

**TOWN OF FLORENCE  
REGULAR MEETING  
AGENDA**

PURSUANT TO A.R.S. § 38-431.02, NOTICE IS HEREBY GIVEN TO THE MEMBERS OF THE FLORENCE TOWN COUNCIL AND TO THE GENERAL PUBLIC THAT THE FLORENCE TOWN COUNCIL WILL HOLD A MEETING OPEN TO THE PUBLIC ON MONDAY, JUNE 16, 2014, AT 5:00 P.M., IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA.

**1. CALL TO ORDER**

**2. ROLL CALL:** Mayor Rankin\_\_\_; Vice-Mayor Smith\_\_\_;  
Councilmembers: Tom Celaya\_\_\_; Bill Hawkins\_\_\_;  
Ruben Montaña\_\_\_; Tara Walter\_\_\_; Vallarie Woolridge\_\_\_

**3. WORK SESSION REGARDING CHANGES TO THE TOWN OF FLORENCE CODE OF ORDINANCES: ADAPTIVE REUSE AND SIGN CODE.**

**4. INVOCATION**

**5. PLEDGE OF ALLEGIANCE**

**6. CALL TO THE PUBLIC**

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

**7. MOTION TO ADJOURN TO MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 1 BOARD.**

a. **Ordinance No. MRCFD1 111-14:** First reading of AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.

**8. MOTION TO ADJOURN FROM MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 1 BOARD.**

**9. MOTION TO ADJOURN TO MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2 BOARD.**

- a. **Ordinance No. MRCFD2 210-14:** First reading of AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.

**10. MOTION TO ADJOURN FROM MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2 BOARD.**

**11. PUBLIC HEARING AND PRESENTATIONS**

- a. **Presentation of the 2014** Arizona Governor's Heritage Preservation Award for the Chapel of the Gila to the Assumption of the Blessed Virgin Mary Parish.
- b. Presentation by Greater Florence Chamber of Commerce recognizing the Business of the Month.
- c. **Proclamation declaring** July 2014 as Park and Recreation Month, in the Town of Florence, Arizona.

**12. CONSENT:** All items indicated by an (\*) will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

- a. **\*Resolution No. 1447-14:** Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE SERVICE AGREEMENT BETWEEN SMARTWORKSPLUS, INC., AND THE TOWN OF FLORENCE, EFFECTIVE JULY 1, 2014, FOR A FOUR-YEAR TERM.
- b. **\*Approval to hire Felix** Construction to make repairs at the North Florence Wastewater Treatment Plant, in an amount not to exceed \$137,298.15.
- c. **\*Approval to hire Felix** Construction to make repairs at the South Florence Wastewater Treatment Plant, in an amount not to exceed \$92,022.

**13. NEW BUSINESS**

- a. **Ordinance No. 611-14:** Discussion/Approval/Disapproval of AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING A LOCAL ALTERNATIVE EXPENDITURE LIMITATION FOR THE TOWN FOR THE FISCAL YEAR 2014-2015, AND DECLARING AN EMERGENCY.

- b. **First reading of Ordinance** No. 612-14: AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF FLORENCE, SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR GENERAL MUNICIPAL EXPENSES FOR THE FISCAL YEAR ENDING THE 30<sup>TH</sup> DAY OF JUNE 2015.
- c. **Resolution No. 1448-14:** Discussion/Approval/Disapproval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE TOWN OF FLORENCE CAPITAL IMPROVEMENT PROJECT PLAN (CIP) PROVIDING FOR SEPARABILITY.
- d. **Resolution No. 1449-14:** Discussion/Approval/Disapproval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNT REQUIRED FOR THE PUBLIC EXPENSE FOR THE TOWN OF FLORENCE FOR FISCAL YEAR 2014-2015; ADOPTING A TENTATIVE ANNUAL BUDGET; SETTING FORTH THE RECEIPTS, EXPENDITURES AND THE AMOUNT PROPOSED TO BE EXPENDED FOR VARIOUS PURPOSES; GIVING NOTICE OF THE TIME FOR PUBLIC HEARING FOR TAXPAYERS ON THE ADOPTION OF THE FINAL BUDGET; ADOPTING THE BUDGET IN ACCORDANCE WITH THE LOCAL EXPENDITURE LIMITATION ORDINANCE; AND DECLARING AN EMERGENCY.

**14. MANAGER'S REPORT**

**15. CALL TO THE PUBLIC**

**16. CALL TO THE COUNCIL**

**17. ADJOURNMENT**

Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

POSTED JUNE 11, 2014, BY LISA GARCIA, TOWN CLERK, AT 775 NORTH MAIN STREET, 1000 SOUTH WILLOW STREET, FLORENCE, ARIZONA, AND AT [WWW.FLORENCEAZ.GOV](http://WWW.FLORENCEAZ.GOV).

\*\*\*PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE TOWN OF FLORENCE DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE TOWN OF FLORENCE ADA COORDINATOR, AT (520) 868-7574 OR (520) 868-7502 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.\*\*\*

**MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 1  
SPECIAL MEETING  
AGENDA**

**PURSUANT TO A.R.S. § 38-431.02, NOTICE IS HEREBY GIVEN TO THE MEMBERS OF THE MERRILL RANCH COMMUNITY FACILITY DISTRICT BOARD AND TO THE GENERAL PUBLIC THAT THE MERRILL RANCH COMMUNITY FACILITY DISTRICT BOARD WILL HOLD A SPECIAL MEETING OPEN TO THE PUBLIC ON MONDAY, JUNE 16, 2014, AT APPROXIMATELY 6:00 P.M. (IMMEDIATELY FOLLOWING THE OPENING OF THE FLORENCE TOWN COUNCIL MEETING) IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.**

**1. CALL TO ORDER**

- 2. ROLL CALL** Chair Tom Rankin\_\_\_, Vice-Chair Tom Smith\_\_\_,  
Board Members: Vallarie Woolridge\_\_\_, Tom Celaya\_\_\_,  
Ruben Montaña\_\_\_, Bill Hawkins\_\_\_, and Tara Walter\_\_\_.

**3. NEW BUSINESS**

- a. **Ordinance No. MRCFD1 111-14:** First reading of AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.

**4. ADJOURNMENT**

The Board may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the District Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

POSTED JUNE 11, 2014, BY LISA GARCIA, BOARD CLERK, AT 775 NORTH MAIN STREET, 1000 SOUTH WILLOW STREET, FLORENCE, ARIZONA, AND AT [WWW.FLORENCEAZ.GOV](http://WWW.FLORENCEAZ.GOV).

\*\*\*PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE TOWN OF FLORENCE DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE TOWN OF FLORENCE ADA COORDINATOR, AT (520) 868-7574 OR (520) 868-7502 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.\*\*\*

**MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2  
SPECIAL MEETING  
AGENDA**

PURSUANT TO A.R.S. § 38-431.02, NOTICE IS HEREBY GIVEN TO THE MEMBERS OF THE MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2 BOARD AND TO THE GENERAL PUBLIC THAT THE MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2 BOARD WILL HOLD A SPECIAL MEETING OPEN TO THE PUBLIC ON MONDAY, JUNE 16, 2014, AT APPROXIMATELY 6:00 P.M. (FOLLOWING THE OPENING OF THE FLORENCE TOWN COUNCIL MEETING), IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA.

**1. CALL TO ORDER**

**2. ROLL CALL:** Chair Tom Rankin\_\_\_; Vice-Chair Tom Smith\_\_\_;  
Board Members: Tom Celaya\_\_\_; Bill Hawkins\_\_\_;  
Ruben Montaña\_\_\_; Tara Walter\_\_\_; Vallarie Woolridge\_\_\_;

**3. NEW BUSINESS**


- a. **Ordinance No. MRCFD2 210-14:** First reading of AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.

**4. ADJOURNMENT**

The Board may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the District Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

POSTED JUNE 11, 2014, BY LISA GARCIA, BOARD CLERK, AT 775 NORTH MAIN STREET, 1000 SOUTH WILLOW STREET, FLORENCE, ARIZONA, AND AT [WWW.FLORENCEAZ.GOV](http://WWW.FLORENCEAZ.GOV).

\*\*\*PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE TOWN OF FLORENCE DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE TOWN OF FLORENCE ADA COORDINATOR, AT (520) 868-7574 OR (520) 868-7502 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.\*\*\*

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 3.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Community Development  <b>STAFF PRESENTER:</b> Mark Eckhoff, AICP Community Development Director  <b>SUBJECT:</b> Second Work Session: Adaptive Reuse Code and Sign Code		<input type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulatory</li> <li><input type="checkbox"/> 1<sup>st</sup> Reading</li> <li><input type="checkbox"/> 2<sup>nd</sup> Reading</li> </ul> <input checked="" type="checkbox"/> <b>Other Work Session</b>

**RECOMMENDED MOTION/ACTION:**

No motion or action is required. This is the second work session planned on the subject topics. Staff suggests this be a joint work session with the Planning and Zoning Commission and the Historic District Advisory Commission.

**BACKGROUND/DISCUSSION:**

**Adaptive Reuse Policy**

A draft Adaptive Reuse Program is provided along with this RCA. Staff has reached out to communities throughout the State, building officials, specialists in economic development and the International Code Council, to seek ideas for facilitating development within the Town core.

The draft program expands beyond options currently available, and quite frankly, would be one of the most robust, business-friendly reuse programs in the State. The program offers added flexibility on building and development codes on reuse projects within the defined program area, and there are also provisions to reduce development related fees.

The goal is to come back with an action item to adopt the program as a tool under the Town Core Infill Incentive Plan, which staff has also attached to this RCA, to demonstrate where the authority to implement this program would be derived from. It will be beneficial to have the support of the Planning and Zoning Commission, and Historic District Advisory Commission for this program.

## Sign Code

The Town has a relatively current sign code in place that was adopted by the Mayor and Town Council in 2006. Staff has brought forth amendments to this code since adoption, most notably to propose more business-friendly regulations for promotional and temporary signs, including A-Frame signs and banners.

Recently, there have been suggestions that our sign code needed to be revisited. This is not unexpected as development codes should be looked at as evolving tools that can be regularly updated to achieve the results desired by the community. In the case of sign codes, those results are largely tied to the community's aesthetic expectations. The current sign code has permitted many attractive signs since the code was adopted, including signs for: Safeway Shopping Center, Mt. Athos Restaurant, Holiday Inn and Express, National Bank of Arizona, Sonic, Florence Hospital at Anthem, Shell Super-Stop and many more. The A-Frame provisions have also proved to be very successful.

Again, there is always room for improvement; so staff has reviewed the effectiveness and usability of the current code, compared our code with the codes of other jurisdictions and consulted with the Arizona and International Sign Associations, which help jurisdictions and business across the country and beyond with various sign related matters. These organizations also work to protect First Amendment rights that are afforded in this form of communication and expression.

With that, staff would like direction to work towards improving and updating the sign code in the following areas:

1. Overall streamlining of the code to reduce pages and make the code more user friendly.
2. Provide new code language pertaining to electronic message signs (EMCs), which have become more and more popular over the past few years.
3. Review illumination guidelines for signs, including the possible use of neon in some districts.
4. Update code language for directional signs.
5. Update code language for sign areas, including how sign area is measured.
6. Update code language for sign heights. For example, the Sign Association has suggested that some monument signs for multi-tenant developments be raised from 8 feet to 15 feet.
7. Update language to make the sign code content neutral (First Amendment issues).
8. Ensure that the sign code reflects updated language for political signs.

The goal is to come back with an ordinance detailing the code changes accompanied by an official vote of support from the Planning and Zoning Commission.

**FINANCIAL IMPACT:**

Adoption of an Adaptive Reuse Program would have a financial impact as it would lower plan review, permitting and potentially development impact fee revenues. However, the intent of this Adaptive Reuse Program is to encourage redevelopment; which in turn could off-set the aforementioned revenue losses.

The sign codes changes are not expected to have a financial impact.

**RECOMMENDATION:**

No motion or action is required. This is the second work session planned on the subject topics. Staff suggests this may be a joint work session with the Planning and Zoning Commission and the Historic District Advisory Commission.

**ATTACHMENTS:**

Draft of Adaptive Reuse Program  
Adopted Town Core Infill Incentive Plan



**TOWN OF FLORENCE  
ADAPTIVE REUSE PROGRAM  
Rules, Guidelines and Procedures**

The adaptive reuse of existing buildings for new development and the greater utilization of infill sites for new development is a priority of the Town of Florence. Redevelopment of buildings, whether they are historic, dated or located in older areas of the Town, promotes a more vibrant and healthy community. Strict adherence to adopted codes for new construction and development standards under the aforementioned conditions may cause practical and financial challenges to prospective investors, businesses, builders and developers.

This proposed Adaptive Reuse Program is established in order to respond to the issues and challenges related to development and redevelopment within the core area of Florence. Buildings eligible for the Adaptive Reuse Program are those that were constructed before 1990 and have 10,000 square feet or less in usable area. The *planned* use of the building is open to Assembly, Business, Mercantile, Residential and Mixed Use occupancies, such as Live/Work units. In certain cases, the Adaptive Reuse Program might only be necessary to facilitate non-building site improvements on a developed or undeveloped infill parcel, e.g., special accommodations for parking on a constrained site.

In addition to aforementioned limitations, the Adaptive Reuse Program is limited to the Town's Infill Incentive District area, excluding any portion of Territory Square, undeveloped parcels larger than one acre and/or undeveloped subdivisions platted after 1990. In general, this area represents the downtown core of Florence and includes the Historic District. The following information is intended as a guideline for development/redevelopment and provides interpretations to facilitate consistent application of the Adaptive Reuse Program by Town staff.

**BUILDING CODES**

The Town has adopted the International Existing Building Code (IEBC) to provide flexibility to permit the use of alternative approaches to achieve compliance with the minimum requirements needed to safeguard the public health, safety and welfare insofar as they are affected by the repair, change of occupancy, addition and relocation of existing buildings. Chapter 4 of the IEBC determines the level of work to be completed for any alterations. The often referred to 50% improvement 'rule of thumb' is not applicable to the IEBC.

All applicants intending to reuse (hereafter can be interpreted to include repair, change of occupancy, addition or relocation) an existing building or buildings constructed before 1990 within the Adaptive Reuse Program area are permitted

to use Chapter 13 of the International Existing Building Code. Permit applications and construction documents should specify the use of the International Existing Building Code and the use of the Adaptive Reuse Program upon submittal. Chapter 13, as utilized with this Adaptive Reuse Program, will provide increased flexibility over the prescriptive approach within the IEBC or Chapter 34 of the International Building Code. Undoubtedly, code flexibility is significantly increased over the usage of the IBC for new construction. Thus, the intent of this Adaptive Reuse Program is to establish the least restrictive tier of code choices available for alternations to existing buildings, while not compromising life safety.

### **CHANGE OF OCCUPANCY**

The International Building Code, Section 202, defines change of occupancy as follows: *“A change in the purpose or level of activity within a building that involves a change in application of the requirements of this code.”*

The International Building Code (IBC) requirements for a change of occupancy pertain only to those items that are required to be added or altered by the new occupancy. Therefore, care must be taken to correctly identify the purpose or level of activity in the existing building when determining the occupancy classification to minimize the application of new code requirements. An applicant should clearly outline the intended use and occupancy of the building on permit descriptions and plan documentation.

Within the Adaptive Reuse Program area, the Town will not consider it a Change of Occupancy if there is ample evidence that the same or more restrictive occupancy/use existed in the subject building within the past ten years. This would even apply if the building has been unoccupied for some portion of the ten year period, however, an updated Certificate of Occupancy is required and the building will be subject to an inspection for applicable life safety issues.

### **LIFE SAFETY ISSUES**

The intent of the IEBC and the Adaptive Reuse Program is to provide flexibility to permit the use of alternative approaches to achieve compliance with minimum requirements to safeguard the health, safety and welfare of the public as affected by the reuse of existing buildings. Chapter 9, Change of Occupancy Chapter, provides relief in building elements and materials, fire protection and means of egress based on the relative hazard level associated with each occupancy classification. Change of Occupancy is also addressed within this Adaptive Reuse Program for increased flexibility.

The life safety issues that must be addressed are always dependent upon the use of the building. Different life safety issues are associated with each occupancy classification. The primary areas of focus for the adaptive reuse of buildings include structural integrity, electrical safety, exiting and accessibility.

## **FIRE SAFETY**

The need for fire protection systems, such as sprinkler systems, new fire insulation and/or fire separation walls will be evaluated on a case by case basis. Fire insulation will be required where open flame is present. In mixed-use occupancies, a fire wall may be required for the separation of the work space and residential areas. The type of occupancy or building size may require a fire sprinkler system. Electrical capacities should meet the various needs of the property owner. This Adaptive Reuse Program allows for limited administrative relief of fire codes at the complete and sole discretion of the Town Fire Marshall where it is apparent that there are no known life safety concerns. The Fire Marshall will provide courtesy consultation on the requirements for individual properties.

## **OPTIONS TO REQUIRED PLUMBING FACILITIES**

All occupied buildings require toilet rooms and fixtures. The number of toilet fixtures is based on the number of occupants associated with the designated occupancy. The occupant load is calculated based on the occupant load factors outlined in the International Building Code (IBC) Table 1004.1.1. This calculation consists of determining the floor area for a function within an area of a building and dividing that area by the appropriate occupant load factor. The IEBC and Adaptive Reuse Program provides for options that will facilitate the reuse of older buildings.

**Option 1:** A single unisex toilet room may be used where the occupant load is 20 people or less and in mercantile occupancies where the occupant load is 60 or fewer people.

**Option 2:** An exception to the calculation method is to provide the actual number of occupants using the space and as approved by the Building Official. In order to use this exception, statistical data must be submitted by the owner of the space. This option may eliminate the need for additional fixtures. An example of this would be a 'women's only' dance studio where the requirement for separate male fixtures would be eliminated.

**Option 3:** Provide a bank of toilet fixtures to provide the minimum number of fixtures in a campus setting. The number of fixtures required would serve a group (or campus) of separate buildings as long as the travel distance to the fixtures is less than 600 feet. This scenario is similar to where there is a single common restroom facility for a mall food court.

The building and plumbing codes allow for many alternatives and exceptions to required plumbing fixtures. The above stated options provide added flexibility. For example a row of suites may have shared facilities as long as the number of fixtures required are met and the travel distance is not exceeded. At least one toilet room must be made accessible, unless technically (structurally) infeasible per IEBC Section 912.8, item 7 and IBC Section 3409.4 item 7. Applications

should outline any alternate plumbing requests in the submittal of plan documentations for permits

### **CLARIFICATION FOR SPECIAL OCCUPANCIES**

An Artist Gallery, used to display the artist's work for sale, shall be viewed as a Mercantile Occupancy with an occupant load factor of 30 square feet per occupant. Occupant loads shall be posted in the space and noted in the body of the permit.

An Artist's Studio, used to produce the artist's work in various stages of completion, as well as dance studios, may be viewed as a Business Occupancy with an occupant load factor of 100 square feet per occupant.

A building or portion of a building, used for the viewing of performing arts even on an occasional basis will be regarded as an Assembly occupancy to determine exiting requirements.

Some businesses that require ovens, kilns, or open flames for the production of articles for sale may require the addition of fire-rated walls and ceilings. This will be of particular consideration in the cases of mixed use occupancies.

### **ACCESSIBILITY REQUIREMENTS**

Existing buildings that have a change of occupancy that allows public use of any part of the space shall provide the following basic accessibility features:

- At least one accessible entrance into the building.
- At least one accessible route to the primary function areas from the accessible entrance.
- ADA signage for exits, parking (where required) and accessible (or non-accessible) areas.
- Accessible parking, where parking is provided.
- An accessible route between the parking and the accessible entrance.
- See information under Plumbing Facilities for ADA restroom requirements.

It is noted that the Town cannot override Federal ADA requirements and thus, existing buildings that undergo alterations or additions may be required to comply with ADA requirements to a greater degree than the Adaptive Reuse Program can allow. The Building Official will provide consultation on proposed changes to a structure provide added direction in instances where accessibility features are technically or structurally not feasible.

### **PERMITS**

The Town will waive permitting requirements for the following within the Adaptive Reuse Program area: All cosmetic improvements (flooring, paint, etc.);

replacement of like equipment involving no new electrical/plumbing/gas work; changing of existing doors or windows with like windows and doors; changing of light fixtures with like fixtures; and/or any work that is expressly not subject to plan reviews and permitting per any adopted Town codes.

However, visible exterior improvements within a property located within the Historic District shall remain subject to the Town's Design Review procedures. Furthermore, it shall be the responsibility of the property owners, businesses, developers, building owners, contractors, handyman, etc. to ensure that all work is performed to applicable codes. If this work is part of a larger project requiring permitting, these improvements shall be included on such plans. It is also noted that this Adaptive Reuse Program cannot override the requirements of external agencies and applicable business license requirements.

### **PLAN REVIEW AND PERMIT FEES**

Plan review and permit fees shall be adjusted by using a ratio of 50 percent of the project valuation according to the most current ICC Valuation Tables. Furthermore, any project having a modified valuation of less than \$10,000 shall not be charged any Building, Engineering or Fire Plan Review or Inspection Fees.

### **DEVELOPMENT IMPACT FEES**

Development Impact Fees are not applicable to any building addition or remodel or to any once previously developed lot within the Adaptive Reuse Program area. Furthermore, per the addition provisions of the Town Core Infill Incentive Plan, Development Impact Fees, the Town Council may consider waiving or reducing Development Impact Fees within the Adaptive Reuse Program area.

### **EXISTING BUILDINGS ACROSS PROPERTY LINES**

Many existing buildings are built across property lines. The Pinal County Assessor can typically combine properties of a single owner through a simple process that does not require the use of land surveys. For information about this process, contact the Pinal County Assessor's office.

The general rule of thumb is to combine lots where buildings cross property lines. In adaptive reuse cases, official lot combinations will not be required. However, the following statement shall be entered into the body of the permit on adaptive reuse projects and be shown on the Certificate of Occupancy to express the implied and effective unity of the lots: "The development built across a recorded property line precludes the selling of the lots individually permitted".

### **PARKING REQUIREMENTS**

Certain occupancies and/or certain zoning districts will require parking areas to be provided in excess of available street parking. These occupancies will be

dealt with on an individual basis by Town staff with the submittal of a site plan. In many cases, zoning relaxes on-site parking requirements, such as within the DC Zoning District. Where the site precludes providing the number of parking spaces required per the occupancy, a parking study can be conducted to show alternative means of meeting parking needs, such as the use of on-street parking, the use of public parking lots, recorded shared parking agreements/easements or other viable means.

Parking surfaces must comply with Pinal County Air Quality/Dust Control policies. This does allow for the use of alternate materials that meet dust control standards, such as stabilized decomposed granite, compacted ABC, decorative stone, pavers, gravel, recycled paving material, etc. Parking surfaces are required to be maintained and handicap accessible parking spaces must meet ADA requirements.

### **PAVING AND GRADING REQUIREMENTS**

Paving and grading requirements are typically required on new construction. In Adaptive Reuse Program areas, this requirement will be waived in all cases, residential or commercial, where the footprint of the building to be reused is not enlarged regardless of the size of the property. However, in no case will properties be allowed to drain onto neighboring properties.

### **LANDSCAPING REQUIREMENTS**

Landscaping requirements for all zones are stated in the Town's Development Code. The following provisions can be used to lessen the provisions for landscaping on qualifying properties within the Adaptive Reuse Program area.

Landscaping for residential areas will be required on all street frontages of any lot as follows:

- One 15 gallon or larger tree for every 30' of frontage.
- Shrubs shall be included at a rate of three shrubs for each tree.
- Inorganic ground cover such as decomposed granite or crushed rock shall be the preferred material for ground cover.

Non-residential or mixed-use properties will be required to provide landscaping along all street frontages as follows:

- Minimum 10 foot wide landscaping along frontages.
- Any part of the property not used for parking, building, driveways and walkways shall be landscaped.
- One 15 gallon or larger tree for every 30' of frontage.
- Shrubs shall be included at a rate of three shrubs for each tree.

Where existing conditions prohibit the required amount of landscaping, alternate methods of providing an attractive and welcoming setting will be considered. Such scenarios include where buildings or other hardscape improvements extend or nearly extend to property lines. In all cases, a backflow preventer shall be installed on supply lines.

### **CONFLICTS**

Where the Adaptive Reuse Program conflicts with other codes, the more lenient requirements shall apply, except that nothing contained herein shall override applicable requirements pertaining to the Town's Historic District.



# Town Core Infill Incentive Plan





# TOWN OF FLORENCE

## TOWN CORE INFILL INCENTIVE DISTRICT PLAN

### **Purpose**

The Town Core Infill Incentive District is designed to further the goal of redevelopment and to encourage both infill residential and new commercial opportunities within the historic town core of Florence. The infill incentive district creation is dictated by Arizona Revised Statutes §9.499.10 and appears as Exhibit "A."

### **Creation**

The Town of Florence Council approved Resolution #1282-11 on January 3, 2011 thereby approving the district and the Town Core Infill Incentive Plan. The Resolution is in the plan marked as Exhibit "B."

Pursuant to the enabling ARS §9.499.10 a series of findings must be made to warrant the creation of an infill incentive district. The key findings supporting the creation of the district are at the end of this document and marked as Exhibit "C."

### **Boundary**

The boundary of the Town Core Infill Incentive District is an irregular shape and is shown as Exhibit "D." The district is generally bound by the Gila River to the north, State Route 287 and Florence Heights Road to the south, State Route 79 to the east, and Plant Road to the west.

### **Goals and Objectives**

The primary documents that guide the Town Core Infill Incentive District are the Florence 2020 General Plan, the Downtown Redevelopment Plan and the Historic District Preservation Design Guidelines. The following goals and objectives in the Town Core Infill Incentive District Plan are established to ensure that investment is made in the, district, the area retains its character, and the commercial areas of the district remain viable.

#### **Goal 1: *Increase the number of developed parcels and revitalize and redevelop existing buildings within the district.***

- Objective 1.1: Encourage the development of both residential and commercial lots.
- Objective 1.2: Support increased density within the district and thereby increasing the number of people that will live and shop in the area.

**Goal 2: *Create an environment that encourages investment within the district.***

Objective 2.1: Create an incentive policy that reduces the cost of development and encourages building and design that is complementary to the existing architecture types.

Objective 2.2: Build an understand that an increase in density will assist businesses within the district grow that more people living in the area will enhance the community.

**Goal 3: *Encourage more commercial enterprises within the district.***

**Incentive Parameters**

The following are a list of potential incentives that a developer can receive if they build or revitalize a building within the Town Core Infill Incentive District:

**Public Right-of-Way**

Possible right-of-way dedication deferrals may be granted subject to the approval of a development agreement or approved by the Town Manager or designee.

**Parking**

On street parking or public parking facilities may count toward parking requirements.

Reduce the number of spaces required if:

- Undo expense can be demonstrated
- Traffic study shows project will not generate parking demand

Demonstrate a similar type project parking history in determining parking demand.

Any parking related subsidy can be approved by the Town Manager or negotiated into a development agreement.

**Fee Waivers**

An applicant may write a letter requesting a complete, partial, or deferment of fees. Any fee waiver over ten thousand dollars (\$10,000) must be in a legally binding contract and approved by Town Council. Any amount less than ten thousand dollars (\$10,000) can be approved administratively at the discretion Town Manager.

**Expedited Action of Documents**

The Town of Florence Planning and Zoning Department is committed to an expeditious review of all documents. The applicant may request an

expedited review of zoning, permits, site plan or application. This incentive may either be approved by Town Council in the binding document or approved by the Town Manager or designee.

### **Landscaping**

The Town will consider the reduction of landscaping or the phasing in of the landscaping requirements. The Town may also waive any landscaping improvements at the discretion of the Town Manager or designee.

### **Relief from Code not specifically identified**

Town Council, upon recommendation from the Town Manager, may consider relief from other provisions of the Development Code. This may include, increased height or density, allowing of mixed uses on a property, storm water control relief, site access, off set improvements etc. Any relief from the Development Code that is not outlined in this plan must be codified into a development agreement and approved by Town Council.

### **North End Framework Area**

Any development in the North End Framework Area will be able to take advantage of the Town Core Infill Incentive District provided the project participates in the flood mitigation and overall development outlined in the North End Framework Area Master Plan.. Any deal in this area must accompany a development agreement that is recommended by the Town Manager and approved by the Town Council.

### **Administration:**

The Town Manager or designee will administer the Town Core Infill Incentive District. Recommendations regarding applications to utilize the Town Core Infill Incentive District will be referred to one or more of the following bodies and referred to the Town Council for final approval: Planning and Zoning Commission, Redevelopment Commission and Historic District Advisory Commission. Any item listed above that can be approved by the Town Manager must be in writing and filed with the Office of the Town Clerk. If a development agreement is required then the final document must be approved by Town Council at a regularly scheduled meeting.

### **Developers Responsibilities:**

In return for granting an incentive within the District, the Town requires that at least one component of the following is satisfied:

1. Adherence to the Historic District Preservation Design Guidelines (if the property is in the district or is designated historic.)
2. Meets the goals and objectives as outlined in one or more of the following plans:
  - a. 2020 Florence General Plan
  - b. Downtown Redevelopment Plan

- c. North End Framework Plan
- d. Any update to the above documents or subsequent planning or other documents related to the Town Core Infill Incentive District.

Any benefit derived from the District requires the project to add to the quality of life and the overall social, economic, and general well being of the community. While affordable housing is not an issue currently, the Town reserves the right to make this a priority in the future.

**Other Points:**

The Town Core Infill Incentive District is not a promise of any waivers or inducements but is an option to encourage development within the town boundaries.

## **LIST OF EXHIBITS**

EXHIBIT A – ARS 9-499.10 Infill Incentives Districts

EXHIBIT B – RESOLUTION # 1282-11

EXHIBIT C – DISTRICT CREATION CRITERION AND FINDINGS

EXHIBIT D – TOWN CORE INFILL INCENTIVE DISTRICT MAP

## Exhibit A

### 9-499.10. Infill incentive districts

- A. The governing body of a city or town may designate an infill incentive district in an area in the city or town that meets at least three of the following requirements:
  1. There is a large number of vacant older or dilapidated buildings or structures.
  2. There is a large number of vacant or underused parcels of property, obsolete or inappropriate lot or parcel sizes or environmentally contaminated sites.
  3. There is a large number of buildings or other places where nuisances exist or occur.
  4. There is an absence of development and investment activity compared to other areas in the city or town.
  5. There is a high occurrence of crime.
  6. There is a continuing decline in population.
- B. If the governing body establishes an infill incentive district, it shall adopt an infill incentive plan to encourage redevelopment in the district. The plan may include:
  1. Expedited zoning or rezoning procedures.
  2. Expedited processing of plans and proposals.
  3. Waivers of municipal fees for development activities as long as the waivers are not funded by other development fees.
  4. Relief from development standards.

**RESOLUTION NO. 1282-11**

**A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ESTABLISHING THE TOWN CORE INFILL INCENTIVE DISTRICT AND ADOPTING THE FLORENCE TOWN CORE INFILL INCENTIVE DISTRICT PLAN.**

**WHEREAS**, the Town is authorized by A.R.S. § 9-499.10 to establish an Infill Incentive District within the Town, where specific criteria are satisfied for the purpose of providing expedited zoning requests or rezoning procedures, expedited processing of plans, waiver of municipal fees for development activities as long as they are not funded by other development fees and relief from development standards; and

**WHEREAS**, the Town has drafted the boundaries for the Town Core Infill Incentive District that will encompass the Central Business District, Redevelopment Area, Townsite Historic District and certain traffic corridors leading to the Town's downtown area; and

**WHEREAS**, the Town Core is the historic center of the community. It is a place of unique character, atmosphere, and is dominated by historic structures used both for residential and commercial purposes; and

**WHEREAS**, the Town has determined that there is a large number of vacant and underused parcels of property; a large number of buildings; an absence of development and investment activity in the Town Core compared to other areas of Town; and a high occurrence of crime compared to other parts of the Town; and

**WHEREAS**, the establishment of the Town Core Infill Incentive District and the adoption of the Florence Town Core Infill Incentive District Plan will encourage investment and thereby spur redevelopment in the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF FLORENCE AS FOLLOWS:**

**SECTION 1.** The Town Core Infill Incentive District attached hereto as Exhibit A and incorporated herein by this reference is established as the Town Core Infill Incentive District.

**SECTION 2.** The Town Core Infill Incentive Plan attached hereto as Exhibit B and incorporated herein by this reference is hereby adopted and approved.

**Section 3.** The Town Council finds that the proposed Infill Incentive District meets the requirements of A.R.S. 9-499.10(A)(1), (4) and (5) as further described in Exhibit C of the Town Core Infill Incentive District Plan attached hereto.


**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence this 3 day of January 2011.

  
\_\_\_\_\_  
Tom Smith, Vice-Mayor

**ATTEST:**

  
\_\_\_\_\_  
Lisa Garcia, Town Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
James E. Mannato, Town Attorney



## Exhibit C

### District Creation Criterion and Findings

The Town Core Infill Incentive District is designed to further the goal of redevelopment and to encourage both infill residential and new commercial opportunities within the historic town core of Florence, Arizona. The infill incentive district creation is dictated by Arizona Revised Statutes §9.499.10. Per this section, at least three findings must be made by resolution. Below are the three findings listed as criterions. Each criteria is from the ARS §9.499.10.

**Criterion 2: There are a large number of vacant or underused parcels or property, obsolete, or inappropriate lot or parcel sizes or environmentally contaminated sites.**

The attached map calls out the number of vacant parcels within the established district.

Figure 1: Infill Incentive District Map of Vacant Properties (*map provided by Town of Florence GIS*)

**Criterion 4: There is an absence of development and investment activity compared to other areas in the town.**

Table 1: Residential and Commercial and Industrial Building Permits Issued for 2009 (*Information compiled by the Town of Florence Planning and Zoning Department*)

Table 1			
Residential and Commercial/Industrial Building Permits Issued for 2009			
Residential	Town Core Infill Incentive District	Rest of Florence	Total Residential Permits Issued
	0	201	201
Commercial and Industrial	Town Core Infill Incentive District	Rest of Florence	Total Commercial and Industrial Permits Issued
	2	21	23

As Table 1 demonstrates the overwhelming amount of investment occurred outside the Town Core Infill Incentive District Boundary. For the calendar year of

2009, 100% of the residential construction and over 90% of the commercial and industrial activity occurred in other parts of the community. From this table, it is apparent that most of the investment in Florence occurs in other parts of the community.

**Criterion 5: There is a high occurrence of crime.**

Table 2: Crime Statistics for major crime categories<sup>1</sup> for 2009 (Compiled by the Florence Police Department)

<b>Table 2</b>			
<b>Crime Statistics for Florence 2009</b>			
	<b>Total</b>	<b>Infill Incentive District</b>	<b>Balance of the Town</b>
<b>Assaults</b>	41	41	0
<b>Rape</b>	0	0	0
<b>Robbery</b>	4	4	0
<b>Arson</b>	1	1	0
<b>Homicide</b>	0	0	0
<b>Vehicle Theft</b>	16	14	2
<b>Burglary</b>	64	56	8
<b>Larceny</b>	106	77	29
<b>Total</b>	232	193	39

Of the 232 crimes committed, 193 or 83% of them occurred within the Town Core Infill Incentive District boundaries. There is sufficient evidence to determine that a high number of crimes committed as it relates to overall crime within the Town occur within the district boundaries.

---

<sup>1</sup> Major Crimes is defined as the 8 categories used by the Arizona Department of Public Safety to measure crime throughout the State of Arizona.

Figure 1

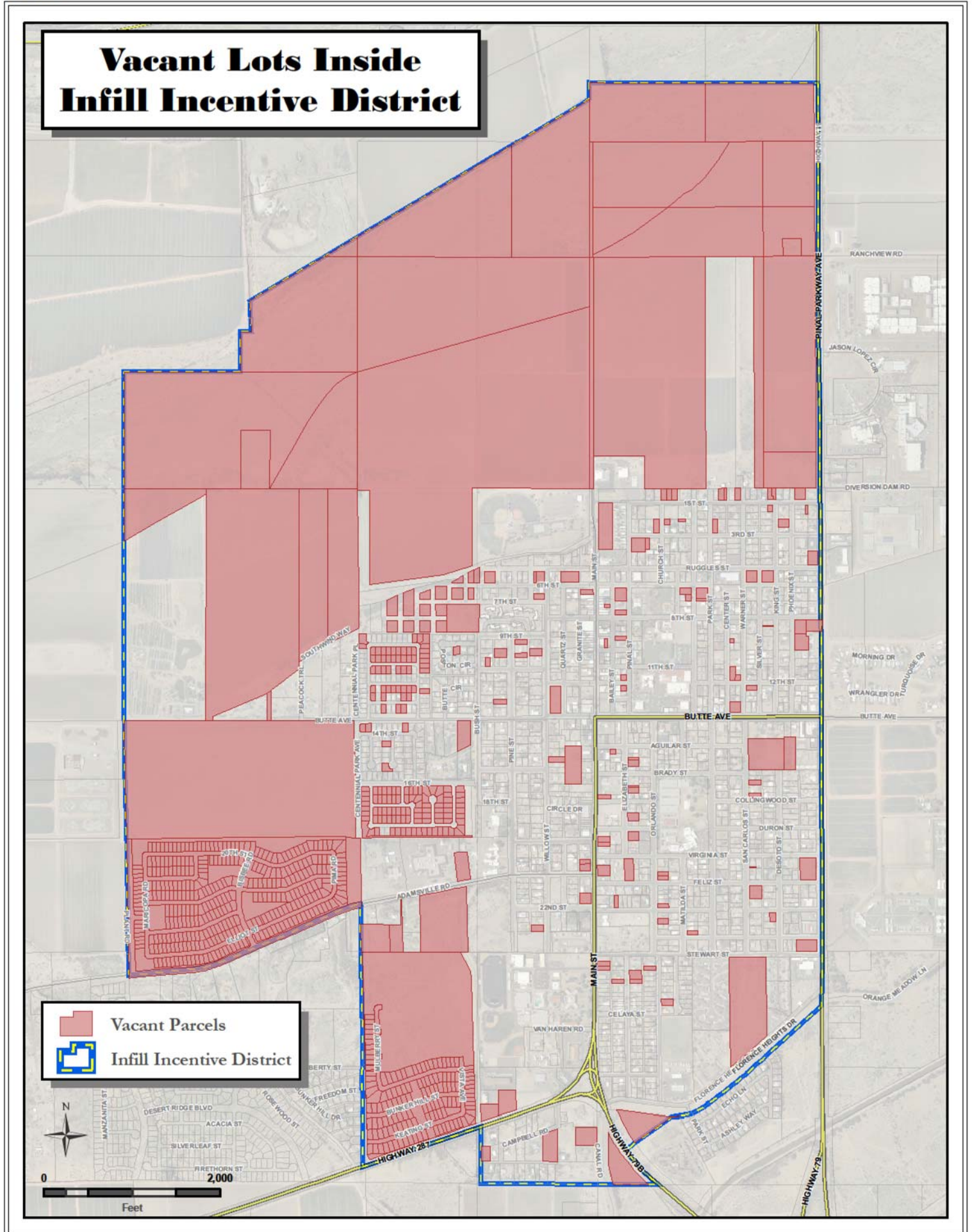
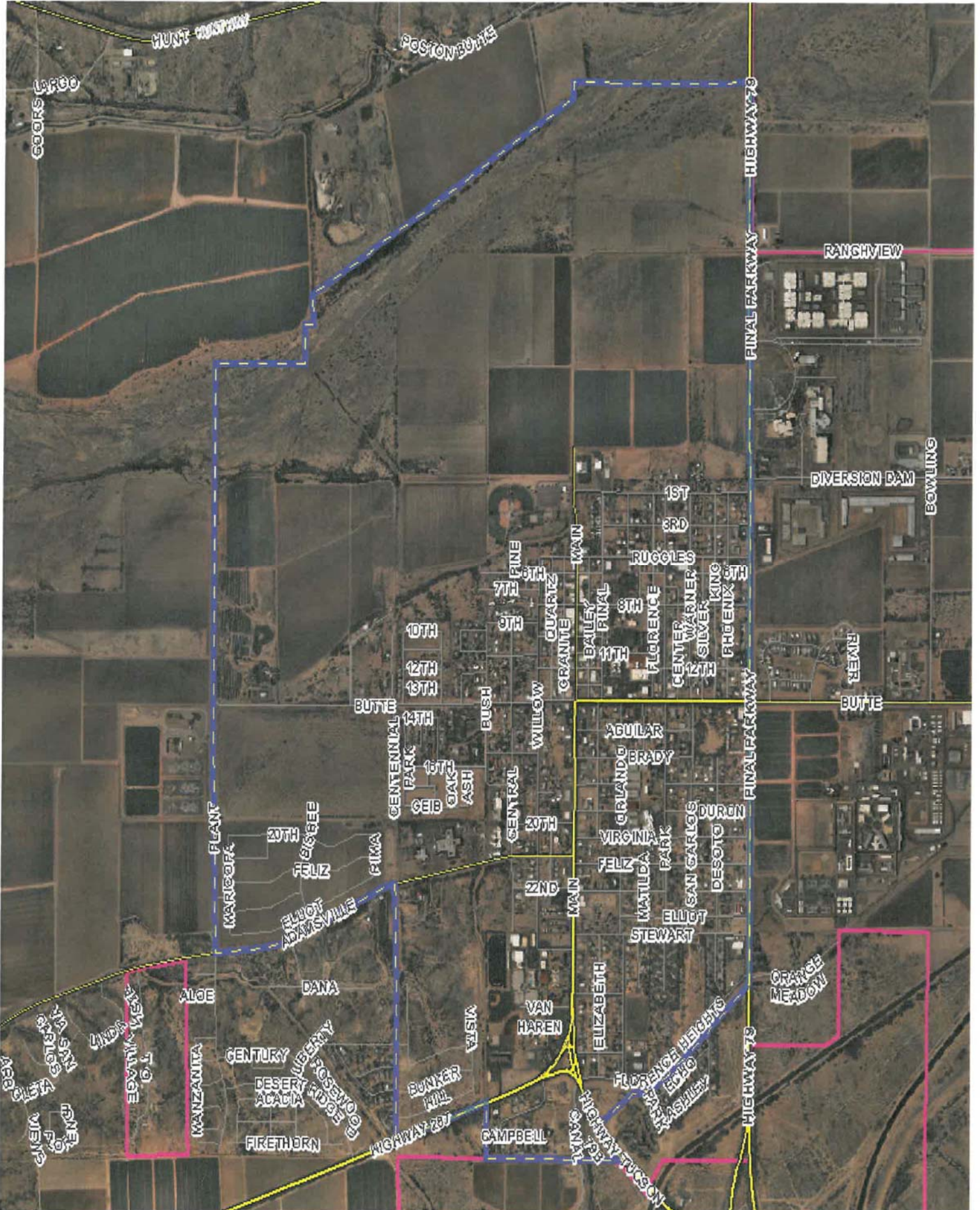
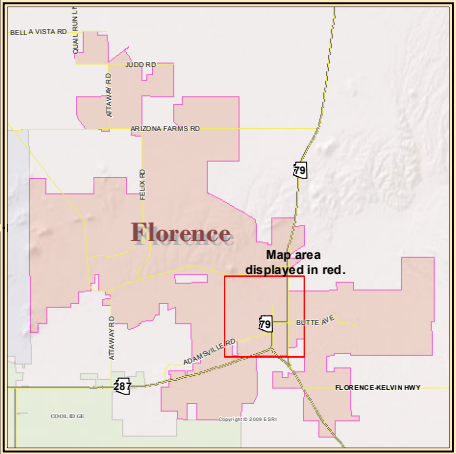


Exhibit D

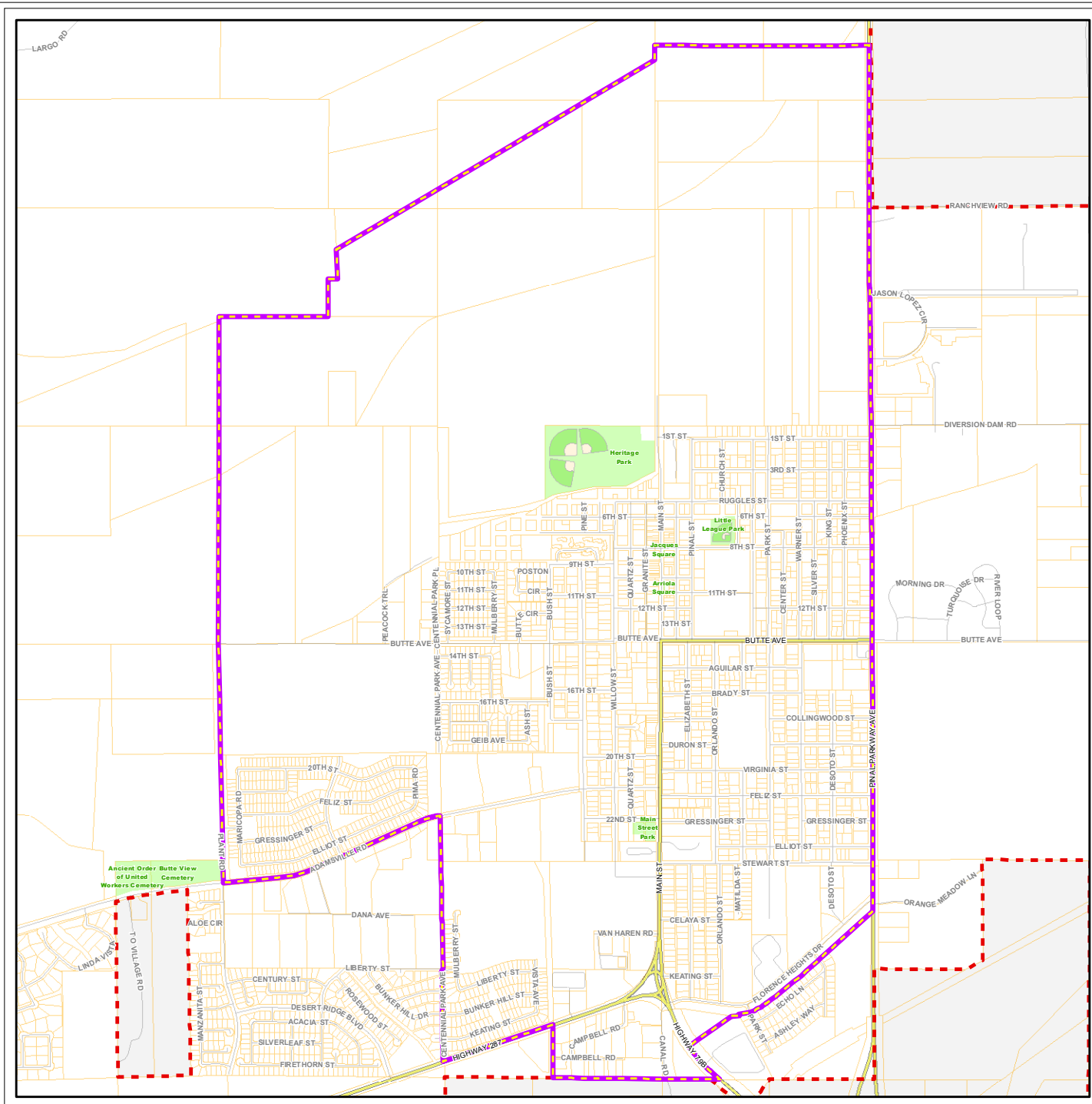



# Town of Florence Infill Incentive District

 Infill Incentive District



This map is created for reference purposes only and is to be used at your own risk. The Town of Florence makes no warranty as to the accuracy or completeness of the information contained in this map and assumes no liability for any errors or omissions contained therein, nor for any direct, indirect, or consequential damages which may be caused by its use. It is the user's responsibility to verify all information contained herein.



	<b>Community Facilities District No. 1 District ACTION FORM</b>	<b><u>AGENDA ITEM</u> 7a.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Mike Farina, District Treasurer  <b>SUBJECT:</b> First Reading of Ordinance No. MRCFD1 111-14 to Levy Secondary Property Tax		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input checked="" type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input checked="" type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

First reading of Ordinance No. MRCFD1 111-14, adopting a secondary property tax levy in the amount of \$3.55 per \$100/Net Assessed Valuation (NAV) for Fiscal Year 2014-2015.

**BACKGROUND/DISCUSSION:**

The District Board has authorized a secondary property tax levy for the payment of debt service, infrastructure and operations and maintenance of Community Facilities District No. 1. The current property tax rate is \$3.55 per \$100/NAV.

The estimates for budget year 2014-2015 have been determined. This year's budget includes anticipated revenues from assessments and secondary tax. Expenditures are included along with anticipated debt service and administrative expenses.

The ordinance to adopt the tax levy will be presented on July 21, 2014.

**FINANCIAL IMPACT:**

Total collections in revenues and prior year fund balance and bond proceeds are anticipated to fund all expenditures. A secondary tax of \$3.25 per \$100/NAV estimated at \$504,900 for debt service and an operations and maintenance levy of \$0.30 per \$100/NAV estimated at \$46,600 will be levied on this district for a total of \$3.55 per \$100/NAV or \$551,500.

**STAFF RECOMMENDATION:**

First reading of Ordinance No. MRCFD1 111-14, adopting a secondary property tax levy in the amount of \$3.55 per \$100/NAV for Fiscal Year 2014-2015.

**ATTACHMENTS:**

Ordinance No. MRCFD1 111-14

**MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1**

**ORDINANCE NO. MRCFD1 111-14**

**AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.**

**WHEREAS**, by the provision of State Law, the Ordinance levying a secondary property tax rate for the Fiscal Year 2014-2015 is required to be adopted no later than the third Monday in August; and

**WHEREAS**, the County of Pinal is now the assessing and collecting authority for the Merrill Ranch Community Facilities District No. 1, the District Clerk is hereby directed to transmit a certified copy of the Ordinance to the Assessor and Board of Supervisors of Pinal County, Arizona;

**NOW, THEREFORE, BE IT ORDAINED** by the District board of Merrill Ranch Community Facilities District No. 1 as follows:

**Section 1:** There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Merrill Ranch Community Facilities District No. 1, except such property as may by law be exempt from taxation, a secondary property tax rate of **\$3.25** on each one hundred dollars (\$100.00) for the purpose of providing debt service and enhanced municipal services, and **\$.30** on each one hundred dollars (\$100.00) for operations and maintenance of the district, for a combined rate of **\$3.55** on each one hundred dollars (\$100.00) for the fiscal year ending on the 30th day of June 2015, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County is hereby authorized to reduce the said sum to the maximum which is allowed by law.

**Section 2:** No failure by the officials of Pinal County, Arizona to properly return the delinquent list and no irregularity in the assessment or commission in the same, or irregularity of any kind in any proceeding will invalidate such proceeding or invalidate any title conveyed by tax deed; nor will any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within the time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment of a levy of taxes or of the judgment of sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent unpaid taxes thereon, and no overcharge as to part of the



taxes or of costs will invalidate any of the proceeding upon the lien therefore, or a sale of the property under such foreclosure; and all acts of officers de facto will be valid as if performed by officer de jure.

**Section 3:** All Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

**Section 4:** The immediate operation of the Ordinance is necessary for the preservation of the public peace, health, and safety of the Merrill Ranch Community Facilities District No. 1, and an emergency is hereby declared to exist; and this Ordinance shall be in full force and effect from its passage and approval by the District Board and publication as required by the laws of the State of Arizona, and is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

**PASSED AND ADOPTED** by the District Board of Merrill Ranch Community Facilities District No. 1, Florence Arizona, the 21<sup>st</sup> day of July 2014.


\_\_\_\_\_  
Tom J. Rankin, District Board Chairperson

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Lisa Garcia, District Clerk

\_\_\_\_\_  
James E. Mannato, District Attorney

	<b>Community Facilities District No. 2 District ACTION FORM</b>	<b><u>AGENDA ITEM</u> 9a.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Mike Farina, District Treasurer  <b>SUBJECT:</b> First reading of Ordinance No. MRCFD2 210-14 to Levy Secondary Property Tax		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input checked="" type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input checked="" type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

First reading of Ordinance No. MRCFD2 210-14, adopting a secondary property tax levy in the amount of \$3.55 per \$100/Net Assessed Valuation (NAV) for Fiscal Year 2014-2015.

**BACKGROUND/DISCUSSION:**

The District Board has authorized a secondary property tax levy for the payment of debt service, infrastructure and operations and maintenance of Community Facilities District No. 2. The current property tax rate is \$3.55 per \$100/NAV.

The estimates for budget year 2014-2015 have been determined. This year's budget includes anticipated revenues from assessments and secondary tax. Expenditures are included along with anticipated debt service and administrative expenses.

The ordinance to adopt the tax levy will be presented on July 21, 2014.

**FINANCIAL IMPACT:**

Total collections in revenues and prior year fund balance and bond proceeds are anticipated to fund all expenditures. A secondary tax of \$3.25 per \$100/NAV estimated at \$476,900 for debt service and an operations and maintenance levy of \$0.30 per \$100/NAV estimated at \$44,000 will be levied on this district for a total of \$3.55 per \$100/NAV or \$520,900.

**STAFF RECOMMENDATION:**

First Reading of Ordinance No. MRCFD2 210-14, adopting a secondary property tax levy in the amount of \$3.55 per \$100/NAV for Fiscal Year 2014-2015.

**ATTACHMENTS:**

Ordinance No. MRCFD2 210-14

**MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2**

**ORDINANCE NO. MR CFD2 210-14**

**AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.**

**WHEREAS**, by the provision of State Law, the Ordinance levying a secondary property tax rate for the Fiscal Year 2014-2015 is required to be adopted no later than the third Monday in August; and

**WHEREAS**, the County of Pinal is now the assessing and collecting authority for the Merrill Ranch Community Facilities District No. 2, the District Clerk is hereby directed to transmit a certified copy of the Ordinance to the Assessor and Board of Supervisors of Pinal County, Arizona;

**NOW, THEREFORE, BE IT ORDAINED** by the District Board of Merrill Ranch Community Facilities District No. 2, as follows:

**Section 1:** There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Merrill Ranch Community Facilities District No. 2, except such property as may by law be exempt from taxation, a secondary property tax rate of **\$3.25** on each one hundred dollars (\$100.00) for the purpose of providing debt service and enhanced municipal services, and **\$.30** on each one hundred dollars (\$100.00) for operations and maintenance of the district, for a combined rate of **\$3.55** on each one hundred dollars (\$100.00) for the fiscal year ending on the 30th day of June 2015, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County is hereby authorized to reduce the said sum to the maximum which is allowed by law.

**Section 2:** No failure by the officials of Pinal County, Arizona, to properly return the delinquent list and no irregularity in the assessment or commission in the same, or irregularity of any kind in any proceeding will invalidate such proceeding or invalidate any title conveyed by tax deed; nor will any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within the time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment of a levy of taxes or of the judgment of sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent unpaid taxes thereon, and no overcharge as to part of the

taxes or of costs will invalidate any of the proceeding upon the lien therefore, or a sale of the property under such foreclosure; and all acts of officers de facto will be valid as if performed by officer de jure.

**Section 3:** All Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

**Section 4:** The immediate operation of the Ordinance is necessary for the preservation of the public peace, health, and safety of the Merrill Ranch Community Facilities District No. 2, and an emergency is hereby declared to exist; and this Ordinance shall be in full force and effect from its passage and approval by the District Board and publication as required by the laws of the State of Arizona, and is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

**PASSED AND ADOPTED** by the District Board of Merrill Ranch Community Facilities District No. 2, Florence, Arizona, the 21<sup>st</sup> day of July 2014.


\_\_\_\_\_  
Tom J. Rankin, District Board Chairperson

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Lisa Garcia, District Clerk

\_\_\_\_\_  
James E. Mannato, District Attorney

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>11a.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Community Development Department  <b>STAFF PRESENTER:</b> Lisa Garcia Deputy Manager/Town Clerk  <b>SUBJECT:</b> 2014 Arizona Governor's Heritage Preservation Award for Chapel of the Gila		<input type="checkbox"/> Action <input checked="" type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulatory</li> <li><input type="checkbox"/> 1<sup>st</sup> Reading</li> <li><input type="checkbox"/> 2<sup>nd</sup> Reading</li> </ul> <input type="checkbox"/> Other

**RECOMMENDED MOTION/ACTION:**

Mayor Tom Rankin has been asked to present the 2014 Arizona Governor's Heritage Preservation Honor Award, on behalf of the State Historic Preservation Office, to the Assumption of the Blessed Virgin Mary Parish, in Florence, Arizona, for the rehabilitation of the Chapel of the Gila complex.

**BACKGROUND/DISCUSSION:**

Since 1982, the Arizona Preservation Foundation and Arizona State Historic Preservation Office have partnered to present the Governor's Heritage Preservation Honor Awards. These awards recognize people, organizations, and projects that represent outstanding achievements in preserving Arizona's prehistoric and historic resources. The award recipients are selected from nominations submitted from all over the State of Arizona. One of the nine winners for 2014 was the rehabilitation of the Chapel of the Gila complex with a nomination prepared and submitted by the Florence Preservation Foundation.

After many years of continued deterioration, the Chapel of the Gila was awarded the Heritage Fund grant in 1991. The grant was prepared and sponsored by the Town of Florence, with matching funds provided by the Diocese. Rehabilitation of the Chapel of the Gila began and was completed before the summer of 2000. Additional work commenced in 2002, until property damage due to extreme weather conditions and drainage problems affected the integrity of the structure. Massive repairs to the building and property begun again in 2012 funded by the parish. Additional rehabilitation has been done to the entire complex in the past two years with every room having a viable use today.

**FINANCIAL IMPACT:**

Not applicable

**RECOMMENDATION:**

No recommendation required

**ATTACHMENT:**

Nomination submittal

Janice K. Brewer  
Governor

Bryan Martyn  
Executive Director



Board Members

Alan Everett, Sedona, *Chair*  
Walter D. Armer, Jr., Vail  
Mark Brnovich, Phoenix  
R. J. Cardin, Phoenix  
Kay Daggett, Sierra Vista  
Larry Landry, Phoenix  
Vanessa Hickman,  
State Land Commissioner

May 5, 2014

Bonnie Bariola  
Florence Preservation Foundation  
2149 W Cheyenne Drive  
Chandler, AZ 85224

Dear Ms Bariola:

Congratulations!

It is my pleasure to inform you that the **Assumption of the Blessed Virgin Mary Parish for the Chapel of the Gila** has been selected to receive a 2014 Governor's Heritage Preservation Honor Award. On behalf of the awards selection committee and the State Historic Preservation Office Staff, I wish to thank you for taking the time to recognize the contribution this project has made to the preservation of Arizona's unique heritage! **We will also afford you the honor of informing your nominee of their award, and ask you to share the following information with them.**

As you may already know, the winners selected for this year's awards will be honored at a special lunch held in conjunction with the 2014 Arizona Historic Preservation Conference at the Esplendor Resort, Arizona on Friday, June 13th at 12:00 P.M. The State Historic Preservation Office will be paying for a recipient to attend the Awards Luncheon. Additional people associated with the project (or spouses/partners) may attend the luncheon for a special reduced rate of \$40.00. Please contact Dave Ryder at 602-568-6277 to RSVP, purchase addition tickets, if necessary, and submit your entrée option (beef, chicken or vegetarian). For conference, hotel, parking information or directions, please visit our website at [www.azpreservation.com](http://www.azpreservation.com)

In the coming weeks, our office may be contacting you to obtain additional information to incorporate into our awards presentation. Please note that these materials will be retained by the State Historic Preservation Office, and will not be returned.

Congratulations and thank you again for your nomination! If you have any further questions about the awards and/or the awards luncheon, please feel free to contact me at (602) 542-6998 or e-mail me at [evondy@azstateparks.gov](mailto:evondy@azstateparks.gov).

Sincerely,

Eric Vondy

Preservation Incentives Program Coordinator  
Arizona State Historic Preservation Office





## **Rehabilitation of the Chapel of the Gila Complex in Florence**

Ten years after it's prior rehabilitation, additional work had to be done in 2012 to further repair the Chapel of the Gila. These repairs included:

- Replacement of deteriorated lintels above doors and windows where necessary.
- Removal of all exterior plaster from the adobe surface.
- Replacement of deteriorated adobes and replace all exterior stucco.
- Correct drainage problems in the Courtyard.

Since the exterior work was completed in 2012, additional rehabilitation work has continued on the interior. Every room in the Chapel Complex now has a use. As Father Jose Corvera said: “ If a building is not used, it begins to deteriorate; therefore, I make sure every room in the complex is used.”

The Chapel is used for weekday masses during the spring, summer, and fall months. Due to the influx of residents in the retirement communities, it is necessary to move to the Church of the Assumption during the winter months. In the adjoining complex, the Gift Shop has been moved to a larger room. Two rooms are used for classrooms for religious education and another room is used as a Meeting Room.

All walls, floors and ceiling have been completely rehabilitated. Broken tiles in the Chapel were replaced.

Father Corvera explained the work was never complete, since there are always needed repairs yet no specific funding is available.

Florence was a rapidly expanding agricultural settlement on the Gila River which had been founded in 1866 by Levi Ruggles. The population at that time consisted of a few Anglo-Americans but was predominantly Mexican-American. In January of 1870, a young priest named Father Eschallier was assigned his first parish and became the first parish priest for the Town of Florence.

On August 25, 1870 Father Eschallier entered into a purchase and sale contract with the promoters of the newly laid out Townsite for a “Church Lot” of 600 square feet at the center of town. In its December 10, 1870 edition of the Tucson newspaper it was

reported that a new Catholic church “20 feet by 75 feet” was nearing completion in Florence and would be dedicated the following week.

The result of this construction project was the adobe “Capilla del Gila” or Chapel of the Gila. This structure served as Florence’s first parish church. Built in the flat-roofed Spanish Colonial/Sonoran Style, the structure survives now as the earliest church of any denomination in Central Arizona, and is the only surviving mission church of the Territorial period of the state’s history. The Chapel is oriented with its longer dimension approximately 3 degrees east of a true north-south axis, thus is sited at a slight angle to the town’s street grid.

At that time Florence was the Mother Church for both Phoenix and Tucson. During the mid to late 1870s an addition to the Chapel was completed and used as a school house. Because of scarcity of funds the work progressed very slowly.

With a greatly expanding local population, the need arose for a larger church and starting in 1882, a large cruciform-plan Gothic Style adobe church was constructed immediately to the west of the earlier Chapel/school complex. The original adobe chapel was converted as an adaptive reuse as a classroom.

After a major fire destroyed the new Church of the Assumption on August 15, 1893, the old Chapel of the Gila again was put into temporary use as a church. A new brick Mission revival style Church of the Assumption rose on the same site as its’ adobe predecessor, and was completed and dedicated in 1912.

Since its period of original construction and functions, the Chapel complex has been put to a wide variety of other uses, including indigent housing (1912-1940), recreation hall, parish hall, and in the 1960s and 1970s, again for the purpose of religious education. In 1949 the Chapel/Convent was extensively repaired, including the installation of concrete floors, plastering the exposed exterior adobe walls and adding a second and more waterproof sloping wood-framed metal roof directly above the original flat mud roof.

Heavy rains seeping up through the adobe walls caused the eastern portion of the nun’s kitchen to collapse in 1979, at which time an option was to demolish the entire structure. Bishop Green refused to approve the demolition and as a result ways were sought to preserve and eventually restore the structure.

In the late 1980s, a former Mayor of the Town of Florence, Andy Ramirez, had become President of the Parish Council and in this capacity approached the Town of Florence Historical Advisory Commission asking them if they were interested in the rehabilitation of the Chapel. The answer was a resounding yes.

A voter initiative in the late 1980s created the Heritage Fund for grants which included a component for Historic Preservation. When reading the application forms created by Arizona State Parks, the Community Development Director for the Town of Florence and liaison to the Historic Preservation Commission determined the restoration of the Chapel of the Gila would be a perfect fit for the predetermined restoration guidelines. As a result

she contacted Andy Ramirez asking him if he and the parish were still interested in restoring the Chapel with the answer being a resounding yes.

Town of Florence Council members voted unanimously for the Town to sponsor and submit a grant application prepared by Community Development Director Bonnie Bariola and Tucson Architect Harris Sobin to obtain funding for the rehabilitation of the Chapel. The Tucson Diocese provided the matching funds. As a result, an application was prepared and submitted on August 14, 1991 for a grant “For Stabilization of Historic Property Chapel of the Gila.”

It should be emphasized this was the Number 1 rated Grant in the first Heritage Fund Grant Cycle which can be partially attributed to the support from practically every citizen in Florence. Before the contract was awarded for the project, heavy rains in the spring of 1992 caused the east wall of the Chapel to collapse. Sonny Morales, who oversees construction and maintenance of the Mission San Xavier del Bac located south of Tucson, came to the aid of the Parish by bracing the ceiling of the chapel until construction could begin to replace the wall utilizing the awarded grant. Father Phelan, the Parish Priest at that time, worked closely with everyone helping to coordinate the initial stages of the rehabilitation process.

Since that time with an additional Heritage Fund grant plus much monetary support from both the Diocese and parish, the restoration of the Chapel continued. In the summer of 2000, weekday masses began being held in the Chapel. This continues even today with weekday masses from April through September being held here. Winter visitors expand attendance in the fall months causing weekday masses to be held in the Church of the Assumption.


In 2002 stucco was added to both the interior and exterior and new flooring was added to the Chapel and many of the adjoining rooms.

The Chapel complex was listed on the National Register of Historic Places as part of a District Nomination in 1982.

The Chapel has been included on the Annual Tour of Historic Florence each February since it was rehabilitated in 2000.

Architect Harris Sobin wrote in the history of the Chapel that: “For the first 44 years of its existence, Florence’s Catholic Parish was served exclusively by French priests. The Chapel/Convent complex remains a monument to not only its builders, but also to the important early ties between Arizona and France. While it may have been originally constructed for the Catholic Church, the complex is at the same time an irreplaceable part of the historic heritage and patrimony of all the people of Arizona and the Southwest, irrespective of their religious adherence or belief.”

**The Chapel of the Gila Complex deserves to receive a Governor’s Heritage Preservation Honor Award.**

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>11c.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Parks and Recreation  <b>STAFF PRESENTER:</b> Bryan C. Hughes Parks and Recreation Director  <b>SUBJECT:</b> Proclamation declaring July 2014 as Parks and Recreation Month		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> Regulatory <input type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input checked="" type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Proclaim July 2014 as Parks and Recreation Month in the Town of Florence and encourage residents to get outdoors and enjoy their community through parks and recreation.

**BACKGROUND/DISCUSSION:**

Since 1985, America has celebrated July as the nation’s official Park and Recreation Month. This year the National Recreation and Park Association and local parks and recreation agencies are focusing on setting trends instead of following them, making 2014 the year people go outside, change their outlook, and get involved in their community through parks and recreation.

The Town of Florence Parks and Recreation Department has numerous programs and activities that take place during the month of July, including the Fourth of July Freedom Fest and related activities, swimming lessons, summer camps, field trips and more.

**FINANCIAL IMPACT:**

None

**STAFF RECOMMENDATION:**

Proclaim July 2014 as Parks and Recreation Month in the Town of Florence.

**ATTACHMENTS:**

Parks and Recreation Month Proclamation

# Proclamation

## July 2014 as Park and Recreation Month

**WHEREAS**, parks and recreation programs are an integral part of communities throughout this country, including the Town of Florence, Arizona; and

**WHEREAS** our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

**WHEREAS** parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and

**WHEREAS**, parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

**WHEREAS**, parks and recreation areas are fundamental to the environmental well-being of our community; and

**WHEREAS**, parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife; and

**WHEREAS**, our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

**WHEREAS**, the U.S. House of Representatives has designated July as Parks and Recreation Month; and

**WHEREAS**, Florence, Arizona, recognizes the benefits derived from parks and recreation resources

**NOW THEREFORE**, I, Tom J. Rankin, Mayor, do hereby proclaim July is recognized as Park and Recreation Month, in Florence, Arizona.


---

Tom J. Rankin, Mayor

**ATTEST:**

---

Lisa Garcia, Town Clerk

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 12a.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Human Resources  <b>STAFF PRESENTER:</b> Scott Barber, HR Director  <b>SUBJECT:</b> Resolution No. 1447-14: smartworksplus, inc. Service Agreement		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

It is recommended the Mayor and Council adopt Resolution No. 1447-14, approving a new service agreement with smartworksplus, inc., effective July 1, 214, to provide for staffing services by contract, pursuant to RFP# 14-06MP and the associated contract issued by Mesa Public Schools under a Cooperative Purchasing Agreement, with Strategic Alliance for Volume Expenditures (SAVE).

**BACKGROUND/DISCUSSION:**

The Town has had a contract with smartworksplus, inc., since March 2012, to allow the possibility of eligible Town employees covered under the Arizona State Retirement System (ASRS) to retire, begin to collect their ASRS retirement benefits, and return to work for the Town. This agreement has also allowed the Town to bring on board staff members under the terms of the agreement who are not current Town employees. The current agreement reflects favorable terms and conditions negotiated with smartworksplus, inc., through a Cooperative Purchasing Agreement with Strategic Alliance for Volume Expenditures (SAVE), pursuant to an RFP issued by Mesa Public Schools, and available to other public entities. An amended agreement was approved last year to reflect a new SAVE Cooperative Purchasing Agreement RFP number and the new agreement term through June 30, 2018. The Federal Affordable Care Act has imposed some new health insurance requirements that are now applicable to the smartworksplus, inc., agreement. We are consequently requesting approval of an amended agreement to reflect those new requirements. There are no other changes to the current agreement. It is possible for the new health insurance requirement to impact the Town's costs under the agreement and therefore the savings to the Town when contracting an employee from smartworksplus, inc. But the possibility is minimal since those retiring from ASRS would probably opt for (subsidized) health insurance coverage offered through ASRS.

Just a reminder that re-employment is not guaranteed to any employee and that the Town realizes a cost savings when contracting employees in this way.

**FINANCIAL IMPACT:**

Fiscal Impact (in this case, net savings to the Town) is ultimately dependent upon eligibility and participation.

**STAFF RECOMMENDATION:**

Staff recommends adoption of Resolution No. 1447-14, approving a new service agreement with smartworksplus, inc.

**ATTACHMENTS:**

Resolution No. 1447-14  
smartworksplus, inc. Service Agreement

**RESOLUTION NO. 1447-14**

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE SERVICE AGREEMENT BETWEEN SMARTWORKSPUS, INC., AND THE TOWN OF FLORENCE, EFFECTIVE JULY 1, 2014, FOR A FOUR-YEAR TERM.**

**WHEREAS**, it has been brought to the attention of the Mayor and Council of the Town of Florence, Arizona, that it is recommended to adopt a new service agreement between smartworksplus, inc., and the Town of Florence, effective July 1, 2014.

**NOW, THEREFORE, BE IT RESOLVED** that the service agreement between smartworksplus, inc., attached as "Exhibit A", and the Town of Florence, is hereby adopted, effective July 1, 2014.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, this 16<sup>th</sup> day of June 2014.

---

Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

---

Lisa Garcia, Town Clerk

---

James E. Mannato, Town Attorney



**Town of Florence**  
and  
*smartworksplus, inc.*

**SERVICE AGREEMENT**

This SERVICE AGREEMENT (this "AGREEMENT") is entered into as of this 1st day of July, 2014 between smartschoolsplus, inc, an Arizona corporation, d/b/a smartworksplus ("Provider"), and the Town of Florence ("Entity").

**RECITALS**

- A. Provider is a corporation engaged in the business of providing professional services, including employee staffing services, to governmental entities;
- B. Provider's employees include qualified personnel and/or administrators. , [
- C. Entity is a governmental entity within the State of Arizona that requires the services of qualified personnel and/or administrators.
- D. Entity is authorized to enter into this Agreement pursuant to Arizona Revised Statutes A.R.S. 9-240 (A).
- E. City desires to obtain services, as more fully described in Exhibit A, attached hereto ("Services") from Provider and Provider is willing to provide Services to City upon the terms and conditions contained in this Agreement, pursuant to RFP #14-06MP and the associated contract issued by the Strategic Alliance for Volume Expenditures (SAVE) available to District/State Entities.

**AGREEMENTS**

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound, Provider and Entity agree as follows:

1. Services. Provider shall provide the Services set forth in this Agreement and in the Scope of Services attached as Exhibit A (collectively, "Services").

2. Provider Employees.

A. Employment Agreement. Provider shall enter, or has previously entered, into employment agreements ("Employment Agreements"), substantially in the form of Exhibit B, attached hereto, with staff and/or administrators. Collectively, "Provider Employees" to provide Services required by Entity. A roster of Provider Employees, and their daily pay rates, are set forth in Exhibit C. A copy of each Employment Agreement shall be provided to Entity as soon as available. Provider shall (i) take steps to assure that each Provider Employee performs in accordance with his or her Employment Agreement, and (ii) provide general direction, supervision and control of each Provider Employee in the performance of his or her duties, as more fully described in the Scope of Services.

B. Payroll. Provider, and not Entity, shall be solely responsible for administrative employment matters regarding Provider Employees including, but not limited to, all payroll and payroll income tax withholding matters, payment of workers' compensation premiums and funding of appropriate fringe benefit programs. Provider agrees to hold harmless Entity for failure to remit to the appropriate governmental authority any and all taxes, assessments or governmental charges in connection with its employment of Provider Employees. Entity shall immediately forward to Provider any garnishment orders, involuntary deduction orders, notices of IRS liens and other forms of legal process received by Entity affecting payment of wages to Provider Employees and shall cooperate with Provider in responding thereto.

C. Health and Safety. Provider shall, and shall require Provider's Employees to, comply with all health and safety laws, regulations, ordinances, directives and rules imposed by controlling federal, state or local governments, and shall immediately report all work-related accidents involving the Provider Employee within 24 hours to Entity. Provider shall provide where necessary, and shall require that all Provider Employees use, personal protective equipment as required by federal, state or local law, regulation, ordinance, directive or rule.

D. Compensation of Provider Employees. Provider shall pay Provider Employees in compliance with applicable wage and hour laws including, but not limited to, the Fair Labor Standards Act ("FLSA") and Arizona Labor Code. Provider shall maintain complete and accurate records of all wages paid to a Provider Employee assigned to provide services to Entity. Provider shall be exclusively responsible for, and shall comply with, applicable law governing the reporting and payment of wages, payroll-related and unemployment taxes attributable to wages paid to Provider Employees assigned to provide services to Entity.

E. Legal Arizona Worker's Act. Provider, and not Entity, shall be responsible for compliance with the Legal Arizona Worker's Act (2007), as amended from time to time. Compliance shall include, but not be limited to, verification of employment eligibility for all new employees through the E-Verify program, as defined in A.R.S. § 23-211.

F. Termination. Provider or Entity may terminate this Agreement, with respect to any or all of the Provider Employees, without cause or justification of any kind, by providing the other party with written notice of such termination at least 30 days prior to the effective date of termination. Entity and Provider shall each have the right to terminate the service of, and therefore cease to have any obligation with respect to, any particular Provider Employee, upon written notice to the other (or its successor in interest) upon the occurrence of any of the following:

(1) if the Provider Employee: (i) embezzles, steals or misappropriates funds or property of Entity or Provider or defrauds Entity or Provider; (ii) is convicted of a felony; (iii) has a necessary certification revoked or suspended; or (iv) commits an act or omission which constitutes unprofessional conduct or which adversely affects the reputation of Entity or Provider;

(2) the death of the Provider Employee occurring any time during the term of this Agreement, in which event this Agreement (as it relates to that employee) shall terminate as of his date of death;

(3) the permanent disability of the Provider Employee occurring at any time during the term of this Agreement. For purposes of the foregoing, a Provider Employee shall be deemed to be permanently disabled if, by reason of any physical or mental condition, the Provider Employee is unable to substantially perform his duties hereunder during either (i) any continuous period of 30 days, in which event this Agreement shall terminate as of the first day following the end of such 30-day period, or (ii) an aggregate of 45 days within a 12-month period, in which event this Agreement shall terminate as of the first day following the 45th such day;

(4) in the event that Provider sells or disposes of all or substantially all of its assets or permanently discontinues operating its business;

(5) in the event that a Provider Employee is unwilling, unable or fails to satisfactorily comply with any rules, guidelines, policies, procedures or regulations promulgated by Employer or Entity during the term of the Provider Employee's Employment Agreement; provided, however, that termination for cause shall not occur unless written notice of the alleged non-compliance is first given to Provider and Provider fails to cure the non-compliance within 10 days following receipt of such written notice; or

(6) if it is later discovered that a Provider Employee has made any material misrepresentations or has failed to provide any material information in connection with the application for employment that was previously submitted to Provider.

3. Compensation. Entity agrees to compensate Provider for work performed, and reimbursable expenses incurred in the performance thereof, by Provider Employees in accordance with the compensation schedule attached hereto as Exhibit D. Provider shall invoice Entity monthly; invoices shall be due and payable within 7 days after receipt by Entity. The parties acknowledge and agree that Provider Employees shall receive wages solely from Provider. Entity shall not pay any Provider Employee in cash or by any other means for any services rendered by such Provider Employee pursuant to his or her Employment Agreement. Any individual whom Entity pays directly for any services rendered shall not be considered a Provider Employee as to any services for which Entity provides compensation.

4. Responsibilities of Entity. In addition to its payment, and other obligations set forth in this Agreement, Entity shall have the following responsibilities:

A. Supervision; Reporting. Entity shall provide daily monitoring of the Provider Employees and shall report to Provider on an ongoing regular basis regarding the Provider Employees' performance of their respective duties.

B. Safety Obligations. Entity shall provide a safe workplace for Provider Employees, shall supply documentation related to safety activities as prescribed by law (e.g., safety meeting, training, maintaining OSHA log), shall include Provider Employees in any specific safety training that Entity offers or requires for its own personnel in the same or similar positions, and shall inform Provider of any necessary protective equipment that Provider Employees must use in the performance of services for Entity. Provider or its workers' compensation carrier has the right to inspect Entity's premises and operation, but is not obligated to conduct any inspections. Provider reserves the right to audit safety activities. Provider or its insurer may, but neither is obligated to, give reports to Entity on the conditions found at Entity's worksites. Neither Provider's insurer nor Provider warrants the result of the inspections or the absence thereof, or that the operations or premises are in compliance with any laws, regulations, codes or standards.

5. Term. The term of this Agreement shall commence as of July 1, 2014, for a four (4) year term, terminating on June 30, 2018, unless earlier terminated pursuant to the provisions hereof. Entity acknowledges and agrees that prior to any renewal, the Exhibits will be adjusted to account for changes in the duties, responsibilities and wages for Provider Employees. Provider shall provide revised copies of the Exhibits to Entity at least 30 days prior to the end of the then-current term.

6. Insurance.

A. Worker's Compensation.

(i) Except as otherwise provided in this Agreement, Provider shall be considered the "employer" of all Provider Employees for the purposes of providing workers' compensation insurance within the meaning of Arizona Revised Statute ("A.R.S.") § 23-901. Provider shall provide workers' compensation and employer's liability insurance in accordance with the statutory requirement of the State of Arizona, including Employer's Liability insurance with limits of liability of not less than \$500,000 for each accident and \$500,000 for bodily injury or disease. The workers' compensation policy shall be endorsed to include the Alternate Employer Endorsement and shall include a waiver of subrogation in favor of Entity from the workers' compensation insurer. Provider shall, upon Entity's request, upon termination of this Agreement, provide to Entity records regarding the loss experience for workers' compensation insurance provided to Provider Employees pursuant to this Agreement.

(ii) Entity and Provider understand, agree and acknowledge that no individual shall be covered by Provider's workers' compensation insurance, or be issued a payroll check unless prior to commencing work for Entity that individual satisfies the following requirements: (a) is employed by Provider in Arizona to work in Arizona; (b) is performing Services for Entity pursuant to this Agreement; (c) is listed on Provider's roster of Provider Employees in Exhibit C; (d) has completed Provider's required enrollment forms and, where applicable, is certified or licensed as required by law for the position in which employed by Provider; (e) has completed necessary criminal background checks, including fingerprinting;

(f) has entered into an Employment Agreement with Provider; (g) has provided all data required by Provider for payroll processing and workers' compensation coverage; and (h) has been entered onto Provider's payroll system.

(iii) Entity understands, agrees and acknowledges that the workers' compensation insurance that Provider shall provide under this Agreement shall only cover individuals who are listed on Provider's roster of Provider Employees in Exhibit C, and shall not cover other individuals who might perform services for Entity, whether as employees, independent contractors or otherwise. Entity agrees to provide workers' compensation insurance or maintain a program of approved self-insurance covering Entity's own employees.

#### B. Entity Liability Insurance.

Entity shall provide liability indemnity protection to the Provider Employees who provide services to Entity but only if those Provider Employees are acting within the course and scope of the authorization granted. The coverage provided shall be made available to the Provider Employee as an additional covered party under the terms of Entity's participation agreement with Arizona Municipal Risk Retention Pool, if any (the "Pool"). Coverage shall be made available by the Pool to each Provider Employee on the same terms and conditions as coverage is made available to employees of Entity. Provider shall be added as an additional covered party to the Pool coverage agreement, but only to the extent that Provider is vicariously liable for the acts of the Provider Employee while the Provider Employee is performing services on behalf of Entity, but not for any actual or alleged wrongful act, error or omission of Provider in its own right (e.g., claims of negligent hiring, supervision or retention, employment discrimination, etc.). In no event, however, shall the provision of liability indemnity protection be construed as evidence that the relationship between the parties and the Provider Employees is other than as specifically provided for and agreed to in this Agreement.

#### C. Other Insurance.

Provider shall maintain in full force and effect at all times during the term of this Agreement the Commercial General Liability ("CGL") Insurance and unemployment insurance.

(i) The CGL policy shall provide for limits of not less than \$1,000,000 per occurrence and if such CGL policy contains a general aggregate limit of liability, the limit shall be no less than \$2,000,000. The CGL policy shall be written on an occurrence form and shall cover liability arising from the independent negligence or other wrongful act, error or omission of Provider or its employees that is not the direct consequence of the services provided by the Provider Employees under the terms of this Agreement. Entity shall be added as an additional insured to the CGL policy, but only to the extent that the covered liability-causing event is not related to the Services provided for under the terms of this Agreement.

(ii) Provider shall provide unemployment insurance coverage to the extent required by law.

#### D. Medical Insurance.

Provider shall make available to Provider Employees medical coverage that is affordable, provides minimum value, and meets the requirements of minimum essential coverage, as those terms are defined for purposes of the Affordable Care Act ("Medical Insurance"). The Provider Employee portion of the premium for the Medical Insurance will not exceed 9.5% of the Provider Employee's W-2 wages, as reflected in Box 1 of the W-2 form. Entity shall reimburse Provider for Provider's out-of-pocket costs for the Medical Insurance in excess of the portion of the premium paid by Provider Employees who elected to accept the Medical Insurance.

7. Independent Contractor. The relationship created by this Agreement shall be deemed and construed to be, and shall be, that of principal and independent contractor. Provider has no authority

to enter into any contract or incur any liability on behalf of Entity. Provider's employees are not intended to be and shall not be considered employees of Entity. Except as otherwise provided in this Agreement, Provider retains full control over the employment, direction, supervision, compensation, discipline and discharge of all persons performing Services under this Agreement.

8. Non-Exclusive Use. Provider acknowledges and agrees that Entity may enter into agreements with other provider organizations to supply services to Entity and that Provider is not the exclusive organization with which Entity may contract to provide services.

9. Notice. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, made and received when hand delivered to the party addressed or upon the date noted upon the receipt for registered or certified mail, first class postage prepaid, return receipt requested, addressed as set forth below:

If to Provider: smartworksplus  
P.O. Box 11618  
Tempe, AZ 85284-0027

With a copy to: Perkins Coie Brown & Bain P.A.  
2901 N. Central Ave., Suite 2000  
Phoenix, AZ 85012  
Attention: Judith K. Weiss, Esq.

If to Entity: Town of Florence  
775 N. Main Street  
P.O. Box 2670  
Florence, AZ 85132

With a copy to:

Either party may alter the address or addresses to which communications or copies are to be sent to such party by giving notice of such change of address in conformity with the provisions of this Section 10.

10. Binding Nature of Agreement; Assignment and Nominee. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

11. Entire Agreement. This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions expressed or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. This Agreement may not be modified or amended other than by a writing signed by both parties.

12. Waiver. The failure or delay on the part of any party to exercise any right, remedy, power or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such rights, remedies, powers or privileges with respect to any other occurrence.

13. Costs and Expenses. Each party hereto shall bear its own costs, including attorneys' fees and accounting fees, incurred in connection with the negotiation, drafting and consummation of this Agreement and the transactions contemplated hereby, and all matters incident thereto.

14. Headings. All sections and descriptive headings of sections and subsections in this Agreement are inserted for convenience only and shall not affect the construction or interpretation hereof.

15. Construction; Interpretation. This Agreement is intended to express the mutual intent of the parties hereto and thereto, and irrespective of the identity of the party preparing any such document, no rule of strict construction shall be applied against any party. In this Agreement, the singular includes the plural, and the plural the singular; words imparting either gender include the other gender; references to "writing" include printing, typing, lithography and other means of reproducing words in a tangible visible form; the words "including," "includes" and "include" shall be deemed to be followed by the words "but not limited to." The term "person" shall include an individual, corporation, joint venture, partnership, trust, estate, association, governmental entity or any other entity.

16. Exhibits and Recitals. All Exhibits referred to herein and the Recitals made and stated hereinabove are hereby incorporated by reference into, and made a part of, this Agreement.

17. Materiality. All covenants, agreements, representations and warranties made herein shall be deemed to be material and to have been relied on by the parties in entering into this Agreement and shall survive the execution and delivery of this Agreement.

18. Governing Law; Forum; Venue. This Agreement is executed and delivered in the State of Arizona, and the substantive laws of the State of Arizona (without reference to choice of law principles) shall govern its interpretation and enforcement. Any action brought to interpret or enforce any provisions of this Agreement, or otherwise relating to or arising from this Agreement, shall be commenced and maintained (i) if applicable, in accordance with the procedures set forth in A.R.S. § 41-2611, *et seq.*, or, if such procedures are not applicable, then (ii) in a state or local court located within Pinal County, Arizona.

19. Knowing Covenants. The parties hereby represent to each other that the covenants and agreements provided for in this Agreement have been knowingly and voluntarily granted after thorough consultation with counsel as to the binding and irrevocable effect thereof. Based upon consultation with counsel, the parties hereby represent and warrant to each other that this Agreement is binding and enforceable in accordance with its terms.

20. Indemnification. Provider agrees to indemnify, defend and hold harmless Entity, its board members, officers, directors, employees, insurers, indemnitors and agents for, from and against all suits, claims, liabilities, costs, expenses and debt, including reasonable attorneys' fees, incurred by Entity arising from, attributable to or caused by acts or omissions of Provider (or its officers, directors, shareholders or agents) or any Provider Employee in the performance of or related to the performance of the duties of any Provider Employee as described in the Employment Agreement (including, but not limited to injuries to Provider Employees that may or may not be covered by workers compensation insurance); except, to the extent such suits, claims, liabilities, costs, expenses and debt result from acts or omissions of Entity or its board members, officers, directors, employees, insurers, indemnitors or agents.

21. Conflict of Interest. The parties expressly acknowledge that Entity has the option of canceling this contract within three years from the date of execution without any further penalty or obligation pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Entity is at any time during the term or any extension thereof, an employee or agent of Provider or a consultant to Provider. Provider acknowledges the potential for a current Entity employee to become a Provider Employee and recognizes the applicability of A.R.S. § 38-511.

22. This Agreement shall not be construed to require Entity to take any action hereunder, and Entity shall have no obligation to utilize the services of Provider or its employees during the term of the Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and date first above written and effective as of the date hereinabove stated.

“Provider”

smartschoolsplus, inc.  
an Arizona corporation, d/b/a smartworksplus

\_\_\_\_\_  
By: Sandra McClelland  
Its: President

“Entity”

\_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

## EXHIBIT A

### Scope of Services

The following Services shall be performed by smartschoolsplus, inc. [d/b/a smartworksplus] in fulfillment of its obligations under the terms of the Agreement.

1. Provider shall recruit, hire, train, evaluate and supervise Provider Employees who are professionally and technically qualified to perform the duties of staff and/or administrators, and shall discipline and terminate Provider Employees, as appropriate, including the following:

a. maintaining a recruiting and hiring program that is in compliance with federal and state laws, rules and regulations, equal opportunity and anti-discrimination policies applicable to, and restricting, the hiring and selection process, including, but not limited to, Title VII of the Civil Rights Act of 1964 ("Title VII"), the Americans With Disabilities Act ("ADA"), the Age Discrimination in Employment Act ("ADEA"), the Fair Credit Reporting Act ("FCRA") and the Arizona Employment Protection Act ("AEPA");

b. maintaining a system of statewide personal background checks on all Provider Employees provided to Entity to include statewide criminal background check and fingerprinting. Provider shall ensure that all Provider Employees possess all certifications and qualifications necessary to enable them to perform their assignments, and that Provider Employees have satisfied any legal prerequisites to the performance of their assignments;

c. maintaining a system of performance evaluation for each Provider Employee;

d. maintaining a program of supervision that enforces the policies and procedures of Entity. In order to maintain the program, Provider shall designate one or more on-site staff as the supervisor and/or Provider contact who shall be responsible for addressing and responding to Provider Employees. The designated on-site supervisor and/or Provider contact shall be trained by Provider in regard to: (i) applicable workers' compensation laws; (ii) applicable equal employment opportunity laws, regulations and policies, including reporting procedures; and (iii) workplace violence prevention, including the detection of early warning signs of violence and the proper reporting of threats and acts of violence. The supervisor and/or Provider contact shall promptly notify Entity of any human-resource-type issue raised by a Provider Employee that may affect Entity, such as threats of violence, harassment, discrimination or retaliation;

e. providing to each Provider Employee information regarding his or her obligation to comply with all of Entity's safety, drug/alcohol, work policies, anti-harassment, anti-discrimination and anti-retaliation policies. Provider shall establish a complaint and/or reporting procedure for violations of policies and instruct Provider Employees on the use of the procedure. Provider shall obtain written acknowledgement from the Provider Employee that he or she has read, understood and agrees to abide by those policies and procedures;

f. providing annual harassment, discrimination, retaliation, abuse and neglect training for all Provider Employees, or ensure Provider Employees participate in similar training provided by Entity. Provider shall maintain a record of all such training; and

g. preparing and distributing an Employee Handbook to Provider Employees that identifies and explains Provider's policies and procedures that are to be followed during the course of the Provider Employees' employment with Provider.

2. Provider shall inform the Provider Employee in writing that he or she is employed by Provider, not Entity.



**EXHIBIT B**

**Form of Employment Agreement**

[see attached]

**EXHIBIT C**

**Roster of Provider Employees and Fee Schedule**

[see attached]

## EXHIBIT D

### Provider Compensation Schedule

Compensation: Provider compensation is computed based on the number of days Provider Employees work during designated month, multiplied by their Daily Rate of Pay set forth in Exhibit C. Provider shall invoice Entity monthly (i) at agreed-upon offered contractual salary equal to 80% of Provider Employee's exit salary for Provider Employees that previously worked at Entity, or (ii) at agreed-upon offered contractual salary for Provider Employees that did not previously work at Entity.

Extra Compensation: Entity shall pay Provider for Provider Employees that have qualified for bonus or similar extra compensation. Provider shall invoice Entity, for agreed-upon Extra Compensation at 80% for Provider Employees. The method and timing of payment of such "Added Service Pay" shall be in accordance with the performance of such service.


Service Fee/Direct Payroll Costs: In addition to the payments for work performed and extra factor/incentive pay, Entity shall pay Provider a service fee equal to four percent (4%) and all applicable direct payroll costs (e.g., Social Security, FICA & Medicare, AZ Unemployment, Federal Unemployment, Worker's Compensation (professional/classified)).

Reimbursement:

- (a) Entity shall reimburse Provider for mileage, travel, conferences and other out-of-pocket expenses incurred by Provider Employees, but only if such expenses are approved (prior to the expense being incurred) by the Provider and Entity. To obtain such reimbursement, Provider Employees must submit a written claim for reimbursement to Entity. Entity shall forward the claim to Provider. Provider shall reimburse the Provider Employee and include the amount of the reimbursement on Provider's invoice to Entity.
- (b) Entity will reimburse Provider for Provider's out-of-pocket costs to provide Medical Insurance coverage to Provider Employees pursuant to Section 5(c) of this Agreement.

Vacation/Sick/Bereavement Leave Days: Entity shall provide Provider Employees with the same number of leave days as are made available to Entity's other personnel in the same classification.

Electronic Access: Entity shall provide each Provider Employee access to electronic and technological tools allowing for participation and function of normal Entity duties (e.g., Kronos, computer hardware and software, e-mail, internet, cell phones, etc.). Provider Employees shall reimburse Entity directly for all charges incurred as the result of personal use of Entity cell phones. Provider Employees agree to follow all Entity guidelines and policies regarding use of the same.

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 12b.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Utilities Department  <b>STAFF PRESENTER:</b> John V. Mitchell, Utilities Director  <b>SUBJECT:</b> Approval to hire Felix Construction to make repairs at the North Florence Wastewater Treatment Plant.		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulatory</li> <li><input type="checkbox"/> 1<sup>st</sup> Reading</li> <li><input type="checkbox"/> 2<sup>nd</sup> Reading</li> </ul> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Motion to approve hiring of Felix Construction, to make repairs at the North Florence Wastewater Treatment Plant, in an amount not to exceed \$137,298.15.

**BACKGROUND/DISCUSSION:**

In July 2012, the Town received a Notice of Violation from Arizona Department of Environmental Quality (ADEQ) for deficiencies at the north wastewater treatment plant. The deficiencies included deterioration of concrete walls in the pre-aeration tank, leaking of the aeration tanks, and deterioration of stairway leading to the sludge digesters. Repair to the stairway has been completed; repairs to the leaking aeration tank are ongoing; and approval of this request will allow repair to the pre-aeration tank to be completed.

ADEQ has been notified of the Town’s ongoing activities. The Town has requested from ADEQ that repair to the pre-aeration tank be performed during low flow periods; therefore, work will be over the upcoming summer months.

Felix Construction has been selected to perform the work. Felix Construction has an existing job order contract with the City of Peoria. The Peoria contract has specific cooperative purchasing language that allows the Town to “piggyback” on the contract. The type of work provided for in the contract includes “design and construction of new facilities or rehabilitation of existing water reclamation facilities, lift stations, and any other wastewater and reclaimed water related facilities.” The cost proposal provided by Felix Construction is for an amount of \$137,298.15.

**FINANCIAL IMPACT:**


The cost to repair the pre-aeration tank is \$137,298.15. Monies have been identified in the current Utilities Department operation and maintenance budget.

**STAFF RECOMMENDATION:**

Staff recommends approval to hire Felix Construction, to make the repair at the north Florence Wastewater Treatment Plant, in an amount not to exceed \$137,298.15.

**ATTACHMENTS:**

None

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 12c.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Utilities Department  <b>STAFF PRESENTER:</b> John V. Mitchell, Utilities Director  <b>SUBJECT:</b> Approval to hire Felix Construction to make repairs at the South Wastewater Treatment Plant.		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Motion to approve hiring of Felix Construction, to make repairs at the South Wastewater Treatment Plant, in an amount not to exceed \$92,022.

**BACKGROUND/DISCUSSION:**

The Town has identified repairs at the south wastewater treatment plant influent pump station that will correct operational deficiencies and safety issues. The work includes rehabilitation of submersible pump piping, replacement of handrails, repair of existing lights, replacement of exhaust fans, and installation of an electrical shade canopy.

Felix Construction has been selected to perform the work. Felix Construction has an existing job order contract with the City of Peoria. The Peoria contract has specific cooperative purchasing language that allows the Town to “piggyback” on the contract. The type of work provided for in the contract includes “design and construction of new facilities or rehabilitation of existing water reclamation facilities, lift stations, and any other wastewater and reclaimed water related facilities.” The cost proposal provided by Felix Construction is for an amount of \$92,022.

**FINANCIAL IMPACT:**


The cost to make the repairs is \$92,022. Monies have been identified in the current Utilities Department operation and maintenance budget.

**STAFF RECOMMENDATION:**

Staff recommends approval to hire Felix Construction, to make the repair at the south wastewater treatment plant, in an amount not to exceed \$92,022.

**ATTACHMENTS:**

None

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 13a.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Mike Farina, Finance Director  <b>SUBJECT:</b> Ordinance No. 611-14: Adoption of Expenditure Limitation		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input checked="" type="checkbox"/> <b>Ordinance</b> <input checked="" type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Motion to adopt Ordinance No. 611-14, adopting an Expenditure Limitation in the amount of \$66,806,000, for Fiscal Year 2014-2015, and declaring an emergency.

**BACKGROUND/DISCUSSION:**

The tentative budget has been delivered to Town Council. It is required that an Expenditure Limitation be filed because the Town has adopted an Alternative Expenditure Limitation (“Home Rule”) which allows the municipality to set its own expenditures.

Once the Expenditure Limitation has been adopted, the expenditures for the budget may not increase, they may only be decreased.

**FINANCIAL IMPACT:**

Expenditures for Fiscal Year 2014-2015 will be set at \$66,806,000, as set forth in Office of the Auditor General’s prescribed forms, Schedules A to E and G (F is not applicable).

**STAFF RECOMMENDATION:**

Staff recommends adoption of Ordinance No. 611-14, adopting an Expenditure Limitation in the amount of \$66,806,000, for Fiscal Year 2014-2015, and declaring an emergency.

**ATTACHMENTS:**

Ordinance No. 611-14  
Auditor General Forms, Schedules A to E and G



## ORDINANCE NO. 611-14

### **AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING A LOCAL ALTERNATIVE EXPENDITURE LIMITATION FOR THE TOWN FOR THE FISCAL YEAR 2014-2015, AND DECLARING AN EMERGENCY.**

**WHEREAS**, the provisions of Resolution No.1207-09, dated the 19th day of October, 2009, as approved by a majority of the Town's qualified electors at the Town's Primary Election held on March 9, 2010, authorized the Mayor and Council to adopt annually by ordinance a local budget for the ensuing fiscal year; and

**WHEREAS**, the Town Council has conducted the required public hearings, at which the citizens of the Town had an opportunity to comment on the proposed expenditure limitations; and

**WHEREAS**, the Town Council and Town Manager have prepared a tentative budget for the Town and set forth estimated available revenues from existing revenue sources from which the Town may operate and provide services.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Town Council of the Town of Florence, Arizona, as follows:

**Section 1:** An expenditure limitation in the total sum of **\$66,806,000** is hereby adopted to apply to the Town's budget for the fiscal year 2014-2015. The sum is derived from estimated available revenues, from existing revenue sources.

**Section 2:** Notwithstanding any provisions of Section 1 above to the contrary, the Town may make expenditures in excess of said expenditure limitation to the extent that such excess sums are derived from new revenue sources arising during the said fiscal year after the date on which the Ordinance is adopted. However, such excess expenditures may not exceed the amount of additional revenue received.

**Section 3:** In the context of this Ordinance, the "Revenue" shall not include money obtained by the Town from grants awarded by Federal, State, Regional, or other agencies and organizations, and such grants are hereby excluded from any expenditure limitation adopted herein.

**Section 4:** No expenditure may be made by the Town in violation of the provision of the Ordinance.

**Section 5:** The provisions of the Ordinance are hereby declared to be severable, and if any of its sections, provisions, sentences, phrases, or parts be held unconstitutional or void by any court of competent jurisdiction the remaining portions of the Ordinance shall continue in full force and effect; it being the legislative intent now hereby declared that this Ordinance would have been included therein.

**Section 6:** The immediate operation of this Ordinance is necessary for preservation of the public peace, health and safety of the Town of Florence, and an emergency is hereby declared to exist; and this Ordinance shall be in full force and effect from the date of passage and approval by the Mayor and Council or the Town of Florence and publication as required by the laws of the State of Arizona, and as a result this ordinance is hereby declared to be exempt from the referendum provision of the constitution and laws of the State of Arizona.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, the 16th of June 2014, by the affirmative vote of **three fourths (3/4)** of the members of the Town Council of the Town of Florence, Arizona.

---

Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

---

Lisa Garcia, Town Clerk

---

James E. Mannato, Town Attorney

**TOWN OF FLORENCE, ARIZONA**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2015**

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2014	ACTUAL EXPENDITURES/EXPENSES** 2014	FUND BALANCE/ NET POSITION*** July 1, 2014**	PROPERTY TAX REVENUES 2015	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2015	OTHER FINANCING 2015		INTERFUND TRANSFERS 2015		TOTAL FINANCIAL RESOURCES AVAILABLE 2015	BUDGETED EXPENDITURES/EXPENSES 2015
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 12,592,706	\$ 12,632,100	\$ 7,764,600	Primary: \$ 852,740	\$ 11,469,800	\$	\$	\$ 1,711,200	\$ 798,400	\$ 20,999,940	\$ 13,715,200
2. Special Revenue Funds	13,712,023	7,064,000	16,879,100	Secondary:	7,103,900			34,500	7,143,800	16,873,700	11,904,600
3. Debt Service Funds Available	444,949	445,100	213,100		69,400			449,800	9,000	723,300	534,800
4. Less: Amounts for Future Debt Retirement			213,100		60,400					273,500	
5. Total Debt Service Funds	444,949	445,100			9,000			449,800	9,000	449,800	534,800
6. Capital Projects Funds	7,532,268	2,711,500	13,595,000		1,561,400	5,000,000		6,456,100	652,000	25,960,500	22,968,300
7. Permanent Funds	10,500	14,500	322,600		30,000					352,600	14,500
8. Enterprise Funds Available	12,050,870	5,085,400	20,810,300		8,216,800	1,300,000			1,300,100	29,027,000	16,416,900
9. Less: Amounts for Future Debt Retirement			620,400							620,400	
10. Total Enterprise Funds	12,050,870	5,085,400	20,189,900		8,216,800	1,300,000			1,300,100	28,406,600	16,416,900
11. Internal Service Funds	1,106,973	1,106,900	1,100		1,000			1,251,700		1,253,800	1,251,700
12. TOTAL ALL FUNDS	\$ 47,450,289	\$ 29,059,500	\$ 58,752,300	\$ 852,740	\$ 28,391,900	\$ 6,300,000	\$	\$ 9,903,300	\$ 9,903,300	\$ 94,296,940	\$ 66,806,000

**EXPENDITURE LIMITATION COMPARISON**

	2014	2015
1. Budgeted expenditures/expenses	\$47,450,289	\$66,806,000
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	47,450,289	66,806,000
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$47,450,289	\$66,806,000
6. EEC or voter-approved alternative expenditure limitation	\$47,450,289	\$66,806,000

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

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

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

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

**TOWN OF FLORENCE, ARIZONA**  
**Tax Levy and Tax Rate Information**  
**Fiscal Year 2015**

	<b>2014</b>	<b>2015</b>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>814,526</u>	\$ <u>852,740</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>814,526</u>	\$ <u>852,740</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>814,526</u>	\$ <u>852,740</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ <u>792,217</u>	
(2) Prior years' levies	<u>7,100</u>	
(3) Total primary property taxes	\$ <u>799,317</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>799,317</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>1.1182</u>	<u>1.1182</u>
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	<u>1.1182</u>	<u>1.1182</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
sales/use taxes	\$ 2,200,000	\$ 2,511,000	\$ 2,636,600
<b>Licenses and permits</b>			
building permits	245,000	477,000	491,300
other licenses and permits	39,000	45,500	46,800
<b>Intergovernmental</b>			
state-shared sales tax	2,206,504	2,240,000	2,352,000
state-shared income tax	2,848,922	2,845,000	3,091,100
vehicle license tax	1,119,567	1,184,000	1,243,200
salt river lieu tax		100	100
<b>Charges for services</b>			
franchise fees and taxes	420,180	536,700	563,600
civil engineering fees	160,000	38,400	39,500
community development fees	122,000	115,200	122,600
general government fees	152,988	152,900	157,400
cemetery fees	17,500	11,000	11,200
police fees	91,800	33,000	33,100
parks and recreation fees	63,150	81,900	90,400
fire fees	57,500	49,600	112,000
library fees	83,700	81,200	85,300
senior fees	16,700	19,200	19,700
<b>Fines and forfeits</b>			
finances and forfeitures	180,410	181,200	190,200
<b>Interest on investments</b>			
investment earnings	23,000	110,000	110,000
<b>In-lieu property taxes</b>			
<b>Contributions</b>			
Voluntary contributions			
<b>Miscellaneous</b>			
miscellaneous	74,315	72,800	73,700
sales of assets		73,000	
<b>Total General Fund</b>	<b>\$ 10,122,236</b>	<b>\$ 10,858,700</b>	<b>\$ 11,469,800</b>

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2014</u>	<u>ACTUAL REVENUES* 2014</u>	<u>ESTIMATED REVENUES 2015</u>
---------------------------	--	--------------------------------------	--

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

SOURCE OF REVENUES	ESTIMATED REVENUES 2014	ACTUAL REVENUES* 2014	ESTIMATED REVENUES 2015
<b>SPECIAL REVENUE FUNDS</b>			
highway users gas tax	\$ 1,660,000	\$ 1,660,000	\$ 1,752,800
transportation excise tax	915,000	1,003,500	1,053,700
other HURF revenue	17,000	37,000	37,000
<b>Highway User Revenue Fund</b>	<b>\$ 2,592,000</b>	<b>\$ 2,700,500</b>	<b>\$ 2,843,500</b>
sales tax	\$ 160,000	\$ 54,100	\$ 55,200
investment earnings	30,000	18,000	18,000
<b>Construction Tax Fund</b>	<b>\$ 190,000</b>	<b>\$ 72,100</b>	<b>\$ 73,200</b>
sales tax	\$ 210,000	\$ 245,600	\$ 257,900
investment earnings	20,000	10,000	10,000
<b>Food Tax Fund</b>	<b>\$ 230,000</b>	<b>\$ 255,600</b>	<b>\$ 267,900</b>
HIDTA grant	\$	\$ 149,600	\$ 19,000
State Special Projects grant	582,560	280,900	
CDGF grant			226,300
FEMA SAFER grant		84,300	173,100
Governor's Office Highway Safety grant	104,069	55,300	
Gaming grants	145,017		
Arizona Dept. of Homeland Security grant	20,100	125,500	
US Dept. of Justice grant		2,900	
Certified Local Govt grants	5,000	5,000	
Library State-Grants-in-Aid	1,770	1,800	1,800
Arizona DOT Main Street Streetscape grant	405,495		405,500
Maricopa Association of Govts grant			188,300
Grants			2,500,000
<b>Grants Fund</b>	<b>\$ 1,264,011</b>	<b>\$ 705,300</b>	<b>\$ 3,514,000</b>
SLID #1 investment earnings	\$ 500	\$ 500	\$ 1,500
SLID #2 investment earnings	500	2,000	2,000
SLID #3 investment earnings	250	900	900
<b>Streetlight Improvement District Funds</b>	<b>\$ 1,250</b>	<b>\$ 3,400</b>	<b>\$ 4,400</b>
Sanitation Impact Fee Fund	\$	\$ 200	\$
Transportation Impact Fee Fund	269,403	96,400	96,200
General Govt Impact Fee Fund	2,000	6,400	6,400
Police Impact Fee Fund	146,898	111,200	92,900
Fire/EMS Impact Fee Fund	201,778	125,400	95,100
Parks Impact Fee Fund	229,960	64,700	12,400
Library Impact Fee Fund	21,806	21,200	34,700
Water Utility Impact Fee Fund	7,920	400	400
Sewer Utility Impact Fee Fund	9,560	1,500	1,500
North Florence Water Utility Impact Fee Fund	15	500	500
North Florence Sewer Utility Impact Fee Fund		100	100
<b>Impact Fee Funds</b>	<b>\$ 889,340</b>	<b>\$ 428,000</b>	<b>\$ 340,200</b>
JCEF Fees Fund	\$ 3,200	\$ 3,100	\$ 3,100
Fill-the-Gap Fund	2,060	2,000	2,000
SW Gas Capital Expenditure Fund	45,000	45,000	47,300

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
Impound Fee Fund	3,025	8,300	8,300
<b>Other Special Revenue Funds</b>	<b>\$ 53,285</b>	<b>\$ 58,400</b>	<b>\$ 60,700</b>
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
<b>Total Special Revenue Funds</b>	<b>\$ 5,219,886</b>	<b>\$ 4,223,300</b>	<b>\$ 7,103,900</b>

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





**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
---------------------------	--	--------------------------------------	--

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2014</u>	<u>ACTUAL REVENUES* 2014</u>	<u>ESTIMATED REVENUES 2015</u>
<b>PERMANENT FUNDS</b>			
Firefighters' Pension Fund	\$ 30,000	\$ 30,000	\$ 30,000
	\$ 30,000	\$ 30,000	\$ 30,000
<b>Total Permanent Funds</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
<b>ENTERPRISE FUNDS</b>			
water fees	\$ 2,892,100	\$ 2,835,100	\$ 3,115,400
investment earnings	20,000	20,000	20,000
Central Arizona Project	50,000	131,100	50,000
<b>Water Utility Fund</b>	<b>\$ 2,962,100</b>	<b>\$ 2,986,200</b>	<b>\$ 3,185,400</b>
sewer fees	\$ 3,808,652	\$ 3,751,700	\$ 4,314,400
investment earnings	13,000	35,000	35,000
<b>Sewer Utility Fund</b>	<b>\$ 3,821,652</b>	<b>\$ 3,786,700</b>	<b>\$ 4,349,400</b>
sanitation fees	\$ 669,090	\$ 640,000	\$ 672,000
investment earnings	10,000	10,000	10,000
sale of assets	304,000	304,000	
<b>Sanitation Fund</b>	<b>\$ 983,090</b>	<b>\$ 954,000</b>	<b>\$ 682,000</b>
<b>Total Enterprise Funds</b>	<b>\$ 7,766,842</b>	<b>\$ 7,726,900</b>	<b>\$ 8,216,800</b>

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2014</u>	<u>ACTUAL REVENUES* 2014</u>	<u>ESTIMATED REVENUES 2015</u>
---------------------------	--	--------------------------------------	--

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

SOURCE OF REVENUES	ESTIMATED REVENUES 2014	ACTUAL REVENUES* 2014	ESTIMATED REVENUES 2015
<b>INTERNAL SERVICE FUNDS</b>			
Facilities	\$ 1,000	\$ 1,000	\$ 1,000
Fleet			
	\$ 1,000	\$ 1,000	\$ 1,000
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>Total Internal Service Funds</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 24,364,364</b>	<b>\$ 24,419,700</b>	<b>\$ 28,452,300</b>

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

**TOWN OF FLORENCE, ARIZONA**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2015**

FUND	OTHER FINANCING 2015		INTERFUND TRANSFERS 2015	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
Capital Projects Fund	\$	\$	\$ 202,200	\$
Water Utility Fund			457,300	
Sewer Utility Fund			542,700	
Sanitation Fund			49,500	
Highway User Revenue Fund			392,500	
SLID Funds			9,900	
Utility Improvement District #1			9,000	
SW Gas Capital Fund			48,100	
Fleet Services Fund				489,500
Facility Services Fund				308,900
<b>Total General Fund</b>	\$	\$	\$ 1,711,200	\$ 798,400
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$	\$	\$ 9,900	\$ 619,800
Construction Tax Fund				1,000,000
Food Tax Fund				2,100,000
Grants Fund			24,600	
SLIDS				19,800
General Govt Impact Fee Fund				1,219,700
Parks Impact Fee Fund				1,289,700
Library Impact Fee Fund				846,700
SW Gas Capital Exp Fund				48,100
<b>Total Special Revenue Funds</b>	\$	\$	\$ 34,500	\$ 7,143,800
<b>DEBT SERVICE FUNDS</b>				
Debt Service Fund	\$	\$	\$ 449,800	\$
Utility Improvement District #1 Fund				9,000
<b>Total Debt Service Funds</b>	\$	\$	\$ 449,800	\$ 9,000
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Projects Fund (bond issue)	\$ 5,000,000	\$	\$ 6,456,100	\$ 652,000
<b>Total Capital Projects Funds</b>	\$ 5,000,000	\$	\$ 6,456,100	\$ 652,000
<b>PERMANENT FUNDS</b>				
<b>Total Permanent Funds</b>	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>				

**TOWN OF FLORENCE, ARIZONA**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2015**

<b>FUND</b>	<b>OTHER FINANCING 2015</b>		<b>INTERFUND TRANSFERS 2015</b>	
	<b>SOURCES</b>	<b>&lt;USES&gt;</b>	<b>IN</b>	<b>&lt;OUT&gt;</b>
Sewer Utility Fund (bond issue)	\$ 1,300,000	\$	\$	\$ 675,300
Water Utility Fund				554,500
Sanitation Fund				70,300
<b>Total Enterprise Funds</b>	\$ 1,300,000	\$	\$	\$ 1,300,100
<b>INTERNAL SERVICE FUNDS</b>				
Fleet Services Fund	\$	\$	\$ 803,700	\$
Facility Services Fund			448,000	
<b>Total Internal Service Funds</b>	\$	\$	\$ 1,251,700	\$
<b>TOTAL ALL FUNDS</b>	\$ 6,300,000	\$	\$ 9,903,300	\$ 9,903,300

**TOWN OF FLORENCE, ARIZONA**  
**Expenditures/Expenses by Fund**  
**Fiscal Year 2015**


<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2014</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2014</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2014</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2015</b>
<b>GENERAL FUND</b>				
Town Council	\$ 152,324	\$	\$ 151,700	\$ 158,200
Administration	673,404		673,400	709,800
Municipal Court	278,448		278,400	292,200
Legal	255,460		255,500	269,500
Finance	908,947		908,900	935,000
Human Resources	214,794		214,800	253,800
Community Development	561,700		561,700	668,800
Police	3,771,703		3,771,600	3,952,800
Fire	2,534,446		2,534,500	2,809,200
Information Technology	536,365		536,400	615,000
Parks and Recreation	1,345,340		1,345,400	1,602,300
Library	367,040		377,000	380,600
Engineering	176,435		176,500	192,700
Cemetery	25,550		25,500	9,000
Economic Development	167,665		167,700	182,700
General Government	623,085		653,100	683,600
<b>Total General Fund</b>	<b>\$ 12,592,706</b>	<b>\$</b>	<b>\$ 12,632,100</b>	<b>\$ 13,715,200</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$ 6,477,186	\$	\$ 2,101,500	\$ 8,256,500
Grants Fund	1,412,344		902,700	3,538,600
SLID #1 Fund	20,000		20,000	21,800
SLID #2 Fund	20,000		20,000	21,000
SLID #3 Fund	10,000		10,000	10,500
Sanitation Impact Fee Fund	43,675		43,700	
Transportation Impact Fee Fund	846,747		764,400	
Police Impact Fee Fund	127,300		127,600	
Fire Impact Fee Fund	3,019,244		3,019,600	
Parks Impact Fee Fund	1,181,677		300	
Library Impact Fee Fund	500,000		300	
Judicial Collections Fund	3,750		3,800	3,800
Fill-the-Gap Fund	2,100		2,100	2,100
SW Gas Capital Exp Fund	45,000		45,000	47,300
Impound Fee Fund	3,000		3,000	3,000
<b>Total Special Revenue Funds</b>	<b>\$ 13,712,023</b>	<b>\$</b>	<b>\$ 7,064,000</b>	<b>\$ 11,904,600</b>
<b>DEBT SERVICE FUNDS</b>				
Debt Service Fund	\$ 359,663	\$	\$ 359,800	\$ 449,800
Utility Impr District #1	85,286		85,300	85,000
<b>Total Debt Service Funds</b>	<b>\$ 444,949</b>	<b>\$</b>	<b>\$ 445,100</b>	<b>\$ 534,800</b>
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Projects Fund	\$ 7,087,412	\$	\$ 2,709,300	\$ 22,525,600
CP Economic Dev Fund	444,856		2,200	442,700
<b>Total Capital Projects Funds</b>	<b>\$ 7,532,268</b>	<b>\$</b>	<b>\$ 2,711,500</b>	<b>\$ 22,968,300</b>
<b>PERMANENT FUNDS</b>				
Firefighter Pension Fund	\$ 10,500	\$	\$ 14,500	\$ 14,500
<b>Total Permanent Funds</b>	<b>\$ 10,500</b>	<b>\$</b>	<b>\$ 14,500</b>	<b>\$ 14,500</b>
<b>ENTERPRISE FUNDS</b>				
Water Utility Fund	\$ 6,510,603	\$	\$ 1,832,700	\$ 9,894,800
Sewer Utility Fund	4,780,872		2,493,300	5,675,600
Sanitation Fund	759,395		759,400	846,500
<b>Total Enterprise Funds</b>	<b>\$ 12,050,870</b>	<b>\$</b>	<b>\$ 5,085,400</b>	<b>\$ 16,416,900</b>
<b>INTERNAL SERVICE FUNDS</b>				
Fleet Services Fund	\$ 671,228	\$	\$ 671,200	\$ 803,700
Facility Services Fund	435,745		435,700	448,000
<b>Total Internal Service Funds</b>	<b>\$ 1,106,973</b>	<b>\$</b>	<b>\$ 1,106,900</b>	<b>\$ 1,251,700</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 47,450,289</b>	<b>\$</b>	<b>\$ 29,059,500</b>	<b>\$ 66,806,000</b>

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



**TOWN OF FLORENCE, ARIZONA**  
**Full-Time Employees and Personnel Compensation**  
**Fiscal Year 2015**

<b>FUND</b>	<b>Full-Time Equivalent (FTE) 2,015.000</b>	<b>Employee Salaries and Hourly Costs 2015</b>	<b>Retirement Costs 2015</b>	<b>Healthcare Costs 2015</b>	<b>Other Benefit Costs 2015</b>	<b>Total Estimated Personnel Compensation 2015</b>
<b>GENERAL FUND</b>	138.150	\$ 7,899,200	\$ 904,200	\$ 1,398,000	\$ 718,000	= \$ 10,919,400
<b>SPECIAL REVENUE FUNDS</b>						
Highway User Revenue Fund	19.150	\$ 778,700	\$ 91,200	\$ 199,600	\$ 109,200	= \$ 1,178,700
Grants Fund	3.000	141,900	14,100	27,900	8,200	192,100
<b>Total Special Revenue Funds</b>	<b>22.150</b>	<b>\$ 920,600</b>	<b>\$ 105,300</b>	<b>\$ 227,500</b>	<b>\$ 117,400</b>	<b>= \$ 1,370,800</b>
<b>DEBT SERVICE FUNDS</b>						
		\$	\$	\$	\$	= \$
<b>Total Debt Service Funds</b>	<b>-</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>= \$</b>
<b>CAPITAL PROJECTS FUNDS</b>						
		\$	\$	\$	\$	= \$
<b>Total Capital Projects Funds</b>	<b>-</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>= \$</b>
<b>INTERNAL SERVICE FUNDS</b>						
Fleet Services Fund	4.175	\$ 162,600	\$ 18,900	\$ 34,700	\$ 19,500	= \$ 235,700
Facility Services Fund	4.675	185,100	21,400	19,100	18,300	243,900
<b>Total Internal Service Funds</b>	<b>8.850</b>	<b>\$ 347,700</b>	<b>\$ 40,300</b>	<b>\$ 53,800</b>	<b>\$ 37,800</b>	<b>= \$ 479,600</b>
<b>ENTERPRISE FUNDS</b>						
Water Utility Fund	5.800	\$ 286,900	\$ 34,100	\$ 48,900	\$ 38,400	= \$ 408,300
Sewer Utility Fund	8.750	408,100	48,000	81,400	50,300	587,800
Sanitation Fund	1.550	61,900	7,200	200	7,700	77,000
<b>Total Enterprise Funds</b>	<b>16.100</b>	<b>\$ 756,900</b>	<b>\$ 89,300</b>	<b>\$ 130,500</b>	<b>\$ 96,400</b>	<b>= \$ 1,073,100</b>
<b>TOTAL ALL FUNDS</b>	<b>185.250</b>	<b>\$ 9,924,400</b>	<b>\$ 1,139,100</b>	<b>\$ 1,809,800</b>	<b>\$ 969,600</b>	<b>= \$ 13,842,900</b>

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 13b.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Mike Farina, Finance Director  <b>SUBJECT:</b> Ordinance No. 612-14: Property Tax Levy for Fiscal Year 2014-2015		<input type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Regulatory <input checked="" type="checkbox"/> 1 <sup>st</sup> Reading <input type="checkbox"/> 2 <sup>nd</sup> Reading <input type="checkbox"/> Other

**RECOMMENDED MOTION/ACTION:**

First Reading of Ordinance No. 612-14, adopting a property tax levy for Fiscal Year 2014-2015.

**BACKGROUND/DISCUSSION:**

The Town of Florence levies a primary property tax annually. The rate that was levied last year was \$1.0963 per \$100 of Net Assessed Valuation. The current property tax rate is \$1.1182 per \$100 of Net Assessed Valuation. The recommended budget does not propose an increase in the property tax rate, leaving it at \$1.1182 per \$100 of Net Assessed Valuation.

As calculated by the Arizona Department of Revenue, the Truth-in-Taxation rate is \$1.1016, which is the maximum rate the Town can have without having to hold a Truth-in-Taxation (“TNT”) hearing. Therefore, the Town must hold a TNT hearing.

The public hearing for the Truth in Taxation Hearing will be held July 7, 2014. At the current rate of \$1.1182, the proposed property tax levy for the 2014-2015 year is \$852,740.

The Town levies an ad valorem or secondary property tax for the Merrill Ranch Streetlight Improvement Districts No. 1, No. 2, and No. 3. This year, due to adequate fund balance, there will be no levy.

The second reading of the ordinance will be held on July 7, 2014. The request to adopt Ordinance No. 612-14 will be presented on July 21, 2014.

**FINANCIAL IMPACT:**

Primary taxes are calculated using limited property value (LPV), and are used to pay for basic maintenance, and operation of the Town.

A \$100,000 LPV using our proposed rate of \$1.1182/\$100 would be \$111.82.

The levy would add to the general fund revenue base and is essential to funding all of the departments within the general fund that are necessary to maintain Town services.

District Levies are as follows:

Merrill Ranch Street Lighting District No. 1 - \$0 or \$0 per \$100/FCV

Merrill Ranch Street Lighting District No. 2 - \$0 or \$0 per \$100/FCV

Merrill Ranch Street Lighting District No. 3 - \$0 or \$0 per \$100/FCV

**STAFF RECOMMENDATION:**

First reading of Ordinance No. 612-14.

**ATTACHMENTS:**

Ordinance No. 612-14

ADOR Truth-in-Taxation Levy Limit Worksheet

Truth-in-Taxation Analysis

**ORDINANCE NO. 612-14**

**AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF FLORENCE SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR GENERAL MUNICIPAL EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2015.**

**WHEREAS**, pursuant to A.R.S. §42-17151, the Ordinance levying a primary property tax rate for the Fiscal Year 2014-2015 is required to be adopted no later than the third Monday in August; and

**WHEREAS**, the County of Pinal, is now the assessing and collecting authority for the Town of Florence. The Town Clerk is hereby directed to transmit a certified copy of the Ordinance to the Assessor and Board of Supervisors of Pinal County, Arizona.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the Town of Florence, Arizona, as follows:

**Section 1:** There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Town of Florence, except such property as may by law be exempt from taxation, a primary property tax rate sufficient to raise the sum of **\$852,740** for the purpose of providing a General Fund of the Town of Florence, for the fiscal year ending on the 30th day of June 2015, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County, is hereby authorized to reduce the said sum to the maximum which is allowed by law.

**Section 2:** There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Anthem at Merrill Ranch Street Lighting District No.1, Town of Florence, except such property as may by law be exempt from taxation, a secondary property tax rate of **\$0** per \$100 of NAV for the purpose of providing operations and maintenance for the Anthem at Merrill Ranch Street Light Improvement District No. 1 for the fiscal year ending on the 30th day of June 2015, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County, is hereby authorized to reduce the said sum to the maximum which is allowed by law.

**Section 3:** There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Anthem at Merrill Ranch Street Lighting District No. 2, Town of Florence,

except such property as may by law be exempt from taxation, a secondary property tax rate of **\$0** per \$100 of NAV for the purpose of providing operations and maintenance for the Street Light Improvement District No. 2 for the fiscal year ending on the 30th day of June 2015, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County, is hereby authorized to reduce the said sum to the maximum which is allowed by law.

**Section 4:** There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Anthem at Merrill Ranch Street Lighting District No. 3, Town of Florence, except such property as may by law be exempt from taxation, a secondary property tax rate of **\$0** per \$100 of NAV for the purpose of providing operations and maintenance for the Street Light Improvement District No. 3 for the fiscal year ending on the 30th day of June 2015, but if the said sum exceeds the maximum levy allowed by law, the Board of Supervisors of Pinal County, is hereby authorized to reduce the said sum to the maximum which is allowed by law.

**Section 5:** No failure by the officials of Pinal County, Arizona, to properly return the delinquent list and no irregularity in the assessment or commission in the same, or irregularity of any kind in any proceeding will invalidate such proceeding or invalidate any title conveyed by tax deed; nor will any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within the time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment of a levy of taxes or of the judgment of sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent unpaid taxes; thereon, and no overcharge as to part of the taxes or of costs will invalidate any of the proceeding upon the lien, therefore, or a sale of the property under such foreclosure; and all acts of officers de facto will be valid as if performed by officer de jure.

**Section 6:** All Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

**Section 7:** The immediate operation of the Ordinance is necessary for the preservation of the public peace, health, and safety of the Town of Florence, and an emergency is hereby declared to exist; and this Ordinance shall be in full force and effect from its passage and approval by the Mayor and Council of the Town of Florence, and publication as required by the laws of the State of Arizona, and is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, the 21<sup>st</sup> day of July 2014.

---

Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

---

Lisa Garcia, Town Clerk

---

James E. Mannato, Town Attorney

# PROPERTY TAX OVERSIGHT COMMISSION

Arizona Department of Revenue Building



March 21, 2014

Janice K. Brewer  
Governor

David Raber  
Chairman

Charles A. Montoya, Town Manager  
Town of Florence  
P.O. Box 2670  
Florence, AZ 85132

Jim Brodnax Member	Kevin McCarthy Member
Jeff Lindsey Member	Fred Stiles Member

RE: Truth in Taxation Hearing

Dear Mr. Montoya:

Attached is the 2014 levy limit worksheet with net assessed values certified by the County Assessor. Per A.R.S. § 42-17052(A), these values cannot be changed after February 10 without the approval of the Property Tax Oversight Commission. Therefore, the total net assessed values of \$76,260,032 noted in Section C must be used when adopting a primary property tax levy and tax rate. Please note the maximum allowable tax rate and levy limit in Section D of the levy limit worksheet.

Per A.R.S. § 42-17107(A), if the proposed tax levy, excluding amounts that are attributable to new construction, is greater than the amount levied in the preceding tax year, a truth in taxation hearing must be held. If the Town of Florence intends to levy a tax rate greater than \$1.1016, a truth in taxation hearing must be held. *Truth in taxation rate = prior year actual levy of \$814,526 (per line F.1 of the 2013 worksheet) ÷ current year values excluding new construction ÷ 100 or \$739,406 (per line B.5 of the 2014 worksheet).*

If a truth in taxation hearing is required, forward to my attention a copy of the published truth in taxation notice, the affidavit of publication, and the result of the governing body's roll call to consider a motion to levy the increased property taxes.

If you have any questions regarding the 2014 Levy Limit Worksheet or the Truth in Taxation hearing requirements, please feel free to contact me at (602) 716-6436 or [dteller@azdor.gov](mailto:dteller@azdor.gov). Thank you for your cooperation with the Commission.

Sincerely,

Darlene Teller  
PTOC Staff

cc: Levi Gibson, Finance Director, Pinal County  
Jason Konrad, Interim Budget Director, Pinal County  
Michael Farina, Finance Director, Town of Florence

## 2014 LEVY LIMIT WORKSHEET

<b>PINAL COUNTY - TOWN OF FLORENCE</b>
--

<b>MAXIMUM LEVY</b>	<b>2013</b>
A.1. Maximum Allowable Primary Tax Levy	\$814,526
A.2. A.1 multiplied by 1.02	\$830,817

<b>CURRENT YEAR NET ASSESSED VALUE SUBJECT TO TAXATION IN PRIOR YEAR</b>	<b>2014</b>
B.1. Centrally Assessed	\$4,358,577
B.2. Locally Assessed Real Property	\$66,471,294
B.3. Locally Assessed Personal Property	\$3,110,778
B.4. Total Assessed Value (B.1 through B.3)	\$73,940,649
B.5. B.4. divided by 100	\$739,406

<b>CURRENT YEAR NET ASSESSED VALUES</b>	<b>2014</b>
C.1. Centrally Assessed	\$4,302,127
C.2. Locally Assessed Real Property	\$68,847,127
C.3. Locally Assessed Personal Property	\$3,110,778
C.4. Total Assessed Value (C.1 through C.3)	<b>\$76,260,032</b>
C.5. C.4. divided by 100	\$762,600

<b>LEVY LIMIT CALCULATION</b>	<b>2014</b>
D.1. LINE A.2	\$830,817
D.2. LINE B.5	\$739,406
<b>D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)</b>	<b>1.1236</b>
D.4. LINE C.5	\$762,600
<b>D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT</b>	<b>\$856,858</b>
D.6. Excess Collections/Excess Levy	
D.7. Amount in Excess of Expenditure Limit	
<b>D.8. ALLOWABLE LEVY LIMIT (D.5 - D.6 - D.7)</b>	<b>\$856,858</b>

<i>Prior year actual levy (from line F.1 of the 2013 worksheet)</i>	\$814,526
<i>Divided by current values excluding new construction per line B.5</i>	\$739,406
<b>Truth in Taxation Rate</b>	<b>1.1016</b>

*If the proposed tax rate is greater than the Truth in Taxation Rate noted above, a truth in taxation hearing must be held. (see A.R.S. § 42-17107)*


**Note: Per A.R.S. § 42-17051.A, the values certified by the County Assessor cannot be changed after February 10 without the approval of the Property Tax Oversight Commission. Therefore, the total net assessed values per line C.4 must be used when adopting a primary property tax levy and tax rate.**

*If you have any questions regarding the Levy Limit Worksheet or the Truth in Taxation hearing requirements, contact Darlene Teller at (602) 716-6436 or dteller@azdor.gov.*



## Truth in Taxation Analysis for current year Proposed Levy

<b>Prior Year's Primary property tax levy:(Last year's primary property tax levy)</b>	<b>\$814,526</b>
<b>Current Year Estimate of net assessed valuation:(Current year net assessed values) - C4</b>	<b>\$76,260,032</b>
<b>Current Year ESTIMATE OF VALUE OF NEW CONSTRUCTION:</b>	<b>\$2,319,383</b>
<b>Current year Net assessed value minus new construction: - B4</b> <small>(Current year net assessed value subject to taxation in prior year)</small>	<b>\$73,940,649</b>
<b>MAXIMUM TAX RATE THAT CAN BE IMPOSED WITHOUT A TRUTH IN TAXATION HEARING:</b>	<b>\$ 1.1016</b>
<b>GROWTH IN PROPERTY TAX LEVY CAPACITY ASSOCIATED WITH NEW CONSTRUCTION:</b>	<b>\$25,550</b>
<b>MAXIMUM PRIMARY PROPERTY TAX LEVY FOR current year WITHOUT A TRUTH IN TAXATION HEARING:</b>	<b>\$840,076</b>
<b>Proposed current year primary property tax levy: (This year's proposed primary property tax levy)</b>	<b>\$852,740</b>
<b>PROPOSED current year INCREASE IN PRIMARY PROPERTY TAX LEVY OVER TNT LEVY, EXCLUSIVE OF NEW CONSTRUCTION:</b>	<b>\$12,664</b>
<b>PROPOSED % INCREASE IN current year PRIMARY PROPERTY TAX LEVY OVER TNT LEVY:</b>	<b>1.51%</b>
<b>PROPOSED current year PRIMARY PROPERTY TAX RATE:</b>	<b>\$1.1182</b>
<b>PROPOSED INCREASE IN PRIMARY PROPERTY TAX RATE OVER THE TNT RATE:</b>	<b>\$ 0.0166</b>
<b>PROPOSED current year PRIMARY PROPERTY TAX LEVY ON A HOME VALUED AT \$100,000:</b>	<b>111.82</b>
<b>current year PRIMARY PROPERTY TAX LEVY ON A HOME VALUED AT \$100,000 IF THE TAX LEVY WAS NOT RAISED:</b>	<b>110.16</b>
	<b>1.66</b>

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 13c.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Mike Farina, Finance Director  <b>SUBJECT:</b> Resolution No. 1448-14: Adoption of Capital Improvement Plan		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Motion to adopt Resolution No. 1448-14, adopting the 2015-2019 Capital Improvement Plan, effective July 1, 2014.

**BACKGROUND/DISCUSSION:**

The Capital Improvement Plan (“CIP”) represents a five-year plan that identifies future capital project needs in anticipation of future growth and provision of services. The CIP allows for updates for new capital projects, as well as changes to existing capital projects. The CIP is updated on an annual basis in conjunction with the annual budget process. This year’s update of the proposed CIP includes changes that shift the time-frame of certain projects due to available funding and an update to the estimated project costs. The Town Council was presented a draft of the CIP at the April 23, 2014, budget work session.

**FINANCIAL IMPACT:**

CIP projects in Fiscal Year 2014/2015, the next fiscal year budget, are fully funded and included in the 2014/2015 annual budget. Care was taken to ensure that projects that are budgeted to begin in the 2014/2015 fiscal year and continue into the 2015/2016 fiscal year are fully funded for both years. The CIP shows proposed funding sources for all years. The CIP also identifies “unfunded project costs” to show when it may be necessary to identify additional funding not currently expected. Alternatively, projects may have to be deferred to a future year.

**STAFF RECOMMENDATION:**

Staff recommends adoption of Resolution No. 1448-14, adopting the 2015-2019 Capital Improvement Plan.

**ATTACHMENTS:**

Resolution No. 1448-14  
2015-2019 Capital Improvement Plan

**RESOLUTION NO. 1448-14**

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE TOWN OF FLORENCE CAPITAL IMPROVEMENT PROJECT PLAN (CIP) AND PROVIDING FOR SEVERABILITY.**

**WHEREAS**, The Mayor and Town Council adopted a **TOWN OF FLORENCE CAPITAL IMPROVEMENT PROJECT PLAN (CIP)** on May 3rd, 2004; and

**WHEREAS**, staff and the Town Manager have updated the Capital Improvement Project Plan (CIP) and have provided recommendations to modify the plan with new projects, project changes and timelines; and

**WHEREAS**, a copy of the said plan has been transmitted to the Mayor and Council prior to the adoption of this Resolution and a review copy for information purposes delivered within the required time to such parties as required by law; and

**WHEREAS**, the Mayor and Council of the Town of Florence, Arizona, find that such Plan will establish long term and short term capital project priorities through the year 2019 and serve as a guide in budget preparation, grant writing, establishing development fees and long term planning.

**NOW THEREFORE**, be it resolved by the Mayor and Council of the Town of Florence, Arizona:

1. The CIP is on file with the Town Clerk and presented to the Mayor and Council of the Town of Florence, Arizona, is herewith approved and adopted by reference thereto and is declared to be a public record, copies of which are on file in the office of the Town Clerk and which shall be kept available for public use and inspection.
2. If any provision of this resolution is for any reason held by any court of competent jurisdiction to be invalid, such provision or portion shall be deemed as separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Resolution.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, by a vote thereof this 16<sup>th</sup> day of June 2014.

\_\_\_\_\_  
Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Lisa Garcia, Town Clerk

\_\_\_\_\_  
James E. Mannato, Town Attorney

# **TOWN OF FLORENCE**

PROPOSED CAPITAL IMPROVEMENT PROGRAM

FISCAL YEARS 2015-2019

---DRAFT---

**TOWN OF FLORENCE**  
PROPOSED CAPITAL IMPROVEMENT PROGRAM  
FISCAL YEARS 2015-2019  
---DRAFT---

**TABLE OF CONTENTS**

	<b>Page</b>
Summary .....	1
General Government :: Parks, Open Space and Community :: Public Safety	
2015-2019 Proposed CIP .....	4
2014-2018 Current CIP .....	5
Highways and Streets	
2015-2019 Proposed CIP .....	6
2014-2018 Current CIP .....	7
Water Utility	
2015-2019 Proposed CIP .....	8
2014-2018 Current CIP .....	9
Sewer Utility	
2015-2019 Proposed CIP .....	10
2014-2018 Current CIP .....	11

# **TOWN OF FLORENCE**

## **PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT FISCAL YEARS 2015-2019**

### **SUMMARY**

The pages that follow detail the current Capital Improvement Program (CIP) for fiscal years 2014-2018, adopted in June 2013, and the proposed CIP for fiscal years 2015-2019. The proposed CIP was developed starting with the current CIP as a base. The current CIP was adjusted in this proposed CIP to ensure that the fiscal year 2014/15 budget was in balance.

Project costs were shown to be fully funded in the current CIP with funds coming from revenues and financing. However, a sizeable portion of the planned revenue will not be available given current projections.

The proposed CIP includes funding from only revenue that is projected to be available. Beginning with fiscal year 2015/16, there may be an imbalance between planned project costs and funding or unfunded project costs. In future CIP planning, these gaps could be closed by identifying planned use of other revenue sources or by delaying projects.

Project costs, identified funding sources and the resulting unfunded amounts are shown for each of the following four CIP components.

- General Government; Parks, Open Space and Community; Public Safety
- Highways and Streets
- Water Utilities
- Sewer Utilities

The following tables summarize the project costs and funding by year for the currently adopted CIP and the proposed revised CIP. Following this summary section is an appendix containing the detail of the current CIP projects. These sheets are currently being revised along with creating project sheets for the new CIP items.

## TOWN OF FLORENCE

### PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT

FISCAL YEARS 2015-2019

#### *General Government; Parks, Open Space and Community; Public Safety*

Total project costs in the proposed 5-year CIP are \$43,898,000. Identified funding sources total \$25,435,900 leaving a total of \$18,462,100 of the planned projects unfunded. Future planning would require identifying other sources of revenue or delaying planned projects in fiscal years 2016/17 and 2017/18.

	2014 Budget	2015 Proposed Budget	2016 Planned	2017 Planned	2018 Planned	2019 Planned	Total
<b>2014-2018 Current CIP</b>							
Project Costs	8,010,000	24,304,500	1,396,100	3,383,600	17,255,000	3,473,500	57,822,700
Funding: Project Costs are shown to be fully funded in the Current CIP.							
<b>2015-2019 Proposed CIP</b>							
Project Costs	3,693,300	14,625,000	2,344,400	3,036,600	16,898,700	300,000	43,898,000
Funding	3,693,300	14,625,000	2,344,400	2,819,900	1,653,300	300,000	25,435,900
Unfunded	-	-	-	(216,700)	(18,245,400)	-	(18,462,100)

#### *Highways and Streets*

Total project costs in the proposed 5-year CIP are \$37,743,000. Identified funding sources total \$11,478,000 leaving a total of \$26,265,000 of the planned projects unfunded. Future planning would require identifying other sources of revenue or delaying planned projects in fiscal years 2015/16, 2016/17 and 2017/18.

	2014 Budget	2015 Proposed Budget	2016 Planned	2017 Planned	2018 Planned	2019 Planned	Total
<b>2014-2018 Current CIP</b>							
Project Costs	5,039,000	7,671,000	7,479,000	14,000,000	1,014,000	7,550,000	42,753,000
Funding: Project Costs are shown to be fully funded in the Current CIP.							
<b>2015-2019 Proposed CIP</b>							
Project Costs	2,415,000	5,135,000	9,164,000	3,640,000	9,539,000	7,850,000	37,743,000
Funding	2,415,000	5,135,000	1,566,000	773,000	787,000	802,000	11,478,000
Unfunded	-	-	(7,598,000)	(2,867,000)	(8,752,000)	(7,048,000)	(26,265,000)



## TOWN OF FLORENCE

### PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT

FISCAL YEARS 2015-2019

#### *Water Utility*

Total project costs in the proposed CIP are \$21,793,000. Identified funding sources total \$16,720,600 leaving a total of \$5,072,400 of the planned projects unfunded. Future planning would require identifying other sources of revenue or delaying planned projects in fiscal years 2017/18 and 2018/19.

	2014 Budget	2015 Proposed Budget	2016 Planned	2017 Planned	2018 Planned	2019 Planned	Total
<b>Current CIP</b>							
Project Costs	4,836,000	3,244,500	5,922,500	1,921,000	2,721,000	-	18,645,000
Funding: Project Costs are shown to be fully funded in the Current CIP.							
<b>Proposed CIP</b>							
Project Costs	3,608,000	4,900,500	3,122,500	1,611,000	5,126,000	3,425,000	21,793,000
Funding	3,608,000	4,900,500	3,122,500	1,611,000	1,994,600	1,484,000	16,720,600
Unfunded	-	-	-	-	(3,131,400)	(1,941,000)	(5,072,400)

#### *Sewer Utility*

Total project costs in the proposed CIP are \$40,862,500. Identified funding sources total \$16,910,500 leaving a total of \$23,952,000 of the planned projects unfunded. Future planning would require identifying other sources of revenue or delaying planned projects in fiscal years 2016/17 and 2017/18.

	2014 Budget	2015 Proposed Budget	2016 Planned	2017 Planned	2018 Planned	2019 Planned	Total
<b>Current CIP</b>							
Project Costs	2,314,500	12,900,000	6,160,000	16,753,000	1,065,000	-	39,192,500
Funding: Project Costs are shown to be fully funded in the Current CIP.							
<b>Proposed CIP</b>							
Project Costs	1,784,500	1,420,000	12,745,000	24,048,000	865,000	-	40,862,500
Funding	1,784,500	1,420,000	9,035,000	1,410,000	1,587,000	1,674,000	16,910,500
Unfunded	-	-	(3,710,000)	(22,638,000)	722,000	1,674,000	(23,952,000)

# TOWN OF FLORENCE

## PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT FISCAL YEARS 2015-2019

General Government :: Parks, Open Space and Community :: Public Safety

		Fiscal year ended June 30,					2014-2019 Total	
		2014 Budget	2015 Budget	2016 Planned	2017 Planned	2018 Planned		2019 Planned
<b>2015-2019 PROPOSED REVISED CIP</b>								
<b>Project</b>	<b>No.</b>							
Town Hall complex	GG-14				1,000,000	13,000,000	14,000,000	
Parks and recreation maintenance	GG-16			50,600	527,300		577,900	
Territory Square	GG-18	600,000	600,000	600,000	200,000	200,000	2,400,000	
Town-wide software integration	GG-19			500,000			500,000	
New Community Center	POC-01				1,181,700	2,210,000	3,391,700	
Heritage Park lighting	POC-04			200,000			200,000	
Heritage Park & Little League Park scoreboards	POC-07	44,000					44,000	
Trail from downtown to along Gila River	POC-10			336,000	105,000	433,700	874,700	
Florence Cemetery main access paving	POC-12				22,600		22,600	
Florence Cemetery fencing	POC-13			17,800			17,800	
Library/Aquatics/Recreation Complex	TBD		13,280,000				13,280,000	
Community Development/IT Annex	TBD		395,000				395,000	
Fueling Facility	TBD		200,000				200,000	
Florence Cemetery phase II planning	POC-20			10,000			10,000	
Equestrian Park	POC-21					20,000	120,000	
Softball Field #3 lighting	POC-23		150,000				150,000	
Fire Station / Police substation	PS-10					4,035,000	4,035,000	
Fire Station #2	PS-12	3,049,300					3,049,300	
Fire engine tanker/pumper	PS-13			630,000			630,000	
<b>Total Project Costs</b>		<b>3,693,300</b>	<b>14,625,000</b>	<b>2,344,400</b>	<b>3,036,600</b>	<b>19,898,700</b>	<b>300,000</b>	<b>43,898,000</b>

### 2015-2019 PROPOSED REVISED CIP

<b>Project Funding</b>								
Capital Project Fund		674,000	3,168,900	2,344,400	2,819,900	1,653,300	300,000	10,960,500
Construction Tax Fund			1,000,000					1,000,000
Food Tax Fund			2,100,000					2,100,000
Financing			5,000,000					5,000,000
Community Facility District		1,295,900						1,295,900
General Government Impact Fees			1,219,700					1,219,700
Police Services Impact Fees		149,000						149,000
Fire/Emergency Medical Services Impact Fees		1,574,400						1,574,400
Park Services Impact Fees			1,289,700					1,289,700
Library Services Impact Fees			846,700					846,700
<b>Total Project Funding</b>		<b>3,693,300</b>	<b>14,625,000</b>	<b>2,344,400</b>	<b>2,819,900</b>	<b>1,653,300</b>	<b>300,000</b>	<b>25,435,900</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(216,700)</b>	<b>(18,245,400)</b>	<b>-</b>	<b>(18,462,100)</b>

**TOWN OF FLORENCE**  
**PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT**  
**FISCAL YEARS 2015-2019**

General Government :: Parks, Open Space and Community :: Public Safety

		Fiscal year ended June 30,						
		2014	2015	2016	2017	2018	2019	2014-2019
		Budget	Budget	Planned	Planned	Planned	Planned	Total
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project</b>	<b>No.</b>							
Public Works facility	GG-06		525,000				1,000,000	1,525,000
Town Hall complex	GG-14				1,000,000	13,000,000		14,000,000
Parks and recreation maintenance	GG-16			50,600	527,300			577,900
Territory Square	GG-18	600,000	600,000	600,000	200,000	200,000	200,000	2,400,000
Town-wide software integration	GG-19		500,000					500,000
Information Technology Building	GG-20		280,300					280,300
New Community Center	POC-01	3,391,700	11,215,400					14,607,100
Heritage Park lighting	POC-04	200,000						200,000
Heritage Park & Little League Park scoreboards	POC-07	44,000						44,000
Trail from downtown to along Gila River	POC-10		336,000	105,000	433,700			874,700
Neighborhood Parks	POC-11			10,500	1,200,000		2,173,500	3,384,000
Florence Cemetery main access paving	POC-12				22,600			22,600
Florence Cemetery fencing	POC-13		17,800					17,800
New Library	POC-19	500,000	10,820,000					11,320,000
Florence Cemetery phase II planning	POC-20		10,000					10,000
Equestrian Park	POC-21					20,000	100,000	120,000
Softball Field #3 lighting	POC-23	100,000						100,000
Mainstreet Playground Equipment	POC-22	125,000						125,000
Fire Station 544 / Police substation	PS-10					4,035,000		4,035,000
Fire Station 542	PS-12	3,049,300						3,049,300
Fire engine tanker/pumper	PS-13			630,000				630,000
<b>Total Project Costs</b>		<b>8,010,000</b>	<b>24,304,500</b>	<b>1,396,100</b>	<b>3,383,600</b>	<b>17,255,000</b>	<b>3,473,500</b>	<b>57,822,700</b>
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project Funding</b>								
Capital Project Fund		874,000	1,744,100	1,335,000	656,200	755,000	300,000	5,664,300
Highway User Fund			525,000					525,000
Construction Tax Fund		866,600						866,600
Food Tax Fund		15,000						15,000
Grant		766,700						766,700
Financing			8,188,200			16,500,000		24,688,200
Community Facility District		1,295,900						1,295,900
General Government Impact Fees					1,000,000			1,000,000
Transportation Impact Fee							1,000,000	1,000,000
Police Services Impact Fees		149,000						149,000
Fire/Emergency Medical Services Impact Fees		1,574,400						1,574,400
Park Services Impact Fees		1,968,400	11,215,400	61,100	1,727,400		2,173,500	17,145,800
Library Services Impact Fees		500,000	2,631,800					3,131,800
<b>Total Project Funding</b>		<b>8,010,000</b>	<b>24,304,500</b>	<b>1,396,100</b>	<b>3,383,600</b>	<b>17,255,000</b>	<b>3,473,500</b>	<b>57,822,700</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TOWN OF FLORENCE**  
**PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT**  
**FISCAL YEARS 2015-2019**

Highways and Streets

		Fiscal year ended June 30,					2014-2019 Total	
		2014 Budget	2015 Budget	2016 Planned	2017 Planned	2018 Planned		2019 Planned
<b>2015-2019 PROPOSED REVISED CIP</b>								
<b>Project</b>	<b>No.</b>							
Stormwater Master Plan	U-01	25,000	100,000				125,000	
Stormwater utility improvements	U-02		45,000	265,000			310,000	
Street improvements phase IV - Florence Gardens	T-08		40,000	1,550,000			1,590,000	
Street improvements phase V - Florence Gardens	T-09					2,000,000	2,000,000	
Street impr phase I & II (Adamsville - Main to Central)	T-10			1,600,000			1,600,000	
Kelvin Highway bridge replacement	T-12			45,000	45,000	4,425,000	4,515,000	
Main Street northern extension	T-13		700,000				700,000	
SH79B & SH287 intersection improvement	T-14	250,000	400,000		1,500,000		2,150,000	
Diversion Dam Road improvements	T-17	900,000	1,250,000				2,150,000	
Street signalization	T-28	150,000	275,000	600,000	325,000	400,000	300,000	2,050,000
Felix Road 1/2 Road improvements	T-31	225,000					225,000	
Adamsville Road extension to Plant Road	T-32			225,000		2,100,000	2,325,000	
Main Street reconstruction (Butte to 1st)	T-39			1,800,000			1,800,000	
Ruggles Road reconstruction (SH79 to Main/Willow)	T-40			225,000	1,440,000		1,665,000	
Pinal Street drainage improvement (Butte to 1st)	T-41	125,000	525,000				650,000	
East Butte microseal	T-45	175,000					175,000	
Hunt Highway overlay (phase III to County Line)	T-44	110,000		400,000			510,000	
Hunt Hwy intersection/signal impr (Town limit to CFD)	T-46	355,000					355,000	
Centennial Park Ave (SR287 to Butte)	T-48					76,000	220,000	296,000
Attaway Road intersection/signal impr (Hunt to Felix)	T-51			1,120,000	330,000		1,450,000	
Hunt Hwy intersection/signal impr (Town limit to SR79)	T-52			1,334,000			1,334,000	
Desert Color Pkwy (Hunt to Felix)	T-53					138,000	1,160,000	1,298,000
Walker Butte Pkwy	T-54					400,000	4,000,000	4,400,000
Florence Heights Road (Main to SR79)	T-55	100,000	1,800,000				2,170,000	4,070,000
<b>Total Project Costs</b>		<b>2,415,000</b>	<b>5,135,000</b>	<b>9,164,000</b>	<b>3,640,000</b>	<b>9,539,000</b>	<b>7,850,000</b>	<b>37,743,000</b>

**2015-2019 PROPOSED REVISED CIP**

<b>Project Funding</b>								
Capital Project Fund		-	700,000	-	-	-	-	700,000
Highway User Fund		2,415,000	4,435,000	610,000	677,000	691,000	706,000	9,534,000
Transportation Impact Fee		-	-	956,000	96,000	96,000	96,000	1,244,000
<b>Total Project Funding</b>		<b>2,415,000</b>	<b>5,135,000</b>	<b>1,566,000</b>	<b>773,000</b>	<b>787,000</b>	<b>802,000</b>	<b>11,478,000</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>(7,598,000)</b>	<b>(2,867,000)</b>	<b>(8,752,000)</b>	<b>(7,048,000)</b>	<b>(26,265,000)</b>

**TOWN OF FLORENCE**  
**PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT**  
**FISCAL YEARS 2015-2019**

Highways and Streets

		Fiscal year ended June 30,						
		2014	2015	2016	2017	2018	2019	2014-2019
		Budget	Budget	Planned	Planned	Planned	Planned	Total
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project</b>	<b>No.</b>							
Stormwater Master Plan	U-01	25,000	100,000					125,000
Stormwater utility improvements	U-02		45,000	265,000				310,000
Plant Road paving	T-02			600,000				600,000
Street improvements phase IV - Florence Gardens	T-08	40,000	1,550,000					1,590,000
Street improvements phase V - Florence Gardens	T-09				2,000,000			2,000,000
Street impr phase I & II (Adamsville - Main to Central)	T-10	1,600,000						1,600,000
Kelvin Highway bridge replacement	T-12		45,000	45,000	4,425,000			4,515,000
Main Street northern extension	T-13		275,000	1,985,000	1,880,000			4,140,000
SH79B & SH287 intersection improvement	T-14	250,000	400,000		1,500,000			2,150,000
Diversion Dam Road improvements	T-17	1,575,000	450,000					2,025,000
Street signalization	T-28	150,000	550,000	600,000	325,000	400,000		2,025,000
Felix Road 1/2 Road improvements	T-31	450,000						450,000
Adamsville Road extension to Plant Road	T-32			225,000	2,100,000			2,325,000
Main Street reconstruction (Butte to 1st)	T-39		275,000	1,800,000				2,075,000
Ruggles Road reconstruction (SH79 to Main/Willow)	T-40			225,000	1,440,000			1,665,000
Pinal Street drainage improvement (Butte to 1st)	T-41	125,000	525,000					650,000
East Butte microseal	T-45	175,000						175,000
Hunt Highway overlay (phase III to County Line)	T-44	110,000		400,000				510,000
Hunt Hwy intersection/signal impr (Town limit to CFD)	T-46	355,000						355,000
Kelvin Highway (SR79 to Quail Run)	T-47	184,000	1,540,000					1,724,000
Centennial Park Ave (SR287 to Butte)	T-48					76,000	220,000	296,000
Adamsville Road (Central to Centennial Park Ave)	T-50		796,000					796,000
Attaway Road intersection/signal impr (Hunt to Felix)	T-51		1,120,000		330,000			1,450,000
Hunt Hwy intersection/signal impr (Town limit to SR79)	T-52			1,334,000				1,334,000
Desert Color Pkwy (Hunt to Felix)	T-53					138,000	1,160,000	1,298,000
Walker Butte Pkwy	T-54					400,000	4,000,000	4,400,000
Florence Heights Road (Main to SR79)	T-55						2,170,000	2,170,000
<b>Total Project Costs</b>		<b>5,039,000</b>	<b>7,671,000</b>	<b>7,479,000</b>	<b>14,000,000</b>	<b>1,014,000</b>	<b>7,550,000</b>	<b>42,753,000</b>
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project Funding</b>								
Highway User Fund		4,500,000	3,850,000	5,460,000	7,995,000	452,000		22,257,000
Financing			320,000	420,000	5,675,000			6,415,000
Water Utility Impact Fee			45,000	265,000				310,000
Transportation Impact Fee		539,000	3,456,000	1,334,000	330,000	562,000	7,550,000	13,771,000
<b>Total Project Funding</b>		<b>5,039,000</b>	<b>7,671,000</b>	<b>7,479,000</b>	<b>14,000,000</b>	<b>1,014,000</b>	<b>7,550,000</b>	<b>42,753,000</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TOWN OF FLORENCE**  
**PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT**  
**FISCAL YEARS 2015-2019**

Water Utility

		Fiscal year ended June 30,						
		2014	2015	2016	2017	2018	2019	2014-2019
		Budget	Budget	Planned	Planned	Planned	Planned	Total
<b>2015-2019 PROPOSED REVISED CIP</b>								
<b>Project</b>	<b>No.</b>							
New water well (North Florence)	WU-23	45,000	750,000	1,000,000				1,795,000
Water line relocation (North Florence - INS)	WU-25	15,000	95,000					110,000
Water storage tank installation (North Florence)	WU-26	1,300,000	1,300,000					2,600,000
Fire hydrant replacements (North Florence)	WU-30	60,000	40,000	40,000				140,000
New water well (southeast)	WU-32				45,000	750,000	1,000,000	1,795,000
Water storage tank installation (southeast)	WU-33				100,000	525,000	525,000	1,150,000
New water well #3 replacement	WU-34	235,000	1,365,000					1,600,000
Valve replacements	WU-35	40,000	30,000	25,000				95,000
Water line replacement (Main Street at Granite)	WU-36	92,000						92,000
Booster station / water system tie-in	WU-37			200,000				200,000
Water line replacements (2", 3", 4")	WU-38	100,000	100,000	100,000	100,000			400,000
New fire hydrants	WU-40	35,000						35,000
Electronic water meters	WU-42			192,500	150,000	40,000		382,500
SCADA water tie-ins	WU-64		85,000					85,000
Booster Pumps at Well #5	WU-65		150,000					150,000
Water line (Adamsville Road)	WU-66	438,000	400,000					838,000
New water well #1 and storage tank (Merrill Ranch)	WU-67						1,900,000	1,900,000
Water storage 12" distribution line (N. Florence)	WU-68			105,000	525,000	520,000		1,150,000
Water transmission line (well #4 to well #5)	WU-69	425,000	218,000					643,000
Water line (NE prison complex)	WU-70				70,000	660,000		730,000
Water line extension (Bailey)	WU-73	783,000						783,000
Water transmission line ext. (Caliente to Calif)	WU-74		200,000	1,460,000				1,660,000
Water transmission line ext. (well #5 to SH79/287)	WU-77		110,000		621,000	621,000		1,352,000
Booster pumps VFDs	WU-78	40,000						40,000
Valley Farms area well #1 (zone B2)	WU-75					980,000		980,000
Felix Road Well (zone A1)	WU-76					980,000		980,000
Office lab space renovation	WU-79		57,500					57,500
Removal of poles/hydrants	TBD					50,000		50,000
<b>Total Project Costs</b>		<b>3,608,000</b>	<b>4,900,500</b>	<b>3,122,500</b>	<b>1,611,000</b>	<b>5,126,000</b>	<b>3,425,000</b>	<b>21,793,000</b>

**2015-2019 PROPOSED REVISED CIP**

<b>Project Funding</b>								
Water Utility Fund		3,608,000	4,900,500	3,122,500	1,611,000	1,883,600	1,484,000	16,609,600
Water Utility Impact Fee						111,000		111,000
<b>Total Project Funding</b>		<b>3,608,000</b>	<b>4,900,500</b>	<b>3,122,500</b>	<b>1,611,000</b>	<b>1,994,600</b>	<b>1,484,000</b>	<b>16,720,600</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,131,400)</b>	<b>(1,941,000)</b>	<b>(5,072,400)</b>

**TOWN OF FLORENCE**  
**PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT**  
**FISCAL YEARS 2015-2019**

Water Utility

		Fiscal year ended June 30,					2014-2019 Total	
		2014 Budget	2015 Budget	2016 Planned	2017 Planned	2018 Planned		2019 Planned
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project</b>	<b>No.</b>							
New water well (North Florence)	WU-23	45,000	750,000	1,000,000			1,795,000	
Water line relocation (North Florence - INS)	WU-25	110,000					110,000	
Water storage tank installation (North Florence)	WU-26	1,400,000					1,400,000	
Fire hydrant replacements (North Florence)	WU-30	60,000	40,000	40,000			140,000	
New water well (southeast)	WU-32			1,120,000			1,120,000	
Water storage tank installation (southeast)	WU-33				1,050,000		1,050,000	
New water well #3 replacement	WU-34	235,000					235,000	
Valve replacements	WU-35	105,000	30,000	20,000			155,000	
Water line replacement (Main Street at Granite)	WU-36	92,000					92,000	
Booster station / water system tie-in	WU-37		200,000				200,000	
Water line replacements (2", 3", 4")	WU-38	400,000	150,000	100,000	100,000	100,000	850,000	
New fire hydrants	WU-40	35,000					35,000	
Electronic water meters	WU-42			192,500	150,000	40,000	382,500	
SCADA water tie-ins	WU-64			85,000			85,000	
Water line (Adamsville Road)	WU-66	438,000					438,000	
New water well #1 and storage tank (Merrill Ranch)	WU-67			1,900,000			1,900,000	
Water storage 12" distribution line (N. Florence)	WU-68	105,000	1,045,000				1,150,000	
Water transmission line (well #4 to well #5)	WU-69	918,000					918,000	
Water line (NE prison complex)	WU-70	70,000	662,000				732,000	
Water line extension (Bailey)	WU-73	783,000					783,000	
Water transmission line ext. (Caliente to Calif)	WU-74		200,000	1,465,000			1,665,000	
Water transmission line ext. (well #5 to SH79/287)	WU-77		110,000		621,000	621,000	1,352,000	
Booster pumps VFDs	WU-78	40,000					40,000	
Valley Farms area well #1 (zone B2)	WU-75					980,000	980,000	
Felix Road Well (zone A1)	WU-76					980,000	980,000	
Office lab space renovation	WU-79		57,500				57,500	
<b>Total Project Costs</b>		<b>4,836,000</b>	<b>3,244,500</b>	<b>5,922,500</b>	<b>1,921,000</b>	<b>2,721,000</b>	<b>-</b>	<b>18,645,000</b>
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project Funding</b>								
Water Utility Fund		4,836,000	3,244,500	5,922,500	1,921,000	761,000		16,685,000
Water Utility Impact Fee						1,960,000		1,960,000
<b>Total Project Funding</b>		<b>4,836,000</b>	<b>3,244,500</b>	<b>5,922,500</b>	<b>1,921,000</b>	<b>2,721,000</b>	<b>-</b>	<b>18,645,000</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# TOWN OF FLORENCE

## PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT

### FISCAL YEARS 2015-2019

Sewer Utility

		Fiscal year ended June 30,						
		2014	2015	2016	2017	2018	2019	2014-2019
		Budget	Budget	Planned	Planned	Planned	Planned	Total
<b>2015-2019 PROPOSED REVISED CIP</b>								
<b>Project</b>	<b>No.</b>							
Recharge injection wells	SU-05		330,000					330,000
Sewer main extensions and replacements	SU-06		175,000	270,000	100,000	100,000		645,000
WWTP expansion (Plant Road)	SU-08	525,000	775,000	6,225,000	6,725,000			14,250,000
18" sewer bore across SH79	SU-11		100,000					100,000
WWTP expansion (North Florence)	SU-12			635,000	1,914,000			2,549,000
Sewer main extension (main interceptor/lift station)	SU-13			30,000	470,000			500,000
Lift station installation (Hunt & SH79)	SU-14			40,000	330,000			370,000
Lift station installation (N. Florence WWTP)	SU-15				85,000	765,000		850,000
Recharge Facility expansion (N. Florence WWTP)	SU-16		40,000	200,000	300,000			540,000
Polishing lagoons and berm reconstruction	SU-20	214,000						214,000
Sewer/manhole cleaning equipment	SU-21			375,000				375,000
Office lab space expansion at WWTP	SU-51	288,000						288,000
Office space renovation	SU-79	57,500						57,500
Sewer main line extension (Elizabeth to Adamsville)	SU-80			20,000	124,000			144,000
Merrill Ranch water reclamation facility phase 1	SU-81			4,000,000				4,000,000
Merrill Ranch water reclamation facility phase 2	SU-82			950,000	14,000,000			14,950,000
Effluent discharge system	SU-83	700,000						700,000
<b>Total Project Costs</b>		<b>1,784,500</b>	<b>1,420,000</b>	<b>12,745,000</b>	<b>24,048,000</b>	<b>865,000</b>	<b>-</b>	<b>40,862,500</b>
<b>2015-2019 PROPOSED REVISED CIP</b>								
<b>Project Funding</b>								
Financing		525,000	775,000					1,300,000
Sewer Utility Fund		1,259,500	645,000	8,676,000	1,410,000	1,587,000	1,674,000	15,251,500
Sewer Utility Impact Fee				359,000				359,000
<b>Total Project Funding</b>		<b>1,784,500</b>	<b>1,420,000</b>	<b>9,035,000</b>	<b>1,410,000</b>	<b>1,587,000</b>	<b>1,674,000</b>	<b>16,910,500</b>
<b>Total Unfunded Project Costs</b>		<b>-</b>	<b>-</b>	<b>(3,710,000)</b>	<b>(22,638,000)</b>	<b>722,000</b>	<b>1,674,000</b>	<b>(23,952,000)</b>



**TOWN OF FLORENCE**  
**PROPOSED CAPITAL IMPROVEMENT PROGRAM – DRAFT**  
**FISCAL YEARS 2015-2019**

Sewer Utility


		Fiscal year ended June 30,					2014-2019	
		2014	2015	2016	2017	2018	2019	2014-2019
		Budget	Budget	Planned	Planned	Planned	Planned	Total
<b>2014-2018 CURRENT APPROVED CIP</b>								
<b>Project</b>	<b>No.</b>							
Recharge injection wells	SU-05		330,000					330,000
Sewer main extensions and replacements	SU-06	400,000	100,000	100,000	100,000			700,000
WWTP expansion (Plant Road)	SU-08	525,000	12,000,000					12,525,000
18" sewer bore across SH79	SU-11	100,000						100,000
WWTP expansion (North Florence)	SU-12			635,000	1,914,000			2,549,000
Sewer main extension (main interceptor/lift station)	SU-13	30,000	470,000					500,000
Lift station installation (Hunt & SH79)	SU-14			40,000	330,000			370,000
Lift station installation (N. Florence WWTP)	SU-15				85,000	765,000		850,000
Recharge Facility expansion (N. Florence WWTP)	SU-16			40,000	200,000	300,000		540,000
Polishing lagoons and berm reconstruction	SU-20	214,000						214,000
Sewer/manhole cleaning equipment	SU-21			375,000				375,000
Office lab space expansion at WWTP	SU-51	288,000						288,000
Office space renovation	SU-79	57,500						57,500
Sewer main line extension (Elizabeth to Adamsville)	SU-80			20,000	124,000			144,000
Merrill Ranch water reclamation facility phase 1	SU-81			4,000,000				4,000,000
Merrill Ranch water reclamation facility phase 2	SU-82			950,000	14,000,000			14,950,000
Effluent discharge system	SU-83	700,000						700,000
<b>Total Project Costs</b>		<b>2,314,500</b>	<b>12,900,000</b>	<b>6,160,000</b>	<b>16,753,000</b>	<b>1,065,000</b>	<b>-</b>	<b>39,192,500</b>

**2014-2018 CURRENT APPROVED CIP**

<b>Project Funding</b>								
Grant		214,000	165,000					379,000
Developer contribution		30,000	270,000		200,000	300,000		800,000
Financing		400,000	12,000,000	635,000	1,914,000			14,949,000
Sewer Utility Fund		1,670,500	465,000	575,000	639,000	765,000		4,114,500
Sewer Utility Impact Fee				4,950,000	14,000,000			18,950,000
<b>Total Project Funding</b>		<b>2,314,500</b>	<b>12,900,000</b>	<b>6,160,000</b>	<b>16,753,000</b>	<b>1,065,000</b>	<b>-</b>	<b>39,192,500</b>

**Total Unfunded Project Costs**

-	-	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 13d.</b>
<b>MEETING DATE:</b> June 16, 2014  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Mike Farina, Finance Director  <b>SUBJECT:</b> Resolution No. 1449-14: Adoption of the Tentative Budget		<input checked="" type="checkbox"/> Action <input type="checkbox"/> Information Only <input type="checkbox"/> Public Hearing <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulatory</li> <li><input type="checkbox"/> 1<sup>st</sup> Reading</li> <li><input type="checkbox"/> 2<sup>nd</sup> Reading</li> </ul> <input type="checkbox"/> Other

**RECOMMENDED MOTION/ACTION:**

Motion to adopt Resolution No. 1449-14, adopting a Tentative Budget for Fiscal Year 2014-2015.

**BACKGROUND/DISCUSSION:**

State statutes require that the annual budget be prepared on forms developed by the Office of the Auditor General, Schedules A to E and G, and that a tentative budget be adopted by resolution.

The Town Manager presented the budget with the Town Council over the course of several work sessions: April 14, April 23 and May 14, 2014. The 2014-2015 compensation plan and the health insurance renewal were also discussed during these work sessions.

A public hearing will be held of July 7, 2014, to receive public comments for the budget. After the public hearing, recommendation for adoption of the final budget will be on the council agenda.

Changes to this proposed tentative budget since the work sessions with Town Council include the following:

- Mid-year general compensation adjustment of 1% totaling \$56,500
- Library/Aquatics/Recreation facilities project (to be determined by Town Council):
  - Added \$280,000 for project management
  - Added \$1,000,000 in project revenue coming from the Construction Tax Fund
  - Added \$5,000,000 in project revenue from bond financing
  - Added \$100,000 debt issuance costs and \$90,000 debt service for new bonds
- Public Arts program - \$100,000
- Carry forward of 2013/2014 budget for continuing capital projects

- Capital Projects Fund - \$2,662,000
- HURF - \$2,290,700
- Economic Development Capital Project Fund - \$442,700
- Water Utility Fund - \$3,449,900
- Sewer Utility Fund - \$4,467,400
- ADOT Main Street streetscape Grant - \$430,100

**FINANCIAL IMPACT:**

Adoption of the tentative budget will allow the Town to operate into the next fiscal year prior to adopting the final budget.

**STAFF RECOMMENDATION:**

Staff recommends adoption of Resolution No. 1449-14, adopting a Tentative Budget for Fiscal Year 2014-2015.

**ATTACHMENTS:**

Resolution No. 1449-14  
Auditor General Budget Schedules A to E and G

## RESOLUTION NO. 1449-14

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNT REQUIRED FOR THE PUBLIC EXPENSE FOR THE TOWN OF FLORENCE FOR FISCAL YEAR 2014-2015; ADOPTING A TENTATIVE ANNUAL BUDGET; SETTING FORTH THE RECEIPTS, EXPENDITURES AND THE AMOUNT PROPOSED TO BE EXPENDED FOR VARIOUS PURPOSES; GIVING NOTICE OF THE TIME FOR PUBLIC HEARING FOR TAXPAYERS ON THE ADOPTION OF THE FINAL BUDGET; ADOPTING THE BUDGET IN ACCORDANCE WITH THE LOCAL EXPENDITURE LIMITATION ORDINANCE; DECLARING AN EMERGENCY.**

**BE IT RESOLVED** by the Mayor and Council of the Town of Florence, Arizona, as follows:

### ***Section 1. Authorization for Adoption***

**THAT** the statement and schedules contained in Exhibit A-E, G are hereby adopted for the purpose as hereinafter set forth as the Tentative Annual Budget for the Town of Florence for the Fiscal Year 2014-2015.

### ***Section 2. Authorization for Publication of Estimates and Notice***

**THAT** the Town Clerk be and hereby is authorized and directed to publish in the manner prescribed by law, the estimates of expenditures, as set forth in Exhibit A-E, G together with a notice that the Council will meet for the purpose of the final hearing of taxpayers' comments and for adoption of the 2014-2015 ANNUAL BUDGET for the Town of Florence on the 7th day of July 2014, at the hour of 6:00 pm, in the Council Chambers in the Town Hall of Florence.

### ***Section 3. Authorization for Contingency Expenditures***

**UPON** recommendation by the Town Manager and approval of the Mayor and Council, appropriations and expenditures may be made for contingencies.

### ***Section 4. Authorization for Use of Funds***

**MONEY** from any fund may be used for any of these specified appropriations except money specifically restricted by the State or by Town Ordinance or Resolution.

**Section 5. Statement and Schedules of the Annual Budget**

The statements and schedules of the Annual Budget are attached hereto as Exhibit A-E, G and by reference made a part hereof.

**Section 6. Emergency Clause**

**WHEREAS**, as it is necessary for the preservation of the peace, health, and safety of the Town of Florence, Arizona, an emergency is declared to exist and this Resolution shall be effective immediately upon its passage and adoption.

**PASSED AND ADOPTED** by the Mayor and Town Council of the Town of Florence, Arizona, this 16th day of June 2014.

\_\_\_\_\_  
Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Lisa Garcia, Town Clerk

\_\_\_\_\_  
James E. Mannato, Town Attorney

**TOWN OF FLORENCE, ARIZONA**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2015**

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2014	ACTUAL EXPENDITURES/EXPENSES** 2014	FUND BALANCE/ NET POSITION*** July 1, 2014**	PROPERTY TAX REVENUES 2015	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2015	OTHER FINANCING 2015		INTERFUND TRANSFERS 2015		TOTAL FINANCIAL RESOURCES AVAILABLE 2015	BUDGETED EXPENDITURES/EXPENSES 2015
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 12,592,706	\$ 12,632,100	\$ 7,764,600	Primary: \$ 852,740	\$ 11,469,800	\$	\$	\$ 1,711,200	\$ 798,400	\$ 20,999,940	\$ 13,715,200
2. Special Revenue Funds	13,712,023	7,064,000	16,879,100	Secondary:	7,103,900			34,500	7,143,800	16,873,700	11,904,600
3. Debt Service Funds Available	444,949	445,100	213,100		69,400			449,800	9,000	723,300	534,800
4. Less: Amounts for Future Debt Retirement			213,100		60,400					273,500	
5. Total Debt Service Funds	444,949	445,100			9,000			449,800	9,000	449,800	534,800
6. Capital Projects Funds	7,532,268	2,711,500	13,595,000		1,561,400	5,000,000		6,456,100	652,000	25,960,500	22,968,300
7. Permanent Funds	10,500	14,500	322,600		30,000					352,600	14,500
8. Enterprise Funds Available	12,050,870	5,085,400	20,810,300		8,216,800	1,300,000			1,300,100	29,027,000	16,416,900
9. Less: Amounts for Future Debt Retirement			620,400							620,400	
10. Total Enterprise Funds	12,050,870	5,085,400	20,189,900		8,216,800	1,300,000			1,300,100	28,406,600	16,416,900
11. Internal Service Funds	1,106,973	1,106,900	1,100		1,000			1,251,700		1,253,800	1,251,700
12. TOTAL ALL FUNDS	\$ 47,450,289	\$ 29,059,500	\$ 58,752,300	\$ 852,740	\$ 28,391,900	\$ 6,300,000	\$	\$ 9,903,300	\$ 9,903,300	\$ 94,296,940	\$ 66,806,000

**EXPENDITURE LIMITATION COMPARISON**

	2014	2015
1. Budgeted expenditures/expenses	\$47,450,289	\$66,806,000
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	47,450,289	66,806,000
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$47,450,289	\$66,806,000
6. EEC or voter-approved alternative expenditure limitation	\$47,450,289	\$66,806,000

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

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

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

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

**TOWN OF FLORENCE, ARIZONA**  
**Tax Levy and Tax Rate Information**  
**Fiscal Year 2015**

	<b>2014</b>	<b>2015</b>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>814,526</u>	\$ <u>852,740</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>814,526</u>	\$ <u>852,740</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>814,526</u>	\$ <u>852,740</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ <u>792,217</u>	
(2) Prior years' levies	<u>7,100</u>	
(3) Total primary property taxes	\$ <u>799,317</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>799,317</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>1.1182</u>	<u>1.1182</u>
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	<u>1.1182</u>	<u>1.1182</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

SOURCE OF REVENUES	ESTIMATED REVENUES 2014	ACTUAL REVENUES* 2014	ESTIMATED REVENUES 2015
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
sales/use taxes	\$ 2,200,000	\$ 2,511,000	\$ 2,636,600
<b>Licenses and permits</b>			
building permits	245,000	477,000	491,300
other licenses and permits	39,000	45,500	46,800
<b>Intergovernmental</b>			
state-shared sales tax	2,206,504	2,240,000	2,352,000
state-shared income tax	2,848,922	2,845,000	3,091,100
vehicle license tax	1,119,567	1,184,000	1,243,200
salt river lieu tax		100	100
<b>Charges for services</b>			
franchise fees and taxes	420,180	536,700	563,600
civil engineering fees	160,000	38,400	39,500
community development fees	122,000	115,200	122,600
general government fees	152,988	152,900	157,400
cemetery fees	17,500	11,000	11,200
police fees	91,800	33,000	33,100
parks and recreation fees	63,150	81,900	90,400
fire fees	57,500	49,600	112,000
library fees	83,700	81,200	85,300
senior fees	16,700	19,200	19,700
<b>Fines and forfeits</b>			
finances and forfeitures	180,410	181,200	190,200
<b>Interest on investments</b>			
investment earnings	23,000	110,000	110,000
<b>In-lieu property taxes</b>			
<b>Contributions</b>			
Voluntary contributions			
<b>Miscellaneous</b>			
miscellaneous	74,315	72,800	73,700
sales of assets		73,000	
<b>Total General Fund</b>	<b>\$ 10,122,236</b>	<b>\$ 10,858,700</b>	<b>\$ 11,469,800</b>



**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
---------------------------	--	--------------------------------------	--

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
<b>SPECIAL REVENUE FUNDS</b>			
highway users gas tax	\$ 1,660,000	\$ 1,660,000	\$ 1,752,800
transportation excise tax	915,000	1,003,500	1,053,700
other HURF revenue	17,000	37,000	37,000
<b>Highway User Revenue Fund</b>	<b>\$ 2,592,000</b>	<b>\$ 2,700,500</b>	<b>\$ 2,843,500</b>
sales tax	\$ 160,000	\$ 54,100	\$ 55,200
investment earnings	30,000	18,000	18,000
<b>Construction Tax Fund</b>	<b>\$ 190,000</b>	<b>\$ 72,100</b>	<b>\$ 73,200</b>
sales tax	\$ 210,000	\$ 245,600	\$ 257,900
investment earnings	20,000	10,000	10,000
<b>Food Tax Fund</b>	<b>\$ 230,000</b>	<b>\$ 255,600</b>	<b>\$ 267,900</b>
HIDTA grant	\$	\$ 149,600	\$ 19,000
State Special Projects grant	582,560	280,900	
CDGF grant			226,300
FEMA SAFER grant		84,300	173,100
Governor's Office Highway Safety grant	104,069	55,300	
Gaming grants	145,017		
Arizona Dept. of Homeland Security grant	20,100	125,500	
US Dept. of Justice grant		2,900	
Certified Local Govt grants	5,000	5,000	
Library State-Grants-in-Aid	1,770	1,800	1,800
Arizona DOT Main Street Streetscape grant	405,495		405,500
Maricopa Association of Govts grant			188,300
Grants			2,500,000
<b>Grants Fund</b>	<b>\$ 1,264,011</b>	<b>\$ 705,300</b>	<b>\$ 3,514,000</b>
SLID #1 investment earnings	\$ 500	\$ 500	\$ 1,500
SLID #2 investment earnings	500	2,000	2,000
SLID #3 investment earnings	250	900	900
<b>Streetlight Improvement District Funds</b>	<b>\$ 1,250</b>	<b>\$ 3,400</b>	<b>\$ 4,400</b>
Sanitation Impact Fee Fund	\$	\$ 200	\$
Transportation Impact Fee Fund	269,403	96,400	96,200
General Govt Impact Fee Fund	2,000	6,400	6,400
Police Impact Fee Fund	146,898	111,200	92,900
Fire/EMS Impact Fee Fund	201,778	125,400	95,100
Parks Impact Fee Fund	229,960	64,700	12,400
Library Impact Fee Fund	21,806	21,200	34,700
Water Utility Impact Fee Fund	7,920	400	400
Sewer Utility Impact Fee Fund	9,560	1,500	1,500
North Florence Water Utility Impact Fee Fund	15	500	500
North Florence Sewer Utility Impact Fee Fund		100	100
<b>Impact Fee Funds</b>	<b>\$ 889,340</b>	<b>\$ 428,000</b>	<b>\$ 340,200</b>
JCEF Fees Fund	\$ 3,200	\$ 3,100	\$ 3,100
Fill-the-Gap Fund	2,060	2,000	2,000
SW Gas Capital Expenditure Fund	45,000	45,000	47,300

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
Impound Fee Fund	3,025	8,300	8,300
<b>Other Special Revenue Funds</b>	<b>\$ 53,285</b>	<b>\$ 58,400</b>	<b>\$ 60,700</b>
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
<b>Total Special Revenue Funds</b>	<b>\$ 5,219,886</b>	<b>\$ 4,223,300</b>	<b>\$ 7,103,900</b>

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

SOURCE OF REVENUES	ESTIMATED REVENUES 2014	ACTUAL REVENUES* 2014	ESTIMATED REVENUES 2015
<b>DEBT SERVICE FUNDS</b>			
Assessments	\$ 69,200	\$ 69,200	\$ 69,200
Investment Earnings	200	200	200
<hr/>			
<b>Utility Improvement District #1</b>	\$ 69,400	\$ 69,400	\$ 69,400
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>Total Debt Service Funds</b>	\$ 69,400	\$ 69,400	\$ 69,400
<b>CAPITAL PROJECTS FUNDS</b>			
Sales Tax	\$ 1,100,000	\$ 1,458,000	\$ 1,509,000
Investment Earnings	50,000	50,000	50,000
<hr/>			
<b>Capital Projects Fund</b>	\$ 1,150,000	\$ 1,508,000	\$ 1,559,000
Investment Earnings	\$ 5,000	\$ 2,400	\$ 2,400
<hr/>			
<b>Capital Projects Economic Development Fund</b>	\$ 5,000	\$ 2,400	\$ 2,400
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>Total Capital Projects Funds</b>	\$ 1,155,000	\$ 1,510,400	\$ 1,561,400

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2014</b>	<b>ACTUAL REVENUES* 2014</b>	<b>ESTIMATED REVENUES 2015</b>
---------------------------	--	--------------------------------------	--

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

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

SOURCE OF REVENUES	ESTIMATED REVENUES 2014	ACTUAL REVENUES* 2014	ESTIMATED REVENUES 2015
<b>PERMANENT FUNDS</b>			
Firefighters' Pension Fund	\$ 30,000	\$ 30,000	\$ 30,000
	\$ 30,000	\$ 30,000	\$ 30,000
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>Total Permanent Funds</b>	\$ 30,000	\$ 30,000	\$ 30,000
<b>ENTERPRISE FUNDS</b>			
water fees	\$ 2,892,100	\$ 2,835,100	\$ 3,115,400
investment earnings	20,000	20,000	20,000
Central Arizona Project	50,000	131,100	50,000
<b>Water Utility Fund</b>	\$ 2,962,100	\$ 2,986,200	\$ 3,185,400
sewer fees	\$ 3,808,652	\$ 3,751,700	\$ 4,314,400
investment earnings	13,000	35,000	35,000
<b>Sewer Utility Fund</b>	\$ 3,821,652	\$ 3,786,700	\$ 4,349,400
sanitation fees	\$ 669,090	\$ 640,000	\$ 672,000
investment earnings	10,000	10,000	10,000
sale of assets	304,000	304,000	
<b>Sanitation Fund</b>	\$ 983,090	\$ 954,000	\$ 682,000
	\$	\$	\$
	\$	\$	\$
<b>Total Enterprise Funds</b>	\$ 7,766,842	\$ 7,726,900	\$ 8,216,800

**TOWN OF FLORENCE, ARIZONA**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2015**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2014</u>	<u>ACTUAL REVENUES* 2014</u>	<u>ESTIMATED REVENUES 2015</u>
---------------------------	--	--------------------------------------	--

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

**TOWN OF FLORENCE, ARIZONA  
Revenues Other Than Property Taxes  
Fiscal Year 2015**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2014</u>	<u>ACTUAL REVENUES* 2014</u>	<u>ESTIMATED REVENUES 2015</u>
<b>INTERNAL SERVICE FUNDS</b>			
Facilities	\$ 1,000	\$ 1,000	\$ 1,000
Fleet			
	\$ 1,000	\$ 1,000	\$ 1,000
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>Total Internal Service Funds</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 24,364,364</b>	<b>\$ 24,419,700</b>	<b>\$ 28,452,300</b>

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



**TOWN OF FLORENCE, ARIZONA**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2015**

FUND	OTHER FINANCING 2015		INTERFUND TRANSFERS 2015	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
Capital Projects Fund	\$	\$	\$ 202,200	\$
Water Utility Fund			457,300	
Sewer Utility Fund			542,700	
Sanitation Fund			49,500	
Highway User Revenue Fund			392,500	
SLID Funds			9,900	
Utility Improvement District #1			9,000	
SW Gas Capital Fund			48,100	
Fleet Services Fund				489,500
Facility Services Fund				308,900
<b>Total General Fund</b>	\$	\$	\$ 1,711,200	\$ 798,400
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$	\$	\$ 9,900	\$ 619,800
Construction Tax Fund				1,000,000
Food Tax Fund				2,100,000
Grants Fund			24,600	
SLIDS				19,800
General Govt Impact Fee Fund				1,219,700
Parks Impact Fee Fund				1,289,700
Library Impact Fee Fund				846,700
SW Gas Capital Exp Fund				48,100
<b>Total Special Revenue Funds</b>	\$	\$	\$ 34,500	\$ 7,143,800
<b>DEBT SERVICE FUNDS</b>				
Debt Service Fund	\$	\$	\$ 449,800	\$
Utility Improvement District #1 Fund				9,000
<b>Total Debt Service Funds</b>	\$	\$	\$ 449,800	\$ 9,000
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Projects Fund (bond issue)	\$ 5,000,000	\$	\$ 6,456,100	\$ 652,000
<b>Total Capital Projects Funds</b>	\$ 5,000,000	\$	\$ 6,456,100	\$ 652,000
<b>PERMANENT FUNDS</b>				
<b>Total Permanent Funds</b>	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>				

**TOWN OF FLORENCE, ARIZONA**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2015**

<b>FUND</b>	<b>OTHER FINANCING 2015</b>		<b>INTERFUND TRANSFERS 2015</b>	
	<b>SOURCES</b>	<b>&lt;USES&gt;</b>	<b>IN</b>	<b>&lt;OUT&gt;</b>
Sewer Utility Fund (bond issue)	\$ 1,300,000	\$	\$	\$ 675,300
Water Utility Fund				554,500
Sanitation Fund				70,300
<b>Total Enterprise Funds</b>	\$ 1,300,000	\$	\$	\$ 1,300,100
<b>INTERNAL SERVICE FUNDS</b>				
Fleet Services Fund	\$	\$	\$ 803,700	\$
Facility Services Fund			448,000	
<b>Total Internal Service Funds</b>	\$	\$	\$ 1,251,700	\$
<b>TOTAL ALL FUNDS</b>	\$ 6,300,000	\$	\$ 9,903,300	\$ 9,903,300

**TOWN OF FLORENCE, ARIZONA**  
**Expenditures/Expenses by Fund**  
**Fiscal Year 2015**

<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2014</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2014</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2014</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2015</b>
<b>GENERAL FUND</b>				
Town Council	\$ 152,324	\$	\$ 151,700	\$ 158,200
Administration	673,404		673,400	709,800
Municipal Court	278,448		278,400	292,200
Legal	255,460		255,500	269,500
Finance	908,947		908,900	935,000
Human Resources	214,794		214,800	253,800
Community Development	561,700		561,700	668,800
Police	3,771,703		3,771,600	3,952,800
Fire	2,534,446		2,534,500	2,809,200
Information Technology	536,365		536,400	615,000
Parks and Recreation	1,345,340		1,345,400	1,602,300
Library	367,040		377,000	380,600
Engineering	176,435		176,500	192,700
Cemetery	25,550		25,500	9,000
Economic Development	167,665		167,700	182,700
General Government	623,085		653,100	683,600
<b>Total General Fund</b>	<b>\$ 12,592,706</b>	<b>\$</b>	<b>\$ 12,632,100</b>	<b>\$ 13,715,200</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Revenue Fund	\$ 6,477,186	\$	\$ 2,101,500	\$ 8,256,500
Grants Fund	1,412,344		902,700	3,538,600
SLID #1 Fund	20,000		20,000	21,800
SLID #2 Fund	20,000		20,000	21,000
SLID #3 Fund	10,000		10,000	10,500
Sanitation Impact Fee Fund	43,675		43,700	
Transportation Impact Fee Fund	846,747		764,400	
Police Impact Fee Fund	127,300		127,600	
Fire Impact Fee Fund	3,019,244		3,019,600	
Parks Impact Fee Fund	1,181,677		300	
Library Impact Fee Fund	500,000		300	
Judicial Collections Fund	3,750		3,800	3,800
Fill-the-Gap Fund	2,100		2,100	2,100
SW Gas Capital Exp Fund	45,000		45,000	47,300
Impound Fee Fund	3,000		3,000	3,000
<b>Total Special Revenue Funds</b>	<b>\$ 13,712,023</b>	<b>\$</b>	<b>\$ 7,064,000</b>	<b>\$ 11,904,600</b>
<b>DEBT SERVICE FUNDS</b>				
Debt Service Fund	\$ 359,663	\$	\$ 359,800	\$ 449,800
Utility Impr District #1	85,286		85,300	85,000
<b>Total Debt Service Funds</b>	<b>\$ 444,949</b>	<b>\$</b>	<b>\$ 445,100</b>	<b>\$ 534,800</b>
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Projects Fund	\$ 7,087,412	\$	\$ 2,709,300	\$ 22,525,600
CP Economic Dev Fund	444,856		2,200	442,700
<b>Total Capital Projects Funds</b>	<b>\$ 7,532,268</b>	<b>\$</b>	<b>\$ 2,711,500</b>	<b>\$ 22,968,300</b>
<b>PERMANENT FUNDS</b>				
Firefighter Pension Fund	\$ 10,500	\$	\$ 14,500	\$ 14,500
<b>Total Permanent Funds</b>	<b>\$ 10,500</b>	<b>\$</b>	<b>\$ 14,500</b>	<b>\$ 14,500</b>
<b>ENTERPRISE FUNDS</b>				
Water Utility Fund	\$ 6,510,603	\$	\$ 1,832,700	\$ 9,894,800
Sewer Utility Fund	4,780,872		2,493,300	5,675,600
Sanitation Fund	759,395		759,400	846,500
<b>Total Enterprise Funds</b>	<b>\$ 12,050,870</b>	<b>\$</b>	<b>\$ 5,085,400</b>	<b>\$ 16,416,900</b>
<b>INTERNAL SERVICE FUNDS</b>				
Fleet Services Fund	\$ 671,228	\$	\$ 671,200	\$ 803,700
Facility Services Fund	435,745		435,700	448,000
<b>Total Internal Service Funds</b>	<b>\$ 1,106,973</b>	<b>\$</b>	<b>\$ 1,106,900</b>	<b>\$ 1,251,700</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 47,450,289</b>	<b>\$</b>	<b>\$ 29,059,500</b>	<b>\$ 66,806,000</b>

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

**TOWN OF FLORENCE, ARIZONA**  
**Full-Time Employees and Personnel Compensation**  
**Fiscal Year 2015**

<b>FUND</b>	<b>Full-Time Equivalent (FTE) 2,015.000</b>	<b>Employee Salaries and Hourly Costs 2015</b>	<b>Retirement Costs 2015</b>	<b>Healthcare Costs 2015</b>	<b>Other Benefit Costs 2015</b>	<b>Total Estimated Personnel Compensation 2015</b>
<b>GENERAL FUND</b>	138.150	\$ 7,899,200	\$ 904,200	\$ 1,398,000	\$ 718,000	= \$ 10,919,400
<b>SPECIAL REVENUE FUNDS</b>						
Highway User Revenue Fund	19.150	\$ 778,700	\$ 91,200	\$ 199,600	\$ 109,200	= \$ 1,178,700
Grants Fund	3.000	141,900	14,100	27,900	8,200	192,100
<b>Total Special Revenue Funds</b>	22.150	\$ 920,600	\$ 105,300	\$ 227,500	\$ 117,400	= \$ 1,370,800
<b>DEBT SERVICE FUNDS</b>						
		\$	\$	\$	\$	= \$
<b>Total Debt Service Funds</b>	-	\$	\$	\$	\$	= \$
<b>CAPITAL PROJECTS FUNDS</b>						
		\$	\$	\$	\$	= \$
<b>Total Capital Projects Funds</b>	-	\$	\$	\$	\$	= \$
<b>INTERNAL SERVICE FUNDS</b>						
Fleet Services Fund	4.175	\$ 162,600	\$ 18,900	\$ 34,700	\$ 19,500	= \$ 235,700
Facility Services Fund	4.675	185,100	21,400	19,100	18,300	243,900
<b>Total Internal Service Funds</b>	8.850	\$ 347,700	\$ 40,300	\$ 53,800	\$ 37,800	= \$ 479,600
<b>ENTERPRISE FUNDS</b>						
Water Utility Fund	5.800	\$ 286,900	\$ 34,100	\$ 48,900	\$ 38,400	= \$ 408,300
Sewer Utility Fund	8.750	408,100	48,000	81,400	50,300	587,800
Sanitation Fund	1.550	61,900	7,200	200	7,700	77,000
<b>Total Enterprise Funds</b>	16.100	\$ 756,900	\$ 89,300	\$ 130,500	\$ 96,400	= \$ 1,073,100
<b>TOTAL ALL FUNDS</b>	185.250	\$ 9,924,400	\$ 1,139,100	\$ 1,809,800	\$ 969,600	= \$ 13,842,900