



City of Cottonwood
FY 2016 Proposed Budget Meeting
May 14, 2015

City Council Chambers
826 North Main Street
Cottonwood, AZ

GLOSSARY OF ACRONYMS

- ADOT – Arizona Department of Transportation
- ASRS – Arizona State Retirement System
- ADWR – Arizona Department of Water Resources
- AZ - Arizona
- CAF – Capital Accumulation Fund
- CATS – Cottonwood Area Transit System
- CDBG – Community Development Block Grant
- CIP – Capital Improvements Plan/Program
- COLA – Cost Of Living Adjustment
- DOJ – Department of Justice
- DPS – Department of Public Safety
- DS – Debt Service
- DUI – Driving Under the Influence
- E-MOD – Experience Modifier
- EMS – Emergency Medical Services
- FAA – Federal Aviation Administration
- FmHA – Farmers Home Administration
- FY – Fiscal Year
- GADA – Greater Arizona Development Authority
- GF - General Fund
- GOHS – Governor’s Office of Highway Safety
- HURF – Highway User Revenue Fund
- IGA – Inter-Governmental Agreement
- IT – Information Technology
- LP – Lease Purchase
- LTAF – Local Transportation Assistance Fund
- MPC – Municipal Property Corporation
- NACOG – Northern AZ Council of Governments
- O&M – Operation & Maintenance
- P&Z – Planning & Zoning
- PANT – Prescott Area Narcotics Taskforce
- PSPRS – Public Safety Personnel Retirement System
- SAFER – Staffing for Adequate Fire and Emergency Response
- SCBA – Self Contained Breathing Apparatus
- SRO – School Resource Officer
- VLT – Vehicle License Tax
- WIFA – Water Infrastructure Finance Authority
- WWTP – Wastewater Treatment Plant
- YC – Yavapai County



FY 2016 BUDGET PROCESS

- 1st round of budget meetings – (\$143,980)
 - Before Capital and Personnel
 - Operating & Maintenance only
- After meeting with City Manager – (\$639,865)
 - Added personnel, reclassification, & capital
 - Still operational base budget
- Asked all departments to cut up to 3% off their budgets
 - Staffing
 - Capital outlay
 - Maintenance & operations
- Current overall FY 2016 balanced budget - \$94,607,490



PERSONNEL

NEW PERSONNEL REQUESTS

Dept	Job Description	Est. Salary (min +5%)	Benefits	Est. Annual Costs
Fire	Deputy Fire Chief	77,592	31,037	108,629
IT	IT Systems Administrator	57,901	23,160	81,061
IT	GIS Coordinator	45,597	18,239	63,836
Planning	Code Enforcement Officer	32,405	12,962	45,367
Maintenance	Public Works Maintenance Tech I	27,851	11,140	38,991
Police	Records Clerk	32,241	12,896	45,137
		273,587	109,434	383,021

NEW PERSONNEL BUDGETED

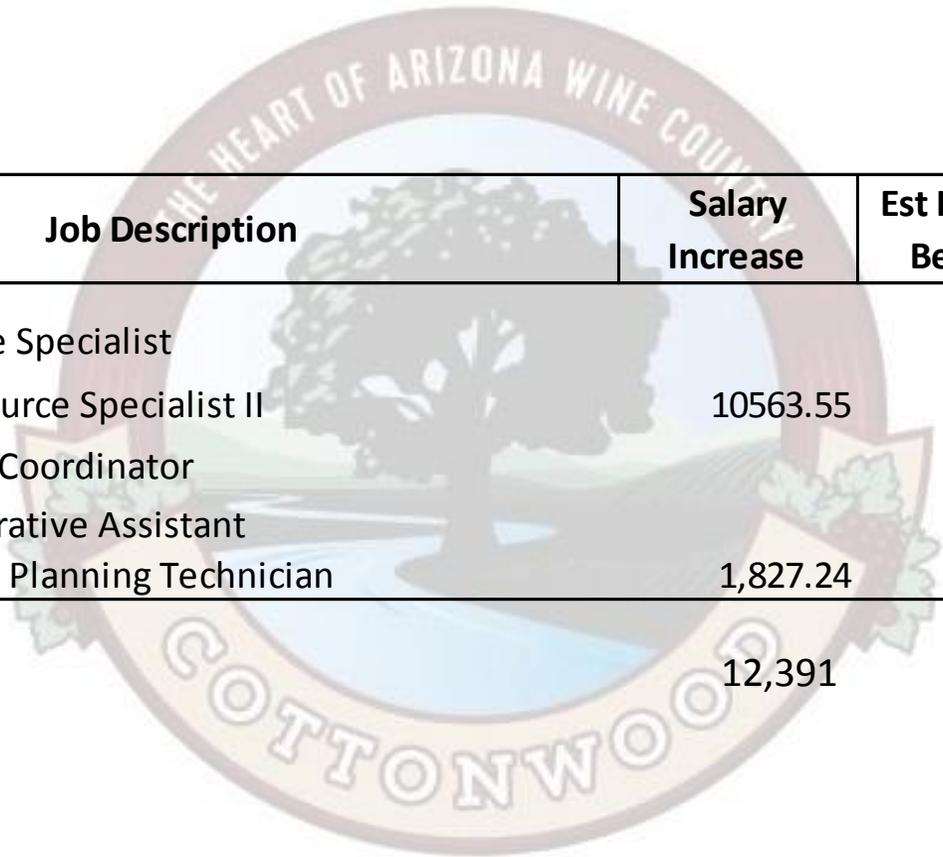
Dept	Job Description	Est. Salary (min +5%)	Benefits	Est. Annual Costs
IT	IT Systems Administrator (50%)	28,950	11,580	40,530
IT	GIS Coordinator (75%)	32,405	12,962	45,367
Planning	Asst. Planner/Code Enforcement Officer (75%)	30,862	12,345	43,207
Maintenance	Public Works Maintenance Tech I	27,851	11,140	38,991
		120,068	48,027	168,095

Building Official position was eliminated to fund the Asst. Planner/Code Enforcement Officer

PERSONNEL RECLASSIFICATION REQUESTS

Dept	Job Description	Salary Increase	Est Increase Benefits	Est. Annual Costs
Fire	Paramedic Pay - 16	24,000	9,600	33,600
Police	Communications Manager	6,715	2,686	9,401
HR	Human Resource Specialist Human Resource Specialist II	10,564	4,226	14,790
Rec Center	Youth Programs Coordinator			20,000
Planning	Senior Administrative Assistant Planning Technician	1,827	731	2,558
Waste Water	Waste Water Operator I Waste Water Operator II	10,733	4,293	15,026
Waste Water	Waste Water Operator I Waste Water Operator II	10,999	4,400	15,399
Waste Water	Waste Water Operator I Waste Water Operator II	9,190	3,676	12,866
		74,028	29,612	123,640

PERSONNEL RECLASSIFICATION BUDGETED



Dept	Job Description	Salary Increase	Est Increase Benefits	Est. Annual Costs
HR	Human Resource Specialist			
	Human Resource Specialist II	10563.55	4225.42	14,788.98
Rec Center	Youth Programs Coordinator			20,000.00
Planning	Senior Administrative Assistant			
	Planning Technician	1,827.24	730.90	2,558.14
		12,391	4,956	37,347

Youth Programs Coordinator was already in the budget, however the school funding was eliminated

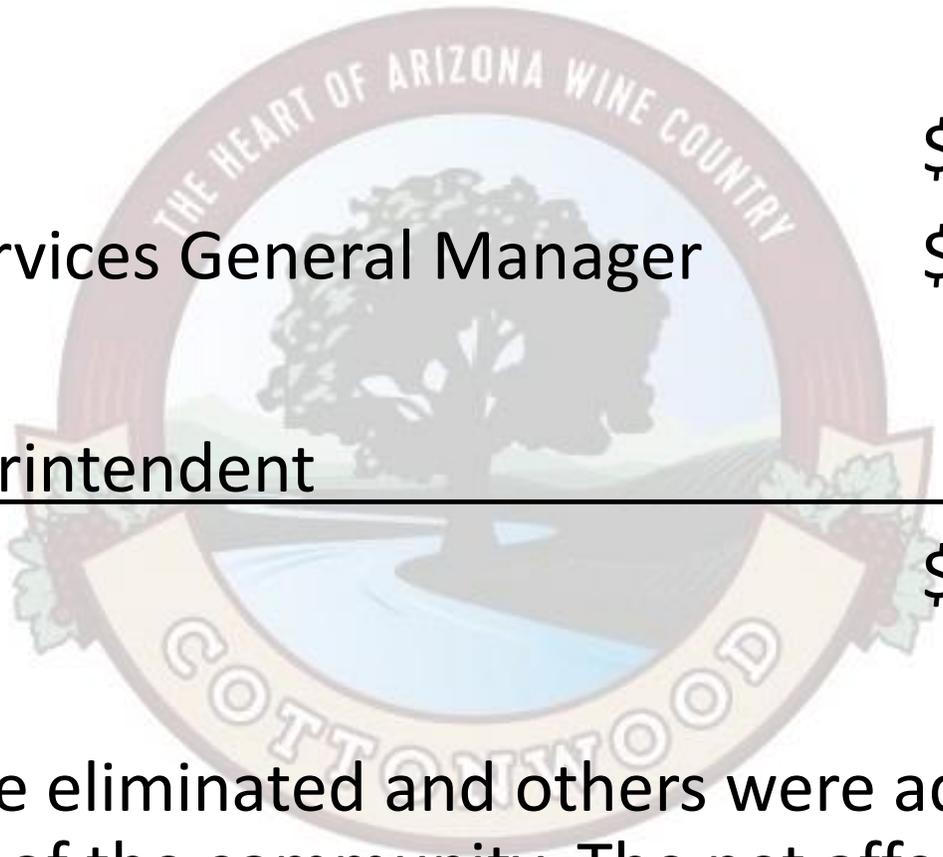
PART TIME PERSONNEL REQUEST

Dept	Job Description	Salary & Overtime	Benefits	Est. Annual Costs
Fire	Fire Prevention/Training Support Specialist	16,075	1,230	17,304
	Records Clerk	14,593	1,116	15,709
Planning	Planner	25,688	1,965	27,653
Maintenance	2 - Public Works Maintenance Tech I	31,200	2,387	33,587
Court	Court Clerk	15,101	1,155	16,256
Total Requested				110,510

PART TIME PERSONNEL REQUEST

Dept	Job Description	Salary & Overtime	Benefits	Est. Annual Costs
Maintenance	2 - Public Works Maintenance Tech I	31,200	2,387	33,587

ELIMINATED POSITIONS



• Building Official	\$102,757
• Developmental Services General Manager	\$161,135
• Police Officer	\$75,305
• <u>Public Works Superintendent</u>	<u>\$89,346</u>
	\$428,543

These positions were eliminated and others were added as part of evaluating the need of the community. The net affect of the adds and deletes is a savings of \$260,448.

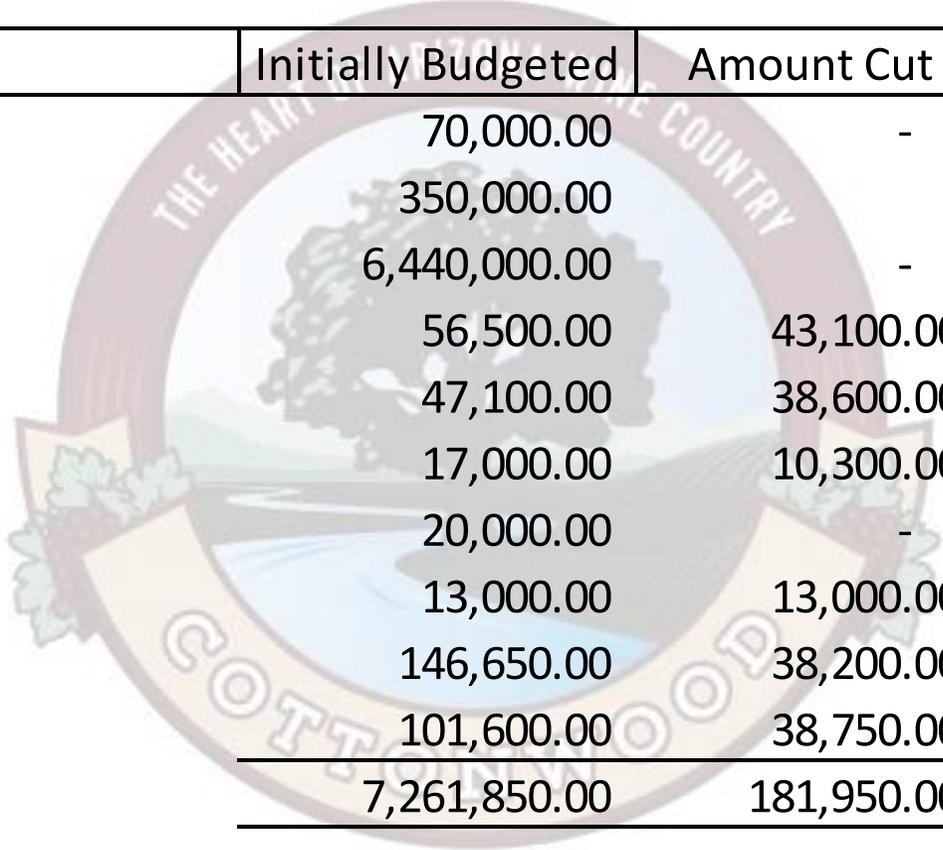
STATUS OF EMPLOYEE BENEFITS

- Merit program - \$402,600 (including benefits) - Funded
- Cost Of Living Adjustment (COLA) 1.7% - \$217,495 - **Eliminated**
- Longevity - \$60,070 – **Eliminated**
- Health insurance premiums increased by 7%
 - Employee premiums 100% covered
 - Dependent coverage still subsidized
- Retirement
 - ASRS – 11.60% - 11.47%
 - PSPRS Fire – 16.20% - 18.38%
 - PSPRS Police – 29.83% - 37.37%



CAPITAL OUTLAY

CAPITAL CUTS TO BALANCE THE BUDGET



Department	Initially Budgeted	Amount Cut	Revised Cap. Budget
IT	70,000.00	-	70,000.00
Maintenance	350,000.00	-	350,000.00
Streets	6,440,000.00	-	6,440,000.00
Police Department	56,500.00	43,100.00	13,400.00
Fire	47,100.00	38,600.00	8,500.00
Parks & Rec	17,000.00	10,300.00	6,700.00
Public Works	20,000.00	-	20,000.00
Rec Center	13,000.00	13,000.00	-
Water	146,650.00	38,200.00	108,450.00
Wastewater	101,600.00	38,750.00	62,850.00
	<u>7,261,850.00</u>	<u>181,950.00</u>	<u>7,079,900.00</u>

The requests and budgeted items are on the capital listing provided.

FINANCIAL RESOURCES



Major Revenue Sources – Five Years

Revenue		Fiscal Years					Highest FY	
Source	Notes	2012	2013	2014	2015	2016	Collections	Year
Local Sales Tax	1	10,265,356	11,014,097	12,146,796	12,485,885	12,922,320	10,102,433	2008
State Shared Income Tax	2	950,774	1,150,696	1,255,627	1,363,620	1,356,310	1,623,403	2009
State Shared Sales Tax		880,250	977,061	980,537	1,017,890	1,076,180	1,032,214	2007
Motor Vehicle Tax		602,832	563,851	647,250	621,770	667,580	695,836	2006
HURF	3	713,231	778,265	805,540	836,050	846,670	979,659	2007

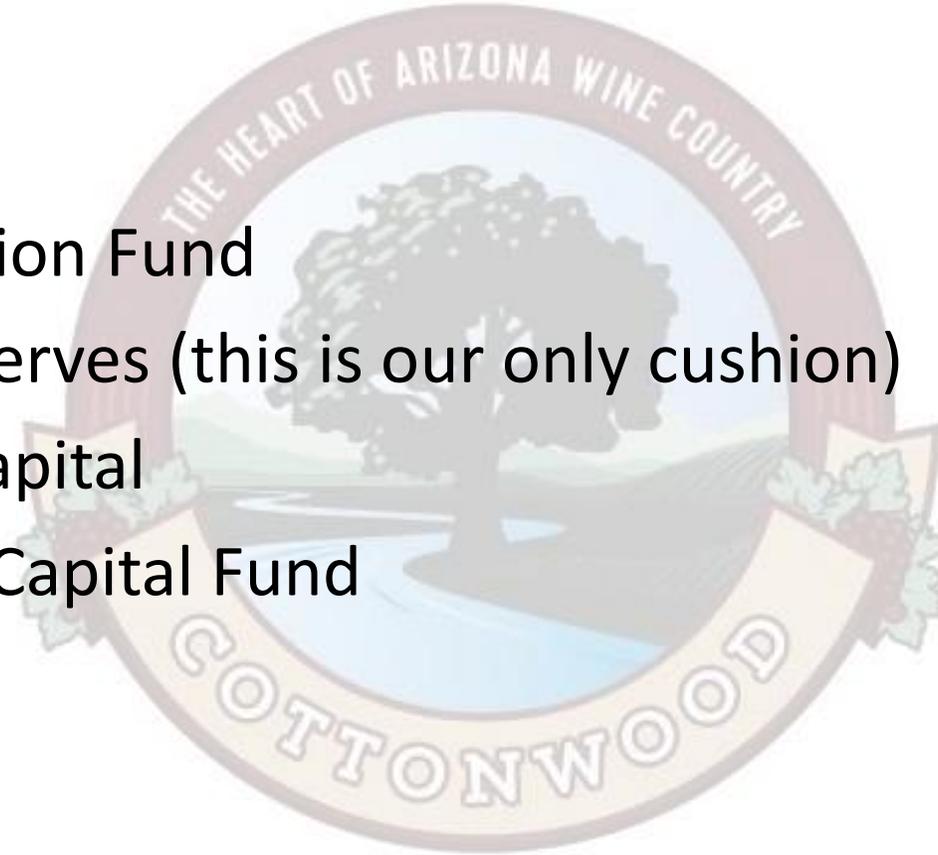
1 - Sales Tax highest collections in 2008 was at the 2.2% rate. At the current rate of 3% it would be \$13,766,045.

2 - Collection was from 2007 (pre-economic downturn)

3 - State continues to hinder the distribution of this revenue

General Fund Reserve Status

- 60 Days Coverage \$2,557,800
- Capital Accumulation Fund \$1,000,000
- Undesignated Reserves (this is our only cushion) \$100,000
- 1% Sales Tax GF Capital \$0
- 0.2% Sales Tax PS Capital Fund \$0



Original vs Revised vs Actual

Fiscal Year	Original Budget	Revised Budget	Original vs Revised	Actual	Revised vs Actual
2016	\$94,607,490				
2015	\$86,638,905	\$76,488,750	(\$10,150,155)		
2014	\$70,875,846	\$57,895,580	(\$12,980,266)	\$34,486,403	(\$23,409,177)
2013	\$73,417,765	\$54,231,275	(\$19,186,490)	\$35,445,309	(\$18,785,966)
2012	\$78,422,500	\$63,260,685	(\$15,161,815)	\$35,650,585	(\$27,610,100)
2011	\$100,876,915	\$60,723,320	(\$40,153,595)	\$28,981,260	(\$31,742,060)
2010	\$132,562,405	\$68,688,930	(\$63,873,475)	\$41,818,105	(\$26,870,825)
2009	\$88,545,340	\$77,346,715	(\$11,198,625)	\$32,891,359	(\$44,455,356)
2008	\$89,139,395	\$79,158,556	(\$9,980,839)	\$29,973,177	(\$49,185,379)
2007	\$57,448,125	\$41,534,840	(\$15,913,285)	\$27,972,337	(\$13,562,503)

- Cottonwood budget for all contingencies on the original budget
 - Fund balances
 - Potential grants
 - Potential funding
- From 2007 to 2014 actuals, Cottonwood's budget has grown 23.3%.
- Average annual growth is 3.3%

Future Meetings

- May 21st at 4:00 p.m.
- May 26th at 6:00 p.m. (If needed)
- June 2nd Public Hearing & Tentative budget adoption
- June 16th Public Hearing & Final budget adoption
- Questions????

