Support	157	150	750	750	0.00%
Contractual Services	700	500	900	900	0.00%
Total Contractual Services	857	650	1,650	1,650	0.00%
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%
Total Other Services & Charges	18,597	28,795	37,325	31,055	-16.80%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
N/A					
	$0	$0	$0	$0	

Personnel

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:

This department's contractual services is reduced substantially for FY 2013 due to the one time expense of the Compensation Study that was initiated in FY 2012. No capital outlay has been budgeted for FY 2013

General Government	Personnel	Fund 01 - General Fund	Cost Center	10-01

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
Measures:	2010	2011	2012	2013
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
Measures:	2010	2011	2012	2013
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
Measures:	2010	2011	2012	2013
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
Summary By Category						
Expenditure Category		2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals		$127,987	$184,800	$180,420	$158,510	-12.14%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	$158,510	100.00%
	Total Funding	100.00%

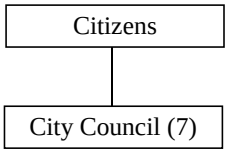
Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	2011	2012	2013	Minimum	Maximum	Budget
Human Resources Manager	1.00	1.00	1.00	3319	4812	$45,645
Human Resource Tech.	0.80	0.80	0.80	1788	2593	25,370
Emp of the Qtr/Year						650
Merit Contingency						1,060
Temporary / Reserves						0
Overtime						0
Retirement						8,105
Insurance & Taxes						18,720
Employee Related Expenses						5,000
Totals	1.80	1.80	1.80			$104,550

General Government	Personnel	Fund 01 - General Fund			Cost Center	10-01
Supplemental Data: Expenditures						
		2011	2012		2013	Percent
Item		Actual	Budget	Revised	Final	Change
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%
Total Supplies		5,810	6,090	7,420	6,865	-7.48%
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%
Total Contractual Services		157	41,150	37,460	7,465	-80.07%
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%
Total Other Services & Charges		18,324	38,250	38,530	39,630	2.85%

Supplemental Data: Capital Outlay					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Final	
N/A					
	$0	$0	$0	$0	

City Council

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:

The most significant changes for this department's FY 2013 budget are the growth study analysis which is being reprogrammed and the rollover of the library parking lot project. Also of note, is the addition of new programs totaling $2,000 for the Community Orchard, Fit Kids Disc Golf, and the Community Garden Kids Project. In addition, $10,000 has been added for the Christmas lights. The council contingency is fully funded at $35,000 and $600,000 has been set aside in the Council's reserves for the implementation of the compensation study.

General Government	City Council	Fund 01 - General Fund	Cost Center	11-00

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 Actual	2012 Budget	2012 Revised	2013 Final
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		
Total Capital Outlay	$33,106	$330,000	$10,000	$130,000

General Government	City Council	Fund 01 - General Fund			Cost Center	11-00
Summary By Category						
Expenditure Category		2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	4,343,620	0.00%
Department Totals		$405,330	$5,490,010	$404,770	$5,042,310	1145.72%

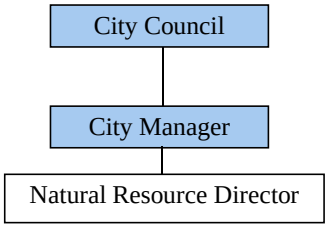
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	$698,690	13.86%
Grants	0	0.00%
Reserves/Fund Balance	4,343,620	86.14%
	Total Funding	100.00%

Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	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
						0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						3,540
Employee Related Expenses						0
Totals	7.00	7.00	7.00			$48,540

General Government	City Council	Fund 01 - General Fund		Cost Center	11-00
Supplemental Data: Expenditures					
	2011	2012		2013	Percent
Item	Actual	Budget	Revised	Final	Change
Supplies					
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%
Total Supplies	1,467	1,500	1,500	1,700	13.33%
Contractual Services					
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%
Total Contractual Services	251,652	207,750	261,110	267,360	2.39%
Other Services and Charges					
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%
Total Other Services & Charges	70,574	255,615	83,620	251,090	200.28%
Reserves					
Carryover Restricted	0	2,108,300	0	2,029,430	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%
Total Reserves	$0	$4,646,605	$0	$4,343,620	0.00%

Natural Resources

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:

The increases in personnel costs for FY 2013 are due to the Natural Resources Director's position being fully funded. No capital outlay has been programmed for this department in FY 2013.

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	11-01

Performance Indicators

Mission/Value Statement: Maintain a uniquely desirable and sustainable community
Goal: Continue participation in regional and statewide water related groups
Objective: Stay abreast of current and future water resource development and funding efforts both regionally and statewide and ensure the City's interests are protected and their concerns are fully addressed
Type of Measure: Outcome
Tool: Internal Reports
Frequency: Monthly
Scoring: Maintain projected attendance
Trend: Added new meeting FY 2012

	Actual		Estimated	Anticipated
Measures:	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

Mission/Value Statement: Maintain a uniquely desirable and sustainable community
Goal: Provide guidance for long-term water planning, quantify the needed water resources and the necessary water infrastructure needed over time
Objective: Collect, analyze and provide information in one location in order to provide the most cost effective, reliable service to the City's utility customers
Type of Measure: Output
Tool: Development of an integrated water resource management plan
Frequency: N/A
Scoring: Plan should be 100% completed by FY 2013
Trend: N/A - New Goal

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Completion of the Plan	N/A	N/A	50%	100%

Mission/Value Statement: Maintain a uniquely desirable and sustainable community
Goal: Monitor, track and provide feedback on legislation related to the regulation and management of water resources
Objective: Ensure the City's water resources and the utility services provided to its customers are not negatively impacted by statewide legislative efforts.
Type of Measure: Output/outcome
Tool: Weekly Legislative summary updates and recommendations to City Council
Frequency: Weekly during the legislative session
Scoring: 20
Trend: N/A - New Measure FY 2012

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$48,854	$164,195	$116,210	$167,510	44.14%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$167,510	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	0.00	1.00	1.00			$132,910

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	11-01

Supplemental Data: Expenditures

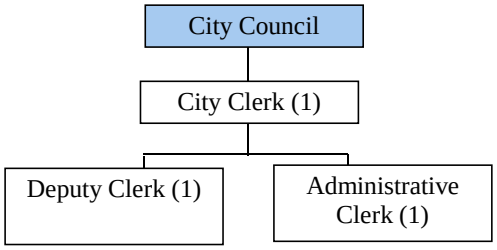
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	94	190	95	150	57.89%
Copier Supplies	22	50	25	50	100.00%
Postage & Freight	0	100	25	50	100.00%
Gas & Oil	0	1,600	0	0	0.00%
Vehicle Maintenance	0	250	0	0	0.00%
Total Supplies	116	2,190	145	250	72.41%
Contractual Services					
Contractual Services	48,265	32,000	32,000	30,000	-6.25%
Computer Support	64	100	75	100	33.33%
Total Contractual Services	48,329	32,100	32,075	30,100	-6.16%
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%
Total Other Services & Charges	409	5,500	3,125	4,250	36.00%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
Computer (iPad)			$400		
	$0	$0	$400	$0	

City Clerk

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. This budget includes an increase in other service & charges to cover the election costs scheduled for FY 2013. There is no capital outlay programmed for this department.

General Government	City Clerk	Fund 01 - General Fund	Cost Center	11-02

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

	Actual		Estimated	Anticipated
Measures:	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:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

General Government	City Clerk	Fund 01 - General Fund	Cost Center	11-02

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent 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%
Department Totals	$268,822	$266,265	$234,310	$218,755	-6.64%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$218,755	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	3.00	3.00	2.00			$170,520

General Government	City Clerk	Fund 01 - General Fund		Cost Center	11-02

Supplemental Data: Expenditures

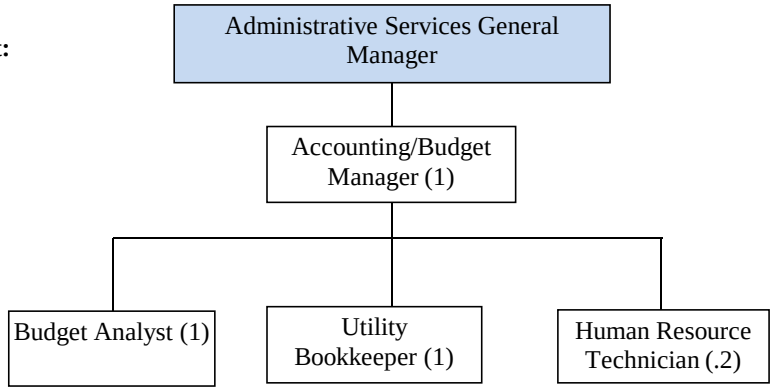
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	2,458	2,600	3,000	2,000	-33.33%
Copier Supplies	2,967	1,500	1,500	1,500	0.00%
Gas & Oil	88	150	150	150	0.00%
Vehicle Maint & Repairs	91	800	750	1,200	60.00%
Equipment Maint & Repairs	0	160	250	250	0.00%
Postage & Freight	1,204	1,800	800	200	-75.00%
Total Supplies	6,808	7,010	6,450	5,300	-17.83%
Contractual Services					
Computer Support	157	140	425	435	2.35%
Contractual Services	4	4,300	0	0	0.00%
Total Contractual Services	161	4,440	425	435	2.35%
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%
Total Other Services & Charges	43,538	32,160	12,810	42,500	231.77%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
Agenda Automation Software	$15,440	$9,650	$3,860		
Computer Replacement		1,500	1,500		
Total Capital Outlay	$15,440	$11,150	$5,360	$0	

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 major change for this department is the $300,000 programmed for the city wide software program which will roll 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 maintanance costs of the new city wide software program. This is estimated to be around $45,000 annualy. The E-Civis program at $18,000 will be eleminated in FY 2013 which is offsetting the increase in the contractual services account.

General Government	Finance	Fund 01 - General Fund	Cost Center	12-00

Performance Indicators

Council Priority Strive to Provide Effective and Efficient Services
Goal: To maintain external validation of Best Practices in governmental accounting and reporting
Objective: Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award
Type of Measure: Outcome
Tool: Produce Documents and Submit for Review
Frequency: Annual
Scoring: Yes/No
Trend: Level

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
GFOA Certificate of Achievement	Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes

Council Priority Strive to Provide Effective and Efficient Services
Goal: Increase the percent of ACH Payroll Deposits
Objective: Reduce the cost of processing Payroll
Type of Measure: Outcome
Tool: Accounting Software Reports
Frequency: Annual
Scoring: ACH to total Checks and Direct Deposits - good 80%
Trend: Up

	Actual		Estimated	Anticipated
Measures:	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%

Council Priority Strive to Provide Effective and Efficient Services
Goal: Decrease the number of voided Checks to less than 2%
Objective: Increase the integrity of the purchasing process, avoiding duplicate invoice/payments and reducing the cost of processing Accounts Payable
Type of Measure: Outcome
Tool: Accounting Software Reports
Frequency: Annual
Scoring: < 2%
Trend: Up - FY 2010 the increase is mainly due to the frozen AP position

	Actual		Estimated	Anticipated
Measures:	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%

Council Priority Strive to Provide Effective and Efficient Services
Goal: Increase tax payer awareness of tax responsibility
Objective: To collect all sales tax that is due to the City of Cottonwood
Type of Measure: Outcome
Tool: Reports from Sales Tax Auditor
Frequency: Annual
Scoring: Increase/Decrease from Prior Year
Trend: Steady

	Actual		Estimated	Anticipated
Measures:	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
Summary By Category						
Expenditure Category		2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	3,940	298,750	7482.49%
Debt Service		0	0	0	0	0.00%
Department Totals		$342,974	$654,435	$340,420	$673,395	97.81%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	$673,395	100.00%
	Total Funding	100.00%

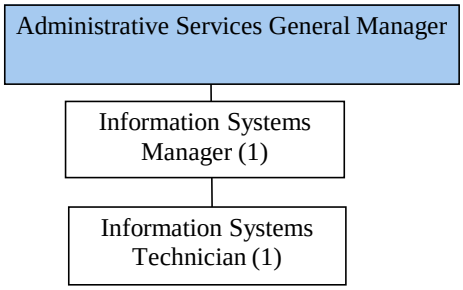
Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	2011	2012	2013	Minimum	Maximum	Budget
Accounting/Budget Manager	1.00	1.00	1.00	3487	5056	61,320
Human Resource Tech	0.20	0.20	0.20	447	648	6,340
Accounting Tech II	1.00	1.00	1.00	2933	4253	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
Totals	3.20	3.20	3.20			$228,910

General Government	Finance	Fund 01 - General Fund			Cost Center	12-00
Supplemental Data: Expenditures						
		2011	2012		2013	Percent
Item		Actual	Budget	Revised	Final	Change
Supplies						
Office Supplies		1,703	2,500	1,700	2,000	17.65%
Copier Supplies		1,879	1,900	2,000	2,000	0.00%
Gas & Oil		54	50	0	0	0.00%
Vehicle Maint/Repairs		3	800	350	350	0.00%
Equipment Maint/Repairs		176	0	1,400	1,400	0.00%
Postage & Freight		2,380	2,800	2,800	2,800	0.00%
Total Supplies		6,195	8,050	8,250	8,550	3.64%
Contractual Services						
Computer Support		5,922	400	675	720	6.67%
Contractual Services		25,201	26,000	27,000	57,000	111.11%
Audit Expense		37,005	37,750	38,800	29,000	-25.26%
Sales Tax Audits		19,510	17,500	20,000	20,000	0.00%
Total Contractual Services		87,638	81,650	86,475	106,720	23.41%
Other Services and Charges						
Travel & Training		4,180	3,500	4,500	4,500	0.00%
Subscriptions & Memberships		960	1,500	960	960	0.00%
Printing & Forms		4,156	2,000	2,500	2,500	0.00%
Utilities		4,423	4,500	4,860	5,005	2.98%
Telephone		2,779	2,500	3,800	4,000	2.98%
Legal Advertising		1,235	1,500	1,500	1,500	0.00%
Bank Charges		34,968	38,000	12,000	12,000	5.26%
Total Other Services & Charges		52,701	53,500	30,120	30,465	1.15%

Supplemental Data: Capital Outlay					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Final	
Computers			$2,690		
City-Wide Software Program		$300,000	1,250	$298,750	
	$0	$300,000	$3,940	$298,750	

IT Services

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 this department's personnel costs is due to the IT Technician position being funded for the full fiscal year. No capital outlay has been programmed for FY 2013

General Government	IT Services	Fund 01 - General Fund	Cost Center	12-01

Performance Indicators

Value Statement: Strive to Provide Effective and Efficient Services
Goal: Continue to maintain a less than 2% down time
Objective: Reduce server down time by maintaining and upgrading servers as needed and responding quickly to service calls.
Type of Measure: Outcome
Tool: Call Logs and system reports
Frequency: Annual
Scoring: 98%
Trend: Level

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
File Server Uptime	99.93%	99.90%	99.00%	99.00%

Value Statement: Strive to Provide Effective and Efficient Services
Goal: To respond to service calls within two days
Objective: To provide responsive internal service to all departments thereby maximizing technology's effectiveness.

Type of Measure: Outcome
Tool: Call Logs and system reports
Frequency: Annual
Scoring: 2 days
Trend: Level

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Average Initial Helpdesk Response Time	1 day	1 day	1 day	1 day

Value Statement: Strive to Provide Effective and Efficient Services
Goal: To post Agendas and Minutes to the website the same day they are made available to IT
Objective: To make the Agendas and Minutes available to the public as soon as possible
Type of Measure: Outcome
Tool: Call Logs
Frequency: Annual
Scoring: Same day
Trend: Level

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	$109,827	$125,610	$247,055	$169,730	-31.30%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$169,730	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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	1.00	2.00	2.00			$136,230

General Government	IT Services	Fund 01 - General Fund		Cost Center	12-01

Supplemental Data: Expenditures

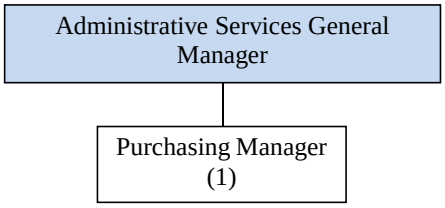
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	513	700	1,690	1,000	-40.83%
Copier Supplies	97	500	350	350	0.00%
Gas & Oil	77	400	100	400	300.00%
Vehicle Maintenance & Repair	362	700	150	500	233.33%
Equipment Maint/Repairs	67	500	0	0	0.00%
Printing & Forms	0	100	0	0	0.00%
Postage & Freight	0	100	0	0	0.00%
Total Supplies	1,116	3,000	2,290	2,250	-1.75%
Contractual Services					
Computer Support	3,987	3,500	1,000	1,000	0.00%
Contractual Services	21,341	16,000	36,000	25,000	-30.56%
Total Contractual Services	25,328	19,500	37,000	26,000	-29.73%
Other Services and Charges					
Travel & Training	0	500	200	500	150.00%
Subscriptions & Memberships	0	400	400	500	25.00%
Utilities	1,010	950	2,250	2,250	0.00%
Telephone	1,079	2,000	1,200	2,000	66.67%
Total Other Services & Charges	2,089	3,850	4,050	5,250	29.63%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
Microwave Internet - City Wide Project	$11,252	$17,305	$28,500		
Security Software		15,000			
Copier	1,806				
Server UPS	519				
Servers for City Wide Software System			60,000		
	$13,577	$32,305	$88,500	$0	

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:

This department doesn't have any significant changes. However, contractual services has decreased due to the one time service to create templates for bidding and contracts which was completed in FY 2012. There is no capital outlay programmed for FY 2013

General Government	Purchasing	Fund 01 - General Fund	Cost Center	12-02

Performance Indicators

Value Statement: Operating in an efficient and effective manner
Goal: To process requisitions into purchase orders within a 24 hour time period after requisitions have been approved
Objective: To make purchases for requested material goods, services and construction in a timely manner
Type of Measure: Outcome
Tool: Total or length of time
Frequency: Annually
Scoring: 100% = Excellent; 90% = Good; 80% = Fair; below 80% = Poor
Trend: N/A - New Measure

Measures:	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%

Value Statement: Operating in an efficient and effective manner
Goal: To process formal solicitation requests within two (2) weeks of receiving completed specifications
Objective: To issue solicitations for requested material goods, services and construction in a timely manner.
Type of Measure: Outcome
Tool: Total or length of time
Frequency: Annually
Scoring: 100% = Excellent; 90% = Good; 80% = Fair; below 80% = Poor
Trend: N/A - New Measure

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$16,656	$73,010	$77,255	$74,120	-4.06%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$74,120	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

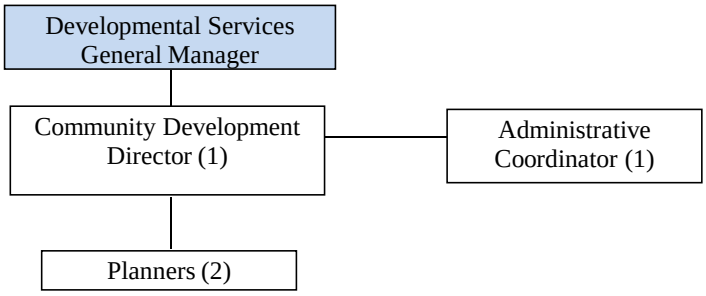
Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
Purchasing Manager	1.00	1.00	1.00	3487	5056	$52,005
Merit Contingency						345
Temporary / Reserves						0
Longevity Pay						0
Retirement						5,830
Insurance & Taxes						11,400
Employee Related Expenses						0
Totals	1.00	1.00	1.00			$69,580

General Government	Purchasing	Fund 01 - General Fund			Cost Center	12-02
Supplemental Data: Expenditures						
Item		2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	-60.00%
Gas & Oil		0	0	0	0	0.00%
Equipment Maint/Repairs		0	0	450	100	-77.78%
Total Supplies		30	1,180	1,945	1,500	-22.88%
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%
Total Contractual Services		6,218	3,240	4,800	120	-97.50%
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%
Total Other Services & Charges		691	2,950	4,465	2,920	-34.60%

Supplemental Data: Capital Outlay					
Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
Desktop Computers	$1,523				
	$1,523	$0	$0	$0	

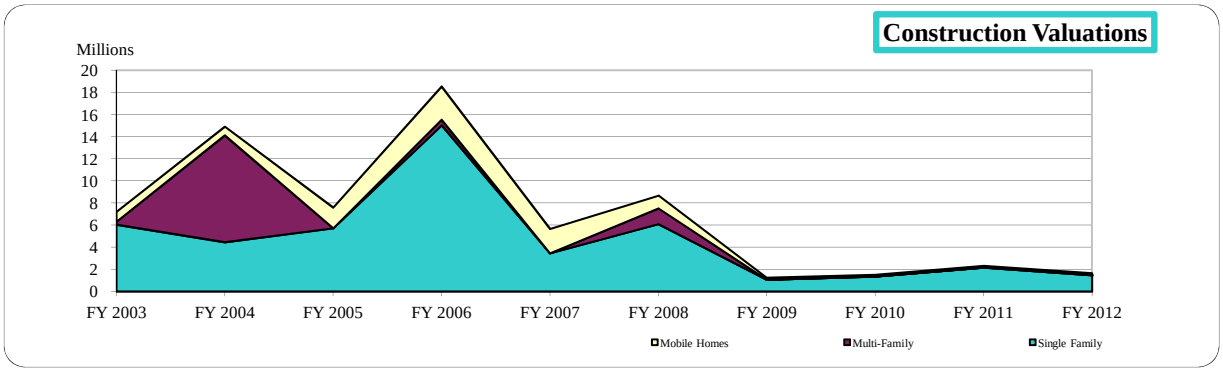
Community Development

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 prending re-adoption of the General Plan

General Government	Community Development	Fund 01 - General Fund	Cost Center	13-00

Performance Indicators

Council Priority Strive to maintain a uniquely desirable and sustainable community
Goal: Upgrade Staff Technologies
Objective: Enhancements to web, GIS and tracking of permits & enforcement

Type of Measure Completion of this process
Tool: Acquisition and installation of software
Frequency: 5 yrs
Scoring: 100% by 2014
Trend: N/A New Measure

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Percent of Completion	N/A	N/A	0%	50%

Council Priority Strive to maintain a uniquely desirable and sustainable community
Goal: To preserve the integrity of the City's General Plan
Objective: Re-Adoption of the City's General Plan by 2015
Type of Measure Completion of this process
Tool: General Plan Re-Adoption Calendar
Frequency: 10 Years
Scoring: 100% by 2015
Trend: N/A New Measure

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Percent of Completion	N/A	N/A	30%	40%

Council Priority Strive to maintain a uniquely desirable and sustainable community
Goal: Current emphasis: Environment, Historic preservation, Bicycle Plan
Objective: Codes re: Historic Dist Zoning, Green Development, & Bronze Bicycle Classification
Type of Measure Adoption of these codes
Tool: Process Calendars
Frequency: Continuous
Scoring: 100% BY 2014
Trend: N/A New Measure

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Percent of Completion	N/A	N/A	N/A	100%

Council Priority Strive to maintain a uniquely desirable and sustainable community
Goal: Annexation of 10 Square miles of State Trust Block on 89A
Objective: Completion of state board process
Type of Measure State Board approval of land use, planning and pre-annexation agreement
Tool: Process Calendars
Frequency: Once
Scoring: 100% by 2014
Trend: N/A New Measure

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$314,558	$313,285	$311,905	$329,010	5.48%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$329,010	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	4.00	4.00	4.00			$299,740

General Government	Community Development	Fund 01 - General Fund	Cost Center	13-00

Supplemental Data: Expenditures

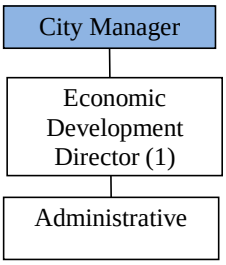
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	1,207	1,500	1,900	1,500	-21.05%
Copier Supplies	2,942	3,000	3,000	3,000	0.00%
Postage & Freight	966	600	1,000	1,000	0.00%
Gas & Oil	579	800	600	800	33.33%
Vehicle Maint & Repairs	783	800	800	800	0.00%
Equipment Maint & Repairs	536	300	600	500	-16.67%
Total Supplies	7,013	7,000	7,900	7,600	-3.80%
Contractual Services					
Computer Support	314	370	630	650	3.17%
Total Contractual Services	314	370	630	650	3.17%
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%
Total Other Services & Charges	11,121	11,205	15,825	20,020	26.51%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
Desktop computer	$4,915				
Bike Racks & Trail Signage				$1,000	
	$4,915	$0	$0	$1,000	

Economic Development

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

Performance Indicators

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Increase the level of business retention and expansion of existing business
Objective: Help increase local business effectiveness leading to better retention rates and expansion
Type of Measure: Outcome
Tool: Business retention and expansion surveys
Frequency: Yearly
Scoring: Increase/decrease yearly
Trend: N/A new measure FY 2013

	Actual		Estimated	Anticipated
Measures:	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

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Increase the level of new businesses interested in locating in Cottonwood
Objective: Increase lead activity
Type of Measure: Outcome
Tool: County reports, business registrations
Frequency: Annual
Scoring: Increase/decrease from prior year
Trend: up

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Unemployment Rate (Yavapai County)	10%	10%	10%	9%
Number of new businesses	N/A	N/A	5	10

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Provide excellent customer service and more value added use of facility and 100% occupancy
Objective: Increase usage of facility
Type of Measure: Outcome
Tool: Usage reports, training surveys
Frequency: Yearly
Scoring: Desired growth would be 50 new customers per year
Trend: level

	Actual		Estimated	Anticipated
Measures:	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

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Increase exposure to outside value added resources, i.e. ACA, AAED, etc
Objective: Increase the level of support from outside sources to help grow our economy
Type of Measure: Outcome
Tool: Arizona Commerce Authority reports
Frequency: Annual
Scoring: Steady increase desired
Trend: Increasing

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$96,565	$102,905	$118,590	$151,025	27.35%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$151,025	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	1.00	2.00	2.00			$116,040

General Government	Economic Development	Fund 01 - General Fund	Cost Center	15-00

Supplemental Data: Expenditures

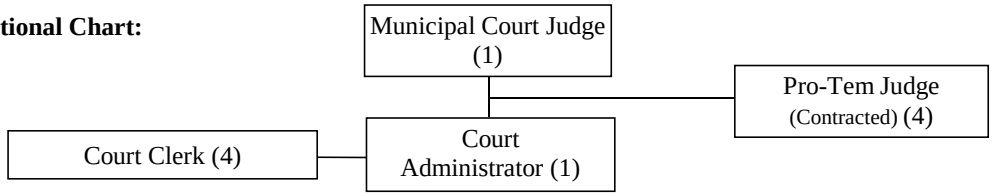
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	7	200	300	300	0.00%
Copier Supplies	909	960	2,100	2,100	0.00%
Postage & Freight	1	0	20	0	-100.00%
Gas & Oil	153	150	150	150	0.00%
Vehicle Maint & Repairs	85	0	10	0	-100.00%
Equipment Maint & Repairs	0	0	500	500	0.00%
Total Supplies	1,155	1,310	3,080	3,050	-0.97%
Contractual Services					
Computer Support	75	75	225	265	17.78%
Contractual Services	0	0	0	0	0.00%
Total Contractual Services	75	75	225	265	17.78%
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%
Total Other Services & Charges	17,160	25,840	19,960	30,170	51.15%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
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:

This department doesn't have any major changes and no capital outlay has been budgeted for FY 2013

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	17-00

Performance Indicators

Council Priority Strive to maintain a uniquely desirable and sustainable community
Goal: Ensure public receives adequate access to court services and is treated fairly
Objective: Measure public access and fairness by conducting an annual survey
Type of Measure: Outcome
Tool: Survey
Frequency: Annual
Scoring: Rating of 90-100%
Trend: N/A New Measure

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
National Center for State Courts Court Tools Survey	n/a	n/a	91%	92%

Council Priority Strive to maintain a uniquely desirable and sustainable community
Goal: Manage cases in compliance with all legal requirements
Objective: Measure case filings and terminations to clearance rates
Type of Measure: Number of outgoing cases as a percentage to number of incoming cases
Tool: Total Incoming Cases ÷ Total Outgoing Cases
Frequency: Annual by Calendar Year
Scoring: Clearance rate of 90 - 100%
Trend: N/A New Measure

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$389,619	$425,435	$401,020	$431,760	7.67%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$431,760	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	6.00	6.00	6.00			$342,780

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	17-00

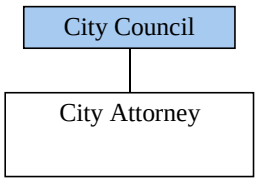
Supplemental Data: Expenditures

Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Total Supplies	7,412	8,200	8,070	8,070	0.00%
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%
Total Contractual Services	49,543	70,750	48,750	48,800	0.10%
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%
Total Other Services & Charges	22,978	27,550	31,830	32,110	0.88%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
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:

This department doesn't have any major changes and no capital outlay has been programmed for FY 2013

Performance Indicators

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

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:
Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:
Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

General Government	Legal	Fund 01 - General Fund	Cost Center	18-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$301,270	$317,580	$281,975	$323,835	14.85%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$323,835	100.00%
	Total Funding	100.00%

General Government	Legal	Fund 01 - General Fund	Cost Center	18-00

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	1.00	1.00	1.00			$187,260

General Government	Legal	Fund 01 - General Fund			Cost Center	18-00
Supplemental Data: Expenditures						
		2011	2012		2013	Percent
Item		Actual	Budget	Revised	Final	Change
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%
Total Supplies		469	320	350	125	-64.29%
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%
Total Contractual Services		119,541	134,000	104,000	129,000	24.04%
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%
Total Other Services & Charges		6,943	8,100	6,860	7,450	8.60%

Supplemental Data: Capital Outlay					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Final	
Laptop			$1,685		
	$0	$0	$1,685	$0	

Non-Departmental

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:

No significant changes are planned for this department in FY 2013

General Government	Non-Departmental	Fund 01 - General Fund	Cost Center	23-00

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

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:
Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:

Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

General Government	Non-Departmental	Fund 01 - General Fund	Cost Center	23-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$1,270,748	$1,590,285	$1,681,245	$1,739,375	3.46%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$1,739,375	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

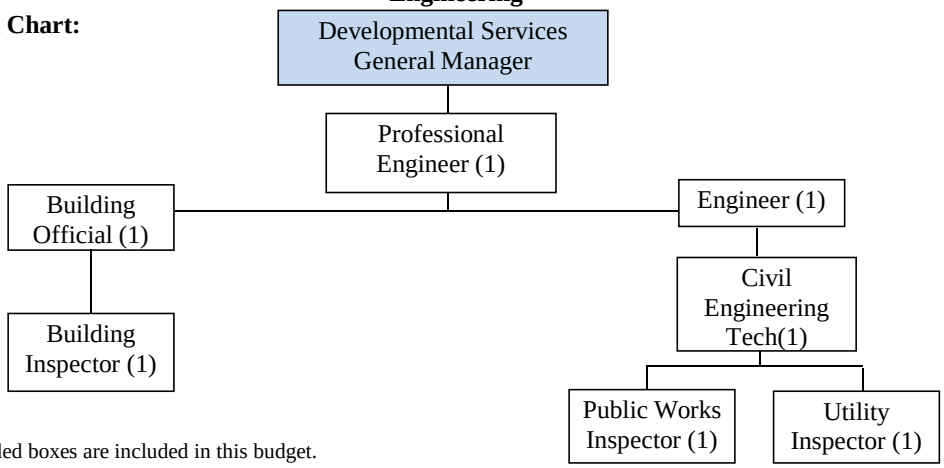
Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
Not Applicable						
Temporary / Reserves						
Overtime						
Retirement						
Insurance & Taxes						
Employee Related Expenses						
Totals	0.00	0.00	0.00			$0

General Government	Non-Departmental	Fund 01 - General Fund			Cost Center	23-00
Supplemental Data: Expenditures						
Item		2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies						
N/A		0	0	0	0	0.00%
Total Supplies		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%
Total Contractual Services		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%
Total Other Services & Charges		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%
Total Debt Service		311,185	370,450	352,865	332,790	-5.69%

Supplemental Data: Operating Transfers					
Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	

Engineering

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

Performance Indicators

**** Performance Measures are still being developed for this Department***

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual	Estimated	Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:

Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

General Government	Engineering	Fund 01 - General Fund	Cost Center	19-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$534,611	$523,595	$453,815	$487,480	7.42%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$487,480	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Overtime						735
Retirement						33,650
Insurance & Taxes						100,475
Employee Related Expenses						1,500
Totals	7.00	6.00	6.00			$437,945

General Government	Engineering	Fund 01 - General Fund	Cost Center	19-00

Supplemental Data: Expenditures

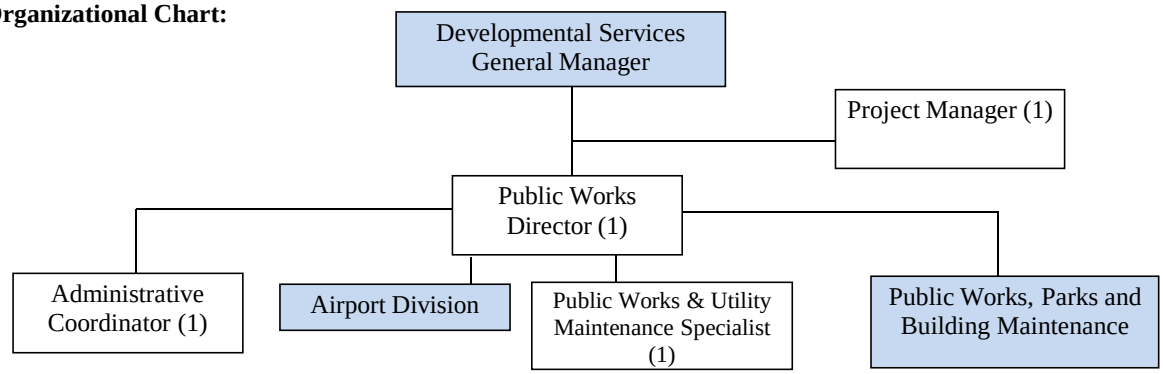
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	735	750	3,000	1,500	-50.00%
Copier Supplies	1,164	2,250	2,250	2,500	11.11%
Gas & Oil	3,165	2,750	4,705	5,500	16.90%
Vehicle Maint & Repairs	7,029	3,500	3,500	4,000	14.29%
Equipment Maint & Repairs	8	1,200	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%
Total Supplies	13,098	13,150	16,105	18,550	15.18%
Contractual Services					
Computer Support	1,612	1,500	1,400	1,500	7.14%
Total Contractual Services	1,612	1,500	1,400	1,500	7.14%
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%
Total Other Services & Charges	9,354	15,560	13,720	16,735	21.98%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
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

Performance Indicators

Value Statement: Strive to Provide Effective and Efficient Services
Goal: Keep the Transfer Station open to the public as much as possible
Objective: Increase hours of operations at the transfer station while maintaining a positive cash flow
Type of Measure: Efficiency
Tool: Cash Reconciliation Sheets
Frequency: Weekly
Scoring: Average monthly cost recovery (Revenue ÷ Cost) is positive
Trend: N/A New Measure FY 2012

	Actual		Estimated	Anticipated
Measures:	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%

Value Statement: Strive to Provide Effective and Efficient Services
Goal: Analyze the current work stream to verify work is being completed in a timely manner
Objective: Begin tracking work orders and show that 75% of work orders are begun with 48 hours
Type of Measure: Efficiency
Tool: Work Orders
Frequency: Monthly
Scoring: Percent completed within 48 hours are >75% = Excellent: 70%-75% = Acceptable: <70% needs review
Trend: N/A New Measure FY 2013

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$262,574	$311,830	$362,150	$406,810	12.33%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$296,810	72.96%
Transfer Station Fees	110,000	27.04%
Total Funding		100.00%

Supplemental Data: Personnel

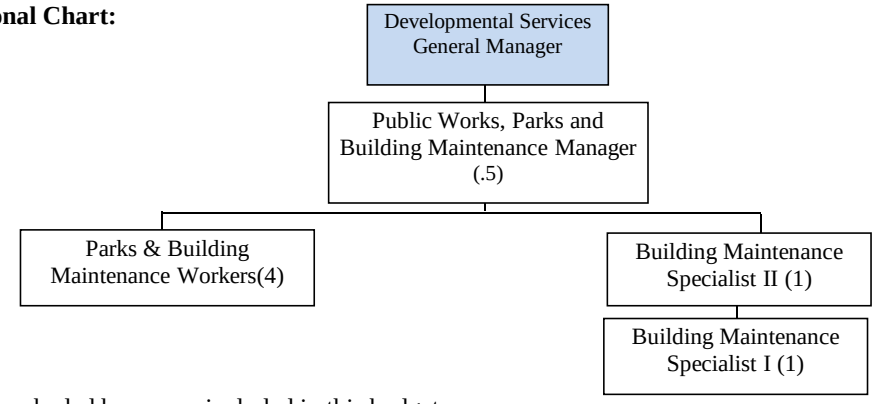
Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
Public Works Director	1.00	0.00	0.00	4689	6799	$0
Developmental Svcs Ops Mgr	0.00	1.00	1.00	4248	6160	61,900
Administrative Coordinator	1.00	1.00	1.00	2235	3241	31,970
Program Manager	1.00	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
Totals	3.00	4.00	4.00			$326,790

General Government	Public Works	Fund 01 - General Fund			Cost Center	22-00
Supplemental Data: Expenditures						
		2011	2012		2013	Percent
Item		Actual	Budget	Revised	Final	Change
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%
Total Supplies		4,110	8,650	6,565	8,400	27.95%
Contractual Services						
Computer Support		1,545	1,575	1,200	1,185	-1.25%
Contractual Services		438	0	15,730	63,150	301.46%
Total Contractual Services		1,983	1,575	16,930	64,335	280.01%
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%
Total Other Services & Charges		5,813	5,735	5,720	7,285	27.36%

Supplemental Data: Capital Outlay					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Final	
N/A					
	$0	$0	$0	$0	

Parks & Building Maintenance

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, $40,000 for 3 play apparatus and $5,000 for a field groomer.

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund	Cost Center	21-00

Value Statement: Strive to maintain a uniquely desirable and sustainable community
Goal: Maintain existing acres of field mowed
Objective: Mow all City owned/maintained turf weekly during mowing season
Type of Measure: Acres of field mowed
Tool: System monitoring
Frequency: Weekly
Scoring: Field acre
Trend: Maintain existing acres of field mowed

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Acres of turf	31	35	35	35

Value Statement: Strive to maintain a uniquely desirable and sustainable community
Goal: Provide park, grounds and building maintenance and respond in a timely manner
Objective: Begin tracking work orders and respond to 75% of work orders within 48 hours
Type of Measure: Outcome
Tool: Work Orders
Frequency: Monthly
Scoring: % above 75%
Trend: Steady Improvement

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Percentage of work orders responded to within 48 hours	NA	NA	75%	80%

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund	Cost Center	21-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	78,500	823.53%
Debt Service	0	0	0	0	0.00%
Department Totals	$524,433	$427,645	$440,060	$587,420	33.49%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$587,420	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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	8.00	6.50	6.50			$284,415

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund	Cost Center	21-00

Supplemental Data: Expenditures

Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Total Supplies	50,431	58,400	61,900	65,655	6.07%
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%
Total Contractual Services	34,040	44,600	39,130	78,430	100.43%
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%
Total Other Services & Charges	96,753	53,425	71,770	80,420	12.05%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
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
Field Groomer				5,000
	$6,511	$10,800	$8,500	$78,500

Custodial Services

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. Increases for FY 2013 include the addition of the Transit building and Utility building to the contract.

Culture & Recreation	Custodial Services	Fund 01 - General Fund	Cost Center	21-01

Performance Indicators

Value Statement: 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.

Goal: Continue to provide quality full service custodial operations with a constant reliance upon efficiency and sa

Objective: Increase quality control and effective operational support to staff thereby mitigating poor services city wide.

Type of Measure: Monthly quality control and operations review through facility staff critique of services

Tool: Monthly Evaluation totals on Service Review forms

Frequency: Monthly

Scoring: Increase in monthly average totals

Trend: upward

	Actual		Estimated	Anticipated
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	200	200	0.00%
Contractual Services	112,252	132,000	133,500	154,000	15.36%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$112,252	$132,000	$133,700	$154,200	15.33%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$154,200	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
Custodian	0.00	0.00	0.00	N/A		$0
Clothing Allowance						0
Merit Contingency						0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Culture & Recreation	Custodial Services	Fund 01 - General Fund	Cost Center	21-01

Supplemental Data: Expenditures

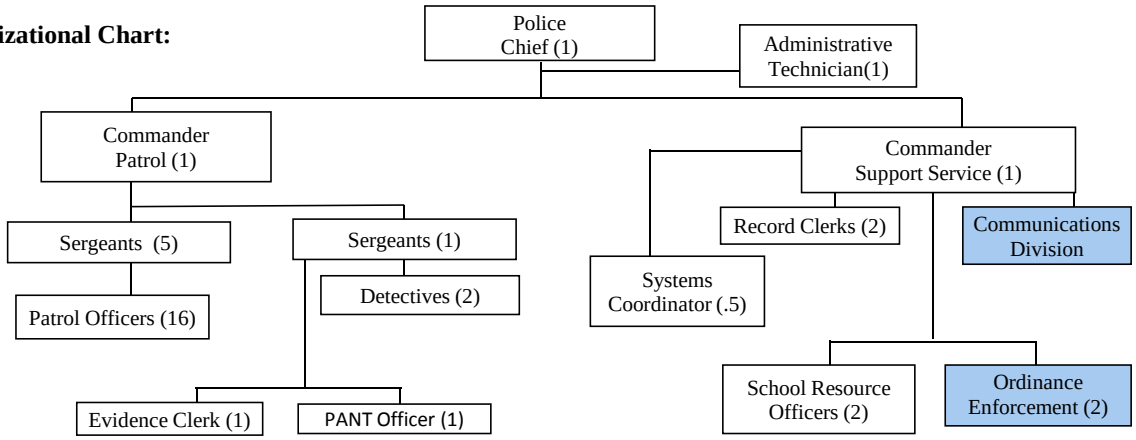
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Janitorial Supplies	0	0	200	200	0.00%
Total Supplies	0	0	200	200	0.00%
Contractual Services					
Custodial Contract	112,252	132,000	133,500	154,000	15.36%
Total Contractual Services	112,252	132,000	133,500	154,000	15.36%
Other Services and Charges					
Equipment Rental	0	0	0	0	0.00%
Total Other Services & Charges	0	0	0	0	0.00%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
N/A					
	$0	$0	$0	$0	0.00%

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)
* Reinstituted 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. For FY 2013 the increase in the phone account is due to the aircards no longer being suported by the RICO grant

Public Safety	Police	Fund 01 - General Fund	Cost Center	14-00

Performance Indicators

Value Statement: Be Responsive and Accountable
Goal: Ensure the safety of the citizens through public safety efforts and programs
Objective: 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
Type of Measure: Outcome
Tool: System reports
Frequency: Annual
Scoring: Increase from prior year incidents
Trend: Steady

Measures:		Actual 2010	Actual 2011	Estimated 2012	Anticipated 2013
Programs to Civic Groups and School Presentations	Input	75	180	200	200
Number of People Contacted	Input	2,684	2,864	5,000	3,000
Total Calls for Service	Work load	16,737	14,560	15,000	17,000
Crimes Reported	Work load	1,640	1,492	1,600	1,700
Crimes Solved	Input	662	596	650	650
Solved Crime Rate	Outcome	40%	40%	41%	45%

Value Statement: Be Responsive and Accountable
Goal: Ensure the safety of the citizens through public safety efforts and programs
Objective: Reduce the number of traffic crashes and Alcohol related crashes in the city
Type of Measure: **Outcome**
Tool: System reports and http://www.azdot.gov/mvd/statistics/crash/
Frequency: Annual
Scoring: Reduce from prior year incidents
Trend: Down

Measures:		Actual 2010	Actual 2011	Estimated 2012	Anticipated 2013
Traffic: Citations	Work load	2,116	2,084	2,084	2,000
Traffic: Written Warnings	Work load	824	644	644	800
Total traffic crashes reported in city	Outcome	308	276	250	200
Alcohol related traffic crashes	Outcome	24	19	10	15

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
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				2,975
File Storage Movable Units				7,000
Animal Control Restraint				3,390
Rifles				2,600
Emergency Operation Center Equipment				10,000
Phones		500	500	
	$53,018	$161,465	$162,980	$399,130

Public Safety	Police	Fund 01 - General Fund	Cost Center	14-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$2,950,911	$3,095,250	$3,072,330	$3,112,730	1.31%
Operating Supplies	204,614	205,505	249,940	263,500	5.43%
Contractual Services	53,205	33,210	38,380	38,560	0.47%
Other Services and Charges	324,420	220,555	181,590	229,295	26.27%
Capital Outlay	53,018	161,465	162,980	399,130	144.90%
Debt Service	0	0	0	0	0.00%
Department Totals	$3,586,168	$3,715,985	$3,705,220	$4,043,215	9.12%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$3,602,985	89.11%
Inter-local Govt'l Contracts	0	0.00%
Lease Purchase	352,715	8.72%
Grants	87,515	2.16%
Total Funding		100.00%

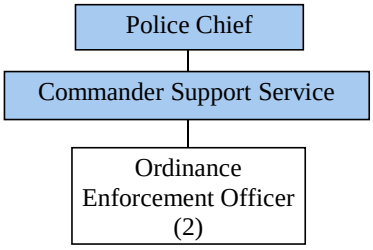
Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	36.00	37.00	36.00			$3,112,730

Public Safety	Police	Fund 01 - General Fund		Cost Center	14-00
Supplemental Data: Expenditures					
	2011	2012		2013	Percent
Item	Actual	Budget	Revised	Final	Change
Supplies					
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	103,390	108,000	4.46%
Vehicle Maint & Repairs	61,764	75,000	88,000	92,000	4.55%
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%
Total Supplies	204,614	205,505	249,940	263,500	5.43%
Contractual Services					
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%
Total Contractual Services	53,205	33,210	38,380	38,560	0.47%
Other Services and Charges					
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	41,645	69.98%
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	45,000	15,000	-66.67%
Misc. Grants	0	5,000	2,000	18,350	817.50%
Total Other Services & Charges	324,420	220,555	181,590	229,295	26.27%

Ordinance Enforcement

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:

This department doesn't have any major changes and no capital outlay has been budgeted for FY 2013

Public Safety	Ordinance Enforcement	Fund 01 - General Fund	Cost Center	14-01

Performance Indicators

Value Statement: Strive to Provide Effective and Efficient Services
Goal: Reduce animal disease and cruelty issues.
Objective: Reduction through education and enforcement
Type of Measure: Outcome
Tool: System reports
Frequency: Annual
Scoring: Reduce from prior year incidents
Trend: Down

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Programs to Civic Groups and School Presentations	N/A	50	200	2,000
Cruelty cases	10	20	18	18
At-large	278	325	293	293
Animal Bite	44	48	43	43

***Additional Indicators are still being developed for this department**
Goal:
Objective:

Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Public Safety	Ordinance Enforcement	Fund 01 - General Fund	Cost Center	14-01

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$150,571	$185,800	$183,510	$190,750	3.95%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$190,750	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
Ordinance Enforcement Officer	2.00	2.00	2.00	2349	3406	$77,760
Holiday Pay						2,000
Merit Contingency						2,510
Overtime						2,500
Retirement						9,180
Insurance & Taxes						37,470
Employee Related Expenses						0
Totals	2.00	2.00	2.00			$131,420

Public Safety	Ordinance Enforcement	Fund 01 - General Fund	Cost Center	14-01

Supplemental Data: Expenditures

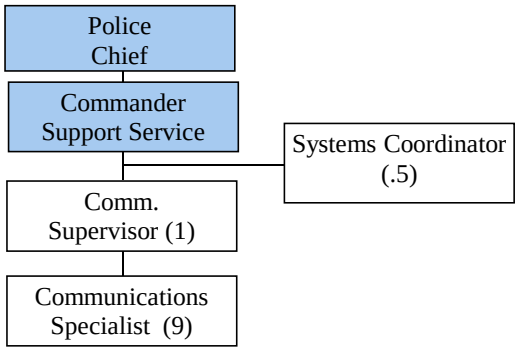
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Gas & Oil	2,220	3,000	7,000	7,000	0.00%
Vehicle Maint & Repairs	23	1,500	500	500	0.00%
Equipment Maint & Repairs	0	500	250	250	0.00%
Small Tools	103	500	500	500	0.00%
Total Supplies	2,346	5,500	8,250	8,250	0.00%
Contractual Services					
Computer Support	78	0	80	80	0.00%
Kennel Fees	42,838	50,000	50,000	50,000	0.00%
Total Contractual Services	42,916	50,000	50,080	50,080	0.00%
Other Services and Charges					
Travel & Training	0	1,000	1,500	1,000	-33.33%
Subscriptions & Memberships	70	0	0	0	0.00%
Total Other Services & Charges	70	1,000	1,500	1,000	-33.33%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
N/A					
	$0	$0	$0	$0	

Communications

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. The Spillman server has been budgeted in the Police department's capital expenditures. Contractual services continue to increase in FY 2013 as equipment and software comes off of warranty.

Public Safety	Communications	Fund 01 - General Fund	Cost Center	14-02

Performance Indicators

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

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Calls Dispatched	29,962	31,460	not available at printing	

Mission/Value Statement:
Goal:
Objective:
Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:

Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Public Safety	Communications	Fund 01 - General Fund	Cost Center	14-02

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$573,191	$585,930	$562,680	$629,080	11.80%
Operating Supplies	2,099	2,450	2,200	2,200	0.00%
Contractual Services	4,800	10,600	5,850	5,850	0.00%
Other Services and Charges	105,138	169,740	123,760	145,665	17.70%
Capital Outlay	0	1,500	1,500	0	-100.00%
Department Totals	$685,228	$770,220	$695,990	$782,795	12.47%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$615,090	78.58%
Dispatch & Spillman Fees	167,705	21.42%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Overtime						30,000
Retirement						49,960
Insurance & Taxes						132,180
Employee Related Expenses						0
Totals	10.50	10.50	10.50			$629,080

Public Safety	Communications	Fund 01 - General Fund	Cost Center	14-02

Supplemental Data: Expenditures

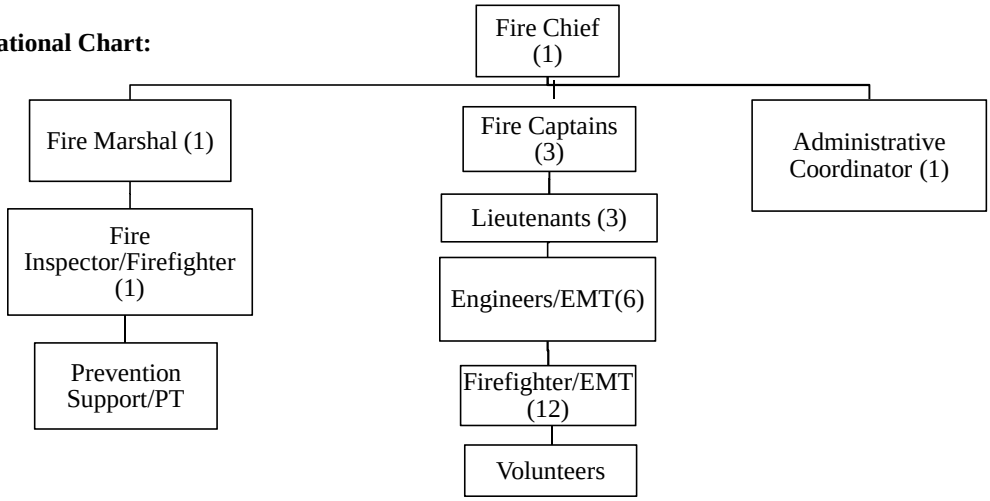
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	1,457	1,750	1,500	1,500	0.00%
Copier Supplies	642	700	700	700	0.00%
Total Supplies	2,099	2,450	2,200	2,200	0.00%
Contractual Services					
Contractual Services	0	5,800	0	0	0.00%
Computer Support	0	0	1,050	1,050	0.00%
Repeater Expense	4,800	4,800	4,800	4,800	0.00%
Total Contractual Services	4,800	10,600	5,850	5,850	0.00%
Other Services and Charges					
Travel & Training	3,531	5,000	4,400	5,000	13.64%
Subscriptions & Memberships	291	420	420	500	19.05%
Equipment Maint & Repairs	68,757	130,000	85,000	105,000	23.53%
Utilities	3,960	5,000	4,500	4,620	2.67%
Telephone	14,964	16,090	14,940	15,320	2.54%
Liability Insurance	12,635	13,230	14,500	15,225	5.00%
Community Policing	1,000	0	0	0	0.00%
Total Other Services & Charges	105,138	169,740	123,760	145,665	17.70%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
Dispatch Monitors		$1,500	$1,500		
	$0	$1,500	$1,500	$0	

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

Performance Indicators

Value Statement: Maintain Public Safety
Goal: Have each firefighter complete an average of 240 hours per year fire suppresion related training
Objective: To ensure each firefighter completes 2 hours of fire/rescue training per shift per ISO guidelines
Type of Measure: Program effectiveness
Tool: Monthly/Annual reports
Frequency: Annually
Scoring: Over 240 hours/year = meeting goal. < 240 hours= need improvement.
Trend: <-->

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Number of training hours per person/average completed in support of ISO	69.37	80.83	169.70	200.00

Value Statement: Maintain Public Safety
Goal: Conduct an average of 75 commercial building and/or new construction inspections per month
Objective: To help ensure fire safety in our community, our fire prevention division will perform at least 75 inspections of commercial building or new construction per month.
Type of Measure: Program Goal
Tool: Monthly reports
Frequency: Annually

Scoring: >75 inspections/month average = meeting goal. < 75 inspections/month average = needs improvement
Trend: <-->

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Average number of commercail building and/or new constrution inspections per month	60	82	75	75

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
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	30,000
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				10,000
	$55,262	$794,960	$587,960	$975,500

Public Safety	Fire Department	Fund 01 - General Fund	Cost Center	16-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	587,960	975,500	65.91%
Debt Service	0	0	0	0	0.00%
Department Totals	$2,430,067	$3,393,395	$3,172,470	$3,693,955	16.44%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$2,771,955	75.04%
Misc Grants	675,000	18.27%
Lease Purchase	247,000	6.69%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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	4043	5863	153,105
Holiday Pay						33,845
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
Totals	28.00	28.00	28.00			$2,374,055

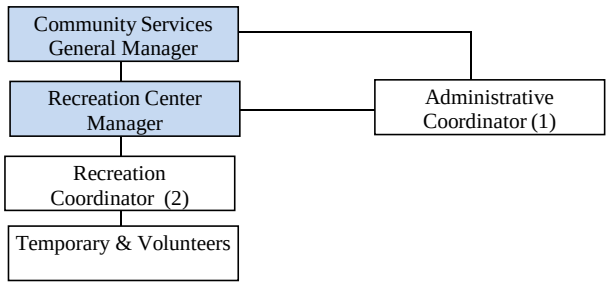
Public Safety	Fire Department	Fund 01 - General Fund	Cost Center	16-00

Supplemental Data: Expenditures

Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
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%
Total Supplies	68,303	93,550	86,050	101,350	17.78%
Contractual Services					
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%
Total Contractual Services	132,649	148,500	137,500	127,500	-7.27%
Other Services and Charges					
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%
Total Other Services & Charges	68,005	110,600	98,015	115,550	17.89%

Parks and Recreation

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:

For FY 2013 capital includes $2,500 for an iPad and debt/credit scanner for easy payment receipts at events. The increase in contractual services is due to the anticipated increased costs of the fireworks display on July 4th.

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund	Cost Center	20-00

Performance Indicators

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Customer Satisfaction with special event programs that include Rhythm and Ribs and Thunder Valley Rally
Objective: Increase overall attendance figures at special events by creating positive leisure experiences for all
Type of Measure: Program attendance and outcome
Tool: Internal Records
Frequency: Annually
Scoring: Increases in attendance
Trend: upward

Measures:	Actual 2010	Actual 2011	Estimated 2012	Anticipated 2013
Increase in overall attendance measured by factual counting methods		2,600	3,500	4,500

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Participant satisfaction pertaining to the Brian Mickelsen Run Race
Objective: Increase event attendance figures for this special event.
Type of Measure: Program attendance and outcome.
Tool: Internal Records
Frequency: Annually
Scoring: Overall Increase in attendance
Trend: Upwards

Measures:	Actual 2010	Actual 2011	Estimated 2012	Anticipated 2013
Increase in overall attendance based on actual registrations	330	560	620	680

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Increase attendance figures of seniors within the recreation center by adding senior programs
Objective: Engage seniors through physicians and health care providers to market the amenities of the Recreation Center
Type of Measure:
Tool: Internal Records
Frequency: Quarterly Reviews
Scoring: 10 percent increase annually
Trend: upward

Measures:	Actual 2010	Actual 2011	Estimated 2012	Anticipated 2013
Increase in overall attendance measured by factual counting methods	928	1,450	1,800	1,980

Vision Statement: We will enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism
Goal: Increase the number of facility rentals by 10 percent annually
Objective: Market recreation center amenities internally and externally
Type of Measure: Annual increase in facility rentals
Tool: Monthly rental figures and customer feedback
Frequency: Quarterly
Scoring: Quarterly increases in rentals
Trend: upward

Measures:	Actual 2010	Actual 2011	Estimated 2012	Anticipated 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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	2,500	-89.54%
Debt Service	0	0	0	0	0.00%
Department Totals	$419,845	$503,690	$530,080	$539,365	1.75%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
General Fund	$539,365	100.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	3.00	3.00	3.00			$117,490

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund	Cost Center	20-00

Supplemental Data: Expenditures

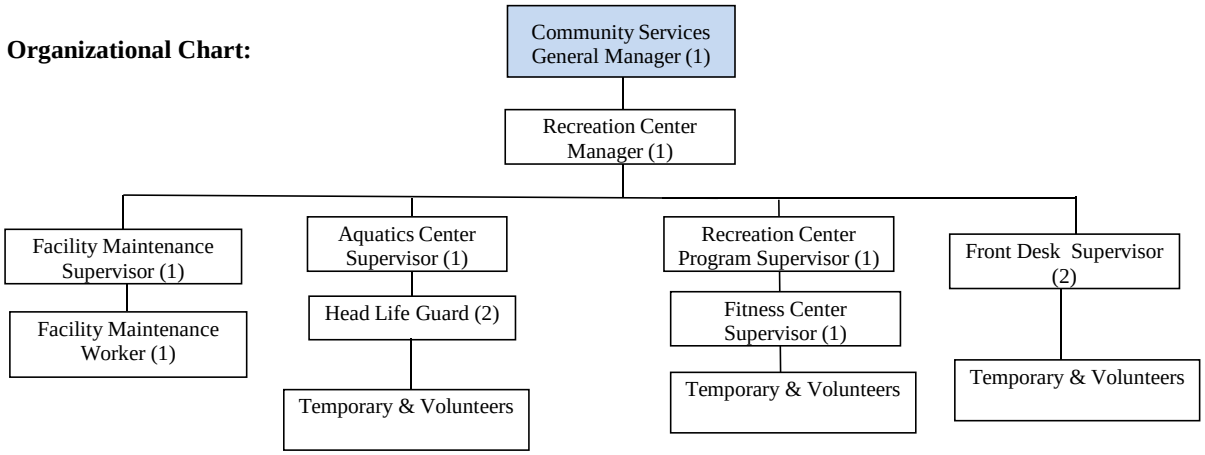
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	460	400	0	0	0.00%
Copier Supplies	27	0	5	0	-100.00%
Gas & Oil	32	150	100	500	400.00%
Vehicle Maint & Repairs	836	1,400	300	400	33.33%
Equipment Maint & Repairs	3,028	2,500	3,000	3,500	16.67%
Riverfront Snack 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%
Total Supplies	27,266	32,000	31,905	33,400	4.69%
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%
Total Contractual Services	18,560	28,350	19,460	22,480	15.52%
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%
Total Other Services & Charges	263,209	298,850	346,080	363,495	5.03%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
RF Ball Field All Weather Netting	$3,563	$13,000	$16,200		
Equestrian Center Lighting and Sound		3,000	3,000		
iPad and Debt/Credit Scanner				2,500	
Tennis Center Resurface			4,700		
	$3,563	$16,000	$23,900	$2,500	

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

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
Measures:	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
Measures:	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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	0	56,000	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$1,221,099	$1,436,560	$1,374,530	$1,503,715	9.40%

Departmental Fund Sources

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%
Total Funding		100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	10.00	10.00	10.00			$899,860

Culture & Recreation	Recreation Center	Fund 01 - General Fund		Cost Center	20-03
Supplemental Data: Expenditures					
	2011	2012		2013	Percent
Item	Actual	Budget	Revised	Final	Change
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%
Total Supplies	71,076	82,300	104,000	100,000	-3.85%
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%
Total Contractual Services	143,723	117,300	140,890	146,465	3.96%
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%
Total Other Services & Charges	270,707	339,940	286,275	301,390	5.28%

Supplemental Data: Capital Outlay					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Final	
Recycling Receptacles	$1,598				
Tile Installation				$13,000	
NuStep				8,000	
Scissors Lift				10,000	
Equip Replacement Fund				25,000	
	$1,598	$0	$0	$56,000	

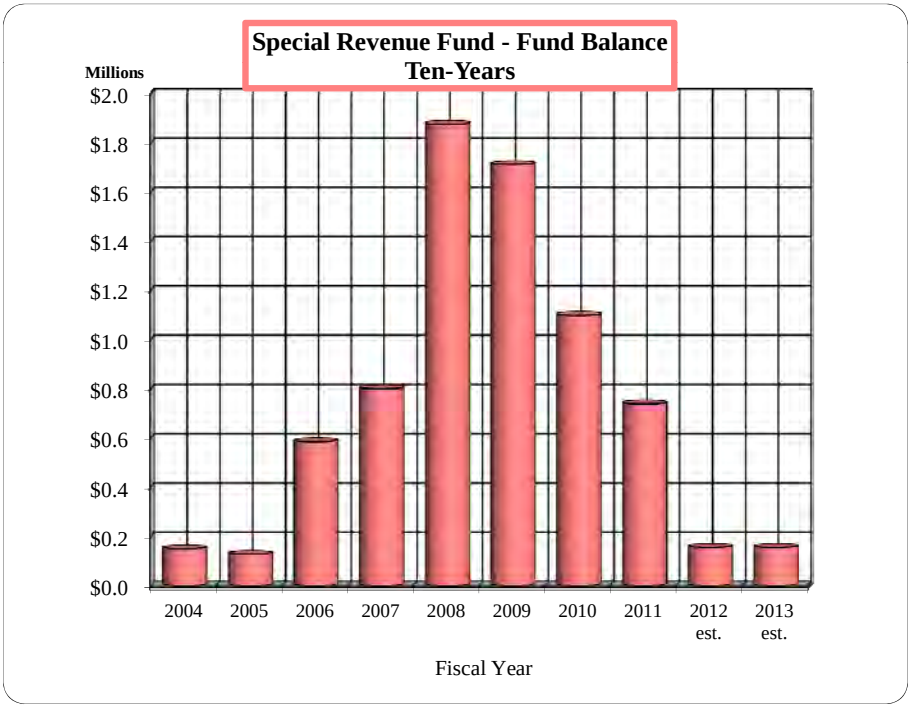
SPECIAL REVENUE FUNDS

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.

Fund/Account Number	Description
02	HURF - Streets/Transit Fund
	Street Department
	Street Construction
	Cottonwood Area Transit (CAT)
03	Cottonwood Library
04	Cottonwood Cemetery
05	Airport Fund
07	Grants Fund
07-14-XX	Airport Improvement Projects
	Other Grants
	Heritage Grants
08	CDBG Grants

Fund Balances:

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



Fiscal Year Ending 6/30	Fund Balance
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	740,060
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.**

Consolidated Statement of Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
Revenue Sources:				
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
Total Revenue Sources	1,701,439	2,557,230	1,524,885	3,738,605
Other Financing Sources:				
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
Total Other Financing Sources	1,787,889	5,610,425	1,994,825	6,011,750
Total Available Resources	3,489,328	8,167,655	3,519,710	9,750,355
Expenditures:				
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
Total Expenditures	2,660,712	8,136,665	3,494,335	9,591,380
Other Uses:				
Transfers Out	23,490	30,990	25,375	158,975
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	23,490	30,990	25,375	158,975
Total Expenditures and Other Uses	2,684,202	8,167,655	3,519,710	9,750,355
Net Income	$805,126	$0	$0	$0

HURF Fund Revenues/Expenses/Changes in Fund Balance

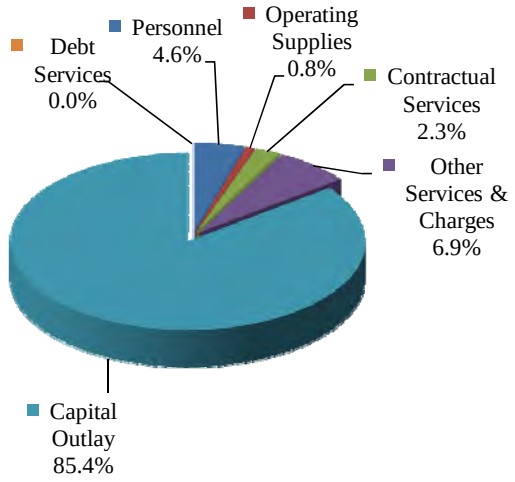
Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Taxes	132,270	152,000	152,000	214,415	41.06%
Intergovernmental Revenues	1,082,729	702,705	732,705	1,465,050	99.95%
Services & Charges	27,570	0	0	85,000	0.00%
Uses of Monies & Properties	1,345	2,000	450	450	0.00%
Miscellaneous Revenues	73,321	12,000	0	80,000	0.00%
Total Revenue Sources	1,317,235	868,705	885,155	1,844,915	108.43%
Other Financing Sources:					
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%
Total Other Financing Sources	939,523	4,922,840	1,156,165	4,956,610	328.71%
Total Available Resources	2,256,758	5,791,545	2,041,320	6,801,525	233.19%
Expenditures:					
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%
Total Expenditures	1,677,611	5,791,545	2,041,320	6,739,025	230.13%
Other Uses:					
Transfers Out	0	0	0	62,500	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	62,500	0.00%
Total Expenditures and Other Uses	1,677,611	5,791,545	2,041,320	6,801,525	233.19%
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

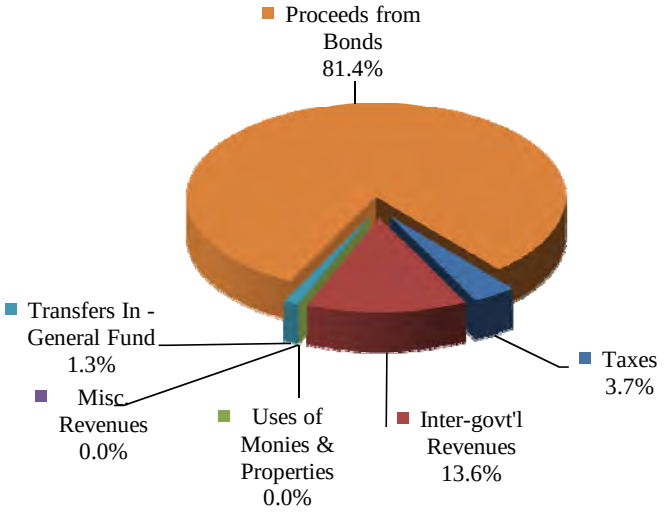
Highway User Revenue Fund - Streets Expenditures by Category



HURF - Streets Fund Summary	
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

HURF - Streets Fund Revenues By Source	
Taxes	$214,415
Inter-govt'l Revenues	794,145
Uses of Monies & Properties	450
Misc. Revenues	0
Transfers In - General Fund	73,025
Proceeds from Bonds	4,738,195
Total Resources Available	$5,820,230

Highway User Revenue Fund - Streets Revenues by Source



Street Department Revenues:
The Street Department receives it's 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 & Construction - Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	1,007,857	868,705	885,155	1,009,010	13.99%
Other Financing Sources:					
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%
Total Other Financing Sources	939,523	4,922,840	1,156,165	4,811,220	316.14%
Total Available Resources	1,947,380	5,791,545	2,041,320	5,820,230	185.12%
Expenditures:					
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%
Total Expenditures	789,211	5,791,545	2,041,320	5,757,730	182.06%
Other Uses:					
Transfers Out	0	0	0	62,500	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	62,500	0.00%
Total Expenditures and Other Uses	789,211	5,791,545	2,041,320	5,820,230	185.12%
Net Income	$1,158,169	$0	$0	$0	

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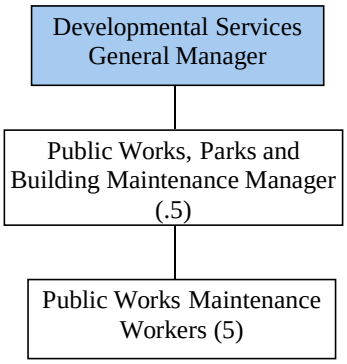
Street Department

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:

* Assisted in the preservation of Skyline Way and Skyline Drive
* Assisted in the demolition of the Orion Bread Company parking lot retaining wall
* Completed crack seal project on numerous City collector streets
* Conducted city wide cleanup program
* Completed drainage improvements on Ocotillo Street
* Completed gabion work on Pima Bridge

FY 2013 Goals:

* Continue City wide cleanup program
* Implement contract for weekly street sweeping of 60 miles of City streets
* Oversee and inspect Street Sweeping contractor
* Implement contract to maintain and service the City's one traffic signal

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

Performance Indicators

Value Statement: Strive to maintain a uniquely desirable and sustainable community
Goal: Maintain clean swept streets throughout the City
Objective: Sweep all City collector streets weekly
Type of Measure: Outcome based
Tool: System monitoring
Frequency: weekly
Scoring: Lane mile
Trend: Maintain existing lane miles per month

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Lane Miles swept per month	60	60	60	60

Value Statement: Strive to maintain a uniquely desirable and sustainable community
Goal: Provide Street Maintenance and respond in a timely manner
Objective: Begin tracking work orders and respond to 75% of work orders within 48 hours
Type of Measure: Outcome
Tool: Work Orders
Frequency: Monthly
Scoring: % above 75%
Trend: Steady Improvement

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Percentage of work orders responded to within 48 hours	NA	NA	75%	75%

Supplemental Data: Capital Outlay

Item	2011	2012		2013
Description	Actual	Budget	Revised	Final
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	
	$32,994	$98,000	$116,135	$35,600

Public Works	Street Department	Fund 02 - HURF	Cost Center	10-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$660,853	$1,067,900	$871,320	$879,535	0.94%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
HURF / LTAF	879,085	99.95%
Miscellaneous	450	0.05%
Total Funding		100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	6.00	5.50	5.50			$263,560

Public Works	Street Department	Fund 02 - HURF		Cost Center	10-00
Supplemental Data: Expenditures					
Item	2011	2012		2013	Percent
Description	Actual	Budget	Revised	Final	Change
Supplies					
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%
Total Supplies	75,305	56,600	58,700	47,800	-18.57%
Contractual Services					
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%
Total Contractual Services	71,041	85,155	74,900	132,425	76.80%
Other Services and Charges					
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%
Total Other Services & Charges	230,788	572,620	351,855	400,150	13.73%
Debt Service					
Principal - Bonds	0	0	0	0	0.00%
Interest - Bonds	0	0	0	0	0.00%
Total Debt Service	0	0	0	0	0.00%

Street Construction

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 186**

W. Mingus Reconstruction	1,838,195
12th St. 89A to Fir	1,600,000
Mingus Willard to Main	1,300,000
Total Programmed projects	$4,738,195

There is outside financing programmed to assist in the construction of these projects

Public Works	Street Construction	Fund 02 - HURF	Cost Center	10-01

Performance Indicators

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

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
N/A				

Mission/Value Statement:
Goal:
Objective:
Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:

Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Public Works	Street Construction	Fund 02 - HURF	Cost Center	10-01

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	128,358	4,723,645	1,170,000	4,878,195	316.94%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$128,358	$4,723,645	$1,170,000	$4,878,195	316.94%

Departmental Fund Sources

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%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Public Works	Street Construction	Fund 02 - HURF	Cost Center	10-01

Supplemental Data: Expenditures

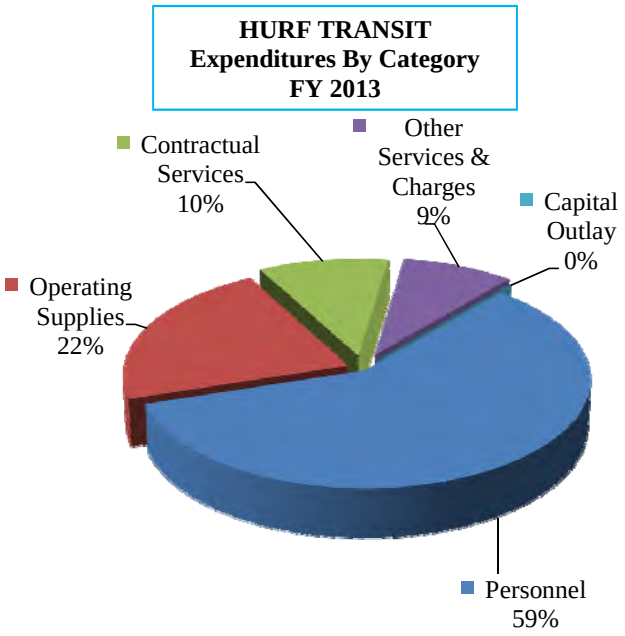
Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
N/A					
Total Supplies	0	0	0	0	0.00%
Contractual Services					
N/A					
Total Contractual Services	0	0	0	0	0.00%
Other Services and Charges					
N/A					
Total Other Services & Charges	0	0	0	0	0.00%

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
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
	$128,358	$4,723,645	$1,170,000	$4,878,195

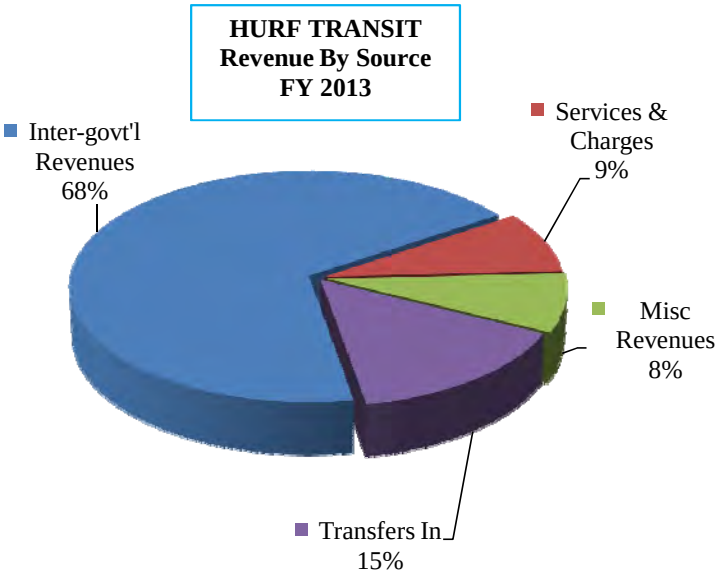
Cottonwood Area Transit System Fund Expenditures By Category

	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



Cottonwood Area Transit Fund Summary	
Revenues	$835,905
Expenditures	(981,295)
	(145,390)
Other Funding Sources/Uses	145,390
Use of Fund Balance	$0

Cottonwood Area Transit Fund Revenues by Source	
Inter-govt'l Revenues	$670,905
Services & Charges	85,000
Misc Revenues	80,000
Transfers In	145,390
Total Resources Available	$981,295

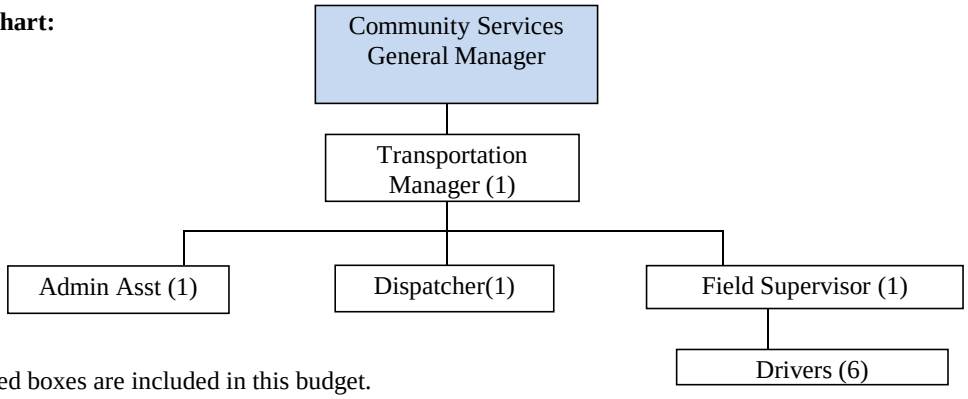


Cottonwood Area Transit System - Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	309,378	0	0	835,905	0.00%
Other Financing Sources:					
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%
Total Other Financing Sources	0	0	0	145,390	0.00%
Total Available Resources	309,378	0	0	981,295	0.00%
Expenditures:					
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%
Total Expenditures	888,400	0	0	981,295	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	888,400	0	0	981,295	0.00%
Net Income / (Loss)	($579,022)	$0	$0	$0	0.00%

Cottonwood Area Transit / Verde LYNX

Organizational Chart:

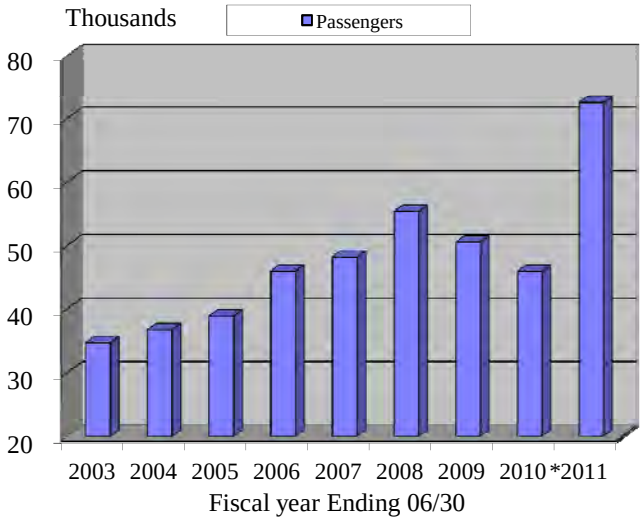


Note: only unshaded boxes are included in this budget.

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

Performance Indicators

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

Goal:
Objective:
Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:
Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:
Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Social Services	CATS./LYNX	Fund 02 - Transit		Cost Center	33-0X
Summary By Category					
Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$888,400	$0	$0	$981,295	0.00%

Departmental Fund Sources		
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%
	Total Funding	0.00%

Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	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
Totals	10.00	0.00	10.00			$578,895

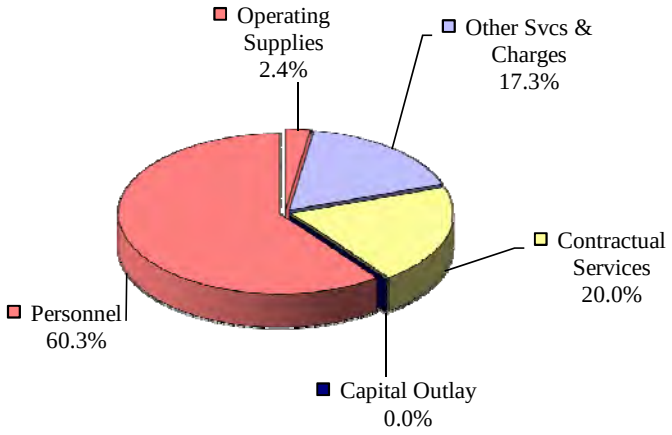
Social Services	CATS./LYNX	Fund 02 - Transit		Cost Center	33-0X
Supplemental Data: Expenditures					
Item	2011	2012		2013	Percent
Description	Actual	Budget	Revised	Final	Change
Supplies					
Office Supplies	1,022	0	0	6,700	0.00%
Copier Supplies	201	0	0	600	0.00%
Gas & Oil	31,797	0	0	110,000	0.00%
Vehicle 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%
Total Supplies	90,240	0	0	216,000	0.00%
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%
Total Contractual Services	497,871	0	0	100,400	0.00%
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%
Total Other Services & Charges	14,957	0	0	86,000	0.00%

Supplemental Data: Capital Outlay					
Item	2011	2012		2013	
Description	Actual	Budget	Revised	Final	
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

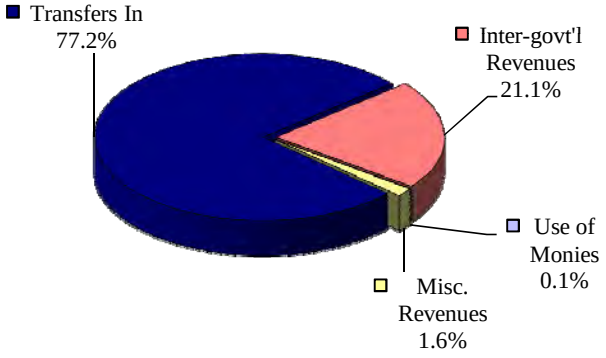
Cottonwood Library Expenditures by Category



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-govt'l Revenues	$176,695
Use of Monies	640
Misc. Revenues	13,400
Transfers In	644,100
Total Resources Available	$834,835



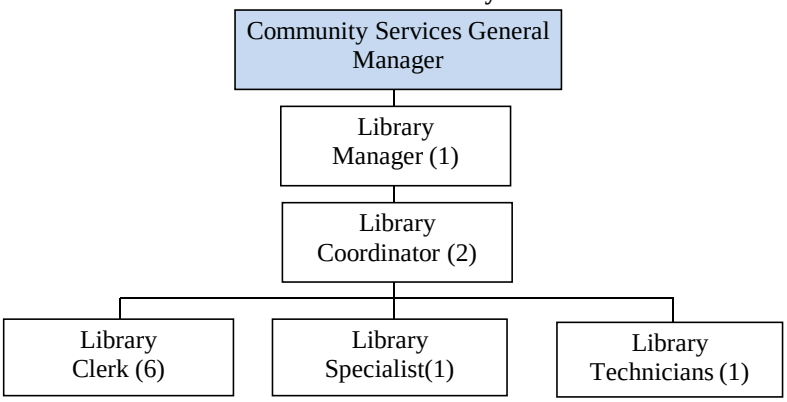
Library Revenues:
Over 93% of the Cottonwood Library operating revenues come from Intergovernmental and transfers in sources. $176,695 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in $644,100 this year for maintenance 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 in fiscal year 2010. This $2.9M expansion alleviated the need for additional space to house more collection materials.

Cottonwood Library System Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	213,172	250,070	258,535	190,735	-26.22%
Other Financing Sources:					
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%
Total Other Financing Sources	659,253	630,280	607,375	644,100	6.05%
Total Available Resources	872,425	880,350	865,910	834,835	-3.59%
					0.00%
Expenditures:					
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%
Total Expenditures	799,098	880,350	865,910	834,835	-3.59%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	799,098	880,350	865,910	834,835	-3.59%
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

Performance Indicators

Value Statement: Strive to provide effective and efficient services to the public that we serve
Goal: Increase the attendance in Adult and Youth Services programming
Objective: Provide more free and cultural programming to the public and increase public awareness of our service
Type of Measure: Program attendance and outcome
Tool: Monthly attendance figures and surveys
Frequency: Monthly/Weekly
Scoring: 5% increase in attendance
Trend: upward

	Actual		Estimated	Anticipated
Measures:	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
TOTALS	6,152	7,008	7,358	7,904
Percent increase/decrease from prior year	n/a	14%	5%	7%

Value Statement: Strive to provide effective and efficient services to the public that we serve
Goal: Increase availability of library services
Objective: Increased hours will provide more availability to our patrons for circulation, internet and job service
Type of Measure: Surveys and statistics
Tool: monthly statistics
Frequency: Daily/weekly/monthly
Scoring: 5-10% increase in attendance
Trend: upward

	Actual		Estimated	Anticipated
Measures:	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
Total Usage	27,743	27,500	28,925	30,371
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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$799,098	$880,350	$865,910	$834,835	-3.59%

Departmental Fund Sources

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%
	Total Funding	100.0%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	11.00	11.00	11.00			$503,150

Culture and Recreation	Library	Fund 03 - Library Fund	Cost Center	10-00

Supplemental Data: Expenditures

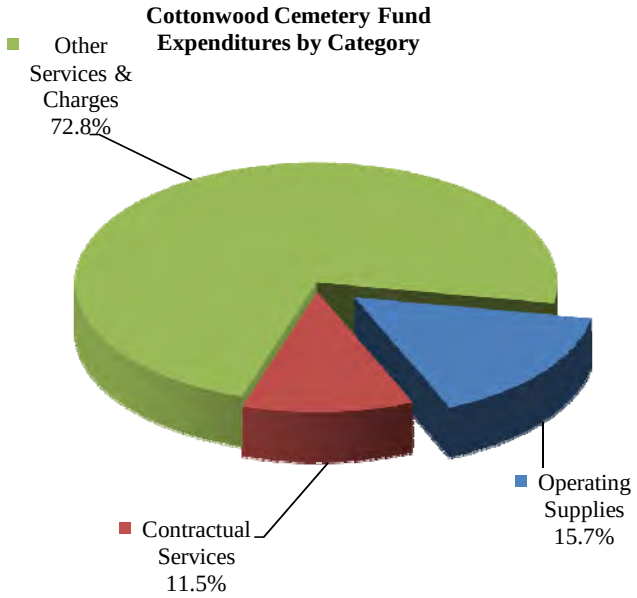
Item	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
Office Supplies	6,484	6,300	3,100	4,000	29.03%
Copier Supplies	728	945	5,000	3,100	-38.00%
Equipment Maint & Repairs	8,517	9,400	9,200	9,200	0.00%
Postage & Freight	5,880	5,560	5,000	4,000	-20.00%
Total Supplies	21,609	22,205	22,300	20,300	-8.97%
Contractual Services					
Computer Support	1,884	1,890	4,170	9,000	115.83%
Collection Expenses	2,246	2,900	2,500	2,000	-20.00%
Indirect Cost to General Fund	131,401	142,255	148,685	156,120	5.00%
Total Contractual Services	135,531	147,045	155,355	167,120	7.57%
Other Services and Charges					
Travel & Training	627	600	900	800	-11.11%
Subscriptions & Memberships	469	180	180	200	11.11%
Utilities	53,294	56,500	56,000	52,000	-7.14%
Telephone	9,009	10,000	8,900	3,600	-59.55%
Youth Programs	190	380	380	300	-21.05%
Book Purchases	24,244	25,000	25,000	40,000	60.00%
Network/Technology Exps	25,572	35,020	30,000	30,000	0.00%
Annual Volunteer Appreciation Event	638	0	600	650	8.33%
Liability Insurance	14,881	23,320	15,630	16,415	5.02%
Recruitment Expense	400	400	400	300	-25.00%
Total Other Services & Charges	129,324	151,400	137,990	144,265	4.55%

Supplemental Data: Capital Outlay

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	
HVAC Grant to replace 2 AC Units		$39,000	$39,000		
RFID Conversion		10,000	10,000		
	$0	$49,000	$49,000	$0	

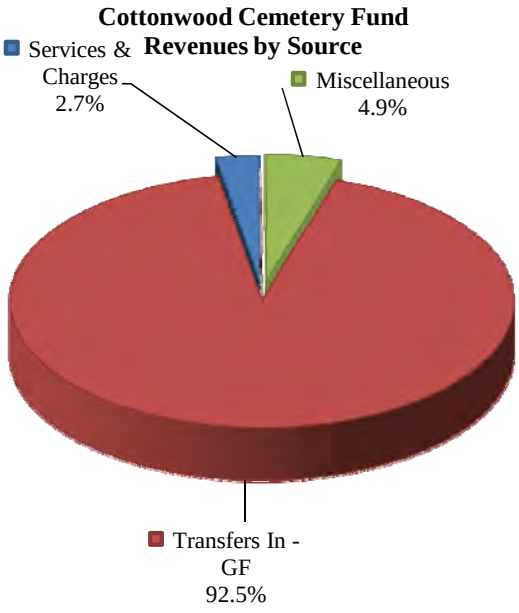
Cottonwood Cemetery Fund Expenditures By Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	$0	$4,100	$3,000	$19,000	$0	$0	$26,100
	$0	$4,100	$3,000	$19,000	$0	$0	$26,100



Cottonwood Cemetery Fund Summary	
Revenues	$1,970
Expenditures	(26,100)
Revenues over (under) Expenditures	(24,130)
Other Funding Sources/Uses	24,130
Use of Fund Balance	$0

Cottonwood Cemetery Fund Revenues By Source	
Services & Charges	$700
Use of Monies	0
Miscellaneous	1,270
Transfers In - GF	24,130
Total Resources Available	$26,100



Fiscal Year 2013 Budget

Cottonwood Cemetery Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	1,403	1,710	2,765	1,970	-28.75%
Other Financing Sources:					
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%
Total Other Financing Sources	18,184	30,190	21,480	24,130	12.34%
Total Available Resources	19,587	31,900	24,245	26,100	7.65%
Expenditures:					
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%
Total Expenditures	19,588	31,900	24,245	26,100	7.65%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	19,588	31,900	24,245	26,100	7.65%
Net Income / (Loss)	($1)	$0	$0	$0	

Cottonwood Cemetery

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

Performance Indicators

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

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:
Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Mission/Value Statement:
Goal:
Objective:

Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery		Cost Center	10-00
Summary By Category					
Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Debt Service	0	0	0	0	0.00%
Department Totals	$19,588	$31,900	$24,245	$26,100	7.65%

Departmental Fund Sources		
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%
	Total Funding	100.00%

Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	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
Totals	0.00	0.00	0.00			$0

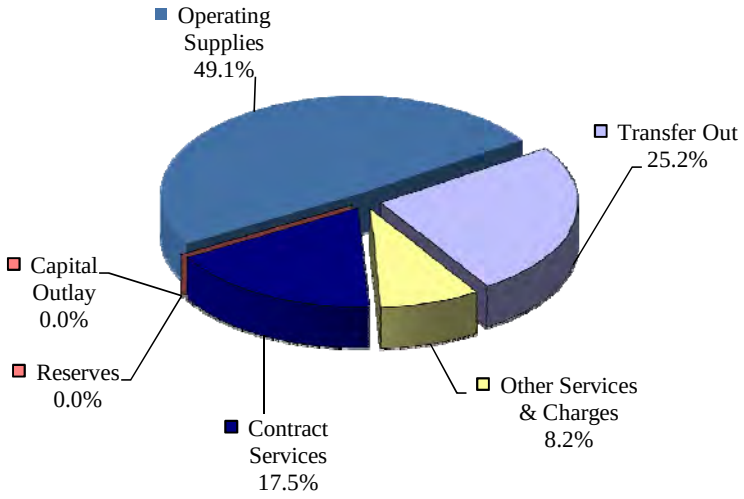
Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery		Cost Center	10-00
Supplemental Data: Expenditures					
Item	2011	2012		2013	Percent
Description	Actual	Budget	Revised	Final	Change
Supplies					
Grave Liners	0	3,000	2,000	3,000	50.00%
Equipment Maint & Repairs	0	0	600	600	0.00%
Misc. Expense	627	500	300	500	66.67%
Total Supplies	627	3,500	2,900	4,100	41.38%
Contractual Services					
Indirect Cost to General Fund	2,853	9,400	2,185	3,000	37.30%
Total Contractual Services	2,853	9,400	2,185	3,000	37.30%
Other Services and Charges					
Utilities	15,663	19,000	19,000	19,000	0.00%
Telephone	445.00	0	160	0	-100.00%
Total Other Services & Charges	16,108	19,000	19,160	19,000	-0.84%

Supplemental Data: Capital Outlay					
Expenditure	2011	2012		2013	
Category	Actual	Budget	Revised	Final	
N/A					
	$0	$0	$0	$0	

Airport Fund Expenditures By Category

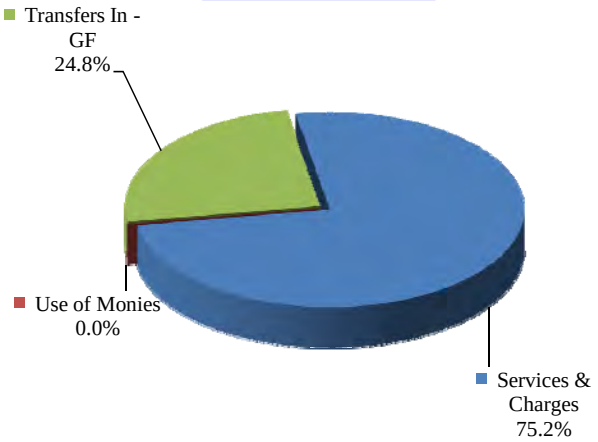
	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Category Totals	$0	$187,500	$66,860	$31,370	$0	$0	$96,475	$382,205
	$0	$187,500	$66,860	$31,370	$0	$0	$96,475	$382,205

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

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Taxes					
Sales Tax	$0	$0	$0	$0	0.00%
Intergovernmental Revenues					
ADOT Grant	0	0	0	0	0.00%
Services & Charges					
Fuel Sales	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%
Total Revenue Sources	169,629	286,250	275,960	287,475	4.17%
Other Financing Sources:					
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%
Total Other Financing Sources	13,933	19,615	51,225	94,730	84.93%
Total Available Resources	183,562	305,865	327,185	382,205	16.82%
Expenditures:					
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%
Total Expenditures	164,112	274,875	301,810	285,730	-5.33%
Other Uses:					
Transfers Out	23,490	30,990	25,375	96,475	280.20%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	23,490	30,990	25,375	96,475	280.20%
Total Expenditures and Other Uses	187,602	305,865	327,185	382,205	16.82%
Net Income / (Loss)	($4,040)	$0	$0	$0	

Airport

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
* Install refurbished beacon and windsock

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

Performance Indicators

Value Statement: Value the tax dollar and maintain sound fiscal policies
Goal: Maintain adequate and safe fuel levels
Objective: Maintain an adequate fuel level in order to not lose any sales due to lack of fuel
Type of Measure: Outcome
Tool: Fuel Level
Frequency: weekly
Scoring: Fuel Sales
Trend: Fuel level never below 2,000 gallons

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Minimum monthly fuel level	800	1,000	2,000	2,000

Value Statement: Value the tax dollar and maintain sound fiscal policies
Goal: Decrease cost of electric power used at the airport
Objective: Measure the amount of power comsumed at the airport
Type of Measure: Outcome Based
Tool: System Monitoring
Frequency: Monthly
Scoring: Percentage decrease in power consumed
Trend: N/A - New Measure FY 2013

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
Decrease in electric consumption	0%	0%	0%	50%

Mission/Value Statement:
Goal:
Objective:
Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Airports	Airport	Fund 05 - Airport	Cost Center	10-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$187,602	$305,865	$327,185	$382,205	16.82%

Departmental Fund Sources

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%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Airports	Airport	Fund 05 - Airport		Cost Center	10-00
Supplemental Data: Expenditures					
Item	2011	2012		2013	Percent
Description	Actual	Budget	Revised	Final	Change
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%
Total Supplies	70,604	188,000	179,000	187,500	4.75%
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%
Total Contractual Services	74,627	62,630	86,930	66,860	-23.09%
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%
Total Other Services & Charges	18,881	24,245	35,380	31,370	-11.33%

Supplemental Data: Capital Outlay					
Expenditure	2011	2012		2013	
Category	Actual	Budget	Revised	Final	
Office Furniture			$500		
	$0	$0	$500	$0	

Airport Improvement Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	0	300,495	89,970	656,010	629.14%
Other Financing Sources:					
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%
Total Other Financing Sources	156,996	7,500	158,580	229,680	44.84%
Total Available Resources	156,996	307,995	248,550	885,690	256.34%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	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%
Total Expenditures	303	307,995	248,550	885,690	256.34%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	303	307,995	248,550	885,690	256.34%
Net Income / (Loss)	$156,693	$0	$0	$0	

Airport Improvement Fund

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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	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%
Department Totals	$303	$307,995	$248,550	$885,690	256.34%

Departmental Fund Sources

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%
Fund Balance	156,695	17.69%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Airports	Airport Improvement Fund	Fund 07 - Grants	Cost Center	14-0X

Performance Indicators

N/A They are the same as the "Airport"

Goal:
Objective:
Type of Measure:
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
Pavement Preservation				$390,345
Extend Runway 32		$210,000		
Solar Panels (Energy Efficient Block Grant)	$303	72,995	$72,995	
Beacon & LED Windsocks		25,000	18,860	
AWOS Auto Weather Observation Station				115,650
Terminal Parking				210,000
Retaining Wall				13,000
	$303	$307,995	$91,855	$728,995

Grants Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Taxes	0	0	0	0	0.00%
Intergovernmental Revenues	0	500,000	0	500,000	0.00%
Miscellaneous Revenue	0	0	0	0	0.00%
Total Revenue Sources	0	500,000	0	500,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	0	500,000	0	500,000	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	500,000	0	500,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	500,000	0	500,000	0.00%
Net Income / (Loss)	$0	$0	$0	$0	

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

Other Grants Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Intergovernmental Revenues					
State Grants	0	0	0	0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	0	500,000	0	500,000	0.00%
Miscellaneous Revenue					
Interest Income	0	0	0	0	0.00%
Total Revenue Sources	0	500,000	0	500,000	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover		0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	0	500,000	0	500,000	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	500,000	0	500,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	500,000	0	500,000	0.00%
Net Income / (Loss)	$0	$0	$0	$0	

Other Grants Fund

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 2013Goals:

* 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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
N/A				

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
Grant Projects		$500,000		$500,000
	$0	$500,000	$0	$500,000

Grants	Other Grants Fund	Fund 07 - Grants	Cost Center	15-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	500,000	0	500,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$0	$500,000	$0	$500,000	0.00%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
Federal Grants	$500,000	100%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Community Development Block Grant Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	0	350,000	12,500	257,500	1960.00%
Other Financing Sources:					
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%
Total Other Financing Sources	0	0	0	62,500	0.00%
Total Available Resources	0	350,000	12,500	320,000	2460.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	350,000	12,500	320,000	2460.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	350,000	12,500	320,000	2460.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	350,000	12,500	320,000	2460.00%
Net Income / (Loss)	$0	$0	$0	$0	

Community Development Block Grant

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 2013Goals:

* 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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	350,000	12,500	320,000	2460.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$0	$350,000	$12,500	$320,000	2460.00%

Departmental Fund Sources

Funding Sources	Amount	% of Funding	% of Funding
Federal Grants	$257,500	80%	
HURF Fund	$62,500	20%	
	Total Funding	100.00%	

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

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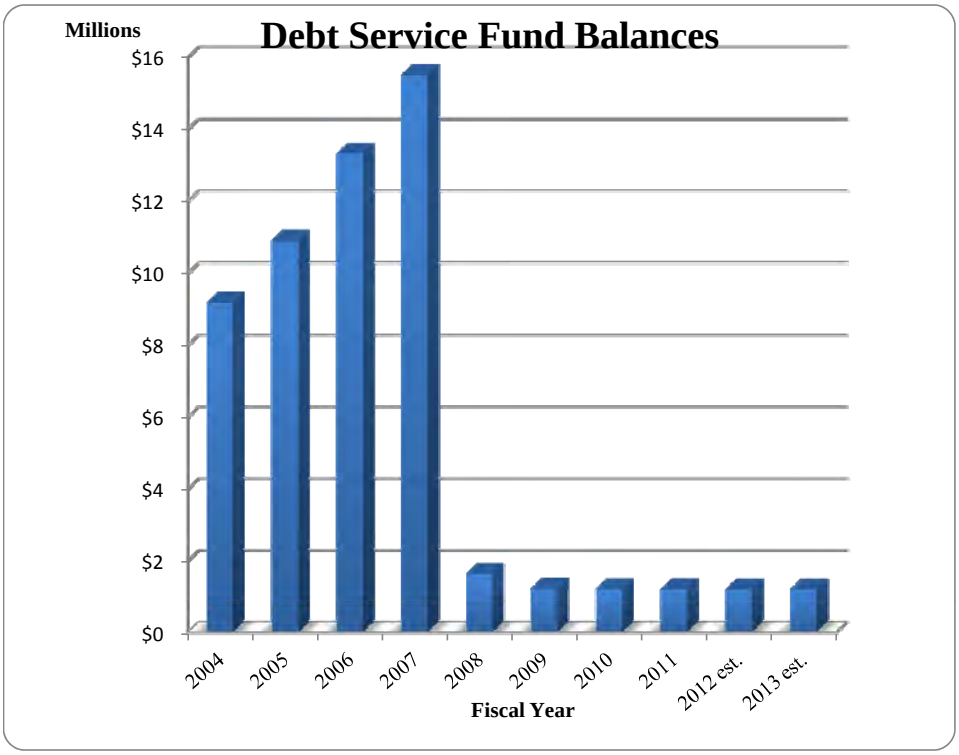
DEBT SERVICE FUNDS

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

Fund/Account Number	Description
13	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 Actual	2012 Budget	2012 Revised	2013 Final
Revenue Sources:				
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
Total Revenue Sources	2,071,077	2,063,435	2,063,175	2,073,225
Other Financing Sources:				
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
Total Other Financing Sources	1,210,129	1,210,930	1,210,125	1,209,315
Total Available Resources	3,281,206	3,274,365	3,273,300	3,282,540
Expenditures:				
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
Total Expenditures	2,071,077	3,274,365	3,273,300	3,282,540
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenditures and Other Uses	2,071,077	3,274,365	3,273,300	3,282,540
Net Income / (Loss)	$1,210,129	$0	$0	$0

Debt Service Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	2,071,077	2,063,435	2,063,175	2,073,225	0.49%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover Funds	1,210,129	1,210,930	1,210,125	1,209,315	-0.07%
Residual Equity Interfund Trans	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	1,210,129	1,210,930	1,210,125	1,209,315	-0.07%
Total Available Resources	3,281,206	3,274,365	3,273,300	3,282,540	0.28%
Expenditures:					
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%
Total Expenditures	2,071,077	3,274,365	3,273,300	3,282,540	0.28%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Trans	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	$2,071,077	$3,274,365	$3,273,300	$3,282,540	0.28%
Net Income / (Loss)	$1,210,129	$0	$0	$0	

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Debt Service Fund

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

Performance Indicators

**** Performance Measures are not applicable for this fund****

Supplemental Data: Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Contractual Services					
Trustee Fees - Library	689	0	700	700	0.00%
Trustee Fees - WIFA	360	360	360	360	0.00%
Total Contractual Services	$1,049	$360	$1,060	$1,060	0.00%
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%
Total Other Services & Charges	$2,070,028	$2,062,925	$2,062,925	$2,072,975	0.49%
Reserves					
GADA Reserve	0	1,211,080	1,209,315	1,208,505	-0.07%
Total Reserves	$0	$1,211,080	$1,209,315	$1,208,505	-0.07%

Interest & Sinking	Debt Service Fund	Fund 13 - Debt Service		Cost Center	10-0X
Summary By Category					
Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$2,071,077	$3,274,365	$3,273,300	$3,282,540	0.28%

Departmental Fund Sources		
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%
	Total Funding	100.00%

Supplemental Data: Transfers Out					
Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Transfers Out - Sewer	$0	$0	$0	$0	0.00%
Transfers Out - Library	0	0	0	0	0.00%
	$0	$0	$0	$0	0.00%

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BONDED INDEBTEDNESS

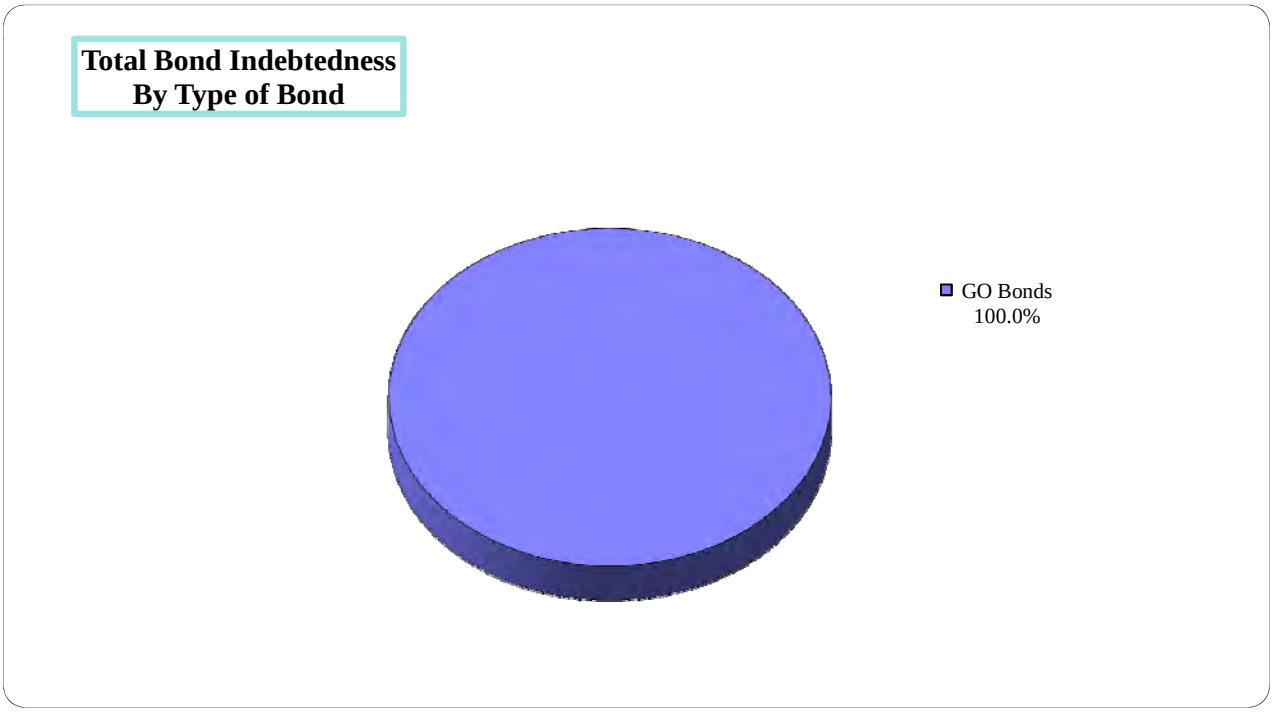
Summary

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.

Total Outstanding Debt by Type of Bonds
June 30, 2011

GO Bonds	Library General Obligation Bonds	158,300
	Total Indebtedness	$158,300



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.

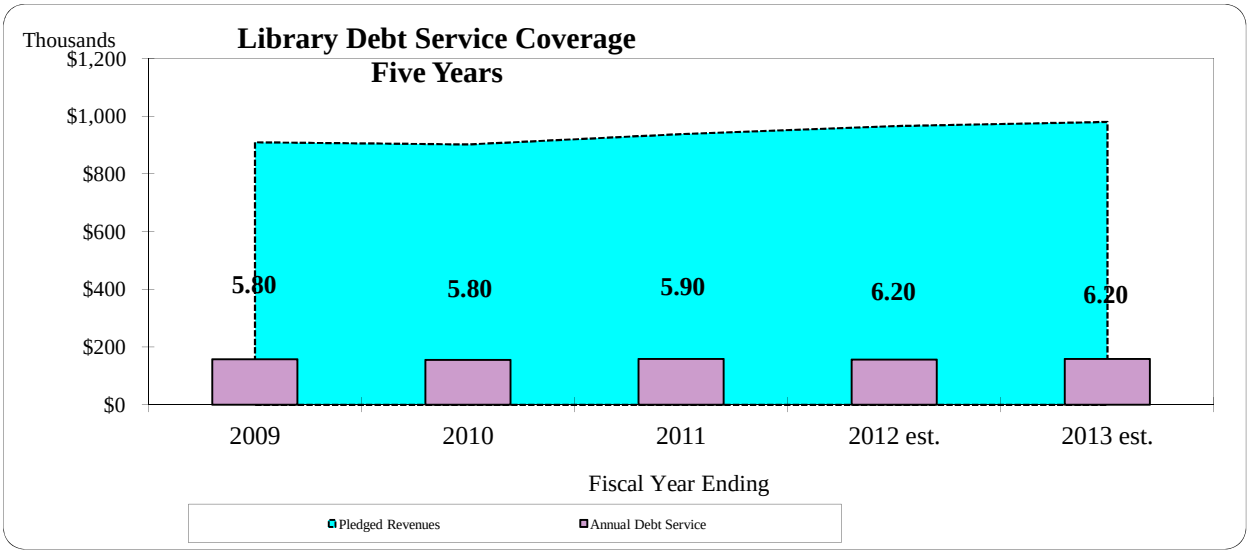
-Farmers Home Administration (FmHA) - $900,000: The bonds were issued on July 1, 1994, at an interest rate of 5%.

-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



General Obligation Bonds, Series A 1993 - Library Project
Project of 1992 - ("Baa" Moody's)

Maturity	Principal			Rate	Interest	Debt
	Payments	Retired	Balance			Service
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

General Obligation Refunding Bonds, Series 1994
FmHA - Library Project - ("Baa" Moody's)

Maturity	Principal			Rate	Interest	Debt
	Payments	Retired	Balance			Service
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

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

Maturity	Principal			Rate	Interest	Debt
	Payments	Retired	Balance			Service
February 1, 2013					366,138	
August 1, 2013	810,000	4,235,000	15,700,000	4.000%	366,138	$1,542,275
February 1, 2014					349,938	
August 1, 2014	840,000	5,075,000	14,860,000	4.000%	349,938	$1,539,875
February 1, 2015					333,138	
August 1, 2015	875,000	5,950,000	13,985,000	4.000%	333,138	$1,541,275
February 1, 2016					315,638	
August 1, 2016	910,000	6,860,000	13,075,000	4.000%	315,638	$1,541,275
February 1, 2017					297,438	
August 1, 2017	945,000	7,805,000	12,130,000	4.000%	297,438	$1,539,875
February 1, 2018					278,538	
August 1, 2018	985,000	8,790,000	11,145,000	5.000%	278,538	$1,542,075
February 1, 2019					253,913	
August 1, 2019	1,035,000	9,825,000	10,110,000	5.000%	253,913	$1,542,825
February 1, 2020					228,038	
August 1, 2020	1,085,000	10,910,000	9,025,000	4.000%	228,038	$1,541,075
February 1, 2021					206,338	
August 1, 2021	1,130,000	12,040,000	7,895,000	4.125%	206,338	$1,542,675
February 1, 2022					183,031	
August 1, 2022	1,175,000	13,215,000	6,720,000	4.125%	183,031	$1,541,063
February 1, 2023					158,797	
August 1, 2023	1,225,000	14,440,000	5,495,000	4.250%	158,797	$1,542,594
February 1, 2024					132,766	
August 1, 2024	1,275,000	15,715,000	4,220,000	5.000%	132,766	$1,540,531
February 1, 2025					100,891	
August 1, 2025	1,340,000	17,055,000	2,880,000	5.000%	100,891	$1,541,781
February 1, 2026					67,391	
August 1, 2026	1,405,000	18,460,000	1,475,000	5.000%	67,391	$1,539,781
February 1, 2027					32,266	
August 1, 2027	1,475,000	19,935,000	0	4.375%	32,266	$1,539,531
	$16,510,000				$6,608,506	$23,118,506

Computation of Direct and Overlapping Bonded Debt
June 30, 2012

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	$158,300	100.00%	$158,300
Yavapai County	2,800,000	0.00%	0
Yavapai Community College District	43,935,000	4.55%	1,999,043
Cottonwood/Oak Creek School District	0	38.37%	0
Mingus Union High School District	12,950,000	44.98%	5,824,910
	Total Direct and Overlapping Debt		$7,982,253

Jurisdiction	Total Assessed Valuation
City of Cottonwood	$116,253,848
Yavapai County	2,556,551,167
Yavapai Community College District	2,556,551,167
Cottonwood/Oak Creek School District	255,243,567
Mingus Union High School District	315,640,758
	5,800,240,507

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, 2012

Net secondary assessed valuation (Full Cash Value)	$105,439,689

Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	21,087,938
Bonds outstanding	0
Net 20% Debt Limitation	21,087,938

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	6,326,381
Bonds outstanding	0
Net 20% Debt Limitation	6,326,381
Total Bonding Capacity	$27,414,319

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, 2012 were secured by sales taxes instead of property taxes.

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GADA INFRASTRUCTURE REVENUE BONDS - SERIES 2000A

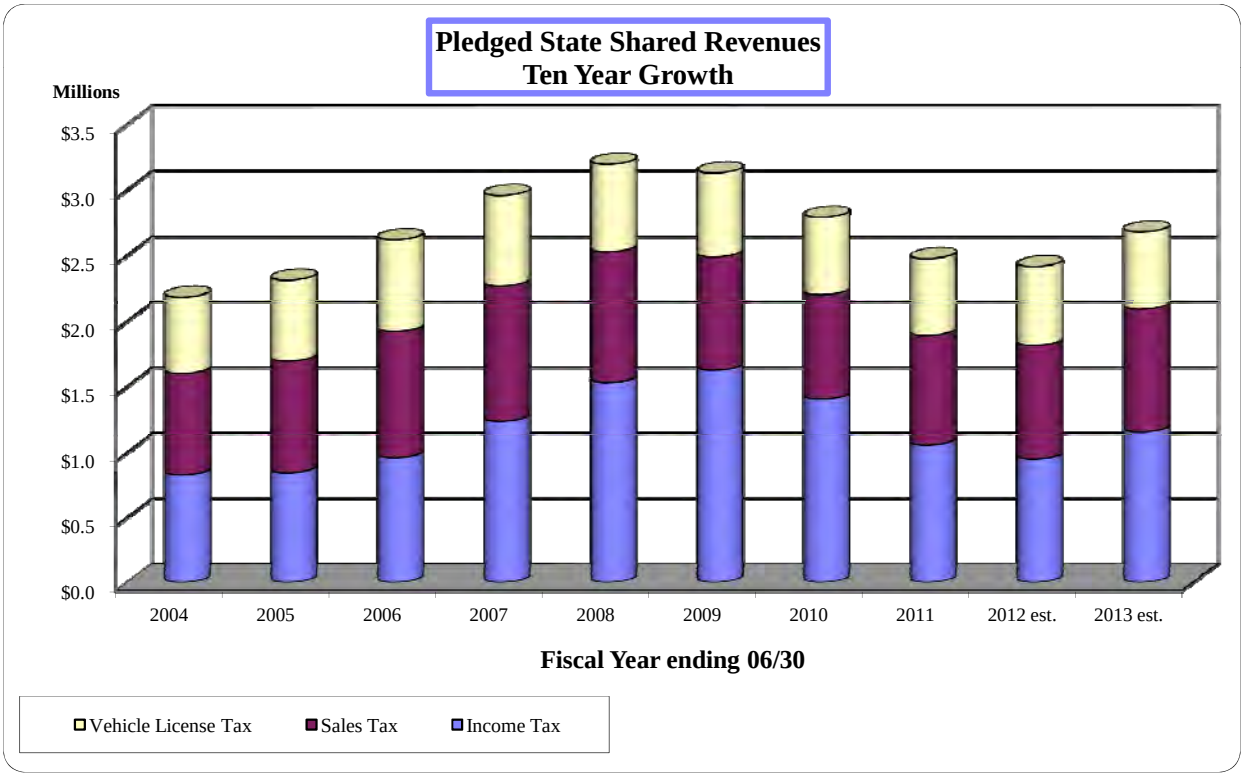
The Greater Arizona Development Authority (GADA) was created by the legislature of the State of Arizona in 1997. It is a body corporate and politic, established to assist in the planning and financing of local public projects. GADA has powers to issue bonds to provide financial assistance for construction 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.



Greater Arizona Development Authority - Railroad Wash Improvements
Infrastructure Revenue Bonds - Series 2000A ("AAA" S&P / "Aaa" Moody's)

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	$95,000				$5,700	$100,700

Greater Arizona Development Authority - Public Safety Building Construction Infrastructure Revenue Bonds - Series 2001A ("AAA" S&P / "Aaa" Moody's)

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	$260,000				$11,700	$271,700

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CAPITAL PROJECTS FUNDS

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.

Fund/Account Number	Description
11-10-01	Railroad Wash Improvements
07-10-00	Heritage Grant - Riverfront Park Project
11-10-02	Library Expansion Project
11-10-03	Capital Projects Fund
11-14-00	Recreation Center Projects
11-15-00	Evidence Storage Building
11-16-00	Land Acquisition

Consolidated Statement of Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
Revenue Sources:				
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
Total Revenue Sources	(2,679)	405,000	236,945	475,000
Other Financing Sources:				
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
Total Other Financing Sources	14,152,370	14,959,260	13,602,200	12,672,075
Total Available Resources	14,149,691	15,364,260	13,839,145	13,147,075
Expenditures:				
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
Total Expenditures	738,511	12,079,260	12,939,145	9,547,075
Other Uses:				
Transfers Out	0	3,285,000	900,000	3,600,000
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	3,285,000	900,000	3,600,000
Total Expenditures and Other Uses	738,511	15,364,260	13,839,145	13,147,075
Net Income / (Loss)	$13,411,180	$0	$0	$0

Capital Projects - Railroad Wash Improvements Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Intergovernmental Revenues					
Yavapai County	0	405,000	0	225,000	0.00%
A.D.O.T.	0	0			0.00%
Total Intergov'tl Revenue	0	405,000	0	225,000	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	0	0	0	0	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	0	405,000	0	225,000	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	405,000	0	225,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	405,000	0	225,000	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	405,000	0	225,000	0.00%
Net Income / (Loss)	$0	$0	$0	$0	

Railroad Wash Improvements

Organizational Chart:
None

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

FY 2012 Accomplishments:
Not applicable

FY 2013Goals:
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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
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	$225,000

Public Works	Railroad Wash Improvements	Fund 11 - Capital Projects	Cost Center	11-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	405,000	0	225,000	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$0	$405,000	$0	$225,000	0.00%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
Yavapai County	$225,000	100.00%
GADA Loan Proceeds(carryover)	0	0.00%
Interest Income	0	0.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Capital Projects - Heritage Grant Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Yavapai County & APS	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	3	0	0	0	0.00%
Total Revenue Sources	3	0	0	0	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	3	0	0	0	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	0	0	0	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	0	0	0	0.00%
Net Income / (Loss)	$3	$0	$0	$0	

Heritage Grant

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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
N/A				

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
None				
	$0	$0	$0	$0

Culture & Recreation	Heritage Grant	Fund 07 - Grants	Cost Center	10-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$0	$0	$0	$0	0.00%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
Intergovernmental	$0	0.00%
Other Income	0	0.00%
Carry forward	0	0.00%
Transfers In - General Fund	0	0.00%
	Total Funding	0.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Capital Projects - Library Expansion Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Yavapai County & APS	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	930	0	0	0	0.00%
Total Revenue Sources	930	0	0	0	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	0	0	0	0	0.00%
Total Available Resources	930	0	0	0	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	0	0	0	0	0.00%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	0	0	0	0	0.00%
Net Income / (Loss)	$930	$0	$0	$0	

CIP - Library Expansion Project

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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
None					
	$0	$0	$0	$0	0.00%

Culture & Recreation	CIP Library Expansion	Fund 11 - Capital Projects	Cost Center	10-02

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	$0	$0	$0	$0	0.00%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
Capital Reserves	$0	0.00%
Interest Income	0	0.00%
	Total Funding	0.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Capital Projects - Capital Projects Fund-Revenue/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Intergovernmental Revenues					
Heritage Grant Funds	0	0	0	0	0.00%
Yavapai County & APS	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	(3,734)	0	236,945	250,000	5.51%
Total Revenue Sources	(3,734)	0	236,945	250,000	5.51%
Other Financing Sources:					
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%
Total Other Financing Sources	14,152,370	14,074,260	13,602,200	12,672,075	-6.84%
Total Available Resources	14,148,636	14,074,260	13,839,145	12,922,075	-6.63%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	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%
Total Expenditures	449,785	10,789,260	12,913,245	8,223,575	-36.32%
Other Uses:					
Transfers Out	0	3,285,000	900,000	3,600,000	300.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	3,285,000	900,000	3,600,000	300.00%
Total Expenditures and Other Uses	449,785	14,074,260	13,813,245	11,823,575	-14.40%
Net Income / (Loss)	$13,698,851	$0	$25,900	$1,098,500	

CIP - Capital Projects Fund

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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Goal:
Objective:
Type of Mea
Tool:
Frequency:
Scoring:
Trend:

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
N/A				

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
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
	$448,820	$6,317,600	$241,170	$593,155

General Government	CIP Capital Projects Fund	Fund 11 - Capital Projects		Cost Center	10-03
Summary By Category					
Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	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%
Department Totals	$449,785	$10,789,260	$12,913,245	$8,223,575	-36.32%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	$7,973,575	96.96%
Interest Income	250,000	3.04%
	Total Funding	100.00%

Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	2011	2012	2013	Minimum	Maximum	Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

Capital Projects - Recreation Projects Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
City Sales Tax	0	0	0	0	0.00%
Intergovernmental Revenues					0.00%
Yavapai County & APS	0	0	0	0	0.00%
Total Intergovernmental	0	0	0	0	0.00%
Miscellaneous Income					
Other Income	122	0	0	0	0.00%
Total Revenue Sources	122	0	0	0	0.00%
Other Financing Sources:					
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%
Total Other Financing Sources	0	885,000	0	0	0.00%
Total Available Resources	122	885,000	0	0	0.00%
					0
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	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%
Total Expenditures	288,726	885,000	25,900	1,098,500	4141.31%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	288,726	885,000	25,900	1,098,500	4141.31%
Net Income / (Loss)	($288,604)	$0	($25,900)	($1,098,500)	

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

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Supplemental Data: Capital Outlay

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final
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
	$288,692	$885,000	$25,500	$1,098,500

Culture & Recreation	CIP Rec Projects Expansion	Fund 11 - Capital Projects	Cost Center	14-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Personnel	$0	$0	$0	$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	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%
Department Totals	$288,726	$885,000	$25,900	$1,098,500	4141.31%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
Capital Reserves	$1,098,500	100.00%
Interest Income	0	0.00%
Transfers In	0	0.00%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 Budget
N/A						$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	0.00	0.00	0.00			$0

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
06-10-0X	Wastewater Treatment Fund
16-10-0X	Water System Fund

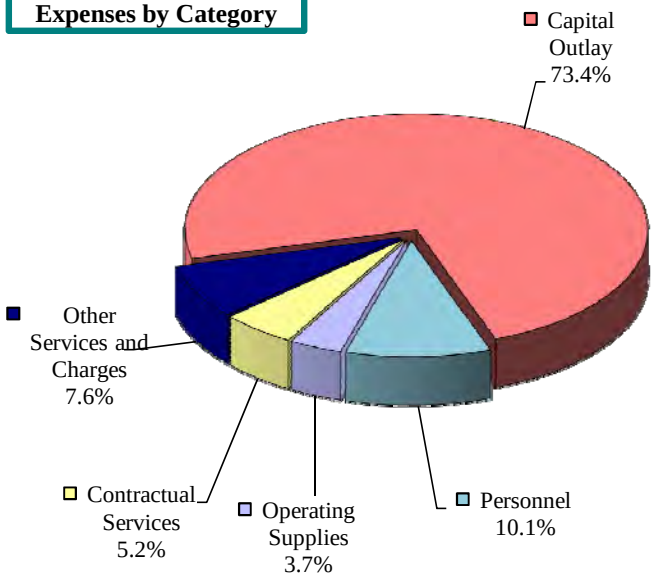
Consolidated Statement of Revenues/Expenses

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final
Revenue Sources:				
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
Total Revenue Sources	7,485,594	7,290,870	7,685,560	7,740,555
Other Financing Sources:				
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
Total Other Financing Sources	16,318,069	22,168,835	18,475,710	16,483,545
Total Available Resources	23,803,663	29,459,705	26,161,270	24,224,100
Expenses:				
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	1,072,620	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	16,171,520	7,778,495
Debt Service	2,515,304	2,527,310	2,527,310	2,502,050
Total Expenses	9,159,139	29,459,705	26,161,270	24,224,100
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenses and Other Uses	9,159,139	29,459,705	26,161,270	24,224,100
Net Income / (Loss)	$14,644,524	$0	$0	$0

Wastewater Facility Fund Expenses By Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-Total	$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

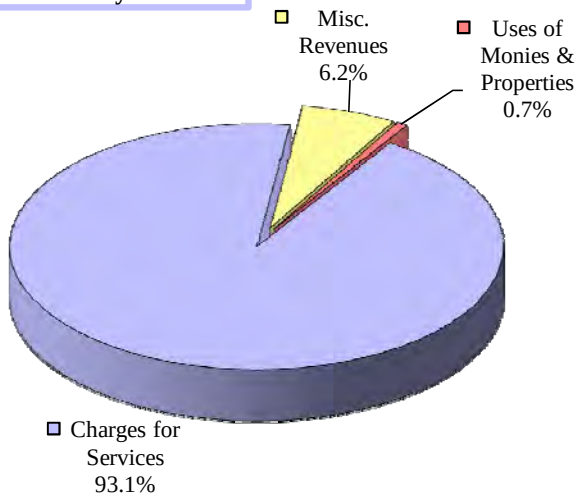


Wastewater Facility Fund Summary	
Revenues	$1,350,470
Expenses	(7,988,865)
Revenues over (under) Expenses	(6,638,395)
Other Funding Sources/Uses	6,638,395
(Use)/Source of Retained Earnings	$0

Wastewater Facility Fund Revenues By Source

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 by Source

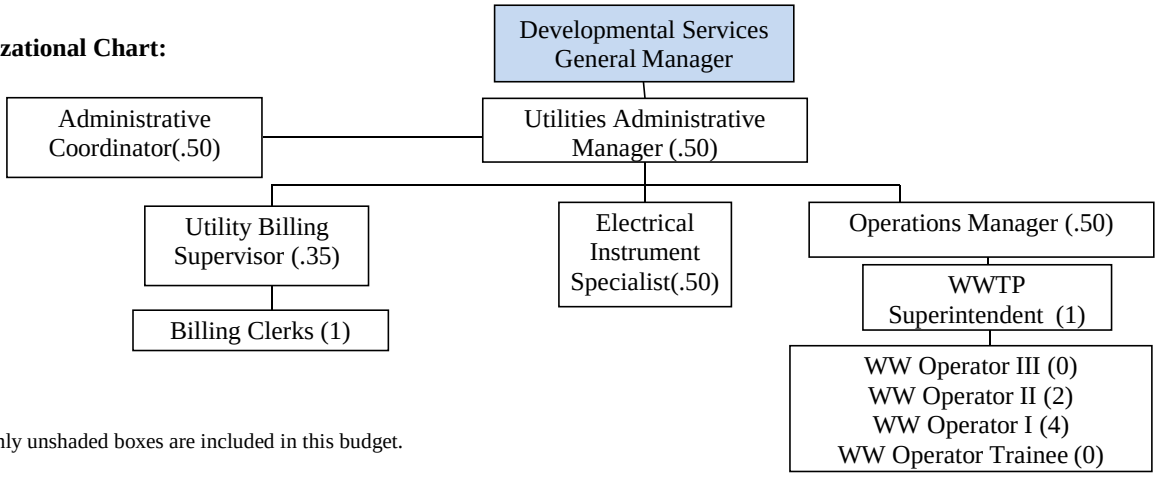


Wastewater Facility Fund Revenues/Expenses

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	1,550,709	1,465,900	1,350,470	1,350,470	0.00%
Other Financing Sources:					
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%
Total Other Financing Sources	3,628,101	10,461,340	4,484,695	6,638,395	48.02%
Total Available Resources	5,178,810	11,927,240	5,835,165	7,988,865	36.91%
Expenses:					
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%
Total Expenses	2,067,759	11,927,240	5,835,165	7,988,865	36.91%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	2,067,759	11,927,240	5,835,165	7,988,865	36.91%
Net Income / (Loss)	$3,111,051	$0	$0	$0	

Wastewater Facility Fund

Organizational Chart:

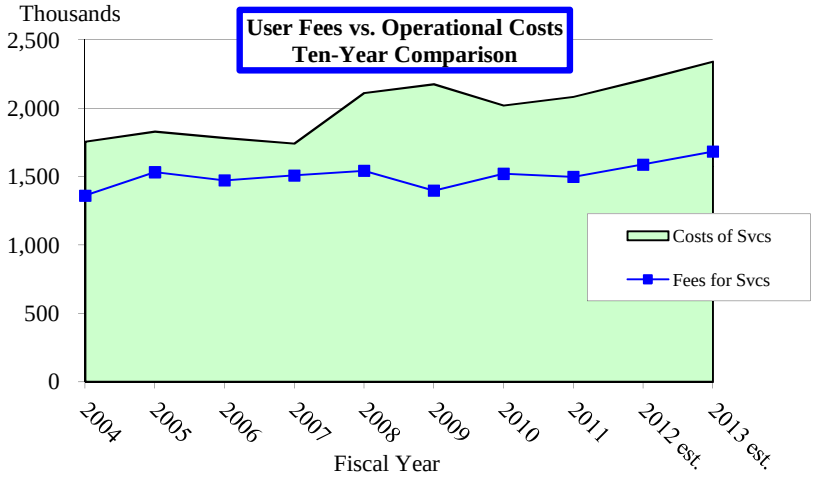


Note: Only unshaded boxes are included in this budget.

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

Performance Indicators

Council Priority: Strive to maintain a uniquely desirable and sustainable community
Goal: Provide wastewater treatment that meets or exceeds Federal, State and Local compliance
Objective: Improve influent/effluent treatment plant quality
Type of Measure: Outcome Based
Tool: System Monitoring, reporting and operational feedback
Frequency: Daily, Weekly, Monthly, Quarterly, Semi-Annual and Annual Reports
Scoring: Percentage above required 85% from previous
Trend: Steady Improvement

	Actual		Estimated	Anticipated
Measures:	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%

Council Priority: Strive to maintain a uniquely desirable and sustainable community
Goal: Ensure regulatory compliance of effluent (reclaimed water) and encourage use of reclaim
Objective: Produce and distribute reclaimed water that meets or exceeds regulatory standards
Type of Measure: Outcome
Tool: Laboratory testing, metering
Frequency: Daily, Monthly, Quarterly, Semi-Annual, Annual testing, reports
Scoring: Exceedances :1-3= 90% 4-6= 75% >6= 50%, Sold = steady improvement
Trend: Steady improvement

	Actual		Estimated	Anticipated
Measures:	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

Council Priority: Strive to maintain a uniquely desirable and sustainable community
Goal: Maintain reliable infrastructure
Objective: Reduce the number of Sanitary Sewer Overflows through proper maintenance and inspection
Type of Measure: Outcome
Tool: System monitoring, visual observation and reports
Frequency: Ongoing Project
Scoring: Blockages= percent reduction from previous, Cleaning and video taping (ft)= 1,000-10,000 =50% 11,000-20,000=75% 20,000+ =100%
Trend: Steady improvement

	Actual		Estimated	Anticipated
Measures:	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

Supplemental Data: Capital Outlay

Item	2011	2012		2013
Description	Actual	Budget	Revised	Final
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 **page 296**	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
Summary By Category					
Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$2,067,759	$11,927,240	$5,835,165	$7,988,865	36.91%

Departmental Fund Sources		
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%
	Total Funding	100.00%

Supplemental Data: Personnel						
Authorized Positions	Number of FTE's			Salary Range		2013
Job Classifications	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
Totals	10.40	10.40	10.75			$670,780

Health and Sanitation 0	Fund 06 - Enterprise Fund	Cost Center	10-0X

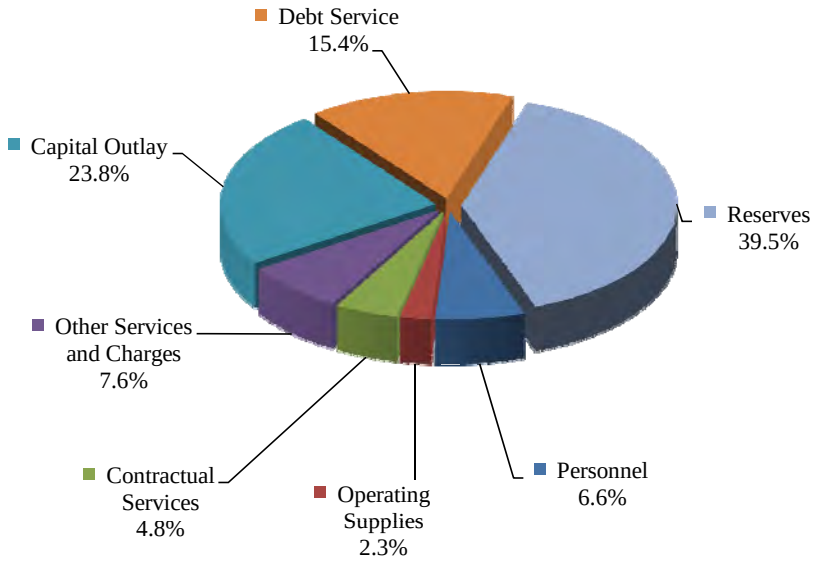
Supplemental Data: Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Supplies					
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%
Total Supplies	221,593	248,550	215,695	243,950	13.10%
Contractual Services					
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%
Total Contractual Services	200,960	529,655	305,420	342,060	12.00%
Other Services and Charges					
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%
Total Other Services & Charges	449,090	493,900	487,775	502,820	3.08%

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

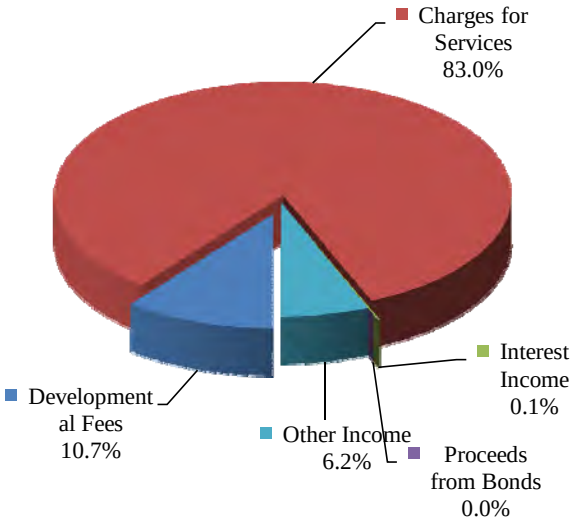
Water System Facility Fund Expenses by Category



Water System Facility Fund Summary	
Revenues	$ 6,390,085
Expenses	(16,235,235)
Revenues over (under) Expenses	(9,845,150)
Other Funding Sources/Uses	9,845,150
(Use)/Source of Retained Earnings	$0

Water 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
Sub Total	6,390,085
Other Sources	9,845,150
Total Resources Available	$22,625,320

Water System Facility Fund Revenues by Source

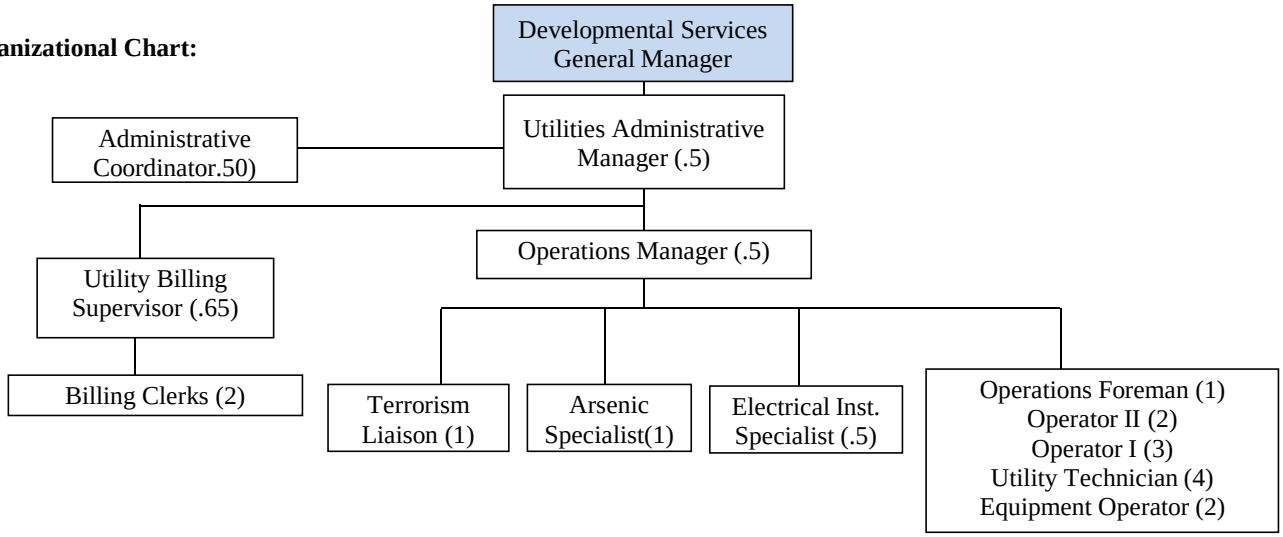


Water System Facility Fund Revenues/Expenses

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	5,934,885	5,824,970	6,335,090	6,390,085	0.87%
Other Financing Sources:					
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%
Total Other Financing Sources	12,689,968	11,707,495	13,991,015	9,845,150	-29.63%
Total Available Resources	18,624,853	17,532,465	20,326,105	16,235,235	-20.13%
Expenses:					
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	767,200	774,290	0.92%
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	13,133,125	6,406,905	-51.22%
Debt Service	2,515,304	2,527,310	2,527,310	2,502,050	-1.00%
Total Expenses	7,091,380	17,532,465	20,326,105	16,235,235	-20.13%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	7,091,380	17,532,465	20,326,105	16,235,235	-20.13%
Net Income / (Loss)	$11,533,473	$0	$0	$0	0.00%

Water System Facility Fund

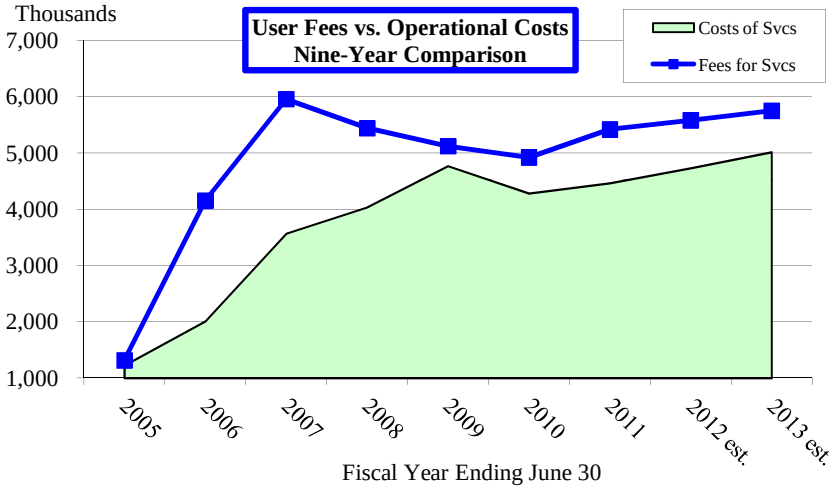
Organizational Chart:



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

Performance Indicators

Council Priority: Strive to maintain a uniquely desirable and sustainable community
Goal: Improve reliability of potable water service to residents of Cottonwood and adjacent areas
Objective: Improve supply and distribution systems to improve water quality and reduce customer service disruptions
Type of Measure: Outcome
Tool: System monitoring, service reports, and Operator feedback,
Frequency: Daily, Weekly, Monthly and Annual reports
Scoring: numerical reduction in leaks from previous year
Trend: Steady improvement

	Actual		Estimated	Anticipated
Measures:	2010	2011	2012	2013
System leaks repaired	218	124	120	120
Water Main Replaced LF	5500	9,950	9000	9000

Council Priority: Strive to maintain a uniquely desirable and sustainable community
Goal: Ensure regulatory arsenic compliance of potable water service to residents of Cottonwood and adja
Objective: consistent testing and treatment practices at all affected sites
Type of Measure: Outcome
Tool: analytical results, arsenic treatment operator logs
Frequency: Daily, Weekly, Monthly and Annual reports
Scoring: Percentage ADEQ/EPA compliance based on # of sites per quarter per year =100%
Trend: Steady improvement

	Actual		Estimated	Anticipated
Measures:	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

Council Priority: Strive to maintain a uniquely desirable and sustainable community
Goal: Improve Utility Billing customer satisfaction rating
Objective: Combine water and sewer billing
Type of Measure: Outcome based
Tool: numerical data
Frequency: ongoing project
Scoring: numerical reduction in separate water/sewer accounts
Trend: Steady improvement

	Actual		Estimated	Anticipated
Measures:	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

Supplemental Data: Capital Outlay

Item	2011	2012		2013
Description	Actual	Budget	Revised	Final
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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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	767,200	774,290	0.92%
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	13,133,125	6,406,905	-38.32%
Transfers out - Debt Service	0	0	0	0	
Debt Service	2,515,304	2,527,310	2,527,310	2,502,050	-1.00%
Department Totals	$7,091,380	$17,532,465	$20,326,105	$16,235,235	-20.13%

Departmental Fund Sources

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%
	Total Funding	100.00%

Supplemental Data: Personnel

Authorized Positions Job Classifications	Number of FTE's 2011	2012	2013	Salary Range Minimum	Maximum	2013 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
Totals	18.10	18.10	18.75			$1,089,900

Health and Sanitation	Water System Facility Fund	Fund 16 - Enterprise Fund		Cost Center	10-0X
Supplemental Data: Expenditures					
Item	2011	2012		2013	Percent
Description	Actual	Budget	Revised	Final	Change
Supplies					
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%
Total Supplies	450,227	475,500	404,270	377,575	-6.60%
Contractual Services					
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	77,000	35,000	-54.55%
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%
Total Contractual Services	771,292	955,935	767,200	774,290	0.92%
Other Services and Charges					
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	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%
Total Other Services & Charges	635,847	822,010	1,191,625	1,226,515	2.93%
Debt Service					
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%
Total Other Debt Service	2,515,304	2,527,310	2,527,310	2,502,050	-1.00%

Municipal Property Corporation
Senior Lien Water System Revenue Bonds, Series 2004 ("AAA" S&P / "AAA" Moody's)

Maturity	Principal Payments	Principal Retired	Principal Balance	Rate	Int/Fees	Debt Service
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	$10,975,000				$5,270,046	$16,245,046

Municipal Property Corporation

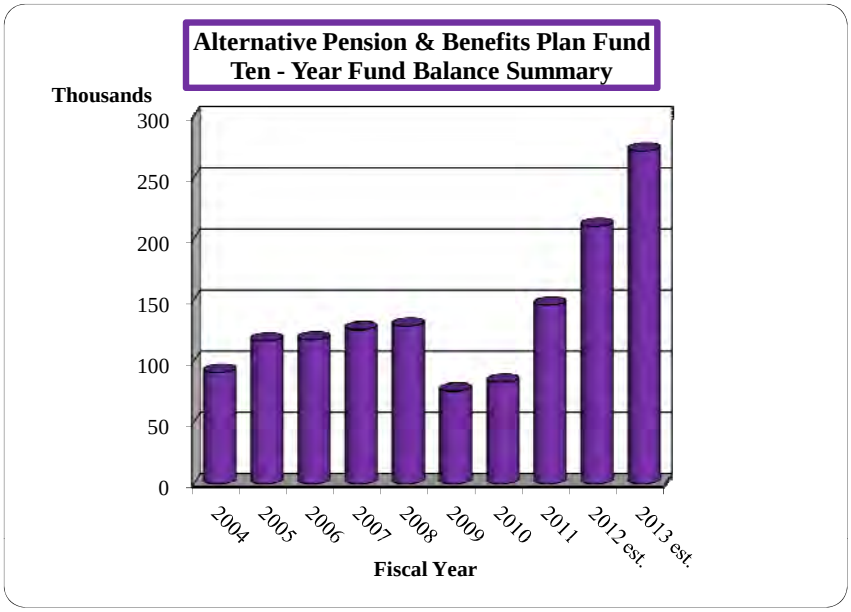
Senior Lien Water System Revenue Bonds, Series 2006 ("AAA" S&P / "AAA" Moody's)

Maturity	Principal Payments	Principal Retired	Principal Balance	Rate	Int/Fees	Debt Service
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	$21,750,000				$14,864,588	$36,614,588

FIDUCIARY FUNDS

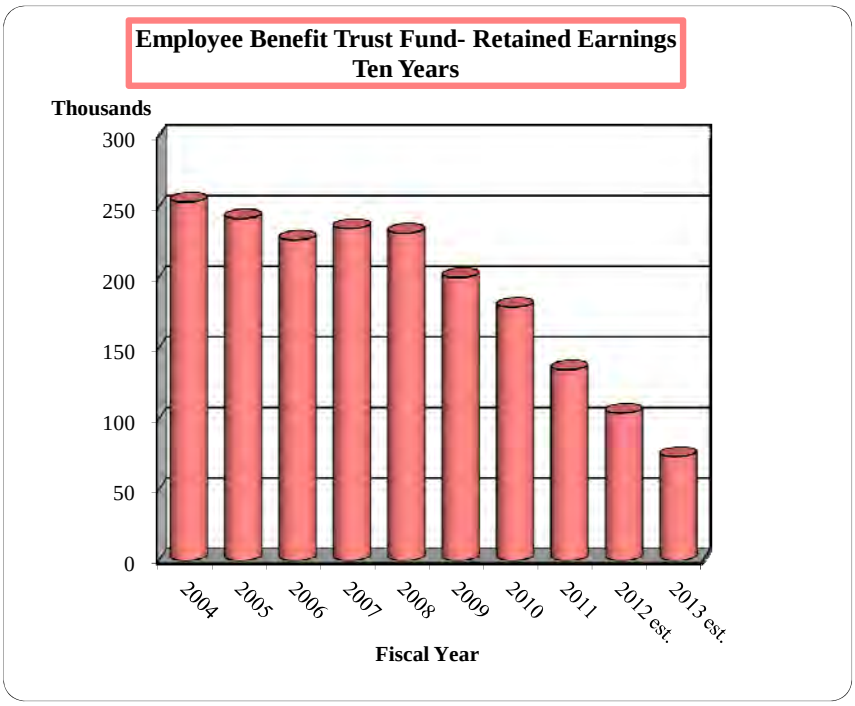
These funds are used to account for assets held in trust by a government in a trustee capacity or agency capacity for others and which therefore cannot be used to support the government's own programs.

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 Actual	2012 Budget	2012 Revised	2013 Final
Revenue Sources:				
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
Total Revenue Sources	63,723	63,750	69,360	66,300
Other Financing Sources:				
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
Total Other Financing Sources	276,667	308,370	280,800	314,660
Total Available Resources	340,390	372,120	350,160	380,960
Expenditures:				
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
Total Expenditures	67,395	372,120	350,160	380,960
Other Uses:				
Transfers Out	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	0	0	0
Total Expenditures and Other Uses	67,395	372,120	350,160	380,960
Net Income / (Loss)	$272,995	$0	$0	$0

Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
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%
Total Revenue Sources	64,090	63,750	68,810	65,750	-4.45%
Other Financing Sources:					
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%
Total Other Financing Sources	97,549	136,400	145,970	210,480	44.19%
Total Available Resources	161,639	200,150	214,780	276,230	28.61%
Expenditures:					
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%
Total Expenditures	23,478	200,150	214,780	276,230	28.61%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenditures and Other Uses	23,478	200,150	214,780	276,230	28.61%
Net Income / (Loss)	$138,161	$0	$0	$0	

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Alternative Pension and Benefits Plan Fund

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:
No significant changes are planned for this department.

Fiduciary Fund	Alternative Pension and Benefits Plan	Fund 09	Cost Center	10-00

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$23,478	$200,150	$214,780	$276,230	28.61%

Departmental Fund Sources

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%
	Total Funding	100.00%

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Goal:
Objective:

Type of Mea
Tool:
Frequency:
Scoring:
Trend:

Measures:	Actual 2010	Actual 2011	Estimated 2012	Anticipated 2013
N/A				

Employee's Benefit Trust Fund Revenues/Expenditures

Item Description	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
Revenue Sources:					
Uses of Monies & Properties					
Interest Income	(367)	0	550	550	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	(367)	0	550	550	0.00%
Other Financing Sources:					
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%
Total Other Financing Sources	179,118	171,970	134,830	104,180	-22.73%
Total Available Resources	178,751	171,970	135,380	104,730	-22.64%
Expenses:					
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%
Total Expenses	43,917	171,970	135,380	104,730	-22.64%
Other Uses:					
Transfers Out	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	0	0	0	0.00%
Total Expenses and Other Uses	43,917	171,970	135,380	104,730	-22.64%
Net Income / (Loss)	$134,834	$0	$0	$0	0.00%

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Employee Benefit Trust

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

Summary By Category

Expenditure Category	2011 Actual	2012 Budget	2012 Revised	2013 Final	Percent Change
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%
Department Totals	$43,917	$171,970	$135,380	$104,730	-22.64%

Departmental Fund Sources

Funding Sources	Amount	% of Funding
Interest Income	$550	0.53%
Miscellaneous Revenues	0	0.00%
Retained Earnings	104,180	99.47%
	Total Funding	100.00%

Performance Indicators

**** Performance Measures are not applicable to this fund ****

Capital Outlay

General Fund			
Department	**Equipment & Project Description**	**Requested**	**Budgeted**
City Council	Library Parking Lot	80,000	80,000
	Trust Land Annexation	50,000	50,000
	Subtotal	130,000	130,000
Finance	Citywide Software Plan	298,750	298,750
	Subtotal	298,750	298,750
Economic Development	Desktop Computer	1,500	1,500
	Subtotal	1,500	1,500
Police	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)	2,975	2,975
	Emergency Operations Center Equipment	10,000	10,000
	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

General Fund			
Department	**Equipment & Project Description**	**Requested**	**Budgeted**
Fire	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	30,000
	SCBA Replacement Program	150,000	150,000
	Emergency Operations Center Equipment	10,000	10,000
	Fire Prevention Safety House - Grant Funded 95/5	75,000	75,000
	Subtotal	998,000	975,500
Parks & Recreation	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
	Bank card scanner and iPad for events	2,500	2,500
	Recreation Center Solar	598,500	598,500
	Subtotal	857,000	657,000
Community Dev	Bike Racks and Trail Signage	4,160	1,000
	Bicycle Network Improvements	42,750	0
	Subtotal	46,910	1,000
Engineering	Auto CADD Civil 3D 2012	9,250	9,750
	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	12,750
Parks & Bldg Mtce	Three Mowers	33,500	33,500
	Field Groomer	5,000	5,000
	Playground Apparatus (for parks x3)	40,000	40,000
	Subtotal	78,500	78,500
Public Works	Re-Sealing of Library & Public Safety Bldgs	11,900	0
	Subtotal	11,900	0
Total General Fund Capital Outlay		$3,294,411	$3,054,130

Capital Outlay

Special Revenue Funds			
Department	**Equipment & Project Description**	**Requested**	**Budgeted**
Streets-Construction	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
Streets - Operations	Trailer for Temp signage	2,000	2,000
	Street Improvements	1,600	1,600
	Side Mounted Mower	3,800	0
	Backhoe	33,500	32,000
	Subtotal	40,900	35,600
CAT	Bus (moved out to FY14)	100,000	
	Sub-total	100,000	0
Other Grants	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
Airport Grants	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
Total Special Revenue Fund Capital Outlay		$8,543,090	$6,687,790
Capital Projects Fund	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
Total Capital Projects Fund Capital Outlay		$593,155	$593,155

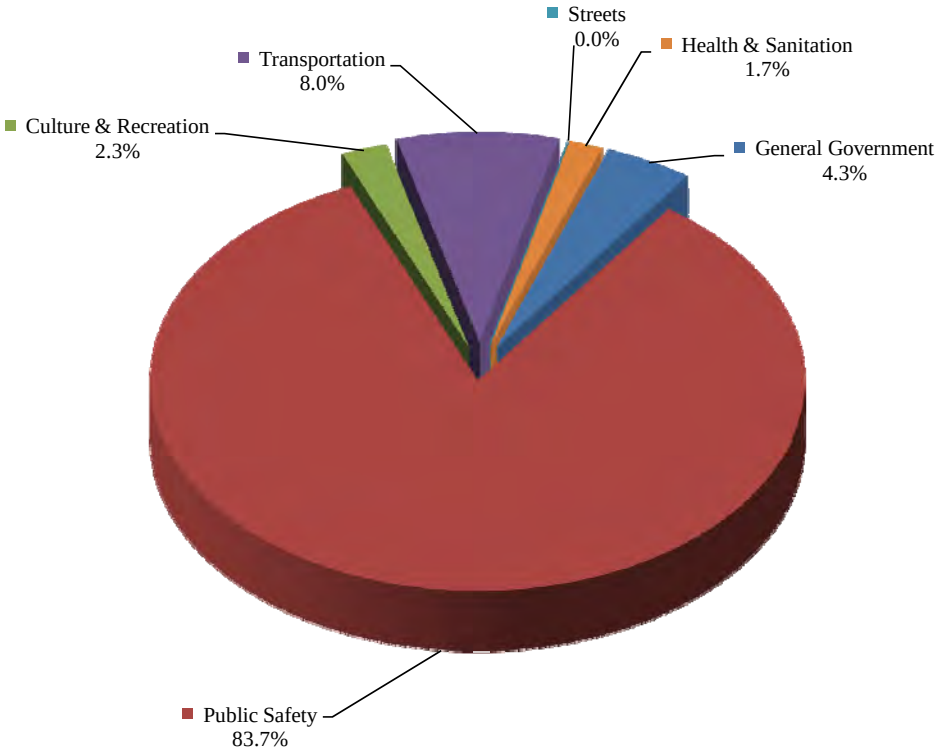
Capital Outlay

Enterprise Funds			
Department	**Equipment & Project Description**	**Requested**	**Budgeted**
Sewer Construction	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	4,823,165
Sewer O&M	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	34,500
Water Construction	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
Water O&M	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	136,000
Total Enterprise Fund Capital Outlay		8,374,500	8,715,665
Grand Total - All Capital and Equipment & Project		20,805,156	19,050,740

Capital Outlay

	Capital	
	Equipment	Project
City Council	0	130,000
Economic Dev. & Community Dev.	1,500	1,000
Finance/Human Resources	0	298,750
Police	895,580	3,550
Fire	890,500	85,000
Engineering & Public Works,	12,750	0
Parks & Recreation / Pool / Weight room	48,000	609,000
Library	0	0
Building Maintenance	78,500	0
Street Maintenance & Construction	0	5,923,195
Street Operations	35,600	0
HURF Transit Fund	0	0
Airport	0	728,995
Sewer Operations & Maintenance	34,500	4,823,165
Water Construction & Design	136,000	3,722,000
Capital Projects Fund	0	593,155
Total Capital Equipment & Projects	2,132,930	16,917,810

FY 2013 CAPITAL EQUIPMENT



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Salary Ranges

Salary Range	Minimum	Midpoint	Maximum
1	$15,202	$18,622	$22,043
2	$15,582	$19,088	$22,594
3	$15,972	$19,565	$23,159
4	$16,371	$20,054	$23,738
5	$16,780	$20,556	$24,331
6	$17,200	$21,070	$24,940
7	$17,630	$21,596	$25,563
8	$18,070	$22,136	$26,202
9	$18,522	$22,690	$26,857
10	$18,985	$23,257	$27,529
11	$19,460	$23,838	$28,217
12	$19,946	$24,434	$28,922
13	$20,445	$25,045	$29,645
14	$20,956	$25,671	$30,386
15	$21,480	$26,313	$31,146
16	$22,017	$26,971	$31,925
17	$22,567	$27,645	$32,723
18	$23,132	$28,336	$33,541
19	$23,710	$29,045	$34,379
20	$24,303	$29,771	$35,239
21	$24,910	$30,515	$36,120
22	$25,533	$31,278	$37,023
23	$26,171	$32,060	$37,948
24	$26,826	$32,861	$38,897
25	$27,496	$33,683	$39,870
26	$28,184	$34,525	$40,866
27	$28,888	$35,388	$41,888
28	$29,610	$36,273	$42,935
29	$30,351	$37,180	$44,009
30	$31,109	$38,109	$45,109
31	$31,887	$39,062	$46,236
32	$32,684	$40,038	$47,392
33	$33,502	$41,039	$48,577
34	$34,339	$42,065	$49,792
35	$35,198	$43,117	$51,036
36	$36,077	$44,195	$52,312
37	$36,979	$45,300	$53,620
38	$37,904	$46,432	$54,961
39	$38,851	$47,593	$56,335
40	$39,823	$48,783	$57,743
41	$40,818	$50,002	$59,187
42	$41,839	$51,253	$60,666
43	$42,885	$52,534	$62,183
44	$43,957	$53,847	$63,737
45	$45,056	$55,193	$65,331

Salary Range	Minimum	Midpoint	Maximum
46	$46,182	$56,573	$66,964
47	$47,337	$57,988	$68,638
48	$48,520	$59,437	$70,354
49	$49,733	$60,923	$72,113
50	$50,977	$62,446	$73,916
51	$52,251	$64,007	$75,764
52	$53,557	$65,608	$77,658
53	$54,896	$67,248	$79,599
54	$56,269	$68,929	$81,589
55	$57,675	$70,652	$83,629
56	$59,117	$72,418	$85,720
57	$60,595	$74,229	$87,863
58	$62,110	$76,085	$90,059
59	$63,663	$77,987	$92,311
60	$65,254	$79,936	$94,619
61	$66,886	$81,935	$96,984
62	$68,558	$83,983	$99,409
63	$70,272	$86,083	$101,894
64	$72,028	$88,235	$104,441
65	$73,829	$90,441	$107,052
66	$75,675	$92,702	$109,729
67	$77,567	$95,019	$112,472
68	$79,506	$97,395	$115,284
69	$81,494	$99,830	$118,166
70	$83,531	$102,325	$121,120
71	$85,619	$104,884	$124,148
72	$87,760	$107,506	$127,252
73	$89,954	$110,193	$130,433
74	$92,203	$112,948	$133,694
75	$94,508	$115,772	$137,036
76	$96,870	$118,666	$140,462
77	$99,292	$121,633	$143,973
78	$101,774	$124,674	$147,573
79	$104,319	$127,790	$151,262
80	$106,927	$130,985	$155,044
81	$109,600	$134,260	$158,920
82	$112,340	$137,616	$162,893
83	$115,148	$141,057	$166,965
84	$118,027	$144,583	$171,139
85	$120,978	$148,198	$175,418
86	$124,002	$151,903	$179,803
87	$127,102	$155,700	$184,298
88	$130,280	$159,593	$188,906
89	$133,537	$163,583	$193,628
90	$136,875	$167,672	$198,469

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Authorized Positions by Fiscal Year

Authorized Positions	Number of FTE's			Salary Range		Range
Job Classifications	FY 2011	FY 2012	FY 2013	Min	Max	Number
Administration						
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			
City Clerks Office						
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			
Administration - Personnel Division						
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			
Natural Resources						
Natural Resources Director	0.00	1.00	1.00	7,313	10,604	72
	0.00	1.00	1.00			
Finance Department						
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			
IT Services						
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			
Purchasing						
Purchasing Manager	1.00	1.00	1.00	3,487	5,056	42
Total	1.00	1.00	1.00			
Community Development						
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			
Economic Development						
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			

Authorized Positions by Fiscal Year

Authorized Positions	Number of FTE's			Salary Range		Range
Job Classifications	FY 2011	FY 2012	FY 2013	Min	Max	Number
Municipal Court						
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			
Legal Department						
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			
Engineering Services Department						
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			
Public Works						
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			
Police Department						
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			
Police - Ordinance Enforcement						
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			

Authorized Positions by Fiscal Year

Authorized Positions	Number of FTE's			Salary Range		Range
Job Classifications	FY 2011	FY 2012	FY 2013	Min	Max	Number
Police - Communications Division						
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			
Fire Department						
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	4,043	5,863	48
Total	28.00	28.00	28.00			
Parks and Recreation Department						
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			
Recreation Department						
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			
Building Maintenance						
P.W., Parks, & Bldg. Mtce. Manager	1.00	0.50	0.50	1,659	2,406	40
Parks & Building Maintenance Workers	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			
Streets Maintenance						
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			
CAT/LINKS						
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			

Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTE's FY 2011	FY 2012	FY 2013	Salary Range Min	Max	Range Number
Library Services						
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			
Cemetery						
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			
Wastewater Treatment Facility						
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			
Water Distribution System						
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
	18.10	18.10	18.75			
Total City-wide Authorized Full-Time Equivalents	189.00	182.00	192.00			

RESOLUTION NUMBER 2649

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2012-2013 AND ESTABLISHING AN EXPENDITURE LIMITATION.

WHEREAS, in accordance with the provisions of Arizona Revised Statutes (A.R.S.) Title 42, Chapter 17 Articles 1-5, the City Council of the City of Cottonwood, Arizona, on July 17, 2012, made an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Council met on July 17, 2012, at which meeting any citizen was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses; and

WHEREAS, publication has been duly made as required by law of said estimates, together with a notice that the City Council would meet on June 19, 2012, and July 17, 2012, for the purpose of hearing citizen's comments; and

WHEREAS, the document outlining said expenditures/expenses for the ensuing year is on file with the office of the City Clerk of the City of Cottonwood, Arizona, and said document was made a public record by Resolution Number 2649 and is hereby referred to, adopted, and made a part hereof as fully set forth in this resolution as the official annual budget of the City of Cottonwood for the fiscal year beginning July 1, 2012, and ending June 30, 2013.

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

THAT, the said estimates of revenues and expenditures/expenses and accompanying schedules, as now increased, reduced, or changed are hereby adopted as the budget of the City of Cottonwood, Arizona, for fiscal year 2012-2013, and establishing an expenditure limitation of $_____.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 17TH OF JULY 2012.

_____
Diane Joens, Mayor

ATTEST:

_____
Marianne Jiménez, City Clerk

APPROVED AS TO FORM:

_____
Steven B. Horton, Esq.
City Attorney

City of Cottonwood, Az
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2013

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2012	ACTUAL EXPENDITURES/ EXPENSES ** 2012	FUND BALANCE/ NET ASSETS*** July 1, 2012**	PROPERTY TAX REVENUES 2013	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2013	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013		TOTAL FINANCIAL RESOURCES AVAILABLE 2013	BUDGETED EXPENDITURES/ EXPENSES 2013
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	$ 15,406,570	$ 15,406,570	$ 6,168,880	Primary: $	$ 15,894,855	$ 558,510	$ 558,510	$ 23,490	$ 981,375	$ 21,105,850	$ 21,105,850
2. Special Revenue Funds	3,494,335	3,494,335	156,695	Secondary:	3,738,605	4,738,195	4,738,195	1,116,860	158,975	$ 4,853,185	4,853,185
3. Debt Service Funds Available	3,273,300	3,273,300	1,209,315		2,073,225					3,282,540	3,282,540
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	3,273,300	3,273,300	1,209,315		2,073,225					3,282,540	3,282,540
6. Capital Projects Funds	12,939,145	12,939,145	12,672,075		475,000				3,600,000	9,547,075	9,547,075
7. Fiduciary Funds	350,160	350,160	314,660		66,300					380,960	380,960
8. Enterprise Funds Available	26,161,270	26,161,270	12,883,545		7,685,555	55,000	55,000	3,600,000		24,169,100	24,169,100
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	26,161,270	26,161,270	12,883,545		7,685,555	55,000	55,000	3,600,000		24,169,100	24,169,100
11. Internal Service Funds											
12. TOTAL ALL FUNDS	$ 61,624,780	$ 61,624,780	$ 33,405,170	$	$ 29,933,540	$ 5,351,705	$ 5,351,705	$ 4,740,350	$ 4,740,350	$ 63,338,710	$ 63,338,710

EXPENDITURE LIMITATION COMPARISON	2012	2013
1. Budgeted expenditures/expenses	$ 61,624,780	$ 63,338,710
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	61,624,780	63,338,710
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	$ 61,624,780	$ 63,338,710
6. EEC or voter-approved alternative expenditure limitation	$	$

☑ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

City of Cottonwood, Az
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
GENERAL FUND			
Local taxes			
City Sales Tax	$ 7,834,070	8,410,045	$ 8,496,955
Bed Tax	104,000	104,000	103,710
Utility Tax	194,000	205,000	209,445
Additional Construction Sales Tax			
Franchises	221,000	295,000	302,000
Licenses and permits			
Business Licenses	30,000	30,000	32,045
Construction Permits	89,000	73,000	74,630
Planning & Zoning Fees	3,000	12,000	13,000
Intergovernmental			
Federal Revenue	270,540	243,980	191,250
State Revenue	2,064,425	1,850,150	2,138,170
County (including Motor Vehicle Tax)	833,755	693,240	1,202,870
Other Entities	123,250	63,000	43,350
Charges for services			
Dispatch & Spillman Services	165,300	165,300	166,760
Recreation Fees	950,700	920,370	944,830
Animal Control Fees	3,000	3,000	3,000
Other Services	1,746,495	1,334,615	1,461,115
Fines and forfeits			
Municipal Court	164,000	176,690	179,100
Interest on investments			
Interest Income	16,000	37,260	37,430
Uses of monies & properties			
Rentals	6,500	5,700	5,700
Contributions			
Voluntary contributions	10,620	8,050	8,550
Miscellaneous			
Miscellaneous Income	26,500	17,500	280,945
Total General Fund	$ 14,856,155	$ 14,647,900	$ 15,894,855

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Cottonwood, Az
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Fuel Tax	$ 702,705	$ 702,705	794,145
Additional Sales Tax	152,000	152,000	214,415
Federal Grants			
County Revenve			
Other Income	14,000	450	450
Total Highway User Revenue Fund	$ 868,705	$ 855,155	$ 1,009,010
Local Transportation Assistance Fund			
Lottery Tax	$	$	$
Total Local Transportation Assistance Fund	$	$	$
Total Street Maintenance & Construction	$ 868,705	$ 855,155	$ 1,009,010
COTTONWOOD AREA TRANSIT SYSTEM			
Intergovenmental			
State Grant	$		$ 517,845
Fuel Tax			
LTAF			
Other Entities			153,060
Charges for services			
Fare Box	$		$ 85,000
Miscellaneous			80,000
Other Income	$		$
Total Cottonwood Area Transit System	$ -	$ -	$ 835,905
LIBRARY FUND			
Intergovenmental			
County Library	$ 197,250	$ 205,505	$ 176,695
State Grant	39,000	39,000	
Charges for services			
Collection Income	$	$	$
Interest on investment			
Interest Income	$ 130	$ 640	$ 640
Miscellaneous			
Other Income (including grants)	$ 13,690	$ 13,390	$ 13,400
Total Library Fund	$ 250,070	$ 258,535	$ 190,735
AIRPORT			
Intergovenmental			
State Grants	$ 295,495	$ 89,970	646,625
Federal Grants	5,000	-	9,385
Charges for services			
Fuel Sales	$ 200,000	$ 189,750	201,250
Uses of monies & properties			
Rental & Leases	$ 86,250	$ 86,210	86,225
Total Airport Authority	$ 586,745	$ 365,930	$ 943,485
OTHER GRANTS			
Intergovernmental Revenues	$ 500,000	$ -	500,000
Total Other Grants Fund	$ 500,000	$ -	$ 500,000

City of Cottonwood, Az
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

HERITAGE GRANT			
Intergovenmental			
Heritage Grant Funds	$ -	$ -	$ -
Other Entities	-	-	-
Matching Funds	-	-	-
Total Heritage Grant Fund	$ -	$ -	$ -
Cemetery Fund			
Intergovenmental			
Cemetery Fund	$ 1,710	$ 2,765	1,970
	-	-	-
Total Heritage Grant Fund	$ 1,710	$ 2,765	$ 1,970
COMMUNITY DEVELOPMENT BLOCK GRANTS			
Intergovenmental			
State Grants	$ 350,000	$ 12,500	$ 257,500
Other Entities	-	-	-
Total Community Development Block Grants	$ 350,000	$ 12,500	$ 257,500
EXPENDABLE TRUST FUNDS			
Health & Benefits Trust Fund	$ -	550	550
Alternative Pension Fund	63,750	68,810	65,750
Total ExpendableTrust Funds	$ 63,750	$ 69,360	$ 66,300
Total Special Revenue Funds	$ 2,620,980	$ 1,564,245	$ 3,804,905

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Cottonwood, Az
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
DEBT SERVICE FUNDS			
Local Taxes			
City Sales Tax	$ 2,062,585	$ 2,062,825	2,072,875
Charges for services			
Water User Fees - Debt Service	$ -	$ -	$ -
Interest			
Interest Income	$ 850	$ 350	350
Total Debt Service Funds	$ 2,063,435	$ 2,063,175	$ 2,073,225
CAPITAL PROJECTS FUNDS			
Local Taxes			
City Sales Tax	$ -	$ -	$ -
Intergovenmental			
Federal Grants	$	$	
State Grants		-	
County Revenue	405,000		225,000
Other Entities			
Miscellaneous			
Other Income	$ -	$	$
Interest Income	-	236,945	250,000
Total Capital Projects Funds	$ 405,000	$ 236,945	$ 475,000
ENTERPRISE FUNDS			
WASTEWATER			
City Sales Tax	$ -	$ -	$ -
User Fees	1,422,400	1,257,045	1,257,045
Interest Income	10,000	9,705	9,705
Other Income	33,500	83,720	83,720
Total Wastewater Enterprise	$ 1,465,900	$ 1,350,470	$ 1,350,470
WATER			
City Sales Tax	$ -	$ -	-
User Fees	5,424,530	5,983,520	5,983,520
Interest Income	58,900	8,420	8,415
Clarkdake Reimbursements	325,000	325,000	325,000
Other Income	16,540	18,150	18,150
Total Water Enterprise	$ 5,824,970	$ 6,335,090	$ 6,335,085
CLARKDALE WATER ENTERPRISE			
Clarkdale Water	$ -	$ -	$ -
Total Clarkdale Water Enterprise	$ -	$ -	$ -
Total Enterprise Funds	$ 7,290,870	$ 7,685,560	$ 7,685,555
TOTAL ALL FUNDS	$ 27,236,440	$ 26,197,825	$ 29,933,540

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Cottonwood, Az
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2013

FUND	OTHER FINANCING 2013 SOURCES	OTHER FINANCING 2013 <USES>	INTERFUND TRANSFERS 2013 IN	INTERFUND TRANSFERS 2013 <OUT>
GENERAL FUND				
Transfer In (T-Hangars) - Airport Fund	$	$	$ 23,490	
Operating Transfer Out - HURF				218,415
Operating Transfer Out - Library				644,100
Operating Transfer Out - Cemetery				24,130
Operating Transfer Out - Capital Projects				
Operating Transfer Out - Airport				94,730
Proceeds from Lease Purchase	* 558,510			
Capital Expendatures		558,510		
Total General Fund	$ 558,510	$ 558,510	$ 23,490	$ 981,375
SPECIAL REVENUE FUNDS				
Transfer Out (T-Hangars) - General Fund	$	$	$	$ 23,490
Transfer Out Airport Fund- Airport Improvements				72,985
Transfer Out HURF- CDBG				62,500
Transfer In Airport Improvements - Airport Fund			72,985	
Operating Transfer In for Library - General Fund			644,100	
Operating Transfer In for Cemetery - General Fund			24,130	
Operating Transfer In for Airport - General Fund			94,730	
Operating Transfer In for HURF - General Fund			218,415	
Operating Transfer In for CDBG- HURF			62,500	
Proceeds from bond	4,738,195			
W. Mingus Reconstruction		1,838,195		
Mingus Ave (Willard to main)		1,300,000		
12th Street (89A-Fir		1,600,000		
Total Special Revenue Funds	$ 4,738,195	$ 4,738,195	$ 1,116,860	$ 158,975
DEBT SERVICE FUNDS				
Transfer Out - Sewer Fund	$	$	$	$
Total Debt Service Funds	$	$	$	$
CAPITAL PROJECTS FUNDS				
Transfer In Capital Projects - Evidence Bldg	$	$	$	$
Transfer Out - Sewer Fund				3,600,000
Total Capital Projects Funds	$	$	$	$ 3,600,000
PERMANENT FUNDS				
	$	$	$	$
Total Permanent Funds	$	$	$	$
ENTERPRISE FUNDS				
Transfer In - Sewer Enterprise - Expansion	$	$	$ 3,600,000	$
Proceeds from Bonds - Sewer				
Proceeds from Bonds - Water				
Bond Refunding - Water				
Proceeds from Lease Purchase	55,000			
Utility Vehicles		55,000		
Total Enterprise Funds	$ 55,000	$ 55,000	$ 3,600,000	$
INTERNAL SERVICE FUNDS				
	$	$	$	$
Total Internal Service Funds	$	$	$	$
TOTAL ALL FUNDS	$ 5,351,705	$ 5,351,705	$ 4,740,350	$ 4,740,350

City of Cottonwood, Az
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012	ACTUAL EXPENDITURES/ EXPENSES* 2012	BUDGETED EXPENDITURES/ EXPENSES 2013
GENERAL FUND				
Administration	$ 675,860	$ (5,460)	$ 670,400	$ 776,695
Personnel	184,800	(4,380)	180,420	158,510
City Council	5,490,010	(5,085,240)	404,770	5,051,085
Natural Resources	164,195	(47,985)	116,210	167,510
City Clerk	266,265	(31,955)	234,310	218,755
Finance	654,435	(317,155)	337,280	674,645
IT Services	125,610	121,445	247,055	169,730
Purchasing	73,010	4,245	77,255	74,120
Community Development	313,285	(1,380)	311,905	329,010
Police	3,715,985	12,225	3,728,210	3,746,680
Ordinance Enforcement	185,800	(2,290)	183,510	190,750
Communication	770,220	(74,230)	695,990	782,795
Economic Development	102,905	15,685	118,590	151,025
Fire	3,393,395	(200,925)	3,192,470	3,476,955
Municipal Court	425,435	(24,415)	401,020	431,760
Legal	317,580	(35,605)	281,975	323,835
Engineering	523,595	(69,780)	453,815	487,480
Parks & Recreation	347,200	78,200	425,400	427,495
City Pool	156,490	(51,810)	104,680	109,370
Recreation Center	1,436,560	(59,530)	1,377,030	1,503,715
Building and Parks Maintenance	427,645	12,415	440,060	548,920
Custodial	132,000	1,700	133,700	140,200
Public Works	311,830	23,750	335,580	301,810
Transfer Station		26,570	26,570	105,000
Non-Departmental	995,750	(67,385)	928,365	758,000
Total General Fund	$ 21,189,860	$ (5,783,290)	$ 15,406,570	$ 21,105,850
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund-HURF	$ 5,791,545	$ (3,750,225)	$ 2,041,320	$ 1,019,535
Cottonwood Area Transit System-CATS				981,295
Library	880,350	(14,440)	865,910	834,835
Cemetery	31,900	(7,655)	24,245	26,100
Airport Fund	274,875	26,935	301,810	285,730
Grants	500,000	(500,000)		500,000
Airport Improvement Grants	307,995	(59,445)	248,550	885,690
Community Development Block Grants	350,000	(337,500)	12,500	320,000
Total Special Revenue Funds	$ 8,136,665	$ (4,642,330)	$ 3,494,335	$ 4,853,185
DEBT SERVICE FUNDS				
Debt Service	$ 3,274,365	$ (1,065)	$ 3,273,300	3,282,540
Total Debt Service Funds	$ 3,274,365	$ (1,065)	$ 3,273,300	$ 3,282,540
CAPITAL PROJECTS FUNDS				
Other Major Capital Projects	$ 12,079,260	$ 859,885	$ 12,939,145	9,547,075
Total Capital Projects Funds	$ 12,079,260	$ 859,885	$ 12,939,145	$ 9,547,075
FIDUCIARY FUNDS				
Volunteer Firefighter Fund	$ 200,150	$ 14,630	$ 214,780	$ 276,230
Health Fund	171,970	(36,590)	135,380	104,730
Total Permanent Funds	$ 372,120	$ (21,960)	$ 350,160	$ 380,960
ENTERPRISE FUNDS				
Wastewater Treatment	$ 11,927,240	$ (6,092,075)	$ 5,835,165	7,988,865
Water System Operations	17,532,465	2,793,640	20,326,105	16,180,235
Clarkdale Water				
Total Enterprise Funds	$ 29,459,705	$ (3,298,435)	$ 26,161,270	$ 24,169,100
INTERNAL SERVICE FUNDS				
	$	$	$	$
Total Internal Service Funds	$	$	$	$
TOTAL ALL FUNDS	$ 74,511,975	$ (12,887,195)	$ 61,624,780	$ 63,338,710

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Cottonwood, Az
Summary by Department of Expenditures/Expenses
Fiscal Year 2013

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012	ACTUAL EXPENDITURES/ EXPENSES * 2012	BUDGETED EXPENDITURES/ EXPENSES 2013
Library				
Library Fund	$ 250,070	$ 8,465	$ 258,535	$ 190,735
General Fund	556,230	51,145	607,375	644,100
Department Total	$ 806,300	# 59,610	$ 865,910	$ 834,835
Cemetery				
Cemetery Fund	$ 13,210	$ (10,445)	$ 2,765	$ 1,970
General Fund	18,690	2,790	21,480	24,130
Department Total	$ 31,900	$ (7,655)	$ 24,245	$ 26,100
Grants				
Grants Fund	$ 300,495	$ (210,525)	$ 89,970	$ 656,010
General Fund				
Airport Fund	7,500	(5,615)	1,885	72,985
Department Total	$ 307,995	$ (216,140)	$ 91,855	$ 728,995
Alternative Pension Benefits Plan				
Plan Income	$ 40,750	$ 5,060	$ 45,810	$ 42,750
General Fund	23,000		23,000	23,000
Department Total	$ 63,750	$ 5,060	$ 68,810	$ 65,750

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

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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.

Glossary

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.

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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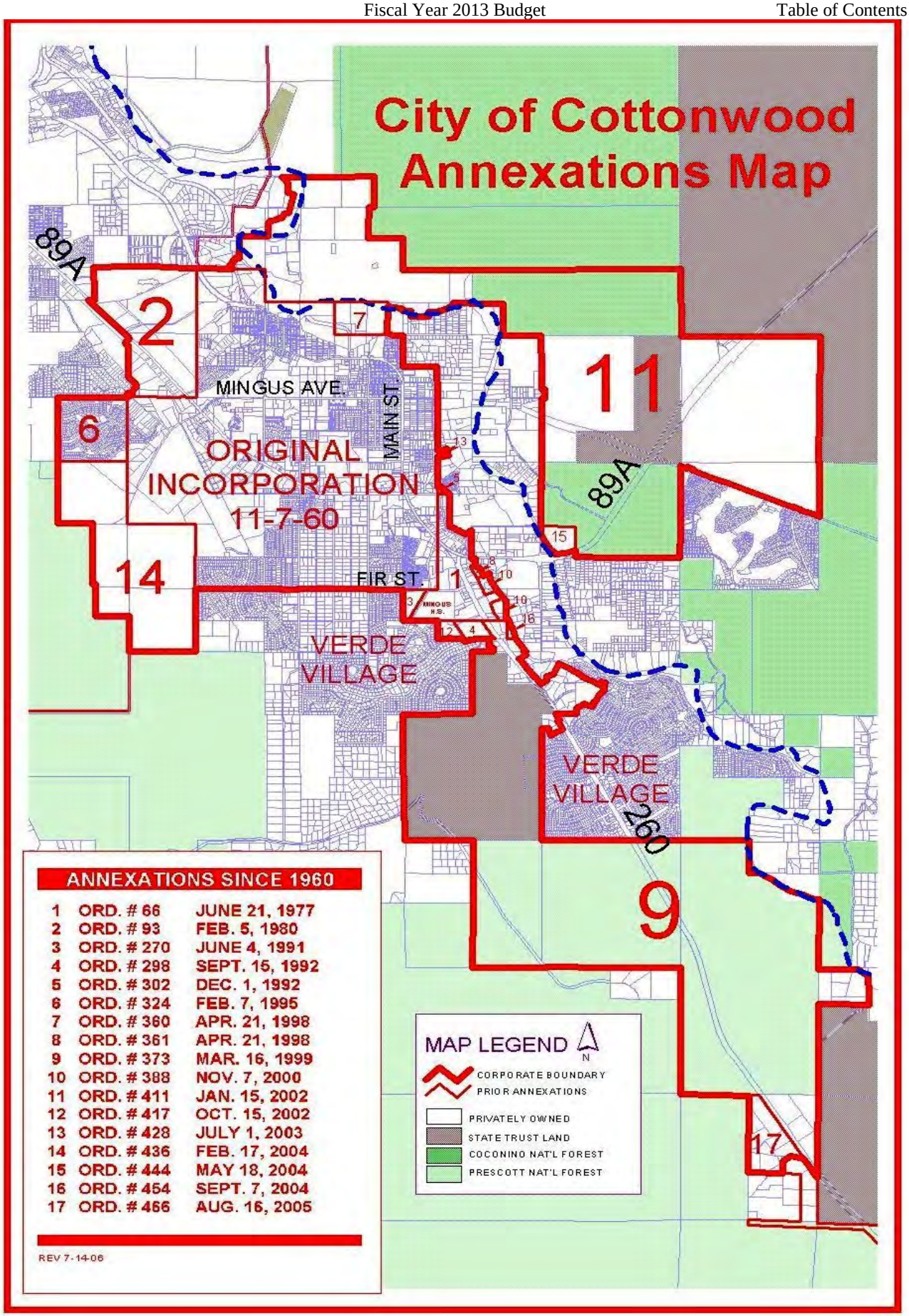
Acronyms

AAED - Arizona Association for Economic Development
AMRRP - Arizona Municipal Risk Retention Pool
ACA - Arizona Commerce Authority
ACAP - AZ Court Automation Project
ACJC - As Criminal Justice Commission
ACJIS - AZ Criminal Justice Information System
ADA - American with Disabilities Act
ADOT - Arizona Department of Transportation
ADS - Animal Disaster Services
ADWR - Arizona Department of Water Resource
AFG - Assistance to Firefighters Grant
AFIS - Automated Fingerprint Identification System
Ag - Agriculture
AIP - Airport Improvements Project
ALF - American LaFrance
ALP - Airport Layout Plan
AOC - Administrative Office of the Court
APS - Arizona Public Service
ARS - Arizona Revised Statutes
A/V - Audio Visual
AVL - Automatic Vehicle Locator
AWOS - Automatic Weather Observation Station
AZ - Arizona
AZPac - Arizona Public Access Computers
BAC - Business Assistance Center
BOD - Biological Oxygen Demand
BTOP - Broadband Technology Opportunities Program
CAD - Computer Aided Dispatch
CAFR - Comprehensive Annual Financial Report
CAFS - Compressed Air Foam System
C.A.L.E.A - Commission on Accreditation for Law Enforcement Agencies
CAT - Cottonwood Area Transit
CCR - Cardio Cerebral Resuscitation
CDBG - Community Development Block Grant
CEDC - Cottonwood Economic Development Council
CFD - Cottonwood Fire Department
CJEF - Criminal Justice Enhancement Fund
CPI - Consumer Price Index
CPR - Cardiac Pulmonary Resuscitation
COC- - Chamber of Commerce
COJET - Committee On Judicial Education and Training
COLA - Cost of Living Adjustment
COP - Citizens on Patrol
COPS - Community Oriented Policing Services
CWRF - Clean Water Revolving Fund
DARE - Drug Awareness Resistance Education
DEA - Drug Enforcement Agency
DNS - Domain Name Services
DPS - Department of Public Safety
DUI - Driving Under the Influence
DWRF - Drinking Water Revolving Fund
ED - Economic Development
EDMS - electronic document management scanning
EEOC - Equal Employment Opportunity Compliance
EMS - Emergency Medical Services
EMT - Emergency Medical Technician
FAA - Federal Aviation Administration
FARE - Fines/fees And Restitution Enforcement
FBO - Fixed Base Operations
FBI - Federal Bureau of Investigation
FD - Fire Department
FEMA - Federal Emergency Management Administration
FHWA - Federal Highway Administration
FLSA - Fair Labor Standards Act
FmHA - Farmers Home Administration
FSA - Flexible Spending Account
FTE - Full Time Equivalent
FY - Fiscal Year
GO Bond - General Obligation Bond
GAAP - Generally Accepted Accounting Principles
GAAD - Governor's Alliance Against Drugs
GADA - Greater Arizona Development Authority
GASB - Government Accounting Standards Board
GFOA - Government Finance Officers Association
GM - General Manager
GOHS - Governor's Office of Highway Safety
HDHP - High Deductible Health Plan
HELP - Highway Expansion and Extension Loan Program
HIPAA - Health Insurance Portability & Accountability Act
HR - Human Resources
HSA - Health Saving Account
HURF - Highway User Revenue Fund
ICC - International Code Council
ID - Identification
ISO - Insurance Service Organization
ISTEA - Intermodal Surface Transportation Efficiency Act
JPA - Joint Powers Agreement
JCEF - Judicial Collection Enhancement Fund
LDH - Large Diameter Hose
LLBG - Local Law Enforcement Block Grant
LTAF - Local Transportation Assistance Fund
M&O - Maintenance & Operations
MATForce - Methamphetamine Task Force
MDC - Mobil Data Communication
MPC - Municipal Property Corporation
MUHS - Mingus Union High School
MV - Motor Vehicle
MVD - Motor Vehicle Division
NACOG - Northern Arizona Council of Governments
NAIPTA - Northern Arizona Inter-Governmental Public Transit Authority
NAU - Northern Arizona University
NCIC - National Crime Information Center
NFPA - National Fire Protection Association
NIMS - National Incident Management System
NRMSIR - Nationally Recognized Municipal Securities Information Repository

Acronyms (continued)

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


City of Cottonwood
Annexations Map
89A
2
7
MINGUS AVE.
MAIN ST.
11
6
ORIGINAL
INCORPORATION
11-7-60
13
89A
15
14
FIR ST.
1
3
MINGUS H.S.
12
4
10
10
16
VERDE
VILLAGE
VERDE
VILLAGE
260
9
17
ANNEXATIONS SINCE 1960
1 ORD. # 66 JUNE 21, 1977
2 ORD. # 93 FEB. 5, 1980
3 ORD. # 270 JUNE 4, 1991
4 ORD. # 298 SEPT. 15, 1992
5 ORD. # 302 DEC. 1, 1992
6 ORD. # 324 FEB. 7, 1995
7 ORD. # 360 APR. 21, 1998
8 ORD. # 361 APR. 21, 1998
9 ORD. # 373 MAR. 16, 1999
10 ORD. # 388 NOV. 7, 2000
11 ORD. # 411 JAN. 15, 2002
12 ORD. # 417 OCT. 15, 2002
13 ORD. # 428 JULY 1, 2003
14 ORD. # 436 FEB. 17, 2004
15 ORD. # 444 MAY 18, 2004
16 ORD. # 454 SEPT. 7, 2004
17 ORD. # 466 AUG. 16, 2005
REV 7-14-06
MAP LEGEND
N
CORPORATE BOUNDARY
PRIOR ANNEXATIONS
PRIVATELY OWNED
STATE TRUST LAND
COCONINO NAT'L FOREST
PRESCOTT NAT'L FOREST

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City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Airport Runway Overlay Project Agreement
Department:	Development Services
From:	Morgan Scott, Development Services Operations Manager

REQUESTED ACTION

Consider approving a Joint Project Agreement (JPA) with the Arizona Department of Transportation (ADOT) for an asphalt overlay project at the Cottonwood Airport.

SUGGESTED MOTION

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

I move to approve Resolution Number 2650, which approves the Joint Project Agreement (JPA 12-118) with the Arizona Department of Transportation to construct an asphalt overly project at the Cottonwood Airport.

BACKGROUND

In the year 2000 the Arizona Department of Transportation Multimodal Planning Division (ADOT MPD) Aeronautics Group completed a statewide survey of pavement conditions at all of the state's public airports. The City of Cottonwood's airport (P52) was scheduled for a crack seal, asphalt overlay and pavement re-marking in the state's fiscal year 2013.
Should the council choose to accept this grant and approve the Joint Project Agreement (JPA) ADOT will oversee and administer this grant which is valued at $390,345.00, but under the Joint JPA the City is obligated to pay only 10% of the total project cost ($39,034.50). The current schedule is to begin the project in August of 2012. The City has budgeted $39,034.50 for this project.

JUSTIFICATION/BENEFITS/ISSUES

-This project will result in a safer runway on which aircraft may operate.
-The cost to the City is 10% of the overall project cost.
-The impact to City staff time will be minimal as the state is overseeing this project.

COST/FUNDING SOURCE

General Fund

ATTACHMENTS:

Name:	Description:	Type:
JPA_Pavement_Pres_Agreement_correction,_7-6-12.pdf	Proposed Joint Project Agreement	Cover Memo
Invoice_JPA,_5-29-12.pdf	Invoice from ADOT	Cover Memo
res2650.doc	Resolution Number 2650	Cover Memo

MPD Agreement No	**JPA 12-118**
AG Contract No	**P0012012001584**
Project No	**E3S1B**
Project Description	**ADOT Airport Pavement Management System Program**
Airport	**Cottonwood**

JOINT PROJECT AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
CITY OF COTTONWOOD

THIS AGREEMENT JPA 12-118 is entered into this _____ day of _____, 2012, pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended, by and between the STATE OF ARIZONA acting by and through the ARIZONA DEPARTMENT OF TRANSPORTATION, herein referred to as the "STATE" and the CITY OF COTTONWOOD, a political subdivision of the State of Arizona, herein referred to as the "SPONSOR". The State of Arizona, Arizona Department of Transportation and City of Cottonwood are collectively referred to as the “Parties”, and individually as STATE, SPONSOR, and “Party”.

I. **RECITALS**

1. The STATE is empowered by Arizona Revised Statutes Section 28-8202.D and 28-401.A to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the STATE.

2. The SPONSOR is empowered by Arizona Revised Statutes Section 28-8413 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 the SPONSOR.

3. The STATE and SPONSOR desire to share in costs incident to pavement preservation at the Cottonwood, hereinafter referred to as the Project. It is contemplated that this Project will be constructed by the STATE during STATE fiscal year 2013. The Project will include Thin Asphalt Overlay/PFC (RW1432CT Sec 10). The STATE will pay all engineering, construction administration, and construction costs during the Project.

4. The estimated cost of the Project is $390,345. The SPONSOR shall contribute 10% of the Project cost. Payment of 10% of the estimated Project Cost ($39,034.50) is due and payable upon signing this Agreement and must be received by the STATE at its Arizona Department of Transportation, Multimodal Planning Division before Notice to Proceed for construction will be issued.

THEREFORE, in consideration of the mutual Agreements expressed herein, it is agreed as follows:

II. **RESPONSIBILITIES**

1. The STATE shall:

   a. Conduct investigations and prepare to FAA, State, or Local standards design plans, specifications and such other documents and services required for design, project coordination, construction bidding and construction.

   b. Advertise for Project bids and award one or more construction contracts for the Project, administer same, and make all payments to the contractor(s).

   c. Provide final inspection and acceptance of the Project.

   d. Subsequent to Project completion, determination of final quantities, and approval and acceptance of the Project, produce and submit to the SPONSOR a final accounting reconciliation of the Project costs. In the event that actual Project costs exceed the estimate, the STATE will invoice the SPONSOR for the remaining contribution required to equal 10% of the actual Project costs. In the event that the actual Project costs were less than the estimate, the STATE will reimburse the SPONSOR for any overpayment.

   e. Reimburse the SPONSOR for any contribution that exceeded 10% of the final Project costs within 30 days of submitting the final accounting reconciliation of the Project costs to the SPONSOR.

2. The SPONSOR shall:

   a. Remit payment of 10% of the estimated Project cost of as documented in the Recitals of this Agreement to: Arizona Department of Transportation, Multimodal Planning Division Finance and Administration, Mail Drop 310B, 206 S. 17th Avenue, Phoenix, AZ 85007. Payment is due and payable upon signature of this Agreement and must be received by the STATE at its Arizona Department of Transportation, Multimodal Planning Division before notice to proceed for construction will be issued.

   b. Provide access to the Airport to the STATE, the STATE's representative, and the contractor for the purpose of preparing design plans and specifications for the Project, constructing the Project, and administering the construction of the Project.

   c. Coordinate with the STATE and approve safety plans, security plans, phasing plans, and construction schedules prepared by the STATE.

   d. Coordinate with airport users, issue NOTAM's as required, and provide operations support during construction, as needed.

   e. Remit to the STATE at its Arizona Department of Transportation, Multimodal Planning Division, the SPONSOR's contribution to the Project, based on the estimate provided, when submitting the signed copy of this Agreement for final execution.

   f. Upon completion and acceptance of the Project by the STATE, provide maintenance of the airport pavements improved with the Project.

   g. Shall abide by and enforce the SPONSOR Assurances incorporated herein as Exhibit A.

h. Remit to the STATE at its Arizona Department of Transportation, Multimodal Planning Division within 30 days of receiving an invoice for any additional contribution required subsequent to the post-completion Project accounting cost reconciliation.

III. **MISCELLANEOUS PROVISIONS**

1. 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.

2. This Agreement shall become effective upon signature by the Parties hereto and shall remain in force and effect for a period not to exceed 90 days beyond Project completion; provided however, that 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.

3. This Agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511.

4. If the SPONSOR fails to comply with any of this Agreement, the STATE, by written notice to the SPONSOR, may suspend participation until appropriate corrective action has been taken by the SPONSOR.

5. The STATE reserves the right to terminate this Agreement in whole or in part due to failure of SPONSOR to carry out any term, promise, or condition of the Agreement. The STATE will issue a written notice to SPONSOR for failure to adequately perform, or if there is reason for the STATE to believe that the SPONSOR cannot or will not adequately perform the requirements of the Agreement. If SPONSOR does not submit a Corrective Action Plan to the satisfaction of the STATE within a ten (10) day period, then the STATE , by written notice to the SPONSOR, may terminate the Agreement in whole or in part. The notice of termination will contain the reasons for termination, the effective date, and costs incurred prior to termination. The SPONSOR shall reimburse the State any costs incurred prior to the date of termination.

6. When the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds, or when funds are not appropriated or are withdrawn for use hereunder, the STATE may terminate this Agreement. In the case where continuation of the Project will not produce beneficial results, the STATE and the SPONSOR shall mutually agree upon the termination either in whole or in part.

7. No waiver of any condition, requirement or right expressed in this Agreement shall be implied by any forbearance of the STATE to declare a default, to declare a failure to perform, or to take any other action on account of the violation, nor shall such violation be continued or repeated.

8. All parties shall comply with all applicable Federal, State and Local requirements including all applicable provisions of Title 14 (Aeronautics and Space Chapter I – Federal Aviation Administration, Department of Transportation) and Title 49 (United States Department of Transportation) and other applicable Codes of Federal Regulations where and when relevant.

9. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this Agreement.

10. In the event of any controversy which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes Section 12-1518.

11. This Agreement may be amended upon mutual Agreement of the Parties at any time when in the best interest of the STATE or SPONSOR.

12. Every payment obligation of the 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 the STATE at any time. No liability shall accrue to the STATE in the event this provision is exercised, and the STATE shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

13. All, Parties 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 OMB Circular A-133.

14. Each Party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other Party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

    In addition, the STATE shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless City of Cottonwood, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, 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 STATE’s contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. 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 such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

15. 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, including 28 CFR Parts 34 and 36. SPONSOR 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. SPONSOR 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.

16. 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.

17. 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.

18. Either Party has the right to terminate the Agreement, in whole or in part at any time, when in the best interests of the STATE and/or SPONSOR, without penalty or recourse.

19. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

For Agreement Issues:

	Arizona Department of Transportation	**City of Cottonwood**
Contract Administrator	Sally J. Palmer Contracts Administrator	Morgan Scott Development Services Operations Manager
Mailing Address	Multimodal Planning Division Mail Drop 310B 206 S. 17th Avenue Phoenix, AZ 85007	1490 West Mingus Avenue Cottonwood, AZ 86326
Phone	602-712-6732	9283402778
Fax	602-712-3046	
Email	spalmer@azdot.gov	mscott@ci.cottonwood.az.us

For Technical / Program Issues:

	Arizona Department of Transportation	**City of Cottonwood**
Project Manager	Holly L. Hawkins, P.E. State Airport Engineer	Morgan Scott Development Services Operations Manager
Mailing Address	MPD – Aeronautics Group Attn: APMS Mail Drop 426M 206 S. 17th Avenue Phoenix, AZ 85007	1490 West Mingus Avenue Cottonwood, AZ 86326
Phone	602-712-8333	9283402778
Fax	602-712-3838	
Email	hhawkins@azdot.gov	mscott@ci.cottonwood.az.us

20. Attached hereto and incorporated herein is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this STATE to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

City of Cottonwood	**STATE OF ARIZONA** **Arizona Department of Transportation**
By _____	**By** _____ Joseph S. Omer, Director Multimodal Planning Division
(Date)	(Date)

APPROVAL OF CITY OF COTTONWOOD

I have reviewed the above referenced proposed joint partnering Agreement, between the STATE OF ARIZONA, ARIZONA DEPARTMENT OF TRANSPORTATION (STATE), and CITY OF COTTONWOOD and declare this Agreement to be in proper form and within the powers and authority granted to CITY OF COTTONWOOD under all applicable laws. No opinion is expressed as to the authority of the STATE to enter into this Agreement.

DATED this _____ day of_____, 2012

_____

Attorney for City of Cottonwood

Page Reserved for AZ AG Determination

EXHIBIT A
SPONSOR ASSURANCES

These assurances will become a part of this Agreement. The SPONSOR hereby covenants and agrees with the STATE as follows:

1) That the Project is consistent with plans (existing at the time of approval of the Project) of public entities authorized by the STATE to plan for the development of the area surrounding the Airport.

2) That it will furnish to the STATE each quarter a current listing of all aircraft based on the Airport.

3) That these covenants shall become effective upon execution of this Agreement for the Project or any portion thereof, made by the STATE and shall constitute a part of the Agreement thus formed and shall remain in full force and effect throughout the useful life of the facilities developed under the Project, but not to exceed twenty (20) years.

4) That it is the owner or lessee of the property or properties on which the airport is located and that the lease guarantees that the SPONSOR has full control of the use of the property for a period of not less than twenty (20) years from the date of this Agreement. All changes in airport ownership or to an airport lease shall be approved by the STATE.

5) To restrict the use of land, adjacent to or in the immediate vicinity of the Airport, to activities and purposes compatible with normal Airport operations and to take appropriate action including the adoption of appropriate zoning laws.

6) To promote safe airport operations by clearing and protecting the approaches to the airport by removing, lowering, relocating, marking and/or lighting existing airport hazards and to prevent, to the extent possible, establishment or creation of future airport hazards.

7) To operate the Airport for the use and benefit of the public and to keep the Airport open to all types, kinds and classes of aeronautical use without discrimination between such types, kinds and classes; provided that the SPONSOR shall establish such fair, equal and nondiscriminatory conditions to be met by all users of the Airport as may be necessary for the safe and efficient operation of the Airport; and provided further, that the SPONSOR may prohibit any given type, kind or class of aeronautical use of the Airport if such use would create unsafe conditions, interfere with normal operation of aircraft, or cause damage or lead to the deterioration of the runway or other Airport facilities.

8) To suitably operate and maintain the Airport and all facilities thereon or connected therewith which are necessary for Airport purposes and to prohibit any activity thereon which would interfere with its use for aeronautical purposes and to operate essential facilities, including night lighting systems, when installed, in such manner as to assure their availability to all users of the Airport; provided that nothing contained herein shall be construed to require that the Airport be operated and maintained for aeronautical uses during temporary periods when snow, flood or other climatic conditions interfere substantially with such operation and maintenance.

9) To refrain from entering into any transaction which would deprive the SPONSOR of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency eligible to assume such obligations and having the power, authority and financial resources to carry out such obligations; and, if an arrangement is made for management or operation of the Airport by an agency or person other than the SPONSOR, the SPONSOR will reserve sufficient powers and authority to insure that the Airport will be operated and maintained in accordance with these covenants.

10) To maintain a current Airport Layout Plan (ALP) of the airport, which shows building areas and landing areas, indicating present and planned development and to furnish the STATE an updated ALP of the Airport as changes are made.

Arizona Department of Transportation
Multimodal Planning Division - Aeronautics

INVOICE

MPD Finance Administrator
Mail Drop 310B
206 S. 17th Avenue
Phoenix, AZ 85007

DATE:	**05/29/12**
INVOICE #	**JPA 12-118**
Project Number:	**E3S1B**

Bill To:
City of Cottonwood
Morgan Scott
Development Services Operations Manager
1490 West Mingus Avenue
Cottonwood, AZ 86326

Terms: ***Due Upon Receipt***

DESCRIPTION		AMOUNT
MPD Agreement No	**JPA 12-118**	$ 39,034.50
AG Contract No	**P0012012001584**	
Project No	**E3S1B**	
Project Description	**ADOT Airport Surface Treatment Program**	
Airport	**Cottonwood**	

The STATE and SPONSOR desire to share in costs incident to pavement preservation at the Cottonwood, hereinafter referred to as the Project. It is contemplated that this Project will be constructed by the STATE during STATE fiscal year 2013. The Project will include Thin Asphalt Overlay/PFC (RW1432CT Sec 10). The STATE will pay all engineering, construction administration, and construction costs during the Project.

The estimated cost of the Project is $390,345. The SPONSOR shall contribute 10% of the estimated Project cost ($39,034.50). Payment is due and payable upon signing this Agreement and must be received by the STATE at its Arizona Department of Transportation, Multimodal Planning Division before Notice to Proceed for construction will be issued.

Remit payment of 10% of the estimated cost of completion as documented in the Recitals of this Agreement to MPD Finance and Administration, Mail Drop 310B, 206 S. 17th Avenue, Phoenix, AZ 85007. Payment is due and payable upon signature of this Agreement and must be received by ADOT before notice to proceed for construction will be issued.

THANK YOU FOR YOUR PROMPT PAYMENT!	**TOTAL DUE**	**$ 39,034.50**

Make all checks payable to **Arizona Department of Transportation**

For questions concerning this invoice, contact: Sally J. Palmer, Contracts Administrator: spalmer@azdot.gov; 602-712-6732

RESOLUTION NUMBER 2650

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, APPROVING A JOINT PROJECT AGREEMENT (JPA 12-118) WITH THE STATE OF ARIZONA, ARIZONA DEPARTMENT OF TRANSPORTATION, FOR A PAVEMENT PRESERVATION PROJECT TO BE COMPLETED AT THE COTTONWOOD AIRPORT.

WHEREAS, the State is empowered by A.R.S. § 28-8202.D and 28-401.A to enter into this Agreement; and

WHEREAS, the City is empowered by A.R.S. § 28-8413 to enter into this Agreement; and

WHEREAS, the State and the City desire to share in costs incident to pavement preservation at the Cottonwood Airport; and

WHEREAS, the estimated cost of the project is $390,345 and the City shall contribute 10 percent of the project cost.

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

THAT, the Joint Project Agreement 12-118 between the State of Arizona, Arizona Department of Transportation, and the City of Cottonwood is hereby approved.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, THIS 17TH DAY OF JULY 2012.

_____
Diane Joens, Mayor

APPROVED AS TO FORM:

_____
Steven B. Horton, Esq.
City Attorney

ATTEST:

_____
Marianne Jiménez, City Clerk

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Appointment of Mike Kuykendall as the Permanent Fire Chief
Department:	City Manager
From:	Doug Bartosh, City Manager

REQUESTED ACTION

The City Council is requested to confirm the appointment of Mike Kuykendall as the permanent fire chief.

SUGGESTED MOTION

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

I move to confirm the appointment of Mike Kuykendall as the permanent fire chief as recommended by the City Manager.

BACKGROUND

Mr. Kuykendall has served as the interim fire chief for approximately two months. He was selected as the interim fire chief after the City Manager conducted interviews of those internal candidates who were interested in the position. The candidates were advised that if the selected interim fire chief performed their duties well during the interim period, they could be appointed to the permanent position.

Mr. Kuykendall was selected as the interim fire chief and has performed his duties very well. In fact, he took the lead in preparing the department's budget for this next year, he presented the data to the Council supporting the permanent appointment of fire lieutenants, and he has successfully been involved in several recent fires where he skillfully served as the incident commander.

Mr. Kuykendall has served in the Cottonwood Fire Department since 1987 where he worked as a volunteer firefighter, a firefighter, and he has been a Fire Captain since 1994. He works well with his employees and his peers. He has long time ties to the community and he is well respected for his fire leadership skills.

JUSTIFICATION/BENEFITS/ISSUES

Mr. Kuykendall has proven to be a very good fit for this position both through his years of

experience and during his interim fire chief assignment. We had at least two well qualified candidates within the fire department. To hire a candidate from within the organization saves time, allows for propmotional opportunities internally, ensures for a candidate that understands the organization and the community, and it saves expense. The fire department is operating very successfully with a rating of "Excellent" from our citizens. With that level of success, it makes sense to promote a leader who is familiar with the reasons for such success and with the ability to maintain that high level of quality service.

COST/FUNDING SOURCE

Mr. Kuykendall received a five percent increase in salary when he was promoted to the interim fire chief position. It is recommended that additional compensation increases be delayed until the completion of the compensation study.

This position and any compensation increase is budeted through the fire department budget and the General Fund.

ATTACHMENTS:

Name:	Description:	Type:
Kuykendall_Resume.pdf	Kuykendall Resume	Backup Material

Michael D. Kuykendall
P.O. Box 1781
Cottonwood AZ 86326
(928)606-6105

PUBLIC SAFETY EMPLOYMENT EXPERIENCE

12-87 To Present — Cottonwood Fire Department, Cottonwood AZ
Position: Career Fire Captain
Initially hired as Volunteer Firefighter, promoted to career Firefighter- September, 1989, promoted to Captain-July 1994

Duties: Supervise fire suppression, inspection, rescue and prevention services during an assigned shift. Function as Acting Fire Chief in his absence. Perform duties in emergency medical services as a Paramedic. Perform administrative tasks that span the scope of departmental operations.

11-87 To 06-89 — Yavapai County Sheriff's Office, Camp Verde, Arizona
Position: Deputy Sheriff
Duties: Patrol. Investigated suspected violations of criminal statutes. Prepared thorough reports regarding criminal activity, traffic accidents and other incidents reported to the Sheriff's Office.

07-86 To 10-87 — Springerville Fire Department, Springerville, Arizona
Position: Volunteer Captain
Duties: Maintained and operated fire apparatus. Supervised engine company crew in fire and rescue situations. Directed emergency and rescue situations.

07-86 To 10-87 — Springerville Police Department, Springerville, Arizona
Position: Detective
Duties: Employed as Patrol Officer, promoted to Detective. Investigated crimes and prepared thorough reports regarding criminal violations. Assisted in development/implementation of various departmental programs.

04-82 To 04-86 — Prescott Fire Department, Prescott, Arizona
Position: Reserve Firefighter
Duties: General firefighting duties. Treated patients in emergency medical and rescue situations. Performed station and equipment maintenance.

EDUCATION

Associate of Applied Sciences--Fire Science (with Honors)
Yavapai College, Clarkdale AZ

Advanced Certificate in Fire Science
Yavapai College, Clarkdale AZ

Awarded Associate of General Education Degree (with Honors)
Yavapai College, Clarkdale AZ

Arizona Peace Officer Certificate--Class Academician
AZ Law Enforcement Training Academy, Tucson AZ

Graduate--Member of National Honor Society
Prescott High School, Prescott AZ

CERTIFICATIONS (Current and Previous-Partial List)

Arizona Certified Firefighter II (NFPA 1001)
Arizona Certified Emergency Paramedic
Arizona Certified Fire Instructor I &II (NFPA 1041)
Arizona Certified Fire Inspector I (NFPA 1031)
Arizona Community College Teaching Certificate
IFCI Certified Uniform Fire Code Inspector
Arizona Certified Hazardous Materials Instructor
A.L.E.O.A.C. (AZ) Certified Peace Officer

FIRE SERVICE COURSES ATTENDED (Partial List)

National Fire Academy-Training Program Management
U.S. DOJ-Emergency Response to Terrorism-Train the Trainer
AZ State Fire Marshal School-Leadership-Strategies for Supervisory Success
IFCI-Flammable and Combustible Liquids
IFCI-Hazardous Materials and Occupancies
National Incident Management System (ICS-100, ICS-200, ICS-300, ICS-400)
VFIS Train the Trainer-Emergency Vehicle Driver Training
ADEM Hazardous Materials Instructor Certification Course
IAFF Hazardous Materials Instructor Training
USEPA Emergency Response to Hazardous Materials Incidents
IAAI Fire Arson Investigation II
IAAI Fire Arson Investigation I
ADEM Hazardous Materials First Responder Course (40 hrs)
USFS Basic Wildland Fire Suppression (S-130, S-190)
AZ State Fire Marshal School-Installed Fire Protection Systems
National Fire Academy Field Courses-Fire/Arson Detection

CAREER ACCOMPLISHMENTS (Partial List)

Grant Program management resulting in Grants awarded:
2010 Assistance to Firefighters Grant- $40,092 for radios and communication equipment
2008 Staffing for Adequate Fire & Emergency Response Grant- $3,621,585 to hire 12 Firefighters
2006 AZ State Land Volunteer Fire Assistance Grant- $6596 for wildland fire equipment
2004 AZ State Land Volunteer Fire Assistance Grant- $8875 to equip wildland fire response apparatus
2003 Assistance to Firefighters Grant- $40,716 for firefighter turn-outs and industrial washer/extractor

As Fire Captain, have successfully served as Division Manager over all four CFD divisions; Administration, Operations, Training and Prevention.

Procurement (determine specifications, bid solicitation, purchase program management) of two fire engines.

LIFE ACCOMPLISHMENTS (Partial List)

Ordained Minister-completed Ministerial training (Bachelors level studies in Theology & Counseling; however, program was not degree awarding).

Planted Calvary Chapel Church in Williams, AZ, where I serve as Pastor and President of Board of Directors with overall management responsibilities for this non-profit corporation.

Business owner of successful business (motel, business rentals) in Prescott, AZ.

Veteran-Arizona Army National Guard-attained rank of Sergeant (E-5), awarded Arizona Meritorious Service medal.

Husband and father of 3 children and 1 grandchild.

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Establishment of a New Full-Time Position in the Parks and Recreation Department, to be Shared With and Jointly Funded by the Cottonwood Oak Creek Elementary School District.
Department:	Community Services
From:	Jason Little; Recreation Manager & Richard Faust; Community Services G.M.

REQUESTED ACTION

City staff is asking for council approval to enter into an inter-governmental agreement whereby both the City of Cottonwood Parks and Recreation Department and the Cottonwood Oak Creek Elementary School District will share the total cost of a full time employee, benefits package included. The Full Time Exempt employee will work 20 hours per week with the Cottonwood Oak Creek School District and 20 hours per week for the city running the Parks and Recreation Department's Youth Commission, After School and Summer Camp programs that are currently being accomplished by part-time employee workforce.

SUGGESTED MOTION

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

I move to authorize the creation of a new full-time position within the Parks and Recreation Department, contingent on the development and approval of an agreement with the Cottonwood Oak Creek Elementary School District which provides for the joint funding and sharing of that position.

BACKGROUND

City staff has been in the process of exploring and exchanging dialogue with the Cottonwood Oak Creek School District as it pertains to hiring a shared employee that will work for both the City of Cottonwood and the Cottonwood Oak Creek Elementary School District on a full time basis. Total costs including salary and benefits will be jointly shared by both entities, currently envisioned at approximately $20,000 to $22,000 per agency which will include all benefits and retirement costs. Should Council authorize this shared position, the City will move forward with taking on all actions associated with hiring, thereby in actuality retaining the employee while invoicing the School District for its proportional/agreed-upon share of the position's

costs.

JUSTIFICATION/BENEFITS/ISSUES

The employee will work for the City of Cottonwood in the capacity of a Youth Program Coordinator. This will increase After School and Summer Camp program visibility and has the potential to increase revenues generated from the aforementioned programs. Moreover, the position will decrease the workload staff members are currently saddled with. The City of Cottonwood currently hires a part time coordinator to run these programs and activities. This part time position will not be filled thereby creating a cost savings of approximately $11,500 annually that can be applied to this newly created, shared position.

COST/FUNDING SOURCE

This would be a General Fund Obligation for the 2012/2013 fiscal year.

ATTACHMENTS:

Name:	Description:	Type:
7-17-12_Youth_Programs_Coordinator_Job_Description.doc	Job Description	Cover Memo

Job Description
Job Code: 201
Range: 28

YOUTH PROGRAMS COORDINATOR
(Shared Position with Cottonwood-Oak Creek School District)

NOTE: ***This is a full-time, benefit eligible position that is jointly funded by the City of Cottonwood and the Cottonwood Oak Creek Elementary School District, and is subject to modification, reduction and/or elimination in the event that either or both entities ceases to provide funding for the position, or for any other reason.***

DEFINITION: Under the direct supervision of the Aquatics/Special Events Supervisor and the Recreation Center Manager, this position assists with the implementation of a comprehensive departmental program, and is responsible for implementing, supervising, organizing, planning and directing current and short-ranged youth recreation/leisure programs and activities, and other related duties. Administer and direct all assigned youth program activities.

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:
Position performs line supervisory level functions involving programming for youth activities/programs. Has oversight responsibilities of recreation programming and class operations within the field of after-school program administration, summer camp programming, and other areas as assigned. Incurs all responsibility over Internship Programs, and the City Council's "Youth Advisory Commission". The position is highly visible, requiring extensive public, public agency and inter-departmental contact. Knowledge of recreation, leisure, after-school and summer camp program management. Manages operations in all youth activity programming. Plans and organizes workloads and staff assignments; trains, motivates and evaluates assigned volunteer staff. Provides leadership and direction in the development of short- and long-range plans. Assures that assigned areas of responsibility are performed within budget and prepares annual budget requests. Determines procedures to improve efficiency and effectiveness of all operations under general purview. Promotes interest and provides information regarding recreation programs to special interest groups, special population groups, schools, guidance clinics, social program organizations, non-profit organizations and other community service groups as well as the general public. Implements and develops rules and regulations for all youth recreation programs on a continual basis for program administration purposes. Must be well organized with a moderate knowledge of recreation philosophy, planning, administration, programming and directing of youth activities. Must have excellent communication skills, both written and verbal. A working knowledge of computer application as it pertains to office/administration input and retrieval. Knowledge of first-aid procedures and methods as well as safety applications specific to large facility operations and various recreation programs.

KNOWLEDGE, SKILLS AND OTHER CHARACTERISTICS:

Knowledge of the principles and practice of parks and recreation administration.
Knowledge of youth after school program development.
Knowledge of materials and human resources available in the Verde Valley.
Skill in developing and maintaining effective interpersonal relations.
Skill in interacting with the general public in a positive and educational manner.
Skill in promoting the various events and programs available in the City.
Skill in marketing and promotional advertising of events and programs.
Skill in providing effective working relationships with the following: fellow employees, officials, volunteers, other department employees, various agencies, service organizations and the general public.

PHYSICAL REQUIREMENTS: This classification involves work developing and implementing parks and recreation programs. There is some danger from horse behavior in summer camp operations. Must lift and carry objects up to 50 pounds for distances of 100 feet. Is called upon to provide supervision and oversight of youth recreation programming, and afterschool programming that requires outdoor supervision during summer months.

MINIMUM QUALIFICATIONS: Graduation from high school or equivalency is required. Graduation from a four year college or university with a degree in recreation, recreation program management, or a closely related field and a minimum of one (1) year experience in conducting and managing youth programming, youth camp operations plus similar equivalent as it pertains to a variety of recreation administration experience is desired. Ability to obtain a State of Arizona operators license upon employment.

Prepared by: Richard Faust/Jason Little 5/15/12

Reviewed by: Iris Dobler 5/22/12

Employees Signature: _____ Date: _____

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Request from Arizona Stronghold to Serve Wine at the Old Town Activity Park.
Department:	City Clerk
From:	Marianne Jimenez, City Clerk

REQUESTED ACTION

Consideration of a request from Arizona Stronghold Vineyards to serve and sell wine at the Old Town Activity Park in conjunction with showing a movie on August 25, 2012.

SUGGESTED MOTION

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

"I move to waive Section 9.12.030 A. of the Municipal Code to allow Arizona Stronghold Vineyards to serve and sell wine at the Old Town Activity Park on August 25, 2012, subject to approval from the Arizona Department of Liquor Licensing and Control."

BACKGROUND

Section 9.12.030, A., of the Municipal Code prohibits the possession and consumption of any alcoholic beverage in any city park or building.

A letter of request was received from Justin Ove, the event coordinator for Arizona Stronghold Vineyards, to serve and sell wine at the Old Town Activity Park on August 25, 2012 in conjunction with showing a movie. The event is scheduled from 6:30 p.m. to 11:00 p.m., with wine being served from 6:30 p.m. to 9:30 p.m.

JUSTIFICATION/BENEFITS/ISSUES

This request is similar to other requests that have been made and granted in the past, including most recently for the MS ride, and to another request being considered at this meeting from Sedona/Verde Valley Pride.

COST/FUNDING SOURCE

ATTACHMENTS:

Name:	Description:	Type:
7-17-12_Municipal_Code_Section_9.12.030.pdf	Municipal Code Section 9.12.030	Cover Memo
Letter_from_Arizona_Stronghold.pdf	Arizona Stronghold Letter	Backup Material

Chapter 9.12 - OFFENSES AGAINST PUBLIC PEACE

Sections:

9.12.010 - Noise regulations.
9.12.020 - Throwing or shooting arrows and stones.
9.12.030 - Alcoholic beverages.

9.12.010 - Noise regulations.

Section 9.12.010, Noise Regulations, which was declared to be a public record by Resolution Number 2430, and which is hereby incorporated into this section as if fully set forth herein, is hereby adopted by reference.

Any person who shall violate any of the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed two thousand five hundred dollars or by imprisonment in the county jail for a period not exceeding six months, or by both such fine and imprisonment, and each day of violation continued shall be a separate offense, punishable as hereinabove described.

(Ord. No. 543, §§ 1, 2, 3-17-2009)

9.12.020 - Throwing or shooting arrows and stones.

It is unlawful for any person to throw or shoot any object, arrow, stone, snowball or other missile or projectile, by hand or by any other means, in such a manner as to constitute danger to life, limb or property.

(Prior code § 10- 1-26)

9.12.030 - Alcoholic beverages.

A. Except as provided in subsections B and C below, it shall be unlawful for any person to possess or consume any alcoholic beverage in any city park or building.

B. It shall not be unlawful for persons of legal age to possess and consume non-intoxicating quantities of beer, and other malt beverages at the Riverfront Park Softball Field Complex, provided that such beverages are transported to and from the Complex in their original, non-glass containers.

C. The city manager and/or community services general manager may authorize the possession and consumption of wine, beer, and other malt beverages by persons of legal age at the Cottonwood Recreation Center Banquet Hall and Cottonwood Civic Center, at events held in connection with the rental of those facilities by private individuals, groups and organizations; provided, however, that such authorization shall not include the authority to sell any alcoholic beverage unless the applicant also holds or obtains a license to do so from the Arizona Department of Liquor Licenses and Control.

D. Before authorizing the possession and consumption of wine, beer, and other malt beverages as provided in subsection C above, the city manager or community services general manager shall ensure that the individual, group or organization responsible for the event will provide adequate security for the event, and that such individual, group or organization also provides adequate insurance against city liability and/or damage to city facilities and property.

E. As a condition of the privilege of possessing, dispensing, and consuming wine, beer, and other malt beverages on city property in accordance with subsections B and C above, an individual, group, or organization that is granted this privilege shall accept any and all responsibility for injury or damage to persons or property resulting from the exercise of that privilege, and shall indemnify the city against any and all claims, demands, suits, costs, losses, damages, judgments and expenses of any kind arising in connection therewith.

(Ord. 377 §1, 1999; Ord. 277 §3, 1991; Ord. 242 §2, 1989)
(Ord. No. 563, § 1, 4-20-2010)

Cottonwood City Council,

Arizona Stronghold Vineyards would like to request permission to serve and sell our wine in the Old Town Activity Park on August 25th, 2012. We would like to serve our wines in conjunction with showing a movie in the park.

Time: 6:30pm- gates open, wine served

8:00/8:30pm(dark)- Movie begins

9:30pm- Wine sales stop

10:30/11:00pm- end movie, all attendees to leave park

Attendees:

Ideally we would like this to be an all ages/family affair where we would check ID on everyone entering, and place appropriate wristbands on guests 21 and over. However, we do have the option, and are open to making the event exclusive to guests 21 and over only.

Wine service/sales:

We plan to serve the wine from one 10x10 tent and table, with front access only. Wine to be served in plastic cups only.

Security:

All exits/entrances to be manned for the entire duration of the event to ensure no alcohol enters, and no open containers leave the park. We have also requested an hourly walk-through by the Cottonwood Police Dept.

Other:

Pending approval we will contact several Old Town restaurants for food vending during the screening. We will also apply for a series 16 festival license, and provide a Certificate of Insurance listing the City as an additional insured.

Thank you for your consideration,

Justin Ove (Event Coordinator)

928-639-2789 ext 208

ARIZONA STRONGHOLD VINEYARDS

1019 N Main Street Suite B, Cottonwood, Az. 86326 (928) 639-2789 www.azstronghold.com

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Request from Sedona/Verde Valley Pride to Serve Beer and Wine at the Old Town Activity Park.
Department:	City Clerk
From:	Marianne Jimenez, City Clerk

REQUESTED ACTION

Consideration of a request from Sedona/Verde Valley Pride group to serve and sell beer and wine at the Old Town Activity Park for an event scheduled for September 29, 2012.

SUGGESTED MOTION

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

I move to waive Section 9.12.030 A. of the Municipal Code to allow Sedona/Verde Valley Pride to serve and sell beer and wine at the Old Town Activity Park on September 29, 2012, subject to approval by the Arizona Department of Liquor Licenses and Control.

BACKGROUND

Section 9.12.030, A., of the Municipal Code prohibits the possession and consumption of any alcoholic beverage in any city park or building.

A letter of request was received from Sedona/Verde Valley Pride to serve and sell beer and wine at the Old Town Activity Park for an event scheduled on September 29, 2012.

JUSTIFICATION/BENEFITS/ISSUES

This request is similar to other requests that have been made and granted in the past, including most recently for the MS ride, and to another request being considered at this meeting from Arizona Stronghold Vineyards/Wine Tasting.

COST/FUNDING SOURCE

N/A

ATTACHMENTS:

Name:	Description:	Type:
7-17-12_Municipal_Code_Section_9.12.030.pdf	Municipal Code Section 9.12.030	Cover Memo
Letter_from_Sedona_Pride.pdf	Letter from Sedona Pride	Backup Material

Chapter 9.12 - OFFENSES AGAINST PUBLIC PEACE

Sections:

9.12.010 - Noise regulations.
9.12.020 - Throwing or shooting arrows and stones.
9.12.030 - Alcoholic beverages.

9.12.010 - Noise regulations.

Section 9.12.010, Noise Regulations, which was declared to be a public record by Resolution Number 2430, and which is hereby incorporated into this section as if fully set forth herein, is hereby adopted by reference.

Any person who shall violate any of the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed two thousand five hundred dollars or by imprisonment in the county jail for a period not exceeding six months, or by both such fine and imprisonment, and each day of violation continued shall be a separate offense, punishable as hereinabove described.

(Ord. No. 543, §§ 1, 2, 3-17-2009)

9.12.020 - Throwing or shooting arrows and stones.

It is unlawful for any person to throw or shoot any object, arrow, stone, snowball or other missile or projectile, by hand or by any other means, in such a manner as to constitute danger to life, limb or property.

(Prior code § 10- 1-26)

9.12.030 - Alcoholic beverages.

A. Except as provided in subsections B and C below, it shall be unlawful for any person to possess or consume any alcoholic beverage in any city park or building.

B. It shall not be unlawful for persons of legal age to possess and consume non-intoxicating quantities of beer, and other malt beverages at the Riverfront Park Softball Field Complex, provided that such beverages are transported to and from the Complex in their original, non-glass containers.

C. The city manager and/or community services general manager may authorize the possession and consumption of wine, beer, and other malt beverages by persons of legal age at the Cottonwood Recreation Center Banquet Hall and Cottonwood Civic Center, at events held in connection with the rental of those facilities by private individuals, groups and organizations; provided, however, that such authorization shall not include the authority to sell any alcoholic beverage unless the applicant also holds or obtains a license to do so from the Arizona Department of Liquor Licenses and Control.

D. Before authorizing the possession and consumption of wine, beer, and other malt beverages as provided in subsection C above, the city manager or community services general manager shall ensure that the individual, group or organization responsible for the event will provide adequate security for the event, and that such individual, group or organization also provides adequate insurance against city liability and/or damage to city facilities and property.

E. As a condition of the privilege of possessing, dispensing, and consuming wine, beer, and other malt beverages on city property in accordance with subsections B and C above, an individual, group, or organization that is granted this privilege shall accept any and all responsibility for injury or damage to persons or property resulting from the exercise of that privilege, and shall indemnify the city against any and all claims, demands, suits, costs, losses, damages, judgments and expenses of any kind arising in connection therewith.

(Ord. 377 §1, 1999; Ord. 277 §3, 1991; Ord. 242 §2, 1989)
(Ord. No. 563, § 1, 4-20-2010)

Sedona Pride
PO Box 3231
Sedona AZ 86340

Attn: Cottonwood City Council:

Sedona/ Verde Valley Pride has reserved the activity Park for the day of September 29, 2012 and is requesting an exemption from the council for the liquor ordinance banning drinking on the site. As we understand it, there are times when an exemption is granted by the Council for festivals (Thunder Valley Rally is an example). Sedona/ Verde Valley Pride will be serving beer and wine only including tasting tents from our local, Old Town Tasting Rooms.
The main goal of our festival is to provide education and outreach to members of the LBGT community and the general public. Many of the participants will be other non-profits, community health services, HIV/AIDS awareness and prevention organizations, and those involved with human rights causes.

We appreciate your time towards this matter,
Sedona/ Verde Valley Pride

City of Cottonwood, Arizona
City Council Agenda Communication

Print

Meeting Date:	July 17, 2012
Subject:	Authorizing the City Attorney to represent the City at the Arizona State Liquor Board hearing scheduled for August 2, 2012, regarding a "Sampling Privilege" application submitted by the Don's Smoke Shop.
Department:	Attorney
From:	Steve Horton, City Attorney

REQUESTED ACTION

Discussion, consideration, and possible legal action to authorize the City Attorney to represent the City at the Arizona State Liquor Board hearing set for August 2, 2012 regarding a "Sampling Privilege" application submitted by the Don's Smoke Shop.

SUGGESTED MOTION

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

"I move to authorize and direct the City Attorney to repesent the City at the Arizona State Liquor Board hearing on August 2, 2012 on the Sampling Privilege application submitted by the Don's Smoke Shop."

BACKGROUND

The City has received a notice of hearing from the Arizona State Liquor Board on the Sampling Privilege application submitted by Robert Walter Donahue, agent for the Don's Smoke Shop. The hearing is set for August 2nd at 9:00 am in Phoenix.

The City Council voted to recommend disapproval of the application at its April 3, 2012 regular meeting on the grounds that the store was implicated in the possible/suspected sale of dangerous chemical substances similar in both structure and effect to "Bath Salts." Also, in order to be eligible for sampling privileges, a facility must have at least 5,000 square feet of floor area, however, according to the store's application, it only occupies 1,100 square feet and the Department of Liquor Licenses and Control has issued its own protest to the application. Accordingly, the application is likely to be denied on this basis alone, with or without the City's involvement and input.

JUSTIFICATION/BENEFITS/ISSUES

As noted above, the shop's application for sampling privileges is likely to be denied with or without the City's involvement and input, since the premises appear to fall far short of the minimum square footage required for the issuance of a sampling privilege license. However, there is no real disadvantage to having the City Attorney attend this hearing if the Council so directs, to ensure that the Council's additional concerns regarding prior sales of dangerous substances from that location are expressed and entered into the record.

COST/FUNDING SOURCE

None.

ATTACHMENTS:

Name:	Description:	Type:
Don_s_smokeshop_hearing_notice.pdf	Hearing Notice for the Don's Smoke Shop	Backup Material

J. D. GHELFI
Chairman

MICHAEL FARLEY
Vice-Chair
TIM LINDEN
Member
ROBIN CANTRELL
Member

JIM CARRUTHERS
Member
BILL DUPONT
Member
VIKKI SCARAFIOTTI
Member

BEFORE THE
ARIZONA STATE LIQUOR BOARD
800 West Washington, Fifth Floor
Phoenix, Arizona 85007
(602) 542-5141

In the matter of the Sampling Privilege Application for Beer and Wine Store Liquor License No. 10133230S,	)	
Robert Walter Donahue, Agent Don's Smoke Shop BNR Corporation 903A N. Main Street Cottonwood, AZ 86326	)	**NOTICE OF HEARING**

Notice is hereby given that a hearing to consider the **Sampling Privilege** application in the above-entitled captioned matter will be held on the **2nd day of August, 2012, at 9:00 a.m.,** before the Arizona State Liquor Board in the Department's Hearing Room at **800 W. Washington, Fifth Floor, Phoenix, Arizona 85007**.

This matter is set for hearing because the City of Cottonwood has recommended disapproval of this application based on pending charges for the sale of bath salts at this location. The Department of Liquor Licenses and Control has also issued a protest in regards to this application as the licensed location is less than the required 5,000 square feet.

The applicant and any other parties to the above-captioned proceedings are hereby notified that they have the right to appear on the date and time specified in this Order and have a right to be represented by legal counsel or accompanied by a court interpreter. A listing of court interpreters recognized by the State of Arizona can be obtained through the local telephone directory or by contacting Professional Court Interpreters at (623) 873-6154.

Pursuant to Arizona Supreme Court Rule 31, a natural person may appear at an Administrative Proceeding with or without the assistance of counsel. However, any legal entity (Corporation, LLC, Partnership), must appear only through the representation of a licensed attorney.

If the applicant or any other party fails to appear at the hearing, the Arizona State Liquor Board may proceed in their absence and a decision may be issued based upon the evidence of record.

Notice is given that all written documents, briefs or motions to be considered by the Board must be filed with the Department's Board Section **no later than two (2) weeks prior to the date of the hearing.** Electronic

submissions are encouraged and can be sent to Stefanie.Murphy@azliquor.gov. Items received thereafter will be available to the Board on the date of the hearing and **may or may not be considered**.

Further notice is given that any request for a continuance or withdrawal of this application must be filed with the Department's Board Section **no later than two (2) weeks prior to the date of the hearing** and **may or may not be granted**. Motions filed after this date **may or may not be considered** by the Board.

Further notice is given that the Board has adopted the attached Order of Hearings that shall apply to this matter. Pursuant to A.R.S. § 4-203(A), the Board shall not issue a license unless the applicant has satisfactorily showed that it is capable, qualified and reliable to hold a liquor license, and that the public convenience requires and that the best interest of the community will be substantially served by the issuance.

Note: Persons with a disability may request a reasonable accommodation such as sign language interpreter, by contacting the Department of Liquor Licenses and Control at (602) 542-5141. Request should be made as early as possible to allow time to arrange the accommodation.

Dated this 28th day of June 2012.

FOR THE ARIZONA STATE LIQUOR BOARD

By: STEFANIE MURPHY,
ADMINISTRATOR OF THE
ARIZONA STATE LIQUOR BOARD

For: J. D. GHELFI,
CHAIRMAN OF THE ARIZONA STATE LIQUOR BOARD

Copy of the foregoing mailed, certified, return receipt requested, this 28th day of June 2012, to:

Robert Walter Donahue, Agent
Don's Smoke Shop
P.O. Box 296
Cornville, AZ 86325
Cert. No. 7011 3500 0000 3147 6011

Clerk, City of Cottonwood
824 N. Main Street
Cottonwood, AZ 86322
Cert. No. 7011 3500 0000 3147 6028

CC:
Special Investigator Keith Turner #24
AZ Department of Liquor Licenses and Control
800 W. Washington, 5th Floor
Phoenix, AZ 85007

Mary Williams
Assistant Attorney General
Office of the Attorney General
1275 W. Washington
Phoenix, Arizona 85007

Sergeant Wes Kuhl
AZ Department of Liquor Licenses and Control
800 W. Washington, 5th Floor
Phoenix, AZ 85007

Christopher A. Munns
Assistant Attorney General
Solicitor General's Office
1275 W. Washington
Phoenix, AZ 85007

By: _____
SM

ORDER OF HEARINGS

1. The Party with the burden of proof or with the burden of going forward with evidence may make a statement of the case to the Board, not exceeding five minutes in length.

2. The responding party may make a statement of the case to the Board, not exceeding five minutes in length but may defer from making such statement until after the close of the evidence on behalf of the party with the burden of proof or burden of going forward with the evidence.

3. Other parties to the hearing (or their representative or counsel) may make a statement of the case to the Board, not exceeding five minutes in length but may defer making such statement until after the close of the evidence on behalf of the party with the burden of proof or burden of going forward and the responding party.

4. The party with the burden shall introduce evidence, limited to ten minutes. Five minutes of cross examination by other parties will be permitted.

5. The responding party shall introduce evidence, limited to ten minutes. Five minutes of cross examination by other parties will be permitted.

6. The other parties, if any, shall then introduce evidence, limited to ten minutes. Five minutes of cross examination by other parties will be permitted.

7. In the same order as evidence was presented, closing statements may be made to the Board limited to five minutes per party. The statement shall be confined to a brief, concise summary of the case.

NOTE: Upon showing of good cause, the Chairperson may extend any time limit.

NOTE: The party with the burden of proof or burden of going forward is the person who must convince the Board by substantial evidence to grant his or her request. The Applicant for a License or License Transfer, the person appealing a previous decision and the party requesting a rehearing have the burden of proof or burden of going forward. Normally, the responding parties are protesters and the Department of Liquor Licenses and Control.

CLAIMS REPORT OF JULY 3, 2012			
FUND TOTAL	**VENDOR NAME**	**DESCRIPTION**	**TOTAL $0.00**

CLAIMS EXCEPTIONS REPORT OF JULY 3, 2012			
FUND	**VENDOR NAME**	**DESCRIPTION**	**TOTAL**
All	City of Cottonwood	Payroll 06/22/12	$419,987.82
All	City of Cottonwood	ASRS - Reimbursement	$29,663.66
All	Cottonwood Municipal Utilities	Water utilities	$5,300.11
Utilities	Hennesy	PO 19064 submersible pump	$32,894.41
Gen	Inspiron Logistics	Software & Maintenance	$11,400.00
Gen	Merit Technology	Repeater for Public Safety PO 19129	$8,718.03
Gen	Sands Chevrolet	New PD vechicles PO 19046	$85,840.46
Gen	VV Chamber	Bed Tax	$11,991.55
Gen	Larry Green Chevrolet	Sales Tax	$13,903.67
Capital	JE Bowen Construction	Old Town Jail Remodel PO 19098	$16,331.69
All	AZ Municipal Risk Retention Pool	Liability Insurance	$103,110.00
All	AZ Public Employers Health Pool	June Insurance Premiums	$140,966.61
Gen	Desert AED	PO 19094	$6,314.00
Gen	LN Curtis	Turnouts	$12,186.51
Gen	Main Place Flooring	PO 19110 Flooring at Police Dept	$14,268.21
Airport	Merc Fuel	Fuel Inventory	$36,387.52
Gen	Richardsons Cleaning	Custodial June 2012	$19,091.14
Transit	Route Match Software Inc	PO 19131 Software	$24,939.00
Gen	TL Plumbing Inc	PO 19124 replace water heater at Police Dept	$6,314.76
All	United Fuel	Fuel Inventory	$9,544.86
Utilities	US Postmaster	Postage Meter	$5,350.00
Debt Svc.	USDA Rural Dev.	Debt Jvc July	$68,375.00
Utilities	Yavapai Steel & Rebar	PO 19112 Rebar for Centrifuge	$13,802.43
TOTAL			**$1,123,446.44**

CLAIMS REPORT OF JULY 17, 2012			
FUND TOTAL	**VENDOR NAME**	**DESCRIPTION**	**TOTAL $0.00**

CLAIMS EXCEPTIONS REPORT OF JULY 17, 2012			
FUND	**VENDOR NAME**	**DESCRIPTION**	**TOTAL**
All	City of Cottonwood	Payroll 07/06/2012	$411,226.05
All	APS	Utilities	$29,281.24
Utilities	Catholic Charities	Payment Assistance FY2013	$10,500.00
Streets	Grady's Quality Excavating	Skyline paving project PO 19133	$24,995.00
Utilities	HACH Company	PO 19122 Controller	$7,401.63
Gen	League of Az Cities and Towns	Membership FY 2013	$9,157.00
Airport	Southwest Risk	Annual Insurance for Airport	$6,755.00
Gen	The Van Wyck Law Firm	Prosecuting atty June 2012	$7,000.00
Utilities	Wood Patel & Associates Inc	Po 19096 Old Town, Mesquite Hills Valve, Lift Station 4, and Arsenic Review	$13,612.50
Gen	Yavapai County	Water Advisory Committee FY 2013	$12,065.00
All	APS	Utilities	$46,832.91
All	Az Municipal Risk Retention Pool	Work comp for April-June 2012	$45,749.00
Hurf Utilities	Blucor Contracting	PO 19119 Mingus Ave Project	$207,769.05
Capital	Emcor Services of Az	Design Solar Rec Center PO 19081	$16,800.00
Capital	JE Bowen Construction LLC	Old Town Jail Remodel PO19098	$16,047.00
All	United Fuel	Fuel	$9,020.85
Gen	West Coast Netting	Netting at Ball fields	$16,251.15
Utilities	Yavapai Title	Growth Premium 2nd Qrt 2012	$9,000.00
TOTAL			**$899,463.38**