



Cottonwood Arizona



2016 Adopted Budget



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November 23, 2015

The Honorable Mayor and City Council

RE: Transmittal - Fiscal Year 2016 Budget

It is my pleasure to present to you the FY 2016 Adopted Budget for your review. There have been several budget work sessions with department heads to review, in detail, their staffing, programs, and planned project expenditures. This year's total approved expenditures budget is \$117,084,020 including all estimated reserves, potential grants and financing options. Compared to last fiscal year's revised budget of \$78,122,580, which did not contain reserves or financing options and grants that did not come to fruition, the overall increase is \$38,961,440. After processing fund balance and retained earnings designations, the total expenditures balance is \$100,999,915. Other items that attribute to the difference are the reallocation of resources for continuing projects, the 2004 and 2006 Water Bond refinancing, and new projects being proposed for the new fiscal year. These substantial increases between original and revised budgets are noted in any fund that has reserves, grants or financing options. The chart below shows how the budget changed from adopted to revised over the past nine years.

FY 2016 Adopted Budget - \$117,084,020

Fiscal Year	Original Budget	Revised Budget	Original vs Revised
2007	\$57,448,125	\$41,534,840	(\$15,913,285)
2008	\$89,139,395	\$79,158,556	(\$9,980,839)
2009	\$88,545,340	\$77,346,715	(\$11,198,625)
2010	\$132,562,405	\$68,688,930	(\$63,873,475)
2011	\$100,876,915	\$60,723,320	(\$40,153,595)
2012	\$78,422,500	\$63,260,685	(\$15,161,815)
2013	\$73,417,765	\$54,231,275	(\$19,186,490)
2014	\$70,875,846	\$57,895,580	(\$12,980,266)
2015	\$86,638,905	\$76,488,750	(\$10,150,155)

The largest planned single increase is in the Enterprise Fund and includes the refinancing of our Municipal Property Corporation Water Bond – Series 2004 and our Municipal Property Corporation Water Bond – Series 2006. 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 \$23,339,620, including transfers-out and reserves. This is a \$4,886,880 increase over the previous fiscal year's revision of \$18,452,740. This increase includes \$3,657,800 in reserves. There were four additional staff positions approved by the City Council for the FY 2016 budget and there is one reclassification that was approved, totaling only \$6,540.

The merit program has been budgeted for FY 2016. There is no Cost of Living Adjustment (COLA) budgeted for FY 2016, but the salary ranges will increase by 1.7% to help the current salary structure keep up with the current marketplace. The Public Safety Personnel Retirement contributions saw a substantial increase for FY 2016 due to the large unfunded liability that the retirement system has developed. The employer contribution rate for Public Safety Personnel Retirement has gone from 29.83% to 37.37% for the Police Department and from 16.20% to 18.38% for the Fire Department. As for the employer contributions to the Arizona State Retirement System, rates decreased from 11.60% to 11.47%. 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 276-279.

The total budget for the Special Revenue Funds is \$16,867,740, including transfers-out and carryovers. This fund's expenditures increased by \$763,535 over last year's revised expenditures of \$16,104,205. Fiscal year 2015 showed a large increase due to the funding of a bond to cover streets projects. The balance is reprogrammed and carried over to provide for projects expected to be initiated in FY 2016. Reconstruction of Mingus Avenue from Willard Street to Main Street project is a major portion of the Special Revenue Funds increases. This stretch of Mingus Avenue is expected to cost \$6,350,000.

The Transit department transferred from Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) to the City on July 1, 2012. Both the LYNX system and the Cottonwood Area Transit (CAT) added additional services in FY2014. The Transit System budget of \$1,672,855 is supported through fares, neighboring community financial support, state and federal grants and City contributions.

The Airport Fund shows a slight increase due to projects and a transfer-out to the Grants Fund as a match for the grants for several airport related projects. Those projects include Pavement Preservation and a grant to increase the fence height at the Airport. The Community Development Block Grant (CDBG) for the 10th Street Reconstruction project was completed in FY 2014 and a new grant for the Civic Center Rehabilitation has been budgeted at \$309,155, while other grants include \$500,000 for any occasional grants that come along and were not budgeted.

The Debt Service Fund is budgeted for \$3,813,165, which is \$530,700 more than last year's revised budget of \$3,282,465. This includes the restricted fund balance which rolled over from FY 2015. The Recreation Center Debt Service will continue through August 2027. The Library Debt Service expired July 1, 2013. The two Greater Arizona Development Authority (GADA) loans for Public Safety and Rail Road Wash were also paid in full on July 1, 2013. An addition of an Excise Tax Bond that should be funded at the end of FY 2015 will be visible in the FY 2017 budget.

The City budgeted \$12,501,160 in Capital Projects which includes a transfer to the Sewer Fund of \$11,500,000 for construction of a water reclamation project at Riverfront Park. Other items of interest in the Capital Projects Fund are the construction and rehabilitation of the bathrooms at the local parks, the Highland Square Senior Apartments and HVAC for the Civic Center. The construction of the Emergency Communication Center for approximately \$3.7M was completed in FY 2015. The Capital Projects Fund still has reserves being held for future Capital Project needs.

The Enterprise Fund budget, which consists of water and wastewater, has increased from last fiscal year's revised amount of \$27,198,040 to \$60,476,900 for FY 2016. The \$33,278,860 increase can, in part, be attributed to the Riverfront Wastewater Reclamation Plant for which construction is expected to begin in FY 2016, and the refunding of the 2004 Water Bonds and 2006 Water Bonds.

The Fiduciary Fund aggregate total is up by \$10,055. Both the City's Alternate Pension and Benefits Plan and the Employee Benefits Trust Fund are earning small amounts of interest. The Employee Benefits Trust Board was disbanded in FY 2013; the only activity is interest on the remaining fund balance.

General Commentary

The preparation of the budget continues to be an extraordinary challenge to all departments. The last six 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 the current staffing and services. Those same measures have played an integral role in surviving the downturn in our local economy.

Some issues are out of our control, such as rising health insurance premiums, large retirement contribution increases, utility costs, and common expenditures in general. Some external forces are also placing demands on our staffing and capital equipment requirements. These matters along with the City's dedication to the citizens' insistence on quality services are 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. The local economy as a whole is showing signs of improvement.

KEY ISSUES - FISCAL YEAR 2016

GENERAL FUND

The City of Cottonwood continues to face many issues during these still difficult times. Below are listed some of the foremost issues addressed within this budget.

-  **Slow Recovery of the Local Economy** – After nearly six years of declining revenues, the City has started to show some slow revenue growth ranging from 2% – 5%. Though not a significant growth number, it is an improvement from prior year's double digit declines. The local economy is still the single largest challenge the City of Cottonwood is facing.
-  **Taxes** – The City of Cottonwood has prided itself on managing its affairs through local transaction privilege tax, commonly called sales tax. Though successful for many years, it has shown the fallacy of the notion that it can continue to provide quality services based on a major revenue source that is at the mercy of the economy. The City Council passed a .8% sales tax increase that went into effect in November 2008 to counter the declining economy. This increase brought the total Cottonwood local sales tax rate to 3%, and along with cost cutting measures it helps Cottonwood stay fiscally sound. Cottonwood does not collect a property tax for services. Recent research reveals that, even with rising sales tax numbers due to increases in the sales tax rate, actual taxable sales are still lagging behind by 6% when compared to pre-great recession numbers.

-  **Underfunded Pension Liabilities** - The Public Safety Personnel Retirement System is about 50% underfunded which amounts to a shortfall of \$6.6B for the entire system. The City of Cottonwood's portion of the underfunding is approximately \$9.1M. The City of Cottonwood is looking for ways to pay down this liability by prepaying its estimated annual contribution at the beginning of the fiscal year and contributing additional funding from any savings due to vacancies throughout the year.
-  **State Shared Revenues** – These revenue sources are always of concern to municipalities due to the state's history of trying to reallocate them for state purposes. The budget reflects a decrease in State Shared Income Tax of \$7,310 from last year's \$1,363,620. State Shared Sales Tax is up at a 5.73% increase over FY 2015 and is anticipated to generate \$1,076,180 in FY 2016. Both of these revenues are projected by the Arizona Department of Revenue.
-  **General Staffing & Compensation** – Even with the slow recovery in our community, the need for services continues to increase. Most departments continue to provide the necessary basic coverage with few enhancements. In FY 2013, a compensation study was completed and implemented at a cost of nearly \$500,000. For FY 2016, a 1.7% Cost of Living Adjustment (COLA) is not included in the budget but the salary ranges will increase by the COLA percentage to keep up with the job market. The Longevity Program is not currently budgeted. The City of Cottonwood is doing everything it can to recruit and 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 this goal. Currently, it is recovering slightly above 50% of the expenditures. The largest concern stems from future maintenance and operational costs of the facility. To counter rising costs and improve the recovery rate, the City has eliminated many of the offered discounts and restructured the management portion of the operations. The staff will look at additional options to increase revenues and reduce costs.
-  **Capital Infrastructure Planning** – The City has been struggling with capital planning due to the slow recovery of the local economy. Some projects will continue to be postponed until the economy improves. Other projects will however, move forward, funded through planned resources or other financing sources.
-  **Water Issues** – The growth of the Verde Valley Region continues the need for the City to maintain an active role in the water issues that are affecting the region as well as the City of Cottonwood. 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. Another issue is the downgrading by Standard and Poor's of the Water Utility Bonds due to inadequate debt service coverage. This was addressed during the budget process in FY 2014 and FY 2015 with rate increases and will be looked at again in FY 2016. A rate increase is not calculated into the budget due to its uncertainty of coming to fruition. Any rate increase should guarantee the 1.35X coverage required by the bond covenants.
-  **Wastewater Issues** – The City of Cottonwood Wastewater Treatment Facility is slowly reaching its capacity and the infrastructure is getting more difficult to maintain. It is expected that even with the current slow growth patterns, the City needs to move forward with satellite wastewater treatment facilities. The Riverfront Park Facility is expected to be the first satellite reclamation plant. Small

package plants will be strategically placed to not only treat but also produce quality reclaimed water for use by city parks, home landscaping, fire sprinklers, dual plumbing, dust control, and many other possible uses. This enterprise is requesting a rate increase to counter the large drops in available fiscal resources. The increased rates are not reflected in the budget due to their uncertainty of coming to fruition at this time.

City Staffing

The budget for FY 2016 includes funding for the employee merit program. There were six requests for additional staffing; only four are included in the budget; one will be hired at the beginning of the fiscal year, two in November 2015 and one in January, 2016 in order to keep costs down.

PERSONNEL REQUESTS								
Dept	Job Description	Requested Range	Range Parameters			Est. Salary (min +5%)	Benefits	Est. Annual Costs
Fire	Deputy Fire Chief	31	73,897	85,566	97,237	77,592	31,036.94	\$108,629
IT	IT Systems Administrator	25	55,143	63,851	72,560	57,901	23,160.24	81,061
IT	GIS Coordinator	25	55,143	63,851	72,560	45,597	18,238.82	63,836
Planning	Code Enforcement Officer	19	41,149	47,646	54,145	32,405	12,961.90	45,367
Maintenance	Public Works Maintenance Tech I	10	26,525	30,713	34,903	27,851	11,140.50	38,992
Police	Records Clerk	13	30,706	35,554	45,252	32,241	12,896.52	45,138
Total Requested						273,587	109,435	\$383,022

PERSONNEL REQUESTS - BUDGETED								
IT	IT Systems Administrator (50%)	25	55,143	63,851	72,560	28,950	11,580.12	\$40,530
IT	GIS Coordinator (75%)	19	41,149	47,646	54,145	32,405	12,961.90	45,367
Planning	Asst. Planner/Code Enforcement Officer (75%)	18	39,189	45,377	51,567	30,862	12,344.66	43,206
Maintenance	Public Works Maintenance Tech I	10	26,525	30,713	34,903	27,851	11,140.50	38,992
Total Budgeted						120,068	48,027	\$168,095
Total Not Budgeted								\$214,927

There were eight reclassification requests but only two were approved. It involves an allocation of \$14,790 to upgrade a position from Human Resources Specialist to Human Resources Specialist II and \$2,560 to reclassify a Senior Administrative Assistant to Planning Technician. The total requested amount for additional personnel that were not approved was \$301,218. If budgeted, these positions would have been recurring costs.

Contributions to Dependent Health Insurance Coverage

In fiscal year 2010, the Verde Valley Employee Benefits Pool (VVEBP), the City's health insurance provider, changed its name to Arizona Public Employers Health Pool (APEHP) to broaden its ability to attract new members to the Pool to help contain costs. During these tough economic times, adjustments to the plan have remained single digit. For FY 2016, the City will see a rate increase of 7%.

Every year, there are 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 to keep on providing quality services and efficiencies.

Listed below are some of the changes taking effect on July 1, 2016:

-  There is a new \$5,000 High Deductible Health Plan (HDHP),
-  Health Savings Account (HSA) contributions will increase to \$3,350 for individuals and \$6,650 for family coverage,

- 👁️ Reliance Standard Life Insurance will replace Lincoln Financial Group as the life insurance provider,
- 👁️ Out-of-Network coinsurance will change to 50%,
- 👁️ Preauthorization requirement on compound drugs costing more than \$300, and
- 👁️ Out of pocket maximums for out of network services have been removed.

The tables on the following page summarize the total costs for health insurance for the City, our employees and their dependents. The APEHP has successfully contained costs of health coverage by way of plan design, education, and sound health care management. For families in good general health, an employee can choose from three High Deductible Health Plans and save on their dependent coverage, while taking advantage of the City's increased contribution into their Health Savings Account (HSA). For moderately healthy families, an employee has the option to choose either the Core Plan or the Co-Pay Plan.

Medical & Basic Life Coverage	Core Plan/Co-Pay Plan \$500/\$750 deductible			HDHP Plan (\$1,500/\$3,000) \$1,500 deductible (employee only) \$3,000 deductible (employee + 1 or more)			HDHP Plan (\$2,500/\$5,000) \$2,500 deductible (employee only) \$5,000 deductible (employee + 1 or more)			HDHP Plan (\$5,000/\$10,000) \$5,000 deductible (employee only) \$10,000 deductible (employee + 1 or more)		
	Employer Pays	You Pay	Total (includes \$8 life)	Employer Pays	You Pay	Total (includes \$8 life)	Employer Pays	You Pay	Total (includes \$8 life)	Employer Pays	You Pay	Total (includes \$8 life)
Employee Only	681.00	0.00	681.00	681.00	(180.00)	501.00	681.00	(229.00)	452.00	681.00	(296.00)	385.00
Employee + Spouse	1,151.40	201.60	1,353.00	845.40	147.60	993.00	762.10	132.90	895.00	648.90	113.10	762.00
Employee + Child(ren)	1,035.40	88.60	1,124.00	760.20	64.80	825.00	684.80	58.20	743.00	583.40	49.60	633.00
Employee + Family	1,297.20	410.80	1,708.00	953.40	301.60	1,255.00	858.80	271.20	1,130.00	731.20	230.80	962.00

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

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

Dental Coverage	Employer Pays	You Pay	Total
Employee Only	42.00	0.00	42.00
Employee + Spouse	71.40	12.60	84.00
Employee + Child(ren)	63.60	5.40	69.00
Employee + Family	81.00	26.00	107.00

Voluntary Vision Coverage	Employer Pays	You Pay	Total
Employee Only	0.00	10.77	10.77
Employee + Spouse	0.00	16.26	16.26
Employee + Child(ren)	0.00	17.41	17.41
Employee + Family	0.00	27.82	27.82

Vision coverage is strictly voluntary

Supporting Programs

-  **Building Community Grants:** The City will continue to fund this program for FY 2016 in order to assist local 501(c)(3) organizations that do not qualify for the outside agency program.
-  **Funding Outside Agencies:** The local Boys and Girls Club is no longer on the funding list since the organization went under. Some of the other local agencies that will receive financial support in FY 2016 from the City of Cottonwood are listed below. These agencies include:

Old Town Association	FY 2015 - \$10,000	FY 2016 - \$10,000
Senior Center	FY 2015 - \$55,000	FY 2016 - \$55,000
Adopt for Life	FY 2015 - \$43,880	FY 2016 - \$43,880
Old Town Center for the Arts	FY 2015 - \$20,000	FY 2016 - \$20,000

BUDGET POLICIES - FISCAL YEAR 2016

This budget reflects the fund balance policies of the City Council. These policies currently require the City to restrict an amount equal to 16.67% of the previous year's operating revenues as part of its fund balance. This requirement brought this year's restricted fund balance reserve to \$2,539,900. 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.

Due to the heavy use of this fund over the last few years to cover Capital Improvements, there is currently nothing budgeted or available in additional capital reserves, which comes from a 1% sales tax that is used to work on some General Fund capital projects. These policies, along with the development of the five-year budget projections, will ensure the financial stability of the City into the future.

BUDGET DEVELOPMENT

Long range financial planning plays an integral part in the budget development. Revenues and expenditures were prepared for a five-year period for all funds. These projections are included within the budget. The result of this five-year analysis demonstrates that revenues barely keep up with operational expenditures for the next five years. This is mainly due to the economy and the state's future financial picture. Any capital acquisition would require some financing alternatives, see pages 29-37. All other funds will continue to operate within their respected revenues.

LONG RANGE PROGRAMMATIC AND FINANCIAL PLANNING

Included in the budget is a section establishing long-range organizational programmatic goals and the five-year capital improvement plan. The organizational goals identified are presented programmatically, including a statement of operational fiscal impact to the City. Goals identified for fiscal year 2016, 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 2016

Included in the budget is \$27,033,925 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 275-278. 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 2016 are budgeted.

Capital Equipment		Capital Projects	
Function	Estimated Cost	Function	Estimated Cost
General Government	\$149,750	General Government	\$1,610,000
Public Safety	76,900	Public Safety	0
Culture & Recreation	6,700	Culture & Recreation	309,155
Health & Sanitation	153,200	Health & Sanitation	15,547,850
Transportation (CAT & Airport)	270,000	Transportation (CAT & Airport)	2,100,000
Streets	0	Streets	6,810,370
Total Capital Equipment	\$656,550	Total Capital Projects	\$26,377,375

ACKNOWLEDGMENTS

The preparation of this municipal budget document is attributed to the many hours spent by our Accounting/Budget Manager Kirsten Lennon and Budget Analyst Helen Bartels, who met with representatives from the various departments and compiled their departmental data. A 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 General Managers, Department Heads, supervisors and staff who assisted in the development of the 2016 Annual Budget document.

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

Employee Vision, Mission Statement and Values***Purpose: "Why" We Exist***

The City of Cottonwood provides, protects, nurtures and cares for its community of residents, businesses, visitors and supporters. We create and sustain the best quality of life for the people that are the fabric of our entire community. Within that, we are the Heart of the Arizona Wine Community, and utilize that presence to foster the improvement of our entire city and all of its residence.

Mission "What" We Do:

The City of Cottonwood is a premier destination, both to visit and to live. Our community is rooted in a rich history, committed to time-honored values and dedicated to an evolving, promising and sustainable future. We embrace tradition and diversity equally, to maintain and preserve our truly unique environment and character. We celebrate our role as the heart of the Verde Valley economically, culturally and geographically, and are passionate about fostering a diverse, innovative and culturally vibrant population. We are the primary destination in the Arizona Wine Community and the central hub for the industry as a whole within the state.

Vision Where We're Going:

The City of Cottonwood is committed to a vibrant future by providing its residents, businesses and visitors with the most favorable life experience, from our core values to our comprehensive community infrastructure, to our precious and beautiful natural resources, to our visionary but sustainable growth. We will continue to provide the best possible resources that a healthy community needs to survive and thrive, and will vigilantly protect and honor our traditions and history while embracing the innovation and diversity needed for our most rewarding future. We will continue to celebrate and nurture our role as the premier wine community of Arizona wine industry, promoting its greatest growth and health by shaping our city as its leading champion so that it can serve as the state's central hub and clear focal point for this valuable product, resource, and culture.

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 Verde 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 lies at an elevation of 3,320 feet above sea level with a total geographic area of 16.65 square miles.

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

Date of Incorporation - 1960

Form of Government - Council-Manager

Demographics/Economics

<u>Area - Square Miles</u>	<u>2015 Property Tax Assessed Valuation</u> (a)	
2015 – 16.65 Square Miles	Primary	\$ 79,596,647
	Secondary	\$ 87,115,421

Paved Streets

52 Miles

Cottonwood Labor Force Data (b)

	<u>2014</u>
Civilian Labor Force	5,106
Employed	4,784
Unemployed	322
Unemployment Rate	6.3%

Source:

- a) Arizona Department of Revenue, Property Tax Division
- b) Arizona Department of Administration - <https://laborstats.az.gov/sites/default/files/documents/files/pr-laus-04cit-14-nsa.pdf>

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

Sources:

- (a) Department of Economic Security - Research Administration Division – website - <https://population.az.gov/sites/default/files/documents/files/pop-estimates2014-04pla.pdf>
- (b) School census - Cottonwood School Districts
- (c) Arizona Department of Administration - <https://laborstats.az.gov/sites/default/files/documents/files/pr-laus-04cit-14-nsa.pdf>

<u>Gross Taxable Sales</u> (a)		<u>Building Permits</u> (b)		
		<u>Year</u>	<u>Number</u>	<u>Value</u>
2014	\$409,220,533	2014	343	\$15,891,831
2013	377,645,100	2013	26	4,033,518
2012	352,666,100	2012	27	4,113,790
2011	345,453,043	2011	10	1,467,400
2010	338,430,216	2010	13	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

Sources:

- (a) City of Cottonwood CAFR <http://www.cottonwoodaz.gov/finance/cafr2012.pdf> page 86
- (b) City of Cottonwood Community Development – Single Family homes

<u>Major Private Employers</u> (a)	<u>Education</u> (b)	
Verde Valley Medical Center	Elementary Schools	2
Wal-Mart - Retail	Exceptional Children Program	1
	Middle School	1
<u>Major Public Employers</u>	High School	1
Arizona Public Service	Community College	1
City of Cottonwood	Students:	
Cottonwood/Oak Creek Schools	Grades K-8	2,150
Mingus Union High School	Grades 9-12	1,181
Yavapai County	Total Students	3,331

Sources:

- (a) Arizona Department of Commerce – Community Profile for Cottonwood, AZ
- (b) Provided by the local school's business offices

2015 Service Statistics

<u>Fire Protection</u>		<u>Police Protection</u>	
Stations	1	Stations	1
Employees (Full-time)	28	Employees (Full-time)	54
Fire & Haz Mat Calls	227	Sworn	34
Rescue & Medical Calls	2,260	Non-Sworn	20
Public Assist Calls	258	Part I Crimes	592
Fire Inspections (various kinds)	1,895	Part II Crimes	14,427
Plan Reviews & Permits	317	Traffic Warnings	1,537
Public Ed Contact Hours	9,530	Traffic Citations	3,332
		Calls for Service Dispatched	14,977
<u>Public Works</u>		<u>Library</u>	
Engineering Reviews (ea. Proj.)	300	Items in Collections	105,296
Subdivisions (lots)	341	Total Items Circulated	221,848
Right of Way Permits (ea.)	60	Circulation Transactions Per Day	705
Flood Plain Inquires	164		
Streets Inspected (LF)	189	<u>Municipal Parks</u>	
Contract Administration	4,900,000	Developed Parks	5
		Developed Acres	38.7
		Undeveloped Acres	91.3
		Swimming Pools	2
		Tennis Center	1
		Lighted Ball fields	8
		Community Recreation Centers	2
<u>Recreation Programs</u>		<u>CAT/LYNX Transit System</u>	
Participation:		Annual Ridership	122,043
Adult Sports	31,200	Miles Traveled	318,125
Special Events	24,800	Cottonwood Ridership	67,360
Recreational Swimming	19,400	Disabled Ridership Estimation	11%
Instructional Classes	23,400		
Youth Sports	9,100	<u>Water Utility</u>	
		Blue Stake Requests	1,350
		Pumping Capacity	10.0mgd
		Average Pumpage	3.3 mgd
		Number of Wells	25
		Number of Storage Tanks	25
<u>Sewer</u>			
Sewer Line Inspected (LF)	1,650		
Miles of Line	52		
Average Daily Treatment	.972 mgd		
Plant Capacity	1.5 mgd		
Blue Stake Requests	919		
Reclaimed Water Sold *	7.2 mg		
Number of Sewer Accounts	4,547		
Sewer Taps installed	5		

*Estimated June 2013 number

<u>Month</u>	<u>Weather</u>		<u>Average Total Precipitation (inches)</u>
	<u>Average Daily Temperature (F)</u>		
	<u>Maximum</u>	<u>Minimum</u>	
January	58.1	28.1	0.8
February	63.3	31.7	0.8
March	68.3	35.6	0.9
April	76.6	41.9	0.5
May	84.8	49.2	0.4
June	94.8	57.8	0.5
July	98.5	65.9	1.9
August	95.5	63.8	2.2
September	91.3	57.4	1.1
October	81.2	46.4	1.0
November	68.1	35.6	0.7
December	58.6	28.7	1.1
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 50.

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 POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Process for Changing the Budget

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

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

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

Budget Monitoring

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

Budget Calendar for FY 2016

The calendar is structured similar to those of past years, however a bit more accelerated. It keeps the process moving forward rather quickly. As needed, additional items may be added to the calendar. 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 gentle reminder, this budget is always subject to change as the year progresses and as revenue projections can be reasonably measured.

📍 Revenue Review—Finance	February 3, 2015
📍 Revenue Update - City Council [<i>work session</i>]	February 10, 2015
📍 Distribute Budget Worksheets & Instructions	February 13, 2015
📍 Distribute Personnel Request & Reclassification Forms	February 13, 2015
📍 Distribute Goals & Accomplishments Forms & Instructions	February 13, 2015
📍 Distribute Capital Improvements Schedules, Forms, & Instructions	February 20, 2015
📍 Budget Worksheets, Personnel Requests & Reclassifications due to Finance	February 27, 2015
📍 Potential Budget Issues & Goal Setting Meeting – City Manager	March 2-4, 2015
📍 1 st Round Departmental Budget Meetings	March 2-5 & March 9-12, 2015
📍 Capital Improvement Forms due back to Finance	March 6, 2015
📍 Goals & Performance Measures due to Finance	March 6, 2015
📍 Capital Improvements Meeting (Finance & City Manager)	March 16-17, 2015
📍 Review of 1 st Budget Draft (Worksheets) with Finance & Administration	March 25, 2015
📍 2 nd Round Departmental CIP/Budget Meetings	April 6-April 9, 2015
📍 ***Final day for changes to the Proposed Budget***	April 10, 2015
📍 Present <i>Proposed</i> FY 2016 Budget to City Council	April 21, 2015
📍 Budget Work Sessions with City Council @ Council Chambers	
○ Introduction to the Budget / Personnel Matters / Capital Requests	April 28, 2015
○ Departmental Presentations	April 30, 2015
○ Departmental Presentations / Budgetary Wrap-up	May 7, 2015
○ Budget Wrap-up	May 12, 2015
📍 ***Final day for changes to the Tentative Budget***	May 12, 2015
📍 Present Tentative FY 2016 Budget to City Council	June 2, 2015
📍 Public Hearings on Tentative Budget	June 2, 2015
📍 Adopt <i>Tentative</i> FY 2016 Budgets, set Expenditure Limitation	June 2, 2015
📍 ***Final day for changes to the Final Budget***	June 2, 2015
📍 Present Final FY 2016 Budget to City Council	June 16, 2015
📍 Public Hearing on Final Budget	June 16, 2015
📍 Adopt <i>Final</i> FY 2016 Budget	June 16, 2015
📍 Budget Due to GFOA for Award Review	September 14, 2015

Fund Accounting

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

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

Governmental Funds

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

Special Revenue Fund – 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 – The Capital Project Fund is used to account for financial resources for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Funds

Enterprise Fund - The Enterprise Fund is used to account for operations of the City's water and wastewater fund. This fund is financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The governing body also has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds

Alternative Pension and Benefits Plan Fund - The Pension Trust Fund is used to account for the City's Volunteer Firefighter's Relief and Pension Fund, a defined contribution plan for which the City holds the assets in a trustee capacity. Contributions are made by the City and the City's Volunteer Firefighters.

Employee Benefit Trust Fund - This fund is used to account for accumulated resources designated to providing City employees with benefits not issued through normal avenues. Currently, this fund provides short term disability to all City employees.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Taxpayers assessed income, gross receipts, and sales taxes are considered “measurable” when in the hands of intermediary collecting governments or agents and are recognized as revenue at that time. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The Proprietary and Fiduciary Funds are accounted for using the accrual basis of accounting. This method of accounting recognizes the financial effects, on a government, of transactions and other events and circumstances that have cash consequences, for the government, in the periods in which transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

Budget Basis

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

The Proprietary and Fiduciary Funds (Enterprise, Internal Service, Pension, and Agency Funds), on the other hand, are budgeted on a full accrual basis. Not only are expenditures recognized when a commitment is made (i.e. through a purchase order) but revenues 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 (CAFR) shows fund expenditures and revenues on both a GAAP basis and budget basis for comparison purposes.

FISCAL POLICY

The overall goal of the City's fiscal policy is to establish and maintain effective management of the City's financial resources. The City's formal policy statements and major objectives provide the foundation for achieving this goal. Accordingly, this section outlines the policies used to guide the preparation and management of the City's overall budget and major objectives to be accomplished.

- A comprehensive annual budget will be prepared for all funds expended by the City.
- The Budget will be prepared in such a manner as to facilitate its understanding by citizens and elected officials.
- In addition to any required hearings, the Council will hold work sessions on the budget that are open to the public.
- Copies of the budget will be made available to citizens and elected officials prior to work sessions.
- Budgetary emphasis will focus on providing those municipal services which provide the maximum level of services, to the most citizens, in the most cost effective manner, with due consideration to economic, fiscal, and social costs.
- The budget will provide for adequate maintenance of capital, plant, and equipment, and their timely replacement.
- The City will avoid budgetary practices that balance current expenditures at the expense of meeting future years' expenses.
- The City will give highest priority to the use of one-time revenues for the funding of capital assets or other non-recurring expenditures.
- The City will maintain a budgetary control system to help it adhere to the established budget.
- Reports comparing actual revenues and expenditures to budgeted amounts will be prepared monthly.

Financial stability of the City

To ensure the financial stability of the City, some strict guidelines have been set forth by City Council and implemented by City management.

- Maintain a restricted General Fund Balance of 16.67% of the previous year's operating revenues
- Continue a capital projects accumulation fund of 2.67% of the previous year's General Fund operating revenues, capped at \$1,000,000
- Develop five-year revenues and expenditures projections and analyze trends
- Ensure that operating expenditures remain within operating revenues for all funds.

DEBT SERVICE POLICY

The goal of the City of Cottonwood's debt management policy is to maintain the City's ability to incur debt at the most favorable interest rates in the amounts needed for financing capital projects and equipment, while keeping adverse effects to the City's ability to finance essential City services to a minimum.

The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent (20%) of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent (6%) of secondary assessed valuation can be used for all other "general municipal uses".

Computation of Legal Debt Margin
June 30, 2015

Net secondary assessed valuation (Full Cash Value)	\$102,237,396
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	20,447,479
Bonds outstanding	0
Net 20% Debt Limitation	20,447,479

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	6,134,244
Bonds outstanding	0
Net 6% Debt Limitation	6,134,244

Total Bonding Capacity	\$26,581,723
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General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation above, the City may issue bonds for general improvement purposes or for specific projects. For statutory purposes, the City's current outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2015 were secured by sales taxes and user fee revenues instead of property taxes.

Policy Statement

-  A five-year Capital Improvements Plan (CIP) will be developed and updated annually along with corresponding funding sources.
-  Financing of Capital projects will not exceed the useful life of the project.

- Debt Service Schedules will be prepared and included in the Annual Budget as well as the Five-Year Capital Improvement Plan with annual updates.
- Debt Service payment will be scheduled in equal installments over the life of the bonds.
- Efforts will be made to maintain and improve the City's bond rating.
- Timely submittal to the Electronic Municipal Market Access (EMMA).
- Pay-as-you-go financing will be an essential part of the City's Capital Improvement Plan.
- The City will carefully monitor compliance with all bond covenants.

Debt Performance

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

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

Total Outstanding Debt by Type of Bond				
As of June 30, 2015				
Project	Term	Principal	Interest	Funding Source
GADA - Recreation Center	8/1/2027	\$13,985,000	\$5,176,356	1.0% Sales Tax
MPC - Senior Lein Water Revenue Bonds - 2004	7/1/2029	\$10,040,000	\$4,751,566	Water User Fees
MPC - Senior Lein Water Revenue Bonds - 2006	7/1/2035	\$20,710,000	\$13,833,514	Water User Fees
Total Debt Service		\$44,735,000	\$23,761,436	

INVESTMENT POLICY

Policy

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

Scope

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

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

Objectives

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

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

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

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

Standard of Care

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

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

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

Authorized Financial Dealers and Institutions

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

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

Securities dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank as primary dealers or else 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 that carry as a minimum one of the A ratings of Moody's Investors Service or one of the A ratings of Standard and Poor's Rating Service or their successors

-  Commercial Paper with an A-1/P-1 rating or higher
-  Mortgage-backed securities.

Prohibited Investments

-  Reverse Repurchase Agreements
-  Futures, Contractual Swaps, Options
-  Inverse Floaters
-  Interest Only Securities
-  Interest Bearing Securities that have the possibility of not accruing current income
-  Closed end management type companies
-  Securities whose yield/market value is based on currency, commodity or non-interest indices
-  Bearer-form securities
-  Securities lending
-  Any security product not described in this document until reviewed and approved by the City Council.

Investment Pools

A thorough investigation of any investment pool is required prior to investing. There shall be a questionnaire developed which will answer the following general questions:

-  A description of eligible investment securities and a written statement of investment policy and objectives
-  A description of interest calculations, how it is distributed, and how gains and losses are treated
-  A description of how the securities are safe kept (including the settlement processes) and how often the securities are priced and the program audited
-  A description of who may invest in the program, how often, what size deposit and withdrawal
-  A schedule for receiving statements and portfolio listings
-  Are reserves, retained earnings, etc. utilized by the pool?
-  A fee schedule, and when and how is it assessed
-  Is the pool eligible for bond proceeds and/or will it accept such proceeds?

Diversification and Maturity Limitations

The City will diversify its investment portfolio to minimize the risk of loss resulting from overconcentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification standards by security type and issuer shall not exceed the following:

	Fully insured or collateralized CDs	no more than 25%
	U.S. Treasuries and securities having principal and interest guaranteed by the U.S. Government or agencies or instrumentalities of the U.S. Government	100%
	State, county, school district and other district municipal bonds or debt with an A rating or better	no more than 25%
	Repurchase agreements	100%
	Local Government Investment Pool	100%

The 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 schedule 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 the City of Cottonwood's Comprehensive Annual Financial Report - CAFR.

Performance Standards

The City of Cottonwood's cash management portfolio shall be designed with the objective of regularly meeting or exceeding a selected performance benchmark, which could be the average return on three-month U.S. Treasury bills, the state investment pool, a money market mutual fund or the average rate of Fed funds. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return.

Investment Policy Adoption

City of Cottonwood's Investment Policy shall be adopted by the City Council. The policy shall be reviewed on an annual basis by the Administrative Services General Manager and significant modifications thereto must be approved by the City Council.

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STRATEGIC PLANNING

City Accomplishments for Fiscal Year 2015

The following depicts the continued commitment of the City of Cottonwood to make the community a better place to live. Fiscal year 2015 goals obtained are summarized within this list of accomplishments:

Physical Development

-  Completed construction of the Regional Public Safety Communications Center
-  Completed the southern half of the reconstruction of 12th Street from Fir St to Hwy 89A
-  Completed the flood plain re-delineation of Railroad Wash with FEMA
-  Completed the Mingus Avenue resurfacing project from Main Street to Cornville Road
-  Completed installation of reclaimed water pipe along 12th Street
-  Completed construction of Old Town Jail Kiosk

Community and Economic Development

-  Hosted Thunder Valley Rally, Rhythm and Ribs and Walkin' On Main Street
-  Completed year 5 of 5-year Economic Development Plan
-  Started developing City-Wide Branding Plan
-  Developed new City logo
-  Partnered with Community Legal Services for free legal clinics for people on a low income
-  Increased participation in the After School Program at the Recreation Center assisting families with after school care due to the closure of the Boys and Girls Club

Public Safety

-  Received Homeland Security Grant to upgrade radio capabilities
-  Implemented the Reserve Officer Program
-  Installed 10 in-car video systems and received funding for seven wearable cameras
-  Implemented Fire-Pal Program in the Cottonwood Middle School to provide extensive safety education in a wide range of safety issues, including fire and water safety, and other life skills
-  Assisted Wal-Mart with an aggressive Shoplifter Identification and apprehension detail

General

-  Began renovations of the Old Town Civic Center
-  Hosted first Historic Old Town Tour
-  Completed implementation of Automated Weather Observation System (AWOS)

Organizational Goals - Fiscal Year 2016

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 2016.

Physical Development

Project – Utilities – WWTP Upgrades (reprogrammed)

This project is to provide ionization based odor control system at the treatment plant's head works. Odor control systems that utilize ionization technology improve operator safety and comfort, and decrease damage to equipment by neutralizing corrosive acid vapors. This project is in the active bid stage.

Fiscal/Programmatic Impact-

This project is budgeted at \$191,000 for FY 2016 to do various upgrades to the lifts stations and the facility.

Project – Utilities – Well Improvements (ongoing)

This project is a prerequisite for the 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 Cottonwood Municipal Utilities to take care of all the necessary arsenic remediation.

Fiscal/Programmatic Impact

This \$150,000 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 – Riverfront Park Reclamation Facility Project

This project involves the planned construction of a new water reclamation facility at Riverfront Park to ease the burden on the existing Waste Water plant on Mingus Avenue. This plant will recycle waste water and produce quality effluent to help with the irrigation needs at Riverfront Park.

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 \$11,500,000.

Project – Utilities – Roofing Replacement

This project is for the planned replacement of the roofing materials over the Waste Water holding ponds. The roofing is heavily corroded and falling apart. The installation of solar roofing panels will help to manage the energy costs at the Waste Water Treatment plant.

Fiscal/Programmatic Impact

This project is budgeted at \$550,000 and the funding was included in the FY 2015 Excise Backed bonds.

Project – Utilities – Fire Hydrant Improvements

This is an ongoing project to have fire hydrants placed in pertinent areas throughout the water system.

Fiscal/Programmatic Impact

This project will be funded with current reserves. The total budgeted amount for FY 2016 is \$350,000.

Project – Utilities – Water Storage/Well Booster

This project is to build bolted reservoirs at current production well sites and at a planned future well site. When completed, the reservoirs will provide millions of gallons of storage for the City's water system. The increased storage will benefit the entire system.

Fiscal/Programmatic Impact

This is an ongoing project and is budgeted at \$150,000 for FY 2016.

Project – HURF – West Mingus Ave Reconstruction Willard to Main

This is a 3,700 foot reconstruction project from SR 89A to Fir Street. The existing collector street lacks a sidewalk and is constantly developing potholes due to clay sub-soils. The vertical alignment does not meet standards (hills too high and valleys too low). The project will 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. The total cost of this project that is being programmed for FY 2016 is \$6.1M. No increased M&O costs are anticipated.

Project – HURF – 12th Street; Reconstruction 89A to Fir (ongoing)

This is a 3,700 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 will 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. The total cost of this project that is being programmed for FY 2016 is \$337,220. No increased M&O costs are anticipated.

Project – HURF/Transit – Two Buses

Purchase of two CAT busses to replace busses, currently in service and getting high on mileage. The ADOT Transit program has a recommended mileage limits and the current busses are reaching those limits.

Fiscal/Programmatic Impact

The cost for four busses is budgeted at \$260,000. The City is only responsible for the local match that could be either 7% or 20%, depending on ADOT funding.

Project – HURF – Mingus Ave; 10th Street & Main Project

Fiscal/Programmatic Impact

This project is budgeted at \$250,000 for FY 2016.

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 \$1,950,000 is funded 90% from ADOT and 10% from local share matching. Additional M&O costs are not anticipated for this project

Project – Airport – Increase Fence Height

This project will utilize federal and state grants to cover 95% of the cost to increase a 4 foot fence at the airport. The majority of the airport is surrounded by a 6 foot tall fence, except for the west side. This project would increase the security at the airport.

Fiscal/Programmatic Impact

The \$150,000 is funded 90% from FAA, 5% from local share matching and 5% from ADOT. Additional M&O costs are not anticipated for this project

Public Safety

Project – Public Safety – Fire Vehicle Replacement

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

Fiscal/Programmatic Impact

The budgeted amount for FY 2016 is \$55,000 which is a carryover from FY 2013. This program will be funded by lease purchase paid through the .2% sales tax reserves. By having a newer fleet, maintenance costs are reduced and down time avoided.

Organizational Goals for the Future - Fiscal Year 2017-2021

The following long-range goals address issues facing the City in the future. The timing of the various programs and projects are reflected in the five-year Capital Improvement Plan on pages 29-37. The current year is included in the City's organizational goals – Fiscal year 2016 on pages 20-22.

Grant Funds

Project - Airport – Acquire Land II (11.6 acres)

This program is for the acquisition of 11.6 AC at the southwest line of the airport to meet standards for object free area (OFA) for the relocated Taxiway A. It is also 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 to be updated to ensure that the airport can continue to adapt to the increasing aviation demand and provide the necessary facilities.

Fiscal/Programmatic Impact

This project brings the current Airport Master Plan in FY 2015 up to date. 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 – Install Jet A Tank

Provide the installation of a Jet A tank at the airport.

Fiscal/Programmatic Impact

This project provides the installation of a Jet A tank at the airport. Currently, Cottonwood just owns a 100LL (low load) fuel (aviation gasoline) tank. Jet A fuel powers larger more sophisticated aircrafts 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.

Project – Airport – Aircraft Wash Rack

Provide wash rack for airport.

Fiscal/Programmatic Impact

This project provides the installation of a wash rack at the airport. Currently, the Cottonwood Airport does not have a station for pilots to wash their aircraft that prevents polluted water from running off into the environment. A wash rack would collect polluted water and dispense it into the sewer system. The FAA and ADOT have allocated \$195,000 toward this project. The

\$400,000 is anticipated to be funded through the State Aviation Loan Program and the Airport Fund.

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 \$400,000 and is scheduled for FY 2017. This project anticipates financing in the form of a grant through the State Historic Preservation Office (SHPO) or CDBG since the building is on the Historical Registry.

Physical Development

Project – Parks – Tennis Center Resurface

This program is to install a polyurethane coating material 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 \$168,000 is to be funded in FY 2017 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 100 acre park system and open space element has two small pocket/neighborhood parks. 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 – Land Purchase/Park Acreage

Purchase of acreage by the City is necessary to support future park project construction, public needs and desire. Currently, no additional acreage exists in which to design/build small leisure park facilities. Land purchase would enable the City to expand current park acreage for the construction of new leisure park facilities, thereby serving an ever growing municipal/regional population base.

Fiscal/Programmatic Impact

General Fund obligation with a chance for a State or Federal Grant to secure open Park space.

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

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

Fiscal/Programmatic Impact

This project would be completely funded by the General Fund and is currently estimated to cost \$185,000.

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

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

Fiscal/Programmatic Impact

This project would be completely funded by the General Fund and is currently estimated to be spread over two fiscal years FY 2017 and FY2018 for a total cost of \$170,000.

Project HURF - Pavement Maintenance Program (Ongoing)

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

Fiscal/Programmatic Impact

This project is budgeted every other year. 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 on January 1, 2006.

Project HURF – Main Street Mill-n-Fill

This project would be a mill and overlay of the pavement on North Main Street from Willard to the City limits. Major collector streets are cracked and distorted, and the existing pavement is 30-40 years old.

Fiscal/Programmatic Impact

This project would have to be funded by an outside revenue source either through bonding or Grant projects. The HURF fund would not be able to support the total cost and would also need additional help from the General Fund.

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 \$170,000 per year to cover needed maintenance and construction to the existing water lines and to further develop the water system with \$500,000 planned for FY 2017. 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 2016 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 their maintenance becomes too costly.

Fiscal/Programmatic Impact

The budget amounts for the next five years to a total of \$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 and down time avoided.

Project – Public Safety – Police Vehicle Replacement

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

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 and down time avoided.

Project – Public Safety – Fire Stations

This project relates to the design and construction of 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 \$1,500,000 with \$120,000 anticipated in FY 2016 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 fire engine.

Project – Public Safety – Aerial Ladder Truck (Quint)

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

Fiscal/Programmatic Impact

This purchase will replace the 1987 ladder apparatus and is needed for the above stated reasons as well as to maintain the current ISO grading of Class 4. The increase in operation and maintenance costs will be minimal. Estimated cost for this vehicle and necessary equipment is anticipated to be \$700,000. This project will may be funded by lease purchases proceeds or a grant in FY 2017, partnerships with private sector development, and/or bonding which would be paid through the .2% sales tax reserves.

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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 \$34,053,004. This figure is imposing and cannot realistically be funded from normal operating revenues (pay-as-you-go financing). It will be necessary for many of the proposed improvements to be funded through other sources. Such funding sources may be the issuance of bonds, lease purchases and grants.

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

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

GRANTS FUND POLICY

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

Funding Availability	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Transfers In	29,750	34,500	16,000	42,500	12,000
FAA Aeronautic Grants	385,500	405,000	72,000	549,000	
Energy Efficient Block Grant					
Wind Socks					
ADOT Grants	29,750	22,500	4,000	30,500	
ADOT Airport Matching					
LP - Jet A Tank	150,000				
Airport FAA Fund Matching					
Funds Available	\$595,000	\$462,000	\$92,000	\$622,000	\$12,000
Financing Commitments					
LP - Jet A Tank		12,000	12,000	12,000	12,000
Subtotal Commitments	0	12,000	12,000	12,000	12,000
Revenue (net of commitments)	\$595,000	\$450,000	\$80,000	\$610,000	\$0
Planned Expenditures					
<u>Airport</u>					
ADOT Apron Reconstruction					
ADOT Fence Height Repair					
ADOT Taxiway Pavement Preservation					
Extend Runway 32			80,000	610,000	
FAA Aircraft Wash Rack		200,000			
Airport Master Plan	\$125,000				
Declared Distances	320,000				
Install JetA Tank	150,000	250,000			
Subtotal Planned Expenditures	595,000	450,000	80,000	610,000	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. In 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

Funding Availability	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$7,478	(\$679,937)	(\$410,514)	(\$392,139)	(\$183,643)
Annual Deposit (net of DS)	744,041	773,803	804,755	804,756	804,757
Grant Funding					
GOHS /RICO					
Aerial Ladder Truck					
Other Financing Sources					
LP - Fire Response Vehicles			760,000		
LP - PD Vehicles - 15-18					
GADA - Fire Stations - 2					
GADA - Fire Stations - 3	2,500,000		2,800,000		
Revenue	\$ 3,251,668	\$ 93,866	\$ 3,954,241	\$ 412,617	\$ 621,114
Financing Commitments					
Other Financing Uses					
LP - Fire Dept.			142,260	142,260	142,260
LP - FY12 City Wide Equip (25% PS)	126,225				
LP - FY13 PS Veh & Equip	142,260	142,260			
LP - FY16 PS Veh & Equip					
GADA - Fire Stations - 2					
GADA - Fire Stations - 3			250,000	250,000	250,000
GADA - Regional Communications Bldg	272,120	272,120	272,120		
Subtotal Commitments	540,605	414,380	664,380	392,260	392,260
Revenue (net of commitments)	2,711,063	(320,514)	3,289,861	20,357	228,854
Planned Expenditures					
Fire					
Comminications/Radio/MCT Infrastructure	50,000	30,000	50,000	30,000	30,000
EMS Equipment - Defibrillators	50,000	25,000	55,000	30,000	30,000
Grant - Aerial Ladder Truck					
Fire Stations GADA - 2	2,500,000		2,800,000		
Fire Engine Pumper Type 1	600,000		650,000		
Fire Vehicle Replacements	52,000	55,000	57,000	59,000	59,000
Repaint Exterior of Public Safety Build.	40,000				
Fire Suppression & Rescue Equipment	60,000	35,000	65,000	35,000	35,000
Police					
Police Vehicle Replacement	139,000		110,000	110,000	110,000
CompStat Dashboards					
Subtotal Planned Expenditures	3,391,000	90,000	3,682,000	204,000	204,000
Resources Available	(\$679,937)	(\$410,514)	(\$392,139)	(\$183,643)	\$24,854

- Restricted to Public Safety capital
 - 1st priority is fleet
 - 2nd priority is other projects

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 2016	FY 2017	FY 2018	FY 2019	FY 2020
Beginning Balance	(\$117,786)	(\$1,988,951)	(\$1,270,245)	(\$3,959,228)	(\$5,084,842)
Annual Deposit	803,460	831,581	860,687	890,811	921,989
Grant Funding					
Urban Trails System	45,000	180,000	350,000		
Tennis Center 6 Plex Facility		550,000			
Miscellaneous Income					
Interest Income	2,000	2,000			
Other Financing Sources					
GADA-Youth/Adult Sports, Leisure & Open		4,300,000			
GADA - Large Park Acreage - Future Ball Field		3,500,000			
Funds Available	\$732,674	\$7,374,630	(\$59,558)	(\$3,068,417)	(\$4,162,853)
Financing Commitments					
GADA - Recreation Center	1,541,275	1,541,275	1,539,875	1,542,825	1,542,826
LP - FY12 City Wide Equip (75% Gen Gov)					
GADA - Large Park Acreage - Future Ball Field			269,065		
GADA-Youth/Adult Sports, Leisure & Open space			292,130		
Subtotal Commitments	1,541,275	1,541,275	2,101,070	1,542,825	1,542,826
Revenue (net of commitments)	(\$808,601)	\$5,833,355	(\$2,160,628)	(\$4,611,242)	(\$5,705,679)
Planned Expenditures					
<u>Culture & Recreation</u>					
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		
Riverfront Parking Lot Curb & Asphalt Overlay Project					
Park Acreage-Pocket Neighborhood Parks - Grant Fun	250,000	450,000			
Youth/Adult Sports, Leisure & Open space Facilities	500,000	3,800,000			
Park Open space & Master Plan Study	122,000				
Old Town Field Conversion to Cultural Park - Grant Fu	120,000				
Library Sidewalk Addition	10,000				
<u>General Government</u>					
Stormwater Programs	48,600	48,600	48,600	48,600	48,600
Hazmat Cleanup Event	20,000	20,000	20,000	20,000	20,000
City Wide Irrigation Rehabilitation	30,000	30,000	30,000	30,000	30,000
City Wide Computer Replacement Program	37,000	25,000	20,000	25,000	25,000
Subtotal Planned Expenditures	1,180,350	7,103,600	1,798,600	473,600	123,600
Resources Available	(\$1,988,951)	(\$1,270,245)	(\$3,959,228)	(\$5,084,842)	(\$5,829,279)

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 source is grant funding for major street projects, and finally 30% of half of the 1% City Sales Tax mentioned in the previous restricted revenue section. These sources have council imposed guidelines.

- 👁️ 1% construction sales tax will be used by this fund.
- 👁️ All major street projects will have a 10% restricted funding component to be used for
 - Sidewalks
 - Landscape
 - Bike paths & trails
- 👁️ Uses of these revenue resources
 - Street Department M&O
 - Street Construction
 - Street Capital

Funding Availability	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$1,211,547	\$1,031,837	(\$790,681)	(\$603,017)	(\$1,202,205)
HURF Funds (net M&O)	0	0	0	0	0
1% Construction Sales Tax	262,500	275,625	289,406	303,877	319,070
General Fund Contribution (including portion of 1% Sales Tax)	889,004	933,454	980,126	1,029,133	1,080,589
Grants					
Other Financing Sources					
Bond N Main St 10th to Mingus	5,000,000				
Funds Available	\$7,363,051	\$2,240,915	\$478,852	\$729,992	\$197,455
Financing Commitments					
Excise Backed Bonds 2015	502,829	503,211	503,484	503,812	505,109
GADA- N Main Mill & Fill, 6th St. Aspen-89A	146,065	146,065	146,065	146,065	146,066
Loan - N Main St 10th to Mingus	202,320	202,320	202,320	202,320	202,321
Subtotal Commitments	851,214	851,596	851,869	852,197	853,496
Revenue (net of commitments)	\$6,511,837	\$1,389,319	(\$373,017)	(\$122,205)	(\$656,041)
Planned Expenditures (*Council Strategic Initiative)					
Streets Construction & Maintenance					
State Road Diet Grant					
Pavement Maintenance Program		600,000		600,000	
Sidewalk Additions Alternative	80,000	80,000	80,000	80,000	80,000
6th Street, Aspen to 89A	700,000				
Mingus Ave. Reconstruction 10th to Main	4,500,000				
Main Street, Mill n Fill Willard north to City Limits	150,000	1,500,000			
10th Street					
*W. Mingus Ave. Reconstr. 89A to Willard					
*12 S. St. Reconstruction 89A to Fir					
CDBG GRANT (10th Main to Mingus.)					
Grosetta Ranch Road	50,000		150,000	400,000	
Subtotal Planned Expenditures	5,480,000	2,180,000	230,000	1,080,000	80,000
Resources Available	\$1,031,837	(\$790,681)	(\$603,017)	(\$1,202,205)	(\$736,041)

WASTEWATER USER FEES

User fees for Wastewater are currently not sufficient enough to cover operations and maintenance costs as well as capital projects that are planned for the future in this department. There are plans underway for a possible rate increase in FY 2016. Other revenue sources have been allocated to assist this enterprise fund with its capital needs.

Funding Availability	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$1,977,156	\$3,023,301	\$3,884,823	\$5,118,745	\$6,764,951
User Fees	\$2,053,940	\$2,156,637	\$2,264,469	\$2,377,692	\$2,496,577
Transfers in from Capital					
Interest Income					
Other Financing Sources					
Bonding / WIFA Loan 2009-10					
Bonding/WIFA Loan FY 2014					
Funds Available	\$4,031,096	\$5,179,938	\$6,149,291	\$7,496,438	\$9,261,528
Financing Commitments					
Bonding / WIFA Loan FY 2015	581,485	581,485	581,486	581,487	581,488
Subtotal Commitments	581,485	581,485	581,486	581,487	581,488
Revenue (net of commitments)	\$3,449,611	\$4,598,453	\$5,567,805	\$6,914,951	\$8,680,040
Planned Expenditures					
Impact Fee Study					
Furnishing & Equipment	100,000		100,000		
Construction		500,000		150,000	150,001
Line Extensions		165,000			
Riverfront Wwtp-Design/Feasibi					
Lift Station	180,000		198,000		
Wwtp Upgrades	100,000		100,000		
Effluent Disposal System	46,310	48,630	51,060		
Budget Reserve					
Subtotal Planned Expenditures	426,310	713,630	449,060	150,000	150,001
Resources Available	\$3,023,301	\$3,884,823	\$5,118,745	\$6,764,951	\$8,530,039

WATER USER FEES

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

Funding Availability	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$7,624,605	\$10,584,056	\$13,791,354	\$18,819,011	\$24,703,950	\$31,415,854
User Fees	7,037,993	7,601,032	8,209,115	8,865,844	9,575,112	10,341,120
Interest Income	152,492	211,681	275,827	376,380	494,079	628,317
Other Funding Sources						
Bonding or WIFA Loan Bella Montana						
Funds Available	\$14,815,090	\$18,396,769	\$22,276,296	\$28,061,235	\$34,773,141	\$42,385,291
Financing Commitments						
Bonding or WIFA Loan	2,546,834	2,551,215	2,553,085	2,553,085	2,553,085	2,553,085
Bonding or WIFA Loan Hwy 260	104,600	104,600	104,600	104,600	104,601	104,602
Bonding or WIFA Loan Bella Montana	104,600	104,600	104,600	104,600	104,601	104,602
Subtotal Commitments	2,756,034	2,760,415	2,762,285	2,762,285	2,762,287	2,762,289
Revenue (net of commitments)	\$12,059,056	\$15,636,354	\$19,514,011	\$25,298,950	\$32,010,854	\$39,623,002
Planned Expenditures						
Arsenic Mitigation	750,000	50,000	50,000	50,000	50,000	50,000
Well Booster Station	100,000	0	100,000	0	0	0
Water System Upgrades	250,000	170,000	170,000	170,000	170,000	170,000
Well Improvements	75,000	75,000	75,000	75,000	75,000	75,000
Fire Hydrant Improvements	250,000	250,000	250,000	250,000	250,000	250,000
Well Generators	50,000	50,000	50,000	50,000	50,000	50,000
SR 260 System Upgrades		1,250,000	0	0	0	0
Subtotal Planned Expenditures	1,475,000	1,845,000	695,000	595,000	595,000	595,005
Resources Available	\$10,584,056	\$13,791,354	\$18,819,011	\$24,703,950	\$31,415,854	\$39,027,997

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

WATER RESOURCE RESERVE FUND

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

Funding Availability	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$7,514,719	\$10,446,896	\$15,193,929	\$20,792,631	\$27,635,510
User Fees	7,601,032	8,209,115	8,865,844	9,575,112	10,341,120
Interest Income	150,294	208,938	303,879	415,853	552,710
Other Funding Sources					
Bonding or WIFA Loan Bella Montana					
Funds Available	\$15,266,046	\$18,864,949	\$24,363,651	\$30,783,595	\$38,529,341
Financing Commitments					
Bonding or WIFA Loan	2,551,215	2,553,085	2,553,085	2,553,085	2,553,085
Bonding or WIFA Loan Hwy 260					
Bonding or WIFA Loan Bella Montana					
LP Arsenic Equipment	422,935	422,935	422,935		
Subtotal Commitments	2,974,150	2,976,020	2,976,020	2,553,085	2,553,085
Revenue (net of commitments)	\$12,291,896	\$15,888,929	\$21,387,631	\$28,230,510	\$35,976,256
Planned Expenditures					
Arsenic Mitigation	50,000	50,000	50,000	50,000	50,000
Aid in Lieu of Construction	0	0	0	0	0
Well Booster Station	0	100,000	0	0	0
Line Extensions	0	0	0	0	0
Water System Upgrades	170,000	170,000	170,000	170,000	170,000
Well Improvements	75,000	75,000	75,000	75,000	75,000
Fire Hydrant Improvements	250,000	250,000	250,000	250,000	250,000
Well Generators	50,000	50,000	50,000	50,000	50,000
West Mingus Reconstruction	0	0	0	0	0
SR 260 System Upgrades	1,250,000	0	0	0	0
Subtotal Planned Expenditures	1,845,000	695,000	595,000	595,000	595,003
Resources Available	\$10,446,896	\$15,193,929	\$20,792,631	\$27,635,510	\$35,381,253

CAPITAL IMPROVEMENTS FUND

These accumulations are from an excess sales tax collected 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	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Miscellaneous Income					
Interest Income	25,000	25,000	25,000	25,000	25,000
Other Financing Sources					
Bonds - City Hall			5,500,000		
Funds Available	1,025,000	1,025,000	6,525,000	1,025,000	1,025,000
Financing Commitments					
Bonds - City Hall	0	0	0	0	0
Transfers Out - Sewer Fund					
Subtotal Commitments	0	0	0	0	0
Revenue (net of commitments)	\$1,025,000	\$1,025,000	\$6,525,000	\$1,025,000	\$1,025,000
Planned Expenditures					
Transfer to GF	25,000	25,000	25,000	25,000	25,000
Subtotal Planned Expenditures	25,000	25,000	25,000	25,000	25,000
Resources Available	\$1,000,000	\$1,000,000	\$6,500,000	\$1,000,000	\$1,000,000

SUMMARY OF CAPITAL

Funding Availability	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Beginning Balance	\$14,609,090	\$19,253,387	\$21,516,152	\$34,387,366	\$43,918,308
Taxes	3,969,520	4,056,857	4,148,263	4,211,740	4,278,392
User Fees	9,654,972	10,365,752	11,130,313	11,952,804	12,837,697
Excess Revenue	0	0	0	0	0
Grants	565,400	427,500	76,000	579,500	-
Interest Income	330,317	401,980	512,241	639,841	792,637
Water Resource Fees	597,945	597,945	597,945	597,949	597,953
Other Financing Sources	11,000,000	-	3,560,000	3,500,000	-

Revenue	\$40,727,244	\$35,103,421	\$41,540,914	\$55,869,200	\$62,424,987
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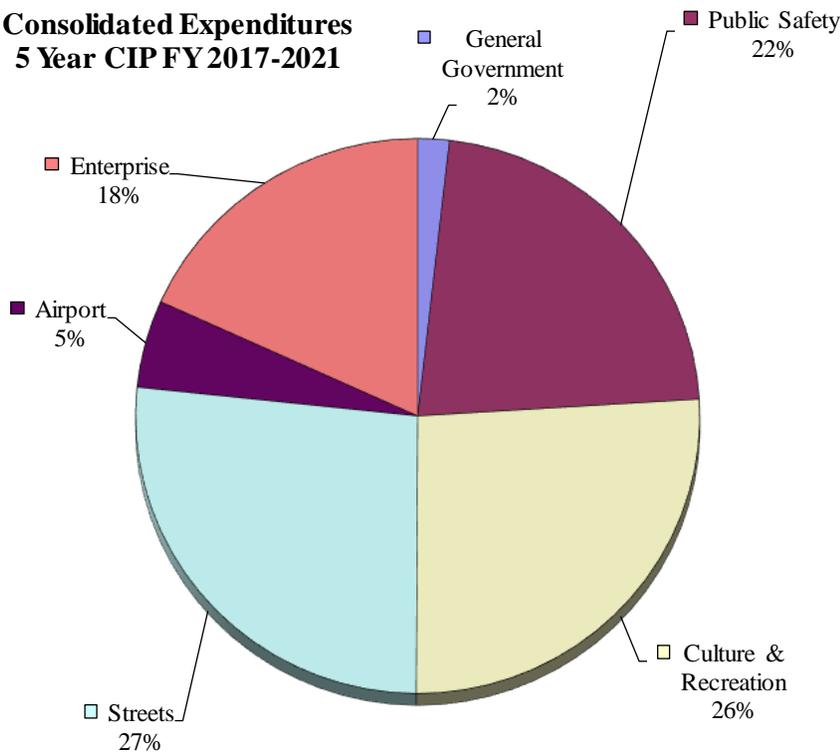
Financing Commitments

Annual Debt Service - Bonds & Capital Leases	6,513,729	6,961,551	6,653,580	5,958,855	5,960,157
Subtotal Commitments	6,513,729	6,961,551	6,653,580	5,958,855	5,960,157
Revenue (net of commitments)	\$34,213,515	\$28,141,870	\$34,887,334	\$49,910,345	\$56,464,830

Planned Expenditures

General Government	123,600	118,600	123,600	123,600	123,600
Public Safety	3,391,000	90,000	3,682,000	204,000	204,000
Culture & Recreation	2,378,000	1,647,000	75,000	2,475,000	2,295,000
Streets	5,480,000	2,180,000	230,000	1,080,000	80,000
Airport	595,000	450,000	80,000	610,000	-
Enterprise	2,271,310	1,408,630	1,044,060	745,000	745,004
Subtotal Planned Expenditures	14,238,910	5,894,230	5,234,660	5,237,600	3,447,604
Resources Available	\$19,974,605	\$22,247,640	\$29,652,674	\$44,672,745	\$53,017,226

**Consolidated Expenditures
5 Year CIP FY 2017-2021**

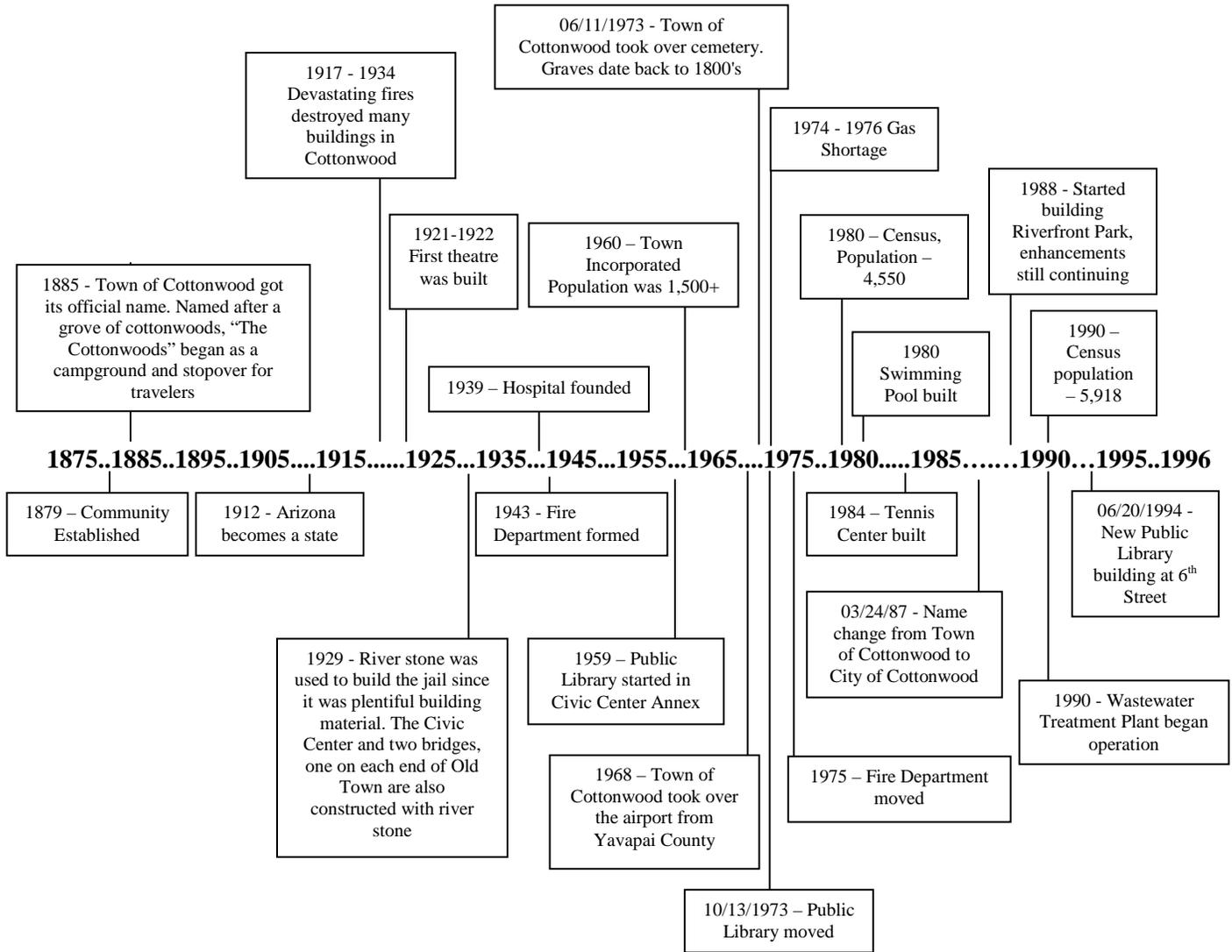


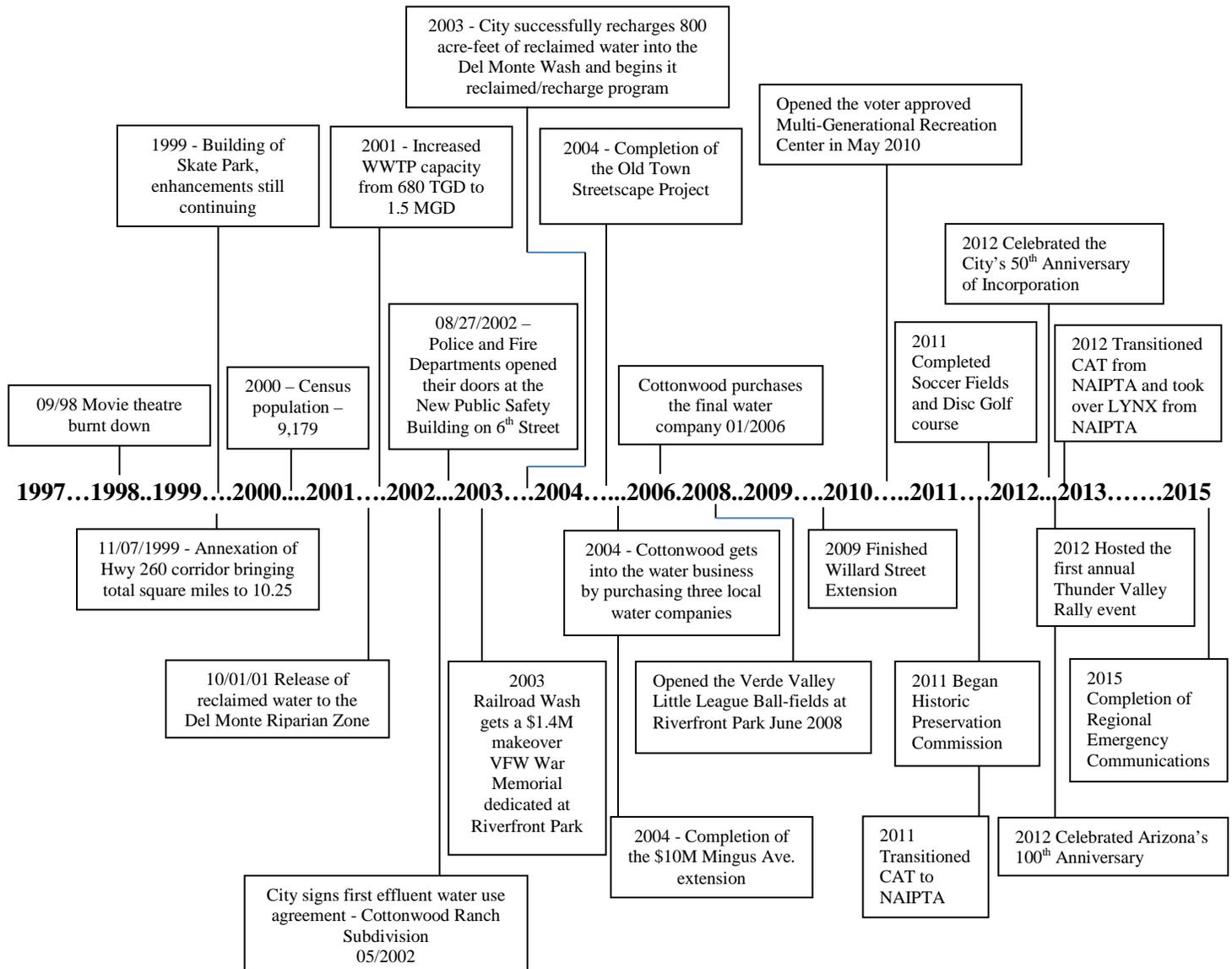
Planned Expenditures

General Government	613,000
Public Safety	7,571,000
Culture & Recreation	8,870,000
Streets	9,050,000
Airport	1,735,000
Enterprise	6,214,004
Capital Purchases	34,053,004
Other Financing Uses	32,047,872
Total Capital & Financing	\$66,100,876

Funding Availability

Taxes	20,664,771
User Fees	55,941,538
Excess Revenue	-
Grants	1,648,400
Interest Income	2,677,016
Water Resource Fees	2,989,737
Total Funding Sources	83,921,462
Other Financing Sources	31,145,005
Use of Reserves	0
Total Finance Available	\$115,066,466





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Long Range Financial Projections**GENERAL FUND**

Revenues	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Taxes	\$14,786,300	\$15,405,300	\$16,071,340	\$16,792,410	\$17,578,360
Licenses and Permits	142,383	145,938	149,596	153,337	157,171
Intergovernmental Revenues	1,441,830	1,477,880	1,514,830	1,552,710	1,591,530
Charges for Services	1,236,950	1,218,090	1,271,550	1,289,320	1,307,451
Fines and Forfeitures	220,380	225,890	231,540	237,330	243,260
Use of Monies & Properties	25,250	25,500	25,760	26,020	26,281
Miscellaneous Revenues	43,050	44,120	45,230	46,360	47,530
Other Financing Sources	0	0	0	0	0
Total Revenues	\$17,896,143	\$18,542,718	\$19,309,846	\$20,097,487	\$20,951,583
Expenditures	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
General Government	\$7,113,750	\$7,437,450	\$7,777,400	\$8,134,240	\$8,508,680
Public Safety	9,663,040	10,146,280	10,653,630	11,186,410	11,745,740
Culture & Recreation	2,123,420	2,229,620	2,341,070	2,458,140	2,581,010
Total Expenditures	\$18,900,210	\$19,813,350	\$20,772,100	\$21,778,790	\$22,835,430
Gain/(Loss)	(\$1,004,070)	(\$1,270,630)	(\$1,462,250)	(\$1,681,300)	(\$1,883,850)

CONCLUSION

This five-year analysis of the General Fund demonstrates that operating revenues will not keep up with operating expenditures for the next five years. This reflects the City's inability to substantially increase the current revenue streams via rate increases or through diversifying the current revenues with additional fees or charges for services. The present 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 1, 2015. A 7% increase is reflected in this forecast. Worker's compensation will see a slight increase in FY 2016 as will both Retirement Systems.

There are required capital reserves that need to be met. To fund these reserves, the General Fund will run a deficit in current operating expenditures that will have to be covered by fund balance. That too poses a different set of issues. The S.A.F.E.R. Grant revenue, which funded 90% of the cost of 12 new firefighters in 2010, was completely eliminated in FY 2014. At this time, the City is solely responsible for funding these firefighters. The Recreation Center has been fully operational since FY 2011 and is forecasted to cover slightly below 60% of its expenditures through its own revenue stream. A new Regional Emergency Communications Center was built in FY 2015 that will increase the General Fund Expenditures due to additional employees and facility maintenance. These costs are not fully covered by Dispatch Fees.

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

SPECIAL REVENUE FUND

Revenues	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Street Department	\$1,151,610	\$1,209,200	\$1,269,660	\$1,333,150	\$1,399,810
CAT/LYNX	1,288,070	1,326,710	1,366,520	1,407,510	1,449,740
Library	1,020,610	1,071,170	1,124,240	1,179,960	1,238,460
Airport	377,650	388,990	400,660	412,690	425,070
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Revenues	\$3,837,940	\$3,996,070	\$4,161,080	\$4,333,310	\$4,513,080
Expenditures	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Street Department	\$1,484,860	\$1,556,150	\$1,630,890	\$1,709,290	\$1,791,440
CAT	1,059,350	1,104,580	1,151,760	1,200,950	1,252,270
Library	1,015,150	1,059,740	1,106,280	1,154,940	1,205,730
Airport	349,080	358,710	368,580	378,670	393,801
Grants	0	0	0	0	0
CDBG	0	0	0	0	0
Total Expenditures	\$3,908,440	\$4,079,180	\$4,257,510	\$4,443,850	\$4,643,241
Gain/(Loss)	(\$70,500)	(\$83,110)	(\$96,430)	(\$110,540)	(\$130,161)

CONCLUSION**Street Department**

Revenues are a bit more stable in the HURF due to the City Council's approval of a 1% Contracting Activities Sales Tax designated for street improvements. The Capital Projects Fund will help ease this fund's fiscal problems where larger projects are planned.

Transit System

The City took back the CAT system and added the LYNX system that connects Cottonwood with Sedona. The transit system is partially funded by ADOT funds, fares and through inter-city revenues. Even with the funding received by other agencies, the General Fund has to transfer funds in to cover shortages.

Other Departments

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

DEBT SERVICE FUND

Revenues	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Interest Income	\$0	\$0	\$0	\$0	\$0
User Fees	0	0	0	0	0
City Sales Tax	2,070,575	2,072,775	2,073,525	2,071,775	2,073,375
Total Revenues	\$2,070,575	\$2,072,775	\$2,073,525	\$2,071,775	\$2,073,375
Expenditures	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Trustee Fees	\$0	\$0	\$0	\$0	\$0
Interest Payments	594,875	557,075	507,825	455,075	412,675
Principal Payments	945,000	985,000	1,035,000	1,085,000	1,130,000
Total Expenditures	\$1,539,875	\$1,542,075	\$1,542,825	\$1,540,075	\$1,542,675
Gain/(Loss)	\$0	\$0	\$0	\$0	\$0

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 trend is expected to increase as the economy recovers, demonstrating exceptional coverage. Final disposition of the library debt service was July 1, 2013, but the .2% city sales tax has been redirected to the General Fund.

The Debt Service for the Recreation Center is also reflected in the Debt Service Fund. The revenues to cover the Recreation Center payments come directly from sales tax and are transferred into the Debt Service Fund on a monthly basis. The Recreation Center payments are reflected in the Debt Services Fund until August 2027. The Carryover and Reserves are not calculated for Maintenance and Operations purposes.

The Debt Service for the water company is reflected in the Enterprise Funds. In January 2006, the City of Cottonwood completed the acquisition of the Cottonwood Water Company. Currently, this fund has ample reserves to cover this deficit.

ENTERPRISE FUND – SEWER & WATER

Revenues	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Interest Income	2,990	3,060	3,130	3,200	2,840
User Fees	\$9,722,610	\$9,965,680	\$10,214,820	\$10,470,200	\$10,731,960
Miscellaneous Income	\$21,090	\$21,620	\$22,170	\$22,720	\$23,290
Total Revenues	\$9,746,690	\$9,990,360	\$10,240,120	\$10,496,120	\$10,758,090

Expenses	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operations	\$4,593,130	\$4,805,880	\$5,028,570	\$5,261,710	\$5,505,730
Administration	1,490,220	1,562,720	1,638,750	1,718,480	1,802,130
Debt Service	2,525,680	2,512,410	2,578,615	2,574,900	2,574,900
Total Expenses	\$8,690,370	\$8,954,510	\$ 9,243,180	\$9,625,655	\$9,953,190
Gain/(Loss)	\$1,137,660	\$1,109,350	\$994,185	\$941,030	\$875,330

CONCLUSION

The Enterprise Funds, which include the Water and Wastewater Divisions, are self-sufficient and depend on their user fees to fund their operations. The Wastewater Division is no longer being subsidized by the special one percent sales tax, enacted in 1987, or the General Fund. The City began “weaning” itself off the dependence on this subsidy in FY 2001 and now relies predominately on user fees. Rates will have to increase to cover any operational and debt service shortfalls.

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

FIDUCIARY FUND

Revenues	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Interest Income	-	-	-	-	-
Contributions	-	-	-	-	-
Total Revenues	-	-	-	-	-
Expenditures	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Benefits Paid	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Gain/(Loss)	-	-	-	-	-

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) that provides health, dental, and vision coverage for many of the schools and cities in the Verde Valley. For FY 2015 and beyond, no activity is expected for the Volunteer Pension Fund and the Employee Benefits Trust Fund.

REVENUE AND EXPENDITURE ANALYSIS

Consolidated Revenues - All Funds

Revenue projections were based on several different factors this year, including a detailed analysis of the past five years and economic factors provided by the State. Special attention was given to our local sales tax and the economic situation at the State and Federal level. FY 2015 showed revenue from our local sales tax improving and for FY 2016 we are projecting that revenues will increase by 3.5% and will continue to increase slightly over the next few years.

A listing of All Funds Consolidated Revenues by Sources is on page 65. A further breakdown by source and fund may be found on page 67.

Consolidated Expenditures - All Funds

Expenditure projections for FY 2016 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 that were frozen in FY 2012 and FY 2013 were eliminated and are still not included in the projections for FY 2016. Salaries are also projected to increase at an annual rate of slightly over 5%, excluding any personnel requests and salary adjustments.

With the completion of the base budget, departmental budget requests were reviewed. Requests for new programs, buildings projects, position reclassifications and equipment were assessed with each department head individually and in a general budget update work session.

General Fund - Revenues

Revenue projections for the General Fund are based on both historic years’ receipts and the best future assumptions that can be made at this time. The General Fund Revenues Schedule is provided on pages 71 and 72 of this document.

Taxes

Special attention was given to our local city sales tax. With a 2.52% hike in FY 2008, the City Sales Tax continued to drop until FY 2013. 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 57% of all General Fund revenues.

State shared revenues constitute 13.2% of total operating revenues or about 2.4M for FY 2016. This is up from last year's revenues by 6%. State finances as well as state legislation can have a dramatic effect on the City's budget. These revenue sources are being watched closely for any legislative action that could trickle down to cities, especially with the current State Government economic climate.

Franchise revenues are a percentage of utility sales to customers. The City no longer receives a 1% fee for water, since it acquired all the local water companies. It does, however, collect a 2% fee from power, 2% from gas, and 3% from cable television. Franchise revenues have been stagnating 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 then declined due to the poor economy are budgeted at \$336,100 for FY 2016 which is an increase of 27.46% from the FY 2015 revised budget. It is expected to increase for the next few years as the economy begins to improve and growth resumes.

Intergovernmental Revenues

Intergovernmental revenues are based on a sharing of state sales taxes, state income taxes and motor vehicle in-lieu tax on a per capita basis. 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 7.4% for FY 2016, including all police and fire grants. The State Shared Income Tax is distributed to the cities based on collections from two years prior.

Charges for Services

Charges for services have increased significantly over the past couple of years, mainly due to the opening of the Recreation Center. An increase of 7.13% is planned for FY 2016.

Fines and Forfeitures

Fines and forfeitures have decreased an average of .5% per year over the past ten 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. For the upcoming year, revenues in this area are budgeted to be 3.57% higher than FY 2015.

Uses of Monies and Properties

The City adopted an investment policy to allow greater investment flexibility to capitalize on opportunities other than just the State's Local Government Investment Pool (LGIP). With the preparation of the five-year capital plan, this policy will be a very useful tool. Investments are expected to earn a higher return over the next few years as interest rates begin to climb again after the recession.

Miscellaneous

Miscellaneous revenues have always fluctuated wildly with donations and one-time revenues that do not fit into other revenue line accounts. This category is conservatively budgeted and remains about the same.

General Fund - Expenditures

The General Fund is used to account for resources traditionally associated with government that are not to be accounted for in another fund. The general fund provides for municipal services including public safety (police, fire and building code enforcement), cultural and recreational activities, community planning and zoning, and general administrative services.

Expenditures

This fiscal year's total General Fund expenditures are projected to increase by 20.94% which translates to an increase of \$4,886,880 over that of the previous fiscal year of \$18,452,740. This net increase includes some rollover projects and \$3,639,900 in fund balance reserves. The \$1,084,485 increase of funds for personnel increases is due to the merit program, health insurance, and other related taxes.

The City provides paid health insurance coverage for all employees and part of dependent coverage based on a tiered system, implemented as a cost containment measure to offset rising premiums. The tiered system is based on the number of dependents being covered dictating the amount of contribution from the employee. A containment effort by the Arizona Public Employers Health Pool (APEHP) helped to keep the rate constant for two years, but the rate was increased by 9% in FY 2015 and a 7% increase is anticipated for FY 2016.

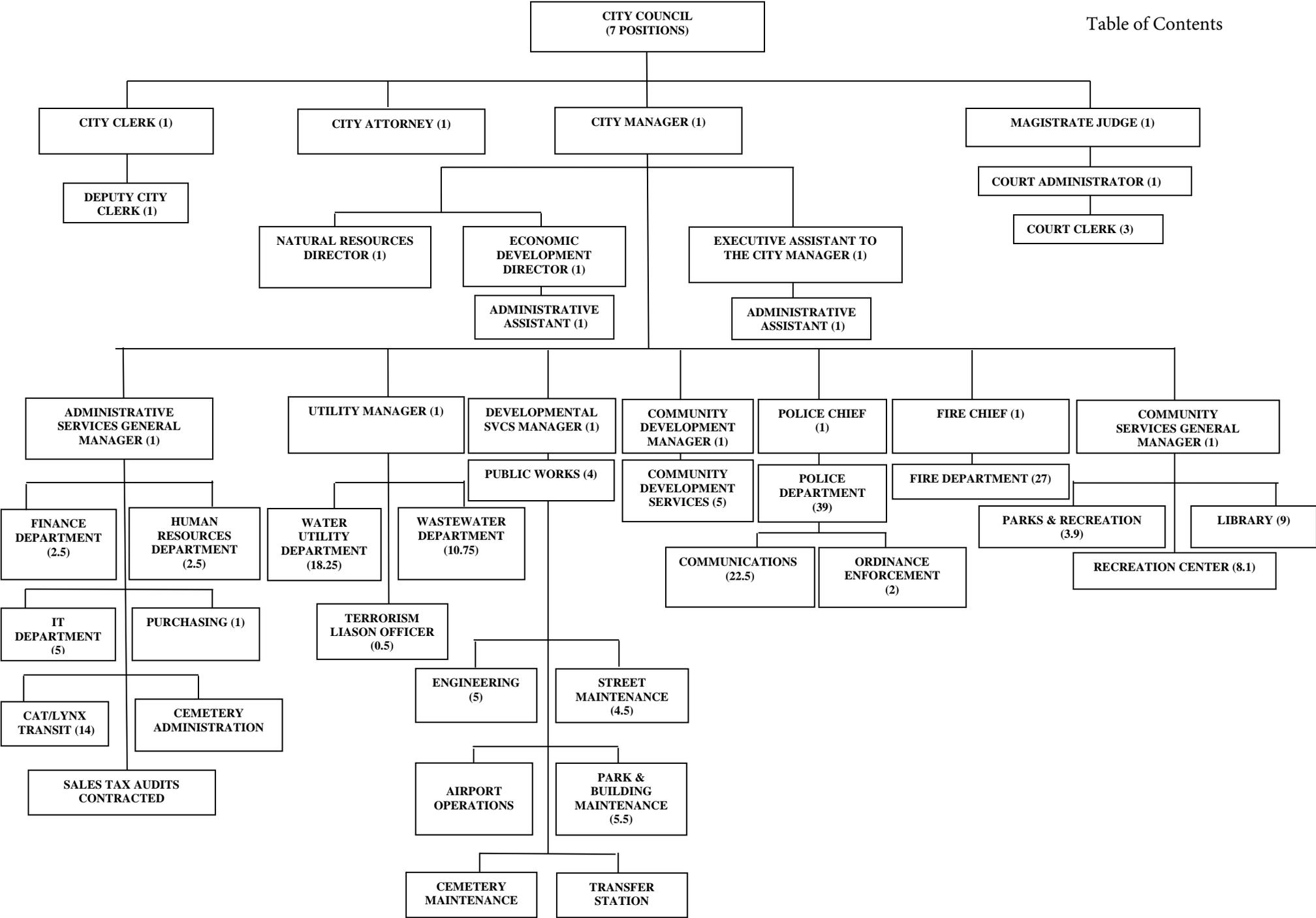
The Operating Supplies category has decreased from \$569,890 for last year to \$537,000 for this year. This decrease is the result of a re-evaluation of each department's needs and cutting operating budgets to only what is necessary. Department heads took a very close look at their operating supplies and most were able to stay within their overall requests.

Contractual Services is anticipated to increase by 7.1%.

Other Services and Charges reflect an increase, which is mainly due to the departments adding services back into the budget that had been cut in previous years due to the slowing economy.

Capital Outlay is budgeted to increase with the City only budgeting major projects and putting off capital purchases to future fiscal years.

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



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Description:

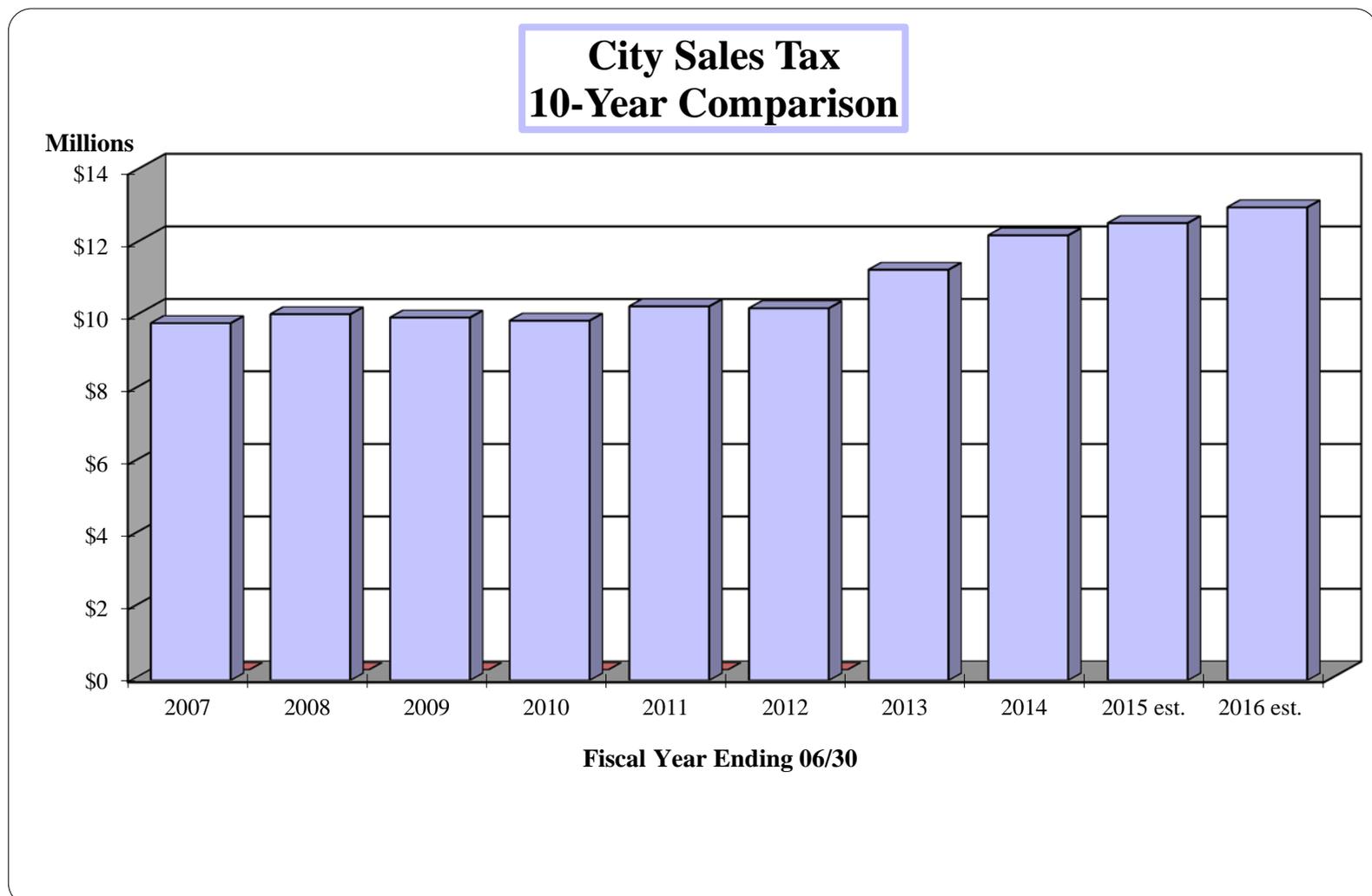
The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved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

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 and FY 2010 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, 3.98% above FY 2010. The continued growth in sales tax since the FY 2010 decline is partially due to the .8% sales tax increase. Although sales tax for FY 2016 is showing an estimated growth that is 3.44 % higher than FY 2015 and 6.3% higher than 2014, the City is still not seeing sales at the same level as before the economic downturn.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	10,265,356	-0.53%
2013	11,329,353	10.36%
2014	12,276,615	8.36%
2015 est.	12,615,885	2.76%
2016 est.	13,050,320	3.44%



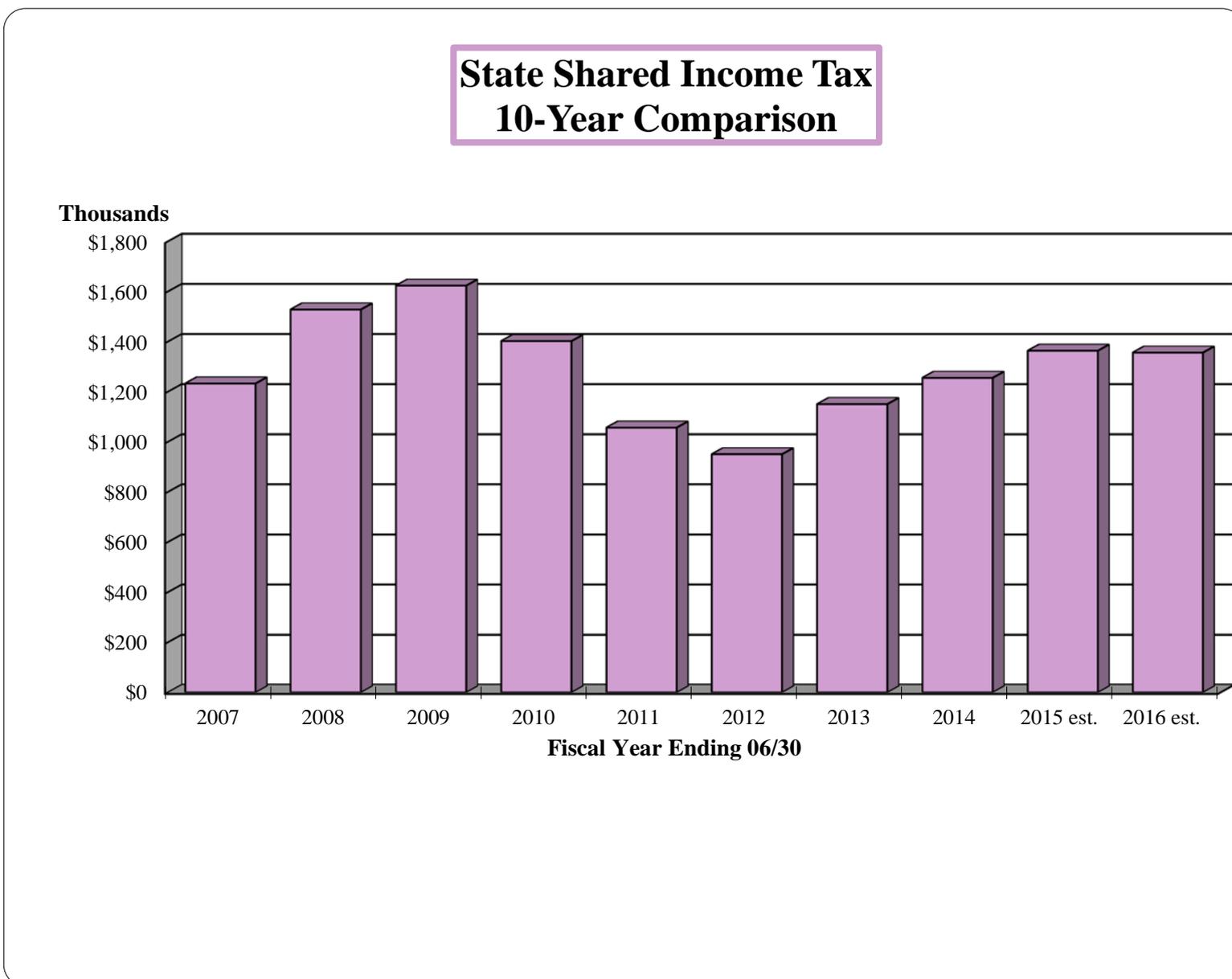
Description:

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

Analysis:

In 2012, the state implemented new tax percentages that were not based on the IRS deductions which increased this revenue. The FY 2013 and FY 2014 both showed signs of the improving economy and the State has estimated that FY 2015 will show another increase of 8.5%. For FY 2016, a very slight decline of .54% is expected.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
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	950,774	-10.05%
2013	1,150,696	21.03%
2014	1,255,627	9.12%
2015 est.	1,363,620	8.60%
2016 est.	1,356,310	-0.54%



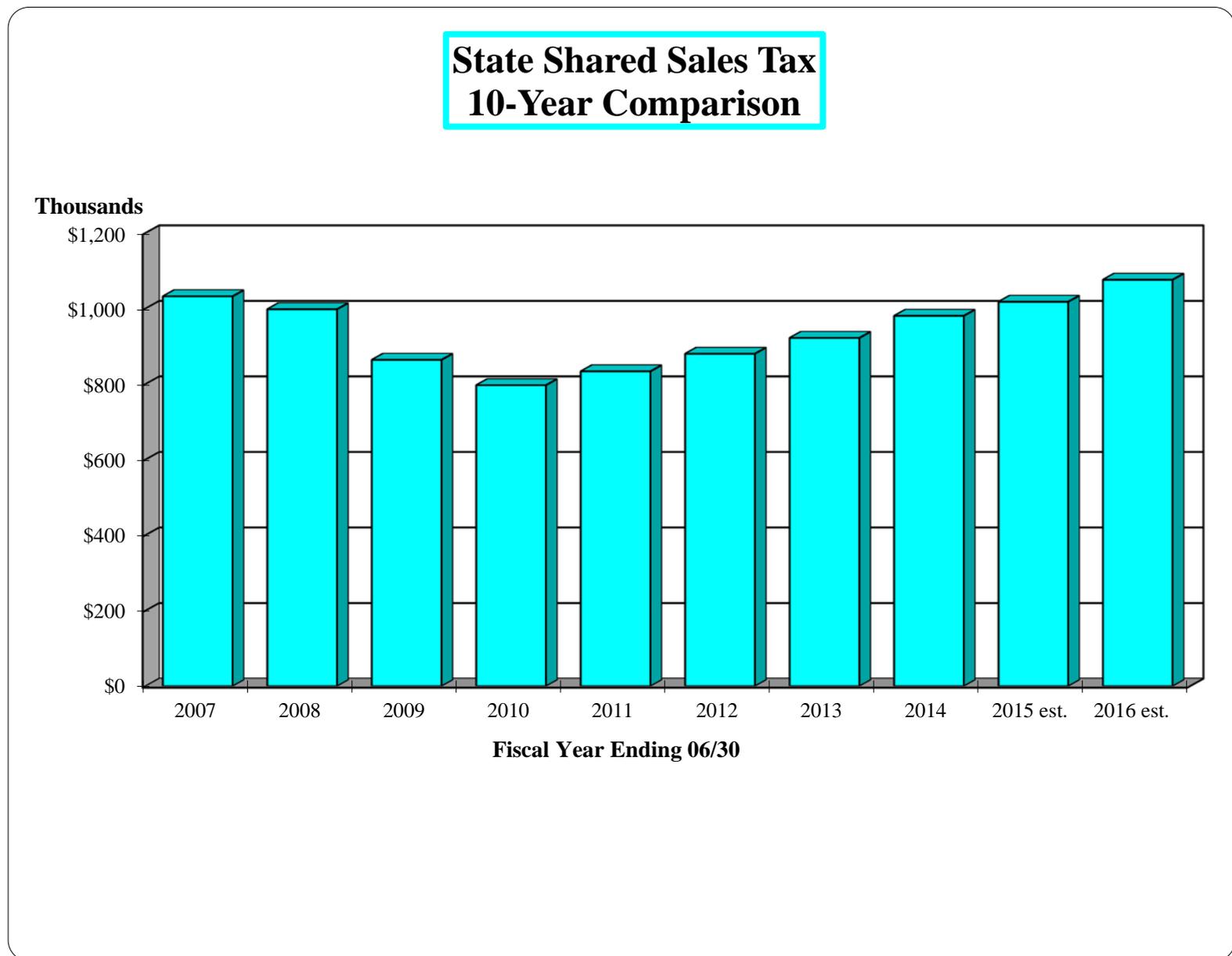
Description:

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 recovery with steady increases from FY 2011 to FY 2014. The growth of this revenue is based on the current economic expansion and the growing population in Arizona. Over the last 6 years, the City has seen an average increase of 5.13% and the FY 2016 estimate by the state shows an increase of 5.73% over FY 2015.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
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	880,250	5.60%
2013	922,061	4.75%
2014	980,537	6.34%
2015 est.	1,017,890	3.81%
2016 est.	1,076,180	5.73%



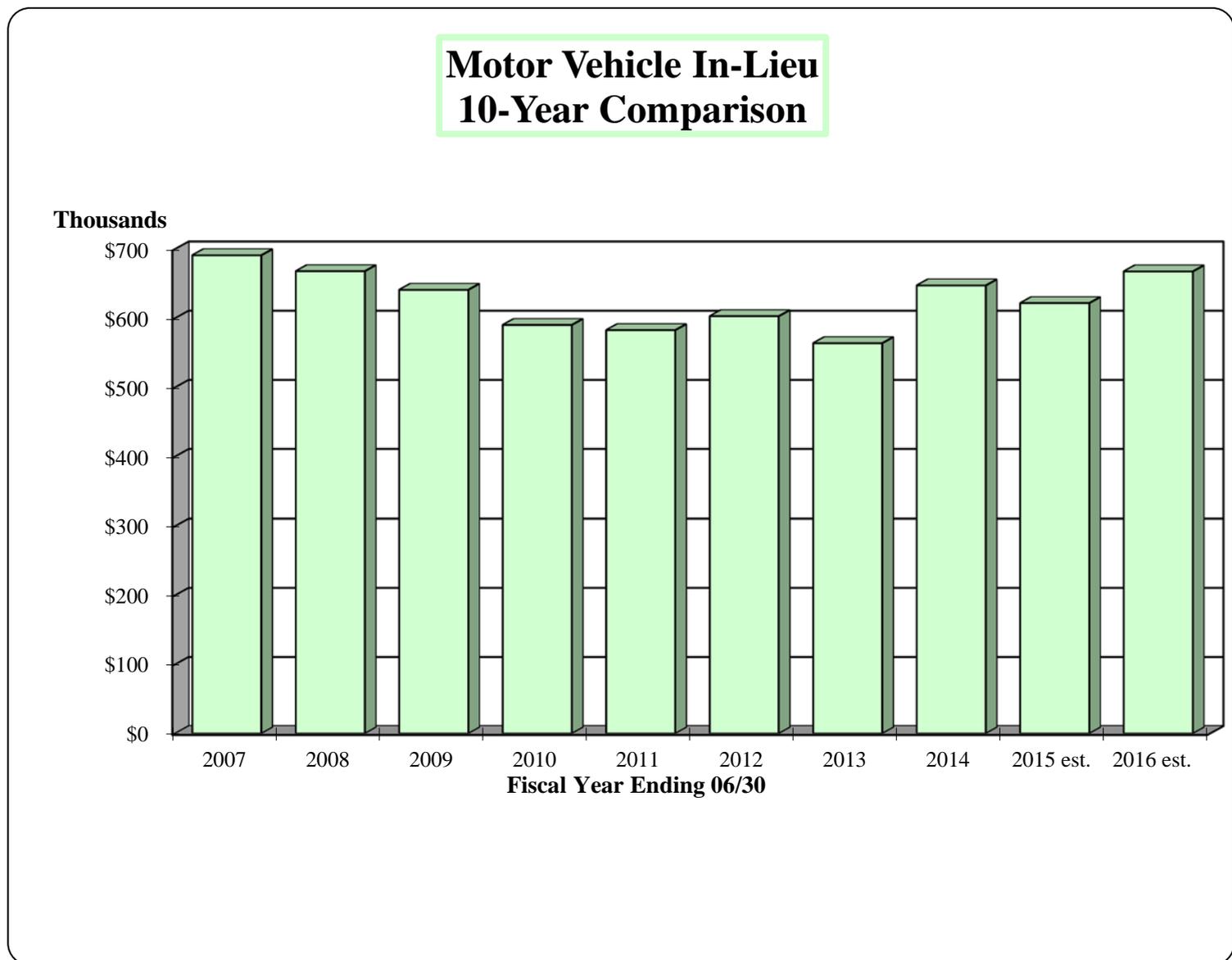
Description:

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 by half for the communities to receive their revenues.

Analysis:

The falling auto sales in FY 2008 through FY 2010 is reflected in this chart. These revenues were still declining in FY 2011 and although there was a slight increase in FY 2012. The League of Arizona Cities and Towns has projected a decrease in these revenues for FY 2013 and an estimated increase for FY 2014 of 14.79%, and again another decrease for FY 2015 of 3.94%. For FY 2016, a relative higher increase has been estimated of 7.37% over FY 2015.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
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	602,832	3.45%
2013	563,851	-6.47%
2014	647,250	14.79%
2015 est.	621,770	-3.94%
2016 est.	667,580	7.37%



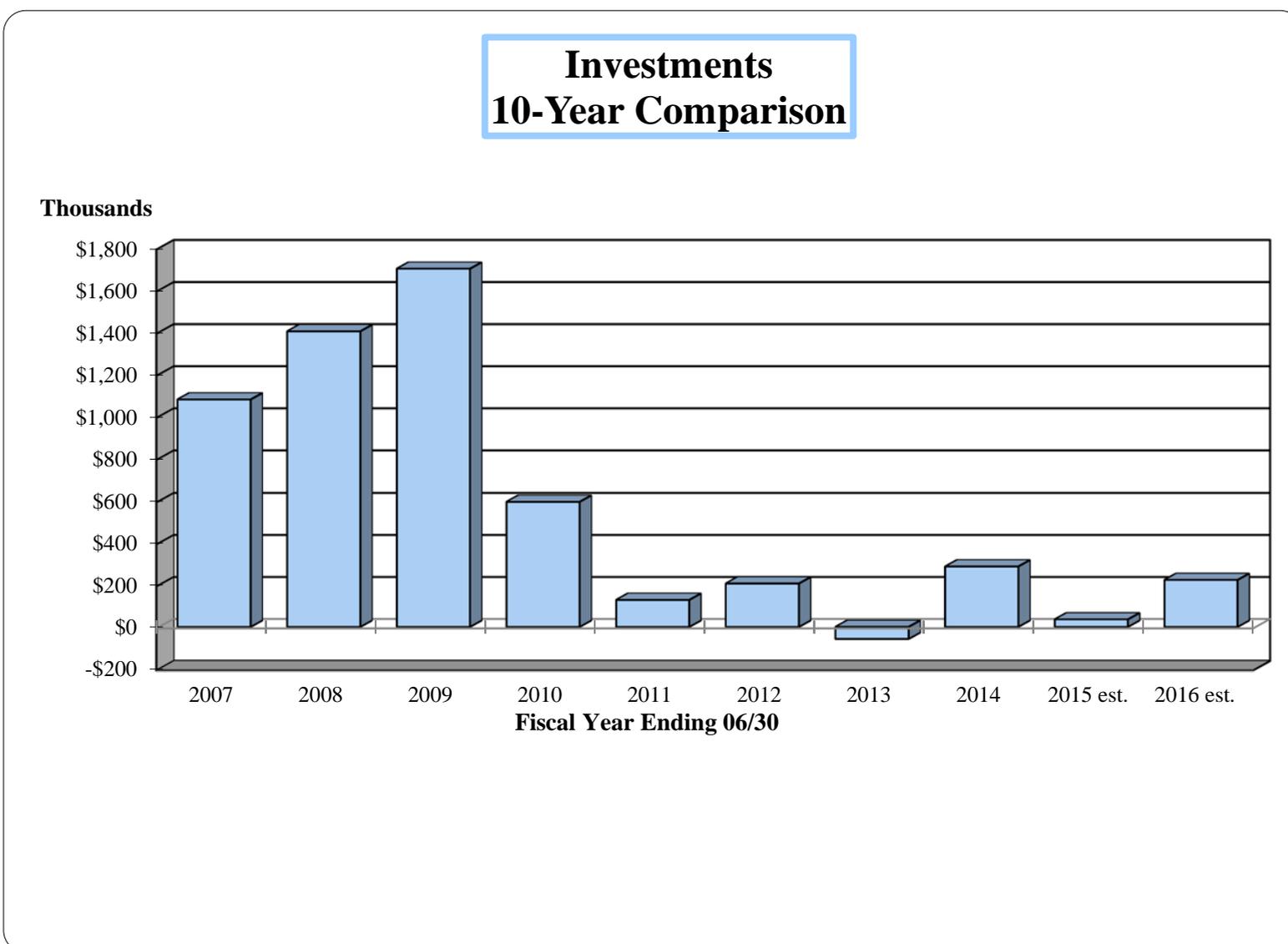
Description:

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

Analysis:

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 the growth you see in FY 2007 through FY 2009. The growth of these revenues began to slow in FY 2010 as interest rates had started dropping dramatically and the City began to use funds from its capital reserves for major projects in order to bolster the local economy. By FY 2013, with interest rates in the .03% range and much of the capital reserves having been used, the City began cashing in investments and taking a loss on those investments. The city increased its cash position and stopped investing any excess funds in order to have better availability to resources and has stabilized this revenue source. For FY 2016, we will see an increase in investment income due to replenishment of some of our capital reserves through some bonding for capital projects.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
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	206,489	60.93%
2013	(57,590)	-127.89%
2014	287,425	-599.09%
2015 est.	35,655	-87.60%
2016 est.	223,485	526.80%



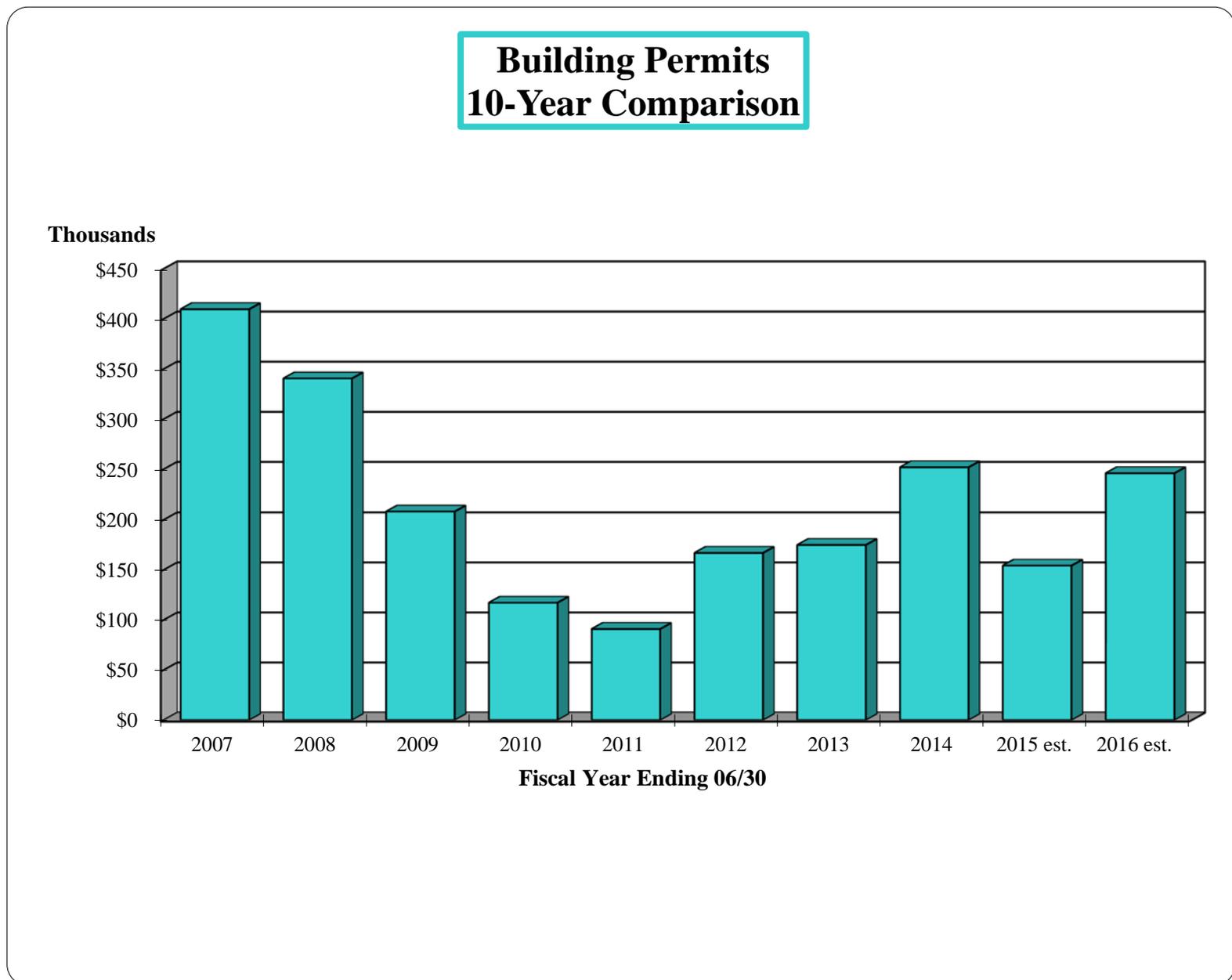
Description:

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

Analysis:

From FY 2004 through FY 2006, the City saw growth of these revenues as the local hospital and medical facilities were expanded, and businesses were moving into Cottonwood. Included in the growth was a WalMart Supercenter which opened its doors early in the third calendar quarter of 2004. Since FY 2008, the slowing economy has led to a continued decrease in revenue. The decrease came to a halt in FY 2012 when the economy started to turn around and in FY 2014 reached a revenue level that exceeded that of FY 2009. FY 2016 shows a strong increase due to growth in the commercial sector.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30 2007	409,752	25.21%
2008	340,638	-16.87%
2009	208,297	-38.85%
2010	117,278	-43.70%
2011	91,054	-22.36%
2012	167,007	83.42%
2013	174,930	4.74%
2014	252,014	44.07%
2015 est.	154,300	-38.77%
2016 est.	246,100	59.49%



Description:

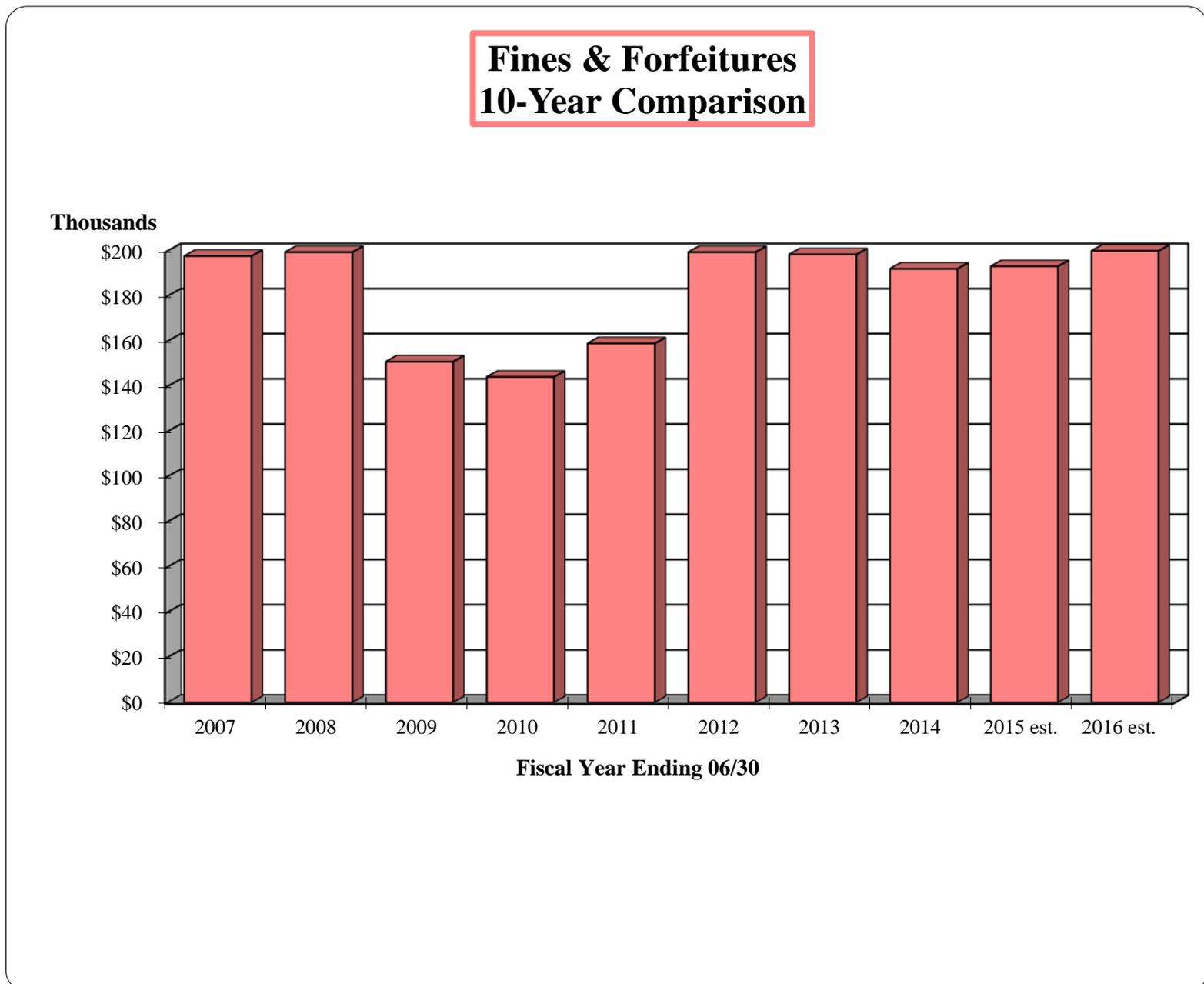
Fines and Forfeitures are generated as a result of imposed fines for the violation of various state laws and city ordinances. They include traffic violations, violations of city code and other criminal misdemeanors.

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

Analysis:

This City revenue fluctuates each year based on traffic enforcement. 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, introduced in FY 2010 and authorized by the State, helps the Court stay current with technology and other capital needs. For FY 2016, the anticipated revenues are 3.54% over FY 2015.

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2007	197,714	-8.68%
2008	199,435	0.87%
2009	150,913	-24.33%
2010	144,122	-4.50%
2011	158,977	10.31%
2012	199,445	25.46%
2013	198,445	-0.50%
2014	192,054	-3.22%
2015 est.	193,170	0.58%
2016 est.	200,000	3.54%



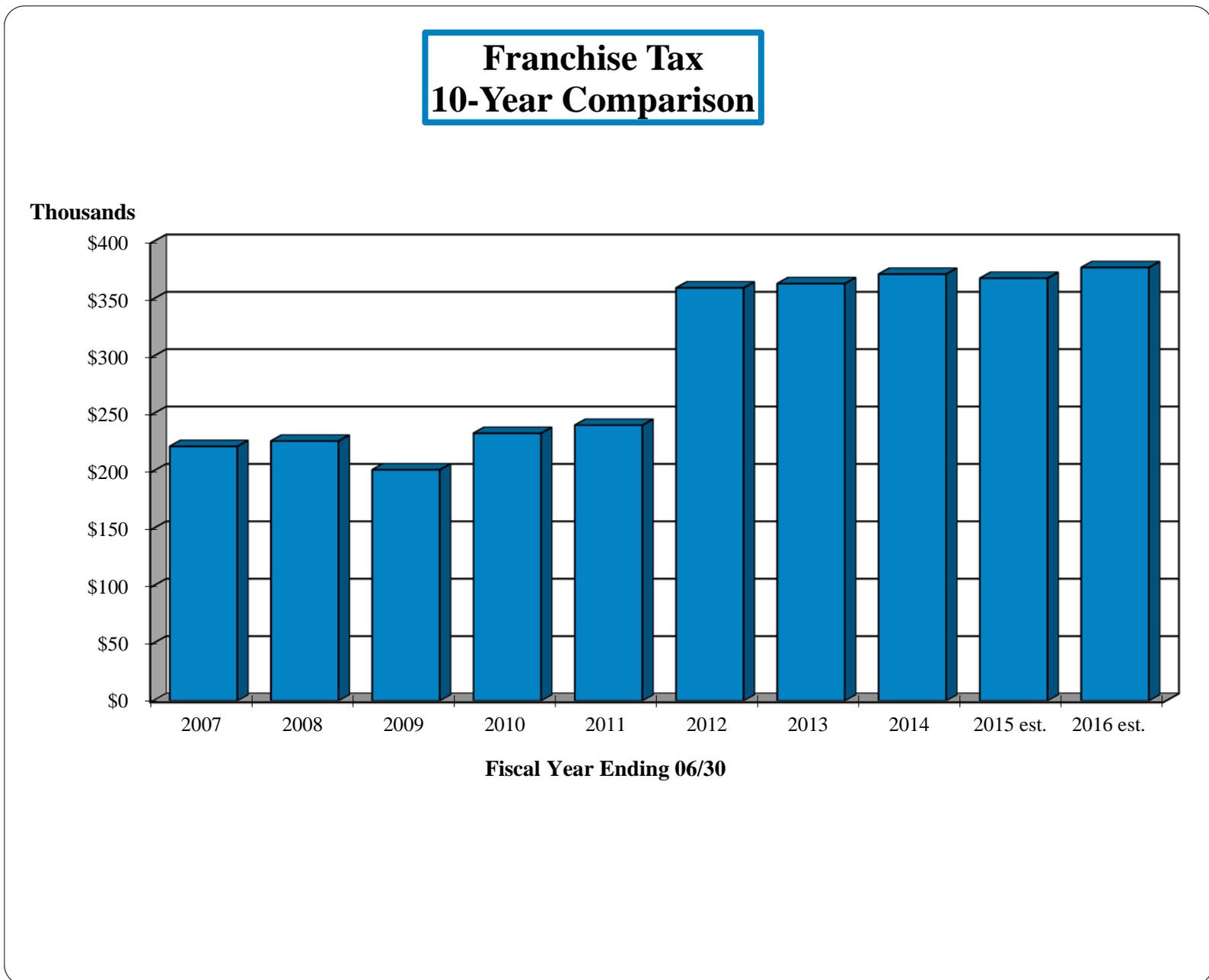
Description:

The Franchise Tax is based on the gross sales of the utility companies. Those currently paying the tax are: Arizona Public Service (2%), Citizens Gas (2%), Cable One (3%), and CableComm (1%).

Analysis:

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 rate increase APS got approved by the Corporation Commission. FY 2012 showed a strong surge which was followed by a sharp decline in the following year. Since FY 2013, these revenues have been hovering around the same level.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	359,872	49.86%
2013	363,653	1.05%
2014	371,886	2.26%
2015 est.	368,275	-0.97%
2016 est.	377,620	2.54%



Description:

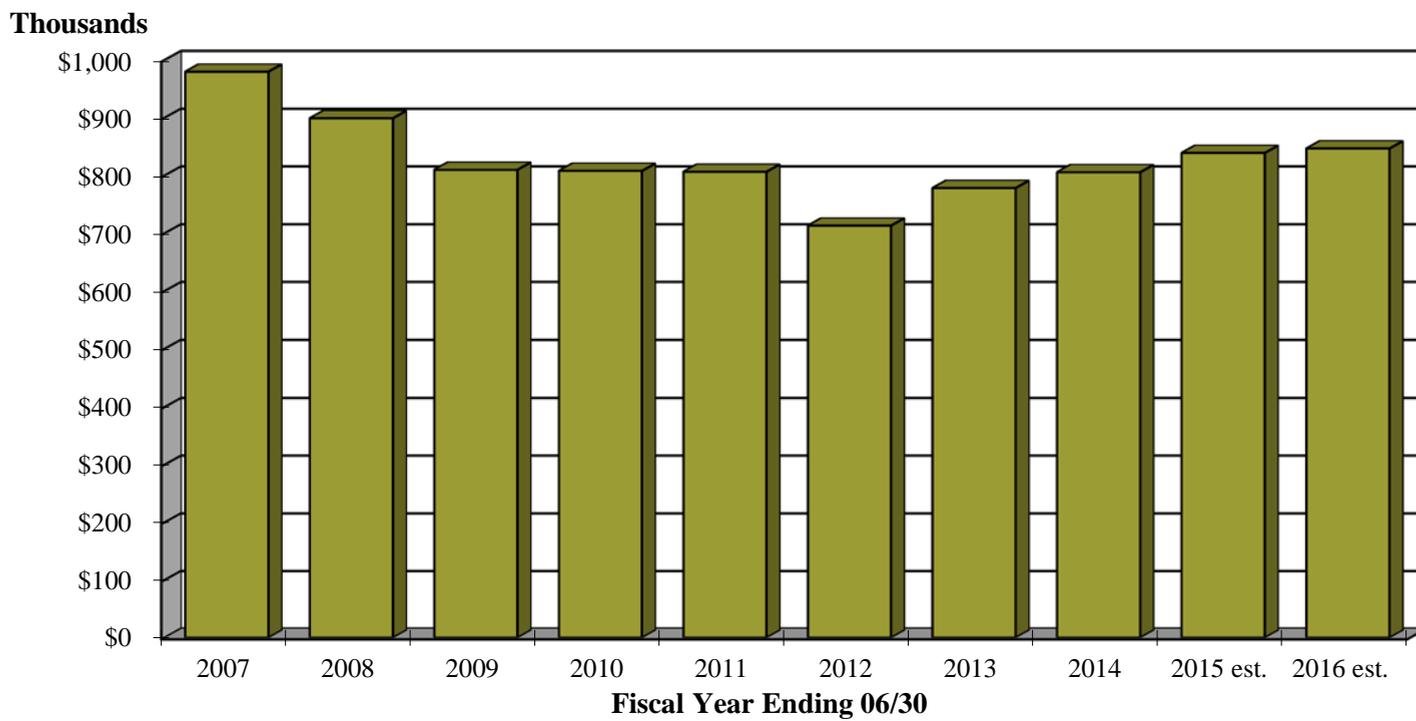
Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula is based on two separate calculations; the first half is based on a city's population in relation to the State's total population, the second is based on the county in which the revenues were generated. 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. The FY2016 estimate from the state show only a small increase of .91% over FY 2015.

Fiscal Year Ending 06/30	Amount	% Inc. / (Dec.)
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	713,231	-11.55%
2013	778,265	9.12%
2014	805,540	3.50%
2015 est.	839,050	4.16%
2016 est.	846,670	0.91%

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



Local Transportation Assistance Fund Revenues - LTAF

Description:

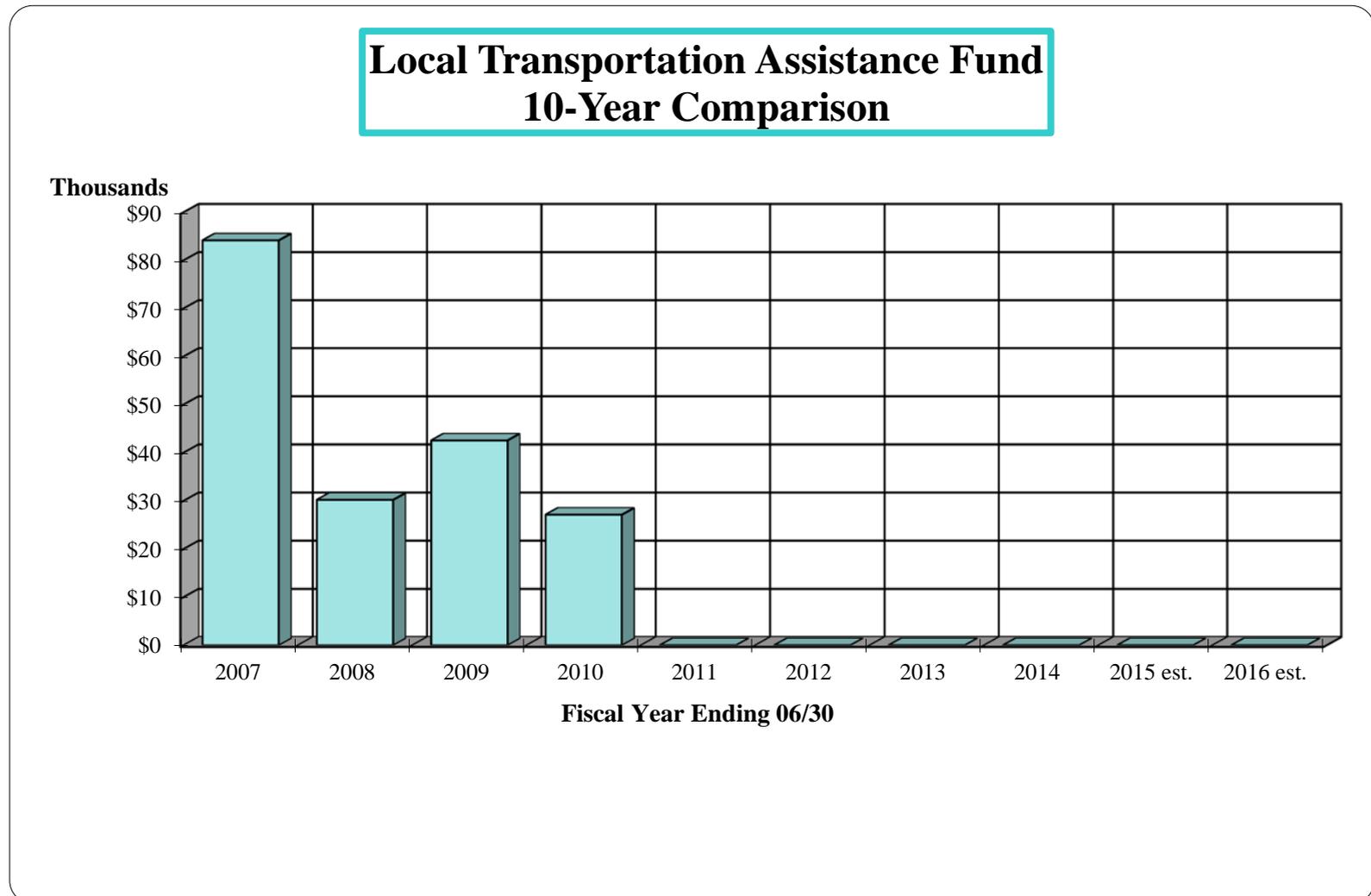
Local Transportation Assistance Fund Revenues (LTAF) consist of two LTAF distributions, LTAF and LTAF II. LTAF monies are derived from the State Lottery Fund. Arizona cities have been receiving a portion of the proceeds of the Arizona lottery since 1982. The original LTAF allocation was based on individual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

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

Analysis:

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

Fiscal Year	Amount	% Inc. / (Dec.)
Ending 06/30		
2007	84,155	51.89%
2008	30,207	-64.11%
2009	42,541	40.83%
2010	27,118	-36.25%
2011	0	-100.00%
2012	0	0.00%
2013	0	0.00%
2014	0	0.00%
2015 est.	0	0.00%
2016 est.	0	0.00%



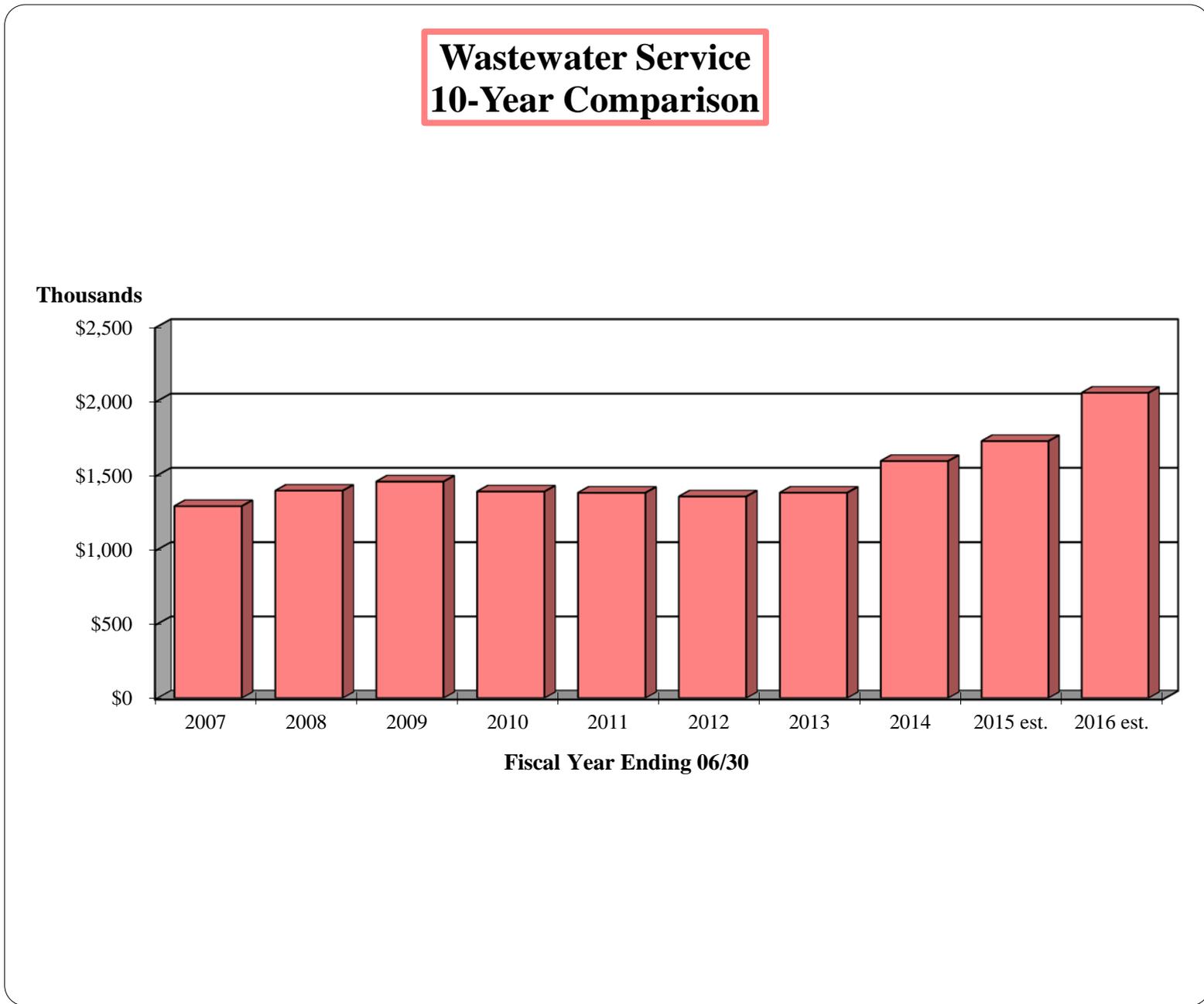
Description:

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 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 rate of \$16.75 was established in 2002. With city growth and the aging system in FY 2014, a rate study was established and the rate was increased to \$26.25 effective October 1, 2014. In January 2015, the rates were increased again after a rate study showed the need for increased revenues. The new rate is \$29.15. These fees will be evaluated annually to determine if an increase is necessary.

Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
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	1,356,438	-1.81%
2013	1,381,902	1.88%
2014	1,594,815	15.41%
2015 est.	1,728,910	8.41%
2016 est.	2,053,940	18.80%



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 was set at \$23.74 in 2011. These rates are evaluated annually to determine if an increase is necessary. The latest rate increase was in FY 2015, with differential rates for inside and outside City limits. The base fee is setup by the water line size with additional charges in a tiered structure starting after the first 1,000 gallons. The rate structure is listed below.

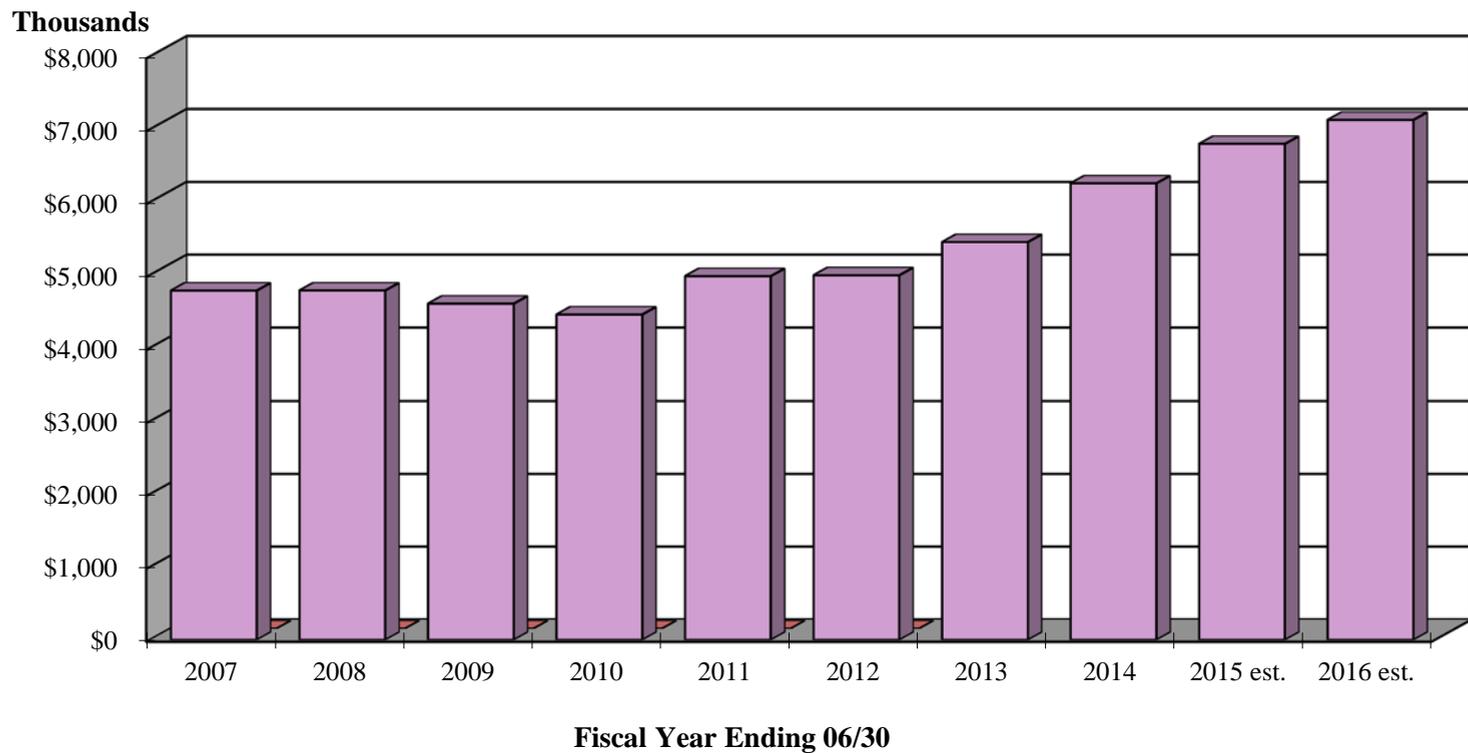
Fiscal Year		
Ending 06/30	Amount	% Inc. / (Dec.)
2007	4,787,501	29.66%
2008	4,789,358	0.04%
2009	4,607,776	-3.79%
2010	4,459,160	-3.23%
2011	4,985,843	11.81%
2012	4,997,833	0.24%
2013	5,453,178	9.11%
2014	6,259,609	14.79%
2015 est.	6,800,740	8.64%
2016 est.	7,130,170	4.84%

Base Rate (effective in FY 2015)

	Inside	Outside
	24.76	32.19
Block 1 (1,001-5,000 gal)	3.07	4.00
Block 2 (5,001-10,000 gal)	4.23	5.50
Block 3 (10,001-15,000 gal)	6.03	7.84
Block 4 (≥ 15,001 gal)	8.59	11.16

Block 1 (1,001-5,000 gal)
 Block 2 (5,001-10,000 gal)
 Block 3 (10,001-15,000 gal)
 Block 4 (≥ 15,001 gal)

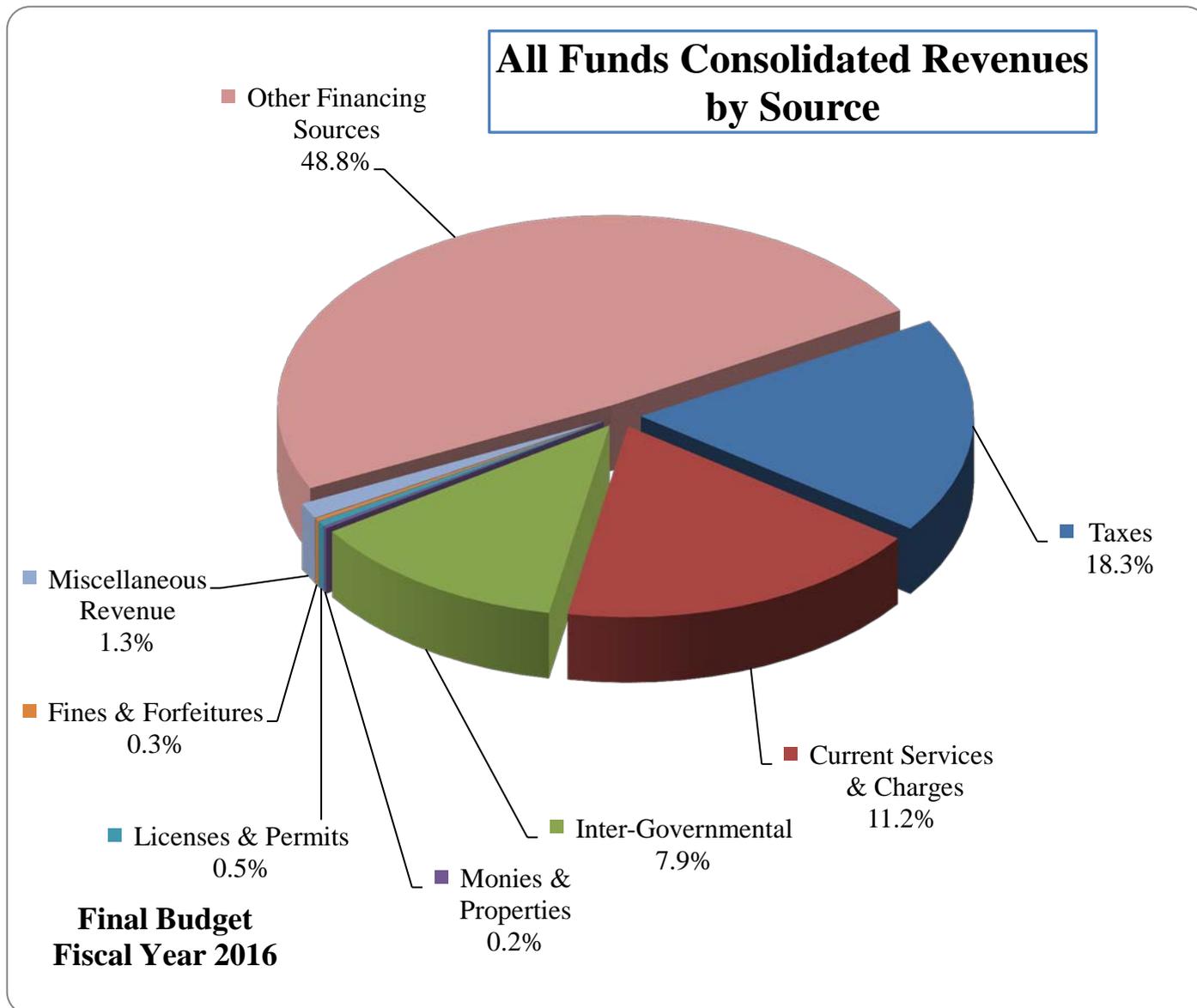
**Water Service User Fees
 10-Year Comparison**



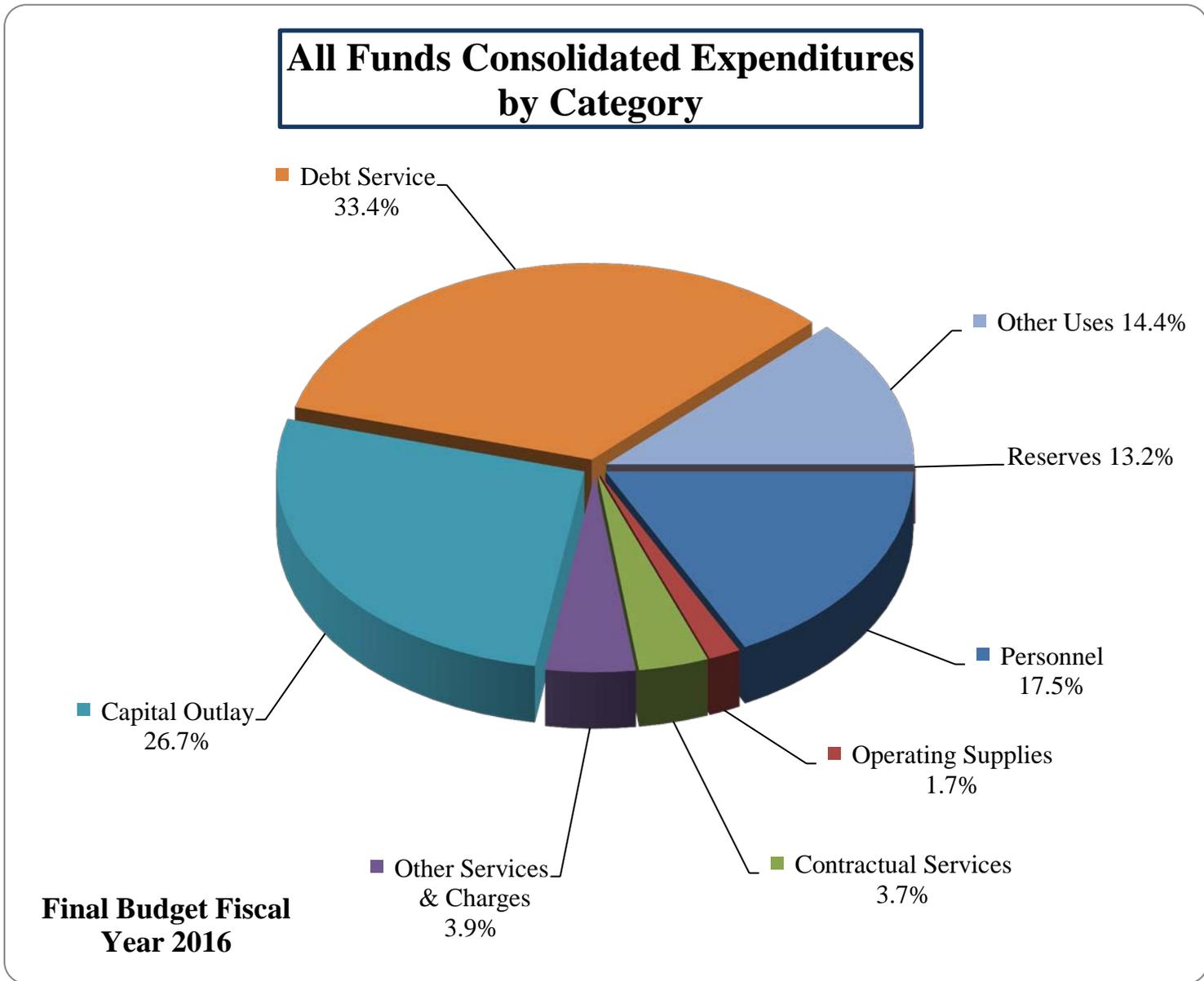
**Comprehensive Summary Revenues & Expenditures
All Funds**

Fund	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Balances (07/01)	\$41,282,384	\$42,461,502	\$21,559,060	\$34,402,500	59.57%
Less: Designated Reserves	22,059,193	23,020,607	3,049,560	30,060,070	885.72%
Cash Reserves	3,847,848	6,671,115	29,280,940	10,231,815	-65.06%
Appropriated Balances	15,375,343	12,769,780	(10,771,440)	(5,889,385)	0.00%
Revenues Sources:					
General Fund	\$17,075,823	\$17,738,460	\$17,511,595	\$18,297,625	4.49%
Special Revenue Funds	3,190,425	5,665,740	2,948,370	6,377,755	116.31%
Capital Projects Funds	383,718	180,000	16,560	180,000	986.96%
Debt Service Funds	1,540,235	2,071,975	2,072,335	2,072,335	0.00%
Enterprise Funds	9,645,057	9,718,110	9,864,320	10,523,005	6.68%
Fiduciary Funds	41,259	1,200	15,600	15,625	0.16%
Total Revenues	31,876,517	35,375,485	32,428,780	37,466,345	15.53%
Other Financing Sources:					
Transfers In	1,055,086	8,625,630	2,210,835	15,117,570	583.79%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	2,850,000	0	0	0	0.00%
Proceeds from Bonds	0	20,530,000	26,965,900	20,600,000	100.00%
Total Other Financing Sources	3,905,086	29,155,630	29,176,735	35,717,570	22.42%
Total Available Resources	51,156,945	77,300,895	50,834,075	67,294,530	32.38%
Expenditures:					
General Fund	16,773,182	17,869,400	17,670,375	18,855,010	6.70%
Special Revenue Funds	4,361,571	14,446,395	6,548,960	14,067,165	114.80%
Capital Projects Funds	2,593,966	2,407,300	1,876,550	819,000	-56.36%
Debt Service Funds	1,540,235	1,541,275	1,541,635	1,541,635	0.00%
Enterprise Funds	7,873,240	29,148,530	9,349,145	53,274,765	469.84%
Fiduciary Funds	7,656	3,600	5,570	7,600	36.45%
Total Expenditures	33,149,849	65,416,500	36,992,235	88,565,175	139.42%
Other Uses:					
Transfers Out	1,055,086	8,625,630	2,097,235	12,434,740	492.91%
Total Other Financing Uses	1,055,086	8,625,630	2,097,235	12,434,740	492.91%
Total Expenditures and Other Uses	34,204,935	74,042,130	39,089,470	100,999,915	158.38%
Ending Fund Balance/Retained Earnings Designation					
Operating Surplus/(Losses)	14,125,915	3,684,932	10,413,900	(16,609,480)	-259.49%
Designated Reserves FY's prior to 2014	22,314,318	0	0	0	0.00%
Cash Reserves FY's prior to 2014	7,095,434	1,620,120	9,818,330	284,230	-97.11%
Restricted	0	7,280,736	20,884,610	11,143,745	-46.64%
Committed	0	1,000,000	1,000,000	1,000,000	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	20,839,606	779,650	17,863,710	2191.25%
Ending Balances (06/30)	\$43,535,668	\$34,425,390	\$42,896,490	\$13,682,210	-68.10%

Revenues for All Funds	
Taxes	\$13,427,940
Current Services & Charges	13,094,845
Inter-Governmental	9,283,890
Monies & Properties	148,085
Licenses & Permits	336,100
Fines & Forfeitures	200,000
Miscellaneous Revenue	975,485
Subtotal	\$37,466,345
Other Financing Sources	35,717,570
Total Revenues for All Funds	\$73,183,915



Expenditures for All Funds	
Personnel	\$17,694,105
Operating Supplies	1,696,870
Contractual Services	3,704,670
Other Services & Charges	4,746,900
Capital Outlay	27,013,925
Debt Service	33,708,705
Subtotal	88,565,175
Other Uses - Transfers Out	12,434,740
Reserves	0
Total Expenditures for All Funds	\$100,999,915



Fiscal Year 2016 Budget
Consolidated Budget Summary - By Fund

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	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Fiduciary Funds	Grand Total
Beginning Balance @ 07/01/2015	\$5,041,995	\$57,640	\$1,740,830	\$9,638,330	\$17,853,895	\$69,810	\$34,402,500
Funding Sources							
Taxes	\$11,105,755	\$250,000	\$2,072,185	\$0	\$0	\$0	\$13,427,940
Licenses & Permits	336,100	0	0	0	0	0	336,100
Intergovernmental	3,670,865	5,613,025	0	0	0	0	9,283,890
Charges for Services	2,909,405	414,600	0	0	9,770,840	0	13,094,845
Fines and Forfeitures	200,000	0	0	0	0	0	200,000
Uses of Monies & Prop.	46,000	83,575	150	0	2,735	15,625	148,085
Miscellaneous	29,500	16,555	0	180,000	749,430	0	975,485
Total Revenues	18,297,625	6,377,755	2,072,335	180,000	10,523,005	15,625	37,466,345
Other Financing Sources	0	934,740	0	2,682,830	32,100,000	0	35,717,570
Total Revenue & Other Financing Sources	18,297,625	7,312,495	2,072,335	2,862,830	42,623,005	15,625	73,183,915
Total Available All Sources	\$23,339,620	\$7,370,135	\$3,813,165	\$12,501,160	\$60,476,900	\$85,435	\$73,183,915
Expenditures							
Personnel	13,682,395	1,893,060	0	0	2,118,650	0	17,694,105
Operating Supplies	537,020	505,150	0	0	654,700	0	1,696,870
Contractual Services	1,446,725	797,815	360	0	1,456,170	3,600	3,704,670
Other Services & Charges	2,242,045	881,615	0	9,000	1,610,240	4,000	4,746,900
Capital Outlay	513,350	9,989,525	0	810,000	15,701,050	0	27,013,925
Debt Services	433,475	0	1,541,275	0	31,733,955	0	33,708,705
Subtotal of Expenditures	18,855,010	14,067,165	1,541,635	819,000	53,274,765	7,600	88,565,175
Other Uses							
Transfers Out	826,810	107,930	0	11,500,000	0	0	12,434,740
	826,810	107,930	0	11,500,000	0	0	12,434,740
Total Expenditures & Other Uses	19,681,820	14,175,095	1,541,635	12,319,000	53,274,765	7,600	100,999,915
Use of Fund Balance	(\$1,384,195)	(\$6,862,600)	\$530,700	(\$9,456,170)	(\$10,651,760)	\$8,025	(\$27,816,000)
Estimated Ending Balance @ 06/30/2016	3,657,800	(6,804,960)	2,271,530	182,160	7,440,000	77,835	(27,816,000)
Total Commitments and Fund Balances	\$23,339,620	\$7,370,135	\$3,813,165	\$12,501,160	\$60,714,765	\$85,435	\$73,183,915

GENERAL FUND

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

Fund Number
01

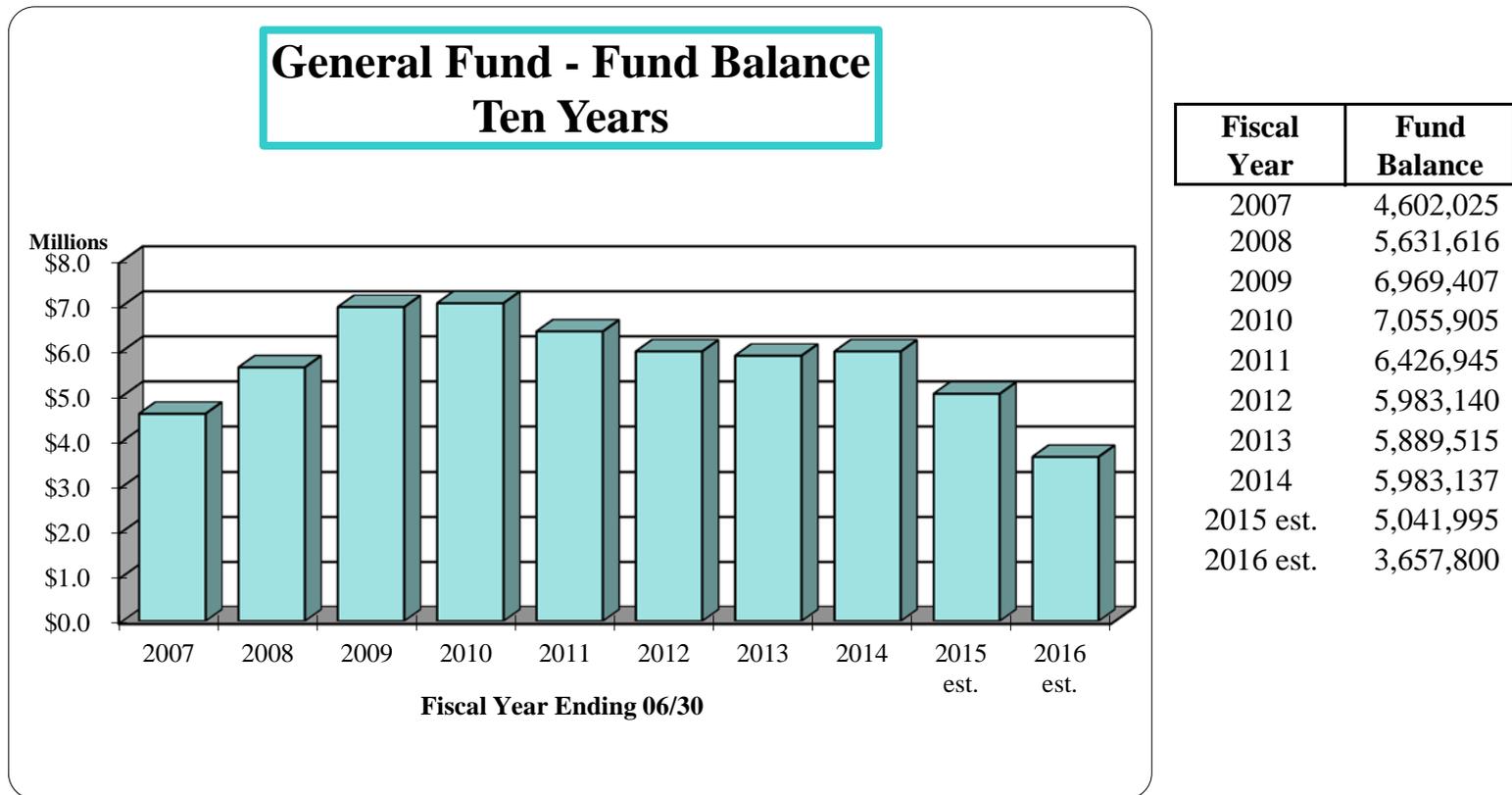
Description
General Fund

The following departments are funded by the General Fund:

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

Fund Balance:

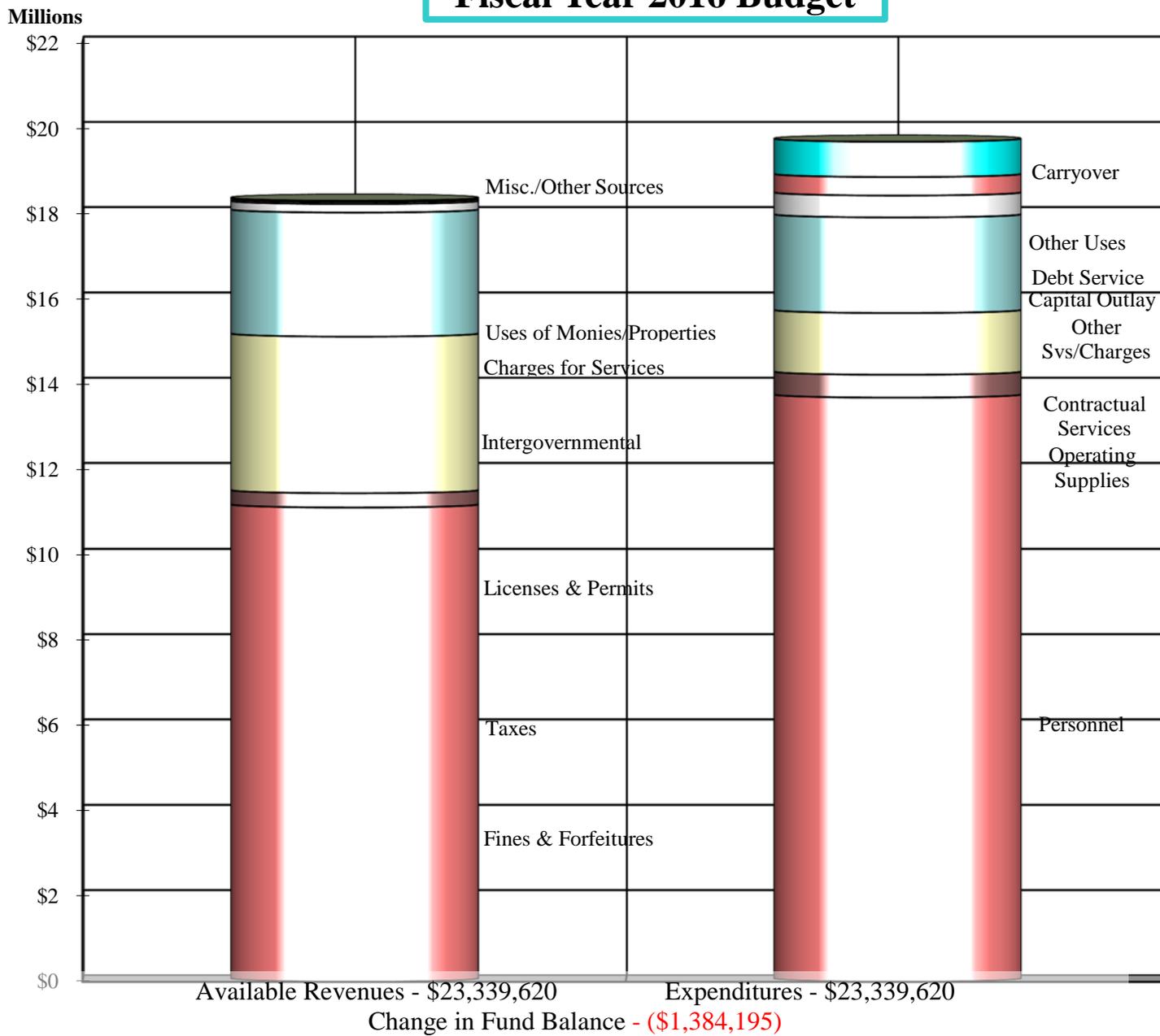
The following illustration depicts a ten-year presentation of the fund balance for the General Fund:



General Fund Consolidated Revenues & Expenditures

Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$5,889,513	\$4,508,495	\$5,983,140	\$5,041,995
Less: Designated Reserves	1,214,750	1,000,000	1,000,000	1,000,000
Cash Reserves	3,528,580	1,384,195	1,384,195	2,657,800
Appropriated Fund Balance	1,146,183	2,124,300	3,598,945	1,384,195
Revenue Sources:				
Taxes	\$10,853,916	\$10,703,020	\$10,690,065	\$11,105,755
Licenses & Permits	331,296	336,100	243,800	336,100
Intergovernmental Revenues	3,315,586	3,628,960	3,417,955	3,670,865
Charges for Services	2,228,510	2,784,580	2,715,890	2,909,405
Fines & Forfeitures	192,054	200,000	193,170	200,000
Uses of Monies & Properties	52,098	61,500	35,650	46,000
Miscellaneous Revenues	102,363	24,300	215,065	29,500
Total Revenue Sources	17,075,823	17,738,460	17,511,595	18,297,625
Other Financing Sources:				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	850,000	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	850,000	0	0	0
Total Available Resources	19,072,006	19,862,760	21,110,540	19,681,820
Expenditures:				
Personnel	11,828,894	12,862,610	12,538,067	13,682,395
Operating Supplies	610,815	558,345	569,890	537,020
Contractual Services	1,480,365	1,423,070	1,558,640	1,446,725
Other Services and Charges	1,896,968	2,122,320	2,035,633	2,242,045
Capital Outlay	570,816	414,100	489,980	513,350
Debt Service	385,324	488,955	478,165	433,475
Total Expenditures	16,773,182	17,869,400	17,670,375	18,855,010
Other Uses:				
Transfers Out	1,055,086	737,655	782,365	826,810
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	1,055,086	737,655	782,365	826,810
Total Expenditures and Other Uses	17,828,267	18,607,055	18,452,740	19,681,820
Ending Fund Balance Designation				
Operating Surplus/(Losses)	2,194,807	0	1,502,095	0
Designated Reserves FY's prior to 2014	259,750	0	0	0
Cash Reserves FY's prior to 2014	3,528,580	0	0	0
Restricted	0	2,539,900	2,539,900	2,657,800
Committed	0	1,000,000	1,000,000	1,000,000
Assigned	0	0	0	0
Unassigned	0	100,000	0	0
Ending Fund Balance	\$5,983,137	\$3,639,900	\$5,041,995	\$3,657,800

**Revenues vs. Expenditures
Fiscal Year 2016 Budget**



Revenues		Expenditures	
Taxes	\$11,105,755	Personnel	\$13,682,395
Licenses & Permits	336,100	Operating Supplies	537,020
Intergovernmental Revenues	3,670,865	Contractual Services	1,446,725
Charges for Services	2,909,405	Other Services and Charges	2,242,045
Fines & Forfeitures	200,000	Capital Outlay	513,350
Uses of Monies & Properties	46,000	Debt Service	433,475
Miscellaneous Revenues	29,500	Total Operating Expenditures	18,855,010
Total Operating Revenues	18,297,625	Reserves	0
Carryover Balance	0	Other Uses	826,810
Other Sources	0	Total Expenditures	\$19,681,820
Total Revenues Available	\$18,297,625		
		Changes in Fund Balance - Inc./ (Dec.)	(\$1,384,195)

Fiscal Year 2016 Budget
General Fund Revenues Schedule

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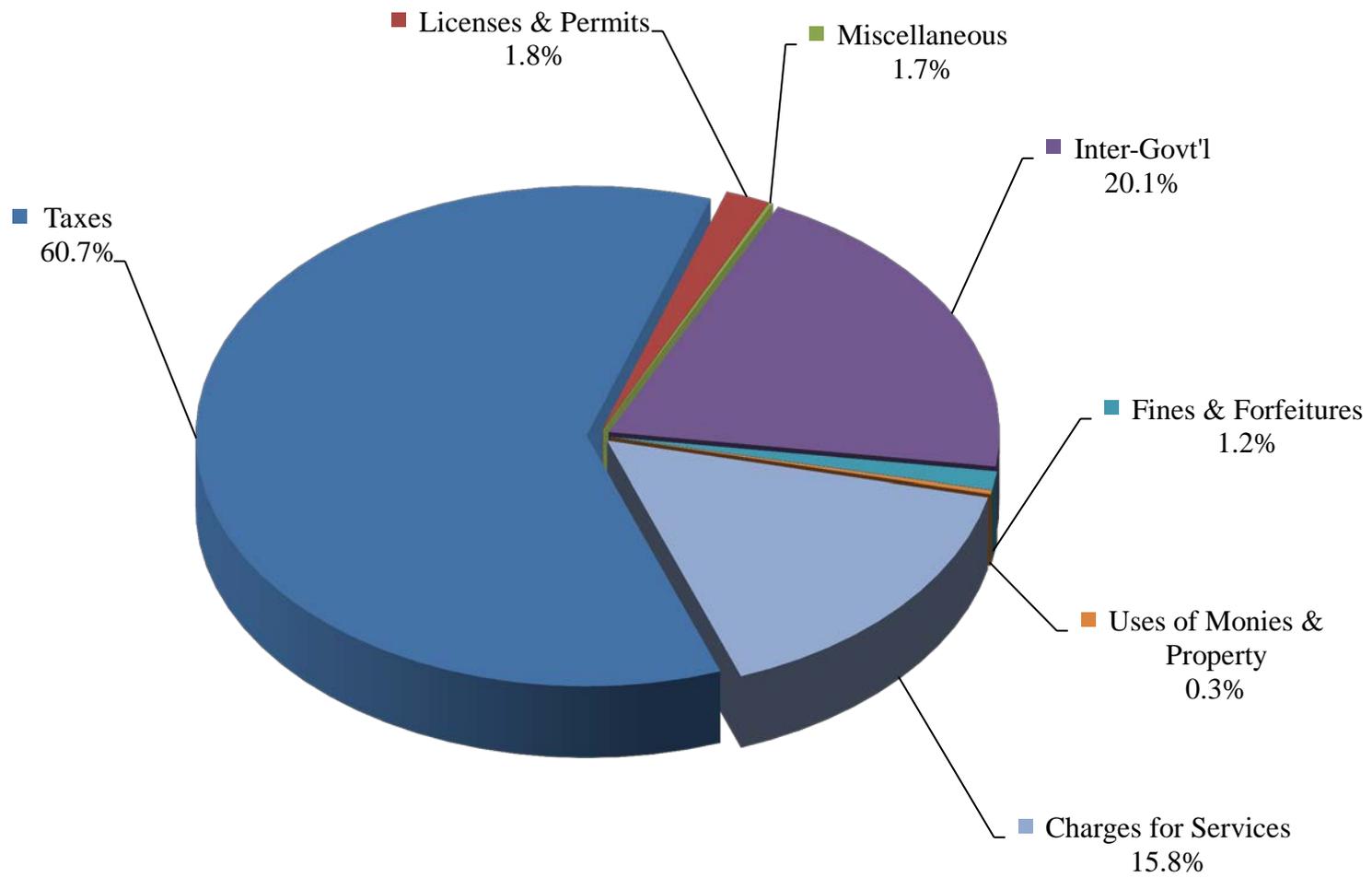
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Taxes					
Franchise Taxes	371,887	\$391,230	\$368,275	\$377,620	2.54%
City Sales Tax	10,136,065	9,955,540	9,955,540	10,357,835	4.04%
Bed Tax	129,820	120,000	130,000	130,000	0.00%
Utility Tax	216,143	236,250	236,250	240,300	1.71%
Subtotal	<u>10,853,916</u>	<u>10,703,020</u>	<u>10,690,065</u>	<u>11,105,755</u>	<u>3.89%</u>
Licenses & Permits					
Business Licenses	85,998	90,000	100,000	100,000	0.00%
Construction Permits	206,343	210,000	135,000	210,000	55.56%
Planning & Zoning Fees	38,956	36,100	8,800	26,100	196.59%
Subtotal	<u>331,296</u>	<u>336,100</u>	<u>243,800</u>	<u>336,100</u>	<u>37.86%</u>
Intergovernmental					
M.V. Lieu Tax	647,250	621,770	621,770	667,580	7.37%
Yavapai County	0	0	0	0	0.00%
Cottonwood Oak Creek Shared Services	19,103	34,000	20,000	0	-100.00%
Urban Revenue Sharing	1,255,627	1,363,620	1,363,620	1,356,310	-0.54%
State Shared Sales Tax	980,537	1,017,890	1,017,890	1,076,180	5.73%
Post - Reimbursement	968	2,500	1,400	2,500	78.57%
Pant Grant	218,116	198,250	162,360	175,000	7.79%
School Resource Grant	39,280	115,000	20,000	20,000	0.00%
Miscellaneous Police Grants	0	2,620	0	0	0.00%
GOHS Grant	37,897	65,000	19,410	163,390	741.78%
Victims Rights Grant	2,076	2,000	2,075	2,075	0.00%
Miscellaneous Fire Grants	0	20,000	0	10,000	0.00%
Yav Co Dept of Emergency Svcs	0	0	0	5,000	0.00%
Homeland Security Grant	30,000	81,000	81,000	30,000	-62.96%
GIITEM Grant Funding	74,641	66,000	67,930	71,330	5.01%
Rico Grant Funds	0	0	26,500	30,000	13.21%
Yavapai Apache Revenue Share	0	0	0	0	0.00%
State Land Dpt Reimbursement	1,482	0	0	0	0.00%
Spay Neuter Grant	6,000	0	10,000	10,000	0.00%
NACOG-EWD OJT Funding	0	34,310	0	0	0.00%
S.A.F.E.R Fire Grant	0	0	0	47,500	0.00%
SB1398 Police Equipment	2,610	5,000	4,000	4,000	0.00%
Subtotal	<u>3,315,586</u>	<u>3,628,960</u>	<u>3,417,955</u>	<u>3,670,865</u>	<u>7.40%</u>
Fines & Forfeitures					
Court Fines	162,450	170,000	165,000	170,000	3.03%
Court Restitution	(388)	0	0	0	0.00%
Court Enhancement Fee	29,992	30,000	28,170	30,000	6.50%
Subtotal	<u>192,054</u>	<u>200,000</u>	<u>193,170</u>	<u>200,000</u>	<u>3.54%</u>
Uses of Monies & Properties					
Interest Income	27,813	40,000	17,000	25,000	47.06%
Building Rental	24,285	21,500	18,650	21,000	12.60%
Subtotal	<u>52,098</u>	<u>61,500</u>	<u>35,650</u>	<u>46,000</u>	<u>29.03%</u>

Fiscal Year 2016 Budget
General Fund Revenues Schedule

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Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Charges for Service					
Spillman Fees	64,464	25,000	25,000	25,000	0.00%
Dispatch Fees	0	135,540	135,540	453,750	234.77%
Animal Control Fees	4,804	1,500	4,000	4,000	0.00%
Recreation Fees	5,998	5,000	5,000	5,000	0.00%
Open/Close Graves	3,800	3,500	4,900	3,500	-28.57%
Community Garden Revenue	555	500	700	700	0.00%
Engineering Fees	4,000	5,000	6,000	5,500	-8.33%
Plan Check Fees	2,715	4,500	4,500	4,500	0.00%
Pool Revenue	18,054	17,000	19,320	19,000	-1.66%
Rec/Fees-Softball Tournaments	29,740	37,500	29,950	32,500	8.51%
Rhythm & Ribs Revenue	15,327	25,000	2,080	0	-100.00%
Walkin on Main Street	1,033	1,040	300	300	0.00%
Old Town Historic Tour	0	0	2,145	2,600	21.21%
Pool - Snack Bar Sales	3,477	1,300	4,000	4,000	0.00%
Pool - Swimming Lessons	18,907	16,800	16,940	16,900	-0.24%
Equestrian CTR Rev	645	0	10	0	-100.00%
Court Atty Reimbursement	14,146	18,000	14,000	15,000	7.14%
10K Memorial Run	26,254	28,000	25,830	26,000	0.66%
Recreation Center Fees	584,445	625,000	570,000	600,000	5.26%
Recreation Center Building Rental	40,659	35,000	28,300	30,000	6.01%
Recreation Center Classes/Programs	108,153	68,500	97,600	97,000	-0.61%
Thunder Valley Rally	15,227	16,000	3,700	4,000	8.11%
Riverfront Park - Snack Bar	11,479	11,000	11,550	12,000	3.90%
Batting Cage Revenue	266	350	0	0	0.00%
Sewer Accounting Fees	175	300	175	300	71.43%
Tow Fee Revenues	20,850	10,000	16,200	16,200	0.00%
Transfer Station Revenue	127,445	130,000	124,900	130,000	4.08%
Airport-Indirect Cost	42,862	48,810	48,810	50,000	2.44%
HURF - Indirect Cost	473,180	517,275	517,275	475,000	-8.17%
Library - Indirect Cost	133,923	165,605	165,605	175,500	5.98%
Cemetery-Indirect Cost	1,537	1,125	1,125	1,125	0.00%
Water - Indirect Cost	276,655	580,405	580,405	450,000	-22.47%
Sewer - Indirect Cost	177,734	250,030	250,030	250,030	0.00%
Subtotal	2,228,510	2,784,580	2,715,890	2,909,405	7.13%
Miscellaneous Revenues					
Other Income	47,761	15,600	15,900	16,000	0.63%
Unrealized Gain/Los	22,608	0	10,000	0	0.00%
Cash (Short)/Over	(2,241)	0	0	0	0.00%
Police Donations - P.R.	1,018	1,200	1,200	1,200	0.00%
Donations (Misc)	9,292	1,500	3,465	6,300	81.82%
Sale of City Property	23,924	6,000	184,500	6,000	-96.75%
Subtotal	102,363	24,300	215,065	29,500	-86.28%
Other Financing Sources					
Transfers In	0	0	0	0	0.00%
Carryover	0	4,508,495	5,983,140	5,041,995	-15.73%
Other Financing Sources	0	0	0	0	0.00%
Lease Purchase	850,000	0	0	0	0.00%
Bond Proceeds	0	0	0	0	0.00%
Subtotal	850,000	4,508,495	5,983,140	5,041,995	-15.73%
Total Revenues	\$17,925,823	\$22,246,955	\$23,494,735	\$23,339,620	-0.66%

**General Fund Revenues
Fiscal Year 2016**



General Fund Revenues

Taxes	\$11,105,755
Licenses & Permits	336,100
Miscellaneous	29,500
Inter-Gov't	3,670,865
Fines & Forfeitures	215,000
Uses of Monies & Property	46,000
Charges for Services	2,894,405
Other Sources	0
Sub Total	18,297,625
Carryover Balance	5,041,995
Total General Fund Revenues	\$23,339,620

General Fund Revenues

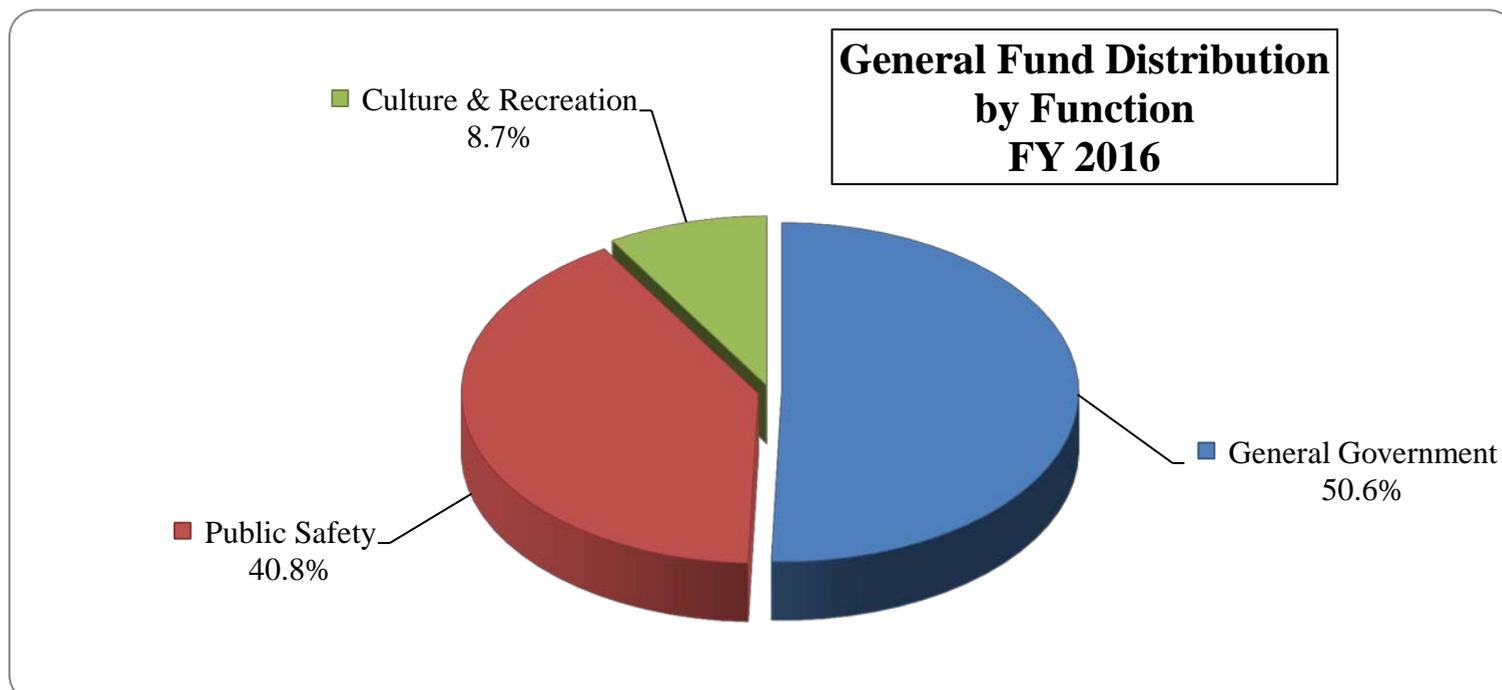
	Taxes	Licenses & Permits	Inter- Gov't'l	Charges for Services	Fines & Forfeitures	Uses of Monies & Property	Misc. Revenue	Other Sources
Franchise Taxes	\$377,620							
City Sales Tax	10,357,835							
Bed Tax	130,000							
Utility Tax	240,300							
Business Licenses		\$100,000						
Construction Permits		210,000						
Planning & Zoning Fees		26,100						
State Revenue Sharing			\$1,356,310					
State Shared Sales Tax			1,076,180					
M.V. Lieu Tax			667,580					
GIITEM Funds			71,330					
Pant Grant			175,000					
School Resource Officer/COC Shared Services			20,000					
Fire & Emergency Services Grants			57,500					
Miscellaneous Grants			44,575					
Police Grants			202,390					
Dispatch Fees				\$25,000				
Spillman Fees				453,750				
Animal Control Fees				4,000				
Recreation Fees/Rhythm & Ribs/10K Memorial Run/ Sizzilin Sa				31,300				
Thunder Valley Rally				4,000				
Old Town Historic Tour				2,600				
HURF - Indirect Cost				475,000				
Library - Indirect Cost				175,500				
Open/Close Graves				3,500				
Engineering Fees				5,500				
Plan Check Fees				4,500				
Tow Fee Revenues				16,200				
Transfer Station				130,000				
Pool Revenue				19,000				
Riverfront Park - Snack Bar				12,000				
Pool - Snack Bar Sales				4,000				
Batting Cage Revenues				0				
Pool - Swimming Lessons				16,900				
Community Garden				700				
Rec/Fees-Softball Tournament				32,500				
Recreation Center Fees				727,000				
Airport - Indirect Costs				50,000				
Sewer - Indirect Costs				250,030				
Water - Indirect Costs				450,000				
Sewer Accounting Fees				300				
Cemetery-Indirect Cost				1,125				
Court Fines					\$170,000			
Court Reimbursements					15,000			
Court Deferred Surcharge					30,000			
Building Rental						\$21,000		
Interest Income						25,000		
Other Income							\$7,200	
Donations							22,300	
Carryover								\$5,041,995
Lease Purchase Proceeds								0
Transfers In								0
Totals	\$11,105,755	\$336,100	\$3,670,865	\$2,894,405	\$215,000	\$46,000	\$29,500	\$5,041,995

Total General Fund Revenues Available \$23,339,620

Fiscal Year 2016 Budget
General Fund Disbursement Schedule

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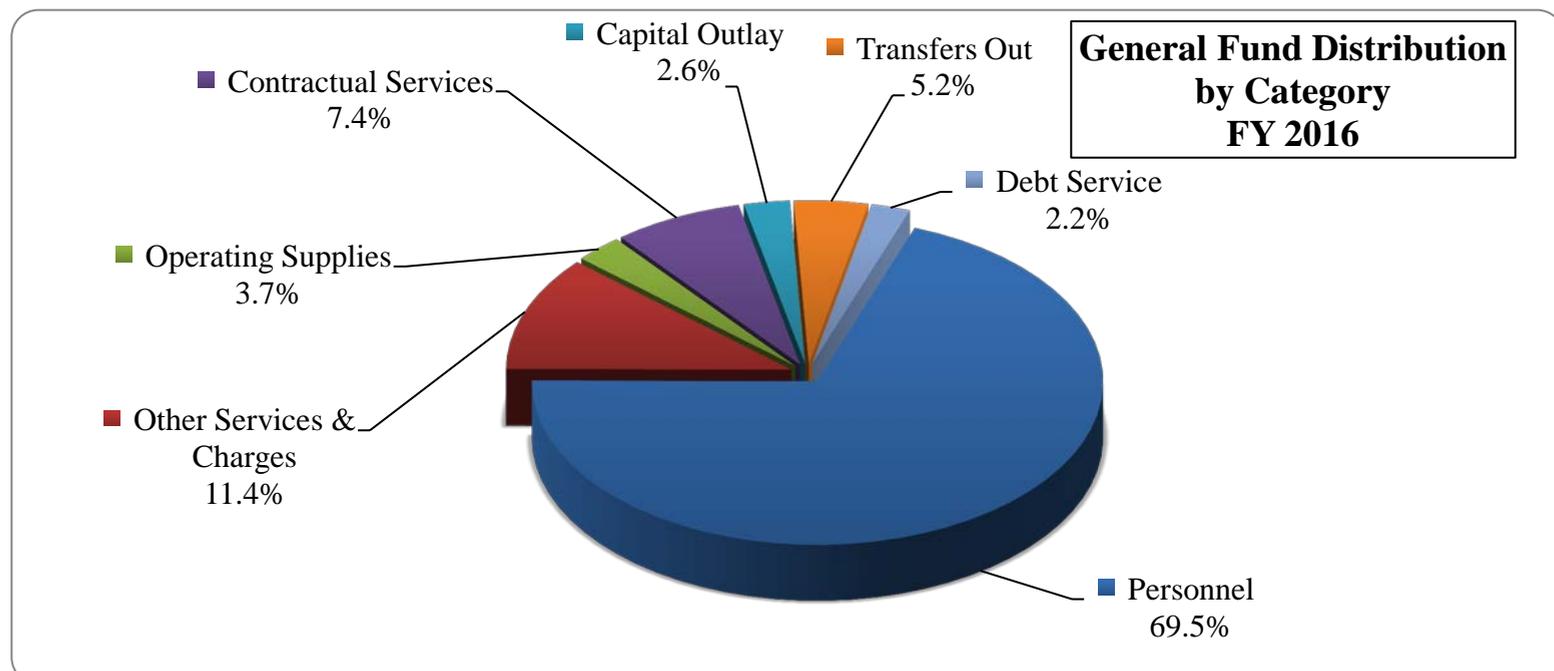
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
General Government					
Administration	\$849,512	\$876,795	\$864,325	\$734,220	-15.05%
Personnel	179,512	232,340	239,795	294,855	22.96%
City Council	534,130	4,151,520	650,740	4,006,355	515.66%
Natural Resource Project	160,383	150,345	151,180	155,350	2.76%
City Clerk	206,767	235,160	226,870	231,460	2.02%
Finance	351,009	377,815	356,140	424,675	19.24%
IT Services	240,313	374,070	434,770	517,380	19.00%
Purchasing	57,734	72,420	69,670	72,650	4.28%
Community Development	495,262	514,620	468,920	511,010	8.98%
Economic Development	210,480	240,140	219,385	236,505	7.80%
Municipal Court	468,072	491,175	505,005	569,445	12.76%
Legal	322,660	359,965	400,205	412,195	3.00%
Non-Departmental	1,903,490	1,662,110	1,689,030	1,707,785	1.11%
Engineering	346,173	414,580	427,485	421,125	-1.49%
Building Maintenance	529,223	499,440	398,115	765,870	92.37%
Custodial	133,616	132,000	195,700	225,510	15.23%
Public Works	469,707	542,330	515,365	512,645	-0.53%
Total General Government	7,458,043	11,326,825	7,812,700	11,799,035	51.02%
Public Safety					
Police	4,501,433	4,460,935	4,333,840	4,707,310	8.62%
Ordinance Enforcement	194,634	194,640	204,050	210,150	2.99%
Communications	745,999	1,155,220	1,218,965	1,668,390	36.87%
Fire	2,863,448	3,134,860	2,866,805	2,925,790	2.06%
Total Public Safety	8,305,514	8,945,655	8,623,660	9,511,640	10.30%
Culture & Recreation					
Parks & Recreation	689,807	626,900	649,315	816,075	25.68%
Recreation Center	1,384,904	1,347,575	1,367,065	1,212,870	-11.28%
Total Culture & Recreation	2,074,711	1,974,475	2,016,380	2,028,945	0.62%
Total General Fund Expenditures	\$17,838,267	\$22,246,955	\$18,452,740	\$23,339,620	26.48%



General Fund Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Operating Transfers	Debt Service	Restricted Reserves
General Government								
Administration	\$703,320	\$3,100	\$2,200	\$25,600	\$0	\$0	\$0	\$0
Personnel	194,405	3,400	68,750	28,300	0	0	0	0
City Council	48,580	1,550	210,000	83,425	5,000	0	0	3,657,800
City Clerk	207,680	3,450	680	19,650	0	0	0	0
Natural Resources	153,910	260	120	1,060	0	0	0	0
Finance	237,975	10,500	124,500	51,700	0	0	0	0
IT Services	375,180	7,100	54,000	11,100	70,000	0	0	0
Purchasing	67,300	900	1,800	2,650	0	0	0	0
Community Development	470,255	8,300	8,655	19,050	4,750	0	0	0
Economic Development	186,180	1,075	250	49,000	0	0	0	0
Municipal Court	409,995	8,300	66,950	84,200	0	0	0	0
Legal	234,220	125	170,000	7,850	0	0	0	0
Non-Departmental	0	0	3,500	444,000	0	826,810	433,475	0
Engineering Services	387,525	9,850	3,000	20,750	0	0	0	0
Building Maintenance	325,350	48,720	3,200	38,600	350,000	0	0	0
Custodial	0	0	225,510	0	0	0	0	0
Public Works	349,045	3,950	150,500	9,150	0	0	0	0
General Government Totals	4,350,920	110,580	1,093,615	896,085	429,750	826,810	433,475	3,657,800
Public Safety								
Police	4,051,670	241,000	27,000	374,240	13,400	0	0	0
Ordinance Enforcement	140,770	8,000	60,380	1,000	0	0	0	0
Communications	1,432,080	3,000	16,000	217,310	0	0	0	0
Fire	2,648,790	69,450	76,500	67,550	63,500	0	0	0
Public Safety Totals	8,273,310	321,450	179,880	660,100	76,900	0	0	0
Culture & Recreation								
Parks & Recreation	321,715	42,150	23,400	422,110	6,700	0	0	0
Recreation Center	736,450	62,840	149,830	263,750	0	0	0	0
Culture & Recreation Totals	1,058,165	104,990	173,230	685,860	6,700	0	0	0
General Fund Category Totals	\$13,682,395	\$537,020	\$1,446,725	\$2,242,045	\$513,350	\$826,810	\$433,475	\$3,657,800

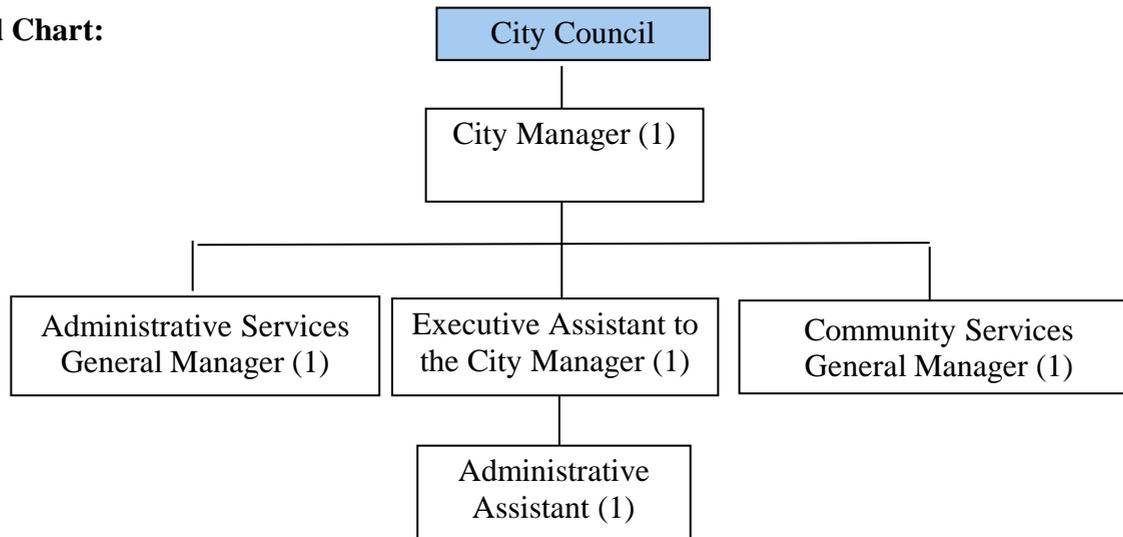
General Fund Expenditures	\$19,681,820
Anticipated Reserves	<u>3,657,800</u>
Total General Fund Budget	<u>\$23,339,620</u>



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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 2015 Accomplishments:

- * Further expansion of the holiday lighting display with permanent installation of the control system in the City Hall
- * Completion of the 12th Street Project construction
- * Completion of design and construction of the Regional Public Safety Communications Center
- * Completion of the re-branding project
- * Completion of the Old Town Jail/Jail Trail Kiosk
- * Creation of the Employee Focus Group to address employees' concerns and desires

FY 2016 Goals:

- * Construction of the Riverfront Reclamation Plant
- * Complete remodeling and construction of Riverfront Park restrooms
- * Complete annexation of 10 sections of State Trust Land
- * Continue expansion of holiday lighting display in Old Town
- * Complete reconstruction of Mingus Avenue

Budget Highlights:

For FY 2016, there is a significant decrease in Personnel costs due to a position elimination, which has led to a reassignment of duties in several departments. Even though there will be no Cost of Living Adjustment (COLA) for this budget year, the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. Merit increases have been budgeted; no capital outlay is programmed.

General Government		Administration		Fund 01 - General Fund		Cost Center		1100	
Performance Indicators									
Value Statement:	Communicate and actively listen								
Department Goal:	Continue implementation of a Citizen Participation Measurement and Benchmark System								
Objective:	Increase citizen participation in and awareness of City departments and activities								
Type of Measure:	Outcome								
Tool:	Citizen survey								
Frequency:	Biennial								
Scoring:	Increase in returned surveys								
Trend:	Up								
Measures:			Actual		Estimated		Anticipated		
			2013	2014	2015	2016			
Percentage Returned			N/A	10%	N/A	N/A			

Value Statement:	Be responsive and accountable								
Department Goal:	Continue implementation of a Citizen Participation Measurement and Benchmark System								
Objective:	Ascertain citizens satisfaction with deaprtments and focus on methods of improvement								
Type of Measure:	Outcome								
Tool:	Citizen survey								
Frequency:	Biennial								
Scoring:	Increase in returned surveys								
Trend:	Upward								
Measures:			Actual		Estimated		Anticipated		
			2013	2014	2015	2016			
Satisfaction Response Averages			N/A	4%	N/A	4.10%			

Value Statement:	Communicate and actively listen								
Department Goal:	Release public information notices and participate in televised outreach efforts								
Objective:	Increase citizens' knowledge and participation in City activities								
Type of Measure:	Outcome								
Tool:	Quantity of media releases and Inside Cottonwood TV shows								
Frequency:	Weekly and monthly respectively								
Scoring:	Increase outreach for publication/TV events								
Trend:	Upward								
Measures:			Actual		Estimated		Anticipated		
			2013	2014	2015	2016			
Media Outreach Events			45	60	62	70			

Value Statement:	Maintain a uniquely desirable and sustainable community								
Department Goal:	Increase the number of completed strategic initiative goals								
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								
Measures:			Actual		Estimated		Anticipated		
			2013	2014	2015	2016			
Goals Completed Percentage			55%	59%	58%	60%			

General Government Administration		Fund 01 - General Fund			Cost Center	1100
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$804,780	\$844,095	\$829,625	\$703,320	-15.22%	
Operating Supplies	4,723	2,575	6,100	3,100	-49.18%	
Contractual Services	5,408	2,025	2,100	2,200	4.76%	
Other Services and Charges	34,601	28,100	26,500	25,600	-3.40%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$849,512	\$876,795	\$864,325	\$734,220	-15.05%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$734,220	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
City Manager	1.00	1.00	1.00	11,613	17,113	\$157,529
Executive Assistant to CM	1.00	1.00	1.00	3,781	5,572	62,707
Administrative Svcs GM	1.00	1.00	1.00	8,253	12,162	127,652
Developmental Svcs GM	1.00	1.00	0.00	8,253	12,162	0
Community Services GM	1.00	1.00	1.00	8,253	12,162	122,911
Administrative Asst	1.00	1.00	1.00	2,559	3,771	32,985
COLA						0
Car Allowance						5,400
Merit Contingency						17,666
Temporary / Reserves						0
Overtime						0
Longevity						0
Retirement						60,430
Insurance & Taxes						116,040
Employee Related Expenses						0
Totals	6.00	6.00	5.00			\$703,320

General Government	Administration	Fund 01 - General Fund		Cost Center	1100
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	1,744	1,100	1,400	1,400	0.00%
Copier Supplies	2,589	1,100	4,300	1,500	-65.12%
Gas & Oil	7	25	300	0	-100.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	121	150	0	0	0.00%
Postage & Freight	262	200	100	200	100.00%
Total Supplies	4,723	2,575	6,100	3,100	-49.18%

Contractual Services

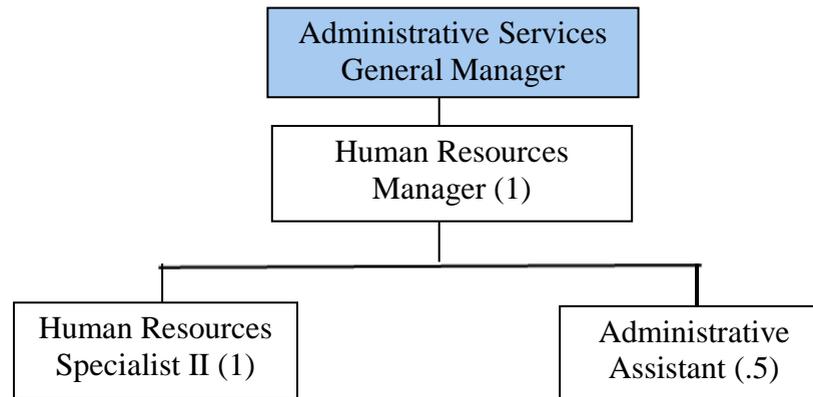
Computer Support	4,858	1,325	1,100	1,200	9.09%
Contractual Services	550	700	1,000	1,000	0.00%
Total Contractual Services	5,408	2,025	2,100	2,200	4.76%

Other Services and Charges

Travel & Training	524	1,000	1,000	1,000	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	383	1,100	1,100	1,100	0.00%
Printing & Forms	4,370	3,000	3,000	1,500	-50.00%
Utilities	6,838	7,500	6,500	7,500	15.38%
Telephone	9,598	6,500	5,900	6,000	1.69%
Legal Advertising	79	0	0	0	0.00%
Manager's Contingency	12,809	9,000	9,000	8,500	-5.56%
Total Other Services & Charges	34,601	28,100	26,500	25,600	-3.40%

Supplemental Data: Capital Outlay											
Item Description	2014	2015		2016							
	Actual	Budget	Revised	Adopted							
N/A											
<table border="1" style="width: 100%;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">\$0</td> <td></td> </tr> </table>							\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0							

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The Human Resources 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 2015 Accomplishments:

- * A safety consultant was hired in cooperation with the Town of Camp Verde to ensure compliance with current safety standards and keeping them updated
- * Successfully hosted in-classroom training for management on major disasters of any kind through Intermediate Incident Command System courses (MAG300 & MAG400) as required by the Department of Homeland Security
- * Successfully tracked required and recommended employee training on the new SafePersonnel program through the Arizona Municipal Risk Retention Pool (AMRRP)
- * Served as the City liaison with the AMRRP on Loss Control Audits of City facilities to conform with state and national safety standards
- * Trained staff on requirements for Certificates of Insurance to satisfy insurance liability requirements

FY 2016 Goals:

- * Streamline the application and hiring process by initiating the Applicant Tracking Module of the Springbrook software, an Enterprise Resource Planning software used by the City
- * Improve workplace, management and performance skills by providing specific employee training
- * Complete the revision of the Employee Manual to reflect current practices and regulations

Budget Highlights:

For FY 2016, there is a significant increase in the Personnel costs, due to merit increases and a position reclassification. Even though there will be no Cost of Living Adjustment (COLA), the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital outlay is being budgeted.

General Government	Human Resources Division	Fund 01 - General Fund	Cost Center	1210
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City Council Goal: Strive to provide effective and efficient services
Department Goal: To use City funds efficiently by minimizing expenditures for accidents, injuries and liability
Objective: Lower number of worker's compensation 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: Caution

	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Workers' compensation claims	19	22	25	23
Percent increase/decrease of workers' compensation claims	0%	16%	14%	-8%
Insurance claims/Incidents filed	19	13	17	17
Percent increase/decrease of insurance claims filed	0%	-32%	31%	0%

City Council Goal: Strive to provide effective and efficient services
Department 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 Department data
Frequency: Annual
Scoring: Increase/decrease from prior year
Trend: Positions filled = increase; turnover rate = level

	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Positions filled (FT, PT, Transfers)	83	104	110	115
Percent of new hires (FT) not completing orientation period	18%	5%	10%	15%
Employees (FT) leaving service	20	17	22	22
Turnover rate (FT)	10.00%	8.50%	10%*	12%*
Applications received (FT, PT, Transfers)	782	802	850	875

* Expect more turnover in coming years due to retirements

City Council Goal: Ensure for uncompromising integrity
Department Goal: Maintaining a work environment that is free of discrimination, harassment, intimidation and retaliation.
Objective: Prevent and correct 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
	2013	2014	2015	2016
Number of employee grievances to Personnel Board	0	0	1	1
Number of EEO complaints/Lawsuits	0	1	0	0
Complaints with substantiated findings	1*	0	0	0
Number of EEO complaints dismissed *	0	1**	0	0

* One case from 2009 closed in 2013; ** One complaint to HR in 2014; nothing substantiated during internal investigation.

General Government		Human Resources Division		Fund 01 - General Fund		Cost Center		1210	
Summary by Category									
Expenditure Category	2014		2015		2016		Percent Change		
	Actual	Budget	Revised	Adopted					
Personnel	\$139,134	\$180,840	\$168,895	\$194,405			15.10%		
Operating Supplies	3,439	4,700	3,050	3,400			11.48%		
Contractual Services	12,550	16,600	42,200	68,750			62.91%		
Other Services and Charges	24,389	30,200	25,650	28,300			10.33%		
Capital Outlay	0	0	0	0			0.00%		
Debt Service	0	0	0	0			0.00%		
Department Totals	<u>\$179,512</u>	<u>\$232,340</u>	<u>\$239,795</u>	<u>\$294,855</u>			<u>22.96%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$294,855	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	\$81,511
Human Resources Specialist	0.80	1.00	0.00	2,687	3,960	0
Human Resources Specialist II	0.00	0.00	1.00	3,781	5,572	45,367
Safety Training Specialist	0.00	1.00	0.00	4,825	7,111	0
Administrative Assistant	0.00	0.50	0.50	1,280	1,886	15,478
COLA						0
Emp of the Qtr/Year						650
Merit Contingency						3,334
Temporary / Reserves						0
Overtime						0
Longevity						0
Retirement						16,940
Insurance & Taxes						31,125
Employee Related Expenses						0
Totals	<u>1.80</u>	<u>3.50</u>	<u>2.50</u>			<u>\$194,405</u>

General Government	Human Resources Division	Fund 01 - General Fund		Cost Center	1210
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	1,048	1,500	1,000	1,000	0.00%
Copier Supplies	1,037	1,500	350	350	0.00%
Gas & Oil	71	300	700	700	0.00%
Vehicle Maintenance	417	400	500	750	50.00%
Equipment Maintenance and Supplies	446	500	100	200	100.00%
Postage & Freight	421	500	400	400	0.00%

Total Supplies	3,439	4,700	3,050	3,400	11.48%
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Contractual Services

Compensation Study	0	0	0	0	0.00%
Computer Support	7,362	8,000	6,200	6,500	4.84%
Employee Physicals	5,188	6,000	10,000	12,000	20.00%
Contractual Services	0	2,600	26,000	50,250	93.27%

Total Contractual Services	12,550	16,600	42,200	68,750	62.91%
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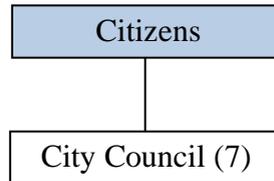
Other Services and Charges

Travel & Training	937	1,000	1,100	1,200	9.09%
Subscriptions & Memberships	368	400	400	400	0.00%
Training Supplies	114	200	100	200	100.00%
Printing & Forms	139	300	0	0	0.00%
Advertising	145	0	0	0	0.00%
Utilities	3,467	4,500	4,200	4,600	9.52%
Telephone	741	800	850	900	5.88%
Recruitment Expense	7,246	10,000	6,500	7,500	15.38%
Safety Committee	2,718	3,000	2,500	3,500	40.00%
Unemployment Insurance (City)	8,513	10,000	10,000	10,000	0.00%

Total Other Services & Charges	24,389	30,200	25,650	28,300	10.33%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
N/A					
	\$0	\$0	\$0	\$0	

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

In addition to their required duties, the Mayor and Council interact with local citizens on a regular basis. This requires their attendance to numerous community functions.

FY 2015 Accomplishments:

- * Completed a Council planning retreat and developed strategies to guide FY 2015 budget priorities
- * Completed the design and construction of the Regional Public Safety Communications Center
- * Marketed and expanded transit system
- * Continued rebranding of the City
- * Began renovation of the Civic Center with bathroom facility updates
- * Completed the design of the Riverfront Reclamation Facility
- * Completion of the Old Town Jail parking lot and construction of the Old Town Arch

FY 2016 Goals:

- * Work towards the completion of the City Council's 2016 Strategic Initiatives
- * Complete construction of the Riverfront Reclamation Facility
- * Continue to build a strong diversified economy which promotes local business through enhanced marketing, promoting the city's reputation as a business-friendly community
- * Complete the Civic Center's HVAC replacement and continue to develop plans and secure funding for the renovation of the Civic Center
- * Implementation of the City's rebranding plan
- * Complete road construction of 12th Street from SR 89A to Fir Street
- * Continue to expand and coordinate the transit system to increase services throughout the Verde Valley

Budget Highlights:

There are no significant changes to this budget. Included in the budget is \$20,000 for the Old Town Center for the Arts, \$10,000 for the Old Town Association, \$55,000 for the Verde Valley Senior Center and \$15,000 for the Building Better Community Grant of which \$5,000 is designated for the Walton Family Tourism Grant if the funding is received. Capital of \$5,000 is budgeted for trust land annexation.

General Government	City Council	Fund 01 - General Fund	Cost Center	1000
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Performance Indicators

Not Applicable: The Performance Indicators are gathered from the various departments for City Council's review

Supplemental Data: Capital Outlay

Item	2014	2015		2016
	Actual	Budget	Revised	Adopted
Council Chambers Broadcasting Equip Upgrade		\$3,120	\$3,120	
Library Parking Lot				
Old Town Parking			120,000	
Trust Land Annexation	\$2,318	500	6,000	\$5,000
Property Cleanup				
	\$2,318	\$3,620	\$129,120	\$5,000

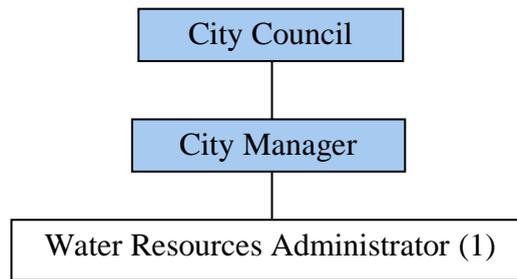
General Government		City Council		Fund 01 - General Fund		Cost Center	1000
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$48,704	\$59,220	\$48,585	\$48,580	-0.01%		
Operating Supplies	2,317	2,050	2,030	1,550	-23.65%		
Contractual Services	401,799	351,000	371,000	210,000	-43.40%		
Other Services and Charges	68,992	95,730	100,005	83,425	-16.58%		
Capital Outlay	2,318	3,620	129,120	5,000	-96.13%		
Reserves	10,000	3,639,900	0	3,657,800	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$534,130	\$4,151,520	\$650,740	\$4,006,355	515.66%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$338,555	8.45%
Grants	10,000	0.25%
Reserves/Fund Balance	3,657,800	91.30%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Mayor	1.00	1.00	1.00	750		\$9,000
Vice-Mayor	1.00	1.00	1.00	500		6,000
Council Members	5.00	5.00	5.00	500		30,000
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						3,580
Employee Related Expenses						0
Totals	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>			<u>\$48,580</u>

General Government	City Council	Fund 01 - General Fund		Cost Center	1000
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Supplies					
Office Supplies	853	500	500	500	0.00%
Copier Supplies	1,408	1,500	1,500	1,000	-33.33%
Postage & Freight	56	50	30	50	66.67%
Total Supplies	2,317	2,050	2,030	1,550	-23.65%
Contractual Services					
Main Street Program & OTA	15,000	10,000	10,000	10,000	0.00%
Large Item Pick-up	5,175	6,000	6,000	5,000	-16.67%
Recycle Program	8,704	0	0	0	0.00%
Rodeo Drive St. Reimbursement	317,920	280,000	300,000	140,000	-53.33%
Verde Valley Senior Center	55,000	55,000	55,000	55,000	0.00%
Total Contractual Services	401,799	351,000	371,000	210,000	-43.40%
Other Services and Charges					
Travel & Training	5,348	7,000	7,000	6,000	-14.29%
Subscriptions & Memberships	11,492	13,500	13,500	12,500	-7.41%
Gas & Oil	372	800	100	300	200.00%
Vehicle Maintenance & Repair	210	500	225	225	0.00%
Computer Support	2,897	1,000	900	1,000	11.11%
Christmas Lights	7,335	10,000	12,500	0	-100.00%
Public Relations	1,809	3,000	2,000	1,500	-25.00%
Legal Advertising	512	650	0	0	0.00%
Parking Lot Lights	1,878	2,500	2,600	2,600	0.00%
Utilities	2,360	2,500	6,000	6,300	5.00%
Telephone	1,462	1,000	1,900	2,000	5.26%
Community Garden	547	1,000	1,000	500	-50.00%
Council Contingency	6,909	11,880	11,880	10,000	-15.82%
Annual Appreciation Event	762	400	400	500	25.00%
Youth Commission	4,100	4,000	4,000	4,000	0.00%
50 th Anniversary/Centennial Celebration	0	0	0	0	0.00%
Veterans Van	0	0	0	0	0.00%
Outside Agencies	20,000	20,000	20,000	20,000	0.00%
Growth Study & Analysis	0	0	0	0	0.00%
Birding Festival	1,000	1,000	1,000	1,000	0.00%
Building Community Grants	0	15,000	15,000	15,000	0.00%
Gardner Property	0	0	0	0	0.00%
Total Other Services & Charges	68,992	95,730	100,005	83,425	-16.58%
Reserves					
Carryover Restricted	0	2,539,900	0	2,557,800	0.00%
Accumulation Fund	0	1,000,000	0	1,000,000	0.00%
Undesignated	0	100,000	0	100,000	0.00%
Reserves for Capital/Programs	0	0	0	0	0.00%
.2% Sales Tax Excess Capital Reserve	0	0	0	0	0.00%
1% Sales Tax GF CIP	0	0	0	0	0.00%
Employee Merit Program (distributed in each dept.)	0	0	0	0	0.00%
Salary Plan Implementation	0	0	0	0	0.00%
	0	3,639,900	0	3,657,800	0.00%

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

This Program is under the direction of the City Manager and was initially established to explore and coordinate water policy and resolve water related issues with other communities in the region. The Verde Valley area communities are financially and politically supporting this program in its present state.

FY 2015 Accomplishments:

- * Participated in Legislative Study Committee efforts statewide as well as in Adjudication efforts related to sub-flow decision for the Verde River
- * Participated as a presenter at the Verde Valley SciTech Festival that informs residents about science, technology, engineering and math
- * Chaired the Technical Advisory Committee of the Northern Arizona Municipal Water Users Association (NAMWUA)
- * Applied for and received authorization to utilize CAP Trust monies for Phase II of the reclaimed water recharge project
- * Established a legislative tracking effort to monitor water related legislation, and as needed also testified in support as well as in opposition of it
- * Initiated first annual water conservation video contest in partnership with the Cottonwood Mingus Union High School

FY 2016 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 and complete reclaimed water recharge project
- * Continue K-8th grade water conservation education program in partnership with the Verde Natural Resource Conservation District (NRCD) Education Center

Budget Highlights:

This budget year shows an increase in Personnel costs because of the merit program. The COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages despite the fact that no Cost of Living Adjustment (COLA) will be implemented. No capital outlay has been programmed.

General Government	Natural Resources	Fund 01 - General Fund	Cost Center	1700
Performance Indicators				
City Council Goal:	Maintain a uniquely desirable and sustainable community			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Regional Water related meetings attended	55	55	40	40
Yavapai Water Board related meetings attended	36	30	15	2
Statewide Water Resource Development Meetings	30	30	20	20

City Council Goal:	Maintain a uniquely desirable and sustainable community			
Department Goal:	Provide guidance for long-term water planning, quantify the needed water resources and the necessary water conservation needed over time, and the utilization of reclaimed water			
Objective:	Collect, analyze and provide information in one location in order to provide the most cost effective, reliable service to the City's utility customers			
Type of Measure:	Output			
Tool:	Development of a comprehensive water resource conservation program and recharge project			
Frequency:	N/A			
Scoring:	Plan should be 100% completed by FY 2015			
Trend:	N/A - New Goal			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Completion of the Plan			100%	100%
Completion of Recharge			75%	100%

City Council Goal:	Maintain a uniquely desirable and sustainable community			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Summary Updates	21	25	25	25
Meetings with legislators and League of Cities legislative updates	20	20	20	20

General Government	Natural Resources	Fund 01 - General Fund			Cost Center	1700
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$144,334	\$147,620	\$149,790	\$153,910	2.75%	
Operating Supplies	167	250	210	260	23.81%	
Contractual Services	15,049	1,200	120	120	0.00%	
Other Services and Charges	832	1,275	1,060	1,060	0.00%	
Capital Outlay	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$160,383</u>	<u>\$150,345</u>	<u>\$151,180</u>	<u>\$155,350</u>	<u>2.76%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$155,350	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	\$115,467
COLA						0
Car Allowance						5,400
Merit Pay						963
Temporary / Reserves						0
Overtime						0
Retirement						13,970
Insurance & Taxes						18,110
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$153,910</u>

General Government	Natural Resources	Fund 01 - General Fund		Cost Center	1700
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	0	0	0	0	0.00%
Copier Supplies	164	250	200	250	25.00%
Postage & Freight	3	0	10	10	0.00%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maintenance	0	0	0	0	0.00%
Total Supplies	167	250	210	260	23.81%

Contractual Services

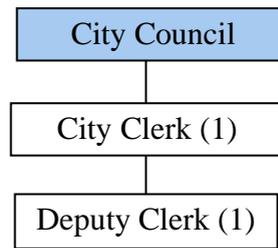
Contractual Services	14,949	1,100	0	0	0.00%
Computer Support	100	100	120	120	0.00%
Total Contractual Services	15,049	1,200	120	120	0.00%

Other Services and Charges

Travel & Training	0	100	0	0	0.00%
Subscriptions & Memberships	0	0	0	0	0.00%
Printing and Forms	0	0	0	0	0.00%
Utilities	112	125	100	100	0.00%
Telephone	720	1,050	960	960	0.00%
Total Other Services & Charges	832	1,275	1,060	1,060	0.00%

Supplemental Data: Capital Outlay									
Item Description	2014	2015		2016					
	Actual	Budget	Revised	Adopted					
N/A									
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> </table>						\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0						

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

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

FY 2015 Accomplishments:

- * Created electronic backup of paper municipal records (council meeting minutes, resolutions, and ordinances)
- * Successfully conducted General Plan update election and prepared publicity pamphlet for election
- * Created network file containing City ordinance for easy access and reference by City staff

FY 2016 Goals:

- * Create network file containing board and commission member information for easy reference by staff
- * Increase community participation in Cottonwood's Community Garden through community outreach and advertising

Budget Highlights:

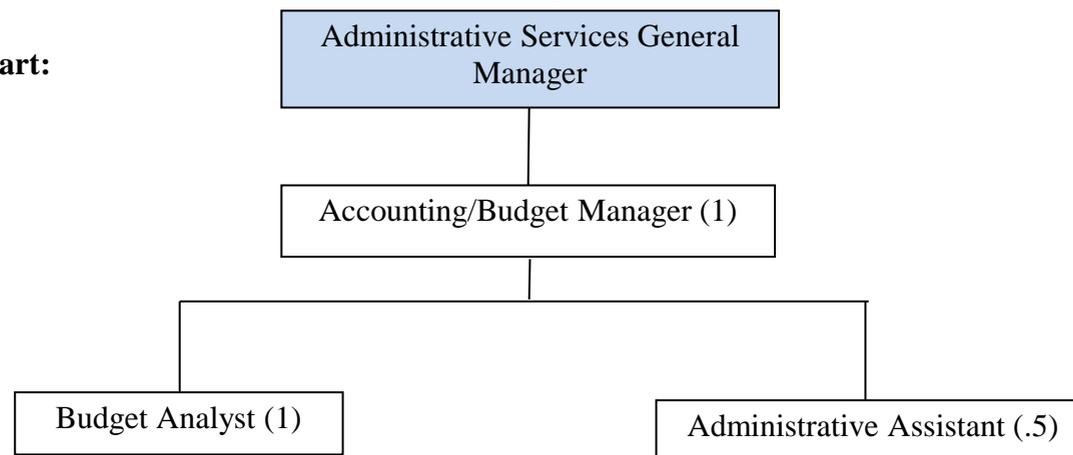
For the FY 2016 budget year, the merit program accounts for the increase in Personnel costs. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital outlay has been programmed.

General Government	City Clerk	Fund 01 - General Fund	Cost Center	1010
Performance Indicators				
Mission/Value Statement:	*Performances Indicators are still being developed for this department*			
City Council Goal:				
Department Goal:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

General Government		City Clerk		Fund 01 - General Fund		Cost Center		1010	
Summary by Category									
Expenditure Category	2014		2015		2016		Percent		
	Actual	Budget	Revised	Adopted	Change				
Personnel	\$192,677	\$202,430	\$197,920	\$207,680	4.93%				
Operating Supplies	4,947	4,300	3,000	3,450	15.00%				
Contractual Services	719	680	600	680	13.33%				
Other Services and Charges	8,424	27,750	25,350	19,650	-22.49%				
Capital Outlay	0	0	0	0	0.00%				
Debt Service	0	0	0	0	0.00%				
Department Totals	\$206,767	\$235,160	\$226,870	\$231,460	2.02%				

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$231,460	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
City Clerk	1.00	1.00	1.00	5,586	8,232	\$102,975
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	43,349
COLA						0
Merit Contingency						6,596
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						17,650
Insurance & Taxes						36,110
Employee Related Expenses						0
Totals	2.00	2.00	2.00			\$207,680

Finance Department**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 2015 Accomplishments:

- * Reached 11th anniversary of the City employee newsletter "*The Communiqué*"
- * Organized the City's Water and Sewer Rate Committee and implemented rate change for FY 2015
- * Obtained the 21st consecutive Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the department's Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2013 and compliance with all the new GASB requirements.
- * Finalized City-wide software conversion to the Springbrook Software and developed new processes for departments to use program modules specific to the execution of their functions
- * Department received 16th Distinguished Budget Presentation Award from the GFOA for FY2014
- * Successfully collaborated with the Water Infrastructure Finance Authority (WIFA) to refinance the 2004 Water Bonds obtaining a lower interest rate to reduce cost to the City
- * Successfully acquired bonding with Stifel, Nicolaus & Company, Incorporated to cover over \$11,000,000 for projects of the Streets, Water and Wastewater departments as well as General Fund projects. The bond funds will relieve the financial burden on the budget for FY 2016 by spreading the costs of these projects.

FY 2016 Goals:

- * Prepare and submit for the 23rd time, the City's CAFR to the GFOA to compete for the Certificate of Achievement in Excellence in Financial Reporting for FY2016
- * Prepare and submit for competition to obtain the 17th Distinguished Budget Presentation Award for the City's FY 2016 Annual Budget to the GFOA
- * Continue developing a new budget performance indicator plan to measure the department's performance
- * Research sources to obtain financing for projects
- * Start the implementation of data into the City-wide Springbrook software to comply with government information and comprehensive reporting requirements

Budget Highlights:

For FY 2016, Personnel cost show an increase due to the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital outlay has been programmed.

General Government	Finance	Fund 01 - General Fund	Cost Center	1200	
Performance Indicators					
City Council Goal: Strive to Provide Effective and Efficient Services					
Department Goal: To maintain external validation of Best Practices in governmental accounting and reporting					
Objective: Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award					
Type of Measure: Outcome					
Tool: Produce Documents and Submit for Review					
Frequency: Annual					
Scoring: Yes/No					
Trend: Level					
		Actual		Estimated	Anticipated
Measures:		2013	2014	2015	2016
GFOA Certificate of Achievement		Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award		Yes	Yes	Yes	Yes
City Council Goal: Strive to Provide Effective and Efficient Services					
Department 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:		2013	2014	2015	2016
Payroll Checks/Deposits Distributed		6,825	8,603	7,645	8,000
ACH Payroll Deposits		5,160	6,911	6,147	6,400
Increase in ACH Payroll Deposits		75.60%	80.33%	80.41%	80.00%
City Council Goal: Strive to provide effective and efficient services					
Department 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:		2013	2014	2015	2016
Accounts Payable Checks Written		5,493	5,143	5,228	5,350
Accounts Payable Checks voided (incl. vendor lost and printer errors)		96	178	109	55
Increase(decrease) in Accounts Payable		1.7%	3.5%	2.1%	1.0%
City Council Goal: Strive to provide effective and efficient services					
Department 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:		2013	2014	2015	2016
Sales Tax Audits Completed		8	6	5	5
Sales Tax Assessments		\$100,000	\$18,802	\$20,000	\$40,000
Verification Letters Issued (New Measure FY 2012)		N/A	20	15	30
Verification Letters Completed (New Measure FY 2012)		N/A	8	15	30

General Government		Finance Department		Fund 01 - General Fund		Cost Center		1200	
Summary by Category									
Expenditure Category	2014		2015		2016		Percent Change		
	Actual	Budget	Revised	Adopted					
Personnel	\$212,770	\$226,415	\$222,340	\$237,975			7.03%		
Operating Supplies	9,378	9,800	10,900	10,500			-3.67%		
Contractual Services	103,255	117,400	96,200	124,500			29.42%		
Other Services and Charges	25,606	24,200	26,700	51,700			93.63%		
Capital Outlay	0	0	0	0			0.00%		
Debt Service	0	0	0	0			0.00%		
Department Totals	\$351,009	\$377,815	\$356,140	\$424,675			19.24%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$424,675	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	\$95,085
Budget Analyst	1.00	1.00	1.00	3,781	5,572	57,289
Administrative Assistant	0.00	0.50	0.50	1,280	1,886	15,478
COLA						0
Merit Contingency						7,958
Temporary / Reserves						0
Overtime						1,000
Longevity						0
Retirement						20,280
Insurance & Taxes						40,885
Employee Related Expenses						0
Totals	2.00	2.50	2.50			\$237,975

General Government	Finance Department	Fund 01 - General Fund		Cost Center	1200
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	3,655	3,000	3,500	3,500	0.00%
Copier Supplies	1,170	1,500	1,100	1,200	9.09%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint/Repairs	0	0	0	0	0.00%
Equipment Maint/Repairs	446	800	800	800	0.00%
Postage & Freight	4,107	4,500	5,500	5,000	-9.09%
Total Supplies	9,378	9,800	10,900	10,500	-3.67%

Contractual Services

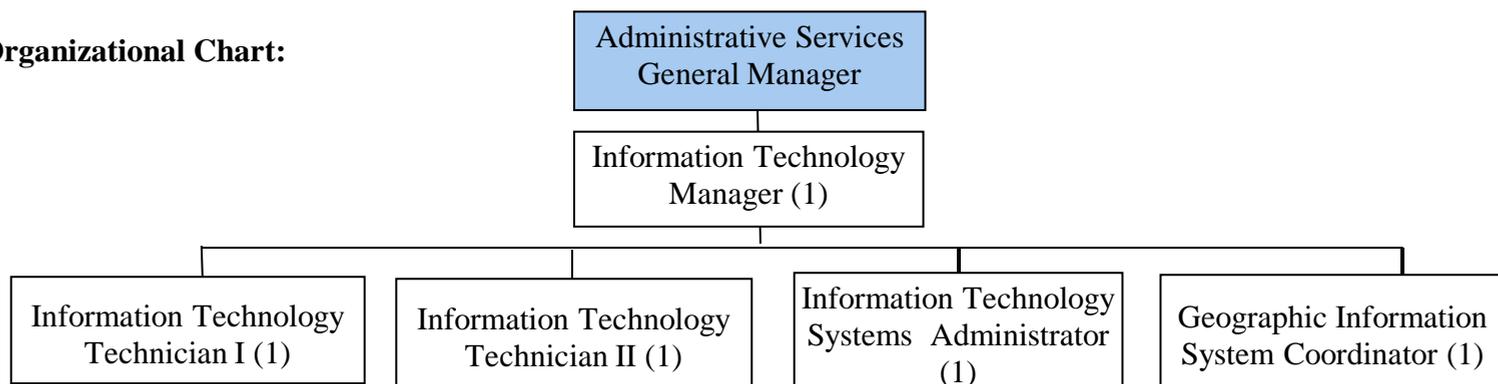
Computer Support	19,632	20,400	18,000	18,000	0.00%
Contractual Services	23,943	42,000	23,200	51,500	121.98%
Audit Expense	39,680	35,000	35,000	35,000	0.00%
Sales Tax Audits	20,000	20,000	20,000	20,000	0.00%
Total Contractual Services	103,255	117,400	96,200	124,500	29.42%

Other Services and Charges

Travel & Training	3,910	3,700	4,500	4,000	-11.11%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	1,672	1,500	1,700	1,700	0.00%
Printing & Forms	3,129	4,500	3,000	3,000	0.00%
Utilities	3,491	5,000	5,000	5,000	0.00%
Telephone	3,131	4,000	2,000	2,500	0.00%
Legal Advertising	347	2,000	3,000	3,000	0.00%
State Annual Municipality Fee	0	0	0	24,000	0.00%
Bank Charges	9,926	3,500	7,500	8,500	25.00%

Total Other Services & Charges	25,606	24,200	26,700	51,700	93.63%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
N/A					
\$0 \$0 \$0 \$0					

IT Services**Organizational Chart:**

Note: Only unshaded boxes are included in this budget.

General Information:

Information Technology (IT) 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 2015 Accomplishments:

- * Following extensive technological planning, a new computer systems network was setup for the newly built Regional Public Safety Communications Center that included many components such as network switches, firewall, 25 computers, 40 monitors, Voice over IP (VoIP) phone system and multiple servers
- * Upgraded existing frame relay circuits to Point-to-Point Virtual Private Network (VPN) connections with the agencies that subscribe to the Police Department since the existing frame relays are no longer supported by the City's telecommunications carrier
- * Upgraded the telecommunications software of the Police Department, Fire Department and Municipal Court to the Microsoft Lync VoIP phone system allowing for easier communication with other City departments and lower cost for the City in the future
- * Successfully deployed Wi-Fi to all City buildings

FY 2016 Goals:

- * Enable users to employ instant messaging features and dialing other City employees directly from Microsoft Outlook by migrating all phones from the current SIPX VoIP system to the Microsoft Lync VoIP phone system
- * Allow for effective access to user mailboxes and retrieval of single messages through the utilization of robuster and user-friendlier e-mail logging and archiving systems
- * Optimize speed and traffic flow by rebuilding and reprogramming the City network
- * Improve online presence through a rebuilt and redesign of the current City's website

Budget Highlights:

This budget year, there is a significant increase in Personnel costs due to the addition of two new positions, an ITS administrator and GIS Coordinator, and the current merit program. The COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages despite the fact that no Cost of Living Adjustment (COLA) has been granted. Capital outlay has been programmed in the amount of \$70,000 for servers, website design and computers.

General Government	IT Services	Fund 01 - General Fund	Cost Center	1220
Performance Indicators				

City Council Goal: Strive to provide effective and efficient services
Department 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: Improved

	Actual		Estimated	Anticipated
	2013	2014	2015	2016
File Server Uptime	99.00%	99.95%	99.95%	99.95%
Email Server Uptime		98.50%	99.00%	99.00%

City Council Goal: Strive to provide effective and efficient services
Department 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
	2013	2014	2015	2016
Average Initial Helpdesk Response Time	1 day	1 day	1 day	1 day

City Council Goal: Strive to provide effective and efficient services
Department 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
	2013	2014	2015	2016
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	1220
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$201,113	\$257,860	\$289,660	\$375,180	29.52%	
Operating Supplies	2,184	7,550	7,400	7,100	-4.05%	
Contractual Services	13,045	53,000	86,500	54,000	-37.57%	
Other Services and Charges	9,172	14,300	9,850	11,100	12.69%	
Capital Outlay	14,799	41,360	41,360	70,000	69.25%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$240,313	\$374,070	\$434,770	\$517,380	19.00%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$517,380	100.00%
Total Funding		100.00%

Supplemental Data: Personnel							
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016	
	2014	2015	2016	Minimum	Maximum	Budget	
IT Manager	1.00	1.00	1.00	6,790	10,006	\$87,722	
IT Systems Administrator	0.00	0.00	1.00	4,596	6,772	28,950	
IT GIS Coordinator	0.00	0.00	1.00	3,429	5,054	32,405	
IT Technician II	1.00	1.00	1.00	3,781	5,572	46,871	
IT Technician I	1.00	1.00	1.00	3,429	5,054	42,512	
COLA						0	
Merit Contingency						7,710	
Longevity						0	
Temporary / Reserves						30,000	
Overtime						5,000	
Holiday Pay						500	
Retirement						28,870	
Insurance & Taxes						64,640	
Employee Related Expenses						0	
Totals	3.00	3.00	5.00			\$375,180	

General Government	IT Services	Fund 01 - General Fund		Cost Center	1220
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	1,566	6,000	6,000	5,500	-8.33%
Copier Supplies	0	350	0	0	0.00%
Gas & Oil	266	400	550	500	-9.09%
Vehicle Maintenance & Repair	85	500	450	500	11.11%
Equipment Maint/Repairs	183	300	0	300	0.00%
Printing & Forms	0	0	0	0	0.00%
Postage & Freight	84	0	400	300	-25.00%

Total Supplies	2,184	7,550	7,400	7,100	-4.05%
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Contractual Services

Computer Support	3,634	38,000	72,000	45,000	-37.50%
Bank Charges	3	0	0	0	0.00%
Contractual Services	9,408	15,000	14,500	9,000	-37.93%

Total Contractual Services	13,045	53,000	86,500	54,000	-37.57%
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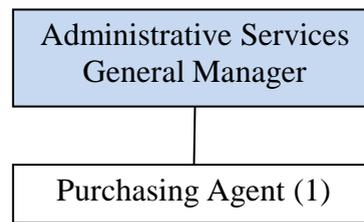
Other Services and Charges

Travel & Training	0	500	400	600	50.00%
Subscriptions & Memberships	1,026	500	500	500	0.00%
Utilities	5,518	7,300	5,750	6,600	14.78%
Telephone	2,628	6,000	3,200	3,400	6.25%

Total Other Services & Charges	9,172	14,300	9,850	11,100	12.69%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Servers - File and Email Retention Server				\$18,000	
City Wifi		\$16,000	\$16,000		
Ipad, Laptops	\$14,799				
Computers - City Wide		25,360	25,360	37,000	
Website Design				15,000	
	\$14,799	\$41,360	\$41,360	\$70,000	

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 2015 Accomplishments:

- * Successfully integrated business registration data into the recently implemented City-wide Enterprise Resource Planning software (ERP)
- * Streamlined the business registration renewal process which significantly reduced the processing time for
- * A more centralized purchasing process has been developed which enabled the procurement of new City-wide contracts, required according to purchasing policies but not previously in effect
- * Assisted the Water Department in acquiring water treatment chemicals at a discounted cost by utilizing a new bulk-delivery method
- * Refined the negotiation process for obtaining contracts with National Performers by reaching out to larger procurement departments in the state for assistance which led to a notable timesaving for the City attorney and departments

FY 2016 Goals:

- * Explore the possibilities for bulk purchases for commonly used items within the City by analyzing the dollar amounts spent with and quantity ordered annually from vendors
- * Develop and finalize a new City-wide purchasing/procurement policy
- * Provide training to local contractors in the Design/Build procurement process to make them familiar with submitting proposals for Design/Build solicitations

Budget Highlights:

For FY 2016, Personnel costs show an increase due to the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital outlay has been programmed.

General Government	Purchasing	Fund 01 - General Fund	Cost Center	1230	
Performance Indicators					
City Council Goal: Operating in an efficient and effective manner					
Department 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% = Above Average; 95% = Average; 90% = Below Average; 85% or below = Poor					
Trend: N/A - New Measure					
Measures:					
		2013	2014	2015	2016
Percentage of requisitions processed into purchase orders within a 24 hour time period after the requisition has been approved.		98%	95%	95%	97%
City Council Goal: Operating in an efficient and effective manner					
Department Goal: To process formal solicitation requests within three (3) weeks of receiving specifications. Final approval from the originating department and legal is required prior to publication.					
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% = Above Average; 85% = Average; 80% = Below Average; 75% or below = Poor					
Trend: Up					
Measures:					
		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Percentage of formal solicitation requests processed within two (3) weeks of receiving completed specifications.		56%	75%	80%	85%
City Council Goal: Be Innovative					
Department Goal: Have local businesses comply with business registration requirement.					
Objective: To increase number of local businesses registering their business as required by Municipal Code by educating 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 calendar year.					
Trend: New Measure FY 2011					
Measures:					
		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Registrations		1,433	1,299	1,400	1,475

General Government		Purchasing		Fund 01 - General Fund		Cost Center	1230
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$53,999	\$67,370	\$65,320	\$67,300	3.03%		
Operating Supplies	959	1,325	500	900	80.00%		
Contractual Services	1,623	1,625	1,800	1,800	0.00%		
Other Services and Charges	1,153	2,100	2,050	2,650	29.27%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$57,734</u>	<u>\$72,420</u>	<u>\$69,670</u>	<u>\$72,650</u>	<u>4.28%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$72,650	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Purchasing Agent	1.00	1.00	1.00	3,970	5,850	\$48,974
COLA						0
Merit Contingency						406
Temporary / Reserves						0
Longevity Pay						0
Retirement						5,660
Insurance & Taxes						12,260
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$67,300</u>

General Government	Purchasing	Fund 01 - General Fund		Cost Center	1230
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	428	500	150	300	100.00%
Copier Supplies	318	500	250	500	100.00%
Postage & Freight	14	25	25	25	0.00%
Vehicle Maintenance & Repair	0	0	0	0	0.00%
Equipment Maint/Repairs	199	300	75	75	0.00%
Total Supplies	959	1,325	500	900	80.00%

Contractual Services

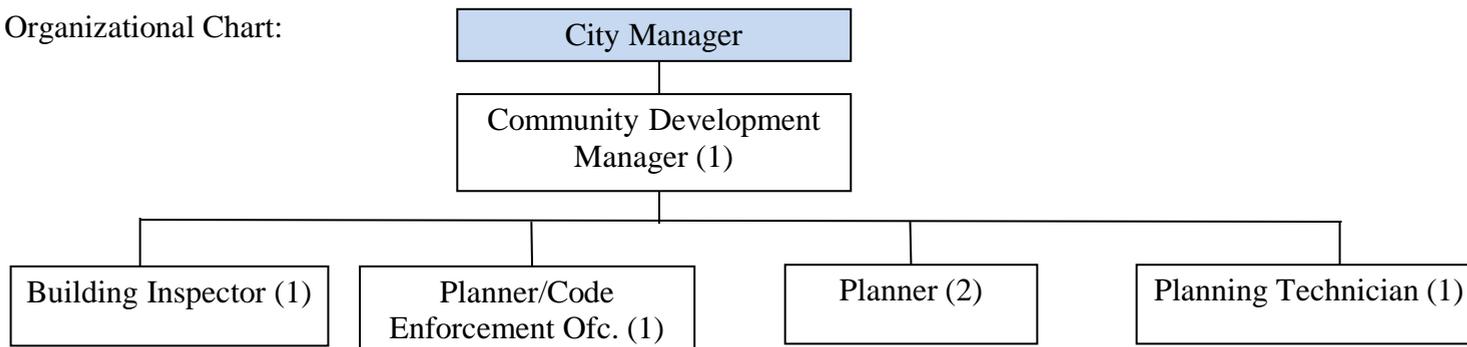
Computer Support	1,623	1,625	1,700	1,700	0.00%
Contractual Services	0	0	100	100	0.00%
Total Contractual Services	1,623	1,625	1,800	1,800	0.00%

Other Services and Charges

Travel & Training	389	500	200	700	250.00%
Subscriptions & Memberships	302	550	500	500	0.00%
Printing & Forms	0	150	0	0	0.00%
Utilities	346	400	450	500	11.11%
Telephone	116	300	900	950	11.11%
Legal Advertising	0	200	0	0	0.00%
Total Other Services & Charges	1,153	2,100	2,050	2,650	29.27%

Supplemental Data: Capital Outlay											
Item Description	2014	2015		2016							
	Actual	Budget	Revised	Adopted							
N/A											
<table border="1" style="width: 100%;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">\$0</td> <td></td> </tr> </table>							\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0							

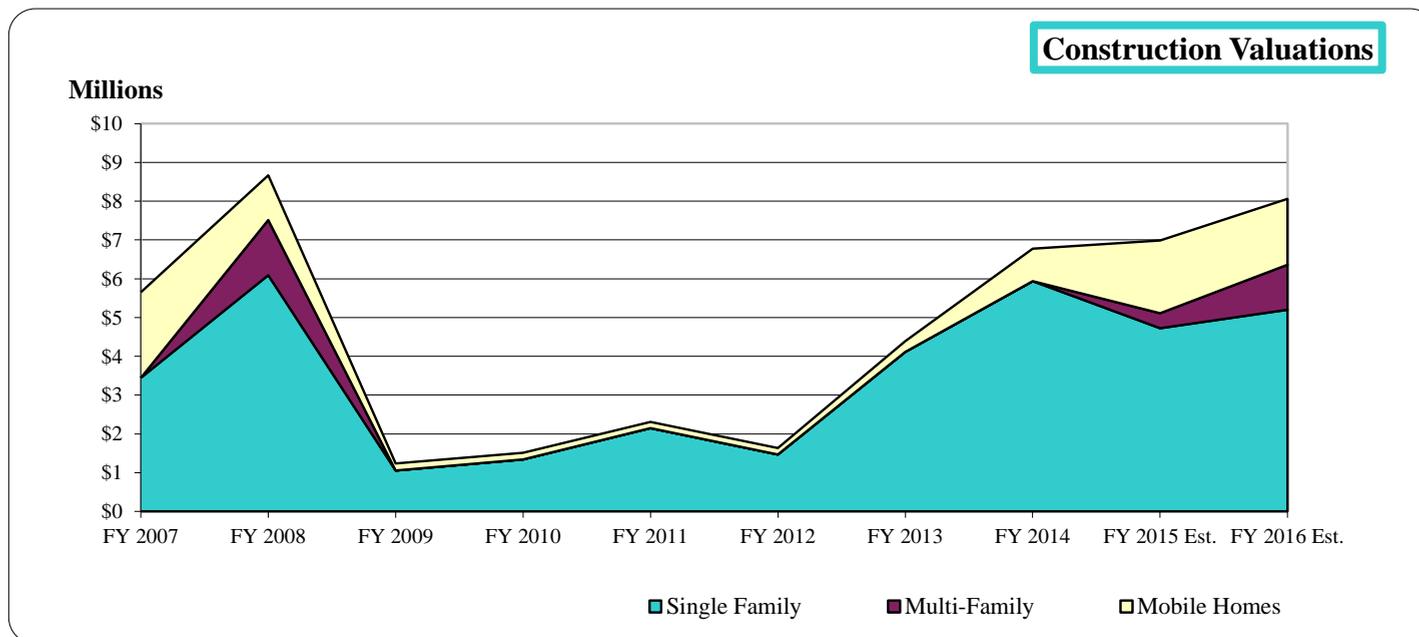
Organizational Chart:



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 2015 Accomplishments:

- * Reviewed and processed proposals for new construction that will have an impact on the local economy and citizen's quality of life; they include Galpin RV Dealership, Taylor-Padgett Financial Group, Mesquite Hills (part 2 of phase 1), Ridgecrest Townhomes, Immaculate Conception School, Kidzaam Dentistry and Old Town Dental
- * Successfully conducted preliminary planning meetings to make the 89A/Vine (previously known as Bella Montana) subdivision development ready
- * Created new and revised existing all-encompassing maps (street map, flood map and historic district maps) that will better assist staff in responding to citizens' questions and concerns about street locations, flood plains and potential flood hazard areas, and historic districts within the city limits
- * Revised the Design Review regulations that will allow for less costly submission of design proposals by builders and contractors; also revised sign permit applications to satisfy state contractors licensing requirements
- * Amended sign ordinance to accommodate electric message display signs as approved by Council
- * Adoption of the City's General Plan which took 2.5 years to complete
- * The Historic Preservation Commission received the Certified Local Government (CLG) status from the State Historic Preservation Office (SHPO) which gives the community more autonomy to make local historic preservation decisions
- * The Historic Preservation Commission conducted the city's inaugural Historic Home and Building Tour; the Cottonwood Civic Center and Old Cottonwood Jail were designated as Historic Landmarks.

FY 2016 Goals:

- * Per agreement by the City and the County Assessor's Office, move ahead with the annexation of 13 properties in an effort to more clearly define the city's boundaries
- * Update Zoning Ordinance to reflect regulation changes and clarify existing ordinances
- * Create a one shop stop for customer convenience to acquire various permits

Budget Highlights:

For FY 2016, there is a significant increase in Personnel costs due to a reclassification of Planning Technician and the addition of a new position (Planner/Code Enforcement Officer). No Cost of Living Adjustment (COLA) will take place but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. Merit increases also impact the Personnel cost. Capital (\$4,750) has been budgeted for software.

General Government	Community Development	Fund 01 - General Fund	Cost Center	1400
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Performance Indicators				
City Council Goal: Strive to maintain a uniquely desirable and sustainable community				
Department Goal: Enhancements to web, GIS and tracking of permits & enforcement				
Objective: Upgrade staff technologies				
Type of Measure: Acquisition and installation				
Tool: Purchasing				
Frequency: 5 yrs				
Scoring: N/A				
Trend: N/A				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Percent of Completion	50%	50%	75%	100%

City Council Goal: Strive to maintain a uniquely desirable and sustainable community				
Department 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				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Percent of Completion	40%	95%	100%	N/A

City Council Goal: Strive to maintain a uniquely desirable and sustainable community				
Department Goal: Codes for Historic Dist Zoning, Green Development, & Bronze Bicycle Classification (in 2014, the latter falls under the jurisdiction of P&R)				
Objective: Current emphasis: environment, historic preservation, bicycle plan (as of 2014, the latter falls under P&R)				
Type of Measure: Adoption of these codes				
Tool: Process Calendars				
Frequency: Continuous				
Scoring: 100% BY 2014				
Trend: N/A				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Percent of Completion	N/A	100%	100%	N/A

City Council Goal: Strive to maintain a uniquely desirable and sustainable community				
Department 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 Goal has been abandoned				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Percent of Completion	50%	0%	N/A	N/A

General Government		Community Development		Fund 01 - General Fund		Cost Center	1400
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$463,611	\$487,320	\$437,055	\$470,255	7.60%		
Operating Supplies	7,583	8,600	6,600	8,300	25.76%		
Contractual Services	7,297	1,700	6,815	8,655	27.00%		
Other Services and Charges	16,771	17,000	18,450	19,050	3.25%		
Capital Outlay	0	0	0	4,750	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$495,262</u>	<u>\$514,620</u>	<u>\$468,920</u>	<u>\$511,010</u>	<u>8.98%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$511,010	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Community Development Manager	1.00	1.00	1.00	5,320	7,840	\$79,777
Planner	2.00	2.00	2.00	4,168	6,143	126,334
Planner/Code Enforcement Officer	0.00	0.00	1.00	3,266	4,813	30,861
Senior Administrative Assistant	1.00	1.00	0.00	2,962	4,365	0
Planning Technician	0.00	0.00	1.00	2,962	4,365	38,372
Building Official	1.00	1.00	0.00	4,168	6,143	0
Building Inspector	1.00	1.00	1.00	3,266	4,813	45,277
COLA						0
Merit Contingency						8,189
Longevity Pay						0
Car Allowance						5,400
Temporary / Reserves						10,000
Overtime						2,205
Retirement						38,590
Insurance & Taxes						85,250
Employee Related Expenses						0
Totals	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>			<u>\$470,255</u>

General Government	Community Development	Fund 01 - General Fund		Cost Center	1400
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	2,571	1,800	1,300	1,800	38.46%
Copier Supplies	1,398	1,500	800	1,000	25.00%
Postage & Freight	1,578	2,000	1,000	1,000	0.00%
Gas & Oil	1,080	1,300	1,500	2,000	33.33%
Vehicle Maint & Repairs	933	2,000	2,000	2,500	25.00%
Equipment Maint & Repairs	23	0	0	0	0.00%

Total Supplies	7,583	8,600	6,600	8,300	25.76%
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Contractual Services

Contractual Services	3,437	500	3,500	5,000	42.86%
Computer Support	3,860	1,200	3,315	3,655	10.26%

Total Contractual Services	7,297	1,700	6,815	8,655	27.00%
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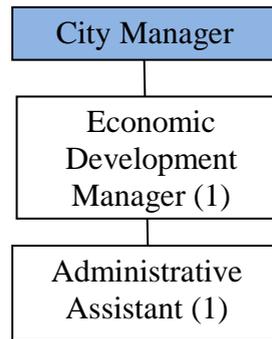
Other Services and Charges

Travel & Training	312	2,600	2,000	3,600	80.00%
Subscriptions & Memberships	1,352	1,100	1,600	1,600	0.00%
Printing & Forms	632	750	400	750	87.50%
Utilities	7,739	6,600	9,700	6,600	-31.96%
Telephone	2,795	2,750	3,750	4,000	6.67%
Legal Advertising	3,071	2,600	1,000	2,500	150.00%
General Plan Expense	870	600	0	0	0.00%

Total Other Services & Charges	16,771	17,000	18,450	19,050	3.25%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Computer Software (ArcGis)				\$4,750	
	\$0	\$0	\$0	\$4,750	

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 2015 Accomplishments:

- * Graduated two businesses at the Business Assistance Center (BAC): Vetraplex and Law Offices of Alice Vacek Aranda, PLLC
- * Completed phase I of branding project (new logo)
- * Fully utilized the available leasable space at the BAC
- * Fully executed Focus on Success I (5-year economic development plan)
- * Completed draft planning for Focus on Success II (5-year economic development plan)
- * Provided and participated in economic development events and project by actively partnering with local, state and national agencies and selected organizations

FY 2016 Goals:

- * Recruit new businesses based on the industry clusters identified in the Focus on Success II draft plan
- * Finalize the development of a non-profit Arts & Culture Commission
- * Complete City of Cottonwood's new branding through the integration of marketing materials and updating of City's website

Budget Highlights:

The most significant change in this budget is in Personnel costs due to the merit program. No Cost of Living Adjustment (COLA) is being implemented, but all salary ranges are increased by the COLA percentage of 1.7 to maintain competitive wages. There is no capital budgeted for FY 2016.

General Government	Economic Development	Fund 01 - General Fund	Cost Center	6000
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Performance Indicators

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Number of businesses retained	5	10	10	10
Number of expansions	10	15	15	15

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Unemployment Rate (Yavapai County)	9%	8%	5%	5%
Number of new businesses	10	10	10	10

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Number of business people using facility	300	300	300	300
Number of leases (maximum occupancy 4 businesses)	4	3	3	3
Number of satisfied trainees	250	250	200	200

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Number of Leads from Arizona Commerce Authority	10	3	5	N/A
Grant dollars received	\$200,000	\$50,000	\$60,000	N/A

General Government	Economic Development	Fund 01 - General Fund		Cost Center	6000
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$170,657	\$180,240	\$176,860	\$186,180	5.27%
Operating Supplies	1,245	1,700	775	1,075	38.71%
Contractual Services	308	600	250	250	0.00%
Other Services and Charges	35,878	57,600	41,500	49,000	18.07%
Capital Outlay	2,392	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$210,480</u>	<u>\$240,140</u>	<u>\$219,385</u>	<u>\$236,505</u>	<u>7.80%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$236,505	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Economic Development Manager	1.00	1.00	1.00	6,159	9,076	\$96,993
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	34,304
COLA						0
Merit Contingency						5,303
Longevity						0
Temporary / Reserves						0
Overtime						500
Retirement						15,730
Insurance & Taxes						33,350
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$186,180</u>

General Government	Economic Development	Fund 01 - General Fund		Cost Center	6000
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	985	750	400	700	75.00%
Copier Supplies	64	750	250	250	0.00%
Postage & Freight	98	100	25	25	0.00%
Gas & Oil	98	100	100	100	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%

Total Supplies	1,245	1,700	775	1,075	38.71%
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Contractual Services

Computer Support	308	600	250	250	0.00%
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Total Contractual Services	308	600	250	250	0.00%
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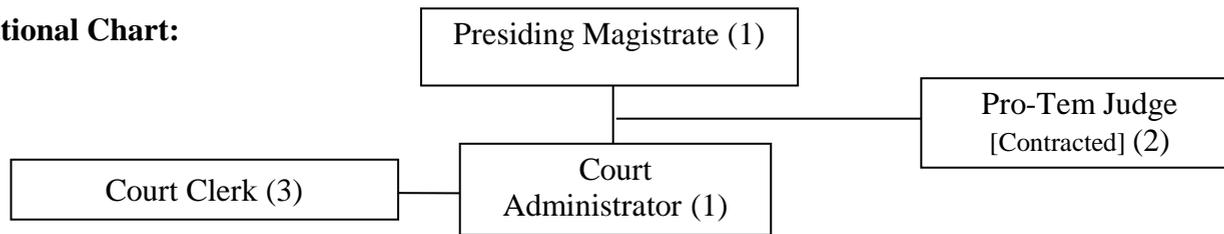
Other Services and Charges

Travel & Training	2,311	2,000	2,500	2,500	0.00%
Continuing Education	0	0	0	0	0.00%
Subscriptions & Memberships	2,529	2,000	1,500	1,500	0.00%
Printing & Forms	0	500	0	0	0.00%
Utilities	10,804	12,000	11,000	11,000	0.00%
Telephone	1,187	1,100	1,500	1,500	0.00%
Legal Advertising	95	0	0	0	0.00%
Focus on Success	18,952	40,000	25,000	32,500	30.00%

Total Other Services & Charges	35,878	57,600	41,500	49,000	18.07%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Copier					
Computer					
City Branding					
Furniture	\$2,392				
	\$2,392	\$0	\$0	\$0	

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 2015 Accomplishments:

- * Revenues increased as a whole and on a per case basis despite a slight decrease of 6.8% in filings from FY 2013 to FY 2014
- * Disposition to filings or clearance ratio increased from 0.973 for FY 2013 to 1.10 for FY 2014. This is expected to be the same or higher for FY 2015

FY 2016 Goals:

- * Digitization of Court's records for effective document management and on-demand access
- * Continue to work towards reducing the number of old outstanding warrants

Budget Highlights:

For FY 2016, Personnel costs show an increase due to the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital outlay has been programmed.

General Government	Municipal Court	Fund 01 - General Fund	Cost Center	1310
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Performance Indicators				
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Promote public confidence in the court and 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:	Increase/decrease from prior year			
Trend:	Rating of 90 - 100%			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
National Center for State Courts (NCSC) Court Tools Survey Measure 1				
Access & Fairness Survey				
	90%	90%	84%	90%

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Promote efficient and effective administration of justice by managing cases in compliance with all legal requirements			
Objective:	Measure case filings and terminations to clearance rates			
Type of Measure:	Number of filings to term			
Tool:	Calculate total incoming cases divided by total outgoing cases			
Frequency:	Annual			
Scoring:	Increase/decrease from prior year			
Trend:	Clearance rate of 90 - 100%			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
National Center for State Courts (NCSC) Court Tools Measure 2				
Clearance rates				
	105%	104%	*108%	*100%
*January and February only				

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Provide timely service and enforcement of court order by continuously improving operational efficiency processing			
Objective:	Measure payments collected as a percentage of total monetary penalties			
Type of Measure:	Number of payments to total receivables			
Tool:	Calculation of total incoming payments divided by outstanding receivables			
Frequency:	Annual (each calendar year)			
Scoring:	Increase/decrease from prior year			
Trend:	Rating of 90 - 100%			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
National Center for State Courts (NCSC) Court Tools Measure 7				
Collection of Monetary Penalties				
	88%	90%	100%	100%

General Government		Municipal Court		Fund 01 - General Fund		Cost Center		1310	
Summary by Category									
Expenditure Category	2014		2015		2016		Percent Change		
	Actual	Budget	Revised	Adopted					
Personnel	\$355,101	\$382,760	\$374,772	\$409,995			9.40%		
Operating Supplies	6,630	7,000	7,050	8,300			17.73%		
Contractual Services	71,633	50,150	81,950	66,950			-18.30%		
Other Services and Charges	34,708	51,265	41,233	84,200			104.21%		
Capital Outlay	0	0	0	0			0.00%		
Debt Service	0	0	0	0			0.00%		
Department Totals	\$468,072	\$491,175	\$505,005	\$569,445			12.76%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$569,445	100.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Presiding Magistrate	1.00	1.00	1.00	Contract		\$112,812
Court Administrator	1.00	1.00	1.00	4,377	6,450	60,476
Court Clerk II	0.00	1.00	1.00	2,821	4,158	38,984
Court Clerk I	3.00	2.00	2.00	2,559	3,771	73,738
COLA						0
Merit Contingency						6,060
Longevity						0
Temporary / Reserves/Pro Temp						15,100
Overtime						0
Retirement						33,500
Insurance & Taxes						69,325
Employee Related Expenses						0
Totals	5.00	5.00	5.00			\$409,995

General Government	Municipal Court	Fund 01 - General Fund		Cost Center	1310
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	3,814	4,000	3,200	4,400	37.50%
Copier Supplies	482	450	450	500	11.11%
Gas & Oil	0	0	0	0	0.00%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	1,641	1,750	2,600	2,600	0.00%
Postage & Freight	693	800	800	800	0.00%

Total Supplies	6,630	7,000	7,050	8,300	17.73%
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Contractual Services

Computer Support	9,527	10,150	9,950	9,950	0.00%
Court Appointed Attorney	48,393	33,000	62,000	42,000	-32.26%
Contractual Services	9,629	7,000	10,000	15,000	50.00%
Court Audit	4,084	0	0	0	0.00%

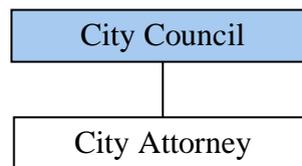
Total Contractual Services	71,633	50,150	81,950	66,950	-18.30%
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Other Services and Charges

Travel & Training	3,580	4,350	4,600	4,600	0.00%
Subscriptions & Memberships	1,295	1,350	1,350	1,650	22.22%
Printing & Forms	1,305	1,400	1,600	1,550	-3.13%
Utilities	10,112	11,615	11,615	12,000	3.31%
Telephone	4,299	4,000	4,500	4,500	0.00%
Jury Fee	0	500	168	200	19.05%
JCEF Fund Expenses	1,427	1,500	1,500	11,700	680.00%
FTG-Fill The Gap Expense	1,686	2,000	5,900	8,000	35.59%
Court Enhancement Expenses	11,004	24,550	10,000	40,000	300.00%

Total Other Services & Charges	34,708	51,265	41,233	84,200	104.21%
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Supplemental Data: Capital Outlay										
Item Description	2014	2015		2016						
	Actual	Budget	Revised	Adopted						
N/A										
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td></td> </tr> </table>						\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0							

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 2015 Accomplishments:

- * Assisted staff and outside counsel in securing the necessary easements and rights-of-way to complete the 12th Street Reconstruction Project
- * Oversaw the successful procurement/selection process for a new contract City Prosecutor
- * Worked with outside counsel in resolving a Transaction Privilege Tax (TPT) collection matter that brought approx. \$17,000.00 in past due tax revenue to the City
- * Provided assistance in the resolve of a bid dispute regarding the 2nd phase of the 12th Street Reconstruction Project through which costly formal proceedings were avoided and saved the City approx. \$50,000.00
- * Served as Issuer's Counsel in pending issuance of approx. \$ 11,000,000.00 in Pledged Revenue Obligations for new and recently completed capital projects
- * Successfully negotiated franchise/cable licensing agreement with Cable One
- * Successfully negotiated a resolution for a dispute with a performer at the Thunder Valley Rally 2014 event that avoided costly formal proceedings
- * Assisted with and coordinated the effort to satisfy staff and board of the Water Infrastructure Finance Authority (WIFA) that the four private water companies acquired through a "friendly condemnation" process in 2004 were in fact acquired from "willing sellers"; thus enabling the City to access approximately \$13 million in loan funds at below market rates and \$550,000.00 in forgivable principal to refinance the City's 2005 revenue bonds and install a waterline, all at a present-dollar savings of approximately
- * Worked with outside counsel and representatives of the developer of the Highland Square Senior Living Apartment Community to provide the developer with a loan from the City that helped the developer secure the low-income tax credits necessary to make the approx. \$ 8,000,000.00 project economically viable
- * Worked with staff and counsel to develop an IGA for four other are Fire/EMS agencies for emergency dispatch services through which these agencies will be dispatched out of the City's new Emergency Communications Center

FY 2016 Goals:

- * Continue to work collaboratively with the Federal Aviation Administration (FAA) and local stake holders to resolve grant assurance/regulatory enforcement matters
- * Update/revise and codify City's Human Resource Manual
- * Revise Subdivision Ordinance with respect to required assurances for installation of public infrastructure
- * Negotiate/develop appropriate development agreement for the proposed 89A/Vine (previously known as Bella Montana) subdivision
- * Provide counsel and assistance in upcoming retirement/refinancing of Series 2006 Water System Revenue Bonds and related joint financing agreements with the Town of Clarkdale
- * Negotiate second, comprehensive development agreement for the remainder of the Mesquite Hills subdivision i.e. Phase 1, Unit 3, and Phase 2 and 3
- * Continue to streamline and standardize City's procurement processes

Budget Highlights:

The only significant change to this budget is in the Personnel line because of the merit program. There is no capital programmed for FY 2016. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

General Government	Legal	Fund 01 - General Fund	Cost Center	1300
Performance Indicators				
City Council Goal:	<i>* New Performance Indicators are being developed for this department *</i>			
Department				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

City Council Goal:				
Department				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

General Government	Legal	Fund 01 - General Fund		Cost Center	1300
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$194,101	\$210,590	\$223,260	\$234,220	4.91%
Operating Supplies	66	125	135	125	-7.41%
Contractual Services	122,230	144,000	167,000	170,000	1.80%
Other Services and Charges	6,263	5,250	5,780	7,850	35.81%
Capital Outlay	0	0	4,030	0	-100.00%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$322,660</u>	<u>\$359,965</u>	<u>\$400,205</u>	<u>\$412,195</u>	<u>3.00%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$412,195	100.00%
Total Funding		<u>100.00%</u>

General Government	Legal	Fund 01 - General Fund		Cost Center	1300	
Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
City Attorney	1.00	1.00	1.00	Contract		\$182,958
COLA						0
Vehicle Allowance						5,400
Merit Contingency						762
Longevity						0
Temporary / Reserves						0
Overtime						0
Retirement						21,690
Insurance & Taxes						23,410
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>			<u>\$234,220</u>

General Government	Legal	Fund 01 - General Fund		Cost Center	1300
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	38	100	100	100	0.00%
Copier Supplies	20	0	25	0	-100.00%
Postage & Freight	8	25	10	25	150.00%
Total Supplies	66	125	135	125	-7.41%

Contractual Services

Prosecuting Attorney	84,000	84,000	87,000	90,000	3.45%
Contract Services	38,230	60,000	80,000	80,000	0.00%
Total Contractual Services	122,230	144,000	167,000	170,000	1.80%

Other Services and Charges

Travel & Training	771	1,000	1,000	2,500	150.00%
Subscriptions & Memberships	3,363	2,300	2,700	3,000	11.11%
Printing & Forms	0	0	30	0	-100.00%
Utilities	625	750	450	600	33.33%
Telephone Expense	1,504	1,200	1,600	1,750	9.38%
Legal Advertising	0	0	0	0	0.00%
Total Other Services & Charges	6,263	5,250	5,780	7,850	35.81%

Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Computer			\$4,030		
	\$0	\$0	\$4,030	\$0	

General Information:

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

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

FY 2015 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 2016 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:

There are no other significant changes to this budget.

General Government	Non-Departmental	Fund 01 - General Fund	Cost Center	1800
City Council Goal:	<i>* New Performance Indicators are being developed for this department *</i>			
Department				
Objective:				
Type of Mea				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

City Council Goal:				
Department				
Objective:				
Type of Mea				
Tool:				
Frequency:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

FY 2016 Goals:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

General Government		Non-Departmental		Fund 01 - General Fund		Cost Center	1800
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0.00%		
Contractual Services	47,712	1,500	3,500	3,500	0.00%		
Other Services and Charges	415,368	434,000	425,000	444,000	4.47%		
Operating Transfers	1,055,086	737,655	782,365	826,810	5.68%		
Debt Service	385,324	488,955	478,165	433,475	-9.35%		
Department Totals	<u>\$1,903,490</u>	<u>\$1,662,110</u>	<u>\$1,689,030</u>	<u>\$1,707,785</u>	1.11%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$1,707,785	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

General Government	Non-Departmental	Fund 01 - General Fund		Cost Center	1800
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

N/A	0	0	0	0	0.00%
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Total Supplies

0	0	0	0	0.00%
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Contractual Services

Auction Fees	12,882	1,500	3,500	3,500	0.00%
Contractual Services	34,830	0	0	0	0.00%
Trustee Fees	0	0	0	0	0.00%

Total Contractual Services

47,712	1,500	3,500	3,500	0.00%
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Other Services and Charges

Liability Insurance	201,143	294,000	275,000	294,000	6.91%
Liability-Claims Deductible	53,882	20,000	20,000	20,000	0.00%
Chamber of Commerce	160,343	120,000	130,000	130,000	0.00%

Total Other Services & Charges

415,368	434,000	425,000	444,000	4.47%
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Debt Service

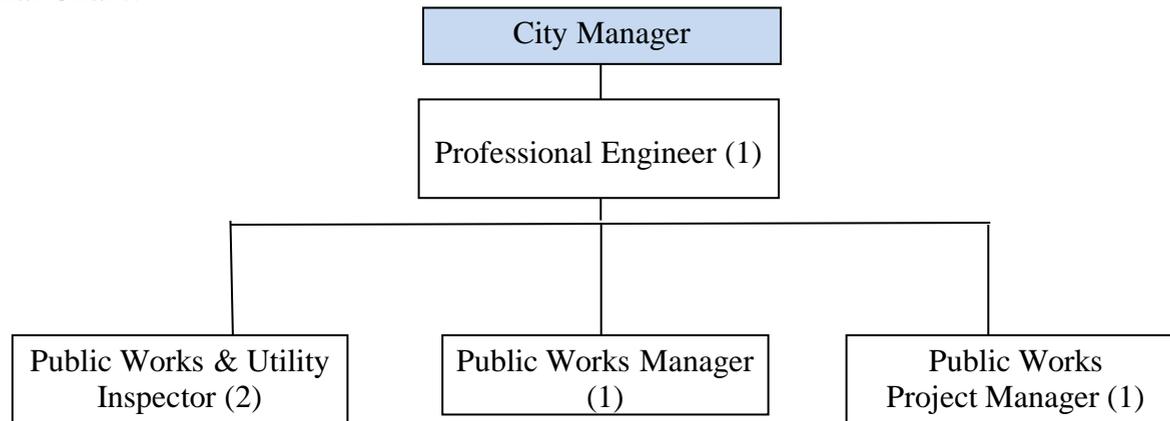
Lease Payment - Police Cars- 09/10	41,436	43,460	43,460	0	-100.00%
Lease Payment - Fire Truck - SunTrust	85,465	10,545	0	0	0.00%
Lease Payment - Mobile Data Terminals	0	0	0	0	0.00%
Lease Payment - City Wide FY 12	112,428	119,760	119,765	122,180	2.02%
Lease Payment - Communications Center	0	165,100	165,095	166,750	1.00%
Lease Payment - FY13 City Wide	119,402	121,330	121,330	123,285	1.61%
Interest -LP PD VEH 09-10	3,283	1,260	1,260	0	-100.00%
Interest -LP Fire Rescue	4,535	250	0	0	0.00%
Interest -LP Mobile Data	0	0	0	0	0.00%
Interest -LP - FY12 City Wide	9,351	6,760	6,760	4,380	-35.21%
Interest -LP Communications Center	0	12,990	12,995	11,335	-12.77%
Interest -LP FY13 City Wide	9,424	7,500	7,500	5,545	-26.07%

Total Debt Service

385,324	488,955	478,165	433,475	-9.35%
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Supplemental Data: Operating Transfers					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Operating Transfers - HURF-Streets/Transit	\$305,268				0.00%
Operating Transfers - HURF-Transit					0.00%
Operating Transfers - Library	730,659	\$ 718,430	\$ 760,845	\$ 801,285	5.32%
Operating Transfers - Cemetery	19,159	19,225	21,520	25,525	18.61%
Operating Transfers - Airport					0.00%
Operating Transfers - Debt Services					0.00%
	<u>\$1,055,086</u>	<u>\$737,655</u>	<u>\$782,365</u>	<u>\$826,810</u>	

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 Final 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 2015 Accomplishments:

- * Completed the flood plain re-delineation of Railroad Wash with FEMA, the Federal Emergency Management Agency
- * Completed Intergovernmental Agreement (IGA) with the Arizona Department of Transportation for State Route 260
- * Finalized the design of the expansion for Lift Station 4 Wet Well
- * Successfully completed design work for several sidewalk (including drainage) projects including on Mickelsen Parkway, Cottonwood Street and Cactus Street as well as for a variety of general projects such as the slab for the skate park, the Police Department's incinerator installation plan, and the Candy Lane culvert replacement
- * Completed the design of the reclaimed injection well at the Waste Water Treatment Plant on Mingus Avenue
- * Successfully implemented a clean and economic brush burning program that addressed citizen complaints and will cut operation costs for the Transfer Station
- * Completed the design work for the arch, kiosk, wall, gate and picnic area at the Old Town Jail in Old Town Cottonwood
- * Completed asbuilts at Verde Santa Fe well site
- * Executed inspection of the airport run overlay project

FY 2016 Goals:

- * Complete the design of Mingus Avenue from Willard Street to 10th Street
- * Complete city-wide drainage study
- * Continue to execute the City's Stormwater Management Plan
- * Create maps of City facilities
- * Update the City's right-of-way permit
- * Create permits for a flood plain development and for placing obstacles within right-of-way on City property
- * Finalize road safety analysis for the street section of 10th Street that runs between Mingus Avenue and Main as well as for the section of Willard Street that is located between Mingus Avenue and Main
- * Design hangglider landing area at the airport

Budget Highlights:

The only significant change to this budget is in the Personnel line because of the merit program. There is no capital programmed for FY 2016. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

General Government	Engineering	Fund 01 - General Fund	Cost Center	1410	
Performance Indicators					
City Council Goal:	Strive to provide effective and efficient services				
Department Goal:	Keep the turn around time on plans within three weeks for receipt				
Objective:	Return comments to applicants within three weeks of receipt of plan(s) by the Department				
Type of Measure:					
Tool:	Plans submitted				
Frequency:	As necessary				
Scoring:	≥ 90% or greater response time within three weeks time frame				
Trend:	New measure				
Measures:		Actual	Estimated	Estimated	Anticipated
		2013	2014	2015	2016
Percentage of instances in which response time was ≤ 3 weeks		N/A	N/A	N/A	90%

City Council Goal:					
Department Goal:					
Objective:					
Type of Measure:					
Tool:					
Frequency:					
Scoring:					
Trend:					
Measures:		Actual	Estimated	Estimated	Anticipated
		2013	2014	2015	2016

General Government		Engineering		Fund 01 - General Fund		Cost Center	1410
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$313,790	\$380,730	\$393,635	\$387,525	-1.55%		
Operating Supplies	9,074	8,850	9,300	9,850	5.91%		
Contractual Services	7,687	7,000	4,500	3,000	-33.33%		
Other Services and Charges	15,566	16,000	20,050	20,750	3.49%		
Capital Outlay	56	2,000	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$346,173</u>	<u>\$414,580</u>	<u>\$427,485</u>	<u>\$421,125</u>	<u>-1.49%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$421,125	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Public Works & Utility Inspector	2.00	2.00	2.00	3,266	4,813	\$84,580
Professional Engineer	1.00	1.00	1.00	5,320	7,840	68,401
Civil Engineer Tech I	1.00	1.00	0.00	3,429	5,054	0
Drafter/Designer	1.00	1.00	0.00	3,781	5,572	0
Public Works Project Manager	1.00	1.00	1.00	3,781	5,572	51,458
Public Works Manager	0.00	0.00	1.00	5,067	7,466	63,392
COLA						0
Merit Contingency						10,189
Longevity						0
Overtime						2,500
Retirement						32,180
Insurance & Taxes						74,825
Employee Related Expenses						0
Totals	<u>6.00</u>	<u>6.00</u>	<u>5.00</u>			<u>\$387,525</u>

General Government	Engineering	Fund 01 - General Fund		Cost Center	1410
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	697	500	800	1,000	25.00%
Copier Supplies	1,518	1,200	0	0	0.00%
Gas & Oil	3,212	3,100	4,500	5,000	11.11%
Vehicle Maint & Repairs	171	1,500	1,500	1,500	0.00%
Equipment Maint & Repairs	15	500	50	500	900.00%
Operational Supplies	2,410	1,500	1,500	1,000	-33.33%
Clothing Allowance	1,041	500	800	800	0.00%
Postage & Freight	9	50	150	50	-66.67%
Total Supplies	9,074	8,850	9,300	9,850	5.91%

Contractual Services

Computer Support	1,799	1,500	1,000	1,000	0.00%
Contractual Services	5,889	5,500	3,500	2,000	
Total Contractual Services	7,687	7,000	4,500	3,000	-33.33%

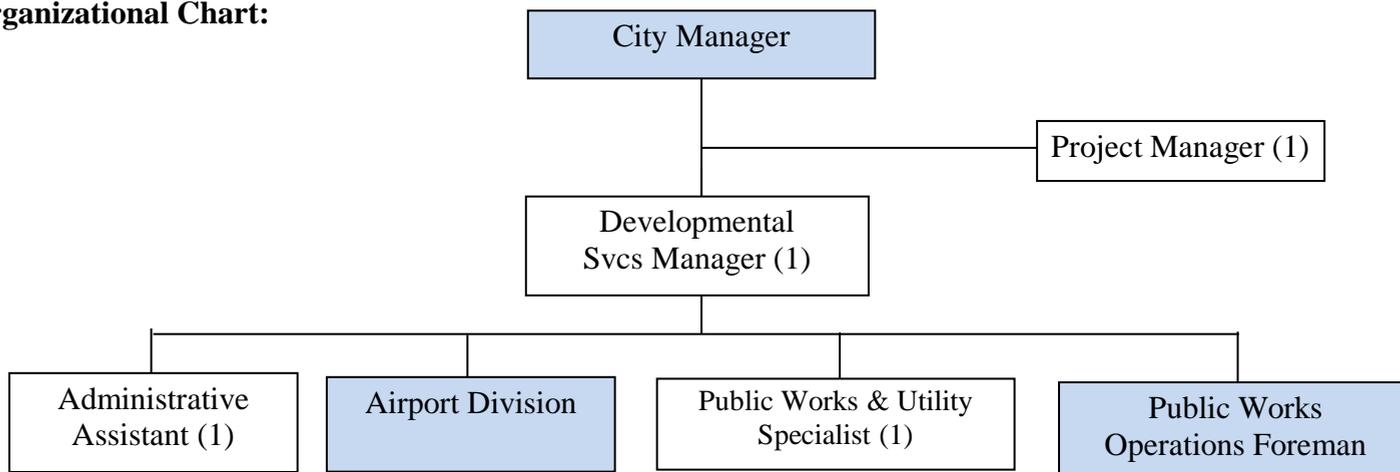
Other Services and Charges

Travel & Training	0	2,000	1,000	1,000	0.00%
Subscriptions & Memberships	2,667	2,800	2,000	2,200	10.00%
Printing & Forms	55	200	50	50	0.00%
Utilities	9,693	8,000	13,500	14,000	3.70%
Telephone	3,152	3,000	3,500	3,500	0.00%
Total Other Services & Charges	15,566	16,000	20,050	20,750	3.49%

Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Laptops/Toughbooks					
Auto CADD					
Auto Turn Software			\$2,000		
	\$0	\$0	\$2,000	\$0	

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 2015 Accomplishments:

- * Maintained oversight of services performed for the existing street, sidewalk, storm water and airport infrastructure and facilities
- * Successfully conducted free waste drop-off for city residents
- * Successfully implemented a clean and economic brush burning program that addressed citizen complaints and will cut operation costs for the Transfer Station

FY 2016 Goals:

- * Continue the operation of solid waste at the Transfer Station
- * Complete the procurement of the contractor to execute new street striping and a bi-annual city-wide street striping

Budget Highlights:

The only significant change to this budget is in the Personnel line because of the merit program. There is no capital programmed for FY 2016. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

General Government	Public Works	Fund 01 - General Fund	Cost Center	1600
Performance Indicators				
City Council Goal:	Strive to provide effective and efficient services			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Hours of Operation (weekly)	48	48	48	48
Revenue (monthly)	\$ 10,097	\$ 10,670	\$ 10,800	\$ 10,800
Operational Cost (monthly)	\$ 8,750	\$ 10,900	\$ 10,900	\$ 10,900
Cost recovery (monthly)	113%	98%	99%	99%

City Council Goal:	Strive to provide effective and efficient services			
Department 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 within 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Total number of work order	Unknown	Unknown	Unknown	Unknown
% Work orders begun within 48 hours	75%	75%	75%	75%

General Government	Public Works	Fund 01 - General Fund		Cost Center	1600
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$338,192	\$357,910	\$323,425	\$349,045	7.92%
Operating Supplies	8,202	5,750	4,140	3,950	-4.59%
Contractual Services	115,980	169,800	179,050	150,500	-15.95%
Other Services and Charges	7,333	8,870	8,750	9,150	4.57%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$469,707</u>	<u>\$542,330</u>	<u>\$515,365</u>	<u>\$512,645</u>	<u>-0.53%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$382,645	74.64%
Transfer Station Fees	130,000	25.36%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Developmental Svcs Manager	1.00	1.00	1.00	5865	8643	\$79,568
Administrative Assistant	1.00	1.00	1.00	2559	3771	36,009
PW Project Manager	1.00	1.00	1.00	4596	6772	57,900
Public Works & Utility Specialist	1.00	1.00	1.00	2962	4365	46,591
COLA						0
Merit Contingency						7,782
Longevity						0
Temporary / Reserves						25,000
Overtime						2,500
Retirement						29,290
Insurance & Taxes						64,405
Employee Related Expenses						0
Totals	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>			<u>\$349,045</u>

General Government	Public Works	Fund 01 - General Fund		Cost Center	1600
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	1,612	1,000	1,650	1,200	-27.27%
Copier Supplies	1,514	1,500	200	1,000	400.00%
Gas & Oil	710	1,000	350	500	42.86%
Vehicle Maint & Repairs	1,274	1,000	900	500	-44.44%
Equipment Maint & Repairs	80	250	180	250	38.89%
Operational Supplies	2,952	950	660	450	-31.82%
Postage & Freight	60	50	200	50	-75.00%

Total Supplies	8,202	5,750	4,140	3,950	-4.59%
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Contractual Services

Computer Support	852	1,200	450	500	11.11%
Contractual Services	115,128	168,600	178,600	150,000	-16.01%

Total Contractual Services	115,980	169,800	179,050	150,500	-15.95%
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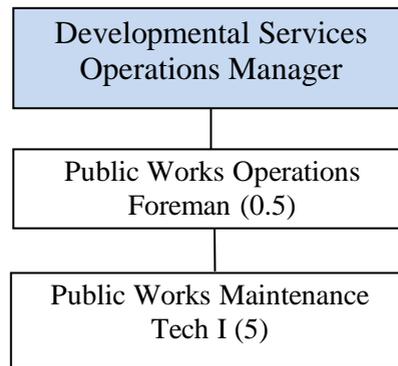
Other Services and Charges

Travel & Training	500	1,000	150	350	133.33%
Subscriptions & Memberships	0	0	0	0	0.00%
Utilities	3,332	4,610	3,000	3,100	3.33%
Telephone	3,502	3,260	5,600	5,700	1.79%
Legal Advertising	0	0	0	0	0.00%

Total Other Services & Charges	7,333	8,870	8,750	9,150	4.57%
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Supplemental Data: Capital Outlay											
Item Description	2014	2015		2016							
	Actual	Budget	Revised	Adopted							
N/A											
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td></td> </tr> </table>						\$0	\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0	\$0							

Organizational Chart:



Note: Only unshaded boxes are included in this budget.

General Information:

The Parks & 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 2015 Accomplishments:

- * Resurfacing of the Garrison Park bridge
- * Installation of two shade structures; one at the Skate park and one at the Dog Park
- * Placement of cleaning systems in all swamp coolers city-wide
- * Repainting of the ramadas at Riverfront Park and Garrison Park
- * Successfully installed playground equipment at Riverfront Park
- * Maintenance budgets for the other departmental funds has been transferred to their respective budgets

FY 2016 Goals:

- * Continue to conduct all parks and building maintenance functions, including those for the disc golf course

Budget Highlights:

Capital has been budgeted for FY 2016 for the maintenance of public parking lots (\$300,000), the rehabilitation of the parks' irrigation systems (\$30,000), and for ground maintenance supplies for park improvements (\$20,000). There is a significant increase in Personnel costs, mostly due to the addition of a Public Works Maintenance Tech I. Merit increases continue to be awarded. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund	Cost Center	1610
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department 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			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Acres of turf	33	33	33	

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department 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:	NA			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Total number of work orders	N/A	N/A	N/A	N/A
Percentage of work orders responded to within 48 hours	N/A	N/A	N/A	N/A

Culture & Recreation		Parks & Building Maintenance		Fund 01 - General Fund		Cost Center	1610
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$251,197	\$303,170	\$236,710	\$325,350	37.45%		
Operating Supplies	49,533	49,220	47,270	48,720	3.07%		
Contractual Services	56,532	62,700	41,700	3,200	-92.33%		
Other Services and Charges	99,910	84,350	69,935	38,600	-44.81%		
Capital Outlay	72,051	0	2,500	350,000	13900.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$529,223</u>	<u>\$499,440</u>	<u>\$398,115</u>	<u>\$765,870</u>	<u>92.37%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$765,870	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Public Works Superintendent	0.50	0.50	0.00	4,377	6,450	\$0
PW Operations Foreman	0.00	0.00	0.50	3,601	5,306	21,244
Public Works Maintenance Tech. I	4.00	4.00	5.00	2,211	3,258	150,273
Facilities Maint Tech III	1.00	1.00	0.00	2,321	3,421	0
COLA						0
Merit Contingency						6,473
Longevity						0
Holiday Pay						250
Clothing Allowance						1,500
Overtime						3,000
Temporary Employees						52,000
Retirement						20,790
Insurance & Taxes						69,820
Employee Related Expenses						0
Totals	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>			<u>\$325,350</u>

Culture & Recreation	Parks & Building Maintenance	Fund 01 - General Fund		Cost Center	1610
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	149	0	50	0	-100.00%
Gas & Oil	11,296	14,000	13,000	14,000	7.69%
Vehicle Maint & Repairs	3,302	4,700	4,700	4,700	0.00%
Equipment Maint & Repairs	7,731	5,500	4,500	5,000	22.22%
Grounds/Parks Maintenance Supplies	27,042	25,000	25,000	25,000	0.00%
Postage/Freight	13	20	20	20	0.00%

Total Supplies

49,533	49,220	47,270	48,720	3.07%
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Contractual Services

Computer Support	727	200	1,200	1,200	-83.33%
Contractual Services	45,724	50,000	40,000	2,000	25.00%
Ground Maintenance Contract	10,081	12,500	500	0	2400.00%

Total Contractual Services

56,532	62,700	41,700	3,200	-92.33%
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Other Services and Charges

Travel & Training	0	1,000	600	1,000	66.67%
Utilities	7,643	7,000	17,000	7,500	-58.82%
Telephone	132	250	970	1,000	-74.23%
Tools	2,512	2,000	2,000	3,000	0.00%
Equipment Rental	1,061	1,500	800	800	87.50%
Maintenance & Repairs (city buildings)	87,989	71,400	46,665	24,100	53.01%
Vandalism Repairs	574	1,200	1,900	1,200	-36.84%

Total Other Services & Charges

99,910	84,350	69,935	38,600	-44.81%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Gator	\$19,000				
Maintenance Public Parking Lots				\$300,000	
Rehabilitation (ongoing) of Park Irrigation Systems				30,000	
Skate Park Construction	25,000				
Roller Hockey Court Board	25,000				
Mowers (3)					
Playground Apparatus (for parks x3)	3,051				
Ground Maintenance Supplies for Park Improvements				20,000	
	\$72,051	\$0	\$0	\$350,000	

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 2015 Accomplishments:

- * Outsourcing of full custodial services saves the City approximately \$50,000 to \$75,000 annually. These savings continue to accurately follow the calculations made in 2011.
- * The full service cleaning operations continue to meet the expectations for the health standards. The contract now also provides full cleaning service for the buildings of the Emergency Operations Center (EOC) and the Community Development Services.

FY 2016 Goals:

- * Establish a high level rating for quality control functions through a proper communication and reporting process of problem issues by focusing on short response times, monthly departmental communications and monthly contract evaluations
- * Continue to provide for and offer quality full service operations by seeking ways to operate more efficient with less funding

Budget Highlights:

There's an increase in the amount budgeted for custodial services due to an increase in the number of locations being serviced.

Culture & Recreation	Custodial Services	Fund 01 - General Fund	Cost Center	1620	
Performance Indicators					
City Council Goal: Providing excellence and quality in delivering a healthy and sanitary work environment to staff employees and the visiting public at all city buildings and facilities.					
Department Goal: Continue to provide quality full service custodial operations with a constant reliance upon efficiency and satisfaction of the city staff and public served.					
Objective: Increase quality control and effective operational support to staff thereby mitigating poor services City-					
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
		2013	2014	2015	2016
Measures:					
Increase in overall monthly averages as totaled on an annual basis		18%	20%	22%	22%

Culture & Recreation		Custodial Services		Fund 01 - General Fund		Cost Center	1620
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	196	0	3,800	0	-100.00%		
Contractual Services	133,420	132,000	191,900	225,510	17.51%		
Other Services and Charges	0	0	0	0	0.00%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$133,616</u>	<u>\$132,000</u>	<u>\$195,700</u>	<u>\$225,510</u>	<u>15.23%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$225,510	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Custodian	0.00	0.00	0.00	N/A		\$0
Clothing Allowance						0
Merit Contingency						0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Culture & Recreation	Custodial Services	Fund 01 - General Fund		Cost Center	1620
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Janitorial Supplies	196	0	3,800	0	-100.00%
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Total Supplies	196	0	3,800	0	-100.00%
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Contractual Services

Custodial Contract	133,421	132,000	191,900	225,510	17.51%
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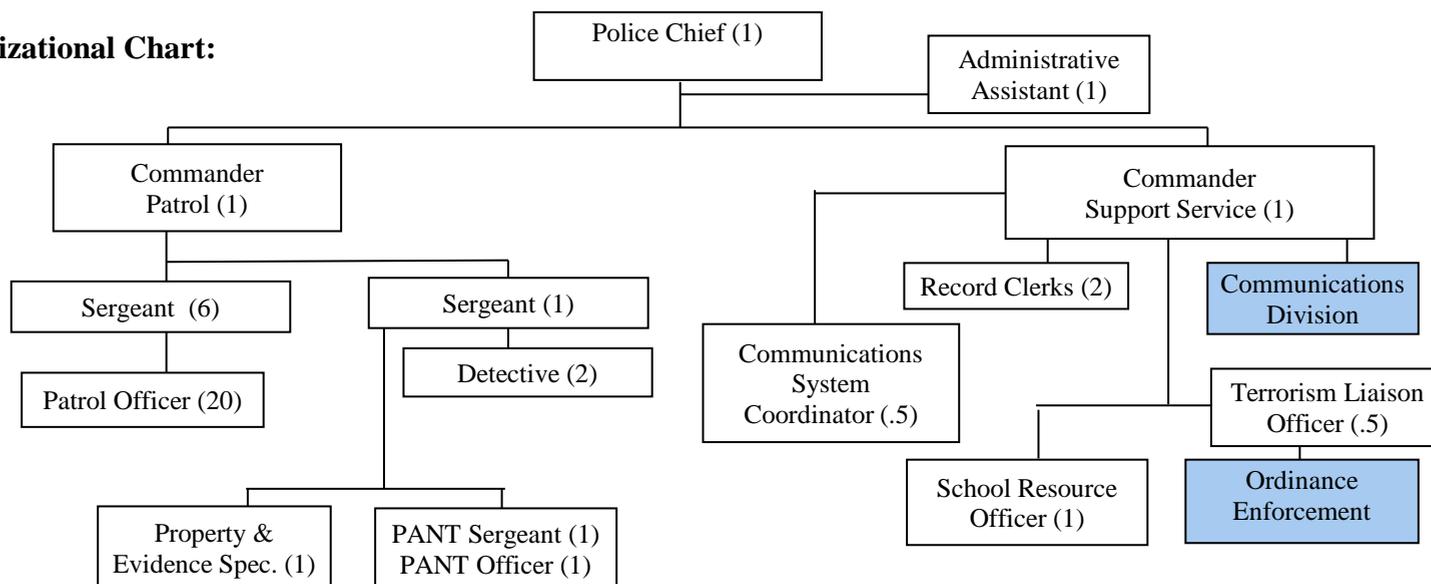
Total Contractual Services	133,421	132,000	191,900	225,510	17.51%
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Other Services and Charges

Equipment Rental	0	0	0	0	0.00%
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Total Other Services & Charges	0	0	0	0	0.00%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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 2015 Accomplishments:

- * Applied for and received grant funds in the amount of \$30,000 from Homeland Security for bullet resistant vests for the Strategic Weapons Attack Team (SWAT)
- * Received grant funds (\$81,000) from Homeland Security to upgrade radio capabilities
- * Maintained current staffing and employee morale
- * Continued to develop and implement strategies to reduce employee turnover and to ensure continuous recruitment to fill vacancies
- * Obtained \$15,000 in grant funding for the DUI enforcement
- * Obtained and issued seven wearable cameras through RICO (Racketeer Influenced and Corrupt Organizations Act) funding
- * Obtained grant for \$15,000 from Governor's Office of Highway Safety (GOHS)
- * Vigorously assisted Walmart Supercenter with a shoplifter identification and apprehension detail
- * Received grant funding of \$46,390 for a vehicle for Aggressive Driving and DUI enforcement
- * Installed 10 additional in-car video systems
- * Implemented the Reserve Officer Program
- * Successfully completed the construction of the Emergency Operations Center in the Multipurpose Room

FY 2016 Goals:

- * Pursue grants, specifically for those in the area of School Safety Officer
- * Implement training in the Spanish language as well as an incentive program to encourage employees to become bi- or multilingual for better communications with the diverse communities that are being served
- * Continue to maintain current staffing and employee morale
- * Continue to pursue grants for more radio capabilities upgrades
- * Complete in-car video built-out
- * Complete Wearable Video project
- * Continue to maintain current crime prevention ideas
- * Based on the Walmart shooting/brawl incident, identify areas for improvement

Budget Highlights:

For FY 2016 capital is budgeted for a total of \$13,400 for a copier (\$7,100), a memory scanner (\$1,300) and rifles (\$5,000). Despite the elimination of a police officer position, Personnel costs have increased which is mostly due to the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Public Safety	Police	Fund 01 - General Fund	Cost Center	2000	
Performance Indicators					
City Council Goal: Be responsive and accountable					
Department 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					
		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Programs to civic groups and school presentations	Input	64	89	200	120
Number of people contacted	Input	3,413	4,020	4,500	5,000
Total calls for service	Work load	16,226	15,823	15,000	15,000
Crimes reported	Work load	15,722	N/A	N/A	N/A
Crimes solved	Input	3100	N/A	N/A	N/A
Solved crime rate	Outcome	40%	20%	38%	20%
Violent crimes per 1,000 Citizens	Outcome	0.03	0.02	0.02	0.02
Property crimes per 1,000 Citizens	Outcome	0.05	0.07	0.04	0.05

City Council Goal: Be responsive and accountable					
Department 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					
		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Traffic: Citations	Work load	2,880	2,000	2,600	2,652
Traffic: Written warnings	Work load	1519	800	1000	1100
Total traffic crashes reported in city	Outcome	345	200	300	29
Alcohol related traffic crashes	Outcome	12	15	20	17

Supplemental Data: Capital Outlay				
Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Copier				\$7,100
Motorcycle Replacement	\$45,900			
Vehicles (Lease Purchase)	96,860			
Bicycle Patrol Program (possible grant funding)				
Building Security Hardware	4,747			
K9 Equipment		\$2,890	\$2,890	
Tasers and Peripherals & Firearms		18,700	18,700	
Police Mobile Data Terminals				
Security Camera Upgrades & Watchguard Camera		57,030	57,030	
Vehicle Cameras	85,504			
Datalogic Memory X3 Scanner & Dock				1,300
Tahoe Storage Boxes				
File Storage Movable Units				
Animal Control Restraint				
Rifles		3,500	3,500	5,000
Emergency Operation Center Equipment	53,370			
VoIP Upgrade	12,552			
	\$298,934	\$82,120	\$82,120	\$13,400

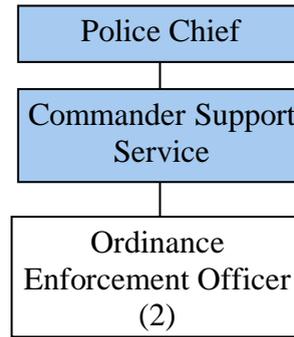
Public Safety	Police	Fund 01 - General Fund			Cost Center	2000
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$3,710,434	\$3,781,045	\$3,722,920	\$4,051,670	8.83%	
Operating Supplies	252,096	250,200	243,500	241,000	-1.03%	
Contractual Services	27,237	45,500	26,500	27,000	1.89%	
Other Services and Charges	212,732	302,070	258,800	374,240	44.61%	
Capital Outlay	298,934	82,120	82,120	13,400	-83.68%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$4,501,433	\$4,460,935	\$4,333,840	\$4,707,310	8.62%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$4,186,230	88.93%
Inter-local Governmental Contracts	197,500	4.20%
Lease Purchase	91,390	1.94%
SB1398 Police Equipment	4,000	0.08%
Grants	228,190	4.85%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Police Chief	1.00	1.00	1.00	7,486	11,031	\$116,435
Commander	2.00	2.00	2.00	6,159	9,076	188,591
Sergeant	7.00	7.00	7.00	4,596	6,772	472,216
PANT Officer/Sergeant	2.00	2.00	2.00	3,601	5,306	123,085
Police Officer	21.00	21.00	22.00	3,601	5,306	976,622
School Safety Officer (SSO)	0.00	2.00	1.00	3,601	5,306	55,364
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	48,863
Senior Administrative Assistant	1.00	1.00	1.00	2,962	4,365	41,828
Records Clerk	2.00	2.00	2.00	2,559	3,771	80,600
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	27,043
Terrorist Liaison Officer	0.50	0.50	0.50	3,601	5,306	27,393
COLA						0
Merit Contingency						52,815
Clothing Allowance						25,000
Holiday Pay						50,000
Car Allowance						5,400
Certification Pay						38,245
Overtime						130,000
Retirement						864,130
Insurance & Taxes						728,040
Employee Related Expenses						0
Totals	38.00	40.00	40.00			\$4,051,670

Public Safety	Police	Fund 01 - General Fund		Cost Center	2000
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent
	Actual	Budget	Revised	Adopted	Change
Supplies					
Office Supplies	14,405	13,500	13,000	13,500	3.85%
Copier Supplies	1,192	1,200	1,500	1,500	0.00%
Invest / Detective Expenses	2,873	2,000	2,000	2,000	0.00%
Training Supplies	14,956	15,000	15,000	15,000	0.00%
Gas & Oil	85,311	100,000	90,000	100,000	11.11%
Vehicle Maint & Repairs	76,261	90,000	75,000	85,000	13.33%
Film & Developing	0	0	0	0	0.00%
DUI Expenses	0	500	500	500	0.00%
Equipment Maint & Repairs	41,222	12,000	35,000	10,000	-71.43%
Operational Supplies	2,147	2,000	2,500	2,500	0.00%
Postage & Freight	2,097	2,000	1,500	1,500	0.00%
Building Supplies	2,396	2,500	2,500	2,500	0.00%
Canine Vet & Feed	1,716	1,500	2,000	2,000	0.00%
Protective Clothing	7,519	8,000	3,000	5,000	66.67%
Total Supplies	252,096	250,200	243,500	241,000	-1.03%
Contractual Services					
Computer Support	21,572	40,000	20,000	20,000	0.00%
Contractual Services	2,494	2,500	3,000	3,000	0.00%
Medical Testing	1,833	1,500	2,000	2,500	25.00%
Towing Expense	1,339	1,500	1,500	1,500	0.00%
Medical Investigation Expenses	0	0	0	0	0.00%
Total Contractual Services	27,237	45,500	26,500	27,000	1.89%
Other Services and Charges					
Travel & Training	21,127	20,000	22,500	20,000	-11.11%
Subscriptions & Memberships	1,663	2,000	2,500	2,500	0.00%
Printing & Forms	1,307	1,500	1,500	1,500	0.00%
Utilities	35,422	46,300	40,000	48,000	20.00%
Telephone	44,511	30,800	44,000	48,000	9.09%
Legal Advertising	0	0	0	0	0.00%
Explorer Program	638	750	500	750	50.00%
Safety Expense	1,058	600	1,300	1,300	0.00%
Community Policing	6,435	6,000	6,000	7,000	16.67%
Reserve Program	429	500	1,500	2,000	33.33%
SWAT Equipment	13,818	15,000	15,000	15,000	0.00%
Homeland Security Grant	30,000	81,000	81,000	30,000	-62.96%
Highway Safety Grant	22,882	65,000	13,000	163,390	1156.85%
County RICO Grant	33,443	30,000	30,000	30,000	0.00%
Misc. Grants	0	2,620	0	4,800	0.00%
Total Other Services & Charges	212,732	302,070	258,800	374,240	44.61%

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 2015 Accomplishments:

- * Due to the proactive enforcement and community education, such as flyers, brochures and educational classes, the number of complaints and calls concerning stray and unwanted animal has been reduced.
- * Successfully resolved town ordinance complaints, effectively reducing the backlog
- * Increased parking enforcement

FY 2016 Goals:

- * Increase public awareness through ordinance enforcement activities, such as vaccination clinics, a spay/neuter program and community clean-up events
- * Implement an adjudication process through which zoning complaints are mitigated
- * Work together with other city agencies to curtail illegal dumping

Budget Highlights:

There are no significant changes for FY 2016. The merit increases are reflected in the higher Personnel costs; no Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital has been budgeted.

Public Safety	Ordinance Enforcement	Fund 01 - General Fund	Cost Center	2200
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Performance Indicators					
City Council Goal:	Strive to provide effective and efficient services				
Department 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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Programs to Civic Groups and School Presentations	200	200	150	150	
Cruelty cases	18	18	20	20	
At-large	293	293	350	375	
Animal Bite	43	43	51	55	

*Additional Indicators are still being developed for this department					
Department Goal:					
Objective:					
Type of Measure:					
Tool:					
Frequency:					
Scoring:					
Trend:					
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016

Public Safety		Ordinance Enforcement		Fund 01 - General Fund		Cost Center	2200
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$140,412	\$142,360	\$136,255	\$140,770	3.31%		
Operating Supplies	6,243	6,300	5,800	8,000	37.93%		
Contractual Services	47,261	45,480	60,995	60,380	-1.01%		
Other Services and Charges	718	500	1,000	1,000	0.00%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$194,634</u>	<u>\$194,640</u>	<u>\$204,050</u>	<u>\$210,150</u>	<u>2.99%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$210,150	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2015
	2014	2015	2016	Minimum	Maximum	Budget
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	\$91,589
COLA						0
Merit Contingency						1,841
Longevity						0
Holiday Pay						3,100
Overtime						1,500
Retirement						11,050
Insurance & Taxes						31,690
Employee Related Expenses						0
Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>			<u>\$140,770</u>

Public Safety	Ordinance Enforcement	Fund 01 - General Fund		Cost Center	2200
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Gas & Oil	5,793	6,000	5,500	6,000	9.09%
Vehicle Maint & Repairs	0	0	0	0	0.00%
Equipment Maint & Repairs	0	0	0	0	0.00%
Small Tools	450	300	300	2,000	0.00%

Total Supplies	6,243	6,300	5,800	8,000	37.93%
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Contractual Services

Computer Support	1,151	600	1,115	500	-46.19%
Spay/Neuter Grant Expense	1,609	1,000	16,000	16,000	-93.75%
Kennel Fees	44,501	43,880	43,880	43,880	0.00%

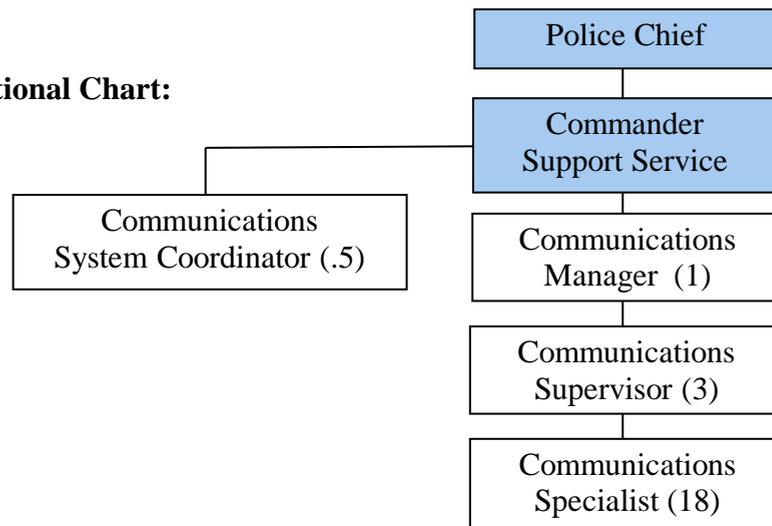
Total Contractual Services	47,261	45,480	60,995	60,380	-1.01%
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Other Services and Charges

Travel & Training	718	500	1,000	1,000	-50.00%
Subscriptions & Memberships	0	0	0	0	0.00%

Total Other Services & Charges	718	500	1,000	1,000	0.00%
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Supplemental Data: Capital Outlay									
Item Description	2014	2015	2014	2016					
	Actual	Budget	Revised	Adopted					
N/A									
<table border="1"> <tr> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> </table>						\$0	\$0	\$0	\$0
\$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 2015 Accomplishments:

- * Successfully completed the construction of and the transition to the new "Cottonwood Public Safety Communications Center"
- * Hired five new full-time employees who successfully completed the required certification training
- * Radio reception has been strengthened with the building of a higher communications tower
- * Radio functionality was improved with the installation of an additional repeater in Old Town Cottonwood
- * Enhanced functionality of the Mobile Data Computer (MDC) and Automatic Vehicle Locator (AVL) ensuring compliance with federal safety standards by decreasing downtime due to the timely assistance of IT-support
- * Met the National Fire Protection Association (NFPA) 1221 Standard for the Installation, Maintenance, and Use of Emergency Services Communications Systems which is pertinent for the operation of a dispatch center

FY 2016 Goals:

- * Continue transitioning the Fire/EMS dispatching services for the Fire Districts of Sedona, Verde Valley, Montezuma-Rimrock and Cottonwood to the Cottonwood Public Safety Communications Center
- * Increase radio support systems for Fire/EMS service to assure uninterrupted communication
- * Expand functionality and use of the CENS program to other fire agencies in the valley
- * Update the Communications Center training manuals to reflect dispatching particularities of the new fire districts in regards to radio channels/systems
- * Assess Records Management System (RMS) for possible migration to Spillman (the Public Safety and Computer-aided Dispatch software) for storage of all reports in electronic format
- * Complete DPS Technical Audit in order to maintain access to MVD and Criminal Justice records
- * Complete requirements for the Missing Kids Readiness Project of the National Center for Missing and Exploited Children (NCMEC)
- * Work toward achieving the Project 33 Training Program Certification of the Association of Public-Safety Communications Officials (APCO) that will ensure that all the department's training programs, curriculum, training materials and supporting documentation comply with the APCO American National Standards (ANS)

Budget Highlights:

In this budget, the main increase for FY 2016 is in Personnel costs due to the addition of seven employees (6 Communications Specialists, 1 Communications Supervisor) and the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital has been budgeted.

Public Safety	Communications	Fund 01 - General Fund	Cost Center	2010
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Performance Indicators				
City Council Goal:	<i>* New Performance Indicators are being developed for this department *</i>			
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Calls Dispatched	15,306	15,688	21,834	31,467

City Council Goal:	Value the safety of our public safety personnel and citizens			
Department Goal:	Standardize call processing system to ensure accurate and complete information is obtained quickly			
Objective:	Successful completion of ProQA-training and certification in Emergency Medical Dispatcher (EMD), Emergency Police Disptacher (EPD) and Emergency Fire Dispatcher (EFD)			
Type of Measure:	Outcome			
Tool:	Certification			
Frequency:	Annual			
Scoring:	Yes/No			
Trend:	Level			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
EMD Certification	Yes	Yes	Yes	Yes
EPD Certification	Yes	Yes	Yes	Yes
EFD Certification	Yes	Yes	Yes	Yes

City Council Goal:	Be Responsive and Accountable			
Department Goal:	Decrease the amount of time needed for a call to be dispatched			
Objective:	Improve response time for Public Safety responders			
Type of Measure:	Outcome			
Tool:	Reports			
Frequency:	Monthly			
Scoring:	Increase/decrease from prior year			
Trend:	Decrease			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Average call processing time prior to dispatch		≤ 2 min.	1.5 min.	≤ 60 sec.

Public Safety	Communications	Fund 01 - General Fund		Cost Center	2010
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$596,634	\$980,420	\$1,021,665	\$1,432,080	40.17%
Operating Supplies	4,100	5,500	5,500	3,000	-45.45%
Contractual Services	7,348	7,200	19,910	16,000	-19.64%
Other Services and Charges	135,126	162,100	171,890	217,310	26.42%
Capital Outlay	2,791	0	0	0	0.00%
Department Totals	\$745,999	\$1,155,220	\$1,218,965	\$1,668,390	36.87%

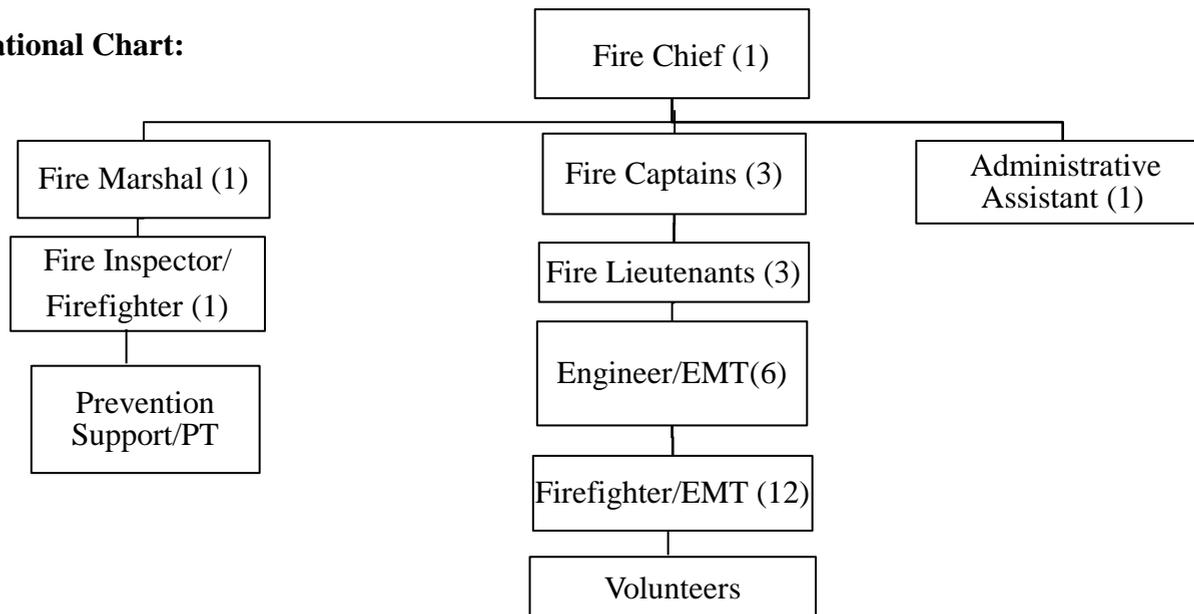
Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$1,189,640	71.30%
Dispatch & Spillman Fees	478,750	28.70%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Communications Systems Coord.	0.50	0.50	0.50	3,111	4,584	\$27,043
Communications Supervisor	1.00	2.00	3.00	3,601	5,306	147,122
Communications Specialist	9.00	12.00	18.00	2,821	4,158	627,060
Communications Manager	0.00	1.00	1.00	4,596	6,772	67,152
COLA						0
Merit Contingency						28,883
Longevity						0
Clothing Allowance						2,000
Holiday Pay						36,000
Overtime						61,250
Retirement						127,030
Insurance & Taxes						308,540
Employee Related Expenses						0
Totals	<u>10.50</u>	<u>15.50</u>	<u>22.50</u>			<u>\$1,432,080</u>

Public Safety	Communications	Fund 01 - General Fund		Cost Center	2010
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Supplies					
Office Supplies	3,565	5,000	5,000	2,500	0.00%
Copier Supplies	535	500	500	500	0.00%
Total Supplies	4,100	5,500	5,500	3,000	-45.45%
Contractual Services					
Contractual Services	0	0	0	0	0.00%
Computer Support	148	0	5,410	2,500	-53.79%
Repeater Expense	7,200	7,200	14,500	13,500	-6.90%
Total Contractual Services	7,348	7,200	19,910	16,000	-19.64%
Other Services and Charges					
Travel & Training	9,343	12,000	9,000	18,000	33.33%
Subscriptions & Memberships	435	500	580	1,100	-13.79%
Postage/Freight	16	0	250	250	-100.00%
Equipment Maint & Repairs	99,628	110,000	110,000	130,000	0.00%
Utilities	3,217	10,800	18,500	30,000	-41.62%
Telephone	12,872	15,800	15,500	19,000	1.94%
Liability Insurance	9,615	13,000	18,060	18,960	-28.02%
Total Other Services & Charges	135,126	162,100	171,890	217,310	26.42%

Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
N/A	\$2,791				
	\$2,791	\$0	\$0	\$0	

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 2015 Accomplishments:

- * Council approved change of the department's official name to Cottonwood Fire & Medical Services Department
- * Updated the Municipal Code to reflect the roles and responsibilities of the department to include Fire, Rescue, EMS, and Disaster Response & Management in the City
- * Evaluated, purchased and successfully placed in service 22 self-contained breathing apparatus (SCBA) replacing 12-year old, well-worn SCBAs to improve and ensure firefighter protection and safety
- * Implemented Fire-Pal Program in the Cottonwood Middle School that provides extensive safety education to all middle school students in a wide range of safety issues including fire and water safety, and other life skills

FY 2016 Goals:

- * Display department's capabilities in fire suppression, EMS operations, fire prevention, and fire & life safety education by hosting the bi-annual open house
- * Meet the needs of underserved community members by expanding the role of EMS personnel through the implementation of the Community Paramedic Program
- * Evaluate potential site locations and initiate preliminary design work to construct a second fire station within the city limits, either in the area of Highway 260 and Fir Street or in the area of Highway 89A and Cornville Road
- * Exercise the department's Emergency Operations Center in joint action with Yavapai County Emergency Management
- * Pursue grants for fire suppression equipment and public fire & safety equipment
- * Expand the Share CPR program that provides "no cost" CPR-training to local citizens

Budget Highlights:

For FY 2016, there is significant change in the Personnel line because of the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. A total \$63,500 for Capital outlay has been scheduled to update Office & Station Equipment (\$3,500), Communications/Radio/MCT-Infr. (\$5,000) and for a vehicle replacement (\$55,000).

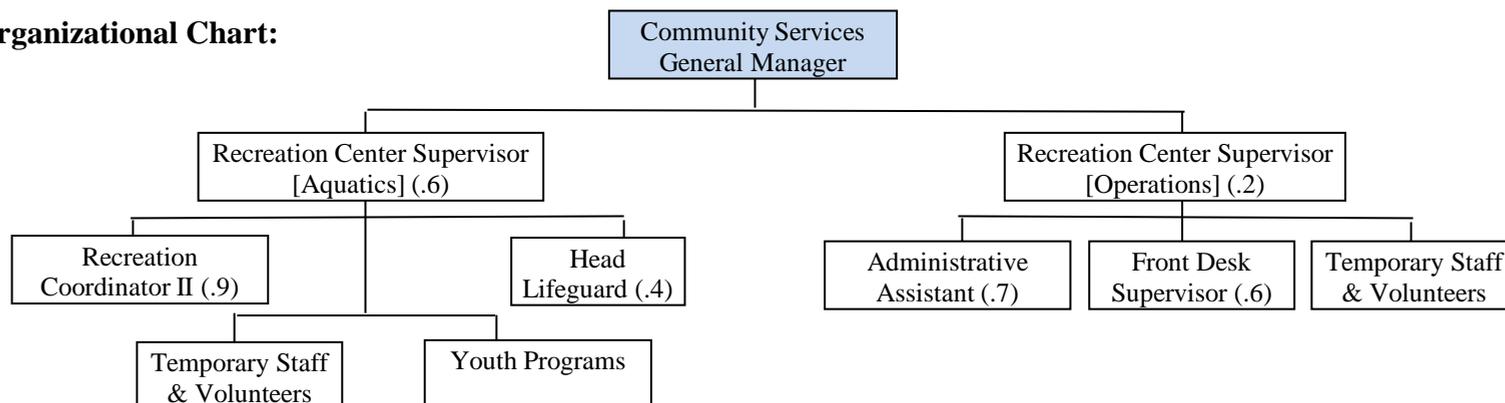
Public Safety Fire & Medical Services De		Fund 01 - General Fund			Cost Center	2100
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$2,455,685	\$2,642,350	\$2,472,155	\$2,648,790	7.14%	
Operating Supplies	66,737	77,750	76,450	69,450	-9.16%	
Contractual Services	113,065	41,260	19,000	76,500	302.63%	
Other Services and Charges	70,054	88,500	69,200	67,550	-2.38%	
Capital Outlay	157,906	285,000	230,000	63,500	-72.39%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$2,863,448	\$3,134,860	\$2,866,805	\$2,925,790	2.06%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$2,850,790	97.44%
Misc Grants	20,000	0.68%
Lease Purchase	55,000	1.88%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Fire Chief	1.00	1.00	1.00	7,486	11,031	\$104,421
Fire Captain	3.00	3.00	3.00	5,067	7,466	245,749
Fire Inspector	1.00	1.00	1.00	3,970	5,850	50,684
Engineer/EMT	6.00	6.00	6.00	3,970	5,850	358,593
Senior Administrative Asst.	1.00	1.00	1.00	2,962	4,365	46,438
Fire Marshal	1.00	1.00	1.00	5,320	7,840	84,610
Firefighter/EMT	12.00	12.00	12.00	3,601	5,306	553,505
Fire Lieutenant	3.00	3.00	3.00	4,596	6,772	204,545
COLA						0
Merit Contingency						59,178
Longevity						0
Certification Pay						71,997
Holiday Pay						45,000
Clothing Allowance						21,060
Temporary / Reserves						7,200
Overtime						20,000
Retirement						329,870
Insurance & Taxes						440,940
Employee Related Expenses						5,000
Totals	28.00	28.00	28.00			\$2,648,790

Public Safety	Fire & Medical Services Dep	Fund 01 - General Fund		Cost Center	2100
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent
	Actual	Budget	Revised	Adopted	Change
Supplies					
Office Supplies	1,178	1,000	1,200	1,200	-16.67%
Copier Supplies	1,447	2,000	1,800	1,800	11.11%
Gas & Oil	22,945	26,000	23,000	25,000	13.04%
Vehicle Maint & Repairs	20,031	23,000	26,000	25,000	-11.54%
Equipment Maint & Repairs	8,674	13,000	12,000	10,000	8.33%
Protective Clothing	12,133	12,350	12,000	6,000	2.92%
Postage & Freight	329	400	450	450	-11.11%
Total Supplies	66,737	77,750	76,450	69,450	-9.16%
Contractual Services					
Radio Maintenance	621	2,000	1,000	1,500	100.00%
Computer Support	3,317	4,500	3,500	3,500	28.57%
Contractual Services	105,782	3,760	2,500	2,500	50.40%
Medical Testing	3,346	11,000	12,000	4,000	-8.33%
Emergency Service Grant	0	0	0	5,000	0.00%
GOHS - FIRE Grant	0	20,000	0	50,000	0.00%
GOHS - Safety Grant	0	0	0	10,000	0.00%
FEMA Grant	0	0	0	0	0.00%
Total Contractual Services	113,065	41,260	19,000	76,500	302.63%
Other Services and Charges					
Travel & Training	13,873	18,000	12,000	8,000	50.00%
Subscriptions & Memberships	1,025	2,000	2,100	2,100	-4.76%
Operational Equipment & Supplies	5,838	8,000	7,000	5,000	14.29%
EMS Expenses	10,081	9,000	9,000	8,000	0.00%
Utilities	20,447	26,000	20,000	26,000	30.00%
Telephone	5,794	7,000	5,350	5,600	30.84%
Fire Prevention	5,690	6,500	5,500	4,000	18.18%
Emergency Management	4,844	5,500	4,850	4,850	13.40%
Legal Advertising	0	0	0	0	0.00%
Training Center	1,760	2,500	2,000	2,200	25.00%
Volunteer Fireperson Training	0	2,000	1,000	1,000	100.00%
Volunteer Fireperson Misc	543	2,000	400	800	400.00%
Vol Fire Retirement	160	0	0	0	0.00%
Total Other Services & Charges	70,054	88,500	69,200	67,550	-2.38%

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 2015 Accomplishments:

- * Successfully completed the transition of the Equestrian Center operations to the Verde Valley Fairgrounds with the assistance of the Public Works Department
- * Planned and executed a "Full" Marathon held in conjunction with the Brian Mickelsen Half Marathon, 10K and 2 Mile Fun Walk
- * Organized (annual) signature series and community events: Rhythm & Ribs that showcased some of Nashville's top performers, Thunder Valley Rally, Independence Day - 4th of July Celebration, Easter Egg Hunt, Walkin' on Main (in partnership with the Verde Valley Wine Consortium and the Old Town Association), and the Farmers Market Jamboree & Fall Carnival
- * Thunder Valley Rally experienced an increased presence of over 1,200 motorcycles
- * Hosted Youth Little League tournaments, softball tournaments and raised funds for non-profits through select tournaments
- * Developed Strategic Plan with the B.A.C. to achieve the silver rating from the League of American Bicyclists and participated in the National Bike Month program, hosted a Bicycle Rodeo with Yavapai County and partnered with the City of Cottonwood's Wellness Team to develop opportunities that showcase the benefits of bicycling and encourage people to ride. Also designed a community-wide bicycle map that contains information on bicycle safety and the benefits of a healthy lifestyle
- * The Council's Cottonwood Youth Advisory Commission provided over 1,000 hours of community service, raised \$5,000 in-kind/monetary donations that were given to local non-profits and attended state-wide youth programs. Commission members also partnered with Kids @ Hope concerning youth issues, collected 550 sample surveys and generated observational studies for interest in a movie theatre. They also collaborated with Mingus Union High School to develop a promotion video to attract funds from potential

FY 2016 Goals:

- * Continue to partner with Tournament Sports to bring additional tournaments to Cottonwood
- * Achieve silver status rating from the League of American Bicyclists
- * Continue to develop young leaders through the Cottonwood Youth Advisory Commission who can serve as a united voice for youth and reach out to disadvantaged teens
- * Continue to collaborate with the Old Town Association in developing programs for Old Town Cottonwood
- * Maintain high safety and health standards for the park facilities and continue to provide areas in which the public can be actively and leisurely engaged
- * Develop a city-wide Parks, Recreation, Open Space/Trails Master Plan

Budget Highlights:

The most significant changes to the budget occur in the Personnel costs. These have increased considerably due to a reallocation of personnel costs from the Recreation Center charged to Parks & Recreation. Merit increases also contribute to the higher Personnel costs. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. Capital has been budgeted for lounge furniture - outdoor pool (\$1,000), life guard stands (\$1,000), and the ADA Pool Observation Deck Concrete and Sidewalk (\$4,700).

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund	Cost Center	4100
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Performance Indicators					
City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism				
Department 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	Estimated	Anticipated
	2013	2014	2015	2016	
Increase in overall attendance measured by factual counting methods (Drop in attendance in 2015 due to the discontinuation of Rhythm and Ribs)	13450	17,500	7,000	10,000	

City Council Goal:	Enhance our position as the economic center for the Verde Valley, providing retail, medical, education, transportation, recreation and tourism				
Department 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	Estimated	Anticipated
	2013	2014	2015	2016	
Increase in overall attendance based on actual registrations	584	559	548	550	

City Council Goal:					
Department Goal:					
Objective:					
Type of Measure:					
Tool:					
Frequency:					
Scoring:					
Trend:					
Measures:			Actual	Estimated	Anticipated
	2013	2014	2015	2016	

City Council Goal:					
Department Goal:					
Objective:					
Type of Measure:					
Tool:					
Frequency:					
Scoring:					
Trend:					
Measures:			Actual	Estimated	Anticipated
	2013	2014	2015	2016	

Culture & Recreation		Parks and Recreation		Fund 01 - General Fund		Cost Center	4100
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$182,810	\$175,690	\$189,955	\$321,715	69.36%		
Operating Supplies	56,605	29,000	36,650	42,150	15.01%		
Contractual Services	24,152	24,250	23,000	23,400	1.74%		
Other Services and Charges	406,670	397,960	398,860	422,110	5.83%		
Capital Outlay	19,569	0	850	6,700	688.24%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$689,807</u>	<u>\$626,900</u>	<u>\$649,315</u>	<u>\$816,075</u>	<u>25.68%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$816,075	100.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Administrative Assistant	1.00	1.00	0.70	2,559	3,771	\$31,676
Recreation Coordinator II	0.00	1.00	0.90	2,962	4,365	34,868
Aquatics Center Supervisor	0.00	0.00	0.60	3,970	5,850	38,775
Recreation Center Program Supervisor	0.00	0.00	0.20	3,970	5,850	12,862
Head Lifeguard	0.00	0.00	0.40	2,321	3,421	11,954
Youth Programs Coordinator	0.00	0.00	0.50	2,962	4,365	18,273
Front Desk Supervisor	0.00	0.00	0.60	2,559	3,771	19,878
COLA						0
Merit Contingency						4,034
Holiday Pay						300
Clothing Allowance						1,925
Temporary / Reserves						78,000
Overtime						2,800
Retirement						20,120
Insurance & Taxes						46,250
Employee Related Expenses						0
Totals	<u>1.00</u>	<u>2.00</u>	<u>3.90</u>			<u>\$321,715</u>

Culture & Recreation	Parks and Recreation	Fund 01 - General Fund		Cost Center	4100
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	2,022	400	200	1,000	400.00%
Copier Supplies	200	0	0	0	0.00%
Gas & Oil	946	2,400	2,400	2,400	0.00%
Vehicle Maint & Repairs	856	200	300	2,000	566.67%
Equipment Maint & Repairs	16,943	4,800	11,500	14,500	26.09%
Riverfront Snack Bar	7,534	6,000	6,500	6,500	0.00%
Postage & Freight	0	0	50	50	0.00%
Pool Supplies	25,712	13,500	14,000	14,000	0.00%
Snack Bar Supplies	2,392	1,700	1,700	1,700	0.00%

Total Supplies	56,605	29,000	36,650	42,150	15.01%
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Contractual Services

Computer Support	2,135	2,350	1,500	1,500	0.00%
Fireworks	20,000	20,000	20,000	20,400	2.00%
Contractual Services	2,017	1,900	1,500	1,500	0.00%

Total Contractual Services	24,152	24,250	23,000	23,400	1.74%
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Other Services and Charges

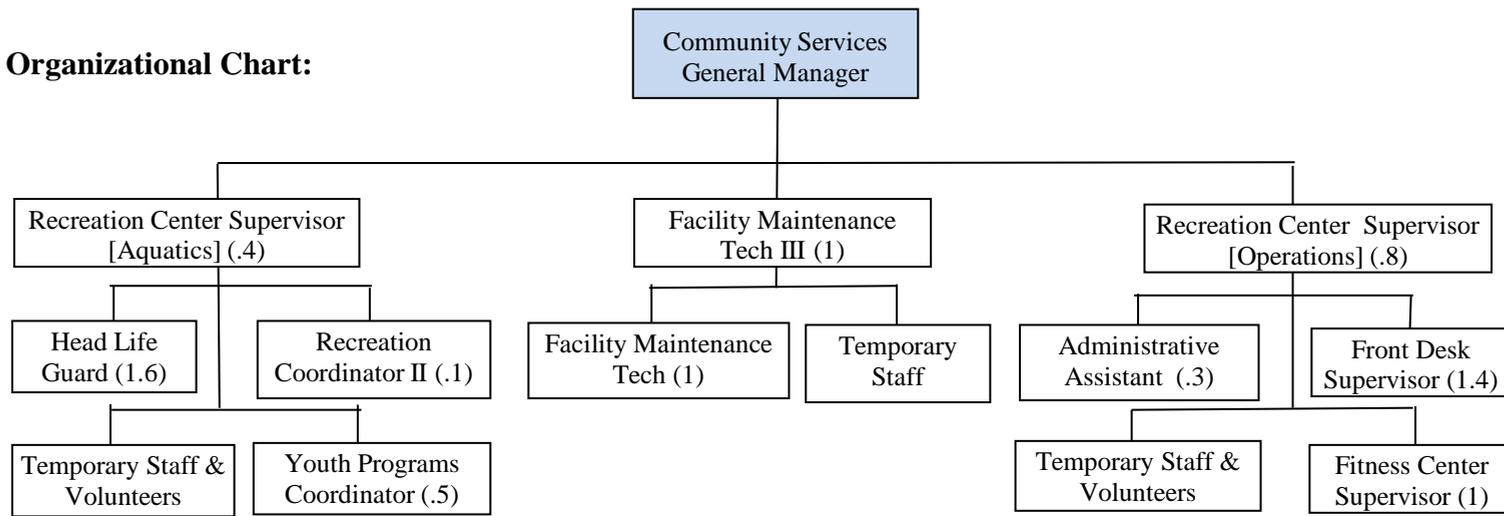
Travel & Training	2,455	1,200	1,800	4,000	122.22%
Subscriptions & Memberships	2,860	2,700	3,100	3,100	0.00%
Printing & Forms	68	100	0	0	0.00%
Rec Programs	28,252	22,000	25,000	25,000	0.00%
Verde River Days	1,000	1,000	1,000	1,000	0.00%
Softball Tournaments	8,031	9,000	10,000	11,500	15.00%
Public Relations	11,469	8,500	10,400	11,000	5.77%
Utilities	178,356	207,000	196,000	217,000	10.71%
Telephone	2,594	2,460	2,560	2,760	7.81%
Summer Youth Program	4,192	4,000	5,100	7,250	42.16%
Rhythm & Ribs	73,722	58,000	48,200	0	-100.00%
Walking on Main Street	14,237	14,000	13,200	13,500	2.27%
10K Memorial Run	19,284	20,000	20,000	20,000	0.00%
Thunder Valley Rally	60,150	48,000	42,500	86,000	102.35%
Tilted Earth Festival	0	0	20,000	20,000	0.00%

Total Other Services & Charges	406,670	397,960	398,860	422,110	5.83%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Lounge Furniture Outdoor Pool				\$1,000	
Life Guard Stands - Updated				1,000	
RF Park Improvements/Herridge			\$850		
ADA Pool Observation Deck Concrete and Sidewalk				4,700	
Equestrian Ctr Const	\$14,084				
Tennis Center Resurface	5,486				
	\$19,569	\$0	\$850	\$6,700	

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 2015 Accomplishments:

- * Successfully administered the United Healthcare's Silver Sneaker program for a 3rd consecutive year within the Recreation Center membership program. Surpassed department goal of capturing a minimum of 10% of senior memberships (Number of enrolled senior citizens increased from 800 to 900)
- * Total user visits to the facility increased by approx. 18% from last budget year
- * Successfully expanded the Center's offerings of Special Interest Classes to accommodate public requests which led to an increase of 30% in class program participation
- * Created a new logo for the "Lookin' Good Cottonwood" weight management program and a comprehensive Fat Loss guide that contains nutrition and exercise information
- * Participation in the After School Program was increased by 28% from last year
- * Continue marketing and promotion campaigns in the Verde Valley and Sedona area as requested by the City Council

FY 2016 Goals:

- * Work towards reaching the 60% cost recovery goal per City Council directive
- * Together with additional contracted patron services, structure marketing strategies for public use of the Community Events Hall and party rooms to increase revenues
- * Implement group personal training programs for a wider audience that offer proper exercise techniques and applications for enhanced physical results in order to increase gym usage and retention
- * Re-evaluate group exercise class schedule and introduce new class options to meet the needs of the community and those of members of the working family in particular

Budget Highlights:

The most significant changes to the budget occur in the Personnel costs. These have decreased considerably due to a reallocation of personnel costs from the Recreation Center to Parks & Recreation; some small costs have been reassigned from Parks & Recreation to the Recreation Center. Merit increases also contribute to the higher Personnel costs. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages. No capital has been budgeted.

Culture & Recreation	Recreation Center	Fund 01 - General Fund	Cost Center	4110
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Performance Indicators

City Council Goal: Strive to provide effective and efficient services
Department 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
	2013	2014	2015	2016
Senior Memberships	2,900	3,000	3,000	2,400
Percent increase from prior year	70.6%	3.4%	0.0%	0.0%

City Council Goal: Strive to provide effective and efficient Services
Department Goal: Increase the number and revenue of facility rentals by 5 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 (verbal, forms, surveys, follow-up contact)
Frequency: Quarterly
Scoring: Quarterly increases in rentals
Trend: N/A

	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Quarterly increases in rentals compared to previous years	386	401	417	425
Revenue generated	\$ 23,473	\$ 34,128	\$ 31,000	\$ 32,550
and party room rentals.	5,000 units	5,000 units	5,000 units	5,000 units

City Council Goal: Strive to provide effective and efficient services
Department Goal: Develop a healthy cost-benefit aquatics center
Objective: Develop data collection points to review user visits
Type of Measure: Service Utilization Output
Tool: Active.net
Frequency: Annual
Scoring: Annual increase of 3% each year, shown through credits
Trend: Economic Impact Level

	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Service Utilization Output	\$8,205	\$8,498	\$8,500	\$8,500

City Council Goal: Strive to provide effective and efficient services
Department Goal: Develop a healthy cost-benefit aquatics center
Objective: Increase participation in annual "Learn to Swim" program by 3% annually, showcased by credits
Type of Measure: Service Utilization Output
Tool: Active.net
Frequency: Annual
Scoring: Annual increase of 3% each year, shown through credits
Trend: Economic Impact Level

	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Service Utilization Output	\$14,745	\$15,187	\$15,200	\$15,200

Culture & Recreation		Recreation Center		Fund 01 - General Fund		Cost Center	4110
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$858,758	\$852,175	\$857,265	\$736,450	-14.09%		
Operating Supplies	114,391	75,800	89,730	62,840	-29.97%		
Contractual Services	145,054	146,400	132,050	149,830	13.46%		
Other Services and Charges	266,701	273,200	288,020	263,750	-8.43%		
Capital Outlay	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$1,384,904</u>	<u>\$1,347,575</u>	<u>\$1,367,065</u>	<u>\$1,212,870</u>	<u>-11.28%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
General Fund	\$485,870	40.06%
Recreation Center Fees	600,000	49.47%
Recreation Center Building Rental	30,000	2.47%
Recreation Center Classes/Programs	97,000	8.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Recreation Center Manager	1.00	0.00	0.00	Position Eliminated		\$0
Aquatics Center Supervisor	1.00	1.00	0.40	3,970	5,850	25,850
Recreation Center Program Supervisor	1.00	1.00	0.80	3,970	5,850	51,448
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	36,704
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	38,184
Youth Programs Coordinator	1.00	1.00	0.50	2,962	4,365	18,273
Front Desk Supervisor	2.00	2.00	1.40	2,559	3,771	46,381
Facility Maintenance Tech	1.00	1.00	1.00	2,321	3,421	28,080
Head Life Guard	2.00	2.00	1.60	2,321	3,421	47,817
Administrative Assistant	0.00	0.00	0.30	2,559	3,771	13,576
Recreation Coordinator II	0.00	0.00	0.10	2,962	4,365	3,874
COLA						0
Merit Contingency						7,603
Holiday Pay						650
Clothing Allowance						2,000
Temporary / Reserves						218,000
Overtime						4,000
Retirement						36,980
Insurance & Taxes						157,030
Employee Related Expenses						0
Totals	<u>11.00</u>	<u>10.00</u>	<u>8.10</u>			<u>\$736,450</u>

Culture & Recreation	Recreation Center	Fund 01 - General Fund		Cost Center	4110
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent
	Actual	Budget	Revised	Adopted	Change

Supplies

Office Supplies	4,019	4,300	4,000	3,000	-25.00%
Copier Supplies	16	50	300	300	0.00%
Gas & Oil	2,366	1,000	2,200	250	-88.64%
Vehicle Maint & Repairs	375	1,000	1,080	200	-81.48%
Equipment Maint & Repairs	81,688	45,000	60,000	40,740	-32.10%
Pool Supplies	22,352	22,000	20,000	17,000	-15.00%
Postage & Freight	289	250	150	150	0.00%
Tools/Operational Supplies	3,285	2,200	2,000	1,200	-40.00%
Total Supplies	114,391	75,800	89,730	62,840	-29.97%

Contractual Services

Computer Support	2,314	2,400	1,800	2,580	43.33%
Recruitment Expense	180	0	250	250	
Contractual Services	108,222	117,600	100,000	118,000	18.00%
Contractual Services Active Network	34,338	26,400	30,000	29,000	-3.33%
Total Contractual Services	145,054	146,400	132,050	149,830	13.46%

Other Services and Charges

Travel & Training	3,443	4,000	3,800	3,500	-7.89%
Subscriptions & Memberships	795	1,000	620	750	20.97%
Printing & Forms	87	0	0	0	0.00%
Rec Programs	16,585	17,500	16,000	16,000	0.00%
Public Relations	13,066	17,000	17,000	17,000	0.00%
Utilities	183,087	185,000	200,000	215,000	7.50%
Telephone	10,297	9,300	11,200	11,500	2.68%
Legal Advertising	0	0	0	0	0.00%
Rental Equipment	0	0	0	0	0.00%
Lease Purchase Rec Cntr Equipment	39,339	39,400	39,400	0	-100.00%
Total Other Services & Charges	266,701	273,200	288,020	263,750	-8.43%

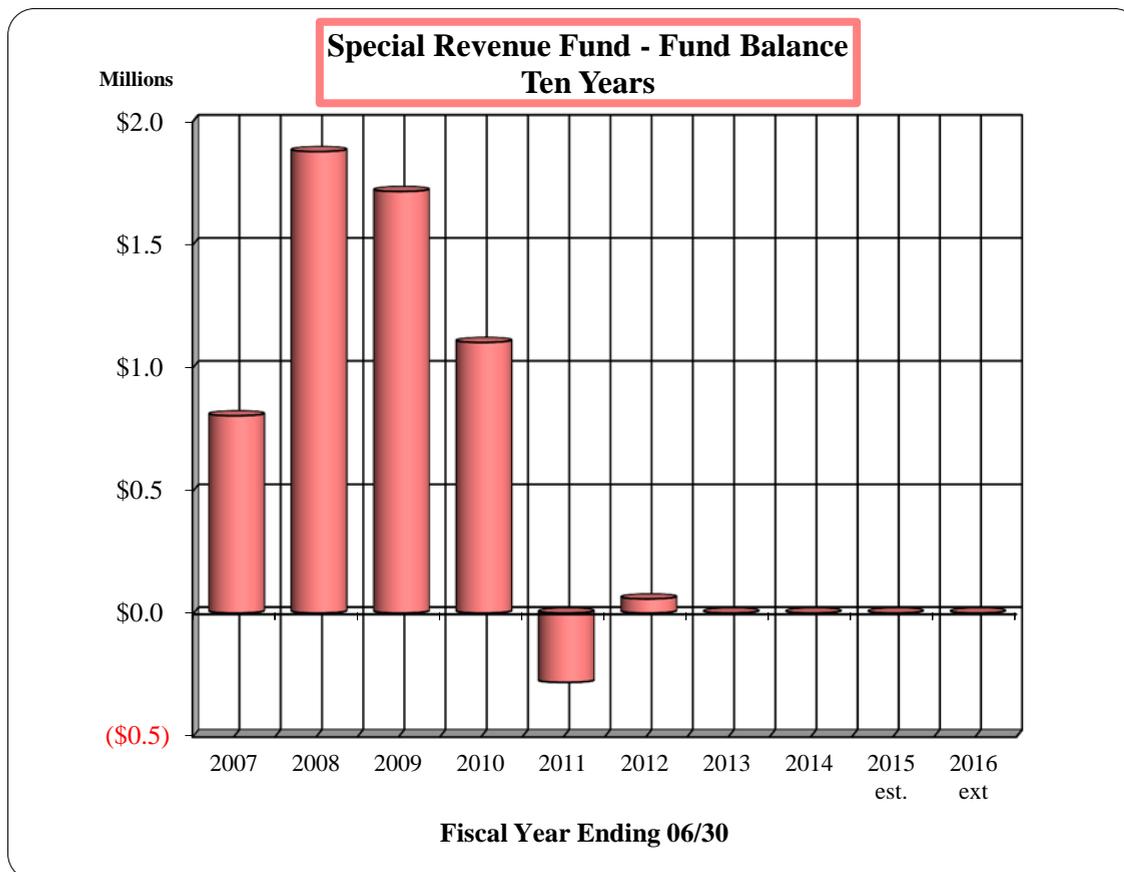
Supplemental Data: Capital Outlay											
Item Description	2014	2015		2016							
	Actual	Budget	Revised	Adopted							
N/A											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">\$0</td> <td></td> </tr> </table>							\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0							

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

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

Fund Balances:

The following illustration depicts a ten-year presentation of the fund balance for the Special Revenue Funds:



Fiscal Year Ending 06/30	Fund Balance
2007	800,979
2008	1,874,971
2009	1,712,685
2010	1,099,115
2011	(282,560)
2012	57,640
2013	0
2014	0
2015 est.	0
2016 ext.	0

The continued fluctuation of the Special Revenues Fund is dependent on the projects being worked and time availability to complete those projects. The Streets Department has one major project listed for FY 2016. A description of all the projects are reflected in the department's budget summary sheets on pages 179-182.

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balances

Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	(\$282,560)	\$35,620	\$0	\$57,640
Less: Designated Reserves	0	0	0	9,395,535
Cash Reserves	0	255,110	159,710	111,885
Appropriated Fund Balance	(282,560)	(219,490)	(159,710)	(9,449,780)
Revenue Sources:				
Taxes	\$258,217	\$221,910	\$221,910	250,000
Intergovernmental Revenues	2,371,646	4,887,515	2,240,090	5,613,025
Charges for Services	435,918	440,700	382,600	414,600
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	105,829	88,925	87,665	83,575
Miscellaneous Revenues	18,815	26,690	16,105	16,555
Total Revenue Sources	3,190,425	5,665,740	2,948,370	6,377,755
Other Financing Sources:				
Transfers In	1,055,086	745,655	2,210,835	934,740
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	10,030,000	10,945,000	0
Total Other Financing Sources	1,055,086	10,775,655	13,155,835	934,740
Total Available Resources	3,962,950	16,221,905	15,944,495	(2,137,285)
Expenditures:				
Personnel	1,589,934	1,788,555	1,727,215	1,893,060
Operating Supplies	514,724	472,550	532,550	505,150
Contractual Services	352,724	598,930	351,925	797,815
Other Services and Charges	788,400	889,115	908,940	881,615
Capital Outlay	1,115,789	10,697,245	3,028,330	9,989,525
Debt Service	0	0	0	0
Total Expenditures	4,361,571	14,446,395	6,548,960	14,067,165
Other Uses:				
Transfers Out	0	8,000	0	107,930
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	8,000	0	107,930
Total Expenditures and Other Uses	4,361,571	14,454,395	6,548,960	\$14,175,095
Ending Fund Balance Designation				
Operating Surplus/(Losses)	45,580	1,029,130	9,395,535	0
Designated Reserves FY's prior to 2014	0	0	0	0
Cash Reserves FY's prior to 2014	0	161,620	0	102,070
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	9,815
Ending Fund Balance	\$45,580	\$1,190,750	\$9,395,535	\$111,885

HURF Fund Revenues/Expenses/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	(\$444,200)	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	9,395,535	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	(444,200)	0	0	(9,395,535)	0.00%
Revenue Sources:					
Taxes	\$258,217	\$221,910	\$221,910	\$250,000	12.66%
Intergovernmental Revenues	1,845,829	3,157,515	2,083,250	2,758,235	32.40%
Services & Charges	187,477	195,300	186,600	189,000	1.29%
Uses of Monies & Properties	2,136	1,000	90	100	11.11%
Miscellaneous Revenues	662	150	0	0	0.00%
Total Revenue Sources	2,294,321	3,575,875	2,491,850	3,197,335	28.31%
Other Financing Sources:					
Transfers In	305,268	0	1,314,870	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	10,030,000	10,945,000	0	-100.00%
Total Other Financing Sources	305,268	10,030,000	12,259,870	0	-100.00%
Total Available Resources	2,599,589	13,605,875	14,751,720	(6,198,200)	-142.02%
Expenditures:					
Personnel	1,040,269	1,216,745	1,147,710	1,298,060	13.10%
Operating Supplies	281,109	263,550	377,550	328,950	-12.87%
Contractual Services	158,678	371,270	122,285	527,090	331.03%
Other Services and Charges	603,851	693,415	707,040	675,570	-4.45%
Capital Outlay	505,555	10,031,765	3,001,600	7,080,370	135.89%
Debt Service	0	0	0	0	0.00%
Total Expenditures	2,589,462	12,576,745	5,356,185	9,910,040	85.02%
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	2,589,462	12,576,745	5,356,185	9,910,040	85.02%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	10,127	1,029,130	9,395,535	0	812.96%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	0	0	9,395,535	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Fund Balance	10,127	1,029,130	9,395,535	9,395,535	0.00%

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.

Streets Maintenance & Construction - Revenues/Expenditures

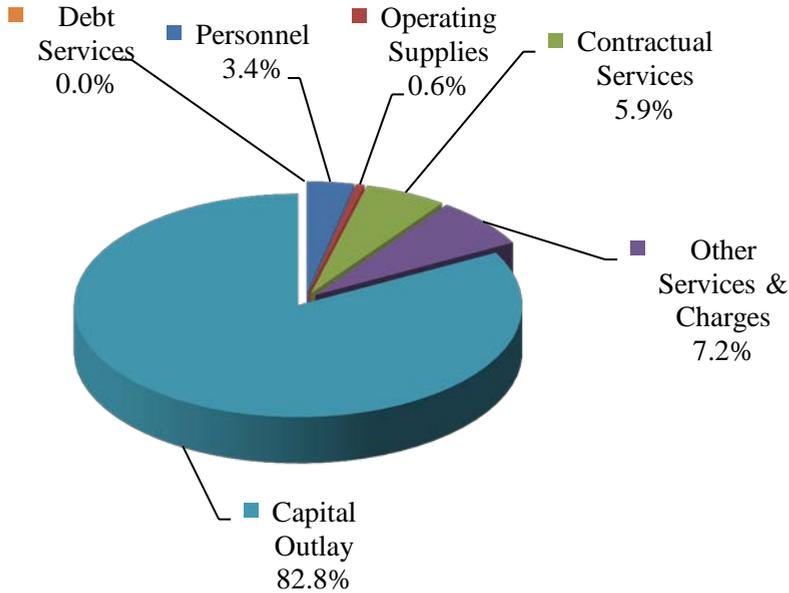
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Revenue Sources:					
Taxes	258,217	221,910	221,910	250,000	12.66%
Intergovernmental Revenues					
Highway User Revenue Fund - HURF	805,540	839,050	839,050	846,670	0.91%
Local Transportation Assistance					
Fund/HURF	0	0	0	0	0.00%
Old Town Contributions	0	0	0	0	0.00%
ISTEA - Phase I Grant	0	0	0	0	0.00%
ISTEA - Phase II Grant	0	0	0	0	0.00%
ADOT Road Diet Grant	0	0	0	0	0.00%
12 th Street Fed Grant	0	1,045,000	0	850,000	0.00%
Mingus Willard to 10 th Street	0	0	0	0	0.00%
Fed Grant - 12th Street	0	0	37,000	0	-100.00%
Uses of Monies & Properties					
Interest Income	2,136	1,000	90	100	11.11%
Miscellaneous Revenues					
Other Income	662	150	0	0	0.00%
Total Revenue Sources	1,066,555	2,107,110	1,098,050	1,946,770	77.29%
Other Financing Sources:					
Transfers In	305,268	0	1,314,870	0	-100.00%
Carryover	0	0	0	9,395,535	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	10,030,000	10,945,000	0	-100.00%
Total Other Financing Sources	305,268	10,030,000	12,259,870	9,395,535	-23.36%
Total Available Resources	1,371,823	12,137,110	13,357,920	11,342,305	-15.09%
Expenditures:					
Personnel	289,097	300,185	266,810	283,045	6.08%
Operating Supplies	46,623	44,600	49,200	49,700	1.02%
Contractual Services	100,320	319,700	83,425	487,815	484.73%
Other Services and Charges	532,671	622,185	635,145	596,255	-6.12%
Capital Outlay	202,409	9,295,300	3,001,600	6,820,370	127.22%
Reserves	0	1,029,130	9,395,535	2,682,830	-71.45%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,171,120	11,611,100	13,431,715	10,920,015	-18.70%
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	1,171,120	11,611,100	13,431,715	10,920,015	-18.70%

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HURF - Streets Fund Revenues & Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$283,045	\$49,700	\$487,815	\$596,255	\$6,820,370	\$0	\$8,237,185
	\$283,045	\$49,700	\$487,815	\$596,255	\$6,820,370	\$0	\$8,237,185

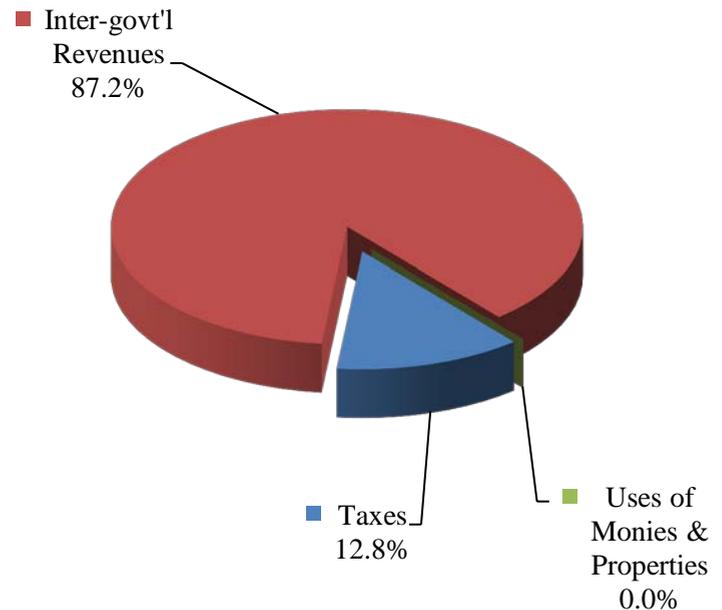
Highway User Revenue Fund - Streets Expenditures by Category



HURF - Streets Fund Summary

Revenues	\$1,946,770
Expenditures	(8,237,185)
Transfers Out	0
Revenues over (under) Expenditures	(6,290,415)
Other Funding Sources/Uses	6,290,415
Use of Fund Balance	\$0

Highway User Revenue Fund - Streets Revenues by Source



Taxes	\$250,000
Inter-gov't'l Revenues	1,696,670
Uses of Monies & Properties	100
Misc. Revenues	0
Transfers In - General Fund	0
Proceeds from Bonds	0
Total Resources Available	\$1,946,770

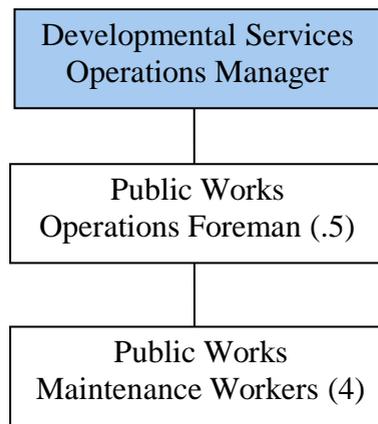
Street Department Revenues:

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

Street Department Expenditures:

Major commitments, totaling \$9,295,300 for various street projects, are programmed for FY 2016. Details can be viewed on page 21. Bonding will be utilized to fund these larger construction projects.

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 2015 Accomplishments:

- * Successfully continued the sign procurement/replacement project per the Highway Safety Improvement Program (HSIP)
- * Successfully facilitated a city-wide clean-up
- * Successfully conducted maintenance of city streets.

FY 2016 Goals:

- * Continue repairing sidewalks and potholes in roadways city-wide
- * Continue to provide traffic controls during events and set-up/teardowns of event structures
- * Continue sweeping city streets, responding to emergency road closures, and striping of streets and parking lots
- * Complete the HSIP sign replacement program
- * Continue efforts to preserve pavements through crack sealing that will prolong the lifespan of the asphalt
- * Provide chemical applicator training for spraying weeds in right-of-way areas
- * Complete landscaping of the green belt areas on Willard Street
- * Begin process of changing over from old U-channel sign posts to the breakaway square tubing system that can be easier installed and will reduce roadside exposure, resulting in a reduction of traffic-related injuries

Budget Highlights:

There are no significant changes in this budget. The increase in Personnel costs is due to the merit program. Capital outlay is planned for sidewalk repair in the amount of \$10,000. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Public Works	Streets Department	Fund 10 - HURF	Cost Center	3100	
Performance Indicators					
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department 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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Lane miles swept per month	60	60	60	60	

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department 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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Percentage of work orders responded to within 48 hours	75%	75%	75%	75%	

Supplemental Data: Capital Outlay				
Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Street Improvements	\$5,874	\$1,600	\$1,400	
Mingus Ave, Willard to Main				
Sweeper Repair		21,500	16,000	
Dust Control Measures		7,500		
Street Light Aspen & 6th	6,193			
Pavement Roller & Trailer				
Vehicle Broom				
Plate Compactor				
Message Board				
Sidewalk Repair		10,000	10,000	\$10,000
Sidewalk Enhancements				
Bridge Inspection		4,000		
Street Sign Equip & Misc				
	<u>\$12,067</u>	<u>\$44,600</u>	<u>\$27,400</u>	<u>\$10,000</u>

Public Works	Streets Department	Fund 10 - HURF		Cost Center	3100
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$289,097	\$300,185	\$266,810	\$283,045	6.08%
Operating Supplies	46,623	44,600	49,200	49,700	1.02%
Contractual Services	100,320	319,700	83,425	487,815	484.73%
Other Services and Charges	532,671	622,185	635,145	596,255	-6.12%
Capital Outlay	12,067	44,600	27,400	10,000	-63.50%
Reserves	0	1,029,130	9,395,535	2,682,830	-71.45%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$980,778</u>	<u>\$2,360,400</u>	<u>\$10,457,515</u>	<u>\$4,109,645</u>	<u>-60.70%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
HURF	846,670	20.60%
Use of Fund Balance	3,262,875	79.40%
Miscellaneous	100	0.00%
Transfers In from General Fund	0	0.00%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Public Works Superintendent	0.50	0.50	0.00	4377	6450	\$0
Public Works Operations Foreman	0.00	0.00	0.50	3601	5306	21,244
PW Maint Tech II	4.00	4.00	4.00	2559	3771	150,237
COLA						0
Merit Contingency						3,599
Longevity						0
Clothing Allowance						1,200
Temporary / Reserves						0
Overtime						2,500
Retirement						20,370
Insurance & Taxes						83,895
Employee Related Expenses						0
Totals	<u>4.50</u>	<u>4.50</u>	<u>4.50</u>			<u>\$283,045</u>

Public Works	Streets Department	Fund 10 - HURF		Cost Center	3100
Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Supplies					
Office Supplies	0	200	0	100	0.00%
Operational Supplies	2,023	1,200	1,200	1,200	0.00%
Postage & Freight	0	50	0	0	0.00%
Gas & Oil	19,320	20,000	20,000	20,000	0.00%
Vehicle Maint & Repairs	7,695	8,000	8,000	8,400	5.00%
Equipment Maint & Repairs	17,584	15,000	20,000	20,000	0.00%
Building Maint & Repairs	0	150	0	0	0.00%
Total Supplies	46,623	44,600	49,200	49,700	1.02%
Contractual Services					
Computer Support	467	500	225	225	0.00%
General Counsel	0	0	0	0	
Street Lights	55,440	68,200	68,200	68,590	0.57%
Engineering Services	0	0	0	0	0.00%
Contractual Services	41,325	247,000	15,000	415,000	2666.67%
Pavement Preservation	3,089	4,000	0	4,000	0.00%
Total Contractual Services	100,320	319,700	83,425	487,815	484.73%
Other Services and Charges					
Travel & Training	0	500	200	500	150.00%
Subscriptions & Memberships	0	100	0	0	0.00%
Utilities	9,224	9,200	9,300	9,300	0.00%
Telephone	2,181	2,500	2,600	2,500	-3.85%
Legal Advertising	0	0	0	0	0.00%
Bank Charges	19	100	25	25	0.00%
Tools	2,298	2,000	7,000	2,000	-71.43%
Employee Physicals	156	1,000	0	1,000	0.00%
Equipment Rental	0	1,000	125	1,000	700.00%
Liability Insurance	12,821	17,010	36,120	37,930	5.01%
Liability Claims Deductible	0	0	0	0	0.00%
Indirect Cost to General Fund	473,180	517,275	517,275	475,000	-8.17%
Culverts	0	2,500	0	1,000	0.00%
Materials	21,494	18,000	15,000	16,000	6.67%
Street Signs	11,298	5,000	5,000	4,000	-20.00%
Street Marking	0	42,500	42,500	42,500	0.00%
Street Light Contingency	0	3,500	0	3,500	0.00%
LTA Cultural Expense	0	0	0	0	0.00%
Total Other Services & Charges	532,671	622,185	635,145	596,255	-6.12%
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%

Organizational Chart:

None

General Information:

Street construction projects are executed by contractors, who are solicited through a sealed bid process.

FY 2015 Accomplishments:

- * Completed the southern half of the construction of 12th Street from Fir Street to Hwy 89A
- * Completed the Mingus Avenue resurfacing project from Main Street to Cornville Road
- * Successfully reconstructed and repaved the parking lot of the Civic Center.

FY 2016 Goals:

- * Complete the northern phase of the construction of 12th Street from Fir Street to Hwy 89A
- * Begin construction of Mingus Ave from Willard Street to 10th Street
- * Continue the construction of sidewalk additions.

Budget Highlights:

The major increase in this year's budget is the work to be completed on the northern phase of the 12th Street construction and Mingus Ave from Willard St to 10th Street. More information on these projects can be found on page 21.

Public Works	Street Construction	Fund 02 - HURF	Cost Center	3110
Performance Indicators				
City Council Goal:	<i>* Performance Measures are being developed for this department *</i>			
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
N/A				

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016

Public Works		Street Construction		Fund 02 - HURF		Cost Center		3110	
Summary by Category									
Expenditure Category	2014		2015		2016		Percent Change		
	Actual	Budget	Budget	Revised	Adopted	Adopted			
Personnel	\$0	\$0	\$0	\$0	\$0	\$0	0.00%		
Operating Supplies	0	0	0	0	0	0	0.00%		
Contractual Services	0	0	0	0	0	0	0.00%		
Other Services and Charges	0	0	0	0	0	0	0.00%		
Capital Outlay	190,342	9,250,700	2,974,200	2,974,200	6,810,370	6,810,370	128.98%		
Reserves	0	0	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0	0	0.00%		
Department Totals	<u>\$190,342</u>	<u>\$9,250,700</u>	<u>\$2,974,200</u>	<u>\$2,974,200</u>	<u>\$6,810,370</u>	<u>\$6,810,370</u>	<u>128.98%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
HURF	\$0	0.00%
Bond	0	0.00%
Grants	850,000	12.48%
Sales Tax	250,000	3.67%
Use of Fund Balance	5,710,370	83.85%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Public Works	Street Construction	Fund 02 - HURF		Cost Center	3110
Supplemental Data: Expenditures					
Item Description	2011	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

N/A

Total Supplies	0	0	0	0	0.00%
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Contractual Services

N/A

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

N/A

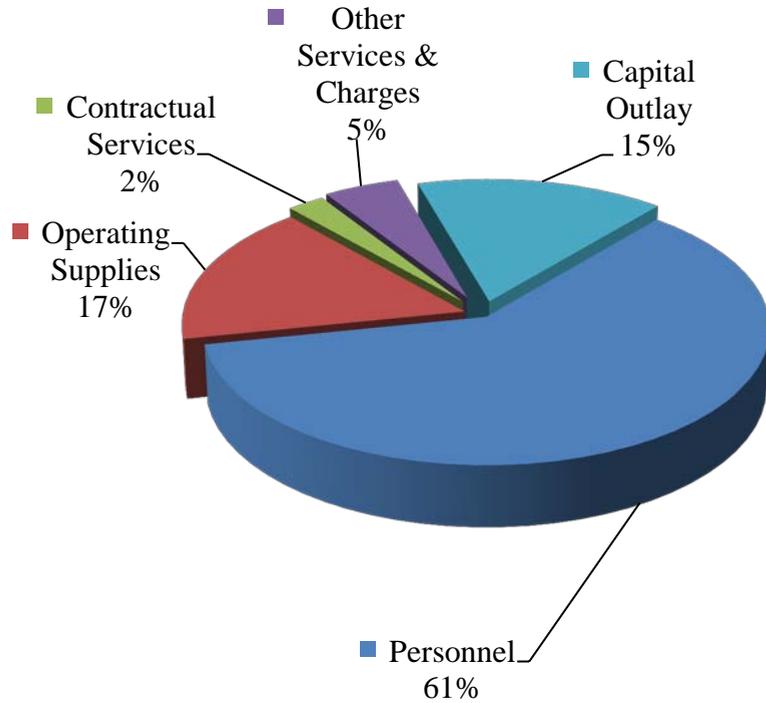
Total Other Services & Charges	0	0	0	0	0.00%
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Supplemental Data: Capital Outlay					
Expenditure Category	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Pavement Preservation	\$0	\$250,000	\$250,000		
Street Contingency	2,016	10,000			
Mingus/Main Signal	(40)	5,000			
W. Mingus Reconstruction	70,445				
12th St. 89A to Fir	91,821	3,329,700	2,665,000	\$337,220	
Sidewalk Additions	650	80,000	36,850	123,150	
6th Street Bridge					
Willard Street Bridge					
10th Street & Main Project	7				
Mingus Willard to Main	10,400	5,526,000		6,100,000	
Main Street Road Diet Grant		50,000			
HSIP Sign Replacement	14,680		22,350		
Mingus Ave, 10th Street & Main Project				250,000	
12th Street Project	363				
	<u>\$190,342</u>	<u>\$9,250,700</u>	<u>\$2,974,200</u>	<u>\$6,810,370</u>	

Transit System Fund Revenues & Expenditures by Category

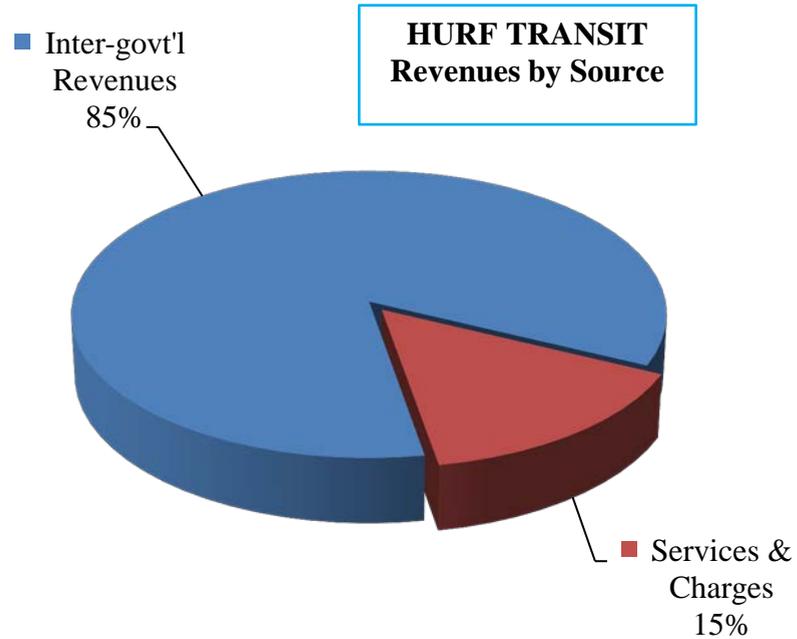
	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$1,015,015	\$279,250	\$39,275	\$79,315	\$260,000	\$0	\$1,672,855
	\$1,015,015	\$279,250	\$39,275	\$79,315	\$260,000	\$0	\$1,672,855

HURF TRANSIT Expenditures by Category



Revenues	\$1,250,565
Expenditures	(1,672,855)
	<u>(422,290)</u>
Other Funding Sources/Uses	422,290
	<u>Use of Fund Balance</u>
	<u>\$0</u>

Inter-gov't'l Revenues	\$1,061,565
Services & Charges	189,000
Misc Revenues	0
Transfers In	0
	<u>Total Resources Available</u>
	<u>\$1,250,565</u>



Cottonwood Area Transit System - Revenues/Expenditures

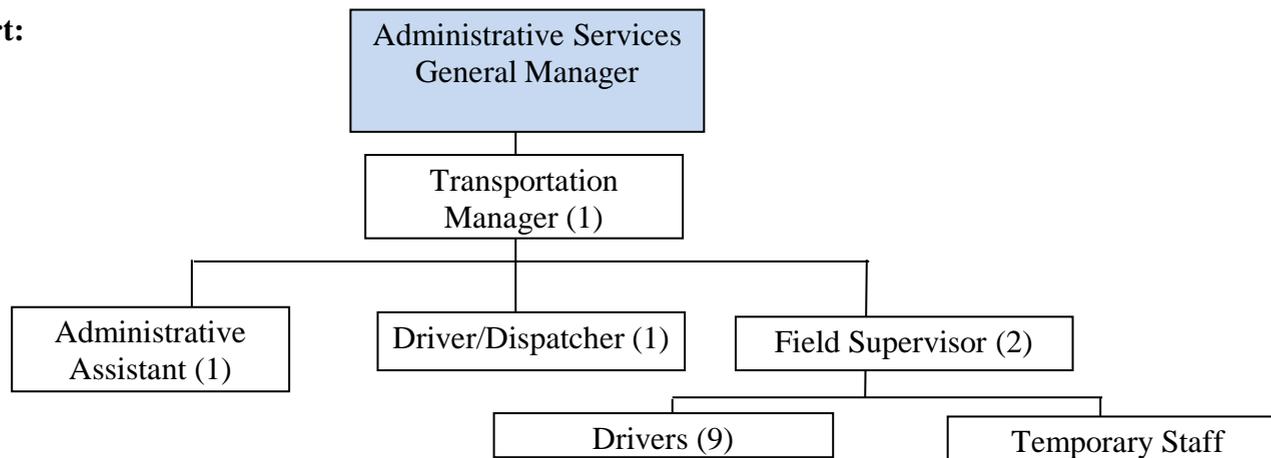
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Revenue Sources:					
Taxes	0	0	0	0	0.00%
Intergovernmental Revenues					
Yavapai Co.	45,000	25,000	20,340	20,670	1.62%
Clarkdale	35,059	30,235	33,700	37,820	12.23%
Sedona	94,830	87,490	72,190	109,895	52.23%
HURF - Fuel Tax	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	865,400	1,130,740	1,080,970	893,180	-17.37%
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	187,477	195,300	186,600	189,000	1.29%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	1,227,766	1,468,765	1,393,800	1,250,565	-10.28%
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	1,227,766	1,468,765	1,393,800	1,250,565	-10.28%
Expenditures:					
Personnel	751,172	916,560	880,900	1,015,015	15.22%
Operating Supplies	234,486	218,950	328,350	279,250	-14.95%
Contractual Services	58,358	51,570	38,860	39,275	1.07%
Other Services and Charges	71,179	71,230	71,895	79,315	10.32%
Capital Outlay	303,146	736,465	0	260,000	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	1,418,342	1,994,775	1,320,005	1,672,855	26.73%
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	1,418,342	1,994,775	1,320,005	1,672,855	26.73%

Social Services	CATS/LYNX	Fund 10 - Transit	Cost Center	15XX
Performance Indicators				
<i>* New Performance Measures are being developed for this department*</i>				
City Council				
Department				
Type of Measure				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual	Estimated	Anticipated
Measures:		2013	2014	2015
				2016

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual	Estimated	Anticipated
Measures:		2013	2014	2015
				2016

City Council Goal:				
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
		Actual	Estimated	Anticipated
Measures:		2013	2014	2015
				2016

Organizational Chart:



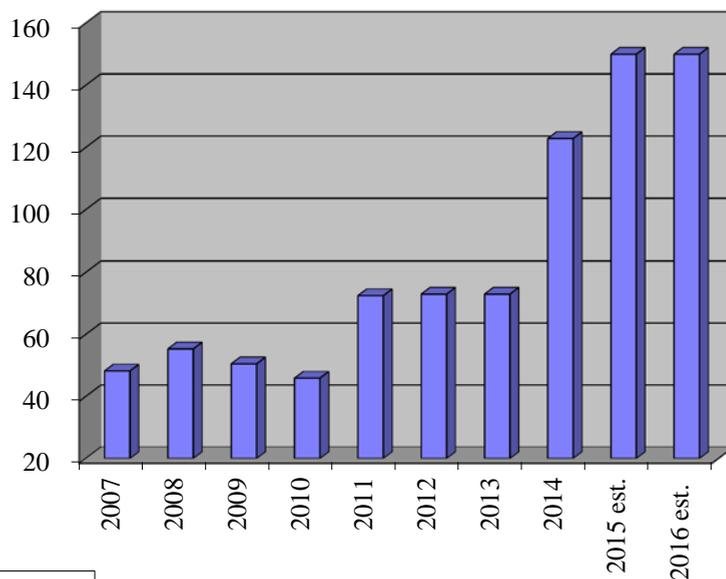
Note: only unshaded boxes are included in this budget.

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

Thousands



FY ending 06/30	Number of Passengers
2007	48,212
2008	55,330
2009	50,521
2010	45,915
2011	72,500
2012	73,000
2013	73,000
2014	122,874
2015 est.	150,000
2016 est.	150,000

■ Number of Passengers

Fiscal year Ending 06/30

FY 2015 Accomplishments:

- * Anticipated transportation of 150,000 passengers which amounts to about a 20% increase from 2014
- * Continued collaboration with other local transportation providers as well as NACOG to expand the transportation offerings between Camp Verde and the Southern end of the Verde Valley due to the increased demand ever since the start of the Yavapai Apache Nation Transit operation

FY 2016 Goals:

- * Negotiate with the Counties, City of Sedona and the US Forest Service for funding assistance with transit links to Cornville and Village of Oak Creek
- * Analyze revenue potential for local matching funds to help cover operating costs
- * Assess the feasibility of Saturday service for CAT as well as a new fares structure

Budget Highlights:

This budget reflects an increase due to adding a Fulltime driver in FY 2015 and one in FY 2015, as well as Capital that is budgeted at \$260,000, which will be partially funded by ADOT. There is also an increase in personnel due to the merit program. No Cost of Living Adjustment (COLA) is being granted for this budget year, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Social Services	CATS/LYNX		Fund 10 - Transit		Cost Center	15XX
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$751,172	\$916,560	\$880,900	\$1,015,015	15.22%	
Operating Supplies	234,486	218,950	328,350	279,250	-14.95%	
Contractual Services	58,358	51,570	38,860	39,275	1.07%	
Other Services and Charges	71,179	71,230	71,895	79,315	10.32%	
Capital Outlay	303,146	736,465	0	260,000	0.00%	
Reserves	0	0	0	0	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$1,418,342	\$1,994,775	\$1,320,005	\$1,672,855	26.73%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$1,061,565	63.46%
Services & Charges	189,000	11.30%
Miscellaneous Revenues	0	0.00%
Transfers In General Fund	0	0.00%
Use of HURF Fund Balance	422,290	25.24%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Transportation Manager	1.00	1.00	1.00	5067	7466	\$68,574
Administrative Assistant	1.00	1.00	1.00	2559	3771	33,854
Driver / Dispatcher	1.00	1.00	1.00	2559	3771	40,114
Field Supervisor	2.00	2.00	2.00	2559	3771	73,506
Drivers	7.00	8.00	9.00	2437	3591	286,193
COLA						0
Merit Contingency						10,824
Holiday Pay						9,500
Clothing Allowance						4,000
Temporary / Reserves						185,000
Overtime						30,000
Retirement						64,955
Insurance & Taxes						208,495
Employee Related Expenses						0
Totals	12.00	13.00	14.00			\$1,015,015

Social Services	CATS/LYNX	Fund 10 - Transit		Cost Center	15XX
Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	5,426	6,500	5,000	5,000	0.00%
Copier Supplies	18	200	100	200	100.00%
Gas & Oil	125,840	123,500	180,000	177,500	-1.39%
Vehicle Maint & Repairs	101,810	87,000	140,000	95,000	-32.14%
Postage & Freight	286	250	250	250	0.00%
Tools	1,107	1,500	3,000	1,300	-56.67%

Total Supplies

234,486	218,950	328,350	279,250	-14.95%
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Contractual Services

Computer Support	8,079	4,500	7,875	3,950	-49.84%
Contractual Services	36,487	28,950	16,700	16,500	-1.20%
Custodial Contract	7,719	6,120	6,260	6,475	3.43%
Radio Maintenance	2,844	6,500	1,500	5,250	250.00%
Indirect Cost to G/F	0	0	0	0	0.00%
Building/Grounds Mtce	3,230	5,500	6,525	7,100	8.81%

Total Contractual Services

58,358	51,570	38,860	39,275	1.07%
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Other Services and Charges

Travel & Training	4,194	5,000	500	3,750	650.00%
Subscriptions & Membershi	674	100	1,475	2,500	69.49%
Utilities	10,738	12,500	9,500	10,000	5.26%
Telephone	14,615	9,300	7,500	7,400	-1.33%
Printing & Forms	16,049	8,800	12,000	9,875	-17.71%
Advertising	4,033	9,200	8,000	12,000	50.00%
Liability Insurance	16,026	21,350	27,120	29,000	6.93%
Audit Expense	1,400	3,000	3,000	3,000	0.00%
Continued Education	1,650	0	0	0	0.00%
Employee Physicals/Drug Testing	1,800	1,980	2,800	1,790	-36.07%

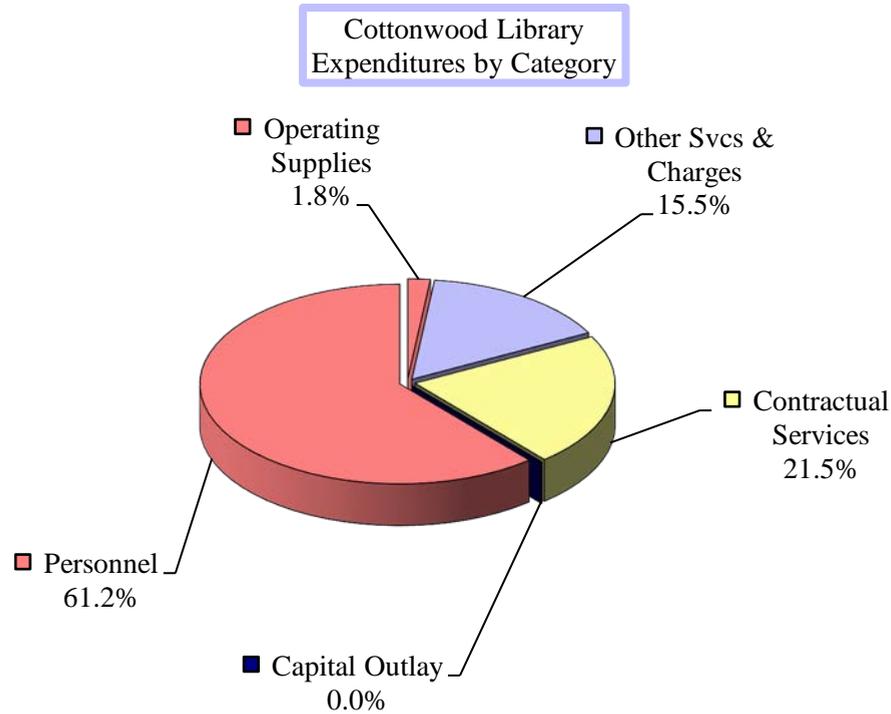
Total Other Services & Charges

71,179	71,230	71,895	79,315	10.32%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Route Match Software		\$23,165			
Buses (2)	\$303,146				
Buses (4)		540,000		\$260,000	
Sidewalk Repairs ADA		170,000			
Computers		3,300			
	\$303,146	\$736,465	\$0	\$260,000	

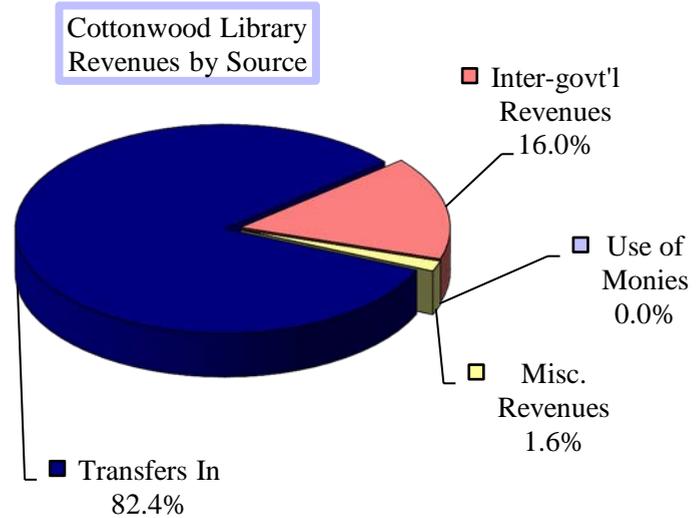
Cottonwood Library System Fund Expenditures by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category Totals	\$595,000	\$17,700	\$209,500	\$150,250	\$0	\$0	\$972,450



Revenues	\$171,165
Expenditures	(972,450)
Revenues over (under) Expenditures	(801,285)
Other Funding Sources/Uses	801,285
Use of Fund Balance	\$0

Inter-govt'l Revenues	\$155,640
Use of Monies	25
Misc. Revenues	15,500
Transfers In	801,285
Total Resources Available	\$972,450



Library Revenues:

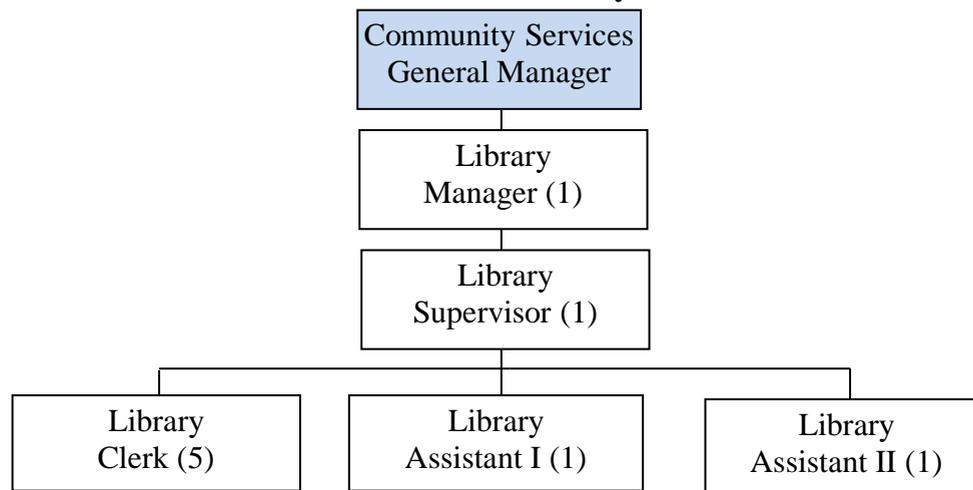
About 98% of the Cottonwood Library operating revenues come from Intergovernmental revenues and transfers in sources. \$171,165 is contributed by the Yavapai County Library System based on total circulation for the facility. The General Fund will transfer in \$801,285 this year for maintenance and operation of the library.

Library Expenditures:

The Library has struggled to keep up with the growth of walk-in patrons and the need for additional services. The Library completed its expansion project in fiscal year 2010. This \$2.9M expansion alleviated the need for additional space to house more collection materials.

Cottonwood Library System Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	0	0	0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
Yavapai County	162,521	162,520	156,840	155,640	-0.77%
HVAC Grant	0	0	0	0	0.00%
Grant Revenues	61,480	23,480	0	0	0.00%
Services & Charges					
Collection Income	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	106	25	25	25	0.00%
Miscellaneous Revenues					
Other Income	15,804	25,640	14,300	15,500	8.39%
Total Revenue Sources	239,912	211,665	171,165	171,165	0.00%
Other Financing Sources:					
Transfers In	730,659	718,430	760,845	801,285	5.32%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	0	0	0	0	0.00%
Proceeds from Bonds	0	0	0	0	0.00%
Total Other Financing Sources	730,659	718,430	760,845	801,285	5.32%
Total Available Resources	970,571	930,095	932,010	972,450	4.34%
Expenditures:					
Personnel	549,665	571,810	579,505	595,000	2.67%
Operating Supplies	21,484	19,500	21,200	17,700	-16.51%
Contractual Services	141,252	172,605	169,605	209,500	23.52%
Other Services and Charges	135,255	152,700	146,500	150,250	2.56%
Capital Outlay	121,301	13,480	15,200	0	-100.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	968,957	930,095	932,010	972,450	4.34%
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	968,957	930,095	932,010	972,450	4.34%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	1,614	0	0	0	0.00%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Fund Balance	\$1,614	\$0	\$0	\$0	0.00%

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.

FY 2015 Accomplishments:

- * Applied for and received a grant under the Library Services and Technology Act (LSTA), administered by the Institute of Museum and Library Services (IMLS), for \$18,000 for the Adult Services Department that funded items such as laptops, tables and chairs for workshops (Digital Photography, Travel Resources 101, Beginning Spanish, and GIMP and Social Media for Beginners) that were attended by a total of 609 adults
- * Applied for and awarded a grant by Arizona State Library Archives and Public Records, and IMLS for \$20,000 for the Youth Services Department for enhancement of digital literacy. 3,596 youth attended the Video Game Development and Animation & Lego Robots workshops. Funds also provided for furniture, eBooks, and a new computer lab for, among others, tweens and teens. Both grant checks were presented by Ken Bennett, AZ Secretary of State.
- * The Youth Services department was received STEAM (Science, Technology, Engineering, Arts and Math) Kits from the Arizona State Library. These kits are specifically targeted for community libraries in small and rural areas to encourage interest in sciences and the arts.
- * The Teen Library Council (TLC) participated in the annual Christmas Parade, participated with crafts and programs for the Summer Reading program, and completed an outreach program making Valentine cards for seniors at the Carefree Assisted Living Center.
- * Expanded online library database by using Gale Resources and adding the Universal Class (500 free online courses), Encyclopedia Britannica and Zinio (free magazine) databases; Ancestry.com was added in-house.
- * Partnered with Community Legal Services for free legal clinics, every first Tuesday of the month, for citizens with low income

FY 2016 Goals:

- * Provide more self-service options for patrons; and more outreach to schools and general public by highlighting the library's services through increased publicity and attendance at local events
- * Be a learning center for the community by continuously updating the job search computer and providing basic computer training
- * Despite reduced funding resources, continue to maintain quality full service operations to library members with more cost-effective training for staff as needed, utilizing training webinars through the State Library and resources provided within the Yavapai Library Network
- * Explore more avenues of subscription services and movie licensing to meet the community needs for activity programming

Budget Highlights:

There are no significant changes to this budget. The increase in Personnel costs is due to the merit program. No Cost of Living Adjustment (COLA) has been budgeted, but the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Culture and Recreation	Cottonwood Library	Fund 03 - Library Fund	Cost Center	4000	
Performance Indicators					
City Council Goal:	Strive to provide effective and efficient services to the public that we serve				
Department 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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Adult staff sponsored programs attendance	564	744	781	820	
Youth Services staff sponsored programs attendance	7,112	14,262	14,975	15,724	
Adult programs attendance	3,096	3,328	3,494	3,669	
Youth Services Programs attendance	1,004	693	728	764	
	11,776	19,027	19,978	20,977	
Percent increase/decrease from prior year	N/A	62%	5%	5%	

City Council Goal:	Strive to provide effective and efficient services to the public that we serve				
Department 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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Job Service computer usage	207	402	422	443	
Youth Service computer usage	4,135	2,872	3,459	3,632	
Adult Services computer usage	29,870	26,828	29,969	31,467	
Internet Guest card usage	12,867	9,933	10,430	10,952	
Total Usage	47,079	40,035	44,280	46,494	
Circulation of library items	247,542	255,113	267,859	281,262	
Circulation of eBook usage	7,101	9,376	9,845	10,337	
	301,722	304,524	321,984	338,093	
Percent increase/decrease from prior year	N/A	1%	6%	5%	

Culture and Recreation		Cottonwood Library		Fund 03 - Library Fund		Cost Center	4000
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
Personnel	\$549,665	\$571,810	\$579,505	\$595,000	8.25%		
Operating Supplies	21,484	19,500	21,200	17,700	-16.51%		
Contractual Services	141,252	172,605	169,605	209,500	23.52%		
Other Services and Charges	135,255	152,700	146,500	150,250	2.56%		
Capital Outlay	121,301	13,480	15,200	0	-100.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	\$968,957	\$930,095	\$932,010	\$972,450	4.34%		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Intergovernmental Revenues	\$155,640	16.00%
Uses of Monies	25	0.00%
Miscellaneous Income	15,500	1.59%
Use of Fund Balance	0	0.00%
Transfers In - General Fund	801,285	82.40%
Total Funding		100.0%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Library Manager	1.00	1.00	1.00	5,067	7,466	\$74,352
Library Supervisor	1.00	1.00	1.00	3,601	5,306	48,004
Library Asst II	1.00	1.00	1.00	3,111	4,584	46,126
Library Asst I	1.00	1.00	1.00	2,687	3,960	35,860
Library Clerk	5.00	5.00	5.00	2,321	3,421	162,774
COLA						0
Merit Contingency						14,264
Longevity						0
Temporary / Reserves						45,000
Holiday Pay						0
Retirement						43,740
Insurance & Taxes						124,880
Employee Related Expenses						0
Totals	9.00	9.00	9.00			\$595,000

Culture and Recreation	Cottonwood Library	Fund 03 - Library Fund		Cost Center	4000
Supplemental Data: Expenditures					
Item	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	4,427	4,000	4,000	4,000	-9.64%
Copier Supplies	4,544	3,500	6,200	2,500	-22.98%
Equipment Maint & Repairs	6,794	6,000	6,000	6,000	-11.68%
Postage & Freight	5,719	6,000	5,000	5,200	4.91%

Total Supplies	21,484	19,500	21,200	17,700	-16.51%
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Contractual Services

Computer Support	5,276	5,000	2,000	2,000	-5.24%
Collection Expenses	2,041	2,000	2,000	2,000	-1.99%
Advertising	0	0	0	0	0.00%
Bank Charges	12	0	0	0	
Building Maint. & Repair	0	0	0	30,000	
Indirect Cost to General Fund	133,923	165,605	165,605	175,500	23.66%

Total Contractual Services	141,252	172,605	169,605	209,500	23.52%
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Other Services and Charges

Travel & Training	848	800	800	800	-5.62%
Subscriptions & Memberships	198	200	0	0	1.01%
Utilities	47,667	55,000	52,000	55,000	15.38%
Telephone	2,278	2,000	2,500	2,700	-12.19%
Youth Programs	368	450	450	450	22.39%
Book Purchases	40,362	41,000	41,000	41,000	1.58%
Network/Technology Exps	29,429	35,000	35,000	35,000	18.93%
Annual Volunteer Appreciation Event	745	750	800	800	0.68%
Liability Insurance	12,821	17,000	13,550	14,000	32.60%
Recruitment Expense	540	500	400	500	-7.41%

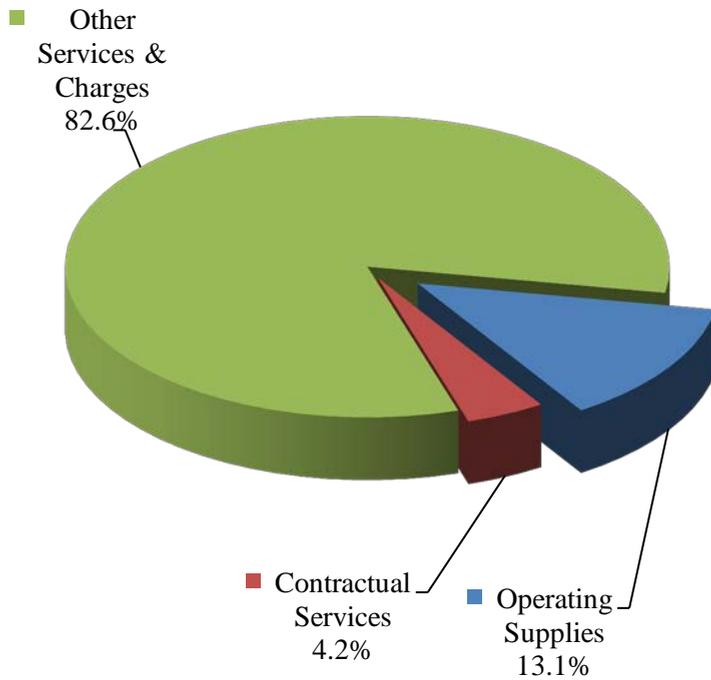
Total Other Services & Charges	135,255	152,700	146,500	150,250	2.56%
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Supplemental Data: Capital Outlay					
Item Description	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Lighting and Ballast Replacement					
RFID Conversion					
Security Gate					
Grant Expenditures	\$83,301	\$13,480			
Carpet	38,000				
Chair Re-upholstery Project					
	\$121,301	\$13,480	\$0	\$0	

Cottonwood Cemetery Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Totals	\$0	\$3,500	\$1,125	\$22,000	\$0	\$0	\$26,625
	\$0	\$3,500	\$1,125	\$22,000	\$0	\$0	\$26,625

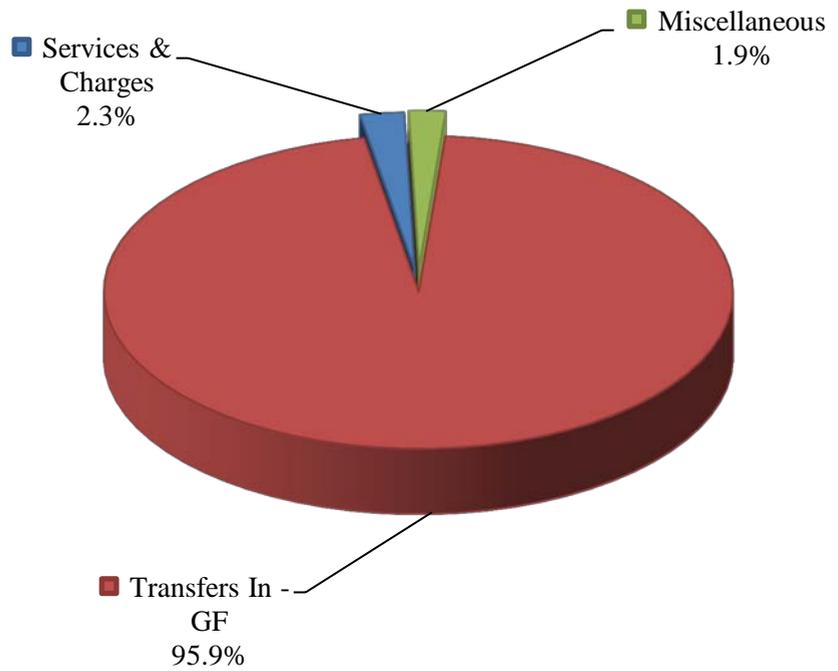
Cottonwood Cemetery Fund Expenditures by Category



Cottonwood Cemetery Fund Summary	
Revenues	\$1,100
Expenditures	(26,625)
Revenues over (under) Expenditures	(25,525)
Other Funding Sources/Uses	25,525
Use of Fund Balance	\$0

Cottonwood Cemetery Fund Revenues by Source	
Services & Charges	\$600
Use of Monies	0
Miscellaneous	500
Transfers In - GF	25,525
Total Resources Available	\$26,625

Cottonwood Cemetery Fund Revenues by Source



Cottonwood Cemetery Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
Sale of Grave liners	600	400	600	600	0.00%
Uses of Monies & Properties					
Interest Income	0	0	0	0	0.00%
Miscellaneous Revenues					
Other Income	1,700	500	1,005	500	-50.25%
Total Revenue Sources	2,300	900	1,605	1,100	-31.46%
Other Financing Sources:					
Transfers In	19,159	19,225	21,520	25,525	18.61%
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	19,159	19,225	21,520	25,525	18.61%
Total Available Resources	21,459	20,125	23,125	26,625	15.14%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	102	4,000	0	3,500	0.00%
Contractual Services	1,537	1,125	1,125	1,125	0.00%
Other Services and Charges	19,820	15,000	22,000	22,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	21,459	20,125	23,125	26,625	15.14%
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	21,459	20,125	23,125	26,625	15.14%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Fund Balance	\$0	\$0	\$0	\$0	0.00%

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 2015 Accomplishments:

* N/A

FY 2016 Goals:

* N/A

Budget Highlights:

None

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200
Performance Indicators				
City Council Goal:	<i>* Performance Measures are being developed for this department *</i>			
Department				
Objective:				
Type of Mea				
Tool:				
Frequency:				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2013	2014	2015	2016
City Council Goal:				
Department				
Objective:				
Type of Mea				
Tool:				
Frequency:				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2013	2014	2015	2016
Mission/Value Statement:				
Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
	Actual		Estimated	Anticipated
Measures:	2013	2014	2015	2016

Cemeteries		Cottonwood Cemetery		Fund 04 - Cemetery		Cost Center		4200	
Summary by Category									
Expenditure Category	2014		2015		2016		Percent		
	Actual	Budget	Revised	Adopted	Change				
Personnel	\$0	\$0	\$0	\$0	0.00%				
Operating Supplies	102	4,000	0	3,500	0.00%				
Contractual Services	1,537	1,125	1,125	1,125	0.00%				
Other Services and Charges	19,820	15,000	22,000	22,000	0.00%				
Capital Outlay	0	0	0	0	0.00%				
Debt Service	0	0	0	0	0.00%				
Department Totals	<u>\$21,459</u>	<u>\$20,125</u>	<u>\$23,125</u>	<u>\$26,625</u>	<u>15.14%</u>				

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Charges for Service	\$600	2.25%
Interest Income	0	0.00%
Miscellaneous Fees	500	1.88%
Carryover	0	0.00%
Transfer In - General Fund	25,525	95.87%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Merit Contingency						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Cemeteries	Cottonwood Cemetery	Fund 04 - Cemetery	Cost Center	4200	
Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Grave Liners	0	3,000	0	3,000	0.00%
Equipment Maint & Repairs	59	500	0	500	0.00%
Misc. Expense	43	500	0	0	0.00%
Total Supplies	102	4,000	0	3,500	0.00%

Contractual Services

Indirect Cost to General Fund	1,537	1,125	1,125	1,125	0.00%
Total Contractual Services	1,537	1,125	1,125	1,125	0.00%

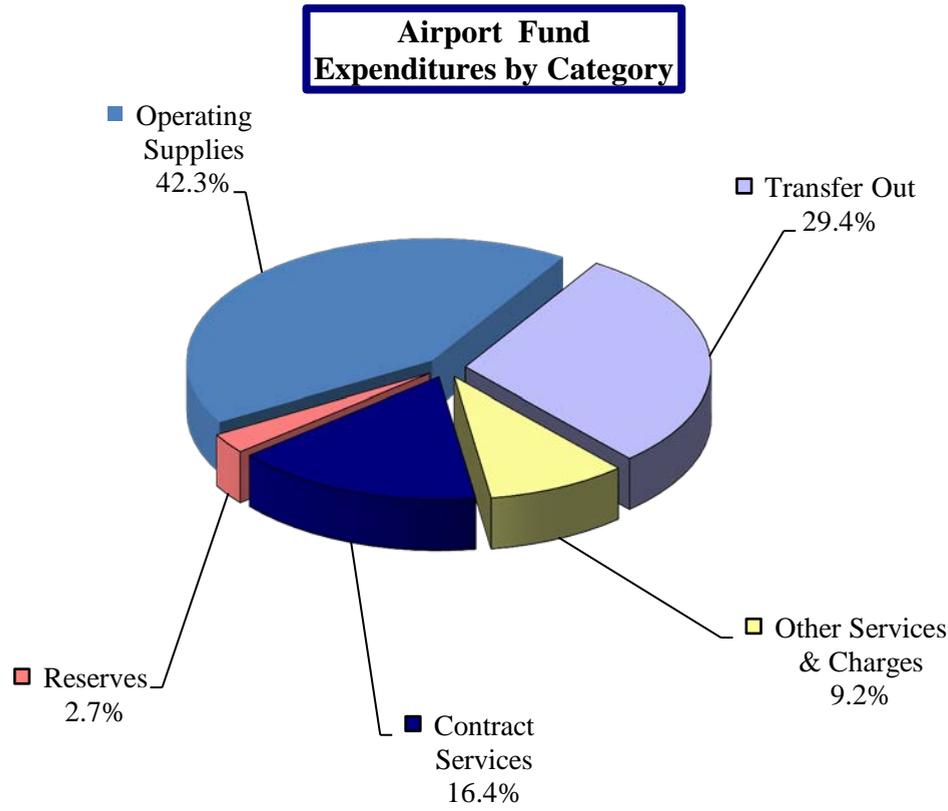
Other Services and Charges

Utilities	19,820	15,000	22,000	22,000	0.00%
Telephone	0	0	0	0	0.00%
Total Other Services & Charges	19,820	15,000	22,000	22,000	0.00%

Supplemental Data: Capital Outlay											
Expenditure Category	2014	2015		2016							
	Actual	Budget	Revised	Adopted							
N/A											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 16.5%; text-align: center;">\$0</td> <td style="width: 16.5%;"></td> </tr> </table>							\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0							

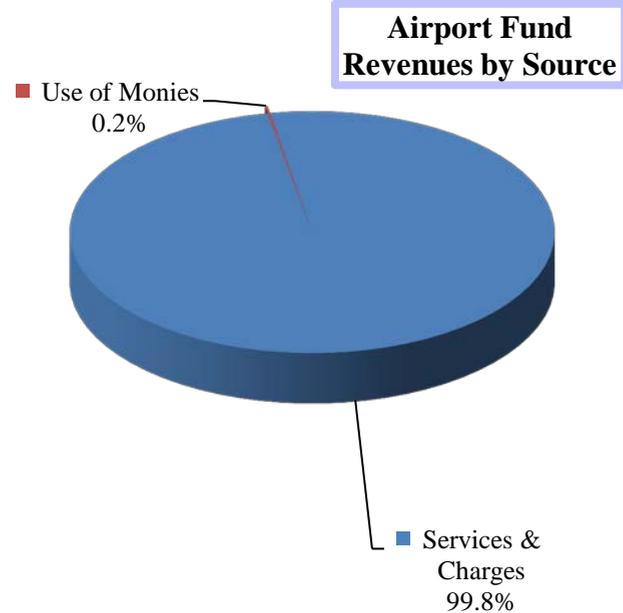
Airport Fund Expenditures by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Reserves	Transfer Out	Total
Totals	\$0	\$155,000	\$60,100	\$33,795	\$0	\$9,815	\$107,930	\$366,640
	\$0	\$155,000	\$60,100	\$33,795	\$0	\$9,815	\$107,930	\$366,640



Airport Fund Summary	
Revenues	\$309,000
Expenditures	(366,640)
Revenues over (under) Expenditures	(57,640)
Other Funding Sources/Uses	0
Use of Fund Balance	(57,640)

Airport Fund Revenues by Source	
Services & Charges	\$308,450
Use of Monies	550
Transfers In - GF	0
Total Resources Available	\$309,000



Airport Revenues:

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

Airport Expenditures:

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

Airport Authority Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$35,620	\$0	\$57,640	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	93,490	57,640	9,815	-82.97%
Appropriated Fund Balance	0	(57,870)	(57,640)	47,825	0.00%
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	247,841	245,000	195,400	225,000	15.15%
Uses of Monies & Properties					
Tie Down Rent	17,400	15,000	17,000	17,000	0.00%
Airpark Rents	0	0	0	0	0.00%
FBO Building Rental	0	0	0	0	0.00%
Land Lease Fees	48,884	32,900	37,000	32,900	-11.08%
City Hangar Lease Fees	37,303	40,000	33,550	33,550	0.00%
Miscellaneous Revenues					
Other Income	489	400	800	550	-31.25%
Total Revenue Sources	351,917	333,300	283,750	309,000	8.90%
Other Financing Sources:					
Transfers In	0	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	0	0	0	0	0.00%
Total Available Resources	351,917	275,430	226,110	356,825	57.81%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	212,029	185,500	133,800	155,000	15.84%
Contractual Services	51,257	53,930	58,910	60,100	2.02%
Other Services and Charges	29,474	28,000	33,400	33,795	1.18%
Capital Outlay	88	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	292,848	267,430	226,110	248,895	10.08%
Other Uses:					
Transfers Out	0	8,000	0	107,930	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	8,000	0	107,930	0.00%
Total Expenditures and Other Uses	292,848	275,430	226,110	356,825	57.81%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	59,069	0	0	0	0.00%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	9,815	0.00%
Ending Fund Balance	\$59,069	\$0	\$0	\$0	0.00%

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 2015 Accomplishments:

- * Successfully completed inspection of the Runway Overlay project
- * Successfully completed the installation of the Automated Weather Observation System (AWOS) for which an antenna and beacon were specifically designed
- * Completed the airport lease and Airport Capital Improvement Plan (ACIP) exhibits

FY 2016 Goals:

- * Complete stormwater permit for the airport
- * Complete update of the airport's minimum operating procedures
- * Complete reconstruction of the airport apron
- * Complete the design of the Instrument Flying Rules (IFR) / Global Positioning System (GPS) approach to ensure safer flights
- * Develop a Through-the-Fence Policy that will allow businesses and individuals, who do not rent space at the airport, access to the airport infrastructure to conduct business
- * Execute a Request for Quotation (RFQ) for a Fixed Based Operator (FBO) on the airport premises to perform aviation as well as mechanics services

Budget Highlights:

The FY 2016 budget shows no significant changes and no capital.

Airport	Airport	Fund 05 - Airport	Cost Center	1500	
Performance Indicators					
City Council Goal:	Value the tax dollar and maintain sound fiscal policies				
Department 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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Minimum monthly fuel level	1,500	1,500	1,500	1,500	

City Council Goal:	Value the tax dollar and maintain sound fiscal policies				
Department Goal:	Decrease cost of electric power used at the airport				
Objective:	Measure the amount of power consumed 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 2015				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Decrease in electric consumption	0%	30%	N/A	N/A	

City Council Goal:					
Department Goal:					
Objective:					
Type of Measure:					
Tool:					
Frequency:					
Scoring:					
Trend:					
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016

Airport	Airport	Fund 05 - Airport			Cost Center	1500
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
Personnel	\$0	\$0	\$0	\$0	0.00%	
Operating Supplies	212,029	185,500	133,800	155,000	15.84%	
Contractual Services	51,257	53,930	58,910	60,100	2.02%	
Other Services and Charges	29,474	28,000	33,400	33,795	1.18%	
Capital Outlay	88	0	0	0	0.00%	
Reserves	0	93,490	57,640	9,815	-82.97%	
Transfers Out			0	107,930	0.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	\$292,848	\$360,920	\$283,750	\$366,640	29.21%	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Fuel Sales	\$225,000	61.37%
User & Rental Fees	141,640	38.63%
Fund Balance	0	0.00%
Transfers In - General Fund	0	0.00%
Total Funding		100.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	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

Airport	Airport	Fund 05 - Airport		Cost Center	1500
Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Supplies

Office Supplies	87	0	150	150	0.00%
Vehicle Maint & Repairs	1,206	500	150	150	0.00%
Equipment Maint & Repairs	8,963	8,000	0	3,500	0.00%
Building Maint & Repairs	58	1,000	1,000	500	-50.00%
Fuel Expenses	200,782	175,000	130,000	150,000	15.38%
Oil Expense	80	0	0	0	0.00%
Operational Supplies	853	1,000	2,500	700	-72.00%

Total Supplies	212,029	185,500	133,800	155,000	15.84%
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Contractual Services

Misc. Expenses	0	0	0	0	0.00%
Computer Support	110	120	100	100	100.00%
General Counsel	0	0	0	0	0.00%
Contractual Services	8,284	5,000	10,000	10,000	0.00%
Airport-Indirect Costs to General Fund	42,862	48,810	48,810	50,000	2.44%

Total Contractual Services	51,257	53,930	58,910	60,100	2.02%
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Other Services and Charges

Airport Annual Event	0	0	0	0	0.00%
Utilities	11,114	12,000	12,050	12,410	2.99%
Telephone	973	800	1,150	1,185	3.04%
Bank Charges	9,186	7,000	12,000	12,000	0.00%
Liability Insurance	8,200	8,200	8,200	8,200	0.00%

Total Other Services & Charges	29,474	28,000	33,400	33,795	1.18%
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Supplemental Data: Capital Outlay					
Expenditure Category	2014	2015		2016	
	Actual	Budget	Revised	Adopted	
Office Furniture					
Airport Improvements	\$88				
	\$88	\$0	\$0	\$0	

Airport Improvement Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Final	
Beginning Fund Balance	\$161,640	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	161,620	102,070	102,070	0.00%
Appropriated Fund Balance	161,640	(161,620)	(102,070)	(102,070)	0.00%
Revenue Sources:					
Intergovernmental Revenues					
ADOT - Runway 32	\$0	\$0	\$0	\$0	0.00%
ADOT - Terminal Parking	0	0	0	0	0.00%
ADOT - Design Lighting & Runway Imp.	0	0	0	0	0.00%
ADOT -Fence Extension	0	8,000	0	0	0.00%
ADOT - Pavement Preservation	0	900,000	0	1,755,000	0.00%
FAA - Fence Extension	0	136,000	0	135,000	0.00%
FAA - Airport Apron	0	0	0	0	0.00%
FAA - AWOS	19,688	0	0	0	0.00%
FAA - Pavement Preservation	0	0	0	0	0.00%
FAA - Terminal Parking	0	0	0	0	0.00%
Beacon & LED Windsocks	0	0	0	0	0.00%
Energy Efficient Block Grant	0	0	0	0	0.00%
Total Revenue Sources	19,688	1,044,000	0	1,890,000	0.00%
Other Financing Sources:					
Transfers In	0	8,000	113,600	107,930	-92.96%
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	8,000	113,600	107,930	-4.99%
Total Available Resources	181,328	890,380	11,530	1,895,860	16342.84%
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	136,144	152,000	11,530	2,100,000	18113.36%
Debt Service	0	0	0	0	0.00%
Total Expenditures	136,144	152,000	11,530	2,100,000	18113.36%
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	136,144	152,000	11,530	2,100,000	18113.36%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	45,184	0	0	0	0.00%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	161,620	0	102,070	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Fund Balance	\$45,184	\$161,620	\$0	\$102,070	0.00%

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 2015 Accomplishments:

* They are the same as the Airport

FY 2016 Goals:

* N/A

Budget Highlights:

Capital in the amount of \$150,000 to increase the fence height at the Airport and \$1,950,000 for Pavement Preservation are included for FY 2016. Both projects have offsetting revenue sources from Arizona Department of Transportation (AZDOT) and the Federal Aviation Administration (FAA).

Airport	Airport Improvement Fund	Fund 11- Grants			Cost Center	1500
Summary by Category						
Expenditure Category	2014	2015		2016	Percent Change	
	Actual	Budget	Revised	Adopted		
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	136,144	152,000	11,530	2,100,000	18113.36%	
Reserves	0	1,061,620	102,070	0	-100.00%	
Debt Service	0	0	0	0	0.00%	
Department Totals	<u>\$136,144</u>	<u>\$1,213,620</u>	<u>\$113,600</u>	<u>\$2,100,000</u>	<u>1748.59%</u>	

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
FAA Grant	\$135,000	6.43%
Misc Grants	0	0.00%
ADOT Grant	1,755,000	83.57%
Airport Transfer In	107,930	5.14%
Fund Balance	0	0.00%
Total Funding		<u>95.14%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Grants Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Taxes	\$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%
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%
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%
Ending Fund Balance Designation					
Operating Surplus/(Losses)	0	0	0	0	0.00%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Fund Balance	\$0	\$0	\$0	\$0	0.00%

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	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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	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	

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 2015 Accomplishments:

* None

FY 2016 Goals:

* Obtain grants for multiple projects

Budget Highlights:

N/A

Grants	Other Grants Fund	Fund 07 - Grants	Cost Center	0000
Performance Indicators				
City Council Goal:	<i>* Performance Measures are not applicable to this fund *</i>			
Department Goal:				
Objective:				
Type of Measure:				
Tool:				
Frequency:				
Scoring:				
Trend:				
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
N/A				

Supplemental Data: Capital Outlay				
Expenditure Category	2014	2015		2016
	Actual	Budget	Revised	Adopted
Grant Projects		\$500,000		\$500,000
	\$0	\$500,000	\$0	\$500,000

Grants	Other Grants Fund	Fund 07 - Grants		Cost Center	0000
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$0</u>	<u>\$500,000</u>	<u>\$0</u>	<u>\$500,000</u>	<u>0.00%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Federal Grants	\$500,000	100%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Community Development Block Grant Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Revenue Sources:					
Intergovernmental Revenues					
State Grants	\$0	\$0	\$0	\$0	0.00%
Greenwood Chipping Grant	0	0	0	0	0.00%
Federal Grants	282,128	0	0	309,150	0.00%
Miscellaneous Revenue					
Interest Income	159	0	0	5	0.00%
Total Revenue Sources	282,287	0	0	309,155	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	282,287	0	0	309,155	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	352,700	0	0	309,155	0.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	352,700	0	0	309,155	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	352,700	0	0	309,155	0.00%
Net Income / (Loss)	(\$70,413)	\$0	\$0	\$0	

Organizational Chart:

None

General Information:

The Community Development Department, which includes Developmental Services work closely with the Northern Arizona Council of Governments (NACOG) and the State of Arizona to obtain Community Development Block Grants (CDBG) funds. Intergovernmental agreements and partnerships have been formed to successful completion of a variety of neighborhood improvement projects.

FY 2015 Accomplishments:

* None

FY 2016 Goals:

* Obtain grants for multiple projects

Budget Highlights:

N/A

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

Supplemental Data: Capital Outlay				
Expenditure Category	2014	2015		2016
	Actual	Budget	Revised	Adopted
CDBG 10th St Construction Grant	\$352,700			
Civic Center Upgrades				\$309,155
	<u>\$352,700</u>	\$0	\$0	<u>\$309,155</u>

Public Works		Community Development Block Grant		Fund 08 - CDBG		Cost Center	3110
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
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	352,700	0	0	309,155	0.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$352,700</u>	<u>\$0</u>	<u>\$0</u>	<u>\$309,155</u>	<u>0.00%</u>		

Departmental Fund Sources			
Funding Sources	Amount	% of Funding	% of Funding
Federal Grants	\$229,155	74%	
HURF Fund	\$80,000	26%	
	Total Funding	<u>100.00%</u>	

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

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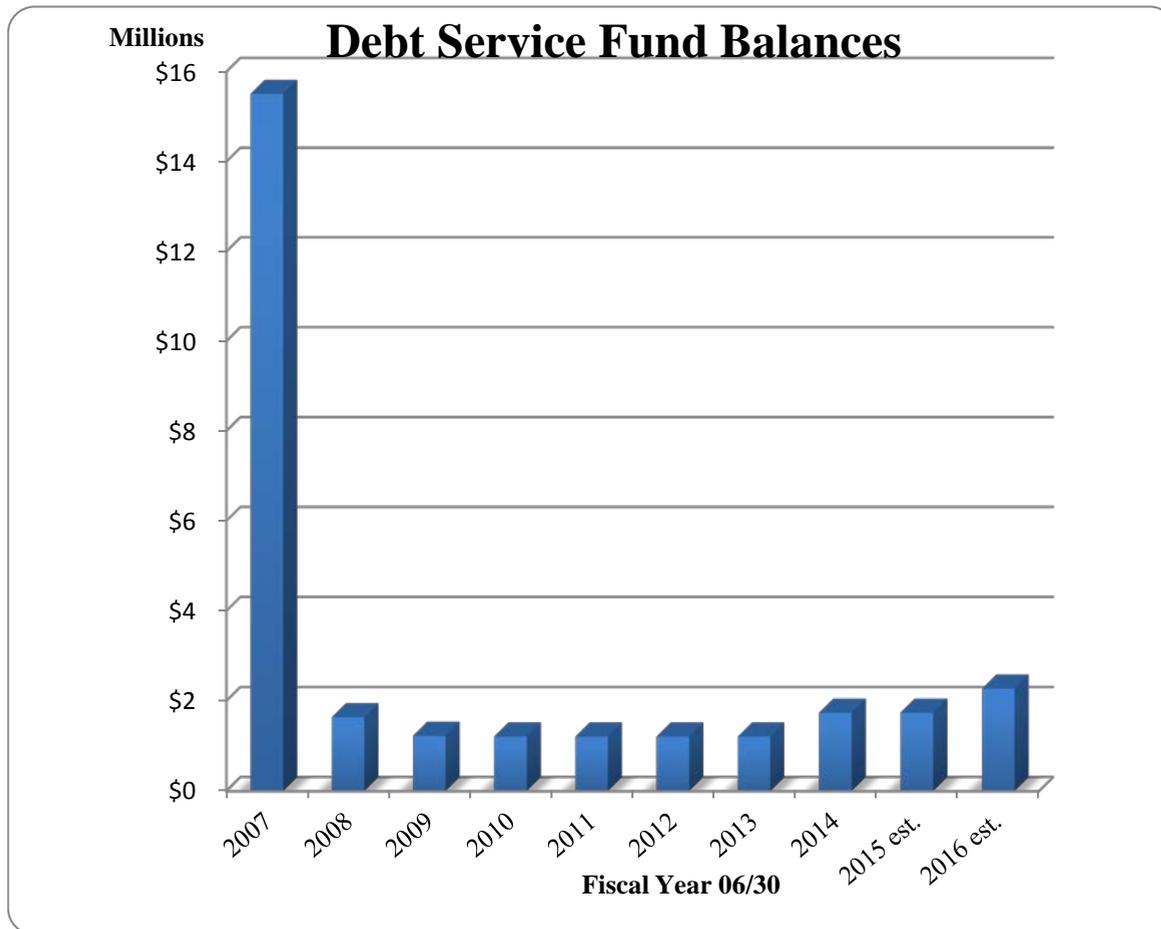
The Debt Service Fund is set up to account for the accumulation of resources and the payment of general long-term debt principal and interest.

Fund/Account Number

Description

20

Debt Service



Fiscal Year 06/30	Balance
2007	15,510,865
2008	1,637,437
2009	1,229,290
2010	1,210,129
2011	1,210,129
2012	1,209,315
2013	1,209,315
2014	1,740,825
2015 est.	1,740,830
2016 est.	2,271,530

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/Changes in Fund Balance

Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$1,210,126	\$1,210,126	\$1,210,130	\$1,740,830
Less: Designated Reserves	0	1,210,126	1,210,130	1,740,830
Cash Reserves	0	0	0	0
Appropriated Fund Balance	1,210,126	2,420,252	0	0
Revenue Sources:				
Taxes	\$1,536,370	\$2,071,975	\$2,072,185	\$2,072,185
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	3,865	0	150	150
Miscellaneous Revenues	0	0	0	0
Total Revenue Sources	1,540,235	2,071,975	2,072,335	2,072,335
Other Financing Sources:				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	0	0	0
Total Available Resources	2,750,361	4,492,227	2,072,335	2,072,335
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	360	0	360	360
Other Services and Charges	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service	1,539,875	1,541,275	1,541,275	1,541,275
Total Expenditures	1,540,235	1,541,275	1,541,635	1,541,635
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	1,540,235	1,541,275	1,541,635	1,541,635

Debt Service Fund Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$1,210,126	\$1,210,126	\$1,210,130	\$1,740,830	43.85%
Less: Designated Reserves	0	1,210,126	1,210,130	1,740,830	43.85%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	1,210,126	0	0	0	0.00%
Revenue Sources:					
Taxes					
City Sales Tax	\$1,536,370	\$1,541,275	\$1,541,485	\$1,541,485	0.00%
City Sales Tax - Library	0	530,700	530,700	530,700	0.00%
Charges for Services					
User Fees - Water Co. Debt Service	0	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	3,865	0	150	150	0.00%
Total Revenue Sources	1,540,235	2,071,975	2,072,335	2,072,335	0.00%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Carryover Funds	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	2,750,361	2,071,975	2,072,335	2,072,335	0.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	360	0	360	360	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	1,740,825	1,740,830	2,271,530	30.49%
Debt Service	1,539,875	1,541,275	1,541,275	1,541,275	0.00%
Total Expenditures	1,540,235	3,282,100	3,282,465	3,813,165	16.17%
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	1,540,235	3,282,100	3,282,465	3,813,165	16.17%
Ending Fund Balance:					
Operating Surplus/(Losses)	1,210,126	(1,210,125)	0	0	0.00%
Designated Reserves FY's prior to 2014		0	1,210,130	0	-100.00%
Cash Reserves FY's prior to 2014	0	0	530,700	0	-100.00%
Restricted	0	1,210,126	0	1,740,830	100.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Ending Fund Balance	\$1,210,126	\$1	\$1,740,830	\$1,740,830	0.00%

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Organizational Chart:

None

General Information:

The Debt Service Fund plans the payment of general obligation bond principal and interest payments and the accumulation of reserves for future payments from government resources. The City has two outstanding debt issues, the public library project of 1992 and the Recreation Center. Principal and interest for both projects are paid from special sales taxes. Currently, the City does not have a debt policy in place.

A city sales tax of 1% was enacted July 1, 1987 for the wastewater project, and a city sales tax of .2%, effective April 1, 1992, funds the library project.

FY 2015 Accomplishments:

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

FY 2016 Goals:

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

Budget Highlights:

The Recreation Center bond is the only remaining bond for this fund. The City continues to pursue other financing resources to help fund some current Streets and Capital Improvement Projects.

Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service	Cost Center	8XXX
Performance Indicators				
<i>* Performance Measures are not applicable for this fund*</i>				

Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	

Contractual Services

Trustee Fees - Library	0	0	0	0	0.00%
Trustee Fees - WIFA	360	0	360	360	0.00%
Total Contractual Services	360	0	360	360	0.00%

Debt Service

Interest - FmHA Loan - Library	0	0	0	0	0.00%
Principal - FmHA Loan - Library	0	0	0	0	0.00%
Interest - Library Bonds	0	0	0	0	0.00%
Principal - Library Bonds	0	0	0	0	0.00%
Interest - GADA - Recreation Center	699,875	666,275	666,275	631,275	-5.25%
Principal - GADA - Recreation Center	840,000	875,000	875,000	910,000	4.00%
Interest GADA-RR Wash	0	0	0	0	0.00%
Principal GADA-RR Wash	0	0	0	0	0.00%
Interest GADA-PS Building	0	0	0	0	0.00%
Principal GADA-PS Building	0	0	0	0	0.00%
Total Other Services & Charges	1,539,875	1,541,275	1,541,275	1,541,275	0.00%

Reserves

GADA Reserve	0	1,740,825	1,740,830	2,271,530	30.49%
Total Reserves	0	1,740,825	1,740,830	2,271,530	30.49%

Interest & Sinking	Debt Service Fund	Fund 20 - Debt Service		Cost Center	8XXX
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	360	0	360	360	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	1,740,825	1,740,830	2,271,530	30.49%
Transfers Out	0	0	0	0	0.00%
Debt Service	1,539,875	1,541,275	1,541,275	1,541,275	0.00%
Department Totals	\$1,540,235	\$3,282,100	\$3,282,465	\$3,813,165	16.17%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Other Income	\$150	0.00%
Taxes	2,072,185	54.34%
Bond Proceeds	0	0.00%
Transfers In - General Fund	0	0.00%
Fund Balance	0	0.00%
Total Funding		<u>54.35%</u>

Supplemental Data: Transfers Out					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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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Greater Arizona Development Authority - Recreation Center Projects Infrastructure Revenue Bonds - Series 2007A ("AAA" S&P / "Aaa" Moody's)

Maturity	Principal			Rate	Interest	Debt Service
	Payments	Retired	Balance			
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
	<u>\$13,985,000</u>				<u>\$4,510,081</u>	<u>\$18,495,081</u>

**Computation of Direct and Overlapping Bonded Debt
June 30, 2015**

Jurisdiction	General Obligation Bonded Debt	Percentage Applicable to City	Amount Applicable to City
City of Cottonwood	\$45,610,000	0.00%	\$0
Yavapai County	0	100.00%	0
Yavapai Community College District	37,395,000	4.55%	1,701,473
Cottonwood/Oak Creek School District	0	38.37%	0
Mingus Union High School District	9,995,000	44.98%	4,495,751
Total Direct and Overlapping Debt			<u>\$6,197,224</u>

Jurisdiction	Total Assessed Valuation
City of Cottonwood	\$94,167,958
Yavapai County	2,435,926,055
Yavapai Community College District	2,435,926,055
Cottonwood/Oak Creek School District	222,512,683
Mingus Union High School District	277,201,553
	<u>\$5,465,734,304</u>

Debt allocation is based on distribution of assessed valuation within overlapping tax districts.

The secondary assessed valuation is used in Yavapai Community College District, Cottonwood/Oak Creek and Mingus Union High School District. The primary assessed valuation is used for Yavapai County.

For statutory purposes, the City's outstanding bonds are not considered general obligation bonds subject to the statutory limits listed above because the City's bonds outstanding at June 30, 2015 were secured by sales taxes instead of property taxes.

Computation of Legal Debt Margin June 30, 2015

Net secondary assessed valuation (Full Cash Value)	\$102,237,396
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Calculation of 20% Debt Limitation

20% of secondary net assessed valuation	20,447,479
Bonds outstanding	0
Net 20% Debt Limitation	20,447,479

Calculation of 6% Debt Limitation

6% of secondary net assessed valuation	6,134,244
Bonds outstanding	0
Net 6% Debt Limitation	6,134,244

Total Bonding Capacity	\$26,581,723
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The City may issue bonds for general improvement purposes or for specific programs within the statutory limitations on the amount of bonds sold as a percentage of secondary assessed valuation. Twenty percent of secondary assessed valuation represents the amount of bonding that can be used for water, sewer, lights, parks, open space and recreational facilities. An additional six percent of secondary assessed valuation can be used for all other "general uses."

General obligation bonds are secured by the ad valorem taxing of the City. Within the percentage of assessed valuation limitation listed above, the City may issue bonds for general improvement purposes or for specific 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, 2015 were secured by sales taxes instead of property taxes.

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Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

<u>Fund/Account Number</u>	<u>Description</u>
<u>30-2300</u>	<u>Railroad Wash Improvements</u>
<u>30-1800</u>	<u>Capital Projects Fund</u>
<u>30-4110</u>	<u>Recreation Center Projects</u>
<u>30-4000</u>	<u>Library Expansion</u>
<u>30-2000</u>	<u>Emergency Communications Center</u>

Consolidated Statement of Revenues/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	\$10,528,437	\$11,565,775	\$8,318,190	\$9,638,330
Less: Designated Reserves	0	0	0	0
Cash Reserves	0	1,458,500	9,818,330	182,160
Appropriated Fund Balance	10,528,437	10,107,275	0	\$9,456,170
Revenue Sources:				
Taxes	0	0	0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	208,101	0	16,560	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	0	0	0	0
Miscellaneous Revenues	175,617	180,000	0	180,000
Total Revenue Sources	383,718	180,000	16,560	180,000
Other Financing Sources:				
Transfers In	0	0	0	2,682,830
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	4,675,000	0
Total Other Financing Sources	0	0	4,675,000	2,682,830
Total Available Resources	10,912,155	10,287,275	4,691,560	12,319,000
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	0	0	0	0
Other Services and Charges	8,831	8,700	8,930	9,000
Capital Outlay	2,585,135	2,398,600	1,867,620	810,000
Debt Service	0	0	0	0
Total Expenditures	2,593,966	2,407,300	1,876,550	\$819,000
Other Uses:				
Transfers Out	0	7,879,975	1,314,870	11,500,000
Residual Equity Interfund Transfer	0	0	0	0
Total Other Uses	0	7,879,975	1,314,870	11,500,000
Total Expenditures and Other Uses	2,593,966	10,287,275	3,191,420	12,319,000
Ending Fund Balance Designation				
Operating Surplus/(Losses)	8,318,189	0	(180,000)	0
Designated Reserves FY's prior to 2014	0	0	0	0
Cash Reserves FY's prior to 2014	3,247,586	1,458,500	9,818,330	182,160
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Ending Fund Balance	\$11,565,775	\$1,458,500	\$9,638,330	\$182,160

Capital Projects - Railroad Wash Improvements Fund Revenues/Expenditures

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$0	\$0	\$0	\$0	0.00%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	0	0	0	0.00%
Appropriated Fund Balance	0	0	0	0	0.00%
Revenue Sources:					
Intergovernmental Revenues					
Yavapai County	39,903	0	16,560	0	-100.00%
A.D.O.T.	0	0	0	0	0.00%
Total Intergov'tl Revenue	39,903	0	16,560	0	-100.00%
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	39,903	0	16,560	0	-100.00%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	0	0	0	0	0.00%
Other Services and Charges	0	0	0	0	0.00%
Capital Outlay	39,903	0	16,560	0	-100.00%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	39,903	0	16,560	0	-100.00%
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	39,903	0	16,560	0	-100.00%
Net Income / (Loss)	\$0	\$0	\$0	\$0	

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Organizational Chart:

None

General Information:

This project continues as grant funds become available from Yavapai County.

FY 2015 Accomplishments:

N/A

FY 2016 Goals:

N/A

Budget Highlights:

There is nothing budgeted for this project for FY 2016.

Public Works	Railroad Wash Improvements	Fund 30 - Capital Projects	2300
Performance Indicators			
<i>* Performance Measures are not applicable to this fund *</i>			

Supplemental Data: Capital Outlay				
Expenditure Category	2014	2015		2016
	Actual	Budget	Revised	Adopted
Railroad Wash Improvements	\$39,903		\$16,560	
6 th Street and Silver Springs Wet Crossing				
Camino Real Street and Oak Wash Wet Crossing				
	<u>\$39,903</u>	\$0	<u>\$16,560</u>	<u>\$0</u>

Public Works		Railroad Wash Improvements		Fund 30 - Capital Projects		Cost Center	2300
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
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	39,903	0	16,560	0	-100.00%		
Reserves	0	0	0	0	0.00%		
Debt Service	0	0	0	0	0.00%		
Department Totals	<u>\$39,903</u>	<u>\$0</u>	<u>\$16,560</u>	<u>\$0</u>	<u>-100.00%</u>		

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Yavapai County	\$0	0.00%
GADA Loan Proceeds(carryover)	0	0.00%
Interest Income	0	0.00%
Total Funding		<u>0.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Capital Projects - Capital Projects Fund-Revenue/Expenditures/Changes in Fund Balance

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$10,528,437	\$11,565,775	\$8,318,190	\$9,638,330	15.87%
Less: Designated Reserves	0	0	0	0	0.00%
Cash Reserves	0	1,458,500	9,818,330	182,160	-98.14%
Appropriated Fund Balance	10,528,437	10,107,275	(1,500,140)	9,456,170	0.00%
Revenue Sources:					
Intergovernmental Revenues					
Heritage Grant Funds	\$0	\$0	\$0	\$0	0.00%
Intergovernmental	208,101	0	16,560	0	-100.00%
Total Intergovernmental	208,101	0	16,560	0	-100.00%
Miscellaneous Income					
Other Income	175,617	180,000	0	180,000	0.00%
Total Revenue Sources	383,718	180,000	16,560	180,000	986.96%
Other Financing Sources:					
Transfers In	0	0	0	2,682,830	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	4,675,000	0	-100.00%
Total Other Financing Sources	0	0	4,675,000	2,682,830	-42.61%
Total Available Resources	10,912,155	10,287,275	3,191,420	12,319,000	286.00%
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	8,831	8,700	8,930	9,000	0.78%
Capital Outlay	2,585,135	2,398,600	1,867,620	810,000	-56.63%
Reserves	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	2,593,966	2,407,300	1,876,550	819,000	-56.36%
Other Uses:					
Transfers Out	0	7,879,975	1,314,870	11,500,000	774.61%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Total Other Uses	0	7,879,975	1,314,870	11,500,000	774.61%
Total Expenditures and Other Uses	2,593,966	10,287,275	3,191,420	12,319,000	286.00%
Net Income / (Loss)	\$8,318,189	\$0	\$0	\$0	
Ending Fund Balance Designation					
Operating Surplus/(Losses) Designated	8,318,189	0	(180,000)	0	0.00%
Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	3,247,586	1,458,500	9,818,330	182,160	-98.14%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Retained Earnings	\$11,565,775	\$1,458,500	\$9,638,330	\$182,160	-98.11%

Organizational Chart:

None

General Information:

This fund was created to hold debt service reserves which has been moved over for future capital projects.

FY 2015 Accomplishments:

* N/A (All accomplishments for this fund are reflected in the departments that are responsible for them)

FY 2016 Goals:

* NA

Budget Highlights:

The Capital Improvements Fund carries major projects for many different departments. For FY 2016, \$ 160,000 has been appropriated for the Civic Center HVAC and \$650,000 for bathrooms at Riverfront Park, Garrison Park and the Kids Park

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects	Cost Center	XXXX
Performance Indicators				
<i>* Performance Measures are not applicable to this fund *</i>				

Supplemental Data: Capital Outlay				
Expenditure Category	2014	2015		2016
	Actual	Budget	Revised	Adopted
Capital Projects-Highland Senior Condominium	\$4,862	\$120,000	\$235,000	
Court Building Remodel	3,590			
Civic Center HVAC	13,286	160,000		\$160,000
Communications Center	2,054,568	1,283,600	1,557,560	
Architecture Design - City Hall	488			
Software - City Wide	98,758	70,000	45,000	
Miscellaneous	2,109			
Old Town Jail remodel	1,200			
Stage		80,000		
Library Ballast Project		35,000		
Old Town Parking	146,781		13,500	
Kids Park Restrooms				250,000
Riverfront Rehabilitation				150,000
Garrison Relocation and Rehab		650,000		250,000
Rec Center Water Feature	217,517			
Gardner Property Demo	2,074			
	<u>\$2,545,232</u>	<u>\$2,398,600</u>	<u>\$1,851,060</u>	<u>\$810,000</u>

General Government	CIP Capital Projects Fund	Fund 30 - Capital Projects		Cost Center	XXXX
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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	8,831	8,700	8,930	9,000	0.78%
Capital Outlay	2,545,232	2,398,600	1,851,060	810,000	-56.24%
Reserves	0	1,458,500	9,818,330	182,160	-98.14%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$2,554,063</u>	<u>\$3,865,800</u>	<u>\$11,678,320</u>	<u>\$1,001,160</u>	<u>-91.43%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Capital Reserves	\$821,160	82.02%
Interest Income	180,000	17.98%
Total Funding		<u>100.00%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
N/A						\$0
Temporary / Reserves						0
Overtime						0
Retirement						0
Insurance & Taxes						0
Employee Related Expenses						0
Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>			<u>\$0</u>

Capital Projects - Recreation Projects Revenues/Expenditures

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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	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	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)	\$0	\$0	\$0	\$0	

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. 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 2015 Accomplishments:

* N/A

FY 2016 Goals:

N/A

Budget Highlights:

N/A

Culture & Recreation	CIP Rec Projects Expansion	Fund 11 - Capital Projects	Cost Center	14-00
Performance Indicators				
<i>* Performance Measures are not applicable to this fund *</i>				

Supplemental Data: Capital Outlay				
Expenditure Category	2014	2015		2016
	Actual	Budget	Revised	Adopted
N/A				
	\$0	\$0	\$0	\$0

Culture & Recreation		CIP Rec Projects Expansion		Fund 11 - Capital Projects		Cost Center	14-00
Summary by Category							
Expenditure Category	2014	2015		2016	Percent Change		
	Actual	Budget	Revised	Adopted			
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
Capital Reserves	\$0	0.00%
Interest Income	0	0.00%
Transfers In	0	0.00%
Total Funding		0.00%

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	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

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Enterprise funds are used to account operations:

- 1) that are financed and operated in a manner similar to a private business enterprise - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or

- 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes to the residents.

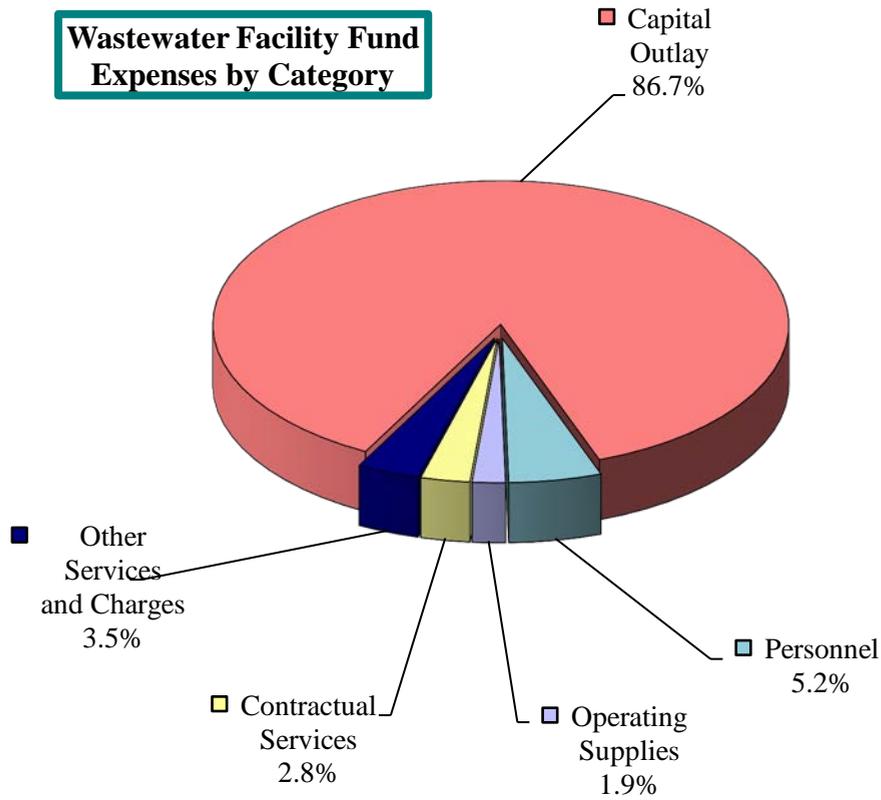
<u>Fund/Account Number</u>	<u>Description</u>
<u>51</u>	<u>Wastewater Treatment Fund</u>
<u>50</u>	<u>Water System Fund</u>

Consolidated Statement of Revenues/Expenses

Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Beginning Retained Earnings	\$23,799,898	\$25,070,611	\$5,987,820	\$17,853,895
Less: Designated Reserves	20,707,473	20,739,606	779,650	17,853,895
Cash Reserves	319,268	3,504,835	17,848,895	7,202,135
Appropriated Retained Earnings	2,773,157	826,170	(12,640,725)	(7,202,135)
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Licenses & Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	8,440,845	8,712,590	9,116,150	9,770,840
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	65,324	7,935	2,940	2,735
Miscellaneous Revenues	1,138,888	997,585	745,230	749,430
Total Revenue Sources	9,645,057	9,718,110	9,864,320	10,523,005
Other Financing Sources:				
Transfers In	0	7,879,975	0	11,500,000
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	2,000,000	0	0	0
Proceeds from Bonds	0	10,500,000	11,345,900	20,600,000
Total Other Financing Sources	2,000,000	18,379,975	11,345,900	32,100,000
Total Available Resources	14,418,214	28,924,255	8,569,495	35,420,870
Expenses:				
Personnel	1,920,393	2,070,910	1,935,795	2,118,650
Operating Supplies	556,661	626,600	627,700	654,700
Contractual Services	843,825	1,571,660	1,536,270	1,456,170
Other Services and Charges	1,249,875	1,650,860	1,255,365	1,610,240
Depreciation	1,549,110	0	0	0
Capital Outlay	285,361	10,674,040	1,439,400	15,701,050
Debt Service	1,468,014	12,554,460	2,554,615	31,733,955
Total Expenses	7,873,240	29,148,530	9,349,145	53,274,765
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	7,873,240	29,148,530	9,349,145	53,274,765
Ending Retained Earnings Designation				
Operating Surplus/(Losses)	2,323,612	(224,275)	(774,650)	(17,070,370)
Designated Reserves FY's prior to 2014	20,707,473	0	0	0
Cash Reserves FY's prior to 2014	319,268	0	0	0
Restricted	0	3,459,835	17,065,370	6,656,475
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	20,739,606	779,650	17,853,895
Ending Retained Earnings	\$23,350,353	\$23,975,166	\$17,070,370	\$7,440,000

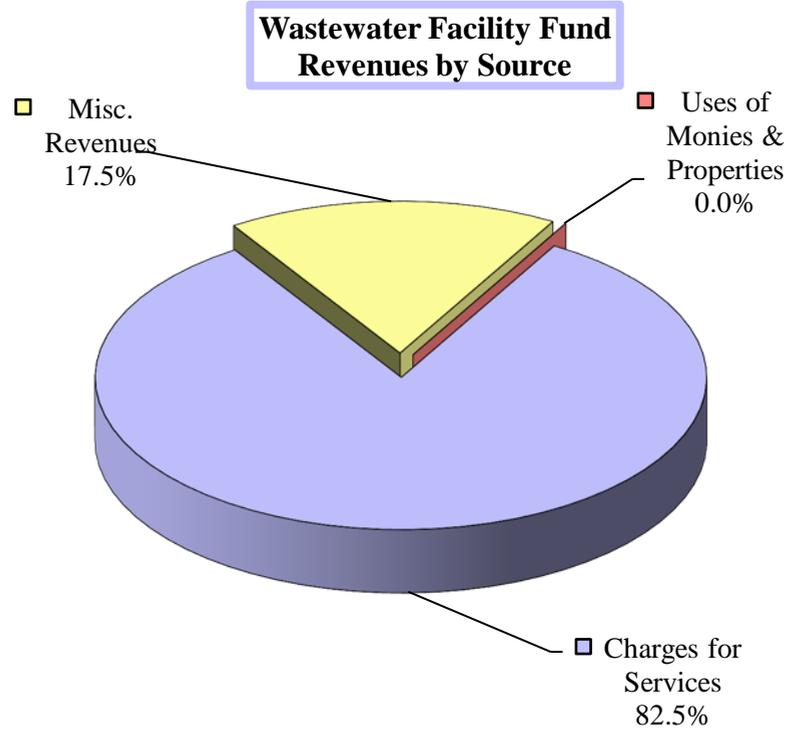
Wastewater Facility Fund Expenses by Category

Category	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Sub-Total	\$766,270	\$274,500	\$407,080	\$515,855	\$12,775,700	\$0	\$14,739,405
Total	\$766,270	\$274,500	\$407,080	\$515,855	\$12,775,700	\$0	\$14,739,405



Wastewater Facility Fund Summary	
Revenues	\$2,501,540
Expenses	(14,739,405)
Revenues over (under) Expenses	(12,237,865)
Other Funding Sources/Uses	12,000,000
(Use)/Source of Retained Earnings	(\$237,865)

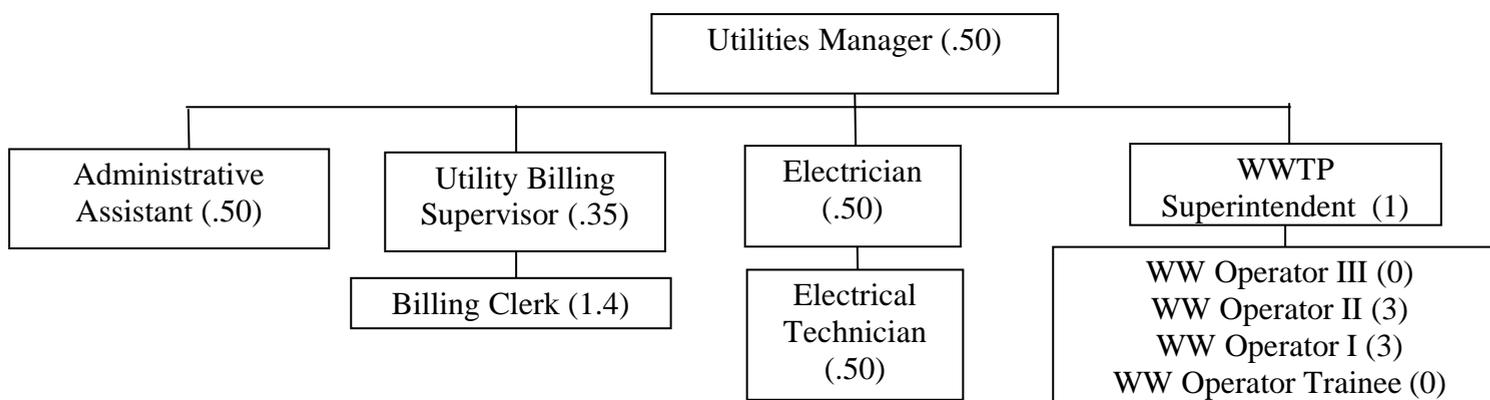
Wastewater Facility Fund Revenues by Source	
Uses of Monies & Properties	\$100
Charges for Services	2,063,940
Misc. Revenues	437,500
Other Sources	12,000,000
Total Resources Available	\$14,501,540



Wastewater Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Retained Earnings	\$20,707,473	\$20,739,606	\$779,650	\$783,525	0.50%
Less: Designated Reserves	20,707,473	20,739,606	779,650	783,525	0.50%
Cash Reserves	0	45,000	783,525	545,660	-30.36%
Appropriated Retained Earnings	0	(45,000)	(783,525)	(545,660)	0.00%
Revenue Sources:					
Taxes					
City Sales Tax (Portion of 1%)	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	1,594,815	1,612,700	1,728,910	2,053,940	18.80%
Tap Fees	0	0	0	0	0.00%
Effluent Revenue	9,918	10,500	10,000	10,000	0.00%
Uses of Monies & Properties					
Interest Income	2,704	1,000	80	100	25.00%
Miscellaneous Revenue					
Other Income	801,808	675,620	431,265	437,500	1.45%
Total Revenue Sources	2,409,246	2,299,820	2,170,255	2,501,540	15.26%
Other Financing Sources:					
Transfers In	0	7,879,975	0	11,500,000	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	500,000	0	500,000	0.00%
Total Other Financing Sources	0	8,379,975	0	12,000,000	0.00%
Total Available Resources	2,409,246	10,634,795	1,386,730	13,955,880	906.39%
Expenses:					
Personnel	698,100	789,430	676,645	766,270	13.25%
Operating Supplies	204,025	243,400	332,500	274,500	-17.44%
Contractual Services	367,731	411,210	371,530	407,080	9.57%
Other Services and Charges	471,527	481,040	495,705	515,855	4.06%
Depreciation	527,188	0	0	0	0.00%
Capital Outlay	17,690	8,933,990	290,000	12,775,700	4305.41%
Debt Service	0	0	0	0	0.00%
Total Expenses	2,286,260	10,859,070	2,166,380	14,739,405	580.37%
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	2,286,260	10,859,070	2,166,380	14,739,405	580.37%
Ending Retained Earnings Designation					
Operating Surplus/(Losses)	32,133	(224,275)	(779,650)	0	0.00%
Designated Reserves FY's prior to 2014	20,707,473	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	0	0	0	0.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	20,739,606	779,650	783,525	0.50%
Ending Retained Earnings	\$20,739,606	\$20,515,331	\$0	\$783,525	0.00%

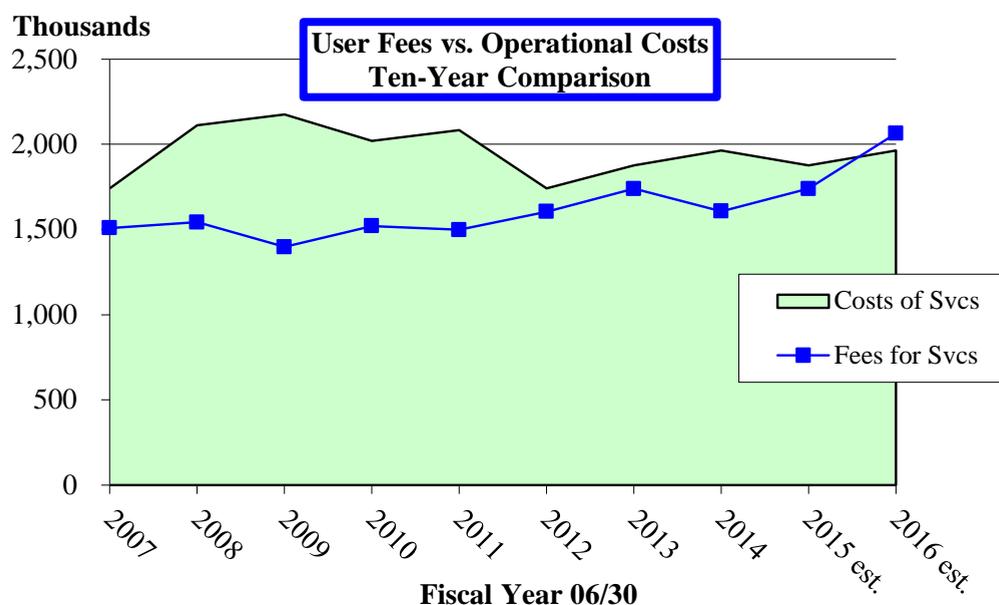
Organizational Chart:



General Information:

The Wastewater Division is responsible for the operation and maintenance of a 1.5 million gallons per day (MGD) wastewater treatment facility, 55 miles of collection system main lines, five sewage lift stations, the Reclaimed Water Delivery System including the developments of Del Webb and Mesquite Hills as well as the Yavapai College reclaimed pump station, stand pipe, and of approximately 80 acres of effluent reuse and the Del Monte Riparian Zone. The Wastewater Division is also responsible for tap installations for new homes and businesses, for field locating (blue staking) of the underground collection system and completion of public information requests.

	Costs of Svcs	Fees for Svcs
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	1,741,382	1,604,734
2013	1,876,380	1,738,910
2014	1,963,705	1,607,438
2015 est.	1,876,380	1,738,990
2016 est.	1,963,705	2,064,040



Please Note: The net difference is operating fees and services is covered by fund balance and non-operating revenue.

FY 2015 Accomplishments:

- * Completed the 1st year of the 3-year Trenchless Spot Repair Program in which modern technology is applied to repair and rehabilitate sewer collection lines without having to perform costly and extensive excavation
- * Repainted and replaced some doors of the treatment plant building on Mingus Avenue
- * Completed installation of a reclaimed pipe along 12th Street

FY 2016 Goals:

- * Finalize rehabilitation project for the aeration basin roof demolition and complete installation of solar panels
- * Complete Wet Well expansion for Lift Station 4 that will allow for increased retention time to control its sewer overflow
- * Begin construction of Riverfront Wastewater Reclamation Facility that will serve reclaimed water to the Riverfront Park
- * Complete the reclaimed injection well project at the Mingus Avenue Plant that serves to rejuvenate the aquifers
- * Complete rerouting the pipeline of the plant drain lift station and replacement of the headwork's parshall flume to satisfy wastewater flow requirements set by ADEQ

Budget Highlights:

Budgeted capital totaling \$12,775,700 for FY 2016 has been listed on page 228 and includes the Riverfront Waste Water Reclamation Facility, Lift Station 4, and general construction. There are changes in the Personnel line due to the merit program. Even though there will be no Cost of Living Adjustment (COLA) for this budget year, the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Health and Sanitation		Fund 51 - Enterprise Fund		Cost Center	71XX
Performance Indicators					
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Provide wastewater treatment that meets or exceeds Federal, State and Local compliance requirements				
Objective:	Improve influent/effluent treatment plant quality				
Type of Measure:	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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Wastewater Treated (millions of gallons)		350	345	347	355
WWTP Efficiency (Permit Required):					
BOD (85% Required)		98%	98%	98%	98%
TSS (85% Required)		98%	98%	98%	98%
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Ensure regulatory compliance of effluent (reclaimed water) and encourage use of reclaimed water				
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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Reclaimed Water Sold(millions)		4.0	7.8	9.4	10.2
Number of regulatory permit exceedances		8	8	2	2

City Council Goal:	Strive to maintain a uniquely desirable and sustainable community				
Department Goal:	Maintain reliable infrastructure				
Objective:	Reduce the number of Sanitary Sewer Overflows through proper maintenance and inspection				
Type of Measure:	Outcome Based				
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				
Measures:		Actual		Estimated	Anticipated
		2013	2014	2015	2016
Sewer Line Video Taped (ft)		1,800	4,800	13,750	15,000
Sewer Line Cleaned(ft)		2,500	3,600	13,750	15,000
Number of Main Line Blockages		1	3	2	1

Supplemental Data: Capital Outlay				
Item Description	2014	2015		2016
	Actual	Budget	Revised	Final
Plant Fiber Grate and Gate Replacement				\$22,000
Lining and Point Repair & Ultraviolet Transmittance Unit		\$90,000	\$90,000	114,850
NPW Pump		36,000	36,000	
Lift Station 4 Wet Well Expansion	\$932	150,000		300,000
Riverfront Wastewater Reclamation Plant		7,884,140		11,500,000
Driveway Repair at Plant		27,350		27,350
Upgrades - WWTP Construction	7,551	191,000	8,500	191,000
General Construction	6,900	550,000	150,000	585,000
Truck				35,500
WWTP Headworks	2,307			
Plotter (Shared with Water)		5,500	5,500	
	\$17,690	\$8,933,990	\$290,000	\$12,775,700

Health and Sanitation	Wastewater Facility Fund	Fund 51 - Enterprise Fund		Cost Center	71XX
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$698,100	\$789,430	\$676,645	\$766,270	13.25%
Operating Supplies	204,025	243,400	332,500	274,500	-17.44%
Contractual Services	367,731	411,210	371,530	407,080	9.57%
Other Services and Charges	471,527	481,040	495,705	515,855	4.06%
Depreciation (net)	527,188	0	0	0	0.00%
Capital Outlay	17,690	8,933,990	290,000	12,775,700	4305.41%
Reserves	0	45,000	783,525	545,660	-30.36%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$2,286,260</u>	<u>\$10,904,070</u>	<u>\$2,949,905</u>	<u>\$15,285,065</u>	<u>418.15%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Taxes	\$0	0.00%
Charges for Service	2,063,940	13.50%
Other Income	437,600	2.86%
Other Sources	12,783,525	83.63%
Total Funding		<u>100.00%</u>

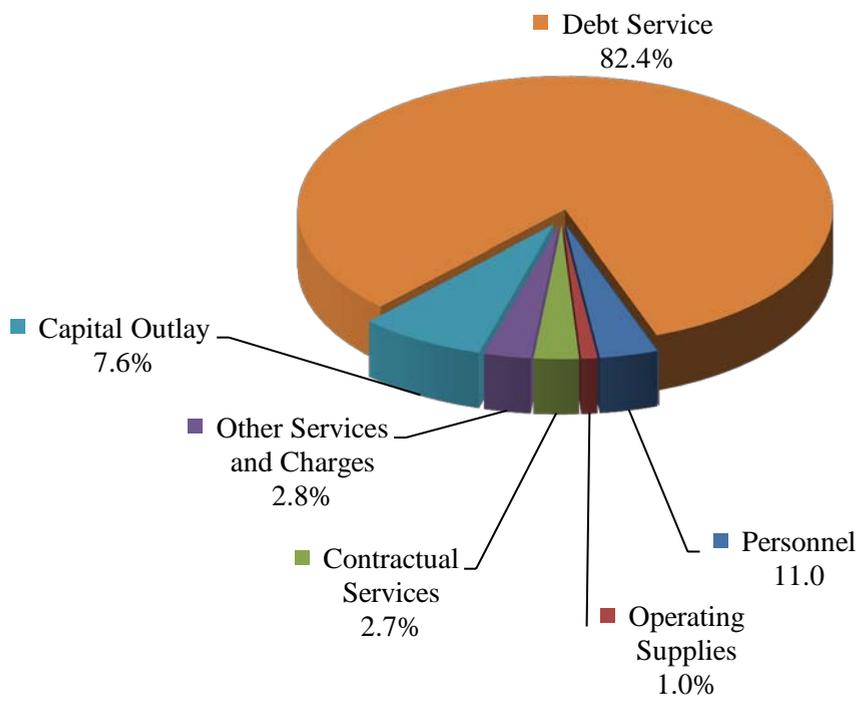
Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$39,034
Utility Ops Manager	0.50	0.50	0.00	4,825	7,111	0
WWTP Superintendent	1.00	1.00	1.00	3,970	5,850	63,794
WW Operator III	0.00	0.00	0.00	3,266	4,813	0
WW Operator II	2.00	3.00	3.00	2,962	4,365	130,413
WW Operator I	4.00	3.00	3.00	2,687	3,960	108,707
WW Operator Trainee	0.00	0.00	0.00	2,437	3,591	0
Administrative Assistant	0.50	0.50	0.50	2,962	4,365	23,895
Electrician	0.50	0.50	0.50	3,601	5,306	30,171
Electrical Technician	0.00	0.50	0.50	2,821	4,158	18,375
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	19,751
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	41,537
COLA						0
Holiday Pay & Overtime						56,000
Clothing Allowance						2,000
Car Allowance & Cert pay						0
Merit Contingency						15,573
Retirement						62,770
Insurance & Taxes						153,750
Other Related Expenses						500
Totals	<u>10.75</u>	<u>11.25</u>	<u>10.75</u>			<u>\$766,270</u>

Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent
	Actual	Budget	Revised	Adopted	Change
Supplies					
Office Supplies	1,656	2,900	2,900	3,100	6.90%
Copier Supplies	0	0	0	0	0.00%
Gas & Oil	12,366	14,500	13,000	14,000	7.69%
Vehicle Maint & Repairs	4,789	5,500	5,000	5,500	10.00%
Equipment Maint & Repairs	131,555	150,000	250,000	200,000	-20.00%
Chlorine	2,673	2,500	2,500	2,700	8.00%
Polymer	15,558	16,500	16,700	16,700	0.00%
Operational Supplies	19,674	14,000	15,000	17,000	13.33%
Postage & Freight	10,635	11,500	10,400	10,500	0.96%
Odor Control Supplies	0	0	0	0	0.00%
Building Maint & Repairs	5,119	26,000	17,000	5,000	-70.59%
Total Supplies	204,025	243,400	332,500	274,500	-17.44%
Contractual Services					
Computer Support	2,497	2,780	4,300	4,600	6.98%
Contractual Services	84,950	48,000	27,800	60,000	115.83%
Sludge Disposal	88,734	99,000	88,750	92,000	3.66%
Employee Physicals	1,331	450	450	450	0.00%
Legal Advertising	99	950	200	0	-100.00%
General Counsel	1,692	0	0	0	0.00%
Impact Fee Study	10,693	10,000	0	0	0.00%
Indirect Cost to General Fund	177,734	250,030	250,030	250,030	0.00%
Total Contractual Services	367,731	411,210	371,530	407,080	9.57%
Other Services and Charges					
Travel & Training	1,726	2,000	1,600	2,400	50.00%
Subscriptions & Memberships	245	500	775	700	-9.68%
Printing & Forms	955	500	250	250	0.00%
Utilities	366,440	378,290	383,980	395,500	3.00%
Telephone	4,586	4,700	5,000	5,050	1.00%
Bad Debt Expense	10,342	0	0	0	0.00%
Lab/Testing	46,156	45,000	44,000	45,000	2.27%
Tools	1,256	1,300	1,300	1,400	7.69%
Equipment Rental	0	1,000	500	500	0.00%
Liability Insurance	22,435	32,000	33,800	36,055	6.67%
ADEQ Annual Fee	16,591	15,000	12,000	16,500	37.50%
Investment Expense	794	750	0	0	0.00%
Bank Charges	0	0	12,500	12,500	0.00%
Total Other Services & Charges	471,527	481,040	495,705	515,855	4.06%

Water System Facility Fund Expenses by Category

	Personnel	Operating Supplies	Contractual Services	Other Services & Charges	Capital Outlay	Debt Service	Total
Category	\$1,352,380	\$380,200	\$1,049,090	\$1,094,385	\$2,925,350	\$31,733,955	\$38,535,360
	\$1,352,380	\$380,200	\$1,049,090	\$1,094,385	\$2,925,350	\$31,733,955	\$38,535,360

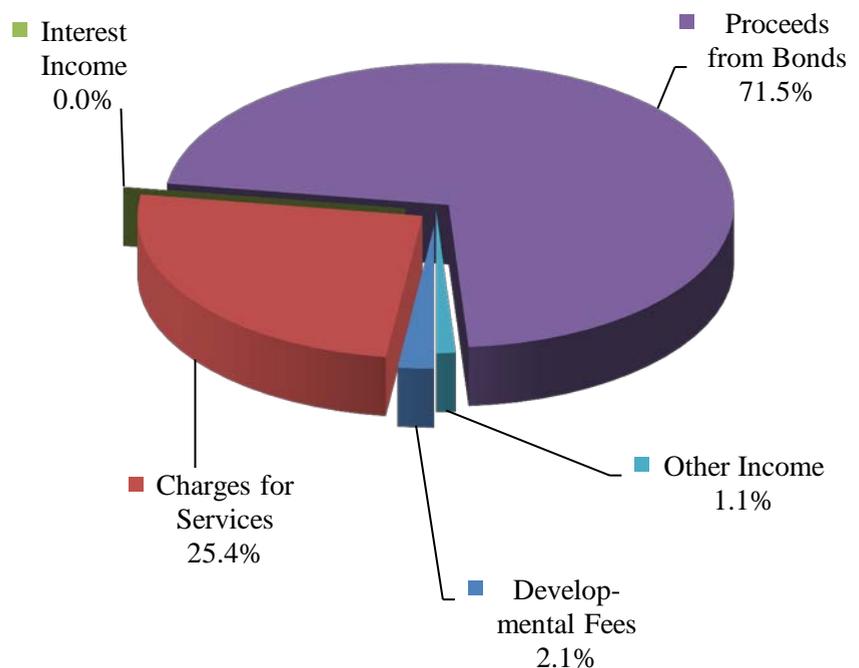
Water System Facility Fund Expenses by Category



Revenues	\$ 8,021,465
Expenses	(\$38,535,360)
Revenues over (under) Expenses	(30,513,895)
Other Funding Sources/Uses	20,100,000
(Use)/Source of Retained Earnings	(\$10,413,895)

Water System Facility Fund Revenues by Source

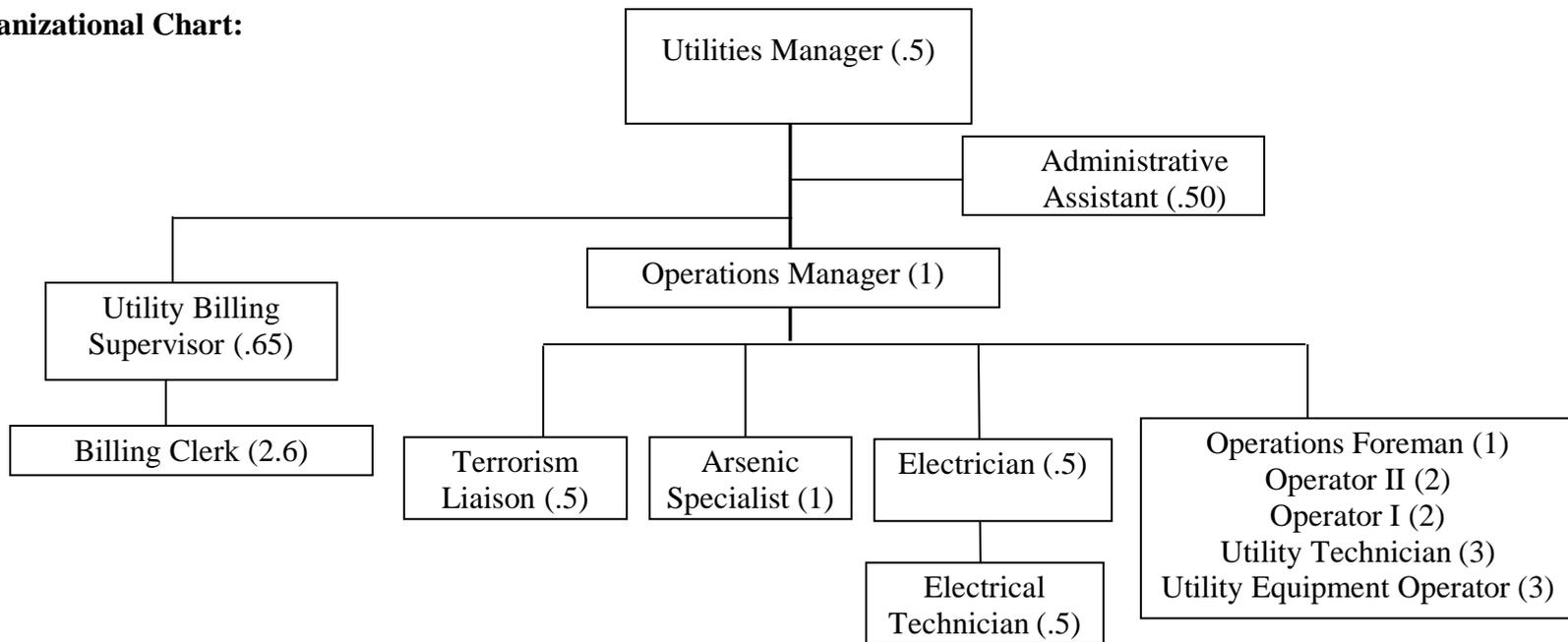
Developmental Fees	\$ 576,730
Charges for Services	7,130,170
Interest Income	2,635
Proceeds from Bonds	20,100,000
Other Income	311,930
Sub Total	28,121,465
Other Sources	0
Total Resources Available	\$56,242,930



Water System Facility Fund Revenues/Expenses/Changes in Retained Earnings

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Retained Earnings	\$3,092,425	\$4,331,005	\$5,208,170	\$17,070,370	227.76%
Less: Designated Reserves FY's prior to 2014	0	0	0	17,070,370	0.00%
Cash Reserves FY's prior to 2014	319,268	3,459,835	17,065,370	6,656,475	-60.99%
Appropriated Retained Earnings	2,773,157	871,170	(11,857,200)	(6,656,475)	0.00%
Revenue Sources:					
Taxes					
City Sales Tax	\$0	\$0	\$0	\$0	0.00%
Charges for Services					
User Fees	6,259,609	6,516,660	6,800,740	7,130,170	4.84%
Reserves	576,502	572,730	576,500	576,730	0.04%
Uses of Monies & Properties					
Interest Income	62,620	6,935	2,860	2,635	-7.87%
Miscellaneous Revenue					
Other Income	337,079	321,965	313,965	311,930	-0.65%
Total Revenue Sources	7,235,810	7,418,290	7,694,065	8,021,465	4.26%
Other Financing Sources:					
Transfers In	0	0	0	0	0.00%
Residual Equity Interfund Transfer	0	0	0	0	0.00%
Proceeds from Lease Purchase	2,000,000	0	0	0	0.00%
Proceeds from Bonds	0	10,000,000	11,345,900	20,100,000	77.16%
Total Other Financing Sources	2,000,000	10,000,000	11,345,900	20,100,000	77.16%
Total Available Resources	12,008,967	18,289,460	7,182,765	21,464,990	198.84%
Expenses:					
Personnel	1,222,293	1,281,480	1,259,150	1,352,380	7.40%
Operating Supplies	352,636	383,200	295,200	380,200	28.79%
Contractual Services	476,094	1,160,450	1,164,740	1,049,090	-9.93%
Other Services and Charges	778,349	1,169,820	759,660	1,094,385	44.06%
Depreciation	1,021,922	0	0	0	0.00%
Capital Outlay	267,671	1,740,050	1,149,400	2,925,350	154.51%
Debt Service	1,468,014	12,554,460	2,554,615	31,733,955	1142.22%
Total Expenses	5,586,980	18,289,460	7,182,765	38,535,360	436.50%
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	5,586,980	18,289,460	7,182,765	38,535,360	436.50%
Ending Retained Earnings Designation					
Operating Surplus/(Losses)	2,291,479	0	5,000	(17,070,370)	-341507.40%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	319,268	0	0	0	0.00%
Restricted	0	3,459,835	17,065,370	6,656,475	-60.99%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	17,070,370	0.00%
Ending Retained Earnings	\$2,610,747	\$3,459,835	\$17,070,370	\$6,656,475	-61.01%

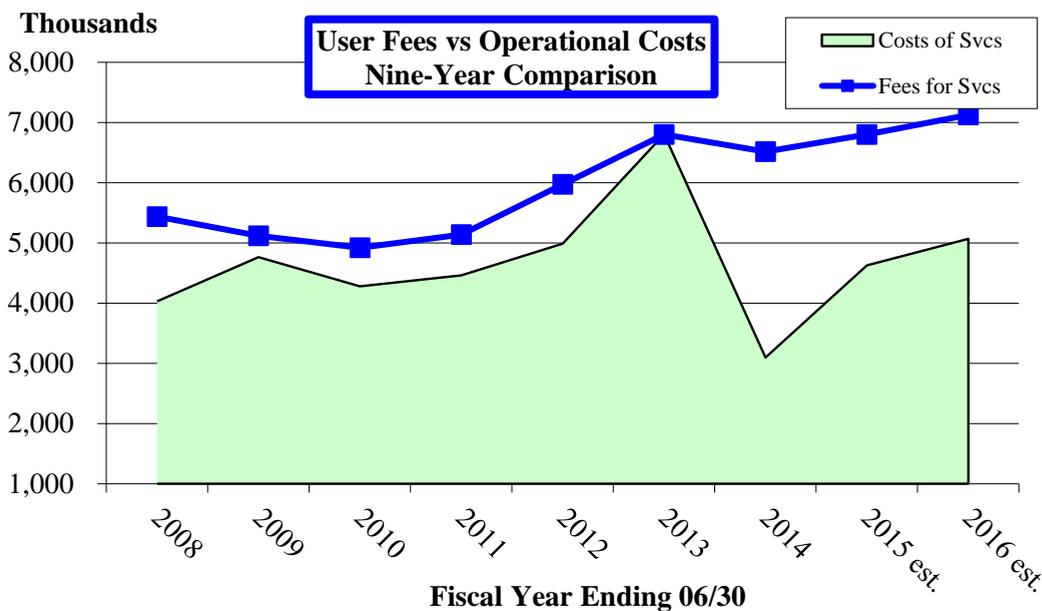
Organizational Chart:



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
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	5,141,046
2012	4,989,135	5,972,270
2013	6,806,885	6,800,740
2014	3,097,043	6,516,660
2015 est.	4,628,150	6,800,740
2016 est.	5,068,825	7,130,170



FY 2015 Accomplishments:

- * The City of Cottonwood was awarded the *2014 Water Conservation Award of Excellence* from Keep Sedona Beautiful for the visionary use of reclaimed water as well as for the conservation of potable water
- * Completed installation of the Well 3-1 Generator
- * The City of Cottonwood received the *2015 Sustainable Economic Growth City of the Decade Award* for its sustainability efforts from VerdeXchange that focuses on opportunities to help shape a "green" economy
- * Upgrades in operations have led to significant reductions in water use and nowadays, the city's total gallons per capita daily use (GPCD) is one of the lowest for a municipality in the state and the lowest of any community in the Verde Valley
- * Completion of the arsenic regeneration trailer (mobile unit) to clean media vessels for arsenic removal

FY 2016 Goals:

- * Complete arsenic media replacement and sludge handling facilities
- * Complete water main replacement at North Willard
- * Continuing valve replacements in the Verde Villages of inoperable valves and adding new water main valves
- * Continuous water distribution and improvements to the storage system as personnel and funding opportunities allow

The capital items budgeted for FY 2016 are listed on page 228. There are changes in Personnel costs due to the merit program. Even though there will be no Cost of Living Adjustment (COLA) for this budget year, the COLA percentage of 1.7 has been applied to all salary ranges to maintain competitive wages.

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund	Cost Center	7XXX
Performance Indicators				
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Improve reliability of potable water service to residents of Cottonwood and adjacent areas			
Objective:	Improve supply and distribution systems to improve water quality and reduce customer service disruptions			
Type of Measure:	Outcome based			
Tool:	System monitoring, service reports, and operator feedback,			
Frequency:	Daily, weekly, monthly and annual reports			
Scoring:	Numerical reduction in system leaks			
Trend:	Trending downward			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
System leaks repaired	125	122	120	118
Water main replaced LF	9,000	9,700	6,000	9,000
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Ensure regulatory compliance			
Objective:	Constant testing, treatment and documentatioin at tall affected sites			
Type of Measure:	Outcome based			
Tool:	Regulatory notification; operator logs; improved documentation			
Frequency:	Daily, weekly, monthly and annual reports			
Scoring:	ADEQ/EPA compliance based on number of sites per quarter year =100%			
Trend:	Steady improvement			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Number of process (in-house) arsenic tests performed	1,250	1,250	1,300	1,310
Number of compliance sample tests performed	80	80	90	1,000
Percentage ADEQ/EPA compliance	99%	99%	100%	100%
Arsenic Regeneration procedures performed	850	850	900	950
City Council Goal:	Strive to maintain a uniquely desirable and sustainable community			
Department Goal:	Improve utility billing customer satisfaction rating			
Objective:	Combine water and sewer billing			
Type of Measure:	Outcome based			
Tool:	Numerical data			
Frequency:	Monthly			
Scoring:	Numerical reduction in separate water/sewer accounts			
Trend:	Steady improvement			
Measures:	Actual		Estimated	Anticipated
	2013	2014	2015	2016
Number of combined residential water/sewer accounts	2,500			
Number of combined commercial water/sewer accounts	250			
Number of remaining water/sewer accounts to be merged	864			
Combined percentage of water/sewer bill consolidation			70%	100%
			100%	100%
Supplemental Data: Capital Outlay				
Item	2014	2015		2016
Description	Actual	Budget	Revised	Final
Water System Upgrades & Reservoir	\$141,675	\$160,000	\$160,000	\$160,000
Trust Land Annexation				
Asphalt Paver Machine (Used) & Parking Lot upgrade				72,950
Mesquite Hills/Line Extensions				250,000
Water Storage Reservoir inspection and Cleaning			134,400	26,000
W Mingus Reconstruction & System Upgrade				1,055,900
Water Storage/Well Booster	42,711	150,000	130,000	150,000
Well Generator		75,000		
Well Improvements & Construction-General Plan	51,933	75,000	75,000	100,000
Fire Hydrant/Flow Improvements	42,945	400,000	150,000	350,000
Arsenic Mitigation Equip & Trailer,Generator & Tailer	11,175	750,000	500,000	725,000
Scada Upgrades, Plotter, Trace Detect, Impact Fee Study	15,480	66,050		
Utility Trucks (2)		64,000		35,500
	\$305,920	\$1,740,050	\$1,149,400	\$2,925,350

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund	Cost Center	7XXX	
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$1,222,293	\$1,281,480	\$1,259,150	\$1,352,380	7.40%
Operating Supplies	352,636	383,200	295,200	380,200	28.79%
Contractual Services	476,094	1,160,450	1,164,740	1,049,090	-9.93%
Other Services and Charges	778,349	1,169,820	759,660	1,094,385	44.06%
Depreciation (net)	1,021,922	0	0	0	0.00%
Capital Outlay	267,671	1,740,050	1,149,400	2,925,350	154.51%
Reserves	319,268	3,459,835	17,065,370	6,656,475	-79.73%
Transfers out - Debt Service	0	0	0	0	
Debt Service	1,468,014	12,554,460	2,554,615	31,733,955	1142.22%
Department Totals	<u>\$5,906,248</u>	<u>\$21,749,295</u>	<u>\$24,248,135</u>	<u>\$45,191,835</u>	<u>86.37%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Development Reserves	\$576,730	1.28%
Charges for Service	7,130,170	15.78%
Other Income	314,565	0.70%
Fund Balance	13,443,525	29.75%
Total Funding		<u>47.50%</u>

Supplemental Data: Personnel						
Authorized Positions Job Classifications	Number of FTE's			Salary Range		2016
	2014	2015	2016	Minimum	Maximum	Budget
Utilities Manager	0.50	0.50	0.50	5,586	8,232	\$39,034
Operations Manager	0.50	0.50	1.00	4,825	7,111	65,310
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	36,681
Utility Technician	5.00	3.00	3.00	2,437	3,591	90,790
Utility Billing Clerk	2.60	2.60	2.60	2,437	3,591	77,142
Operator I	1.00	2.00	2.00	2,687	3,960	76,011
Operator II	2.00	2.00	2.00	2,962	4,365	88,486
Operations Foreman	1.00	1.00	1.00	3,266	4,813	54,866
Electrician	0.50	0.50	0.50	3,601	5,306	30,171
Electrical Technician	0.00	0.50	0.50	2,821	4,158	18,375
Administrative Assist	0.50	0.50	0.50	2,962	4,365	23,895
Arsenic Specialist	1.00	1.00	1.00	3,429	5,054	50,227
Terrorism Liaison Officer	0.50	0.50	0.50	3,601	5,306	26,088
Utility Equipment Operator	2.00	3.00	3.00	2,962	4,365	118,133
COLA						0
Overtime						114,160
Holiday Pay						2,000
Car & Clothing Allowance						5,500
Merit Contingency						31,671
Retirement						110,780
Insurance & Taxes						292,860
Employee Related Expenses						200
Totals	<u>17.75</u>	<u>18.25</u>	<u>18.75</u>			<u>\$1,352,380</u>

Health and Sanitation	Water System Facility Fund	Fund 50 - Enterprise Fund		Cost Center	7XXX
Supplemental Data: Expenditures					
Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Supplies					
Office Supplies	6,495	7,500	8,200	8,500	3.66%
Copier Supplies	105	0	0	0	0.00%
Gas & Oil	39,543	45,000	35,000	45,000	28.57%
Vehicle Maint & Repairs	17,292	15,000	10,000	15,000	50.00%
Equipment Maint & Repairs	189,757	176,000	130,000	176,000	35.38%
Chemicals	31,535	63,000	50,000	63,000	26.00%
Operational Supplies	23,301	24,000	18,000	24,000	33.33%
Postage & Freight	36,776	46,200	37,000	41,200	11.35%
Tools	4,099	3,500	3,500	3,500	0.00%
Building Maint & Repairs	3,732	3,000	3,500	4,000	14.29%
Total Supplies	352,636	383,200	295,200	380,200	28.79%
Contractual Services					
Computer Support	5,774	2,900	10,400	10,400	0.00%
Contractual Services & M&O	186,444	110,000	150,000	165,000	10.00%
Employee Physicals	189	450	1,000	1,000	0.00%
Impact Fee Study	0	43,500	0	0	0.00%
General Counsel	2,288	5,000	0	0	0.00%
Indirect Cost to General Fund	276,655	580,405	580,405	450,000	-22.47%
Lease Purchase Payments	4,745	418,195	422,935	422,690	-0.04%
Total Contractual Services	476,094	1,160,450	1,164,740	1,049,090	-9.93%
Other Services and Charges					
Travel & Training	6,171	8,000	3,200	4,500	40.63%
Subscriptions & Memberships	1,637	2,000	1,500	2,500	66.67%
Verde River Days	1,000	1,000	1,000	1,000	0.00%
Printing & Forms	6,297	10,000	5,000	6,500	30.00%
Utilities	386,018	426,400	340,480	350,700	3.00%
Telephone	18,752	19,420	13,100	13,400	2.29%
Legal Advertising	2,000	1,500	1,500	2,000	33.33%
Lab/Testing	10,081	25,000	25,000	28,000	12.00%
Equipment Rental	1,486	1,000	1,000	1,000	0.00%
Liability Insurance	44,871	62,500	65,530	72,085	10.00%
ADEQ Annual Fee	25,133	26,000	26,000	26,000	0.00%
Arsenic Systems Maintenance	149,095	460,000	150,000	460,000	206.67%
Aide in Lieu of Construction	107,902	115,000	99,650	100,000	0.35%
Payment Assistance Program	10,500	12,000	12,000	12,000	0.00%
Bank Charges	0	0	12,700	12,700	0.00%
Bad Debt	4,311	0	0	0	0.00%
Investment Expense	2,077	0	2,000	2,000	0.00%
Trust Land Annexation	945	0	0	0	0.00%
Auction Fees	73	0	0	0	0.00%
Total Other Services & Charges	778,349	1,169,820	759,660	1,094,385	44.06%
Debt Service					
Interest - 2004 MPC Bond	\$474,484	\$460,830	\$460,830	\$0	-100.00%
Principal - 2004 MPC Bond	\$0	\$10,495,000	\$495,000	\$30,140,000	5988.89%
Trustee Fees - 2004 MPC Bond	\$4,100	\$1,500	\$1,650	\$0	-100.00%
Interest - 2006 MPC Bond	\$987,930	\$985,630	\$985,635	\$962,455	-2.35%
Principal - 2006 MPC Bond	\$0	\$610,000	\$610,000	\$630,000	3.28%
Trustee Fees - 2006 MPC Bond	\$1,500	\$1,500	\$1,500	\$1,500	0.00%
Total Other Debt Service	1,468,014	12,554,460	2,554,615	31,733,955	1142.22%

Municipal Property Corporation Senior Lien Water System Revenue Bonds, Series 2004 ("AAA" S&P / "AAA" Moody's)

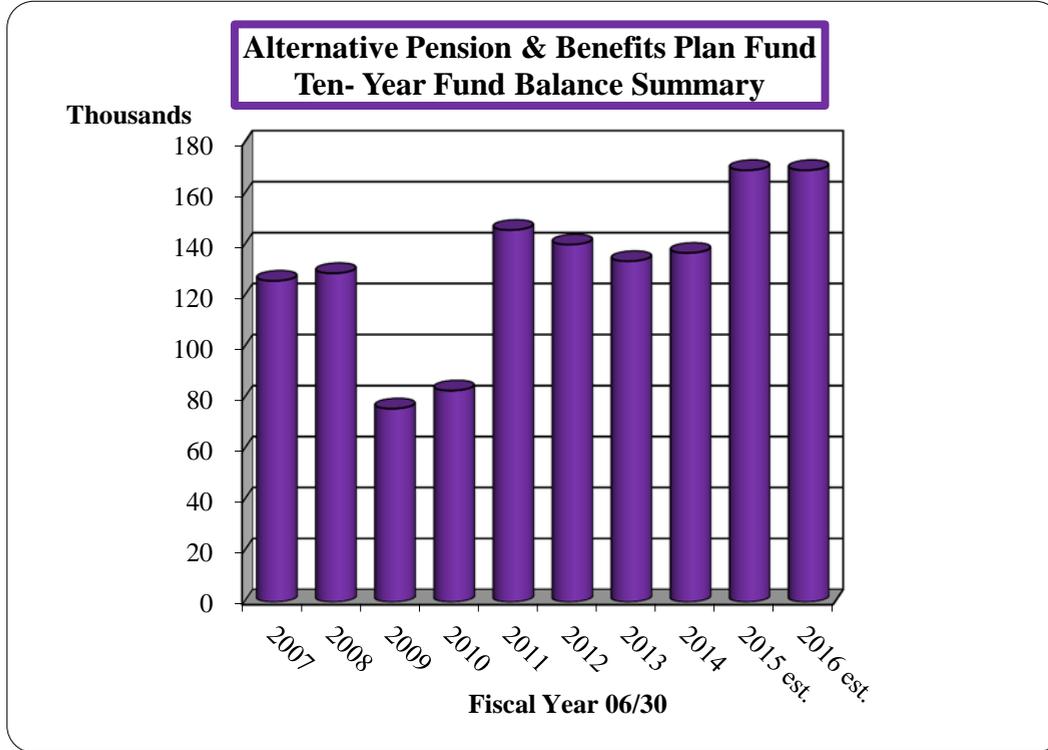
Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
January 1, 2016					222,192	
July 1, 2016	510,000	4,545,000	9,035,000	3.75%	222,192	\$954,384
January 1, 2017					212,630	
July 1, 2017	530,000	5,075,000	8,505,000	3.75%	212,630	\$955,260
January 1, 2018					202,692	
July 1, 2018	550,000	5,625,000	7,955,000	4.00%	202,692	\$955,384
January 1, 2019					191,692	
July 1, 2019	570,000	6,195,000	7,385,000	4.00%	191,692	\$953,384
January 1, 2020					180,292	
July 1, 2020	595,000	6,790,000	6,790,000	4.13%	180,292	\$955,584
January 1, 2021					168,020	
July 1, 2021	620,000	7,410,000	6,170,000	4.20%	168,020	\$956,040
January 1, 2022					155,000	
July 1, 2022	645,000	8,055,000	5,525,000	4.31%	155,000	\$955,000
January 1, 2023					138,875	
July 1, 2023	680,000	8,735,000	4,845,000	4.41%	138,875	\$957,750
January 1, 2024					121,875	
July 1, 2024	710,000	9,445,000	4,135,000	4.55%	121,875	\$953,750
January 1, 2025					104,125	
July 1, 2025	750,000	10,195,000	3,385,000	4.55%	104,125	\$958,250
January 1, 2026					85,375	
July 1, 2026	785,000	10,980,000	2,600,000	4.55%	85,375	\$955,750
January 1, 2027					65,750	
July 1, 2027	825,000	11,805,000	1,775,000	4.55%	65,750	\$956,500
January 1, 2028					45,125	
July 1, 2028	865,000	12,670,000	910,000	4.55%	45,125	\$955,250
January 1, 2029					23,500	
July 1, 2029	910,000	13,580,000	0	5.00%	23,500	\$957,000
Totals	<u>\$9,545,000</u>				<u>\$3,834,286</u>	<u>\$13,379,286</u>

Municipal Property Corporation
Senior Lien Water System Revenue Bonds, Series 2006 ("AAA" S&P / "AAA" Moody's)

Maturity	Principal			Rate	Int/Fees	Debt Service
	Payments	Retired	Balance			
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	\$20,100,000				\$11,842,565	\$31,942,565

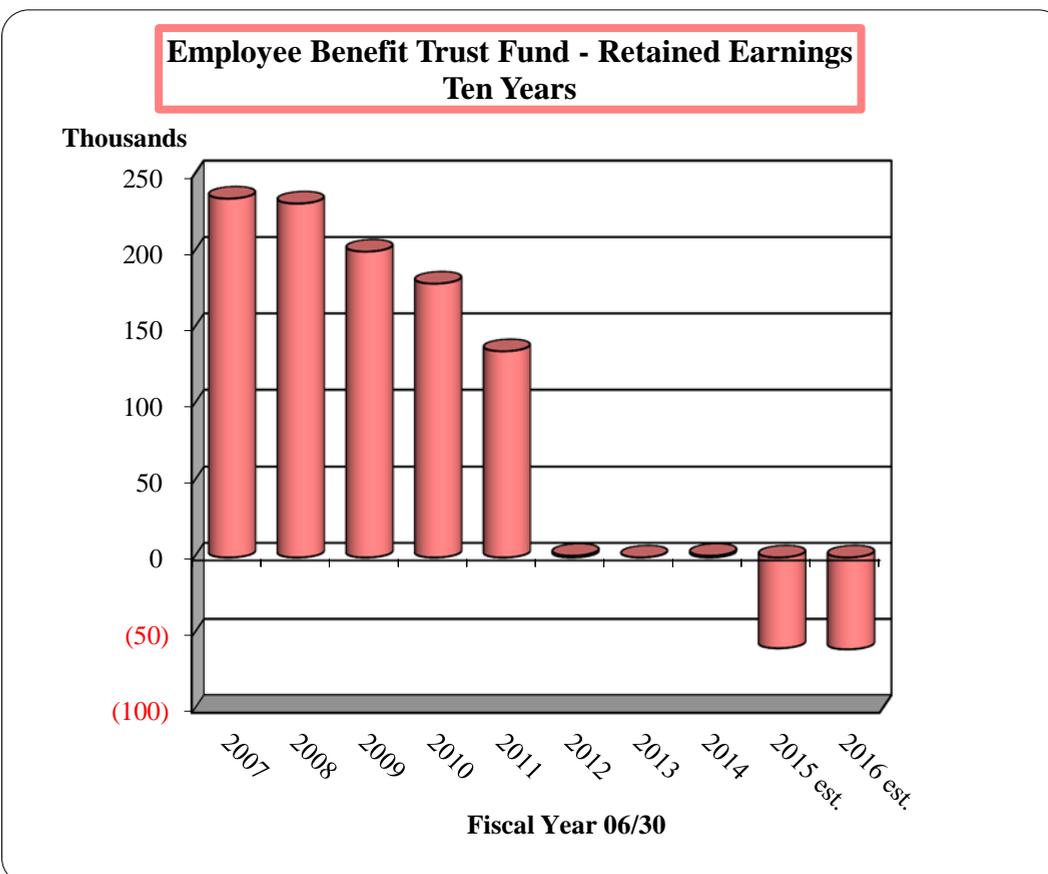
These funds are used to account for assets held in trust by a government in a trustee capacity or agency capacity for others and which therefore cannot be used to support the government's own programs.

<u>Fund/Account Number</u>	<u>Description</u>
<u>70</u>	Alternative Pension and Benefits Plan Fund
<u>60</u>	Employee Benefit Trust Fund



Fiscal Year 06/30	Fund Balance
2007	126,025
2008	129,017
2009	75,900
2010	82,973
2011	145,970
2012	140,244
2013	133,735
2014	136,970
2015 est.	169,419
2016 est.	169,419

The following represents a ten-year illustration of retained earnings for this fund. The fund balance is providing short term disability for all employees.



Fiscal Year 06/30	Fund Balance
2007	234,811
2008	231,573
2009	200,101
2010	179,117
2011	134,830
2012	1,152
2013	0
2014	1,152
2015 est.	(59,530)
2016 est.	(60,255)

Consolidated Statement of Revenues/Expenditures

Item Description	2014	2015		2016
	Actual	Budget	Revised	Adopted
Beginning Fund Balance	136,970	70,875	59,780	69,810
Less: Designated Reserves	136,970	70,875	59,780	69,810
Cash Reserves	0	68,475	69,810	77,835
Appropriated Fund Balance	0	(68,475)	(69,810)	(77,835)
Revenue Sources:				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	23,856	0	0	0
Charges for Services	0	0	0	0
Fines & Forfeitures	0	0	0	0
Uses of Monies & Properties	15,275	1,200	15,600	15,625
Miscellaneous Revenues	2,128	0	0	0
Total Revenue Sources	41,259	1,200	15,600	15,625
Other Financing Sources:				
Transfers In	0	0	0	0
Residual Equity Interfund Transfer	0	0	0	0
Proceeds from Lease Purchase	0	0	0	0
Proceeds from Bonds	0	0	0	0
Total Other Financing Sources	0	0	0	0
Total Available Resources	41,259	(67,275)	(54,210)	(62,210)
Expenditures:				
Personnel	0	0	0	0
Operating Supplies	0	0	0	0
Contractual Services	7,656	3,600	3,600	3,600
Other Services and Charges	0	0	1,970	4,000
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	7,656	3,600	5,570	7,600
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	7,656	3,600	5,570	7,600
Ending Retained Earnings:				
Operating Surplus/(Losses)	33,601	(70,875)	(59,780)	(69,810)
Designated Reserves FY's prior to 2014	136,970	0	0	0
Cash Reserves FY's prior to 2014	0	0	0	0
Restricted	0	70,875	69,210	88,640
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Ending Retained Earnings	\$170,571	\$0	\$9,430	\$18,830

Alternative Pension and Benefits Plan Fund Revenues/Expenditures

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Fund Balance	\$136,970	\$10,900	\$0	\$9,430	0.00%
Less: Designated Reserves	136,970	10,900	0	9,430	0.00%
Cash Reserves	0	7,300	9,430	18,830	99.68%
Appropriated Fund Balance	0	(7,300)	(9,430)	(18,830)	0.00%
Revenue Sources:					
Taxes					
Sales Tax	\$0	\$0	\$0	\$0	0.00%
Intergovernmental Revenues					
City Contribution / Fire Ins Premium	23,856	0	0	0	0.00%
Uses of Monies & Properties					
Interest Income	15,275	0	15,000	15,000	0.00%
Miscellaneous Revenues					
Other Income	976	0	0	0	0.00%
Total Revenue Sources	40,107	0	15,000	15,000	0.00%
Other Financing Sources:					
Transfers In	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	40,107	(7,300)	5,570	(3,830)	-168.76%
Expenditures:					
Personnel	0	0	0	0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	7,656	3,600	3,600	3,600	0.00%
Other Services and Charges	0	0	1,970	2,000	1.52%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenditures	7,656	3,600	5,570	5,600	0.54%
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	7,656	3,600	5,570	5,600	0.54%
Ending Retained Earnings:					
Operating Surplus/(Losses)	32,449	(10,900)	0	(9,430)	0.00%
Designated Reserves FY's prior to 2014	136,970	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	10,900	9,430	28,260	199.68%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Retained Earnings	\$169,419	\$0	\$9,430	\$18,830	99.68%

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Organizational Chart:

None

General Information:

Alternative Pension and Benefits Plan Fund accounts for the defined contribution pension plan which is administrated by the City and a board of trustees for the City's volunteer firefighters.

Revenues are received from the state's Fire Insurance Premium Tax, contributions from the city and members, and interest on investments.

FY 2015 Accomplishments:

- * Maintained the financial health of the pool

FY 2016 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	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Personnel	\$0	\$0	\$0	\$0	0.00%
Operating Supplies	0	0	0	0	0.00%
Contractual Services	7,656	3,600	3,600	3,600	0.00%
Other Services and Charges	0	0	1,970	2,000	1.52%
Capital Outlay	0	0	0	0	0.00%
Reserves	0	7,300	9,430	18,830	99.68%
Debt Service	0	0	0	0	0.00%
Department Totals	<u>\$7,656</u>	<u>\$10,900</u>	<u>\$15,000</u>	<u>\$24,430</u>	<u>62.87%</u>

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Contributions	\$60,380	247.16%
Interest Income	15,000	61.40%
Other Income	0	0.00%
Fund Balance	(50,950)	-208.56%
Total Funding		<u>100.00%</u>

Performance Indicators
<i>* Performance Measures are not applicable to this fund *</i>

Employee Benefit Trust Fund Revenues/Expenditures

Item Description	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
Beginning Retained Earnings	\$0	\$59,975	\$59,780	\$60,380	1.00%
Less: Designated Reserves	0	59,975	59,780	60,380	1.00%
Cash Reserves	0	61,175	60,380	59,005	-2.28%
Appropriated Retained Earnings	0	(61,175)	(60,380)	(59,005)	0.00%
Revenue Sources:					
Uses of Monies & Properties					
Interest Income	\$1,152	\$1,200	\$600	\$625	4.17%
Miscellaneous Revenues					
Other Income	0	0	0	0	0.00%
Total Revenue Sources	1,152	1,200	600	625	4.17%
Other Financing Sources:					
Transfers In	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	1,152	(59,975)	(59,780)	(58,380)	0.00%
Expenses:					
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	2,000	0.00%
Capital Outlay	0	0	0	0	0.00%
Debt Service	0	0	0	0	0.00%
Total Expenses	0	0	0	2,000	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 Expenses and Other Uses	0	0	0	2,000	0.00%
Ending Retained Earnings:					
Operating Surplus/(Losses)	1,152	(59,975)	(59,780)	(60,380)	0.00%
Designated Reserves FY's prior to 2014	0	0	0	0	0.00%
Cash Reserves FY's prior to 2014	0	0	0	0	0.00%
Restricted	0	59,975	59,780	60,380	1.00%
Committed	0	0	0	0	0.00%
Assigned	0	0	0	0	0.00%
Unassigned	0	0	0	0	0.00%
Ending Retained Earnings	\$1,152	\$0	\$0	\$0	0.00%

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Organizational Chart:

None

General Information:

The Employee Benefits Trust Fund accounted for the City's partially self-funded health & medical insurance for many years. Currently, the trust no longer provides the services since the City is a member of the Verde Valley Employee Benefit Pool.

FY 2015 Accomplishments:

N/A

FY 2016 Goals:

NA

Budget Highlights:

The City used these funds to cover short term disabilities. In FY 2014, the trust has been eliminated. The balance of these funds will be used for a future employee benefit.

Internal Services	Employee Benefit Trust	Fund 10	Cost Center	10-00	
Summary by Category					
Expenditure Category	2014	2015		2016	Percent Change
	Actual	Budget	Revised	Adopted	
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	61,175	60,380	61,005	1.04%
Debt Service	0	0	0	0	0.00%
Department Totals	\$0	\$61,175	\$60,380	\$61,005	1.04%

Departmental Fund Sources		
Funding Sources	Amount	% of Funding
Interest Income	\$625	1.02%
Miscellaneous Revenues	0	0.00%
Retained Earnings	60,380	98.98%
Total Funding		<u>100.00%</u>

Performance Indicators
<i>* Performance Measures are not applicable to this fund *</i>

Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
Admin	Subtotal	0	0
City Council	Trust Land Annexation	5,000	5,000
	Subtotal	5,000	5,000
IT	City-wide Computer Replacement Program	37,000	37,000
	File Server and Email Retention Server	18,000	18,000
	Website Design	15,000	15,000
	Subtotal	70,000	70,000
Economic Development	Subtotal	0	0
Municipal Court	Bicycle Rack Installation	2,000	0
	Subtotal	2,000	0
Community Development	ArcGIS Mapping Software	4,750	4,750
	Subtotal	4,750	4,750
Police	Rifles	5,000	5,000
	Security Camera Upgrades	5,600	0
	Duty Weapons	2,000	0
	K9 Equipment	0	0
	Brazos Accident Mobile	0	0
	Datalogic Memor X3 Scanner & Dock	1,300	1,300
	Weight Room Equipment	14,000	0
	Pepperballs	11,150	0
	Simmunitions Equipment	3,000	0
	Body Worn Cameras	25,000	0
	Safety Sound Suppressors	6,000	0
	Copier	7,100	7,100
	Interior Painting Project	15,000	0
	Patrol Vehicles	139,000	
	Subtotal	234,150	13,400

Capital Outlay

General Fund			
Department	Equipment & Project Description	Requested	Budgeted
Fire	Public Safety Exterior Structural Metal Repainting	40,000	0
	Office & Station Equipment	7,000	3,500
	Communications/Radio/MCT' Infr	30,000	5,000
	EMS Equipment Replacement Program	20,000	0
	Physical Fitness Eq (including for new stations)	20,000	0
	Copier	8,600	0
	Aerial Ladder Truck (Quint)	1,200,000	0
	Command Staff Vehicle -2013 Lease Purchase	50,000	55,000
	Fire Suppression & Rescue Equipment	60,000	0
	Subtotal	1,435,600	63,500
Recreation Center	Funding for Wellness Team	2,000	0
	Subtotal	2,000	0
Parks & Recreation	Lounge Furniture for Outdoor Pool	4,500	1,000
	Life Guard Stands	2,500	1,000
	Mini Van	18,000	0
	Long Bed Pick Up Truck	18,000	0
	Light Towers	12,000	0
	Road Signage	12,000	0
	ADA Pool Observation Deck	12,000	4,700
	Soft Water System	32,000	0
	Indoor Pool Cool Decking Replacement	13,000	0
	Subtotal	124,000	6,700
Parks & Bldg Mtnc	Truck	30,000	0
	Parking Lot Maintenance	300,000	300,000
	Rehabilitation of Park Irrigation System	30,000	30,000
	Grounds Maintenance Supply Line Increase	20,000	20,000
	Subtotal	380,000	350,000
Public Works	Transfer Station - Air Burner	80,000	0
	Stormwater Program	48,600	0
	Hazmat Clean-up Event	20,000	20,000
	Subtotal	148,600	20,000
Total General Fund Capital Outlay		\$2,406,100	\$533,350

Capital Outlay

Special Revenue Funds			
Department	Equipment & Project Description	Requested	Budgeted
Streets-Construction	Sidewalk Additions	80,000	123,150
	Pavement Preservation	600,000	0
	Mingus Ave. Reconstruction Willard Street to Main	6,100,000	6,100,000
	12th Street 89A to Fir Construction	337,220	337,220
	Truck	40,000	0
	Mingus Ave, 10th Street & Main Project	250,000	250,000
	Subtotal	7,407,220	6,810,370
Streets - Operations	Sidewalk Trip Hazard Removal	10,000	10,000
	Welder	4,000	0
	Subtotal	14,000	10,000
Transit	Light Duty 20-30 Ft Vans (4)	260,000	260,000
	Subtotal	260,000	260,000
Library	Chair Re-upholstery Project	28,000	0
	Subtotal	28,000	0
CDBG Grants	CDBG - Civic Center Grant	0	309,155
	Subtotal	0	309,155
Other Grants	Misc Grants	500,000	500,000
	Subtotal	500,000	500,000
Airport Grants	ADOT Runway Pavement Preservation	1,950,000	1,950,000
	Airport Increase Fence Height	150,000	150,000
	Subtotal	2,100,000	2,100,000
Total Special Revenue Fund Capital Outlay		\$10,309,220	\$9,989,525
Capital Projects Fund			
	Kids Park Restrooms	250,000	250,000
	Riverfront Rehabilitation	150,000	150,000
	Garrison Relocation and Rehab	250,000	250,000
	HVAC Installation - Civic Center	160,000	160,000
	Subtotal	810,000	810,000
Total Capital Projects Fund Capital Outlay		\$810,000	\$810,000

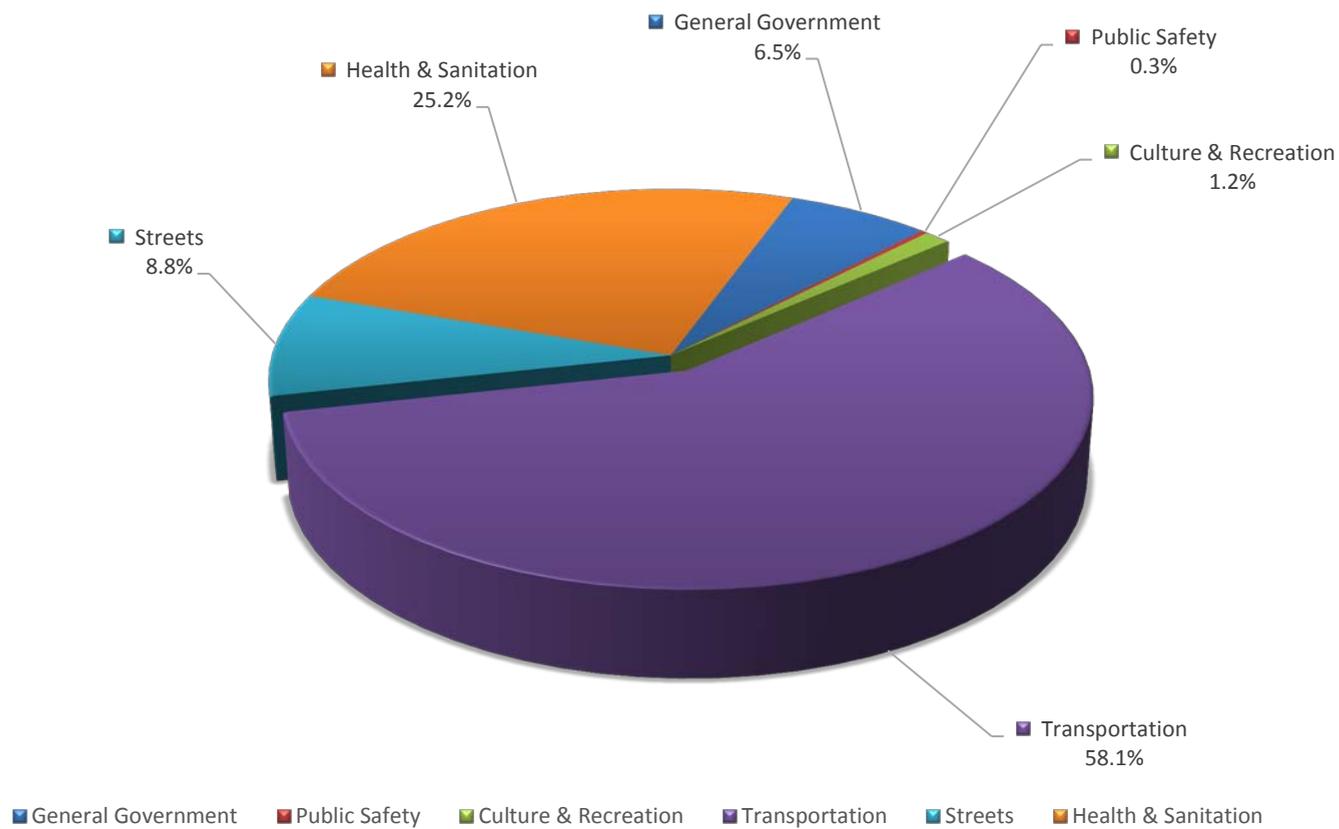
Enterprise Funds			
Department	Equipment & Project Description	Requested	Budgeted
Sewer Construction	Drain Lift Station Re-routing Project	85,000	85,000
	Wastewater Storage Canopy and Shelter	38,750	0
	Lining and Point Repair Collections	95,000	95,000
	Roof Repair of Waste Water Treatment Plant	550,000	500,000
	Riverfront Reclamation Facility	13,000,000	11,500,000
	Truck	35,500	35,500
	Sludge Disposal	99,140	0
	Lift Station	300,000	300,000
	Waste Water Treatment Plant Upgrades	191,000	191,000
		Subtotal	14,394,390
Sewer O&M	Plant Fiber Grate and Gate Replacement	24,800	22,000
	Driveway Repair	27,350	27,350
	Remote Terminal Unit for Del Webb/Yavapai College	24,300	0
	Ultraviolet Transmittance Unit Replacement	19,850	19,850
		Subtotal	96,300
Water Construction	Utility Repair Truck	35,500	35,500
	Midi Excavator	42,000	0
	Mesquite Hills Line Extensions	0	250,000
	W Mingus Reconstruction	0	1,055,900
	Arsenic Mitigation	750,000	725,000
	Fire Hydrant Improvements	400,000	350,000
	Well Booster Station	150,000	150,000
	Well Improvements	100,000	100,000
	Water System Upgrades	160,000	160,000
	Generator - Lower 5	35,500	0
	Parking Lot Pavement Dev. Svcs - Partial	50,450	50,450
	Parking Lot Pavement-Dev. Svcs Bldg - Remainder	25,200	0
		Subtotal	1,748,650
Water O&M	Mini Van	28,000	0
	Asphalt Paver Machine	22,500	22,500
	Water Storage Reservoir Inspection and Cleaning	26,000	26,000
		Subtotal	76,500
Total Enterprise Fund Capital Outlay		16,315,840	15,701,050
Grand Total - All Capital and Equipment & Project		29,841,160	27,033,925

City Council
IT
Economic Development
Municipal Court
Community Development
Police
Fire
Recreation Center
Parks & Recreation
Parks & Bldg Mtce
Public Works
Streets-Construction
Streets - Operations
Transit
Library
CDBG Grant
Other Grants
Airport Grants
Capital Projects Fund
Sewer Construction
Sewer O&M
Water Construction
Water O&M

Capital	
Equipment	Project
5,000	0
70,000	0
0	0
0	0
4,750	0
13,400	0
63,500	0
0	0
6,700	0
50,000	300,000
20,000	0
0	6,810,370
10,000	0
260,000	0
0	0
0	309,155
0	500,000
0	2,100,000
0	810,000
0	12,706,500
69,200	0
35,500	2,841,350
48,500	0
656,550	26,377,375

Total Capital Equipment & Projects

**FY 2016
 CAPITAL EQUIPMENT**



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Salary Ranges

New Hire Range

Salary Range	1st Quartile	2nd Quartile	Mid Point	4th Quartile	Maximum
1	\$14,400	\$17,099	\$19,800	\$22,499	\$25,198
2	\$15,120	\$17,955	\$20,790	\$23,624	\$26,458
3	\$15,876	\$18,852	\$21,828	\$24,805	\$27,781
4	\$16,670	\$19,796	\$22,920	\$26,046	\$29,171
5	\$17,503	\$20,785	\$24,066	\$27,348	\$30,629
6	\$18,379	\$21,824	\$25,270	\$28,715	\$32,161
7	\$19,297	\$22,915	\$26,533	\$30,150	\$33,768
8	\$20,262	\$24,061	\$27,860	\$31,658	\$35,457
9	\$21,276	\$25,263	\$29,253	\$33,241	\$37,230
10	\$22,339	\$26,528	\$30,715	\$34,903	\$39,092
11	\$23,456	\$27,853	\$32,251	\$36,648	\$41,047
12	\$24,630	\$29,247	\$33,863	\$38,480	\$43,098
13	\$25,861	\$30,709	\$35,557	\$40,405	\$45,253
14	\$27,153	\$32,244	\$37,335	\$42,425	\$47,515
15	\$28,511	\$33,856	\$39,202	\$44,546	\$49,892
16	\$29,936	\$35,549	\$41,162	\$46,774	\$52,386
17	\$31,433	\$37,326	\$43,219	\$49,112	\$55,006
18	\$33,004	\$39,193	\$45,380	\$51,568	\$57,756
19	\$34,655	\$41,152	\$47,650	\$54,147	\$60,643
20	\$36,388	\$43,210	\$50,031	\$56,854	\$63,676
21	\$38,208	\$45,371	\$52,534	\$59,696	\$66,859
22	\$40,119	\$47,639	\$55,160	\$62,682	\$70,203
23	\$42,123	\$50,021	\$57,918	\$65,816	\$73,712
24	\$44,230	\$52,522	\$60,814	\$69,106	\$77,397
25	\$46,441	\$55,148	\$63,854	\$72,561	\$81,267
26	\$48,764	\$57,905	\$67,048	\$76,190	\$85,331
27	\$51,202	\$60,801	\$70,400	\$79,999	\$89,598
28	\$53,762	\$63,841	\$73,920	\$83,999	\$94,078
29	\$56,450	\$67,034	\$77,616	\$88,198	\$98,782
30	\$59,273	\$70,384	\$81,497	\$92,609	\$103,721
31	\$62,237	\$73,904	\$85,572	\$97,239	\$108,907
32	\$65,348	\$77,600	\$89,850	\$102,100	\$114,352
33	\$68,615	\$81,478	\$94,343	\$107,206	\$120,069
34	\$72,046	\$85,552	\$99,059	\$112,566	\$126,073
35	\$75,649	\$89,831	\$104,012	\$118,194	\$132,377
36	\$79,431	\$94,321	\$109,214	\$124,105	\$138,996
37	\$83,403	\$99,039	\$114,674	\$130,310	\$145,945
38	\$87,572	\$103,990	\$120,407	\$136,825	\$153,243
39	\$91,951	\$109,189	\$126,428	\$143,666	\$160,905
40	\$96,548	\$114,649	\$132,750	\$150,850	\$168,950
41	\$101,377	\$120,381	\$139,386	\$158,392	\$177,398
42	\$106,445	\$126,401	\$146,356	\$166,312	\$186,267
43	\$111,767	\$132,720	\$153,675	\$174,628	\$195,580
44	\$117,355	\$139,356	\$161,358	\$183,358	\$205,359
45	\$123,222	\$146,325	\$169,426	\$192,527	\$215,628
46	\$129,384	\$153,641	\$177,897	\$202,154	\$226,409
47	\$135,854	\$161,322	\$186,792	\$212,261	\$237,730
48	\$142,646	\$169,389	\$196,132	\$222,873	\$249,616
49	\$149,778	\$177,858	\$205,938	\$234,017	\$262,097
50	\$157,268	\$186,750	\$216,235	\$245,718	\$275,201

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Authorized Positions by Fiscal Year

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2014	FY 2015	FY 2016	Min	Max	
Administration						
City Manager	1.00	1.00	1.00	11,613	17,113	44
Executive Assistant to CM	1.00	1.00	1.00	3,781	5,572	21
Administrative Svcs GM	1.00	1.00	1.00	8,253	12,162	37
Developmental Svcs GM	1.00	1.00	0.00	8,253	12,162	37
Community Services GM	1.00	1.00	1.00	8,253	12,162	37
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	6.00	6.00	5.00			
City Clerk's Office						
City Clerk	1.00	1.00	1.00	5,586	8,232	29
Deputy Clerk	1.00	1.00	1.00	3,266	4,813	18
Total	2.00	2.00	2.00			
Human Resources						
Human Resources Manager	1.00	1.00	1.00	5,865	8,643	30
Human Resources Specialist	0.80	1.00	0.00	2,687	3,960	14
Human Resources Specialist II	0.00	0.00	1.00	3,781	5,572	21
Safety Training Specialist	0.00	1.00	0.00	4,825	7,111	26
Administrative Assistant	0.00	0.50	0.50	2,559	3,771	13
Total	1.80	3.50	2.50			
Natural Resources						
Water Resources Administrator	1.00	1.00	1.00	8,253	12,162	37
Total	1.00	1.00	1.00			
Finance Department						
Accounting/Budget Manager	1.00	1.00	1.00	5,865	8,643	30
Budget Analyst	1.00	1.00	1.00	3,781	5,572	21
Human Resources Specialist	0.20	0.00	0.00	2,687	3,960	14
Administrative Assistant	0.00	0.50	0.50	2,559	3,771	13
Total	2.20	2.50	2.50			
IT Services						
IT Manager	1.00	1.00	1.00	6,790	10,006	33
IT Systems Administrator	0.00	0.00	1.00	4,596	6,772	25
GIS Coordinator	0.00	0.00	1.00	3,429	5,054	19
IT Technician II	1.00	1.00	1.00	3,781	5,572	21
IT Technician I	1.00	1.00	1.00	3,429	5,054	19
Total	3.00	3.00	5.00			
Purchasing						
Purchasing Agent	1.00	1.00	1.00	3,970	5,850	22
Total	1.00	1.00	1.00			
Community Development						
Community Development Manager	1.00	1.00	1.00	5,320	7,840	28
Planner	2.00	2.00	2.00	4,168	6,143	23
Senior Administrative Assistant	1.00	1.00	0.00	2,962	4,365	16
Planning Technician	0.00	0.00	1.00	2,962	4,365	16
Planner/Code Enforcement	0.00	0.00	1.00	3,266	4,813	18
Building Official	1.00	1.00	0.00	4,168	6,143	23
Building Inspector	1.00	1.00	1.00	3,266	4,813	18
Total	6.00	6.00	6.00			

Fiscal Year 2016 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2014	FY 2015	FY 2016	Min	Max	
Economic Development						
Economic Development Manager	1.00	1.00	1.00	6,159	9,076	31
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Total	2.00	2.00	2.00			
Municipal Court						
Presiding Magistrate	1.00	1.00	1.00	Contract		32
Court Administrator	1.00	1.00	1.00	4,377	6,450	24
Court Clerk II	0.00	1.00	1.00	2,821	4,158	15
Court Clerk I	3.00	2.00	2.00	2,559	3,771	13
Total	5.00	5.00	5.00			
Legal						
City Attorney	1.00	1.00	1.00	Contract		41
Legal Services Coordinator	0.00	0.00	0.00	3,266	4,813	18
Total	1.00	1.00	1.00			
Engineering Department						
Public Works & Utility Inspector	2.00	2.00	2.00	3,266	4,813	18
Professional Engineer	1.00	1.00	1.00	5,320	7,840	28
Drafter/Designer	1.00	1.00	0.00	3,429	5,054	19
Public Works Manager	1.00	1.00	1.00	5,067	7,466	27
Public Works Project Manager	1.00	1.00	1.00	3,781	5,572	21
Total	6.00	6.00	5.00			
Public Works						
Developmental Svcs Manager	1.00	1.00	1.00	5,865	8,643	30
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
PW Project Manager	1.00	1.00	1.00	4,596	6,772	25
Public Works & Utility Mtce Spec	1.00	1.00	1.00	2,962	4,365	16
Total	4.00	4.00	4.00			
Police Department						
Police Chief	1.00	1.00	1.00	7,486	11,031	35
Commander	2.00	2.00	2.00	6,159	9,076	31
Sergeant	7.00	7.00	7.00	4,596	6,772	25
PANT Officer/Sergeant	2.00	2.00	2.00	3,601	5,306	20
Police Officer	21.00	21.00	22.00	3,601	5,306	20
School Safety Officer (SSO)	0.00	2.00	1.00	3,601	5,306	20
Property & Evidence Specialist	1.00	1.00	1.00	2,962	4,365	16
Police Administrative Technician	1.00	1.00	1.00	2,962	4,365	16
Records Clerk	2.00	2.00	2.00	2,559	3,771	13
Communications System Coordinator	0.50	0.50	0.50	3,111	4,584	17
Terrorism Liaison Officer	0.50	0.50	0.50	3,601	5,306	20
Total	38.00	40.00	40.00			
Ordinance Enforcement						
Ordinance Enforcement Officer	2.00	2.00	2.00	2,962	4,365	16
Total	2.00	2.00	2.00			

Fiscal Year 2016 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2014	FY 2015	FY 2016	Min	Max	
Communications Division						
Communications Systems Coord.	0.50	0.50	0.50	3,111	4,584	17
Communications Supervisor	1.00	2.00	3.00	3,601	5,306	20
Communications Specialist	9.00	12.00	18.00	2,821	4,158	15
Communications Manager	0.00	1.00	1.00	4,596	6,772	25
Total	10.50	15.50	22.50			
Fire Department						
Fire Chief	1.00	1.00	1.00	7,486	11,031	35
Fire Captain	3.00	3.00	3.00	5,067	7,466	27
Fire Inspector	1.00	1.00	1.00	3,970	5,850	22
Engineer/EMT	6.00	6.00	6.00	3,970	5,850	22
Senior Administrative Asst.	1.00	1.00	1.00	2,962	4,365	16
Fire Marshal	1.00	1.00	1.00	5,320	7,840	28
Firefighter/EMT	12.00	12.00	12.00	3,601	5,306	20
Fire Lieutenant	3.00	3.00	3.00	4,596	6,772	25
Total	28.00	28.00	28.00			
Parks and Recreation Department						
Administrative Assistant	1.00	1.00	0.70	2,559	3,771	13
Recreation Coordinator II	0.00	1.00	0.90	2,962	4,365	16
Aquatics Center Supervisor	0.00	0.00	0.60	3,970	5,850	22
Recreation Center Program Supervisor	0.00	0.00	0.20	3,970	5,850	22
Head Lifeguard	0.00	0.00	0.40	2,321	3,421	11
Youth Programs Coordinator	0.00	0.00	0.50	2,962	4,365	16
Front Desk Supervisor	0.00	0.00	0.60	2,559	3,771	13
Total	1.00	2.00	3.90			
Recreation Department						
Recreation Center Manager	1.00	1.00	0.00	5,586	8,232	29
Aquatics Center Supervisor	1.00	1.00	0.40	3,970	5,850	22
Recreation Center Program Supervisor	1.00	1.00	0.80	3,970	5,850	22
Facility Maintenance Tech III	1.00	1.00	1.00	3,111	4,584	17
Fitness Center Coordinator	1.00	1.00	1.00	2,962	4,365	16
Youth Programs Coordinator	1.00	1.00	0.50	2,962	4,365	16
Front Desk Supervisor	2.00	2.00	1.40	2,559	3,771	13
Facility Maintenance Tech	1.00	1.00	1.00	2,321	3,421	11
Head Life Guard	2.00	2.00	1.60	2,321	3,421	11
Administrative Assistant	0.00	0.00	0.30	2,559	3,771	13
Recreation Coordinator II	0.00	0.00	0.10	2,962	4,365	16
Total	11.00	11.00	8.10			
Parks & Building Maintenance						
Public Works Superintendent	0.50	0.50	0.00	4,377	6,450	24
PW Operations Foreman	0.00	0.00	0.50	3,601	5,306	20
Public Works Maintenance Tech. I	4.00	4.00	5.00	2,211	3,258	10
Facilities Maint Tech III	1.00	1.00	0.00	2,321	3,421	11
Total	5.50	5.50	5.50			
Streets Maintenance						
Public Works Superintendent	0.50	0.50	0.00	4,377	6,450	24
PW Operations Foreman	0.00	0.00	0.50	3,601	5,306	20
PW Maint Tech II	4.00	4.00	4.00	2,559	3,771	13
Total	4.50	4.50	4.50			

Fiscal Year 2016 Budget
Authorized Positions by Fiscal Year

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Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	FY 2014	FY 2015	FY 2016	Min	Max	
CAT/LYNX						
Transportation Manager	1.00	1.00	1.00	5,067	7,466	27
Administrative Assistant	1.00	1.00	1.00	2,559	3,771	13
Driver / Dispatcher	1.00	1.00	1.00	2,559	3,771	13
Field Supervisor	2.00	2.00	2.00	2,559	3,771	13
Drivers	7.00	8.00	9.00	2,437	3,591	12
Total	12.00	13.00	14.00			
Library Services						
Library Manager	1.00	1.00	1.00	5,067	7,466	27
Library Supervisor	1.00	1.00	1.00	3,601	5,306	20
Library Asst II	1.00	1.00	1.00	3,111	4,584	17
Library Asst I	1.00	1.00	1.00	2,687	3,960	14
Library Clerk	5.00	5.00	5.00	2,321	3,421	11
Total	9.00	9.00	9.00			
Wastewater Treatment Facility						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Utility Ops Manager	0.50	0.50	0.00	4,825	7,111	26
WWTP Superintendent	1.00	1.00	1.00	3,970	5,850	22
WW Operator III	0.00	0.00	0.00	3,266	4,813	18
WW Operator II	2.00	3.00	3.00	2,962	4,365	16
WW Operator I	4.00	3.00	3.00	2,687	3,960	14
WW Operator Trainee	0.00	0.00	0.00	2,437	3,591	12
Administrative Assistant	0.50	0.50	0.50	2,962	4,365	16
Electrician	0.50	0.50	0.50	3,601	5,306	20
Electrical Technician	0.00	0.50	0.50	2,821	4,158	15
Utility Billing Supervisor	0.35	0.35	0.35	3,781	5,572	21
Utility Billing Clerk	1.40	1.40	1.40	2,437	3,591	12
Total	10.75	11.25	10.75			
Water Distribution System						
Utilities Manager	0.50	0.50	0.50	5,586	8,232	29
Operations Manager	0.50	0.50	1.00	4,825	7,111	26
Utility Billing Supervisor	0.65	0.65	0.65	3,781	5,572	21
Utility Technician	5.00	3.00	3.00	2,437	3,591	12
Utility Billing Clerk	2.60	2.60	2.60	2,437	3,591	12
Operator I	1.00	2.00	2.00	2,687	3,960	14
Operator II	2.00	2.00	2.00	2,962	4,365	16
Operations Foreman	1.00	1.00	1.00	3,266	4,813	18
Electrician	0.50	0.50	0.50	3,601	5,306	20
Electrical Technician	0.00	0.50	0.50	2,821	4,158	15
Administrative Assist	0.50	0.50	0.50	2,962	4,365	16
Arsenic Specialist	1.00	1.00	1.00	3,429	5,054	19
Terrorism Liaison Officer	0.50	0.50	0.50	3,601	5,306	20
Utility Equipment Operator	2.00	3.00	3.00	2,962	4,365	16
	17.75	18.25	18.75			
Total City-wide Authorized Full-Time Equivalent	191.00	203.00	209.00			

RESOLUTION NUMBER 2805

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2015-2016 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 June 2, 2015, 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 June 16, 2015, at which meeting any citizen was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses; and

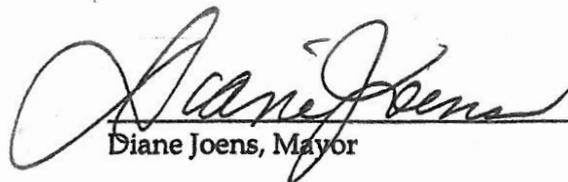
WHEREAS, publication has been duly made as required by law of said estimates, together with a notice that the City Council would meet on June 2, 2015, and June 16, 2015, for the purpose of hearing citizen's comments; and

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 is made a public record by this resolution 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, 2015, and ending June 30, 2016.

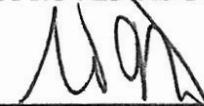
NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA:

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 2015-2016, and establishing an expenditure limitation of \$117,084,020.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 16TH OF JUNE 2015.


Diane Joens, Mayor

APPROVED AS TO FORM:


Steven B. Horton, Esq.
City Attorney

ATTEST:


Marianne Jimenez, City Clerk

CITY OF COTTONWOOD
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2015	ACTUAL EXPENDITURES/ EXPENSES** 2015	FUND BALANCE/ NET POSITION*** July 1, 2015**	PROPERTY TAX REVENUES 2016		ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2016	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	TOTAL FINANCIAL RESOURCES AVAILABLE 2016	BUDGETED EXPENDITURES/ EXPENSES 2016
				Primary: 2016	Secondary: 2016		SOURCES	<USES>			
1. General Fund	\$ 26,041,170	\$ 18,452,740	\$ 4,508,495	\$	\$ 18,636,020	\$	\$	\$	\$ 826,810	\$ 22,317,705	\$ 23,339,620
2. Special Revenue Funds	17,173,065	16,104,205			5,666,040			934,740	107,930	6,492,850	16,967,740
3. Debt Service Funds Available	3,282,465	3,282,465	1,210,125		2,071,975					3,282,100	3,813,165
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	3,282,465	3,282,465	1,210,125		2,071,975					3,282,100	3,813,165
6. Capital Projects Funds	13,009,750	13,009,750	11,565,775		180,000				11,500,000	245,775	12,501,160
7. Fiduciary Funds	75,380	75,380	70,875							72,075	85,435
8. Enterprise Funds Available	27,198,040	27,198,040	4,555,280		10,016,495				11,500,000	14,571,775	60,476,900
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	27,198,040	27,198,040	4,555,280		10,016,495				11,500,000	14,571,775	60,476,900
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 86,779,870	\$ 78,122,580	\$ 21,910,550	\$	\$ 36,570,530	\$ 30,140,000	\$ 41,640,000	\$ 12,434,740	\$ 12,434,740	\$ 46,982,280	\$ 117,084,020

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses	2015	2016
2. Add/ subtract: estimated net reconciling items	\$ 86,779,870	\$ 117,084,020
3. Budgeted expenditures/expenses adjusted for reconciling items	86,779,870	117,084,020
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 86,779,870	\$ 117,084,020
6. EEC or voter-approved alternative expenditure limitation		

X 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 Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**CITY OF COTTONWOOD
Tax Levy and Tax Rate Information
Fiscal Year 2016**

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	\$ _____	\$ _____
C. Total property tax levy amounts	\$ _____	\$ _____
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	\$ _____
(2) Prior years' levies	\$ _____	\$ _____
(3) Total primary property taxes	\$ _____	\$ _____
B. Secondary property taxes		
(1) Current year's levy	\$ _____	\$ _____
(2) Prior years' levies	\$ _____	\$ _____
(3) Total secondary property taxes	\$ _____	\$ _____
C. Total property taxes collected	\$ _____	\$ _____
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	_____	_____
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**CITY OF COTTONWOOD
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 9,955,540	\$ 9,955,540	\$ 10,357,835
Bed Tax	120,000	130,000	130,000
Utility Tax	236,250	240,300	240,300
Franchises	391,230	368,275	377,620
Licenses and permits			
Business Licenses	90,000	100,000	100,000
Construction Permits	210,000	135,000	210,000
Planning & Zoning Fees	36,100	8,800	26,100
Intergovernmental			
Federal Revenue	180,310	100,410	193,390
State Revenue	2,650,260	2,650,260	2,432,490
County (including Motor Vehicle Tax)	621,770	621,770	667,580
Other Entities	171,620	314,265	377,405
Charges for services			
Dispatch & Spillman Services	160,540	160,540	478,750
Recreation Fees	882,490	811,725	844,300
Animal Control Fees	1,500	4,000	4,000
Other Services	1,740,050	1,691,165	1,740,050
Fines and forfeits			
Municipal Court	218,000	207,170	215,000
Interest on investments			
Interest Income	40,000	17,000	25,000
Uses of monies & properties			
Rentals	21,500	18,650	21,000
Contributions			
Voluntary contributions	2,700	4,665	7,500
Miscellaneous			
Miscellaneous Income	180,100	372,775	187,700
Total General Fund	\$ 17,909,960	\$ 17,912,310	\$ 18,636,020

* 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
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Fuel Tax	\$ 794,630	\$ 794,630	\$ 839,050
Additional Sales Tax	125,000	215,440	221,910
Federal Grants	179,390	179,390	1,045,000
State Grants	50,000	50,000	
Other Income	150	1,000	1,150
	\$ 1,149,170	\$ 1,240,460	\$ 2,107,110
Local Transportation Assistance Fund			
Lottery Tax	\$	\$	\$
Total Street Maintenance & Construction	\$ 1,149,170	\$ 1,240,460	\$ 2,107,110
COTTONWOOD AREA TRANSIT SYSTEM			
Intergovernmental			
State Grant	\$ 816,800	\$ 900,270	\$ 1,130,740
Fuel Tax			
LTAIF			
Other Entities	236,920	115,760	142,725
	\$ 1,053,720	\$ 1,016,030	\$ 1,273,465
Charges for services			
Fare Box	\$ 179,500	194,590	\$ 195,300
Miscellaneous			
Other Income	\$ -	-	-
Total Cottonwood Area Transit System	\$ 1,233,220	\$ 1,210,620	\$ 1,468,765
LIBRARY FUND			
Intergovernmental			
County Library	\$ 163,900	162,520	\$ 162,520
Charges for services			
Collection Income	\$ 15,000	15,700	\$ 25,640
Interest on investment			
Interest Income	\$ 20	25	\$ 25
Miscellaneous			
Other Income (including grants)	\$ 58,050	38,000	\$ 23,480
Total Library Fund	\$ 236,970	\$ 216,245	\$ 211,665
AIRPORT			
Intergovernmental			
State Grants	\$ 351,310	\$	\$ 908,000
Federal Grants	107,275	160,550	136,000
Charges for services			
Fuel Sales	\$ 200,000	245,000	\$ 245,000
Uses of monies & properties			
Rental & Leases	\$ 91,390	87,020	\$ 88,300
Total Airport Authority	\$ 749,975	\$ 492,570	\$ 1,377,300
OTHER GRANTS			
Intergovernmental Revenues	\$ 500,000	500,000	500,000
Total Other Grants Fund	\$ 500,000	\$ 500,000	\$ 500,000

* 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
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
HERITAGE GRANT			
Intergovernmental			
Heritage Grant Funds	\$ -	\$ -	\$ -
Other Entities	-	-	-
Matching Funds	-	-	-
Total Heritage Grant Fund	\$ -	\$ -	\$ -
COMMUNITY DEVELOPMENT BLOCK GRANTS			
Intergovernmental			
Federal Grants	\$ 330,000	\$ 282,130	\$ -
Other Entities	-	-	-
Total Community Development Block Grants	\$ 330,000	\$ 282,130	\$ -
Total Special Revenue Funds	\$ 4,223,685	\$ 3,967,025	\$ 5,666,040
Fiduciary Funds			
EXPENDABLE TRUST FUNDS			
Health & Benefits Trust Fund	\$ 650	\$ 1,200	\$ 1,200
Alternative Pension Fund	23,700	23,800	-
Total Expendable Trust Funds	\$ 24,350	\$ 25,000	\$ 1,200
DEBT SERVICE FUNDS			
Local Taxes			
City Sales Tax	\$ 2,070,575	\$ 2,070,575	\$ 2,071,975
Charges for services			
Water User Fees - Debt Service	\$ -	\$ -	\$ -
Interest			
Interest Income	\$ -	\$ -	\$ -
Total Debt Service Funds	\$ 2,070,575	\$ 2,070,575	\$ 2,071,975
CAPITAL PROJECTS FUNDS			
Intergovernmental			
Federal Grants	\$ -	\$ -	\$ -
State Grants	-	-	-
County Revenue	-	168,200	-
Other Entities	-	-	-
Miscellaneous			
Other Income	\$ -	\$ -	\$ -
Interest Income	165,000	180,010	180,000
Total Capital Projects Funds	\$ 165,000	\$ 348,210	\$ 180,000
ENTERPRISE FUNDS			
WASTEWATER			
City Sales Tax	\$ -	\$ -	\$ -
User Fees	1,441,780	1,503,255	1,623,200
Interest Income	20,000	-	1,000
Other Entities - Yavapai College	-	219,540	-
Other Income	104,680	337,040	675,620
Total Wastewater Enterprise	\$ 1,566,460	\$ 2,059,835	\$ 2,299,820

* 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
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
WATER			
City Sales Tax	\$ -	\$ -	\$ -
User Fees	5,797,990	6,849,385	7,387,775
Interest Income	8,755	63,285	6,935
Clarkdale Reimbursements	312,132	304,385	298,385
Other Income	171,314	25,580	23,580
Total Water Enterprise	\$ 6,290,191	\$ 7,242,635	\$ 7,716,675
CLARKDALE WATER ENTERPRISE			
Clarkdale Water	\$ -	\$ -	\$ -
Total Clarkdale Water Enterprise	\$ -	\$ -	\$ -
Total Enterprise Funds	\$ 7,856,651	\$ 9,302,470	\$ 10,016,495
TOTAL ALL FUNDS	\$ 32,225,871	\$ 33,600,590	\$ 36,570,530

* 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
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016**

FUND	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Operating Transfer Out - HURF	\$	\$	\$	\$
Operating Transfer Out - Library				801,285
Operating Transfer Out - Cemetery				25,525
Operating Transfers Out - Airport				
Operating Transfer Out - Transit				
Total General Fund	\$	\$	\$	\$ 826,810
SPECIAL REVENUE FUNDS				
Transfer Out Airport - Airport Improvements	\$	\$	\$	\$ 107,930
Transfer in Aripport Improvements - Airport Fund			107,930	
Operating Transfer In for Library - General Fund			801,285	
Operating Transfer in for Cemetery - General Fund			25,525	
Bond Proceeds				
12th Street 89A to Fir				
Mingus Ave. Willard to Main				
W Mingus Reconstruction Reimbursement				
Total Special Revenue Funds	\$	\$	\$ 934,740	\$ 107,930
DEBT SERVICE FUNDS				
	\$	\$	\$	\$
Total Debt Service Funds	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS				
Transfer out - Sewer Fund	\$	\$	\$	\$ 11,500,000
Total Capital Projects Funds	\$	\$	\$	\$ 11,500,000
PERMANENT FUNDS				
	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Transfer In - Capital Projects Fund	\$	\$	\$ 11,500,000	\$
Bond Proceeds - Waste Water				
Bond Refunding - Water	30,140,000			
Waste Water Treatment Plant Riverfront		11,500,000		
Refunding of 2004 Water Bonds		30,140,000		
Total Enterprise Funds	\$ 30,140,000	\$ 41,640,000	\$ 11,500,000	\$
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 30,140,000	\$ 41,640,000	\$ 12,434,740	\$ 12,434,740

**CITY OF COTTONWOOD
Expenditures/Expenses by Department
Fiscal Year 2016**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Highway User Revenue Fund				
HURF	\$ 11,322,565	\$ 1,659,150	\$ 12,981,715	\$ 10,920,015
General Fund	288,535	161,465	450,000	
Department Total	\$ 11,611,100	\$ 1,820,615	\$ 13,431,715	\$ 10,920,015
Cottonwood Area Transit - CAT/LYNX				
Transit	\$ 1,844,375	\$ (524,370)	\$ 1,320,005	\$ 1,672,855
General Fund	150,400	(150,400)		
Department Total	\$ 1,994,775	\$ (674,770)	\$ 1,320,005	\$ 1,672,855
Library				
Library Fund	\$ 192,890	\$ (28,880)	\$ 164,010	\$ 254,020
General Fund	737,205	30,795	768,000	718,430
Department Total	\$ 930,095	\$ 1,915	\$ 932,010	\$ 972,450
Cemetery				
Cemetery Fund	\$ (3,950)	\$ 9,750	\$ 5,800	\$ 7,400
General Fund	24,075	(6,750)	17,325	19,225
Department Total	\$ 20,125	\$ 3,000	\$ 23,125	\$ 26,625
Municipal Airport				
Airport Fund	\$ 365,610	\$ (81,860)	\$ 283,750	\$ 366,640
General Fund	3,310	(3,310)		3,310
Department Total	\$ 368,920	\$ (85,170)	\$ 283,750	\$ 369,950
Debt Service				
Debt Services Fund	\$	\$	\$	\$
General Fund				
Department Total	\$	\$	\$	\$
Grants Fund				
Grants Fund	\$ 1,444,180	\$ (339,860)	\$ 1,104,320	\$ 1,705,620
Airport Improvement Fund	47,410	(17,340)	30,070	8,000
HURF	80,000	(9,430)	70,570	
Department Total	\$ 1,571,590	\$ (366,630)	\$ 1,204,960	\$ 1,713,620
Capital Improvements Fund				
Capital Improvements Fund	\$ 13,517,040	\$ 969,610	\$ 14,486,650	\$ 11,745,775
HURF	2,442,040	(2,442,040)		
Department Total	\$ 15,959,080	\$ (1,472,430)	\$ 14,486,650	\$ 11,745,775
Wastewater Enterprise Fund				
Wastewater Enterprise Fund	\$ 2,502,240	\$ 665,605	\$ 3,167,845	\$ 3,024,095
Capital Improvements Fund	4,640,550	(4,640,550)		7,879,975

CITY OF COTTONWOOD
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
GENERAL FUND	157	\$ 9,260,648	\$ 1,765,340	\$ 1,893,448	\$ 731,184	\$ 13,650,620
SPECIAL REVENUE FUNDS						
Highway User Revenue Fund-HURF	5	\$ 177,580	\$ 20,370	\$ 67,330	\$ 17,765	\$ 283,045
Cottonwood Area Transit-CAT /LYN	14	\$ 737,565	\$ 64,955	\$ 128,670	\$ 83,825	\$ 1,015,015
Library	9	\$ 426,380	\$ 43,740	\$ 99,860	\$ 25,020	\$ 595,000
Total Special Revenue Funds	28	\$ 1,341,525	\$ 129,065	\$ 295,860	\$ 126,610	\$ 1,893,060
DEBT SERVICE FUNDS						
		\$	\$	\$	\$	\$
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
		\$	\$	\$	\$	\$
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Wastewater Treatment	11	\$ 547,250	\$ 62,770	\$ 106,190	\$ 50,060	\$ 766,270
Water System Operations	19	\$ 943,040	\$ 110,780	\$ 257,000	\$ 41,560	\$ 1,352,380
Total Enterprise Funds	30	\$ 1,490,290	\$ 173,550	\$ 363,190	\$ 91,620	\$ 2,118,650
TOTAL ALL FUNDS	215	\$ 12,092,463	\$ 2,067,955	\$ 2,552,498	\$ 949,414	\$ 17,662,330

Glossary of Terms

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

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 of Terms

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 date for recording financial transactions. The City of Cottonwood has a fiscal year beginning July 1 and ending June 30.

Glossary of Terms

Franchise Fee - A fee paid by a public service business for the special privilege to use city streets, alleys and property in providing their services to the citizens of the community. Services requiring franchise fees include electricity, water, natural gas, and cable 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 that 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 as well as special districts with the development of public infrastructure. Housed in the Arizona Department of Commerce, this \$20 million bond authority leverages funding for infrastructure projects and aims to help accelerate project development and lower costs of financing.

General Fund - The operating fund established to account for resources and uses of general operating functions of City departments that are not required to be accounted for in another fund. Resources are, in the majority, provided by taxes.

General Obligation Bonds - Bonds that finance a variety of public projects and require voter approval. These bonds are backed by the full faith and credit of the city. Limitations for bonding capacity are set by State Statute.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting.

Governmental Funds - Funds used to account for the acquisition, use and balances of expendable financial resources and related current liabilities, except those accounted for in propriety funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund).

Governor's Alliance Against Drugs (GAAD) - A division of the state's governor's office funding grants providing alternative activities for youth at risk for drug and alcohol abuse.

Grant - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity or facility.

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

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.

Glossary of Terms

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 within a specific time frame.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - Plan of current expenditures and the prepared means to finance them. This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, contractual services, operating supplies and operating capital items. The budget is the primary measure of controlling financing, acquisition, spending and delivering of services of the entity.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. 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 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.

Service Level - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Special Revenue Fund - A fund used to finance distinct activities and created out of receipts of specific revenues.

Unreserved Fund Balance - Undesignated monies available for appropriations.

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Acronyms/Initialisms

AAED - Arizona Association for Economic Development	DNS - Domain Name Services
ACA - Arizona Commerce Authority	DPS - Department of Public Safety
ACAP - AZ Court Automation Project	DUI - Driving Under the Influence
ACIP - Airport Capital Improvement Plan	DVP - Delivery vs. Payment
ACJC - Arizona Criminal Justice Commission	DWRF - Drinking Water Revolving Fund
ACJIS - Arizona Criminal Justice Information System	ED - Economic Development
ADA - American with Disabilities Act	EDMS - Electronic Document Management Scanning
ADOT - Arizona Department of Transportation	EEOC - Equal Employment Opportunity Compliance
ADS - Animal Disaster Services	EMMA - Electronic Municipal Market Access
ADWR - Arizona Department of Water Resources	EMS - Emergency Medical Services
AFG - Assistance to Firefighters Grant	EMT - Emergency Medical Technician
AFIS - Automated Fingerprint Identification System	FAA - Federal Aviation Administration
AG - Agriculture	FARE - Fines/fees and Restitution Enforcement
AIP - Airport Improvements Project	FBO - Fixed Base Operations
ALF - American LaFrance	FBI - Federal Bureau of Investigation
ALP - Airport Layout Plan	FD - Fire Department
AMRRP - Arizona Municipal Risk Retention Pool	FEMA - Federal Emergency Management Administration
AOC - Administrative Office of the Court	FHWA - Federal Highway Administration
APCO - Association of Public Safety Communications Officials	FLSA - Fair Labor Standards Act
ANS - American National Standards (APCO)	FmHA - Farmers Home Administration
APS - Arizona Public Service	FSA - Flexible Spending Account
ARS - Arizona Revised Statutes	FTE - Full Time Equivalent
A/V - Audio Visual	FY - Fiscal Year
AVL - Automatic Vehicle Locator	GO Bond - General Obligation Bond
AWOS - Automatic Weather Observation Station	GAAD - Governor's Alliance Against Drugs
AZ - Arizona	GAAP - Generally Accepted Accounting Principles
AZPac - Arizona Public Access Computers	GADA - Greater Arizona Development Authority
BAC - Business Assistance Center	GASB - Government Accounting Standards Board
BOD - Biological Oxygen Demand	GFOA - Government Finance Officers Association
BTOP - Broadband Technology Opportunities Program	GIMP - GNU Image Manipulation Program (Image Editing)
CAD - Computer Aided Dispatch	GM - General Manager
CAFR - Comprehensive Annual Financial Report	GOHS - Governor's Office of Highway Safety
CAFS - Compressed Air Foam System	HDHP - High Deductible Health Plan
CALEA - Commission on Accreditation for Law Enforcement Agencies	HELP - Highway Expansion and Extension Loan Program
CAT - Cottonwood Area Transit	HIPAA - Health Insurance Portability & Accountability Act
CCR - Cardio Cerebral Resuscitation	HR - Human Resources
CDBG - Community Development Block Grant	HSA - Health Savings Account
CEDC - Cottonwood Economic Development Council	HURF - Highway User Revenue Fund
CENS - Community Emergency Notification System	HVAC - Heating, Ventilation and Air Conditioning
CFD - Cottonwood Fire Department	ICC - International Code Council
CJEF - Criminal Justice Enhancement Fund	ID - Identification
CPI - Consumer Price Index	IFR - Instrument Flying Rules
CPR - Cardiac Pulmonary Resuscitation	IGA- Intergovernmental Agreement
COC - Chamber of Commerce	ILMS - Institute of Museum and Library Services
COJET - Committee on Judicial Education and Training	ISO - Insurance Service Organization
COLA - Cost of Living Adjustment	ISTEA - Intermodal Surface Transportation Efficiency Act
COP - Citizens on Patrol	JPA - Joint Powers Agreement
COPS - Community Oriented Policing Services	JCEF - Judicial Collection Enhancement Fund
CWRF - Clean Water Revolving Fund	LDH - Large Diameter Hose
DARE - Drug Awareness Resistance Education	LLBG - Local Law Enforcement Block Grant
DEA - Drug Enforcement Agency	LSTA - Library Services and Technology Act
	LTAF - Local Transportation Assistance Fund
	M&O - Maintenance & Operations
	MATForce - Methamphetamine Task Force

MDC - Mobil Data Communication	TSS - Total Suspended Solids
MPC - Municipal Property Corporation	US - United States
MRAP - Mine Resistant Ambush Protected Vehicle	USDA - United States Department of Agriculture
MUHS - Mingus Union High School	USEPA - United States Environmental Protection Agency
MV - Motor Vehicle	VCTC - Verde Consolidated Therapeutic Court
MVD - Motor Vehicle Division	VOMP - Victim Offender Mediation Program
NACOG - Northern Arizona Council of Governments	VPN - Virtual Private Network
NAIPTA - Northern Arizona Inter-Governmental Public Transit Authority	VV - Verde Valley
NAMWUA - Northern Arizona Municipal Water Users Association	VVAC - Verde Valley Arts Council
NAU - Northern Arizona University	VVAC - Verde Valley Ambulance Company
NCIC - National Crime Information Center	VVEBP- Verde Valley Employee Benefits Pool
NCMEC - National Center for Missing and Exploited Children	VVREDC - Verde Valley Regional Economic Development Committee
NFPA - National Fire Protection Association	VVREO - Verde Valley Regional Economic Organization
NIMS - National Incident Management System	VVWC - Verde Valley Wine Consortium
NRCD - Natural Resource Conservation District	WC - Workers' Compensation
NRMSIR - Nationally Recognized Municipal Securities Information Repository	WIFA - Water Infrastructure Finance Authority
OFA - Object Free Area	WMA - Wastewater Management Authority
OSC - Orders to Show Cause	WSUS - Windows Server Update Services
OSHA - Occupational Safety and 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	
PSA - Public Securities Association	
P & Z - Planning and Zoning	
REDI - Rural Economic Development Initiative	
RFP - Request for Proposal	
RFQ - Request for Qualifications	
RICO Act- Racketeer Influenced and Corrupt Organizations Act	
RMS - Records Management System	
SAFER - Staffing for Adequate Fire Emergency Response	
SARMC - Safety Awareness and Risk Management Committee	
SCBA - Self Contained Breathing Apparatus	
SciTech - Science and Technical features.	
SHPO - State Historical Preservation Office	
SLIM - Specialty and Light Manufacturing Association of Yavapai County	
SR - State Route	
SRO - School Resource Officer	
SSRT - Super Secret Response Team	
STEAM - Science, Technology, Engineering, Arts, Math	
SVCS - Services	
SWAT - Strategic Weapons Attack Team	
TES - Tavasci Elementary School	
TIA - Traffic Impact Analysis	
TIP- Trauma Intervention Program	
TLC - Teen Library Council	
TPT - Transaction Privilege Tax	

