TOWN OF DEWEY-HUMBOLDT

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Dewey-Humboldt, Arizona

Annual Budget

Fiscal Year 2017-2018

tentative

Town of Dewey-Humboldt
Annual Budget
Fiscal Year 2017-2018

Town Council

Terry Nolan, Mayor

Mark McBrady, Vice Mayor

Jack Hamilton

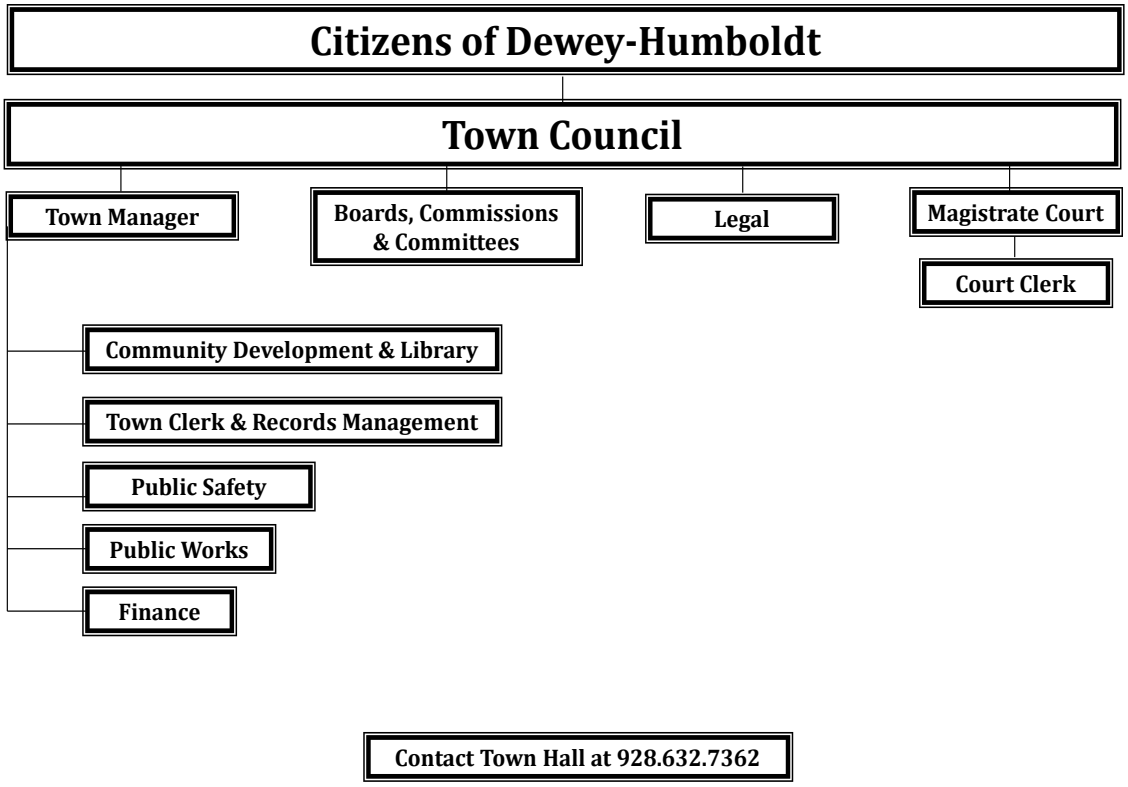
John Hughes

Amy Timmons

Doug Treadway

Victoria Wendt

Organizational Chart



Contact Town Hall at 928.632.7362

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Users' Guide

The budget document serves a myriad of purposes. Most importantly is its use as a communications device. The budget presents the public an opportunity to review the types of services and levels of service provided within the financial constraints of the community. The allocation of financial resources translates into what services will be provided to the community. As community needs and demands for service change, the allocation of resources should respond accordingly. Therefore, this document attempts to communicate financial information to allow for informed citizenry.

Transmittal page – Message from the Town Manager.

Budget Overview - The overview provides a summary of the key policy issues, priorities and strategies which shaped the fiscal year 2017-2018 budget, the budget process fiscal policies, revenue assumptions, and expenditure highlights.

Financial Summaries – The schedules consolidate the major financial information and operating data elements. Several schedules also serve to meet state statutory reporting requirements. The expenditure summaries are used primarily for operational purposes, e.g., monitoring expenditures at a fund level and at a category level, and maintaining accountability at a department level, with managers accountable at the cost center level.

Program Detail - Each operating Department Summary provides a description, goals and objectives, major accomplishments, commentary on significant changes, budget and sources of funding.

Capital Improvements - The current year portion of the five-year capital improvement program is presented.

Financial Policies and Background - This section provides information on fiscal and budget policies as it relates to certain funds, debt performance, fund balances, expenditure limitation control, revenues, operating budget impact, and capital investments.

Community Profile - The profile provides background information so that the budget can be viewed in the context of the factors that shape and affect budget decisions, priorities, and financial parameters within which the community operates. Also provided are select statistical tables providing historical trend information on tax rates, expenditures, and assessed valuations of property.

Appendix - In the appendices, the user will find a glossary of budget terminology, summaries, policies, statistical data, and Auditor General Forms.

For additional information, please call Town Hall directly at (928) 632-7362. This budget document may also be viewed on the Town of Dewey-Humboldt website, www.dhaz.gov, in Adobe Acrobat format.

Message from Town Manager

The Honorable Mayor, Town Council and Citizens of Dewey-Humboldt:

Staff is pleased to present the budget for Fiscal Year 2017-2018. This budget is the result of months of dedicated work by all of us here in Dewey-Humboldt.

The municipal government of the Town of the Dewey-Humboldt operates under a council-manager form of government. The seven-member elected Town Council provides legislative directives, establishes town policy and monitors its execution by the town staff. The Town Manager serves as the Town's chief administrative officer and is responsible for directing the day-to-day administrative operations of the Town. The Town encompasses 23 square miles of area, with a population of 3,894 based on the 2010 census.

The overall financial forecast is positive for Fiscal Year 2017-2018. The Town has three funds: the General Fund, the Highway User Revenues Fund (HURF) and the Grant Fund. Both the General Fund and the HURF revenues see increases. This uptick trend is the result of economic recovery in recent years. The General Fund Revenues are $1.79 million. The HURF revenues are $360,965 this year; this includes a transfer from the General Fund in order to fund additional road projects this year. For the Grant Fund, in addition to other miscellaneous resources of dollars, we expect $65,000 from Yavapai County Flood Control in FY 17-18. This funding source is used to complement HURF and be used towards roads and drainage. The total budgeted expenditure including the General Fund, the HURF and the Grants is $4,043,016.

In the FY18 budget, Public Safety continues to be a council priority. There is a 6% increase from the prior year. In FY 17-18, both the Library service agreement and the Library building lease are re-entered into with higher amounts. Road maintenance continues to be an operation priority. We are planning to utilize some HURF fund balance to purchase additional equipment. Council also authorized one additional full time employee for the Public Works Department. With the added manpower and equipment, we expect more in house work to be done next year which will result in a higher level of services for the roads.

The Town's Budget is subject to the "expenditure limitation requirement" established by the State of Arizona. The limitation, in general, sets the ceiling for a municipality's total expenditure in the coming year. FY 17-18's expenditure limitation is $4,392,638. Dewey-Humboldt's total budgeted expenditure is below the limitation.

Led by the Town Council's conservative fiscal approach, the Town's financial status is solvent. At this level of expenditure, with sufficient contingency and reserve funds, the Town has $2.74 million in the unassigned fund balance. The Town does not have debt.

Throughout the Budget, in each chapter, one will find the progress we are making in the current year and their impacts on the future years. I look forward to another year of productivity and teamwork in Dewey-Humboldt.

Sincerely,

Yvonne Kimball, ICMA-CM

Town Manager

Chapter 1: Budget Overview

Revenues are expected to increase by over $100,000 in FY2018. Existing programs are to continue and/or improve in public works service levels and building safety services. We believe that those limited services that the Town does provide are being provided as efficiently, professionally, and sustainably as possible for the money.

Several contracted services are seeing fee increases in FY18. The fees for Town Public Safety services (provided by Yavapai County Sheriff's Office), Library services (provided through the Yavapai County Library District), and IT services are all going up in FY18.

The FY18 Budget funds a cost overrun contingency of $200,000 and sets aside the maximum amount of reserves $744,182 (equal to 50% of the average General and HURF fund total revenues or expenditures for the preceding three years; whichever amount is higher). The Town's uncommitted, unallocated funds ending balance should be $2,749,154 after all budgeted expenditures occur.

The Town has no current debt obligations and no capital lease payments. The basis of budgeting for all funds is the same as the basis of accounting used in the annual audit.

The Town's Budget is subject to the "expenditure limitation requirement" established by the State of Arizona. The limitation, in general, sets the ceiling for a municipality's total expenditure in the coming year. FY 17-18's expenditure limitation is $4,392,638. Dewey-Humboldt's total budgeted expenditure is below the limitation.

State laws requires cities and towns to adopt an annual budget. Once a budget is adopted, it may be amended by a simple majority of Council, but only by transferring funds between allocations and only if the transfer is "in the public interest and based on a demonstrated need." State law (A.R.S. § 42-17106) also requires that the Town must not: spend money for a purpose that is not included in its budget; or spend more money or promise to spend more money than is stated for each purpose in the finally adopted budget for that year, even if the Town has more money than it planned at the beginning of the year.

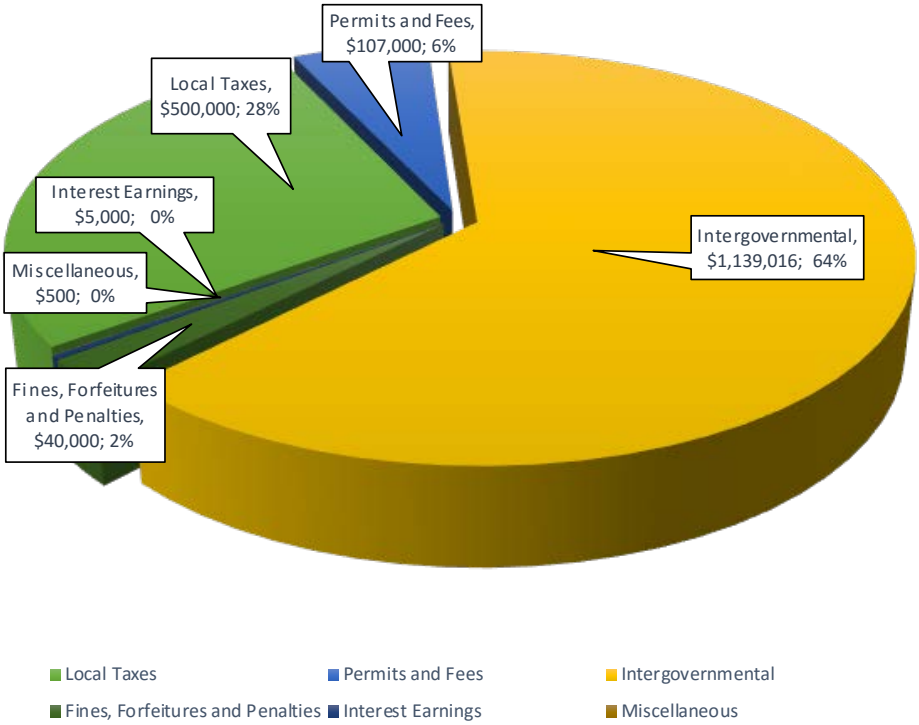
Summary of Changes in Major Programs and Projects

Most of the Town's expenses are on a modest scale. Accordingly, the best way to look at expenditures is to look at totals by program. Because the "Public Works and Engineering" program includes the allocations for road projects, it is the program with the largest amount of dedicated funds.

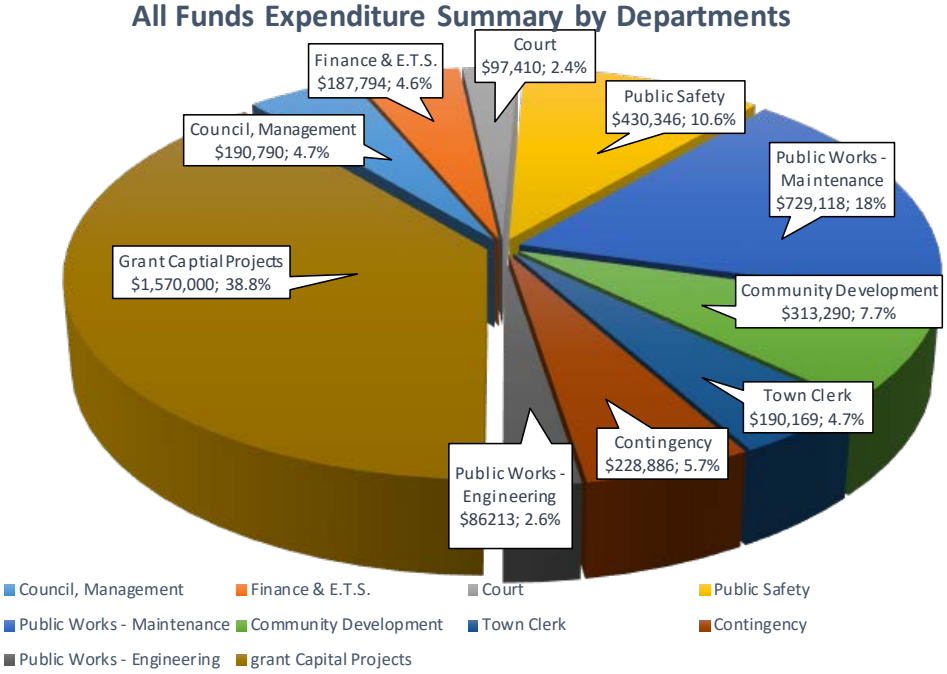
It is the intention of the Town to do everything reasonably possible to avoid consuming either the reserve or the contingency, except when clearly warranted after careful consideration by the Council. The total financial program proposed for FY2017-18 is $4,043,016 and consists of the following:

	EXPENDITURE SUMMARY BY FUNDING SOURCE (REVENUE)				
	GENERAL REVENUES	HURF REVENUES	GRANTS	CASH FUND BALANCE ALL FUNDS	TOTAL
Estimates of Revenues and Expenditures					
Revenues and Available CF Balance	**1,791,516**	**359,965**	**1,570,000**	**321,535**	**4,043,016**
Expenditures					
Town Council&Legal	190,790				190,790
Magistrate	97,410				97,410
Public Safety	430,346				430,346
Town Clerk	190,169				190,169
Finance	118,294				118,294
IT Support	69,500				69,500
Cost Over-run Contingency					-
Community Development	313,290				313,290
Public Works & Engineering					
Operational	339,831	199,500			539,331
Capital Expenditures	13,000	282,000	1,570,000		1,865,000
Cost Over-run Contingency				200,000	200,000
Transfer (GF to HURF)	28,886				28,886
Budgeted Expenditures	$ 1,791,516	$ 481,500	$ 1,570,000	$ 200,000	$ 4,043,016

All Funds Revenue Summary by Type



All Funds Expenditure Summary by Departments



Consolidated Expenditure Summary by Source of Funding

Expenditures	FUNDING SOURCE					
	General Fund FY2017-18		HURF Fund FY2017-18		Grant Effort 2018	
	Local, Intergovernment, and Misc	Existing Cash Fund Balance	Local, Intergovernment, and Misc	HURF Fund Existing Cash Fund Balance	Misc. Grant Revenues	TOTAL
Salary	$ 593,261	$ -	$ -	$ -	$ -	$ 593,261
Overtime	-					$ -
Allowances	4,560					$ 4,560
Health Insurance (BCBS, Life, HS)	105,644					$ 105,644
Dental & Vision	8,880					$ 8,880
Retirement	63,145					$ 63,145
Medicare	8,605					$ 8,605
State Unemployment	3,920					$ 3,920
Workers Compensation	10,700					$ 10,700
OSP: Ongoing Contracts, IGAs(for non-capital)	633,273					$ 633,273
OSP: Facility Leases	81,188					$ 81,188
Dues and Memberships- Town and Staff	14,394					$ 14,394
Training, Travel, Education - Staff	9,200					$ 9,200
Training, Education - Council/Committees	14,680					$ 14,680
Printing & Publishing Newsletter	17,000					$ 17,000
Printing Publishing Advertising	5,000					$ 5,000
General Supplies/Rd. Maintainance Materials	10,700					$ 10,700
Software: Granicus & American Legal	18,000					$ 18,000
Software Maintenance & Acquisition	15,100					$ 15,100
Hardware Maintenance & Acquisition	10,500					$ 10,500
Maintenance Town Hall Office/PW Yard	-					$ -
Facilities Utilities	20,200					$ 20,200
Building & Auto Liability Insurance	28,000					$ 28,000
Vehicle/Equip Maintenance & Fuel	1,000		79,500			$ 80,500
Facilities/Open Space Maintenance	500					$ 500
Neighborhood Outreach	36,680					$ 36,680
Permit Refund Fee	500		-		-	$ 500
Road Preservation & Chipsealing			236,000			$ 236,000
Captal Outlay property equipment)	48,000		46,000	120,000	1,570,000	$ 1,784,000
Operating Contingency & Transfer		228,886				$ 228,886
Total Expenditure	**$ 1,762,630**	**$ 228,886**	**$ 361,500**	**120,000**	**$ 1,570,000**	**$ 4,043,016**

SUMMARY OF EFFORTS BY PROGRAM

Expenditure Items	Town Council Mgt & Legal	Town Clerk	Finance	E.T.S.	Magistrate Court	Public Safety	Com. Dev. (inc. library)	Public Works Engineering	Public Works Maintenance	2018 $ Total	% of Operating
OPERATIONS											
Salary	$ 85,477	$ 102,157	$ 60,514		$ 53,233		$ 131,991	$ 57,576	$ 102,313	**$ 593,261**	34.5%
Overtime									-	**$ -**	0.0%
Allowances	4,560									**$ 4,560**	0.3%
Health Insurance (BCNS, Life, HS)	10,636	21,296	10,780				21,308	10,512	31,112	**$ 105,644**	6.1%
Dental & Vision Insurance	900	1,680	900				1,800	900	2,700	**$ 8,880**	0.5%
Retirement	10,258	12,259	5,862		2,662		12,916	6,910	12,278	**$ 63,145**	3.7%
Medicare	1,240	1,482	878		772		1,914	835	1,484	**$ 8,605**	0.5%
State Unemployment	280	560	560		560		840	280	840	**$ 3,920**	0.2%
Workers Compensation	350	350	300		200		2,000	3,000	4,500	**$ 10,700**	0.6%
OSP: Contracts, IGAs (non-captial)	50,000		30,000	28,500	26,100	417,712	69,961	5,000	6,000	**$ 633,273**	36.8%
OSP: Facility Leases					3,983	10,134	28,080		38,991	**$ 81,188**	4.7%
Dues and Memberships	12,409	385	500		400		500	200		**$ 14,394**	0.8%
Training and Travel Staff		2,500	1,000		2,000		2,500	1,000	200	**$ 9,200**	0.5%
Training Council & Committees	14,680									**$ 14,680**	0.9%
Printing & Publishing Newsletter		17,000								**$ 17,000**	1.0%
Printing Publishing Advertising		5,000								**$ 5,000**	0.3%
General Supplies&Rd. Maint. Material					2,500		200		8,000	**$ 10,700**	0.6%
Software: Granicus & American Legal		18,000								**$ 18,000**	1.0%
Software Maint & Acquisition		2,500	7,000	3,500			2,100			**$ 15,100**	0.9%
Hardware Maint & Acquisition		5,000		7,500	3,000					**$ 15,500**	0.9%
Maint Town Hall Office/PW yard										**$ -**	0.0%
Facilities Utilities					2,000	2,500			15,700	**$ 20,200**	1.6%
Building and Auto Liability Insurance									28,000	**$ 28,000**	1.6%
Facilities/Open Space Maint						-			500	**$ 500**	0.0%
Vehicle/Equip Maint & Fuel									1,000	**$ 1,000**	0.1%
Permit fee refund							500			**$ 500**	0.0%
Neighborhood Outreach							36,680			**$ 36,680**	2.1%
TOTAL OPERATIONS	**$ 190,790**	**$ 190,169**	**$ 118,294**	**$ 39,500**	**$ 97,410**	**$ 430,346**	**$ 313,290**	**$ 86,213**	**$ 253,618**	**$ 1,719,630**	**100%**
OTHER											**% of Total**
Capital Outlay General Fund				**30,000**					13,000	$ 43,000	1.1%
Maintainance HURF								3,000	76,500	$ 79,500	2.0%
Capital Outlay HURF								16,000	386,000	$ 402,000	9.9%
Capital Projects Grant Funded										$ 1,570,000	38.8%
Operating Contingency & Transfer										$ 228,886	5.7%
TOTAL	**$ 190,790**	**$ 190,169**	**$ 118,294**	**$ 69,500**	**$ 97,410**	**$ 430,346**	**$ 313,290**	**$ 105,213**	**$ 729,118**	**$ 4,043,016**	

Personnel Detail

In FY 2017-2018, Council approved one (1) additional full-time employee under the Public Works Department. As a result, the Department will have four (4) FTEs. Coupled with acquisition of additional heavy equipment this year, the added employee will enable the Department to handle more in house work. This change is reflective of the Council's desire to continue focusing on roads.

The total personnel information for FY2017-18 is as follows:

Town of Dewey-Humboldt
Personnel Detail - All Funds

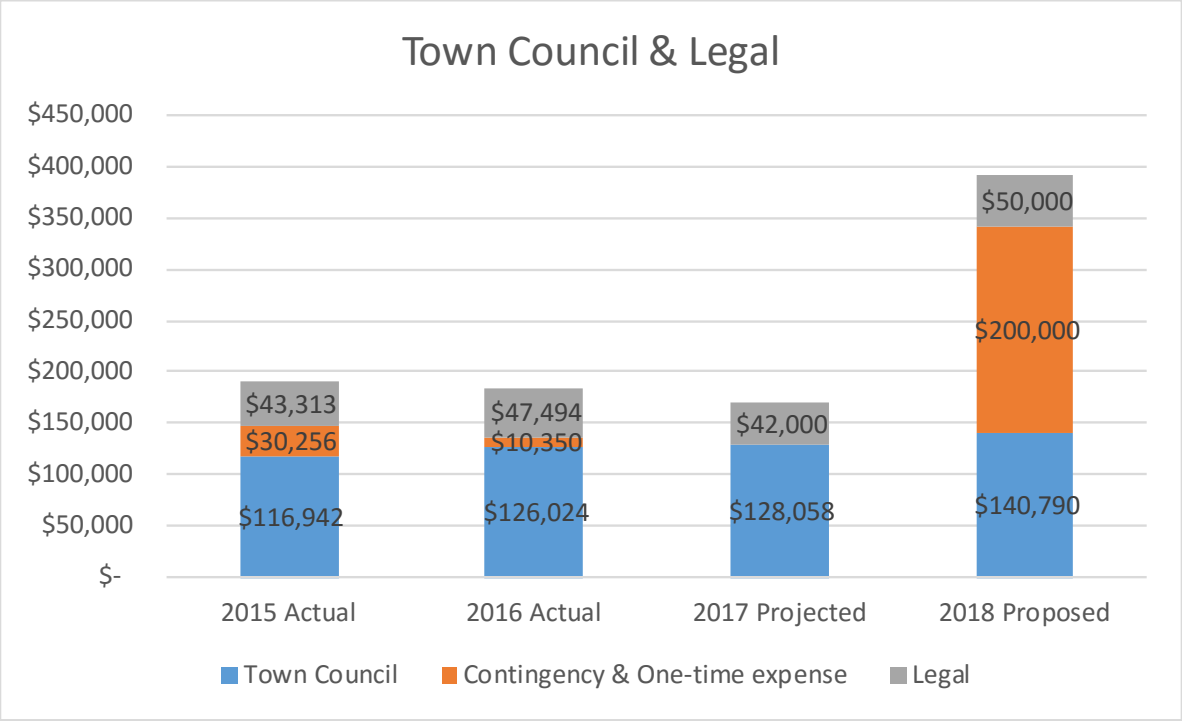
Department	POSITION	FY2017 ACTUAL	FY 2018 PLANNED
Town Council	Town Manager	1.00	1.00
Community Development	Planner/Code Officer	1.00	1.00
	Building Official/Bldg Inspector	0.80	0.80
	Community Development Technician	1.00	1.00
Engineering/ Pubic Works	Public Works Director	1.00	1.00
	Public Works Operator	2.00	3.00
Finance	Accountant	1.00	1.00
	Office/Accounting Assistant	1.00	0.50
Town Clerk	Town Clerk	1.00	1.00
	Records Manager / Accting Asst	1.00	1.00
Magistrate Court	Magistrate	0.20	0.20
	Court Clerk	0.60	0.60
	Total	**11.60**	**12.10**
	Total # of Employees (FTE&PT)	**13.00**	**14.00**

Town Council and Town Manager

This budget unit represents Town Council and the Manager. The Town has a Council-Manager form of government, with the Council's and Manager's roles defined by separate ordinances. The Town is a statuary town and does not have a charter.

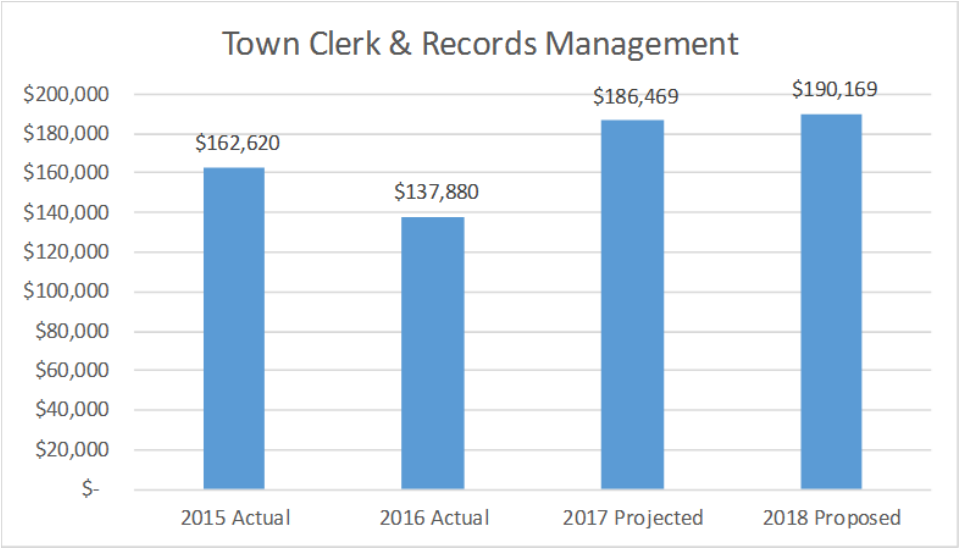
The Town Council is responsible for establishing goals and adopting public policy that meets the community's needs. In addition, they are responsible for adopting an annual budget that maintains the fiscal stability of the Town. Town Manager is appointed by the Council to implement policies and run the daily operation. Efficiency and effectiveness remains a strong focus in FY18 as Council and staff continuously work on a variety of process review and improvement.

Gust, Rosenfeld PLC is the Town Attorney.



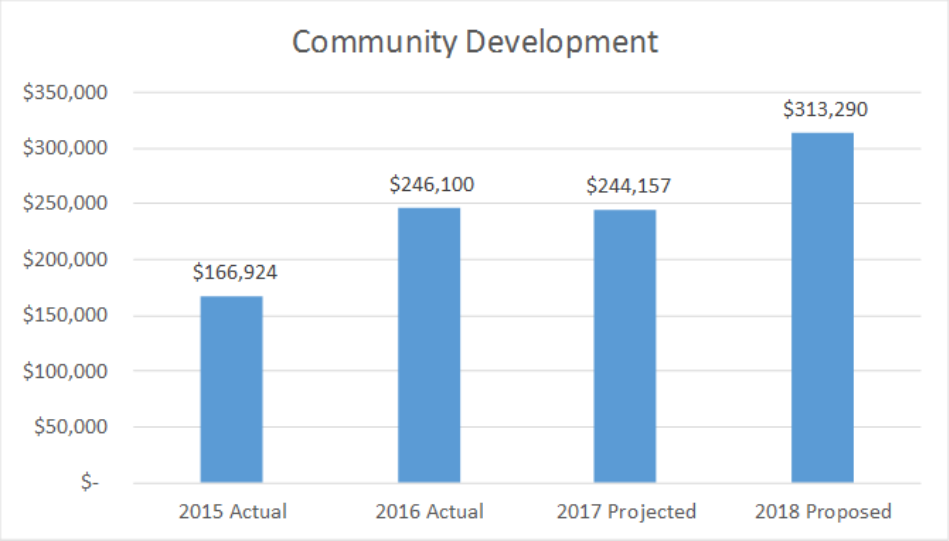
Town Clerk and Records Management

The Town Clerk's Office is responsible for the preservation of the Town's historical and legal documents in compliance with the Arizona State Public Records Laws. The Town Clerk's Office arranges for the holding of all municipal elections, posts notices of all public meetings of the Town Council and Town Boards, Commissions and Committees in compliance with Arizona Open Meeting Law, prepares the Town Council meeting agenda in coordination with the Town Manager, provides notary public services, and records researches.



Community Development

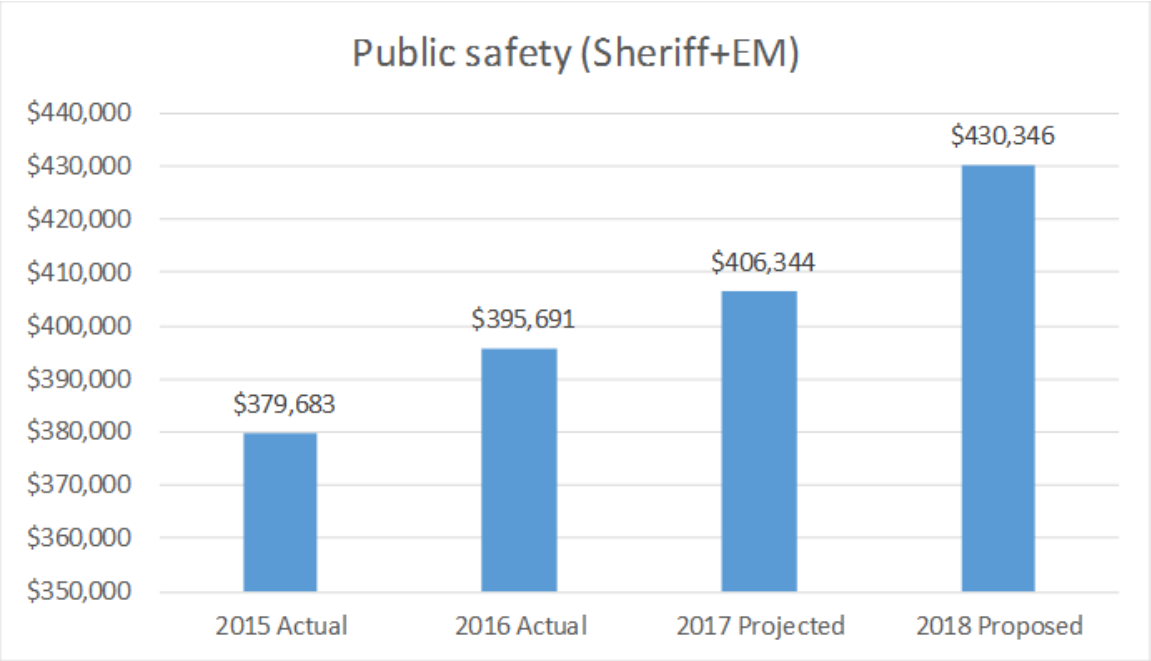
The Community Development Department strives to promote sustainable and fair development in Dewey-Humboldt. Land use and zoning, Building Safety, Code Enforcement and Community Outreach are the core functions of the Department. The Dewey-Humboldt Library is also a budgetary function under this Department. Over the last few years, the Community Development staffing level have been stabilized.



Public Safety

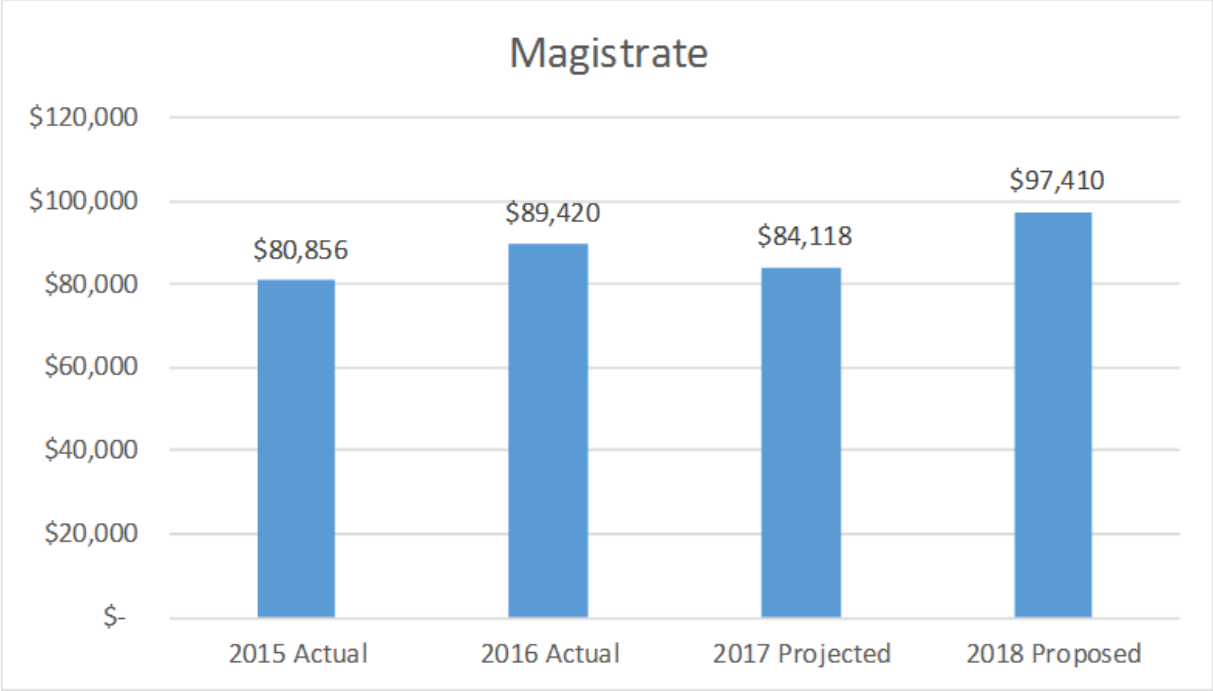
Dewey-Humboldt's policing services and animal control services are provided by the Yavapai County Sheriff's Office through an intergovernmental agreement. This Public Safety budget provides the resources to accomplish the mission of protecting public safety for the citizens of Dewey-Humboldt. The FY18 contract increased 6% from the previous year. The Town also has an IGA with Yavapai County Emergency Management office for disaster planning and responses.

The Town's Fire and Emergency Management Services are provided by Central Yavapai Fire and Medical Authority. It is a separate entirety and is not part of the Public Safety budget.



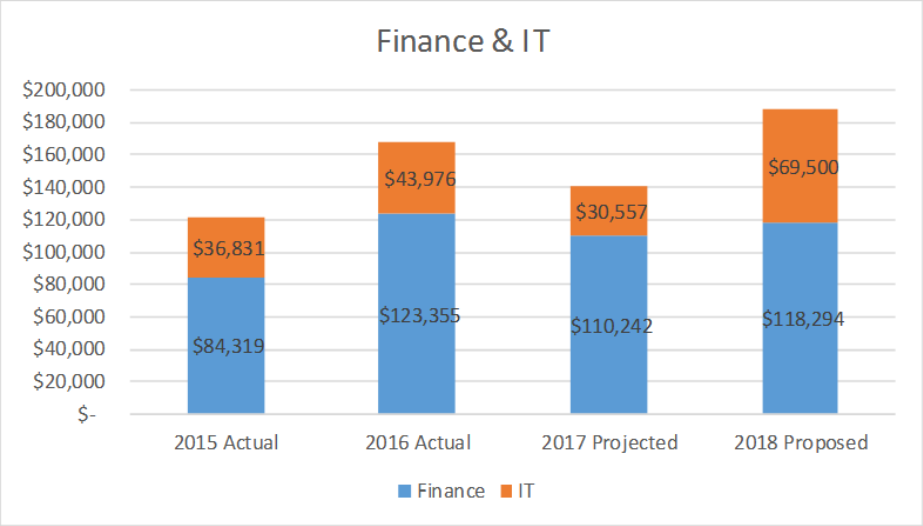
Municipal Court

The Town Magistrate oversees the Municipal Court. The Court's function is to promptly and fairly process all criminal and traffic violations filed in court and to effectively obtain compliance of the court's orders. The Court contracts out the prosecutor services.



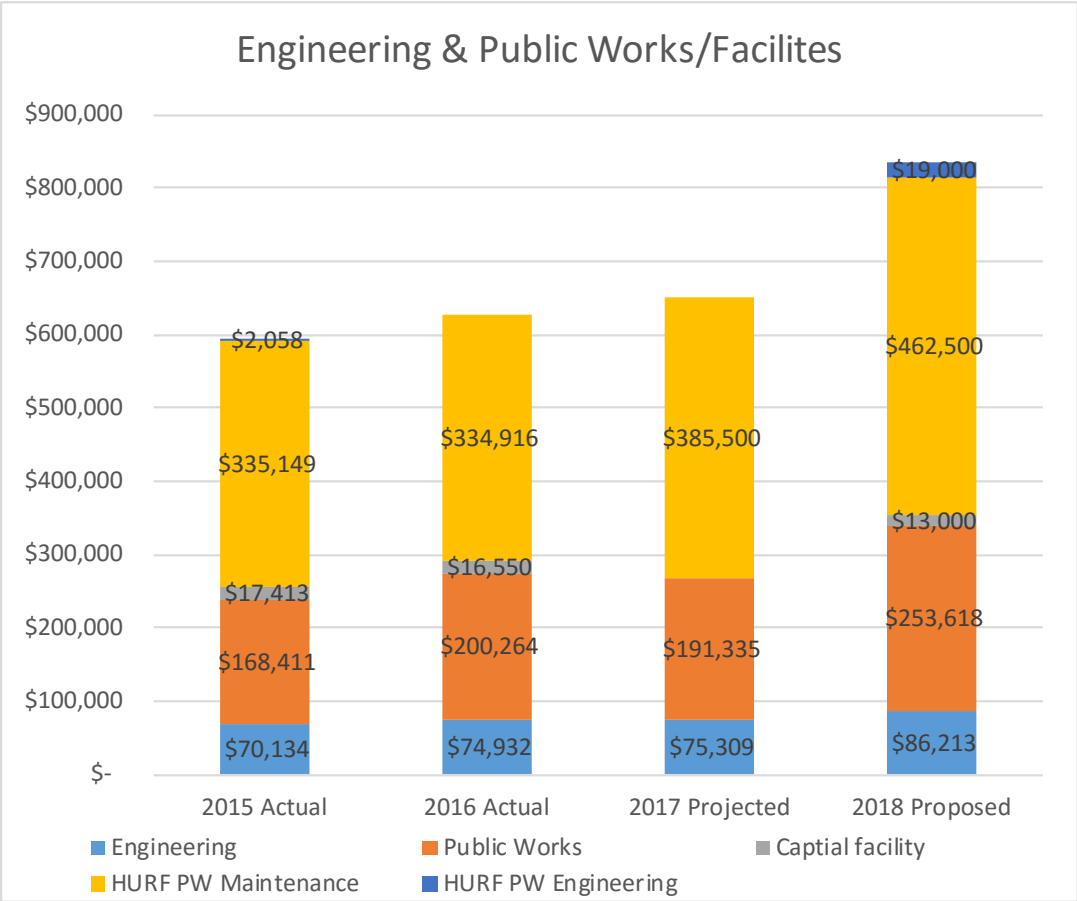
Finance & IT

Under the direction of the Town Manager, the Finance Department coordinates activities related to budget, finance, investments, human resource, performance management, enterprise technology and grants. The Town's IT service is provided by Four D LLC.



Engineering & Public Works

Both **the General Fund** and **the Highway Users Revenues Fund (HURF)** have the Engineering and the Public Works budget units. Together they reflect the maintenance and the development of Town infrastructure (i.e. town facilities, roads, rights-of-way, culverts and river crossings). HURF is designated for road projects while the General Fund is not restricted. In FY18, Council continues to emphasize road maintenance. As a result, an additional Public Works employee is budgeted under the General Fund and additional heavy equipment is budgeted under the HURF fund. The Town continues its multi-year paved road maintenance plan and its unpaved road maintenance plan. As a result, overall road maintenance will see a higher level of services. Council allocates some fund for facility improvement.



Other Capital Expenditures

The Capital Improvement Program (CIP) began in FY2008, and has progressed each year. The total dollar amount of capital improvement projects for FY2018 is approximately $1,570,000 and planned to be funded through grants. For a more detailed discussion of the FY2018 CIP, please see the Engineering Department chapter. Capital projects are included in the FY2018 CIP that can be funded with one-time revenues, but most of the funding is planned to come from unidentified, even speculative, grant sources.

In FY18, Yavapai County Flood Control fund continues to allocate funds for Dewey-Humboldt. The Town is scheduled to receive $65,000 for drainage improvement throughout the Town.

Town of Dewey-Humboldt

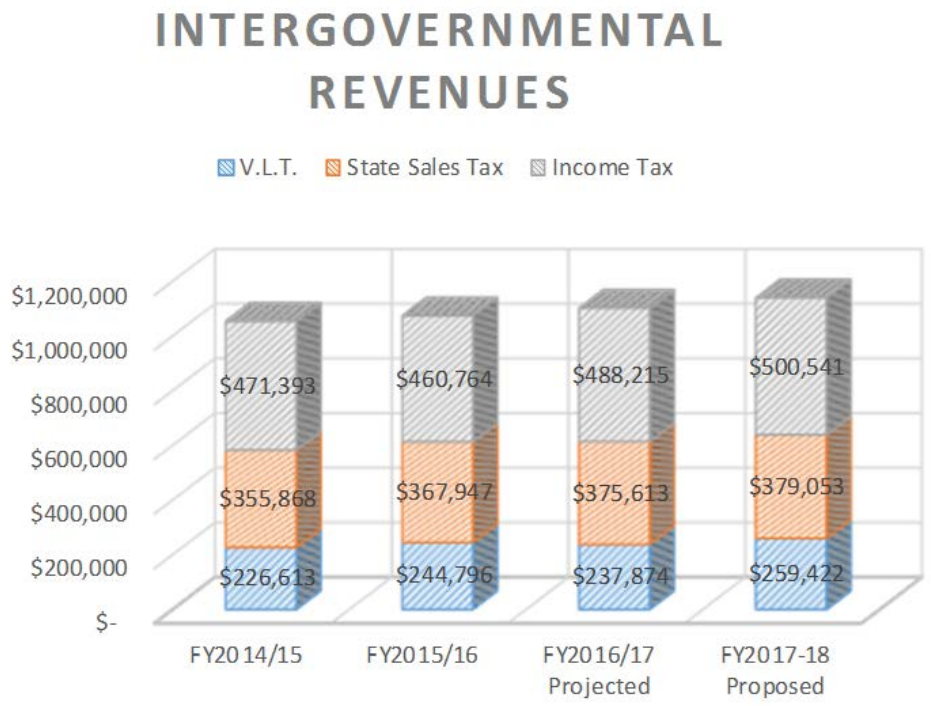
FY2018 Capital Improvement Projects (primarily funded by grant funding)

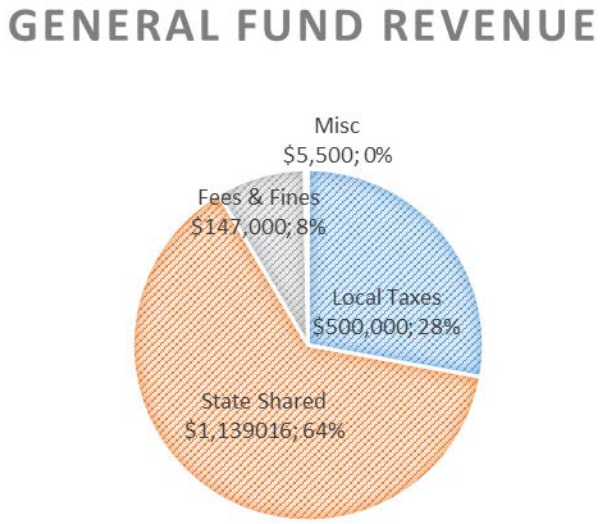
Project Title		
		FY 2017-18
Community Facilities - Parks, Recreation, Trails, Open Space and Library		
Multi-use trails	$	146,768
Open Space projects		35,000
General Government		
Road/Facility; Property Acquisition		200,000
General Office Operations		20,000
IT server		22,000
Plotter		8,000
Public Works yard improvement		13,000
Meeting equipment		5,000
Other grant effort		200,000
Transportation - Roads and Right-Of-Way		
Miscellanous road acquisition and improvement		746,732
Sign Replacement		111,500
Capital Equipment		45,000
Heavy Equipment for road maintenance)		150,000
Utilities - Drainage, Sanitation, Water, and Sewer		
Drainage Improvements		65,000
Total	$	1,768,000

Project Funding		
Other Funds		198,000
Grant Revenues		1,570,000
Total	$	1,768,000

Summary of Changes in Major Revenues

As a result of the overall economic recovery, we expect FY18 total general fund revenues to increase. The revenues are collected from across the state and fund most of our operations:





Projected Changes in Fund Balances

Based on last year's audited figures, the General Fund Balance is projected to be $3,893,336 when FY2018 begins. With that, the Town will continue to fund a contingency of $200,000. The maximum amount of operational reserves is $744,182. Under the contingency fund, the Council is considering potential acquisition of land. Should any or all of the activities be funded in FY18, under Council direction, a change in the General Fund Balance would occur.

The level of service for roads is to increase. A few pieces of heavy equipment is to be purchased using HURF fund of balances. As a result, its projected fund of balance is lower.

	General Fund	HURF Fund	Subtotal of General and HURF Funds	Grants Fund	2017-18 Total
Excess of Revenues over (under) Expenditures	-	(121,535)	(121,535)	-	(121,535)
Other (Uses)					
Operating Contingency	(200,000)	-	(200,000)	-	(200,000)
Net Increase (Decrease) in Fund Balance	(200,000)	(121,535)	(321,535)	-	(321,535)
Fund Balance at the Start ot the Year	3,893,336	268,259	4,161,595	-	4,161,595
Fund Balance at the End ot the Year	3,693,336	146,724	3,840,060	-	3,840,060

Budgeted expenditures were managed without using any of the Contingency or Operational Reserve Funds from the prior year. To provide a vital margin of safety as required by Town's Sound Financial Management policy, total committed funds are $744,182 leaving an unassigned fund balance of $2,749,154.

	General Fund	HURF Fund	Subtotal of General and HURF Funds	Grants Fund	2017-18 Total
Summary					
Committed for Contingency	200,000		200,000		200,000
Committed for Reserves	744,182		744,182		744,182
Unassigned Fund Balance	2,749,154	146,724	2,895,878		2,895,878
Total Fund Balance	3,693,336	146,724	3,840,060		3,840,060

Budget Process

The Budget process has been the Town's primary strategic planning tool since incorporation. Other planning processes include development of the Town's General Plan and Master Plans. The Town prepares an annual budget. The Town Manager is responsible to prepare the Budget and the Council adopts the Budget each year. Here is the **Budget Calendar**.

FISCAL YEAR 2017-18 Budget SCHEDULE (draft 2)	
Date	**Task**
February - March 2017	**State Expenditure Limitation information available** **Council consideration of Budget programs and meeting with the TM** **Preliminary Budget guidelines provided to Staff, Developing Budget Calendar** **State Shared Revenues provided by the League of Cities/Towns**
March 1 - 25, 2017	**Departmental Budget estimates and narrative prep, including Sheriff and IT proposals** **Council retreat outlining long term goals** **State Shared Revenues provided by the League of Cities/Towns**
April 1 - 30, 2017	**Revised State Shared Revenues provided by the League of Cities/Towns** **Council staff study session to go over council priorities and other issues**
April 11, 2017	**Council Staff Study Session regarding key potential budgetary needs**
April 18, 2017	**Council Budget Worksheet Completion**
April 25, 2017	**Council Budget disucssion at Special Council Meeting at 9:00 a.m.** **(Detailed discussion #1) Revisions by staff; preparation of narratives and graphics**
June 6, 2017	**Council adoption of the Tentative Budget at Regular Council Meeting** **Publication of the Tentative Budget within 7 days,** **Prepare and post notice of final Budget hearing and adoption**
June 13, 2017	**Council Tentative Budget final review at Study Session** **Revisions by staff, if necessary**
July 18, 2017	**Public Hearing at 6:30 p.m. Regular Council Meeting** **Planned Adoption of FY17-18 Budget; publication within 7 days upon adoption**
June - July 2017	**Fiscal Year 2017-18 Setup in accounting system**
July 1, 2017	**Fiscal Year 2017-2018 begins**
July 1, 2017 - **June 30, 2018**	**FY16-17 Audit; FY17-18 Budget monitor; measure; assess; report**

Final Budget Resolution

(To Be Attached after Adoption)

Chapter 2: Town Council Department

This department's major focus is on connecting the Council with the community and connecting Council's Vision to the delivery of Town services.

The Town Council has three appointed positions that report directly to them: Town Manager, Town Attorney, and Town Magistrate. It is the Town Council's responsibility to oversee these functions and to provide the needed policy direction for the effective management of the Town.

One full-time employee, the Town Manager, is budgeted under this department. The 7-member Mayor and Town Council does not receive salary, benefits or other form of monetary compensation for their services.

In FY2017,

- The Town Council continued updating the Town's codes to clarify procedures and policies governing the public bodies.
- The Town offered a second-round of the well-water testing kit program. It was a very well received program.
- The Town successfully annexed the 20 foot area along Town's northern boundary.
- The Council explored the options of maintaining the private roads upon the requests from residents living off private roads.
- Council directed to institute a grant program to encourage residents to take actions to resolve drinking water contamination concerns. The grant reimburses up to $100 per household for measures that improve drinking water concerns.
- Town closed out approximately $300,000 Community Development Block Grant fund.
- Town successfully partnered with Prescott National Forest for a trail head at the end of Newtown Ave. A workday and grand-opening was held in September 2016.
- The traffic light at the corner of Main St. and SR 69 completed and in operation in 2016. A dedication was held in September 2016. This light is fully funded by federal and state funds. Total cost for the project is a $329,000.
- Town Council carefully considered the road, trail projects recommended 2011-2021 CIP along with the alternative ingress/egress in the Blue Hills area.
- Town Council carefully considered citizens' requests to maintain those privately owned dirt roads in town and consulted the request with the Town Attorney.
- Town selected Civic Plus for a new website. Staff has made steps to update the website.
- Town updated of the audio/video system in Council chamber. It is easier to use and enhanced the utilization of the Town's open-meeting system (Granicus).
- Town Council considered to purchase the "Museum" building. A referendum election was held and voters voted not to purchase the building.
- Town continued its financial assistance to D-H Historical Society (DHHS) by reimbursing the annual museum rent fully and sponsoring the Aqua Fria Festival.
- Town Council clarified some unnecessary codification of resolutions.
- Council also made a financial contribution to Mayer Area Meals on Wheels as it provides services to DH residents.
- Council received a petition from the residents in the Clear View Dr./ SR 169 neighborhood. The petition has been pushed through the CYMPO and the state level for funding. Positive results have been received.

- Town had a Mayor and Council election in 2016. Mayor was reelected; three new council members came on Council.
- Town Council held a retreat for the purpose of better communication and team building.
- Town successfully obtained "Firewise" certifications for the Blue Hills and Foothills communities. Council continues to allocate funds and staff resources to support the Firewise efforts.
- Council considered an abatement process allowed by the state law; but decided not to proceed.
- Council revised code of ordinances to fit the community needs.
- Council instituted a trial period for evening study sessions.
- Council reinstated the Board of Adjustment.
- Council filled the vacancies of all boards, commissions and committees.
- Town made efforts to collaborate with the Bureau of Land Management to create an alternative emergency access in the upper Blue Hills area.
- Town continues to operate within the operational budget and maintain a plum level of surplus and the debt-free finance status.
- Town reinstated the free Dump Day program with an improved process.
- Town staff decided on a mission and value statements.
- Town staff proposed an extended office hour proposal. Office is open 10 hours a day to the public and most employees are benefited by a 4-10 work workweek.
- Town manager created and implemented a master project database as a tool to ensure accountability.
- Town staff welcomed the new council. New council members attended the League of Cities and Towns' newly elected Officials training.
- Town secured $65,000 Flood Control Fund for drainage maintenance in FY18.

In FY 2018

- Council desires to continue its effort to address issues that are of the community's general interest and analyze the effects of proposed changes to ensure maximum efficiency and positive impact on the community.
- Council continues to work on Town Code clarification and revisions.
- Programs to protect residents from fire danger, such as Firewise, will continue as a council priority.
- Council continues to explore more ways to improve Town roads.
- Council continues to financially support DH Historical Society and the annual Agua Fria Festival.
- Council continues to contribute to Mayer Area Meals on Wheels.
- Council focuses on using of community event boxes and newsletter to enhance public awareness.
- Council will monitor the responses from CYMPO and the state regarding improvements of SR 169 which was stemmed from a petition by the residents in the Clear View Dr./ SR 169 neighborhood.
- A new Town website is expected to be in use.
- Council authorized an up to 5% pay raise to employees.
- Council will continue look into town hall options.
- Council will begin to research options of public safety service provision.

- Town will determine how to respond to the 2009 General Plan update in accordance with the State law requirement of an update every 10 years.
- Council and Planning and Zoning Commission will look into split zoning areas.
- Council will consider a volunteer group for outreach purposes.
- The Town Manger will lead staff to help the new council members to become familiar with town operation.
- Under the Town Council's direction, the Town Manger will continue to:
    - Keep the Council informed;
    - Implement Council's decisions and visions;
    - Update Town Administrative Regulations, especially sections pertaining to the new wage and paid sick time leaves;
    - Help Boards, Commissions and Committees to perform their duties to the Town Council;
    - Deliver programs, including traditional and non-traditional programs through creative means;
    - Improve the organizational structure;
    - Strengthen operational procedures and internal policies;
    - Emphasize customer services and devote to good community relationship;
    - Deliver accurate and balanced budget;
    - Explore alternative options to expedite the EPA Superfund clean-up process;
    - Utilize technology to address financial transparency, performance measurement, citizen engagement, and other daily challenges.

Town Council

The Town Council serves Dewey-Humboldt's citizens as elected representatives and provides for the orderly government of the Town. The town is a general law town organized in December 2004 under Arizona Revised Statutes (ARS) Title 9, Chapter 2, Article 3. The Town has a Council-Manager form of government, with the Council and Manager roles defined by separate ordinances. The Town does not have a charter at this time.

The Town Council is responsible for establishing goals and adopting public policy that meets the community's needs. In addition, they are responsible for adopting an annual budget that maintains the fiscal stability of the Town.

Unlike many other cities and towns, Dewey-Humboldt Town Council members and all other public body members receive no financial compensation for any of the services and support they provide to the Town. Members are only reimbursed for mileage and travel expenses when on Town duty.

In support of the Council's mission, the Town Attorney is Gust Rosenfeld, PLC. The firm supports the Town's legal concerns with principled, ethical, and professional counsel and insightful research.

In the Council's intergovernmental outreach, professional memberships are important for the Town to remain a vital part of regional, statewide, and national efforts to maintain the voice of our Town in these significant areas, and to maintain the professionalism of town management. The Town (or a representative staff member of the Town) is a member of the following organizations:

- Arizona League of Cities and Towns
- Arizona City and County Management Association
- Arizona Bar Association
- Arizona Municipal Clerks Association
- Arizona Planning Association

- Arizona Building Officials Association – Grand Canyon Chapter
- Central Yavapai Metropolitan Planning Organization
- Government Finance Officers Association of Arizona
- Governor's Groundwater User Council
- Greater Prescott Regional Economic Partnership
- International Code Council
- International Institute of Municipal Clerks
- Northern Arizona Council of Governments
- International City and County Management Association
- Yavapai Regional Medical Center Board

Town Council assignments to the regional appointments are as follows. These appointments are subject to change at any time at Council's discretion:

Mayor Terry Nolan – Central Yavapai Metropolitan Planning Organization

Council Member John Hughes – Greater Prescott Regional Economic Partnership

Council Member Doug Treadway – Northern Arizona Council of Governments

Council Member Amy Timmons – Yavapai Regional Medical Center Board

The Council's Vision is central to everything done by the Town. It is as follows:

Dewey – Humboldt Vision 2028
A Statement Describing the Next Twenty Years

The Town of Dewey-Humboldt was created in 2004 to preserve the low- density lifestyle that area residents came to enjoy, and were fearful of losing. People live in Dewey-Humboldt because they like a slower pace, more elbow room, and a more rural character. They like the freedom to be themselves, to respect and be respected regardless of their role in the community. They like the view of the mountains and want to know the skies will be clear, the water clean, and the air fresh. Keeping these attributes will make Dewey-Humboldt a jewel in the quad-cities.

We know and expect that…

- Our population will grow in conformance with the General Plan. People will be attracted by our low-density residential community and small-town lifestyle.
- Some commercial enterprises will be needed to help support the Town's population, but the locations of those businesses should be focused and concentrated.
- Non-industrial type home-based businesses will be part of the future growth.
- Some property owners will want to maximize the value of their land and make it available for development.
- Water supply will be a limiting factor in our growth and development. We need to emphasize water conservation and reuse.
- With increased growth, transportation and circulation needs to be well planned.

No one can stop change from coming and not all change is bad. Therefore, we, the Town Council, will focus any changes we're asked to support on meeting the following fundamental criteria.

We promote…

- Broad, inclusive and effective involvement by residents in all planning activities.
- Development that will foster the look and feel of openness and protect the viewscape.
- Codes, laws, standards and regulations that balance the rights of the individual and low-density residential living with the rights of the collective population.
- Protection and non-destructive use of our natural resources including the surrounding mountains and hills, natural open space, public lands, rivers, and streams.
- A balanced, cost-effective outlook to maintain a healthy environment and future development.
- Public safety and the quiet enjoyment of this wonderful place by all that live or visit here.

Town Staff is responsible to identify how each proposed Council action relates to the following values:

- **Active Citizenship** – each Dewey-Humboldt citizen has the right and responsibility to participate in the governance of the Town.

- **Sustainable Development** – the land regulated by the Town should be developed such that it remains at least as valuable in future generations as it is today, ceteris paribus, with no additional external resources.
- **Creating Community** – Town activities should tend to create mutual respect and understanding between citizens; shared resources like air, the river, the mountains, and the feeling of openness should be preserved by governance, public investment, and celebration.
- **Self-Reliance** – whenever civil, each person should earn the benefits and bear the burdens of his or her own actions.
- **Efficient Public Services** – the few services of the Town should be delivered as efficiently and fairly as possible, with strong fiscal discipline.
- **Limited Public Services** – the Town should only deliver those public services that cannot be efficiently provided by the private sector.
- **Durable Public Improvements** – the Town should deliver public services with the expectation that the Town will live for as long as the State of Arizona exists.

Town Boards, Commissions, and Committees

Town Boards and Commissions are critical to our government. They provide support to Town Council by acting on Council's behalf in important land use areas or by providing a recommendation to Council. The Town's committees are formed by Council resolution, in accordance with the Town Council Rules and Procedures. This year's budget provides for comprehensive Council training, including the annual Council retreat for policy development, training for all members of the Planning and Zoning Commission through the annual Arizona Planning Association Annual Conference, and additional funds for committee training and projects.

Planning and Zoning Commission

Victor Hambrick, Chairperson
Jeff Siereveld
Karen Brooks
Penney Hubbard
Lori Crofutt
Rich Schauwecker
Patrick McGill

Open Space and Trails Committee

Sandra Goodwin, Chairperson
Terry Goacher
Vacant (1)
Skip Gladue
Ken Murphy
Carl Marsee, Associate Member

Board of Adjustment

Theodore Brooks, Chairperson
Ulys Brooks
Cheryl Taylor
Linda Horvath
Gary Ford

Town Manager

The Town Manager is responsible for overseeing the day-to-day operations of the Town and for carrying out the policies that are adopted by the Town Council. The Town Manager's office provides the overall administrative leadership necessary for the implementation of Town Council policies, administration of the organization and delivery of services to the citizens, promotes interaction with other levels of government to serve the best interests of Dewey-Humboldt's citizens, advocates the Town's position, and encourages and develops public-private partnerships that support Council direction and meet the needs of the community in a cost-effective manner.

Legal Counsel Services

The Town Attorney serves as legal advisor to the Council, Manager, and all Town programs and represents the Town in all legal proceedings. The Town Attorney is also responsible for civil court proceedings in various state and federal courts in all areas of the law, including but not limited to, zoning, contract, public bidding, personnel, bankruptcy, water, real estate and environmental. The Town Attorney also provides verbal and written legal opinions to the Town Council, Town Manager, Town programs, boards, commissions, and committees. The Town Attorney drafts Town ordinances, resolutions, leases, contracts, and other legal documents. Town also hires an independent Hearing Officer to hear and address public body code of ethics complaints. The Town Prosecutor and Public Defender are not part of the Town Attorney services. Instead, they work closely with the Municipal Court which is a separate division.

Town Council, Management and Legal

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2018	2018 Total Estimate	NOTES
10-413-4000	Salary Town Manager	$ 85,477	$ -	$ -	$ -	$ -	$ -	$ 85,477	Salary
10-413-4100	Allowances	$ 4,560						$ 4,560	TM Phone & Vehicle
10-413-4110	Health Insurance	$ 10,636						$ 10,636	Health/Life insurances, Health Equity
10-413-4111	Dental & Vision Insurance	$ 900						$ 900	Delta Dental, Avesis Vision
10-413-4120	Retirement	$ 10,258						$ 10,258	ICMA 401A
10-413-4150	Medicare	$ 1,240						$ 1,240	ADP Payroll
10-413-4160	State Unemployment	$ 280						$ 280	ADP Payroll
10-414-4160	Workers Compensation	$ 350						$ 350	AMRRP
10-413-6010	Dues and Memberships	$ 12,409						$ 12,409	League of AZ Cities and Towns, CYMPO, NACOG, GPREP, APA, AZBO and ICC: Acronyms defined below
10-413-6020	Training: Town Manager	$ 2,100						$ 2,100	ICMA, ACMA and Professional Development per contract
10-413-6020	Training: Council Individualized	$ 11,880						$ 11,880	Council to Annual League Conf., newly elected official training, routine representations and individual trainings
10-413-6020	Training: Boards, Committees and Commissions	$ 700						$ 700	
10-416-5001	OSP Town Attorney	$ 50,000						$ 50,000	Municipal legal services
	TOTAL	**$ 190,790**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 190,790**	

Non-departmental Expenditures

10-499-9995	Cost overurns contigency	200,000.00	-	-	-	-	-	$ 200,000	11% of total GP expenditure for contigency. Council considers to fund possible real property purchases and rental needs. This expenditure is paid by the Town's sufficient fund balance.
10-499-9994	Transfer out to HURF	28,886.00						$ 28,886	FY 17 anticipates revenue supplus over expenditures. Council desires to utlize some of this fund to do more road projects.
	TOTAL	**$ 228,886**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 228,886**	

Acronyms defined:

CYMPO - Central Yavapai Metropolitan Planning Association (4% + State Transportation Board Meeting)

ACMA - Arizona City/County Management Association, ICMA -International City/County Management Association

APA- American Planning Association

AZBO - Arizona Building Officlais(DH belongs to AZBO's Grand Canyon Chapter), ICC- Interntational Code Council

GPREP - Greater Prescott Regional Economic Partnership

ICC- International Code Council

NACOG - Northern Arizona Council of Governments, and the Water Advisory Committee

Chapter 3: Finance Department

Under direction of the Town Manager, the Finance Department oversees Budget, Finance, Performance Management, Grants, Human Resources, and Enterprise Technology. In early FY17, the Department went through a significant personnel change. As a result, staffing level is reduced. In FY18 one full- time employee and one part-time employee are budgeted under the Finance Department.

FY2017 Accomplishments

- Made the banking institution transition.
- Initiated and completed an IT Service procurement process.
- Resolved how to record LGIP fund interest earnings accurately as operational revenues and unrealized revenues.
- Closed out the CDBG program in the amount of $300,000.
- Administrated reimbursement of the Flood Control funding.
- Applied for the Northern Arizona Council of Governments (NACOG)'s summer intern program.
- Attended a Grant Seeking seminar.
- Updated and adhered to payroll, accounts payable and accounts receivable schedules.
- Revised reporting procedures to improve audit trail.
- Applied for and received the GFOA Distinguished Budget presentation award.
- Implementation of "OpenGov", a web-based portal, to promote financial transparency, performance measurement, bench marking for the Town.
- As the result of some personnel changes, the Department now has one FTE (Town Accountant). The Accountant trained the Administrative Assistant to perform AP functions.

FY2018 Performance Goals

- Continue to monitor and possible reducing banking fees.
- Increase the number and amount of grant awards.
- Continue updating and revising operational procedures.
- Attempt to earn the GFOA Distinguished Budget presentation award.
- Continue to improve local sales tax collections by working with the Arizona Department of Revenue.
- Continue to closely monitor LGIP fund and research investment options for the Town. Inform Town Council and the public about the investment process.
- Improve the implementation of "OpenGov", a web-based portal, to promote financial transparency, performance measurement, and bench marking for the Town.
- Town Accountant strives to be more involved with the budgeting process.
- Town Accountant will assist the Town Manager to look into administrative polices on sick leave.

Finance

Under the direction of the Town Manager, the Finance Department provides financial management and support services to other Town programs. In addition to maintaining the financial integrity of the Town with comprehensive financial and budget administration, this department also provides assistance for all grant activities throughout the Town and directs the performance management efforts of the Town.

The adopted Principles of Sound Financial Management establishes guidelines for the Town's overall fiscal planning and management. These principles are intended to foster and support the continued financial strength and stability of the Town, as reflected in its financial goals. The Town's financial goals are broad, fairly timeless statements of the financial position the Town seeks to attain:

- To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.
- To maintain an adequate financial base to sustain a sufficient level of municipal services, thereby preserving the quality of life in the Town of Dewey-Humboldt.
- To have the ability to withstand local and regional economic fluctuations, to adjust to changes in the service requirements of our community, and to respond to changes in Federal and State priorities and funding as they affect the Town's residents.
- To maintain a high bond credit rating to ensure the Town's access to the bond markets and to provide assurance to the Town's taxpayers that the Town government is well managed and financially sound.

Adhering to these principles protects the Town's financial health as well as its image and credibility with its citizens; the public in general, bond rating agencies and investors. The Principles are reproduced in their entirety as Appendix C hereof.

In accordance with the Principles, Finance is responsible for maintaining accurate financial records and providing timely financial information to the public, any future bondholders, grantors, auditors, Town Council and Town management. This program is responsible for the areas of general ledger, accounts payable, accounts receivable, payroll, special assessments, fixed assets, cash management, investments, debt management, risk management, and grant accounting.

Budget

Fiscal planning is the process of identifying resources and allocating those resources among numerous and complex competing purposes. The primary vehicle for this planning is the preparation, monitoring and analysis of the Town's budget. It is increasingly important to incorporate a long-term perspective and to monitor the performance of the programs competing to receive funding. The Budget Program ensures effective and efficient allocation of Town resources to enable the Town Council, Town Manager, and Town programs to provide quality services to our citizens. The program prepares, monitors, researches alternatives, and presents the Town's Annual Budget.

Performance Management

This program provides uniform, nationally comparable standards for all areas of Town performance, and includes an on-going survey effort to ensure that the Town is maintaining the highest standards of citizen service.

Grants Acquisition and Management

Staff has ongoing research into Federal, State and private grant opportunities with several applications pending. The strategy in this document is to authorize the maximum amount under the state expenditure limits, with the difference between income and costs being made up by grant funds. Of course, since the Town is unlikely to qualify for as much grant money as is in the budget, it should be assumed that some or many of the grant-funded projects in the budget will not be inaugurated in this year.

Human Resources

This program strives to provide human resources services and develop opportunities in support of the following guiding principles: practice open and constructive communication; promote excellence in teamwork, customer service, and respect for individuals; and provide programs that balance the needs of the Town with that of its employees and citizens.

Finance

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2018	2018 Total Estimate	NOTES
10-415-4000	Salary	$ 60,514	$ -	$ -	$ -	$ -	$ -	$ 60,514	Salary for 2 positions
10-415-4110	Health Insurance	10,780	-	-	-	-	-	$ 10,780	Health/Life insurance, Health Equity
10-415-4111	Dental & Vision Insurance	900						$ 900	Delta Dental, Avesis Vision
10-415-4120	Retirement	5,862						$ 5,862	ICMA 401A
10-415-4150	Medicare	878	-	-	-	-	-	$ 878	ADP Payroll
10-415-4160	State Unemployment	560	-	-	-	-	-	$ 560	ADP Payroll
10-415-4160	Workers Compensation	300	-	-	-	-	-	$ 300	AMRRP
10-415-5001	OSP: Audit Services	13,000	-	-	-	-	-	$ 13,000	Audit
10-415-5200	OSP: miscellenous	17,000						$ 17,000	ADOR sales tax collection, ADP payroll service fee, Banking fee, Credit Card Fee and miscellenaous service fees
10-415-6010	Dues and Memberships	500	-	-	-	-	-	$ 500	GFOA, GFOAz Acronyms below
10-415-6020	Training and Travel	1,000	-	-	-	-	-	$ 1,000	Annual Conference
10-415-6380	Software Maint & Acquisition	7,000	-	-	-	-	-	$ 7,000	Accounting Software annual license, grant software, transpenrancy software (OpenGov)
	TOTAL	**$ 118,294**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 118,294**	

Acronyms defined:

GFOA - Government Finance Officers of America and Canada, GFOAz - Local Chapter,

Chapter 4: Enterprise Technology

The Enterprise Technology (ET) program is responsible for developing and coordinating the use of technology across the various programs of Dewey-Humboldt Town government, to ensure that accurate and timely information is provided to residents, elected officials, management, and staff.

The ET program also manages technology investments and assets such as the Town's enterprise computer network, systems, and applications. Other areas of responsibility include providing customer service, project management, business analysis and process re-engineering, training, technology upgrades, Town-wide technology and desktop personal computer management, security management, and disaster recovery of enterprise-wide systems.

FY2017 Accomplishments

Hardware:

- Replaced two old computer systems
- Fixed some broken network wiring in the walls

Software:

- Renewed the subscriptions for Symantec AntiVirus, Postlayer Email Filtering, and iBackup Offsite Cloud Backup service
- Renewed email server PKI Security Certificate (once every three years)
- Upgraded servers to the new release when available
- Updated all staff computers to Windows 10
- Continue advising and implementing special projects, such as the website and the meeting room audio system
- Participated in the new website discussion

FY2018 Performance Goals

Hardware:

- Purchase a new production server
- Put the old production server in place as the backup server
- Retire the existing 10-year old backup server
- Purchase a new firewall
- Fix broken network wiring

Software:

- Postlayer email filtering
- Adobe Acrobat Pro renewals/upgrades 4 copies (once every two years, expires June 30, 2017)
- Town Website Hosting
- Continue advising and implementing special projects

Enterprise Technical Support

ACCT#	DESCRIPTION	General Fund Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2017	2017 Total Estimate	NOTES
10-417-5100	Enterprise Technical Support ETS	$ 28,500	$ -	$ -	$ -	$ -	$ -	$ 28,500	Contract with Four D, general maintainance @ 16 hours/week+8 hrs/month contigency
10-417-5110	Town Website	2,500						$ 2,500	Town website maintenance
10-417-6380	Software Maint & Acquisition	1,000						$ 1,000	Routine licensing & maintenance
10-417-6900	Equipment Non-Capital Repair	7,500						$ 7,500	Wiring, repair hardware, remote storage
10-417-6950	Hardware Maint & Acquisition	30,000						$ 30,000	server and a plotter
	TOTAL	**$ 69,500**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 69,500**	

Chapter 5: Community Development Department

The Community Development Department handles a broad range of municipal services. The Department strives to promote sustainable and fair development in Dewey-Humboldt. The Department is responsible for the overall functioning of Planning, Code Enforcement, Building Safety and Permitting functions. Two full-time and one part-time employees are budgeted under this Department. In addition, Library Services and Community Outreach programs are accounted for under the Community Development Department. All duties are carried out within the department and are provided by Town Staff, contract consultants, or in coordination with intergovernmental agreements.

FY2017 Accomplishments

- Obtained the "Firewise" community certification for two neighborhoods in town. Provided key staff support to the Firewise program.
- Adopted ordinance 2016-124 animal-related code of ordinance. This code revision task is to be continued.
- Implemented the annexation of the properties along the northern town boundary line.
- Worked with the Town Attorney to fine-tune procedures for zoning requests and code enforcement and comprising the standard procedures for all permits in light of the Municipal Bill of Rights requirements.
- Administrated the well water test kit program and the Water solution grant.
- Proposed Sign Code revision in light of a Supreme Court decision.
- Considered an abatement process allowed by the state law.
- Assisted the Planning and Zoning Commission to gain more knowledge in the area of land use.
- Began to discuss options of the split zoning areas.
- Organized and led the formation of the new Town website to an extended degree.
- Looked into the GIS map function and began to consider whether to partner with Yavapai County.
- Tightened internal permitting procedures.
- Looked into new Town Hall layout options.
- Increase Library patron visits.

FY2018 Performance Goals

- Continue to provide key staff support to the Firewise program. Continue to help the Firewise Board gain its independency from staff.
- Be very active in community reach efforts in respond to Council's priority.
- Complete the animal-related code of ordinance revision task.
- Continue to enhance customer service and accountability.
- Take over the Volunteer of the Year program from the Town Clerk's Department.
- Continue to facilitate the work of the Planning and Zoning Commission.
- Facilitate the Council, P&Z, and the residents in reviewing and discussing the Town's General Plan and its upcoming update.
- Facilitate the discussion regarding split zonings.

- Facilitate the P&Z Commission with their discussion on providing permanent access across the Agua Fria River.
- Continue to monitor building fee structures and communicating with other agencies on the same.
- Increase Library patron visits.

Planning

The Planning and Zoning services are provided by in-house Town staff: the Community Development Coordinator, the Town Manager/Zoning Administrator and other supporting town staff.

Current planning provides zoning administration and site plan review. This zoning administration function is to review private development projects to ensure consistency with the Town's General Plan, zoning codes, and other laws and regulations; and to provide professional support to the Planning & Zoning Commission, Board of Adjustment, and Town Council.

Long range planning guides and directs growth through the development of plans, policies, and ordinances that preserve the character and enhance the livability of the Town. Long range planning tracks land use and population statistics, prepares development policies and code amendments, and manages the General Plan as required by state statutes. In the coming year, particular attention will be paid to a revised general plan and ordinance revision.

Building Safety

Building Safety reviews applications and plans, issues permits, and performs inspections for all development projects.

Code Enforcement

The Code Enforcement program provides public information and enforcement efforts to bring about compliance with Town zoning, property maintenance, and nuisance code requirements. This program also engages in public education through community outreach wherein citizens are advised of their right to due process under the law whether they are filing a complaint or have been cited for a violation. When necessary, code enforcement cases are adjudicated by the Town's Hearing Officer.

Community Outreach

Under this program, the Town financially supports the Dewey-Humboldt Historical Society which is a non-profit organization. The Town reimbursed Historical Society's museum rent for in FY13, FY14 and FY15. In FY16, Council decided to reimburse 80% of the rent. In FY17 and FY18, Council decided that the Town will reimburse the full annual rent. In addition, the Town is providing $2000 to sponsor the Aqua Fria Festival.

The Town began to partner with the Town of Prescott Valley and Yavapai County in the roving dumpster program in FY 14. The partnerships are expected to continue. The Town reinstated the free Dump Day event for our residents in FY17 and will continue the program in FY18.

The Town will continue the Volunteer(s) of the Year program into the FY17-18. Recognizing the water quality issue in the Town of Dewey-Humboldt, Council allocated $20,000 this year for educational and grant programs to encourage private well owners to test the well water regularly and to take action to improve the quality of their drinking water. In FY17, the Council allocated $10,000 to provide private well-testing kits to residents. In FY18, this program is expected to continue; we

also plan for a few additional initiatives, such as a grant for our residents to promote individuals taking actions to solve water contamination concerns. The Town does not provide regular municipal water services.

Library

The Library services are provided by Yavapai County Library District through an intergovernmental agreement (IGA) with the Town. Under the direction of the Town Librarian, Mr. Jeff Franklin, the library is entering its tenth year as a valued service and asset to the citizens of our community. The library provides numerous programs especially for children. The Town leases the building where the Library is located. For FY18, both the Library service IGA and the Building lease are renewed at a higher rates: The service IGA is $41,961; the building lease increased from approximately 50 cents a square feet to $1 a square feet. The FY18 budget is able to accommodate these increases.

Community Development: Planning, Zoning & Community Outreach

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2018	2018 Total Estimate	NOTES
10-465-4000	Salary	$ 131,991	$ 99,000	$ -	$ -	$ -	$ -	$ 131,991	Salary for 3 positions
10-465-4110	Health Insurance	21,308						$ 21,308	Health/Life Insurance, Health Equity
10-465-4111	Dental & Vision Insurance	1,800						$ 1,800	Delta Dental, Avesis Vision
10-465-4120	Retirement	12,916						$ 12,916	ICMA 401A for FTE, ICMA 457 for part-time
10-465-4100	Medicare	1,914						$ 1,914	ADP Payroll
10-465-4150	State Unemployment	840						$ 840	ADP Payroll
10-465-4170	Workers Compensation	2,000						$ 2,000	AMRRP
10-465-5001	OSP: Planning & Zoning Support	28,000						$ 28,000	General plan update,GIS agreement or other misc. studies
10-465-5505	Facilities: Library YCO IGA	41,961						$ 41,961	IGA with Yavapai County for Library Support
10-465-5501	Facilities: Library CAP Lease	28,080						$ 28,080	Library building lease and up to $1200 repair.
10-465-5900	OSP: Other (IGA Yav Bldg Insp)	-						$ -	In-house transition service overlap.
10-465-6010	Dues and Memberships	500						$ 500	APA, CELA, AACE; Acronym defined below
10-465-6020	Training and Travel	2,500						$ 2,500	Planner, Building Inspection Certs Trainings
10-465-6100	Supply: Book Subscriptions	200						$ 200	
10-465-6380	Software Maint - Windoware	2,100						$ 2,100	Buidling Permit Software
10-465-6950	Neighborhood Outreach	14,400						$ 14,400	Aqua Fria Festival, Musuem yearly rent, Meals on Wheels
10-465-6590	Neighborhood Outreach	22,280						$ 22,280	$3600 firewise, $14k annual dumpster day&DHPV, $1k misc. small event costs, $2k outreach &such, $10080 musuem rent, $2kagua fria, $4k MMOW
10-465-6951	Fee Refund	500						$ 500	occassionally permit fee requests
	TOTAL	**$ 313,290**	**$ 99,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 313,290**	

Acronyms defined:
OSP: Outside Service Providers, for example an Environmental Consultant, Hearing Officer,
APA - American Planning Association *AACE - American Association of Code Enforcement* *CELA - Code Enforcement League of Arizona* *NACOG - Northern Assn Council of Governments*

Chapter 6: Engineering and Public Works Department

The Engineering and Public Works program promotes safety while maintaining and developing the infrastructure of Dewey-Humboldt to preserve the rural atmosphere. The Town Engineer, Shepard and Wesnitzer Inc., has been retained to provide on-call engineering services. The Town utilizes the on-call services for flexible and professional outside engineering services.

Public Works

The Public Works Department is charged with providing management direction and support to capital improvements and overall street maintenance. The Town Public Works Director is in charge of the public works program, which maintains data on all Town's infrastructure and assures compliance with town code.

The streets maintenance program provides for the care, repair, and maintenance of all Town-owned rights-of-way. As a result of the personnel and equipment inventory expansion in the last couple of years, the Department is able to maintain the roadways at a higher level of standard. The Town has a 6-year paved road maintenance plan and a 5 year dirt road maintenance plan. Both plans have been implemented continuously since 2012. FY18 is the last year of the 6 year maintenance plan rotation (beginning the FY19, the maintenance rotation will start over); FY18 marks the third year into the 5 year dirt road plan. The town maintains about 38 miles of paved roads and 10 miles of dirt roads.

This Department's expenditure is made up by two budget units under General Fund and HURF: Engineering and Maintenance. The General Fund funds all personnel expenses and the costs for town facilities (rents, maintenance and utilities), Park and Recreation services and general supplies for all town offices. The HURF portion is designated for maintenance and development of the Town's roadway infrastructure (i.e. roads, rights-of-way, culverts and river crossings). Additionally, in FY18, the Town is expecting a $65,000 County Flood Control fund which are budgeted under the Grant Fund and to be used towards roads projects.

The Public Works budget unit under the General Fund also accounts for the expenses of town facility and its maintenance. The budget unit includes Town Hall yearly rent.

In FY18, Town council allocated additional resources to the Public Works operation. One additional full-time employee is budgeted and additional equipment is expected to be purchased. With this additional FTE, this Department has 4 employees: 1 Public Works Director and 3 Public Works Operators/laborers. All personnel cost is out of the General Fund while the extra equipment is expected to use the fund balances out of HURF. An on-call engineering firm supplements services when needed.

FY2018 Road Maintenance Schedule and additional heavy equipment acquisition

Like previous years, FY18 does not propose to add any new chip sealed miles. The Town has numerous failing roads and needs to concentrate money on repairing the existing roads rather than paving more roadways. Total expenditure for road maintenance is higher than previous years partially because of higher volume of hotpatch materials for in house use. The higher expenditures indicated a higher level of maintenance standard for both the paved and dirt roads. The maintenance program will continue to:

- Preserve the existing asphalt roads with a fog and crack seal.
- Increase hotpatch and cold patch maintenance on the chipseal roads by patching them and preparing them for single chipseal in future years.

- Implement a 5-year dirt road maintenance plan which includes grading, rebuilding and stabilization by adding AB and/or millings.
- Staff plans to use Flood Control funds for in house drainage projects and repairs wherever possible. With additional personnel and equipment, staff is hopeful that the vast majority of the fund will be used by in-house work, delivering higher level of service compared to contractor work.
- Implement a snow removal plan.

The increased levels of service in several maintenance activities are expected to continue. The associated costs, based on addressing these trends, are shown in the "level of service" chart. The costs are based on bringing a majority of the maintenance in-house, adjusting costs due to existing Town contracts, and estimates based on projects in our region.

The Town intends to only maintain public roads that have been dedicated to the Town via documents on record with the Yavapai County Recorder's Office. Roads with questionable ownership or roads that were not built to Town standards are maintained with a lower level of priority. Roads that are clearly in private ownership are not maintained.

In FY18, the Town-owned paved roads sections suggested for pavement preservation are: 6.55 miles in total:

E. Henderson Rd/Newtown Rd - 3.06 miles
Pony Place - 0.21 miles
Foothills Rd. – 1.87 Miles
East Bradshaw - 0.24 Miles
Green Valley Rd - 0.37 miles
Holiday Dr. - 0.25 miles
Agua Fria Ln. - 0.23 miles

Suggested road sections for 2018 Fall chipsealing, 6.50 miles in total:

Meadow Rd - 0.59 miles
Meadow Ranch Place - 0.22 miles
Meadow Ranch Lane - 0.09 miles
Datura Lane -0 .10 miles
Cherry Siding Ln. - 0.18 miles
Sunhill Trl. - 0.06 miles
Knoll Circle - 0.09 miles
Cherry Circle - 0.13 miles
Ridge Way 0.23 miles
Mustang Way - 0.23 miles
Pony Way - 0.06 miles
Prescott Road - 0.36 miles
Old Black Canyon Highway – 1.56 miles
Comanche Trail - 0.18 miles
Shawnee Ln. - 0.18 miles
Nancy Ln - 0.12 miles
Kathy Ln. - 0.23 Miles
Kachina Rd. – 1.60 miles

For Town-owned unpaved (dirt) roads, in early FY16, the Town began to implement a 5-year enhanced maintenance plan. Based on the plan, the Town will grade all 10 miles of roads twice a year and some roads, based on their condition, will receive a higher level of the maintenances of road profile rebuilding. Additional materials will also be added to stabilize the road. In FY18, the dirt roads that are scheduled to receive higher levels of maintenance are:

Deer Path Road - 0.12 miles
Manzanita Blvd - 0.18 miles
Pinto Pl. - 0.15 miles
Beverly Hills Dr. -0 .75 miles
Mingus Mountain Rd. - 0.25 miles
Lazy River Dr. - 0.05 miles

Additionally, Council authorized funds to purchase some heavy equipment. We are planning to acquire the following: a larger backhoe (with a thumb), a roller (for compaction), a power broom, and a wood/brush chipper. The equipment will be completed through the surplus in the FY17 General Fund and the HURF fund balances.

Item	Road Level of Service (LOS)	FY2018	FY2019	FY2020	FY2021	FY2022
	PAVEMENT PRESERVATION, IMPROVEMENTS, AND MAINTENANCE		**tentative**	**tentative**	**tentative**	**tentative**
1	Fog coat asphaltic concrete roads every 6 years and crack seal if necessary	$ 47,100	$ 48,510	$ 50,936	$ 53,482	$ 56,156
2	Single chip seal on black roads every 6 years; 16.7% of roads	$ 188,900	$ 186,323	$ 195,638	$ 205,420	$ 215,691
3	Road and Drainage Rebuild to prepare for Preservation and Chip sealing	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000
4	Ashalt concrete for road failures; as needed	$ 18,000	$ 3,000	$ 20,000	$ 3,000	$ 3,000
	ROADSIDE MAINTENANCE					
5	Pothole repair by in-house staff: 30 tons(Cold Patch Repair)	$ 3,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
6	Pothole repair by in-house staff: 25 tons(Hot Patch Repair)	$ 7,500	$ 15,000	$ 15,000	$ 15,000	$ 15,000
7	ROW weed abatement; 2 times; all roads; where applicable	$ In-House	$ In-House	$ In-House	$ In-House	$ In-House
8	Tree trimming along right-of-way by OSP; assumed two locations	$ In-House	$ In-House	$ In-House	$ In-House	$ In-House
9	Sloped area weed abatement; areas with poor sight distance; highly visible areas	$ In-House	$ In-House	$ In-House	$ In-House	$ In-House
	DIRT ROAD MAINTENANCE					
10	Grade dirt roads; 2 time/year if needed**	$ 25,000	$ 28,000	$ 28,500	$ 26,500	$ 26,500
11	In House Dirt Road Grading Meterial as needed	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
	DRAINAGE MAINTENANCE					
12	Ditch Maintenance by OSP; as needed in high liability areas**	$ 25,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000
13	Ditch maintenance by in-house personnel; primarily material cost as needed	$ 29,500	$ 34,500	$ 34,500	$ 34,500	$ 34,500
14	Agua Fria River crossing culvert clean out and roadway debris removal	$ In-House	$ In-House	$ In-House	$ In-House	$ In-House
15	Culvert Maintenance; 20 culverts/year**	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
16	Snow Removal; as needed	$ In-House	$ In-House	$ In-House	$ In-House	$ In-House
	FISCAL YEAR TOTALS					
	Total	**$ 357,000**	**$ 347,333**	**$ 376,574**	**$ 369,902**	**$ 382,847**

$ In-House indicates that the activity will be included in the overall department budget

Lines 1+2 represents Pavement preservation and Chip Seal Projects - show 5% increase due to Material cost Increase (expenditure item 20-431-7006).

Lines4+10 represents on call contractor needed (dirt road grading and other contractor work as needed (Expenditure line- 20-431-5900)

Line 5+6+11 represents in-house work maintenance materials paid by HURF (expenditure line 20-431-7001)

Lines 3+12+13+15 represents materials and labor costs for Flood Control Reimbursement. Estimated at $65,000. (expenditure line-22-430-7820)

FY2017 Accomplishments

- In-house staff applied approximately 40 tons of pothole repair material on town roads, maintained/repaired 43 low-water crossings (some areas required multiple times of cleaning), cleaned out and rebuilt approximately 20,000 linear feet of ditches, installed 80 linear feet of new culverts, cleaned and flushed culverts (too many to count). Installed approximately 100 tons of Rip-Rap in areas that needed additional erosion control. Utilizing outside contractors, the Town preserved 12.21 miles of black roads through crack sealing and fog coating and chipsealed 6.51 miles of additional black road, graded a total of 12 miles of roads twice, approximately 2.1 miles of dirt roads were done at a Level 2 or level 3. Improved drainage and erosion areas around the bridge on Old Black Canyon Highway, widened road shoulders and improved drainage on part of Piute Rd, Marylyn Road and Kathy Lane all in the Blue Hills area
- The department completed the CDBG Projects in the fall of 2016. This was the Blue Hills Farm #3 area located on the south side of Kachina Road and east of Dewey Road, drainage and road improvements and the Huron Street sidewalk located by the Humboldt Elementary school.
- Completed the following additional projects assigned by the Council for FY17:
    - Additional crack sealing and fog coating for Kachina, Pony, Newtown and Henderson Roads. These are the roads from the intersection of Kachina Road and Highway 69 to Cranberry Road and Newtown intersection. This is the main ingress/egress route for a large portion of the Town residents that live on the west side of Highway 69. This would be in addition to the scheduled annual maintenance programs. This project costed approximately $15,000.
    - Additional fog-coating on Foothill Road, East Bradshaw Road, Little Green Valley Road, Lazy River Road, Prescott Street and Main Street. This is the main route through Humboldt attaching Highways 69 and 169. This would be in addition to the scheduled annual maintenance programs. Cost was approximately $26,000.
    - Expedited the hotpatch repairs needed on Old Black Canyon Highway in preparation of chipseal tentatively scheduled for spring of 2018. This would bring the hotpatch repair for Old Black Canyon to about 75% complete. $25,000 was budgeted for the expediting work.
    - Upgraded dirt roads located within the Parker Hill Subdivision. Roads were Yavapai St., Corley St., Colina Lane, Parker Street and a portion of Reno Drive. This project included relocation of the cattle guard at the intersection of Corley St. and Highway 69, raising the road bed and improving drainage at the intersection, and improving the dirt roads in that area to a Level 3 maintenance. The cost was approximately $38,000.
    - Used $22,000 of Town local funds to complete the full scope of work on the CDBG project which would provide drainage, road improvement and sidewalks for the Blue Hills Farm subdivision area (behind the Dewey Post Office) and Huron Street (behind Humboldt Elementary School). The added local funding would enable double chipseal of the roads within the Blue Hills area (including sections of McAllister Drive; Montezuma Way; Graham Way and Manzanita Boulevard) and an extended sidewalk on Huron Street.

- Continued to implement a higher level of maintenance to dirt roads in addition to the biannual grading schedule. Some dirt road conditions can be improved by applying milling material (in-house work).

- Preserving approximately 6 miles of existing black roads with fog coating and crack sealing (to be conducted by utilizing continuing contract services).
- Single chipsealing approximately 6 miles of existing black roads (to be conducted by utilizing continuing contract services).
- Received $60,000 from Yavapai County Flood Control District. The fund has been used to solve various drainage problems. Devised a plan for future funding requests and secured $65,000 for FY17.
- Delivered the multiple day free Dump Day program in conjunction with the Firewise chipper program.
- Continued implementing safety procedures in the Department and made safety a priority.
- Public Works Director continued to represent the Town at Central Yavapai Metropolitan Planning Organization (CYMPO)'s Mutli-modal Technical Advisory Committee (MTAC).
- Coordinated with CYMPO and Arizona Department of Transportation (ADOT) on the SR 169/Clear View Dr. turning lane project.
- Looked into operational software to enhance efficiency and effectiveness.
- Reviewed the 2011-2021 Capital Improvement Plan under the Town Manager's direction, recommended revisions to the Council. The CIP was repealed as there is no designated or realistic funding source to complete the projects. The projects identified are considered as a working plan.
- Looked into ways to potentially provide alternative egress/ingress in the Blue Hills area to create a looping system for emergency situations.
- Coordinated the CDBG closed out.
- Assisted in revising the Town's ordinances and codes as they relate to Engineering and Public Works. Responded to residents' concerns regarding grading, code enforcement, and ROW issues.
- Assisted the Open Space and Trail Committee and the Prescott National Forest on the trailhead project.
- Looked into options and rural road standards in order to assist Council's discussion on transitioning private roads to town ownership/ maintenance.

FY2018 Performance Goals

- Hire and train a new Public Works Operator/Laborer.
- Acquire heavy equipment and organize and improve the yard to store the equipment.
- Utilize the additional resources and continue high level and responsive roadway and roadside maintenance. The continued goal is to increase maintenance activities while utilizing the Town's HURF revenues and grant revenues to their maximum potential.
- Continue repairing the drainage so that needed paving or preservation maintenance can last through expected lifespan.
- Continue to seek grants for the unfunded capital Improvement projects. Manage implementation of the fully-funded FY2018 Capital Improvement Program.
- Assist the Open Space and Trail Committee's trail initiative.
- Continue the multiple day free Dump Day program.
- Purchase and begin to utilize the new operation software.
- Continue to manage and maintain the Town's leased facilities and property.

Capital Engineering

Capital Engineering is responsible for maintaining the orderly development and construction of the Town's infrastructure. Master plans of public works infrastructure are implemented through a Capital Improvement Program. Infrastructure design and construction are coordinated through this program, while actual construction is managed by the Public Works division. This program assures compliance with Town standards and code requirements for public and private development.

Town of Dewey-Humboldt FY2018 Capital Improvement Projects (primarily funded by grant funding)	
Project Title	
	FY 2017-18
Community Facilities - Parks, Recreation, Trails, Open Space and Library	
Multi-use trails	$ 146,768
Open Space projects	35,000
General Government	
Road/Facility; Property Acquisition	200,000
General Office Operations	20,000
IT server	22,000
Plotter	8,000
Public Works yard improvement	13,000
Meeting equipment	5,000
Other grant effort	200,000
Transportation - Roads and Right-Of-Way	
Miscellanous road acquisition and improvement	746,732
Sign Replacement	111,500
Capital Equipment	45,000
Heavy Equipment for road maintenance)	150,000
Utilities - Drainage, Sanitation, Water, and Sewer	
Drainage Improvements	65,000
Total	$ 1,768,000
Project Funding	
Other Funds	198,000
Grant Revenues	1,570,000
Total	$ 1,768,000

Engineering: Public Works, Facilities, Infrastructure

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2018	2018 Total Estimate	NOTES
	ENGINEERING								
10-430-4000	Salary	$ 57,576		$ -	$ -	$ -	$ -	57,576	1 FTE salary, Supervisor
10-430-4110	Health Insurance	10,512						10,512	
10-430-4111	Dental & Vision Insurance	900						900	
10-430-4120	Retirement	6,910						6,910	ICMA 401A
10-430-4150	Medicare	835						835	ADP Payroll
10-430-4160	State Unemployment	280						280	ADP Payroll
10-414-4160	Workers Compensation	3,000						3,000	AMRRP
10-430-5001	OSP: Engineering	5,000						5,000	General engineering needs, such as sign enginering, surveys, appraisals
10-430-6010	Dues and Memberships	200						200	
10-430-6020	Training and Travel	1,000						1,000	Conferences or trainings
	Total Engineering	$ 86,213	$ -	$ -	$ -	$ -	$ -	$ 86,213	
	PUBLIC WORKS, FACILITIES								
10-431-4000	Salary	102,313						$ 102,313	2 FTE's and a seasonal employee salary and benefits
10-431-4010	Overtime	-						$ -	
10-431-4110	Health Insurance (BCBS, Life, HS)	31,112						$ 31,112	
20-431-4111	Dental & Vision Insurance	2,700						$ 2,700	
10-431-4120	Retirement	12,278						$ 12,278	
10-431-4150	Medicare	1,484						$ 1,484	
10-431-4160	State Unemployment	840						$ 840	
10-431-4170	Workers Compensation	4,500						$ 4,500	
10-431-5200	OSP: Janitorial Service	3,000						$ 3,000	Town hall cleaning service.
10-431-5500	Facilities Town Hall Rent	38,991						$ 38,991	Lease, Town Hall
10-431-5503	Maint Town Hall Offices/PW Yard	500						$ 500	
10-431-5900	OSP: Other	2,500						$ 2,500	Town Hall alarm, insect control, storage and misc. inpsections
10-431-5903	Liability & Auto Insurance	28,000						$ 28,000	AMRRP
10-431-6020	Training and Travel	200						$ 200	
10-431-6300	General Supplies	8,000						$ 8,000	Office supplies, furnitures
10-431-6500	Facilities: Electric	7,000						$ 7,000	Town Hall Utilities & Traffic Signal @ Kachina Pl. and Main St.
10-431-6510	Facilities: UNS Gas	1,000						$ 1,000	Town Hall Utilities
10-431-6520	Facilities: Telephone	6,500						$ 6,500	Town offices phones
10-431-6530	Facilities: Cellular	1,200						$ 1,200	Cell phones/ allowances for PW and B/S
10-431-6600	Facilities: Fuel	500						$ 500	Non-road maintenance related
10-431-6595	Facilities: Vehicle Maint	500						$ 500	Increased use of trucks for inpsections
10-431-7001	Road/Facility Accquisition	13,000						$ 13,000	Chamber audio, property purchase related
10-431-7006	Parks & Recreation	500						$ 500	Park operation
HURF									
20-430-7002	Capital Road Improvement - Eng				16,000			$ 16,000	
20-431-5900	OSP: Road Maintenance				46,000			$ 46,000	See Level of Service (LOS) sheet
20-431-6600	Facilities: Fuel				6,000			$ 6,000	
20-431-6595	Facilities: Vehicle Maint				2,500			$ 2,500	
20-431-6900	Heavy Equip Maintenance				12,000			$ 12,000	
20-431-7001	In-house ROW Maint Materials				13,000			$ 13,000	See Level of Service sheet
20-431-7008	One-time road projects/equip					120,000		$ 120,000	One-time equipement purchases - large
20-431-7006	Capital Road Maintenance OSP				236,000			$ 236,000	annual chipseal and preservation, see LOS
20-431-7400	Capital Road Improvements - PW				30,000			$ 30,000	equipment-small
	Total Public Works	$ 266,618	$ -	$ -	$ 361,500	$ 120,000	$ -	$ 748,118	
	TOTAL	**$ 352,831**	**$ -**	**$ -**	**$ 361,500**	**$ 120,000**	**$ -**	**$ 834,331**	
			Acronyms defined:	*APWA*	*American Public Works Association*			*AZBTR*	*Arizona Board of Technical Registration*
22-430-7810	Capital: Flood Control Fund	-	-	-	-	-	$ 65,000	$ 65,000	Various drainage projects (reimbursable by County Flood Control District)
	Total Flood Control PW projects							$ 65,000	

Chapter 7: Town Clerk Department

The Town Clerk's office is responsible for the preservation of legal documents and is the source of information on Town Council legislation and actions. The Town Clerk's office also conducts all municipal elections, assists the Town Council in administering the appointment of members to serve on various Town boards, commissions, and committees, and provides special services to the public, including notary services. The Town Clerk's Office is also the direct liaison with the Town's insurance provider – AZ Municipal Risk Retention Pool. With the ongoing implementation of a new departmental-wide records management system, we expect to improve the organization and accessibility of the Town's vital records.

The Town Clerk's Office consists of the Town Clerk and an Administrative Assistant. In FY18, the Office's budget accounts for the personnel cost for the Clerk and the Administrative Assistant. In addition, the Department's budget reflects records-related operating costs and accounts for state of the art technologies, such as the Granicus live meeting streaming and minutes-taking tool and the Laserfiche system for record archiving and searching. The Town's monthly newsletter cost is also included in the Clerk's budget.

FY2017 Accomplishments

- Processed and conducted all Council meetings; managed live and archived online audio and video broadcasts of Town Council and other meetings.
- Continued to support the transitions in Community Development Department.
- Completed Town Council Chamber audio recording system replacement.
- Completed the 2016 elections. In addition to national and state elections, 3 Council seats and the Mayor seat were in the 2016 election.
- Completed the 2017 March referendum election. The referendum election was centered on whether the town should purchase the Bank Building for municipal purposes.
- Made a presentation before the newly elected council about Clerk's core functions.
- Administrative Assistant has been trained to handle Accounts Payable duties.
- Played a critical role in Town's new website establishment. Received several trainings from Civic Plus, the new website provider.

FY2018 Performance Goals

- Will continue to index records. Will continue with codification of adopted ordinances.
- Will develop procedures for matters that the Clerk's office handles, such as the newsletter, the execution steps of an IGA, and newsletter postings.
- Develop searchable electronic versions of existing records for staff and public.
- Make progress on record management, including developing records management protocols for all departments.
- Continue the duties of the Town's webmaster for the new website.
- Assist the transition of programs from the Clerk's Office to other personnel, such as the Volunteer(s) of the Year events.

Town Clerk

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2018	2018 Total Estimate	NOTES
10-414-4000	Salary	$ 102,157	$ -	$ -	$ -	$ -	$ -	$ 102,157	Salary for town clerk & admin asst
10-414-4110	Health Insurance	$ 21,296	-	-	-	-	-	$ 21,296	Health/Life Insurances, Health Equity
10-414-4111	Dental & Vision Insurance	$ 1,680						$ 1,680	Delta Dental, Avesis Vision
10-414-4120	Retirement	$ 12,259						$ 12,259	ICMA 401A
10-414-4150	Medicare	$ 1,482	-	-	-	-	-	$ 1,482	ADP Payroll
10-414-4160	State Unemployment	$ 560	-	-	-	-	-	$ 560	ADP Payroll
10-414-4160	Workers Compensation	$ 350	-	-	-	-	-	$ 350	AMRRP
10-414-5100	Software Impl: Granicus & American Legal	$ 18,000	-	-	-	-	-	$ 18,000	$11,000 Granicus (open meeting software) annual; Am Legal is the codification company -$5000 annual/rate depending on quantity
10-414-5300	OSP Elections	$ -	-	-	-	-	-	$ -	Elections, no elections planned
10-414-6010	Dues and Memberships	$ 385						$ 385	AMCA and IIMC Acronym defined below
10-414-6020	Training and Travel	$ 2,500						$ 2,500	Clerk's Institute/Academy, Annual Conf.
10-414-6100	Newsletter Publication	$ 17,000	-	-	-	-	-	$ 17,000	Monthly Issue(Melcher),12 B&W Publications, Postage, 6-page limit
10-41-6200	Print, Publish, Advertise-printer	$ 1,900						$ 1,900	SHARP printer lease
10-414-6200	Print, Publish, Advertise-other	$ 3,100	-	-	-	-	-	$ 3,100	Legal ads, Public Hearings, etc.
10-414-6380	Software Maintenance	$ 2,500	-	-	-	-	-	$ 2,500	Annual Support Records Mgmt Software (Laserfiche) $2500; new permit module(rebudget)
10-414-7400	Capital Hardware and Equipment	$ 5,000	-	-	-	-	-	$ 5,000	meeting room equipment
	TOTAL	**$ 190,169**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 190,169**	

Acronyms defined:

AMCA - American Municipal Clerks Association, IIMC - International Institute of Municipal Clerks

Chapter 8: Public Safety

The Town's public safety is an effort that begins with law enforcement, continues through adjudication, and concludes with process improvements.

Dewey-Humboldt's Town law enforcement services are provided through an intergovernmental agreement with the Yavapai County Sheriff's Office. This program provides the resources to accomplish the mission of public safety for the citizens of Dewey-Humboldt.

FY 2017-18's IGA maintains the previous years' level of services which provides for one Deputy Sheriff to the Town for 20 hours per day between the hours of 6 a.m. and 2 a.m. daily (rotation of 3 full-time Deputy Sheriff positions). The Yavapai County Sheriff's Department also provides related ancillary and support services, such as Sergeant Supervision, Dispatch Services and Animal Control Services. FY18 IGA cost will be $415,912 which represents a 6% increase from FY17. The Town is responsible for the facility and utility costs of the Sheriff's Dewey-Humboldt Station.

The Town also anticipates an approximate $1,800 for emergency response services that the County's Emergency Management Office provides through an intergovernmental agreement.

Public Safety (Sheriff Services, Emergency Management)

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash	HURF Revenues	HURF Fund Existing Cash Fund	Grant Effort 2017	2017 Total Estimate	NOTES
10-425-5300	OSP: Sheriff Services	415,912	-	-	-	-	-	$ 415,912	Intergovernmental Agreement (IGA) with Yavapai County; 4.3% increase from FY15
10-425-5301	OSP: YC Emergency Management	1,800	-	-	-	-	-	$ 1,800	Intergovernmental Agreement (IGA) with Yavapai County
10-425-5501	Facilities: Sheriff Office Rent	10,134	-	-	-	-	-	$ 10,134	Local Office for Sheriff and Deputies
10-425-5503	Maintenance Sheriff's Office	-	-				-	$ -	Maintenance and supplies
10-425-6500	Utilities	2,500	-				-	$ 2,500	Electricity
	TOTAL	**$ 430,346**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 430,346**	

Chapter 9: Municipal Court

The Town Court budget unit accounts for costs associated with the judicial branch of the town government. The Town Court consists of 1 (part-time) Judge, 1 (part-time) Court Clerk, 1 contracted Prosecutor and 1 contracted Public Defender. The Judge of the Town Court hears cases involving violations of town ordinances, civil and criminal traffic cases, and misdemeanor cases that occur within the Town limits. The court also issues orders of protection, injunctions against harassment and performs marriage licenses. The expenditures are funded by the General Fund revenues.

FY2017 Accomplishments

- The Court Clerk completed court supervisory training through the Arizona Supreme Court and received her Court Supervisor Certification.
- An excellent line of communication between law enforcement, prosecution, defense and the court continued.
- The Magistrate Reported to the Council every quarter along with other public safety personnel.
- The Magistrate made a presentation of the court operation before the newly elected Council.
- The Court performed 3 marriages.
- The Court Heard 4 code enforcement cases as the Town's Hearing Officer.
- The Court prepared its content for the new town website.

FY2018 Performance Goals

- Court clerk will continue working towards a national certification in Court Administration through the Arizona Supreme Court. Completion of course work takes an average of 2 - 3 years and is funded through the Supreme Court.
- Continued efforts will be made to improve the citizens' ease of locating and accessing the Court through enhanced signage and information available from the Sheriff's Office and website.
- The Court will meet quarterly with Public Safety and the Council to report on caseload and court activity.
- The continuing emphasis of the court will be on providing convenient services for citizens - regardless of the type of need.
- Continue to maintain an excellent line of communication between law enforcement, prosecution, defense and the court continued.

Magistrate Court

ACCT#	DESCRIPTION	General Revenues: Local & Shared	General Revenues: Fines & Fees	General Fund Existing Cash Fund Balance	HURF Revenues	HURF Fund Existing Cash Fund Balance	Grant Effort 2018	2018 Total Estimate	NOTES
10-421-4000	Salary: Town Magistrate	$ 53,233	$ 40,000	$ -	$ -	$ -	$ -	$ 53,233	Salary
10-421-4120	Retirement	2,662	-					$ 2,662	ICMA 457
10-421-4150	Medicare	772	-	-	-	-	-	$ 772	ADP Payroll
10-421-4160	State Unemployment	560	-	-	-	-	-	$ 560	ADP Payroll
10-421-4170	Workers Compensation	200	-	-	-	-	-	$ 200	AMRP
10-421-5303	Lease, Magistrate Court	3,983						$ 3,983	
10-421-6305	OSP: Specialized Court Fees	4,000	-	-	-	-	-	$ 4,000	Translator, Judge Pro Term and others
10-421-6010	Dues and Memberships	400	-	-	-	-	-	$ 400	
10-421-6020	Training and Travel	2,000	-	-	-	-	-	$ 2,000	Includes travel to Jail appearances
10-421-6301	Books & Subscription	1,500	-	-	-	-	-	$ 1,500	Legal research
10-421-6300	General Supplies	1,000	-	-	-	-	-	$ 1,000	General office supplies as related to Court
10-421-6500	Utilities - Electric & Gas	1,500						$ 1,500	
10-421-6520	Telephone	500						$ 500	
10-421-6900	Equipment Non-Capital	3,000	-	-	-	-	-	$ 3,000	Annual hardware lease from State and new Quick Book software
10-421-5001	OSP: Legal Services -Public Defender	500	-	-	-	-	-	$ 500	Public Defender $60/hr
10-421-5003	OSP: Legal Services - Prosecutor	21,600						$ 21,600	Prosecutor Contract $1,800/mo
	TOTAL	**$ 97,410**	**$ 40,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 97,410**	

Appendix A: Fund Summary

The Town's budgetary fund structure is organized around financial principles and legal requirements. Financial principles explain why the General Fund is divided into funds with fundamentally different purposes. Legal requirements attach to other income like HURF, Court restricted funds, and grant fund. Other funds are maintained to help match income available to the General Fund with activities supported by the General Fund, like the building and court fees.

Fund	Purpose	Source
General Fund (ongoing)	Operational costs supporting programs and services that are intended to continue more than one year.	Current revenues: Town sales tax, franchise fees, state shared sales tax, income tax and vehicle license tax, interest and miscellaneous revenues.
General Fund (one-time)	Operational or capital costs for programs and services that can be accomplished in a single year.	Cash reserves of unspent Town sales tax, fees, state shared sales tax, income tax and vehicle license tax, permit fees, fines and interest and miscellaneous revenues. Town invests unspent revenues in the state managed LGIP (Local Government Investment Pool).
General Fund (Fees)	Support the costs associated with staff review.	Current local fee revenues.
General Fund (Court Fines)	Contribute to the costs associated with Court administration.	Current court fines and fee revenues. Some are restricted for special purposes.
HURF (Highway User Revenue Fund)	Development and maintenance of transportation improvements.	State collection and distribution.
Grants	Purpose stated in grant applications.	Federal, state or local allocations, private donors. One grant is CDBG (Community Development Block Grant).

Town of Dewey Humboldt
General Fund Summary

GENERAL FUND	2016 BUDGET	2017 BUDGET	2018 BUDGET
REVENUES			
Local Taxes	403,000	432,000	500,000
Permits and Fees	77,500	85,000	107,000
Intergovernmental	1,071,606	1,101,702	1,139,016
Fines, Forfeitures and Penalties	41,600	50,100	40,000
Interest Earnings	15,000	15,000	5,000
Miscellaneous	200	500	500
Total Revenues	1,608,906	1,684,302	1,791,516
EXPENDITURES			
Town Council, Mgt & Legal	176,715	199,481	190,790
Magistrate Court	86,835	95,410	97,410
Public Safety	395,884	406,804	430,346
Town Clerk	154,714	191,074	190,169
Finance	160,168	148,588	118,294
IT Support	53,405	34,600	69,500
Com. Devel.& Library	264,343	287,625	313,290
Public Works &Engineering			
Operational	279,486	284,285	339,831
Capital Expenditures	27,000	12,000	13,000
Total Expenditures	1,598,550	1,659,867	1,762,630
Excess of Revenues over (under)	10,356	24,435	28,886
Other (Uses)			
Tranfer out	-	(24,435)	(28,886)
Operating Contingency	(210,350)	(200,000)	(200,000)
Net Increase (Decrease) in Fund	(199,994)	(200,000)	(200,000)
Fund Balance at the Start of the Year	2,966,505	2,766,511	3,893,336
Fund Balance at the End of the Year	2,766,511	2,566,511	3,693,336
Summary			
Committed for Contingency	210,350	200,000	200,000
Committed for Reserves	654,920	654,920	654,920
Unassigned Fund Balance	1,901,241	1,711,591	2,838,416
Total Fund Balance	2,766,511	2,566,511	3,693,336

Town of Dewey Humboldt
HURF Fund Summary

HURF FUND	2016 BUDGET	2017 BUDGET	2018 BUDGET
REVENUES			
HURF	303,662	318,908	329,479
Transfer in	-	24,435	28,886
Interest Earnings	500	500	1,600
Total Revenues	304,162	343,843	359,965
EXPENDITURES			
Operational	86,162	210,000	199,500
Capital Expenditures	218,000	223,000	282,000
Total Expenditures	304,162	433,000	481,500
Expenditures	-	(89,157)	(121,535)
Other (Uses)			
Operating Contingency			
Net Increase (Decrease) in Fund Balance	-	(89,157)	(121,535)
Fund Balance at the Start of the Year	320,124	320,124	268,259
Fund Balance at the End of the Year	320,124	230,967	146,724
Summary			
Committed for Contingency			
Committed for Reserves			
Unassigned Fund Balance	320,124	230,967	146,724
Total Fund Balance	320,124	230,967	146,724

Town of Dewey Humboldt
Combined Budget Summary
General Fund, HURF (Special Revenue) Fund and Grants Fund
2017-2018

	General Fund	HURF Fund	Subtotal of General and HURF Funds	Grants Fund	2017-18 Total
Total Revenues	1,791,516	359,965	2,151,481	1,570,000	3,721,481
Total Expenditures	1,791,516	481,500	2,273,016	1,570,000	3,843,016
Excess of Revenues over (under) Expenditures	-	(121,535)	(121,535)		(121,535)
Other (Uses)					
Operating Contingency	(200,000)		(200,000)		(200,000)
Net Increase (Decrease) in Fund Balance	(200,000)	(121,535)	(321,535)		(321,535)
Fund Balance at the Start of the Year	3,893,336	268,259	4,161,595	-	4,161,595
Fund Balance at the End of the Year	3,693,336	146,724	3,840,060		3,840,060
Summary					
Committed for Contingency	200,000		200,000		200,000
Committed for Reserves	744,182		744,182		744,182
Unassigned Fund Balance	2,749,154	146,724	2,895,878		2,895,878
Total Fund Balance	3,693,336	146,724	3,840,060		3,840,060

Appendix B: Four Year Financial Detail

FY 2017-18		2014-15	2015-16	2016-17	2016-17	2017-18
		Prior year2	Prior year	Current year	Current year	Proposed
Account Number	Account Title	Actual	Actual	Budget	Projection	Budget
GENERAL FUND						
Revenues						
10-100-3100	Local Sales Tax	411,381.63	560,190.70	432,000.00	500,000.00	500,000.00
10-100-3202	Building Fees	85,825.22	77,067.68	65,000.00	90,000.00	90,000.00
10-100-3310	Income Tax	471,392.76	460,764.36	488,215.00	488,215.00	500,541.00
10-100-3320	State Sales Tax	355,867.64	367,946.99	375,613.00	375,613.00	379,053.00
10-100-3330	Vehicle License Tax	226,612.50	244,796.31	237,874.00	237,874.00	259,422.00
10-100-3403	Planning & Zoning Fees	5,527.31	4,205.00	4,000.00	6,000.00	5,000.00
10-100-3420	Public Works Fees	720.00	4,990.00	5,000.00	3,000.00	4,000.00
10-100-3425	Utility Franchise Fees	14,555.51	10,021.28	11,000.00	7,800.00	8,000.00
10-100-3501	Court Revenues	47,540.84	64,885.06	50,100.00	45,000.00	40,000.00
10-100-3801	Interest Earnings	22,109.22	44,438.00	15,000.00	6,000.00	5,000.00
10-100-3804	Miscellaneous	694.25	1,843.04	500.00	6,000.00	500.00
Total Revenues:		1,642,226.88	1,855,874.34	1,684,302.00	1,765,502.00	1,791,516.00
Expenditures						
Town Council and Management						
10-413-4000	Salary and Wages	76,118.72	82,147.49	88,098.00	79,000.00	85,477.00
10-413-4100	Allowances	4,559.88	4,559.88	4,560.00	4,560.00	4,560.00
10-413-4110	Health Insurance	6,911.30	8,563.32	9,952.00	9,952.00	10,636.00
10-413-4111	Dental & Vision Insurance	622.92	625.32	780.00	780.00	900.00
10-413-4120	Retirement	9,846.02	10,299.44	9,771.00	9,000.00	10,258.00
10-413-4150	Medicare	1,160.28	1,285.56	1,181.00	1,000.00	1,240.00
10-413-4160	State Unemployment	364.20	294.47	420.00	300.00	280.00
10-413-4170	Workers Compensation	190.00	223.00	212.00	250.00	350.00
10-413-6010	Dues & Memberships	10,819.26	10,837.00	11,927.00	11,215.99	12,409.00
10-413-6020	Training and Travel	6,349.63	7,188.52	14,580.00	12,000.00	14,680.00
Total Town Council and Management:		116,942.21	126,024.00	141,481.00	128,057.99	140,790.00
Town Clerk & Records Management						
10-414-4000	Salary & Wages	83,590.56	74,989.28	93,890.00	92,100.00	102,157.00
10-414-4010	Overtime	99.01	-	-	-	-
10-414-4110	Health Insurance	11,057.83	11,686.79	19,976.00	19,800.00	21,296.00
10-414-4111	Dental & Vision Insurance	1,029.94	837.76	1,560.00	1,560.00	1,680.00
10-414-4120	Retirement	10,085.01	8,865.89	11,267.00	11,200.00	12,259.00
10-414-4150	Medicare	1,200.06	1,115.68	1,362.00	1,300.00	1,482.00
10-414-4160	State Unemployment	1,042.33	596.46	1,260.00	560.00	560.00
10-414-4170	Workers Compensation	193.00	251.00	399.00	350.00	350.00
10-414-5100	Software (Granicus, AmerLegal)	14,242.75	16,389.17	18,000.00	16,000.00	18,000.00
10-414-5300	Elections	6,170.06	-	18,000.00	18,916.32	-
10-414-6010	Professional Memberships	365.00	254.00	360.00	385.00	385.00
10-414-6020	Training and Travel	955.04	1,568.32	1,500.00	2,500.00	2,500.00
10-414-6100	Newsletter	12,825.30	14,520.13	16,000.00	15,000.00	17,000.00
10-414-6200	Print, Publish, Advertise	4,561.53	4,314.94	5,000.00	4,300.00	5,000.00
10-414-6380	Software Maintenance	10,839.90	2,490.90	2,500.00	2,497.80	2,500.00
10-414-7400	Capital Equipment	4,362.84	-	-	-	5,000.00
Total Town Clerk and Public Records:		162,620.16	137,880.32	191,074.00	186,469.12	190,169.00
Finance and Budget						
10-415-4000	Salary & Wages	42,742.21	65,844.04	81,117.00	56,000.00	60,514.00
10-415-4110	Health Insurance	7,160.32	13,092.18	19,904.00	11,442.19	10,780.00
10-415-4111	Dental & Vision Insurance	622.92	939.48	1,560.00	900.00	900.00
10-415-4120	Retirement	5,229.76	7,788.06	9,735.00	5,582.97	5,862.00
10-415-4150	Medicare	608.85	980.24	1,177.00	800.00	878.00

FY 2017-18		2014-15	2015-16	2016-17	2016-17	2017-18
		Prior year2	Prior year	Current year	Current year	Proposed
Account Number	Account Title	Actual	Actual	Budget	Projection	Budget
10-415-4160	State Unemployment	329.92	709.63	840.00	400.00	560.00
10-415-4170	Workers Compensation	101.00	170.00	255.00	250.00	300.00
10-415-5001	OSP Audit Services	12,500.00	13,000.00	13,000.00	13,000.00	13,000.00
10-415-5200	OSP Contracts	11,687.96	18,518.77	12,000.00	14,782.07	17,000.00
10-415-6010	Professional Memberships	60.00	-	500.00	405.00	500.00
10-415-6020	Training and Travel	438.00	165.00	1,500.00	500.00	1,000.00
10-415-6380	Software Maint and Acquisition	2,838.00	2,148.00	7,000.00	6,180.00	7,000.00
Total Finance and Budget:		84,318.94	123,355.40	148,588.00	110,242.23	118,294.00
Legal						
10-416-5001	OSP Town Attorney	43,312.92	47,494.04	53,000.00	42,000.00	50,000.00
10-416-5005	OSP Ethics Hearing Officer	-	-	5,000.00	-	-
Total Legal:		43,312.92	47,494.04	58,000.00	42,000.00	50,000.00
Information Technology						
10-417-5100	OSP Technical	21,271.25	24,246.25	24,000.00	23,000.00	28,500.00
10-417-5110	Website & such	-	1,099.97	2,100.00	2,500.00	2,500.00
10-417-6380	Software Maint and Acquisition	5,958.70	12,414.35	3,000.00	2,500.00	1,000.00
10-417-6900	Equipment - Non Capital	891.71	798.87	2,500.00	154.27	7,500.00
10-417-6950	IT Hardware & Equipment	8,709.14	5,417.00	3,000.00	2,402.74	30,000.00
Total Information Technology:		36,830.80	43,976.44	34,600.00	30,557.01	69,500.00
Magistrate Court						
10-421-4000	Salary and Wages	44,409.05	48,051.68	51,159.00	46,000.00	53,233.00
10-421-4120	Retirement	2,216.31	2,393.15	2,558.00	2,000.00	2,662.00
10-421-4150	Medicare	635.41	719.71	742.00	600.00	772.00
10-421-4160	State Unemployment	603.99	597.33	840.00	560.00	560.00
10-421-4170	Workers Compensation	100.00	120.00	128.00	150.00	200.00
10-421-5001	OSP Public Defender	522.00	-	500.00	176.10	500.00
10-421-5002	OSP Magistrate	100.00	-	-	-	-
10-421-5003	OSP Prosecutor	19,200.00	20,600.00	21,600.00	21,600.00	21,600.00
10-421-5005	OSP Specialized Court Fees	1,767.06	3,911.79	5,000.00	1,000.00	4,000.00
10-421-5224	OSP Contracts	-	-	-	-	-
10-421-5303	Lease, Magistrate Court	3,610.80	3,790.76	3,983.00	3,983.00	3,983.00
10-421-6010	Professional Memberships	335.00	325.00	400.00	365.00	400.00
10-421-6020	Training and Travel	2,124.47	2,549.98	2,000.00	2,000.00	2,000.00
10-421-6300	General Supplies	532.12	1,520.63	800.00	600.00	1,000.00
10-421-6301	Supply:Books & Subscriptions	1,696.80	666.40	700.00	700.00	1,500.00
10-421-6500	Utilities (electricity & gas)	1,137.67	1,230.68	1,500.00	1,300.00	1,500.00
10-421-6520	Telephone	739.82	692.44	500.00	600.00	500.00
10-421-6900	Equip Supply	1,125.00	2,250.00	3,000.00	2,483.92	3,000.00
Total Magistrate Court:		80,855.50	89,419.55	95,410.00	84,118.02	97,410.00
Public Safety						
10-425-5300	OSP Sheriff Services	366,237.96	381,884.00	392,370.00	392,370.00	415,912.00
10-425-5301	OSP Emergency Response	1,674.00	1,674.00	1,800.00	1,674.00	1,800.00
10-425-5501	Facilities Sheriff Office	9,400.32	9,868.00	10,134.00	10,000.00	10,134.00
10-425-5503	Maintenance Sheriff Office	110.00	-	-	-	-
10-425-6500	Utilities (electricity)	2,260.53	2,265.44	2,500.00	2,300.00	2,500.00
Total Public Safety:		379,682.81	395,691.44	406,804.00	406,344.00	430,346.00
Engineering						
10-430-4000	Salary and Wages	50,830.42	55,314.40	54,817.00	54,817.00	57,576.00
10-430-4110	Health Insurance	7,320.82	8,519.24	9,852.00	9,852.00	10,512.00
10-430-4111	Dental & Vision Insurance	580.10	625.32	780.00	780.00	900.00

FY 2017-18		2014-15	2015-16	2016-17	2016-17	2017-18
		Prior year2	Prior year	Current year	Current year	Proposed
Account Number	Account Title	Actual	Actual	Budget	Projection	Budget
10-430-4120	Retirement	6,297.79	6,613.37	6,579.00	6,560.00	6,910.00
10-430-4150	Medicare	735.19	814.54	795.00	800.00	835.00
10-430-4160	State Unemployment	382.19	296.65	420.00	300.00	280.00
10-430-4170	Workers Compensation	1,187.00	1,859.00	1,781.00	1,900.00	3,000.00
10-430-5001	OSP Engineering	2,800.00	-	1,000.00	-	5,000.00
10-430-6010	Professional Memberships	-	-	200.00	-	200.00
10-430-6020	Training and Travel	-	889.64	1,000.00	300.00	1,000.00
10-430-6300	General Supplies		-	-	-	-
Total Engineering:		70,133.51	74,932.16	77,224.00	75,309.00	86,213.00
Public Works & Facilities						
10-431-4000	Salary & Wages	55,252.62	66,632.69	72,025.00	69,000.00	102,313.00
10-431-4010	Overtime	240.07	-	800.00	388.02	-
10-431-4110	Health Insurance	11,148.79	17,036.29	19,412.00	19,412.00	31,112.00
10-431-4111	Dental & Vision Insurance	1,090.11	1,253.64	1,560.00	1,560.00	2,700.00
10-431-4120	Retirement	4,982.52	7,870.09	7,882.00	7,800.00	12,278.00
10-431-4150	Medicare	772.73	958.82	1,056.00	1,056.00	1,484.00
10-431-4160	State Unemployment	649.70	596.28	1,260.00	600.00	840.00
10-431-4170	Workers Compensation	2,097.00	2,212.00	2,675.00	2,200.00	4,500.00
10-431-5200	OSP Janitorial Services	2,945.00	2,940.00	3,000.00	3,000.00	3,000.00
10-431-5500	Facilities, Town Hall Rental	36,169.20	37,969.56	38,991.00	38,991.00	38,991.00
10-431-5503	Facility Maintenance	534.41	245.27	500.00	-	500.00
10-431-5900	OSP Other	2,075.67	2,097.46	2,500.00	1,647.75	2,500.00
10-431-5903	Liability & Auto Insurance	24,831.00	26,105.00	29,200.00	26,680.00	28,000.00
10-431-6020	Training and Travel	307.70	-	200.00	-	200.00
10-431-6300	General Supplies - Town	9,888.82	10,248.50	8,000.00	7,000.00	8,000.00
10-431-6500	Facilities, Electric Utilities	5,892.47	6,147.34	8,000.00	5,008.87	7,000.00
10-431-6510	Facilities, Gas Utilities	640.31	540.71	800.00	893.84	1,000.00
10-431-6520	Facilities, Telephone	6,217.42	5,993.66	6,500.00	4,609.21	6,500.00
10-431-6530	Facilities, Cellular	513.42	1,041.40	1,200.00	416.54	1,200.00
10-431-6595	Vehicle Maintenance	8.00	1,475.01	500.00	127.31	500.00
10-431-6600	Facilities, Fuel	814.72	1,000.00	500.00	500.00	500.00
10-431-7001	Road / Facility Acquisit	17,412.81	16,549.83	12,000.00	-	13,000.00
10-431-7006	Open Space & Park	1,339.55	7,900.59	500.00	444.31	500.00
Total Public Works:		185,824.04	216,814.14	219,061.00	191,334.85	266,618.00
Community Development						
10-465-4000	Salary & Wages	82,103.36	137,438.16	132,114.00	130,000.00	131,991.00
10-465-4010	Overtime	-	-			-
10-465-4110	Health Insurance	1,929.63	10,618.38	20,048.00	9,000.00	21,308.00
10-465-4111	Dental & Vision Insurance	814.66	1,253.64	1,560.00	1,010.00	1,800.00
10-465-4120	Retirement	5,759.03	12,964.96	12,884.00	12,000.00	12,916.00
10-465-4150	Medicare	1,166.67	2,030.63	1,916.00	1,910.00	1,914.00
10-465-4160	State Unemployment	1,610.70	1,713.43	1,260.00	800.00	840.00
10-465-4170	Workers Compensation	1,042.00	1,694.00	1,200.00	1,500.00	2,000.00
10-465-5001	OSP P&Z Management	252.14	500.00	5,000.00	2,983.99	28,000.00
10-465-5005	IGA Library Service	36,143.00	36,143.00	36,143.00	36,143.00	41,961.00
10-465-5501	Facilities, Library (rental+repair)	12,200.56	12,145.56	13,000.00	12,144.00	28,080.00
10-465-5900	OSP Other	5,827.21	-	-	-	-
10-465-6010	Professional Memberships	125.00	541.00	500.00	600.00	500.00
10-465-6020	Training and Travel	112.28	3,267.35	1,500.00	-	2,500.00
10-465-6100	Supply: Book Subscriptions	-	205.95	200.00	-	200.00
10-465-6380	Software maint (windoware; GIS)	-	1,300.00	3,800.00	2,066.03	2,100.00
10-465-6950	Neighborhood Outreach	17,837.29	24,284.13	56,500.00	34,000.00	36,680.00
10-465-6951	Fee Refund	-	-	-	-	500.00
Total Community Development:		166,923.53	246,100.19	287,625.00	244,157.02	313,290.00

FY 2017-18		2014-15	2015-16	2016-17	2016-17	2017-18
		Prior year2	Prior year	Current year	Current year	Proposed
Account Number	Account Title	Actual	Actual	Budget	Projection	Budget
Non-Departmental						
10-499-9994	Transfer out to HURF	-	-	24,435.00	24,435.00	28,886.00
10-499-9995	Cost Overruns Contingency	30,256.34	-	200,000.00	-	200,000.00
10-499-9998	Employee one time bonus	-	10,350.00	-	-	
Total Non-Departmental:		30,256.34	10,350.00	224,435.00	24,435.00	228,886.00
GENERAL FUND REVENUE TOTAL:		1,642,226.88	1,855,874.34	1,684,302.00	1,765,502.00	1,791,516.00
EXPENDITURES before transfer/Contigency:		1,357,700.76	1,501,687.68	1,659,867.00	1,498,589.24	1,762,630.00
GENERAL FUND EXPENDITURE TOTAL:		1,357,700.76	1,512,037.68	1,884,302.00	1,523,024.24	1,991,516.00
Net Excess no contigency(under):		284,526.12	354,186.66	24,435.00	266,912.76	28,886.00
Net Increase (decrease) in FUND BALANCE:		254,269.78	343,836.66	(200,000.00)	242,477.76	(200,000.00)
Highway User Revenue Fund (HURF)						
Revenues						
20-100-3340	HURF	304,039.24	316,440.74	318,908.00	318,908.00	329,479.00
20-100-3490	Impact Fees		-			-
20-100-3600	Interest Earnings	542.62	1,249.79	500.00	1,800.00	1,600.00
20-100-3340	Transfer-in from General Fund		-	24,435.00	24,435.00	28,886.00
Total Revenues:		304,581.86	317,690.53	343,843.00	345,143.00	359,965.00
Engineering						
20-430-6380	Software Maint and Acquisition		-			3,000.00
20-430-7001	Roadway Maintenance		-			-
20-430-7002	CAPITAL ROAD IMPROVEMENT	2,057.50	-	7,000.00	-	16,000.00
Total Engineering:		2,057.50	-	7,000.00	-	19,000.00
Public Works						
20-431-5900	OSP Other(On-going Road Maint)	38,087.92	87,812.39	56,000.00	56,000.00	43,000.00
20-431-6595	Vehicle Maintenance	1,597.86	110.12	2,500.00	500	2,500.00
20-431-6600	Facilities, Fuel	7,344.12	5,014.68	8,000.00	4,000.00	6,000.00
20-431-6900	Heavy Equip Maintenance	5,527.41	6,213.32	10,000.00	5000	12,000.00
20-431-7001	In-house ROW Maint Materials	23,364.20	6,120.87	7,500.00	7,000.00	13,000.00
20-431-7006	CAPITAL ROAD Maint (OSP)	219,841.36	217,073.43	213,000.00	213,000.00	236,000.00
20-431-7400	Capital Equipment	39,385.91	12,571.16	*3,000.00*	0.00	30,000.00
20-431-7008	One-time road projects/equip expense		-	*126,000.00*	100,000.00	120,000.00
Total Public Works:		335,148.78	334,915.97	426,000.00	385,500.00	462,500.00
HURF FUND REVENUE TOTAL:		304,581.86	317,690.53	343,843.00	345,143.00	359,965.00
HURF FUND EXPENDITURE TOTAL:		337,206.28	334,915.97	433,000.00	385,500.00	481,500.00
Net HURF FUND:		(32,624.42)	(17,225.44)	(89,157.00)	(40,357.00)	(121,535.00)
GRANT FUND						
22-100-3380	CDBG Grant Revenue	-	(0.22)	300,000.00	204,077.45	-
22-100-3390	Misc. Grants	-	105,076.00	1,505,000.00	-	1,505,000.00
22-100-3400	Yav Co. flood control fund	75,000.00	65,000.00	60,000.00	60,000.00	65,000.00
Total Revenues:		75,000.00	170,075.78	1,865,000.00	264,077.45	1,570,000.00
22-430-7800	CDBG Qualified Expenditures	75.00	105,076.00	300,000.00	204,077.45	-
22-430-7810	Misc Grant Expenditure	427.75	-	1,505,000.00	-	1,505,000.00

FY 2017-18		2014-15	2015-16	2016-17	2016-17	2017-18
		Prior year2	Prior year	Current year	Current year	Proposed
Account Number	Account Title	Actual	Actual	Budget	Projection	Budget
22-430-7820	Flood control reimburse	72,623.00	65,000.00	60,000.00	60,000.00	65,000.00
Total Expenditures		73,125.75	170,076.00	1,865,000.00	264,077.45	1,570,000.00
Net GRANT FUND:		1,874.25	(0.22)	-	-	-
GRAND TOTALS - ALL FUNDS						
REVENUES		2,021,808.74	2,343,640.65	3,893,145.00	2,374,722.45	3,721,481.00
EXPENDITURES		1,768,032.79	2,017,029.65	4,182,302.00	2,172,601.69	4,043,016.00
NET GRAND TOTALS		253,775.95	326,611.00	(289,157.00)	202,120.76	(321,535.00)

Appendix C: Glossary

AMRRP means the "Arizona Municipal Risk Retention Pool," a not-for-profit corporation, owned and operated by its Members in a cooperative effort to provide protection from losses to Members' resources.

ARS means "Arizona Revised Statutes," as found at http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp.

CAFR means "Comprehensive Annual Financial Report," an annual financial report prepared by local governments.

Capital Assets are assets of the Town costing more than $10,000 with a useful life of longer than one year.

Capital Expenditures are expenditures for Capital Assets.

CIP means "Capital Improvement Program." A CIP helps plan multi-year construction, supplementing the one-year Budget.

Development Agreements are agreements between the Town and a Developer to facilitate development. Described by ARS § 9-500.05, development agreements can be used in a variety of ways to ensure that capital facilities are adequate to serve new development. Some examples are a developer constructing capital facilities to serve a greater area than their particular development with an agreement that he or she will be paid back as new developments come online and tie into the facilities, or a development agreement that specifies that certain facilities will be constructed at different phases of development.

Development fees or Impact fees are defined under ARS § 9-463.05. A municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development. Fees must be assessed in a nondiscriminatory manner. The Town has a development fee program.

Fiscal year (FY) means the year used by the Town for accounting and budgeting purposes, from July 1 to June 30. FY2017 begins on July 1, 2016, and ends on June 30, 2017.

FTE means "Full Time Equivalent," that is, approximately the number of persons performing the work on a full time basis.

Fund Balance is the difference between assets and liabilities reported in a governmental fund.

GFOA means the "Government Finance Officers Association of the US & Canada," a professional association of state, provincial and local finance officers in the United States and Canada.

HURF means "Highway User Revenue Fund" as outlined by ARS § 28-6501.

ICMA means the "International City/County Management Association," the professional and educational association for appointed local government administrators throughout the world.

Impact fees: see "Development fees."

Income Tax Revenues are the Town's portion of the State income tax. Although local governments in Arizona do not have the authority to assess income tax, the State issues 15% of the previous two years income tax collected by the State to the Town based on the Town's population as a percentage of total State population.

LTAF means "Local Transportation Assistance Fund" as outlined by ARS § 28-8101 and following.

NCS means "National Citizens Survey," which provides tailored data to help with performance management, longitudinal trends, and comparisons with other communities.

NFIP means "National Flood Insurance Program," the program provides flood insurance in more than 20,000 communities and is managed by the Federal Insurance and Mitigation Administration (FIMA). See http://www.floodsmart.gov/ for more information.

"Part 1 crimes" are murder, non-negligent manslaughter, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson.

State-Shared Revenues are the Town's portion of the state transaction privilege tax. All sales transactions in the State are subject to a 5% state transaction privilege tax. This is allocated to state government (50%), school districts (40%) and cities and towns (10%). The formula for calculating the share of these funds that will be distributed to a given municipality is based on the population as a percentage of the total State population

Town Staff means:

Town Manager
Community Planner/Code Officer
Community Development Technician
Building Official/Inspector
Town Clerk
Administrative Assistant
Public Works Supervisor
Public Works Operators
Finance Supervisor
Accounting Clerk
Town Magistrate
Court Clerk
Town IT Consultants: Four D. LLC
Town Attorney: Gust Rosenfeld PLC
Town Engineer: Shepard and Wesnitzer Inc.
Yavapai County Sherriff Office – Police service intergovernmental agreement
Yavapai County Library District – Library service intergovernmental agreement
Central Arizona Fire and Medical Authority – Fire district

Transaction Privilege Tax (TPT) is basically the same thing as a sales tax, except that the person responsible for paying the tax is the vendor, not the purchaser. In addition to sales tax received from State shared revenues, a municipality may assess a sales tax within its jurisdictional boundaries to fund a variety of capital facilities and services. The Town assesses TPT at the 2% rate for most activities in FY2016-17.

Transportation Revenues are revenues for street and highway funding distributed by the state to the Town from several sources. These include HURF, LTAF, State lottery, and vehicle license fees. There are restrictions on many of these funds.

User Fees mean revenues assessed per Council ordinance for work done by the Town primarily benefiting a specific person or parcel owner, and requested by that person or owner. Examples include zoning permits and building fees.

Appendix D: Town Statistical and Supplemental Data

The Town of Dewey-Humboldt is located in Central Yavapai County approximately 18 miles west of Interstate 17 and 15 miles east of the City of Prescott. Two major state highways, SR 69 and SR 169, transect the Town, providing access to services, employment and transportation throughout the County and Arizona.

On December 20, 2004, the Town of Dewey-Humboldt was incorporated with an estimated population of approximately 4,005.

The Town of Dewey-Humboldt's incorporation in December 2004 combined two adjacent unincorporated communities: Dewey and Humboldt. These distinct but interconnected places share a rich history from the first non-Indian settlers in the area in the 1860's. The settlers found ruins providing evidence of Indians, engaged in raising livestock, growing crops, and mining from 900 to 1300 A.D. Rock Art was left by the earliest of these people who may have been known as the "Tribe with White Dogs." It is believed that they were the Hohokom People, and were later followed by the Yavapai Tribe who inhabited the area and continued the agricultural and mining traditions.

The 1860's brought prospectors to Dewey and Humboldt in search of gold. The first of these was King Woolsey, whose house near the Agua Fria River was built from stones of Indian ruins on his property. Later, Levi Bashford built a small smelter that operated from 1876 through 1884. When it was destroyed by fire, the remains were bought and operated by a company that built the Val Verde Smelter, a larger operation running from 1899 until 1904. The company-owned town of Val Verde developed, including a post office.

After another fire and subsequent purchase of the land and water rights by the Arizona Smelting Company, a new and larger smelter was constructed in 1906, and the Town was renamed Humboldt after the naturalist and explorer, Friedrich Heinrich Alexander Von Humboldt. This was the beginning of a period of growth and prosperity with the forming of the Humboldt Improvement District resulting in the building of a hospital, fire station, clubhouse, stores, large homes and a population over 1,000 in 1907. The area prospered until after World War I when the demand for ore diminished and the population declined. The smelter's closing in 1930 was followed by the closings of the hospital and many businesses during the Depression years.

In the Dewey area, formerly known as Cherry Siding, settlers came for ranching and growing crops in addition to mining. With a train stop and stage coach station, Dewey expanded. Just prior to the turn of the 20th Century, there was a hotel, boarding house, saloons, livery stable and grocery located near the present intersection of SR 69 and SR 169. After fires destroyed many buildings, the community rebuilt including a schoolhouse, which closed in 1931 during the Great Depression. Farming and ranching continued to be mainstays in the fertile, temperate area.

The populations of the Dewey and Humboldt communities continued to decline until the 1950's with the paving of SR-69, the rebuilding of the Humboldt Elementary School and the Blue Hills subdivision. The Lazy River Acres subdivision in the 1960's resulted in population growth through the area, even with the closing of the Iron King Mine and later removal of the railroad tracks in 1971.

Young's Farm, established by Elmer Young in 1946 at the intersection of SR 69 and SR 169, was the center of activity in the area, hosting a variety of activities including a farmer's market, corn festival, and the annual pumpkin festival which drew 150,000 people from throughout the state in the 1980's, and continued to prosper until it closed in 2006. Through those 30 years and into the present, the Dewey-Humboldt area enjoys slow growth, which ensures the survival and continuation of the Town's rural character.

Appendix E: Financial Policies

Dewey-Humboldt Principles of Sound Financial Management

(updated in 2016)

Introduction

The Town has an important responsibility to its citizens to carefully account for public funds, to manage its finances wisely, and to plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities. In these times of tight budgets, of major changes in federal and state policies toward local government, and of limited growth in the Town's tax base, the Town needs to ensure that it is capable of adequately funding and providing those government services desired by the community. Ultimately, the Town's reputation and success will depend on the public's awareness and acceptability of the management and delivery of these services.

These adopted Principles of Sound Financial Management establish guidelines for the Town's overall fiscal planning and management. These principles are intended to foster and support the continued financial strength and stability of the Town of Dewey-Humboldt as reflected in its financial goals. The Town's financial goals are broad, fairly timeless statements of the financial position the Town seeks to attain:

- To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.
- To maintain an adequate financial base to sustain a sufficient level of municipal services, thereby preserving the quality of life in the Town of Dewey-Humboldt.
- To have the ability to withstand local and regional economic fluctuations, to adjust to changes in the service requirements of our community, and to respond to changes in Federal and State priorities and funding as they affect the Town's residents.
- The Town does not have bond obligations now. If and when the Town begins to issue bonds, town will do the following: to maintain a high bond credit rating to ensure the Town's access to the bond markets and to provide assurance to the Town's taxpayers that the Town government is well managed and financially sound.

Following these principles will enhance the Town's financial health as well as its image and credibility with its citizens; the public in general, bond rating agencies and investors. To achieve these purposes as the Town of Dewey-Humboldt continues to grow and develop, it is important to regularly engage in the process of financial planning including reaffirming and updating these financial guidelines. Policy changes will be needed as the Town continues to grow and become more diverse and complex in the services it provides, as well as the organization under which it operates to provide these services to its citizens.

Resolution adopting these Principles

RESOLUTION № 16-119

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, ARIZONA, ADOPTING THE PRINCIPLES OF SOUND FINANCIAL MANAGEMENT, AUTHORIZING THE PREPARATION OF DOCUMENTS, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town has an important responsibility to its citizens to carefully account for public funds, to manage its finances wisely, and to plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities;

WHEREAS, in these times of tight budgets, of major changes in federal and state policies toward local government, and of limited growth in the Town's tax base, the Town needs to ensure that it is capable of adequately funding and providing those government services desired by the community; and

WHEREAS, ultimately, the Town's reputation and success will depend on the public's awareness and acceptability of the management and delivery of these services.

WHERAS, the Town Council has adopted the "Principles of Sound Financial Management" (PoSFM) through Resolution 08-58 in October 2008.

WHERAS, several years have gone by since the original PoSFM was adopted. Town Council wishes to update the PoSFM to reflect current changes and progresses.

NOW THEREFORE, be it resolved by the Mayor and Town Council of the Town of Dewey-Humboldt, Arizona that:

Section 1: Revised Principles of Sound Financial Management Adoption. the Town of Dewey Humboldt is to adopt the revised Principles of Sound Financial Management (PoSFM), attached hereto as ***Exhibit A***, as Resolution № 16-119, to establish guidelines for the Town's overall fiscal planning and management in order to foster and support the continued financial strength and stability of the Town of Dewey-Humboldt as reflected in its financial goals.

Section 2: Authorization to Prepare Documents. The Town Manager, Town Clerk, Town Attorney, and any other necessary persons are hereby authorized to prepare the agreements, forms and instruments contemplated to be used by the Town in implementing the provisions of the PoSFM.

Section 3: Effective Date. This Resolution shall be effective immediately.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Dewey-Humboldt, Arizona, this 16th day of February 2016.

Mayor Nolan, Mayor

ATTEST:

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Judy Morgan, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld PLC Town Attorney

Fiscal Planning and Budgeting

Fiscal planning refers to the process of identifying resources and allocating those resources among numerous and complex competing purposes. The primary vehicle for this planning is the preparation, monitoring and analysis of the Town's budget. It is increasingly important to incorporate a long-term perspective and to monitor the performance of the programs competing to receive funding.

Forecasting

The Finance Department will prepare a 2-year financial forecast that will incorporate both revenue and expenditure estimates for the Town's major operating funds. The 2-year revenue forecast will focus solely on revenues that are anticipated to be sustainable over the 2-year period. The estimates of non-agency revenues, grant and agency revenues, and inter-fund transfers will also be provided. Expenditure projections should include the anticipated operating impacts of the adopted capital improvement program. The 2-year long-range forecast will be updated annually and presented to the Town Council at the start of the Town budget process. In the event that the Town issues debt securities, the Department will prepare 5-year forecasts.

Schedule

The Town Manager shall submit a proposed annual budget to the Town Council before April 30th in each year. This proposed budget must be based on Council's established goals. The Town Manager shall execute the budget as finally adopted. The Town will budget revenues and expenditures on the basis of a fiscal year which begins July 1st and ends on the following June 30th. The Town Council shall make every effort to adopt the budget for the following fiscal year no later than July 1st. If the budget is not adopted before July 1st, the Council may adopt a continuing resolution to allow the Town to expend funds until the budget is adopted.

The Town Manager shall provide annually a budget preparation schedule outlining the preparation timelines for the proposed budget.

Standards

The Town will prepare a budget in accordance with the framework established by the National Advisory Council on State and Local Budgeting in Recommended Budget Practices – A Framework for Improved State and Local Government Budgeting and the Government Finance Officers Association in its Distinguished Budget Award Program. The proposed budget will contain the following:

- Revenue estimates by major category, by fund;
- Expenditure estimates by program levels and major expenditure category, by fund;
- Estimated fund balance by fund;
- Debt service, by issue, detailing principal and interest amounts;
- Proposed personnel staffing levels per program;
- A detailed schedule of capital projects; and
- Any additional information, data, or analysis requested of management by the Town Council.

The Town maintains its financial records in accordance with accounting principles generally accepted in the United States of America known as GAAP. Although the Town's budget is prepared on a

modified cash basis that differs from GAAP, the Town will attempt to minimize these differences between the budget basis of accounting and GAAP.

Operating Budget

The operating budget will be organized around policy outcomes, typically in programs, intended to be achieved within the budget period. It is often appropriate to refer to interim outcomes towards a longer-term outcome beyond the current year. The preferred policy outcomes will be explicitly outlined and will describe the changes in the lives of individuals, families, organizations, or the Town as a result of the program. Line items within programs should describe discrete actions, and should be neither so vague as to confuse the expected outcome nor so granular that the mass of detail is distracting.

Fiscally, the operating budget will be based on the principle that current operating expenditures, including debt service when it occurs, will be funded with current revenues creating a balanced budget. The budget will not use one-time (non-recurring) sources to fund continuing (recurring) uses, postpone expenditures, or use external borrowing for operational requirements. The budget will incorporate the best available estimates of revenues and expenditures.

The budget will fully appropriate the estimated actual expenditures needed for authorized regular staffing. A system will be used to facilitate position control. At no time shall the number of full-time and regular part-time employees on the payroll exceed the total number of positions authorized by the Town Council. Pursuant to Personnel Administrative Regulations, additional temporary appointment of employees can be made with the approval of the Town Manager.

Unspent appropriations for significant programs and major projects will be considered for re-appropriation in the subsequent fiscal year. Such re-appropriation shall be included to finance the overall proposed budget. There may be transfers of appropriations between programs that occur only by Council action amending the adopted budget.

Performance Measures

Performance measurement indicators will be integrated into the budget process as appropriate. Performance measures will be monitored and reported on an annual basis.

Alternatives for improving the efficiency and effectiveness of the Town's programs and the productivity of its employees will be considered during the budget process. Duplication of services and inefficiency in service delivery should be eliminated wherever they are identified.

Budget Risk Management

The Town’s annual budget will include contingency appropriation to provide for unanticipated increases in service delivery costs, emergencies, and needs that may arise throughout the fiscal year. The contingency appropriation can only be expended upon separate Council action.

The Town shall establish appropriate management controls to monitor expenditure budgets to ensure they do not exceed authorizations. For operating budgets, this control shall be exercised at the program/fund level. For capital budgets, this control shall be at the project level.

A quarterly report on the status of the General Fund budget and trends will be prepared by the Finance Department and presented to the Town Council by no later than 60 days of the end of each

quarter. In addition, the quarterly report shall include revenue and expenditure projections through the end of the fiscal year.

If a deficit is projected during any fiscal year, the Town will take steps to reduce expenditures, increase revenues or, if a deficit is caused by an emergency, consider using the Undesignated General Fund Balance, to the extent necessary to ensure a balanced budget at the close of the fiscal year. The Town Manager may institute a cessation during the fiscal year on new hires, promotions, transfers, and capital equipment purchases. Such action will not be taken arbitrarily and without knowledge and support of the Town Council.

Capital Budget

The Capital Budget will be prepared in accordance with the Capital Improvement Program section hereof.

Fund Balance

Fund balance is an important indicator of the Town's financial position. Adequate fund balances must be maintained to allow the Town to continue providing services to the community in case of economic downturns and/or unexpected emergencies or requirements.

Fund Balance is comprised of Nonspendable, Restricted, Committed, Assigned, or Unassigned components. This policy refers to unrestricted fund balances which would include the latter three fund balance components: Committed, Assigned, or Unassigned. See the chart at the end of this section for an explanation of Fund Balance Reporting.

The Town's Unrestricted Fund Balances will be maintained to provide the Town with a comfortable margin of safety to address emergencies and/or unexpected declines in revenue without borrowing.

Committed Fund Balance

Mayor and Council action is required to "commit" and "uncommit" funds for a specific purpose.

The Town will maintain a Contingency Reserve Fund as part of the committed component. This fund will maintain a balance of at least 10% and no more than 30% of the general fund budgeted expenditures for the current fiscal year. The exact percentage will be set by Council each year as part of the budget process.

The Town will maintain an Operational Reserve at least 30% and no more than 50% of the average General and HURF fund total revenues or expenditures for the preceding three years; whichever amount is higher. The intent of this is to provide additional stability to the General Fund recognizing the cyclical nature of the economy. The Operational Reserve may only be used to cover unforeseen emergencies and unexpected declines in revenue.

To the extent these reserves are expended, the Town will increase its General Fund revenues or decrease its expenditures as necessary to prevent the continued use of these reserves. The Town must restore to the minimum limit over a period not to exceed three years.

Assigned Fund Balance

Use of any Assigned Fund Balance up to $4,999 requires approval of both the Town Manager and finance. Amounts $5,000 and up requires finance, Town Manager and Council approval.

Unassigned

Funds in excess of the minimum targets will be retained in the Unassigned General Fund Balance, and may be considered to supplement "pay as you go" capital outlay and one-time operating expenditures, or may be used to prepay existing Town debt. These funds may not be used to establish or support costs that are recurring in nature.

Fund Balance Reporting			
CLASSIFICATION		***DEFINITION***	***EXAMPLES***
NONSPENDABLE		"Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact."	Permanent principal of an endowment fund, Prepaid items, inventories
RESTRICTED		"Fund balance should be reported as restricted when constraints placed on the use of resources are either: a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b. Imposed by law through constitutional provisions or enabling legislation."	Restricted by state statute, Taxes dedicated to a specific purpose (HURF), Revenues restricted by enabling legislation, Grants earned but not spent, Unspent bond proceeds, Debt covenants
UNRESTRICTED	***COMMITTED***	"Used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority"	Formal Minimum Fund Balance Contingency Reserve Fund Economic Uncertainty Fund Town Council decides to set aside $1M for a new town hall
	ASSIGNED	"Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed"	Other Specified Contingencies, Appropriated Fund Balance, Council deligates the authority to assign fund balance to the Town Manager (during budget process)
	UNASSIGNED	Unassigned fund balance is the residual classification for the General Fund. This is fund balance that has not been reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.	

Expenditure Control

Management must ensure compliance with the legally adopted budget. In addition, purchases and expenditures must comply with legal requirements and policies and procedures set forth by the Town.

Expenditures will be controlled by an annual appropriated budget at the program/fund level. The Town Council shall establish appropriations through the budget process. The Town Manager may transfer expenditure authority between line items within a program, but only the Council may transfer appropriations between programs. Written procedures will be maintained for administrative approval and processing of budget transfers between line items, programs, and funds. All purchases, including contracts exceeding $5,000 must be executed by the Town Council: other purchases,

including contracts and financial obligations may be executed by the Town Manager when appropriated in the annual budget.

Program heads are responsible for monitoring expenditures to prevent exceeding their total program expenditure budget. It is the responsibility of these program heads to immediately notify the Town's Chief Financial Officer and the Town Manager of any circumstances that could result in a program budget being exceeded.

The Town will maintain a purchasing system that provides needed commodities and services in a timely manner to avoid interruptions in the delivery of services. All purchases shall be made in accordance with the Town's procurement code, purchasing policies, guidelines and procedures and applicable state and federal laws. The Town will endeavor to obtain supplies, equipment and services that provide the best value.

A system of appropriate internal controls and procedures using best practices shall be maintained for the procurement and payment processes. These internal controls will be reviewed in conjunction with the Town's annual financial audit.

The Town will make all payments within the established terms. The Town shall pay applicable contractor invoices in accordance with the requirements of Arizona Revised Statutes § 34-221.

The State of Arizona sets a limit on the expenditures of local jurisdictions. The Town will comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements, and audited reconciliation report as defined by the Uniform Expenditure Reporting System (A.R.S. § 41-1279.07) to the State Auditor General within the prescribed timelines.

The Town Council will pursue local override of the State expenditure limitation as provided by the State Constitution if the projected expenditures within 2 years are anticipated to exceed the expenditure limitation. This override may be through local voter approval of a permanent base adjustment (Article IX, Section 20, Subsection 6), or by local voter approval of Home Rule (Article IX, Section 20, Subsection 9).

Revenues and Collections

In order to provide funding for service delivery, the Town must have reliable revenue sources. These diverse revenues must be assessed and collected equitably, timely, and efficiently.

The Town's goal is a General Fund revenue base balanced between local sales (transaction privilege) taxes, state shared revenues (including state sales taxes), and other revenue sources.

The Town will maintain a diversified and stable revenue base to shelter it from economic changes or short-term fluctuations by doing the following:

- Conducting a cost of service study as needed to determine if all allowable fees are being properly calculated and set at an appropriate level.
- Establishing new charges and fees as appropriate and as permitted by law.
- Pursuing legislative change, when necessary, to permit changes or establishment of user charges and fees.
- Actively collecting all revenues, late penalties and related interest as authorized by the Arizona Revised Statues. When collecting civil penalties that have been imposed by the Town, the town has the following policies: A. Town utilizes a collection agency. The Town Manager shall have discretion to determine the length of time the collection agency will have to collect the amounts due to the Town. B. If a civil penalty was imposed in a case related to the occupancy or use of land. The Town can also record a notice of civil sanction and/or an abatement order and/or violation notice with the Yavapai County Recorder.

Grants

Many grants require Council's appropriation of funds, either for the original grant or to continue programs after the grant funding has expired. Council should review these grant programs prior to determining whether application should be made for these grant funds.

The Town shall apply for only those grants that are consistent with the objectives and high priority needs previously identified by Council. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

The Town shall attempt to recover all allowable costs – direct and indirect – associated with the administration and implementation of programs funded through grants. The Town may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the Town's policy objectives. When the potential for ongoing expenditures exceeds the program budget allocation, programs shall seek Council approval prior to submission of the grant application. If time constraints under the grant program make this impossible, the program shall obtain approval to submit an application from the Town Manager and then, at the earliest feasible time, seek formal Council approval. If there is a cash match requirement, the source of funding shall be identified prior to application.

The Town may terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified. When such grant funding is terminated, Town staff will prepare a report evaluating the results of the grant program and will make a finding to determine whether to continue funding the project with other financial resources. Many grants are given to enable towns to try a program or to provide seed money to establish a program, and follow-up analysis is required to make the best use of such funds.

User Fee Cost Recovery and Indirect Cost Allocations

User fees and charges are payments for voluntarily purchased, publicly provided services that benefit specific individuals. The Town relies on user fees and charges to supplement other revenue sources in order to provide public services.

Indirect cost charges are assessed to recover a portion of the costs for services provided between various funds.

The Town may establish user fees and charges for certain services provided to users receiving a specific benefit.

Development Impact Fees (policy reserved)

The Council's policy is that growth should pay for itself to the maximum extent possible. As such, the Council has adopted a system of development impact fees. Development impact fees are one-time charges assessed against new customers to recover a proportional share of capital costs incurred to provide service capacity for new customers. Appropriate development fees are an important component in the overall strategy for pricing services. In 2009 the Council adopted Ordinance 09-59 to impose impact fees in the Town.

However, in 2011 State Legislature adopted comprehensive legislation that substantially revised the procedures for adoption and imposition of development fees. Ordinance 05-59 remained in place until July 31, 2014. The 2011 "impact fee" state legislature (A.R.S. 9-463.05) has made significant changes that the cost associated with administrating impact fees are higher while the regulation for impact fee uses are stricter. Based on the Town's population growth projection trend, it has become

impractical and not cost-effective to continue the impact fee program. Therefore, Council has decided to remove impact fee charge as of August 1, 2014. Town council can at any time decide to reinstate the impact fees upon a study by a qualified firm.

Capital Improvement Program

The purpose of the Capital Improvement Program is to systematically identify, plan, schedule, finance, track and monitor capital projects to ensure cost-effectiveness as well as conformance to established policies.

The Capital Improvement Program shall provide:

- A statement of the objectives of the Capital Improvement Program and the relationship with the Town's General Plan, program master plans, necessary service levels, and expected facility needs.
- An implementation program for each of the capital improvements that provides for the coordination and timing of project construction among various Town programs.
- An estimate of each project's costs, anticipated sources of revenue for financing the project, and an estimate of the impact of each project on Town revenues and operating budgets. The operating impact information shall be provided for the period covered in the Town's current 10-year Capital Improvement Program. No capital project shall be funded unless operating impacts have been assessed and the necessary funds can be reasonably anticipated to be available when needed for the systematic improvement and maintenance of the Town's capital infrastructure.
- Revenues and project costs will be calculated in current dollars.
- Debt ratio targets that comply with the Debt Management section of these policies.
- A schedule of proposed debt issuance.

The Town will match programs and activities identified in the Capital Improvement Program with associated funding sources. The Town will also seek to match project costs with project users, with may require the issuance of debt to allow future users to pay in the future and to maintain intergenerational equity.

When current revenues or resources are available for capital improvement projects, consideration will be given first to those capital assets with the shortest useful life and to those capital assets whose nature makes them comparatively more difficult to finance with bonds or lease financing. Using cash for projects with shorter lives and bonds for projects with longer lives facilitates intergenerational equity, wherein projects with long useful lives are paid over several generations using the project through debt service payments.

Capital improvement projects will not be authorized or awarded until the funding sources have been identified to finance the project and operating costs have been accounted.

Staff will monitor projects in progress to insure their timely completion or the adjustment of the Capital Improvement Program as approved by Council if a project is delayed or deferred. A quarterly status report will be presented to Town Council to monitor each project's progress and to identify any significant issues associated with a project. A prior year capital project status report shall be presented to the Town Council for information purposes when the capital improvement budget is considered.

Within **90 days** of the completion of a capital project any remaining appropriated funds for the project will be closed off and will revert to the fund balance of the funding source.

The Capital Improvement Program will be updated as needed as a multi-program effort.

Note – Council adopted Resolution 10-74 to adopt the Capital Improvement Plan FY 2011-2021 in 2010. Subsequently, following state law changes Council adopted Resolution 16- 121 to repeal Resolution 10-74 adopting the Capital Improvement Plan.

Staff is using the adopted CIP as a working document.

Cash Management and Investment

Cash management includes the activities undertaken to ensure maximum cash availability and maximum investment yield on a government's idle cash, and the cash collection function.

The Town shall maintain and comply with a written Investment Policy that has been approved by the Town Council. The Chief Financial Officer, as Chief Investment Officer, or his designee shall invest all funds of the Town according to the approved Investment Policy.

The Town will collect, deposit and disburse all funds on a schedule that insures optimum cash availability for investment.

In order to maximize yields from its overall portfolio, the Town will consolidate cash balances from various funds for investment purposes, and will allocate investment earnings to each participating fund.

Bond funds will be segregated from all other funds for arbitrage and accounting purposes.

The Town will project the cash needs of the Town to optimize the efficiency of the Town's investment and cash management program.

The Town will conduct its treasury activities with financial institution(s) based upon written contracts.

Ownership of the Town's investment securities will be protected through third party custodial safekeeping.

All Town bank accounts shall be reconciled and reviewed on a monthly basis.

Investment performance will be measured using standard indices specified in the Town's written investment policy. The Chief Financial Officer shall provide the Town Council with a quarterly investment report within 45 days of the end of each quarter.

The Town's Cash Management and Investment processes will be in accordance with written internal controls and procedures.

Debt Management (policy reserved)

Town currently does not issue debt securities. However, Town Council desires to establish thoughtful debt management policies when Town begins to issue debt security. For consideration of debt management policies:

It is the Town's intention to utilize long term debt to finance capital projects with long useful lives. Financing capital projects with debt provides for an "intergenerational equity," as the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the costs of the asset.

The purpose of this debt management policy is to provide for the preservation and eventual enhancement of the Town's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions, and required disclosures to investors, underwriters and rating agencies. These policy guidelines will also be used when evaluating the

purpose, necessity and condition under which debt will be issued. These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State Statutes, Town incorporation documents, federal tax laws, and any future bond resolutions and covenants.

The Arizona Constitution limits a Town's bonded debt capacity (outstanding principal) to certain percentages of the Town's secondary assessed valuation by the type of project to be constructed. There is a limit of 20% of secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facility improvements. There is a limit of 6% of secondary assessed valuation for any other general-purpose project.

All projects funded with Town general obligation bonds or revenue bonds must be included in the Town's Capital Improvement Plan and can only be undertaken after voter authorization is obtained through a Town-wide bond election.

The overall debt management policy of the Town is to ensure that financial resources of the Town are adequate in any general economic situation to not preclude the Town's ability to pay its debt when due.

The Town will not use long-term debt to fund current operations or projects that can be financed from current revenues or resources. The Town will first attempt to utilize "pay as you go" capital financing and/or the use of operating funds or impact fees where applicable.

The Town does not intend to issue commercial paper (CP) or bond anticipation notes (BANs) for periods longer than 2 years or for the term of a construction project. If CP or a BAN is issued for a capital project, it will be converted to a long-term bond or redeemed at its maturity.

The issuance of variable rate debt by the Town will be subject to the most careful review and will be issued only in a prudent and fiscally responsible manner.

The Town shall make every effort to combine debt issuances in order to minimize issuance costs.

Whenever the Town finds it necessary to issue tax-supported bonds, the following policy will be adhered to:

- Tax supported bonds are bonds for which funds used to make annual debt service expenditures are derived from Ad Valorem Tax (property tax) revenue of the Town.
- The target for the maturity of general obligation bonds will typically be between 20 and 30 years. The target for the "average weighted maturities" for general obligation bonds of the Town will be 12 years and 6 months.
- Where applicable, the Town will structure general obligation bond issues to create level debt service payments over the life of the issue.
- Debt supported by the Town's General Fund will not exceed 10% of the annual General Fund revenues.
- Secondary property tax rates will be determined each year as part of the budgetary process (pursuant to State law) to pay the necessary debt service payments of general obligation bonds currently outstanding or expected to be issued within the fiscal year.
- In accordance with requirements of the State of Arizona Constitution, total bonded debt will not exceed the 20% limitation and 6% limitation of the total secondary assessed valuation of taxable property in the Town.
- Reserve funds, when required, will be provided to adequately meet debt service requirements in subsequent years.
- Interest earnings on bond fund balances will only be used to pay debt service on the bonds unless otherwise committed for other uses or purposes of the project.

- The term of any bond will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.

Revenue bonds are defined as a bond on which the debt service is payable from the revenue generated from the operation of the project being financed or a category of facilities, from other non-tax sources of the Town, or from other designated taxes such as highway user's revenues, excise tax, or special fees or taxes. For any bonds or lease-purchase obligations in which the debt service is paid from revenue generated by the project and/or partially paid from non-property tax sources, that debt service is deemed to be revenue bonds and are excluded from the calculation of the annual debt service limitation. Whenever the Town finds it necessary to issue revenue bonds, the following guidelines will be adhered to:

- Revenue bonds of the Town will be analyzed carefully by the Finance Department for fiscal soundness. Part of this analysis shall include a feasibility report prepared by an independent consultant prior to the issuance of utility supported revenue bonds to ensure the generation of sufficient revenues to meet debt service requirements, compliance with existing bond covenants and to protect the bondholders.
- Revenue bonds should be structured to provide level annual debt service over the life of the issue.
- Debt Service Reserve Funds will be provided when required by rating agencies, bond insurers or existing bond covenants.
- Interest earnings on the reserve fund balances will be used to pay debt service on the bonds unless otherwise committed for other uses or purposes of the project.
- The term of any revenue bond or lease obligation issue will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.
- The target for the term of revenue bonds will typically be between 20 and 30 years. The target for the "average weighted maturities" for revenue bonds of the Town (except for those issued through the Arizona-Water Infrastructure Finance Authority) will be 12 years and 6 months.

Improvement District (ID) and Community Facility District (CFD) Bonds shall be issued only when the formation of the district demonstrates a clear and significant purpose for the Town. It is intended that Improvement District and Community Facility District bonds will be primarily issued for neighborhoods desiring improvements to their property such as roads, water lines, sewer lines, street lights, and drainage. The District must provide a specific benefit to the property owner(s). The Town will review each project through active involvement of Town staff and/or selected consultants to prepare projections, review pro-forma information and business plans, perform engineering studies, and analyze minimum debt coverage and value to debt ratios, and other analyses necessary to consider the proposal against specified criteria. Both ID and CFD bonds will be utilized only when it is expected that they will be outstanding for their full term.

An expanded policy will be maintained detailing the policy and procedures of the Town related to any future consideration of the formation of a Community Facilities District. Use of a CFD would require compliance with the new guidelines and procedures and specific Council approval.

Refunding bonds will be measured against a standard of the net present value debt service savings exceeding 5% of the debt service amount of the bonds being refunded, or if savings exceed $250,000, or for the purposes of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town.

The investment of bond proceeds shall at all times be in compliance with the Town's Investment and Portfolio Policies and meet all requirements of bond covenants. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness. The Town shall comply with Arizona Revised Statutes and all other legal requirements regarding the issuance of bonds

and certificates of the Town or its debt issuing authorities. The Town will maintain contact with rating agencies through meetings and visits on and off-site. The Town will secure ratings on all bonds issued when economically feasible.

The Town shall maintain a debt profile for all bonds issued and update the profile on an annual basis.

The debt profile shall include specific information regarding the size and type of debt issued, projects financed by the bonds, debt service schedules and other pertinent information related to each specific bond issue.

Risk Management

Risk management has become increasingly important in guarding against economic loss and in ensuring public safety in a time of increasing public liability and litigation. Risk management is involved in the identification, evaluation, and treatment of the Town's risk.

The Town shall make diligent efforts to prevent or mitigate the loss of Town assets and to reduce the Town's exposure to liability

Accounting, Auditing and Financial Reporting

Accounting, auditing and financial reporting form the informational infrastructure for public finance. Internal and external financial reports provide important information to the Town's legislative body, management, citizens, investors and creditors.

The Town will comply with accounting principles generally accepted in the United States in its accounting and financial reporting, as contained in the following publications:

- Codification of Governmental Accounting and Financial Reporting Standards, issued by the Governmental Accounting Standard Board (GASB).
- Pronouncements of the Financial Accounting Standards Board, (FASB).
- Governmental Accounting, Auditing, and Financial Reporting (GAAFR), issued by the Government Finance Officers Association (GFOA) of the United States and Canada.
- Municipal Budget and Finance Manual, prepared by the League of Arizona Cities and Towns.
- Audits of State and Local Governmental Units, an industry audit guide published by the American Institute of Certified Public Accounts (AICPA).
- Government Accounting Standards, issued by the Comptroller General of the United States.
- U.S. Office of Management and Budget (OMB) Circular A-133, issued by the U.S. Office of Management and Budget.

Quarterly financial reports will be provided for all programs summarizing financial activity comparing actual revenues and expenditures with budgeted amounts.

A system of internal accounting controls and procedures will be maintained to provide reasonable assurance of the safeguarding of assets and proper recording of financial transactions of the Town and compliance with applicable laws and regulations.

In accordance with State law, a comprehensive financial audit, including an audit of federal grants according to the Single Audit Act and the OMB Circular A-133, will be performed annually by an independent public accounting firm, with the objective of expressing an opinion on the Town's financial statements. The Town will prepare its financial statements in accordance with applicable standards and will account for its operations in a manner consistent with the goal of obtaining an unqualified opinion from its auditors.

When the Town utilizes bonds to fund programs, all programs will provide notice of all significant events and financial and related matters to the Chief Financial Officer for the Town's annual disclosures, as required by the SEC Rule 15c2-12, for the municipal markets, financial statements and bond representations. A listing of significant events is included in Appendix A to this document. The Chief Financial Officer will notify all Nationally Recognized Municipal Securities Information Repositories of these significant events.

The Town's Comprehensive Annual Financial Report (CAFR) will include the bond related on-going disclosure requirements and will fully disclose all significant events and financial and related issues. The Town will provide the CAFR to the Town Council, rating agencies, municipal bond insurers, national bond disclosure repositories and other interested parties.

Policy Review

By their nature policies must change and evolve over time. As with any other policies, these financial policies should be subject to periodic review and revision.

Reporting of Significant Events (Continuing Disclosure Requirements)

If knowledge of the occurrence of a listed event would be material to the Town, the Town shall promptly file a "Notice of Material Event" with the Municipal Securities Rulemaking Board and with each depository. The following events are defined as significant events with respect to municipal securities:

- Principal and interest payment delinquencies.
- Non-payment related defaults.
- Unscheduled draws on debt service reserves reflecting financial difficulties.
- Unscheduled draws on credit enhancements reflecting financial difficulties.
- Substitution of credit or liquidity providers or their failure to perform.
- Adverse tax opinions or events affecting the tax-exempt status of the securities.
- Modifications to rights of holders (i.e., owners).
- Bond calls (which are other than mandatory or scheduled redemptions, not otherwise contingent upon the occurrence of an event are optional or unscheduled).
- Defeasances.
- Release, substitutions or sale of property securing repayment of the securities (including property leased, mortgaged or pledged as such security).
- Bond rating changes.

Appendix F: Required State Auditor Forms

1. Schedule A - Summary schedule of estimated revenues and expenditures
2. Schedule C - Revenues other than property taxes
3. Schedule E - Expenditures/Expenses by Fund
4. Schedule F - Expenditures/expense by department

Schedule A

Reserved

Schedule C

reserved

Schedule E

reserved

Schedule F

Reserved

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Dewey-Humboldt, Arizona
2017-18

Town of Dewey-Humboldt

Annual Budget

2017-2018