



PRESCOTT CITY COUNCIL REGULAR MEETING AGENDA *A M E N D E D

**PRESCOTT CITY COUNCIL
REGULAR MEETING
TUESDAY, JUNE 14, 2011
3:00 PM**

**Prescott Council Chambers
201 South Cortez
Prescott, Arizona
(928) 777-1100**

The following Agenda will be considered by the Prescott City Council at its Regular Voting Meeting pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- ◆ **CALL TO ORDER**
- ◆ **INTRODUCTIONS**
- ◆ **INVOCATION:** Reverend Julia McKenna Johnson
- ◆ **PLEDGE OF ALLEGIANCE:** Councilman Hanna
- ◆ **ROLL CALL:**

MAYOR AND CITY COUNCIL:

Mayor Kuykendall	
Councilman Blair	Councilwoman Linn
Councilman Hanna	Councilwoman Lopas
Councilman Lamerson	Councilwoman Suttles

- ◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

- I. **PRESENTATION**

- A. [Presentation by Judge Markham re SB 1398 and potential financial impact on the City.](#)

- II. **CONSENT AGENDA**

CONSENT ITEMS A – B LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

- A. Adoption of Resolution No. 4083-1153 – A resolution of the Mayor and council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Fire Department to enter into a renewal of the existing Intergovernmental Agreement (“IGA”) with Yavapai County Office of Emergency Management that establishes Unified Emergency Management for the tri-city area and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- B. Approval of the minutes of the Prescott City Council Budget Workshop of May 17, 2011, and the Regular Meeting of May 24, 2011.

III. REGULAR AGENDA

- A. Recap by Todd Sadow of the Whiskey Off-Road Event.
- B. Renewal of insurance policies for FY12.
- C. Adoption of Resolution No. 4082-1152 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into an Animal Sheltering Service Agreement with Yavapai Humane Society, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- D. Adoption of Resolution No. 4084-1154 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Fourth Amendment to the Memorandum of Understanding, Contract No. 03-265, with the Central Yavapai Metropolitan Planning Organization (CYMPO), providing for a two-year extension of the Memorandum of Understanding, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- E. Adoption of Resolution No. 4085-1155 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, approving the transfer of FY2011 unencumbered appropriations from the Grants Fund to the Miscellaneous Gifts & Donations Fund and Self-Insurance Fund.
- F. Adoption of Resolution No. 4086-1156 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, adopting a Tentative Budget, adopting the estimated amounts required to meet the public expenses for the City of Prescott for the Fiscal Year 2011-12, authorizing and directing publication of Statements and Schedules of the Tentative Budget, together with Notice of Hearing on said Budget and Notice of Date of Final Adoption of said Budget, and Notice of Date of Establishment of the Expenditure Limitation, and Notice of the Date for Fixing a Tax Levy.

G.* Recess into Executive Session

IV.* EXECUTIVE SESSION

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, pursuant to ARS 38-431.03(A)(3).

1. Legal Processes and Procedures to fill Councilwoman Linn's vacancy.

V.* POST EXECUTIVE SESSION

A. Possible action on procedure to fill Councilwoman Linn's vacancy.

IVI.* ADJOURNMENT

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on _____
at _____.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

Elizabeth A. Burke, MMC, City Clerk

COUNCIL AGENDA MEMO – June 14, 2011	
DEPARTMENT:	City Manager
AGENDA ITEM:	Presentation by City Court Magistrate Arthur Markham re Senate Bill 1398

Approved By:		Date:
Finance Director:	Mark Woodfill	
City Manager:	Craig McConnell <i>Craig McConnell</i>	6-8-11

Item Summary

Senate Bill 1398, passed by the Fiftieth Legislature, First Regular Session, 2011, has been signed into law by the Governor, and will become effective July 20, 2011.

This legislation, amending ARS 12-116.04, as well as various provisions of Sections 28 and 41, imposes a new \$13.00 surcharge (in addition to various other existing surcharges) on:

"every fine, penalty and forfeiture imposed and collected by the courts for criminal offenses and any civil penalty imposed and collected for a civil traffic violation and fine, penalty or forfeiture for a violation of the motor vehicle statutes, for any local ordinance relating to the stopping, standing or operation of a vehicle or for a violation of the game and fish statutes in Title 17."

Distribution of the proceeds of this new surcharge as specified by the law is as follows: \$8.00 to the State Treasurer; \$4.00 to "the agency that investigated the offense or issued the citation to be used to supplement, not supplant, monies available for officer safety equipment"; and \$1.00 to the County Treasurer. Officer safety equipment is described in ARS 41-1723, as amended.

With respect to potential financial impact on the City of Prescott, our General Fund will not be affected by the new surcharge unless fines, penalties or forfeitures are increased by less than the prescribed \$13.00 amount. If less than the \$13.00 increase is passed on, the City's General Fund will be adversely affected. For example, a City parking ticket is presently a \$20.00 fine, of which the City General Fund receives a net of approximately \$11.00. Adding the \$13.00 surcharge, the new amount of the ticket would be \$33.00. As shown by the analysis below, if the ticket fine is held unchanged at \$20.00 (Alt C) or increased to an amount less than \$33.00 (Alt B), General Fund revenue will be reduced.

SB 1398 Additional Penalty Alternatives

Estimated Annual Number of Parking Tickets		5,500			
	Parking Ticket Cost	General Fund Revenue	Police Safety Fund	Total	
Currently		\$ 59,400		\$ 59,400	
Alt A	\$ 33	\$ 59,400	\$ 22,000	\$ 81,400	
Alt B	\$ 25	\$ 35,640	\$ 22,000	\$ 57,640	
Alt C	\$ 20	\$ 20,790	\$ 22,000	\$ 42,790	

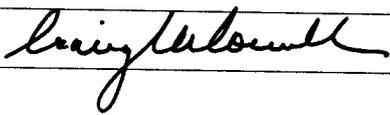
Agenda Item: Presentation by City Court Magistrate Arthur Markham re Senate Bill 1398

Judge Markham will present more information regarding implementation of Senate Bill 1398, including the immediate need for printing new citations to include the surcharge.

It is anticipated that an item for Council direction regarding Senate Bill 1398 will be included on the agenda for the special Council meeting presently planned for June 21, 2011, with a recommendation made to include the following:

1. That the \$13.00 surcharge be clearly identified on parking citation forms as mandated by the State of Arizona.
2. That parking citations be accompanied by a flyer notifying motorists that parking is available in the City parking garage on Granite Street (according to current discussions free parking will continue to be available weekdays, with fee parking on weekends and holidays).

COUNCIL AGENDA MEMO – June 14, 2011
DEPARTMENT: Fire
AGENDA ITEM: Resolution No. 4083-1153 approving renewal of an Intergovernmental Agreement with Yavapai County Emergency Services for unified emergency management

Approved By:	Date:
Department Head: Bruce Martinez	
City Manager: Craig McConnell 	6-8-11

Background:

Annually the City of Prescott and the Yavapai County Office of Emergency Management (YCEM) enter into an intergovernmental agreement establishing regional unified emergency management. The agreement sets forth groundwork for emergency management procedures and policies for our community and Yavapai County relating to disasters.

Intergovernmental Agreement:

The attached agreement contains no substantive changes from the prior one. Prescott Fire Department is pleased with the agreement and level of cooperation and support from Yavapai County benefiting the region through more rapid and efficient responses to disasters. YCEM provides technical assistance and resources in the event of an emergency as well as completing and submitting all reports required by state and federal agencies.

Benefits provided to the City during the past year include:

- Hazardous conditions notification (fire, flooding, wind storms, traffic accidents)
- Update of the Disaster Response Plan
- On call status 24/7
- Assisted in the award of over \$114,000 in Homeland Security Grants
- On call 24/7 for alternative communications ability (Amateur Radio)
- Monitor and assist with compliance on Homeland Security training and reporting mandates
- Provided free Homeland Security and emergency management training classes.

Financial:

The annual cost of \$14,254.00 for services provided under this agreement has been budgeted by the City, and will be billed quarterly by Yavapai County. This amount has remained constant for the past eleven years.

Recommended Action: MOVE to adopt Resolution 4083-1153.
--

RESOLUTION NO. 4083-1153

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT FIRE DEPARTMENT TO ENTER INTO A RENEWAL OF THE EXISTING INTERGOVERNMENTAL AGREEMENT (“IGA”) WITH YAVAPAI COUNTY OFFICE OF EMERGENCY MANAGEMENT THAT ESTABLISHES UNIFIED EMERGENCY MANAGEMENT FOR THE TRI-CITY AREA AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, annually the City of Prescott Fire Department and the Yavapai County Office of Emergency Management enter into an Intergovernmental Agreement (“IGA”) that establishes unified emergency management for the tri-city area; and

WHEREAS, the City of Prescott Fire Department and the Yavapai County Office of Emergency Management wish to enter into the attached IGA, Exhibit “A”, hereto, and there were only a few minor changes made from last year’s agreement. The IGA sets the groundwork for emergency management procedures and policies for our community and Yavapai County relating to disasters; and

WHEREAS, the City of Prescott Fire Department will pay \$14,254 total, billed in four quarters to Yavapai County for the services provided. This amount has remained constant for the past ten years; and

WHEREAS, ARS §§11-951 AND 11-952 authorize “public agencies” such as Prescott and Yavapai County to enter into intergovernmental agreements to contract for services and facilities.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT the City of Prescott hereby approves the attached Intergovernmental Agreement (Exhibit “A”) between Yavapai County Office of Emergency Management and the City of Prescott Fire Department that establishes unified emergency management for the tri-city area.

Section 2. THAT the Mayor and staff are hereby authorized to execute the attached Intergovernmental Agreement and to take any and all steps deemed necessary to accomplish the above.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 14th day of June, 2010.

ATTEST:

MARLIN D. KUYKENDALL, Mayor

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

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

THIS AGREEMENT, made and entered into this _____ day of _____ 2010, by and between YAVAPAI COUNTY, a political subdivision of the State of Arizona, hereinafter called "County" and the CITY OF PRESCOTT, a municipal corporation of the State of Arizona, hereinafter called "City" as follows:

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

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

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

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

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

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

- d. Accept responsibility to maintain and keep current the City Disaster Response Plan and Guides;
 - e. In relation to emergency management issues, delegate to the County such lawful authority and responsibility as shall be deemed necessary by the City;
 - f. Budget and contribute to the County for the fiscal year commencing July 1, 2010 and ending June 30, 2011, the sum of \$14,254.00.
5. It is hereby mutually agreed:
- a. The Yavapai County Office of Emergency Management will include representation of all signatory parties;
 - b. The Yavapai County Office of Emergency Management shall be comprised of a County Director appointed by the Yavapai County Board of Supervisors, and other personnel as deemed necessary by the County Board of Supervisors;
 - c. The County Emergency Management Director who is and shall be appointed by the Yavapai County Board of Supervisors, shall act as the Director of the Yavapai County Joint Office of Emergency Management;
 - d. The term of this agreement is for one year commencing July 1, 2010, and may be extended from year to year by mutual agreement of the parties prior to June 30 of the term, stating the compensation to be paid for service during such extended term and other charges;
 - e. Pursuant to ARS ' 38-511, the parties may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the agreement on behalf of that party is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity or a consultant to any other party of the agreement with respect to the subject matter of the agreement. In the foregoing event, that party may further elect to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting, or creating this agreement on behalf of that party from any other party to the agreement arising as a result of this agreement.

YAVAPAI COUNTY
A political subdivision of the State of Arizona

By: _____ Date: _____
CHIP DAVIS
Chairman, Board of Supervisors

ATTEST:

_____ Date: _____
JULIE AYERS
County Clerk

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

_____ Date: _____
DAVID S. HUNT
Deputy County Attorney

CITY OF PRESCOTT
A municipal corporation of the State of Arizona

By: _____ Date: _____
MARLIN KUYKENDALL
Mayor

ATTEST:

_____ Date: _____
ELIZABETH A. BURKE
City Clerk

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

_____ Date: _____
GARY KIDD
City Attorney

Attachment A

LIST OF DEFINITIONS

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

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

Attachment B

Yavapai County

EMERGENCY MANAGEMENT / HOMELAND SECURITY

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

SERVICES:

- 24/7 Real Time Hazard Alert/notifications/bulletins
- 24/7 Emergency alternative communications capability
- Emergency/Disaster Response & Recovery Notification, Operations, Coordination and Staff augmentation
- Disaster Response Plan, Continuity Plan development and maintenance
- Homeland Security Grant Participation
- Risk/Hazard Analysis
- Staff Training (EOC, Disaster Plan, Continuity Plans)
- Free Freedom Corps Training
- Liaison to State and Federal Resources
- Public Education Program development and implementation assistance
- Hazard mitigation analyses and plan development.
- Exercise Development/Training/Implementation/Evaluation
- Emergency Management, NIMS, Homeland Security Training
- EPA/LEPC Representation
- Special Studies/Projects
- Damage Assessments
- Provide brochures, booklets, pamphlets, checklists or other information in support of local Emergency Management issues or initiatives.
- Other Emergency Management support as needed.

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

COUNCIL AGENDA MEMO – June 14, 2011	
DEPARTMENT:	Risk Management
AGENDA ITEM:	Renewal of insurance policies for FY12

Approved By:		Date:
Risk Manager:	Sheri Swain	
Finance Director:	Mark Woodfill	
Acting City Manager:	Craig McConnell <i>Craig McConnell</i>	6-6-11

Background

As discussed at the Council’s May 31 workshop, three (3) City insurance policies for FY12 are up for renewal to become effective July 1, 2011: public entity general liability, property (including auto), and worker’s compensation.

The City’s Insurance Broker, Willis of Arizona (Willis), received quotes for public liability and property from Travelers and worker’s compensation from Safety National Corporation. Both are the incumbent carriers and Willis believes they offer the best combination of coverage terms and service.

The City has contracted with Travelers as our Third-Party Administrator (TPA) since 2009. Under the terms of the contract, Travelers handles each claim from inception to judgment including any resulting litigation. This approach was taken to streamline the process and save money for the City which it has done. The City Attorney is provided with information on all lawsuits/complaints served on the City, a status of all litigation, and notified of any claim presented to the City that is of a critical or sensitive nature.

In an effort to reduce financial exposure due to claims and litigation, staff requested that Willis research the option of lowering the City’s self-insured retention (SIR) from \$250K to \$100K. Similar to a deductible, the City is responsible for the initial SIR for each occurrence. If a claim is denied resulting in litigation, the City would pay attorney’s fees, professional services (witnesses and experts) and possible settlement or judgment. All these combined are applied to the SIR. Note that the City Legal Department costs are not applied to the SIR, only Travelers or outside counsel. After the City has reached the SIR threshold, the carrier would pay first dollar on all other costs. Since 2008, staff have been working with Willis to lower the SIR in an effort to save money overall in claims for litigation. In 2008, the SIR was \$350K.

The Arizona Municipal Risk Retention Pool (“AMRRP” or “State Pool”) is an alternative to the Travelers policy for obtaining insurance coverage. Exhibit “C” summarizes a comparison done in 2009 which demonstrated the clear advantage of Travelers. It is anticipated that updating this cost/coverage information would lead to the same conclusion. Since obtaining relevant coverage, costs, and exclusions from the State Pool has taken six (6) months or more in the past, it is not a feasible alternative for the City in FY 12. It is suggested that a Council workshop be held in September/October

Agenda Item: Renewal of insurance policies for FY12

2011 to review coverage, determine whether there is interest in the State Pool, and formulate instructions to the City's insurance broker to solicit quotes for FY 13.

Coverages

For the FY12 policies, Willis was directed to obtain the best competitive pricing, enhanced coverage and claims handling from leading carriers. Staff subsequently reviewed the proposals and identified the most favorable and recommended options.

1. Public Entity Liability (see Exhibit "A")

Option (a) Travelers proposed a premium of \$551,823 with a \$100K SIR, including additional aggregate coverage. This includes general liability, liquor liability, employee benefits liability, law enforcement liability, auto liability, employment practices liability, cyber risk, and claims handling.

Option (b) Travelers proposed a premium of \$394,882 with the current SIR of \$250K, including additional aggregate coverage. This is a slight increase over the current FY11 premium of \$394,140.

- ✓ Willis and staff recommend Option (a) with the \$100K SIR. While the premium is \$156,941 higher than last year, the SIR is lowered on each occurrence/claim by \$150,000 (see Exhibit "B"). Recently several claims have gone into litigation resulting in increased cost to the Risk budget for attorney's fees, professional services and settlement. By lowering the SIR, we have an initial payout of premium, but in comparison to the current \$250K SIR it will make up the cost in just one claim. Staff also recommends purchasing additional SIR aggregate coverage of \$1,000,000 for an additional premium of \$2,000 which is included in the quoted premiums above.

2. Property

In FY11 the Travelers Indemnity Co. provided coverage with a premium of \$113,000 for property with our then total insured value (TIV) of \$143,604,294. This year, the Travelers Indemnity Co, has proposed a premium of \$116,500 with a TIV of \$142,941,262 which is an increase in premium of approximately 3%.

The property premium includes coverage for: boiler and machinery breakdown, business income, equipment floater (equipment that is not licensed for public roads), auto physical damage, and property damage to City property.

- ✓ Willis and staff recommend the City renew with Travelers Indemnity Co. for the premium of \$116,500.

3. Worker's Compensation

Safety National provided coverage in FY11 with a premium of \$43,307 and an SIR of \$500,000 for employees who sustain an on the job injury and whose claim

Agenda Item: Renewal of insurance policies for FY12

costs exceed \$500,000 in worker's compensation benefits. Safety National has proposed a premium of \$44,847 with SIR of \$500,000. This is an increase in premium cost of approximately 4% over last year.

- ✓ Willis and staff recommend the City renew with Safety National with the proposed premium of \$44,847.

Airport Coverage

The separate Airport Premises Liability policy which covers airport liability is due to renew in October 2011. It will be presented to Council separately at a later date.

Recommended Action: MOVE to approve purchase of the following insurance policies for FY 12:

- | | |
|---|--------------|
| (1) Excess public entity liability from Travelers, to include the \$100,000 Self-Insured Retention (SIR) and aggregate coverage options | \$551,823.00 |
| (2) Property coverage from Travelers Indemnity Company | \$116,500.00 |
| (3) Excess worker's compensation coverage from Safety National | \$ 44,847.00 |

EXHIBIT "A"

Cost Comparison

Based on 3 Litigated Claims Per Year

95% of claims are under \$2,500 (60 - 80 claims per year); estimated 3 - 5 claims per year may proceed to litigation; based on the 3 - 5 claims per year model the SIR coverage is as follows:

\$100K SIR 3 Litigated Claims

Cost to the City	
3 Claims	\$300,000
Premium	\$551,823
Total	\$851,823

\$250K SIR 3 Litigated Claims

Cost to the City	
3 Claims	\$750,000
Premium	\$394,882
Total	\$1,144,882

- OR -

(\$293,059 saving on the \$100K SIR)

Eligible defense costs include: Traveler's attorneys (capped at \$100K per claim), other attorneys or experts retained by Traveler's, settlement or judgment.

EXHIBIT "B"

City of Prescott Renewal Premiums 7-1-2011

2010 - 2011 2010-2011 2011-2012 2011-2012

Renewal Coverages	Comments	Traveler's Policies 2010 - 2011 Limit	Deductible or SIR	Expiring Premiums	Renewal Premiums	Renewal Premiums
Property - Total Insured Value	No Margin Clause	\$142,941,262	\$5,000	\$113,000	\$116,500	\$116,500
Equipment Breakdown		Included	\$5,000	Included	Included	Included
Flood Sublimit for Zone A/Prefixed A		\$3,000,000 Aggregate	\$100,000	Included	Included	Included
Flood (No Zone V/Prefixed V)		\$5,000,000 Aggregate	100,000	Included	Included	Included
Earthquake		\$5,000,000 Aggregate	25,000	Included	Included	Included
Business Income & Extra Expense		\$2,500,000	48 Hours	Included	Included	Included
Fine Arts		\$250,000	\$1,000	Included	Included	Included
IM Cont. Equip. Owned		\$2,831,316	\$5,000	Included	Included	Included
IM Cont. Equip. Rented		\$100,000	\$5,000	Included	Included	Included
Auto Physical Damage		\$16,516,376	\$10,000	Included	Included	Included
General Liability	Liability Policy	\$1,000,000/\$2,000,000	\$250,000 SIR			\$100,000 SIR
Liquor Liability		\$1,000,000/\$1,000,000	\$250,000 SIR			\$100,000 SIR
Employee Benefits Admin. Liab.	Claims Made	\$1,000,000/\$3,000,000	\$250,000 SIR			\$100,000 SIR
Law Enforcement Liability		\$1,000,000/\$1,000,000	\$250,000 SIR			\$100,000 SIR
Public Entity Management Liability	Claims Made	\$1,000,000/\$1,000,000	\$250,000 SIR			\$100,000 SIR
Auto Liability	Composite Rated	1,000,000	\$250,000 SIR			\$100,000 SIR
Excess Umbrella		\$14,000,000/\$14,000,000	\$10,000 / Underlying			\$10,000 / Underlying
Employment Practices Liability	Claims Made	\$15,000,000/\$15,000,000	\$250,000 SIR			\$100,000 SIR
CyberFirst Liability	Claims Made	\$1,000,000/\$1,000,000	\$10,000			\$10,000
		Includes Claims Handling	SubTotal	\$394,140	\$392,882	\$549,823
			Option of \$1,000,000 Aggregate		\$2,000	\$2,000
			Total	\$394,140	\$394,882	\$551,823

Willis and Staff recommend renewing with the \$100K SIR including the SIR aggregate for a total premium of \$551,823. It is an increase of \$156,941.

Excess Worker Compensation (Includes TRIA)	Safety National	Statutory and \$1,000,000 EL	500,000 SIR	\$43,407	\$44,847	\$44,847
---	-----------------	---------------------------------	-------------	----------	----------	----------

4% increase

Total Premium	\$550,547	\$556,229	\$713,170
----------------------	------------------	------------------	------------------

Exhibit "C" – 2009 Comparison of Travelers vs AMRRP ("The Pool")

On June 09, 2009, the Council voted to renew with Travelers rather than AMRRP due to the superior coverage and cost savings including a \$250,000 Self-Insured Retention (SIR), claims handling, and Cyber Risk Liability.

AMRRP (Not Rated*)	TRAVELERS (Rated A+ XV by A.M. Best)
PROPERTY with \$10,000 deductible – PREMIUM - \$173,519	PROPERTY with \$5,000 deductible – PREMIUM - \$116,797
Flood - \$250,000 Limit – no ZONE "A".	Flood - \$5,000,000 includes- ZONE "A".
Additional Premiums to increase property and inland marine sublimits to match those automatically included in the Travelers Form	Generous sublimits and blanketed coverages automatically included in premium.
GENERAL LIABILITY with \$250K Deductible – Claims-Made Form – PREMIUM - \$381,181	GENERAL LIABILITY with \$250K SIR– Occurrence Form PREMIUM - \$391,214
Claims Made is cost prohibitive. It is difficult to determine what the maturity rate will be each year.	
In addition to changing from occurrence based to claims-made for liability, there is an entrance requirement. In order to join AMRRP you must place your property coverage as well. In doing so, you lose coverage.	Travelers - is occurrence based coverage. Travelers offers separate limits for different coverages vs. AMRRP which utilizes a blended form of sharing limits.
Deductible Plan – The City is not able to weigh in on whether a claim should be paid or denied.	Self-insured Retention – City staff works with Travelers to determine whether a claim is paid or denied.
Premises Medical Payments - can't be waived. It is no-fault coverage and adjuster pays all med pay claims regardless of fault	Premises Medical Payments – coverage can and is waived.
Fire Damage - Limit \$300,000	Fire Damage - Limit \$ 1,000,000
Defense on Employment Practices Liability - front wages are excluded and back wages are capped at \$25K/\$50K	Defense on Employment Practices Liability - included in premium
Pollution Liability - EXCLUDED	Pollution Liability included for pesticides, herbicides, and pepper spray by police.
Skateboard Parks and Special Events – EXCLUDED	Skateboard Park and Special Events - Included in premium
Dams or Failure to Adequately Supply Water – EXCLUDED	Dams - May be excluded if the exposure is unacceptable
Sexual Abuse and Molestation Aggregate - \$2,000,000	Sexual Abuse and Molestation Aggregate - \$15,000,000
Cyber Risk Liability – EXCLUDED	Cyber Risk Liability - \$1,000,000 included in premium
Liquor Liability - EXCLUDED	Liquor Liability - \$15,000,000 included in premium
Volunteer Workers - EXCLUDED	Volunteer Worker's - \$15,000,000 included in premium
Mobile Equipment – EXCLUDED – operated by, rented, or loaned	Mobile Equipment – included in premium
Damage to Property – rented or borrowed - EXCLUDED	Damage to Property – rented or borrowed – Included in premium
Finance Director and other Bonded Employees Coverage - EXCLUDED	Includes coverage for Finance Director and other Bonded Employees
CRIME – \$500,000 – PREMIUM - \$14,235	CRIME – \$1,000,000 – PREMIUM - \$4,036

*AMRRP is basically an Intergovernmental Agreement not an A+ rated insurance carrier. The agreement contains an assessment provision that could have significant financial consequences to participating municipalities. In addition, AMRRP is not protected by the State Guaranty Fund for insolvent insurance companies.

COUNCIL AGENDA MEMO – JUNE 14, 2011

DEPARTMENT: POLICE

AGENDA ITEM: Agreement with the Yavapai Humane Society for animal sheltering and control services.

Approved By:

Date:

Department Head: Michael Kabbel

Finance Director: Mark Woodfill

City Manager: Craig McConnell



5-27-11

Summary:

The Prescott Police Department requests approval of the attached Service Agreement between the Yavapai Humane Society (YHS) and the City of Prescott. The purpose of this Agreement is to formalize specific animal sheltering and animal control services to be provided by YHS as needed.

Background:

Pursuant to the current Service Agreement that expires on June 30, 2011, YHS has provided agreed upon animal sheltering and animal control services for the City. These services include receiving and caring for unwanted and stray animals from the Prescott community, and impound of animals involved in bite cases.

The Agreement currently under consideration represents a continuation of the partnership between the City and YHS without significant modification. As detailed in the Agreement, YHS will continue to utilize and maintain the City-owned structure known as the "Prescott Animal Control" located at 1605 Sundog Ranch Road to facilitate completion of specified services.

The term of this Agreement will be from July 1, 2011, to June 30, 2013. Either party may terminate it upon ninety (90) days written notice, with or without cause.

Financial Impact:

Pursuant to this Agreement, the City shall pay to YHS a total sum of \$59,334 per year for the complete performance of all specified services. Additionally, YHS agrees to collect all fees imposed by City ordinances, and shall remit collected fees to the City on a monthly basis, except that YHS may retain all boarding fees, along with \$2 for each license sold by YHS.

Recommended Action: MOVE to adopt Resolution No. 4082-1152.

RESOLUTION NO. 4082-1152

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO AN ANIMAL SHELTERING SERVICE AGREEMENT WITH YAVAPAI HUMANE SOCIETY, AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, stray animals in the City of Prescott represent a public health, safety and welfare risk to the peace and quiet enjoyment of private property; and

WHEREAS, stray animals represent a public health, safety and welfare risk to the citizenry who may come into contact with them; and

WHEREAS, the risk of physical contact with such stay animals includes potential of spread of diseases like rabies; and

WHEREAS, the City of Prescott (hereinafter referred to as "City") is authorized to control stray animals under A.R.S. Sections 9-499.04 and 9-240(16); and

WHEREAS, the City is desirous of contracting animal shelter services in connection with the exercise of its animal control function; and

WHEREAS, the Yavapai County Humane Society has offered to provide personnel to operate City-owned facilities for animal shelter and animal control purposes; and

WHEREAS, the Yavapai Humane Society has professional expertise in providing Animal Sheltering Services;

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT the City of Prescott hereby approves the Animal Sheltering Services Agreement attached hereto as Exhibit "1."

SECTION 2. THAT the Mayor and staff are hereby authorized to take all such steps as may be necessary to effectuate said Agreement.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott on this 14th day of June, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

EXHIBIT '1'**YAVAPAI HUMANE SOCIETY
CITY OF PRESCOTT
ANIMAL SHELTERING
SERVICE AGREEMENT**

WHEREAS, Stray animals in the City of Prescott represent a public health, safety and welfare risk to the peace and quiet enjoyment of private property; and,

WHEREAS, Stray animals represent a public health, safety and welfare risk to the citizenry who may come into contact with them; and,

WHEREAS, The risk of physical contact with such stay animals include potential of spread of diseases like rabies; and,

WHEREAS, The City of Prescott (hereinafter referred to as "City") is authorized to control stray animals under A.R.S. Sections 9-499.04 and 9-240(16); and,

WHEREAS, The City is desirous of contracting animal shelter services in connection with the exercise of its animal control function; and,

WHEREAS, The Yavapai County Humane Society (hereinafter referred to as "YHS") has offered to provide personnel to operate City-owned facilities for animal shelter and animal control purposes; and,

WHEREAS, YHS has professional expertise in providing Animal Sheltering Services;

NOW, THEREFORE, IN CONSIDERATION OF THE COVENANTS HEREIN CONTAINED, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, it is hereby agreed as follows:

1. YHS shall provide those services to the City as more particularly identified in the attached Exhibit "A" which is incorporated into this Agreement.

2. In addition to those services identified in the attached Exhibit "A", YHS shall also perform all subordinate tasks not specifically referenced in Exhibit "A", but necessary to the full and effective performance of the tasks specifically referenced. In the event of a discrepancy between this Agreement and Exhibit "A", this Agreement shall control.

3 YHS shall provide sufficient qualified personnel to perform any and all services as required herein; including, but not limited to preparation of reports, as reasonably requested by representatives of the City. YHS shall annually provide to the City all records kept from the prior fiscal year.

4. (A) The term of this agreement shall be from July 1, 2011 to June 30, 2013. All services identified in Paragraphs 1, 2, 3 and Exhibit A shall be completed to the satisfaction of the City. At the end of the two year term, the Prescott City Council shall determine whether to renew the contract at the end of the first two years with YHS, or request proposals or qualifications, or to go out for new professional services agreement with another entity.

(B) Notwithstanding the foregoing, this Agreement may be terminated by the City or YHS upon ninety (90) days written notice, with or without cause. If this Agreement is terminated, YHS shall be paid for services performed up to the date of termination.

5. To allow for the performance of the services to be provided, YHS shall be permitted to use the structure and premises known as Prescott Animal Control located at 1605 Sundog Ranch Rd. All structural repairs (including roof, electrical, plumbing, heating/cooling, landscaping, etc.) shall be the responsibility of the City. Any permanent upgrades to the facility made by YHS will become the property of the City at the end of contract period.

6. Pursuant to A.R.S. Section 38-511, the City of Prescott may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the City is, at any time while the Agreement or any extension of the Agreement is in effect, an employee or agent of any other party to the Agreement in any capacity or a contractor to any other party of the Agreement with respect to the subject matter of the Agreement. In the foregoing event, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City of Prescott from any other party to the Agreement arising as a result of this Agreement.

7. Any notices to be given by either party to the other must be in writing and personally delivered or mailed by prepaid postage and certified mail, at the following addresses:

City of Prescott
City Manager
PO Box 2059
Prescott, AZ 86302-2059

With copies to:

City of Prescott
Purchasing Manager
PO Box 2059
Prescott, AZ 86302-2059

Contractor:

Executive Director
Yavapai County Humane Society
1625 Sundog Ranch Rd.
Prescott, AZ 86301

8. It is expressly agreed and understood by and between the parties that YHS is an independent contractor, and as such YHS shall not become a City employee, and is not entitled

to payment or compensation from the City or to any fringe benefits to which other City employees are entitled. As an independent contractor, YHS further acknowledges that it is solely responsible for payment of any and all income taxes, FICA, withholding, unemployment insurance, or other taxes due and owing any governmental entity whatsoever as a result of this Agreement. As an independent contractor, YHS further agrees that it will conduct itself in a manner consistent with such status, and that it will neither hold itself out nor claim to be an officer or employee of the City by reason thereof, and that it will not make any claim, demand or application to or for any right or privilege applicable to any officer or employee of the City, including but not limited to workmen's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit.

9. This Agreement is non-assignable by YHS.

10. (A) The City shall pay to YHS a total sum of **\$59,334** per year for the complete performance of all services specified in Sections 1, 2, 3 and Exhibit A of this Agreement. Payment shall be made in the amount of **\$4,944.50** per month.

(B) YHS shall bill the City and the City shall pay such billings within thirty (30) days of the date of their receipt.

(C) Pursuant to A.R.S. § 11-251.08 and 11-1022, any unlicensed, unaltered animal entering a YHS shelter shall not be released to its owner unless the owner pays a fifty dollar recovery fee, in addition to any fees or costs otherwise required. The \$50.00 recovery fee shall also apply to a dog or cat that is impounded as the result of biting any person. For all unlicensed, unaltered animals, YHS will provide the owner with a \$50 voucher which may be applied towards the spay/neuter surgery of the recovered animal at the YHS spay/neuter clinic.

(D) YHS shall retain \$2 for every City dog license that YHS sells and all boarding fees. YHS shall remit the balance of all City dog licenses sold and a \$15 impound fee collected by YHS from any owner of a stray animal impounded by the City.

(E) Payment of the total amount provided for under Section 10(A) shall not relieve YHS of its obligation to complete the performance of all those services specified. Should the City request in writing additional services beyond that specified then YHS shall charge and City shall pay a mutually agreed to fee.

(F) Prior to the final payment to YHS, the City shall deduct therefrom any and all unpaid privilege, license and other taxes, fees and any and all other unpaid monies due the City from YHS, and shall apply to those monies to the appropriate account. YHS shall provide to the City any information necessary to determine the total amount(s) due.

11. This Agreement is the result of negotiations by and between the parties. Although it has been drafted by the Prescott City Attorney, it is the result of the negotiations between the parties. Therefore, any ambiguity in this Agreement is not to be construed against either party.

12. This Agreement shall be construed under the laws of the State of Arizona.

13. This Agreement and Exhibit "A" represents the entire and integrated Agreement between the City and YHS and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the City and YHS. Written and signed amendments shall automatically become part of the Agreement, and shall supersede any inconsistent provision therein; provided, however, that any apparent inconsistency shall be resolved, if possible, by construing the provisions as mutually complementary and supplementary.

14. In the event any provision of this Agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

15. YHS shall, within ten (10) calendar days after the execution of the Agreement and before awarding any subcontract, furnish the City with a list of proposed subcontractors, and shall not employ any that the City may object to as incompetent or unfit.

16. YHS hereby agrees to indemnify and hold harmless the City, its departments and divisions, its employees and agents, from any and all claims, liabilities, expenses or lawsuits to the fullest extent allowed by law as a result of YHS's negligent participation pursuant to this Agreement, whether said claims, liabilities, expenses or lawsuits arise by the negligent acts or omissions of the undersigned or his/her agents. The City hereby agrees to indemnify and hold harmless YHS, its departments, divisions, employees and agents, from any and all claims, liabilities, expenses or lawsuits to the fullest extent allowed by law as a result of the City's negligent participation pursuant to this Agreement, whether said claims, liabilities, expenses or lawsuits arise by the negligent acts or omissions of the undersigned or his/her agents.

17. No oral order, objection, claim, or notice by any party to the other shall affect or modify any of the terms or obligations contained in this Agreement, and none of the provisions of this Agreement shall be held to be waived or modified by reason of any act whatsoever, other than by a definitely agreed waiver or modification thereof in writing. No evidence of modification or waiver other than evidence of any such written notice, waiver, or modifications shall be introduced in any proceeding.

18. YHS shall obtain and maintain in effect during the term of, and until final acceptance of all work under, this Agreement, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by YHS. YHS's insurance shall be primary as respects the City, and any other insurance maintained by the City shall be excess and non-contributing with YHS's insurance.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract.

MINIMUM SCOPE AND LIMITS OF INSURANCE -- YHS shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Policy shall included bodily injury, property damage, and broad form contractual liability.

- General Aggregate - \$2,000,000
- Products – Completed Operation Aggregate - \$1,000,000
- Personal and Advertising Injury - \$1,000,000
- Each Occurrence - \$1,000,000

The policy shall be endorsed to include the following additional insured language: “The City of Prescott shall be named as additional insured with respect to liability arising out of the activities performed by, or on behalf of YHS, including completed operations.”

2. Automobile Liability – Bodily injury and property damage for an owned, hired, and non-owned vehicles used in performance of this contract.

Combined Single Limits (CSL) - \$1,000,000

3. Worker’s Compensation and Employer’s Liability

Worker’s Compensation - Statutory

Employer’s Liability – Each Accident - \$100,000

Disease – Each Employee - \$100,000

Disease – Policy Limit - \$500,000

Policy shall contain a waiver of subrogation against the City of Prescott.

(A) YHS shall place Insurance with a current A.M. Best’s rating of no less than A-VII, unless otherwise approved in writing by the City of Prescott. YHS shall place General Liability, Automobile Liability, and Worker’s Compensation insurance with an insurer admitted in the State in which operations are taking place.

(B) YHS shall furnish the City of Prescott with copies of the original endorsements affecting the coverage required by this specification. YHS shall also provide the City with certificates of insurance for all required coverages. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City of Prescott shall approve all certificates/endorsements before the work (Agreement) commences.

(C) All insurance and bonds required pursuant to this Agreement must be written by an insurance company authorized to do business in the State of Arizona, to be evidenced by a Certificate of Authority as defined in ARS Section 20-217, a copy of which certificate is to be attached to each applicable bond or binder.

(D) Prior to commencing work under this Agreement, YHS shall provide the City with evidence that he/she is either a "self-insured employer" or a "carrier insured employer" for Workers' Compensation as required by A.R.S. 23-901 et seq., or that he/she employs no persons subject to the requirement for such coverage.

19. YHS shall make annual reports to City Council regarding activities performed under this contract.

20. YHS, with regard to the work performed by it after award and during its performance of this contract, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status in the selection and retention of subcontractors, including procurement of materials and leases of equipment. YHS will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, and Executive Order 99-4.

21. The parties hereto expressly covenant and agree that in the event of a dispute arising from this Agreement, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court. YHS further agrees that this provision shall be contained in all subcontracts related to the project which is the subject of this Agreement. The parties hereto further expressly covenant and agree that in the event of litigation arising from this Agreement, neither party shall be entitled to an award of attorneys fees, either pursuant to the Contract, pursuant to ARS Section 12-341.01(A) and (B), or pursuant to any other state or federal statute. YHS further agrees that this provision shall be contained in all subcontracts related to the project that is the subject of this Agreement.

22. YHS understands and acknowledges the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The following is only applicable to construction contracts: YHS must also comply with A.R.S. §34-301, "Employment of Aliens on Public Works Prohibited," and A.R.S. §34-302, as amended, "Residence Requirements for Employees." Under the provisions of A.R.S. §41-4401, YHS hereby warrants to the City that YHS and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

23. A breach of the Contractor Immigration Warranty shall constitute a material breach of this contract and shall subject YHS to penalties up to and including termination of this Contract at the sole discretion of the City.

The City retains the legal right to inspect the papers of YHS or any Subcontractor's employee who works on this Contract to ensure that YHS or Subcontractor is complying with the Contractor Immigration Warranty. YHS agrees to assist the City in regard to any such inspections.

The City may, at its sole discretion, conduct random verification of the employment records of YHS and any of its Subcontractors to ensure compliance with the Contractor Immigration Warranty. YHS agrees to assist the City in regard to any random verifications performed.

Neither YHS nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if YHS or Subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal

EXHIBIT 'A'

YHS will maintain and operate the City animal control shelter. YHS will pay the utility bills for operation of the building and provide daily routine maintenance to the building and the grounds.

YHS will receive and care for unwanted and stray animals from the Prescott community, including impound animals involved in bite cases, when necessary, and humanely euthanize animals not claimed or adopted, or as ordered by a court.

YHS agrees to provide appropriate care and housing (as defined by ARS 11-1021) for all stray dogs for a period of 72 hours (as defined by ARS 11-1013) unless reclaimed by its owners.

YHS agrees to provide confinement and quarantine (per ARS 11-1014) for any animal that has bitten.

YHS agrees to provide adequate space in the building for necessary biological testing, sampling, quarantine and autopsy.

YHS agrees to determine the most humane disposition for any animal not reclaimed by its owner and final disposition of all animals. City reserves a general right to appear without notice from time to time and inspect YHS's work in performance of duties under this agreement.

YHS agrees to collect all fees imposed by City ordinances including, but not limited to, license fee, impound fee, boarding fees for animals held at the shelter, recovery fees, and YHS shall remit said fees to the City on a monthly basis except that YHS shall retain all boarding and recovery fees, and \$2 for each license sold by YHS.

YHS shall submit to both regular and random performance and financial audits by the City regarding this agreement. The City shall retain the right to inspect all records and to investigate any matter involving the care of animals or any other matter involving this agreement. YHS shall make available for City inspection at any reasonable times, all records relating to the services and obligations set forth in this agreement, including but not limited to records of, care provided, reports, financial data, fees, including receipts and disbursements and all other records of documents within the scope of this agreement.

YHS will provide an annual report to the Prescott City Council.

YHS will keep and maintain records of all animals brought to the shelter and provide monthly reports to the City. Reports to include:

- The number of animals brought in by the City's Animal Control Officers.
- The description of the animal, by license number, if available.
- The name of Animal Control Officer,
- The Date of Admission and Date of Discharge,
- The disposition of the animal (i.e., euthanized, picked up by the owners, etc.)
- The redemption, license and rabies vaccination fees collected, and
- The number of animals brought in by the residents in the City.

The City of Prescott agrees to:

- Patrol and enforce all State and City ordinances.
- Deliver all stray dogs to the City-owned, YHS-managed facility.
- Be responsible for any after-hour emergency care for animals picked up by City Animal Control Officers. Normal hours of operation will be 8:00 a.m. to 5:00 p.m. Monday through Friday, exclusive of statutory holidays and those holidays honored by the City of Prescott.
- Release any stray dog or cat not reclaimed by its owner within the stray hold time to YHS for final disposition.

Be responsible for all structural repairs (including roof, electrical, plumbing, heating/cooling, landscaping, etc.). Any permanent upgrades to the facility made by YHS will become the property of the City at the end of con

COUNCIL AGENDA MEMO – June 14, 2011

DEPARTMENT: City Manager

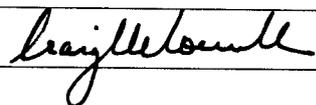
AGENDA ITEM: Adoption of Resolution No. 4084-1154 approving the Fourth Amendment to the Memorandum of Understanding between the City of Prescott and the Central Yavapai Metropolitan Planning Organization for Personnel, Purchasing, and Accounting Services

Approved By:

Date:

Finance Director: Mark Woodfill

City Manager: Craig McConnell



6-7-11

Background

On May 1, 2003, Yavapai County, the City of Prescott, Town of Prescott Valley, and Town of Chino Valley entered into an intergovernmental agreement creating CYMPO, mandated by the 1973 Federal Transportation Act for "urbanized" areas with a population in excess of 50,000. CYMPO, through its Executive Board consisting of representatives of the aforementioned participating agencies with the addition of the Town of Dewey-Humboldt as well as an Arizona Department of Transportation member, is responsible for transportation planning and programming within the designated "urbanized" area, and other areas included within the MPO boundary.

For most cost-effective accomplishment of certain support services, on a reimbursable basis, CYMPO entered into two memoranda of understanding: with the City of Prescott for personnel, purchasing and accounting; and Town of Prescott Valley for office space and communications. CYMPO employees are employed by the City "on-loan to CYMPO." City departments also process purchase and payment documents, and perform accounting services, enabling CYMPO business operations.

The MOU has been amended three times since June 2005; the Third Amendment expires June 30, 2011. CYMPO has requested another two-year extension through June 30, 2013. The Fourth Amendment was approved by the CYMPO Executive Board at their regular meeting of May 18, 2011, and is attached for action by the City.

Budget

Funding for the MOU, including the designated positions and reimbursement by other CYMPO members, is included in the City's draft Fiscal Year 2012 Budget.

- Attachments**
- Resolution No. 4084-1154 approving the Fourth Amendment
 - Fourth Amendment to the Memorandum of Understanding

Recommended Action: MOVE to adopt Resolution No. 4084-1154.

RESOLUTION NO. 4084-1154

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO A FOURTH AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING, CONTRACT NO. 03-265, WITH THE CENTRAL YAVAPAI METROPOLITAN PLANNING ORGANIZATION (CYMPO), PROVIDING FOR A TWO YEAR EXTENSION OF THE MEMORANDUM OF UNDERSTANDING, AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, the City of Prescott and the Central Yavapai Metropolitan Planning Organization entered into a Memorandum of Agreement (MOU), Contract No. 03-265, for certain services provided by the City to Central Yavapai Metropolitan Planning Organization (CYMPO); and

WHEREAS, by the First, Second, and Third Amendments thereto the parties extended the MOU through June 30, 2011; and

WHEREAS, the parties do now wish to further amend and extend said MOU for two additional years through June 30, 2013; and

WHEREAS, the City of Prescott and the CYMPO have the authority to enter into the foregoing agreement pursuant to ARS Section 11-952, 26-307 and 26-308; and

WHEREAS, the funding for the MOU and this Fourth Amendment and reimbursement by other CYMPO members are included in the City's Tentative Fiscal Year 2012 Budget.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT the City of Prescott hereby approves the attached Fourth Amendment to the Memorandum of Understanding between the City of Prescott and the CYMPO, Contract No. 03-265, recorded at Book 4101 at Page 975, Records of the Yavapai County Recorder, Exhibit "A," hereto and made a part hereof.

SECTION 2. THAT the Mayor and staff are hereby authorized to execute the attached Fourth Amendment to MOU and to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 14th day of June, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

**MEMORANDUM OF UNDERSTANDING
CITY OF PRESCOTT/CYMPO
PERSONNEL, PURCHASING, AND ACCOUNTING SERVICES
FOURTH AMENDMENT**

WHEREAS the parties hereto did enter into a Memorandum of Understanding for the City of Prescott to provide certain personnel, purchasing and accounting services for the Central Yavapai Metropolitan Planning Organization, more particularly identified as City of Prescott Contract Number 03-265 (hereinafter referred to as the "MOU"), which MOU was recorded in Book 4101 at Page 975, Records of the Yavapai County Recorder; and

WHEREAS the First Amendment thereto provided for a termination date of June 30, 2007; and

WHEREAS the Second Amendment thereto provided for a termination date of June 30, 2009; and

WHEREAS the Third Amendment thereto provided for a termination date of June 30, 2011; and

WHEREAS the parties hereto do wish to continue and extend the MOU for two additional years;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, the parties hereto agree as follows:

SECTION 1. That Section 4 of the MOU is hereby amended to read as follows:

"SECTION 4. TERM"

This MOU shall commence upon its recordation with the Yavapai County Recorder, and shall continue in full force and effect until June 30, 2013; provided, however, that CYMPO may, upon written notice to Prescott not later than 60 calendar days prior to the first day of any fiscal year, elect to terminate this MOU effective the first day of such fiscal year. Either party may, upon not less than 180 calendar days prior written notice to the other party, elect to terminate this MOU at any other time. Prescott may, upon written notice to CYMPO, terminate this MOU in accordance with Section 1, Paragraph D, or for breach of this MOU by CYMPO. The parties may extend the term of this MOU beyond June 30, 2013, upon execution of an appropriate amendment hereto."

SECTION 2. That except as amended herein, the MOU remains in full force and effect.

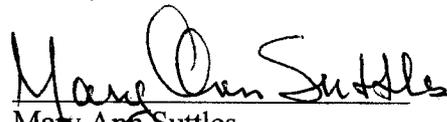
PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott
this _____ day of _____, 2011.

Marlin D. Kuykendall
Mayor

ATTEST:

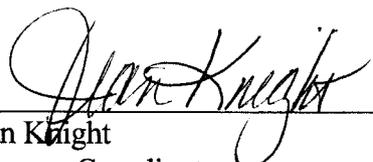
Elizabeth A. Burke
City Clerk

PASSED, APPROVED AND ADOPTED by the Executive Board of the Central Yavapai
Metropolitan Planning Organization this 18 day of MAY, 2011.



Mary Ann Suttles
Chairwoman
CYMPO

ATTEST:



Jean Knight
Program Coordinator

Pursuant to A.R.S. Section 11-952(D), the foregoing MOU has been reviewed by the undersigned
attorney for the City of Prescott, who has determined that the MOU is in proper form and is within
the powers and authority granted under the laws of this State to the City of Prescott.

Gary D. Kidd
City Attorney

Pursuant to A.R.S. Section 11-952(D), the foregoing MOU has been reviewed by the undersigned attorney for CYMPO, who has determined that the MOU is in proper form and is within the powers and authority granted under the laws of this State to CYMPO.

A handwritten signature in cursive script, reading "Barry B. Cline". The signature is written in black ink and is positioned above a horizontal line.

Barry B. Cline, Esq.
Boyle, Pecharich, Cline,
Whittington & Stallings, P.L.L.C.,
Attorneys For CYMPO

COUNCIL AGENDA MEMO – June 14, 2011	
DEPARTMENT: Budget and Finance	
AGENDA ITEM: Resolution No. 4085-1155 approving transfers of certain FY 11 appropriations	

Approved By:		Date:
Finance Director: Mark Woodfill		
City Manager: Craig McConnell		6-7-11

Background

City Charter Article VI Section 10 requires City Council approval of transfers of budget appropriations among departments. It is anticipated that the Miscellaneous Gifts & Donations Fund and the General Self-Insurance Fund will exceed their budgeted appropriations for Fiscal Year (FY) 2011.

The Miscellaneous Gifts & Donations Fund receives donations from citizens for special projects throughout the City. In FY 2011 the library received a large contribution that put the expenditure \$90,000 over the budgeted appropriation level.

The General Self-Insurance Fund is used to account for the City's liability insurance and workers' compensation insurance programs. For more accurate establishment of reserves for potential future payments of claims, an increase of \$975,000 is necessary. Although from an accounting standpoint such an increase in claims reserves impacts "expenditures" for a budgetary period, there is no actual payment of cash unless and until a claim is finally settled. The increase in claims reserves is attributable to the following:

- Use of outside legal counsel instead of in-house personnel to defend the City against claims; governmental accounting standards require that if outside legal counsel is engaged, the associated estimated cost must be included in the reserve for that claim.
- Increases in the reserve for worker compensation claims resulting from incidents in the current year.

Sufficient unencumbered appropriation exists in the Grants Fund to cover the \$90,000 for the Miscellaneous Gifts & Donations Fund, and \$975,000 needed in the General Self-Insurance Fund. This is only a transfer of spending authority, not a cash transfer.

Resolution

The attached resolution will affect the transfer of unencumbered budget appropriation in the total amount of \$1,065,000 from the Grants Fund to cover the preceding items.

Recommended Action: MOVE to adopt Resolution No. 4085-1155.
--

RESOLUTION NO. 4085-1155

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, APPROVING THE TRANSFER OF UNENCUMBERED APPROPRIATIONS FROM THE GRANTS FUND TO THE MISCELLANEOUS GIFTS & DONATIONS FUND AND SELF-INSURANCE FUND

RECITALS:

WHEREAS, Article VI, Section 10 of the Prescott City Charter allows the City Council to transfer appropriations among various City departments; and

WHEREAS, there are unencumbered appropriations allocated to the Grants Fund that were not expended during fiscal year 2010-11; and

WHEREAS, the budgeted amount for the Miscellaneous Gift & Donations Fund will be insufficient to meet the fiscal needs for fiscal year 2010-11; and

WHEREAS, the budgeted amount for the Self-Insurance Fund will be insufficient to meet the fiscal needs for fiscal year 2010-11.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT the Mayor and Staff are authorized to transfer from unencumbered funds allocated in the Grants Fund for fiscal year 2010-11 to the Miscellaneous Gift & Donations Fund (\$90,000) and to the Self-Insurance Fund (\$975,000).

SECTION 2. THAT the Mayor and staff are hereby authorized and directed to execute any and all documents in order to effectuate the foregoing.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, this 14th day of June, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

COUNCIL AGENDA MEMO – June 14, 2011
DEPARTMENT: Budget and Finance
AGENDA ITEM: Resolution No. 4086-1156 adopting the Tentative Budget for Fiscal Year 2012 and setting the Public Hearing for the Final Budget, Expenditure Limitation and Tax Levy for the City of Prescott

Approved By:	Date:
Finance Director: Mark Woodfill	
City Manager: Craig McConnell <i>Craig McConnell</i>	6-7-11

Background:

Workshops were held on May 17th and 31st for presentation and discussion of the proposed budget wherein Council directed certain modifications (see attached list).

The remaining steps in the fiscal year 2012 budget process are as follows:

June 14	Adopt tentative budget	Set the public hearing date for: <ul style="list-style-type: none"> • Final budget • Expenditure limitation • Tax levy Set the date for adoption of the tax levy, and authorize the publishing of the tentative budget forms in the paper for two consecutive weeks
June 28	Public Hearing	Public hearing on the budget, expenditure limitation and property tax levy
June 28	Final adoption	Sets the final budget for FY 12 Establishes the expenditure limitation for FY 12 Adopts the Capital Improvement Program Approves the City job roster Identifies unfunded capital items
July 12	Adoption of Tax Levy	

Also attached is the resolution for adoption of the tentative budget, including related schedules. This resolution specifies the date of June 28, 2011, for the public hearing on the final budget, expenditure limitation, and the tax levy; and sets forth the tentative FY 2012 budget. The tentative budget incorporates the modifications directed by Council at the two workshops.

Recommended Action: MOVE to adopt Resolution No. 4086-1156.
--

RESOLUTION NO. 4086-1156

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET, ADOPTING THE ESTIMATED AMOUNTS REQUIRED TO MEET THE PUBLIC EXPENSES FOR THE CITY OF PRESCOTT FOR THE FISCAL YEAR 2011-12, AUTHORIZING AND DIRECTING PUBLICATION OF STATEMENTS AND SCHEDULES OF THE TENTATIVE BUDGET, TOGETHER WITH NOTICE OF HEARING ON SAID BUDGET AND NOTICE OF DATE OF FINAL ADOPTION OF SAID BUDGET, AND NOTICE OF DATE OF ESTABLISHMENT OF THE EXPENDITURE LIMITATION, AND NOTICE OF THE DATE FOR FIXING A TAX LEVY

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT the statements and schedules attached are hereby adopted as the estimated amounts required to meet the public expenses for the City of Prescott and as the tentative budget for the fiscal year 2011-12. Copies of said statements and schedules have been distributed to the Council and are on file in the office of the City Manager. Said copies are attached hereto for the purpose of publication only, except that they are hereby ordered to be entered into the minutes of the City Council of the City of Prescott.

SECTION 2. THAT the Clerk is hereby authorized and directed to publish in the manner prescribed by law, the attached statements and schedules as said tentative budget, together with a copy of this Resolution as notice of the meetings of the City Council, to wit:

- A. That the City Council will meet on the 28th day of June, 2011, at 3:00 P.M., in the Council Chambers of the Municipal Offices Building, 201 South Cortez Street, Prescott, Arizona, at a Regular Meeting to hold a public hearing when and where any citizen may appear and be heard or submit written comments in favor of or against any proposed use within the budget, expenditure limitation, or the tax levy; at said time and place or after said hearing for the purpose of finally adopting the budget and establishment of the expenditure limitation for the fiscal year 2011-12 for the City of Prescott. The proposed budget may be examined on weekdays at 201 South Cortez Street, Prescott, Arizona, between 8:00 A.M. and 5:00 P.M.
- B. That the City Council will further meet at a Special Meeting on the 12th day of July, 2011, at 3:00 P.M. in the Council Chambers of the Municipal Building, 201 South Cortez Street, Prescott, Arizona, for the purpose of

adopting the property tax levy for fiscal year 2011-12 for the City of Prescott.

SECTION 3. THAT upon the recommendation by the City Manager and with the approval of the Council, expenditures may be made from the appropriation for contingencies. The transfers of any sums within or without any specific appropriations shall conform to Article VI, Section 11, Prescott City Charter.

SECTION 4. THAT money from any fund may be used for any of these appropriations except money specifically restricted by State Law, City Charter, codes, ordinance, or resolution.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 14th day of June, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

CITY OF PRESCOTT, ARIZONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2012

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2011	ACTUAL EXPENDITURES/EXPENSES ** 2011	FUND BALANCE/ NET ASSETS*** July 1, 2011**	PROPERTY TAX REVENUES 2012	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2012	OTHER FINANCING 2012		INTERFUND TRANSFERS 2012		TOTAL FINANCIAL RESOURCES AVAILABLE 2012	BUDGETED EXPENDITURES/ EXPENSES 2012
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 33,828,600	\$ 31,912,626	\$ 13,948,470	Primary: \$ 1,255,878 Secondary:	\$ 26,544,473	\$	\$	\$ 707,868	\$ 41,040,953	\$ 30,232,488	
2. Special Revenue Funds	37,333,402	23,129,722	22,622,034		24,437,120			721,165	47,712,964	44,101,538	
3. Debt Service Funds Available	1,985,491	1,985,491	320,095	1,583,350	1,434,109				3,337,554	3,003,209	
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	1,985,491	1,985,491	320,095	1,583,350	1,434,109				3,337,554	3,003,209	
6. Capital Projects Funds											
7. Permanent Funds	200,000	140,000	776,817		10,000				786,817	203,482	
8. Enterprise Funds Available	69,675,479	40,695,275	33,262,208		46,852,239			301,408	88,768,505	75,841,948	
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	69,675,479	40,695,275	33,262,208		46,852,239			301,408	88,768,505	75,841,948	
11. Internal Service Funds	9,908,733	7,240,377	5,616,140		6,782,938				12,399,078	9,224,466	
12. TOTAL ALL FUNDS	\$ 152,931,705	\$ 105,103,491	\$ 76,545,764	\$ 2,839,228	\$ 106,060,879	\$ 8,600,000	\$	\$ 1,022,573	\$ 194,045,872	\$ 162,607,131	

EXPENDITURE LIMITATION COMPARISON

	2011	2012
1. Budgeted expenditures/expenses	\$ 152,931,705	\$ 162,607,131
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	152,931,705	162,607,131
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 152,931,705	\$ 162,607,131
6. EEC or voter-approved alternative expenditure limitation	\$	\$

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

CITY OF PRESCOTT, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2012

	2011	2012
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 1,383,159	\$ 1,415,244
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 1,251,978	\$ 1,255,878
B. Secondary property taxes	1,573,160	1,583,350
C. Total property tax levy amounts	\$ 2,825,138	\$ 2,839,228
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 1,216,435	
(2) Prior years' levies	35,543	
(3) Total primary property taxes	\$ 1,251,978	
B. Secondary property taxes		
(1) Current year's levy	\$ 1,523,689	
(2) Prior years' levies	49,471	
(3) Total secondary property taxes	\$ 1,573,160	
C. Total property taxes collected	\$ 2,825,138	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.1737	0.1978
(2) Secondary property tax rate	0.2093	0.2455
(3) Total city/town tax rate	0.3830	0.4433

B. Special assessment district tax rates
Secondary property tax rates - As of the date the proposed budget was prepared, the City of Prescott did not operate any special districts for which secondary property taxes are levied.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

CITY OF PRESCOTT, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
GENERAL FUND			
Local taxes			
Privilege and Use Tax	\$ 11,922,500	\$ 11,924,000	\$ 11,924,000
Franchise Taxes	1,700,240	1,685,191	1,735,747
Licenses and permits	300,750	311,850	306,600
Intergovernmental			
State	9,261,684	9,261,684	8,492,939
Local Jurisdictions	2,392,833	2,009,709	2,126,637
Charges for services	1,150,800	1,009,620	1,089,850
Fines and forfeits	455,500	450,970	450,750
Interest on investments	350,000	324,500	324,500
In-lieu property taxes	73,280	67,000	67,000
Miscellaneous	52,264	41,762	26,450
Total General Fund	\$ 27,659,851	\$ 27,086,286	\$ 26,544,473
SPECIAL REVENUE FUNDS			
Streets and Open Space Fund			
Streets and Open Space Tax	\$ 11,450,000	\$ 11,545,000	\$ 11,545,000
Intergovernmental - Federal	478,000	51,623	680,000
Intergovernmental - State	3,017,275	3,124,564	2,577,894
Intergovernmental - County	1,487,924	564,911	2,174,800
Intergovernmental - Local Jurisdictions	51,000	20,728	7,800
Interest Earned	124,149	158,211	50,000
Miscellaneous	1,539,011	1,471,288	536,109
	\$ 18,147,359	\$ 16,936,325	\$ 17,571,603
Transient Occupancy Tax			
Transient Occupancy Tax	\$ 460,980	\$ 520,000	\$ 526,624
Fees/Donations	82,000	72,000	123,500
Miscellaneous		17,465	1,500
	\$ 542,980	\$ 609,465	\$ 651,624
Impact Fees Fund			
Impact Fees	\$ 645,400	\$ 564,725	\$ 564,725
Miscellaneous	75,235	76,710	76,710
	\$ 720,635	\$ 641,435	\$ 641,435
Grants Fund			
Miscellaneous Grants	7,357,863	1,937,225	5,572,458
	\$ 7,357,863	\$ 1,937,225	\$ 5,572,458
Total Special Revenue Funds	\$ 26,768,837	\$ 20,124,450	\$ 24,437,120

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY OF PRESCOTT, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
DEBT SERVICE FUNDS			
Special Assessments	\$ 337,151	\$ 337,151	\$ 1,360,044
Interest Earned	90,180	90,180	74,065
Total Debt Service Funds	\$ 427,331	\$ 427,331	\$ 1,434,109
PERMANENT FUNDS			
Acker Trust	10,000	10,000	10,000
Total Permanent Funds	\$ 10,000	\$ 10,000	\$ 10,000
ENTERPRISE FUNDS			
Water	\$ 15,267,790	\$ 14,515,746	\$ 16,246,099
Wastewater	8,338,096	8,187,972	8,979,404
Solid Waste/Transfer Station	8,276,042	8,128,756	8,186,900
Golf Course	2,965,117	2,883,441	2,824,478
Airport	4,502,107	2,242,983	10,574,818
Parking Garage	59,050	40,126	40,540
Total Enterprise Funds	\$ 39,408,202	\$ 35,999,024	\$ 46,852,239
INTERNAL SERVICE FUNDS			
Central Garage	\$ 1,601,468	\$ 1,675,301	\$ 1,751,468
Self-Insurance	2,046,517	2,144,529	2,146,127
Facilities Maintenance	956,047	969,066	1,052,160
Engineering	1,887,774	1,737,760	1,833,183
Total Internal Service Funds	\$ 6,491,806	\$ 6,526,656	\$ 6,782,938
TOTAL ALL FUNDS	\$ 100,766,027	\$ 90,173,747	\$ 106,060,879

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY OF PRESCOTT, ARIZONA
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2012

FUND	OTHER FINANCING 2012		INTERFUND TRANSFERS 2012	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Capital Reserve	\$	\$	\$	\$ 707,868
Total General Fund	\$	\$	\$	\$ 707,868
SPECIAL REVENUE FUNDS				
Transient Occupancy Tax	\$	\$	\$	\$ 67,355
Streets and Open Space			247,350	
Grant			473,815	
Total Special Revenue Funds	\$	\$	\$ 721,165	\$ 67,355
ENTERPRISE FUNDS				
Wastewater Fund	\$ 8,600,000	\$	\$	\$
Parking Garage			67,355	
Solid Waste/Transfer Station				247,350
Airport			234,053	
Total Enterprise Funds	\$ 8,600,000	\$	\$ 301,408	\$ 247,350
TOTAL ALL FUNDS	\$ 8,600,000	\$	\$ 1,022,573	\$ 1,022,573

CITY OF PRESCOTT, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2012

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2011	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2011	ACTUAL EXPENDITURES/ EXPENSES* 2011	BUDGETED EXPENDITURES/ EXPENSES 2012
GENERAL FUND				
City Council	\$ 118,134	\$	\$ 97,814	\$ 52,066
City Clerk	172,987		44,924	105,681
City Court	523,160		511,144	522,912
City Manager	2,923,062	2,200,000	5,088,924	2,545,517
Legal	306,928		305,997	282,631
Budget & Finance	749,922		501,392	556,443
Administrative Services	908,976		529,764	608,523
Community Development	1,618,515		1,500,520	1,494,238
Parks, Recreation & Library	5,361,906		5,001,190	4,855,207
Police Department	9,067,321		9,033,233	9,428,774
Fire Department	6,911,841		6,751,922	6,865,658
Regional Communications	2,965,848		2,545,802	2,914,838
Total General Fund	\$ 31,628,600	\$ 2,200,000	\$ 31,912,626	\$ 30,232,488
SPECIAL REVENUE FUNDS				
Streets and Open Space	\$ 29,332,099	\$ (820,000)	\$ 20,215,821	\$ 35,850,323
Transient Occupancy Tax	656,643		585,542	780,468
Impact Fee Fund	825,000		138,813	1,424,475
Grants Fund	8,404,660	(1,065,000)	2,189,546	6,046,272
Total Special Revenue Funds	\$ 39,218,402	\$ (1,885,000)	\$ 23,129,722	\$ 44,101,538
DEBT SERVICE FUNDS	\$ 1,985,491	\$	\$ 1,985,491	\$ 3,003,209
PERMANENT FUNDS				
Trust Funds	\$ 110,000	\$ 90,000	\$ 140,000	\$ 203,482
Total Permanent Funds	\$ 110,000	\$ 90,000	\$ 140,000	\$ 203,482
ENTERPRISE FUNDS				
Water	\$ 39,000,607	\$ (2,200,000)	\$ 18,523,989	\$ 34,255,216
Wastewater	16,490,321		8,142,783	19,272,161
Solid Waste/Transfer Station	8,047,453		8,046,783	8,690,134
Golf Course	2,964,510	820,000	3,676,551	2,821,974
Airport	4,476,306		2,229,564	10,725,278
Parking Garage	76,282		75,605	77,185
Total Enterprise Funds	\$ 71,055,479	\$ (1,380,000)	\$ 40,695,275	\$ 75,841,948
INTERNAL SERVICE FUNDS				
Central Garage	\$ 4,099,615	\$	\$ 2,406,800	\$ 4,196,457
Self-Insurance	2,006,493	975,000	2,981,493	2,105,121
Engineering	1,861,925		1,763,384	1,856,509
Facilities Maintenance	965,700		965,664	1,066,379
Total Internal Service Funds	\$ 8,933,733	\$ 975,000	\$ 8,117,341	\$ 9,224,466
TOTAL ALL FUNDS	\$ 152,931,705	\$	\$ 105,980,455	\$ 162,607,131

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY OF PRESCOTT, ARIZONA
Summary by Department of Expenditures/Expenses
Fiscal Year 2012

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2011	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2011	ACTUAL EXPENDITURES/ EXPENSES * 2011	BUDGETED EXPENDITURES/ EXPENSES 2012
Public Works:				
Streets and Open Space	\$ 25,426,271	\$ (820,000)	\$ 17,246,577	\$ 32,541,450
Engineering	1,861,925		1,763,384	1,856,509
Water	39,000,607	(2,200,000)	18,523,989	34,255,216
Wastewater	16,490,321		8,142,783	19,272,161
Department Total	\$ 82,779,124	\$ (3,020,000)	\$ 45,676,733	\$ 87,925,336
Field Operations:				
Streets and Open Space	\$ 3,863,078		\$ 2,969,244	\$ 3,308,873
Solid Waste/Transfer Station	8,047,453		8,046,783	8,690,134
Department Total	\$ 11,910,531		\$ 11,016,027	\$ 11,999,007

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Adjustments

Budget from 5/31/11 Workshop \$ 159,559,165

Adjustments:

Airport Runway Extension - Grant	\$ 2,770,429
Re-establish Two Firefighter Positions	132,511
Bed Tax Contingency (total \$656,968)	73,026
Rodeo Grounds Improvements	60,000
Prescott Lakes Trails	<u>12,000</u>

Total Adjustments

3,047,966

Adjusted FY 2012 Budget

\$ 162,607,131

*CITY OF PRESCOTT
Prescott Lakes Trails*