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**AGENDA
REGULAR SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, JANUARY 21, 2015 at 6:30 P.M.**

Note: Council member(s) may attend Council Sessions either in person or by telephone, video, or internet conferencing.

1. **Call to Order**
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) Regular Session – January 7, 2015
 - b) **Set Next Meeting, Date and Time:**
 - 1) Friday, January 23, 2015 at 8:30 a.m. – Work Session Retreat
 - 2) Wednesday, January 28, 2015 at 6:30 p.m. – Council Hears Planning & Zoning Matters
 - c) **Possible approval of Intergovernmental Service Agreement between the Town of Camp Verde through the Marshal's Office and the Arizona Department of Transportation (ADOT) to improve technology and efficiency by utilizing an E-Ticket system in order to streamline the citation process between Camp Verde Marshal's Office and the Court.** Staff Resource: Nancy Gardner
 - d) **Possible approval of Job Order Contracting Agreements for the period of 2-19-2015 to 2-19-2016 to the twelve (12) JOC Contractors in order to provide a variety of Public Works, Streets, Stormwater and General Maintenance Construction Services.** Staff Resource: Ron Long
5. **Special Announcements and presentations:** There are no Special Announcements or Presentations.
6. **Call to the Public for Items not on the Agenda.**
7. **Presentation and possible acceptance of the Town of Camp Verde Comprehensive Annual Financial Report for Fiscal year ended June 30, 2014.** Staff Resource: Michael Showers.
8. **Presentation and possible discussion of Quarterly Reports as presented by:**
 - Planning & Zoning Commission
 - Board of Adjustment's & Appeals
9. **Update by Economic Development Department and Camp Verde Promotions regarding Special Events Permit Fees for vendors of Town events that are registered through Camp Verde Promotions, and possible approval of continuing with current agreement that includes the waiver of power fees, electrical fees, facility fees, and event sponsorship insurance for the 2015 Spring Heritage Festival, Cornfest, and Fort Verde Days.** Staff Resource: Steve Ayers
10. **Call to the Public for items not on the agenda.**
11. **Council Informational Reports.** These reports are relative to the committee meetings that Council members attend. The Committees are Camp Verde Schools Education Foundation; Chamber of Commerce, Intergovernmental Association, NACOG Regional Council, Verde Valley Transportation Planning Organization, Yavapai County Water Advisory Committee, and shopping

locally. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

12. **Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and 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.
13. **Adjournment**

Posted by:  Date/Time: 1-15-2015 11:45 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.

**DRAFT MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, JANUARY 7, 2015 at 6:30 P.M.**

Minutes are a summary of the discussion. They are not verbatim.
Public input is placed after Council discussion to facilitate future research.

1. **Call to Order**

Mayor German called the meeting to order at 6:30 p.m.

2. **Roll Call**

Mayor Charles German, Vice Mayor Jackie Baker, Councilors Robin Whatley, Bruce George, Brad Gordon, Carol German, and Jessie Jones were present.

Also Present

Town Manager Russell Martin, Marshal Nancy Gardner, Finance Director Mike Showers, Public Works Director Ron Long, Community Development Director Mike Jenkins, Planning and Zoning Commission Chair BJ Davis, Library Director Kathy Helman, Architect Joel Westervelt, Deputy Clerk Virginia Jones, Administrative Assistant Barbie Bridge, and Recording Secretary Saepyoel Choe.

3. **Pledge of Allegiance**

Mayor German 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) Regular Session – December 17, 2014
- 2) Special Session – December 10, 2014

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

- 1) Wednesday, January 14, 2015 at 5:30 p.m. – Work Session
- 2) Wednesday, January 21, 2015 at 6:30 p.m. – Regular Session
- 3) Friday, January 23, 2015 at 8:30 a.m. – Work Session Retreat
- 4) Wednesday, January 28, 2015 at 6:30 p.m. – Council Hears Planning & Zoning Matters

c) **Possible approval of the 2015 Policy Statement that authorizes the Mayor, as the Town's Chief Elected Official, to support or oppose legislative bills relative to the protection of groundwater, State Shared Revenue sources, and land use authority if the bill(s) adversely affect the Town's interest and needs an immediate response.** Staff Resource: Mayor & Council

d) **Possible approval of Resolution 2015-934, superseding Resolution 2014-905, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona setting the 2015 Meeting Dates and Times for regular meetings of the Council and all Commissions/ Committees.** Staff Resource: Debbie Barber

On a motion by George, seconded by Vice Mayor, Council voted unanimously to approve the Consent Agenda.

5. **Special Announcements and presentations:** There are no Special Announcements or Presentations.

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

Tom Pitts reported that a business association, to be named the "Camp Verde Chamber of Commerce" is in the process of forming, with an encouraging response from the community. He looks forward to working with Council and to their strong support.

Jess Mulcaire stated that he read the portion of the investigative report that pertained to him, and addressed

portions that were untrue. He said that Carol German did not speak to contractors or try to exert any undue influence. He had never met her before. He agreed it was not best to send jobs out of Town and commended Councilor German for investigating matters.

7. **Discussion, consideration, and possible appointment of members to the following boards and commissions (all positions are 3-year terms effective January 2015 through December 31, 2017.)**
 - a. **Two (2) members to the *Board of Adjustments and Appeals*** Note: Doug Stevens is the only applicant.
 - b. **Three (3) members to the *Planning & Zoning Commission*** Note: The applicants are: Dave Freeman, Chip Norton, and Greg Blue

On a motion by German, seconded by Baker, Council voted unanimously to appoint Doug Stevens and Greg Blue to the Board of Adjustments and Appeals.

On a motion by George, seconded by Whatley, Council voted unanimously to appoint Dave Freeman, Chip Norton, and Greg Blue to the Planning & Zoning Commission.

Mike Jenkins explained that Doug Stevens could not attend due to a prior engagement in Phoenix.

Councilor Gordon commended the veteran Commissioners and thanked them for continuing to serve.

8. **Discussion, consideration, and possible award of bid #14-108 to BWC Enterprises, Inc. dba Woodruff Construction in the amount of \$4,100,000 for the construction of the library at 130 N. Black Bridge Road, to include authorization for the Mayor to execute all agreements/documents relative to construction of the project.** Staff Resource: Ron Long/ Kathy Hellman

On a motion by George, seconded by German, Council voted unanimously to award the bid #14-108 to BWC Enterprises, Inc. dba Woodruff Construction up to the amount of \$4,100,000 for the construction of the library at 130 N. Black Bridge Road, to include authorization for the Mayor to execute all agreements/documents relative to construction of the project.

Russ Martin explained that Woodruff's bid is for \$3.7 million, but that he asks Council to approve up to \$4.1 million to leave room for contingencies and allow for flexibility. In fact, conversations with Woodruff over the next few weeks may even result in a bid lower than \$3.7. Staff affirmed that Woodruff's is the lowest, all-inclusive bid.

Martin stated that he does not anticipate many significant changes in the drawings, and state requirements will require them to stay within budget. However, drawings are never perfect and adjustments usually need to be made, so approving up to \$4.1 million gives the manager authority to address issues along the way, without delaying the process by having to come back to Council if the project needs to go even one penny over the approved amount. Mr. Martin explained that the base bid of \$3.7 million may be awarded to Woodruff, but that the alternates, such as: 1) demolition of the old library, 2) solar system, and 3) landscaping--may be awarded to local contractors, opened up for community involvement, or if prudent, added to Woodruff's contract. The current bid process allows for this flexibility, for which he is a proponent, as opposed to an all-out construction option.

Martin stated that this was the most competitive bid process he has ever seen in his career, with 13 bids, and some of the most detailed drawings ever submitted. He has great confidence in the Woodruff team, and appreciates that they have a very tight budget within which to meet the expectations of the design, as well as of the public that hopes to enjoy the broadening of the Library's use.

The architect Joel Westervelt, Library Director Kathy Hellman, and Public Works Director Ron Long were present to answer questions.

German asked about the amount of Town Revenues; and Staff explained that the financial report in the Agenda Item's Cover Page under Fiscal Impact, represented accurate numbers. Martin stated that some items, such as the furnishings, have an unknown cost, but that such things can be considered over future budgets. This is an efficient way to do it: build the new library, and generate enthusiasm for potential and committed donors to help with additional needs.

Whatley agreed that allowing for contingencies and approving an amount above the bid, is the wise option, if building a private home is any indication as to how many adjustments will need to be made along the way.

Mayor German inquired if it was cost-effective to salvage and recycle the old library. Martin replied "No," according to Contractors' assessments. However, some within the community may think otherwise, and may be invited to salvage its recyclable value.

Public Hearing.

David White asked if the base bid of \$3.7 million included both parking lots, moving power lines, and addressing the drainage problem on Black Bridge.

Ron Long replied that in the Woodruff's bid, both parking lots and the drainage issue are included. Westervelt explained that they are required to keep some water on site for a certain amount of time and that drainage requirements are part of the bid.

Bob Johnson announced that he would like to donate money to the Library, but that he is waiting to see progress underway.

Tom Pitts said he is extremely pleased with the cost and congratulated Council for taking advantage of this opportunity under such favorable fiscal conditions.

Linda Harkness of CCCVL reported that they have raised \$374,000, which they are prepared to commit toward the new library, at any point in the process, as needed.

BJ Davis asked how much the Town saved in re-bidding the project and how much construction engineering the Town would be responsible for. He emphasized that there will be adjustments that will need to be made along the way, and that Council is accountable to the budget.

Martin replied that there is no number bid for contingency, as this is not a contingency project; and that the current bid is estimated to be \$200,000 higher than the previous bid. Westervelt explained that though they eliminated LEED, changed finishes, and made some significant reductions, it is difficult to explain why these adjustments did not lead to a reduction in the bid amount. He anticipated a much greater cost reduction, and it is not easy to decipher why that is not the case. It was explained that the new library would still contain LEED certified plumbing and lighting fixtures.

Charlie Wagner, the HVAC contractor, explained that there was a \$20,000 - \$30,000 increase in the HVAC estimate due to adding a superior "Building Management System" that is completely automated, and installed by an out-of-town service.

John Bassous asked Council and residents to count the costs by looking at the bigger picture, and stated that \$400,000 has already been spent on the new library project so far. The Furniture, Fixtures, and Equipment (FFE) will add to the expense; there will be surprises; low voltage, security systems, and an on-site architect to direct operations and hold contractors accountable—all factor into the total cost, beyond what is being immediately presented. A legacy of higher taxes, more taxes, more debt, fewer cash registers, and larger government—are also part of the total cost.

Discussion.

Bud Woodruff, President of Woodruff Construction said he was very pleased to have the opportunity to build

this very special project. Randall Ball introduced himself as the Project Manager.

9. **Discussion, consideration, and possible approval of Ordinance 2015-A403, an ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona relating to the Transaction License Privilege & Use Tax; amending the Tax Code of the Town of Camp Verde, Arizona by increasing the rate of taxation for Transaction Privilege Tax from three percent (3%) to three point six five percent (3.65%) and increasing the Use Tax rate from two percent (2%) to three point six five percent (3.65%).** Staff Resource: Michael Showers

On a motion by George, seconded by Whatley, Council voted 4-3 to approve Ordinance 2015-A403, an ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona relating to the Transaction License Privilege & Use Tax; amending the Tax Code of the Town of Camp Verde, Arizona by increasing the rate of taxation for Transaction Privilege Tax from three percent (3%) to three point six five percent (3.65%) and increasing the Use Tax rate from two percent (2%) to three point six five percent (3.65%). Councilors Gordon, Baker, and German voted "No."

Mike Showers reported that the public input on the Food Tax fell into two categories: 1) we support CIP projects, but not through a food tax, and 2) why not just make the sales tax an even 10%. Staff took direction from community input to present this Agenda Item, which seems to be the best fit. He asked that Council abstain from imposing any restrictions on the tax, such as specifying CIP construction or debt resolution, as there are already some restrictions in place from the prior ordinance.

He explained that the Use Tax is a retail tax on businesses for their out-of-town purchases. It would be inconsistent to consider an increase to local merchants, but overlook out-of-town vendors, allowing them a 1% discount. In November 2014, only 3 local vendors paid a Use Tax. Out of 9 businesses, 5 calculated their Use Tax incorrectly--mostly real estate groups. The Use Tax has negligible retail impact on citizens, as the majority does not come from in-town residence. It would apply to out-of-town vendors such as Amazon or Home Depot. Also, if a local business purchases equipment, but then commits it for personal use, then the business should be subject to a 3% sales tax, like everyone else. The Use Tax and Retail Tax are the same thing, but on different people, and should be consistent.

Whatley agreed that it leveled the playing field, rather than encouraging businesses to favor out-of-town vendors.

Mayor German asked if Council should remove the "construction" tax, and Mike Showers affirmed that Council should pull "construction" out of the restrictions, or rather not impose a restriction to begin with.

Martin clarified, "Don't say we want X to go to X." This is not Operations & Maintenance (O&M) for expanding government, but additional revenues, inclusive of construction taxes, that Council directed for additional projects, such as Capital Improvement Plan (CIP) projects.

Public Hearing.

Bob Johnson asked if any money came from Cottonwood from the Use Tax. Showers replied "yes," though from a few, and in small amounts.

Steve Goetting stated that the CIP list was a wish list that needed to be more like a strategic business plan, delineating a timeline of results. He said that adding 42 square miles more of sewer, adds to the resources necessary to support and maintain the infrastructure, whether with more lighting or with law enforcement. He agreed that this option is preferable to a Food Tax, but asked that citizens and Council pay attention to how it will be spent. He asked Council to quantify the results of investing in sewer to ensure public confidence in the return on investment. He asked how much growth the Town has seen in tax revenue.

Showers replied that 5 years ago, the Town experienced a loss, but that since then it has increased to 6%; and that he cannot give a fair answer as to how Camp Verde compares to the rest of the Valley.

Greg Blue asked Council to keep Rental Tax the same. Showers ensured that Rental Tax would remain as-is with the current proposal.

BJ Davis stated that he does not like taxes, but agrees with this one. He asked Council to prioritize spending and consider a time limit on the increase. He asked them to revisit the issue in the future, instead of setting a precedent that higher taxes will be a continuing trend.

Bob Witt stated that he would like to see the Town adopt a philosophy of keeping government small and having less taxes. Government is not good at administration, and an expanding government spends more money. The Use Tax makes sense, but cut back on government services to lower taxes as a goal.

Bill Feldmeier said he was opposed to the Food Tax. He said the CIP should be a "needs" list, not a "wish list." He only supports maintaining roads and infrastructure.

Discussion.

Councilor George cited an example of a mistrial due to having an inadequate trial courtroom. He explained that playground equipment needs maintenance so that the Town can offer basic amenities for families and attract new young families. He said the Town is way behind on road repair and that there is a need for more ball fields so teams do not have to play until 11pm.

Whatley confirmed with Ron Long that 14 miles of road should be repaired annually, and that we have 100 miles of road, though no chip and seal has been performed since 2009-2010. The gym needs a new roof to protect the investment of resurfaced floors and new bleachers. Council has pared down wishes to needs that should have been done yesterday, and has a responsibility to maintain what we have. There is a plan for Rooms 206 and 207 to be remodeled into a proper courtroom.

Carol German said she was encouraged by Tom Pitts' business association report, and looks forward to working with them to increase commercial business. This will bring in tax dollars. We have many needs, but the Town's projected revenues are already down \$100,000 since the first of this year. At the inauguration of the Secretary of State and Governor, it was said that it is not that the people are taxed too little, but that the government does not spend tax money wisely. The more government eats the hungrier it gets. Taxes do not solve anything; we need a different strategy.

Vice Mayor Baker said that she could not vote for the increase. She explained that the decrease in HURF funds also led to the decrease in road maintenance; that we do not use the general budget for roads. We are hurting everywhere, not receiving state and federal funds in addition. She would like to see a moratorium on current construction fees to attract businesses, and provide such incentives as other cities and towns offer. "We do have money in CIP and will do what is most urgent. When you don't have, you do without. You don't ask for more."

10. **Discussion, consideration, and possible direction to staff to continue the allocation of budgeted monies (amount remaining \$5,820) to the regional Water Advisory Committee (WAC) for the Verde Valley to maintain cooperative water monitoring stations by the USGS, to include direction to the Mayor to work with other communities to finalize the 5-year plan and determine the amount necessary for payment this year. Staff Resource: Russ Martin**

On a motion by Whatley, seconded by Baker, Council voted unanimously to approve continuing the allocation of budgeted monies (amount remaining \$5,820) to the regional Water Advisory Committee (WAC) for the Verde Valley to maintain cooperative water monitoring stations by the USGS, to include direction to the Mayor to work with other communities to finalize the 5-year plan and determine the amount necessary for payment this year.

Martin explained that there is remaining money in the county fund needed for first-year funding for WAC, in

their account today.

Vice Mayor Baker explained that Council already gave some money to Steve Ayers.

Mayor German asked for permission to continue to participate in the WAC. The County wants to get more involved in projects, not just studies. The county fund is in good shape, and he recommends that we continue to participate.

Public Hearing.

No input.

Vice Mayor Baker requested item #11:

11. **Update and discussion of the Cliffs Parkway Drainage Project to include, but not be limited to purpose, costs, and funding source(s).**

Martin explained that the purpose of excavation was not to remove dirt for the building of the new Library. He discussed the project with the Town Engineer today. As you solve the problem, people forget why it was needed in the first place. Rainstorms used to create major problems for the Post Office and Walgreens; now they are projected. Ron Long has continued to find resources to do projects like this. It is one of his top accomplishments to be proud of; and the staff work is commendable; there is just a lack of public understanding.

Ron Long explained that the project started in 2009 - 2010 with an engineering study identifying flooding issues. Bashas' regularly flooded, so they needed to rebuild the channel from The Views and The Cliffs going out to the Verde River. It needed to be redone, because the culverts were too small; there were 90-degree turns coming out of the culverts, which is impossible for channeling drainage. The first \$1 million came from the County Flood Control district. We showed the need and won a competitive grant for a box culvert, all underground. The Outpost and Town Homes have no issues now, and the water stays in the channel. We could not fix all the issues in one fell swoop. We need to be able to detain water and release it slowly over 24 hours. We have seen the results of lowered water in the channel and it has cost \$25,000 so far, not from the general fund. The County Flood District has continued to support us. The dirt that came out was an opportunity. The basin was redone and the dirt was a benefit. The basin is important, as it takes everything draining off of the land, including 13 acres from Bashas'. Now everything is that way it was intended from the start, but we still need to do some fine-tuning. A lot of water ends up in the Bashas' parking lot, which does not have enough drainage features. Everything has cost about \$1.2 million total so far. Some of the funds that came from HURF helped put in a right turn lane, fixing the issues coming out of Chase Bank.

Whatley thanked Ron Long for all his great staff work and for having the foresight to make improvements such as the turn lanes, along the way.

Vice Mayor Baker commended him for great work, stating that flooding has always been an issue, but that now Long has found a great way to address the problem. Long confirmed that Town crews wanted to do the work and construct something to solve the issues. They did the work themselves and saved the Town a lot of money.

Carol German said she has heard only positive responses to this project. She asked if the flooding issues were resolved for the dentist office behind the bank. Long replied that they have been mostly addressed, but that this project would implement some of the fine-tuning needed for a complete resolution.

Long reported that they were close to starting the ADOT sidewalk project, with bidding in March. The project is for colored sidewalks from Cliffs Parkway off of Hwy 260 to Main Street, and from Bashas' to Circle K. This will give Finnie Flat a Main Street look, include street lights, and tie Finnie Flat to Main Street. ADOT has not given up on us, though they have pulled the plug on others. They are committing \$800,000. ADOT

acknowledged that it took them 7 years to get to this project, so they added another \$400,000 into the project. Martin assured that it was to Ron Long's credit that we have ADOT's support and extra funding for this project.

12. **Call to the Public for items not on the agenda.**

Joel Westervelt recognized Ron Long for a great job. He expressed surprise that the previous developer was not charged with addressing all the drainage issues for Bashas', as should be the case. He asked Council to hold future developers accountable to their responsibilities to prevent this from happening.

13. **Council Informational Reports.** These reports are relative to the committee meetings that Council members attend. The Committees are Camp Verde Schools Education Foundation; Chamber of Commerce, Intergovernmental Association, NACOG Regional Council, Verde Valley Transportation Planning Organization, Yavapai County Water Advisory Committee, and shopping locally. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

Vice Mayor Baker and Councilor German attended the Secretary of State and Governor's inauguration, and wished everyone a "Happy New Year."

Mayor German reported that the WAC's United States Geological Survey (USGS) meeting will be January 15th.

14. **Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and 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.

Martin asked Council to look over the schedule for the next 2 months of meetings, explaining that the Proposed Agendas are not yet comprehensive. He asked Council improve the Agenda Items and notify Staff 10 days in advance to ensure maximum productivity. He announced that Virginia Jones accepted the Interim Town Clerk position as of Monday, and that Debbie Barber would be leaving tomorrow, on her 25th anniversary. He thanked Virginia Jones and recommended that Council visit Debbie Barber at her new place of business.

15. **Adjournment**

On a motion by German, seconded by Baker, Council voted unanimously to adjourn the meeting at 8:30 p.m.

Charles German, Mayor

Saepyol Choe, 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 January 7, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2015.

Virginia Jones, Town Clerk



Agenda Item Submission Form – Section I

Meeting Date: January 21, 2015

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation Special Session

Requesting Department: Marshal's Office

Staff Resource/Contact Person: Marshal Nancy Gardner

Agenda Title (be exact): The Camp Verde Marshal's Office is requesting approval of the Intergovernmental Service Agreement between the Town of Camp Verde through the Marshal's Office and the Arizona Department of Transportation (ADOT)

List Attached Documents: Interagency Service Agreement

Estimated Presentation Time:

Estimated Discussion Time:

Reviews Completed by:

- Department Head: Town Attorney Comments: No concerns

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact: ADOT will provide software and hardware to The Camp Verde Marshal's Office along with limited training and service. The AZ Tracs system will save the court employees, deputies and records department time and money due to the efficiency and electronic measures.

Budget Code: _____ **Amount Remaining:** _____

Comments:

Background Information: The Town of Camp Verde Marshal's Office is working towards improving technology and efficiency by utilizing an E-ticket system. This system is already in place with DPS and the Town of Camp Verde Courts. ADOT has agreed to provide all software at no cost to the Town of Camp Verde. It will streamline the citation process between CVMO and the Court. It will reduce human error and time processing making the system more efficient. In addition, accident forms, statistical reporting between CVMO and the State will be available programs.

Recommended Action (Motion): Approve the recommended IGSA.

Instructions to the Clerk: Provide a copy of the Signed IGSA's to the Marshal's Office and the ADOT.

INTERAGENCY SERVICE AGREEMENT

AzTraCS Use

Between

Arizona Department of Transportation

And

The Town of Camp Verde

ADOT Contract Number: DT-ITG-2014-008

THIS AGREEMENT is entered into between the Arizona Department of Transportation (ADOT) and the Town of Camp Verde through the-Camp Verde Marshal's Office ("Agency") for the purpose of outlining responsibilities for the use of the software development toolkit, state standard data entry forms, GIS incident location tool and associated data files, central-site database schema, XML Electronic Incident Data Submission (EIDS) and all associated documentation / instructions (collectively hereinafter referred to as Arizona Traffic and Criminal Software, or AzTraCS).

WHEREAS, the Traffic and Criminal Software (TraCS) development toolkit is licensed by the Iowa Department of Transportation for ADOT to develop Arizona's custom safety data collection capabilities; which include crash, citation and other data entry forms (i.e., state standard data entry forms) for the electronic capture by and transfer of data from law enforcement agencies to ADOT and the courts. The licensing of TraCS is managed through the Governor's Office of Highway Safety and the Arizona Traffic Records Coordinating Committee, a multidisciplinary entity whose membership includes collectors, managers and users of traffic, crash, public health and injury control data;

WHEREAS, it is the intention of ADOT to provide AzTraCS to any law enforcement agency in Arizona free of charge, based on ADOT support staff availability and the AGENCY's ability to self-support;

WHEREAS, A.R.S. § 28-410 authorizes ADOT to enter into an agreement for the maintenance and support for computer software distributed to other agencies or political subdivisions of this state; and

WHEREAS, upon mutual agreement, ADOT and AGENCY agree to the terms and definitions described below and on the following pages for the use of AzTraCS, in whole or in part.

THEREFORE, ADOT and AGENCY agree as follows:

SECTION I. TERMS OF AGREEMENT

1. ADOT agrees to provide the current version of AzTraCS to the AGENCY at no cost to the AGENCY.
2. This Agreement will become effective upon proper execution and will remain in effect for the duration of the program, unless sooner terminated in accordance with the provisions of this Agreement.
3. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and shall supersede all previous negotiations,

comments and writings. It shall not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.

4. Either party may terminate this Agreement for failure, by the other party, to perform the duties of the Agreement, following issuance of a fifteen day written, notification of default and a thirty day advance written notice of termination. Both parties to the Agreement shall make a reasonable effort to resolve the default or claim of default, prior to issuance of the termination notice.
5. Any Amendment to this Agreement shall be in writing and shall be signed by both parties.
6. Pursuant to A.R.S. § 38-511, ADOT may cancel this Agreement without penalty or further obligation in the event any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of ADOT is or becomes at any time while the Agreement or an extension or renewal of the Agreement is in effect an employee of or a consultant to any party to this Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when the AGENCY receives written notice of the cancellation unless the notice specifies a later time. ADOT may, by written notice to the AGENCY, immediately terminate this Agreement if ADOT determines that employment or a gratuity was offered or given by AGENCY or any agent or representative of AGENCY to any officer or employee of ADOT for the purpose of influencing the securing of the Agreement, an amendment of the Agreement, or favorable treatment concerning the Agreement, including the making of any determination or decision regarding Agreement performance.
7. AGENCY shall comply with Executive Order 99-4, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. AGENCY shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.
8. ADOT may cancel this Agreement without penalty or further obligation in the event adequate funding is no longer available from the AzTRCC or a replacement source. The cancellation shall be effective when AGENCY receives written notice of the cancellation unless the notice specifies a later time.
9. In accordance with ARS § 28-410, AGENCY shall not distribute, license, lease or sell, whole or part, AzTraCS to any other entity.
10. AGENCY agrees:
 - a. This agreement is only for the use of AzTraCS by the AGENCY. AzTraCS will not be distributed beyond the AGENCY nor will any part of AzTraCS be used with any other application software without prior written approval from ADOT.
 - b. To not alter the state provided form(s) and AzTraCS database in any way without express written approval from ADOT.
 - c. To not introduce custom system enhancements during the AGENCY implementation.
 - d. To coordinate the use of AzTraCS with local courts.
 - e. To designate AGENCY contact(s) for: problem resolution, transmission issues, training ("train-the-trainer"); and to make appropriate personnel available for training.
 - f. To provide feedback to ADOT on request, including copies of all collected data and other essential data files. This data will only be used by ADOT for research,

testing, debugging and development purposes, and will not be released to the general public.

- g. To use the GIS incident location tool to locate crashes.
- h. To participate in the electronic transfer of data, via the XML Electronic Incident Data Submission (EIDS) capabilities built into AzTraCS. This data will then be transferred to ADOT, AOC, etc. for processing.
- i. To notify ADOT of any newly developed AGENCY forms and to share such forms with ADOT upon request.
- j. To deploy the GIS incident location tool and data file updates, as well as any new AzTraCS software releases within 30 days of receipt.
- k. To supply, configure, administer and provide first-line support for all hardware (such as laptops, server, barcode scanners, printers), central-site database and secure network connectivity enabling the use of AzTraCS and/or XML EIDS.
- l. To manage, support and ensure security is properly implemented within AzTraCS.
- m. To provide ADOT with a software viewer for any diagramming tool software employed with AzTraCS.
- n. To adhere to State data classification and handling policies and standards.
- o. To maintain a current ADOT Data Access/Exchange Agreement.

11. ADOT agrees:

- a. To review, prioritize and schedule change requests for inclusion in future software releases. Change requests for state provided form enhancements or any component of AzTraCS shall be directed to ADOT. Any enhancement that requires funding will be the responsibility of the AGENCY to obtain the necessary financing. If the enhancement benefits multiple agencies, ADOT will assist in securing funding. No matter where funding comes from, ADOT and/or its contractors will make all changes to AzTraCS. Once AzTraCS begins statewide rollout, an AzTraCS steering committee, comprised of AzTraCS user agency representatives, shall be formed to prioritize AzTraCS enhancements, functionality requests, issues, etc.
- b. To support the use of the AzTraCS system by offering one training session, which will be held at an agreed upon site not to exceed two days in length. This will be an in-depth, technical training session, which should be attended by members of the AGENCY staff designated to serve in the roles of system administrators, trainers, installers and supporters.
- c. To provide limited telephone support to answer questions during the initial setup of AzTraCS. The support is not to exceed 3 hours per week Monday thru Friday and is limited to two designated persons within the AGENCY.
- d. To provide training and installation documentation, an AzTraCS User Guide, an AzTraCS Technical Guide, and System Administration manual on a CD-ROM or in other electronic format.
- e. To provide programming development, enhancements, deployment and ongoing support of AzTraCS.
- f. To provide periodic updates of the electronic map data file used by the GIS incident location tool.
- g. To provide software releases bug fixes and other updates on CD-ROM or in other electronic format. One CD will be provided to the designated contact within the AGENCY.
- h. To support AzTraCS administrative requirements including funding for licensing, marketing and other managerial support.

12. Both parties agree:

- a. To maintain all parts of AzTraCS under their control. The portion of the system "under Agency control" includes:
 - The hardware and operating system associated with the in-vehicle equipment
 - The hardware, database and operating system associated with the central-site AzTraCS computer.
 - Backup & restoration of all system and crash data."Maintenance" generally means support, upkeep, repair and periodic duplication or "back-up" of records in order to safeguard the data. The AGENCY will take reasonable measures to prevent or correct system trouble with any portion of the system "under their control". If the AGENCY determines any system trouble to be under state control, it will notify and work with the proper state representative.
- b. To develop a process for forms development by Arizona agencies.
- c. Representatives on the AzTraCS steering committee shall only be from agencies that have signed this agreement.
- d. ADOT is the sole contractor and sole contact agency with Technology Enterprise Group, approved vendor of the Iowa TraCS development toolkit.

SECTION II. AUTHORIZATION

IN WITNESS THEREOF, the parties hereto agree to carry out the terms of this Agreement.

Arizona Department of Transportation

Signature of Authorized Individual

Doanh Bui
Typed Name

Chief Information Officer
Title

Date of Signature

Agency

Signature of Authorized Individual

Nancy Gardner
Typed Name

Camp Verde Town Marshal
Title

Date of Signature

Approved as to form:

Signature of Authorized Individual

Typed Name

Title

Date of Signature

Attest:

Signature of Authorized Individual

Typed Name

Title

Date of Signature

POINTS of CONTACT

ADOT Primary:

Tamara Price
Client Infrastructure Services Manager
206 S. 17th Ave, MD 119A
Phoenix, AZ 85007
Email Address: TPrice@azdot.gov
Telephone: 602-712-7170
FAX: 602-712-8105

ADOT Secondary:

Dennise Osornio
Client Infrastructure Services
206 S. 17th Ave, MD 119A
Phoenix, AZ 85007
Email Address: DOsornio@azdot.gov
Telephone: 602-712-7005
FAX: 602-712-8105

Camp Verde Marshal's Office Primary:

Bruce Girnt, Commander, CVMO
Camp Verde Marshal's Office
646 S. 1st Street
Camp Verde AZ, 86322
Bruce.girnt@campverde.az.gov
Telephone: 928-554-8304
FAX: 928-567-6238

Camp Verde Marshal's Office Secondary:

Darby Martin, Asst. to the Marshal, I.T. Support
Camp Verde Marshal's Office
646 S. 1st Street
Camp Verde AZ, 86322
Darby.martin@campverde.az.gov
Telephone: 928-554-8308
FAX: 928-567-6238

4d



Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: January 21, 2015

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation Special Session

Requesting Department: Public Works

Staff Resource/Contact Person: Ron Long

Agenda Title (be exact): Recommendation to renew the JOC Agreement for the period of 2/19/2015 to 2/19/2016 to the twelve JOC Contractors in order to provide a variety of Public Works, Streets, Stormwater and General Maintenance Construction services.

List Attached Documents: Twelve Job Order Contracts Agreements

Estimated Presentation Time:

Estimated Discussion Time:

Reviews Completed by:

- Department Head: Town Attorney Comments:

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact:

Budget Code: _____ **Amount Remaining:** _____

Comments: Background Information:

Each Agreement is for a one-year period with an option to renew for two additional one-year periods of Feb. 19, 2015 to Feb 19, 2016.

When a project (Job Order) exceeds staff's capacity, Public Works will circulate a Request for Quote to each of the twelve contractors. The Request for Quote will include the scope of work, all specific terms and conditions and applicable specifications for that Individual Job Order. The quote response that is most advantageous or best value to the Town will be selected. Compensation under the Job Order Contract will be in accordance with the Town's Financial Operations Guide-any Individual Job Order \$30,000 or greater will require approval of Council.

This approach to project delivery should reduce project costs and expedite project completion and may assist with more accurate budgeting and forecasting for construction needs.

Recommended Action (Motion): Move to authorize the Mayor to execute the extension of Job Order Contracts with Fann Environmental, Kinney Construction, McDonald Construction, Tiffany Construction, Alliance Streetworks, Hunter contracting Co., J.Banicki Construction, Inc., Mulcaire & Son Contracting, LLC, Rocky Construction, Inc., SDB Contraction Services, Tierra Verde Builders, and Woodruff Construction for a period of one year each.

Instructions to the Clerk: Obtain Mayor's signature on all contracts

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Alliance Streetworks Inc** of the Town of Camp Verde, County of Yavapai, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

Term: ONE (1) YEAR WITH TWO (2) ONE-YEAR RENEWAL OPTIONS

1. Notice to Proceed, Completion Time, and Liquidated Damages

- A. It is agreed that the Town will issue a separate Notice to Proceed for each Individual Job Order under this Agreement.
- B. The Contractor agrees that the Work shall be prosecuted promptly, regularly, diligently and uninterruptedly at such rate of progress as will ensure full completion thereof within the time specified. It is expressly agreed that the time for completion given for each Individual Job Order is a reasonable time, considering average climatic conditions and usual industrial conditions prevailing in the Camp Verde area.
- C. **Liquidated Damages.** Completion times will be specified in the Notice to Proceed given for the Individual Job Order. Liquidated Damages (if applicable) will be detailed within each Individual Job Order. Applicable liquidated damages shall be assessed for each day the Work remains incomplete after the scheduled completion date. This amount is agreed upon because of the impracticability and extreme difficulty of ascertaining the actual damages the Town will sustain on account of late completion.

2. Miscellaneous

- A. **Guarantee.** The Contractor shall guarantee all work under any Individual Job Order and this Agreement against defects of material and workmanship for a minimum of two years from the date of Final Completion.
- B. **Assignment.** Neither party to this Agreement shall assign the Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any monies due or to become due to him hereunder without the previous written consent of the Town.
- C. **Agreement Documents.** The following listed documents constitute the Agreement Documents and they are all as fully a part of this Agreement as if repeated herein:
 - 1) Any and all amendments, Supplementary General Conditions and Special Requirements included herein.
 - 2) Construction Services Agreement.
 - 3) General Conditions for Construction.

CONSTRUCTION SERVICES AGREEMENT

- 4) Special Terms and Conditions.
- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
- 7) Insurance Requirements.

D. **Precedence.** In the event of any inconsistency between any of the terms of the documents enumerated above, such inconsistency shall be resolved by giving precedent to the terms of the above documents in the order listed. Anything in these Agreement documents to the contrary notwithstanding, the provisions of all pertinent general public laws of the State of Arizona in effect at the time of the execution of this Agreement shall be a part of the Agreement between the parties and shall take precedence over all of the other Agreement documents.

IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

Charles German, Mayor

By: *Ronald P. Gurd*

Title: *PRESIDENT Alliance STREETWORKS*

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney

Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Fann Environmental/Fann Contracting Joint Venture Partnership** of the Town of Prescott, County of Yavapai, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

Term: ONE (1) YEAR WITH TWO (2) ONE-YEAR RENEWAL OPTIONS

1. Notice to Proceed, Completion Time, and Liquidated Damages

- A. It is agreed that the Town will issue a separate Notice to Proceed for each Individual Job Order under this Agreement.
- B. The Contractor agrees that the Work shall be prosecuted promptly, regularly, diligently and uninterruptedly at such rate of progress as will ensure full completion thereof within the time specified. It is expressly agreed that the time for completion given for each Individual Job Order is a reasonable time, considering average climatic conditions and usual industrial conditions prevailing in the Camp Verde area.
- C. **Liquidated Damages.** Completion times will be specified in the Notice to Proceed given for the Individual Job Order. Liquidated Damages (if applicable) will be detailed within each Individual Job Order. Applicable liquidated damages shall be assessed for each day the Work remains incomplete after the scheduled completion date. This amount is agreed upon because of the impracticability and extreme difficulty of ascertaining the actual damages the Town will sustain on account of late completion.

2. Miscellaneous

- A. **Guarantee.** The Contractor shall guarantee all work under any Individual Job Order and this Agreement against defects of material and workmanship for a minimum of two years from the date of Final Completion.
- B. **Assignment.** Neither party to this Agreement shall assign the Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any monies due or to become due to him hereunder without the previous written consent of the Town.
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 - 3) General Conditions for Construction.

CONSTRUCTION SERVICES AGREEMENT

- 4) Special Terms and Conditions.
- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
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IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

**CONTRACTOR – Fann Environmental/Fann Contracting
Joint Venture Partnership**

Charles German, Mayor

By: _____

Michael S. Young

Title: President

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney

Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Hunter Contracting Co.** of the City of Gilbert, County of Maricopa, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

Term: ONE (1) YEAR WITH TWO (2) ONE-YEAR RENEWAL OPTIONS

1. Notice to Proceed, Completion Time, and Liquidated Damages

- A. It is agreed that the Town will issue a separate Notice to Proceed for each Individual Job Order under this Agreement.
- B. The Contractor agrees that the Work shall be prosecuted promptly, regularly, diligently and uninterruptedly at such rate of progress as will ensure full completion thereof within the time specified. It is expressly agreed that the time for completion given for each Individual Job Order is a reasonable time, considering average climatic conditions and usual industrial conditions prevailing in the Camp Verde area.
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2. Miscellaneous

- A. **Guarantee.** The Contractor shall guarantee all work under any Individual Job Order and this Agreement against defects of material and workmanship for a minimum of two years from the date of Final Completion.
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CONSTRUCTION SERVICES AGREEMENT

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- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
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IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

By: Rob Padilla

Charles German, Mayor

Title: Rob Padilla, Vice President

APPROVE AS TO FORM

ATTEST (If Corporation):

[Signature]

William Sims, Town Attorney

Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **J. Banicki Construction, Inc.** of the City of Tempe, County of Maricopa, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

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CONSTRUCTION SERVICES AGREEMENT

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TOWN OF CAMP VERDE

CONTRACTOR

Charles German, Mayor

By: Mike Abraham

Title: Mike Abraham - President

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney

Chris Wittrock
Secretary - Chris Wittrock

ATTEST

SEAL

Debbie Barber, Town Clerk



CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Kinney Construction Services** of the City of Flagstaff, County of Coconino, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

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2. Miscellaneous

- A. Guarantee.** The Contractor shall guarantee all work under any Individual Job Order and this Agreement against defects of material and workmanship for a minimum of two years from the date of Final Completion.
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CONSTRUCTION SERVICES AGREEMENT

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- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
- 7) Insurance Requirements.

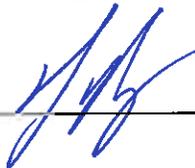
D. Precedence. In the event of any inconsistency between any of the terms of the documents enumerated above, such inconsistency shall be resolved by giving precedent to the terms of the above documents in the order listed. Anything in these Agreement documents to the contrary notwithstanding, the provisions of all pertinent general public laws of the State of Arizona in effect at the time of the execution of this Agreement shall be a part of the Agreement between the parties and shall take precedence over all of the other Agreement documents.

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TOWN OF CAMP VERDE

CONTRACTOR

Charles German, Mayor

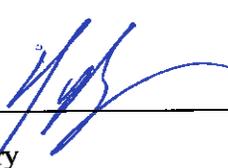
By:  _____

Title: PRESIDENT
KINNEY CONSTRUCTION, LLC

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney


Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **McDonald Bros Construction Inc.** of the Town of Camp Verde, County of Yavapai, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

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2. Miscellaneous

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CONSTRUCTION SERVICES AGREEMENT

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IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

By: Luca Etzkus

Charles German, Mayor

Title: Estimator / Project Manager

APPROVE AS TO FORM

ATTEST (If Corporation):

Phyllis J. McDonald
Secretary

William Sims, Town Attorney

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Mulcaire & Son Contracting, LLC** of the Town of Camp Verde, County of Yavapai, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

Term: ONE (1) YEAR WITH TWO (2) ONE-YEAR RENEWAL OPTIONS

1. Notice to Proceed, Completion Time, and Liquidated Damages

- A. It is agreed that the Town will issue a separate Notice to Proceed for each Individual Job Order under this Agreement.
- B. The Contractor agrees that the Work shall be prosecuted promptly, regularly, diligently and uninterruptedly at such rate of progress as will ensure full completion thereof within the time specified. It is expressly agreed that the time for completion given for each Individual Job Order is a reasonable time, considering average climatic conditions and usual industrial conditions prevailing in the Camp Verde area.
- C. **Liquidated Damages.** Completion times will be specified in the Notice to Proceed given for the Individual Job Order. Liquidated Damages (if applicable) will be detailed within each Individual Job Order. Applicable liquidated damages shall be assessed for each day the Work remains incomplete after the scheduled completion date. This amount is agreed upon because of the impracticability and extreme difficulty of ascertaining the actual damages the Town will sustain on account of late completion.

2. Miscellaneous

- A. **Guarantee.** The Contractor shall guarantee all work under any Individual Job Order and this Agreement against defects of material and workmanship for a minimum of two years from the date of Final Completion.
- B. **Assignment.** Neither party to this Agreement shall assign the Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any monies due or to become due to him hereunder without the previous written consent of the Town.
- C. **Agreement Documents.** The following listed documents constitute the Agreement Documents and they are all as fully a part of this Agreement as if repeated herein:
 - 1) Any and all amendments, Supplementary General Conditions and Special Requirements included herein.
 - 2) Construction Services Agreement.
 - 3) General Conditions for Construction.

CONSTRUCTION SERVICES AGREEMENT

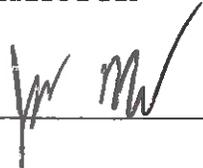
- 4) Special Terms and Conditions.
- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
- 7) Insurance Requirements.

D. Precedence. In the event of any inconsistency between any of the terms of the documents enumerated above, such inconsistency shall be resolved by giving precedence to the terms of the above documents in the order listed. Anything in these Agreement documents to the contrary notwithstanding, the provisions of all pertinent general public laws of the State of Arizona in effect at the time of the execution of this Agreement shall be a part of the Agreement between the parties and shall take precedence over all of the other Agreement documents.

IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

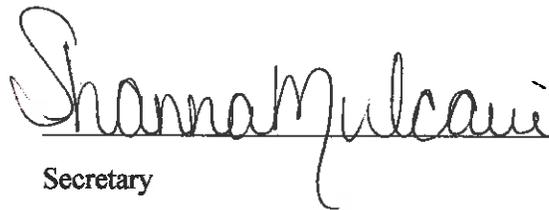
By:  _____

Charles German, Mayor

Title: Owner _____

APPROVE AS TO FORM

ATTEST (If Corporation):

 _____
Secretary

William Sims, Town Attorney

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **SDB, Inc.** of the City of Flagstaff, County of Coconino, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

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2. Miscellaneous

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 - 1) Any and all amendments, Supplementary General Conditions and Special Requirements included herein.
 - 2) Construction Services Agreement.
 - 3) General Conditions for Construction.
 - 4) Special Terms and Conditions.

CONSTRUCTION SERVICES AGREEMENT

- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
- 7) Insurance Requirements.

D. Precedence. In the event of any inconsistency between any of the terms of the documents enumerated above, such inconsistency shall be resolved by giving precedent to the terms of the above documents in the order listed. Anything in these Agreement documents to the contrary notwithstanding, the provisions of all pertinent general public laws of the State of Arizona in effect at the time of the execution of this Agreement shall be a part of the Agreement between the parties and shall take precedence over all of the other Agreement documents.

IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

Charles German, Mayor

By: 
Edward W. Riccio

Title: Vice President/CFO

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney


Brian Bohnsack, Vice President/COO
Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Tierra Verde Builders** of the Town of Camp Verde, County of Yavapai, and State of Arizona hereinafter called the "Contractor":

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

Term: ONE (1) YEAR WITH TWO (2) ONE-YEAR RENEWAL OPTIONS

1. Notice to Proceed, Completion Time, and Liquidated Damages

- A. It is agreed that the Town will issue a separate Notice to Proceed for each Individual Job Order under this Agreement.
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- C. **Liquidated Damages.** Completion times will be specified in the Notice to Proceed given for the Individual Job Order. Liquidated Damages (if applicable) will be detailed within each Individual Job Order. Applicable liquidated damages shall be assessed for each day the Work remains incomplete after the scheduled completion date. This amount is agreed upon because of the impracticability and extreme difficulty of ascertaining the actual damages the Town will sustain on account of late completion.

2. Miscellaneous

- A. **Guarantee.** The Contractor shall guarantee all work under any Individual Job Order and this Agreement against defects of material and workmanship for a minimum of two years from the date of Final Completion.
- B. **Assignment.** Neither party to this Agreement shall assign the Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any monies due or to become due to him hereunder without the previous written consent of the Town.
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 - 1) Any and all amendments, Supplementary General Conditions and Special Requirements included herein.
 - 2) Construction Services Agreement.
 - 3) General Conditions for Construction.

CONSTRUCTION SERVICES AGREEMENT

- 4) Special Terms and Conditions.
- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
- 7) Insurance Requirements.

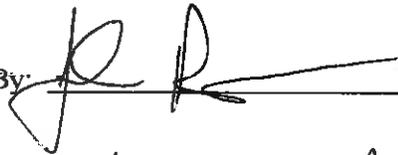
D. Precedence. In the event of any inconsistency between any of the terms of the documents enumerated above, such inconsistency shall be resolved by giving precedent to the terms of the above documents in the order listed. Anything in these Agreement documents to the contrary notwithstanding, the provisions of all pertinent general public laws of the State of Arizona in effect at the time of the execution of this Agreement shall be a part of the Agreement between the parties and shall take precedence over all of the other Agreement documents.

IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

Charles German, Mayor

By: 

Title: Managing Member

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney

Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Tiffany Construction Company** of the City of Phoenix, County of Maricopa, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

Term: ONE (1) YEAR WITH TWO (2) ONE-YEAR RENEWAL OPTIONS

1. Notice to Proceed, Completion Time, and Liquidated Damages

- A. It is agreed that the Town will issue a separate Notice to Proceed for each Individual Job Order under this Agreement.
- B. The Contractor agrees that the Work shall be prosecuted promptly, regularly, diligently and uninterruptedly at such rate of progress as will ensure full completion thereof within the time specified. It is expressly agreed that the time for completion given for each Individual Job Order is a reasonable time, considering average climatic conditions and usual industrial conditions prevailing in the Camp Verde area.
- C. **Liquidated Damages.** Completion times will be specified in the Notice to Proceed given for the Individual Job Order. Liquidated Damages (if applicable) will be detailed within each Individual Job Order. Applicable liquidated damages shall be assessed for each day the Work remains incomplete after the scheduled completion date. This amount is agreed upon because of the impracticability and extreme difficulty of ascertaining the actual damages the Town will sustain on account of late completion.

2. Miscellaneous

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 - 2) Construction Services Agreement.
 - 3) General Conditions for Construction.

CONSTRUCTION SERVICES AGREEMENT

- 4) Special Terms and Conditions.
- 5) Scope of Work, including any and all Standard, Special, Technical, and Supplementary Specifications included herein.
- 6) Performance and Payment Bonds.
- 7) Insurance Requirements.

D. Precedence. In the event of any inconsistency between any of the terms of the documents enumerated above, such inconsistency shall be resolved by giving precedent to the terms of the above documents in the order listed. Anything in these Agreement documents to the contrary notwithstanding, the provisions of all pertinent general public laws of the State of Arizona in effect at the time of the execution of this Agreement shall be a part of the Agreement between the parties and shall take precedence over all of the other Agreement documents.

IN WITNESS THEREOF, the parties hereto have executed three (3) identical counterpart copies of this Agreement on the date and year first written above, each of which copies shall for all purposes be deemed an original hereof.

TOWN OF CAMP VERDE

CONTRACTOR

By: Wesley

Charles German, Mayor

Title: President

APPROVE AS TO FORM

ATTEST (If Corporation):

Amy Tiffany Marshall
Secretary

William Sims, Town Attorney

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Rocky Construction, Inc** of the Town of Camp Verde, County of Yavapai, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

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CONSTRUCTION SERVICES AGREEMENT

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TOWN OF CAMP VERDE

CONTRACTOR

By: Maureen Parker

Charles German, Mayor

Title: President

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney

Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk

CONSTRUCTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of February, 2015, by and between the Town of Camp Verde, a municipal corporation organized and existing under the laws of the State of Arizona, hereinafter called the "Town", and **Woodruff Construction** of the City of Flagstaff, County of Coconino, and State of Arizona hereinafter called the "Contractor".

WITNESSETH: That the Contractor and the Town, in consideration of the mutual covenants herein contained, agree as follows:

Contract Name: JOB ORDER CONTRACT (JOC) FOR Streets, Stormwater, Sewer and General Facilities Maintenance and Repairs

Agreement Number: 13-106

Description: PUBLIC WORKS, STREET, STORMWATER, SEWER AND GENERAL FACILITIES MAINTENANCE CONTRACTING SERVICES FOR THE TOWN OF CAMP VERDE AT VARIOUS LOCATIONS, INCLUDING, TOWN FACILITIES AND GROUNDS, TOWN RIGHTS OF WAY, THE CAMP VERDE SEWER UTILITY SERVICE AREAS

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CONSTRUCTION SERVICES AGREEMENT

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TOWN OF CAMP VERDE

CONTRACTOR

Charles German, Mayor

By: _____

Title: _____

APPROVE AS TO FORM

ATTEST (If Corporation):

William Sims, Town Attorney

Secretary

ATTEST

SEAL

Debbie Barber, Town Clerk



Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: January 21, 2015

- Consent Agenda Decision Agenda Executive Session Requested
 Presentation Only Action/Presentation Special Session

Requesting Department: Finance

Staff Resource/Contact Person: Mike Showers

Agenda Title (be exact): Presentation and possible acceptance of the Town of Camp Verde's FY14 Audit.

List Attached Documents: 1) Town of Camp Verde Comprehensive Annual Financial Report - June 30, 2014
2) Town of Camp Verde Report on Internal Controls – June 30, 2014

Estimated Presentation Time: 10 minutes

Estimated Discussion Time: 5 minutes

Reviews Completed by:

Department Head: Town Attorney Comments:

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact: N/A

Comments: None

Background Information: The annual financial review meets all required components for the Town's annual filing requirements. There are no significant findings in the audit and we have again received an unmodified (or "clean") opinion. This is the second year in a row the Town has completed a full CAFR. Last year's CAFR received the Achievement for Excellence in Financial Reporting from GFOA (Government Finance Officers Association). We hope to be awarded that honor again this year. Scott Graff from Colby & Powell, our auditing firm, will present the audit to Council.

Recommended Action (Motion): Acceptance of the Town of Camp Verde Comprehensive Annual Financial Report for June 30, 2014 and the Town of Camp Verde Report on Internal Control for June 30, 2014.

Instructions to the Clerk: N/A

TOWN OF CAMP VERDE, ARIZONA

Report and Schedules Required
by *Governmental Auditing Standards*

June 30, 2014

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**COLBY &
POWELL, PLC**
CERTIFIED PUBLIC ACCOUNTANTS

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

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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Members of the Council
Town of Camp Verde, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Camp Verde, Arizona, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Camp Verde, Arizona's basic financial statements and have issued our report thereon dated December 24, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Camp Verde's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Camp Verde's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Camp Verde's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

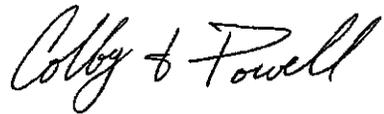
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Camp Verde's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on

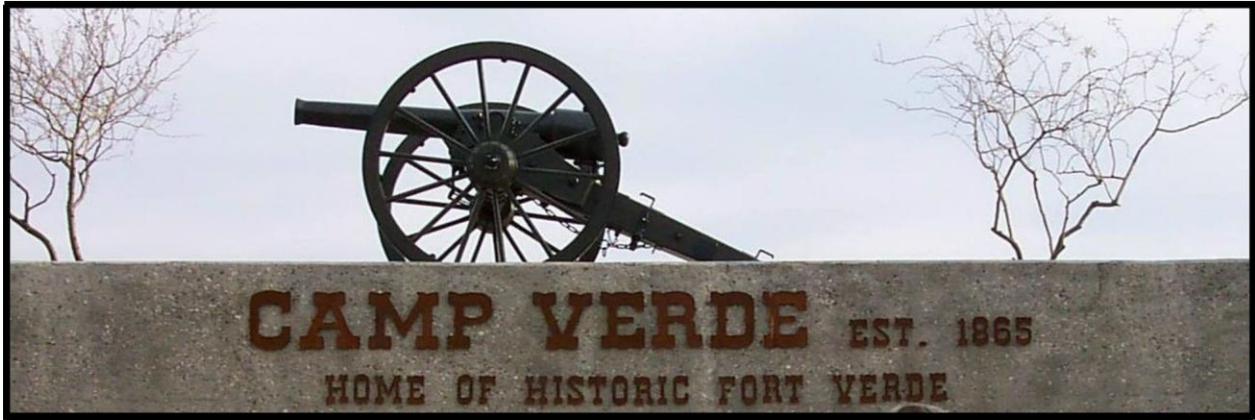
compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Colby & Powell".

December 24, 2014



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014



Town of Camp Verde, Arizona

473 S Main Street
Camp Verde, AZ 86322
(928) 554-0000
www.campverde.az.gov

The Center Of It All

CAMP VERDE

THE OLDEST SETTLEMENT IN THE VERDE VALLEY. SITE OF HISTORIC FORT VERDE. THE FIRST SETTLERS CAME INTO THE VALLEY IN FEBRUARY, 1865, FOLLOWED BY THE MILITARY IN AUGUST, 1865. ORIGINAL MILITARY AND HISTORIC BUILDINGS STILL STAND.





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Camp Verde
Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

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Town of Camp Verde

Gateway to the Verde Valley

◆ 395 S. Main Street ◆ Camp Verde, Arizona 86322 ◆

◆ Telephone: 928.554.0000 ◆ Fax: 928.554.0002 ◆

◆ www.campverde.az.gov

December 24, 2014

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Camp Verde:

We are pleased to submit the Town of Camp Verde Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. The Town annually publishes audited financial statements after the close of each fiscal year which includes a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) which are audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards (GAAS).

Town management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, Town management has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is designed to fairly represent the financial position of the operations of the various funds of the Town.

Colby & Powell, PLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Camp Verde's financial statements for the fiscal year ended June 30, 2014. The independent auditors' report is located at the front of the financial section of this report.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates. Part of this perspective is Management's Discussion and Analysis (MD&A) which can be found immediately following the independent auditor's report, provides a narrative introduction, overview and analysis of the basic financial statements of the Town. The MD&A should be reviewed in conjunction with this letter of transmittal.

PROFILE OF THE GOVERNMENT

The Town of Camp Verde, Arizona, incorporated in 1986, is located in the Verde River Valley of Yavapai County and is recognized as the 2012 Centennial Center of Arizona. The Town's land size is 42.6 square miles and serves a population of approximately 11,000 people. Camp Verde is located on I-17, in-between Flagstaff and Phoenix and enjoys a mild climate at an elevation of 3,147 feet.

The Town operates under the council-manager form of government. The Town Council, which has policy-making and legislative authority, consists of a mayor and a six-member council. The Council is responsible for, among other things, passing ordinances and resolutions and adopting the annual budget. The members of the Town Council also appoint the membership of various Town committees and hire the Town Manager, Town Attorney and Magistrate. The Town Manager is responsible for carrying out the policies, ordinances and resolutions of the Council and for overseeing the day-to-day operations of the Town. The Town Council is elected on a nonpartisan "at large" basis. Council members are elected to four-year staggered terms with three council members elected every two years. The Mayor is also elected for a two-year term.

The Town provides a full range of services including: police, animal control, magistrate court, planning and zoning, building code enforcement, the construction and maintenance of streets and other infrastructure, wastewater, recreational activities, cultural events and a public library. The town also operates and maintains a community swimming pool as well as community parks and sports fields. It is important to note that the Camp Verde Fire Department is not a part of the Town nor under the Town's control but does work closely with the Town.

The annual budget serves as the foundation for the town's financial planning and control. All departments construct their programs and services based on the needs of the community and, no less importantly, the priorities of the Town Council. The Town Manger reviews departmental budget requests and may recommend changes to a department's budget priorities and/or projects. The Town Manger then presents a proposed, balanced budget to the Town Council for review. The proposed budget is presented to the Town Council in May of each year. The proposed budget becomes the focal point of the community conversation with respect to the allocation of financial resources. At the conclusion of the process, the proposed budget, including any additions or deletions thereto, becomes the tentative budget which is presented for adoption by the Town Council in early June. A public hearing is scheduled on the tentative budget generally during the first business meeting in July. Subsequent to the close of that hearing, the Town's final budget is adopted by the Council.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy:

In its early years, the Town's economy was based primarily upon agriculture and tourism. In later years, the Town experienced an increase in manufacturing activities as well as retail trade. Currently, the majority of the Town's revenue base is comprised of tax revenues generated both from local sales taxes and State shared tax revenues which include allocations of state income tax, sales tax, fuel tax and motor vehicle-in-lieu tax.

Local sales tax revenues had been declining in Camp Verde since FY07 with a total drop from 2006 to 2012 of 40%. In August of 2012, Camp Verde increased its local general sales tax to 3% which increased local tax revenues significantly (41%). When compared to adjusted 2012 revenue numbers to eliminate the effect of the tax increase, revenues still increased 8.4% from FY12 to FY13 which is a very positive sign for our local economy. Local sales tax numbers increased again in FY14 to \$2.59 million. Sales tax numbers have not been that high since FY07. The two most significant portions of local sales tax revenues are retail and restaurant and bar, together making up 58% of local tax revenues. Local sales tax revenues are important to the Town as unlike many municipal governments, we do not have or collect a property tax for operations.

From 2004 to 2012, the Town saw a 9% population increase. From 2007 to 2012 that increase drops to 1%. This dramatic slow-down is highlighted by the construction industry in Camp Verde which has slowed dramatically. Tax revenues from construction dropped 23% from FY13 to FY14.

Long-Term Financial Planning:

The town is dedicated to enhancing the quality of life for its citizens and providing municipal services in a fiscally responsible manner. To this end, the Town established a five year Capital Improvement Plan in fiscal year 2012, which was a major planning component in the 2013 and 2014 fiscal year budget process, and has continued to update that plan annually. The Town was successful in obtaining secured ADOT funding to improve Highway 260 towards Cottonwood & Jerome. This project along with the transfer of Sewer District operations to the Town in FY14 have enabled the Town to begin detailed economic development plans along the Highway 260 corridor. Through these most recent difficult economic times (FY07-FY14), the Town has remained financially strong, increasing its Unassigned General Fund balance again in FY14 to over \$1.8 million.

Major Initiatives:

Voters approved the dissolution of the Camp Verde Sanitary District by vote in the March 2013 general election. The Town officially took over operations on July 1, 2013, completing a full year of service on June 30, 2014.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the dedicated support and cooperation of the Town Manager and Town employees from all departments. Credit must also be given to the Mayor and members of the Town Council for their desire and determination to maintain the highest standards of professionalism in the management of the Town of Camp Verde's finances. Finally, a special thank you to the auditors of Colby & Powell for their insight, professionalism and efficiency.

Respectfully submitted,



Russell Martin
Town Manager

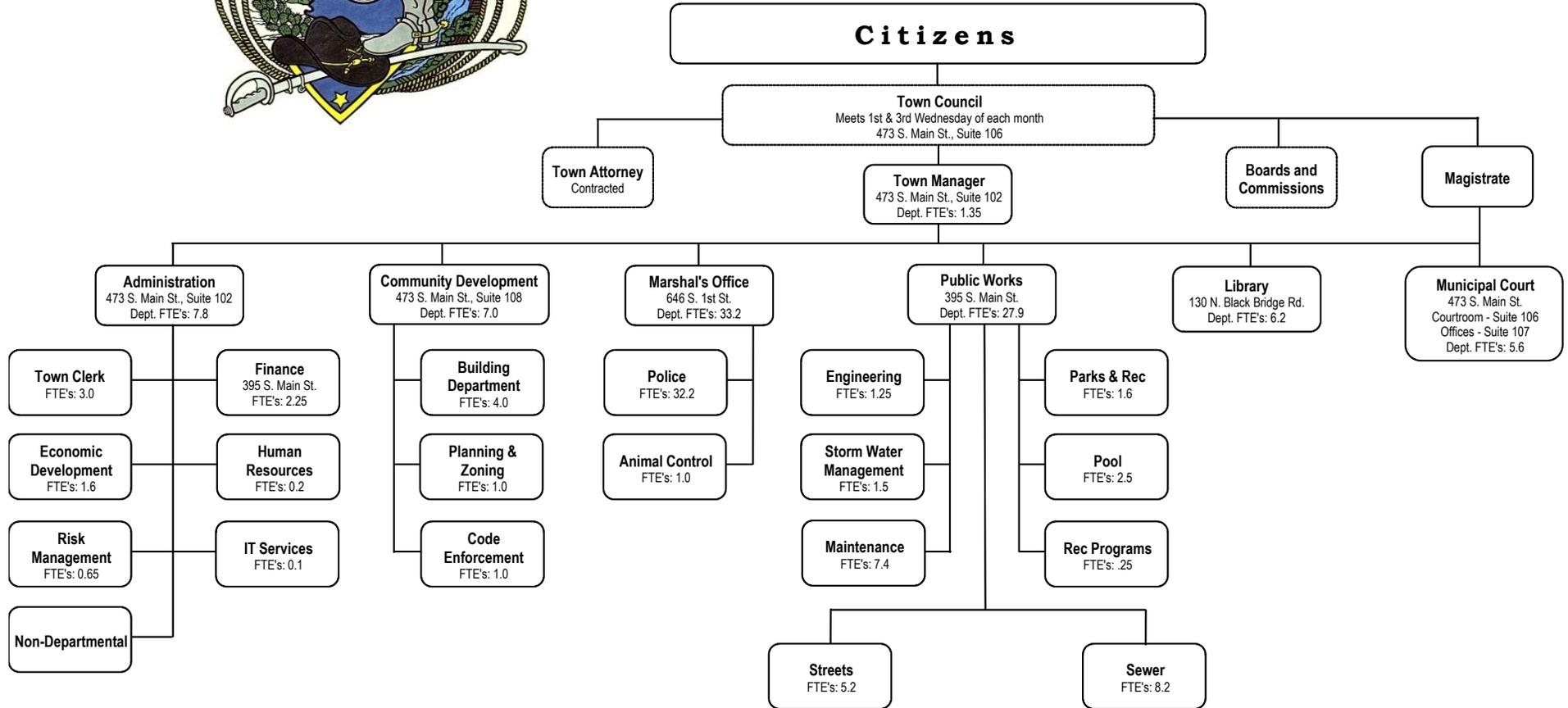


Michael E. Showers
Finance Director



Town of Camp Verde, Arizona

Town Organization Chart





Town of Camp Verde

Key Officials and Staff



Mayor and Council Members (Left to right)

Front Row: Councilor Robin Whatley, Vice-Mayor Jackie Baker, Councilor Carol German

Back Row: Councilor Bruce George, Councilor Brad Gordon, Mayor Charlie German, Councilor Jessie Jones.

Russ Martin, *Town Manager*
Deborah Barber, *Town Clerk*
Mike Showers, *Finance Director*
Nancy Gardner, *Marshal*
Kathy Hellman, *Library Director*
Harry Cipriano, *Presiding Magistrate*

Department Heads

Michael Jenkins, *Community Development Director*
Ronald Long, *Engineer/Public Works Director*
Steve Ayers, *Economic Development Director*
Veronica Pineda, *Court Supervisor*
Carol Brown, *Risk Management*

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Camp Verde, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona, as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5–15 and 52–55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Camp Verde, Arizona's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of

America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2014, on our consideration of the Town of Camp Verde, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Camp Verde, Arizona's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Colby & Powell".

December 24, 2014

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**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

As management of the Town of Camp Verde, Arizona (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2014. Please read it in conjunction with the Town's basic financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

- Beginning July 1, 2013, the Town took-over the operations of the Camp Verde Sanitary District (the District) and maintains them in a separate enterprise fund. While all operating assets were brought under the Town's direct ownership in the enterprise fund, the District's debt and debt related cash and receivables remain a part of the District and are kept separately in an agency fund by the Town as Trustee of the District. This transfer of ownership increased the Town's government-wide assets by just over \$20 million. The impact of the increased assets without the corresponding debt has a major impact on the Town's 2013-14 fiscal year financial statements.
- The Town's government-wide net position from governmental activities increased \$358,160 to just over \$15.2 million, representing a slim increase of 6 percent from fiscal year 2012-13.
- Government-wide total assets decreased by only \$75,000, however, there was a nearly \$500,000 drop in total cash and equivalents which came almost entirely from the non-major funds. General Fund cash, alternatively, increased \$227,832 from fiscal year 2012-13.
- General revenues from governmental activities accounted for just over \$5.664 million of revenues, or 74 percent of all revenues from governmental activities, a 4 point increase from fiscal year 2012-13. State shared revenues, which make up 49% of the general revenues from governmental activities increased just over \$190,000 to \$2,758,435.
- Expenses from governmental activities were up from fiscal year 2012-13 by \$376,979, most of which, \$284,428 comes increased spending on public safety. Most of that increase was for increased officers and pay.
- Among major governmental funds, the General Fund had \$6.4 million in revenues, which primarily consisted of taxes, licenses and permits, charges for services, fines and forfeitures, and intergovernmental revenues. The total expenditures of the General Fund were \$5.7 million with a net total of \$416,378 in transfers out to other funds. The General Fund's fund balance increased by \$254,628 to \$2.5 million. HURF Fund revenues of \$826,413 were a modest amount higher than last fiscal year's revenues of \$761,235, however, expenditures (\$634,858) and transfers out increased more significantly by \$177,247 which left the HURF fund balance relatively unchanged (\$16,805 increase) from last fiscal year. The main causes for the increased expenses were the purchase of equipment for \$90,000 and increases to wages and related costs of over \$45,000.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences).

In the government-wide financial statements, the Town's activities are presented in the following categories:

- **Governmental activities** – The Town's basic services are included here, such as general government, public safety, public works and streets, health and welfare, culture and recreation, and economic and community development. Sales taxes, intergovernmental, licenses and permits, charges for services, and fines and forfeits revenue finance most of these activities.
- **Business-type activities** – The Town took over the Camp Verde Sanitary District operations on July 1, 2013. Those operations are included here and include fee-for-service billing of residential and commercial accounts as well as all expenses for operating and maintaining the sewer system.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains fifteen (14) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, HURF and Parks Funds, all of which are considered to be major funds. Data from the other eleven (11) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the combining and individual fund financial statements and schedules.

Proprietary funds. The Town maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses the enterprise fund to account for the operations of wastewater services. The Wastewater Fund, which is considered to be a major fund of the Town.

The basic proprietary fund financial statements can be found on pages 24 - 27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The Town maintains two separate fiduciary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's budget process. The Town adopts an annual budget for all governmental funds. A budgetary comparison schedule has been provided for the General, HURF and Parks Funds as required supplementary information.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$15.2 million as of June 30, 2014.

The largest portion of the Town's net position (72 percent) reflects its investment in capital assets (e.g., land, infrastructure, buildings, improvements other than buildings, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, portions of the Town's net position are restricted for the specified purposes of highways and streets (8 percent), redevelopment, housing and special programs (1 percent). The remaining balance of unrestricted net position (\$2.456 million, 16 percent) may be used to meet the Town's ongoing obligation to citizens.

The following tables present a summary of the Town's net position for the fiscal years ended June 30, 2014 and 2013.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current assets	\$ 5,226,680	\$ 5,711,142	\$ 892,220	\$ -	\$ 6,118,900	\$ 5,711,142
Capital assets, net	13,858,202	13,428,682	18,613,499	-	\$ 32,471,701	\$ 13,428,682
Other non-current assets	171,731	191,787	-	-	\$ 171,731	\$ 191,787
Total assets	<u>19,256,613</u>	<u>19,331,611</u>	<u>19,505,719</u>	<u>-</u>	<u>38,762,332</u>	<u>19,331,611</u>
Liabilities						
Current and other liabilities	1,062,788	1,396,847	57,786	-	\$ 1,120,574	\$ 1,396,847
Long-term liabilities	2,979,159	3,078,258	-	-	\$ 2,979,159	\$ 3,078,258
Total liabilities	<u>4,041,947</u>	<u>4,475,105</u>	<u>57,786</u>	<u>-</u>	<u>4,099,733</u>	<u>4,475,105</u>
Net Position						
Net investment in capital assets	10,488,341	10,132,430	18,613,499	-	\$ 29,101,840	\$ 10,132,430
Restricted	2,270,348	2,460,792	-	-	\$ 2,270,348	\$ 2,460,792
Unrestricted	2,455,977	2,263,284	834,434	-	\$ 3,290,411	\$ 2,263,284
Total net position	<u>\$ 15,214,666</u>	<u>\$ 14,856,506</u>	<u>\$ 19,447,933</u>	<u>\$ -</u>	<u>\$ 34,662,599</u>	<u>\$ 14,856,506</u>

The following are current year transactions that had a significant impact on the Statement of Net Position.

- The Town took over assets and operations of the Camp Verde Sanitary District adding over \$19 million in net position.
- The largest impact on both assets and liabilities came from the Capital Improvements Fund where \$189,000 payable was paid out and further draws against cash for budgeted projects totaled \$361,000.
- The Library Fund also saw a decrease in cash (\$240,000) for expenses toward the construction of the new library building.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in net position. The Town's total revenues for the fiscal year ended June 30, 2014, were \$7.69 million, down 2% from the previous year. The total cost of all governmental programs and services was \$7.3 million, up 5% from last year. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2014 and 2013.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 738,650	\$ 698,252	\$ 1,036,287		\$ 1,774,937	\$ 698,252
Operating grants and contributions	1,103,424	1,032,082			1,103,424	1,032,082
Capital grants and contributions	182,421	647,539			182,421	647,539
General revenues:					-	-
Town sales taxes	2,597,901	2,544,473			2,597,901	2,544,473
Franchise taxes	267,059	250,327			267,059	250,327
State shared revenue	2,758,435	2,567,890			2,758,435	2,567,890
Investment earnings	27,714	33,251	1,621		29,335	33,251
Miscellaneous	13,090	69,064			13,090	69,064
Special Item			20,077,637		20,077,637	-
Total revenues	7,688,694	7,842,878	21,115,545	-	28,804,239	7,842,878
Expenses						
General government	2,383,176	2,361,960			2,383,176	2,361,960
Public safety	2,601,915	2,317,487			2,601,915	2,317,487
Public works and streets	1,009,909	820,957			1,009,909	820,957
Health and welfare	131,233	136,266			131,233	136,266
Culture and recreation	686,137	735,840			686,137	735,840
Economic and community development	411,023	456,020			411,023	456,020
Interest on long-term debt	107,141	125,025			107,141	125,025
Wastewater			1,667,612	-	1,667,612	-
Total expenses	7,330,534	6,953,555	1,667,612	-	8,998,146	6,953,555
Increase/ (decrease) in net position	358,160	889,323	19,447,933	-	19,806,093	889,323
Net position, beginning	14,856,506	13,967,183			14,856,506	13,967,183
Net position, ending	\$ 15,214,666	\$ 14,856,506	\$ 19,447,933	\$ -	\$ 34,662,599	\$ 14,856,506

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following are current year transactions that had a significant impact on the Statement of Net Position.

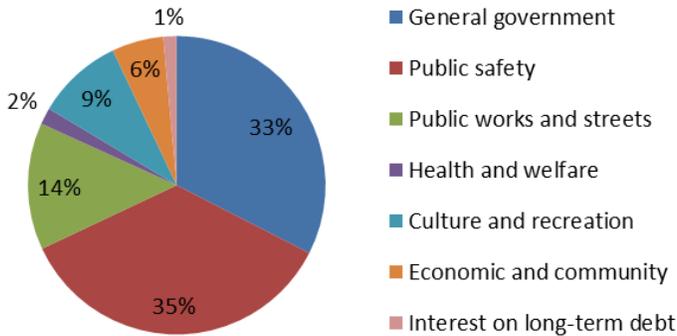
- The Town took over assets and operations of the Camp Verde Sanitary District adding over \$19 million in net position. The Special Item line is a one-time reflection of the increase in assets from that transfer of operations under business-type activities.
- Capital grants dropped \$465,000 due mostly to the completion of a CDBG grant in the previous year and a significant drop in county flood control monies from non-activity in the current year.
- State shared revenues increased \$190,000 from the previous year mostly on increased state income tax revenues (\$100,000) though state sales tax was up as well (\$56,000).
- Both public safety and public works and streets saw the largest changes in expenses. Public safety expenses increased \$284,000 (12%) due to increases in pay and personnel. Public works and streets expenses were up \$189,000 (23%) due mainly to pay increases (\$47,000) and the purchase of a new water truck (\$90,000).

The following table presents the cost of the major Town functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State's and Town's taxpayers by each of these functions.

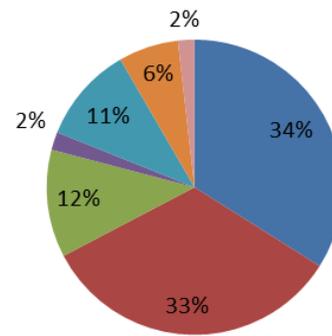
	Year Ended June 30, 2014		Year Ended June 30, 2013	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Governmental activities				
General government	\$ 2,383,176	\$ (2,332,003)	\$ 2,361,960	\$ (2,343,739)
Public safety	2,601,915	(2,076,083)	2,317,487	(1,838,499)
Public works and streets	1,009,909	(40,893)	820,957	187,415
Health and welfare	131,233	(131,233)	136,266	(136,266)
Culture and recreation	686,137	(410,966)	735,840	(522,372)
Economic and community development	411,023	(207,720)	456,020	144,082
Interest on long-term debt	107,141	(107,141)	125,025	(125,025)
Net	<u>\$ 7,330,534</u>	<u>\$ (5,306,039)</u>	<u>\$ 6,953,555</u>	<u>\$ (4,634,404)</u>
Business-Type Activities				
Wastewater	\$ 1,667,612	\$ (631,325)	\$ -	\$ -
Net	<u>\$ 1,667,612</u>	<u>\$ (631,325)</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 8,998,146</u>	<u>\$ (5,937,364)</u>	<u>\$ 6,953,555</u>	<u>\$ (4,634,404)</u>

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

Fiscal Year 2014 Expenses



Fiscal Year 2013 Expenses



- The total cost of primary government activities of nearly \$9.0 million was subsidized by grants and charges for services of \$3.06 million leaving a net unsubsidized expense amount of \$5.94 million.
- Governmental activities on their own have a net unsubsidized amount of \$5.3 million but cover that amount completely with general revenues of \$5.66 million.
- Business-type activities show a net unsubsidized amount of \$631,325. This shortage of user fees from expenses is entirely made up of current year depreciation expense. As such, the wastewater program expenses were entirely covered by user fees.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the Town's fiscal year, its governmental funds reported combined ending fund balances of just over \$4.5 million, a decrease of \$300,000 from the prior year. Approximately 27 percent of the ending fund balance (\$1.23 million) constitutes *unassigned fund balance*, which is actually up \$243,000 from the prior year. Unassigned fund balance is the amount available for spending at the government's discretion. The remainder of fund balance is reserved, committed or assigned to indicate that it is not available for new spending because it has already been assigned, committed or restricted for long term receivables (\$632,000), legal defense (\$30,056), HURF (\$1,291,766) and special programs (\$1.35 million) which includes grants and capital improvements.

The General Fund is the principal operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was just over \$2.5 million. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to fund expenditures. Fund balance represents 44 percent of total General Fund expenditures.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (CONTINUED)

Governmental fund key factors are as follows:

- The fund balance of the Town's General Fund increased by \$254,628 during the fiscal year as revenue increases kept pace with increased expenses. This year's fund balance increase is very similar to last year's increase of \$335,342.
- The fund balance in the HURF Fund increased as well \$16,805 to a total of nearly \$1.3 million. Although less of an increase than last year's \$128,874, the increase has enabled the Town the opportunity to go after valuable federal grants with significant match requirements.
- The fund balance of the Parks Fund decreased by \$10,000 as its equity has been used to fund maintenance expenses at the Town's parks. The Parks Fund is expected to be supported through grant and local contributions.

Proprietary funds. The proprietary fund financial statements are prepared on the same accounting basis and measurement as the government-wide financial statements, but provide additional detail of the Town's enterprise fund.

Proprietary fund key factors are as follows:

- The transfer of wastewater assets to the Town on July 1, 2013 brought in \$20 million of assets related to wastewater operations.
- The \$1 million of user fees collected were nearly \$89,000 higher than expenses before depreciation.
- The ending fund balance in the wastewater fund was \$19,447,933.

BUDGETARY HIGHLIGHTS

Schedules showing the budget amounts compared to the Town's actual financial activity for the General Fund, HURF Fund and Parks Fund are provided in this report as required supplementary information. The significant variances between budget and actual for these funds are as follows:

- Revenues in the General Fund were 3% short of budget at \$6.4 million. Most of the shortage was due to city taxes which were \$189,912, or 6% under budget with construction and retail being the most significant categories under budget.
- General Fund expenditures were less than budgeted by \$328,773 or 5%. \$164,950 was under budget from unused contingency funds. The remaining \$163,823 was spread out evenly across all departments in reduced overall spending.
- Across all governmental funds, the two significant portions of budget adjustments were: 1) reallocating personnel budget costs from the the Federal Grants Fund to the Non-Federal Grants Fund (\$56,835) and 2) The use of Contingency & Employee payouts (\$60,000).
- HURF revenues were over budget \$70,013 or 9%. The contributing factors here were grant reimbursements for equipment use (\$21,000), equipment sales (\$18,000) and higher state highway user funds (\$27,196).
- HURF expenditures were \$75,567 under budget (11%) and when coupled with operating transfers out which were \$118,821 under budget due to a federal grant project that was put on hold, the HURF fund balance increases \$264,401, significantly over the projected \$247,596 decrease.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

CAPITAL ASSETS

As of June 30, 2014, the Town had invested \$17.7 million in governmental capital assets and \$23.27 million in business-type assets (both before depreciation) including land, buildings, facilities, vehicles, computers, equipment, and infrastructure assets. Total depreciation expense for the year in governmental and business-type activities was \$539,510 and \$744,386 respectively.

The following schedule presents capital asset balances and accumulated depreciation for the fiscal years ended June 30, 2014 and 2013.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 5,868,719	\$ 5,868,719	\$ 1,275,828	\$ -	\$ 7,144,547	\$ 5,868,719
Construction in progress	871,704	451,498	101,522	-	973,226	451,498
Buildings and improvements	3,833,184	3,792,840	406,260	-	4,239,444	3,792,840
Infrastructure	3,377,961	3,339,075	21,182,275	-	24,560,236	3,339,075
Machinery and equipment	2,811,823	2,544,596	303,756	-	3,115,579	2,544,596
Improvements other than buildings	953,431	913,394	-	-	953,431	913,394
Accumulated depreciation	(3,858,620)	(3,481,440)	(4,656,142)	-	(8,514,762)	(3,481,440)
Total	\$ 13,858,202	\$ 13,428,682	\$ 18,613,499	\$ -	\$ 32,471,701	\$ 13,428,682

Governmental capital asset key factors during the current fiscal year included the following:

- The Town added \$437,122 in construction in progress expenses and only placed \$16,916 in service; a net increase of \$420,206. The largest investments were in the new library building (\$249,039), the Main Street and Middle Verde Road intersection improvements (\$84,330) and further improvements to the Cliffs Parkway drainage channel (\$66,396).
- The Town added \$429,557 in Autos and Equipment and sold \$162,330 for a net increase in machinery and equipment of \$267,227. Most notable in the additions were a 2013 Freightliner 108SD (\$124,730) and a 2007 Peterbuilt water truck (\$89,899).

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

DEBT ADMINISTRATION

As of June 30, 2014, the Town had \$3.37 million in long-term debt. Of that amount, 2.98 million is bond and lease debt of which \$333,583 is due within one year. Principle payments for bond and capital lease debt for the year were \$317,093. The Town does not have any business-type activity debt. Compensated absences increased \$72,865 to \$390,702 and coupled with the \$317,093 payments against debt for the year, the total outstanding long-term debt decreased by \$244,228. The following table presents a summary of the Town's outstanding long-term debt and compensated absences for the fiscal years ended June 30, 2014 and 2013.

	Governmental Activities	
	2014	2013
Compensated absences payable	\$ 390,702	\$ 317,837
Capital leases payable	625,669	770,465
2005 Revenue bonds payable	1,410,000	1,505,000
2005 Revenue bonds premium	72,406	79,587
2011 Revenue bonds payable	871,084	941,200
Total	<u>3,369,861</u>	<u>3,614,089</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Camp Verde's revenue base is funded primarily by Town Sales Tax and Shared Revenues from the State of Arizona. These revenue sources comprise approximately 70 percent on average of the Town's revenues. The economy has stabilized somewhat from the previous years and our primary revenue sources have as well. This has allowed the Town to move forward with several capital improvement projects and this year allowed us to make final preparations for a new library facility with final design and construction beginning in 2015. This will increase the library size and community space about 4 times the current amount and is supported by over 10 years of community fundraising. Another large construction project starting in early 2015 will be a new 26,000 square foot medical center on 29 acres of land. Both projects will spur-on construction tax revenues in later FY15. However as always it is imperative that the town council and staff continue to monitor activity throughout the year to ensure the budget continues to guide prudent spending.

The Town of Camp Verde continues to take a conservative spending approach as evident by our consistent under-spending of budgeted expenses again this past year. Departments continued to save across all areas of their budgets this past year. We continue to make progress on expensive longstanding capital projects within the budget originally scoped. The future must consider additional revenue generation from growth or other areas if we are to make faster or more comprehensive progress on long awaited capital improvements beyond the library. In the coming years we will continue a plan to only spend what we take in and hope

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2014**

ECONOMIC Factors AND NEXT YEAR'S BUDGET (CONTINUED)

to rebuild our reserves through a conservative projection of revenues as well as continued conservative spending by departments. It is important to note that during the time since 2007, 22 positions were vacated to maintain an adequate reserve while accomplishing some outstanding capital projects. In this past year we were able to replace some of these previously lost positions short of where we were back in 2007 but continue to make progress to expand our service levels and project accomplishments in areas that hopefully will generate new revenue.

Management continues to believe that the conservative approach taken in the past few years has led to the success of the Town in maintaining its service delivery system in a way that necessitates the use of only a moderate amount of the financial resources of the Town. As a better economy continues to be anticipated, it is hoped that new revenues will allow for capital projects to become reality. Consideration late in the year for a new revenue source will lead to future opportunities to fund projects in the Capital Improvement Plan that have been put off for years as well as add others that had yet to even be considered due to the limited capital available in the past.

As a result of the thoughtful leadership of the town council and the managerial judgment of the Town's management team, we continue to be poised to manage the financial affairs of the Town of Camp Verde with a high degree of vigilance and discipline. We are confident that we can address and manage the challenges we face and look forward to finding ways to expedite the return of healthier revenues that will allow for higher levels of community services and capital construction and investment. This reality is on the near horizon with many planned construction projects in the works over the next year as well as years to come.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Town Finance Department at:

Town of Camp Verde
Finance Department
395 South Main Street
Camp Verde, Arizona 86322.

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BASIC FINANCIAL STATEMENTS

TOWN OF CAMP VERDE, ARIZONA
Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,341,409	\$ 730,566	\$ 5,071,975
Cash - restricted	223,862	-	223,862
Accounts receivable - net	378,627	159,732	538,359
Due from other governments	282,782	1,922	284,704
Loan receivable	126,903	-	126,903
Capital assets, not being depreciated	6,740,423	1,377,350	8,117,773
Capital assets, being depreciated, net	7,117,779	17,236,149	24,353,928
Total assets	19,211,785	19,505,719	38,717,504
LIABILITIES			
Accounts payable	319,427	32,693	352,120
Accrued expenses	146,345	-	146,345
Interest payable	51,005	-	51,005
Deferred revenue	70,106	-	70,106
Court bonds payable	6,041	-	6,041
Claims payable	79,162	-	79,162
Noncurrent liabilities			-
Due within 1 year	709,831	25,093	734,924
Due in more than 1 year	2,660,030	-	2,660,030
Total liabilities	4,041,947	57,786	4,099,733
NET POSITION			
Net investment in capital assets	10,488,341	18,613,499	29,101,840
Restricted for:			-
Highways and streets	1,291,766	-	1,291,766
Housing redevelopment	198,458	-	198,458
Special programs	780,124	-	780,124
Unrestricted (deficit)	2,411,149	834,434	3,245,583
Total net position	\$ 15,169,838	\$ 19,447,933	\$ 34,617,771

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Activities
Year Ended June 30, 2014

Functions / Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities							
General government	\$ 2,383,176	\$ 51,173	\$ -	\$ -	\$ (2,332,003)	\$ -	\$ (2,332,003)
Public safety	2,601,915	412,704	84,996	28,132	(2,076,083)	-	(2,076,083)
Public works and streets	1,006,300	42,817	777,196	149,003	(37,284)	-	(37,284)
Health and welfare	131,233	-	-	-	(131,233)	-	(131,233)
Culture and recreation	684,280	43,565	226,320	5,286	(409,109)	-	(409,109)
Economic and community development	411,023	188,391	14,912	-	(207,720)	-	(207,720)
Interest of long-term debt	107,141	-	-	-	(107,141)	-	(107,141)
Total governmental activities	7,325,068	738,650	1,103,424	182,421	(5,300,573)	-	(5,300,573)
Business-type activities							
Wastewater	1,667,612	1,036,287	-	-	-	(631,325)	(631,325)
Total business-type activities	1,667,612	1,036,287	-	-	-	(631,325)	(631,325)
Total primary government	\$ 8,992,680	\$ 1,774,937	\$ 1,103,424	\$ 182,421	\$ (5,300,573)	\$ (631,325)	\$ (5,931,898)
General revenue:							
Taxes:							
Sales Taxes					2,597,901	-	2,597,901
Franchise tax					267,059	-	267,059
State shared revenue					2,758,435	-	2,758,435
Investment income					27,714	1,621	29,335
Miscellaneous					13,090	-	13,090
Special item - Transfer of wastewater operations					-	20,077,637	20,077,637
Total general revenue and special items					5,664,199	20,079,258	25,743,457
Change in net position					363,626	19,447,933	19,811,559
Net position, July 1, 2013, restated					14,806,212	-	14,806,212
Net position, June 30, 2014					\$ 15,169,838	\$ 19,447,933	\$ 34,617,771

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	HURF Fund	Parks Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,704,280	\$ 1,243,941	\$ 18,794	\$ 1,374,352	\$ 4,341,367
Cash - restricted	223,862	-	-	-	223,862
Accounts receivable, net	174,039	-	-	-	174,039
Due from other governments	272,932	73,688	-	140,750	487,370
Loans receivable	-	-	-	126,903	126,903
Due from other funds	670,867	-	-	-	670,867
Total assets	\$ 3,045,980	\$ 1,317,629	\$ 18,794	\$ 1,642,005	\$ 6,024,408
LIABILITIES					
Accounts payable	\$ 250,554	\$ 25,863	\$ -	\$ 42,968	\$ 319,385
Accrued expenses	146,345	-	-	-	146,345
Court bonds payable	6,041	-	-	-	6,041
Claims payable	79,162	-	-	-	79,162
Due to other funds	-	-	632,000	38,867	670,867
Total liabilities	482,102	25,863	632,000	81,835	1,221,800
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	56,974	-	-	207,836	264,810
Total deferred inflows of resources	56,974	-	-	207,836	264,810
FUND BALANCES					
Restricted	-	1,291,766	-	851,679	2,143,445
Committed	662,056	-	-	11,214	673,270
Assigned	-	-	-	491,190	491,190
Unassigned	1,844,848	-	(613,206)	(1,749)	1,229,893
Total fund balances	2,506,904	1,291,766	(613,206)	1,352,334	4,537,798
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,045,980	\$ 1,317,629	\$ 18,794	\$ 1,642,005	\$ 6,024,408

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2014

Fund balances--total governmental funds		\$ 4,537,798
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.</p>		
Capital assets	17,716,823	
Less accumulated depreciation	<u>(3,858,621)</u>	
		13,858,202
<p>Some receivables are not available to pay for current-period expenditures and therefore, are deferred in the funds.</p>		
Reimbursable grant expenditures	10,827	
Loan receivable	126,903	
Fines receivable	<u>56,974</u>	
		194,704
<p>Some liabilities, including notes payable, are not due and payable in the current period and therefore, are not reported in the funds</p>		
Compensated absences	(390,702)	
Revenue bonds payable	(2,281,084)	
Revenue bonds premium	(72,405)	
Lease purchase	(614,962)	
Capital leases	(10,708)	
Interest payable	<u>(51,005)</u>	
		<u>(3,420,866)</u>
Net position of governmental activities		<u><u>\$ 15,169,838</u></u>

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2014

	General Fund	HURF Fund	Parks Fund	Non-Major Governmental Funds	Total Governmental Fund
Revenue					
Taxes	\$ 2,864,959	\$ -	\$ -	\$ -	\$ 2,864,959
Intergovernmental	3,037,936	777,196	-	393,623	4,208,755
Fines and forfeitures	231,455	-	-	44,245	275,700
Licenses and permits	160,321	-	-	-	160,321
Charges for services	92,682	-	-	-	92,682
Contributions	-	-	-	17,389	17,389
Investment income	12,753	9,686	-	5,275	27,714
Other revenue	14,325	39,531	-	14,912	68,768
Total revenue	<u>6,414,431</u>	<u>826,413</u>	<u>-</u>	<u>475,444</u>	<u>7,716,288</u>
Expenditures					
Current					
General government	2,210,720	-	-	106,039	2,316,759
Public safety	2,298,047	-	-	102,038	2,400,085
Public works and streets	198,138	526,709	-	16,453	741,300
Health and welfare	12,500	-	-	118,733	131,233
Culture and recreation	578,484	-	-	45,512	623,996
Economic and community development	379,753	-	-	11,848	391,601
Capital outlay	60,069	108,149	-	800,813	969,031
Debt service					
Principal	4,506	-	-	314,821	319,327
Interest	1,208	-	-	116,859	118,067
Total expenditures	<u>5,743,425</u>	<u>634,858</u>	<u>-</u>	<u>1,633,116</u>	<u>8,011,399</u>
Excess (deficiency) of revenue over (under) expenditures	<u>671,006</u>	<u>191,555</u>	<u>-</u>	<u>(1,157,672)</u>	<u>(295,111)</u>
Other financing sources					
Capital lease acquisition	-	-	-	8,838	8,838
Transfers (out)	(416,378)	(174,750)	(10,000)	601,128	-
Total other financing sources	<u>(416,378)</u>	<u>(174,750)</u>	<u>(10,000)</u>	<u>609,966</u>	<u>8,838</u>
Net change in fund balances	254,628	16,805	(10,000)	(547,706)	(286,273)
Fund balances, July 1, 2013	<u>2,252,276</u>	<u>1,274,961</u>	<u>(603,206)</u>	<u>1,900,040</u>	<u>4,824,071</u>
Fund balances, June 30, 2014	<u>\$ 2,506,904</u>	<u>\$ 1,291,766</u>	<u>\$ (613,206)</u>	<u>\$ 1,352,334</u>	<u>\$ 4,537,798</u>

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Reconciliation of the Statement of Revenue, Expenditures,
and Changes in Fund Balances to the Statement of Activities
Governmental Funds
Year Ended June 30, 2014

Net change in fund balances--total governmental funds		\$ (286,273)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	969,031	
Depreciation expense	(539,510)	
		429,521
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(27,594)
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>		
Capital lease acquisition	(8,838)	
Principal repaid	165,116	
Capital lease repaid	153,633	
		309,911
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.</p>		
Interest expense	10,926	
Change in compensated absences	(72,865)	
		(61,939)
Change in net position of governmental activities		\$ 363,626

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Net Position
Proprietary Fund
Year Ended June 30, 2014

	Wastewater Fund
ASSETS	
Current assets	
Cash and cash equivalents	730,566
Accounts receivable - net	159,732
Due from other governments	1,922
Total current assets	892,220
Noncurrent assets	
Capital assets, net of accumulated depreciation, where applicable:	
Land	1,275,828
Construction in progress	101,522
Vehicles and equipment, net	104,012
Buildings and improvements, net	374,236
Systems, net	16,757,901
Total noncurrent assets	18,613,499
Total assets	19,505,719
LIABILITIES	
Current liabilities	
Accounts payable	32,693
Compensated absences, current	25,093
Total current liabilities	57,786
Total liabilities	57,786
Net position	
Net investment in capital assets	18,613,499
Unrestricted (deficit)	834,434
Total net position	\$ 19,447,933

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Revenue, Expenses, and Changes in Fund Net Position
Proprietary Fund
June 30, 2014

	Wastewater Fund
Operating revenues	
Sewer charges	\$ 1,012,074
Miscellaneous	24,213
Total operating revenues	1,036,287
 Operating expenses	
Personnel	406,547
Materials and supplies	185,007
Professional services	166,649
Utilities	96,791
Insurance	20,062
Other	35,783
Repairs and maintenance	12,387
Depreciation	744,386
Total operating expenses	1,667,612
Operating income (loss)	(631,325)
 Nonoperating revenues (expenses)	
Interest income	1,621
Total nonoperating revenues (expenses)	1,621
Income (loss) before special items	(629,704)
Special item - Transfer in of wastewater operations	20,077,637
Increase (decrease) in net position	19,447,933
Total net position, beginning of year	-
Total net position, end of year	\$ 19,447,933

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2014

	Wastewater Fund
Cash flows from operating activities:	
Receipts from customers	\$ 1,023,334
Payments to suppliers and providers of goods and services	(433,534)
Payments to employees	(406,547)
Net cash provided (used) by operating activities	183,253
Cash flows from noncapital financing activities:	
Transfer of operations from sewer district	600,253
Net cash provided (used) by noncapital financing activities	600,253
Cash flows from capital and related financing activities:	
Purchase of capital assets	(54,561)
Net cash provided (used) by capital and related financing activities	(54,561)
Cash flows from investing activities:	
Interest received	1,621
Net cash provided (used) by investing activities	1,621
Net increase (decrease) in cash and cash equivalents	730,566
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, end of year	\$ 730,566

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2014
(Continued)

	Wastewater Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (631,325)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	744,386
(Increase) decrease:	
Accounts receivable	(12,952)
Prepaid expenses	59,440
Increase (decrease):	
Accounts payable	10,181
Accrued expenses	13,523
	183,253
Net cash provided (used) by operating activities	\$ 183,253

Noncash Capital Financing Activities:

Capital assets - net of respective depreciation was acquired through a transfer of operations from the Camp Verde Sanitary District totaling \$19,303,324.

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Fiduciary Assets and Liabilities
June 30, 2014

	<u>Agency Fund</u>
ASSETS	
Cash and cash equivalents	<u>\$ 589,640</u>
Total assets	<u>589,640</u>
LIABILITIES	
Deposits held for others	<u>589,640</u>
Total liabilities	<u><u>\$ 589,640</u></u>

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Camp Verde, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the Town's accounting policies are described below.

A. Reporting Entity

The Town is a municipal entity governed by an elected Mayor and six-member council. The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The financial reporting entity consists of a primary government and its component units. The Town is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Blended component units, although legally separate entities, are, in substance, part of the Town's operations. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Town. The Town has no component units.

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the Town as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements—provide information about the primary government (the Town). The statements include a statement of net position and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and each segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Town does not allocate indirect expenses to programs or functions. Program revenues include charges to customers for goods or services, operating grants, capital grants and contributions. Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—provide information about the Town’s funds. Separate statements are presented for the governmental and proprietary fund categories. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

The ***General Fund*** is the Town’s primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The ***HURF Fund*** accounts for specific revenue received from the State of Arizona Highway Revenue Fund which is legally restricted to expenditures for street purposes.

The ***Parks Fund*** accounts for all grants and contributions of financial resources related to the maintenance of the Town’s parks.

The Town reports the following major enterprise fund:

The ***Wastewater Fund*** accounts for the costs to operate, construct, and finance the Town’s wastewater treatment system.

Additionally, the Town reports the following fund types:

The ***Agency Funds*** are used to account for assets held by the Town in a custodial capacity for the following purposes:

- Employee assistance.
- Camp Verde Sanitary District property tax collection and debt service remittance.

C. Basis of Accounting

The government-wide and proprietary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

The Town considers cash on hand, demand deposits, cash and investments held by the State Treasurer, and highly liquid investments with maturities of three months from the date of acquisition to be cash equivalents.

Cash and investments are generally pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona or any of its counties, cities, towns, school districts, and special districts as specified by statute. The State Board of Deposit provides oversight for the State Treasurer's pool, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares

E. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts receivable are estimated by the Town. The amount recorded at June 30, 2014 in the general fund for uncollectible municipal court fines and forfeitures is \$485,000. The amount recorded at June 30, 2014 in the wastewater fund for uncollectible wastewater receivables is \$30,000.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F. Capital Assets

Capital assets are reported at actual cost. Donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life (years)</u>
Land	\$5,000	N/A	-
Construction in progress	5,000	N/A	-
Buildings	5,000	Straight-line	25 - 30
Improvements	5,000	Straight-line	18 - 75
Infrastructure	5,000	Straight-line	15
Furniture, machinery, and equipment	5,000	Straight-line	5 - 10
Vehicles	5,000	Straight-line	5 - 10

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future periods) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

H. Compensated Absences

Compensated absences consist of vacation leave, compensatory time, and a calculated amount of sick leave earned by employees based on services already rendered.

Employees may accumulate up to 320 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused each January 1 are forfeited. Upon termination of employment, all unused and unforfeited vacation benefits are paid to employees.

Employees may accumulate up to 480 hours of sick leave hours. Any sick leave hours in excess of the maximum must be converted at a rate of 50% to vacation time or cash value each December 15. Upon termination of employment, unused sick leave benefits are paid to employees at rates of 10 to 50 percent depending upon years of service.

The current and long-term liabilities for accrued vacation leave, compensatory time, and sick leave are reported in the government-wide financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year end. Resources from the General Fund are generally used to liquidate the governmental funds liabilities for compensated absences.

I. Fund Balance Reporting

The Governmental Accounting Standards Board (GASB) Statement No. 54 requires fund balances to be properly reported within one of the fund balance categories listed below:

1. *Nonspendable* fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact such as fund balance associated with inventories, prepaids, long-term loans and notes receivable (unless the proceeds are restricted, committed, or assigned),
2. *Restricted* fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution provisions or enabling legislation, or external resource providers,
3. *Committed* fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Town's Town Council,
4. *Assigned* fund balances are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed, and
5. *Unassigned* fund balance is the residual classification for the Town's governmental funds and includes all spendable amounts not contained in other classifications.

The Town's policy for committed fund balances is through formal Town resolutions passed through the elected town council. The process of rescinding a committed fund balance requires the same process.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Town's policy for assigned fund balances is through motions passed by the elected town council. Assigned fund balances do not require a formal resolution.

When expenditures incur for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, the Town's policy is to apply the expenditure first to restricted, and then to unrestricted in the following order of committed, assigned, and then unassigned.

J. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

K. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

L. Impact of Recently Issued Accounting Principles

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement is effective for periods beginning after December 15, 2012. See Note 11 for further information on how this statement affected the Town.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions— an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Upon implementation, it is anticipated that this Statement will cause a restatement of beginning net position of the Governmental Activities, Business-type Activities, and proprietary funds.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASB 69 establishes accounting and financial reporting standards related to government combinations and disposal of government operations. GASB 69 defines *government combinations* as mergers, acquisitions, and transfers of operations. This Statement defines the measurement values of assets and liabilities under such combinations as well as provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold. The provisions of this Statement are effective for periods beginning after December 15, 2013, and should be applied on a prospective basis. Earlier application is encouraged. The Town has implemented GASB 69 for the year ended June 30, 2014 for the accounting and reporting of a transfer of operations from the Camp Verde Sanitary District (a legally separate governmental entity) to the Town. See Note 10 for further information on how this Statement affects the Town.

NOTE 2 – DEPOSITS AND INVESTMENTS

Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer’s investment pool; U.S. Treasury obligations; specified state and local government bonds; and interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories. The statutes require collateral for demand deposits, certificates of deposit, and repurchase agreements at 101 percent of all deposits not covered by federal depository insurance.

Deposits—At June 30, 2014, the carrying amount of the Town’s total cash in bank was \$1,895,274, and the bank balance was \$2,106,517. Of the bank balance, \$1,667,260 was covered by federal depository insurance and the remaining balance was covered by collateral held by the pledging financial institution in the Town’s name.

Deposits and investments at June 30, 2014 consist of the following:

Deposits	
Cash on hand	\$ 1,360
Cash in bank	1,895,274
Investments	
State treasurer's investment pool	601,684
U.S. Securities	2,797,519
	5,295,837
Total deposits and investments	5,295,837
Less Cash - Restricted	(223,862)
	\$ 5,071,975
Total cash and cash equivalents	

Cash – restricted consists of cash set aside to meet debt service requirements.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 2 – DEPOSITS AND INVESTMENTS- Continued

At June 30, 2014 June 30, 2014, the Town had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		Concentration of Credit Risk %
		Less Than 1	1-5	
U.S. Treasuries	\$ 804,760	\$ 804,760	\$ -	28.77
U.S. Agencies				
Federal Agric Mtg Corp.	500,065	500,065	-	17.88
Federal Farm Credit Bank	101,964	101,964	-	3.64
Federal Farm Credit Bank	225,414		225,414	8.06
Federal Farm Credit Bank	248,603		248,603	8.89
Federal Home Loan Bank	239,323	-	239,323	8.55
Federal Home Loan Bank	251,747		251,747	9.00
Federal Natl Mtg Assn.	300,294	-	300,294	10.73
Federal Natl Mtg Assn.	125,349	-	125,349	4.48
	<u>\$ 2,797,519</u>	<u>\$ 1,406,789</u>	<u>\$ 1,390,730</u>	<u>100.00</u>

Interest Rate Risk. In accordance with its investment policy, the Town manages its exposure to declines in fair values by limiting the maturities of its investment portfolio according to the needs of the Town. Investments are structured so that they mature concurrent with anticipated cash requirements for ongoing operations of the Town.

Credit Risk. The Town’s investment policy allows for investments in obligations guaranteed by the full faith and credit of the United States of America, government sponsored enterprises, government bonds with minimum credit ratings of Aa or AA, commercial paper with a minimum short term rating of P1 or A1, negotiable certificates of deposit, corporate bonds carrying a minimum credit rating of A, and the Local Government Investment Pool. The Towns investment in U.S. Agencies and Money Market Funds were rated no lower than AAA by Standard & Poor’s. The State Treasurer’s Investment Pool is overseen according to Arizona State Statute by the State Board of Deposit. The fair value of a participant’s position in the pool approximates the value of that participant’s pool shares. The shares are not identified with specific investments and are not subject to custodial credit risk.

Concentration of Credit Risk. The Town’s investment policy does not allow for an investment in any one issuer that is in excess of five percent of the Town’s total investments. Securities issued by the United States of America or its agencies are exempt from this provision.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 3 – ACCOUNTS RECEIVABLE

As of June 30, 2014, the Town's receivables for individual major governmental funds and non-major governmental funds in the aggregate, consisted of \$566,449 in municipal court fines and \$92,590 in other miscellaneous receivables. In anticipation of uncollectible amounts, the Town has an allowance for doubtful accounts of \$485,000.

In connection with receivables, governmental funds reported deferred revenue for amounts not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, unavailable revenue consisted of fines receivable of \$123,612, loans receivable of \$126,903, and unexpended grant funds of \$14,295.

As of June 30, 2014, the Town's receivables for individual major proprietary funds consisted of wastewater fees billed to customers totaling \$189,732. In anticipation of uncollectible amounts, the Town has an allowance for doubtful accounts of \$30,000.

NOTE 4 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2014 consisted of the following:

State collected sales tax	\$ 80,357
Yavapai County	56,498
State of Arizona	157,940
State shared revenues:	
State sales tax	166,753
Vehicle licensing tax	25,822
	<u>487,370</u>
	<u><u>\$ 487,370</u></u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014, was as follows:

	<u>Balance</u> <u>July 01, 2013</u>	<u>Increase</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2014</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,868,719	\$ -	\$ -	\$ 5,868,719
Construction in progress	451,498	437,122	(16,916)	871,704
Total capital assets not being depreciated	<u>6,320,217</u>	<u>437,122</u>	<u>(16,916)</u>	<u>6,740,423</u>
Capital assets being depreciated:				
Buildings and improvements	3,792,839	40,345	-	3,833,184
Infrastructure	3,339,075	38,886	-	3,377,961
Machinery and equipment	2,544,596	429,557	(162,330)	2,811,823
Improvements other than buildings	913,395	40,036	-	953,431
Total	<u>10,589,905</u>	<u>548,824</u>	<u>(162,330)</u>	<u>10,976,399</u>
Less accumulated depreciation for:				
Buildings and improvements	(845,377)	(89,813)	-	(935,190)
Infrastructure	(672,800)	(166,954)	-	(839,754)
Machinery and equipment	(1,585,215)	(251,567)	162,330	(1,674,452)
Improvements other than buildings	(378,048)	(31,176)	-	(409,224)
Total	<u>(3,481,440)</u>	<u>(539,510)</u>	<u>162,330</u>	<u>(3,858,620)</u>
Total capital assets being depreciated, net	<u>7,108,465</u>	<u>9,314</u>	<u>-</u>	<u>7,117,779</u>
Governmental activities capital assets, net	<u>\$ 13,428,682</u>	<u>\$ 446,436</u>	<u>\$ (16,916)</u>	<u>\$ 13,858,202</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 5 – CAPITAL ASSETS – Continued

	Balance <u>July 01, 2013</u>	Increase	Decreases	Balance <u>June 30, 2014</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,275,828	\$ -	\$ -	\$ 1,275,828
Construction in progress	<u>442,965</u>	<u>3,638</u>	<u>(345,081)</u>	<u>101,522</u>
Total capital assets not being depreciated	<u>1,718,793</u>	<u>3,638</u>	<u>(345,081)</u>	<u>1,377,350</u>
Capital assets being depreciated:				
Buildings and improvements	49,393	356,867	-	406,260
Infrastructure systems	21,182,275	-	-	21,182,275
Vehicles and equipment	<u>267,908</u>	<u>39,137</u>	<u>(3,290)</u>	<u>303,755</u>
Total	<u>21,499,576</u>	<u>396,004</u>	<u>(3,290)</u>	<u>21,892,290</u>
Less accumulated depreciation for:				
Buildings and improvements	(6,151)	(25,873)	-	(32,024)
Infrastructure	(3,740,978)	(683,396)	-	(4,424,374)
Vehicles and equipment	<u>(167,916)</u>	<u>(35,117)</u>	<u>3,290</u>	<u>(199,743)</u>
Total	<u>(3,915,045)</u>	<u>(744,386)</u>	<u>3,290</u>	<u>(4,656,141)</u>
Total capital assets being depreciated, net	<u>17,584,531</u>	<u>(348,382)</u>	<u>-</u>	<u>17,236,149</u>
Business-type activities capital assets, net	<u>\$ 19,303,324</u>	<u>\$ (344,744)</u>	<u>\$ (345,081)</u>	<u>\$ 18,613,499</u>

Depreciation expense was charged to each function as follows:

Governmental activities:	
Public works and streets	\$ 252,085
Public safety	163,023
Culture and recreation	60,558
General government	57,617
Economic and community development	<u>6,227</u>
Total governmental activities depreciation expense	<u>\$ 539,510</u>
Business-type activities:	
Wastewater fund	<u>\$ 744,386</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 6 – LOANS RECEIVABLE

The Town has outstanding loans due from homeowners related to funding through a Community Development Block Grant (CDBG). Income from CDBG loans is considered program income of the grant. The governmental funds reports unearned revenue as “deferred inflows of resources” in connection with the receivables for revenues that are not considered to be available to liquidate liabilities of the current period. However, the government-wide financial statements recognized the revenue when the receivable was recognized. Therefore, the unearned revenue represents a reconciling item between the government-wide and fund financial statements. At June 30, 2014, \$126,903 of the deferred loan receivable recorded in the Housing Grant Fund represents funds that were unavailable.

NOTE 7 – LONG-TERM LIABILITIES

The following schedule details the Town’s long-term liability and obligation activity for the year ended June 30, 2014.

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within 1 year
Governmental activities:					
Compensated absences	\$ 317,837	\$ 418,561	\$ 345,696	\$ 390,702	\$ 376,248
Capital leases payable	770,465	8,838	153,634	625,669	153,545
2005 Revenue bonds payable	1,505,000	-	95,000	1,410,000	100,000
2005 Revenue bonds premium	79,587	-	7,181	72,406	7,181
2011 Revenue bonds payable	941,200	-	70,116	871,084	72,857
Governmental activities long-term liabilities	<u>\$ 3,614,089</u>	<u>\$ 427,399</u>	<u>\$ 671,627</u>	<u>\$ 3,369,861</u>	<u>\$ 709,831</u>
Business-type activities:					
Compensated absences	<u>\$ -</u>	<u>\$ 49,709</u>	<u>\$ 24,616</u>	<u>\$ 25,093</u>	<u>\$ 25,093</u>

Bonds Payable:

In February 2005, the Town issued bonds totaling \$2,040,000 to finance the acquisition of land and construction of new Town Marshal facilities. The principal and interest on the bonds are payable solely from and are secured by a pledge of the Town’s unrestricted excise taxes and state shared revenues.

In May 2011, the Town issued bonds totaling \$1,005,000 to finance the purchase of land for use by the Public Works Department. The principal and interest on the bonds are payable from excise tax revenues and state shared revenues.

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal June 30, 2014</u>
Revenue Bonds, Series 2005	\$ 2,040,000	2008-2024	2.75-5.00%	\$ 1,410,000
Revenue Bonds, Series 2011	1,005,000	2012-2023	3.91%	871,084
Totals	<u>\$ 3,045,000</u>			<u>\$ 2,281,084</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 7 – LONG-TERM LIABILITIES – Continued

The following schedule details debt service requirements to maturity for the Town’s bonds payable at June 30, 2014.

Year Ending June 30	Governmental Activities			
	2011 Bond Payable		2005 Bond Payable	
	Principal	Interest	Principal	Interest
2015	\$ 72,857	\$ 32,635	\$ 100,000	\$ 65,450
2016	75,705	29,731	105,000	60,325
2017	78,666	26,713	110,000	54,950
2018	81,741	23,577	115,000	49,325
2019	84,938	20,318	120,000	43,450
2020-2024	477,178	48,074	700,000	122,975
2025	-	-	160,000	3,400
Total	<u>\$ 871,085</u>	<u>\$ 181,048</u>	<u>\$ 1,410,000</u>	<u>\$ 399,875</u>

Capital leases – The Town has entered into lease agreements as lessee for financing the acquisition of equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment	\$ 864,219
Less: accumulated depreciation	(137,289)
Carrying value	<u>\$ 726,930</u>

The following schedule details debt service requirements to maturity for the Town’s capital leases payable at June 30, 2014.

Year Ending June 30	Governmental Activities
2015	\$ 163,395
2016	161,558
2017	161,391
2018	161,391
2019	1,842
Total minimum lease payments	649,577
Less amount representing interest	(23,908)
Present value of net minimum lease payments	<u>\$ 625,669</u>

TOWN OF CAMP VERDE, ARIZONA

Notes to Financial Statements

June 30, 2014

NOTE 8 – PLEDGED REVENUES

The Town has pledged, as security for a lease-purchase agreement entered into by the Camp Verde Sanitary District, a portion of the Town’s sales tax. The lease-purchase agreement, executed by the Sanitary District in FY2007, was amended during FY2010. Per the amendment, the agreement is in the amount of \$2.04 million to provide financing for construction of a new wastewater treatment plant, outfall, and collector sewer lines, and is payable through 2032. The Town has committed to appropriate \$135,000 each year from sales tax revenues and state shared revenues, to cover the principal and interest requirements on the Sanitary District’s debt.

The Camp Verde Sanitary District has pledged, as the sole security for the lease-purchase agreement, the annual appropriations from the Town. Total principal and interest remaining on the District’s debt is \$1.6 million. For the current year, principal and interest paid by the Sanitary District totaled \$118,700. Total sales tax and state shared revenues recognized by the Town totaled \$5.3 million.

NOTE 9 – INTERFUND BALANCES AND ACTIVITY

Interfund borrowings - During March 2008, the Town Council approved an agreement to loan \$832,000 to the Parks Fund from General Fund monies. According to the agreement, quarterly payments of \$50,000 are to be made if funds are available until the full amount borrowed has been repaid. However, no payments were made during FY2014 and remaining amount owed from the Parks fund to the General fund is \$632,000. During the year ended June 30, 2014, the Non-Federal Grants Fund borrowed \$38,867 from the General Fund monies for the purpose of paying reimbursable grant expenditures that will be repaid in the short term.

Interfund transfers – During the year ended June 30, 2014, the Town transferred funds to cover shared expenses and interfund borrowings. Transfers made between funds during the year are as follows:

	Transfers from			
Transfers to	General Fund	HURF Fund	Parks Fund	Total
Non-Major Governmental Funds	\$ 416,378	\$ 174,750	\$ 10,000	\$ 601,128

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 10 – TRANSFER OF OPERATIONS - WASTEWATER TREATMENT OPERATIONS

On July 1, 2013 the Town entered into an agreement with the Camp Verde Sanitary District for the transfer of the Camp Verde Sanitary District’s operations as well as certain assets and liabilities associated with such operations. The Town implemented the provisions of GASB 69 – *Government Combinations and Disposals of Government Operations*, which defines the measurement values of assets and liabilities under such combinations. Under the provisions of GASB 69 the assets and liabilities transferred to the Town have been recognized on the effective date of the transfer (July 1, 2013) at their carrying values. Under the provisions of GASB 69, the net position received by the Town has been recorded as a special item.

Below is a listing of the assets, liabilities, and net position acquired by the Town from the Camp Verde Sanitary District at July 1, 2013:

(Measured at Carrying Value)	
ASSETS	
Current assets	
Cash and cash equivalents	\$ 600,253
Accounts receivable - net	139,947
Due from other governments	8,755
Prepaid expenses	59,440
Total current assets	808,395
Noncurrent assets	
Capital assets,	
Land	1,275,828
Construction in progress	442,965
Vehicles and equipment	267,908
Buildings and improvements	49,393
Systems	21,182,275
Accumulated depreciation	(3,915,045)
Total noncurrent assets	19,303,324
Total assets	20,111,719
 LIABILITIES	
Current liabilities	
Accounts payable	22,512
Accrued expenses	11,570
Total current liabilities	34,082
Net position acquired as special item	\$ 20,077,637

TOWN OF CAMP VERDE, ARIZONA

Notes to Financial Statements

June 30, 2014

NOTE 11 – RESTATEMENT OF BEGINNING NET POSITION

The Town had to restate the net position of the Governmental Activities to adjust for deferred costs which are no longer considered assets under GASB 65 (see Note 1). The effects of the restatement are a reduction of beginning net position of the Governmental Activities in the amount of \$50,294.

NOTE 12 – GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS

The Town's restrictions on net position in the government-wide statement of net position are as follows:

	<u>Governmental Activities</u>
Restricted Net Position:	
Highway User Revenues	\$ 1,291,766
Housing redevelopment:	
Loans Receivable	126,903
Other	71,555
Court Special Revenue:	
Court Enhancement	164,324
Fill the Gap	16,548
Local JCEF	39,095
9-1-1	2,503
Library Building	262,094
Impact Fees:	
General government	68,891
Library	46,443
Parks and Recreation	103,648
Police Services	59,395
Donations:	
Animal Shelter	25
Camp Verde Marshal's Office	980
K-9	1,837
Library	4,242
Parks and Recreation	3,952
Safety fund	5,720
Volunteers in Police Services	427
Total Restricted Net Position	<u>\$ 2,270,348</u>

TOWN OF CAMP VERDE, ARIZONA

Notes to Financial Statements

June 30, 2014

**NOTE 12 – GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS –
Continued**

The components of governmental fund balances are as follows:

	<u>General</u>	<u>HURF</u>	<u>Parks</u>	<u>Non-Major Govt'l Funds</u>	<u>Total Govt'l Funds</u>
Ending Fund balances, June 30, 2014					
Restricted for:					
Highways and streets	-	1,291,766	-	-	1,291,766
Housing redevelopment	-	-	-	71,555	71,555
Court special revenue					
Court enhancement	-	-	-	164,324	164,324
Fill the gap	-	-	-	16,548	16,548
Local JCEF	-	-	-	39,095	39,095
9-1-1	-	-	-	2,503	2,503
Library building	-	-	-	262,094	262,094
Impact fees					
General government	-	-	-	68,891	68,891
Library	-	-	-	46,443	46,443
Parks and recreation	-	-	-	103,648	103,648
Police services	-	-	-	59,395	59,395
Donations					
Animal shelter	-	-	-	25	25
Camp Verde Marshal's office	-	-	-	980	980
K-9	-	-	-	1,837	1,837
Library	-	-	-	4,242	4,242
Parks and recreation	-	-	-	3,952	3,952
Safety fund	-	-	-	5,720	5,720
Volunteers in police service	-	-	-	427	427
Total restricted	<u>-</u>	<u>1,291,766</u>	<u>-</u>	<u>851,679</u>	<u>2,143,445</u>
Committed for:					
Long-term receivable	632,000	-	-	-	632,000
Legal defense	30,056	-	-	-	30,056
Federal grants	-	-	-	7,517	7,517
Senior center	-	-	-	3,697	3,697
Total committed	<u>662,056</u>	<u>-</u>	<u>-</u>	<u>11,214</u>	<u>673,270</u>
Assigned for:					
Capital improvements	-	-	-	323,191	323,191
Schools and school programs	-	-	-	167,999	167,999
Total assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>491,190</u>	<u>491,190</u>
Unassigned:	<u>1,844,848</u>	<u>-</u>	<u>(613,206)</u>	<u>(1,749)</u>	<u>1,229,893</u>
Ending Fund Balances	<u>\$ 2,506,904</u>	<u>\$ 1,291,766</u>	<u>\$ (613,206)</u>	<u>\$ 1,352,334</u>	<u>\$ 4,537,798</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 13 – CONTINGENT LIABILITIES

Federal and State grants and loans – The Town has received a number of grants from both the Federal and State governments. Amounts received or receivable from grantor agencies are subject to audit and adjustment; however, the Town expects no material disallowance of expenditures.

Lawsuits – At times the Town is a defendant in various lawsuits, although the outcome of these lawsuits is not always determinable, in the opinion of the Town’s legal counsel, any resolution of these matters will not have a material adverse effect on the financial condition of the Town.

NOTE 14 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all such risks of loss, including workers’ compensation and employees’ health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 15 – CLAIMS PAYABLE

In the fiscal year 2011, the Town entered into an agreement with a local business entity to settle a dispute over the use of the business entity’s property. The agreement requires the Town to pay three annual installments of \$25,000 plus costs related to the installation. The balance of the estimated claim payable at June 30, 2014 totaled \$79,162.

NOTE 16 – RETIREMENT PLANS

Plan Descriptions—The Town contributes to the two plans described below. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits.

The *Arizona State Retirement System* (ASRS) administers a cost-sharing multiple-employer defined benefit pension plan, and a cost-sharing multiple-employer defined benefit health insurance plan, and a cost sharing multiple-employer defined benefit long-term disability plan that covers general employees of the Town. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The *Public Safety Personnel Retirement System* (PSPRS) is an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five-member board, known as The Fund Manager, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 16 – RETIREMENT PLANS – Continued

Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by writing or calling the applicable plan.

ASRS
3300 N. Central Ave.
Phoenix, AZ 85012-0250
(602) 240-2000

PSPRS
3010 E. Camelback Rd., Ste. 200
Phoenix, AZ 85016
(602) 255-5575

Funding Policy—The Arizona State Legislature establishes and may amend active plan members' and the Town's contribution rates.

Cost-sharing plans – For the year ended June 30, 2014, active ASRS members and the Town were each required by statute to contribute at the actuarially determined rate of 11.54 percent (11.3 percent retirement and .24 percent long-term disability) of the members' annual covered payroll. The Town's contributions to ASRS for the years ended June 30, 2014, 2013 and 2012, were \$283,686, \$227,039, and \$219,179, respectively, which were equal to the required contributions for the year.

Agent plans – For the year ended June 30, 2014, active PSPRS members were required by statute to contribute 10.35 percent of the members' annual covered payroll, and the Town was required to contribute at the actuarially determined rate of 17.89 percent, of which 1.26 percent was the health insurance premium portion.

The contribution requirements for the year ended June 30, 2014, were established by the June 30, 2012 actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to past expectations and new estimates are made. The required schedule of funding status provides multiyear trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on 1) the plans as understood by the Town of Camp Verde, Arizona and plan members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the Town and plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 16 – RETIREMENT PLANS – Continued

The significant actuarial methods and assumptions used to establish the fiscal year 2014 contribution requirements are as follows:

	PSPRS
Actuarial valuation date	June 30, 2012
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4% - 8%
Includes inflation at	4.00%
Cost-of-living adjustments	None
Amortization method	Level percent-of-pay closed
Remaining amortization period	22 years for underfunded 20 years for overfunded
Asset valuation method	7-year smoothed market value 80%/120% market

Trend Information – Annual pension cost information for the current and 2 preceding years follows for each of the agent plans.

Plan	Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PSPRS	2014	\$ 142,838	100 %	\$ -
	2013	130,150	100 %	-
	2012	134,661	100 %	-
Health Insurance	2014	\$ 10,822	100 %	\$ -
	2013	11,580	100 %	-
	2012	12,505	100 %	-

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 16 – RETIREMENT PLANS – Continued

Funding Progress – An analysis of funding progress for the agent plan as of the most recent actuarial valuation follows:

Camp Verde Marshals Plan (Retirement)

Year Ended June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
2014	\$3,023,178	\$4,852,992	\$ 1,829,814	62.3 %	\$ 873,954	209.4 %
2013	3,050,572	4,109,780	1,059,208	74.2	706,486	149.9
2012	2,976,077	3,643,057	666,980	81.7	779,063	85.6

Camp Verde Marshals Plan (Health)

Year Ended June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
2014	\$ 163,233	\$ 145,215	\$ (18,018)	112.4 %	\$ 873,954	(2.06) %
2013	-	72,549	72,549	-	706,486	10.27
2012	-	113,920	113,920	-	779,063	14.62

NOTE 17 – INDIVIDUAL FUND DISCLOSURES

Individual funds with deficiencies in fund balance/net position at June 30, 2014 were as follows:

Special revenue funds

Nonfederal Grants Fund	\$	(1,749)
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The deficiency in the Nonfederal Grants Fund of the special revenue funds will be eliminated through reimbursements from state and local granting agencies.

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REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenue				
Taxes	\$ 3,054,871	\$ 3,054,871	\$ 2,864,959	\$ (189,912)
Intergovernmental	2,961,600	2,961,600	3,037,936	76,336
Fines and forfeitures	321,800	321,800	231,455	(90,345)
Licenses and permits	116,900	116,900	160,321	43,421
Charges for services	97,575	97,575	92,682	(4,893)
Investment income	25,000	25,000	12,753	(12,247)
Other revenue	32,370	32,370	14,325	(18,045)
Total revenue	<u>6,610,116</u>	<u>6,610,116</u>	<u>6,414,431</u>	<u>(195,685)</u>
Expenditures				
Marshal	2,349,653	2,365,041	2,317,964	47,077
Maintenance	498,425	519,102	526,292	(7,190)
Magistrate	378,315	379,188	364,212	14,976
Community development	392,180	407,510	381,727	25,783
Library	352,960	359,715	339,478	20,237
Risk management	298,040	298,040	261,060	36,980
Information technology	130,635	130,635	167,521	(36,886)
Parks and recreation	256,173	256,173	239,006	17,167
Town clerk	205,115	205,115	199,687	5,428
Town manager	207,545	207,545	206,793	752
Finance	221,297	221,899	215,428	6,471
Economic development	173,415	173,415	153,950	19,465
Non-departmental	333,550	273,501	96,750	176,751
Public works and streets	110,455	110,455	107,801	2,654
Storm water management	93,295	93,295	92,576	719
Mayor and council	44,004	44,004	41,377	2,627
Human resources	27,565	27,565	31,803	(4,238)
Total expenditures	<u>6,072,622</u>	<u>6,072,198</u>	<u>5,743,425</u>	<u>328,773</u>
Excess (deficiency) of revenue over (under) expenditures	<u>537,494</u>	<u>537,918</u>	<u>671,006</u>	<u>133,088</u>
Other financing sources				
Transfers in (out)	<u>(537,494)</u>	<u>(537,494)</u>	<u>(416,378)</u>	<u>121,116</u>
Total other financing sources	<u>(537,494)</u>	<u>(537,494)</u>	<u>(416,378)</u>	<u>121,116</u>
Net change in fund balances	-	424	254,628	254,204
Fund balances, July 1, 2013	<u>2,252,276</u>	<u>2,252,276</u>	<u>2,252,276</u>	<u>-</u>
Fund balances, June 30, 2014	<u>\$ 2,252,276</u>	<u>\$ 2,252,700</u>	<u>\$ 2,506,904</u>	<u>\$ 254,204</u>

See accompanying notes to budgetary comparison schedule.

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – HURF Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenue				
Intergovernmental	\$ 750,000	\$ 750,000	777,196	27,196
Investment income	5,000	5,000	9,686	4,686
Other revenue	1,400	1,400	39,531	38,131
Total revenue	<u>756,400</u>	<u>756,400</u>	<u>826,413</u>	<u>70,013</u>
Expenditures				
Current				
Highways and streets	655,425	655,425	526,709	128,716
Capital outlay	55,000	55,000	108,149	(53,149)
Total expenditures	<u>710,425</u>	<u>710,425</u>	<u>634,858</u>	<u>75,567</u>
Excess (deficiency) of revenue over (under) expenditures	<u>45,975</u>	<u>45,975</u>	<u>191,555</u>	<u>145,580</u>
Other financing sources				
Transfers in (out)	<u>(293,571)</u>	<u>(293,571)</u>	<u>(174,750)</u>	<u>118,821</u>
Total other financing sources	<u>(293,571)</u>	<u>(293,571)</u>	<u>(174,750)</u>	<u>118,821</u>
Net change in fund balances	<u>(247,596)</u>	<u>(247,596)</u>	<u>16,805</u>	<u>264,401</u>
Fund balances, July 1, 2013	<u>1,274,961</u>	<u>1,274,961</u>	<u>1,274,961</u>	<u>-</u>
Fund balances, June 30, 2014	<u><u>\$ 1,027,365</u></u>	<u><u>\$ 1,027,365</u></u>	<u><u>\$ 1,291,766</u></u>	<u><u>\$ 264,401</u></u>

See accompanying notes to budgetary comparison schedule.

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Parks Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Other financing sources				
Transfers in (out)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ -
Total other financing sources	(10,000)	(10,000)	(10,000)	-
Net change in fund balances	(10,000)	(10,000)	(10,000)	-
Fund balances, July 1, 2013	(603,206)	(603,206)	(603,206)	-
Fund balances, June 30, 2014	<u>\$ (613,206)</u>	<u>\$ (613,206)</u>	<u>\$ (613,206)</u>	<u>\$ -</u>

See accompanying notes to budgetary comparison schedule.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2014

NOTE 1 – BUDGETING AND BUDGETARY CONTROL

Arizona Revised Statutes (A.R.S.) require the Town to prepare and adopt a balanced budget annually for each governmental fund. The Town Council must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibit expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Town Councils' approval.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

The Town's budget is prepared on a basis consistent with generally accepted accounting principles.

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OTHER FINANCIAL STATEMENTS

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet – All Non-Major Governmental Funds
By Fund Type
June 30, 2014

	Special Revenue Funds	Capital Improvement Fund	Debt Service Fund	Total Non-major Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,048,642	\$ 325,752	\$ -	\$ 1,374,394
Accounts receivable, net	-	-	-	-
Due from other governments	140,750	-	-	140,750
Loans receivable	126,903	-	-	126,903
Total assets	\$ 1,316,295	\$ 325,752	\$ -	\$ 1,642,047
LIABILITIES				
Accounts payable	\$ 40,449	\$ 2,561	\$ -	\$ 43,010
Due to other funds	38,867	-	-	38,867
Total liabilities	79,316	2,561	-	81,877
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	207,836	-	-	207,836
Total deferred inflows of resources	207,836	-	-	207,836
FUND BALANCES				
Restricted	851,679	-	-	851,679
Committed	11,214	-	-	11,214
Assigned	167,999	323,191	-	491,190
Unassigned	(1,749)	-	-	(1,749)
Total fund balances	1,029,143	323,191	-	1,352,334
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,316,295	\$ 325,752	\$ -	\$ 1,642,047

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
All Non-Major Governmental Funds
By Fund Type
June 30, 2014

	Special Revenue Funds	Capital Improvement Fund	Debt Service Fund	Total Non-Major Governmental Funds
Revenue				
Intergovernmental	\$ 393,623	\$ -	\$ -	\$ 393,623
Fines and forfeitures	44,245	-	-	44,245
Contributions	17,389	-	-	17,389
Investment income	5,220	55	-	5,275
Other revenue	14,912	-	-	14,912
Total revenue	<u>475,389</u>	<u>55</u>	<u>-</u>	<u>475,444</u>
Expenditures				
Current				
General government	106,039	-	-	106,039
Public safety	102,038	-	-	102,038
Public works and streets	-	16,453	-	16,453
Health and welfare	-	-	118,733	118,733
Culture and recreation	17,125	28,387	-	45,512
Economic and community development	11,848	-	-	11,848
Capital outlay	407,565	393,248	-	800,813
Principal	-	-	314,821	314,821
Interest	-	-	116,859	116,859
Total expenditures	<u>644,615</u>	<u>438,088</u>	<u>550,413</u>	<u>1,633,116</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(169,226)</u>	<u>(438,033)</u>	<u>(550,413)</u>	<u>(1,157,672)</u>
Other financing sources				
Capital lease acquisition	-	8,838	-	8,838
Transfers (out)	(14,988)	65,703	550,413	601,128
Total other financing sources	<u>(14,988)</u>	<u>74,541</u>	<u>550,413</u>	<u>609,966</u>
Net change in fund balances	<u>(184,214)</u>	<u>(363,492)</u>	<u>-</u>	<u>(547,706)</u>
Fund balances, July 1, 2013	<u>1,213,357</u>	<u>686,683</u>	<u>-</u>	<u>1,900,040</u>
Fund balances, June 30, 2014	<u>\$ 1,029,143</u>	<u>\$ 323,191</u>	<u>\$ -</u>	<u>\$ 1,352,334</u>

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NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes (other than major capital projects). The funds are usually required by statute, ordinance, or federal grant regulation to finance specified activities of the Town. The Town maintains the following non-major Special Revenue funds.

Housing Fund – accounts for revolving loan funds as well as the revenues and expenditures related to the HOME Grant.

Court Special Revenue Fund- accounts for Local JCEF, Fill the Gap and Court Enhancement revenues.

Nonfederal Grants Fund- accounts for all nonfederal grants received by the Town.

Yavapai-Apache Gaming Compact Fund- accounts for the gaming compact revenues received from the Yavapai-Apache Tribe.

Federal Grants Fund- accounts for the activity related to the Town's Federal grants with the exception of the Community Development Block Grant which is accounted for in a separate fund.

9-1-1 Fund- accounts for 9-1-1 distributions.

Library Building Fund- accounts for contributions toward the Town's library.

Impact Fee Fund- accounts for development impact fees.

Donations Fund- accounts for gifts, donations, bequests and private grants made to the Town.

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet Non-Major Special Revenue Funds
June 30, 2014

	Housing Fund	Court Special Revenue Fund	Nonfederal Grants Fund	Yavapai-Apache Gaming Compact Fund
ASSETS				
Cash and cash equivalents	\$ 71,555	\$ 209,558	\$ -	\$ 171,696
Accounts receivable, net	-	-	-	-
Due from other governments	-	77,047	55,140	-
	<u>126,903</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u><u>\$ 198,458</u></u>	<u><u>\$ 286,605</u></u>	<u><u>\$ 55,140</u></u>	<u><u>\$ 171,696</u></u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 14,554	\$ -
Due to other funds	-	-	38,867	-
	<u>-</u>	<u>-</u>	<u>53,421</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>53,421</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	<u>126,903</u>	<u>66,638</u>	<u>3,468</u>	<u>-</u>
Total deferred inflows of resources	<u>126,903</u>	<u>66,638</u>	<u>3,468</u>	<u>-</u>
FUND BALANCES				
Restricted	71,555	219,967	-	-
Committed	-	-	-	3,697
Unassigned	-	-	(1,749)	-
	<u>71,555</u>	<u>219,967</u>	<u>(1,749)</u>	<u>3,697</u>
Total fund balances	<u>71,555</u>	<u>219,967</u>	<u>(1,749)</u>	<u>3,697</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 198,458</u></u>	<u><u>\$ 286,605</u></u>	<u><u>\$ 55,140</u></u>	<u><u>\$ 3,697</u></u>

Federal Grants Fund	9-1-1 Fund	Library Building Fund	Impact Fee Fund	Donations Fund	Total Non-Major Special Revenue Funds
\$ 20,585	\$ 2,503	\$ 276,355	\$ 278,377	\$ 18,013	\$ 1,048,642
-	-	-	-	-	-
8,563	-	-	-	-	140,750
-	-	-	-	-	126,903
<u>\$ 29,148</u>	<u>\$ 2,503</u>	<u>\$ 276,355</u>	<u>\$ 278,377</u>	<u>\$ 18,013</u>	<u>\$ 1,316,295</u>
\$ 10,804	\$ -	\$ 14,261	\$ -	\$ 830	\$ 40,449
-	-	-	-	-	38,867
<u>10,804</u>	<u>-</u>	<u>14,261</u>	<u>-</u>	<u>830</u>	<u>79,316</u>
10,827	-	-	-	-	207,836
<u>10,827</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,836</u>
-	2,503	262,094	278,377	17,183	851,679
7,517	-	-	-	-	11,214
-	-	-	-	-	(1,749)
<u>7,517</u>	<u>2,503</u>	<u>262,094</u>	<u>278,377</u>	<u>17,183</u>	<u>861,144</u>
<u>\$ 29,148</u>	<u>\$ 2,503</u>	<u>\$ 276,355</u>	<u>\$ 278,377</u>	<u>\$ 18,013</u>	<u>\$ 1,148,296</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
June 30, 2014

	Housing Fund	Court Special Revenue Fund	Nonfederal Grants Fund	Yavapai-Apache Gaming Compact Fund
Revenue				
Intergovernmental	\$ -	\$ -	\$ 133,651	\$ 113,734
Fines and forfeitures	-	44,245	-	-
Contributions	-	-	3,600	-
Investment income	1,681	-	-	-
Other revenue	14,912	-	-	-
Total revenue	<u>16,593</u>	<u>44,245</u>	<u>137,251</u>	<u>113,734</u>
Expenditures				
Current				
General government	14,000	1,957	-	90,082
Public safety	-	-	72,604	-
Culture and recreation	-	-	-	-
Economic and community development	-	-	-	-
Capital outlay	-	-	66,396	-
Total expenditures	<u>14,000</u>	<u>1,957</u>	<u>139,000</u>	<u>90,082</u>
Excess (deficiency) of revenue over (under) expenditures	<u>2,593</u>	<u>42,288</u>	<u>(1,749)</u>	<u>23,652</u>
Other financing sources				
Transfers (out)	-	-	-	(14,988)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,988)</u>
Net change in fund balances	2,593	42,288	(1,749)	8,664
Fund balances, July 1, 2013	<u>68,962</u>	<u>177,679</u>	<u>-</u>	<u>163,032</u>
Fund balances, June 30, 2014	<u>\$ 71,555</u>	<u>\$ 219,967</u>	<u>\$ (1,749)</u>	<u>\$ 171,696</u>

Federal Grants Fund	9-1-1 Fund	Library Building Fund	Impact Fee Fund	Donations Fund	Total Non-Major Special Revenue Funds
\$ 146,238	\$ -	\$ -	\$ -	\$ -	\$ 393,623
-	-	-	-	-	44,245
-	-	5,286	-	8,503	17,389
-	-	3,163	376	-	5,220
-	-	-	-	-	14,912
<u>146,238</u>	<u>-</u>	<u>8,449</u>	<u>376</u>	<u>8,503</u>	<u>475,389</u>
-	-	-	-	-	106,039
28,951	57	-	-	426	102,038
14,779	-	-	-	2,346	17,125
11,848	-	-	-	-	11,848
89,130	-	249,039	-	3,000	407,565
<u>144,708</u>	<u>57</u>	<u>249,039</u>	<u>-</u>	<u>5,772</u>	<u>644,615</u>
<u>1,530</u>	<u>(57)</u>	<u>(240,590)</u>	<u>376</u>	<u>2,731</u>	<u>(169,226)</u>
-	-	-	-	-	(14,988)
-	-	-	-	-	(14,988)
1,530	(57)	(240,590)	376	2,731	(184,214)
5,987	2,560	502,684	278,001	14,452	1,213,357
<u>\$ 7,517</u>	<u>\$ 2,503</u>	<u>\$ 262,094</u>	<u>\$ 278,377</u>	<u>\$ 17,183</u>	<u>\$ 1,029,143</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2014

	Housing Fund			Court Special Revenue Fund		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	56,470	44,245	(12,225)
Contributions	-	-	-	-	-	-
Investment income	2,000	1,681	(319)	-	-	-
Other revenue	15,430	14,912	(518)	-	-	-
Total revenue	17,430	16,593	(837)	56,470	44,245	(12,225)
Expenditures						
Current						
General government	95,430	14,000	81,430	5,950	1,957	3,993
Public safety	-	-	-	-	-	-
Public works and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic and community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	95,430	14,000	81,430	5,950	1,957	3,993
Excess (deficiency) of revenue over (under) expenditures	(78,000)	2,593	80,593	50,520	42,288	(8,232)
Other financing sources						
Transfers in(out)	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-
Net change in fund balances	(78,000)	2,593	80,593	50,520	42,288	(8,232)
Fund balances, July 1, 2013	68,962	68,962	-	177,679	177,679	-
Fund balances, June 30, 2014	\$ (9,038)	\$ 71,555	\$ 80,593	\$ 228,199	\$ 219,967	\$ (8,232)

Nonfederal Grants Fund			YAG Compact Fund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 145,000	\$ 133,651	\$ (11,349)	\$ -	\$ 113,734	\$ 113,734
-	-	-	-	-	-
-	3,600	3,600	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>145,000</u>	<u>137,251</u>	<u>(7,749)</u>	<u>-</u>	<u>113,734</u>	<u>113,734</u>
5,000	-	5,000	118,063	90,082	27,981
127,052	72,604	54,448	-	-	-
75,000	-	75,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	66,396	(66,396)	-	-	-
<u>207,052</u>	<u>139,000</u>	<u>68,052</u>	<u>118,063</u>	<u>90,082</u>	<u>27,981</u>
<u>(62,052)</u>	<u>(1,749)</u>	<u>60,303</u>	<u>(118,063)</u>	<u>23,652</u>	<u>141,715</u>
-	-	-	<u>(14,988)</u>	<u>(14,988)</u>	-
-	-	-	<u>(14,988)</u>	<u>(14,988)</u>	-
<u>(62,052)</u>	<u>(1,749)</u>	<u>60,303</u>	<u>(133,051)</u>	<u>8,664</u>	<u>141,715</u>
-	-	-	<u>163,032</u>	<u>163,032</u>	-
<u>\$ (62,052)</u>	<u>\$ (1,749)</u>	<u>\$ 60,303</u>	<u>\$ 29,981</u>	<u>\$ 171,696</u>	<u>\$ 141,715</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2014
(Continued)

	Federal Grants Fund			9-1-1 Fund		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	\$ 431,130	\$ 146,238	\$ (284,892)	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenue	431,130	146,238	(284,892)	-	-	-
Expenditures						
Current						
General government	-	-	-	-	-	-
Public safety	112,675	28,951	83,724	2,560	57	2,503
Public works and streets	292,253	-	292,253	-	-	-
Culture and recreation	-	14,779	(14,779)	-	-	-
Economic and community development	33,455	11,848	21,607	-	-	-
Capital outlay	-	89,130	(89,130)	-	-	-
Total expenditures	438,383	144,708	293,675	2,560	57	2,503
Excess (deficiency) of revenue over (under) expenditures	(7,253)	1,530	8,783	(2,560)	(57)	2,503
Other financing sources						
Transfers (out)	7,253	-	(7,253)	-	-	-
Total other financing sources	7,253	-	(7,253)	-	-	-
Net change in fund balances	-	1,530	1,530	(2,560)	(57)	2,503
Fund balances, July 1, 2013	5,987	5,987	-	2,560	2,560	-
Fund balances, June 30, 2014	\$ 5,987	\$ 7,517	\$ 1,530	\$ -	\$ 2,503	\$ 2,503

Library Building Fund			Impact Fee Fund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
350,000	5,286	(344,714)	-	-	-
2,000	3,163	1,163	1,100	376	(724)
-	-	-	-	-	-
<u>352,000</u>	<u>8,449</u>	<u>(343,551)</u>	<u>1,100</u>	<u>376</u>	<u>(724)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
946,560	249,039	697,521	63,983	-	63,983
<u>946,560</u>	<u>249,039</u>	<u>697,521</u>	<u>63,983</u>	<u>-</u>	<u>63,983</u>
<u>(594,560)</u>	<u>(240,590)</u>	<u>353,970</u>	<u>(62,883)</u>	<u>376</u>	<u>63,259</u>
<u>46,434</u>	<u>-</u>	<u>(46,434)</u>	<u>(46,434)</u>	<u>-</u>	<u>46,434</u>
<u>46,434</u>	<u>-</u>	<u>(46,434)</u>	<u>(46,434)</u>	<u>-</u>	<u>46,434</u>
(548,126)	(240,590)	307,536	(109,317)	376	109,693
<u>502,684</u>	<u>502,684</u>	<u>-</u>	<u>278,001</u>	<u>278,001</u>	<u>-</u>
<u>\$ (45,442)</u>	<u>\$ 262,094</u>	<u>\$ 307,536</u>	<u>\$ 168,684</u>	<u>\$ 278,377</u>	<u>\$ 109,693</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2014
(Continued)

	Donations Fund			Totals		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	\$ -	\$ -	\$ -	\$ 576,130	\$ 393,623	\$ (182,507)
Fines and forfeitures	-	-	-	56,470	44,245	(12,225)
Contributions	3,600	8,503	4,903	353,600	17,389	(336,211)
Investment income	-	-	-	5,100	5,220	120
Other revenue	-	-	-	15,430	14,912	(518)
Total revenue	<u>3,600</u>	<u>8,503</u>	<u>4,903</u>	<u>1,006,730</u>	<u>475,389</u>	<u>(531,341)</u>
Expenditures						
Current						
General government	-	-	-	224,443	106,039	118,404
Public safety	11,645	426	11,219	253,932	102,038	151,894
Public works and streets	-	-	-	367,253	-	367,253
Culture and recreation	11,743	2,346	9,397	11,743	17,125	(5,382)
Economic and comm. develop.	-	-	-	33,455	11,848	21,607
Capital outlay	-	3,000	(3,000)	1,010,543	407,565	602,978
Total expenditures	<u>23,388</u>	<u>5,772</u>	<u>17,616</u>	<u>1,901,369</u>	<u>644,615</u>	<u>1,256,754</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(19,788)</u>	<u>2,731</u>	<u>22,519</u>	<u>(894,639)</u>	<u>(169,226)</u>	<u>725,413</u>
Other financing sources						
Transfers (out)	-	-	-	(7,735)	(14,988)	(7,253)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,735)</u>	<u>(14,988)</u>	<u>(7,253)</u>
Net change in fund balances	<u>(19,788)</u>	<u>2,731</u>	<u>22,519</u>	<u>(902,374)</u>	<u>(184,214)</u>	<u>718,160</u>
Fund balances, July 1, 2013	<u>14,452</u>	<u>14,452</u>	<u>-</u>	<u>1,213,357</u>	<u>1,213,357</u>	<u>-</u>
Fund balances, June 30, 2014	<u>\$ (5,336)</u>	<u>\$ 17,183</u>	<u>\$ 22,519</u>	<u>310,983</u>	<u>1,029,143</u>	<u>718,160</u>

NON-MAJOR CAPITAL IMPROVEMENT FUND

Capital Improvement Fund- accounts for all financial resources of the Town related to purchasing assets that meet the appropriate threshold for capitalization and take more than one year to make ready for use by the Town.

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Capital Improvement Fund
Year Ended June 30, 2014

	Capital Improvement Fund		
	Budget	Actual	Variance - Positive (Negative)
Revenue			
Investment income	\$ -	\$ 55	\$ 55
Total revenue	-	55	55
Expenditures			
Current			
Public works and streets	17,000	16,453	547
Culture and recreation	30,000	28,387	1,613
Capital outlay	540,931	393,248	147,683
Total expenditures	587,931	438,088	149,843
Excess (deficiency) of revenue over (under) expenditures	(587,931)	(438,033)	149,898
Other financing sources			
Capital lease acquisition	-	8,838	8,838
Transfers in (out)	283,000	65,703	(217,297)
Total other financing sources	283,000	74,541	(217,297)
Net change in fund balances	(304,931)	(363,492)	(58,561)
Fund balances, July 1, 2013	686,683	686,683	-
Fund balances, June 30, 2014	\$ 381,752	\$ 323,191	\$ (58,561)

NON-MAJOR DEBT SERVICE FUND

Debt Service Fund- accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Debt Service Fund
Year Ended June 30, 2014

	Debt Service Fund		
	Budget	Actual	Variance - Positive (Negative)
Expenditures			
Current			
Health and welfare	\$ 118,736	\$ 118,733	\$ 3
Debt service			
Principal	314,819	314,821	(2)
Interest	118,035	116,859	1,176
Total expenditures	551,590	550,413	1,177
Excess (deficiency) of revenue over (under) expenditures	(551,590)	(550,413)	1,177
Other financing sources			
Transfers in	551,590	550,413	(1,177)
Total other financing sources	551,590	550,413	(1,177)
Net change in fund balances	-	-	-
Fund balances, July 1, 2013	-	-	-
Fund balances, June 30, 2014	\$ -	\$ -	\$ -

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual – Wastewater Fund
Year Ended June 30, 2014

	Wastewater Fund		Variance- Positive (Negative)
	Budget	Actual	
Operating revenues			
Sewer charges	\$ 982,315	\$ 1,012,074	\$ 29,759
Miscellaneous	-	24,213	24,213
Total operating revenues	<u>982,315</u>	<u>1,036,287</u>	<u>53,972</u>
Operating expenses			
Personnel	401,550	406,547	(4,997)
Materials and supplies	272,500	185,007	87,493
Professional services	66,500	166,649	(100,149)
Utilities	105,000	96,791	8,209
Insurance	28,000	20,062	7,938
Other	39,250	35,783	3,467
Repairs and maintenance	83,550	12,387	71,163
Depreciation	720,000	744,386	(24,386)
Total operating expenses	<u>1,716,350</u>	<u>1,667,612</u>	<u>48,738</u>
Operating income (loss)	<u>(734,035)</u>	<u>(631,325)</u>	<u>102,710</u>
Nonoperating revenues (expenses)			
Interest income	4,000	1,621	(2,379)
Total nonoperating revenues (expenses)	<u>4,000</u>	<u>1,621</u>	<u>(2,379)</u>
Income (loss) before special items	(730,035)	(629,704)	100,331
Special item - Transfer in of wastewater operations	-	20,077,637	20,077,637
Increase (decrease) in net position	(730,035)	19,447,933	20,177,968
Total net position, beginning of year	-	-	-
Total net position, end of year	<u>\$ (730,035)</u>	<u>\$ 19,447,933</u>	<u>\$ 20,177,968</u>

AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Employee Assistance Fund – accounts for monies received from employees for providing other employees monetary assistance when in special need exists.

Camp Verde Sanitary District Fund- accounts for monies received from Sanitary District property tax revenues for the purpose of meeting the Districts debt service requirements.

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2014

Employee Assistance Fund	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>Assets</u>				
Restricted cash and investments	\$ 7,840	\$ 3,845	\$ 1,250	\$ 10,435
Total assets	<u>\$ 7,840</u>	<u>\$ 3,845</u>	<u>\$ 1,250</u>	<u>\$ 10,435</u>
 <u>Liabilities</u>				
Deposit held for employees payable	\$ 7,840	\$ 3,845	\$ 1,250	\$ 10,435
Total liabilities	<u>\$ 7,840</u>	<u>\$ 3,845</u>	<u>\$ 1,250</u>	<u>\$ 10,435</u>
 Camp Verde Sanitary District Fund				
<u>Assets</u>				
Restricted cash and investments	\$ -	\$ 1,671,719	\$ 1,092,514	\$ 579,205
Total assets	<u>\$ -</u>	<u>\$ 1,671,719</u>	<u>\$ 1,092,514</u>	<u>\$ 579,205</u>
 <u>Liabilities</u>				
Deposit held for debt service payments	\$ -	\$ 1,671,719	\$ 1,092,514	\$ 579,205
Total liabilities	<u>\$ -</u>	<u>\$ 1,671,719</u>	<u>\$ 1,092,514</u>	<u>\$ 579,205</u>

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STATISTICAL SECTION

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STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the Town's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the Town's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the Town's current levels of outstanding debt as well as assess the Town's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the Town's financial activities take place and to help make comparisons with other municipalities.

Operating Information

These schedules contain information about the Town's operations and various resources to help the reader draw conclusions as to how the Town's financial information relates to the services provided by the Town.

TOWN OF CAMP VERDE, ARIZONA
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:										
Net investment in capital assets	\$ 10,488,341	\$ 10,143,618	\$ 9,300,597	\$ 8,422,141	\$ 7,963,191	\$ 7,953,980	\$ 7,929,411	\$ 4,720,012	\$ 4,541,070	\$ 2,887,878
Restricted	2,034,463	2,614,589	2,719,944	2,545,163	1,838,636	1,375,836	1,219,728	3,967,997	3,276,858	4,136,468
Unrestricted	2,691,862	2,040,296	1,946,642	2,376,365	3,626,780	3,845,605	3,915,724	3,244,968	3,091,403	2,313,587
Total governmental activities net position	<u>\$ 15,214,666</u>	<u>\$ 14,798,503</u>	<u>\$ 13,967,183</u>	<u>\$ 13,343,669</u>	<u>\$ 13,428,607</u>	<u>\$ 13,175,421</u>	<u>\$ 13,064,863</u>	<u>\$ 11,932,977</u>	<u>\$ 10,909,331</u>	<u>\$ 9,337,933</u>
Business-type activities:										
Net investment in capital assets	\$ 18,613,499	N/A	N/A							
Restricted	-	N/A	N/A							
Unrestricted	834,434	N/A	N/A							
Total business-type activities net position	<u>\$ 19,447,933</u>	<u>\$ -</u>	<u>\$ -</u>							
Primary government										
Net investment in capital assets	\$ 29,101,840	\$ 10,143,618	\$ 9,300,597	\$ 8,422,141	\$ 7,963,191	\$ 7,953,980	\$ 7,929,411	\$ 4,720,012	\$ 4,541,070	\$ 2,887,878
Restricted	2,034,463	2,614,589	2,719,944	2,545,163	1,838,636	1,375,836	1,219,728	3,967,997	3,276,858	4,136,468
Unrestricted	3,526,296	2,040,296	1,946,642	2,376,365	3,626,780	3,845,605	3,915,724	3,244,968	3,091,403	2,313,587
Total net position	<u>\$ 34,662,599</u>	<u>\$ 14,798,503</u>	<u>\$ 13,967,183</u>	<u>\$ 13,343,669</u>	<u>\$ 13,428,607</u>	<u>\$ 13,175,421</u>	<u>\$ 13,064,863</u>	<u>\$ 11,932,977</u>	<u>\$ 10,909,331</u>	<u>\$ 9,337,933</u>

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013 and classifies them above as business-type activities.

TOWN OF CAMP VERDE, ARIZONA
Expenses, Program Revenues, and Net Expense
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses										
Governmental activities:										
General government	\$ 2,383,176	\$ 2,361,960	\$ 2,125,678	\$ 2,407,140	\$ 2,242,817	\$ 2,306,812	\$ 2,110,980	\$ 2,239,261	\$ 2,612,232	\$ 2,965,425
Public safety	2,601,915	2,316,714	2,209,435	2,233,318	2,250,649	2,439,899	2,463,833	2,310,866	1,916,994	1,073,301
Public works and streets	1,009,909	820,956	816,853	669,205	765,392	1,197,351	1,185,801	1,692,038	1,466,531	1,000,494
Health and welfare	131,233	136,266	131,300	131,331	107,603	145,237	77,523	10,000	-	-
Culture and recreation	686,137	735,840	561,166	630,502	695,151	995,711	1,334,525	1,265,748	1,080,657	708,377
Economic and community development	411,023	456,020	348,532	460,601	551,747	845,225	552,987	460,395	35,178	5,166
Interest on long-term debt	107,141	125,025	112,867	100,851	83,429	86,544	88,421	89,413	111,259	36,754
Total governmental activities	<u>7,330,534</u>	<u>6,952,781</u>	<u>6,305,831</u>	<u>6,632,948</u>	<u>6,696,788</u>	<u>8,016,779</u>	<u>7,814,070</u>	<u>8,067,721</u>	<u>7,222,851</u>	<u>5,789,517</u>
Business-type activities:										
Wastewater	1,667,612	N/A								
Total business-type activities	<u>1,667,612</u>	<u>-</u>								
Total expenses	<u>8,998,146</u>	<u>6,952,781</u>	<u>6,305,831</u>	<u>6,632,948</u>	<u>6,696,788</u>	<u>8,016,779</u>	<u>7,814,070</u>	<u>8,067,721</u>	<u>7,222,851</u>	<u>5,789,517</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	51,173	18,221	43,244	304,918	303,797	304,269	399,952	582,776	1,312,310	912,135
Public safety	412,704	395,473	373,510	88,421	91,651	94,397	139,246	41,931	86,566	87,837
Public works and streets	42,817	500	5,942	3,429	55,132	56,109	-	21,887	2,050	-
Culture and recreation	43,565	35,274	36,957	43,746	88,751	101,703	160,177	193,536	60,222	59,954
Economic and community development	188,391	190,062	151,498	101,929	105,337	221,229	189,428	338,303	-	-
Operating grants and contributions	1,103,424	1,032,082	1,012,413	1,490,745	1,297,444	1,585,120	1,361,690	1,394,477	1,619,413	1,278,279
Capital grants and contributions	182,421	647,539	969,961	-	6,491	32,815	703,532	-	-	83,156
Total governmental activities	<u>2,024,495</u>	<u>2,319,151</u>	<u>2,593,525</u>	<u>2,033,188</u>	<u>1,948,603</u>	<u>2,395,642</u>	<u>2,954,025</u>	<u>2,572,910</u>	<u>3,080,561</u>	<u>2,421,361</u>
Business-type activities:										
Charges for services:										
Wastewater	1,036,287	N/A								
Total business-type activities	<u>1,036,287</u>	<u>-</u>								
Total program revenues	<u>3,060,782</u>	<u>2,319,151</u>	<u>2,593,525</u>	<u>2,033,188</u>	<u>1,948,603</u>	<u>2,395,642</u>	<u>2,954,025</u>	<u>2,572,910</u>	<u>3,080,561</u>	<u>2,421,361</u>
Net Expense	<u>\$ (5,937,364)</u>	<u>\$ (4,633,630)</u>	<u>\$ (3,712,306)</u>	<u>\$ (4,599,760)</u>	<u>\$ (4,748,185)</u>	<u>\$ (5,621,137)</u>	<u>\$ (4,860,045)</u>	<u>\$ (5,494,811)</u>	<u>\$ (4,142,290)</u>	<u>\$ (3,368,156)</u>

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013.

TOWN OF CAMP VERDE, ARIZONA
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net Expense	\$ (5,937,364)	\$ (4,633,630)	\$ (3,712,306)	\$ (4,599,760)	\$ (4,748,185)	\$ (5,621,137)	\$ (4,860,045)	\$ (5,494,811)	\$ (4,142,290)	\$ (3,368,156)
General Revenues:										
Governmental activities:										
Taxes:										
Sales taxes	2,597,901	2,544,473	1,738,752	1,763,488	1,961,610	2,163,948	2,314,337	2,586,474	2,832,105	1,828,357
Franchise taxes	267,059	250,327	245,501	243,353	239,946	238,072	237,227	219,502	187,130	174,072
State shared revenues	2,758,435	2,567,890	2,325,940	2,441,489	2,755,897	3,091,906	3,154,857	2,919,698	2,714,144	2,378,270
Investment earnings	27,714	33,251	13,787	12,985	19,964	3,614	220,900	313,860	209,644	66,880
Miscellaneous	13,090	69,009	11,840	53,507	23,954	239,099	64,610	8,242	-	-
Total governmental activities	<u>5,664,199</u>	<u>5,464,950</u>	<u>4,335,820</u>	<u>4,514,822</u>	<u>5,001,371</u>	<u>5,736,639</u>	<u>5,991,931</u>	<u>6,047,776</u>	<u>5,943,023</u>	<u>4,447,579</u>
Business-type activities:										
Investment earnings	1,621	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Special item*	20,077,637									
Total business-type activities	<u>20,079,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in Net Position	<u>\$ 19,806,093</u>	<u>\$ 831,320</u>	<u>\$ 623,514</u>	<u>\$ (84,938)</u>	<u>\$ 253,186</u>	<u>\$ 115,502</u>	<u>\$ 1,131,886</u>	<u>\$ 552,965</u>	<u>\$ 1,800,733</u>	<u>\$ 1,079,423</u>

Source: The Town's financial records.

Note: * - The Town took over the Camp Verde Sanitary District (CVSD) Operations July 1, 2013. In doing so, just over \$20 million in assets were transferred to the Town. All debt, however, remains with CVSD and is not a part of the Town's liabilities.

TOWN OF CAMP VERDE, ARIZONA
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund:										
Reserved					\$ 996,886	\$ 632,000	\$ 832,000	\$ -	\$ -	\$ -
Nonspendable	\$ -	\$ -	\$ -	\$ 22,096						
Restricted	-	-	-	-						
Committed	662,056	632,000	632,000	1,033,628						
Assigned	-	-	-	-						
Unassigned	1,844,848	1,621,049	1,284,934	1,950,054	2,352,892	2,990,296	2,732,574	3,518,376	3,229,020	2,475,296
Total General Fund	<u>\$ 2,506,904</u>	<u>\$ 2,253,049</u>	<u>\$ 1,916,934</u>	<u>\$ 3,005,778</u>	<u>\$ 3,349,778</u>	<u>\$ 3,622,296</u>	<u>\$ 3,564,574</u>	<u>\$ 3,518,376</u>	<u>\$ 3,229,020</u>	<u>\$ 2,475,296</u>
All Other Governmental Funds:										
Reserved					\$ 571,720	\$ 431,852	\$ 348,869	\$ 186,537	\$ -	\$ -
Unreserved, reported in:										
HURF fund					924,322	606,419	463,892	(122,328)	100,704	100,538
Parks fund					(339,161)	(326,933)	(744,077)	1,660,258	1,346,233	972,176
Housing grant fund					77,166	57,800	-	-	45,916	-
Non-major Special revenue funds					294,374	296,350	445,566	336,599	48,364	287,683
Non-major Debt service funds					-	-	-	-	177,535	145,635
Non-major Capital projects funds					602,214	589,141	1,212,018	1,719,178	1,384,235	2,413,063
Nonspendable	\$ -	\$ -	\$ 79,345	\$ 83,198						
Restricted	2,143,445	2,473,096	2,483,485	2,294,509						
Committed	11,214	686,629	694,215	185,200						
Assigned	491,190	-	-	-						
Unassigned	(614,955)	(587,984)	(378,467)	(559,961)						
Total all other governmental funds	<u>\$ 2,030,894</u>	<u>\$ 2,571,741</u>	<u>\$ 2,878,578</u>	<u>\$ 2,002,946</u>	<u>\$ 2,130,635</u>	<u>\$ 1,654,629</u>	<u>\$ 1,726,268</u>	<u>\$ 3,780,244</u>	<u>\$ 3,102,987</u>	<u>\$ 3,919,095</u>

Source: The Town's financial records.

Note: The Town implemented GASB 54 for the fiscal year ended June 30, 2011.

TOWN OF CAMP VERDE, ARIZONA
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Taxes	\$ 2,864,959	\$ 2,794,799	\$ 1,984,253	\$ 2,006,841	\$ 2,201,557	\$ 2,402,020	\$ 2,551,564	\$ 2,805,976	\$ 3,019,235	\$ 2,002,429
Intergovernmental	4,208,755	4,282,074	4,038,813	3,899,960	4,158,619	4,729,287	5,270,363	4,306,962	4,278,710	3,634,853
Fines and forfeits	275,700	372,122	335,496	278,736	297,058	257,625	342,149	535,170	549,294	410,064
Licenses and permits	160,321	159,532	123,738	102,725	106,006	184,016	150,852	242,345	438,119	319,639
Charges for services	92,682	86,994	86,787	82,052	110,892	248,940	227,056	292,339	259,712	182,462
Contributions and donations	17,389	16,478	361,292	106,964	26,009	45,397	75,038	70,100	75,171	179,218
Investment income	27,714	33,197	13,787	12,984	19,964	3,614	220,900	313,860	209,644	66,880
Rents and royalties	-	-	-	3,068	5,048	20,788	43,424	45,692	43,660	18,784
Other	68,768	58,742	36,021	149,967	23,784	126,628	73,206	19,968	170,363	128,977
Total revenues	<u>\$ 7,716,288</u>	<u>\$ 7,803,938</u>	<u>\$ 6,980,187</u>	<u>\$ 6,643,297</u>	<u>\$ 6,948,937</u>	<u>\$ 8,018,315</u>	<u>\$ 8,954,552</u>	<u>\$ 8,632,412</u>	<u>\$ 9,043,908</u>	<u>\$ 6,943,306</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenditures:										
Current -										
General government	\$ 2,316,759	\$ 2,307,763	\$ 2,064,569	\$ 2,333,981	\$ 2,081,749	\$ 2,225,758	\$ 2,075,036	\$ 2,190,340	\$ 2,602,842	\$ 3,395,796
Public safety	2,400,085	2,221,319	2,148,531	2,080,685	2,283,648	2,286,640	2,322,781	2,136,825	3,411,061	1,657,781
Public works and streets	741,300	655,284	688,127	528,172	625,582	682,696	1,072,780	1,583,979	1,374,738	923,922
Health and welfare	131,233	136,266	131,300	131,332	107,603	14,527	77,523	10,000	-	-
Culture and recreation	623,996	680,810	508,581	579,516	637,130	857,850	1,141,267	1,102,211	1,332,275	1,057,554
Economic and community development	391,601	455,170	352,412	345,807	469,503	816,146	531,984	434,940	35,375	5,166
Capital outlay	969,031	1,801,828	913,146	2,059,278	396,478	846,250	3,588,221	625,952	-	-
Debt service -										
Principal retirement	319,327	164,828	302,011	141,408	117,470	92,985	90,452	41,424	2,577	2,333
Interest and fiscal charges	118,067	116,056	84,722	103,044	89,070	92,185	94,061	95,054	118,089	39,031
Bond issuance costs	-	-	-	25,000	-	-	-	-	-	30,025
Total expenditures	<u>\$ 8,011,399</u>	<u>\$ 8,539,324</u>	<u>\$ 7,193,399</u>	<u>\$ 8,328,223</u>	<u>\$ 6,808,233</u>	<u>\$ 7,915,037</u>	<u>\$ 10,994,105</u>	<u>\$ 8,220,725</u>	<u>\$ 8,876,957</u>	<u>\$ 7,111,608</u>
Expenditures for capitalized assets	\$ 969,031	\$ 1,801,828	\$ 913,146	\$ 1,884,647	\$ 280,572	\$ 302,307	\$ 3,415,762	\$ 305,602	\$ 1,908,945	\$ 1,579,586
Debt service as a percentage of noncapital expenditures	6%	4%	6%	4%	3%	2%	2%	2%	2%	1%

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Other Financing Sources and Uses and Net Change in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Excess (deficiency) of revenues over expenditures	\$ (295,111)	\$ (735,386)	\$ (213,212)	\$ (1,684,926)	\$ 140,704	\$ 103,278	\$ (2,039,553)	\$ 411,687	\$ 166,951	\$ (168,302)
Other financing sources (uses):										
Capital lease agreements	8,838	764,664		208,237	62,784	18,459	-	42,123	-	-
Transfers in	641,103	266,480	1,729,132	411,442	499,244	1,219,431	1,974,620	71,915	-	13,233
Transfers out	(641,103)	(266,480)	(1,729,132)	(411,442)	(499,244)	(1,219,431)	(1,942,845)	(71,915)	-	(13,233)
Proceeds of long-term debt issuance	-	-	-	1,005,000	-	-	-	-	-	2,040,000
Proceeds from premium on long-term debt issuance	-	-	-	-	-	-	-	-	-	140,025
Total other financing sources (uses)	<u>8,838</u>	<u>764,664</u>	<u>-</u>	<u>1,213,237</u>	<u>62,784</u>	<u>18,459</u>	<u>31,775</u>	<u>42,123</u>	<u>-</u>	<u>2,180,025</u>
Changes in fund balances	<u>\$ (286,273)</u>	<u>\$ 29,278</u>	<u>\$ (213,212)</u>	<u>\$ (471,689)</u>	<u>\$ 203,488</u>	<u>\$ 121,737</u>	<u>\$ (2,007,778)</u>	<u>\$ 453,810</u>	<u>\$ 166,951</u>	<u>\$ 2,011,723</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Tax Revenues by Category
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Retail Trade	\$ 1,040,491	\$ 990,166	\$ 686,400	\$ 691,160	\$ 701,977	\$ 832,860	\$ 898,920	\$ 1,068,343	\$ 1,108,776	\$ 546,790
Restaurants & Bars	473,070	437,452	309,169	301,925	307,921	319,393	324,358	321,300	305,811	252,532
Communications & Utilities	230,848	251,911	127,280	167,542	150,683	118,950	135,303	136,274	126,126	107,199
Construction	182,702	236,112	128,008	142,535	353,081	307,651	430,671	512,790	681,725	441,979
Real Estate, Rental & Leasing	170,109	170,973	147,728	134,821	140,596	122,225	111,852	121,702	115,071	94,460
Accommodation	138,850	131,748	88,626	84,609	110,798	142,302	148,694	139,946	116,911	98,706
Arts & Entertainment	114,106	92,444	59,604	62,416	53,087	62,039	56,874	52,342	42,792	3,362
Manufacturing	75,231	72,694	57,808	52,222	55,908	53,684	68,785	64,840	58,736	51,810
Services	75,939	57,851	45,369	42,630	59,894	133,860	43,705	44,090	48,833	66,629
Wholesale Trade	26,000	57,668	59,127	54,873	64,400	112,402	159,886	144,925	133,614	100,099
Other	67,486	42,385	26,309	28,756	36,839	54,597	81,322	102,832	137,798	72,896
Total	<u>\$ 2,594,832</u>	<u>\$ 2,541,404</u>	<u>\$ 1,735,428</u>	<u>\$ 1,763,489</u>	<u>\$ 2,035,184</u>	<u>\$ 2,259,963</u>	<u>\$ 2,460,371</u>	<u>\$ 2,709,385</u>	<u>\$ 2,876,192</u>	<u>\$ 1,836,462</u>
Total revenue % growth by year	2.1%	46.4%	-1.6%	-13.3%	-9.9%	-8.1%	-9.2%	-5.8%	56.6%	N/A

Source: The Town's financial records and the Arizona Dept. of Revenue.

Note: Camp Verde increased its local tax rates on 8/1/12; see the following page.

TOWN OF CAMP VERDE, ARIZONA
Tax Revenues by Source
Last Ten Fiscal Years
(Modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>City Sales Tax</u>	<u>Franchise Tax</u>	<u>Accomodation/ Bed Tax</u>	<u>Total</u>
2014	\$ 2,459,051	\$ 267,059	\$ 138,850	\$ 2,864,960
2013	2,412,725	250,327	131,748	2,794,800
2012	1,650,126	245,501	88,626	1,984,253
2011	1,678,879	243,353	84,609	2,006,841
2010	1,850,812	239,946	110,798	2,201,556
2009	2,021,646	238,072	142,302	2,402,020
2008	2,165,643	237,227	148,694	2,551,564
2007	2,446,528	219,502	139,946	2,805,976
2006	2,715,194	187,130	116,911	3,019,235
2005	1,729,651	174,072	98,706	2,002,429

Source: The Town's financial records and the Arizona Dept. of Revenue.

TOWN OF CAMP VERDE, ARIZONA
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Overlapping Rates						
Fiscal Year Ended June 30	Town of Camp Verde				Yavapai County	Arizona State
	Sales Tax	Hospitality	Real Property			
			Rentals	Construction		
2014	3.00	6.00	2.00	3.00	0.75	5.60
2013	3.00	6.00	2.00	3.00	0.75	5.60
2012	2.00	4.00	2.00	3.00	0.75	6.60
2011	2.00	4.00	2.00	3.00	0.75	6.60
2010	2.00	4.00	2.00	3.00	0.75	6.60
2009	2.00	4.00	2.00	3.00	0.75	5.60
2008	2.00	4.00	2.00	3.00	0.75	5.60
2007	2.00	4.00	2.00	3.00	0.75	5.60
2006	2.00	4.00	2.00	3.00	0.75	5.60
2005	2.00	4.00	2.00	3.00	0.70	5.60

Source: Arizona Department of Revenue.

TOWN OF CAMP VERDE, ARIZONA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities		Total Outstanding Debt		
	Revenue Bonds	Capital Leases	Loans Payable	Bonds Payable	Notes Payable	Total Debt	Percentage of Personal Income	Per Capita
2014	\$ 2,353,490	\$ 625,670	\$ -	\$ -	\$ -	\$ 2,979,160	N/A	N/A
2013	2,525,787	770,465	-	-	-	3,296,252	0.05%	301
2012	2,600,000	11,463	5,276	-	-	2,616,739	0.04%	240
2011	2,685,000	224,305	9,665	-	-	2,918,970	0.04%	269
2010	1,765,000	68,502	13,638	-	-	1,847,140	0.03%	170
2009	1,845,000	39,592	17,234	-	-	1,901,826	0.03%	175
2008	1,925,000	30,862	20,490	-	-	1,976,352	0.03%	181
2007	2,005,000	38,367	23,437	-	-	2,066,804	0.03%	191
2006	2,040,000	-	25,168	-	-	2,065,168	0.03%	195
2005	-	-	27,745	-	-	27,745	0.00%	3

Source: The Town's financial records.

Note: FY14 population information was not available at the time the audit was completed.

TOWN OF CAMP VERDE, ARIZONA
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Revenue Bonds</u>	<u>Total Bonds</u>	<u>Per Capita</u>
2014	\$ 2,353,490	\$ 2,353,490	N/A
2013	2,525,787	2,525,787	230
2012	2,600,000	2,600,000	239
2011	2,685,000	2,685,000	247
2010	1,765,000	1,765,000	162
2009	1,845,000	1,845,000	170
2008	1,925,000	1,925,000	177
2007	2,005,000	2,005,000	185
2006	2,040,000	2,040,000	193
2005	-	-	0

Source: The Town's financial records.

Note: FY14 population information was not available at the time the audit was completed.

TOWN OF CAMP VERDE, ARIZONA
Direct and Overlapping Governmental Activities Debt
June 30, 2014

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to Town</u>	<u>Estimated Amount Applicable to Town</u>
Overlapping:			
Yavapai County*	\$ -	2.7%	\$ -
Yavapai County Community College*	41,610,000	2.7%	1,136,746
Camp Verde Unified School District	1,804,770	92.0%	16,605
Camp Verde Fire District	927,242	100.0%	9,272
Camp Verde Sanitary District	12,224,124	100.0%	12,224,124
Total Overlapping Debt			<u>13,386,747</u>
Direct:			
Town of Camp Verde	<u>2,979,160</u>	100.0%	<u>2,979,160</u>
Total Direct and Overlapping Debt			<u>\$ 16,365,907</u>

Source: Arizona Department of Revenue (azdor.gov) Bonded Indebtedness report
Yavapai County Assessor's Office

Note: * - FY13 debt amount used as information for FY14 was not yet available.

TOWN OF CAMP VERDE, ARIZONA
Legal Debt Margin Information
Last Ten Fiscal Years

6% Debt Limit

	Fiscal Year Ended June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt Limit	\$ 3,699,522	\$ 3,934,590	\$ 4,277,044	\$ 4,901,991	\$ 5,622,659	\$ 6,644,811	\$ 6,415,194	\$ 4,402,512	\$ 3,804,108	\$ 3,374,870
Total applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 3,699,522</u>	<u>\$ 3,934,590</u>	<u>\$ 4,277,044</u>	<u>\$ 4,901,991</u>	<u>\$ 5,622,659</u>	<u>\$ 6,644,811</u>	<u>\$ 6,415,194</u>	<u>\$ 4,402,512</u>	<u>\$ 3,804,108</u>	<u>\$ 3,374,870</u>
Total net debt applicable to the limit as a percentage of the debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

20% Debt Limit

	Fiscal Year Ended June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt Limit	\$ 12,331,739	\$ 13,115,301	\$ 14,256,813	\$ 16,339,970	\$ 18,742,198	\$ 22,149,369	\$ 21,383,980	\$ 14,675,041	\$ 12,680,360	\$ 11,249,567
Total applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 12,331,739</u>	<u>\$ 13,115,301</u>	<u>\$ 14,256,813</u>	<u>\$ 16,339,970</u>	<u>\$ 18,742,198</u>	<u>\$ 22,149,369</u>	<u>\$ 21,383,980</u>	<u>\$ 14,675,041</u>	<u>\$ 12,680,360</u>	<u>\$ 11,249,567</u>
Total net debt applicable to the limit as a percentage of the debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: The Town's financial records and the Yavapai County Assessor's Office.

TOWN OF CAMP VERDE, ARIZONA
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Revenue Bonds				Coverage
	Excise Tax Revenue	Debt Service			
		Principal	Interest		
2014	\$ 5,623,395	\$ 165,115	\$ 105,755	21	
2013	5,362,690	153,800	112,998	20	
2012	4,310,193	85,000	102,793	23	
2011	4,448,330	85,000	82,725	27	
2010	4,957,453	80,000	85,250	30	
2009	5,493,926	80,000	87,600	33	
2008	5,706,421	80,000	89,650	34	
2007	5,725,674	35,000	91,475	45	
2006	5,733,379	-	86,706	66	
2005	4,380,699	-	0	N/A	

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Demographic and Economic Statistics – Yavapai County
Last Ten Calendar Years

Year	Town of Camp Verde Population	Yavapai County Population	County Personal Income (1)	County Per Capita Income	County Unemployment Rate
2013	10,960	215,133	\$ 6,992,574	\$ 32,503	8.0 %
2012	10,883	212,530	6,800,376	31,997	8.6 %
2011	10,849	210,867	6,498,204	30,817	9.8 %
2010	10,875	210,137	6,245,478	29,721	10.9 %
2009	10,871	211,172	6,272,906	29,705	10.3 %
2008	10,892	211,211	6,602,128	31,258	6.0 %
2007	10,829	208,773	6,602,162	31,624	3.6 %
2006	10,596	204,082	6,058,552	29,687	3.9 %
2005	10,148	195,424	5,471,859	28,000	4.4 %
2004	10,014	187,822	4,839,973	25,769	4.6 %

Sources: Bureau of Economic Analysis (bea.gov)
Arizona Office of Employment & Population Statistics (azstats.gov)
Unemployment Rate information from US Bureau of Labor Statistics (bls.gov)

Note: (1) - In thousands of dollars
Information for FY14 was not available at the time of printing.

TOWN OF CAMP VERDE, ARIZONA
Principal Employers – Yavapai County
Current, Prior, & Nine Years Ago Fiscal Years

<u>Employer</u>	<u>2014</u>		<u>2013</u>	<u>2005</u>
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Employees</u>
Cliff Castle Casino & Hotel	490	19.6 %	471	N/A
Yavapai-Apache Nation	217	8.7	238	N/A
Camp Verde Unified School District	197	7.9	222	N/A
Bashas	110	4.4	101	N/A
Town of Camp Verde	107	4.3	96	N/A
Rainbow Acres	70	2.8	70	N/A
The Haven of Camp Verde	58	2.3	58	N/A
Out of Africa Wildlife Park	48	1.9	48	N/A
McDonald's	46	1.8	46	N/A
Denny's	36	1.4	32	N/A
Total	<u>1,379</u>	<u>55.2 %</u>	<u>1,382</u>	<u>-</u>
Total Employment*	<u>2,500</u>		<u>2,551</u>	<u>N/A</u>

Source(s): The Town's financial records.
United States Census Bureau (census.gov)
Local business' records

Note: Total employment information for FY2005 was not available.
Total employment for 2014 is estimated from the Town's financial records and other sources.

TOWN OF CAMP VERDE, ARIZONA
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Government										
Management Services	5.1	5.1	5.1	5.4	5.4	5.2	7.2	5.0	7.0	6.0
Finance	2.2	2.0	2.0	1.0	2.5	2.0	2.1	2.9	2.9	2.9
Economic Development	1.6	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Municipal Court	5.6	5.6	5.6	5.6	5.5	6.0	6.0	6.0	6.0	6.0
Total General Government	<u>14.5</u>	<u>13.7</u>	<u>13.7</u>	<u>6.6</u>	<u>8.0</u>	<u>8.0</u>	<u>8.1</u>	<u>8.9</u>	<u>8.9</u>	<u>8.9</u>
Public Safety										
Marshal's Department	30.2	25.7	28.0	26.0	28.0	29.6	32.6	31.0	30.0	28.0
Animal Control	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	1.5
Total Public Safety	<u>31.2</u>	<u>26.7</u>	<u>29.0</u>	<u>27.0</u>	<u>30.0</u>	<u>31.6</u>	<u>34.6</u>	<u>33.0</u>	<u>32.0</u>	<u>29.5</u>
Public Works										
Admin	2.4	1.7	1.0	1.0	2.5	1.5	1.0	1.0	0.0	0.0
Streets	6.2	5.8	5.4	5.0	3.5	6.5	7.0	6.0	6.0	8.5
Maintenance	7.2	6.2	6.4	7.0	6.0	6.0	7.0	8.0	7.0	6.0
Total Public Works	<u>15.8</u>	<u>13.7</u>	<u>12.8</u>	<u>13.0</u>	<u>12.0</u>	<u>14.0</u>	<u>15.0</u>	<u>15.0</u>	<u>13.0</u>	<u>14.5</u>
Library	5.8	5.3	5.4	4.2	5.0	5.4	5.4	4.6	4.9	4.9
Parks & Recreation	4.0	3.5	3.6	3.6	2.8	2.7	3.7	3.0	4.0	4.0
Community Development	5.0	5.0	5.0	4.0	4.0	5.0	7.0	6.0	8.0	7.0
Sewer	7.0	N/A								
Total	<u>83.3</u>	<u>67.9</u>	<u>69.4</u>	<u>58.4</u>	<u>61.8</u>	<u>66.7</u>	<u>73.8</u>	<u>70.5</u>	<u>70.8</u>	<u>68.8</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Capital Assets Statistics by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol vehicles	31	22	19	17	30	30	31	29	26	26
Streets										
Streets (miles)	110	110	110	110	110	106	106	106	105	104
Streetlights	110	110	110	110	92	102	102	102	98	58
Traffic signals	6	6	6	6	2	2	2	2	2	2
Parks and Recreation										
Parks developed	4	4	4	4	4	3	2	2	2	2
Parks acreage	138	138	138	138	138	130	130	12	12	12
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	1	1	1	1	1	1	1	1	1	1
Sewer										
Pipeline (Miles)	29	29	29	29	29	29	20	20	20	13
Manholes	440	440	440	440	440	440	265	265	265	220

Source: The Town's facilities records.

TOWN OF CAMP VERDE, ARIZONA
Operating Indicators By Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Government										
Business Licenses	645	650	582	555	597	576	556	544	542	511
Public Safety										
Total Incidents	13,782	10,462	11,614	11,234	10,420	8,348	10,281	9,741	9,821	8,959
Public Works										
Street Resurfacing (miles)	-	-	-	-	0.25	-	-	8.30	8.70	11.30
Library										
Circulation	52,631	51,303	63,580	59,883	76,813	80,139	69,349	62,855	58,722	53,565
Traffic	33,787	27,766	25,831	22,336	N/A	N/A	N/A	N/A	N/A	N/A
Community Development										
Building Permits	362	387	312	341	364	128	107	151	348	220

Source: The Town's records.

QUARTERLY REPORT
Planning and Zoning Commission
October – December 2014

REGULARLY SCHEDULED MEETINGS: 1

WORK SESSIONS: 4

JOINT WORK SESSIONS: 0

SPECIAL SESSIONS:

WEDNESDAY OCTOBER 09, 2014 – JOINT WORK SESSION WITH COUNCIL

Chairman Davis, Vice Chairman Norton, Commissioners Blue, Parish, Hisrich, Freeman and Burnside were present.

THURSDAY OCTOBER 23, 2014 – GENERAL PLAN WORK SESSION

Chairperson Davis, Vice Chairman Norton, Commissioners Blue, Parish and Freeman.
Absent: Commissioner Hisrich and Burnside.

THURSDAY NOVEMBER 06, 2014

Chairman Davis, Vice Chairman Norton, Commissioners Blue, Burnside, Freeman, Hisrich and Parrish.

THURSDAY NOVEMBER 13, 2014

Chairman Davis, Vice Chairman Norton, Commissioners Blue, Burnside, Parrish and Freeman.
Absent: Commissioner Hisrich.

THURSDAY DECEMBER 11, 2014

Chairman Davis, Vice Chairman Norton, Commissioners Blue, Burnside, Parrish and Freeman.
Absent: Commissioner Hisrich.

THE FOLLOWING WAS A JOINT WORK SESSION WITH COUNCIL:

There were no joint work sessions with Council

THE FOLLOWING SPECIAL SESSION ITEMS WERE DISCUSSED:

November 06, 2014

Public Hearing, Discussion and possible Recommendation to Council on GPA 2014-0244 an application submitted by Mr. Scott Simonton, aka Simonton Ranch 1, LLC owner of parcel 403-23-104F requesting a minor General Plan Amendment to go from Residential High Density 11 units per acre maximum, to Commercial for approximately 21.87 acres located on parcel 403-23-104F at the east end of N. Homestead Pkwy.

On a motion by Norton, seconded by Freeman, it is the recommendation to Council to approve a minor General Plan Amendment 20140244; an application submitted by Mr. Scott Simonton, owner of Simonton Ranch 1, LLC owner of parcel 403-23-104F requesting a minor General Plan Amendment to go from Residential High Density 11 units per acre maximum, to Commercial for approximately 21.87 acres located on parcel 403-23-104F at the east end of N. Homestead Pkwy. This recommendation is based on the legal opinion of the Town Attorney, determining that this is the appropriate action for the proposal.

Commissioner Burnside opposed.

Public Hearing, Discussion and possible Recommendation (or denial) to Council on ZMC 2011-0245 an application submitted by Mr. Scott Simonton, aka Simonton Ranch 1, LLC owner of parcel 403-23-104F requesting a Zoning Map Change to go from PAD to C2 District (Commercial: General sales and services) for approximately 21.9 acres located on parcel 403-23-104F at the east end of N. Homestead Pkwy.

On a Motion by Norton, seconded by Hisrich, commission recommended to Council for approval of ZMC 2011-0245 an application submitted by Mr. Scott Simonton, aka Simonton Ranch 1, LLC

owner of parcel 403-23-104F requesting a Zoning Map Change to go from PAD to C2 District (Commercial: General sales and services) for approximately 21.9 acres located on parcel 403-23-104F at the east end of N. Homestead Pkwy.
This recommendation is based on the legal opinion of the Town Attorney, determining that this is the appropriate action for the proposal.

Commissioner Burnside opposed.

Public Hearing, Discussion and possible Recommendation of approval (or denial) to Council on Use Permit 20140272, an application submitted by Steve and Marlys parks, owners of Krazy K RV park, located on parcels 403-19-009, 9.26 acres and 404-17-027b, 8.37 acres. The following proposed uses are for 36 RV spaces, 12 RV spaces not to exceed a maximum 15 RV's located in row 4 for RV storage only with no electrical, propane, or sewer hook-ups allowed. Conversion of an existing clubhouse, with retail sales for RV supplies, to a residence; a pool and laundry room, conversion of an existing storage building into an office/check-in, convert current office to storage and construction of a new Clubhouse with retail store for RV supplies. Use Permit requested with no time limit. This property is located at 2075 N. Arena del Loma.

On a Motion by Hlsrich, seconded by Burnside, Commission voted unanimously to continue to January 2015.

THE FOLLOWING WORK SESSION ITEMS WERE DISCUSSED:

October 09, 2014

Discussion, Public Input and Commission Consensus on proposed Goals and Implementation Strategies for the 260 East Character Area.

The Commission discussed the 260 East Boundary, Vision/Goals and Implement Strategies.

October 23, 2014

Discussion, Public Input and Commission Consensus on proposed Goals and Implementation Strategies for the Downtown Character Area.

The Commission Discussed the Downtown Character Area, Vision/Goals and Implementation Strategies.

November 13, 2014

Discussion, Public Input and Commission Consensus on proposed Goals and Implementation Strategies for the Middle Verde Character Area.

The Commission Discussed the Middle Verde Character Area, Vision/Goals and Implementation Strategies.

Discussion, Public Input and Commission Consensus on proposed Goals and Implementation Strategies for Gateway entrances into Town.

The Commission Discussed the Gateway entrances. This item was briefly discussed and it is to be continued.

December 11, 2014

Discussion, Public Input and Commission Consensus on proposed Goals and Implementation Strategies for the Pecan Lane Character Area.

The Commission Discussed the Pecan Lane Character Area, Vision/Goals and Implementation Strategies.

Discussion, Public Input and Commission Consensus on proposed Goals and Implementation Strategies for the McCracken Character Area.

The Commission Discussed the McCracken Character Area, Vision/Goals and Implementation Strategies.

THE FOLLOWING RECOMMENDATIONS WERE MADE TO COUNCIL:

No recommendations were made to Council.

THE FOLLOWING PRESENTATIONS WERE HEARD BY THE COMMISSION:

There were no items discussed by the Commission

THE FOLLOWING ITEMS WERE TABLED, POSTPONED OR CONTINUED BY THE COMMISSION:

There were no items table, postponed or continued by the Commission.

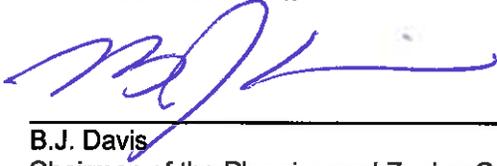
THE FOLLOWING ITEMS WERE DISCUSSED BY THE COMMISSION:

There were no items discussed by the Commission

TRAINING: None

COMMENTS:

There were no comments.



B.J. Davis
Chairman of the Planning and Zoning Commission

QUARTERLY REPORT
Board of Adjustments & Appeals
October - December 2014

REGULARLY SCHEDULED MEETINGS: 3

July 08, 2014 – Regular Session
CANCELLED, NO BUSINESS BEFORE BOARD

August 12, 2014 - Regular Session
CANCELLED, NO BUSINESS BEFORE BOARD

September 09, 2014 - Regular Session
CANCELLED, NO BUSINESS BEFORE BOARD

SPECIAL SESSION MEETINGS: 0

WORK SESSIONS: 0

THE FOLLOWING APPLICATIONS WERE APPROVED:
No Applications were approved.

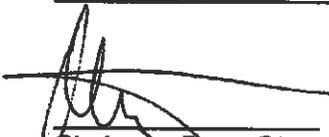
THE FOLLOWING APPLICATIONS WERE DENIED:
There were no applications denied.

THE FOLLOWING APPEALS WERE DENIED:
There were no appeals denied.

THE FOLLOWING ITEMS WERE DISCUSSED BY BOARD:

THE FOLLOWING ITEMS WERE DISCUSSED IN WORK SESSIONS:
There were no items discussed in work sessions.

THE FOLLOWING PRESENTATIONS WERE HEARD BY THE BOARD:


Chairman Doug Stevens



Agenda Item Submission Form – Section I

Meeting Date: January 21, 2015

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation Pre-Session Agenda

Requesting Department: Economic Development

Staff Resource/Contact Person: Steve Ayres

Agenda Title (be exact): Update by Economic Development Director and Camp Verde Promotions regarding Special Events Permit Fees for vendors of Town events that are registered through Camp Verde Promotions, including continuing the waiver of power fees, electrical fees, facility fees, and event sponsorship insurance for the 2015 Spring Heritage Festival, Cornfest, and Fort Verde Days

List Attached Documents:

Estimated Presentation Time: 10

Estimated Discussion Time: 10

Reviews Completed by:

- Department Head:** _____ **Town Attorney Comments:** N/A
- Finance Department** N/A
Fiscal Impact: None
Budget Code: N/A **Amount Remaining:** _____
Comments:

Background Information: January 15, 2014 Council voted to suspend the Special Event Permit fee for vendors that are registered through Camp Verde Promotions, along with the waiver of power fees, electrical fees, and event sponsorship insurance for the 2014 Spring Heritage Festival, Cornfest and Fort Verde Days.

Recommended Action (Motion):

Instructions to the Clerk: