

**SUMMARY REPORT
OF COUNCIL DISCUSSION & DIRECTION GIVEN AT THE JUNE 8, 2010,
BUDGET WORK SESSION, SCHEDULED FOR 6 P.M. AT THE COUNCIL CHAMBERS**

This summary is a statement of actions taken by the Cottonwood City Council at a budget work session pursuant to A.R.S. § 38-431.02(D), and is being provided as required by A.R.S. § 38-431.01(D.).

Council Members Present: Mayor Diane Joens, Vice Mayor Karen Pfeifer, Council Members Tim Elinski, Duane Kirby, Linda Norman, and Terence Pratt. **Council Member Absent:** Darold Smith.

Mayor Joens called the meeting to order at 6:28 p.m.

ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE DIRECTION TO STAFF:

CAPITAL PROJECTS

Finance Director, Rudy Rodriguez, reviewed the Capital Outlay Summary which indicated a total of \$77,731,229 for estimated revenues for fiscal year 2010-11 and planned expenditures in the amount of \$45,836,922 leaving \$29,078,399 available.

Planned expenditures for fiscal year 2010-11 were \$105,000 for curb and asphalt overlay for the old section of the parking area at Riverfront Park; \$30,000 for repair of the library parking lot; \$70,000 for remodeling of the Old Town Jail; and \$100,000 for remodeling of the old court building located at 824 North Main Street.

The Council directed staff to budget \$5.6 million bonding for a new City Hall building in fiscal year 2010-11 instead of over a three year fiscal period.

He then reviewed the following Capital Improvement Funds: 0.2% sales tax, 1.0% sales tax, Highway User Revenue Funds and transit funds, grants, wastewater fund, water utility, water development reserves, general fund capital accumulation fund, and consolidated expenditures for fiscal years 2012-16.

FISCAL YEAR 2010-11 BUDGET WRAP UP

Mr. Rodriguez reviewed the engineering department's capital equipment budgeted at \$79,700 for density and compaction, and survey equipment. Custodial services for city-wide facilities were budgeted at \$112,500 with the new recreation center cleaning costs at an additional \$87,960 with \$3,000 to \$7,000 for additional cleaning services after events. Funding of outside agencies was budgeted as follows: Senior Center \$45,000, Old Town Association \$10,000, Humane Society \$40,000, American Legion \$2,500 (for veteran van services), Catholic Charities \$15,000, Verde River Days \$2,000, Birding Festival \$1,000, and the Verde Valley Concert Association \$2,000.

Mr. Rodriguez indicated a 60 day reserve coverage had been budgeted at \$1,996,400, \$1

million for a capital accumulation fund, undesignated reserves at \$100,000, 1% sales tax general fund capital at \$853,330, 0.2% sales tax public safety capital fund at \$142,045, reserves for employee merit program at \$450,000 (to be reviewed and determined if the funds would be available in November based on anticipated revenues), and operation and maintenance reserves for the new recreation center in the amount of \$221,745.

ADJOURNMENT

The budget work session adjourned at 7:55 p.m.