



PUBLIC NOTICE
HUACHUCA CITY TOWN COUNCIL
MEETS FOR A WORK SESSION
THURSDAY, MAY 23, 2019 AT 6:30PM
HUACHUCA CITY TOWN HALL-500 N. GONZALES BLVD. HUACHUCA CITY,
AZ 85616

AGENDA

A. Call to Order

Mayor

- Roll Call and Ascertain Quorum
- Pledge of Allegiance

B. Call to the Public

A.R.S. 38-431.01 states the Public Body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the Public Body. At the conclusion of an open call to the public, individual members of the Public Body may respond to criticism made by those who have addressed the Public Body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the Public Body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

C. Business before the Council

Mayor

- C.1 Discussion Only [Mayor Wallace]: Future plans for Town Senior Center including a food bank and to provide community/library programs for seniors at the Town Senior Center facility.**

D. Adjournment

Posted at 5:00PM on May 21, 2019 at the following locations:

Town Hall Bulletin Board 500 N. Gonzales Blvd. Huachuca City, AZ 85616	Town Hall Lobby 500 N. Gonzales Blvd. Huachuca City, AZ 85616	Town Website https://huachucacityaz.gov
Huachuca City U.S. Post Office 690 N. Gonzales Blvd. Huachuca City, AZ 85616	Huachuca City Library 506 N. Gonzales Blvd. Huachuca City, AZ 85616	Huachuca City Police Department 500 N. Gonzales Blvd. Huachuca City, AZ 85616

Matthew Williams

Interim Town Clerk

Note: This meeting is open to the public. All interested people are welcome to attend. A copy of agenda background material provided to the Committee Members, with the exception of material relating to possible executive session, are available for public inspection at the Town Clerk's Office, 500 N. Gonzales Blvd., Huachuca City, AZ 85616, Monday through Friday from 8:00 a.m. to 5:00 p.m. or online at www.huachucacityaz.gov

Individuals with disabilities who need a reasonable accommodation to attend or communicate at a town meeting, or who require this information in alternate format, may contact the Town at 456-1354 (TTY 456-1353) to make their needs known. Requests should be made as early as possible so there is sufficient time to respond.



PUBLIC NOTICE
HUACHUCA CITY TOWN COUNCIL
MEETS
THURSDAY, MAY 23, 2019, AT 7:00PM
HUACHUCA CITY TOWN HALL-500 N. GONZALES BLVD. HUACHUCA CITY,
AZ 85616

AGENDA

A. Call to Order

Mayor

- Pledge of Allegiance
- Roll Call and Ascertain Quorum
- Invocation

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.

B. Call to the Public

Mayor

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C. Consent Agenda

Mayor

All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without the removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.

- C.1** Consider approval of the minutes of the regular Council meeting held on May 09, 2019.

C.2 Consider approval of the Council executive session minutes held on May 09, 2019.

C.3 Consider approval of the Payment Approval Report in the amount of \$130,379.73.

D. Unfinished Business before the Council

Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

D.1 Discussion only: [Mayor Wallace]: Town Council response to water/sewer rate increase questions from the public, including an explanation of the process used to determine the rates.

E. New Business before the Council

Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

E.1 Discussion Only [Mayor Wallace]: Presentation of the Yard of the Month winners for June 2019, in coordination with the Friends of Huachuca City.

E.2 Discussion and/or Action [Manager Williams]: Monthly Budget Update Report to be presented by Spencer Forsberg of Haymore and Forsberg, C.P.A.

E.3 Discussion and/or Action: [Director Harvey]: Council approval of Memorandum of Understanding (MOU) between the Town of Huachuca City and Chiricahua Community Health Center to bring mobile medical clinic healthcare services to the Town's residents on a periodic basis.

E.4 Discussion only: [Chief Thies]: Presentation on Emergency Management Services by Cochise County Emergency Services Coordinator, Gabe Lavine.

E.5 Discussion and/or action: [Mayor Wallace]: Council staff direction to establish a food bank and provide community/library programs for seniors at the Town Senior Center facility.

- E.6 Discussion and/or Action: [Mayor Wallace]: Resolution 2019-19, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN HUACHUCA CITY AND THE ARIZONA DEPARTMENT OF REVENUE (DOR) FOR THE ADMINISTRATION OF TRANSACTION PRIVILEGE TAXES.
- E.7 Discussion and/or Action: [Director Harvey]: Council update on obtaining Summer Splash program funding.
- E.8 Discussion and/or Action [Director Halterman]: Council staff direction to obtain quotes for the Skyline Road repair project.
- E.9 Discussion and/or Action: [Mayor Wallace] Approval of expenditure to separate the Town Hall electrical meter from the Police Department electrical meter.
- E.10 Discussion and/or Action: [Manager Williams]: Consider adoption of Resolution 2019-18, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, ESTABLISHING AN ADMINISTRATIVE PROCESS FOR APPROVAL OF TEMPORARY SPECIAL EVENT LIQUOR LICENSES.

- F. Town Manager Report
- G. Reports of Current Events by Council
- H. Items to be placed on future agendas
- I. Adjournment

Posted at 5:00pm May 21, 2019, at the following locations:

Town Hall Bulletin Board 500 N. Gonzales Blvd. Huachuca City, AZ 85616	Town Hall Lobby 500 N. Gonzales Blvd. Huachuca City, AZ 85616	Town Website https://huachucacityaz.gov
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Matthew C. Williams

Matthew C. Williams, Town Manager/Interim Town Clerk

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**MINUTES OF THE
HUACHUCA CITY TOWN COUNCIL
MEETS
THURSDAY, MAY 9, 2019, AT 7:00PM
HUACHUCA CITY TOWN HALL-500 N. GONZALES BLVD. HUACHUCA CITY,
AZ 85616**

ENDA

A. Call to Order

Mayor

- Pledge of Allegiance
- Roll Call and Ascertain Quorum
- Invocation

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The meeting was called to order at 7:05pm.

Roll Call.

Present: Johann Wallace, Debra Trate, Donna Johnson, Joy Banks, Cynthia Butterworth, Christy Hirshberg, Walt Welsch, Matthew Williams (Not voting), Thomas Benavidez, Attorney (Not voting).

The Invocation was led by Elder James Thomas.

B. Call to the Public

Mayor

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Mayor Wallace recognizes Joyce Marley and asks her to come forward and state her name and address. Ms. Marley resides at 104 E. Pinal St. She states that she just bought her home, and has roses. She states that it is insane that her bill is \$91. She further states that she did not have a speech ready, but that most everybody feels the way that she feels. She says she likes living here and she hopes it doesn't raise up too much.

Mayor Wallace recognizes Trent Reed and asks him to come forward and state his name and address. Mr. Reed lives at 102 E. Pinal St. Mr. Reed states he has never done this before and he is probably in the wrong meeting, but he moved here from California about 5 years ago because he needed a lower income place to live. He states this place was perfect. The people, police officers, military. He is sure some of the stuff behind the water bill has already been discussed, unfortunately he paid most of his bills with bill pay through his bank so he doesn't pay a lot of attention to the letters that come out. He states that that is his fault. He says it concerns him. He lives alone and uses less than 1 unit of water, or less than 1,000 gallons, has no grass, no roses and his water bill went up from \$33-\$36 to all of a sudden a bill for \$56. He states that was almost double. He states he just can't understand it and just wanted to see if more people felt the

same way or maybe get an explanation as to what is really going on with that. He states it seems that there are other ways the town could make money. He states that he knows we just started with the bins for trash that get taken out to the curb, and says that in California there were also bins for recyclables that the city would actually make money off of. He states that it seems like there are other ways to justify costs other than taxing or charging some of the lower income people in the way that we are for water, of all things. He states he means no one disrespect but it takes a lot to get him here and with his income that \$20 means a lot to him so he just wanted to say his peace. Mayor Wallace tells him that no month is ever the wrong month to come and talk about things.

Mayor Wallace recognizes Dale Peet and asks him to come forward and state his address. Mr. Peet resides at 113 E. Pinal St. He states that budget is very important to all of us. Money making or losing entities. According to the City Council today we have a crisis. He states we had to raise trash, which we privatized. Water and Sewer immediately were close to bankruptcy, yet in the handout that he was giving the Council and the Mayor, it shows that \$17,000 over on budget for personnel. He states he understands that money has to come out of some budget, he realizes it's water budget. He states that that was a bad budget from last year. He says that most of them were here, he has it on the thing, he got it from them. Overtime is over budget by \$875. He worked for the county and the city before and he never got a chance at overtime, it was flexed out. He says \$7,000 in personnel benefits, he understands that the people of Huachuca City that work there are very important and he is proud of each of them, they do a hard job yet we still went over budget \$3,600 for contractors. He says he realizes that something broke, but is there any way to put that back on the city workers to try and save some of that money. He says if you look at your handout, you'll see that on travel, vehicle expenses is over budget by \$756 as of the 31st of March. Fuel expenses are over by \$8,000. There is not anything these people out here can do. He can't tell them not to drive there. He says he sees the city vehicle at Sunny D's. He says if he worked here he would go eat there, but maybe he would walk. He says that every mile that you save, saves some money. And now we are trying to buy Dusk till Dawn, he doesn't even want to get into that. He says that he has noticed three people talking about this, but if he is the only one concerned about it he will sit down and shut up now, but he thinks it is bothering a lot more than just him. He asks that the Council cut this in half for 6 months, to help the elderly and the young, the people that don't have any money. Then come back, but give them a chance to adjust. He says like the young man said there, there is only so much money in that cup. We can suspend it for 6 months to give them a chance to prepare for it. He says they kind of caught us all off guard. He thanks everyone for their hard work.

Mayor Wallace recognizes Donna Johnson of 101 School Drive. She states she is not here to talk about the water bill, she just wants to let everyone know that one of the people that has helped this town so much, Mr. Jim Goad, from Mr. Shed, was put in the hospital because he has bladder cancer. She received an email today, well a text, he now has pneumonia. The family is asking her to ask people to pray because he has done so much for this town, for the school and everything. She asks that he be kept in prayers.

Mayor Wallace recognizes Leslie Saunders after he clarifies that she can ask a question, but they can't have a back and forth so he can't guarantee an answer. Ms. Saunders resides at 100 E. Pima St. She states that they are new residents and have been here since January 1st. Her question is when she read the letters, inserts as well as the bill, she doesn't understand why people that are paying the increased water bill, that doesn't necessarily mean an increased sewer rate. A lot of the times the water, especially some of the people who have spoken, the water is going directly into the ground, the sewer is not absorbing it. It doesn't seem proportional. Mayor Wallace states that he can't really answer during the call to the public, but he will try to sneak in an answer later. She thanks him. Councilmember Welsch states that they could suspend the rules to answer her question.

C. Consent Agenda

Mayor

All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without the removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.

- C.1 Consider approval of the minutes of the regular meeting held on April 25, 2019.
- C.2 Consider approval of the minutes of the Council budget work session held on May 02, 2019.
- C.3 Consider approval of the Payment Approval Report in the amount of \$46,762.63
- C.4 Approval of Special Event Liquor License for Nomaden International Motorcycle Club for July 27-28, 2019

Motion: Consider approval of the Consent Agenda, **Action:** Open for discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Councilmember Butterworth.

Motion: Consent Agenda, **Action:** Approve Consent Agenda **Moved by** Johann Wallace, and **Seconded by** Mayor Pro Tem Johnson. Motion passed 7-0

D. Unfinished Business before the Council

Mayor

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E. New Business before the Council

Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

E.1 Discussion and/or Action [Manager Williams]: Council Adoption of 2017-2018 City Financial Audit. The audit will be presented by Hinton Burdick, P.C. The audit presentation might include all aspects of the Town's revenues, expenses and account balances for all of the City's departments and enterprises.

Motion: Open Item E.1 for discussion and/or action **Action:** Open item E.1 for discussion **Moved by:** Mayor Wallace. **Seconded by** Councilmember Butterworth.

Mayor Wallace recognizes Manager Williams. Manager Williams lets Council know that they used new auditors this year who will be presenting tonight. He also informs them that in their packets, is a copy of the financial documents and the findings, which show if anything needs to be corrected. Manager Williams states that Steven Palmer will be presenting the audit findings.

Mr. Steve Palmer states it is his pleasure to be there, and also that he does a lot of these presentations and there are not usually so many members of the public present. He states that he is impressed by that. He states that what he is going to be discussing is the fiscal year 2018 audit, which covers the time period of July 1st, 2017 thru June 30th, 2018. The first item is a big deal for the town. He states that whenever they do an audit there are several reports that they are required to do. First, and most significant is the independent auditors report. He says that for the fiscal year, they issued an unmodified, or clean opinion, which means that in their opinion, the financial statements present fairly, the towns financial position and the results of

its operations in 2018. This does not mean that everything is great, it simply means that the information in the financial statements, in their opinion, is fairly presented. It is good information you can use to make decisions. That is such a big deal because on the previous two fiscal years, the town did not receive an opinion on their financial statements. A lot of effort was put into this, and there had to be several adjustments to the town's beginning equity balances and those kind of corrections, to things that weren't right in the prior years because there wasn't the clean opinion. He states that after a whole lot of work, they felt confident in issuing this unmodified opinion. He reiterates that this is a big deal and he wants to congratulate the town on that.

He states they are also required to issue a report on the current control over financial reporting and/or compliance. This is where they list items that in their opinion are significant enough to warrant the attention of management. He states that they have a letter of these things that was in their council packet. There are three levels of severity of their findings. The most significant being material weakness, the second being significant deficiency and then there is other items as well. There was one material weakness, which was related to grant management. There was one significant deficiency noted, which was the number of missed statements that they noted as they went through the audit. There were two compliance items noted, one being that the general fund has a deficit, and is unbalanced, which he believes everyone is aware of. The other compliance item is the state law requires the financial statements for previous years be posted on the town's website, which he states Manager Williams told him has since been corrected. He states that he hasn't actually logged on to the site, but that he was told it was done.

He states they are also required to issue a report on state legal compliance. This mainly deals with the town's highway user revenue fund monies. He says that the town receives monies that is restricted, and can only be used to repair and maintain streets. They issued an unmodified or clean opinion on that as well, mainly because the town spent very little on streets last fiscal year. He believes it was in the \$4,000 to \$5,000 range.

They also submit a letter to management communicating some other items they found that were less significant, they just wanted to communicate to them that these were things they also should look at and correct if at all possible.

He would like to look a little bit at the town's finances. He says that the total deposition of the town if you were to take all of its assets, subtract the liabilities that residual amount is the equity. At the end of the fiscal year, that was a little over 10 million dollars. He reminds everyone that that is not just cash, that is capital assets, land, that is all the assets minus all the liabilities. That is the residual amount. He states that over time if this amount goes up, it is an indication that the town's financial health is getting better. If it's going down it's an indicator that the town's financial health is deteriorating. He says that in 2018 the amount decreased by nearly \$900,000.00. The net position of the governmental activities decreased by about \$500,000.00. That would be the general fund, HURF and all those governmental-type funds. The business type activities decreased by about \$400,000.00. That would be the utility funds water, sewer, sanitation, landfill. Governmental capital assets, mainly the general fund, decreased by \$282,000-\$283,000. The town reported \$54,000.00 in additions and disposals of \$352,000 and \$337,000 in depreciation expense. He says that Manager Williams did a lot of work. The capital asset listing didn't accurately reflect the assets owned by the town. So Manager Williams spent a lot of time going through and determining what was really here, what was gone so they feel like they have a good number now to move forward with. The business type capital assets decreased by \$44,000.00 net. The town had \$336,000.00 of additions, disposals of \$137,000.00. Manager Williams jumps in to explain that on the capital assets aspect, what Mr. Palmer was saying was that if you remember in the past, the town paid a large sum for a forensic audit. That was completed and a capital asset statement was prepared by Beach Fleischman, which listed things like cars, trucks, fire hydrants, water pipes you name it, every kind of asset the town could have, all of that. We had had Beach Fleischman for several years and they had not updated the capital asset statement since 2015. Furthermore, going through these statements there is capital assets on this sheet that this town never owned. One was a school bus, the town has never owned a school bus but it was on there. So mistakes have been removed from the asset list, so the asset list is now correct and updated so next year, it will be much easier for the auditors. Just to show a point, they hadn't been corrected since 2015 and they were that far off.

Mr. Palmer brings up the town's long term liabilities. The governmental long term liabilities, again the general fund, was about \$840,000.00 which consisted of \$392,000.00 capital leases, \$44,000.00 in compensated absences, which means if the employees were to all quit, that is what would be owed in vacation, and about \$400,000.00 in pension and other post employment liabilities, that's pension due to police officers. He says you may recall that several years ago the net pension and other liabilities were not on the books of the town, they were not on the books of any governmental entity, but the governmental accounting standards order came out and said you have to have them on there. He says that Huachuca City is not alone with that big number, every single municipality that has a pension plan for their

employees has to recognize their proportion share of that liability. Overall the governmental long term debt decreased by \$64,000.00.

Business type long term debt, again this is the utility funds, was a little over \$3million at the end of fiscal year 2018. That consisted of \$284,000.00 capital assets, \$14,000.00 compensated absences and \$2.8million in landfill closure, post closure. We know the landfill won't last forever, when it's filled up you have to cover it up and you have to do all sorts of environmental work and monitoring on it. Accounting standards state that you have to recognize that estimated liability over the life of the landfill as it fills up, so that is an estimate, a good estimate. Overall the town's business, or utility long term debt decreased by \$37,000.00 and the town as a whole, the long term debt decreased by a little over \$100,000.00.

Looking at the general fund, he only has two years worth of data on here, because he hasn't been around long. The top line represents the liabilities to the general fund. The middle line represents the assets, the bottom line represents the equity in the general fund or what is left after subtracting the assets from the liabilities. That is a large negative number and it accrued significantly, it went from \$1.8million to \$2.4million in fiscal year 2018.

General fund cash trend, the general fund did report a little bit of cash at year end. That number could have been taken to 0 and reduced the amount due to the landfill fund, but it is what it is. The general fund owes the landfill quite a bit of money. We could have used it to reduce that liability.

The general fund revenue expenditure trend, the top line is expenditures, bottom line is revenues. You can see that expenditures once again exceeded revenues. Manager Williams adds that one thing to look at is that in 1 year, expenditures dropped from 2.6 to 2.199, a \$401,000.00 decrease in 1 year, however revenues went down too, about \$200,000.00 so that leaves about \$200,000.00 better than the year before. Mr. Palmer states that part of the reason the revenues were so high in 2017 was \$317,000.00 in debt proceeds from capital lease.

The streets fund, HERF, as he mentioned before, the revenues received there must be spent on streets, if they are not, they just continue to accumulate. By state law they have to be spent on streets so the revenues on the top line are very consistent because the revenue coming from the state is consistent, but the expenditures dropped significantly because not much was spent on streets. Because not much was spent on streets, the cash increased because that money has to be spent on streets.

The water fund revenues went up a bit but they include \$231,000.00 of grant revenues for the water tank project. Expenditures were up quite a bit as well. Revenues were slightly higher than the expenditures, but that is due to the grants. There is no cash in the water fund.

Sewer fund expenses exceeded revenues by \$57,000.00. He says it is interesting we showed earlier that the general fund has a large deficit position, the general fund isn't reporting any cash to speak of. Mainly the general fund has borrowed the money from the landfill fund, it could just as easily have borrowed from the sewer fund but because the landfill fund had the most cash, we just show that total due to the landfill, when it could have been allocated to other funds as well but the landfill had the most cash.

Manager Williams would like to break this down more. On paper the general fund owes the landfill fund \$2.4million. The general fund doesn't really owe the landfill \$2.4million. He says that because if you look at the past several years, the general fund was spending \$600,000-\$800,000.00 more than it brought in every single year. Those bills still had to be paid. Former town staff had no line under the budget to transfer savings into the general fund. Because they didn't do that, the bills still had to be paid so on paper the money came from the landfill fund. It didn't really come from the landfill account, it came from savings, but former town staff had no line on the budget for that which was why on the budget you wouldn't see it. Now there has been a line added where we can show that.

Sanitation fund next. Revenues exceeded expenses by about \$40,000.00. Cash increased marginally as well.

Landfill fund expenditures exceeded revenues by about \$400,000.00. Top line is total cash from the landfill fund, the middle line is money that is restricted for future landfill closure costs. The town can't touch that money. The bottom line is the unrestricted cash. This decreased significantly in fiscal year 2018.

He wanted to thank the town for their help during this process, there was a lot of work to do to get where we are.

Manager Williams thanks him for all his work. He requests that the council and also the public come and look again a year from now because in the past it was so bad we had no opinion whatsoever, which is an F as bad as you can get. So bad they can't even give you an opinion. Now there is a clean opinion. That doesn't mean that the town's finances are great, but they can give an opinion based on numbers which are real numbers. That is what a clean opinion means. He uses the landfill as an example, that last year the landfill lost about \$400,000.00 and right now it's about \$100,000.00. Councilmember Banks thanks Mr. Palmer for the explanations, it helped to make things clearer and she states that she struggled figuring out what all the terms mean and this helped immensely.

Councilmember Welsch has nothing at this time until he reviews it.

Councilmember Trate states she has been through audits for other governments and that usually they are going to find something, no audit is perfect.

Mr. Palmer says that they did find stuff that needed to be corrected and they did get it corrected and now the financial statement is in a good spot.

Councilmember Hirshberg thanks Ha, stating she knows what her office looks like now. She thanks everyone.

Mayor Pro-Tem Johnson also thanks everyone for the hard work.

Mayor Wallace clarifies that this is for 2017-2018 and even when we start looking at fiscal year 2019, it will show a negative value because we actually put it for and show the transfer from savings into the general fund. Basically the town is still broke. He says he realizes what went into this, and having a clean opinion, even when that clean opinion says your finances are horrible, is huge. This isn't the first bad audit this town has received, they have been bad for ten years and keep getting worse. That is not happening anymore. He thanks everyone as well.

Motion: Adopt the 2017-2018 city financial audit. **Moved by Mayor Wallace, Seconded by Councilmember Butterworth.** Motion passed 7-0

E.2 Discussion and/or Action [Manager Williams]: Approval of HAWE Invoice 04-25-2019 in the amount of \$31,460 to complete the ADEQ required well project in the Town Landfill.

Motion: Open item E.2 for Discussion and/or Action **Action:** Open Item for discussion. **Moved by Mayor Wallace, Second by Councilmember Butterworth.**

Mayor Wallace recognizes Manager Williams who states that this is the second half of the well project at the landfill. He reminds everyone that he included both invoices for a point of reference. The first one is for the current invoice which is for the labor of the job for \$31,460. We have already paid the invoice dated for November 3, 2018 which was for the infrastructure for the wells and pumps. It was a bill of \$23,534.00 and has been paid. So the equipment was paid for last fall, this is for the labor. This has to be done at the landfill as an ADEQ requirement.

Councilmember Welsch asks if this is paid out of the closure fund. Manager Williams says that it is not. He informs them that we can't touch the closure money until that cell has been closed out. Councilmember Welsch asks when we can use the money, is it after the cell has been closed and we move on to the next. Manager Williams states that yes, it can be used once the cell is closed and we move on to the next. That money has to be there in case the cell doesn't get closed right. Councilmember Welsch asks if the closing costs of that cell are itemized. Manager Williams states that is why a landfill trust fund is set up like it is.

Mayor Wallace clarifies that you cannot use the closure money until the cell is closed. That is the only time you can use the closure fund, any other time this money cannot be used. Councilmember Welsch wants to know if you can then use 50% or the full amount. Manager Williams says that it depends on how much you close. Only a small part of a cell will be closed at a time and another part of a different cell will be opened. Councilmember Welsch states that he has never heard an explanation.

Motion: Approve invoice 04-25-2019. **Moved by Mayor Wallace, Seconded by Councilmember Trate** Motion passed 7-0

E.3 Discussion and/or Action [Mayor Wallace]: Second Required Reading and Adoption of Ordinance 2019-11, AN ORDINANCE OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, AMENDING THE TOWN CODE TITLE 2 "ADMINISTRATION AND PERSONNEL," CHAPTER 2.35 "OFFICERS," SECTION 2.35.015 "TOWN MANAGER," TO ALLOW THE TOWN MANAGER TO SELECT HIS OR HER DESIGNEE IN THE TOWN MANAGER'S ABSENCE AND TO ALLOW THE TOWN COUNCIL TO SELECT A DESIGNEE DUE TO THE TOWN MANAGER'S INCAPACITY OR SEPARATION; AND TO REQUIRE COUNCILMEMBERS TO GO THROUGH THE TOWN MANAGER TO CONSULT WITH TOWN EMPLOYEES REGARDING TOWN BUSINESS.

Motion: Open E.3 for discussion. **Action:** Open for discussion. **Moved by Mayor Johann Wallace. Second by Councilmember Hirshberg.**

Mayor Wallace states this will be the required second reading for the adoption of the Ordinance 2019-11, and read it aloud verbatim.

Motion: Approve change to ordinance 2019-11. **Moved by Mayor Wallace, Seconded by Councilmember Hirshberg.** Motion passed 6-1, Councilmember Welsh in dissent.

E.4 Discussion and/or Action [Mayor Wallace]: Second Required Reading and Adoption of Ordinance 2019-12, AN ORDINANCE FOR THE MAYOR AND TOWN COUNCIL OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, AMENDING THE TOWN CODE, TITLE 9, "PUBLIC PEACE MORALS AND WELFARE," CHAPTER 930 "JUNKED MOTOR VEHICLES," SECTION 9.30.010 AND SECTION 9.30.020, TO REVISE THE DEFINITION OF "INOPERABLE VEHICLE" AND PROHIBIT CERTAIN STORAGE OF INOPERABLE VEHICLES ON PRIVATE PROPERTY; AND ADDING SECTION 9.30.060 PROVIDING CIVIL AND CRIMINAL PENALTIES FOR VIOLATIONS.

Motion: Open E.4 for discussion and/or action. **Action:** Open for discussion. **Moved by Mayor Wallace, Seconded by Councilmember Butterworth.**

Trate: I have a question for Chief Thies, do you have a rough idea how many vehicles in town are we talking about? Chief Thies: At least 30. Manager Williams: One point I want to make on that, we cannot just go out and start citing people for cars, we can only do that after a complaint has been made with us.

Motion: Adopt revised Ordinance 2019-12. **Moved by Mayor Wallace. Seconded by Mayor Pro-Tem Johnson.** Motion passed 6-1, Councilmember Welsh in dissent.

E.5 Discussion and/or Action [Mayor Wallace]: Second Required Reading and Adoption of Ordinance 2019-13, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, AMENDING THE TOWN CODE, TITLE 10 "VEHICLES, TRAFFIC AND PARKS," CHAPTER 10.20 "ABANDONED VEHICLES," SECTIONS 10.20.030 AND 10.20.090, TO REMOVE THE FEE AMOUNTS FROM THE TOWN CODE AND TO ALLOW THE TOWN COUNCIL TO ESTABLISH AND AMEND A FEE SCHEDULE BY RESOLUTION.

Motion: Open E.5 for discussion and/or action. **Action:** Open for discussion. **Moved by Mayor Wallace. Seconded by Councilmember Hirshberg.**

Mayor Wallace read the ordinance aloud verbatim. Chief Thies was asked to comment. Manager Williams informs Chief Thies there is a copy of the ordinance in the packet if you want to bring it up here. Chief Thies reports we talked about this last time. Mayor Wallace so this is just the one for the impound fee right? Chief Thies yes, take that out and revert to ARS.

Motion: Adopt revised Ordinance 2019-13 **Moved by Mayor Wallace. Seconded by Councilmember Hirshberg.** Motion passed 7-0.

E.6 Discussion and/or Action [Chief Thies]: Council staff direction to receive an official response from Cochise County in regards to animal shelter renovation funding.

Motion: Open E.6 for discussion **Action:** Opened for discussion/action. **Moved by Mayor Wallace. Seconded by Councilmember Butterworth.**

Chief Thies reports he wanted this on the agenda because he knew the county board of supervisors were meeting. I attended that meeting; they have already approved the purchase or lease of 7 acres through a company for a future animal shelter for county. It is apparent they are not going to tell us no we won't, and that's okay. But they are moving forward, we are not part of that plan but that is their right. So with that in mind, we now have to look at our shelter in a different way. County is no longer an option. We will pursue the IGA with Sierra Vista, we will continue with them for as long as we can. If we ever open up our shelter, we do not have enough animals to facilitate a full time shelter. It was never designed for the town of Huachuca City to have a full time shelter on its own. It required the cooperation and

participation of Cochise County and we no longer have that. So effective immediately we are devising a plan for the complete shutdown of the shelter, remove the items that are in there, perishable items such as food and get it to other shelters and rescue groups that need it. We will still have 2 part time animal control officers but this will be a much smaller picture right now. It is possible we could get a grant, or the annexation of Whetstone would do it. We just need to move forward now. Mayor Wallace: I can't believe they are not willing to give us 150,000 and an annual 45,000 rather than spending the money to build a complete shelter with of the expense of staffing and everything else, it's a shame but we can pursue grants or if we find a benefactor, we find a benefactor. So it's still in the budget and I don't think we are going to take anything out. But, if the stars align and we get lucky we'll be able to do it. So you are now looking to us to get an official response from county. We will direct staff to see that we close this out with county.

Motion: Close the shelter and formally terminate the IGA with county. **Moved by Mayor Wallace. Seconded by Councilmember Banks. Motion passed 7-0.**

E.7 Discussion and/or Action [Manager Williams]: Consider adoption of Resolution 2019-16, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, AUTHORIZING THE TOWN TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF SIERRA VISTA FOR ANIMAL CARE SERVICES.

Motion: Open E.7 for discussion **Action:** Opened for discussion/action. **Moved by Mayor Wallace. Seconded by Councilmember ?????.**

Manager Williams: Mayor and Council you signed a very similar agreement before. Our shelter closed down December 15, 2018 due to a water leak and electrical fire. No animals for staff were harmed during that event. The City of Sierra Vista stepped in, and agreed to take our animals in and will continue to do so. I would add that our animals are totally safe and sound at the Sierra Vista shelter and nothing bad has happened to the animals from Huachuca City. We no longer accepting county animals, we no longer have a shelter anymore. Also, the statement has been made that Huachuca City backed out of the shelter IGA, we did not do that, it never happened. I suspect the crew has given us the answer already, this changed a few words in the IGA that you signed back in January and you will find the wording change in the terms section, which is on the second page of the IGA, and the change that they are after is they shall automatically renew for successive terms as of July 1 of each year. This agreement was going to expire on June 30 of this year. So now it will renew automatically for the next 3 years. The rates didn't change, none of the prices changed, and you may remember, we still pay for immunizations and we still pay for spay/neuter costs. Once we do all of that, we take the animal to Sierra Vista and its \$49 per animal flat rate. It's a very good deal for us. I think at this point, we have taken 15 animals to Sierra Vista since January. This is a very small change to the IGA which is the wording change for the renewal term.

Motion: Adopt Resolution 2019-16 the revised IGA with the Sierra Vista Animal Shelter. **Moved by Mayor Wallace. Seconded by Councilmember Hirshberg. Motion passed 7-0.**

E.8 Discussion and/or Action [Attorney Benavidez]: Consider adoption of Resolution 2019-17, A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, ESTABLISHING A UNIFORM VIDEO SERVICES APPLICATION AND AFFIDAVIT AND UNIFORM VIDEO SERVICE LICENSE AGREEMENT, PURSUANT TO SENATE BILL 1140 AND HOUSE BILL 2229.

Motion: Open E.8 for discussion **Action:** Opened for discussion/action. **Moved by Mayor Wallace. Seconded by Councilmember Butterworth.**

Attorney Thomas Benavidez: Mr. Mayor and City Council, this is something that all cities and towns have to do. The legislature says we all have to use the same license agreement and same application form. Someone is going to come in and do video services. We have to have a uniform agreement so all the cities and towns are doing the same thing, and that's all this is. The League of Cities and Towns put this together with a committee of city attorneys. All they did was follow the statute and put everything in there that the legislature wants, there's nothing else we can do because we have to adopt it. Mayor Wallace: Ok this is something we are going to have to do.

Motion: Adopt Resolution 2019-17. Moved by Mayor Wallace. Seconded by Councilmember Hirshberg. Motion passed 7-0.

E.9 Discussion and/or Action [Mayor Wallace]: Executive [closed] session, pursuant to A.R.S 38-431.03(A) (1) & (4), for the annual employment evaluation of the Town Manager, Matthew Williams, and discussion of his employment and contract terms. Any formal action on this item will be taken in open session.

Motion: Open E.9 for discussion in an executive session. Action: Clear the room and opened for discussion. Moved by Mayor Wallace. Seconded by Councilmember Hirshberg.

Mayor Wallace: we will need everybody to vacate the public. The public cleared the room. Mayor Wallace: We are now in executive session. Mr. Benevidez please address. Attorney Thomas Benavidez: Mr. Mayor we are going to have to keep this session confidential, we cannot take any action. The executive session occurred and recording was paused at time of 7:59 and recording was restarted at time of 8:15.

Motion: Close the executive session of Item E.9. Moved by Mayor Wallace. Seconded by Councilmember Hirshberg. Motion passed 7-0.

Public session re-opened by Mayor Wallace.

Motion: Direct staff to take action based on what was discussed in the executive session. Moved by Mayor Wallace. Seconded by Mayor Pro-Tem Johnson. Motion passed 7-0.

Mayor Wallace: We are going to take a 10 minute break.

E.10 Discussion and/or Action [Manager Williams]: Approval of Huachuca City Fiscal Year 2019-20 Tentative Budget. All Town revenues and expenses may be discussed and acted upon.

Mayor Wallace: Let's call this meeting back to order.

Motion: Discussion and/or Action for approval of Huachuca City fiscal year 2019-20 tentative budget. Moved by Mayor Wallace. Seconded by Councilmember Hirshberg.

Mayor Wallace: Mr. Williams so we did have a workshop on this budget, we did have some changes, please highlight any changes from that conversation. Manager Williams: Mayor and Council It is mostly the same, there are a few small changes and the changes you will see, the one that is the big one is the 3rd page in, it is the savings about sheet, this is something you guys requested, it show the savings accounts and the interest earned on those accounts. This is a brand new sheet so if you like it, don't like it, we can set it on fire, let me know what changes you want to make on this. Again it is a page you didn't have before so let me know any concerns you have on that one. We did make the move that the court clerk has discussed percentage wise, the court clerk is now 70 percent general admin, 30 percent under clerk. So you will see the personnel cost under general admin did change because of that as discussed. I did add another grant line item to the expense side and revenue side and that is a USDA equipment facility grant for the police department, so they can get a car. I think the mayor is going to make a small change on the IT budget. The police budget went down a little bit, Chief Thies was able work the academy cost into the police budget without increasing his budget. We do appreciate his budget went down a little bit. Also the shelter budget went down a little bit. There was a change in the library budget on the internet cost as far as the consultant if you remember that item, it didn't change the bottom line a lot, it just moved it from one line to the other. Sir what are you pondering on? Mayor Wallace: I was wondering on the IT budget **not able to understand the rest of the statement **. Manager Williams: And again this is just the tentative budget, we can certainly make changes to intend in final, that is why we do a tentative. Councilmember Welsh: if there is change needing to be made, how soon do you need to know? Manager Williams: On that question, I would love to know before May 15th, and the reason I say that is because the final budget will be adopted on June 13th. That way it gives us a little less than a month to give you the final budget books like you had. If May 15th is too soon we can do May

20th, that will be fine. We just need enough time to make any changes and enough time for you to get them to me. Does May 20th work for you? Mayor Wallace: So May 15th is next Wednesday and that is too soon, May 20th is a Monday so... Manager Williams: Give me a date sir. Mayor Wallace: the 24th? Councilmember Welsh: Whenever the Friday is so they can start on it the following Monday. Mayor Williams: Let's do the 24th because we have a work session with the council in the 23rd and it's possible that work session might effect changes. So have everything back on the 24th by 5pm. Manager Williams: Everything back on the 24th by 5pm for final changes, works for me. Councilmember Welsh: We should do it by noon, so he has time to address it before he leaves on Friday, I am used to deadlines being at noon in business. It's up to him. Mayor Wallace: You okay with noon? Manager Williams: That is okay. Unknown party: that Monday is Memorial day too. Mayor Wallace: If have any more questions, comments, changes, anything else, obviously please don't wait until the 24th to do it. Councilmember Welsh: I believe even though we are discussing it here it would be appropriate to send out a reminder, an email, and state that that's the date. Manager Williams: Yes sir. Councilmember Welsh: and you might also want to send it out again on the Monday before it is due. Mayor Wallace: that will be Monday the 20th. Councilmember Welsh: Ok, you should send it out on Monday the 20th to remind people you need it by Friday the 24th by noon. If you don't get one you don't get one but somebody like me can't say I forgot. Manager Williams: I will schedule an email to be sent out on the 20th sir. Additionally, these are hard copies and if there is a specific budget item you would like to see a copy of let me know and I will be happy to send individual sheets on out to you. There may be one that interests you so again let me know. And we will again have the nice budget books for the June 13th file post. Another thing they will be numbered, I know that was a big request that they be numbered. There is the Stonegarden sheet now, I will tell you what page it is now because I don't have one, and it has revenues and expenses all on one page, it makes it easier for us having it all on one page. HERF we did the same way, revenues and expenses on the same page. You will see on a few small things I made for ease of reading, for example on the budgets in the past it said road user fund, now it says HERF road user fund, because some people don't know what road user fund means. Like it use to be Magistrate, now it says Magistrate Court just for ease. So that would be your changes, again if there questions, comments, concerns please let me know. As far as the requirements for this, we have to publish the intended budget within 7 days of the approval tonight. So our CPA will prepare that sheet for us and it has be to be published for 2 weeks in the local newspaper, it will be published in plenty of time and you will have the final budget on June 13th and we have to publish it too. Questions, comments, concerns?

E.11 Discussion and/or Action [Manager Williams]: Approval of a uniform training cost reimbursement agreement for new police hires in relation to Police Academy costs.

- F. Town Manager Report
- G. Reports of Current Events by Council
- H. Items to be placed on future agendas
- I. Adjournment

Approved by Mayor Wallace on May 23, 2019

Johann Wallace, Mayor

Attest: _____
Matthew Williams, Interim Town Clerk

Seal:

Certification

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting for the Huachuca City Town Council held on May 09, 2019. I further certify that the meeting was duly called and a quorum was present.

Matthew Williams, Interim Town Clerk

Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid Invoices included.

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
1022550							
UNUM Life Ins. Co. of America	0012/05102019	Employee Life/AD&D Ins./080830	05/10/2019	186.74	.00		
UNUM Life Ins. Co. of America	0013/05102019	Voluntary Life/AD&D/0808295-00	05/10/2019	176.80	.00		
Total 1022550:				342.54	.00		
1042110							
Haymore & Forsberg CPA	2778	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Enviro Assessment, PC	PROPOSAL#2	50% Deposit Phase 1 Environmen	04/19/2019	1,100.00	1,100.00	05/15/2019	
Total 1042110:				1,425.00	1,425.00		
1042220							
Benavidez Law Group, P.C.	93502	Attorney Fees	05/13/2019	2,870.00	.00		
Total 1042220:				2,870.00	.00		
1043220							
Benavidez Law Group, P.C.	93502	Attorney Fees	05/13/2019	80.00	.00		
Total 1043220:				80.00	.00		
1043271							
AT&T	9001/05042019	Phone Service	05/04/2019	639.91	639.91	05/13/2019	
Total 1043271:				639.91	639.91		
1043300							
Safeguard Business Systems	033483910	Deposit Slips	05/10/2019	162.70	162.70	05/09/2019	
Total 1043300:				162.70	162.70		
1043340							
S.S.V.E.C	05072019	Town Hall	05/07/2019	453.85	453.85	05/13/2019	
Total 1043340:				453.85	453.85		
1043360							
AZ Department of Corrections	D08106201905	Inmate Labor	05/15/2019	13.17	.00		
Haymore & Forsberg CPA	2778	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 1043360:				338.17	325.00		
1043640							
League of AZ Cities & Towns	FY2019-2020	Membership Dues	05/15/2019	5,251.00	.00		
Total 1043640:				5,251.00	.00		
1043705							
Copygraphix	24762969	Copy Machine Lease/Town Hall	05/07/2019	561.80	.00		

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 1043705:				581.60	.00		
1045810							
Benavidez Law Group, P.C.	93502	Prosecution Fees	05/13/2019	1,087.00	.00		
Total 1045810:				1,087.00	.00		
1048275							
Verizon Wireless	9829625936	cell phones	05/07/2019	1,586.81	.00		
Total 1048275:				1,586.81	.00		
1051222							
City of Sierra Vista	2737	SEACOM Payment	05/01/2019	17,072.92	.00		
Total 1051222:				17,072.92	.00		
1051230							
Haymore & Forsberg CPA	2776	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 1051230:				325.00	325.00		
1051271							
AT&T	9001/05042019	Phone Service	05/04/2019	95.43	95.43	05/13/2019	
Total 1051271:				95.43	95.43		
1051340							
S.S.V.E.C	05072019	Police Dept	05/07/2019	394.35	394.35	05/13/2019	
Total 1051340:				394.35	394.35		
1051360							
AZ Department of Corrections	D08106201905	Inmate Labor	05/15/2019	13.16	.00		
Total 1051360:				13.16	.00		
1051470							
Gardner's Garage	03P630	Vehicle Maint	05/10/2019	36.00	.00		
Total 1051470:				36.00	.00		
1052140							
Haymore & Forsberg CPA	2776	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 1052140:				325.00	325.00		
1052340							
S.S.V.E.C	05072019	Animal Shelter	05/07/2019	38.58	38.58	05/13/2019	
Total 1052340:				38.58	38.58		
1053340							
S.S.V.E.C	05072019	Fire Station	05/07/2019	736.66	736.66	05/13/2019	

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 1053340:				736.66	736.66		
1054300							
Dale Peet	HC2019-22	Refund Building Permit	04/24/2019	50.00	50.00	05/09/2019	
Haymore & Forsberg CPA	2778	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 1054300:				375.00	375.00		
1057340							
S.S.V.E.C	05072019	street lights	05/07/2019	3,220.69	3,220.69	05/13/2019	
Total 1057340:				3,220.69	3,220.69		
1057360							
AZ Department of Corrections	D08106201905	Inmate Labor	05/15/2019	52.66	.00		
Haymore & Forsberg CPA	2778	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 1057360:				377.66	325.00		
1057480							
D&M Tire & Wheel	38380	Repair PW2 Tire	05/07/2019	338.38	338.38	05/09/2019	
Total 1057480:				338.38	338.38		
1058340							
S.S.V.E.C	05072019	Pool	05/07/2019	488.20	488.20	05/13/2019	
Total 1058340:				488.20	488.20		
1058480							
Leslies Swimming Pool Supplies	00649-01-0151	Tablets, Poles, Valve, Vacuum	05/08/2019	714.12	714.12	05/09/2019	
Leslies Swimming Pool Supplies	00649-01-0151	Rubber Tube, Hose To Repair Pu	05/09/2019	198.94	198.94	05/09/2019	
Leslies Swimming Pool Supplies	00649-01-0151	Rubber Tube, Hose To Repair Pu	05/09/2019	26.98	26.98	05/09/2019	
Leslies Swimming Pool Supplies	00649-01-0151	Hose Adpt Male & Connector	05/09/2019	31.78	31.78	05/09/2019	
Patio Pools & Spas	588794-1	Repair Part 90 Degree 1/2 Elbows	05/16/2019	36.42	.00		
Total 1058480:				1,008.22	971.80		
1062271							
AT&T	3001/05042019	Phone Service	05/04/2019	53.29	53.29	05/13/2019	
Total 1062271:				53.29	53.29		
1062340							
S.S.V.E.C	05072019	Library	05/07/2019	620.95	620.95	05/13/2019	
Total 1062340:				620.95	620.95		
1062360							
Haymore & Forsberg CPA	2778	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 1062360:				325.00	325.00		
1062368							
AZ Department of Corrections	D08106201905	Inmate Labor	05/15/2019	28.33	.00		

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 1062366:				26.33	.00		
1062620							
Safelite Fulfillment Inc	06186-279297	Replace Windshield Library Van	05/16/2019	380.51	.00		
Total 1062620:				380.51	.00		
1068340							
S.S.V.E.C	05072019	Senior Center	05/07/2019	65.23	65.23	05/13/2019	
Total 1068340:				65.23	65.23		
1069802							
K12 Handhelds, Inc.	106254	Fourth Quarterly Payment LSTA G	05/10/2019	5,500.00	.00		
Total 1069802:				5,500.00	.00		
2040200							
Az State Treasurer	5135/04302019	monthly conversions	05/14/2019	6,284.20	.00		
Cochise County Superior Court	04302019	court revenue/\$1 Assessment	04/30/2019	33.07	.00		
General Fund(Trust)	04302019	monthly court conversions	04/30/2019	9,971.70	.00		
Total 2040200:				16,288.97	.00		
5140110							
Cintas Corporation No. 445	4021522250	Uniform and Rentals/Public Works	05/08/2019	94.23	94.23	05/09/2019	
Cintas Corporation No. 445	4022080112	Uniform and Rentals/Public Works	05/15/2019	93.50	.00		
Total 5140110:				187.73	94.23		
5140340							
S.S.V.E.C	05072019	Wells	05/07/2019	4,687.22	4,687.22	05/13/2019	
Total 5140340:				4,687.22	4,687.22		
5140380							
AZ Department of Corrections	D08106201906	Inmate Labor	05/16/2019	52.66	.00		
Haymore & Forsberg CPA	2778	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 5140380:				377.66	325.00		
5140370							
AZ Dept of Revenue	EFT04302019	Sales Tax	04/30/2019	2,597.12	2,597.12	05/07/2019	
Total 5140370:				2,597.12	2,597.12		
5140470							
D&M Tire & Wheel	36428	Repair PW1 Tires	05/10/2019	16.00	.00		
Total 5140470:				16.00	.00		
5240340							
S.S.V.E.C	05072019	Sewer Ponds	05/07/2019	506.36	506.36	05/13/2019	
Total 5240340:				506.36	506.36		

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
5240360							
AZ Department of Corrections	D08106201905	Inmate Labor	05/15/2019	52.86	.00		
Total 5240360:				52.86	.00		
5240460							
Ace Hardware	164257/1	6 Volt Batteries, Weed & Grass Kil	05/07/2019	55.03	55.03	05/09/2019	
Ace Hardware	164395/1	PVCs, Nozzle	05/13/2019	32.22	.00		
Ace Hardware	164461/1	Liquid Nail, Channel Locks	05/15/2019	62.04	.00		
D&M Tire & Wheel	36486	PW-3 Tire Repair	05/14/2019	336.36	.00		
Total 5240460:				485.67	55.03		
5240650							
Haymore & Forsberg CPA	2776	Accounting Services	05/08/2019	325.00	325.00	05/09/2019	
Total 5240650:				325.00	325.00		
5440360							
Waste Management of AZ	0025321-1671-	Trash Service	05/01/2019	10,262.96	10,262.96	05/09/2019	
Total 5440360:				10,262.96	10,262.96		
5440450							
Phillip Sloss	10033/22&42/0	Refund From Garbage Account	05/10/2019	1,040.50	1,040.50	05/10/2019	
Total 5440450:				1,040.50	1,040.50		
5540110							
Cintas Corporation No. 445	4021522250	Uniform and Rentals/Landfill	05/08/2019	89.49	89.49	05/09/2019	
Cintas Corporation No. 445	4022080112	Uniform and Rentals/Landfill	05/15/2019	71.81	.00		
Total 5540110:				161.30	89.49		
5540340							
AT&T	9001/05042019	Phone Service	05/04/2019	99.22	99.22	05/13/2019	
S.S.V.E.C	05072019	Landfill Scales	05/07/2019	1,257.06	1,257.06	05/13/2019	
Total 5540340:				1,356.28	1,356.28		
5540360							
AZ Department of Corrections	D08106201905	Inmate Labor	05/15/2019	105.36	.00		
McCoy's Septic Pumping Service	4131	Clean Landfill Septic Tank	05/08/2019	190.00	.00		
Total 5540360:				295.36	.00		
5540460							
Gagnons Sand and Gravel	2019	3/4" Gravel	05/02/2019	1,051.42	1,051.42	05/09/2019	
Merle's Automotive Supply	16-284852	Oil, Brake Clean Case, Carburetor	05/07/2019	78.95	78.95	05/09/2019	
Merle's Automotive Supply	16-285738	Brake & Starting Fluid, Shut Off V	05/13/2019	72.23	.00		
Merle's Automotive Supply	16-286106	Seafoam-Portable Generators	05/15/2019	15.75	.00		
Phoenix Welding Supply Co.	SV103344	Nitrogen Bottles	05/07/2019	291.40	291.40	05/09/2019	
Total 5540460:				1,508.75	1,421.77		
5540475							
Senergy Petroleum LLC	537110	Red Dyed Diesel #2	05/08/2019	1,027.32	.00		

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 5540475:				1,027.32	.00		
5540515							
Hugh A. Walker Enterprises, In	04-2019-01	Remove & Place Pumps Task 1 C	04/25/2019	31,480.20	.00		
Total 5540515:				31,480.20	.00		
5540610							
Senergy Petroleum LLC	537508	Victory Blue Def, Powerdrive Fluid	05/10/2019	1,237.44	.00		
Total 5540610:				1,237.44	.00		
5540650							
Haymore & Forsberg CPA	2778	Accounting Services	05/09/2019	325.00	325.00	05/09/2019	
Total 5540650:				325.00	325.00		
5540705							
Caterpillar Financial Services	19874868	Payment For 816K Compactor	05/07/2019	3,313.82	.00		
Caterpillar Financial Services	19874868	Payment For D6T Tractor	06/07/2019	3,450.87	.00		
Total 5540705:				6,764.69	.00		
5540855							
Terracon Consultants, Inc	TC00748	1st Qtr Monitoring	05/09/2019	1,039.38	.00		
Total 5540855:				1,039.38	.00		
Grand Totals:				130,379.73	34,811.00		

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

City Treasurer: _____

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
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Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

TOWN OF HUACHUCA CITY
CASH ACCOUNTS
30-Apr-19

83% OF THE FISCAL YEAR HAS ELAPSED
CASH ACCOUNTS

	30-Apr-19	31-Mar-19	28-Feb-19	31-Jan-19	31-Dec-18	30-Nov-18
General Fund						
01-11110	WELLS - COMB CHK #3746 - GENERAL FUND					
01-11112	XPRESS DEPOSIT ACCOUNT	\$ (36,173.69)	\$ (168,059.67)	\$ (65,487.60)	\$ (54,294.84)	\$ (38,764.12)
01-11117	WF - INVESTMENT #5456 - OPERATING ACCOUNT	\$ 3,657.71	\$ 7,270.65	\$ 6,341.86	\$ 5,431.46	\$ 5,729.00
01-11510	WF - INVESTMENT #7195 - BROKERAGE ACCOUNT	\$ 249,361.83	\$ 411,375.87	\$ 337,543.49	\$ 273,764.85	\$ 393,370.76
01-11515	US BANK SAVINGS (Includes Un-earned Income)	\$ 67,142.40	\$ 67,142.40	\$ 65,246.00	\$ 65,246.40	\$ 65,246.40
01-11520	WF - SAVINGS #5865 - BUSINESS MARKET ACCT	\$ 828,335.61	\$ 828,335.61	\$ 828,335.61	\$ 820,842.04	\$ 796,543.14
01-11750	UTILITY CASH CLEARING	\$ 23,156.10	\$ 21,858.97	\$ 22,489.88	\$ 21,327.13	\$ 20,668.10
General Fund						
22-11110	WF - FINEMEIEN'S PENSION #4941	\$ 8,533.64	\$ (7,958.59)	\$ (7,958.59)	\$ (9,327.21)	\$ (8,841.70)
Trust Fund						
55-11121	BOK - LANDFILL CLOSURE #29013	\$ 14,020.20	\$ 14,019.85	\$ 14,019.49	\$ 15,215.06	\$ 15,215.06
		\$ 2,419,929.54	\$ 2,419,929.54	\$ 2,419,929.54	\$ 2,419,929.54	\$ 2,419,929.54
TOTAL CASH ACCOUNTS						

TOWN OF HUACHUCA CITY
CASH ACCOUNTS

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TAXES</u>					
10-31-100 AUTO LIEU TAX	7,794.68	74,652.78	98,062.00	23,409.22	76.1
10-31-200 REAL PROPERTY TAXES	1,530.85	72,715.70	83,000.00	10,284.30	87.6
10-31-240 FRANCHISE TAXES	3,904.93	16,868.62	14,166.00	(2,712.62)	119.2
10-31-250 CITY SALES TAXES	20,203.17	166,710.54	195,888.00	28,955.46	85.2
10-31-252 USE TAX PURCHASES	.00	.00	50,000.00	50,000.00	.0
10-31-254 USE TAX INVENTORY	.00	.00	25,000.00	25,000.00	.0
10-31-260 STATE SALES TAXES	13,515.99	141,237.41	172,379.00	31,141.59	81.9
TOTAL TAXES	48,949.62	472,185.05	638,263.00	166,077.95	74.0
<u>LICENSES AND PERMITS</u>					
10-32-100 BUILDING PERMITS	1,656.65	22,379.24	12,000.00	(10,379.24)	166.5
10-32-110 BUSINESS LICENSES	536.00	8,714.00	16,000.00	7,285.00	54.6
10-32-120 P&Z FEES	36.00	906.00	175.00	(731.00)	517.7
TOTAL LICENSES AND PERMITS	2,228.65	31,999.24	28,175.00	(3,824.24)	113.6
<u>INTERGOVERNMENTAL REVENUE</u>					
10-33-100 STATE REVENUE SHARING	17,448.62	174,484.74	217,000.00	42,515.26	80.4
TOTAL INTERGOVERNMENTAL REVENUE	17,448.62	174,484.74	217,000.00	42,515.26	80.4
<u>CHARGES FOR SERVICE</u>					
10-34-100 ZONING FEES	.00	.00	500.00	500.00	.0
10-34-131 POLICE PROTECTION EQUIPMENT	12.84	104.33	250.00	145.67	41.7
10-34-132 POST TRAINING REIMBURSEMENTS	.00	.00	500.00	500.00	.0
10-34-140 AUCTION PROCEEDS	7,018.30	121,034.72	10,000.00	(111,034.72)	1210.4
10-34-150 ANIMAL SHELTER REIMBURSEMENT	.00	.00	250.00	250.00	.0
10-34-180 KENNEL FEES	6.00	10,463.00	16,000.00	5,537.00	65.4
10-34-530 CITY BUS FEES/DONATIONS	.00	.00	5,000.00	5,000.00	.0
10-34-923 BUS TICKET SALES SIERRA VISTA	.00	.00	1,000.00	1,000.00	.0
TOTAL CHARGES FOR SERVICE	7,038.84	131,602.05	33,500.00	(98,102.05)	392.9
<u>FINES</u>					
10-35-100 POLICE FINES	9,657.29	86,363.43	150,000.00	63,636.57	57.6
10-35-110 IMPOUND FEES	.00	1,770.00	5,500.00	3,730.00	32.2
10-35-112 TOWING FEES	.00	1,354.50	3,150.00	1,795.50	43.0
10-35-120 LIBRARY FEES & FINES	314.50	2,884.47	5,000.00	2,115.53	57.7
TOTAL FINES	9,971.79	92,372.40	163,650.00	71,277.60	56.5

TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
MISCELLANEOUS REVENUE					
10-36-100 INTEREST	1,297.48	30,283.39	6,000.00	(24,283.39)	504.7
10-36-200 UNREALIZED GAIN	.00	1,356.23	2,000.00	643.77	67.8
10-36-456 DONATIONS	300.00	300.00	1,400.00	1,100.00	21.4
10-36-500 PARKS & REC REVENUE & FEES	.00	752.25	1,000.00	247.75	75.2
10-36-515 YOUTH SPONSERSHIP REVENUE	.00	.00	100.00	100.00	.0
10-36-900 MISCELLANEOUS	107.00	24,100.19	.00	(24,100.19)	.0
10-36-902 WORKERS' COMP REIMBURSEMENTS	.00	.00	100.00	100.00	.0
10-36-903 DIESEL SALES (FIRE, SCHOOL)	1,720.89	13,511.61	22,000.00	8,488.39	61.4
10-36-904 WILDLAND REVENUE	.00	.00	10,000.00	10,000.00	.0
10-36-907 INSURANCE CLAIMS	.00	.00	100.00	100.00	.0
10-36-910 LANDFILL LAND LEASE	47,600.00	476,000.00	571,193.00	95,193.00	83.3
10-36-915 COUNTY ANIMAL SHELTER REVENUE	.00	32,250.00	50,000.00	17,750.00	64.5
10-36-922 EMPLOYEE INSUR CONTRIBUTION	1,375.56	19,019.50	9,750.00	(9,269.50)	195.1
10-36-950 RICO REVENUE(ASSET FORFEITURE)	.00	.00	8,400.00	8,400.00	.0
10-36-985 ROLL-OFF TRUCK (SURPLUS SALES)	.00	.00	50,000.00	50,000.00	.0
10-36-970 WF SAVINGS TRANSFER IN	.00	.00	158,679.00	158,679.00	.0
10-36-999 DAILY CASH REC OVER/SHORT ACCT	.00	2.50	10.00	7.50	25.0
TOTAL MISCELLANEOUS REVENUE	52,400.93	597,575.67	890,932.00	293,356.33	67.1
TOWN GRANTS					
10-37-185 DONATIONS - ANIMAL SHELTER	.00	448.36	5,000.00	4,551.64	9.0
10-37-186 ANIMAL SHELTER GRANTS	.00	.00	65,000.00	65,000.00	.0
10-37-458 DONATIONS - LIBRARY	133.00	2,018.00	2,000.00	(18.00)	100.9
10-37-457 LIBRARY GRANT	.00	40,584.89	100,000.00	59,415.31	40.6
10-37-458 SENIOR CENTER GRANT	.00	.00	25,000.00	25,000.00	.0
10-37-459 SUMMER SPLASH	.00	1,830.00	5,000.00	3,170.00	36.6
10-37-467 POLICE DONATIONS	.00	.00	10,000.00	10,000.00	.0
10-37-908 GRANTS - POLICE AZDOHS	.00	.00	120,426.00	120,426.00	.0
10-37-908 GRANTS - IT	.00	.00	15,000.00	15,000.00	.0
10-37-909 BUILDING REGULATION GRANT	.00	.00	25,000.00	25,000.00	.0
10-37-911 GRANTS - POLICE AZGOHS	.00	.00	99,000.00	99,000.00	.0
10-37-919 CITY BUS GRANT	.00	.00	75,000.00	75,000.00	.0
10-37-920 GENERAL ADMIN GRANT	.00	.00	75,000.00	75,000.00	.0
10-37-921 POLICE GRANT	.00	.00	100,000.00	100,000.00	.0
10-37-983 E-RATE	.00	.00	175,000.00	175,000.00	.0
10-37-984 CONTINGENCY FUND	.00	.00	200,000.00	200,000.00	.0
TOTAL TOWN GRANTS	133.00	44,861.05	1,098,426.00	1,051,544.95	4.1
TOTAL FUND REVENUE	136,171.45	1,545,100.20	3,087,946.00	1,522,845.80	50.4

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COUNCIL</u>					
10-42-100 PERSONNEL SERVICES	900.00	9,030.00	11,340.00	2,310.00	79.8
10-42-110 PROFESSIONAL SERVICES	1,812.80	12,388.12	6,021.00	(6,365.12)	205.7
10-42-130 EMPLOYEE BENEFITS	74.09	743.35	930.00	186.65	79.9
10-42-220 ATTORNEY FEES	6,002.60	17,185.46	55,772.00	38,586.54	30.8
10-42-250 ADVERTISING	.00	1,397.15	100.00	(1,297.15)	1397.2
10-42-290 OFFICE SUPPLIES	60.71	223.27	800.00	576.73	27.9
10-42-630 COMMUNITY RELATIONS	26.62	184.54	700.00	515.46	26.4
10-42-640 MEMBERSHIP LEAGUE	.00	416.90	5,720.00	5,303.10	7.3
10-42-660 TRAVEL AND TRAINING	.00	1,302.82	2,000.00	697.38	65.1
TOTAL COUNCIL	8,978.82	42,889.41	83,383.00	40,513.59	51.4
<u>GENERAL ADMINISTRATION</u>					
10-43-100 PERSONNEL SERVICES	5,364.82	56,046.76	70,000.00	13,953.22	80.1
10-43-102 NEW HIRE	.00	.00	150.00	150.00	.0
10-43-106 OVERTIME	.00	.00	100.00	100.00	.0
10-43-122 MISCELLANEOUS	.00	405.61	.00	(405.61)	.0
10-43-130 EMPLOYEE BENEFITS	1,337.75	13,850.40	29,105.00	15,254.60	47.6
10-43-220 ATTORNEY FEES	180.00	4,490.44	10,000.00	5,509.56	44.9
10-43-250 ADVERTISING	.00	3,853.53	7,500.00	3,646.47	51.4
10-43-271 TELEPHONE	628.93	6,564.90	10,500.00	3,935.10	62.5
10-43-280 INSURANCE	30.90	9,996.83	12,100.00	2,103.17	82.6
10-43-290 OFFICE SUPPLIES	.00	3,934.53	3,000.00	(934.53)	131.2
10-43-300 PRINTING	.00	187.81	1,000.00	802.19	19.8
10-43-340 UTILITIES	949.32	5,739.89	19,700.00	13,960.11	29.1
10-43-360 CONTRACT LABOR	388.21	4,435.34	.00	(4,435.34)	.0
10-43-440 POSTAGE	818.86	3,343.98	3,500.00	186.02	95.5
10-43-470 VEHICLE EXPENSE	.00	581.01	500.00	(81.01)	116.2
10-43-475 FUEL EXPENSE	26.94	808.13	600.00	(8.13)	101.4
10-43-480 COMPUTER EXPENSE	905.27	9,795.41	11,400.00	1,604.59	85.9
10-43-500 BUILDING MAINTENANCE	283.43	3,964.89	12,300.00	8,335.11	32.2
10-43-610 EQUIPMENT MAINTENANCE	.00	535.27	200.00	(335.27)	267.6
10-43-640 MEMBERSHIP	400.00	1,794.10	975.00	(819.10)	184.0
10-43-650 AUDIT	.00	12,250.00	14,821.00	2,371.00	83.8
10-43-660 TRAVEL AND TRAINING	82.20	2,578.98	4,850.00	2,271.02	53.2
10-43-690 ELECTION SUPPLIES	.00	2,395.00	8,000.00	5,605.00	29.9
10-43-691 ROLL-OFF TRUCK EXP	.00	.00	50,000.00	50,000.00	.0
10-43-703 CODIFYING/DIGITIZING	473.10	2,834.50	3,500.00	565.50	83.6
10-43-705 CAPITAL LEASE EXPENSE	611.73	5,704.65	5,000.00	(704.65)	114.1
10-43-840 CAPITAL OUTLAY - EQUIPMENT	.00	.00	3,700.00	3,700.00	.0
TOTAL GENERAL ADMINISTRATION	12,502.25	158,001.98	282,301.00	126,299.02	55.3

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>MAGISTRATE</u>					
10-45-100 PERSONNEL SERVICES	3,200.00	35,791.20	43,136.00	7,344.80	83.0
10-45-105 OVERTIME	907.50	1,747.50	100.00	(1,647.50)	1747.5
10-45-120 PROSECUTION FEES	.00	1,298.00	.00	(1,298.00)	.0
10-45-130 EMPLOYEE BENEFITS	1,228.57	12,022.03	17,681.00	5,658.97	67.2
10-45-221 COURT APPT ATTORNEYS	.00	8,580.00	.00	(8,580.00)	.0
10-45-250 CONTRACT LABOR-PRO TEM	.00	450.00	1,500.00	1,050.00	30.0
10-45-290 OFFICE SUPPLIES	143.26	207.01	450.00	242.99	46.0
10-45-380 CONTRACT LABOR-JUDGE	600.00	7,200.00	14,400.00	7,200.00	50.0
10-45-391 CONTRACT LABOR - SECURITY	168.00	1,506.00	2,600.00	1,094.00	57.9
10-45-480 COMPUTER EXPENSE	.00	2,250.00	2,500.00	250.00	90.0
10-45-880 TRAVEL/TRAINING	97.70	485.84	500.00	14.16	97.2
10-45-810 JAIL FEES	671.00	11,615.63	6,000.00	(5,615.63)	193.6
TOTAL MAGISTRATE	7,016.03	83,133.21	89,067.00	5,933.79	83.3
<u>IT</u>					
10-48-101 CONTRACT LABOR	.00	2,871.50	41,000.00	38,128.50	7.0
10-48-130 EMPLOYEE BENEFITS	.00	45.00	.00	(45.00)	.0
10-48-210 SUBSCRIPTIONS	.00	1,455.50	8,890.00	7,434.50	16.4
10-48-275 CELL PHONE	1,693.88	16,881.10	.00	(16,881.10)	.0
10-48-804 SOFTWARE LICENSING	.00	.00	2,500.00	2,500.00	.0
10-48-840 CAPITAL OUTLAY	683.75	7,458.59	8,250.00	790.41	90.4
TOTAL IT	2,377.63	28,712.69	60,640.00	31,927.31	47.4

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
POLICE					
10-51-100 PERSONNEL SERVICES	21,550.00	264,094.76	313,680.00	49,585.24	84.2
10-51-102 NEW HIRE	.00	2.10	.00	(2.10)	.0
10-51-105 OVERTIME	467.63	16,933.18	10,000.00	(5,933.18)	169.3
10-51-110 UNIFORM EXPENSE	250.00	2,500.00	3,600.00	1,100.00	69.4
10-51-130 EMPLOYEE BENEFITS	15,355.50	126,264.04	234,774.00	108,509.96	53.6
10-51-135 PUBLIC SAFETY RETIREMENT	(4,347.30)	.00	.00	.00	.0
10-51-221 PSRS BOARD ATTORNEY	.00	.00	100.00	100.00	.0
10-51-222 CCSO CONTRACT	10,524.36	27,567.30	50,000.00	22,432.70	55.2
10-51-230 PROFESSIONAL SERVICES	367.04	6,478.77	6,021.00	(457.77)	107.6
10-51-271 TELEPHONE	510.67	4,469.51	5,200.00	710.49	96.3
10-51-290 OFFICE SUPPLIES	.00	667.57	1,000.00	102.43	99.6
10-51-295 PRINTING EXPENSE	.00	43.03	1,500.00	1,456.97	2.9
10-51-340 UTILITIES	664.63	4,965.01	.00	(4,965.01)	.0
10-51-360 CONTRACT LABOR	56.22	2,670.53	.00	(2,670.53)	.0
10-51-365 SHREDDING SERVICES	96.84	941.50	900.00	(41.50)	104.6
10-51-460 MAINTENANCE AND SUPPLIES	90.92	16,412.17	3,500.00	(12,912.17)	466.9
10-51-466 WEAPONS AND AMMUNITION	.00	155.45	2,000.00	1,844.55	7.6
10-51-470 VEHICLE EXPENSE	.00	4,607.95	6,000.00	3,392.05	57.6
10-51-475 POLICE FUEL EXPENSE	1,063.40	9,447.90	12,000.00	2,552.20	78.7
10-51-480 COMPUTER EXPENSE	130.23	1,314.32	1,200.00	(114.32)	109.5
10-51-500 BUILDING MAINTENANCE	.00	1,928.06	.00	(1,928.06)	.0
10-51-505 POLICE VEHICLE IMPOUND FEE	.00	2,146.50	4,250.00	2,103.50	50.6
10-51-510 IMPOUND ADMIN	.00	(2,066.00)	.00	2,066.00	.0
10-51-620 EQUIP REPAIR AND MAINTENANCE	.00	3,402.42	8,500.00	5,097.58	40.0
10-51-640 MEMBERSHIP	.00	.00	400.00	400.00	.0
10-51-660 TRAVEL AND TRAINING	369.66	530.69	1,000.00	469.31	53.1
10-51-665 COMMUNITY RELATIONS	.00	.00	750.00	750.00	.0
10-51-705 CAPITAL LEASE	272.29	2,404.30	2,300.00	(104.30)	104.6
10-51-840 POLICE CAPITAL OUTLAY	.00	2,930.66	6,250.00	3,319.16	46.9
10-51-845 OFFICE FURNITURE	.00	.00	100.00	100.00	.0
10-51-856 BODY WORN CAMERA PROGRAM	.00	.00	3,366.00	3,366.00	.0
10-51-857 ASSET FORFEITURE EXPENSES	.00	.00	8,500.00	8,500.00	.0
TOTAL POLICE	47,467.14	500,274.63	666,691.00	166,616.17	72.6

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
ANIMAL SHELTER					
10-52-100 PERSONNEL SERVICES	1,008.50	25,279.28	45,780.00	20,480.74	55.2
10-52-102 NEW HIRE	.00	250.00	.00	(250.00)	.0
10-52-110 ANIMAL SHELTER UNIFORMS	.00	.00	200.00	200.00	.0
10-52-130 EMPLOYEE BENEFITS	142.11	3,602.27	5,480.00	1,857.73	66.0
10-52-140 PROFESSIONAL SERVICES	325.00	9,722.51	6,021.00	(3,701.51)	161.5
10-52-280 OFFICE SUPPLIES	.00	805.05	200.00	(805.05)	402.5
10-52-340 UTILITIES	38.58	4,171.40	.00	(4,171.40)	.0
10-52-360 CONTRACT LABOR	.00	3,965.66	.00	(3,965.66)	.0
10-52-450 EQUIPMENT AND SUPPLIES	.00	51.99	2,000.00	1,948.01	2.6
10-52-460 MAINTENANCE AND SUPPLIES	.00	3,995.23	3,850.00	(145.23)	103.8
10-52-461 ANIMAL FOOD	.00	759.29	2,050.00	1,290.71	37.0
10-52-462 PEST CONTROL	.00	358.00	550.00	182.00	66.9
10-52-463 MEDICE/VACCINE	.00	1,160.82	3,000.00	1,839.38	38.7
10-52-465 HEALTH AND SAFETY	.00	.00	300.00	300.00	.0
10-52-470 VEHICLE EXPENSE	.00	2,062.17	1,000.00	(1,062.17)	206.2
10-52-471 VEHICLE LEASE	.00	29,501.51	10,800.00	(18,701.51)	273.2
10-52-475 FUEL EXPENSE	38.33	816.90	.00	(816.90)	.0
10-52-480 COMPUTER EXPENSE	549.99	1,361.99	1,000.00	(361.99)	136.2
10-52-500 BUILDING MAINTENANCE	.00	234.05	.00	(234.05)	.0
10-52-660 TRAVEL & TRAINING	88.00	100.00	1,500.00	1,400.00	6.7
10-52-665 COMMUNITY RELATIONS	.00	.00	400.00	400.00	.0
10-52-800 MISC	.00	315.00	.00	(315.00)	.0
TOTAL ANIMAL SHELTER	2,188.21	88,524.10	84,091.00	(4,433.10)	105.3
FIRE					
10-53-100 PERSONNEL SERVICES	102,500.00	410,012.41	317,800.00	(92,212.41)	129.0
10-53-101 VOLUNTEER FIREFIGHTERS	.00	.00	7,000.00	7,000.00	.0
10-53-110 UNIFORM EXPENSE	.00	.00	3,200.00	3,200.00	.0
10-53-130 EMPLOYEE BENEFITS	.00	2.55	5,000.00	4,997.45	.1
10-53-280 OFFICE SUPPLIES	.00	.00	5,000.00	5,000.00	.0
10-53-340 UTILITIES	694.81	12,039.35	.00	(12,039.35)	.0
10-53-366 JANITORIAL SERVICES	.00	.00	1,200.00	1,200.00	.0
10-53-450 EQUIPMENT/TRUCK MAINTENANCE	.00	1,349.62	5,000.00	3,650.38	27.0
10-53-460 MAINTENANCE AND SUPPLIES	.00	1,685.12	15,000.00	13,314.88	11.2
10-53-462 PEST CONTROL	.00	.00	10,000.00	10,000.00	.0
10-53-470 VEHICLE EXPENSE	.00	48,600.37	54,000.00	5,399.63	90.0
10-53-475 FIRE FUEL EXPENSE	.00	2,498.06	9,000.00	6,501.94	27.8
10-53-480 COMPUTER EXPENSE	8.61	356.54	1,800.00	1,443.46	19.8
10-53-660 TRAVEL AND TRAINING	.00	.00	3,500.00	3,500.00	.0
10-53-665 COMMUNITY RELATIONS	.00	.00	1,000.00	1,000.00	.0
10-53-670 FIRE SAFETY EQUIP	.00	.00	7,000.00	7,000.00	.0
10-53-700 WILDLAND EXPENSES	.00	.00	2,500.00	2,500.00	.0
10-53-702 MEDICAL SUPPLIES	.00	.00	6,000.00	6,000.00	.0
10-53-705 CAPITAL LEASE	.00	4,716.58	.00	(4,716.58)	.0
TOTAL FIRE	103,203.22	481,280.60	454,000.00	(27,280.60)	106.0

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>BUILDING REGULATION</u>					
10-54-290 OFFICE SUPPLIES	.00	83.77	.00	(83.77)	.0
10-54-300 PROFESSIONAL SERVICES	325.00	3,884.24	6,021.00	2,136.76	64.5
10-54-380 CONTRACT LABOR	4,150.00	44,643.08	54,000.00	9,356.92	82.7
10-54-760 BLDG REGULATION SUPPLIES	.00	489.89	540.00	70.11	87.0
10-54-801 ABATEMENT	.00	.00	8,600.00	8,600.00	.0
TOTAL BUILDING REGULATION	4,475.00	49,080.98	69,161.00	20,100.02	70.9
<u>PUBLIC WORKS</u>					
10-57-340 UTILITIES	3,192.94	28,485.52	.00	(28,485.52)	.0
10-57-380 CONTRACT LABOR	589.88	5,514.34	.00	(5,514.34)	.0
10-57-460 MAINTENANCE AND SUPPLIES	83.31	3,733.29	250.00	(3,483.29)	1493.3
TOTAL PUBLIC WORKS	3,848.11	35,733.15	250.00	(35,483.15)	14293.
<u>CITY POOL</u>					
10-58-100 PERSONNEL SERVICES	.00	4,360.22	10,386.00	6,034.78	42.0
10-58-130 EMPLOYEE BENEFITS	.00	884.82	1,500.00	615.18	45.7
10-58-270 PHONE	51.78	518.02	600.00	81.98	86.3
10-58-340 UTILITIES	504.28	4,996.78	7,500.00	2,503.22	66.6
10-58-460 MAINTENANCE AND SUPPLIES	118.22	2,109.92	5,000.00	2,890.08	42.2
10-58-660 CERTIFYING	.00	.00	300.00	300.00	.0
TOTAL CITY POOL	674.28	12,668.76	25,295.00	12,625.24	50.1
<u>SUMMER SPLASH</u>					
10-59-100 PERSONNEL SERVICES	.00	3,000.00	3,000.00	.00	100.0
10-59-460 SUPPLIES	.00	212.23	600.00	387.77	36.4
TOTAL SUMMER SPLASH	.00	3,212.23	3,600.00	387.77	89.2
<u>PARKS & RECREATION</u>					
10-60-100 PERSONNEL SERVICES	.00	248.32	.00	(248.32)	.0
10-60-130 EMPLOYEE BENEFITS	.00	51.06	.00	(51.06)	.0
10-60-460 MAINTENANCE AND SUPPLIES	156.67	1,981.23	4,000.00	2,038.77	49.0
10-60-630 COMMUNITY RELATIONS	.00	.00	250.00	250.00	.0
10-60-704 SPECIAL ACTIVITIES	2,500.00	3,213.41	10,000.00	6,786.59	32.1
TOTAL PARKS & RECREATION	2,656.67	5,474.01	14,250.00	8,776.99	38.4

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
LIBRARY AND COMMUNITY SERVICES					
10-62-100 PERSONNEL SERVICES	8,655.50	85,683.52	88,500.00	20,816.48	75.9
10-62-102 NEW HIRE	.00	.00	100.00	100.00	.0
10-62-130 EMPLOYEE BENEFITS	702.98	7,163.02	10,000.00	2,836.98	71.6
10-62-250 ADVERTISING	.00	.00	250.00	250.00	.0
10-62-271 TELEPHONE	175.70	1,713.24	2,000.00	286.76	85.7
10-62-280 OFFICE SUPPLIES	132.83	1,150.45	2,500.00	1,349.55	48.0
10-62-340 UTILITIES	812.45	8,581.28	.00	(8,581.28)	.0
10-62-380 CONTRACT LABOR	325.00	3,824.23	.00	(3,824.23)	.0
10-62-385 INMATE/JANITORIAL SERVICES	122.43	1,022.74	1,285.00	262.26	79.6
10-62-440 POSTAGE	.00	.00	200.00	200.00	.0
10-62-460 MAINTENANCE AND SUPPLIES	110.00	13,052.21	1,500.00	(11,552.21)	870.2
10-62-476 FUEL	18.89	18.89	380.00	341.11	5.3
10-62-480 COMPUTER EXPENSE	17.22	129.88	500.00	370.12	28.0
10-62-481 INTERNET	94.95	2,544.45	2,300.00	(244.45)	110.6
10-62-610 EQUIPMENT MAINTENANCE	.00	74.89	.00	(74.89)	.0
10-62-620 EQUIP REPAIR AND MAINTENANCE	.00	.00	400.00	400.00	.0
10-62-640 MEMBERSHIP	.00	65.00	195.00	130.00	33.3
10-62-680 TRAVEL AND TRAINING	.00	546.18	1,000.00	453.82	54.6
10-62-703 SPECIAL ACTIVITIES	.00	303.43	500.00	196.57	60.7
10-62-705 CAPITAL LEASE	1,156.82	5,435.13	3,900.00	(1,535.13)	139.4
10-62-802 LIBRARY DONATIONS EXP	.00	4,079.92	.00	(4,079.92)	.0
TOTAL LIBRARY AND COMMUNITY SERVICES	10,324.85	115,188.28	113,490.00	(1,898.28)	101.5
CITY BUS					
10-65-100 PERSONNEL SERVICES	.00	11,239.40	28,534.00	17,294.60	39.4
10-65-130 EMPLOYEE BENEFITS	.00	1,550.08	3,876.00	2,425.94	39.0
10-65-140 PROFESSIONAL SERVICES	.00	2,382.50	6,021.00	3,638.50	39.8
10-65-280 INSURANCE	.00	9,811.48	12,050.00	2,438.54	79.8
10-65-470 VEHICLE EXPENSE	.00	1,052.47	4,985.00	3,912.53	21.2
10-65-475 FUEL EXPENSE	.00	2,400.14	8,732.00	4,331.86	35.7
10-65-482 BUS STOP CONSTRUCTION	.00	.00	5,000.00	5,000.00	.0
10-65-483 SIERRA VISTA BUS FARES	.00	.00	1,000.00	1,000.00	.0
TOTAL CITY BUS	.00	28,236.03	68,278.00	40,041.97	41.4

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
SENIOR CENTER					
10-68-100 PERSONNEL SERVICES	.00	5,508.35	9,200.00	3,691.65	59.9
10-68-130 EMPLOYEE BENEFITS	.00	587.94	1,200.00	612.06	49.0
10-68-140 PROFESSIONAL SERVICES	.00	27,507.18	9,021.00	(21,486.18)	456.9
10-68-271 TELEPHONE	53.20	532.22	650.00	117.78	81.9
10-68-280 SUPPLIES	.00	743.00	200.00	(543.00)	371.5
10-68-340 UTILITIES	197.55	4,183.10	5,000.00	816.90	83.7
10-68-341 INTERNET SERVICES	.00	494.72	800.00	305.28	61.8
10-68-482 PEST CONTROL	.00	398.00	550.00	154.00	72.0
10-68-800 AUTHORIZED EXPENDITURES	.00	.00	10,000.00	10,000.00	.0
TOTAL SENIOR CENTER	250.75	39,952.51	33,621.00	(6,331.51)	118.8
TOWN GRANTS					
10-69-480 BUS LINE EXPENDITURES	.00	.00	75,000.00	75,000.00	.0
10-69-801 ANIMAL SHELTER GRANT EXP	.00	.00	70,000.00	70,000.00	.0
10-69-802 LIBRARY DONATIONS EXP	175.00	27,008.42	132,000.00	104,991.58	20.5
10-69-803 IT GRANT EXP	.00	.00	190,000.00	190,000.00	.0
10-69-804 MISC EXP	.00	.00	75,000.00	75,000.00	.0
10-69-805 BUILDING REGULATION EXP	.00	.00	25,000.00	25,000.00	.0
10-69-845 POLICE GRANT EXP	.00	4,984.84	10,000.00	5,035.36	49.7
10-69-846 AZDOHS GRANT EXPENDITURES	.00	.00	99,000.00	99,000.00	.0
10-69-847 AZGOHS GRANT EXPENDITURES	.00	.00	120,428.00	120,428.00	.0
10-69-851 CONTINGENCY FUND EXP	.00	.00	200,000.00	200,000.00	.0
TOTAL TOWN GRANTS	175.00	31,973.06	996,428.00	964,452.94	3.2
NON-DEPARTMENTAL					
10-70-901 INSURANCE CLAIMS	.00	12,995.40	1,202.00	(11,793.40)	1081.2
TOTAL NON-DEPARTMENTAL	.00	12,995.40	1,202.00	(11,793.40)	1081.2
TOTAL FUND EXPENDITURES	208,153.98	1,715,272.21	3,087,948.00	1,362,673.79	55.9
NET REVENUE OVER EXPENDITURES	(69,982.51)	(170,172.01)	.00	170,172.01	.0

TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

POLICE - DHS GRANT - BP OT

		<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>						
12-30-800	DHS GRANT BP O/T	.00	4,984.84	135,000.00	130,035.36	3.7
	TOTAL REVENUE	.00	4,984.84	135,000.00	130,035.36	3.7
	TOTAL FUND REVENUE	.00	4,984.84	135,000.00	130,035.36	3.7

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

POLICE - DHS GRANT - BP OT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
EXPENDITURES					
12-40-130 EMPLOYEE BENEFITS	.00	2,747.64	135,000.00	132,252.36	2.0
12-40-131 DUI TASK FORCE OVER TIME	.00	777.00	.00	(777.00)	.0
12-40-135 PUBLIC SAFETY RETIREMENT	.00	1,619.39	.00	(1,619.39)	.0
12-40-840 AUTHORIZED EXPENDITURES	.00	8,519.27	.00	(8,519.27)	.0
TOTAL EXPENDITURES	.00	13,663.30	135,000.00	121,336.70	10.1
TOTAL FUND EXPENDITURES	.00	13,663.30	135,000.00	121,336.70	10.1
NET REVENUE OVER EXPENDITURES	.00	(8,668.68)	.00	8,668.68	.0

TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

FIRE TRUCK FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
REVENUE					
14-30-801 TRIBAL CASINO GRANT FUND	.00	.00	300,000.00	300,000.00	.0
14-30-802 FIRE ACT GRANT	.00	.00	450,000.00	450,000.00	.0
TOTAL REVENUE	.00	.00	750,000.00	750,000.00	.0
TOTAL FUND REVENUE	.00	.00	750,000.00	750,000.00	.0

**TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

FIRE TRUCK FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>EXPENDITURES</u>					
14-40-840 CAPITAL OUTLAY	<u>.00</u>	<u>.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>.0</u>
TOTAL EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>.0</u>
TOTAL FUND EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>.0</u>
NET REVENUE OVER EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

		TRUST FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>						
20-30-200	FINES AND BAILS	18,191.40	148,429.94	288,000.00	119,570.06	55.4
20-30-300	BONDS	.00	.00	250.00	250.00	.0
20-30-400	RESTITUTION	.00	.00	100.00	100.00	.0
20-30-500	JCEF	.00	.00	100.00	100.00	.0
TOTAL REVENUE		18,191.40	148,429.94	288,450.00	120,020.06	55.3
TOTAL FUND REVENUE		18,191.40	148,429.94	288,450.00	120,020.06	55.3

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

		TRUST FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
EXPENDITURES						
20-40-200	FINES AND BAILS	18,354.93	148,607.22	268,204.00	119,596.78	55.4
20-40-400	RESTITUTION	.00	73.00	46.00	(27.00)	158.7
20-40-401	BOND	.00	443.00	100.00	(343.00)	443.0
20-40-500	JCEF	.00	.00	100.00	100.00	.0
TOTAL EXPENDITURES		18,354.93	149,123.22	268,450.00	119,326.78	55.6
TOTAL FUND EXPENDITURES		18,354.93	149,123.22	268,450.00	119,326.78	55.6
NET REVENUE OVER EXPENDITURES		(163.53)	(693.28)	.00	693.28	.0

TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

INVESTMENT TRUST FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
22-30-100 INTEREST REVENUE	.00	.32	.00	(.32)	.0
TOTAL REVENUE	.00	.32	.00	(.32)	.0
TOTAL FUND REVENUE	.00	.32	.00	(.32)	.0

**TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

INVESTMENT TRUST FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>EXPENDITURES</u>					
22-40-800 MISCELLANEOUS EXPENSE	<u>.00</u>	<u>1,195.89</u>	<u>.00</u>	<u>(1,195.89)</u>	<u>.0</u>
TOTAL EXPENDITURES	<u>.00</u>	<u>1,195.89</u>	<u>.00</u>	<u>(1,195.89)</u>	<u>.0</u>
TOTAL FUND EXPENDITURES	<u>.00</u>	<u>1,195.89</u>	<u>.00</u>	<u>(1,195.89)</u>	<u>.0</u>
NET REVENUE OVER EXPENDITURES	<u>.00</u>	<u>(1,195.57)</u>	<u>.00</u>	<u>1,195.57</u>	<u>.0</u>

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

ROAD USER FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
23-30-300 GAS TAX REVENUES - HURF	12,488.80	125,009.04	147,852.00	22,842.96	84.7
23-30-800 MISCELLANEOUS REVENUE	.00	.00	100.00	100.00	.0
TOTAL REVENUE	12,488.80	125,009.04	147,752.00	22,742.96	84.6
TOTAL FUND REVENUE	12,488.80	125,009.04	147,752.00	22,742.96	84.6

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

ROAD USER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
ROAD USERS ADMIN					
23-40-100 PERSONNEL SERVICES	.00	.00	45,888.00	45,888.00	.0
23-40-105 OVERTIME	.00	.00	1,000.00	1,000.00	.0
23-40-120 PROFESSIONAL SERVICES	.00	.00	8,021.00	8,021.00	.0
23-40-130 EMPLOYEE BENEFITS	.00	(14.18)	24,558.00	24,572.18	(.1)
23-40-460 MAINTENANCE AND SUPPLIES	.00	1,613.98	8,000.00	4,386.02	28.9
23-40-470 VEHICLE EXPENSE	.00	.00	2,500.00	2,500.00	.0
23-40-475 FUEL	.00	.00	1,080.00	1,080.00	.0
23-40-490 ROAD REPAIR	.00	3,981.00	30,000.00	26,019.00	13.3
23-40-610 EQUIPMENT REPAIR	.00	.00	5,000.00	5,000.00	.0
23-40-831 CAPITAL OUTLAY	.00	.00	25,725.00	25,725.00	.0
TOTAL ROAD USERS ADMIN	.00	5,580.82	147,762.00	142,171.18	3.8
TOTAL FUND EXPENDITURES	.00	5,580.82	147,762.00	142,171.18	3.8
NET REVENUE OVER EXPENDITURES	12,468.60	119,428.22	.00	(119,428.22)	.0

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

GRANT OPPORTUNITY

		<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
	<u>GRANT REVENUE</u>					
29-30-800	GRANT REVENUE CDBG	.00	3,400.00	.00	(3,400.00)	.0
29-30-801	MISCELLANEOUS GRANTS	.00	.00	100,000.00	100,000.00	.0
	TOTAL GRANT REVENUE	<u>.00</u>	<u>3,400.00</u>	<u>100,000.00</u>	<u>96,600.00</u>	<u>3.4</u>
	TOTAL FUND REVENUE	<u>.00</u>	<u>3,400.00</u>	<u>100,000.00</u>	<u>96,600.00</u>	<u>3.4</u>

**TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

GRANT OPPORTUNITY

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>GRANT EXPENDITURES</u>					
29-40-840 AUTHORIZED EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>100,000.00</u>	<u>100,000.00</u>	<u>.0</u>
TOTAL GRANT EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>100,000.00</u>	<u>100,000.00</u>	<u>.0</u>
TOTAL FUND EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>100,000.00</u>	<u>100,000.00</u>	<u>.0</u>
NET REVENUE OVER EXPENDITURES	<u>.00</u>	<u>3,400.00</u>	<u>.00</u>	<u>(3,400.00)</u>	<u>.0</u>

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

WATER FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
REVENUE					
51-30-200 WATER SALES	32,825.26	154,484.27	158,910.00	2,445.73	98.4
51-30-202 RC: RECONNECT FEE	40.00	415.00	500.00	85.00	83.0
51-30-300 CONNECTION FEES	180.00	580.00	500.00	(80.00)	116.0
51-30-400 PENALTIES & FORFEITURES	532.82	6,330.83	12,000.00	5,889.17	52.8
51-30-900 MISCELLANEOUS	.00	.00	800.00	800.00	.0
51-30-950 WF SAVINGS TRANSFERS IN	.00	.00	47,334.00	47,334.00	.0
TOTAL REVENUE	33,577.77	161,790.10	217,844.00	56,053.90	74.3
TOTAL FUND REVENUE	33,577.77	161,790.10	217,844.00	56,053.90	74.3

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

WATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
WATER EXPENDITURES					
51-40-100 PERSONNEL SERVICES	12,336.27	100,861.22	70,835.00	(30,016.22)	142.6
51-40-105 OVERTIME	349.20	2,224.83	1,000.00	(1,224.83)	222.6
51-40-110 UNIFORM EXPENSE	374.66	3,900.30	4,500.00	599.70	86.7
51-40-130 EMPLOYEE BENEFITS	4,121.28	36,881.06	24,558.00	(11,123.06)	146.3
51-40-280 INSURANCE	.00	9,611.46	11,000.00	1,388.54	87.4
51-40-290 OFFICE SUPPLIES	519.42	529.92	.00	(529.92)	.0
51-40-340 UTILITIES	3,998.01	35,793.36	31,000.00	(4,793.36)	116.6
51-40-360 CONTRACT LABOR	1,061.85	9,709.71	6,000.00	(4,709.71)	194.2
51-40-370 SALES TAX	975.62	9,291.57	13,200.00	3,908.43	70.4
51-40-440 POSTAGE	758.75	3,007.64	1,000.00	(2,007.64)	300.8
51-40-460 MAINTENANCE & SUPPLIES	1,398.12	26,851.69	14,000.00	(12,851.69)	190.4
51-40-470 VEHICLE EXPENSE	287.70	3,544.62	2,500.00	(1,044.62)	141.8
51-40-475 FUEL EXPENSE	1,545.41	13,958.20	4,320.00	(9,638.20)	323.1
51-40-480 COMPUTER EXPENSE	8.61	86.10	610.00	523.90	14.1
51-40-510 WATER TESTS	260.00	9,258.06	7,500.00	(1,758.06)	123.4
51-40-610 EQUIPMENT MAINTENANCE	1,130.46	6,485.73	20,000.00	13,514.27	32.4
51-40-660 AUDIT	.00	3,062.60	6,021.00	2,958.50	50.9
51-40-680 TRAVEL	.00	.00	700.00	700.00	.0
51-40-900 BAD DEBT EXPENSE	.00	.00	300.00	300.00	.0
TOTAL WATER EXPENDITURES	29,121.24	273,447.76	217,844.00	(55,603.76)	125.6
TOTAL FUND EXPENDITURES	29,121.24	273,447.76	217,844.00	(55,603.76)	125.6
NET REVENUE OVER EXPENDITURES	4,466.53	(111,657.65)	.00	111,657.65	.0

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

SEWER FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
52-30-200 SEWER SERVICES	22,115.32	110,110.16	113,658.00	3,547.84	98.9
52-30-300 CONNECTION FEES	.00	.00	500.00	500.00	.0
52-30-950 WF SAVINGS TRANSFERS IN	.00	.00	45,281.00	45,281.00	.0
TOTAL REVENUE	22,115.32	110,110.16	159,439.00	49,328.84	69.1
TOTAL FUND REVENUE	22,115.32	110,110.16	159,439.00	49,328.84	69.1

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

SEWER FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
SEWER EXPENDITURES					
52-40-100 PERSONNEL SERVICES	8,902.98	89,576.17	70,836.00	1,058.83	88.5
52-40-105 OVERTIME	348.20	1,766.11	1,000.00	(766.11)	178.5
52-40-130 EMPLOYEE BENEFITS	2,788.86	23,684.85	41,863.00	17,678.16	58.9
52-40-340 UTILITIES	903.12	6,360.40	.00	(6,360.40)	.0
52-40-380 CONTRACT LABOR	636.85	16,816.40	3,800.00	(13,216.40)	467.1
52-40-480 MAINTENANCE AND SUPPLIES	28.94	9,925.00	10,000.00	75.00	99.3
52-40-470 VEHICLE EXPENSE	.00	1,980.21	2,500.00	539.79	78.4
52-40-475 FUEL	1,316.48	7,885.22	4,320.00	(3,365.22)	177.9
52-40-480 COMPUTER EXPENSE	.00	57.80	600.00	442.40	11.5
52-40-518 ADEQ FEES	.00	.00	3,000.00	3,000.00	.0
52-40-610 EQUIPMENT MAINTENANCE	.00	4,557.23	5,000.00	442.77	91.1
52-40-830 SEWER CHEMICALS	.00	532.50	.00	(532.50)	.0
52-40-860 PROFESSIONAL SERVICES	325.00	17,494.85	7,021.00	(10,473.85)	248.2
52-40-702 SEWAGE POND COMPLIANCE	.00	3,150.00	10,000.00	6,850.00	31.5
52-40-900 BAD DEBT EXPENSE	.00	.00	200.00	200.00	.0
TOTAL SEWER EXPENDITURES	15,251.23	163,584.34	159,439.00	(4,125.34)	102.8
TOTAL FUND EXPENDITURES	15,251.23	163,584.34	159,439.00	(4,125.34)	102.8
NET REVENUE OVER EXPENDITURES	6,864.09	(53,454.18)	.00	53,454.18	.0

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

GARBAGE FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
64-30-200 SALES RECEIPTS	11,427.25	114,247.86	126,748.00	12,500.14	90.1
64-30-950 WF SAVINGS TRANSFERS IN	.00	.00	44,515.00	44,515.00	.0
TOTAL REVENUE	11,427.25	114,247.86	171,263.00	57,015.14	66.7
 TOTAL FUND REVENUE	 11,427.25	 114,247.86	 171,263.00	 57,015.14	 66.7

TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

GARBAGE FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
GARBAGE EXPENDITURES					
54-40-100 PERSONNEL SERVICES	.00	21,355.99	40,158.00	18,800.01	53.2
54-40-105 OVERTIME	.00	.00	250.00	250.00	.0
54-40-130 EMPLOYEE BENEFITS	.00	8,738.87	12,438.00	3,697.33	70.3
54-40-280 INSURANCE	.00	7,981.92	10,000.00	2,038.08	79.6
54-40-380 CONTRACT LABOR	10,188.48	45,589.44	.00	(45,589.44)	.0
54-40-450 EQUIPMENT/SUPPLIES	.00	4,880.27	15,000.00	10,139.73	32.4
54-40-460 SUPPLIES	.00	95.78	1,000.00	904.22	9.6
54-40-470 VEHICLE EXPENSE	.00	12,162.50	2,500.00	(9,662.50)	488.1
54-40-475 FUEL	.00	3,539.73	1,900.00	(1,639.73)	186.3
54-40-610 EQUIPMENT MAINTENANCE	.00	1,576.70	.00	(1,576.70)	.0
54-40-650 AUDIT	.00	.00	8,021.00	8,021.00	.0
54-40-821 LANDFILL PAYMENT	25.75	32,152.56	42,000.00	9,847.44	76.6
54-40-840 GARBAGE CAPITAL OUTLAY	.00	.00	40,000.00	40,000.00	.0
TOTAL GARBAGE EXPENDITURES	10,214.24	138,023.56	171,283.00	33,239.44	80.6
TOTAL FUND EXPENDITURES	10,214.24	138,023.56	171,283.00	33,239.44	80.6
NET REVENUE OVER EXPENDITURES	1,213.01	(23,775.70)	.00	23,775.70	.0

**TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

LANDFILL FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
REVENUE					
55-30-100 INTEREST EARNINGS	.00	.00	250.00	250.00	.0
55-30-200 SALES - LANDFILL	119,950.40	1,029,174.74	1,274,912.00	245,737.26	80.7
55-30-201 LATE PENALTIES	.00	.00	1,000.00	1,000.00	.0
55-30-205 MISC.REVENUE	.00	1,225.00	600.00	(625.00)	204.2
55-30-208 ROLL-OFF TRUCK FUND	.00	.00	50,000.00	50,000.00	.0
55-30-210 TIPPING FEES	11,422.08	111,001.21	130,000.00	18,998.79	85.4
TOTAL REVENUE	131,372.48	1,141,400.95	1,456,762.00	315,361.05	78.4
SOURCE 36					
55-36-400 SALE OF FIXED ASSETS	.00	.00	120,000.00	120,000.00	.0
55-36-405 RECYCLE	.00	3,001.40	2,000.00	(1,001.40)	150.1
TOTAL SOURCE 36	.00	3,001.40	122,000.00	118,998.60	2.5
TOTAL FUND REVENUE	131,372.48	1,144,402.35	1,578,762.00	434,359.65	72.5

**TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

LANDFILL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
LANDFILL EXPENDITURES					
55-40-100 PERSONNEL SERVICES	9,163.31	150,071.07	389,838.00	219,766.93	40.6
55-40-102 NEW HIRE	.00	70.00	.00	(70.00)	.0
55-40-105 OVERTIME	652.50	8,277.35	8,000.00	1,722.85	78.5
55-40-110 UNIFORM EXPENSE	297.80	4,563.47	7,000.00	2,436.53	65.2
55-40-130 EMPLOYEE BENEFITS	4,015.28	59,280.49	147,105.00	77,844.51	47.1
55-40-250 ADVERTISING	.00	470.74	250.00	(220.74)	188.3
55-40-285 BANK COSTS/FEES	4,304.79	30,357.45	15,000.00	(15,357.45)	202.4
55-40-280 INSURANCE	.00	9,611.46	38,000.00	28,388.54	28.7
55-40-290 OFFICE SUPPLIES	.00	621.73	250.00	(371.73)	248.7
55-40-337 PROPERTY LEASE	47,600.00	478,000.00	571,193.00	95,193.00	83.3
55-40-340 UTILITIES	1,547.08	11,597.44	13,000.00	1,402.56	88.2
55-40-350 SAFETY EQUIPMENT	.00	.00	250.00	250.00	.0
55-40-360 CONTRACT LABOR	970.05	21,028.39	28,000.00	6,971.61	75.1
55-40-365 CONTRACT SERVICES ENTEC	.00	478.37	25,000.00	24,521.63	1.9
55-40-460 MAINTENANCE & SUPPLIES	5,561.95	57,396.18	35,000.00	(22,396.18)	164.0
55-40-470 VEHICLE EXPENSE	.00	216.00	500.00	284.00	43.2
55-40-475 FUEL EXPENSE	4,461.19	62,723.83	77,855.00	15,131.17	80.6
55-40-480 COMPUTER EXPENSE	66.08	2,072.80	2,000.00	(72.80)	103.6
55-40-500 BUILDING MAINTENANCE	.00	28,044.73	250.00	(28,794.73)	10417.
55-40-510 LAB FEES	.00	2,316.00	5,000.00	2,684.00	46.3
55-40-515 ENGINEERING SERVICES	.00	3,216.00	5,000.00	1,784.00	64.3
55-40-516 ADEQ FEES	.00	8,488.40	15,000.00	6,511.60	56.6
55-40-610 EQUIPMENT MAINTENANCE	3,281.28	113,625.87	60,000.00	(53,625.87)	189.4
55-40-650 PROFESSIONAL SERVICES	325.00	9,163.02	6,021.00	(3,142.02)	152.2
55-40-660 TRAVEL - TRAVEL/TRAINING	.00	102.13	250.00	147.87	40.9
55-40-705 CAPITAL LEASE	7,102.92	77,221.30	95,000.00	17,778.70	81.3
55-40-840 LANDFILL CAPITAL OUTLAY	48.45	(29,404.04)	3,000.00	32,404.04	(980.1)
55-40-841 ROLL-OFF TRUCK G.F. REIMBURSE	.00	.00	50,000.00	50,000.00	.0
55-40-855 METHANE MONITORING	.00	1,818.49	3,000.00	1,381.51	53.9
TOTAL LANDFILL EXPENDITURES	89,397.48	1,115,204.67	1,576,762.00	463,557.33	70.6
TOTAL FUND EXPENDITURES	89,397.48	1,115,204.67	1,576,762.00	463,557.33	70.6
NET REVENUE OVER EXPENDITURES	41,975.02	29,197.68	.00	(29,197.68)	.0

TOWN OF HUACHUCA CITY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019

CAMP NACO

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
73-30-850 GRANT REVENUES	.00	.00	10,000.00	10,000.00	.0
TOTAL REVENUE	.00	.00	10,000.00	10,000.00	.0
TOTAL FUND REVENUE	.00	.00	10,000.00	10,000.00	.0

**TOWN OF HUACHUCA CITY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING APRIL 30, 2019**

		CAMP NACO				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
EXPENDITURES						
73-40-850	AUTHORIZED EXPENDITURES	<u>.00</u>	<u>822.34</u>	<u>10,000.00</u>	<u>9,177.66</u>	<u>8.2</u>
	TOTAL EXPENDITURES	<u>.00</u>	<u>822.34</u>	<u>10,000.00</u>	<u>9,177.66</u>	<u>8.2</u>
	TOTAL FUND EXPENDITURES	<u>.00</u>	<u>822.34</u>	<u>10,000.00</u>	<u>9,177.66</u>	<u>8.2</u>
	NET REVENUE OVER EXPENDITURES	<u>.00</u>	<u>(822.34)</u>	<u>.00</u>	<u>822.34</u>	<u>.0</u>

**MEMORANDUM OF UNDERSTANDING
BETWEEN
TOWN OF HUACHUCA CITY AND
CHIRICAHUA COMMUNITY HEALTH CENTER, INC.**

WHEREAS, the Town of Huachuca City has an interest in making healthcare available to its citizens, regardless of their ability to pay; and

WHEREAS, Chiricahua Community Health Centers, Inc. ("CCHCI") believes that all people have the right to access excellent healthcare; and

WHEREAS, CCHCI provides health care for all persons, regardless of their ability to pay; and

WHEREAS, CCHCI operates a Mobile Medical Clinic ("MMC") in various geographic areas; and

WHEREAS, the Town of Huachuca City desires to make MMC healthcare services available to its residents; and

WHEREAS, it is in the best interests of the Town of Huachuca City and its residents to have CCHCI operate a MMC in the Town of Huachuca City.

NOW THEREFOR, TOWN OF HUACHUCA CITY and CCHCI agree that:

I. STATEMENT OF PURPOSE

CCHCI will coordinate with the Town of Huachuca City to provide primary preventative medical care for patients of all ages using the MMC.

II. OBLIGATIONS OF PARTIES

- A. In furtherance of the purpose stated above, the Town of Huachuca City hereby agrees to the following:
1. The Town of Huachuca City will provide an intake office for CCHCI's use, which will be located at 500 N. Gonzales Blvd. Huachuca City, AZ 85616; and
 2. The Town of Huachuca City will provide an appropriate electrical outlet for MMC's use and pay the costs for electricity required to operate CCHCI's MMC during its hours of operation at the intake office located at 500 N. Gonzales Blvd. Huachuca City, AZ 85616; and

B. In furtherance of the purpose stated above, CCHCI hereby agrees to the following:

1. **Beginning** CCHCI will provide MMC health services in the Town of Huachuca City, twice each month, from the parking lot of Town Hall; and
2. CCHCI will offer MMC health services within the scope of its MMC guidelines;
3. Insurance coverage or eligibility for other discounted programs (including sliding fee program) will be determined and patients will be billed in the same manner as any other CCHCI patient;
4. All educational and professional licenses of CCHCI staff present at the MMC will be current and in good standing; and
5. All driver's licenses required for the operation of the MMC will be current and in good standing.
6. Prior to performing any services for the public hereunder, CCHCI will provide certificates of insurance to the Town Manager showing general liability, vehicles liability and professional errors and omissions liability coverage, plus workers' compensation coverage, as required by state statute. With the exception of professional errors and omissions and workers' compensation, all insurance policies shall identify and be endorsed to make the Town of Huachuca City and its officials, elected officials, officers, agents, and employees as additional insured parties. The policies required under this MOU shall be placed with companies duly licensed or otherwise approved by the State of Arizona, Department of Insurance. Each insurer shall have a current A. M. Best Company, Inc., rating of not less than A-. Use of alternative insurers or any self-insurance retentions requires prior approval by the Town. All insurance certificates and applicable endorsements are subject to review and approval by the Town. Each insurance policy required by the insurance provisions of this MOU shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the Town, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given.

III. VOLUNTARY TERMINATION

Both parties agree to the following terms and conditions;

This Memorandum of Understanding ("MOU") will remain in effect until December 31, 20____, unless terminated by either of the parties. This MOU is renewable, at the option of the parties, for additional one-year periods of time.

Either party may terminate this MOU by providing notice to the other party in writing declaring their intent to terminate. A voluntary termination shall be submitted with no more than sixty (60) days' notice but no less than fourteen (14) days' notice to the other party.

IV. TERMINATION FOR CAUSE

Either party may terminate this MOU for failure to meet the obligations as set forth for the parties.

V. SEVERABILITY

The provisions of this MOU shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of any other provisions.

VI. MODIFICATION

Any modifications of this MOU must be in writing and signed by both parties.

VII. NOTICE TO PARTIES

All notices, requests, demands and any other communications shall be made in writing.

VIII. GOVERNING LAW AND VENUE

The terms and conditions of this MOU shall be governed by and interpreted in accordance with the laws of the State of Arizona. Venue for any dispute resolution proceedings of any kind shall be in Cochise County, Arizona.

IX. COMPLIANCE WITH NON-DISCRIMINATION LAWS

To the extent applicable, the parties shall comply with all applicable state and federal statutes and regulations governing Equal Employment Opportunity, Non-Discrimination, and Immigration, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, which mandates that all persons, regardless of race, religion, handicap, color, age, sex, political affiliation or national origin shall have equal access to employment opportunities.

X. CANCELLATION

This MOU is subject to cancellation for conflict of interest without penalty or further obligation as provided by A.R.S. § 38-511, the pertinent provisions of which are fully incorporated herein by reference.

XI. INDEMNITY

CCHCI agrees to defend, hold harmless, and indemnify the Town, its elected and appointed officials, officers, employees, and agents against all losses, claims, actions, judgments, and all liability for injury to persons, including wrongful death, damage to property, or both occurring during or in consequence of the performance of this MOU where such injury or damage is related to or claimed to be related to any defect in the services delivered to the public by CCHCI, or to the action, inaction, or negligence, partial or entire, of CCHCI, CCHCI's employees, contractors, or agents. Indemnity hereunder shall not be required if the injury or death is caused by the act, omission, negligence, misconduct, or other fault of the Town, its officers, officials, agents, or employees in the performance of this MOU.

XII. ASSIGNMENT

This MOU is non-assignable in whole or in part by either party without the written consent of the other party.

XIII. THIRD-PARTY BENEFICIARIES

Only the parties may enforce this MOU. The parties do not intend through this MOU to confer enforceable rights on any non-party or create any third-party beneficiaries to this MOU.

XIV. ENTIRE AGREEMENT

This document constitutes the entire agreement between the parties with respect to the subject matter contained herein and shall supersede any and all previous proposals, discussions or agreements either oral or written. The Agreement shall not be modified or amended except by written instrument signed by a duly authorized representative of each party.

XV. EXECUTION OF AGREEMENT

This Agreement may be executed in counterparts and with electronic signatures, which shall have the same effect as though signed in pen and ink.

This Agreement is hereby approved by the respective parties on this ____ day of _____, 2019.

Johann Wallace
Mayor
Town of Huachuca City

Johnathan Melk MD
Chief Executive Officer/Chief Medical Officer
Chiricahua Community Health Centers, Inc.



Town of Huachuca City

The Sunset City

500 N Gonzales Blvd • Huachuca City, Arizona 85616

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RESOLUTION NO. 2019-19

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, AUTHORIZING THE TOWN TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF REVENUE FOR THE ADMINISTRATION OF TRANSACTION PRIVILEGE TAXES.

WHEREAS, pursuant to A.R.S. section 42-6001, *et seq.*, the Arizona Department of Revenue [the "State"] collects and administers the Town's transaction privilege and excise taxes; and

WHEREAS, the State and the Town may contract for services and enter into agreements with one another for joint or cooperative action, pursuant to A.R.S. section 11-952; and

WHEREAS, A.R.S. § 42-6001 *et seq.* was amended effective January 1, 2015, to provide that the State shall collect and administer any transaction privilege and affiliated excise taxes imposed by any city or town in Arizona and that the State and each city or town shall enter into an intergovernmental contract or agreement pursuant to A.R.S. § 11-952 to provide a uniform method of administration, collection, audit and licensing of transaction privilege and affiliated excise taxes imposed by the State, cities or towns; and

WHEREAS, attached hereto as Exhibit A and incorporated herein by this reference, is a an agreement for such purposes; and

WHEREAS, the Mayor and Council have determined that approval of the Agreement is in the best interest of the Town and its residents.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Huachuca City, Arizona, as follows:

- Section 1.** The Town is hereby authorized to enter into the Agreement between the Town of Huachuca City and the Arizona Department of Revenue for joint or cooperative action in administering and collecting the Town's taxes, attached hereto as Exhibit AA.@
- Section 2.** The Mayor of the Town of Huachuca City is hereby authorized and directed to execute said Agreement on behalf of the Town.
- Section 3.** The Town's officers and staff are hereby authorized to take all steps necessary and proper to implement the Agreement and give it effect.

**PASSED AND ADOPTED BY THE MAYOR AND TOWN COUNCIL OF THE
TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, THIS 23rd DAY OF
MAY, 2019.**

ATTEST:

Johann Wallace, Mayor

Approved as to Form:

Matt Williams, Interim Town Clerk

Thomas Benavidez, Town Attorney

[Intergovernmental agreement with ADOR must be attached.]

May 23, 2019

TO: Mayor and Council

FROM: Matt Williams

SUBJECT: Intergovernmental Agreement with the Arizona Department of Revenue related to Uniform Administration of the City's Transaction Privilege Tax

RECOMMENDATION:

Recommend the approval of an intergovernmental agreement between the Town of Huachuca City and the Arizona Department of Revenue regarding the uniform administration, licensing, collection, and auditing of transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy taxes imposed by the State or cities or towns.

DISCUSSION:

This intergovernmental agreement (IGA) was negotiated with the Department of Revenue (DOR) by a consortium of city/town representatives and the League of Arizona Cities and Towns. Additionally, several attorneys and tax experts from many cities and towns reviewed and commented on the language during the process, resulting in a document that provides the maximum level of information and assurances for the cities possible.

Local Transaction Privilege Tax (TPT) administration is governed by A.R.S. § 42-6001. This statute requires the Arizona Department of Revenue (DOR) to administer the transaction privilege and use taxes imposed by all cities and towns and to enter into an inter-governmental agreement (IGA) with each city and town to clearly define the working relationship between DOR and Arizona cities and towns.

The IGA covers all aspects of local tax administration. First and foremost, the IGA addresses confidentiality, including the authorized handling of confidential taxpayer information, expectations for the discreet use of taxpayer data to prevent unauthorized disclosure, and the process to follow in the event of a disclosure. There is also guidance on the use of aggregated taxpayer data for public reporting and analysis.

The IGA includes clear direction regarding the sharing of general taxpayer license information, legal interpretations and written guidance, rate and fee tables, and any other pertinent tax information that needs to be shared between the cities and towns and DOR.

Importantly, the IGA identifies exactly which license and tax return data fields must be provided by DOR and identifies in detail the reports DOR provides to all cities.

The IGA formalizes the process for audit request assignment and performance. Key factors include a commitment to audit for all jurisdictions whenever any audit is being done; a process for cities/towns without auditors to request an audit be performed by the DOR, the continued authority for any city or town to perform an audit of a taxpayer that is engaged in business only in their town; the general guidance that DOR will lead all multi-jurisdictional audits coupled with

the option for DOR to delegate actual audit performance to a city or town when circumstances indicate it would be the most efficient means of completing the audit.

The IGA also provides guidance for handling voluntary disclosure by taxpayers, closing agreements in lieu of litigation, and sets up the responsibilities and authorities of both parties in terms of code or statute interpretations and legal support for protests.

The IGA provides for a formal review process to resolve disputes or handle complex issues that arise through the "State & Municipal Audit Resolution Team" or SMART, made up of four city and four DOR tax experts who will work together to iron out any problems or conflicts between the cities and the State.

The term of this IGA runs on a calendar year basis with a provision for automatic annual renewal, with reauthorization by the Council and the DOR only being required following the year the DOR is subject to sunset review. Finally, either party has the right each year to reopen and renegotiate the terms according to provisions within the agreement.

FINANCIAL IMPLICATIONS:

This agreement will not result in any budgetary impact to the Town.

INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE TOWN OF HUACHUCA CITY

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement") is entered into this 23rd day of May, 2019, by and between the Arizona Department of Revenue, hereinafter referred to as Department, and the Town of Huachuca City, an Arizona municipal corporation, hereinafter referred to as Town. This Agreement shall supersede and replace all previous intergovernmental agreements, including amendments thereto, entered into by the Department and Town regarding the administration, collection, audit and/or licensing of transaction privilege tax, use tax, severance tax, jet fuel excise and use taxes and rental occupancy taxes imposed by the State, cities or towns.

R E C I T A L S

WHEREAS, Title 11, Chapter 7, Article 3 (A.R.S. § 11-952) authorizes two or more public agencies to enter into intergovernmental agreements to contract for services, if authorized by their legislative or governing bodies.

WHEREAS, A.R.S. § 42-6001 et seq. was amended effective January 1, 2015 to provide that the Department shall collect and administer any transaction privilege and affiliated excise taxes imposed by any city or town in Arizona and that the Department and each city or town shall enter into an intergovernmental contract or agreement pursuant to A.R.S. § 11-952 to provide a uniform method of administration, collection, audit and licensing of transaction privilege and affiliated excise taxes imposed by the State, cities or towns.

WHEREAS, Town has taken appropriate action by ordinance, resolution or otherwise, pursuant to the laws applicable to the governing body of Town, to approve and authorize Town to enter into this Agreement.

A G R E E M E N T

NOW, THEREFORE, in consideration of the foregoing, the Department and Town enter into this intergovernmental agreement as follows:

1. Definitions

- 1.1 A.R.S.** means the Arizona Revised Statutes.
- 1.2 Adoption of an Ordinance** means final approval by majority vote of the Town council.
- 1.3 Ambassador Program** means the Department's provided structure and support of curriculum related to tax administration and compliance education.

- 1.4 **Audit** means examination and verification of accounts and records to determine taxpayer compliance with title 42 of A.R.S. and the Model City Tax Code, or any other assessment issued pursuant to A.R.S. § 42-1108.
- 1.5 **Closing Agreement** means an agreement to settle a tax liability pursuant to A.R.S. § 42-1113.
- 1.6 **Confidential Information** means all such information as defined in A.R.S. § 42-2001.
- 1.7 **Confidentiality Standards** means the standards set forth in Appendix A or such other written standards mutually agreed to by the Department and Town.
- 1.8 **Desk Review** means any assessment issued pursuant to A.R.S. § 42-1109(B).
- 1.9 **Federal Tax Information** means federal tax return or return information the Department receives from the Internal Revenue Service including any information created by the Department derived from that information. Documents obtained from a taxpayer or State records are not considered Federal Tax Information.
- 1.10 **Model City Tax Code** means the document defined in A.R.S. § 42-6051.
- 1.11 **Modification** means a change to an assessment required or authorized by statute.
- 1.12 **Municipal Tax(es)** means transaction privilege and affiliated excise taxes, including use tax, severance tax, jet fuel excise and use tax, and rental occupancy tax, imposed by Town in accordance with the Model City Tax Code. Unless the context provides otherwise, this definition includes tax, license fees, penalties, interest and other similar charges.
- 1.13 **State** means the State of Arizona.
- 1.14 **State & Municipal Audit Resolution Team (“SMART”)** means an advisory group comprised of four representatives from municipal taxing jurisdictions and four representatives of the Department as set forth in Section 14 below.
- 1.15 **Taxpayer Information** means information protected from disclosure pursuant to Model City Tax Code § 510.
- 1.16 **Standard Audit Life Cycle Process Map:** A document containing the decisions and procedures adopted by the Department and Cities/Towns from the point of audit assignments until resolution consistent with this Agreement and the Arizona Management System principle of continuous improvement. This document will be reviewed by the Department and cities/towns as needed, not less than annually, with any changes memorialized in a revised map. In the event of unresolved disagreement regarding proposed changes, this Map will be referred to SMART for resolution.

- 1.17 Standard Authorization List Update Process Map:** A process containing the decisions and procedures adopted by the Department and Cities/Towns to keep an updated list of current employees and contractors who are authorized to receive confidential information consistent this Agreement and with the Arizona Management System principle of continuous improvement. This document will be reviewed by the Department and cities/towns as needed, not less than annually, with any changes memorialized in a revised map. In the event of unresolved disagreement regarding proposed changes, this Map will be referred to SMART for resolution.
- 1.18 Standard Inter-Jurisdictional Transfer Process Map:** A process containing the decisions and procedures adopted by the Department and Cities/Towns to transfer tax from one Town to another Town upon a Town's request or during the audit process consistent this Agreement and with the Arizona Management System principle of continuous improvement. This document will be reviewed by the Department and cities/towns as needed, not less than annually, with any changes memorialized in a revised map. In the event of unresolved disagreement regarding proposed changes, this Map will be referred to SMART for resolution.
- 1.19 Voluntary Disclosure Agreement:** A program that is designed for eligible taxpayers with exposure for tax liability and /or civil penalties due to a failure to report and/or pay all tax due.

2. Disclosure of Information by Town to Department

- 2.1 Qualified Recipients of Information:** The Department shall provide a list of names and job titles of duly authorized representatives acting on behalf of the Department authorized to request and receive Taxpayer Information from Cities/Towns as defined in the Standard Authorization List Update Process Map. This information shall be sent to Cities/Towns as defined in the Standard Authorization List Update Process Map. The Cities/Towns will not disclose Taxpayer Information to a Department employee whose name is not included on this list. Cities/Towns may contact the Department with any questions related to qualified recipients by contacting the Cities Services Unit.
- 2.2 Use of Information:** Any Taxpayer Information released by Town to the Department may only be used by the Department for tax administration and collection purposes, and may not be disclosed to the public in any manner that does not comply with the Model City Tax Code. All Taxpayer Information shall be stored and destroyed in accordance with the Confidentiality Standards.
- 2.3 Municipal Ordinance:**
- (a) Town shall provide the Department with a copy of its Municipal Tax Code or any Town ordinances imposing the taxes to be collected hereunder within

ten calendar days of a request for such information from the Department. This information shall be sent to the Cities Services Unit electronically.

- (b) Town shall provide the Department with a copy of any ordinance adopted by Town after execution of this Agreement that imposes or modifies the Municipal Taxes or license fees to be collected hereunder, including a new or different tax rate as defined by A.R.S. § 42-6053(E), within ten calendar days of adoption of an ordinance. This information shall be sent to the Cities Services Unit electronically. No such ordinance shall take effect on a date other than the first day of the month that is at least sixty calendar days after Town provides notice to the Department unless Town and the Department agree otherwise. The Department shall add the change to the official copy of the Model City Tax Code within ten business days of receipt of notice from Town. The Department will notify Town when the change has been made, and Town is responsible for confirming the change. Pursuant to A.R.S. § 42-6053(E)(2), changes in tax rates have no effect unless reflected in the official copy of the Model City Tax Code.
- (c) Within fifteen calendar days following the adoption of an annexation ordinance, one copy of the ordinance and notification of the effective date of such ordinance shall be sent to the Department via email at GIS@azdor.gov. Town shall also include with the notice a list of businesses Town knows to be located in the annexed area. The Department shall not be obligated to begin collection of Municipal Tax any sooner than the first day of the month that is at least sixty calendar days after the date the Department received notice from Town of the annexation.

- 2.4 Development and Impact Fees:** Upon request, Town shall provide to the Department any information regarding development and impact fees to assist the Department with the auditing of taxpayers and billing and collection of taxes.
- 2.5 Prior Audits:** Upon request by the Department, Town shall allow inspections and copies of any Town tax audits conducted prior to January 1, 2015.
- 2.6 Other Information:** Town shall provide other relevant information necessary for tax administration and collection purposes as requested by the Department.
- 2.7 Statutory Authority:** The disclosure of confidential Town tax information is governed by A.R.S. § 42-2001 et seq., or Model City Tax Code Section 510 for all reporting periods prior to January 1, 2015.

3. Disclosure of Information by Department to Town

- 3.1 Qualified Recipients of Information:** Town shall provide a list of the names and job titles of duly authorized representatives acting on behalf of Town authorized

to receive Confidential Information as defined in the Standard Authorization List Update Process Map. The Department will not disclose any Confidential Information to any representative whose name is not included on this list. The Department may contact Town with any questions related to authorized recipients.

3.2 Suspension of Information: The Department will not withhold Confidential Information from Town so long as Town complies with A.R.S. § 42-2001 et seq. and the Confidentiality Standards.

- (a) If the Department has information to suggest Town or any of its duly authorized representatives violated A.R.S. § 42-2001 et seq. or the Confidentiality Standards (Appendix A), the Department will send written notice to Town detailing the alleged breach as understood by the Department and requesting a response to the allegation within twenty calendar days of the date of the letter.
- (b) The Department will review the written response from Town and consider the information contained therein and all relevant circumstances surrounding the alleged violation before making a written determination as to whether a suspension of information is warranted and the length of the suspension.
- (c) If Town is dissatisfied with the Department's determination, it may within ten calendar days, submit a written request to SMART requesting the group review the determination pursuant to Section 14.
- (d) If the Department has information to suggest Town violated the Confidentiality Standards, the Department may inspect Town's records, facilities, and equipment to confirm whether there has been a violation upon notification to Town.

3.3 Information to be Provided: Within the restrictions outlined in this Section, the Department shall provide all of the information detailed in Appendix B, which may be modified by the mutual agreement of the parties. The Department shall not provide Federal Tax Information to Town. In addition to the information detailed in Appendix B, Town may obtain upon request:

- (a) Inspections and/or copies of Department tax audits, including all information related to all cities and towns included in the tax audit; and
- (b) Other relevant information necessary for tax administration and collection purposes, including all information necessary to verify Town received all revenues collected by the Department on behalf of Town.

3.4 Storage and Destruction of Confidential Information: All Confidential Information provided by the Department to Town shall be stored, protected, and destroyed in accordance with the Confidentiality Standards.

3.5 Statutory Authority: The Department may disclose Confidential Information to Town pursuant to A.R.S. § 42-2003(G) if the information relates to a taxpayer who is or may be taxable by a county, city or town. Any Confidential Information released to Town:

- (a) May only be used for internal tax administration purposes as defined in A.R.S. § 42-2001(4); and
- (b) May not be disclosed to the public in any manner that does not comply with the Confidentiality Standards.

A.R.S. § 42-2003(G) provides that any release of Confidential Information that violates the Confidentiality Standards will result in the immediate suspension of any rights of Town to receive taxpayer information pursuant to Section 3.2 of this agreement. Under no circumstances shall the suspension of any right to receive taxpayer information adversely impact the delivery or transfer of any Town revenues in any manner.

3.6 Specificity of Data: Pursuant to A.R.S. § 42-6001, the Department and Town agree that the data fields identified in Appendix B and the JT-1, TPT-2 and TPT-EZ forms provided in Appendix C meet the specificity requirements of Town. The forms provided in Appendix C may be revised and replaced as needed by mutual agreement of the Department and Town based on approval by SMART.

4. Audit

The Department shall administer the audit functions with Town in accordance with the Standard Audit Life Cycle Process Map and with the following provisions.

4.1 Training: All auditors and supervisors shall be trained in accordance with the policies of the Department. Auditors who have not completed the training may only work in connection with a trained auditor and cannot be the only auditor assigned to the audit. The Department shall:

- (a) Provide semi-annual audit training in accordance with A.R.S. § 42-6002(C) and be responsible for the costs of the training, limited to the site and training materials;
- (b) Notify Town of any training sessions at least thirty calendar days before the date of the training session;

- (c) Permit Town auditors and supervisors to attend any scheduled training as space permits at any designated training location; and
- (d) Provide additional training, as needed, to inform auditors and supervisors regarding changes in State law, the Model City Tax Code, Audit Procedures or Department policy.

4.2 Conflict of Interest: An auditor or supervisor trained and authorized to conduct an audit may not conduct any of the following prohibited acts:

- (a) Represent a taxpayer in any tax matter against the Department or Town while employed or in an independent contractor relationship with the Department or Town.
- (b) Attempt to use his/her official position to secure any valuable thing or valuable benefit for himself/herself or his/her family members.
- (c) Represent a taxpayer before the Department or Town concerning any matter in which he/she personally participated for a period of one year after he/she ends employment or the independent contractor relationship with the Department or Town.
- (d) Use information he/she acquires in the course of the official duties as an auditor or supervisor in a manner inconsistent with his/her official duties without prior written approval from the Department.
- (e) For a period of one year after he/she ends employment or an independent contractor relationship with the Department or Town, work in the same firm as a person who represents a taxpayer against the Department or Town unless the firm institutes formal barriers to prevent any sharing of information between the trained auditor or supervisor and the remainder of the firm.

The Department may revoke an individual's authority to audit and prohibit the use of any auditor or supervisor who violates this provision.

4.3 Audits and Refunds:

- (a) Town may request the Department conduct an audit or review of any taxpayer engaged in business in Town, including a taxpayer whose business activity is subject to tax by the Town but is not subject to tax by the State. The Department and the cities and towns shall collaboratively establish and maintain minimum justification standards and procedures Town shall adhere to when submitting an audit request.
- (b) Town may conduct an audit of a taxpayer engaged in business only in Town. Before commencing such audit, Town shall submit a Field Audit

Request Form. The Department will provide Town with a determination to proceed or not within ten calendar days of the notice from Town.

- (c) Except as permitted below, the Department shall conduct all audits of taxpayers having locations in two or more cities or towns. A Town auditor may participate in any audit Town requested the Department to perform.
- (d) Town shall notify the Department if it wants to audit a taxpayer having locations in two or more Arizona cities or towns and whose business activity is subject to tax by the Town but is not subject to tax by the State. The Department will authorize such audits, to be overseen by the Department, unless there is already an audit of the taxpayer scheduled, or the Department determines the audit selection is discriminatory, an abuse of process or poses other similar defects. The Department will notify Town of its determination within fifteen (15) calendar days. No initial audit contact may occur between Town and a taxpayer until the Department approves the audit notice.
- (e) In the case of taxpayers doing business in more than one Town:
 - (1) Town may either request the Department conduct an audit of a taxpayer having locations in two or more Arizona cities or towns and whose primary business is subject to both city and state tax, or
 - (2) Town may request to conduct an audit of a taxpayer having locations in two or more Arizona cities or towns and whose primary business is subject to both cities' and state tax.
 - (3) Requests pursuant to (e)(1) or (e)(2) shall be made using the Department's Field Audit Request Form. The Department shall notify Town of its decision regarding the request within fifteen (15) calendar days of receipt of the request.
- (f) The Department may deny a request for an audit in writing within 15 days of Town request for the following reasons:
 - (1) An audit is already scheduled or planned for the taxpayer within six months of the request;
 - (2) The requested audit would interfere with strategic tax administration planning;
 - (3) The audit selection is discriminatory, an abuse of process or poses other similar defects;
 - (4) The request lacks sufficient information for the Department to determine whether it is appropriate;

- (5) The Taxpayer was audited within the previous two years;
 - (6) The Department lacks sufficient resources to conduct the audit; or
 - (7) The scope or subject of the audit does not justify the use of Department resources.
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- (g) If the Department denies a request to conduct an audit because it either lacks resources to conduct the audit itself or the scope or subject of the audit does not justify the use of Department resources then Town shall notify the Department if it wants to conduct the audit under the supervision of the Department. No initial audit contact may occur between Town and a taxpayer until the Department's supervisor is appointed to the audit.
 - (h) Any decision by the Department denying Town's request to conduct any audit may be referred to SMART in accordance with Section 14 of this Agreement.
 - (i) All audits conducted by Town shall be in accordance with standard audit procedures defined in the Department audit manual and the Standard Audit Life Cycle Process Map. All auditors shall be trained in accordance with Section 4.1 above.
 - (j) The Department may appoint a Department manager to supervise any audit conducted by Town.
 - (k) All audits shall include all taxing jurisdictions in the State regardless of which jurisdiction's auditors participate in the audit. All desk reviews must include all taxing jurisdictions for which there is information provided by the taxpayer.
 - (l) The Department shall issue all audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.
 - (m) The Department shall issue amendments to audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.

4.4 Claims for Refund:

- (a) When a taxpayer files a request for refund, including refunds requested by filing amended returns, the Department shall process the request and review it for mathematical errors or for the failure of the taxpayer to properly compute the tax based on the taxable income reported on the return or refund request.
- (b) The Department will notify Town of all refund requests that are processed involving Town's Municipal Taxes within thirty calendar days of processing

the refund. Town may request an audit of the taxpayer as set forth in Section 4.3 above.

- (c) The Department may assign an auditor to review requests for refunds. The Department will notify Town, within thirty calendar days of initiating a review, of all refunds under review by an auditor pertaining to a taxpayer who engages in business within Town's taxing jurisdiction and may request that Town assist with such reviews. The Department may assign a refund request to a Town auditor for review. The Department may only assign refund requests to a Town auditor if the Town is involved in the refund request.
- (d) Town is responsible for payment of all amounts to be refunded to taxpayers for Municipal Tax incorrectly paid to Town. The Department may offset a remittance to Town under this Agreement to cover the amounts of allowed refunds paid to the Department. If there are insufficient funds available to pay the refund, Town must pay the Department within sixty days of written demand from the Department.
- (e) The Department shall issue refund approvals/denials on behalf of all taxing jurisdictions in a single notice to the taxpayer. Town may request copies of such determinations.

4.5 Protests: Taxpayer protests of audit assessments and desk review assessments and refund denials shall be directed to the Department. Appeals of audit assessments, desk review assessments and refund denials shall be administered pursuant to A.R.S. Title 42, Chapter 1, Article 6. The Department shall notify Town of any appeals within 30 days of receipt of the protest.

4.6 Status Reports: The Department shall keep SMART apprised of the status of each protested matter involving the imposition of Municipal Taxes. Town may request to be on a distribution list for monthly status reports by contacting the Department.

5. Voluntary Disclosure Agreements

The Department may enter into a voluntary disclosure agreement with a taxpayer. A voluntary disclosure agreement may limit the years subject to audit and waive penalties. The Department will notify Town of the Department's intent to enter into an agreement and the Department will provide the taxpayer's identity within thirty (30) calendar days of disclosure. Town may request an audit of a taxpayer subject to a voluntary disclosure agreement pursuant to Section 4.3 above.

6. License Compliance

- 6.1 **License Issuance and Renewal:** The Department shall issue new Municipal Tax licenses and renew such licenses for Town Municipal Tax. The Department of Revenue shall provide Town with information about all persons obtaining and renewing tax licenses as set forth in Appendix B.
- 6.2 **License Checks:** The Department and Town shall coordinate efforts to conduct tax license compliance checks through canvassing and other compliance methods.
- 6.3 **Confidentiality:** Any tax license information Town obtains from the Department is considered Confidential Information and may only be disclosed as authorized by A.R.S. § 42-2003. Any tax license information Town obtains through its own efforts may be disclosed as allowed by applicable Town laws.
- 6.4 **Changes to License Fees:** Within ten (10) business days following the adoption of an ordinance (or official acknowledgment of approval of an ordinance by voters in an election of a charter city) issuing or modifying a tax license fee, one copy of the ordinance and notification of the effective date of such ordinance shall be sent to the Department's City Services Unit. The Department shall not be obligated to begin collection of the new or modified fee any sooner than sixty calendar days after the date the Department received the ordinance from Town.

7. Closing Agreements

The Department shall notify Town before entering into a Closing Agreement and shall seek a range of settlement authority from Town related to the tax levied and imposed by Town in accordance with the Standard Audit Life Cycle Process.

8. Responsibility for Representation in Litigation

- 8.1 **Administrative Proceedings:** The Department shall be responsible for coordinating the litigation and defending the assessment or refund denial in any administrative appeals before the Office of Administrative Hearings or the Director of the Department regardless of the jurisdiction that conducted the audit in accordance with the Standard Audit Life Cycle Process Map. The Department shall be diligent in defending the interests of Town and Town shall assist in such representation as may be requested by the Department or by Town.
- 8.2 **Further Appeals:** The Arizona Attorney General is responsible for defending the assessment or refund denial at the Board of Tax Appeals, the Arizona Tax Court and all higher courts. Town shall assist the Attorney General in such representation and litigation as requested by the Attorney General's Office in accordance with the Standard Audit Life Cycle Process Map.

- 8.3 Mutual Cooperation:** The Department and Town agree they shall cooperate in the appeal and litigation processes and shall ensure their auditors, supervisors, and other necessary employees are available to assist the Department and the Attorney General for informal interviews, providing documents and computer records, preparing for depositions, attending depositions and trial as witnesses, and assisting in trial/hearing preparation, as needed.
- 8.4 Administrative Decisions:** The Department shall provide a copy of any and all administrative hearing level decisions, including Director's decisions issued by the Department to all jurisdictions on a distribution list. Town may request to be on the distribution list by contacting the Department's Cities Unit. Administrative decisions are Confidential Information and must be stored and destroyed in accordance with the Confidentiality Standards.

9. Collection of Municipal Taxes

- 9.1 Tax Returns:** Taxpayers who are subject to Town Municipal Taxes shall pay such taxes to the Department. Tax payments shall be accompanied by a return prepared by taxpayer on a form prescribed by the Department.
- 9.2 Collections:** The Department shall collect any Municipal Tax imposed by Town recorded on the Department's tax accounting system. Amounts the Department collects for delinquent Town Municipal Tax accounts after the termination of this Agreement shall be forwarded to Town. The Department and Town may enter into an additional agreement to provide joint collection efforts on the following terms:
- (a) **Training:** All Town collectors authorized to collect obligations in cooperation with the Department shall be trained in accordance with the policies of the Department. Training shall be provided in the same manner as set forth in Section 4.1 of this Agreement.
 - (b) **Conflict of Interest:** A collector authorized under this provision may not:
 - (1) Represent a taxpayer in any tax matter against the Department or Town while employed by the Town.
 - (2) Attempt to use his/her official position to secure any valuable thing or valuable benefit for himself/herself or his/her family members.
 - (3) Represent a taxpayer before the Department or Town concerning any matter in which he/she personally participated for a period of one year after he/she ends employment with the Town.

- (4) Use information he/she acquires in the course of the official duties as a collector in a manner inconsistent with his/her official duties without prior written approval from the Department.
 - (5) For a period of one year after he/she ends employment with the Town, work in the same firm as a person who represents a taxpayer against the Department or Town unless the firm institutes formal barriers to prevent any sharing of information between the trained collector and the remainder of the firm.
 - (c) **Revocation:** The Department may revoke an individual's or Town's authority to collect obligations under this section, subject to review by SMART upon request by the individual or Town.
- 9.3 State of Arizona Liquor License Affidavit:** Town may request that the Department issue a liquor license affidavit. The Department will respond to the request via secured e-mail with a note stating complete, in-process, or unable to complete. When the Town request liquor license affidavits, they will need to elect the prescribed method if they are willing to pay for the Arizona Department of Liquor Licenses and Control (ADOLLC) hearing if the license is held for renewal until balance paid in full. The Department and Town will negotiate how the cost of the hearing will be shared between the Department and Town on a case by case basis.
- 9.4 Uncollectible/Discretionary Write-offs:** The Department will share the annual list of uncollectible/discretionary write-offs prior to the end of fiscal year write-off event. Town will have 45 days to submit feedback.
- 9.5 Remittance:** All amounts collected by the Department for Municipal taxes, penalties and interest under this Agreement shall be remitted to Town weekly on the basis of actual collections. To the extent possible, the Department shall initiate the electronic payment by noon on the Monday after the end of the week in which the collections were made. Remittance shall be made in the form of immediately available funds transferred electronically to the bank account designated by Town.
- 9.6 Abatement:** The Department, with the approval of the Attorney General, may abate tax under certain circumstances. During the ordinary course of business, the Department may determine for various reasons that certain accounts shall be closed or cancelled. The Department shall seek input from Town or SMART before abating tax or closing accounts. The Department may request a telephonic meeting of SMART if time or circumstances require immediate action.
- 9.7 Funds Owed to Town:** At all times and under all circumstances payments remitted by a taxpayer to the Department for Town Municipal Taxes will be considered property of Town. The Department may not retain or fail to remit such funds to Town for any reason not specifically set forth in this Agreement

including, but not limited to, during the course of a dispute between Town and the Department.

- 9.8 Adjustments to Reported Taxes:** If the Department determines that a payment remitted by a taxpayer incorrectly identifies the city or town to which the payment should be made, Department may temporarily hold the payment until the distribution of the payment is corrected to ensure the appropriate city or town receives the payment. If a payment by the Department has been made to an incorrect Town, the Department and affected cities or towns shall follow the Standard Inter-Jurisdictional Transfer Process Map.

10. Taxpayer Rulings and Uniformity

The Department shall be responsible for issuing taxpayer ruling requests and interpretations of the Model City Tax Code. Town acknowledges that pursuant to A.R.S. 42-6005(B), when the state statutes and Model City Tax Code are the same and where the Department has issued written guidance, the Department's interpretation is binding on cities and towns. The Department acknowledges that in all other situations, interpretation of the Model City Tax Code is the sole purview of Municipal Tax Code Commission or its designee. Designated persons must be authorized to receive confidential information as authorized by Section 3.1 of this agreement. The Department shall include at least two representatives of the municipalities as regular members of any group established to respond to taxpayer ruling requests and to issue uniform interpretations and guidance promulgated by the Department. This section is not intended to affect procedures for appeals and litigation as outlined in Section 4.5 and Section 8 of this agreement.

11. Financing Collection of Taxes

The costs incurred by the Department in administering this Agreement shall be financed through the State general fund appropriation to the Department. This provision does not relieve Town of any financial obligation imposed by statute.

12. Inter-Jurisdictional Transfers

The Department shall administer the inter-jurisdictional transfers of Municipal Tax monies in accordance with the Standard Inter-Jurisdictional Transfer Process Map.

13. Education and Outreach Efforts

To further its focus on serving taxpayers and to commitment of funding Arizona's future through enhanced customer service, continuous improvement, innovation, the Department is also expanding its outreach and education program to connect with all citizens of Arizona, strategically working with taxpayer and industry groups, tax practitioners and Arizona's Cities and Towns to ensure tax education of individual and business taxpayers.

Any Town may further this mission, at its own expense, in providing education and outreach to taxpayers and business. Education and Outreach shall be consistent with applicable law and Department written guidance.

Increased Education and Outreach Efforts among the Department and the Cities/Towns will ensure collaborative partnerships that are beneficial to both that emphasizes an ongoing two-way exchange of information and communication on issues of common interest and is meant to promote cooperation in areas of overlapping special projects. Therefore, upon request, Town shall provide information to the Department concerning such education and outreach efforts.

The Department shall implement the workings of an Ambassador Program; whereby, the Department provides structure/support of curriculum for education related to tax administration and compliance. The Town will have a standard work process when participating in ADOR-led educational events.

The Town shall have a dedicated primary point of contact (PPOC) on its list of duly authorized representatives, who is located in Arizona and is tasked with sending and receiving communications between the ADOR and the Cities/Towns.

14. State & Municipal Audit Resolution Team ("SMART")

14.1 Members: The members shall consist of four seats representing municipal taxing jurisdictions and four seats representing the Department. Member seats may be split so some people fill the position for only certain issues, such as audit selection or collection abatement. There shall also be a list of alternate members, who may be asked by a regular member who is unable to attend a meeting to take that member's place at a SMART meeting.

14.2 Selection: The Director of the Department shall appoint people to serve as members of SMART. Municipal taxing jurisdictions shall nominate members from municipal taxing jurisdictions.

14.3 Meetings: SMART shall meet monthly unless there is no business to be conducted. Additional meetings can be scheduled as necessary to timely discuss issues presented. Alternate members may attend meetings but cannot vote unless filling the seat of a regular member.

14.4 Issues: The Department or Town may refer issues to SMART to include, but not limited to:

- (a) Decisions by the Department to not audit a taxpayer;
- (b) Amendments to Department audit procedures or manuals;
- (c) Closing Agreements or a range of settlement authority;
- (d) Abatement or account closure in collections;
- (e) Suspension of disclosure of information from the Department;
- (f) Unresolved disagreement regarding proposed changes to process maps listed in Sections 1.16, 1.17 and 1.18;
- (g) Revocation of collection authority; and
- (h) Other issues as authorized by the Director of the Department or agreed upon by the parties.

14.5 Recommendations: SMART shall make recommendations to the Director of the Department or Director's designee. If the recommendation is approved by at least five members of SMART, the Director will accept the recommendation of SMART. If SMART cannot reach a recommendation agreeable to at least five members of the group, the Director or Director's designee may act as he deems to be in the best interests of all parties. Notwithstanding the above, upon request by a Town, the Director will submit his decision to the Attorney General's Office for review.

14.6 Voting: Any voting member of the committee may request the vote be held by secret ballot.

14.7 Procedures: SMART shall develop procedures concerning the operation of the group consistent with this Agreement.

15. Funding of Additional Auditors by Town

15.1 Funding: At the sole discretion of Town, Town may contribute funding to the Department to pay for additional auditors to assist the Department in the performance of audits of Municipal Tax owed to Town. Such additional auditors funded by Town shall at all times be deemed to be employees of the Department and under no circumstances shall be deemed to be employees or agents of Town. It is the parties' intention that Town funding be used to increase the capabilities of the Department to perform Municipal Tax audits and not to subsidize or replace State funding required for audit and collection of taxes.

- 15.2 Use of Funds:** Town funding for additional auditors under this Section shall be used to fund the auditors' salaries and related expenses and shall not be used to pay for Department office space, utilities, equipment, supplies, or similar kinds of overhead.
- 15.3 Pool of Funds:** The Department may pool any Town funding with any other similar funding provided by other municipal taxing jurisdictions to pay for additional auditors dedicated to serving those jurisdictions. The Department shall separately account for such funds in its annual budget.
- 15.4 Accounting:** The Department shall provide an annual accounting to Town, by August 31 each year describing how Town funding was used during the prior fiscal year.

16. Satellite Offices for Department Auditors

- 16.1 Funding:** Town, at its own expense and at its sole discretion, may provide one or more satellite offices and associated amenities for use by Department employees to provide audit and/or customer service to taxpayers. Use of such facilities by Department employees shall be at the sole discretion of the Department. Nothing in this section shall require the Department to make use of such facilities provided by Town.
- 16.2 Requirements:** Any Department employee using a Town satellite office must meet reasonable requirements of Town related to the use of the facility. Town shall be responsible for notifying the Department of any concerns, and the Department shall be responsible for taking appropriate actions to resolve those concerns.
- 16.3 Termination:** Once a satellite office is established, Town shall provide at least 180 calendar days written notice to the Department prior to the termination or relocation of a satellite office. The Department may discontinue the use of a satellite office at any time upon notice to Town and shall promptly remove all Department property.
- 16.4 License:** All requirements of Town and the Department related to the satellite office shall be outlined in a mutually acceptable form of license and subject to separate approval.

17. Non-availability of Funds

Every payment obligation of the Department and the Town pursuant to this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation, except for the rendering of funds to Town paid by a taxpayer for

Municipal Taxes or tax license fees of Town. If funds are not appropriated, allocated and available or if the appropriation is changed resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this Section. The termination of this Agreement shall not entitle the Department to retain any Municipal Tax collected on behalf of Town pursuant to this Agreement.

18. Waiver

Nothing in this Agreement should be interpreted as Town relinquishing its legal rights under the Arizona Constitution or other applicable law, nor that Town is conceding the administration and collection of its Municipal Tax is not of a local interest or should not be under local control.

19. Cancellation

The requirements of A.R.S. § 38-511 apply to this Agreement. The Department or Town may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Department or Town is, at any time while this Agreement or any extension is in effect, an employee, agent or consultant of the other party with respect to the subject matter of this Agreement. The obligation of the Department to remit Town taxes shall survive cancellation.

20. Notice

- (a) When any Notice to Town is required under the terms of this Agreement, such Notice shall be sent by electronic correspondence to:

Matt Williams, mwilliams@huachucacityaz.gov

- (b) When any Notice to the Department is required under the terms of this Agreement, such Notice shall be sent by electronic correspondence to: cityservices@azdor.gov.

21. Non-discrimination

The Department and Town shall comply with Executive Order 2009-9, which mandates all persons, regardless of race, color, religion, sex, age, or national origin, 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. The Department and Town shall take affirmative action to ensure applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

22. Compliance with Immigration Laws and A.R.S. § 41-4401

22.1 The Department and Town shall comply with all Federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214(A) which reads in part: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the e-verify program."

22.2 A breach of compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and may be grounds for the immediate termination of this Agreement.

22.3 The Department and Town retain the legal right to inspect the papers of any employee who works on the Agreement to ensure the Department and Town is complying with the applicable Federal immigration laws and regulations and State statutes as set forth above.

23. Audit of Records

Town and the Department shall retain all data, books, and other records ("Records") relating to this Agreement for at least six (6) years (a) after termination of this Agreement, and (b) following each annual renewal thereof. All Records shall be subject to inspection by the Department at reasonable times. Upon request, the Department and Town shall produce any or all such records. This Agreement is subject to A.R.S. §§ 35-214 and -215.

24. Amendments

Any amendments to the enumerated provisions or Appendices A, B, and C of this Agreement must be executed in writing in accordance with the provisions of this Agreement. The Standard Process Maps described within certain enumerated provisions are not themselves part of the Agreement.

25. Mutual Cooperation

In the event of a disagreement between the parties with regard to the terms, provisions and requirements of this Agreement or in the event of the occurrence of any circumstances bearing upon or affecting this Agreement, parties hereby agree to mutually cooperate in order to resolve the said disagreement or deal with the said circumstance.

26. Arbitration

To the extent required by A.R.S. § 12-1518(B) and as provided for in A.R.S. § 12-133, the parties agree to resolve any dispute arising out of this Agreement by arbitration. The parties agree that any lawsuit filed by Town relating to the issues outlined in Section 17 of this Agreement is not considered to be a dispute arising out of this Agreement.

27. Implementation

The implementation and execution of the provisions of this Agreement shall be the responsibility of the Director of the Department or his representative and the Mayor his/her designee, or another party with designated authority pursuant to applicable law or Town charter on behalf of Town.

28. Limitations

Nothing in this Agreement shall be construed as limiting or expanding the statutory responsibilities of the parties in performing functions beyond those granted to them by law, or as requiring the parties to expend any sum in excess of their appropriations.

29. Duration

29.1 The term of this Agreement shall commence from the latest date as indicated in Section 32 and continue in force through December 31st of that same year unless canceled or terminated as provided herein. The term of the Agreement shall automatically be extended for successive one (1) year terms commencing on January 1st and ending on December 31st of each year thereafter unless canceled or terminated as provided herein. Amendments to this Agreement that are negotiated and agreed to by a simple majority of the review committee referenced in Section 29.5 shall thereafter be executed by the parties hereto by a separate, signed amendment and incorporated herein to be effective during the term of the Agreement and any extensions. This Agreement may be canceled or terminated effective on December 31st of any year by either party by providing written notice no later than sixty (60) calendar days prior to the expiration of the term then in effect. This Agreement shall expire on December 31st of any year the Department

is subject to sunset review. Upon expiration, cancellation or termination, any subsequent Agreement must be ratified through signature by both parties.

- 29.2 If State legislation enacted subsequent to the date of this Agreement substantially affects the performance of this Agreement by either party or substantially diminishes the benefits either party would receive under this Agreement, either party may then terminate this Agreement by giving at least thirty calendar days' notice to the other party. The termination will become effective immediately upon the expiration of the notice period unless otherwise agreed to by the parties.
- 29.3 Notwithstanding any provision to the contrary herein, both parties may by mutual agreement provide for the termination of this contract upon such terms and at such time as is mutually agreeable to them.
- 29.4 Any notice of termination shall be mailed and served on the other party in accordance with Section 20 of this Agreement.
- 29.5 During the term of this Agreement, the terms and conditions of this Agreement will undergo an annual review to be initiated no later than June 1st of each year. The review will be performed by a committee made up of equal parts representatives of the Department and representatives of the municipal taxing jurisdictions entering into an IGA with the Department for the administration and collection of Municipal Taxes.

30. Choice of Law

The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement, and any disputes arising from this Agreement.

31. Entire Agreement

This document, including the specific appendices attached hereto, and any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the parties and shall supersede all other understandings, oral or written.

32. Signature Authority

- 32.1 By signing below, the signer certifies he or she has the authority to enter into this Agreement on behalf of his or her respective party, and he or she has read the foregoing and agrees to accept the provisions herein on said party's behalf.

32.2 This Intergovernmental Agreement may be executed in counterpart.

Signature		Date	Signature		Date
Grant Nülle, Deputy Director			Johann Wallace, Mayor		
Typed Name and Title			Typed Name and Title		
Arizona Department of Revenue			Town of Huachuca City		
Entity Name			Entity Name		
1600 W. Monroe			500 N. Gonzales Blvd.		
Address			Address		
Phoenix	Arizona	85007	Huachuca City,	Arizona	85616
City	State	Zip	City	State	Zip
RESERVED FOR THE ATTORNEY GENERAL:			RESERVED FOR TOWN ATTORNEY:		
<p>This agreement between public agencies has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue represented by the Attorney General.</p> <p>MARK BRNOVICH The Attorney General</p>			<p>APPROVED AS TO FORM AND AUTHORITY:</p> <p>BY: _____ TOWN ATTORNEY</p> <p>Date: _____</p>		
<p>Signature Assistant Attorney General</p> <p>Date: _____</p>					

APPENDIX A

ARIZONA DEPARTMENT OF REVENUE CONFIDENTIALITY REQUIREMENTS

1. Confidential Information

- 1.1 Confidential Information is defined in A.R.S § 42-2001. Confidential Information may not be disclosed except as provided by statute. A.R.S. § 42-2001(B).
- 1.2 License information obtained from the Department of Revenue is Confidential Information and may only be disclosed as authorized by A.R.S. § 42-2003. License information obtained from other sources is not Confidential Information.
- 1.3 Information about a taxpayer's identity obtained from the Department of Revenue is Confidential information and may only be disclosed as authorized by A.R.S. § 42-2003. Identity information obtained from other sources is not Confidential Information.
- 1.4 Confidential Information includes information about a single taxpayer and also aggregated information about a group of identified or identifiable taxpayers. Aggregated information from fewer than three taxpayers in a grouping on a statewide basis or fewer than ten taxpayers in a grouping for an area that is less than state level (city or town) may be Confidential Information. Such information may not be released unless the City/Town Administrator reviews the relevant information concerning the aggregate data and makes a determination in writing that the aggregate data does not reveal information about any specific taxpayer. Such determination should take into consideration the following:
 - a. The proportionality of the tax information applicable to individual members of the group of taxpayers; no individual taxpayer's information should be discernable due to its relative size/taxable sales, compared to other members of the group;
 - b. The total aggregated tax information; the aggregate information cannot allow viewers to draw conclusions about individual taxpayers (e.g., there are 6 car dealers in the city and the total aggregate sales were \$900,000 and none of them reported individual sales above the \$20,000 mark, which would have qualified for the lower tax rate on large purchases)
 - c. Any other factor that could cause the aggregate data to be used to determine information specific to a single taxpayer.

2. Protecting Information

- 2.1 City/Town must identify all places, both physical and logical, where Confidential Information is received, processed and stored and create a plan to adequately secure those areas.

- 2.2 Confidential Information must be protected during transmission, storage, use, and destruction. City/Town must have policies and procedures to document how it protects its information systems, including Confidential Information contained therein. An example of appropriate protection standards is set forth in National Institute of Standards and Technology Special Publication 800-53. The publication may be found at <http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>
- 2.3 Employees are prohibited from inspecting information unless they have a business reason for the information. Browsing information concerning friends, neighbors, family members, or people in the news is strictly prohibited.
- 2.4 All removable media, including paper and CDs, containing Confidential Information must be secured when not in use and after normal business hours by placing all materials in a locked drawer or cabinet. During use, Confidential Information must be protected so that it is not visible to members of the public or anyone without a business need for the information.
- 2.5 All individuals accessing or storing Confidential Information from an alternative work site must enter into a signed agreement that specifies how the Confidential Information will be protected while at that site. Only trusted employees shall be permitted to access Confidential Information from alternative sites. Confidential Information may not be accessed while in public places such as restaurants, lounges, or pools.
- 2.6 Confidential Information may not be sent outside the local area network by unencrypted email. City/Town is responsible for ensuring in-flight email communications containing Confidential Information are sent through a secure process. This may include encryption of the email message, a secure mailbox controlled by City/Town, an encrypted point-to-point tunnel between the correspondents or use of Transport Layer Security (TLS) between correspondents.
- 2.7 Confidential Information may not be discussed in elevators, restrooms, the cafeteria, or other public areas. Computer terminals should be placed in such a manner that prohibits public viewing of Confidential Information.
- 2.8 When transporting confidential materials the materials should be covered so that others cannot see the Confidential Information. When sending Confidential Information by fax a cover sheet should always be used.
- 2.9 Any person with unsupervised access to Confidential Information shall receive training on the confidentiality laws and requirements to protect such information before being given access to such Information and annually thereafter. They must sign certificates after the training acknowledging that they understand their responsibilities. City/Town must keep records to document this training and certification.

3. Disclosure of Information

- 3.1 Confidential Information may only be disclosed as permitted by A.R.S. § 42-2003.
- 3.2 Confidential Information is confidential by statute and, therefore, does not have to be disclosed in response to a public records request. A state agency may deny inspection of public records if the records are confidential by statute. *Berry v. State*, 145 Ariz. 12, 13 699 P.2d 387, 388 (App. 1985).
- 3.3 A taxpayer may designate a person to whom Confidential Information may be disclosed by completing a Department of Revenue Form 285, or such other form that contains the information included in the Form 285. City/Town may contact the Department of Revenue's Disclosure Officer if there are any questions concerning this requirement.

4. Disposal of Information

- 4.1 All removable media containing Confidential Information must be returned to the Department of Revenue or sanitized before disposal or release from the control of City/Town.
- 4.2 Paper copies of Confidential Information must be destroyed by shredding or burning the materials when no longer needed. Confidential Information may not be disposed of by placing the materials in the garbage or recycle bins. Destruction of Confidential Information may be performed by a third party vendor. City/Town must take appropriate actions to protect the Confidential Information in transit and storage before it is destroyed, such as periodic inspections of the vendor.
- 4.3 Computer system components and devices such as copiers and scanners that have been used to store or process Confidential Information may not be repurposed for non-tax administration uses unless the memory or hard drive of the device is sanitized to ensure under no circumstances Confidential Information can be restored or recovered.

5. Storing Data

- 5.1 Confidential Information may be stored on hard disks only if agency approved security access control devices (hardware/software) have been installed, are receiving regularly scheduled maintenance including upgrades, and are being used. Access controls must include password security, an audit trail, encryption, virus detection, and data overwriting capabilities.

6. Encryption Requirements and Cryptographic Module Authentication

- 6.1 The City/Town information system must implement mechanisms for the authentication to a cryptographic module that meets the requirements of applicable federal laws, Executive Orders, directives, policies, regulations, standards, and guidance for such authentication.
- 6.2 Validation provides assurance that when an agency implements cryptography to protect Confidential Information, the encryption functions have been examined in detail and will operate as intended.
- 6.3 All electronic transmissions of Confidential Information must be encrypted using FIPS 140-2 validated cryptographic modules. A product does not meet the FIPS 140-2 requirements by simply implementing an approved security function. Only modules tested and validated to FIPS 140-2 meet the applicability requirements for cryptographic modules to protect sensitive information. NIST maintains a list of validated cryptographic modules on its website <http://csrc.nist.gov/>
- 6.4 Confidential Information is required to be protected in transit and at rest. City/Town is requested to adhere to the following guidelines to use encryption:
- Encrypt the compressed file using Advanced Encryption Standard.
 - Compress files in .zip or .zipx formats.
 - Use a strong 256-bit encryption key string.
 - Ensure a strong password or pass phrase is generated to encrypt the file.
 - Communicate the password or pass phrase with the Department of Revenue through a separate email or via a telephone call to your DOR contact person. Do not provide the password or passphrase in the same email containing the encrypted attachment.
- 6.5 Refer to your specific file compression software user guide for instructions on how to compress and encrypt files. Known compatible products with DOR include but are not limited to WinZip and Secure Zip.
- 6.6 Please remember, while the attachment is encrypted, the content of the email message will not be encrypted, so it is important that any sensitive information be contained in the attachment (encrypted document).

7. Wireless Access (if accessing State Confidential Information from a wireless network)

7.1 City/Town must:

- Establish restrictions, configuration/connection requirements, and implementation guidance for wireless access.
- Authorize wireless access to the information system prior to allowing such connections.
- Employ a wireless intrusion detection system to identify rogue wireless devices and to detect attack attempts and potential compromises/breaches to the information system.

8. Interconnection Security Agreement

- 8.1 Trusted Behaviors.** The City/Town system and users are expected to protect ADOR's data in accordance with applicable state and federal laws.
- 8.2 Data Flows.** The City/Town is responsible for creating architectural diagrams of any systems connecting to ADOR systems and depicting the flow of State Confidential Information.
- 8.3 Audit Trail Responsibilities.** City/Town is responsible for auditing application processes and user activities involving any information interconnection. Activities that will be recorded include event type, date and time of event, user identification, workstation identification, success or failure of access attempts, and security actions taken by system administrators or security officers. Audits, and/or security actions taken by system administrators or security officers will be recorded and available for review by ADOR.
- 8.4 Incident Reporting.** City/Town is required to notify ADOR in the event of data loss, breach, or security concern regarding ADOR's Confidential Information by reporting the incident to the ADOR Information Security Team by phone at (602) 716-6166 or email at InfoSec@azdor.gov.
- 8.5** DOR may send employees or auditors to inspect any of City/Town information systems and/or facilities used to process, store or transmit any ADOR data at any time to ensure that ADOR information is adequately protected.

APPENDIX B

From the effective date of this Agreement until the new functionalities set forth below are implemented, the Department of Revenue will provide the following reports:

City Payment Journal Detail;
City Payment Journal Summary;
New License Report

Within 30 days after the first month's implementation of the JT2, the Department of Revenue will provide a new License Report and License Update Report containing at least the following fields:

NEW LICENSE REPORT AND LICENSE UPDATE REPORT

Fields displayed:

- Region Code
- Run Date
- Report Start Date
- Report End Date
- Update Date
- ID Type
- ID
- Account ID
- Entity Name
- Ownership Type
- License ID
- OTO/Applied For indicator
- Bankruptcy Indicator
- Filing Frequency
- Issue Date
- Account Start Date
- Business Start Date
- Arizona Start Date
- Doc Loc Nbr
- Accounting Method
- Close Date
- Close Code
- Business Description
- NAICS1
- NAICS2
- NAICS3
- NAICS4
- Mailing Street1
- Mailing Street2

- Mailing Street3
- Mailing City
- Mailing State
- Mailing ZIP
- Mailing Country
- Mailing Phone Number
- Mailing Address Add date
- Mailing Address End Date
- Audit Street1
- Audit Street 2
- Audit Street 3
- Audit City
- Audit State
- Audit Zip
- Audit Country
- Audit Phone Number
- Audit Address Add Date
- Audit Address End Date
- Location Code
- Business Codes
- Location Name (DBA)
- Number of Units
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- Location Phone Number
- Location Start Date
- Location End Date
- Primary Location Street 1
- Primary Location Street 2
- Primary Location Street 3
- Primary Location City
- Primary Location State
- Primary Location Zip Code
- Primary Location Country
- Primary Location Phone Number
- Primary Location Start Date
- Primary Location End Date
- Owner Name
- Owner Title
- Owner Name 2
- Owner Title 2

- Owner Name 3
- Owner Title 3

Within 30 days of the implementation of the TPT2, the Department of Revenue will provide the following reports with at least the fields indicated below:

CITY PAYMENT JOURNAL

- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- Payment received date
- Return received date
- Payment process date
- Return process date
- Filing Frequency
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- NAICS
- Business Code
- Doc Loc Nbr
- Pmt Loc Nbr
- Gross Receipts
- Total Deductions
- Tax or Fee Collected
- P & I Collected
- Audit Collections
- Tran Type
- Tran Subtype
- Rev Type

CITY PAYMENT JOURNAL SUMMARY

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period

- Business Code
- Number of Accounts
- Collections

Within 30 days after the first month's implementation of the TPT2, the following reports with at least the fields indicated below:

NO MONEY REPORT

- Region Code
- GL Accounting Period
- Period End Date
- Payment received date
- Return received date
- Payment process date
- Return process date
- Filing Frequency
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- NAICS
- Business Code
- Doc Loc Nbr
- Pmt Loc Nbr
- Gross Receipts
- Total Deductions
- Tax or Fee Collected
- P & I Collected
- Audit Collections
- Tran Type
- Tran Subtype

DEDUCTION REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date

- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Business Code
- Doc Loc Nbr
- Deduction Code
- Deduction Amount
- Tran Type
- Tran Subtype
- Rev Type

Within 30 days after taxes (subject to fund distributions) are collected, the Department of Revenue will provide the following report with at least the fields indicated below:

FUND DISTRIBUTION REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- Payment Received Date
- Return Received Date
- Payment Processed Date
- Return Processed Date
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Business Code
- Doc Loc Nbr
- Fund Allocation Code
- Amount Distributed

FUND DISTRIBUTION SUMMARY REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Fund Allocation Code
- Amount Distributed

ARIZONA JOINT TAX APPLICATION (JT-1)



Customer Care and Outreach
ARIZONA DEPARTMENT OF REVENUE
PO BOX 28032
Phoenix, AZ 85038-9032

IMPORTANT! Incomplete applications WILL NOT BE PROCESSED.

- Please read form instructions while completing the application. Additional information and forms available at www.azdor.gov
- Required information is designated with an asterisk (*).
- Return completed application AND applicable license fee(s) to address shown at left.
- For licensing questions regarding transaction privilege tax, call Customer Care and Outreach: (802) 255-3381

You can register, file and pay for this application online at www.AZTaxes.gov. It is fast and secure.

SECTION A: Business Information

1* Federal Employer Identification Number or Social Security Number, <i>required if sole proprietor with no employees</i>		2* License Type – <i>Check all that apply:</i> <input type="checkbox"/> Transaction Privilege Tax (TPT) <input type="checkbox"/> Use Tax <input type="checkbox"/> Withholding/Unemployment Tax <i>(if hiring employees)</i> <input type="checkbox"/> TPT for Cities ONLY	
3* Type of Organization/Ownership – <i>Tax exempt organizations must attach a copy of the Internal Revenue Service's letter of determination.</i> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"> <input type="checkbox"/> Individual/Sole Proprietorship <input type="checkbox"/> Corporation State of Inc. _____ Date of Inc. _____ </div> <div style="width: 50%;"> <input type="checkbox"/> Subchapter S Corporation <input type="checkbox"/> Association <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company </div> <div style="width: 50%;"> <input type="checkbox"/> Government <input type="checkbox"/> Estate <input type="checkbox"/> Trust <input type="checkbox"/> Limited Liability Partnership </div> <div style="width: 50%;"> <input type="checkbox"/> Joint Venture <input type="checkbox"/> Receivership </div> </div>			
4* Legal Business Name			
5* Mailing Address – number and street		City	State ZIP Code
County/Region		Country	
6* Business Phone No. <i>(with area code)</i>	7 Email Address	8 Fax Number <i>(with area code)</i>	
9* Description of Business: <i>Describe merchandise sold or taxable activity.</i>			
10* NAICS Codes: Available at www.azdor.gov			
11* Did you acquire or change the legal form of an existing business? <input type="checkbox"/> No <input type="checkbox"/> Yes → You must complete Section F.		12* Are you a construction contractor? <input type="checkbox"/> No <input type="checkbox"/> Yes <i>(see bonding requirements)</i>	
BONDING REQUIREMENTS: Prior to the issuance of a Transaction Privilege Tax license, new or out-of-state contractors are required to post a Taxpayer Bond for Contractors unless the contractor qualifies for an exemption from the bonding requirement. The primary type of contracting being performed determines the amount of bond to be posted. Bonds may also be required from applicants who are delinquent in paying Arizona taxes or have a history of delinquencies. Refer to the publication, Taxpayer Bonds, available online at www.azdor.gov or in Arizona Department of Revenue offices.			
WITHHOLDING LICENSE ONLY			
13* Withholding Physical Location Number and street <i>(Do not use PO Box, PMB or route numbers)</i>		City	State ZIP Code
County/Region		Country	

Continued on page 2 →

FOR AGENCY USE ONLY		
<input type="checkbox"/> New <input type="checkbox"/> Change <input type="checkbox"/> Revise <input type="checkbox"/> Reopen	ACCOUNT NUMBER	DLN
	START	TRANSACTION PRIVILEGE TAX
	S/E DATE	WITHHOLDING / SSN / EIN
	COMPLETED DATE	EMPLOYEE'S NAME
	LIABILITY	LIABILITY ESTABLISHED

CASHIER'S STAMP ONLY. DO NOT MARK IN THIS AREA.

Name (as shown on page 1)

FEIN or SSN (as shown on page 1)

SECTION B: Identification of Owners, Partners, Corporate Officers Members/Managing Members or Officials of this Employing Unit

If you need more space, attach Additional Owner, Partner, Corporate Officer(s) form available at www.azdor.gov. If the owner, partners, corporate officers or combination of partners or corporate officers, members and/or managing members own more than 50% of or control another business in Arizona, attach a list of the businesses, percentages owned and unemployment insurance account numbers or provide a Power of Attorney (Form 285) which must be filled out and signed by an authorized corporate officer.

Owner 1	*Social Security No.	*Title	*Last Name	First Name	Middle Init.
	*Street Address		*City	*State	* % Owned
	*ZIP Code	*County	*Phone Number (with area code)	*Country	
Owner 2	*Social Security No.	*Title	*Last Name	First Name	Middle Init.
	*Street Address		*City	*State	* % Owned
	*ZIP Code	*County	*Phone Number (with area code)	*Country	
Owner 3	*Social Security No.	*Title	*Last Name	First Name	Middle Init.
	*Street Address		*City	*State	* % Owned
	*ZIP Code	*County	*Phone Number (with area code)	*Country	

SECTION C: Transaction Privilege Tax (TPT)

1* Date Business Started in Arizona	2* Date Sales Began	3 What is your Estimated Tax Liability for your first twelve months of business?
4 Filing Frequency <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Seasonal <input type="checkbox"/> Annual If seasonal filer, check the months for which you intend to do business: <input type="checkbox"/> JAN <input type="checkbox"/> FEB <input type="checkbox"/> MAR <input type="checkbox"/> APR <input type="checkbox"/> MAY <input type="checkbox"/> JUN <input type="checkbox"/> JUL <input type="checkbox"/> AUG <input type="checkbox"/> SEP <input type="checkbox"/> OCT <input type="checkbox"/> NOV <input type="checkbox"/> DEC		
5 Does your business sell tobacco products? <input type="checkbox"/> Yes → <input type="checkbox"/> Retailer OR <input type="checkbox"/> Distributor	6 TPT Filing Method <input type="checkbox"/> Cash Receipts <input type="checkbox"/> Accrual	7 Does your business sell new motor vehicle tires or vehicles? <input type="checkbox"/> Yes → You will have to file Motor Vehicle Tire Fee form available at www.azdor.gov
8* Tax Records Physical Location – number and street (Do not use PO Box, PMB or route numbers)		City State ZIP Code
County		Country
9* Name of Contact		* Phone Number (with area code) Extension

SECTION D: Transaction Privilege Tax (TPT) Physical Location

1* Business Name, "Doing Business As" or Trade Name at this Physical Location		2* Phone Number (with area code)	
3* Physical Location of Business or Commercial/Residential Rental Number and street (Do not use PO Box, PMB or route numbers)		City	State ZIP Code
County/Region		Country	
Residential Rental Only – Number of Units		Reporting City (if different than the physical location city)	
4* Additional County/Region Indian Reservation/City: County/Region Indian Reservation and City Codes available at www.azdor.gov			
County/Region		City	
Business Codes (Include all codes that apply): See Instructions. Complete list available at www.azdor.gov			
State/County		City	

If you have more locations, attach Additional Business Locations form available at www.azdor.gov

Name (as shown on page 1)

FEIN or SSN (as shown on page 1)

SECTION E: Withholding & Unemployment Tax Applicants

1* Regarding THIS application, Date Employees First Hired in Arizona		2 Are you liable for Federal Unemployment Tax? <input type="checkbox"/> Yes → First year of liability:	
3 Are individuals performing services that are excluded from withholding or unemployment tax? <input type="checkbox"/> Yes → Describe services:		4 Do you have an IRS ruling that grants an exclusion from Federal Unemployment Tax? <input type="checkbox"/> Yes → Attach a copy of the Ruling Letter.	
5 Do you have, or have you previously had, an Arizona unemployment tax number? <input type="checkbox"/> No <input type="checkbox"/> Yes → Business Name:		Unemployment Tax Number:	
6 First calendar quarter Arizona employees were/will be hired and paid (Indicate quarter as 1, 2, 3, 4):	Hired Year	Hired Quarter	Paid Year
			Paid Quarter
7 When did/will you first pay a total of \$1,500 or more gross wages in a calendar quarter? (Indicate quarter as 1, 2, 3, 4) <small>Exceptions: \$20,000 gross cash wages Agricultural; \$1,000 gross cash wages Domestic/Household; not applicable to 501(c)(3) Non-Profit.</small>		Year	Quarter
8 When did/will you first reach the 20th week of employing 1 or more individuals for some portion of a day in each of 20 different weeks in the same calendar year? (Indicate quarter as 1, 2, 3, 4) <small>Exceptions: 10 or more individuals Agricultural; 4 or more individuals 501(c)(3) Non-Profit; not applicable to Domestic/Household.</small>		Year	Quarter

SECTION F: Acquired Business Information

If you answered "Yes" to Section A, question 11, you must complete Section F.

1* Did you acquire or change all or part of an existing business? <input type="checkbox"/> All <input type="checkbox"/> Part	2* Date of Acquisition	3* EIN of Business Under Previous Owner
4* Previous Owner's Telephone Number	5* Name of Business Under Previous Owner	6* Name of Previous Owner
7* Did you change the legal form of all or part of the Arizona operations of your existing business? (e.g., change from sole proprietor to corporation or etc.) <input type="checkbox"/> All <input type="checkbox"/> Part	8* Date of Change	9* EIN of Previous Legal Form

SECTION G: AZTaxes.gov Security Administrator

Visit www.AZTaxes.gov (the Arizona Department of Revenue's online customer service center) to register for online services. The authorized individual will have full online access to transaction privilege, use, withholding and corporate tax account information and services. The authorized individual will be able to add or delete users and grant user privileges. Online services include viewing tax account information, filing tax returns, signing returns electronically with a Self-Select Personal Identification Number (PIN) and remitting tax payments.

SECTION H: Required Signatures

This application must be signed by either a sole owner, at least two partners, managing member or corporate officer legally responsible for the business, trustee or receiver or representative of an estate that has been listed in Section B.

1 Print or Type Name	2 Print or Type Name
Title	Title
Date	Date
Signature	Signature

This application must be completed, signed, and returned as provided by A.R.S. § 23-722.

Equal Opportunity Employer/Program

This application is available in alternative formats at Unemployment Insurance Tax Office.

**PLEASE COMPLETE SECTION I: STATE/COUNTY & CITY LICENSE FEE WORKSHEET
TO CALCULATE AND REMIT TOTAL AMOUNT DUE WITH THIS APPLICATION.**

Name (as shown on page 1)

FEIN or SSN (as shown on page 1)

SECTION I: State/County & City License Fee WorksheetALL FEES ARE SUBJECT TO CHANGE. Check for updates at www.azdor.gov.

To calculate CITY FEE: Multiply No. of Locations by the License Fee and enter sum in License Subtotal.

City/Town	Code	No. of Loc's	License Fee	License Subtotal	City/Town	Code	No. of Loc's	License Fee	License Subtotal	City/Town	Code	No. of Loc's	License Fee	License Subtotal
Apache Junction	AJ		\$2.00		Goodyear	GY		\$5.00		Sahuarita	SA		\$5.00	
Avondale	AV		\$0.00		Guadalupe	GU		\$2.00		San Luis	SU		\$2.00	
Benson	BS		\$5.00		Hayden	HY		\$5.00		Scottsdale	SC		\$50.00	
Bisbee	BB		\$1.00		Holbrook	HB		\$1.00		Sedona	SE		\$2.00	
Buckeye	BE		\$2.00		Huachuca City	HC		\$2.00		Show Low	SL		\$2.00	
Bullhead City	BH		\$2.00		Jerome	JO		\$2.00		Sierra Vista	SR		\$1.00	
Camp Verde	CE		\$2.00		Kearny	KN		\$2.00		Snowflake	SN		\$2.00	
Carefree	CA		\$10.00		Kingman	KM		\$2.00		Somerton	SO		\$2.00	
Casa Grande	CG		\$2.00		Lake Havasu	LH		\$5.00		South Tucson	ST		\$2.00	
Cave Creek	CK		\$20.00		Litchfield Park	LP		\$2.00		Springerville	SV		\$5.00	
Chandler	CH		\$2.00		Mammoth	MH		\$2.00		St. Johns	SJ		\$2.00	
Chino Valley	CV		\$2.00		Marana	MA		\$5.00		Star Valley	SY		\$2.00	
Clarkdale	CD		\$2.00		Maricopa	MP		\$2.00		Superior	SI		\$2.00	
Clifton	CF		\$2.00		Mesa	ME		\$20.00		Surprise	SP		\$10.00	
Colorado City	CC		\$2.00		Miami	MM		\$2.00		Taylor	TL		\$2.00	
Coolidge	CL		\$2.00		Nogales	NO		\$0.00		Tempe	TE		\$50.00	
Cottonwood	CW		\$2.00		Oro Valley	OR		\$12.00		Thatcher	TC		\$2.00	
Dewey/Humboldt	DH		\$2.00		Page	PG		\$2.00		Tolleson	TN		\$2.00	
Douglas	DL		\$5.00		Paradise Valley	PV		\$2.00		Tombstone	TS		\$1.00	
Duncan	DC		\$2.00		Parker	PK		\$2.00		Tucson	TU		\$20.00	
Eagar	EG		\$10.00		Patagonia	PA		\$0.00		Tusayan	TY		\$2.00	
El Mirage	EM		\$15.00		Payson	PS		\$2.00		Wellton	WT		\$2.00	
Eloy	EL		\$10.00		Peoria	PE		\$50.00		Wickenburg	WB		\$2.00	
Flagstaff	FS		\$46.00		Phoenix**	PX		\$50.00		Willcox	WC		\$1.00	
Florence	FL		\$2.00		Pima	PM		\$2.00		Williams	WL		\$2.00	
Fountain Hills	FH		\$2.00		Pinetop/Lakeside	PP		\$2.00		Winkelman	WM		\$2.00	
Fredonia	FD		\$10.00		Prescott	PR		\$5.00		Winslow	WS		\$10.00	
Gila Bend	GI		\$2.00		Prescott Valley	PL		\$2.00		Youngtown	YT		\$10.00	
Gilbert	GB		\$2.00		Quartzsite	QZ		\$2.00		Yuma	YM		\$2.00	
Glendale	GE		\$35.00		Queen Creek	QC		\$2.00						
Globe	GL		\$2.00		Safford	SF		\$2.00						

Subtotal City License Fees
(column 1) \$Subtotal City License Fees
(column 2) \$Subtotal City License Fees
(column 3) \$**AA TOTAL City License Fee(s) (column 1 + 2 + 3)** \$**BB TOTAL State License Fee(s):** Calculate by multiplying number of business locations by \$12.00

No. of Loc's	Fee per Location	TOTAL
	\$12.00	\$

Residential Rental License Fees - Only Chandler, Phoenix, and Scottsdale

Multiply the number of units per locations by \$2.00 (\$50.00 Annual Cap per license).

No. of Units	No. of Loc's	City Fee
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ONLY CHANDLER, PHOENIX, and SCOTTSDALE
should use this section.
DO NOT use the fee chart above to calculate license fees.
The amount for each city CANNOT EXCEED \$50.00

Residential Rental License-Chandler
Residential Rental License-Phoenix
Residential Rental License-Scottsdale

	\$
	\$
	\$

CC TOTAL City Residential Rental License Fees (Add Chandler, Phoenix, & Scottsdale) \$**DD TOTAL DUE (Add lines AA + BB + CC)** \$

- Make check payable to Arizona Department of Revenue.
- Include FEIN or SSN on payment.

- Do not send cash.
- License will not be issued without full payment of fee(s).

**If your only business is under Class 213, Commercial Lease, there is no license fee due.



ARIZONA DEPARTMENT OF REVENUE
GENERAL INSTRUCTIONS FOR ARIZONA JOINT TAX APPLICATION (JT-1)

Online Application

Go to www.AZTaxes.gov

Notice for Construction Contractors:

Due to bonding requirements, construction contractors are not permitted to license for transaction privilege tax online. For more information, please contact us.

Mailing Address

Arizona Department of Revenue
PO Box 29032
Phoenix, AZ 85038-9032

**Customer Service
Center Locations**

8:00 a.m. – 5:00 p.m.
Monday through Friday
(Except legal Arizona state holidays)

Phoenix Office

1600 West Monroe
Phoenix, AZ 85007

Mesa Office

1840 South Mesa Drive
Building #1352
Mesa, AZ 85201

(This office does not handle billing or account disputes)

Tucson Office

400 West Congress
Tucson, AZ 85701

**Customer Service
Telephone Numbers**

Licensing questions on Transaction
Privilege, Withholding or Use Tax
(Arizona Department of Revenue)
(602) 255-3381

Unemployment Tax
(Arizona Department of
Economic Security)
(602) 771-6602

E-mail: uitstatus@azdes.gov

The Arizona Joint Tax Application (JT-1) is used to apply for Transaction Privilege Tax, Use Tax, and Employer Withholding and Unemployment Insurance. The Application is called "Joint" because it is used by both the Department of Revenue and Economic Security.

USE THIS APPLICATION TO:

- **License New Business:** If you are selling a product or engaging in a service subject to transaction privilege tax, you will most likely need to obtain the state transaction privilege tax license (TPT) license.
- **Change Ownership:** If acquiring or succeeding to all or part of an existing business or changing the legal form of your business (sole proprietorship to corporation, etc.).

IMPORTANT: To avoid delays in processing of your application, we recommend you read these instructions and refer to them as needed to ensure you have accurately entered all the required information. **This application must be completed, signed, and returned as provided by A.R.S. § 23-722.**

- Please read form instructions while completing the application. Additional information and forms are available at www.azdor.gov.
- Required information is designated with an asterisk (*).
- Please complete Section I: State/County & City License Fee Worksheet to calculate and remit **Total Amount Due** with this application.

When completing this form, please **print or type in black ink**. Legible applications are required for accurate processing. The following numbered instructions correspond to the numbers on the Form JT-1.

If you need to update a license, add a business location, get a copy of your license, or make other changes: Complete a Business Account Update form and include a State fee of \$12 per location and any applicable fees related to locations within the City/Town jurisdictions. Additional information and forms are available at www.azdor.gov.

Section A: BUSINESS INFORMATION

1. Provide your **Federal Employer Identification No. (FEIN)** or **Social Security No. (SSN)** if you are a sole proprietor without employees. Taxpayers are required to provide their taxpayer identification number (TIN) on all returns and documents. A TIN is defined as the federal employer identification number (EIN) or SSN, depending upon how income tax is reported. The EIN is required for all employers. A penalty of \$5 will be assessed by the Department of Revenue for each document filed without a TIN.

2. **License Type (Check all that apply):**

Transaction Privilege Tax (TPT): Anyone engaged in a business taxable under the TPT statutes must apply for a TPT License before engaging in business. For TPT, you are required to obtain and display a separate license certificate for each business or rental location. This may be accomplished in one of the following ways:

- Each location may be licensed as a separate business with a separate license number for purposes of reporting transaction privilege and use taxes individually. Therefore, a separate application is needed for each location.
- Multiple locations may be licensed under a consolidated license number, provided the ownership is the same, to allow filing of a single tax return. If applying for a new license, list the various business locations as instructed below. If already licensed and you are adding locations, do not use this application to consolidate an existing license. Please submit a **Business Account Update** form, available at www.azdor.gov.

Withholding & Unemployment Taxes: Employers paying wages or salaries to employees for services performed in the State must apply for a Withholding number & Unemployment number.

Use Tax: Out-of-state vendors (that is, vendors with no Arizona location) making direct sales into Arizona must obtain a Use Tax Registration Certificate. In-state business not required to be licensed in Arizona for TPT purposes, making out-of state purchases for their own use (and not for resale) must also obtain the Use Tax registration.

TPT for cities only: This type of license is needed if your business activity is subject to city TPT which is collected by the state, but the activity is not taxed at the state level.

3. **Type of Organization/Ownership:** Check as applicable. A corporation must provide the state and date of incorporation.
4. Provide the **Legal Business Name** or owner or corporation as listed in its articles of incorporation, or individual and spouse, or partners, or organization owning or controlling the business.
5. Provide the **Mailing Address** (number and street) where all correspondence is to be sent. You may use your

home address, corporate headquarters, or accounting firm's address, etc. If mailing address differs for licenses (for instance withholding and unemployment insurance), please send a cover letter with completed application to explain.

6. Provide the **Business Phone Number** including the area code.
7. Provide the **Email Address** for the business or contact person.
8. Provide the **Business Fax Number** including the area code.
9. Provide the **Description of Business** by describing the major taxable business activity, principle product you manufacture, commodity sold, or services performed. Your description of business is very important and **MUST** link to the appropriate **NAICS Code** and **Business Code**.
10. Provide all **North American Industries Classification System (NAICS) Code(s)** that apply. The NAICS is identified for your business, based on your major business activity, principle product you manufacture, commodity sold, or services performed. You must indicate at least one NAICS code. A current listing is available at www.azdor.gov.
11. If you acquired or changed the legal name of an existing business, you must complete Section F of this application. If you check NO, proceed to number 12.
12. If you are a construction contractor, read bonding requirements and submit the appropriate bonding paperwork with this application. If you check NO, proceed to number 13.
13. Provide the **Withholding Physical Location** of the business. This address cannot be a PO Box or Route Number.

Section B: IDENTIFICATION OF OWNERS, PARTNERS, CORPORATE OFFICERS, MEMBERS/ MANAGING MEMBERS OR OFFICIALS OF THIS EMPLOYING UNIT

Provide the full name, social security number and title of all Owners, Partners, Corporate Officers, Members/ Managing Members or Officials of the Employing Unit. If you need additional space, attach Additional Owners, Partners, Corporate Officer(s) Addendum available at www.azdor.gov. If the owner, partners, corporate officers or combination of partners or corporate officers, members and/ or managing members own more than 50% of, or control another business in Arizona, attach a list of the businesses, percentages owned and unemployment insurance account numbers or provide a General Disclosure/ Power of Attorney (Form 285) which must be filled out and signed by an authorized corporate officer.

Section C: TRANSACTION PRIVILEGE TAX (TPT)

1. Provide the **Date Business Started** in Arizona.
2. Provide the **Date Sales Began** in Arizona or estimate when you plan to begin selling in Arizona.
3. **Tax Liability:** Provide the amount of gross income you can reasonably expect to generate in your first twelve months of business. You will be set up for monthly filing unless your Estimated Tax Liability will result in a tax liability of less than \$8,000, which will require you to file quarterly.
4. Based on your tax liability, provide your filing frequency. If your total estimated annual combined Arizona, county and municipal TPT liability is:
 - Less than \$2,000, you may file and pay annually.
 - Between \$2,000 and \$8,000, you may file and pay quarterly.
 - Otherwise, your transaction privilege taxes are due monthly.
 If your business is **Seasonal** or you are a transient vendor, indicate the months in which you intend to do business in Arizona.
5. Indicate whether your business sells tobacco products. If you checked yes, check the box to indicate if you are a retailer or distributor of tobacco products.
6. **TPT Filing Method:** Check which filing method your business uses for determining tax liability. Cash basis requires the payment of tax based on sales receipts actually received during the period covered on the tax return. When filing under the accrual basis the tax is calculated on the sales billed rather than actual receipts.
7. If you sell new **Motor Vehicle Tires or Vehicles**, you must file the Motor Vehicle Waste Tire Fee form (TR-1) available at www.azdor.gov. Sellers of new motor vehicles and motor vehicle tires in the state, for on-road use, are required to report and pay a waste tire fee to the Department of Revenue.
8. through 9. **Tax Records Physical Location** indicate the physical address where your tax records are located. Include the contact person's name and phone number.

**Section D: TRANSACTION PRIVILEGE TAX (TPT)
PHYSICAL LOCATION**

1. Provide the **Business Name, "Doing Business As" (DBA)**. DBA is the name of a business other than the owner's name or, in the case of a corporation, a name that is different from the legal or true corporate name. If it is the same as the **Legal Business Name** enter "same".
2. Provide the **Business Phone Number** including the area code.
3. Provide the **Physical Location** of the business. This address cannot be a PO Box or Route Number. Provide:
 - **County/Region**
 - **Residential Rentals ONLY** - Number of Units
 - **Reporting City**, if different from the **Physical Location** city. For example, if the location for the listed address

is listed in an adjacent city, such as Scottsdale, but the location of the business is actually within the city of Phoenix. See "TPT Rate Look Up" on www.AZTaxes.gov.

4. Provide if your business is located on an Indian Reservation; provide the **Additional County/Region Indian Reservation Code(s)**. A current listing is available at www.azdor.gov.

Provide the **Business Code(s)** including all State and City Business Code(s) that apply; based on your major business activity, principle product you manufacture, commodity sold, or services performed. You must indicate at least one business code. A current listing is available at www.azdor.gov.

If you have more locations, attach **Additional Business Locations** form available at www.azdor.gov.

**Section E: WITHHOLDING & UNEMPLOYMENT TAX
APPLICANTS**

1. Provide the **Date Employees First Hired** in Arizona.
2. If you are liable for Federal Unemployment Tax, check YES and enter the first year of liability.
3. If individuals in your business are performing services that are excluded from withholding or unemployment tax, check YES and describe the services these individuals are performing.
4. If your business has an IRS ruling that grants an exclusion from Federal Unemployment Tax, check YES and you must attach a copy of the Ruling Letter to this application.
5. If you have, or previously had an Arizona unemployment tax number, check YES and provide the business name you used and the unemployment number.
6. Provide the first calendar quarter Arizona employees were or will be hired and paid.
7. When do you anticipate or did you first pay a total of \$1,500 or more in gross wages in a calendar quarter? Indicate the year and quarter in which this occurred or will occur.
8. When do you anticipate or did you first reach the 20th week of employing 1 or more individuals for a full or partial day within the same calendar year? Indicate the year and quarter in which this occurred or will occur.

Section F: ACQUIRED BUSINESS INFORMATION

1. Did you acquire or change all or part of an existing business? If part, to obtain an unemployment tax rate based on the business's previous account, you must request it no later than 180 days after the date of acquisition or legal form of business change; contact the Unemployment Tax Office Experience Rating Unit for an Application & Agreement for Severable Portion Experience Rating Transfer (form UC-247; printable version available online at www.azui.com).

2. Provide the date you acquired the previous owner's business or changed the legal form of your existing business (sole proprietor to corporate, etc.).
3. through 6. Complete as indicated if you know the previous owner's information.
7. through 9. If you merely changed the legal form of your existing business, indicate whether or not you changed all or part of the business, the date of change and EIN of previous Legal Form of Business.

Section G: AZTAXES.GOV SECURITY ADMINISTRATOR

Visit www.AZTaxes.gov (the Arizona Department of Revenue's online customer service center) to register for online services. The authorized individual will have full online access to transaction privilege, use, withholding and corporate tax account information and services. The authorized individual will be able to add or delete users and grant user privileges. Online services include viewing tax account information, filing tax returns, signing returns electronically with a Self-Select Personal Identification Number (PIN) and remitting tax payments.

Section H: REQUIRED SIGNATURES

This application must be signed only by either a sole owner, at least two partners, managing member or corporate officer legally responsible for the business. This application CANNOT be signed by agents or representatives.

Section I: STATE/COUNTY & CITY LICENSE FEE WORKSHEET

There are no fees for Withholding/Unemployment Insurance, or Use Tax registrations. State license fees are calculated per business location. To calculate the city license fees, use the listing of cities on page 4, Section I of this application. City fees are subject to change. Check for updates at www.azdor.gov.

- AA: TOTAL City License Fees – To calculate the city fees, multiply No. of Locations in the city by the license fee and enter sum in Subtotal City License Fees. Then calculate and enter the sum of columns 1 + 2 + 3. If you have a location in Phoenix and the business is only under Class 213, Commercial Lease, there is no license fee due.
- BB: TOTAL State License Fees – To calculate the state fees, multiply the No. of locations in the state by \$12.
- CC: TOTAL City Residential Rental License Fee – USE THIS SECTION FOR CHANDLER, PHOENIX AND SCOTTSDALE ONLY. These cities WILL NOT use the larger fee chart. To calculate Residential Rental license fee, multiple the No. of units by the No. of locations by \$2.00 (\$50.00 Annual Cap per license). The amount for each city CANNOT EXCEED \$50.00.
- DD: TOTAL DUE – Add lines AA + BB + CC.

Please send your payment for this amount. Failure to include your payment with this application will result in a delay in processing your license. Licenses are not issued until all fees have been paid.

Make checks payable to the Arizona Department of Revenue. Be sure to return all pages of the application with your payment. Retain a copy of the application for your records.

- DO NOT SEND CASH
- Include your EIN or SSN on payment

State/County Business Codes

Codes	Taxable Activities	Codes	Taxable Activities	Codes	Taxable Activities
002	Mining - Nonmetal	014	Personal Property Rental	051	Jet Fuel Use Tax
004	Utilities	015	Contracting - Prime	053/055	Rental Car Surcharge
005	Communications	017	Retail	129	Use Tax Direct Payments
006	Transporting	019	Severance - Metalliferous Mining	153	Rental Car Surcharge - Stadium
007	Private (Rail) Car	023	Recreational Vehicle Surcharge	315	MRRA Amount
008	Pipeline	025	Transient Lodging	911	911 Telecommunications
009	Publication	029	Use Tax Purchases	912	E911 Prepaid Wireless
010	Job Printing	030	Use Tax from Inventory		
011	Restaurants and Bars	033	Telecommunications Devices		
012	Amusement	041	Municipal Water		
013	Commercial Lease	049	Jet Fuel Tax		

City Business Codes

Codes	Taxable Activities	Codes	Taxable Activities	Codes	Taxable Activities
004	Utilities	020	Timbering & Other Extraction	116	Feed Wholesale
005	Communications	027	Manufactured Buildings	144	Hotel/Motel (additional tax)
006	Transporting	029	Use Tax	213	Commercial Rental, Licensing for Use
009	Publication	030	Use Tax from Inventory	214	Rental, Leasing and Licensing for Use of Tangible Personal Property
010	Job Printing	037	Contracting - Owner Builder	244	Lodging-Extended Stay
011	Restaurants and Bars	040	Rental Occupancy	313	Commercial Lease (additional tax)
012	Amusement	044	Hotels	315	MRRA Amount
015	Contracting - Prime	045	Rental Residential		
016	Contracting Spec Builder	049	Jet Fuel Tax		
017	Retail	051	Jet Fuel Use		
018	Advertising	062	Retail Sales Food for Home Consumption		
019	Severance - Metalliferous Mining	111	Additional Restaurants & Bars		

TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)

Arizona Department of Revenue

PO Box 29010 - Phoenix, AZ 85038-9010

For assistance out of state or in the Phoenix area: (602) 255-2060 or Statewide, toll free area codes 520 and 928: (800) 843-7196

TAXPAYER IDENTIFICATION NUMBER		<input type="checkbox"/> SSN	<input type="checkbox"/> EIN
LICENSE NUMBER			
PERIOD BEGINNING		PERIOD ENDING	
REVENUE USE ONLY. DO NOT MARK IN THIS AREA			
POSTMARK DATE		RECEIVED DATE	

TAXPAYER INFORMATION		CHECK HERE AND SIGN BELOW IF YOU HAVE NO GROSS RECEIPTS TO REPORT	
<input type="checkbox"/> AMENDED RETURN	<input type="checkbox"/> FINAL RETURN (Cancel License)		
BUSINESS NAME			
C/O			
MAILING ADDRESS			
CITY	STATE	ZIP CODE	
<input type="checkbox"/> ADDRESS CHANGED (MAILING ADDRESS ONLY)		BUSINESS PHONE NUMBER	

AA NET AZ/COUNTY TAX (PAGE 2, LINE MM, COLUMN (M))

BB NET CITY TAX (PAGE 3, LINE RR, COLUMN (M))

CC NET TAX DUE ON THIS RETURN (LINE AA + LINE BB = LINE CC)

DD TPT ESTIMATED PAYMENTS TO BE USED ON THIS RETURN (JUNE RETURN ONLY, DUE IN JULY)

EE TAX DUE NET OF TPT ESTIMATED PAYMENTS (LINE CC - LINE DD = LINE EE)

FF TOTAL AMOUNT REMITTED WITH THIS RETURN

NOTE: A TRANSACTION DETAIL PAGE IS REQUIRED OR THE RETURN WILL NOT PROCESS CORRECTLY AND PENALTIES MAY APPLY.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

☐

The taxpayer designates the individual listed below as the person to contact to schedule an audit of this return and authorize the disclosure of confidential information to this individual.

TAXPAYER PRINTED NAME

TAXPAYER SIGNATURE

TAXPAYER PHONE NO.

DATE

PAID PREPARER'S SIGNATURE (OTHER THAN TAXPAYER)

PAID PREPARER'S TIN

PAID PREPARER'S PHONE NO.

PLEASE MAKE CHECK PAYABLE TO ARIZONA DEPARTMENT OF REVENUE

TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)

LICENSE NUMBER:

STATE (AZ) COUNTY TRANSACTION DETAIL (See Table 1 on the Tax Rate Table, www.azdor.gov)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
REG. CODE	NAME OF REGION	BUS. CODE	DESC. OF BUS. ACTIVITY	GROSS RECEIPTS	DEDUCTIONS FROM SCHEDULE A	(F) - (G) = (H) NET TAXABLE	AZ / COUNTY TAX RATE	(H) X (I) = (J) TOTAL TAX	ACCTNG CREDIT RATE	(H) X (K) = (L) ACCOUNTING CREDIT	(J) - (L) = (M) AZ COUNTY TAX DUE	
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GG SUBTOTAL												
HH TOTALS FROM ADDITIONAL AZ/COUNTY PAGE(S)												
II TOTAL (LINE GG + LINE HH = LINE II)												
JJ EXCESS TAX COLLECTED												
KK EXCESS TAX ACCOUNTING CREDIT: (SEE INSTRUCTIONS)												
LL NET AZ/COUNTY EXCESS TAX COLLECTED (LINE JJ, COLUMN (M) - LINE KK, COLUMN (M))												
MM NET AZ/COUNTY TAX (LINE II, COLUMN (M) + LINE LL, COLUMN (M))												

TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)

CITY TRANSACTION DETAIL (See Table 2 on the Tax Rate Table, www.azdor.gov)

LICENSE NUMBER: _____

PAGE 3 OF _____

(A) LOC. CITY CODE	(B) CITY CODE	(C) NAME OF CITY	(D) BUS. CODE	(E) DESC. OF BUS. ACTIVITY	(F) GROSS RECEIPTS	(G) DEDUCTIONS FROM SCHEDULE A	(H) (F) - (G) = (H) NET TAXABLE	(I) CITY TAX RATE	(J) (H) x (I) = (J) TOTAL TAX	(K)	(L) CITY CREDIT	(M) (J) - (L) = (M) CITY TAX DUE
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NN CITY SUBTOTAL												
OO CITY SUBTOTALS FROM ADDITIONAL CITY PAGE(S)												
PP CITY TOTAL (LINE NN + LINE OO = LINE PP)												
QQ CITY EXCESS TAX COLLECTED												
RR NET CITY TAX (LINE PP, COLUMN (M) + LINE QQ, COLUMN (M))												

TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)
ADDITIONAL TRANSACTIONS

LICENSE NUMBER: _____

PAGE 2A OF _____

STATE (AZ) COUNTY TRANSACTION DETAIL (See Table 1 on the Tax Rate Table, www.azdor.gov)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	REG. CODE	NAME OF REGION	BUS. CODE	DESC. OF BUS. ACTIVITY	GROSS RECEIPTS	DEDUCTIONS FROM SCHEDULE A	(F) - (G) = (H) NET TAXABLE	AZ / COUNTY TAX RATE	(H) X (I) = (J) TOTAL TAX	ACCTNG CREDIT RATE	(H) X (K) = (L) ACCOUNTING CREDIT	(J) - (L) = (M) AZ/COUNTY TAX DUE
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AZ/COUNTY SUBTOTAL										\$	\$	\$

ADD SUBTOTALS OF AZ/COUNTY ADDITIONAL TRANSACTIONS TO THE 2ND PAGE OF RETURN

TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)
ADDITIONAL TRANSACTIONS

LICENSE NUMBER: _____

PAGE 3A OF _____

CITY TRANSACTION DETAIL (See Table 2 on the Tax Rate Table, www.szdor.gov)

(A) LOC. CODE	(B) CITY CODE	(C) NAME OF CITY	(D) BUS. CODE	(E) DESC. OF BUS. ACTIVITY	(F) GROSS RECEIPTS	(G) DEDUCTIONS FROM SCHEDULE A	(H) (F) - (G) = (H) NET TAXABLE	(I) CITY TAX RATE	(J) (H) x (I) = (J) TOTAL TAX	(K)	(L) CITY CREDIT	(M) (J) - (L) = (M) CITY TAX DUE
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CITY SUBTOTAL										\$	\$	\$

ADD SUBTOTALS OF CITY ADDITIONAL TRANSACTIONS TO THE 3RD PAGE OF RETURN

TPT-2 – SCHEDULE A DEDUCTIONS – STATE/COUNTY TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX

LICENSE NUMBER: _____ Page _____ of _____

STATE (AZ) /COUNTY DEDUCTIONS DETAIL

(A)	(B) REGION CODE	(C) BUSINESS CODE	(D) DEDUCTION CODE	(E) DEDUCTION AMOUNT	(F) DESCRIPTION OF DEDUCTION CODE
1				\$	
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7				\$	
8				\$	
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28				\$	
29				\$	
30				\$	
31				\$	
32				\$	
33				\$	
34				\$	
35				\$	
36				\$	
AA SUBTOTAL OF DEDUCTIONS				\$	
BB DEDUCTION TOTALS FROM ADDITIONAL AZ/COUNTY PAGE(S) --				\$	
CC TOTAL DEDUCTIONS (LINE AA + LINE BB = LINE CC).				\$	
TOTAL MUST EQUAL TOTAL ON PAGE 2, LINE 11, COLUMN G				\$	

**TPT-2 – SCHEDULE A DEDUCTIONS – CITY
TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX**

LICENSE NUMBER: _____

Page _____ **of** _____

CITY DEDUCTIONS DETAIL

(A) LOCATION CODE	(B) CITY CODE	(C) BUSINESS CODE	(D) DEDUCTION CODE	(E) DEDUCTION AMOUNT	(F) DESCRIPTION OF DEDUCTION CODE
1				\$	
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34				\$	
35				\$	
AA SUBTOTAL OF DEDUCTIONS				\$	
BB DEDUCTION TOTALS FROM ADDITIONAL CITY PAGE(S)				\$	
CC TOTAL DEDUCTIONS (LINE AA + LINE BB = LINE CC)				\$	
TOTAL MUST EQUAL TOTAL ON PAGE 3, LINE PP, COLUMN G				\$	



Town of Huachuca City

The Sunset City

500 N Gonzales Blvd • Huachuca City, Arizona 85616

Phone: (520) 456-1354 • TDD: (520) 456-1353 • Fax: (520) 456-2230

RESOLUTION NO. 2019-18

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, ESTABLISHING AN ADMINISTRATIVE PROCESS FOR APPROVAL OF TEMPORARY SPECIAL EVENT LIQUOR LICENSES

WHEREAS, pursuant to A.R.S. 4-203.02 (B), the State Legislature has authorized municipalities to designate someone to approve temporary liquor licenses on behalf of the governing body; and

WHEREAS, it is the intent of the Huachuca City Council to process license applications as expeditiously as possible; and

WHEREAS, it is the policy of the Council to implement new processes that reduce cost and time burdens on both the applicant and town staff; and

WHEREAS, the Mayor and Council have determined that approval of the procedures attached hereto as Exhibit A, is in the best interest of Huachuca City and its residents.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Huachuca City, Arizona, as follows:

- Section 1.** The Town hereby adopts the procedures for approving temporary liquor licenses, change of agents, and acquisition of control, attached hereto as Exhibit AA.@
- Section 2.** The Town's officers and staff are hereby authorized to take all steps necessary and proper to implement these procedures in accordance with A.R.S. Title 4.

PASSED AND ADOPTED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, THIS 23rd DAY OF MAY, 2019.

Johann Wallace, Mayor

ATTEST:

Matt Williams, Interim Town Clerk

Approved as to Form:

Thomas Benavidez, Town Attorney

EXHIBIT A

[Administrative Approval Process for Temporary Liquor License (Special Events, Wine Fair/Festival, Extension of Premise/Patio Permit), Change of Agents, and Acquisition of Control]

1. Application is accepted and reviewed for completeness by the Town Clerk's office.
2. The application is forwarded to the Police Department for a background investigation on the applicant and to the Building/Zoning Services Department for a check of the location's zoning restrictions.
3. If approved by the Police Department and Building/Zoning Services Department, the Town Clerk approves the issuance of the Temporary Liquor License, Change of Agent, or Acquisition of Control, on behalf of the Town of Huachuca City.
 - a. If any department in the administrative approval process objects to the issuance, the application will be presented to the Council for action.
4. The applications are then forwarded to the State of Arizona Department of Liquor Licensing for final action.
5. The Town Clerk will regularly advise council of temporary licenses issued.

Senior Center Work-session- Town Council will hold a Senior Center work-session on Thursday, May 23, 2019 at 6:30pm to work on planning for Senior Center programs.

Dusk till Dawn- Phase 1 environmental on Dusk till Dawn property is currently being assessed. Staff will bring a report to Council, once finalized.

Equipment acquisition- The Town has acquired a surplus pull behind Cement Mixer for \$250 from GSA surplus. This will be used in the future for sidewalk, curb repairs, etc.

SEACOM- The Town of Tombstone as well as Naco Fire District, Whetstone Fire District and Fry fire district have now joined SEACOM. The SEACOM budget for FY 2019-20 will be over \$250k less than FY 18-19. This savings will be felt most by Sierra Vista and Cochise County who cover the majority of the operational costs.

Clerk search- The job posting for a new Town clerk has been extended due to low amount of applications. Staff hopes to hire a new Town clerk by the start of the new fiscal year.

Budget cycle- The Town has posted its FY 2019-20 tentative budget as required. The final budget meeting/hearing will begin at 6:30pm on June 13. Town staff will be on end of the year spending freeze June 15-30 for end of year close out. Emergency purchases will be allowed, but all other expenditures should be pre-planned.

E-rate installation- The e-rate installation at the library has now been completed. The grant funded high speed broadband is operating at a new speed of 500. On our old system it was operating at 12.

Finance Clerk's

Finance Clerk's Report For Council Meeting

- Bank Balance as of May 13, 2019-\$347,934.93
- There is no carry over balances in Caselle
If you have a budgeted amount of \$5,000 for Summer Splash and you only spent \$3,000 of that during the year you can change the budgeted amount for next year from \$5,000 to \$7,000.

*Please keep in mind; Need to reduce spending. Keep cost down.

Thank you

Police-

Attn: Town of Huachuca City Council, Staff and Citizens

Hello Team, here are some updates on your Police Department, Communications Center and Animal Shelter.

Police Officers continue to adjust to the 24/7 complete coverage of the Town. This scheduled should be reviewed and measured (1-12-2019 till present day). There has been only two calls for service during this time frame (No arrests or citations). With the hiring of a new officer and impending retirement of Lt. Glowacki flexibility in scheduling is necessary to avoid or eliminate overtime. Please advise if we need a work session. The hours worked by the Police Department should not be debated in public.

The Police Department takes calls 24/7. Front desk personnel are taking an active role in assisting with coverage of Town Hall front desk.

Staff continues to identify issues with SEACOM and work with their staff to resolve these issues. Line of Sight (Radio Communications) for the Tower is an issue that will be worked on with Town staff and SEACOM. I will explore the option of moving our repeater to the Tower on Skyline.

I have scheduled a presentation by the Cochise County Emergency Service Director. Gabe Lavine will talk about what is available to the community and Public Safety regarding communication programs available to all.

I have met with senior leadership throughout the county regarding the topic of Critical Incident Response Team. More on that later. It will help protect the Town at no additional cost.

Anyone requesting assistance from your Police Department should contact SEACOM directly. This insures that the investigation process begins immediately.

There are numerous Town events that will need to be supported by your Police Department in the near future. Scheduling will be important to avoid overtime and not burn out your salaried staff (represents 40% of the Police Department work force).

Ofc Arnett is scheduled for General Instructor School in October.

Radar Certification is coming up. (Hand Held and Vehicle mounted).

Animal Control:

Currently, the Animal Shelter carry's two Part Time employees and one on call.

Your Animal Shelter continues to experience great challenges over the coming months. The Shelter continues to remain closed. The animals will continue to be transported to the Sierra Vista Animal Shelter by our Animal Control Officers.

Additional study from County staff was requested by the Board members present, Ann English and Peggy Judd. If this funding is not available or refused by the County, then a decision will need to be made as to the direction of the Huachuca City Animal Shelter. This could mean the shelter is permanently closed.

I will craft and e-mail and send it to the County Board of Supervisors and Ed Gillian to request a formal response (Yes or No to funding the Animal Shelter rehab project). An e-mail will not be necessary, County is pursuing the purchase or lease of 7 acres of land for a County Animal Shelter.

The IGA with the Sierra Vista Animal Shelter and the Town of Huachuca City is due for renewal.

Thank you!

Chief

Whetstone Fire-No report provided

Library Report-

1. During the month of April 2063 people visited the library to include:

- 4 Adult Events: 29 attendees
- 20 Children's classes/events: 227 attendees

2. We received approval of a \$28,000 LSTA grant to digitalize the history of the town. Project will begin in the Fall.

3. We received approval of \$4,000 grant to continue to the hotspot program. Monies will be used to pay for service during the gap between last year's grant and next year's grant process.

4. Friends of the Huachuca City Library voted to fund Summer Reading 2019. They will donate \$150 for prizes for participants and they will donate \$150 for a special event/guest. Thank you Friends!
5. The Legacy Foundation approved a grant in the amount of \$5,400 to pay for Summer Splash in FY 2019.
6. The Healthy Huachuca City Committee initiative – an MOU between Chiricahua Community Health Center and the Town of Huachuca City is being staff/reviewed. If approved, the Mobile Clinic will be in Huachuca City once a month. If there is a demonstrated need, they may be able to come twice a month.
7. Still working on obtaining funding for garden area behind the library.
8. The summer reading program begins on June 10th. This year's theme is: A Universe of Stories. We are working on the schedule and flyers.
9. The Library Director completed an online childhood literacy class: *Using Intentional Planning to Choose Appropriate and Diverse Books for Story Time*. This is the 4th out of 6th necessary to complete a Certificate in Early Childhood Literacy. It was paid for with a scholarship from the Arizona State Library.
10. ERATE – Our library now has a 500 mpbs connection! We also received ERATE Funding for a \$10,000 cabling project at the library which includes moving switches to a secure location.
11. Director Harvey gave three presentations on Library Databases at Huachuca City Middle School to over 90 students. She will give the same presentation at Tombstone High School on Tuesday, May 21st.
12. Director Harvey also helped administer the Tombstone High School Knowledge Bowl competition on April 17th. The competition included well over 100 students from approximately 12 area schools.
13. The Library hosted a table at the Huachuca City Elementary School's Science, Technology, Engineering and Math Fair on May 3rd.
14. Upcoming events (all events are at library except as noted):

Date	Event	Time
May 18	Town-Wide Yard Sale	7:00 am -1 pm
May 18	Friends Book Sale & Bake Sale	7:00 am – 1 pm
May 23	Last day of school	
May 23	Pool Opens	12:00 pm
May 23	Senior Ctr, Work Session (Town Hall)	6:30 pm
May 27	Memorial Day – Town Offices Closed	
May 29	Uploading to YouTube Workshop	11:00 am
Jun 1	Rain Water Harvesting	11:00 am
Jun 3	1 st Session of Summer Splash	8:00 am
Jun 3	Healthy Huachuca Mtg (Comm. Ctr)	5:30 pm
Jun 11	SVMPO – Open House	TBD
Jun 12	Spreadsheets, Budgets and Personal Finance Workshop	11:00 am
Jun 15	Friends of the Library Booksale	10:00 am
Jun 20	Medicare Rep	11:00 am
Jun 26	Social Media Workshop	11:00 am
Jul 4	Independence Day Celebration	4:00 pm

15. Also in June or July (dates and times to be determined), University of Arizona, Cooperative Extension will offer a 4-week series on Adult Nutrition/Activity.

16. Director Harvey will be attending Library Institute in Prescott from Jun 3rd to Jun 7th. The training is fully funded by the Arizona State Library.

Public works Foreman/Landfill-

1. All Daily rounds have been completed at all Well Sites, Sewer Ponds, and Landfill.
2. All Monthly Samples for the Holding Ponds have been pulled and sent to Tucson.
3. The PM Service on the 613C Water Pull has been completed, a repair order is being placed for a Crack was founded on the Goose Neck that needs attended to prevent further damage.
4. The D8R Track had to have the batteries and cables replaced.
5. The 613C Scraper had the Gear shift assembly repaired from normal wear.
6. All Commercial and Residential water meters have been read for billing.
7. The new One Inch Meter Set was installed by Public works for the upgrades going on at Coca-Cola.
8. Repaired to various Meter Sets were completed, Public works had the City Building Inspector involved on a resident that was not getting their water line repair. Which was flowing water in the alley way.
9. Public works continues to cut and clean weeds, grass throughout Huachuca City.
10. The City Pool is ready for its opening weekend, Public works have repair both Pumps; spent endless hours cleaning, grooming and vacuuming to have it ready.

BUILDING OFFICIAL

A total of 7 permits were issued for the month of April. The work consisting of a house remodel, roofing repairs, water heater and air conditioner replacements and stucco application. A valuation breakdown will be provided at the next quarterly report in July.

An electrical power distribution review is underway to investigate the possibility of separating the Police Department and Town Hall to their own meters. The investigation revealed the Fire Department is already separated. SSVEC has been to the site and is currently working with their engineering department to determine whether the current incoming line is capable of being split.

The construction of the addition to the Coca Cola office is nearing completion. The electric service transfer with SSVEC is scheduled to occur on Sunday May 19. I will be onsite to observe the transfer.

A Certificate of Occupancy was issued for Divine Creation Event Decorating located within the Fountain Plaza. This is an event planning business that will offer social gatherings at the site (or offsite). The Certificate of Occupancy has been delayed at the Camino Café as the Owners complete their list of repairs from the safety inspection and apply for their health inspection. A preliminary safety inspection has been conducted at the Rock and Sand Depot, a new business preparing to open. They will be offering decorative rock and sand for sale.

The Politi family is looking to expand their business within the Town. They will soon be applying for a metal fabrication business license (safety inspection has already been completed). In addition, they are applying for a conditional use permit to allow them to offer onsite automobile service to complement their existing car sales lot. We are looking to schedule the Citizen Review in June and Planning and Zoning public hearing in July.

Zoning Dept.

The Planning and Zoning Commission is currently reviewing the allowable uses within the business zones. Comparison with other jurisdiction is a part of the process. Two new applicants will be reviewed at the June meeting as possible new members of the Commission.

Code Enforcement

As of May 15, 2019, nearly 200 courtesy letters have been mailed out for yard cleanups. On follow up reviews of neighborhoods, there is a noticeable improvement. NOV's will be necessary to motivate some other owners to cleanup.

Floodplain

The FEMA contracted engineers have submitted their re-mapping research for review to the area jurisdictions, to include Cochise County, Sierra Vista, Benson and Huachuca City. I have discussed these results with Joaquin Solis, Cochise County designated Floodplain Administrator for Huachuca City. We have compiled a few questions back to the engineers and are awaiting response. I am attaching a copy of the report for your review. Please keep in mind that it includes all noted areas in the report, so Huachuca City is only a small portion. If you have any questions, please feel free to contact me to discuss.

Respectfully submitted,

Dr. Jim Johnson, PhD, CBO, CCI
Building Official/Zoning Administrator

SVMPO/SLRP/TAC-

**Sierra Vista Metropolitan Planning Organization (SVMPO)
April 25, 2019 Work Session and
May 9, 2019 Executive Board Meeting (no quorum)
Submitted by Councilmember Joy Banks**

Scheduling conflicts with Sierra Vista's three board members, and the new Cochise County Supervisor Tom Borer's illness, have delayed board meetings due to lack of quorum. (Note: The voting board consists of five members, three are needed for quorum.)

At the April 25 work session Administrator Karen Lamberton presented charts showing the make-up and functioning of other MPOs across the state. Ours differs significantly due to Sierra Vista being the primary jurisdiction when the SVMPO was formed in 2013. For example, currently Huachuca City and Cochise County carry the exact same in-kind match requirements despite the County's much higher percentage of roadways, population, etc. Now that the boundaries have expanded to include Huachuca City and more of the County, policies need to be updated including the in-kind match requirements, the number of voting members, and moving away from dependence on Sierra Vista for office space, and legal and financial services. Ms.

Lamberton suggests a formula-driven system for in-kind matches, similar to what other MPOs use, instead of the randomly-chosen amounts currently in use.

The May 9th Board Meeting did not have a quorum so it was adjourned. Ms. Lamberton stayed and talked with the members who were present about background items for the benefit of myself and the new Cochise County Supervisor (and SVMPO board member) Tom Borer. Kevin Adam, the Rural Transportation Advisory Committee (RTAC) liaison and Town Manager Williams also attended. Ms. Lamberton says the Bicycle and Pedestrian Committee needs another member so if anyone is interested please contact Ms. Lamberton or myself.

The next board meeting is scheduled for Thursday May 16th at 3:00pm in Sierra Vista City Hall, in the City Manager's Conference Room. All meetings and workshops are open to the public.

Upper San Pedro Partnership (USPP) Partnership Advisory Commission (PAC)

May 8, 2019 Meeting

Report Submitted by Councilmember Joy Banks

Eleven member agencies of the PAC attended, which is the number needed for quorum.

Due to Chairman (and Cochise County Supervisor) Pat Call stepping down from his County office, the Chair position is open. Vice-Chair Rick Mueller suggests we postpone voting for a new Chair until the County appoints another Supervisor to represent the County.

The PAC voted to approve the application for membership from Castle & Cooke. Rick Coffman will be the representative. He took his seat after the vote.

The Bureau of Land Management (BLM) staff member Amy Markstein presented highlights of the final Resource Management Plan (RMP) for the San Pedro Riparian National Conservation Area (SPRNCA).

Changes from current practices include:

- Allowing hunting on the entire SPRNCA except in two areas near the San Pedro House and a hiking trail.
- Use of tools including heavy equipment and herbicides to remove invasive plants
- Off-road vehicles allowed on roadways.
- Livestock grazing will continue on the current allotments totaling 7,000 acres. BLM will do 'intensive resource monitoring' of those allotments to gather data on the impact of grazing.
- Robust upgrades to existing fencing and funding for sufficient staff to monitor fences.

The University of AZ-Sierra Vista Cooperative Extension Water-Wise program director Mary Ann Capehart nominated me to join the USPP Retail Committee and it was approved. This committee is responsible for overseeing applications for rainwater harvesting grants which are funded by the USPP. (This does not affect Huachuca City's current rainwater grant which has already been awarded.)

The annual Wet/Dry Mapping of the San Pedro River will take place the weekend of June 15th. The Nature Conservancy provides training and hand-held GPS devices so volunteers can pinpoint areas of the river where water flow begins and ends. This mapping has taken place for over 20 years and the data collected is vital to many studies. If anyone wants to help with this project contact

Brooke Bushman, The Nature Conservancy
bbushman@tnc.org, (520) 309-4812

