



*Support your local merchants*

**AGENDA  
TOWN OF CAMP VERDE  
REGULAR SESSION  
MAYOR AND COUNCIL  
473 S. MAIN STREET, SUITE 106  
WEDNESDAY, JUNE 17, 2020 at 6:30 P.M.**

**ZOOM MEETING LINK**

<https://us02web.zoom.us/j/87200028268>

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

1. **Call to Order**
2. **Roll Call.** Council Members Buck Buchanan, Joe Butner, Bill LeBeau, Jessie Murdock, Robin Whatley; Vice Mayor Dee Jenkins; and Mayor Charles German.
3. **Pledge of Allegiance**
4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.
  - a) **Approval of the Minutes:**
    - 1) Regular Session – June 3, 2020 Page 5
  - b) **Set Next Meeting, Date and Time:**
    - 1) Regular Meeting – Wednesday July 1, 2020 at 6:30 p.m.
    - 2) Regular Meeting – Wednesday July 15, 2020 at 6:30 p.m.
  - c) **Fair/Festival Liquor License Application**

Possible Approval for Barbara A. Predmore, Alcantara LLC. For Fair/Festival Liquor License for 6101 E. Coury Drive Camp Verde for Friday, Saturday and Sundays beginning 06-19-2020 and ending 07-26-2020. Six Applications Attached. Page 13
5. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an

open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to ARS §38-431.01(H))

6. **Discussion & Possible Approval of The Town of Camp Verde FY21 Proposed Tentative Budget.** Staff Resource Michael Showers Page 37
7. **Discussion & Possible Approval of Resolution 2020-1046, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, proposing a Permanent Adjustment to the 1979-80 Base Expenditure Limitation of the Town of Camp Verde.** Staff Resource Michael Showers Page 85
8. **Discussion, Consideration, and possible approval of Resolution 2020-1047. A Resolution of the Mayor and Common Council of the Town of Camp Verde, Arizona, approving the form and authorizing the execution and delivery by the Town of a Fourth Trust Agreement and other necessary agreements, instruments and documents; approving the sale and execution and delivery of pledged Revenue and Revenue Refunding Obligations, Series 2020, evidencing all the interests of the owner thereof in the payments to be made pursuant to the Purchase Agreement; Adopting Post-Issuance Tax compliance procedures in connection with issuance of obligations of the town; delegating authority to the Mayor, Manager and Finance Director of the Town to determine certain matters and terms with respect to the foregoing, authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this Resolution and declaring an Emergency.** Staff Resource Russ Martin and Mike Showers. Page 89
9. **Covid-19 Update.** Staff Resource Russ Martin
10. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to A.R.S. §38-431.01(H))
11. **Council Informational Reports.** These reports are relative to the committee meetings that Council members attend. The Committees are: Copper Canyon Fire & Medical District, Yavapai College Governing Board, Yavapai Apache Nation, Intergovernmental Association, NACOG Regional Council, Verde Valley Regional Economic Organization (VVREO), League Resolutions Committee, Arizona Municipal Risk Retention Pool, Verde Valley Transportation Org, Verde Valley Transit Committee, Verde Valley Water Users, Verde Valley Homeless Coalition, Verde Front, Verde Valley Steering Committee of MAT Force, Public Safety Personnel Retirement Board, Phillip England Center for the Performing Arts Foundation. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

**12. Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and public of such events and activities. The Council will have no discussion, consideration, or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda.

**13. Adjournment**

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the Town of Camp Verde and Bashes on 06-10-2020 at 3:00 p.m.

Cindy Pemberton  
Cindy Pemberton, Town Clerk

*Note: Pursuant to A.R.S. §38-431.03. (A)(1); (A)(2) and (A)(3), the Council may hold an Executive Session for purposes of consultation for legal advice with the Town Attorney on any matter listed on the agenda, or discussion of records exempt by law from public inspection associated with an agenda item.*

*Pursuant to A.R.S. §38-431.01 Meetings shall be open to the public - All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting. The Town of Camp Verde Council Chambers is accessible to the handicapped. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk at 928-554-0021*

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**DRAFT MINUTES**  
**TOWN OF CAMP VERDE**  
**REGULAR SESSION**  
**MAYOR AND COUNCIL**  
**473 S MAIN STREET, SUITE 106**  
**WEDNESDAY, June 3, 2020 at 6:30 P.M.**

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

**1. Call to Order**

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

**2. Roll Call**

Mayor Charles German (zoom), Vice Mayor Dee Jenkins, Councilor Bill LeBeau, Councilor Robin Whatley (zoom), Councilor Joe Butner and Councilor Buck Buchanan were present. Councilor Jesse Murdock was absent.

**Also Present**

Town Manager Russ Martin, Town Clerk Cindy Pemberton and Recording Secretary Jennifer Reed.

**3. Pledge of Allegiance**

Councilor Joe Butner led the Pledge.

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

**a) Approval of the Minutes:**

1. Regular Session – May 20, 2020

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

1. **Work Session- Wednesday June 10, 2020 at 5:30 p.m.-ADDED**
2. Regular Meeting – Wednesday June 17, 2020 at 6:30 p.m.
3. Regular Meeting – Wednesday July 1, 2020 at 6:30 p.m.

**c) Facilities Use Agreement**

Yavapai County Community College

Mayor German mentioned there is a Work Session scheduled for June 10, 2020. Mayor German and Vice Mayor Jenkins had previously submitted corrections to minutes and those have been made. **Motion** made by Vice Mayor Jenkins to approve consent agenda with corrections. Second was made by Councilor Butner.

**Motion** carried unanimously with Mayor German, Vice Mayor Jenkins, Councilors Whatley, LeBeau, Butner and Buchanan approving.

5. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.) Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to ARS §38-431.01(H))**

None

6. **Special Announcements and presentations**

- Energy Savings Project Presentation

Town Manager Russ Martin gave a power point presentation on Energy Savings Projects: Solar and Lighting Upgrades.

Councilor Butner inquired, with the projected savings, when is it going to pay off? Town Manager Russ Martin did some calculations and it appears it would take approximately 16-18 years depending on maintenance and upkeep. The cost was mostly taken care of by the WIFA grant.

7. **Discussion and Consideration and Possible Appointment of one (1) member to the Board of Adjustment and Appeals for a term that expires January 2023**  
Staff Resource Cindy Pemberton.

Town Clerk Cindy Pemberton discussed the need to fill vacant seats for the Board of Adjustment and Appeals Board. There was one applicant for the Board of Adjustment and Appeals. Staff has advertised since November 29, 2019 via the Town website, Town Hall bulletin and through media advertisements. Applicant Ken Krebs was present for Council. Mr. Krebs term would be effective January 2020 to January 2023. **Motion** made by Councilor Butner to approve the application of Kenneth Krebs to serve on the Camp Verde Board of Adjustments and Appeals. Second was made by Councilor LeBeau. **Motion** carried unanimously with Mayor German, Vice Mayor Jenkins, Councilors Whatley, LeBeau, Butner and Buchanan approving.

*Ms. Pemberton administered the Oath of Office to Kenneth Krebs.*

8. **Discussion, Consideration, and Possible Direction to Staff to approve Change Order 3 requested by Tierra Verde Builders for the Camp Verde Sports Complex.** Staff Resource Ron Long

Bids for the Camp Verde Sports Complex Phase 1B were received on January 15, 2020. The project was awarded by Council on February 19, 2020 to Tierra Verde Builders for a total of \$3,712,675.00 The award consisted of the Base Bid (2-Football/Soccer fields & 1 Baseball/Softball Field) plus Alternate 1 (1-Baseball/Softball Field). On March 5, 2020 the total awarded amount was reduced via Deductive Change Order (CO-1) by \$383,455.00 to the adjusted total of \$3,329,220.00 On May 13, 2020, Deductive Change Order (CO-2) reduced the contract amount by \$12,004.00 to the adjusted total of \$3,317,216.00 Change Order 3 would have the effect of adding back a portion of the work in Alternate 2 (Open Turf Area) back into the contract. The portion of Alternate 3 that would be added would be the irrigation supply lines, sprinkler heads, and the electrical outlets at a cost of \$65,350.00 The sod would not be installed as part of this Change Order. The addition of this work would facilitate town Staff in planting grass seed in the Open Turf Area at a reduced cost. The addition of grass in the "Open Turf Area" would provide more grass for recreation and reduce the amount of unfinished area at the Complex where weeds can grow and/or create dust on windy days. The addition of CO-3 would increase the contract amount to \$3,382,566.00

Public Works Director Ron Long stated he would like to go ahead and install the underground irrigation line, sprinkler system plus the electric in the open turf area. The open turf area is the grass area north of the soccer fields. The Change order is cheaper to have contractor install these things now rather than later because of construction prices. This would get more grass on the ground which would help with weeds, dust and make neighbors happy. Mr. Long stated the grass they would grow is the same type of grass that is grown around the Town Campus. By growing grass, it would save some money over the cost of purchasing sod.

Mayor German asked if this includes the cost the fertilization of the new grass. Mr. Long said no this is just to install the irrigation line, sprinkler system and some electrical outlets. The town crews would put the seed in after the contractor is done with the project.

Councilor LeBeau asked if there will be additional costs for seed and top soil after the sprinklers and electrical is put in. Mr. Long stated it would just be a matter of manpower to mix soils but we will have the cost for the fertilizer and seed. He doesn't have any estimates but it will not be expensive to seed that area. He can get costs and bring it to another meeting.

Councilor Butner said this looks like this was part of Alternate 2 and asked if that was accurate. Mr. Long said yes that is accurate it was Alternate 2. It was left out because it was estimated at \$317,000.00 In moving forward with securing the loan, he would like to see us fit \$65,350.00 into the project to get more of the park done.

Councilor Butner asked why wasn't it included. Mr. Long explained it wasn't included because it would put us further behind cost wise, but now there is funding so we can do what we need to do.

Councilor Butner said if we agree to do this, will it cause us to change our plans to put sod in. Mr. Long said the seeding is only for the grass area north of soccer field. The fields soccer and baseball will get sod. If we leave it alone, it will grow weeds and dust would still be a problem.

Councilor Butner said this will add 4 1/5 acres of grass area, ahead of what we were projecting. Mr. Long stated yes.

Councilor Butner asked about change order #1 saving money by eliminating some items like electric scoreboards, special dugouts, and extra fencing that wasn't needed. Is that correct? Mr. Long stated yes that is.

Councilor Butner appreciates staying in the loop and watching the finances.

Vice Mayor Jenkins wanted to clarify that because of the savings from change order #1, we are able to have more park because of that. Mr. Long said yes.

Councilor LeBeau asked we are already approximately \$200,000.00 above what we have available, is that true? Will this add to that? Where will we get the money? Mr. Martin said, Council has directed staff to look into getting a loan. Councilor LeBeau confirmed that securing a loan hasn't been done yet? Mr. Martin said that is correct. Councilor LeBeau asked if this is premature? Mr. Martin said this is the right time to do it. When they are out there putting the water lines in, If we wait for the loan details, there could be extra charges. It's all about timing. Councilor LeBeau is concerned about spending money that we don't already have. Mr. Martin said the money will be there whether it comes from reserves or the new loan.

Mr. Martin stated that it looks like we will be saving money from the lighting install coming up.

Vice Mayor Jenkins wanted to confirm that the installation of the MUSCO lighting wasn't included in the bid. Mr. Martin confirmed the bid didn't include installation of the lighting. Installation should be able to be done by ourselves, that is why it isn't included. Vice Mayor Jenkins wanted to confirm that not only are we saving money in the difference of the cost of the MUSCO Lighting by using a different brand but also the cost of installation is included in the Terra Verde bid but wasn't included in the cost of the lighting. Mr. Martin said yes. **Motion** made by Councilor Bunter to approve Change Order #3 requested by Tierra Verde Builders for the Camp Verde Sports Complex as presented to the Council this evening. Second was made by Councilor Buchannan. **Motion** carried 5-1. Mayor German, Vice Mayor Jenkins, Councilors Whatley, Butner and Buchanan voting aye and Councilor LeBeau vote is nay.

**9. Discussion, Consideration, and Possible Direction to Staff to relocate the Toy Metal Building to the Street Yard to serve as an Equipment Garage instead of the Camp Verde Sports Complex. Staff Resource Ron Long**

Public Works Director Ron Long explained the Town purchased a used 5,000 square foot metal building. It is currently located at Toy Ranch. The building cost is



\$7,000.00 and it was going to be used as the Maintenance Garage at the Camp Verde Sports Complex. Mr. Long explained spacing is becoming an issue in the 300 building especially after adding a Human Resources Department. The maintenance shop is also in the 300 building.

The purchase of this building was originally intended to be raised and put the maintenance office in the 2<sup>nd</sup> story above the shop. After some discussion and it was decided they would really need the same type of building as the Street Yard. The Street Yard has been buying equipment and has no place to store it except out in the sun. This building would be the perfect place to store the Street Yard equipment. It would be cheaper to buy a brand new metal building to put at the park and move this building to the street yard. It wouldn't have to be reconstructed right away but put it in a future budget to have it erected.

Mr. Long would like to use money from the HERF Fund to move the building.

Vice Mayor Jenkins asked how much is the estimate cost to erect it to get to the total figure? Mr. Long stated the low bid to erect it as 2 story building was \$195,000.00 and the low bid to move it is \$40,000.00 If we get it moved, staff would erect it and could be about \$100,000.00 to reconstruct as a one-story building.

Town Manager Russ Martin said there is \$197,000.00 to use in HERF that wasn't used for projects. It was intended and would fulfill one of their commitments.

Councilor LeBeau asked if there is \$197,000.00 in HERF Fund now. Mr. Martin stated, yes.

Councilor LeBeau asked if there are plans for the additional \$150,000.00? Mr. Martin stated there was but not right now. Staff could send it back out for rebid for the complete project. Mr. Long would like to go ahead and move the building, and reduce the cost of the foundation then take it back out to bid to put building up as a one story. It would cost approximately cost \$100,000.00 to reconstruct. The property is about to change hands so we need to get it out of there. The Forest Service is the new owner and wants the building gone before the escrow transaction is finished which is the end of the month. Mr. Long has permits to move it, we just need to know where to take it.

Councilor Whatley wants to sell the building for \$5,000.00 and let someone else deal with it. She did the math and it will be almost be a quarter of million for the building. She cannot see spending a quarter of a million on this building. Mr. Martin stated the price per square foot is actually a good deal when you compare it to the cost of a new building.

Mayor German asked if there is any legal impediment on moving the building. Mr. Martin stated no. Mayor German asked if it would be prudent to continue the original savings and could it be established by what Mr. Long is saying. It would be nice to erect it as soon as it is moved but if that is not possible at least moving it to the streets department. **Motion** was made by Councilor LeBeau move to award the contract to Woodruff Construction for \$45,000.00 to disassemble and relocate the

5,000 square foot “Toy Metal Building” to the Street Yard to serve as an Equipment Garage. Second was made by Councilor Buchanan. **Motion** carried 5-1. Mayor German, Vice Mayor Jenkins, Councilors LeBeau, Butner and Buchanan voting aye and Councilor Whatley voting nay.

**10. Discussion, Consideration and Possible Approval of an easement agreement between the Town of Camp Verde and Seacrest Investments, LLC, for an approximately 14-foot strip of land adjacent to the Marshal’s Office parking lot. Staff Resource Russ Martin**

Town Manager Russ Martin stated the property was being sold to a new owner when the fence line was determined to have a 14-foot encroachment into the parcel where CVMO is (on the parking lot side). During that time, there were several different discussions as to how to correct this issue for a clear title. It was determined that having a revocable easement, would be best. This would allow the Town to utilize the property in the future but clear up the title and liability. A simple Easement Agreement was put together and a cost of \$500.00 for 2,600 square feet of easement was agreed upon. This would cover the costs associated with the transaction. The property can revert back to the Town for full use in the future as necessary. The new owner would like to continue to utilize it. Both sets of attorneys have reviewed the Easement Agreement. **Motion** was made by Councilor Buchanan to approve of an Easement Agreement through the Town of Camp Verde and Seacrest Investments LLC for an approximately 14-foot strip of land adjacent to the Marshal’s Office parking lot. Second was made by Vice Mayor Jenkins. **Motion** carried unanimously with Mayor German, Vice Mayor Jenkins, Councilors Whatley, LeBeau, Butner and Buchanan approving.

**11. 2020 Covid-19 Update – Staff Resource Russ Martin**

Financial Director Mike Showers gave a financial update. The negative news is he has the estimates from the State on how they are going to change their numbers. In the State TPT, they dropped their estimates 20% (which is about \$252,000.00), VLT dropped by 2% and the Income Tax dropped 2% as well. This means we are down about \$300,000.00 in state revenues.

Our local tax revenues (through the middle of May) have pulled in \$365,000.00 in local TPT revenues and we still have two weeks of May left. The chances of making budget is very strong and could possibly be the best month of the year during COVID. Mr. Showers thinks it might even be slightly over the budgeted number. He predicts as good or better for this year. He has already adjusted next year’s state budget downwards.

Town Manager Russ Martin stated 1.284 million dollars has been allocated to the Town of Camp Verde through the end of December 2020. Staff will have to ask for it and demonstrate public safety expenses have been spent. That expense can be requested through the Treasury Department to be reimbursed. We can add 1.28 million to our cash flow. State Revenue funds will still need to be covered. It will be business as usual. This revenue is from the CARES ACT. Mr. Martin stated we are in good shape and is confident of our financial position.

Mr. Martin stated staff is waiting for Phase 2 from the Governor to move forward with reopening. He also reviewed the COVID numbers for the county.

Mr. Martin stated press releases are in Council Members mailboxes. Summer Camp will be starting Monday. Full staff is planned to cover camp. They are still on track for the pool to open next weekend on June 13<sup>th</sup>. Cornfest is still planned but they are only announcing it locally. They are trying to contact nonprofits to be vendors at Cornfest.

- 12. Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** *Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to A.R.S. §38-431.01(H))*

None

**13. Council Informational Reports.**

Vice Mayor Jenkins has been going to the Farmers Market every Saturday morning. Councilor Butner spoke about the current George Floyd situation. He said Camp Verde is a diverse community and would like Council to direct Marshall Rowley to meet with other law enforcement departments in the Verde Valley and structure a diversity program. He would also like a team created to respond appropriately to civil disobedience and protests. Mayor German directed staff to put this on an agenda for future work session.

Mayor German has been working with local businesses. There will be a ribbon cutting ceremony for new businesses on June 19<sup>th</sup>. He also mentioned that Denny's has also re-opened. He is encouraged that businesses are coming back. Mayor German commends staff on keeping updated information posted.

**14. Manager/Staff Report**

Town Manager Russ Martin:

- The new website is going live July 6<sup>th</sup>
- Lieutenant Jacobs did a nice job putting together a school resources grant and it has been awarded. This will be a 3-year opportunity.
- July 2<sup>nd</sup> the Town will be celebrating with Carol Brown her retirement. Mr. Martin will be barbequing burgers at the gazebo from 12:00 p.m.-1:30 p.m.

**15. Adjournment**

Mayor German adjourned the meeting at 8:16 p.m.

\_\_\_\_\_  
Mayor Charles German

\_\_\_\_\_  
Attest: Town Clerk Cindy Pemberton

**CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on June 3, 2020. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Cindy Pemberton, Town Clerk

DRAFT



**Agenda Item Submission Form – Section I**

**Meeting Date:** June 17, 2020

Consent Agenda       Decision Agenda       Executive Session Requested

Presentation Only       Action/Presentation

**Requesting Department:** Town Clerk

**Staff Resource/Contact Person:** Cindy Pemberton

**Agenda Title (be exact):** Possible Approval for Barbara A Predmore, Alcantara LLC for Fair/Festival Liquor License for 6101 E Coury Drive Camp Verde for Friday, Saturday and Sundays beginning 06-19-2020 and ending 07-26-2020. Six Applications Attached.

**List Attached Documents:** Fair/Festival Liquor License Application

**Estimated Presentation Time:**

**Estimated Discussion Time:**

**Reviews and comments Completed by:**

Town Manager:   N/A         Department Head: \_\_\_\_\_

Town Attorney Comments: \_\_\_\_\_

Risk Management:   N/A   \_\_\_\_\_

**Finance Department**  
**Fiscal Impact:**  
**Budget Code:** \_\_\_\_\_ **Amount Remaining:** \_\_\_\_\_  
**Comments:**

**Background Information:** Application received on 06-04-2020

**Recommended Action (Motion):** Approve Fair-Festival License application

**Instructions to the Clerk:**



Arizona Department of Liquor Licenses and Control  
 800 W Washington 5th Floor  
 Phoenix, AZ 85007-2934  
 www.azliquor.gov  
 (602) 542-5141

FOR DLIC USE ONLY

Received Date:	
Job #:	
CSR:	
License #:	

**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
 A.R.S. § 4-203.03 Farm Winery Fee: \$15.00 per Day

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see page 3). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

**SECTION 1** Application type:

Craft Distillery/Wine Fair  Craft Distillery/Wine Festival

1. Individual/Agent's Name: Barbara Peedmore Liquor License #: 13133010

2. Business name: Alcantara LLC Contact Phone #: 928 649 8463

3. Mailing address: PO Box 64, 3445 S. Grapevine Way Cottonwood AZ  
Street Address City State Zip Code

4. Location of fair/festival: 6101 E. Coury Dr Camp Verde AZ 86322  
Street address City County Zip Code

5. Email Address: Kerny@alcantaravineyard.com

6. Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No

If yes, please provide the License # \_\_\_\_\_

**SECTION 2** Date & Hours:

Fair/Festival Days permitted: A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>6/12/20</u>	<u>Fri</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>6/13/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>6/14/20</u>	<u>Sun</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

**SECTION 3** Controlling Person of Location:  
(Person authorizing use of location)

1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

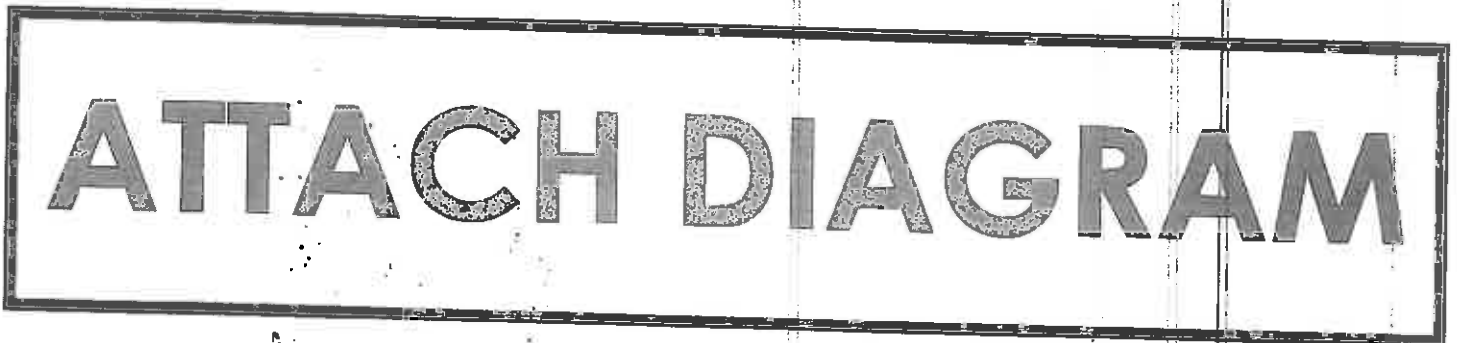
2. Mailing address: 6101 E. Covy Dr Camp Verde AZ 86322  
Street address City State Zip Code

3. Email Address: J. Bradshaw@RA Sedona.com

**SECTION 4** To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?  
 Yes (Please submit letter from Agent/Owner of Site)  No
2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?  
 Yes  No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
Number of Police Officers on Site: \_\_\_\_\_ Fencing  Yes  No  
Number of Security Personnel on Site: \_\_\_\_\_ Barriers  Yes  No
5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302)  Yes  No

**SECTION 5** Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



I, (Print Full Name) Barbara Predmore, hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.

Applicant Signature: [Signature]

1/22/2019

page 2 of 3

Individuals requiring ADA accommodations please call (602)542-9027

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

**GOVERNING BOARD**

I, _____ (Government Official)	_____ recommend <input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL (Title)	
on behalf of _____ (City, Town, County, State)	_____ Date _____ Signature	_____ Phone #

**DLIC USE ONLY**

<input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL	BY: _____	DATE: _____
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**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice**

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.





Arizona Department of Liquor Licenses and Control  
 800 W Washington, 5th Floor  
 Phoenix, AZ 85007-2934  
 www.azliquor.gov  
 (602) 542-5141

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Received Date:	
Job #:	
CSR:	
License #:	

**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
 A.R.S. § 4-203.03 Farm Winery Fee: \$15.00 per Day

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see page 3). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

**SECTION 1** Application type:

Craft Distillery/Wine Fair

Craft Distillery/Wine Festival

- Individual/Agent's Name: Barbara Predmore Liquor License #: 13133010
  - Business name: Alcantara LLC Contact Phone #: 9286498463
  - Mailing address: PO BOX 64, 3445 S. Grapevine Way Co. Honwood AZ  
Street Address City State Zip Code
  - Location of fair/festival: 6101 E. Coory Dr Camp Verde AZ 86322  
Street address City County Zip Code
  - Email Address: Kerry@alcantara vineyard.com
  - Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No
- If yes, please provide the license # \_\_\_\_\_

**SECTION 2** Date & Hours:

**Fair/Festival Days permitted:** A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>6/19/20</u>	<u>Fr.</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>6/20/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>6/21/20</u>	<u>Sun</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

**SECTION 3** Controlling Person of Location:  
(Person authorizing use of location)

1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

2. Mailing address: 6101 E. Covy Dr Camp Verde AZ 86322  
Street address City State Zip Code

3. Email Address: J. Bradshaw@RA Sedona.com

**SECTION 4** To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?  
 Yes (Please submit letter from Agent/Owner of Site)  No
2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?  
 Yes  No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
Number of Police Officers on Site: \_\_\_\_\_ Fencing  Yes  No  
Number of Security Personnel on Site: \_\_\_\_\_ Barriers  Yes  No
5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302)  Yes  No

**SECTION 5** Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

**ATTACH DIAGRAM**

I, (Print Full Name) Barbara Predmore hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.  
Applicant Signature: [Signature]

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

**GOVERNING BOARD**

I, _____ (Government Official)	_____ recommend (Title)	<input type="checkbox"/> APPROVAL	<input type="checkbox"/> DISAPPROVAL
on behalf of _____ (City, Town, County, State)	_____ Signature	_____ Date	_____ Phone #

**DLLC USE ONLY**

<input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL	BY: _____	DATE: _____
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**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice**

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

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License #:	

**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
 A.R.S. § 4-203.03 Farm Winery Fee: \$15.00 per Day

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see page 3). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

**SECTION 1** Application type:

Craft Distillery/Wine Fair  Craft Distillery/Wine Festival

- Individual/Agent's Name: Barbara Fredmore Liquor License #: 13133010
  - Business name: Alcantara LLC Contact Phone #: 928 649 8463  
Farm Winery or Craft Distillery
  - Mailing address: PO Box 64, 3445 S. Grapevine Way Cottonwood AZ  
Street Address City State Zip Code 86326
  - Location of fair/festival: 6101 E. Coory Dr Camp Verde AZ 86322  
Street address City County Zip Code
  - Email Address: Kerny@alcantara-vineyard.com
  - Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No
- If yes, please provide the License # \_\_\_\_\_

**SECTION 2** Date & Hours:

**Fair/Festival Days permitted:** A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>6/26/20</u>	<u>Fri</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>6/27/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>6/28/20</u>	<u>SUN</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

**SECTION 3** Controlling Person of Location:  
(Person authorizing use of location)

1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

2. Mailing address: 6101 E. Covy Dr Camp Verde AZ 86322  
Street address City State Zip Code

3. Email Address: J. Bradshaw@RA Sedona.com

**SECTION 4** To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?  
 Yes (Please submit letter from Agent/Owner of Site)  No
2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?  
 Yes  No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
Number of Police Officers on Site: \_\_\_\_\_ Fencing  Yes  No  
Number of Security Personnel on Site: \_\_\_\_\_ Barriers  Yes  No
5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302)  Yes  No

**SECTION 5** Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

**ATTACH DIAGRAM**

I, (Print Full Name) Barbara Predmore, hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.  
Applicant Signature: [Signature]

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

**GOVERNING BOARD**

I, _____	_____	recommend <input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL	
(Government Official)	(Title)		
on behalf of _____	_____	_____	_____
(City, Town, County, State)	Signature	Date	Phone #

**DLLC USE ONLY**

<input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL	BY: _____	DATE: _____
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**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice**

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

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CSR:	
License #:	

**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
 A.R.S. § 4-203.03 Farm Winery Fee: \$15.00 per Day

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

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**SECTION 1** Application type:

Craft Distillery/Wine Fair

Craft Distillery/Wine Festival

- Individual/Agent's Name: Barbara Fredmore Liquor License #: 13133010
- Business name: Alcantara LLC Contact Phone #: 9286498463
- Mailing address: PO Box 64, 3445 S. Grapevine Way Cottonwood AZ  
Street Address City State Zip Code Farm Winery or Craft Distillery
- Location of fair/festival: 6101 E. Coury Dr Camp Verde AZ 86322  
Street address City State Zip Code
- Email Address: Kerry@alcantara.vineyard.com  
County Zip Code
- Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No  
 If yes, please provide the license # \_\_\_\_\_

**SECTION 2** Date & Hours:

**Fair/Festival Days permitted:** A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>7/3/20</u>	<u>Fri</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>7/4/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>7/5/20</u>	<u>Sun</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

**SECTION 3** Controlling Person of Location:  
(Person authorizing use of location)

1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

2. Mailing address: 6101 E. Covy Dr Camp Verde AZ 86322  
Street address City State Zip Code

3. Email Address: J. Bradshaw@RA Sedona.com

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2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?  
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3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
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**SECTION 5** Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

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Applicant Signature: [Signature]



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**GOVERNING BOARD**

I, _____ <div style="display: flex; justify-content: space-between; width: 80%; margin: 0 auto;"> <span>(Government Official)</span> <span>(Title)</span> </div>	recommend <input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL
on behalf of _____ <div style="display: flex; justify-content: space-between; width: 80%; margin: 0 auto;"> <span>(City, Town, County, State)</span> <span>Signature</span> <span>Date</span> <span>Phone #</span> </div>	

**DLLC USE ONLY**

<input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL BY: _____	DATE: _____
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**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice**

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License #:	

**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
 A.R.S. § 4-203.03 Farm Winery **Fee: \$15.00 per Day**

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see page 3). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

**SECTION 1** Application type:

Craft Distillery/Wine Fair

Craft Distillery/Wine Festival

1. Individual/Agent's Name: Barbara Predmore Liquor License #: 13133010

2. Business name: Alcantara LLC Contact Phone #: 9286498463

3. Mailing address: PO Box 64, 3455 S. Grapevine Way Cottonwood AZ  
Street Address City State Zip Code

4. Location of fair/festival: 6101 E. Covy Camp Verde AZ 86322  
Street address City County Zip Code

5. Email Address: Kerry@alcantaravineyard.com

6. Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No

If yes, please provide the license # \_\_\_\_\_

**SECTION 2** Date & Hours:

**Fair/Festival Days permitted:** A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>7/10/20</u>	<u>Fri</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>7/11/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>7/12/20</u>	<u>Sun</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

**SECTION 3** Controlling Person of Location:  
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1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

2. Mailing address: 6101 E. Covy Dr Camp Verde AZ 86322  
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 Yes (Please submit letter from Agent/Owner of Site)  No
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 Yes  No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
Number of Police Officers on Site: \_\_\_\_\_ Fencing  Yes  No  
Number of Security Personnel on Site: \_\_\_\_\_ Barriers  Yes  No
5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302)  Yes  No

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Applicant Signature: 

1/22/2019

page 2 of 3

Individuals requiring ADA accommodations please call (602)542-9027

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**GOVERNING BOARD**

_____ (Government Official)	_____ (Title)	recommend <input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL
on behalf of _____ (City, Town, County, State)	_____ Signature	_____ Date
		_____ Phone #

**DLLC USE ONLY**

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**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
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**SECTION 1** Application type:

- Craft Distillery/Wine Fair       Craft Distillery/Wine Festival

1. Individual/Agent's Name: Barbara Predmore      Liquor License #: 13133010  
 2. Business name: Alcantara LLC      Contact Phone #: 9286498463  
 3. Mailing address: PO Box 64, 3445 Grapevine Way Cottonwood      Farm Winery or Craft Distillery  
Street Address      City      State      Zip Code 86326  
 4. Location of fair/festival: 6101 E. Coury Dr Camp Verde AZ      86322  
Street address      City      County      Zip Code  
 5. Email Address: Kerry @ Alcantara Vineyard.com

6. Will this event be held on a currently licensed premise and within the already approved premises?       Yes       No  
 If yes, please provide the license # \_\_\_\_\_

**SECTION 2** Date & Hours:

Fair/Festival Days permitted: A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>7/18/20</u>	<u>Fri</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>7/19/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>7/20/20</u>	<u>Sun</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

**SECTION 3** Controlling Person of Location:  
(Person authorizing use of location)

1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

2. Mailing address: 6101 E. Covy Dr Camp Verde AZ 86322  
Street address City State Zip Code

3. Email Address: J. Bradshaw@RA Sedona.com

**SECTION 4** To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?  
 Yes (Please submit letter from Agent/Owner of Site)  No
2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?  
 Yes  No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
Number of Police Officers on Site: \_\_\_\_\_ Fencing  Yes  No  
Number of Security Personnel on Site: \_\_\_\_\_ Barriers  Yes  No
5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302)  Yes  No

**SECTION 5** Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 3, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

**ATTACH DIAGRAM**

I, (Print Full Name) Barbara Predmore hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.

Applicant Signature: [Signature]

1/22/2019

page 2 of 3

Individuals requiring ADA accommodations please call (602)542-9027

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

**GOVERNING BOARD**

I, _____ (Government Official)	_____ (Title)	recommend <input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL	
on behalf of _____ (City, Town, County, State)	_____ Signature	_____ Date	_____ Phone #

**DLC USE ONLY**

<input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL BY: _____	DATE: _____
--	-------------

**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice**

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



Arizona Department of Liquor Licenses and Control  
 800 W Washington 5th Floor  
 Phoenix, AZ 85007-2934  
 www.azliquor.gov  
 (602) 542-5141

FOR DLLC USE ONLY	
Received Date:	
Job #:	
CSR:	
License #:	

**FAIR/FESTIVAL LICENSE APPLICATION**  
 A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event  
 A.R.S. § 4-203.03 Farm Winery **Fee: \$15.00 per Day**

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see page 3). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

**SECTION 1** Application type:

Craft Distillery/Wine Fair

Craft Distillery/Wine Festival

1. Individual/Agent's Name: Barbara Predmore Liquor License #: 13133010

2. Business name: Alcantara LLC Contact Phone #: 928 649 8463

3. Mailing address: PO Box 64, 3445 S Grapevine Way Cottonwood 86326  
Street Address City State Zip Code Farm Winery or Craft Distillery

4. Location of fair/festival: 6101 E. Coury Dr Camp Verde AZ 86322  
Street address City State Zip Code

5. Email Address: Kerry@AlcantaraVineyard.com  
County Zip Code

6. Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No

If yes, please provide the License # \_\_\_\_\_

**SECTION 2** Date & Hours:

**Fair/Festival Days permitted:** A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>7/24/20</u>	<u>Fri</u>	<u>12:00</u>	<u>7:00</u>
2.	<u>7/25/20</u>	<u>Sat</u>	<u>12:00</u>	<u>7:00</u>
3.	<u>7/26/20</u>	<u>Sun</u>	<u>12:00</u>	<u>5:00</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary



**SECTION 3** Controlling Person of Location:  
(Person authorizing use of location)

1. Name: John Bradshaw Daytime Contact Phone #: 928 300 3217  
First Last

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1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?  
 Yes (Please submit letter from Agent/Owner of Site)  No
2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?  
 Yes  No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 24
4. What security and control measures will you take to prevent violations of state liquor laws at this event?  
Number of Police Officers on Site: \_\_\_\_\_ Fencing  Yes  No  
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**SECTION 5** Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

**ATTACH DIAGRAM**

I, (Print Full Name) Barbara Predmore hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.  
Applicant Signature: [Signature]

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

**GOVERNING BOARD**

I, _____ (Government Official)	_____ recommend (Title)	<input type="checkbox"/> APPROVAL	<input type="checkbox"/> DISAPPROVAL
on behalf of _____ (City, Town, County, State)	_____ Signature	_____ Date	_____ Phone #

**DLIC USE ONLY**

<input type="checkbox"/> APPROVAL <input type="checkbox"/> DISAPPROVAL	BY: _____	DATE: _____
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**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice**

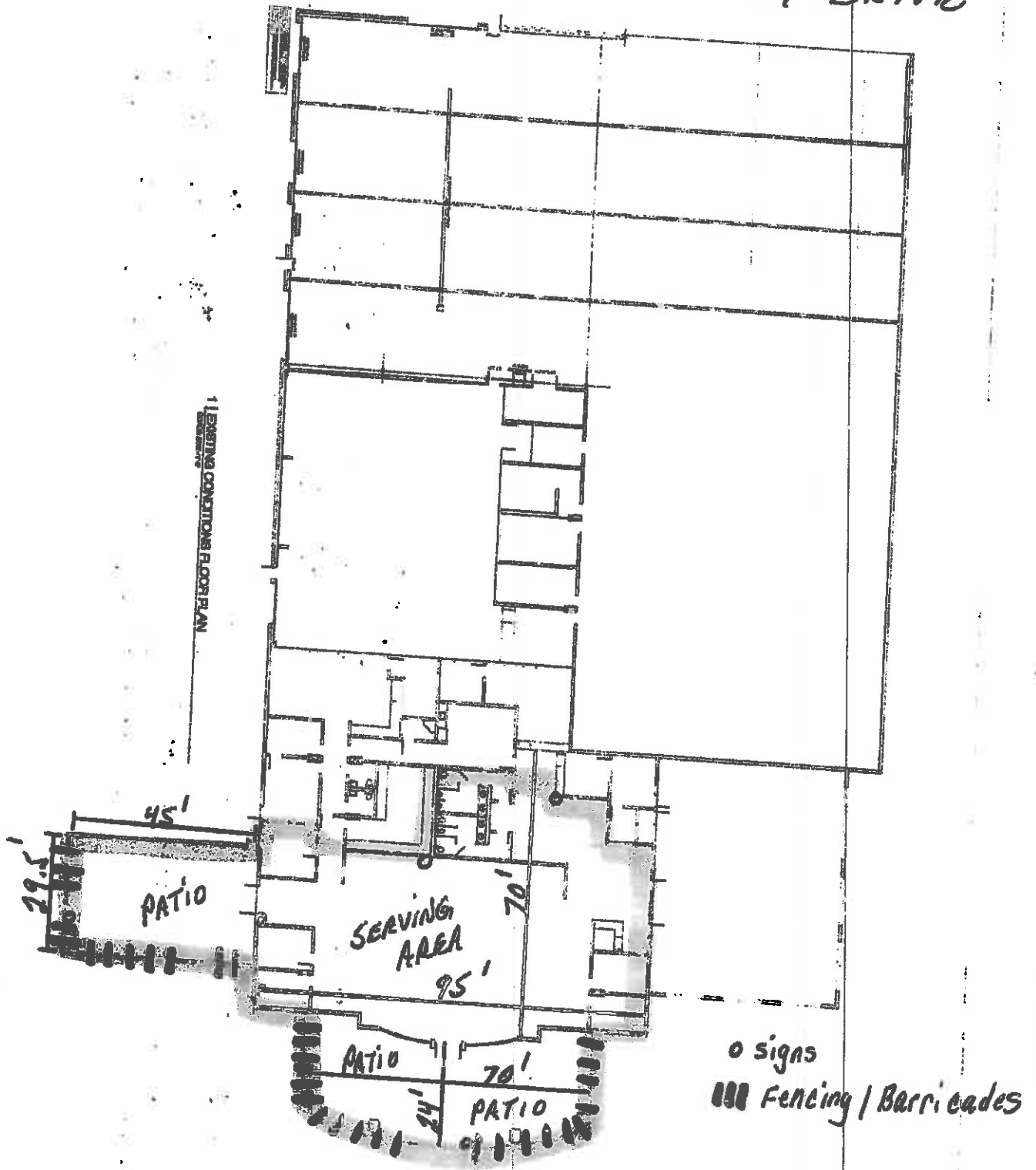
B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

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F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.

# ALCANTARA VINEYARD SCHEMATIC FOR 6101 E. COURY DRIVE



**V.V.C.A.C.**  
6101 E. COURY ROAD, CAMP VERDE, ARIZONA

**PRELIMINARY FLOOR PLAN**

SCHEMATIC SET

MUSPA - AGRICULTURE  
45' x 70' x 24' x 24' x 14'  
Lodging at 86388  
832 272 9000

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Town of Camp Verde

**Agenda Item Submission Form – Section I**

**Meeting Date:** June 17, 2020

Consent Agenda     Decision Agenda     Executive Session Requested

Presentation Only     Action/Presentation     Special Session

**Requesting Department:** Finance

**Staff Resource/Contact Person:** Mike Showers

**Agenda Title (be exact):** Discussion & possible approval of The Town of Camp Verde FY21 Proposed Tentative Budget.

**List Attached Documents:** 1) Town of Camp Verde FY21 Proposed Tentative Budget

**Estimated Presentation Time:** 10 minutes

**Estimated Discussion Time:** 20 minutes

**Reviews Completed by:**

Town Attorney Comments: N/A

Department Head:

Budgeted     Unbudgeted     N/A

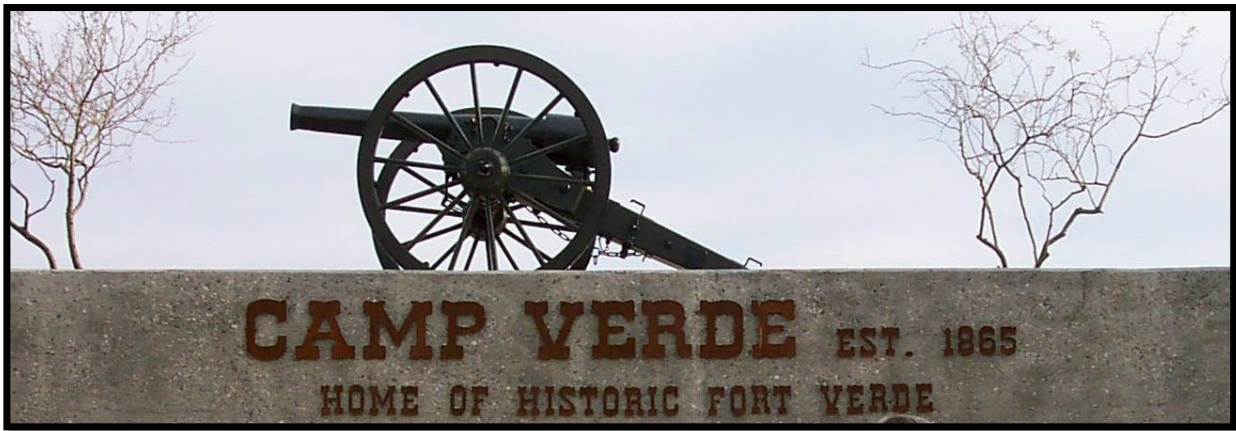
**Fiscal Impact:** N/A

**Comments:** None.

**Background Information:** The Tentative Budget is not the Final Town Budget but once accepted, total expenses cannot be increased, but rather only decreased or moved. The FY21 Final Budget will be presented in July.

**Recommended Action (Motion):** Approval of The Town of Camp Verde FY21 Proposed Tentative Budget.

**Instructions to the Clerk:** N/A



# Proposed Tentative Budget

Fiscal Year - 2020/21

## Town of Camp Verde, Arizona

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

The Center Of It All

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# Revenue & Expense Summary

## All Funds

### Revenues by Source

ACCOUNT TITLE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUESTED	2020-21 MANAGER RECOMMEND
Local Sales Taxes	4,642,673	4,389,578	4,845,750	3,393,485	4,942,800	4,942,800
Franchise Fees	286,342	287,034	291,500	214,612	292,000	292,000
Intergovernmental Revenues	4,524,788	4,790,376	5,739,570	3,721,594	11,234,026	10,911,831
Licenses & Permits	78,449	71,201	83,750	192,888	223,500	222,500
Fines & Forfeitures	164,879	212,560	186,550	128,211	188,500	198,500
Charges for Services	126,496	90,503	184,485	122,444	189,760	189,760
Wastewater User Fees	1,085,778	1,428,647	1,450,600	1,450,616	1,753,600	1,753,600
Water User Fees	0	0	1,200,000	0	1,200,000	1,200,000
Grants & Donations	34,515	64,535	4,024,600	233,984	3,714,600	3,714,600
Debt Funds	7,328,214	1,697,723	4,199,333	0	6,905,000	7,570,000
Miscellaneous	564,484	354,110	557,296	543,081	516,870	516,870
<b>Total Revenues</b>	<b>\$ 18,836,618</b>	<b>\$ 13,386,267</b>	<b>\$ 22,763,434</b>	<b>\$ 10,000,915</b>	<b>\$ 31,160,656</b>	<b>\$ 31,512,461</b>

### Expenses by Type

ACCOUNT TITLE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUESTED	2020-21 MANAGER RECOMMEND
Wages & ERE	6,179,539	6,728,504	8,334,085	5,793,302	9,337,690	8,909,954
Operating	2,791,317	2,896,389	3,770,935	2,357,317	4,216,170	4,128,490
Capital Outlay	2,838,608	6,677,759	12,464,851	1,724,459	20,093,964	20,288,964
Debt Service	1,111,485	1,457,707	1,742,365	1,658,775	1,603,220	1,603,220
Depreciation & Bad Debt	852,797	851,550	1,000,000	0	1,000,000	1,000,000
<b>Total Expenses</b>	<b>\$ 13,773,746</b>	<b>\$ 18,611,909</b>	<b>\$ 27,312,236</b>	<b>\$ 11,533,853</b>	<b>\$ 36,251,044</b>	<b>\$ 35,930,628</b>



# Complete Town Budget Overview

## By Fund FY 2020-21

	Major Budget Funds							
	General Fund	Wastewater Fund	Parks Fund	CIP Fund	Debt Service Fund	Water Fund	Non-Fed Fund	Federal Grants Fund
<b>Revenues by Source</b>								
Local Sales Taxes	4,942,800	0	0					
Franchise Fees	292,000	0	0					
Intergovernmental Revenues	3,708,145	0	0				269,000	5,631,791
Licenses & Permits	222,500	0	0					
Fines & Forfeitures	166,500	0	0					
Charges for Services	189,760	1,753,600	0			1,200,000		
Grants & Donations	12,500	2,850,000	0				750,000	
Debt Funds	0	4,815,000	2,500,000	255,000				
Miscellaneous	107,100	309,200	0					
<b>Total Revenues</b>	<b>\$ 9,641,305</b>	<b>\$ 9,727,800</b>	<b>\$ 2,500,000</b>	<b>\$ 255,000</b>	<b>\$ -</b>	<b>\$ 1,200,000</b>	<b>\$ 1,019,000</b>	<b>\$ 5,631,791</b>

### Expenses by Type

Wages & ERE	6,994,154	638,385	0			840,000	64,000	22,000
Operating	2,027,944	684,800	0	0		360,000	25,000	42,000
Capital Outlay	2,000	7,256,000	9,327,620	2,436,894			930,000	8,000
Debt Service	0	212,825	0		1,390,395			
Depreciation	0	1,000,000	0					
<b>Total Expenses</b>	<b>\$ 9,024,098</b>	<b>\$ 9,792,010</b>	<b>\$ 9,327,620</b>	<b>\$ 2,436,894</b>	<b>\$ 1,390,395</b>	<b>\$ 1,200,000</b>	<b>\$ 1,019,000</b>	<b>\$ 72,000</b>

### Operating Transfers

Transfers Out	1,421,255	0	0					5,559,791
Transfers In	(42,000)	0	0	(1,991,066)	(1,390,395)			
<b>Total Transfers</b>	<b>\$ 1,379,255</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,991,066)</b>	<b>\$ (1,390,395)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,559,791</b>

20

<b>Net Increase/(Decrease) in Fund Balance</b>	<b>\$ (762,048)</b>	<b>\$ (64,210)</b>	<b>\$ (6,827,620)</b>	<b>\$ (190,828)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
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### Changes in Fund Balance

Beginning Fund Balance Estimate	2,007,416	15,691,209	3,119,823	471,677	0	0	12,877	2,849
<b>Ending Fund Balance</b>	<b>\$ 1,245,368</b>	<b>\$ 15,626,999</b>	<b>\$ (3,707,797)</b>	<b>\$ 280,849</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,877</b>	<b>\$ 2,849</b>

<b>Percentage change in Fund Balance</b>	<b>38%</b>	<b>0%</b>	<b>219%</b>	<b>40%</b>	<b>N/A</b>	<b>N/A</b>	<b>0%</b>	<b>0%</b>
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# Complete Town Budget Overview

## By Fund

### FY 2020-21

	HURF Fund	CDBG Fund	Magistrate Fund	911 Fund	Housing Fund	Rest'd Fund	Non Major Funds	Total Governmental Funds
<b>Revenues by Source</b>								
Local Sales Taxes							0	4,942,800
Franchise Fees							0	292,000
Intergovernmental Revenues	991,445	308,450	3,000				7,203,686	10,911,831
Licenses & Permits							0	222,500
Fines & Forfeitures			28,000			4,000	32,000	198,500
Charges for Services							1,200,000	3,143,360
Grants & Donations						102,100	852,100	3,714,600
Debt Funds							255,000	7,570,000
Miscellaneous	10,000				50,570	40,000	100,570	516,870
<b>Total Revenues</b>	<b>\$ 1,001,445</b>	<b>\$ 308,450</b>	<b>\$ 31,000</b>	<b>\$ -</b>	<b>\$ 50,570</b>	<b>\$ 146,100</b>	<b>\$ 9,643,356</b>	<b>\$ 31,512,461</b>
<b>Expenses by Type</b>								
Wages & ERE	351,415						1,277,415	8,909,954
Operating	404,960		128,700	1,361	70,000	383,725	1,415,746	4,128,490
Capital Outlay	20,000	308,450					3,703,344	20,288,964
Debt Service							1,390,395	1,603,220
Depreciation							0	1,000,000
<b>Total Expenses</b>	<b>\$ 776,375</b>	<b>\$ 308,450</b>	<b>\$ 128,700</b>	<b>\$ 1,361</b>	<b>\$ 70,000</b>	<b>\$ 383,725</b>	<b>\$ 7,786,900</b>	<b>\$ 35,930,628</b>
<b>Operating Transfers</b>								
Transfers Out	442,415				0		6,002,206	7,423,461
Transfers In							(3,381,461)	(3,423,461)
<b>Total Transfers</b>	<b>\$ 442,415</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,620,745</b>	<b>\$ 4,000,000</b>
<b>Net Increase/(Decrease) in Fund Balance</b>	<b>\$ (217,345)</b>	<b>\$ -</b>	<b>\$ (97,700)</b>	<b>\$ (1,361)</b>	<b>\$ (19,430)</b>	<b>\$ (237,625)</b>	<b>\$ (764,289)</b>	<b>\$ (8,418,167)</b>
<b>Changes in Fund Balance</b>								
Beginning Fund Balance Estimate	134,255	0	75,342	1,361	91,060	118,262	1,576,389	21,726,131
<b>Ending Fund Balance</b>	<b>\$ (83,090)</b>	<b>\$ -</b>	<b>\$ (22,358)</b>	<b>\$ -</b>	<b>\$ 71,630</b>	<b>\$ (119,363)</b>	<b>\$ 812,100</b>	<b>\$ 13,307,964</b>
<b>Percentage change in Fund Balance</b>	<b>162%</b>	<b>N/A</b>	<b>130%</b>	<b>100%</b>	<b>21%</b>	<b>201%</b>	<b>48%</b>	<b>39%</b>

# FTE Staffing Levels

Department	FY18	FY19	FY20		FY21
	Actual	Actual	Actual	Budget	Budget
<b>General Government</b>	11.30	11.10	11.30	11.30	11.30
Town Council	N/A	N/A	N/A	N/A	N/A
Manager's Office	1.00	1.00	1.00	1.00	1.00
Clerk's Office	2.00	2.00	2.00	2.00	2.00
Finance Dept.	3.00	3.00	3.00	3.00	3.00
HR	1.00	1.00	1.00	1.00	1.00
Risk Management	1.10	1.20	1.20	1.20	1.20
Economic Development	3.20	2.90	3.10	3.10	3.10
IT Dept	N/A	N/A	N/A	N/A	N/A
<b>Magistrate Court</b>	4.70	5.70	6.20	6.20	6.20
<b>Public Works</b>	24.90	25.40	25.90	26.40	26.90
Engineering	1.30	1.00	1.00	1.00	1.00
Stormwater	1.20	1.20	1.20	1.20	1.20
Maintenance	9.10	9.60	10.00	10.60	11.00
Streets	4.90	5.00	5.20	5.20	5.20
Sewer	8.40	8.60	8.50	8.60	8.50
<b>Community Development</b>	6.20	6.80	6.80	6.80	6.80
Building	3.90	3.80	3.80	3.80	3.80
Planning & Zoning	1.00	1.00	1.00	1.00	.50
Code Enforcement	.30	1.00	1.00	1.00	1.00
Admin	1.00	1.00	1.00	1.00	1.50
<b>Marshal's Office</b>	31.50	35.00	34.75	35.50	36.75
Sworn Officers	20.00	21.00	20.75	21.50	22.75
Dispatch	7.60	8.00	8.00	8.00	8.00
Admin	3.40	5.00	5.00	5.00	5.00
Animal Control	.50	1.00	1.00	1.00	1.00
<b>Library</b>	7.50	8.30	9.40	8.80	9.30
<b>Parks &amp; Rec</b>	5.60	6.10	7.30	6.70	7.30
Pool	2.60	2.60	2.60	2.60	2.60
Events	0.00	0.00	.60	.60	.60
Rec Programs	1.70	2.20	2.90	2.90	2.90
Admin	1.30	1.30	1.20	1.20	1.20
<b>Total FTE's</b>	<u>91.70</u>	<u>98.40</u>	<u>101.65</u>	<u>101.70</u>	<u>104.55</u>

**Staffing Changes** – Total increase of 2.9 FTE's from FY20 as follows:

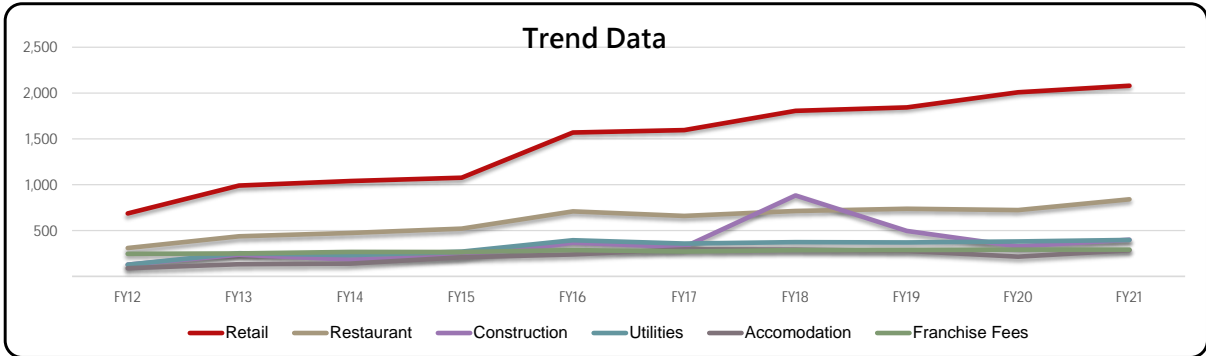
Maintenance: Added 1.0 FTE for 1 FT position at the Sports Park .....	+1.0
Marshal's Office: Added 2 Full-time officer postions .....	+2.0
Library: Reduced PT position hours by .1 FTE .....	-0.9

## General Fund Top Revenue Catagories & Trends

**Local Transaction Privilege Tax Detail - Top 6 Categories** (in Thousands)

Source	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Retail	686	990	1,040	1,076	1,569	1,596	1,806	1,843	2,008	2,080
Restaurant	309	437	473	520	709	659	713	737	724	841
Construction	128	236	183	213	367	320	883	495	327	400
Utilities	127	252	231	270	394	358	373	370	381	397
Accomodation	89	132	139	208	239	295	292	278	215	285
Franchise Fees	246	250	267	266	286	271	286	287	292	292

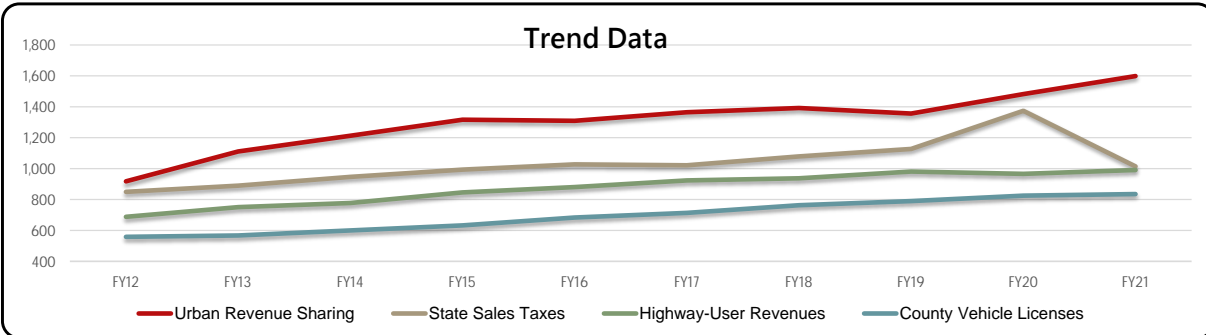
\*Est'd      \*Budget



**State & County Tax Detail** (in Thousands)

Source	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Urban Revenue Sharing	918	1,111	1,213	1,316	1,309	1,365	1,392	1,356	1,483	1,599
State Sales Taxes	850	890	946	994	1,028	1,022	1,079	1,127	1,374	1,014
Highway-User Revenues	688	751	777	846	881	924	937	981	966	991
County Vehicle Licenses	559	567	600	633	684	713	763	790	825	835

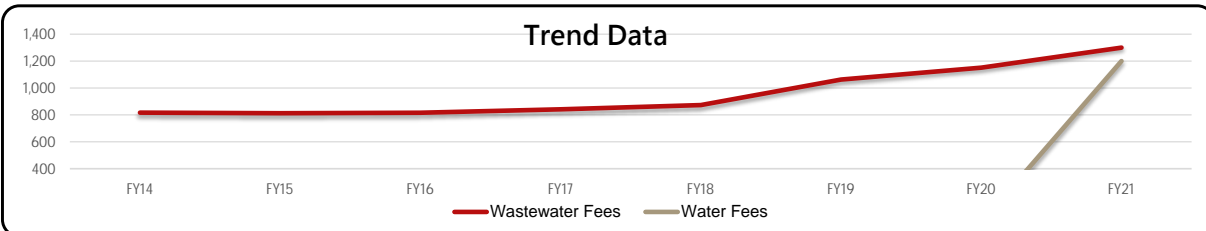
\*Est'd      \*Budget



**Enterprise Funds Fee Revenue** (in Thousands)

Source	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Wastewater Fees	N/A	N/A	817	812	816	842	873	1,063	1,151	1,300
Water Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,200

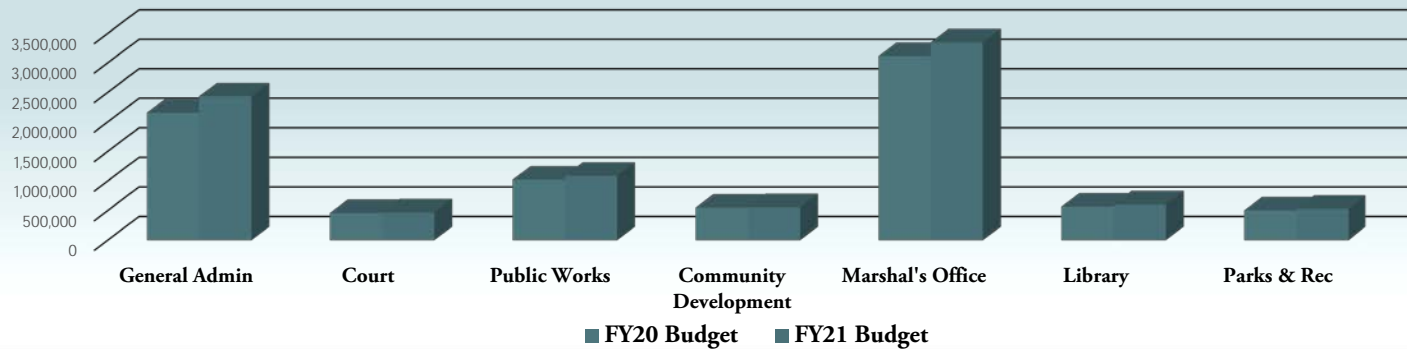
\*Est'd      \*Budget



## General Fund FY21 Summary

FUNCTIONAL AREAS	2017-18	%	2018-19	% of	2019-20	2019-20	% of	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	Chng	AUDITED ACTUAL	Bud	ADJUSTED BUDGET	THROUGH APR-20	Bud	DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
General Admin	1,958,896	7%	2,057,928	98%	2,155,510	1,627,132	75%	2,587,780	20%	432,270	2,432,793	13%	277,283
Court	349,667	-3%	399,550	95%	457,680	326,067	71%	465,910	2%	8,230	468,350	2%	10,670
Public Works	915,828	-3%	903,373	96%	1,022,345	757,109	74%	1,110,290	9%	87,945	1,087,000	6%	64,655
Community Development	495,699	-1%	525,620	98%	548,625	401,155	73%	558,050	2%	9,425	556,465	1%	7,840
Marshal's Office	2,563,136	-6%	2,809,199	97%	3,113,771	2,537,288	81%	3,442,850	11%	329,079	3,347,200	7%	233,429
Library	481,114	16%	531,499	95%	564,880	454,383	80%	662,840	17%	97,960	602,475	7%	37,595
Parks & Rec	344,225	11%	392,342	99%	500,165	361,666	72%	540,855	8%	40,690	529,815	6%	29,650
<b>Total Expenses</b>	<b>7,108,565</b>	<b>0%</b>	<b>7,619,510</b>	<b>97%</b>	<b>8,362,976</b>	<b>6,464,800</b>	<b>77%</b>	<b>9,368,575</b>	<b>12%</b>	<b>1,005,599</b>	<b>9,024,098</b>	<b>8%</b>	<b>661,122</b>
<b>REVENUES</b>													
State Revenues	3,233,989	4%	3,273,231	100%	3,681,920	2,586,123	70%	3,750,250	2%	68,330	3,448,145	-6%	-233,775
Local Taxes	4,642,673	24%	4,389,578	96%	4,845,750	3,393,485	70%	4,942,800	2%	97,050	4,942,800	2%	97,050
Departmental	701,764	-13%	785,579	93%	856,735	608,028	71%	842,360	-2%	-14,375	851,360	-1%	-5,375
Other	327,230	1%	494,362	135%	390,604	394,364	101%	399,000	2%	8,396	399,000	2%	8,396
<b>Total Revenues</b>	<b>8,905,656</b>	<b>12%</b>	<b>8,942,750</b>	<b>99%</b>	<b>9,775,009</b>	<b>6,982,000</b>	<b>71%</b>	<b>9,934,410</b>	<b>2%</b>	<b>159,401</b>	<b>9,641,305</b>	<b>-1%</b>	<b>(133,704)</b>
Net Operating Transfers Out	1,374,325	-9%	1,680,968	93%	1,947,020	1,412,755	73%	1,379,255	-29%	(567,765)	1,379,255	-29%	(567,765)
<b>Total General Fund</b>	<b>422,766</b>	<b>N/A</b>	<b>(357,728)</b>	<b>N/A</b>	<b>(534,987)</b>	<b>(895,555)</b>	<b>N/A</b>	<b>(813,420)</b>		<b>(278,433)</b>	<b>(762,048)</b>		<b>(227,061)</b>

### FY20 to FY21 General Fund Expense Budget



**General Fund Expenditures  
by Category**

EXPENSE CATEGORY	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	% of Bud	2020-21 DEPT REQUEST	% Chng	\$ Chng	2020-21 MANAGER RECMN'D	% Chng	\$ Chng
<b>Salary Related Expenditures</b>											
Wages	3,738,757	4,045,780	4,432,775	3,445,614	77.7%	4,959,735	12%	526,960	4,764,145	7%	331,370
Taxes	213,121	228,745	256,850	189,621	73.8%	274,641	7%	17,791	261,535	2%	4,685
Benefits	1,391,316	1,514,532	1,752,955	1,354,133	77.2%	2,040,075	16%	287,120	1,968,474	12%	215,519
Salaries	3,658,992	3,962,644	4,359,835	3,366,172		4,863,015	11.5%		4,678,625	7.3%	318,790
Pro Tem Judges	2,755	2,292	2,700	1,227		2,700	0.0%		2,700	0.0%	0
Overtime	50,116	53,779	42,000	56,875		62,000	47.6%		52,000	23.8%	10,000
Holiday Pay	0	0	0	0		0	#DIV/0!		0	#DIV/0!	0
Uniform Allowance	26,894	27,065	28,240	21,340		32,020	13.4%		30,820	9.1%	2,580
FICA	160,876	172,724	192,565	142,058		205,576	6.8%		195,305	1.4%	2,740
Medicare	52,245	56,021	64,285	47,563		69,065	7.4%		66,230	3.0%	1,945
Retirement	588,140	644,208	766,025	583,433		862,935	12.7%		836,430	9.2%	70,405
Retirement ACR	37,485	34,415	41,575	30,201		23,715			23,715	-43.0%	(17,860)
Unemployment Insurance	7,624	3,253	14,985	2,644		16,059	7.2%		15,339	2.4%	354
Workman's Compensation	56,023	58,281	72,455	53,212		77,706	7.2%		70,825	-2.2%	(1,630)
Health, Dental, Life & STD Insurance	633,283	684,448	767,915	629,907		939,660	22.4%		902,165	17.5%	134,250
Family Health Benefits	68,761	89,927	90,000	54,736		120,000	33.3%		120,000	33.3%	30,000
<b>Total Salary Related Expenditures</b>	<b>\$ 5,343,194</b>	<b>\$ 5,789,057</b>	<b>\$ 6,442,580</b>	<b>\$ 4,989,368</b>	<b>77.4%</b>	<b>\$ 7,274,451</b>	<b>12.9%</b>	<b>831,871</b>	<b>\$ 6,994,154</b>	<b>8.6%</b>	<b>551,574</b>
<b>Operational Expenditures</b>											
Training	23,322	28,763	43,415	17,441	40.2%	45,475	4.7%	2,060	44,295	2.0%	880
Tuition Reimbursement	980	1,869	5,000	546	10.9%	2,000	-60.0%	(3,000)	2,000	-60.0%	(3,000)
Travel	22,830	20,023	34,600	21,981	63.5%	34,000	-1.7%	(600)	33,250	-3.9%	(1,350)
Uniforms	6,183	2,198	7,120	8,306	116.7%	8,220	15.4%	1,100	8,220	15.4%	1,100
Office Supplies	34,682	34,120	31,950	28,350	88.7%	32,700	2.3%	750	32,700	2.3%	750
Subscriptions/Memberships	26,529	22,422	32,360	29,761	92.0%	33,580	3.8%	1,220	33,580	3.8%	1,220
Books/Tapes/Publications	30,780	35,697	29,550	27,023	91.4%	31,800	7.6%	2,250	31,800	7.6%	2,250
Printing	3,095	2,919	4,950	1,479	29.9%	7,450	50.5%	2,500	7,450	50.5%	2,500
Advertising	23,078	12,358	12,075	8,777	72.7%	11,375	-5.8%	(700)	11,375	-5.8%	(700)
Postage	7,354	7,001	13,000	8,287	63.7%	10,500	-19.2%	(2,500)	10,500	-19.2%	(2,500)
Computer Services/Software	239,856	220,458	224,085	224,588	100.2%	227,240	1.4%	3,155	212,240	-5.3%	(11,845)
Auto Repair/Maintenance	46,566	57,263	42,300	41,206	97.4%	43,600	3.1%	1,300	53,600	26.7%	11,300
Fuel	54,370	63,752	56,300	46,455	82.5%	55,750	-1.0%	(550)	55,750	-1.0%	(550)
Utilities	186,669	188,703	193,855	150,214	77.5%	200,370	3.4%	6,515	195,920	1.1%	2,065
Waste Removal	8,295	8,649	9,840	7,631	77.6%	12,040	22.4%	2,200	12,040	22.4%	2,200
Cell Phone	18,224	21,375	24,916	11,965	48.0%	23,735	-4.7%	(1,181)	23,735	-4.7%	(1,181)
Pest Control	3,505	3,499	3,200	2,430	75.9%	3,200	0.0%	0	3,200	0.0%	0
Consulting Services	99,545	112,439	124,400	89,668	72.1%	147,400	18.5%	23,000	133,000	6.9%	8,600
Legal Services	43,557	46,314	52,400	41,191	78.6%	53,700	2.5%	1,300	53,700	2.5%	1,300
Contract Labor/Services	132,759	128,210	133,040	107,263	80.6%	128,494	-3.4%	(4,546)	128,494	-3.4%	(4,546)
Interpreters	683	1,196	1,500	1,740	116.0%	1,750	16.7%	250	1,750	16.7%	250
Equipment & Maint	42,102	61,383	73,095	72,790	99.6%	130,255	78.2%	57,160	94,855	29.8%	21,760
Service Charges	4,454	4,933	5,000	3,917	78.3%	5,000	0.0%	0	5,000	0.0%	0
Credit Card Processing Fees	2,958	3,679	3,500	2,513	71.8%	4,300	22.9%	800	4,300	22.9%	800
Liability Insurance	153,883	178,324	170,800	129,414	75.8%	178,825	4.7%	8,025	178,825	4.7%	8,025
Safety / Security Program	1,997	1,085	2,000	1,301	65.1%	1,000	-50.0%	(1,000)	1,000	-50.0%	(1,000)
Department Specific Expenditures	482,936	436,511	483,285	385,872	79.8%	548,365	13.5%	65,080	545,365	12.8%	62,080
Employee Term Payouts	51,156	25,000	25,000	0	0.0%	35,000	40.0%	10,000	35,000	40.0%	10,000
Contingency	0	22,806	75,000	0	0.0%	75,000	0.0%	0	75,000	0.0%	0
<b>Total Operational Expenditures</b>	<b>\$ 1,752,348</b>	<b>\$ 1,752,949</b>	<b>\$ 1,917,536</b>	<b>\$ 1,472,109</b>	<b>76.8%</b>	<b>\$ 2,092,124</b>	<b>9.1%</b>	<b>174,588</b>	<b>\$ 2,027,944</b>	<b>5.8%</b>	<b>110,408</b>
<b>Equipment/Capital Expenditures</b>											
Office Equipment/Furniture	9,871	0	0	0	#DIV/0!	0	#DIV/0!	0	0	#DIV/0!	0
Structural	0	0	0	0	N/A	0	N/A	0	0	N/A	0
Equipment Lease	2,138	1,968	2,760	3,066	111.1%	2,000	-27.5%	(760)	2,000	-27.5%	(760)
Local Park Improvements	0	3,355	0	0	N/A	0	N/A	0	0	N/A	0
<b>Total Equipment/Capital Expenditures</b>	<b>\$ 12,009</b>	<b>\$ 5,323</b>	<b>\$ 2,760</b>	<b>\$ 3,066</b>	<b>111.1%</b>	<b>\$ 2,000</b>	<b>-27.5%</b>	<b>(760)</b>	<b>\$ 2,000</b>	<b>-27.5%</b>	<b>(760)</b>
<b>Total General Fund Expenditures</b>	<b>\$ 7,107,551</b>	<b>\$ 7,547,329</b>	<b>\$ 8,362,876</b>	<b>\$ 6,464,543</b>	<b>77.3%</b>	<b>\$ 9,368,575</b>	<b>12.0%</b>	<b>1,005,699</b>	<b>\$ 9,024,098</b>	<b>7.9%</b>	<b>661,222</b>

## General Purpose Revenues General Fund

ACCOUNT TITLE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	% of Bud	2020-21 DEPT REQUEST	% Chng	\$ Chng	2020-21 MANAGER RECMN'D	% Chng	\$ Chng
<b>Local Revenues</b>											
<b>Sales Taxes</b>											
Town Sales Tax	3,890,740	3,647,819	4,070,430	2,856,455	70%	4,002,800	-1.7%	\$ (67,630)	4,002,800	-1.7%	\$ (67,630)
Est'd .65 Portion of Tax Rate	751,933	741,759	775,320	537,030	69%	740,000	-4.6%	\$ (35,320)	740,000	-4.6%	\$ (35,320)
Allowance for Higher Rev's	0	0	0	0		200,000	N/A	N/A	200,000	N/A	N/A
<b>Total Sales Taxes</b>	<b>\$ 4,642,673</b>	<b>\$ 4,389,578</b>	<b>\$ 4,845,750</b>	<b>\$ 3,393,485</b>	<b>70%</b>	<b>\$ 4,942,800</b>	<b>2.0%</b>	<b>\$ 97,050</b>	<b>\$ 4,942,800</b>	<b>2.0%</b>	<b>\$ 97,050</b>
<b>Franchise Fees</b>											
APS	260,552	259,112	264,000	193,142	73%	264,000	0.0%	\$ -	264,000	0.0%	\$ -
NPG Cable	17,469	19,670	20,000	14,791	74%	20,000	0.0%	\$ -	20,000	0.0%	\$ -
UNS Gas	8,321	8,252	7,500	6,679	89%	8,000	6.7%	\$ 500	8,000	6.7%	\$ 500
<b>Total Franchise Fees</b>	<b>\$ 286,342</b>	<b>\$ 287,034</b>	<b>\$ 291,500</b>	<b>\$ 214,612</b>	<b>74%</b>	<b>\$ 292,000</b>	<b>0.2%</b>	<b>\$ 500</b>	<b>\$ 292,000</b>	<b>0.2%</b>	<b>\$ 500</b>
<b>Miscellaneous</b>											
Yav-Apache Gaming Funds	17,457	63,051	18,000	18,370	N/A	18,000	0.0%	0	18,000	0.0%	0
Wastewater Admin Fee	0	57,434	57,104	53,894	94%	65,000	13.8%	7,896	65,000	13.8%	7,896
Refunds & Reimbursements	6,701	18,612	8,000	18,050	100%	8,000	0.0%	0	8,000	0.0%	0
Miscellaneous	991	139	0	539	N/A	0	N/A	N/A	0	N/A	N/A
Surplus Property Sales	4,229	925	0	119	N/A	0	N/A	N/A	0	N/A	N/A
Proceeds from Sale of Assets	8,529	4,600	0	70,199	N/A	0	N/A	N/A	0	N/A	N/A
Interest	2,981	62,567	16,000	18,581	100%	16,000	0.0%	0	16,000	0.0%	0
<b>Total Miscellaneous</b>	<b>\$ 40,888</b>	<b>\$ 207,328</b>	<b>\$ 99,104</b>	<b>\$ 179,752</b>	<b>100%</b>	<b>\$ 107,000</b>	<b>8.0%</b>	<b>\$ 7,896</b>	<b>\$ 107,000</b>	<b>8.0%</b>	<b>\$ 7,896</b>
<b>Total Local Revenues</b>	<b>\$ 4,969,903</b>	<b>\$ 4,883,940</b>	<b>\$ 5,236,354</b>	<b>\$ 3,787,849</b>	<b>72%</b>	<b>\$ 5,341,800</b>	<b>2.0%</b>	<b>\$ 105,446</b>	<b>\$ 5,341,800</b>	<b>2.0%</b>	<b>\$ 105,446</b>
<b>Intergovernmental Revenues</b>											
Urban Revenue Sharing	1,391,933	1,356,440	1,482,530	1,090,024	74%	1,632,365	10.1%	\$ 149,835	1,598,780	7.8%	\$ 116,250
State Sales Tax	1,079,184	1,126,974	1,374,090	882,712	64%	1,266,185	-7.9%	\$ (107,905)	1,014,120	-26.2%	\$ (359,970)
Vehicle License Tax	762,872	789,817	825,300	613,387	74%	851,700	3.2%	\$ 26,400	835,245	1.2%	\$ 9,945
<b>Total Intergovernmental Revenues</b>	<b>\$ 3,233,989</b>	<b>\$ 3,273,231</b>	<b>\$ 3,681,920</b>	<b>\$ 2,586,123</b>	<b>70%</b>	<b>\$ 3,750,250</b>	<b>1.9%</b>	<b>\$ 68,330</b>	<b>\$ 3,448,145</b>	<b>-6.3%</b>	<b>\$ (233,775)</b>
<b>Total General Purpose Revenues</b>	<b>\$ 8,203,892</b>	<b>\$ 8,157,171</b>	<b>\$ 8,918,274</b>	<b>\$ 6,373,972</b>	<b>71%</b>	<b>\$ 9,092,050</b>	<b>1.9%</b>	<b>\$ 173,776</b>	<b>\$ 8,789,945</b>	<b>-1.4%</b>	<b>\$ (128,329)</b>

# General Fund Operating Transfers

ACCOUNT TITLE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUESTED	2020-21 MANAGER RECOMMEND
<b>Non-Departmental Transfers</b>						
Transfer In from YAN Gaming Fund	0	0	0			
Transfer In from Fed Grants Fund	(111)	0	0		(42,000)	(42,000)
Transfer In from Housing Fund	0	0	(20,000)	(20,000)		
Transfer Out to CIP Fund	489,025	515,000	697,000	217,576	276,275	276,275
Transfer Out to Restricted Use Fund	0	0	0			
Transfer Out to Fed Grants Fund	0	0	0			
Transfer Out to Debt Service Fund	872,248	1,165,968	1,270,020	1,215,179	1,144,980	1,144,980
Transfer Out to Wastewater	0	0	0			
Transfer Out to Library Bldg Fund	13,163	0	0			
<b>Total Non-Departmental Transfers</b>	<b>\$ 1,374,325</b>	<b>\$ 1,680,968</b>	<b>\$ 1,947,020</b>	<b>\$ 1,412,755</b>	<b>\$ 1,379,255</b>	<b>\$ 1,379,255</b>
<b>Net Effect on General Fund Balance</b>						
General Revenues	(8,203,892)	(8,157,171)	(8,918,274)	(6,373,972)	(9,092,050)	(8,789,945)
Net Departmental Costs & Transfers	7,781,126	8,514,899	9,453,261	7,269,527	9,905,470	9,551,993
Use of / (Surplus to) Fund Balance	<b>\$ (422,766)</b>	<b>\$ 357,728</b>	<b>\$ 534,987</b>	<b>\$ 895,555</b>	<b>\$ 813,420</b>	<b>\$ 762,048</b>



# GENERAL GOVERNMENT SUMMARY



## Departments

Manager ♦ Clerk ♦ Council ♦ Finance ♦ HR ♦ IT  
 Risk Management ♦ Economic Development ♦ Non Departmental

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 973,681	\$ 1,024,900	\$ 1,101,705	\$ 833,674	\$ 1,444,476	\$ 1,346,319
Operating Expenditures	\$ 975,344	\$ 975,221	\$ 1,053,805	\$ 793,458	\$ 1,143,304	\$ 1,086,474
Equipment/Capital Expenditures	\$ 9,871	\$ 57,807	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 1,958,896</b>	<b>\$ 2,057,928</b>	<b>\$ 2,155,510</b>	<b>\$ 1,627,132</b>	<b>\$ 2,587,780</b>	<b>\$ 2,432,793</b>
<b>Revenues</b>						
Total Revenues	\$ 38,895	\$ 34,639	\$ 37,800	\$ 20,890	\$ 34,600	\$ 34,600
<b>Net Cost to General Fund</b>	<b>\$ 1,920,001</b>	<b>\$ 2,023,289</b>	<b>\$ 2,117,710</b>	<b>\$ 1,606,242</b>	<b>\$ 2,553,180</b>	<b>\$ 2,398,193</b>

# MAYOR & COUNCIL

## Budget

EXPENSE TYPE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	% of Bud	2020-21 DEPT REQUEST	% Chng	\$ Chng	2020-21 MANAGER RECMN'D	% Chng	\$ Chng
Wages	\$ 22,200	\$ 22,200	\$ 22,200	\$ 18,500	83%	\$ 22,200	0%	\$ -	\$ 22,200	0%	\$ -
Taxes & Benefits	\$ 2,155	\$ 2,072	\$ 2,490	\$ 1,667	67%	\$ 2,485	0%	\$ (5)	\$ 2,369	-5%	\$ (121)
Operations	\$ 16,990	\$ 21,967	\$ 24,500	\$ 16,291	66%	\$ 24,700	1%	\$ 200	\$ 24,700	1%	\$ 200
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 41,345	\$ 46,239	\$ 49,190	\$ 36,458	74%	\$ 49,385	0%	\$ 195	\$ 49,269	0%	\$ 79
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	41,345	46,239	49,190	36,458	74%	49,385	0%	\$ 195	49,269	N/A	\$ 79

# TOWN MANAGER

## Budget

EXPENSE TYPE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	% of Bud	2020-21 DEPT REQUEST	% Chng	\$ Chng	2020-21 MANAGER RECMN'D	% Chng	\$ Chng
Wages	\$ 125,133	\$ 129,605	\$ 129,605	\$ 104,681	81%	\$ 129,605	0%	\$ -	\$ 133,600	3%	\$ 3,995
Taxes & Benefits	\$ 32,941	\$ 34,127	\$ 35,955	\$ 29,835	83%	\$ 37,000	3%	\$ 1,045	\$ 37,790	5%	\$ 1,835
Operations	\$ 15,236	\$ 9,086	\$ 10,100	\$ 6,511	64%	\$ 6,550	-35%	\$ (3,550)	\$ 5,650	-44%	\$ (4,450)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 173,310	\$ 172,818	\$ 175,660	\$ 141,027	80%	\$ 173,155	-1%	\$ (2,505)	\$ 177,040	1%	\$ 1,380
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	173,310	172,818	175,660	141,027	80%	173,155	-1%	\$ (2,505)	177,040	1%	\$ 1,380

# TOWN CLERK

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 125,605	\$ 129,862	\$ 128,590	\$ 102,558	80%	\$ 175,015	36%	\$ 46,425	\$ 137,575	7%	\$ 8,985
Taxes & Benefits	\$ 43,673	\$ 44,067	\$ 45,715	\$ 34,328	75%	\$ 68,115	49%	\$ 22,400	\$ 49,585	8%	\$ 3,870
Operations	\$ 13,362	\$ 31,508	\$ 18,200	\$ 11,224	62%	\$ 28,200	55%	\$ 10,000	\$ 38,200	110%	\$ 20,000
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 182,640	\$ 205,437	\$ 192,505	\$ 148,110	77%	\$ 271,330	41%	\$ 78,825	\$ 225,360	17%	\$ 32,855
Revenues	\$ 28,057	\$ 24,367	\$ 27,800	\$ 20,828	75%	\$ 27,500	-1%	\$ (300)	\$ 27,500	-1%	\$ (300)
Total Department Cost	154,583	181,070	164,705	127,282	77%	243,830	48%	\$ 79,125	197,860	20%	\$ 33,155

# FINANCE

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 156,981	\$ 161,312	\$ 168,480	\$ 137,537	82%	\$ 198,640	18%	\$ 30,160	\$ 168,480	0%	\$ -
Taxes & Benefits	\$ 57,733	\$ 58,267	\$ 63,670	\$ 51,770	81%	\$ 83,851	32%	\$ 20,181	\$ 66,780	5%	\$ 3,110
Operations	\$ 91,374	\$ 94,986	\$ 101,735	\$ 98,870	97%	\$ 105,130	3%	\$ 3,395	\$ 103,600	2%	\$ 1,865
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 306,088	\$ 314,565	\$ 333,885	\$ 288,177	86%	\$ 387,621	16%	\$ 53,736	\$ 338,860	1%	\$ 4,975
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	306,088	314,565	333,885	288,177	86%	387,621	16%	\$ 53,736	338,860	1%	\$ 4,975

# HUMAN RESOURCES

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 38,320	\$ 39,642	\$ 71,760	\$ 46,922	65%	\$ 275,715	284%	\$ 203,955	\$ 275,715	284%	\$ 203,955
Taxes & Benefits	\$ 84,937	\$ 105,354	\$ 114,355	\$ 72,437	63%	\$ 146,195	28%	\$ 31,840	\$ 146,185	28%	\$ 31,830
Operations	\$ 17,579	\$ 16,743	\$ 31,900	\$ 18,385	58%	\$ 23,650	-26%	\$ (8,250)	\$ 23,650	-26%	\$ (8,250)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 140,836	\$ 161,739	\$ 218,015	\$ 137,744	63%	\$ 445,560	104%	\$ 227,545	\$ 445,550	104%	\$ 227,535
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	140,836	161,739	218,015	137,744	63%	445,560	104%	\$ 227,545	445,550	104%	\$ 227,535

# RISK MANAGEMENT

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 70,292	\$ 74,951	\$ 77,550	\$ 61,880	80%	\$ 77,530	0%	\$ (20)	\$ 77,945	1%	\$ 395
Taxes & Benefits	\$ 23,927	\$ 25,313	\$ 27,640	\$ 22,170	80%	\$ 28,910	5%	\$ 1,270	\$ 28,940	5%	\$ 1,300
Operations	\$ 232,907	\$ 257,542	\$ 254,135	\$ 196,168	77%	\$ 263,384	4%	\$ 9,249	\$ 263,384	4%	\$ 9,249
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 327,126	\$ 357,806	\$ 359,325	\$ 280,218	78%	\$ 369,824	3%	\$ 10,499	\$ 370,269	3%	\$ 10,944
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	327,126	357,806	359,325	280,218	78%	369,824	3%	\$ 10,499	370,269	3%	\$ 10,944

# ECONOMIC DEVELOPMENT

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 145,880	\$ 152,418	\$ 164,270	\$ 116,199	71%	\$ 150,405	-8%	\$ (13,865)	\$ 150,405	-8%	\$ (13,865)
Taxes & Benefits	\$ 43,904	\$ 45,710	\$ 49,425	\$ 33,190	67%	\$ 48,810	-1%	\$ (615)	\$ 48,750	-1%	\$ (675)
Operations	\$ 95,209	\$ 91,107	\$ 73,000	\$ 37,665	52%	\$ 69,600	-5%	\$ (3,400)	\$ 69,600	-5%	\$ (3,400)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 284,993	\$ 289,235	\$ 286,695	\$ 187,054	65%	\$ 268,815	-6%	\$ (17,880)	\$ 268,755	-6%	\$ (17,940)
Revenues	\$ 10,838	\$ 10,272	\$ 10,000	\$ 62	1%	\$ 7,100	-29%	\$ (2,900)	\$ 7,100	-29%	\$ (2,900)
Total Department Cost	274,155	278,963	276,695	186,992	68%	261,715	-5%	\$ (14,980)	261,655	-5%	\$ (15,040)

# INFORMATION TECHNOLOGY

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Taxes & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Operations	\$ 200,732	\$ 209,010	\$ 208,700	\$ 189,247	91%	\$ 281,400	35%	\$ 72,700	\$ 217,000	4%	\$ 8,300
Capital	\$ 9,871	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 210,603	\$ 209,010	\$ 208,700	\$ 189,247	91%	\$ 281,400	35%	\$ 72,700	\$ 217,000	4%	\$ 8,300
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	210,603	209,010	208,700	189,247	91%	281,400	35%	\$ 72,700	217,000	4%	\$ 8,300

# NON-DEPARTMENTAL

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Taxes & Benefits	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Operations	\$ 291,955	\$ 243,273	\$ 331,535	\$ 219,097	66%	\$ 340,690	3%	\$ 9,155	\$ 340,690	3%	\$ 9,155
Capital	\$ -	\$ 57,807	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 291,955	\$ 301,080	\$ 331,535	\$ 219,097	66%	\$ 340,690	3%	\$ 9,155	\$ 340,690	3%	\$ 9,155
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
<b>Total Department Cost</b>	<b>291,955</b>	<b>301,080</b>	<b>331,535</b>	<b>219,097</b>	<b>66%</b>	<b>340,690</b>	<b>3%</b>	<b>\$ 9,155</b>	<b>340,690</b>	<b>3%</b>	<b>\$ 9,155</b>

# MAGISTRATE COURT SUMMARY



## Departments

◆ Magistrate Court ◆

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 316,360	\$ 360,733	\$ 409,800	\$ 289,696	\$ 415,715	\$ 418,155
Operating Expenditures	\$ 33,307	\$ 38,817	\$ 47,880	\$ 36,371	\$ 50,195	\$ 50,195
Equipment/Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 349,667</b>	<b>\$ 399,550</b>	<b>\$ 457,680</b>	<b>\$ 326,067</b>	<b>\$ 465,910</b>	<b>\$ 468,350</b>
<b>Revenues</b>						
Total Revenues	\$ 133,345	\$ 177,237	\$ 155,000	\$ 107,498	\$ 155,000	\$ 165,000
<b>Net Cost to General Fund</b>	<b>\$ 216,322</b>	<b>\$ 222,313</b>	<b>\$ 302,680</b>	<b>\$ 218,569</b>	<b>\$ 310,910</b>	<b>\$ 303,350</b>

# PUBLIC WORKS SUMMARY



## Departments

Engineering



Stormwater



Maintenance

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 700,723	\$ 713,782	\$ 784,540	\$ 569,062	\$ 840,905	\$ 822,615
Operating Expenditures	\$ 214,091	\$ 171,862	\$ 237,805	\$ 188,047	\$ 269,385	\$ 264,385
Equipment/Capital Expenditures	\$ 1,014	\$ 17,729	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 915,828</b>	<b>\$ 903,373</b>	<b>\$ 1,022,345</b>	<b>\$ 757,109</b>	<b>\$ 1,110,290</b>	<b>\$ 1,087,000</b>
<b>Revenues</b>						
Total Revenues	\$ 2,005	\$ 1,100	\$ 2,000	\$ 17,400	\$ 2,000	\$ 2,000
<b>Net Cost to General Fund</b>	<b>\$ 913,823</b>	<b>\$ 902,273</b>	<b>\$ 1,020,345</b>	<b>\$ 739,709</b>	<b>\$ 1,108,290</b>	<b>\$ 1,085,000</b>



# ENGINEERING

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 86,976	\$ 79,573	\$ 77,040	\$ 62,653	81%	\$ 79,000	3%	\$ 1,960	\$ 79,000	3%	\$ 1,960
Taxes & Benefits	\$ 28,428	\$ 26,735	\$ 26,440	\$ 21,357	81%	\$ 27,890	5%	\$ 1,450	\$ 27,500	4%	\$ 1,060
Operations	\$ 5,657	\$ 8,208	\$ 10,150	\$ 3,811	38%	\$ 7,250	-29%	\$ (2,900)	\$ 7,250	-29%	\$ (2,900)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 121,061	\$ 114,516	\$ 113,630	\$ 87,821	77%	\$ 114,140	0%	\$ 510	\$ 113,750	0%	\$ 120
Revenues	\$ 2,005	\$ 1,100	\$ 2,000	\$ 17,400	870%	\$ 2,000	0%	\$ -	\$ 2,000	0%	\$ -
Total Department Cost	119,056	113,416	111,630	70,421	63%	112,140	0%	\$ 510	111,750	0%	\$ 120

# STORMWATER

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 65,229	\$ 68,435	\$ 66,315	\$ 53,953	81%	\$ 70,595	6%	\$ 4,280	\$ 66,850	1%	\$ 535
Taxes & Benefits	\$ 24,480	\$ 25,430	\$ 27,240	\$ 20,907	77%	\$ 30,865	13%	\$ 3,625	\$ 28,510	5%	\$ 1,270
Operations	\$ 32,676	\$ 31,402	\$ 46,250	\$ 19,100	41%	\$ 53,050	15%	\$ 6,800	\$ 53,050	15%	\$ 6,800
Capital	\$ 1,014	\$ 14,374	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 123,399	\$ 139,641	\$ 139,805	\$ 93,960	67%	\$ 154,510	11%	\$ 14,705	\$ 148,410	6%	\$ 8,605
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	123,399	139,641	139,805	93,960	67%	154,510	11%	\$ 14,705	148,410	6%	\$ 8,605

# MAINTENANCE

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 341,024	\$ 352,277	\$ 399,210	\$ 275,258	69%	\$ 419,440	5%	\$ 20,230	\$ 408,440	2%	\$ 9,230
Taxes & Benefits	\$ 154,586	\$ 161,332	\$ 188,295	\$ 134,934	72%	\$ 213,115	13%	\$ 24,820	\$ 212,315	13%	\$ 24,020
Operations	\$ 175,758	\$ 132,252	\$ 181,405	\$ 165,136	91%	\$ 209,085	15%	\$ 27,680	\$ 204,085	13%	\$ 22,680
Capital	\$ -	\$ 3,355	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 671,368	\$ 649,216	\$ 768,910	\$ 575,328	75%	\$ 841,640	9%	\$ 72,730	\$ 824,840	7%	\$ 55,930
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	671,368	649,216	768,910	575,328	75%	841,640	9%	\$ 72,730	824,840	7%	\$ 55,930

# COMMUNITY DEVELOPMENT SUMMARY



## Departments

Community Development ♦ Building ♦ Planning & Zoning ♦ Code Enforcement

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 431,425	\$ 455,980	\$ 474,880	\$ 360,812	\$ 486,235	\$ 487,650
Operating Expenditures	\$ 62,136	\$ 67,672	\$ 70,985	\$ 38,903	\$ 69,815	\$ 66,815
Equipment/Capital Expenditures	\$ 2,138	\$ 1,968	\$ 2,760	\$ 1,440	\$ 2,000	\$ 2,000
<b>Total Expenditures</b>	<b>\$ 495,699</b>	<b>\$ 525,620</b>	<b>\$ 548,625</b>	<b>\$ 401,155</b>	<b>\$ 558,050</b>	<b>\$ 556,465</b>
<b>Revenues</b>						
Total Revenues	\$ 228,264	\$ 262,644	\$ 260,000	\$ 215,921	\$ 257,500	\$ 257,500
<b>Net Cost to General Fund</b>	<b>\$ 267,435</b>	<b>\$ 262,976</b>	<b>\$ 288,625</b>	<b>\$ 185,234</b>	<b>\$ 300,550</b>	<b>\$ 298,965</b>

# COMMUNITY DEVELOPMENT

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 72,342	\$ 76,540	\$ 76,540	\$ 56,120	73%	\$ 93,290	22%	\$ 16,750	\$ 93,290	22%	\$ 16,750
Taxes & Benefits	\$ 24,169	\$ 25,170	\$ 26,535	\$ 18,787	71%	\$ 36,400	37%	\$ 9,865	\$ 36,015	36%	\$ 9,480
Operations	\$ 23,629	\$ 21,824	\$ 23,225	\$ 20,207	87%	\$ 22,260	-4%	\$ (965)	\$ 22,260	-4%	\$ (965)
Capital	\$ 2,138	\$ 1,968	\$ 2,760	\$ 1,440	52%	\$ 2,000	-28%	\$ (760)	\$ 2,000	-28%	\$ (760)
Net Expenses	\$ 122,278	\$ 125,502	\$ 129,060	\$ 96,554	75%	\$ 153,950	19%	\$ 24,890	\$ 153,565	19%	\$ 24,505
Revenues	\$ 27	\$ 13	\$ -	\$ 87	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	122,251	125,489	129,060	96,467	75%	153,950	19%	\$ 24,890	153,565	19%	\$ 24,505

# BUILDING

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 161,587	\$ 166,213	\$ 175,015	\$ 135,375	77%	\$ 180,125	3%	\$ 5,110	\$ 181,790	4%	\$ 6,775
Taxes & Benefits	\$ 65,347	\$ 64,064	\$ 67,135	\$ 58,782	88%	\$ 79,495	18%	\$ 12,360	\$ 79,340	18%	\$ 12,205
Operations	\$ 7,438	\$ 16,340	\$ 18,775	\$ 10,523	56%	\$ 19,570	4%	\$ 795	\$ 18,570	-1%	\$ (205)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 234,372	\$ 246,617	\$ 260,925	\$ 204,680	78%	\$ 279,190	7%	\$ 18,265	\$ 279,700	7%	\$ 18,775
Revenues	\$ 183,048	\$ 220,635	\$ 210,000	\$ 184,581	88%	\$ 216,300	3%	\$ 6,300	\$ 216,300	3%	\$ 6,300
Total Department Cost	51,324	25,982	50,925	20,099	39%	62,890	23%	\$ 11,965	63,400	N/A	\$ 12,475

# PLANNING & ZONING

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 49,587	\$ 50,686	\$ 52,205	\$ 33,197	64%	\$ 19,660	-62%	\$ (32,545)	\$ 19,660	-62%	\$ (32,545)
Taxes & Benefits	\$ 19,496	\$ 19,829	\$ 21,060	\$ 13,316	63%	\$ 10,070	-52%	\$ (10,990)	\$ 9,850	-53%	\$ (11,210)
Operations	\$ 2,474	\$ 3,689	\$ 2,830	\$ 1,590	56%	\$ 3,385	20%	\$ 555	\$ 3,385	20%	\$ 555
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 71,557	\$ 74,204	\$ 76,095	\$ 48,103	63%	\$ 33,115	-56%	\$ (42,980)	\$ 32,895	-57%	\$ (43,200)
Revenues	\$ 45,189	\$ 41,996	\$ 50,000	\$ 31,253	63%	\$ 41,200	-18%	\$ (8,800)	\$ 41,200	-18%	\$ (8,800)
Total Department Cost	26,368	32,208	26,095	16,850	65%	(8,085)	-131%	\$ (34,180)	(8,305)	-132%	\$ (34,400)

# CODE ENFORCEMENT

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 26,264	\$ 36,577	\$ 38,665	\$ 30,850	80%	\$ 46,800	21%	\$ 8,135	\$ 46,800	21%	\$ 8,135
Taxes & Benefits	\$ 12,633	\$ 16,901	\$ 17,725	\$ 14,385	81%	\$ 20,395	15%	\$ 2,670	\$ 20,905	18%	\$ 3,180
Operations	\$ 28,595	\$ 25,819	\$ 26,155	\$ 6,583	25%	\$ 24,600	-6%	\$ (1,555)	\$ 22,600	-14%	\$ (3,555)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 67,492	\$ 79,297	\$ 82,545	\$ 51,818	63%	\$ 91,795	11%	\$ 9,250	\$ 90,305	9%	\$ 7,760
Revenues	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Total Department Cost	67,492	79,297	82,545	51,818	63%	91,795	11%	\$ 9,250	90,305	9%	\$ 7,760

# MARSHAL'S OFFICE SUMMARY



## Departments

Marshal's Office



Animal Control

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 2,300,105	\$ 2,531,195	\$ 2,851,495	\$ 2,296,456	\$ 3,147,025	\$ 3,041,375
Operating Expenditures	\$ 263,031	\$ 278,003	\$ 262,276	\$ 239,206	\$ 295,825	\$ 305,825
Equipment/Capital Expenditures	\$ -	\$ -	\$ -	\$ 1,626	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 2,563,136</b>	<b>\$ 2,809,199</b>	<b>\$ 3,113,771</b>	<b>\$ 2,537,288</b>	<b>\$ 3,442,850</b>	<b>\$ 3,347,200</b>
<b>Revenues</b>						
Total Revenues	\$ 167,488	\$ 164,306	\$ 208,800	\$ 152,834	\$ 209,300	\$ 208,300
<b>Net Cost to General Fund</b>	<b>\$ 2,395,648</b>	<b>\$ 2,644,893</b>	<b>\$ 2,904,971</b>	<b>\$ 2,384,454</b>	<b>\$ 3,233,550</b>	<b>\$ 3,138,900</b>

# MARSHAL'S OFFICE

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 1,521,542	\$ 1,674,098	\$ 1,845,220	\$ 1,512,414	82%	\$ 2,003,460	9%	\$ 158,240	\$ 1,923,160	4%	\$ 77,940
Taxes & Benefits	\$ 755,042	\$ 810,505	\$ 956,250	\$ 766,244	80%	\$ 1,083,255	13%	\$ 127,005	\$ 1,057,850	11%	\$ 101,600
Operations	\$ 254,198	\$ 270,151	\$ 245,941	\$ 235,715	96%	\$ 279,985	14%	\$ 34,044	\$ 289,985	18%	\$ 44,044
Capital	\$ -	\$ -	\$ -	\$ 1,626	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 2,530,782	\$ 2,754,754	\$ 3,047,411	\$ 2,515,999	83%	\$ 3,366,700	10%	\$ 319,289	\$ 3,270,995	7%	\$ 223,584
Revenues	\$ 160,503	\$ 158,791	\$ 201,800	\$ 150,672	75%	\$ 201,800	0%	\$ -	\$ 201,800	0%	\$ -
Total Department Cost	2,370,279	2,595,963	2,845,611	2,365,327	83%	3,164,900	11%	\$ 319,289	3,069,195	8%	\$ 223,584

# ANIMAL CONTROL

## Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 15,056	\$ 30,889	\$ 33,110	\$ 11,691	35%	\$ 40,740	23%	\$ 7,630	\$ 40,740	23%	\$ 7,630
Taxes & Benefits	\$ 8,465	\$ 15,703	\$ 16,915	\$ 6,107	36%	\$ 19,570	16%	\$ 2,655	\$ 19,625	16%	\$ 2,710
Operations	\$ 8,833	\$ 7,852	\$ 16,335	\$ 3,491	21%	\$ 15,840	-3%	\$ (495)	\$ 15,840	-3%	\$ (495)
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 32,354	\$ 54,444	\$ 66,360	\$ 21,289	32%	\$ 76,150	15%	\$ 9,790	\$ 76,205	15%	\$ 9,845
Revenues	\$ 6,985	\$ 5,515	\$ 7,000	\$ 2,162	31%	\$ 7,500	7%	\$ 500	\$ 6,500	-7%	\$ (500)
Total Department Cost	25,369	48,929	59,360	19,127	32%	68,650	16%	\$ 9,290	69,705	17%	\$ 10,345

# COMMUNITY LIBRARY SUMMARY



## Departments

◆ Community Library ◆

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 390,893	\$ 431,848	\$ 471,660	\$ 377,832	\$ 572,040	\$ 511,075
Operating Expenditures	\$ 90,221	\$ 99,651	\$ 93,220	\$ 76,551	\$ 90,800	\$ 91,400
Equipment/Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 481,114</b>	<b>\$ 531,499</b>	<b>\$ 564,880</b>	<b>\$ 454,383</b>	<b>\$ 662,840</b>	<b>\$ 602,475</b>
<b>Revenues</b>						
Total Revenues	\$ 81,905	\$ 83,681	\$ 84,500	\$ 45,689	\$ 70,000	\$ 70,000
<b>Net Cost to General Fund</b>	<b>\$ 399,209</b>	<b>\$ 447,818</b>	<b>\$ 480,380</b>	<b>\$ 408,694</b>	<b>\$ 592,840</b>	<b>\$ 532,475</b>





# PARKS & REC SUMMARY



## Departments

Administration



Heritage Pool



Programs

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 230,007	\$ 270,619	\$ 348,500	\$ 261,836	\$ 368,055	\$ 366,965
Operating Expenditures	\$ 114,218	\$ 121,723	\$ 151,665	\$ 99,830	\$ 172,800	\$ 162,850
Equipment/Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 344,225</b>	<b>\$ 392,342</b>	<b>\$ 500,165</b>	<b>\$ 361,666</b>	<b>\$ 540,855</b>	<b>\$ 529,815</b>
<b>Revenues</b>						
Total Revenues	\$ 49,862	\$ 61,972	\$ 108,635	\$ 47,796	\$ 113,960	\$ 113,960
<b>Net Cost to General Fund</b>	<b>\$ 294,363</b>	<b>\$ 330,370</b>	<b>\$ 391,530</b>	<b>\$ 313,870</b>	<b>\$ 426,895</b>	<b>\$ 415,855</b>

# PARKS & REC

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 77,399	\$ 68,058	\$ 62,510	\$ 51,579	83%	\$ 63,045	1%	\$ 535	\$ 63,045	1%	\$ 535
Taxes & Benefits	\$ 27,016	\$ 25,659	\$ 24,700	\$ 20,056	81%	\$ 26,000	5%	\$ 1,300	\$ 25,775	4%	\$ 1,075
Operations	\$ 49,080	\$ 49,937	\$ 54,815	\$ 43,208	79%	\$ 61,415	12%	\$ 6,600	\$ 56,965	4%	\$ 2,150
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 153,495	\$ 143,654	\$ 142,025	\$ 114,843	81%	\$ 150,460	6%	\$ 8,435	\$ 145,785	3%	\$ 3,760
Revenues	\$ 3,203	\$ 3,706	\$ 3,000	\$ 3,105	104%	\$ 3,000	0%	\$ -	\$ 3,000	0%	\$ -
Total Department Cost	150,292	139,948	139,025	111,738	80%	147,460	6%	\$ 8,435	142,785	3%	\$ 3,760

# EVENTS

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ -	\$ -	\$ 39,790	\$ 26,325	66%	\$ 39,890	0%	\$ 100	\$ 39,890	0%	\$ 100
Taxes & Benefits	\$ -	\$ -	\$ 13,975	\$ 9,538	68%	\$ 14,790	6%	\$ 815	\$ 14,630	5%	\$ 655
Operations	\$ -	\$ -	\$ 37,080	\$ 21,100	57%	\$ 43,100	16%	\$ 6,020	\$ 43,100	16%	\$ 6,020
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ -	\$ -	\$ 90,845	\$ 56,963	63%	\$ 97,780	8%	\$ 6,935	\$ 97,620	7%	\$ 6,775
Revenues	\$ -	\$ -	\$ 41,885	\$ 18,090	43%	\$ 47,210	13%	\$ 5,325	\$ 47,210	13%	\$ 5,325
Total Department Cost	0	0	48,960	38,873	79%	50,570	3%	\$ 1,610	50,410	3%	\$ 1,450

# POOL

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 69,758	\$ 82,475	\$ 76,230	\$ 57,825	76%	\$ 85,905	13%	\$ 9,675	\$ 85,905	13%	\$ 9,675
Taxes & Benefits	\$ 13,257	\$ 15,028	\$ 17,090	\$ 12,635	74%	\$ 20,265	19%	\$ 3,175	\$ 19,940	17%	\$ 2,850
Operations	\$ 26,987	\$ 34,694	\$ 30,070	\$ 25,106	83%	\$ 38,585	28%	\$ 8,515	\$ 33,085	10%	\$ 3,015
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 110,002	\$ 132,197	\$ 123,390	\$ 95,566	77%	\$ 144,755	17%	\$ 21,365	\$ 138,930	13%	\$ 15,540
Revenues	\$ 17,558	\$ 20,919	\$ 23,500	\$ 9,381	40%	\$ 23,500	0%	\$ -	\$ 23,500	0%	\$ -
Total Department Cost	92,444	111,278	99,890	86,185	86%	121,255	21%	\$ 21,365	115,430	16%	\$ 15,540

# PROGRAMS

## PUBLIC WORKS

### Budget

EXPENSE TYPE	2017-18	2018-19	2019-20	2019-20	% of Bud	2020-21	%	\$	2020-21	%	\$
	AUDITED ACTUAL	AUDITED ACTUAL	ADJUSTED BUDGET	THROUGH APR-20		DEPT REQUEST	Chng	Chng	MANAGER RECMN'D	Chng	Chng
Wages	\$ 31,322	\$ 62,382	\$ 86,980	\$ 61,394	71%	\$ 88,795	2%	\$ 1,815	\$ 88,795	2%	\$ 1,815
Taxes & Benefits	\$ 11,255	\$ 17,017	\$ 27,225	\$ 22,484	83%	\$ 29,365	8%	\$ 2,140	\$ 28,985	6%	\$ 1,760
Operations	\$ 38,151	\$ 37,092	\$ 29,700	\$ 10,416	35%	\$ 29,700	0%	\$ -	\$ 29,700	0%	\$ -
Capital	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A	\$ -	\$ -	N/A	\$ -
Net Expenses	\$ 80,728	\$ 116,491	\$ 143,905	\$ 94,294	66%	\$ 147,860	3%	\$ 3,955	\$ 147,480	2%	\$ 3,575
Revenues	\$ 29,101	\$ 37,347	\$ 40,250	\$ 17,220	43%	\$ 40,250	0%	\$ -	\$ 40,250	0%	\$ -
Total Department Cost	51,627	79,144	103,655	77,074	74%	107,610	4%	\$ 3,955	107,230	3%	\$ 3,575

# CAPITAL FUNDS SUMMARY



## Departments

Capital Improvement Projects

Parks

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D	2020-21 CARRY FORWARD	2020-21 NEW REQUESTS
<b>Expenditures</b>								
Buildings & Improvements	\$ 38,808	\$ 118,205	\$ 44,299	\$ 4,760	\$ 1,284,341	\$ 1,284,341	\$ -	\$ 1,284,341
Vehicles	\$ 149,863	\$ 521,848	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ 300,000
Equipment	\$ 296,445	\$ 684,313	\$ 535,000	\$ 11,100	\$ 231,275	\$ 231,275	\$ -	\$ 231,275
Land & Improvements	\$ -	\$ 210,483	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Streets & Structural	\$ 110,617	\$ 713,503	\$ 562,256	\$ 1,324	\$ 591,263	\$ 591,263	\$ 562,526	\$ 28,737
Community Parks	\$ 1,565,147	\$ 2,641,700	\$ 4,086,087	\$ 330,374	\$ 9,357,635	\$ 9,357,635	\$ 2,857,635	\$ 6,500,000
<b>Total Expenditures</b>	<b>\$ 2,160,880</b>	<b>\$ 4,890,052</b>	<b>\$ 5,227,642</b>	<b>\$ 407,558</b>	<b>\$ 11,764,514</b>	<b>\$ 11,764,514</b>	<b>\$ 3,420,161</b>	<b>\$ 8,344,353</b>
<b>Funding</b>								
Fund Transfers	\$ 695,838	\$ 1,015,000	\$ 449,450	\$ -	\$ 5,991,066	\$ 5,991,066	\$ 430,450	\$ 5,560,616
Debt	\$ 7,328,214	\$ 935,655	\$ 870,000	\$ -	\$ 2,755,000	\$ 2,755,000	\$ -	\$ 2,755,000
General Fund Reserves	\$ 63,348	\$ -	\$ 500,000	\$ 408,404	\$ -	\$ -	\$ -	\$ -
<b>Total Funding</b>	<b>\$ 8,087,400</b>	<b>\$ 1,950,655</b>	<b>\$ 1,819,450</b>	<b>\$ 408,404</b>	<b>\$ 8,746,066</b>	<b>\$ 8,746,066</b>	<b>\$ 430,450</b>	<b>\$ 8,315,616</b>
<b>Net Current Year Shortage / (Overage)</b>	<b>\$ (5,926,520)</b>	<b>\$ 2,939,397</b>	<b>\$ 3,408,192</b>	<b>\$ (846)</b>	<b>\$ 3,018,448</b>	<b>\$ 3,018,448</b>	<b>\$ 2,989,711</b>	<b>\$ 28,737</b>
<b>Fund Balance</b>								
Prior Year Ending Balance	\$ 208,807	\$ 6,135,327	\$ 3,195,930	\$ 3,195,930	\$ 3,018,448	\$ 3,018,448	\$ 2,989,711	\$ 28,737
Current Year Ending Balance	\$ 6,135,327	\$ 3,195,930	\$ (212,262)	\$ 3,196,776	\$ -	\$ -	\$ -	\$ -

# DEBT SERVICE SUMMARY



## Departments

### ◆ Debt Service Fund ◆

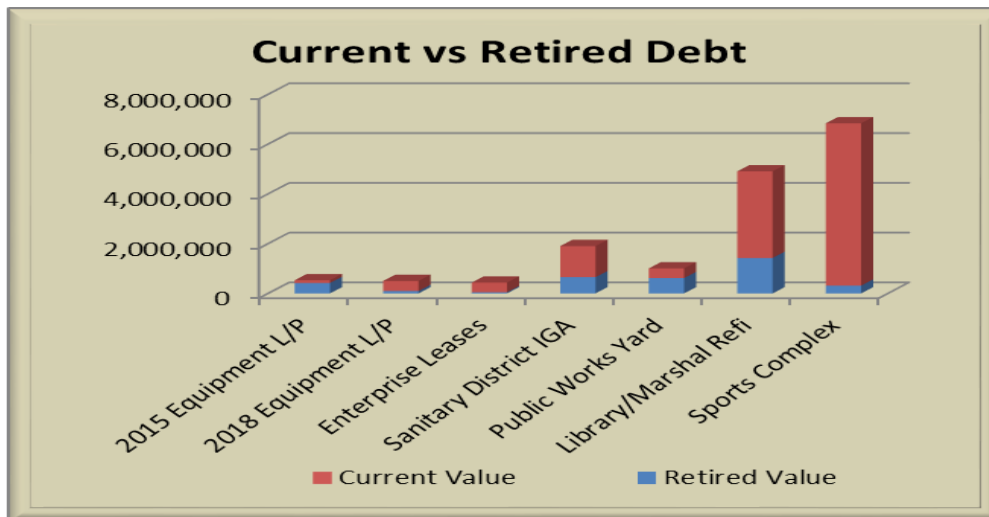
	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Principal	\$ 845,746	\$ 919,355	\$ 1,073,155	\$ 1,037,153	\$ 957,285	\$ 957,285
Interest & Charges	\$ 205,791	\$ 425,232	\$ 422,715	\$ 428,555	\$ 433,110	\$ 433,110
<b>Total Expenditures</b>	<b>\$ 1,051,537</b>	<b>\$ 1,344,587</b>	<b>\$ 1,495,870</b>	<b>\$ 1,465,708</b>	<b>\$ 1,390,395</b>	<b>\$ 1,390,395</b>
<b>Funding</b>						
Transfers from General Fund	\$ 872,248	\$ 1,165,968	\$ 1,270,020	\$ 1,215,179	\$ 1,144,980	\$ 1,144,980
Transfers from HURF Fund	\$ 179,289	\$ 178,619	\$ 225,850	\$ 241,767	\$ 245,415	\$ 245,415
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Funding</b>	<b>\$ 1,051,537</b>	<b>\$ 1,344,587</b>	<b>\$ 1,495,870</b>	<b>\$ 1,456,946</b>	<b>\$ 1,390,395</b>	<b>\$ 1,390,395</b>
<b>Net Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,762</b>	<b>\$ -</b>	<b>\$ -</b>

## Debt Service Fund

<b>Debt</b>	<b>Fund</b>	<b>Budget</b>	<b>Maturity</b>	<b>Current Balance</b>
2015 Equipment L/P	General, HURF	\$ 55,495	8/20/2020	\$ 55,000
2018 Equipment L/P	General, HURF	\$ 107,915	7/15/2023	\$ 356,000
Entreprise Leases	General, HURF, WW	\$ 163,840	7/15/2023	\$ 304,932
Sports Complex	General	\$ 383,100	7/1/2044	\$ 6,520,000
Public Works Yard	HURF	\$ 106,375	7/1/2023	\$ 388,919
New Library / CVMO Refi	General	\$ 455,200 **	7/1/2030*	\$ 3,479,000
Sanitary District IGA	General	\$ 118,470	7/1/2032	\$ 1,246,656
<b>Total Debt Payments</b>		<b>-</b>	<b>\$ 1,390,395</b>	<b>\$ 12,350,507</b>

<b>Funding Source</b>	<b>Fund</b>	<b>Budget</b>
FY20 General Revenues	General Fund	\$ 481,255
FY20 .65% Tax Revenues	General Fund	\$ 663,725
FY20 General Revenues	HURF Fund	\$ 245,415
<b>Total Debt Funding</b>		<b>-</b> <b>\$ 1,390,395</b>

<b>Debt Service Ratio</b> (Debt Budget to Revenue)	<b>8%</b>
<b>Debt Ratio</b> (Debt to Assets)	<b>45%</b>
<b>Debt per Resident</b> (Est'd from 2019)	<b>\$ 1,106</b>
<b>Avg. Time to Maturity</b>	<b>8.4 yrs</b>
<b>Median Time to Maturity</b>	<b>3.0 yrs</b>
*The CVMO building refinance portion of the New Library/CVMO Refi debt will be paid off reducing the annual debt payment at the original timeline of 7/1/2024.	
**The Library's portion of the New Library/CVMO Refi Budget is approx. \$281K while the CVMO portion is approx. \$170K.	





# SPECIAL REVENUE FUNDS SUMMARY



## Departments

HURF ♦ Magistrate ♦ Federal Grants ♦ Non-Federal Grants  
 Housing ♦ Restricted Use ♦ CDBG ♦ 911

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 293,572	\$ 364,270	\$ 422,130	\$ 307,276	\$ 481,250	\$ 437,415
Operating Expenditures	\$ 421,959	\$ 532,522	\$ 833,195	\$ 356,810	\$ 1,072,246	\$ 1,055,746
Equipment/Capital Expenditures	\$ 71,522	\$ 279,865	\$ 1,403,722	\$ 32,855	\$ 1,271,450	\$ 1,266,450
Operating Transfers	\$ 437,537	\$ 680,712	\$ 518,300	\$ 281,767	\$ 6,002,206	\$ 6,002,206
<b>Total Expenditures</b>	<b>\$ 1,224,590</b>	<b>\$ 1,857,369</b>	<b>\$ 3,177,347</b>	<b>\$ 978,708</b>	<b>\$ 8,827,152</b>	<b>\$ 8,761,817</b>
<b>Revenues</b>						
Total Revenues	\$ 1,157,308	\$ 1,468,890	\$ 2,969,292	\$ 1,162,164	\$ 8,208,446	\$ 8,188,356
<b>Net Dec/(Inc) in Fund Balances</b>	<b>\$ 67,282</b>	<b>\$ 388,479</b>	<b>\$ 208,055</b>	<b>\$ (183,456)</b>	<b>\$ 618,706</b>	<b>\$ 573,461</b>

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>HURF Fund</b>	(77,851)	(506,223)	44,320	71,679	(262,590)	(217,345)
Streets						
Wages & ERE	281,632	325,653	345,130	262,896	395,250	351,415
Operations	342,763	436,389	354,400	295,440	421,460	404,960
Capital	6,390	59,892	12,500	1,299	25,000	20,000
Transfers Out	404,017	678,619	225,850	241,767	442,415	442,415
Net Expenses	1,034,802	1,500,553	937,880	801,402	1,284,125	1,218,790
Revenues	956,951	994,330	982,200	873,081	1,021,535	1,001,445

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Magistrate Court</b>	18,087	30,571	(74,500)	19,468	(97,700)	(97,700)
Expenses						
Wages & ERE	0	0	0	0	0	0
Operations	5,490	599	105,500	1,766	128,700	128,700
Capital	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Net Expenses	5,490	599	105,500	1,766	128,700	128,700
Revenues	23,577	31,170	31,000	21,234	31,000	31,000

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Non Federal Grants</b>	-	(2,114)	(357)	(7,941)	-	-
Expenses						
Wages & ERE	0	24,773	60,000	29,537	64,000	64,000
Operations	10,670	9,741	29,585	6,046	25,000	25,000
Capital	0	170,923	1,054,772	8,856	930,000	930,000
Transfers Out	0	0	0	0	0	0
Net Expenses	10,670	205,437	1,144,357	44,439	1,019,000	1,019,000
Revenues	10,670	203,323	1,144,000	36,498	1,019,000	1,019,000



	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Federal Grants</b>	11,111	52,597	(2,849)	5,549	-	-
Expenses						
Wages & ERE	11,940	13,844	17,000	14,843	22,000	22,000
Operations	13,693	35,143	13,849	4,910	42,000	42,000
Capital	43,470	0	28,000	0	8,000	8,000
Transfers Out	46,683	2,093	252,450	0	5,559,791	5,559,791
Net Expenses	115,786	51,080	311,299	19,753	5,631,791	5,631,791
Revenues	126,897	103,677	308,450	25,302	5,631,791	5,631,791
Transfers In	0	0	0	0	0	0

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>CDBG</b>	-	(44,050)	36,550	13,850	-	-
Expenses						
Wages & ERE	0	0	0	0	0	0
Operations	0	0	0	0	0	0
Capital	0	49,050	308,450	22,700	308,450	308,450
Transfers Out	0	0	0	0	0	0
Net Expenses	0	49,050	308,450	22,700	308,450	308,450
Revenues	0	5,000	345,000	36,550	308,450	308,450

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Restricted Monies</b>	(22,718)	56,708	(126,608)	120,350	(237,625)	(237,625)
Expenses						
Wages & ERE	0	0	0	0	0	0
Operations	48,923	50,650	268,500	46,452	383,725	383,725
Capital	0	0	0	0	0	0
Net Transfers	0	0	0	0	0	0
Net Expenses	48,923	50,650	268,500	46,452	383,725	383,725
Revenues	26,205	107,358	141,892	166,802	146,100	146,100

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Housing Fund</b>	13,008	24,032	(63,250)	(19,499)	(19,430)	(19,430)
Expenses						
Wages & ERE	0	0	0	0	0	0
Operations	0	0	60,000	2,196	70,000	70,000
Capital	0	0	0	0	0	0
Net Transfers	0	0	20,000	20,000	0	0
Net Expenses	0	0	80,000	22,196	70,000	70,000
Revenues	13,008	24,032	16,750	2,697	50,570	50,570

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>911 Fund</b>	(420)	-	(1,361)	-	(1,361)	(1,361)
Expenses						
Wages & ERE	0	0	0	0	0	0
Operations	420	0	1,361	0	1,361	1,361
Capital	0	0	0	0	0	0
Net Transfers	0	0	0	0	0	0
Net Expenses	420	0	1,361	0	1,361	1,361
Revenues	0	0	0	0	0	0



# ENTERPRISE FUND SUMMARY



## Departments

Wastewater Fund    ♦    Water Fund

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Expenditures</b>						
Wages & Related	\$ 542,773	\$ 575,177	\$ 1,469,375	\$ 496,658	\$ 1,581,989	\$ 1,478,385
Operating Expenditures	617,010	610,918	1,020,204	528,398	1,051,800	1,044,800
Equipment/Capital Expenditures	594,197	1,502,519	5,830,727	1,280,980	7,056,000	7,256,000
Depreciation, Debt, Other	894,311	964,670	1,246,495	193,067	1,212,825	1,212,825
<b>Total Expenditures</b>	<b>\$ 2,648,291</b>	<b>\$ 3,653,284</b>	<b>\$ 9,566,801</b>	<b>\$ 2,499,103</b>	<b>\$ 10,902,614</b>	<b>\$ 10,992,010</b>
<b>Revenues</b>						
Monthly User Fees	\$ 872,680	\$ 1,062,916	\$ 2,351,400	\$ 1,037,599	\$ 2,500,000	\$ 2,500,000
Other Fees	\$ 213,098	\$ 365,731	\$ 299,200	\$ 413,017	\$ 453,600	\$ 453,600
Grants & Donations	\$ -	\$ 14,494	\$ 3,000,000	\$ 177,757	\$ 2,850,000	\$ 2,850,000
Debt Funds	\$ -	\$ 762,068	\$ 3,329,333	\$ -	\$ 4,150,000	\$ 4,815,000
Other Revenues	\$ 476,490	\$ 38,360	\$ 309,200	\$ 232,315	\$ 309,200	\$ 309,200
<b>Net Dec/(Inc) in Fund Balances</b>	<b>\$ 1,086,023</b>	<b>\$ 1,409,715</b>	<b>\$ 277,668</b>	<b>\$ 638,415</b>	<b>\$ 639,814</b>	<b>\$ 64,210</b>

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Wastewater Fund</b>	<b>(560,362)</b>	<b>(1,078,186)</b>	<b>2,114,221</b>	<b>169,426</b>	<b>(639,814)</b>	<b>(64,210)</b>
Sewer						
Wages & ERE	542,773	575,177	629,375	496,658	741,989	638,385
Operations	617,010	610,918	660,204	528,398	691,800	684,800
Capital Exp's (Bal Sheet)	69,152	494,009	56,000	437,039	7,056,000	7,256,000
Depreciation/Debt	852,797	851,550	1,000,000	0	1,212,825	1,212,825
Net Expenses	2,081,732	2,531,654	2,345,579	1,462,095	9,702,614	9,792,010
Operating Fees	1,093,601	1,435,852	1,458,600	1,452,909	1,761,600	1,761,600
Other Revenues	427,769	17,616	3,001,200	178,612	7,301,200	7,966,200

	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUEST	2020-21 MANAGER RECMN'D
<b>Water Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Library Construction						
Wages & ERE	0	0	0	0	840,000	840,000
Operations	0	0	0	0	360,000	360,000
Capital	13,163	0	0	0	0	0
Net Transfers	0	0	0	0	0	0
Net Expenses	13,163	0	0	0	1,200,000	1,200,000
Revenues	0	0	0	0	1,200,000	1,200,000
Transfers In	13,163	0	0	0	0	0

# Camp Verde Sanitary District Agency Fund

## Debt Service

ACCOUNT TITLE	2017-18 AUDITED ACTUAL	2018-19 AUDITED ACTUAL	2019-20 ADJUSTED BUDGET	2019-20 THROUGH APR-20	2020-21 DEPT REQUESTED	2020-21 MANAGER RECOMMEND
<b>Principal &amp; Interest</b>						
Debt Principle Payments	700,041	682,686	766,700	145,000	782,640	782,640
Interest & Misc Fees	476,436	263,867	244,880	101,763	221,660	221,660
<b>Total Principal &amp; Interest</b>	<b>\$ 1,176,477</b>	<b>\$ 946,553</b>	<b>\$ 1,011,580</b>	<b>\$ 246,763</b>	<b>\$ 1,004,300</b>	<b>\$ 1,004,300</b>
<b>Revenue Sources</b>						
Property Taxes	954,661	845,745	893,070	686,684	885,870	885,870
IGA with Town of Camp Verde	118,589	118,549	118,510		118,430	118,430
Interest	7,560	11,694	3,500	29,446	5,000	5,000
<b>Total Tax Levy &amp; IGA</b>	<b>\$ 1,080,810</b>	<b>\$ 975,988</b>	<b>\$ 1,015,080</b>	<b>\$ 716,130</b>	<b>\$ 1,009,300</b>	<b>\$ 1,009,300</b>
<b>Net Effect on Fund</b>	<b>\$ 95,667</b>	<b>\$ (29,435)</b>	<b>\$ (3,500)</b>	<b>\$ (469,367)</b>	<b>\$ (5,000)</b>	<b>\$ (5,000)</b>

**Town of Camp Verde**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2021**

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2019	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	8,362,976	2,659,047	1,495,870	1,237,819	0	6,792,074	0	20,547,786
2019	Actual Expenditures/Expenses**	E	6,464,800	716,941	1,465,708	407,558	0	1,650,467	0	10,705,474
2020	Fund Balance/Net Position at July 1***		2,007,416	436,006	0	3,591,500		316,000		6,350,922
2020	Primary Property Tax Levy	B								0
2020	Secondary Property Tax Levy	B								0
2020	Estimated Revenues Other than Property Taxes	C	9,641,305	8,188,356	0	0	0	6,112,800	0	23,942,461
2020	Other Financing Sources	D	0	0	0	2,755,000	0	4,150,000	0	6,905,000
2020	Other Financing (Uses)	D	0	0	0	2,755,000	0	4,150,000	0	6,905,000
2020	Interfund Transfers In	D	42,000	0	1,390,395	5,991,066	0	0	0	7,423,461
2020	Interfund Transfers (Out)	D	1,421,255	6,002,206	0	0	0	0	0	7,423,461
2020	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									0
										0
2020	Total Financial Resources Available		10,269,466	2,622,156	1,390,395	9,582,566	0	6,428,800	0	30,293,383
2020	Budgeted Expenditures/Expenses	E	9,024,098	2,759,611	1,390,395	9,009,514	0	6,842,010	0	29,025,628

**EXPENDITURE LIMITATION COMPARISON**

	2020	2021
1. Budgeted expenditures/expenses	\$ 20,547,786	\$ 29,025,628
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	20,547,786	29,025,628
4. Less: estimated exclusions	8,490,922	16,263,889
5. Amount subject to the expenditure limitation	\$ 12,056,864	\$ 12,761,739
6. EEC expenditure limitation	<u>\$ 12,562,105</u>	<u>\$ 12,847,345</u>

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 the 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 on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually

**There will be a special meeting on July 17th, 2019 in Council chambers at 6:00 p.m. to receive input directly from the public and to approve the Final Budget.**  
 The proposed Final Budget may be reviewed at the Town Clerk's office, the Camp Verde Public Library  
 and on the Town's web page within the Finance Documents section.

**Town of Camp Verde  
Revenues Other Than Property Taxes  
Fiscal Year 2021**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES FY2020</b>	<b>ACTUAL REVENUES* FY2020</b>	<b>ESTIMATED REVENUES FY2021</b>
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Transaction Priviledge Tax	\$ 4,845,750	\$ 3,393,485	\$ 4,942,800
Franchise Fees	291,500	214,612	292,000
<b>Licenses and permits</b>			
Building Fees & Permits	50,000	169,993	190,000
Business License & Events	27,750	20,825	27,500
Pet License	6,000	2,070	5,000
<b>Intergovernmental</b>			
State Shared Revenues	1,482,530	1,090,024	1,598,780
State Transaction Priviledge Tax	1,374,090	882,712	1,014,120
Vehicle License Tax	825,300	613,387	835,245
Dispatch Services	195,000	142,500	195,000
Other	80,000	41,501	65,000
<b>Charges for services</b>			
Charges for Services	184,485	122,444	189,760
<b>Fines and forfeits</b>			
Magistrate Court	150,000	101,933	160,000
Other	6,000	4,175	6,500
<b>Interest on investments</b>			
Interest	16,000	18,581	16,000
<b>In-lieu property taxes</b>			
None			
<b>Contributions</b>			
Voluntary contributions	7,500	1,456	12,500
Grants	0	0	0
<b>Miscellaneous</b>			
Miscellaneous	93,104	162,302	91,100
<b>Total General Fund</b>	<b>\$ 9,635,009</b>	<b>\$ 6,982,000</b>	<b>\$ 9,641,305</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

**Town of Camp Verde  
Revenues Other Than Property Taxes  
Fiscal Year 2021**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES FY2020</b>	<b>ACTUAL REVENUES* FY2020</b>	<b>ESTIMATED REVENUES FY2021</b>
<b>SPECIAL REVENUE FUNDS</b>			
<b>Magistrate Fund</b>			
Local JCEF	\$ 3,000	\$ 1,949	\$ 3,000
Fill The Gap	3,000	2,016	3,000
Court Enhancement	25,000	17,269	25,000
	<u>\$ 31,000</u>	<u>\$ 21,234</u>	<u>\$ 31,000</u>
<b>HURF Fund</b>			
State HURF Revenues	\$ 966,200	\$ 855,041	\$ 991,445
Interest & Other	16,000	18,040	10,000
	<u>\$ 982,200</u>	<u>\$ 873,081</u>	<u>\$ 1,001,445</u>
<b>Housing Fund</b>			
Loan Payment Principle	\$ 16,000	\$ 2,432	\$ 50,550
Interest	750	265	20
	<u>\$ 16,750</u>	<u>\$ 2,697</u>	<u>\$ 50,570</u>
<b>Federal Grants Fund</b>	308,450	25,302	5,631,791
<b>Non-Federal Grants Fund</b>	1,144,000	36,498	1,019,000
<b>CDBG Fund</b>	345,000	36,550	308,450
<b>Donations Fund</b>	141,892	166,802	146,100
	<u>\$ 1,939,342</u>	<u>\$ 265,152</u>	<u>\$ 7,105,341</u>
<b>Total Special Revenue Funds</b>	<u>\$ 2,969,292</u>	<u>\$ 1,162,164</u>	<u>\$ 8,188,356</u>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was



**Town of Camp Verde  
Revenues Other Than Property Taxes  
Fiscal Year 2021**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES FY2020</b>	<b>ACTUAL REVENUES* FY2020</b>	<b>ESTIMATED REVENUES FY2021</b>
<b>DEBT SERVICE FUNDS</b>			
Interest	\$ 0	\$ 0	\$ 0
Bond Issue	0	0	0
	\$ 0	\$ 0	\$ 0
<b>Total Debt Service Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>CAPITAL PROJECTS FUNDS</b>			
	\$ 0	\$ 0	\$ 0
<b>Total Capital Projects Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>PERMANENT FUNDS</b>			
None	\$ 0	\$ 0	\$ 0
<b>Total Permanent Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>ENTERPRISE FUNDS</b>			
<b>Wastewater Fund</b>			
Operating Revenues	\$ 1,458,600	\$ 1,452,909	\$ 2,061,600
Grants	3,000,000	177,757	2,850,000
Interest & Other	1,200	855	1,200
	\$ 4,459,800	\$ 1,631,521	\$ 4,912,800
<b>Water Fund</b>			
Operating Revenues	\$ 1,200,000	\$ 0	\$ 1,200,000
	\$ 1,200,000	\$ 0	\$ 1,200,000
<b>Total Enterprise Funds</b>	<b>\$ 5,659,800</b>	<b>\$ 1,631,521</b>	<b>\$ 6,112,800</b>
<b>INTERNAL SERVICE FUNDS</b>			
None	\$ 0	\$ 0	\$ 0
<b>Total Internal Service Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 18,264,101</b>	<b>\$ 9,775,685</b>	<b>\$ 23,942,461</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

**Town of Camp Verde**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2021**

FUND	OTHER FINANCING FY2021		INTERFUND TRANSFERS FY2021	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
CIP Fund	\$	\$	\$	276,275
Debt Service Fund				1,144,980
Federal Grants Fund			42,000	
<b>Total General Fund</b>	\$ 0	\$ 0	\$ 42,000	\$ 1,421,255
<b>SPECIAL REVENUE FUNDS</b>				
Federal Grants Fund	\$	\$	\$ 0	5,559,791
Housing Fund				
HURF Fund				442,415
<b>Total Special Revenue Funds</b>	\$ 0	\$ 0	\$ 0	\$ 6,002,206
<b>DEBT SERVICE FUNDS</b>				
General Fund	\$	\$	\$ 1,144,980	\$
HURF Fund			245,415	
<b>Total Debt Service Funds</b>	\$ 0	\$ 0	\$ 1,390,395	\$ 0
<b>CAPITAL PROJECTS FUNDS</b>				
General Fund	\$	\$	\$ 276,275	
Federal Grants			5,517,791	
HURF Fund			197,000	
Community Park Bond	2,500,000			
Community Park Development	0	2,500,000		
Lease Financing	255,000			
Vehicle Purchases		255,000		
<b>Total Capital Projects Funds</b>	\$ 2,755,000	\$ 2,755,000	\$ 5,991,066	\$ 0
<b>PERMANENT FUNDS</b>				
None	\$	\$	\$	\$
<b>Total Permanent Funds</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>ENTERPRISE FUNDS</b>				
WIFA Loan Funds	\$ 1,500,000		\$	\$
Bond/Loan Funds for Expansion	\$ 2,650,000		\$	\$
Wastewater Expansion Construction		2,650,000	\$	\$
Plant Improvements		1,500,000	\$	\$
<b>Total Enterprise Funds</b>	\$ 4,150,000	\$ 4,150,000	\$ 0	\$ 0
<b>INTERNAL SERVICE FUNDS</b>				
None	\$	\$	\$	\$
<b>Total Internal Service Funds</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL ALL FUNDS</b>	\$ 6,905,000	\$ 6,905,000	\$ 7,423,461	\$ 7,423,461

**Town of Camp Verde  
Expenditures/Expenses by Fund  
Fiscal Year 2021**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES FY2020	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED FY2020	ACTUAL EXPENDITURES/ EXPENSES* FY2020	BUDGETED EXPENDITURES/ EXPENSES FY2021
<b>GENERAL FUND</b>				
General Admin	\$ 2,155,510	\$ 0	\$ 1,627,132	\$ 2,432,793
Magistrate Court	457,680	0	326,067	468,350
Public Works	1,022,345	0	757,109	1,087,000
Community Development	548,625	0	401,155	556,465
Marshal's Office	3,113,771	0	2,537,288	3,347,200
Library	564,880	0	454,383	602,475
Parks & Rec	500,165	0	361,666	529,815
<b>Total General Fund</b>	<b>\$ 8,362,976</b>	<b>\$ 0</b>	<b>\$ 6,464,800</b>	<b>\$ 9,024,098</b>
<b>SPECIAL REVENUE FUNDS</b>				
Magistrate Fund	\$ 105,500	\$ 0	\$ 1,766	\$ 128,700
Non-Federal Grants Fund	1,144,357	0	44,439	1,019,000
Federal Grants Fund	58,849	0	19,753	72,000
CDBG Fund	308,450	0	22,700	308,450
911 fund	1,361	0	0	1,361
Library Fund	0	0	0	0
Impact Fee Fund	0	0	0	0
Housing Fund	60,000	0	22,196	70,000
Donations Fund	268,500	0	46,452	383,725
HURF Fund	712,030	0	559,635	776,375
<b>Total Special Revenue Funds</b>	<b>\$ 2,659,047</b>	<b>\$ 0</b>	<b>\$ 716,941</b>	<b>\$ 2,759,611</b>
<b>DEBT SERVICE FUNDS</b>				
Debt Service Fund	\$ 1,495,870	\$ 0	\$ 1,465,708	\$ 1,390,395
<b>Total Debt Service Funds</b>	<b>\$ 1,495,870</b>	<b>\$ 0</b>	<b>\$ 1,465,708</b>	<b>\$ 1,390,395</b>
<b>CAPITAL PROJECTS FUNDS</b>				
CIP Fund	\$ 1,237,819	\$ 0	\$ 353,283	\$ 2,181,894
Parks Fund	0	0	54,275	6,827,620
<b>Total Capital Projects Funds</b>	<b>\$ 1,237,819</b>	<b>\$ 0</b>	<b>\$ 407,558</b>	<b>\$ 9,009,514</b>
<b>PERMANENT FUNDS</b>				
None	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Permanent Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>ENTERPRISE FUNDS</b>				
Wastewater	\$ 5,592,074	\$ 0	\$ 1,650,467	\$ 5,642,010
Water	1,200,000	0	0	1,200,000
<b>Total Enterprise Funds</b>	<b>\$ 6,792,074</b>	<b>\$ 0</b>	<b>\$ 1,650,467</b>	<b>\$ 6,842,010</b>
<b>INTERNAL SERVICE FUNDS</b>				
None	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Internal Service Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 20,547,786</b>	<b>\$ 0</b>	<b>\$ 10,705,474</b>	<b>\$ 29,025,628</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed

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Town of Camp Verde

**Agenda Item Submission Form – Section I**

**Meeting Date:** June 17, 2020

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

**Requesting Department:** Finance

**Staff Resource/Contact Person:** Mike Showers

**Agenda Title (be exact):** Discussion & possible approval of Resolution 2020-1046, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, proposing a permanent adjustment to the 1979-80 base expenditure limitation of the Town of Camp Verde.

**List Attached Documents:** 1) Resolution 2020-1046, 2) Permanent Base Adjustment – History & Summary of Need

**Estimated Presentation Time:** 5 minutes

**Estimated Discussion Time:** 5 minutes

**Reviews Completed by:**

**Town Attorney Comments:** In process

**Department Head:**

- Budgeted     Unbudgeted     N/A

**Fiscal Impact:** N/A

**Comments:** The town must have an increase to its annual expenditure limitation if it is to take on any further utilities. A permanent increase to the Base Expenditure Limit is the recommended course of action by the Town Manager and the Finance Director.

**Background Information:** Background and information was discussed during the June 10<sup>th</sup>, 2020 Council work session. See the attached History & Summary of Need.

**Recommended Action (Motion):** Approval of Resolution 2020-1046, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, proposing a permanent adjustment to the 1979-80 base expenditure limitation of the Town of Camp Verde.

**Instructions to the Clerk:** N/A



## Permanent Base Adjustment

### History and Summary of Need

Back in the 1979-80 fiscal years, the State set a new requirement on Cities and Towns to limit their annual spending possibilities. The state used the budgets of each municipality for that year to set their individual Base Expenditure Limitation, meaning the city from that point on, could never spend more than that amount regardless of what their revenues were. The State allowed two factors to be applied to this base amount; inflation and population. Our base was set when we incorporated back in the 1986-87 fiscal year at \$2,072,112. For our current upcoming budget after the inflation and population factors are applied, the Annual Expenditure Limit is \$12,847,345.

This issue is this: When the Base Expenditure Limitation was set for Camp Verde, we had neither the wastewater plant nor a water utility. When we took on the wastewater operations, and as we plan for taking on water utility operations, our Annual Expenditure Limitation was not and will not be correspondingly increased for the significant change in annual expenses. So the Town has been in effect penalized for not having those operations when incorporating. As we have been planning for the potential incorporation of taking on a water utility, we have been routinely bumping up against our Annual Expenditure Limitation.

That State has allowed for two processes to deal with this inequality: 1) A Home Rule Adjustment (which we are not covering tonight and is not recommended) and 2) A Permanent Base Adjustment. Through the Permanent Base Adjustment process, we are able to adjust our Base Expenditure Limitation, thereby changing our current Annual Expenditure Limitation. In this process, we will be petitioning the State, with the voters approval, to increase our Base Expenditure Limitation by \$565,000 (as recommended by the Finance Director and Town Manager). Once the \$565,000 is added to our current Base Expenditure Limitation of \$2,072,112 and the corresponding factors are applied, our Annual Expenditure Limit for FY22 would increase from an expected \$13,116,221 to instead, \$16,692,603. The increase of \$3,576,382 would comfortably cover operations in both the wastewater and water utilities as well as potential capital expenses.

It is extremely important to understand, this is not an authorization by Council nor the Town's general population to actually spend another \$3.5M without purpose or the corresponding increase in revenues. Nor is it any authorization to increase revenues by raising rates or taxes. That is an entirely different process. It simply gives our Town the ability to grow if and when local revenues grow and to take on a water utility without fear of running over our State imposed limitation and losing State shared revenue resources (the State reserves the right to take away the majority of our State shared revenues if we spend over our Annual Expenditure Limitation).

As seen in the attached documents, 78 or Arizona's 91 Towns and Cities have already incorporated the Home Rule of Permanent Base Adjustment. 33 cities have utilized the Permanent Base Adjustment Process to date, many very currently as this process is becoming the preferred method of adjustment as Home Rule requires municipalities to go back to the general public every 4 years for approval.

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Town of Camp Verde

**Agenda Item Submission Form – Section I**

**Meeting Date:** June 17, 2020

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

**Requesting Department:** Town Manager/Finance

**Staff Resource/Contact Person:** Russ Martin/Mike Showers

**Agenda Title (be exact):**

*Consideration and possible adoption of Resolution 2020-1047 “A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE TOWN OF A FOURTH PURCHASE AGREEMENT, A FOURTH TRUST AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE SALE AND EXECUTION AND DELIVERY OF PLEDGED REVENUE AND REVENUE REFUNDING OBLIGATIONS, SERIES 2020, EVIDENCING ALL THE INTERESTS OF THE OWNER THEREOF IN THE PAYMENTS TO BE MADE PURSUANT TO THE PURCHASE AGREEMENT; ADOPTING POST-ISSUANCE TAX COMPLIANCE PROCEDURES IN CONNECTION WITH ISSUANCE OF OBLIGATIONS OF THE TOWN; DELEGATING AUTHORITY TO THE MAYOR, MANAGER AND FINANCE DIRECTOR OF THE TOWN TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY”*

**List Attached Documents:**

1. WRITTEN POLICIES AND PROCEDURES FOR TAX-ADVANTAGED OBLIGATIONS
2. FOURTH TRUST AGREEMENT
3. FOURTH PURCHASE AGREEMENT
4. PLACEMENT AGENT AGREEMENT

**Estimated Presentation Time:** 15 min

**Estimated Discussion Time:** 15 min

**Reviews Completed by:**

**Department Head: Russ Martin, included below**

**Town Attorney Bill Sims**

**Finance Review:**  **Budgeted**  **Unbudgeted**  **N/A**

**Finance Director Comments/Fund:** This item has been placed in the 20/21 budget.

**Fiscal Impact:** The first payments would continue to be paid out by the HURF fund for the refunding of the Streets Yard. This would continue and would be prorated to transition to the general fund expenses in 4 years.

**Background Information:**

The Town has worked for over a decade now to develop the resources and plans to build a community park on the purchased 118 acres along Highway 260. This has gone through significant public discussion and review in the past and because of the completion of several other projects and clearances we are now at a point to begin the process of construction. To do so required borrowing a significant amount, in this case we borrowed 6.8 million dollars to accomplish the first phase of improvements, this would add to that amount 2.5 million more.

At the time of this staff report staff is also working on leveraging a significant grant opportunity (LWCF, Land and Water Conservation Fund). Unfortunately, we are not exact on what changes are in store for this grant so we are working on a little of a moving target, however it is clear that we will be able to use the remaining funds past where we will be at the end of the current construction contract to complete more of phase 1. Exciting as this opportunity is at this time the percentage required is currently 1 to 1 or 50% of the cost match. There is congressional action currently going through that would possibly reduce this matching requirement. Staff has accounted for this potential significant grant through the preliminary budget and will be able to continue to pursue this funding, available after January that will at least match what is remaining. Staff is working on obtaining at least 1.5 to 2 million on the low end to 3.5 to 4 million on the high end to complete this phase that looks like it will allow us to completely finish this initial phase.

Why now? It is important also to identify the opportunities to finish the items necessary to keep grass growing and to get funding in addition to the 6.8 million would allow staff to move forward knowing the funding for items such as electric and water connections will be there. It is also significant to the potential grant opportunity with LWCF to demonstrate final commitment that as stated earlier will allow for leverage of the most grant money possible to get the initial vision of phase 1 completed.

As in the initial borrow the attached documents in connection with their consideration of the approving resolution will accomplish this action. Finally, it includes an emergency clause requiring six affirmative votes (2/3+) to accomplish. The emergency clause is to avoid sudden changes to the rates from the bids received.

**Direction:** Move to approve Resolution 2020-1047 *“A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE TOWN OF A FOURTH PURCHASE AGREEMENT, A FOURTH TRUST AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE SALE AND EXECUTION AND DELIVERY OF PLEDGED REVENUE AND REVENUE REFUNDING*

*OBLIGATIONS, SERIES 2020, EVIDENCING ALL THE INTERESTS OF THE OWNER THEREOF IN THE PAYMENTS TO BE MADE PURSUANT TO THE PURCHASE AGREEMENT; ADOPTING POST-ISSUANCE TAX COMPLIANCE PROCEDURES IN CONNECTION WITH ISSUANCE OF OBLIGATIONS OF THE TOWN; DELEGATING AUTHORITY TO THE MAYOR, MANAGER AND FINANCE DIRECTOR OF THE TOWN TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY”*

**Instructions to Clerk:**



RESOLUTION NO. 2020-1047

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE TOWN OF A FOURTH PURCHASE AGREEMENT, A FOURTH TRUST AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE SALE AND EXECUTION AND DELIVERY OF PLEDGED REVENUE AND REVENUE REFUNDING OBLIGATIONS, SERIES 2020, EVIDENCING ALL THE INTERESTS OF THE OWNER THEREOF IN THE PAYMENTS TO BE MADE PURSUANT TO THE PURCHASE AGREEMENT; ADOPTING POST-ISSUANCE TAX COMPLIANCE PROCEDURES IN CONNECTION WITH ISSUANCE OF OBLIGATIONS OF THE TOWN; DELEGATING AUTHORITY TO THE MAYOR, MANAGER AND FINANCE DIRECTOR OF THE TOWN TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY

WHEREAS, the Mayor and Common Council of the Town of Camp Verde, Arizona (the "Town"), have determined to (i) finance the costs of parks and recreation projects in and for the Town (the "New Project"), and (ii) refinance the costs of acquiring the "Property" described in the Agreement of Purchase and Sale of Real Estate with Escrow Instructions, from Beta Ventures, L.L.C. (Yavapai County Assessor's Parcel No. 403-22-025E) (the "Refinanced Project"), by entering into a Fourth Purchase Agreement, to be dated as of the first day of the month of the dated date of the hereinafter described Obligations established as provided herein (the "Purchase Agreement"), with a bank authorized to exercise trust powers in the State of Arizona, appointed as provided herein, as trustee (the "Trustee"), in its separate capacity as "Seller"; and

WHEREAS, in connection with the Purchase Agreement, the Mayor and Common Council of the Town have deemed it necessary and desirable to provide for the sale and execution and delivery of Pledged Revenue and Revenue Refunding Obligations, Series 2020, as provided for by this Resolution (the "Obligations"), pursuant to the Fourth Trust Agreement, to be dated as of the first day of the month of the dated date of the Obligations (the "Trust Agreement"), between

the Trustee and the Town, evidencing all the interests of the owner of the Obligations in payments to be made pursuant to the Purchase Agreement; and

WHEREAS, the payments represented by the Obligations will be secured by amounts received under the Purchase Agreement pursuant to which the Town will pledge the Excise Tax Revenues and the State Shared Revenues (as such terms are defined in the Trust Agreement); and

WHEREAS, the Mayor and Common Council of the Town will receive a proposal from Stifel, Nicolaus & Company, Incorporated, serving in the capacity of and designated as the placement agent (the "Placement Agent"), and not acting as a municipal advisor as defined in the "Registration of Municipal Advisors" rule promulgated by the United States Securities and Exchange Commission, and has determined that the Obligations should be placed by the Placement Agent and pursuant to the Strategic Alliance of Volume Expenditures (SAVE) Cooperative Response Proposal #C-005-1718; and

WHEREAS, the Placement Agent will submit such proposal to place the Obligations pursuant to a Placement Agent Agreement, in substantially the form presented at the meeting at which this Resolution was adopted, to be dated the date of placement of the Obligations (the "Placement Contract"), by and between the Town and the Placement Agent; and

WHEREAS, pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder (the "Regulations"), issuers of obligations, the interest on which is intended to be excludable from the gross income of the owners thereof for federal income tax purposes (the "Tax-Exempt Obligations"), are required to establish policies and procedures to ensure compliance with the applicable provisions of the Code and the Regulations; and

WHEREAS, the Mayor and Common Council of the Town hereby determine that procedures should be adopted in order to ensure that Tax-Exempt Obligations issued by the Town comply with the provisions of the Code and the Regulations (the "Procedures"); and

WHEREAS, there have been presented to the Mayor and Common Council of the Town at the meeting at which this Resolution is being adopted the proposed forms of: (1) the Purchase Agreement; (2) the Trust Agreement; (3) the Placement Contract; and (4) the Procedures; and

WHEREAS, financing the costs of the New Project and refinancing the costs of the Refinanced Projects pursuant to the Purchase Agreement is in furtherance of the purposes of the Town and in the public interest;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, THAT:

Section 1. (a) The execution and delivery of the Obligations by the Trustee is approved.

(b) The Mayor, the Manager and the Finance Director of the Town, or the designees of any of them (collectively, the "Authorized Representatives"), are each authorized

to determine on behalf of the Town: (1) the identity of the Trustee; (2) the date the Obligations are to be sold to the 2020 Purchaser (as defined herein); (3) the aggregate principal amount of the Obligations (but not to exceed \$3,000,000 aggregate principal amount); (4) the date the Obligations are to be dated; (5) the dates on which interest on the Obligations is to be payable and the interest rates per annum the Obligations are to bear; (6) the dates the Obligations are to be payable, but not later than July 1, 2036, the principal amounts to be payable on such dates and the provisions for prepayment thereof in advance of such dates; (7) the provisions for prepayment of the obligations that financed the Refinanced Project (the “Prepaid Obligations”), including the method of prepayment and the amounts and dates of prepayment thereof; and (8) the terms upon which the Obligations are to be sold (including determinations of price and original issue discount and premium); provided, however, that the foregoing determinations shall result in a yield on the Obligations, as calculated in accordance with section 148 of the Code, of not to exceed three and one-half percent (3.5%).

(c) The Authorized Representatives are further each hereby authorized to determine on behalf of the Town whether the purchase of an insurance policy securing payment of the Obligations or a surety bond or other reserve fund guaranty would be advantageous to the Town or the terms of the financing represented by the Obligations. The Authorized Representatives are further each hereby authorized to negotiate with and secure, with proceeds of the Obligations or otherwise, such an insurance policy or a reserve fund guaranty, or both, from one or more institutions, the claims-paying ability of which are then assigned one of the two highest rating categories by a nationally recognized credit rating agency. The Authorized Representatives are further each hereby authorized to execute and deliver any instruments or documents necessary in connection with the purchase of any such insurance policy and/or reserve fund guaranty, including those making provision for the repayment of amounts advanced by the institutions issuing such insurance policy and/or reserve fund guaranty.

(d) The form and other terms of the Obligations, including the provisions for the signatures, authentication, payment, registration, transfer, exchange, prepayment and number shall be as set forth in the Trust Agreement and are approved.

(e) The Procedures are hereby adopted to establish policies and procedures related to the purposes set forth in the Recitals hereto. The right to use discretion as necessary and appropriate to make exceptions or request additional provisions with respect to the Procedures as may be determined is hereby reserved. The right to change the Procedures from time to time, without notice, is also reserved.

Section 2. The Obligations are to be placed with a purchaser (the “2020 Purchaser”), pursuant to the terms of the Placement Contract as such terms are to be determined as provided hereinabove.

Section 3. The forms, terms and provisions of the Purchase Agreement, the Trust Agreement and the Placement Contract, in substantially the forms of such documents (including the Obligations and other exhibits thereto) presented at the meeting of the Mayor and Common Council of the Town at which this Resolution is being adopted, are approved, with such final provisions, insertions, deletions and changes as determined as provided hereinabove and shall be approved by the Mayor of the Town, any other member of the Common Council, and, in the case of the Placement Contract, the Authorized Representatives, the execution of each such document

being conclusive evidence of such approval. The Authorized Representatives are hereby authorized to enter into, if necessary, an Escrow Trust Agreement, in standard form, to be dated as of the first day of the month of the dated date of the Obligations (the "Escrow Trust Agreement"), with the Trustee, as escrow trustee (the "Escrow Trustee"), for the establishment of an escrow to pay principal of and interest on the Prepaid Obligations and to prepay the Prepaid Obligations. The Mayor of the Town or any other member of the Common Council and, in the case of the Placement Contract, the Authorized Representatives, and the Clerk of the Town, where applicable, are authorized and directed, for and on behalf of the Town, to execute and deliver and attest or approve the Purchase Agreement, the Trust Agreement, the Escrow Trust Agreement and the Placement Contract and to take all action to carry out and comply with the terms of such documents.

Section 4. The Trustee (including in its capacity as Seller) and the Escrow Trustee are requested to take any and all action necessary in connection with the execution and delivery of the Purchase Agreement, the Trust Agreement and the Escrow Trust Agreement and the sale and execution and delivery of the Obligations and the prepayment of the Prepaid Obligations and are further authorized and directed to take such action as may be reasonable for the administration of the trusts so held by them.

Section 5. The covenants and agreements contained the Purchase Agreement as to the pledge of and the lien on the Excise Tax Revenues and the State Shared Revenues and the restriction on the issuance of further parity obligations secured by revenues from the Excise Taxes and the State Shared Revenues are approved and confirmed.

Section 6. The Authorized Representatives and other officers of the Town, on behalf of the Town, are authorized and directed, without further order of the Mayor and Common Council of the Town, to do all such acts and things and to execute and deliver all such certificates, proceedings, agreements and other documents as may be necessary or convenient to be executed and delivered on behalf of the Town (including entering into any agreements for administrative or procedural requirements requested by the 2020 Purchaser), to evidence compliance with, or further the purposes of, all the terms and conditions of this Resolution and as may be necessary to carry out the terms and intent of this Resolution.

Section 7. All actions of the officers and agents of the Town which conform to the purposes and intent of this Resolution and which further the sale and execution and delivery of the Obligations as contemplated by this Resolution, whether heretofore or hereafter taken, are ratified, confirmed and approved.

Section 8. If any section, paragraph, clause or phrase of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or phrase shall not affect any of the remaining provisions of this Resolution. All orders, resolutions and ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order, resolution or ordinance or any part thereof.

Section 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety of the Town for the reason that the Obligations authorized herein must be sold immediately to secure the best, available

economic terms therefor; an emergency is, therefor, declared to exist, and this Resolution is enacted as an emergency and shall be in full force and effect immediately upon its passage by the Mayor and Common Council of the Town, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona. After any of the Obligations are delivered by the Trustee to the 2020 Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

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PASSED, APPROVED and ADOPTED by the Mayor and Common Council of the Town of Camp Verde, Arizona, this 17th day of June 2020.

.....  
Mayor

ATTEST:

.....  
Town Clerk

APPROVED AS TO FORM:

.....  
Town Attorney

CERTIFICATION

I hereby certify that the foregoing Resolution No. .... was duly passed and adopted by the Mayor and Common Council of the Town of Camp Verde, Arizona, at a regular meeting held on the 17th day of June 2020, and the vote was ..... ayes and ..... nays.

.....  
Town Clerk

**TOWN OF CAMP VERDE, ARIZONA**

**WRITTEN POLICIES AND PROCEDURES  
FOR TAX-ADVANTAGED OBLIGATIONS**

**IMPLEMENTED JUNE 17, 2020**

The Town of Camp Verde, Arizona (the “Issuer”) has issued and may in the future issue tax-exempt obligations (including, without limitation, bonds, notes, loans, leases and certificates) (together, “tax-advantaged obligations”) that are subject to certain requirements under the Internal Revenue Code of 1986, as amended (the “Code”).

The Issuer has established the policies and procedures contained herein (the “Procedures”) in order to ensure that the Issuer complies with the requirements of the Code that are applicable to its tax-advantaged obligations. The Procedures, coupled with requirements contained in the arbitrage and tax certificate or other operative documents (the “Tax Certificate”) executed at the time of issuance of the tax-advantaged obligations, are intended to constitute written procedures for ongoing compliance with the federal tax requirements applicable to the tax-advantaged obligations and for timely identification and remediation of violations of such requirements.

**A. GENERAL MATTERS.**

1. Responsible Officer. The Finance Director of the Issuer will have overall responsibility for ensuring that the ongoing requirements described in the Procedures are met with respect to tax-advantaged obligations (the “Responsible Officer”).
2. Establishment of Procedures. The Procedures will be included with other written procedures of the Issuer.
3. Identify Additional Responsible Employees. The Responsible Officer shall identify any additional persons who will be responsible for each section of the Procedures, notify the current holder of that office of the responsibilities, and provide that person a copy of the Procedures. (For each section of the Procedures, this may be the Responsible Officer or another person who is assigned the particular responsibility.)
  - a. Upon employee or officer transitions, new personnel should be advised of responsibilities under the Procedures and ensure they understand the importance of the Procedures.
  - b. If employee or officer positions are restructured or eliminated, responsibilities should be reassigned as necessary to ensure that all Procedures have been appropriately assigned.
4. Training Required. The Responsible Officer and other responsible persons shall receive appropriate training that includes the review of and familiarity with the contents of the Procedures, review of the requirements contained in the Code applicable to each tax-

advantaged obligation, identification of all tax-advantaged obligations that must be monitored, identification of all facilities (or portions thereof) financed with proceeds of tax-advantaged obligations, familiarity with the requirements contained in the Tax Certificate or other operative documents contained in the transcript, and familiarity with the procedures that must be taken in order to correct noncompliance with the requirements of the Code in a timely manner.

5. Periodic Review. The Responsible Officer or other responsible person shall periodically review compliance with the Procedures and with the terms of the Tax Certificate to determine whether any violations have occurred so that such violations can be timely remedied through the “remedial action” regulations or the Voluntary Closing Agreement Program available through the Internal Revenue Service (“IRS”) (or successor guidance). Such periodic review shall occur at least annually.
6. Change in Terms. If any changes to the terms of the tax-advantaged obligations are contemplated, bond counsel should be consulted. Such modifications could jeopardize the status of tax-advantaged obligations.

**B. IRS INFORMATION RETURN FILING.** The Responsible Officer will confirm that bond counsel has filed the applicable information reports (such as Form 8038-G) for such issue with the IRS on a timely basis, and maintain copies of such form including evidence of timely filing as part of the transcript of the issue. The Responsible Officer shall file the IRS Form 8038-T relating to the payment of rebate or yield reduction payments in a timely manner as discussed in Section F.12. below. The Responsible Officer shall also monitor the extent to which the Issuer is eligible to receive a refund of prior rebate payments and provide for the timely filing for such refunds using an IRS Form 8038-R.

**C. USE OF PROCEEDS.** The Responsible Officer or other responsible person shall:

1. Consistent Accounting Procedures. Maintain or confirm maintenance of clear and consistent accounting procedures for tracking the investment and expenditures of proceeds, including investment earnings on proceeds.
2. Reimbursement Allocations at Closing. At or shortly after closing of an issue, ensure that any allocations for reimbursement expenditures comply with the Tax Certificate.
3. Timely Expenditure of Proceeds. Monitor that sale proceeds and investment earnings on sale proceeds of tax-advantaged obligations are spent in a timely fashion consistent with the requirements of the Tax Certificate.
4. Requisitions. Utilize or confirm the utilization of requisitions to draw down proceeds, and ensure that each requisition contains (or has attached to it) detailed information in order to establish when and how proceeds were spent; review requisitions carefully before submission to ensure proper use of proceeds to minimize the need for reallocations.
5. Final Allocation. Ensure that a final allocation of proceeds (including investment earnings) to qualifying expenditures is made if proceeds are to be allocated to project expenditures

on a basis other than “direct tracing” (direct tracing means treating the proceeds as spent as shown in the accounting records for draws and project expenditures). An allocation other than on the basis of “direct tracing” is often made to reduce the private business use of bond proceeds that would otherwise result from “direct tracing” of proceeds to project expenditures. *This allocation must be made within 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than five years and 60 days after the date the tax-advantaged obligations are issued (or 60 days after the issue is retired, if earlier).* Bond counsel can assist with the final allocation of proceeds to project costs. Maintain a copy of the final allocation in the records for the tax-advantaged obligation.

6. Maintenance and Retention of Records Relating to Proceeds. Maintain or confirm the maintenance of careful records of all project and other costs (e.g., costs of issuance, credit enhancement and capitalized interest) and uses (e.g., deposits to a reserve fund) for which proceeds were spent or used. These records should be maintained separately for each issue of tax-advantaged obligations for the period indicated under Section G. below.

**D. MONITORING PRIVATE BUSINESS USE.** The Responsible Officer or other responsible person shall:

1. Identify Financed Facilities. Identify or “map” which outstanding issues financed which facilities and in what amounts.
2. Review of Contracts with Private Persons. Review all of the following contracts or arrangements with non-governmental persons or organizations or the federal government (collectively referred to as “private persons”) with respect to the financed facilities which could result in private business use of the facilities:
  - a. Sales of financed facilities;
  - b. Leases of financed facilities;
  - c. Management or service contracts relating to financed facilities;
  - d. Research contracts under which a private person sponsors research in financed facilities; and
  - e. Any other contracts involving “special legal entitlements” (such as naming rights or exclusive provider arrangements) granted to a private person with respect to financed facilities.
3. Bond Counsel Review of New Contracts or Amendments. Before amending an existing agreement with a private person or entering into any new lease, management, service, or research agreement with a private person, consult bond counsel to review such amendment or agreement to determine whether it results in private business use.

4. Establish Procedures to Ensure Proper Use and Ownership. Establish procedures to ensure that financed facilities are not used for private use without written approval of the Responsible Officer or other responsible person.
5. Analyze Use. Analyze any private business use of financed facilities and, for each issue of tax-advantaged obligations, determine whether the 10 percent limit on private business use (5 percent in the case of “unrelated or disproportionate” private business use) is exceeded, and contact bond counsel or other tax advisors if either of these limits appears to be exceeded.
6. Remediation if Limits Exceeded. If it appears that private business use limits are exceeded, immediately consult with bond counsel to determine if a remedial action is required with respect to nonqualified tax-advantaged obligations of the issue or if the IRS should be contacted under its Voluntary Closing Agreement Program. If tax-advantaged obligations are required to be redeemed or defeased in order to comply with remedial action rules, such redemption or defeasance must occur within 90 days of the date a deliberate action is taken that results in a violation of the private business use limits.
7. Maintenance and Retention of Records Relating to Private Use. Retain copies of all of the above contracts or arrangements (or, if no written contract exists, detailed records of the contracts or arrangements) with private persons for the period indicated under Section G. below.

**E. LOAN OF BOND PROCEEDS.** Consult bond counsel if a loan of proceeds of tax-advantaged obligations is contemplated. If proceeds of tax-advantaged obligations are permitted under the Code to be loaned to other entities and are in fact so loaned, require that the entities receiving a loan of proceeds institute policies and procedures similar to the Procedures to ensure that the proceeds of the loan and the facilities financed with proceeds of the loan comply with the limitations provided in the Code. Require the recipients of such loans to annually report to the Issuer ongoing compliance with the Procedures and the requirements of the Code.

**F. ARBITRAGE AND REBATE COMPLIANCE.** The Responsible Officer or other responsible person shall:

1. Review Tax Certificate. Review each Tax Certificate to understand the specific requirements that are applicable to each tax-advantaged obligation issue.
2. Arbitrage Yield. Record the arbitrage yield of the issue, as shown on IRS Form 8038-G or other applicable form. If the tax-advantaged obligations are variable rate, yield must be determined on an ongoing basis over the life of the tax-advantaged obligations as described in the Tax Certificate.
3. Temporary Periods. Review the Tax Certificate to determine the “temporary periods” for each issue, which are the periods during which proceeds of tax-advantaged obligations may be invested without yield restriction.

4. Post-Temporary Period Investments. Ensure that any investment of proceeds after applicable temporary periods is at a yield that does not exceed the applicable yield, unless yield reduction payments can be made pursuant to the Tax Certificate.
5. Monitor Temporary Period Compliance. Monitor that proceeds (including investment earnings) are expended promptly after the tax-advantaged obligations are issued in accordance with the expectations for satisfaction of three-year or five-year temporary periods for investment of proceeds and to avoid “hedge bond” status.
6. Monitor Yield Restriction Limitations. Identify situations in which compliance with applicable yield restrictions depends upon later investments (e.g., the purchase of 0 percent State and Local Government Securities from the U.S. Treasury for an advance refunding escrow). Monitor and verify that these purchases are made as contemplated.
7. Establish Fair Market Value of Investments. Ensure that investments acquired with proceeds satisfy IRS regulatory safe harbors for establishing fair market value (e.g., through the use of bidding procedures), and maintaining records to demonstrate satisfaction of such safe harbors. Consult the Tax Certificate for a description of applicable rules.
8. Credit Enhancement, Hedging and Sinking Funds. Consult with bond counsel before engaging in credit enhancement or hedging transactions relating to an issue, and before creating separate funds that are reasonably expected to be used to pay debt service. Maintain copies of all contracts and certificates relating to credit enhancement and hedging transactions that are entered into relating to an issue.
9. Grants/Donations to Governmental Entities. Before beginning a capital campaign or grant application that may result in gifts that are restricted to financed projects (or, in the absence of such a campaign, upon the receipt of such restricted gifts), consult bond counsel to determine whether replacement proceeds may result that are required to be yield restricted.
10. Bona Fide Debt Service Fund. Even after all proceeds of a given issue have been spent, ensure that debt service funds, if any, meet the requirements of a “bona fide debt service fund,” i.e., one used primarily to achieve a proper matching of revenues with debt service that is depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of: (i) the earnings on the fund for the immediately preceding bond year; or (ii) one-twelfth of the debt service on the issue for the immediately preceding bond year. To the extent that a debt service fund qualifies as a bona fide debt service fund for a given bond year, the investment of amounts held in that fund is not subject to yield restriction for that year.
11. Debt Service Reserve Funds. Ensure that amounts invested in reasonably required debt service reserve funds, if any, do not exceed the least of: (i) 10 percent of the stated principal amount of the tax-advantaged obligations (or the sale proceeds of the issue if the issue has original issue discount or original issue premium that exceeds 2 percent of the stated principal amount of the issue plus, in the case of premium, reasonable underwriter’s compensation); (ii) maximum annual debt service on the issue; or (iii) 125% of average annual debt service on the issue.

12. Rebate and Yield Reduction Payment Compliance. Review the arbitrage rebate covenants contained in the Tax Certificate. Subject to certain rebate exceptions described below, investment earnings on proceeds at a yield in excess of the yield (i.e., positive arbitrage) generally must be rebated to the U.S. Treasury, even if a temporary period exception from yield restriction allowed the earning of positive arbitrage.
- a. Ensure that rebate and yield reduction payment calculations will be timely performed and payment of such amounts, if any, will be timely made. Such payments are generally due 60 days after the fifth anniversary of the date of issue, then in succeeding installments every five years. The final rebate payment for an issue is due 60 days after retirement of the last obligation of the issue. The Issuer should hire a rebate consultant if necessary.
  - b. Review the rebate section of the Tax Certificate to determine whether the “small issuer” rebate exception applies to the issue.
  - c. If the 6-month, 18-month, or 24-month spending exceptions from the rebate requirement (as described in the Tax Certificate) may apply to the tax-advantaged obligations, ensure that the spending of proceeds is monitored prior to semiannual spending dates for the applicable exception.
  - d. Make rebate and yield reduction payments and file Form 8038-T in a timely manner.
  - e. Even after all other proceeds of a given issue have been spent, ensure compliance with rebate requirements for any debt service reserve fund and any debt service fund that is not exempt from the rebate requirement (see the Arbitrage Rebate covenants contained in the Tax Certificate).
13. Maintenance and Retention of Arbitrage and Rebate Records. Maintain records of investments and expenditures of proceeds, rebate exception analyses, rebate calculations, Forms 8038-T, and rebate and yield reduction payments, and any other records relevant to compliance with the arbitrage restrictions for the period indicated in Section G. below.

**G. RECORD RETENTION.** The Responsible Officer or other responsible person shall ensure that for each issue of obligations, the transcript and all records and documents described in these Procedures will be maintained while any of the obligations are outstanding and during the three-year period following the final maturity or redemption of that issue, or if the obligations are refunded (or re-refunded), while any of the refunding obligations are outstanding and during the three-year period following the final maturity or redemption of the refunding obligations.



**ATTACHMENT I TO  
WRITTEN PROCEDURES**

**REMEDIAL ACTION PROCEDURES**

Capitalized terms used herein but not defined have the meaning assigned thereto in Section 5 below and in the Written Policies and Procedures for Tax-Advantaged Obligations to which these Remedial Action Procedures are attached. This attachment describes written procedures that may be required to be taken by, or on behalf of, an issuer of tax-advantaged obligations (“Obligations”).

1. **Background.** The maintenance of the tax status of the Obligations (*e.g.*, as tax-exempt obligations under federal tax law) depends on the compliance with the requirements set forth in the Internal Revenue Code of 1986, as amended (the “Code”). *The purpose of this attachment is to set forth written procedures to be used in the event that any deliberate actions are taken that are not in compliance with the tax requirements of the Code (each, a “Deliberate Action”) with respect to the Obligations, the proceeds thereof, or the property financed or refinanced by the Obligations (the “Financed Property”).*

2. **Consultation with bond counsel.** If a Deliberate Action is taken with respect to the Obligations and the Financed Property subsequent to the issuance or execution and delivery of the Obligations, then the Issuer must consult with Greenberg Traurig, LLP or other nationally recognized bond counsel (“bond counsel”) regarding permissible Remedial Actions that may be taken to remediate the effect of any such Deliberate Action upon the federal tax status of the Obligations. Note that Remedial Actions or corrective actions other than those described in this attachment may be available with respect to the Obligations and the Financed Property, including Remedial Actions or corrective actions that may be permitted by the Commissioner through the Voluntary Closing Agreement Program (VCAP) provided by the Internal Revenue Service from time to time.

3. **Conditions to Availability of Remedial Actions.** None of the Remedial Actions described in this attachment are available to remediate the effect of any Deliberate Action with respect to the Obligations and the Financed Property unless the following conditions have been satisfied and unless bond counsel advises otherwise:

(a) The Issuer reasonably expected on the date the Obligations were originally issued or executed and delivered that the Obligations would meet neither the Private Business Tests nor the Private Loan Financing Test of Section 141 of the Code and the Treasury Regulations thereunder for the entire term of the Obligations (such expectations may be based on the representations and expectations of the applicable conduit borrower, if there is one);

(b) The weighted average maturity of the Obligations did not, as of such date, exceed 120 percent of the Average Economic Life of the Financed Property;

(c) Unless otherwise excepted under the Treasury Regulations, the Issuer delivers a certificate, instrument, or other written records satisfactory to bond counsel demonstrating that the terms of the arrangement pursuant to which the Deliberate Action is taken is *bona fide* and arm’s-length, and that the non-exempt Person using either the Financed Property or the proceeds of the

Obligations as a result of the relevant Deliberate Action will pay fair market value for the use thereof;

(d) Any disposition must be made at fair market value and any Disposition Proceeds actually or constructively received by the Issuer as a result of the Deliberate Action must be treated as gross proceeds of the Obligations and may not be invested in obligations bearing a yield in excess of the yield on the Obligations subsequent to the date of the Deliberate Action; and

(e) Proceeds of the Obligations affected by the Remedial Action must have been allocated to expenditures for the Financed Property or other allowable governmental purposes before the date on which the Deliberate Action occurs (except to the extent that redemption or defeasance, if permitted, is undertaken, as further described in Section 4(A) below).

4. **Types of Remedial Action.** Subject to the conditions described above, and only if the Issuer obtains an opinion of bond counsel prior to taking any of the actions below to the effect that such actions will not affect the federal tax status of the Obligations, the following types of Remedial Actions may be available to remediate a Deliberate Action subsequent to the issuance of the Obligations:

(a) Redemption or Defeasance of Obligations.

(i) If the Deliberate Action causing either the Private Business Use Test or the Private Loan Financing Test to be satisfied consists of a fair market value disposition of any portion of the Financed Property exclusively for cash, then the Issuer may allocate the Disposition Proceeds to the redemption of Nonqualified Obligations pro rata across all of the then-outstanding maturities of the Obligations at the earliest call date of such maturities of the Obligations after the taking of the Deliberate Action. If any of the maturities of the Obligations outstanding at the time of the taking of the Deliberate Action are not callable within 90 days of the date of the Deliberate Action, the Issuer may (subject generally to the limitations described in (iii) below) allocate the Disposition Proceeds to the establishment of a Defeasance Escrow for any such maturities of the Obligations within 90 days of the taking of such Deliberate Action.

(ii) If the Deliberate Action consists of a fair market value disposition of any portion of the Financed Property for other than exclusively cash, then the Issuer may use any funds (other than proceeds of the Obligations or proceeds of any obligation the interest on which is excludable from the gross income of the registered owners thereof for federal income tax purposes) for the redemption of all Nonqualified Obligations within 90 days of the date that such Deliberate Action was taken. In the event that insufficient maturities of the Obligations are callable by the date which is within 90 days after the date of the Deliberate Action, then such funds may be used for the establishment of a Defeasance Escrow within 90 days of the date of the Deliberate Action for all of the maturities of the Nonqualified Obligations not callable within 90 days of the date of the Deliberate Action.

(iii) If a Defeasance Escrow is established for any maturities of Nonqualified Obligations that are not callable within 90 days of the date of the Deliberate Action, written notice must be provided to the Commissioner of Internal Revenue Service at the times and places as may be specified by applicable regulations, rulings, or other guidance issued by

the Department of the Treasury or the Internal Revenue Service. Note that the ability to create a Defeasance Escrow applies only if the Obligations to be defeased and redeemed all mature or are callable within ten and one-half (10.5) years of the date the Obligations are originally issued or executed and delivered. If the Obligations are not callable within ten and one-half years, and none of the other remedial actions described below are applicable, the remainder of this attachment is for general information only, and bond counsel must be contacted to discuss other available options.

(b) Alternative Use of Disposition Proceeds. Use of any Disposition Proceeds in accordance with the following requirements may be treated as a Remedial Action with respect to the Obligations:

(i) the Deliberate Action consists of a disposition of all or any portion of the Financed Property for not less than the fair market value thereof for cash;

(ii) the Issuer reasonably expects to expend the Disposition Proceeds resulting from the Deliberate Action within two years of the date of the Deliberate Action;

(iii) the Disposition Proceeds are treated as Proceeds of the Obligations for purposes of Section 141 of the Code and the Regulations thereunder, and the use of the Disposition Proceeds in the manner in which such Disposition Proceeds are in fact so used would not cause the Disposition Proceeds to satisfy the Private Activity Bond Tests;

(iv) no action is taken after the date of the Deliberate Action to cause the Private Activity Bond Tests to be satisfied with respect to the Obligations, the Financed Property, or the Disposition Proceeds (other than any such use that may be permitted in accordance with the Treasury Regulations);

(v) Disposition Proceeds used in a manner that satisfies the Private Activity Bond Tests or that are not expended within two years of the date of the Deliberate Action must be used to redeem or defease Nonqualified Obligations in accordance with the requirements set forth in Section 4(a) hereof; and

(c) Alternative Use of Financed Property. The Issuer may be considered to have taken sufficient Remedial Actions to cause the Obligations to continue their applicable treatment under federal tax law if, subsequent to taking any Deliberate Action with respect to all or any portion of the Financed Property:

(i) the portion of the Financed Property subject to the Deliberate Action is used for a purpose that would be permitted for qualified tax-exempt obligations;

(ii) the disposition of the portion of the Financed Property subject to the Deliberate Action is not financed by a person acquiring the Financed Property with proceeds of any obligation the interest on which is exempt from the gross income of the registered owners thereof under Section 103 of the Code for purposes of federal income taxation or an obligation described in Sections 54A-54F, 54AA, or 6431 of the Code; and

(iii) any Disposition Proceeds other than those arising from an agreement to provide services (including Disposition Proceeds arising from an installment sale) resulting from the Deliberate Action are used to pay the debt service on the Obligations on the next available payment date or, within 90 days of receipt thereof, are deposited into an escrow that is restricted as to the investment thereof to the yield on the Obligations to pay debt service on the Obligations on the next available payment date.

Absent an opinion of bond counsel, no Remedial Actions are available to remediate the satisfaction of the Private Security or Payment Test regarding the same with respect to the Obligations. Nothing herein is intended to prohibit Remedial Actions not described herein that may become available subsequent to the date the Obligations are originally issued or executed and delivered to remediate the effect of a Deliberate Action taken with respect to the Obligations, the proceeds thereof or the Financed Property.

5. **Additional Defined Terms.** For purposes of this attachment, the following terms have the following meanings:

“*Commissioner*” means the Commissioner of Internal Revenue, including any successor person or body.

“*Defeasance Escrow*” means an irrevocable escrow established to redeem obligations on their earliest call date in an amount that, together with investment earnings thereon, is sufficient to pay the entire principal of, and interest and call premium on, obligations from the date the escrow is established to the earliest call date. A Defeasance Escrow may not be invested in any investment under which the obligor is a user of the proceeds of the obligations, and may not be invested in higher yielding investments unless the Issuer makes rebate payments to the United States at the same time and in the same manner as arbitrage rebate payments are required to be paid.

“*Deliberate Action*” means any action, occurrence, or omission by the Issuer (or, if applicable, by a conduit borrower) that is within the control of the Issuer (or, if applicable, by such conduit borrower) that causes either (1) the Private Business Use Test to be satisfied with respect to the Obligations or the Financed Property (without regard to the Private Security or Payment Test), or (2) the Private Loan Financing Test to be satisfied with respect to the Obligations or the proceeds thereof. An action, occurrence, or omission is not a Deliberate Action if (1) the action, occurrence, or omission would be treated as an involuntary or compulsory conversion under Section 1033 of the Code, or (2) the action, occurrence, or omission is in response to a regulatory directive made by the government of the United States.

“*Disposition Proceeds*” means any amounts (including property, such as an agreement to provide services) derived from the sale, exchange, or other disposition of property (other than Investments) financed with the proceeds of the Obligations.

“*Nonqualified Obligations*” means that portion of the Obligations outstanding at the time of a Deliberate Action in an amount that, if the outstanding Obligations were issued or executed and delivered on the date on which the Deliberate Action occurs, the outstanding Obligations would not satisfy the Private Business Use Test or the Private Loan Financing Test, as applicable. For this purpose, the amount of private business use is the greatest percentage of private business use in any one-year period commencing with the Deliberate Action.

“*Private Activity Bond Tests*” means, collectively, the Private Business Use Test, the Private Security or Payment Test, and the Private Loan Financing Test.

“*Private Business Tests*” means the Private Business Use Test and the Private Security or Payment Test.

“*Private Business Use Test*” has the meaning set forth in Section 141(b)(1) of the Code.

“*Private Loan Financing Test*” has the meaning set forth in Section 141(c) of the Code.

“*Private Security or Payment Test*” has the meaning set forth in Section 141(b)(2) of the Code.

“*Remedial Action*” means any of the applicable actions described in Section 4 hereof, or such other actions as may be prescribed from time to time by the Department of the Treasury or the Internal Revenue Service, which generally have the effect of rectifying noncompliance by the Issuer with certain provisions of Section 141 of the Code and the Regulations thereunder and are undertaken by the Issuer to maintain the federal tax status of the Obligations.

6. **Change in Law.** This attachment is based on law in effect as of this date. Statutory or regulatory changes, including but not limited to clarifying Treasury Regulations, may affect the matters set forth in this attachment.

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**FOURTH TRUST AGREEMENT**

by and between

\_\_\_\_\_,  
as Trustee

and

**THE TOWN OF CAMP VERDE, ARIZONA**

Dated as of July 1, 2020

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## FOURTH TRUST AGREEMENT

THIS FOURTH TRUST AGREEMENT, dated as of July 1, 2020 (together with any duly authorized, executed and delivered supplement thereto, this “Trust Agreement”), by and between \_\_\_\_\_, a national banking association, as trustee, or any successor thereto acting as trustee pursuant to this Trust Agreement and in its capacity as “Seller” pursuant to the hereinafter described Purchase Agreement (the “Trustee”), and THE TOWN OF CAMP VERDE, ARIZONA, a municipal corporation under the laws of the State of Arizona (the “Town”);

### WITNESSETH:

WHEREAS, the Mayor and Common Council of the Town have determined that it will be beneficial to the citizens of the Town to (i) finance the costs of parks and recreation projects in and for the Town (the “New Project”), and (ii) refinance the costs of acquiring the “Property” described in the Agreement of Purchase and Sale of Real Estate with Escrow Instructions, from Beta Ventures, L.L.C. (Yavapai County Assessor’s Parcel No. 403-22-025E) (the “Refinanced Project” and, together with the New Project, the “Projects”); and

WHEREAS, for purposes of financing and refinancing the costs of the Projects, the Mayor and Common Council of the Town requested that the Trustee sell and execute and deliver Pledged Revenue Refunding Obligation, Series 2020, in the principal amount of \$\_\_\_\_,000 (the “Obligation”); and

WHEREAS, the Town and the Trustee will enter into this Trust Agreement to facilitate the administration of the financing and refinancing of the costs of the Projects, and the Trustee has full legal authority and is duly empowered to enter into this Trust Agreement and has taken all actions necessary to authorize the execution and delivery hereof;

NOW, THEREFORE, in consideration for the Obligation executed and delivered under this Trust Agreement; the acceptance by the Trustee of the trusts created herein; the purchase and acceptance of the Obligation by the Owner (as such term and all other terms not otherwise defined hereinabove are hereinafter defined), and to secure the payment of principal and interest (to the extent provided herein) represented by the Obligation, the rights of the Owner of the Obligation and the performance and the observance of the covenants and conditions contained in the Obligation, the Purchase Agreement and herein, and the performance and the observance of all of the covenants and conditions contained therein, the Town absolutely and irrevocably pledges and assigns to the Trustee, and the Trustee hereby declares an irrevocable trust and acknowledges its acceptance of all right, title and interest in and to the following described trust estate, which shall be administered by the Trustee according to the provisions of this Trust Agreement:

A. All right, title and interest of Seller in, under and pursuant to the Purchase Agreement, the Payments and any other amounts payable by the Town under the Purchase Agreement and the present and continuing right to (i) make claim for, collect or cause to be collected, receive or cause to be received all such revenues, receipts and other sums of money payable or receivable thereunder, (ii) bring actions and proceedings thereunder or for the enforcement of such rights, and (iii) do any and all other things which the Seller is or may become entitled to do thereunder;

B. Amounts on deposit from time to time in the funds created pursuant hereto, subject to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

C. Any and all other real or personal property of any kind from time to time hereafter by delivery or by writing of any kind specifically conveyed, pledged, assigned or transferred, as and for additional security hereunder for the Obligation, by the Seller or by anyone on its behalf or with its written consent, in favor of the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof,

TO HAVE AND TO HOLD, all and singular, the trust estate, including all additional property which by the terms hereof has or may become subject to the encumbrance of this Trust Agreement, unto the Trustee and its successors and assigns, forever, subject, however, to the rights of the Town, its successors and assigns, under the Purchase Agreement;

IN TRUST, however, for the benefit and security of the Owner. conditioned, however, that if the Town shall well and truly pay or cause to be paid fully and promptly when due all indebtedness, liabilities, obligations and sums at any time secured hereby, including interest and attorneys' fees, and shall promptly, faithfully and strictly keep, perform and observe or cause to be kept, performed and observed all of its covenants, warranties and agreements contained herein, this Trust Agreement shall be and become void and of no further force and effect; otherwise, the same shall remain in full force and effect, and upon the trust and subject to the covenants and conditions hereinafter set forth. For such purposes, the Town and the Trustee hereby agree as follows:

## ARTICLE I DEFINITIONS

Section 1.1. Definitions. In addition to the terms defined in the first paragraph hereof and in the Recitals hereto and in the Purchase Agreement and unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Trust Agreement, have the meanings herein specified.

“Acquisition Fund” means the fund of that name established pursuant to Article III and held by the Trustee.

“Additional Revenue Obligations” means any additional obligations which may hereafter be issued or incurred by the Town (or any financing conduit acting on behalf of the Town) having a lien upon and payable from the Excise Tax Revenues and the State Shared Revenues on a parity with, and in compliance with the terms of, the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement and the Purchase Agreement.

“Authorized Officer” means an officer of the Town authorized to give Instructions; provided, however, that the Town shall provide to the Trustee an incumbency certificate listing Authorized Officers and containing specimen signatures of such Authorized

Officers, which incumbency certificate shall be amended by the Town, whenever a person is to be added or deleted from the listing.

“Bond Year” means each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Obligation and shall end on the date selected by the Town, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Obligation.

“Bond Yield” means the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Obligation as determined under Regulations section 1.148-4(b), recomputed if required by Regulations section 1.148-4(b)(4) or 4(h)(3). The present value of all such payments shall be computed as of the date of issue of the Obligation and using semiannual compounding on the basis of a 360-day year.

“Business Day” means any day of the week other than a Saturday, Sunday or a day which shall be in the State a legal holiday or a day on which the Trustee is authorized or obligated by law or executive order to close or a day on which the Federal Reserve is closed as modified by the effect of Section 9.6.

“Certificate of Completion” means the notice of completion, filed with the Trustee by the Town Representative, stating that the New Project has been substantially completed.

“Closing Date” means July \_\_, 2020.

“Code” means the Internal Revenue Code of 1986, as amended. References to the Code and sections thereof include applicable regulations and temporary regulations thereunder and any successor provisions to those sections, regulations or temporary regulations and any applicable regulations or temporary regulations issued pursuant to the Internal Revenue Code of 1954.

“Completion Date” means the date on which the Certificate of Completion is filed with the Trustee by the Town Representative.

“Corporate Trust Office” means the office of the Trustee designated in Section 12.2 or any successor corporate trust office.

“Costs of Issuance Fund” means the fund of that name established pursuant to Article III and held by the Trustee.

“Defaulted Interest” has the meaning provided in Section 2.10(b).

“Defeasance Obligations” means, to the extent permitted by law, (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held

by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively, (5) securities eligible for “AAA” defeasance under then-existing criteria of S&P or (6) any combination of the foregoing.

“Delivery Costs” means all items of expense directly or indirectly payable by or reimbursable to the Town or the Trustee relating to the sale and execution and delivery of the Purchase Agreement, this Trust Agreement and the Obligation, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee, financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Obligation and charges and fees in connection with the foregoing.

“Depository Trustee” means any bank or trust company, which may include the Trustee, designated by the Town, with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or State of Arizona authority.

“Designated Office” means the office designated as such by the Trustee in writing to the Town.

“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“Event of Default” means an event of default under the Purchase Agreement as provided in Section 9 thereof.

“Excise Tax Revenues” means revenues from the unrestricted transaction privilege (sales) tax, business license and franchise fees, parks and recreation fees and permits and fines and forfeitures which the Town imposes; provided that the Mayor and Common Council of the Town may impose other transaction privilege taxes in the future, the uses of revenue from which will be restricted, at the discretion of such Council.

“Gross Proceeds” means:

- (i) any amounts actually or constructively received by the Town from the sale of the Obligation but excluding amounts used to pay accrued interest on the Obligation within one year of the date of issuance of the Obligation;
- (ii) transferred proceeds of the Obligation under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii) and

(iv) replacement proceeds of the Obligation within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Obligation, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Obligation in the event the Town or the Trustee encounters financial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account established under this Trust Agreement.

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Town or the Trustee and which may include the counsel giving a Special Counsel’s Opinion.

“Instructions” means instructions including funds transfer instructions given pursuant to this Trust Agreement.

“Interest Payment Date” means each January 1 and July 1, commencing January 1, 2021, provided that, pursuant to Section 9.6, if any such day is not a Business Day, any payment due on such date may be made on the next Business Day, without additional interest and with the same force and effect as if made on the specified date for such payment.

“Interest Portion” means the amounts of each of the Payments in the column in the Schedule attached to the Purchase Agreement designated “Interest,” denominated as and comprising interest pursuant to the Purchase Agreement and received by the Owner.

“Investment Property” means any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

“Issue Price” means the price determined as provided in Regulations section 1.148-1(b).

“Market Value” means the indicated bid value of the investment or investments to be valued as shown in The Wall Street Journal or any publication having general acceptance as a source of valuation of the same or similar types of securities or any securities pricing service available to or used by the Trustee (including brokers and dealers in securities) and generally accepted as a source of valuation on which the Trustee may conclusively rely, without liability.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities

rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Nonpurpose Investment” means any Investment Property acquired with Gross Proceeds and which is not acquired to carry out the governmental purposes of the Obligation.

“Notification” shall have the meaning provided in Section 10.3.

“Owner” or any similar term, when used with respect to an Obligation means \_\_\_\_\_, or the entity provided in Section 2.8.

“Parity IGA” means the Amendment to and Restatement of the Intergovernmental Agreement, dated as of July 24, 2009, between the Town and the Camp Verde Sanitary District.

“Payment Fund” means the fund of that name established pursuant to Article V and held by the Trustee.

“Payment Request Form” means the form set forth in Exhibit B attached hereto.

“Payments” means the “Payments” required to be paid by the Town pursuant to Section 1(c) of the Purchase Agreement and as set forth in the Schedule to the Purchase Agreement, subject to the provisions of Section 5.2(b).

“Permitted Investments” means any investment permitted by applicable law, including Section 35-323, Arizona Revised Statutes including the following:

- A. Direct obligations of, and obligations fully and unconditionally guaranteed as to timely payment by, the United States government and any agency, instrumentality, or establishment of the United States government (“Government Securities”).
- B. Commercial paper having, at the time of investment or contractual commitment to invest therein, a rating from Moody’s and S&P, of A1 and P1, respectively.
- C. Repurchase and reverse repurchase agreements collateralized with Government Securities, including those of the Trustee or any of its affiliates.
- D. Investment in money market mutual funds having a rating in the highest investment category granted thereby from S&P or Moody’s including those for which the Trustee or an affiliate receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise.
- E. Bank deposit products, demand deposits, including interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, interest-bearing deposits, and certificates of deposit, including those placed by a third party pursuant to an agreement between the Trustee and the Town, or bankers acceptances

of depository institutions, including the Trustee or any of its affiliates which are fully FDIC-insured.

“Project Costs” means all architectural, engineering, soils, survey, archaeology, demolition, construction management fees, development fees, contingencies and other related costs of installation, construction and other matters necessary for the New Project and all costs incurred by the Trustee or the Town with respect to the transaction to which this Trust Agreement pertains.

“Purchase Agreement” means the Fourth Purchase Agreement, dated as of July 1, 2020, by and between the Trustee, as seller, and the Town, as purchaser.

“Rebate Payment” means any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

“Rebate Requirement” means, for each Bond Year and for the Obligation, at any time the excess of the future value of all Receipts over the future value of all Rebate Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Rebate Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

“Receipt” means any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

“Regular Record Date” means the close of business on the fifteenth day of the month preceding each Interest Payment Date.

“Regulations” means sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

“Reimbursement Request Form” means the form set forth in Exhibit C attached hereto.

“Responsible Officer” means, when used with respect to the Trustee, the president, any vice president, any assistant vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, any senior associate, any associate or any other officer of the Trustee within the Corporate Trust Office customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of such person’s knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Trust Agreement.

“S&P” means Standard & Poor’s Financial Services, LLC, a limited liability company organized and existing under the laws of the State of New York, its successors



and assigns, and, if such company shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Second Purchase Agreement” means the Second Purchase Agreement, dated as of October 1, 2014, by and between The Bank of New York Mellon Trust Company, N.A., as seller, and the Town, as purchaser.

“Securities Depository” means a “clearing agency” (securities depository) registered under Section 17A of the Securities Exchange Act of 1934, as amended.

“Special Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the Town.

“Special Record Date” has the meaning provided in Section 2.11(d).

“State” means the State of Arizona.

“State Shared Revenues” means any amounts of excise taxes, transaction privilege (sales) taxes and income taxes imposed by the State or any agency thereof and returned, allocated or apportioned to the Town, except the Town’s share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes.

“Tax Certificate” means the Certificate Relating To Federal Tax Matters, dated the Closing Date, with respect to the Obligation.

“Third Purchase Agreement” means the Third Purchase Agreement, dated as of December 1, 2017, by and between The Bank of New York Mellon Trust Company, N.A., as seller, and the Town, as purchaser.

“Town Representative” means the Town Manager, the Town Finance Director or any other person authorized by the Town Manager or the Mayor and Common Council of the Town to act on behalf of the Town with respect to this Trust Agreement.

“2011 Obligation” means the Town’s Pledged Revenue Obligation, Series 2011.

“2011 Trustee” means U.S. Bank National Association, as trustee pursuant to the First Purchase Agreement, dated as of May 1, 2011.

## Section 1.2. Interpretation.

(a) Any reference herein to the Mayor and Common Council of the Town or any officer of the Town shall include those succeeding to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

(b) Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa and the use of the neuter, masculine or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender.

(c) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. References to “Articles” and “Sections” are to those in this Agreement.

Section 1.3. Obligation Not General Obligation of the Town. The Obligation shall be payable solely out of the revenues and other security pledged hereby and shall not constitute an indebtedness or general obligation of the Town within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Town or be a charge against the Town’s general credit or a charge against the general credit or the taxing powers of the State or any political subdivision thereof.

## ARTICLE II SPECIAL REVENUE OBLIGATION

Section 2.1. Authorization of the Obligation. The Trustee is hereby authorized and directed to execute and deliver to the Owner, the Obligation in the form of a single, certificated Obligation, registered in the name of the Owner, in the principal amount of \$\_\_\_\_,000, evidencing all of the ownership interests in the Payments. In no event shall the Obligation be deemed a liability, debt or obligation of the Trustee.

Section 2.2. Date; Interest Accrual. The Obligation shall be dated the Closing Date, and interest represented thereby shall be payable from such date or from the most recent Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Obligation.

Section 2.3. Payment Amount and Date and Interest Rate. The stated payment date of the Obligation shall be July 1, 20\_\_, and interest with respect thereto shall be computed at the rate of \_\_\_\_\_ percent (\_\_\_%).

Section 2.4. Interest on Obligation. Interest represented by the Obligation shall be payable semiannually on January 1 and July 1 of each year commencing January 1, 2021, to and including the date of payment or prepayment of the amount of principal represented by the Obligation. Except for the initial period, said interest shall represent the portion of the Payments designated as interest and coming due during the six-month period preceding each Interest Payment Date with respect to the Obligation. The proportionate share of the portion of the Payments designated as interest with respect to the Obligation shall be computed by multiplying the portion of Payments designated as principal with respect to the Obligation by the rate of interest applicable to the Obligation (on the basis of a 360-day year of twelve 30-day months), except that the first portion of the Payments designated as interest shall be for interest from the date of initial execution and delivery to January 1, 2021.

Section 2.5. Form. The Obligation shall be in the form of one fully registered, physically certificated Obligation registered in the name of the Owner, substantially in the form set forth in Exhibit A hereto.

Section 2.6. Execution. The Obligation shall be executed by and in the name of the Trustee by the manual signature of an authorized representative of the Trustee. If any representative whose signature appears on the Obligation ceases to be such representative before the Closing Date, such signature shall nevertheless be as effective as if the representative had remained in office until the Closing Date. The Obligation may be executed on behalf of the Trustee by such person as at the actual date of the execution of such Obligation shall be the proper authorized representative of the Trustee although at the nominal date of the Obligation such person shall not have been such authorized representative of the Trustee. The Obligation shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Trust Agreement unless and until executed and delivered by the Trustee. The execution by the Trustee of the Obligation shall be conclusive evidence that the Obligation has been duly authorized and delivered hereunder and is entitled to the security and benefit of this Trust Agreement.

Section 2.7. Application of Proceeds. The proceeds received by the Trustee from the sale of the Obligation (\$ \_\_\_\_\_) shall forthwith be applied by the Trustee as follows:

- (1) \$ \_\_\_\_\_ shall be deposited in the Costs of Issuance Fund, and
- (2) the balance of the proceeds (\$ \_\_\_\_\_) shall be deposited in the Acquisition Fund.

Section 2.8. Transfer and Exchange.

(a) The Obligation may, in accordance with its terms, be transferred upon the registration books for the Obligation required to be kept pursuant to the provisions of Section 2.12 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Obligation for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed; provided, that the transferee represents to the Trustee that: (i) it has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment in the Obligation; (ii) it understands that neither this Trust Agreement nor the Obligation will be registered pursuant to the Securities Act of 1933, as amended; (iii) it is (A) an affiliate of \_\_\_\_\_, (B) a “Bank” as defined in Section 3(a)(2) of the Securities Act of 1933, as amended, (C) an “accredited investor” within the meaning of Regulation D promulgated pursuant to the Securities Act of 1933, as amended, or (D) a qualified institutional buyer within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended; and (iv) its present intention is to acquire such interest (A) for investment for its own account, or (B) for resale in a transaction exempt from registration under the Securities Act of 1933, as amended; *provided, however*, that there shall be only be one outstanding Obligation at any time. The foregoing transfer restriction shall be set forth on the face of each Obligation. Whenever the Obligation shall be surrendered for transfer, the Trustee shall execute and deliver a new Obligation in fully registered, physically certificated form for the payment amount then remaining unpaid with respect to such Obligation.

(b) The Obligation may be exchanged at the Designated Office for a like aggregate principal amount of Obligation. In connection with any such exchange or transfer of an Obligation, the Owner requesting such exchange or transfer shall, as a condition precedent to the exercise of the privilege of making such exchange or transfer, remit to the Trustee an amount sufficient to pay any tax or other governmental charge required to be paid, other than one imposed by the Town (which will not be payable by the Trustee), or any fee or expense of the Trustee or the Town with respect to such exchange or transfer.

(c) The Trustee may, but shall not be obligated to, exchange or register the transfer of an Obligation (i) if principal represented by the Obligation is to be prepaid, or (ii) during a period of fifteen (15) days preceding the giving of a notice of prepayment. Any notice of prepayment which has been given to the transferor shall be binding on the transferee and a copy of the notice of prepayment shall be delivered by the Trustee to the transferee along with the duly registered Obligation.

Section 2.9. Obligations Mutilated, Lost, Destroyed or Stolen. If the Obligation shall become mutilated, the Trustee, at the expense of the Owner, shall execute and deliver a new Obligation of like tenor and amount in exchange and substitution for the Obligation so mutilated, but only upon surrender to the Trustee of the Obligation so mutilated. Any mutilated Obligation so surrendered to the Trustee shall be cancelled by it and redelivered to the Owner. If the Obligation shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and, if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall execute and deliver a new Obligation to the Owner of like tenor and amount and numbered as the Trustee shall determine in lieu of and in substitution for the Obligation so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each new Obligation delivered under this Section and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section. The Trustee shall not be required to treat both the original Obligation and any replacement Obligation as being outstanding. Notwithstanding any other provision of this Section, in lieu of delivering a new Obligation for an Obligation which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Obligation upon receipt of the aforementioned indemnity.

Section 2.10. Payment.

(a) The principal (except the final payment thereof whether because of payment or prepayment) and interest due with respect to the Obligation (except that due upon such final payment) shall be payable in lawful money of the United States of America by wire transfer as instructed by the Owner by written request of the Trustee at least twenty (20) days before the Interest Payment Date specifying the account address. The final payment of principal of the Obligation plus accrued interest to the date of payment thereof shall be paid in lawful money of the United States of America upon surrender when due at the Designated Office.

(b) Any interest represented by the Obligation which is payable on, but is not punctually paid or duly provided for on, any Interest Payment Date (“Defaulted Interest”) shall forthwith cease to be payable to the Owner on the relevant Regular Record Date solely by

virtue of such Owner having been such Owner. Such Defaulted Interest shall thereupon be paid, together with interest thereon at the same rate per annum as such Defaulted Interest, by the Trustee (out of funds provided to it by the Town) to the Owner at the close of business on a special record date for the payment of such portion of Defaulted Interest as may then be paid from the sources herein provided (the "Special Record Date"). When the Trustee has funds available to pay the Defaulted Interest and interest thereon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest and interest thereon which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment by the Trustee. The Trustee shall promptly cause notice of the proposed payment of such Defaulted Interest and interest thereon and the Special Record Date therefor to be mailed, first class postage prepaid, to the Owner not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and interest thereon and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest and interest thereon shall be paid to the Owner on such Special Record Date.

Section 2.11. Execution of Documents and Proof of Ownership.

(a) Any request, direction, consent, revocation of consent or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by the Owner may be in any number of concurrent instruments of similar tenor, and may be signed or executed by the Owner in person or by its attorneys or agents appointed by an instrument in writing for that purpose. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of the Obligation shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if the fact and date of the execution by the Owner or the attorney or agent thereof of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

(b) Nothing contained in this Article II shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient.

ARTICLE III  
ACQUISITION FUND; COSTS OF ISSUANCE FUND

Section 3.1. Establishment and Application of Acquisition Fund.

(a) The Trustee shall establish a special trust fund designated as the "Town of Camp Verde Series 2020 Acquisition Fund" (herein referred to as the "Acquisition Fund"), shall keep such fund separate and apart from all other funds and moneys held by it and shall administer such fund as provided in this Trust Agreement.

(b) (1) Upon receipt of a duly executed, applicable Payment Request Form (on which the Trustee is entitled to conclusively rely), the Trustee shall remit to the payee designated in the Payment Request Form, the amount requested to be paid in such Payment Request Form for Project Costs within three (3) Business Days following submission of such Payment Request Form. Notwithstanding the foregoing, the Trustee shall apply moneys on deposit in the Acquisition Fund to reimburse the Town for any Project Costs with respect to the New Project incurred or advanced by the Town within three (3) Business Days of receipt of a duly executed Reimbursement Request Form. The Trustee has no duty or obligation to confirm that such disbursements constitute Project Costs.

(2) On the Completion Date, the Trustee shall transfer any remaining amounts in the Acquisition Fund to the Payment Fund to be applied only to the Payments due from the Town on the next succeeding Interest Payment Date and the Acquisition Fund shall be closed.

(3) Any amount remaining in the Acquisition Fund upon the occurrence of an Event of Default of which a Responsible Officer of the Trustee has actual knowledge shall not be disbursed as provided in this Section, but shall be immediately transferred to the Payment Fund and used only to pay principal and interest represented by the Obligation.

Section 3.2. Establishment and Application of Costs of Issuance Fund.

(a) The Trustee shall establish a special trust fund designated as the “Town of Camp Verde Series 2020 Costs of Issuance Fund” (herein referred to as the “Costs of Issuance Fund”), shall keep such fund separate and apart from all other funds and moneys held by it and shall administer such fund as provided in this Trust Agreement.

(b) Amounts in the Costs of Issuance Fund shall be disbursed for Delivery Costs. Disbursements from the Costs of Issuance Fund shall be made by the Trustee upon receipt of a requisition for disbursement (on which the Trustee is entitled to conclusively rely) executed or approved by the Town Representative. Each such certificate shall set forth the amounts to be disbursed for payment, or reimbursement of previous payments, of Delivery Costs and the person or persons to whom said amounts are to be disbursed. The Trustee has no duty or obligation to confirm that such disbursements constitute Delivery Costs.

(c) On the earlier of December 1, 2020, or when all Delivery Costs associated with the Obligation have been paid (as shown by a certificate of a Town Representative, if requested by the Trustee), the Trustee shall transfer any amounts remaining in the Costs of Issuance Fund to the Payment Fund, and the Costs of Issuance Fund shall be closed.

ARTICLE IV  
PREPAYMENT OF OBLIGATION

Section 4.1. Prepayment Provisions.

(a) Principal represented by the Obligation is subject to prepayment from prepayments made by the Town pursuant to Section 7 of the Purchase Agreement, in whole or in part on any date on or after July 1, 20\_\_, at a price equal to the principal amount thereof to be prepaid, together with accrued interest to the date fixed for prepayment, but without premium.

(b) Principal represented by the Obligation shall be prepaid on July 1 of the years indicated and in the amounts indicated at a price equal to the amount thereof plus interest accrued to the date of prepayment, but without premium:

Year Prepaid

Principal Amount Prepaid

A remaining principal amount of \$\_\_\_\_,000 of the Obligation shall be paid on July 1, 20\_\_.

(c) Whenever the Obligation is purchased, prepaid (other than pursuant to mandatory prepayment) or delivered by the Town to the Trustee for cancellation, the principal amount of the Obligation represented thereby so retired shall satisfy and be credited against the mandatory prepayment requirements for the Obligation for such years as the Town may direct in writing.

Section 4.2. Notice of Prepayment; Effect.

(a) The Trustee shall cause notice of any optional prepayment hereunder to be transmitted by Electronic Means to the Owner. Such notice shall (1) be sent no more than 60 nor less than 30 calendar days prior to the prepayment date, (2) specify with respect to the Obligation the prepayment date and the prepayment price, (3) set forth the name, address and telephone number of the person from whom information pertaining to the prepayment may be obtained, and (4) state that on the prepayment date the Obligation will be payable at the Designated Office and that from that date interest will cease to accrue.

(b) If at the time of giving of notice of the optional prepayment of principal represented by the Obligation, there has not been deposited with the Trustee moneys or Defeasance Obligations sufficient to prepay the Obligation and the requirements of (d) below are not satisfied, then such notice shall state that the prepayment is conditional upon the deposit of moneys or Defeasance Obligations sufficient for the prepayment with the Trustee and satisfaction of such requirements not later than the opening of business on the prepayment date, and such notice will be of no effect and such Obligation shall not be prepaid unless such moneys or Defeasance Obligations are so deposited and such requirements in (d) below are met.

(c) Notice having been provided in the manner provided in (b) above, the Obligation shall become due and payable on the prepayment date and shall be paid at the prepayment price, plus accrued interest to the prepayment date.

(d) If the money or Defeasance Obligations for the prepayment of the Obligation to be prepaid, together with interest accrued thereon to the prepayment date, is held by the Trustee on the prepayment date, so as to be available therefor on that date, then from and after the prepayment date such principal thereof to be prepaid shall cease to bear interest, and the Obligation no longer shall be considered to be outstanding hereunder. If those moneys shall not be so available on the prepayment date, such principal shall continue to bear interest, until paid, at the same rate as they would have borne otherwise.

(e) Moneys deposited in the Payment Fund and held by the Trustee for the prepayment of the Obligation shall be held in trust for the account of the Owner and shall be paid when due..

Section 4.3. Partial Prepayment of Obligation. Upon surrender of the Obligation, the principal portion of which has been prepaid in part only, the Trustee shall execute and deliver to the Owner thereof, at the expense of the Town, a new Obligation equal in aggregate payment amount to the unpaid portion of the Obligation surrendered.

## ARTICLE V PAYMENT FUND

Section 5.1. Trustee's Rights in Purchase Agreement. The Trustee holds in trust hereunder all of its rights and duties in the Purchase Agreement, including but not limited to all of the rights to receive and collect all of the Payments and all other amounts required to be deposited in the Payment Fund pursuant to the Purchase Agreement or pursuant hereto. All of the Payments and such other amounts to which the Seller may at any time be entitled shall be paid directly to the Trustee in trust, and all of the Payments collected or received by the Trustee shall be held by the Trustee in trust hereunder in the Payment Fund for the benefit of the Owner.

### Section 5.2. Establishment and Application of Payment Fund.

(a) The Trustee shall establish a special trust fund designated as the "Town of Camp Verde Series 2020 Payment Fund" (herein referred to as the "Payment Fund"). So long as the Obligation is outstanding, the Town shall have no beneficial right or interest in the Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

(b) Subject to the limitations pursuant to the Purchase Agreement with respect to the Excise Tax Revenues and the State Shared Revenues, the Town shall be required to make the Payments, taking into account any funds on deposit in the Payment Fund as a credit towards any Payment then due. Not less than ten (10) Business Days prior to each Interest Payment Date, the Trustee shall notify the Town of the amount required to be paid, after taking into account amounts which will be transferred to the Payment Fund in accordance herewith, on or before such



Interest Payment Date, so that a sufficient amount will then be on deposit for both principal and interest represented by the Obligation then due. All amounts received by the Trustee as Payments pursuant to the Purchase Agreement or as transfers pursuant hereto shall be deposited in the Payment Fund.

(c) All amounts in the Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal, interest and premium, if any, represented by the Obligation as the same shall become due and payable, in accordance with the provisions of Articles II and IV.

Section 5.3. Transfers of Investment Earnings to Payment Fund. With the same limitation described in Section 3.1(b)(3), except as otherwise directed by the Town, the Trustee shall, on or before the next Interest Payment Date occurring on July 1, transfer any income or profit on the investment of moneys in the funds hereunder to the Payment Fund.

Section 5.4. Surplus. Any surplus remaining in any of the funds created hereunder, after prepayment and payment or provision for prepayment and payment of the Obligation, including accrued interest and prepayment premium, if any, and payment of any applicable fees, expenses or indemnities to the Trustee, or provision for such prepayment and payment having been made to the satisfaction of the Trustee, shall be withdrawn by the Trustee and remitted to the Town.

## ARTICLE VI MONEYS IN FUNDS; INVESTMENT; CERTAIN TAX COVENANTS

Section 6.1. Held in Trust. The moneys and investments held by the Trustee under this Trust Agreement are irrevocably held in trust for the benefit of the Owner and for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Town or the Owner.

Section 6.2. Investments Authorized. Upon written order of the Town Representative and subject to the limitations provided herein, moneys held by the Trustee hereunder shall be invested and reinvested by the Trustee, to the maximum extent practicable in Permitted Investments. The Town Representative shall direct such investment in specific Permitted Investments. Such investments, if registrable, shall be registered in the name of the Trustee and shall be held by the Trustee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as purchaser or agent in the making or disposing of any investment. The Trustee shall have no obligation to invest and reinvest any cash held by it hereunder in the absence of timely and specific written direction from the Town Representative. In no event shall the Trustee be liable for the selection of investments. The Trustee may conclusively rely upon such written direction from the Town Representative as to both the suitability and legality of the directed investments. The Town acknowledges that regulations of the Comptroller of the Currency grant the Town the right to receive brokerage confirmations of

the security transactions as they occur, at no additional cost. To the extent permitted by law, the Town specifically waives compliance with 12 Code of Federal Regulations 12 and hereby notifies the Trustee that no brokerage confirmations need be sent relating to the security transactions as they occur. The Trustee may elect, but shall not be obligated, to credit the funds and accounts held by it with moneys representing income or principal payments due on, or sales proceeds due in respect of, Permitted Investments in such funds and accounts, or to credit to Permitted Investments intended to be purchased with such moneys, in each case before actually receiving the requisite moneys from the payment source, or to otherwise advance funds for account transactions. The Town acknowledges that the legal obligation to pay the purchase price of any Permitted Investment arises immediately at the time of the purchase. Notwithstanding anything else in this Trust Agreement, (i) any such crediting of funds or assets shall be provisional in nature, and the Trustee shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto, and (ii) nothing in this Trust Agreement shall constitute a waiver of any of the Trustee's rights as a securities intermediary under Uniform Commercial Code Section 9-206.

Section 6.3. Accounting. The Trustee shall furnish to the Town, not less than semiannually, an accounting (which may be in the form of its customary statement) of all investments made by the Trustee. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 6.2.

Section 6.4. Allocation of Earnings. Any income, profit or loss on such investments shall be deposited in or charged to the respective funds from which such investments were made, and any interest on any deposit of funds shall be deposited in the fund from which such deposit was made, except as otherwise provided herein. At the direction of the Town Representative, any such income, profit or interest shall be transferred and applied if necessary to pay amounts due pursuant to section 148 of the Code.

Section 6.5. Valuation and Disposition of Investments. For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at Market Value. The Trustee may sell or present for redemption, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from such investment.

Section 6.6. Limitation of Investment Yield. In the event the Town is of the opinion that it is necessary to restrict or limit the yield on the investment of any amounts paid to or held by the Trustee hereunder in order to avoid the Obligation being considered an "arbitrage bond" within the meaning of section 148 of the Code, the Town Representative may issue to the Trustee a written certificate to such effect (along with appropriate instructions), in which event the Trustee will take such action as is instructed so to restrict or limit the yield on such investment in accordance with the specific instructions contained in such certificate.

Section 6.7. Other Tax Covenants. In consideration of the acceptance and execution of the Purchase Agreement by the Trustee and the purchase by the Owner, and in consideration of retaining the exclusion of the portion of each Payment denominated as and

comprising interest pursuant to the Purchase Agreement and received by the Owner for federal income tax purposes, the Town shall, from time to time, neither take nor fail to take any action, which action or failure to act is within its power and authority and would result in such portion of each such Payment becoming subject to inclusion in gross income for federal income tax purposes under either laws existing on the date of execution of the Purchase Agreement or such laws as they may be modified or amended or tax laws later adopted. The Town shall comply with such requirement(s) and will take any such action(s) as are necessary to prevent such portion of each such Payment from becoming subject to inclusion in gross income for federal income tax purposes. Such requirements may include but are not limited to making further specific covenants; making truthful certifications and representations and giving necessary assurances; complying with all representations, covenants and assurances contained in certificates or agreements required by any Special Counsel's Opinion; to pay to the United States of America any required amounts representing rebates of arbitrage profits relating to the Obligation; filing forms, statements and supporting documents as may be required under the federal tax laws; limiting the term of and yield on investments made with moneys held pursuant to this Trust Agreement and limiting the use of the proceeds of the Obligation and property financed or refinanced thereby.

## ARTICLE VII THE TRUSTEE

Section 7.1. Appointment of Trustee. The Town hereby authorizes and directs the Trustee to, and the Trustee shall, execute and deliver the Purchase Agreement, as Seller, and receive all moneys required to be deposited with the Trustee hereunder and shall allocate, use and apply the same as provided in this Trust Agreement. The Town shall maintain as the Trustee a bank or trust company with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination by federal or State authority, so long as the Obligation is outstanding. If such bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to then for the purpose of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Section 7.2. Liability of Trustee; Standard of Care. Except with respect to its authority and power generally and authorization to execute this Trust Agreement, the recitals of facts, covenants and agreements herein, in the Purchase Agreement and in the Obligation shall be taken as statements, covenants and agreements of the Town, and the Trustee assumes no responsibility for the correctness of the same, or makes any representations as to the validity hereof or sufficiency of this Trust Agreement, the Purchase Agreement or of the Obligation or shall incur any responsibility in respect hereof or thereof, other than in connection with the duties or obligations herein or in the Obligation assigned to or imposed upon them, respectively. Prior to the occurrence of an Event of Default, or after the timely cure of an Event of Default, the Trustee shall perform only such duties as are specifically set forth in this Trust Agreement and no implied obligations or covenants should be read into this Trust Agreement against the Trustee. After the occurrence of an Event of Default, the Trustee shall exercise such of the

rights and powers vested in it, and use the same degree of care and skill in such exercise, as a prudent person would exercise under the circumstances in the conduct of its own affairs.

Section 7.3. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible under Section 7.1, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 7.4. Protection and Rights of the Trustee.

(a) The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificates, statements, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to take any action at the request of the Owner unless the Obligation shall be deposited with the Trustee. The Trustee may consult with counsel with regard to legal questions, and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

(b) Whenever in the administration of its duties under this Trust Agreement, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) shall be deemed to be conclusively proved and established by the certificate of the Town Representative and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of this Trust Agreement upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

(c) The recitals, statements and representations by the Town contained in this Trust Agreement, the Purchase Agreement and the Obligation shall be taken and construed as made by and on the part of the Town and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

(d) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Trust Agreement or for anything whatever in connection with

the funds and accounts established hereunder, except only for its own willful misconduct or negligence.

(e) No provision in this Trust Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability (including, without limitation, any and all environmental liability) in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it.

(f) The Trustee shall not be accountable for the use or application by the Town or any other party of the Obligation proceeds or any other funds which the Trustee has released in accordance with the terms of this Trust Agreement.

(g) The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the Town of the Projects. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Purchase Agreement or this Trust Agreement for the acquisition of the New Project.

(h) Notwithstanding any provision in this Trust Agreement or the Purchase Agreement to the contrary, the Trustee shall not be required to take notice or be deemed to have notice of an Event of Default, except an Event of Default under Section 9(a)(i)(A) of the Purchase Agreement, solely with respect to payments of principal of and interest on the Obligation, unless a Responsible Officer of the Trustee has actual notice thereof or is specifically notified in writing of such default by the Town or the Owner.

(i) The Trustee shall have the right to accept and act upon Instructions, delivered using Electronic Means. If the Town elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Town understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Town shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Town and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Town. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Town agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Town; (iii) that the security procedures

(if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(j) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term “force majeure” means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(k) The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any offering memorandum or other disclosure material prepared or distributed with respect to the execution and delivery of the Obligation.

(l) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful default. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the Projects.

(m) Before taking any action under this Trust Agreement relating to an Event of Default or in connection with its duties under this Trust Agreement other than making payments of principal and interest represented by the Obligation as they become due, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated, to have resulted from its negligence or willful default in connection with any action so taken.

(n) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owner relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.

(o) In acting or omitting to act pursuant to the Purchase Agreement or any other documents executed in connection herewith or therewith, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Trust Agreement, including, but not limited to, this Article VII.

Section 7.5. Compensation of Trustee. The Town shall from time to time, pursuant to a fee schedule agreed to between the Town and the Trustee (which schedule may be amended in writing), pay to the Trustee reasonable compensation for its services, including but not limited to advances to, and reasonable fees and expenses of, independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties hereunder. When the Trustee incurs

expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 7.6. Removal and Resignation of Trustee.

(a) The Town (but only if no Event of Default has occurred and is continuing) or the Owner, at any time upon thirty (30) days' prior written notice, and for any reason, may remove the Trustee and any successor thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or State authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or the requirements of any supervising or examining authority above referred to, then, for the purposes of this Section, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(b) The Trustee may at any time resign by giving written notice to the Town. Upon receiving such notice of resignation, the Town shall promptly appoint a successor trustee by an instrument in writing; provided, however, that in the event that the Town does not appoint a successor trustee within thirty (30) days following receipt of such notice of resignation or its giving notice of removal, the retiring Trustee may petition the appropriate court having jurisdiction to appoint a successor trustee. Any resignation or removal of the Trustee and appointment of a successor trustee shall become effective upon acceptance of appointment by the successor trustee. The Trustee and the Town shall execute any documents reasonably required to effect the transfer of rights and obligations of the Trustee to the successor trustee subject, however, to the terms and conditions herein set forth, including, without limitation, the right of the predecessor Trustee to be paid and reimbursed in full for its reasonable charges and expenses (including reasonable fees and expenses of its counsel) and the indemnification under Sections 7.4 and 10.3. Upon such acceptance, the successor trustee shall mail notice thereof to the Owner.

Section 7.7. Appointment of Agent. The Trustee may appoint an agent or agents to exercise any of the powers, rights or remedies granted to the Trustee under this Trust Agreement and to hold title to property or to take any other action which may be desirable or necessary.

Section 7.8. Commingling. The Trustee may commingle any of the funds held by it pursuant to this Trust Agreement in a separate fund or funds for investment purposes only; provided, however, that all funds or accounts held by the Trustee hereunder shall be accounted for separately notwithstanding such commingling by the Trustee.

Section 7.9. Records. The Trustee shall keep complete and accurate records of all moneys received and disbursed under this Trust Agreement, which shall be available for inspection by the Town, or any of its agents, at any time, upon reasonable prior notice, during regular business hours. The Trustee shall provide the Town Representative with semiannual reports of funds transactions and balances.

ARTICLE VIII  
MODIFICATION OR AMENDMENT OF AGREEMENTS

Section 8.1. Amendments Permitted.

(a) This Trust Agreement and the rights and obligations of the Owner and the Purchase Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental or amending agreement which shall become effective when the written consent of the Owner shall have been filed with the Trustee. No such modification or amendment shall modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental or amending agreement shall become effective as provided in Section 8.2.

(b) This Trust Agreement and the rights and obligations of the Owner, and the Purchase Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental or amending agreement, without the consent of the Owner, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein reserved to the Trustee (for its own behalf) or the Town, (2) to secure additional revenues or provide additional security or reserves for payment of the Obligation, (3) to comply with the requirements of any state or federal securities laws or the Trust Indenture Act of 1939, as from time to time amended, if required by law or regulation lawfully issued thereunder, (4) to provide for the appointment of a successor trustee pursuant to the terms hereof, (5) to preserve the power of the Town to continue to issue bonds or incur obligations the interest on which is exempt from federal and State taxes; (6) to cure, correct or supplement any ambiguous or defective provision contained herein or therein or (7) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not materially adversely affect the interests of the Owner as evidenced by a Special Counsel's Opinion delivered by the Town to the Trustee. Any such supplemental or amending agreement shall become effective upon execution and delivery by the parties hereto or thereto as the case may be. The Trustee may rely upon a Special Counsel's Opinion as conclusive evidence that any such supplemental or amending agreement under Section 8.1 or Section 8.2 complies with this Article.

Section 8.2. Procedure for Amendment With Written Consent of Owner.

(a) This Trust Agreement and the Purchase Agreement may be amended by supplemental or amending agreement as provided in this Section in the event the consent of the Owner is required pursuant to Section 8.1. A copy of such supplemental or amending agreement, together with a request to the Owner for its consent thereto, shall be mailed by the Trustee to the Owner, but failure to mail copies of such supplemental or amending agreement and request shall not affect the validity of the supplemental or amending agreement when assented to as provided in this Section 8.2.

(b) Such supplemental or amending agreement shall not become effective unless there shall be filed with the Trustee the written consent of the Owner and a notice shall have been mailed as hereinafter in this Section provided. The consent of the Owner shall be effective only if accompanied by proof of ownership of the Obligation, which proof shall be such



as is permitted by Section 2.11. Any such consent shall be binding upon the Owner and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(c) After the Owner shall have filed its consent to such supplemental or amending agreement, the Trustee shall mail a notice to the Owner in the manner hereinbefore provided in this Section for the mailing of such supplemental or amending agreement of the notice of adoption thereof, stating in substance that such supplemental or amending agreement has been consented to by the Owner and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental or amending agreement shall become effective upon the mailing of such last-mentioned notice, and such supplemental or amending agreement shall be deemed conclusively binding upon the parties hereto and the Owner after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within sixty (60) days.

Section 8.3. Effect of Supplemental Trust Agreement. From and after the time any supplemental or amending agreement becomes effective pursuant to this Article VIII, this Trust Agreement or the Purchase Agreement, as the case may be, shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and the Owner, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental or amending agreement shall be deemed to be part of the terms and conditions of this Trust Agreement or the Purchase Agreement, as the case may be, for any and all purposes.

Section 8.4. Endorsement or Replacement of Obligations Delivered After Amendments. The Trustee may determine that any Obligation delivered after the effective date of any action taken as provided in this Article shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand of the Owner, a suitable notation shall be made on such Obligation. The Trustee may determine that the delivery of a substitute Obligation, so modified as in the opinion of the Trustee is necessary to conform to the Owner's action, which substitute Obligation shall thereupon be prepared, executed and delivered. In that case, upon demand of the Owner, such substitute Obligation shall be exchanged at the Corporate Trust Office of the Trustee, without cost to the Owner, for the Obligation then outstanding, upon surrender of such outstanding Obligation.

Section 8.5. Amendatory Endorsement of Obligations. The provisions of this Article shall not prevent the Owner from accepting any amendment or supplement as to the Obligation, provided that proper notation thereof is made on the Obligation.

ARTICLE IX  
COVENANTS, NOTICES

Section 9.1. Compliance With and Enforcement of Purchase Agreement. The Town shall perform all obligations and duties imposed on it under the Purchase Agreement and shall not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be an Event of Default. The Town, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting any such action will deliver the same, or a copy thereof, to the Trustee.

Section 9.2. Observance of Laws and Regulations. The Town shall well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Town, including its right to exist and carry on business as a political subdivision, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 9.3. Recordation and Filing. The Town shall file this Trust Agreement (or a memorandum thereof or a financing statement with respect thereto), and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trustee which has no duty or obligation to impose such requirements), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee and the Owner.

Section 9.4. Further Assurances. The Trustee (at the reasonable request of the Town) and the Town shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Purchase Agreement and for the better assuring and confirming unto the Owner the rights and benefits provided herein.

Section 9.5. Notification to the Town of Failure to Make Payments. The Trustee shall notify the Town of any failure by the Town to make any Payment or other payment required under the Purchase Agreement to be made to the Trustee, in writing and within one (1) Business Day of any such failure. Such notice shall not be a prerequisite for the occurrence of an Event of Default.

Section 9.6. Business Days. Except as otherwise required herein, if this Trust Agreement or the Purchase Agreement requires any party to act on a specific day and such day is not a Business Day, such party need not perform such act until the next succeeding Business Day, and such act shall be deemed to have been performed on the day required.

ARTICLE X  
LIMITATION OF LIABILITY

Section 10.1. Limited Liability of the Town. Except for the payment of Payments from the Excise Tax Revenues and the State Shared Revenues when due in accordance with the Purchase Agreement and the performance of the other covenants and agreements of the Town contained in the Purchase Agreement and herein, the Town shall have no pecuniary obligation or liability to any of the other parties or to the Owner with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Obligation or the distribution of Payments to the Owner by the Trustee.

Section 10.2. No Liability of the Town for Trustee Performance. The Town shall have no obligation or liability to any of the other parties or to the Owner with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section 10.3. Indemnification of the Trustee.

(a) To the extent permitted by law, the Town shall indemnify and save the Trustee and its officers, directors, agents and employees, harmless for, from and against all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of: (1) the use, maintenance, condition or management of, or from any work or thing done on, the Projects or any portion thereof or interest therein by the Town; (2) any breach or default on the part of the Town in the performance of any of its obligations under this Trust Agreement and any other agreement made and entered into for purposes of the Projects or any interest therein; (3) any act of negligence of the Town or of any of its agents, contractors, servants, employees or licensees with respect to the Projects; (4) any act of negligence of any assignee of, or purchaser from, the Town or of any of its or their agents, contractors, servants, employees or licensees with respect to the Projects; (5) the acquisition of the Projects or any interest therein; (6) the actions of any other party, including but not limited to the operation or use of the Projects or interest therein by the Town; (7) the ownership of the Projects or interest therein; (8) the exercise and performance by the Trustee of its powers and duties hereunder, under the Purchase Agreement or the Obligation or in connection with any document or transaction contemplated herewith or therewith; or (9) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of the Obligation, including the costs and expenses of defending itself against any claim of liability arising under this Trust Agreement. No indemnification will be made under this Section or elsewhere in this Trust Agreement for willful misconduct or negligence under this Trust Agreement by the Trustee, or by its officers, agents, employees, successors or assigns. As security for the payment of amounts due under Section 7.5 and this Section, the Trustee shall be secured under this Trust Agreement by a lien prior to that for the Obligation. The obligations of the Town hereunder for indemnification under this Section shall remain valid and binding notwithstanding, and shall survive, the payment or prepayment of principal represented by the Obligation or resignation or removal of the Trustee or the termination of this Trust Agreement.

(b) Promptly after determining that any event or condition which requires or may require indemnification by the Town hereunder exists or may exist, or after receipt

of notice of the commencement of any action in respect of which indemnity may be sought hereunder, the Trustee shall notify the Town in writing of such circumstances or action (the "Notification"). Failure to give such notification shall not affect the right of the Trustee to receive the indemnification provided for herewith. Upon giving of the Notification, the Trustee shall cooperate fully with the Town in order that the Town may defend, compromise or settle any such matters or actions which may result in payment by the Town hereunder. The Town shall give the Trustee notice of its election within fifteen (15) days after receiving the Notification whether the Town, at its sole cost and expense, shall represent and defend the Trustee in any claim or action which may result in a request for indemnification hereunder. If the Town timely gives the notice that it will represent and defend the Trustee thereafter, the Trustee shall not settle or compromise or otherwise interfere with the defense or undertakings of the Town hereunder; provided, however, the Trustee may retain its own counsel and still be indemnified against the cost of employing counsel and all other reasonable expenses despite an assumption of the defense by the Town if the Trustee believes in good faith that there are defenses available to it which are adverse to or in conflict with those available to the Town and which the Trustee believes in good faith cannot be effectively asserted by common counsel. The Trustee always has the right to employ separate legal counsel but, subject to the preceding sentence, the fees and expenses of its separate legal counsel must be paid by the Trustee unless the Town and the Trustee have mutually agreed to the employment of the Trustee's separate legal counsel. The Town shall not settle or compromise any claim or action against the Trustee without the written approval of the Trustee, except to the extent that the Town shall pay all losses and the Trustee shall be fully released from such claim or action. If the Town either fails to timely give its notice or notifies the Trustee that the Town will not represent and defend the Trustee, the Trustee may defend, settle, compromise or admit liability as it shall determine in the reasonable exercise of its discretion, at the expense of the Town. In the event the Town is required to and does indemnify the Trustee as herein provided, the rights of the Town shall be subrogated to the rights of the Trustee to recover such losses or damages from any other person or entity.

Section 10.4. Opinion of Counsel. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

## ARTICLE XI EVENTS OF DEFAULT AND REMEDIES OF OBLIGATION OWNER

Section 11.1. Seller's Rights Held in Trust. As provided herein, the Trustee holds in trust hereunder all of the Seller's rights in and to the Purchase Agreement, including without limitation all of the Seller's rights to exercise such rights and remedies conferred on the Seller pursuant to the Purchase Agreement as may be necessary or convenient to enforce payment of the Payments and any other amounts required to be deposited in the Payment Fund and enforcement of the pledge of the Excise Revenues and the State Shared Revenues for the payment of the Obligation.

Section 11.2. Remedies Upon Default; No Acceleration. If an Event of Default shall happen, then and in each and every such case during the continuance of such Event of Default, the Trustee may, or upon request of the Owner and receiving indemnity satisfactory to it shall, exercise one or more of the remedies granted pursuant to the Purchase Agreement; provided, however, that notwithstanding anything herein or in the Purchase Agreement to the contrary, there shall be no right under any circumstances to accelerate the payment dates of the Obligation or otherwise to declare any of the Payments not then past due or in default to be immediately due and payable.

Section 11.3. Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken pursuant to the provisions of this Article XI or Section 9 of the Purchase Agreement and all moneys otherwise than held by the Trustee shall be applied by the Trustee in the order following, in the case of the Obligation, upon presentation of the Obligation, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee and then of the Owner in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel and the creation of a reasonable reserve for anticipated fees, costs and expenses and

Second, to the payment of the whole amount then owing and unpaid with respect to the Obligation and, with interest on the overdue principal and installments of interest at the rate of twelve percent (12%) per annum (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Obligation, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 11.4. Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, the Trustee in its discretion may, and upon the written request of the Owner, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owner by a suit in equity or action at law for the specific performance of any covenant or agreement contained herein. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of the Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Obligation or the rights of the Owner, or to authorize the Trustee to vote in respect of the claim of the Owner in any such proceeding without the approval of the Owner.

Section 11.5. Non-waiver. Except as otherwise provided in this Article, the Owner has the right to institute suit to enforce and collect the Payments as provided in the Purchase Agreement. No delay or omission of the Trustee or of the Owner to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence

therein, and every power and remedy given by this Article to the Trustee or the Owner may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owner.

Section 11.6. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owner, it shall have full power, in the exercise of its discretion for the best interests of the Owner, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, without the consent of the Owner.

Section 11.7. Limitation on Obligation Owner's Right to Sue. The Owner shall not have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (1) the Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (2) the Owner shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (3) the Owner shall have tendered to the Trustee indemnity satisfactory to it against the costs, expenses, and liabilities to be incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

## ARTICLE XII MISCELLANEOUS

### Section 12.1. Defeasance.

(a) If and when the Obligation or a portion thereof shall be paid and discharged in any one or more of the following ways:

(1) By paying or causing to be paid the principal, interest and premium, if any, represented by such Obligation, as and when the same become due and payable;

(2) By depositing with a Depository Trustee, in trust for such purpose, at or before the payment date therefor, money which, together with the amounts then on deposit in the Payment Fund is fully sufficient to pay or cause to be paid all principal, interest and premium, if any, due represented by the Obligation; or

(3) By depositing with a Depository Trustee, in trust for such purpose, any Defeasance Obligations which are noncallable in such amount as shall be certified to the Trustee and the Town in a report by an independent firm of nationally recognized certified public accountants acceptable to the Trustee and the Town, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit in the Payment Fund together with the interest to accrue thereon, to pay and discharge or cause to be paid and discharged all principal, interest and premium, if any represented by the Obligation at its payment or prepayment dates,

which deposit may be made in accordance with the provisions of Section 7 of the Purchase Agreement;

notwithstanding that the Obligation shall not have been surrendered for payment, all obligations of the Trustee and the Town shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid, from funds deposited pursuant to subsections (2) or (3) of this Section and paid to the Trustee by the Depository Trustee, to the Owner all sums due with respect thereto, and in the event of deposits pursuant to subsections (2) or (3), the Obligation shall continue to represent direct and proportionate interests of the Owner in such funds.

(b) Any funds held by the Trustee, at the time of one of the events described in paragraph (a) of this Section, which are not required for the payment to be made to Owner or for the payment of any other amounts due and payable by the Town hereunder or under the Purchase Agreement, shall be paid over to the Town.

(c) The Obligation or any portion thereof may be paid and discharged as provided in this Section; provided however, that if principal represented by the Obligation is to be prepaid, notice of such prepayment shall have been given in accordance with the provisions hereof or the Town shall have submitted to the Trustee instructions to be irrevocable as to the date upon which the Obligation or portion thereof is to be prepaid and as to the giving of notice of such prepayment; and provided further, that if the Obligation or portion thereof will not be payable within sixty (60) days of the deposit referred to in subsections (2) or (3) of this Section, the Trustee shall give notice of such deposit by Electronic Means to the Owner.

(d) No Obligation may be provided for as described in this Section if, as a result thereof, or of any other action in connection with which the provisions for payment of the Obligation is made, the interest payable on any Obligation is thereby made includable in gross income for federal income tax purposes. The Trustee, the Depository Trustee, and the Town may rely upon a Special Counsel's Opinion to the effect that the provisions of this subsection will not be breached by so providing for the payment of the Obligation.

Section 12.2. Notices. All written notices to be given under this Trust Agreement shall be given by overnight delivery or courier or by mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective upon deposit in the United States of America mail, postage prepaid or, in the case of personal delivery, upon delivery to the address set forth below:

If to the Town: Town of Camp Verde, Arizona  
473 South Main Street  
Camp Verde, Arizona 86322  
Attention: Town Manager

If to the Trustee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Section 12.3. Incorporation of State Statutes.

(a) As required by the provisions of Section 38-511, Arizona Revised Statutes, notice is hereby given that the Town may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the Town if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice is received by all other parties to the contract unless the notice specifies a later time. To the best knowledge of the Town and the Trustee, no basis exists for the Town to cancel this Trust Agreement pursuant to Section 38-511, Arizona Revised Statutes, as of the date hereof.

(b) To the extent applicable under Section 41-4401, Arizona Revised Statutes, the Trustee shall comply with all federal immigration laws and regulations that relate to its employees and its compliance with the “e-verify” requirements under Section 23-214(A), Arizona Revised Statutes. The breach by the Trustee of the foregoing shall be deemed a material breach of this Trust Agreement and may result in the termination of the services of the Trustee. The Town retains the legal right to randomly inspect the papers and records of the Trustee to ensure that the Trustee is complying with the above-mentioned warranty. The Trustee shall keep such papers and records open for random inspection during normal business hours by the Trustee. The Trustee shall cooperate with the random inspections by the Town including granting the Town entry rights onto its property to perform such random inspections and waiving its respective rights to keep such papers and records confidential. The Town shall preserve the confidentiality of any information, records or papers the Town views, accesses or otherwise obtains during any and every such random inspection.

(c) Pursuant to Section 35-393 et. seq., Arizona Revised Statutes, Trustee hereby certifies it is not currently engaged in, and for the duration of this Agreement shall not engage in, a boycott of Israel. The term “boycott” has the meaning set forth in Section 35-393, Arizona Revised Statutes. If Town determines that Trustee’s certification above is false or that it has breached such agreement, Town may impose remedies as provided by law.

Section 12.4. Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State.

Section 12.5. Binding Effect and Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Trust Agreement either the Town or the Trustee is named or referred to, such reference shall be deemed to include successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the Town or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 12.6. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Trust Agreement.



Section 12.7. Destruction of Cancelled Obligations. Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee and the delivery to the Town of the Obligation, the Trustee may destroy the Obligation and deliver a certificate of such destruction to the Town instead.

Section 12.8. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All references herein to “Articles”, “Sections”, and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 12.9. Parties Interested Herein. Nothing in this Trust Agreement or the Obligation, expressed or implied, is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Town, the Trustee and the Owner, any legal or equitable right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, provisions and agreements in this Trust Agreement contained by and on behalf of the Town shall be for the sole and exclusive benefit of the Town, the Trustee and the Owner.

Section 12.10. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 12.11. Severability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Obligation shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The parties hereto hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Obligation pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

[Signature page follows.]



IN WITNESS WHEREOF, the parties have executed this Trust Agreement as of the day and year first above written.

\_\_\_\_\_, as Trustee

By .....

Printed Name: .....

Title: .....

TOWN OF CAMP VERDE, ARIZONA

By .....

Mayor

ATTEST:

.....  
Town Clerk

[Signature page to Fourth Trust Agreement]

EXHIBIT A

(Form of Obligation)

Number: R-.....

Principal Amount: \$.....

**THIS OBLIGATION IS SUBJECT TO RESTRICTIONS  
ON TRANSFER PROVIDED IN SECTION 2.8(a) OF  
THE HEREIN DESCRIBED TRUST AGREEMENT**

PLEGGED REVENUE AND REVENUE REFUNDING OBLIGATION, SERIES 2020  
Evidencing a Proportionate Interest of the Owner  
Hereof in Payments to be Made by

THE TOWN OF CAMP VERDE, ARIZONA

to

.....,

as Trustee

Interest Rate:

Maturity Date:

Dated Date:

.....%

July 1, 20....

July \_\_, 2020

REGISTERED OWNER: .....

PRINCIPAL AMOUNT: ..... DOLLARS

THIS IS TO CERTIFY THAT the registered owner identified above, as the registered owner of this Pledged Revenue and Revenue Refunding Obligation, Series 2020 (this "Obligation"), is the owner of all of the interests in the right to receive certain "Payments" under and defined in that certain Fourth Purchase Agreement, dated as of July 1, 2020 (the "Purchase Agreement"), by and between ..... (the "Trustee"), and the Town of Camp Verde, Arizona, a municipal corporation under the laws of the State of Arizona (the "Town"), which Payments and other rights and interests under the Purchase Agreement are held by the Trustee in trust under that certain Fourth Trust Agreement, dated as of July 1, 2020 (the "Trust Agreement"), by and between the Town and the Trustee. The Trustee maintains a corporate trust office for payment and transfer of this Obligation (the "Designated Office").

The registered owner of this Obligation is entitled to receive, subject to the terms of the Purchase Agreement, on the payment date set forth above, the principal amount set forth above, representing a portion of the payments due designated as principal coming due and to receive semiannually on January 1 and July 1 of each year commencing January 1, 2021 (the "Interest Payment Dates"), until payment in full of said portion of principal or prepayment prior thereto, the registered owner's proportionate share of the payments designated as interest coming due during the period commencing on the last date on which interest was paid and ending on the

day prior to the Interest Payment Date or, if no interest has been paid, from the Dated Date specified above. Said interest is the result of the multiplication of said principal by the interest rate per annum set forth above. Interest shall be calculated on the basis of a 360-day year composed of twelve (12) months of thirty (30) days each.

Principal and interest related to this Obligation and the other amounts due with respect hereto are payable in lawful money of the United States of America by wire transfer in immediately available funds without surrender of the Obligation, except that the final payment of principal and interest, when due, will be paid upon surrender of this Obligation at the Designated Office.

The Trustee has no obligation or liability to the registered owner of this Obligation for the payment of interest or principal related to this Obligation. The Trustee's sole obligations are to administer, for the benefit of the registered owner of this Obligation, the various funds and accounts established pursuant to the Trust Agreement. (The recitals, statements, covenants and representations made in this Obligation shall be taken and construed as made by and on the part of the Town, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.)

This Obligation has been executed and delivered by the Trustee pursuant to the terms of, and for the purposes described in, the Trust Agreement. The Town is authorized to enter into the Purchase Agreement and the Trust Agreement under the laws of the State of Arizona and by resolution of the Mayor and Common Council of the Town adopted on June 17, 2020. Reference is hereby made to the Purchase Agreement and the Trust Agreement (copies of which are on file at the Designated Office) for further definitions, the terms, covenants and provisions pursuant to which this Obligation is delivered, the rights thereunder of the registered owner of this Obligation, the terms under which the Trust Agreement or the Purchase Agreement may be modified or supplemented, the rights, duties and immunities of the Trustee and the security for, and the rights and obligations of the Town under the Purchase Agreement (including with respect to certain obligations to be secured on a parity lien basis with the security for the Payments and to certain limitations on such security), to all of the provisions of which Purchase Agreement and Trust Agreement the registered owner of this Obligation, by acceptance hereof, assents and agrees. (To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement and the Purchase Agreement may be amended by the parties thereto with the written consent of the owner this Obligation, and may be amended without such consent under certain circumstances but in no event such that the interest of the owner of this Obligation is adversely affected, provided that no such amendment shall impair the right of the owner to receive in any case the owner's proportionate share of any Payment thereof in accordance with this Obligation.)

The obligation of the Town to make the Payments does not represent or constitute a general obligation of the Town for which the Town is obligated to levy or pledge any form of taxation nor does the obligation to make the Payments under the Purchase Agreement constitute an indebtedness of the Town, the State of Arizona or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction or otherwise.

Neither the Trustee nor the registered owner of this Obligation shall have any right under any circumstances to accelerate the payment date of this Obligation or otherwise declare any of the Payments not then past due or in default to be immediately due and payable. (This Obligation represents an interest in a limited obligation of the Town (as described herein), and no member of the Mayor and Common Council, officer or agent, as such, past, present or future, of the Town shall be personally liable for the payment hereof.)

This Obligation is executed and delivered only in fully registered form and shall not be transferable or exchangeable, except as provided in the Trust Agreement.

The Trustee may require a registered owner, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes or governmental charges required by law in connection with the exchange or transfer.

The Trustee may, but shall not be obligated to, exchange or register the transfer of this Obligation (i) if this Obligation has been selected for prepayment, or (ii) during a period of fifteen (15) days preceding the giving of a notice of prepayment. If this Obligation is so transferred, any notice of prepayment which has been given to the transferor shall be binding on the transferee, and a copy of the notice of prepayment shall be delivered by the Trustee to the transferee along with the duly registered Obligation.

The registered owner of this Obligation shall have no right to enforce the provisions of the Trust Agreement or the Purchase Agreement or to institute any action to enforce the covenants thereof, or to take any action with respect to a default thereunder or hereunder, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Trust Agreement.

Principal represented by this Obligation is subject to prepayment in such order and from such principal amounts payable as may be selected by the Town, in whole or in part on any date on or after July 1, 20\_\_, at a price equal to the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment but without premium.

Principal represented by this Obligation, shall be prepaid on July 1 of the years indicated and in the principal amounts indicated at a price equal to the amount thereof plus interest accrued to the date of prepayment, but without premium:

Year Prepaid

Principal Amount Prepaid

A remaining principal amount of \$\_\_\_\_,000 of this Obligation shall be paid on July 1, 20\_\_.

Whenever this Obligation is purchased, prepaid (other than pursuant to mandatory prepayment) or delivered by the Town to the Trustee for cancellation, the principal amount so retired shall satisfy and be credited against the mandatory prepayment requirements for this Obligation for such years as the Town may direct.

This Obligation shall not be entitled to any security or benefit under the Trust Agreement until executed by the Trustee.

IN WITNESS WHEREOF, this Obligation has been executed and delivered by the Trustee, acting pursuant to the Trust Agreement.

Date of Execution: .....

.....,  
as Trustee

By.....  
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned ..... (the "Transferor"), hereby sells, assigns and transfers unto ..... (the "Transferee"), whose address is ..... and whose social security number (or other federal tax identification number) is

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF TRANSFEREE

.....  
.....

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ..... as attorney to register the transfer of the within certificate on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: .....

.....  
NOTICE: No transfer will be registered and no new certificate will be issued in the name of the Transferee, unless that signature(s) to this assignment correspond(s) with the name as it appears on the face of the within certificate in every particular, without alteration or enlargement or any change whatever and name, address and the Social Security Number or federal employee identification number of the Transferee is supplied

The following abbreviations when used in the inscription on the face of the within certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN ACT - ..... Custodian for .....  
(Cust.) (Minor)

under Uniform Gifts/Transfers to Minors Act of .....  
(State)

Additional abbreviations may also be used though not in list above.



EXHIBIT B

(Form of Payment Request Form)

Payment Request Form

Application No. ....

The Trustee is hereby requested to pay from the "Acquisition Fund" established by the Fourth Trust Agreement, dated as of July 1, 2020 (the "Trust Agreement"), between the Town of Camp Verde, Arizona (the "Town"), and ....., as trustee (the "Trustee") to the person or corporation designated below as "Payee," the sum set forth below such designation, in payment of the Project Costs (as such term and other undefined terms used herein are defined in the Trust Agreement) with respect to the New Project described below. The amount shown below is due and payable under a purchase order or contract with respect to such costs described below and has not formed the basis of any prior request for payment.

Payee: .....

Address or Wiring Instructions: .....

Amount: .....

Description of costs or portion thereof authorized to be paid to the Payee: .....

The Town acknowledges that it has received and inspected items related to such costs and has found each item thereof so described to be in good condition, in conformity with the Town's specifications and satisfactory for the Town's purposes and in accordance with the applicable purchase order or contract. Notwithstanding anything herein to the contrary, the Town shall not be deemed to have waived or released the Payee from any liability or obligation to the Town in the event the Town's acknowledgment herein is discovered to be inaccurate in any respect as to any item described above.

By execution of this Payment Request Form, the Town requests and approves the payment of the amount stated above to Payee set forth above.

DATED: ....., 20....

.....

Town Representative

Please forward payment to Payee at the following address:

EXHIBIT C

(Form of Reimbursement Request Form)

Reimbursement Request Form

Application No. ....

The Trustee is hereby requested to pay from the "Acquisition Fund" established by the Trust Agreement, dated as of July 1, 2020 (the "Trust Agreement"), between the Town of Camp Verde, Arizona (the "Town"), and ....., as trustee (the "Trustee"), to the Town, the sum set forth below as reimbursement of (all/a portion) of the Project Costs (as such term and other undefined terms used herein are defined in the Trust Agreement) with respect to the New Project described below. Payment of the amount, shown below was made by the Town on ....., 20....., as evidenced by ..... attached hereto, as full/partial payment of ....., also attached hereto. The amount shown below was paid by the Town and has not formed the basis of any prior request for payment.

The Town acknowledges that it has received and has inspected items related to such costs and has found each item thereof so described to be in good condition, in conformity with the Town's specifications and satisfactory for the Town's purposes. Notwithstanding anything herein to the contrary, the Town shall not be deemed to have waived or released any entity named on the attached documentation, from any liability or obligation to the Town in the event the Town's acknowledgment herein is discovered to be inaccurate in any respect as to any item described below.

Amount: .....

Description of costs or portion thereof for which reimbursement is hereby requested:

DATED: ....., 20....

.....  
.  
Town Representative

Dated Received: ....., 20....

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**FOURTH PURCHASE AGREEMENT**

by and between

\_\_\_\_\_,  
as Seller

and

**THE TOWN OF CAMP VERDE, ARIZONA,**  
as Purchaser

Dated as of July 1, 2020

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## FOURTH PURCHASE AGREEMENT

THIS FOURTH PURCHASE AGREEMENT, dated as of July 1, 2020 (this “Agreement”), by and between THE TOWN OF CAMP VERDE, ARIZONA, a municipal corporation under the laws of the State of Arizona (“Town”), as purchaser hereunder, and \_\_\_\_\_, a national banking association (“Trustee”), in its capacity as trustee under the Fourth Trust Agreement, dated as of even date herewith (the “Trust Agreement”), by and between Trustee and Town, as seller hereunder,

### WITNESSETH:

WHEREAS, the Mayor and Common Council of Town have determined that it will be beneficial for the citizens of Town for Town to finance and refinance the costs of the Projects (as such term and all other undefined terms used herein are defined in the Trust Agreement); and

WHEREAS, for such purpose, the Mayor and Common Council of Town requested that Trustee sell and execute and deliver the Obligation, and the Trustee has, as provided in the Trust Agreement, caused deposits to be made to the Acquisition Fund and the Costs of Issuance Fund; and

WHEREAS, Town is a municipal corporation duly incorporated and validly existing under the laws of the State; the Constitution and the laws of the State authorize Town to enter into this Agreement and the transactions contemplated by this Agreement; Town has duly authorized and executed this Agreement; this Agreement is a lawful, valid and binding obligation of Town, enforceable against Town in accordance with its terms; all required procedures for execution and performance of this Agreement, including publication of notice, public hearing or competitive bidding, if applicable, have been or will be complied with in a timely manner; the Payments will be paid when due out of funds which are legally available for such purposes; neither the execution and delivery of this Agreement or the Trust Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Town is now a party or by which Town is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of Town and the Projects comply with all applicable environmental laws, rules and regulations (including, without limitation, all federal, state and local laws) and with Title III of the Americans with Disabilities Act and the regulations issued thereunder by the United States Department of Justice concerning accessibility of places of public accommodation and commercial facilities if and to the extent such Act and regulations apply to the Projects; and

WHEREAS, Trustee has full legal authority and is duly empowered to enter into this Agreement and has taken all actions necessary to the execution and delivery hereof;

NOW THEREFORE, PURSUANT TO LAW AND FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Term and Payments.

(a) In order to finance the costs of the New Project, Trustee hereby sells and conveys to Town, and Town hereby buys and accepts from County, the New Project. In order to refinance the costs of the Refinanced Project which have not been paid to date, Town hereby sells and conveys any interests it has in the Refinanced Project to Trustee, without recourse, representation or warranty, for the sum of \$10.00 and other valuable consideration had and received. Trustee in turn hereby sells and conveys back to Town, without recourse, representation or warranty, and Town hereby purchases for the amounts payable pursuant hereto (including the Payments) and accepts, from Town, any interests Town has in the Refinanced Project. (Town acknowledges that it is receiving good and valuable consideration from such sales.) Amounts paid by Trustee for deposit with 2011 Trustee have been applied to defease all remaining outstanding amounts of the 2011 Obligation.

(b) Trustee shall have no further obligation to provide funds for the Projects, and Town shall be entitled to sole and exclusive possession of the Projects.

(c) As the purchase price, Town shall pay the Payments to Trustee. (The Interest Portion is interest for purposes of the Code.) This Agreement shall be deemed and construed to be a “*net purchase agreement*,” and the Payments shall be an absolute net return to Trustee, free and clear of any expenses or charges whatsoever, except as otherwise specifically provided herein.

Town shall also pay to Trustee its fees and expenses in accordance with the provisions of the Trust Agreement and to the United States of America any amounts required by Section 11(b)(ii).

Town shall receive a credit against amounts so due, equal to any amounts held in the Payment Fund in excess of the amount then required to be in the Payment Fund. If the balance available in the Payment Fund after a Payment is insufficient to make the next required payments of principal and interest due on the Obligation on the next date for payment thereof, Town shall pay any such deficiency in sufficient time to prevent default in the payment of principal of or interest on the Obligation falling due on such date.

(d) The obligation of Town to pay the amounts described in paragraph (c) hereof (including the Payments) from the sources described herein and to comply with the other provisions hereof shall be absolute and unconditional and shall not be subject to any defense or any right of set-off, abatement, counterclaim, or recoupment arising out of any breach by Trustee of any obligation to Town or otherwise, or out of indebtedness or liability at any time owing to Town by Trustee. Until such time as all of the payments described in paragraph (c) hereof (including the Payments) shall have been fully paid or provided for, Town (i) shall not suspend or discontinue the same, (ii) shall comply with the other provisions hereof and (iii) shall not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, failure of Trustee or any other person to acquire the Projects, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Projects or the taking by *eminent domain* of title to or temporary use of any or all of the Projects, commercial frustration of purpose, abandonment of the Projects by Town, any

change in the tax or other laws of the United States of America or of the State or any political subdivision of either or any failure of Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Trust Agreement or this Agreement. Nothing contained in this Section shall be construed to release Trustee from the performance of any of the agreements on its part herein or in the Trust Agreement contained and in the event Trustee shall fail to perform any such agreements on its part, Town may institute such action against Trustee as Town may deem necessary to compel performance so long as such action does not abrogate the obligations of Town contained in the first sentence of this paragraph.

(e) Any of the payments described in paragraph (c) hereof (including the Payments) due on a day which is not a Business Day may be made on the next Business Day and will be deemed to have been made on the date due.

(f) Amounts payable to Trustee shall be paid by the means specified in writing to Town.

## Section 2. Pledge; Limited Obligations.

(a) Excise Tax Revenues and State Shared Revenues are hereby pledged by Town to the payment of all amounts described in Section 1(c) hereof (including the Payments), and such amounts shall be secured by a paramount and first lien on and pledge of Excise Tax Revenues and State Shared Revenues, on parity with the pledge and lien hereby granted by Town for the payment and security of the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement and any Additional Revenue Obligations. Town shall make said payments from Excise Tax Revenues and State Shared Revenues (first making the Payments and thereafter making the other required payments). All of such payments are coequal as to the pledge of and lien on Excise Tax Revenues and State Shared Revenues pledged for the payment thereof and share ratably, without preference, priority or distinction, as to the source or method of payment from Excise Tax Revenues and State Shared Revenues or security therefor. Town intends that this pledge shall be a paramount and first lien on and pledge of Excise Tax Revenues and State Shared Revenues as will be sufficient to make such payments and payments on the Parity IGA, the Second Purchase Agreement and the Third Purchase Agreement.

(b) Town shall remit to Trustee from Excise Tax Revenues and State Shared Revenues all amounts due under this Agreement in the amounts and at the times and for the purposes as required herein. The obligation of Town to make payments of any amounts due under this Agreement, including amounts due after default or termination hereof, is limited to payment from Excise Tax Revenues and State Shared Revenues and shall under no circumstances constitute a general obligation or a pledge of the full faith and credit of Town, the State or any of its political subdivisions, or require the levy of, or be payable from the proceeds of, any *ad valorem* property taxes.

(c) Town may, at the sole option of Town, make payments due pursuant to Section 1 hereof from its other funds as permitted by law and as Town shall determine from time to time, but Trustee acknowledges that it has no claim hereunder to such other funds. No part



of the purchase price payable pursuant to this Agreement shall be payable out of any *ad valorem* property taxes imposed by Town or from bonds or other obligations, the payment of which Town's general taxing authority is pledged, unless (i) the same shall have been duly budgeted by Town according to law, (ii) such payment or payments shall be within the budget limitations of the statutes of the State and (iii) any such bonded indebtedness or other obligation is within the debt limitations of the Constitution of the State.

Section 3. Surplus and Deficiency of Revenues from Excise Taxes and State Shared Revenues. Excise Tax Revenues and State Shared Revenues in excess of amounts, if any, required to be deposited with or held by Trustee for payments due under this Agreement shall constitute surplus revenues and may be used by Town for any lawful purpose for the benefit of Town, including the payment of obligations to which Excise Tax Revenues and State Shared Revenues may from time to time be pledged on a basis subordinate hereto. If at any time the moneys in the funds held for payment of amounts due under this Agreement are not sufficient to make the deposits and transfers required, any such deficiency shall be made up from the first moneys thereafter received and available for such transfers under the terms of this Agreement and, with respect to payment from Excise Tax Revenues and State Shared Revenues, *pro rata*, as applicable, with amounts due with respect to the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement and any Additional Revenue Obligations, and the transfer of any such sum or sums to said fund as may be necessary to make up any such deficiency shall be in addition to the then-current transfers required to be made pursuant hereto.

Section 4. Parity Lien Obligations. Additional Revenue Obligations may be incurred but only if Excise Tax Revenues plus State Shared Revenues, when combined mathematically for such purpose only, in the most recently completed fiscal year of Town, shall have amounted to at least two (2) times the highest combined interest and principal requirements for any succeeding fiscal year of Town for the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, this Agreement and any Additional Revenue Obligations.

Section 5. Town Control over Revenue Collection. To the extent permitted by applicable law, Excise Tax Revenues shall be retained and maintained so that the amounts received from Excise Tax Revenues and State Shared Revenues, when combined mathematically for such purpose only, all within and for the most recently completed fiscal year of Town, shall have been equal to at least two (2) times the total of interest and principal requirements for the current fiscal year of Town for the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, this Agreement and any Additional Revenue Obligations. If the revenues from Excise Tax Revenues and State Shared Revenues for any such fiscal year shall not have been equal to at least one and one-quarter (1¼) times the total of the interest and principal requirements for the current fiscal year of Town for the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, this Agreement and any Additional Revenue Obligations or if at any time it appears that Excise Tax Revenues and State Shared Revenues will not be sufficient to meet such requirements, Town shall, to the extent permitted by applicable law, impose new exactions of the type of the excise taxes which will be part of the excise taxes or increase the rates for the excise taxes currently imposed fully sufficient at all times, after making allowance for contingencies and errors, in each fiscal year of Town in order that (i) Excise Tax Revenues and State Shared Revenues will be sufficient to meet all current requirements hereunder and (ii) Excise Tax

Revenues and State Shared Revenues will be reasonably calculated to attain the level as required by the first sentence of this paragraph.

Section 6. Certain Matters with Respect to Projects.

(a) Except with respect to its power and authority to enter into this Agreement and to perform its covenants hereunder, Trustee has made and makes no representation or warranty, express or implied, and assumes no obligation with respect to the title, merchantability, condition, quality or fitness of the Projects for any particular purpose or the conformity of the Projects to any plans, specifications, construction contract, purchase order, model or sample, or as to their design, construction, delivery, installation, construction oversight and operation or their suitability for use by Town after completion. All such risks shall be borne by Town without in any way excusing Town from its obligations under this Agreement, and Trustee shall not be liable to Town for any damages on account of such risks. Except with respect to any acts by Trustee which are not undertaken at the request of Town or with the prior approval of Town, Town waives all claims against Trustee growing out of the acquisition, construction, installation or otherwise of the Projects. Trustee shall have no liability to Town for any failure of any contractor to perform any contract or other undertaking with respect to the Projects in any respect. Trustee shall have no obligation to obtain or insure compliance with any required permits or approval procedures with respect to the Projects. In the event of any defect in any item of the Projects or other claim with respect to the Projects, recourse of Town shall be against the contractors, manufacturers, suppliers, etc. of the Projects and, where applicable, the person selling the property to Trustee, and not against Trustee. For such purpose, Trustee hereby assigns and transfers to Town the right, title and interest of Trustee in and to all representations, warranties, guarantees and service agreements relating to the Projects made or entered into by Trustee and by any contractor, manufacturers, suppliers, etc. of the Projects. Trustee further designates Town as its attorney-in-fact granting to Town the right to initiate and take all actions necessary to enforce any and all construction contracts and all such warranties and service agreements. Trustee is entering into this Agreement solely as Trustee, shall not be personally liable hereunder and shall be afforded the same rights, protections, immunities and indemnities acting hereunder as afforded to it as Trustee under the Trust Agreement. Notwithstanding anything to the contrary herein, at no time shall Trustee be listed in the chain of title to the Projects.

(b) Trustee hereby irrevocably appoints Town as its sole and exclusive agent to act for and on behalf of Trustee in financing and refinancing the costs of the Projects. As such agent, Town shall have full authority to do all things necessary to bring about the financing and refinancing of the costs of the Projects. Trustee shall not be liable, responsible or accountable for the acts of Town as its agent hereunder, and Town hereby assumes all responsibility for the performance of such duties. Should any shortfall or deficiency occur in the Acquisition Fund, the Town shall immediately pay such amounts to Trustee for deposit in the Acquisition Fund.

(c) Town, by keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Agreement, peaceably and quietly, have, hold and enjoy the Projects, without suit, trouble or hindrance from Trustee. Town hereby grants and conveys to Trustee, and all persons claiming by, through or under Trustee, including its successors and assigns under the Trust Agreement and the Owners for whom it acts, a nonexclusive

easement upon, in and to the Projects for the purpose of permitting the Projects to be maintained upon the premises.

(d) Notwithstanding any other terms or provisions of this Agreement, the interest of Trustee in the Projects is solely in its capacity as Trustee for the purpose of facilitating the financing or refinancing, as applicable, of the Projects, and Trustee shall not have the power, authority or obligation to assume any responsibility for the overall management or maintenance of the Projects, including, without limitation, any day-to-day decision-making or operational aspects of the Projects.

Section 7. Providing for Payment. Town may provide for the payment of any of the Payments in any one or more of the following ways:

(a) by paying such Payment as provided herein as and when the same becomes due and payable at its scheduled due date pursuant to Section 1 hereof or on a date on which it can be prepaid;

(b) by depositing with a Depository Trustee, in trust for such purposes, money which, together with the amounts then on deposit with Trustee and available for such Payment is fully sufficient to make, or cause to be made, such Payment at its scheduled due date or on a date on which it can be prepaid or

(c) by depositing with a Depository Trustee, in trust for such purpose, any Defeasance Obligations which are noncallable, in such amount as shall be certified to Trustee and Town, by a national firm of certified public accountants acceptable to Town, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit with Trustee and available for such Payment, to make, or cause to be made, such Payment at its scheduled due date or on a date on which it can be prepaid.

Upon any partial prepayment of a Payment, each installment of interest which shall thereafter be payable as a part of the subsequent Payments shall be reduced, taking into account the interest rate on the Obligation remaining outstanding after the partial prepayment so that the interest remaining payable as a part of the subsequent Payments shall be sufficient to pay the interest on such outstanding Obligation when due.

Section 8. Term of Agreement. This Agreement shall not terminate so long as any payments are due and owing pursuant to the Obligation. Subject to Section 7 hereof, upon full payment or provision for payment and in consideration of the timely payment of all of the amounts described in Section 1(c) hereof (including the Payments) and provided that Town has performed all the covenants and agreements required by Town to be performed, this Agreement shall cease and expire. The obligations of Town under this Agreement, including, without limitation, its obligation to pay the Payments, shall survive any action brought as provided in the next Section hereof, and Town shall continue to pay the Payments and perform all other obligations provided in this Agreement; provided, however, that Town shall be credited with any amount received by Trustee pursuant to actions brought under the next Section hereof.

Section 9. Default; Remedies Upon Default.

(a) (i) Upon (A) the nonpayment of the whole or any part of any of the amounts described in Section 1(c) hereof (including the Payments) at the time when the same are to be paid as provided herein or in the Trust Agreement; (B) the violation by Town of any other covenant or provision of this Agreement or the Trust Agreement; (C) the occurrence of an event of default with respect to the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement or any Additional Revenue Obligations; or (D) the insolvency or bankruptcy of Town as the same may be defined under any law of the United States of America or the State, or any voluntary or involuntary action of Town or others to take advantage of, or to impose, as the case may be, any law for the relief of debtors or creditors, including a petition for reorganization, and

(ii) if such default has not been cured (A) in the case of nonpayment of any of the amounts described in Section 1(c) hereof (including the Payments) as required hereunder or under the Trust Agreement on the due date or the nonpayment of principal or interest due with respect to the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement or any Additional Revenue Obligations on their due dates; (B) in the case of the breach of any other covenant or provision of the Trust Agreement or this Agreement not cured within sixty (60) days after notice in writing from Trustee specifying such default; and (C) in the case of any other default under any of the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement or any Additional Revenue Obligations after any notice and passage of time provided for under the proceedings under which such obligations were issued then,

(iii) subject to the limitations of the Trust Agreement, Trustee may take whatever action at law or in equity, including the remedy of specific performance, may appear necessary or desirable to collect the Payments and any other amounts payable by Town under the Trust Agreement or this Agreement then due (but not the Payments and such other amounts accruing), or to enforce performance and observance of any pledge, obligation, agreement or covenant of Town under the Trust Agreement or this Agreement, and with respect to Excise Tax Revenues and State-Shared Revenues, without notice and without giving any bond or surety to Town or anyone claiming under Town, have a receiver appointed of Excise Tax Revenues and State Shared Revenues which are pledged to the payment of amounts due hereunder, with such powers as the court making such appointment shall confer (and Town does hereby irrevocably consent to such appointment); provided, however, that under no circumstances may the Payments be accelerated.

Each right, power and remedy of Trustee provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for herein, or, unless prohibited by the terms hereof, now or hereafter existing at law or in equity or by statute or otherwise, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise or beginning of the exercise by Trustee of any one or more of the rights, powers or remedies provided for herein or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by either party of any or all of such other rights, powers or remedies. The failure to insist upon strict performance of any of the

covenants or agreements herein set forth shall not be considered or taken as a waiver or relinquishment for the future of the rights of Trustee to insist upon a strict compliance by Trustee with all the covenants and conditions hereof. Town shall, upon not less than 10 days' prior request by Trustee, execute, acknowledge and deliver to Trustee a statement in writing certifying that this Agreement is unmodified and in full force and effect (or, if this Agreement has been modified, that it is in full force and effect except as modified, and stating the modification), and the dates to which the amounts payable hereunder have been paid in advance, if any.

(b) Trustee shall in no event be in default in the performance of any of its obligations hereunder unless and until Trustee shall have failed to perform such obligation within 30 days or such additional time as is reasonably required to correct any such default after notice by Town properly specifying wherein Trustee has failed to perform any such obligation. No default by Trustee shall relieve Town of its obligations to make the various payments herein required, so long as the Obligation remains outstanding; however, Town may exercise any other remedy available at law or in equity to require Trustee to remedy such default so long as such remedy does not interfere with or endanger the payments required to be made to Trustee under the Trust Agreement.

Section 10. Assignment.

(a) Except as otherwise provided herein, Town shall not assign, transfer, pledge or hypothecate or otherwise dispose of this Agreement or any interest therein and any assignment in contravention hereof shall be void.

(b) Subject to the terms of the Trust Agreement, all and every part of the right, title and interest in and to this Agreement and all payments of any kind due or which become due to Trustee hereunder are sold, pledged, assigned and transferred pursuant to the Trust Agreement.

Section 11. Federal Law Provisions.

(a) (i) As described in further detail in the Tax Certificate, no direction for the making of any investment or other use of the proceeds of the Obligation or of the Projects shall be made, permitted to be made or omitted from being made which would cause the Obligation to be an "arbitrage bond" as that term is defined in section 148 (or any successor provision thereto) of the Code or a "private activity bond" as that term is defined in section 141 (or any successor provision thereto) of the Code, and the requirements of such sections and related regulations of the Code shall be complied with throughout the term of the Obligation. (Particularly, Town shall be the owner of the Projects for federal income tax purposes. Town shall not enter into any management or service contract with any entity other than a governmental entity for the operation of any portion of the Projects unless the management or service contract complies with the requirements of Revenue Procedure 97-13 or such other authority as may control at the time or any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Projects). Also, the payment of principal and interest with respect to the Obligation shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds

of the Obligation, or amounts treated as proceeds of the Obligation, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds may be so invested for an initial temporary period until needed for the purpose for which the Obligation is being executed and delivered, may be so used in making investments in a *bona fide* debt service fund or may be invested in obligations issued by the United States Treasury. Town shall comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the execution and delivery of the Obligation (initially those in subsection (b)) for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion. In consideration of the purchase and acceptance of the Obligation by the owners from time to time thereof and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, Town shall, and the appropriate officials of Town are hereby directed, to take all action required to retain such exclusion or to refrain from taking any action prohibited by the Code which would adversely affect in any respect such exclusion.

(ii) (A) Town shall take all necessary and desirable steps, as determined by the Mayor and Common Council of Town, to comply with the requirements hereunder in order to ensure that the Interest Portion is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event Town receives a Special Counsel's Opinion that either compliance with such requirement is not required to maintain the exclusion from gross income of the Interest Portion or compliance with some other requirement will meet the requirements of the Code relating to such exclusion. In the event Town receives such a Special Counsel's Opinion, the parties agree to amend this Agreement to conform to the requirements set forth in such opinion.

(B) If for any reason any requirement hereunder is not complied with, Town shall take all necessary and desirable steps, as determined by Town, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and Town shall pay any required interest or penalty under hereinafter described Regulations section 1.148-3(h) with respect to the Code.

(C) Written procedures have been established for Town to ensure that all nonqualified obligations are remediated according to the requirements under the Code and related Regulations and to monitor the requirements of section 148 of the Code relating to arbitrage, with which Town will comply.

(D) The procedures required by any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Obligation (initially, those in the next subsection) shall be complied with for so long as compliance is necessary pursuant to the Code.

(E) Town designates the Obligation as a "qualified tax-exempt obligation" for purposes of section 265(b)(3) of the Code. In that connection, it is hereby represented and covenanted that Town, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, during the current

calendar year have not issued and will not issue tax-exempt obligations designated as qualified tax-exempt obligations in an aggregate amount, including the Obligation, exceeding \$10,000,000.

(b) (i) Undefined terms used in this subsection shall have the meanings given to them in the Code and the Regulations.

(ii) Unless an exception available pursuant to the Regulations applies as indicated in a Special Counsel's Opinion or a written statement of an expert consultant employed pursuant to paragraph (vii) hereof, within 60 days after the end of each Bond Year, Town shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(A) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous Rebate Payments with respect to the Obligation (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous Rebate Payments with respect to the Obligation (determined as of the last day of such Bond Year); and

(B) not later than 60 days after the retirement of the last Obligation, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Obligation).

Each Rebate Payment required to be made under this Section shall be filed on or before the date such payment is due, with the Internal Revenue Service at the appropriate location and with required forms and other materials, currently by addressing it to IRS Service Center, Ogden, Utah 84201, and accompanying it with IRS Form 8038-T.

(iii) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(iv) For purposes of paragraph (iii), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(A) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing purchaser would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(B) Except as provided in Subsection (v) or (vi), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(C) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(v) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(A) the yield on reasonably comparable direct obligations of the United States; and

(B) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(vi) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(A) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with Town or any other person (whether or not in connection with the Obligation), and that the bid is not being submitted solely as a courtesy to Town or any other person for purposes of satisfying the requirements in the Regulations that Town receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Obligation.

(B) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(C) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Obligation (e.g., a lead underwriter within 15 days of the issue date of the Obligation or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If Town uses an agent to conduct the bidding, the agent may not bid.

(D) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(E) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.



(F) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(G) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(H) Town retains until three years after the last outstanding Obligation is retired, (1) a copy of the guaranteed investment contract, (2) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by Town and a copy of the provider's certification described in (G) above, (3) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (4) the bid solicitation form and, if the terms of the guaranteed investment contract deviate from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(vii) Such experts and consultants shall be employed by Town to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with section 148(f) of the Code with respect to the Obligation.

Section 12. Covenant as to Conflict of Interest; Other Statutory Restrictions.

(a) To the extent applicable by provision of law, Trustee acknowledges that this Agreement is subject to cancellation pursuant to Section 38-511, Arizona Revised Statutes, the provisions of which are incorporated herein and which provides that Town may within three (3) years after its execution cancel any contract (including this Agreement) without penalty or further obligation made by Town if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Town is at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice is received by all other parties to the contract unless the notice specifies a later time. To the best knowledge of Town and Trustee, no basis exists for Town to cancel this Agreement pursuant to Section 38-511, Arizona Revised Statutes, as of the date hereof.

(b) To the extent applicable under Section 41-4401, Arizona Revised Statutes, Trustee shall comply with all federal immigration laws and regulations that relate to its employees and its compliance with the "e-verify" requirements under Section 23-214(A), Arizona Revised Statutes. The breach by Trustee of the foregoing shall be deemed a material breach of this Agreement and may result in the termination of the services of Trustee by Town. Town retains the legal right to randomly inspect the papers and records of Trustee to ensure that Trustee is complying with the above-mentioned warranty. Trustee shall keep such papers and records open for random inspection during normal business hours by Town. Trustee shall cooperate with the random inspections by Town including granting Town entry rights onto its property to perform such random inspections and waiving its respective rights to keep such papers and records

confidential. To the extent permitted by law, Town shall preserve the confidentiality of any information, records or papers Town views, accesses or otherwise obtains during any and every such random inspection.

(c) Pursuant to Section 35-393 et. seq., Arizona Revised Statutes, Trustee hereby certifies it is not currently engaged in, and for the duration of this Agreement shall not engage in, a boycott of Israel. The term “boycott” has the meaning set forth in Section 35-393, Arizona Revised Statutes. If Town determines that Trustee’s certification above is false or that it has breached such agreement, Town may impose remedies as provided by law.

Section 13. Miscellaneous.

(a) No covenant or obligation herein to be performed by Town may be waived except by the written consent of Trustee, and a waiver of any such covenant or obligation or a forbearance to invoke any remedy on any occasion shall not constitute or be treated as a waiver of such covenant or obligation as to any other occasion and shall not preclude Trustee from invoking such remedy at any later time prior to the cure by Town of the condition giving rise to such remedy.

(b) This Agreement shall be construed and governed in accordance with the laws of the State in effect from time to time.

(c) The recitals set forth at the beginning of this Agreement are incorporated in this Agreement by this reference. This Agreement constitutes the entire agreement between the parties and shall not be modified, waived, discharged, terminated, amended, supplemented, altered or changed in any respect except by a written document signed by both Trustee and Town, subject to the restrictions with regard thereto provided by the Trust Agreement.

(d) Any term or provision of this Agreement found to be prohibited by law or unenforceable or which would cause this Agreement to be invalid, prohibited by law or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without, to the extent reasonably possible, causing the remainder of this Agreement to be invalid, prohibited by law or unenforceable.

(e) The captions set forth herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

(f) Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, assigns and personal representatives, as the case may be. Any person or entity acquiring any interest in or to the right, title or interest of Trustee herein shall be and have the rights of a third party beneficiary hereunder.

(g) This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Trustee:

\_\_\_\_\_, as seller

By .....

Printed Name: .....

Title: .....

Town:

TOWN OF CAMP VERDE, ARIZONA, a  
municipal corporation under the laws of the State of  
Arizona, as purchaser

By.....  
Mayor

ATTEST:

By.....  
Town Clerk

[Signature page to Fourth Purchase Agreement]

**SCHEDULE**

Payment Date	Principal	Interest	Total Payment
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PLACEMENT AGENT AGREEMENT

\_\_\_\_\_, 2020

Town of Camp Verde, Arizona  
473 South Main Street  
Camp Verde, Arizona 86322

Re: Town of Camp Verde, Arizona Pledged Revenue and Revenue Refunding  
Obligation, Series 2020

The Town of Camp Verde, Arizona (the “Issuer”) proposes to cause the execution and delivery in a private placement of the above-referenced obligation of the Issuer (the “Obligation”), the Obligation to be executed and delivered to finance and refinance certain capital projects in and for the Issuer, and to pay costs incurred in connection with the execution and delivery of the Obligation. The Obligation is authorized to be executed and delivered pursuant to a Resolution of the Mayor and Common Council of the Issuer (the “Council”) adopted on June 17, 2020 (the “Resolution”).

This Placement Agent Agreement (this “Agreement”) confirms the agreement between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”) as follows:

1. Engagement. The Issuer hereby engages the Placement Agent as its exclusive agent to assist the Issuer in placing the Obligation on a best efforts basis with one or more purchasers, each a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933 (the “Securities Act”) or an “accredited investor,” as defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act, as represented by each purchaser in an executed Investor Letter in the form attached as Exhibit C hereto (the “Purchaser,” or the “Purchasers”), on a private placement basis (the “Placement”). Sale and delivery of the Obligation by the Issuer and purchase by the Purchasers will occur on the day of closing (“Closing Date”). The Issuer acknowledges and agrees that the Placement Agent’s engagement hereunder is not an agreement by the Placement Agent or any of its affiliates to underwrite or purchase the Obligation or otherwise provide any financing to the Issuer. The Placement Agent hereby accepts this engagement upon the terms and conditions set forth in this Agreement.
2. Fees and Expenses.
  - (a) For its services under this Agreement, the Issuer agrees to pay the Placement Agent:
    - (1) a placement fee for its services under this Agreement of \$\_\_\_\_\_, payable on the Closing Date; and

- (2) as reimbursement, the reasonable expenses incurred by the Placement Agent in preparing to market and marketing the Obligation, including, but not limited to, travel and printing and distribution of the Placement Materials (as defined herein), whether or not a closing occurs, upon the earlier of receipt of an invoice or on the Closing Date; provided that the Placement Agent shall be under no obligation to pay any expenses incident to this Agreement.
- (b) In the event the Issuer terminates this Agreement and within twelve (12) months thereafter sells the Obligation to an investor identified by the Placement Agent to the Issuer prior to such termination, the amounts payable under (a)(2) above shall be immediately due and payable by the Issuer.

3. Disclosure and Due Diligence.

- (a) The Issuer has furnished the Placement Agent with a term sheet accompanied by the Issuer's adopted fiscal year 2019/20 budget, and the comprehensive annual financial reports of the Issuer for fiscal years ended 2015 through and including 2019, together with the form of the Resolution, the Purchase Agreement (as defined in the Resolution) and the Trust Agreement (as defined in the Resolution) and statistical and other information about the Issuer (together with all supplements, modifications, and additions thereto prior to the Closing Date, the "Placement Materials"). The Issuer acknowledges and agrees that it has, with the assistance of the Placement Agent, prepared and is solely responsible for the completeness, truth, and accuracy of the Placement Materials and that the Placement Agent and each Purchaser may rely upon, as complete, true, and accurate, the Placement Materials and all information provided by the Issuer to the Placement Agent for use in connection with the Placement and that the Placement Agent does not assume any responsibility therefor.
- (b) Prior to the Closing Date, the Issuer will make available to each Purchaser and the Placement Agent such documents and other information which the Purchaser or the Placement Agent reasonably deems appropriate with respect to the transaction contemplated hereby, will provide access to its officers, directors, employees, accountants, counsel and other representatives, and will provide each Purchaser and the Placement Agent the opportunity to ask questions and receive answers from knowledgeable individuals, including Greenberg Traurig, LLP, special counsel to the Issuer ("Special Counsel") (whose opinion each shall receive and upon which they may rely) concerning the Issuer, the Obligation, and the

security therefor; it being understood that the Purchasers and the Placement Agent will rely solely upon such information supplied by the Issuer and its representatives without assuming any responsibility for independent investigation or verification thereof.

- (c) In the event that the Placement Agent is unable to complete “due diligence” in order to form a reasonable basis for recommending the Obligation to Purchasers either (1) because of the Issuer’s failure to comply with paragraph (a) or (b) of this paragraph or (2) because the Placement Agent uncovers “red flags” about the Issuer that cause the Placement Agent to be not satisfied that the Placement Agent can in good faith recommend the Obligation to Purchasers, the Placement Agent may terminate this Agreement without further obligation on the part of the Placement Agent to proceed with the Placement and without any obligation on the part of the Placement Agent to reimburse to the Issuer any monies advanced by the Issuer to the Placement Agent.

4. Representations, Warranties, and Agreements of the Issuer. As of the date of this Agreement, unless otherwise stated, the undersigned, on behalf of the Issuer, but not individually, represents, warrants, and agrees with the Placement Agent that:

- (a) The Issuer is duly organized and validly existing under the laws of the State of Arizona (the “State”) with the power to adopt the Resolution, perform the agreements on its part contained therein and in the agreements approved thereby and cause the execution and delivery of the Obligation.
- (b) The Issuer will not cause or permit any action to be taken in the placement of the Obligation in violation of the requirements for exemption from registration or qualification of the Obligation under all federal and applicable state securities laws and regulations.
- (c) The Issuer has complied materially, and in all respects on the Closing Date will be in material compliance, with all of the provisions of applicable law of the State.
- (d) The Issuer: (1) has duly authorized and approved the execution and delivery of this Agreement, the Purchase Agreement and the Trust Agreement (collectively, the “Documents”); (2) will have duly adopted the Resolution prior to the Closing Date; (3) will duly authorize and approve the Placement Materials and the delivery thereof to prospective Purchasers; and (4) will duly authorize and approve the execution and delivery of all financing or operative documents, including the Obligation and the Documents, relating to the execution and delivery and security for the Obligation, as such



documents are amended and supplemented to the Closing Date, including but not limited to any trust indenture, loan agreement, or security instrument (collectively, the “Financing Documents”), and the performance of its obligations and the consummation by it of all other transactions contemplated thereby.

- (e) On the Closing Date, the Financing Documents will have been duly authorized, executed, and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against the Issuer in the State.
- (f) The Issuer is not, and on the Closing Date will not be, in breach of or default under any applicable law or administrative regulation of the State or any department, division, agency or instrumentality thereof, or of the United States, or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents, and the execution and delivery of the Financing Documents, the adoption of the Resolution and the execution and delivery of the Obligation and compliance with the provisions of each will not conflict with or constitute a breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents and the Obligation.
- (g) No action, suit, proceeding or investigation at law or in equity before or by any court, governmental agency, public board or body is, or on the Closing Date will be, pending or, to the knowledge of the Issuer, threatened: (i) in any way affecting the existence of the Issuer or the titles of the members of the Council to their respective offices, (ii) seeking to prohibit, restrain or enjoin the execution, sale or delivery of the Obligation or the levy, assessment or collection of taxes or collection or payment by the Issuer of any amounts pledged or to be pledged as security to pay the principal of and interest on

Obligation, (iii) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to execute and deliver, adopt or to enter into (as applicable), the Obligation, the Resolution or the Financing Documents, (iv) contesting in any way the completeness, truth, or accuracy of the Placement Materials, (v) except as disclosed in the Placement Materials, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the security or source of payment of, or to pay debt service on, the Obligation, or (vi) contesting the status of the interest on the Obligation as excludable from gross income for federal income tax purposes or as exempt from any applicable state tax, in each case as described in the Placement Materials.

(h) Regarding information provided by the Issuer to the Placement Agent

(1) The Issuer will furnish the Placement Agent and the Purchaser with the Placement Materials. The Issuer represents and warrants that all information made available to the Placement Agent by the Issuer or contained in the Placement Materials, when provided will be, and will be at all times thereafter during the period of the engagement of the Placement Agent hereunder, complete, true, and accurate in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made;

(2) except as otherwise indicated to the contrary in the Issuer's financial statements, all historical financial statements of the Issuer provided to the Placement Agent and each Purchaser has been prepared in accordance with generally accepted accounting principles and practices then in effect in the United States and will fairly present the financial condition and operations of the entities covered thereby in all material respects; and

(3) any forecasted financial or market information with respect to the Issuer or its market provided to the Placement Agent and each Purchaser by the Issuer has been or will be prepared in good faith with a reasonable basis for the assumptions and the conclusions reached therein.

- (i) On the Closing Date, the Issuer will deliver or cause to be delivered to the Placement Agent:
  - (1) The opinion of Special Counsel, dated the Closing Date, relating to:
    - (i) the validity of the Obligation;
    - (ii) exemption from registration and qualification under federal and state securities law; and
    - (iii) the tax-exempt status of the Obligation, together with a reliance letter from such counsel, dated the Closing Date and addressed to the Placement Agent, in the form attached to this Agreement as Exhibit A, or such other form as is acceptable to the Placement Agent;
  - (2) a certificate of the Issuer, dated the Closing Date, in the form attached to this Agreement as Exhibit B, stating:
    - (i) the representations and warranties of the Issuer contained in this Agreement are true and correct as if made on the Closing Date;
    - (ii) the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement; and
    - (iii) as of its date and the Closing Date, the information contained in the Placement Materials is complete, true, and accurate and such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
  - (3) An Investor Letter, in the form attached as Exhibit C to this Agreement, executed by each Purchaser and addressed to the Issuer and the Placement Agent; and
  - (4) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Placement Agent and Special Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

5. Termination. This Agreement may be terminated by either party upon ten (10) business days' prior written notice; provided that the provisions of Paragraph 2 and obligations thereunder shall not be affected by such termination.
  
6. Regulatory Disclosure. The Issuer acknowledges, in connection with the purchase and sale of the Obligation, the offering of the Obligation for sale and the discussions and negotiations relating to the terms of the Obligation pursuant to and as set forth in this Agreement, that:
  - (a) the Placement Agent has acted at arm's length, is acting solely for its own account and is not agent of or advisor to (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), and owes no fiduciary duty to the Issuer or any other person,
  - (b) the Placement Agent's duties and obligations to the Issuer shall be limited to those contractual duties and obligations set forth in this Agreement,
  - (c) the Placement Agent may have interests that differ from those of the Issuer, and
  - (d) the Issuer has consulted its legal and financial advisors to the extent it deemed appropriate in connection with the offering and sale of the Obligation. The Issuer further acknowledges and agrees that it is responsible for making its judgment with respect to the offering and sale of the Obligation and the process leading thereto. The Issuer agrees that it will not claim that the Placement Agent acted as a Municipal Advisor to the Issuer or rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Issuer, in connection with the offering or sale of the Obligation or the process leading thereto.

The Placement Agent hereby further provides the Issuer with certain disclosures relating to Obligation, as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2012-25 (May 7, 2012)<sup>1</sup>:

- (e) The Placement Agent intends to serve as a placement agent, and not as a financial advisor or municipal advisor in connection with the execution and delivery of the Obligation. As part of our services as the Placement Agent we may provide advice concerning the

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<sup>1</sup> Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective August 2, 2012).

structure, timing, terms, and other similar matters concerning the execution and delivery of the Obligation.

- (f) Concerning our role as the Placement Agent:
  - (i) Municipal Securities Rulemaking Board Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors;
  - (ii) our primary role in this transaction is to facilitate the sale and purchase of your Obligation between you and one or more investors for which we will receive compensation;
  - (iii) unlike a municipal advisor, we do not have a fiduciary duty to you under the federal securities laws and are, therefore, not required by federal law to act in your best interests without regard to our own financial or other interests;
  - (iv) we have a duty to use our commercially reasonable efforts to arrange the purchase of the Obligation from you by investors at a fair and reasonable price, but must balance that duty with our duty to arrange the sale to investors at prices that are fair and reasonable; and
  - (v) we will review the Placement Materials for your Obligation in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.
- (g) Concerning our compensation, we will be compensated pursuant to the terms set forth in Paragraph 2 of this Agreement. A portion of our compensation may be based in whole or in part upon the principal amount of the Obligation sold in the Placement. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because the Placement Agent may have an incentive to recommend to you a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

7. Survival of Certain Representations and Agreements. The respective agreements, covenants, representations, warranties and other statements of the Issuer and its officers set forth in or made pursuant to this Agreement shall survive delivery of and payment for the Obligation and shall remain in full force and effect, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Placement Agent.

8. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to the Issuer at its address set forth above. Any notice or other communication to be given to the Placement Agent under this Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company Incorporated, 2325 East Camelback Road, Suite 750, Phoenix, Arizona 85016, Attention: B. Mark Reader, Managing Director.
9. Left Blank Intentionally.
10. No Assignment. This Agreement has been made by the Issuer and the Placement Agent, and no person, other than the foregoing, shall acquire or have any right under or by virtue of this Agreement.
11. Applicable Law. This Agreement shall be interpreted, governed and enforced in accordance with the laws of the State.
12. Effectiveness. This Agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.
13. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
14. Counterparts. This Agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.
15. Cancellation of Contracts. As required by the provisions of Section 38-511, Arizona Revised Statutes, notice is hereby given that the State, its political subdivisions (including the Issuer) or any department or agency of either may, within three (3) years after its execution, cancel any contract (including this Agreement), without penalty or further obligation, made by the State, its political subdivisions or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any of the departments or agencies of either is, any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from the Governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time. The State, its political subdivisions or any department

or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. This paragraph is not intended to expand or enlarge the rights of the Issuer hereunder except as required by Section 38-511, Arizona Revised Statutes. Each of the parties hereto hereby certifies that it is not presently aware of any violation of Section 38-511, Arizona Revised Statutes which would adversely affect the enforceability of this Agreement and covenants that it shall take no action which would result in a violation of Section 38-511, Arizona Revised Statutes.

[Signature page follows.]

Respectfully submitted,

STIFEL, NICOLAUS & COMPANY, INCORPORATED

.....  
B. Mark Reader, Managing Director

ACCEPTED this \_\_\_\_\_ of \_\_\_\_\_ 2020.

TOWN OF CAMP VERDE, ARIZONA

By .....

Printed Name: .....

Title: .....



EXHIBIT A

FORM OF RELIANCE LETTER TO THE PLACEMENT AGENT

Stifel, Nicolaus & Company, Incorporated

[Date of Closing]

Re: Town of Camp Verde, Arizona  
Pledged Revenue and Revenue Refunding Obligation, Series 2020

Ladies and Gentlemen:

We have acted as special counsel to the Town of Camp Verde, Arizona (the “Issuer”), in connection with the execution and delivery of the above-referenced Obligation (the “Obligation”).

Reference is hereby made to our opinion letter as special counsel addressed to the Issuer dated of even date herewith and delivered with respect to the Obligation. Please be advised that you are entitled to rely on said letter as if the same had been addressed to you.

This letter is furnished by us to you in our capacity as special counsel to the Issuer pursuant to Paragraph 4(i)(1) of the Placement Agent Agreement with respect to the Obligation, dated [date of Agreement], between the Issuer and you. No attorney-client relationship has existed or exists between our firm and you or any other party in connection with the Obligation or by virtue of this letter. Our opinion may be relied upon only by the addressee hereof and may not be used or relied upon by any other person for any purpose whatsoever without, in each instance, our prior written consent.

Very truly yours,

EXHIBIT B

FORM OF ISSUER CLOSING CERTIFICATE

Pursuant to the Placement Agent Agreement, dated [date of Agreement] (the Agreement”), between the Town of Camp Verde, Arizona (the “Issuer”), and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”), as [title] of the Issuer duly authorized to execute this certificate on behalf of the Issuer, I hereby certify:

1. the representations and warranties of the Issuer contained in the Agreement are true and correct as if made on the date hereof;
2. the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement; and
3. as of its date and the date hereof, the information contained in the Placement Materials (as defined in the Agreement) is complete, true, and accurate and such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

[Name] .....

[Title] .....

[Date] .....

EXHIBIT C

FORM OF INVESTOR LETTER

Town of Camp Verde, Arizona

Stifel, Nicolaus & Company, Incorporated

Re: Town of Camp Verde, Arizona Pledged Revenue and Revenue Refunding Obligation,  
Series 2020

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby acknowledges that it is purchasing \$..... aggregate principal amount of the Town of Camp Verde, Arizona Pledged Revenue and Revenue Refunding Obligation, Series 2020 (the “Obligation”), authorized to be executed and delivered pursuant to a Resolution (the “Resolution”) adopted by the Mayor and Common Council of the Town of Camp Verde, Arizona (the “Issuer”) on June 17, 2020. The Obligation will be executed and delivered pursuant to the Fourth Trust Agreement, dated as of July 1, 2020 (the “Trust Agreement”), by and between the Issuer and \_\_\_\_\_, as trustee. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution, the Trust Agreement and the Placement Materials (as defined in the hereinafter defined Placement Agreement).

This letter is being provided pursuant to a Placement Agent Agreement, dated \_\_\_\_\_, 2020 (the “Placement Agreement”), between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”).

The Investor acknowledges that the proceeds of the Obligation will be used to finance and refinance certain capital projects in and for the Issuer.

The Obligation shall be payable from the sources described in the Trust Agreement.

In connection with the sale of the Obligation to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Obligation and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Obligation. The Investor (a) is a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; and (b) has the present intent to hold the Obligation to maturity or earlier redemption or mandatory tender.

2. The Investor is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (b) an “accredited investor” as that term is defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act.
3. The Investor is not purchasing the Obligation for more than one account or with a view to distributing the Obligation.
4. The Investor understands that the Obligation is not, and is not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Obligation (a) is not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency or a CUSIP identification number, and (d) will be delivered in a form that may not be readily marketable.
5. The Investor acknowledges that it has either been supplied with or been given access to information, including the Placement Materials, which it has requested from the Issuer and to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Issuer and the Obligation and the security therefor so that, as a reasonable investor, the Investor has been able to make a decision to purchase the Obligation. The Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Obligation.
6. The Investor acknowledges that the obligations of the Issuer with respect to the Obligation are payable solely from the sources described in the Resolution.
7. The Investor has made its own inquiry and analysis with respect to the Obligation and the security therefor, and other material factors affecting the security and payment of the Obligation. The Investor is aware that there are certain economic and regulatory variables and risks that could adversely affect the security for the Obligation. The Investor has reviewed the documents executed in conjunction with the execution and delivery of Obligation, or summaries thereof, including, without limitation, the Resolution.
8. The Investor acknowledges and agrees that the Placement Agent and the Issuer take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Obligation in violation of the provisions of the Trust Agreement, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer’s obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Obligation in connection with any subsequent transfer of the Obligation made by the Investor.

9. The Investor agrees that it is bound by and will abide by the provisions of the Trust Agreement relating to transfer, the restrictions noted on the face of the Obligation and this Investor Letter. The Investor also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Obligation by the Investor.
10. The Investor acknowledges that the sale of the Obligation to the Investor is made in reliance upon the certifications, representations, and warranties herein made to the addressees hereto.
11. The interpretation of the provisions hereof shall be governed and construed in accordance with State of Arizona law without regard to principles of conflicts of laws.
12. All representations of the Investor contained in this letter shall survive the execution and delivery of the Obligation to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date: ....., 2020

Very truly yours,

Investor: .....

By:.....

Printed Name:.....

Title: .....