

## AGENDA



**REGULAR SESSION  
MAYOR AND COUNCIL  
TOWN OF CAMP VERDE  
COUNCIL CHAMBERS  
473 S. Main Street, Room #106  
WEDNESDAY, AUGUST 15, 2007  
at 6:30 P.M.**

1. **Call to Order**

*As a reminder, if you are carrying a cell phone, pager, computer, two-way radio, or other sound device, we ask that you turn it off at this time.*

2. **Roll Call**

3. **Pledge of Allegiance**

4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

a) **Approval of the Minutes:**

- 1) August 8, 2007 – Joint Work Session with the Library Advisory Commission
- 2) August 1, 2007 – Regular Session
- 3) July 25, 2007 – Council Hears Planning & Zoning

b) **Set Next Meeting, Date and Time:**

- 1) Council Hears Planning & Zoning – August 22, 2007 at 6:30 p.m.
- 2) Regular Session – September 5, 2007 at 6:30 p.m.
- 3) Regular Session – September 19, 2007 at 6:30 p.m.
- 4) Council Hears P&Z – September 26, 2007 at 6:30 p.m.

c) **Possible approval of the IGA with Yavapai County for the establishment of Unified Emergency Management services, possible appointment of Marshal David R. Smith as the Town's Emergency Management Coordinator, and possible authorization of payment to Yavapai County for \$3,969 as noted in the IGA.**

d) **Possible approval of renewal of a 2-year contract with Thomas K. Kelly, P.C. for prosecution services in an annual amount of \$71,000.**

e) **Possible approval of a Proclamation declaring the month of September as "Grandparent/Elder Recognition Month".**

f) **Possible award of bid for Project #07-040 "Street Striping Improvements 2007 through 2010", and authorization to execute the contract documents. This is a budgeted item in HURF.**

g) **Possible approval and adoption of the FY 07/08 Final Budget.**

h) **Possible approval to renew the contract with the Verde Lakes Homeowners Association (HOA) for joint use of a 1.21 acre park owned by the HOA.**

5. **Call to the Public for Items not on the Agenda.**

6. **Discussion, consideration, and possible selection of an audit firm to conduct the FY 2006-2007 year-end audit.** This is a budgeted item in the General Fund.

7. **Call to the Public for Items not on the Agenda.**

**There will be no Public Input on the following items:**

8. **Advanced Approvals of Town Expenditures**
  - a) **There are no advanced approvals.**
9. **Manager/Staff Report**
10. **Council Informational Reports** Individual members of the Council may provide brief summaries of current events and activities. These summaries are strictly for informing the public of such events and activities. The Council will have no discussion, consideration, or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda.
11. **Adjournment**

Posted by:



Date/Time:

8-10-07

8:12 a.m.

*Note: Pursuant to A.R.S. §38-431.03.A.2 and A.3, the Council may vote to go into Executive Session for purposes of consultation for legal advice with the Town Attorney on any matter listed on the Agenda, or discussion of records exempt by law from public inspection associated with an agenda item.*

The Town of Camp Verde Council Chambers is accessible to the handicapped. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk.

**MINUTES  
JOINT WORK SESSION  
MAYOR and COMMON COUNCIL  
and the  
LIBRARY ADVISORY COMMISSION  
of the  
TOWN OF CAMP VERDE  
COUNCIL CHAMBERS  
473 S. Main Street, Room 106**

**WEDNESDAY, AUGUST 8, 2007  
6:30 P.M.**

Minutes are a summary of the discussion. They are not verbatim.

1. **Call to Order**

Mayor Gioia called the meeting to order at 6:32 p.m.

2. **Roll Call**

Mayor Gioia, Vice Mayor Hauser, Councilors Elmer, Garrison, Kovacovich, Parry, and Smith

**Also Present:**

**Library Advisory Commission Members:** Tom Nielson, Roger Doering, Maureen Pastine, Jim Long, and Joe Chatley

LAC Chair Lisa Mina arrived at 6:36 p.m. and LAC Member Karen Heuman arrived at 6:38 p.m.

**Staff Members:** Interim Town Manager Dave Smith, Library Director Laurito, and Town Clerk Barber

3. **Pledge of Allegiance**

Councilor Parry led the pledge.

4. **Strategic planning for a new library. Discussion may include, but not be limited to topics such as a new location for the library, costs, and funding options.**

Director Laurito presented information based on the Wisconsin Library Standards to determine the size of the library that is needed to sustain library services for the next 20 years.

Chair Mina advised that the Library Advisory Commission considered 9 different sites and voted unanimously to recommend that the new library be constructed somewhere on Town Hall property. She noted that there was a strong favor of the corner of Fain and Main Street. Mina covered in detail the criteria that the LAC used in determining the site. She said that they were not in favor of locating Town offices in the new library building. She also covered in detail the FEMA map details and the flood insurance study, noting that Camp Verde was established with data history back to 1891. She said that the floodway is determined on data where water has actually flowed. Mina explained that she looked into the data on the Black Bridge site only and noted that there were floods in several years beginning in 1920 up to 1982. She advised that the Town had to ask for \$120,000 in 1972 to repair the road that had been damaged by flood waters. She advised that as a Commission, they did not find it prudent to recommend spending money in a place where flooding can occur.

The LAC and Council discussed insurance rates, noting that if the building is raised to 3 feet 2 inches, the rate would be \$10,000 for \$500,000 of coverage, substantially less than what will be needed to cover the building and the books. LAC members noted that in two years, the \$10,000 could fund a staff position so that the library could have longer hours.

The Council and LAC spoke in great detail about the cost of flood insurance, and if in fact, the area is actually located in the floodway.

The Mayor noted that he liked to have open discussion involving the public and that is what work sessions are for. The Mayor then permitted comments from the public at random and in response to statements made by Council and LAC members. Thus, the names of the public who spoke and their related comments cannot all be identified for this record.

The following persons spoke on behalf of the current location, questioned the validity of the floodway designation, and explained and defended the petition effort that collected 800 signatures: Jim Ash, Charlie German, Linda German, Linda Harkness, and Howard Parrish.

Gwen Gunnell expressed her doubts that FEMA would change or amend its flood data and designations due to recent flooding across the country. She said that the government could not afford the liability that would arise from the change. She also noted that she had served on the Town Site Planning Committee and they had selected this area for the library location.

Jackie Baker spoke to the Town site location and said that the reason that Town offices were in the original plan was so that the library could be built now at the size it was needed and Town offices would be relocated as soon as there was money to build a new Town Hall. She said that if we build a library that is too small now, which is likely what we can afford to do, it might take years to fund expansion because there are so many other things that we need to take care of now. She noted that the library was the number one priority until things became so bad at the Marshal's Office and it became apparent that that building had to be done first. She thanked the LAC for their studious work.

Linda Harkness questioned Chair Mina's educational credentials with regard to civil engineering and explained how the building could be constructed in the current location, noting that she was working with a civil engineer that is experienced in this particular area.

Members then discussed the attributes of metal buildings. Smith discussed lease/purchase programs that might be an option so that construction could begin as soon as possible. He explained that the builders will build the structure to your specifications and will carry the note. Jim Ash asked for additional information on this concept.

During the discussion, Maureen Pastine noted her experience in fund raising activities and the Mayor said that the Council would have no objection to the LAC forming a subcommittee or a task force to begin fund raising activities, noting that money could be raised without a specific site. Pastine said that a site must be selected and Town funds committed before we can apply for grant funding.

After a lengthy discourse between Council, the LAC, and the public that were in attendance, the Mayor summarized that the Council needed a lot more information before making a decision and that it would be better to wait on the information that Linda Harkness was working on. He asked if anyone had any questions regarding the information presented at the meeting.

*Staff direction:*

Chair Mina requested detailed information on items such as flood information, documentation on the process of changing or amending FEMA designations, the maps that came from the USACE manuscripts, where the water was and its source during the flood events that are recorded in the FEMA study. She said she felt that the meeting's discussion had centered on sentiments and she questioned Council's hesitation on accepting the LAC recommendation. She warned of decisions based on sentimental reasons. She noted that two Library Advisory Commissions and a Council held numerous public meetings and came up with the decision to locate the library on

the Town site. She said that decisions are hard and they hurt, but when you speak about fiscal responsibility, there is no question about what needs to be done. She also asked Council what they were prepared to spend on the studies that are needed to answer these questions. She said that we needed to check with County Flood Control to determine what they will require for the current location and if they would permit it at all.

Mayor Gioia asked staff to research these questions and to bring back answers.

Amber Polo noted that the money to pay the \$100,000 for the architect came from donated funds, not the Town's funds and asked for an accounting of the fund balance. Director Laurito advised that there was \$178,082.82 remaining in the Mary Lyon's fund.

Linda Harkness asked for one or two other sites in the Town to compare with the current location. Discussion then took place on how much it would take to build the library on the Town site area including asbestos abatement and demolition. Staff was instructed to research these costs as well.

5. **Adjournment**

Mayor Gioia thanked everyone for being so positive and for a very constructive meeting. He adjourned the meeting at 9:09 p.m.

\_\_\_\_\_  
Deborah Barber, Town Clerk

**CERTIFICATION**

I HEREBY CERTIFY THAT THE FOREGOING minutes are a true and accurate accounting of the discussion of the Mayor and Common Council of the Town of Camp Verde during the Work Session of the Town Council of Camp Verde, Arizona held on the 9<sup>th</sup> day of August 2007. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2007

\_\_\_\_\_  
Deborah Barber, Town Clerk

**MINUTES  
REGULAR SESSION  
MAYOR AND COUNCIL  
TOWN OF CAMP VERDE  
COUNCIL CHAMBERS  
473 S. Main Street, Room #106  
WEDNESDAY, AUGUST 1, 2007  
at 6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.  
Public input is placed after Council motions to facilitate future research.  
Public input, where appropriate, is heard prior to the motion.

1. **Call to Order**  
Mayor Gioia called the meeting to order at 6:30 p.m.
2. **Roll Call**  
Mayor Gioia, Councilors Smith, Garrison, Kovacovich, Elmer, and Parry were present. Vice Mayor Hauser was absent.  
  
**Also Present:**  
Interim Town Manager Dave Smith, Town Attorney William Sims, Housing Director Matt Morris, Parks & Recreation Director Lynda Moore, and Recording Secretary Virginia Jones
3. **Pledge of Allegiance**  
Councilor Smith led the Pledge.
4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.
  - a) **Approval of the Minutes:**
    - 1) July 18, 2007 – Regular Session
  - b) **Set Next Meeting, Date and Time:**
    - 1) Joint Work Session with the Library Advisory Commission – August 8, 2007 at 6:30 p.m.
    - 2) Regular Session – August 15, 2007 at 6:30 p.m.
    - 3) Council Hears Planning & Zoning – August 22, 2007 at 6:30 p.m.
  - c) **Possible appointment of P&Z Commission member Bob Burnside as liaison to the Design Review Board for a 6-month term, as recommended by the Planning & Zoning Commission.**

On a motion by Smith, seconded by Kovacovich, the Consent Agenda was unanimously approved as presented.
5. **Call to the Public for Items not on the Agenda.**  
Jim Ellington invited Council to visit the Farmer's Market on Saturdays. He stated he has been there several times and noticed that there have always been several motor homes present. He said that the Farmer's Market is a huge success, drawing tourists off I-17. Ellington also shared an experience that he had when he signed his two grandsons up for swimming lessons. He explained that one of his youngest had a near-drowning experience two years ago and was afraid of the water. He explained that he spoke with Debbie Miller, the Pool Manager. Miller had one of the lifeguards work with his grandson and helped him to overcome his fear. He noted that while Miller and the lifeguard were attending to his grandson, the other lifeguards covered the pool. Ellington said that all the lifeguards showed compassion, love, and care for the children, and he presented a check for \$50.00 to be used for an appreciation party for the lifeguards.

6. **Presentation of a \$1,000 check to the Camp Verde Marshal's Office by Diane Joens and Stewards of Public Lands to monitor, educate, and enforcement of laws aimed at stopping illegal dumping on public land.**

Diane Joens presented a check for \$1,000 to the Town to assist with enforcement of illegal dumping.

Joens presented a brief summary of the Stewards of Public Lands history and explained that they received a grant from Yavapai County that will go to Verde Valley law enforcement offices to help enforce the laws against dumping on public lands. Joens thanked all of the volunteers and the local businesses that help to make clean up possible.

Kathy Davis, a member of the Stewards of Public Lands, said her experiences working with the Stewards have been inspirational with very visible results.

Charles Mackey said that he joined the Stewards a year after they started and then he shared his first clean-up experience at Copper Canyon when it was snowing. He stated the Stewards are making a difference.

Debbie LaFrance stated that the work that the Stewards do is very important and thanked the Town of Camp Verde and other partners like Marvin Buckel, Jodie Allen, and the Switzers who have been extremely helpful.

7. **Presentation by The Osborne Group on the Health Information Exchange.**

Kevin Logan and Casey Osborne from the Osborne Group gave a presentation explaining that Governor Napolitano, through an executive order, requested a strategy to achieve 100% electronic health data exchange among all of the players, including healthcare providers, consumers, researchers, and government agencies. Osborne advised that their company is based in Cottonwood. Osborne explained that the Governor's vision of the exchange would bring everyone involved to the table. The Health Information Exchange will create new training requirements, improve the level of care, as well as improve the workforce by creating new jobs.

Mayor Gioia thanked Logan and Osborne and requested that they include the need for pediatric services in Camp Verde.

8. **Discussion, consideration, and possible appointment to Housing Commission for the term expiring in September 2009.**

A motion by Smith, seconded by Kovacovich, to appoint Jackie Baker to the Housing Commission failed with a 3-3 vote, with Gioia, Garrison, and Parry voting 'no'.

A motion by Gioia, seconded by Kovacovich, to appoint Kathy Davis to the Housing Commission also failed with a 3-3 vote, with Smith, Kovacovich, and Elmer voting 'no'.

**Kathy Davis** gave a presentation outlining her work history and her involvement in the Arizona State Parks system working with State housing. She advised that she attended the public meeting with the Drachman Institute and noted that Camp Verde has made excellent efforts, despite the lack of economic development. She informed Council that she will bring a hands-on approach to the Commission, has the ability to gather and analyze data, is great at problem solving, has management skills, and is very organized. She also spoke about her technical writing experience. In response to Council questions, Davis explained that she knew she would have to give a minimum of 10 or more hours a month to the Commission and is willing to devote the necessary time.

**Jackie Baker** explained that she spent the past 8 years, while serving on Council, supporting and working on housing issues that are facing Camp Verde and the entire country. Baker noted the importance of working with the other communities and thanked Council for their

consideration.

**Public Input:**

**Paul Clawson**, noting that he worked for the Park Service in the past, stated he has never heard a negative word about Kathy Davis. He said that Kathy came to work soon after he left, but that he spoke to his former co-workers and they had positive things to say about Kathy. Clawson encouraged Council to appoint Davis, stating she would be an outstanding member of the Commission.

9. **Discussion and review of the IGA with the Camp Verde Unified School District for the Camp Verde Heritage Pool facility and property use, and possible acceptance or modification of the District's offer to maintain the current annual financial contribution of \$12,800 and to continue insurance coverage for the next 3 years, with the next review of the IGA to take place in the year 2010.**

Council directed the Town Manager and Attorney to work with the School District to develop a new IGA that includes at least a 53% increase in annual financial contributions for next fiscal year.

Dave Smith explained that the IGA with the school is for the pool and should have been reviewed every three years, noting that the last IGA from the year 2000 has not been reviewed. Smith explained the property belongs to the School District and that we share expenses for the pool. He advised that the School District has already approved their budget for this fiscal year and therefore, could not increase their annual financial contribution.

Council voiced concerns about the division of the responsibility, stating that the School District budget is larger than the Town's budget and that the Town has used CIP funds for a solar heater and blanket to cut down on operation costs.

There was no public input.

10. **Update and discussion of the plans for Black Bridge Park as requested by Council.** Council directed Moore to work with the Engineer on the location of the bathroom and the incline and to work with the Sanitary District to determine the possibility of hooking up to the sewer system.

Parks & Recreation Director Lynda Moore presented a conceptual drawing of the Black Bridge Park. Moore. She explained that according to the State Park guidelines, the Town must stay within the scope of work that was applied for in the grant application, and one of the amenities that were to be provided was a boat dock. She discussed the problems associated with a dock and the permits that were needed and she advised that she intended to ask State Parks for an amendment. She said that she hoped to schedule an on-site meeting in the near future.

Council discussed the location of the restroom and the advantages of hooking up to the Sewer District, rather than using a septic system.

11. **Discussion, consideration, and possible support of resolutions submitted by communities throughout Arizona for consideration at the League of Arizona Cities and Towns Resolution Committee meeting on Tuesday, August 28, 2007 at 1:30 p.m. at the Fairmont Scottsdale Princess Resort located at 7575 E. Princess Drive, Scottsdale, Arizona.**

Council reviewed the 25 proposed resolutions from communities throughout the State that were submitted to the League for consideration. Council agreed to support all of them. Resolution number 20 was discussed in detail when Council Member Garrison stated she was opposed to exempting court buildings, facilities, and courtrooms from gun storage locker requirements as

prescribed by law and place court building, facilities and courtrooms under the same exemption enjoyed by licensed liquor establishments. Parry and Garrison did not support the resolution.

12. **Call to the Public for Items not on the Agenda.**

**Paul Clawson** stated that he was shocked when he first heard the Town had lost over \$19,000 at the Crawdad Festival; however, he felt it was a good investment for the Town. He requested that Council consider an events coordinator to help alleviate the many hats that Moore presently wears and asked the Council not to cut any of the events.

**Michael Snell** addressed the Council and presented a letter regarding his experience with local law enforcement officials and requested dismissal of his case in court. Mr. Snell advised Council that he would be filing a Civil Rights Lawsuit against the Town.

**There will be no Public Input on the following items:**

13. **Advanced Approvals of Town Expenditures**

a) **There are no advanced approvals.**

There were no advanced approvals.

14. **Manager/Staff Report**

Marshal Smith advised that two new deputies, Samantha Kuntz and Larry Ellis would be starting to work on August 6<sup>th</sup>. Kuntz will be heading to the academy and Ellis is certified.

15. **Council Informational Reports**

**Mike Parry** stated that he attended the Chamber of Commerce meeting and they discussed the Special Events and doing the promotions.

**Greg Elmer** said that he also attended the Chamber of Commerce meeting and they had many good ideas, very high energy level, and are committed to supporting the events.

**Norma Garrison** advised that she has almost completed the book left by Lance Decker and that she spent a lot of time looking for an IGA with the School for the Skate Park.

**Mayor Gioia** stated he spent over two hours with the Osborne group and he had requested the presentation with Council. He reported on Verde River Basin partnership meeting and noted that Title 2 committed everything but the funding. He advised that he met with Interim Manager Smith and representatives from AFSCME who will be coming to Council for consideration of forming a union.

16. **Adjournment**

On a motion by Garrison, seconded by Parry, the meeting was adjourned at 8:52 p.m.

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Virginia Jones, Recording Secretary

**CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on the 1st day of August 2007. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

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Debbie Barber, Town Clerk

**MINUTES  
COUNCIL HEARS PLANNING & ZONING  
MAYOR AND COUNCIL  
TOWN OF CAMP VERDE  
COUNCIL CHAMBERS  
WEDNESDAY, JULY 25, 2007  
6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.  
Public input is placed after Council motions to facilitate future research.  
Public input, where appropriate, is heard prior to the motion.

1. **Call to Order**

The meeting was called to order at 6:30 p.m.

2. **Roll Call**

Mayor Gioia, Vice Mayor Hauser, Councilors Smith, Garrison, Kovacovich, Elmer and Parry were present.

**Also Present:** Interim Town Manager Dave Smith, Town Attorney Bill Sims (*by telephone conference*), Community Development Director Nancy Buckel, and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**

The Pledge was led by Garrison.

4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

a) **Approval of the Minutes:**

- 1) July 11, 2007 – Special Session
- 2) July 11, 2007 – Joint Work Session

b) **Set Next Meeting, Date and Time:**

- 1) Regular Session – August 1, 2007 at 6:30 p.m.
- 2) Work Session – August 8, 2007 at 6:30 p.m.
- 3) Regular Session – August 15, 2007 at 6:30 p.m.
- 4) Council Hears Planning & Zoning – August 22, 2007 at 6:30 p.m.

c) **Possible acceptance of Quarterly Reports from the Planning & Zoning Commission, Design Review Board, Board of Adjustments, and Trails & Pathways Commission.**

On a motion by Hauser, seconded by Kovacovich, the Consent Agenda was unanimously approved, with Item c) pulled for discussion.

Kovacovich pointed out that the motion to adjourn the Work Session held on July 11, 2007 reflected a second made by "Baker"; a typographical error which should be corrected. Garrison requested that Item 4.c) be pulled for discussion.

4.c) **Possible acceptance of Quarterly Reports from the Planning & Zoning Commission, Design Review Board, Board of Adjustments, and Trails & Pathways Commission.**

On a motion made by Parry, seconded by Hauser, the Council unanimously approved the Quarterly Reports from the Planning & Zoning Commission, Design Review Board, Board of Adjustments, and Trails & Pathways Commission.

Staff was directed to arrange a procedure where one representative from each Commission will come before the Council at a Work Session each quarter, as a group, for the Council to receive their Quarterly Reports and to be able to have dialog with them.

Garrison and Smith each suggested that a system be implemented whereby a representative

from each Commission would come to the Council meeting and verbally give the Quarterly Report, rather than submitting written reports. Garrison questioned a reference in the Design Review Quarterly Report regarding a request to the developer to connect to the Basha's parking lot, which Garrison believes would be a good safety measure and wondered whether that had been made known to Mr. Basha. Community Development Director Buckel said she had discussed safety issues with Town Engineer Ron Long, and a procedure has been put in place to address such issues during the process in the future, and even before Design Review; Long is pushing for a turn lane along the frontage of Finney Flat. Buckel added that a private property owner has the right to refuse access, or trespass, on his property. Gioia also expressed a concern regarding whether the building designs as agreed upon by the Council and the community, in particular the roofline on one project, are being adhered to.

5. **Call to the Public for Items not on the Agenda.**

There was no public input.

6. **Public Hearing, discussion, consideration, and possible approval of Resolution 2007-730, a Resolution of the Common Council of the Town of Camp Verde, Arizona approving Use Permit 2007-02 to allow Verde Lakes Water Company to use a portion of parcel 404-13-451H measuring approximately 187' X 182' and zoned R1-10 for a business office and storage facility. The property is located at 2867 Verde Lakes Drive. This Use Permit will only expire when the use is no longer active on this parcel.**

On a motion by Gioia, seconded by Hauser, the Council voted unanimously to continue this item as requested.

**STAFF PRESENTATION**

Community Development Director Buckel referred to the discussion held last week with the Town Attorney and the direction to staff regarding amending the Use Permit language in Section 108, a draft is being developed to present to the P&Z Commission. Since the amendment would affect the subject Use Permit request, the applicant has no problem with continuing this item until the new language comes forward for adoption; Buckel requested that the Council continue this item accordingly.

The members discussed an opinion expressed that zoning should be amended instead of granting a Use Permit where significant construction will take place. Buckel said that, as had been discussed with the Town Attorney, the Use Permit procedure is a very common practice in many communities, also confirmed by her research. Attorney Sims reiterated his opinion that the Use Permit procedure provides greater flexibility and control, although either approach can be followed. Gioia reminded Council that staff had been given direction last week, as agreed to by Council, and staff is following through on that direction.

7. **Public Hearing, discussion, consideration, and possible approval of Resolution 2007-732, a Resolution of the Common Council of the Town of Camp Verde, Arizona approving Use Permit 2007-04 to allow the continued use of an off-premise sign advertising Trails End RV Park displayed on parcel 403-22-026S owned by Henry Shill. The property is located along SR 260. off-premise sign Use Permits expire in three years.**

On a motion by Hauser, seconded by Parry, the Council unanimously approved Resolution 2007-732, a Resolution of the Common Council of the Town of Camp Verde, Arizona approving Use Permit 2007-04 to allow the continued use of an off-premise sign advertising Trails End RV Park displayed on parcel 403-22-026S owned by Henry Shill.

**STAFF PRESENTATION**

Buckel said that the application comes from the new owner of Trails End RV Park, David Mann, who is represented by Young Ho Kim. The sign is in good repair, is on commercially zoned property and has a current ADOT permit for the display along a State route. The required

neighborhood meeting was held, letters sent to neighbors, and no comments have been received opposing the subject application.

**PUBLIC HEARING OPEN**

**Applicant's Statement**

Young Ho Kim explained that the sign greatly helps the RV Park business, and said the new owner would like to continue the Use Permit for three more years.

**COMMENT FROM OTHER PERSONS**

There was no comment from other persons.

**APPLICANT'S REBUTTAL**

No rebuttal was necessary.

**PUBLIC HEARING CLOSED**

**Council Discussion**

Buckel confirmed that the request involves the existing sign. The Council briefly discussed with Buckel the number of off-premise signs that are allowed on vacant property. Buckel believes that the Code just deals with the size of the property and that the signs cannot exceed the size allowed for that property; in addition, the number of signs allocated decreases in relation to subsequent construction. Gioia wished the new owner well, adding that the Town appreciates the business bringing in tourists.

8. **Public Hearing, discussion, consideration and possible approval of Resolution 2007-733, a Resolution of the Common Council of the Town of Camp Verde, Arizona approving Use Permit 2007-05, amending Use Permit 2001-01, for parcels 403-17-001A, -001G and -003 to allow the addition of 30 more ranchers, the construction of three additional residential structures and granting a time extension NOT TO EXCEED 3 YEARS, on removing the manufactured home structure housing the Health Clinic as required in an amendment approved by Resolution 2002-541 for Rainbow Acres, a ranch style community for adults with developmental disabilities located at 2120 W. Reservation Loop Road.**

On a motion by Smith, seconded by Kovacovich, the Council unanimously approved Resolution 2007-733, a Resolution of the Common Council of the Town of Camp Verde, Arizona approving Use Permit 2007-05, amending Use Permit 2001-01, for parcels 403-17-001A, -001G and -003 to allow the addition of 30 more ranchers, the construction of three additional residential structures and granting a time extension NOT TO EXCEED 3 YEARS, on removing the manufactured home structure housing the Health Clinic as required in an amendment approved by Resolution 2002-541 for Rainbow Acres, a ranch style community for adults with developmental disabilities located at 2120 W. Reservation Loop Road.

**STAFF PRESENTATION**

Buckel said that the original Use Permit was granted for a period of 15 years; this will be the second amendment. The purpose is to provide more housing for the Ranchers, one an assisted care facility, and the others will be apartments for independent living. In addition, a large Community Center is being constructed, and the applicants are requesting an extension of time within which to move the Health Clinic into the Community Center when it is completed, after which the manufactured home structure will be removed. Buckel said the time frame of not to exceed 3 years has not been discussed with the applicant. There have never been any complaints about the operation and maintenance of the Ranch, and the construction has consistently been of high quality.

**PUBLIC HEARING OPEN**

**Applicant's Statement**

Steve Ricci, Director of Buildings and Grounds at Rainbow Acres, said there was not much he could add to Buckel's presentation. In discussing further development of the Ranch, the decision

to add apartments for independent living was based on wanting to provide another level for people who could be much more independent. Ricci said the three-year time limit sounded reasonable to him, adding that they are hoping to begin construction on the Community Center within the next three months or so.

**COMMENT FROM OTHER PERSONS**

There was no comment from other persons.

**APPLICANT'S REBUTTAL**

No rebuttal was necessary.

**PUBLIC HEARING CLOSED**

**Council Discussion**

There was no discussion; Gioia thanked everyone involved in Rainbow Acres, from those who were responsible for its formation and development to the Ranchers themselves, commenting that it is a wonderful service and wonderful organization.

9. **Public Hearing, discussion, consideration, and possible approval of Ordinance 2007-A343, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, amending Section 109 of the Zoning Ordinance, removing language concerning farm animals under permitted uses and adding language that refers to Section 108, Livestock Regulations.**

On a motion by Kovacovich, seconded by Smith, the Council unanimously approved Ordinance 2007-A343, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, amending Section 109 of the Zoning Ordinance, removing language concerning farm animals under permitted uses and adding language that refers to Section 108, Livestock Regulations.

**STAFF PRESENTATION**

Buckel explained that this item is intended to deal with the inconsistencies in the Zoning Ordinance pertaining to livestock regulations and requirements in the Town Zoning districts. The current outstanding inconsistencies are between Sections 108 and 109, and occurred when the Town attempted in 1998 to revise sections of the County-adopted Code in order to create a more rural community where people could have livestock on smaller properties. Gioia stressed for the public that this item is not to decide the outcome of one particular issue in the one particular neighborhood, but is the step before any decision is made; it is basically only enabling legislation in order to move on to the next step which will not be at this meeting. Buckel confirmed that there will be no zoning issues addressed at this meeting.

Buckel reviewed in detail the changes made in Section 109 to correct the inconsistencies by deleting obsolete and conflicting language and referring to Section 108 for specific provisions regarding livestock regulations. Buckel explained that the changes basically provide that farm animals are allowed in residential areas, but the specific regulations are spelled out in Section 108.

**PUBLIC HEARING OPEN**

There was no public input.

**PUBLIC HEARING CLOSED**

**Council Discussion**

There was no further discussion or comments from Council.

10. **Call to the Public for Items not on the Agenda.**

John McReynolds, a member of the Housing Commission, recommended that the Council strongly consider appointing Jackie Baker to the Housing Commission

11. **Advanced Approvals of Town Expenditures**

a) **There are no advanced approvals.**

There were no advanced approvals.

12. **Manager/Staff Report**

Buckel announced that the new Building Official, Richard Feldman, has started this week; he came over from Flagstaff with many years of experience, and will be supervising all the building departments.

13. **Council Informational Reports**

Elmer said the Chamber of Commerce meeting will be held tomorrow morning at 7:30 a.m. and encouraged everyone to attend; it will be held in the Chamber meeting room.

Hauser reported that MatForce met today, and said she will be working on recruiting persons from the school areas into the Steering Committee; she will talk to Joe Perez regarding this.

Smith said that July 28<sup>th</sup> is designated as National Day of the Cowboy. He reported on his attendance at the Verde Valley Transportation & Planning Organization, described the make-up of the organization, and reviewed the extensive list of transportation-related construction projects and plans throughout the Verde Valley. Smith described efforts to coordinate a wide public transportation loop throughout the Verde Valley, and the recommendation that Towns and Cities work with developers to set aside land for Park-and-Ride accommodations.

Garrison gave an update on her work on getting information in connection with the proposed policy for Town donations; the status of the cameras for the Skateboard Park and the swimming pool areas, including work on enabling parents to access a website, download it and see what the cameras are viewing. Garrison will report further at the next meeting.

Kovacovich reported on the dedication for the Sanitary District, a great day to see it finally underway; hopefully it will help bring economic development.

Gioia also commented on Cowboy Day, with the information that Sedona is holding a parade on that event Saturday. Gioia also reported on the ground-breaking event for the Sanitary District and its importance to the community, and described the analogy he used in his speech to basically illustrate protecting our environment and enhancing where we live.

14. **Adjournment**

On a motion by Hauser, seconded by Kovacovich, the meeting was adjourned at 7:31 p.m.

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Margaret Harper, Recording Secretary

**CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on the 25<sup>th</sup> day of July 2007. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

---

Debbie Barber, Town Clerk

**TOWN OF CAMP VERDE  
Council Agenda Action Form**

**Meeting Type: Regular**

**Meeting Date: 8-15-07**

**Submitting Department: Manager**

**Contact Person: David R. Smith**

**Consent:**  **Regular:**  **Requesting Action:**  **Report Only:**

**Type of Document Needing Approval (Check all that apply):**

- |                                                   |                                             |                                                                 |
|---------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|
| <input type="checkbox"/> Acceptance/Approval      | <input type="checkbox"/> Agreement/Contract | <input type="checkbox"/> Emergency Clause                       |
| <input type="checkbox"/> Final Plat               | <input type="checkbox"/> Grant Submission   | <input checked="" type="checkbox"/> Intergovernmental Agreement |
| <input type="checkbox"/> Liquor/Bingo Application | <input type="checkbox"/> Ordinance          | <input type="checkbox"/> Preliminary Plat                       |
| <input type="checkbox"/> Public Hearing           | <input type="checkbox"/> Resolution         | <input type="checkbox"/> Special Consideration                  |
| <input type="checkbox"/> Special/Temp Use Permit  | <input type="checkbox"/> Other:             |                                                                 |

**Agenda Text (Be Exact):** Discussion, consideration, and possible approval of the IGA for the establishment of Unified Emergency Mangement with Yavapai County, appointment of Marshal David R. Smith as the Town's Emergency Management Coordinator, and authorization of payment in the amount of \$3,969.

**Staff Recommendation:** Approve                      Budgeted/Amount Yes \$\$3,969

Finance Director Review (if item in unbudgeted, under budgeted, or exceeds budgeted amount)

Line Item/Fund:

Purpose of Item and Background Information: This IGA is a renewal of an annual agreement with Yavapai County for emergency management services.

List All Attachments as Follows: IGA

**Name:** David R. Smith                      **Title:** Interim Town Manager

**INTERGOVERNMENTAL AGREEMENT FOR THE ESTABLISHMENT OF  
UNIFIED EMERGENCY MANAGEMENT**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2007, by and between YAVAPAI COUNTY, a political subdivision of the State of Arizona, hereinafter called "County" and the TOWN OF CAMP VERDE, a municipal corporation of the State of Arizona, hereinafter called "Town" as follows:

WHEREAS the County has established an Office of Emergency Management and;

WHEREAS the County has the capability to manage a unified emergency management organization and;

WHEREAS the parties are empowered to enter into this agreement pursuant to ARS " 11-952, 26-307, and 26-308.

NOW, THEREFORE, in consideration of the covenants contained herein, and for other good and valuable consideration, the receipt and the sufficiency of which is hereby acknowledged by each party to the other, it is hereby agreed as follows:

1. The County and the Town shall establish a unified emergency management organization for the purpose of preparing plans for the preservation and safety of life and property and making provisions for the execution of these plans in the event of enemy attack upon the United States of America and/or in the event of any peacetime natural, technological, or manmade emergency or disaster within the County or Town. See Attachment A for list of definitions. See Attachment B for a comprehensive list of services provided.
2. The unified emergency management organization is hereby designated as the Yavapai County Joint Office of Emergency Management.
3. The County will perform the following services with the Town:
  - a. Include emergency operations of the Town in the County Disaster Response Plan (DRP) covering emergencies and disasters;
  - b. Aid and advise the Town with regards to training of employees that may be responsible for emergency management duties;
  - c. Review the Town Emergency Operations Plan for completeness, compatibility and compliance with the National Incident Management System (NIMS) and County and State Emergency Operations Plans and provide suggestions for improvement, if necessary.

- d. Provide assistance to the Town to develop/update emergency management plans, procedures, and programs in each of the following areas, such list not to be exclusive: Continuity of Government, Direction and Control, Law and Order, Fire Services, Emergency Evacuation, Shelter, Public Services, Recovery, Mitigation, Persons with Special Needs, Radiological Safety, Warning and Public Information, Transportation, Communications, Mass Care and Mortuary Services. The above plans and programs will be coordinated with and approved by the various Town departments effected by said plans and programs;
  - e. Assist the Town with developing and/or updating a current inventory of all equipment and supplies available in the Town for use in the event of any disaster;
  - f. Provide a current inventory of all equipment and supplies available in the County to assist the Town in the event of any disaster;
  - g. Provide technical assistance in obtaining Federal or State funds which may become available to the Town for emergency services purposes, and in the acquisition of surplus or other property for emergency services purposes by the Town;
  - h. Complete and submit all report requirements emanating from State or Federal Government Agencies;
  - i. In the event of disaster confined to the Town, provide emergency assistance as requested, within the limits of the ability of the County to so provide, and coordinate assistance furnished by other agencies in accordance with mutual aid agreements, State and/or Federal laws.
4. That the Town shall:
- a. By this agreement become a member of the Yavapai County Joint Office of Emergency Management;
  - b. Appoint an Emergency Management Coordinator who shall be responsible for the organization, administration, and operations of local emergency management, subject to the direction and control of the chief executive officer or governing body. Upon request by Town officials, the county will provide assistance with emergency management under normal and/or emergency or disaster conditions.
  - c. Accept joint responsibility to maintain and keep current the Yavapai County Disaster Response Plan and Guides as it relates to the Town;
  - d. Accept responsibility to maintain and keep current the Town Disaster Response Plan and Guides;

- e. In relation to emergency management issues, delegate to the County such lawful authority and responsibility as shall be deemed necessary by the Town;
  - f. Budget and contribute to the County for the fiscal year commencing July 1, 2007 and ending June 30, 2008, the sum of \$3,969.00.
5. It is hereby mutually agreed:
- a. The Yavapai County Office of Emergency Management will include representation of all signatory parties;
  - b. The Yavapai County Office of Emergency Management shall be comprised of a County Director appointed by the Yavapai County Board of Supervisors, and other personnel as deemed necessary by the County Board of Supervisors;
  - c. The County Emergency Management Director who is and shall be appointed by the Yavapai County Board of Supervisors, shall act as the Director of the Yavapai County Joint Office of Emergency Management;
  - d. The term of this agreement is for one year commencing July 1, 2007, and may be extended from year to year by mutual agreement of the parties prior to June 30 of the term, stating the compensation to be paid for service during such extended term and other charges;
  - e. Pursuant to ARS ' 38-511, the parties may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the agreement on behalf of that party is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity or a consultant to any other party of the agreement with respect to the subject matter of the agreement. In the foregoing event, that party may further elect to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting, or creating this agreement on behalf of that party from any other party to the agreement arising as a result of this agreement.

**YAVAPAI COUNTY**

A political subdivision of the State of Arizona

By: \_\_\_\_\_ Date: \_\_\_\_\_  
A.G. "CHIP" DAVIS  
Chairman, Board of Supervisors

ATTEST:

\_\_\_\_\_ Date: \_\_\_\_\_  
JULIE AYERS  
County Clerk

Pursuant to ARS ' 11-952(D), the undersigned Deputy County Attorney has determined that this agreement is in proper form and within the powers and authority granted under the laws of the State of Arizona to Yavapai County.

\_\_\_\_\_ Date: \_\_\_\_\_  
DAVID S. HUNT  
Deputy County Attorney

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**TOWN OF CAMP VERDE**

A municipal corporation of the State of Arizona

By: \_\_\_\_\_ Date: \_\_\_\_\_  
TONY GIOIA  
Mayor

ATTEST:

\_\_\_\_\_ Date: \_\_\_\_\_  
DEBORAH BARBER  
Town Clerk

Pursuant to ARS ' 11-952 (D), the undersigned Town Attorney has determined that this agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Town of Camp Verde.

\_\_\_\_\_ Date: \_\_\_\_\_  
WILLIAM J. SIMS, III  
Town Attorney

## **Attachment A**

### **LIST OF DEFINITIONS**

**"EMERGENCY,"** as defined in ARS ' 26-301, means the existence of conditions of disaster or of extreme peril to the safety of persons or property within the territorial limits of the county, city, or town, which conditions are, or are likely to be, beyond the control of the services, personnel, equipment, and facilities of such political subdivision as determined by its governing body and which require the combined efforts of other political subdivisions.

**"DISASTER,"** as defined in Section 102, Public Law 93-288, means any hurricane, tornado, storm, flood, high-water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which, in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance to state and local governments under the Disaster Relief Act of 1974.

**Attachment B**

# **Yavapai County**

## **EMERGENCY MANAGEMENT / HOMELAND SECURITY**

Services provided by County Emergency Management/Homeland Security under the IGA for the establishment of unified Emergency Management:

**SERVICES:**

- Disaster participation, coordination, resource augmentation
- Real Time Hazard Alert/notifications/bulletins
- Risk/Hazard Analysis
- Disaster Response Plan development and maintenance
- Staff Training
- Provide emergency alternative communications capability
- EOC Design/Configuration assistance;
- Public Education Program development and implementation assistance
- Freedom Corps Training
- Special Studies/Projects
- Resource Manual development assistance
- Damage Assessments
- EPA/LEPC Representation
- Emergency Management Training
- Homeland Security Grant Participation
- Liaison to State and Federal Resources
- Exercise Development/Training/Implementation/Evaluation
- Emergency/Disaster Response & Recovery/Guidance /Assistance/Participation
- Hazard mitigation analyses and plan development.
- Provide video's, brochures, booklets, pamphlets, checklists or other information in support of local Emergency Management issues or initiatives.

**RATE:** \$.43 per person, per year based on the latest census.

**TOWN OF CAMP VERDE  
Council Agenda Action Form**

**Meeting Type: Regular**

**Meeting Date: August 15, 2007**

**Consent:**  **Executive Session/Confidential:**  Type(s) of Presentation: Verbal Only

**AGENDA TITLE:** Discussion, consideration and possible renewal of a 2-year contract with Thomas K. Kelly, P.C. Attorneys at Law for prosecution services in the amount of \$71,000 annually with a possible review for future prosecutorial services to begin in March 2009. This is a FY 07/08 budgeted item from the General Fund.

**PURPOSE AND BACKGROUND INFORMATION:** Thomas Kelly has provided prosecution services for the town for a number of years. Mr. Kelly offered to continue the contract for another 2 years with an annual rate increase from \$65,000 to \$71,000 Mr. Kelly has graciously extended his contract (ending June 30, 2007) to September 1, 2007 so the Town could research Mr. Kelly's offer.

**STAFF RECOMMENDATION(S):** Recommend approval of the 2-year contract with the re-evaluation of prosecutorial services to being in March 2009. This will provide ample time to research prosecutorial services for the FY 09/10 budget and before the approved contract expires.

**LIST ALL ATTACHMENTS:** Thomas Kelly's Contract

**Type of Document Needing Approval (Check all that apply):**

- |                                                         |                                                        |                                                      |
|---------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> Acceptance/Approval | <input checked="" type="checkbox"/> Agreement/Contract | <input type="checkbox"/> Emergency Clause            |
| <input type="checkbox"/> Final Plat                     | <input type="checkbox"/> Grant Submission              | <input type="checkbox"/> Intergovernmental Agreement |
| <input type="checkbox"/> Liquor/Bingo Application       | <input type="checkbox"/> Ordinance                     | <input type="checkbox"/> Preliminary Plat            |
| <input type="checkbox"/> Public Hearing                 | <input type="checkbox"/> Resolution                    | <input type="checkbox"/> Special Consideration       |
| <input type="checkbox"/> Special/Temp Use Permit        | <input type="checkbox"/> Other:                        | <input type="checkbox"/> Presentation/Report Only    |

**Finance Director Review**

Budgeted/Amount Yes, \$71,000

Comments: Approved verbally by Dane Bullard

Fund: General Fund

Line Item: 01-50-55-6601

**Submitting Department:** Administration

**Contact Person:** David R. Smith

**Town Manager/Designee:** \_\_\_\_\_



**Please Note:** You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

## AGREEMENT FOR CONTRACTOR SERVICES

### PARTIES:

The TOWN OF CAMP VERDE, a municipal body (hereinafter referred to as "the TOWN"); and

Thomas K. Kelly, P.C., Attorney at Law, with a business address of 425 E. Gurley Street, Prescott, Arizona 86301, as an independent contractor (hereinafter referred to as "CONTRACTOR").

### AGREEMENT

The TOWN desires to retain CONTRACTOR, and CONTRACTOR desires to provide services to TOWN, in his/her capacity as an independent contractor, upon the terms and conditions set forth in this Agreement for Contractor Services ("Agreement").

#### II

CONTRACTOR shall provide those services set forth herein and under the following terms and conditions included herein.

#### III

The term of this Agreement shall commence on July 1, 2007 and shall continue for twenty-four (24) months unless earlier terminated by either party. The TOWN may terminate this Agreement with or without cause immediately due to ethical standards imposed upon CONTRACTOR as a licensed attorney in the state of Arizona, upon giving written notice to the CONTRACTOR. CONTRACTOR or TOWN has the right to terminate this Agreement with or without cause by giving sixty (60) days' written notice. If this Agreement is terminated, the TOWN shall have no further obligation other than payment for services already rendered and for expenses previously incurred.

#### IV

The TOWN agrees to pay CONTRACTOR, as consideration for performance of prosecutorial services on a monthly bases through a flat fee system. CONTRACTOR shall be paid Five- Thousand, Nine-Hundred, Sixteen Dollars and sixty seven cents {\$5,916.67} per month (\$71,000 annually) in professional fees and costs. No further payment will be made for routine facsimile, telephone, postage, copy, or travel costs. Extraordinary costs shall be submitted for approval and reimbursement to CONTRACTOR through the Town Attorney if any one particular case requires over 14 hours of attorney/paralegal work, the TOWN will compensate CONTRACTOR at One Hundred Dollars (\$100) an hour for attorney time and Fifty Dollars (\$50) an hour for paralegal time for each hour billed in excess of 14 hours on that case.

#### V

For all purposes under the terms of this Agreement, CONTRACTOR shall be an independent contractor, and not an employee of the TOWN. The TOWN shall provide no employee benefits, including, but not limited to Worker's Compensation coverage, regularly afforded to staff, administrative or professional employees. In performance of services hereunder, CONTRACTOR shall determine his/her necessary hours of work. CONTRACTOR shall provide whatever employees, tools, equipment, vehicles, and supplies CONTRACTOR may determine to be necessary in performance of services hereunder.

#### VI

The conduct and control of work under this Agreement lies solely with CONTRACTOR, and the TOWN is interested only in final results to be achieved. The TOWN shall be permitted to retain other CONTRACTORS performing the same or similar tasks, and CONTRACTOR shall be permitted to provide services to other parties, consistent with CONTRACTOR'S obligation to complete the services

undertaken pursuant to the terms of this Agreement and consistent with CONTRACTOR'S ethical obligations.

**VII**

If CONTRACTOR is unable to handle prosecution of a case due to a conflict of interest or other good cause shown, the case shall be handled through a qualified, licensed attorney in good standing with the State Bar of Arizona, acting as the outside conflict prosecutor.

**VIII**

CONTRACTOR shall provide quarterly written reports concerning the performance of services under this Agreement and meet with the Town staff to review the quarterly reports. Also, upon expiration or other termination of this Agreement, CONTRACTOR shall provide a written report to the TOWN summarizing the results of the services performed hereunder and the state of the prosecutorial operations.

**IX**

All reports and other work products produced by CONTRACTOR, as a part of the services rendered under this Agreement shall be provided to and be the sole property of the TOWN. CONTRACTOR shall not release such work product or other information obtained or produced pursuant to this Agreement without the prior written consent of the TOWN.

**X**

The parties agree to comply with Arizona Executive Order 99-4, prohibiting discrimination in employment by government contractors, to the extent applicable to this Agreement.

**XI**

The parties agree that this Agreement may be cancelled for conflict of interest in accordance with ARS§38-511.

**XII**

CONTRACTOR agrees to attend all Town Council meetings at the request of the Town Council or staff as related to the prosecution services for the TOWN and the terms and conditions of this Agreement.

**XIII**

CONTRACTOR agrees to provide on-going training with the Town Marshal's office, and to coordinate necessary training with any other governmental entities, necessary for the continued cooperation and communication between TOWN prosecution services and law enforcement services, as deemed necessary by the TOWN, Town Attorney or CONTRACTOR.

**XIV**

All books, accounts, reports, files and other records relating to this Agreement shall be maintained and shall be subject at an reasonable times to inspection and audit by the TOWN for five (5) years after completion of this Agreement. Such records shall be produced by a place designated by the TOWN, upon reasonable notice to the CONTRACTOR.

IN WITNESS HEREOF, the parties have executed this Agreement on the respective date under each signature.

TOWN OF CAMP VERDE

\_\_\_\_\_  
Tony Gioia, Mayor

Date: \_\_\_\_\_

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Deborah Barber, Town Clerk

\_\_\_\_\_  
Town Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Thomas K. Kelly, P. C.  
Town Prosecutor

\_\_\_\_\_  
By: Thomas K. Kelly

Date: \_\_\_\_\_

# *Proclamation*

**WHEREAS:** September 2007 has been designated as Grandparent/Elder Recognition Month by the Light Heart Foundation; and

**WHEREAS:** the mission of the Light Heart Foundation is to increase visitation and promote community awareness as to the needs of the elderly living in assisted living, retirement and convalescent communities; and

**WHEREAS:** in times past, villages were made up of extended family communities and the elderly were the storytellers to the young so that history was not lost; and

**WHEREAS:** these villages have disappeared along with reverence for wisdom that the elders possessed. Our mobile society has now created unnatural age segregation which has isolated generations from each other; and

**WHEREAS:** we recognize that communities are strengthened when intergenerational relationships are encouraged and supported and that social progress is stimulated when the strengths of one generation can help meet the needs of another. Dynamic exchange between youth and elders leads to a thriving community.

**NOW THEREFORE,** I, the Mayor of Camp Verde hereby proclaim September 2007 as Grandparent/Elder Recognition Month in the Verde Valley and urge citizens of all ages to visit the elderly in community facilities to let them know that we care, that we remember that they fought for our country and built our communities.

**IN TESTIMONY WHEREOF,** I have hereunto set my hands and caused to be affixed the Great Seal of Camp Verde this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

---

**Tony Gioia**  
Mayor of Camp Verde

**TOWN OF CAMP VERDE  
Council Agenda Action Form**

**Meeting Type: Regular**

**Meeting Date: 8/15/2007**

**Submitting Department: Streets**

**Contact Person: Ron Long**

**Consent:**  **Regular:**  **Requesting Action:**  **Report Only:**

**Type of Document Needing Approval (Check all that apply):**

- |                                                         |                                                        |                                                      |
|---------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> Acceptance/Approval | <input checked="" type="checkbox"/> Agreement/Contract | <input type="checkbox"/> Emergency Clause            |
| <input type="checkbox"/> Final Plat                     | <input type="checkbox"/> Grant Submission              | <input type="checkbox"/> Intergovernmental Agreement |
| <input type="checkbox"/> Liquor/Bingo Application       | <input type="checkbox"/> Ordinance                     | <input type="checkbox"/> Preliminary Plat            |
| <input type="checkbox"/> Public Hearing                 | <input type="checkbox"/> Resolution                    | <input type="checkbox"/> Special Consideration       |
| <input type="checkbox"/> Special/Temp Use Permit        | <input type="checkbox"/> Other:                        |                                                      |

**Agenda Text (Be Exact):** Discussion, consideration, and possible award of bid for Project # 07-040 "Street Striping Improvements- 2007 through 2010, and authorization to execute the contract documents.

**Staff Recommendation:** Approve Budgeted/Amount Yes \$28,000

Finance Director Review (if item in unbudgeted, under budgeted, or exceeds budgeted amount)

Line Item/Fund: 20-70-76-8408

Purpose of Item and Background Information: This is a three-year project consisting of the application of white and yellow street striping of approximately 200,000 linear ft to various roadways in the Town. Staff recommends awarding the bid to Traffic Safety, Inc. since they were the lowest and only bidder. In addition, they have done a very good job for us in the past years.

List All Attachments as Follows: Bid documents & bid contract

Type(s) of Presentation: Verbal Only

Special Equipment needed for Presentation:

- |                                            |                                               |                                 |
|--------------------------------------------|-----------------------------------------------|---------------------------------|
| <input type="checkbox"/> Laptop Computer*  | <input type="checkbox"/> Overhead Projector   | <input type="checkbox"/> TV-VCR |
| <input type="checkbox"/> Remote Microphone | <input type="checkbox"/> Conference Telephone | <input type="checkbox"/> Other  |

\*Our laptop does NOT support a floppy disk (A-drive). All PowerPoint presentations must be saved to the hard drive or burned to a CD. Please advise any outside presenters of this requirement.

**Please Note:** You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**Signatures of Submitting Staff:**

Name: Ron Long 7/30/07 Title: Public Works Engineer/Director

**Town of Camp Verde**

**Street Striping Improvements- 2007 thru 2010**

**Project # 07-040**

**Tabulation of Bids Received Wednesday, July 11th 2007, 3:00 P.M.**

BIDDER

CITY/STATE

TOTAL BID  
AMOUNT

<u>BIDDER</u>	<u>CITY/STATE</u>	<u>TOTAL BID AMOUNT</u>
1. Traffic Safety, Inc.	Prescott Valley, AZ	
2.		
3.	4" White	- \$ .07 per linear
4.	4" Double Yellow	- \$ .14 per linear
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		

**PROJECT BID PICK UP**  
**PROJECT # 07-040**  
**Town of Camp Verde**  
**Street Striping Improvements- 2007 thru 2010**

FILL IN ALL INFORMATION:

(Get business card when possible)

Page 1 of \_\_\_\_\_

Road Markings, Inc.  
 Company Name

Traffic Safety, Inc.  
 Company Name

1850 E Encanto Dr.  
 Contact Person

Russ Hardy  
 Contact Person

Tempe AZ 85281  
 Mailing Address

8901 E. Laredo Dr.  
 Mailing Address

480-966-4340  
 City State Zipcode

Prescott Valley AZ 86314  
 City State Zipcode

480-966-3851  
 Phone # & Area Code

928-775-0813  
 Phone # & Area Code

Fax #

928-772-8570  
 Phone # & Area Code

Fax #

Precision Striping  
 Company Name

Central AZ Plan Exchange  
 Company Name

11486 E. Carol Way  
 Contact Person

905 Cove Parkway, Ste 103  
 Contact Person

Scottsdale AZ 85259  
 Mailing Address

Coltonwood AZ 86326  
 Mailing Address

480-860-1190  
 City State Zipcode

928-646-9070  
 City State Zipcode

Phone # & Area Code

928-646-9070  
 Phone # & Area Code

Fax #

Fax #

PMI  
 Company Name

F.W. Dodge Report  
 Company Name

PO Box 50340  
 Contact Person

3110 N. Central Ave #155  
 Contact Person

Phoenix AZ 85076-0340  
 Mailing Address

Phoenix AZ 85012  
 Mailing Address

Phone # & Area Code

602-274-2155  
 City State Zipcode

Fax #

602-631-3075  
 Phone # & Area Code

Fax #

Reed Construction Data  
Company Name

Contact Person  
6909 E. Greenway Parkway Ste 295  
Mailing Address  
Scottsdale AZ 85254  
City State Zipcode  
480-609-4550  
Phone # & Area Code  
480-609-4512  
Fax #

LDB General Contractor  
Company Name

Contact Person  
3650 Southpointe Cir Ste 107  
Mailing Address  
Laughlin NV 89029  
City State Zipcode  
702-298-1754  
Phone # & Area Code  
702-298-0953  
Fax #

~~Integrated Digital Tech LLC  
Company Name~~

~~Contact Person  
PO BOX 43083  
Mailing Address  
TUCSON AZ 85733-3083  
City State Zipcode  
520-319-0988  
Phone # & Area Code  
520-319-1430  
Fax #~~

NOTES:

IDT Contractors Plan Room  
Company Name

Att: Rague  
Contact Person  
P.O. Box 13080  
Mailing Address  
Tucson AZ 85760  
City State Zipcode  
520-319-0988 ext 1  
Phone # & Area Code  
520-319-1430  
Fax #

Central AZ Plan Exchange  
Company Name

Gladys  
Contact Person  
403 N. Arizona Ave  
Mailing Address  
Prescott AZ 86301  
City State Zipcode  
928-445-7101  
Phone # & Area Code  
gladyscape@cableone.net  
Fax # email

Company Name

Contact Person

Mailing Address

City State Zipcode

Phone # & Area Code

Fax #



## CONTRACT

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by and between the **TOWN OF CAMP VERDE**, State of Arizona, acting by and through its Mayor and Common Council, party of the first part, hereinafter designated the **OWNER**, and, \_\_\_\_\_, party of the second part, hereinafter designated the **CONTRACTOR**.

**WITNESSETH:** That the said Contractor, by these presents does covenant, contract and agree with the said Owner, for and in consideration for the payments made, as provided for in the Specification and in the Proposal, to the Contractor by the said Owner at his proper cost and expense to do all the work and furnish all materials, tools, labor, and all appliances and appurtenances called for by this agreement free from all claims, liens, and charges whatsoever, in the manner and under the conditions hereinafter specified, that are necessary for **STREET STRIPING IMPROVMENTS – 2007 through 2010, PROJECT NUMBER 07-040**. The work done and materials and equipment furnished shall be strictly pursuant to and in conformity with the Specifications and Plans. The drawings or prints and other information furnished by the Contractor in accordance with the Specifications, are made a part of this agreement. The said Specifications and Plans prepared by the Street Superintendent, or his designated representative, are intended to be complimentary. Any work appearing in or upon the one and not mentioned in the others shall be executed according to the true intent and meaning of said Specifications and Plans, drawings or prints, the same as though the said work was contained and described in all. The undersigned has, or will obtain, a **Camp Verde business license** prior to execution of the contract, and further, will ensure all subcontractors have a Camp Verde business license before beginning any work.

The "Call for Bids", "Special Conditions", "Specifications", "Proposals", "Plans", and "Addenda" and any other attachment in the Town's official contract documents are hereby understood to be a part of this contract.

It is further covenanted and agreed that the work shall be executed under the direction and supervision of the Street Superintendent or his properly authorized agents, on whose inspection all work shall be accepted or rejected. The said Street Superintendent shall have full power to reject or condemn all materials furnished or work performed under this Contract, which do not conform to the terms and conditions herein expressed.

In the event said Street Superintendent exercises his right to reject work and the deficiency is not corrected, a notice of noncompliance shall be issued to the contractor. Payment may be withheld because of defective work not remedied. All claims or disputes arising out of this Contract or the breach of it may be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association.

This Contract is subject to cancellation pursuant to A.R.S. §38-511.

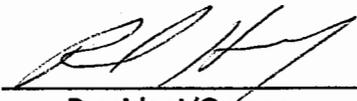
In return for the performance of this Contract by the Contractor, the Town agrees to pay the amount **PER THE PROPOSAL (including all applicable taxes)** through a payment schedule as described in the Contract documents and as may be modified and executed by change orders and by final quantities.

IN WITNESS WHEREOF, three (3) identical counterparts of this Contract, each of which shall for all purposes be deemed as original thereof, have been duly executed by the parties named, on the date and year first herein written.

Town of Camp Verde:

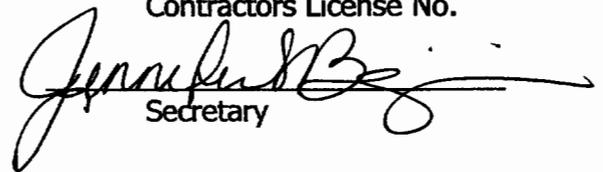
Contractor:

By: \_\_\_\_\_  
Mayor

By:  \_\_\_\_\_  
President/Owner

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

114646 - AF  
Contractors License No.  
  
Secretary

ATTEST:

The Mayor and Council approved this contract for execution at their regular session of \_\_\_\_\_.

\_\_\_\_\_  
Town Clerk

The contract was reviewed and delivered, as signed by the Town, to the Contractor on \_\_\_\_\_, 2007 by \_\_\_\_\_.

**TOWN OF CAMP VERDE**  
**Council Agenda Action Form**

**Meeting Type: Regular**

**Meeting Date:** August 15, 2007

**Consent:**  **Executive Session/Confidential:**  Type(s) of Presentation: Visual

**AGENDA TITLE:** (Be Exact): Possible approval of the FY 07/08 Final Budget.

**PURPOSE AND BACKGROUND INFORMATION:** The Tentative Budget has already been approved by Council and then advertised for the required length of time. There have not been any changes between the tentative and final budgets. Adoption of the final budget is the last step in the budget process.

**STAFF RECOMMENDATION(S):** Approve

**LIST ALL ATTACHMENTS:** copy of final budget.

**Type of Document Needing Approval (Check all that apply):**

- |                                                         |                                             |                                                      |
|---------------------------------------------------------|---------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> Acceptance/Approval | <input type="checkbox"/> Agreement/Contract | <input type="checkbox"/> Emergency Clause            |
| <input type="checkbox"/> Final Plat                     | <input type="checkbox"/> Grant Submission   | <input type="checkbox"/> Intergovernmental Agreement |
| <input type="checkbox"/> Liquor/Bingo Application       | <input type="checkbox"/> Ordinance          | <input type="checkbox"/> Preliminary Plat            |
| <input checked="" type="checkbox"/> Public Hearing      | <input type="checkbox"/> Resolution         | <input type="checkbox"/> Special Consideration       |
| <input type="checkbox"/> Special/Temp Use Permit        | <input type="checkbox"/> Other:             | <input type="checkbox"/> Presentation/Report Only    |

**Finance Director Review**

Budgeted/Amount N/A \$NA

Comments: N/A

Fund:

Line Item/:

**Submitting Department:** Finance

**Contact Person:** Dane Bullard

**Town Manager/Designee:** \_\_\_\_\_

**Please Note:** You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE**  
**Council Agenda Action Form**

**Meeting Type: Regular**

**Meeting Date: August 15, 2007**

**Consent:**  **Executive Session/Confidential:**  Type(s) of Presentation: Visual

**AGENDA TITLE:** (Be Exact): Possible approval to renew an IGA with Verde Lakes Homeowners Association for joint use of a 1.21 acre park owned by the association.

**PURPOSE AND BACKGROUND INFORMATION:** Verde Lakes Homeowners owns a 1.21 acre parcel of property that is used as a park. The Town and Association have been in a two year IGA on the park. We are just completing the installation of new playground equipment. This park is open to the residents as well as the general community. Our Five-Year Plan outlines that we want to continue to add small neighborhood parks to our community, and at the present time this is the only park available in that area.

**STAFF RECOMMENDATION(S):** Approve

**LIST ALL ATTACHMENTS:** Agreement for Joint Use of Athletic Facilities and Recreational Easement

**Type of Document Needing Approval (Check all that apply):**

- |                                                         |                                             |                                                      |
|---------------------------------------------------------|---------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> Acceptance/Approval | <input type="checkbox"/> Agreement/Contract | <input type="checkbox"/> Emergency Clause            |
| <input type="checkbox"/> Final Plat                     | <input type="checkbox"/> Grant Submission   | <input type="checkbox"/> Intergovernmental Agreement |
| <input type="checkbox"/> Liquor/Bingo Application       | <input type="checkbox"/> Ordinance          | <input type="checkbox"/> Preliminary Plat            |
| <input type="checkbox"/> Public Hearing                 | <input type="checkbox"/> Resolution         | <input type="checkbox"/> Special Consideration       |
| <input type="checkbox"/> Special/Temp Use Permit        | <input type="checkbox"/> Other:             | <input type="checkbox"/> Presentation/Report Only    |

**Finance Director Review**

Budgeted/Amount N/A \$

Comments:

Fund:

Line Item/:

**Submitting Department: Parks & Recreation**

**Contact Person: Lynda Moore**

**Town Manager/Designee:** \_\_\_\_\_

**Please Note:** You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**AGREEMENT  
FOR  
JOINT USE OF ATHLETIC FACILITIES  
AND  
RECREATIONAL EASEMENT**

This Agreement ("Agreement"), made this \_\_\_\_ day of \_\_\_\_\_, 2007, by and between the TOWN OF CAMP VERDE, a municipal corporation of the State of Arizona hereinafter called the "TOWN," Verde Lakes Property Owners Association, herein referred to as "OWNERS."

WHEREAS, it is in the best interests of the public that Verde Lakes Property Owners Association may grant occasional recreational and educational use of its property, and to encourage such use the law requires showing willful, malicious or grossly negligent conduct for tort liability under *ARS 33-1551*; and

WHEREAS, the TOWN and the OWNERS agree to a joint use of a portion of the property ("Site") owned by the OWNERS, as indicated on Exhibit A; and

WHEREAS, the recreational improvements located on the site increases the recreational capabilities available to residents and the community as a whole.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter contained, it is agreed by and between the TOWN and the OWNERS as follows:

1. **PURPOSE:** This Agreement provides for the joint use of the Facility for the purpose of providing joint recreation facilities in the form of playground equipment, recreational facilities and picnic areas.
2. **TERM:** This Agreement shall be for a period of two (2) years, renewable by mutual consent for successive two (2) year periods.
3. **CONSTRUCTION:** The OWNERS agrees to pay for the water for the Facility. The TOWN, contingent upon annual funding appropriated by Town Council, agrees to be responsible for the continuing maintenance of the Facility to a standard equivalent to other similar TOWN maintained park facilities, such as Butler Park. In the event that the Town Council does not appropriate sufficient funding for all purposes specified in this Agreement, the OWNERS may cancel this Agreement upon thirty (30) days written notice to the TOWN. In the event of a termination of Agreement, the TOWN reserves the right to remove all portable facilities, such as bleachers, benches and picnic tables.
4. **USE:** The parties hereto agree that said Facility shall be used for residential and community use between the hours of 6:00 a.m. and 10:00 p.m.
5. **INSURANCE:** It is mutually agreed between the parties hereto that each has secured and shall continue in force public liability insurance as shall be deemed necessary for its own protection. Each party shall indemnify and hold harmless the other party from the negligent acts or omissions of its agents and employees. Each party shall be required to obtain and maintain insurance in the sum of not less than One Million Dollars covering its activities. This insurance may be comprised of self-insurance retention (SIR) and insurance in an aggregate sum of not less than One Million Dollars, provided that the SIR

for either party's insurance policy shall not exceed Twenty-Five Thousand Dollars. The parties shall annually provide to each other a certificate of insurance that the insurance and/or SIR in the stipulated sum is in effect. The insurance of the TOWN shall name the OWNERS and their officers, agents, and employees as additional insureds. The insurance of the OWNERS shall name the TOWN and its officers, agents, and employees as additional insureds.

6. **FUTURE AMENITIES/DEVELOPMENT:** Future development of the Facility, such as basketball court, fencing and turf, must have approval of both parties, with all construction costs agreeable to both the TOWN and the OWNERS. The parties will either amend this Agreement accordingly or enter into a separate agreement regarding such future development. All development will have approval of the OWNERS.
7. **SEVERABILITY:** If any terms, parts, or provisions of this Agreement are for any reason invalid or unenforceable, the remaining terms, parts, or provisions are nevertheless valid and enforceable.
8. **NO PARTNERSHIP:** Nothing in this Agreement constitutes a partnership or joint venture between the parties, and neither party is the principal or agent of the other.
9. **SUCCESSORS AND ASSIGNS:** This Agreement is not assignable unless both parties mutually consent otherwise in writing. The requirements of this Agreement are binding upon their heirs, executors, administrators, and assigns of both parties.
10. **ARBITRATION:** If the parties mutually agree, claims, disputes or other matters in question, may be submitted for arbitration and decided according to the Arizona Uniform Rules of Procedure for Arbitration. Demand for arbitration must be files in writing with the other party to this Agreement.
11. **ATTORNEYS FEES AND COSTS:** If either party brings an action or proceeding for failure to observe any of the terms or provisions of this Agreement, the prevailing party may recover, as part of the action or proceeding, all litigation, arbitration and collection expenses, including, but not limited to, witness fees, court costs, and reasonable attorney fees.
12. **VENUE:** The parties must institute and maintain any legal actions or other judicial proceedings arising from the Agreement in a court of competent jurisdiction in Yavapai County, Arizona.
13. **SALE OF PROPERTY:** In the event the OWNERS decide to sell any or all of Parcel # 404-13-451H, the site of the Verde Lakes Property Association Park, the TOWN will be duly notified at least fifteen (15) calendar days prior to either listing of the Parcel for sale or, if the Parcel is not to be listed, prior to executing a binding contract for the sale of the Parcel.
14. **COMPLIANCE WITH LAW:** The parties must comply with all federal, state, and local laws and ordinances applicable to performance under this contract, including the Americans with Disabilities Act (ADA). The TOWN will install all improvements on the Site shown on Exhibit B in compliance with the ADA and will hold the OWNERS harmless from all claims under the ADA.

**TOWN OF CAMP VERDE,  
a municipal corporation**

**VERDE LAKES PROPERTY OWNERS  
ASSOCIATION, an Arizona nonprofit  
corporation**

By \_\_\_\_\_  
Dave Smith, Interim Town Manager

By \_\_\_\_\_  
Shirley Brinkman,

**ATTEST:**

\_\_\_\_\_  
Debbie Barber, Town Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
William J. Sims III, Town Attorney

**TOWN OF CAMP VERDE  
Council Agenda Action Form**

**Meeting Type: Regular**

**Meeting Date:8/15/07**

**Consent:** **Executive Session/Confidential:** Type(s) of Presentation: Visual

**AGENDA TITLE:** (Be Exact):Discussion and possible selection of audit firm to conduct the fiscal year 2006-2007 year end audit.

**PURPOSE AND BACKGROUND INFORMATION:** Council directed staff to obtain proposals from four audit firms for the 2006-2007 fiscal year audit. As of the date of agenda item submission, August 7, 2007, two of these firms have responded, namely Colby & Powell, PLC and L Lumbard & Associates, P.L.L.C. The other two firms, Eide Bailly and Heinfeld, Meech & Co., P.C. have both stated that they will be submitting proposals. These proposals will be copied to Council upon receipt under separate cover. Representatives from each audit firm have been invited to give a brief presentation at the August 15<sup>th</sup> meeting.

**STAFF RECOMMENDATION(S):** None

**LIST ALL ATTACHMENTS:** Copies of Colby & Powell, PLC and L Lumbard & Associates, P.L.L.C. proposals.

**Type of Document Needing Approval (Check all that apply):**

- |                                                         |                                             |                                                      |
|---------------------------------------------------------|---------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> Acceptance/Approval | <input type="checkbox"/> Agreement/Contract | <input type="checkbox"/> Emergency Clause            |
| <input type="checkbox"/> Final Plat                     | <input type="checkbox"/> Grant Submission   | <input type="checkbox"/> Intergovernmental Agreement |
| <input type="checkbox"/> Liquor/Bingo Application       | <input type="checkbox"/> Ordinance          | <input type="checkbox"/> Preliminary Plat            |
| <input type="checkbox"/> Public Hearing                 | <input type="checkbox"/> Resolution         | <input type="checkbox"/> Special Consideration       |
| <input type="checkbox"/> Special/Temp Use Permit        | <input type="checkbox"/> Other:             | <input type="checkbox"/> Presentation/Report Only    |

**Finance Director Review**

Budgeted/Amount Yes \$25,000

Comments:

Fund: 01-50-53

Line Item/:6092

**Submitting Department:Finance**

**Contact Person:Dane Bullard, Finance Director**

**Town Manager/Designee:**\_\_\_\_\_

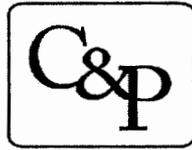
**Please Note:** You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**AUDIT PROPOSAL FOR THE  
TOWN OF CAMP VERDE, ARIZONA**

**FOR THE YEAR ENDING  
JUNE 30, 2007**

Prepared by:

**Colby & Powell, PLC**  
1535 W. Harvard Ave., Ste. 101  
Gilbert, AZ 85233  
(480) 635-3200



COLBY &  
POWELL, PLC

CERTIFIED PUBLIC ACCOUNTANTS

1535 W. Harvard Avenue, Suite 101 · Gilbert, Arizona 85233

Tel: (480) 635-3200 · Fax: (480) 635-3201

July 24, 2007

Town of Camp Verde  
ATTN: Dane Bullard  
395 South Main Street  
Camp Verde, AZ 86322

We appreciate the opportunity to submit our proposal for the Town of Camp Verde's financial and compliance audits for the year ending June 30, 2007. This offer is to perform financial and compliance audits in accordance with generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, reporting under GASB 34; and the Single Audit Act Amendments of 1996 and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

Our experience in the field of governmental auditing and nonprofit organizations include audits of municipalities and other governmental entities throughout the state of Arizona. We have employed a continuing professional education training program which provides updates to firm employees about current changes in auditing and accounting requirements. We are qualified to perform this service and to make your audit a beneficial experience.

Attached is additional information we hope you will find useful in evaluating this proposal and our firm. Should you have any questions concerning this proposal or require additional information, please call.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott J. Graff'.

Scott J. Graff, CPA

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## **I. THE FIRM OF COLBY AND POWELL, PLC**

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We appreciate the opportunity to submit our qualifications to serve the Town of Camp Verde. This document aims to provide the Town with relevant information about our firm and about some areas of our practice that we believe would be particularly relevant to the Town. As we move forward, we will attempt to develop a more focused understanding of the ways in which our expertise can best be applied to meet the Town of Camp Verde's audit needs.

### **PROFILE**

Colby and Powell, PLC is located in Gilbert, Arizona, and is owned by Scott T. Powell, James S. Usevitch, and Scott J. Graff, with Mr. Powell as the managing partner. Scott J. Graff will be the partner in charge of your audit.

Our Firm is an equal opportunity employer as determined by the State of Arizona and consists of three partners, one audit manager, two senior auditors, two staff auditors, three para-professional accountants, and one receptionist for a total staff of twelve.

David M. Colby first established the firm in 1982 and since then we have continued to provide our audit clients with audits that are accepted by all funding sources and regulatory agencies. Colby and Powell, PLC has helped audit clients improve their accounting systems and internal controls through helpful suggestions made through observations during the course of the audit. These suggestions are provided to management and the governing body through the use of an annual management letter.

### **COMMITMENT TO QUALITY**

The single most important factor in our firm's success over the past twenty-five years has been our commitment to the highest standards of quality and professionalism. Providing quality service to our clients is our primary objective, and we have developed review procedures and communications that ensure the highest standards of performance.

Our Firm has been dedicated to maintaining the highest level of education through continuing professional education courses. These courses are required of all our audit staff. Colby and Powell, PLC has met all continuing education requirements as provided by *Governmental Auditing Standards*.

Colby and Powell, PLC has triennial peer reviews required by the American Institute of Certified Public Accountants. The peer review program is dedicated to ensuring that participating firms have quality control systems in place over their accounting and auditing practices. This program also includes a review of our governmental clients that have single audit requirements. We were pleased to receive an unqualified opinion on our latest peer review.

## **II. SPECIALIZED GOVERNMENTAL AND NON PROFIT AUDITING**

---

During the past 25 years, the firm's partners have developed a special emphasis in governmental and non-profit accounting and auditing. Since 1978, the firm or its principals have performed hundreds of audits for councils of governments, municipalities, and non-profit organizations receiving federal and state government grants. In recent years, these entities have been subject to the Single Audit Act, OMB Circular A-133, and GASB 34. Performing these audits requires the firm to develop training programs to keep partners and staff knowledgeable about current audit requirements for governmental and non-profit accounting and auditing.

## **III. AUDIT AND OTHER SPECIALIZED SERVICES**

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While the range of services provided by most accounting firms has expanded significantly, audits continue to be the dominant component of our practice. In the course of carrying out an audit, the auditing firm should generate information and develop insights that will result in improved controls and safeguards leading to greater efficiencies and clear, concise, and understandable financial reporting that is respected by the financial community. Our professionals have the experience and the training to provide these helpful insights and to ensure a quality audit.

### **HIGHEST QUALITY AUDIT SERVICES**

Our audit will be conducted in accordance with generally accepted auditing standards and governmental auditing standards and will include tests of your accounting records and other procedures we consider necessary to express an unqualified opinion on the financial statements.

If, for any reason, we are unable to render an unqualified opinion, we will discuss the reasons with you and the alternative report that would be issued.

Our goal will be to perform our work with as little interruption to your daily work as possible. One important aspect of our audit will be interviewing management and key office personnel. We will schedule these at your convenience and, whenever possible, written questionnaires will be used.

We will present the financial statements, our audit report, and our letter of recommendations to the Town Council and answer any questions they may have.

## AUDIT APPROACH

Our audit approach is based upon a risk-oriented perspective and entails—

- Obtaining an understanding of your policies, procedures, and objectives.
- Evaluating systems, processes, and people that control and process transactions or monitor and evaluate risk.
- Testing the ability of your systems to process and report transactions accurately.
- Reporting the results of our testing to management and the Council.

We will make every effort to use schedules already prepared for internal purposes to eliminate unnecessary duplication of effort between our staff and yours.

We will schedule the audit as soon as the proposal is accepted. We expect to complete the audit within 90 days of a signed engagement letter.

## IV. ESTIMATED FEES

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Our fee for these services will be:

Total fee for the year ended June 30, 2006	<u>\$ 19,500</u>
--------------------------------------------	------------------

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

## V. PARTNER AND STAFF RESUMES

---

### **Scott Graff, CPA (Partner)**

Scott is a 1997 accounting graduate of Southern Utah University. Scott has 9 years of experience in performing compilations, reviews, and audits for non profit, for profit, and governmental entities. Scott has directly managed audits, reviews, and compilations which require an extensive knowledge of the flow of information through accounting systems and has made suggestions for improvements to each entity's financial management systems through management letters and hands on training.

### **Matt Bingham (Audit Manager)**

Matt is a 2004 accounting graduate of Arizona State University's W.P. Carey School of Business. Matt joined the firm in July 2004 and has performed and assisted with a variety of governmental, non profit, and for-profit audit and review engagements since joining the firm. Prior to joining Colby & Powell, PLC, Matt worked as an accountant for the Town of Guadalupe. Matt has a strong knowledge of various accounting programs and databases.

### **Mark Hagedorn (Senior Auditor)**

Mark is a December 2005 accounting graduate of Brigham Young University-Idaho. Mark joined the firm in May 2006. Mark has assisted in audits for governmental and non profit organizations and has knowledge of accounting software programs.

## VI. EXPERIENCE

---

Our recent audit experience has included financial audits of the following entities in Arizona:

### **Municipalities**

Town of Pima	Town of Kearny
Town of Miami	City of Benson
Town of Patagonia	Town of Duncan
Town of Quartzsite	Town of Superior
Town of Mammoth	Town of Guadalupe
City of Holbrook	Town of Thatcher

### **Councils of Governments/Authority**

Northern Arizona Council of Governments  
Inter Tribal Council of Arizona  
Western Arizona Council of Governments

**TOWN OF CAMP VERDE**

**AUDIT PROPOSAL**

**For the Fiscal Year Ending  
June 30, 2007**

July 31, 2007

**Lumbard & Associates, P.L.L.C.  
4143 North 12th Street, Suite 100  
Phoenix, Arizona 85014  
Office (602) 274-9966  
Fax (602) 265-0021**



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**L** **LUMBAR & ASSOCIATES, P.L.L.C.**  
*A Certified Public Accounting Firm*

Lisa B. Lumbar, C.P.A., C.G.F.M.

Neil Broadstock, C.P.A.

Rosendo L. Portillo

A. Jake Litwiller

Jessica M. Castro

Stephanie M. Canez

July 31, 2007

Dane Bullard, Finance Director  
Town of Camp Verde  
395 S. Main Street  
Camp Verde, Arizona 86322

Re: Request for Audit Proposal

Dear Mr. Bullard:

Please accept the following proposal for the performance of a Single Audit of the Town of Camp Verde for the fiscal year ending June 30, 2007.

**Summary of Services**

Our audit will be performed in accordance with the latest revisions of generally accepted auditing standards, *Government Auditing Standards (GAS)*, as promulgated by the Comptroller General of the United States and the Single Audit Act of 1984 (Public Law 98-502). Reports will be issued in accordance with the latest applicable AICPA's Statements of Auditing Standards.

The audit reports will include:

1. The financial statements of the Town of Camp Verde and an independent auditors' opinion on these statements.
2. A supplementary schedule of the Town's expenditures of Federal awards for each Federal financial assistance program, and an independent auditors' opinion on this schedule.
3. A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
4. A report on compliance with requirements applicable to the CDBG major program and internal control over compliance in accordance with OMB Circular A-133.
5. A schedule of Conditions and Questioned Costs for reportable instances of noncompliance with applicable requirements and weaknesses in internal controls (as applicable).
6. A corrective action plan (if applicable) prepared by the Town's management and addressing each audit finding included in the current year auditors' reports. The corrective action plan shall provide the name(s) of the contract person(s) responsible for corrective action, the corrective action planned and the anticipated completion date.
7. A report on fraud, abuse, or illegal acts or indications of such acts (if appropriate).

American Institute of  
Certified Public  
Accountants

Government Finance  
Officers Association

Arizona Finance  
Officers Association

Arizona Society of  
Certified Public  
Accountants

Association of  
Government  
Accountants

Town of Camp Verde  
July 31, 2007

### **Time Period**

Upon awarding of the audit contract, a pre-audit package will be sent to the Town of Camp Verde. The Town of Camp Verde is requested to send to the auditor, the year end adjusted trial balance by fund and the basic financial statements preliminary draft prepared by the Town's finance department from the computerized accounting system in accordance with GASB 34 requirements. The Town of Camp Verde is also requested to provide the confirmation requests to the auditor prior to the start of field work so that completeness of the requests can be tested. Upon receipt of the requested information, a mutually agreed upon start date for the field work will be scheduled.

### **Firm Representatives**

The person authorized to represent the firm is Lisa B. Lumbard, C.P.A., C.G.F.M., 4143 North 12th Street, Suite 100, Phoenix, Arizona 85014, (602) 274-9966.

We will perform the audit for the fee specified in Appendix C.

We look forward to focusing our experience and talents on your audit and internal control needs and thereby contribute to the Town's continued success. Thank you for the opportunity to submit this proposal. If you have any questions, please feel free to call our office.

Respectfully,



Lisa B. Lumbard, C.P.A., C.G.F.M.  
For the Firm

**APPENDIX A**

**FIRM PROFILE  
AND QUALIFICATIONS**

## FIRM PROFILE AND QUALIFICATIONS

The Firm was founded on January 1, 1993, as a spin-off from a long established Phoenix based C.P.A. Firm. The Firm serves clients throughout Arizona from its Phoenix office. The professional staff consists of Lisa B. Lombard, C.P.A., C.G.F.M., principal, Neil Broadstock, C.P.A., audit/accounting senior, Rosendo L. Portillo, audit/accounting senior, Blanca Sanchez, C.P.A., contracted senior/reviewer, Andan Litwiller, accounting junior, with Jessica Castro and Stephanie Canez support staff. The Firm reserves the right to hire additional qualified professional staff as needed to maintain quality standards and timely completion of projects. The Firm specializes in meeting the auditing, special reporting and management consulting needs of not-for-profit organizations, charter schools, governmental agencies, governmental entities, municipalities, and governmental owned enterprises.

### **Affirmation of Auditors' Qualifications**

1. Lisa B. Lombard, Neil Broadstock and Blanca Sanchez are properly licensed to practice as a C.P.A. within the State of Arizona.
2. Lisa B. Lombard is licensed as a Certified Government Financial Manager by the Association of Government Accountants.
3. All auditors of the Firm meet the independence requirements of Government Auditing Standards (GAS).
4. The Firm has no record of substandard audit work.
5. The Firm has not been the object of any disciplinary action.
6. The Firm's policy requires an external quality control review at least every three (3) years in accordance with GAS. The Firm's most recent external quality review was completed by Suzanne Heidenreich, CPA who issued an unqualified (clean) opinion.
7. The Firm carries \$1,000,000 of liability insurance coverage.
8. The Firm is an equal opportunity employer.
9. The Firm is a small, woman owned business enterprise as recommended for utilization in OMB Circular A-102 Common Rule and OMB Circular A-110 for all recipients of federal funds.

### **Statement of Principal's and Firm's Expertise**

Lisa B. Lombard, C.P.A., C.G.F.M., has been in public accounting for 28 years and has been involved in audits of Arizona governmental entities, school districts, municipalities and not-for-profit organizations since the passing of the Single Audit Act in 1984. The Firm is experienced in meeting the unique auditing and reporting needs of recipients of HUD, Rural Development (formerly FmHA), EPA, CDBG, Arizona Department of Education pass-through grants and other Federal funding. Her experience, extensive specialized continuing education and commitment to client service provides assurance that your audit, fraud investigation, fund accounting or consulting services will be performed in accordance with the Firm's high standards of quality.

## FIRM PROFILE AND QUALIFICATIONS

### **Statement of Firm's Expertise (Continued)**

In accordance with the Firm's policy and *Government Auditing Standards*, issued by the Comptroller General of the United States, all staff members are required to meet the continuing education requirements including at least 24 of the 80 hours every two years in subjects directly related to the government environment and to government auditing. Because the Firm specializes in governmental and non-profit audits, the majority of the hours are in related topics.

Lisa B. Lombard, the Firm's founder, maintains involvement in the audit so that she can gain an understanding of the unique characteristics and intricacies of your particular operation. This increases the value of the review procedures performed.

Lisa B. Lombard, C.P.A., C.G.F.M., is an active member on the Arizona State Society of C.P.A.s, Governmental and Not-for-Profit Conference Committees and brings the benefit of this involvement to your audit.

### **Auditor's Capability to Audit Computerized Systems**

To facilitate the audit process and report preparation, the Firm employs the use of microcomputers and audit software designed specifically to comply with the Government Finance Officers Association (G.F.O.A.), the Auditor General's, State Board for Charter Schools and the American Institute of Certified Public Accountant's reporting requirements. The audit software is also utilized to prepare reports for analytical review.

The Firm's computer system can accept electronic, ASCII, data-or-text files on either 100 Megabyte Iomega zip disks, CD's, USB Flash Drives or on 1.44 megabyte 3.5" diskettes, each requiring IBM-compatible formats.

The Firm is experienced in working with a variety of fund accounting programs normally utilized by governmental agencies and not-for-profit organizations including, but not limited to, **American Fundware, Caselle, Cougar Mountain, MIP, SAP, Cyma, QuickBooks Pro, QuickBooks Enterprise, Great Plains** and **Fund Balance** programs.

### **Firm's Ability to Provide Management Advisory Services**

The Firm mission states that we will provide a full range of services to enable our clients to reach their own goals of efficient, effective operation and excellence in financial reporting. As a result, we have provided our clients with Management Advisory Services including alleviation of weaknesses uncovered during an audit, implementation of recommended procedures, job applicant screening, payroll tax penalty abatement, establishment of sound internal controls, special reviews and reports, fraud investigation, computerizing accounting procedures, streamlining operations, grant compliance, not-for-profit I.R.S. application preparation, pre-audit check-up services, technical training and general management consulting as permitted under independence standards in the *Government Auditing Standards* latest revision.

## FIRM PROFILE AND QUALIFICATIONS

### **Firm Confidentiality Policy**

All employees are required to sign an acknowledgement of the Firm's strict confidentiality policy regarding client information. When practical, compliance testing work papers reference program participant assigned case numbers or initials instead of full names. After the record retention period required by OMB Circular A-133 has expired, audit documents are professionally shredded on our premises to further protect client confidentiality.

The Firm policy also requires that we obtain permission from client management prior to release of information to any third parties. However, Information Returns of Tax Exempt Organizations (Form 990) are posted by the IRS on a public access website and financial statements of publicly funded organizations and governments may be made available to the public by other agencies.

### **Firm Philosophy**

We have a **positive** and **protective** attitude toward our audit clients. We feel that our primary purpose in performing an audit or providing consulting services is to protect the client to the best of our ability from potential loss of funds through (1) grant and support cuts from funding sources because of non-compliance, (2) misappropriation or embezzlement because of weak controls, and (3) loss of fixed assets from inadequate insurance coverage and lax controls. The best way for us to accomplish this goal is by fully informing the client of weaknesses that come to our attention during the course of the audit, and providing the client with recommendations for appropriate corrective actions.

## **REFERENCES**

### **GOVERNMENTAL**

Lee Maness, City Manager, City of San Luis, (928) 627-2027

Alex Ruiz, Former City Manager, City of San Luis, (928) 257-9265

Mark Johnson, Finance Director, Town of Guadalupe, (480) 730-3080

Ruth Mota, former Business Manager, Sacaton Public School District No. 18, (602) 263-8002

Henry Valenzuela, Former Jury Systems Analyst, Maricopa County; Tribal Council, Pascua Yaqui Tribe, (602) 506-7544

### **NOT-FOR-PROFIT**

Marco (Tony) Antonio Reyes, Executive Director, Comite de Bien Estar, Inc., (928) 627-8559

R. Trent Reynolds, C.P.A., C.G.F.M., Jewish Federation of Phoenix, (480) 634-4900

Ruben Ruiz, Finance, Community Services of Arizona, Inc., (480) 899-8717 x 221

Mercedes Kee, Business Manager, Valley Vocational Services, dba Crossroads Middle School, (602) 957-1234

Lynn Baker, former Executive Director, Lutheran Social Ministry of the Southwest, (520) 748-2300

Emma Torres, Executive Director, Campesinos Sin Fronteras, (928) 627-6677

Harry Garewal, Executive Director, Arizona Hispanic Chamber of Commerce, (602) 279-1800

Nancy Smith, President, Great Arizona Puppet Theater, Inc., (602) 262-2050

Cindy M. McMannon, Finance Director, Arizona Interscholastic Association, Inc., (602) 385-3810 x 212

Paula West, Executive Director, Phoenix Sister Cities Commission, (602) 495-5334

AnnMarie Short, Co-director, Stepping Stones Academy, (623) 465-4910

### **TRIBAL ENTITY**

Llyn Fulmer, Manager, Gila River Sand & Gravel Corporation, (520) 418-210-2106

### **MUNICIPAL MAGISTRATE COURT REFERENCES**

Hon. Rosendo Morales, Magistrate, City of San Luis, 23222 First Street, San Luis, AZ 85349, (928) 627-2020

Hon. Nellie Soto, Magistrate (Retired) Marilyn Trujillo, Court Administrator, Town of Guadalupe, 9241 S. Avenida del Yaqui, Guadalupe, AZ 85283, (480) 505-5382

**HIGHLIGHTS OF CURRENT AND PRIOR AUDITS  
FINANCIAL AND COMPLIANCE AUDITS INCLUDING SINGLE AUDIT ACT**

Not-for-Profit Corporations

		<u>Total Assets</u>
Comite de Bienestar, Inc.**	1993 thru 2006	\$ 6,583,916
Community Support Services	1992 thru 1996	Closed
Community Services of Arizona, Inc.**	2001 thru 2006	\$ 71,145,911
Spring Valley Manor, Inc.**	2001 thru 2006	\$ 1,075,072
Lutheran Social Ministry of the Southwest	1995 thru 2006	\$ 2,404,582
Prescott Frontier Days	2001	\$ 381,540
Jewish Family & Children's Services	2005	\$ 7,265,779
Maricopa Health Foundation	2004	N/A
Phoenix Sister Cities Commission	2004 thru 2006	\$ 170,582
Regional Center for Border Health, Inc.	2004	\$ 1,420,861
META Services, Inc.	2004 thru 2006	\$ 1,685,522
Calvary Community Church	2004 and 2005	Confidential
Arizona Interscholastic Association, Inc.	2004 thru 2006	\$ 3,873,230

Political Subdivisions

		<u>Population (2000)</u>
City of Phoenix – Fillmore Gardens & Sunnyslope Manor	2004	N/A
Town of Guadalupe**	2000 thru 2002	5,228
City of Surprise**	1993 thru 1998	30,848
City of San Luis**	1990-1993 and 1997-2006	15,322
Maricopa Domestic Water Improvement District	1998 – 2000	N/A
Town of Quartzsite**	1996 thru 2001	3,354
Congress Domestic Water Improvement District	2001 thru 2005	N/A
City of Coolidge (CAFR)*	1990	7,786
Town of Camp Verde	1990 thru 1993	9,451
Town of Cave Creek (CAFR)*	1990 thru 1991	3,728
Town of Jerome	1988-1989 and 1995-1997	329
Town of Miami	1993 thru 1998	1,936
City of Bullhead City (CAFR)*	1990	33,769
Town of Clarkdale	1991 thru 1995	3,422
Camp Verde Sanitary District	1991 thru 1999	9,451
Lake Havasu City (CAFR)*	1992	41,938
Northern Arizona Council of Governments	1992	N/A
Western Arizona Council of Governments	1992	N/A
Mohave County (As Joint Venture)	1995 and 1996	120,325

Schools – District and Charter

		<u>Federal Programs</u>
Edu-Prize School	2003 thru 2006	\$ 113,914
Terra Nova Charter School	2002	N/A
Arete Charter School	1999 thru 2001	Closed
Red Mesa Unified School District (Indian Reservation)	1990 thru 1991	\$ 2,326,814
Somerton Elementary School District	1990 thru 1991	\$ 1,975,912
Sacaton Elementary School District (Indian Reservation)	1989 thru 2001	\$ 2,296,096
Balsz Elementary School District	1990	\$ 6,001,535
Cochise Elementary School District	1992 and 1995	\$ 9,339
Seligman Unified School District (Partial Reservation)	1994 thru 1996	\$ 20,940
Skyview School	2000 thru 2002	\$ 18,286
PACE Preparatory Academy	2000 thru 2001	\$ 176,553
Stepping Stones Academy	2002	N/A
Crossroads Middle School	2002 and 2003	\$ 182,350
Career Success Schools	2003 and 2004	\$ 333,326

**HIGHLIGHTS OF CURRENT AND PRIOR AUDITS  
FINANCIAL AND COMPLIANCE AUDITS INCLUDING SINGLE AUDIT ACTS  
(CONTINUED)**

<u>Native American Owned Enterprises</u>		<u>Total Assets</u>
Gila River Sand & Gravel	2003 thru 2006	Confidential
Audit of Tenant-Firebird International Raceway for Sun Valley Marina (a Tribal Corp.)	2001	Confidential
<u>For Profit Corporations</u>		<u>Total Assets</u>
Tuff Turf, Inc.	2003 and 2004	Confidential
Avidity Health Care Solutions, Inc.	1996 thru 2003	Confidential
Union Court, L.L.C. (Apartments)***	2001 thru 2006	\$18,805,505
Metro/Mesa, L.L.C. (Apartments)***	2001 thru 2006	\$29,702,585
Edgewater, L.L.C. (Apartments)***	2001 thru 2006	\$ 7,924,297
United Mortgage Express, Corp.**	1995	Closed
<u>Compliance Monitoring</u>		
City of Phoenix – Valley of the Sun United Way	Workforce Connection	2006
City of Phoenix – Arizona Call-A-Teen Youth Resources	Workforce Connection	2006
City of Phoenix – Arizona Women’s Education & Employment	Workforce Connection	2006
City of Phoenix – Friendly House	Workforce Connection	2006
City of Phoenix – Goodwill Industries	Workforce Connection	2006

**HIGHLIGHTS OF CURRENT AND PRIOR NON-AUDIT SERVICES**

Non-audit Services Summary Description

Special Reports, Internal Control and/or Computer Consulting/Fraud Investigation, Training Classes, Fund Accounting Assistance, Management Advisory Services, Management and Accounting Staff Screening, Independent Review Reporting, Bond Issuance assistance.

City of San Luis	Arizona Hispanic Chamber of Commerce
City of Surprise	Area Agency on Aging
Yuma Private Industry Council	Town of Cave Creek
Comite de Bienestar, Inc.	Great Arizona Puppet Theater, Inc.
Allstar Movers, Inc.	Tuff Turf, Inc.
Stepping Stones Academy	Pointe Educational Services, Inc.
City of Somerton	Town of Jerome
Prescott Frontier Days, Inc. - Community Service Foundation	

\* Municipalities received Certificates of Excellence in Financial Reporting from G.F.O.A.

\*\*United States Department of Housing and Urban Development Program (HUD) Audits - Financial and Compliance.

\*\*\*Low to moderate income housing project

## LISA B. LUMBARD, C.P.A., C.G.F.M.

### EDUCATION / CERTIFICATION

- B.S. Degree in Accounting - Arizona State University
- Certified Public Accountant - State of Arizona
- Certified Government Financial Manager

### CONTINUING EDUCATION HIGHLIGHTS

- Governmental Auditing - Level 1 & 2 - A.I.C.P.A.
- Uniform System of Financial Records Workshop - AASBO
- Governmental Financial Reporting Seminar - G.F.O.A.
- Professional Ethics - A.I.C.P.A.
- Government/Non-Profit Single Audit Updated
- Governmental Accounting - Arizona Society of C.P.A.s
- Preparing your Firm for Quality Review - A.S.C.P.A.
- Governmental Finance Institute - Arizona Finance Officers Association
- Not-for-Profit Accounting and Auditing Update - William V. Allen, Jr., C.P.A.
- Governmental Accounting Conference ASCPA (Annually)
- Governmental Reporting and CAFR Preparation - Assoc. of Government Accountants
- The Law of Exempt Organizations
- Workpaper Techniques for Government and Nonprofit Organizations - AICPA
- Not-for-Profit Accounting Conference - ASCPA (Annually)
- GASB 34 - GFOA (Annually - 2000, 2001 and 2002)

### PROFESSIONAL

- American Institute of Certified Public Accountants
- Arizona Society of Certified Public Accountants
- Member of Annual Governmental Accounting and Not-for-Profit Accounting Conference Committees
- Governmental Finance Officers Association
- Arizona Finance Officers Association
- Association of Government Accountants
- Thunderbird Kiwanis Community Welfare Foundation Trustee/Club Past President
- S.W.I.H.A.A. Seminar Presenter, January 1996
- Implementing Sound Financial Policies and Procedures - Seminar Presenter
- Protecting You and Your Not-for-Profit Organization - Seminar Sponsor/Presenter
- Not-for-Profit and Governmental Update - Seminar Sponsor/Presenter

### EXPERIENCE

Principal/Managing Member  
Lumbard & Associates, P.L.L.C., Phoenix, Arizona 1/93 - Present

Founder and manager of quality oriented Firm specializing in meeting the special needs of municipalities, charter schools, other governmental and quasi-governmental entities, not-for-profit organizations and tribal enterprise corporations. Services provided include performance of Single Audits, program audits, agreed upon procedures, special reports, internal control analysis, fund accounting consulting, preparation of accounting and management job descriptions, personnel screening, legal support services, fraud investigation, management consulting services and training seminars.

LISA B. LUMBARD, C.P.A., C.G.F.M. (CONTINUED)

EXPERIENCE (CONTINUED)

Audit Supervisor

R.C. Denen, C.P.A., Phoenix, Arizona

6/90 - 12/92

Specializing in A-128 and A-133 Audits for small municipalities, school districts, and certain non-profit organizations. Responsible for all aspects of assigned audits from the planning phase through Comprehensive Annual Financial Report, U.S.F.R. or Expenditure Limitation Reports. Additional responsibilities included, Firm development, staff supervision and training, establishment of Firm quality, management policies, preparation for peer quality reviews and CAFR reviews for Certificate applicants.

Staff Accountant for C.P.A. Firm

Christensen & Company, Tempe, Arizona

5/86 - 5/88

Monthly and quarterly client accounting through financial statements; payroll tax reports; tax return preparation including corporate, partnership, and individual; assisted with Internal Revenue Service audits, including heavy auditor and client contact.

Staff Accountant/Head of Bookkeeping Department

R.C. Denen, C.P.A., Ltd., Phoenix, Arizona

1/80 - 5/86

In charge of computer operations; monthly bookkeeping and accounting for clients through compiled or reviewed financial statements; tax return preparation, including corporate, partnership and individual; performed small audits and assisted on large audits of private enterprises, municipalities, and government agencies; and assisted in Firm development and internal control.

Bookkeeper

James H. Liem, C.P.A., Ltd., Phoenix, Arizona

6/77 - 10/79

Bookkeeping for clients through monthly financial statements; preparation of monthly sales tax reports and quarterly payroll tax reports; and periodic insurance claims and monthly billing for the Firm.

## NEIL BROADSTOCK, C.P.A.

### EDUCATION/CERTIFICATION

- Certified Public Accountant – State of Arizona
- Bachelor of Science in Accounting, Bradley University

### PROFESSIONAL

- Member of American Institute of Certified Public Accountants
- Arizona Society of Certified Public Accountants

### CONTINUING EDUCATION HIGHLIGHTS

- Government Accounting and Auditing Updates – AICPA
- Professional Ethics for Arizona CPA's – Professional Automated Self Study
- Fraud: Catching the Crooks who Cook the Books – Surgent McCoy
- Accounting and Auditing Updates – Professional Automated Self Study
- 2005 FASB Review for Industry – Professional Automated Self Study
- GAAP & Accounting Updates 2005 – Honeywell
- IASB vs US GAAP – Honeywell

### EXPERIENCE

Audit/Accounting Senior  
Lumbard & Associates, P.L.L.C. 4/06 - Present

Prepare Form 990 returns and other governmental special reports for not-for-profit and governmental entities. Involved in audits under Government Auditing Standards of charter schools, municipalities, governmental agencies, not-for-profit corporations, and compliance monitoring under governmental contracts. Responsible for all phases through preparation of Single Audit reports and financial statements in accordance with Governmental Generally Accepted Accounting Principles. Provides fund accounting and internal control consulting services.

Senior Accountant  
Honeywell International 8/04 - 4/06

Revenue recognition compliance – SAB 101 and other GAAP; document and communicate with contracts Administration judgments on revenue recognition; month end close process, journal entries, account reconciliation, and variance analysis; resolve inter-company disputes with UK, Australia, Canada, Singapore, China, and Phoenix offices; work with Global Cash & Treasury Services and Contracts Administration on aged receivables; lead implementation on Accounts Receivable conversion to SAP for Engines, Systems, and Accessories (Tempe, Tucson, South Bend and Rocky Mountain locations).

Senior Accountant  
Giant Industries, Inc. 04/01 - 07-04

Responsible for month end close process, preparing journal entries and loading data from JD Edwards to our reporting software – Hyperion Enterprise; administrator for Hyperion Enterprise, work closely with outside auditors and various banks, achievements include conversion of previous general ledger system (in-house designed VAX program) to JD Edwards; in the process, set up a new ledger system in Hyperion for reporting purposes, responsible for designing and maintaining reports in Hyperion Enterprise for various Strategic Business Units (SBUs) - Retail, Refining, Phoenix Fuel, and Corporate; work closely with the SBUs to prepare consolidated financial statements for executive management.

NEIL BROADSTOCK, C.P.A. (CONTINUED)

EXPERIENCE (CONTINUED)

Accounting Manager  
Continental Promotions Group, Inc 1/01 - 4/01

Responsible for month end close process of Corporate and Subsidiaries (Allegheny Marketing and CPI – Ireland), converted CPI from Quick Books to Corporate software package – SBT Executive Series; reviewed current Fixed Asset processes and drafted a proposal to improve the process that was subsequently approved and implemented successfully; primary contact for year end tax review by outside CPAs. Prepared all the necessary schedules and supporting documentation for all Companies.

Senior Accountant  
Healthcare Delivery Systems 12/98 - 1/01

Responsible for month end close process in order to meet 3<sup>rd</sup> day (preliminary) and 8<sup>th</sup> day (final) deadlines for HDS financial reporting to Corporate Headquarters at McKesson HBOC; timely reconciliation of general ledger accounts; supervision of accounts payable and fixed asset staff. Also involved in areas of payroll and accounts receivable; many special projects achievements including conversion of data into new Lawson software system for the general ledger, accounts payable, and fixed asset modules. Also a separate accounting system set up for additional new program for HDS in Lawson Software system; responsible for writing user defined Lawson reports for HDS.

Financial Accountant  
ILX Resorts 2/98 - 12/98

Prepared month end closing entries for multiple companies; prepared month end financial statements for internal purposes and involved in preparation of quarterly financial statements for SEC reporting; reconciled various general ledger accounts; developed procedures to be implemented at the corporate headquarters and at the various resorts owned by ILX.

Auditor  
Eide Helmeke 12/95-12/98

Auditor for regional CPA firm serving non-profit entities throughout Phoenix metropolitan area. Clients also included for profit entities such as dealerships, golf courses, construction companies, and other local businesses.

Auditor/Tax Accountant  
Gorenz and Associates 8/94 - 8/95

Involved in preparation of tax returns for individuals, partnerships, and corporations. Also served as staff auditor for audits of school districts, auto dealerships, and other local businesses.

## ROSENDO PORTILLO

### EDUCATION / CERTIFICATION

- Degree in Accounting- Instituto Debe Y Haber

### CONTINUING EDUCATION HIGHLIGHTS

- Real Estate Law Seminar
- Single Audit Act - State of Arizona/IRS
- Migrant Headstart Financial Reporting - Department of Labor
- Indirect Cost Proposal Preparation - Department of Labor
- Not-for-Profit and Governmental Update - Lumbard, C.P.A., C.G.F.M.
- Governmental Accounting - A.F.O.A.
- AFOA 38<sup>th</sup> Annual Conference - A.F.O.A.
- Auditing & Accounting - Caseware
- Basic Governmental Accounting - A.F.O.A.
- Government Accounting Standards - Lumbard & Associates, PLLC / AICPA
- Accounting & Auditing - William V. Allen, Jr., C.P.A.
- Governmental Accounting Conference - Arizona Society of C.P.A.'s (Annually)
- Low Income Housing Tax Credit - Arizona Department of Housing
- Update Education on Issues for C.P.A. Firms - Arizona Department of Education
- 11<sup>th</sup> Annual Professional Development - A.G.A.

### PROFESSIONAL

- Institute of Management Accountants
- Arizona Finance Officer's Association

### EXPERIENCE

Audit/Accounting Senior  
Lumbard & Associates, P.L.L.C.

5/01 - Present

Prepare Form 990 returns and other governmental special reports for not-for-profit and governmental entities. Involved in OMB Circular A-133 Single audit of school districts, charter schools, municipalities, governmental agencies, not-for-profit and tribal enterprise corporations. Responsible for all phases through preparation of Single Audit reports and financial statements in accordance with Governmental Generally Accepted Accounting Principles. Provides fund accounting and internal control consulting services. Audited and prepared financial statements for 401(k) retirement plan.

Full Charge Accountant  
Pegasus Construction, Inc.

6/99 - 4/01

Preparation of monthly financial statements; balance sheet, income statements, journal entries, general ledger analysis, payroll taxes & quarterly reports, payroll, job costing, bank reconciliations, sales tax reports, Arizona Corporation Commission reports.

## ROSENDO PORTILLO (CONTINUED)

### EXPERIENCE (CONTINUED)

Full Charge Accountant  
Arizona Bridge to Independent Living 7/98 - 6/99

Preparation of monthly financial statements; balance sheet, income statement, supervise payroll preparation, accounts receivable accounts payable, journal entries, general ledger analysis, payroll taxes & quarterly reports, process annual closing of books and external audit.

Head Accountant  
Chicanos Por La Causa, Inc. 7/97 - 6/98

Monthly financial statement preparation; balance sheet & income statement journal entries, prepared & reviewed budgets by cost centers, general ledger analysis by funding sources or by contracts, preparation of IRS form 990, fiscal year closing of books.

Accountant  
JMS Construction Company 12/93 - 6/97

Payroll preparation, sales tax reports, quarterly payroll reports, job cost, bank reconciliations, accounts payable and receivable, trial balance, getting accounting books ready for CPA's audit, general ledger analysis.

Technical Assistance Specialist  
National Council of La Raza (NCLR) 1990 - 1993

Provide technical assistance to non-profits organizations affiliates of NCLR, such as accounting software installation, budget allocations, lotus 123 training, and 990 tax return preparations.

Budget Manager  
Chicanos Por La Causa, Inc. 1982 - 1990

Monitored revenue and expenses by contract, prepared financial statements for the Board of Directors, supervised the payroll department, preparation of IRS form 990 tax return, preparation of Indirect Cost proposal, prepared accounting records for single audit act review, monitor cash flow and investments, budget preparation of some cost centers. Held several positions, provided eight years of service.

**APPENDIX B**

**AUDIT WORK PLAN**

## ANDAN JAKE LITWILLER

### EDUCATION / CERTIFICATION

- Bachelors in Accountancy – Arizona State University West, Cum Laude
- Glendale Community College

### CONTINUING EDUCATION HIGHLIGHTS

- Government Accounting Standards - Lumbard & Associates, PLLC / AICPA
- Governmental Accounting & Auditing Update (2004-2005) - AICPA
- Applying A-133 to Non-profit and Governmental Organizations - AICPA

### EXPERIENCE

Audit/Accounting Junior  
Lumbard & Associates, P.L.L.C. 2/07 - Present

Prepare Form 990 returns and other governmental special reports for not-for-profit and governmental entities. Involved in OMB Circular A-133 Single audits of charter schools, municipalities, governmental agencies and not-for-profit corporations.

Plumber  
Riggs Plumbing 8/04 - 11/05

Installation of plumbing for new housing developments. Repaired broken or leaky plumbing. Performed quality checks to ensure plumbing was installed properly.

Account Manager  
Discover Financial 1/03-10/03

Sold balance transfers and products to cardmembers. Persuaded customers to re-open their cancelled accounts. Convinced upset cardmembers to retain their account.

Bill Collector  
ER Solutions  
9/01-9-02

Collected past due cell phone bills. Negotiated payment terms with disgruntled customers. Performed skip tracing to locate debtors.

Marine Aerial Navigator  
United States Marine Corps  
1/99-1-01

Tutored Marines on various subjects of Marine Corps knowledge. Led and followed in various tasks requiring teamwork. Completed Naval Aircrewman Candidate School with the highest scores in the class. Earned an award for the top grade at Marine Aerial Navigation School. Received an honorable discharge.

## **AUDIT WORK PLAN**

### **Initiation of the Audit Process**

Upon acceptance of our proposal, a preaudit package will be sent to the Town of Camp Verde. The package will include a letter listing the documents which we will need to inspect at the start of the field work, the documents which we will need copies for our workpaper files and the standard appropriate confirmation request letters which need to be generated and signed by the Town of Camp Verde. We ask that the Town of Camp Verde send us copies of all budgets and revisions thereto, as well as a copy of the fiscal year end financial statements and trial balance. This procedure permits the Firm to begin the preliminary analytical review phase and allows us to be more efficient in the performance of the field work, thereby reducing on-site time at the Town's Office.

### **Sample sizes and extent to which statistical sampling is to be used in the engagement**

Statistical sampling will be utilized to test the established internal controls to determine the level of reliance which can be placed upon these controls. Sample sizes will be sufficient to support reliance upon the controls with a minimum of ten test items per category. Categories of transactions in which reliance upon controls is placed at less than a high level will be tested with larger sample sizes. Sample size for general cash disbursements will be established at a minimum of 25 checks.

If significant exceptions are noted during testing, sample sizes will be appropriately increased until sufficient competent evidence has been obtained to afford a reasonable basis for our opinion.

### **Extent of use of EDP software in the engagement**

We have purchased the same accounting software used by the Town of Camp Verde. The Town of Camp Verde will provide us with a back-up of the Town's computerized accounting transactions on disk. We will utilize our computer program to facilitate various audit procedures, including, but not limited to posting audit adjustments and accruals, budget - actual comparisons and significant variance reports, prior and current year comparison and combining financial statements.

### **Client communication during audit**

We will discuss any weaknesses noted during the course of the audit with the Business Manager and other appropriate personnel prior to leaving the field. This allows the Town's personnel to clarify issues prior to our drafting of the preliminary report. After completion of the preliminary report draft, we will return to the field and review the report, material weakness findings, (if applicable) and the management letter in detail with the business manager. Any corrective actions taken by the Town of Camp Verde subsequent to the completion of the field work can then be added to the audit report.

### **Type and extent of analytical procedures to be used.**

Analytical procedures will be utilized in the planning stage for assisting in the planning of the nature, timing and extent of other audit procedures and determining areas requiring special investigations. Additionally, analytical procedures may also be applied during the audit as substantive tests to provide evidence as to the reasonableness of specific revenue and expenditure account balances. Analytical procedures will also be performed during the final review of the audited figures. Analytical procedures will involve comparisons of financial data for the current year to that of prior years, budgets and the Town's averages.

## **AUDIT WORK PLAN (CONTINUED)**

### **Gaining and documenting an understanding of the internal control structure**

An initial understanding of the control environment and accounting system will be obtained during the planning conference with management and other appropriate Town personnel. The results of the conference will be documented on a standardized governmental control procedures questionnaire form.

An understanding of the control procedures will be obtained in conferences with the appropriate personnel and documented in flowcharts and internal control questionnaire audit program forms. Separate flowcharts will be prepared for cash receipts, cash disbursements, payroll, fee for service grantor contracts and any other procedures as deemed appropriate based upon the unique operations of the Town.

### **Determining laws and regulations that will be subject to audit test work**

Our audit is not designed to test the Town of Camp Verde's compliance with all laws applicable to quasi-governmental entities, but will advise you of any areas of non-compliance which may come to our attention during the course of the audit.

Internal control and compliance weaknesses which impact or could impact the financial statements of the Town will be reported as findings within the audit report. Weaknesses which did not directly effect the financial statements, will be reported in a separate letter to management and the Governing Board.

### **Approach to be taken in drawing audit samples for purpose of tests of compliance**

Audit and test work will be performed in accordance with *Generally Accepted Auditing Standards* and, if applicable the Single Audit Act of 1984 as amended in 1996. The extent of substantive testing will be determined by the confidence level assigned after the tests of controls. Expenditures of grant funds that are selected in the disbursements test sample, will also be tested for compliance.

### **Staffing and Supervision**

The audit field work will be performed by a team of the Principal as Audit Manager, the Audit Senior, Audit Junior and additional staff if necessary so that the time constraints and reporting deadline requirements specified in the Request for Proposal can be met. Initial review procedures will be performed by a Senior, other than the assigned project Senior and final reviews will be performed by the Principal.

It is the firms policy to provide supervision in all phases of the audit process including planning, field work and report preparation. Performance of specific audit programs (i.e.: cash, long-term debt, fixed assets, etc.) is rotated annually among the field auditors. Our experience indicates that this method provides the greatest assurance of maintaining audit quality and objectivity.

## AUDIT WORK PLAN (CONTINUED)

### Town of Camp Verde's Participation (Continued)

The Town of Camp Verde's staff will be requested to provide the auditor with the following schedules:

- 1) Schedule of Expenditures of Federal Awards
- 2) Employee's compensated absences activity for the audit period (in dollars) as follows:  
Vested compensated absences owed at the beginning of the fiscal year  
Plus: Amount earned by employees during the fiscal year  
Less: Amount paid to employees during the fiscal year  
Equaling: Vested compensated absences owed at the end of the fiscal year
- 3) A listing of fixed assets acquired or disposed of during the fiscal year at historical cost.
- 4) Updated depreciation schedules for enterprise and governmental fund capital assets
- 5) An accounts payable listing or computer print-out by vendor, of all outstanding payables as of the fiscal year end including expenditure category coding.
- 6) A detail listing, by customer of all outstanding invoices and rents receivable as of the fiscal year end.
- 7) Schedule of debt service requirements under long-term debt agreements

We understand that your employees will perform the following procedures for the audit:

- Provide the documents requested in the preaudit package letter.
- Document internal control procedures for our review and consideration.
- Assist us in tracking down any exceptions noted in the returned confirmation letters.
- Pull all invoices selected in our test selection, and subsequently refile those invoices.
- Pull all other items selected in our test selections and subsequently refile those items.
- Perform detailed account analysis as directed by our staff.
- Provide the fiscal year end working trial balance, general ledger detail and basic financial statements, a supplementary schedule of functional expenses and a schedule of program revenues and expenses.
- Provide support for HURF expenditures.

Additionally, the Town's staff will be requested to complete the confirmation requests. A word-processing disk of standard confirmations will be provided to the Town to make this function as quick and easy as possible.

## AUDITABLE CONDITION DESCRIPTION

The following listing has been developed to assist the Town of Camp Verde in preparing for the audit process. In order for an entity's records to be deemed in auditable conditions, they must include at a minimum, the following items:

1. A complete trial balance which includes:
  - All transactions of the entity and component units
  - All funds in balance (debits equal credits)
  - All accounts with proper balances ie: bank accounts not shown with negative balances unless they are actually overdrawn, payroll taxes with credit balances unless they are actually over paid, expenses with debit balances and all revenues with credit balances
  - All fixed asset acquisitions and disposals during the year properly reported
  - All new long term debt, including capital leases entered into during the year and debt retirements properly reported in the appropriate funds
  - Accounts payable general ledger account balances in all applicable funds that agrees with subsidiary listing of unpaid bills
  - Notes and accounts receivable general ledger balances at year end that agree with subsidiary listings
  - All fixed assets properly capitalized and accumulated depreciation recorded up to date that agrees with subsidiary accumulated depreciation schedules.
  - Beginning net asset balances that agree with prior year audited ending net asset balances
  - All prior year audit accruals and adjustments must be posted and reflected in current year balance sheet account balances
  - All cash in bank accounts agree with bank reconciliations
  - All cash on hand agrees with cash count of drawers or petty cash boxes
  - Accruals for interest payable, interest receivable, accrued payroll and related taxes, grants and intergovernmental receivable posted and supported by calculation workpapers
  - Grant revenues match grant expenditures within the same separately identifiable funds or department
2. Preliminary computer generated statement of net assets, statement of activities, balance sheet of governmental funds, statement of revenues, expenditures, and changes in fund balances for governmental funds, budget and actual report for general fund and each special revenue fund to be separately disclosed in the financial statements and basic statements for each enterprise fund to be separately disclosed in the financial statements.
3. Compensated absences schedule listed by individual and in dollars payable (not hours).
4. Subsidiary listing of all other known accounts receivable from other governments ie: grants for which reimbursements have been filed, but not collected by year end; other revenues subject to accrual.
5. General ledger detail by account for the entire year.
6. Balances "due to other funds" must agree with "due from other funds".
7. Listing of all fixed assets subtotaled by type, i.e., land, equipment, buildings and improvements, furniture and fixtures, including physical description, purchase price or fair market value on date of acquisition, source of funding, date acquired, serial and model number, location and estimated useful life.
8. Calculation supporting reported gains or losses on asset disposals.

If the Town of Camp Verde account balances significantly disagree with the subsidiary schedules and confirmation responses, additional procedures **not** included in the scope of an audit will be needed. The Town of Camp Verde will notify the Auditor as to how they would like to handle the work; have the Town staff research and correct, hire a qualified temporary person, or have the audit firm recommend other qualified accounting firms, or have the audit firm perform the additional procedures to the extent permitted under G.A.S. independence standards.

**TOWN OF CAMP VERDE  
PRELIMINARY AUDIT HOURS PLAN  
FOR THE FISCAL YEAR ENDING JUNE 30, 2007**

Audit Steps	Estimated Hours			Support Staff
	Principal	Auditor 1	Auditor 2	
<b>1. Preliminary Planning</b>				
Preliminary planning	2	2		2
Issue preaudit letter, mail confirmations		1		2
Determine audit risk and document	1	1		
Complete audit planning program	1			
Prepare and maintain confirmation control				1
Entrance conference with Management	1	1		
Document fraud risk per SAS 99 & 112	2	4	4	
<b>2. Document understanding of Internal Controls*</b>				
Internal control questionnaires		1	1	
Prepare flowcharts/update flowcharts		2	2	1
<b>3. Convert Organization Financial Data*</b>				
Set up leadsheets and workpapers		2		
Convert data for use in audit software		2		
<b>4. Prepare or update permanent file*</b>				
Review of contract copies and create summaries	1	2		
Purchasing, payroll policies			1	
Organization chart			1	
Other agency policies		2		
<b>5. Related Entity Reporting Determination</b>				
Complete entity determination checklists		0		
Obtain and review information required for disclosure		0		
<b>6. Perform preliminary analytical procedures</b>				
Discuss significant prior/current year variances w/mgmt		1		
Budget and actual comparison where applicable		1		
<b>7. Modify audit program based on 2, 3, 4, 5 and 6 above, assess audit risk</b>				
Complete planning documents/Reassess risk	1			
Complete materiality worksheet at fund level		1		
<b>8. Accounts Payable and Disbursements</b>				
Test for compliance with agency policy				2
OMB A-110 procurement requirements				1
Allowability and documentation compliance				1
Test reasonableness and consistency of functional allocation of direct costs and indirect costs				2
Adequacy of segregation of duties				1
Test adequacy of reported accounts payable				1
<b>9. Payroll</b>				
Test internal controls and compliance with Agency policy		2		
Reasonableness of related accruals		1		
Consistency of IRS reporting of gross wages		1		
Allocation of salary costs to programs		1		

\* Initial year will require more time than subsequent years.

**TOWN OF CAMP VERDE  
PRELIMINARY AUDIT HOURS PLAN  
FOR THE FISCAL YEAR ENDING JUNE 30, 2007**

Audit Steps	Estimated Hours			Support Staff
	Principal	Auditor 1	Auditor 2	
<b>10. Cash and Cash Equivalents</b>				
Confirm and verify reconciliation with banks and financial institutions		4		
Verify cash in all drawers and agreement to general ledger		1		
Verify any restrictions and compensating balance requirements		1		
Confirm authorized signatories		1		
Verify risk classifications of cash equivalents		1		
<b>11. Investments</b>				
Verify reasonableness of values reported as investments		0		
<b>12. Notes/Loans Receivable</b>				
Verify reasonableness of valuation and adequacy of disclosures		4		
<b>13. Receivables and Revenues - Governmental Funds</b>				
Confirm revenues with Federal, State, other grantors		4		
Test cut-off and receivable accruals		2		
Verify proper reporting of grant matches, where applicable		2		
<b>14. Receivables and Revenues - Other Financing Sources</b>				
Confirm other significant unrestricted revenues			2	
Performance of analytical procedures and other tests of interest and investment gains & losses			2	
<b>15. Legal and Insurance</b>				
Review legal and insurance confirmations		1		
Identify subsequent events requiring disclosure (if any)		1		
<b>16. Deferred revenues</b>				
Test adequacy of controls and amounts reported		2		
<b>17. Capital assets</b>				
Test existence, valuation completeness, ownership, source of funding and adequacy of insurance			4	
Determine reasonableness of depreciation reported			2	
<b>18. Analyze net assets classifications;</b>				
Inspect support for reporting of net assets as:				
invested in capital assets, net of related debt		1		
restricted and unrestricted		1		
<b>19. Long-term debt</b>				
Confirm principal balance remaining and interest paid during the year on all significant debt		2		
Review summary of debt agreements		2		
Prepare amortization schedules as needed		0		
Summary of activity and future debt service requirements		1		
Verify existence and valuation of collateral where applicable		1		
Operating leases		1		
<b>20. Review summary of Board Meeting Minutes</b>				
Identify material transactions and summarize		2		
Identify policy changes		2		
Search for contingent liabilities		2		

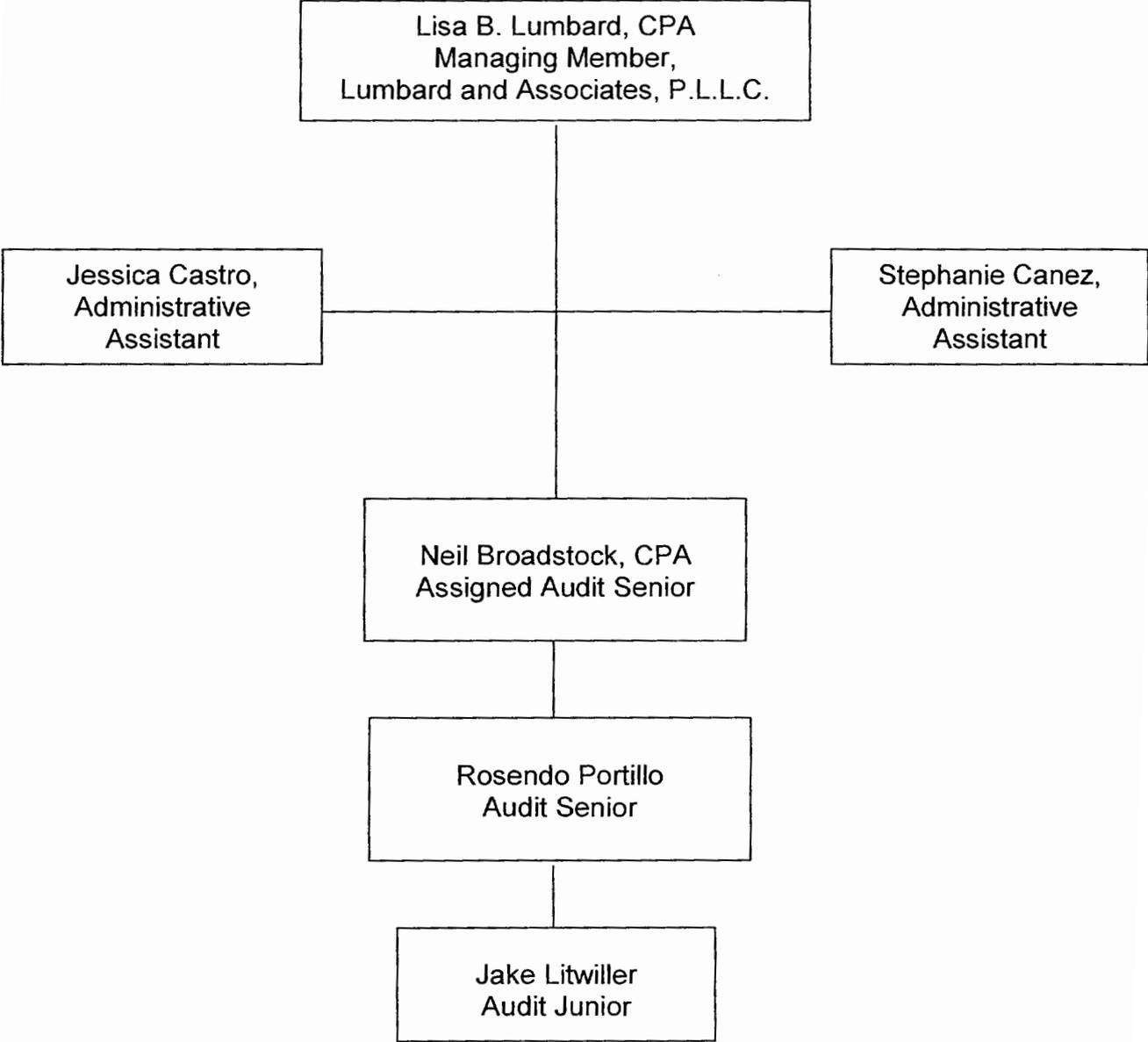
**TOWN OF CAMP VERDE  
PRELIMINARY AUDIT HOURS PLAN  
FOR THE FISCAL YEAR ENDING JUNE 30, 2007**

Audit Steps	Estimated Hours			
	Principal	Auditor 1	Auditor 2	Support Staff
<b>21. Federal funds Compliance - OMB A-133</b>				
Review significant grant agreement contracts*		2		
Complete Single Audit major program spread sheets & check lists		2		
Test adequacy of controls over compliance over certain provisions of laws, regulations, contracts and grants		2		
Test controls over financial reporting		1		
Select programs for compliance testing per Gov't Audit Standards		1		
<b>22. Schedule of Expenditures of Federal Awards</b>				
Verify completeness based upon test of federal awards and expenses			1	
Verify accuracy of CFDA numbers based upon confirmation responses				0.5
<b>23. Highway Users Fund</b>				
Compliance testing per Auditor General requirements	0.5		4	
Draft report and opinion letter	0.5		2	
<b>24. Magistrate court</b>				
Test adequacy of controls over cash receipts			2	
Test appropriateness of accounts receivable reporting			1	
<b>25. Exit conference</b>				
Discuss reportable conditions with management and Finance Director at completion of field work	1	2		
Obtain and Review Management representation letter		0.5		
<b>26. Financial Reporting Package*</b>				
Review Financial Statements and update notes	1	4	4	
Review schedules prepared by the Organizations		2	2	
Prepare GASB 34 reconciliation schedules		2	2	
Draft Independent auditor's opinion letter		1		0.5
Review Management Discussion and Analysis for consistency with financial statement reporting			3	
Review required supplementary information per GASB 34			3	
<b>27. Draft compliance reports required by Government Auditing Standards</b>				
Reports on compliance and internal controls		1		
Reportable conditions and Schedule of findings, as applicable	1	2	1	0.5
<b>28. Expenditure Limitation Report</b>				
Preparation and review of AELR	1	4		1
<b>29. Single Audit Data Collection Form</b>				
Preparation, review and electronic submission	1	1		1
<b>30. Supervision and Review</b>				
Workpapers - Financial and Compliance	2	4		
Report modifications		1		
File clean-up		1	1	
Complete Governmental financial statement disclosure check list			4	
Post-audit analytical review	1	1		
Clerical check and footing all statements and schedules			1	
Reportable condition disclosures	1			
Technical review of report	4			

**TOWN OF CAMP VERDE  
PRELIMINARY AUDIT HOURS PLAN  
FOR THE FISCAL YEAR ENDING JUNE 30, 2007**

Audit Steps	Estimated Hours			
	Principal	Auditor 1	Auditor 2	Support Staff
<b>31. Preliminary Draft</b>				
Confer with Organization to review draft, reportable conditions and management responses	1	1		1
<b>32. Final review and signing of reports</b>				
Type, copy, assemble and bind reports in final form	1			2
Transmittal letters		0.5		1
Letter to management of reportable conditions	0.5			
<b>33. Present to Board of Directors</b>	1	1		
<b>34. Travel</b>	8	4	4	
<b>TOTAL AUDIT HOURS</b>	<b>34.5</b>	<b>108</b>	<b>62</b>	<b>13.5</b>

**ORGANIZATIONAL CHART  
OF PERSONNEL TO BE ASSIGNED TO THE PROJECT**



**APPENDIX C**

**SINGLE AUDIT  
SERVICES BID PRICE**

AUDIT SERVICES BID PRICE

**Town of Camp Verde**

The undersigned proposes to furnish the audit services listed in this proposal for the Town of Camp Verde for a total fee, including out-of-pocket costs, for the fiscal year ending June 30, 2007 as follows:

	<u>2007</u>
Audit Hours 218 hours	\$ 17,330
Out of Pocket Costs	<u>1,170</u>
Total	<u>\$ 18,500</u>

The time budget and fee quote has been prepared based upon the performance of a Single Audit to include one CDBG major program. If it is determined that additional programs require testing as majors under OMB A-133, management will be advised and an estimate of additional costs will be provided.

**Terms**

In accordance with FIRM policy, a retainer of \$1,800 will be received and cleared before audit work will commence. The retainer will be applied to the final billing on the project. If unforeseeable items are encountered during the course of the audit that will require additional testing, the Town of Camp Verde will be consulted before additional costs are incurred. Such items may include lack of documentation to support prior audit ending balance sheet account balances, lack of depreciation schedule and updated fixed asset listing, unreconciled beginning net asset account balances, lack of long term debt amortization schedules, and grantor confirmation responses that significantly disagree with the Town's accounting records.

Additional financial services available from the firm can be provided **upon request** at the following **discounted** hourly rates:

Legal Support Services	Call for Quote
Consulting and Management Advisory Services - Principal	\$ 125.00
Professional Staff	\$ 95.00
Administrative Support	\$ 50.00
Out-of-pocket costs	at cost

The above fee quote and rates represent a valid offer for thirty days after the signature date below.

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**LUMBARD & ASSOCIATES, P.L.L.C.**  
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Phoenix, Arizona 85014  
Phone (602) 274-9966  
Fax (602) 265-0021

*Lisa B. Lombard*  
AUTHORIZED SIGNATURE  
*Managing Member*  
TITLE  
*July 31, 2007*  
DATE